

Annual Report and Audited Financial Statements

Legg Mason
Global Solutions Plc

(An investment company with variable capital incorporated with limited liability in Ireland and established as an umbrella fund with segregated liability between sub-funds)

For the year ended June 30, 2018

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General Information

Board of Directors

Joseph Carrier (U.S.)
Brian Collins (Ireland) (Independent)
Fionnuala Doris (Ireland) (Independent)
Joseph Keane (Ireland) (Independent)
Joseph LaRocque (U.S.)
Jane Trust (U.S.)

Promoter and Investment Manager

Legg Mason Investments (Europe) Limited
201 Bishopsgate,
London EC2M 3AB,
United Kingdom

Sub-Investment Manager

QS Investors, LLC
880 Third Avenue, 7th Floor,
New York, NY 10022,
USA

Depository

BNY Mellon Trust Company (Ireland) Limited
One Dockland Central
Guild Street
IFSC
Dublin 1, Ireland

Legal Advisers

Arthur Cox
Ten Earlsfort Terrace
Dublin 2, Ireland

Distributors and Shareholder Servicing Agents

Legg Mason Investor Services, LLC
100 International Drive
Baltimore, Maryland 21202,
USA

Legg Mason Investments (Europe) Limited
201 Bishopsgate,
London EC2M 3AB,
United Kingdom

Legg Mason Asset Management Singapore Pte. Limited,
1 George Street, #23-02
Singapore 049145

Registered Office

Riverside Two
Sir John Rogerson's Quay
Grand Canal Dock
Dublin 2, Ireland

Company Secretary

Bradwell Limited
Ten Earlsfort Terrace
Dublin 2, Ireland

Administrator

BNY Mellon Fund Services (Ireland) Designated Activity Company
One Dockland Central
Guild Street
IFSC
Dublin 1, Ireland

Independent Auditors

PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
One Spencer Dock
North Wall Quay
Dublin 1, Ireland

Letter to Shareholders

Dear Shareholder,

We are pleased to provide you with the annual report for Legg Mason Global Solutions Plc (the "Company") for the twelve months ended June 30, 2018. In this report we highlight the key drivers behind the performance of bond¹ and equity² markets over the reporting period.

Global Economic Review

The global economy continued to expand during the year ended June 30, 2018. In its April 2018 *World Economic Outlook Update*, the International Monetary Fund ("IMF") said, "World growth strengthened in 2017 to 3.8%, with a notable rebound in global trade. It was driven by an investment recovery in advanced economies, continued strong growth in emerging Asia, a notable upswing in emerging Europe, and signs of recovery in several commodity³ exporters. Global growth is expected to tick up to 3.9% this year and next, supported by strong momentum, favorable market sentiment, accommodative financial conditions, and the domestic and international repercussions of expansionary fiscal⁴ policy in the United States." From a regional perspective, the IMF projects 2018 growth in the U.S. will improve from 2.3% in 2017 to 2.9% in 2018. Growth in the Eurozone is forecasted to be 2.4% in 2018, versus 2.3% in 2017. Japan's economy is expected to expand 1.2% in 2018, compared to 1.7% in 2017. Elsewhere, the IMF projects that overall growth in emerging market⁵ countries will accelerate to 4.9% in 2018, versus 4.8% in 2017.

Market Review – Fixed Income⁶

Global fixed income markets generated weak results overall during the reporting period. In the U.S., short-term Treasury yields⁷ moved higher as the U.S. Federal Reserve⁸ Board (the "Fed") raised interest rates⁹ in December 2017, March 2018 and June 2018. The Fed currently anticipates raising rates two additional times before the end of 2018. Longer-term Treasury yields also moved higher, albeit to a lesser extent. Longer-term sovereign yields¹⁰ in Europe fluctuated, but remained relatively low over the reporting period. Meanwhile, investment-grade corporate bonds¹¹ modestly declined, whereas lower-rated corporate bonds posted small gains. Elsewhere, emerging market debt performed poorly given concerns over a global trade war and signs that global economic growth was moderating. The asset¹² class was also negatively impacted by a strengthening U.S. dollar during the second half of the reporting period.

Market Review – Global Equities

After a strong start to the year ended June 30, 2018, global equities gave back a portion of their gains as the period progressed. Equities initially rallied given signs of synchronised global growth, corporate profits that often exceeded expectations and overall accommodative monetary policy¹³. In the U.S., there were also hopes that the December 2017 tax reform bill would lead to improving growth and rising corporate profits. Against this backdrop, investor demand was generally robust. However, global equities later weakened amid fears of a global trade war, signs of slowing growth and a number of geopolitical¹⁴ issues. From a regional perspective, U.S. equities were the performance leaders – posting a double-digit gain – while non-US developed and emerging market equities generated more modest returns.

We thank you for continued support.

Yours sincerely,

Legg Mason Investments (Europe) Limited

It should be noted that the value of investments and the income from them may go down as well as up. Investment involves risks, including the possible loss of the amount invested. Past performance is not a reliable indicator of future results.

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1. Bond – a debt investment in which an investor loans money to an entity (corporate or governmental) that borrows the funds for a defined period of time at a fixed interest rate.
2. Equity – ownership interest in a corporation in the form of common stock or preferred stock.
3. Commodity – a basic good used in commerce that is interchangeable with other commodities of the same type. Traditional examples of commodities include grains, gold, beef, oil and natural gas.
4. Fiscal – typically refers to revenue that belongs to the government.
5. Emerging market – in investment terms, countries whose financial markets are less developed and where investor protection and market infrastructure is often weaker than in developed markets such as the UK.
6. Fixed income – bonds.
7. Treasury yields – interest rates on borrowing that is paid by the government.
8. U.S. Federal Reserve – the central bank of the United States and the most powerful financial institution in the world.
9. Interest rates – rates charged or paid for the use of money.
10. Yields – the amount in cash (in percentage terms) that returns to the owners of a security, in the form of interest or dividends received.
11. Corporate bonds – bonds issued by a corporation to raise money effectively in order to expand its business.
12. Asset – a financial instrument that is typically held in stocks, share or bond form. An owner of an asset usually holds it with an intention of receiving future returns.
13. Monetary policy – a country's central bank usually sets the monetary policy that attempts to regulate the supply of money into the country.
14. Geopolitical – relating to politics, especially international relations, as influenced by geographical factors.

Director's Report

The directors of Legg Mason Global Solutions Plc (the "Company") (the "Directors") submit their report together with the audited financial statements for the year ended June 30, 2018.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the directors' report and the financial statements in accordance with Irish law.

Irish company law requires the Directors to prepare financial statements for each financial year that give a true and fair view of the Company's assets, liabilities and financial position as at the end of the financial year and of the profit or loss of the Company for the financial year. The Directors have prepared the financial statements in accordance with the accounting standards generally accepted in Ireland, including Financial Reporting Standard ("FRS") 102: "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102").

Under Irish company law, the Directors shall not approve the financial statements unless they are satisfied that they give a true and fair view of the Company's assets, liabilities and financial position as at the end of the financial year and the profit or loss of the Company for the financial year.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards and identify the standards in question, subject to any material departures from those standards being disclosed and explained in the notes to the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for ensuring that adequate accounting records are kept that are sufficient to:

- correctly record and explain the transactions of the Company;
- enable, at any time, the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy; and
- enable the Directors to ensure that the financial statements comply with the requirements of the Companies Act 2014 and enable those financial statements to be audited.

To achieve this, the Directors have appointed an experienced administrator, BNY Mellon Fund Services (Ireland) Designated Activity Company (the "Administrator"), to maintain the accounting records and perform additional administrative duties.

The Directors are also responsible for safeguarding the assets of the Company. In fulfilment of this responsibility, they have appointed BNY Mellon Trust Company (Ireland) Limited (the "Depositary") to safekeep the Company's assets in accordance with the constitution of the Company. In addition, the Directors are responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the financial statements of the Company included on the website of Legg Mason affiliates that distribute the Funds. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Review of Business and Future Developments

As at June 30, 2018 the Company has six active funds (2017: six funds) – Legg Mason QS Investors Multi Asset Euro Conservative Fund, Legg Mason QS Conservative Fund, Legg Mason QS Investors Multi Asset Euro Balanced Fund, Legg Mason QS Balanced Fund, Legg Mason QS Investors Multi Asset Euro Performance Fund and Legg Mason QS Growth Fund (the "Fund" or collectively the "Funds"). The Funds commenced operations on February 25, 2015.

The Letter to Shareholders contains a review of the factors which contributed to the performance of the Funds for the year. The Directors do not anticipate any changes to the investment objectives of the existing Funds. The aim of spreading investment risk has been maintained during the year ended June 30, 2018.

The investment objectives of the Funds are included in Note 3 to the financial statements.

Risk Management Objectives and Policies

Information in relation to the Company's risk management objectives and policies is included in Note 13 to the financial statements.

Results for the year and State of Affairs at June 30, 2018

The Statement of Financial Position as at June 30, 2018 and June 30, 2017 and the Statement of Comprehensive Income for the year ended June 30, 2018 and June 30, 2017 are set out on pages 16 to 18 and 20 to 21, respectively.

Distributions to Holders of Redeemable Participating Shares

The distributions to holders of Redeemable Participating Shares for the year ended June 30, 2018 and June 30, 2017 are set out in the Statement of Comprehensive Income.

Significant Events

See Note 14 for details of significant events during the year.

Subsequent Events

There are no significant events subsequent to the year end other than those disclosed in Note 15.

Director's Report – (continued)

Directors

The names of the persons who are currently Directors or who served as a Director at any time during the year are set out below.

Joseph Carrier (U.S.)
Brian Collins (Ireland) (Independent)
Fionnuala Doris (Ireland) (Independent)
Joseph Keane (Ireland) (Independent)
Joseph LaRocque (U.S.)
Jane Trust (U.S.)

Directors' and Secretary's Interests

The Directors and secretary and their families had no interests in the shares of the Company at June 30, 2018 or June 30, 2017. No Director had at any time during the year, a material interest in any contract of significance, subsisting during or at the end of the year, in relation to the business of the Company.

Corporate Governance Statement

The Board of Directors of the Company (the "Board") has assessed all measures included in the voluntary Corporate Governance Code for Collective Investment Schemes and Management Companies as published by Irish Funds (formerly the Irish Funds' Industry Association) in December 2011 (the "Irish Funds Code"). The Board has adopted all corporate governance practices and procedures in the Irish Funds Code.

Director's Compliance Statement

It is the policy of the Company to comply with its relevant obligations (as defined in the Companies Act 2014). As required by Section 225(2) of the Companies Act 2014, the Directors acknowledge that they are responsible for securing the Company's compliance with the relevant obligations. The Directors have drawn up a compliance policy statement as defined in Section 225(3)(a) of the Companies Act 2014 and a compliance policy which refers to the arrangements and structures that are in place and which are, in the Directors opinion, designated to secure material compliance with the Company's relevant obligations. In discharging their responsibilities under Section 225, the Directors relied upon, among other things, the services provided, advice and/or representations from third parties whom the Directors believe have the requisite knowledge and experience in order to secure material compliance with the Company's relevant obligations.

Establishment of an Audit Committee

The Company has not established an audit committee. Given the size, and internal organisation of the Company, the nature, scope and complexity of the Company's activities and the existing processes and procedures adopted by the Company, the Board does not consider that an audit committee is required for the purposes of Section 167 of the Companies Act 2014.

Relevant Audit Information

So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware and the Directors have taken all the steps that should have been taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Connected Person Transactions

Regulation 41(1) of the Central Bank (Supervision and Enforcement Act 2013 (Section 48(1)(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (as amended) (the "Central Bank UCITS Regulations") states that a "responsible person shall ensure that any transaction between a UCITS and a connected person is (a) conducted at arm's length; and (b) in the best interests of the unit-holders of the UCITS".

As required under Regulation 78(4) of the Central Bank UCITS Regulations, the Board is satisfied that (a) there are in place arrangements evidenced by written procedures, to ensure that the obligations that are prescribed by Regulation 41(1) are applied to all transactions with connected persons; and (b) all transactions with connected persons that were entered into during the year complied with the obligations that are prescribed by Regulation 41(1).

Independent Auditors

PricewaterhouseCoopers have indicated their willingness to remain in office in accordance with Section 383(2) of the Companies Act 2014.

On behalf of the Board:

Fionnuala Doris
Director
October 12, 2018

Joseph Keane
Director

Independent Auditors' Report

Independent auditors' report to the members of Legg Mason Global Solutions Plc

Report on the audit of the financial statements

Opinion

In our opinion, Legg Mason Global Solutions Plc's financial statements:

- give a true and fair view of the Company's and funds' assets, liabilities and financial position as at June 30, 2018 and of their results for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Irish law); and
- have been properly prepared in accordance with the requirements of the Companies Act 2014 and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended).

We have audited the financial statements, included within the Annual Report and Audited Financial Statements, which comprise:

- the Statement of Financial Position as at June 30, 2018;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares for the year then ended;
- the Portfolio of Investments for each of the funds as at June 30, 2018; and
- the notes to the financial statements for the Company and for each of its funds, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law.

Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's and funds' ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's and funds' ability to continue as going concerns.

Reporting on other information

The other information comprises all of the information in the Annual Report and Audited Financial Statements other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the Companies Act 2014 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (Ireland) and the Companies Act 2014 require us to also report certain opinions and matters as described below:

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended June 30, 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.
- Based on our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

Independent Auditors' Report – (continued)

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's and funds' ability to continue as going concerns, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:

https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf.

This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with section 391 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2014 opinions on other matters

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.

Companies Act 2014 exception reporting

Directors' remuneration and transactions

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.

Pat Candon
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Dublin

October 12, 2018

Depositary's Report

Report from the Depositary to the Shareholders

Dated October 12, 2018

For the period from July 1, 2017 to June 30, 2018 (the "Period")

BNY Mellon Trust Company (Ireland) Limited (the "Depositary" "us", "we", or "our"), has enquired into the conduct of Legg Mason Global Solutions Plc (the "Company") for the Period, in its capacity as Depositary to the Company.

This report including the opinion has been prepared for and solely for the shareholders in the Company, in accordance with our role as depositary to the Company and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

Responsibilities of the Depositary

Our duties and responsibilities are outlined in Regulation 34 of the of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No 352 of 2011), as amended (the "Regulations").

Our report shall state whether, in our opinion, the Company has been managed in that period in accordance with the provisions of the Company's constitutional documentation and the Regulations. It is the overall responsibility of the Company to comply with these provisions. If the Company has not been so managed, we as depositary must state in what respects it has not been so managed and the steps which we have taken in respect thereof.

Basis of Depositary Opinion

The Depositary conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties and to ensure that, in all material respects, the Company has been managed (i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of its constitutional documentation and the appropriate regulations and (ii) otherwise in accordance with the Company's constitutional documentation and the appropriate regulations.

Opinion

In our opinion, the Company has been managed during the Period, in all material respects:

- (i) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the constitutional documentation and by the Regulations; and
- (ii) otherwise in accordance with the provisions of the constitutional documentation and the Regulations.

For and on Behalf of BNY Mellon Trust Company (Ireland) Limited
One Dockland Central,
Guild Street,
IFSC,
Dublin 1.

Legg Mason QS Investors Multi Asset Euro Conservative Fund

Portfolio of Investments as at June 30, 2018

Face Value (000's)	Value (000's) EUR	% of Net Asset Value
Collective Investment Schemes: 98.96% (June 30, 2017: 99.29%) β		
France: 12.24% (June 30, 2017: 11.80%)		
1 Lyxor Japan TOPIX DR UCITS ETF	141	1.23
17 Lyxor MSCI Emerging Markets UCITS ETF	166	1.44
9 Lyxor MSCI Europe UCITS ETF	1,101	9.57
	1,408	12.24
Ireland: 77.68% (June 30, 2017: 77.88%)		
15 iShares Edge MSCI World Minimum Volatility UCITS ETF	544	4.74
16 iShares EUR Aggregate Bond UCITS ETF EUR Dist	1,907	16.58
11 iShares EUR Govt Bond 3-5yr UCITS ETF EUR Dist	1,907	16.58
6 iShares J.P. Morgan USD EM Bond UCITS ETF	564	4.90
10 iShares US Aggregate Bond UCITS ETF	831	7.23
11 Legg Mason Global Funds Plc – Legg Mason Brandywine Global Opportunistic Fixed Income Fund – LM Class Euro Accumulating	1,122	9.76
1 Legg Mason Global Funds Plc – Legg Mason ClearBridge US Aggressive Growth Fund – LM Class Euro Accumulating	119	1.03
2 Legg Mason Global Funds Plc – Legg Mason ClearBridge US Appreciation Fund – LM Class Euro Accumulating	261	2.27
1 Legg Mason Global Funds Plc – Legg Mason ClearBridge US Large Cap Growth Fund – LM Class Euro Accumulating	87	0.75
5 Legg Mason Global Funds Plc – Legg Mason QS MV European Equity Growth and Income Fund – LM Class Euro Accumulating	593	5.16
1 Legg Mason Global Funds Plc – Legg Mason Royce US Smaller Companies Fund – LM Class Euro Accumulating	172	1.49
2 Legg Mason Global Funds Plc – Legg Mason Western Asset Macro Opportunities Bond Fund – LM Class Euro Accumulating	171	1.49
6 Legg Mason Global Funds Plc – Legg Mason Western Asset US Core Plus Bond Fund – LM Class Euro Accumulating	656	5.70
	8,934	77.68
Luxembourg: 9.04% (June 30, 2017: 9.61%)		
3 Xtrackers II Eurozone Government Bond UCITS ETF	675	5.87
1 Xtrackers MSCI Pacific ex Japan UCITS ETF	57	0.50
5 Xtrackers MSCI USA Swap UCITS ETF	307	2.67
	1,039	9.04
Total Collective Investment Schemes (Cost €10,808)	11,381	98.96
Total Financial Assets at Fair Value through Profit or Loss	11,381	98.96
Assets in Excess of Other Liabilities	119	1.04
Total Net Assets attributable to Holders of Redeemable Participating Shares	11,500	100.00
β All Collective Investment Schemes are UCITS.		
– Amounts designated as “–” are either €0, less than €1,000, less than 1,000 shares or less than 0.01%.		
Analysis of Total Assets		% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market		98.48
Other assets		1.52
Total Assets		100.00

