

AS OF MARCH 31, 2018

“By investing both long and short, we not only give ourselves the opportunity to add value with active management, but we can also provide for significantly less volatility than the overall market. Over a full market cycle, our goal is to achieve broad equity index-like returns with less risk. So, adding this fund to a portfolio helps investors achieve greater diversification while offering the potential for attractive returns.”

—Connor Browne

Portfolio Manager

Connor Browne, cfa

Managing Director

BA, Princeton University

Joined Thornburg in 2001
Portfolio Manager, 2006

The portfolio manager is supported by the entire Thornburg investment team.

Thornburg Long/Short Equity Fund combines tenets of both growth and value investing to pursue long-term capital appreciation. The fund invests in long and short positions of a wide range of equity securities. These represent companies of all sizes primarily in the U.S., which, based on our fundamental active research process, we believe will either rise or fall in price to the benefit of the fund’s absolute return.

Investor Benefits

- A liquid alternative option to complement a diversified portfolio.
- A risk management discipline, which helps lower volatility over time.
- Low correlation to equity markets to enhance an overall portfolio’s diversification.
- Thornburg’s active, focused investment selection process we have applied to all of our products since 1984.

Our Distinct Investment Approach

Thornburg Long/Short Equity Fund is a natural extension of our bottom-up security selection process, which is flexible, collaborative, and far from the herd.

Applying the same firm-wide discipline in how we think and invest differently to a focused long/short strategy, we strive to simultaneously mitigate risk while increasing the potential for greater total return. Through active security selection, we hope to generate full market cycle returns similar to the S&P 500 Index, but with less volatility, while delivering positive outcomes within both the long and short sides of the portfolio.

Conviction in Undervalued Companies

The fund ideally takes long positions in investments that we believe will grow over time, and which are trading below their long-term value. To construct this side of the portfolio, we categorize long equity positions in three categories:

- **Growth Industry Leaders:** Firms with top positions in growing markets.
- **Consistent Growers:** Companies that exhibit steady earnings or revenue growth, or both.
- **Emerging Growth Companies:** Names that are addressing a new market or carving out a niche in an existing one.

Opportunities in Overvalued Firms

The fund generally takes short positions in investments that we believe are overvalued (or to hedge against the fund’s long exposures). Here, too, we apply a three-basket portfolio construct to categorize the fundamentals that we think make such companies short-sale candidates:

- **Cycle Victims:** Cyclical companies that could be facing deteriorating industry dynamics or risks specific to the company or industry.
- **Stumbling Stalwarts:** Firms that once exhibited steady earnings or revenue growth, but that we expect to decline due to technological changes, weakening business economics, or other factors.
- **Falling Stars:** Fast growing businesses with premium valuations that we expect to decline because of approaching market saturation, increasing competition, or other factors.

Investments carry risks, including possible loss of principal. Additional risks may be associated with investments outside the United States, especially in emerging markets, including currency fluctuations, illiquidity, volatility, and political and economic risks. Investments in small- and mid-capitalization companies may increase the risk of greater price fluctuations. A short position will lose value as the security's price increases. Theoretically, the loss on a short sale can be unlimited. Investments in derivatives are subject to the risks associated with the securities or other assets underlying the pool of securities, including illiquidity and difficulty in valuation. Non-diversified funds can be more volatile than diversified funds. Investments in the Fund are not FDIC insured, nor are they bank deposits or guaranteed by a bank or any other entity.

Diversification does not assure or guarantee better performance and cannot eliminate the risk of investment losses.

Funds invested in a limited number of holdings may expose an investor to greater volatility.

There is no guarantee that the Fund will meet its investment objectives.

The S&P 500 Index is an unmanaged broad measure of the U.S. stock market.

Indices do not take into account fees and expenses. Investors cannot make direct investments in an index.

Our Long/Short Investment Approach

- Actively allocating the fund's portfolio between long and short positions is designed to pursue long-term capital appreciation and lower volatility relative to broad equity indices.
- Typically, the fund will invest more in long positions than shorts.
- Because it's an active focused strategy, the fund will typically hold only about 30–40 names long and short.

Thornburg Long/Short Equity Fund

AVERAGE ANNUAL TOTAL RETURNS (AS OF 3/31/18)	TICKER	YTD	1-YR	3-YR	5-YR	10-YR	SINCE INCEP.
I Shares (Predecessor Fund Incep: 2/1/08)	THLSX	-0.35%	11.32%	5.51%	7.96%	7.37%	7.21%
S&P 500 Index (Since 2/1/08)		-0.76%	13.99%	10.78%	13.31%	9.49%	8.93%

Returns are annualized for periods greater than one year.

Performance data shown represents past performance and is no guarantee of future results. Investment return and principal value will fluctuate so shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than quoted. For performance current to the most recent month end, visit thornburg.com or call 877-215-1330. There is no sales charge for class I shares. The total annual fund operating expenses are 3.81%. Thornburg Investment Management and/or Thornburg Securities Corporation have contractually agreed to waive fees and reimburse expenses through at least February 1, 2019, resulting in a net expense ratio of 3.46%. For more detailed information on fund expenses and waivers/reimbursements, please see the fund's prospectus.

Performance prior to 12/30/2016 is from the predecessor fund, which was managed in a materially equivalent manner to the Thornburg Long/Short Equity Fund. The predecessor fund was not a registered mutual fund and was not subject to the same investment restrictions as the Long/Short Equity Fund. If the predecessor fund had been registered under the 1940 Act, the performance may have been different.

Before investing, carefully consider the Fund's investment goals, risks, charges, and expenses. For a prospectus or summary prospectus containing this and other information, contact your financial advisor or visit thornburg.com. Read them carefully before investing.

The Thornburg Difference:

It's more than **what** we do. It's **how** we do it.

Many fund companies appear to do what we do. What sets us apart is not what we do, it's how we do it. Count on Thornburg for a unique process that can help people reach their financial goals.

