

NEWS RELEASE
For Immediate Release

Contact Information:

Mary Athridge
(212) 805-6035
mkathridge@leggmason.com

**QS INVESTORS ANNOUNCES A METHODOLOGY ADJUSTMENT FOR
THE QS INTERNATIONAL LOW VOLATILITY HIGH DIVIDEND HEDGED INDEX**

New York, May 26, 2017 - QS Investors, LLC (“QS Investors”) will implement an adjustment to the methodology of its QS International Low Volatility High Dividend Hedged Index (the “Index”), effective at its June 2017 rebalancing. The adjustment is aimed at reducing turnover and increasing capacity while not materially affecting the profile of Index constituents.

The Index includes stocks with a relatively high dividend yield and relatively low price and earnings volatility, selected from the constituents of the MSCI World Ex-US Investable Market (IMI) Index. Stocks whose yields are not supported by earnings are excluded from consideration. The Index adjustment will moderately relax the minimum profitability threshold for existing index constituents during portfolio rebalances, compared to stocks newly included.

Please note the application of this adjustment to the eligibility requirements for existing Index constituents are covered by the existing rule book, without changes being necessary.

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About the Index

The **QS International Low Volatility High Dividend Hedged Index** (the Index) seeks to track the investment results of an index composed of equity securities of international companies with relatively high yield and low price and earnings volatility. The Index is composed of stocks of international developed-market companies across a wide range of market capitalizations, based on the constituents of the MSCI World ex- US Investable Market Index (IMI). Stocks whose yields are not supported by earnings are excluded from the Index. The Index also takes into account foreign withholding taxes on dividend payments to minimize their impact on distribution yield. The methodology calculates a composite score, with the yield of stocks with relatively higher price and/or earnings volatility adjusted downward and the yield of stocks with relatively lower price and/or earnings volatility adjusted upward. Price and earnings volatility metrics are measured in local currency. In addition, the stable yield score of stocks from countries with relatively high interest rates compared to the US is adjusted downward and the score of stocks with relatively low interest rates is adjusted upward, so as to reflect the implicit cost of currency hedging. The Index weights are then calculated to maximize its high stable yield score subject to concentration limits, liquidity requirements and turnover restraints. The Index includes stocks with a high score, with weightings taking into account liquidity requirements and concentration limits on sector exposures, country exposures, and individual stock holdings.

Please note that an investor cannot invest directly in an index, and unmanaged index returns do not reflect any fees, expenses or sales charges.

Index Disclaimers

The Index is created and sponsored by QS Investors and is the exclusive property of QS Investors. QS Investors has retained Solactive AG, an unaffiliated third party, to calculate the Index and serve as index administrator. Solactive AG also publishes information regarding the market value of the Index.

QS Investors uses the MSCI World ex-US IMI Index (the "MSCI Index") as the reference universe for selection of the component securities included in the Index. MSCI Inc. does not in any way sponsor, support, promote or endorse the Index. MSCI Inc. was not and is not involved in any way in the creation, calculation, maintenance or review of the Index. The MSCI Index was provided on an "as is" basis. MSCI Inc., its affiliates and any other person or entity involved in or related to compiling, computing or creating the MSCI Index (collectively, the "MSCI Parties") expressly disclaim all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose). Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including without limitation lost profits) or any other damages in connection with the MSCI Index or the Index.

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About QS Investors

A wholly-owned, independently-managed affiliate of Legg Mason, Inc., QS Investors, LLC was formed in 1999 as the quantitative platform of a global asset manager. As an investment firm providing asset management and advisory services to a diverse array of institutional clients, QS Investors delivers disciplined, systematic solutions that address clients' complex challenges. The QS team has developed unique approaches to integrating quantitative and behavioral investment insights and dynamically weighting opportunities in response to changing economic and market conditions. Risk identification, assessment and management are intrinsic to their process. Based in New York and Boston, QS Investors offers a broad spectrum of strategies to clients worldwide, including actively managed U.S. and global equities, liquid alternatives and customized solutions.

About Legg Mason

Legg Mason is a global asset management firm with \$731 billion in assets under management as of April 30, 2017. The Company provides active asset management in many major investment centers throughout the world. Legg Mason is headquartered in Baltimore, Maryland, and its common stock is listed on the New York Stock Exchange (symbol: LM).

QSCR 17114 (MAY 2017). QS Investors, LLC. QS Investors, LLC is a subsidiary of Legg Mason, Inc.