

Annual Report

Legg Mason
Global Funds Plc

An umbrella fund with segregated
liability between sub-funds

For the year ended 28 February 2015

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[^] Not authorised for sale to the public in Hong Kong.

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[^] Not authorised for sale to the public in Hong Kong.

General Information

Board of Directors

John Alldis (Luxembourg)*
 Brian Collins (Ireland) (Independent)
 Joseph Keane (Ireland) (Independent)
 Joseph LaRocque (U.S.)
 Robert Shearman (United Kingdom)**
 * resigned on July 11, 2014
 ** appointed on July 11, 2014

Registered Office

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

Secretary

Bradwell Limited
 Arthur Cox Building
 Earlsfort Terrace
 Dublin 2, Ireland

Distributors and Shareholder Servicing Agents

Legg Mason Investor Services, LLC
 100 International Drive
 Baltimore, Maryland 21202
 U.S.A.

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

Legg Mason Asset Management Hong Kong Limited
 12/F, York House
 15 Queen's Road Central
 Hong Kong

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

Legg Mason Investments (Taiwan) Limited
 55 Floor – 1, Taipei 101 Tower
 No. 7, Xin Yi Road
 Section 5, Taipei, 110
 Taiwan

Reporting Fund Status and Distributor Status (relevant to U.K. Shareholders only)

UK shareholders can identify which share classes of the Company have been accepted into the UK reporting fund regime, and which share classes have been granted UK Reporting status, by checking the HM Revenue and Customs' Reporting Fund list at the website <https://www.gov.uk/government/publications/offshore-funds-list-of-reporting-funds>. This list is updated on a monthly basis by the HM Revenue and Customs.

For more information see the supplemental prospectus for investors from the United Kingdom, or contact Legg Mason Investments (Europe) Limited.

Swiss Representative and Paying Agent (up to November 1, 2014)

Banque Genevoise de Gestion SA
 Rue Rodolphe-Toepffer 15
 1206 Geneva
 Switzerland

Swiss Representative (from November 1, 2014)

First Independent Fund Services Ltd
 Klausstrasse 33
 CH-8008 Zurich
 Switzerland

Paying Agent (from November 1, 2014)

NPB Private Bank Ltd
 Limmatquai 1/am Bellevue
 CH-8022 Zurich
 Switzerland

Banque Genevoise de Gestion SA is acting as the Company's Swiss representative and paying agent for shares distributed in or from Switzerland up to September 29, 2014. From September 29, 2014, First Independent Fund Services Ltd and NPB Private Bank Ltd are acting as the Company's Swiss representative and paying agent, respectively.

The prospectus, the key investor information documents, the memorandum and articles of association of the Company, the annual and semi-annual reports and the breakdown of the purchase and sale transaction of the Funds, may be obtained free of charge at the office of the Swiss representative.

Irish Legal Adviser

Arthur Cox
 Earlsfort Centre
 Earlsfort Terrace
 Dublin 2, Ireland

Custodian

BNY Mellon Trust Company (Ireland) Limited
 Guild House
 Guild Street, IFSC
 Dublin 1, Ireland

Independent Auditors

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

Administrator

BNY Mellon Investment Servicing (International) Limited
 Riverside Two
 Sir John Rogerson's Quay
 Grand Canal Dock
 Dublin 2, Ireland

Sponsoring Broker

Davy Stockbrokers Limited
 49 Dawson Street
 Dublin 2, Ireland

Promoter

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

General Information – (continued)

Investment Manager:	Legg Mason ClearBridge Value Fund** (formerly Legg Mason Capital Management Value Fund) ClearBridge, LLC (formerly Legg Mason Capital Management, LLC) 100 International Drive Baltimore, Maryland 21202 U.S.A.	All Funds except Legg Mason ClearBridge Value Fund Legg Mason Investments (Europe) Limited 201 Bishopsgate London EC2M 3AB United Kingdom
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Fund Name	Fund Launch Date	Sub Investment Manager
Legg Mason Western Asset US Money Market Fund*	February 27, 2004	Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A
Legg Mason Western Asset US Core Bond Fund*	August 31, 2002	Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A
Legg Mason Western Asset US Core Plus Bond Fund*	April 20, 2007	Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A
Legg Mason Western Asset Euro Core Plus Bond Fund*	October 1, 2003	Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A
Legg Mason Western Asset Diversified Strategic Income Fund*	February 24, 2004	Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A
Legg Mason Western Asset Global Multi Strategy Fund*	August 29, 2002	Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A
Legg Mason Western Asset US High Yield Fund*	February 27, 2004	Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A

General Information – (continued)

Fund Name	Fund Launch Date	Sub Investment Manager
Legg Mason Western Asset Emerging Markets Bond Fund*	February 24, 2004	Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A
Legg Mason Western Asset Emerging Markets Corporate Bond Fund*	October 21, 2011	Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A Western Asset Management Company Ltd. Shin-Marunouchi Building 5-1 Marunouchi 1-Chome, Chiyoda-ku Tokyo 100-6536 Japan Western Asset Management Company Pte. Limited 1 George Street, #23-01 Singapore 049145 Western Asset Management Company Distribuidora de Titulos e Valores Mobiliarios Limitada Av. Pres. Juscelino Kubitschek No. 1455 – 15th Floor – 04543011 Sao Paulo – Brazil
Legg Mason Western Asset Global High Yield Fund*	April 20, 2007	Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A Western Asset Management Company Pte. Limited 1 George Street, #23-01 Singapore 049145
Legg Mason Western Asset US Short-Term Government Fund*	April 20, 2007	Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A
Legg Mason Western Asset US Adjustable Rate Fund*	April 20, 2007	Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A
Legg Mason Western Asset Inflation Management Fund*	April 20, 2007	Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A

General Information – (continued)

Fund Name	Fund Launch Date	Sub Investment Manager
Legg Mason Western Asset Asian Opportunities Fund*	June 12, 2008	<p>Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom</p> <p>Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A</p> <p>Western Asset Management Company Pte. Limited 1 George Street, #23-01 Singapore 049145</p>
Legg Mason Western Asset Global Blue Chip Bond Fund*	June 3, 2009	<p>Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom</p> <p>Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A</p> <p>Western Asset Management Company Ltd. Shin-Marunouchi Building 5-1 Marunouchi 1-Chome, Chiyoda-ku Tokyo 100-6536 Japan</p> <p>Western Asset Management Company Pte. Limited 1 George Street, #23-01 Singapore 049145</p>
Legg Mason Western Asset Brazil Bond Fund*	March 25, 2010	<p>Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom</p> <p>Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A</p> <p>Western Asset Management Company Distribuidora de Titulos e Valores Mobiliarios Limitada Av. Pres. Juscelino Kubitschek No. 1455 – 15th Floor – 04543011 Sao Paulo – Brazil</p>
Legg Mason Western Asset Global Credit Absolute Return Fund^*	May 20, 2010	<p>Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom</p> <p>Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A</p> <p>Western Asset Management Company Ltd. Shin-Marunouchi Building 5-1 Marunouchi 1-Chome, Chiyoda-ku Tokyo 100-6536 Japan</p> <p>Western Asset Management Company Pte. Limited 1 George Street, #23-01 Singapore 049145</p> <p>Western Asset Management Company Distribuidora de Titulos e Valores Mobiliarios Limitada Av. Pres. Juscelino Kubitschek No. 1455 – 15th Floor – 04543011 Sao Paulo – Brazil</p>

General Information – (continued)

Fund Name	Fund Launch Date	Sub Investment Manager
Legg Mason Western Asset UK£ Core Plus Bond Fund^{^*}	November 19, 2010 (ceased trading on February 24, 2014)	Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A Western Asset Management Company Pte. Limited 1 George Street, #23-01 Singapore 049145
Legg Mason Western Asset Global Core Plus Bond Fund^{^*}	December 3, 2010	Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A Western Asset Management Company Pte. Limited 1 George Street, #23-01 Singapore 049145
Legg Mason Western Asset Global Inflation-Linked Fund[*]	November 19, 2010 (ceased trading on January 8, 2015)	Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A Western Asset Management Company Pte. Limited 1 George Street, #23-01 Singapore 049145
Legg Mason Western Asset UK£ Inflation-Linked Plus Fund^{^*}	November 19, 2010 (ceased trading on February 14, 2014)	Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A Western Asset Management Company Pte. Limited 1 George Street, #23-01 Singapore 049145
Legg Mason Western Asset UK£ Long Duration Fund^{^*}	November 19, 2010 (ceased trading on February 24, 2014)	Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A Western Asset Management Company Pte. Limited 1 George Street, #23-01 Singapore 049145
Legg Mason Western Asset Global Credit Fund[*]	November 19, 2010	Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A Western Asset Management Company Pte. Limited 1 George Street, #23-01 Singapore 049145

General Information – (continued)

Fund Name	Fund Launch Date	Sub Investment Manager
Legg Mason Western Asset Euro High Yield Fund*	December 3, 2010	<p>Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom</p> <p>Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A</p> <p>Western Asset Management Company Pte. Limited 1 George Street, #23-01 Singapore 049145</p>
Legg Mason Western Asset Macro Opportunities Bond Fund**	September 5, 2013	<p>Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom</p> <p>Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A</p> <p>Western Asset Management Company Ltd. Shin-Marunouchi Building 5-1 Marunouchi 1-Chome, Chiyoda-ku Tokyo 100-6536 Japan</p> <p>Western Asset Management Company Pte. Limited 1 George Street, #23-01 Singapore 049145</p> <p>Western Asset Management Company Distribuidora de Titulos e Valores Mobiliarios Limitada Av. Pres. Juscelino Kubitschek No. 1455 – 15th Floor – 04543011 Sao Paulo – Brazil</p>
Legg Mason Western Asset US Limited Duration Fund†^		<p>Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom</p> <p>Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A</p> <p>Western Asset Management Company Pte. Limited 1 George Street, #23-01 Singapore 049145</p>
Legg Mason Western Asset Euro Absolute Return Bond Fund†		<p>Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom</p> <p>Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A</p>
Legg Mason Western Asset Asian Credit Fund†		<p>Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom</p> <p>Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A</p> <p>Western Asset Management Company Pte. Limited 1 George Street, #23-01 Singapore 049145</p>

General Information – (continued)

Fund Name	Fund Launch Date	Sub Investment Manager
Legg Mason Western Asset UK Limited Duration Fund†^		Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A Western Asset Management Company Pte. Limited 1 George Street, #23-01 Singapore 049145
Legg Mason Western Asset UK Credit Plus Fund†^		Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A Western Asset Management Company Pte. Limited 1 George Street, #23-01 Singapore 049145
Legg Mason Western Asset Euro Core Bond Fund†^		Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A
Legg Mason Western Asset Global Sovereign Fund†^		Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A Western Asset Management Company Pte. Limited 1 George Street, #23-01 Singapore 049145
Legg Mason Western Asset Emerging Domestic Debt Fund†^		Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A

General Information – (continued)

Fund Name	Fund Launch Date	Sub Investment Manager
Legg Mason Western Asset Global Sovereign Total Return Fund†		<p>Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom</p> <p>Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A</p> <p>Western Asset Management Company Ltd. Shin-Marunouchi Building 5-1 Marunouchi 1-Chome, Chiyoda-ku Tokyo 100-6536 Japan</p> <p>Western Asset Management Company Pte. Limited 1 George Street, #23-01 Singapore 049145</p> <p>Western Asset Management Company Distribuidora de Títulos e Valores Mobiliarios Limitada Av. Pres. Juscelino Kubitschek No. 1455 – 15th Floor – 04543011 Sao Paulo – Brazil</p>
Legg Mason Western Asset Infrastructure Debt Fund†		<p>Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom</p> <p>Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A</p> <p>Western Asset Management Company Ltd. Shin-Marunouchi Building 5-1 Marunouchi 1-Chome, Chiyoda-ku Tokyo 100-6536 Japan</p> <p>Western Asset Management Company Pte. Limited 1 George Street, #23-01 Singapore 049145</p> <p>Western Asset Management Company Distribuidora de Títulos e Valores Mobiliarios Limitada Av. Pres. Juscelino Kubitschek No. 1455 – 15th Floor – 04543011 Sao Paulo – Brazil</p>
Legg Mason Western Asset Short-Dated High Yield Fund†		<p>Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom</p> <p>Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A</p>
Legg Mason Western Asset US Mortgage-Backed Securities Fund†		<p>Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom</p> <p>Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A</p>
Legg Mason Brandywine Global Fixed Income Fund*	October 1, 2003	<p>Brandywine Global Investment Management, LLC 2929 Arch Street Suite 800 Philadelphia, Pennsylvania 19104 U.S.A</p>

General Information – (continued)

Fund Name	Fund Launch Date	Sub Investment Manager
Legg Mason Brandywine Global Fixed Income Absolute Return Fund^{^*}	April 3, 2012	Brandywine Global Investment Management, LLC 2929 Arch Street Suite 800 Philadelphia, Pennsylvania 19104 U.S.A.
Legg Mason Brandywine Global High Yield Fund^{^*}	November 30, 2012	Brandywine Global Investment Management, LLC 2929 Arch Street Suite 800 Philadelphia, Pennsylvania 19104 U.S.A.
Legg Mason Brandywine Global Opportunistic Fixed Income Fund^{^*}	June 25, 2010	Brandywine Global Investment Management, LLC 2929 Arch Street Suite 800 Philadelphia, Pennsylvania 19104 U.S.A.
Legg Mason Brandywine Global Sovereign Credit Fund^{^*}	May 10, 2012	Brandywine Global Investment Management, LLC 2929 Arch Street Suite 800 Philadelphia, Pennsylvania 19104 U.S.A.
Legg Mason Brandywine Global Income Optimiser Fund^{^*}	June 3, 2013	Brandywine Global Investment Management, LLC 2929 Arch Street Suite 800 Philadelphia, Pennsylvania 19104 U.S.A.
Legg Mason Brandywine Global Credit Opportunities Fund^{†^*}	June 30, 2014	Brandywine Global Investment Management, LLC 2929 Arch Street Suite 800 Philadelphia, Pennsylvania 19104 U.S.A.
Legg Mason Brandywine Global Dynamic US Equity Fund[†]		Brandywine Global Investment Management, LLC 2929 Arch Street Suite 800 Philadelphia, Pennsylvania 19104 U.S.A.
Legg Mason Western Asset Brazil Equity Fund^{**}	October 1, 2010	Western Asset Management Company Distribuidora de Titulos e Valores Mobiliarios Limitada Av. Pres. Juscelino Kubitschek No. 1455 – 15th Floor – 04543011 Sao Paulo – Brazil
Legg Mason ClearBridge Growth Fund^{**} (formerly Legg Mason Capital Management Growth Fund)	February 25, 2004	ClearBridge, LLC (formerly Legg Mason Capital Management, LLC) 100 International Drive Baltimore, Maryland 21202 U.S.A.
Legg Mason ClearBridge Global Equity Fund^{^***}	September 1, 2006	ClearBridge Investments, LLC 620 Eighth Avenue, 48th Floor New York, New York 10018 U.S.A.
Legg Mason ClearBridge Global Equity Income Fund^{†^***}	September 15, 2014	ClearBridge Investments, LLC 620 Eighth Avenue, 48th Floor New York, New York 10018 U.S.A.
Legg Mason ClearBridge US Appreciation Fund^{**}	April 20, 2007	ClearBridge Investments, LLC 620 Eighth Avenue, 48th Floor New York, New York 10018 U.S.A.
Legg Mason ClearBridge US Fundamental Value Fund^{**}	April 20, 2007	ClearBridge Investments, LLC 620 Eighth Avenue, 48th Floor New York, New York 10018 U.S.A.
Legg Mason ClearBridge US Large Cap Growth Fund^{**}	April 20, 2007	ClearBridge Investments, LLC 620 Eighth Avenue, 48th Floor New York, New York 10018 U.S.A.
Legg Mason ClearBridge US Aggressive Growth Fund^{**}	April 20, 2007	ClearBridge Investments, LLC 620 Eighth Avenue, 48th Floor New York, New York 10018 U.S.A.
Legg Mason ClearBridge US Equity Income Fund^{^***}	June 3, 2013 (ceased trading on August 29, 2014)	ClearBridge Investments, LLC 620 Eighth Avenue, 48th Floor New York, New York 10018 U.S.A.
Legg Mason ClearBridge Tactical Dividend Income Fund^{**}	June 3, 2013	ClearBridge Investments, LLC 620 Eighth Avenue, 48th Floor New York, New York 10018 U.S.A.

General Information – (continued)

Fund Name	Fund Launch Date	Sub Investment Manager
Legg Mason ClearBridge Global SRI Equity Fund†		ClearBridge Investments, LLC 620 Eighth Avenue, 48th Floor New York, New York 10018 U.S.A.
Legg Mason Opportunity Fund** (formerly Legg Mason Capital Management Opportunity Fund)	February 4, 2009	LMM LLC 100 International Drive Baltimore, Maryland 21202 U.S.A.
Legg Mason Royce US Small Cap Opportunity Fund**	November 8, 2002	Royce & Associates, LLC 745 5th Avenue New York, New York 10151 U.S.A.
Legg Mason Royce US Smaller Companies Fund** (formerly Legg Mason Royce Smaller Companies Fund)	March 1, 2004	Royce & Associates, LLC 745 5th Avenue New York, New York 10151 U.S.A.
Legg Mason Royce Smaller Companies Fund II^***	March 13, 2011	Royce & Associates, LLC 745 5th Avenue New York, New York 10151 U.S.A.
Legg Mason Royce European Smaller Companies Fund**	December 31, 2009 (ceased trading on February 12, 2014)	Royce & Associates, LLC 745 5th Avenue New York, New York 10151 U.S.A.
Legg Mason Royce Global Smaller Companies Fund**	December 31, 2009 (ceased trading on March 31, 2014)	Royce & Associates, LLC 745 5th Avenue New York, New York 10151 U.S.A.
Legg Mason BatteryMarch Managed Volatility European Equity Fund** (formerly Legg Mason BatteryMarch European Equity Fund)	August 31, 2002	QS BatteryMarch Financial Management, Inc. (formerly BatteryMarch Financial Management, Inc.) 200 Clarendon Street Boston, Massachusetts 02116 U.S.A.
Legg Mason BatteryMarch Asia Ex Japan Equity Fund** (formerly Legg Mason BatteryMarch Asia Pacific Equity Fund)	February 25, 2004	QS BatteryMarch Financial Management, Inc. (formerly BatteryMarch Financial Management, Inc.) 200 Clarendon Street Boston, Massachusetts 02116 U.S.A.
Legg Mason BatteryMarch International Large Cap Fund**	April 20, 2007 (ceased trading on February 25, 2015)	QS BatteryMarch Financial Management, Inc. (formerly BatteryMarch Financial Management, Inc.) 200 Clarendon Street Boston, Massachusetts 02116 U.S.A.
Legg Mason BatteryMarch Emerging Markets Equity Fund**	April 28, 2008	QS BatteryMarch Financial Management, Inc. (formerly BatteryMarch Financial Management, Inc.) 200 Clarendon Street Boston, Massachusetts 02116 U.S.A.
Legg Mason BatteryMarch Global Equity Fund**	December 29, 2010	QS BatteryMarch Financial Management, Inc. (formerly BatteryMarch Financial Management, Inc.) 200 Clarendon Street Boston, Massachusetts 02116 U.S.A.
Legg Mason BatteryMarch US Large Cap Fund†^		QS BatteryMarch Financial Management, Inc. (formerly BatteryMarch Financial Management, Inc.) 200 Clarendon Street Boston, Massachusetts 02116 U.S.A.
Legg Mason Permal Global Absolute Fund^***	September 24, 2009 (ceased trading on August 29, 2014)	Permal Investment Management Services Limited (up to October 10, 2014) 12 St. James's Square London SW1Y 4LB United Kingdom Legg Mason Global Asset Allocation, LLC (up to October 10, 2014) 620 Eighth Avenue New York, New York 10018 U.S.A.
Legg Mason PCM US Equity Fund	January 8, 2008 (ceased trading on August 24, 2010, re-launched on April 13, 2012 and ceased trading on August 30, 2013)	
Legg Mason Congruix Japan Equity Fund	October 2, 2008 (ceased trading on November 30, 2010)	
Legg Mason LMHK China Fund	November 30, 2009 (ceased trading on September 3, 2013)	

† As at February 28, 2015 these Funds have not commenced trading.

‡ Commenced trading during the period.

^ Not authorised for sale to the public in Hong Kong.

* Fixed Income Funds (Funds which invest mainly in fixed income and interest bearing securities)

** Equity Funds (Funds which invest mainly in equities)

*** Multi-Asset Fund

General Information – *(continued)*

For More Information

For further information on the range of Funds within Legg Mason Global Funds Plc, contact:

For professional investors in the U.K. and Europe

Legg Mason Investments (Europe) Limited
201 Bishopsgate
London EC2M 3AB
United Kingdom
Tel: + 44 (0) 207 070 7444

www.leggmason.co.uk

For authorised dealers in the Americas

Legg Mason Investments
1395 Brickell Avenue
Suite 1550
Miami, Florida 33131, U.S.A.
Tel: + 305 529 4400

www.leggmasonamericas.com

Go to the relevant website for information on:

- Daily prices
- Literature, including fact sheets providing the latest information on each Fund
- More information about Legg Mason's asset management affiliates managing the Funds

Letter to Shareholders

Dear Shareholder,

We are pleased to provide you with the annual report for Legg Mason Global Funds Plc (the "Company") for the 12 months ending 28 February, 2015. In this report we highlight the key drivers behind the performance of bond and equity markets over the period.

Fixed income markets

In March 2014, yields on US, UK and Japanese 10-year bonds ended the month slightly higher, while yields on 10-year German bunds were lower through safe-haven buying and expectations for continued accommodative policy from the European Central Bank (ECB). European peripheral bond spreads tightened on the back of improving fiscal dynamics and weak eurozone inflation data, sparking fresh talks of policy easing from the ECB.

Global bonds made broad-based gains in April. Within developed markets, investment grade corporates generally outperformed high yield issues. Within emerging market (EM) debt, US dollar-denominated sovereign bonds outperformed corporate bonds and local currency sovereign bonds. Demand for investment grade and high yield corporate bonds remained firm with corporate earnings generally continuing to exceed expectations. Many major currencies strengthened against the US dollar, while EM currencies saw mixed performance. Fixed income markets extended their run of good performance in May, with positive returns across government bonds and credit sectors. Within developed markets, investment grade corporates generally outperformed high yield issues. EM led the gains over the month. In June, bonds maintained their performance trend with another month of positive returns.

However, July saw mixed performance among bonds. High yield issues generated negative returns, particularly in the US and Europe. US credit underperformed European credit. At a sector level, US mortgage-backed securities (MBS) and US investment grade corporate bonds were also down. Although EM local currency debt was marginally positive in local currency terms, in US dollar terms it was down in July, as many EM currencies weakened versus the US dollar. Global bond markets had a stronger month in August with generally positive performance across government bond and credit sectors. Within EM debt, US dollar-denominated sovereign bonds slightly underperformed US dollar-denominated corporate bonds. Currency performance against the US dollar was varied in August. Global bond markets, both government and credit sectors, struggled in September. The month also saw a general sell-off in most EM debt markets.

In contrast, the fourth quarter of 2014 began on a healthy note for bonds. There was a general rebound in most EM debt markets, after September's sell-off. High yield bonds also performed strongly. Currency performance lacked direction over the month, with the Russian ruble falling most versus the US dollar. In November, a number of sovereign bond markets and investment grade corporates posted positive returns, while US high yield corporates and US dollar-denominated EM debt were in negative territory. Global bonds were supported by ongoing geopolitical tensions, further major central bank policy easing as well as a downshift in global growth and inflation expectations. In December, although some government bond markets and investment grade corporates were up, US and European high yield corporates were down. As in the previous month, geopolitical concerns and lower expectations for economic growth and inflation helped support major government bond markets.

Government bond markets enjoyed a good start to 2015 with US Treasuries, bunds and gilts up in January. However, sovereign bond market returns were generally mixed in February. Gilts were amongst the worst performing. US Treasuries were down over the month too. On the contrary, the peripheral eurozone bond markets of Italy, Spain and Ireland performed strongly.

Equity Markets

Global equity markets were mixed in March. In the US, after climbing on stronger-than-expected jobs data, equity markets moved lower as the Ukraine news took hold, before again rising on better-than-anticipated manufacturing data. European stocks fell amid concerns that Russia would curtail gas supplies to Ukraine, but then retraced their steps on increased expectation of eurozone monetary easing. Japanese equities declined on the back of weaker-than-expected industrial output and retail sales data, fuelling fears of an economic slowdown in China.

Major global equity indices once again registered divergent performance in April. In the US, equity markets digested the slightly weaker-than-expected US unemployment data, but then sold off sharply on concerns about equity valuations, before rebounding on stronger-than-expected corporate earnings releases. Nevertheless, global equity markets finished broadly higher in May. US equities advanced on US housing data and release of Federal Open Market Committee minutes that highlighted no immediacy in raising interest rates near term. In Europe, equities initially declined on weak gross domestic product data and the escalating tensions between Russia and Ukraine before climbing on ECB monetary easing signals. Japanese equity markets finished higher as the Japanese yen weakened into month-end. This backdrop continued into June with most major equity markets recording another month of steady, if unspectacular, performance.

In July, global equities were negatively impacted by weak earnings in the US and Europe combined with geopolitical strife and economic weakness across the globe, although stocks were positive in both Asia and EMs. In the US, investors were

concerned that improving economic data might spur the US Federal Reserve to raise interest rates more quickly than anticipated. European equities were bogged down by concerns about company earnings, continued deflation and the impact of economic sanctions against Russia. Strong performance in Asia was primarily driven by better-than-expected economic indicators in China. Most equity markets were back on track in August, however. US equities were particularly strong against a backdrop of strong economic data. Japanese equities fared less well, amid concerns about the Japanese economy. Nonetheless, most equity markets were up with Europe, EM and Asia ex Japan stock markets all in positive territory over the month. In a volatile third quarter overall, global stock prices fell during September amid fears of slowing global economy exacerbated by a sharp deceleration in growth in China and a stalled expansion in Europe.

Global stock prices advanced in October despite lacklustre global economic growth, notably in both China and Europe. Global equities were up again in November, although weak economic growth and plunging energy prices weighed on investor sentiment. Economic growth stalled in Europe, Japan and a number of EMs, while the US economy remained relatively robust. Developed equity markets rallied during the month, notwithstanding the significant decline in the energy sector. In spite of slowing growth across the region, European equities were the best performing in November. Japanese equities registered encouraging returns, while China was bolstered by hopes that the government would lower interest rates and implement financial sector reforms. US equities continued to rally in November and maintained their upward trajectory after October's strong bounce. In December, equity markets remained mixed. UK, EM and Japanese equities were down. Russian stocks in particular suffered further from economic sanctions and falling oil prices. US equities continued to increase, however, particularly small caps.

Into 2015, investors were concerned in January about dismal economic growth, volatile currencies, declining energy prices, deflationary concerns and the continuing saga of central bank policymakers seeking to bolster economies. Nonetheless, global equities were up on the whole. European equities performed well in January on the back of the decline in oil prices, a depreciating euro and quantitative easing, although exchanges between newly elected Greek officials and the ECB over debt and austerity issues added to investors' worries. Global equity markets continued to push ahead in February, with investor enthusiasm driven by the promise of a bond-purchasing programme in the eurozone, and hints from the US Federal Reserve that concerns over low inflationary pressures and sub-par employment statistics in the US would keep rates near record lows for a longer period.

We thank you for your continued support.

Yours sincerely,

Legg Mason Investments Europe Limited

Past performance is no guarantee of future results. The information is not intended to be a forecast of future events, a guarantee of future results or investment advice.

All data as at 28/02/2015 unless otherwise stated.

Legg Mason Global Funds plc is an umbrella fund with segregated liability between sub-funds, established as an open-ended investment company with variable capital, authorised in Ireland by the Central Bank of Ireland as an undertaking for collective investment in transferable securities.

All investments involve risk, including the possible loss of principal. Past performance is no guide to future returns and may not be repeated.

This information has been prepared from sources believed reliable but is not guaranteed by Legg Mason and is not a complete summary or statement of all available data.

Individual securities mentioned are intended as examples of portfolio holdings and are not intended as buy or sell recommendations.

Opinions expressed are subject to change without notice and do not take into account the particular investment objectives, financial situation or needs of individual investors.

Before investing you should read the key investor information document and the prospectus, which describe the sub-fund's full objective and risk factors. These and other relevant documents may be obtained in a number of languages at BNY Mellon Investment Servicing (International) Limited, Riverside Two, Sir John Rogerson's Quay, Grand Canal Dock, Dublin 2, Ireland, www.leggmasonglobal.com and the registered office.

Issued and approved by Legg Mason Investments (Europe) Limited, registered office 201 Bishopsgate, London, EC2M 3AB. Registered in England and Wales, Company No. 1732037. Authorised and regulated by the Financial Conduct Authority.

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Directors' Report

The directors of the Company (the "Directors") submit their report together with the audited financial statements for the year ended February 28, 2015.

Statement of directors' responsibilities

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

Irish 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. Under that law the Directors have prepared the financial statements in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland and Irish law).

Under Irish 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 keeping adequate accounting records 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 Investment Servicing (International) Limited, 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 to safekeep the Company's assets in accordance with the memorandum and articles of association of the Company. In addition, the Directors are responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Review of business and future developments

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.

As at February 28, 2015 the Company has 46 active Funds (2014: 49 Funds) in operation.

The following Funds commenced trading during the year:

Fund	Commencement of operations
Legg Mason Brandywine Global Credit Opportunities Fund [^]	June 30, 2014
Legg Mason ClearBridge Global Equity Income Fund [^]	September 15, 2014

Risk management objectives and policies

Information in relation to certain of the Company's risk management objectives and policies are included in the notes to financial statements.

Results for the year and state of affairs at February 28, 2014

The Balance Sheet as at February 28, 2015 and February 28, 2014 and the Profit and Loss Account for the year ended February 28, 2015 and February 28, 2014 are set out on pages 160 to 175 and 176 to 182 respectively.

Distributions to holders of Redeemable Participating Shares

The distributions to holders of Redeemable Participating Shares for the year ended February 28, 2015 and February 28, 2014 are set out in the Profit and Loss Account.

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 17.

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.

John Alldis (Luxembourg)*
 Brian Collins (Ireland) (Independent)
 Joseph Keane (Ireland) (Independent)
 Joseph LaRocque (U.S.)
 Robert Shearman (United Kingdom)**
 * resigned on July 11, 2014
 ** appointed on July 11, 2014

[^] Not authorised for sale to the public in Hong Kong.

Directors' Report – (continued)

Directors' and secretary's interests

The Directors and secretary and their families had no interests in the shares of the Company at February 28, 2015 or February 28, 2014. 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 measures included in the voluntary Corporate Governance Code for Collective Investment Schemes and Management Companies as published by the Irish Funds Industry Association in December 2011 (the "IFIA Code"). The Board has adopted all corporate governance practices and procedures in the IFIA Code with effect from January 1, 2013.

The Company is also subject to corporate governance practices imposed by:

- the Irish Companies Act 2014 which are available for inspection at the registered office of the Company and may also be obtained at www.irishstatutebook.ie.
- the articles of association of the Company which are available for inspection at the registered office of the Company at Riverside Two, Sir John Rogerson's Quay, Grand Canal Dock, Dublin 2, Ireland and at the Companies Registration Office in Ireland.
- the Central Bank of Ireland in their UCITS Notices and Guidance Notes which can be obtained from the Central Bank of Ireland's website at: www.centralbank.ie and are available for inspection at the registered office of the Company.
- the Irish Stock Exchange ("ISE") through the ISE Code of Listing Requirements and Procedures which can be obtained from the ISE's website at www.ise.ie.

The Company does not apply additional corporate governance requirements beyond those required by the above.

Financial Reporting Process – description of main features

The Board is ultimately responsible for overseeing the establishment and maintenance of adequate internal control and risk management systems of the Company in relation to the financial reporting process. As the Company has no employees and all Directors serve in a non-executive capacity, all functions including the preparation of the financial statements have been outsourced. The Company has appointed BNY Mellon Investment Servicing (International) Limited (the "Administrator") as its administrator consistent with the regulatory framework applicable to investment fund companies such as the Company.

Subject to the supervision of the Board, the appointment of the Administrator is intended to manage rather than eliminate the risk of failure to achieve the Company's financial reporting objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The annual financial statements of the Company are required to be approved by the Board and filed with The Central Bank of Ireland and The Irish Stock Exchange. The statutory financial statements are required to be audited by independent auditors who report annually to the Board on their findings. The Board evaluates and discusses significant accounting and reporting issues as the need arises.

Risk Assessment

The Board is responsible for assessing the risk of irregularities whether caused by fraud or error in financial reporting and for ensuring that processes are in place for the timely identification of internal and external matters with a potential effect on financial reporting. The Board's appointment of an administrator independent of the Investment Managers to the Company and which is regulated by The Central Bank of Ireland is intended to mitigate though not eliminate the risk of fraud or irregularities which may impact the financial statements of the Company.

Monitoring

The Board receives regular presentations and reviews reports from the Custodian, the Investment Managers and the Administrator. The Board also has an annual process to ensure that appropriate measures are taken to consider and address any control weaknesses identified and measures recommended by the independent auditors.

Capital structure

No person has any special rights of control over the Company's share capital. There are no restrictions on voting rights.

For the appointment and replacement of directors, the Company is governed by its articles of association, Irish statute comprising the Companies Act 2014 and the listing rules of The Irish Stock Exchange as applicable to investment funds. The articles of association themselves may be amended by special resolution of the shareholders.

Composition and operation of the board of directors

There are currently four Directors, all of whom are non-executive. None of the Directors have entered into an employment or service contract with the Company. All related party transactions during the year are detailed in the notes to the financial statements. The articles of association do not provide for retirement of Directors by rotation.

However, the Directors may be removed by the shareholders by ordinary resolution in accordance with the procedures established under the Companies Act 2014. The Board meets at least quarterly. There are no permanent sub-committees of the Board.

The Board is responsible for managing the business affairs of the Company in accordance with the articles of association. Subject to its supervision and direction the Board has delegated the day to day administration of the Company to the Administrator and the investment management and distribution functions to the Investment Managers. The Company has appointed BNY Mellon Trust Company (Ireland) Limited as the custodian to the Company with responsibility for the safekeeping of the assets of the Company.

Shareholder meetings

All general meetings of the Company shall be held in Ireland. In each year the Company shall hold a general meeting as its annual general meeting at which the audited financial statements of the Company will be presented (together with the Directors' and Auditors' Reports of the Company). Twenty-one days notice (excluding the day of posting and the day of the meeting) shall be given in respect of each general meeting of the Company. The notice shall specify the venue and time of the meeting and the business to be transacted at the meeting. A proxy may attend on behalf of any shareholder. An ordinary resolution is a resolution passed by a majority of 50% or more of votes cast and a special resolution is a resolution passed by a majority of 75% or more of the votes cast. The articles of association provide that matters may be determined by a meeting of shareholders on a show of hands unless a poll is requested by five shareholders or by shareholders holding 10% or more of the shares or unless the Chairman of the meeting requests a poll. Each share gives the holder one vote in relation to any matters relating to the Company which are submitted to shareholders for a vote by poll.

Directors' Report – (continued)

Connected Party Transactions

Conditions have been imposed by the Central Bank of Ireland under Regulation UCITS 14.5 for Directors to confirm compliance with regulatory requirements in relation to transactions between the Company and the Investment Manager, the Custodian and their respective group affiliates. The Directors are satisfied that there are arrangements and written procedures in place to ensure that all such transactions are carried out on an arm's length basis, entered into in the ordinary course of business and on normal commercial terms and are in the best interests of the shareholders and that all such transactions during the period complied with these obligations.

Independent Auditors

The independent auditors, PricewaterhouseCoopers, will be re-appointed in accordance with the requirements of the Companies Act 2014.

Investment Objectives and Investment Policies

All active Funds, except Legg Mason Western Asset Global Credit Absolute Return Fund[^], Legg Mason Western Asset UK£ Core Plus Bond Fund[^], Legg Mason Western Asset Global Core Plus Bond Fund[^], Legg Mason Western Asset UK£ Inflation-Linked Plus Fund[^], Legg Mason Western Asset UK£ Long Duration Fund[^], Legg Mason Western Asset Macro Opportunities Bond Fund[^], Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^], Legg Mason Brandywine Global High Yield Fund[^], Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^], Legg Mason Brandywine Global Sovereign Credit Fund[^], Legg Mason Brandywine Global Income Optimiser Fund[^], Legg Mason Brandywine Global Credit Opportunities Fund[^], Legg Mason ClearBridge Global Equity Fund[^], Legg Mason ClearBridge Global Equity Income Fund[^], Legg Mason ClearBridge US Equity Income Fund[^], Legg Mason Royce Smaller Companies Fund II[^], and Legg Mason Permal Global Absolute Fund[^] have been authorised by the Securities and Futures Commission in Hong Kong. Therefore, the Funds noted above are not authorised for sale to the public in Hong Kong. The authorisation by the Securities and Futures Commission of Hong Kong does not imply recommendation for investment into the Funds.

The principal investment objective and policies of each Fund which traded during the year end February 28, 2015 and February 28, 2014 are listed below. There can be no assurance that any Fund will achieve its objective and there is no guarantee that an investment strategy will succeed or attain any particular results or level of profitability (defined terms are as defined in the prospectus for the relevant Fund (the "Prospectus"). A more detailed description of the investment policies of each Fund is set out in the relevant Prospectus.

Legg Mason Western Asset US Money Market Fund

Investment Objective – To maintain the principal of the Fund and provide a return in line with money market rates.

Investment Policies – The Fund invests in short-term money market instruments and in deposits with credit institutions. At least two thirds of the Fund's net asset value will be invested in money market instruments denominated in US Dollars and issued by US Issuers. All investments in money market instruments must be determined by the Sub-Investment Manager to be of high quality.

Legg Mason Western Asset US Core Bond Fund

Investment Objective – To maximise total return through income and capital appreciation.

Investment Policies – The Fund invests at least 75 per cent of its net asset value in debt securities that are (i) listed or traded on Regulated Markets located in Developed Countries and Emerging Markets Countries; (ii) denominated in U.S. Dollars and (iii) rated at the time of purchase at least BBB by S&P or Baa by Moody's or, if not rated, deemed by the Fund's Sub-Investment Manager to be of comparable quality. The Fund may invest in the following types of securities that are listed or traded on Regulated Markets: debt securities issued or guaranteed by the US government, its agencies or instrumentalities and political sub-divisions (including inflation-protected securities), corporate debt securities such as freely transferable promissory notes debentures, bonds (including zero coupon bonds), convertible and non-convertible notes, commercial paper, certificates of deposits, and bankers acceptances issued by industrial, utility, finance, commercial banking or bank holding company organisations; mortgage-backed and asset-backed securities; preferred shares and other open ended collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations. A maximum of 10 per cent of the Fund's net asset value may be invested in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations. At least two-thirds of the Fund's net asset value will be invested at all times in investments of issuers or companies that have their registered office in the United States or that conduct a significant portion of their business activities in the United States.

Legg Mason Western Asset US Core Plus Bond Fund

Investment Objective – To maximise total return, consisting of capital appreciation and income.

Investment Policies – The Fund invests at least 70 per cent of its net asset value in debt securities listed or traded on Regulated Markets in the United States listed in Schedule III of the Prospectus that are rated Investment Grade or if unrated deemed by the Sub-Investment Manager to be of comparable credit quality and which are issued by U.S. Issuers. The securities in which the Fund may invest include debt securities issued or guaranteed by the U.S. Government, its agencies, instrumentalities and political sub-divisions; debt securities issued by other national governments, their agencies, instrumentalities and political sub-divisions; debt securities of supranational organisations such as freely transferable promissory notes, bonds and debentures; corporate debt securities, including freely transferable promissory notes, debentures, bonds; non-convertible notes; commercial paper, certificates of deposits, and bankers acceptances issued by industrial, utility, finance, commercial banking or bank holding company organisations; and mortgage-backed and asset-backed securities structured as debt securities.

A maximum of 10 per cent of the Fund's net asset value may be invested in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations. Subject to the limits set out in the investment policies the Fund may also invest in aggregate up to 30 per cent of its net asset value in non-publicly traded securities, Rule 144A securities, zero coupon securities, money market instruments and debt securities of non-U.S. issuers. The allocation and reallocation of the Fund's assets will be undertaken by the Sub-Investment Manager on the basis of its analysis of economics and market conditions and the relative risks and opportunities of particular types of fixed income securities. The average portfolio duration will vary based on the Sub-Investment Manager's forecast for interest rates.

Legg Mason Western Asset Euro Core Plus Bond Fund

Investment Objective – To maximise total return, through capital appreciation and income.

Investment Policies – The Fund invests at least 70 per cent of its net asset value in debt securities denominated in Euro that are listed or traded on Regulated Markets located in Developed Countries and Emerging Market Countries as set out in Schedule III of the Prospectus. The Fund invests in the following types of securities that are listed or traded on Regulated Markets: debt securities issued or guaranteed by national governments of Developed Countries and Emerging Market Countries, their agencies, instrumentalities, and political sub-divisions (including inflation-protected securities); debt securities of supranational organisations such as freely transferable promissory notes, bonds and debentures; corporate debt securities of issuers located in or whose securities are listed or traded on Regulated Markets in Developed Countries and Emerging Market Countries, including freely transferable promissory notes, debentures, commercial paper, certificates of deposits, and bankers acceptances issued by industrial, utility, finance, commercial banking or bank holding company organisations; mortgage-backed and asset-backed securities; preferred shares; and other open-ended collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations. A maximum of 10 per cent of the Fund's net asset value may be invested in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations.

[^] Not authorised for sale to the public in Hong Kong.

Directors' Report – (continued)

Legg Mason Western Asset Diversified Strategic Income Fund

Investment Objective – To provide a high level of current income.

Investment Policies – The Fund invests at least two-thirds of its net asset value in debt securities that are (i) denominated in U.S. Dollars and currencies of a variety of other Developed Countries, and (ii) are listed or traded on Regulated Markets as set out in Schedule III of the Prospectus. The Fund may invest in the following types of securities that are listed or traded on Regulated Markets: debt securities issued or guaranteed by the US government, its agencies or instrumentalities and political subdivisions; debt securities issued or guaranteed by national governments of other countries, their agencies or instrumentalities and political sub-divisions; debt securities of supranational organisations such as freely transferable promissory notes, bonds and debentures; corporate debt securities, including freely transferable promissory notes, debentures, bonds (including zero coupon bonds), convertible and non-convertible notes, commercial paper, certificates of deposits, and bankers acceptances issued by industrial, utility, finance, commercial banking or bank holding company organisations; structured notes that are transferable securities, whose underlying exposure may be to fixed income securities; mortgage-backed and asset-backed securities; preferred shares and other open ended collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations; provided that the Fund invests at least two-thirds of its net asset value in non-convertible debt securities. A maximum of 20 per cent of the Fund's net asset value may be invested in units or shares of open-ended collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations. The Fund may purchase unsecuritised participations in or assignments of floating rate mortgages or other commercial loans that are liquid and will provide for interest rate adjustments at least every 397 days and which may be secured by real estate or other assets. Such participations, combined with any other investments that are subject to Clause 2.1 in Schedule II of the Prospectus, will not exceed 10 per cent of the net asset value of the Fund in the aggregate. The Fund may invest up to 35 per cent of its total asset value in high yielding debt securities, which shall include securities rated Ba or lower by Moody's or BB or lower by S&P or in non-rated securities deemed by the Sub-Investment Manager to be of comparable quality.

Legg Mason Western Asset Global Multi Strategy Fund

Investment Objective – To maximise total return through income and capital appreciation.

Investment Policies – The Fund invests primarily in debt securities denominated in U.S. Dollars, Japanese Yen, Pound Sterling, Euro and a variety of other currencies and that are traded on or listed on any of the Regulated Markets located in Developed Countries and Emerging Market Countries as set out in Schedule III of the Prospectus. The Fund may invest in the following types of securities that are listed or traded on Regulated Markets: debt securities issued or guaranteed by national governments of Developed Countries and Emerging Market Countries, their agencies or instrumentalities and political subdivisions (including inflation-protected securities); debt securities of supranational organisations such as freely transferable promissory notes, bonds and debentures; corporate debt securities of issuers located in or whose securities are listed or traded on Regulated Markets in Developed Countries and Emerging Market Countries, including freely transferable promissory notes, debentures, bonds (including zero coupon bonds), Emerging Market debt securities (including Brady Bonds, Eurobonds, domestic and international bonds issued under the laws of a developing country), convertible and non-convertible notes, commercial paper, certificates of deposits, and bankers acceptances issued by industrial, utility, finance, commercial banking or bank holding company organisations; mortgage-backed and asset-backed securities; preferred shares and other open ended collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations. A maximum of 10 per cent of the Fund's net asset value may be invested in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations. The Fund may purchase unsecuritised participations in or assignments of floating rate mortgages or other commercial loans that are liquid and will provide for interest rate adjustments at least every 397 days and which may be secured by real estate or other assets. Such participations, combined with any other investments that are subject to Clause 2.1 in Schedule II of the Prospectus, will not exceed 10 per cent of the net asset value of the Fund in the aggregate.

Legg Mason Western Asset US High Yield Fund

Investment Objective – To provide a high level of current income.

Investment Policies – The Fund invests at least 70 per cent of its net asset value in the following types of high-yielding debt securities of U.S. Issuers that are denominated in U.S. Dollars that are listed or traded on Regulated Markets as listed in Schedule III of the Prospectus: corporate debt securities, including freely transferable promissory notes, debentures, bonds (including zero coupon bonds), non-convertible notes, commercial paper, certificates of deposits, and bankers' acceptances issued by industrial, utility, finance, commercial banking or bank holding company organisations; structured notes that are transferable securities whose underlying exposure may be to fixed income securities; and mortgage-backed and asset-backed securities that are structured as debt securities; provided that at least two-thirds of the Fund's net asset value is invested in non-convertible debt securities. The Fund may invest in debt securities rated as low as C by Moody's or D by S&P, which ratings indicate that the obligations are highly speculative and may be in default or in danger of default as to principal and interest. The Fund's remaining assets may be held in debt securities listed or traded on Regulated Markets that are rated above BB+ by S&P or Ba1 by Moody's, or unrated securities deemed by the Sub-Investment Manager to be of equivalent quality; preferred shares and other equity securities that are listed or traded on Regulated Markets when such investments are consistent with the Fund's investment objective of high current income; as well as cash or short term money market instruments with remaining maturities of 13 months or less. The Fund may invest up to 20 per cent of its net asset value in high-yielding corporate debt securities of non-U.S. Issuers located in developed and Emerging Market Countries, provided that such debt securities are denominated in U.S. Dollars and such issuers are domiciled in or have their principal activities located in OECD member countries. A maximum of 10 per cent of the Fund's net asset value may be invested in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations. At least 95 per cent of the Fund's net asset value will be US\$-denominated.

Legg Mason Western Asset Emerging Markets Bond Fund

Investment Objective – To maximise total return, consisting of income and capital appreciation.

Investment Policies – The Fund invests at least 70 per cent of its net asset value in debt securities of issuers located in Emerging Market Countries (hereinafter "Emerging Market Debt Securities") that are listed or traded on Regulated Markets as listed in Schedule III of the Prospectus. The Fund may invest in the following types of securities that are listed or traded on Regulated Market: debt securities issued or guaranteed by national governments located in Developed Countries and Emerging Market Countries, their agencies or instrumentalities and political sub-divisions (including inflation protected securities); corporate debt securities of issuers located in developed and emerging markets whose securities are listed or traded on Regulated Markets, including freely transferable promissory notes, debentures, bonds (including zero coupon bonds), convertible and non-convertible notes, commercial paper, certificates of deposits, and bankers acceptances issued by industrial, utility, finance, commercial banking or bank holding company organisations; mortgage-backed securities (including collateralised debt obligations), securitised participations in loans that are freely transferable securities, structured notes that are transferable securities whose underlying exposure may be to fixed income securities; asset-backed securities; preferred shares and other open-ended collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations; and provided that at least two-thirds of the Fund's net asset value is invested in non-convertible debt securities. A maximum of 10 per cent of the Fund's net asset value may be invested in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations. The Fund may purchase unsecuritised participations in or assignments of floating rate mortgages or other commercial loans that are liquid and will provide for interest rate adjustments at least every 397 days and which may be secured by real estate or other assets. Such participations, combined with any other investments that are subject to Clause 2.1 in Schedule II of the Prospectus, will not exceed 10 per cent of the net asset value of the Fund in the aggregate. Under normal market conditions, a minimum of 55 per cent of the Fund's net asset value will be U.S. Dollar-denominated, and a minimum of 60 per cent of the Fund's net asset value will be invested in Emerging Markets Debt Securities issued by national, state or local governments, or entities affiliated with or sponsored by such governments.

Legg Mason Western Asset Emerging Markets Corporate Bond Fund

Investment Objective – To maximise total return, consisting of income and capital appreciation.

Investment Policies – The Fund invests at least 70 per cent of its net asset value in Emerging Market Corporate Bonds. Consistent with the foregoing, the Fund may invest in the following types of securities that are listed or traded on Regulated Markets (the following may be denominated in any currency): debt securities issued or guaranteed by

Directors' Report – (continued)

Legg Mason Western Asset Emerging Markets Corporate Bond Fund – (continued)

national governments located in any country, their agencies or instrumentalities and political sub-divisions (including inflation protected securities); Emerging Market Corporate Bonds and corporate debt securities of issuers located in countries other than Emerging Market Countries whose securities are listed or traded on Regulated Markets, including freely transferable promissory notes, debentures, fixed and floating rate bonds (including zero coupon bonds), convertible and non-convertible notes, commercial paper, certificates of deposits, and bankers acceptances issued by industrial, utility, finance, commercial banking or bank holding company organisations; mortgage-backed securities (including collateralised debt obligations); securitised participations in loans that are freely transferable securities; structured notes that are transferable securities whose underlying exposure may be to fixed income securities; asset-backed securities; preferred shares and other open-ended collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations. (The mortgage-backed and asset-backed securities in which the Fund may invest will not contain embedded derivatives. The structured notes in which the Fund may invest may contain embedded derivatives. The Fund may be leveraged as a result, subject to the overall leverage limits set forth below.)

The Fund will only purchase debt securities rated at least B- by S&P or its equivalent by another NRSRO or, if unrated, deemed to be of comparable quality by the Sub-Investment Manager. In applying this requirement, if more than one NRSRO rates the security and the ratings are not equivalent, the second highest rating will be considered the security's rating. In the event that a security is downgraded after its purchase by the Fund to below B- by S&P or its equivalent by another NRSRO, the security will be sold within 6 months of the downgrade. See Schedule IV of the Prospectus for more information on the ratings of the various NRSROs.

Legg Mason Western Asset Global High Yield Fund

Investment Objective – To generate total return. The generation of high current income is a secondary objective.

Investment Policies – The Fund invests at least 70 per cent of its net asset value in high yielding debt securities listed or traded on Regulated Markets as listed in Schedule III of the Prospectus. Higher yields are generally available from securities rated BB+ or lower by S&P, or Ba1 or lower by Moody's, or unrated securities of equivalent quality. Debt securities rated below Investment Grade are deemed by these agencies to be predominantly speculative with respect to the issuer's capacity to pay interest and repay principal and may involve major risk of exposure to adverse conditions. The Fund may invest in debt securities rated as low as C by Moody's or D by S&P, which ratings indicate that the obligations are highly speculative and may be in default or in danger of default as to principal and interest. It is not expected that the Fund will invest more than 45 per cent of its net asset value in high yield securities issued in Emerging Market Countries, Emerging European Countries and/or Emerging Asia/Pacific Countries. It is expected that the Fund will invest in at least 10 different countries. The Fund is a global fund, however, and is not confined to investing in any specific country or region. The Fund may purchase unsecured participations in or assignments of floating rate mortgages or other commercial loans that are liquid and will provide for interest rate adjustments at least every 397 days and which may be secured by real estate or other assets. Such participations, combined with any other investments that are subject to Clause 2.1 in Schedule II of the Prospectus, will not exceed 10 per cent of the Net asset value of the Fund in the aggregate. A maximum of 10 per cent of the Fund's net asset value may be invested in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations.

Legg Mason Western Asset US Short-Term Government Fund

Investment Objective – To generate current income while preserving the value of its Shareholders' investment.

Investment Policies – The Fund will invest at least 70 per cent of its net asset value in debt securities issued or guaranteed by the U.S. Government, its agencies, instrumentalities or political sub-divisions that are listed or traded on Regulated Markets in the United States listed in Schedule III of the Prospectus. The U.S. Government securities in which the Fund invests may comprise both direct obligations of the U.S. Treasury and obligations issued or guaranteed by U.S. Government agencies, including mortgage-backed or asset-backed securities that are backed by the full faith and credit of the U.S. Government as to the timely payment of principal and interest. Up to 80 per cent of the Fund's net asset value may be invested in direct passthrough certificates guaranteed by GNMA, FNMA or FHLMC. Up to 10 per cent of the Fund's net asset value may be invested in collateralised mortgage obligations. A maximum of 10 per cent of the Fund's net asset value may be invested in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations. It is expected that the Fund will maintain an average portfolio duration of between six months and three years. The Fund may invest in individual securities of any duration.

Legg Mason Western Asset US Adjustable Rate Fund

Investment Objective – To provide high current income and to limit the degree of fluctuation of its net asset value resulting from movements in interest rates.

Investment Policies – The Fund seeks to achieve its investment objective by investing at least 80 per cent of its net asset value in various types of adjustable rate debt securities issued by U.S. Issuers (including variable rate securities, floating rate securities and adjustable rate mortgage-backed and asset-backed securities that are structured as debt securities) and listed or traded on Regulated Markets listed in Schedule III of the Prospectus. The debt securities may include: debt securities issued or guaranteed by the U.S. Government, its agencies, instrumentalities and political sub-divisions; debt securities issued by other national governments, their agencies, instrumentalities and political sub-divisions; debt securities of supranational organisations such as freely transferable promissory notes, bonds and debentures; corporate debt securities, including freely transferable promissory notes, debentures, bonds; convertible and non-convertible notes; commercial paper, certificates of deposits, and bankers acceptances issued by industrial, utility, finance, commercial banking or bank holding company organisations; and mortgage-backed and asset-backed securities structured as debt securities. A maximum of 10 per cent of the Fund's net asset value may be invested in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations. The Fund invests in U.S. Government securities and securities rated at the time of purchase in the two highest long-term rating categories by a NRSRO. The Fund may invest up to 20 per cent of its net asset value in debt securities that are unrated but determined to be of a quality equivalent to such two highest categories by the Sub-Investment Manager. It is expected that the Fund will maintain average portfolio duration of between zero and one year. However, the Fund may invest in individual securities of any duration. The Sub-Investment Manager seeks to achieve low volatility of net asset value by diversifying the Fund's assets among investments that the Sub-Investment Manager believes will, in the aggregate, be resistant to significant fluctuations in market value.

Legg Mason Western Asset Inflation Management Fund

Investment Objective – Primary investment objective is to generate total return. The generation of current income is a secondary objective.

Investment Policies – The Fund will seek to achieve its investment objective by investing at all times at least 80 per cent of its net asset value in inflation-protected securities or other securities that the Sub-Investment Manager believes will provide protection against inflation that are issued by national governments of countries that are members of the OECD, their agencies, instrumentalities and political sub-divisions, supranational organisations and corporate issuers such as freely transferable promissory notes, debentures and bonds and are listed or traded on Regulated Markets as set out in Schedule III of the Prospectus. The Fund may also invest up to 20 per cent of its net asset value in any other types of debt securities listed or traded on Regulated Markets listed in Schedule III of the Prospectus that may or may not be indexed to inflation including debt securities issued or guaranteed by the national governments, their agencies, instrumentalities, and political subdivisions (including STRIP securities); corporate debt securities such as freely transferable promissory notes, debentures, bonds (including zero coupon bonds, step-up securities, and payment-in-kind securities), commercial paper, certificates of deposit, and bankers' acceptances issued by industrial, utility, finance, commercial banking or bank holding company organisations; mortgage-backed and asset-backed securities structured as debt instruments; repurchase agreements with debt securities as the underlying instruments (for efficient portfolio management purposes only and subject to the requirements of the Central Bank); structured notes that are transferable securities whose underlying exposure may be to fixed income securities; securitised participations in loans that are freely transferable securities; Money Market Instruments; units or shares of other open-ended collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations; and (subject to a limit of 10 per cent of the Fund's net asset value) preferred shares and other equity and equity related securities. A maximum of 10 per cent of the Fund's net asset value may be invested in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations. The Fund will not invest in securities rated below Investment Grade or in securities which are listed or traded on a Regulated Market in any Emerging Market Country, Emerging European Country or Emerging Asia/Pacific Country. It is expected that the Fund will maintain an

^ Not authorised for sale to the public in Hong Kong.

Directors' Report – (continued)

Legg Mason Western Asset Inflation Management Fund – (continued)

average credit quality between A and AAA (S&P) / A2 and Aaa (Moody's). The Fund's average portfolio duration is expected to be between one and fifteen years. However, the Fund may invest in individual securities of any duration.

Legg Mason Western Asset Asian Opportunities Fund

Investment Objective – To maximise total return, through income and capital appreciation.

Investment Policies – The Fund invests at least 70 per cent of its net asset value in debt securities issued by Asian issuers and in derivatives on Asian interest rates and currencies, which debt securities and derivatives are listed or traded on Regulated Markets as set out in Schedule III of the Prospectus. The Fund invests primarily in (i) debt securities issued or guaranteed by national governments located in Asian countries, their agencies, instrumentalities or political sub-divisions; (ii) corporate debt securities issued by Asian companies such as freely transferable promissory notes, debentures, bonds (including zero coupon bonds), commercial paper, certificates of deposits and bankers acceptances issued by industrial, utility, finance, commercial banking or bank holding company organisations; (iii) securitised participations in loans that are freely transferable securities; (iv) structured notes that are transferable securities whose underlying exposure may be to fixed income securities; (v) mortgage-backed and asset-backed securities that are structured as debt securities; (vi) derivatives on Asian interest rates and Asian bonds concluded with highly rated Asian or global credit institutions; (vii) Asian currencies and derivatives on those currencies. For purposes of this Fund, an Asian company is a company which has its registered office located in an Asian country or that conducts the predominant portion of its economic activities in Asia.

Subject to the above restrictions, the Fund may invest no more than 10 per cent of its net asset value in units or shares of other open-ended collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations. A maximum of 25 per cent of the Fund's net asset value may be invested in convertible notes and up to 10 per cent of the Fund's net asset value may be invested in preferred shares, other equity securities and/or warrants. A maximum of 5 per cent of the Fund's net asset value may be invested in warrants.

Legg Mason Western Asset Global Blue Chip Bond Fund

Investment Objective – To achieve total return, through income and capital appreciation.

Investment Policies – The Fund invests primarily in debt securities that are (i) rated A- or higher by S&P or the equivalent by another NRSRO, or if unrated deemed to be of comparable quality; (ii) (a) issued by corporate issuers domiciled in any jurisdiction other than an Emerging Market Country which are, at the time of purchase and in the opinion of the Sub-Investment Manager, "blue chip" companies, meaning they have a long-term debt rating of A- or higher by S&P or the equivalent by another NRSRO, or if unrated are deemed to be of comparable quality; and/or (b) issued by supranational organisations which have a long-term debt rating of A- or higher by S&P or the equivalent by another NRSRO, or if unrated are deemed to be of comparable quality; and (iii) listed or traded on Regulated Markets set out in Schedule III of the Prospectus.

The Fund will only invest in those corporate debt securities that in the opinion of the relevant Sub-Investment Manager are ranked at least senior unsecured corporate debt securities of the relevant issuer. In addition, the Fund may invest in securities issued or guaranteed by national governments (including STRIPS and inflation index-linked securities), their agencies, instrumentalities and political sub-divisions, securities of supranational organisations such as freely transferable promissory notes, bonds and debentures; repurchase agreements with debt securities as the underlying instruments (for efficient portfolio management purposes only and subject to the requirements of the Central Bank of Ireland); and other open-ended collective investment schemes within the meaning of Regulation 68(1) (e) of the UCITS Regulations. The Fund may invest no more than 10 per cent of its net asset value in units or shares of other UCITS or other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations.

Legg Mason Western Asset Brazil Bond Fund

Investment Objective – To achieve total return through income and capital appreciation.

Investment Policies – The Fund invests at least 80 per cent of its net asset value in debt securities issued by the national government of Brazil, its agencies, instrumentalities or political subdivisions and listed or traded on Regulated Markets as set out in Schedule III of the Prospectus. The Fund may invest up to 20 per cent of its total asset value in (i) corporate debt securities of Brazilian and non-Brazilian Issuers that are listed or traded on Regulated Markets, including freely transferable promissory notes, fixed and floating rate bonds, zero coupon bonds, debentures, non-convertible notes, commercial paper, certificates of deposit and banker's acceptances issued by industrial, utility, finance, commercial banking or bank holding company organisations; (ii) securitised participations in loans that are transferable securities; (iii) structured notes that are transferable securities whose underlying exposure may be to fixed income securities; and (iv) mortgage-backed and asset backed securities that are structured as debt securities.

The Fund invests in debt securities that are rated Investment Grade, debt securities rated below Investment Grade, and unrated debt securities. The Sub-Investment Managers may take full advantage of the entire range of maturities and durations when purchasing debt securities for the Fund, and may adjust the average duration of the Fund's portfolio investments from time to time, depending on their assessment of the relative yields of securities of different maturities and durations and their expectations of future changes in interest rates. The Sub-Investment Managers expect the average duration of the Fund's investments to range between 0 and 5 years, depending on the Sub-Investment Managers' forecast for interest rates and yields. The Fund may invest no more than 10 per cent of its net asset value in units or shares of other open-ended collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations.

Legg Mason Western Asset Global Credit Absolute Return Fund[^]

Investment Objective – To maximise absolute return, through income and capital appreciation.

Investment Policies – The Fund invests at least 70 per cent of its net asset value in (i) debt securities, convertible securities and preferred shares that are listed or traded on Regulated Markets located anywhere in the world, as set out in Schedule III of the Prospectus; (ii) units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations, provided that the Fund may not invest more than 10 per cent of its net asset value in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations; and (iii) financial derivative instruments.

The Fund may invest in corporate debt securities such as freely transferable promissory notes, debentures, fixed and floating rate bonds, zero coupon bonds, non-convertible notes, commercial paper, certificates of deposit, and bankers' acceptances issued by industrial, utility, finance, commercial banking or bank holding company organisations; structured notes that are transferable securities, whose underlying exposure may be to fixed income securities, provided that the Fund would be permitted to invest directly in such underlying fixed income securities; securitised participations in loans that are transferable securities; mortgage-backed and asset-backed securities that are structured as debt securities; and repurchase agreements with debt securities as the underlying instruments (for efficient portfolio management purposes only); debt securities issued or guaranteed by national governments and their agencies, instrumentalities and political sub-divisions; STRIPS and inflation index-linked securities; and debt securities of supranational organisations such as freely transferable promissory notes, bonds and debentures.

Legg Mason Western Asset Global Core Plus Bond Fund[^]

Investment Objective – To maximise total return through income and capital appreciation.

Investment Policies – The Fund invests at least two-thirds of its net asset value in the global fixed income markets. The Fund invests primarily in debt securities that are denominated in US Dollars, Euro, Japanese Yen, Pound Sterling and variety of other currencies and are listed or traded on Regulated Markets in Developed Countries and Emerging Market Countries with a bias toward non-sovereign debt securities, especially corporate debt securities and mortgage-backed securities.

[^] Not authorised for sale to the public in Hong Kong.

Directors' Report – (continued)

Legg Mason Western Asset Global Core Plus Bond Fund[^] – (continued)

The Fund invests in securities issued or guaranteed by national governments, their agencies, instrumentalities, and political sub-divisions (including STRIPS and inflation index-linked securities); securities of supranational organisations such as freely transferable promissory notes, bonds and debentures; corporate debt securities such as freely transferable promissory notes, debentures, Brady Bonds, adjustable rate bonds, floating rate bonds, planned amortisation bonds, targeted amortisation bonds, principal only bonds, Eurobonds, Eurodollar bonds and Yankee dollar instruments, payment-in-kind bonds, zero coupon bonds, non-convertible notes, commercial paper, certificates of deposit, and bankers' acceptances issued by industrial, utility, finance, commercial banking or bank holding company organisations; mortgage-backed and asset-backed securities that are structured as debt securities; and repurchase agreements with debt securities as the underlying instruments (for efficient portfolio management purposes only and subject to the requirements of the Central Bank). Subject to the above restrictions, the Fund may invest no more than 10 per cent of its net asset value in units or shares of other UCITS or other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations.

Legg Mason Western Asset Global Inflation-Linked Fund (ceased trading on January 8, 2015)

Investment Objective – To maximise total return through income and capital appreciation.

Investment Policies – The Fund invests at least 80 per cent of its net asset value in inflation-indexed debt securities issued by national governments, their agencies, instrumentalities or political sub-divisions and supranational organisations that are denominated in US Dollars, Pound Sterling, Euro and a variety of other currencies and are listed or traded on Regulated Markets as set out in Schedule III of the Prospectus.

Subject to the above restriction, the Fund may invest in debt securities that are not inflation-indexed, including securities issued or guaranteed by national governments, their agencies, instrumentalities, and political sub-divisions; securities of supranational organisations such as bonds and debentures; corporate debt securities such as freely transferable promissory notes, debentures, Brady Bonds, adjustable rate bonds, floating rate bonds, planned amortisation bonds, targeted amortisation bonds, principal only bonds, Eurobonds, Eurodollar bonds and Yankee dollar instruments, payment-in-kind bonds, zero coupon bonds, non-convertible notes, commercial paper, certificates of deposit, and bankers' acceptances issued by industrial, utility, finance, commercial banking or bank holding company organisations; and mortgage-backed and asset-backed securities.

Legg Mason Western Asset Global Credit Fund

Investment Objective – To maximise total return through income and capital appreciation.

Investment Policies – The Fund invests at least two-thirds of its net asset value in corporate debt securities and debts securities issued by supranational organisations that are (i) denominated in US Dollars, Japanese Yen, Euro, Pound Sterling and a variety of other currencies, and (ii) listed or traded on Regulated Markets set out in Schedule III of the Prospectus. The types of corporate debt securities in which the Fund may invest include freely transferable promissory notes, fixed and floating rate bonds, zero coupon bonds, debentures, non-convertible notes, commercial paper, certificates of deposit and bankers' acceptances issued by industrial, utility, finance, commercial banking or bank holding company organisations. In addition, the Fund may invest in securities issued or guaranteed by national governments (including STRIPS and inflation index-linked securities), their agencies, instrumentalities and political sub-divisions, securities of supranational organisations such as freely transferable promissory notes, bonds and debentures; securitised participations in loans that are freely transferable securities; structured notes that are freely transferable securities; mortgage-backed securities (including collateralised mortgage obligations); asset-backed securities structured as debt instruments; repurchase agreements with debt securities as the underlying instruments (for efficient portfolio management purposes only and subject to the requirements of the Central Bank); and other open-ended collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations.

The Fund will not purchase equity securities or beneficial interests in equity securities except for preferred shares or warrants, provided that no more than 10 per cent of the Fund's net asset value may be invested in preferred shares and/or warrants. Subject to the above restrictions, the Fund may invest no more than 10 per cent of its net asset value in units or shares of other UCITS or other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations.

Legg Mason Western Asset Euro High Yield Fund

Investment Objective – To provide a high level of current income.

Investment Policies – The Fund invests at least two-thirds of its net asset value in high-yielding debt securities that are denominated in Euro and are listed or traded on Regulated Markets listed in Schedule III of the Prospectus.

The Fund seeks to achieve its investment objective by investing in debt securities issued or guaranteed by national governments, their agencies, instrumentalities and political sub-divisions, corporate debt securities, including freely transferable promissory notes, debentures, Brady Bonds, adjustable rate bonds, floating rate bonds, planned amortisation bonds, targeted amortisation bonds, principal only bonds, Eurobonds, Eurodollar bonds and Yankee dollar instruments, payment-in-kind bonds, zero coupon bonds, non-convertible notes, commercial paper, certificates of deposit, and bankers' acceptances issued by industrial, utility, finance, commercial banking or bank holding company organisations; securitised participations in loans that are transferable securities; structured notes that are transferable securities; mortgage-backed securities; and asset-backed securities that are structured as debt securities. Higher yields are generally available from securities rated BB+ or lower by S&P, or Ba1 or lower by Moody's, or unrated securities of equivalent quality.

Legg Mason Western Asset Macro Opportunities Bond Fund[^]

Investment Objective – To maximise total return consisting of income and capital appreciation.

Investment Policies – The Fund invests in (i) debt securities, convertible bonds, preferred shares and warrants that are listed or traded on Regulated Markets located anywhere in the world, including Emerging Market Countries; (ii) units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations and such investments will be for the purposes of gaining exposure to the types of instruments described herein or otherwise to pursue the investment objective and policies of the Fund, and (iii) financial derivative instruments. A maximum of 10 per cent of the Fund's net asset value may be invested in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations.

Legg Mason Brandywine Global Fixed Income Fund

Investment Objective – To maximise total return consisting of income and capital appreciation.

Investment Policies – The Fund invests at all times at least two-thirds of its net asset value in debt securities that are (i) listed or traded on Regulated Markets primarily in the following developed countries; and (ii) denominated in currencies of, or issuers located in, primarily the following countries: The United States, Canada, Australia, Japan, Austria, Belgium, Finland, France, Germany, Greece, Ireland, Italy, The Netherlands, Portugal, Spain, Denmark, Sweden, Switzerland, the United Kingdom, New Zealand, Norway, Hungary, Poland, and the Czech Republic. The Fund may also invest in debt securities that are listed or traded on Regulated Markets located in other Developed Countries as set out in Schedule III of the Prospectus.

All debt securities purchased by the Fund will be rated Investment Grade at the time of purchase. If an investment so purchased is subsequently downgraded to below Investment Grade after the time of purchase, the Sub-Investment Manager may in its discretion continue to hold the debt security if it determines that doing so is the best interests of shareholders. See Schedule IV of the Prospectus for more information on the ratings of the various NRSROs. The Fund may invest up to 20 per cent of its net asset value in debt securities of issuers located in countries (whether or not listed in the first paragraph above) where both of the following criteria apply: (i) the country's local currency denominated long-term debt is rated below A- by S&P or the equivalent by all NRSROs rating the debt and (ii) the country is not represented in the Citigroup World Government Bond Index. A maximum of 25 per cent of the Fund's net asset value may be invested in convertible debt securities and up to 10 per cent of the Fund's net asset value may be invested in equity securities and/or warrants. No more than 5 per cent of the Fund's net asset value will be invested in warrants.

[^] Not authorised for sale to the public in Hong Kong.

Directors' Report – (continued)

Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^]

Investment Objective – The Fund's investment objective is to generate positive returns that are independent of market cycles.

Investment Policies – The Fund invests at least 70 per cent of its net asset value in (i) debt securities, convertible securities and preferred shares that are listed or traded on Regulated Markets located anywhere in the world (ii) units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations; and (iii) financial derivatives instruments providing exposure to any or all of the following: debt securities, interest rates, currencies and fixed income indices meeting the eligibility requirements of the Central Bank. The Fund may not invest more than 10 per cent of its net asset value in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations, and such investments will be for the purposes of gaining exposure to the types of instruments described in the investment policies or otherwise to pursue the investment objective and policy of the Fund.

The Fund may invest extensively in certain types of financial derivative instruments whether for investment purposes or the purposes of efficient portfolio management, as described in the "Investment Techniques and Instruments and Financial Derivative Instruments" section of the Prospectus, including, but not limited to, options, futures and options on futures, forward currency exchange contracts and warrants. The Fund may also utilise swaps, including but not limited to interest rate, total return and inflation swaps.

Legg Mason Brandywine Global High Yield Fund[^]

Investment Objective – The Fund's primary investment objective is to generate high levels of income. The generation of capital gains is a secondary objective.

Investment Policies – The Fund invests at all times at least 80 per cent of its net asset value in corporate debt securities considered high yielding by the Sub-Investment Manager and listed or traded on Regulated Markets located anywhere in the world. Higher yields are generally available from securities rated BB+ or lower by S&P, or Ba1 or lower by Moody's, or the equivalent or lower from another NRSRO, or if unrated deemed by the Sub-Investment Manager to be of comparable quality. Debt securities rated below Investment Grade are deemed by ratings agencies to be predominantly speculative with respect to the issuer's capacity to pay interest and repay principal and may involve major risk of exposure to adverse conditions. The Fund may invest in debt securities rated as low as C by Moody's or D by S&P, which ratings indicate that the obligations are highly speculative and may be in default or in danger of default as to principal and interest. The Sub-Investment Manager does not rely solely on the ratings of rated securities in making investment decisions, but instead uses a quantitative and qualitative process to determine which securities offer value. Factors that help determine which corporate debt securities offer value include the strength of the sovereign economy of the issuer, relative value of the currency of the securities, the quality of the issuer's business model, the position of the securities in the capital structure of the issuer, the quality of the covenants in the securities, and the likely recovery rate on the securities in the event of stress. The Fund will be able to invest up to 100 per cent of its net asset value in securities issued in Emerging Market Countries. A maximum of 10 per cent of the Fund's net asset value may be invested in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations.

Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^]

Investment Objective – To maximise total return consisting of income and capital appreciation.

Investment Policies – The Fund invests at least two-thirds of its net asset value in debt securities that are listed or traded on Regulated Markets located anywhere in the world, including Emerging Market Countries, and as set out in Schedule III of the Prospectus.

The Fund's investments may include: – (i) debt securities issued or guaranteed by national governments, their agencies or instrumentalities and political sub-divisions (including inflation protected securities); (ii) debt securities of supranational organisations such as freely transferable promissory notes, fixed or floating rate bonds and debentures; (iii) corporate debt securities of issuers (diversified across a variety of industry sectors, including but not limited to communications, consumer, energy, financial, industrial, technology and utilities, etc.) located in or whose securities are listed or traded on Regulated Markets, including freely transferable promissory notes, debentures, fixed or floating rate bonds (including zero coupon bonds), convertible and non-convertible notes, commercial paper, certificates of deposits, and bankers acceptances issued by industrial, utility, finance, commercial banking or bank holding company organisations; and (iv) mortgage-backed securities (including collateralised debt obligations) and asset-backed securities; preferred shares and other open-ended collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations.

Legg Mason Brandywine Global Sovereign Credit Fund[^]

Investment Objective – The Fund's investment objective is to maximise total return consisting of income and capital appreciation.

Investment Policies – The Fund invests at least two-thirds of its net asset value in debt securities that are issued or guaranteed by national governments, their agencies or instrumentalities and political sub-divisions (and the agencies and instrumentalities of such sub-divisions) and that are listed or traded on Regulated Markets located anywhere in the world, including Emerging Market Countries. In selecting investments, the Sub-Investment Manager applies a macro, top-down, value-driven investment process focused on identifying currencies and interest rate valuation opportunities.

The Fund may invest up to one third of its net asset value in:

- debt securities issued or guaranteed by supranational organisations, such as freely transferable promissory notes, bonds and debentures;
- short-term obligations of commercial banks, including freely transferable promissory notes, bankers' acceptances, commercial paper, certificates of deposits, deposits and bank notes;
- financial derivative instruments (as disclosed below); and
- other collective investment schemes (subject to limit disclosed below).

The Fund will not directly short securities but instead may as part of its investment strategy hold short positions exclusively through financial derivative instruments on currencies, interest rates or bonds.

The Fund may only purchase debt securities that at the time of purchase are rated at least BB- by S&P, Ba3 by Moody's or the equivalent by another NRSRO. The Fund may only purchase short-term obligations that at the time of purchase are rated at least A1 by S&P, P-1 by Moody's or the equivalent by another NRSRO. The weighted average credit rating of the Fund's fixed income securities, short-term obligations and cash will be at least A- or its equivalent (cash will be considered rated AAA). In the event that a security is downgraded after its purchase by the Fund, the Fund may continue to hold such security if the Sub-Investment Manager determines that it is in the best interests of the Fund and continues to be consistent with the Fund's investment objective. A maximum of 10 per cent of the Fund's net asset value may be invested in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations.

Legg Mason Brandywine Global Income Optimiser Fund[^]

Investment Objective – To maximise income yield in all market conditions, while preserving capital.

Investment Policies – The Fund invests in: (i) debt securities, convertible securities, preferred shares and common equities that are listed or traded on Regulated Markets located anywhere in the world; (ii) units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations; and (iii) financial derivative instruments providing exposure to any or all of the following: debt securities, interest rates, currencies, equities and indices (including fixed income, equity and commodity indices) meeting the eligibility requirements of the Central Bank. The Fund invests at least 70% of its Net Asset Value in debt securities and financial derivative instruments providing exposure to debt securities.

Legg Mason Brandywine Global Credit Opportunities Fund[^]

Investment Objective – To maximise total return through a high level of income and capital appreciation.

[^] Not authorised for sale to the public in Hong Kong.

Directors' Report – (continued)

Legg Mason Brandywine Global Credit Opportunities Fund[^] – (continued)

Investment Policies – The Fund seeks to achieve its investment objective primarily by taking a flexible investment approach to debt securities of issuers domiciled in any country, through both long exposure and short exposure (via derivatives). The types of debt securities in which the Fund may invest include: agency and non-agency mortgage-backed securities that are structured as debt securities; asset-backed securities; corporate debt securities, including freely transferable promissory notes; convertible and non-convertible bonds; commercial paper, certificates of deposits, and bankers acceptances issued by industrial, utility, finance, commercial banking or bank holding company organisations; debt securities issued or guaranteed by national governments, their agencies, instrumentalities and political sub-divisions; debt securities of supranational organisations such as freely transferable promissory notes, bonds and debentures; structured notes that are transferable securities whose underlying exposure may be to fixed income securities; securitised participations in loans that are transferable securities; Eurodollar bonds and Yankee dollar instruments (including senior and subordinated notes); and Rule 144A securities. The Fund may not invest more than 10 per cent of its net asset value in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations.

Legg Mason Western Asset Brazil Equity Fund

Investment Objective – To achieve long term capital appreciation.

Investment Policies – The Fund invests at least 80 per cent of its net asset value in equity securities that are listed or traded on Regulated Markets (as set out in Schedule III of the Prospectus) issued by Brazilian Issuers that are considered by the Sub-Investment Manager to have prospects for above-average growth. The Fund may allocate such investments to Brazilian Issuers from any market sector and regardless of the size of their market capitalisation.

The Sub-Investment Manager may invest up to 20 per cent of the Fund's net assets in equity securities and depository receipts of non-Brazilian Issuers, with a focus on such issuers that have economic activities in Brazil; debt securities issued or guaranteed by national governments, their agencies, instrumentalities and political sub-divisions that are rated Investment Grade at the time of purchase and that are listed or traded on Regulated Markets; corporate debt securities (including convertible and non-convertible securities) that are rated Investment Grade at the time of purchase, including freely transferable promissory notes, debentures, commercial paper, certificates of deposit, and bankers acceptances issued by industrial, utility, finance commercial banking or bank holding company organisations; mortgage-backed or asset-backed securities; and warrants. In the event that a security rated Investment Grade at the time of purchase is downgraded after its purchase by the Fund, the Sub-Investment Manager may continue to hold such security on behalf of the Fund if it determines that it is in the best interests of the Fund and continues to be consistent with the Fund's investment objective.

Legg Mason ClearBridge Value Fund (formerly Legg Mason Capital Management Value Fund)

Investment Objective – To achieve long-term capital appreciation.

Investment Policies – The Fund invests principally in securities of U.S. issuers, which the Investment Manager believes are undervalued. The Fund may also invest up to 20 per cent of its net asset value in the securities of non-U.S. Issuers. At least 50 per cent of the net asset value of the Fund will be invested in equity securities. The Fund may also invest up to 5 per cent of its net asset value in units or shares open-ended collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations.

Legg Mason ClearBridge Growth Fund (formerly Legg Mason Capital Management Growth Fund)

Investment Objective – To maximise long-term capital appreciation with a minimum long-term risk to principal.

Investment Policies – The Fund invests at all times at least two-thirds of its net asset value in equity securities that are listed or traded on Regulated Markets as set out in Schedule III of the Prospectus. The Fund may invest in common stocks, preferred stocks, warrants and securities convertible into or exchangeable for common stocks, such as convertible bonds and debentures but invests at all times at least two-thirds of its net asset value in equity securities. A maximum of 10 per cent of the Fund's net asset value may be invested in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations. The selection of common stocks will be made through an investment strategy referred to as "focus investing," whereby companies are identified and selected as eligible investments by examining all fundamental quantitative and qualitative aspects of the company, its management and its financial position as compared to its stock price. This is a bottom up, fundamental method of analysis as opposed to technical analysis, which is based on the study of trading volumes and prices.

Legg Mason ClearBridge Global Equity Fund[^]

Investment Objective – To provide long-term capital appreciation.

Investment Policies – The Fund invests at all times at least two-thirds of its net asset value in equity securities (including common stock and preferred shares) that are listed or traded on Regulated Markets as set out in Schedule III of the Prospectus. Up to 15 per cent of the Fund's net asset value may be invested in equity securities of issuers located in Emerging Market Countries. A maximum of 10 per cent of the Fund's net asset value may be invested in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations. To manage capital flows, the Fund may hold cash or invest in short-term debt instruments that are cash equivalents. The Sub-Investment Manager employs a value-oriented strategy that seeks to identify securities that are trading below their normal valuation and expectations. The Sub-Investment Manager believes that percentage holdings of individual securities normally will range between 1 per cent and 3 per cent of the Fund's net asset value. Assets of the Fund may be denominated in currencies other than the Base Currency of the Fund. Therefore, the Fund may be exposed to currency risk due to fluctuations in the exchange rate between such other currencies and the U.S. Dollar. The Sub-Investment Manager may or may not try to mitigate this risk by using various hedging strategies through the use of financial derivative instruments.

Legg Mason ClearBridge Global Equity Income Fund[^]

Investment Objective – To provide income and long-term capital appreciation.

Investment Policies – The Fund invests at all times at least two-thirds of its net asset value in equity securities (including common stock and preferred shares) that are listed or traded on Regulated Markets as set out in Schedule III of the Prospectus. Up to 20 per cent of the Fund's net asset value may be invested in equity securities of issuers located in Emerging Market Countries. A maximum of 10 per cent of the Fund's net asset value may be invested in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations. To manage capital flows, the Fund may hold cash or invest in short-term debt instruments that are cash equivalents. The Fund may also invest in certain types of derivatives, but only for efficient portfolio management purposes. In making its investments, the Fund does not intend to concentrate on any particular industries or geographical areas.

Legg Mason ClearBridge US Appreciation Fund

Investment Objective – To generate long-term capital appreciation.

Investment Policies – The Fund will invest at least 70 per cent of its net asset value in equity securities of U.S. Companies, which are listed or traded on Regulated Markets in the United States listed in Schedule III of the Prospectus. The Fund's investments will include common stocks, preferred stocks and equity related securities. A maximum of 10 per cent of the Fund's net asset value may be invested in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations. The Fund may also invest in certain types of derivatives, but only for efficient portfolio management purposes. The Sub-Investment Manager may increase the Fund's allocation to Money Market Instruments and ancillary liquid assets when, in the Sub-Investment Manager's opinion, market valuation levels become excessive.

Legg Mason ClearBridge US Fundamental Value Fund

Investment Objective – To generate long-term capital appreciation. The generation of current income is a secondary objective.

[^] Not authorised for sale to the public in Hong Kong.

Directors' Report – (continued)

Legg Mason ClearBridge US Fundamental Value Fund – (continued)

Investment Policies – The Fund will invest at least 70 per cent of its net asset value in a diversified portfolio comprised of equity or equity-related securities of U.S. Companies and debt securities issued by U.S. Issuers, which are listed or traded on Regulated Markets in the United States listed in Schedule III of the Prospectus, provided that the Fund shall at all times invest at least 50 per cent of its net asset value in equity securities of U.S. Companies. The Sub-Investment Manager emphasises securities which are in its judgement undervalued in the marketplace and, accordingly, have above-average capital growth potential. The Fund may also invest in aggregate up to 30 per cent of its net asset value in money market instruments, non-publicly traded securities, equity and fixed income securities of non-U.S. Issuers (including those from Emerging Market Countries, Emerging European Countries and Emerging Asia/Pacific Countries), American Depository Receipts, Global Depository Receipts and mortgage-backed or asset-backed securities, provided however, no more than 20 per cent of the Fund's net asset value may be invested in securities of issuers from Emerging Market Countries, Emerging European Countries and/or Emerging Asia/Pacific Countries. A maximum of 10 per cent of the Fund's net asset value may be invested in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations.

Legg Mason ClearBridge US Large Cap Growth Fund

Investment Objective – To generate long-term capital appreciation.

Investment Policies – The Fund invests at least 70 per cent of its net asset value in equity securities of a concentrated group of U.S. Companies with large market capitalisations, which are listed or traded on Regulated Markets in the United States listed on Schedule III of the Prospectus. The core holdings of the Fund will be large market capitalisation U.S. Companies that are dominant in their respective industries, global in scope and have a long-term history of performance. The Fund's investments will consist of common stocks and to a lesser extent preferred stock and equity-related securities issued by or related to large market capitalisation U.S. Companies, which are believed to afford attractive opportunities for investment growth. The Fund will not invest in securities listed or traded on Regulated Markets in any Emerging Market Countries, Emerging European Countries or Emerging Asia/Pacific Countries. A maximum of 10 per cent of the Fund's net asset value may be invested in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations.

Legg Mason ClearBridge US Aggressive Growth Fund

Investment Objective – To generate long-term capital appreciation.

Investment Policies – The Fund invests at least 70 per cent of its net asset value in common stocks of U.S. Companies which are listed or traded on Regulated Markets in the United States listed in Schedule III of the Prospectus and that the Sub-Investment Manager believes are experiencing, or have potential to experience, growth of earnings and/or cash flow that exceed the average earnings and/or cash flow growth rate of companies having securities included in the Standard & Poor's Daily Price Index of 500 Common Stocks (the "S&P 500 Index"). The Sub-Investment Manager focuses its stock selection for the Fund on the diversified group of emerging growth companies that may have passed their "start-up" phase and show positive earnings and the prospect of achieving significant profit gains in the two to three years after the Fund acquires their stocks. A maximum of 10 per cent of the Fund's net asset value may be invested in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations.

Legg Mason ClearBridge US Equity Income Fund[^] (ceased trading on August 29, 2014)

Investment Objective – To provide income. Long-term capital appreciation is a secondary objective.

Investment Policies – The Fund invests at least 80 per cent of its net asset value in equity securities and equity-related securities, including common stocks, preferred stocks, convertible preferred stocks and other securities convertible into equity securities, which (a) are listed or traded on Regulated Markets listed in Schedule III of the Prospectus and located anywhere in the world; and (b) have the ability to maintain or increase dividends or distributions over the longer term, in the opinion of the Sub-Investment Manager. A maximum of 10 per cent of the Fund's net asset value may be invested in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations.

Legg Mason ClearBridge Tactical Dividend Income Fund

Investment Objective – To provide a high level of income. Long-term capital appreciation is a secondary objective.

Investment Policies – The Fund invests at least 80 per cent of its net asset value in equity and equity-related securities that are expected to provide investment income, dividend payments or other distributions, which are listed or traded on Regulated Markets listed in Schedule III of the Prospectus and located anywhere in the world. The Fund may invest in equity and equity-related securities of issuers with any market capitalisation. In selecting securities, the Sub-Investment Manager uses a combined fundamental and macroeconomic approach to identify assets that have attractive dividends and future earnings prospects. A maximum of 10 per cent of the Fund's net asset value may be invested in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations.

Legg Mason Opportunity Fund (formerly Legg Mason Capital Management Opportunity Fund)

Investment Objective – To achieve long-term capital appreciation.

Investment Policies – The Fund may invest in equity securities, debt securities, derivatives and other financial instruments. The Sub-Investment Manager exercises a flexible strategy in the selection of investments, not limited by investment style or asset class. The Fund may invest in common stock and other securities, including: convertible securities; securities issued by collective investment schemes, including open-end mutual funds, closed-end funds, and unit investment trusts, securities issued by exchange-traded funds; real estate investment trusts and other issuers that invest, deal or otherwise engage in transactions in real estate; indexed securities; debt securities, including mortgage-backed and asset-backed securities; derivatives; and currencies and forward currency exchange contracts. The issuers of common stocks and other securities in which the Fund invests may be located in any country throughout the world, including Emerging Market Countries. A maximum of 10 per cent of the Fund's net asset value may be invested in securities of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations.

Legg Mason Royce US Small Cap Opportunity Fund

Investment Objective – To achieve long-term capital appreciation.

Investment Policies – The Fund invests at least 70 per cent of its net asset value in a diversified portfolio of equity securities issued by small-cap U.S. companies (i.e., U.S. Companies with market capitalisations of less than US\$2.5 billion) that are listed or traded on Regulated Markets in the United States. The Sub-Investment Manager invests the Fund's assets in these companies in an attempt to take advantage of what it believes are opportunistic situations for undervalued securities. Such opportunistic situations may include turnarounds, emerging growth companies with interrupted earnings patterns, companies with unrecognised asset values or undervalued growth companies. A maximum of 10 per cent of the Fund's net asset value may be invested in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations. The Sub-Investment Manager uses a value method in managing the Fund's assets.

Legg Mason Royce US Smaller Companies Fund (formerly Legg Mason Royce Smaller Companies Fund)

Investment Objective – To achieve long-term capital appreciation.

Investment Policies – The Fund invests at least two-thirds of its net asset value in equity securities issued by companies with stock market capitalisations less than US \$5 billion that are listed or traded on Regulated Markets as set out in Schedule III of the Prospectus. Up to one third of the Fund's net asset value may be invested in (i) equity securities (including common stock, preferred shares and convertible securities) of companies with stock market capitalisations exceeding US\$5 billion that are listed or traded on Regulated Markets, (ii) debt securities issued or guaranteed by national governments and their agencies, instrumentalities and political sub-divisions, (iii) corporate

[^] Not authorised for sale to the public in Hong Kong.

Directors' Report – (continued)

Legg Mason Royce US Smaller Companies Fund (formerly Legg Mason Royce Smaller Companies Fund) – (continued)

debt securities of issuers located in or whose securities are listed or traded on Regulated Markets, and (iv) repurchase agreements or cash for efficient portfolio management purposes. A maximum of 10 per cent of the Fund's net asset value may be invested in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations.

Legg Mason Royce Smaller Companies Fund II[^]

Investment Objective – To achieve long-term capital appreciation.

Investment Policies – The Fund invests at least two-thirds of its net asset value in equity securities issued by companies with stock market capitalisations of less than US\$5 billion that are listed or traded on Regulated Markets as set out in Schedule II of the Prospectus. Up to one-third of the Fund's net asset value may be invested in (i) equity securities (including common stock, preferred shares and convertible securities) of companies with stock market capitalisations exceeding US\$5 billion that are listed or traded on Regulated Markets, (ii) debt securities issued or guaranteed by national governments and their agencies, instrumentalities and political sub-divisions, (iii) corporate debt securities of issuers located in or whose securities are listed or traded on Regulated Markets, including freely transferable promissory notes, debentures, bonds (including zero coupon bonds), convertible and non-convertible notes, commercial paper, certificates of deposits, and bankers acceptances issued by industrial, utility, finance, commercial banking or bank holding company organisations, and (iv) cash for efficient portfolio management purposes. Repurchase agreements may be utilised for efficient portfolio management purposes only. No more than 10 per cent of the Fund's net asset value will be invested in securities of issuers that are listed or traded on Regulated Markets outside of the United States. Furthermore, no more than 5 per cent of the Fund's net asset value may be invested in debt securities rated below Investment Grade at the time of purchase. See Schedule III of the Prospectus for more information on the ratings of the various NRSROs. A maximum of 10 per cent of the Fund's net asset value may be invested in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations, and such investments will be for the purposes of gaining exposure to the types of instruments described in the investment policies or otherwise to pursue the investment objective and policies of the Fund.

Legg Mason Royce Global Smaller Companies Fund (ceased trading on March 31, 2014)

Investment Objective – To achieve long-term capital appreciation.

Investment Policies – The Fund invests at all times at least two-thirds of its net asset value in equity securities and convertible debt that are listed or traded on Regulated Markets located anywhere in the world as set out in Schedule III of the Prospectus and which are issued by issuers from at least three different countries, although a substantial portion of the Fund's assets may be invested in companies domiciled in a single country. Although the Fund may invest in the equity securities of companies of any market capitalisation, the Sub-Investment Manager expects that generally a significant portion of the Fund's assets will be invested in the equity securities of smaller companies with market capitalisations up to US\$5 billion or their currency equivalent. Up to one-third of the Fund's net asset value may be invested in (i) equity securities that are not listed or traded on Regulated Markets; (ii) debt securities issued or guaranteed by national governments and their agencies, instrumentalities and political sub-divisions; and (iii) non-convertible corporate debt securities of issuers located in or whose securities are listed or traded on Regulated Markets, including freely transferable promissory notes, debentures, bonds (including zero coupon bonds), non-convertible notes, commercial paper, certificates of deposits, and bankers acceptances issued by industrial, utility, finance, commercial banking or bank holding company organisations. Repurchase agreements may be utilised or cash may be invested for efficient portfolio management purposes. The Fund may invest in securities listed or traded on Regulated Markets located anywhere in the world, including Emerging Market Countries. Under normal market conditions, no more than one-third of the Fund's Net Asset Value may be invested in countries other than the United States, Canada, Japan, Australia, New Zealand, Hong Kong, Singapore, South Korea, Taiwan and Western European countries. No more than 10 per cent of the Fund's net asset value may be invested in securities that are not listed or traded on Regulated Markets. No more than 5 per cent of the Fund's Net Asset Value may be invested in debt securities rated below Investment Grade at the time of purchase. A maximum of 10 per cent of the Fund's net asset value may be invested in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations.

Legg Mason Permal Global Absolute Fund[^] (ceased trading on August 29, 2014)

Investment Objective – To generate absolute returns over the medium-term through a macro style investment process.

Investment Policies – The Fund will invest primarily in other open-ended collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations and transferable securities listed or traded on Regulated Markets (including closed-ended funds, real estate investment trusts ("REITs"), debt securities, equity securities and equity-related securities (such as depositary receipts, notes and certificates that are tied to the performance of a single equity, a basket of equities or equity indices)) and financial derivative instruments. The Fund may invest without limit in debt securities (including high yield securities) that are rated below Investment Grade or are unrated. In addition, the Fund may invest in securities of companies in the form of Depositary Receipts that are listed or traded on Regulated Markets in Europe, the United States, and Asia (including Japan). The Fund may invest in securities listed or traded on Regulated Markets located anywhere in the world, including Emerging Market Countries.

Legg Mason Batterymarch Managed Volatility European Equity Fund (formerly Legg Mason Batterymarch European Equity Fund)

Investment Objective – To provide long-term capital appreciation.

Investment Policies – The Fund invests at all times at least two-thirds of its net asset value in equity securities of companies that are listed or traded on Regulated Markets and that are domiciled in or are conducting a predominant portion of their economic activities in Europe, including but not limited to Austria, Belgium, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, The Netherlands, Norway, Poland, Portugal, Spain, Sweden, Switzerland, and the United Kingdom, subject to applicable limitations on investments by foreigners. The Fund seeks to achieve its investment objective by investing primarily in securities of companies believed to afford attractive opportunities for long-term capital appreciation. A maximum of 10 per cent of the Fund's net asset value may be invested in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations.

Legg Mason Batterymarch Asia Ex Japan Equity Fund (formerly Legg Mason Batterymarch Asia Pacific Equity Fund)

Investment Objective – To provide long-term capital appreciation.

Investment Policies – The Fund invests at least two-thirds of its net asset value in equity securities listed or traded on Regulated Markets of companies domiciled in or conducting a predominant portion of their economic activities in one or more of the following emerging Asian countries, subject to applicable limitations established by such countries on investments by foreign investors: China, Hong Kong, Indonesia, Malaysia, the Philippines, Singapore, South Korea, Taiwan, India and Thailand. In addition, the Fund may, from time to time, also invest in equity securities of companies domiciled in Pakistan and Sri Lanka. A maximum of 10 per cent of the Fund's net asset value may be invested in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations. A maximum of 10 per cent of the Fund's net asset value may be invested in equity-linked or structured notes that are transferable securities, whose underlying exposure may be to equity securities.

Legg Mason Batterymarch International Large Cap Fund

Investment Objective – To generate long-term capital appreciation.

Investment Policies – The Fund will invest at all times at least 70 per cent of its net asset value in equity securities of non-U.S. Companies each of which has a capitalisation of US\$750 million or more, which stocks are listed or traded on Regulated Markets as listed in Schedule III of the Prospectus. Generally, the Fund invests in a number of different countries and it is expected that the Fund will invest at least 70 per cent of its net asset value assets in equity securities of companies with large capitalisations in at least three non-U.S. markets. The Sub-Investment Manager looks for well-established companies which appear to be reasonably valued compared to their long-term

[^] Not authorised for sale to the public in Hong Kong.

Directors' Report – (continued)

Legg Mason Batterymarch International Large Cap Fund – (continued)

earnings potential. These companies will be organised, incorporated or headquartered in a range of markets outside of the U.S., providing exposure to a range of non-U.S. economies. The Fund may invest in preferred stock and equity related securities, and also, to a limited extent, may purchase units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations (subject to a maximum of 10 per cent of the Fund's net asset value), that invest in non-U.S. securities and which are listed or traded on Regulated Markets worldwide.

Legg Mason Batterymarch Emerging Markets Equity Fund

Investment Objective – To provide long-term capital appreciation.

Investment Policies – The Fund will invest at all times at least 70 per cent of its net asset value in equity securities (including common stocks and preferred shares) of companies whose seat, registered office or principal activities are in Emerging Market Countries and that are listed or traded on Regulated Markets, subject to applicable limitations established by such countries on investments by foreign investors. Up to 30 per cent of the Fund's net asset value may be invested in equity securities of companies domiciled in or having their principal place of business in Developed Countries; debt securities issued or guaranteed by national governments, their agencies, instrumentalities, and political sub-divisions that are rated Investment Grade at the time of purchase and that are listed or traded on Regulated Markets; corporate debt securities that are rated Investment Grade at the time of purchase and that are listed or traded on Regulated Markets; including freely transferable promissory notes, debentures, commercial paper, certificates of deposits, and bankers acceptances issued by industrial, utility, finance, commercial banking or bank holding company organisations; other open-ended collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations and warrants. No more than 10 per cent of the Fund's net asset value may be invested in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations. A maximum of 10 per cent of the Fund's net asset value may be invested in equity-linked or structured notes that are transferable securities, whose underlying exposure may be to equity securities.

Legg Mason Batterymarch Global Equity Fund

Investment Objective – To generate long-term capital appreciation.

Investment Policies – The Fund invests at all times at least 70 per cent of its net asset value in equity securities (including common stocks and preferred shares) of companies domiciled in, and listed or traded on any Regulated Market in any country of the world. In seeking to achieve the Fund's investment objective, the Sub-Investment Manager will invest primarily in companies that are domiciled and listed in Developed Countries and it will seek to invest in companies domiciled in Developed Countries and Emerging Market Countries, across a diversified range of industries. While there are no capitalisation restrictions, the Fund will seek to invest primarily in large-capitalisation companies.

On behalf of the Board

Joseph Keane
Director
June 4, 2015

Brian Collins
Director

Independent Auditors' Report

Independent Auditors' Report to the Members of Legg Mason Global Funds Plc

Report on the financial statements

Our opinion

In our opinion, Legg Mason Global Funds Plc's financial statements (the "financial statements"):

- give a true and fair view of the company's and sub-funds' assets, liabilities and financial position as at February 28, 2015 and of their results for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland; 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).

