



# Small Cap Value Fund

**Management Team**

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**Benchmark**

Russell 2000® Value Index

**Highlights**

- Our goal is to provide consistent, long-term investment performance in excess to the Russell 2000® Value Index
- The investment universe includes all stocks generally within the market cap range of the benchmark at initial purchase
- We believe that known and recurring inefficiencies are available in the small cap market causing stock prices to deviate from their intrinsic value
- These inefficiencies can be categorized into three areas: misunderstood franchises, underfollowed and special situations
- A repeatable investment process can uncover higher quality businesses that are trading at a discount to intrinsic value utilizing rigorous fundamental research
- Disciplined bottom-up portfolio construction within a risk aware framework
- Sector guidelines: typical range is +/- 50% for benchmark sectors over 10%
- Individual security exposure: typical position range is 0.3% to 1.2% with a maximum weight of 2.5%
- Typically 100 to 130 stocks; turnover: 20% to 40% annually

**Objective**

Seeks to produce long-term capital growth

Fund Facts		Share class	
Fund inception	5/13/91	I	R
Total net assets	\$444.1M	Inception	5/13/91 12/31/96
Morningstar category	Small Blend	Ticker	LSSCX LSCRX
Number of holdings	116	CUSIP	543495816 543495790
Turnover (at 9/30/22)	28%	Gross expense ratio	0.94% 1.19%
		Net expense ratio	0.90% 1.15%

Additional share classes may be available for certain funds for eligible investors. Performance results will vary based on the share class.

**Performance (%) as of December 31, 2022**

	CUMULATIVE RETURN		AVERAGE ANNUALIZED RETURN			
	3 MO	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR
CLASS I	11.94	-11.54	-11.54	5.26	4.02	8.89
BENCHMARK	8.42	-14.48	-14.48	4.70	4.13	8.48
CLASS R	11.94	-11.75	-11.75	5.01	3.76	8.63

**Calendar Year Performance (%)**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
CLASS I	-11.54	29.01	2.18	25.08	-16.52	10.02	26.47	-3.36	5.33	35.94
BENCHMARK	-14.48	28.27	4.63	22.39	-12.86	7.84	31.74	-7.47	4.22	34.52

Institutional Class shares (Class I) are available to institutional investors only; minimum initial investment of \$100,000. Retail Class shares are available with a minimum initial investment of \$2,500.

As of the most recent prospectus, the investment advisor has contractually agreed to waive fees and/or reimburse expenses (with certain exceptions) once the expense limitation of the fund has been exceeded. This arrangement is set to expire on 1/31/23. When an expense limitation has not been exceeded, the fund may have similar expense ratios.

**Performance data shown represents past performance and is no guarantee of future results. Investment return and value will vary and you may have a gain or loss when shares are sold. Current performance may be lower or higher than quoted. For most recent month-end performance, visit [www.loomissayles.com](http://www.loomissayles.com). Returns reflect changes in share price and reinvestment of dividends and capital gains, if any.**



PORTFOLIO CHARACTERISTICS		
	Fund	Index
Price/earnings (trailing 12 mths)	11.56x	9.86x
Est. P/E (forward 12 months)	11.57x	9.83x
5 Year Historical EPS Growth	17.37%	10.82%
3-5 yr EPS growth	14.29%	7.63%
ROE (1-yr equal wtd)	16.62%	15.39%
Dividend Yield	1.46%	2.32%
Wtd avg market cap	\$4.00B	\$2.38B
Median market cap	\$3.01B	\$814.53M
Median active share (since team inception)	89.71%	-

TOP 10 HOLDINGS (%)	
	Fund
Herc Holdings, Inc.	2.0
Weatherford International plc	1.6
Northern Oil and Gas, Inc.	1.4
Rambus Inc.	1.4
Wintrust Financial Corporation	1.4
Crocs, Inc.	1.4
United Therapeutics Corporation	1.3
Home Bancshares, Inc.	1.3
AECOM	1.2
Kadant Inc.	1.2
Total	14.3