The accompanying notes are an integral part of the Financial Statements

Legg Mason QS Conservative Fund

Portfolio of Investments as at June 30, 2018

Face Value (000's)	Value (000's) USD	% of Net Asset Value
Collective Investment Schemes: 98.71% (June 30, 2017: 98.17%) ^β		
France: 14.36% (June 30, 2017: 6.77%)		
4 Lyxor Japan TOPIX DR UCITS ETF	588	8.54
12 Lyxor MSCI Emerging Markets UCITS ETF	139	2.02
2 Lyxor MSCI Europe UCITS ETF	261	3.80
	988	14.36
Ireland: 74.06% (June 30, 2017: 86.25%)		
128 Colchester MSGBF Plc Global Bond Fund	1,277	18.56
2 iShares EUR Aggregate Bond UCITS ETF EUR Dist	313	4.55
3 iShares J.P. Morgan USD EM Bond UCITS ETF	341	4.96
3 iShares US Aggregate Bond UCITS ETF	285	4.14
1 iShares USD High Yield Corp Bond UCITS ETF	51	0.75
3 Lazard Global Managed Volatility Fund	300	4.36
4 Legg Mason Global Funds Plc – Legg Mason Brandywine Global Fixed Income Fund – Premier Class US\$ Accumulating	475	6.90
4 Legg Mason Global Funds Plc – Legg Mason QS MV European Equity Growth and Income Fund – LM Class US\$ Accumulating	480	6.97
9 Legg Mason Global Funds Plc – Legg Mason Western Asset Global Core Plus Bond Fund – Premier Class US\$ Accumulating	1,301	18.91
3 Legg Mason Global Funds Plc – Legg Mason Western Asset Global High Yield Fund – LM Class US\$ Accumulating	271	3.94
– SPDR Russell 2000 U.S. Small Cap UCITS ETF	1	0.02
	5,095	74.06
Luxembourg: 10.29% (June 30, 2017: 5.15%)		
– First Eagle Amundi – First Eagle Amundi International Fund	267	3.89
2 Xtrackers MSCI Pacific ex Japan UCITS ETF	140	2.03
4 Xtrackers MSCI USA Swap UCITS ETF	301	4.37
	708	10.29
Total Collective Investment Schemes (Cost \$6,915)	6,791	98.71
Total Financial Assets at Fair Value through Profit or Loss	6,791	98.71
Assets in Excess of Other Liabilities	89	1.29
Total Net Assets attributable to Holders of Redeemable Participating Shares	6,880	100.00
^β All Collective Investment Schemes are UCITS. [–] Amounts designated as “–” are either \$0, less than \$1,000, less than 1,000 shares or less than 0.01%. [#] Please see Note 14, Significant Events, for details of fund name changes.		
Analysis of Total Assets		% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market		97.46
Other assets		2.54
Total Assets		100.00

The accompanying notes are an integral part of the Financial Statements

Legg Mason QS Investors Multi Asset Euro Balanced Fund

Portfolio of Investments as at June 30, 2018

Face Value (000's)	Value (000's) EUR	% of Net Asset Value
Collective Investment Schemes: 98.62% (June 30, 2017: 98.97%) β		
France: 20.26% (June 30, 2017: 19.87%)		
2 Lyxor Japan TOPIX DR UCITS ETF	217	1.23
50 Lyxor MSCI Emerging Markets UCITS ETF	502	2.83
22 Lyxor MSCI Europe UCITS ETF	2,869	16.20
	3,588	20.26
Ireland: 74.18% (June 30, 2017: 74.48%)		
22 iShares Edge MSCI World Minimum Volatility UCITS ETF	838	4.73
24 iShares EUR Aggregate Bond UCITS ETF EUR Dist	2,917	16.48
10 iShares EUR Govt Bond 3-5yr UCITS ETF EUR Dist	1,716	9.69
10 iShares J.P. Morgan USD EM Bond UCITS ETF	864	4.88
8 iShares US Aggregate Bond UCITS ETF	701	3.96
19 Legg Mason Global Funds Plc – Legg Mason Brandywine Global Opportunistic Fixed Income Fund – LM Class Euro Accumulating	1,988	11.23
2 Legg Mason Global Funds Plc – Legg Mason ClearBridge US Aggressive Growth Fund – LM Class Euro Accumulating	315	1.78
8 Legg Mason Global Funds Plc – Legg Mason ClearBridge US Appreciation Fund – LM Class Euro Accumulating	1,054	5.96
2 Legg Mason Global Funds Plc – Legg Mason ClearBridge US Large Cap Growth Fund – LM Class Euro Accumulating	217	1.23
8 Legg Mason Global Funds Plc – Legg Mason QS MV European Equity Growth and Income Fund – LM Class Euro Accumulating	913	5.15
2 Legg Mason Global Funds Plc – Legg Mason Royce US Smaller Companies Fund – LM Class Euro Accumulating	306	1.73
5 Legg Mason Global Funds Plc – Legg Mason Western Asset Macro Opportunities Bond Fund – LM Class Euro Accumulating	519	2.93
8 Legg Mason Global Funds Plc – Legg Mason Western Asset US Core Plus Bond Fund – LM Class Euro Accumulating	785	4.43
	13,133	74.18
Luxembourg: 4.18% (June 30, 2017: 4.62%)		
3 Xtrackers MSCI Pacific ex Japan UCITS ETF	137	0.77
10 Xtrackers MSCI USA Swap UCITS ETF	604	3.41
	741	4.18
Total Collective Investment Schemes (Cost €16,139)	17,462	98.62
Total Financial Assets at Fair Value through Profit or Loss	17,462	98.62
Assets in Excess of Other Liabilities	244	1.38
Total Net Assets attributable to Holders of Redeemable Participating Shares	17,706	100.00
β All Collective Investment Schemes are UCITS.		
– Amounts designated as “–” are either €0, less than €1,000, less than 1,000 shares or less than 0.01%.		
Analysis of Total Assets		% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market		97.99
Other assets		2.01
Total Assets		100.00

The accompanying notes are an integral part of the Financial Statements

Legg Mason QS Balanced Fund

Portfolio of Investments as at June 30, 2018

Face Value (000's)	Value (000's) USD	% of Net Asset Value
Collective Investment Schemes: 98.35% (June 30, 2017: 98.49%) β		
France: 15.99% (June 30, 2017: 13.04%)		
10 Lyxor Japan TOPIX DR UCITS ETF	1,462	8.33
28 Lyxor MSCI Emerging Markets UCITS ETF	330	1.88
7 Lyxor MSCI Europe UCITS ETF	1,014	5.78
	2,806	15.99
Ireland: 63.78% (June 30, 2017: 79.11%)		
51 Acadian Global Managed Volatility Equity UCITS	961	5.47
28 Brandes Investment Funds Plc – Brandes Global Value Fund	860	4.90
124 Colchester MSGBF Plc Global Bond Fund	1,243	7.08
6 iShares EUR Aggregate Bond UCITS ETF EUR Dist	780	4.45
8 iShares J.P. Morgan USD EM Bond UCITS ETF	852	4.86
7 iShares US Aggregate Bond UCITS ETF	690	3.93
2 iShares USD High Yield Corp Bond UCITS ETF	233	1.32
7 Lazard Global Managed Volatility Fund	875	4.98
5 Legg Mason Global Funds Plc – Legg Mason ClearBridge US Appreciation Fund – LM Class US\$ Accumulating	701	4.00
9 Legg Mason Global Funds Plc – Legg Mason QS MV European Equity Growth and Income Fund – LM Class US\$ Accumulating	1,027	5.85
16 Legg Mason Global Funds Plc – Legg Mason Western Asset Global Core Plus Bond Fund – Premier Class US\$ Accumulating	2,250	12.82
6 Legg Mason Global Funds Plc – Legg Mason Western Asset Global High Yield Fund – LM Class US\$ Accumulating	684	3.90
1 SPDR Russell 2000 U.S. Small Cap UCITS ETF	38	0.22
	11,194	63.78
Luxembourg: 18.58% (June 30, 2017: 6.34%)		
1 First Eagle Amundi – First Eagle Amundi International Fund	1,031	5.88
30 Investec Global Strategy Fund Ltd – Emerging Markets Equity Fund	680	3.88
6 Xtrackers MSCI Pacific ex Japan UCITS ETF	354	2.01
16 Xtrackers MSCI USA Swap UCITS ETF	1,196	6.81
	3,261	18.58
Total Collective Investment Schemes (Cost \$17,475)	17,261	98.35
Total Financial Assets at Fair Value through Profit or Loss	17,261	98.35
Assets in Excess of Other Liabilities	290	1.65
Total Net Assets attributable to Holders of Redeemable Participating Shares	17,551	100.00

β All Collective Investment Schemes are UCITS.

– Amounts designated as “–” are either \$0, less than \$1,000, less than 1,000 shares or less than 0.01%.

Please see Note 14, Significant Events, for details of fund name changes.

	% of Total Assets
Analysis of Total Assets	
Transferable securities admitted to an official exchange listing or traded on a regulated market	97.36
Other assets	2.64
Total Assets	100.00

The accompanying notes are an integral part of the Financial Statements

Legg Mason QS Investors Multi Asset Euro Performance Fund

Portfolio of Investments as at June 30, 2018

Face Value (000's)	Value (000's) EUR	% of Net Asset Value
Collective Investment Schemes: 99.53% (June 30, 2017: 98.86%) ^β		
France: 23.73% (June 30, 2017: 23.36%)		
2 Lyxor Japan TOPIX DR UCITS ETF	311	1.99
66 Lyxor MSCI Emerging Markets UCITS ETF	665	4.26
21 Lyxor MSCI Europe UCITS ETF	2,727	17.48
	3,703	23.73
Ireland: 66.93% (June 30, 2017: 66.59%)		
19 iShares Edge MSCI World Minimum Volatility UCITS ETF	708	4.53
20 iShares EUR Aggregate Bond UCITS ETF EUR Dist	2,377	15.23
8 iShares J.P. Morgan USD EM Bond UCITS ETF	766	4.91
4 iShares US Aggregate Bond UCITS ETF	374	2.40
19 Legg Mason Global Funds Plc – Legg Mason Brandywine Global Opportunistic Fixed Income Fund – LM Class Euro Accumulating	1,929	12.36
3 Legg Mason Global Funds Plc – Legg Mason ClearBridge US Aggressive Growth Fund – LM Class Euro Accumulating	358	2.29
11 Legg Mason Global Funds Plc – Legg Mason ClearBridge US Appreciation Fund – LM Class Euro Accumulating	1,335	8.56
2 Legg Mason Global Funds Plc – Legg Mason ClearBridge US Large Cap Growth Fund – LM Class Euro Accumulating	315	2.02
7 Legg Mason Global Funds Plc – Legg Mason QS MV European Equity Growth and Income Fund – LM Class Euro Accumulating	848	5.43
2 Legg Mason Global Funds Plc – Legg Mason Royce US Smaller Companies Fund – LM Class Euro Accumulating	351	2.25
6 Legg Mason Global Funds Plc – Legg Mason Western Asset Macro Opportunities Bond Fund – LM Class Euro Accumulating	736	4.72
3 Legg Mason Global Funds Plc – Legg Mason Western Asset US Core Plus Bond Fund – LM Class Euro Accumulating	348	2.23
	10,445	66.93
Luxembourg: 8.87% (June 30, 2017: 8.91%)		
10 Xtrackers MSCI Europe UCITS ETF	566	3.63
2 Xtrackers MSCI Pacific ex Japan UCITS ETF	118	0.76
11 Xtrackers MSCI USA Swap UCITS ETF	699	4.48
	1,383	8.87
Total Collective Investment Schemes (Cost €14,160)	15,531	99.53
Total Financial Assets at Fair Value through Profit or Loss	15,531	99.53
Assets in Excess of Other Liabilities	73	0.47
Total Net Assets attributable to Holders of Redeemable Participating Shares	15,604	100.00

^β All Collective Investment Schemes are UCITS.

– Amounts designated as “–” are either €0, less than €1,000, less than 1,000 shares or less than 0.01%.

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	99.11
Other assets	0.89
Total Assets	100.00

Legg Mason QS Growth Fund

Portfolio of Investments as at June 30, 2018

Face Value (000's)	Value (000's) USD	% of Net Asset Value
Collective Investment Schemes: 91.62% (June 30, 2017: 100.70%) β		
France: 18.47% (June 30, 2017: 18.74%)		
13 Lyxor Japan TOPIX DR UCITS ETF	1,995	9.29
34 Lyxor MSCI Emerging Markets UCITS ETF	401	1.87
10 Lyxor MSCI Europe UCITS ETF	1,568	7.31
	3,964	18.47
Ireland: 53.48% (June 30, 2017: 73.98%)		
51 Acadian Global Managed Volatility Equity UCITS	963	4.49
46 Brandes Investment Funds Plc – Brandes Global Value Fund	1,383	6.44
6 iShares EUR Aggregate Bond UCITS ETF EUR Dist	901	4.20
6 iShares J.P. Morgan USD EM Bond UCITS ETF	593	2.76
8 iShares US Aggregate Bond UCITS ETF	787	3.67
3 iShares USD High Yield Corp Bond UCITS ETF	259	1.21
9 Lazard Global Managed Volatility Fund	1,053	4.91
9 Legg Mason Global Funds Plc – Legg Mason ClearBridge US Aggressive Growth Fund – LM Class US\$ Accumulating	904	4.21
6 Legg Mason Global Funds Plc – Legg Mason ClearBridge US Appreciation Fund – LM Class US\$ Accumulating	788	3.67
10 Legg Mason Global Funds Plc – Legg Mason ClearBridge US Large Cap Growth Fund – LM Class US\$ Accumulating	1,460	6.80
10 Legg Mason Global Funds Plc – Legg Mason QS MV European Equity Growth and Income Fund – LM Class US\$ Accumulating	1,192	5.55
9 Legg Mason Global Funds Plc – Legg Mason Western Asset Global Core Plus Bond Fund – Premier Class US\$ Accumulating	1,190	5.55
– SPDR Russell 2000 U.S. Small Cap UCITS ETF	4	0.02
	11,477	53.48
Luxembourg: 19.67% (June 30, 2017: 7.98%)		
1 First Eagle Amundi – First Eagle Amundi International Fund	1,638	7.63
35 Investec Global Strategy Fund Ltd – Emerging Markets Equity Fund	778	3.62
7 Xtrackers MSCI Pacific ex Japan UCITS ETF	413	1.92
19 Xtrackers MSCI USA Swap UCITS ETF	1,394	6.50
	4,223	19.67
Total Collective Investment Schemes (Cost \$19,916)	19,664	91.62
Total Financial Assets at Fair Value through Profit or Loss	19,664	91.62
Assets in Excess of Other Liabilities	1,800	8.38
Total Net Assets attributable to Holders of Redeemable Participating Shares	21,464	100.00

β All Collective Investment Schemes are UCITS.

– Amounts designated as “–” are either \$0, less than \$1,000, less than 1,000 shares or less than 0.01%.

Please see Note 14, Significant Events, for details of fund name changes.

	% of Total Assets
Analysis of Total Assets	
Transferable securities admitted to an official exchange listing or traded on a regulated market	89.94
Other assets	10.06
Total Assets	100.00

The accompanying notes are an integral part of the Financial Statements

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Statement of Financial Position

(in 000's)	Legg Mason QS Investors Multi Asset Euro Conservative Fund		Legg Mason QS Conservative Fund#		Legg Mason QS Investors Multi Asset Euro Balanced Fund	
	As at June 30, 2018	As at June 30, 2017	As at June 30, 2018	As at June 30, 2017	As at June 30, 2018	As at June 30, 2017
		€	€	\$	\$	€
CURRENT ASSETS						
Cash (Note 9)	176	250	146	102	358	434
Financial assets at fair value through profit or loss (Note 2)	11,381	14,082	6,791	3,446	17,462	22,581
Receivable for investments sold	–	–	–	–	–	–
Receivable for redeemable participating shares sold	–	–	10	–	–	27
Receivable from investment manager	–	–	21	–	–	–
Other assets	–	–	–	–	1	–
Total Current Assets	11,557	14,332	6,968	3,548	17,821	23,042
CURRENT LIABILITIES						
Cash overdraft (Note 9)	–	–	–	1	–	–
Investment management fees payable (Note 5)	3	10	–	2	11	22
Shareholder services fees payable (Note 5)	2	3	–	1	3	5
Administrator and depository fees payable (Note 5)	1	1	1	–	1	1
Payable for redeemable participating shares redeemed	–	–	–	–	33	8
Payable for investments purchased	–	–	51	–	–	–
Audit fees payable (Note 5)	10	10	11	11	10	10
Accrued expenses and other liabilities	41	124	25	23	57	181
Liabilities (excluding Net Assets attributable to Holders of Redeemable Participating Shares)	57	148	88	38	115	227
Total Net Assets attributable to Holders of Redeemable Participating Shares	€11,500	€14,184	\$ 6,880	\$ 3,510	€17,706	€22,815

Amounts designated as “–” are either \$0/€0 or less than \$1,000/€1,000.

The Euro figures for Legg Mason QS Investors Multi Asset Euro Conservative Fund, Legg Mason QS Investors Multi Asset Euro Balanced Fund and Legg Mason QS Investors Multi Asset Euro Performance Fund have been converted into US Dollars in the total figure for Legg Mason Global Solutions Plc for the year ended June 30, 2018 using the USD/EUR rate of 0.8563 (June 30, 2017: 0.8755).

Please see Note 14, Significant Events, for details of fund name changes.

On behalf of the Board:

Fionnuala Doris
Director
October 12, 2018

Joseph Keane
Director

Legg Mason QS Balanced Fund#		Legg Mason QS Investors Multi Asset Euro Performance Fund		Legg Mason QS Growth Fund#		Legg Mason Global Solutions Plc Total	
As at June 30, 2018	As at June 30, 2017	As at June 30, 2018	As at June 30, 2017	As at June 30, 2018	As at June 30, 2017	As at June 30, 2018	As at June 30, 2017
\$ 18	\$ 211	€ 139	€ 346	\$ 363	\$ 66	\$ 1,313	\$ 1,555
17,261	7,346	15,531	17,531	19,664	2,387	95,536	75,077
185	-	-	-	-	-	185	-
256	-	-	25	1,813	-	2,079	59
9	-	-	-	23	-	53	-
-	-	1	-	-	-	2	-
17,729	7,557	15,671	17,902	21,863	2,453	99,168	76,691
86	2	-	-	-	1	86	4
-	6	1	14	-	1	18	62
-	2	1	4	-	-	7	17
1	-	1	1	1	-	6	3
-	-	5	13	-	59	44	83
30	-	-	-	343	-	424	-
12	11	10	10	12	11	70	67
49	77	49	127	43	10	289	603
178	98	67	169	399	82	944	839
\$17,551	\$ 7,459	€15,604	€17,733	\$21,464	\$ 2,371	\$98,224	\$75,852

The accompanying notes are an integral part of the Financial Statements

Statement of Financial Position – (continued)

	June 30, 2018			June 30, 2017			June 30, 2016		
	Total NAV (000's)	No. shares (000's)	NAV/Share	Total NAV (000's)	No. shares (000's)	NAV/Share	Total NAV (000's)	No. shares (000's)	NAV/Share
Legg Mason QS Investors Multi Asset									
Euro Conservative Fund									
Class A Euro Accumulating	€ 5,906	58	102.26	€ 6,947	68	102.25	€ 7,901	79	99.91
Class A Euro Distributing (A)	3,669	36	102.14	4,198	41	102.13	4,421	44	99.88
Class E Euro Accumulating	994	10	99.72	1,322	13	100.46	2,029	21	98.90
Class E Euro Distributing (A)	931	9	99.46	1,717	17	100.20	3,400	34	98.64
Legg Mason QS Conservative Fund #									
Class A US\$ Accumulating	\$ 6,553	61	106.74	\$ 3,184	30	105.83	\$ 4,395	43	101.17
Class A US\$ Distributing (A)	166	2	106.63	165	2	105.72	192	2	101.11
Class E US\$ Accumulating	161	2	103.99	161	2	103.98	192	2	100.15
Legg Mason QS Investors Multi Asset									
Euro Balanced Fund									
Class A Euro Accumulating	€ 8,563	83	103.59	€ 9,727	95	102.86	€10,661	109	97.98
Class A Euro Distributing (A)	4,869	47	103.55	5,030	49	102.82	5,394	55	97.97
Class E Euro Accumulating	1,393	14	101.02	2,199	22	101.06	3,674	38	97.00
Class E Euro Distributing (A)	2,881	29	99.85	5,859	59	99.89	8,371	87	95.87
Legg Mason QS Balanced Fund #									
Class A US\$ Accumulating	\$ 17,495	162	108.18	\$ 7,268	69	105.54	\$ 14,340	145	98.66
Class A US\$ Distributing (A)	47	–	108.18	46	–	105.54	66	1	98.66
Class E US\$ Accumulating	9	–	105.43	145	1	103.70	331	3	97.67
Legg Mason QS Investors Multi Asset									
Euro Performance Fund									
Class A Euro Accumulating	€11,723	112	104.81	€13,193	128	103.41	€13,523	140	96.49
Class A Euro Distributing (A)	3,094	30	104.61	3,320	32	103.21	3,434	36	96.46
Class E Euro Accumulating	242	2	102.17	462	5	101.60	812	9	95.52
Class E Euro Distributing (A)	545	5	101.22	758	8	100.66	1,243	13	94.63
Legg Mason QS Growth Fund #									
Class A US\$ Accumulating	\$ 21,128	188	112.34	\$ 2,015	19	107.02	\$ 2,029	21	97.45
Class A US\$ Distributing (A)	301	3	112.34	287	3	107.02	286	3	97.45
Class E US\$ Accumulating	35	–	109.44	69	1	105.14	119	1	96.47

Amounts designated as “–” are either \$0/€0, less than \$1,000/€1,000 or less than 1,000 shares.