What we have audited

Legg Mason Global Funds Plc's financial statements comprise:

- the balance sheet as at February 28, 2015;
- the profit and loss account for the year then ended;
- the statement of changes in net assets attributable to holders of redeemable participating shares for the year then ended; and
- the notes to the financial statements for the company and for each of its sub-funds which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Matters on which we are required to report by the Companies Act 2014

- 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.
- In our opinion the information given in the Directors' Report is consistent with the financial statements.

Matter on which we are required to report by exception

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.

Other matter

SI83 of 2010 "European Communities (Directive 2006/46/EC)(Amendment) Regulations 2010" has been revoked by the Companies Act 2014 without replacing regulation 5 of those regulations with an equivalent section in the Act. Consequently, we are unable to report under the requirements of Section 1373(7) of the Companies Act 2014.

Had regulation 5 of SI83 of 2010 replaced section 1373(7) of the Companies Act 2014, there would be no additional matters to report. The information required to be included in the corporate governance statement by section 1373 of the Companies Act 2014 is referenced in the Directors' Report and we have reported on the consistency of the information included in the Directors' Report with the financial statements above.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' responsibility statement set out on page 15, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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

June 4, 2015

Custodian's Report

To the members of the Legg Mason Global Funds Plc (the "Company")

We have enquired into the conduct of the Company for the year ended February 28, 2015 in our capacity as custodian of the Company.

This report including the opinion has been prepared for and solely for the shareholders in the Company, in accordance with the Central Bank of Ireland's UCITS Notice 4 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 Custodian

Our duties and responsibilities are outlined in the Central Bank of Ireland's UCITS Notice 4. One of those duties is to enquire into the conduct of the Company in each annual accounting period and report thereon to the shareholders.

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 memorandum and articles of association and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (the "Regulations"). It is the overall responsibility of the Company to comply with these provisions. If the Company has not so complied, we as custodian must state why this is the case and outline the steps which we have taken to rectify the situation.

Basis of Custodian Opinion

The custodian conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties as outlined in UCITS Notice 4 and to ensure that, in all material respects, the Company has been managed:

- a) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of its constitutional documentation and the appropriate regulations; and
- b) otherwise in accordance with the Company's constitutional documentation and the appropriate regulations.

Opinion

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

- a) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the memorandum and articles of association and by the Regulations; and
- b) otherwise in accordance with the provisions of the memorandum and articles of association and the Regulations.

BNY Mellon Trust Company (Ireland) Limited

June 4, 2015

Legg Mason Western Asset US Money Market Fund

Portfolio of Investments as at February 28, 2015

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
U.S. Denominated Bonds and Notes — 2.65%								
650			4,080			13,890		
Bank of Montreal, 0.709%, due 9/11/2015 *	652	0.06	DnB Nor Bank ASA, 0.200%, due 5/18/2015 **	4,078	0.39	Societe Generale, 0.160%, due 3/5/2015 **	13,890	1.32
10,000			5,000			2,500		
Credit Suisse/New York NY, 3.500%, due 3/23/2015	10,018	0.95	DnB Nor Bank ASA, 0.240%, due 6/1/2015 **	4,997	0.48	Societe Generale, 0.240%, due 3/31/2015 **	2,500	0.24
2,275			9,000			5,000		
ING Bank NV, 144A, 0.477%, due 7/22/2015 *	2,275	0.21	DnB Nor Bank ASA, 0.270%, due 7/28/2015 **	8,990	0.85	Societe Generale, 0.400%, due 7/31/2015 **	4,992	0.47
15,000			5,000			2,000		
Royal Bank of Canada, 0.463%, due 4/29/2015 *	15,006	1.43	DnB Nor Bank ASA, 0.310%, due 8/18/2015 **	4,993	0.47	Standard Chartered Bank, 0.250%, due 5/20/2015 **	1,999	0.19
Total U.S. Denominated Bonds and Notes (Cost \$27,951)								
	27,951	2.65	4,000			6,000		
Commercial Paper — 48.36%								
5,000			5,000			14,800		
Anz National International Ltd (London), 0.210%, due 4/1/2015 **	4,999	0.48	General Electric Capital Corp, 0.100%, due 3/3/2015 **	5,000	0.48	Sumitomo Mitsui Trust (NY), 0.170%, due 4/6/2015 **	14,797	1.41
5,000			5,000			15,000		
Anz National International Ltd (London), 0.220%, due 5/14/2015 **	4,998	0.48	General Electric Capital Corp, 0.200%, due 4/29/2015 **	4,998	0.47	Svenska Handelsbanken AB, 0.180%, due 5/20/2015 **	14,994	1.42
5,000			5,000			9,600		
Anz National International Ltd (London), 0.250%, due 6/5/2015 **	4,997	0.47	General Electric Capital Corp, 0.180%, due 5/4/2015 **	4,998	0.47	Svenska Handelsbanken AB, 0.250%, due 7/15/2015 **	9,591	0.91
5,000			15,000			550		
Anz National International Ltd (London), 0.270%, due 7/27/2015 **	4,994	0.47	HSBC Bank Plc, 0.220%, due 3/30/2015 **	14,997	1.42	Swedbank AB, 0.160%, due 3/11/2015 **	550	0.05
5,000			2,500			3,225		
ASB Finance Ltd/London, 0.190%, due 3/31/2015 **	4,999	0.48	HSBC Bank Plc, 0.314%, due 1/12/2016 *	2,500	0.24	Swedbank AB, 0.240%, due 4/7/2015 **	3,224	0.31
5,000			700			5,000		
ASB Finance Ltd/London, 0.270%, due 7/21/2015 **	4,995	0.47	ING U.S. Funding LLC, 0.120%, due 3/5/2015 **	700	0.07	Swedbank AB, 0.220%, due 6/1/2015 **	4,997	0.47
2,000			5,000			4,000		
Australia & New Zealand Banking Group Ltd, 0.200%, due 5/20/2015 **	1,999	0.19	ING U.S. Funding LLC, 0.280%, due 3/13/2015 **	4,999	0.48	Swedbank AB, 0.240%, due 6/4/2015 **	3,997	0.38
2,747			4,350			3,000		
Bank Nederlandse Gemeenten, 0.270%, due 8/12/2015 **	2,744	0.26	ING U.S. Funding LLC, 0.280%, due 6/12/2015 **	4,346	0.41	Swedbank AB, 0.230%, due 6/12/2015 **	2,998	0.29
3,000			5,000			5,000		
Bank of Nova Scotia, 0.250%, due 6/19/2015 **	2,998	0.29	JPMorgan Securities LLC, 0.260%, due 3/6/2015 **	5,000	0.48	Swedbank AB, 0.230%, due 6/15/2015 **	4,997	0.47
5,000			5,100			5,000		
BNZ International Funding Ltd, 0.110%, due 3/3/2015 **	5,000	0.48	JPMorgan Securities LLC, 0.180%, due 4/6/2015 **	5,099	0.48	Swedish Export Credit, 0.280%, due 5/26/2015 **	4,997	0.47
9,700			350			10,000		
BNZ International Funding Ltd, 0.180%, due 4/20/2015 **	9,698	0.92	JPMorgan Securities LLC, 0.270%, due 6/9/2015 **	350	0.03	Toyota Motor Credit Corp, 0.170%, due 3/20/2015 **	9,999	0.95
3,000			5,000			10,000		
BNZ International Funding Ltd, 0.260%, due 7/20/2015 **	2,997	0.28	JPMorgan Securities LLC, 0.330%, due 6/15/2015 **	4,995	0.47	Toyota Motor Credit Corp, 0.200%, due 4/28/2015 **	9,997	0.95
2,000			5,000			5,000		
Caisse des Depots et Consignations, 0.220%, due 6/5/2015 **	1,999	0.19	JPMorgan Securities LLC, 0.300%, due 7/23/2015 **	4,994	0.47	Toyota Motor Credit Corp, 0.200%, due 5/14/2015 **	4,998	0.47
8,500			5,000			5,000		
Coca-Cola Co, 0.190%, due 3/16/2015 **	8,499	0.81	JPMorgan Securities LLC, 0.300%, due 8/4/2015 **	4,993	0.47	United Overseas Bank Ltd, 0.230%, due 4/8/2015 **	4,999	0.48
5,000			20,000			14,000		
Coca-Cola Co, 0.200%, due 4/23/2015 **	4,999	0.48	Lloyds Bank Plc, 0.000%, due 3/2/2015 **	20,000	1.90	United Overseas Bank Ltd, 0.210%, due 4/21/2015 **	13,996	1.33
5,000			5,000			4,700		
Coca-Cola Co, 0.200%, due 5/11/2015 **	4,998	0.48	Mizuho Funding LLC, 0.250%, due 5/7/2015 **	4,998	0.47	Westpac Banking Corp, 0.220%, due 5/27/2015 **	4,697	0.45
5,000			5,000			5,000		
Coca-Cola Co, 0.220%, due 6/8/2015 **	4,997	0.47	Natixis (New York), 0.230%, due 4/2/2015 **	4,999	0.48	Westpac Banking Corp, 0.273%, due 11/18/2015 *	5,000	0.47
2,000			5,000			Total Commercial Paper (Cost \$509,086)		
Coca-Cola Co, 0.290%, due 9/17/2015 **	1,997	0.19	Nordea Bank AB, 0.220%, due 4/14/2015 **	4,999	0.48	Certificate of Deposit — 34.24%		
375			5,000			5,000		
Commonwealth Bank of Australia, 0.180%, due 4/7/2015 **	375	0.04	Nordea Bank AB, 0.240%, due 5/19/2015 **	4,997	0.47	Bank of America N.A., 0.250%, due 3/19/2015	5,000	0.47
10,000			5,000			5,000		
Commonwealth Bank of Australia, 0.170%, due 5/8/2015 **	9,997	0.95	NRW Bank, 0.110%, due 3/5/2015 **	5,000	0.48	Bank of America N.A., 0.300%, due 7/21/2015	5,000	0.47
5,140			10,000			10,000		
Commonwealth Bank of Australia, 0.250%, due 7/6/2015 **	5,136	0.49	NRW Bank, 0.140%, due 3/24/2015 **	9,999	0.95	Bank of Montreal (Chicago), 0.230%, due 3/4/2015	10,000	0.95
2,700			10,000			5,000		
CPPIB Capital Inc, 0.130%, due 3/12/2015 **	2,700	0.26	NRW Bank, 0.180%, due 6/18/2015 **	9,994	0.95	Bank of Montreal (Chicago), 0.230%, due 5/12/2015	5,000	0.47
4,000			7,000			5,000		
CPPIB Capital Inc, 0.170%, due 3/26/2015 **	3,999	0.38	Overseas Chinese Banking, 0.000%, due 3/2/2015 **	7,000	0.67	Bank of Montreal (Chicago), 0.240%, due 6/3/2015	5,000	0.47
3,600			1,700			10,100		
Credit Agricole CIB (NY), 0.300%, due 6/8/2015 **	3,597	0.34	Overseas Chinese Banking, 0.220%, due 5/4/2015 **	1,699	0.16	Bank of Nova Scotia (Houston), 0.240%, due 6/5/2015	10,101	0.97
4,850			4,000			5,000		
Credit Suisse New York, 0.160%, due 3/13/2015 **	4,850	0.46	PNC Bank N.A., 0.410%, due 10/14/2015 **	3,990	0.38	Bank of Tokyo-Mitsubishi UFJ Ltd (NY), 0.250%, due 3/23/2015	5,000	0.47
5,000			3,000			10,000		
Credit Suisse New York, 0.270%, due 5/7/2015 **	4,997	0.47	PNC Bank N.A., 0.400%, due 11/9/2015 **	2,992	0.28	Bank of Tokyo-Mitsubishi UFJ Ltd (NY), 0.270%, due 6/16/2015	10,000	0.95
10,000			10,000			10,000		
DBS Bank Ltd, 0.220%, due 3/17/2015 **	9,999	0.95	Rabobank USA Financial Corp, 0.000%, due 3/2/2015 **	10,000	0.95	Bank of Tokyo-Mitsubishi UFJ Ltd (NY), 0.270%, due 6/22/2015	10,000	0.95
750			11,150			5,000		
DBS Bank Ltd, 0.230%, due 4/17/2015 **	750	0.07	Reckitt Benckiser Treasury Services Plc, 0.150%, due 4/21/2015 **	11,148	1.06	BNP Paribas (New York), 0.240%, due 3/4/2015	5,000	0.47
10,000			1,250			5,000		
DBS Bank Ltd, 0.180%, due 4/27/2015 **	9,997	0.95	Reckitt Benckiser Treasury Services Plc, 0.350%, due 8/27/2015 **	1,248	0.12	BNP Paribas (New York), 0.430%, due 7/2/2015	5,002	0.48
5,000			500			4,700		
DBS Bank Ltd, 0.180%, due 5/11/2015 **	4,998	0.47	Siemens Capital Co. LLC, 0.120%, due 3/26/2015 **	500	0.05	BNP Paribas (New York), 0.350%, due 8/10/2015	4,700	0.45
			3,000			5,000		
			Skandinaviska Enskilda Banken AB, 0.210%, due 3/6/2015 **	3,000	0.29	BNP Paribas (New York), 0.350%, due 8/13/2015	5,000	0.47
			3,000			2,300		
			Skandinaviska Enskilda Banken AB, 0.250%, due 4/8/2015 **	2,999	0.29	Canadian Imperial Bank (NY), 0.100%, due 3/6/2015	2,300	0.22
			2,000			5,000		
			Skandinaviska Enskilda Banken AB, 0.220%, due 5/26/2015 **	1,999	0.19	Canadian Imperial Bank (NY), 0.200%, due 4/20/2015	5,000	0.47
			5,000			5,000		
			Skandinaviska Enskilda Banken AB, 0.230%, due 6/12/2015 **	4,997	0.47	Canadian Imperial Bank (NY), 0.180%, due 5/21/2015	5,000	0.47

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US Money Market Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
Certificate of Deposit — (continued)					
650			5,000		
Canadian Imperial Bank of Commerce, 0.388%, due 3/10/2015 *	650	0.07	State Street Bank, 0.297%, due 10/22/2015 *	5,000	0.47
5,000			5,000		
CitiBank N.A., 0.240%, due 4/2/2015	5,000	0.47	Sumitomo Mitsui Banking Corp (NY), 0.220%, due 3/3/2015	5,000	0.48
5,000			5,000		
CitiBank N.A., 0.220%, due 4/6/2015	5,000	0.47	Sumitomo Mitsui Banking Corp (NY), 0.220%, due 3/4/2015	5,000	0.48
5,000			250		
CitiBank N.A., 0.240%, due 5/1/2015	5,000	0.47	Sumitomo Mitsui Banking Corp (NY), 0.250%, due 3/17/2015	250	0.03
5,000			5,000		
CitiBank N.A., 0.240%, due 5/12/2015	5,000	0.47	Sumitomo Mitsui Banking Corp (NY), 0.240%, due 4/15/2015	5,000	0.48
5,000			4,500		
CitiBank N.A., 0.280%, due 7/22/2015	5,000	0.47	Sumitomo Mitsui Banking Corp (NY), 0.260%, due 5/7/2015	4,500	0.43
310			5,000		
Credit Agricole CIB (NY), 0.340%, due 3/2/2015	310	0.04	Sumitomo Mitsui Trust (NY), 0.260%, due 3/30/2015	5,000	0.47
10,000			5,000		
Credit Agricole CIB (NY), 0.280%, due 3/6/2015	10,000	0.95	Sumitomo Mitsui Trust (NY), 0.265%, due 4/15/2015	5,000	0.48
5,000			5,150		
Credit Agricole CIB (NY), 0.225%, due 3/9/2015	5,000	0.48	Swedbank (NY), 0.240%, due 3/20/2015	5,150	0.49
2,500			5,000		
Credit Agricole CIB (NY), 0.320%, due 6/15/2015	2,500	0.24	Toronto Dominion Bank (New York), 0.130%, due 3/2/2015	5,000	0.47
2,000			5,000		
Credit Agricole CIB (NY), 0.350%, due 8/3/2015	2,000	0.19	Toronto Dominion Bank (New York), 0.130%, due 3/9/2015	5,000	0.47
1,350			5,000		
DnB Nor Bank ASA (New York), 0.260%, due 8/3/2015	1,350	0.13	Toronto Dominion Bank (New York), 0.115%, due 4/6/2015	5,000	0.48
5,000			5,000		
HSBC Bank USA, 0.240%, due 5/5/2015	5,000	0.47	Toronto Dominion Bank (New York), 0.190%, due 5/26/2015	5,000	0.47
5,000			5,000		
Mizuho Bank Ltd (NY), 0.250%, due 4/28/2015	5,000	0.48	Toronto Dominion Bank (New York), 0.260%, due 7/30/2015	5,000	0.47
5,000			10,000		
Mizuho Bank Ltd (NY), 0.240%, due 5/5/2015	5,000	0.48	Wells Fargo Bank N.A., 0.230%, due 3/10/2015	10,000	0.95
5,000			5,000		
Mizuho Bank Ltd (NY), 0.250%, due 5/20/2015	5,000	0.48	Wells Fargo Bank N.A., 0.230%, due 4/6/2015	5,000	0.47
5,000			10,000		
Mizuho Corporate Bank (NY), 0.250%, due 4/22/2015	5,000	0.47	Wells Fargo Bank N.A., 0.230%, due 5/11/2015	10,000	0.95
5,000					
Natixis (New York), 0.290%, due 3/2/2015	5,000	0.47	Total Certificate of Deposit (Cost \$360,431)	360,431	34.24
3,000					
Natixis (New York), 0.300%, due 5/1/2015	3,000	0.29	Time Deposits — 14.33%		
5,000			20,000		
Natixis (New York), 0.340%, due 6/2/2015	5,000	0.47	Bank of Tokyo-Mitsubishi Ltd, 0.060%, due 3/2/2015	20,000	1.90
2,000			29,025		
Natixis (New York), 0.350%, due 7/31/2015	2,000	0.19	Barclays Bank Plc, 0.130%, due 3/2/2015	29,025	2.76
4,415			14,750		
Nordea Bank Finland Plc (New York), 0.220%, due 4/20/2015	4,415	0.42	Credit Agricole Indosuez, 0.070%, due 3/2/2015	14,750	1.40
10,000			15,000		
Norinchukin Bank (New York), 0.230%, due 4/15/2015	10,001	0.96	DnB Nor Bank ASA, 0.050%, due 3/2/2015	15,000	1.42
14,700			7,108		
Norinchukin Bank (New York), 0.310%, due 7/16/2015	14,700	1.40	Fortis Bank (Grand Cayman), 0.080%, due 3/2/2015	7,108	0.68
7,500			20,000		
Oversea-Chinese Banking Corp (NY), 0.180%, due 4/7/2015	7,500	0.72	Nordea Bank (Cayman Islands), 0.050%, due 3/2/2015	20,000	1.90
3,000			13,000		
Oversea-Chinese Banking Corp (NY), 0.180%, due 4/7/2015	3,000	0.28	Skandinav Enskilda Bank, 0.050%, due 3/2/2015	13,000	1.23
10,000			20,000		
Oversea-Chinese Banking Corp (NY), 0.170%, due 4/20/2015	10,000	0.96	Standard Chartered Bank (NY), 0.050%, due 3/2/2015	20,000	1.90
3,000			12,000		
Oversea-Chinese Banking Corp (NY), 0.180%, due 5/8/2015	3,000	0.28	Swedbank Stockholm, 0.050%, due 3/2/2015	12,000	1.14
2,800					
Rabobank Nederland NV (New York), 0.300%, due 5/13/2015	2,800	0.27	Total Time Deposits (Cost \$150,883)	150,883	14.33
10,000					
Rabobank Nederland NV (New York), 0.265%, due 6/23/2015	10,001	0.96	Total Investments (Cost \$1,048,351)	1,048,351	99.58
5,000					
Royal Bank of Canada/ New York NY, 0.264%, due 8/19/2015 *	5,000	0.47	Other Assets Less Liabilities	4,427	0.42
3,200					
Skandinaviska Enskilda Banken AB, 0.250%, due 4/9/2015	3,200	0.30	Total Net Assets	\$1,052,778	100.00
5,000			144A		
Standard Chartered Bank of New York, 0.230%, due 4/7/2015	5,000	0.47	Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2015, these securities amounted to \$2,275,000 or 0.21% of net assets.		
3,000			*		
Standard Chartered Bank of New York, 0.320%, due 6/9/2015	3,000	0.28	Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2015.		
5,000			**		
Standard Chartered Bank of New York, 0.310%, due 6/30/2015	5,001	0.48	Rate reflects yield to maturity as at February 28, 2015.		

ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR TIME DEPOSITS WHICH ARE DEPOSITS WITH CREDIT INSTITUTIONS.

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	85.21
Deposits with credit institutions	14.33
Other assets	0.46
Total Assets	100.00

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US Core Bond Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
Corporate Bonds and Notes — (continued)								
Airlines — 0.21%								
61 Delta Air Lines Pass Through Trust 2007-1, Series 071A, Class A, 6.821%, due 8/10/2022	72	0.16	110 Bank of America Corp, 4.200%, due 8/26/2024	114	0.25	40 HSBC Finance Corp, 6.676%, due 1/15/2021	48	0.10
21 Northwest Airlines 1999-2 Class A Pass Through Trust, Series 992A, 7.575%, due 3/1/2019	23	0.05	250 Bank of America Corp, 4.000%, due 1/22/2025	253	0.55	10 John Deere Capital Corp, 2.250%, due 4/17/2019	10	0.02
	95	0.21	70 Bank of America Corp, 5.000%, due 1/21/2044	81	0.18	10 John Deere Capital Corp, 1.700%, due 1/15/2020	10	0.02
			20 Bank of America Corp, 4.875%, due 4/1/2044	23	0.05	30 Navient LLC, 5.625%, due 8/1/2033	26	0.06
			70 Citigroup Inc, 4.500%, due 1/14/2022	77	0.17	60 Private Export Funding Corp, Series DD, 2.125%, due 7/15/2016	61	0.13
			80 Citigroup Inc, 3.500%, due 5/15/2023	80	0.17		809	1.75
			120 Citigroup Inc, 5.500%, due 9/13/2025	136	0.29	Food — 0.59%		
			50 Citigroup Inc, 5.875%, due 1/30/2042	64	0.14	70 Kraft Foods Group Inc, 3.500%, due 6/6/2022	72	0.16
			60 Goldman Sachs Capital II, 4.000%, Perpetual *	47	0.10	20 The Kroger Co, 3.900%, due 10/1/2015	20	0.04
			40 The Goldman Sachs Group Inc, 5.625%, due 1/15/2017	43	0.09	10 The Kroger Co, 6.400%, due 8/15/2017	11	0.02
			20 The Goldman Sachs Group Inc, 2.900%, due 7/19/2018	21	0.05	10 The Kroger Co, 6.150%, due 1/15/2020	12	0.03
			50 The Goldman Sachs Group Inc, 3.625%, due 1/22/2023	52	0.11	69 Mondelez International Inc, 5.375%, due 2/10/2020	79	0.17
			70 The Goldman Sachs Group Inc, 6.750%, due 10/1/2037	91	0.20	20 Mondelez International Inc, 4.000%, due 2/1/2024	22	0.05
			30 The Goldman Sachs Group Inc, 6.250%, due 2/1/2041	39	0.08	10 Tyson Foods Inc, 3.950%, due 8/15/2024	11	0.02
			10 JPMorgan Chase & Co, 4.350%, due 8/15/2021	11	0.02	40 Tyson Foods Inc, 5.150%, due 8/15/2044	47	0.10
			30 JPMorgan Chase & Co, 3.375%, due 5/1/2023	30	0.07		274	0.59
			70 JPMorgan Chase & Co, 3.625%, due 5/13/2024	73	0.16	Healthcare-Products — 0.23%		
			70 JPMorgan Chase & Co, 4.125%, due 12/15/2026	72	0.16	60 Becton Dickinson and Co, 3.734%, due 12/15/2024	63	0.14
			30 JPMorgan Chase & Co, 4.850%, due 2/1/2044	34	0.07	20 Becton Dickinson and Co, 4.685%, due 12/15/2044	22	0.05
			40 State Street Corp, 4.956%, due 3/15/2018	43	0.09	10 Medtronic Inc, 4.450%, due 3/15/2020	11	0.02
			10 State Street Corp, 3.300%, due 12/16/2024	10	0.02	10 Medtronic Inc, 3.125%, due 3/15/2022	10	0.02
			50 US Bancorp/MN, 3.600%, due 9/11/2024	52	0.11		106	0.23
			120 Wachovia Capital Trust III, 5.570%, Perpetual *	119	0.26	Healthcare-Services — 0.37%		
			60 Wells Fargo & Co, 4.125%, due 8/15/2023	64	0.14	30 Humana Inc, 3.150%, due 12/1/2022	30	0.07
			61 Wells Fargo & Co, 4.480%, due 1/16/2024	66	0.14	10 Roche Holdings Inc, 144A, 6.000%, due 3/1/2019	11	0.02
			150 Wells Fargo & Co, 4.100%, due 6/3/2026	157	0.34	20 UnitedHealth Group Inc, 3.875%, due 10/15/2020	22	0.05
			10 Wells Fargo & Co, 4.650%, due 11/4/2044	11	0.02	10 UnitedHealth Group Inc, 6.875%, due 2/15/2038	14	0.03
				2,103	4.55	50 UnitedHealth Group Inc, 4.250%, due 3/15/2043	55	0.12
						10 WellPoint Inc, 1.250%, due 9/10/2015	10	0.02
						10 WellPoint Inc, 5.875%, due 6/15/2017	11	0.02
						20 WellPoint Inc, 3.125%, due 5/15/2022	20	0.04
							173	0.37
						Industrial — 0.25%		
						10 Eaton Corp, 1.500%, due 11/2/2017	10	0.02
						50 Eaton Corp, 2.750%, due 11/2/2022	50	0.11
						20 General Electric Co, 0.850%, due 10/9/2015	20	0.04
						30 General Electric Co, 4.500%, due 3/11/2044	34	0.08
							114	0.25
						Insurance — 0.61%		
						30 American International Group Inc, 5.850%, due 1/16/2018	34	0.07
						130 American International Group Inc, 6.250%, due 3/15/2037	146	0.32
						65 MetLife Inc, 6.400%, due 12/15/2036	76	0.16
						20 Teachers Insurance & Annuity Association of America, 6.850%, due 12/16/2039	28	0.06
							284	0.61
Financials-Capital Markets — 0.15%								
			280 Lehman Brothers Escrow, zero coupon, Perpetual †∞€	—	—			
			270 Lehman Brothers Holding Inc, zero coupon, due 12/28/2017 †∞€	—	—			
			140 Lehman Brothers Holdings Capital Trust Escrow, zero coupon, Perpetual †∞	—	—			
			213 Lehman Escrow Receipt, zero coupon, Perpetual †∞	55	0.12			
			104 Lehman Swap Receipt, zero coupon, Perpetual †∞	16	0.03			
				71	0.15			
Financials-Diversified — 1.75%								
			60 American Express Co, 6.800%, due 9/1/2066 *	63	0.14			
			80 The Bear Stearns Cos LLC, 5.550%, due 1/22/2017	86	0.19			
			80 Countrywide Financial Corp, 6.250%, due 5/15/2016	85	0.18			
			150 Ford Motor Credit Co LLC, 12.000%, due 5/15/2015	153	0.33			
			60 General Electric Capital Corp, 4.625%, due 1/7/2021	68	0.15			
			100 General Electric Capital Corp, 6.875%, due 1/10/2039	145	0.31			
			50 General Electric Capital Corp, 6.375%, due 11/15/2067 *	54	0.12			

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US Core Bond Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
Corporate Bonds and Notes — (continued)								
Internet — 0.14%								
60 Amazon.com Inc, 4.950%, due 12/5/2044	64	0.14						
Media — 1.07%								
10 21st Century Fox America Inc, 6.650%, due 11/15/2037	14	0.03						
70 Comcast Corp, 6.950%, due 8/15/2037	100	0.22						
50 Comcast Corp, 6.550%, due 7/1/2039	70	0.15						
10 Comcast Corp, 6.400%, due 3/1/2040	14	0.03						
70 Time Warner Cable Inc, 8.250%, due 4/1/2019	86	0.19						
20 Time Warner Cable Inc, 6.550%, due 5/1/2037	24	0.05						
10 Time Warner Cable Inc, 5.875%, due 11/15/2040	11	0.02						
10 Time Warner Cable Inc, 4.500%, due 9/15/2042	10	0.02						
10 Time Warner Entertainment Co LP, 8.375%, due 7/15/2033	14	0.03						
60 Time Warner Inc, 4.700%, due 1/15/2021	67	0.15						
50 Time Warner Inc, 7.700%, due 5/1/2032	72	0.16						
10 Viacom Inc, 4.250%, due 9/1/2023	10	0.02						
	492	1.07						
Mining — 0.24%								
30 Freeport-McMoRan Copper & Gold Inc, 3.550%, due 3/1/2022	28	0.06						
90 Southern Copper Corp, 5.250%, due 11/8/2042	81	0.18						
	109	0.24						
Oil & Gas — 1.01%								
140 Anadarko Petroleum Corp, 6.375%, due 9/15/2017	157	0.34						
20 Anadarko Petroleum Corp, 8.700%, due 3/15/2019	24	0.05						
144 Apache Corp, 3.250%, due 4/15/2022	145	0.32						
20 Baker Hughes Inc, 5.125%, due 9/15/2040	23	0.05						
20 ConocoPhillips Holding Co, 6.950%, due 4/15/2029	28	0.06						
10 Devon Energy Corp, 3.250%, due 5/15/2022	10	0.02						
20 Devon Energy Corp, 5.600%, due 7/15/2041	24	0.05						
40 Noble Energy Inc, 4.150%, due 12/15/2021	43	0.10						
10 Occidental Petroleum Corp, 2.700%, due 2/15/2023	10	0.02						
	464	1.01						
Pharmaceuticals — 0.24%								
30 AbbVie Inc, 1.750%, due 11/6/2017	30	0.07						
10 AbbVie Inc, 2.900%, due 11/6/2022	10	0.02						
30 Merck & Co Inc, 2.750%, due 2/10/2025	30	0.07						
30 Wyeth LLC, 5.950%, due 4/1/2037	39	0.08						
	109	0.24						
Pipelines — 0.06%								
25 The Williams Cos Inc, 7.875%, due 9/1/2021	28	0.06						
Retail — 0.27%								
50 CVS Caremark Corp, 2.750%, due 12/1/2022	50	0.11						
10 CVS Caremark Corp, 5.750%, due 5/15/2041	13	0.03						
7 CVS Pass-Through Trust, 5.880%, due 1/10/2028	8	0.01						
40 Wal-Mart Stores Inc, 6.200%, due 4/15/2038	55	0.12						
	126	0.27						
Savings & Loans — 0.07%								
30 Santander Holdings USA Inc/PA, 3.450%, due 8/27/2018	31	0.07						
Semiconductors — 0.23%								
100 KLA-Tencor Corp, 4.125%, due 11/1/2021	105	0.23						
Telecommunications — 1.53%								
20 AT&T Inc, 5.800%, due 2/15/2019	23	0.05						
30 AT&T Inc, 3.875%, due 8/15/2021	31	0.07						
40 AT&T Inc, 5.550%, due 8/15/2041	44	0.09						
30 AT&T Inc, 4.350%, due 6/15/2045	28	0.06						
20 Verizon Communications Inc, 2.500%, due 9/15/2016	20	0.04						
10 Verizon Communications Inc, 4.500%, due 9/15/2020	11	0.02						
20 Verizon Communications Inc, 3.450%, due 3/15/2021	21	0.05						
80 Verizon Communications Inc, 4.150%, due 3/15/2024	86	0.19						
44 Verizon Communications Inc, 6.400%, due 9/15/2033	56	0.12						
238 Verizon Communications Inc, 6.550%, due 9/15/2043	313	0.68						
44 Verizon Communications Inc, 4.862%, due 8/21/2046	47	0.10						
27 Verizon Communications Inc, 5.012%, due 8/21/2054	28	0.06						
	708	1.53						
Transportation — 0.30%								
50 Burlington Northern Santa Fe LLC, 3.850%, due 9/1/2023	53	0.11						
80 Burlington Northern Santa Fe LLC, 4.550%, due 9/1/2044	87	0.19						
	140	0.30						
Total Corporate Bonds and Notes (Cost \$7,612)				7,438	16.11			
Foreign Government Bonds and Notes — 0.13%								
New Zealand Government Issues — 0.13%								
80 New Zealand Government Bond, Series 420, 3.000%, due 4/15/2020	60	0.13						
Total Foreign Government Bonds and Notes (Cost \$66)				60	0.13			
U.S. Corporate Bonds and Notes — 0.14%								
Retail — 0.14%								
50 Wal-Mart Stores Inc, 5.625%, due 4/15/2041	65	0.14						
Total U.S. Corporate Bonds and Notes (Cost \$62)				65	0.14			
U.S. Denominated Bonds and Notes — 5.01%								
Australia — 0.39%								
70 BHP Billiton Finance USA Ltd, 3.250%, due 11/21/2021	73	0.16						
20 BHP Billiton Finance USA Ltd, 5.000%, due 9/30/2043	24	0.05						
10 Commonwealth Bank of Australia, 144A, 5.000%, due 10/15/2019	11	0.02						
60 Rio Tinto Finance USA Ltd, 3.500%, due 11/2/2020	63	0.14						
10 Rio Tinto Finance USA Ltd, 4.125%, due 5/20/2021	11	0.02						
	182	0.39						
Brazil — 0.02%								
10 Petrobras Global Finance BV, 6.250%, due 3/17/2024	9	0.02						
Canada — 0.80%								
80 Barrick Gold Corp, 3.850%, due 4/1/2022	80	0.17						
40 Barrick Gold Corp, 4.100%, due 5/1/2023	40	0.09						
20 Glencore Finance Canada Ltd, 2.050%, due 10/23/2015	20	0.05						
20 Glencore Finance Canada Ltd, 2.700%, due 10/25/2017	20	0.04						
10 Potash Corp of Saskatchewan Inc, 4.875%, due 3/30/2020	11	0.02						
200 Royal Bank of Canada, 1.875%, due 2/5/2020	199	0.43						
	370	0.80						
Cayman Islands — 1.03%								
37 Petrobras International Finance Co, 5.750%, due 1/20/2020	34	0.07						
210 Petrobras International Finance Co, 5.375%, due 1/27/2021	189	0.41						
40 Transocean Inc, 2.500%, due 10/15/2017	37	0.08						
20 Vale Overseas Ltd, 6.250%, due 1/23/2017	21	0.04						
162 Vale Overseas Ltd, 4.375%, due 1/11/2022	157	0.34						
40 Vale Overseas Ltd, 6.875%, due 11/21/2036	40	0.09						
	478	1.03						
Chile — 0.13%								
55 Celulosa Arauco y Constitucion SA, 4.750%, due 1/11/2022	58	0.13						
Colombia — 0.04%								
20 Ecopetrol SA, 5.875%, due 5/28/2045	19	0.04						
France — 0.13%								
60 BNP Paribas SA, 2.700%, due 8/20/2018	62	0.13						
Germany — 0.06%								
30 Landwirtschaftliche Rentenbank, Series 29, 1.375%, due 10/23/2019	30	0.06						
Japan — 0.11%								
50 Toyota Motor Credit Corp, 1.250%, due 10/5/2017	50	0.11						
Mexico — 0.37%								
50 America Movil SAB de CV, 5.625%, due 11/15/2017	55	0.12						
50 Petroleos Mexicanos, 6.375%, due 1/23/2045	56	0.12						
60 Petroleos Mexicanos, Series WI, 3.500%, due 1/30/2023	59	0.13						
	170	0.37						
Netherlands — 0.65%								
120 Bank Nederlandse Gemeenten, 4.375%, due 2/16/2021	136	0.29						
20 Cooperatieve Centrale Raiffeisen-Boerenleenbank BA, 3.875%, due 2/8/2022	21	0.05						
10 Heineken NV, 1.400%, due 10/1/2017	10	0.02						
40 Royal Bank of Scotland NV, 4.650%, due 6/4/2018	42	0.09						
80 Shell International Finance BV, 4.375%, due 3/25/2020	90	0.20						
	299	0.65						
Spain — 0.03%								
10 Telefonica Emisiones SAU, 5.877%, due 7/15/2019	12	0.03						
United Kingdom — 0.80%								
50 BP Capital Markets Plc, 3.245%, due 5/6/2022	51	0.11						
70 Diageo Capital Plc, 4.828%, due 7/15/2020	79	0.17						
200 HSBC Holdings Plc, 5.250%, due 3/14/2044	228	0.49						
10 WPP Finance 2010, 5.125%, due 9/7/2042	11	0.03						
	369	0.80						
United States — 0.45%								
180 Pemex Project Funding Master Trust, 6.625%, due 6/15/2035	207	0.45						
Total U.S. Denominated Bonds and Notes (Cost \$2,293)				2,315	5.01			

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US Core Bond Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
U.S. Denominated Debt Obligations — 1.69%			Federal National Mortgage Association (FNMA) — 10.56%			41 Fannie Mae Remics, Series 2010 142, Class SM, 6.359%, due 12/25/2040 *		
Mexico — 1.11%			100 Fannie Mae, TBA March, 2.500%, due 3/15/2030 ±			6 0.01		
430 Mexico Government International Bond, 5.550%, due 1/21/2045			61 Fannie Mae Interest Strip 409, Class C2, 3.000%, due 4/25/2027			73 Fannie Mae Remics, Series 2012 70, Class YS, 6.479%, due 2/25/2041 *		
513 1.11			7 0.01			14 0.03		
Poland — 0.35%			25 Fannie Mae Interest Strip 407, Class 41, 6.000%, due 1/25/2038			73 Fannie Mae Remics, Series 2013 9, Class CB, 5.500%, due 4/25/2042		
150 Poland Government International Bond, 4.000%, due 1/22/2024			9 Fannie Mae Interest Strip 390, Class C3, 6.000%, due 7/25/2038			81 0.18		
162 0.35			57 Fannie Mae Interest Strip 409, Class C13, 3.000%, due 11/25/2041			42 Fannie Mae Remics, Series 2012 46, Class BA, 6.000%, due 5/25/2042		
Russia — 0.23%			9 Fannie Mae Interest Strip 409, Class C18, 4.000%, due 4/25/2042			47 0.10		
100 Russian Foreign Bond – Eurobond, 7.500%, due 3/31/2030			800 Fannie Mae Pool, TBA March, 3.000%, due 3/15/2030 ±			60 Fannie Mae Remics, Series 2012 75, Class NS, 6.429%, due 7/25/2042 *		
107 0.23			10 0.02			12 0.03		
Total U.S. Denominated Debt Obligations (Cost \$706)			58 Fannie Mae Interest Strip 409, Class C18, 4.000%, due 4/25/2042			57 Fannie Mae Remics, Series 2013 9, Class BC, 6.500%, due 7/25/2042		
782 1.69			10 0.02			65 0.14		
U.S. Government Agency Mortgage-Backed Securities — 20.25%			100 Fannie Mae Pool, TBA March, 3.500%, due 3/15/2030 ±			88 Fannie Mae Remics, Series 2013 67, Class KS, 5.929%, due 7/25/2043 *		
Federal Home Loan Mortgage Corporation (FHLMC) — 3.91%			800 Fannie Mae Pool, TBA March, 3.500%, due 3/15/2030 ±			18 0.04		
80 Fannie Mae REMICS, Series 2005 29, Class ZA, 5.500%, due 4/25/2035			100 Fannie Mae Pool, TBA March, 3.500%, due 3/15/2030 ±			4,877 10.56		
88 0.19			106 0.23			Government National Mortgage Association (GNMA) — 5.78%		
69 Fannie Mae REMICS, Series 2011 90, Class AS, 6.229%, due 9/25/2041 *			93 Fannie Mae Pool AV7699, 3.500%, due 1/1/2034			89 Ginnie Mae, Series 2009 H01, Class FA, 1.324%, due 11/20/2059 *		
13 0.03			9 9 Fannie Mae Pool 888795, 5.500%, due 11/1/2036			91 0.20		
414 Fannie Mae REMICS, Series 2012 134, Class SK, 5.979%, due 12/25/2042 *			10 Fannie Mae Pool 950385, 1.331%, due 8/1/2037 *			2 Ginnie Mae I Pool 464051, 7.000%, due 7/15/2028		
93 0.20			62 Fannie Mae Pool AL4324, 6.500%, due 5/1/2040			2 -		
4,884 Fannie Mae-Aces, Series 2015 M3, Class X2, 0.388%, due 10/25/2024 *			147 Fannie Mae Pool AL0215, 4.500%, due 4/1/2041			52 Ginnie Mae I Pool 557522, 7.000%, due 7/15/2031		
150 0.32			64 Fannie Mae Pool AL3429, 4.500%, due 6/1/2041			64 0.14		
153 FHLMC Multifamily Structured Pass Through Certificates K007, Class X1, 1.177%, due 4/25/2020 *			67 Fannie Mae Pool AL3414, 4.500%, due 9/1/2041			46 Ginnie Mae I Pool 565347, 7.000%, due 8/15/2031		
7 0.01			187 Fannie Mae Pool A07501, 4.000%, due 6/1/2042			53 0.11		
97 FHLMC Multifamily Structured Pass Through Certificates K016, Class X1, 1.563%, due 10/25/2021 *			83 Fannie Mae Pool AP4781, 3.000%, due 9/1/2042			54 Ginnie Mae I Pool 584344, 7.000%, due 4/15/2032		
8 0.02			254 Fannie Mae Pool AB6201, 3.000%, due 9/1/2042			63 0.14		
156 FHLMC Structured Pass Through Securities, Series T 56, Class 2AF, 0.571%, due 5/25/2043 *			172 Fannie Mae Pool AP9633, 2.500%, due 10/1/2042			200 Ginnie Mae II pool, TBA March, 3.500%, due 3/15/2045 ±		
155 0.33			88 Fannie Mae Pool MA1253, 4.000%, due 11/1/2042			210 0.45		
140 Freddie Mac Gold Pool G14492, 4.000%, due 10/1/2025			90 Fannie Mae Pool AQ7083, 3.500%, due 12/1/2042			400 Ginnie Mae II pool, TBA March, 4.000%, due 3/15/2045 ±		
150 0.32			83 Fannie Mae Pool AQ5369, 3.500%, due 12/1/2042			425 0.92		
43 Freddie Mac Gold Pool G07117, 6.000%, due 10/1/2036			89 Fannie Mae Pool AB7130, 3.500%, due 12/1/2042			57 Ginnie Mae II Pool 4837, 6.000%, due 10/20/2040		
49 0.11			181 Fannie Mae Pool MA1372, 3.500%, due 3/1/2043			66 0.14		
48 Freddie Mac Gold Pool A74793, 5.000%, due 3/1/2038			91 Fannie Mae Pool MA1403, 3.500%, due 4/1/2043			46 Ginnie Mae II Pool 4923, 4.500%, due 1/20/2041		
53 0.11			91 Fannie Mae Pool MA1436, 3.500%, due 5/1/2043			50 0.11		
31 Freddie Mac Gold Pool G06172, 5.500%, due 12/1/2038			94 Fannie Mae Pool AB9594, 4.000%, due 6/1/2043			30 Ginnie Mae II Pool 4961, 6.000%, due 2/20/2041		
34 0.07			84 Fannie Mae Pool AT4281, 4.000%, due 6/1/2043			35 0.08		
28 Freddie Mac Gold Pool G06669, 6.500%, due 9/1/2039			94 Fannie Mae Pool MA1591, 4.500%, due 9/1/2043			125 Ginnie Mae II Pool 4978, 4.500%, due 3/20/2041		
32 0.07			299 Fannie Mae Pool, 4.500%, due 4/1/2044			137 0.30		
66 Freddie Mac Gold Pool G06409, 6.000%, due 11/1/2039			196 Fannie Mae Pool 890604, 4.500%, due 10/1/2044			71 Ginnie Mae II Pool 5240, 6.000%, due 11/20/2041		
74 0.16			200 Fannie Mae Pool, TBA March, 3.500%, due 3/15/2045 ±			82 0.18		
28 Freddie Mac Gold Pool A93316, 4.500%, due 8/1/2040			300 Fannie Mae Pool, TBA March, 4.500%, due 3/15/2045 ±			19 Government National Mortgage Association, Series 2013 178, Class A, 2.250%, due 3/16/2035		
30 0.06			100 Fannie Mae Pool, TBA March, 5.000%, due 3/15/2045 ±			19 0.04		
33 Freddie Mac Gold Pool A93471, 4.500%, due 8/1/2040			211 Fannie Mae Remics, Series 2012 101, Class AI, 3.000%, due 6/25/2027			222 Government National Mortgage Association, Series 2012 66, Class CI, 3.500%, due 2/20/2038		
36 0.08			57 Fannie Mae Remics, Series 2001 81, Class GE, 6.000%, due 1/25/2032			27 0.06		
87 Freddie Mac Gold Pool U90316, 4.000%, due 10/1/2042			67 Fannie Mae Remics, Series 2011 87, Class SG, 6.379%, due 4/25/2040 *			39 Government National Mortgage Association, Series 2010 85, Class HS, 6.477%, due 1/20/2040 *		
95 0.21			13 0.03			7 0.02		
90 Freddie Mac Gold Pool U90503, 3.500%, due 11/1/2042			100 Fannie Mae Pool, TBA March, 3.500%, due 3/15/2045 ±			489 Government National Mortgage Association, Series 2002 91, Class AF, 0.735%, due 4/16/2044 *		
95 0.21			111 0.24			7 0.02		
190 Freddie Mac Gold Pool G07784, 4.000%, due 7/1/2044			200 Fannie Mae Pool, TBA March, 3.500%, due 3/15/2045 ±			184 Government National Mortgage Association, Series 2013 145, Class IO, 1.122%, due 9/16/2044 *		
206 0.45			209 0.45			14 0.03		
96 Freddie Mac Gold Pool G07786, 4.000%, due 8/1/2044			300 Fannie Mae Pool, TBA March, 4.500%, due 3/15/2045 ±			184 Government National Mortgage Association, Series 2013 163, Class IO, 1.216%, due 2/16/2046 *		
105 0.23			100 Fannie Mae Pool, TBA March, 5.000%, due 3/15/2045 ±			14 0.03		
87 Freddie Mac Gold Pool Q17792, 3.500%, due 5/1/2043			211 Fannie Mae Remics, Series 2012 101, Class AI, 3.000%, due 6/25/2027			641 Government National Mortgage Association, Series 2011 142, Class IO, 0.929%, due 9/16/2046 *		
92 0.20			57 Fannie Mae Remics, Series 2001 81, Class GE, 6.000%, due 1/25/2032			30 0.06		
93 Freddie Mac Gold Pool U62476, 3.500%, due 4/1/2043			67 Fannie Mae Remics, Series 2011 87, Class SG, 6.379%, due 4/25/2040 *			197 Government National Mortgage Association, Series 2014 47, Class IA, 1.380%, due 2/16/2048 *		
98 0.21			13 0.03			15 0.03		
85 Freddie Mac REMICS 4298, Class PI, 4.000%, due 4/15/2043			100 Fannie Mae Pool, TBA March, 5.000%, due 3/15/2045 ±			258 Government National Mortgage Association, Series 2012 44, Class IO, 0.759%, due 3/16/2049 *		
12 0.03			111 0.24			13 0.03		
369 Freddie Mac Remics Pool 4092, Class AI, 3.000%, due 9/15/2031			200 Fannie Mae Pool, TBA March, 3.500%, due 3/15/2045 ±			1,052 Government National Mortgage Association, Series 2011 152, Class IO, 1.163%, due 8/16/2051 *		
46 0.10			209 0.45			53 0.11		
23 Freddie Mac Remics Pool 3621, Class SB, 6.058%, due 1/15/2040 *			300 Fannie Mae Pool, TBA March, 4.500%, due 3/15/2045 ±					
4 0.01			100 Fannie Mae Pool, TBA March, 5.000%, due 3/15/2045 ±					
147 Freddie Mac Remics Pool 3947, Class SG, 5.778%, due 10/15/2041 *			211 Fannie Mae Remics, Series 2012 101, Class AI, 3.000%, due 6/25/2027					
27 0.06			57 Fannie Mae Remics, Series 2001 81, Class GE, 6.000%, due 1/25/2032					
280 Freddie Mac Remics Pool 3997, Class SK, 6.428%, due 11/15/2041 *			67 Fannie Mae Remics, Series 2011 87, Class SG, 6.379%, due 4/25/2040 *					
54 0.12			13 0.03					
1,806 3.91								

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Legg Mason Western Asset US Core Bond Fund

Portfolio of Investments as at February 28, 2015 – (continued)

ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR FUTURES, FORWARDS, SWAPS AND OPTIONS WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS DEALT IN ON A REGULATED MARKET AND COLLECTIVE INVESTMENT SCHEMES.

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	65.89
Money market instruments	15.57
Financial derivative instruments	0.22
Collective investment schemes	8.06
Other assets	10.26
Total Assets	100.00

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
90 Day Euro\$ December 2015	2	\$ 496	\$ –
90 Day Euro\$ December 2016	29	7,133	4
90 Day Euro\$ June 2016	10	2,470	6
Euro-Bobl March 2015	(2)	(293)	(4)
U.S. 10 Year Note (CBT) March 2015	8	1,027	(3)
U.S. 2 Year Note (CBT) June 2015	30	6,557	10
U.S. 5 Year Note (CBT) June 2015	(4)	(477)	1
U.S. Ultra Bond (CBT) June 2015	13	2,188	33
U.S.10 Year Note (CBT) June 2015	9	1,150	(1)
Total Market Value of Future Contracts	95	\$ 20,251	\$ 46
Unrealised Appreciation of Futures Contracts			54
Unrealised Depreciation of Futures Contracts			(8)
Net Appreciation of Future Contracts			\$ 46

Schedule of Credit Default Swaps

Counterparty	Reference Entity	Buy/Sell Protection	Expiration Date	Notional Amount (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Deutsche Bank	Berkshire Hathaway Inc, 1.000%, due 3/20/24	Sell	3/20/24	50	\$ –
Deutsche Bank	Metlife Inc, 1.000%, due 9/20/21	Sell	9/20/21	60	–
					\$ –
Unrealised Appreciation of Credit Default Swaps					–
Unrealised Depreciation of Credit Default Swaps					–
Net Depreciation of Credit Default Swaps					\$ –

Schedule of Interest Rate Swaps

Counterparty	Rate	Expiration Date	Notional Amount (000's)	Value (000's)
Goldman Sachs	Pay Fixed 2.11%, Receive Floating USD LIBOR BBA	5/15/30	1,481	\$ 46
				\$ 46
Unrealised Appreciation of Interest Rate Swaps				46
Unrealised Depreciation of Interest Rate Swaps				–
Net Appreciation of Interest Rate Swaps				\$ 46

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US Core Bond Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Schedule of Forward Contracts

Expiration Date	Counterparty	Buy Currency (000's)			Sell Currency (000's)		Unrealised Appreciation/ (Depreciation) of Contracts (000's)	
05/13/15	Bank of America Sec London	Buy	EUR	24	Sell	USD	27	\$ (1)
05/13/15	Barclays Capital London	Buy	USD	142	Sell	JPY	16,669	3
05/13/15	Citicorp Securities London Ltd	Buy	USD	206	Sell	EUR	181	4
05/13/15	Citicorp Securities London Ltd	Buy	USD	45	Sell	JPY	5,293	1
05/13/15	UBS	Buy	USD	46	Sell	EUR	40	1
Unrealised Appreciation of Forward Foreign Currency Contracts								9
Unrealised Depreciation of Forward Foreign Currency Contracts								(1)
Net Appreciation of Forward Foreign Currency Contracts								\$ 8

Legg Mason Western Asset US Core Plus Bond Fund

Portfolio of Investments as at February 28, 2015

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
Asset-Backed Securities — 5.82%								
146			635			550		
321 Henderson Receivables I LLC, Series 2014 1A, Class A, 144A, 3.960%, due 3/15/2063	157	0.05	Lehman XS Trust, Series 2006 2N, Class 1A1, 0.431%, due 2/25/2046 *	462	0.14	SMB Private Education Loan Trust, Series 2014 A, Class A2B, 144A, 1.306%, due 5/15/2026 *	548	0.17
616 Aegis Asset Backed Securities Corporation Mortgage Pass Through Certificates, Series 2003 3, Class M2, 2.646%, due 1/25/2034 *	575	0.17	175 Manufactured Housing Contract Trust Pass-Through Certificates, Series 2001 2, Class IA2, 3.666%, due 2/20/2032 *	160	0.05	750 SMB Private Education Loan Trust, Series 2014 A, Class A2A, 144A, 3.050%, due 5/15/2026	762	0.23
1,315 Ameriquest Mortgage Securities Inc Asset-Backed Pass-Through Certificates, Series 2005 R7, Class M2, 0.671%, due 9/25/2035 *	1,175	0.36	225 Manufactured Housing Contract Trust Pass-Through Certificates, Series 2001 2, Class IIA2, 3.667%, due 3/13/2032 *	203	0.06	500 SMB Private Education Loan Trust, Series 2014 A, Class A3, 144A, 1.656%, due 4/15/2032 *	498	0.15
432 Asset-Backed Pass-Through Certificates, Series 2004 R2, Class A4, 0.948%, due 4/25/2034 *	425	0.13	240 Mastr Asset Backed Securities Trust, Series 2003 OPT1, Class M2, 2.946%, due 12/25/2032 *	241	0.07	450 SMB Private Education Loan Trust, Series 2014 A, Class B, 144A, 4.000%, due 9/15/2042	435	0.13
400 Avis Budget Rental Car Funding AESOP LLC, Series 2012 3A, Class A, 144A, 2.100%, due 3/20/2019	402	0.12	857 Mastr Asset Backed Securities Trust, Series 2004 WMC2, Class M1, 1.071%, due 4/25/2034 *	815	0.25	1,964 Sofi Professional Loan Program, Series 2014 B, Class A2, 144A, 2.550%, due 8/27/2029	1,968	0.59
120 Avis Budget Rental Car Funding AESOP LLC, Series 2013 1A, Class A, 144A, 1.920%, due 9/20/2019	119	0.04	500 National Collegiate Student Loan Trust, Series 2006 3, Class A4, 0.441%, due 3/26/2029 *	460	0.14	- Sofi Professional Loan Program, Series 2014 A, Class RC, 144A, 0.000%, due 7/14/2124 †∞	1,526	0.46
836 Citigroup Mortgage Loan Trust Inc, Series 2007 WFH4, Class M1, 1.821%, due 7/25/2037 *	736	0.22	1,220 National Collegiate Student Loan Trust, Series 2007 4, Class A3L, 1.021%, due 3/25/2038 *	902	0.27	Total Asset-Backed Securities (Cost \$18,739)		
65 ContiMortgage Home Equity Loan Trust, Series 1999 1, Class B, 7.108%, due 4/25/2030	58	0.02	75 Northstar Education Finance Inc, Series 2007 1, Class A7, 0.000%, due 1/29/2046 *	70	0.02	Collateralised Mortgage-Backed Obligations — 8.99%		
100 CountryPlace Manufactured Housing Contract Trust, Series 2007 1, Class A4, 144A, 5.846%, due 7/15/2037 *	101	0.03	125 Northstar Education Finance Inc, Series 2007 1, Class A5, 1.366%, due 1/29/2046	117	0.04	206 Alternative Loan Trust, Series 2005 14, Class 2A2, 0.421%, due 5/25/2035 *	132	0.04
198 Countrywide Asset-Backed Certificates, Series 2002 3, Class 1A1, 0.911%, due 5/25/2032 *	187	0.06	81 Origen Manufactured Housing Contract Trust, Series 2005 B, Class M2, 6.480%, due 1/15/2037	87	0.03	645 Alternative Loan Trust, Series 2005 56, Class 4A1, 0.481%, due 1/12/2035 *	530	0.16
20 Countrywide Asset-Backed Certificates, Series 2004 5, Class M2, 1.176%, due 7/25/2034 *	19	-	566 Origen Manufactured Housing Contract Trust, Series 2006 A, Class A2, 2.009%, due 10/15/2037 *	507	0.16	538 Alternative Loan Trust, Series 2005 IM1, Class A1, 0.471%, due 1/25/2036 *	451	0.14
244 Countrywide Asset-Backed Certificates, Series 2004 13, Class MF1, 5.071%, due 4/25/2035 *	223	0.07	1,576 Park Place Securities Inc Asset-Backed Pass-Through Certificates, Series 2005 WHQ4, Class M2, 0.661%, due 9/25/2035 *	1,274	0.39	132 Alternative Loan Trust, Series 2006 18CB, Class A6, 27.916%, due 7/25/2036 *	228	0.07
218 Countrywide Home Equity Loan Trust, Series 2006 HW, Class 2A1B, 0.305%, due 11/15/2036 *	189	0.06	170 Pegasus Aviation Lease Securitization, Series 2000 1, Class A2, 144A, 8.370%, due 3/25/2030	33	0.01	109 Alternative Loan Trust, Series 2006 OA10, Class 4A1, 0.361%, due 8/25/2046 *	82	0.02
57 GMACM Home Equity Loan Trust, Series 2006 HE1, Class A, 0.381%, due 11/25/2036 *	49	0.01	19 Provident Bank Home Equity Loan Trust, Series 1999 3, Class A3, 0.951%, due 1/25/2031 *	13	0.01	1,735 Alternative Loan Trust, Series 2006 OA21, Class A1, 0.364%, due 3/20/2047 *	1,365	0.41
173 GMACM Home Equity Notes Variable Funding Trust, Series 2004 VF1, Class A1, 144A, 0.921%, due 2/25/2031 *	170	0.05	1,809 RAMP Trust, Series 2006 RZ5, Class A3, 0.421%, due 8/25/2046 *	1,560	0.47	1,116 American Home Mortgage Assets Trust, Series 2006 6, Class A1A, 0.361%, due 12/25/2046 *	789	0.24
150 Greenpoint Manufactured Housing, Series 1999 2, Class A2, 2.903%, due 3/18/2029 *	136	0.04	10 RASC Trust, Series 2001 KS2, Class All, 0.631%, due 6/25/2031 *	9	-	2,829 Banc of America Alternative Loan Trust, Series 2005 4, Class CB7, 4.929%, due 5/25/2035 *	346	0.10
50 Greenpoint Manufactured Housing, Series 1999 3, Class 2A2, 3.503%, due 6/19/2029 *	43	0.01	43 RASC Trust, Series 2001 KS1, Class All, 6.349%, due 3/25/2032	43	0.01	30 Banc of America Commercial Mortgage Trust, Series 2006 5, Class AM, 5.448%, due 9/10/2047	31	0.01
50 Greenpoint Manufactured Housing, Series 1999 4, Class A2, 3.668%, due 2/20/2030 *	43	0.01	7 Renaissance Home Equity Loan Trust, Series 2003 1, Class A, 1.031%, due 6/25/2033 *	6	-	1,820 Banc of America Funding Trust, Series 2014 R5, Class 1A2, 144A, 1.858%, due 9/26/2045 *	1,106	0.33
606 GSAMP Trust, Series 2004 AR1, Class M1, 1.146%, due 6/25/2034 *	577	0.17	427 Security National Mortgage Loan Trust, Series 2005 2A, Class A3, 144A, 6.213%, due 2/25/2036 *	404	0.12	886 Bear Stearns Mortgage Funding Trust, Series 2007 AR1, Class 1A1, 0.331%, due 1/25/2037 *	686	0.21
140 Hertz Vehicle Financing LLC, Series 2013 1A, Class A2, 144A, 1.830%, due 8/25/2019	139	0.04	210 Settlement Fee Finance LLC, Series 2004 1A, Class A, 144A, 9.100%, due 7/25/2034 ∞	227	0.07	150 CD 2006-CD2 Mortgage Trust, Series 2006 CD2, Class AJ, 5.390%, due 1/15/2046 *	143	0.04
			132 SLM Student Loan EDC Repackaging Trust, Series 2013 M1, Class M1, 144A, 3.500%, due 10/28/2029	131	0.04	40 CD 2006-CD3 Mortgage Trust, Series 2006 CD3, Class AJ, 5.688%, due 10/15/2048	39	0.01
			280 Small Business Administration Participation Certificates, Series 2015 20B, Class 1, 2.460%, due 2/1/2035	278	0.08	80 CD 2007-CD4 Commercial Mortgage Trust, Series 2007 CD4, Class AJ, 5.398%, due 12/11/2049 *	68	0.02
						250 CGBAM Commercial Mortgage Trust, Series 2014 HD, Class E, 144A, 3.156%, due 2/15/2031 *	248	0.07
						42 CHL Mortgage Pass-Through Trust, Series 2005 4, Class 4A1, 0.461%, due 2/25/2035 *	36	0.01
						279 CHL Mortgage Pass-Through Trust, Series 2005 HYB1, Class 1A1, 0.471%, due 3/25/2035 *	241	0.07

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US Core Plus Bond Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
Collateralised Mortgage-Backed Obligations — (continued)								
128			20			200		
CHL Mortgage Pass-Through Trust, Series 2005 7, Class 2A1, 0.791%, due 3/25/2035 *	109	0.03	Deutsche Alt-A Securities Inc Mortgage Loan Trust, Series 2005 1, Class 1A1, 0.671%, due 2/25/2035 *	18	0.01	JPMBB Commercial Mortgage Securities Trust, Series 2014 C23, Class C, 4.461%, due 9/15/2047 *	208	0.06
224			519			200		
CHL Mortgage Pass-Through Trust, Series 2005 3, Class 1A2, 0.461%, due 4/25/2035 *	198	0.06	DSLA Mortgage Loan Trust, Series 2006 AR1, Class 1A1A, 1.034%, due 3/19/2046 *	399	0.12	JPMBB Commercial Mortgage Securities Trust, Series 2014 C24, Class AS, 3.914%, due 11/15/2047 *	211	0.06
350			160			220		
Citigroup Commercial Mortgage Trust, Series 2014 GC19, Class E, 144A, 4.400%, due 3/10/2047 *	285	0.09	EQTY 2014-INNS Mortgage Trust, Series 2014 INNS, Class D, 144A, 2.521%, due 5/8/2031 *	159	0.05	JPMBB Commercial Mortgage Securities Trust, Series 2014 C25, Class AS, 4.065%, due 11/15/2047 *	235	0.07
130			30			200		
Citigroup Commercial Mortgage Trust, Series 2014 GC25, Class A3, 3.372%, due 10/10/2047	135	0.04	First Horizon Alternative Mortgage Securities Trust, Series 2006 FA8, Class 1A8, 0.541%, due 2/25/2037 *	19	0.01	JPMBB Commercial Mortgage Securities Trust, Series 2014 C24, Class B, 4.116%, due 11/15/2047 *	211	0.06
300			4,735			240		
Citigroup Commercial Mortgage Trust, Series 2015 GC27, Class AS, 3.571%, due 2/10/2048	306	0.09	FREMF Mortgage Trust, Series 2012 K20, Class X2A, 144A, 0.200%, due 5/25/2045	55	0.02	JPMBB Commercial Mortgage Securities Trust, Series 2014 C25, Class C, 4.450%, due 11/15/2047 *	248	0.07
4,352			260			50		
CitiMortgage Alternative Loan Trust, Series 2007 A5, Class 1A4, 5.429%, due 5/25/2037 *	674	0.20	GS Mortgage Securities Trust, Series 2006 GG6, Class C, 5.554%, due 4/10/2038 *	260	0.08	LB Commercial Mortgage Trust, Series 2007 C3, Class AM, 5.906%, due 7/15/2044 *	54	0.02
170			180			50		
CSMC Trust, Series 2014 USA, Class A2, 144A, 3.953%, due 9/15/2037	183	0.05	GS Mortgage Securities Trust, Series 2011 GC5, Class XA, 144A, 1.668%, due 8/10/2044 *	10	-	LB-UBS Commercial Mortgage Trust, Series 2007 C7, Class AM, 6.169%, due 9/15/2045 *	56	0.02
240			630			630		
CSMC Trust, Series 2014 USA, Class E, 144A, 4.373%, due 9/15/2037	225	0.07	GS Mortgage Securities Trust, Series 2007 GG10, Class AM, 5.796%, due 8/10/2045 *	649	0.20	Lehman Mortgage Trust, Series 2006 8, Class 4A2, 7.579%, due 12/25/2036 *	217	0.07
250			90			1,016		
CSMC Trust, Series 2014 USA, Class F, 144A, 4.373%, due 9/15/2037	221	0.07	GS Mortgage Securities Trust, Series 2013 GC16, Class B, 5.161%, due 11/10/2046 *	102	0.03	Lehman Mortgage Trust, Series 2007 2, Class 2A12, 6.519%, due 2/25/2037 *	326	0.10
800			1,874			2,699		
CSMC Trust, Series 2014 TIKI, Class F, 144A, 3.995%, due 9/15/2038 *	797	0.24	GS Mortgage Securities Trust, Series 2014 GC20, Class XA, 1.215%, due 4/10/2047 *	140	0.04	Lehman Mortgage Trust, Series 2007 4, Class 2A2, 6.499%, due 5/25/2037 *	897	0.27
25			1,691			123		
COBALT CMBS Commercial Mortgage Trust, Series 2007 C2, Class AMFX, 5.526%, due 4/15/2047 *	27	0.01	GSMSC Resecuritization Trust, Series 2014 5R, Class 1B, 144A, 0.308%, due 4/26/2037 *	1,423	0.43	MASTR Adjustable Rate Mortgages Trust, Series 2004 13, Class 3A7, 2.641%, due 11/21/2034 *	125	0.04
130			180			140		
COMM 2006-C8 Mortgage Trust, Series 2006 C8, Class AJ, 5.377%, due 12/10/2046	132	0.04	HarborView Mortgage Loan Trust, Series 2005 9, Class 2A1A, 0.514%, due 6/20/2035 *	172	0.05	MASTR Adjustable Rate Mortgages Trust, Series 2007 R5, Class A1, 144A, 2.537%, due 11/25/2035 *	102	0.03
20			62			183		
COMM 2013-CCRE12 Mortgage Trust, Series 2013 CR12, Class B, 4.762%, due 10/10/2046 *	22	0.01	HarborView Mortgage Loan Trust, Series 2007 7, Class 2A1A, 1.171%, due 10/25/2037 *	54	0.02	MASTR Adjustable Rate Mortgages Trust, Series 2007 3, Class 12A1, 0.371%, due 5/25/2047 *	143	0.04
10			32			114		
COMM 2013-CCRE12 Mortgage Trust, Series 2013 CR12, Class C, 5.085%, due 10/10/2046 *	11	-	Homestar Mortgage Acceptance Corp, Series 2004 3, Class AV1, 0.621%, due 7/25/2034 *	32	0.01	MASTR Reperforming Loan Trust, Series 2005 2, Class 1A1F, 144A, 0.521%, due 5/25/2035 *	94	0.03
370			5			640		
COMM 2013-CCRE9 Mortgage Trust, Series 2013 CR9, Class E, 144A, 4.259%, due 7/10/2045 *	301	0.09	IndyMac INDX Mortgage Loan Trust, Series 2004 AR12, Class A1, 0.951%, due 12/25/2034 *	4	-	Merrill Lynch Mortgage Trust, Series 2006 C2, Class AJ, 5.802%, due 8/12/2043 *	649	0.20
250			672			9		
COMM 2014-SAVA Mortgage Trust, Series 2014 SAVA, Class D, 144A, 3.272%, due 6/15/2034 *	250	0.07	IndyMac INDX Mortgage Loan Trust, Series 2006 AR11, Class 5A1, 2.865%, due 6/25/2036 *	466	0.14	ML-CFC Commercial Mortgage Trust, Series 2007 5, Class A4, 5.378%, due 8/12/2048	10	-
16			947			190		
COMM 2014-UBS Mortgage Trust, Series 2014 UB56, Class AM, 4.048%, due 12/10/2047 *	17	-	IndyMac INDX Mortgage Loan Trust, Series 2006 AR27, Class 2A1, 0.301%, due 10/25/2036 *	801	0.24	ML-CFC Commercial Mortgage Trust, Series 2007 5, Class AJ, 5.450%, due 8/12/2048 *	186	0.06
320			221			260		
Comm 2015-DC1 Mortgage Trust, 4.011%, due 1/2/2048 ∞	330	0.10	JP Morgan Chase Commercial Mortgage Securities Trust, Series 2006 CB14, Class AJ, 5.483%, due 12/12/2044 *	219	0.07	ML-CFC Commercial Mortgage Trust, Series 2007 9, Class AJ, 6.193%, due 9/12/2049 *	252	0.08
90			270			160		
COMM 2015-LC19 Mortgage Trust, Series 2015 LC19, Class C, 4.263%, due 2/10/2048 *	92	0.03	JP Morgan Chase Commercial Mortgage Securities Trust, Series 2006 LDP9, Class AJS, 5.386%, due 5/15/2047 *	236	0.07	Morgan Stanley Bank of America Merrill Lynch Trust, Series 2012 C6, Class E, 144A, 4.661%, due 11/15/2045 *	161	0.05
151			45			31		
Commercial Mortgage Trust, Series 2006 GG7, Class AM, 5.787%, due 7/10/2038 *	158	0.05	JP Morgan Chase Commercial Mortgage Securities Trust, Series 2007 CB20, Class AM, 5.868%, due 2/12/2051 *	49	0.02	Morgan Stanley Bank of America Merrill Lynch Trust, Series 2013 C7, Class AS, 3.214%, due 2/15/2046	31	0.01
430			50			610		
Credit Suisse Commercial Mortgage Trust, Series 2006 C3, Class AJ, 5.806%, due 6/15/2038 *	429	0.13	JPMBB Commercial Mortgage Securities Trust, Series 2013 C15, Class C, 5.081%, due 11/15/2045 *	55	0.02	Morgan Stanley Bank of America Merrill Lynch Trust, Series 2015 C21, Class E, 144A, 3.012%, due 3/15/2048 ∞	388	0.12
169			30			230		
Credit Suisse Commercial Mortgage Trust, Series 2007 C2, Class AM, 5.615%, due 1/15/2049 *	181	0.05	JPMBB Commercial Mortgage Securities Trust, Series 2013 C17, Class B, 4.887%, due 1/15/2047 *	34	0.01	Morgan Stanley Capital I Trust, Series 2006 IQ12, Class AJ, 5.399%, due 12/15/2043	212	0.06
			140					
			JPMBB Commercial Mortgage Securities Trust, Series 2014 C23, Class D, 144A, 3.961%, due 9/15/2047 *	126	0.04			

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Legg Mason Western Asset US Core Plus Bond Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
Collateralised Mortgage-Backed Obligations — (continued)								
448			518			10		
Morgan Stanley Capital I Trust, Series 2007 IQ13, Class AJ, 5.438%, due 3/15/2044	457	0.14	Washington Mutual Mortgage Pass-Through Certificates WMALT Series 2006-AR2 Trust, Series 2006 AR2, Class A1A, 1.061%, due 4/25/2046 *	406	0.12	Lorillard Tobacco Co, 8.125%, due 6/23/2019	12	–
600			37			420		
Motel 6 Trust, 5.000%, due 2/23/2030 ∞	570	0.17	Washington Mutual MSC Mortgage Pass-Through Certificates Trust, Series 2004 RA2, Class 2A, 7.000%, due 7/25/2033	41	0.01	Lorillard Tobacco Co, 3.750%, due 5/20/2023	425	0.13
773			20			220		
Prime Mortgage Trust, Series 2006 DR1, Class 2A1, 144A, 5.500%, due 5/25/2035	777	0.24	Wells Fargo Commercial Mortgage Trust, Series 2013 LC12, Class B, 4.301%, due 7/15/2046 *	22	0.01	Philip Morris International Inc, 2.900%, due 11/15/2021	225	0.07
635			300			160		
RALI Trust, Series 2005 QS2, Class A1, 5.500%, due 2/25/2035	624	0.19	Wells Fargo Commercial Mortgage Trust 2015-C26, Series 2015 C26, Class AS, 3.580%, due 2/15/2048	306	0.09	Philip Morris International Inc, 2.500%, due 8/22/2022	159	0.05
1,371			2,516			30		
RALI Trust, Series 2006 QS7, Class AS, 5.429%, due 6/25/2036 *	271	0.08	WFRBS Commercial Mortgage Trust 2014-C20, Series 2014 C20, Class XA, 1.236%, due 5/15/2047 *	188	0.06	Philip Morris International Inc, 4.500%, due 3/20/2042	33	0.01
213			240			115		
Reperforming Loan REMIC Trust, Series 2004 R2, Class 1AF2, 144A, 0.591%, due 11/25/2034 *	187	0.06	WFRBS Commercial Mortgage Trust 2014-C23, Series 2014 C23, Class D, 144A, 3.992%, due 10/15/2057 *	218	0.07	Reynolds American Inc, 6.750%, due 6/15/2017	128	0.04
660			Total Collateralised Mortgage-Backed Obligations (Cost \$29,084)			80		
Reperforming Loan REMIC Trust, Series 2005 R2, Class 1AF1, 144A, 0.511%, due 6/25/2035 *	586	0.18		29,746	8.99	Reynolds American Inc, 3.250%, due 11/1/2022	80	0.02
557			Foreign Government Bonds and Notes — 2.82%			Airlines — 0.19%		
Residential Asset Securitization Trust, Series 2005 A15, Class 1A4, 5.750%, due 2/25/2036	526	0.16	Brazil Government Bonds — 0.60%			256		
93			3,966			Continental Airlines Pass Through Trust, Series 071A, Class A, 5.983%, due 4/19/2022	283	0.08
Residential Asset Securitization Trust, Series 2007 A7, Class A3, 6.000%, due 7/25/2037	68	0.02	10,000			303		
27			723			Delta Air Lines Pass Through Trust 2007-1, Series 071A, Class A, 6.821%, due 8/10/2022	357	0.11
Sequoia Mortgage Trust, Series 2004 10, Class A1A, 0.794%, due 11/20/2034 *	25	0.01	National, Series NTNFB, 6.000%, due 8/15/2050 β	646	0.20	Auto Manufacturers — 0.57%		
275				1,983	0.60	210		
Structured Asset Mortgage Investments II Trust, Series 2005 AR4, Class A1, 0.481%, due 12/25/2035 *	211	0.06	Mexican Government Bonds – 2.09%			Daimler Finance North America LLC, 144A, 2.625%, due 9/15/2016	215	0.06
104			2,161			720		
Structured Asset Mortgage Investments II Trust, Series 2006 AR1, Class 2A1, 0.401%, due 2/25/2036 *	90	0.03	50,632			Ford Motor Co, 4.750%, due 1/15/2043	792	0.24
100			6,990			230		
VNDO 2012-6AVE Mortgage Trust, Series 2012 6AVE, Class A, 144A, 2.996%, due 11/15/2030	102	0.03	31,807			General Motors Co, 6.250%, due 10/2/2043	285	0.09
70				2,539	0.77	360		
Wachovia Bank Commercial Mortgage Trust, Series 2007 C30, Class AM, 5.383%, due 12/15/2043	74	0.02		6,917	2.09	General Motors Financial Co Inc, 4.375%, due 9/25/2021	383	0.12
250			New Zealand Government Bonds — 0.13%			50		
Wachovia Bank Commercial Mortgage Trust, Series 2007 C31, Class AJ, 5.660%, due 4/15/2047 *	261	0.08	600			Hyundai Capital America, 144A, 2.125%, due 10/2/2017	51	0.01
141				449	0.13	180		
WaMu Mortgage Pass Through Certificates, Series 2006 AR14, Class 2A3, 1.934%, due 11/25/2036 *	119	0.04	Total Foreign Government Bonds and Notes (Cost \$10,327)			Toyota Motor Credit Corp, 1.250%, due 10/5/2017	181	0.05
120				9,349	2.82	Beverages — 0.23%		
WaMu Mortgage Pass Through Certificates, Series 2005 AR2, Class 2A1A, 0.481%, due 1/25/2045 *	112	0.03	U.S. Corporate Bonds and Notes — 18.47%			430		
155			Aerospace/Defense — 0.09%			Anheuser-Busch InBev Worldwide Inc, 5.375%, due 1/15/2020	494	0.15
WaMu Mortgage Pass Through Certificates, Series 2005 AR6, Class 2A1A, 0.401%, due 4/25/2045 *	144	0.04	30			30		
173			170			Molson Coors Brewing Co, 3.500%, due 5/1/2022	31	0.01
WaMu Mortgage Pass Through Certificates, Series 2005 AR9, Class A1A, 0.491%, due 7/25/2045 *	165	0.05	20			220		
298			60			PepsiCo Inc, 3.125%, due 11/1/2020	231	0.07
WaMu Mortgage Pass Through Certificates, Series 2005 AR13, Class A1A1, 0.461%, due 10/25/2045 *	273	0.08		316	0.09	Biotechnology — 0.32%		
1,016			Agriculture — 0.74%			90		
WaMu Mortgage Pass-Through Certificates Series 2007-OA2 Trust, Series 2007 OA2, Class 2A, 1.936%, due 3/25/2047 *	821	0.25	120			Amgen Inc, 3.625%, due 5/22/2024	94	0.03
			290			710		
			Altria Group Inc, 4.750%, due 5/5/2021	323	0.10	Gilead Sciences Inc, 3.700%, due 4/1/2024	758	0.23
			100			200		
			Altria Group Inc, 2.850%, due 8/9/2022	100	0.03	Gilead Sciences Inc, 3.500%, due 2/1/2025	209	0.06
			120			Chemicals — 0.16%		
			Altria Group Inc, 4.000%, due 1/31/2024	129	0.04	180		
			220			Eagle Spinco Inc, 4.625%, due 2/15/2021	182	0.05
			Altria Group Inc, 9.950%, due 11/10/2038	383	0.11	30		
			50			Ecolab Inc, 4.350%, due 12/8/2021	33	0.01
			Altria Group Inc, 10.200%, due 2/6/2039	89	0.03	90		
			170			Hexion US Finance Corp, 6.625%, due 4/15/2020	86	0.03
			Altria Group Inc, 5.375%, due 1/31/2044	200	0.06	200		
						LyondellBasell Industries NV, 6.000%, due 11/15/2021	237	0.07
						Coal — 0.05%		
						150		
						Arch Coal Inc, 7.000%, due 6/15/2019	45	0.01
						30		
						CONSOL Energy Inc, 8.250%, due 4/1/2020	31	0.01
						80		
						CONSOL Energy Inc, 6.375%, due 3/1/2021	81	0.03
						Total		
							2,440	0.74

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US Core Plus Bond Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value				
U.S. Corporate Bonds and Notes — (continued)												
Commercial Services — 0.01%												
20	Catholic Health Initiatives, 4.350%, due 11/1/2042	20	0.01									
Electric — 0.95%												
140	AES Corp/VA, 8.000%, due 6/1/2020	161	0.05	350	Citigroup Inc, 4.500%, due 1/14/2022	385	0.12	1,110	Lehman Brothers Holding Inc, zero coupon, due 12/28/2017 †∞	-	-	
130	AES Corp/VA, 4.875%, due 5/15/2023	127	0.04	50	Citigroup Inc, 4.050%, due 7/30/2022	52	0.02	960	Lehman Brothers Holdings Capital Trust Escrow, zero coupon, Perpetual †∞	-	-	
50	Calpine Corp, 144A, 6.000%, due 1/15/2022	55	0.02	130	Citigroup Inc, 3.500%, due 5/15/2023	130	0.04	352	Lehman Escrow Receipt, zero coupon, Perpetual †∞	91	0.03	
180	Dominion Resources Inc, 5.200%, due 8/15/2019	203	0.06	1,220	Citigroup Inc, 5.500%, due 9/13/2025	1,381	0.42	79	Lehman Swap Receipt, zero coupon, Perpetual †∞	12	-	
130	Duke Energy Carolinas LLC, 5.300%, due 2/15/2040	166	0.05	360	Citigroup Inc, 5.300%, due 5/6/2044	402	0.12			103	0.03	
90	FirstEnergy Corp, Series A, 2.750%, due 3/15/2018	92	0.03	70	Citigroup Inc, 5.900%, Perpetual *	70	0.02	Financials – Diversified — 1.41%				
110	FirstEnergy Corp, Series B, 4.250%, due 3/15/2023	116	0.03	100	Citigroup Inc, 5.950%, Perpetual *	101	0.03	360	American Express Co, 6.800%, due 9/1/2066 *	379	0.11	
755	FirstEnergy Corp, Series C, 7.375%, due 11/15/2031	962	0.29	130	Citigroup Inc, Series M, 6.300%, Perpetual *	132	0.04	490	Ford Motor Credit Co LLC, 8.125%, due 1/15/2020	615	0.19	
50	MidAmerican Energy Holdings Co, 6.500%, due 9/15/2037	69	0.02	50	Goldman Sachs Capital II, 4.000%, Perpetual *	39	0.01	90	General Electric Capital Corp, 6.000%, due 8/7/2019	105	0.03	
540	Pacific Gas & Electric Co, 6.050%, due 3/1/2034	708	0.21	370	The Goldman Sachs Group Inc, Series GLOB, 2.375%, due 1/22/2018	377	0.11	260	General Electric Capital Corp, 4.625%, due 1/7/2021	293	0.09	
270	Progress Energy Inc, 4.400%, due 1/15/2021	299	0.09	180	The Goldman Sachs Group Inc, 7.500%, due 2/15/2019	215	0.07	240	General Electric Capital Corp, 5.300%, due 2/11/2021	277	0.08	
150	Southwestern Electric Power Co, 6.200%, due 3/15/2040	199	0.06	210	The Goldman Sachs Group Inc, 5.375%, due 3/15/2020	238	0.07	20	General Electric Capital Corp, 3.150%, due 9/7/2022	21	0.01	
		3,157	0.95	10	The Goldman Sachs Group Inc, Series D, 6.000%, due 6/15/2020	12	-	870	General Electric Capital Corp, 6.875%, due 1/10/2039	1,263	0.38	
Electronics — 0.03%												
80	Thermo Fisher Scientific Inc, 3.600%, due 8/15/2021	84	0.02	80	The Goldman Sachs Group Inc, 3.850%, due 7/8/2024	627	0.19	420	General Electric Capital Corp, 6.375%, due 11/15/2067 *	457	0.14	
20	Thermo Fisher Scientific Inc, 5.300%, due 2/1/2044	23	0.01	150	The Goldman Sachs Group Inc, 6.750%, due 10/1/2037	194	0.06	60	General Motors Financial Co Inc, 2.750%, due 5/15/2016	61	0.02	
		107	0.03	670	The Goldman Sachs Group Inc, 6.250%, due 2/1/2041	876	0.26	50	General Motors Financial Co Inc, 3.250%, due 5/15/2018	51	0.01	
Engineering & Construction — 0.01%												
20	ABB Finance USA Inc, 4.375%, due 5/8/2042	22	0.01	320	JPMorgan Chase & Co, 4.350%, due 8/15/2021	350	0.11	50	General Motors Financial Co Inc, 4.250%, due 5/15/2023	52	0.02	
Environmental Control — 0.09%												
40	Republic Services Inc, 5.000%, due 3/1/2020	44	0.01	100	JPMorgan Chase & Co, 4.500%, due 1/24/2022	111	0.03	300	HSBC Finance Corp, 6.676%, due 1/15/2021	359	0.11	
90	Waste Management Inc, 3.500%, due 5/15/2024	94	0.03	180	JPMorgan Chase & Co, 3.375%, due 5/1/2023	180	0.05	50	ILFC E-Capital Trust II, 144A, 6.250%, due 12/21/2065 *	48	0.01	
110	Waste Management Inc, 7.375%, due 5/15/2029	156	0.05	360	JPMorgan Chase & Co, 4.850%, due 2/1/2044	412	0.12	490	International Lease Finance Corp, 144A, 6.750%, due 9/1/2016	521	0.16	
		294	0.09	490	M&T Bank Corp, 6.875%, Perpetual	502	0.15	90	John Deere Capital Corp, 2.250%, due 4/17/2019	92	0.03	
Financials – Banks — 5.12%												
184	Ally Financial Inc, 7.500%, due 9/15/2020	219	0.07	210	Morgan Stanley, 0.707%, due 10/18/2016 *	210	0.06	50	John Deere Capital Corp, 1.700%, due 1/15/2020	49	0.01	
400	Bank of America Corp, 5.750%, due 12/1/2017	442	0.13	110	Morgan Stanley, 6.625%, due 4/1/2018	125	0.04	20	Navient LLC, 8.000%, due 3/25/2020	23	0.01	
100	Bank of America Corp, 6.875%, due 4/25/2018	115	0.03	390	State Street Corp, 4.956%, due 3/15/2018	421	0.13			4,666	1.41	
180	Bank of America Corp, Series L, 2.600%, due 1/15/2019	183	0.06	250	Wachovia Bank NA, 6.000%, due 11/15/2017	280	0.08	Food — 0.49%				
30	Bank of America Corp, 5.625%, due 7/1/2020	35	0.01	470	Wachovia Capital Trust III, 5.570%, Perpetual *	467	0.14	30	HJ Heinz Co, 4.250%, due 10/15/2020	30	0.01	
670	Bank of America Corp, 5.000%, due 5/13/2021	757	0.23	160	Wells Fargo & Co, 1.500%, due 1/16/2018	160	0.05	480	HJ Heinz Co, 144A, 4.875%, due 2/15/2025	482	0.15	
40	Bank of America Corp, 3.300%, due 1/11/2023	41	0.01	140	Wells Fargo & Co, Series M, 3.450%, due 2/13/2023	143	0.04	152	Kraft Foods Group Inc, 5.375%, due 2/10/2020	172	0.05	
330	Bank of America Corp, 4.000%, due 4/1/2024	349	0.11	410	Wells Fargo & Co, 4.480%, due 1/16/2024	447	0.14	120	Kraft Foods Group Inc, 3.500%, due 6/6/2022	124	0.04	
1,520	Bank of America Corp, 4.200%, due 8/26/2024	1,574	0.48	100	Wells Fargo & Co, 5.375%, due 11/2/2043	118	0.04	70	The Kroger Co, 6.900%, due 4/15/2038	96	0.03	
370	Bank of America Corp, 5.000%, due 1/21/2044	426	0.13	930	Wells Fargo & Co, 4.650%, due 11/4/2044	994	0.30	178	Mondelez International Inc, 5.375%, due 2/10/2020	204	0.06	
890	Bank of America Corp, 4.875%, due 4/1/2044	1,020	0.31	100	Wells Fargo Capital X, 5.950%, due 12/15/2036	103	0.03	250	Mondelez International Inc, 4.000%, due 2/1/2024	271	0.08	
290	Bank of America Corp, Series X, 6.250%, Perpetual *	298	0.09			16,944	5.12	40	Tyson Foods Inc, 5.150%, due 8/15/2044	47	0.01	
170	CIT Group Inc, 5.000%, due 8/1/2023	179	0.05	Healthcare – Products — 0.28%								
580	Citigroup Inc, 5.500%, due 2/15/2017	623	0.19	Financials – Capital Markets — 0.03%								
				170	Lehman Brothers Escrow, zero coupon, Perpetual †∞	-	-	30	Medtronic Inc, 4.450%, due 3/15/2020	34	0.01	
				160	Lehman Brothers Escrow, Series DMTN, zero coupon, due 12/31/2049 †∞	-	-	70	Medtronic Inc, 3.125%, due 3/15/2022	72	0.02	
								800	Medtronic Inc, 144A, 3.500%, due 3/15/2025	835	0.25	
										941	0.28	

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US Core Plus Bond Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
U.S. Corporate Bonds and Notes — (continued)			Internet — 0.12%			272 Univision Communications Inc, 144A, 6.750%, due 9/15/2022 295 0.09		
Healthcare – Services — 0.46%			380 Amazon.com Inc, 4.950%, due 12/5/2044 408 0.12			60 Viacom Inc, 4.250%, due 9/1/2023 63 0.02		
220 DaVita HealthCare Partners Inc, 5.125%, due 7/15/2024	228	0.07	Iron/Steel — 0.04%			4,840 1.46		
180 Fresenius Medical Care US Finance II Inc, 144A, 5.625%, due 7/31/2019	197	0.06	100 Steel Dynamics Inc, 7.625%, due 3/15/2020 104 0.03			Mining — 0.26%		
140 HCA Inc, 4.250%, due 10/15/2019	145	0.04	40 Steel Dynamics Inc, 6.375%, due 8/15/2022 43 0.01			150 Barrick North America Finance LLC, 4.400%, due 5/30/2021 156 0.05		
120 HCA Inc, 6.500%, due 2/15/2020	136	0.04	Lodging — 0.08%			100 Freeport-McMoRan Copper & Gold Inc, 3.100%, due 3/15/2020 96 0.03		
110 HCA Inc, 7.500%, due 2/15/2022	130	0.04	250 Hilton Worldwide Finance LLC / Hilton Worldwide Finance Corp, 5.625%, due 10/15/2021 265 0.08			95 Freeport-McMoRan Copper & Gold Inc, 3.550%, due 3/1/2022 87 0.03		
10 HCA Inc, 5.875%, due 3/15/2022	11	–	Media — 1.46%			570 Southern Copper Corp, 5.250%, due 11/8/2042 515 0.15		
50 HCA Inc, 5.375%, due 2/1/2025	53	0.02	40 21st Century Fox America Inc, 4.500%, due 2/15/2021 44 0.01			854 0.26		
50 HCA Inc, 7.690%, due 6/15/2025	57	0.02	10 21st Century Fox America Inc, 6.900%, due 8/15/2039 14 –			Oil & Gas — 0.95%		
70 Humana Inc, 4.625%, due 12/1/2042	72	0.02	90 CCO Holdings LLC / CCO Holdings Capital Corp, 7.000%, due 1/15/2019 94 0.03			130 Anadarko Petroleum Corp, 6.375%, due 9/15/2017 146 0.04		
30 UnitedHealth Group Inc, 3.875%, due 10/15/2020	33	0.01	90 CCO Holdings LLC / CCO Holdings Capital Corp, 6.625%, due 1/31/2022 96 0.03			60 Antero Resources Finance Corp, 5.375%, due 11/1/2021 60 0.02		
130 UnitedHealth Group Inc, 4.700%, due 2/15/2021	147	0.04	110 CCOH Safari LLC, 5.750%, due 12/1/2024 114 0.04			95 Apache Corp, 3.250%, due 4/15/2022 96 0.03		
90 UnitedHealth Group Inc, 6.875%, due 2/15/2038	130	0.04	90 Comcast Cable Communications Holdings Inc, 9.455%, due 11/15/2022 131 0.04			30 Apache Corp, 6.000%, due 1/15/2037 36 0.01		
180 WellPoint Inc, 3.125%, due 5/15/2022	183	0.06	40 Comcast Corp, 3.375%, due 2/15/2025 42 0.01			130 Apache Corp, 5.100%, due 9/1/2040 139 0.04		
	1,522	0.46	60 Comcast Corp, 4.200%, due 8/15/2034 65 0.02			70 Atwood Oceanics Inc, 6.500%, due 2/1/2020 67 0.02		
Holding Companies – Divers — 0.06%			60 Comcast Corp, 5.650%, due 6/15/2035 76 0.02			160 Baker Hughes Inc, 3.200%, due 8/15/2021 164 0.05		
180 Argos Merger Sub Inc, 144A, 7.125%, due 3/15/2023	186	0.06	80 Comcast Corp, 6.500%, due 11/15/2035 110 0.03			140 California Resources Corp, 144A, 6.000%, due 11/15/2024 125 0.04		
Home Builders — 0.05%			240 Comcast Corp, 6.450%, due 3/15/2037 327 0.10			60 Chesapeake Energy Corp, 6.875%, due 11/15/2020 66 0.02		
40 Taylor Morrison Communities Inc / Monarch Communities Inc, 144A, 7.750%, due 4/15/2020	43	0.01	360 Comcast Corp, 6.950%, due 8/15/2037 515 0.16			110 Chesapeake Energy Corp, 6.125%, due 2/15/2021 117 0.04		
130 Taylor Morrison Communities Inc / Monarch Communities Inc, 144A, 5.250%, due 4/15/2021	127	0.04	70 Comcast Corp, 6.550%, due 7/1/2039 98 0.03			39 Concho Resources Inc, 6.500%, due 1/15/2022 41 0.01		
	170	0.05	200 Comcast Corp, 6.400%, due 3/1/2040 278 0.08			70 Concho Resources Inc, 5.500%, due 10/1/2022 72 0.02		
Household Products/Wares — 0.08%			10 Cox Communications Inc, 144A, 6.950%, due 6/1/2038 13 –			80 Concho Resources Inc, 5.500%, due 4/1/2023 83 0.02		
40 Reynolds Group Issuer Inc / Reynolds Group Issuer LLC, 5.750%, due 10/15/2020	42	0.01	240 CSC Holdings LLC, 6.750%, due 11/15/2021 271 0.08			85 ConocoPhillips Holding Co, 6.950%, due 4/15/2029 117 0.04		
200 Reynolds Group Issuer Inc / Reynolds Group Issuer LLC, 6.875%, due 2/15/2021	211	0.07	20 DISH DBS Corp, 5.125%, due 5/1/2020 20 0.01			20 Continental Resources Inc, 5.000%, due 9/15/2022 20 0.01		
	253	0.08	70 DISH DBS Corp, 5.875%, due 7/15/2022 71 0.02			30 Continental Resources Inc, 4.500%, due 4/15/2023 29 0.01		
Industrial — 0.14%			410 DISH DBS Corp, 5.875%, due 11/15/2024 408 0.12			50 Devon Energy Corp, 6.300%, due 1/15/2019 58 0.02		
80 Eaton Corp, 1.500%, due 11/2/2017	80	0.02	100 NBCUniversal Enterprise Inc, 144A, 1.974%, due 4/15/2019 100 0.03			160 Devon Energy Corp, 3.250%, due 5/15/2022 164 0.05		
200 Eaton Corp, 2.750%, due 11/2/2022	202	0.06	310 Time Warner Cable Inc, 8.250%, due 4/1/2019 379 0.12			120 Hess Corp, 8.125%, due 2/15/2019 144 0.04		
120 Eaton Corp, 4.150%, due 11/2/2042	124	0.04	320 Time Warner Cable Inc, 4.125%, due 2/15/2021 341 0.10			40 Kerr-McGee Corp, 6.950%, due 7/1/2024 50 0.01		
50 General Electric Co, 4.500%, due 3/11/2044	57	0.02	50 Time Warner Cable Inc, 6.550%, due 5/1/2037 60 0.02			170 Kerr-McGee Corp, 7.875%, due 9/15/2031 236 0.07		
	463	0.14	30 Time Warner Cable Inc, 5.500%, due 9/1/2041 33 0.01			230 Key Energy Services Inc, 6.750%, due 3/1/2021 154 0.05		
Insurance — 0.40%			85 Time Warner Entertainment Co LP, 8.375%, due 7/15/2033 122 0.04			150 Kodiak Oil & Gas Corp, 5.500%, due 1/15/2021 151 0.05		
130 American International Group Inc, 5.850%, due 1/16/2018	146	0.04	60 Time Warner Inc, 4.750%, due 3/29/2021 67 0.02			110 Noble Energy Inc, 4.150%, due 12/15/2021 118 0.04		
320 American International Group Inc, 6.250%, due 3/15/2037	361	0.11	360 Time Warner Inc, 7.700%, due 5/1/2032 516 0.16			80 Noble Energy Inc, 5.250%, due 11/15/2043 86 0.03		
50 ING US Inc, 2.900%, due 2/15/2018	51	0.01	30 Time Warner Inc, 6.100%, due 7/15/2040 38 0.01			80 Occidental Petroleum Corp, 3.125%, due 2/15/2022 82 0.02		
310 MetLife Inc, 6.400%, due 12/15/2036	363	0.11	30 Time Warner Inc, 6.250%, due 3/29/2041 39 0.01			32 Plains Exploration & Production Co, 6.500%, due 11/15/2020 34 0.01		
110 Teachers Insurance & Annuity Association of America, 144A, 6.850%, due 12/16/2039	153	0.05				70 QEP Resources Inc, 6.875%, due 3/1/2021 75 0.02		
180 Teachers Insurance & Annuity Association of America, 6.850%, due 12/16/2039	251	0.08				80 QEP Resources Inc, 5.250%, due 5/1/2023 78 0.02		
	1,325	0.40				200 Range Resources Corp, 5.000%, due 3/15/2023 204 0.06		

