

Objective

The Hotchkis & Wiley Diversified Value Fund seeks capital appreciation using a disciplined, value investment process. Through our consistent process and independent research, we own large cap companies that we believe are undervalued relative to their tangible assets, have sustainable cash flow and potential for improving business performance. The Fund is well diversified and seeks to own large, financially strong U.S. based companies that offer the best combination of value and potential for price appreciation. The Fund typically holds 50-80 securities and generally invests in companies with a market capitalization greater than \$5 billion.



Investment Strategy

- Emphasizes rigorous in-house fundamental research to identify undervalued large cap companies
- Employs a disciplined and repeatable investment process
- Incorporates multiple perspectives to enhance understanding of risks

Classes & Tickers

I Shares	HWCIX
A Shares	HWCAAX
C Shares	HWCCX

Top Ten Stocks¹

American Int'l Group Inc.	4.9%
Hewlett Packard Enterprise	4.1
Oracle Corp.	3.5
Citigroup Inc.	3.5
Wells Fargo & Co.	3.5
Apache Corp.	3.3
Discovery Inc.	3.3
Microsoft Corp.	3.1
Marathon Oil Corp.	3.1
Hess Corp.	2.9

Top Ten Industries¹

Oil, Gas & Consumable Fuels	13.7%
Banks	11.8
Media	7.9
Software	6.6
Insurance	6.4
Consumer Finance	4.8
Capital Markets	4.6
Machinery	4.2
Tech Hardware, Stge & Periph.	4.1
Automobiles	3.1

Sector Breakdown¹

	Portfolio	Rus 1000V
Financials	28.6%	22.8%
Information Technology	15.5	9.8
Energy	15.1	10.8
Communication Services	10.0	6.7
Industrials	9.1	8.1
Health Care	7.3	15.2
Consumer Discretionary	6.1	5.3
Consumer Staples	4.4	7.2
Utilities	2.1	5.6
Materials	1.1	3.9
Real Estate	0.0	4.6

Portfolio Characteristics

	Portfolio	Rus 1000V
Projected P/E (FY2)	11.8x	13.9x
Price/Normal Earnings	9.8x	15.1x
Price/Book	1.6x	2.1x
Price/Sales	1.1x	1.6x
Wtd Avg Market Capitalization (mm)	\$100,305	\$119,950
Median Market Capitalization (mm)	\$26,752	\$10,074

Statistics

Beta	1.29
Alpha	-1.91
R-Squared	0.85

Composition

Total Net Assets (mm)	\$110
Number of Holdings	67

3-Year annualized risk statistics relative to Russell 1000 Value Index.

¹ % of total portfolio includes total investments, cash and cash equivalents, and accrued investment income on a trade date basis.

Portfolio Characteristics

Projected P/E (FY2) is the projected P/E ratios of the companies invested in the portfolio, which ratios represent current market price per share divided by a company's estimated future earnings-per-share. Projected earnings are consensus analyst forecasts; actual P/E ratios may differ from projected P/E ratios. **Price/Normal Earnings** is the current market price per share divided by normalized earnings per share. **Price/Book** is the price of a stock divided by its book value. **Price/Sales** is the aggregate portfolio capitalization to aggregate portfolio historical sales of all stocks in the fund's portfolio as of that date. **Market Capitalization** of a company is calculated by multiplying the number of outstanding shares by the current market price of a share. **Beta** measures the sensitivity of rates of return on a fund to general market movements. **Alpha** measures the Fund's risk-adjusted return above and beyond the return of the market. **R-Squared** is a statistical measure that represents the percentage of a fund's movement that is explained by movements in a benchmark index.

Sources: Wilshire, Bloomberg

Holdings are subject to change and are not buy/sell recommendations. Certain information presented based on proprietary or third-party estimates are subject to change and cannot be guaranteed.

Diversification does not assure a profit nor protect against loss in a declining market.

Performance as of September 30, 2018



	3Q18	1 Year	3 Year	5 Year	10 Year	Since 8/30/04
I Shares	4.89%	11.04%	15.04%	10.95%	11.73%	7.62%
A Shares without sales charge	4.83	10.80	14.78	10.68	11.45	7.35
A Shares	-0.65	5.01	12.73	9.50	10.85	6.94
C Shares without CDSC	4.56	9.91	13.89	9.84	10.65	6.56
C Shares	3.56	8.91	13.89	9.84	10.65	6.56
Russell 1000 Value Index	5.70	9.45	13.55	10.72	9.79	8.22

The Fund's total annual operating gross expense ratio as of the most current prospectus is 0.97% for I Shares, 1.22% for A Shares and 1.97% for C Shares. The net expense ratio is 0.80% for I Shares, 1.05% for A Shares and 1.80% for C Shares. The Advisor has contractually agreed to waive advisory fees and/or reimburse expenses through August 29, 2019.

The performance shown represents past performance. Past performance is no guarantee of future results and current performance may be higher or lower than the performance shown. Investment results and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. To obtain performance data current to the most recent month-end, access our website at www.hwcm.com.

You should consider the Fund's investment objectives, risks, and charges and expenses carefully before you invest. This and other important information is contained in the Fund's summary prospectus and prospectus, which can be obtained by calling 1-800-796-5606 or visiting our website at www.hwcm.com. Read carefully before you invest.

(Inception date: I, A and C Shares-8/30/04). Returns shown for A Shares and C Shares without sales charge do not reflect the maximum sales load of 5.25% or the Contingent Deferred Sales Charge (CDSC) of 1.00% for the first year; if reflected, performance would be lower than shown. Returns for A and C shares reflect the deduction of the current maximum initial sales charges of 5.25% and 1.00% CDSC. C Shares convert automatically to A Shares approximately eight years after purchase. A Shares are subject to lower annual expenses than C Shares. I Shares sold to a limited group of investors. Periods over one year are average annual total return. Average annual total returns include reinvestment of dividends and capital gains. Expense limitations may have increased the Fund's total return.

The **Russell 1000® Value Index** measures the performance of those Russell 1000® companies with lower price-to-book ratios and lower forecasted growth values. The index does not reflect the payment of transaction costs, fees and expenses associated with an investment in the Fund. The Fund's value disciplines may prevent or restrict investment in major stocks in the benchmark index. It is not possible to invest directly in an index. The Fund's returns may not correlate with the returns of their benchmark index. Russell Investment Group is the source and owner of the Russell Index data contained herein (and all trademarks related thereto), which may not be redistributed. The information herein is not approved by Russell. H&W and Russell sectors are based on the Global Industry Classification Standard by MSCI and Standard and Poor's. **Cash flow** measures the cash generating capability of a company by adding non-cash charges (e.g., depreciation) and interest expense to pretax income.

Mutual fund investing involves risk. Principal loss is possible. The Fund may invest in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods. The Fund may invest in American Depository Receipts ("ADRs") and Global Depository Receipts ("GDRs") which may be subject to some of the same risks as direct investment in foreign companies.

**NOT FDIC INSURED
NO BANK GUARANTEE
MAY LOSE VALUE**

The Hotchkis & Wiley Funds are distributed by Quasar Distributors, LLC