NAV per share information represents Redeemable Participating Shares denominated in the respective currency of each relevant share class.

Please see Note 14, Significant Events, for details of fund name changes.

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Statement of Comprehensive Income

	Legg Mason QS Investors Multi Asset Euro Conservative Fund		Legg Mason QS Conservative Fund#		Legg Mason QS Investors Multi Asset Euro Balanced Fund	
	For the year ended June 30, 2018	For the year ended June 30, 2017	For the year ended June 30, 2018	For the year ended June 30, 2017	For the year ended June 30, 2018	For the year ended June 30, 2017
(in 000's)						
INVESTMENT INCOME						
Gross dividend and interest income (Note 2)	€ 114	€ 151	\$ 33	\$ 40	€ 212	€ 287
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss						
Net realised gain on financial instruments held for trading	231	186	311	62	438	219
Net unrealised (loss)/gain on financial instruments held for trading	(185)	305	(338)	102	(221)	1,182
Total Investment Income/(Loss)	160	642	6	204	429	1,688
EXPENSES						
Investment management fees (Note 5)	130	178	38	39	245	329
Shareholder services fees (Note 5)	31	40	10	10	50	64
Administrator and depository fees (Note 5)	9	13	8	3	10	20
Legal fees	4	5	1	–	7	10
Audit fees (Note 5)	10	11	12	12	10	10
Directors' fees (Note 5)	4	4	2	1	7	6
Other expenses	5	111	44	33	4	174
Total Expenses	193	362	115	98	333	613
Expense waivers and reimbursements/recoupment	(8)	(95)	(59)	(36)	(9)	(143)
Net (Loss)/Profit before finance costs	(25)	375	(50)	142	105	1,218
FINANCE COSTS						
Distributions to holders of redeemable participating shares (Note 7)	–	(4)	–	–	–	(1)
(Loss)/Profit for the financial period	(25)	371	(50)	142	105	1,217
(Decrease)/Increase in Net Assets Attributable to Holders of Redeemable Participating Shares	€ (25)	€ 371	\$ (50)	\$ 142	€ 105	€1,217

Amounts designated as "–" are either \$0/€0 or less than \$1,000/€1,000.

Gains and losses are solely from continuing operations. There were no other gains or losses other than those dealt with in the Statement of Comprehensive Income.

The Euro figures for Legg Mason QS Investors Multi Asset Euro Conservative Fund, Legg Mason QS Investors Multi Asset Euro Balanced Fund and Legg Mason QS Investors Multi Asset Euro Performance Fund have been converted into US Dollars in the total figure for Legg Mason Global Solutions Plc for the year ended June 30, 2018 using the USD/EUR rate of 0.8378 (June 30, 2017: 0.9170).

Please see Note 14, Significant Events, for details of fund name changes.

Legg Mason QS Balanced Fund#		Legg Mason QS Investors Multi Asset Euro Performance Fund		Legg Mason QS Growth Fund#		Legg Mason Global Solutions Plc Total	
For the year ended June 30, 2018	For the year ended June 30, 2017	For the year ended June 30, 2018	For the year ended June 30, 2017	For the year ended June 30, 2018	For the year ended June 30, 2017	For the year ended June 30, 2018	For the year ended June 30, 2017
\$ 78	\$ 90	€ 168	€ 206	\$ 42	\$ 21	\$ 743	\$ 853
855 (828)	320 338	269 45	156 1,256	373 (502)	32 208	2,658 (2,099)	1,025 3,637
105	748	482	1,618	(87)	261	1,302	5,515
101	83	184	211	70	26	876	930
25	20	41	47	17	6	198	201
9	6	9	14	8	2	59	62
3	3	5	6	1	–	24	26
12	12	10	11	12	12	72	71
3	1	6	4	2	–	27	17
44	62	29	128	71	18	204	563
197	187	284	421	181	64	1,460	1,870
(56)	(59)	(19)	(108)	(87)	(25)	(245)	(497)
(36)	620	217	1,305	(181)	222	87	4,142
–	–	–	(6)	–	–	–	(12)
(36)	620	217	1,299	(181)	222	87	4,130
\$ (36)	\$ 620	€ 217	€1,299	\$ (181)	\$ 222	\$ 87	\$4,130

Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares

(in 000's)	Legg Mason QS Investors Multi Asset Euro Conservative Fund		Legg Mason QS Conservative Fund#		Legg Mason QS Investors Multi Asset Euro Balanced Fund	
	For the year ended June 30, 2018	For the year ended June 30, 2017	For the year ended June 30, 2018	For the year ended June 30, 2017	For the year ended June 30, 2018	For the year ended June 30, 2017
	€	€	\$	\$	€	€
(Decrease)/increase in Net Assets Attributable to Holders of Redeemable Participating Shares	€ (25)	€ 371	\$ (50)	\$ 142	€ 105	€ 1,217
REDEEMABLE PARTICIPATING SHARE TRANSACTIONS						
Net proceeds from sales of shares	112	806	3,903	237	718	687
Cost of shares reacquired	(2,771)	(4,744)	(483)	(1,648)	(5,932)	(7,189)
(Decrease)/increase in Net Assets from Redeemable Participating Share transactions	(2,659)	(3,938)	3,420	(1,411)	(5,214)	(6,502)
(Decrease)/Increase in Net Assets Attributable to Holders of Redeemable Participating Shares	(2,684)	(3,567)	3,370	(1,269)	(5,109)	(5,285)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES						
Beginning of year	14,184	17,751	3,510	4,779	22,815	28,100
Currency translation	–	–	–	–	–	–
End of year	€ 11,500	€ 14,184	\$ 6,880	\$ 3,510	€ 17,706	€ 22,815

Amounts designated as “–” are either \$0/€0 or less than \$1,000/€1,000.

All Euro figures, except the beginning of year Net Assets attributable to Holders of Redeemable Participating Shares, for Legg Mason QS Investors Multi Asset Euro Conservative Fund, Legg Mason QS Investors Multi Asset Euro Balanced Fund and Legg Mason QS Investors Multi Asset Euro Performance Fund have been converted into US Dollars in the total figure for Legg Mason Global Solutions Plc for the year ended June 30, 2018 using the USD/EUR rate of 0.8378 (June 30, 2017: 0.9170).

The beginning of year Net Assets Attributable to Holders of Redeemable Participating Shares for Legg Mason QS Investors Multi Asset Euro Conservative Fund, Legg Mason QS Investors Multi Asset Euro Balanced Fund and Legg Mason QS Investors Multi Asset Euro Performance Fund have been converted into US Dollars in the total figure for Legg Mason Global Solutions Plc using the Statement of Financial Position USD/EUR rate as at June 30, 2017 of 0.8755 (June 30, 2016: 0.9011).

Please see Note 14, Significant Events, for details of fund name changes.

Legg Mason QS Balanced Fund [#]		Legg Mason QS Investors Multi Asset Euro Performance Fund		Legg Mason QS Growth Fund [#]		Legg Mason Global Solutions Plc Total	
For the year ended June 30, 2018	For the year ended June 30, 2017	For the year ended June 30, 2018	For the year ended June 30, 2017	For the year ended June 30, 2018	For the year ended June 30, 2017	For the year ended June 30, 2018	For the year ended June 30, 2017
\$ (36)	\$ 620	€ 217	€ 1,299	\$ (181)	\$ 222	\$ 87	\$ 4,130
11,166 (1,038)	82 (7,980)	292 (2,638)	830 (3,408)	21,000 (1,726)	– (285)	37,408 (16,783)	2,851 (26,632)
10,128	(7,898)	(2,346)	(2,578)	19,274	(285)	20,625	(23,781)
10,092	(7,278)	(2,129)	(1,279)	19,093	(63)	20,712	(19,651)
7,459 –	14,737 –	17,733 –	19,012 –	2,371 –	2,434 –	75,852 1,660	93,932 1,571
\$ 17,551	\$ 7,459	€ 15,604	€ 17,733	\$ 21,464	\$ 2,371	\$ 98,224	\$ 75,852

The accompanying notes are an integral part of the Financial Statements

Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares –
(continued)

	For the year ended	
	June 30, 2018 Shares (000's)	June 30, 2017 Shares (000's)
Legg Mason QS Investors Multi Asset Euro Conservative Fund		
Class A Euro Accumulating		
Sold	4	8
Redeemed	(14)	(19)
Net decrease	(10)	(11)
Class A Euro Distributing (A)		
Sold	2	3
Redeemed	(7)	(6)
Net decrease	(5)	(3)
Class E Euro Accumulating		
Sold	–	15
Redeemed	(3)	(23)
Net decrease	(3)	(8)
Class E Euro Distributing (A)		
Sold	4	80
Redeemed	(12)	(97)
Net decrease	(8)	(17)
Legg Mason QS Conservative Fund #		
Class A US\$ Accumulating		
Sold	36	9
Redeemed	(5)	(22)
Net increase/(decrease)	31	(13)
Legg Mason QS Investors Multi Asset Euro Balanced Fund		
Class A Euro Accumulating		
Sold	12	6
Redeemed	(24)	(20)
Net decrease	(12)	(14)
Class A Euro Distributing (A)		
Sold	4	13
Redeemed	(6)	(19)
Net decrease	(2)	(6)
Class E Euro Accumulating		
Sold	1	72
Redeemed	(9)	(88)
Net decrease	(8)	(16)
Class E Euro Distributing (A)		
Sold	16	199
Redeemed	(46)	(227)
Net decrease	(30)	(28)
Legg Mason QS Balanced Fund #		
Class A US\$ Accumulating		
Sold	101	4
Redeemed	(8)	(80)
Net increase/(decrease)	93	(76)
Class A US\$ Distributing (A)		
Redeemed	–	(1)
Net decrease	–	(1)
Class E US\$ Accumulating		
Sold	–	1
Redeemed	(1)	(3)
Net decrease	(1)	(2)

	For the year ended	
	June 30, 2018 Shares (000's)	June 30, 2017 Shares (000's)
Legg Mason QS Investors Multi Asset Euro Performance Fund		
Class A Euro Accumulating		
Sold	3	10
Redeemed	(19)	(22)
Net decrease	(16)	(12)
Class A Euro Distributing (A)		
Sold	1	2
Redeemed	(3)	(6)
Net decrease	(2)	(4)
Class E Euro Accumulating		
Sold	–	10
Redeemed	(3)	(14)
Net decrease	(3)	(4)
Class E Euro Distributing (A)		
Sold	4	31
Redeemed	(7)	(36)
Net decrease	(3)	(5)
Legg Mason QS Growth Fund #		
Class A US\$ Accumulating		
Sold	184	2
Redeemed	(15)	(4)
Net increase/(decrease)	169	(2)
Class E US\$ Accumulating		
Redeemed	(1)	–
Net decrease	(1)	–

– Amounts designated as “–” are either 0 or less than 1,000.

Please see Note 14, Significant Events, for details of fund name changes.

The accompanying notes are an integral part of the Financial Statements

Notes to Financial Statements

1. General

Legg Mason Global Solutions Plc (the "Company") is an open-ended investment company with variable capital organised under the laws of Ireland as a public limited company pursuant to the Companies Act 2014, the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended (the "UCITS Regulations") and the Central Bank UCITS Regulations. It was incorporated on January 29, 2014 under registration number 538674. Its object, as set out in its constitutional documents, is the collective investment in transferable securities and other liquid financial assets of capital raised from the public which operates on the basis of risk spreading. The Company is organised in the form of an umbrella fund. The constitutional documents provide for separate funds, each representing interests in a defined portfolio of assets and liabilities, which may be established from time to time with the prior approval of the Central Bank.

These financial statements are for the year ended June 30, 2018.

The Company obtained the approval of the Central Bank of Ireland for the establishment of the Legg Mason QS Investors Multi Asset Euro Conservative Fund, Legg Mason QS Conservative Fund, Legg Mason QS Investors Multi Asset Euro Balanced Fund, Legg Mason QS Balanced Fund, Legg Mason QS Investors Multi Asset Euro Performance Fund and Legg Mason QS Growth Fund (the "Fund" or collectively the "Funds"). All of the above named Funds commenced operations on February 25, 2015.

2. Significant Accounting Policies

The significant accounting policies and estimation techniques applied in the preparation of these financial statements are set out below:

Statement of Compliance

The financial statements for the year ended June 30, 2018 have been prepared in accordance with the accounting standards generally accepted in Ireland, including Financial Reporting Standard ("FRS") 102: "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and Irish statute comprising the Companies Act 2014, the UCITS Regulations and the Central Bank UCITS Regulations. These policies are consistent with the policies applied in the financial statements for the year ended June 30, 2017.

a) Basis of Preparation

The financial statements have been prepared on a going concern basis for the Company under the historical cost convention as modified by the revaluation of financial assets and liabilities held at fair value through the profit or loss.

The format and certain wordings of the financial statements has been adapted from those contained in Irish statute so that, in the opinion of the Directors, they more appropriately reflect the nature of the Company's business as an investment fund.

The Company has availed of the exemption available to open-ended investment funds under Section 7 "Statement of Cash Flows" of FRS 102 not to prepare a cash flow statement on the basis that substantially all of the Company's investments are highly liquid and carried at fair value, and the Company provides a statement of changes in net assets attributable to redeemable participating shareholders.

(b) Critical Accounting Estimates and Assumptions

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are outlined below.

(c) Investments at Fair Value

The Company classifies all financial instruments as financial assets or financial liabilities at fair value through profit or loss. These financial assets and financial liabilities are classified as held for trading at fair value through profit or loss and those designated, at inception, as being at fair value through profit or loss.

Recognition/derecognition of investments

The Company classified all financial instruments as financial assets or financial liabilities at fair value through profit or loss. These financial assets and financial liabilities are classified as held for trading at fair value through profit or loss. Financial assets or liabilities held for trading are acquired or incurred principally for the purpose of selling or repurchasing in the short term.

Regular-way purchases and sales of investments are recognised on trade date plus one – the date on which the Company commits to purchase or sell the asset. Investments are initially recognised at fair value and transaction costs for all financial assets carried at fair value through profit or loss are expensed as incurred. Investments cease to be recognised when the rights to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership.

Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed in the Statement of Comprehensive Income. Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the financial assets or financial liabilities at fair value through profit or loss category are presented in the Statement of Comprehensive Income in the period in which they arise.

Collective investment schemes held by the Company include exchange traded funds ("ETFs"). The fair value of collective investment schemes, other than ETFs, is based on the latest available net asset value for the shares or units in the collective investment schemes. The fair value of financial instruments traded in active markets (including ETFs) is based on a quoted market prices at the Statement of Financial Position date. The quoted market price used for ETFs held by the Company is the last traded market price.

Exchange-traded financial derivative instruments ("FDI") shall be valued at the relevant settlement price on the applicable exchange. FDI not traded on an exchange shall be valued daily using the counterparty valuation, provided that the valuation will be approved or verified by a competent person who is independent of the counterparty, which may include an independent pricing vendor, appointed by the Directors and approved for that purpose by the Depositary. Such valuation shall be reconciled on at least a weekly basis to the valuation provided by the counterparty to such instrument. As at June 30, 2018 and June 30, 2017 there were no FDI held.

Forward foreign currency exchange contracts shall be valued by reference to the price at which a new forward contract of the same size and maturity could be undertaken as of the close of business on the dealing day. As at June 30, 2018 and June 30, 2017, there were no forward foreign currency exchange contracts held.

Notwithstanding the foregoing, a systematic fair valuation model provided by an independent third party approved by the Depositary may be used to value equity securities and/or fixed income securities where such an adjustment is considered necessary to reflect the fair value in the context of currency, marketability, dealing costs and/or such other considerations which are deemed relevant, including in order to adjust for stale pricing which may occur between the close of foreign exchanges and the valuation point on the relevant dealing day.

(d) Accounting for Investments

Security transactions are accounted for on trade date plus one. Investments are initially recognised at fair value and transaction costs for all "fair-valued-through profit or loss" securities are expensed as incurred. Gains or losses on the sale of securities are calculated by using the First-In-First-Out ("FIFO") basis.

(e) Income from Investments

Dividends are credited to the Statement of Comprehensive Income on the dates on which the relevant securities are listed as "ex-dividend". Dividend income is shown gross of any non-recoverable withholding taxes, which is disclosed separately in the Statement of Comprehensive Income.

(f) Expenses

Certain expenses are share class specific expenses and are charged direct to the share class. General fund expenses are allocated on the basis of relative net asset value.

Notes to Financial Statements – (continued)

2. Significant Accounting Policies – (continued)

(g) Net Asset Value per Redeemable Participating Share

The net asset value per redeemable participating share in each Fund is calculated by dividing the assets less liabilities, by the number of shares in issue in respect of that Fund.