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US Core Plus Bond Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value				
U.S. Corporate Bonds and Notes — (continued)			Retail — 0.29%			U.S. Denominated Bonds and Notes — 4.66%						
Oil & Gas — (continued)			220	CVS Caremark Corp, 2.750%, due 12/1/2022	221	0.07	Australia — 0.57%					
190	Samson Investment Co, 9.750%, due 2/15/2020	65	0.02	90	CVS Caremark Corp, 5.750%, due 5/15/2041	115	0.04	340	BHP Billiton Finance USA Ltd, 6.500%, due 4/1/2019	401	0.12	
70	SESI LLC, 7.125%, due 12/15/2021	70	0.02	33	CVS Pass-Through Trust, 144A, 5.298%, due 1/11/2027	36	0.01	100	BHP Billiton Finance USA Ltd, 3.250%, due 11/21/2021	105	0.03	
		3,147	0.95	31	CVS Pass-Through Trust, 6.036%, due 12/10/2028	36	0.01	170	BHP Billiton Finance USA Ltd, 5.000%, due 9/30/2043	199	0.06	
Packaging & Containers — 0.02%			49	CVS Pass-Through Trust, 6.943%, due 1/10/2030	60	0.02	90	FMG Resources August 2006 Pty Ltd, 144A, 6.000%, due 4/1/2017	91	0.03		
20	Rock Tenn Co, 3.500%, due 3/1/2020	21	0.01	130	Family Tree Escrow LLC, 144A, 5.250%, due 3/1/2020	136	0.04	110	FMG Resources August 2006 Pty Ltd, 144A, 8.250%, due 11/1/2019	104	0.03	
40	Rock Tenn Co, 4.000%, due 3/1/2023	41	0.01	10	QVC Inc, 5.950%, due 3/15/2043	11	–	110	FMG Resources August 2006 Pty Ltd, 144A, 6.875%, due 4/1/2022	92	0.03	
		62	0.02	250	Wal-Mart Stores Inc, 5.625%, due 4/15/2041	326	0.10	40	Rio Tinto Finance USA Ltd, 3.500%, due 11/2/2020	42	0.02	
Pharmaceuticals — 0.22%						941	0.29	70	Rio Tinto Finance USA Ltd, 4.125%, due 5/20/2021	75	0.02	
170	AbbVie Inc, 1.750%, due 11/6/2017	171	0.05	Semiconductors — 0.01%			740	WEA Finance LLC / Westfield UK & Europe Finance Plc, 144A, 3.750%, due 9/17/2024	763	0.23		
170	AbbVie Inc, 2.900%, due 11/6/2022	170	0.05	10	National Semiconductor Corp, 6.600%, due 6/15/2017	11	0.01			1,872	0.57	
200	Merck & Co Inc, 2.750%, due 2/10/2025	199	0.06	Software — 0.17%			British Virgin Islands — 0.16%					
10	Pfizer Inc, 7.200%, due 3/15/2039	15	0.01	80	Activision Blizzard Inc, 144A, 5.625%, due 9/15/2021	86	0.02	200	Sinopec Group Overseas Development 2012 Ltd, 144A, 2.750%, due 5/17/2017	204	0.06	
110	Wyeth LLC, 5.950%, due 4/1/2037	142	0.04	70	First Data Corp, 144A, 7.375%, due 6/15/2019	74	0.02	300	Sinopec Group Overseas Development 2014 Ltd, 144A, 4.375%, due 4/10/2024	325	0.10	
40	Zoetis Inc, 3.250%, due 2/1/2023	40	0.01	114	First Data Corp, 144A, 6.750%, due 11/1/2020	122	0.04			529	0.16	
		737	0.22	20	First Data Corp, 12.625%, due 1/15/2021	24	0.01	Canada — 0.19%				
Pipelines — 0.85%			90	First Data Corp, 11.750%, due 8/15/2021	105	0.03	120	1011778 BC ULC / New Red Finance Inc, 144A, 6.000%, due 4/1/2022	125	0.04		
280	Access Midstream Partners LP / ACMP Finance Corp, 6.125%, due 7/15/2022	300	0.09	160	Oracle Corp, 1.200%, due 10/15/2017	160	0.05	130	Barrick Gold Corp, 6.950%, due 4/1/2019	151	0.05	
30	Access Midstream Partners LP / ACMP Finance Corp, 4.875%, due 5/15/2023	31	0.01			571	0.17	110	Barrick Gold Corp, 4.100%, due 5/1/2023	109	0.03	
36	El Paso Natural Gas Co LLC, 8.375%, due 6/15/2032	46	0.01	Telecommunications — 2.00%			220	Glencore Finance Canada Ltd, 144A, 2.700%, due 10/25/2017	224	0.07		
100	Enterprise Products Operating LLC, Series N, 6.500%, due 1/31/2019	115	0.04	20	AT&T Inc, 5.500%, due 2/1/2018	22	0.01			609	0.19	
290	Enterprise Products Operating LLC, 5.200%, due 9/1/2020	329	0.10	60	AT&T Inc, 5.800%, due 2/15/2019	68	0.02	Cayman Islands — 0.59%				
430	Enterprise Products Operating LLC, Series B, 7.034%, due 1/15/2068 *	466	0.14	170	AT&T Inc, 3.875%, due 8/15/2021	178	0.05	90	Petrobras International Finance Co, 6.125%, due 10/6/2016	90	0.03	
130	Kinder Morgan Inc/DE, 144A, 5.000%, due 2/15/2021	140	0.04	560	AT&T Inc, 5.550%, due 8/15/2041	610	0.18	87	Petrobras International Finance Co, 5.750%, due 1/20/2020	80	0.02	
44	MarkWest Energy Partners LP / MarkWest Energy Finance Corp, 6.250%, due 6/15/2022	47	0.01	90	AT&T Inc, 4.350%, due 6/15/2045	85	0.03	810	Petrobras International Finance Co, 5.375%, due 1/27/2021	729	0.22	
420	MarkWest Energy Partners LP / MarkWest Energy Finance Corp, 4.875%, due 12/1/2024	432	0.13	70	Centurylink Inc, Series V, 5.625%, due 4/1/2020	75	0.02	40	Shelf Drilling Holdings Ltd, 144A, 8.625%, due 11/1/2018	32	0.01	
112	Penn Virginia Resource Partners LP / Penn Virginia Resource Finance Corp II, 8.375%, due 6/1/2020	123	0.04	285	Sprint Capital Corp, 8.750%, due 3/15/2032	301	0.09	150	UPCB Finance III Ltd, 144A, 6.625%, due 7/1/2020	157	0.05	
110	Regency Energy Partners LP / Regency Energy Finance Corp, 6.500%, due 7/15/2021	118	0.04	20	Sprint Corp, 7.875%, due 9/15/2023	21	0.01	620	Vale Overseas Ltd, 4.375%, due 1/1/2022	602	0.18	
90	Regency Energy Partners LP / Regency Energy Finance Corp, 5.875%, due 3/1/2022	98	0.03	680	Sprint Corp, 7.625%, due 2/15/2025	687	0.21	276	Vale Overseas Ltd, 6.875%, due 11/21/2036	275	0.08	
100	Sabine Pass Liquefaction LLC, 5.625%, due 2/1/2021	102	0.03	230	Verizon Communications Inc, 4.500%, due 9/15/2020	253	0.08			1,965	0.59	
80	Southern Natural Gas Co LLC, 8.000%, due 3/1/2032	103	0.03	110	Verizon Communications Inc, 3.450%, due 3/15/2021	115	0.03	Chile — 0.07%				
27	The Williams Cos Inc, 7.875%, due 9/1/2021	30	0.01	30	Verizon Communications Inc, 2.450%, due 11/1/2022	29	0.01	210	Celulosa Arauco y Constitucion SA, 4.750%, due 1/11/2022	222	0.07	
200	The Williams Cos Inc, Series A, 7.500%, due 1/15/2031	223	0.07	1,090	Verizon Communications Inc, 5.150%, due 9/15/2023	1,250	0.38	Colombia — 0.05%				
88	The Williams Cos Inc, 8.750%, due 3/15/2032	104	0.03	70	Verizon Communications Inc, 4.150%, due 3/15/2024	75	0.02	180	Ecopetrol SA, 5.875%, due 5/28/2045	173	0.05	
		2,807	0.85	251	Verizon Communications Inc, 6.400%, due 9/15/2033	318	0.10	France — 0.46%				
				1,836	Verizon Communications Inc, 6.550%, due 9/15/2043	2,413	0.73	500	BPCE SA, 144A, 5.150%, due 7/21/2024	535	0.16	
				110	West Corp, 144A, 5.375%, due 7/15/2022	107	0.03	320	Credit Agricole SA, 144A, 8.375%, Perpetual *	380	0.12	
						6,607	2.00	Transportation — 0.04%				
				130	Florida East Coast Holdings Corp, 144A, 6.750%, due 5/1/2019	134	0.04	Total U.S. Corporate Bonds and Notes (Cost \$58,193)				
								61,149	18.47			

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US Core Plus Bond Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
U.S. Denominated Bonds and Notes — (continued)			United Kingdom — 0.82%			Turkey — 0.27%		
France — (continued)			70 BP Capital Markets Plc, 3.561%, due 11/1/2021	74	0.02	360 Turkey Government International Bond, 7.000%, due 3/11/2019	409	0.12
200 Numericable Group SA, 144A, 6.000%, due 5/15/2022	203	0.06	60 Diageo Capital Plc, 5.750%, due 10/23/2017	67	0.02	200 Turkey Government International Bond, 6.250%, due 9/26/2022	228	0.07
180 Pernod-Ricard SA, 144A, 2.950%, due 1/15/2017	185	0.05	310 Diageo Capital Plc, 4.828%, due 7/15/2020	350	0.11	220 Turkey Government International Bond, 5.750%, due 3/22/2024	245	0.08
210 Pernod-Ricard SA, 144A, 4.450%, due 1/15/2022	228	0.07	210 Royal Bank of Scotland Group Plc, 6.400%, due 10/21/2019	245	0.07		882	0.27
	1,531	0.46	100 Royal Bank of Scotland Group Plc, 6.125%, due 12/15/2022	113	0.03	Total U.S. Denominated Debt Obligations (Cost \$5,889)		
Germany — 0.08%			230 Royal Bank of Scotland Group Plc, 6.100%, due 6/10/2023	258	0.08	U.S. Government Agency Mortgage-Backed Securities — 26.34%		
50 Fresenius Medical Care US Finance II Inc, 144A, 4.125%, due 10/15/2020	52	0.01	220 Royal Bank of Scotland Group Plc, 6.000%, due 12/19/2023	246	0.08	Federal Home Loan Mortgage Corporation (FHLMC) — 3.09%		
200 Schaeffler Holding Finance BV, 144A, 6.750%, due 11/15/2022	219	0.07	300 Royal Bank of Scotland Group Plc, 5.125%, due 5/28/2024	318	0.10	322 Fannie Mae REMICS, Series 2005 29, Class ZA, 5.500%, due 4/25/2035	351	0.11
	271	0.08	100 Royal Bank of Scotland Group Plc, Series U, 7.640%, Perpetual *	110	0.03	2,893 Fannie Mae REMICS, Series 2011 90, Class AS, 6.229%, due 9/25/2041 *	535	0.16
Ireland — 0.06%			840 Standard Chartered Plc, 144A, 5.700%, due 3/26/2044	928	0.28	10,149 Fannie Mae-Aces, Series 2015 M3, Class X2, 0.388%, due 10/25/2024 *	311	0.09
200 Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 144A, 6.250%, due 1/31/2019	200	0.06		2,709	0.82	1,217 FHLMC Multifamily Structured Pass Through Certificates K007, Class X1, 1.177%, due 4/25/2020 *	55	0.02
Italy — 0.20%			Total U.S. Denominated Bonds and Notes (Cost \$14,893)			1,452 FHLMC Multifamily Structured Pass Through Certificates KAV, Class X1, 1.359%, due 6/25/2021 *	93	0.03
650 Intesa Sanpaolo SpA, 144A, 5.017%, due 6/26/2024	669	0.20	15,425	4.66	521 FHLMC Multifamily Structured Pass Through Certificates K015, Class X1, 1.651%, due 7/25/2021 *	45	0.01	
Luxembourg — 0.20%			U.S. Denominated Debt Obligations — 1.89%			204 FHLMC Multifamily Structured Pass Through Certificates K016, Class X1, 1.563%, due 10/25/2021 *	17	-
400 Altice Financing SA, 144A, 6.625%, due 2/15/2023	417	0.13	Brazil — 0.06%			405 Freddie Mac Gold Pool E94519, 5.000%, due 2/1/2018	428	0.13
100 Intelsat Jackson Holdings SA, 7.500%, due 4/1/2021	105	0.03	200 Brazilian Government International Bond, 4.250%, due 1/7/2025	193	0.06	134 Freddie Mac Gold Pool G13888, 5.000%, due 6/1/2025	145	0.04
160 Intelsat Jackson Holdings SA, 5.500%, due 8/1/2023	151	0.04	Colombia — 0.10%			210 Freddie Mac Gold Pool G14492, 4.000%, due 10/1/2025	225	0.07
	673	0.20	290 Colombia Government International Bond, 5.625%, due 2/26/2044	332	0.10	19 Freddie Mac Gold Pool G01737, 5.000%, due 12/1/2034	21	0.01
Mexico — 0.60%			Indonesia — 0.20%			654 Freddie Mac Gold Pool A74793, 5.000%, due 3/1/2038	722	0.22
110 America Movil SAB de CV, 5.625%, due 11/15/2017	121	0.03	650 Indonesia Government International Bond, 3.750%, due 4/25/2022	673	0.20	41 Freddie Mac Gold Pool G04222, 5.500%, due 4/1/2038	46	0.01
200 America Movil SAB de CV, 5.000%, due 3/30/2020	226	0.07	Mexico — 0.65%			341 Freddie Mac Gold Pool G06875, 5.500%, due 12/1/2038	383	0.12
200 America Movil SAB de CV, 3.125%, due 7/16/2022	203	0.06	10 Mexico Government International Bond, 6.050%, due 1/11/2040	13	-	138 Freddie Mac Gold Pool G06172, 5.500%, due 12/1/2038	154	0.05
20 America Movil SAB de CV, 6.375%, due 3/1/2035	26	0.01	1,030 Mexico Government International Bond, 5.550%, due 1/21/2045	1,229	0.37	84 Freddie Mac Gold Pool G06669, 6.500%, due 9/1/2039	97	0.03
20 America Movil SAB de CV, 6.125%, due 11/15/2037	25	0.01	720 Mexico Government International Bond, 4.600%, due 1/23/2046	751	0.23	820 Freddie Mac Gold Pool G06409, 6.000%, due 11/1/2039	928	0.28
175 Pemex Project Funding Master Trust, 6.625%, due 6/15/2035	202	0.06	154 Mexico Government International Bond, 4.750%, due 3/8/2044	164	0.05	195 Freddie Mac Gold Pool A93316, 4.500%, due 8/1/2040	212	0.06
210 Petroleos Mexicanos, 6.375%, due 1/23/2045	235	0.07		437	0.13	234 Freddie Mac Gold Pool A93471, 4.500%, due 8/1/2040	254	0.08
210 Petroleos Mexicanos, 144A, 5.500%, due 6/27/2044	213	0.07	Poland — 0.15%			618 Freddie Mac Gold Pool U90155, 4.000%, due 9/1/2042	671	0.20
730 Petroleos Mexicanos, 144A, 4.250%, due 1/15/2025	735	0.22	470 Poland Government International Bond, 4.000%, due 1/22/2024	508	0.15	436 Freddie Mac Gold Pool U90316, 4.000%, due 10/1/2042	474	0.14
	1,986	0.60	Portugal — 0.13%					
Netherlands — 0.60%			400 Portugal Government International Bond, 144A, 5.125%, due 10/15/2024	442	0.13			
250 Cooperatieve Centrale Raiffeisen-Boerenleenbank BA, 4.625%, due 12/1/2023	273	0.08	Russia — 0.13%					
290 Cooperatieve Centrale Raiffeisen-Boerenleenbank BA, 144A, 11.000%, Perpetual *	376	0.12	105 Russian Foreign Bond – Eurobond, 144A, 7.500%, due 3/31/2030	112	0.03			
800 Cooperatieve Centrale Raiffeisen-Boerenleenbank BA/Netherlands, 5.750%, due 12/1/2043	992	0.30	303 Russian Foreign Bond – Eurobond, 7.500%, due 3/31/2030	325	0.10			
50 Heineken NV, 144A, 1.400%, due 10/1/2017	50	0.01		437	0.13			
200 ING Bank NV, 144A, 5.800%, due 9/25/2023	230	0.07	South Africa — 0.20%					
70 Royal Bank of Scotland NV, 4.650%, due 6/4/2018	73	0.02	560 South Africa Government International Bond, 5.875%, due 9/16/2025	645	0.20			
	1,994	0.60						
Norway — 0.01%								
20 Schlumberger Norge AS, 144A, 4.200%, due 1/15/2021	22	0.01						

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Legg Mason Western Asset US Core Plus Bond Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
U.S. Government Agency Mortgage-Backed Securities — (continued)			85			76		
			Fannie Mae Interest Strip 390, Class C3, 6.000%, due 7/25/2038	16	—	Fannie Mae Pool AP0692, 4.000%, due 7/1/2042	81	0.02
Federal Home Loan Mortgage Corporation (FHLMC) — (continued)			38			76		
			Fannie Mae Interest Strip 407, Class 22, 5.000%, due 1/25/2039	8	—	Fannie Mae Pool AO9859, 4.000%, due 7/1/2042	82	0.02
278			20			263		
Freddie Mac Gold Pool U62476, 3.500%, due 4/1/2043	294	0.09	Fannie Mae Interest Strip 407, Class 23, 5.000%, due 1/25/2039 *	4	—	Fannie Mae Pool AP4710, 3.500%, due 8/1/2042	277	0.08
185			43			433		
Freddie Mac Gold Pool U62476, 4.000%, due 4/1/2043	201	0.06	Fannie Mae Interest Strip 407, Class 27, 5.500%, due 1/25/2039 *	8	—	Fannie Mae Pool MA1146, 4.000%, due 8/1/2042	470	0.14
94			456			79		
Freddie Mac Gold Pool Q19135, 4.000%, due 6/1/2043	102	0.03	Fannie Mae Interest Strip 409, Class C22, 4.500%, due 11/25/2039	86	0.03	Fannie Mae Pool AP2530, 4.000%, due 8/1/2042	86	0.03
96			343			78		
Freddie Mac Gold Pool Q19254, 4.000%, due 6/1/2043	104	0.03	Fannie Mae Interest Strip 409, Class C13, 3.500%, due 11/25/2041	75	0.02	Fannie Mae Pool AP2958, 4.000%, due 8/1/2042	84	0.03
89			403			831		
Freddie Mac Gold Pool Q19615, 4.000%, due 7/1/2043	97	0.03	Fannie Mae Interest Strip 409, Class C18, 4.000%, due 4/25/2042	74	0.02	Fannie Mae Pool AP4781, 3.000%, due 9/1/2042	849	0.26
89			122			1,779		
Freddie Mac Gold Pool Q19611, 4.000%, due 7/1/2043	96	0.03	Fannie Mae Pool AL2931, 6.000%, due 6/1/2023	127	0.04	Fannie Mae Pool AB6201, 3.000%, due 9/1/2042	1,817	0.55
93			4,400			88		
Freddie Mac Gold Pool U95137, 4.000%, due 8/1/2043	101	0.03	Fannie Mae Pool, TBA March, 3.000%, due 3/15/2030 ±	4,607	1.39	Fannie Mae Pool MA1177, 3.500%, due 9/1/2042	92	0.03
666			2,500			260		
Freddie Mac Gold Pool G07784, 4.000%, due 7/1/2044	720	0.22	Fannie Mae Pool, TBA March, 3.500%, due 3/15/2030 ±	2,652	0.80	Fannie Mae Pool AP7399, 4.000%, due 9/1/2042	281	0.08
579			82			89		
Freddie Mac Gold Pool G07786, 4.000%, due 8/1/2044	628	0.19	Fannie Mae Pool MA0706, 4.500%, due 4/1/2031	89	0.03	Fannie Mae Pool AP4710, 4.000%, due 9/1/2042	96	0.03
197			298			302		
Freddie Mac Non Gold Pool 1L0236, 2.375%, due 10/1/2035 *	211	0.06	Fannie Mae Pool MA0734, 4.500%, due 5/1/2031	325	0.10	Fannie Mae Pool AP9862, 4.000%, due 10/1/2042	326	0.10
327			85			84		
Freddie Mac Non Gold Pool 1N1454, 1.945%, due 4/1/2037 *	345	0.10	Fannie Mae Pool MA0776, 4.500%, due 6/1/2031	93	0.03	Fannie Mae Pool AQ0100, 4.000%, due 10/1/2042	90	0.03
73			121			358		
Freddie Mac Non Gold Pool 1G2341, 2.160%, due 12/1/2037 *	76	0.02	Fannie Mae Pool MA0913, 4.500%, due 11/1/2031	132	0.04	Fannie Mae Pool AQ1641, 4.000%, due 10/1/2042	386	0.12
345			136			353		
Freddie Mac Reference REMIC R007, Class ZA, 6.000%, due 5/15/2036	390	0.12	Fannie Mae Pool MA0939, 4.500%, due 12/1/2031	149	0.05	Fannie Mae Pool AP9766, 4.000%, due 10/1/2042	383	0.12
81			26			153		
Freddie Mac Remics 4097, Class ST, 5.878%, due 8/15/2042 *	16	—	Fannie Mae Pool 985626, 6.000%, due 4/1/2033	30	0.01	Fannie Mae Pool AP9229, 4.000%, due 10/1/2042	165	0.05
81			56			92		
Freddie Mac Remics 4136, Class SE, 5.978%, due 11/15/2042 *	18	0.01	Fannie Mae Pool 254793, 5.000%, due 7/1/2033	62	0.02	Fannie Mae Pool AQ3599, 4.000%, due 11/1/2042	100	0.03
87			68			619		
Freddie Mac Remics 4136, Class SJ, 5.978%, due 11/15/2042 *	21	0.01	Fannie Mae Pool 555743, 5.000%, due 9/1/2033	76	0.02	Fannie Mae Pool MA1253, 4.000%, due 11/1/2042	672	0.20
84			5			72		
Freddie Mac Remics 4136, Class SQ, 5.978%, due 11/15/2042 *	19	0.01	Fannie Mae Pool 725162, 6.000%, due 2/1/2034	5	—	Fannie Mae Pool AQ5137, 4.000%, due 11/1/2042	77	0.02
1,551			186			249		
Freddie Mac Remics Pool 4092, Class AI, 3.000%, due 9/15/2031	191	0.06	Fannie Mae Pool 889117, 5.000%, due 10/1/2035	207	0.06	Fannie Mae Pool AQ5369, 3.500%, due 12/1/2042	264	0.08
1,909			20			177		
Freddie Mac Remics Pool 3349, Class AS, 6.328%, due 7/15/2037 *	339	0.10	Fannie Mae Pool 745000, 6.000%, due 10/1/2035	22	0.01	Fannie Mae Pool AB7130, 3.500%, due 12/1/2042	187	0.06
206			39			1,344		
Freddie Mac Remics Pool 3621, Class SB, 6.058%, due 1/15/2040 *	34	0.01	Fannie Mae Pool 844789, 2.102%, due 11/1/2035 *	41	0.01	Fannie Mae Pool MA1283, 3.500%, due 12/1/2042	1,417	0.43
280			48			269		
Freddie Mac Remics Pool 3997, Class SK, 6.428%, due 11/15/2041 *	54	0.02	Fannie Mae Pool 843997, 2.104%, due 11/1/2035 *	50	0.02	Fannie Mae Pool AQ5369, 3.500%, due 12/1/2042	284	0.09
	10,224	3.09	38			221		
			Fannie Mae Pool 844237, 2.110%, due 11/1/2035 *	40	0.01	Fannie Mae Pool AQ7003, 4.000%, due 12/1/2042	238	0.07
			49			165		
			Fannie Mae Pool 844052, 2.133%, due 11/1/2035 *	51	0.02	Fannie Mae Pool AQ4555, 4.000%, due 12/1/2042	177	0.05
			38			1,614		
			Fannie Mae Pool 844148, 2.139%, due 11/1/2035 *	40	0.01	Fannie Mae Pool AB1302, 3.500%, due 1/1/2043	1,701	0.51
			72			281		
			Fannie Mae Pool 888560, 6.000%, due 11/1/2035 *	83	0.03	Fannie Mae Pool AQ7082, 4.000%, due 1/1/2043	303	0.09
			47			1,804		
			Fannie Mae Pool 865915, 2.226%, due 3/1/2036 *	49	0.01	Fannie Mae Pool AL3165, 3.500%, due 2/1/2043	1,901	0.57
			149			362		
			Fannie Mae Pool 890248, 6.000%, due 8/1/2037	170	0.05	Fannie Mae Pool MA1372, 3.500%, due 3/1/2043	383	0.12
			108			815		
			Fannie Mae Pool 995072, 5.500%, due 8/1/2038	123	0.04	Fannie Mae Pool MA1403, 3.500%, due 4/1/2043	862	0.26
			232			86		
			Fannie Mae Pool AW0758, 7.000%, due 2/1/2039	263	0.08	Fannie Mae Pool AQ4555, 4.000%, due 4/1/2043	93	0.03
			1,080			928		
			Fannie Mae Pool AL0215, 4.500%, due 4/1/2041	1,178	0.36	Fannie Mae Pool MA1437, 3.500%, due 5/1/2043	978	0.30
			708			272		
			Fannie Mae Pool AL3429, 4.500%, due 6/1/2041	772	0.23	Fannie Mae Pool MA1436, 3.500%, due 5/1/2043	287	0.09
			335			269		
			Fannie Mae Pool AL3414, 4.500%, due 9/1/2041	365	0.11	Fannie Mae Pool AB9383, 4.000%, due 5/1/2043	291	0.09
			171			90		
			Fannie Mae Pool AB3517, 4.500%, due 9/1/2041	187	0.06	Fannie Mae Pool AT8394, 4.000%, due 6/1/2043	98	0.03
			168			172		
			Fannie Mae Pool AK8441, 4.000%, due 4/1/2042	181	0.05	Fannie Mae Pool AB9683, 4.000%, due 6/1/2043	184	0.06
			77			90		
			Fannie Mae Pool AQ2711, 4.000%, due 5/1/2042	83	0.03	Fannie Mae Pool AT8394, 4.000%, due 6/1/2043	97	0.03
			184			87		
			Fannie Mae Pool AL3192, 5.000%, due 5/1/2042	204	0.06	Fannie Mae Pool AT7208, 4.000%, due 6/1/2043	95	0.03
			95			93		
			Fannie Mae Pool AO6086, 4.000%, due 6/1/2042	103	0.03	Fannie Mae Pool AT7208, 4.000%, due 6/1/2043	101	0.03
						183		
						Fannie Mae Pool AT9653, 4.000%, due 7/1/2043	198	0.06
						271		
						Fannie Mae Pool AT9637, 4.000%, due 7/1/2043	293	0.09
						170		
						Fannie Mae Pool AT9657, 4.000%, due 7/1/2043	183	0.06
						96		
						Fannie Mae Pool MA1547, 4.000%, due 8/1/2043	104	0.03

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Legg Mason Western Asset US Core Plus Bond Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
U.S. Government Agency Mortgage-Backed Securities — (continued)								
Federal National Mortgage Association (FNMA) — (continued)								
94			245			37		
Fannie Mae Pool MA1547, 4.00%, due 8/1/2043	102	0.03	Fannie Mae Remics, Series 2012 133, Class CS, 5.979%, due 12/25/2042 *	52	0.02	Ginnie Mae II Pool 783050, 5.000%, due 7/20/2040	41	0.01
189			86			115		
Fannie Mae Pool MA1591, 4.500%, due 9/1/2043	211	0.06	Fannie Mae Remics, Series 2012 133, Class SA, 5.979%, due 12/25/2042 *	22	0.01	Ginnie Mae II Pool 4772, 5.000%, due 8/20/2040	128	0.04
287			88			74		
Fannie Mae Pool AU9537, 4.500%, due 10/1/2043	311	0.09	Fannie Mae Remics, Series 2013 67, Class KS, 5.929%, due 7/25/2043 *	18	0.01	Ginnie Mae II Pool 4802, 5.000%, due 9/20/2040	83	0.03
190			176			33		
Fannie Mae Pool MA1629, 4.500%, due 10/1/2043	212	0.06	Freddie Mac Gold Pool, 3.500%, due 10/1/2042	186	0.06	Ginnie Mae II Pool 4871, 6.000%, due 11/20/2040	38	0.01
876			98			136		
Fannie Mae Pool MA1629, 4.500%, due 11/1/2043	953	0.29	Freddie Mac Gold Pool, 3.500%, due 2/1/2044	104	0.03	Ginnie Mae II Pool 4905, 6.000%, due 12/20/2040	158	0.05
95				58,196	17.58	31		
Fannie Mae Pool MA1664, 4.500%, due 11/1/2043	106	0.03	Government National Mortgage Association (GNMA) — 5.67%			Ginnie Mae II Pool 4928, 6.000%, due 1/20/2041	37	0.01
189			37			94		
Fannie Mae Pool MA1711, 4.500%, due 12/1/2043	211	0.06	Ginnie Mae, Series 2013 178, Class A, 2.250%, due 3/16/2035	38	0.01	Ginnie Mae II Pool 4961, 6.000%, due 2/20/2041	109	0.03
95			369			1,337		
Fannie Mae Pool AL4741, 4.500%, due 1/1/2044	106	0.03	Ginnie Mae, Series 2010 66, Class CI, 3.500%, due 2/20/2038	44	0.01	Ginnie Mae II Pool 4978, 4.500%, due 3/20/2041	1,457	0.44
998			108			396		
Fannie Mae Pool, 4.500%, due 2/1/2044	1,084	0.33	Ginnie Mae, Series 2010 31, Class GS, 6.327%, due 3/20/2039 *	14	-	2,291		
292			66			3,260		
Fannie Mae Pool AL5540, 4.500%, due 7/1/2044	323	0.10	Ginnie Mae, Series 2010 85, Class HS, 6.477%, due 1/20/2040 *	11	-	Government National Mortgage Association, Series 2014 176, Class IA, 4.000%, due 11/20/2044	399	0.12
2,055			34					
Fannie Mae Pool 890604, 4.500%, due 10/1/2044	2,267	0.68	Ginnie Mae, Series 2010 42, Class BS, 6.307%, due 4/20/2040 *	6	-	Government National Mortgage Association, Series 2014 169, Class IO, 1.105%, due 10/16/2056 *	264	0.08
199			504				18,754	5.67
Fannie Mae Pool AS4347, 4.000%, due 1/1/2045	215	0.06	Ginnie Mae, Series 2013 152, Class HS, 6.527%, due 6/20/2043 *	101	0.03	Total U.S. Government Agency Mortgage-Backed Securities (Cost \$86,985)		
99			3,325				87,174	26.34
Fannie Mae Pool AS4271, 4.500%, due 1/1/2045	111	0.03	Ginnie Mae, Series 2013 162, Class IO, 1.092%, due 9/16/2046 *	219	0.07	U.S. Government Agency Obligations — 2.11%		
2,700			66			10		
Fannie Mae Pool, TBA March, 3.500%, due 3/15/2045 ±	2,822	0.85	Ginnie Mae, Series 2013 193, Class AB, 2.000%, due 12/16/2049	66	0.02	10		
800			496			1,150		
Fannie Mae Pool, TBA March, 4.000%, due 3/15/2045 ±	855	0.26	Ginnie Mae, Series 2013 178, Class IO, 0.932%, due 6/16/2055 *	29	0.01	Farmer Mac Guaranteed Notes Trust 2007-1, 144A, 5.125%, due 4/19/2017	1,250	0.38
400			80			1,890		
Fannie Mae Pool, TBA March, 4.000%, due 3/15/2045 ±	427	0.13	Ginnie Mae, Series 2010 H26, Class LF, 0.518%, due 8/20/2058 *	79	0.02	Fannie Mae, zero coupon, due 10/9/2019	1,720	0.52
1,200			86			1,440		
Fannie Mae Pool, TBA March, 5.000%, due 3/15/2045 ±	1,303	0.39	Ginnie Mae, Series 2010 H22, Class FE, 0.518%, due 5/20/2059 *	85	0.03	Fannie Mae, 6.625%, due 11/15/2030	2,149	0.65
100			1,563			80		
Fannie Mae Remics, Series 2012 139, Class DI, 3.000%, due 12/25/2027	126	0.04	Ginnie Mae, Series 2009 H01, Class FA, 1.324%, due 11/20/2059 *	1,598	0.48	Financing Corp Fico, zero coupon, due 2/8/2018	77	0.02
857			793			240		
Fannie Mae Remics, Series 2006 104, Class IC, 6.429%, due 11/25/2036 *	185	0.06	Ginnie Mae, Series 2010 H11, Class FA, 1.168%, due 6/20/2060 *	809	0.25	Financing Corp Fico, zero coupon, due 4/6/2018	230	0.07
236			863			290		
Fannie Mae Remics, Series 2012 28, Class B, 6.500%, due 6/25/2039	264	0.08	Ginnie Mae, Series 2010 H20, Class AF, 0.498%, due 10/20/2060 *	859	0.26	Financing Corp Fico, zero coupon, due 5/11/2018	277	0.09
69			1,342			280		
Fannie Mae Remics, Series 2010 142, Class SM, 6.359%, due 12/25/2040 *	11	-	Ginnie Mae, Series 2010 H24, Class FA, 0.518%, due 10/20/2060 *	1,333	0.40	Financing Corp Fico, zero coupon, due 8/3/2018	266	0.08
73			514			110		
Fannie Mae Remics, Series 2012 70, Class YS, 6.479%, due 2/25/2041 *	14	-	Ginnie Mae, Series 2011 H01, Class AF, 0.618%, due 11/20/2060 *	514	0.16	Financing Corp Fico, zero coupon, due 8/3/2018	106	0.03
734			160			220		
Fannie Mae Remics, Series 2011 59, Class NZ, 5.500%, due 7/25/2041	850	0.26	Ginnie Mae, Series 2011 H09, Class AF, 0.668%, due 3/20/2061 *	160	0.05	Financing Corp Fico, zero coupon, due 8/3/2018	209	0.06
309			204			130		
Fannie Mae Remics, Series 2012 74, Class SA, 6.479%, due 3/25/2042 *	56	0.02	Ginnie Mae I Pool 733600, 5.000%, due 4/15/2040	228	0.07	Financing Corp Fico, zero coupon, due 8/3/2018	124	0.04
1,169			365			270		
Fannie Mae Remics, Series 2013 9, Class CB, 5.500%, due 4/25/2042	1,300	0.39	Ginnie Mae I Pool 733627, 5.000%, due 5/15/2040	412	0.13	Financing Corp Fico, zero coupon, due 11/2/2018	255	0.08
293			700			40		
Fannie Mae Remics, Series 2012 46, Class BA, 6.000%, due 5/25/2042	332	0.10	Ginnie Mae II pool, TBA March, 3.500%, due 3/15/2045 ±	734	0.22	Financing Corp Fico, zero coupon, due 6/6/2019	37	0.01
444			6,600			10		
Fannie Mae Remics, Series 2012 51, Class B, 7.000%, due 5/25/2042	503	0.15	Ginnie Mae II pool, TBA March, 4.000%, due 3/15/2045 ±	7,018	2.12	Financing Corp Fico, zero coupon, due 9/26/2019	9	-
1,032			83			210		
Fannie Mae Remics, Series 2013 9, Class BC, 6.500%, due 7/25/2042	1,175	0.35	Ginnie Mae II Pool 4040, 6.500%, due 10/20/2037	96	0.03	Tennessee Valley Authority, 5.250%, due 9/15/2039	272	0.08
86			165			Total U.S. Government Agency Obligations (Cost \$6,600)		
Fannie Mae Remics, Series 2012 128, Class SL, 5.979%, due 11/25/2042 *	21	0.01	Ginnie Mae II Pool 4617, 4.500%, due 1/20/2040	180	0.05		6,991	2.11
174			213			U.S. Treasury Obligations — 17.47%		
Fannie Mae Remics, Series 2012 128, Class SQ, 5.979%, due 11/25/2042 *	41	0.01	Ginnie Mae II Pool 4696, 4.500%, due 5/20/2040	233	0.07	10,000		
			664			United States Treasury Bill, zero coupon, due 3/26/2015	10,000	3.02
				743	0.23	3,280		
						United States Treasury Bond, 3.375%, due 5/15/2044	3,800	1.15
						1,910		
						United States Treasury Bond, 3.125%, due 8/15/2044	2,116	0.64
						1,070		
						United States Treasury Bond, 3.000%, due 11/15/2044	1,267	0.38
						2,470		
						United States Treasury Bond, 2.500%, due 2/15/2045	2,419	0.73
						380		
						United States Treasury Inflation Indexed Bonds, 0.375%, due 7/15/2023 β	393	0.12

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US Core Plus Bond Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Shares/ Units (000's)	Value (000's) \$	% of Net Asset Value
U.S. Treasury Obligations — (continued)					
930 United States Treasury Inflation Indexed Bonds, 0.625%, due 1/15/2024 β	976	0.29			
440 United States Treasury Inflation Indexed Bonds, 0.125%, due 7/15/2024 β	435	0.13			
1,070 United States Treasury Inflation Indexed Bonds, 2.375%, due 1/15/2025 β	1,618	0.49			
1,030 United States Treasury Inflation Indexed Bonds, 2.125%, due 2/15/2040 β	1,501	0.45			
650 United States Treasury Inflation Indexed Bonds, 1.375%, due 2/15/2044 β	775	0.24			
1,050 United States Treasury Inflation Indexed Bonds, 0.750%, due 2/15/2045 β	1,066	0.32			
270 United States Treasury Note, 0.625%, due 11/30/2017	268	0.08			
210 United States Treasury Note, 1.500%, due 12/31/2018	212	0.06			
500 United States Treasury Note, 1.625%, due 7/31/2019	504	0.15			
9,330 United States Treasury Note, 1.500%, due 11/30/2019	9,337	2.82			
2,550 United States Treasury Note, 1.625%, due 12/31/2019	2,566	0.78			
5,100 United States Treasury Note, 2.000%, due 5/31/2021	5,175	1.56			
2,860 United States Treasury Note, 1.500%, due 1/31/2022	2,801	0.85			
1,860 United States Treasury Note, 2.500%, due 5/15/2024	1,941	0.59			
5,660 United States Treasury Note, 2.250%, due 11/15/2024	5,779	1.75			
1,800 United States Treasury Note, 2.000%, due 2/15/2025	1,800	0.54			
2,340 United States Treasury Strip Principal, zero coupon, due 11/15/2043	1,089	0.33			
Total U.S. Treasury Obligations (Cost \$57,131)	57,838	17.47			
Repurchase Agreements — 16.10%					
21,200 RBS Securities Inc, Repurchase Agreement to be repurchased at US\$21,200,024 (collateralised by US Treasury Note, 3.125%, due 10/31/2016, market value US\$21,627,861), 0.040%, due 3/2/2015	21,200	6.40			
32,100 Merrill Lynch, Repurchase Agreement to be repurchased at US\$32,100,045 (collateralised by US Treasury Note, 2.500%, due 5/15/2024, market value US\$33,003,830), 0.050%, due 3/2/2015	32,100	9.70			
Total Repurchase Agreements (Cost \$53,300)	53,300	16.10			
Collective Investment Schemes — 0.93%					
			32 Legg Mason Global Funds Plc – Western Asset Emerging Markets Corporate Bond Fund – LM Class US\$ Distributing (M)	3,052	0.92
			14 Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	21	0.01
Total Collective Investment Schemes (Cost \$3,229)				3,073	0.93
Preferred Stock — 0.02%					
			– Citigroup Capital XIII	18	0.01
			2 GMAC Capital Trust I, Series 2	45	0.01
Total Preferred Stock (Cost \$61)				63	0.02
Total Investments Excluding Options (Cost \$344,431)				349,639	105.62
Contracts (000's)					
Options — (0.03%)					
Purchased Options — 0.01%					
			– IMM Euro\$ December 2015 Call 99.625, due 12/14/2015	2	–
			– IMM Euro\$ December 2015 Put 98.875, due 12/14/2015	5	–
			– U.S. 5 Year April 2015 Call 119.50, due 3/27/2015	12	0.01
			– U.S. 5 Year April 2015 Call 121.50, due 3/27/2015	1	–
			4,480 USD Put/MXN Call 3/12/15, due 3/13/2015	1	–
			1,410 USD Put/MXN Call 3/17/15, due 3/18/2015	–	–
			3,880 USD Put/MXN Call 3/19/15, due 3/20/2015	1	–
				22	0.01
Written Options — (0.04%)					
			– Euro\$ 1 Year Midcv June 2015 Put 98.75, due 6/12/2015	(11)	–
			– IMM Euro\$ December 2015 Call 99.25, due 12/14/2015	(15)	(0.01)
			– IMM Euro\$ December 2015 Put 99.25, due 12/14/2015	(16)	(0.01)
			– U.S. 10 Year April 2015 Call 129.50, due 3/27/2015	(7)	–
			– U.S. 10 Year April 2015 Call 130.00, due 3/27/2015	(9)	–
			– U.S. 10 Year April 2015 Call 130.50, due 3/27/2015	(5)	–
			– U.S. 10 Year April 2015 Call 131.00, due 3/27/2015	(7)	–
			– U.S. 10 Year April 2015 Put 124.50, due 3/27/2015	(4)	–
			– U.S. 10 Year April 2015 Put 125.50, due 3/27/2015	(5)	–
			– U.S. 10 Year June 2015 Call 130.00, due 5/22/2015	(28)	(0.01)
			– U.S. 10 Year May 2015 Call 130.50, due 4/24/2015	(13)	(0.01)
			– U.S. 5 Year April 2015 Call 120.50, due 3/27/2015	(7)	–
			– U.S. 5 Year April 2015 Put 118.00, due 3/27/2015	–	–
			– U.S. 5 Year April 2015 Put 118.25, due 3/27/2015	(5)	–
				(132)	(0.04)
Total Options (Cost \$(82))				(110)	(0.03)
Total Investments (Cost \$344,349)				349,529	105.59
Liabilities in Excess of Other Assets				(18,519)	(5.59)
Total Net Assets				\$331,010	100.00

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

144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2015, these securities amounted to \$29,672,000 or 8.97% of net assets.

* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2015.

† Illiquid.

∞ Security is valued in good faith at fair value by or at the discretion of the Investment Manager.

ε Security is in default as at February 28, 2015.

± Securities purchased on a to-be-announced basis (Note 1).

β The rate of interest on this type of security is tied to the Consumer Price Index (CPI)/Retail Price Index (RPI). The coupon rate is the rate as of February 28, 2015.

ABBREVIATIONS:

Perpetual – A bond with no maturity date. Perpetual bonds are not redeemable but pay a steady stream of interest.

REMIC – Real Estate Mortgage Investment Conduit

TBA – To Be Announced

GBP – British Pound

ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR FORWARDS, FUTURES, OPTIONS AND SWAPS WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS DEALT IN ON A REGULATED MARKET AND COLLECTIVE INVESTMENT SCHEMES.

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	79.28
Money market instruments	14.41
Financial derivative instruments	0.28
Collective investment schemes	0.83
Other assets	5.20
Total Assets	100.00

Legg Mason Western Asset US Core Plus Bond Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
90 Day Euro\$ December 2015	18	\$ 4,465	\$ 6
90 Day Euro\$ December 2016	201	49,438	30
90 Day Euro\$ June 2016	77	19,017	52
Euro FX Currency March 2015	(4)	(560)	63
Euro-Bobl March 2015	(14)	(2,055)	(29)
Euro-Bund March 2015	(10)	(1,784)	(73)
U.S. 2 Year Note (CBT) June 2015	90	19,672	31
U.S. 5 Year Note (CBT) June 2015	294	35,069	112
U.S. Long Bond (CBT) June 2015	3	486	(1)
U.S. Ultra Bond (CBT) June 2015	68	11,443	194
U.S.10 Year Note (CBT) June 2015	(154)	(19,681)	(88)
Total Market Value of Future Contracts	569	\$115,510	\$ 297
Unrealised Appreciation of Futures Contracts			488
Unrealised Depreciation of Futures Contracts			(191)
Net Appreciation of Future Contracts			\$ 297

Schedule of Credit Default Swaps

Counterparty	Reference Entity	Buy/Sell Protection	Expiration Date	Notional Amount (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Barclays Capital	Metlife Inc, 1.000%, due 6/20/21	Sell	6/20/21	220	\$ 1
Credit Suisse First Boston	Markit CDX.NA.HY, 5.000%, due 6/20/19	Buy	6/20/19	274	22
Credit Suisse First Boston	Markit CMBX, 3.000%, due 10/17/49	Sell	10/17/49	100	(5)
Deutsche Bank	Berkshire Hathaway Inc, 1.000%, due 3/20/24	Sell	3/20/24	390	-
Deutsche Bank	Metlife Inc, 1.000%, due 9/20/21	Sell	9/20/21	280	1
					\$ 19
Unrealised Appreciation of Credit Default Swaps					24
Unrealised Depreciation of Credit Default Swaps					(5)
Net Appreciation of Credit Default Swaps					\$ 19

Schedule of Interest Rate Swaps

Counterparty	Rate	Expiration Date	Notional Amount (000's)	Value (000's)
Barclays Capital	Pay Fixed 2.11%, Receive Floating USD LIBOR BBA	5/15/30	10,983	\$ 339
				\$ 339
Unrealised Appreciation of Interest Rate Swaps				339
Unrealised Depreciation of Interest Rate Swaps				-
Net Appreciation of Interest Rate Swaps				\$ 339

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US Core Plus Bond Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Schedule of Forward Contracts

Expiration Date	Counterparty		Buy Currency (000's)		Sell Currency (000's)		Unrealised Appreciation/ (Depreciation) of Contracts (000's)	
03/17/15	Barclays Capital	Buy	USD	1,290	Sell	MXN	19,192	\$ 6
03/19/15	Barclays Capital	Buy	USD	423	Sell	MXN	6,190	9
03/23/15	Citicorp Securities London Ltd	Buy	USD	1,145	Sell	MXN	16,827	19
03/31/15	Bank of America Sec London	Buy	USD	518	Sell	GBP	338	(3)
03/31/15	Citicorp Securities London Ltd	Buy	USD	999	Sell	GBP	651	(6)
03/31/15	Deutsche Bank London	Buy	GBP	185	Sell	USD	284	1
03/31/15	Goldman Sachs London	Buy	GBP	622	Sell	USD	954	5
03/31/15	JP Morgan Chase Bank London	Buy	GBP	234	Sell	USD	360	1
03/31/15	Royal Bank of Canada London	Buy	GBP	2	Sell	USD	4	–
05/13/15	Bank of America Sec London	Buy	EUR	1,385	Sell	USD	1,573	(22)
05/13/15	Barclays Capital London	Buy	USD	947	Sell	JPY	111,071	18
05/13/15	Citicorp Securities London Ltd	Buy	USD	1,548	Sell	EUR	1,354	31
05/13/15	Citicorp Securities London Ltd	Buy	USD	1,287	Sell	JPY	150,856	25
05/13/15	Morgan Stanley London	Buy	USD	2,506	Sell	EUR	2,188	56
Unrealised Appreciation of Forward Foreign Currency Contracts								171
Unrealised Depreciation of Forward Foreign Currency Contracts								(31)
Net Appreciation of Forward Foreign Currency Contracts								\$ 140

Legg Mason Western Asset Euro Core Plus Bond Fund

Portfolio of Investments as at February 28, 2015

Face Value (000's)	Value (000's) €	% of Net Asset Value	Face Value (000's)	Value (000's) €	% of Net Asset Value	Face Value (000's)	Value (000's) €	% of Net Asset Value
EUR Denominated Bonds and Notes — 23.32%								
Australia — 0.34%								
160 Australia Pacific Airports Melbourne Pty Ltd, 3.125%, due 9/26/2023	187	0.34	110 Redexis Gas Finance BV, 2.750%, due 4/8/2021	120	0.22	140 Wells Fargo & Co, 2.250%, due 5/2/2023	155	0.28
			170 TenneT Holding BV, 4.625%, due 2/21/2023	217	0.39		1,584	2.88
				1,546	2.81			
Belgium — 0.44%								
100 Eandis CVBA, 2.875%, due 5/7/2029	119	0.22	Norway — 0.38%					
100 Elia System Operator SA/NV, 3.250%, due 4/4/2028	122	0.22	210 Statoil ASA, 1.250%, due 2/17/2027	211	0.38	Total EUR Denominated Bonds and Notes (Cost €11,213)		
	241	0.44					12,814	23.32
Cayman Islands — 0.40%								
226 Petrobras International Finance Co, 5.875%, due 3/7/2022	217	0.40	Spain — 0.76%					
Denmark — 0.24%								
120 Danske Bank A/S, 3.875%, due 10/4/2023 *	131	0.24	200 Banco Santander SA, 6.250%, Perpetual *	203	0.37	Foreign Corporate Bonds and Notes — 3.24%		
Finland — 0.42%								
210 Elenia Finance OYJ, 2.875%, due 12/17/2020	229	0.42	100 BBVA Subordinated Capital SAU, 3.500%, due 4/11/2024 *	106	0.19	Mexico — 0.18%		
France — 1.85%								
200 AXA SA, 3.875%, Perpetual *	220	0.40	100 Madrilena Red de Gas Finance BV, 3.779%, due 9/11/2018	110	0.20	101 Petroleos Mexicanos, 6.375%, due 1/23/2045	101	0.18
100 Casino Guichard Perrachon SA, 3.248%, due 3/7/2024	115	0.21		419	0.76	Netherlands — 0.24%		
100 Christian Dior SA, 1.375%, due 6/19/2019	103	0.19	Sweden — 0.19%					
300 Electricite de France SA, 3.875%, due 1/18/2022	366	0.67	100 Svenska Handelsbanken AB, 2.656%, due 1/15/2024 *	105	0.19	United Kingdom — 1.76%		
200 GDF Suez, 1.375%, due 5/19/2020	210	0.38	Switzerland — 0.20%					
	1,014	1.85	100 UBS AG, 4.750%, due 2/12/2026 *	111	0.20	260 Annington Finance No 4 Plc, Series C1, 8.070%, due 1/10/2023	480	0.87
Germany — 0.69%								
100 Allianz SE, 4.750%, Perpetual *	118	0.21	United Arab Emirates — 0.25%					
200 Muenchener Rueckversicherungs AG, 6.250%, due 5/26/2042 *	262	0.48	130 Glencore Finance Dubai Ltd, 2.625%, due 11/19/2018	138	0.25	197 Tesco Property Finance 3 Plc, 5.744%, due 4/13/2040	272	0.50
	380	0.69	United Kingdom — 6.65%					
Ireland — 0.70%								
310 GE Capital European Funding, 5.375%, due 1/23/2020	383	0.70	173 Aviva Plc, 6.125%, due 7/5/2043 *	222	0.40	140 Virgin Media Secured Finance Plc, 5.500%, due 1/15/2021	212	0.39
Italy — 0.41%								
100 Assicurazioni Generali SpA, 2.875%, due 1/14/2020	111	0.20	210 BP Capital Markets Plc, 1.573%, due 2/16/2027	214	0.39	United States — 1.06%		
100 Assicurazioni Generali SpA, 4.125%, due 5/4/2026	115	0.21	100 Coventry Building Society, 2.250%, due 12/4/2017	105	0.19	275 Verizon Communications Inc, 6.550%, due 9/15/2043	323	0.59
	226	0.41	240 HSBC Holdings Plc, 3.375%, due 1/10/2024 *	258	0.47	274 Verizon Communications Inc, 5.012%, due 8/21/2054	256	0.47
Luxembourg — 2.92%								
1,020 European Investment Bank, 4.125%, due 4/15/2024	1,364	2.48	190 Imperial Tobacco Finance Plc, 3.375%, due 2/26/2026	223	0.40		579	1.06
200 Hannover Finance Luxembourg SA, 5.750%, due 9/14/2040 *	242	0.44	100 Lloyds Bank Plc, 5.375%, due 9/3/2019	122	0.22	Total Foreign Corporate Bonds and Notes (Cost €1,312)		
	1,606	2.92	130 Nationwide Building Society, 1.250%, due 3/3/2025	131	0.24		1,778	3.24
Mexico — 0.79%								
340 Petroleos Mexicanos, 5.500%, due 2/24/2025	433	0.79	110 Rio Tinto Finance Plc, 2.875%, due 12/11/2024	128	0.23	Government Bonds — 66.24%		
Netherlands — 2.81%								
200 Allianz Finance II BV, 5.750%, due 7/8/2041 *	248	0.45	380 Royal Bank of Scotland Group Plc, 3.625%, due 3/25/2024 *	398	0.73	1,960 Belgium Government Bond, Series 67, 3.000%, due 9/28/2019	2,230	4.06
130 British American Tobacco Holdings Netherlands BV, 3.125%, due 3/6/2029	157	0.28	270 The Royal Bank of Scotland Plc, 5.375%, due 9/30/2019	328	0.60	3,690 Belgium Government Bond, Series 68, 2.250%, due 6/22/2023	4,270	7.77
350 Cooperatieve Centrale Raiffeisen-Boerenleenbank BA/Netherlands, 3.875%, due 7/25/2023	410	0.75	120 The Royal Bank of Scotland Plc, 5.500%, due 3/23/2020	149	0.27	4,670 Bundesobligation, Series 166, 0.250%, due 4/13/2018	4,737	8.62
120 Delta Lloyd NV, 4.375%, Perpetual *	121	0.22	150 Sky Plc, 1.500%, due 9/15/2021	156	0.29	1,570 Bundesrepublik Deutschland, 1.500%, due 2/15/2023	1,742	3.17
125 Deutsche Telekom International Finance BV, 4.875%, due 4/22/2025	171	0.31	230 Standard Chartered Plc, 3.625%, due 11/23/2022	255	0.46	818 Bundesrepublik Deutschland, 3.250%, due 7/4/2042	1,274	2.32
100 Gas Natural Fenosa Finance BV, 1.375%, due 1/21/2025	102	0.19	280 Standard Chartered Plc, 3.125%, due 11/19/2024	299	0.54	810 Deutsche Bundesrepublik Inflation Linked Bond, Series 1/L, 0.500%, due 4/15/2030 β	973	1.77
			273 Tesco Plc, 3.375%, due 11/2/2018	290	0.53	5,110 France Government Bond OAT, 0.250%, due 7/25/2018 β	5,470	9.96
			100 The Wellcome Trust Ltd, 1.125%, due 1/21/2027	102	0.19	400 France Government Bond OAT, 1.800%, due 7/25/2040 β	704	1.28
			260 Yorkshire Building Society, 2.125%, due 3/18/2019	273	0.50	1,740 France Government Bond OAT, 3.250%, due 5/25/2045	2,526	4.60
				3,653	6.65	1,780 Italy Buoni Poliennali Del Tesoro, 4.500%, due 3/1/2024	2,266	4.12
United States — 2.88%								
120 AT&T Inc, 3.550%, due 12/17/2032	145	0.26	Total Government Bonds (Cost €32,536)					
160 Citigroup Inc, 1.750%, due 1/28/2025	166	0.30					36,392	66.24
180 Citigroup Inc, 7.375%, due 9/4/2019	234	0.43						
280 The Goldman Sachs Group Inc, 2.125%, due 9/30/2024	301	0.55						
140 JPMorgan Chase & Co, 2.750%, due 8/24/2022	159	0.29						
130 Mondelez International Inc, 2.375%, due 3/6/2035	130	0.24						
250 Philip Morris International Inc, 2.875%, due 5/14/2029	294	0.53						

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Euro Core Plus Bond Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)		Value (000's) €	% of Net Asset Value
U.S. Treasury Obligations — 5.55%			
USD 3,410	United States Treasury Note, 2.000%, due 2/15/2025	3,047	5.55
Total U.S. Treasury Obligations (Cost €2,968)		3,047	5.55
Collective Investment Schemes — 0.42%			
GBP 3	Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	4	0.01
USD 251	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	224	0.41
Total Collective Investment Schemes (Cost €216)		228	0.42
Total Investments (Cost €48,245)		54,259	98.77
Other Assets in Excess of Liabilities		678	1.23
Total Net Assets		€54,937	100.00

144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2015, these securities amounted to €6,783,000 or 12.35% of net assets.

* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2015.

β The rate of interest on this type of security is tied to the Consumer Price Index (CPI)/Retail Price Index (RPI). The coupon rate is the rate as of February 28, 2015.

ABBREVIATIONS:

Perpetual – A bond with no maturity date. Perpetual bonds are not redeemable but pay a steady stream of interest.

GBP – British Pound

USD – United States Dollar

ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR FUTURES, FORWARDS AND SWAPS WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS DEALT IN ON A REGULATED MARKET AND COLLECTIVE INVESTMENT SCHEMES.

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	96.20
Financial derivative instruments	0.83
Collective investment schemes	0.41
Other assets	2.56
Total Assets	100.00

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Euro-Bobl March 2015	(69)	€ (9,051)	€ (69)
Euro-Bund March 2015	(24)	(3,827)	(147)
Total Market Value of Future Contracts	(93)	€(12,878)	€ (216)
Unrealised Appreciation of Futures Contracts			–
Unrealised Depreciation of Futures Contracts			(216)
Net Depreciation of Future Contracts			€ (216)

Schedule of Credit Default Swaps

Counterparty	Reference Entity	Buy/Sell Protection	Expiration Date	Notional Amount (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Merrill Lynch	Markit iTraxx Europe, 1.000%, due 12/20/19	Buy	12/20/19	3,970	€ (95)
					€ (95)
Unrealised Appreciation of Credit Default Swaps					–
Unrealised Depreciation of Credit Default Swaps					(95)
Net Depreciation of Credit Default Swaps					€ (95)

Legg Mason Western Asset Euro Core Plus Bond Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Schedule of Forward Contracts

Expiration Date	Counterparty		Buy Currency (000's)		Sell Currency (000's)		Unrealised Appreciation/ (Depreciation) of Contracts (000's)
05/13/15	Barclays Capital London	Buy	GBP	47	Sell	EUR	€ 2
05/13/15	Barclays Capital London	Buy	EUR	271	Sell	USD	(7)
05/13/15	Citicorp Securities London Ltd	Buy	USD	17,450	Sell	EUR	309
05/13/15	Citicorp Securities London Ltd	Buy	EUR	233	Sell	GBP	(8)
05/13/15	Citicorp Securities London Ltd	Buy	EUR	3,000	Sell	USD	(35)
05/13/15	Credit Suisse First Boston London	Buy	EUR	2,677	Sell	USD	(64)
05/13/15	Deutsche Bank London	Buy	USD	4,312	Sell	EUR	92
05/13/15	Deutsche Bank London	Buy	GBP	450	Sell	EUR	11
05/13/15	Deutsche Bank London	Buy	EUR	1,823	Sell	GBP	(58)
05/13/15	Deutsche Bank London	Buy	EUR	140	Sell	USD	(1)
05/13/15	Goldman Sachs London	Buy	GBP	1,234	Sell	EUR	50
05/13/15	Goldman Sachs London	Buy	EUR	11,115	Sell	USD	(234)
05/13/15	JP Morgan Chase Bank London	Buy	EUR	256	Sell	GBP	(7)
05/13/15	JP Morgan Chase Bank London	Buy	EUR	1,434	Sell	USD	(34)
05/13/15	Morgan Stanley London	Buy	EUR	722	Sell	GBP	(29)
05/13/15	Morgan Stanley London	Buy	EUR	933	Sell	USD	(21)
05/13/15	UBS	Buy	EUR	355	Sell	GBP	(12)
05/13/15	UBS	Buy	EUR	3,313	Sell	USD	(68)
Unrealised Appreciation of Forward Foreign Currency Contracts							464
Unrealised Depreciation of Forward Foreign Currency Contracts							(578)
Net Depreciation of Forward Foreign Currency Contracts							€ (114)

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Diversified Strategic Income Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
U.S. Corporate Bonds and Notes — (continued)			Bermuda — 0.71%			Federal National Mortgage Association (FNMA) — 0.11%		
20 Mead Johnson Nutrition Co, 5.900%, due 11/1/2039	25	0.08	200 Digicel Group Ltd, 8.250%, due 9/30/2020	202	0.71	4 Fannie Mae Pool 527250, 7.000%, due 11/1/2029	4	0.02
20 MGM Resorts International, 6.625%, due 12/15/2021	22	0.08	Canada — 0.11%			1 Fannie Mae Pool 535159, 7.000%, due 2/1/2030	1	0.01
97 Mirant Mid Atlantic Pass Through Trust, Series C, 10.060%, due 12/30/2028	106	0.37	30 Kodiak Oil & Gas Corp, 8.125%, due 12/1/2019	31	0.11	- Fannie Mae Pool 568866, 7.500%, due 1/1/2031	-	-
20 Murphy Oil USA Inc, 6.000%, due 8/15/2023	21	0.07	Cayman Islands — 2.46%			1 Fannie Mae Pool 582665, 7.500%, due 6/1/2031	1	-
40 Murray Energy Corp, 9.500%, due 12/5/2020	40	0.14	200 Braskem Finance Ltd, 5.750%, due 4/15/2021	200	0.70	1 Fannie Mae Pool 605525, 7.000%, due 7/1/2031	1	-
30 Navient Corp, 5.875%, due 10/25/2024	29	0.10	506 Vale Overseas Ltd, 6.875%, due 11/21/2036	504	1.76	3 Fannie Mae Pool 581961, 7.000%, due 7/1/2031	3	0.01
50 Navient LLC, 5.625%, due 8/1/2033	43	0.15		704	2.46	8 Fannie Mae Pool 601140, 7.000%, due 9/1/2031	9	0.03
20 Novelis Inc, 8.750%, due 12/15/2020	22	0.08	Colombia — 0.75%			8 Fannie Mae Pool 598230, 7.000%, due 9/1/2031	9	0.03
60 Pactiv LLC, 8.375%, due 4/15/2027	62	0.22	200 Empresa de Energia de Bogota SA ESP, 6.125%, due 11/10/2021	215	0.75	1 Fannie Mae Pool 254008, 7.000%, due 10/1/2031	2	0.01
150 Pemex Project Funding Master Trust, 6.625%, due 6/15/2035	173	0.61	France — 1.16%				30	0.11
40 PSPC Escrow Corp, 6.500%, due 2/1/2022	42	0.15	160 Electricite de France, 5.625%, Perpetual *	173	0.60	Government National Mortgage Association (GNMA) — 0.08%		
60 QEP Resources Inc, 6.875%, due 3/1/2021	64	0.22	150 Electricite de France SA, 5.250%, Perpetual *	159	0.56	7 Ginnie Mae I pool 781001, 7.500%, due 3/15/2029	8	0.03
40 Range Resources Corp, 5.000%, due 3/15/2023	41	0.14		332	1.16	14 Ginnie Mae I pool 583599, 8.000%, due 5/15/2032	15	0.05
10 Regency Energy Partners LP / Regency Energy Finance Corp, 5.875%, due 3/1/2022	11	0.04	Greece — 0.37%			1 Ginnie Mae II pool 1849, 8.500%, due 8/20/2024	1	-
20 Regency Energy Partners LP / Regency Energy Finance Corp, 5.000%, due 10/1/2022	21	0.07	100 FAGE Dairy Industry SA / FAGE USA Dairy Industry Inc, 9.875%, due 2/1/2020	105	0.37		24	0.08
30 Rolute Forest Products Inc, 5.875%, due 5/15/2023	29	0.10	Japan — 0.71%			Total U.S. Government Agency Mortgage-Backed Securities (Cost \$52)		
40 Ryerson Inc / Joseph T Ryerson & Son Inc, 9.000%, due 10/15/2017	41	0.14	200 SoftBank Corp, 4.500%, due 4/15/2020	204	0.71	U.S. Treasury Obligations — 12.45%		
70 Sanchez Energy Corp, 7.750%, due 6/15/2021	70	0.24	Luxembourg — 0.80%			640 United States Treasury Bond, 4.625%, due 2/15/2040	887	3.10
150 Sprint Capital Corp, 8.750%, due 3/15/2032	158	0.55	200 Altice Financing SA, 6.625%, due 2/15/2023	208	0.73	930 United States Treasury Bond, 3.125%, due 2/15/2043	1,027	3.59
130 Sprint Corp, 7.625%, due 2/15/2025	131	0.46	10 Intelsat Jackson Holdings SA, 7.250%, due 10/15/2020	10	0.03	110 United States Treasury Bond, 2.875%, due 5/15/2043	116	0.40
30 Suburban Propane Partners LP / Suburban Energy Finance Corp, 5.500%, due 6/1/2024	30	0.10	10 Intelsat Jackson Holdings SA, 7.500%, due 4/1/2021	11	0.04	120 United States Treasury Bond, 3.750%, due 11/15/2043	148	0.52
30 Suburban Propane Partners LP / Suburban Energy Finance Corp, 5.750%, due 3/1/2025	31	0.11		229	0.80	770 United States Treasury Note, 0.875%, due 7/15/2017	772	2.70
110 Time Warner Cable Inc, 8.250%, due 4/1/2019	134	0.47	Mexico — 1.11%			510 United States Treasury Note, 1.250%, due 11/30/2018	510	1.78
50 Time Warner Inc, 4.000%, due 1/15/2022	53	0.18	220 Cemex SAB de CV, 5.700%, due 1/11/2025	216	0.75	100 United States Treasury Note, 2.250%, due 11/15/2024	102	0.36
20 T-Mobile USA Inc, 6.633%, due 4/28/2021	21	0.07	92 Petroleos Mexicanos, 6.375%, due 1/23/2045	103	0.36	Total U.S. Treasury Obligations (Cost \$3,223)		
10 T-Mobile USA Inc, 6.125%, due 1/15/2022	11	0.04		319	1.11	Time Deposits — 4.89%		
30 T-Mobile USA Inc, 6.000%, due 3/1/2023	31	0.11	Netherlands — 0.95%			500 ING Bank NV, 0.120%, due 3/2/2015	500	1.75
20 United Airlines 2014-2 Class B Pass Through Trust, Series B, 4.625%, due 9/3/2022	20	0.07	100 Lukoil International Finance BV, 6.656%, due 6/7/2022	96	0.34	400 Rabobank, 0.080%, due 3/2/2015	400	1.40
20 United Rentals North America Inc, 7.375%, due 5/15/2020	22	0.08	200 VimpelCom Holdings BV, 7.504%, due 3/1/2022	176	0.61	500 Royal Bank of Scotland, 0.080%, due 3/2/2015	500	1.74
20 United Rentals North America Inc, 6.125%, due 6/15/2023	21	0.07		272	0.95	Total Time Deposits (Cost \$1,400)		
60 Universal Hospital Services Inc, 7.625%, due 8/15/2020	51	0.18	United Kingdom — 0.74%			Shares/ Units (000's)		
66 Verizon Communications Inc, 6.550%, due 9/15/2043	87	0.31	200 Virgin Media Secured Finance Plc, 5.375%, due 4/15/2021	212	0.74	Common Stock — 0.04%		
66 Verizon Communications Inc, 5.012%, due 8/21/2054	69	0.24	Total U.S. Denominated Bonds and Notes (Cost \$3,015)			Total Common Stock (Cost \$15)		
248 Wells Fargo & Co, 4.480%, due 1/16/2024	271	0.95	2,990	10.45	Collective Investment Schemes — 18.81%			
5 The Williams Cos Inc, 8.750%, due 3/15/2032	6	0.02	U.S. Denominated Debt Obligations — 0.80%			EUR 21 Legg Mason Global Funds Plc – Western Asset Euro High Yield Fund – LM Class EUR Distributing (Q)	2,514	8.78
Total U.S. Corporate Bonds and Notes (Cost \$5,269)	5,470	19.12	Colombia — 0.80%			Federal Home Loan Mortgage Corporation (FHLMC) — 0.00%		
U.S. Denominated Bonds and Notes — 10.45%			200 Colombia Government International Bond, 5.625%, due 2/26/2044	229	0.80	- Freddie Mac Gold Pool E00870, 7.000%, due 8/1/2015	-	-
Australia — 0.58%			Total U.S. Denominated Debt Obligations (Cost \$199)			- Freddie Mac Gold Pool E82313, 7.000%, due 1/1/2016	-	-
140 BHP Billiton Finance USA Ltd, 6.500%, due 4/1/2019	165	0.58	229	0.80	- Freddie Mac Gold Pool E00968, 7.000%, due 3/1/2016	1	-	
						1	-	

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Diversified Strategic Income Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Shares/ Units (000's)	Value (000's) \$	% of Net Asset Value
Collective Investment Schemes — (continued)		
30 Legg Mason Qualified Investor Funds II Plc – Legg Mason Western Asset Senior Loans Fund – LM Class US\$ Distributing (monthly)	2,869	10.03
Total Collective Investment Schemes (Cost \$5,804)	5,383	18.81
Total Investments (Cost \$27,453)	27,020	94.42
Other Assets in Excess of Liabilities	1,596	5.58
Total Net Assets	\$28,616	100.00

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

* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2015.
 † Illiquid.
 ∞ Security is valued in good faith at fair value by or at the discretion of the Investment Manager.
 β The rate of interest on this type of security is tied to the Consumer Price Index (CPI)/Retail Price Index (RPI). The coupon rate is the rate as of February 28, 2015.

ABBREVIATIONS:

CMO – Collateralized Mortgage Obligation
 Perpetual – A bond with no maturity date. Perpetual bonds are not redeemable but pay a steady stream of interest.
 EUR – Euro
 GBP – British Pound

ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR FUTURES, FORWARDS AND SWAPS WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS DEALT IN ON A REGULATED MARKET AND COLLECTIVE INVESTMENT SCHEMES.

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	68.99
Financial derivative instruments	2.05
Deposits with credit institutions	4.77
Collective investment schemes	18.35
Other assets	5.84
Total Assets	100.00

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Euro-Bund March 2015	(5)	\$ (892)	\$ (36)
U.S. 5 Year Note (CBT) June 2015	54	6,441	21
U.S. Ultra Bond (CBT) June 2015	(11)	(1,851)	(8)
U.S.10 Year Note (CBT) June 2015	(14)	(1,789)	(9)
Total Market Value of Future Contracts	24	\$ 1,909	\$ (32)
Unrealised Appreciation of Futures Contracts			21
Unrealised Depreciation of Futures Contracts			(53)
Net Depreciation of Future Contracts			\$ (32)

Schedule of Credit Default Swaps

Counterparty	Reference Entity	Buy/Sell Protection	Expiration Date	Notional Amount (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Merrill Lynch	Markit iTraxx Europe, 1.000%, due 12/20/19	Buy	12/20/19	1,370	\$ (37)
					\$ (37)
Unrealised Appreciation of Credit Default Swaps					–
Unrealised Depreciation of Credit Default Swaps					(37)
Net Depreciation of Credit Default Swaps					\$ (37)

Legg Mason Western Asset Diversified Strategic Income Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Schedule of Forward Contracts

Expiration Date	Counterparty		Buy Currency (000's)		Sell Currency (000's)		Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/31/15	Citicorp Securities London Ltd	Buy	EUR	184	Sell	USD	\$ (2)
03/31/15	HSBC Midland	Buy	USD	16	Sell	EUR	–
03/31/15	Royal Bank of Canada London	Buy	EUR	281	Sell	USD	(3)
03/31/15	UBS	Buy	USD	2	Sell	EUR	–
04/27/15	HSBC	Buy	CNH	4,140	Sell	USD	(15)
05/13/15	Barclays Capital London	Buy	USD	669	Sell	GBP	(9)
05/13/15	Barclays Capital London	Buy	EUR	960	Sell	USD	(26)
05/13/15	BNP Paribas	Buy	EUR	239	Sell	USD	(4)
05/13/15	BNY Mellon	Buy	USD	3,635	Sell	EUR	50
05/13/15	Citicorp Securities London Ltd	Buy	USD	2,096	Sell	EUR	42
05/13/15	Citicorp Securities London Ltd	Buy	GBP	208	Sell	USD	4
05/13/15	Credit Suisse First Boston London	Buy	USD	1,578	Sell	DKK	42
05/13/15	Credit Suisse First Boston London	Buy	USD	5,645	Sell	EUR	133
05/13/15	Credit Suisse First Boston London	Buy	GBP	452	Sell	USD	9
05/13/15	Deutsche Bank London	Buy	USD	865	Sell	GBP	(7)
05/13/15	Deutsche Bank London	Buy	DKK	45,449	Sell	USD	(191)
05/13/15	Deutsche Bank London	Buy	EUR	1,452	Sell	USD	(40)
05/13/15	Goldman Sachs London	Buy	USD	857	Sell	GBP	(8)
05/13/15	Goldman Sachs London	Buy	EUR	3,280	Sell	USD	(77)
05/13/15	HSBC Midland	Buy	USD	356	Sell	JPY	6
05/13/15	JP Morgan Chase Bank London	Buy	USD	2,409	Sell	DKK	65
05/13/15	JP Morgan Chase Bank London	Buy	GBP	545	Sell	USD	5
05/13/15	JP Morgan Chase Bank London	Buy	EUR	2,841	Sell	USD	(74)
05/13/15	Morgan Stanley London	Buy	USD	661	Sell	DKK	17
05/13/15	Morgan Stanley London	Buy	USD	768	Sell	EUR	17
05/13/15	Morgan Stanley London	Buy	USD	1,605	Sell	GBP	(25)
05/13/15	Royal Bank of Canada London	Buy	USD	499	Sell	GBP	(10)
05/13/15	UBS	Buy	USD	2,342	Sell	DKK	56
05/13/15	UBS	Buy	USD	6,659	Sell	EUR	133
05/13/15	UBS	Buy	GBP	113	Sell	USD	2
Unrealised Appreciation of Forward Foreign Currency Contracts							581
Unrealised Depreciation of Forward Foreign Currency Contracts							(491)
Net Appreciation of Forward Foreign Currency Contracts							\$ 90

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Multi Strategy Fund

Portfolio of Investments as at February 28, 2015

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
Collateralised Mortgage-Backed Obligations — 0.01%								
154 American Home Mortgage Assets Trust, Series 2006 4, Class 1A12, 0.381%, due 10/25/2046 *	104	0.01	380 Vougeot Bidco Plc, 7.875%, due 7/15/2020	632	0.05	2,058 Unitymedia KabelBW GmbH, 9.500%, due 3/15/2021	2,568	0.18
			487 Zurich Finance UK Plc, 6.625%, Perpetual *	901	0.06		91,246	6.48
				83,906	5.94	Mexican Bonds — 0.02%		
Total Collateralised Mortgage-Backed Obligations (Cost \$91)								
	104	0.01	Euro Bonds — 6.48%			2,811 Axtel SAB de CV, 9.000%, due 1/31/2020	264	0.02
Foreign Corporate Bonds and Notes — 12.68%								
Australian Dollar Bonds — 0.19%								
1,870 R&R Ice Cream Plc, 8.250%, due 5/15/2020	1,432	0.10	4,500 ABN AMRO Bank NV, 7.125%, due 7/6/2022	6,861	0.49	Swiss Franc Bonds — 0.05%		
1,340 The Royal Bank of Scotland Plc, 13.125%, due 3/19/2022 *	1,219	0.09	390 Altice Financing SA, 5.250%, due 2/15/2023	467	0.03	714 Aguila 3 SA, 7.875%, due 1/31/2018	751	0.05
	2,651	0.19	1,880 Altice Finco SA, 9.000%, due 6/15/2023	2,451	0.18	Total Foreign Corporate Bonds and Notes (Cost \$183,220)		
British Pound Sterling Bonds — 5.94%								
1,110 AA Bond Co Ltd, 9.500%, due 7/31/2019	1,882	0.13	2,300 Assicurazioni Generali SpA, 4.125%, due 5/4/2026	2,960	0.21	178,818	12.68	
3,370 Anglian Water Osprey Financing Plc, 7.000%, due 1/31/2018	5,651	0.40	1,350 Astaldi SpA, 7.125%, due 12/1/2020	1,624	0.12	Foreign Government Bonds and Notes — 13.31%		
2,400 Annington Finance No 4 Plc, Series M, 6.568%, due 1/10/2023 *	3,724	0.26	2,028 Aviva Plc, 6.125%, due 7/5/2043 *	2,907	0.20	Brazil Government Bonds — 3.85%		
610 Annington Finance No 4 Plc, Series C1, 8.070%, due 1/10/2023	1,260	0.09	2,480 AXA SA, 3.875%, Perpetual *	3,060	0.22	87,057 Brazil Notas do Tesouro Nacional, Series NTNFB, 10.000%, due 1/1/2017	29,353	2.08
645 Barclays SLCSM Funding BV, 6.140%, Perpetual *	1,005	0.07	641 AXA SA, 3.941%, Perpetual *	791	0.05	27,871 Brazil Notas do Tesouro Nacional, Series NTNBB, 6.000%, due 8/15/2050 β	24,917	1.77
1,960 Boparan Finance Plc, 5.250%, due 7/15/2019	2,826	0.20	5,010 Barclays Bank Plc, 6.000%, due 1/14/2021	7,012	0.50		54,270	3.85
1,500 BUPA Finance Plc, 5.000%, due 4/25/2023	2,485	0.18	4,850 Barclays Bank Plc, 8.000%, Perpetual *	5,875	0.42	Canadian Government Bonds — 0.02%		
3,000 Cooperatieve Centrale Raiffeisen-Boerenleenbank BA, 4.625%, due 5/23/2029	5,052	0.36	2,400 BBVA Subordinated Capital SAU, 3.500%, due 4/11/2024 *	2,839	0.20	160 Canadian Government Bond, Series CPI, 4.000%, due 12/1/2031 β	299	0.02
1,180 Coventry Building Society, 6.375%, Perpetual *	1,797	0.13	1,150 Cerved Technologies SpA, 8.000%, due 1/15/2021	1,410	0.10	Colombia Government Bonds — 0.01%		
1,350 Danske Bank A/S, 5.684%, Perpetual *	2,168	0.15	473 ConvaTec Healthcare E SA, 10.875%, due 12/15/2018	559	0.04	171,800 Colombian TES, Series B, 10.000%, due 7/24/2024	85	0.01
2,740 Direct Line Insurance Group Plc, 9.250%, due 4/27/2042 *	5,530	0.39	1,580 EC Finance Plc, 5.125%, due 7/15/2021	1,861	0.13	Euro Government Bonds — 6.51%		
800 Grainger Plc, 5.000%, due 12/16/2020	1,288	0.09	3,750 Edcon Proprietary Ltd, 9.500%, due 3/1/2018	3,431	0.24	121 Bundesrepublik Deutschland, Series 00, 5.500%, due 6/9/2022	234	0.02
1,459 Greene King Finance Plc, Series B2, 2.640%, due 3/15/2036 *	1,846	0.13	2,627 Europcar Groupe SA, 11.500%, due 5/15/2017	3,315	0.23	21,105 Deutsche Bundesrepublik Inflation Linked Bond, Series 1/L, 0.100%, due 4/15/2023 β	26,425	1.88
1,170 HSBC Bank Capital Funding Sterling LP, 5.844%, Perpetual *	2,014	0.14	2,200 Gas Natural Fenosa Finance BV, 4.125%, Perpetual *	2,677	0.19	21,940 Deutsche Bundesrepublik Inflation Linked Bond, Series 1/L, 0.500%, due 4/15/2030 β	29,504	2.09
3,370 Kelda Finance No 3 Plc, 5.750%, due 2/17/2020	5,463	0.39	1,330 Gategroup Finance Luxembourg SA, 6.750%, due 3/1/2019	1,578	0.11	24,981 Italy Buoni Poliennali Del Tesoro, 4.500%, due 3/1/2024	35,579	2.52
211 Lloyds TSB Bank Plc, 7.500%, due 4/15/2024	454	0.03	3,450 Grupo Isolux Corsan Finance BV, 6.625%, due 4/15/2021	3,553	0.25		91,742	6.51
2,545 Marstons Issuer Plc, Series B1, 5.641%, due 7/15/2035 *	3,715	0.26	100 Hannover Finance Luxembourg SA, 5.750%, due 9/14/2040 *	135	0.01	Mexican Government Bonds — 2.92%		
2,700 Priory Group No 3 Plc, 8.875%, due 2/15/2019	4,345	0.31	3,040 KP Germany Erste GmbH, 11.625%, due 7/15/2017	3,695	0.26	242,847 Mexican Bonos, Series M, 6.500%, due 6/9/2022	17,240	1.22
260 R&R Ice Cream Plc, 5.500%, due 5/15/2020	409	0.03	4,980 Lloyds Banking Group Plc, 6.375%, Perpetual *	5,886	0.42	300,079 Mexican Bonos, Series M, 7.750%, due 1/13/2042	23,956	1.70
2,300 Scottish Widows Plc, 5.500%, due 6/16/2023	3,899	0.28	2,810 Numericable Group SA, 5.625%, due 5/15/2024	3,333	0.24		41,196	2.92
900 Scottish Widows Plc, 5.125%, Perpetual *	1,399	0.10	1,970 Onex Wizard Acquisition Co II SCA, 7.750%, due 2/15/2023	2,315	0.17	Total Foreign Government Bonds and Notes (Cost \$211,376)		
3,094 Standard Chartered Plc, 5.125%, due 6/6/2034	4,962	0.35	950 Play Finance 1 SA, Series Regs, 6.500%, due 8/1/2019	1,132	0.08	187,592	13.31	
1,664 Swedbank AB, 5.750%, Perpetual *	2,652	0.19	610 Polish Television Holding BV, 11.000%, due 1/15/2021	825	0.06	U.S. Corporate Bonds and Notes — 22.26%		
1,600 Telefonica Europe BV, 6.750%, Perpetual *	2,706	0.19	180 R&R Ice Cream Plc, 4.750%, due 5/15/2020	207	0.02	360 24 Hour Holdings III LLC, 144A, 8.000%, due 6/1/2022	309	0.02
803 Tesco Property Finance 5 Plc, 5.661%, due 10/13/2041	1,213	0.09	4,940 Royal Bank of Scotland Group Plc, 3.625%, due 3/25/2024 *	5,795	0.41	1,990 Acadia Healthcare Co Inc, 12.875%, due 11/1/2018	2,244	0.16
4,487 Tesco Property Finance 6 Plc, 5.411%, due 7/13/2044	6,619	0.47	660 Schaeffler Holding Finance BV, 6.875%, due 8/15/2018	777	0.06	850 Acadia Healthcare Co Inc, 5.125%, due 7/1/2022	854	0.06
1,250 Virgin Media Finance Plc, 6.375%, due 10/15/2024	2,118	0.15	4,020 Thomas Cook Finance Plc, 6.750%, due 6/15/2021	4,690	0.33	1,730 Activision Blizzard Inc, 144A, 5.625%, due 9/15/2021	1,851	0.13
2,300 Virgin Media Secured Finance Plc, 5.500%, due 1/15/2021	3,891	0.27	397 TVN Finance Corp III AB, 7.875%, due 11/15/2018	462	0.03	530 Activision Blizzard Inc, 144A, 6.125%, due 9/15/2023	586	0.04
			694 TVN Finance Corp III AB, 7.375%, due 12/15/2020	870	0.06	1,040 AECOM, 144A, 5.875%, due 10/15/2024	1,105	0.08
			2,840 Unilabs Subholding AB, 8.500%, due 7/15/2018	3,325	0.24	10 AES Corp/VA, 8.000%, due 6/1/2020	12	-
						110 Alliance One International Inc, 9.875%, due 7/15/2021	93	0.01
						660 Ally Financial Inc, 8.000%, due 12/31/2018	752	0.05
						4,249 Ally Financial Inc, 8.000%, due 3/15/2020	5,088	0.36
						1,007 Ally Financial Inc, 7.500%, due 9/15/2020	1,198	0.09

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Multi Strategy Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
U.S. Corporate Bonds and Notes — (continued)								
			2,950			826		
			CIT Group Inc,			ExamWorks Group Inc,		
			5.000%, due 8/1/2023	3,112	0.22	9.000%, due 7/15/2019	876	0.06
2,314			Class B Pass Through			1,170		
American Airlines 2013-2			Trust, 144A,	5,620		EXCO Resources Inc,		
Trust, 144A,			5.350%, Perpetual *	5,400	0.38	7.500%, due 9/15/2018	886	0.06
5.600%, due 7/15/2020	2,424	0.17	2,870			670		
Anadarko Petroleum Corp,			Citigroup Inc, Series M,			Exterran Partners LP / EXLP		
5.950%, due 9/15/2016	54	–	6.300%, Perpetual *	2,924	0.21	Finance Corp,		
30			500			6,000%, due 10/1/2022	613	0.04
Anheuser-Busch Cos LLC,			Cloud Peak Energy			750		
6.500%, due 5/1/2042	41	–	Resources LLC / Cloud			Family Tree Escrow LLC,		
1,260			Peak Energy Finance Corp,			144A,		
Antero Resources Corp,			6.375%, due 3/15/2024	459	0.03	5.250%, due 3/1/2020	784	0.06
144A,			4,210			470		
5.125%, due 12/1/2022	1,241	0.09	Cogent Communications			FCA US LLC / CG Co-Issuer		
1,770			Group Inc, 144A,			Inc,		
Appvion Inc, 144A,			8.375%, due 2/15/2018	4,397	0.31	8.250%, due 6/15/2021	524	0.04
9.000%, due 6/1/2020	1,215	0.08	260			300		
700			Colorado Interstate Gas			First Cash Financial		
Arch Coal Inc,			Co LLC,			Services Inc,		
7.000%, due 6/15/2019	210	0.01	6.800%, due 11/15/2015	270	0.02	6.750%, due 4/1/2021	311	0.02
1,390			320			1,110		
Atwood Oceanics Inc,			Comcast Corp,			First Data Corp, 144A,		
6.500%, due 2/1/2020	1,334	0.09	3.600%, due 3/1/2024	344	0.03	7.375%, due 6/15/2019	1,166	0.08
1,870			360			900		
Axiall Corp,			Compiler Finance Sub Inc,			First Data Corp,		
4.875%, due 5/15/2023	1,903	0.13	144A,			12.625%, due 1/15/2021	1,076	0.08
700			7.000%, due 5/1/2021	270	0.02	456		
Bank of America Corp,			1,440			First Data Corp,		
5.500%, due 11/22/2021	1,234	0.09	Concho Resources Inc,			11.750%, due 8/15/2021	531	0.04
3,100			5.500%, due 4/1/2023	1,490	0.10	1,200		
Bank of America Corp,			380			First Wind Capital LLC,		
Series Z,			ConocoPhillips,			144A,		
6.500%, Perpetual *	3,285	0.23	6.500%, due 2/1/2039	518	0.04	10.250%, due 6/1/2018	1,292	0.09
8,620			2,090			3,370		
Bank of America Corp,			CONSOL Energy Inc,			FirstEnergy Corp, Series C,		
Series U,			8.250%, due 4/1/2020	2,179	0.15	7.375%, due 11/15/2031	4,296	0.30
5.200%, Perpetual *	8,318	0.59	1,670			1,050		
Blue Racer Midstream			Constellation Brands Inc,			Florida East Coast		
LLC / Blue Racer Finance			6.000%, due 5/1/2022	1,912	0.13	Holdings Corp, 144A,		
Corp, 144A,			210			6.750%, due 5/1/2019	1,083	0.08
6.125%, due 11/15/2022	1,545	0.11	1,790			1,000		
280			Crestwood Midstream			Florida East Coast		
Caesars Entertainment			Partners LP / Crestwood			Holdings Corp, 144A,		
Resort Properties LLC /			Midstream Finance Corp,			9.750%, due 5/1/2020	975	0.07
Caesars Entertainment			6.000%, due 12/15/2020	1,794	0.13	50		
Resort Prope, 144A,			890			Fontainebleau Las Vegas		
11.000%, due 10/1/2021	248	0.02	Crestwood Midstream			Holdings LLC, 144A,		
170			Partners LP / Crestwood			10.250%, due 6/15/2015	–	–
Caesars Entertainment			Midstream Finance Corp,			1,370		
Resort Properties LLC /			6.125%, due 3/1/2022	894	0.06	Fresenius Medical Care US		
Caesars Entertainment			875			Finance II Inc, 144A,		
Resort Properties Finance,			CSC Holdings LLC,			4.125%, due 10/15/2020	1,411	0.10
Inc, 144A,			6.750%, due 11/15/2021	989	0.07	2,060		
8.000%, due 10/1/2020	171	0.01	1,820			Fresenius Medical Care US		
California Resources Corp,			CSC Holdings LLC, 144A,			Finance II Inc, 144A,		
144A,			5.250%, due 6/1/2024	1,859	0.13	5.875%, due 1/31/2022	2,312	0.16
6.000%, due 11/15/2024	6,506	0.46	380			1,560		
2,010			CST Brands Inc,			FTS International Inc,		
Calpine Corp, 144A,			5.000%, due 5/1/2023	392	0.03	144A,		
6.000%, due 1/15/2022	2,192	0.15	2,740			6.250%, due 5/1/2022	1,225	0.09
720			CTR Partnership LP /			510		
Calumet Specialty			CareTrust Capital Corp,			Gannett Co Inc, 144A,		
Products Partners LP /			5.875%, due 6/1/2021	2,795	0.20	4.875%, due 9/15/2021	522	0.04
Calumet Finance Corp,			720			50		
7.625%, due 1/15/2022	734	0.05	DaVita HealthCare			General Electric Capital		
3,060			Partners Inc,			Corp,		
CCO Holdings LLC / CCO			5.125%, due 7/15/2024	747	0.05	6.750%, due 3/15/2032	69	–
Holdings Capital Corp,			757			606		
5.125%, due 2/15/2023	3,083	0.22	Delta Air Lines 2007-1			General Electric Capital		
1,020			Class B Pass Through			Corp,		
CCOH Safari LLC,			Trust, Series 071B, Class B,			4.625%, due 9/15/2066 *	707	0.05
5.500%, due 12/1/2022	1,054	0.08	8.021%, due 8/10/2022	880	0.06	750		
4,745			170			General Electric Capital		
Cemex Finance LLC,			DISH DBS Corp,			Corp,		
9.375%, due 10/12/2022	5,412	0.39	7.875%, due 9/1/2019	192	0.01	6.375%, due 11/15/2067 *	816	0.06
790			850			130		
Centene Corp,			DISH DBS Corp,			General Motors Financial		
4.750%, due 5/15/2022	816	0.06	6.750%, due 6/1/2021	906	0.07	Co Inc,		
980			2,275			2.750%, due 5/15/2016	132	0.01
Century Intermediate			DISH DBS Corp,			10		
Holding Co 2, 144A,			5.875%, due 7/15/2022	2,303	0.16	General Motors Financial		
9.750%, due 2/15/2019	1,042	0.07	2,810			Co Inc,		
880			DISH DBS Corp,			3.250%, due 5/15/2018	10	–
CenturyLink Inc, Series W,			5.875%, due 11/15/2024	2,796	0.20	3,630		
6.750%, due 12/1/2023	994	0.07	2,125			Goldman Sachs Capital II,		
970			DJO Finance LLC / DJO			4.000%, Perpetual *	2,845	0.20
Chesapeake Energy Corp,			Finance Corp,			2,400		
6.875%, due 11/15/2020	1,066	0.08	9.750%, due 10/15/2017	2,178	0.15	The Goldman Sachs Group		
920			1,180			Inc,		
Chesapeake Energy Corp,			DJO Finance LLC / DJO			4.750%, due 10/12/2021	3,224	0.23
5.375%, due 6/15/2021	931	0.07	Finance Corp,			450		
30			9.875%, due 4/15/2018	1,221	0.09	Greektown Holdings LLC/		
Chesapeake Energy Corp,			850			Greektown Mothership		
4.875%, due 4/15/2022	30	–	Dole Food Co Inc, 144A,			Corp, 144A,		
1,650			7.250%, due 5/1/2019	863	0.06	8.875%, due 3/15/2019	480	0.04
Chesapeake Energy Corp,			560			640		
5.750%, due 3/15/2023	1,722	0.12	Eagle Spinco Inc,			Group 1 Automotive Inc,		
49			4.625%, due 2/15/2021	567	0.04	144A,		
Choctaw Resort			200			5.000%, due 6/1/2022	640	0.05
Development Enterprise,			El Paso Natural Gas Co			1,200		
144A,			LLC,			GTP Acquisition Partners I		
7.250%, due 11/15/2019	49	–	8.375%, due 6/15/2032	257	0.02	LLC, 144A,		
710			6,826			7.628%, due 6/15/2016	1,251	0.09
Cimarex Energy Co,			Energy Future			1,600		
4.375%, due 6/1/2024	699	0.05	Intermediate Holding Co			Guitar Center Inc, 144A,		
501			LLC / EFH Finance Inc,			9.625%, due 4/15/2020	1,040	0.07
Cincinnati Bell Telephone			4.250%, due 6/19/2016	6,868	0.49	240		
Co LLC,			865			Gulfpport Energy Corp,		
6.300%, due 12/1/2028	476	0.03	Enterprise Products			144A,		
570			Operating LLC, Series A,			7.750%, due 11/1/2020	247	0.02
CIT Group Inc,			8.375%, due 8/1/2066 *	916	0.06	370		
5.375%, due 5/15/2020	613	0.04	875			Halcon Resources Corp,		
			Enterprise Products			9.750%, due 7/15/2020	285	0.02
			Operating LLC, Series B,			3,080		
			7.034%, due 1/15/2068 *	948	0.07	Halcon Resources Corp,		
						8.875%, due 5/15/2021	2,341	0.17

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Legg Mason Western Asset Global Multi Strategy Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
U.S. Corporate Bonds and Notes — (continued)								
			2,290			210		
690			MedImpact Holdings Inc, 144A, 10.500%, due 2/1/2018	2,410	0.17	Reynolds Group Issuer Inc / Reynolds Group Issuer LLC, 8.500%, due 5/15/2018	216	0.02
1,500	663	0.05	1,070			1,210		
HCA Inc, 7.500%, due 8/1/2021			MGM Resorts International, 6.625%, due 12/15/2021	1,161	0.08	Rice Energy Inc, 6.250%, due 5/1/2022	1,180	0.08
290	1,706	0.12	780			1,765		
HCA Inc, 7.500%, due 2/15/2022			Michael Baker International LLC / CDL Acquisition Co Inc, 144A, 8.250%, due 10/15/2018	760	0.05	Ryerson Inc / Joseph T Ryerson & Son Inc, 9.000%, due 10/15/2017	1,805	0.13
3,270	342	0.03	2,750			680		
HCA Inc, 5.000%, due 3/15/2024			Micron Technology Inc, 144A, 5.250%, due 8/1/2023	2,815	0.20	Sabine Pass Liquefaction LLC, 5.625%, due 2/1/2021	696	0.05
810	1,706	0.12	3,201			2,710		
Hearthside Group Holdings LLC/Hearthside Finance Co, 144A, 6.500%, due 5/1/2022			Mirant Mid Atlantic Pass Through Trust, Series C, 10.060%, due 12/30/2028	3,473	0.25	Samson Investment Co, 9.750%, due 2/15/2020	921	0.06
1,650	812	0.06	1,280			1,560		
Hercules Offshore Inc, 144A, 10.250%, due 4/1/2019 †			Murphy Oil USA Inc, 6.000%, due 8/15/2023	1,365	0.10	Sanchez Energy Corp, 7.750%, due 6/15/2021	1,556	0.11
1,110	586	0.04	1,780			1,670		
Hercules Offshore Inc, 144A, 7.500%, due 10/1/2021 †			Murray Energy Corp, 144A, 9.500%, due 12/5/2020	1,767	0.13	Sanchez Energy Corp, 144A, 6.125%, due 1/15/2023	1,532	0.11
800	322	0.02	670			35		
Hercules Offshore Inc, 144A, 6.750%, due 4/1/2022 †			Natural Resource Partners LP, 9.125%, due 10/1/2018	636	0.05	Service Corp International, 7.625%, due 10/1/2018	40	–
450	234	0.02	3,670			55		
Hiland Partners LP / Hiland Partners Finance Corp, 144A, 7.250%, due 10/1/2020			Navient Corp, 5.875%, due 10/25/2024	3,564	0.25	Service Corp International, 7.500%, due 4/1/2027	64	–
1,660	492	0.04	170			5,010		
Hilton Worldwide Finance LLC / Hilton Worldwide Finance Corp, 5.625%, due 10/15/2021			Navient LLC, 5.625%, due 8/1/2033	145	0.01	Shea Homes LP / Shea Homes Funding Corp, 8.625%, due 5/15/2019	5,273	0.37
700	1,762	0.13	1,130			1,220		
HJ Heinz Co, 4.250%, due 10/15/2020			Neiman Marcus Group Ltd LLC, 144A, 8.750%, due 10/15/2021	1,188	0.08	Southern Copper Corp, 5.250%, due 11/8/2042	1,102	0.08
2,180	710	0.05	970			355		
HJ Heinz Co, 144A, 4.875%, due 2/15/2025			NES Rentals Holdings Inc, 144A, 7.875%, due 5/1/2018	982	0.07	Southern Natural Gas Co LLC, 8.000%, due 3/1/2032	457	0.03
20	2,191	0.16	2,650			1,676		
Horizon Lines LLC, 11.000%, due 10/15/2016 †			Netflix Inc, 144A, 5.875%, due 2/15/2025	2,740	0.20	Spencer Spirit Holdings Inc, 144A, 9.000%, due 5/1/2018	1,707	0.12
1,240	20	–	780			7,650		
The Howard Hughes Corp, 144A, 6.875%, due 10/1/2021			NRG REMA LLC, Series C, 9.681%, due 7/2/2026	846	0.06	Sprint Capital Corp, 8.750%, due 3/15/2032	8,080	0.57
1,740	1,303	0.09	650			110		
IASIS Healthcare LLC / IASIS Capital Corp, 8.375%, due 5/15/2019			NWH Escrow Corp, 144A, 7.500%, due 8/1/2021	614	0.04	Sprint Communications Inc, 144A, 9.000%, due 11/15/2018	128	0.01
430	1,812	0.13	340			1,960		
Interactive Data Corp, 144A, 5.875%, due 4/15/2019			Outfront Media Capital LLC / Outfront Media Capital Corp, 5.250%, due 2/15/2022	356	0.02	Sprint Corp, 7.875%, due 9/15/2023	2,024	0.14
5,860	430	0.03	340			3,420		
JPMorgan Chase & Co, 3.375%, due 5/1/2023			Outfront Media Capital Corp, 5.625%, due 2/15/2024	362	0.03	Sprint Corp, 7.625%, due 2/15/2025	3,454	0.25
95	5,851	0.42	2,865			1,290		
JPMorgan Chase & Co, Series 1, 7.900%, Perpetual *			Pactiv LLC, 8.375%, due 4/15/2027	2,951	0.21	Suburban Propane Partners LP/Suburban Energy Finance Corp, 5.500%, due 6/1/2024	1,316	0.09
430	102	0.01	660			1,270		
Jurassic Holdings III Inc, 144A, 6.875%, due 2/15/2021			Parker Drilling Co, 6.750%, due 7/15/2022	541	0.04	Suburban Propane Partners LP/Suburban Energy Finance Corp, 5.750%, due 3/1/2025	1,302	0.09
40	372	0.03	2,340			1,700		
Kerr-McGee Corp, 7.875%, due 9/15/2031			Parsley Energy LLC / Parsley Finance Corp, 144A, 7.500%, due 2/15/2022	2,399	0.17	Targa Resources Partners LP / Targa Resources Partners Finance Corp, 4.250%, due 11/15/2023	1,683	0.12
1,370	56	–	1,900			2,050		
Key Energy Services Inc, 6.750%, due 3/1/2021			PSPC Escrow Corp, 144A, 6.500%, due 2/1/2022	2,002	0.14	Taylor Morrison Communities Inc / Monarch Communities Inc, 144A, 5.250%, due 4/15/2021	2,009	0.14
40	915	0.07	1,060			1,800		
Kinder Morgan Inc/DE, 7.000%, due 6/15/2017			QEP Resources Inc, 6.875%, due 3/1/2021	1,134	0.08	TerraForm Power Operating LLC, 144A, 5.875%, due 2/1/2023	1,872	0.14
10	44	–	2,140			780		
Kinder Morgan Inc/DE, 7.250%, due 6/1/2018			QEP Resources Inc, 5.250%, due 5/1/2023	2,095	0.15	Tesoro Logistics LP / Tesoro Logistics Finance Corp, 144A, 6.250%, due 10/15/2022	827	0.06
550	11	–	930			1,740		
Kinder Morgan Inc/DE, 8.050%, due 10/15/2030			Quicksilver Resources Inc, 11.000%, due 7/1/2021	98	0.01	Time Warner Cable Inc, 8.750%, due 2/14/2019	2,150	0.15
1,735	676	0.05	EUR 2,169			1,060		
Kinder Morgan Inc/DE, 7.800%, due 8/1/2031			Rain CII Carbon LLC / CII Carbon Corp, 8.500%, due 1/15/2021	2,476	0.18	Time Warner Cable Inc, 8.250%, due 4/1/2019	1,295	0.09
565	2,146	0.15	1,170			280		
Kinder Morgan Inc/DE, 7.750%, due 1/15/2032			Range Resources Corp, 6.750%, due 8/1/2020	1,231	0.09	Time Warner Cable Inc, 4.125%, due 2/15/2021	298	0.02
3,130	705	0.05	940			1,900		
Lantheus Medical Imaging Inc, 9.750%, due 5/15/2017			Range Resources Corp, 5.000%, due 3/15/2023	961	0.07	Time Warner Cable Inc, 4.000%, due 1/15/2022	2,023	0.14
541	3,060	0.22	970			1,120		
Lehman Escrow Receipt, zero coupon, Perpetual †			Regency Energy Partners LP / Regency Energy Finance Corp, 5.875%, due 3/1/2022	1,060	0.07	T-Mobile USA Inc, 6.633%, due 4/28/2021	1,191	0.08
1,450	141	0.01	580			760		
Linn Energy LLC / Linn Energy Finance Corp, 6.500%, due 5/15/2019			Regency Energy Partners LP / Regency Energy Finance Corp, 5.000%, due 10/1/2022	615	0.04	T-Mobile USA Inc, 6.125%, due 1/15/2022	800	0.06
2,080	1,269	0.09	90			1,250		
Magnesita Refractories Co, 7.875%, due 3/30/2020			Regency Energy Partners LP / Regency Energy Finance Corp, 4.500%, due 11/1/2023	92	0.01	T-Mobile USA Inc, 6.000%, due 3/1/2023	1,304	0.09
1,340	2,002	0.14	1,410			520		
Magnum Hunter Resources Corp, 9.750%, due 5/15/2020			Resolute Forest Products Inc, 5.875%, due 5/15/2023	1,360	0.10	TMX Finance LLC / TitleMax Finance Corp, 144A, 8.500%, due 9/15/2018	419	0.03
4,610	1,193	0.08						
MarkWest Energy Partners LP / MarkWest Energy Finance Corp, 4.875%, due 12/1/2024								