SECTOR DISTRIBUTION (%)		
	Fund	Index
Industrials	22.2	13.3
Financials	16.2	28.8
Information Technology	13.9	5.5
Healthcare	12.0	10.5
Energy	8.3	6.2
Consumer Discretionary	7.4	10.0
Materials	4.4	4.1
Communication Services	3.5	2.9
Consumer Staples	3.2	2.7
Real Estate	3.1	10.7
Utilities	2.9	5.3
Cash	3.1	-

The Russell 2000® Value Index measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values. The Russell 2000® Index measures the performance of the 2,000 smallest companies in the Russell 3000® Index (a broad market index), representing approximately 8% of the Russell 3000® Index total market capitalization. Indices are unmanaged. It is not possible to invest directly in an index.

MARKET CAPITALIZATION (%)		
	Fund	Index
> \$2 Billion	72.1	52.4
\$1 to 2 Billion	17.1	26.2
\$0.5 to 1 Billion	6.2	14.1
< \$0.5 Billion	1.4	7.3
Cash	3.1	-

## About Risk

**Equity securities** are volatile and can decline significantly in response to broad market and economic conditions. **Smaller company** investments can be more volatile than those of larger companies. **Value** investing carries the risk that a security can continue to be undervalued by the market for long periods of time. **Foreign and emerging market securities** may be subject to greater political, economic, environmental, credit, currency and information risks. Foreign securities may be subject to higher volatility than US securities due to varying degrees of regulation and limited liquidity. These risks are magnified in emerging markets.

Portfolio composition statistics are from the adviser's internal system and may not match the fund's regulatory documents. Due to rounding, **Market Capitalization** and **Sector Distribution** totals may not equal 100%. This portfolio is actively managed and characteristics are subject to change. **Top 10 Holdings** may combine more than one security from the same issuer and related depositary receipts. Portfolio weight calculations include accrued interest. Holdings are based on total gross assets before any fees are paid; any cash held is included. Reference to specific securities or holdings should not be considered recommendations for action by investors. There is no guarantee the fund continues to invest in the securities referenced. **Cash** may include unsettled trades, fees and/or derivatives.

**P/E (forward)** measures price-to-earnings ratio using forecasted earnings for the price-to-earnings calculation; the forward measure is not a forecast of the fund's performance. **P/E (trailing)** is the sum of a company's price-to-earnings, calculated by dividing current stock price by trailing earnings per share for the past 12 months. **3-5 Year EPS Growth** is sourced from FactSet and based on long-term EPS growth rate estimates gathered directly from brokers. The portfolio and benchmark statistic is a weighted average of company level estimates. **3-yr Historical EPS** is the average earnings per share value that the company reports quarterly over the trailing 3-year term, calculated by dividing earnings available to shareholders by total number of shares outstanding. **5-yr Historical EPS** is the average earnings per share value that the company reports quarterly over the trailing 5-year term, calculated by dividing earnings available to shareholders by total number of shares outstanding. **Return on Equity (ROE)** measures a company's profitability and reveals how much profit a company generates with money shareholders invested. ROE is calculated by dividing net income by shareholder equity. **ROE (1-year equal wtd)** is the 1-year ROE of all holdings divided by number of holdings. **Price/Cash Flow** compares the price of a company's stock relative to how much cash flow the firm is generating, calculated by dividing the current market price of the share by the cash flow per share. **Price/Book** is a ratio that compares a stock's market value to its book value calculated by dividing current closing price of the stock by the latest quarter's book value per share. **Debt-to-capital** provides a measure of how much debt the company has on its books calculated by total company debt divided by total capitalization of the company. **Median Market Cap** is the midpoint of market capitalization (market price multiplied by number of shares outstanding) of stocks in a portfolio. **Median Active Share (since team inception)** indicates the proportion of the portfolio's holdings (by market value) that is different than the benchmark. A higher active share indicates a larger difference between the benchmark and the portfolio.

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