(h) Foreign Exchange Translation

- Functional and presentation currency: items included in the Company's financial statements are measured using the currency of the primary economic environment in which it operates (the "functional currency" or "base currency"). This is US Dollars (US\$) for Legg Mason QS Conservative Fund, Legg Mason QS Balanced Fund and Legg Mason QS Growth Fund; and Euro (EUR or €) for Legg Mason QS Investors Multi Asset Euro Conservative Fund, Legg Mason QS Investors Multi Asset Euro Balanced Fund and Legg Mason QS Investors Multi Asset Euro Performance Fund. The Company has adopted US Dollars as the presentation currency for these financial statements.
- Purchases and sales of securities, and income and expenses are translated at the rate of exchange quoted on the respective date that such transactions are recorded. Assets and liabilities are translated at the foreign exchange rate at the end of the year. Differences between income and expense amounts recorded and collected or paid are adjusted when reported by the Depositary bank, and recorded as foreign exchange gains/losses in the Statement of Comprehensive Income.

(i) Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. There were no offsetting financial instruments as at June 30, 2018 and June 30, 2017.

(j) Transaction Costs

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument. When a financial asset or financial liability is recognised initially, an entity shall measure it at its fair value through profit or loss with transaction costs for such instruments being recognised directly in the Statement of Comprehensive Income.

Transaction costs charged by the Depositary on the settlement of purchases and sales of investments are disclosed within administrator and depositary fees in the Statement of Comprehensive Income for each Fund.

Transaction costs on purchases and sales are disclosed in Note 5 for each Fund.

3. Investment Objective and Policy

The Company's object, as set out in its constitution, is the collective investment in transferable securities and other liquid financial assets of capital raised from the public and which operates on the basis of risk spreading. Investment objectives and policies of each of the Funds are listed below. Full details of the investment policies are set out in the Prospectus. There can be no assurance that the Funds will achieve their objectives and no guarantee that the investment strategies will succeed or attain any particular results or level of profitability.

Legg Mason QS Investors Multi Asset Euro Conservative Fund

The Fund's investment objective is to seek total return through balanced exposure to equity, equity related and fixed income investments denominated in Euro by investing in shares or units of other collective investment schemes, including other UCITS schemes and UCITS Equivalent Schemes, and in closed-ended funds. It should accordingly be noted that the Fund may invest more than 20% of its net asset value in other collective investment schemes.

The Fund is a fund of funds and may invest all of its assets in shares or units of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations, and of regulated (including ETFs) and unregulated closed-end funds that are freely transferable securities listed and traded on Regulated Markets listed in Schedule III of the Prospectus. The collective investment schemes in which the Fund invests will be established as UCITS under the Directive in any EU Member State and/or UCITS Equivalent Schemes. Investment in UCITS Equivalent Schemes shall not, in aggregate, exceed 30% of the Fund's net asset value.

Legg Mason QS Conservative Fund

The Fund's investment objective is to seek total return through balanced exposure to equity, equity related and fixed income investments denominated in US Dollar by investing in shares or units of other collective investment schemes, including other UCITS schemes and UCITS Equivalent Schemes, and in closed-ended funds. It should accordingly be noted that the Fund may invest more than 20% of its net asset value in other collective investment schemes.

The Fund is a fund of funds and may invest all of its assets in shares or units of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations, and of regulated (including ETFs) and unregulated closed-end funds that are freely transferable securities listed and traded on Regulated Markets listed in Schedule III of the Prospectus (collectively referred to herein as the "Underlying Funds"). The collective investment schemes in which the Fund invests will be established as UCITS under the Directive in any EU Member State and/or UCITS Equivalent Schemes. Investment in UCITS Equivalent Schemes shall not, in aggregate, exceed 30% of the Fund's net asset value.

Legg Mason QS Investors Multi Asset Euro Balanced Fund

The Fund's investment objective is to seek total return through balanced exposure to equity, equity related and fixed income investments denominated in Euro by investing in shares or units of other collective investment schemes, including other UCITS schemes and UCITS Equivalent Schemes, and in closed-ended funds. It should accordingly be noted that the Fund may invest more than 20% of its net asset value in other collective investment schemes.

The Fund is a fund of funds and may invest all of its assets in shares or units of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations, and of regulated (including ETFs) and unregulated closed-end funds that are freely transferable securities listed and traded on Regulated Markets listed in Schedule III of the Prospectus (collectively referred to herein as the "Underlying Funds"). The collective investment schemes in which the Fund invests will be established as UCITS under the Directive in any EU Member State and/or UCITS Equivalent Schemes. Investment in UCITS Equivalent Schemes shall not, in aggregate, exceed 30% of the Fund's net asset value.

Legg Mason QS Balanced Fund

The Fund's investment objective is to seek total return through balanced exposure to equity, equity related and fixed income investments denominated in US Dollar by investing in shares or units of other collective investment schemes, including other UCITS schemes and UCITS Equivalent Schemes, and in closed-ended funds. It should accordingly be noted that the Fund may invest more than 20% of its net asset value in other collective investment schemes.

The Fund is a fund of funds and may invest all of its assets in shares or units of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations, and of regulated (including ETFs) and unregulated closed-end funds that are freely transferable securities listed and traded on Regulated Markets listed in Schedule III of the Prospectus (collectively referred to herein as the "Underlying Funds"). The collective investment schemes in which the Fund invests will be established as UCITS under the Directive in any EU Member State and/or UCITS Equivalent Schemes. Investment in UCITS Equivalent Schemes shall not, in aggregate, exceed 30% of the Fund's net asset value.

Notes to Financial Statements – (continued)

3. Investment Objective and Policy – (continued)

Legg Mason QS Investors Multi Asset Euro Performance Fund

The Fund's investment objective is to seek long term growth of capital through exposure to fixed income, equity, and equity related investments denominated in Euro by investing in shares or units of other collective investment schemes, including other UCITS schemes and UCITS Equivalent Schemes, and in closed-ended funds. It should accordingly be noted that the Fund may invest more than 20% of its Net Asset Value in other collective investment schemes.

The Fund is a fund of funds and may invest all of its assets in shares or units of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations, and of regulated (including ETFs) and unregulated closed-end funds that are freely transferable securities listed and traded on Regulated Markets listed in Schedule III of the Prospectus (collectively referred to herein as the "Underlying Funds"). The collective investment schemes in which the Fund invests will be established as UCITS under the Directive in any EU Member State and/or UCITS Equivalent Schemes. Investment in UCITS Equivalent Schemes shall not, in aggregate, exceed 30% of the Fund's net asset value.

Legg Mason QS Growth Fund

The Fund's investment objective is to seek long term growth of capital through exposure to fixed income, equity and equity related investments denominated in US Dollar by investing in shares or units of other collective investment schemes, including other UCITS schemes and UCITS Equivalent Schemes, and in closed-ended funds. It should accordingly be noted that the Fund may invest more than 20% of its net asset value in other collective investment schemes.

The Fund is a fund of funds and may invest all of its assets in shares or units of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations, and of regulated (including ETFs) and unregulated closed-end funds that are freely transferable securities listed and traded on Regulated Markets listed in Schedule III of the Prospectus (collectively referred to herein as the "Underlying Funds"). The collective investment schemes in which the Fund invests will be established as UCITS under the Directive in any EU Member State and/or UCITS Equivalent Schemes. Investment in UCITS Equivalent Schemes shall not, in aggregate, exceed 30% of the Fund's net asset value.

4. Use of Financial Derivative Instruments and Efficient Portfolio Management

Subject to the conditions and within the limits from time to time laid down by the Central Bank, and except where otherwise stated in the investment objective and policies of a Fund in the relevant Fund supplement, a Fund may engage in transactions in FDIs, whether for efficient portfolio management purposes (i.e., hedging, reducing risks or costs, or increasing capital or income returns) or investment purposes. A list of the Regulated Markets on which the FDIs may be quoted or traded is set out in Schedule II of the Prospectus. A Fund may invest in FDIs under the terms and criteria contained in the Prospectus of the Company and its supplements.

For UCITS which have engaged in efficient portfolio management techniques, disclosures are required under UCITS Regulations. A UCITS is required to disclose the revenues arising from repurchase agreements and stocklending transactions for the year ended June 30, 2018 and June 30, 2017 together with the direct and indirect operational costs and fees incurred.

The Funds did not enter into any repurchase agreements and stock lending transactions during the year ended June 30, 2018 and June 30, 2017.

5. Operating Expenses and Other Related Party Transactions

Investment Management Fees

Pursuant to the investment management agreement between the Company and Legg Mason Investments (Europe) Limited (the "Investment Manager"), the Investment Manager is entitled to receive an Investment Management Fee out of the assets of the Fund for its services. The maximum Investment Management Fee for each class, including classes not in issue, at June 30, 2018 (expressed as a percentage of the relevant Fund's net asset value attributable to such class) is as follows:

Fund name	Maximum Investment Management Fee	Fund name	Maximum Investment Management Fee
Legg Mason QS Investors Multi Asset Euro Conservative Fund		Legg Mason QS Investors Multi Asset Euro Balanced Fund	
Class A	0.900%	Class A	1.000%
Class B	1.450%	Class B	1.550%
Class C	1.550%	Class C	1.650%
Class E	1.650%	Class E	1.750%
Class F	0.600%	Class F	0.700%
Class R	0.550%	Class R	0.600%
Class X	0.450%	Class X	0.500%
Premier Class	0.450%	Premier Class	0.500%
S Class	0.350%	S Class	0.400%
LM Class	N/A	LM Class	N/A
Legg Mason QS Conservative Fund		Legg Mason QS Balanced Fund	
Class A	0.900%	Class A	1.000%
Class B	1.450%	Class B	1.550%
Class C	1.550%	Class C	1.650%
Class E	1.650%	Class E	1.750%
Class F	0.600%	Class F	0.700%
Class R	0.550%	Class R	0.600%
Class X	0.450%	Class X	0.500%
Premier Class	0.450%	Premier Class	0.500%
S Class	0.350%	S Class	0.400%
LM Class	N/A	LM Class	N/A

Notes to Financial Statements – (continued)

5. Operating Expenses and Other Related Party Transactions – (continued)

Investment Management Fees – (continued)

Fund name	Maximum Investment Management Fee	Fund name	Maximum Investment Management Fee
Legg Mason QS Investors Multi Asset Euro Performance Fund		Legg Mason QS Growth Fund	
Class A	1.050%	Class A	1.050%
Class B	1.600%	Class B	1.600%
Class C	1.800%	Class C	1.800%
Class E	1.900%	Class E	1.900%
Class F	0.725%	Class F	0.725%
Class R	0.625%	Class R	0.625%
Class X	0.525%	Class X	0.525%
Premier Class	0.525%	Premier Class	0.525%
S Class	0.425%	S Class	0.425%
LM Class	N/A	LM Class	N/A

The Investment Management Fee accrues on each valuation day and is payable monthly in arrears. The Investment Manager is also entitled to be reimbursed by the Company for all reasonable and vouched out-of-pocket expenses incurred by it for the benefit of the Company in the performance of its duties in managing the Company and distributing the shares pursuant to the investment management agreement.

In the tables above, the Investment Management Fees provided for each Fund apply to any of the share classes listed in the relevant column that are offered by the Fund. Not all share classes are offered by each Fund and not all share classes were in issue as at June 30, 2018. The Prospectus, as it may be amended or supplemented from time to time, indicates which share classes are offered by each Fund.

The Investment Manager has voluntarily agreed to waive a portion of its fees and/or reimburse for certain expenses so that the total expenses would not exceed certain voluntary expense limitations established for the Fund. The Investment Manager, at its discretion, may revise or discontinue the voluntary waivers and/or expense reimbursements at any time. For the year ended June 30, 2018 and June 30, 2017, the Investment Management Fees waived and reimbursed were as follows:

Fund Name	June 30, 2018 (000's)		June 30, 2017 (000's)	
	Investment Management Fees Waived	Investment Management Fees Reimbursed	Investment Management Fees Waived	Investment Management Fees Reimbursed
Legg Mason QS Investors Multi Asset Euro Conservative Fund	–	€8	€40	€21
Legg Mason QS Conservative Fund	\$10	\$41	\$11	\$16
Legg Mason QS Investors Multi Asset Euro Balanced Fund	–	€9	€60	€30
Legg Mason QS Balanced Fund	\$17	\$25	\$19	\$23
Legg Mason QS Investors Multi Asset Euro Performance Fund	–	€15	€44	€25
Legg Mason QS Growth Fund	\$18	\$54	\$6	\$14

The Investment Manager shall be responsible for paying the fees and out-of-pocket expenses of the Sub-Investment Manager out of its own Investment Management Fee. The Investment Manager has entered into separate distribution agreements with the Distributors under which the Investment Manager has delegated certain responsibilities associated with marketing and distributing the Funds to the Distributors. The delegated functions in the distribution agreements do not include the Investment Manager's provision of investment management services to the Funds, but are limited to marketing and distribution services provided to the Funds and the Company. Under the aforementioned agreements, the Investment Manager shall pay to each Distributor a portion of its Investment Management Fee as set out in such distribution agreements.

Related Parties

Joseph LaRocque, Jane Trust and Joseph Carrier are Directors of the Company and are also directors and/or executives of certain affiliates of the Investment Manager.

As at June 30, 2018 and June 30, 2017 the Funds in the table below held investments in collective investment schemes which have appointed the same Investment Manager, or Sub-Investment Manager as the Fund, or have appointed a related party of that Investment Manager or Sub-Investment Manager.

Below is a table that shows the percentage ownership of such collective investment schemes held by the Company:

Fund	Underlying Collective Investment Scheme	June 30, 2018 Value (000's)		June 30, 2017 Value (000's)	
		%		%	
Legg Mason QS Investors Multi Asset Euro Conservative Fund	Legg Mason Global Funds Plc – Legg Mason Brandywine Global Opportunistic Fixed Income Fund – LM Class Euro Accumulating	0.19%	€1,122	0.31%	€1,417
	Legg Mason Global Funds Plc – Legg Mason ClearBridge US Aggressive Growth Fund – LM Class Euro Accumulating	0.01%	€119	0.01%	€140
	Legg Mason Global Funds Plc – Legg Mason ClearBridge US Appreciation Fund – LM Class Euro Accumulating	0.14%	€261	0.14%	€315
	Legg Mason Global Funds Plc – Legg Mason ClearBridge US Large Cap Growth Fund – LM Class Euro Accumulating	0.01%	€87	0.02%	€110
	Legg Mason Global Funds Plc – Legg Mason QS MV European Equity Growth and Income Fund – LM Class Euro Accumulating	0.92%	€593	0.93%	€726
	Legg Mason Global Funds Plc – Legg Mason Royce US Smaller Companies Fund – LM Class Euro Accumulating	0.12%	€172	0.13%	€218
	Legg Mason Global Funds Plc – Legg Mason Western Asset Macro Opportunities Bond Fund – LM Class Euro Accumulating	0.00%	€171	0.00%	€219
	Legg Mason Global Funds Plc – Legg Mason Western Asset US Core Plus Bond Fund – LM Class Euro Accumulating	0.08%	€656	0.14%	€802

Notes to Financial Statements – (continued)

5. Operating Expenses and Other Related Party Transactions – (continued)

Related Parties – (continued)

Fund	Underlying Collective Investment Scheme	%	June 30, 2018 Value (000's)	%	June 30, 2017 Value (000's)	
Legg Mason QS Conservative Fund	Legg Mason Global Funds Plc – Legg Mason Brandywine Global Fixed Income Fund – Premier Class US\$ Accumulating	0.04%	\$475	–	–	
	Legg Mason Global Funds Plc – Legg Mason Brandywine Global Opportunistic Fixed Income Fund – LM Class US\$ Accumulating	–	–	0.07%	\$349	
	Legg Mason Global Funds Plc – Legg Mason ClearBridge US Aggressive Growth Fund – LM Class US\$ Accumulating	–	–	0.00%	\$60	
	Legg Mason Global Funds Plc – Legg Mason ClearBridge US Appreciation Fund – LM Class US\$ Accumulating	–	–	0.05%	\$129	
	Legg Mason Global Funds Plc – Legg Mason ClearBridge US Large Cap Growth Fund – LM Class US\$ Accumulating	–	–	0.01%	\$36	
	Legg Mason Global Funds Plc – Legg Mason QS MV European Equity Growth and Income Fund – LM Class US\$ Accumulating	0.64%	\$480	0.10%	\$85	
	Legg Mason Global Funds Plc – Legg Mason Royce US Smaller Companies Fund – LM Class US\$ Accumulating	–	–	0.04%	\$88	
	Legg Mason Global Funds Plc – Legg Mason Western Asset Global Core Plus Bond Fund – Premier Class US\$ Accumulating	0.72%	\$1,301	–	–	
	Legg Mason Global Funds Plc – Legg Mason Western Asset Global High Yield Fund – LM Class US\$ Accumulating	0.15%	\$271	–	–	
	Legg Mason Global Funds Plc – Legg Mason Western Asset Macro Opportunities Bond Fund – LM Class US\$ Accumulating	–	–	0.00%	\$51	
	Legg Mason Global Funds Plc – Legg Mason Western Asset US Core Plus Bond Fund – LM Class US\$ Accumulating	–	–	0.09%	\$586	
	Legg Mason QS Investors Multi Asset Euro Balanced Fund	Legg Mason Global Funds Plc – Legg Mason Brandywine Global Opportunistic Fixed Income Fund – LM Class Euro Accumulating	0.34%	€1,988	0.58%	€2,617
		Legg Mason Global Funds Plc – Legg Mason ClearBridge US Aggressive Growth Fund – LM Class Euro Accumulating	0.02%	€315	0.02%	€401
Legg Mason Global Funds Plc – Legg Mason ClearBridge US Appreciation Fund – LM Class Euro Accumulating		0.57%	€1,054	0.60%	€1,343	
Legg Mason Global Funds Plc – Legg Mason ClearBridge US Large Cap Growth Fund – LM Class Euro Accumulating		0.02%	€217	0.05%	€289	
Legg Mason Global Funds Plc – Legg Mason QS MV European Equity Growth and Income Fund – LM Class Euro Accumulating		1.41%	€913	1.49%	€1,165	
Legg Mason Global Funds Plc – Legg Mason Royce US Smaller Companies Fund – LM Class Euro Accumulating		0.22%	€306	0.24%	€408	
Legg Mason Global Funds Plc – Legg Mason Western Asset Macro Opportunities Bond Fund – LM Class Euro Accumulating		0.01%	€519	0.01%	€690	
Legg Mason Global Funds Plc – Legg Mason Western Asset US Core Plus Bond Fund – LM Class Euro Accumulating		0.09%	€785	0.18%	€1,012	
Legg Mason QS Balanced Fund		Legg Mason Global Funds Plc – Legg Mason Brandywine Global Opportunistic Fixed Income Fund – LM Class US\$ Accumulating	–	–	0.17%	\$853
		Legg Mason Global Funds Plc – Legg Mason ClearBridge US Aggressive Growth Fund – LM Class US\$ Accumulating	–	–	0.01%	\$183
	Legg Mason Global Funds Plc – Legg Mason ClearBridge US Appreciation Fund – LM Class US\$ Accumulating	0.32%	\$701	0.26%	\$661	
	Legg Mason Global Funds Plc – Legg Mason ClearBridge US Large Cap Growth Fund – LM Class US\$ Accumulating	–	–	0.02%	\$148	
	Legg Mason Global Funds Plc – Legg Mason QS MV European Equity Growth and Income Fund – LM Class US\$ Accumulating	1.36%	\$1,027	0.24%	\$217	
	Legg Mason Global Funds Plc – Legg Mason Royce US Smaller Companies Fund – LM Class US\$ Accumulating	–	–	0.10%	\$206	
	Legg Mason Global Funds Plc – Legg Mason Western Asset Global Core Plus Bond Fund – Premier Class US\$ Accumulating	1.25%	\$2,250	–	–	
	Legg Mason Global Funds Plc – Legg Mason Western Asset Global High Yield Fund – LM Class US\$ Accumulating	0.37%	\$684	–	–	
	Legg Mason Global Funds Plc – Legg Mason Western Asset Macro Opportunities Bond Fund – LM Class US\$ Accumulating	–	–	0.00%	\$228	
	Legg Mason Global Funds Plc – Legg Mason Western Asset US Core Plus Bond Fund – LM Class US\$ Accumulating	–	–	0.15%	\$971	
Legg Mason QS Investors Multi Asset Euro Performance Fund	Legg Mason Global Funds Plc – Legg Mason Brandywine Global Opportunistic Fixed Income Fund – LM Class Euro Accumulating	0.33%	€1,929	0.49%	€2,212	
	Legg Mason Global Funds Plc – Legg Mason ClearBridge US Aggressive Growth Fund – LM Class Euro Accumulating	0.02%	€358	0.02%	€401	
	Legg Mason Global Funds Plc – Legg Mason ClearBridge US Appreciation Fund – LM Class Euro Accumulating	0.72%	€1,335	0.66%	€1,484	
	Legg Mason Global Funds Plc – Legg Mason ClearBridge US Large Cap Growth Fund – LM Class Euro Accumulating	0.03%	€315	0.06%	€353	
	Legg Mason Global Funds Plc – Legg Mason QS MV European Equity Growth and Income Fund – LM Class Euro Accumulating	1.31%	€848	1.21%	€947	
	Legg Mason Global Funds Plc – Legg Mason Royce US Smaller Companies Fund – LM Class Euro Accumulating	0.25%	€351	0.24%	€405	
	Legg Mason Global Funds Plc – Legg Mason Western Asset Macro Opportunities Bond Fund – LM Class Euro Accumulating	0.01%	€736	0.02%	€850	
	Legg Mason Global Funds Plc – Legg Mason Western Asset US Core Plus Bond Fund – LM Class Euro Accumulating	0.04%	€348	0.07%	€394	