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Multi Strategy Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
U.S. Corporate Bonds and Notes — (continued)			7,895	Vale SA, 5.625%, due 9/11/2042	7,052 0.50	1,980	Relex SA, 144A, 5.250%, due 6/15/2020	2,044 0.15
350	Triumph Group Inc, 5.250%, due 6/1/2022	345 0.02			15,906 1.13			18,761 1.33
680	United Airlines 2014-2 Class B Pass Through Trust, Series B, 4.625%, due 9/3/2022	683 0.05	British Virgin Islands — 0.52%			Greece — 0.21%		
1,110	United Rentals North America Inc, 7.375%, due 5/15/2020	1,204 0.09	2,900	Gerdau Trade Inc, 4.750%, due 4/15/2023	2,828 0.20	2,860	FAGE Dairy Industry SA / FAGE USA Dairy Industry Inc, 9.875%, due 2/1/2020	3,003 0.21
850	United Rentals North America Inc, 6.125%, due 6/15/2023	912 0.07	3,504	GTL Trade Finance Inc, 5.893%, due 4/29/2024	3,531 0.25	Indonesia — 0.74%		
2,660	Universal Hospital Services Inc, 7.625%, due 8/15/2020	2,268 0.16	1,040	Pacific Drilling V Ltd, 144A, 7.250%, due 12/1/2017	928 0.07	3,680	Pertamina Persero PT, 5.250%, due 5/23/2021	3,933 0.28
930	Verizon Communications Inc, 6.900%, due 4/15/2038	1,238 0.09			7,287 0.52	6,250	Pertamina Persero PT, 4.875%, due 5/3/2022	6,531 0.46
3,071	Verizon Communications Inc, 6.550%, due 9/15/2043	4,036 0.29	Canada — 0.83%					10,464 0.74
3,070	Verizon Communications Inc, 144A, 5.012%, due 8/21/2054	3,214 0.23	2,280	1011778 BC ULC / New Red Finance Inc, 144A, 6.000%, due 4/1/2022	2,371 0.17	Ireland — 0.47%		
25	Verizon New York Inc, Series B, 7.375%, due 4/1/2032	32 –	920	Atlantic Power Corp, 9.000%, due 11/15/2018	957 0.07	1,250	Ardagh Packaging Finance Plc, 144A, 9.125%, due 10/15/2020	1,341 0.10
1,990	Wells Fargo & Co, Series U, 5.875%, Perpetual *	2,095 0.15	1,355	Kodiak Oil & Gas Corp, 8.125%, due 12/1/2019	1,413 0.10	930	Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 144A, 9.125%, due 10/15/2020	993 0.07
3,670	West Corp, 144A, 5.375%, due 7/15/2022	3,569 0.25	1,380	Kodiak Oil & Gas Corp, 5.500%, due 2/1/2022	1,394 0.10	500	Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 144A, 3.241%, due 12/15/2019 *	491 0.04
640	William Lyon Homes Inc, 7.000%, due 8/15/2022	648 0.05	210	Novelis Inc, 8.750%, due 12/15/2020	228 0.01	476	Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 144A, 7.000%, due 11/15/2020	473 0.03
452	The Williams Cos Inc, Series A, 7.500%, due 1/15/2031	504 0.04	3,980	Pacific Rubiales Energy Corp, 5.375%, due 1/26/2019	2,935 0.21	2,470	EDC Finance Ltd, 4.875%, due 4/17/2020	1,951 0.14
2,650	Williams Partners LP / ACMP Finance Corp, 5.875%, due 4/15/2021	2,774 0.20	30	Rogers Communications Inc, 6.750%, due 3/15/2015	30 –	250	Smurfit Kappa Treasury Funding Ltd, 7.500%, due 11/20/2025	300 0.02
850	Williams Partners LP / ACMP Finance Corp, 4.875%, due 3/15/2024	876 0.06	2,487	Ultra Petroleum Corp, 144A, 5.750%, due 12/15/2018	2,412 0.17	1,010	Vimpel Communications Via VIP Finance Ireland Ltd OJSC, 9.125%, due 4/30/2018	1,015 0.07
3,000	Windstream Corp, 7.500%, due 4/1/2023	2,947 0.21			11,740 0.83			6,564 0.47
710	XPO Logistics Inc, 144A, 7.875%, due 9/1/2019	755 0.05	Cayman Islands — 1.66%			Isle of Man — 0.13%		
Total U.S. Corporate Bonds and Notes (Cost \$314,649)	313,789	22.26	211	Braskem Finance Ltd, 7.000%, due 5/7/2020	220 0.01	1,696	AngloGold Ashanti Holdings Plc, 8.500%, due 7/30/2020	1,870 0.13
U.S. Denominated Bonds and Notes — 18.41%			4,508	Braskem Finance Ltd, 5.750%, due 4/15/2021	4,521 0.32	Japan — 0.15%		
Argentina — 0.24%			1,710	Braskem Finance Ltd, 5.375%, due 5/2/2022	1,654 0.12	2,030	Softbank Corp, 144A, 4.500%, due 4/15/2020	2,064 0.15
3,237	Pan American Energy LLC, 7.875%, due 5/7/2021	3,350 0.24	5,300	Odebrecht Finance Ltd, 4.375%, due 4/25/2025	4,280 0.30	Luxembourg — 2.42%		
Australia — 0.30%			4,626	Odebrecht Finance Ltd, 5.250%, due 6/27/2029	3,643 0.26	1,890	Altice Financing SA, 144A, 6.625%, due 2/15/2023	1,968 0.14
640	Ausdrill Finance Pty Ltd, 144A, 6.875%, due 11/1/2019	477 0.03	2,214	Odebrecht Offshore Drilling Finance Ltd, 144A, 6.625%, due 10/1/2022	1,704 0.12	1,722	Ardagh Finance Holdings SA, 144A, 8.625%, due 6/15/2019	1,791 0.13
540	Barmenco Finance Pty Ltd, 144A, 9.000%, due 6/1/2018	525 0.04	7,454	Vale Overseas Ltd, 6.875%, due 11/21/2036	7,421 0.53	1,480	Coveris Holdings SA, 144A, 7.875%, due 11/1/2019	1,502 0.10
280	FMG Resources August 2006 Pty Ltd, 144A, 6.000%, due 4/1/2017	282 0.02			23,443 1.66	4,524	CSN Resources SA, 6.500%, due 7/21/2020	4,224 0.30
2,860	FMG Resources August 2006 Pty Ltd, 144A, 6.875%, due 4/1/2022	2,392 0.17	Chile — 0.33%			710	DH Services Luxembourg SarL, 144A, 7.750%, due 12/15/2020	744 0.05
640	St Barbara Ltd, 144A, 8.875%, due 4/15/2018	557 0.04	2,440	AES Gener SA, 5.250%, due 8/15/2021	2,623 0.19	100	Evrax Group SA, 144A, 9.500%, due 4/24/2018	97 0.01
		4,233 0.30	1,970	ENTEL Chile SA, 4.875%, due 10/30/2024	2,058 0.14	4,700	Evrax Group SA, 6.500%, due 4/22/2020	3,841 0.27
Bermuda — 0.32%					4,681 0.33	2,660	Evrax Group SA, 9.500%, due 4/24/2018	2,567 0.18
4,500	Digicel Group Ltd, 8.250%, due 9/30/2020	4,552 0.32	Colombia — 0.91%			4,390	Evrax Group SA, 6.750%, due 4/27/2018	3,919 0.28
Brazil — 1.13%			1,660	Ecopetrol SA, 5.875%, due 9/18/2023	1,790 0.13	725	Globe Luxembourg SCA, 144A, 9.625%, due 5/1/2018	613 0.04
3,293	BRF SA, 4.750%, due 5/22/2024	3,248 0.23	5,650	Ecopetrol SA, 4.125%, due 11/6/2025	5,377 0.38	2,810	Intelsat Jackson Holdings SA, 7.250%, due 10/15/2020	2,922 0.21
4,000	Samarco Mineracao SA, 144A, 4.125%, due 11/1/2022	3,725 0.26	1,380	Empresa de Energia de Bogota SA, 6.125%, due 11/10/2021	1,485 0.11	230	Intelsat Jackson Holdings SA, 7.500%, due 4/1/2021	241 0.02
860	Samarco Mineracao SA, 4.125%, due 11/1/2022	801 0.06	3,830	Transportadora de Gas Internacional SA ESP, 5.700%, due 3/20/2022	4,107 0.29	2,260	Klabn Finance SA, 144A, 5.250%, due 7/16/2024	2,215 0.16
1,197	Telemar Norte Leste SA, 5.500%, due 10/23/2020	1,080 0.08			12,759 0.91	1,250	Pacific Drilling SA, 144A, 5.375%, due 6/1/2020	995 0.07
			France — 1.33%					
			134	Cie Generale de Geophysique – Veritas, 7.750%, due 5/15/2017	126 0.01			
			2,000	Cie Generale de Geophysique – Veritas, 6.500%, due 6/1/2021	1,635 0.11			
			3,750	Electricite de France, 5.625%, Perpetual *	4,059 0.29			
			10,280	Electricite de France SA, 5.250%, Perpetual *	10,897 0.77			

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Multi Strategy Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
U.S. Denominated Bonds and Notes — (continued)			Peru — 0.38%			Repurchase Agreements — 0.44%		
Luxembourg — (continued)			5,450 Transport De Gas Peru, 4.250%, due 4/30/2028			6,200 Barclays Capital Inc, Repurchase Agreement to be repurchased at \$6,200,002 (collateralised by US Treasury Note, 2.125% due 6/30/2021, market value \$6,307,379), 0.010%, due 3/2/2015		
3,250 Puma International Financing SA, 144A, 6.750%, due 2/1/2021	3,222	0.23	Turkey — 0.64%			Total Repurchase Agreements (Cost \$6,200)		
1,150 TMK OAO Via TMK Capital SA, 6.750%, due 4/3/2020	822	0.06	2,180 Turk Telekomunikasyon AS, 144A, 3.750%, due 6/19/2019			6,200		
2,370 Vimpel Communications OJSC Via UBS Luxembourg SA, 8.250%, due 5/23/2016	2,413	0.17	6,750 Turk Telekomunikasyon AS, 144A, 4.875%, due 6/19/2024			0.44		
	34,096	2.42	9,006			0.64		
Marshall Islands — 0.05%			United Kingdom — 0.26%			Time Deposits — 7.38%		
760 Navios Maritime Acquisition Corp / Navios Acquisition Finance US Inc, 144A, 8.125%, due 11/15/2021			3,990 KCA Deutag UK Finance Plc, 144A, 7.250%, due 5/15/2021			26,001 Barclays Capital London, 0.110%, due 3/2/2015		
	760	0.05	240 Vedanta Resources Plc, 9.500%, due 7/18/2018			26,003 Commerzbank London, 0.080%, due 3/2/2015		
Mexico — 2.12%			450 Virgin Media Finance Plc, 144A, 6.375%, due 4/15/2023			26,000 Rabobank, 0.080%, due 3/2/2015		
1,626 Alpek SA de CV, 144A, 4.500%, due 11/20/2022	1,687	0.12	486			26,004 Royal Bank of Scotland, 0.080%, due 3/2/2015		
2,465 Axtel SAB de CV, 9.000%, due 1/31/2020	2,163	0.15	3,719			7.38		
4,600 Cemex SAB de CV, 5.700%, due 1/11/2025	4,510	0.32	Total U.S. Denominated Bonds and Notes (Cost \$273,299)			Total Time Deposits (Cost \$104,008)		
2,650 Empresas ICA SAB de CV, 144A, 8.875%, due 5/29/2024	1,808	0.13	259,615			104,008		
780 Empresas ICA SAB de CV, 8.875%, due 5/29/2024	532	0.04	18.41			7.38		
245 Mexichem SAB de CV, 4.875%, due 9/19/2022	263	0.02	U.S. Denominated Debt Obligations — 6.16%			Shares/ Units (000's)		
7,175 Petroleos Mexicanos, 6.625%, due 6/15/2035	8,256	0.58	Colombia — 1.19%			Common Stock — 0.05%		
2,105 Petroleos Mexicanos, 6.500%, due 6/2/2041	2,373	0.17	14,710 Colombia Government International Bond, 5.625%, due 2/26/2044			52 Deep Ocean Group Holdings t∞		
6,180 Petroleos Mexicanos, 5.500%, due 6/27/2044	6,273	0.45	16,843			676		
1,820 Petroleos Mexicanos, 6.375%, due 1/23/2045	2,036	0.14	Croatia — 0.37%			1 Horizon Lines Inc, Class A t		
	29,901	2.12	4,800 Croatia Government International Bond, 5.500%, due 4/4/2023			1		
Morocco — 0.32%			Hungary — 1.28%			Total Common Stock (Cost \$855)		
4,100 OCP SA, 5.625%, due 4/25/2024			15,532 Hungary Government International Bond, 5.750%, due 11/22/2023			677		
	4,436	0.32	17,978			0.05		
Netherlands — 2.95%			Indonesia — 1.14%			Collective Investment Schemes — 9.44%		
3,120 Bharti Airtel International Netherlands BV, 144A, 5.350%, due 5/20/2024			990 Indonesia Government International Bond, 3.750%, due 4/25/2022			1,001 Legg Mason China Funds – Western Asset China Bond Fund, Class M		
2,680 CIMPOR Financial Operations BV, 144A, 5.750%, due 7/17/2024			355 Indonesia Government International Bond, 6.625%, due 2/17/2037			11,891		
660 JLL/Delta Dutch Newco BV, 144A, 7.500%, due 2/1/2022			13,690 Indonesia Government International Bond, 5.250%, due 1/17/2042			199 Legg Mason Global Funds Plc – Western Asset Emerging Markets Corporate Bond Fund – LM Class US\$ Distributing (M)		
1,350 Lukoil International Finance BV, 144A, 4.563%, due 4/24/2023			16,078			19,145		
8,400 Lukoil International Finance BV, 6.656%, due 6/7/2022			Russia — 0.57%			158 Legg Mason Global Funds Plc – Western Asset Euro High Yield Fund LM Class Euro (Accumulating)		
14,644 Petrobras Global Finance BV, 6.250%, due 3/17/2024			9,000 Russian Foreign Bond – Eurobond, 4.875%, due 9/16/2023			25,362		
3,845 Petrobras International Finance Co, 6.875%, due 1/20/2040			8,064			1.80		
6,190 Petrobras International Finance Co, 6.750%, due 1/27/2041			Turkey — 1.61%			604 Legg Mason Global Funds Plc – Western Asset US High Yield Fund – LM Class US\$ Distributing (M)		
807 Schaeffler Holding Finance BV, 144A, 6.875%, due 8/15/2018			4,840 Turkey Government International Bond, 7.500%, due 7/14/2017			56,306		
720 Schaeffler Holding Finance BV, 144A, 6.750%, due 11/15/2022			610 Turkey Government International Bond, 7.000%, due 3/11/2019			3.99		
1,076 VimpelCom Holdings BV, 7.504%, due 3/1/2022			6,139 Turkey Government International Bond, 6.250%, due 9/26/2022			210 Legg Mason Qualified Investor Funds II Plc – Legg Mason Western Asset Senior Loans Fund – LM Class US\$ Distributing (monthly)		
1,440 Ziggo Bond Finance BV, 144A, 5.875%, due 1/15/2025			8,620 Turkey Government International Bond, 5.750%, due 3/22/2024			20,367		
	41,604	2.95	9,611			Total Collective Investment Schemes (Cost \$135,731)		
			22,687			133,071		
			Total U.S. Denominated Debt Obligations (Cost \$81,577)			Warrant — 0.00%		
			86,806			493 Horizon Lines Inc, Series CW16, Class A t∞		
			U.S. Treasury Obligations — 4.80%			13		
			360 United States Treasury Bond, 2.250%, due 11/15/2024			–		
			60,949 United States Treasury Bond, 3.125%, due 2/15/2043			Total Warrant (Cost \$38)		
			67,301			13		
			Total U.S. Treasury Obligations (Cost \$57,421)			Total Investments (Cost \$1,368,465)		
			67,669			1,338,362		
			4.80			94.94		
						Other Assets in Excess of Liabilities		
						71,377		
						5.06		
						Total Net Assets		
						\$1,409,739		
						100.00		

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Multi Strategy Fund

Portfolio of Investments as at February 28, 2015 – (continued)

ε Security is in default as at February 28, 2015.

β The rate of interest on this type of security is tied to the Consumer Price Index (CPI)/Retail Price Index (RPI). The coupon rate is the rate as of February 28, 2015.

ABBREVIATIONS:

Perpetual – A bond with no maturity date. Perpetual bonds are not redeemable but pay a steady stream of interest.

EUR – Euro

GBP – British Pound

ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR FUTURES, FORWARDS AND SWAPS WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS DEALT IN ON A REGULATED MARKET, TIME DEPOSITS WHICH ARE DEPOSITS WITH CREDIT INSTITUTIONS AND COLLECTIVE INVESTMENT SCHEMES.

	% of Total Assets
Analysis of Total Assets	
Transferable securities admitted to an official exchange listing or traded on a regulated market	76.62
Money market instruments	0.43
Financial derivative instruments	0.98
Deposits with credit institutions	7.28
Collective investment schemes	9.31
Other assets	5.38
Total Assets	100.00

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Euro-Bobl March 2015	(398)	\$ (58,425)	\$ (836)
Euro-Bund March 2015	103	18,380	705
U.S. 10 Year Note (CBT) March 2015	46	5,907	(24)
U.S. 5 Year Note (CBT) June 2015	2,778	331,363	1,059
U.S. Ultra Bond (CBT) June 2015	(243)	(40,892)	(187)
Total Market Value of Future Contracts	2,286	\$256,333	\$ 717
Unrealised Appreciation of Futures Contracts			1,764
Unrealised Depreciation of Futures Contracts			(1,047)
Net Appreciation of Future Contracts			\$ 717

Schedule of Credit Default Swaps

Counterparty	Reference Entity	Buy/Sell Protection	Expiration Date	Notional Amount (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Merrill Lynch	Markit iTraxx Europe, 1.000%, due 12/20/19	Buy	12/20/19	59,190	\$ (1,583)
					\$ (1,583)
Unrealised Appreciation of Credit Default Swaps					–
Unrealised Depreciation of Credit Default Swaps					(1,583)
Net Depreciation of Credit Default Swaps					\$ (1,583)

Schedule of Forward Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/31/15	Bank of America Sec London	Buy USD 2,012	Sell EUR 1,781	\$ 19
03/31/15	Bank of America Sec London	Buy USD 57,329	Sell GBP 37,390	(382)
03/31/15	Bank of America Sec London	Buy GBP 65,030	Sell USD 99,707	667
03/31/15	Bank of America Sec London	Buy USD 1,183	Sell USD 1,337	(13)
03/31/15	Bank of New York Mellon London	Buy USD 6,137	Sell GBP 4,000	(37)
03/31/15	Bank of New York Mellon London	Buy EUR 4,647	Sell USD 5,257	(55)
03/31/15	Barclays Capital London	Buy USD 167	Sell EUR 147	2
03/31/15	Barclays Capital London	Buy USD 140	Sell GBP 91	–
03/31/15	Barclays Capital London	Buy SGD 462	Sell USD 339	–
03/31/15	Barclays Capital London	Buy GBP 5	Sell USD 8	–
03/31/15	BNP Paribas	Buy USD 2	Sell JPY 222	–
03/31/15	BNP Paribas	Buy GBP 39,663	Sell USD 60,826	394
03/31/15	Citicorp Securities London Ltd	Buy USD 167	Sell EUR 150	2
03/31/15	Citicorp Securities London Ltd	Buy USD 102	Sell GBP 67	–
03/31/15	Citicorp Securities London Ltd	Buy USD 17,654	Sell GBP 11,504	(103)
03/31/15	Citicorp Securities London Ltd	Buy AUD 49,998	Sell USD 38,876	115

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Multi Strategy Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Schedule of Forward Contracts — (continued)

Expiration Date	Counterparty		Buy Currency (000's)			Sell Currency (000's)		Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/31/15	Citicorp Securities London Ltd	Buy	GBP	138,131	Sell	USD	211,969	\$ 1,235
03/31/15	Citicorp Securities London Ltd	Buy	SGD	631	Sell	USD	463	–
03/31/15	Citicorp Securities London Ltd	Buy	EUR	32,351	Sell	USD	36,575	(357)
03/31/15	Citicorp Securities London Ltd	Buy	JPY	45,067	Sell	USD	379	(2)
03/31/15	Credit Suisse First Boston London	Buy	USD	1,397	Sell	GBP	910	(8)
03/31/15	Credit Suisse First Boston London	Buy	EUR	4,556	Sell	USD	5,154	(53)
03/31/15	Deutsche Bank London	Buy	EUR	11,578	Sell	USD	13,102	(141)
03/31/15	Deutsche Bank London	Buy	GBP	56,738	Sell	USD	87,108	468
03/31/15	Goldman Sachs London	Buy	GBP	149,764	Sell	USD	229,938	1,220
03/31/15	Goldman Sachs London	Buy	EUR	2,914	Sell	USD	3,297	(35)
03/31/15	HSBC Midland	Buy	USD	686	Sell	EUR	607	7
03/31/15	HSBC Midland	Buy	USD	2,105	Sell	GBP	1,371	(11)
03/31/15	HSBC Midland	Buy	USD	5	Sell	SGD	6	–
03/31/15	HSBC Midland	Buy	EUR	102	Sell	USD	115	(1)
03/31/15	HSBC Midland	Buy	JPY	2,989	Sell	USD	25	–
03/31/15	JP Morgan Chase Bank London	Buy	GBP	51,834	Sell	USD	79,719	285
03/31/15	JP Morgan Chase Bank London	Buy	EUR	7,542	Sell	USD	8,533	(91)
03/31/15	Morgan Stanley London	Buy	EUR	1,861	Sell	USD	2,106	(22)
03/31/15	Morgan Stanley London	Buy	GBP	24,767	Sell	USD	38,095	132
03/31/15	Royal Bank of Canada London	Buy	USD	758	Sell	EUR	670	8
03/31/15	Royal Bank of Canada London	Buy	USD	21,640	Sell	GBP	14,065	(70)
03/31/15	Royal Bank of Canada London	Buy	USD	45	Sell	SGD	62	–
03/31/15	Royal Bank of Canada London	Buy	EUR	22,249	Sell	USD	25,184	(273)
03/31/15	Royal Bank of Canada London	Buy	AUD	27,071	Sell	USD	21,075	36
03/31/15	Royal Bank of Scotland	Buy	EUR	9,040	Sell	USD	10,234	(114)
03/31/15	Royal Bank of Scotland	Buy	SGD	150	Sell	USD	110	–
03/31/15	Royal Bank of Scotland	Buy	GBP	8,570	Sell	USD	13,189	37
03/31/15	UBS	Buy	USD	145	Sell	EUR	126	2
03/31/15	UBS	Buy	USD	88	Sell	GBP	57	–
03/31/15	UBS	Buy	USD	6,299	Sell	GBP	4,088	(13)
03/31/15	UBS	Buy	USD	33	Sell	SGD	44	–
03/31/15	UBS	Buy	SGD	1,168	Sell	USD	857	(1)
03/31/15	UBS	Buy	EUR	16,689	Sell	USD	18,901	(217)
03/31/15	UBS	Buy	AUD	26,688	Sell	USD	20,777	35
03/31/15	UBS	Buy	GBP	67,382	Sell	USD	103,807	197
04/27/15	Barclays Capital London	Buy	USD	20,046	Sell	BRL	54,057	1,329
04/27/15	Citicorp Securities London Ltd	Buy	INR	1,757,140	Sell	USD	28,010	249
04/27/15	HSBC Midland	Buy	CNH	187,954	Sell	USD	30,374	(671)
04/27/15	HSBC Midland	Buy	IDR	169,837,070	Sell	USD	13,224	(377)
04/27/15	JP Morgan Chase Bank London	Buy	INR	1,039,410	Sell	USD	16,671	46
05/13/15	Barclays Capital London	Buy	USD	5,133	Sell	EUR	4,475	121
05/13/15	Citicorp Securities London Ltd	Buy	USD	1,385	Sell	AUD	1,782	(2)
05/13/15	Citicorp Securities London Ltd	Buy	USD	1,773	Sell	EUR	1,554	32
05/13/15	Citicorp Securities London Ltd	Buy	TRY	10,712	Sell	USD	4,304	(115)
05/13/15	Citicorp Securities London Ltd	Buy	EUR	26,761	Sell	USD	30,581	(606)
05/13/15	Credit Suisse First Boston London	Buy	USD	17,330	Sell	EUR	15,108	407
05/13/15	Credit Suisse First Boston London	Buy	USD	14,924	Sell	GBP	9,800	(198)
05/13/15	Deutsche Bank London	Buy	USD	11,259	Sell	EUR	9,812	269
05/13/15	Deutsche Bank London	Buy	USD	7,526	Sell	GBP	4,914	(58)
05/13/15	Deutsche Bank London	Buy	USD	9,940	Sell	JPY	1,164,264	198
05/13/15	Goldman Sachs London	Buy	USD	16,761	Sell	GBP	10,959	(149)
05/13/15	HSBC Midland	Buy	USD	1,476	Sell	AUD	1,934	(29)
05/13/15	HSBC Midland	Buy	USD	195,591	Sell	EUR	172,208	2,705
05/13/15	HSBC Midland	Buy	USD	15,913	Sell	JPY	1,867,370	287
05/13/15	HSBC Midland	Buy	SGD	2,096	Sell	USD	1,549	(14)
05/13/15	JP Morgan Chase Bank London	Buy	USD	18,406	Sell	EUR	16,076	402
05/13/15	JP Morgan Chase Bank London	Buy	USD	37,122	Sell	GBP	24,200	(220)
05/13/15	Morgan Stanley London	Buy	USD	8,649	Sell	EUR	7,550	192
05/13/15	Royal Bank of Canada London	Buy	USD	26,306	Sell	GBP	17,290	(374)
05/13/15	Royal Bank of Canada London	Buy	USD	2,664	Sell	TRY	6,550	103
05/13/15	Royal Bank of Canada London	Buy	GBP	13,160	Sell	USD	19,845	462
05/13/15	Societe Generale London	Buy	USD	1,620	Sell	EUR	1,413	37
05/13/15	UBS	Buy	USD	25,724	Sell	EUR	22,507	515
05/13/15	UBS	Buy	USD	7,952	Sell	GBP	5,218	(100)
05/13/15	UBS	Buy	GBP	38	Sell	USD	58	1
05/27/15	Barclays Capital London	Buy	USD	2	Sell	SGD	3	–
05/27/15	Citicorp Securities London Ltd	Buy	USD	22	Sell	JPY	2,647	–
Unrealised Appreciation of Forward Foreign Currency Contracts								12,216
Unrealised Depreciation of Forward Foreign Currency Contracts								(4,912)
Net Appreciation of Forward Foreign Currency Contracts								\$ 7,304

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US High Yield Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
U.S. Corporate Bonds and Notes — (continued)			Forest Products & Paper — 0.68%			Household Products/Wares — 0.73%		
Energy-Alternate Sources — 0.24%			3,510 Appvion Inc, 144A, 9.000%, due 6/1/2020			530 American Achievement Corp, 144A, 10.875%, due 4/15/2016		
1,340 TerraForm Power Operating LLC, 144A, 5.875%, due 2/1/2023			1,600 Verso Paper Holdings LLC / Verso Paper Inc, 11.750%, due 1/15/2019			2,630 Century Intermediate Holding Co 2, 144A, 9.750%, due 2/15/2019		
1,394 0.24			3,977 0.68			870 Spectrum Brands Inc, 144A, 6.125%, due 12/15/2024		
Engineering & Construction — 1.21%			Healthcare-Products — 1.09%			4,259 0.73		
1,700 AECOM, 144A, 5.875%, due 10/15/2024			2,000 DJO Finance LLC / DJO Finance Corp, 7.750%, due 4/15/2018			Insurance — 0.60%		
2,470 Michael Baker Holdings LLC / Micahel Baker Finance Corp, 144A, 8.875%, due 4/15/2019			2,710 DJO Finance LLC / DJO Finance Corp, 9.875%, due 4/15/2018			1,560 Fidelity & Guaranty Life Holdings Inc, 144A, 6.375%, due 4/1/2021		
2,297 0.40			1,780 Universal Hospital Services Inc, 7.625%, due 8/15/2020			730 Genworth Holdings Inc, 7.700%, due 6/15/2020		
3,000 Michael Baker International LLC / CDL Acquisition Co Inc, 144A, 8.250%, due 10/15/2018			6,352 1.09			860 Liberty Mutual Group Inc, 144A, 7.800%, due 3/15/2037		
2,925 0.50			Healthcare-Services — 4.21%			1,032 0.18		
7,028 1.21			798 Acadia Healthcare Co Inc, 12.875%, due 11/1/2018			3,448 0.60		
Entertainment — 1.47%			1,520 Acadia Healthcare Co Inc, 144A, 5.625%, due 2/15/2023			Internet — 1.43%		
497 Choctaw Resort Development Enterprise, 144A, 7.250%, due 11/15/2019			2,530 Fresenius Medical Care US Finance II Inc, 144A, 4.750%, due 10/15/2024			2,050 Ancestry.com Inc, 144A, 9.625%, due 10/15/2018		
492 0.08			1,760 Fresenius Medical Care US Finance Inc, 144A, 5.750%, due 2/15/2021			810 Ancestry.com Inc, 11.000%, due 12/15/2020		
440 Fontainebleau Las Vegas Holdings LLC, 144A, 10.250%, due 6/15/2015			630 HCA Inc, 7.500%, due 2/15/2022			3,130 Cogent Communications Group Inc, 144A, 5.375%, due 3/1/2022		
2 0.00			3,200 HCA Inc, 5.375%, due 2/1/2025			800 Equinix Inc, 5.375%, due 1/1/2022		
1,810 Gibson Brands Inc, 144A, 8.875%, due 8/1/2018			23 HCA Inc, 7.690%, due 6/15/2025			1,350 Equinix Inc, 5.750%, due 1/1/2025		
1,778 0.31			41 HCA Inc, 7.500%, due 11/15/2095			8289 1.43		
1,010 Greektown Holdings LLC / Greektown Mothership Corp, 144A, 8.875%, due 3/15/2019			3,270 IASIS Healthcare LLC / IASIS Capital Corp, 8.375%, due 5/15/2019			Iron/Steel — 0.42%		
1,078 0.18			660 Kindred Healthcare Inc, 144A, 8.750%, due 1/15/2023			2,360 Ryerson Inc / Joseph T Ryerson & Son Inc, 9.000%, due 10/15/2017		
2,300 New Cotai LLC / New Cotai Capital Corp, 144A, 10.625%, due 5/1/2019			5,180 Lantheus Medical Imaging Inc, 9.750%, due 5/15/2017			2,413 0.42		
2,300 0.40			3,750 MedImpact Holdings Inc, 144A, 10.500%, due 2/1/2018			Leisure Time — 0.18%		
1,400 Speedway Motorsports Inc, 144A, 5.125%, due 2/1/2023			24,443 4.21			1,220 24 Hour Holdings III LLC, 144A, 8.000%, due 6/1/2022		
1,439 0.25			Holding Companies-Diversified — 0.55%			1,046 0.18		
1,520 WMG Acquisition Corp, 144A, 6.750%, due 4/15/2022			3,100 Argos Merger Sub Inc, 144A, 7.125%, due 3/15/2023			Lodging — 1.99%		
1,444 0.25			3,209 0.55			753 Bossier Casino Venture Inc, 144A, 11.000%, due 2/9/2017		
8,533 1.47			Home Builders — 2.60%			3,150 Caesars Entertainment Resort Properties LLC / Caesars Entertainment Resort Prope, 144A, 11.000%, due 10/1/2021		
Financials-Banks — 1.44%			2,676 Ashton Woods USA LLC / Ashton Woods Finance Co, 144A, 6.875%, due 2/15/2021			3,020 Caesars Entertainment Resort Properties LLC / Caesars Entertainment Resort Properties Finance, Inc, 144A, 8.000%, due 10/1/2020		
300 Bank of America Corp, Series Z, 6.500%, Perpetual *			230 Standard Pacific Corp, 6.250%, due 12/15/2021			1,270 Downstream Development Authority of the Quapaw Tribe of Oklahoma, 144A, 10.500%, due 7/1/2019		
318 0.05			1,330 Standard Pacific Corp, 5.875%, due 11/15/2024			2,480 Hilton Worldwide Finance LLC / Hilton Worldwide Finance Corp, 5.625%, due 10/15/2021		
880 Bank of America Corp, Series U, 5.200%, Perpetual *			1,288 Taylor Morrison Communities Inc / Monarch Communities Inc, 144A, 7.750%, due 4/15/2020			1,090 MGM Resorts International, 6.625%, due 12/15/2021		
849 0.14			670 Taylor Morrison Communities Inc / Monarch Communities Inc, 144A, 5.250%, due 4/15/2021			11,517 1.99		
2,060 CIT Group Inc, 5.000%, due 8/15/2022			431 Toll Brothers Finance Corp, 4.000%, due 12/31/2018			Machinery-Diversified — 0.20%		
2,190 0.38			420 Toll Brothers Finance Corp, 6.750%, due 11/1/2019			1,100 SPL Logistics Escrow LLC / SPL Logistics Finance Corp, 144A, 8.875%, due 8/1/2020		
2,690 CIT Group Inc, 5.000%, due 8/1/2023			1,700 William Lyon Homes Inc, 5.750%, due 4/15/2019			1,158 0.20		
2,838 0.49			1,030 William Lyon Homes Inc, 8.500%, due 11/15/2020			Media — 1.84%		
2,150 Citigroup Inc, Series M, 6.300%, Perpetual *			1,660 William Lyon Homes Inc, 7.000%, due 8/15/2022			510 CCOH Safari LLC, 5.500%, due 12/1/2022		
2,190 0.38			3,790 Woodside Homes Co LLC / Woodside Homes Finance Inc, 144A, 6.750%, due 12/15/2021			1,130 Clear Channel Worldwide Holdings Inc, Series A, 7.625%, due 3/15/2020		
8,385 1.44			15,108 2.60			490 Clear Channel Worldwide Holdings Inc, 6.500%, due 11/15/2022		
Financials-Diversified — 2.01%						513 0.09		
800 Ally Financial Inc, 8.000%, due 11/1/2031								
1,032 0.18								
2,000 ILFC E-Capital Trust I, 144A, 4.370%, due 12/21/2065 *								
1,890 0.33								
730 International Lease Finance Corp, 8.875%, due 9/1/2017								
835 0.14								
2,310 International Lease Finance Corp, 8.250%, due 12/15/2020								
2,870 0.49								
300 International Lease Finance Corp, 8.625%, due 1/15/2022								
389 0.07								
1,510 Navient Corp, 8.000%, due 3/25/2020								
1,757 0.30								
1,870 Navient Corp, 5.875%, due 10/25/2024								
1,816 0.31								
1,370 TMX Finance LLC / TitleMax Finance Corp, 144A, 8.500%, due 9/15/2018								
1,103 0.19								
11,692 2.01								
Food — 0.78%								
1,973 Dole Food Co Inc, 144A, 7.250%, due 5/1/2019								
2,002 0.35								
2,510 Simmons Foods Inc, 144A, 7.875%, due 10/1/2021								
2,510 0.43								
4,512 0.78								

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US High Yield Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
U.S. Corporate Bonds and Notes — (continued)			Transportation — 1.79%			2,650 MEG Energy Corp, 144A, 6.375%, due 1/30/2023 2,517 0.43		
Retail — (continued)			1,185 Florida East Coast Holdings Corp, 144A, 6.750%, due 5/1/2019 1,222 0.21			1,040 MEG Energy Corp, 144A, 7.000%, due 3/31/2024 1,013 0.17		
990 Neiman Marcus Group Ltd LLC, 144A, 8.750%, due 10/15/2021	1,041	0.18	562 Horizon Lines LLC, 11.000%, due 10/15/2016 †	565	0.10	820 Teine Energy Ltd, 144A, 6.875%, due 9/30/2022	730	0.13
2,618 Spencer Spirit Holdings Inc, 144A, 9.000%, due 5/1/2018	2,667	0.46	2,935 Jack Cooper Holdings Corp, 144A, 9.250%, due 6/1/2020	3,023	0.52	2,110 Thompson Creek Metals Co Inc, 12.500%, due 5/1/2019	1,867	0.32
615 Suburban Propane Partners LP/Suburban Energy Finance Corp, 5.500%, due 6/1/2024	627	0.11	2,910 Neovia Logistics Intermediate Holdings LLC / Logistics Intermediate Finance Corp, 144A, 10.000%, due 2/15/2018	2,925	0.50	2,050 Valeant Pharmaceuticals International Inc, 144A, 5.500%, due 3/1/2023	2,070	0.36
	20,285	3.49	2,490 XPO Logistics Inc, 144A, 7.875%, due 9/1/2019	2,647	0.46		15,525	2.67
Semiconductors — 0.22%						Cayman Islands — 0.32%		
1,260 Micron Technology Inc, 144A, 5.250%, due 8/1/2023	1,290	0.22				850 UPCB Finance V Ltd, 144A, 7.250%, due 11/15/2021 931 0.16		
Shipbuilding — 0.22%			Trucking & Leasing — 0.56%			874 UPCB Finance VI Ltd, 144A, 6.875%, due 1/15/2022 947 0.16		
1,250 Huntington Ingalls Industries Inc, 144A, 5.000%, due 12/15/2021	1,311	0.22	2,000 Flexi-Van Leasing Inc, 144A, 7.875%, due 8/15/2018	2,010	0.34	1,878 0.32		
Software — 2.46%			1,470 Jurassic Holdings III Inc, 144A, 6.875%, due 2/15/2021					
1,310 ACI Worldwide Inc, 144A, 6.375%, due 8/15/2020	1,369	0.23		1,271	0.22	France — 1.30%		
2,420 Activision Blizzard Inc, 144A, 5.625%, due 9/15/2021	2,590	0.45		3,281	0.56	2,580 Cie Generale de Geophysique – Veritas, 6.500%, due 6/1/2021 2,109 0.37		
1,120 Activision Blizzard Inc, 144A, 6.125%, due 9/15/2023	1,239	0.21	Total U.S. Corporate Bonds and Notes (Cost \$439,274)			1,380 CMA CGM SA, 144A, 8.500%, due 4/15/2017 1,411 0.24		
2,130 First Data Corp, 12.625%, due 1/15/2021	2,545	0.44	423,235			2,960 Numericable Group SA, 144A, 6.000%, due 5/15/2022 3,012 0.52		
1,624 First Data Corp, 11.750%, due 8/15/2021	1,892	0.33	72.86			840 Numericable Group SA, 144A, 6.250%, due 5/15/2024 862 0.15		
1,980 First Data Corp, 144A, 8.750%, due 1/15/2022	2,138	0.37	U.S. Denominated Bonds and Notes — 18.09%			130 Societe Generale SA, 8.750%, Perpetual 131 0.02		
2,490 Interface Security Systems Holdings Inc / Interface Security Systems LLC, 9.250%, due 1/15/2018	2,478	0.43	Australia — 1.90%			7,525 1.30		
	14,251	2.46	2,850 Ausdrill Finance Pty Ltd, 144A, 6.875%, due 11/1/2019			Germany — 0.25%		
Telecommunications — 5.11%			1,700 Barminto Finance Pty Ltd, 144A, 9.000%, due 6/1/2018			1,420 Hapag-Lloyd AG, 144A, 9.750%, due 10/15/2017 1,477 0.25		
520 CenturyLink Inc, Series V, 5.625%, due 4/1/2020	556	0.10	2,270 FMG Resources August 2006 Pty Ltd, 144A, 8.250%, due 11/1/2019			Greece — 0.30%		
710 CenturyLink Inc, Series S, 6.450%, due 6/15/2021	779	0.13	3,910 FMG Resources August 2006 Pty Ltd, 144A, 6.875%, due 4/1/2022			1,633 FAGE Dairy Industry SA / FAGE USA Dairy Industry Inc, 144A, 9.875%, due 2/1/2020 1,715 0.30		
500 CenturyLink Inc, Series W, 6.750%, due 12/1/2023	565	0.10	1,580 Midwest Vanadium Pty Ltd, 144A, 11.500%, due 2/15/2018 †			Ireland — 0.97%		
535 Cincinnati Bell Telephone Co LLC, 6.300%, due 12/1/2028	508	0.09	16 Mirabela, 1.000%, due 9/10/2044 †∞			1,900 AerCap Ireland Capital Ltd / AerCap Global Aviation Trust, 144A, 4.500%, due 5/15/2021 2,009 0.35		
1,510 GTP Acquisition Partners I LLC, 144A, 7.628%, due 6/15/2016	1,575	0.27	1,138 Mirabela Nickel Ltd, 144A, 9.500%, due 6/24/2019 †			2,000 Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 144A, 9.125%, due 10/15/2020 2,135 0.37		
340 Level 3 Financing Inc, 7.000%, due 6/1/2020	366	0.06	1,040 St Barbara Ltd, 144A, 8.875%, due 4/15/2018			1,002 Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 144A, 7.000%, due 11/15/2020 995 0.17		
300 Level 3 Financing Inc, 6.125%, due 1/15/2021	318	0.06				480 Grifols Worldwide Operations Ltd, 144A, 5.250%, due 4/1/2022 492 0.08		
2,060 Level 3 Financing Inc, 144A, 5.625%, due 2/1/2023	2,122	0.37	Bahamas — 0.36%			5,631 0.97		
4,510 Sprint Capital Corp, 6.875%, due 11/15/2028	4,239	0.73	2,140 Ultrapetrol Bahamas Ltd, 8.875%, due 6/15/2021			Luxembourg — 3.57%		
4,280 Sprint Capital Corp, 8.750%, due 3/15/2032	4,521	0.78	Bermuda — 0.56%			4,110 Altice Financing SA, 144A, 6.625%, due 2/15/2023 4,279 0.74		
3,220 Sprint Corp, 7.875%, due 9/15/2023	3,325	0.57	900 NCL Corp Ltd, 5.000%, due 2/15/2018			1,050 Altice Finco SA, 144A, 7.625%, due 2/15/2025 1,090 0.19		
4,030 Sprint Corp, 7.625%, due 2/15/2025	4,070	0.70	2,280 NCL Corp Ltd, 144A, 5.250%, due 11/15/2019			2,567 Ardagh Finance Holdings SA, 144A, 8.625%, due 6/15/2019 2,669 0.46		
2,920 West Corp, 144A, 5.375%, due 7/15/2022	2,840	0.49				1,690 Coveris Holdings SA, 144A, 7.875%, due 1/1/2019 1,715 0.30		
500 Windstream Corp, 7.875%, due 11/1/2017	541	0.09	British Virgin Islands — 0.11%			4,002 DH Services Luxembourg Sarl, 144A, 7.750%, due 12/15/2020 4,192 0.72		
640 Windstream Corp, 7.750%, due 10/1/2021	646	0.11	700 Pacific Drilling V Ltd, 144A, 7.250%, due 12/1/2017			1,230 Dufry Finance SCA, 144A, 5.500%, due 10/15/2020 1,283 0.22		
1,970 Windstream Corp, 7.500%, due 4/1/2023	1,935	0.33	Canada — 2.67%			2,570 Globe Luxembourg SCA, 144A, 9.625%, due 5/1/2018 2,173 0.37		
830 Windstream Corp, 6.375%, due 8/1/2023	764	0.13	1,590 1011778 BC ULC / New Red Finance Inc, 144A, 6.000%, due 4/1/2022			1,637 Intelsat Jackson Holdings SA, 7.500%, due 4/1/2021 1,715 0.29		
	29,670	5.11	1,228 Air Canada 2013-1 Class B Pass Through Trust, 144A, 5.375%, due 5/15/2021			860 Intelsat Jackson Holdings SA, 5.500%, due 8/1/2023 814 0.14		
Textiles — 0.19%			730 Air Canada 2013-1 Class C Pass Through Trust, 144A, 6.625%, due 5/15/2018			980 Pacific Drilling SA, 144A, 5.375%, due 6/1/2020 780 0.14		
1,340 Empire Today LLC / Empire Today Finance Corp, 144A, 11.375%, due 2/1/2017	1,099	0.19	1,260 Garda World Security Corp, 144A, 7.250%, due 11/15/2021			20,710 3.57		
			2,040 MDC Partners Inc, 144A, 6.750%, due 4/1/2020					
			250 MEG Energy Corp, 144A, 6.500%, due 3/15/2021					
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The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US High Yield Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)		Value (000's) \$	% of Net Asset Value	Face Value (000's)		Value (000's) \$	% of Net Asset Value	Contracts (000's)		Value (000's) \$	% of Net Asset Value
U.S. Denominated Bonds and Notes — (continued)				Repurchase Agreements — 0.69%				Options — (0.01%)			
Marshall Islands — 0.55%				4,000 Merrill Lynch, Repurchase Agreement to be repurchased at \$4,000,006 (collateralised by US Treasury Note, 2.5% due 5/15/2024, market value \$4,084,499), 0.050%, due 3/2/2015				Written Options — (0.01%) (5,380) Petsmart Inc Bridge Loan January 2016 Put 0.01, due 1/4/2016 †∞ (40) (0.01)			
3,200	Navios Maritime Acquisition Corp / Navios Acquisition Finance US Inc, 144A, 8.125%, due 11/15/2021	3,200	0.55	4,000		4,000	0.69	Total Options (Cost \$(40)) (40) (0.01)			
Mexico — 0.16%				Total Repurchase Agreements (Cost \$4,000) 4,000 0.69				Total Investments (Cost \$599,642) 579,468 99.76			
930	Cemex SAB de CV, 144A, 6.125%, due 5/5/2025	937	0.16	Shares/Units (000's)				Other Assets in Excess of Liabilities 1,401 0.24			
Netherlands — 1.93%				Common Stock — 1.19%				Total Net Assets \$580,869 100.00			
2,140	Cooperatieve Centrale Raiffeisen-Boerenleenbank BA, 144A, 11.000%, Perpetual *	2,769	0.48	75 Citigroup Inc 3,919 0.67				– Amounts designated as “–” are either \$0, less than \$1,000 or less than 1,000 shares.			
2,660	JLL/Delta Dutch Newco BV, 144A, 7.500%, due 2/1/2022	2,733	0.47	89 Deep Ocean Group Holdings †∞ 1,162 0.20				144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2015, these securities amounted to \$262,263,000 or 45.16% of net assets.			
520	Royal Bank of Scotland NV, Series B, 7.750%, due 5/15/2023	619	0.10	54 Horizon Lines Inc, Class A † 36 0.01				* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2015.			
2,250	Schaeffler Holding Finance BV, 144A, 6.750%, due 11/15/2022	2,464	0.43	3,373 Mirabela Nickel Ltd † 224 0.04				† Illiquid.			
2,160	syncreon Group BV / syncreon Global Finance US Inc, 144A, 8.625%, due 11/1/2021	1,912	0.33	19 Physiotherapy Associates Holdings Inc †∞ 1,585 0.27				∞ Security is valued in good faith at fair value by or at the discretion of the Investment Manager.			
660	Ziggo Bond Finance BV, 144A, 5.875%, due 1/15/2025	690	0.12	Total Common Stock (Cost \$5,146) 6,926 1.19				⊗ Security is in default as at February 28, 2015.			
		11,187	1.93	Collective Investment Schemes — 2.34%				ABBREVIATIONS:			
Switzerland — 0.42%				140 Legg Mason Qualified Investor Funds II Plc-Legg Mason Western Asset Senior Loans Fund – LM Class US\$ Distributing (monthly) 13,578 2.34				Perpetual – A bond with no maturity date. Perpetual bonds are not redeemable but pay a steady stream of interest.			
2,350	UBS Group AG, 7.000%, Perpetual *	2,453	0.42	GBP – Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing) – –				GBP – British Pound			
United Kingdom — 2.72%				Total Collective Investment Schemes (Cost \$14,020) 13,578 2.34				ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR FUTURES, FORWARDS, OPTIONS AND SWAPS WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS DEALT IN ON A REGULATED MARKET AND COLLECTIVE INVESTMENT SCHEMES.			
750	Barclays Bank Plc, 7.625%, due 11/21/2022	858	0.15	Preferred Stock — 1.14%				Analysis of Total Assets			
1,390	Barclays Plc, 8.250%, Perpetual *	1,483	0.26	1 Actavis plc, Series A 428 0.07				Transferable securities admitted to an official exchange listing or traded on a regulated market 93.80			
1,090	HSBC Holdings Plc, 6.375%, Perpetual *	1,121	0.19	5 American Tower Corp 467 0.08				Money market instruments 0.67			
3,850	KCA Deutag UK Finance Plc, 144A, 7.250%, due 5/15/2021	2,887	0.50	196 GMAC Capital Trust I, Series 2 5,112 0.88				Financial derivative instruments 0.12			
1,340	Royal Bank of Scotland Group Plc, 5.125%, due 5/28/2024	1,419	0.24	12 Rex Energy Corp 625 0.11				Collective investment schemes 2.27			
2,050	Royal Bank of Scotland Group Plc, 7.648%, Perpetual *	2,563	0.44	Total Preferred Stock (Cost \$6,559) 6,632 1.14				Other assets 3.14			
680	Virgin Media Finance Plc, 4.875%, due 2/15/2022	650	0.11	Warrant — 0.08%				Total Assets 100.00			
2,490	Virgin Media Finance Plc, 144A, 6.375%, due 4/15/2023	2,689	0.46	17,513 Horizon Lines Inc, Series CW16, Class A †∞ 462 0.08							
2,000	Virgin Media Finance Plc, 144A, 6.000%, due 10/15/2024	2,150	0.37	Total Warrant (Cost \$1,351) 462 0.08							
		15,820	2.72	Total Investments Excluding Options (Cost \$599,682) 579,508 99.77							
Total U.S. Denominated Bonds and Notes (Cost \$108,910) 105,068 18.09											

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/Depreciation of Contracts (000's)
U.S. 10 Year Note (CBT) June 2015	(152)	\$(19,425)	\$ (93)
Total Market Value of Future Contracts	(152)	\$(19,425)	\$ (93)
Unrealised Appreciation of Futures Contracts			–
Unrealised Depreciation of Futures Contracts			(93)
Net Depreciation of Future Contracts			\$ (93)

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US High Yield Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Schedule of Credit Default Swaps

Counterparty	Reference Entity	Buy/Sell Protection	Expiration Date	Notional Amount (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Deutsche Bank	Ally Financial Inc, 5.000%, due 6/20/20	Sell	6/20/20	4,250	\$ 676
					\$ 676
Unrealised Appreciation of Credit Default Swaps					676
Unrealised Depreciation of Credit Default Swaps					-
Net Appreciation of Credit Default Swaps					\$ 676

Schedule of Interest Rate Swaps

Counterparty	Rate	Expiration Date	Notional Amount (000's)	Value (000's)
Goldman Sachs	Pay Fixed 2.11%, Receive Floating USD LIBOR BBA	5/15/30	1,230	\$ 38
				\$ 38
Unrealised Appreciation of Interest Rate Swaps				38
Unrealised Depreciation of Interest Rate Swaps				-
Net Appreciation of Interest Rate Swaps				\$ 38

Schedule of Forward Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/31/15	Bank of America Sec London	Buy USD 631	Sell GBP 411	\$ (4)
03/31/15	Bank of America Sec London	Buy USD 1	Sell SGD 2	-
03/31/15	Bank of New York Mellon London	Buy SGD 129	Sell USD 95	-
03/31/15	Bank of New York Mellon London	Buy EUR 73	Sell USD 83	(1)
03/31/15	Barclays Capital London	Buy USD 39	Sell SGD 54	-
03/31/15	Barclays Capital London	Buy EUR 6	Sell USD 7	-
03/31/15	Citicorp Securities London Ltd	Buy USD 418	Sell GBP 272	(2)
03/31/15	Citicorp Securities London Ltd	Buy GBP 1	Sell USD 1	-
03/31/15	Citicorp Securities London Ltd	Buy EUR 77	Sell USD 86	(1)
03/31/15	Citicorp Securities London Ltd	Buy SGD 438	Sell USD 321	-
03/31/15	Goldman Sachs London	Buy GBP 536	Sell USD 823	4
03/31/15	HSBC Midland	Buy USD 17	Sell SGD 23	-
03/31/15	HSBC Midland	Buy EUR 7	Sell USD 8	-
03/31/15	JP Morgan Chase Bank London	Buy GBP 235	Sell USD 361	1
03/31/15	Royal Bank of Canada London	Buy USD 12	Sell SGD 16	-
03/31/15	Royal Bank of Canada London	Buy EUR 340	Sell USD 384	(4)
03/31/15	Royal Bank of Canada London	Buy GBP 1	Sell USD 2	-
03/31/15	UBS	Buy USD 21	Sell GBP 14	-
03/31/15	UBS	Buy USD 1	Sell SGD 2	-
03/31/15	UBS	Buy SGD 67	Sell USD 49	-
03/31/15	UBS	Buy EUR 54	Sell USD 62	(1)
05/13/15	Citicorp Securities London Ltd	Buy USD 836	Sell AUD 1,076	(1)
Unrealised Appreciation of Forward Foreign Currency Contracts				5
Unrealised Depreciation of Forward Foreign Currency Contracts				(14)
Net Depreciation of Forward Foreign Currency Contracts				\$ (9)

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Emerging Markets Bond Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value		
U.S. Denominated Debt Obligations — 49.96%						Sri Lanka — 1.27%				
Colombia — 3.24%						1,270 Sri Lanka Government International Bond, 6.000%, due 1/14/2019				
760 Colombia Government International Bond, 4.375%, due 7/12/2021	812	0.78	3,520 Indonesia Government International Bond, 6.625%, due 2/17/2037	865	0.84					
1,200 Colombia Government International Bond, 4.000%, due 2/26/2024	1,251	1.21								
500 Colombia Government International Bond, 6.125%, due 1/18/2041	606	0.59								
600 Colombia Government International Bond, 5.625%, due 2/26/2044	687	0.66								
Costa Rica — 0.66%			Kenya — 0.71%			Tunisia — 0.22%				
680 Costa Rica Government International Bond, 144A, 7.000%, due 4/4/2044	687	0.66	510 Kenya Government International Bond, 144A, 5.875%, due 6/24/2019	521	0.51	230 Banque Centrale de Tunisie SA, 144A, 5.750%, due 1/30/2025	234	0.22		
						Turkey — 8.69%				
Cote d'Ivoire (Ivory Coast) — 0.84%						800 Turkey Government International Bond, 7.500%, due 7/14/2017				
610 Ivory Coast Government International Bond, 144A, 5.375%, due 7/23/2024	582	0.56	200 Kenya Government International Bond, 144A, 6.875%, due 6/24/2024	210	0.20	2,445 Turkey Government International Bond, 5.625%, due 3/30/2021	2,679	2.59		
290 Ivory Coast Government International Bond, 144A, 6.375%, due 3/3/2028	287	0.28					450 Turkey Government International Bond, 6.250%, due 9/26/2022	513	0.50	
								1,350 Turkey Government International Bond, 5.750%, due 3/22/2024	1,505	1.45
Croatia — 1.75%			Lithuania — 1.51%			735 Turkey Government International Bond, 6.750%, due 5/30/2040				
300 Croatia Government International Bond, 144A, 6.625%, due 7/14/2020	336	0.33	1,310 Lithuania Government International Bond, 144A, 6.125%, due 3/9/2021	1,559	1.51	2,515 Turkey Government International Bond, 4.875%, due 4/16/2043	2,493	2.41		
1,370 Croatia Government International Bond, 5.500%, due 4/4/2023	1,471	1.42								
								8,991	8.69	
Dominican Republic — 0.55%						Uruguay — 1.00%				
380 Dominican Republic International Bond, 144A, 5.500%, due 1/27/2025	397	0.38	Mexico — 2.59%			960 Uruguay Government International Bond, 4.500%, due 8/14/2024				
160 Dominican Republic International Bond, 144A, 6.850%, due 1/27/2045	171	0.17	730 Mexico Government International Bond, 5.550%, due 1/21/2045	871	0.84	Vietnam — 0.49%				
			501 Mexico Government International Bond, 4.600%, due 1/23/2046	522	0.50	480 Vietnam Government International Bond, 144A, 4.800%, due 11/19/2024				
Ecuador — 0.32%			1,210 Mexico Government International Bond, 4.750%, due 3/8/2044	1,289	1.25					
351 Ecuador Government International Bond, 144A, 7.950%, due 6/20/2024	329	0.32								
El Salvador — 0.38%						Total U.S. Denominated Debt Obligations (Cost \$50,134)				
390 El Salvador Government International Bond, 144A, 6.375%, due 1/18/2027	396	0.38	Nigeria — 0.19%			51,691				
Gabon — 0.34%						49.96				
370 Gabonese Republic, 6.375%, due 12/12/2024	355	0.34	200 Nigeria Government International Bond, 144A, 6.375%, due 7/12/2023	193	0.19					
Ghana — 0.47%						Paraguay — 0.92%				
500 Republic of Ghana, 144A, 8.125%, due 1/18/2026	485	0.47	860 Republic of Paraguay, 144A, 6.100%, due 8/11/2044			949				
Honduras — 0.25%						Peru — 2.34%				
250 Honduras Government International Bond, 7.500%, due 3/15/2024	262	0.25	1,487 Peruvian Government International Bond, 6.550%, due 3/14/2037			1,974				
Hungary — 3.11%						368 Peruvian Government International Bond, 5.625%, due 11/18/2050				
850 Hungary Government International Bond, 4.000%, due 3/25/2019	890	0.86								
2,010 Hungary Government International Bond, 5.750%, due 11/22/2023	2,327	2.25	Philippines — 3.11%			453				
			550 Philippine Government International Bond, 6.375%, due 10/23/2034			2,427				
Indonesia — 8.36%						Poland — 2.04%				
2,107 Indonesia Government International Bond, 144A, 5.875%, due 1/15/2024	2,465	2.38	1,340 Philippine Government International Bond, 5.000%, due 1/13/2037			1,615				
1,510 Indonesia Government International Bond, 3.750%, due 4/25/2022	1,563	1.51	800 Philippine Government International Bond, 3.950%, due 1/20/2040			843				
						3,218				
						Romania — 0.26%				
						240 Romanian Government International Bond, 144A, 4.875%, due 1/22/2024				
						269				
						Russia — 4.35%				
						1,200 Russian Foreign Bond – Eurobond, 144A, 4.875%, due 9/16/2023				
						1,075				
						2,087 Russian Foreign Bond – Eurobond, 7.500%, due 3/31/2030				
						2,235				
						1,400 Russian Foreign Bond – Eurobond, 5.625%, due 4/4/2042				
						1,187				
						4,497				
						4.35				
						Analysis of Total Assets				
						Transferable securities admitted to an official exchange listing or traded on a regulated market				
						90.42				
						Financial derivative instruments				
						0.24				
						Collective investment schemes				
						6.28				
						Other assets				
						3.06				
						Total Assets				
						100.00				

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Emerging Markets Bond Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Schedule of Forward Contracts

Expiration Date	Counterparty		Buy Currency (000's)			Sell Currency (000's)		Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/13/15	Barclays Capital	Buy	USD	1,838	Sell	MXN	27,000	\$ 31
03/13/15	Citicorp Securities London Ltd	Buy	USD	1,695	Sell	BRL	4,532	105
03/13/15	Citicorp Securities London Ltd	Buy	BRL	4,532	Sell	USD	1,732	(142)
03/31/15	Bank of America Sec London	Buy	USD	24	Sell	EUR	21	–
03/31/15	Bank of America Sec London	Buy	GBP	2,089	Sell	USD	3,202	21
03/31/15	Bank of America Sec London	Buy	EUR	24	Sell	USD	27	–
03/31/15	Bank of New York Mellon London	Buy	USD	6	Sell	GBP	4	–
03/31/15	Bank of New York Mellon London	Buy	SGD	421	Sell	USD	309	–
03/31/15	Bank of New York Mellon London	Buy	EUR	98	Sell	USD	111	(1)
03/31/15	Barclays Capital London	Buy	USD	37	Sell	GBP	24	–
03/31/15	Barclays Capital London	Buy	SGD	49	Sell	USD	36	–
03/31/15	Barclays Capital London	Buy	EUR	151	Sell	USD	171	(2)
03/31/15	Citicorp Securities London Ltd	Buy	USD	2,177	Sell	EUR	1,925	22
03/31/15	Citicorp Securities London Ltd	Buy	USD	25	Sell	GBP	16	–
03/31/15	Citicorp Securities London Ltd	Buy	SGD	2,595	Sell	USD	1,903	(1)
03/31/15	Citicorp Securities London Ltd	Buy	EUR	83	Sell	USD	93	(1)
03/31/15	Citicorp Securities London Ltd	Buy	GBP	5,091	Sell	USD	7,813	45
03/31/15	HSBC Midland	Buy	USD	318	Sell	EUR	282	3
03/31/15	HSBC Midland	Buy	USD	5	Sell	GBP	3	–
03/31/15	HSBC Midland	Buy	USD	98	Sell	SGD	133	–
03/31/15	HSBC Midland	Buy	GBP	103	Sell	USD	159	1
03/31/15	JP Morgan Chase Bank London	Buy	USD	1,769	Sell	SGD	2,411	1
03/31/15	JP Morgan Chase Bank London	Buy	EUR	171	Sell	USD	194	(2)
03/31/15	Morgan Stanley London	Buy	EUR	201	Sell	USD	227	(2)
03/31/15	Royal Bank of Canada London	Buy	USD	119	Sell	GBP	77	–
03/31/15	Royal Bank of Canada London	Buy	USD	14	Sell	SGD	19	–
03/31/15	Royal Bank of Canada London	Buy	GBP	86	Sell	USD	134	–
03/31/15	Royal Bank of Canada London	Buy	EUR	3,789	Sell	USD	4,289	(47)
03/31/15	UBS	Buy	USD	26	Sell	EUR	23	–
03/31/15	UBS	Buy	USD	28	Sell	GBP	18	–
03/31/15	UBS	Buy	GBP	124	Sell	USD	191	–
03/31/15	UBS	Buy	EUR	1,470	Sell	USD	1,665	(18)
03/31/15	UBS	Buy	SGD	12	Sell	USD	9	–
05/15/15	Deutsche Bank London	Buy	INR	83,222	Sell	SGD	1,793	21
Unrealised Appreciation of Forward Foreign Currency Contracts								250
Unrealised Depreciation of Forward Foreign Currency Contracts								(216)
Net Appreciation of Forward Foreign Currency Contracts								\$ 34

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Emerging Markets Corporate Bond Fund

Portfolio of Investments as at February 28, 2015

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
Foreign Corporate Bonds and Notes — 0.09%			620 Pacific Rubiales Energy Corp, 5.125%, due 3/28/2023			408 0.49		
Telecommunications — 0.09%						2,190 2.64		
804 Axtel SAB de CV, 9.000%, due 1/31/2020	76	0.09	Cayman Islands — 16.80%					
Total Foreign Corporate Bonds and Notes (Cost \$63)			600 Alibaba Group Holding Ltd, 144A, 3.600%, due 11/28/2024			605 0.73		
U.S. Corporate Bonds and Notes — 6.26%			630 Braskem Finance Ltd, 5.375%, due 5/2/2022			609 0.73		
Building Materials — 2.38%			350 China Overseas Finance Cayman III Ltd, 5.375%, due 10/29/2023			377 0.45		
1,733 Cemex Finance LLC, 9.375%, due 10/12/2022	1,977	2.38	730 China Overseas Finance Cayman IV Ltd, 4.875%, due 2/15/2017			762 0.92		
Mining — 1.69%			600 Country Garden Holdings Co Ltd, 11.125%, due 2/23/2018			635 0.77		
128 Southern Copper Corp, 3.500%, due 11/8/2022	124	0.15	840 Fibria Overseas Finance Ltd, 5.250%, due 5/12/2024			844 1.02		
490 Southern Copper Corp, 7.500%, due 7/27/2035	553	0.67	1,030 Goodman HK Finance, 4.375%, due 6/19/2024			1,067 1.28		
690 Southern Copper Corp, 6.750%, due 4/16/2040	726	0.87	390 Gruposura Finance, 5.700%, due 5/18/2021			421 0.51		
			950 Hutchison Whampoa International 11 Ltd, 4.625%, due 1/13/2022			1,040 1.25		
			520 Hutchison Whampoa International 12 II Ltd, 144A, 2.000%, due 11/8/2017			521 0.63		
Oil & Gas — 2.19%			600 Hutchison Whampoa International 14 Ltd, 3.625%, due 10/31/2024			615 0.74		
580 Reliance Holding USA Inc, 4.500%, due 10/19/2020	614	0.74	270 Longfor Properties Co Ltd, 6.875%, due 10/18/2019			275 0.33		
1,090 Reliance Holdings USA Inc, 5.400%, due 2/14/2022	1,198	1.45	140 Marfrig Overseas Ltd, 9.500%, due 5/4/2020			137 0.17		
			600 MCE Finance Ltd, 144A, 5.000%, due 2/15/2021			579 0.70		
			1,200 MIE Holdings Corp, 7.500%, due 4/25/2019			840 1.01		
			600 Odebrecht Finance Ltd, 144A, 5.250%, due 6/27/2029			472 0.57		
Total U.S. Corporate Bonds and Notes (Cost \$5,081)			1,160 Odebrecht Finance Ltd, 4.375%, due 4/25/2025			937 1.13		
			193 Odebrecht Offshore Drilling Finance Ltd, 6.625%, due 10/1/2022			148 0.18		
			518 Odebrecht Offshore Drilling Finance Ltd, 6.750%, due 10/1/2022			402 0.48		
U.S. Denominated Bonds and Notes — 87.79%			1,450 Petrobras International Finance Co, 5.375%, due 1/27/2021			1,305 1.58		
Austria — 0.46%			110 Raizen Energy Finance Ltd, 7.000%, due 2/1/2017			118 0.14		
360 JBS Investments GmbH, 7.750%, due 10/28/2020	379	0.46	270 Shimao Property Holdings Ltd, 6.625%, due 1/14/2020			265 0.32		
			615 Vale Overseas Ltd, 4.375%, due 1/11/2022			598 0.72		
			1,220 Virgolino de Oliveira Finance SA, 10.500%, due 1/28/2018			49 0.06		
			320 Yuzhou Properties Co Ltd, 8.750%, due 10/4/2018			314 0.38		
						13,935 16.80		
Bermuda — 3.40%			Chile — 5.94%					
1,000 Digicel Ltd, 6.000%, due 4/15/2021	993	1.20	510 AES Gener SA, 5.250%, due 8/15/2021			548 0.66		
950 GeoPark Latin America Ltd Agencia en Chile, 7.500%, due 2/11/2020	717	0.87	955 Celulosa Arauco y Constitucion SA, 4.750%, due 1/11/2022			1,010 1.22		
1,010 Ooredoo International Finance Ltd, 4.750%, due 2/16/2021	1,108	1.33	800 Cencosud SA, 4.875%, due 1/20/2023			809 0.97		
			380 E.CL SA, 5.625%, due 1/15/2021			428 0.52		
			270 Empresa Nacional de Electricidad SA/Chile, 4.250%, due 4/15/2024			283 0.34		
Brazil — 5.24%			530 ENTEL Chile SA, 4.875%, due 10/30/2024			554 0.67		
300 BRF SA, 3.950%, due 5/22/2023	283	0.34	200 GNL Quintero SA, 144A, 4.634%, due 7/31/2029			208 0.25		
284 BRF SA, 4.750%, due 5/22/2024	280	0.34	850 Inversiones CMPC SA, 4.500%, due 4/25/2022			882 1.06		
350 Klabin Finance SA, 144A, 5.250%, due 7/16/2024	343	0.42	200 Inversiones CMPC SA, 4.375%, due 5/15/2023			205 0.25		
460 Oi SA, 5.750%, due 2/10/2022	398	0.48				4,927 5.94		
700 Petrobras International Finance Co, 7.875%, due 3/15/2019	709	0.86	China — 2.09%					
1,020 Samarco Mineracao SA, 4.125%, due 11/1/2022	950	1.14	1,040 Bank of China Ltd, 5.000%, due 11/13/2024			1,100 1.33		
120 Telemar Norte Leste SA, 5.500%, due 10/23/2020	108	0.13	620 Industrial & Commercial Bank of China Ltd/New York, 3.231%, due 11/13/2019			630 0.76		
310 Tonon Bioenergia SA, 9.250%, due 1/24/2020	137	0.16				1,730 2.09		
1,270 Vale SA, 5.625%, due 9/11/2042	1,134	1.37	Colombia — 1.45%					
			350 Ecopetrol SA, 7.625%, due 7/23/2019			412 0.50		
			530 Oleoducto Central SA, 4.000%, due 5/7/2021			525 0.63		
			250 Transportadora de Gas Internacional SA ESP, 5.700%, due 3/20/2022			268 0.32		
						1,205 1.45		
British Virgin Islands — 3.96%			Hong Kong — 2.40%					
1,070 CNOOC Finance 2012 Ltd, 3.875%, due 5/2/2022	1,108	1.34	525 Bank of East Asia Ltd, 4.250%, due 11/20/2024 *			526 0.64		
420 Eastern Creation II Investment Holdings Ltd, 3.250%, due 1/20/2020	421	0.51	370 CITIC Ltd, 6.375%, due 4/10/2020			416 0.50		
712 GTL Trade Finance Inc, 5.893%, due 4/29/2024	717	0.86	1,030 CRCC Yupeng Ltd, 3.950%, Perpetual *			1,045 1.26		
590 Prosperous Ray Ltd, 4.625%, due 11/12/2023	632	0.76				1,987 2.40		
400 Star Energy Geothermal Wayang Windu Ltd, 6.125%, due 3/27/2020	408	0.49	India — 0.25%					
			210 Export-Import Bank of India, 2.750%, due 8/12/2020			209 0.25		
			Indonesia — 1.26%					
Canada — 2.64%			Ireland — 2.03%					
100 Pacific Rubiales Energy Corp, 144A, 5.125%, due 3/28/2023	66	0.08	919 EDC Finance Ltd, 4.875%, due 4/17/2020			726 0.87		
930 Pacific Rubiales Energy Corp, 5.375%, due 1/26/2019	686	0.83	900 EuroChem Mineral & Chemical Co OJSC via EuroChem GI Ltd, 5.125%, due 12/12/2017			820 0.99		
1,436 Pacific Rubiales Energy Corp, 7.250%, due 12/12/2021	1,030	1.24	140 Vimpel Communications Via VIP Finance Ireland Ltd OJSC, 9.125%, due 4/30/2018			141 0.17		
						1,687 2.03		
			Isle of Man — 0.52%					
			392 AngloGold Ashanti Holdings Plc, 8.500%, due 7/30/2020			432 0.52		
			Luxembourg — 5.88%					
			770 Evraz Group SA, 6.750%, due 4/27/2018			687 0.83		
			1,150 Offshore Drilling Holding SA, 8.625%, due 9/20/2020			932 1.13		
			930 Puma International Financing SA, 6.750%, due 2/1/2021			922 1.11		
			1,390 Rosneft Finance SA, 7.875%, due 3/13/2018			1,345 1.62		
			600 Severstal OAO Via Steel Capital SA, 4.450%, due 3/19/2018			552 0.66		
			620 TMK OAO Via TMK Capital SA, 6.750%, due 4/3/2020			443 0.53		
						4,881 5.88		
			Mexico — 7.57%					
			200 Alfa SAB de CV, 5.250%, due 3/25/2024			214 0.26		
			200 Alfa SAB de CV, 6.875%, due 3/25/2044			222 0.27		
			725 Alpek SA de CV, 4.500%, due 1/20/2022			752 0.90		
			310 America Movil SAB de CV, 3.125%, due 7/16/2022			316 0.38		
			490 America Movil SAB de CV, 6.125%, due 3/30/2040			618 0.75		
			410 America Movil SAB de CV, 4.375%, due 7/16/2042			418 0.50		
			255 Axtel SAB de CV, 9.000%, due 1/31/2020			224 0.27		
			240 Cemex SAB de CV, 6.500%, due 12/10/2019			252 0.30		
			1,380 Empresas ICA SAB de CV, 144A, 8.875%, due 5/29/2024			942 1.14		

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Emerging Markets Corporate Bond Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
U.S. Corporate Bonds and Notes — continued					
Mexico — (continued)					
420	Empresas ICA SAB de CV, 8.900%, due 2/4/2021	314	0.38		
335	Grupo Bimbo SAB de CV, 4.500%, due 1/25/2022	359	0.43		
1,050	Grupo Idesa SA de CV, 7.875%, due 12/18/2020	1,051	1.27		
270	Mexichem SAB de CV, 144A, 5.875%, due 9/17/2044	273	0.33		
300	Mexichem SAB de CV, 4.875%, due 9/19/2022	322	0.39		
		6,277	7.57		
Morocco — 1.11%					
850	OCP SA, 5.625%, due 4/25/2024	920	1.11		
Netherlands — 11.47%					
540	Bharti Airtel International Netherlands BV, 5.350%, due 5/20/2024	598	0.72		
410	CIMPOR Financial Operations BV, 5.750%, due 7/17/2024	325	0.39		
890	Indo Energy Finance II BV, 6.375%, due 1/24/2023	623	0.75		
1,110	Indosat Palapa Co BV, 7.375%, due 7/29/2020	1,165	1.40		
990	Lukoil International Finance BV, 6.656%, due 6/7/2022	946	1.14		
1,480	Marfrig Holding Europe BV, 6.875%, due 6/24/2019	1,335	1.61		
800	Myriad International Holdings BV, 6.000%, due 7/18/2020	890	1.08		
510	Petrobras Global Finance BV, 6.250%, due 3/17/2024	470	0.56		
900	Petrobras International Finance Co, 6.750%, due 1/27/2041	769	0.93		
2,715	VimpelCom Holdings BV, 7.504%, due 3/1/2022	2,395	2.89		
		9,516	11.47		
Peru — 6.46%					
430	Alicorp SAA, 3.875%, due 3/20/2023	426	0.51		
90	BBVA Banco Continental SA, 144A, 5.250%, due 9/22/2029 *	92	0.11		
1,050	Cementos Pacasmayo SAA, 4.500%, due 2/8/2023	1,012	1.22		
220	Cia Minera Milpo SAA, 4.625%, due 3/28/2023	220	0.27		
630	Gas Natural de Lima y Callao SA, 4.375%, due 4/1/2023	642	0.77		
570	InRetail Shopping Malls, 6.500%, due 7/9/2021	587	0.71		
1,140	Transportadora de Gas del Peru SA, 4.250%, due 4/30/2028	1,133	1.37		
1,310	Volcan Cia Minera SAA, 5.375%, due 2/2/2022	1,248	1.50		
		5,360	6.46		
Qatar — 0.58%					
400	Ras Laffan Liquefied Natural Gas Co Ltd III, 6.750%, due 9/30/2019	478	0.58		
Singapore — 1.83%					
300	Ottawa Holdings Pte Ltd, 5.875%, due 5/16/2018	245	0.29		
1,030	Oversea-Chinese Banking Corp Ltd, 144A, 4.250%, due 6/19/2024	1,069	1.29		
200	Theta Capital Pte Ltd, 6.125%, due 11/14/2020	206	0.25		
		1,520	1.83		
South Korea — 1.07%					
890	Korea East-West Power Co Ltd, 144A, 2.500%, due 6/2/2020	889	1.07		
Turkey — 1.04%					
280	Mersin Uluslararasi Liman Isletmeciligi AS, 5.875%, due 8/12/2020	298	0.36		
330	Turk Telekomunikasyon AS, 3.750%, due 6/19/2019	331	0.40		
230	Turk Telekomunikasyon AS, 4.875%, due 6/19/2024	232	0.28		
		861	1.04		
United Arab Emirates — 2.02%					
900	Abu Dhabi National Energy Co, 2.500%, due 1/12/2018	910	1.10		
660	Dolphin Energy Ltd, 5.500%, due 12/15/2021	761	0.92		
		1,671	2.02		
United Kingdom — 0.32%					
700	Afren Plc, 6.625%, due 12/9/2020	269	0.32		
Total U.S. Denominated Bonds and Notes (Cost \$79,675)				72,816	87.79
U.S. Denominated Debt Obligations — 0.78%					
Netherlands — 0.78%					
530	MDC-GMTN B.V., 7.625%, due 5/6/2019	649	0.78		
Total U.S. Denominated Debt Obligations (Cost \$633)				649	0.78
Total Investments (Cost \$85,452)				78,733	94.92
Other Assets in Excess of Liabilities				4,214	5.08
Total Net Assets				\$82,947	100.00

144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2015, these securities amounted to \$6,059,000 or 7.32% of net assets.

* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2015.

ABBREVIATIONS:

GMTN – Global Medium Term Note
Perpetual – A bond with no maturity date. Perpetual bonds are not redeemable but pay a steady stream of interest.

ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR FORWARDS WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS DEALT IN ON A REGULATED MARKET.

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	94.48
Financial derivative instruments	0.02
Other assets	5.50
Total Assets	100.00

Schedule of Forward Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
05/15/15	Citicorp Securities London Ltd	Buy	SGD	\$ 15
				15
				–
Net Appreciation of Forward Foreign Currency Contracts				\$ 15

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global High Yield Fund

Portfolio of Investments as at February 28, 2015

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
Foreign Corporate Bonds and Notes — 3.75%			470 LMI Aerospace Inc, 144A, 7.375%, due 7/15/2019			471 0.11		
Australian Dollar Bonds — 0.29%						3,098 0.74		
1,570 R&R Ice Cream Plc, 8.250%, due 5/15/2020	1,202	0.29	Agriculture — 0.21%			1,070 Alliance One International Inc, 9.875%, due 7/15/2021		
British Pound Sterling Bonds — 1.21%			1,070 Alliance One International Inc, 9.875%, due 7/15/2021			901 0.21		
1,237 Boparan Finance Plc, 5.250%, due 7/15/2019	1,783	0.42	Airlines — 1.13%			886 American Airlines 2013-1 Class B Pass Through Trust, 144A, 5.625%, due 1/15/2021		
355 Co-Operative Group Ltd, 6.875%, due 7/8/2020	590	0.14	288 American Airlines 2013-2 Class B Pass Through Trust, 144A, 5.600%, due 7/15/2020			302 0.07		
990 Gala Electric Casinos Plc, 11.500%, due 6/1/2019	1,622	0.38	215 Continental Airlines 2000-1 Pass Through Trust, Series 001B, Class B, 8.388%, due 11/1/2020			219 0.05		
190 R&R Ice Cream Plc, 5.500%, due 5/15/2020	299	0.07	644 Continental Airlines 2012-1 Pass Through Trust, Series B, Class B, 6.250%, due 4/11/2020			681 0.16		
560 Tesco Property Finance 6 Plc, 5.411%, due 7/13/2044	826	0.20	553 Continental Airlines 2012-2 Pass Through Trust, Series 2-B, 5.500%, due 10/29/2020			587 0.14		
	5,120	1.21	890 United Airlines 2014-1 Class B Pass Through Trust, Series B, 4.750%, due 4/11/2022			896 0.21		
Euro Bonds — 2.22%			1,070 US Airways 2012-2 Pass Through Trust, 6.750%, due 6/3/2021			1,159 0.28		
160 Altice Financing SA, 5.250%, due 2/15/2023	191	0.05				4,770 1.13		
1,805 Boats Investments Netherlands BV, 11.000%, due 3/31/2017	421	0.10	Apparel — 0.15%			600 The William Carter Co, 5.250%, due 8/15/2021		
927 Edon Proprietary Ltd, 9.500%, due 3/1/2018	849	0.20	600 The William Carter Co, 5.250%, due 8/15/2021			628 0.15		
1,182 Europcar Groupe SA, 11.500%, due 5/15/2017	1,492	0.35	Auto Manufacturers — 0.74%			810 FCA US LLC / CG Co-Issuer Inc, 8.250%, due 6/15/2021		
1,220 Grupo Isolux Corsan Finance BV, 6.625%, due 4/15/2021	1,256	0.30	1,110 General Motors Co, 5.200%, due 4/1/2045			1,229 0.29		
840 Onex Wizard Acquisition Co II SCA, 7.750%, due 2/15/2023	987	0.23	940 General Motors Financial Co Inc, 4.375%, due 9/25/2021			999 0.24		
140 R&R Ice Cream Plc, 4.750%, due 5/15/2020	161	0.04				3,132 0.74		
990 SGD Group SAS, 5.625%, due 5/15/2019	1,127	0.27	Beverages — 1.68%			1,300 Beverages & More Inc, 144A, 10.000%, due 11/15/2018		
83 TVN Finance Corp III AB, 7.875%, due 11/15/2018	97	0.03	1,200 Carolina Beverage Group LLC / Carolina Beverage Group Finance Inc, 144A, 10.625%, due 8/1/2018			1,188 0.28		
1,080 Unilabs Subholding AB, 8.500%, due 7/15/2018	1,264	0.30	2,200 Constellation Brands Inc, 4.750%, due 11/15/2024			2,354 0.56		
1,300 Viridian Group FundCo II Ltd, 7.500%, due 3/1/2020	1,484	0.35	2,000 DS Services of America Inc, 144A, 10.000%, due 9/1/2021			2,335 0.55		
	9,329	2.22				7,099 1.68		
Mexican Peso Bonds — 0.03%			1,270 Griffon Corp, 5.250%, due 3/1/2022			1,251 0.30		
1,379 Axtel SAB de CV, 9.000%, due 1/31/2020	129	0.03	710 Hardwoods Acquisition Inc, 144A, 7.500%, due 8/1/2021			682 0.16		
Total Foreign Corporate Bonds and Notes (Cost \$19,173)			15,780			3.75		
Foreign Government Bonds and Notes — 2.64%			320 NWH Escrow Corp, 144A, 7.500%, due 8/1/2021			302 0.07		
Brazil Government Bonds — 0.54%			520 USG Corp, 144A, 5.500%, due 3/1/2025			532 0.13		
6,777 Brazil Notas do Tesouro Nacional, Series NTNFB, 10.000%, due 1/1/2017	2,285	0.54				2,767 0.66		
Mexican Government Bonds — 2.10%			Chemicals — 0.63%			810 Eco Services Operations LLC/ Eco Finance Corp, 144A, 8.500%, due 11/1/2022		
124,498 Mexican Bonos, Series M, 6.500%, due 6/9/2022	8,838	2.10	490 Hercules Inc, 6.500%, due 6/30/2029			447 0.11		
Total Foreign Government Bonds and Notes (Cost \$13,465)			11,123			2.64		
Loan Notes — 2.06%			690 Hexion US Finance Corp, 6.625%, due 4/15/2020			659 0.16		
2,389 CWGS Group LLC, 5.750%, due 2/20/2020	2,399	0.57	780 HIG BBC Intermediate Holdings LLC / HIG BBC Holdings Corp, 144A, 10.500%, due 9/15/2018			731 0.17		
2,080 Radnet Management Inc, 8.000%, due 3/5/2021	2,049	0.49				2,657 0.63		
940 Toms Shoes LLC, 6.500%, due 10/31/2020	870	0.21	Coal — 0.90%			50 Arch Coal Inc, 7.000%, due 6/15/2019		
2,340 TPF II Power LLC, 5.500%, due 9/9/2021	2,361	0.56	3,010 Arch Coal Inc, 9.875%, due 6/15/2019			15 —		
230 Westmoreland Coal Co, 0.000%, due 12/16/2020	230	0.05	810 Cloud Peak Energy Resources LLC / Cloud Peak Energy Finance Corp, 6.375%, due 3/15/2024			1,084 0.26		
760 Westmoreland Coal Co, 7.500%, due 12/16/2020	760	0.18	850 Foresight Energy LLC / Foresight Energy Corp, 144A, 7.875%, due 8/15/2021			850 0.20		
Total Loan Notes (Cost \$8,572)			8,669			2.06		
U.S. Corporate Bonds and Notes — 52.10%			860 Erickson Inc, 8.250%, due 5/1/2020			701 0.17		
Aerospace/Defense — 0.74%			1,800 Ducommun Inc, 9.750%, due 7/15/2018			1,926 0.46		
			1,110 Murray Energy Corp, 144A, 9.500%, due 12/5/2020			1,102 0.26		
						3,794 0.90		
			Commercial Services — 1.96%			1,560 Ashtead Capital Inc, 144A, 5.625%, due 10/1/2024		
			660 Interactive Data Corp, 144A, 5.875%, due 4/15/2019			661 0.16		
			1,420 Modular Space Corp, 144A, 10.250%, due 1/31/2019			1,065 0.25		
			1,280 Monitronics International Inc, 9.125%, due 4/1/2020			1,256 0.30		
			1,300 NES Rentals Holdings Inc, 144A, 7.875%, due 5/1/2018			1,316 0.31		
			850 Service Corp International, 7.500%, due 4/1/2027			990 0.23		
			1,270 United Rentals North America Inc, 5.750%, due 11/15/2024			1,340 0.32		
						8,266 1.96		
			Computers — 0.24%			1,370 Compiler Finance Sub Inc, 144A, 7.000%, due 5/1/2021		
						1,028 0.24		
			Distribution/Wholesale — 0.37%			850 American Builders & Contractors Supply Co Inc, 144A, 5.625%, due 4/15/2021		
			720 LKQ Corp, 4.750%, due 5/15/2023			709 0.17		
						1,576 0.37		
			Electric — 0.91%			371 Midwest Generation LLC, Series B, 8.560%, due 1/2/2016		
			1,057 Mirant Mid Atlantic Pass Through Trust, Series C, 10.060%, due 12/30/2028			1,147 0.27		
			1,288 NRG REMA LLC, Series B, 9.237%, due 7/2/2017			1,363 0.32		
			890 NRG REMA LLC, Series C, 9.681%, due 7/2/2026			966 0.23		
						3,850 0.91		
			Electrical Components & Equipment — 0.22%			900 International Wire Group Holdings Inc, 144A, 8.500%, due 10/15/2017		
						941 0.22		
			Energy – Alternate Sources — 0.22%			920 TerraForm Power Operating LLC, 144A, 5.875%, due 2/1/2023		
						957 0.22		
			Engineering & Construction — 0.71%			2,590 Michael Baker Holdings LLC / Michael Baker Finance Corp, 144A, 8.875%, due 4/15/2019		
			600 Michael Baker International LLC / CDL Acquisition Co Inc, 144A, 8.250%, due 10/15/2018			585 0.14		
						2,994 0.71		
			Entertainment — 1.66%			1,300 Gibson Brands Inc, 144A, 8.875%, due 8/1/2018		
			520 Greentown Holdings LLC/ Greentown Mothership Corp, 144A, 8.875%, due 3/15/2019			1,277 0.31		
						555 0.13		

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global High Yield Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
U.S. Corporate Bonds and Notes — (continued)			Holding Companies – Diversified — 0.57%			1,440	DISH DBS Corp, 5.875%, due 11/15/2024	1,433 0.34
Entertainment — (continued)			2,310	Argos Merger Sub Inc, 144A, 7.125%, due 3/15/2023	2,391 0.57	1,340	iHeartCommunications Inc, 10.000%, due 1/15/2018	1,191 0.28
3,699	New Cotai LLC / New Cotai Capital Corp, 144A, 10.625%, due 5/1/2019	3,699 0.88	Home Builders — 1.79%			1,100	Media News Group Inc, 12.000%, due 12/24/2018	1,100 0.26
2	Rivers Pittsburgh Borrower LP/Rivers Pittsburgh Finance Corp, 144A, 9.500%, due 6/15/2019	2 –	1,840	Ashton Woods USA LLC / Ashton Woods Finance Co, 144A, 6.875%, due 2/15/2021	1,642 0.39	Mining — 0.96%		
940	Speedway Motorsports Inc, 144A, 5.125%, due 2/1/2023	966 0.23	460	Taylor Morrison Communities Inc / Monarch Communities Inc, 144A, 7.750%, due 4/15/2020	488 0.12	1,680	Coeur Mining Inc, 7.875%, due 2/1/2021	1,504 0.36
500	WMG Acquisition Corp, 144A, 6.750%, due 4/15/2022	475 0.11	–	William Lyon Homes Inc, 7.250%, due 8/12/2015	– –	760	Global Brass & Copper Inc, 9.500%, due 6/1/2019	821 0.19
		6,974 1.66	1,630	William Lyon Homes Inc, 8.500%, due 11/15/2020	1,760 0.42	15	Mirabela 1.000%, due 9/10/2044	– –
Financials – Banks — 1.17%			850	William Lyon Homes Inc, 7.000%, due 8/15/2022	861 0.20	1,344	Mirabela Nickel Ltd, 144A, 9.500%, due 6/24/2019	994 0.24
660	Bank of America Corp, Series Z, 6.500%, Perpetual *	699 0.17	2,890	Woodside Homes Co LLC / Woodside Homes Finance Inc, 144A, 6.750%, due 12/15/2021	2,803 0.66	700	Prince Mineral Holding Corp, 144A, 12.500%, due 12/15/2019	700 0.17
1,390	CIT Group Inc, 5.000%, due 8/15/2022	1,478 0.35			7,554 1.79	Miscellaneous Manufacturing — 0.78%		
1,000	CIT Group Inc, 5.000%, due 8/1/2023	1,055 0.25	Household Products/Wares — 0.53%			2,050	CBC Ammo LLC / CBC FinCo Inc, 144A, 7.250%, due 11/15/2021	1,784 0.42
1,150	Citigroup Inc, Series M, 6.300%, Perpetual *	1,171 0.28	1,360	Century Intermediate Holding Co 2, 144A, 9.750%, due 2/15/2019	1,447 0.34	1,050	CTP Transportation Products LLC / CTP Finance Inc, 144A, 8.250%, due 12/15/2019	1,097 0.26
510	M&T Bank Corp, 6.875%, Perpetual	523 0.12	720	Spectrum Brands Inc, 144A, 6.125%, due 12/15/2024	774 0.19	390	JM Huber Corp, 144A, 9.875%, due 11/1/2019	425 0.10
		4,926 1.17			2,221 0.53			3,306 0.78
Financials – Diversified — 1.90%			Insurance — 0.10%			Oil & Gas — 8.85%		
550	Ally Financial Inc, 8.000%, due 11/1/2031	710 0.17	390	Genworth Holdings Inc, 7.700%, due 6/15/2020	414 0.10	1,350	Antero Resources Corp, 144A, 5.125%, due 12/1/2022	1,330 0.32
2,130	ILFC E-Capital Trust I, 144A, 4.370%, due 12/21/2065 *	2,013 0.48	Internet — 0.86%			2,430	Atwood Oceanics Inc, 6.500%, due 2/1/2020	2,333 0.55
1,780	International Lease Finance Corp, 8.625%, due 1/15/2022	2,305 0.55	780	Ancestry.com Inc, 11.000%, due 12/15/2020	860 0.20	1,060	Berry Petroleum Co LLC, 6.375%, due 9/15/2022	843 0.20
660	Navient Corp, 5.875%, due 10/25/2024	641 0.15	1,550	Cogent Communications Group Inc, 144A, 5.375%, due 3/1/2022	1,558 0.37	800	Blue Racer Midstream LLC / Blue Racer Finance Corp, 144A, 6.125%, due 11/15/2022	824 0.20
1,590	Navient LLC, 8.000%, due 3/25/2020	1,850 0.44	1,170	Netflix Inc, 144A, 5.875%, due 2/15/2025	1,209 0.29	570	California Resources Corp, 144A, 5.000%, due 1/15/2020	523 0.12
590	TMX Finance LLC / TitleMax Finance Corp, 144A, 8.500%, due 9/15/2018	475 0.11			3,627 0.86	970	California Resources Corp, 144A, 6.000%, due 11/15/2024	864 0.20
		7,994 1.90	Leisure Time — 0.14%			1,500	Calumet Specialty Products Partners LP/Calumet Finance Corp, 9.625%, due 8/1/2020	1,597 0.38
Food — 0.24%			680	24 Hour Holdings III LLC, 144A, 8.000%, due 6/1/2022	583 0.14	860	Carrizo Oil & Gas Inc, 7.500%, due 9/15/2020	878 0.21
1,000	Simmons Foods Inc, 144A, 7.875%, due 10/1/2021	1,000 0.24	Lodging — 1.22%			200	Chesapeake Energy Corp, 6.875%, due 11/15/2020	220 0.05
Forest Products & Paper — 1.01%			411	Bossier Casino Venture, 11.000%, due 2/9/2018	421 0.10	500	Chesapeake Energy Corp, 6.125%, due 2/15/2021	531 0.13
3,240	Appvion Inc, 144A, 9.000%, due 6/1/2020	2,223 0.53	1,499	Bossier Casino Venture Holdco Inc, 144A, 14.000%, due 2/9/2018	1,315 0.31	850	Comstock Resources Inc, 7.750%, due 4/1/2019	527 0.12
690	Resolute Forest Products Inc, 5.875%, due 5/15/2023	666 0.16	2,140	Caesars Entertainment Resort Properties LLC / Caesars Entertainment Resort Prope, 144A, 11.000%, due 10/1/2021	1,894 0.45	1,130	Comstock Resources Inc, 9.500%, due 6/15/2020	701 0.17
1,400	Verso Paper Holdings LLC / Verso Paper Inc, 11.750%, due 1/15/2019	1,372 0.32	800	Caesars Entertainment Resort Properties LLC / Caesars Entertainment Resort Properties Finance, Inc, 144A, 8.000%, due 10/1/2020	806 0.19	910	CrownRock LP / CrownRock Finance Inc, 144A, 7.750%, due 2/15/2023	939 0.22
		4,261 1.01	820	Downstream Development Authority of the Quapaw Tribe of Oklahoma, 144A, 10.500%, due 7/1/2019	713 0.17	1,300	EXCO Resources Inc, 7.500%, due 9/15/2018	985 0.23
Healthcare – Products — 0.90%					5,149 1.22	1,500	FTS International Inc, 144A, 6.250%, due 5/1/2022	1,177 0.28
2,490	DJO Finance LLC / DJO Finance Corp, 9.875%, due 4/15/2018	2,577 0.61	Machinery – Diversified — 0.13%			360	Gulfport Energy Corp, 144A, 7.750%, due 11/1/2020	371 0.09
1,420	Universal Hospital Services Inc, 7.625%, due 8/15/2020	1,211 0.29	520	SPL Logistics Escrow LLC / SPL Logistics Finance Corp, 144A, 8.875%, due 8/1/2020	547 0.13	940	Halcon Resources Corp, 9.750%, due 7/15/2020	724 0.17
		3,788 0.90	Media — 1.72%			1,310	Halcon Resources Corp, 8.875%, due 5/15/2021	996 0.24
Healthcare – Services — 1.74%			1,590	CCOH Safari LLC, 5.750%, due 12/1/2024	1,645 0.39	90	Hercules Offshore Inc, 144A, 8.750%, due 7/15/2021	27 0.01
618	Acadia Healthcare Co Inc, 12.875%, due 11/1/2018	697 0.17	757	Clear Channel Worldwide Holdings Inc, Series A, 7.625%, due 3/15/2020	793 0.19	1,200	Hercules Offshore Inc, 144A, 7.500%, due 10/1/2021	348 0.08
2,500	Fresenius Medical Care US Finance II Inc, 144A, 4.750%, due 10/15/2024	2,656 0.63	1,000	DISH DBS Corp, 6.750%, due 6/1/2021	1,066 0.26	2,300	Hercules Offshore Inc, 144A, 6.750%, due 4/1/2022	673 0.16
1,680	HCA Inc, 5.375%, due 2/1/2025	1,781 0.42				980	Hiland Partners LP / Hiland Partners Finance Corp, 144A, 7.250%, due 10/1/2020	1,071 0.25
1,700	IASIS Healthcare LLC / IASIS Capital Corp, 8.375%, due 5/15/2019	1,770 0.42						
380	Kindred Healthcare Inc, 144A, 8.750%, due 1/15/2023	414 0.10						
		7,318 1.74						

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Legg Mason Western Asset Global High Yield Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
U.S. Corporate Bonds and Notes — (continued)			50 Southern Natural Gas Co LLC, 8.000%, due 3/1/2032			64 0.01		
Oil & Gas — (continued)			6,270 1.49			Transportation — 1.55%		
890	Key Energy Services Inc, 6.750%, due 3/1/2021	595 0.14	Real Estate — 0.79%			400	Florida East Coast Holdings Corp, 144A, 6.750%, due 5/1/2019	412 0.10
1,030	Magnum Hunter Resources Corp, 9.750%, due 5/15/2020	917 0.22	1,020	CBRE Services Inc, 5.250%, due 3/15/2025	1,112 0.26	860	Gulfmark Offshore Inc, 6.375%, due 3/15/2022	707 0.17
3,270	Milagro Oil & Gas Inc, 10.500%, due 5/15/2016	2,224 0.53	910	Greystar Real Estate Partners LLC, 144A, 8.250%, due 12/1/2022	946 0.23	594	Horizon Lines LLC, 11.000%, due 10/15/2016	597 0.14
640	Murphy Oil USA Inc, 6.000%, due 8/15/2023	682 0.16	1,220	The Howard Hughes Corp, 144A, 6.875%, due 10/1/2021	1,283 0.30	1,793	Jack Cooper Holdings Corp, 144A, 9.250%, due 6/1/2020	1,847 0.44
1,370	New Gulf Resources LLC/NGR Finance Corp, Series AI, 11.750%, due 5/15/2019	1,075 0.26	3,341 0.79			1,600	Neovia Logistics Intermediate Holdings LLC / Logistics Intermediate Finance Corp, 144A, 10.000%, due 2/15/2018	1,608 0.38
790	NGL Energy Partners LP / NGL Energy Finance Corp, 5.125%, due 7/15/2019	770 0.18	REITS — 0.47%			1,250	XPO Logistics Inc, 144A, 7.875%, due 9/1/2019	1,329 0.32
960	NGL Energy Partners LP / NGL Energy Finance Corp, 6.875%, due 10/15/2021	965 0.23	1,000	CTR Partnership LP / CareTrust Capital Corp, 5.875%, due 6/1/2021	1,020 0.24	6,500 1.55		
480	Oasis Petroleum Inc, 6.875%, due 1/15/2023	464 0.11	930	The Geo Group Inc, 5.875%, due 10/15/2024	974 0.23	Trucking & Leasing — 0.25%		
730	Parker Drilling Co, 6.750%, due 7/15/2022	599 0.14	1,994 0.47			1,060	Flexi-Van Leasing Inc, 144A, 7.875%, due 8/15/2018	1,065 0.25
1,300	Parsley Energy LLC / Parsley Finance Corp, 144A, 7.500%, due 2/15/2022	1,332 0.32	Retail — 2.80%			Total U.S. Corporate Bonds and Notes (Cost \$232,120)		
1,770	QEP Resources Inc, 5.375%, due 10/1/2022	1,748 0.41	1,135	Carrols Restaurant Group Inc, 11.250%, due 5/15/2018	1,214 0.29	219,575 52.10		
250	QEP Resources Inc, 5.250%, due 5/1/2023	245 0.06	760	CEC Entertainment Inc, 8.000%, due 2/15/2022	737 0.17	U.S. Denominated Bonds and Notes — 23.19%		
310	Quicksilver Resources Inc, 11.000%, due 7/1/2021	32 0.01	890	Chinos Intermediate Holdings A Inc, 144A, 7.750%, due 5/1/2019	785 0.19	Australia — 1.35%		
930	Range Resources Corp, 5.750%, due 6/1/2021	979 0.23	330	CST Brands Inc, 5.000%, due 5/1/2023	341 0.08	1,670	Ausdrill Finance Pty Ltd, 144A, 6.875%, due 11/1/2019	1,244 0.30
3,560	Samson Investment Co, 9.750%, due 2/15/2020	1,210 0.29	1,060	Family Tree Escrow LLC, 144A, 5.750%, due 3/1/2023	1,116 0.26	1,700	Barrinco Finance Pty Ltd, 144A, 9.000%, due 6/1/2018	1,653 0.39
1,870	Sanchez Energy Corp, 7.750%, due 6/15/2021	1,865 0.44	1,020	GameStop Corp, 144A, 5.500%, due 10/1/2019	1,053 0.25	550	FMG Resources August 2006 Pty Ltd, 144A, 8.250%, due 11/1/2019	520 0.12
1,230	Summit Midstream Holdings LLC / Summit Midstream Finance Corp, 7.500%, due 7/1/2021	1,295 0.31	2,690	Guitar Center Inc, 144A, 9.625%, due 4/15/2020	1,749 0.42	1,750	FMG Resources August 2006 Pty Ltd, 144A, 6.875%, due 4/1/2022	1,463 0.35
1,880	Summit Midstream Holdings LLC / Summit Midstream Finance Corp, 5.500%, due 8/15/2022	1,824 0.43	1,970	Landry's Holdings II Inc, 144A, 10.250%, due 1/1/2018	2,056 0.49	1,870	Midwest Vanadium Pty Ltd, 144A, 11.500%, due 2/15/2018	103 0.02
37,303 8.85			924	Landry's Inc, 144A, 9.375%, due 5/1/2020	997 0.24	800	St Barbara Ltd, 144A, 8.875%, due 4/15/2018	696 0.17
Packaging & Containers — 0.75%			1,696	Spencer Spirit Holdings Inc, 144A, 9.000%, due 5/1/2018	1,728 0.41	5,679 1.35		
850	BWAY Holding Co, 144A, 9.125%, due 8/15/2021	884 0.21	11,776 2.80			Austria — 0.52%		
450	Pactiv LLC, 7.950%, due 12/15/2025	457 0.11	Semiconductors — 0.20%			2,150	JBS Investments GmbH, 7.250%, due 4/3/2024	2,193 0.52
1,780	Pactiv LLC, 8.375%, due 4/15/2027	1,833 0.43	810	Micron Technology Inc, 144A, 5.250%, due 8/1/2023	829 0.20	Bahamas — 0.42%		
3,174 0.75			Software — 1.94%			1,800	Ultrapetrol Bahamas Ltd, 8.875%, due 6/15/2021	1,764 0.42
Pharmaceuticals — 0.83%			770	Activision Blizzard Inc, 144A, 6.125%, due 9/15/2023	852 0.20	Bermuda — 0.50%		
3,590	Lantheus Medical Imaging Inc, 9.750%, due 5/15/2017	3,509 0.83	2,050	First Data Corp, 11.750%, due 8/15/2021	2,388 0.57	1,030	Digicel Group Ltd, 144A, 8.250%, due 9/30/2020	1,042 0.25
Pipelines — 1.49%			970	First Data Corp, 144A, 8.750%, due 1/15/2022	1,048 0.25	1,030	NCL Corp Ltd, 5.000%, due 2/15/2018	1,053 0.25
730	Access Midstream Partners LP / ACMP Finance Corp, 5.875%, due 4/15/2021	764 0.18	3,900	Interface Security Systems Holdings Inc / Interface Security Systems LLC, 9.250%, due 1/15/2018	3,880 0.92	2,095 0.50		
1,500	Crestwood Midstream Partners LP / Crestwood Midstream Finance Corp, 6.125%, due 3/1/2022	1,508 0.36	8,168 1.94			Brazil — 0.62%		
1,600	MarkWest Energy Partners LP / MarkWest Energy Finance Corp, 4.875%, due 12/1/2024	1,644 0.39	Telecommunications — 3.08%			1,370	Oi SA, 5.750%, due 2/10/2022	1,185 0.28
900	Regency Energy Partners LP / Regency Energy Finance Corp, 5.000%, due 10/1/2022	954 0.23	790	Level 3 Financing Inc, 7.000%, due 6/1/2020	849 0.20	780	Telemar Norte Leste SA, 5.500%, due 10/23/2020	704 0.17
-	Regency Energy Partners LP / Regency Energy Finance Corp, 4.500%, due 11/1/2023	- -	2,530	Level 3 Financing Inc, 144A, 5.625%, due 2/1/2023	2,606 0.62	1,680	Tonon Bioenergia S.A., 9.250%, due 1/24/2020	743 0.17
1,220	Rockies Express Pipeline LLC, 144A, 6.875%, due 4/15/2040	1,336 0.32	6,755	Sprint Capital Corp, 8.750%, due 3/15/2032	7,135 1.69	2,632 0.62		
			1,070	Sprint Corp, 7.625%, due 2/15/2025	1,081 0.26	British Virgin Islands — 0.14%		
			1,360	West Corp, 144A, 5.375%, due 7/15/2022	1,323 0.31	670	Pacific Drilling V Ltd, 144A, 7.250%, due 12/1/2017	598 0.14
			12,994 3.08			Canada — 2.15%		
			Textiles — 0.21%			738	Air Canada 2013-1 Class B Pass Through Trust, 144A, 5.375%, due 5/15/2021	776 0.18
			1,090	Empire Today LLC / Empire Today Finance Corp, 144A, 11.375%, due 2/1/2017	894 0.21	1,280	Air Canada 2013-1 Class C Pass Through Trust, 144A, 6.625%, due 5/15/2018	1,339 0.32

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global High Yield Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
U.S. Denominated Bonds and Notes — (continued)								
Canada — (continued)								
1,100			2,060			2,230		
MDC Partners Inc, 144A, 6.750%, due 4/1/2020	1,158	0.28	Offshore Drilling Holding SA, 8.625%, due 9/20/2020	1,669	0.40	Virgin Media Finance Plc, 144A, 6.375%, due 4/15/2023	2,408	0.57
830			460					
MEG Energy Corp, 144A, 6.375%, due 1/30/2023	788	0.19	TMK OAO Via TMK Capital SA, 144A, 6.750%, due 4/3/2020	329	0.08		7,446	1.77
535			1,700			Venezuela — 0.05%		
MEG Energy Corp, 144A, 7.000%, due 3/31/2024	521	0.12	TMK OAO Via TMK Capital SA, 6.750%, due 4/3/2020	1,215	0.29	343		
1,490			1,090			Petroleos de Venezuela SA, 8.500%, due 11/2/2017	226	0.05
Pacific Rubiales Energy Corp, 7.250%, due 12/12/2021	1,069	0.25	1,090			Total U.S. Denominated Bonds and Notes (Cost \$111,117)		
1,470			1,950				97,718	23.19
Thompson Creek Metals Co Inc, 12.500%, due 5/1/2019	1,301	0.31	1,950			U.S. Denominated Debt Obligations — 1.22%		
1,080			1,250			Peru — 0.01%		
Valeant Pharmaceuticals International Inc, 144A, 5.500%, due 3/1/2023	1,091	0.26	1,250			12		
	9,058	2.15	10,500%, due 1/28/2018	50	0.01	Peruvian Government International Bond, 7.350%, due 7/21/2025	17	0.01
				18,417	4.37	Venezuela — 1.21%		
Cayman Islands — 2.22%								
1,200			Marshall Islands — 0.33%					
Marfrig Overseas Ltd, 144A, 9.500%, due 5/4/2020	1,177	0.28	1,390			3,300		
1,620			Mexico — 2.21%					
MCE Finance Ltd, 144A, 5.000%, due 2/15/2021	1,564	0.37	2,460			10,065		
980			2,460			Venezuela Government International Bond, 9.250%, due 9/15/2027	1,312	0.31
Shelf Drilling Holdings Ltd, 144A, 8.625%, due 11/1/2018	784	0.19	930			2		
2,050			3,360			Venezuela Government International Bond, 7.750%, due 10/13/2019	3,774	0.89
Shimao Property Holdings Ltd, 6.625%, due 1/14/2020	2,014	0.47	3,290			2		
2,060			970			Venezuela Government International Bond, 0.000%, due 4/15/2020 *	25	0.01
Transocean Inc, 6.375%, due 12/15/2021	1,818	0.43	970				5,111	1.21
2,050						Total U.S. Denominated Debt Obligations (Cost \$11,426)		
Yuzhou Properties Co Ltd, 8.750%, due 10/4/2018	2,014	0.48					5,128	1.22
	9,371	2.22				Shares/ Units (000's)		
						Value (000's) \$		
						% of Net Asset Value		
France — 0.84%								
2,270			Netherlands — 3.12%					
Cie Generale de Geophysique – Veritas, 6.500%, due 6/1/2021	1,856	0.44	1,200			77		
1,080			1,200			Bossier Casino Venture Holdco Inc, 144A †	–	–
Numericable Group SA, 144A, 6.000%, due 5/15/2022	1,099	0.26	1,233			65		
460			2,640			Citygroup Inc	3,412	0.81
Numericable Group SA, 144A, 6.250%, due 5/15/2024	472	0.11	2,640			51		
110			578			Deep Ocean Group Holdings †∞	664	0.16
Societe Generale SA, 8.750%, Perpetual	111	0.03	578			45		
	3,538	0.84	730			Horizon Lines Inc, Class A †	30	–
			2,230			3,106		
Germany — 0.23%								
1,010			2,230			Mirabela Nickel Ltd †	206	0.05
Magnesita Refractories Co, 7.875%, due 3/30/2020	972	0.23	2,230			– New Cotai Class B Shares USD NPV †	246	0.06
			6,360			28		
Ireland — 1.19%								
4,126			440			Physiotherapy Associates Holdings Inc †∞	2,368	0.56
Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 144A, 7.000%, due 11/15/2020	4,095	0.97	440			Total Common Stock (Cost \$4,775)		
920							6,926	1.64
James Hardie International Finance Ltd, 144A, 5.875%, due 2/15/2023	940	0.22				Collective Investment Schemes — 8.84%		
	5,035	1.19				12		
						Legg Mason Global Funds Plc – Western Asset Emerging Markets Corporate Bond Fund – LM Class US\$ Distributing (M)	1,199	0.28
Jersey — 0.30%								
1,280						158		
Cleopatra Finance Ltd, 144A, 6.500%, due 2/15/2025	1,275	0.30				Legg Mason Global Funds Plc – Western Asset Euro High Yield Fund LM Class Euro (Accumulating)	25,339	6.01
						82		
Luxembourg — 4.37%								
1,170						Legg Mason Qualified Investor Funds II Plc-Legg Mason Western Asset Senior Loans Fund – LM Class US\$ Distributing (monthly)	7,907	1.88
Altice Financing SA, 144A, 6.625%, due 2/15/2023	1,218	0.29				47		
730						Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	72	0.02
Altice Finco SA, 144A, 7.625%, due 2/15/2025	758	0.18				2,753		
413						Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	2,753	0.65
Ardagh Finance Holdings SA, 144A, 8.625%, due 6/15/2019	430	0.10				Total Collective Investment Schemes (Cost \$38,139)		
1,300						Preferred Stock — 1.38%		
Coveris Holdings SA, 144A, 7.875%, due 11/1/2019	1,320	0.31				– Actavis plc, Series A	303	0.07
1,950						3		
DH Services Luxembourg Sarl, 144A, 7.750%, due 12/15/2020	2,043	0.49				American Tower Corp	337	0.08
550						185		
Evrax Group SA, 6.500%, due 4/22/2020	449	0.10				GMAC Capital Trust I, Series 2	4,799	1.14
4,990						8		
Evrax Group SA, 6.750%, due 4/27/2018	4,455	1.06				Rex Energy Corp	393	0.09
3,670						Total Preferred Stock (Cost \$6,222)		
Globe Luxembourg SCA, 144A, 9.625%, due 5/1/2018	3,103	0.74				Warrant — 0.09%		
						14,381		
						Horizon Lines Inc, Series CW16, Class A †∞	380	0.09
						Total Warrant (Cost \$1,110)		
							380	0.09
						Total Investments Excluding Options (Cost \$446,119)		
							408,401	96.91

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global High Yield Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Contracts (000's)	Value (000's) \$	% of Net Asset Value
Options — (0.01%)		
Written Options — (0.01%)		
(3,440) Petsmart Inc Bridge Loan January 2016 Put 0.01, due 1/4/2016 †∞	(26)	(0.01)
Total Options (Cost \$(26))	(26)	(0.01)
Total Investments (Cost \$446,093)	408,375	96.90
Other Assets in Excess of Liabilities	13,047	3.10
Total Net Assets	\$421,422	100.00

– Amounts designated as “–” are either \$0, less than \$1,000 or less than 1,000 shares.
 144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These

securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2015, these securities amounted to \$147,531,000 or 35.02% of net assets.
 * Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2015.
 † Illiquid.
 ∞ Security is valued in good faith at fair value by or at the discretion of the Investment Manager.
 ε Security is in default as at February 28, 2015.

