

Legal & General UK Special Situations Trust

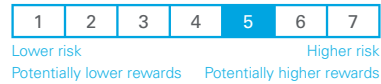


Unit Trust (UCITS compliant) I-Class GBP

FUND AIM

The objective of this fund is to provide growth. The fund will typically invest between 80% and 100% in UK company shares. The fund may also invest in company shares from Europe. The fund will invest in companies considered, in the manager's view, to be undervalued by the market.

RISK AND REWARD PROFILE



The synthetic risk and reward indicator (SRRI) is based on the historic volatility of the fund's value and it may change in the future.

This fund is in category 5 because it invests in company shares which generally provide higher rewards and higher risks than other investments such as bonds, cash or commercial property.

For more information, please refer to the Key Risks section on page 3.

WHO IS THIS FUND FOR?

- This fund is designed for investors looking to grow their money in an investment which can form part of their existing savings portfolio
- Although investors can take their money out at any time, this fund may not be appropriate for those who plan to withdraw their money within five years
- If you do not understand this document we recommend you seek additional information to help you decide if this fund is right for you

FUND FACTS

Fund size £281.6m	Base currency GBP	IA Sector UK All Companies
Launch date 10 Nov 2008	Domicile UK	Historical yield 1.40%

COSTS

Initial charge 0.00%	Ongoing charge 0.94%
Price basis Dual	Bid / Offer spread 0.94%

For detail on price basis methodologies please refer to the 'Guide to Investing With Us' found on our website. [↗](#)

PERFORMANCE (%)



	1 month	6 months	1 year	3 years	5 years
■ Fund	3.35	8.10	16.09	53.90	108.90
■ IA Sector	2.19	5.63	15.85	33.51	69.68
Quartile ranking	1	1	2	1	1

ANNUAL PERFORMANCE (%)

12 months to 30 September	2017	2016	2015	2014	2013
Fund	11.93	22.27	8.03	3.53	32.94
IA Sector	13.84	11.98	1.70	5.94	22.64
Quartile ranking	3	1	1	4	1

Performance for the I Inc unit class in GBP, launched on 10 November 2008. Source: Lipper. Performance assumes all fund charges have been taken and that all income generated by the investments, after deduction of tax, remains in the fund.

Past performance is not a guide to future returns. The value of your investment and any income taken from it is not guaranteed and may go up and down.

FUND SNAPSHOT



- Aims to provide long-term capital growth through stocks with unrecognised market potential
- We look companies which are undervalued because they be undergoing management change, refinancing or recovering from difficulty
- Legal & General has a significant presence in the UK stock market so our fund managers often have the chance to meet a company's management team before we invest

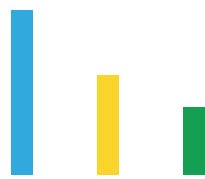


PORTFOLIO BREAKDOWN

All data source LGIM unless otherwise stated. Totals may not sum due to rounding.

COUNTRY (%)

	United Kingdom	95.7
	Germany	4.3



MARKET CAPITALISATION (%)

■	Large	46.1
■	Mid	27.8
■	Small	18.8
■	Micro	0.0
	Cash and Equivalents	7.3



■ Top 10 Holdings 44.57%
 ■ Rest of Portfolio 55.43%
 No. of holdings 32

TOP 10 HOLDINGS (%)

Prudential	5.1
BP	4.9
British American Tobacco	4.6
Playtech	4.6
DCC	4.5
GVC Holdings	4.5
CRH	4.3
Bayer AG	4.3
Carnival	4.0
Urban & Civic PLC	3.9

TOP SECTOR OVER/UNDERWEIGHTS (%)

	Fund	Rel.	
Industrials	27.0	16.1	■
Technology	8.9	7.3	■
Consumer Services	15.2	4.3	■
Basic Materials	11.3	4.0	■
Utilities	0.0	-2.9	■
Health Care	5.0	-3.0	■
Oil & Gas	7.3	-5.4	■
Financials	17.1	-9.3	■
Consumer Goods	6.4	-9.4	■