Notes to Financial Statements – (continued)

5. Operating Expenses and Other Related Party Transactions – (continued)

Related Parties – (continued)

Fund	Underlying Collective Investment Scheme	June 30, 2018		June 30, 2017	
		%	Value (000's)	%	Value (000's)
Legg Mason QS Growth Fund	Legg Mason Global Funds Plc – Legg Mason Brandywine Global Opportunistic Fixed Income Fund – LM Class US\$ Accumulating	–	–	0.06%	\$302
	Legg Mason Global Funds Plc – Legg Mason ClearBridge US Aggressive Growth Fund – LM Class US\$ Accumulating	0.05%	\$904	0.00%	\$80
	Legg Mason Global Funds Plc – Legg Mason ClearBridge US Appreciation Fund – LM Class US\$ Accumulating	0.36%	\$788	0.11%	\$287
	Legg Mason Global Funds Plc – Legg Mason ClearBridge US Large Cap Growth Fund – LM Class US\$ Accumulating	0.11%	\$1,460	0.01%	\$66
	Legg Mason Global Funds Plc – Legg Mason QS MV European Equity Growth and Income Fund – LM Class US\$ Accumulating	1.58%	\$1,192	0.10%	\$92
	Legg Mason Global Funds Plc – Legg Mason Royce US Smaller Companies Fund – LM Class US\$ Accumulating	–	–	0.04%	\$79
	Legg Mason Global Funds Plc – Legg Mason Western Asset Global Core Plus Bond Fund – Premier Class US\$ Accumulating	0.66%	\$1,190	–	–
	Legg Mason Global Funds Plc – Legg Mason Western Asset Macro Opportunities Bond Fund – LM Class US\$ Accumulating	–	–	0.00%	\$116
	Legg Mason Global Funds Plc – Legg Mason Western Asset US Core Plus Bond Fund – LM Class US\$ Accumulating	–	–	0.03%	\$181

Shareholder Services Fee

Under the Shareholder Servicing Agreements with the Company, each Shareholder Servicing Agent shall be entitled to receive a Shareholder Services Fee from certain of the share classes for its services as a Shareholder Servicing Agent.

The Shareholder Services Fees shall be payable monthly in arrears and shall accrue on each dealing day. Each Shareholder Servicing Agent shall be responsible for discharging the fees of any selling agent or shareholder servicing agent that provides shareholder services to certain shareholders, including selling agents whom the Shareholder Servicing Agent (in its capacity as Distributor) has appointed to market and distribute the Funds. The maximum Shareholder Services Fee for each class, including classes not in issue, at June 30, 2018 (expressed as a percentage of the relevant Fund's net asset value attributable to such class) is as follows:

- (i) 0.25% on Class A, Class B, Class C, Class E, Class R and Class X of the Company;
- (ii) Shareholder Services Fee is not applicable on Class F, Premier Class, S Class and LM Class of the Company.

During the year ended June 30, 2018 and June 30, 2017 the Shareholder Services Fees waived were as follows:

Fund Name	June 30, 2018 (000's)	June 30, 2017 (000's)
Legg Mason QS Investors Multi Asset Euro Conservative Fund	–	€34
Legg Mason QS Conservative Fund	\$8	\$9
Legg Mason QS Investors Multi Asset Euro Balanced Fund	–	€53
Legg Mason QS Balanced Fund	\$14	\$17
Legg Mason QS Investors Multi Asset Euro Performance Fund	€4	€39
Legg Mason QS Growth Fund	\$15	\$5

Transaction costs

Transaction costs on purchases and sales for the year ended June 30, 2018 and June 30, 2017 are detailed in the table below:

Fund Name	June 30, 2018 (000's)	June 30, 2017 (000's)
Legg Mason QS Investors Multi Asset Euro Conservative Fund	€1	€3
Legg Mason QS Conservative Fund	\$2	\$1
Legg Mason QS Investors Multi Asset Euro Balanced Fund	€2	€4
Legg Mason QS Balanced Fund	\$7	\$4
Legg Mason QS Investors Multi Asset Euro Performance Fund	€1	€2
Legg Mason QS Growth Fund	\$8	–

Amounts designated as “–” are either 0 or less than 1,000.

Administrator and Depositary

BNY Mellon Trust Company (Ireland) Limited (the “Depositary”) acts as depositary and BNY Mellon Fund Services (Ireland) Designated Activity Company (the “Administrator”) acts as administrator of the Company. The Administrator and the Depositary are entitled to receive from the Funds a combined administration and depositary fee of up to annual rate of 0.15% of the net asset value of the Funds.

The Administrator and Depositary are responsible for certain categories of their out-of-pocket expenses as specified in an agreement with the Company – the Company will be responsible for reimbursing the Administrator and the Depositary for other out-of-pocket expenses. The Company shall also reimburse the Depositary for sub-custodian fees which shall be charged at normal commercial rates.

Directors' Remuneration

Directors' fees and out of pocket expenses accrued through profit or loss in the Statement of Comprehensive Income and which pertain to the year ended June 30, 2018 were \$27,000 (June 30, 2017: \$17,000).

Directors' fees are not payable in respect of Joseph LaRocque, Jane Trust and Joseph Carrier who are the employees of the Investment Manager or its affiliates.

Audit Fees

Fees paid to the auditors, Pricewaterhouse Coopers of €46,800 (excluding VAT) for the year ended June 30, 2018 (June 30, 2017: €46,800), relate to the statutory audit of the financial statements of the Company. Included in Other expenses on the Statement of Comprehensive Income, fees of Nil (June 30, 2017: €13,245) (excluding VAT) were paid in respect of non audit services.

The out of pocket expenses paid to the auditors were €1,581 (June 30, 2017: €1,795) (excluding VAT).

Notes to Financial Statements – (continued)

5. Operating Expenses and Other Related Party Transactions – (continued)

Other Related Party Transactions

Below is a table that shows the percentage ownership of the significant shareholders that hold more than 20% of the issued share capital of the Fund:

Fund	% Holding June 30, 2018	% Holding June 30, 2017
Legg Mason QS Investors Multi Asset Euro Conservative Fund	25.05	22.67
Legg Mason QS Conservative Fund	54.95	23.71
Legg Mason QS Balanced Fund	62.32	27.02
Legg Mason QS Balanced Fund	–	22.55
Legg Mason QS Investors Multi Asset Euro Performance Fund	21.26	22.90
Legg Mason QS Growth Fund	89.02	26.23

6. Share Capital and Redeemable Participating Shares

Share Capital

The Company was incorporated with an initial share capital of €2 and represented by 2 subscriber shares of no par value. Shareholders of the subscriber shares are entitled to attend and vote at all meetings of the Company, but do not entitle the holder to participate in the dividends or net assets of any Fund or the Company.

Redeemable Participating Shares

The share capital of the Company shall at all times equal the net asset value. The Directors are generally and unconditionally authorised to exercise all the powers of the Company to issue shares in the Company pursuant to the Companies Act 2014 and are empowered to issue up to five hundred billion shares of no par value in the Company at the net asset value per share on such terms as they may think fit. There are no rights of pre-emption upon the issue of shares in the Company.

Each of the shares entitles the shareholder to participate equally on a pro rata basis in the dividends and net assets of the Fund in respect of which they are issued, save in the case of dividends declared prior to becoming a shareholder.

The proceeds from the issue of shares shall be applied in the books of the Company to the relevant Fund and shall be used in the acquisition on behalf of the relevant Fund of assets in which the Fund may invest. The records and accounts of each Fund shall be maintained separately.

Each of the shares entitles the holder to attend and vote at meetings of the Company and of the Fund represented by those shares.

Any resolution to alter the rights of the shares requires the approval of three quarters of the holders of the shares represented or present and voting at a general meeting duly convened in accordance with the constitution of the Company.

The constitution of the Company empower the Directors to issue fractional shares in the Company. Fractional shares may be issued to the nearest one thousandth of a share and shall not carry any voting rights at general meetings of the Company or of any Fund and the net asset value of any fractional share shall be the net asset value per share adjusted in proportion to the fraction.

As at June 30, 2018, details of active share classes are disclosed in the Statement of Financial Position.

7. Distributions to Holders of Redeemable Participating Shares

Distributing share classes available per Prospectus are outlined below. Each Fund supplement indicates which share classes are currently available.

Distributing

For each Distributing share class of each Fund, at the time of each dividend declaration: (1) all, or some portion of, net income, if any, will be declared as a dividend; and (2) all, or some portion, of, realised and unrealised capital gains net of realised and unrealised capital losses may be, but is not required to be, declared as a dividend.

Distributing Plus (e)

For each Distributing Plus (e) share class of each Fund: (1) all, or some portion of, net income, if any, will be declared as a dividend at the time of each dividend declaration; and (2) all, or some portion of, realised and unrealised capital gains net of realised and unrealised capital losses may be, but is not required to be, declared as a dividend at the time of each dividend declaration; and (3) certain fees and expenses may be charged to capital rather than income.

Declaration of distributions in the Distributing Plus (e) share classes, which may charge certain fees and expense to capital rather than income, could result in the erosion of capital for investors in those Distributing Plus (e) share classes and increased income to shareholders will be achieved by forgoing some of the potential for future capital growth.

As at June 30, 2018, there were no Distributing Plus (e) share classes.

Distributing Plus

For each Distributing Plus share class of each Fund, at the time of each dividend declaration: (1) all, or some portion of, net income, if any, will be declared as a dividend; and (2) all, or some portion, of, realised and unrealised capital gains net of realised and unrealised capital losses may be, but is not required to be, declared as a dividend; and (3) a portion of capital may be, but is not required to be, declared as a dividend.

Declaration of distributions in the Distributing Plus share classes, which may distribute capital, could result in the erosion of capital for investors in those Distributing Plus share classes and that the distributions will be achieved by forgoing the potential for future capital growth of the investment of the shareholders of the Distributing Plus share classes. The value of future returns may also be diminished. This cycle may continue until all capital is depleted.

As at June 30, 2018, there were no Distributing Plus share classes.

There were no distributions made for the financial year ended June 30, 2018 (distributions made for the financial year ended June 30, 2017 are included in the Statement of Comprehensive Income).

Accumulating Share Classes

With respect to Accumulating share classes, it is intended that, in the normal course of business, distributions will not be declared and that any net income and net gains attributable to each Accumulating share class will be accumulated daily in the respective net asset value per share of each respective share class.

8. Taxation

Under current Irish law and practice, the Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997 (as amended). On that basis, the Company will not generally be liable to Irish tax in respect of its income and gains, other than on the occurrence of a chargeable event. Generally a chargeable event arises on any distribution, redemption, repurchase, cancellation, transfer of shares or on the ending of a 'Relevant Period', a 'Relevant Period' being an eight year period beginning with the acquisition of the shares by the Shareholders and each subsequent period of eight years beginning immediately after the preceding Relevant Period.

No Irish tax will arise on the Company in respect of chargeable events where:

- a shareholder who is neither Irish resident nor ordinarily resident in Ireland for tax purposes, at the time of the chargeable event, provided an appropriate valid declaration is in place, or the Company has been authorised by Irish Revenue to make gross payments in the absence of appropriate declarations; and
- certain exempted Irish tax resident shareholders who have provided the Company with the necessary signed statutory declarations.

Notes to Financial Statements – (continued)

8. Taxation – (continued)

In addition, any transaction (which might otherwise be a chargeable event) in relation to shares held in a recognised clearing system as designated by order of the Irish Revenue Commissioners will not constitute a chargeable event.

In the absence of an appropriate declaration, the Company will be liable to Irish tax on the occurrence of a chargeable event. There were no chargeable events during the year under review.

Capital gains, dividends and interest received may be subject to taxes, including withholding taxes imposed by the country of origin and such taxes may not be recoverable by the Fund or its shareholders.

9. Cash and Cash Equivalents

The cash balances of any Fund are held with BNY Mellon Trust Company (Ireland) Limited and any sub-custodians. Cash and cash equivalents consist principally of short-term investments, including money market investments, which are readily convertible into cash and have original maturities of 90 days or less.

10. Commitments and Contingent Liabilities

There were no significant commitments or contingent liabilities as at June 30, 2018 or June 30, 2017.

11. Soft Commission Arrangements

There were no soft commissions paid for the year ended June 30, 2018 or June 30, 2017.

12. Exchange Rates

The following exchange rates were used in these financial statements as at June 30, 2018 and June 30, 2017:

	Currency	Exchange rates as at June 30, 2018	Exchange rates as at June 30, 2017
USD Based Funds	Euro	0.8563	0.8755
	Pound Sterling	0.7577	0.7678
		Exchange rates as at June 30, 2018	Exchange rates as at June 30, 2017
EUR Based Funds	Pound Sterling	0.8849	0.8769
	US Dollar	1.1678	1.1422

13. Risk Exposure and Risk Management

The Company has appointed Legg Mason Investments (Europe) Limited as Investment Manager of the Funds. The Investment Manager has made the decision to delegate some, but not all investment management activities to QS Investors, LLC (the "Sub-Investment Manager"), provided that the Investment Manager remains responsible to the Funds for the performance of their agreed upon obligations. The Investment Manager's responsibility is to manage the assets of the Funds in accordance with the Funds' stated investment objectives, investment policies and restrictions. Day-to-day risk management of the financial instruments (including financial derivative instruments) held by the Funds is the responsibility of the Sub-Investment Manager.

The Company, in conjunction with the Investment Manager, has determined that its material risks are market risk, credit risk and liquidity risk. Further details of these and other risks are set out below and in the Company's Prospectus under "Risk Factors".

Market risk includes market price risk, foreign currency risk, interest rate risk and other price risk.

Market price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The maximum price risk resulting from the ownership of financial instruments, excluding derivatives, is determined by the fair value of financial instruments. The Sub-Investment Manager may consider the asset allocation of the portfolio in order to minimise the risk associated with particular countries, industry sectors or securities while continuing to follow the Funds' investment objective as outlined in Note 3 to these financial statements. Risk is managed by the Sub-Investment Manager through careful selection of securities and other financial instruments within specified limits as outlined in the Prospectus and investment mandates. Details of the Funds' investment policies are outlined in Note 3 to these financial statements. Details of the Funds' financial assets and financial liabilities are presented on the Statement of Financial Position.

Foreign currency risk is the risk that the value of a financial instrument will fluctuate because of changes in the rate of exchange between the currency in which the financial asset or financial liability is denominated and the functional currency of the Funds. The value of the investments of the Funds denominated in a currency other than the functional currency may rise and fall due to exchange rate fluctuations by the relevant currencies. There is a risk that large exchange rate fluctuations may have a significant impact on the performance of the Funds.

Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Funds generally do not invest in any interest bearing securities other than cash balances held with the Depository. Cash assets held via the Depository and collateral with brokers yield interest income, the level of which will fluctuate according to the prevailing level of market interest rates.

The risks involved with investing in securities include changing economic conditions, industry and company conditions and security selection in addition to interest rate risk, credit risk and market risk. In addition, international securities, including those held by the Underlying Funds, may be subject to changing exchange rates, and in some cases, less liquid markets and political and economic instability depending on the country. Developing markets are subject to these same risks however it may be to a greater degree.

The Funds do not directly invest in interest bearing financial assets and financial liabilities, however the Funds may be exposed to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on their financial positions and cash flows via investing into collective investment schemes which hold interest bearing financial assets and financial liabilities.

Investing in securities issued by other investment companies or ETFs involves risks similar to those of investing directly in the securities and other assets held by the investment company or ETF. In addition, a Fund would bear, along with other shareholders, its *pro rata* portion of the expenses of collective investment schemes, including management and/or other fees. These fees would be in addition to the management fees and other expenses which a Fund bears directly in connection with its own operations.

The European Investment Committee (the "Committee") has been established within Legg Mason to oversee the delegation of investment management responsibilities for all Funds. The Committee is comprised of members who, as a group, have experience and specialised knowledge in such areas as investment management; investment analysis and reporting; risk management; and compliance. The Committee, on behalf of the Investment Manager, is responsible for overseeing that the Funds are managed within the terms of the Funds' investment guidelines and limits set out in the Prospectus and the UCITS Regulations as well as the Sub-Investment Managers' own internal investment guidelines and limits. The Committee generally meets once a month to oversee that the Funds are being managed in accordance with these limits and regulatory requirements.

Notes to Financial Statements – (continued)

13. Risk Exposure and Risk Management – (continued)

13.1 Market Risk

(a) Market Price Risk

Fair Value Pricing risk

Each Fund's market price risk is monitored, but not managed, relative to an index. The table below sets out an index for each Fund and quantify the probable impact to the net asset value of each Fund based on positive and negative movement in the index.