ABBREVIATIONS:

Perpetual – A bond with no maturity date. Perpetual bonds are not redeemable but pay a steady stream of interest.
 EUR – Euro
 GBP – British Pound

ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR FUTURES, FORWARDS AND OPTIONS WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS DEALT IN ON A REGULATED MARKET AND COLLECTIVE INVESTMENT SCHEMES.

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	85.92
Financial derivative instruments	0.19
Collective investment schemes	8.63
Other assets	5.26
Total Assets	100.00

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
U.S.10 Year Note (CBT) June 2015	(82)	\$(10,479)	\$ (50)
Total Market Value of Future Contracts	(82)	\$(10,479)	\$ (50)
Unrealised Appreciation of Futures Contracts			–
Unrealised Depreciation of Futures Contracts			(50)
Net Depreciation of Future Contracts			\$ (50)

Schedule of Forward Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/31/15	Bank of America Sec London	Buy USD 60	Sell GBP 39	\$ –
03/31/15	Bank of America Sec London	Buy AUD 2,612	Sell USD 2,030	7
03/31/15	Bank of America Sec London	Buy SGD 2	Sell USD 1	–
03/31/15	Bank of America Sec London	Buy GBP 2,535	Sell USD 3,887	26
03/31/15	Bank of America Sec London	Buy GBP 1	Sell USD 2	–
03/31/15	Bank of New York Mellon London	Buy USD 6	Sell EUR 5	–
03/31/15	Barclays Capital London	Buy USD 28	Sell EUR 24	–
03/31/15	Barclays Capital London	Buy USD 67	Sell GBP 44	–
03/31/15	Barclays Capital London	Buy SGD 1,325	Sell USD 971	–
03/31/15	Barclays Capital London	Buy EUR 5	Sell USD 6	–
03/31/15	Citicorp Securities London Ltd	Buy EUR 3,032	Sell USD 3,428	(34)
03/31/15	Citicorp Securities London Ltd	Buy SGD 4,739	Sell USD 3,476	(2)
03/31/15	Citicorp Securities London Ltd	Buy GBP 2,089	Sell USD 3,207	18
03/31/15	Citicorp Securities London Ltd	Buy AUD 9,146	Sell USD 7,112	21
03/31/15	Credit Suisse First Boston London	Buy AUD 7,701	Sell USD 5,990	16
03/31/15	HSBC Midland	Buy USD 11	Sell EUR 10	–
03/31/15	HSBC Midland	Buy USD 196	Sell GBP 128	(1)
03/31/15	HSBC Midland	Buy USD 1,035	Sell SGD 1,410	1
03/31/15	HSBC Midland	Buy EUR 845	Sell USD 957	(10)
03/31/15	JP Morgan Chase Bank London	Buy SGD 1,409	Sell USD 1,034	(1)
03/31/15	Morgan Stanley London	Buy AUD 5,496	Sell USD 4,277	9
03/31/15	Morgan Stanley London	Buy EUR 1,864	Sell USD 2,109	(22)
03/31/15	Royal Bank of Canada London	Buy USD 19	Sell GBP 12	–
03/31/15	Royal Bank of Canada London	Buy USD 87	Sell SGD 119	–
03/31/15	Royal Bank of Canada London	Buy EUR 726	Sell USD 822	(9)
03/31/15	Royal Bank of Canada London	Buy AUD 2,721	Sell USD 2,118	4
03/31/15	Royal Bank of Canada London	Buy GBP 300	Sell USD 462	2
03/31/15	Royal Bank of Scotland	Buy EUR 102	Sell USD 116	(1)
03/31/15	UBS	Buy USD 271	Sell AUD 343	3
03/31/15	UBS	Buy USD 73	Sell GBP 47	–
03/31/15	UBS	Buy USD 684	Sell GBP 443	(1)
03/31/15	UBS	Buy USD 25	Sell SGD 34	–
03/31/15	UBS	Buy EUR 32	Sell USD 37	–
03/31/15	UBS	Buy GBP 52	Sell USD 80	–
03/31/15	UBS	Buy SGD 68	Sell USD 50	–
03/31/15	UBS	Buy AUD 24,575	Sell USD 19,131	34
05/13/15	Citicorp Securities London Ltd	Buy USD 13,520	Sell EUR 11,841	256
05/13/15	Citicorp Securities London Ltd	Buy USD 1,403	Sell GBP 920	(17)
05/13/15	Citicorp Securities London Ltd	Buy AUD 3,770	Sell USD 2,930	3

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global High Yield Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Expiration Date	Counterparty		Buy Currency (000's)		Sell Currency (000's)		Unrealised Appreciation/ (Depreciation) of Contracts (000's)	
05/13/15	Credit Suisse First Boston London	Buy	USD	4,552	Sell	EUR	3,968	\$ 107
05/13/15	Deutsche Bank London	Buy	USD	1,984	Sell	EUR	1,729	47
05/13/15	Deutsche Bank London	Buy	GBP	1,277	Sell	USD	1,956	15
05/13/15	JP Morgan Chase Bank London	Buy	USD	1,994	Sell	GBP	1,300	(12)
05/13/15	UBS	Buy	USD	12,260	Sell	EUR	10,726	245
05/13/15	UBS	Buy	USD	1,228	Sell	GBP	806	(15)
05/27/15	Barclays Capital London	Buy	USD	22	Sell	SGD	30	–
Unrealised Appreciation of Forward Foreign Currency Contracts								814
Unrealised Depreciation of Forward Foreign Currency Contracts								(125)
Net Appreciation of Forward Foreign Currency Contracts								\$ 689

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US Short-Term Government Fund

Portfolio of Investments as at February 28, 2015

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
Asset-Backed Securities — 8.10%			28 Fannie Mae Interest Strip 407, Class C10, 5.000%, due 1/25/2038	6	0.02	U.S. Government Agency Obligations — 14.99%		
160 American Express Credit Account Master Trust, Series 2013 2, Class A, 0.593%, due 5/17/2021 *	161	0.52	41 Fannie Mae Interest Strip 409, Class C22, 4.500%, due 11/25/2039	8	0.03	125 Federal Home Loan Bank Discount Notes, zero coupon, due 3/11/2015	125	0.41
100 American Express Issuance Trust II, Series 2013 2, Class A, 0.603%, due 8/15/2019 *	100	0.33	57 Fannie Mae Interest Strip 409, Class C13, 3.500%, due 11/25/2041	13	0.04	150 Federal Home Loan Bank Discount Notes, zero coupon, due 3/13/2015	150	0.49
300 Chase Issuance Trust, Series 2006 A2, Class A2, 5.160%, due 4/16/2018	313	1.02	115 Fannie Mae Interest Strip 409, Class C18, 4.000%, due 4/25/2042	21	0.07	100 Federal Home Loan Bank Discount Notes, zero coupon, due 4/6/2015	100	0.32
200 Citibank Credit Card Issuance Trust, Series 2013 A4, Class A4, 0.592%, due 7/24/2020 *	200	0.65	109 Fannie Mae Pool 545816, 8.000%, due 3/1/2017	114	0.37	1,000 Federal National Mortgage Association, 2.250%, due 3/15/2016	1,020	3.33
100 Citibank Credit Card Issuance Trust, Series 2013 A7, Class A7, 0.602%, due 9/10/2020 *	100	0.33	132 Fannie Mae Pool 545854, 8.500%, due 3/1/2017	136	0.44	1,000 Federal National Mortgage Association, 5.000%, due 3/15/2016	1,048	3.42
200 Ford Credit Auto Owner Trust 2014-B, Series 2014 B, Class A3, 0.900%, due 10/15/2018	200	0.65	16 Fannie Mae Pool 633510, 8.000%, due 6/1/2018	16	0.05	1,000 Federal National Mortgage Association, 0.500%, due 3/30/2016	1,002	3.27
260 Ford Credit Floorplan Master Owner Trust A, Series 2013 5, Class A2, 0.643%, due 9/15/2018 *	260	0.85	135 Fannie Mae Pool 516216, 8.000%, due 8/1/2019	146	0.48	1,000 Federal National Mortgage Association, 2.375%, due 4/11/2016	1,022	3.34
110 Ford Credit Floorplan Master Owner Trust A, Series 2014 4, Class A2, 0.522%, due 8/15/2019 *	110	0.36	47 Fannie Mae Pool 516217, 8.500%, due 8/1/2019	51	0.17	125 Freddie Mac Discount Notes, zero coupon, due 3/19/2015	125	0.41
169 Honda Auto Receivables 2013 Owner Trust, Series 2013 2, Class A3, 0.530%, due 2/16/2017	170	0.56	252 Fannie Mae Pool 555319, 7.500%, due 3/1/2021	272	0.89	Total U.S. Government Agency Obligations (Cost \$4,584)	4,592	14.99
200 John Deere Owner Trust 2014-A, Series 2014 A, Class A3, 0.920%, due 4/16/2018	200	0.66	203 Fannie Mae Pool 545746, 8.000%, due 10/1/2021	221	0.72	U.S. Treasury Obligations — 60.05%		
179 Mercedes-Benz Auto Receivables Trust, Series 2013 1, Class A3, 0.780%, due 8/15/2017	179	0.59	98 Fannie Mae Pool 547542, 8.500%, due 10/1/2026	113	0.37	3,693 United States Treasury Note, 0.375%, due 1/15/2016	3,697	12.07
157 Ohio Phase-In-Recovery Funding LLC, Series 2013 1, Class A1, 0.958%, due 7/1/2018	157	0.51	103 Fannie Mae Pool 595463, 8.500%, due 4/1/2027	118	0.39	2,500 United States Treasury Note, 0.375%, due 1/31/2016	2,503	8.17
260 SLM Student Loan Trust, Series 2008 6, Class A3, 1.006%, due 1/25/2019 *	262	0.85	297 Fannie Mae Pool 555318, 7.000%, due 4/1/2032	340	1.11	1,000 United States Treasury Note, 0.375%, due 3/15/2016	1,001	3.27
68 World Omni Automobile Lease Securitization Trust 2013-A, Series 2013 A, Class A2B, 0.493%, due 5/16/2016 *	68	0.22	121 Fannie Mae Pool 555194, 8.000%, due 5/1/2032	133	0.43	3,040 United States Treasury Note, 0.375%, due 3/31/2016	3,042	9.94
Total Asset-Backed Securities (Cost \$2,485)	2,480	8.10	49 Fannie Mae Pool AL1469, 7.000%, due 2/1/2039	56	0.18	3,120 United States Treasury Note, 0.250%, due 4/15/2016	3,118	10.18
U.S. Corporate Bonds and Notes — 0.65%			64 Fannie Mae Pool AL3429, 4.500%, due 6/1/2041	70	0.23	1,450 United States Treasury Note, 0.250%, due 5/15/2016	1,448	4.73
190 Verizon Communications Inc, 1.991%, due 9/14/2018 *	198	0.65	67 Fannie Mae Pool AL3414, 4.500%, due 9/1/2041	73	0.24	985 United States Treasury Note, 0.375%, due 5/31/2016	985	3.22
Total U.S. Corporate Bonds and Notes (Cost \$190)	198	0.65	100 Fannie Mae Pool, TBA December, 4.000%, due 12/15/2045 ±	107	0.35	1,500 United States Treasury Note, 0.875%, due 1/31/2017	1,508	4.93
U.S. Government Agency Mortgage-Backed Securities — 16.17%			41 Fannie Mae Remics, Series 2010 142, Class SM, 6.359%, due 12/25/2040 *	6	0.02	1,000 United States Treasury Note, 0.750%, due 10/31/2017	996	3.25
Federal Home Loan Mortgage Corporation (FHLMC) — 6.04%			31 Fannie Mae Remics, Series 2010 150, Class SK, 6.359%, due 1/25/2041 *	6	0.02	50 United States Treasury Note, 1.625%, due 12/31/2019	50	0.16
120 Freddie Mac Gold Pool G80176, 8.000%, due 12/17/2023	134	0.44	42 Fannie Mae Remics, Series 2012 46, Class BA, 6.000%, due 5/25/2042	47	0.15	40 United States Treasury Note, 2.250%, due 11/15/2024	41	0.13
225 Freddie Mac Gold Pool G00767, 7.500%, due 8/1/2027	270	0.88	Government National Mortgage Association (GNMA) — 3.34%	2,080	6.79	Total U.S. Treasury Obligations (Cost \$18,374)	18,389	60.05
106 Freddie Mac Gold Pool G80210, 8.000%, due 8/20/2027	124	0.40	41 Ginnie Mae, Series 2010 31, Class GS, 6.327%, due 3/20/2039 *	5	0.02	Total Investments (Cost \$30,295)	30,610	99.96
209 Freddie Mac Gold Pool G80204, 8.500%, due 10/20/2027	250	0.82	111 Ginnie Mae, Series 2010 H22, Class FE, 0.518%, due 5/20/2059 *	111	0.36	Other Assets in Excess of Liabilities	11	0.04
79 Freddie Mac Gold Pool G00921, 7.500%, due 4/1/2028	94	0.31	28 Ginnie Mae I Pool 385981, 9.000%, due 11/15/2024	29	0.09	Total Net Assets	\$30,621	100.00
190 Freddie Mac Gold Pool C14619, 7.500%, due 9/1/2028	213	0.69	222 Ginnie Mae I Pool 780162, 8.500%, due 6/15/2025	269	0.88	* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2015.		
200 Freddie Mac Gold Pool, TBA March, 2.500%, due 3/15/2030 ±	205	0.67	14 Ginnie Mae I Pool 405539, 8.500%, due 12/15/2025	17	0.06	± Securities purchased on a to-be-announced basis (Note 1).		
6 Freddie Mac Gold Pool N30699, 7.000%, due 8/1/2030	6	0.02	46 Ginnie Mae II Pool 4923, 4.500%, due 1/20/2041	50	0.16	ABBREVIATIONS:		
87 Freddie Mac Gold Pool U90316, 4.000%, due 10/1/2042	95	0.31	125 Ginnie Mae II Pool 4978, 4.500%, due 3/20/2041	137	0.45	TBA – To Be Announced		
102 Freddie Mac Non Gold Pool 555537, 9.500%, due 1/1/2021	109	0.36	79 Government National Mortgage Association, Series 2011 140, Class AI, 4.000%, due 10/16/2026	8	0.03	ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR FUTURES WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS DEALT IN ON A REGULATED MARKET.		
326 Freddie Mac Non Gold Pool 789586, 2.375%, due 7/1/2032 *	349	1.14	40 Government National Mortgage Association, Series 2010 85, Class HS, 6.477%, due 1/20/2040 *	7	0.02	Analysis of Total Assets		
	1,849	6.04	356 Government National Mortgage Association, Series 2012 34, Class SD, 5.878%, due 3/16/2042 *	74	0.24	Transferable securities admitted to an official exchange listing or traded on a regulated market		
Federal National Mortgage Association (FNMA) — 6.79%			159 Government National Mortgage Association, Series 2010 H26, Class LF, 0.518%, due 8/20/2058 *	159	0.52	Financial derivative instruments		
61 Fannie Mae Interest Strip 409, Class C2, 3.000%, due 4/25/2027	7	0.02	154 Government National Mortgage Association, Series 2010 H10, Class FC, 1.168%, due 5/20/2060 *	156	0.51	Other assets		
				1,022	3.34	Total Assets		
			Total U.S. Government Agency Mortgage-Backed Securities (Cost \$4,662)	4,951	16.17	100.00		

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US Short-Term Government Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
U.S. 10 Year Note (CBT) March 2015	1	\$ 129	\$ 2
U.S. 5 Year Note (CBT) June 2015	(28)	(3,340)	5
Total Market Value of Future Contracts	(27)	\$ (3,211)	\$ 7
Unrealised Appreciation of Futures Contracts			7
Unrealised Depreciation of Futures Contracts			–
Net Appreciation of Future Contracts			\$ 7

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US Adjustable Rate Fund

Portfolio of Investments as at February 28, 2015

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
Asset-Backed Securities — 23.63%			U.S. Corporate Bonds and Notes — 21.64%			275 Federal Farm Credit Banks, 0.192%, due 8/26/2016 *		
200 American Express Issuance Trust II, Series 2013 2, Class A, 0.603%, due 8/15/2019 *	201	1.98	Beverages — 0.69%			350 Federal Farm Credit Banks, 0.202%, due 9/12/2016 *		
133 Argent Securities Inc Asset-Backed Pass Through Certificates, Series 2004 W10, Class A2, 0.948%, due 10/25/2034 *	129	1.27	70 The Coca-Cola Co, 0.215%, due 3/5/2015 *			Total U.S. Government Agency Obligations (Cost \$2,440)		
100 BA Credit Card Trust, Series 2014 A2, Class A, 0.443%, due 9/16/2019 *	100	0.99	Financials – Banks — 2.46%			2,442 24.04		
124 Brazos Higher Education Authority, Series 2005 2, Class A10, 0.375%, due 12/26/2019 *	124	1.22	250 Wells Fargo & Co, 0.456%, due 10/28/2015 *			U.S. Treasury Obligations — 13.52%		
100 Chase Issuance Trust, Series 2012 A9, Class A9, 0.323%, due 10/16/2017 *	100	0.98	Financials – Capital Markets — 0.06%			125 United States Treasury Note, 0.089%, due 4/30/2016 *		
120 Citibank Credit Card Issuance Trust, Series 2013 A4, Class A4, 0.592%, due 7/24/2020 *	120	1.18	25 Lehman Escrow Receipt, zero coupon, Perpetual †			38 United States Treasury Note, 0.500%, due 7/31/2016		
100 Citibank Credit Card Issuance Trust, Series 2013 A7, Class A7, 0.602%, due 9/10/2020 *	100	0.98	Financials – Diversified — 3.84%			820 United States Treasury Note, 0.073%, due 10/31/2016 *		
180 Ford Credit Floorplan Master Owner Trust A, Series 2013 5, Class A2, 0.643%, due 9/15/2018 *	180	1.77	150 General Electric Capital Corp, 0.839%, due 12/11/2015 *			390 United States Treasury Note, 1.000%, due 9/15/2017		
100 John Deere Owner Trust, Series 2014 A, Class A3, 0.920%, due 4/16/2018	100	0.98	220 General Electric Capital Corp, 5.400%, due 2/15/2017			Total U.S. Treasury Obligations (Cost \$1,372)		
142 Nissan Auto Lease Trust, Series 2014 A, Class A2B, 0.333%, due 9/15/2016 *	141	1.39	390 3.84			1,374 13.52		
150 Nissan Master Owner Trust Receivables, Series 2013 A, Class A, 0.473%, due 2/15/2018 *	150	1.48	Insurance — 2.46%			Shares/ Units (000's)		
92 Ohio Phase-In-Recovery Funding LLC, Series 2013 1, Class A1, 0.958%, due 7/1/2018	92	0.91	250 Berkshire Hathaway Finance Corp, 0.402%, due 1/10/2017 *			Value (000's) \$		
69 Option One Mortgage Loan Trust, Series 2002 3, Class A1, 0.671%, due 8/25/2032 *	64	0.63	Oil & Gas — 6.20%			% of Net Asset Value		
4 Saxon Asset Securities Trust, Series 2002 1, Class AV1, 0.671%, due 3/25/2032 *	4	0.04	300 Chevron Corp, 0.427%, due 11/15/2017 *			Collective Investment Schemes — 0.17%		
180 SLM Student Loan Trust, Series 2008 6, Class A3, 1.006%, due 1/25/2019 *	181	1.78	80 Exxon Mobil Corp, 0.281%, due 3/15/2017 *			17 Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class		
109 SLM Student Loan Trust, Series 2004 3, Class A5, 0.426%, due 7/25/2023 *	109	1.08	250 Exxon Mobil Corp, 0.391%, due 3/15/2019 *			Total Collective Investment Schemes (Cost \$17)		
123 Specialty Underwriting & Residential Finance Trust, Series 2003 BC1, Class A, 0.851%, due 1/25/2034 *	106	1.04	630 6.20			17 0.17		
368 Structured Asset Investment Loan Trust, Series 2003 BC1, Class A2, 0.851%, due 1/25/2033 *	350	3.45	Technology — 5.93%			Total Investments (Cost \$10,225)		
48 World Omni Automobile Lease Securitization Trust, Series 2013 A, Class A2B, 0.493%, due 5/16/2016 *	49	0.48	100 Apple Inc, 0.303%, due 5/3/2016 *			10,142 99.84		
Total Asset-Backed Securities (Cost \$2,441)	2,400	23.63	250 Apple Inc, 0.503%, due 5/3/2018 *			Other Assets in Excess of Liabilities		
Collateralised Mortgage-Backed Obligations — 8.21%			250 International Business Machines Corp, 0.628%, due 2/12/2019 *			16 0.16		
97 Impac CMB Trust Series 2003, Series 2003 8, Class 1A2, 1.168%, due 10/25/2033 *	92	0.91	602 5.93			Total Net Assets		
129 Impac Secured Assets CMN Owner Trust, Series 2004 3, Class 1A4, 0.971%, due 11/25/2034 *	128	1.26	Total U.S. Corporate Bonds and Notes (Cost \$2,184)			\$10,158 100.00		
78 Structured Adjustable Rate Mortgage Loan Trust, Series 2004 1, Class 2A, 0.481%, due 2/25/2034 *	70	0.69	2,198 21.64			* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2015.		
361 Structured Adjustable Rate Mortgage Loan Trust, Series 2004 7, Class A1, 0.576%, due 6/25/2034 *	330	3.25	U.S. Denominated Bonds and Notes — 8.41%			† Illiquid.		
192 Thornburg Mortgage Securities Trust 2004, Series 2004 1, Class 12A, 1.071%, due 3/25/2044 *	173	1.70	Australia — 0.80%			∞ Security is valued in good faith at fair value by or at the discretion of the Investment Manager.		
42 WaMu Mortgage Pass Through Certificates, Series 2003 S4, Class 2A9, 1.321%, due 6/25/2033 *	41	0.40	80 Westpac Banking Corp, 0.995%, due 7/30/2018 *			ABBREVIATIONS:		
Total Collateralised Mortgage-Backed Obligations (Cost \$898)	834	8.21	Canada — 2.67%			Perpetual – A bond with no maturity date. Perpetual bonds are not redeemable but pay a steady stream of interest.		
			70 Royal Bank of Canada, 0.605%, due 3/8/2016 *			ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR FUTURES WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS DEALT IN ON A REGULATED MARKET AND COLLECTIVE INVESTMENT SCHEMES.		
			200 Royal Bank of Canada, 0.696%, due 9/9/2016 *			Analysis of Total Assets		
			271 2.67			Transferable securities admitted to an official exchange listing or traded on a regulated market		
			Netherlands — 2.47%			Collective investment schemes		
			250 Cooperatieve Centrale Raiffeisen-Boerenleenbank BA, 0.723%, due 3/18/2016 *			Other assets		
			251 2.47			Total Assets		
			Sweden — 2.47%			100.00		
			251 Svenska Handelsbanken AB, 0.697%, due 3/21/2016 *					
			251 2.47					
			Total U.S. Denominated Bonds and Notes (Cost \$851)					
			854 8.41					
			U.S. Government Agency Mortgage-Backed Securities — 0.22%					
			Federal Home Loan Mortgage Corporation (FHLMC) — 0.22%					
			21 Freddie Mac Non Gold Pool 555464, 10.500%, due 12/1/2020					
			23 0.22					
			Total U.S. Government Agency Mortgage-Backed Securities (Cost \$22)					
			23 0.22					
			U.S. Government Agency Obligations — 24.04%					
			1,000 Fannie Mae, 0.192%, due 8/15/2016 *					
			1,001 9.85					
			165 Fannie Mae Discount Notes, zero coupon, due 3/3/2015					
			165 1.62					
			400 Federal Farm Credit Banks, 0.260%, due 2/26/2016 *					
			401 3.95					
			250 Federal Farm Credit Banks, 0.193%, due 4/18/2016 *					
			250 2.46					

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US Adjustable Rate Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
90 Day Euro\$ March 2015	4	\$ 997	\$ -
Total Market Value of Future Contracts	4	\$ 997	\$ -
Unrealised Appreciation of Futures Contracts			-
Unrealised Depreciation of Futures Contracts			-
Net Depreciation of Future Contracts			\$ -

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Inflation Management Fund

Portfolio of Investments as at February 28, 2015

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
Collateralised Mortgage-Backed Obligations — 0.17%			780 United States Treasury Inflation Indexed Note, 1.125%, due 1/15/2021 β	898	8.60
17 Structured Asset Securities Corp, Series 1998 3, Class M1, 1.171%, due 3/25/2028 *	17	0.17	160 United States Treasury Inflation Indexed Note, 0.625%, due 7/15/2021 β	175	1.68
Total Collateralised Mortgage-Backed Obligations (Cost \$17)	17	0.17	600 United States Treasury Inflation Indexed Note, 0.125%, due 1/15/2022 β	628	6.02
Foreign Government Bonds and Notes — 0.51%			610 United States Treasury Inflation Indexed Note, 0.125%, due 7/15/2022 β	629	6.03
Canadian Government Issues — 0.51%			330 United States Treasury Inflation Indexed Note, 0.125%, due 1/15/2023 β	337	3.23
30 Canadian Government Bond, Series CPI, 4.250%, due 12/1/2026 β	53	0.51	570 United States Treasury Inflation Indexed Note, 0.375%, due 7/15/2023 β	590	5.65
Total Foreign Government Bonds and Notes (Cost \$60)	53	0.51	Total U.S. Treasury Obligations (Cost \$9,794)	9,843	94.29
U.S. Treasury Obligations — 94.29%			Shares/ Units (000's)	Value (000's) \$	% of Net Asset Value
163 United States Treasury Inflation Indexed Bond, 0.625%, due 1/15/2024 β	171	1.64	Collective Investment Schemes — 9.07%		
360 United States Treasury Inflation Indexed Bond, 0.125%, due 7/15/2024 β	356	3.41	947 Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	947	9.07
220 United States Treasury Inflation Indexed Bond, 0.250%, due 1/15/2025 β	220	2.11	Total Collective Investment Schemes (Cost \$947)	947	9.07
395 United States Treasury Inflation Indexed Bond, 2.000%, due 1/15/2026 β	554	5.31	Total Investments Excluding Options (Cost \$10,818)		
100 United States Treasury Inflation Indexed Bond, 1.750%, due 1/15/2028 β	131	1.25	10,860	104.04	
110 United States Treasury Inflation Indexed Bond, 3.625%, due 4/15/2028 β	226	2.17	Contracts (000's)		
140 United States Treasury Inflation Indexed Bond, 2.500%, due 1/15/2029 β	196	1.88	Options — (0.05%)		
160 United States Treasury Inflation Indexed Bond, 3.875%, due 4/15/2029 β	336	3.22	Written Options — (0.05%)		
40 United States Treasury Inflation Indexed Bond, 2.125%, due 2/15/2040 β	58	0.56	– U.S. 5 Year April 2015 Put 119.00, due 3/27/2015 (5) (0.05)		
140 United States Treasury Inflation Indexed Bond, 2.125%, due 2/15/2041 β	204	1.95	Total Options (Cost \$(5))	(5)	(0.05)
224 United States Treasury Inflation Indexed Bond, 0.750%, due 2/15/2042 β	237	2.27	Total Investments (Cost \$10,813)	10,855	103.99
200 United States Treasury Inflation Indexed Bond, 0.625%, due 2/15/2043 β	201	1.93	Liabilities in Excess of Other Assets	(416)	(3.99)
115 United States Treasury Inflation Indexed Bond, 1.375%, due 2/15/2044 β	137	1.31	Total Net Assets	\$10,439	100.00
90 United States Treasury Inflation Indexed Bond, 0.750%, due 2/15/2045 β	92	0.88	– Amounts designated as “–” are either \$0, less than \$1,000 or less than 1,000 shares.		
990 United States Treasury Inflation Indexed Note, 0.125%, due 4/15/2016 β	1,065	10.20	* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2015.		
44 United States Treasury Inflation Indexed Note, 2.500%, due 7/15/2016 β	54	0.52	β The rate of interest on this type of security is tied to the Consumer Price Index (CPI)/Retail Price Index (RPI). The coupon rate is the rate as of February 28, 2015.		
30 United States Treasury Inflation Indexed Note, 2.375%, due 1/15/2017 β	37	0.35	ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR FORWARDS, FUTURES AND OPTIONS WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS DEALT IN ON A REGULATED MARKET AND COLLECTIVE INVESTMENT SCHEMES.		
650 United States Treasury Inflation Indexed Note, 0.125%, due 4/15/2017 β	684	6.55	Analysis of Total Assets		
680 United States Treasury Inflation Indexed Note, 0.125%, due 4/15/2018 β	704	6.74	Transferable securities admitted to an official exchange listing or traded on a regulated market	90.31	
195 United States Treasury Inflation Indexed Note, 1.375%, due 7/15/2018 β	227	2.17	Financial derivative instruments	0.31	
190 United States Treasury Inflation Indexed Note, 2.125%, due 1/15/2019 β	229	2.19	Collective investment schemes	8.63	
60 United States Treasury Inflation Indexed Note, 1.875%, due 7/15/2019 β	73	0.70	Other assets	0.75	
338 United States Treasury Inflation Indexed Note, 1.250%, due 7/15/2020 β	394	3.77	Total Assets	100.00	

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Inflation Management Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
90 Day Euro\$ December 2017	47	\$ 11,499	\$ 33
90 Day Euro\$ December 2018	(47)	(11,466)	(40)
90 Day Euro\$ March 2016	(8)	(1,980)	(2)
U.S. 5 Year Note (CBT) June 2015	1	119	–
Total Market Value of Future Contracts	(7)	\$ (1,828)	\$ (9)
Unrealised Appreciation of Futures Contracts			33
Unrealised Depreciation of Futures Contracts			(42)
Net Depreciation of Future Contracts			\$ (9)

Schedule of Forward Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
04/16/15	Bank of America Sec London	Buy JPY 12,610	Sell USD 108	\$ (3)
04/16/15	Citicorp Securities London Ltd	Buy JPY 13,810	Sell USD 119	(3)
05/13/15	Bank of America Sec London	Buy USD 51	Sell CAD 64	–
05/13/15	Bank of America Sec London	Buy CAD 130	Sell USD 104	(1)
05/13/15	Bank of America Sec London	Buy JPY 20,604	Sell USD 176	(3)
05/13/15	Credit Suisse First Boston London	Buy USD 55	Sell JPY 6,459	1
Unrealised Appreciation of Forward Foreign Currency Contracts				1
Unrealised Depreciation of Forward Foreign Currency Contracts				(10)
Net Depreciation of Forward Foreign Currency Contracts				\$ (9)

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Asian Opportunities Fund

Portfolio of Investments as at February 28, 2015

Face Value (000's)		Value (000's) \$	% of Net Asset Value	Face Value (000's)		Value (000's) \$	% of Net Asset Value	Face Value (000's)		Value (000's) \$	% of Net Asset Value	
Agency Obligations — 1.10%				13,000,000	Indosat Tbk PT, Series OB, 10.000%, due 12/12/2017	1,030	0.18	Malaysia Government Issues — 8.56%				
Chinese Renminbi Bonds — 0.16%				32,750,000	Lembaga Pembiayaan Ekspor Indonesia, Series OB, 6.400%, due 5/23/2016	2,474	0.42	40,800	Malaysia Government Bond, Series 0902, 4.378%, due 11/29/2019	11,642	1.96	
CNY	6,000	Export-Import Bank of China, 3.000%, due 5/14/2016	941	0.16	15,900,000	Perusahaan Penerbit SBSN Indonesia, Series SR05, 6.000%, due 2/27/2016	1,224	0.20	42,500	Malaysia Government Bond, Series 0111, 4.160%, due 7/15/2021	12,045	2.03
USD Bonds — 0.94%								12,120	Malaysia Government Bond, Series 0314, 4.048%, due 9/30/2021	3,419	0.57	
	3,000	Pertamina Persero PT, 5.250%, due 5/23/2021	3,206	0.54				86,500	Malaysia Government Bond, Series 0313, 3.480%, due 3/15/2023	23,396	3.94	
	2,450	Perusahaan Listrik Negara PT, 5.250%, due 10/24/2042	2,377	0.40				1,200	Malaysia Government Bond, Series 0308, 5.248%, due 9/15/2028	365	0.06	
			5,583	0.94								
			6,524	1.10	Philippines Peso Bonds — 0.52%							
Total Agency Obligations (Cost \$6,642)								133,000	Petron Corp, 7.000%, due 11/10/2017	3,088	0.52	
Foreign Corporate Bonds and Notes — 13.78%				Singapore Dollar Bonds — 2.47%				Philippine Government Issues — 5.04%				
Chinese Renminbi Bonds — 4.73%				5,030	ABN AMRO Bank NV, 4.700%, due 10/25/2022 *	3,820	0.64	90,000	Philippine Government International Bond, 4.950%, due 1/15/2021	2,164	0.36	
	30,000	China Unicom Hong Kong Ltd, 4.000%, due 4/16/2017	4,696	0.79	250	Ascott REIT MTN Pte Ltd, 3.800%, due 12/16/2015	186	0.03	1,045,000	Philippine Government International Bond, 6.250%, due 1/14/2036	27,790	4.68
	9,000	Fonterra Cooperative Group Ltd, 3.600%, due 1/29/2019	1,392	0.23	1,000	Citigroup Inc, 3.500%, due 4/8/2020 *	733	0.12				
	22,500	Global Logistic Properties Ltd, 3.375%, due 5/11/2016	3,507	0.59	2,000	DBS Bank Ltd, 3.100%, due 2/14/2023 *	1,491	0.25				
	5,000	Global Logistic Properties Ltd, 4.000%, due 5/11/2018	778	0.13	1,250	Ezion Holdings Ltd, 7.800%, Perpetual *	922	0.15				
	30,000	Hongkong & Shanghai Banking Corp Ltd/ Singapore, 2.250%, due 6/5/2015	4,738	0.80	1,000	Global Logistic Properties Ltd, 5.500%, Perpetual *	765	0.13				
	8,000	ICICI Bank Ltd, 4.900%, due 9/21/2015	1,269	0.21	4,000	Mapletree Treasury Services Ltd, 5.125%, Perpetual *	3,019	0.51				
	16,000	Industrial & Commercial Bank of China Ltd, 3.200%, due 4/24/2016	2,513	0.42	1,750	Oversea-Chinese Banking Corp Ltd, 4.000%, Perpetual	1,306	0.22				
	25,000	Industrial & Commercial Bank of China Ltd/ Singapore, 3.500%, due 9/23/2016	3,924	0.66	3,250	Overseas Education Ltd, 5.200%, due 4/17/2019	2,488	0.42				
	32,000	Russian Agricultural Bank OJSC Via RSHB Capital SA, 3.600%, due 2/4/2016	4,513	0.76			14,730	2.47				
	1,000	Total Capital SA, 3.750%, due 9/24/2018	158	0.03	Total Foreign Corporate Bonds and Notes (Cost \$86,202)				81,924	13.78		
	4,000	Volkswagen International Finance NV, 3.500%, due 1/23/2019	623	0.11	Foreign Government Bonds and Notes — 57.22%				China Government Issues — 1.81%			
			28,111	4.73	China Government Issues — 1.81%				68,000	China Government Bond, 3.380%, due 11/21/2024	10,721	1.81
Hong Kong Dollar Bonds — 0.75%				India Government Issues — 11.03%				South Korea Government Issues — 11.30%				
	7,000	Korea National Oil Corp, 2.180%, due 1/29/2020	887	0.15	240,000	India Government Bond, 8.070%, due 7/3/2017	3,906	0.66	8,500,000	Korea Treasury Bond, Series 2106, 4.250%, due 6/10/2021	8,675	1.46
	7,000	Mapletree Greater China Commercial Treasury Co HK SAR Ltd, 2.800%, due 2/11/2020	903	0.15	1,725,000	India Government Bond, 7.280%, due 6/3/2019	27,440	4.62	29,200,000	Korea Treasury Bond, Series 2206, 3.750%, due 6/10/2022	29,291	4.93
	20,000	Wheelock Finance Ltd, 3.600%, due 8/16/2017	2,658	0.45	490,000	India Government Bond, 7.800%, due 4/11/2021	7,926	1.33	4,200,000	Korea Treasury Bond, Series 2303, 3.000%, due 3/10/2023	4,023	0.68
			4,448	0.75	1,500,000	India Government Bond, 8.150%, due 6/11/2022	24,750	4.16	14,300,000	Korea Treasury Bond, Series 2409, 3.000%, due 9/10/2024	13,748	2.31
Indian Rupee Bonds — 3.79%				Indonesia Government Issues — 4.93%				Taiwan Government Issues — 1.93%				
	550,000	Housing Development Finance Corp, Series L-08, 9.750%, due 5/29/2015	8,904	1.50	52,570,000	Indonesia Treasury Bond, Series FR70, 8.375%, due 3/15/2024	4,460	0.75	100,000	Taiwan Government Bond, Series 98-6, 1.375%, due 9/9/2019	3,238	0.55
	150,000	Housing Development Finance Corp, Series K-13, 9.350%, due 3/4/2016	2,449	0.41	92,000,000	Indonesia Treasury Bond, Series FR59, 7.000%, due 5/15/2027	7,072	1.19	100,000	Taiwan Government Bond, Series 99-5, 1.375%, due 3/10/2020	3,233	0.54
	19,500	ICICI Bank Ltd/Bahrain, 4.000%, due 11/24/2017	3,063	0.51	20,000,000	Indonesia Treasury Bond, Series FR47, 10.000%, due 2/15/2028	1,919	0.32	100,000	Taiwan Government Bond, Series 99-5, 1.375%, due 3/10/2020	3,233	0.54
	200,000	IDFC Ltd, Series PP42, 8.850%, due 1/15/2016	3,250	0.55	27,500,000	Indonesia Treasury Bond, Series FR64, 6.125%, due 5/15/2028	1,942	0.33	100,000	Taiwan Government Bond, Series 99-5, 1.375%, due 2/25/2025	3,397	0.57
	300,000	Power Finance Corp Ltd, Series 110, 9.580%, due 12/5/2015	4,858	0.82	25,000,000	Indonesia Treasury Bond, Series FR58, 8.250%, due 6/15/2032	2,099	0.35	50,000	Taiwan Government Bond, Series 99-4, 1.875%, due 2/22/2030	1,582	0.27
			22,524	3.79	70,000,000	Indonesia Treasury Bond, Series FR68, 8.375%, due 3/15/2034	5,998	1.01				
Indonesia Rupiah Bonds — 1.52%				Thailand Government Issues — 8.09%				Thailand Government Issues — 8.09%				
	56,000,000	Astra Sedaya Finance PT, Series OB, 7.750%, due 6/27/2016	4,295	0.72	67,039,000	Indonesia Treasury Bond, Series FR67, 8.750%, due 2/15/2044	5,822	0.98	466,500	Thailand Government Bond, 3.625%, due 6/16/2023	15,481	2.60
							29,312	4.93				

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Asian Opportunities Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Korea 10 Year Bond March 2015	469	\$ 52,791	\$ 997
Total Market Value of Future Contracts	469	\$ 52,791	\$ 997
Unrealised Appreciation of Futures Contracts			997
Unrealised Depreciation of Futures Contracts			–
Net Appreciation of Future Contracts			\$ 997

Schedule of Credit Default Swaps

Counterparty	Reference Entity	Buy/Sell Protection	Expiration Date	Notional Amount (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Barclays Capital	Indonesia Government International Bond, 1.000%, due 12/20/16	Sell	12/20/16	8,000	\$ 80
					\$ 80
					80
					–
					\$ 80

Schedule of Interest Rate Swaps

Counterparty	Rate	Expiration Date	Notional Amount (000's)	Value (000's)
Deutsche Bank	Pay Floating SGD 6M SOR , Receive Fixed 1.67%	9/23/18	18,000	\$ (22)
Deutsche Bank	Pay Floating SGD 6M SOR , Receive Fixed 1.54%	9/25/18	36,000	(160)
Deutsche Bank	Pay Fixed 3.450%, Receive Floating USD LIBOR BBA	4/20/21	52,000	(5,125)
HSBC	Pay Floating SGD 6M SOR , Receive Fixed 1.46%	10/23/18	39,000	(267)
HSBC	Receive Fixed 1.56%, Pay Floating SGD SOR 6M	3/4/19	27,000	(188)
JP Morgan Securities Inc	Pay Floating O/N INR MIBOR, Receive Fixed 7.56%	4/6/20	90,000	58
UBS	Pay Floating O/N INR MIBOR, Receive Fixed 6.00%	3/20/19	62,120	(23)
UBS	Pay Floating O/N INR MIBOR, Receive Fixed 7.48%	1/29/20	60,000	34
UBS	Pay Floating O/N INR MIBOR, Receive Fixed 7.45%	2/2/20	60,000	33
				\$(5,660)
				125
				(5,785)
				\$(5,660)

Schedule of Forward Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/06/15	State Street Bank and Trust Co Singapore	Buy USD 11,809	Sell JPY 1,400,000	\$ 105
03/06/15	State Street Bank and Trust Co Singapore	Buy JPY 1,400,000	Sell USD 11,759	(55)
03/09/15	BNP Paribas	Buy USD 25,061	Sell INR 1,571,000	(342)
03/09/15	Standard Chartered Bank Singapore	Buy INR 267,000	Sell USD 4,164 153	153
03/10/15	Royal Bank of Canada London	Buy CNH 12,600	Sell USD 2,009	(7)
03/12/15	Goldman Sachs	Buy TWD 74,000	Sell USD 2,348	8
03/20/15	Goldman Sachs	Buy TWD 187,100	Sell USD 5,925	33
03/20/15	JP Morgan Chase Bank	Buy USD 19,966	Sell TWD 630,000	(95)
03/20/15	JP Morgan Chase Bank	Buy HKD 185,700	Sell USD 23,958	(15)
03/20/15	Royal Bank of Canada London	Buy USD 5,778	Sell KRW 6,240,760	109
03/20/15	Standard Chartered Bank Singapore	Buy USD 6,970	Sell KRW 7,700,000	(26)
03/20/15	Standard Chartered Bank Singapore	Buy KRW 1,400,000	Sell USD 1,293	(22)
03/20/15	State Street Bank and Trust Co Singapore	Buy KRW 12,540,760	Sell USD 11,600	(207)
03/23/15	Barclays Bank	Buy MYR 19,000	Sell USD 5,235	18
03/25/15	Barclays Bank	Buy CNH 205,380	Sell USD 32,746	(183)
03/31/15	Bank of America Sec London	Buy USD 163	Sell EUR 145	2
03/31/15	Bank of America Sec London	Buy USD 400	Sell GBP 261	(3)
03/31/15	Bank of America Sec London	Buy USD 25	Sell SGD 35	–
03/31/15	Bank of America Sec London	Buy EUR 100	Sell USD 113	(1)
03/31/15	Barclays Capital London	Buy USD 38	Sell GBP 24	–
03/31/15	Barclays Capital London	Buy USD 237	Sell SGD 324	–
03/31/15	Barclays Capital London	Buy SGD 22	Sell USD 16	–
03/31/15	Barclays Capital London	Buy EUR 330	Sell USD 373	(4)

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Asian Opportunities Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Expiration Date	Counterparty		Buy Currency (000's)		Sell Currency (000's)		Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/31/15	Citicorp Securities London Ltd	Buy	USD	11	Sell	EUR	\$ –
03/31/15	Citicorp Securities London Ltd	Buy	GBP	840	Sell	USD	8
03/31/15	Citicorp Securities London Ltd	Buy	SGD	30,510	Sell	USD	(11)
03/31/15	Citicorp Securities London Ltd	Buy	AUD	2,482	Sell	USD	6
03/31/15	Citicorp Securities London Ltd	Buy	CNH	5,212	Sell	USD	(2)
03/31/15	Citicorp Securities London Ltd	Buy	EUR	8,495	Sell	USD	(94)
03/31/15	HSBC Midland	Buy	USD	173	Sell	SGD	–
03/31/15	HSBC Midland	Buy	CHF	981	Sell	USD	(5)
03/31/15	JP Morgan Chase Bank London	Buy	USD	184	Sell	SGD	–
03/31/15	Royal Bank of Canada London	Buy	USD	125	Sell	EUR	1
03/31/15	Royal Bank of Canada London	Buy	USD	28	Sell	GBP	–
03/31/15	Royal Bank of Canada London	Buy	USD	588	Sell	SGD	–
03/31/15	Royal Bank of Canada London	Buy	AUD	416	Sell	USD	1
03/31/15	Standard Chartered Bank Singapore	Buy	KRW	8,400,000	Sell	USD	(59)
03/31/15	State Street Bank and Trust Co Singapore	Buy	KRW	53,000,000	Sell	USD	(762)
03/31/15	UBS	Buy	USD	266	Sell	EUR	3
03/31/15	UBS	Buy	USD	193	Sell	SGD	–
03/31/15	UBS	Buy	CHF	225	Sell	USD	(1)
03/31/15	UBS	Buy	AUD	2,416	Sell	USD	3
03/31/15	UBS	Buy	EUR	11	Sell	USD	–
04/13/15	Royal Bank of Canada London	Buy	PHP	316,200	Sell	USD	166
04/30/15	Deutsche Bank London	Buy	SGD	16,000	Sell	USD	(57)
05/11/15	BNP Paribas	Buy	IDR	73,000,000	Sell	USD	(190)
Unrealised Appreciation of Forward Foreign Currency Contracts							616
Unrealised Depreciation of Forward Foreign Currency Contracts							(2,141)
Net Depreciation of Forward Foreign Currency Contracts							\$ (1,525)

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Blue Chip Bond Fund

Portfolio of Investments as at February 28, 2015

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value			
Foreign Corporate Bonds and Notes — 22.24%						United Kingdom — 7.06%					
British Pound Sterling Bonds — 10.30%						Total U.S. Denominated Bonds and Notes (Cost \$9,528)					
620 Barclays Bank Plc, 1.500%, due 4/4/2017	969	2.14	430 The Goldman Sachs Group Inc, 7.500%, due 2/15/2019	514	1.14	660 Diageo Capital Plc, 2.625%, due 4/29/2023	654	1.45			
350 BG Energy Capital Plc, 5.125%, due 12/7/2017	591	1.31	660 The Goldman Sachs Group Inc, Series D, 6.000%, due 6/15/2020	769	1.70	390 GlaxoSmithKline Capital Plc, 2.850%, due 5/8/2022	396	0.87			
180 Close Brothers Finance Plc, 3.875%, due 6/27/2021	298	0.66	408 International Business Machines Corp, 7.625%, due 10/15/2018	493	1.09	1,500 The Royal Bank of Scotland Plc, 5.625%, due 8/24/2020	1,738	3.85			
300 Commonwealth Bank of Australia, 2.250%, due 12/7/2018	476	1.05	560 International Business Machines Corp, 2.900%, due 11/1/2021	579	1.28	420 Vodafone Group Plc, 2.500%, due 9/26/2022	404	0.89			
405 Macquarie Bank Ltd, 3.500%, due 12/18/2020	656	1.45	293 John Deere Capital Corp, 2.250%, due 4/17/2019	298	0.66		3,192	7.06			
500 Nestle Finance International Ltd, 2.250%, due 11/30/2023	781	1.73	616 McDonald's Corp, 2.625%, due 1/15/2022	623	1.38	U.S. Denominated Debt Obligations — 2.49%					
280 Unilever Plc, 2.000%, due 12/19/2018	444	0.98	179 Medtronic Inc, 3.125%, due 3/15/2022	185	0.41	Japan — 2.49%					
80 Volkswagen Financial Services NV, 1.750%, due 8/21/2017	125	0.27	346 MetLife Inc, 6.750%, due 6/1/2016	371	0.82	700 Japan Bank for International Cooperation, 2.625%, due 12/15/2020	1,128	2.49			
200 WM Morrison Supermarkets Plc, 4.625%, due 12/8/2023	323	0.71	480 Morgan Stanley, 7.300%, due 5/13/2019	573	1.27	Total U.S. Denominated Debt Obligations (Cost \$1,165)					
	4,663	10.30	218 PepsiCo Inc, 5.000%, due 6/1/2018	242	0.54	U.S. Treasury Obligations — 6.06%					
Euro Bonds — 11.94%						Japan — 2.49%					
350 Airbus Group Finance BV, 2.375%, due 4/2/2024	443	0.98	GBP 420 PepsiCo Inc, 2.500%, due 11/1/2022	656	1.45	2,770 United States Treasury Note, 1.250%, due 1/31/2020	2,737	6.06			
660 DNB Bank ASA, 4.375%, due 2/24/2021	900	1.99	262 Pfizer Inc, 6.200%, due 3/15/2019	306	0.68	Total U.S. Treasury Obligations (Cost \$2,737)					
200 Eandis CVBA, 2.750%, due 11/30/2022	256	0.57	438 Philip Morris International Inc, 5.650%, due 5/16/2018	495	1.09	Shares/Units (000's)					
200 Electricite de France SA, 2.750%, due 3/10/2023	258	0.57	290 Philip Morris International Inc, 2.900%, due 11/15/2021	297	0.66	Collective Investment Schemes — 0.23%					
280 Leeds Building Society, 2.625%, due 4/1/2021	341	0.76	320 United Technologies Corp, 6.125%, due 2/1/2019	374	0.83	GBP 22 Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	34	0.08			
310 SSE Plc, 2.375%, due 2/10/2022	383	0.85	360 UnitedHealth Group Inc, 1.625%, due 3/15/2019	360	0.80	69 Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	69	0.15			
740 Sumitomo Mitsui Banking Corp, 2.750%, due 7/24/2023	943	2.09	670 Wachovia Corp, 5.750%, due 2/1/2018	750	1.66	Total Collective Investment Schemes (Cost \$103)					
447 Telstra Corp Ltd, 3.750%, due 5/16/2022	606	1.34	Total U.S. Corporate Bonds and Notes (Cost \$18,599)			Total Investments (Cost \$42,450)					
436 TenneT Holding BV, 4.500%, due 2/9/2022	606	1.34	19,901	44.04	Other Assets in Excess of Liabilities						
500 Vier Gas Transport GmbH, Series 02, 2.875%, due 6/12/2025	654	1.45	U.S. Denominated Bonds and Notes — 22.25%			Total Net Assets					
	5,390	11.94	Australia — 2.57%			\$45,192 100.00					
Total Foreign Corporate Bonds and Notes (Cost \$10,318)						Denmark — 1.71%					
10,053	22.24	544 BHP Billiton Finance USA Ltd, 3.250%, due 11/21/2021			570	1.26	144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2015, these securities amounted to \$492,000 or 1.09% of net assets.				
U.S. Corporate Bonds and Notes — 44.04%						France — 3.70%					
570 Anheuser-Busch InBev Worldwide Inc, 2.500%, due 7/15/2022	561	1.24	561 Rio Tinto Finance USA Ltd, 3.750%, due 9/20/2021			590	1.31	ABBREVIATIONS:			
614 Apache Corp, 6.900%, due 9/15/2018	711	1.57	1,160			570 BNP Paribas SA, 3.250%, due 3/3/2023	586	1.30	EUR – Euro		
160 AT&T Inc, 3.875%, due 8/15/2021	168	0.37	3.70			576 GDF Suez, 1.625%, due 10/10/2017	579	1.28	GBP – British Pound		
435 Baker Hughes Inc, 7.500%, due 11/15/2018	516	1.14	Japan — 2.01%			500 Total Capital International SA, 1.550%, due 6/28/2017	505	1.12	ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR FORWARDS, FUTURES AND SWAPS WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS DEALT IN ON A REGULATED MARKET AND COLLECTIVE INVESTMENT SCHEMES.		
1,000 Bank of America Corp, 7.625%, due 6/1/2019	1,208	2.67	848 Toyota Motor Credit Corp, 3.400%, due 9/15/2021			1,670	3.70	Analysis of Total Assets			
330 The Bear Stearns Cos LLC, 6.400%, due 10/2/2017	370	0.82	Netherlands — 1.09%			Transferable securities admitted to an official exchange listing or traded on a regulated market			93.90		
GBP 450 BMW US Capital LLC, 2.000%, due 11/20/2019	707	1.56	470 ING Bank NV, 144A, 3.750%, due 3/7/2017			492	1.09	Financial derivative instruments			1.54
347 The Boeing Co, 6.000%, due 3/15/2019	404	0.89	Singapore — 1.66%			Collective investment schemes			0.22		
200 Caterpillar Financial Services Corp, 5.450%, due 4/15/2018	223	0.49	760 Temasek Financial I Ltd, 2.375%, due 1/23/2023			752	1.66	Other assets			4.34
660 Chevron Corp, 2.355%, due 12/5/2022	650	1.44	Sweden — 0.93%			Total Assets			100.00		
360 Cisco Systems Inc, 4.950%, due 2/15/2019	405	0.90	420 Svenska Handelsbanken AB, 1.625%, due 3/21/2018			419	0.93				
552 Citigroup Inc, 8.500%, due 5/22/2019	687	1.52	Switzerland — 1.52%								
EUR 497 Citigroup Inc, 7.375%, due 9/4/2019	724	1.60	250 Credit Suisse/New York NY, 3.625%, due 9/9/2024			260	0.57				
1,020 The Coca-Cola Co, 3.150%, due 11/15/2020	1,081	2.39	380 Novartis Securities Investment Ltd, 5.125%, due 2/10/2019			429	0.95				
1,008 Colgate-Palmolive Co, 2.450%, due 11/15/2021	1,022	2.26	689			689	1.52				
470 El du Pont de Nemours & Co, 6.000%, due 7/15/2018	536	1.19									
700 EOG Resources Inc, 5.625%, due 6/1/2019	793	1.76									

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Blue Chip Bond Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Euro-Bund March 2015	(49)	\$ (8,744)	\$ (355)
Long Gilt June 2015	(23)	(4,210)	(7)
Total Market Value of Future Contracts	(72)	\$(12,954)	\$ (362)
Unrealised Appreciation of Futures Contracts			–
Unrealised Depreciation of Futures Contracts			(362)
Net Depreciation of Future Contracts			\$ (362)

Schedule of Credit Default Swaps

Counterparty	Reference Entity	Buy/Sell Protection	Expiration Date	Notional Amount (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Merrill Lynch	Markit iTraxx Europe, 1.000%, due 12/20/19	Buy	12/20/19	5,970	\$ (160)
					\$ (160)
Unrealised Appreciation of Credit Default Swaps					–
Unrealised Depreciation of Credit Default Swaps					(160)
Net Depreciation of Credit Default Swaps					\$ (160)

Schedule of Forward Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/31/15	Bank of America Sec London	Buy USD 18,101	Sell GBP 11,806	\$ (120)
03/31/15	Bank of New York Mellon London	Buy USD 2,494	Sell EUR 2,205	26
03/31/15	BNY Mellon	Buy USD 2,676	Sell EUR 2,368	25
03/31/15	BNY Mellon	Buy EUR 9,900	Sell USD 11,208	(125)
03/31/15	Citicorp Securities London Ltd	Buy USD 1,313	Sell EUR 1,162	13
03/31/15	Citicorp Securities London Ltd	Buy USD 7,201	Sell GBP 4,692	(42)
03/31/15	Citicorp Securities London Ltd	Buy EUR 230	Sell USD 260	(3)
03/31/15	Citicorp Securities London Ltd	Buy GBP 3,852	Sell USD 5,911	35
03/31/15	Deutsche Bank London	Buy EUR 3,187	Sell USD 3,606	(39)
03/31/15	Deutsche Bank London	Buy GBP 11,136	Sell USD 17,097	92
03/31/15	HSBC Midland	Buy EUR 108	Sell USD 122	(1)
03/31/15	HSBC Midland	Buy GBP 76	Sell USD 116	1
03/31/15	JP Morgan Chase Bank London	Buy EUR 49	Sell USD 56	(1)
03/31/15	Royal Bank of Canada London	Buy USD 14,114	Sell EUR 12,471	153
03/31/15	Royal Bank of Canada London	Buy USD 351	Sell GBP 228	(1)
03/31/15	Royal Bank of Scotland	Buy GBP 404	Sell USD 622	2
03/31/15	Societe Generale London	Buy GBP 674	Sell USD 1,038	3
03/31/15	UBS	Buy USD 60	Sell EUR 53	1
03/31/15	UBS	Buy USD 66	Sell GBP 43	–
03/31/15	UBS	Buy EUR 6,571	Sell USD 7,441	(85)
03/31/15	UBS	Buy GBP 12,087	Sell USD 18,621	35
05/13/15	Bank of New York Mellon London	Buy GBP 340	Sell USD 513	11
05/13/15	Barclays Capital London	Buy EUR 1,304	Sell USD 1,496	(35)
05/13/15	Citicorp Securities London Ltd	Buy USD 2,687	Sell GBP 1,763	(33)
05/13/15	Citicorp Securities London Ltd	Buy EUR 857	Sell USD 980	(19)
05/13/15	Citicorp Securities London Ltd	Buy GBP 200	Sell USD 303	5
05/13/15	Credit Suisse First Boston London	Buy USD 76	Sell EUR 66	2
05/13/15	Credit Suisse First Boston London	Buy USD 640	Sell GBP 420	(9)
05/13/15	Deutsche Bank London	Buy EUR 4,485	Sell USD 5,146	(123)
05/13/15	HSBC Midland	Buy USD 102	Sell EUR 90	1
05/13/15	Royal Bank of Canada London	Buy GBP 590	Sell USD 890	21
05/13/15	Royal Bank of Scotland	Buy USD 199	Sell GBP 131	(3)
05/13/15	UBS	Buy USD 14,709	Sell EUR 12,869	294
05/13/15	UBS	Buy USD 5,636	Sell GBP 3,698	(71)
05/13/15	UBS	Buy EUR 500	Sell USD 573	(13)
Unrealised Appreciation of Forward Foreign Currency Contracts				720
Unrealised Depreciation of Forward Foreign Currency Contracts				(723)
Net Depreciation of Forward Foreign Currency Contracts				\$ (3)

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Credit Absolute Return Fund[^]

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Shares/ Units (000's)	Value (000's) \$	% of Net Asset Value
U.S. Denominated Bonds and Notes — (continued)					
Luxembourg — (continued)					
500 Globe Luxembourg SCA, 144A, 9.625%, due 5/1/2018	423	0.46			
	941	1.02			
Mexico — 0.98%					
427 America Movil SAB de CV, 5.000%, due 3/30/2020	482	0.52			
380 Petroleos Mexicanos, 6.375%, due 1/23/2045	425	0.46			
	907	0.98			
Netherlands — 4.46%					
310 JLL/Delta Dutch Newco BV, 144A, 7.500%, due 2/1/2022	319	0.35			
200 Lukoil International Finance BV, 144A, 6.125%, due 11/9/2020	187	0.20			
2,100 Petrobras Global Finance BV, 2.393%, due 1/15/2019 *	1,790	1.94			
370 Schaeffler Holding Finance BV, 144A, 6.750%, due 11/15/2022	405	0.44			
600 syncreon Group BV / syncreon Global Finance US Inc, 144A, 8.625%, due 11/1/2021	531	0.57			
1,000 VimpelCom Holdings BV, 144A, 7.504%, due 3/1/2022	882	0.96			
	4,114	4.46			
Switzerland — 1.08%					
1,000 Credit Suisse Group AG, 144A, 6.250%, Perpetual *	991	1.08			
United Kingdom — 0.61%					
500 Royal Bank of Scotland Group Plc, 6.125%, due 12/15/2022	564	0.61			
Total U.S. Denominated Bonds and Notes (Cost \$16,717)	16,282	17.66			
U.S. Denominated Debt Obligations — 1.20%					
Portugal — 1.20%					
1,000 Portugal Government International Bond, 144A, 5.125%, due 10/15/2024	1,106	1.20			
Total U.S. Denominated Debt Obligations (Cost \$1,009)	1,106	1.20			
U.S. Treasury Obligations — 11.95%					
10 United States Treasury Note, 1.625%, due 6/30/2019	10	0.01			
130 United States Treasury Note, 1.500%, due 11/30/2019	130	0.14			
9,000 United States Treasury Note, 3.625%, due 8/15/2043	10,884	11.80			
Total U.S. Treasury Obligations (Cost \$8,789)	11,024	11.95			
Shares/ Units (000's)	Value (000's) \$	% of Net Asset Value			
Common Stock — 1.13%					
13 Physiotherapy Associates Holdings Inc †∞	1,046	1.13			
Total Common Stock (Cost \$504)	1,046	1.13			
Collective Investment Schemes — 2.24%					
21 Legg Mason Qualified Investor Funds II Plc-Legg Mason Western Asset Senior Loans Fund – LM Class US\$ Distributing (monthly)	2,005	2.17			
GBP 42 Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	65	0.07			
Total Collective Investment Schemes (Cost \$2,135)	2,070	2.24			
Preferred Stock — 3.15%					
– Actavis plc, Series A	67	0.07			
1 American Tower Corp	81	0.09			
30 Citigroup Capital XIII	802	0.87			
75 GMAC Capital Trust I, Series 2	1,952	2.12			
Total Preferred Stock (Cost \$2,382)	2,902	3.15			
Total Investments Excluding Options (Cost \$76,801)	80,544	87.33			
Contracts (000's)	Value (000's) \$	% of Net Asset Value			
Options — 0.01%					
Purchased Options — 0.01%					
13 Energy Select Sector SPDR Fund March 2015 Call 82.00, due 3/21/2015	5	0.01			
Total Options (Cost \$40)	5	0.01			
Total Investments (Cost \$76,841)	80,549	87.34			
Other Assets in Excess of Liabilities	11,676	12.66			
Total Net Assets	\$92,225	100.00			
–	Amounts designated as “–” are either \$0, less than \$1,000 or less than 1,000 shares.				
144A	Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2015, these securities amounted to \$25,585,000 or 27.75% of net assets.				
*	Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2015.				
†	Illiquid.				
∞	Security is valued in good faith at fair value by or at the discretion of the Investment Manager.				
ABBREVIATIONS:					
Perpetual	– A bond with no maturity date. Perpetual bonds are not redeemable but pay a steady stream of interest.				
SPDR	– Standard & Poor's Depository Receipts				
GBP	– British Pound				
ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR FORWARDS, FUTURES, OPTIONS, AND SWAPS WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS DEALT IN ON A REGULATED MARKET AND COLLECTIVE INVESTMENT SCHEMES.					
Analysis of Total Assets					% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market					78.65
Financial derivative instruments					3.74
Collective investment schemes					2.07
Other assets					15.54
Total Assets					100.00

[^] Not authorised for sale to the public in Hong Kong.

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Credit Absolute Return Fund[^]

Portfolio of Investments as at February 28, 2015 – (continued)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Australian Dollar Currency March 2015	15	\$ 1,170	\$ 19
British Pound Currency March 2015	(40)	(3,859)	(44)
Canadian Dollar Currency March 2015	(18)	(1,438)	(18)
Canadian Government Bond 10 Year Note June 2015	39	4,481	12
Euro FX Currency March 2015	6	839	(24)
New Zealand Dollar Currency March 2015	(21)	(1,586)	(24)
U.S. 10 Year Note (CBT) March 2015	206	26,455	(21)
U.S. 2 Year Note (CBT) June 2015	396	86,557	141
U.S. 5 Year Note (CBT) June 2015	(100)	(11,928)	20
U.S. Long Bond (CBT) June 2015	(75)	(12,138)	(182)
U.S. Ultra Bond (CBT) June 2015	92	15,482	180
U.S. 10 Year Note (CBT) June 2015	(200)	(25,559)	17
Total Market Value of Future Contracts	300	\$ 78,476	\$ 76
Unrealised Appreciation of Futures Contracts			389
Unrealised Depreciation of Futures Contracts			(313)
Net Appreciation of Future Contracts			\$ 76

Schedule of Credit Default Swaps

Counterparty	Reference Entity	Buy/Sell Protection	Expiration Date	Notional Amount (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Barclays Capital	Fiat Finance, 5.000%, due 6/20/18	Buy	6/20/18	2,000	(291)
Barclays Capital	Ford Motor Credit Co LLC, 5.000%, due 3/20/20	Buy	3/20/20	4,000	(806)
Barclays Capital	General Motors Co, 5.000%, due 3/20/20	Sell	3/20/20	4,000	699
Barclays Capital	Loews Corp, 1.000%, due 3/20/20	Buy	3/20/20	5,000	(123)
Barclays Capital	Markit iTraxx Europe, 5.000%, due 6/20/18	Sell	6/20/18	2,613	371
Barclays Capital	Metlife Inc, 1.000%, due 3/20/20	Sell	3/20/20	5,000	71
Credit Suisse First Boston	Ally Financial Inc, 1.000%, due 6/20/19	Buy	6/20/19	5,000	(168)
Credit Suisse First Boston	Bristol-Myers Squibb Company, 1.000%, due 6/20/19	Buy	6/20/19	5,000	(189)
Credit Suisse First Boston	Markit CDX.NA.IG, 1.000%, due 6/20/19	Sell	6/20/19	9,500	185
Credit Suisse First Boston	Sprint Communications Inc, 5.000%, due 12/20/17	Buy	12/20/17	5,000	(368)
Credit Suisse First Boston	Sprint Communications Inc, 5.000%, due 12/20/18	Sell	12/20/18	4,000	287
Credit Suisse First Boston	Teva Pharmaceutical Finance Co. B.V., 1.000%, due 6/20/19	Buy	6/20/19	5,000	(75)
Goldman Sachs	Kohl's Corp, 1.000%, due 6/20/18	Buy	6/20/18	4,000	(71)
Goldman Sachs	Limited Brands Inc, 1.000%, due 6/20/18	Sell	6/20/18	4,000	36
					\$ (442)
Unrealised Appreciation of Credit Default Swaps					1,649
Unrealised Depreciation of Credit Default Swaps					(2,091)
Net Depreciation of Credit Default Swaps					\$ (442)

Schedule of Inflation Swaps

Counterparty	Rate	Expiration Date	Notional Amount (000's)	Value (000's)
BNP Paribas	Pay Fixed 1.760%, Receive Floating USD 3M US CPI	3/2/20	25,000	\$ 86
Deutsche Bank	Pay Floating USD 3M US CPI, Receive Fixed 4.469%	4/15/15	50,000	88
JP Morgan Securities Inc	Pay Floating USD 3M US CPI, Receive Fixed 0.599%	5/1/15	50,000	(201)
Morgan Stanley	Pay Fixed 1.910%, Receive Floating USD 3M US CPI	1/28/20	10,000	20
				\$ (7)
Unrealised Appreciation of Inflation Swaps				194
Unrealised Depreciation of Inflation Swaps				(201)
Net Depreciation of Inflation Swaps				\$ (7)

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The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Credit Absolute Return Fund[^]

Portfolio of Investments as at February 28, 2015 – (continued)

Schedule of Interest Rate Swaps

Counterparty	Rate	Expiration Date	Notional Amount (000's)	Value (000's)
Credit Suisse First Boston	Receive Fixed 4.02%, Pay Floating NZD 3M Libor	10/13/16	–	\$ –
Credit Suisse First Boston	Pay Fixed 0.86%, Receive Floating USD LIBOR BBA	12/31/16	86,600	(39)
Credit Suisse First Boston	Pay Fixed 0.99%, Receive Floating GBP LIBOR BBA	2/11/17	34,800	(11)
Credit Suisse First Boston	Receive Fixed 0.92%, Pay Floating USD LIBOR BBA	2/13/17	53,400	76
Credit Suisse First Boston	Receive Fixed 1.64%, Pay Floating GBP 6M Libor	10/14/19	7,740	91
Credit Suisse First Boston	Pay Fixed 0.44%, Receive Floating 6M Euribor	10/16/19	8,690	(93)
Credit Suisse First Boston	Pay Fixed 1.63%, Receive Floating USD LIBOR BBA	9/30/21	40,000	616
Credit Suisse First Boston	Pay Fixed 2.44%, Receive Floating USD LIBOR BBA	2/15/41	4,300	57
Credit Suisse First Boston	Pay Fixed 3.87%, Receive Floating USD 3M Libor	9/13/43	8,000	(2,368)
				\$(1,671)
Unrealised Appreciation of Interest Rate Swaps				840
Unrealised Depreciation of Interest Rate Swaps				(2,511)
Net Depreciation of Interest Rate Swaps				\$(1,671)

Schedule of Forward Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/31/15	Bank of America Sec London	Buy USD 17	Sell EUR 15	\$ –
03/31/15	Bank of America Sec London	Buy USD 280	Sell GBP 183	(2)
03/31/15	Bank of America Sec London	Buy GBP 5,581	Sell USD 8,557	57
03/31/15	Barclays Capital London	Buy GBP 77	Sell USD 120	–
03/31/15	Barclays Capital London	Buy EUR 179	Sell USD 203	(2)
03/31/15	Citicorp Securities London Ltd	Buy USD 1,799	Sell GBP 1,172	(10)
03/31/15	Citicorp Securities London Ltd	Buy USD 2	Sell GBP 1	–
03/31/15	Citicorp Securities London Ltd	Buy EUR 4,043	Sell USD 4,571	(45)
03/31/15	Citicorp Securities London Ltd	Buy GBP 37,377	Sell USD 57,357	335
03/31/15	Credit Suisse First Boston London	Buy GBP 326	Sell USD 501	3
03/31/15	HSBC Midland	Buy USD 514	Sell GBP 334	(2)
03/31/15	HSBC Midland	Buy GBP 21	Sell USD 33	–
03/31/15	Morgan Stanley London	Buy GBP 465	Sell USD 715	2
03/31/15	Royal Bank of Canada London	Buy USD 229	Sell GBP 149	(1)
03/31/15	Royal Bank of Canada London	Buy GBP 2,695	Sell USD 4,147	13
03/31/15	Royal Bank of Canada London	Buy EUR 2,396	Sell USD 2,712	(30)
03/31/15	UBS	Buy USD 139	Sell GBP 90	–
03/31/15	UBS	Buy GBP 3,115	Sell USD 4,798	9
03/31/15	UBS	Buy EUR 62	Sell USD 71	–
04/16/15	Bank of America Sec London	Buy USD 335	Sell GBP 220	(5)
04/16/15	Bank of America Sec London	Buy PHP 45,880	Sell USD 1,020	20
04/16/15	Barclays Capital	Buy IDR 24,865,170	Sell USD 1,943	(57)
04/16/15	Citicorp Securities London Ltd	Buy USD 1,428	Sell BRL 3,950	56
04/16/15	Citicorp Securities London Ltd	Buy USD 2,799	Sell GBP 1,840	(41)
04/16/15	Citicorp Securities London Ltd	Buy AUD 800	Sell USD 623	–
04/16/15	Citicorp Securities London Ltd	Buy INR 123,010	Sell USD 1,951	31
04/16/15	Citicorp Securities London Ltd	Buy BRL 3,950	Sell USD 1,445	(73)
04/16/15	Citicorp Securities London Ltd	Buy GBP 199	Sell USD 300	7
04/16/15	Citicorp Securities London Ltd	Buy MXN 14,050	Sell USD 960	(21)
04/16/15	Citicorp Securities London Ltd	Buy PHP 24,650	Sell USD 551	8
04/16/15	Goldman Sachs	Buy USD 2,103	Sell EUR 1,780	110
05/13/15	Citicorp Securities London Ltd	Buy USD 1,345	Sell AUD 1,730	(2)
05/13/15	Citicorp Securities London Ltd	Buy USD 366	Sell GBP 240	(5)
05/13/15	Citicorp Securities London Ltd	Buy NZD 230	Sell USD 169	4
05/13/15	Citicorp Securities London Ltd	Buy EUR 120	Sell USD 137	(3)
05/13/15	Deutsche Bank London	Buy EUR 372	Sell USD 427	(10)
05/13/15	JP Morgan Chase Bank London	Buy EUR 55	Sell USD 63	(2)
Unrealised Appreciation of Forward Foreign Currency Contracts				655
Unrealised Depreciation of Forward Foreign Currency Contracts				(311)
Net Appreciation of Forward Foreign Currency Contracts				\$ 344

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The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Core Plus Bond Fund[^]

Portfolio of Investments as at February 28, 2015

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
Asset-Backed Securities — 0.26%			Canadian Government Bonds — 0.45%			Airlines — 0.14%		
8 CDC Mortgage Capital Trust, Series 2002 HE1, Class A, 0.791%, due 1/25/2033 *	7	0.01	320 Canadian Government Bond, 4.250%, due 6/1/2018	287	0.25	77 Continental Airlines 2009-2 Class A Pass Through Trust, Series A, 7.250%, due 11/10/2019	91	0.08
2 RASC Trust, Series 2001 KS2, Class All, 0.631%, due 6/25/2031 *	2	-	126 Canadian Government Bond, Series CPI, 4.000%, due 12/1/2031 β	236	0.20	61 Delta Air Lines Pass Through Trust 2007-1, Series 071A, Class A, 6.821%, due 8/10/2022	71	0.06
300 SLM Student Loan Trust, Series 2003 11, Class A6, 144A, 0.991%, due 12/15/2025 *	300	0.25		523	0.45		162	0.14
Total Asset-Backed Securities (Cost \$307)	309	0.26	Euro Government Bonds — 11.49%			Auto Manufacturers — 0.65%		
Foreign Corporate Bonds and Notes — 4.13%			1,030 Bundesrepublik Deutschland, 2.500%, due 8/15/2046	1,616	1.38	300 Ford Motor Co, 4.750%, due 1/15/2043	330	0.28
Australian Dollar Bonds — 0.08%			346 European Investment Bank, 3.000%, due 9/28/2022	468	0.40	300 General Motors Co, 5.200%, due 4/1/2045	332	0.28
100 Westpac Banking Corp, 7.250%, due 2/11/2020	93	0.08	490 France Government Bond OAT, 4.000%, due 4/25/2055	963	0.82	100 General Motors Financial Co Inc, 4.375%, due 9/25/2021	107	0.09
British Pound Sterling Bonds — 3.41%			1,950 Italy Buoni Poliennali Del Tesoro, 1.150%, due 5/15/2017	2,226	1.90		769	0.65
220 AA Bond Co Ltd, 3.781%, due 7/31/2019	354	0.30	2,000 Italy Buoni Poliennali Del Tesoro, 4.500%, due 3/1/2024	2,849	2.43	Beverages — 0.11%		
210 Aviva Plc, 6.875%, due 5/20/2058 *	415	0.35	292 Italy Buoni Poliennali Del Tesoro, 5.000%, due 9/1/2040	496	0.42	30 Anheuser-Busch InBev Finance Inc, 2.625%, due 1/17/2023	30	0.03
120 BUPA Finance Plc, 5.000%, due 4/25/2023	199	0.17	510 Italy Buoni Poliennali Del Tesoro, 144A, 4.750%, due 9/1/2044	870	0.74	100 Anheuser-Busch InBev Worldwide Inc, 2.500%, due 7/15/2022	98	0.08
140 Gatwick Funding Ltd, 4.625%, due 3/27/2034	245	0.21	1,420 Italy Buoni Poliennali Del Tesoro, 144A, 3.250%, due 9/1/2046	1,910	1.63		128	0.11
100 HSBC Holdings Plc, 7.000%, due 4/7/2038	216	0.18	970 Netherlands Government Bond, 2.000%, due 7/15/2024	1,249	1.06	Biotechnology — 0.09%		
100 Imperial Tobacco Finance Plc, 4.875%, due 6/7/2032	175	0.15	460 Spain Government Bond, 144A, 5.150%, due 10/31/2044	832	0.71	100 Gilead Sciences Inc, 3.700%, due 4/1/2024	107	0.09
250 Lloyds TSB Bank Plc, 7.625%, due 4/22/2025	510	0.44		13,479	11.49	Chemicals — 0.13%		
130 Manchester Airport Group Funding Plc, 4.125%, due 4/2/2024	220	0.19	Japanese Government Bonds — 4.24%			Electric — 0.44%		
100 Muenchener Rueckversicherungs AG, 6.625%, due 5/26/2042 *	186	0.16	207,950 Japan Government Thirty Year Bond, Series 45, 1.500%, due 12/20/2044	1,764	1.51	20 Dominion Resources Inc, 5.200%, due 8/15/2019	22	0.02
100 Prudential Plc, 5.700%, due 12/19/2063 *	184	0.16	63,350 Japan Government Twenty Year Bond, Series 128, 1.900%, due 6/20/2031	612	0.52	60 Duke Energy Progress Inc, 4.375%, due 3/30/2044	68	0.06
260 Scottish Widows Plc, 5.500%, due 6/16/2023	441	0.38	259,050 Japan Government Twenty Year Bond, Series 143, 1.600%, due 3/20/2033	2,373	2.02	10 Exelon Corp, 5.625%, due 6/15/2035	12	0.01
220 Standard Chartered Plc, 5.125%, due 6/6/2034	353	0.30	24,400 Japanese Government CPI Linked Bond, Series 19, 0.100%, due 9/10/2024 β	218	0.19	20 FirstEnergy Corp, Series B, 4.250%, due 3/15/2023	21	0.02
99 Tesco Property Finance 5 Plc, 5.661%, due 10/13/2041	150	0.13		4,967	4.24	115 FirstEnergy Corp, Series C, 7.375%, due 11/15/2031	147	0.12
210 Tesco Property Finance 6 Plc, 5.411%, due 7/13/2044	310	0.26	Mexican Government Bonds — 3.64%			190 Pacific Gas & Electric Co, 6.050%, due 3/1/2034	249	0.21
20 Zurich Finance UK Plc, 6.625%, Perpetual *	37	0.03	81 Mexican Bonos, Series M, 8.000%, due 6/11/2020	6	-		519	0.44
	3,995	3.41	987 Mexican Bonos, Series M, 6.500%, due 6/9/2022	70	0.06	Financials – Banks — 3.99%		
Euro Bonds — 0.64%			52,526 Mexican Bonos, Series M, 7.750%, due 11/13/2042	4,193	3.58	25 Ally Financial Inc, 8.000%, due 3/15/2020	30	0.03
300 Allianz Finance II BV, 5.750%, due 7/8/2041 *	415	0.36		4,269	3.64	EUR 150 Bank of America Corp, 0.919%, due 3/28/2018 *	167	0.14
26 GE Capital European Funding, 5.375%, due 1/23/2020	36	0.03	Total Foreign Government Bonds and Notes (Cost \$24,889)			30 Bank of America Corp, 7.625%, due 6/1/2019	36	0.03
175 Glencore Finance Dubai Ltd, 2.625%, due 11/19/2018	208	0.18	24,454	20.86	20 Bank of America Corp, 3.300%, due 1/11/2023	20	0.02	
63 Lloyds Bank Plc, 6.500%, due 3/24/2020	88	0.07	U.S. Corporate Bonds and Notes — 12.21%			70 Bank of America Corp, 4.100%, due 7/24/2023	75	0.06
	747	0.64	Agriculture — 0.66%			250 Bank of America Corp, 4.200%, due 8/26/2024	259	0.22
Total Foreign Corporate Bonds and Notes (Cost \$4,827)			30 Altria Group Inc, 9.250%, due 8/6/2019	39	0.03	200 Bank of America Corp, 4.250%, due 10/22/2026	205	0.17
Foreign Government Bonds and Notes — 20.86%			100 Altria Group Inc, 10.200%, due 2/6/2039	177	0.15	250 Bank of America Corp, 4.875%, due 4/1/2044	287	0.24
Brazil Government Bonds — 1.04%			250 Lorillard Tobacco Co, 3.750%, due 5/20/2023	253	0.22	20 Citigroup Inc, 6.125%, due 5/15/2018	23	0.02
733 Brazil Notas do Tesouro Nacional, Series NTN F, 10.000%, due 1/1/2017	247	0.21	250 Philip Morris International Inc, 3.250%, due 11/10/2024	259	0.22	30 Citigroup Inc, 3.500%, due 5/15/2023	30	0.03
1,084 Brazil Notas do Tesouro Nacional, Series NTN B, 6.000%, due 8/15/2050	969	0.83	25 Reynolds American Inc, 6.750%, due 6/15/2017	28	0.02	EUR 290 Citigroup Inc, 1.750%, due 1/28/2025	337	0.29
	1,216	1.04	20 Reynolds American Inc, 3.250%, due 11/1/2022	20	0.02	400 Citigroup Inc, 5.500%, due 9/13/2025	453	0.39
				776	0.66	200 Citigroup Inc, 4.300%, due 11/20/2026	205	0.17
						40 Citigroup Inc, 8.125%, due 7/15/2039	62	0.05
						60 Citigroup Inc, 5.300%, due 5/6/2044	67	0.06

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The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Core Plus Bond Fund[^]

Portfolio of Investments as at February 28, 2015 – (continued)

Contracts (000's)	Value (000's) \$	% of Net Asset Value
Options — (continued)		
Written Options — (continued)		
(2,100) USD Call/EUR Put 1.16, due 4/8/2015	(75)	(0.06)
	(251)	(0.22)
Total Options (Cost \$(149))	(219)	(0.19)
Total Investments (Cost \$123,290)	123,845	105.64
Liabilities in Excess of Other Assets	(6,608)	(5.64)
Total Net Assets	\$117,237	100.00

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

144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2015, these securities amounted to \$6,315,000 or 5.38% of net assets.

* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2015.

† Illiquid.

∞ Security is valued in good faith at fair value by or at the discretion of the Investment Manager.

± Securities purchased on a to-be-announced basis (Note 1).

β The rate of interest on this type of security is tied to the Consumer Price Index (CPI)/Retail Price Index (RPI). The coupon rate is the rate as of February 28, 2015.

ABBREVIATIONS:

CPI – Consumer Price Index

Perpetual – A bond with no maturity date. Perpetual bonds are not redeemable but pay a steady stream of interest.

TBA – To Be Announced

EUR – Euro

GBP – British Pound

ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR FORWARDS, FUTURES AND OPTIONS WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS DEALT IN ON A REGULATED MARKET AND COLLECTIVE INVESTMENT SCHEMES.

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	88.70
Financial derivative instruments	0.57
Collective investment schemes	5.25
Other assets	5.48
Total Assets	100.00

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
90 Day Euro\$ December 2016	62	\$ 15,250	\$ 4
Euro-Bobl March 2015	2	294	4
Euro-BTP March 2015	1	158	8
Euro-Bund March 2015	(8)	(1,428)	(4)
Euro-Buxl 30 Year Bond March 2015	(13)	(2,425)	(89)
Long Gilt June 2015	24	4,393	(30)
U.S. 10 Year Note (CBT) March 2015	(2)	(257)	1
U.S. 5 Year Note (CBT) June 2015	28	3,340	7
U.S. Long Bond (CBT) June 2015	(30)	(4,855)	(41)
U.S. Long Bond (CBT) March 2015	(17)	(2,500)	45
U.S. Ultra Bond (CBT) March 2015	2	338	2
U.S.10 Year Note (CBT) June 2015	(88)	(11,246)	(51)
Total Market Value of Future Contracts	(39)	\$ 1,062	\$ (144)
Unrealised Appreciation of Futures Contracts			71
Unrealised Depreciation of Futures Contracts			(215)
Net Depreciation of Future Contracts			\$ (144)

Schedule of Forward Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/31/15	BNP Paribas	Buy JPY 12,722	Sell USD 107	\$ –
03/31/15	Citicorp Securities London Ltd	Buy EUR 14,739	Sell USD 16,663	(163)
03/31/15	Citicorp Securities London Ltd	Buy JPY 159,121	Sell USD 1,337	(7)
03/31/15	HSBC Midland	Buy JPY 2,057	Sell USD 17	–
04/16/15	Bank of America Sec London	Buy EUR 570	Sell USD 673	(34)
04/16/15	Bank of America Sec London	Buy AUD 80	Sell USD 65	(3)
04/16/15	Bank of America Sec London	Buy GBP 80	Sell USD 122	2
04/16/15	Citicorp Securities London Ltd	Buy USD 163	Sell JPY 19,211	3
04/16/15	Citicorp Securities London Ltd	Buy JPY 18,590	Sell USD 159	(4)
04/16/15	Citicorp Securities London Ltd	Buy SEK 840	Sell USD 104	(3)
04/27/15	JP Morgan Chase Bank London	Buy INR 28,036	Sell USD 450	1
05/13/15	Bank of America Sec London	Buy USD 2,515	Sell EUR 2,214	35
05/13/15	Bank of America Sec London	Buy USD 1,008	Sell GBP 670	(25)
05/13/15	Bank of New York Mellon London	Buy USD 913	Sell EUR 798	20
05/13/15	Bank of New York Mellon London	Buy USD 84	Sell GBP 54	–
05/13/15	Bank of New York Mellon London	Buy GBP 149	Sell USD 224	5
05/13/15	Barclays Capital London	Buy USD 1,820	Sell EUR 1,587	43
05/13/15	Barclays Capital London	Buy USD 867	Sell JPY 101,615	17
05/13/15	Citicorp Securities London Ltd	Buy USD 917	Sell AUD 1,180	(1)
05/13/15	Citicorp Securities London Ltd	Buy USD 1,890	Sell EUR 1,654	37
05/13/15	Citicorp Securities London Ltd	Buy USD 68	Sell GBP 45	(1)
05/13/15	Citicorp Securities London Ltd	Buy USD 1,368	Sell JPY 160,367	26
05/13/15	Citigroup	Buy USD 669	Sell AUD 856	4
05/13/15	Credit Suisse First Boston London	Buy USD 994	Sell EUR 867	23

[^] Not authorised for sale to the public in Hong Kong.
The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Core Plus Bond Fund[^]

Portfolio of Investments as at February 28, 2015 – (continued)

Expiration Date	Counterparty		Buy Currency (000's)			Sell Currency (000's)		Unrealised Appreciation/ (Depreciation) of Contracts (000's)
05/13/15	Deutsche Bank London	Buy	USD	160	Sell	CAD	199	\$ 1
05/13/15	Deutsche Bank London	Buy	USD	915	Sell	EUR	797	22
05/13/15	Deutsche Bank London	Buy	USD	776	Sell	GBP	507	(6)
05/13/15	Deutsche Bank London	Buy	USD	2,447	Sell	JPY	286,646	49
05/13/15	Deutsche Bank London	Buy	USD	1,650	Sell	MXN	24,460	19
05/13/15	Goldman Sachs London	Buy	USD	1,044	Sell	EUR	913	21
05/13/15	JP Morgan Chase Bank London	Buy	USD	251	Sell	CAD	312	1
05/13/15	JP Morgan Chase Bank London	Buy	USD	3,464	Sell	EUR	3,022	79
05/13/15	JP Morgan Chase Bank London	Buy	USD	311	Sell	GBP	203	(2)
05/13/15	JP Morgan Chase Bank London	Buy	USD	1,307	Sell	JPY	153,190	25
05/13/15	JP Morgan Chase Bank London	Buy	USD	92	Sell	SEK	757	1
05/13/15	JP Morgan Chase Bank London	Buy	USD	121	Sell	TRY	301	3
05/13/15	JP Morgan Chase Bank London	Buy	AUD	1,462	Sell	USD	1,141	(3)
05/13/15	Morgan Stanley London	Buy	USD	1,055	Sell	JPY	123,713	20
05/13/15	Royal Bank of Canada London	Buy	USD	1,607	Sell	AUD	2,106	(32)
05/13/15	Royal Bank of Canada London	Buy	USD	5,420	Sell	EUR	4,765	83
05/13/15	UBS	Buy	USD	4,338	Sell	EUR	3,795	87
05/13/15	UBS	Buy	USD	2,623	Sell	GBP	1,721	(33)
05/13/15	UBS	Buy	USD	1,237	Sell	JPY	145,008	23
05/27/15	Citicorp Securities London Ltd	Buy	USD	69	Sell	JPY	8,234	–
Unrealised Appreciation of Forward Foreign Currency Contracts								650
Unrealised Depreciation of Forward Foreign Currency Contracts								(317)
Net Appreciation of Forward Foreign Currency Contracts								\$ 333

[^] Not authorised for sale to the public in Hong Kong.

