

# TCW International Small Cap Composite Performance

## ASSET-WEIGHTED AND TIME-WEIGHTED RATES OF RETURN

	Annual Return		MSCI AC World ex-USA Small Cap		# of Portfolios	Total Composite Assets at End of Period (U.S.\$ millions)	% of Non-Fee Paying Assets	Composite Internal Dispersion	Composite 3-Year Standard Deviation Annualized	Benchmark 3-Year Standard Deviation Annualized	Total Firm Assets (MSD)* (U.S.\$ millions)
	Gross (%)	Net (%)	Net	Index (%)							
2008	-65.54	-65.97	-50.23		1	641.56	—	—	34.77	24.21	52,919
2009	124.62	121.67	62.91		1	1,240.64	—	—	39.99	28.82	59,123
2010	38.92	37.19	25.21		1	1,643.11	—	—	40.75	30.79	40,805
2011	-31.40	-32.14	-18.50		1	24.76	—	—	31.69	24.20	81,764
2012	16.07	14.91	18.52		1	28.24	—	—	25.95	20.26	102,490
2013	24.14	22.90	19.73		1	32.82	—	—	21.97	16.91	109,920
2014	-11.17	-12.06	-4.03		2	57.74	—	—	18.14	13.33	144,768
2015	6.99	5.92	2.60		1	9.18	—	—	13.83	11.49	165,036
2016	-2.48	-3.45	3.91		1	7.85	—	—	12.58	12.31	177,187
2017	41.13	39.72	31.65		1	10.40	—	—	10.38	11.69	191,104

The TCW Group, Inc. is divided into three divisions: the Marketable Securities Division; the Alternative Products Division; and the Managed Accounts Division. On February 23, 2010, The TCW Group, Inc. acquired Metropolitan West Asset Management. On January 1, 2011, the Marketable Securities Division and Metropolitan West Asset Management completed a merger. Accordingly, effective January 1, 2011, Metropolitan West Asset Management was included within the Firm definition.

- Effective January 1, 2000, the Marketable Securities Division was established to provide investment advisory services in the marketable securities area. \*The Marketable Securities Division is defined as the Firm for purposes of reporting performance in accordance with the Global Investment Performance Standards.
- The Marketable Securities Division of TCW Group, Inc. claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards for the periods shown since inception. The Marketable Securities Division has been independently verified for the periods January 2000 through December 2017. The verification reports are available upon request.  
Verification assesses whether (1) the Firm has complied with all the composite construction requirements of the GIPS® standards on a firm-wide basis and (2) the Firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS® standards. Verification does not ensure the accuracy of any specific composite presentation.
- Results are for portfolios present for an entire month. The Composite includes all portfolios managed in the strategy, except for those subject to material client restrictions, which are, therefore, deemed non-discretionary.
- Results are time-weighted and geometrically linked to yield quarterly returns, and include all items of income, gain and loss.
- Results are based on trade-date transactions.
- A complete list and description of Firm composites is available upon request.
- The internal dispersion of annual returns is measured by the standard deviation across asset-weighted portfolio returns represented within the composite for the full year. Periods with five or fewer portfolios are not statistically representative and are not presented.
- Asset-weighted results use beginning of period market values. Unless stated otherwise, asset-weighted results are shown for the entire period. Equal-weighted results represent the simple average of all composite portfolios present for the entire period.
- The currency used to express performance is U.S. dollars.
- Gross results do not reflect the deduction of management fees and other custodial fees. Including these costs would reduce the shown returns. Net results reflect the deduction of the maximum standard fee charged to U.S. institutional clients without taking into account breakpoints. Certain clients could pay a significantly higher or lower fee which would result in different net returns. A fee which is 0.50% higher than the standard U.S. institutional fee will result in the total return being reduced, over five years, by 2.53% on a compound basis. Net results do not include the deduction of custodial fees or other administrative expenses, which will also reduce the returns shown.

- TCW makes no representation that future investment performance will conform to past performance and it should never be assumed that past performance foretells future performance.
- Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.
- There is no minimum asset level for portfolios included in the composite.
- This GIPS®-compliant composite was created on March 7, 2011.
- The Composite is composed of portfolios whose objective is to outperform the benchmark over the long term by investing in equity securities of small capitalization companies (companies with a market capitalization of \$6 billion or less at time of investment) that are domiciled outside the United States or whose primary business operations are outside the United States. While TCW's objective is to outperform the stated benchmark, it does not imply that this strategy shall share, or attempt to share, the same or similar characteristics of the benchmark or attempt to track the benchmark.
- The benchmark is the MSCI AC World ex-USA Small Cap Net Index. The Morgan Stanley Capital International AC World ex-USA Small Cap Net Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance in developed and emerging markets. It is composed of stocks which are categorized as small capitalization stocks and based outside of the USA.
- The Composite's U.S. institutional fee schedule is as follows: 1.00% on first \$25 million  
0.90% on the remaining balance
- Leverage is not used in the management of this composite. The Composite may invest in derivatives for purely defensive purposes. Derivatives will not be used for leverage.
- Withholding tax is not deducted from the portfolios contained in the composite.
- There are not any known inconsistencies between the local laws that the composite adheres to and the GIPS®.
- There are not any known inconsistencies between the chosen source of exchange rates and those of the benchmark.
- The performance results of the TCW International Small Cap composite from inception to February 27, 2011 represents the performance of the International Small Cap mutual fund managed by Rohit Sah while at Oppenheimer Funds. Thereafter, it represents his performance while at TCW. Mr. Sah has been the Portfolio Manager and sole decision maker of the strategy since January 1, 2004. Effective February 27, 2015, Ray Prasad became lead portfolio manager and Andrey Klukhov became co-portfolio manager.
- The Marketable Securities Division AUM is presented as supplemental information for the periods from 2006 to 2010, because the composite was managed at Oppenheimer Funds during that time.

Source: TCW