As at June 30, 2018:

Fund	Index	Currency	Impact on net asset value due to movement in index	
			Positive 5% ¹	Negative 5% ¹
Legg Mason QS Investors Multi Asset Euro Conservative Fund	LM Multi Euro Conservative Benchmark ²	EUR	463,946	(463,946)
Legg Mason QS Conservative Fund	LM QS Conservative Benchmark (revised in February 2018) ³	USD	352,736	(352,736)
Legg Mason QS Investors Multi Asset Euro Balanced Fund	LM Multi Euro Balanced Benchmark ⁴	EUR	757,355	(757,355)
Legg Mason QS Balanced Fund	LM QS Balanced Benchmark (revised in February 2018) ⁵	USD	829,006	(829,006)
Legg Mason QS Investors Multi Asset Euro Performance Fund	LM Multi Euro Performance Benchmark ⁶	EUR	700,408	(700,408)
Legg Mason QS Growth Fund	LM QS Growth Benchmark (revised in February 2018) ⁷	USD	938,964	(938,964)

As at June 30, 2017:

Fund	Index	Currency	Impact on net asset value due to movement in index	
			Positive 5% ¹	Negative 5% ¹
Legg Mason QS Investors Multi Asset Euro Conservative Fund	LM Multi Euro Conservative Benchmark ²	EUR	572,081	(572,081)
Legg Mason QS Conservative Fund	LM Multi Dollar Conservative Benchmark ³	USD	223,525	(223,525)
Legg Mason QS Investors Multi Asset Euro Balanced Fund	LM Multi Euro Balanced Benchmark ⁴	EUR	1,007,677	(1,007,677)
Legg Mason QS Balanced Fund	LM Multi Dollar Balanced Benchmark ⁵	USD	376,850	(376,850)
Legg Mason QS Investors Multi Asset Euro Performance Fund	LM Multi Euro Performance Benchmark ⁶	EUR	815,016	(815,016)
Legg Mason QS Growth Fund	LM Multi Dollar Performance Benchmark ⁷	USD	115,292	(115,292)

¹ The most probable outcome is based on a +5% outperformance or -5% underperformance against the actual current year benchmark performance.

² LM Multi Euro Conservative Benchmark index composition: 40.25% FTSE Euro Broad Investment-Grade Bond Index (EUR); 13.25% FTSE US Broad Investment-Grade Bond Index (EUR); 11.50% FTSE World Broad Investment-Grade Bond Index (EUR); 5.00% J.P. Morgan Emerging Market Bond Index Plus (EUR); 18.75% MSCI Europe (Net Dividends) Index (EUR); 8.00% MSCI USA (Net Dividends) Index (EUR); 1.75% MSCI Pacific (Net Dividends) Index (EUR); 1.50% MSCI Emerging Markets (Net Dividends) Index (EUR)

³ Fund does not have an index as a benchmark, therefore a substitute Index was used as an indicator for the beta calculation. LM QS Conservative Benchmark index composition: 65% Bloomberg Barclays Global Aggregate Index and 35% MSCI All Country World Index (Net Dividends) Index

⁴ LM Multi Euro Balanced Benchmark index composition: 26.75% FTSE Euro Broad Investment-Grade Bond Index (EUR); 8.75% FTSE US Broad Investment-Grade Bond Index (EUR); 14.50% FTSE World Broad Investment-Grade Bond Index (EUR); 5.00% J.P. Morgan Emerging Market Bond Index Plus (EUR); 26.00% MSCI Europe (Net Dividends) Index (EUR); 14.00% MSCI USA (Net Dividends) Index (EUR); 2.00% MSCI Pacific (Net Dividends) Index (EUR); 3.00% MSCI Emerging Markets (Net Dividends) Index (EUR)

⁵ Fund does not have an index as a benchmark, therefore a substitute Index was used as an indicator for the beta calculation. LM QS Balanced Benchmark index composition: 40% Bloomberg Barclays Global Aggregate Index and 60% MSCI All Country World Index (Net Dividends) Index

⁶ LM Multi Euro Performance Benchmark index composition: 15.75% FTSE Euro Broad Investment-Grade Bond Index (EUR); 5.00% FTSE US Broad Investment-Grade Bond Index (EUR); 17.25% FTSE World Broad Investment-Grade Bond Index (EUR); 5.00% J.P. Morgan Emerging Market Bond Index Plus (EUR); 30.50% MSCI Europe (Net Dividends) Index (EUR); 19.25% MSCI USA (Net Dividends) Index (EUR); 2.75% MSCI Pacific (Net Dividends) Index (EUR); 4.50% MSCI Emerging Markets (Net Dividends) Index (EUR)

⁷ Fund does not have an index as a benchmark, therefore a substitute Index was used as an indicator for the beta calculation. LM QS Growth Benchmark index composition: 20% Bloomberg Barclays Global Aggregate Index and 80% MSCI All Country World Index (Net Dividends) Index

(b) Foreign Currency Risk

A portion of the financial assets of the Funds are denominated in currencies other than the US Dollar and Euro (the functional or base currencies of the Funds) with the effect that the Statement of Financial Position and total return can be significantly affected by currency movements.

Changes in exchange rates between currencies or the conversion from one currency to another may cause the value of a Fund's investments to diminish or increase. Currency exchange rates may fluctuate over short periods of time. They generally are determined by supply and demand in the currency exchange markets and the relative merits of investments in different countries, actual or perceived changes in interest rates and other complex factors. Currency exchange rates can be affected unpredictably by intervention (or the failure to intervene) by governments or central banks, or by currency controls or political developments.

If the currency in which a Fund's portfolio investment is denominated appreciates against the Fund's base currency, the base currency value of the security will increase. Conversely, a decline in the exchange rate of the currency would adversely affect the value of the security expressed in the base currency of the Fund. The Sub-Investment Manager will not engage in foreign currency transactions in order to hedge against currency fluctuations between its underlying investments and its base currency.

The Sub-Investment Manager will not employ any techniques to hedge the share classes' exposure to changes in exchange rates between the base currency and the currency of the share class. As such, the net asset value per share and investment performance of such share classes may be affected, positively or negatively, by changes in the value of the base currency relative to the value of the currency in which the relevant share class is denominated. Currency conversion will take place on subscriptions, redemptions, exchanges and distributions at prevailing exchange rates.

Notes to Financial Statements – (continued)

13. Risk Exposure and Risk Management – (continued)

13.1 Market Risk – (continued)

(b) Foreign Currency Risk – (continued)

The following tables set out the Funds' net exposure to foreign currency risk.

Investments in non-interest bearing securities consist of collective investment schemes which are non-monetary assets.

As at June 30, 2018:

	Investments in Non-Interest Bearing Securities (000's)	Net Other Assets/ (Liabilities) (000's)	Total Net Asset Value (000's)
Legg Mason QS Investors Multi Asset Euro Conservative Fund			
British Pound	€ 2,528	€ –	€ 2,528
Euro	7,478	93	7,571
US Dollar	1,375	26	1,401
Total	€ 11,381	€ 119	€ 11,500
Legg Mason QS Conservative Fund			
British Pound	\$ 481	\$ –	\$ 481
Euro	1,602	7	1,609
US Dollar	4,708	82	4,790
Total	\$ 6,791	\$ 89	\$ 6,880
Legg Mason QS Investors Multi Asset Euro Balanced Fund			
British Pound	€ 2,717	€ –	€ 2,717
Euro	13,206	211	13,417
US Dollar	1,539	33	1,572
Total	€ 17,462	€ 244	€ 17,706
Legg Mason QS Balanced Fund			
British Pound	\$ 1,206	\$ –	\$ 1,206
Euro	4,782	18	4,800
US Dollar	11,273	272	11,545
Total	\$ 17,261	\$ 290	\$ 17,551
Legg Mason QS Investors Multi Asset Euro Performance Fund			
British Pound	€ 884	€ 1	€ 885
Euro	13,565	47	13,612
US Dollar	1,082	25	1,107
Total	€ 15,531	€ 73	€ 15,604
Legg Mason QS Growth Fund			
British Pound	\$ 1,006	\$ –	\$ 1,006
Euro	6,259	18	6,277
US Dollar	12,399	1,782	14,181
Total	\$ 19,664	\$ 1,800	\$ 21,464

As at June 30, 2017:

Currency	Investments in Non-Interest Bearing Securities (000's)	Net Other Assets/ (Liabilities) (000's)	Total Net Asset Value (000's)
Legg Mason QS Investors Multi Asset Euro Conservative Fund			
British Pound	€ 3,172	€ 3	€ 3,175
Euro	9,295	56	9,351
US Dollar	1,615	43	1,658
Total	€ 14,082	€ 102	€ 14,184
Legg Mason QS Conservative Fund			
British Pound	\$ 417	\$ –	\$ 417
Euro	891	5	896
US Dollar	2,138	59	2,197
Total	\$ 3,446	\$ 64	\$ 3,510

Notes to Financial Statements – (continued)

13. Risk Exposure and Risk Management – (continued)

13.1 Market Risk – (continued)

(b) Foreign Currency Risk – (continued)

Currency	Investments in Non-Interest Bearing Securities (000's)	Net Other Assets/ (Liabilities) (000's)	Total Net Asset Value (000's)
Legg Mason QS Investors Multi Asset Euro Balanced Fund			
British Pound	€ 3,550	€ 6	€ 3,556
Euro	17,157	174	17,331
US Dollar	1,874	54	1,928
Total	€ 22,581	€ 234	€ 22,815
Legg Mason QS Balanced Fund			
British Pound	\$ 785	\$ 2	\$ 787
Euro	2,033	10	2,043
US Dollar	4,528	101	4,629
Total	\$ 7,346	\$ 113	\$ 7,459
Legg Mason QS Investors Multi Asset Euro Performance Fund			
British Pound	€ 1,002	€ 4	€ 1,006
Euro	15,347	161	15,508
US Dollar	1,182	37	1,219
Total	€ 17,531	€ 202	€ 17,733
Legg Mason QS Growth Fund			
British Pound	\$ 192	\$ –	\$ 192
Euro	698	4	702
US Dollar	1,497	(20)	1,477
Total	\$ 2,387	\$ (16)	\$ 2,371

The following tables set out a sensitivity analysis in relation to foreign currency risk and its effect on the net asset value of the Funds where foreign currency risk is deemed significant. A snapshot of the underlying positions for all Funds was taken as at June 30, 2018 and June 30, 2017. Exchange rates were appreciated/depreciated by +/- 5% (given the nature of the markets that the Funds are invested in a 5% increase/decrease has been applied); the corresponding impact was estimated for the total net asset value. All other market parameters are also assumed unchanged.

Fund	Currency	Impact on net asset value due to movement in foreign exchange rates* (Amount in Fund Base Currency)			
		June 30, 2018		June 30, 2017	
		Positive 5%	Negative 5%	Positive 5%	Negative 5%
Legg Mason QS Investors Multi Asset Euro Conservative Fund	British Pound	133,053	(120,381)	167,105	(151,190)
	US Dollar	73,737	(66,714)	87,263	(78,952)
Legg Mason QS Conservative Fund	British Pound	–	–	21,947	(19,857)
	Euro	84,684	(76,619)	47,158	(42,667)
Legg Mason QS Investors Multi Asset Euro Balanced Fund	British Pound	143,000	(129,381)	187,158	(169,333)
Legg Mason QS Balanced Fund	British Pound	–	–	41,421	(37,476)
	Euro	252,632	(228,571)	107,526	(97,286)
Legg Mason QS Growth Fund	Euro	330,368	(298,905)	36,947	(33,429)

* Analysis is shown where significant foreign currency exposure is held on the Fund. Significant exposure is deemed to be in excess of 10% of net assets. Movements in all foreign currency exchange rates will have a direct impact on the net asset value. The foreign currency exchange rates as at June 30, 2018 and June 30, 2017 is listed in Note 12. This sensitivity analysis should not be used as a prediction of future performance.

(c) Interest Rate Risk

As at June 30, 2018, the majority of the Funds' financial assets are non-interest bearing. As a result, these assets are not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. The Funds however, may be exposed to interest rate risk in relation to the cash assets held via the Depositary which have the potential to yield interest income, the level of which will fluctuate according to the prevailing level of market interest rates.

(d) Other Price Risk – Fair Value of Financial Assets and Financial Liabilities

In addition to the Committee, Legg Mason has established the Legg Mason North Atlantic Fund Valuation Committee, (the "Valuation Committee") to oversee the implementation of the valuation policies and procedures adopted by the Board of Directors (the "Board"). The Valuation Committee, including the Chairperson, is comprised of no fewer than four members. Representatives of Legg Mason Legal and Compliance will serve the Valuation Committee in an advisory capacity. The Valuation Committee meets on a monthly basis to review all securities which are manually priced, broker priced, matrix priced, fair valued, illiquid or stale. A Valuation Committee meeting, however, may be called at any time to consider any question or issue that falls under their procedures. Valuation Committee meetings can be in person, or via email or other writing.

Fair Value Estimation

The fair value of financial instruments traded in active markets (such as publicly traded derivatives and trading securities) is based on quoted market prices at the Statement of Financial Position date. The quoted market price used for equity instruments held by the Company is the last traded market price. When a "readily available market quotation" for a security is not available, the Company employs "fair value" methodologies to price securities. As a general principle, fair value is the price that the Fund might reasonably expect to receive upon a current sale. The fair valuation process requires the Valuation Committee to make a determination in good faith as to the value of a particular security or group of securities depending on the particular facts and circumstances involved.

Notes to Financial Statements – (continued)

13. Risk Exposure and Risk Management – (continued)

13.1 Market Risk – (continued)

(d) Other Price Risk – Fair Value of Financial Assets and Financial Liabilities – (continued)

Circumstances in which a market quotation is not readily available may include, trading suspensions prior to the close of the relevant market; events that unexpectedly close entire markets such as natural disasters, power blackouts, or similar major events; market holidays; or volume of trading in a security.

When determining the fair value of a Portfolio security, the Valuation Committee may consider all relevant methods, including but not limited to any one or all of the following pricing methods:

- (i) A multiple of earnings;
- (ii) A discount from market of a similar freely traded security;
- (iii) A discounted cash-flow analysis;
- (iv) The book value or a multiple thereof;
- (v) A risk premium/yield analysis;
- (vi) Yield to maturity; and/or
- (vii) Fundamental investment analysis.

The Valuation Committee reviews the appropriateness and accuracy of the methods used in fair valuing securities on a monthly basis including a comparison of fair values against the last market price and the next available market price, such as the next-day opening price.

The Company adopted the Amendments to FRS 102, "Fair Value Hierarchy Disclosures", which were effective for accounting periods beginning on or after January 1, 2017. These amendments require the Company to categorise its fair value measurements into the following levels consistent with the fair value hierarchy set out in International Financial Reporting Standards as adopted for use in the European Union. These amendments did not have any impact on the Funds' financial position or performance. The fair value hierarchy has the following levels:

Level 1 inputs are unadjusted quoted prices in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs (i.e. for which market data is unavailable) for the asset or liability.

An investment is always categorised as level 1, 2 or 3 in its entirety. In certain cases, the fair value measurement for an investment may use a number of different inputs that fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement requires judgement and is specific to the investment.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in these securities.

The following table analyses under the fair value hierarchy the Funds' financial assets measured at fair value at June 30, 2018:

	Legg Mason QS Investors Multi Asset Euro Conservative Fund as at June 30, 2018 (in 000's)	Legg Mason QS Conservative Fund as at June 30, 2018 (in 000's)	Legg Mason QS Investors Multi Asset Euro Balanced Fund as at June 30, 2018 (in 000's)	Legg Mason QS Balanced Fund as at June 30, 2018 (in 000's)	Legg Mason QS Investors Multi Asset Euro Performance Fund as at June 30, 2018 (in 000's)	Legg Mason QS Growth Fund as at June 30, 2018 (in 000's)
Level 1						
Collective Investment Schemes	€ 8,200	\$ 2,420	€ 11,365	\$ 6,949	€ 9,311	\$ 8,315
	8,200	2,420	11,365	6,949	9,311	8,315
Level 2						
Collective Investment Schemes	€ 3,181	\$ 4,371	€ 6,097	\$ 10,312	€ 6,220	\$ 11,349
	3,181	4,371	6,097	10,312	6,220	11,349
Level 3						
Collective Investment Schemes	€ -	\$ -	€ -	\$ -	€ -	\$ -
	-	-	-	-	-	-
Total Investments	€ 11,381	\$ 6,791	€ 17,462	\$ 17,261	€ 15,531	\$ 19,664

The following table analyses under the fair value hierarchy the Funds' financial assets measured at fair value at June 30, 2017:

	Legg Mason QS Investors Multi Asset Euro Conservative Fund as at June 30, 2017 (in 000's)	Legg Mason QS Conservative Fund as at June 30, 2017 (in 000's)	Legg Mason QS Investors Multi Asset Euro Balanced Fund as at June 30, 2017 (in 000's)	Legg Mason QS Balanced Fund as at June 30, 2017 (in 000's)	Legg Mason QS Investors Multi Asset Euro Performance Fund as at June 30, 2017 (in 000's)	Legg Mason QS Growth Fund as at June 30, 2017 (in 000's)
Level 1						
Collective Investment Schemes	€ 10,135	\$ 2,062	€ 14,656	\$ 3,879	€ 10,485	\$ 1,184
	10,135	2,062	14,656	3,879	10,485	1,184
Level 2						
Collective Investment Schemes	€ 3,947	\$ 1,384	€ 7,925	\$ 3,467	€ 7,046	\$ 1,203
	3,947	1,384	7,925	3,467	7,046	1,203
Level 3						
Collective Investment Schemes	€ -	\$ -	€ -	\$ -	€ -	\$ -
	-	-	-	-	-	-
Total Investments	€ 14,082	\$ 3,446	€ 22,581	\$ 7,346	€ 17,531	\$ 2,387

Notes to Financial Statements – (continued)

13. Risk Exposure and Risk Management – (continued)

13.2 Credit Risk

Credit risk is the risk that a counterparty to or issuer of a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Funds. The Company will be exposed to credit risk on parties with whom it trades and will also bear the risk of settlement default.

The Sub-Investment Manager minimises concentrations of credit risk by undertaking transactions with a large number of brokers and counterparties on recognised and reputable exchanges. All transactions in listed securities and securities on a Regulated Market are settled/paid for upon delivery using approved brokers. The Sub-Investment Manager maintains a list of approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

Substantially all of the cash and securities held by the Funds are held via the Depository. Bankruptcy or insolvency of the Depository may cause the Funds' rights with respect to the cash held by the Depository to be delayed or limited. The credit rating of the Depository is highly rated by prominent rating agencies. If the credit quality or financial position of the Depository deteriorates significantly, the Company will move the cash and security holdings to another bank. The Depository delegates the day-to-day responsibilities to its global sub-custodian, BNY Mellon SA/NV, whose long-term deposit rating by Standard & Poor's is AA- (June 30, 2017: AA-).