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Credit Fund

Portfolio of Investments as at February 28, 2015

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
Foreign Corporate Bonds and Notes — 28.34%						Foreign Government Bonds and Notes — 5.89%		
British Pound Sterling Bonds — 17.04%						Brazil Government Bonds — 0.42%		
320 AA Bond Co Ltd, 6.269%, due 7/31/2025	617	0.62	160 WM Morrison Supermarkets Plc, 4.625%, due 12/8/2023	259	0.26	474 Brazil Notas do Tesouro Nacional, Series NTN-B, 6.000%, due 8/15/2050 β	424	0.42
350 ABP Finance Plc, 6.250%, due 12/14/2026	693	0.69	150 Yorkshire Building Society, 4.125%, due 11/20/2024 *	238	0.24	Euro Government Bonds — 0.31%		
90 Annington Finance No 4 Plc, Series C1, 8.070%, due 1/10/2023	186	0.19	Euro Bonds — 11.30%			300 Russian Foreign Bond – Eurobond, 3.625%, due 9/16/2020	311	0.31
1,200 Bank Nederlandse Gemeenten NV, 1.875%, due 12/7/2018	1,890	1.89	200 ABN AMRO Bank NV, 7.125%, due 7/6/2022	305	0.30	Germany Government Bonds — 1.10%		
200 BPCE SA, 5.250%, due 4/16/2029	348	0.35	500 Allianz Finance II BV, 5.750%, due 7/8/2041 *	692	0.69	885 Bundesrepublik Deutschland, 1.500%, due 2/15/2023	1,099	1.10
150 BUPA Finance Plc, 5.000%, due 4/25/2023	248	0.25	200 Allianz SE, 4.750%, Perpetual *	265	0.26	Mexican Government Bonds — 0.46%		
200 Coventry Building Society, 4.625%, due 4/19/2018	341	0.34	100 Assicurazioni Generali SpA, 4.125%, due 5/4/2026	129	0.13	5,818 Mexican Bonos, Series M, 7.750%, due 11/13/2042	464	0.46
220 CPUK Finance Ltd, 7.239%, due 2/28/2024	453	0.45	230 Australia Pacific Airports Melbourne Pty Ltd, 3.125%, due 9/26/2023	301	0.30	United Kingdom Government Bonds — 3.60%		
100 Dignity Finance Plc, Series B, 4.696%, due 12/31/2049	173	0.17	122 Aviva Plc, 6.125%, due 7/5/2043 *	175	0.18	1,867 United Kingdom Gilt, 1.250%, due 7/22/2018	2,905	2.90
140 Direct Line Insurance Group Plc, 9.250%, due 4/27/2042 *	283	0.28	200 AXA SA, 3.875%, Perpetual *	247	0.24	200 United Kingdom Gilt, 4.750%, due 12/7/2030	416	0.42
150 Eastern Power Networks Plc, 4.750%, due 9/30/2021	264	0.26	130 BAT Netherlands Finance BV, 3.125%, due 3/6/2029	176	0.17	130 United Kingdom Gilt, 4.250%, due 12/7/2046	280	0.28
240 Eversholt Funding Plc, 6.697%, due 2/22/2035	504	0.50	200 BBVA Subordinated Capital SAU, 3.500%, due 4/1/2024 *	237	0.24	Total Foreign Government Bonds and Notes (Cost \$6,205)		
290 Gatwick Funding Ltd, 4.625%, due 3/27/2034	508	0.51	100 Casino Guichard Perrachon SA, 3.248%, due 3/7/2024	128	0.13	5,899	5.89	
294 The Great Rolling Stock Co Plc, 6.500%, due 4/5/2031	594	0.59	100 Christian Dior SA, 1.375%, due 6/19/2019	115	0.12	U.S. Corporate Bonds and Notes — 35.02%		
94 HSBC Bank Capital Funding Sterling LP, 5.862%, Perpetual *	157	0.16	210 Coca-Cola HBC Finance BV, 2.375%, due 6/18/2020	251	0.25	Aerospace/Defense — 0.99%		
265 Intu SGS Finance Plc, 3.875%, due 3/17/2023	430	0.43	183 Cooperatieve Centrale Raiffeisen-Boerenleenbank BA, 3.500%, due 10/17/2018	228	0.23	340 BAE Systems Holdings Inc, 144A, 4.750%, due 10/7/2044	372	0.37
390 John Lewis Plc, 4.250%, due 12/18/2034	635	0.63	270 CRH Finland Services Oyj, 2.750%, due 10/15/2020	333	0.33	230 Exelis Inc, 5.550%, due 10/1/2021	253	0.25
110 Manchester Airport Group Funding Plc, 4.125%, due 4/2/2024	186	0.19	360 Delta Lloyd NV, 4.375%, Perpetual *	407	0.41	350 United Technologies Corp, 3.100%, due 6/1/2022	365	0.37
170 Manchester Airport Group Funding Plc, 4.750%, due 3/31/2034	305	0.30	200 Eandis CVBA, 2.875%, due 5/7/2029	265	0.27	Agriculture — 0.90%		
310 Mitchells & Butlers Finance Plc, Series B2, 6.013%, due 12/15/2028	577	0.58	292 Elenia Finance Oyj, 2.875%, due 12/17/2020	357	0.36	450 Altria Group Inc, 4.750%, due 5/5/2021	502	0.50
250 National Grid Electricity Transmission Plc, 4.000%, due 6/8/2027	433	0.43	200 Elia System Operator SA/NV, 3.250%, due 4/4/2028	274	0.27	270 Philip Morris International Inc, 4.375%, due 11/15/2041	287	0.29
150 Petrobras Global Finance BV, 6.625%, due 1/16/2034	190	0.19	1,000 European Investment Bank, 4.125%, due 4/15/2024	1,497	1.49	80 Philip Morris International Inc, 4.500%, due 3/20/2042	87	0.09
150 Porterbrook Rail Finance Ltd, 4.625%, due 4/4/2029	266	0.27	100 Gas Natural Fenosa Finance BV, 1.375%, due 1/21/2025	114	0.11	20 Reynolds American Inc, 7.750%, due 6/1/2018	23	0.02
280 Prudential Plc, 5.700%, due 12/19/2063 *	515	0.51	440 Gazprom OAO Via Gaz Capital SA, 3.600%, due 2/26/2021	420	0.42	Auto Manufacturers — 0.48%		
180 RL Finance Bonds No. 2 plc, 6.125%, due 11/30/2043 *	309	0.31	200 Hannover Finance Luxembourg SA, 5.750%, due 9/14/2040 *	270	0.27	440 Daimler Finance North America LLC, 3.875%, due 9/15/2021	476	0.48
150 RWE Finance BV, 5.625%, due 12/6/2023	281	0.28	100 Hannover Rueck SE, 3.375%, Perpetual *	119	0.12	Auto Parts & Equipment — 0.39%		
240 Scottish Widows Plc, 7.000%, due 6/16/2043	481	0.48	310 Imperial Tobacco Finance Plc, 3.375%, due 2/26/2026	407	0.41	380 Johnson Controls Inc, 3.625%, due 7/2/2024	394	0.39
176 Scottish Widows Plc, 5.125%, Perpetual *	274	0.27	99 Lloyds TSB Bank Plc, 11.875%, due 12/16/2021 *	132	0.13	Beverages — 1.98%		
140 Severn Trent Utilities Finance Plc, 3.625%, due 1/16/2026	230	0.23	100 Madrilena Red de Gas Finance BV, 3.779%, due 9/11/2018	124	0.13	450 Anheuser-Busch InBev Finance Inc, 3.700%, due 2/1/2024	477	0.48
374 Southern Gas Networks Plc, Series A5, 4.875%, due 12/21/2020	657	0.66	200 NATIONWIDE Building Society, 1.250%, due 3/3/2025	225	0.22	680 Diageo Investment Corp, 2.875%, due 5/11/2022	689	0.69
100 Standard Chartered Plc, 5.125%, due 6/6/2034	160	0.16	195 Petrobras International Finance Co, 5.875%, due 3/7/2022	209	0.21	350 Molson Coors Brewing Co, 3.500%, due 5/1/2022	359	0.36
400 Telefonica Emisiones SAU, 5.597%, due 3/12/2020	710	0.71	150 Redexis Gas Finance BV, 2.750%, due 4/8/2021	183	0.18	430 PepsiCo Inc, 4.250%, due 10/22/2044	449	0.45
416 Telereal Secured Finance Plc, 4.010%, due 12/10/2031	660	0.66	350 Skandinaviska Enskilda Banken AB, 2.500%, due 5/28/2026 *	412	0.41	Biotechnology — 1.86%		
394 Tesco Property Finance 3 Plc, 5.744%, due 4/13/2040	610	0.61	200 Sky Plc, 1.500%, due 9/15/2021	232	0.23	700 Amgen Inc, 3.625%, due 5/22/2024	730	0.73
210 UNITE USAF II Plc, 3.374%, due 6/30/2023	336	0.34	330 Statoil ASA, 1.250%, due 2/17/2027	372	0.37	700 Celgene Corp, 3.625%, due 5/15/2024	731	0.73
287 Virgin Media Secured Finance Plc, 5.500%, due 1/15/2021	486	0.49	350 Swedbank AB, 3.000%, due 12/5/2022 *	415	0.42	40 Gilead Sciences Inc, 3.700%, due 4/1/2024	43	0.04
310 Western Power Distribution East Midlands Plc, 5.250%, due 1/17/2023	564	0.56	300 Swiss Reinsurance Co via ELM BV, 5.252%, Perpetual *	353	0.35	324 Gilead Sciences Inc, 4.500%, due 2/1/2045	359	0.36
Total Foreign Corporate Bonds and Notes (Cost \$27,646)						Chemicals — 0.68%		
						330 El du Pont de Nemours & Co, 4.625%, due 1/15/2020	368	0.37
						250 PPG Industries Inc, 5.500%, due 11/15/2040	307	0.31
						Total		
						675	0.68	

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Credit Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value
U.S. Denominated Bonds and Notes — (continued)		
France — 2.09%		
670 Electricite de France SA, 5.250%, Perpetual *	710	0.71
850 GDF Suez, 2.875%, due 10/10/2022	862	0.86
480 Pernod-Ricard SA, 4.450%, due 1/15/2022	521	0.52
	2,093	2.09
Italy — 0.78%		
270 Intesa Sanpaolo SpA, 3.875%, due 1/16/2018	285	0.29
480 Intesa Sanpaolo SpA, 144A, 5.017%, due 6/26/2024	494	0.49
	779	0.78
Mexico — 2.12%		
420 America Movil SAB de CV, 5.625%, due 11/15/2017	464	0.46
410 Mexichem SAB de CV, 4.875%, due 9/19/2022	440	0.44
80 Petroleos Mexicanos, 4.875%, due 1/24/2022	85	0.08
276 Petroleos Mexicanos, 6.625%, due 6/15/2035	318	0.32
237 Petroleos Mexicanos, 5.500%, due 6/27/2044	240	0.24
72 Petroleos Mexicanos, 6.375%, due 1/23/2045	81	0.08
490 Petroleos Mexicanos, 4.250%, due 1/15/2025	493	0.50
	2,121	2.12
Netherlands — 1.36%		
586 Cooperatieve Centrale Raiffeisen-Boerenleenbank BA, 3.375%, due 1/19/2017	611	0.61
280 Cooperatieve Centrale Raiffeisen-Boerenleenbank BA, 144A, 11.000%, Perpetual *	362	0.36
390 Heineken NV, 144A, 2.750%, due 4/1/2023	384	0.39
	1,357	1.36
Sweden — 0.68%		
650 Nordea Bank AB, 4.250%, due 9/21/2022	685	0.68
Switzerland — 1.35%		
700 Credit Suisse/New York NY, 3.625%, due 9/9/2024	728	0.73
552 UBS AG/Stamford CT, 4.875%, due 8/4/2020	623	0.62
	1,351	1.35
United Kingdom — 5.12%		
470 BAT International Finance Plc, 3.250%, due 6/7/2022	481	0.48
585 BP Capital Markets Plc, 3.561%, due 11/1/2021	615	0.62
740 Centrica Plc, 4.000%, due 10/16/2023	773	0.77
390 GlaxoSmithKline Capital Plc, 2.850%, due 5/8/2022	396	0.40
500 HBOS Plc, 144A, 6.750%, due 5/21/2018	560	0.56
230 HSBC Holdings Plc, 5.100%, due 4/5/2021	261	0.26
230 The Royal Bank of Scotland Plc, 5.625%, due 8/24/2020	267	0.27
500 The Royal Bank of Scotland Plc, 6.125%, due 1/11/2021	597	0.59
460 Standard Chartered Plc, 144A, 3.950%, due 1/11/2023	460	0.46
300 Standard Chartered Plc, 144A, 5.700%, due 3/26/2044	331	0.33
400 Vodafone Group Plc, 2.500%, due 9/26/2022	384	0.38
	5,125	5.12
Total U.S. Denominated Bonds and Notes (Cost \$17,282)	18,065	18.05

Face Value (000's)	Value (000's) \$	% of Net Asset Value
U.S. Denominated Debt Obligations — 1.88%		
Brazil — 0.29%		
290 Banco Nacional de Desenvolvimento Economico e Social, 3.375%, due 9/26/2016	292	0.29
Colombia — 0.57%		
500 Colombia Government International Bond, 5.625%, due 2/26/2044	573	0.57
Mexico — 1.02%		
391 Mexico Government International Bond, 5.550%, due 1/21/2045	467	0.47
530 Mexico Government International Bond, 4.600%, due 1/23/2046	552	0.55
	1,019	1.02
Total U.S. Denominated Debt Obligations (Cost \$1,707)	1,884	1.88
U.S. Treasury Obligations — 7.24%		
334 United States Treasury Bond, 3.375%, due 5/15/2044	387	0.39
20 United States Treasury Bond, 3.000%, due 11/15/2044	22	0.02
3,870 United States Treasury Note, 1.625%, due 6/30/2019	3,906	3.90
10 United States Treasury Note, 1.750%, due 9/30/2019	10	0.01
100 United States Treasury Note, 1.625%, due 12/31/2019	101	0.10
90 United States Treasury Note, 2.000%, due 10/31/2021	91	0.09
2,730 United States Treasury Note, 2.000%, due 2/15/2025	2,729	2.73
Total U.S. Treasury Obligations (Cost \$7,137)	7,246	7.24
Shares/ Units (000's)	Value (000's) \$	% of Net Asset Value
Collective Investment Schemes — 0.85%		
GBP 66 Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	102	0.10
749 Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	749	0.75
Total Collective Investment Schemes (Cost \$850)	851	0.85
Total Investments (Cost \$93,720)	97,378	97.27
Other Assets in Excess of Liabilities	2,729	2.73
Total Net Assets	\$100,107	100.00
–	Amounts designated as “–” are either \$0, less than \$1,000 or less than 1,000 shares.	
144A	Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2015, these securities amounted to \$3,918,000 or 3.90% of net assets.	
*	Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2015.	
†	Illiquid.	
∞	Security is valued in good faith at fair value by or at the discretion of the Investment Manager.	
ε	Security is in default as at February 28, 2015.	
β	The rate of interest on this type of security is tied to the Consumer Price Index (CPI)/Retail Price Index (RPI). The coupon rate is the rate as of February 28, 2015.	

ABBREVIATIONS:

Perpetual – A bond with no maturity date. Perpetual bonds are not redeemable but pay a steady stream of interest.

EUR – Euro

GBP – British Pound

ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR FUTURES, FORWARDS AND SWAPS WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS DEALT IN ON A REGULATED MARKET AND COLLECTIVE INVESTMENT SCHEMES.

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	95.27
Financial derivative instruments	0.50
Collective investment schemes	0.84
Other assets	3.39
Total Assets	100.00

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Credit Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Euro-Bund March 2015	(13)	\$ (2,320)	\$ (72)
Long Gilt June 2015	(97)	(17,756)	(28)
U.S. 5 Year Note (CBT) June 2015	156	18,608	59
U.S. Long Bond (CBT) June 2015	(8)	(1,295)	(9)
U.S. Long Bond (CBT) March 2015	(2)	(294)	(12)
U.S. 10 Year Note (CBT) June 2015	(20)	(2,556)	(12)
Ultra long Gilt June 2015	(8)	(1,625)	25
Total Market Value of Future Contracts	8	\$ (7,238)	\$ (49)
Unrealised Appreciation of Futures Contracts			84
Unrealised Depreciation of Futures Contracts			(133)
Net Depreciation of Future Contracts			\$ (49)

Schedule of Credit Default Swaps

Counterparty	Reference Entity	Buy/Sell Protection	Expiration Date	Notional Amount (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
BNP Paribas	Markit iTraxx Europe, 1.000%, due 12/20/19	Buy	12/20/19	3,400	\$ 38
Merrill Lynch	Markit iTraxx Europe, 1.000%, due 12/20/19	Buy	12/20/19	9,195	(246)
					\$ (208)
Unrealised Appreciation of Credit Default Swaps					38
Unrealised Depreciation of Credit Default Swaps					(246)
Net Depreciation of Credit Default Swaps					\$ (208)

Schedule of Forward Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/31/15	Citicorp Securities London Ltd	Buy EUR 565	Sell USD 638	\$ (6)
03/31/15	Royal Bank of Canada London	Buy EUR 733	Sell USD 830	(9)
03/31/15	UBS	Buy USD 116	Sell EUR 103	1
05/13/15	Barclays Capital London	Buy USD 126	Sell EUR 110	3
05/13/15	Barclays Capital London	Buy USD 530	Sell GBP 348	(7)
05/13/15	BNP Paribas	Buy USD 170	Sell EUR 150	2
05/13/15	Citicorp Securities London Ltd	Buy USD 3,557	Sell EUR 3,113	71
05/13/15	Citicorp Securities London Ltd	Buy USD 4,800	Sell GBP 3,149	(59)
05/13/15	Citicorp Securities London Ltd	Buy EUR 260	Sell USD 297	(6)
05/13/15	Credit Suisse First Boston London	Buy USD 4,091	Sell EUR 3,567	96
05/13/15	Credit Suisse First Boston London	Buy USD 6,594	Sell GBP 4,330	(88)
05/13/15	Deutsche Bank London	Buy USD 883	Sell GBP 576	(7)
05/13/15	Goldman Sachs London	Buy USD 3,375	Sell EUR 2,951	69
05/13/15	Goldman Sachs London	Buy USD 245	Sell GBP 160	(2)
05/13/15	HSBC Midland	Buy USD 182	Sell EUR 160	3
05/13/15	JP Morgan Chase Bank London	Buy USD 8,297	Sell GBP 5,409	(49)
05/13/15	JP Morgan Chase Bank London	Buy EUR 1,315	Sell USD 1,507	(34)
05/13/15	Morgan Stanley London	Buy USD 3,747	Sell EUR 3,271	83
05/13/15	Royal Bank of Scotland	Buy USD 805	Sell EUR 702	19
05/13/15	Societe Generale London	Buy USD 573	Sell EUR 500	13
05/13/15	UBS	Buy USD 1,469	Sell EUR 1,286	28
05/13/15	UBS	Buy USD 3,268	Sell GBP 2,145	(41)
Unrealised Appreciation of Forward Foreign Currency Contracts				388
Unrealised Depreciation of Forward Foreign Currency Contracts				(308)
Net Appreciation of Forward Foreign Currency Contracts				\$ 80

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Euro High Yield Fund

Portfolio of Investments as at February 28, 2015

Face Value (000's)	Value (000's) €	% of Net Asset Value	Face Value (000's)	Value (000's) €	% of Net Asset Value	Face Value (000's)	Value (000's) €	% of Net Asset Value
EUR Denominated Bonds and Notes — 66.49%								
Austria — 1.60%								
1,370	Sappi Papier Holding GmbH, 6.625%, due 4/15/2018	1,420	1.60					
Canada — 1.20%								
1,020	Bombardier Inc, 6.125%, due 5/15/2021	1,063	1.20					
Cayman Islands — 0.74%								
640	Viridian Group FundCo II Ltd, 7.500%, due 3/1/2020	653	0.74					
France — 14.63%								
1,000	Autodis SA, 6.500%, due 2/1/2019	1,051	1.19					
700	CMA CGM SA, 8.875%, due 4/15/2019	734	0.83					
1,000	Crown European Holdings SA, 4.000%, due 7/15/2022	1,090	1.23					
529	Europcar Groupe SA, 11.500%, due 5/15/2017	597	0.67					
850	HomeVi SAS, 6.875%, due 8/15/2021	914	1.03					
710	Italcementi Finance SA, 6.625%, due 3/19/2020	861	0.97					
1,174	Labco SAS, 8.500%, due 1/15/2018	1,235	1.40					
880	Labeyrie Fine Foods SAS, 5.625%, due 3/15/2021	926	1.05					
1,000	Lafarge SA, 6.625%, due 11/29/2018	1,173	1.33					
1,090	Novafives SAS, 4.500%, due 6/30/2021	1,085	1.22					
1,340	Numericable Group SA, 5.625%, due 5/15/2024	1,420	1.60					
590	Oberthur Technologies Holding SAS, 9.250%, due 4/30/2020	617	0.70					
1,230	SGD Group SAS, 5.625%, due 5/15/2019	1,252	1.41					
		12,955	14.63					
Germany — 4.90%								
540	Deutsche Raststaetten Gruppe IV GmbH, 6.750%, due 12/30/2020	588	0.66					
793	Kion Finance SA, 6.750%, due 2/15/2020	856	0.97					
486	KM Germany Holdings GmbH, 8.750%, due 12/15/2020	535	0.60					
1,090	KP Germany Erste GmbH, 11.625%, due 7/15/2017	1,184	1.34					
250	Techem GmbH, 6.125%, due 10/1/2019	267	0.30					
100	Trionista HoldCo GmbH, 5.000%, due 4/30/2020	105	0.12					
750	Trionista TopCo GmbH, 6.875%, due 4/30/2021	805	0.91					
		4,340	4.90					
Ireland — 1.57%								
1,300	Rottapharm Ltd, 6.125%, due 11/15/2019	1,389	1.57					
Italy — 2.18%								
870	Astaldi SpA, 7.125%, due 12/1/2020	935	1.06					
300	Cerved Technologies SpA, 8.000%, due 1/15/2021	329	0.37					
490	Cerved Technologies SpA, 6.375%, due 1/15/2020	524	0.59					
130	Enel SpA, 5.000%, due 1/15/2075 *	144	0.16					
		1,932	2.18					
Luxembourg — 14.32%								
380	Altice Financing SA, 8.000%, due 12/15/2019	410	0.46					
100	Altice Financing SA, 5.250%, due 2/15/2023	107	0.12					
350	Altice Finco SA, 9.000%, due 6/15/2023	408	0.46					
886	Ardagh Finance Holdings SA, 8.375%, due 6/15/2019	900	1.02					
830	CNH Industrial Finance Europe SA, 6.250%, due 3/9/2018	942	1.06					
255	ConvaTec Healthcare e SA, 10.875%, due 12/15/2018	270	0.30					
390	Empark Funding SA, 6.750%, due 12/15/2019	433	0.49					
1,000	Fiat Finance & Trade SA, 6.750%, due 10/14/2019	1,209	1.37					
800	Gategroup Finance Luxembourg SA, 6.750%, due 3/1/2019	848	0.96					
1,190	Lecta SA, 8.875%, due 5/15/2019	1,241	1.40					
260	Matterhorn Midco & Cy SCA, 7.750%, due 2/15/2020	276	0.31					
650	Matterhorn Mobile Holdings SA, 8.250%, due 2/15/2020	701	0.79					
400	Onex Wizard Acquisition Co II SCA, 7.750%, due 2/15/2023	420	0.47					
870	Picard Bondco SA, 7.750%, due 2/1/2020	911	1.03					
640	Play Finance 1 SA, Series Regs, 6.500%, due 8/1/2019	682	0.77					
1,000	Telenet Finance V Luxembourg SCA, 6.250%, due 8/15/2022	1,094	1.24					
1,000	Wind Acquisition Finance SA, 4.000%, due 7/15/2020	1,017	1.15					
770	Wind Acquisition Finance SA, 7.000%, due 4/23/2021	814	0.92					
		12,683	14.32					
Netherlands — 10.04%								
1,692	Boats Investments Netherlands BV, 11.000%, due 3/31/2017	352	0.40					
300	Gas Natural Fenosa Finance BV, 4.125%, Perpetual *	326	0.37					
1,000	Grupo Isolux Corsan Finance BV, 6.625%, due 4/15/2021	920	1.04					
1,340	HeidelbergCement Finance BV, 7.500%, due 4/3/2020	1,756	1.98					
1,350	LGE HoldCo VI BV, 7.125%, due 5/15/2024	1,551	1.75					
140	Polish Television Holding BV, 11.000%, due 1/15/2021	169	0.19					
500	Samvardhana Motherson Automotive Systems Group BV, 4.125%, due 7/15/2021	515	0.58					
800	Schaeffler Holding Finance BV, 6.875%, due 8/15/2018	842	0.95					
400	Telefonica Europe BV, 7.625%, Perpetual *	497	0.56					
1,800	UPC Holding BV, 6.375%, due 9/15/2022	1,962	2.22					
		8,890	10.04					
South Africa — 0.68%								
190	Edcon Proprietary Ltd, 9.500%, due 3/1/2018	155	0.17					
552	Edcon Proprietary Ltd, 9.500%, due 3/1/2018	452	0.51					
		607	0.68					
Spain — 0.47%								
390	Almirall SA, 4.625%, due 4/1/2021	416	0.47					
Sweden — 1.69%								
247	TVN Finance Corp III AB, 7.875%, due 11/15/2018	257	0.29					
172	TVN Finance Corp III AB, 7.375%, due 12/15/2020	193	0.22					
1,000	Unilabs Subholding AB, 8.500%, due 7/15/2018	1,046	1.18					
		1,496	1.69					
United Kingdom — 5.74%								
850	Alliance Automotive Finance Plc, 6.250%, due 12/1/2021	880	0.99					
1,000	Boparan Finance Plc, 4.375%, due 7/15/2021	926	1.05					
480	EC Finance Plc, 5.125%, due 7/15/2021	505	0.57					
910	Eco-Bat Finance Plc, 7.750%, due 2/15/2017	873	0.99					
800	Kerling Plc, 10.625%, due 2/1/2017	809	0.91					
200	R&R Ice Cream Plc, 4.750%, due 5/15/2020	206	0.23					
880	Tesco Corporate Treasury Services Plc, 2.500%, due 7/1/2024	884	1.00					
		5,083	5.74					
United States — 6.73%								
840	Cemex Finance LLC, 5.250%, due 4/1/2021	880	0.99					
661	Chesapeake Energy Corp, 6.250%, due 1/15/2017	701	0.79					
500	Jarden Corp, 3.750%, due 10/1/2021	529	0.60					
870	PSPC Escrow Corp, 6.000%, due 2/1/2023	916	1.03					
780	Rain CII Carbon LLC / CII Carbon Corp, 8.500%, due 1/15/2021	795	0.90					
1,920	Unitymedia KabelBW GmbH, 9.500%, due 3/15/2021	2,141	2.42					
		5,962	6.73					
Total EUR Denominated Bonds and Notes (Cost €56,984)								
		58,889	66.49					
Foreign Corporate Bonds and Notes — 25.59%								
France — 1.20%								
1,100	Electricite de France, 5.625%, Perpetual *	1,064	1.20					
Greece — 0.53%								
500	FAGE Dairy Industry SA / FAGE USA Dairy Industry Inc, 9.875%, due 2/1/2020	469	0.53					
Italy — 2.65%								
860	Enel SpA, 7.750%, due 9/10/2075 *	1,356	1.53					
650	Telecom Italia SpA, 6.375%, due 6/24/2019	994	1.12					
		2,350	2.65					
Jersey — 2.17%								
290	CPUK Finance Ltd, 7.239%, due 2/28/2024	534	0.61					
1,000	Galaxy Bidco Ltd, 6.375%, due 11/15/2020	1,384	1.56					
		1,918	2.17					
Luxembourg — 0.54%								
508	Aguila 3 SA, 7.875%, due 1/31/2018	477	0.54					
Netherlands — 0.85%								
500	Telefonica Europe BV, 6.750%, Perpetual *	756	0.85					
United Kingdom — 17.05%								
110	AA Bond Co Ltd, 9.500%, due 7/31/2019	167	0.19					
760	Anglian Water Osprey Financing Plc, 7.000%, due 1/31/2018	1,139	1.29					
330	Boparan Finance Plc, 5.250%, due 7/15/2019	425	0.48					
100	Co-Operative Group Ltd, 6.875%, due 7/8/2020	149	0.17					
220	Co-Operative Group Ltd, 7.500%, due 7/8/2026	335	0.38					
670	DFS Furniture Holdings Plc, 6.560%, due 8/15/2018 *	925	1.04					
507	Equiniti Newco 2 Plc, Series ReGs, 7.125%, due 12/15/2018	640	0.72					
930	Gala Electric Casinos Plc, 11.500%, due 6/1/2019	1,361	1.54					
350	GKN Holdings Plc, 5.375%, due 9/19/2022	557	0.63					
260	Grainger Plc, 5.000%, due 12/16/2020	374	0.42					
876	Heathrow Finance Plc, 7.125%, due 3/1/2017	1,317	1.49					
670	Jaguar Land Rover Automotive Plc, 5.000%, due 2/15/2022	1,012	1.14					
350	Kelda Finance No 3 Plc, 5.750%, due 2/17/2020	507	0.57					
690	Priony Group No 3 Plc, 8.875%, due 2/15/2019	992	1.12					
100	R&R Ice Cream Plc, 5.500%, due 5/15/2020	141	0.16					
500	Tesco Property Finance 6 Plc, 5.411%, due 7/13/2044	658	0.74					
1,100	Thomas Cook Group Plc, 7.750%, due 6/22/2017	1,610	1.82					

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Euro High Yield Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)	Value (000's) €	% of Net Asset Value	Shares/ Units (000's)	Value (000's) €	% of Net Asset Value
Foreign Corporate Bonds and Notes — (continued)					
United Kingdom — (continued)					
360 Virgin Media Finance Plc, 7.000%, due 4/15/2023	548	0.62			
460 Virgin Media Finance Plc, 6.375%, due 10/15/2024	696	0.78			
650 Virgin Media Secured Finance Plc, 5.500%, due 1/15/2021	983	1.11			
380 Vougeot Bidco Plc, 7.875%, due 7/15/2020	565	0.64			
	15,101	17.05			
United States — 0.60%					
610 Lantheus Medical Imaging Inc, 9.750%, due 5/15/2017	533	0.60			
Total Foreign Corporate Bonds and Notes (Cost €18,240)	22,668	25.59			
Collective Investment Schemes — 4.86%					
GBP 2,611 Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)				3,602	4.07
USD 789 Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)				705	0.79
Total Collective Investment Schemes (Cost €4,045)				4,307	4.86
Total Investments (Cost €79,269)				85,864	96.94
Other Assets in Excess of Liabilities				2,712	3.06
Total Net Assets				€88,576	100.00

* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2015.

ABBREVIATIONS:

Perpetual	– A bond with no maturity date. Perpetual bonds are not redeemable but pay a steady stream of interest.
GBP	– British Pound
USD	– United States Dollar

ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR FORWARDS WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS DEALT IN ON A REGULATED MARKET AND COLLECTIVE INVESTMENT SCHEMES.

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	91.20
Collective investment schemes	4.82
Other assets	3.98
Total Assets	100.00

Schedule of Forward Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
05/13/15	Bank of New York Mellon London	Buy EUR 1,849	Sell GBP 1,400	€ (79)
05/13/15	Barclays Capital London	Buy EUR 433	Sell CHF 458	3
05/13/15	Barclays Capital London	Buy EUR 1,658	Sell GBP 1,250	(63)
05/13/15	BNP Paribas	Buy EUR 638	Sell GBP 481	(26)
05/13/15	Citicorp Securities London Ltd	Buy EUR 2,611	Sell GBP 1,957	(85)
05/13/15	Deutsche Bank London	Buy EUR 1,270	Sell GBP 951	(40)
05/13/15	Deutsche Bank London	Buy EUR 793	Sell USD 910	(19)
05/13/15	JP Morgan Chase Bank London	Buy EUR 7,056	Sell GBP 5,272	(208)
05/13/15	JP Morgan Chase Bank London	Buy EUR 899	Sell USD 1,031	(21)
05/13/15	Royal Bank of Canada London	Buy EUR 897	Sell GBP 680	(40)
05/13/15	Societe Generale London	Buy EUR 430	Sell GBP 324	(17)
05/13/15	UBS	Buy EUR 6,023	Sell GBP 4,518	(201)
05/13/15	UBS	Buy EUR 587	Sell USD 671	(12)
Unrealised Appreciation of Forward Foreign Currency Contracts				3
Unrealised Depreciation of Forward Foreign Currency Contracts				(811)
Net Depreciation of Forward Foreign Currency Contracts				€ (808)

Legg Mason Western Asset Macro Opportunities Bond Fund[^]

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)		Value (000's) \$	% of Net Asset Value	Face Value (000's)		Value (000's) \$	% of Net Asset Value	Face Value (000's)		Value (000's) \$	% of Net Asset Value
U.S. Corporate Bonds and Notes — (continued)				Pharmaceuticals — 0.23%				Mexico — 0.28%			
Food — (continued)				6,780 Pfizer Inc, 4.400%, due 5/15/2044				8,350 Petroleos Mexicanos, 6.375%, due 1/23/2045			
	897 Mondelez International Inc, 6.500%, due 2/9/2040	1,244	0.04			7,407	0.23			9,341	0.28
		18,810	0.57	Pipelines — 0.24%				Netherlands — 2.04%			
Healthcare-Products — 0.18%				7,700 MarkWest Energy Partners LP / MarkWest Energy Finance Corp, 4.875%, due 12/1/2024				6,550 Cooperatieve Centrale Raiffeisen-Boerenleenbank BA/Netherlands, 3.950%, due 11/9/2022			
	5,300 Medtronic Inc, 144A, 4.625%, due 3/15/2045	6,009	0.18			7,912	0.24			6,802	0.21
Healthcare-Services — 0.18%				Retail — 0.28%				3,550 Cooperatieve Centrale Raiffeisen-Boerenleenbank BA/Netherlands, 4.625%, due 12/1/2023			
	4,212 HCA Inc, 4.250%, due 10/15/2019	4,359	0.13			184	0.01			11,080	0.12
	1,480 HCA Inc, 5.375%, due 2/1/2025	1,569	0.05			6,010	0.18			13,741	0.42
		5,928	0.18			9,287	0.28			6,530	0.24
Holding Companies-Diversified — 0.24%				Software — 0.05%				12,900 Petrobras Global Finance BV, 5.625%, due 5/20/2043			
	7,520 Argos Merger Sub Inc, 144A, 7.125%, due 3/15/2023	7,783	0.24			1,713	0.05			15,820	0.44
Home Builders — 0.13%				Telecommunications — 3.56%				3,790 Petrobras International Finance Co, 6.750%, due 1/27/2041			
	2,325 PulteGroup Inc, 6.375%, due 5/15/2033	2,395	0.07			3,360	0.11			4,060	0.10
	1,898 Shea Homes LP / Shea Homes Funding Corp, 8.625%, due 5/15/2019	1,997	0.06			1,030	0.03			2,290	0.13
		4,392	0.13			3,390	0.12			2,427	0.07
Household Products/Wares — 0.05%						3,941	0.12			66,918	2.04
	1,720 American Achievement Corp, 144A, 10.875%, due 4/15/2016	1,707	0.05			4,580	0.14				
Insurance — 0.58%						63,387	2.54				
	16,500 Teachers Insurance & Annuity Association of America, 144A, 4.900%, due 9/15/2044	18,940	0.58			19,447	0.62				
Internet — 0.60%						20,358	0.62				
	10,360 Amazon.com Inc, 4.950%, due 12/5/2044	11,126	0.34			116,876	3.56				
	4,540 Netflix Inc, 144A, 5.500%, due 2/15/2022	4,684	0.14	Total U.S. Corporate Bonds and Notes (Cost \$688,343)						709,469	21.62
	3,740 Netflix Inc, 144A, 5.875%, due 2/15/2025	3,866	0.12	U.S. Denominated Bonds and Notes — 10.26%				British Virgin Islands — 0.09%			
		19,676	0.60	British Virgin Islands — 0.09%				2,690 Sinopec Group Overseas Development 2014 Ltd, 144A, 4.375%, due 4/10/2024			
Media — 0.79%				Cayman Islands — 0.05%				Colombia — 1.02%			
	4,800 Comcast Corp, 6.500%, due 11/15/2035	6,630	0.21			2,010	0.05			14,360	0.47
	520 Comcast Corp, 6.450%, due 3/15/2037	708	0.02			14,360	0.47			10,330	0.30
	5,370 CSC Holdings LLC, 8.625%, due 2/15/2019	6,263	0.19			8,380	0.25			8,380	0.25
	1,140 CSC Holdings LLC, 6.750%, due 11/15/2021	1,288	0.04			33,362	1.02				
	960 CSC Holdings LLC, 144A, 5.250%, due 6/1/2024	981	0.03	France — 0.78%				Italy — 0.15%			
	3,970 DISH DBS Corp, 5.875%, due 11/15/2024	3,950	0.12			14,150	0.52			2,150	0.07
	800 Time Warner Cable Inc, 6.550%, due 5/1/2037	965	0.03			8,800	0.26			2,570	0.08
	4,970 Time Warner Cable Inc, 4.500%, due 9/15/2042	4,964	0.15			25,461	0.78			1,444	0.04
		25,749	0.79	France — 0.78%				Luxembourg — 0.24%			
Oil & Gas — 0.80%						8,361	0.26			7,600	0.24
	5,560 California Resources Corp, 144A, 5.500%, due 9/15/2021	5,073	0.15			17,100	0.52				
	17,910 California Resources Corp, 144A, 6.000%, due 11/15/2024	15,962	0.49			8,361	0.26				
	510 Chesapeake Energy Corp, 6.625%, due 8/15/2020	555	0.02			25,461	0.78				
	860 Chesapeake Energy Corp, 4.875%, due 4/15/2022	849	0.03			4,925	0.15				
	3,600 Chesapeake Energy Corp, 5.750%, due 3/15/2023	3,758	0.11	Italy — 0.15%				United Kingdom — 3.86%			
		26,197	0.80			2,150	0.07			11,180	0.39
						2,570	0.08			5,370	0.17
						1,444	0.04			6,160	0.20
						5,303%	0.08			8,902	0.30
						4,925	0.15			3,280	0.11
						4,925	0.15			6,410	0.22
						4,925	0.15			56,350	1.82
						4,925	0.15			19,357	0.65
						4,925	0.15			21,387	0.65
						4,925	0.15			126,664	3.86
						4,925	0.15			Total U.S. Denominated Bonds and Notes (Cost \$329,124)	
						4,925	0.15			336,455	10.26

[^] Not authorised for sale to the public in Hong Kong.

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Macro Opportunities Bond Fund[^]

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)		Value (000's) \$	% of Net Asset Value	Face Value (000's)		Value (000's) \$	% of Net Asset Value	Contracts (000's)		Value (000's) \$	% of Net Asset Value	
U.S. Denominated Debt Obligations — 4.54%				6,390	United States Treasury Bonds, 0.125%, due 7/15/2024	6,324	0.19		– U.S. Bond April 2015 Call 165.00, due 3/27/2015	146	0.01	
Brazil — 0.12%				119,950	United States Treasury Note, 1.500%, due 11/30/2019	120,044	3.66		– U.S. Bond April 2015 Call 166.00, due 3/27/2015	45	–	
4,170	Brazilian Government International Bond, 4.250%, due 1/7/2025	4,024	0.12	69,570	United States Treasury Note, 1.250%, due 1/31/2020	68,749	2.09		– U.S. Bond April 2015 Call 180.00, due 3/27/2015	2	–	
Colombia — 1.04%				57,659	United States Treasury Note, 2.375%, due 8/15/2024	59,523	1.81		1 U.S. Bond April 2015 Call 181.00, due 3/27/2015	20	–	
29,900	Colombia Government International Bond, 5.625%, due 2/26/2044	34,236	1.04	6,430	United States Treasury Note, 2.000%, due 2/15/2025	6,429	0.20		1 U.S. Bond April 2015 Call 182.00, due 3/27/2015	22	–	
Hungary — 0.29%				15,928	United States Treasury Strip Principal, zero coupon, due 2/15/2044	7,370	0.23		1 U.S. Bond April 2015 Put 146.00, due 3/27/2015	44	–	
8,260	Hungary Government International Bond, 5.750%, due 11/22/2023	9,561	0.29	Total U.S. Treasury Obligations (Cost \$482,688)			496,952	15.15	57,200	USD Put/BRL Call 2.80, due 5/22/2015	693	0.02
Mexico — 0.71%									57,200	USD Put/BRL Call 2.8055, due 3/24/2015	420	0.02
8,100	Mexico Government International Bond, 3.600%, due 1/30/2025	8,343	0.26	Shares/Units (000's)					58,600	USD Put/MXN Call 14.54, due 5/22/2015	411	0.01
14,230	Mexico Government International Bond, 4.600%, due 1/23/2046	14,835	0.45	Preferred Stock — 0.15%					58,600	USD Put/MXN Call 14.717, due 3/21/2015	228	0.01
		23,178	0.71	161	GMAC Capital Trust I, Series 2	4,200	0.13		13,880	USD Put/MXN Call 3/12/15, due 3/13/2015	3	–
Russia — 0.20%				31	State Street Corp, Series D	825	0.02		59,000	USD Put/MXN Call 3/19/15, due 3/20/2015	8	–
1,000	Russian Foreign Bond – Eurobond, 144A, 4.875%, due 9/16/2023	896	0.03	Total Preferred Stock (Cost \$4,979)			5,025	0.15	136,410	USD Put/MXN Call 3/2/15, due 3/3/2015	–	–
6,200	Russian Foreign Bond – Eurobond, 4.875%, due 9/16/2023	5,555	0.17	Total Investments Excluding Options (Cost \$2,579,485)			2,520,601	76.82			3,915	0.12
		6,451	0.20	Contracts (000's)					Written Options — (0.34%)			
South Africa — 0.90%									– AUD/USD April 2015 Call 80.00, due 4/2/2015	(28)	–	
25,670	South Africa Government International Bond, 5.875%, due 9/16/2025	29,572	0.90	Options — (0.22%)					– AUD/USD March 2015 Call 78.50, due 3/6/2015	(45)	–	
Turkey — 1.28%									– AUD/USD March 2015 Call 79.00, due 3/6/2015	(26)	–	
26,472	Turkey Government International Bond, 5.750%, due 3/22/2024	29,516	0.90	Purchased Options — 0.12%					– CHF/USD March 2015 Put 115.00, due 3/6/2015	(1,085)	(0.03)	
12,640	Turkey Government International Bond, 4.875%, due 4/16/2043	12,527	0.38	1	Euro\$ 2 Year Midcv March 2015 Call 98.25, due 3/13/2015	158	0.01		– Euro FX Currency April 2015 Call 1.14, due 4/2/2015	(72)	–	
		42,043	1.28	1	Euro-Bund May 2015 Call 163.00, due 4/24/2015	28	–		– Euro FX Currency March 2015 Call 1.13, due 3/6/2015	(39)	–	
Total U.S. Denominated Debt Obligations (Cost \$144,191)									– Euro FX Currency March 2015 Call 1.14, due 3/6/2015	(28)	–	
		149,065	4.54	2	Euro-Bund May 2015 Call 163.50, due 4/24/2015	27	–		(1) Euro FX Currency March 2015 Call 1.15, due 3/6/2015	(64)	–	
U.S. Government Agency Obligations — 2.81%									– Euro FX Currency March 2015 Call 1.16, due 3/6/2015	(8)	–	
72,990	Fannie Mae, zero coupon, due 10/9/2019	66,435	2.02	1	U.S. 10 Year April 2015 Call 128.00, due 3/27/2015	719	0.02		– Euro FX Currency March 2015 Call 1.17, due 3/6/2015	(3)	–	
3,720	City of Chicago IL, 6.314%, due 1/1/2044	3,890	0.12	1	U.S. 10 Year April 2015 Call 137.00, due 3/27/2015	18	–		– Euro FX Currency March 2015 Call 1.20, due 3/6/2015	(1)	–	
5,570	County of Jefferson AL Sewer Revenue, 6.500%, due 10/1/2053	6,453	0.20	–	U.S. 10 Year April 2015 Call 137.50, due 3/27/2015	1	–		– Euro FX Currency March 2015 Put 1.12, due 3/6/2015	(300)	(0.01)	
2,730	Inland Valley Development Agency, 5.500%, due 3/1/2033	2,985	0.09	2	U.S. 10 Year April 2015 Call 138.00, due 3/27/2015	39	–		(1) Euro\$ 1 Year Midcv June 2015 Put 98.50, due 6/12/2015	(197)	(0.01)	
7,875	Metropolitan Water Reclamation District of Greater Chicago, 5.000%, due 12/1/2044	9,003	0.27	–	U.S. 10 Year April 2015 Put 119.50, due 3/27/2015	2	–		– JPY/USD April 2015 Put 82.50, due 4/3/2015	(63)	–	
3,070	Michigan Finance Authority, 5.000%, due 7/1/2027	3,564	0.11	–	U.S. 10 Year April 2015 Put 120.00, due 3/27/2015	–	–		(1) JPY/USD March 2015 Put 82.50, due 3/6/2015	(111)	–	
Total U.S. Government Agency Obligations (Cost \$90,857)									– U.S. 10 Year April 2015 Call 127.50, due 3/27/2015	(231)	(0.01)	
		92,330	2.81	5	U.S. 10 Year April 2015 Put 120.50, due 3/27/2015	82	–		(1) U.S. 10 Year April 2015 Call 128.50, due 3/27/2015	(357)	(0.01)	
U.S. Treasury Obligations — 15.15%									(1) U.S. 10 Year April 2015 Call 129.00, due 3/27/2015	(541)	(0.02)	
115,730	United States Treasury Bond, 3.125%, due 8/15/2044	128,198	3.91	–	U.S. 10 Year April 2015 Put 121.00, due 3/27/2015	1	–					
32,460	United States Treasury Bond, 3.000%, due 11/15/2044	35,148	1.07	17	U.S. 10 Year May 2015 Call 137.50, due 4/24/2015	260	0.01					
56,150	United States Treasury Bond, 2.500%, due 2/15/2045	54,988	1.68	4	U.S. 10 Year May 2015 Call 138.00, due 4/24/2015	66	–					
9,700	United States Treasury Bonds, 0.625%, due 1/15/2024	10,179	0.31	–	U.S. 5 Year April 2015 Call 119.50, due 3/27/2015	24	–					
				8	U.S. 5 Year May 2015 Call 112.50, due 4/24/2015	66	–					
				–	U.S. Bond April 2015 Call 164.00, due 3/27/2015	382	0.01					

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Legg Mason Western Asset Macro Opportunities Bond Fund[^]

Portfolio of Investments as at February 28, 2015 – (continued)

Contracts (000's)	Value (000's) \$	% of Net Asset Value	Contracts (000's)	Value (000's) \$	% of Net Asset Value
Options — (continued)					
Written Options — (continued)					
(2) U.S. 10 Year April 2015 Call 129.50, due 3/27/2015	(520)	(0.02)	– U.S. 10 Year June 2015 Call 129.50, due 5/22/2015	(181)	–
(3) U.S. 10 Year April 2015 Call 130.00, due 3/27/2015	(547)	(0.02)	(1) U.S. 10 Year June 2015 Call 130.00, due 5/22/2015	(662)	(0.02)
(1) U.S. 10 Year April 2015 Call 131.00, due 3/27/2015	(76)	–	(1) U.S. 10 Year June 2015 Put 127.00, due 5/22/2015	(1,305)	(0.04)
– U.S. 10 Year April 2015 Call 132.00, due 3/27/2015	(12)	–	– U.S. 10 Year Note February 2015 Call 127.50, due 2/27/2015	(71)	–
– U.S. 10 Year April 2015 Put 124.50, due 3/27/2015	(18)	–	(1) U.S. 5 Year April 2015 Call 120.00, due 3/27/2015	(206)	(0.01)
(2) U.S. 10 Year April 2015 Put 127.00, due 3/27/2015	(880)	(0.03)	– U.S. Bond April 2015 Call 163.00, due 3/27/2015	(72)	–
(2) U.S. 10 Year April 2015 Put 128.00, due 3/27/2015	(1,531)	(0.05)		(11,245)	(0.34)
(1) U.S. 10 Year April 2015 Put 128.50, due 3/27/2015	(1,565)	(0.05)			
– U.S. 10 Year June 2015 Call 129.00, due 5/22/2015	(215)	(0.01)			
			Total Options (Cost \$(8,049))	(7,330)	(0.22)
			Total Investments (Cost \$2,571,436)	2,513,271	76.60
			Other Assets in Excess of Liabilities	767,791	23.40
			Total Net Assets	\$3,281,062	100.00
			– Amounts designated as “–” are either \$0, less than \$1,000 or less than 1,000 shares.		
			144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2015, these securities amounted to \$232,684,000 or 7.07% of net assets.		
			* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2015.		

β The rate of interest on this type of security is tied to the Consumer Price Index (CPI)/Retail Price Index (RPI). The coupon rate is the rate as of February 28, 2015.

ABBREVIATIONS:

Perpetual – A bond with no maturity date. Perpetual bonds are not redeemable but pay a steady stream of interest.
EUR – Euro

ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR FORWARDS, FUTURES, OPTIONS, SWAPPTIONS AND SWAPS WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS DEALT IN ON A REGULATED MARKET.

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	74.56
Financial derivative instruments	2.40
Other assets	23.04
Total Assets	100.00

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
3 Month Euro Euribor March 2015	78	\$ 21,816	\$ 33
90 Day Euro\$ December 2015	1,231	305,380	531
90 Day Euro\$ December 2016	2,121	521,686	452
90 Day Euro\$ June 2016	13,822	3,413,688	9,300
90 Day Euro\$ March 2015	2,476	617,360	116
90 Day Euro\$ March 2016	2,875	711,634	1,752
90 Day Euro\$ March 2017	744	182,708	544
Australian Dollar Currency March 2015	748	58,374	(2,697)
Canadian Dollar Currency March 2015	875	69,895	(5,689)
CHF/USD Currency March 2015	(70)	(9,169)	858
Euro FX Currency March 2015	(393)	(54,995)	901
Euro-BTP March 2015	(498)	(78,516)	(2,115)
Euro-Bund June 2015	(3,300)	(580,740)	(2,068)
Euro-OAT March 2015	(50)	(8,407)	(231)
Japan 10 Year Bond (OSE) March 2015	(545)	(673,818)	(3,882)
Japanese Yen Currency March 2015	(2,269)	(236,940)	2,177
Long Gilt June 2015	(422)	(77,249)	(121)
U.S. 10 Year Note (CBT) March 2015	(199)	(25,556)	72
U.S. 5 Year Note (CBT) June 2015	8,498	1,013,652	2,278
U.S. Long Bond (CBT) June 2015	1,315	212,824	1,612
U.S. Long Bond (CBT) March 2015	(1,416)	(208,196)	(1,529)
U.S. Ultra Bond (CBT) June 2015	55	9,255	184
U.S. Ultra Bond (CBT) March 2015	56	9,474	53
U.S.10 Year Note (CBT) June 2015	(14,548)	(1,859,189)	(15,423)
Total Market Value of Future Contracts	11,184	\$ 3,334,971	\$ (12,892)
Unrealised Appreciation of Futures Contracts			20,863
Unrealised Depreciation of Futures Contracts			(33,755)
Net Depreciation of Future Contracts			\$ (12,892)

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Legg Mason Western Asset Macro Opportunities Bond Fund[^]

Portfolio of Investments as at February 28, 2015 – (continued)

Schedule of Credit Default Swaps

Counterparty	Reference Entity	Buy/Sell Protection	Expiration Date	Notional Amount (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Credit Suisse First Boston	Markit CDX.NA.HY, 5.000%, due 12/20/19	Sell	12/20/19	271,428	\$ 20,627
Credit Suisse First Boston	Markit CDX.NA.IG, 1.000%, due 12/20/19	Sell	12/20/19	425,358	7,598
Credit Suisse First Boston	Markit CMBX.NA.BBB, 3.000%, due 10/17/49	Sell	10/17/49	3,300	(151)
Credit Suisse First Boston	Markit CMBX.NA.BBB, 3.000%, due 10/17/57	Sell	10/17/57	1,500	(68)
					\$ 28,006
Unrealised Appreciation of Credit Default Swaps					28,225
Unrealised Depreciation of Credit Default Swaps					(219)
Net Appreciation of Credit Default Swaps					\$ 28,006

Schedule of Cross Currency Swaps

Counterparty	Rate	Expiration Date	Notional Amount (000's)	Value (000's)
Barclays Capital	Pay Euro Fixed 7.250%, Receive USD Fixed 9.005%	7/1/24	1,080	\$ 959
				\$ 959
Unrealised Appreciation of Cross Currency Swaps				959
Unrealised Depreciation of Cross Currency Swaps				–
Net Appreciation of Cross Currency Swaps				\$ 959

Schedule of Interest Rate Swaps

Counterparty	Rate	Expiration Date	Notional Amount (000's)	Value (000's)
Credit Suisse First Boston	Pay Fixed 0.6775%, Receive Floating JPY 6M Libor	7/22/24	11,717,390	\$(1,955)
Credit Suisse First Boston	Pay Fixed 0.00%, Receive Floating USD 3M Libor	11/15/43	27,390	(5,077)
				\$(7,032)
Unrealised Appreciation of Interest Rate Swaps				–
Unrealised Depreciation of Interest Rate Swaps				(7,032)
Net Depreciation of Interest Rate Swaps				\$(7,032)

Schedule of Swaptions

Counterparty	Description	Effective Date	Notional Amount (in 000's)	Unrealised Appreciation/ (Depreciation) of Contracts (in 000's)
Credit Suisse First Boston	Swaption Payer Strike 1.00%	4/16/2015	415,268	\$ 52
JP Morgan	Swaption Payer Strike 1.00%	3/19/2015	56,628	2
Merrill Lynch	Swaption Payer Strike 1.00%	3/19/2015	10,090	–
Merrill Lynch	Swaption Payer Strike 0.95%	3/19/2015	6,530	–
Unrealised Appreciation of Swaptions				\$ 54
Unrealised Depreciation of Swaptions				\$ –
Net Appreciation of Swaptions				\$ 54

Schedule of Forward Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/02/15	BNY Mellon	Buy USD 137	Sell EUR 120	\$ 2
03/02/15	BNY Mellon	Buy EUR –	Sell USD –	–
03/03/15	BNY Mellon	Buy USD 9	Sell EUR 8	–
03/03/15	BNY Mellon	Buy USD 24	Sell GBP 15	–
03/04/15	Deutsche Bank London	Buy USD 37,340	Sell MXN 527,315	2,023
03/04/15	Deutsche Bank London	Buy MXN 435,965	Sell USD 30,018	(820)
03/17/15	Barclays Capital	Buy USD 3,997	Sell MXN 59,472	18
03/23/15	Citicorp Securities London Ltd	Buy USD 16,874	Sell MXN 247,039	354
03/24/15	Citicorp Securities London Ltd	Buy USD 15,590	Sell MXN 234,474	(89)
03/25/15	Bank of America Sec London	Buy USD 14,800	Sell BRL 42,839	(167)
03/31/15	Bank of America Sec London	Buy CHF 2,180	Sell USD 2,297	(7)
03/31/15	Bank of America Sec London	Buy EUR 232,142	Sell USD 262,337	(2,455)
03/31/15	Bank of America Sec London	Buy GBP 16,957	Sell USD 26,000	174

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Legg Mason Western Asset Macro Opportunities Bond Fund[^]

Portfolio of Investments as at February 28, 2015 – (continued)

Expiration Date	Counterparty		Buy Currency (000's)		Sell Currency (000's)		Unrealised Appreciation/ (Depreciation) of Contracts (000's)	
03/31/15	Barclays Capital London	Buy	USD	4,474	Sell	EUR	3,956	45
03/31/15	Barclays Capital London	Buy	GBP	786	Sell	USD	1,206	6
03/31/15	Barclays Capital London	Buy	SGD	9,066	Sell	USD	6,649	(2)
03/31/15	Barclays Capital London	Buy	GBP	930	Sell	USD	1,442	(7)
03/31/15	Barclays Capital London	Buy	CHF	8,915	Sell	USD	9,404	(41)
03/31/15	Barclays Capital London	Buy	EUR	53,993	Sell	USD	61,059	(614)
03/31/15	Barclays Capital London	Buy	CNH	593	Sell	USD	94	–
03/31/15	BNP Paribas	Buy	GBP	49,644	Sell	USD	76,133	493
03/31/15	Citicorp Securities London Ltd	Buy	USD	8	Sell	GBP	5	–
03/31/15	Citicorp Securities London Ltd	Buy	USD	–	Sell	SGD	1	–
03/31/15	Citicorp Securities London Ltd	Buy	CNH	609	Sell	USD	97	–
03/31/15	Citicorp Securities London Ltd	Buy	GBP	29,597	Sell	USD	45,419	265
03/31/15	Citicorp Securities London Ltd	Buy	SGD	17,692	Sell	USD	12,977	(6)
03/31/15	Citicorp Securities London Ltd	Buy	CHF	5,525	Sell	USD	5,832	(28)
03/31/15	Citicorp Securities London Ltd	Buy	EUR	386,121	Sell	USD	436,534	(4,275)
03/31/15	HSBC Midland	Buy	SGD	378	Sell	USD	278	–
03/31/15	HSBC Midland	Buy	CHF	643	Sell	USD	678	(3)
03/31/15	HSBC Midland	Buy	GBP	370	Sell	USD	573	(2)
03/31/15	HSBC Midland	Buy	CNH	14	Sell	USD	2	–
03/31/15	HSBC Midland	Buy	EUR	210,205	Sell	USD	237,919	(2,594)
03/31/15	HSBC Midland	Buy	GBP	10,978	Sell	USD	16,858	86
03/31/15	Royal Bank of Canada London	Buy	USD	8	Sell	SGD	11	–
03/31/15	Royal Bank of Canada London	Buy	GBP	7,464	Sell	USD	11,486	36
03/31/15	Royal Bank of Canada London	Buy	EUR	299,243	Sell	USD	338,679	(3,678)
03/31/15	Royal Bank of Canada London	Buy	CHF	3,963	Sell	USD	4,181	(19)
03/31/15	Royal Bank of Canada London	Buy	CNH	32	Sell	USD	5	–
03/31/15	Royal Bank of Canada London	Buy	SGD	598	Sell	USD	439	–
03/31/15	UBS	Buy	CHF	7,721	Sell	USD	8,158	\$ (47)
03/31/15	UBS	Buy	SGD	3,433	Sell	USD	2,520	(3)
03/31/15	UBS	Buy	GBP	16,860	Sell	USD	25,974	49
03/31/15	UBS	Buy	EUR	197,144	Sell	USD	223,254	(2,554)
04/16/15	Bank of America Sec London	Buy	USD	27,798	Sell	BRL	75,842	1,463
04/16/15	Bank of America Sec London	Buy	USD	21,723	Sell	CNH	135,750	249
04/16/15	Bank of America Sec London	Buy	USD	20,314	Sell	JPY	2,367,590	509
04/16/15	Bank of America Sec London	Buy	USD	27,935	Sell	KRW	30,371,360	408
04/16/15	Bank of America Sec London	Buy	USD	33,082	Sell	MXN	485,929	637
04/16/15	Bank of America Sec London	Buy	USD	162	Sell	MXN	2,439	(1)
04/16/15	Bank of America Sec London	Buy	USD	869	Sell	PLN	3,168	15
04/16/15	Bank of America Sec London	Buy	COP	27,712,570	Sell	USD	11,254	(221)
04/16/15	Bank of America Sec London	Buy	BRL	34,260	Sell	USD	12,618	(722)
04/16/15	Bank of America Sec London	Buy	ZAR	367,156	Sell	USD	32,147	(926)
04/16/15	Bank of America Sec London	Buy	CAD	1,694	Sell	USD	1,416	(62)
04/16/15	Bank of America Sec London	Buy	MXN	95,758	Sell	USD	6,420	(26)
04/16/15	Bank of America Sec London	Buy	MYR	100,230	Sell	USD	27,623	10
04/16/15	Bank of America Sec London	Buy	INR	1,519,480	Sell	USD	24,123	352
04/16/15	Bank of America Sec London	Buy	USD	3,490	Sell	ZAR	40,575	40
04/16/15	Barclays Capital	Buy	USD	65,817	Sell	BRL	180,160	3,259
04/16/15	Barclays Capital	Buy	USD	11,192	Sell	COP	27,712,570	159
04/16/15	Barclays Capital	Buy	USD	59,386	Sell	EUR	50,320	3,043
04/16/15	Barclays Capital	Buy	USD	68,499	Sell	JPY	7,983,350	1,718
04/16/15	Barclays Capital	Buy	USD	20,083	Sell	MXN	294,860	395
04/16/15	Barclays Capital	Buy	USD	20,507	Sell	PLN	74,872	346
04/16/15	Barclays Capital	Buy	USD	19,454	Sell	RUB	1,368,804	(2,217)
04/16/15	Barclays Capital	Buy	INR	5,854,990	Sell	USD	92,851	1,458
04/16/15	Barclays Capital	Buy	BRL	17,929	Sell	USD	6,486	(260)
04/16/15	Barclays Capital	Buy	RUB	754,510	Sell	USD	10,724	1,222
04/16/15	Barclays Capital	Buy	CNH	90,704	Sell	USD	14,518	(169)
04/16/15	Barclays Capital	Buy	KRW	1,099,650	Sell	USD	1,011	(14)
04/16/15	Barclays Capital	Buy	USD	18,418	Sell	ZAR	214,766	155
04/16/15	Citibank London	Buy	USD	15,120	Sell	CNH	94,500	171
04/16/15	Citicorp Securities London Ltd	Buy	USD	22,109	Sell	MXN	323,756	493
04/16/15	Citicorp Securities London Ltd	Buy	USD	4,517	Sell	PLN	16,420	95
04/16/15	Citicorp Securities London Ltd	Buy	BRL	21,937	Sell	USD	8,018	(401)
04/16/15	Citicorp Securities London Ltd	Buy	RUB	1,742,200	Sell	USD	25,906	1,677
04/16/15	Citicorp Securities London Ltd	Buy	INR	1,293,958	Sell	USD	20,536	306
04/16/15	Citicorp Securities London Ltd	Buy	CNH	37,950	Sell	USD	6,076	(73)
04/16/15	Citicorp Securities London Ltd	Buy	MYR	98,020	Sell	USD	27,179	(155)
04/16/15	Citicorp Securities London Ltd	Buy	USD	7,720	Sell	ZAR	89,530	107
04/16/15	JP Morgan Chase Bank	Buy	MXN	214,859	Sell	USD	14,579	(233)
04/27/15	Bank of America Sec London	Buy	USD	22,663	Sell	RUB	1,559,588	(1,890)
04/27/15	Citicorp Securities London Ltd	Buy	USD	2,170	Sell	BRL	5,841	148
05/13/15	Bank of America Sec London	Buy	USD	1,182	Sell	CAD	1,485	(4)

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Legg Mason Western Asset Macro Opportunities Bond Fund[^]

Portfolio of Investments as at February 28, 2015 – (continued)

Expiration Date	Counterparty		Buy Currency (000's)			Sell Currency (000's)		Unrealised Appreciation/ (Depreciation) of Contracts (000's)
05/13/15	Bank of America Sec London	Buy	USD	137,783	Sell	EUR	121,300	1,917
05/13/15	Bank of America Sec London	Buy	USD	55,932	Sell	JPY	6,565,710	992
05/13/15	Bank of America Sec London	Buy	GBP	1,800	Sell	USD	2,709	68
05/13/15	BNY Mellon	Buy	USD	5,785	Sell	PLN	21,354	40
05/13/15	Citicorp Securities London Ltd	Buy	USD	94,564	Sell	EUR	82,769	1,856
05/13/15	Citicorp Securities London Ltd	Buy	USD	17,969	Sell	JPY	2,106,521	341
05/13/15	Citicorp Securities London Ltd	Buy	USD	3,041	Sell	MXN	45,283	22
05/13/15	Citicorp Securities London Ltd	Buy	EUR	51,590	Sell	USD	58,857	(1,073)
05/26/15	Bank of America Sec London	Buy	USD	15,500	Sell	BRL	45,663	(164)
05/26/15	Citicorp Securities London Ltd	Buy	USD	15,820	Sell	MXN	238,842	(89)
Unrealised Appreciation of Forward Foreign Currency Contracts								27,222
Unrealised Depreciation of Forward Foreign Currency Contracts								(26,111)
Net Appreciation of Forward Foreign Currency Contracts								\$ 1,111

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Legg Mason Brandywine Global Fixed Income Fund

Portfolio of Investments as at February 28, 2015

Face Value (000's)		Value (000's) \$	% of Net Asset Value	Face Value (000's)		Value (000's) \$	% of Net Asset Value	Face Value (000's)		Value (000's) \$	% of Net Asset Value																												
Foreign Corporate Bonds and Notes — 2.78%				New Zealand Government Issues — 3.34%				U.S. Treasury Obligations — 24.93%																															
Multi-International — 2.78%				26,215 New Zealand Government Bond, Series 521, 6.000%, due 5/15/2021				40,510 United States Treasury Bond, 2.875%, due 5/15/2043																															
551,050,000	European Investment Bank, 144A, 7.200%, due 7/9/2019	41,901	2.78	31,435	New Zealand Government Bond, Series 423, 5.500%, due 4/15/2023	22,848	1.52	37,465	United States Treasury Bond, 2.500%, due 2/15/2045	42,694	2.83																												
Total Foreign Corporate Bonds and Notes (Cost \$45,579)				50,308				36,689				2.44																											
Foreign Government Bonds and Notes — 54.14%				Poland Government Issues — 4.10%				Total U.S. Treasury Obligations (Cost \$368,955)																															
Australia Government Issues — 7.21%				91,980 Poland Government Bond, Series 1020, 5.250%, due 10/25/2020				267,010 United States Treasury Note, 0.090%, due 7/31/2016 *				266,995				17.73																							
43,000	New South Wales Treasury Corp, Series 24, 5.000%, due 8/20/2024	39,776	2.64	105,035	Poland Government Bond, Series 1023, 4.000%, due 10/25/2023	29,240	1.94	29,130	United States Treasury Note, 0.104%, due 1/31/2017 *	29,129	1.93	Total U.S. Treasury Obligations (Cost \$368,955)																											
52,905	Queensland Treasury Corp, Series 20, 6.250%, due 2/21/2020	48,716	3.24	61,823				4.10				375,507				24.93																							
21,090	Queensland Treasury Corp, Series 22, 6.000%, due 7/21/2022	20,035	1.33	South Africa Government Issues — 4.37%				South Africa Government Issues — 4.37%				Collective Investment Schemes — 3.38%																											
108,527				7.21				167,975 South Africa Government Bond, Series R208, 6.750%, due 3/31/2021				50,853 Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class				50,853				3.38																			
Brazil Government Issues — 4.22%				556,545 South Africa Government Bond, Series R214, 6.500%, due 2/28/2041				38,875				2.58				Total Collective Investment Schemes (Cost \$50,853)																							
166,325	Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2023	52,330	3.47	142,380	South Africa Government Bond, Series 2048, 8.750%, due 2/28/2048	12,868	0.85	65,843				4.37				Total Investments (Cost \$1,540,643)																							
36,535	Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2025	11,285	0.75	United Kingdom Government Issues — 5.14%				49,430 United Kingdom Gilt, 2.000%, due 1/22/2016				77,392				5.14				Other Assets in Excess of Liabilities																			
63,615				4.22				Total Foreign Government Bonds and Notes (Cost \$865,133)				815,511				54.14				Total Net Assets																			
Hungary Government Issues — 4.02%				U.S. Denominated Bonds and Notes — 7.16%				France — 1.94%				29,120 Dexia Credit Local SA/New York NY, 144A, 0.652%, due 1/11/2017 *				29,233				1.94				Total U.S. Denominated Bonds and Notes (Cost \$107,646)															
13,370,000	Hungary Government Bond, Series 25/B, 5.500%, due 6/24/2025	60,555	4.02	Germany — 4.00%				37,800 Erste Abwicklungsanstalt, 0.991%, due 3/13/2015 *				37,809				2.51				U.S. Denominated Debt Obligations — 6.80%																			
Italy Government Issues — 5.44%				22,400 Erste Abwicklungsanstalt, 0.553%, due 1/29/2016 *				22,449				1.49				60,258				4.00				Norway — 6.80%															
48,290	Italy Buoni Poliennali Del Tesoro, 5.000%, due 8/1/2039	82,011	5.44	Multi-National — 1.22%				18,300 Corp Andina de Fomento, 0.803%, due 1/29/2018 *				18,389				1.22				32,856 Kommunalbanken AS, 144A, 0.635%, due 3/27/2017 *				33,056				2.19											
Korea Government Issues — 4.16%				46,680,000 Korea Treasury Bond, Series 1809, 5.750%, due 9/10/2018				47,809				3.17				61,094 Kommunalbanken AS, 144A, 0.375%, due 5/2/2017 *				61,133				4.06				8,244 Kommunalbanken AS, 144A, 0.441%, due 2/20/2018 *				8,266				0.55			
15,115,600	Korea Treasury Bond, Series 2309, 3.375%, due 9/10/2023	14,889	0.99	62,698				4.16				Total U.S. Denominated Debt Obligations (Cost \$102,477)				102,455				6.80				Total U.S. Denominated Debt Obligations (Cost \$102,477)															
Malaysia Government Issues — 1.78%				98,875 Malaysia Government Bond, Series 0313, 3.480%, due 3/15/2023				26,743				1.78				102,455				6.80				102,455				6.80											
Mexico Government Issues — 10.36%				504,250 Mexican Bonos, Series M 20, 8.500%, due 5/31/2029				41,785				2.77				102,455				6.80				102,455				6.80											
604,140	Mexican Bonos, Series M 30, 8.500%, due 11/18/2038	51,589	3.43	155,996				10.36				102,455				6.80				102,455				6.80															
784,420	Mexican Bonos, Series M, 7.750%, due 11/13/2042	62,622	4.16	102,455				6.80				102,455				6.80				102,455				6.80															

Schedule of Forward Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Buy	Sell	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/10/15	BNY Mellon	EUR	3,800	Sell	AUD 5,593	\$ (115)
03/10/15	BNY Mellon	JPY	2,795	Sell	AUD 31	–
03/10/15	BNY Mellon	CHF	48	Sell	AUD 67	(2)
03/10/15	BNY Mellon	GBP	3	Sell	AUD 9	–
03/10/15	BNY Mellon	EUR	–	Sell	AUD –	–
03/10/15	BNY Mellon	GBP	434	Sell	AUD 852	9
03/10/15	BNY Mellon	GBP	586	Sell	CAD 1,113	21
03/10/15	BNY Mellon	CHF	64	Sell	CAD 87	(2)
03/10/15	BNY Mellon	GBP	2	Sell	CAD 8	–
03/10/15	BNY Mellon	EUR	–	Sell	CAD –	–

The accompanying notes are an integral part of the Financial Statements

Legg Mason Brandywine Global Fixed Income Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Expiration Date	Counterparty		Buy Currency (000's)		Sell Currency (000's)		Unrealised Appreciation/ (Depreciation) of Contracts (000's)	
03/10/15	BNY Mellon	Buy	JPY	3,756	Sell	CAD	40	\$ –
03/10/15	BNY Mellon	Buy	EUR	5,106	Sell	CAD	7,269	(96)
03/10/15	BNY Mellon	Buy	SGD	3	Sell	CHF	1	–
03/10/15	BNY Mellon	Buy	EUR	976	Sell	CHF	1,030	11
03/10/15	BNY Mellon	Buy	GBP	–	Sell	CHF	–	–
03/10/15	BNY Mellon	Buy	AUD	11	Sell	CHF	8	–
03/10/15	BNY Mellon	Buy	PLN	12	Sell	CHF	3	–
03/10/15	BNY Mellon	Buy	ZAR	34	Sell	CHF	3	–
03/10/15	BNY Mellon	Buy	JPY	18,855	Sell	CHF	146	4
03/10/15	BNY Mellon	Buy	DKK	19	Sell	CHF	3	–
03/10/15	BNY Mellon	Buy	DKK	6	Sell	CHF	1	–
03/10/15	BNY Mellon	Buy	MXN	83	Sell	CHF	5	–
03/10/15	BNY Mellon	Buy	MYR	9	Sell	CHF	3	–
03/10/15	BNY Mellon	Buy	NOK	8	Sell	CHF	1	–
03/10/15	BNY Mellon	Buy	USD	211	Sell	CHF	196	6
03/10/15	BNY Mellon	Buy	CAD	14	Sell	CHF	10	–
03/10/15	BNY Mellon	Buy	GBP	126	Sell	CHF	177	8
03/10/15	BNY Mellon	Buy	NOK	2	Sell	CHF	–	–
03/10/15	BNY Mellon	Buy	EUR	67	Sell	CHF	71	–
03/10/15	BNY Mellon	Buy	SEK	21	Sell	CHF	3	–
03/10/15	BNY Mellon	Buy	EUR	16	Sell	DKK	118	–
03/10/15	BNY Mellon	Buy	JPY	1,223	Sell	DKK	67	–
03/10/15	BNY Mellon	Buy	CHF	21	Sell	DKK	147	–
03/10/15	BNY Mellon	Buy	CHF	–	Sell	DKK	–	–
03/10/15	BNY Mellon	Buy	EUR	1,646	Sell	DKK	12,246	6
03/10/15	BNY Mellon	Buy	GBP	190	Sell	DKK	1,900	13
03/10/15	BNY Mellon	Buy	CHF	60	Sell	EUR	57	–
03/10/15	BNY Mellon	Buy	MYR	2	Sell	EUR	–	–
03/10/15	BNY Mellon	Buy	ZAR	1,014	Sell	EUR	76	–
03/10/15	BNY Mellon	Buy	SGD	87	Sell	EUR	53	–
03/10/15	BNY Mellon	Buy	ZAR	410	Sell	EUR	31	–
03/10/15	BNY Mellon	Buy	JPY	635,754	Sell	EUR	4,703	51
03/10/15	BNY Mellon	Buy	NOK	222	Sell	EUR	25	–
03/10/15	BNY Mellon	Buy	NOK	220	Sell	EUR	23	–
03/10/15	BNY Mellon	Buy	SEK	861	Sell	EUR	88	–
03/10/15	BNY Mellon	Buy	PLN	343	Sell	EUR	83	–
03/10/15	BNY Mellon	Buy	MYR	389	Sell	EUR	94	–
03/10/15	BNY Mellon	Buy	JPY	196,554	Sell	EUR	1,470	(3)
03/10/15	BNY Mellon	Buy	USD	8,858	Sell	EUR	7,812	111
03/10/15	BNY Mellon	Buy	SGD	28	Sell	EUR	19	–
03/10/15	BNY Mellon	Buy	MXN	3,458	Sell	EUR	202	2
03/10/15	BNY Mellon	Buy	PLN	116	Sell	EUR	28	–
03/10/15	BNY Mellon	Buy	CAD	597	Sell	EUR	420	4
03/10/15	BNY Mellon	Buy	CHF	1,198	Sell	EUR	1,134	(11)
03/10/15	BNY Mellon	Buy	GBP	12,123	Sell	EUR	16,079	709
03/10/15	BNY Mellon	Buy	DKK	29	Sell	EUR	3	–
03/10/15	BNY Mellon	Buy	AUD	457	Sell	EUR	310	3
03/10/15	BNY Mellon	Buy	DKK	996	Sell	EUR	135	–
03/10/15	BNY Mellon	Buy	PLN	–	Sell	GBP	–	–
03/10/15	BNY Mellon	Buy	MYR	3	Sell	GBP	–	–
03/10/15	BNY Mellon	Buy	MYR	1	Sell	GBP	–	–
03/10/15	BNY Mellon	Buy	DKK	13	Sell	GBP	–	–
03/10/15	BNY Mellon	Buy	NOK	5	Sell	GBP	–	–
03/10/15	BNY Mellon	Buy	PLN	5	Sell	GBP	–	–
03/10/15	BNY Mellon	Buy	MXN	13	Sell	GBP	1	–
03/10/15	BNY Mellon	Buy	JPY	26,259	Sell	GBP	145	(5)
03/10/15	BNY Mellon	Buy	SGD	–	Sell	GBP	–	–
03/10/15	BNY Mellon	Buy	MXN	41	Sell	GBP	2	–
03/10/15	BNY Mellon	Buy	DKK	–	Sell	GBP	–	–
03/10/15	BNY Mellon	Buy	EUR	19,389	Sell	GBP	14,644	(905)
03/10/15	BNY Mellon	Buy	SGD	–	Sell	GBP	–	–
03/10/15	BNY Mellon	Buy	JPY	40	Sell	GBP	–	–
03/10/15	BNY Mellon	Buy	CHF	242	Sell	GBP	173	(13)
03/10/15	BNY Mellon	Buy	ZAR	17	Sell	GBP	–	–
03/10/15	BNY Mellon	Buy	USD	3	Sell	GBP	2	–
03/10/15	BNY Mellon	Buy	CHF	–	Sell	GBP	–	–
03/10/15	BNY Mellon	Buy	CAD	6	Sell	GBP	2	–
03/10/15	BNY Mellon	Buy	SEK	4	Sell	GBP	–	–
03/10/15	BNY Mellon	Buy	AUD	–	Sell	GBP	–	–
03/10/15	BNY Mellon	Buy	SEK	7	Sell	GBP	–	–
03/10/15	BNY Mellon	Buy	USD	140	Sell	GBP	93	–
03/10/15	BNY Mellon	Buy	EUR	–	Sell	GBP	–	–

The accompanying notes are an integral part of the Financial Statements

Legg Mason Brandywine Global Fixed Income Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Expiration Date	Counterparty		Buy Currency (000's)			Sell Currency (000's)		Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/10/15	BNY Mellon	Buy	NOK	–	Sell	GBP	–	\$ –
03/10/15	BNY Mellon	Buy	CAD	2	Sell	GBP	1	–
03/10/15	BNY Mellon	Buy	ZAR	2	Sell	GBP	–	–
03/10/15	BNY Mellon	Buy	AUD	5	Sell	GBP	3	–
03/10/15	BNY Mellon	Buy	CHF	863	Sell	JPY	110,451	(17)
03/10/15	BNY Mellon	Buy	SEK	13	Sell	JPY	178	–
03/10/15	BNY Mellon	Buy	SGD	1	Sell	JPY	145	–
03/10/15	BNY Mellon	Buy	SEK	2	Sell	JPY	31	–
03/10/15	BNY Mellon	Buy	NOK	6	Sell	JPY	107	–
03/10/15	BNY Mellon	Buy	PLN	6	Sell	JPY	185	–
03/10/15	BNY Mellon	Buy	MYR	1	Sell	JPY	20	–
03/10/15	BNY Mellon	Buy	NOK	1	Sell	JPY	11	–
03/10/15	BNY Mellon	Buy	USD	152	Sell	JPY	17,935	1
03/10/15	BNY Mellon	Buy	PLN	2	Sell	JPY	68	–
03/10/15	BNY Mellon	Buy	MYR	6	Sell	JPY	199	–
03/10/15	BNY Mellon	Buy	MXN	58	Sell	JPY	467	–
03/10/15	BNY Mellon	Buy	ZAR	24	Sell	JPY	248	–
03/10/15	BNY Mellon	Buy	AUD	8	Sell	JPY	720	–
03/10/15	BNY Mellon	Buy	GBP	10	Sell	JPY	1,688	–
03/10/15	BNY Mellon	Buy	EUR	789	Sell	JPY	105,176	3
03/10/15	BNY Mellon	Buy	CAD	11	Sell	JPY	968	–
03/10/15	BNY Mellon	Buy	GBP	7,978	Sell	JPY	1,425,356	391
03/10/15	BNY Mellon	Buy	DKK	18	Sell	JPY	315	–
03/10/15	BNY Mellon	Buy	EUR	67,833	Sell	JPY	9,166,590	(716)
03/10/15	BNY Mellon	Buy	SGD	–	Sell	JPY	25	–
03/10/15	BNY Mellon	Buy	GBP	279	Sell	MXN	6,301	15
03/10/15	BNY Mellon	Buy	JPY	1,812	Sell	MXN	226	–
03/10/15	BNY Mellon	Buy	GBP	3	Sell	MXN	90	–
03/10/15	BNY Mellon	Buy	EUR	–	Sell	MXN	–	–
03/10/15	BNY Mellon	Buy	CHF	31	Sell	MXN	494	(1)
03/10/15	BNY Mellon	Buy	EUR	2,466	Sell	MXN	41,519	(19)
03/10/15	BNY Mellon	Buy	EUR	1,160	Sell	MYR	4,731	(14)
03/10/15	BNY Mellon	Buy	EUR	–	Sell	MYR	–	–
03/10/15	BNY Mellon	Buy	GBP	131	Sell	MYR	714	6
03/10/15	BNY Mellon	Buy	JPY	852	Sell	MYR	26	–
03/10/15	BNY Mellon	Buy	CHF	15	Sell	MYR	56	–
03/10/15	BNY Mellon	Buy	GBP	2	Sell	MYR	11	–
03/10/15	BNY Mellon	Buy	CHF	–	Sell	NOK	–	–
03/10/15	BNY Mellon	Buy	JPY	459	Sell	NOK	29	–
03/10/15	BNY Mellon	Buy	GBP	71	Sell	NOK	828	3
03/10/15	BNY Mellon	Buy	EUR	13	Sell	NOK	115	–
03/10/15	BNY Mellon	Buy	EUR	606	Sell	NOK	5,267	(4)
03/10/15	BNY Mellon	Buy	CHF	8	Sell	NOK	64	–
03/10/15	BNY Mellon	Buy	CHF	17	Sell	PLN	66	–
03/10/15	BNY Mellon	Buy	JPY	983	Sell	PLN	30	–
03/10/15	BNY Mellon	Buy	GBP	152	Sell	PLN	856	8
03/10/15	BNY Mellon	Buy	EUR	1,334	Sell	PLN	5,553	(8)
03/10/15	BNY Mellon	Buy	EUR	6	Sell	PLN	26	–
03/10/15	BNY Mellon	Buy	EUR	–	Sell	SEK	–	–
03/10/15	BNY Mellon	Buy	JPY	808	Sell	SEK	56	–
03/10/15	BNY Mellon	Buy	EUR	1,100	Sell	SEK	10,355	(11)
03/10/15	BNY Mellon	Buy	GBP	123	Sell	SEK	1,564	6
03/10/15	BNY Mellon	Buy	GBP	1	Sell	SEK	31	–
03/10/15	BNY Mellon	Buy	CHF	14	Sell	SEK	123	–
03/10/15	BNY Mellon	Buy	EUR	4	Sell	SGD	6	–
03/10/15	BNY Mellon	Buy	GBP	–	Sell	SGD	–	–
03/10/15	BNY Mellon	Buy	GBP	101	Sell	SGD	207	4
03/10/15	BNY Mellon	Buy	EUR	885	Sell	SGD	1,371	(11)
03/10/15	BNY Mellon	Buy	CHF	11	Sell	SGD	16	–
03/10/15	BNY Mellon	Buy	JPY	655	Sell	SGD	8	–
03/10/15	BNY Mellon	Buy	EUR	94,574	Sell	USD	108,354	(2,506)
03/10/15	BNY Mellon	Buy	EUR	–	Sell	USD	–	–
03/10/15	BNY Mellon	Buy	GBP	10,904	Sell	USD	16,521	308
03/10/15	BNY Mellon	Buy	JPY	69,591	Sell	USD	590	(9)
03/10/15	BNY Mellon	Buy	GBP	99	Sell	USD	149	–
03/10/15	BNY Mellon	Buy	CHF	1,191	Sell	USD	1,292	(42)
03/10/15	BNY Mellon	Buy	GBP	149	Sell	ZAR	2,629	8
03/10/15	BNY Mellon	Buy	EUR	1,281	Sell	ZAR	16,786	(6)
03/10/15	BNY Mellon	Buy	JPY	961	Sell	ZAR	93	–
03/10/15	BNY Mellon	Buy	CHF	16	Sell	ZAR	204	–
03/10/15	BNY Mellon	Buy	EUR	28	Sell	ZAR	363	–
03/10/15	BNY Mellon	Buy	GBP	–	Sell	ZAR	8	–

The accompanying notes are an integral part of the Financial Statements

Legg Mason Brandywine Global Fixed Income Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Expiration Date	Counterparty		Buy Currency (000's)			Sell Currency (000's)		Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/13/15	BNY Mellon	Buy	USD	434	Sell	EUR	382	\$ 4
03/13/15	BNY Mellon	Buy	USD	61	Sell	GBP	41	(1)
03/13/15	BNY Mellon	Buy	USD	26	Sell	GBP	17	–
03/13/15	BNY Mellon	Buy	GBP	11,984	Sell	USD	18,286	211
03/13/15	BNY Mellon	Buy	AUD	10	Sell	USD	8	–
03/13/15	BNY Mellon	Buy	GBP	24	Sell	USD	38	–
03/13/15	BNY Mellon	Buy	EUR	77,366	Sell	USD	87,826	(1,235)
03/17/15	HSBC	Buy	CLP	14,159,000	Sell	USD	23,567	(654)
03/18/15	Barclays Capital	Buy	INR	4,357,000	Sell	USD	68,713	1,693
04/13/15	HSBC	Buy	CLP	6,880,000	Sell	USD	11,062	46
04/13/15	HSBC	Buy	MXN	730,370	Sell	USD	49,878	(1,104)
04/16/15	Citigroup	Buy	USD	46,565	Sell	NZD	60,710	861
04/27/15	Citigroup	Buy	USD	60,469	Sell	PLN	226,030	(371)
05/08/15	HSBC	Buy	CLP	29,890,000	Sell	USD	47,309	852
05/12/15	Citigroup	Buy	USD	60,514	Sell	EUR	53,150	983
05/13/15	Barclays Capital	Buy	USD	59,709	Sell	KRW	65,560,000	350
05/14/15	Morgan Stanley	Buy	USD	38,832	Sell	AUD	49,880	23
05/14/15	Morgan Stanley	Buy	AUD	49,880	Sell	USD	39,080	(271)
05/29/15	HSBC	Buy	CLP	13,910,000	Sell	USD	21,940	429
Unrealised Appreciation of Forward Foreign Currency Contracts								7,163
Unrealised Depreciation of Forward Foreign Currency Contracts								(8,152)
Net Depreciation of Forward Foreign Currency Contracts								\$ (989)

Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^]

Portfolio of Investments as at February 28, 2015

Face Value (000's)	Value (000's)	% of Net Asset Value	Face Value (000's)	Value (000's)	% of Net Asset Value	Face Value (000's)	Value (000's)	% of Net Asset Value
Collateralised Mortgage-Backed Obligations — 0.41%			Poland Government Issues — 2.04%			Bermuda — 1.10%		
EUR 4,179 Rural Hipotecario I Fondo De Titulizacion Hipotec 9, Class A2, 0.188%, due 2/17/2050 *	4,553	0.41	72,190 Poland Government Bond, Series 1020, 5.250%, due 10/25/2020	22,949	2.04	12,095 Digicel Ltd, 144A, 8.250%, due 9/1/2017	12,397	1.10
Total Collateralised Mortgage-Backed Obligations (Cost \$5,537)	4,553	0.41	Portugal Government Issues — 2.96%			Chile — 0.65%		
Foreign Government Bonds and Notes — 49.75%			South Africa Government Issues — 4.34%			Germany — 1.45%		
Australian Government Issues — 2.66%			South Africa Government Issues — 4.34%			Ireland — 0.75%		
31,255 Queensland Treasury Corp, Series 24, 5.750%, due 7/22/2024	29,926	2.66	116,280 South Africa Government Bond, Series R208, 6.750%, due 3/31/2021	9,761	0.87	7,400 Banco Santander Chile, 144A, 1.152%, due 4/11/2017 *	7,369	0.65
Brazil Government Issues — 4.19%			South Africa Government Issues — 4.34%			Luxembourg — 0.15%		
142,595 Brazil Notas do Tesouro Nacional Serie F, Series NTN, 10.000%, due 1/1/2023	44,864	3.98	446,080 South Africa Government Bond, Series R214, 6.500%, due 2/28/2041	31,158	2.77	16,265 Deutsche Bank AG/London, 0.868%, due 2/13/2017 *	16,311	1.45
7,565 Brazil Notas do Tesouro Nacional Serie F, Series NTN, 10.000%, due 1/1/2025	2,337	0.21	87,230 South Africa Government Bond, Series 2048, 8.750%, due 2/28/2048	7,884	0.70	Ireland — 0.75%		
	47,201	4.19		48,803	4.34	Luxembourg — 0.15%		
Hungary Government Issues — 3.58%			Total Foreign Government Bonds and Notes (Cost \$598,876)			Multi-National — 1.21%		
8,800,000 Hungary Government Bond, Series 23/A, 6.000%, due 11/24/2023	40,260	3.58		559,942	49.75	Netherlands — 1.83%		
Indonesia Government Issues — 4.50%			U.S. Corporate Bonds and Notes — 19.68%			New Zealand — 0.32%		
Auto Manufacturers — 2.05%			Auto Manufacturers — 2.05%			South Korea — 1.56%		
80,700,000 Indonesia Treasury Bond, Series FR70, 8.375%, due 3/15/2024	6,846	0.61	6,890 Ford Motor Credit Co LLC, 4.207%, due 4/15/2016	7,111	0.63	17,530 Shinhan Bank, 144A, 0.901%, due 4/8/2017 *	17,569	1.56
370,100,000 Indonesia Treasury Bond, Series FR71, 9.000%, due 3/15/2029	33,431	2.97	15,885 Ford Motor Credit Co LLC, Series O, 1.037%, due 1/17/2017 *	15,911	1.42	United Kingdom — 3.15%		
120,000,000 Indonesia Treasury Bond, Series FR67, 8.750%, due 2/15/2044	10,422	0.92		23,022	2.05	U.S. Treasury Obligations — 8.34%		
	50,699	4.50	Financial – Banks — 12.30%			Total U.S. Denominated Bonds and Notes (Cost \$164,604)		
Italy Government Issues — 2.07%			Financial – Banks — 12.30%			U.S. Treasury Obligations — 8.34%		
13,690 Italy Buoni Poliennali Del Tesoro, 5.000%, due 8/1/2039	23,249	2.07	25,310 Bank of America Corp, 1.293%, due 1/15/2019 *	25,645	2.28	93,920 United States Treasury Note, 0.090%, due 7/31/2016 *	93,915	8.34
Korea Government Issues — 4.23%			Financials – Diversified — 2.19%			Total U.S. Treasury Obligations (Cost \$93,936)		
35,000,000 Korea Treasury Bond, Series 1809, 5.750%, due 9/10/2018	35,846	3.19	24,605 International Lease Finance Corp, 4.875%, due 4/1/2015	24,636	2.19	Shares/ Units (000's)		
11,902,100 Korea Treasury Bond, Series 2309, 3.375%, due 9/10/2023	11,724	1.04	Healthcare-Services — 0.97%			Collective Investment Schemes — 4.98%		
	47,570	4.23	10,445 HCA Inc, 6.500%, due 2/15/2016	10,928	0.97	Total Collective Investment Schemes (Cost \$56,111)		
Malaysia Government Issues — 1.92%			Media — 0.94%			Total Investments (Cost \$1,140,940)		
14,350 Malaysia Government Bond, Series 0314, 4.048%, due 9/30/2021	4,048	0.36	10,370 DISH DBS Corp, 4.625%, due 7/15/2017	10,616	0.94	Other Assets in Excess of Liabilities		
65,080 Malaysia Government Bond, Series 0313, 3.480%, due 3/15/2023	17,602	1.56	Telecommunications — 1.23%			Total Net Assets		
	21,650	1.92	10,760 Verizon Communications Inc, 1.771%, due 9/15/2016 *	10,945	0.97	\$1,125,616 100.00		
Mexico Government Issues — 13.61%			Total U.S. Corporate Bonds and Notes (Cost \$221,876)			144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2015, these securities amounted to \$119,846,000 or 10.65% of net assets.		
555,900 Mexican Bonos, Series M 20, 8.500%, due 5/31/2029	46,065	4.09		221,561	19.68	* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2015.		
565,590 Mexican Bonos, Series M 30, 8.500%, due 11/18/2038	48,297	4.29	U.S. Denominated Bonds and Notes — 14.59%					
737,420 Mexican Bonos, Series M, 7.750%, due 11/13/2042	58,870	5.23	Australia — 2.42%					
	153,232	13.61	10,180 Commonwealth Bank of Australia, 144A, 0.747%, due 9/20/2016 *	10,221	0.91			
New Zealand Government Issues — 3.65%			Australia — 2.42%					
39,995 New Zealand Government Bond, Series 521, 6.000%, due 5/15/2021	34,858	3.09	8,600 Macquarie Bank Ltd, 144A, 0.886%, due 10/27/2017 *	8,599	0.76			
7,175 New Zealand Government Bond, Series 423, 5.500%, due 4/15/2023	6,268	0.56	8,320 Macquarie Group Ltd, 144A, 1.255%, due 1/31/2017 *	8,367	0.75			
	41,126	3.65		27,187	2.42			

[^] Not authorised for sale to the public in Hong Kong.

The accompanying notes are an integral part of the Financial Statements

Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^]

Portfolio of Investments as at February 28, 2015 – (continued)

ABBREVIATIONS:

EUR – Euro
NZD – New Zealand Dollar

ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR FORWARDS AND FUTURES WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS DEALT IN ON A REGULATED MARKET AND COLLECTIVE INVESTMENT SCHEMES.

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	91.25
Financial derivative instruments	1.01
Collective investment schemes	4.90
Other assets	2.84
Total Assets	100.00

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Euro-Bund March 2015	(1,056)	\$(188,436)	\$ (7,693)
Euro-OAT March 2015	(619)	(104,084)	(3,861)
U.S. Ultra Bond (CBT) June 2015	199	33,488	68
Total Market Value of Future Contracts	(1,476)	\$(259,032)	\$ (11,486)
Unrealised Appreciation of Futures Contracts			68
Unrealised Depreciation of Futures Contracts			(11,554)
Net Depreciation of Future Contracts			\$ (11,486)

Schedule of Forward Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/02/15	BNY Mellon	Buy EUR 43	Sell USD 49	\$ (1)
03/02/15	BNY Mellon	Buy GBP 17	Sell USD 26	–
03/03/15	BNY Mellon	Buy USD 4	Sell EUR 3	–
03/09/15	Citigroup	Buy USD 261,736	Sell JPY 31,335,000	(239)
03/09/15	JP Morgan	Buy JPY 1,175,000	Sell USD 10,021	(198)
03/13/15	BNY Mellon	Buy USD 483	Sell EUR 426	7
03/13/15	BNY Mellon	Buy USD 5	Sell GBP 3	–
03/13/15	BNY Mellon	Buy USD 167	Sell GBP 108	–
03/13/15	BNY Mellon	Buy SGD 337,762	Sell USD 249,794	(2,044)
03/13/15	BNY Mellon	Buy AUD 168,278	Sell USD 130,478	910
03/13/15	BNY Mellon	Buy EUR 161,229	Sell USD 182,887	(2,433)
03/13/15	BNY Mellon	Buy GBP 73,849	Sell USD 112,712	1,290
03/18/15	Barclays Capital	Buy INR 2,923,000	Sell USD 46,098	1,136
04/13/15	HSBC	Buy CLP 1,960,000	Sell USD 3,151	13
04/16/15	Citigroup	Buy USD 136,771	Sell NZD 178,320	2,528
04/27/15	Citigroup	Buy USD 20,546	Sell PLN 76,800	(126)
04/29/15	Barclays Capital	Buy USD 41,636	Sell CZK 1,021,800	78
04/29/15	Barclays Capital	Buy USD 977,800	Sell USD 40,687	(919)
04/29/15	HSBC	Buy CZK 44,000	Sell USD 1,813	(24)
05/12/15	Citigroup	Buy USD 268,880	Sell EUR 236,160	4,367
05/13/15	Barclays Capital	Buy USD 48,511	Sell KRW 53,265,000	284
05/14/15	Morgan Stanley	Buy USD 30,587	Sell AUD 39,290	18
05/28/15	JP Morgan	Buy INR 330,000	Sell USD 5,232	51
05/29/15	HSBC	Buy CLP 12,965,000	Sell USD 20,450	400
06/22/15	HSBC	Buy CLP 43,757,730	Sell USD 69,862	357
Unrealised Appreciation of Forward Foreign Currency Contracts				11,439
Unrealised Depreciation of Forward Foreign Currency Contracts				(5,984)
Net Appreciation of Forward Foreign Currency Contracts				\$ 5,455

[^] Not authorised for sale to the public in Hong Kong.

The accompanying notes are an integral part of the Financial Statements

Legg Mason Brandywine Global High Yield Fund[^]

Portfolio of Investments as at February 28, 2015 – (continued)

144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2015, these securities amounted to \$4,528,000 or 22.54% of net assets.

* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2015.

ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR FUTURES, FORWARDS AND SWAPS WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS DEALT IN ON A REGULATED MARKET AND COLLECTIVE INVESTMENT SCHEMES.

ABBREVIATIONS:		Analysis of Total Assets		% of Total Assets
EUR	– Euro	Transferable securities admitted to an official exchange listing or traded on a regulated market	91.89	
		Financial derivative instruments	1.27	
		Collective investment schemes	4.37	
		Other assets	2.47	
		Total Assets	100.00	

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Euro-BTP June 2015	3	\$ 467	\$ 8
Total Market Value of Future Contracts	3	\$ 467	\$ 8
Unrealised Appreciation of Futures Contracts			8
Unrealised Depreciation of Futures Contracts			–
Net Appreciation of Future Contracts			\$ 8

Schedule of Credit Default Swaps

Counterparty	Reference Entity	Buy/Sell Protection	Expiration Date	Notional Amount (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Citigroup	Markit CDX.NA.HY, 5.000%, due 12/20/19	Sell	12/20/19	589	\$ 45
					\$ 45
					45
					–
					\$ 45

Schedule of Forward Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/10/15	BNY Mellon	Buy EUR –	Sell CHF –	\$ –
03/10/15	BNY Mellon	Buy EUR 11	Sell CHF 12	–
03/10/15	BNY Mellon	Buy GBP 9	Sell CHF 13	1
03/10/15	BNY Mellon	Buy GBP 541	Sell EUR 716	34
03/10/15	BNY Mellon	Buy EUR 144	Sell GBP 108	(7)
03/10/15	BNY Mellon	Buy GBP –	Sell SEK –	–
03/10/15	BNY Mellon	Buy EUR 1	Sell SEK 7	–
03/10/15	BNY Mellon	Buy GBP 1	Sell SEK 8	–
03/10/15	BNY Mellon	Buy GBP 2,572	Sell USD 3,897	73
03/10/15	BNY Mellon	Buy GBP 30	Sell USD 47	–
03/10/15	BNY Mellon	Buy EUR 3,176	Sell USD 3,640	(86)
03/13/15	Barclays Capital	Buy GBP 300	Sell USD 461	2
03/13/15	Citigroup	Buy USD 197	Sell GBP 125	4
03/13/15	HSBC	Buy USD 1,849	Sell GBP 1,178	31
03/13/15	Morgan Stanley	Buy USD 160	Sell GBP 105	(2)
03/13/15	Morgan Stanley	Buy GBP 270	Sell USD 409	8
03/13/15	UBS	Buy GBP 200	Sell USD 309	–
03/18/15	Barclays Capital	Buy INR 12,800	Sell USD 202	5
04/13/15	HSBC	Buy MXN 8,520	Sell USD 582	(13)
04/13/15	UBS	Buy USD 275	Sell MXN 4,110	–
05/07/15	HSBC	Buy USD 169	Sell BRL 465	8
05/12/15	Barclays Capital	Buy EUR 540	Sell USD 614	(9)
05/12/15	Citigroup	Buy USD 2,664	Sell EUR 2,345	38
05/12/15	Morgan Stanley	Buy EUR 95	Sell USD 107	–
				204
				(117)
				\$ 87

Unrealised Appreciation of Forward Foreign Currency Contracts
Unrealised Depreciation of Forward Foreign Currency Contracts

Net Appreciation of Forward Foreign Currency Contracts

[^] Not authorised for sale to the public in Hong Kong.

