

Legg Mason Royce US Small Cap Opportunity Fund

Asian Private Banker Asset Management Awards For Excellence 2017 (Best Fund Provider - US Equity)¹
BENCHMARK Fund of the Year Awards 2016: US Small-Cap Equity - Retail Class (Best-in-Class)²
BENCHMARK Fund of the Year Awards 2015 - House Award: US Small/Mid-Cap Equity (Outstanding Achiever)³
BENCHMARK Fund of the Year Awards 2014 - House Award: US Equity (Outstanding Achiever)⁴

Sub-Investment Manager

Royce & Associates

About The Fund

The Fund is a sub-fund of Legg Mason Global Funds plc, an open-ended umbrella investment company constituted in Ireland. The Fund seeks to achieve long-term capital appreciation by investing at least 70% of its Net Asset Value in a diversified portfolio of equity securities issued by small- and micro-cap U.S. companies (market capitalisations of less than US\$3 billion). The Sub-Investment Manager attempts to take advantage of what it believes are opportunistic situations for undervalued securities.

Fund Details

Reference Currency: USD / AUD
Month-end NAV:
Class A Acc. (USD) USD 151.42
Class A Distr. (A) (USD) USD 459.88
Class A Acc. (AUD) (H) AUD 127.80

Fees:
Management Fee: Up to 1.50% p.a.

Inception Date:
Class A Acc. (USD) 9 May 2007
Class A Distr. (A) (USD) 8 November 2002
Class A Acc. (AUD) (H) 3 June 2013

ISIN Code: IE00B19Z4B17 / IE0031619046 / IE00BB0QYY64

Bloomberg Ticker: LERSUAA ID / LEGMUSA ID / LMRSCAA ID

Fund Size: USD 816 million
Number Of Holdings: 264

3-Year Risk Statistics⁵ (Annualised)

Sharpe Ratio 0.40
Risk Adjusted Alpha -0.88%
Beta 1.12
Standard Deviation 18.41%

Sector Allocation (%)

Industrials 25.82
Information Technology 23.07
Consumer Discretionary 12.29
Financials 8.78
Health Care 8.41
Materials 8.21
Energy 7.28
Consumer Staples 1.74
Communication Services 1.17
Real Estate 0.67
Utilities 0.08
Cash & Cash Equivalents 2.49

• INVESTMENT INVOLVES RISKS. The value of the Fund can be volatile and investors may not get back the amount originally invested. Past performance is not indicative of future results.

- Investors will be exposed to equity market, concentration, custody and settlement, US markets and currency risks.
- Securities of smaller companies generally are less liquid and more volatile than those of larger companies; and smaller companies generally are more likely to be adversely affected by poor economic or market conditions.
- In light of the investment style of the Fund, the Fund may face the risk of mis-estimation by the Sub-Investment Manager in its fundamental analysis regarding the companies in which the Fund invests. The performance of the Fund may not closely correlate to specific market indices over time and may include extended periods of underperformance as compared to the broader market.
- Investors should not invest based on this marketing material alone. Offering documents should be read for further details, including the risk factors.

Cumulative Performance (%) (Since Inception)



	YTD	3-Month	1-Year	3-Year	5-Year
Class A Acc. (USD)	-21.35	-24.39	-21.35	22.42	3.25
Class A Distr. (A) (USD)	-21.35	-24.38	-21.35	22.43	3.25
Class A Acc. (AUD) (H)	-22.13	-24.84	-22.13	21.80	6.79
Benchmark (USD)	-11.01	-20.20	-11.01	23.76	24.09
Calendar Year	2018	2017	2016	2015	2014
Class A Acc. (USD)	-21.35	20.82	28.83	-13.78	-2.18
Class A Distr. (A) (USD)	-21.35	20.82	28.83	-13.78	-2.18
Class A Acc. (AUD) (H)	-22.13	21.03	29.23	-12.46	0.17
Benchmark (USD)	-11.01	14.65	21.31	-4.41	4.89

Performance is net of fees and is calculated on a NAV to NAV basis (USD/AUD).

Performance for periods greater than one year is cumulative. Performance is based on reinvestment of any income and capital gains distribution derived from securities held in the Fund

Acc. = Accumulating share class. Net investment income accumulated daily into NAV.

Distr. (A) = Distributing share class. The share class aims to declare and pay dividend on an annual basis. Dividend amount or dividend rate is not guaranteed.

The Fund invests in companies with small market capitalisations. The risks associated with investments in small companies include less experienced management, limited product lines and financial resources, shorter operating histories, less publicly available information, reduced liquidity and increased share price volatility.

Benchmark: Russell 2000 Index. Benchmark performance is calculated from performance inception of Class A Distr. (A) (USD) share.

Value Themes (%)

Turnarounds 32.61 Interrupted Earnings 19.90
Undervalued Growth 32.58 Unrecognized Asset Values 14.90

Top Ten Holdings (%)

Northwest Pipe Company 1.05 Meritor Inc 0.94
Comtech Telecommunications 1.02 Mueller Water Products 0.93
Granite Construction Incorporated 0.99 KEMET Electronics Corp. 0.93
Kratos Defense & Security Solutions 0.97 Cray Inc. 0.92
Carpenter Technology 0.96 CareDx Inc. 0.87
Total 9.58

¹ Source: Asian Private Banker. Awarded company: Legg Mason Global Asset Management. Based on performance up to 31 December 2016.

² Source: BENCHMARK. Based on performance of Class A Distr. (A) (USD) up to 30 September 2016.

³ Source: BENCHMARK. Awarded company: Legg Mason Global Asset Management. Based on performance up to 30 September 2015.

⁴ Source: BENCHMARK. Awarded company: Legg Mason Global Asset Management. Based on performance up to 30 September 2014.

⁵ Based on Class A Distr. (A) (USD) share.

A temporary negative position may be due to unsettled trade activity and/or the use of particular investment policies as allowed by the prospectus. Any share class with "(H)" in its name will attempt to hedge the currency risk between the base currency of the Fund and the currency of the share class, although there can be no guarantee that it will be successful in doing so. In some cases, investors may be subject to additional risks.

This document is for information only and nothing contained herein constitutes investment advice. All charts, data, opinions, estimates and other information are provided as of the date of this document and may be subject to change without notice. Investment returns are denominated in the Fund's base currency. Exchange rate changes may cause the value of overseas investments to rise or fall. Where the Fund's base currency is not US/HK Dollars, US/HK Dollar-based investors are exposed to exchange rate fluctuations. This document does not constitute an offer or solicitation to buy or sell any units or shares in any fund and the distribution of this document in jurisdictions other than Hong Kong or Macau may be restricted. Any person coming into possession of this document should seek advice for details of, and observe, such restrictions (if any). This document has not been reviewed by the Securities and Futures Commission in Hong Kong or Monetary Authority of Macao in Macau.

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