13.3 Liquidity Risk

The Company's Prospectus provides for the daily creation and cancellation of shares and the Company is therefore exposed to the liquidity risk of meeting shareholder redemptions at any time.

The Investment Manager employs an appropriate liquidity management system on behalf of the Company and has adopted documented procedures which enable it to monitor the liquidity risk of the Funds and ensure that the liquidity profile of the Funds' investments enable the Company to meet redemption requests in normal circumstances. In addition, there are procedures that allow the Company to manage its liquidity in exceptional circumstances. The Investment Manager's liquidity management procedures in respect of the Company are reviewed on at least an annual basis.

Liquidity is maintained by investing in underlying ETFs.

Stress testing is conducted on an ongoing basis under normal and exceptional liquidity conditions, having regard to a range of issues, including each Fund's investment strategies.

Details of residual contractual maturities of financial liabilities of the Funds are outlined below:

	Legg Mason QS Investors Multi Asset Euro Conservative Fund		Legg Mason QS Conservative Fund		Legg Mason QS Investors Multi Asset Euro Balanced Fund	
	As at June 30, 2018	As at June 30, 2017	As at June 30, 2018	As at June 30, 2017	As at June 30, 2018	As at June 30, 2017
Liabilities (in 000's)						
Less than 1 month						
Cash overdraft	€ –	€ –	\$ –	\$ 1	€ –	€ –
Investment management fees payable	3	10	–	2	11	22
Shareholder services fees payable	2	3	–	1	3	5
Administrator and depository fees payable	1	1	1	–	1	1
Payable for redeemable participating shares redeemed	–	–	–	–	33	8
Payable for investments purchased	–	–	51	–	–	–
Redeemable participating shares	11,500	14,184	6,880	3,510	17,706	22,815
Over 3 months						
Accrued expenses and other liabilities	51	134	36	34	67	191
Total Financial Liabilities	€ 11,557	€ 14,332	\$ 6,968	\$ 3,548	€ 17,821	€ 23,042

	Legg Mason QS Balanced Fund		Legg Mason QS Investors Multi Asset Euro Performance Fund		Legg Mason QS Growth Fund	
	As at June 30, 2018	As at June 30, 2017	As at June 30, 2018	As at June 30, 2017	As at June 30, 2018	As at June 30, 2017
Liabilities (in 000's)						
Less than 1 month						
Cash overdraft	\$ 86	\$ 2	€ –	€ –	\$ –	\$ 1
Investment management fees payable	–	6	1	14	–	1
Shareholder services fees payable	–	2	1	4	–	–
Administrator and depository fees payable	1	–	1	1	1	–
Payable for redeemable participating shares redeemed	–	–	5	13	–	59
Payable for investments purchased	30	–	–	–	343	–
Redeemable participating shares	17,551	7,459	15,604	17,733	21,464	2,371
Over 3 months						
Accrued expenses and other liabilities	61	88	59	137	55	21
Total Financial Liabilities	\$ 17,729	\$ 7,557	€ 15,671	€ 17,902	\$ 21,863	\$ 2,453

14. Significant Events

An updated Custody, Fund Accounting, Transfer Agency & Depository Services Fee Schedule was agreed and accepted for effective date of October 1, 2017.

On January 16, 2018, an updated Prospectus was issued by the Company and noted by the Central Bank. The most significant amendments included:

- Names of certain Funds were changed as detailed below:
 - Legg Mason QS Investors Multi Asset US Conservative Fund has changed its name to Legg Mason QS Conservative Fund;
 - Legg Mason QS Investors Multi Asset US Balanced Fund has changed its name to Legg Mason QS Balanced Fund; and
 - Legg Mason QS Investors Multi Asset US Performance Fund has changed its name to Legg Mason QS Growth Fund.
- The Investment Policies were changed as follows:
 - for the Legg Mason QS Balanced Fund the exposures to underlying equity funds and bond funds are changing from 'at least 40%' to 'at least 35%'; and
 - for the Legg Mason QS Growth Fund, the exposure to underlying bond funds is changing from 'at least 25%' to 'at least 15%'.

There have been no other significant events during the year ended June 30, 2018.

Notes to Financial Statements – *(continued)*

15. Subsequent Events

On July 12, 2018, an updated Prospectus was issued by the Company and noted by the Central Bank. The significant amendments included:

- Addition of a new fund, Legg Mason Western Asset Diversified Global Credit Fixed Maturity Bond Fund 2022.

There have been no other subsequent events impacting the financial statements of the Company since June 30, 2018 to October 12, 2018.

16. Segregated Liability

The Company is an umbrella fund with segregated liability between Funds and under Irish law the Company generally will not be liable as a whole to third parties and there generally will not be the potential for cross liability between the Funds. A Fund supplement has been issued in respect of each Fund. Each Fund will be responsible for paying its fees and expenses regardless of the level of its profitability. Notwithstanding the foregoing, there can be no assurance that, should an action be brought against the Company in the courts of another jurisdiction, the segregated nature of the Funds would necessarily be upheld.

17. Securities Financing Transactions Regulation

The Company does not hold any investments that are subject to the disclosure requirements of the Securities Financing Transactions Regulation.

18. Approval of the Report

The Directors approved the Annual Report on October 12, 2018.

Supplemental Information – Investment in Collective Investment Schemes

Management fees are charged to the underlying collective investment schemes by their respective managers. The below table details the gross management fee charge for each of the underlying collective investment schemes by their respective managers:

Collective Investment Schemes	Management Fee Rates
Acadian Global Managed Volatility Equity UCITS	0.820%
Brandes Investment Funds Plc – Brandes Global Value Fund	0.700%
Colchester MSGBF Plc Global Bond Fund	0.600%
First Eagle Amundi – First Eagle Amundi International Fund	1.000%
Investec Global Strategy Fund Ltd – Emerging Markets Equity Fund	1.000%
iShares Edge MSCI World Minimum Volatility UCITS ETF	0.300%
iShares EUR Aggregate Bond UCITS ETF EUR Dist	0.250%
iShares EUR Govt Bond 3-5yr UCITS ETF EUR Dist	0.200%
iShares J.P. Morgan USD EM Bond UCITS ETF	0.450%
iShares US Aggregate Bond UCITS ETF	0.250%
iShares USD High Yield Corp Bond UCITS ETF	0.500%
Lazard Global Managed Volatility Fund	0.650%
Legg Mason Global Funds Plc – Legg Mason Brandywine Global Fixed Income Fund – Premier Class US\$ Accumulating	0.600%
Legg Mason Global Funds Plc – Legg Mason Brandywine Global Opportunistic Fixed Income Fund – LM Class Euro Accumulating	none*
Legg Mason Global Funds Plc – Legg Mason ClearBridge US Aggressive Growth Fund – LM Class Euro Accumulating	none*
Legg Mason Global Funds Plc – Legg Mason ClearBridge US Aggressive Growth Fund – LM Class US\$ Accumulating	none*
Legg Mason Global Funds Plc – Legg Mason ClearBridge US Appreciation Fund – LM Class Euro Accumulating	none*
Legg Mason Global Funds Plc – Legg Mason ClearBridge US Appreciation Fund – LM Class US\$ Accumulating	none*
Legg Mason Global Funds Plc – Legg Mason ClearBridge US Large Cap Growth Fund – LM Class Euro Accumulating	none*
Legg Mason Global Funds Plc – Legg Mason ClearBridge US Large Cap Growth Fund – LM Class US\$ Accumulating	none*
Legg Mason Global Funds Plc – Legg Mason QS MV European Equity Growth and Income Fund – LM Class Euro Accumulating	none*
Legg Mason Global Funds Plc – Legg Mason QS MV European Equity Growth and Income Fund – LM Class US\$ Accumulating	none*
Legg Mason Global Funds Plc – Legg Mason Royce US Smaller Companies Fund – LM Class Euro Accumulating	none*
Legg Mason Global Funds Plc – Legg Mason Western Asset Global Core Plus Bond Fund – Premier Class US\$ Accumulating	0.400%
Legg Mason Global Funds Plc – Legg Mason Western Asset Global High Yield Fund – LM Class US\$ Accumulating	none*
Legg Mason Global Funds Plc – Legg Mason Western Asset Macro Opportunities Bond Fund – LM Class Euro Accumulating	none*
Legg Mason Global Funds Plc – Legg Mason Western Asset US Core Plus Bond Fund – LM Class Euro Accumulating	none*
Lyxor Japan TOPIX DR UCITS ETF	0.450%
Lyxor MSCI Emerging Markets UCITS ETF	0.550%
Lyxor MSCI Europe UCITS ETF	0.250%
SPDR Russell 2000 U.S. Small Cap UCITS ETF	0.300%
Xtrackers II Eurozone Government Bond UCITS ETF	0.050%
Xtrackers MSCI Europe UCITS ETF	0.150%
Xtrackers MSCI Pacific ex Japan UCITS ETF	0.300%
Xtrackers MSCI USA Swap UCITS ETF	0.855%

* There is no gross management fee charged on the LM classes of shares of the underlying funds.

Statement of Major Portfolio Changes (unaudited)

Legg Mason QS Investors Multi Asset Euro Conservative Fund

MAJOR PURCHASES	COST (in 000€)	MAJOR SALES	PROCEEDS (in 000€)
Lyxor MSCI Europe UCITS ETF	196	iShares EUR Govt Bond 3-5yr UCITS ETF EUR Dist	534
iShares US Aggregate Bond UCITS ETF	84	iShares EUR Aggregate Bond UCITS ETF EUR Dist	521
iShares EUR Aggregate Bond UCITS ETF EUR Dist	40	Lyxor MSCI Europe UCITS ETF	381
Legg Mason Global Funds Plc – Legg Mason Brandywine Global Opportunistic Fixed Income Fund – LM Class Euro Accumulating	40	Legg Mason Global Funds Plc – Legg Mason Brandywine Global Opportunistic Fixed Income Fund – LM Class Euro Accumulating	300
Legg Mason Global Funds Plc – Legg Mason Western Asset US Core Plus Bond Fund – LM Class Euro Accumulating	40	Xtrackers MSCI USA Swap UCITS ETF	217
iShares EUR Govt Bond 3-5yr UCITS ETF EUR Dist	36	Xtrackers II Eurozone Government Bond UCITS ETF	195
iShares J.P. Morgan USD EM Bond UCITS ETF	32	Legg Mason Global Funds Plc – Legg Mason Western Asset US Core Plus Bond Fund – LM Class Euro Accumulating	165
Xtrackers MSCI USA Swap UCITS ETF	27	iShares US Aggregate Bond UCITS ETF	163
Lyxor Japan TOPIX DR UCITS ETF	21	Legg Mason Global Funds Plc – Legg Mason QS MV European Equity Growth and Income Fund – LM Class Euro Accumulating	155
Xtrackers II Eurozone Government Bond UCITS ETF	17	iShares Edge MSCI World Minimum Volatility UCITS ETF	144
Legg Mason Global Funds Plc – Legg Mason QS MV European Equity Growth and Income Fund – LM Class Euro Accumulating	15	iShares J.P. Morgan USD EM Bond UCITS ETF	112
Xtrackers MSCI Pacific ex Japan UCITS ETF	12	Legg Mason Global Funds Plc – Legg Mason ClearBridge US Appreciation Fund – LM Class Euro Accumulating	80
Legg Mason Global Funds Plc – Legg Mason Royce US Smaller Companies Fund – LM Class Euro Accumulating	5	Legg Mason Global Funds Plc – Legg Mason Royce US Smaller Companies Fund – LM Class Euro Accumulating	75
		Lyxor Japan TOPIX DR UCITS ETF	68
		Lyxor MSCI Emerging Markets UCITS ETF	59
		Legg Mason Global Funds Plc – Legg Mason ClearBridge US Large Cap Growth Fund – LM Class Euro Accumulating	40
		Legg Mason Global Funds Plc – Legg Mason Western Asset Macro Opportunities Bond Fund – LM Class Euro Accumulating	40
		Legg Mason Global Funds Plc – Legg Mason ClearBridge US Aggressive Growth Fund – LM Class Euro Accumulating	35
		Xtrackers MSCI Pacific ex Japan UCITS ETF	30

Legg Mason QS Conservative Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Colchester MSGBF Plc Global Bond Fund	1,320	Legg Mason Global Funds Plc – Legg Mason Western Asset US Core Plus Bond Fund – LM Class US\$ Accumulating	596
Legg Mason Global Funds Plc – Legg Mason Western Asset Global Core Plus Bond Fund – Premier Class US\$ Accumulating	1,317	iShares US Aggregate Bond UCITS ETF	583
Lyxor Japan TOPIX DR UCITS ETF	588	iShares EUR Aggregate Bond UCITS ETF EUR Dist	416
Legg Mason Global Funds Plc – Legg Mason Brandywine Global Fixed Income Fund – Premier Class US\$ Accumulating	500	Legg Mason Global Funds Plc – Legg Mason Brandywine Global Opportunistic Fixed Income Fund – LM Class US\$ Accumulating	378
Legg Mason Global Funds Plc – Legg Mason QS MV European Equity Growth and Income Fund – LM Class US\$ Accumulating	412	iShares Edge MSCI World Minimum Volatility UCITS ETF	277
iShares US Aggregate Bond UCITS ETF	380	iShares USD Treasury Bond 7-10yr UCITS ETF USD Dist	217
Lyxor MSCI Europe UCITS ETF	326	iShares USD High Yield Corp Bond UCITS ETF	208
Xtrackers MSCI USA Swap UCITS ETF	313	Xtrackers MSCI USA Swap UCITS ETF	192
Lazard Global Managed Volatility Fund	305	Lyxor MSCI Europe UCITS ETF	191
First Eagle Amundi – First Eagle Amundi International Fund	275	Legg Mason Global Funds Plc – Legg Mason ClearBridge US Appreciation Fund – LM Class US\$ Accumulating	151
Legg Mason Global Funds Plc – Legg Mason Western Asset Global High Yield Fund – LM Class US\$ Accumulating	274	Legg Mason Global Funds Plc – Legg Mason Royce US Smaller Companies Fund – LM Class US\$ Accumulating	102
iShares USD High Yield Corp Bond UCITS ETF	264	Legg Mason Global Funds Plc – Legg Mason ClearBridge US Aggressive Growth Fund – LM Class US\$ Accumulating	68
iShares J.P. Morgan USD EM Bond UCITS ETF	206	Legg Mason Global Funds Plc – Legg Mason Western Asset Macro Opportunities Bond Fund LM – Class US\$ Accumulating	52
iShares EUR Aggregate Bond UCITS ETF EUR Dist	203	Lyxor Japan TOPIX DR UCITS ETF	46
Xtrackers MSCI Pacific ex Japan UCITS ETF	133	SPDR Russell 2000 U.S. Small Cap UCITS ETF	45
Lyxor MSCI Emerging Markets UCITS ETF	105	Legg Mason Global Funds Plc – Legg Mason ClearBridge US Large Cap Growth Fund – LM Class US\$ Accumulating	42
SPDR Russell 2000 U.S. Small Cap UCITS ETF	47	Xtrackers MSCI Pacific ex Japan UCITS ETF	23
iShares USD Treasury Bond 7-10yr UCITS ETF USD Dist	11	iShares J.P. Morgan USD EM Bond UCITS ETF	17
Legg Mason Global Funds Plc – Legg Mason Brandywine Global Opportunistic Fixed Income Fund – LM Class US\$ Accumulating	10	Lyxor MSCI Emerging Markets UCITS ETF	15
Legg Mason Global Funds Plc – Legg Mason Western Asset US Core Plus Bond Fund – LM Class US\$ Accumulating	5	Legg Mason Global Funds Plc – Legg Mason QS MV European Equity Growth and Income Fund – LM Class US\$ Accumulating	10

Statement of Major Portfolio Changes (unaudited) – (continued)

Legg Mason QS Investors Multi Asset Euro Balanced Fund

MAJOR PURCHASES	COST (in 000€)	MAJOR SALES	PROCEEDS (in 000€)
Lyxor MSCI Europe UCITS ETF	253	iShares EUR Aggregate Bond UCITS ETF EUR Dist	1,021
Legg Mason Global Funds Plc – Legg Mason Brandywine Global Opportunistic Fixed Income Fund – LM Class Euro Accumulating	130	Lyxor MSCI Europe UCITS ETF	953
iShares EUR Aggregate Bond UCITS ETF EUR Dist	115	Legg Mason Global Funds Plc – Legg Mason Brandywine Global Opportunistic Fixed Income Fund – LM Class Euro Accumulating	695
iShares US Aggregate Bond UCITS ETF	82	iShares EUR Govt Bond 3-5yr UCITS ETF EUR Dist	618
iShares EUR Govt Bond 3-5yr UCITS ETF EUR Dist	69	Legg Mason Global Funds Plc – Legg Mason ClearBridge US Appreciation Fund – LM Class Euro Accumulating	425
iShares J.P. Morgan USD EM Bond UCITS ETF	45	Xtrackers MSCI USA Swap UCITS ETF	406
Xtrackers MSCI USA Swap UCITS ETF	36	Legg Mason Global Funds Plc – Legg Mason QS MV European Equity Growth and Income Fund – LM Class Euro Accumulating	280
Legg Mason Global Funds Plc – Legg Mason Western Asset US Core Plus Bond Fund – LM Class Euro Accumulating	35	iShares Edge MSCI World Minimum Volatility UCITS ETF	267
Legg Mason Global Funds Plc – Legg Mason ClearBridge US Appreciation Fund – LM Class Euro Accumulating	30	Legg Mason Global Funds Plc – Legg Mason Western Asset US Core Plus Bond Fund – LM Class Euro Accumulating	235
Lyxor Japan TOPIX DR UCITS ETF	30	Lyxor MSCI Emerging Markets UCITS ETF	226
Legg Mason Global Funds Plc – Legg Mason ClearBridge US Aggressive Growth Fund – LM Class Euro Accumulating	20	iShares J.P. Morgan USD EM Bond UCITS ETF	209
Xtrackers MSCI Pacific ex Japan UCITS ETF	16	iShares US Aggregate Bond UCITS ETF	160
Legg Mason Global Funds Plc – Legg Mason QS MV European Equity Growth and Income Fund – LM Class Euro Accumulating	15	Legg Mason Global Funds Plc – Legg Mason Western Asset Macro Opportunities Bond Fund – LM Class Euro Accumulating	160
Legg Mason Global Funds Plc – Legg Mason Western Asset Macro Opportunities Bond Fund – LM Class Euro Accumulating	15	Legg Mason Global Funds Plc – Legg Mason Royce US Smaller Companies Fund – LM Class Euro Accumulating	155
Legg Mason Global Funds Plc – Legg Mason Royce US Smaller Companies Fund – LM Class Euro Accumulating	10	Legg Mason Global Funds Plc – Legg Mason ClearBridge US Aggressive Growth Fund – LM Class Euro Accumulating	145
Lyxor MSCI Emerging Markets UCITS ETF	10	Lyxor Japan TOPIX DR UCITS ETF	119
		Legg Mason Global Funds Plc – Legg Mason ClearBridge US Large Cap Growth Fund – LM Class Euro Accumulating	115
		Xtrackers MSCI Pacific ex Japan UCITS ETF	60