The accompanying notes are an integral part of the Financial Statements

Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^]

Portfolio of Investments as at February 28, 2015

Face Value (000's)		Value (000's) \$	% of Net Asset Value	Face Value (000's)		Value (000's) \$	% of Net Asset Value	Face Value (000's)		Value (000's) \$	% of Net Asset Value				
Collateralised Mortgage-Backed Obligations — 1.57%				Italy Government Issues — 5.67%				U.S. Corporate Bonds and Notes — 2.53%							
EUR	339	Bancaja 11 Fondo de Titulizacion de Activos, Series 11, Class A2, 0.223%, due 4/27/2050 *	361	0.12	10,190	Italy Buoni Poliennali Del Tesoro, 5.000%, due 8/1/2039	17,306	5.67	6,740	Goldman Sachs Group Inc, 1.357%, due 11/15/2018 *	6,808	2.23			
	35	Countrywide Home Loan Mortgage Pass Through Trust, Series 2007 9, Class A13, 5.750%, due 7/25/2037	33	0.01	5,565	Malaysia Government Bond, Series 0314, 4.048%, due 9/30/2021	1,570	0.51	890	Dell Inc, 6.500%, due 4/15/2038	917	0.30			
EUR	509	Fondo de Titulizacion de Activos UCI 17, Series 17, Class A2, 0.242%, due 12/17/2049 *	503	0.16	14,215	Malaysia Government Bond, Series 0313, 3.480%, due 3/15/2023	3,845	1.26	Total U.S. Corporate Bonds and Notes (Cost \$7,897)			7,725	2.53		
EUR	1,338	GC Pastor Hipotecario 5 FTA, Series 5, Class A2, 0.249%, due 6/21/2046 *	1,355	0.44	Mexico Government Issues — 13.88%			U.S. Denominated Bonds and Notes — 11.67%			Australia — 1.35%				
EUR	650	Hipocat 11 Fondo de Titulizacion de Activos, Series HIPO 11, Class A2, 0.201%, due 1/15/2050 *	654	0.22	174,000	Mexican Bonos, Series M 20, 8.500%, due 5/31/2029	14,419	4.72	1,845	Macquarie Bank Ltd, 144A, 0.886%, due 10/27/2017 *	1,845	0.60			
EUR	641	IM Pastor 3 Fondo de Titulizacion Hipotecaria, Series 3, Class A, 0.219%, due 3/22/2043 *	643	0.21	135,370	Mexican Bonos, Series M 30, 8.500%, due 11/18/2038	11,559	3.79	2,280	Macquarie Group Ltd, 144A, 1.255%, due 1/31/2017 *	2,293	0.75			
EUR	1,239	IM Pastor 4 Fondo de Titulizacion de Activos, Series 4, Class A, 0.219%, due 3/22/2044 *	1,248	0.41	205,400	Mexican Bonos, Series M, 7.750%, due 11/13/2042	16,398	5.37	Germany — 1.26%			3,836	1.26		
Total Collateralised Mortgage-Backed Obligations (Cost \$5,686)				4,797	1.57	New Zealand Government Issues — 3.49%			Multi-National — 1.19%			3,637	1.19		
Foreign Government Bonds and Notes — 63.52%				Australia Government Issues — 7.24%				Netherlands — 4.00%							
	8,930	New South Wales Treasury Corp, Series 24, 5.000%, due 8/20/2024	8,261	2.70	3,125	New Zealand Government Bond, Series 521, 6.000%, due 5/15/2021	2,723	0.89	4,015	ABN AMRO Bank NV, 144A, 1.056%, due 10/28/2016 *	4,042	1.32			
	10,550	Queensland Treasury Corp, Series 20, 6.250%, due 2/21/2020	9,715	3.18	9,065	New Zealand Government Bond, Series 423, 5.500%, due 4/15/2023	7,919	2.60	8,125	Nederlandse Waterschapsbank NV, 144A, 0.487%, due 2/14/2018 *	8,165	2.68			
	4,365	Queensland Treasury Corp, Series 22, 6.000%, due 7/21/2022	4,146	1.36	Poland Government Issues — 2.19%			South Korea — 3.05%			12,207	4.00			
			22,122	7.24	12,595	Poland Government Bond, Series 1020, 5.250%, due 10/25/2020	4,004	1.31	1,145	Export-Import Bank of Korea, 1.003%, due 1/14/2017 *	1,151	0.38			
Brazil Government Issues — 4.35%				Brazil Government Issues — 4.35%				Portugal Government Issues — 3.11%				4,230	Export-Import Bank of Korea, 144A, 0.858%, due 5/12/2017 *	4,228	1.38
	1,020	Brazil Notas do Tesouro Nacional, Series NTNF, 10.000%, due 1/1/2021	326	0.11	8,695	Poland Government Bond, Series 1023, 4.000%, due 10/25/2023	2,697	0.88	3,940	Export-Import Bank of Korea, 144A, 0.882%, due 8/14/2017 *	3,938	1.29			
	31,965	Brazil Notas do Tesouro Nacional Serie F, Series NTNF, 10.000%, due 1/1/2023	10,057	3.29	Portugal Government Issues — 3.11%			United Kingdom — 0.82%			9,317	3.05			
	9,365	Brazil Notas do Tesouro Nacional Serie F, Series NTNF, 10.000%, due 1/1/2025	2,893	0.95	925	Portugal Obrigacoes do Tesouro OT, 144A, 3.850%, due 4/15/2021	1,200	0.39	2,500	Barclays Bank Plc, 0.776%, due 12/9/2016 *	2,503	0.82			
			13,276	4.35	5,850	Portugal Obrigacoes do Tesouro OT, 144A, 4.950%, due 10/25/2023	8,309	2.72	Total U.S. Denominated Bonds and Notes (Cost \$35,573)			35,638	11.67		
Hungary Government Issues — 3.50%				Hungary Government Issues — 3.50%				South Africa Government Issues — 4.42%				U.S. Denominated Debt Obligations — 2.66%			
	160,000	Hungary Government Bond, Series 20/A, 7.500%, due 11/12/2020	742	0.24	28,145	South Africa Government Bond, Series R208, 6.750%, due 3/31/2021	2,363	0.78	Norway — 2.66%			8,113	2.66		
	540,000	Hungary Government Bond, Series 22/A, 7.000%, due 6/24/2022	2,542	0.83	119,790	South Africa Government Bond, Series R214, 6.500%, due 2/28/2041	8,367	2.74	Total U.S. Denominated Debt Obligations (Cost \$8,122)			8,113	2.66		
	1,620,000	Hungary Government Bond, Series 23/A, 6.000%, due 11/24/2023	7,412	2.43	30,515	South Africa Government Bond, Series 2048, 8.750%, due 2/28/2048	2,758	0.90	U.S. Government Agency Obligations — 0.76%			2,322	0.76		
			10,696	3.50	South Africa Government Issues — 4.42%			South Korea Government Issues — 4.19%			Total U.S. Government Agency Obligations (Cost \$1,963)		2,322	0.76	
Indonesia Government Issues — 4.60%				Indonesia Government Issues — 4.60%				United Kingdom Government Issues — 5.11%				U.S. Treasury Obligations — 12.01%			
	21,400,000	Indonesia Treasury Bond, Series FR70, 8.375%, due 3/15/2024	1,816	0.59	9,965	United Kingdom Gilt, 2.000%, due 1/22/2016	15,602	5.11	Total U.S. Government Agency Obligations (Cost \$1,963)			2,322	0.76		
	104,700,000	Indonesia Treasury Bond, Series FR71, 9.000%, due 3/15/2029	9,457	3.10	United Kingdom Government Issues — 5.11%			U.S. Treasury Obligations — 12.01%			8,465	United States Treasury Bond, 2.875%, due 5/15/2043	8,922	2.92	
	31,900,000	Indonesia Treasury Bond, Series FR67, 8.750%, due 2/15/2044	2,770	0.91	United Kingdom Government Issues — 5.11%			U.S. Treasury Obligations — 12.01%			14,505	United States Treasury Note, 0.090%, due 7/31/2016 *	14,504	4.75	
			14,043	4.60	United Kingdom Government Issues — 5.11%			U.S. Treasury Obligations — 12.01%			5,920	United States Treasury Note, 0.104%, due 1/31/2017 *	5,920	1.94	
Total Foreign Government Bonds and Notes (Cost \$201,360)				193,964	63.52	United Kingdom Government Issues — 5.11%			U.S. Treasury Obligations — 12.01%			Total U.S. Treasury Obligations (Cost \$8,122)		8,113	2.66

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Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^]

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)		Value (000's) \$	% of Net Asset Value
7,470	United States Treasury Note, 2.500%, due 2/15/2045	7,315	2.40
Total U.S. Treasury Obligations (Cost \$35,448)		36,661	12.01
Shares/ Units (000's)		Value (000's) \$	% of Net Asset Value
Collective Investment Schemes — 2.95%			
9,013	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	9,013	2.95
Total Collective Investment Schemes (Cost \$9,013)		9,013	2.95
Total Investments (Cost \$305,062)		298,233	97.67
Other Assets in Excess of Liabilities		7,130	2.33
Total Net Assets		\$305,363	100.00

144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2015, these securities amounted to \$42,133,000 or 13.79% of net assets.

* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2015.

ABBREVIATIONS:

EUR – Euro

ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR FORWARDS WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS DEALT IN ON A REGULATED MARKET AND COLLECTIVE INVESTMENT SCHEMES.

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	93.72
Financial derivative instruments	2.37
Collective investment schemes	2.92
Other assets	0.99
Total Assets	100.00

Schedule of Forward Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/02/15	BNY Mellon	Buy GBP 573	Sell USD 890	\$ (5)
03/02/15	BNY Mellon	Buy GBP 1	Sell USD 1	–
03/03/15	BNY Mellon	Buy GBP 1	Sell USD 2	–
03/03/15	BNY Mellon	Buy GBP 209	Sell USD 323	–
03/04/15	BNY Mellon	Buy GBP 1	Sell USD 1	–
03/04/15	BNY Mellon	Buy GBP 157	Sell USD 243	–
03/04/15	BNY Mellon	Buy EUR 107	Sell USD 120	–
03/10/15	BNY Mellon	Buy NZD 2,589	Sell AUD 2,452	41
03/10/15	BNY Mellon	Buy EUR –	Sell AUD –	–
03/10/15	BNY Mellon	Buy GBP 173	Sell AUD 338	4
03/10/15	BNY Mellon	Buy EUR 74	Sell AUD 109	(2)
03/10/15	BNY Mellon	Buy GBP 2	Sell AUD 4	–
03/10/15	BNY Mellon	Buy NZD 3,479	Sell CAD 3,183	83
03/10/15	BNY Mellon	Buy EUR –	Sell CAD –	–
03/10/15	BNY Mellon	Buy GBP 235	Sell CAD 443	9
03/10/15	BNY Mellon	Buy EUR 100	Sell CAD 142	(2)
03/10/15	BNY Mellon	Buy EUR 17	Sell CHF 18	–
03/10/15	BNY Mellon	Buy NZD 587	Sell CHF 399	25
03/10/15	BNY Mellon	Buy GBP 39	Sell CHF 56	3
03/10/15	BNY Mellon	Buy EUR –	Sell CHF –	–
03/10/15	BNY Mellon	Buy NZD 1,133	Sell DKK 5,413	43
03/10/15	BNY Mellon	Buy GBP 77	Sell DKK 753	5
03/10/15	BNY Mellon	Buy EUR 32	Sell DKK 241	–
03/10/15	BNY Mellon	Buy NZD 64,151	Sell EUR 41,217	2,347
03/10/15	BNY Mellon	Buy GBP 4,335	Sell EUR 5,733	276
03/10/15	BNY Mellon	Buy PLN 93	Sell GBP 17	–
03/10/15	BNY Mellon	Buy SEK 54	Sell GBP 4	–
03/10/15	BNY Mellon	Buy SEK 118	Sell GBP 9	–
03/10/15	BNY Mellon	Buy MXN 397	Sell GBP 16	–
03/10/15	BNY Mellon	Buy SGD 19	Sell GBP 10	–
03/10/15	BNY Mellon	Buy AUD 40	Sell GBP 19	–
03/10/15	BNY Mellon	Buy NZD 13,101	Sell GBP 6,369	68
03/10/15	BNY Mellon	Buy ZAR 17	Sell GBP 1	–
03/10/15	BNY Mellon	Buy ZAR 265	Sell GBP 16	–
03/10/15	BNY Mellon	Buy PLN –	Sell GBP –	–
03/10/15	BNY Mellon	Buy USD 1,293	Sell GBP 841	(5)
03/10/15	BNY Mellon	Buy USD 483	Sell GBP 310	1
03/10/15	BNY Mellon	Buy MYR 48	Sell GBP 10	–
03/10/15	BNY Mellon	Buy JPY 136,666	Sell GBP 748	(10)
03/10/15	BNY Mellon	Buy MXN 294	Sell GBP 14	–
03/10/15	BNY Mellon	Buy NZD 25	Sell GBP 12	–
03/10/15	BNY Mellon	Buy NOK 89	Sell GBP 5	–
03/10/15	BNY Mellon	Buy MYR 28	Sell GBP 5	–
03/10/15	BNY Mellon	Buy JPY 16,228	Sell GBP 87	–
03/10/15	BNY Mellon	Buy NOK –	Sell GBP –	–
03/10/15	BNY Mellon	Buy SGD 2	Sell GBP 1	–
03/10/15	BNY Mellon	Buy CHF 13	Sell GBP 10	–
03/10/15	BNY Mellon	Buy DKK –	Sell GBP –	–
03/10/15	BNY Mellon	Buy EUR 1,931	Sell GBP 1,431	(49)

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Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^]

Portfolio of Investments as at February 28, 2015 – (continued)

Expiration Date	Counterparty	Buy Currency (000's)			Sell Currency (000's)			Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/10/15	BNY Mellon	Buy	CHF	2	Sell	GBP	1	\$ –
03/10/15	BNY Mellon	Buy	CAD	32	Sell	GBP	17	–
03/10/15	BNY Mellon	Buy	AUD	53	Sell	GBP	28	–
03/10/15	BNY Mellon	Buy	DKK	206	Sell	GBP	19	–
03/10/15	BNY Mellon	Buy	CAD	90	Sell	GBP	45	–
03/10/15	BNY Mellon	Buy	EUR	1,337	Sell	JPY	180,672	(14)
03/10/15	BNY Mellon	Buy	GBP	3,153	Sell	JPY	563,486	158
03/10/15	BNY Mellon	Buy	NZD	46,678	Sell	JPY	4,054,033	1,377
03/10/15	BNY Mellon	Buy	EUR	–	Sell	MXN	–	–
03/10/15	BNY Mellon	Buy	EUR	48	Sell	MXN	810	–
03/10/15	BNY Mellon	Buy	GBP	112	Sell	MXN	2,501	6
03/10/15	BNY Mellon	Buy	NZD	1,678	Sell	MXN	18,168	52
03/10/15	BNY Mellon	Buy	GBP	1	Sell	MXN	27	–
03/10/15	BNY Mellon	Buy	NZD	790	Sell	MYR	2,071	22
03/10/15	BNY Mellon	Buy	GBP	53	Sell	MYR	285	2
03/10/15	BNY Mellon	Buy	EUR	23	Sell	MYR	92	–
03/10/15	BNY Mellon	Buy	GBP	1	Sell	MYR	3	–
03/10/15	BNY Mellon	Buy	EUR	–	Sell	MYR	–	–
03/10/15	BNY Mellon	Buy	NZD	425	Sell	NOK	2,359	13
03/10/15	BNY Mellon	Buy	EUR	–	Sell	NOK	–	–
03/10/15	BNY Mellon	Buy	EUR	12	Sell	NOK	105	–
03/10/15	BNY Mellon	Buy	GBP	28	Sell	NOK	327	2
03/10/15	BNY Mellon	Buy	EUR	26	Sell	PLN	109	–
03/10/15	BNY Mellon	Buy	GBP	62	Sell	PLN	340	3
03/10/15	BNY Mellon	Buy	NZD	910	Sell	PLN	2,442	29
03/10/15	BNY Mellon	Buy	GBP	50	Sell	SEK	624	2
03/10/15	BNY Mellon	Buy	EUR	21	Sell	SEK	202	–
03/10/15	BNY Mellon	Buy	NZD	748	Sell	SEK	4,532	22
03/10/15	BNY Mellon	Buy	EUR	–	Sell	SEK	–	–
03/10/15	BNY Mellon	Buy	GBP	1	Sell	SEK	7	–
03/10/15	BNY Mellon	Buy	EUR	17	Sell	SGD	27	–
03/10/15	BNY Mellon	Buy	EUR	–	Sell	SGD	–	–
03/10/15	BNY Mellon	Buy	NZD	606	Sell	SGD	602	17
03/10/15	BNY Mellon	Buy	GBP	41	Sell	SGD	84	2
03/10/15	BNY Mellon	Buy	GBP	4,356	Sell	USD	6,599	124
03/10/15	BNY Mellon	Buy	NZD	64,455	Sell	USD	47,482	1,223
03/10/15	BNY Mellon	Buy	EUR	1,846	Sell	USD	2,116	(50)
03/10/15	BNY Mellon	Buy	EUR	–	Sell	ZAR	–	–
03/10/15	BNY Mellon	Buy	GBP	60	Sell	ZAR	1,033	3
03/10/15	BNY Mellon	Buy	EUR	25	Sell	ZAR	334	–
03/10/15	BNY Mellon	Buy	GBP	1	Sell	ZAR	11	–
03/10/15	BNY Mellon	Buy	NZD	891	Sell	ZAR	7,496	30
03/13/15	BNY Mellon	Buy	USD	120	Sell	EUR	107	–
03/13/15	BNY Mellon	Buy	USD	19	Sell	GBP	13	–
03/13/15	BNY Mellon	Buy	GBP	63	Sell	USD	97	–
03/13/15	BNY Mellon	Buy	EUR	1,162	Sell	USD	1,318	(18)
03/13/15	BNY Mellon	Buy	GBP	4,238	Sell	USD	6,467	75
03/17/15	HSBC	Buy	CLP	2,615,000	Sell	USD	4,353	(121)
03/18/15	Barclays Capital	Buy	INR	890,000	Sell	USD	14,069	313
04/13/15	HSBC	Buy	CLP	890,000	Sell	USD	1,408	28
04/16/15	Citigroup	Buy	USD	8,368	Sell	NZD	10,910	155
04/16/15	HSBC	Buy	USD	782	Sell	NZD	1,040	(1)
04/16/15	Morgan Stanley	Buy	USD	1,068	Sell	NZD	1,460	(31)
04/27/15	Citigroup	Buy	USD	304	Sell	PLN	1,120	3
04/27/15	Citigroup	Buy	USD	5,755	Sell	PLN	21,510	(35)
05/08/15	HSBC	Buy	CLP	2,857,000	Sell	USD	4,522	81
05/12/15	Citigroup	Buy	USD	28,794	Sell	EUR	25,300	457
05/13/15	Barclays Capital	Buy	USD	11,470	Sell	KRW	12,594,000	67
05/13/15	Barclays Capital	Buy	USD	756	Sell	KRW	836,000	(1)
05/14/15	Morgan Stanley	Buy	USD	7,746	Sell	AUD	9,950	5
05/14/15	Morgan Stanley	Buy	AUD	9,950	Sell	USD	7,796	(54)
05/29/15	HSBC	Buy	CLP	3,523,000	Sell	USD	5,563	103
06/22/15	HSBC	Buy	CLP	3,619,000	Sell	USD	5,778	29
Unrealised Appreciation of Forward Foreign Currency Contracts								7,308
Unrealised Depreciation of Forward Foreign Currency Contracts								(398)
Net Appreciation of Forward Foreign Currency Contracts								\$ 6,910

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The accompanying notes are an integral part of the Financial Statements

Legg Mason Brandywine Global Sovereign Credit Fund[^]

Portfolio of Investments as at February 28, 2015

Face Value (000's)		Value (000's) \$	% of Net Asset Value	Face Value (000's)		Value (000's) \$	% of Net Asset Value	Face Value (000's)		Value (000's) \$	% of Net Asset Value
Foreign Government Bonds and Notes — 74.79%				Australia Government Issues — 3.50%				U.S. Treasury Obligations — 16.39%			
74,195	Queensland Treasury Corp, Series 24, 5.750%, due 7/22/2024	71,040	3.50	769,470	Mexican Bonos, Series M, 7.750%, due 11/13/2042	61,429	3.03	54,610	United States Treasury Bond, 2.875%, due 5/15/2043	57,554	2.84
Brazil Government Issues — 10.66%				New Zealand Government Issues — 4.94%				Total U.S. Treasury Obligations (Cost \$323,728)			
664,670	Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 11/1/2023	209,123	10.31	114,795	New Zealand Government Bond, Series 423, 5.500%, due 4/15/2023	100,279	4.94	49,560	United States Treasury Bond, 2.500%, due 2/15/2045	48,534	2.39
23,170	Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2025	7,157	0.35	Poland Government Issues — 4.94%				226,295	United States Treasury Note, 0.090%, due 7/31/2016 *	226,282	11.16
Hungary Government Issues — 3.67%				Portugal Government Issues — 4.25%				Other U.S. Treasury Obligations (Cost \$93,775)			
7,216,130	Hungary Government Bond, Series 20/A, 7.500%, due 11/12/2020	33,462	1.65	13,930	Portugal Obrigacoes do Tesouro OT, 144A, 3.850%, due 4/15/2021	18,080	0.89	Collective Investment Schemes — 4.62%			
8,707,990	Hungary Government Bond, Series 22/A, 7.000%, due 6/24/2022	40,994	2.02	21,060	Portugal Obrigacoes do Tesouro OT, 144A, 4.950%, due 10/25/2023	29,911	1.47	93,775	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	93,775	4.62
Indonesia Government Issues — 7.07%				South Africa Government Issues — 6.82%				Total Collective Investment Schemes (Cost \$93,775)			
131,000,000	Indonesia Treasury Bond, Series FR70, 8.375%, due 3/15/2024	11,114	0.55	27,330	Portugal Obrigacoes do Tesouro OT, 144A, 4.100%, due 4/15/2037	38,321	1.89	Total Investments (Cost \$2,069,909)			
954,300,000	Indonesia Treasury Bond, Series FR71, 9.000%, due 3/15/2029	86,201	4.25	South Korea Government Issues — 8.77%				Other Assets in Excess of Liabilities			
339,800,000	Indonesia Treasury Bond, Series FR68, 8.375%, due 3/15/2034	29,116	1.44	86,300,000	Korea Treasury Bond, Series 1809, 5.750%, due 9/10/2018	88,387	4.36	Total Net Assets			
194,800,000	Indonesia Treasury Bond, Series FR67, 8.750%, due 2/15/2044	16,918	0.83	86,100,000	Korea Treasury Bond, Series 2006, 5.000%, due 6/10/2020	89,580	4.41	144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2015, these securities amounted to \$86,312,000 or 4.25% of net assets.			
Italy Government Issues — 2.94%				Colombia — 1.58%				* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2015.			
35,105	Italy Buoni Poliennali Del Tesoro, 5.000%, due 8/1/2039	59,619	2.94	30,500	Colombia Government International Bond, 5.000%, due 6/15/2045	32,063	1.58	ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR FORWARDS WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS DEALT IN ON A REGULATED MARKET AND COLLECTIVE INVESTMENT SCHEMES.			
Malaysia Government Issues — 3.56%				Total Foreign Government Bonds and Notes (Cost \$1,622,205)				Analysis of Total Assets			
267,000	Malaysia Government Bond, Series 0313, 3.480%, due 3/15/2023	72,215	3.56	U.S. Denominated Debt Obligations — 1.58%				Transferable securities admitted to an official exchange listing or traded on a regulated market			
Mexico Government Issues — 13.67%				U.S. Denominated Debt Obligations (Cost \$30,201)				Financial derivative instruments			
1,031,500	Mexican Bonos, Series M 20, 8.500%, due 5/31/2029	85,476	4.21	Colombia — 1.58%				Collective investment schemes			
1,527,000	Mexican Bonos, Series M 30, 8.500%, due 11/18/2038	130,393	6.43	Total U.S. Denominated Debt Obligations (Cost \$30,201)				Other assets			

Schedule of Forward Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/05/15	UBS	Buy BRL	Sell USD	\$ (2,392)
03/09/15	Citigroup	Buy USD	Sell JPY	(109)
03/10/15	BNY Mellon	Buy GBP	Sell AUD	154
03/10/15	BNY Mellon	Buy GBP	Sell CAD	371
03/10/15	BNY Mellon	Buy GBP	Sell CHF	233
03/10/15	BNY Mellon	Buy GBP	Sell DKK	219
03/10/15	BNY Mellon	Buy GBP	Sell EUR	11,779
03/10/15	BNY Mellon	Buy DKK	Sell GBP	(5)
03/10/15	BNY Mellon	Buy NZD	Sell GBP	1
03/10/15	BNY Mellon	Buy SEK	Sell GBP	(1)
03/10/15	BNY Mellon	Buy NOK	Sell GBP	(1)
03/10/15	BNY Mellon	Buy USD	Sell GBP	(93)
03/10/15	BNY Mellon	Buy SGD	Sell GBP	(1)
03/10/15	BNY Mellon	Buy JPY	Sell GBP	(62)
03/10/15	BNY Mellon	Buy AUD	Sell GBP	3
03/10/15	BNY Mellon	Buy CHF	Sell GBP	(6)
03/10/15	BNY Mellon	Buy HKD	Sell GBP	-
03/10/15	BNY Mellon	Buy CAD	Sell GBP	(1)

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Legg Mason Brandywine Global Sovereign Credit Fund[^]

Portfolio of Investments as at February 28, 2015 – (continued)

Expiration Date	Counterparty		Buy Currency (000's)		Sell Currency (000's)		Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/10/15	BNY Mellon	Buy	EUR	7,924	Sell	GBP	\$ (228)
03/10/15	BNY Mellon	Buy	GBP	269	Sell	HKD	7
03/10/15	BNY Mellon	Buy	GBP	134,140	Sell	JPY	6,747
03/10/15	BNY Mellon	Buy	GBP	1,208	Sell	NOK	66
03/10/15	BNY Mellon	Buy	GBP	1,208	Sell	NZD	(14)
03/10/15	BNY Mellon	Buy	GBP	2,146	Sell	SEK	102
03/10/15	BNY Mellon	Buy	GBP	1,878	Sell	SGD	86
03/10/15	BNY Mellon	Buy	GBP	134,140	Sell	USD	3,851
03/13/15	HSBC	Buy	GBP	48,000	Sell	USD	(1,198)
03/18/15	Barclays Capital	Buy	INR	5,146,000	Sell	USD	2,000
03/18/15	Citigroup	Buy	MYR	97,410	Sell	USD	(577)
04/14/15	HSBC	Buy	HKD	683,800	Sell	USD	(35)
04/16/15	Citigroup	Buy	USD	179,493	Sell	NZD	3,318
04/22/15	Citigroup	Buy	USD	187,938	Sell	CHF	15,792
04/22/15	Citigroup	Buy	CHF	163,750	Sell	USD	(19,266)
04/27/15	Citigroup	Buy	USD	22,454	Sell	PLN	(138)
04/29/15	Barclays Capital	Buy	USD	48,726	Sell	CZK	91
04/29/15	Barclays Capital	Buy	CZK	1,195,800	Sell	USD	(1,124)
05/08/15	HSBC	Buy	CLP	37,742,000	Sell	USD	1,075
05/12/15	Citigroup	Buy	USD	208,093	Sell	EUR	3,379
05/13/15	Barclays Capital	Buy	USD	90,765	Sell	KRW	532
05/14/15	Morgan Stanley	Buy	AUD	63,020	Sell	USD	(29)
05/29/15	HSBC	Buy	CLP	13,955,000	Sell	USD	430
Unrealised Appreciation of Forward Foreign Currency Contracts							50,236
Unrealised Depreciation of Forward Foreign Currency Contracts							(25,280)
Net Appreciation of Forward Foreign Currency Contracts							\$ 24,956

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Legg Mason Brandywine Global Income Optimiser Fund[^]

Portfolio of Investments as at February 28, 2015

Face Value (000's)		Value (000's)	% of Net Asset Value	Face Value (000's)	Value (000's)	% of Net Asset Value	Face Value (000's)	Value (000's)	% of Net Asset Value				
Collateralised Mortgage-Backed Obligations — 10.87%				Financials-Diversified — 0.96%				U.S. Corporate Bonds and Notes — 29.74%					
EUR	1,798	Aire Valley Mortgages Plc, Series 2006 1X, Class 2A1, 0.379%, due 9/20/2066 *	1,968	2.54	100	Cabot Financial Luxembourg SA, 10.375%, due 10/1/2019	171	0.22	1,125	Lockheed Martin Corp, 3.800%, due 3/1/2045	1,121	1.45	
EUR	1,642	Aire Valley Mortgages Plc, Series 2005 1X, Class 2A2, 0.439%, due 9/20/2066 *	1,802	2.33	400	Cabot Financial Luxembourg SA, 6.500%, due 4/1/2021	577	0.74	1,175	Triumph Group Inc, 5.250%, due 6/1/2022	1,158	1.49	
	157	Aire Valley Mortgages Plc, Series 2006 1X, Class 1A, 0.467%, due 9/20/2066 *	153	0.20			748	0.96			2,279	2.94	
GBP	635	Aire Valley Mortgages Plc, Series 2006 1X, Class 2A2, 0.860%, due 9/20/2066 *	955	1.23	Food — 2.59%				Agriculture — 2.09%				
	196	Aire Valley Mortgages Plc, Series 2007 1A, Class 2A1, 144A, 0.487%, due 9/20/2066 *	191	0.25	370	Bakkavor Finance 2 Plc, 8.250%, due 2/15/2018	595	0.77	850	Alliance One International Inc, 9.875%, due 7/15/2021	716	0.92	
EUR	462	Aire Valley Mortgages Plc, Series 2007 1X, Class 2A2, 0.339%, due 9/20/2066 *	505	0.65	980	Boparan Finance Plc, 5.250%, due 7/15/2019	1,413	1.82	845	Vector Group Ltd, 7.750%, due 2/15/2021	902	1.17	
GBP	384	Auburn Securities Plc, Series 5, Class A2, 0.824%, due 12/1/2041 *	576	0.74			2,008	2.59			1,618	2.09	
	530	Banc of America Commercial Mortgage Trust, Series 2007 3, Class B, 5.576%, due 6/10/2049 *	540	0.70	Healthcare-Services — 0.75%				Banks — 4.40%				
	222	Bayview Commercial Asset Trust, Series 2006 1A, Class A2, 144A, 0.531%, due 4/25/2036 *	195	0.25	400	Care UK Health & Social Care Plc, 5.560%, due 7/15/2019 *	581	0.75	1,020	Bank of America Corp, 4.200%, due 8/26/2024	1,056	1.36	
EUR	68	Hipocat 11 Fondo de Titulizacion de Activos, Series HIPO 11, Class A2, 0.201%, due 1/15/2050 *	69	0.09	Internet — 1.01%				1,220	Goldman Sachs Group Inc, 1.357%, due 11/15/2018 *	1,232	1.59	
	15	JP Morgan Chase Commercial Mortgage Securities Trust, Series 2007-LD12, Class AM, 6.012%, due 2/15/2051 *	16	0.02	650	United Group BV, 7.875%, due 11/15/2020	786	1.01	1,120	Morgan Stanley, 0.975%, due 1/5/2018 *	1,122	1.45	
	120	Magellan Mortgages No 2 Plc, Series 2, Class B, 1.169%, due 7/18/2036 *	129	0.17	Multi-National — 0.38%						3,410	4.40	
	57	Merrill Lynch Mortgage Investors Trust, Series 2005 A6, Class 2A2, 0.451%, due 8/25/2035 *	57	0.08	18,500	European Bank for Reconstruction & Development, 6.200%, due 6/27/2015	299	0.38	Beverages — 1.40%				
EUR	100	RMAC Securities No 1 Plc, Series 2007 NS1X, Class M2C, 0.553%, due 6/12/2044 *	96	0.12	Retail — 1.41%				BRL	3,120	Anheuser-Busch InBev Worldwide Inc, 9.750%, due 11/17/2015	1,083	1.40
EUR	575	Rural Hipotecario I Fondo De Titulizacion Hipotec, Series 9, Class A2, 0.188%, due 2/17/2050 *	626	0.81	750	Arcos Dorados Holdings Inc, 144A, 10.250%, due 7/13/2016	247	0.32	Building Materials — 1.69%				
EUR	276	TDA 24 Fondo de Titulizacion de Activos, Series 24, Class A1, 0.209%, due 6/22/2040 *	296	0.38	820	Edcon Proprietary Ltd, 9.500%, due 3/1/2018	750	0.97	620	Cemex Finance LLC, 144A, 6.000%, due 4/1/2024	621	0.80	
EUR	100	TDA CAM 2 Fondo de Titulizacion de Activos, Series 2, Class B, 0.755%, due 10/26/2032 *	105	0.13	100	Edcon Proprietary Ltd, 9.500%, due 3/1/2018	92	0.12	700	Cemex Finance LLC, 6.000%, due 4/1/2024	693	0.89	
	140	Wachovia Bank Commercial Mortgage Trust, Series 2006 C26, Class A1, 6.002%, due 6/15/2045 *	141	0.18			1,089	1.41			1,314	1.69	
		Total Collateralised Mortgage-Backed Obligations (Cost \$9,090)	8,420	10.87	Telecommunications — 3.62%				Chemicals — 2.21%				
		Foreign Corporate Bonds and Notes — 13.98%			1,270	Altice SA, 7.250%, due 5/15/2022	1,508	1.95	930	Hexion US Finance Corp, 6.625%, due 4/15/2020	888	1.15	
		Building Materials — 1.32%			1,050	Eircom Finance Ltd, 9.250%, due 5/15/2020	1,292	1.67	825	Tronox Finance LLC, 6.375%, due 8/15/2020	822	1.06	
		990 Grupo Isolux Corsan Finance BV, 6.625%, due 4/15/2021	1,019	1.32			2,800	3.62			1,710	2.21	
		Electric — 1.94%			Total Foreign Corporate Bonds and Notes (Cost \$11,830)				Financials-Diversified — 5.85%				
		450 NWN Finance Plc, 5.875%, due 6/21/2021	736	0.95	Foreign Government Bonds and Notes — 15.46%				585	DFC Finance Corp, 144A, 10.500%, due 6/15/2020	483	0.62	
		670 Viridian Group Fund Co II Ltd, 7.500%, due 3/1/2020	765	0.99	Australia Government Issues — 1.93%				1,420	General Electric Capital Corp, 0.872%, due 1/9/2020 *	1,423	1.84	
			1,501	1.94	1,860	Australia Government Bond, Series 137, 2.750%, due 4/21/2024	1,495	1.93	800	Jefferies Finance LLC / JFIN Co-Issuer Corp, 144A, 7.375%, due 4/1/2020	792	1.02	
					Indonesia Government Issues — 2.36%				1,245	Jefferies Finance LLC / JFIN Co-Issuer Corp, 144A, 6.875%, due 4/15/2022	1,201	1.55	
					22,752,000	Indonesia Treasury Bond, Series FR69, 7.875%, due 4/15/2019	1,831	2.36	785	TMX Finance LLC / TitleMax Finance Corp, 144A, 8.500%, due 9/15/2018	632	0.82	
					Ireland Government Issues — 1.85%						4,531	5.85	
					725	Ireland Government Bond, 0.800%, due 3/15/2022	825	1.07	Food — 0.54%				
					515	Ireland Government Bond, 2.000%, due 2/18/2045	607	0.78	420	HJ Heinz Co, 144A, 4.875%, due 2/15/2025	422	0.54	
							1,432	1.85	Oil & Gas — 4.24%				
					Italy Government Issues — 2.58%				725	Alta Mesa Holdings LP / Alta Mesa Finance Services Corp, 9.625%, due 10/15/2018	584	0.75	
					1,175	Italy Buoni Poliennali Del Tesoro, 5.000%, due 9/1/2040	1,997	2.58	1,075	Bonanza Creek Energy Inc, 6.750%, due 4/15/2021	1,053	1.36	
					Mexico Government Issues — 4.65%				915	Linn Energy LLC / Linn Energy Finance Corp, 6.250%, due 11/1/2019	780	1.01	
					29,964	Mexican Bonos, Series M, 6.500%, due 6/9/2022	2,127	2.75	885	Penn Virginia Corp, 8.500%, due 5/1/2020	867	1.12	
					17,277	Mexican Bonos, Series M 30, 8.500%, due 11/18/2038	1,476	1.90			3,284	4.24	
							3,603	4.65	Pharmaceuticals — 0.64%				
					New Zealand Government Issues — 2.09%				475	AmerisourceBergen Corp, 4.250%, due 3/1/2045	493	0.64	
					2,160	New Zealand Government Bond, Series 420, 3.000%, due 4/15/2020	1,616	2.09	Software — 0.51%				
					Total Foreign Government Bonds and Notes (Cost \$12,118)				400	RoIta Americas LLC, 8.875%, due 7/24/2019	395	0.51	

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Legg Mason Brandywine Global Income Optimiser Fund[^]

Portfolio of Investments as at February 28, 2015 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Shares/Units (000's)	Value (000's) \$	% of Net Asset Value
U.S. Corporate Bonds and Notes — (continued)			Jersey — 0.97%			Collective Investment Schemes — 6.91%		
Telecommunications — 3.23%			750 Cleopatra Finance Ltd, 144A, 6.250%, due 2/15/2022			5,356 Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class		
1,140 Sprint Corp, 7.250%, due 9/15/2021	1,162	1.50	751	0.97		5,356	6.91	
1,265 T-Mobile USA Inc, 6.500%, due 1/15/2024	1,338	1.73	Luxembourg — 2.34%			Total Collective Investment Schemes (Cost \$5,356)		
	2,500	3.23	505 Telecom Italia Capital SA, 6.375%, due 11/15/2033			5,356		
			1,220 Wind Acquisition Finance SA, 144A, 7.375%, due 4/23/2021			6.91		
Total U.S. Corporate Bonds and Notes (Cost \$23,604)	23,039	29.74				Total Investments (Cost \$77,467)		
						75,126		
U.S. Denominated Bonds and Notes — 20.02%						Other Assets in Excess of Liabilities		
Australia — 1.69%						2,343		
1,305 Macquarie Bank Ltd, 0.886%, due 10/27/2017 *	1,305	1.69				Total Net Assets		
						\$77,469		
Austria — 2.24%			Malaysia — 0.26%					
1,700 JBS Investments GmbH, 144A, 7.250%, due 4/3/2024	1,734	2.24	200 MMI International Ltd, 144A, 8.000%, due 3/1/2017			100.00		
			199					
Barbados — 1.29%			Mexico — 2.30%					
950 Columbus International Inc, 144A, 7.375%, due 3/30/2021	998	1.29	1,720 BBVA Bancomer SA/Texas, 144A, 4.375%, due 4/10/2024					
			1,784			2.30		
Bermuda — 3.72%			Panama — 0.86%					
1,000 Digicel Group Ltd, 144A, 8.250%, due 9/30/2020	1,011	1.31	650 Avianca Holdings SA / Avianca Leasing LLC / Grupo Taca Holdings Ltd, 144A, 8.375%, due 5/10/2020					
600 Digicel Group Ltd, 8.250%, due 9/30/2020	607	0.78	669			0.86		
1,250 Fly Leasing Ltd, 6.750%, due 12/15/2020	1,266	1.63						
	2,884	3.72	United Kingdom — 2.33%					
			1,220 Abbey National Treasury Services Plc/London, 0.665%, due 9/29/2017 *			1.57		
			670 Tullow Oil Plc, 144A, 6.250%, due 4/15/2022			0.76		
						1.806		
			Total U.S. Denominated Bonds and Notes (Cost \$15,469)			20.02		
						15,506		
Cayman Islands — 1.74%								
1,335 Alibaba Group Holding Ltd, 144A, 3.600%, due 11/28/2024	1,346	1.74						
Croatia — 0.28%								
200 Agrokor dd, 144A, 8.875%, due 2/1/2020	219	0.28						

144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2015, these securities amounted to \$15,357,000 or 19.82% of net assets.

* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2015.

ABBREVIATIONS:

BRL – Brazilian Real
EUR – Euro
GBP – British Pound

ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR FORWARDS AND SWAPS WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS DEALT IN ON A REGULATED MARKET AND COLLECTIVE INVESTMENT SCHEMES.

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	89.16
Financial derivative instruments	1.15
Collective investment schemes	6.84
Other assets	2.85
Total Assets	100.00

Schedule of Credit Default Swaps

Counterparty	Reference Entity	Buy/Sell Protection	Expiration Date	Notional Amount (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Citigroup	Clariant AG, 1.000%, due 3/20/20	Buy	3/20/20	1,160	\$ (10)
Citigroup	Markit iTraxx Europe, 1.000%, due 12/20/19	Buy	12/20/19	340	(8)
Citigroup	Markit iTraxx Europe, 1.000%, due 12/20/19	Buy	12/20/19	440	(12)
Citigroup	Markit iTraxx Europe, 5.000%, due 12/20/19	Buy	12/20/19	2,210	(258)
Citigroup	Marks & Spencer, 1.000%, due 3/20/20	Buy	3/20/20	1,560	(8)
Citigroup	Yum! Brands Inc, 1.000%, due 3/20/20	Buy	3/20/20	1,450	(26)
JP Morgan Securities Inc	Societe Generale SA, 1.000%, due 3/20/20	Buy	3/20/20	1,735	(34)
					\$ (356)
Unrealised Appreciation of Credit Default Swaps					–
Unrealised Depreciation of Credit Default Swaps					(356)
Net Depreciation of Credit Default Swaps					\$ (356)

[^] Not authorised for sale to the public in Hong Kong.

The accompanying notes are an integral part of the Financial Statements

Legg Mason Brandywine Global Income Optimiser Fund[^]

Portfolio of Investments as at February 28, 2015 – (continued)

Schedule of Forward Contracts

Expiration Date	Counterparty		Buy Currency (000's)			Sell Currency (000's)		Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/02/15	BNY Mellon	Buy	USD	7	Sell	EUR	6	\$ –
03/03/15	BNY Mellon	Buy	USD	6	Sell	EUR	5	–
03/03/15	BNY Mellon	Buy	USD	462	Sell	GBP	300	(1)
03/05/15	UBS	Buy	BRL	60	Sell	USD	23	(2)
03/13/15	BNY Mellon	Buy	USD	37	Sell	EUR	32	–
03/13/15	BNY Mellon	Buy	USD	49	Sell	GBP	32	–
03/13/15	BNY Mellon	Buy	USD	969	Sell	GBP	636	(12)
03/13/15	BNY Mellon	Buy	SEK	42,505	Sell	USD	5,067	32
03/13/15	BNY Mellon	Buy	EUR	8,995	Sell	USD	10,204	(137)
03/13/15	BNY Mellon	Buy	GBP	236	Sell	USD	365	–
03/13/15	BNY Mellon	Buy	GBP	10,389	Sell	USD	15,860	177
03/13/15	HSBC	Buy	USD	4,954	Sell	GBP	3,156	82
03/13/15	JP Morgan	Buy	GBP	560	Sell	CAD	1,017	51
03/13/15	Morgan Stanley	Buy	USD	877	Sell	GBP	560	12
03/13/15	Morgan Stanley	Buy	GBP	685	Sell	USD	1,038	19
03/13/15	UBS	Buy	USD	1,201	Sell	GBP	795	(26)
04/13/15	HSBC	Buy	USD	1,294	Sell	MXN	18,950	29
04/16/15	Citigroup	Buy	USD	3,183	Sell	NZD	4,150	59
04/16/15	HSBC	Buy	USD	148	Sell	NZD	200	(2)
04/22/15	Citigroup	Buy	USD	1,475	Sell	CHF	1,285	124
04/22/15	Citigroup	Buy	CHF	1,285	Sell	USD	1,502	(151)
05/07/15	Barclays Capital	Buy	USD	623	Sell	BRL	1,770	12
05/07/15	Barclays Capital	Buy	USD	775	Sell	BRL	2,270	(9)
05/12/15	Citigroup	Buy	USD	17,365	Sell	EUR	15,255	279
05/12/15	Morgan Stanley	Buy	USD	580	Sell	EUR	505	14
05/12/15	Morgan Stanley	Buy	EUR	285	Sell	USD	320	(1)
05/13/15	Barclays Capital	Buy	USD	741	Sell	KRW	811,000	7
05/14/15	Morgan Stanley	Buy	USD	1,495	Sell	AUD	1,920	\$ 1
Unrealised Appreciation of Forward Foreign Currency Contracts								898
Unrealised Depreciation of Forward Foreign Currency Contracts								(341)
Net Appreciation of Forward Foreign Currency Contracts								\$ 557

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The accompanying notes are an integral part of the Financial Statements

Legg Mason Brandywine Global Credit Opportunities Fund[^]

Portfolio of Investments as at February 28, 2015

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
Asset-Backed Securities — 8.31%						New Zealand Government Issues — 1.62%		
2,000			EUR 460			1,000		
Figueroa CLO Ltd, Series 2013-1A, Class D, 144A, 5.032%, due 3/21/2024 *	1,785	3.30	Infinity 2007-1, Series SOPR, Class A, 0.235%, due 11/5/2019 *	478	0.89	New Zealand Government Bond, Series 423, 5.500%, due 4/15/2023	874	1.62
1,890			EUR 3,350			Portugal Government Issues — 3.08%		
Option One Mortgage Loan Trust, Series 2005 4, Class M1, 0.611%, due 11/25/2035 *	1,780	3.30	Kildare Securities Ltd, Series 1, Class A3, 0.282%, due 12/10/2043 *	3,577	6.62	1,170		
931			EUR 1,558			Portugal Obrigacoes do Tesouro OT, 144A, 4.100%, due 2/15/2045	1,666	3.08
SJM Private Credit Student Loan Trust, Series 2005-B, Class C, 0.941%, due 6/15/2039 *	925	1.71	EUR 100			Total Foreign Government Bonds and Notes (Cost \$3,222)		
Total Asset-Backed Securities (Cost \$4,533)							3,392	6.28
Collateralised Mortgage-Backed Obligations — 81.30%						Shares/Units (000's)		
EUR 100			EUR 1,616			Collective Investment Schemes — 1.57%		
Atlantes Mortgage Plc, Series 1, Class B, 1.369%, due 1/17/2036 *	109	0.20	RMAC Securities No 1 Plc, Series 2006-NS1X, Class B1C, 0.963%, due 6/12/2044 *	1,589	2.94	848		
EUR 1,317			EUR 3,744			Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	848	1.57
BBVA RMB5 2 Fondo de Titulizacion de Activos, Series 2, Class A2, 0.222%, due 9/17/2050 *	1,434	2.66	EUR 1,100			Total Collective Investment Schemes (Cost \$848)		
2,500			EUR 300			Total Investments (Cost \$55,432)		
Carlyle Global Market Strategies CLO Ltd, Series 2012-4A, Class E, 144A, 5.757%, due 1/20/2025 *	2,375	4.40	TDA 24 Fondo de Titulizacion de Activos, Series 16, Class B1, 0.729%, due 3/22/2035 *	313	0.58	52,636 97.46		
2,150			EUR 517			Other Assets in Excess of Liabilities		
Citigroup Commercial Mortgage Trust, Series 2007-C6, Class AJFX, 144A, 5.713%, due 7/10/2017 *	2,111	3.91	EUR 3,000			1,373 2.54		
840			EUR 752			Total Net Assets		
Fannie Mae Connecticut Avenue Securities, Series 2014 C03, Class 1M2, 3.171%, due 7/25/2024 *	793	1.47	EUR 1,192			\$54,009 100.00		
1,000			EUR 2,314			144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2015, these securities amounted to \$7,937,000 or 14.69% of net assets.		
Fannie Mae Connecticut Avenue Securities, Series 2014 C03, Class 2M2, 3.071%, due 7/25/2024 *	940	1.74	EUR 165			* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2015.		
EUR 1,257			EUR 1,223			ABBREVIATIONS:		
Fondo de Titulizacion de Activos UCI, Series 16, Class A2, 0.232%, due 6/16/2049 *	1,262	2.34	EUR 2,314			EUR – Euro		
EUR 188			EUR 2,395			ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR FORWARDS, AND SWAPS WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS DEALT IN ON A REGULATED MARKET AND COLLECTIVE INVESTMENT SCHEMES.		
Fondo de Titulizacion de Activos UCI, Series 9, Class B, 0.731%, due 6/19/2035 *	199	0.37	EUR 164			% of Total Assets		
3,000			EUR 2,184			Analysis of Total Assets		
Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2014 DN3, Class M3, 4.171%, due 8/25/2024 *	3,004	5.56	Total Collateralised Mortgage-Backed Obligations (Cost \$46,829)			Transferable securities admitted to an official exchange listing or traded on a regulated market 95.06		
EUR 344			Foreign Government Bonds and Notes — 6.28%			Financial derivative instruments 1.60		
Grifonas Finance Plc, Series 1, Class A, 0.551%, due 8/28/2039 *	287	0.53	Australia Government Issues — 1.58%			Collective investment schemes 1.56		
EUR 378			1,060			Other assets 1.78		
Hipocat 8 Fondo de Titulizacion de Activos, Series 8, Class B, 0.242%, due 3/15/2038 *	372	0.69	Australia Government Bond, Series 137, 2.750%, due 4/21/2024			Total Assets		
EUR 3,124			852			100.00		
IM Pastor 3 Fondo de Titulizacion Hipotecaria, Series 3, Class A, 0.219%, due 3/22/2043 *	3,137	5.81						
EUR 5,468								
IM Pastor 4 Fondo de Titulizacion de Activos, Series 4, Class A, 0.219%, due 3/22/2044 *	5,506	10.19						

Schedule of Credit Default Swaps

Counterparty	Reference Entity	Buy/Sell Protection	Expiration Date	Notional Amount (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Citigroup	French Republic, 0.250%, due 12/20/19	Buy	12/20/19	1,110	\$ 6
Citigroup	Markit CDX.NA.HY, 5.000%, due 12/20/19	Sell	12/20/19	2,663	202
JP Morgan Securities Inc	Markit CMBX, 5.000%, due 5/11/63	Sell	5/11/63	460	5
JP Morgan Securities Inc	Markit CMBX.NA.BB, 5.000%, due 1/17/47	Sell	1/17/47	1,085	(12)
JP Morgan Securities Inc	Markit CMBX.NA.BB, 5.000%, due 1/17/47	Sell	1/17/47	575	(6)
JP Morgan Securities Inc	Markit CMBX.NA.BB, 5.000%, due 5/11/63	Sell	5/11/63	115	1
Morgan Stanley	Markit CMBX.NA.BB, 5.000%, due 1/17/47	Sell	1/17/47	695	(7)
Morgan Stanley	Markit CMBX.NA.BB, 5.000%, due 1/17/47	Sell	1/17/47	1,085	(12)
Morgan Stanley	Markit CMBX.NA.BB, 5.000%, due 1/17/47	Sell	1/17/47	535	(6)
					\$ 171
Unrealised Appreciation of Credit Default Swaps					214
Unrealised Depreciation of Credit Default Swaps					(43)
Net Appreciation of Credit Default Swaps					\$ 171

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The accompanying notes are an integral part of the Financial Statements

Legg Mason Brandywine Global Credit Opportunities Fund[^]

Portfolio of Investments as at February 28, 2015 – (continued)

Schedule of Forward Contracts

Expiration Date	Counterparty	Buy Currency (000's)			Sell Currency (000's)			Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/13/15	BNY Mellon	Buy	USD	2	Sell	GBP	1	\$ –
03/13/15	BNY Mellon	Buy	USD	4	Sell	GBP	3	–
03/13/15	BNY Mellon	Buy	EUR	3,483	Sell	USD	3,950	(53)
03/13/15	BNY Mellon	Buy	GBP	1,408	Sell	USD	2,150	24
03/13/15	BNY Mellon	Buy	GBP	17	Sell	USD	27	–
04/16/15	UBS	Buy	USD	862	Sell	NZD	1,185	(30)
05/12/15	Barclays Capital	Buy	EUR	1,115	Sell	USD	1,268	(20)
05/12/15	Citigroup	Buy	USD	39,367	Sell	EUR	34,580	636
05/12/15	Citigroup	Buy	EUR	490	Sell	USD	549	–
05/12/15	JP Morgan	Buy	EUR	245	Sell	USD	280	(5)
05/12/15	UBS	Buy	EUR	2,220	Sell	USD	2,535	(48)
05/14/15	Morgan Stanley	Buy	USD	853	Sell	AUD	1,095	1
Unrealised Appreciation of Forward Foreign Currency Contracts								661
Unrealised Depreciation of Forward Foreign Currency Contracts								(156)
Net Appreciation of Forward Foreign Currency Contracts								\$ 505

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The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Brazil Equity Fund

Portfolio of Investments as at February 28, 2015

Shares (000's)	Value (000's) \$	% of Net Asset Value	ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET.	% of Total Assets
Common Stock — 64.90%				
Apparel — 3.45%				
3 Guararapes Confecoos SA	94	3.45		
Auto Parts & Equipment — 2.16%				
– Iochpe-Maxion SA	–	–		
11 Tupy SA	59	2.16		
	59	2.16		
Commercial Services — 15.88%				
10 CCR SA	55	2.01		
17 Contax Participacoes SA	54	1.98		
27 EcoRodovias Infraestrutura e Logistica SA	100	3.67		
13 Estacio Participacoes SA	91	3.34		
9 Valid Solucoes E Servicos de Seguranca Em Meios de Pagamento E Identificacao SA	133	4.88		
	433	15.88		
Electric — 3.30%				
14 Alupar Investimento SA	90	3.30		
Financials – Diversified — 4.07%				
32 BM&FBovespa SA – Bolsa de Valores Mercadorias e Futuros	111	4.07		
Food — 11.69%				
5 BRF SA	117	4.29		
18 JBS SA	80	2.93		
9 Sao Martinho SA	122	4.47		
	319	11.69		
Forest Products & Paper — 7.70%				
37 Klabin SA	210	7.70		
Home Builders — –%				
– Even Construtora e Incorporadora SA	–	–		
Insurance — 5.43%				
13 BB Seguridade Participacoes SA	148	5.43		
Oil & Gas — 3.92%				
11 Cosan SA Industria E Comercio	107	3.92		
Real Estate — 4.07%				
7 Direcional Engenharia SA	14	0.51		
10 Iguatemi Empresa de Shopping Centers SA	97	3.56		
	111	4.07		
Transportation — 3.23%				
18 Tegma Gestao Logistica	88	3.23		
Total Common Stock (Cost \$2,097)	1,770	64.90		
Preferred Stock — 32.64%				
Banks — 14.96%				
23 Banco ABC Brasil SA	95	3.48		
10 Banco Bradesco SA	127	4.66		
14 Itau Unibanco Holding SA	186	6.82		
	408	14.96		
Forest Products & Paper — 7.15%				
46 Suzano Papel e Celulose SA	195	7.15		
Iron/Steel — 4.00%				
30 Gerdau SA	109	4.00		
Media — 0.84%				
15 Saraiva SA Livreiros Editores	23	0.84		
Oil & Gas — 1.62%				
13 Petroleo Brasileiro SA	44	1.62		
Retail — 4.07%				
19 Lojas Americanas SA	111	4.07		
Total Preferred Stock (Cost \$1,184)	890	32.64		
Total Investments (Cost \$3,281)	2,660	97.54		
Other Assets in Excess of Liabilities	67	2.46		
Total Net Assets	\$2,727	100.00		

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

The accompanying notes are an integral part of the Financial Statements

Legg Mason ClearBridge Growth Fund

Portfolio of Investments as at February 28, 2015

Shares (000's)	Value (000's) \$	% of Net Asset Value	Shares (000's)	Value (000's) \$	% of Net Asset Value
Common Stock — 98.15%			Utilities — 1.66%		
Airlines — 3.53%			6 Calpine Corp 132 1.66		
2 Spirit Airlines Inc	130	1.64	Total Common Stock (Cost \$5,989) 7,793 98.15		
2 United Continental Holdings Inc	150	1.89	Total Investments (Cost \$5,989) 7,793 98.15		
	280	3.53	Other Assets in Excess of Liabilities 147 1.85		
Basic Materials — 2.02%			Total Net Assets \$7,940 100.00		
2 Monsanto Co	160	2.02	— Amounts designated as “—” are either \$0, less than \$1,000 or less than 1,000 shares.		
Beverages — 3.08%			ABBREVIATIONS:		
3 Brown-Forman Corp, Class B	244	3.08	ADR — American Depositary Receipt		
Communications — 8.75%			ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET.		
1 Amazon.com Inc	201	2.53	Analysis of Total Assets		
5 FireEye Inc	221	2.78	Transferable securities admitted to an official exchange listing or traded on a regulated market 97.63		
2 Scripps Networks Interactive Inc, Series A	112	1.41	Other assets 2.37		
1 Twitter Inc	72	0.91	Total Assets 100.00		
2 Yahoo! Inc	89	1.12			
	695	8.75			
Consumer, Cyclical — 14.95%					
1 Delphi Automotive Plc	108	1.36			
5 Kate Spade & Co	172	2.17			
2 Las Vegas Sands Corp	125	1.57			
3 Lowe's Cos Inc	220	2.77			
2 NIKE Inc, Class B	157	1.98			
1 Ralph Lauren Corp	162	2.04			
3 Starbucks Corp	243	3.06			
	1,187	14.95			
Consumer, Non-cyclical — 16.65%					
1 Amgen Inc	237	2.98			
— BioMarin Pharmaceutical Inc	52	0.65			
— The Boston Beer Co Inc	54	0.68			
3 Bristol-Myers Squibb Co	164	2.07			
1 Celgene Corp	121	1.52			
1 Diageo Plc, ADR	101	1.27			
4 Nektar Therapeutics	52	0.66			
2 Occidental Petroleum Corp	140	1.76			
1 Perrigo Co Plc	170	2.14			
5 Roche Holding AG, ADR	154	1.94			
1 Vertex Pharmaceuticals Inc	78	0.98			
	1,323	16.65			
Energy — 3.78%					
3 Cabot Oil & Gas Corp	74	0.93			
5 California Resources Corp	39	0.49			
1 EOG Resources Inc	83	1.05			
1 Schlumberger Ltd	104	1.31			
	300	3.78			
Financial — 5.92%					
5 American Homes 4 Rent	95	1.20			
2 Discover Financial Services	110	1.38			
5 E*Trade Financial Corp	130	1.64			
3 The Nasdaq OMX Group Inc	135	1.70			
	470	5.92			
Industrial — 6.91%					
1 The Boeing Co	166	2.09			
1 Emerson Electric Co	68	0.85			
1 Martin Marietta Materials Inc	142	1.79			
1 Precision Castparts Corp	173	2.18			
	549	6.91			
Internet — 3.82%					
— Google Inc	151	1.90			
— Google Inc, Class A	152	1.92			
	303	3.82			
Technology — 27.08%					
1 Accenture Plc	108	1.36			
5 Apple Inc	598	7.53			
1 Athenahealth Inc	159	2.00			
3 Cvent Inc	81	1.02			
7 EMC Corp	197	2.48			
3 Qlik Technologies Inc	117	1.47			
4 Rackspace Hosting Inc	205	2.58			
3 Red Hat Inc	227	2.86			
3 salesforce.com inc	180	2.27			
2 ServiceNow Inc	195	2.46			
3 Veeva Systems Inc	83	1.05			
	2,150	27.08			

The accompanying notes are an integral part of the Financial Statements

Legg Mason ClearBridge Global Equity Fund[^]

Portfolio of Investments as at February 28, 2015

Shares (000's)	Value (000's) \$	% of Net Asset Value	Shares (000's)	Value (000's) \$	% of Net Asset Value	Shares (000's)	Value (000's) \$	% of Net Asset Value
Common Stock — 98.24%								
Australia — 2.54%								
8	GUD Holdings Ltd	47	0.94					
25	Incitec Pivot Ltd	80	1.60					
		127	2.54					
Austria — 1.60%								
1	Erste Group Bank AG	23	0.46					
4	Wienerberger AG	57	1.14					
		80	1.60					
Belgium — 0.86%								
1	Belgacom SA	43	0.86					
Bermuda — 1.20%								
3	Aircastle Ltd	60	1.20					
Brazil — 2.04%								
11	Duratex SA	29	0.58					
8	Grendene SA	44	0.88					
3	Grupo BTG Pactual	29	0.58					
		102	2.04					
Canada — 0.60%								
14	Bombardier Inc	30	0.60					
China — 0.84%								
50	China Construction Bank Corp, Class H	42	0.84					
Denmark — 0.84%								
	– AP Moeller – Maersk A/S	42	0.84					
Finland — 0.68%								
1	Kesko OYJ	34	0.68					
France — 12.60%								
3	AXA SA	77	1.54					
1	BNP Paribas SA	51	1.02					
1	Bouygues SA	52	1.04					
1	Danone SA	84	1.69					
2	GDF Suez	49	0.98					
1	Safran SA	76	1.53					
2	Saft Groupe SA	63	1.26					
1	Sanofi	67	1.34					
2	Tarkett SA	43	0.86					
1	Total SA	67	1.34					
		629	12.60					
Germany — 7.65%								
	– Allianz SE	69	1.39					
	– Bayer AG	65	1.30					
1	Daimler AG	52	1.04					
3	Deutsche Telekom AG	52	1.04					
	– HeidelbergCement AG	37	0.74					
3	ThyssenKrupp AG	69	1.38					
1	Wincor Nixdorf AG	38	0.76					
		382	7.65					
Greece — 0.28%								
2	OPAP SA	14	0.28					
Hong Kong — 3.81%								
31	Anta Sports Products Ltd	61	1.23					
90	Pacific Online Ltd	34	0.68					
46	TravelSky Technology Ltd	50	1.00					
62	Yingde Gases Group Co Ltd	45	0.90					
		190	3.81					
Ireland — 2.63%								
1	Accenture Plc, Class A	30	0.60					
10	C&C Group Plc	46	0.92					
1	Endo International Plc	55	1.11					
		131	2.63					
Israel — 2.08%								
2	Teva Pharmaceutical Industries Ltd, ADR	104	2.08					
Italy — 1.56%								
10	Anima Holding SpA, 144A	56	1.12					
31	Banca Monte dei Paschi di Siena SpA	22	0.44					
		78	1.56					
Japan — 11.02%								
4	Daiwa Securities Group Inc	36	0.72					
12	Hitachi Ltd	84	1.69					
		550	11.02					
Netherlands — 4.15%								
	– Akzo Nobel NV	51	1.02					
23	Koninklijke KPN NV	78	1.57					
2	Unilever NV (Dutch Cert)	78	1.56					
		207	4.15					
Norway — 1.86%								
4	Marine Harvest ASA	46	0.92					
6	Orkla ASA	47	0.94					
		93	1.86					
Russia — 0.54%								
5	Gazprom OAO, ADR	27	0.54					
South Korea — 1.98%								
2	KT Corp	36	0.72					
	– POSCO	63	1.26					
		99	1.98					
Spain — 1.14%								
5	Banco Santander SA	40	0.80					
2	Indra Sistemas SA	17	0.34					
		57	1.14					
Sweden — 2.34%								
1	Mekonomen AB	31	0.62					
7	Telefonaktiebolaget LM Ericsson	86	1.72					
		117	2.34					
Switzerland — 3.67%								
1	Adecco SA	89	1.78					
1	Nestle SA	94	1.89					
		183	3.67					
Turkey — 0.82%								
11	Turkiye Garanti Bankasi AS	41	0.82					
United Kingdom — 11.72%								
3	Anglo American Plc	46	0.92					
13	Barclays Plc	52	1.04					
10	BP Plc	69	1.38					
13	G4S Plc	61	1.23					
2	GlaxoSmithKline Plc	51	1.02					
4	Greggs Plc	52	1.04					
7	Laird Plc	37	0.74					
39	Lloyds Banking Group Plc	48	0.96					
36	Shanks Group Plc	60	1.20					
4	Standard Chartered Plc	57	1.15					
15	Vodafone Group Plc	52	1.04					
		585	11.72					
United States — 17.19%								
4	Alcoa Inc	60	1.20					
1	Amgen Inc	53	1.07					
	– Apache Corp	27	0.54					
2	Apollo Group Inc	51	1.02					
1	Banco Latinoamericano de Comercio Exterior SA	41	0.82					
2	Carnival Corp	80	1.61					
2	Cisco Systems Inc	62	1.24					
1	Citigroup Inc	48	0.96					
	– CVS Caremark Corp	54	1.08					
1	Exelon Corp	47	0.94					
2	Fabrinet	39	0.78					
1	Halliburton Co	33	0.66					
1	JPMorgan Chase & Co	53	1.07					
	– Merck & Co Inc	19	0.38					
1	MetLife Inc	35	0.70					
1	Opus Bank	52	1.04					
2	Spirit AeroSystems Holdings Inc, Class A	59	1.18					
2	Veeco Instruments Inc	45	0.90					
		858	17.19					
Total Common Stock (Cost \$4,818)			4,905			98.24		
Right — 0.00%								
Denmark — --%								
	– AP Moeller – Maersk A/S ∞	–	–					
Total Right (Cost \$–)			–			–		
Total Investments (Cost \$4,818)			4,905			98.24		
Other Assets in Excess of Liabilities			88			1.76		
Total Net Assets			\$4,993			100.00		
– Amounts designated as “–” are either \$0, less than \$1,000 or less than 1,000 shares.								
144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2015, these securities amounted to \$56,000 or 1.12% of net assets.								
∞ Security is valued in good faith at fair value by or at the discretion of the Investment Manager.								
ABBREVIATIONS:								
ADR – American Depositary Receipt								
ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET.								
Analysis of Total Assets							% of Total Assets	
Transferable securities admitted to an official exchange listing or traded on a regulated market							97.59	
Other assets							2.41	
Total Assets							100.00	

[^] Not authorised for sale to the public in Hong Kong.

The accompanying notes are an integral part of the Financial Statements

Legg Mason ClearBridge Global Equity Income Fund[^]

Portfolio of Investments as at February 28, 2015

Shares (000's)	Value (000's) \$	% of Net Asset Value	Shares (000's)	Value (000's) \$	% of Net Asset Value	Shares (000's)	Value (000's) \$	% of Net Asset Value
Common Stock — 100.07%			Ireland — 3.04%			United States — 9.89%		
Australia — 4.15%			11 C&C Group Plc 45 0.94			1 Banco Latinoamericano de Comercio Exterior SA 43 0.90		
10 GUD Holdings Ltd 61 1.28			2 CRH Plc 61 1.28			2 Carnival Corp 85 1.78		
28 Incitec Pivot Ltd 88 1.84			33 Irish Residential Properties REIT Plc 39 0.82			3 Cisco Systems Inc 87 1.82		
5 McMillan Shakespeare Ltd 49 1.03			145 3.04			2 Exelon Corp 63 1.32		
198 4.15			Israel — 2.39%			1 International Paper Co 80 1.68		
Belgium — 1.03%			2 Teva Pharmaceutical Industries Ltd, ADR 114 2.39			1 Merck & Co Inc 70 1.47		
1 Belgacom SA 49 1.03			Italy — 2.45%			1 Microsoft Corp 44 0.92		
Bermuda — 3.42%			9 Anima Holding SpA, 144A 54 1.13			Total Common Stock (Cost \$4,866) 4,775 100.07		
3 Aircastle Ltd 65 1.36			4 MARR SpA 63 1.32			Preferred Stock — 0.71%		
52 Le Saunda Holdings Ltd 20 0.42			117 2.45			Germany — 0.71%		
20 Yue Yuen Industrial Holdings Ltd 78 1.64			Japan — 11.44%			2 RWEL AG 34 0.71		
163 3.42			2 Asahi Holdings Inc 33 0.69			Total Preferred Stock (Cost \$49) 34 0.71		
Brazil — 3.16%			2 Avex Group Holdings Inc 39 0.82			Right — 0.00%		
11 Cyrela Brazil Realty SA 45 0.94			6 Calsonic Kasei Corp Npv 37 0.77			Denmark — —%		
Empreendimentos e Participacoes 32 0.67			11 Daiwa Securities Group Inc 89 1.87			— AP Moeller — Maersk A/S ∞ — —		
12 Duratex SA 32 0.67			3 Endo Lighting Corp 33 0.69			Ireland — —%		
8 Grendene SA 45 0.94			2 Japan Airlines Co Ltd 52 1.09			33 Irish Residential Properties REIT Plc ∞ — —		
3 Grupo BTG Pactual 29 0.61			2 Mitsubishi Corp 48 1.01			Total Right (Cost \$—) — —		
151 3.16			2 NTT DoCoMo Inc 37 0.77			Total Investments (Cost \$4,915) 4,809 100.78		
China — 1.97%			6 Shinko Plantech Co Ltd 53 1.11			Liabilities in Excess of Other Assets (37) (0.78)		
65 China Construction Bank Corp, Class H 54 1.13			3 Sumitomo Mitsui Financial Group Inc 96 2.01			Total Net Assets \$4,772 100.00		
86 HOSA International Ltd 40 0.84			3 West Holdings Corp 29 0.61			— Amounts designated as “—” are either \$0, less than \$1,000 or less than 1,000 shares.		
94 1.97			546 11.44			144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2015, these securities amounted to \$54,000 or 1.13% of net assets.		
Denmark — 0.86%			Netherlands — 2.83%			∞ Security is valued in good faith at fair value by or at the discretion of the Investment Manager.		
— AP Moeller — Maersk A/S 41 0.86			1 Akzo Nobel NV 52 1.09			ABBREVIATIONS:		
Finland — 0.88%			2 Unilever NV 83 1.74			ADR — American Depositary Receipt		
1 Kesko OYJ 42 0.88			135 2.83			ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR FORWARDS WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS DEALT IN ON A REGULATED MARKET.		
France — 15.05%			Norway — 2.66%			Analysis of Total Assets		
3 AXA SA 81 1.70			13 Norsk Hydro ASA 77 1.61			Transferable securities admitted to an official exchange listing or traded on a regulated market 99.83		
1 BNP Paribas SA 55 1.15			7 Orkla ASA 50 1.05			Other assets 0.17		
1 Bouygues SA 50 1.05			127 2.66			Total Assets 100.00		
1 Danone SA 89 1.86			South Korea — 2.31%					
3 GDF Suez SA 58 1.22			3 KT Corp, ADR 48 1.01					
3 Rexel SA 49 1.03			1 POSCO, ADR 62 1.30					
2 Saft Groupe SA 64 1.34			110 2.31					
1 Sanofi 71 1.49			Spain — 0.50%					
— Seche Environnement SA 18 0.38			2 Indra Sistemas SA 24 0.50					
2 Tarkett SA 39 0.82			Sweden — 2.75%					
1 Total SA 66 1.38			2 Mekonomen AB 46 0.97					
4 Veolia Environnement SA 78 1.63			6 Telefonaktiebolaget LM Ericsson 85 1.78					
718 15.05			131 2.75					
Germany — 3.33%			Switzerland — 5.32%					
— Allianz SE 69 1.44			1 Adecco SA 86 1.80					
3 Deutsche Telekom AG 50 1.05			1 Nestle SA 92 1.93					
1 Wincor Nixdorf AG 40 0.84			1 Novartis AG 76 1.59					
159 3.33			254 5.32					
Hong Kong — 5.78%			United Kingdom — 14.86%					
34 Anta Sports Products Ltd 68 1.42			3 Anglo American Plc 50 1.05					
40 Baoxin Auto Group Ltd 27 0.57			6 Aviva Plc 52 1.09					
41 Belle International Holdings Ltd 44 0.92			10 BP Plc 68 1.43					
98 Pacific Online Ltd 37 0.77			15 G4S Plc 67 1.40					
47 TravelSky Technology Ltd 51 1.07			2 GlaxoSmithKline Plc 52 1.09					
68 Yingde Gases Group Co Ltd 49 1.03			4 Greggs Plc 49 1.03					
276 5.78			1 Imperial Tobacco Group Plc 71 1.49					

Schedule of Forward Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)		
03/13/15	BNY Mellon	Buy	CNH 650	Sell	USD 103	\$ (1)
03/13/15	BNY Mellon	Buy	EUR 1,552	Sell	USD 1,762	(23)
03/13/15	BNY Mellon	Buy	AUD 12	Sell	USD 9	—
03/13/15	BNY Mellon	Buy	AUD 1	Sell	USD —	—
Unrealised Appreciation of Forward Foreign Currency Contracts						—
Unrealised Depreciation of Forward Foreign Currency Contracts						(24)
Net Depreciation of Forward Foreign Currency Contracts						\$ (24)

[^] Not authorised for sale to the public in Hong Kong.

The accompanying notes are an integral part of the Financial Statements

Legg Mason ClearBridge US Appreciation Fund

Portfolio of Investments as at February 28, 2015

Shares (000's)	Value (000's) \$	% of Net Asset Value	Shares (000's)	Value (000's) \$	% of Net Asset Value	Shares (000's)	Value (000's) \$	% of Net Asset Value
Common Stock — 96.76%								
Aerospace & Defense — 1.10%								
37	Raytheon Co	3,979	1.10					
Air Freight & Logistics — 1.19%								
42	United Parcel Service Inc, Class B	4,299	1.19					
Auto Parts & Equipment — 0.63%								
45	Johnson Controls Inc	2,266	0.63					
Beverages — 1.81%								
84	The Coca-Cola Co	3,635	1.01					
29	PepsiCo Inc	2,888	0.80					
		6,523	1.81					
Biotechnology — 1.77%								
27	Amgen Inc	4,256	1.18					
17	Celgene Corp	2,103	0.59					
		6,359	1.77					
Cable & Satellite — 3.32%								
202	Comcast Corp, Class A	11,966	3.32					
Chemicals — 4.76%								
35	Ecolab Inc	4,023	1.12					
19	El du Pont de Nemours & Co	1,462	0.41					
10	Monsanto Co	1,259	0.35					
44	PPG Industries Inc	10,383	2.88					
		17,127	4.76					
Commercial Services — 0.72%								
81	Synchrony Financial	2,584	0.72					
Communications Equipment — 0.91%								
111	Cisco Systems Inc	3,271	0.91					
Computers & Peripherals — 4.86%								
99	Apple Inc	12,700	3.53					
99	EMC Corp	2,860	0.79					
12	International Business Machines Corp	1,944	0.54					
		17,504	4.86					
Electric Utilities — 0.34%								
23	Eversource Energy	1,214	0.34					
Energy Services — 0.68%								
29	Schlumberger Ltd	2,455	0.68					
Environmental Control — 0.42%								
28	Waste Management Inc	1,519	0.42					
Financials – Banks — 6.06%								
33	BB&T Corp	1,252	0.35					
73	Citigroup Inc	3,839	1.07					
117	JPMorgan Chase & Co	7,171	1.99					
22	SunTrust Banks Inc	893	0.25					
56	US Bancorp	2,498	0.69					
113	Wells Fargo & Co	6,176	1.71					
		21,829	6.06					
Financials – Diversified — 2.38%								
14	American Express Co	1,167	0.33					
54	Blackstone Group LP #	2,027	0.56					
20	Visa Inc, Class A	5,377	1.49					
		8,571	2.38					
Food & Staples Retailing — 3.95%								
76	CVS Caremark Corp	7,868	2.19					
75	Wal-Mart Stores Inc	6,340	1.76					
		14,208	3.95					
Food Products — 1.21%								
23	General Mills Inc	1,274	0.36					
19	Kraft Foods Group Inc	1,201	0.33					
51	Mondelez International Inc	1,875	0.52					
		4,350	1.21					
Healthcare – Services — 3.09%								
17	AmerisourceBergen Corp	1,755	0.49					
23	Cardinal Health Inc	2,014	0.56					
21	Express Scripts Holding Co	1,815	0.50					
49	UnitedHealth Group Inc	5,529	1.54					
		11,113	3.09					
Healthcare – Products — 0.79%								
37	Medtronic Plc	2,859	0.79					
Hotels, Restaurants & Leisure — 0.55%								
24	Yum! Brands Inc	1,985	0.55					
Household Products — 2.23%								
27	Kimberly-Clark Corp	2,931	0.81					
60	The Procter & Gamble Co	5,118	1.42					
		8,049	2.23					
Industrial — 0.49%								
16	Norfolk Southern Corp	1,747	0.49					
Industrial Conglomerates — 7.50%								
25	3M Co	4,148	1.15					
28	Eaton Corp Plc	2,019	0.56					
260	General Electric Co	6,749	1.88					
52	Honeywell International Inc	5,366	1.49					
22	Thermo Fisher Scientific Inc	2,864	0.80					
57	Tyco International Plc	2,425	0.67					
28	United Technologies Corp	3,425	0.95					
		26,996	7.50					
Insurance — 6.69%								
	– Berkshire Hathaway Inc, Class A	9,068	2.52					
91	MetLife Inc	4,642	1.29					
97	The Travelers Cos Inc	10,396	2.88					
		24,106	6.69					
Internet Software & Services — 2.46%								
30	Facebook Inc, Class A	2,333	0.65					
6	Google Inc	3,417	0.95					
5	Google Inc, Class A	3,086	0.86					
		8,836	2.46					
Lodging — 0.32%								
14	Starwood Hotels & Resorts Worldwide Inc	1,160	0.32					
Media — 3.91%								
36	Twenty-First Century Fox Inc	1,273	0.35					
123	The Walt Disney Co	12,806	3.56					
		14,079	3.91					
Metals & Mining — 0.26%								
20	Nucor Corp	953	0.26					
Oil, Gas & Consumable Fuels — 7.41%								
37	Anadarko Petroleum Corp	3,178	0.88					
45	Cameron International Corp	2,132	0.59					
49	Chevron Corp	5,202	1.45					
24	ConocoPhillips	1,556	0.43					
99	Exxon Mobil Corp	8,741	2.43					
24	Hess Corp	1,786	0.50					
31	Occidental Petroleum Corp	2,393	0.66					
134	Weatherford International Plc	1,695	0.47					
		26,683	7.41					
Payment & Data Processors — 1.26%								
51	Automatic Data Processing Inc	4,532	1.26					
Pharmaceuticals — 8.43%								
37	AbbVie Inc	2,243	0.62					
12	BioMarin Pharmaceutical Inc	1,232	0.34					
55	Bristol-Myers Squibb Co	3,332	0.93					
79	Johnson & Johnson	8,071	2.24					
118	Merck & Co Inc	6,920	1.92					
168	Pfizer Inc	5,774	1.61					
81	Roche Holding AG, ADR	2,769	0.77					
		30,341	8.43					
Real Estate Management & Development — 0.62%								
88	Forest City Enterprises Inc, Class A	2,235	0.62					
Semiconductors & Equipment — 0.93%								
49	Intel Corp	1,651	0.46					
29	Texas Instruments Inc	1,685	0.47					
		3,336	0.93					
Software — 6.04%								
33	Adobe Systems Inc	2,633	0.73					
9	Citrix Systems Inc	549	0.15					
231	Microsoft Corp	10,133	2.81					
76	Oracle Corp	3,329	0.93					
34	Red Hat Inc	2,341	0.65					
23	SAP SE, ADR	1,562	0.44					
14	VMware Inc	1,198	0.33					
		21,745	6.04					
Specialty REIT — 1.04%								
38	American Tower Corp	3,729	1.04					
Specialty Retail — 4.08%								
88	Home Depot Inc	10,117	2.81					
67	TJX Cos Inc	4,558	1.27					
		14,675	4.08					
Telecommunications — 2.08%								
124	AT&T Inc	4,297	1.19					
65	Verizon Communications Inc	3,188	0.89					
		7,485	2.08					
Transportation — 0.47%								
23	CH Robinson Worldwide Inc	1,690	0.47					
Total Common Stock (Cost \$242,296)								
							348,358	96.76
Total Investments (Cost \$242,296)								
							348,358	96.76
Other Assets in Excess of Liabilities								
							11,666	3.24
Total Net Assets							\$360,024	100.00

– Amounts designated as “–” are either \$0, less than \$1,000 or less than 1,000 shares.
Master Limited Partnership.

ABBREVIATIONS:
ADR – American Depositary Receipt
ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR FORWARDS WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS DEALT IN ON A REGULATED MARKET.

	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	96.50
Other assets	3.50
Total Assets	100.00

Schedule of Forward Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/02/15	BNY Mellon	Buy	USD –	\$ –
03/02/15	BNY Mellon	Buy	EUR 7	–
03/03/15	BNY Mellon	Buy	USD 2	–
Unrealised Appreciation of Forward Foreign Currency Contracts				–
Unrealised Depreciation of Forward Foreign Currency Contracts				–
Net Depreciation of Forward Foreign Currency Contracts				\$ –

The accompanying notes are an integral part of the Financial Statements

Legg Mason ClearBridge US Fundamental Value Fund

Portfolio of Investments as at February 28, 2015

Shares (000's)	Value (000's) \$	% of Net Asset Value
Common Stock — 99.34%		
Aerospace & Defense — 6.32%		
17 The Boeing Co	2,545	2.85
16 Honeywell International Inc	1,661	1.86
14 Raytheon Co	1,445	1.61
	5,651	6.32
Airlines — 0.54%		
8 Alaska Air Group Inc	482	0.54
Apparel & Luxury Goods — 0.69%		
14 Coach Inc	611	0.69
Auto Parts & Equipment — 1.03%		
29 Allison Transmission Holdings Inc	921	1.03
Capital Markets — 8.96%		
5 BlackRock Inc	1,794	2.01
21 Franklin Resources Inc	1,115	1.25
11 The Goldman Sachs Group Inc	2,101	2.35
14 Greenhill & Co Inc	542	0.60
33 State Street Corp	2,457	2.75
	8,009	8.96
Chemicals — 1.21%		
14 El du Pont de Nemours & Co	1,082	1.21
Commercial Banks — 5.58%		
19 First Republic Bank/San Francisco CA	1,075	1.20
82 KeyCorp	1,145	1.28
125 Regions Financial Corp	1,204	1.35
35 US Bancorp	1,566	1.75
	4,990	5.58
Commercial Services — 1.34%		
37 Synchrony Financial	1,194	1.34
Communications Equipment — 3.28%		
54 Cisco Systems Inc	1,613	1.81
6 Plantronics Inc	298	0.33
78 Telefonaktiebolaget LM Ericsson, ADR	1,016	1.14
	2,927	3.28
Computers & Peripherals — 1.92%		
14 Apple Inc	1,720	1.92
Diversified Consumer Services — 0.24%		
5 Sotheby's	217	0.24
Diversified Telecommunication Services — 1.13%		
29 AT&T Inc	1,006	1.13
Energy Equipment & Services — 1.33%		
28 Halliburton Co	1,187	1.33
Engineering & Construction — 0.31%		
6 EMCOR Group Inc	278	0.31
Financials – Diversified — 6.43%		
56 Citigroup Inc	2,945	3.29
46 JPMorgan Chase & Co	2,806	3.14
	5,751	6.43
Food Products — 2.11%		
22 Unilever Plc	997	1.11
20 Unilever Plc, ADR	892	1.00
	1,889	2.11
Hotels, Restaurants & Leisure — 1.37%		
28 Carnival Corp	1,225	1.37
Industrial Conglomerates — 1.69%		
58 General Electric Co	1,513	1.69
Insurance — 5.91%		
55 Allied World Assurance Co Holdings Ltd	2,250	2.52
32 Axis Capital Holdings Ltd	1,641	1.83
14 The Chubb Corp	1,394	1.56
	5,285	5.91
Internet Software & Services — 2.26%		
16 eBay Inc	896	1.00
25 Yahoo! Inc	1,127	1.26
	2,023	2.26

Shares (000's)	Value (000's) \$	% of Net Asset Value
Machinery — 2.14%		
15 Joy Global Inc	681	0.76
13 Stanley Black & Decker Inc	1,230	1.38
	1,911	2.14
Media — 3.15%		
27 The Walt Disney Co	2,813	3.15
Metals & Mining — 1.24%		
23 Nucor Corp	1,107	1.24
Oil, Gas & Consumable Fuels — 10.12%		
128 Berkley Renewables Inc †∞	5	0.01
22 Chevron Corp	2,334	2.61
24 Devon Energy Corp	1,468	1.64
16 Exxon Mobil Corp	1,469	1.64
13 Hess Corp	966	1.08
23 Marathon Oil Corp	649	0.73
10 Newfield Exploration Co	331	0.37
12 Occidental Petroleum Corp	945	1.06
13 Royal Dutch Shell Plc, ADR	870	0.98
	9,037	10.12
Pharmaceuticals — 10.53%		
18 GlaxoSmithKline Plc, ADR	849	0.95
22 Johnson & Johnson	2,268	2.54
45 Merck & Co Inc	2,603	2.91
28 Novartis AG, ADR	2,860	3.20
15 Teva Pharmaceutical Industries Ltd, ADR	833	0.93
	9,413	10.53
Real Estate Investment Trusts — 2.50%		
26 Pebblebrook Hotel Trust	1,247	1.39
28 Weyerhaeuser Co	990	1.11
	2,237	2.50
Real Estate Management & Development — 1.06%		
6 Jones Lang LaSalle Inc	945	1.06
Semiconductors & Equipment — 6.37%		
36 Applied Materials Inc	919	1.03
13 KLA-Tencor Corp	837	0.94
2 Samsung Electronics Co Ltd, GDR	1,087	1.21
54 Teradyne Inc	1,041	1.16
21 Texas Instruments Inc	1,238	1.39
19 Veeco Instruments Inc	575	0.64
	5,697	6.37
Software — 0.93%		
33 Symantec Corp	834	0.93
Specialty Retail — 5.69%		
25 Best Buy Co Inc	960	1.07
20 Home Depot Inc	2,362	2.64
34 Pier 1 Imports Inc	410	0.46
18 Target Corp	1,355	1.52
	5,087	5.69
Wireless Telecommunication Services — 1.96%		
51 Vodafone Group Plc, ADR	1,752	1.96
Total Common Stock (Cost \$61,634)	88,794	99.34
Total Investments (Cost \$61,634)	88,794	99.34
Other Assets in Excess of Liabilities	586	0.66
Total Net Assets	\$89,380	100.00

ABBREVIATIONS:

ADR – American Depositary Receipt
GDR – Global Depositary Receipt

ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET.

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	99.00
Other assets	1.00
Total Assets	100.00

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

† Illiquid.

∞ Security is valued in good faith at fair value by or at the discretion of the Investment Manager.

The accompanying notes are an integral part of the Financial Statements

Legg Mason ClearBridge US Large Cap Growth Fund

Portfolio of Investments as at February 28, 2015

Shares (000's)	Value (000's) \$	% of Net Asset Value	Shares (000's)	Value (000's) \$	% of Net Asset Value	Shares (000's)	Value (000's) \$	% of Net Asset Value
Common Stock — 94.88%			68 The Charles Schwab Corp			2,005 1.38		
Air Freight & Logistics — 1.60%			19 CME Group Inc			1,862 1.28		
23 United Parcel Service Inc, Class B			41 The Nasdaq OMX Group			2,028 1.40		
						9,455 6.51		
Apparel — 1.05%			Healthcare – Services — 2.55%			32 UnitedHealth Group Inc		
16 NIKE Inc, Class B						3,704 2.55		
Beverages — 3.98%			Industrial Conglomerates — 5.05%			35 Eaton Corp Plc		
27 Anheuser-Busch InBev NV, ADR			88 General Electric Co			2,277 1.57		
56 The Coca-Cola Co			20 Thermo Fisher Scientific Inc			2,585 1.78		
						7,337 5.05		
Biotechnology — 7.94%			Information Technology — 3.30%			17 Visa Inc, Class A		
13 Biogen Idec Inc						4,798 3.30		
40 Celgene Corp			Internet Software & Services — 15.17%			52 Akamai Technologies Inc		
3 Regeneron Pharmaceuticals Inc			14 Amazon.com Inc			5,163 3.55		
			58 eBay Inc			3,372 2.32		
11,530 7.94			32 Facebook Inc, Class A			2,566 1.77		
Cable & Satellite — 2.61%			6 Google Inc			3,394 2.33		
65 Comcast Corp, Special Class A			4 Google Inc, Class A			2,435 1.68		
3,788 2.61			6 LinkedIn Corp, Class A			1,479 1.02		
Chemicals — 1.85%						22,034 15.17		
22 Monsanto Co			Media — 3.69%			46 Twenty-First Century Fox Inc		
2,691 1.85			36 The Walt Disney Co			1,616 1.11		
Commercial Services — 1.83%						3,751 2.58		
20 Towers Watson & Co						5,367 3.69		
2,663 1.83			Metal Fabricate & Hardware — 1.71%			11 Precision Castparts Corp		
Communications Equipment — 1.14%						2,477 1.71		
23 Qualcomm Inc			Pharmaceuticals — 5.71%			45 Bristol-Myers Squibb Co		
1,663 1.14			47 Johnson & Johnson			2,716 1.87		
Computers & Peripherals — 2.48%			61 Zoetis Inc			2,761 1.90		
28 Apple Inc						2,823 1.94		
3,604 2.48						8,300 5.71		
Distribution/Wholesale — 1.92%			Restaurants — 1.62%			29 Yum! Brands Inc		
12 WW Grainger Inc						2,350 1.62		
2,796 1.92								
Drug Retail — 3.56%								
50 CVS Caremark Corp								
5,174 3.56								
Energy Equipment & Services — 5.59%								
53 Cameron International Corp								
2,502 1.72								
36 FMC Technologies Inc								
1,419 0.98								
50 Schlumberger Ltd								
4,193 2.89								
8,114 5.59								
Financials – Diversified — 6.51%								
10 BlackRock Inc								
3,560 2.45								

Schedule of Forward Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/02/15	BNY Mellon	Buy USD 77	Sell EUR 68	\$ 2
03/03/15	BNY Mellon	Buy EUR 19	Sell USD 21	–
Unrealised Appreciation of Forward Foreign Currency Contracts				2
Unrealised Depreciation of Forward Foreign Currency Contracts				–
Net Appreciation of Forward Foreign Currency Contracts				\$ 2

Legg Mason ClearBridge US Aggressive Growth Fund

Portfolio of Investments as at February 28, 2015

Shares (000's)	Value (000's) \$	% of Net Asset Value
Common Stock — 92.05%		
Biotechnology — 17.44%		
1,600 Amgen Inc	252,303	5.53
989 Biogen Idec Inc	405,010	8.87
1,509 Immunogen Inc	11,471	0.25
50 Spark Therapeutics Inc	2,880	0.06
1,045 Vertex Pharmaceuticals Inc	124,877	2.73
	796,541	17.44
Cable & Satellite — 4.75%		
13 Comcast Corp, Class A	735	0.02
3,663 Comcast Corp, Special Class A	215,936	4.73
	216,671	4.75
Commercial Services — 1.74%		
2,026 The ADT Corp	79,437	1.74
– Ascent Capital Group Inc, Class A	14	–
	79,451	1.74
Computers & Peripherals — 7.33%		
2,334 SanDisk Corp	186,549	4.09
2,419 Seagate Technology Plc	147,834	3.24
	334,383	7.33
Electronics — 2.03%		
121 Dolby Laboratories Inc, Class A	4,895	0.11
245 TE Connectivity Ltd	17,634	0.39
1,658 Tyco International Plc	70,006	1.53
	92,535	2.03
Energy Services — 5.96%		
1,061 Core Laboratories NV	116,613	2.55
1,259 National Oilwell Varco Inc	68,449	1.50
215 NOW Inc	4,566	0.10
6,528 Weatherford International Plc	82,839	1.81
	272,467	5.96
Engineering & Construction — 2.67%		
10 Engility Holdings Inc	369	0.01
2,095 Fluor Corp	121,495	2.66
	121,864	2.67
Entertainment — 0.92%		
537 Madison Square Garden Co, Class A	42,094	0.92
Financials – Diversified — 0.14%		
53 Astoria Financial Corp	703	0.02
36 Cohen & Steers Inc	1,497	0.03
243 New York Community Bancorp Inc	4,034	0.09
	6,234	0.14
Healthcare Providers & Services — 5.01%		
2,014 UnitedHealth Group Inc	228,812	5.01
Healthcare – Products — 0.37%		
214 Medtronic Plc	16,600	0.36
15 Wright Medical Group Inc	369	0.01
	16,969	0.37
Industrial Conglomerates — 0.07%		
45 Pentair Plc	2,973	0.07
Internet Software & Services — 1.96%		
1,045 Facebook Inc, Class A	82,518	1.81
168 Liberty Interactive Corp, Class A	4,966	0.11
17 Liberty TripAdvisor Holdings Inc	555	0.01
41 Liberty Ventures, Series A	1,636	0.03
	89,675	1.96
Investment Companies — 0.98%		
373 Liberty Broadband-A	19,321	0.42
490 Liberty Broadband-C	25,507	0.56
	44,828	0.98
Machinery — 0.79%		
358 Pall Corp	36,132	0.79
Media — 6.26%		
1,611 AMC Networks Inc, Class A	116,025	2.54
2,420 Cablevision Systems Corp, Class A	45,451	1.00

Shares (000's)	Value (000's) \$	% of Net Asset Value
26 CBS Corp, Class B	1,561	0.03
365 DirecTV	32,328	0.71
935 Discovery Communications Inc, Class A	30,199	0.66
475 Discovery Communications Inc, Class C	14,490	0.32
20 Liberty Global Plc	1,116	0.03
63 Liberty Global Plc, Series C	3,272	0.07
580 Liberty Media Corp	22,405	0.49
290 Liberty Media Corp, Series A	11,192	0.24
174 Starz – Liberty Capital	5,767	0.13
22 Viacom Inc, Class B	1,511	0.03
32 World Wrestling Entertainment Inc, Class A	525	0.01
	285,842	6.26
Metals & Mining — 2.73%		
4,988 Freeport-McMoRan Copper & Gold Inc	107,891	2.37
349 Nucor Corp	16,431	0.36
	124,322	2.73
Oil, Gas & Consumable Fuels — 7.60%		
3,141 Anadarko Petroleum Corp	264,590	5.79
2,497 Newfield Exploration Co	82,471	1.81
	347,061	7.60
Pharmaceuticals — 11.34%		
888 Actavis plc	258,689	5.66
21 Agios Pharmaceuticals Inc	2,242	0.05
43 Alkermes Plc	3,048	0.07
1,917 Isis Pharmaceuticals Inc	131,439	2.88
8 Mallinckrodt Plc	978	0.02
100 ProQR Therapeutics NV	1,883	0.04
14 Teva Pharmaceutical Industries Ltd, ADR	811	0.02
600 Valeant Pharmaceuticals International Inc	118,579	2.60
	517,669	11.34
Semiconductors & Equipment — 5.27%		
3,644 Broadcom Corp, Class A	164,825	3.61
1,857 Cree Inc	72,910	1.60
83 Intel Corp	2,752	0.06
	240,487	5.27
Software — 6.67%		
2,299 Autodesk Inc	147,661	3.23
1,640 Citrix Systems Inc	104,458	2.29
3,674 Nuance Communications Inc	52,536	1.15
	304,655	6.67
Telecommunications — 0.02%		
25 ARRIS Group Inc	729	0.02
Total Common Stock (Cost \$3,378,344)		
	4,202,394	92.05
Right — 0.00%		
Healthcare – Products — –%		
58 Wright Medical Group Inc	243	–
Total Right (Cost \$239)		
	243	–
Total Investments (Cost \$3,378,583)		
	4,202,637	92.05
Other Assets in Excess of Liabilities		
	362,727	7.95
Total Net Assets		
	\$4,565,364	100.00

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

ABBREVIATIONS:

ADR – American Depositary Receipt

ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR FORWARDS WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS DEALT IN ON A REGULATED MARKET.

