

Key Investor Information

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

UK Smaller Companies Fund

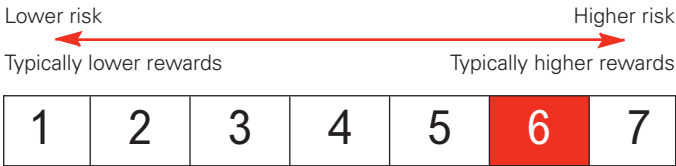
Retail Income GB0000203983

A sub-fund of **HSBC Specialist Investment Funds**, an open ended investment company ("OEIC"), managed by HSBC Global Asset Management (UK) Limited.

Objectives and investment policy

- ▶ To provide long term capital growth by investing in UK smaller companies which are mainly constituents of the FTSE Small Cap ex Investment Trusts Index.
- ▶ The fund aims to achieve its objective by adopting an investment process called MERIT (Multi-Factor Enhanced Return Investment Technique). This process seeks to invest in a wide range of companies that combine both attractive valuations with positive corporate earnings and price momentum signals.
- ▶ The Fund may also invest in other transferable securities, money market instruments, deposits, cash and near cash and collective investment schemes.
- ▶ Recommendation: this Fund may not be appropriate for investors who plan to withdraw their money within 5 years.

Risk and reward profile



More about this rating

The rating is based on price volatility over the last five years, and is an indicator of absolute risk. Historical data may not be a reliable indication for the future. The rating is not guaranteed to remain unchanged and the categorisation may shift over time. The lowest rating does not mean a risk-free investment.

Why is this fund in category 6?

Equity prices tend to fluctuate more than other asset classes as investors directly participate in underlying companies and their earnings.

Material risks not adequately captured by the risk rating above

- ▶ **Exchange rate risk** Investing in assets denominated in a currency other than that of the investor's own currency perspective exposes the value of the investment to exchange rate fluctuations.
- ▶ **Focused strategy risk** Funds with a narrow or concentrated investment strategy may experience higher risk and return fluctuations and lower liquidity than funds with a broader portfolio.
- ▶ **Operational risk** The main risks are related to systems and process failures. Investment processes are overseen by independent risk functions which are subject to independent audit and supervised by regulators.

Charges for this fund

The charges you pay are used to pay the running costs of the fund, including the marketing and distribution costs. These charges reduce the potential growth of the investment.

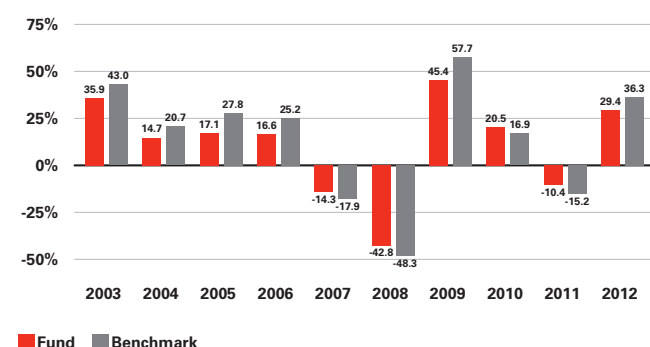
One-off charges taken before or after you invest	
Entry charge	4.00%
Exit charge	0.00%
Charges taken from the fund over a year	
Ongoing charge	1.46%
Charges taken from the fund under certain specific conditions	
Performance fee	None

The Entry and Exit charges shown are the maximum that may be charged. In some cases you may pay less. You can obtain the actual charges from your financial adviser.

The ongoing charges figure is based on last year's expenses for the year ending 15/09/2012. Charges may vary from year to year.

Further information on Charges can be found in the Fees and Expenses section of the full Prospectus.

Past performance



Warning: the performance returns before the change in investment objective(s) on 25/08/2006 were achieved under circumstances that no longer apply.

Past performance is not a guide to future performance; the value of your investment and any income from it can go down as well as up. The past performance of this share class is calculated in GBP.

Performance returns are based on the net asset value with distributable income reinvested. Past performance takes account of all ongoing charges, but not entry and exit charges.

The fund was launched on 23/09/1996.

The investment benchmark for the fund is the FTSE Small Cap ex Investment Trusts Gross.

Historically the investment benchmark has been: Hoare Govett Smaller Companies Gross from launch - 31/10/2001; Hoare Govett Smaller Companies ex Investment Trusts Gross from 01/11/2001 - 24/08/2006

Practical information

Depository

State Street Trustees Limited, 525 Ferry Road, Edinburgh, EH5 2AW.

Further information

Further information about the OEIC including the latest Prospectus, latest published prices of shares, annual report and half yearly report may be obtained free of charge, in English, from the administrator, HSBC Global Asset Management (UK) Limited, PO Box 6189, Coventry, CV3 9HS or by visiting www.assetmanagement.hsbc.com. The most recent Prospectus is available in English. This document describes a single share class of the OEIC. The Prospectus, annual and half yearly reports are prepared for the entire OEIC.

Share classes

Other share classes are available, as detailed in the Prospectus. It is possible to switch your shares into shares of a different share class or Fund within the OEIC. Details of how to do this are in the Prospectus (please note an initial charge may apply).

Tax

UK tax legislation may have an impact on your personal position.

Authorised Corporate Director

HSBC Global Asset Management (UK) Limited may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the Prospectus for the OEIC.

Allocation of Assets and Liabilities

The Funds of the OEIC are not separate legal entities. This means that the assets of this Fund may be required to meet the liabilities of other Funds in the OEIC. This would only happen if the OEIC was not able to meet the liabilities of a particular Fund from its assets.

Authorisations

The Fund is authorised in the United Kingdom and regulated by the Financial Services Authority. HSBC Global Asset Management (UK) Limited is authorised in the United Kingdom and regulated by the Financial Services Authority.

Publication date

This key investor information is accurate as at 19 February 2013.