Legg Mason QS Balanced Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Legg Mason Global Funds Plc – Legg Mason Western Asset Global Core Plus Bond Fund – Premier Class US\$ Accumulating	2,350	Legg Mason Global Funds Plc – Legg Mason Western Asset US Core Plus Bond Fund – LM Class US\$ Accumulating	1,091
Lyxor Japan TOPIX DR UCITS ETF	1,620	Legg Mason Global Funds Plc – Legg Mason Brandywine Global Opportunistic Fixed Income Fund – LM Class US\$ Accumulating	1,048
Xtrackers MSCI USA Swap UCITS ETF	1,393	Lyxor MSCI Europe UCITS ETF	967
Lyxor MSCI Europe UCITS ETF	1,372	iShares US Aggregate Bond UCITS ETF	855
Colchester MSGBF Plc Global Bond Fund	1,285	Xtrackers MSCI USA Swap UCITS ETF	683
First Eagle Amundi – First Eagle Amundi International Fund	1,085	iShares Edge MSCI World Minimum Volatility UCITS ETF	581
iShares US Aggregate Bond UCITS ETF	1,005	iShares USD High Yield Corp Bond UCITS ETF	565
Acadian Global Managed Volatility Equity UCITS	960	iShares EUR Aggregate Bond UCITS ETF EUR Dist	524
Brandes Investment Funds Plc – Brandes Global Value Fund	920	Legg Mason Global Funds Plc – Legg Mason ClearBridge US Appreciation Fund – LM Class US\$ Accumulating	462
Lazard Global Managed Volatility Fund	880	iShares USD Treasury Bond 7-10yr UCITS ETF USD Dist	401
Legg Mason Global Funds Plc – Legg Mason QS MV European Equity Growth and Income Fund – LM Class US\$ Accumulating	874	Legg Mason Global Funds Plc – Legg Mason Western Asset Macro Opportunities Bond Fund – LM Class US\$ Accumulating	278
iShares USD High Yield Corp Bond UCITS ETF	811	SPDR Russell 2000 U.S. Small Cap UCITS ETF	265
Investec Global Strategy Fund Ltd – Emerging Markets Equity Fund	755	Legg Mason Global Funds Plc – Legg Mason Royce US Smaller Companies Fund – LM Class US\$ Accumulating	260
Legg Mason Global Funds Plc – Legg Mason Western Asset Global High Yield Fund – LM Class US\$ Accumulating	710	Lyxor Japan TOPIX DR UCITS ETF	256
iShares EUR Aggregate Bond UCITS ETF EUR Dist	624	Legg Mason Global Funds Plc – Legg Mason ClearBridge US Aggressive Growth Fund – LM Class US\$ Accumulating	209
iShares J.P. Morgan USD EM Bond UCITS ETF	586	Legg Mason Global Funds Plc – Legg Mason ClearBridge US Large Cap Growth Fund – LM Class US\$ Accumulating	190
Legg Mason Global Funds Plc – Legg Mason ClearBridge US Appreciation Fund – LM Class US\$ Accumulating	413	Lyxor MSCI Emerging Markets UCITS ETF	147
Xtrackers MSCI Pacific ex Japan UCITS ETF	397	Xtrackers MSCI Pacific ex Japan UCITS ETF	120
SPDR Russell 2000 U.S. Small Cap UCITS ETF	297	Legg Mason Global Funds Plc – Legg Mason Western Asset Global Core Plus Bond Fund – Premier Class US\$ Accumulating	70
Lyxor MSCI Emerging Markets UCITS ETF	246	Legg Mason Global Funds Plc – Legg Mason QS MV European Equity Growth and Income Fund – LM Class US\$ Accumulating	54

Statement of Major Portfolio Changes (unaudited) – (continued)

Legg Mason QS Investors Multi Asset Euro Performance Fund

MAJOR PURCHASES	COST (in 000€)	MAJOR SALES	PROCEEDS (in 000€)
Lyxor MSCI Europe UCITS ETF	139	iShares EUR Aggregate Bond UCITS ETF EUR Dist	429
Legg Mason Global Funds Plc – Legg Mason Brandywine Global Opportunistic Fixed Income Fund – LM Class Euro Accumulating	110	Lyxor MSCI Europe UCITS ETF	410
iShares EUR Aggregate Bond UCITS ETF EUR Dist	90	Legg Mason Global Funds Plc – Legg Mason Brandywine Global Opportunistic Fixed Income Fund – LM Class Euro Accumulating	335
iShares J.P. Morgan USD EM Bond UCITS ETF	54	Legg Mason Global Funds Plc – Legg Mason ClearBridge US Appreciation Fund – LM Class Euro Accumulating	300
iShares US Aggregate Bond UCITS ETF	54	Xtrackers MSCI USA Swap UCITS ETF	278
Xtrackers MSCI USA Swap UCITS ETF	52	Lyxor MSCI Emerging Markets UCITS ETF	171
Lyxor Japan TOPIX DR UCITS ETF	26	Legg Mason Global Funds Plc – Legg Mason QS MV European Equity Growth and Income Fund – LM Class Euro Accumulating	125
Legg Mason Global Funds Plc – Legg Mason ClearBridge US Appreciation Fund – LM Class Euro Accumulating	25	iShares Edge MSCI World Minimum Volatility UCITS ETF	109
Legg Mason Global Funds Plc – Legg Mason Western Asset Macro Opportunities Bond Fund – LM Class Euro Accumulating	20	Legg Mason Global Funds Plc – Legg Mason Royce US Smaller Companies Fund – LM Class Euro Accumulating	100
Legg Mason Global Funds Plc – Legg Mason QS MV European Equity Growth and Income Fund – LM Class Euro Accumulating	15	Legg Mason Global Funds Plc – Legg Mason Western Asset Macro Opportunities Bond Fund – LM Class Euro Accumulating	100
Xtrackers MSCI Pacific ex Japan UCITS ETF	13	Legg Mason Global Funds Plc – Legg Mason ClearBridge US Aggressive Growth Fund – LM Class Euro Accumulating	95
Xtrackers MSCI Europe UCITS ETF	11	Legg Mason Global Funds Plc – Legg Mason ClearBridge US Large Cap Growth Fund – LM Class Euro Accumulating	95
Legg Mason Global Funds Plc – Legg Mason ClearBridge US Aggressive Growth Fund – LM Class Euro Accumulating	10	Lyxor Japan TOPIX DR UCITS ETF	92
Legg Mason Global Funds Plc – Legg Mason Western Asset US Core Plus Bond Fund – LM Class Euro Accumulating	10	iShares J.P. Morgan USD EM Bond UCITS ETF	83
		Xtrackers MSCI Europe UCITS ETF	81
		iShares US Aggregate Bond UCITS ETF	65
		Legg Mason Global Funds Plc – Legg Mason Western Asset US Core Plus Bond Fund – LM Class Euro Accumulating	45
		Xtrackers MSCI Pacific ex Japan UCITS ETF	33

Legg Mason QS Growth Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Lyxor Japan TOPIX DR UCITS ETF	2,289	iShares US Aggregate Bond UCITS ETF	759
Lyxor MSCI Europe UCITS ETF	2,036	iShares USD High Yield Corp Bond UCITS ETF	704
First Eagle Amundi – First Eagle Amundi International Fund	1,782	Lyxor MSCI Europe UCITS ETF	698
Xtrackers MSCI USA Swap UCITS ETF	1,748	Xtrackers MSCI USA Swap UCITS ETF	569
Legg Mason Global Funds Plc – Legg Mason ClearBridge US Large Cap Growth Fund – LM Class US\$ Accumulating	1,514	Legg Mason Global Funds Plc – Legg Mason Brandywine Global Opportunistic Fixed Income Fund – LM Class US\$ Accumulating	445
Brandes Investment Funds Plc – Brandes Global Value Fund	1,486	Legg Mason Global Funds Plc – Legg Mason ClearBridge US Appreciation Fund – LM Class US\$ Accumulating	362
iShares US Aggregate Bond UCITS ETF	1,396	Lyxor Japan TOPIX DR UCITS ETF	294
Legg Mason Global Funds Plc – Legg Mason Western Asset Global Core Plus Bond Fund – Premier Class US\$ Accumulating	1,315	Legg Mason Global Funds Plc – Legg Mason Western Asset US Core Plus Bond Fund – LM Class US\$ Accumulating	268
Legg Mason Global Funds Plc – Legg Mason QS MV European Equity Growth and Income Fund – LM Class US\$ Accumulating	1,171	SPDR Russell 2000 U.S. Small Cap UCITS ETF	221
Lazard Global Managed Volatility Fund	1,135	Legg Mason Global Funds Plc – Legg Mason ClearBridge US Aggressive Growth Fund – LM Class US\$ Accumulating	216
Acadian Global Managed Volatility Equity UCITS	1,035	iShares Edge MSCI World Minimum Volatility UCITS ETF	192
iShares EUR Aggregate Bond UCITS ETF EUR Dist	980	Legg Mason Global Funds Plc – Legg Mason ClearBridge US Large Cap Growth Fund – LM Class US\$ Accumulating	174
iShares USD High Yield Corp Bond UCITS ETF	979	Legg Mason Global Funds Plc – Legg Mason Western Asset Macro Opportunities Bond Fund – LM Class US\$ Accumulating	169
Legg Mason Global Funds Plc – Legg Mason ClearBridge US Aggressive Growth Fund – LM Class US\$ Accumulating	978	Legg Mason Global Funds Plc – Legg Mason Royce US Smaller Companies Fund – LM Class US\$ Accumulating	166
Investec Global Strategy Fund Ltd – Emerging Markets Equity Fund	865	iShares EUR Aggregate Bond UCITS ETF EUR Dist	151
Legg Mason Global Funds Plc – Legg Mason ClearBridge US Appreciation Fund – LM Class US\$ Accumulating	820	Xtrackers MSCI Pacific ex Japan UCITS ETF	128
iShares J.P. Morgan USD EM Bond UCITS ETF	565	First Eagle Amundi – First Eagle Amundi International Fund	120
Xtrackers MSCI Pacific ex Japan UCITS ETF	514	Legg Mason Global Funds Plc – Legg Mason Western Asset Global Core Plus Bond Fund – Premier Class US\$ Accumulating	110
Lyxor MSCI Emerging Markets UCITS ETF	411	Lyxor MSCI Emerging Markets UCITS ETF	101
SPDR Russell 2000 U.S. Small Cap UCITS ETF	222	Lazard Global Managed Volatility Fund	75
		Acadian Global Managed Volatility Equity UCITS	70
		iShares J.P. Morgan USD EM Bond UCITS ETF	64
		iShares USD Treasury Bond 7-10yr UCITS ETF USD Dist	63

UCITS V Remuneration Policy (unaudited)

Legg Mason Global Solutions plc (the "Company")

1. Remuneration Policy

1.1 Introduction and Purpose

The Company has adopted this remuneration policy in order to meet the requirements of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended (the "UCITS Regulations") in a way and to the extent that is appropriate to the Company's size, internal organisation and the nature, scope and complexity of its activities. This policy has been adopted pursuant to ESMA's Guidelines on Sound Remuneration Policies under the UCITS Directive (the "ESMA Guidelines").

The purpose of this policy is to describe the remuneration principles and practices within the Company. Such principles and practices are designed:

- (a) to be consistent with, and promote, sound and effective risk management;
- (b) to be in line with the business strategy, objectives, values and interests of the Company;
- (c) not to encourage excessive risk-taking as compared to the investment policy of the relevant sub-funds of the Company (each, a "Fund");
- (d) to provide a framework for remuneration to attract, motivate and retain staff (including directors) to which the policy applies in order to achieve the objectives of the Company; and
- (e) to ensure that any relevant conflicts of interest can be managed appropriately at all times.

1.2 Application

This policy applies to identified staff, being those whose professional activities have a material impact on the risk profile of the Company or of the Funds and so covers: (i) senior management; (ii) risk takers¹; (iii) control functions²; and (iv) any employees receiving total remuneration that takes them into the same remuneration bracket³ as senior management and risk takers, whose professional activities have a material impact on the risk profile of the Company. The Company currently does not have any employees – the only personnel are the Company's management body (i.e., the board of directors) (each, a "Director" and collectively, the "Board"). All members of the Board are non-executive Directors. Certain of the Directors are affiliated with the investment managers of the Funds (each an "Investment Manager"). This policy applies both to the Directors who receive remuneration – namely, those Directors who are not affiliated with the Investment Manager (the "Independent Directors") – and the Directors who do not receive remuneration in light of their affiliation with the Investment Manager.

1.3 Governance

UCITS management companies and self-managed investment companies that are significant in terms of their size or of the size of the funds they manage, their internal organisation and the nature, the scope and the complexity of their activities are required to establish a remuneration committee. In view of the non-complex nature of the Company's internal structure and its activities, it is not considered necessary for the Company to establish a remuneration committee. In particular, the Company has taken account of the following circumstances prevailing as of the date of this document:

- the assets under management of the Company;
- the number of directors on the Board;
- the Company has no employees;
- the Company is not listed;
- the Company does not act as an alternative investment fund manager under Directive 2011/61/EU ("AIFMD") or provide the services mentioned under Article 6(3) of the UCITS Directive; and
- the Company is a self-managed investment company and so does not manage UCITS in any other EU or non-EU jurisdictions.

Accordingly, the Company is considered to be a non-complex, UCITS self-managed investment company. The Board is responsible for the remuneration policy of the Company and for determining the remuneration of the directors of the Company. The Board is comprised of non-executive directors only. The Board has adopted this policy and periodically reviews (at least annually) the general principles of this policy and is responsible for, and oversees, its implementation in line with the UCITS Regulations. The Board considers that its members have appropriate expertise in risk management and remuneration to perform this review. Where a periodic review reveals that the remuneration system does not operate as intended or prescribed, the Board shall ensure that a timely remedial plan is put in place.

¹ The Remuneration Guidelines refer in this context to "staff responsible for heading the investment management, administration, marketing, human resources" and "staff members, whose professional activities – either individually or collectively, as members of a group (e.g. a unit or part of a department) – can exert material influence on the management company's risk profile or on a UCITS it manages, including persons capable of entering into contracts/positions and taking decisions that materially affect the risk positions of the management company or of a UCITS it manages. Such staff can include, for instance, sales persons, individual traders and specific trading desks."

² "Control functions" refers to staff (other than senior management) responsible for risk management, compliance, internal audit and similar functions within a management company.

³ "Remuneration bracket" refers to the range of the total remuneration of each of the staff members in the senior manager and risk taker categories – from the highest paid to the lowest paid in these categories.

UCITS V Remuneration Policy (unaudited) – (continued)

1. Remuneration Policy (continued)

1.4 Alignment of remuneration and risk-taking

(a) Fixed Salary

The Independent Directors receive a fixed annual fee which is competitive and based on the individual Director's powers, tasks, expertise and responsibilities including, without limitation:

- (i) nature and complexity of the funds;
- (ii) demands of fulfilling regulatory obligations; and
- (iii) designated person functions.

Each Director's performance is subject to annual review by the Board.

(b) Variable Salary

The Independent Directors receive fixed remuneration only. It is not considered appropriate that the Directors receive variable remuneration from the Company. The following pay-out process rules in the UCITS Regulations applicable to variable remuneration do not apply to the remuneration paid to staff of the Company:

- variable remuneration in instruments;
- retention;
- deferral;
- ex post incorporation of risk for variable remuneration.

Following an assessment by the Company of each of the pay-out process rules and taking account of the Company's specific circumstances, the approach set out here is considered to be appropriate to the Company's size, internal organisation and the nature, scope and complexity of its activities as noted in Section 1.3.

(c) Expenses

The Directors will be reimbursed all reasonable, validly incurred, duly authorised and documented business expenses.

(d) Other Benefits

The Company does not propose to provide benefits to the Directors other than those referred to in this policy.

(e) Pension

The Directors are not entitled to pension contributions or other benefits from the Company in respect of their role as Directors.

(f) Notice of termination and severance pay

The maximum notice period in any Director's letter of engagement shall be determined by the relevant letter of engagement. Subject to the terms of that engagement letter, a Director's fee will continue to be paid during the relevant notice period. No severance payments are made.

(g) Conflicts of Interest

To the extent that the Company in the future retains any staff engaged in control functions (i.e., staff (other than senior management) responsible for risk management, compliance, internal audit and similar functions), in order to address any conflict of interest such staff shall be compensated in accordance with the achievement of the objectives linked to their control functions, independent of the performance of the business area to which the control functions relate.

A Director may undertake external activities with or without compensation and/or inducements that might lead to a conflict of interest with the Company or the Funds provided the conflict of interest is considered and disclosed in accordance with the terms of the Director's letter of appointment and the UCITS Regulations.

Any staff that may be engaged by the Company are required to undertake not to use personal hedging strategies or remuneration- and liability-related insurance to undermine the risk alignment effects embedded in their remuneration arrangements subject to this policy.

The Company has also adopted a connected party transaction policy in accordance with the requirements of the Central Bank.

2. Delegation of the Investment Management Function

2.1 Application of Remuneration Rules to Delegates

The Company has delegated the investment management function to the Investment Manager and so the Company must ensure that:

- (a) the Investment Manager is subject to regulatory requirements on remuneration that are equally as effective as those applicable under the ESMA Guidelines; or
- (b) appropriate contractual arrangements are put in place with the Investment Manager in order to ensure that there is no circumvention of the remuneration rules set out in the ESMA Guidelines. These contractual arrangements should cover any payments made to the Investment Manager's identified staff as compensation for the performance of investment management activities on behalf of the Company.

2.2 Confirmation of Applicability of Remuneration Rules by Investment Manager

Legg Mason Investments (Europe) Limited is subject to regulatory requirements on remuneration that are equally as effective as those applicable under the ESMA Guidelines.

The Investment Manager is required to provide a confirmation on an annual basis (or as otherwise reasonably required by the Company) that the statement at Section 2.1 above was accurate during relevant period.

UCITS V Remuneration Policy (unaudited) – (continued)

2. Delegation of the Investment Management Function (continued)

2.3 Application of Remuneration Rules to Sub-Delegates

To the extent that the Investment Manager sub-delegates the investment management function to a sub-investment manager (a "Sub-Investment Manager"), the Investment Manager must ensure the Sub-Investment Manager complies mutatis mutandis with the above requirements.

3. Deviation from the Policy

The Board may deviate from this policy. However, in such a case, the relevant payments must comply with the UCITS Regulations and the ESMA Guidelines (to the extent applicable) and in addition, the Board shall approve any payments made.

Total remuneration paid to the Directors during the financial year ended June 30, 2018 was as follows:

Type of remuneration	
Fixed remuneration	\$ 27,000
Variable remuneration	–
Total remuneration	\$ 27,000
Number of Beneficiaries	3

The Company has not paid remuneration to staff of any delegate to whom investment management functions have been delegated by the UCITS. Instead, the UCITS pays a management fee to the relevant delegate as referred to in Note 5 to these financial statements.

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