TOP 5 STOCK OVER/UNDERWEIGHTS

	Fund	Rel.	
Playtech	4.6	4.5	■
GVC Holdings	4.5	4.4	■
Bayer AG	4.3	4.3	■
DCC	4.5	4.3	■
Urban & Civic PLC	3.9	3.9	■
Astrazeneca	0.0	-2.6	■
Diageo	0.0	-2.6	■
Glaxosmithkline	0.0	-2.7	■
HSBC Holdings	1.0	-5.1	■
Royal Dutch Shell	0.0	-8.1	■

FUND MANAGER COMMENTARY

Following a mixed September, global equity markets enjoyed a strong start to Q4. The FTSE All Share was back in positive territory, closing the month up 1.9% and taking the year-to-date gain to 9.8%. Divorce talks between Prime Minister Theresa May and the Eurozone remain a slow grind, while there has been little change in economic data to affect the Bank of England decision on introducing a rate hike in November

In the UK, mid-caps were once again the size winners. Of the sectors, technology and energy outperformed. Leisure goods, mining and leisure sectors were additional relative winners. Conversely, utilities and pharmaceutical sectors underperformed. Meanwhile, both retail sectors were also a drag. From a style perspective, cheap stocks were out of favour, with value measures yet again under pressure. In terms of geographic exposure, domestic-exposed companies reversed last month's trend, closing the period in negative territory. This was to the benefit of those exposed to North America, which has seen renewed bullish expectations on possible tax reform

The fund enjoyed a strong month, delivering a gain of 3.4% and closing the period comfortably above the benchmark and peer group. This was driven by a combination of strong stock selection (consumer discretionary, healthcare) and sector positioning. From an allocation perspective, our overweight in technology and underweight in utilities added value. On the flipside, our underweight in energy cost us some relative performance.



RICHARD PENNY

Richard joined LGIM in 2003 and is a Senior Fund Manager within the High Alpha Team and the Manager of the award-winning L&G UK Alpha Trust as well as a number of segregated portfolios. Previously he worked for five years as a Fund Manager for M&G Investment Management and prior to this, for four years as a Fund Manager at Scottish Amicable Investment Management. Richard has a Masters degree in Engineering and Economics from Oxford University.

KEY RISKS

- Derivatives are highly sensitive to changes in the value of the asset on which they are based and can increase the size of losses and gains.
- The fund may have underlying investments that are valued in currencies that are different from Sterling (British Pounds). Any such investments will be impacted by exchange rate fluctuations and this may affect the value of your investment and any income from it. Currency hedging techniques may have been applied to reduce the impact of exchange rate fluctuations but may not entirely eliminate it.
- The return from this fund is dependent on relatively few individual investments. This means that a fall in the value of an individual investment can have a major impact on the overall performance of the fund.
- The fund could lose money if any institutions providing services such as safekeeping of assets or acting as counterparty to derivatives or other instruments, becomes unwilling or unable to meet its obligations to the fund.

For more information, please refer to the key investor information document on our website [↗](#)

LATEST DISTRIBUTION INFORMATION

For distributing unit classes, the latest payments are shown below. Please note that these payments are not guaranteed, are at the discretion of the manager and may be paid out of capital.

Type	Ex-div date	Pay date	Pence per unit
Interim	14 Mar 17	14 May 17	0.71p
Final	14 Sep 16	14 Nov 16	0.99p
Interim	14 Mar 16	14 May 16	0.31p
Final	14 Sep 15	14 Nov 15	0.98p



SPOTLIGHT ON LEGAL & GENERAL INVESTMENT MANAGEMENT

We are one of Europe’s largest asset managers and a major global investor, with assets under management of £957.2 billion (as at 30 June 2017). We work with a wide range of global clients, including pension schemes, sovereign wealth funds, fund distributors and retail investors.

Assets under management includes derivative positions and assets managed by LGIMA, an SEC Registered Investment Advisor.

DEALING INFORMATION


Valuation frequency	Daily, 12pm (UK time)
Dealing frequency	Daily
Settlement period	T+4

CODES

ISIN	I Acc	GB00B3DMY345
	I Inc	GB00B3DMY121
SEDOL	I Acc	B3DMY34
	I Inc	B3DMY12
Bloomberg	I Acc	LGUKSIA
	I Inc	LGUKSII

TO FIND OUT MORE

 Visit www.legalandgeneral.com

 Call **0370 050 0955**

 Email investments@landg.com

Lines are open Monday to Friday 8.30am to 6.00pm. We may record and monitor calls. Call charges will vary.

Important information

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