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	90.97
Financial derivative instruments	0.01
Other assets	9.02
Total Assets	100.00

The accompanying notes are an integral part of the Financial Statements

Legg Mason ClearBridge US Aggressive Growth Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Schedule of Forward Contracts

Expiration Date	Counterparty	Buy Currency (000's)			Sell Currency (000's)			Unrealised Appreciation/ (Depreciation) of Contracts (000's)
		Buy	Currency	Amount	Sell	Currency	Amount	
03/02/15	BNY Mellon	Buy	USD	50	Sell	AUD	63	\$ –
03/02/15	BNY Mellon	Buy	USD	6,502	Sell	EUR	5,723	98
03/02/15	BNY Mellon	Buy	USD	776	Sell	GBP	499	5
03/02/15	BNY Mellon	Buy	USD	–	Sell	GBP	–	–
03/02/15	BNY Mellon	Buy	USD	7	Sell	SGD	10	–
03/02/15	BNY Mellon	Buy	EUR	21	Sell	USD	23	–
03/02/15	BNY Mellon	Buy	GBP	351	Sell	USD	541	–
03/02/15	BNY Mellon	Buy	AUD	607	Sell	USD	480	(5)
03/02/15	BNY Mellon	Buy	SGD	249	Sell	USD	184	(1)
03/03/15	BNY Mellon	Buy	USD	835	Sell	AUD	1,072	(2)
03/03/15	BNY Mellon	Buy	USD	28	Sell	AUD	36	–
03/03/15	BNY Mellon	Buy	USD	872	Sell	EUR	778	1
03/03/15	BNY Mellon	Buy	USD	1,373	Sell	GBP	889	(1)
03/03/15	BNY Mellon	Buy	USD	74	Sell	GBP	47	–
03/03/15	BNY Mellon	Buy	SGD	143	Sell	USD	105	–
03/03/15	BNY Mellon	Buy	AUD	384	Sell	USD	299	1
03/03/15	BNY Mellon	Buy	AUD	1,254	Sell	USD	989	(9)
03/03/15	BNY Mellon	Buy	EUR	18	Sell	USD	21	–
03/03/15	BNY Mellon	Buy	GBP	–	Sell	USD	–	–
03/04/15	BNY Mellon	Buy	AUD	1,387	Sell	USD	1,081	3
03/13/15	BNY Mellon	Buy	USD	3,712	Sell	AUD	4,779	(17)
03/13/15	BNY Mellon	Buy	USD	4,294	Sell	AUD	5,477	19
03/13/15	BNY Mellon	Buy	USD	902	Sell	EUR	795	11
03/13/15	BNY Mellon	Buy	USD	–	Sell	SEK	1	–
03/13/15	BNY Mellon	Buy	USD	953	Sell	SGD	1,293	3
03/13/15	BNY Mellon	Buy	CHF	373	Sell	USD	393	(2)
03/13/15	BNY Mellon	Buy	EUR	96,715	Sell	USD	109,708	(1,461)
03/13/15	BNY Mellon	Buy	GBP	1,014	Sell	USD	1,547	18
03/13/15	BNY Mellon	Buy	CNH	65	Sell	USD	10	–
03/13/15	BNY Mellon	Buy	AUD	3,315	Sell	USD	2,593	(3)
03/13/15	BNY Mellon	Buy	SEK	607	Sell	USD	72	–
03/13/15	BNY Mellon	Buy	SEK	30	Sell	USD	3	–
03/13/15	BNY Mellon	Buy	AUD	61,220	Sell	USD	47,492	307
03/13/15	BNY Mellon	Buy	SGD	25,306	Sell	USD	18,710	(148)
Unrealised Appreciation of Forward Foreign Currency Contracts								466
Unrealised Depreciation of Forward Foreign Currency Contracts								(1,649)
Net Depreciation of Forward Foreign Currency Contracts								\$ (1,183)

Legg Mason ClearBridge Tactical Dividend Income Fund

Portfolio of Investments as at February 28, 2015

Shares (000's)	Value (000's) \$	% of Net Asset Value	Shares (000's)	Value (000's) \$	% of Net Asset Value	Shares (000's)	Value (000's) \$	% of Net Asset Value
Common Stock — 79.68%			11 Merck & Co Inc	644	1.69	12 Hoegh Lng Partners LP #	281	0.74
Commercial Services — 2.00%			14 Pfizer Inc	498	1.31	10 Teekay Corp	422	1.11
4 Macquarie Infrastructure LLC	291	0.76	2 Roche Holding AG	611	1.60		1,677	4.40
9 Paychex Inc	473	1.24		3,327	8.73	Trucking & Leasing — 2.41%		
	764	2.00	Pipelines — 8.45%			22 TAL International Group Inc	918	2.41
Computers & Peripherals — 3.76%			5 Enbridge Inc	246	0.65	Utilities — 1.44%		
7 Apple Inc	919	2.41	13 EnLink Midstream LLC	450	1.18	17 CenterPoint Energy Inc	344	0.90
8 Seagate Technology Plc	513	1.35	2 Kinder Morgan Inc/DE	74	0.19	15 National Grid Plc	205	0.54
	1,432	3.76	10 ONEOK Inc	442	1.16		549	1.44
Electric Utilities — 4.13%			23 Plains GP Holdings LP #	659	1.73	Total Common Stock (Cost \$30,559)		
12 Brookfield Infrastructure Partners LP #	564	1.48	14 Spectra Energy Corp	483	1.27	30,368	79.68	
12 Brookfield Renewable Energy	360	0.95	4 TransCanada Corp	153	0.40	Preferred Stock — 12.95%		
5 Great Plains Energy Inc	149	0.39	15 The Williams Cos Inc	711	1.87	Electric Utilities — 4.83%		
1 NRG Yield Inc	45	0.12		3,218	8.45	12 Dominion Resources Inc/VA, Series A	706	1.85
13 PPL Corp	455	1.19	Real Estate Investment Trusts — 10.76%			10 Exelon Corp	480	1.26
	1,573	4.13	1 Alexandria Real Estate Equities Inc	86	0.23	11 NextEra Energy Inc 2016	656	1.72
Electrical Components & Equipment — 0.76%			16 American Capital Agency Corp	347	0.91		1,842	4.83
5 Emerson Electric Co	289	0.76	32 Annaly Capital Management Inc	345	0.91	Hand/Machine Tools — 1.40%		
Entertainment — 3.10%			4 Apartment Investment & Management Co	138	0.36	4 Stanley Black & Decker Inc	531	1.40
50 Regal Entertainment Group	1,182	3.10	1 AvalonBay Communities Inc	119	0.31	Industrial Conglomerates — 3.47%		
Financials – Diversified — 3.23%			7 BioMed Realty Trust Inc	161	0.42	21 United Technologies Corp	1,323	3.47
100 Och-Ziff Capital Management Group LLC #	1,232	3.23	2 DCT Industrial Trust Inc	65	0.17	Pharmaceuticals — 1.21%		
Forest Products & Paper — 0.77%			4 DuPont Fabros Technology Inc	113	0.30	1 Actavis plc, Series A	462	1.21
5 International Paper Co	293	0.77	5 EPR Properties	329	0.86	Real Estate Investment Trusts — 2.04%		
Household Products — 2.88%			1 Equity Residential	99	0.26	1 American Tower Corp	101	0.26
5 Kimberly-Clark Corp	603	1.58	10 Excel Trust Inc	131	0.34	2 American Tower Corp, Series A	210	0.55
6 The Procter & Gamble Co	494	1.30	1 Highwoods Properties Inc	27	0.07	8 Weyerhaeuser Co, Series A	467	1.23
	1,097	2.88	6 Hospitality Properties Trust	202	0.53		778	2.04
Industrial Conglomerates — 1.36%			14 Inland Real Estate Corp	155	0.41	Total Preferred Stock (Cost \$4,887)		
20 General Electric Co	520	1.36	3 Liberty Property Trust	112	0.29	4,936	12.95	
Investment Companies — 7.00%			3 Ramco-Gershenson Properties Trust	57	0.15	Total Investments (Cost \$35,446)		
47 Ares Capital Corp	818	2.15	11 Retail Properties of America Inc	174	0.46	35,304	92.63	
45 FS Investment Corp	450	1.18	8 Senior Housing Properties Trust	187	0.49	Other Assets in Excess of Liabilities		
25 Golub Capital BDC Inc	437	1.15	2 Simon Property Group Inc	295	0.77	2,810	7.37	
31 TCP Capital Corp	515	1.35	11 Spirit Realty Capital Inc	130	0.34	Total Net Assets		
30 Triplepoint Venture Growth BDC Corp	446	1.17	34 Starwood Property Trust Inc	830	2.18	\$38,114	100.00	
	2,666	7.00		4,102	10.76	# Master Limited Partnership.		
Oil, Gas & Consumable Fuels — 4.81%			Semiconductors & Equipment — 2.90%			ABBREVIATIONS:		
23 KNOT Offshore Partners LP #	527	1.38	13 Intel Corp	432	1.13	ADR	– American Depositary Receipt	
5 Targa Resources Corp	478	1.26	11 Maxim Integrated Products Inc	355	0.93	ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR FORWARDS WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS DEALT IN ON A REGULATED MARKET.		
17 Transocean Partners LLC #	233	0.61	6 Microchip Technology Inc	318	0.84	Analysis of Total Assets		
23 VTI Energy Partners LP #	595	1.56		1,105	2.90	Transferable securities admitted to an official exchange listing or traded on a regulated market		
	1,833	4.81	Software — 1.70%			90.50		
Pharmaceuticals — 8.73%			15 Microsoft Corp	649	1.70	Financial derivative instruments		
8 AstraZeneca Plc, ADR	572	1.50	Telecommunications — 5.09%			0.01		
8 Bristol-Myers Squibb Co	487	1.28	21 AT&T Inc	725	1.90	Other assets		
5 GlaxoSmithKline Plc, ADR	228	0.60	2 Cisco Systems Inc	64	0.17	9.49		
3 Johnson & Johnson	287	0.75	16 Verizon Communications Inc	773	2.03	Total Assets		
			11 Vodafone Group Plc, ADR	380	0.99	100.00		
				1,942	5.09			
Schedule of Forward Contracts			Transportation — 4.40%					
			29 Dynagas Lng Partners LP #	569	1.49			
			16 Golar LNG Partners LP #	405	1.06			

Schedule of Forward Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/03/15	BNY Mellon	Buy SGD	Sell USD	\$ –
03/13/15	BNY Mellon	Buy USD	Sell AUD	3
03/13/15	BNY Mellon	Buy USD	Sell CNH	1,192
03/13/15	BNY Mellon	Buy USD	Sell EUR	1
03/13/15	BNY Mellon	Buy USD	Sell SGD	235
03/13/15	BNY Mellon	Buy CNH	Sell USD	5,593 (21)
03/13/15	BNY Mellon	Buy EUR	Sell USD	3,761 (49)
03/13/15	BNY Mellon	Buy AUD	Sell USD	593 5
03/13/15	BNY Mellon	Buy AUD	Sell USD	21 –
03/13/15	BNY Mellon	Buy SGD	Sell USD	343 (3)
Unrealised Appreciation of Forward Foreign Currency Contracts				5
Unrealised Depreciation of Forward Foreign Currency Contracts				(73)
Net Depreciation of Forward Foreign Currency Contracts				\$ (68)

The accompanying notes are an integral part of the Financial Statements

Legg Mason Opportunity Fund

Portfolio of Investments as at February 28, 2015

Shares (000's)	Value (000's) \$	% of Net Asset Value
Collective Investment Schemes — 4.17%		
13,623	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	4.17
Total Collective Investment Schemes (Cost \$13,623)	13,623	4.17
Common Stock — 85.47%		
Auto Manufacturers — 3.41%		
24	Fiat Chrysler Automobiles NV	0.11
697	Fiat Investments NV	3.30
		11,122
Basic Materials — 0.28%		
51	OCI Partners LP #	0.28
Biotechnology — 3.24%		
64	Gilead Sciences Inc	2.02
355	ZIOPHARM Oncology Inc	1.22
		10,585
Chemicals — 3.42%		
433	Platform Specialty Products Corp	3.42
Communications — 2.73%		
92	eBay Inc	1.64
255	zulily Inc	1.09
		8,902
Consumer Discretionary — 21.95%		
15	Amazon.com Inc	1.73
85	Best Buy Co Inc	0.99
433	Boyd Gaming Corp	1.83
127	General Motors Co	1.46
671	Groupm Inc	1.68
336	KB Home	1.44
223	Lennar Corp, Class A	3.42
18	Netflix Inc	2.61
444	Pandora Media Inc	2.02
491	PulteGroup Inc	3.39
234	Taylor Morrison Home Corp	1.38
		71,663
Consumer, Cyclical — 4.25%		
290	American Airlines Group Inc	4.25
Consumer, Non-cyclical — 4.45%		
353	Intrexon Corp	4.45
Diversified Financial Services — 2.39%		
186	Nationstar Mortgage Holdings Inc	1.52
74	Springleaf Holdings Inc	0.87
		7,796
Energy — 1.10%		
216	Chesapeake Energy Corp	1.10

Shares (000's)	Value (000's) \$	% of Net Asset Value
Financial — 12.29%		
131	Citigroup Inc	2.10
151	E*Trade Financial Corp	1.21
1,256	Genworth Financial Inc, Class A	2.98
1,052	MGIC Investment Corp	2.94
186	PennyMac Financial Services Inc	1.00
202	Radian Group Inc	0.98
694	Sberbank of Russia	1.08
		3,529
		40,110
Health Care — 2.13%		
57	CIGNA Corp	2.13
Industrial — 8.00%		
289	Delta Air Lines Inc	3.95
203	United Continental Holdings Inc	4.05
		13,215
		26,104
Information Technology — 9.77%		
55	Apple Inc	2.14
122	NXP Semiconductor NV	3.17
98	Qualcomm Inc	2.18
122	Seagate Technology Plc	2.28
		7,450
		31,913
Internet — 5.06%		
28	Alibaba Group Holding Ltd, ADR	0.73
359	Coupons.com Inc	1.07
276	Endurance International Group Holdings Inc	1.57
86	JD.com Inc, ADR	0.73
9,249	Monitise Plc	0.96
		3,142
		16,518
Telecommunication Services — 1.00%		
60	Level 3 Communications Inc	1.00
Total Common Stock (Cost \$238,196)	278,990	85.47
Warrant — 1.94%		
Financial — 1.94%		
300	JPMorgan Chase & Co – Series CW18	1.94
		6,312
Total Warrant (Cost \$5,007)	6,312	1.94
Total Investments Excluding Options (Cost \$256,826)	298,925	91.58
	Value (000's) \$	% of Net Asset Value
Contracts (000's)		
Options — 9.30%		
Purchased Options — 9.30%		
4	AAPL U.S. January 2017 Call 100.00, due 1/20/2017	4.25
		13,884

Contracts (000's)	Value (000's) \$	% of Net Asset Value
1	Amazon.com Inc January 2017 Call 300.00, due 1/20/2017	5.05
		16,469
		30,353
Total Options (Cost \$18,348)	30,353	9.30
Total Investments (Cost \$275,174)	329,278	100.88
Liabilities in Excess of Other Assets	(2,858)	(0.88)
Total Net Assets	\$326,420	100.00

Master Limited Partnership.

ABBREVIATIONS:

ADR – American Depositary Receipt

Shares (000's)	Counterparty	Unrealised Appreciation/ (Depreciation) on Contracts (000's) \$	% of Net Asset Value
Equity Swaps — (0.09%)			
Consumer, Cyclical — (0.03%)			
184	GameStop Corp Credit Suisse	(96)	(0.03)
Financial — (0.09%)			
487	Bank of America Corp Credit Suisse	(277)	(0.09)
Internet — 0.03%			
4	Priceline Group Inc Credit Suisse	91	0.03
Unrealised appreciation on Equity Swaps			
		91	0.03
Unrealised depreciation on Equity Swaps			
		(373)	(0.12)
Net depreciation on Equity Swaps			
		(282)	(0.09)

ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR OPTIONS, EQUITY SWAPS AND FORWARDS WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS DEALT IN ON A REGULATED MARKET AND COLLECTIVE INVESTMENT SCHEMES.

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	86.37
Financial derivative instruments	9.22
Collective investment schemes	4.12
Other assets	0.29
Total Assets	100.00

Schedule of Forward Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/02/15	BNY Mellon	Buy	Sell	–
03/02/15	BNY Mellon	Buy	Sell	–
03/02/15	BNY Mellon	Buy	Sell	–
03/03/15	BNY Mellon	Buy	Sell	–
03/03/15	BNY Mellon	Buy	Sell	–
03/03/15	BNY Mellon	Buy	Sell	–
03/13/15	BNY Mellon	Buy	Sell	–
03/13/15	BNY Mellon	Buy	Sell	–
03/13/15	BNY Mellon	Buy	Sell	–
03/13/15	BNY Mellon	Buy	Sell	(1)
03/13/15	BNY Mellon	Buy	Sell	–
Unrealised Appreciation of Forward Foreign Currency Contracts				–
Unrealised Depreciation of Forward Foreign Currency Contracts				(1)
Net Depreciation of Forward Foreign Currency Contracts				\$ (1)

The accompanying notes are an integral part of the Financial Statements

Legg Mason Royce US Small Cap Opportunity Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Shares (000's)	Value (000's) \$	% of Net Asset Value	Shares (000's)	Value (000's) \$	% of Net Asset Value	Shares (000's)	Value (000's) \$	% of Net Asset Value
Common Stock — (continued)			Retail Stores — 0.82%			474 Scorpio Tankers Inc 4,106 0.38		
Media — (continued)			692 Bebe Stores inc 2,545 0.24			503 StealthGas Inc 3,090 0.29		
128 Houghton Mifflin Harcourt Co	2,522	0.24	553 West Marine Inc 6,223 0.58			238 Swift Transportation Co 6,734 0.63		
1,173 The McClatchy Co, Class A	2,721	0.25				178 XPO Logistics Inc 7,840 0.73		
	9,651	0.90				37,426 3.49		
Metal Fabrication & Distribution — 5.93%			Semiconductors & Equipment — 13.45%			Total Common Stock (Cost \$941,620) 999,100 93.35		
248 AM Castle & Co	797	0.07	516 Alpha & Omega Semiconductor Ltd 4,575 0.43			Real Estate Investment Trusts — 0.26%		
32 Carpenter Technology Corp	1,358	0.13	123 Amtech Systems Inc 1,330 0.12			Real Estate Management & Development — 0.26%		
586 Commercial Metals Co	8,821	0.82	1,085 Anadigics Inc 1,292 0.12			381 RAIT Financial Trust 2,809 0.26		
241 Dynamic Materials Corp	3,888	0.36	675 Axcelis Technologies Inc 1,890 0.18			Total Real Estate Investment Trusts (Cost \$2,546) 2,809 0.26		
424 Furmanite Corp	2,948	0.28	632 Brooks Automation Inc 7,584 0.71			Total Investments (Cost \$1,018,400) 1,076,143 100.55		
116 Haynes International Inc	4,686	0.44	228 Cohu Inc 2,483 0.23			Liabilities in Excess of Other Assets (5,890) (0.55)		
248 Mueller Industries Inc	8,633	0.81	47 Cree Inc 1,865 0.17			Total Net Assets \$1,070,253 100.00		
862 Mueller Water Products Inc, Class A	7,901	0.74	370 Emcore Corp 2,002 0.19					
269 NN Inc	7,454	0.70	670 Exar Corp 7,186 0.67					
183 Northwest Pipe Co	4,435	0.41	318 Fairchild Semiconductor International Inc, Class A 5,547 0.52					
379 RTI International Metals Inc	10,563	0.99	535 FormFactor Inc 5,255 0.49					
65 Timkensteel Corp	1,954	0.18	425 Inphi Corp 7,924 0.74					
	63,438	5.93	210 Integrated Silicon Solution Inc 3,452 0.32					
Mining — 1.69%			487 Intersil Corp, Class A 7,600 0.71					
236 Century Aluminum Co	4,471	0.42	220 IXYS Corp 2,633 0.25					
150 Coeur Mining Inc	876	0.08	325 Kopin Corp 1,407 0.13					
490 Hecla Mining Co	1,627	0.15	275 Kulicke & Soffa Industries Inc 4,400 0.41					
105 Kaiser Aluminum Corp	7,933	0.74	80 Magnachip Semiconductor Corp 457 0.04					
951 Noranda Aluminum Holding Corp	3,138	0.30	950 Mattson Technology Inc 4,541 0.42					
	18,045	1.69	345 Maxlinear Inc 2,864 0.27					
Miscellaneous Manufacturing — 1.03%			312 Microsemi Corp 10,059 0.94					
526 Federal Signal Corp	8,675	0.81	323 Nanometrics Inc 5,766 0.54					
74 Lydall Inc	2,359	0.22	118 Omnivision Technologies Inc 3,150 0.29					
	11,034	1.03	543 Pericom Semiconductor Corp 8,471 0.79					
Office Furnishings — 1.24%			458 QLogic Corp 6,875 0.64					
438 Interface Inc, Class A	8,836	0.83	180 Rovi Corp 4,478 0.42					
235 Steelcase Inc	4,399	0.41	488 Rubicon Technology Inc 2,126 0.20					
	13,235	1.24	517 Rudolph Technologies Inc 6,369 0.60					
Oil & Gas — 1.11%			250 Sunedison Inc 5,535 0.52					
105 Approach Resources Inc	812	0.08	247 SunEdison Semiconductor Ltd 5,951 0.56					
95 Basic Energy Services Inc	707	0.07	246 Ultra Clean Holdings 2,032 0.19					
110 Comstock Resources Inc	572	0.05	267 Vitesse Semiconductor Corp 1,101 0.10					
120 Goodrich Petroleum Corp	537	0.05	630 Xcerra Corp 5,720 0.54					
470 Key Energy Services Inc	964	0.09						
45 Matador Resources Co	976	0.09						
17 Natural Gas Services Group Inc	328	0.03						
349 Newpark Resources Inc	3,305	0.31						
20 Parker Drilling Co	62	–						
930 Pengrowth Energy Corp	3,087	0.29						
178 Swift Energy Co	555	0.05						
	11,905	1.11						
Real Estate Management & Development — 1.43%			Software — 3.36%					
31 BRT Realty Trust	214	0.02	507 Allscripts Healthcare Solutions Inc 6,092 0.57					
273 Campus Crest Communities Inc	2,127	0.20	1 Amber Road Inc 8 –					
75 LaSalle Hotel Properties	2,919	0.27	227 Avid Technology Inc 3,556 0.33					
245 Mack-Cali Realty Corp	4,609	0.43	90 Bottomline Technologies de Inc 2,372 0.22					
312 Rouse Properties Inc	5,392	0.51	822 CIBER Inc 3,223 0.30					
	15,261	1.43	701 Echelon Corp 793 0.07					
Retail — 3.92%			280 Mentor Graphics Corp 6,569 0.61					
200 American Eagle Outfitters Inc	2,994	0.28	427 Mercury Computer Systems Inc 7,268 0.68					
296 Ascena Retail Group Inc	3,969	0.37	400 Radisys Corp 940 0.09					
105 Bon-Ton Stores Inc	583	0.05	498 Smith Micro Software Inc 741 0.07					
342 Central Garden and Pet Co	3,100	0.29	197 Unisys Corp 4,450 0.42					
140 Chico's FAS Inc	2,552	0.24						
108 Destination Maternity Corp	1,769	0.16						
257 Ezzcorp Inc, Class A	2,688	0.25						
222 Gaiam Inc, Class A	1,416	0.13						
25 Hudson's Bay Co	562	0.05						
187 Ignite Restaurant Group Inc	1,337	0.12						
614 J.C. Penney Co Inc	5,215	0.49						
195 Krispy Kreme Doughnuts Inc	4,246	0.40						
515 New York & Co Inc	1,154	0.11						
540 Pacific Sunwear of California Inc	1,506	0.14						
287 PCM Inc	2,760	0.26						
595 Ruby Tuesday Inc	3,915	0.37						
163 TravelCenters of America LLC	2,232	0.21						
	41,998	3.92						
			Telecommunications — 3.56%					
			756 Aviat Networks Inc 960 0.09					
			160 Ciena Corp 3,347 0.31					
			111 Comtech Telecommunications Corp 3,967 0.37					
			1,109 EarthLink Holdings Corp 4,735 0.44					
			1,293 Extreme Networks Inc 4,591 0.43					
			471 Harmonic Inc 3,677 0.34					
			850 Iridium Communications Inc 8,144 0.76					
			630 NeoPhotonics Corp 2,319 0.22					
			513 Oclaro Inc 899 0.09					
			73 Qorvo Inc 5,066 0.47					
			287 Westell Technologies Inc, Class A 410 0.04					
			38,115 3.56					
			Textiles — 0.34%					
			412 The Dixie Group Inc 3,637 0.34					
			Transportation & Logistics — 3.49%					
			171 Atlas Air Worldwide Holdings 7,758 0.72					
			625 Baltic Trading Ltd 1,119 0.10					
			502 Diana Shipping Inc 3,482 0.33					
			602 Navios Maritime Holdings Inc 2,621 0.25					
			265 Scorpio Bulkers Inc 676 0.06					

The accompanying notes are an integral part of the Financial Statements

Legg Mason Royce US Small Cap Opportunity Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Schedule of Forward Contracts

Expiration Date	Counterparty	Buy Currency (000's)			Sell Currency (000's)			Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/02/15	BNY Mellon	Buy	USD	6	Sell	CHF	5	\$ –
03/02/15	BNY Mellon	Buy	USD	253	Sell	EUR	222	4
03/02/15	BNY Mellon	Buy	USD	75	Sell	GBP	49	–
03/02/15	BNY Mellon	Buy	USD	–	Sell	GBP	–	–
03/02/15	BNY Mellon	Buy	USD	3	Sell	SGD	4	–
03/02/15	BNY Mellon	Buy	GBP	–	Sell	USD	–	–
03/02/15	BNY Mellon	Buy	EUR	–	Sell	USD	–	–
03/02/15	BNY Mellon	Buy	SGD	223	Sell	USD	164	(1)
03/02/15	BNY Mellon	Buy	SEK	2	Sell	USD	–	–
03/02/15	BNY Mellon	Buy	AUD	132	Sell	USD	104	(1)
03/02/15	BNY Mellon	Buy	EUR	–	Sell	USD	–	–
03/02/15	BNY Mellon	Buy	CHF	1	Sell	USD	1	–
03/03/15	BNY Mellon	Buy	USD	324	Sell	EUR	289	–
03/03/15	BNY Mellon	Buy	USD	10	Sell	GBP	6	–
03/03/15	BNY Mellon	Buy	USD	64	Sell	SGD	88	–
03/03/15	BNY Mellon	Buy	AUD	48	Sell	USD	38	–
03/03/15	BNY Mellon	Buy	SGD	123	Sell	USD	91	–
03/03/15	BNY Mellon	Buy	AUD	310	Sell	USD	241	1
03/03/15	BNY Mellon	Buy	EUR	9	Sell	USD	10	–
03/03/15	BNY Mellon	Buy	GBP	269	Sell	USD	415	–
03/03/15	BNY Mellon	Buy	CHF	836	Sell	USD	876	–
03/04/15	BNY Mellon	Buy	AUD	51	Sell	USD	40	–
03/13/15	BNY Mellon	Buy	USD	1,806	Sell	AUD	2,323	(8)
03/13/15	BNY Mellon	Buy	USD	1,155	Sell	AUD	1,475	3
03/13/15	BNY Mellon	Buy	USD	27	Sell	CHF	26	–
03/13/15	BNY Mellon	Buy	USD	876	Sell	CHF	836	–
03/13/15	BNY Mellon	Buy	USD	170	Sell	EUR	149	3
03/13/15	BNY Mellon	Buy	USD	–	Sell	SEK	3	–
03/13/15	BNY Mellon	Buy	USD	736	Sell	SGD	1,001	1
03/13/15	BNY Mellon	Buy	CNH	63	Sell	USD	10	–
03/13/15	BNY Mellon	Buy	GBP	359	Sell	USD	548	7
03/13/15	BNY Mellon	Buy	SGD	18,713	Sell	USD	13,837	(112)
03/13/15	BNY Mellon	Buy	AUD	188	Sell	USD	147	–
03/13/15	BNY Mellon	Buy	CHF	1,020	Sell	USD	1,106	(34)
03/13/15	BNY Mellon	Buy	EUR	5,524	Sell	USD	6,267	(85)
03/13/15	BNY Mellon	Buy	SEK	259	Sell	USD	31	–
03/13/15	BNY Mellon	Buy	AUD	23,125	Sell	USD	17,940	116
Unrealised Appreciation of Forward Foreign Currency Contracts								135
Unrealised Depreciation of Forward Foreign Currency Contracts								(241)
Net Depreciation of Forward Foreign Currency Contracts								\$ (106)

The accompanying notes are an integral part of the Financial Statements

Legg Mason Royce US Smaller Companies Fund

Portfolio of Investments as at February 28, 2015

Shares (000's)	Value (000's) \$	% of Net Asset Value
Collective Investment Schemes — 7.04%		
23,806 Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	23,806	7.04
Total Collective Investment Schemes (Cost \$23,806)	23,806	7.04
Common Stock — 93.42%		
Aerospace & Defense — 0.49%		
36 HEICO Corp, Class A	1,645	0.49
Biotechnology — 4.19%		
42 Bio-Rad Laboratories Inc, Class A	5,400	1.60
82 The Medicines Company	2,371	0.70
188 Myriad Genetics Inc	6,389	1.89
	14,160	4.19
Building Systems & Components — 0.95%		
54 Drew Industries Inc	3,212	0.95
Chemicals — 5.93%		
153 Aceto Corp	3,276	0.97
115 Innospec Inc	5,083	1.50
96 Minerals Technologies Inc	7,009	2.07
75 OM Group Inc	2,165	0.64
38 Westlake Chemical Corp	2,515	0.75
	20,048	5.93
Commercial Services — 6.57%		
158 ICF International Inc	6,588	1.95
119 Ritchie Bros Auctioneers Inc	2,989	0.88
37 Robert Half International Inc	2,301	0.68
268 Sykes Enterprises Inc	6,243	1.85
31 Towers Watson & Co	4,083	1.21
	22,204	6.57
Computers — 4.03%		
102 j2 Global Inc	6,876	2.03
95 Mentor Graphics Corp	2,220	0.66
56 Monotype Imaging Holdings Inc	1,809	0.53
298 Silicon Graphics International Corp	2,749	0.81
	13,654	4.03
Electrical Components & Equipment — 1.71%		
88 EnerSys Inc	5,782	1.71
Electronics — 5.94%		
58 Coherent Inc	3,733	1.11
45 Dolby Laboratories Inc, Class A	1,840	0.54
346 Gentex Corp	6,094	1.80
46 IPG Photonics Corp	4,427	1.31
167 Rofin-Sinar Technologies Inc	3,998	1.18
	20,092	5.94
Energy Services — 5.31%		
76 Helmerich & Payne Inc	5,110	1.51
103 Oil States International Inc	4,460	1.32
49 SEACOR Holdings Inc	3,529	1.04
159 Unit Corp	4,870	1.44
	17,969	5.31
Engineering & Construction — 1.08%		
83 Jacobs Engineering Group Inc	3,673	1.08
Financials — 1.58%		
124 SEI Investments Co	5,344	1.58

Shares (000's)	Value (000's) \$	% of Net Asset Value
Financials – Diversified — 6.17%		
82 Artisan Partners Asset Management Inc	3,963	1.17
405 Ashmore Group Plc	1,917	0.57
176 Federated Investors Inc, Class B	5,808	1.72
122 Lazard Ltd, Class A #	6,205	1.83
23 Virtus Investment Partners Inc	2,987	0.88
	20,880	6.17
Food & Tobacco Processors — 2.26%		
69 Cal-Maine Foods Inc	2,618	0.77
62 Industrias Bachoco SAB de CV, ADR	3,191	0.94
22 Sanderson Farms Inc	1,843	0.55
	7,652	2.26
Forest Products & Paper — 0.94%		
68 Schweitzer-Mauduit International Inc	3,185	0.94
Healthcare-Products — 2.08%		
72 Bio-Techne Corp	7,040	2.08
Home Builders — 1.90%		
5 NVR Inc	6,434	1.90
Industrial Distribution — 0.90%		
42 MSC Industrial Direct Co Inc, Class A	3,042	0.90
Insurance — 2.86%		
176 Genworth MI Canada Inc	4,487	1.33
124 Validus Holdings Ltd	5,166	1.53
	9,653	2.86
Machinery — 3.28%		
145 Columbus McKinnon Corp	3,861	1.14
28 Hyster-Yale Materials Handling Inc	1,836	0.54
83 Kennametal Inc	2,885	0.86
26 Wabtec Corp	2,500	0.74
	11,082	3.28
Media — 1.69%		
147 EW Scripps Co	3,390	1.00
36 John Wiley & Sons Inc	2,314	0.69
	5,704	1.69
Metal Fabrication & Distribution — 5.27%		
104 CIRCOR International Inc	5,563	1.64
85 Reliance Steel & Aluminum Co	4,849	1.44
39 TimkenSteel Corp	1,180	0.35
50 Valmont Industries Inc	6,218	1.84
	17,810	5.27
Mining — 0.29%		
178 Major Drilling Group International Inc	993	0.29
Miscellaneous Manufacturing — 3.95%		
43 Carlisle Cos Inc	4,043	1.20
207 John Bean Technologies Corp	7,148	2.11
68 Lydall Inc	2,161	0.64
	13,352	3.95
Oil & Gas Services — 2.92%		
320 Pason Systems Inc	4,688	1.39
213 TGS Nopec Geophysical Co ASA	5,182	1.53
	9,870	2.92

Shares (000's)	Value (000's) \$	% of Net Asset Value
Pharmaceuticals — 0.81%		
44 Lannett Co Inc	2,737	0.81
Real Estate — 0.76%		
150 PICO Holdings Inc	2,568	0.76
Retail — 7.35%		
169 Ascena Retail Group Inc	2,261	0.67
167 The Buckle Inc	8,398	2.48
108 Genesco Inc	7,947	2.35
131 Movado Group Inc	3,368	1.00
53 Nu Skin Enterprises Inc, Class A	2,862	0.85
	24,836	7.35
Semiconductors & Equipment — 8.26%		
32 Cabot Microelectronics Corp	1,660	0.49
343 Integrated Silicon Solution Inc	5,630	1.66
10 Lam Research Corp	852	0.25
211 MKS Instruments Inc	7,478	2.21
259 Nanometrics Inc	4,622	1.37
144 Teradyne Inc	2,777	0.82
39 Tessera Technologies Inc	1,544	0.46
110 Veeco Instruments Inc	3,368	1.00
	27,931	8.26
Sports & Recreation — 1.93%		
106 Thor Industries Inc	6,530	1.93
Telecommunications — 2.02%		
272 Adtran Inc	5,863	1.73
22 Advent Software Inc, 144A	983	0.29
	6,846	2.02
Total Common Stock (Cost \$288,236)	315,928	93.42
Total Investments (Cost \$312,042)	339,734	100.46
Liabilities in Excess of Other Assets	(1,567)	(0.46)
Total Net Assets	\$338,167	100.00
144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2015, these securities amounted to \$983,000 or 0.29% of net assets.		
# Master Limited Partnership.		
ABBREVIATIONS:		
ADR	– American Depositary Receipt	
ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR FORWARDS WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS DEALT IN ON A REGULATED MARKET AND COLLECTIVE INVESTMENT SCHEMES.		
Analysis of Total Assets		% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market		92.70
Collective investment schemes		6.99
Other assets		0.31
Total Assets		100.00

Schedule of Forward Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/Depreciation of Contracts (000's)
03/02/15	BNY Mellon	Buy	USD –	\$ –
03/02/15	BNY Mellon	Buy	GBP 47	–
03/03/15	BNY Mellon	Buy	EUR 22	–
03/03/15	BNY Mellon	Buy	GBP 9	–
03/13/15	BNY Mellon	Buy	USD 7	–
03/13/15	BNY Mellon	Buy	EUR 587	(9)
03/13/15	BNY Mellon	Buy	SEK 32	–
Unrealised Appreciation of Forward Foreign Currency Contracts				–
Unrealised Depreciation of Forward Foreign Currency Contracts				(9)
Net Depreciation of Forward Foreign Currency Contracts				\$ (9)

The accompanying notes are an integral part of the Financial Statements

Legg Mason Royce Smaller Companies Fund II[^]

Portfolio of Investments as at February 28, 2015

Shares (000's)	Value (000's) \$	% of Net Asset Value	Shares (000's)	Value (000's) \$	% of Net Asset Value	Shares (000's)	Value (000's) \$	% of Net Asset Value
Collective Investment Schemes — 8.87%			Healthcare – Products — 2.09%			Telecommunications — 1.99%		
2,561			6	602	2.09	23	495	1.71
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)			Bio-Techne Corp			Adtran Inc		
2,561	8.87		– NVR Inc			2	82	0.28
Total Collective Investment Schemes (Cost \$2,561)			Home Builders — 1.94%			Total Common Stock (Cost \$24,657)		
2,561	8.87		– NVR Inc			26,490		
Common Stock — 91.80%			Industrial Components — 2.23%			Total Investments (Cost \$27,218)		
Aerospace & Defense — 0.48%			5 Coherent Inc			29,051		
3 HEICO Corp, Class A			14 Rofin-Sinar Technologies Inc			100.67		
139	0.48		643			(193)		
Biotechnology — 4.16%			Insurance — 2.80%			Liabilities in Excess of Other Assets		
3 Bio-Rad Laboratories Inc, Class A			15 Genworth MI Canada Inc			(\$2,858)		
457	1.58		10 Validus Holdings Ltd			100.00		
7	201	0.70	63					
16	544	1.88	Machinery — 3.21%					
	1,202	4.16	12 Columbus McKinnon Corp					
Building Systems & Components — 0.95%			2 Hyster-Yale Materials Handling Inc					
5 Drew Industries Inc			2 Kennametal Inc					
	276	0.95	3 Wabtec Corp					
Chemicals — 5.77%			927			3.21		
13 Aceto Corp			Media — 1.65%					
10	426	1.48	12 EW Scripps Co					
8	595	2.06	3 John Wiley & Sons Inc					
6	166	0.57	476			1.65		
3	210	0.73	Metal Fabrication & Distribution — 5.25%					
	1,666	5.77	9 CIRCOR International Inc					
Commercial Services — 5.61%			7 Reliance Steel & Aluminum Co					
13 ICF International Inc			3 TimkenSteel Corp					
551	1.91		4 Valmont Industries Inc					
10	249	0.86	1,513			5.25		
3	192	0.67	Mining — 0.32%					
12	280	0.97	16 Major Drilling Group International Inc					
3	347	1.20	93			0.32		
	1,619	5.61	Miscellaneous Manufacturing — 3.88%					
Computers — 3.54%			3 Carlisle Cos Inc					
9 j2 Global Inc			17 John Bean Technologies Corp					
582	2.02		6 Lydall Inc					
8	192	0.67	1,119			3.88		
26	246	0.85	Oil & Gas Services — 1.53%					
	1,020	3.54	18 TGS Neotec Geophysical Co ASA					
Electrical Components & Equipment — 1.69%			4 Lannett Co Inc					
8 EnerSys Inc			239			0.83		
488	1.69		Real Estate — 0.77%					
Electronics — 3.58%			13 PICO Holdings Inc					
4 Dolby Laboratories Inc, Class A			223			0.77		
29	513	1.78	Retail — 8.24%					
4	368	1.28	15 Ascena Retail Group Inc					
	1,031	3.58	14 The Buckle Inc					
Energy Services — 6.68%			9 Genesco Inc					
6 Helmerich & Payne Inc			11 Movado Group Inc					
433	1.50		4 MSC Industrial Direct Co Inc, Class A					
9	380	1.32	260			0.90		
27	394	1.37	4 Nu Skin Enterprises Inc, Class A					
4	299	1.04	2,377			8.24		
14	419	1.45	Semiconductors & Equipment — 8.12%					
	1,925	6.68	3 Cabot Microelectronics Corp					
Engineering & Construction — 1.07%			28 Integrated Silicon Solution Inc					
7 Jacobs Engineering Group Inc			1 Lam Research Corp					
309	1.07		18 MKS Instruments Inc					
Financials — 1.53%			21 Nanometrics Inc					
10 SEI Investments Co			12 Teradyne Inc					
443	1.53		3 Tessera Technologies Inc					
Financials – Diversified — 6.21%			9 Veeco Instruments Inc					
7 Artisan Partners Asset Management Inc			2,344			8.12		
337	1.17		Software — 0.53%					
37	175	0.61	5 Monotype Imaging Holdings Inc					
15	495	1.71	557			1.93		
10	526	1.82	Sports & Recreation — 1.93%					
2	259	0.90	9 Thor Industries Inc					
	1,792	6.21						
Food & Tobacco Processors — 2.23%								
6 Cal-Maine Foods Inc								
219	0.76							
5 Industrias Bachoco SAB de CV, ADR								
267	0.93							
2 Sanderson Farms Inc								
155	0.54							
	641	2.23						
Forest Products and Paper — 0.99%								
6 Schweitzer-Mauduit International Inc								
286	0.99							

[^] Not authorised for sale to the public in Hong Kong.

The accompanying notes are an integral part of the Financial Statements

Legg Mason Batterymarch Managed Volatility European Equity Fund

Portfolio of Investments as at February 28, 2015

Shares (000's)	Value (000's) €	% of Net Asset Value	Shares (000's)	Value (000's) €	% of Net Asset Value	Shares (000's)	Value (000's) €	% of Net Asset Value
Common Stock — 97.53%			Spain — 2.28%			Preferred Stock — 0.58%		
Belgium — 4.18%			26 Amadeus IT Holding SA, Class A			Germany — 0.58%		
41 Ageas	1,323	0.98	119 Banco Santander SA	774	0.57	7 Henkel AG & Co KGaA		
14 Anheuser-Busch InBev NV	1,585	1.17	63 Gas Natural SDG SA	1,359	1.00	Total Preferred Stock (Cost €558)		
35 Belgacom SA	1,174	0.86				779 0.58		
12 Delhaize Group SA	954	0.70		3,091	2.28	Total Investments (Cost €108,698)		
12 Telenet Group Holding NV	636	0.47	Sweden — 5.86%			2,570 1.89		
	5,672	4.18	26 NCC AB			Total Net Assets		
Bermuda — 1.13%			95 Nordea Bank AB			€135,733 100.00		
162 Catlin Group Ltd	1,532	1.13	35 Svenska Handelsbanken AB, Class A					
Denmark — 2.79%			48 Swedish Match AB					
18 Coloplast A/S, Class B	1,270	0.94	131 Telefonaktiebolaget LM Ericsson					
23 Novo Nordisk A/S	971	0.71	271 TeliaSonera AB					
219 TDC A/S	1,548	1.14						
	3,789	2.79	Switzerland — 13.53%					
Finland — 2.30%			83 ABB Ltd					
54 Elisa OYJ	1,307	0.96	1 Givaudan SA					
49 Fortum OYJ	1,011	0.74	– Lindt & Spruengli AG					
28 Orion OYJ, Class B	811	0.60	23 Nestle SA					
	3,129	2.30	16 Novartis AG					
France — 10.41%			17 PSP Swiss Property AG					
12 Casino Guichard Perrachon SA	1,056	0.78	6 Roche Holding AG					
46 CNP Assurances SA	682	0.50	18 Swiss Prime Site AG					
11 Danone SA	671	0.49	19 Swiss Re AG					
70 GDF Suez SA	1,401	1.03	3 Swisscom AG					
24 Klepierre	1,039	0.77	2 Syngenta AG					
24 Neopost SA	1,137	0.84	8 UBS AG					
96 Orange SA	1,565	1.15	93 UBS Group AG					
18 Sanofi-Aventis SA	1,544	1.14	5 Zurich Insurance Group AG					
54 SCOR SE	1,585	1.17				18,364 13.53		
44 SES SA	1,357	1.00	United Kingdom — 33.51%					
6 Societe BIC SA	760	0.56	66 Admiral Group Plc			1,345 0.99		
27 Total SA	1,329	0.98	217 Amlin Plc			1,583 1.17		
	14,126	10.41	23 AstraZeneca Plc			1,414 1.04		
Germany — 10.84%			113 BAE Systems Plc			829 0.61		
9 Allianz SE	1,327	0.98	44 Berkeley Group Holdings Plc			1,588 1.17		
25 Axel Springer AG	1,450	1.07	41 BHP Billiton Plc			908 0.67		
74 Deutsche Telekom AG	1,238	0.91	254 BP Plc			1,566 1.15		
47 Freenet AG	1,254	0.92	31 British American Tobacco Plc			1,599 1.18		
14 Fresenius Medical Care AG & Co KGaA	1,043	0.77	117 British Sky Broadcasting Group Plc			1,617 1.19		
18 Hannover Rueckversicherung AG	1,584	1.17	174 BT Group Plc			1,093 0.81		
8 Muenchener Rueckversicherungs AG	1,528	1.12	397 Centrica Plc			1,338 0.98		
15 Siemens AG	1,495	1.10	205 Cobham Plc			968 0.71		
50 Suedzucker AG	678	0.50	40 Diageo Plc			1,061 0.78		
56 Talanx AG	1,589	1.17	311 Direct Line Insurance Group Plc			1,404 1.03		
312 Telefonica Deutschland Holding AG	1,531	1.13	74 GlaxoSmithKline Plc			1,575 1.16		
	14,717	10.84	127 Hiscox Ltd			1,385 1.02		
Guernsey — 1.02%			170 HSBC Holdings Plc			1,350 1.00		
244 Friends Life Group Ltd	1,384	1.02	133 IG Group Holdings Plc			1,343 0.99		
Ireland — 1.10%			36 Imperial Tobacco Group Plc			1,600 1.18		
28 DCC Plc	1,491	1.10	12 Indivior Plc			30 0.02		
Italy — 0.61%			353 J Sainsbury Plc			1,323 0.98		
200 Enel SpA	823	0.61	122 National Grid Plc			1,490 1.10		
Luxembourg — 1.04%			15 Next Plc			1,584 1.17		
16 RTL Group SA	1,420	1.04	15 Reckitt Benckiser Group Plc			1,238 0.91		
Netherlands — 3.26%			197 Rexam Plc			1,509 1.11		
13 Heineken NV	865	0.64	39 Royal Dutch Shell Plc, Class A			1,149 0.85		
91 Koninklijke Ahold NV	1,523	1.12	213 Royal Mail Plc			1,234 0.91		
32 Royal Dutch Shell Plc, Class B	984	0.72	53 Severn Trent Plc			1,492 1.10		
27 Unilever NV	1,061	0.78	65 SSE Plc			1,417 1.05		
	4,433	3.26	104 Standard Chartered Plc			1,426 1.05		
Norway — 2.60%			191 Tate & Lyle Plc			1,573 1.16		
99 Gjensidige Forsikring ASA	1,546	1.14	20 Unilever Plc			805 0.59		
47 Statoil ASA	792	0.58	344 Vodafone Group Plc			1,064 0.78		
66 Telenor ASA	1,187	0.88	509 WM Morrison Supermarkets Plc			1,373 1.01		
	3,525	2.60	57 WPP Plc			1,206 0.89		
Portugal — 1.07%						45,479 33.51		
413 EDP – Energias de Portugal SA	1,458	1.07	Total Common Stock (Cost €108,140)			132,384 97.53		

The accompanying notes are an integral part of the Financial Statements

Legg Mason Batterymarch Managed Volatility European Equity Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Schedule of Forward Contracts

Expiration Date	Counterparty	Buy Currency (000's)			Sell Currency (000's)			Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/02/15	BNY Mellon	Buy	EUR	76	Sell	AUD	109	€ –
03/02/15	BNY Mellon	Buy	USD	656	Sell	EUR	577	8
03/02/15	BNY Mellon	Buy	AUD	8	Sell	EUR	6	–
03/02/15	BNY Mellon	Buy	EUR	484	Sell	USD	550	(7)
03/03/15	BNY Mellon	Buy	EUR	41	Sell	AUD	59	–
03/03/15	BNY Mellon	Buy	AUD	93	Sell	EUR	65	–
03/03/15	BNY Mellon	Buy	USD	710	Sell	EUR	636	–
03/03/15	BNY Mellon	Buy	EUR	632	Sell	USD	708	–
03/13/15	BNY Mellon	Buy	EUR	203	Sell	AUD	292	(2)
03/13/15	BNY Mellon	Buy	USD	61,148	Sell	EUR	53,918	712
03/13/15	BNY Mellon	Buy	CNH	72	Sell	EUR	10	–
03/13/15	BNY Mellon	Buy	AUD	5,386	Sell	EUR	3,693	67
03/13/15	BNY Mellon	Buy	EUR	5,444	Sell	USD	6,169	(66)
Unrealised Appreciation of Forward Foreign Currency Contracts								787
Unrealised Depreciation of Forward Foreign Currency Contracts								(75)
Net Appreciation of Forward Foreign Currency Contracts								€ 712

The accompanying notes are an integral part of the Financial Statements

Legg Mason Batterymarch Asia Ex Japan Equity Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Schedule of Forward Contracts

Expiration Date	Counterparty	Buy Currency (000's)			Sell Currency (000's)			Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/03/15	BNY Mellon	Buy	USD	3	Sell	EUR	2	\$ –
03/13/15	BNY Mellon	Buy	AUD	12	Sell	USD	10	–
Unrealised Appreciation of Forward Foreign Currency Contracts								–
Unrealised Depreciation of Forward Foreign Currency Contracts								–
Net Depreciation of Forward Foreign Currency Contracts								\$ –

The accompanying notes are an integral part of the Financial Statements

Legg Mason Batterymarch Emerging Markets Equity Fund

Portfolio of Investments as at February 28, 2015 – (continued)

Shares (000's)	Value (000's) \$	% of Net Asset Value	Shares (000's)	Value (000's) \$	% of Net Asset Value	Shares (000's)	Value (000's) \$	% of Net Asset Value
Common Stock — (continued)								
Spain — 0.09%								
3 Cemex Latam Holdings SA	18	0.09						
Taiwan — 7.30%								
6 Asia Cement Corp	8	0.04	3 Kasikornbank PCL, Foreign	17	0.09	Chile — 0.26%		
27 Asia Pacific Telecom Co Ltd	13	0.07	3 Kasikornbank PCL	19	0.10	2 Embotelladora Andina SA	6	0.03
24 Cathay Financial Holding Co Ltd	37	0.19	2 Kasikornbank PCL, NVDR	15	0.08	2 Sociedad Quimica y Minera de Chile SA	44	0.23
18 Cheng Shin Rubber Industry Co Ltd	44	0.23	21 Krung Thai Bank PCL	15	0.08		50	0.26
25 China Airlines Ltd	12	0.06	48 Minor International PCL ∞	50	0.26	Colombia — 0.35%		
27 China Development Financial Holding Corp	9	0.05	8 PTT Exploration & Production PCL ∞	27	0.14	3 Bancolombia SA	32	0.17
57 China Steel Corp	48	0.25	11 PTT Global Chemical PCL	19	0.10	2 Grupo Argos SA	17	0.09
32 Chunghwa Telecom Co Ltd	100	0.52	8 PTT Global Chemical PCL, NVDR	14	0.07	24 Grupo Aval Acciones y Valores	12	0.06
50 CTBC Financial Holding Co Ltd	33	0.18	5 PTT PCL	55	0.29	1 Grupo de Inversiones Suramericana SA	6	0.03
5 CTCL Corp	8	0.04	– Siam Cement PCL	10	0.05		67	0.35
15 E.Sun Financial Holding Co Ltd	10	0.05	3 Siam Cement PCL, Foreign Share Class	47	0.25	South Korea — 0.09%		
1 Eclat Textile Co Ltd	12	0.06	7 Siam Commercial Bank PCL	34	0.18	– Hyundai Motor Co	6	0.03
18 Eva Airways Corp	13	0.07	29 Thai Union Frozen Products PCL ∞	20	0.10	– Samsung Electronics Co Ltd	10	0.06
17 Evergreen Marine Corp Taiwan Ltd	12	0.07	100 True Corp PCL	45	0.23		16	0.09
9 Far Eastern Department Stores Ltd	8	0.04		660	3.45	Total Preferred Stock (Cost \$492)		
56 Far Eastern New Century Corp	57	0.30	Turkey — 6.06%				426	2.23
15 Far EastTone Telecommunications Co Ltd	37	0.19	12 Akbank TAS	39	0.20	Right — 0.04%		
46 First Financial Holding Co Ltd	27	0.14	4 Anadolu Efes Biracilik Ve Malt Sanayii AS	37	0.20	Brazil — --%		
19 Formosa Chemicals & Fibre Corp	42	0.22	15 Arceik AS	93	0.48	– Itausa – Investimentos Itau SA		
23 Formosa Plastics Corp	57	0.30	5 BIM Birlesik Magazalar AS	87	0.45	Malaysia — --%		
21 Fubon Financial Holding Co Ltd	38	0.20	2 Coca-Cola Icecek AS	33	0.17	2 Malaysia Airports Holdings Bhd		
3 Giant Manufacturing Co Ltd	29	0.15	14 Emlak Konut Gayrimenkul Yatirim Ortakligi AS	18	0.10	Russia — 0.04%		
3 Hiwin Technologies Corp	24	0.13	11 Enka Insaat ve Sanayi AS	22	0.11	5 Moscow Exchange Micex		
13 Hon Hai Precision Industry Co Ltd	35	0.18	5 Ford Otomotiv Sanayi AS	62	0.33	Total Right (Cost \$9)		
3 Hotai Motor Co Ltd	46	0.24	6 Haci Omer Sabanci Holding AS	25	0.13	Warrant — 0.00%		
40 Hua Nan Financial Holdings Co Ltd	23	0.12	15 KOC Holding AS	68	0.36	Thailand — --%		
1 MediaTek Inc	15	0.08	4 TAV Havalimanlari Holding AS	32	0.17	1 Minor International PCL		
36 Mega Financial Holding Co Ltd	29	0.15	8 Tofas Turk Otomobil Fabrikasi AS	54	0.28	Total Warrant (Cost \$-)		
1 Merida Industry Co Ltd	9	0.05	9 Tupras Turkiye Petrol Rafinerileri AS	182	0.95	Total Investments (Cost \$18,443)		
25 Nan Ya Plastics Corp	54	0.28	15 Turk Hava Yollari	53	0.28	18,675 97.71		
24 Pou Chen Corp	35	0.18	16 Turk Telekomunikasyon AS	45	0.24	Other Assets in Excess of Liabilities		
9 President Chain Store Corp	70	0.37	26 Turkcell Iletisim Hizmetleri AS	138	0.72	438 2.29		
3 Ruentex Industries Ltd	6	0.03	15 Turkiye Garanti Bankasi AS	55	0.29	Total Net Assets		
3 Standard Foods Corp	8	0.04	5 Turkiye Halk Bankasi AS	27	0.14	\$19,113 100.00		
19 Taishin Financial Holding Co Ltd	8	0.04	11 Turkiye Is Bankasi, Class C	29	0.15			
21 Taiwan Cement Corp	29	0.15	15 Turkiye Sise ve Cam Fabrikalari AS	22	0.11			
10 Taiwan Glass Industry Corp	7	0.04	3 Turkiye Vakiflar Bankasi Tao	6	0.03			
16 Taiwan Mobile Co Ltd	55	0.29	3 Ulker Biskuvi Sanayi AS	26	0.14			
19 Taiwan Semiconductor Manufacturing Co Ltd	91	0.48	3 Yapi ve Kredi Bankasi AS	5	0.03			
32 Teco Electric and Machinery Co Ltd	33	0.17		1,158	6.06			
5 U-Ming Marine Transport Corp	8	0.04	United States — 0.39%					
72 Uni-President Enterprises Corp	120	0.63	2 Southern Copper Corp	74	0.39			
29 Walsin Lihwa Corp	9	0.05	Total Common Stock (Cost \$17,942)			18,241 95.44		
22 Yang Ming Marine Transport Corp	12	0.06	Preferred Stock — 2.23%					
16 Yuanta Financial Holding Co Ltd	8	0.04	Brazil — 1.53%					
5 Yulon Motor Co Ltd	7	0.04	3 Banco Bradesco SA	33	0.17			
	1,395	7.30	– Cia Brasileira de Distribuicao Grupo Pao de Acucar	7	0.04			
Thailand — 3.45%								
12 Advanced Info Service PCL	84	0.44	5 Cia Energetica de Minas Gerais	24	0.13			
1 Bangkok Bank PCL	8	0.04	1 Cia Energetica de Sao Paulo, Class B	6	0.03			
1 Bangkok Bank PCL, Foreign Share Class	6	0.03	1 Cia Paranaense de Energia	12	0.06			
16 BEC World PCL	24	0.13	1 Gerdau SA	5	0.03			
14 BEC World PCL, NVDR	20	0.10	3 Itau Unibanco Holding SA	41	0.22			
38 Charoen Pokphand Foods PCL ∞	28	0.15	3 Itausa – Investimentos Itau SA	10	0.05			
57 CP ALL PCL ∞	71	0.37	2 Lojas Americanas SA	9	0.05			
120 Home Product Center PCL	32	0.17	2 Oi SA	2	0.01			
			13 Petroleo Brasileiro SA	45	0.23			
			3 Telefonica Brasil SA	60	0.31			
			6 Vale SA	39	0.20			
				293	1.53			

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
mini MSCI Emerging Markets Future March 2015	9	\$ 446	\$ 32
Total Market Value of Future Contracts	9	\$ 446	\$ 32
Unrealised Appreciation of Futures Contracts			32
Unrealised Depreciation of Futures Contracts			–
Net Appreciation of Future Contracts			\$ 32

The accompanying notes are an integral part of the Financial Statements

Legg Mason Batterymarch Global Equity Fund

Portfolio of Investments as at February 28, 2015

Shares (000's)	Value (000's) \$	% of Net Asset Value	Shares (000's)	Value (000's) \$	% of Net Asset Value	Shares (000's)	Value (000's) \$	% of Net Asset Value
Common Stock — 99.52%								
Austria — 0.75%								
3	OMV AG	101	0.75					
Bermuda — 2.09%								
1	Everest Re Group Ltd	217	1.61					
1	Jardine Matheson Holdings Ltd	64	0.48					
		281	2.09					
Canada — 3.43%								
13	Alamos Gold Inc	78	0.58					
3	BCE Inc	126	0.93					
1	Constellation Software Inc	153	1.14					
2	Toronto-Dominion Bank	105	0.78					
		462	3.43					
Cayman Islands — 1.04%								
8	Fabrinet	140	1.04					
China — 3.67%								
89	China Petroleum & Chemical Corp, Class H	74	0.55					
78	Huaneng Power International Inc	98	0.73					
705	Lonking Holdings Ltd	138	1.02					
72	Shanghai Mechanical and Electrical Industry Co Ltd	184	1.37					
		494	3.67					
Denmark — 6.41%								
5	Novo Nordisk A/S, Class B	259	1.92					
2	Pandora A/S	146	1.09					
6	SimCorp A/S	197	1.46					
2	Tryg A/S	261	1.94					
		863	6.41					
Egypt — 0.72%								
63	Telecom Egypt Co	97	0.72					
Germany — 1.49%								
7	Freenet AG	200	1.49					
Hong Kong — 4.14%								
38	BOC Hong Kong Holdings Ltd	134	0.99					
7	CLP Holdings Ltd	63	0.47					
92	HKT Trust and HKT Ltd	122	0.91					
315	Huabao International Holdings Ltd	239	1.77					
		558	4.14					
Ireland — 1.72%								
3	Medtronic Plc	231	1.72					
Israel — 0.59%								
49	Bezeq The Israeli Telecommunication Corp Ltd	79	0.59					
Japan — 11.45%								
13	Asahi Kasei Corp	135	1.00					
2	Daito Trust Construction Co Ltd	227	1.68					
2	FamilyMart Co Ltd	90	0.67					
6	Japan Airlines Co Ltd	172	1.28					
6	Kose Corp	291	2.16					
14	Kuroda Electric Co Ltd	214	1.59					
1	Lawson Inc	85	0.63					
22	Takuma Co Ltd	178	1.32					
30	Tosoh Corp	150	1.12					
		1,542	11.45					
Netherlands — 1.76%								
7	Wolters Kluwer NV	237	1.76					
Norway — 0.32%								
5	Fred Olsen Energy ASA	43	0.32					
Russia — 1.48%								
17	Gazprom OAO, ADR	83	0.62					
6	MegaFon OAO, GDR	116	0.86					
		199	1.48					
South Korea — 1.31%								
–	Samsung Electronics Co Ltd	177	1.31					
Sweden — 1.46%								
6	Swedish Match AB	197	1.46					
Switzerland — 2.04%								
1	Actelion Ltd	128	0.95					
2	Swiss Re AG	146	1.09					
		274	2.04					
United Kingdom — 12.44%								
7	Bellway Plc	215	1.60					
11	Betfair Group Plc	287	2.13					
32	BT Group Plc	226	1.68					
6	Burberry Group Plc	182	1.35					
20	Centrica Plc	75	0.56					
31	Dixons Carphone Plc	210	1.56					
17	Hiscox Ltd	209	1.55					
23	Pace Plc	120	0.89					
68	Taylor Wimpey Plc	151	1.12					
		1,675	12.44					
United States — 41.21%								
7	Activision Blizzard Inc	151	1.12					
12	AES Corp/VA	152	1.13					
3	The Allstate Corp	231	1.72					
3	Altria Group Inc	195	1.45					
3	Amdocs Ltd	163	1.21					
4	AT&T Inc	127	0.94					
1	The Boeing Co	223	1.65					
6	Cisco Systems Inc	191	1.42					
1	The Clorox Company	140	1.04					
1	Consolidated Edison Inc	64	0.48					
1	Dillard's Inc, Class A	139	1.03					
3	Dr Pepper Snapple Group Inc	221	1.64					
3	Edison International	177	1.31					
–	Halyard Health Inc	11	0.08					
2	Kimberly-Clark Corp	213	1.58					
2	The Kroger Co	153	1.13					
1	Lockheed Martin Corp	180	1.34					
4	Lorillard Inc	242	1.80					
1	McDonald's Corp	108	0.80					
1	McKesson Corp	238	1.77					
6	Mentor Graphics Corp	142	1.06					
4	NetApp Inc	155	1.15					
2	Packaging Corp of America	126	0.94					
2	Phillips 66	180	1.33					
1	The Procter & Gamble Co	62	0.46					
1	SanDisk Corp	125	0.93					
3	The Southern Co	126	0.94					
2	Time Warner Inc	192	1.42					
4	Tyson Foods Inc	153	1.14					
7	United Fire Group Inc	189	1.40					
2	Verizon Communications Inc	126	0.94					
3	Viacom Inc, Class B	168	1.25					
2	Wal-Mart Stores Inc	127	0.95					
2	Western Digital Corp	178	1.32					
3	Wisconsin Energy Corp	181	1.34					
		5,549	41.21					
Total Common Stock (Cost \$11,078)							13,399	99.52
Total Investments (Cost \$11,078)							13,399	99.52
Other Assets in Excess of Liabilities							65	0.48
Total Net Assets							\$13,464	100.00

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

ABBREVIATIONS:

ADR – American Depositary Receipt
GDR – Global Depositary Receipt

ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR FORWARDS WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS DEALT IN ON A REGULATED MARKET.

Analysis of Total Assets

	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	99.15
Other assets	0.85
Total Assets	100.00

Schedule of Forward Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/02/15	BNY Mellon	Buy	USD –	\$ –
03/02/15	BNY Mellon	Buy	EUR 7	–
Unrealised Appreciation of Forward Foreign Currency Contracts				–
Unrealised Depreciation of Forward Foreign Currency Contracts				–
Net Depreciation of Forward Foreign Currency Contracts				\$ –

The accompanying notes are an integral part of the Financial Statements

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Balance Sheet

(in 000's)	Legg Mason Western Asset US Money Market Fund		Legg Mason Western Asset US Core Bond Fund		Legg Mason Western Asset US Core Plus Bond Fund		Legg Mason Western Asset Euro Core Plus Bond Fund	
	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014
	CURRENT ASSETS:							
Cash (Note 8)	\$ 1	\$ 1	\$ 2,463	\$ 3	\$ 1,443	\$ 1,241	€ 574	€ 177
Cash collateral (Note 8)	–	–	236	59	1,616	301	403	189
Amounts due from broker	–	–	–	–	–	–	–	–
Financial assets at fair value through profit or loss (Note 1):								
Investments	1,048,351	1,153,910	44,854	22,441	349,639	156,652	54,259	51,957
Options at fair value	–	–	3	–	22	2	–	–
Unrealised appreciation on swap contracts	–	–	46	1	363	7	–	–
Unrealised appreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised appreciation on forward foreign currency contracts	–	–	9	–	171	8	464	264
Unrealised appreciation on futures contracts	–	–	54	18	488	177	–	–
Receivable for investments sold	–	–	864	20	11,562	1,213	–	–
Receivable for redeemable participating shares sold	4,441	5,292	1,395	–	2,981	14	–	–
Interest receivable	366	224	178	123	1,606	1,095	460	431
Dividend receivable	–	–	1	1	–	–	–	14
Receivable from investment manager	16	5	–	–	–	–	–	–
Other assets	70	106	3	4	17	18	4	7
Total Current Assets	1,053,245	1,159,538	50,106	22,670	369,908	160,728	56,164	53,039
CURRENT LIABILITIES:								
Cash overdraft	–	–	682	72	188	–	–	36
Amounts due to broker	–	–	35	24	319	93	–	–
Payable for investments purchased	–	9,999	3,070	2,006	37,245	5,770	259	100
Financial liabilities at fair value through profit or loss (Note 1):								
Options at fair value	–	–	17	3	132	23	–	–
Unrealised depreciation on swap contracts	–	–	–	1	5	6	95	18
Unrealised depreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	1	10	31	104	578	188
Unrealised depreciation on futures contracts	–	–	8	16	191	77	216	74
Distributions payable to holders of redeemable participating shares	23	28	11	7	9	10	–	2
Investment management fees payable (Note 4)	–	–	32	15	146	61	14	17
Administrator and custodian fees payable (Note 4)	64	86	2	2	19	11	3	4
Shareholder service fees payable (Note 4)	–	–	4	1	9	1	–	1
Payable for redeemable participating shares sold	–	437	33	–	523	13	21	–
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	–	–	–	–	–	–
Accrued expenses and other liabilities	380	444	36	39	81	84	41	37
Liabilities (excluding Net Assets attributable to Holders of Redeemable Participating Shares)	467	10,994	3,931	2,196	38,898	6,253	1,227	477
Total Net Assets attributable to Holders of Redeemable Participating Shares at fair value	\$1,052,778	\$1,148,544	\$ 46,175	\$ 20,474	\$ 331,010	\$ 154,475	€ 54,937	€ 52,562

(in 000's)	Legg Mason Western Asset Global High Yield Fund		Legg Mason Western Asset US Short-Term Government Fund		Legg Mason Western Asset US Adjustable Rate Fund		Legg Mason Western Asset Inflation Management Fund	
	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014
	CURRENT ASSETS:							
Cash (Note 8)	\$ 4,480	\$ 2,470	\$ 48	\$ 4	\$ –	\$ –	\$ 49	\$ 3
Cash collateral (Note 8)	145	1,860	34	34	6	1	11	21
Amounts due from broker	37	243	–	12	–	–	9	8
Financial assets at fair value through profit or loss (Note 1):								
Investments	408,401	803,904	30,610	25,067	10,142	16,248	10,860	12,115
Options at fair value	–	–	–	–	–	–	–	5
Unrealised appreciation on swap contracts	–	–	–	–	–	–	–	–
Unrealised appreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised appreciation on forward foreign currency contracts	814	167	–	–	–	–	1	–
Unrealised appreciation on futures contracts	–	–	7	–	–	–	33	–
Receivable for investments sold	2,733	784	334	17	52	1	–	–
Receivable for redeemable participating shares sold	7,802	9,853	–	71	–	–	–	–
Interest receivable	7,492	13,353	91	98	6	8	13	21
Dividend receivable	1	2	–	–	–	–	–	–
Receivable from investment manager	–	–	–	–	–	–	–	–
Other assets	37	99	3	4	1	3	1	3
Total Current Assets	431,942	832,735	31,127	25,307	10,207	16,261	10,977	12,176
CURRENT LIABILITIES:								
Cash overdraft	2	–	–	3	–	–	311	62
Amounts due to broker	–	–	11	–	–	–	–	–
Payable for investments purchased	5,395	5,041	419	201	–	–	–	–
Financial liabilities at fair value through profit or loss (Note 1):								
Options at fair value	26	–	–	–	–	–	5	1
Unrealised depreciation on swap contracts	–	2,268	–	–	–	–	–	–
Unrealised depreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	125	1,430	–	–	–	–	10	9
Unrealised depreciation on futures contracts	50	178	–	9	–	–	42	7
Distributions payable to holders of redeemable participating shares	163	183	–	–	–	–	–	–
Investment management fees payable (Note 4)	358	620	27	24	10	15	10	9
Administrator and custodian fees payable (Note 4)	25	58	2	2	1	1	–	1
Shareholder service fees payable (Note 4)	36	51	2	–	–	–	–	–
Payable for redeemable participating shares sold	4,151	11,033	–	34	–	15	120	–
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	–	–	–	–	–	–
Accrued expenses and other liabilities	189	230	45	38	38	32	40	34
Liabilities (excluding Net Assets attributable to Holders of Redeemable Participating Shares)	10,520	21,092	506	311	49	63	538	123
Total Net Assets attributable to Holders of Redeemable Participating Shares at fair value	\$ 421,422	\$ 811,643	\$ 30,621	\$ 24,996	\$ 10,158	\$ 16,198	\$ 10,439	\$ 12,053

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Diversified Strategic Income Fund		Legg Mason Western Asset Global Multi Strategy Fund		Legg Mason Western Asset US High Yield Fund		Legg Mason Western Asset Emerging Markets Bond Fund		Legg Mason Western Asset Emerging Markets Corporate Bond Fund	
As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014
\$ 517	\$ 2,542	\$ 47,671	\$ 27,798	\$ 4,702	\$ 3,364	\$ 1,744	\$ 1,511	\$ 890	\$ 1,480
261	339	4,151	5,883	317	1,561	-	-	-	-
2	-	-	275	69	280	-	-	-	-
27,020	29,706	1,338,362	1,481,953	579,508	664,342	102,459	164,955	78,733	102,621
-	-	-	211	-	-	-	-	-	-
-	-	-	-	714	849	-	-	-	-
-	-	-	-	-	-	-	-	-	-
581	309	12,216	5,915	5	229	250	325	15	-
21	16	1,764	1,828	-	-	-	-	-	-
-	-	8,870	5,954	3,106	533	151	1,567	2,495	198
693	-	709	198	290	2,471	55	11	-	-
236	299	15,442	18,778	10,315	10,166	1,278	2,863	1,194	1,617
-	16	2	203	-	1	-	7	-	-
-	-	-	-	-	-	-	-	-	-
2	5	108	162	54	64	13	24	8	13
29,333	33,232	1,429,295	1,549,158	599,080	683,860	105,950	171,263	83,335	105,929
-	17	-	2,587	-	-	-	814	325	-
-	-	534	-	-	-	-	-	-	-
20	893	9,435	48,386	5,862	11,399	712	103	-	303
-	-	-	-	40	-	-	-	-	-
37	202	1,583	7,626	-	1,700	-	-	-	-
-	-	-	-	-	-	-	-	-	-
491	494	4,912	6,014	14	2	216	193	-	-
53	14	1,047	324	93	205	-	-	-	-
11	13	160	210	285	263	40	72	-	-
26	32	601	780	379	430	110	156	15	20
2	2	86	100	38	46	8	12	5	8
2	2	51	75	36	39	7	-	-	-
14	-	819	2,096	11,296	2,040	1,295	409	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
61	41	328	338	168	167	103	86	43	35
717	1,710	19,556	68,536	18,211	16,291	2,491	1,855	388	366
\$ 28,616	\$ 31,522	\$1,409,739	\$1,480,622	\$ 580,869	\$ 667,569	\$ 103,459	\$ 169,408	\$ 82,947	\$ 105,563
Legg Mason Western Asset Asian Opportunities Fund		Legg Mason Western Asset Global Blue Chip Bond Fund		Legg Mason Western Asset Brazil Bond Fund		Legg Mason Western Asset Global Credit Absolute Return Fund^		Legg Mason Western Asset UK£ Core Plus Bond Fund^	
As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014
\$ 7,765	\$ 1,747	\$ 707	\$ 405	\$ 47	\$ 4	\$ 7,624	\$ 2,431	£ 2	£ -
8,256	5,678	876	796	-	-	5,352	2,278	-	-
-	-	20	-	-	-	72	37	-	-
594,297	620,828	43,977	72,683	33,488	5,459	80,544	111,332	-	-
-	-	-	-	-	-	5	50	-	-
205	338	-	-	-	-	2,683	2,540	-	-
-	-	-	-	-	-	-	3,301	-	-
616	1,327	720	577	-	-	655	684	-	-
997	-	-	9	-	-	389	24	-	-
-	12,903	-	-	-	-	661	292	-	-
2,083	226	-	5	-	-	205	145	-	-
5,787	6,532	421	734	70	74	1,584	1,221	-	71
3	1	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
42	81	4	9	-	2	6	13	-	-
620,051	649,661	46,725	75,218	33,605	5,539	99,780	124,348	2	71
9,320	3,797	-	-	-	-	943	-	-	62
15	-	-	4	-	-	-	-	-	-
7,663	5,881	-	1,436	-	-	1,020	3,208	-	-
-	-	-	-	-	-	-	13	-	-
5,785	4,697	160	201	-	-	4,803	2,953	-	-
-	-	-	-	-	-	-	482	-	-
2,141	2,176	723	770	-	-	311	357	-	-
-	-	362	308	-	-	313	106	-	-
48	63	-	-	-	-	-	-	-	-
351	399	22	34	-	-	71	99	-	-
37	47	3	5	2	-	6	10	-	3
29	39	2	3	-	-	1	1	-	-
124	757	224	328	-	-	34	106	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
201	244	37	36	29	19	53	54	2	6
25,714	18,100	1,533	3,125	31	19	7,555	7,389	2	71
\$ 594,337	\$ 631,561	\$ 45,192	\$ 72,093	\$ 33,574	\$ 5,520	\$ 92,225	\$ 116,959	£ -	£ -

The accompanying notes are an integral part of the Financial Statements

Balance Sheet – (continued)

(in 000's)	Legg Mason Western Asset Global Core Plus Bond Fund [^]		Legg Mason Western Asset Global Inflation- Linked Fund ^ö		Legg Mason Western Asset UK£ Inflation-Linked Plus Fund [^]		Legg Mason Western Asset UK£ Long Duration Fund [^]	
	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014
CURRENT ASSETS:								
Cash (Note 8)	\$ 830	\$ 2,938	\$ 39	\$ 176	£ 4	£ 6	£ 4	£ 12
Cash collateral (Note 8)	952	1,215	–	110	–	–	–	–
Amounts due from broker	31	171	–	20	–	–	–	–
Financial assets at fair value through profit or loss (Note 1):								
Investments	124,064	148,321	–	28,086	–	–	–	–
Options at fair value	32	63	–	–	–	–	–	–
Unrealised appreciation on swap contracts	–	–	–	–	–	–	–	–
Unrealised appreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised appreciation on forward foreign currency contracts	650	296	–	270	–	–	–	–
Unrealised appreciation on futures contracts	71	175	–	–	–	–	–	–
Receivable for investments sold	4,728	8,878	–	283	–	–	–	–
Receivable for redeemable participating shares sold	3	51	–	2	–	–	–	–
Interest receivable	678	1,239	–	66	–	–	–	–
Dividend receivable	2	15	–	–	–	–	–	–
Receivable from investment manager	–	–	–	–	–	1	–	1
Other assets	–	12	–	6	–	–	–	–
Total Current Assets	132,041	163,374	39	29,019	4	7	4	13
CURRENT LIABILITIES:								
Cash overdraft	–	4,662	–	200	–	–	–	–
Amounts due to broker	–	–	–	–	–	–	–	–
Payable for investments purchased	13,932	31,050	–	153	–	–	–	–
Financial liabilities at fair value through profit or loss (Note 1):								
Options at fair value	251	111	–	–	–	–	–	–
Unrealised depreciation on swap contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	317	941	–	468	–	–	–	–
Unrealised depreciation on futures contracts	215	261	–	24	–	–	–	–
Distributions payable to holders of redeemable participating shares	–	–	–	–	–	–	–	–
Investment management fees payable (Note 4)	39	25	–	3	–	–	–	–
Administrator and custodian fees payable (Note 4)	7	9	–	2	–	–	–	4
Shareholder service fees payable (Note 4)	–	–	–	–	–	–	–	–
Payable for redeemable participating shares sold	–	46	–	–	–	–	–	–
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	–	–	–	–	–	–
Accrued expenses and other liabilities	43	47	39	48	4	7	4	9
Liabilities (excluding Net Assets attributable to Holders of Redeemable Participating Shares)	14,804	37,152	39	898	4	7	4	13
Total Net Assets attributable to Holders of Redeemable Participating Shares at fair value	\$ 117,237	\$ 126,222	\$ –	\$ 28,121	£ –	£ –	£ –	£ –

(in 000's)	Legg Mason Brandywine Global High Yield Fund [^]		Legg Mason Brandywine Global Opportunistic Fixed Income Fund [^]		Legg Mason Brandywine Global Sovereign Credit Fund [^]		Legg Mason Brandywine Global Income Optimiser Fund [^]	
	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014
CURRENT ASSETS:								
Cash (Note 8)	\$ 8	\$ –	\$ 445	\$ 268	\$ 3,243	\$ 1,304	\$ 377	\$ 82
Cash collateral (Note 8)	72	267	–	–	–	–	118	86
Amounts due from broker	–	–	–	–	–	–	–	–
Financial assets at fair value through profit or loss (Note 1):								
Investments	19,549	19,696	298,233	202,130	1,975,586	978,194	75,126	12,636
Options at fair value	–	–	–	–	–	–	–	–
Unrealised appreciation on swap contracts	45	179	–	–	–	–	–	–
Unrealised appreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised appreciation on forward foreign currency contracts	204	216	7,308	2,221	50,236	13,163	898	82
Unrealised appreciation on futures contracts	8	–	–	–	–	–	–	1
Receivable for investments sold	101	634	–	4,994	–	51,461	303	473
Receivable for redeemable participating shares sold	–	–	106	565	–	–	475	350
Interest receivable	322	376	2,446	1,995	24,841	15,695	953	203
Dividend receivable	–	–	37	41	511	340	–	1
Receivable from investment manager	–	–	–	–	–	–	–	–
Other assets	–	5	18	26	10	11	3	2
Total Current Assets	20,309	21,373	308,593	212,240	2,054,427	1,060,168	78,253	13,916
CURRENT LIABILITIES:								
Cash overdraft	39	254	728	–	–	–	–	163
Amounts due to broker	–	–	–	–	–	–	–	–
Payable for investments purchased	–	450	–	5,120	–	52,182	–	829
Financial liabilities at fair value through profit or loss (Note 1):								
Options at fair value	–	–	–	–	–	–	–	–
Unrealised depreciation on swap contracts	–	–	–	–	–	–	356	96
Unrealised depreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	117	107	398	1,247	25,280	13,057	341	116
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	13
Distributions payable to holders of redeemable participating shares	–	–	–	–	–	–	1	2
Investment management fees payable (Note 4)	10	12	112	58	176	114	24	1
Administrator and custodian fees payable (Note 4)	1	1	18	15	122	69	5	1
Shareholder service fees payable (Note 4)	–	–	8	3	–	–	4	–
Payable for redeemable participating shares sold	–	–	1,872	–	–	–	14	–
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	–	–	–	–	–	–
Accrued expenses and other liabilities	47	23	94	73	71	34	39	30
Liabilities (excluding Net Assets attributable to Holders of Redeemable Participating Shares)	214	847	3,230	6,516	25,649	65,456	784	1,251
Total Net Assets attributable to Holders of Redeemable Participating Shares at fair value	\$ 20,095	\$ 20,526	\$ 305,363	\$ 205,724	\$2,028,778	\$ 994,712	\$ 77,469	\$ 12,665

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Credit Fund		Legg Mason Western Asset Euro High Yield Fund		Legg Mason Western Asset Macro Opportunities Bond Fund [^]		Legg Mason Brandywine Global Fixed Income Fund		Legg Mason Brandywine Global Fixed Income Absolute Return Fund [^]	
As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014
\$ 657	\$ 192	€ 2,109	€ 157	\$ 612,699	\$ 84,944	\$ 4,704	\$ 1,167	\$ 2,515	\$ 858
1,577	757	-	-	99,771	13,503	-	-	17,485	7,577
-	-	-	-	5,357	861	-	-	660	-
97,378	100,773	85,864	82,060	2,520,601	308,594	1,494,107	1,254,148	1,100,238	797,826
-	-	-	-	3,915	671	-	-	-	-
38	-	-	-	29,184	2,052	-	-	-	-
-	-	-	-	54	-	-	-	-	-
388	51	3	16	27,222	1,576	7,163	10,526	11,439	7,211
84	21	-	-	20,863	1,132	-	-	68	-
-	378	-	-	834	96	-	17,968	2,543	9,555
35	20	-	-	32,676	-	7,025	2,206	100	86
1,152	1,310	1,446	1,757	27,565	2,899	11,985	12,436	8,966	7,065
-	-	1	2	18	-	2	451	115	109
-	-	1	-	-	-	-	-	-	-
7	12	6	9	14	-	110	165	98	61
101,316	103,514	89,430	84,001	3,380,773	416,328	1,525,096	1,299,067	1,144,227	830,348
21	-	-	-	-	19,667	-	7,411	-	15,141
6	6	-	-	-	-	-	-	-	59
446	1,421	-	996	16,815	7,629	-	18,358	-	18,348
-	-	-	-	11,245	1,332	-	-	-	-
246	941	-	-	7,251	945	-	-	-	-
-	-	-	-	-	-	-	-	-	-
308	777	811	189	26,111	781	8,152	6,701	5,984	11,607
133	160	-	-	33,755	1,841	-	-	11,554	3,846
2	2	-	-	-	-	-	-	-	-
4	4	-	-	2,885	158	1,046	945	656	429
6	7	5	6	192	24	92	93	68	55
-	1	-	-	174	-	97	85	14	14
-	104	-	-	1,080	-	9,094	4,944	158	4,127
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
37	36	38	30	203	31	313	345	177	56
1,209	3,459	854	1,221	99,711	32,408	18,794	38,882	18,611	53,682
\$ 100,107	\$ 100,055	€ 88,576	€ 82,780	\$3,281,062	\$ 383,920	\$1,506,302	\$1,260,185	\$1,125,616	\$ 776,666
Legg Mason Brandywine Global Credit Opportunities Fund ^{^μ}		Legg Mason Western Asset Brazil Equity Fund		Legg Mason ClearBridge Value Fund [#]		Legg Mason ClearBridge Growth Fund [#]		Legg Mason ClearBridge Global Equity Fund [^]	
As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014
\$ 46	\$ -	\$ 70	\$ 61	\$ 17,631	\$ 1,780	\$ 134	\$ 182	\$ 111	\$ 285
216	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
52,636	-	2,660	3,049	361,983	285,595	7,793	6,893	4,905	3,273
214	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
661	-	-	-	1	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
579	-	38	70	-	715	-	-	-	-
-	-	-	-	880	989	51	-	-	-
126	-	-	-	-	3	-	1	-	-
2	-	10	14	321	457	4	5	9	4
-	-	-	-	-	-	-	-	-	-
-	-	-	2	24	27	-	8	1	2
54,480	-	2,778	3,196	380,840	289,566	7,982	7,089	5,026	3,564
205	-	-	-	-	391	1	167	-	-
-	-	-	-	-	-	-	-	-	-
-	-	30	73	11,131	559	-	-	-	-
43	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
156	-	-	-	36	3	-	-	-	-
-	-	-	-	-	-	-	-	-	-
35	-	-	-	293	238	8	7	5	2
3	-	-	-	26	21	1	1	1	-
2	-	-	-	52	44	2	1	1	-
-	-	-	-	2,220	1,896	-	-	-	10
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
27	-	21	12	77	76	30	36	26	21
471	-	51	85	13,835	3,228	42	212	33	33
\$ 54,009	\$ -	\$ 2,727	\$ 3,111	\$ 367,005	\$ 286,338	\$ 7,940	\$ 6,877	\$ 4,993	\$ 3,531

The accompanying notes are an integral part of the Financial Statements

Balance Sheet – (continued)

(in 000's)	Legg Mason ClearBridge Global Equity Income Fund ^{AO}		Legg Mason ClearBridge US Appreciation Fund		Legg Mason ClearBridge US Fundamental Value Fund		Legg Mason ClearBridge US Large Cap Growth Fund	
	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014
CURRENT ASSETS:								
Cash (Note 8)	\$ –	\$ –	\$ 11,353	\$ 7,201	\$ 702	\$ 581	\$ 9,154	\$ 5,307
Cash collateral (Note 8)	–	–	–	–	–	–	–	–
Amounts due from broker	–	–	–	–	–	–	–	–
Financial assets at fair value through profit or loss (Note 1):								
Investments	4,809	–	348,358	364,423	88,794	100,315	137,870	100,244
Options at fair value	–	–	–	–	–	–	–	–
Unrealised appreciation on swap contracts	–	–	–	–	–	–	–	–
Unrealised appreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised appreciation on forward foreign currency contracts	–	–	–	–	–	–	2	–
Unrealised appreciation on futures contracts	–	–	–	–	–	–	–	–
Receivable for investments sold	–	–	553	549	–	–	–	238
Receivable for redeemable participating shares sold	–	–	241	453	7	–	208	1,356
Interest receivable	–	–	–	–	–	1	–	2
Dividend receivable	7	–	455	558	182	599	83	69
Receivable from investment manager	–	–	–	–	–	–	–	–
Other assets	1	–	25	46	7	11	10	8
Total Current Assets	4,817	–	360,985	373,230	89,692	101,507	147,327	107,224
CURRENT LIABILITIES:								
Cash overdraft	–	–	–	–	22	–	–	677
Amounts due to broker	–	–	–	–	–	–	–	–
Payable for investments purchased	–	–	–	–	–	–	620	253
Financial liabilities at fair value through profit or loss (Note 1):								
Options at fair value	–	–	–	–	–	–	–	–
Unrealised depreciation on swap contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	24	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
Distributions payable to holders of redeemable participating shares	–	–	–	–	–	–	–	–
Investment management fees payable (Note 4)	3	–	382	372	85	113	155	125
Administrator and custodian fees payable (Note 4)	–	–	25	27	7	7	10	7
Shareholder service fees payable (Note 4)	–	–	83	71	6	6	29	20
Payable for redeemable participating shares sold	–	–	375	199	92	230	1,158	180
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	–	–	–	–	–	–
Accrued expenses and other liabilities	18	–	96	105	100	46	49	45
Liabilities (excluding Net Assets attributable to Holders of Redeemable Participating Shares)	45	–	961	774	312	402	2,021	1,307
Total Net Assets attributable to Holders of Redeemable Participating Shares at fair value	\$ 4,772	\$ –	\$ 360,024	\$ 372,456	\$ 89,380	\$ 101,105	\$ 145,306	\$ 105,917
Legg Mason Royce US Smaller Companies Fund#								
Legg Mason Royce Smaller Companies Fund II^A								
Legg Mason Royce European Smaller Companies Fund								
Legg Mason Royce Global Smaller Companies Fund^α								
(in 000's)	Legg Mason Royce US Smaller Companies Fund#		Legg Mason Royce Smaller Companies Fund II ^A		Legg Mason Royce European Smaller Companies Fund		Legg Mason Royce Global Smaller Companies Fund ^α	
	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014
CURRENT ASSETS:								
Cash (Note 8)	\$ 485	\$ 3,929	\$ –	\$ 11	€ 7	€ 1	\$ 19	\$ –
Cash collateral (Note 8)	–	–	–	–	–	–	–	–
Amounts due from broker	–	–	–	–	–	–	–	–
Financial assets at fair value through profit or loss (Note 1):								
Investments	339,734	480,769	29,051	34,374	–	–	–	3,572
Options at fair value	–	–	–	–	–	–	–	–
Unrealised appreciation on swap contracts	–	–	–	–	–	–	–	–
Unrealised appreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised appreciation on forward foreign currency contracts	–	13	–	–	–	–	–	–
Unrealised appreciation on futures contracts	–	–	–	–	–	–	–	–
Receivable for investments sold	–	988	–	41	–	–	–	–
Receivable for redeemable participating shares sold	324	1,377	–	18	–	–	–	–
Interest receivable	–	2	–	1	–	–	–	–
Dividend receivable	221	243	18	14	–	1	–	3
Receivable from investment manager	–	–	–	–	–	6	–	3
Other assets	28	50	–	1	–	–	1	–
Total Current Assets	340,792	487,371	29,069	34,460	7	8	20	3,578
CURRENT LIABILITIES:								
Cash overdraft	1,175	–	36	–	–	–	–	–
Amounts due to broker	–	–	–	–	–	–	–	–
Payable for investments purchased	–	1,159	–	57	–	–	–	–
Financial liabilities at fair value through profit or loss (Note 1):								
Options at fair value	–	–	–	–	–	–	–	–
Unrealised depreciation on swap contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	9	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
Distributions payable to holders of redeemable participating shares	–	–	–	–	–	–	–	–
Investment management fees payable (Note 4)	339	487	34	41	–	–	–	–
Administrator and custodian fees payable (Note 4)	25	34	2	2	–	–	–	–
Shareholder service fees payable (Note 4)	61	89	8	9	–	–	–	–
Payable for redeemable participating shares sold	879	1,794	102	–	–	–	–	39
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	–	–	–	–	–	–
Accrued expenses and other liabilities	137	152	29	28	7	8	20	39
Liabilities (excluding Net Assets attributable to Holders of Redeemable Participating Shares)	2,625	3,715	211	137	7	8	20	78
Total Net Assets attributable to Holders of Redeemable Participating Shares at fair value	\$ 338,167	\$ 483,656	\$ 28,858	\$ 34,323	€ –	€ –	\$ –	\$ 3,500

The accompanying notes are an integral part of the Financial Statements

Legg Mason ClearBridge US Aggressive Growth Fund		Legg Mason ClearBridge US Equity Income Fund ^{^c}		Legg Mason ClearBridge Tactical Dividend Income Fund		Legg Mason Opportunity Fund#		Legg Mason Royce US Small Cap Opportunity Fund	
As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014
\$ 390,411	\$ 265,728	\$ 24	\$ 199	\$ 2,547	\$ 54	\$ 201	\$ -	\$ -	\$ 15,067
-	-	-	-	-	-	-	-	-	-
4,202,637	1,770,983	-	3,542	35,304	3,523	298,925	255,306	1,076,143	1,303,941
-	-	-	-	-	-	30,353	3,571	-	-
-	-	-	-	-	-	91	-	-	-
466	503	-	1	5	-	-	9	135	226
-	-	-	-	-	-	-	-	-	-
24,129	25,893	-	-	16	6	-	-	7,268	405
2	8	-	-	1,058	13	715	9,063	1,912	19,360
2,091	583	-	13	78	20	-	1	-	3
-	-	-	-	-	-	20	160	170	286
301	114	-	2	2	1	24	19	84	89
4,620,037	2,063,812	24	3,757	39,010	3,617	330,329	268,129	1,085,712	1,339,377
9,306	16,481	-	35	141	-	-	559	1,043	4,014
-	11,858	-	-	561	19	104	-	4,013	6,135
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	373	158	-	-
1,649	142	-	-	73	-	1	15	241	99
-	-	-	-	-	-	-	-	-	-
3,506	1,594	-	-	39	-	227	189	1,047	1,323
310	135	-	-	2	-	22	18	77	90
625	283	-	-	5	-	32	29	209	264
38,719	33,160	-	-	48	-	3,081	1,140	8,581	12,430
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	1	-	-	-
558	243	24	17	27	18	68	45	248	193
54,673	63,896	24	52	896	37	3,909	2,153	15,459	24,548
\$4,565,364	\$1,999,916	\$ -	\$ 3,705	\$ 38,114	\$ 3,580	\$ 326,420	\$ 265,976	\$1,070,253	\$1,314,829
Legg Mason PCM US Equity Fund		Legg Mason Permal Global Absolute Fund ^{^c}		Legg Mason Batterymarch Managed Volatility European Equity Fund#		Legg Mason Batterymarch Asia Ex Japan Equity Fund#		Legg Mason Batterymarch International Large Cap Fund [§]	
As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014
\$ -	\$ 14	\$ 27	\$ 1,308	€ 8,132	€ 545	\$ 265	\$ 1,420	\$ 4,423	\$ 10
-	-	-	250	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	18,549	133,163	61,290	50,869	49,858	-	13,272
-	-	-	-	-	-	-	-	-	-
-	-	-	45	787	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	322	-	-	3,113	41
-	-	-	48	2,213	-	8	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	28	441	457	140	129	36	79
-	-	-	-	-	-	-	-	-	-
-	-	-	12	2	8	4	7	-	3
-	14	27	20,240	144,738	62,622	51,286	51,414	7,572	13,405
-	-	-	-	-	-	-	761	6,536	-
-	-	-	-	7,185	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	61	75	1	-	-	-	-
-	-	-	32	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	23	130	58	66	68	9	17
-	-	-	1	7	4	4	4	1	1
-	-	-	6	22	3	10	10	1	-
-	-	-	17	1,545	209	210	175	994	-
-	-	-	-	-	-	-	-	-	-
-	-	-	22	-	-	-	-	-	-
-	14	27	28	41	34	43	44	31	23
-	14	27	190	9,005	309	333	1,062	7,572	41
\$ -	\$ -	\$ -	\$ 20,050	€ 135,733	€ 62,313	\$ 50,953	\$ 50,352	\$ -	\$ 13,364

The accompanying notes are an integral part of the Financial Statements

Balance Sheet – (continued)

(in 000's)	Legg Mason Batterymarch Emerging Markets Equity Fund		Legg Mason Batterymarch Global Equity Fund		Legg Mason Congruix Japan Equity Fund		Legg Mason LMHK China Fund		Legg Mason Global Funds plc	
	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014	As at February 28, 2015	As at February 28, 2014
	CURRENT ASSETS:									
Cash (Note 8)	\$ 400	\$ 159	\$ 92	\$ 278	¥101,351	¥88,053	\$ –	\$ 9	\$ 1,156,741	\$ 442,624
Cash collateral (Note 8)	25	–	–	–	–	–	–	–	141,928	42,837
Amounts due from broker	–	–	–	–	–	–	–	–	6,257	1,907
Financial assets at fair value through profit or loss (Note 1):										
Investments	18,675	8,715	13,399	13,493	–	–	–	–	19,725,390	14,226,803
Options at fair value	–	–	–	–	–	–	–	–	34,330	4,575
Unrealised appreciation on swap contracts	–	–	–	–	–	–	–	–	33,583	5,966
Unrealised appreciation on swaptions	–	–	–	–	–	–	–	–	54	3,301
Unrealised appreciation on forward foreign currency contracts	–	–	–	–	–	–	–	–	124,234	46,336
Unrealised appreciation on futures contracts	32	–	–	–	–	–	–	–	24,879	3,400
Receivable for investments sold	–	103	–	130	–	–	–	–	50,904	121,933
Receivable for redeemable participating shares sold	3	–	–	–	–	–	–	–	93,087	80,136
Interest receivable	–	–	–	–	–	–	–	–	127,248	103,651
Dividend receivable	28	21	22	31	–	–	–	–	5,084	5,158
Receivable from investment manager	–	–	–	–	–	–	–	1	17	21
Other assets	1	6	1	4	–	–	–	–	1,156	1,355
Total Current Assets	19,164	9,004	13,514	13,936	101,351	88,053	–	10	21,524,892	15,090,003
CURRENT LIABILITIES:										
Cash overdraft	–	–	–	52	–	–	–	–	31,024	78,140
Amounts due to broker	–	–	–	–	–	–	–	–	920	186
Payable for investments purchased	–	70	–	139	–	–	–	–	126,824	252,001
Financial liabilities at fair value through profit or loss (Note 1):										
Options at fair value	–	–	–	–	–	–	–	–	11,716	1,483
Unrealised depreciation on swap contracts	–	–	–	–	–	–	–	–	20,748	21,819
Unrealised depreciation on swaptions	–	–	–	–	–	–	–	–	–	482
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	–	–	–	–	79,810	48,203
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–	48,058	7,523
Distributions payable to holders of redeemable participating shares	–	–	–	–	–	–	–	–	753	856
Investment management fees payable (Note 4)	16	9	15	16	–	–	–	–	13,535	9,171
Administrator and custodian fees payable (Note 4)	1	–	1	1	–	–	–	–	1,346	1,047
Shareholder service fees payable (Note 4)	2	–	1	1	–	–	–	–	1,630	1,164
Payable for redeemable participating shares sold	–	–	11	12	–	–	–	–	89,073	78,059
Payable to shareholders	–	–	–	–	99,514	86,216	–	–	836	845
Interest payable	–	–	–	–	–	–	–	–	1	22
Accrued expenses and other liabilities	32	27	22	18	1,837	1,837	–	10	4,778	4,089
Liabilities (excluding Net Assets attributable to Holders of Redeemable Participating Shares)	51	106	50	239	101,351	88,053	–	10	431,052	505,090
Total Net Assets attributable to Holders of Redeemable Participating Shares at fair value	\$19,113	\$8,898	\$13,464	\$13,697	¥ –	¥ –	\$ –	\$ –	\$21,093,840	\$14,584,913

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

The Euro figures for Legg Mason Western Asset Euro Core Plus Bond Fund, Legg Mason Western Asset Euro High Yield Fund, Legg Mason Royce European Smaller Companies Fund and Legg Mason Batterymarch Managed Volatility European Equity Fund have been converted into US Dollars in the total figure for Legg Mason Global Funds Plc for the year ended February 28, 2015 using the USD/EUR rate of 0.8936.

The Yen figures for the Legg Mason Congruix Japan Equity Fund have been converted into US Dollars in the total figure for Legg Mason Global Funds Plc for the year ended February 28, 2015 using the USD/JPY rate of 119.6250.

The British Pound figures for Legg Mason Western Asset UK£ Core Plus Bond Fund^α, Legg Mason Western Asset UK£ Inflation-Linked Plus Fund^α and Legg Mason Western Asset UK£ Long Duration Fund^α have been converted into US Dollars in the total figure for Legg Mason Global Funds Plc for the year ended February 28, 2015 using the USD/GBP rate of 0.6477.

^α Effective March 31, 2014 Legg Mason Royce Global Smaller Companies Fund ceased trading.

^μ Effective June 30, 2014 Legg Mason Brandywine Global Credit Opportunities Fund^α commenced trading.

^ϕ Effective August 29, 2014 Legg Mason ClearBridge US Equity Income Fund^α and Legg Mason Permal Global Absolute Fund^α ceased trading.

[∅] Effective September 15, 2014 Legg Mason ClearBridge Global Equity Income Fund^α commenced trading.

^δ Effective January 8, 2015 Legg Mason Western Asset Global Inflation-Linked Fund ceased trading.

^β Effective February 25, 2015 Legg Mason Batterymarch International Large Cap Fund ceased trading.

[#] Please see the General Information section for details of fund name changes.

[^] Not authorised for sale to the public in Hong Kong.

On behalf of the Board

Joseph Keane
Director
June 4, 2015

Brian Collins
Director

The accompanying notes are an integral part of the Financial Statements

Balance Sheet – (continued)

	February 28, 2015			February 28, 2014			February 28, 2013		
	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 Western Asset US Money Market Fund									
Class A US\$ Accumulating	\$ 64,973	615	105.67	\$ 37,931	359	105.66	\$ 22,073	209	105.65
Class A US\$ Distributing (D)	983,299	983,053	1.00	1,105,769	1,105,535	1.00	1,132,489	1,132,281	1.00
Class A US\$ Distributing (M)	61	61	1.00	21	21	1.00	–	–	–
Class B US\$ Accumulating	1,048	10	102.53	519	5	102.52	252	2	102.50
Class B US\$ Distributing (D)	33	33	1.00	74	74	1.00	116	116	1.00
Class C US\$ Accumulating	596	6	102.01	627	6	102.00	222	2	101.99
Class C US\$ Distributing (D)	335	335	1.00	513	512	1.00	1,205	1,205	1.00
Class A (G) US\$ Accumulating	530	5	105.89	956	9	105.87	1,221	12	105.86
Class A (G) US\$ Distributing (D)	1,182	1,182	1.00	1,267	1,267	1.00	1,586	1,586	1.00
Class B (G) US\$ Accumulating	–	–	105.94	94	1	105.88	333	3	105.86
Class B (G) US\$ Distributing (D)	–	–	1.00	45	45	1.00	57	57	1.00
Class L (G) US\$ Distributing (D)	721	720	1.00	728	728	1.00	1,236	1,235	1.00
Legg Mason Western Asset US Core Bond Fund									
Class A US\$ Accumulating	\$ 18,364	145	126.22	\$ 2,122	18	118.96	\$ 14,348	121	118.61
Class A US\$ Distributing (D)	15,957	156	102.46	5,825	59	98.71	9,157	91	100.41
Class B US\$ Accumulating	12	–	123.13	12	–	116.33	9	–	116.30
Class B US\$ Distributing (D)	419	4	102.46	849	9	98.72	937	9	100.42
Class C US\$ Accumulating	695	6	121.18	314	3	114.77	1,293	11	115.01
Class C US\$ Distributing (D)	2,944	29	102.49	2,903	29	98.74	4,205	42	100.45
Class F US\$ Accumulating	5,073	46	110.56	4,450	43	103.73	–	–	–
Class GA US\$ Accumulating	2,349	19	122.44	3,642	32	115.18	5,065	44	114.74
Class GE US\$ Accumulating	362	3	119.17	357	3	112.78	738	7	113.03
Legg Mason Western Asset US Core Plus Bond Fund									
Class A US\$ Accumulating	\$ 48,443	342	141.65	\$ 3,310	25	134.53	\$ 20,802	155	133.96
Class A US\$ Distributing (D)	13,893	122	113.43	5,017	46	109.91	5,393	48	111.90
Class B US\$ Accumulating	302	2	135.72	171	1	129.22	281	2	129.00
Class B US\$ Distributing (D)	448	4	113.25	433	4	109.73	489	4	111.73
Class C US\$ Accumulating	9,035	68	133.22	819	6	127.15	1,256	10	127.26
Class C US\$ Distributing (D)	6,051	53	114.22	3,820	35	110.68	5,919	53	112.69
Class E US\$ Accumulating	1,305	12	109.88	741	7	104.98	1,008	10	105.21
Class F US\$ Accumulating	43,928	414	106.07	9,691	97	100.00	–	–	–
Premier Class US\$ Accumulating	195,448	1,564	124.98	115,615	984	117.53	138,872	1,198	115.89
Premier Class US\$ Distributing (M)	3,111	29	107.48	4,567	44	104.18	5,243	49	106.02
Premier Class GBP Accumulating (Hedged)	–	–	–	–	–	–	577	3	111.89
LM Class US\$ Accumulating	–	–	–	–	–	–	31,102	308	100.96
LM Class GBP Accumulating (Hedged)	86	–	127.60	689	3	119.22	1,261	7	117.05
Class A (G) US\$ Accumulating	1,753	12	142.36	1,828	14	135.01	1,911	14	134.28
Class A (G) US\$ Distributing (D)	3,484	30	114.32	3,688	33	110.77	4,280	38	112.78
Class B (G) US\$ Accumulating	–	–	–	–	–	–	172	1	130.40
Class B (G) US\$ Distributing (D)	3	–	114.30	117	1	110.76	320	3	112.77
Class L (G) US\$ Accumulating	767	6	136.86	967	7	130.44	1,075	8	130.39
Class L (G) US\$ Distributing (D)	2,953	26	114.31	3,002	27	110.76	3,187	28	112.77
Legg Mason Western Asset Euro Core Plus Bond Fund									
Class A US\$ Distributing (D)	€ 872	8	116.97	€ 1,404	15	131.07	€ 1,533	16	122.45
Class A Euro Distributing (D)	2,138	20	106.27	2,653	28	96.16	3,107	33	94.51
Class B US\$ Distributing (D)	–	–	–	–	–	–	125	1	121.35
Class C US\$ Distributing (D)	566	5	117.18	650	7	130.39	1,021	11	121.20
Class F Euro Distributing (Q)	1	–	120.94	2	–	109.61	61	1	107.61
Premier Class Euro Accumulating	47,923	361	132.63	43,894	373	117.76	106,725	941	113.44
Class GA Euro Accumulating	2,071	16	125.90	2,481	22	112.42	3,957	36	108.92
Class GA Euro Distributing (A)	712	6	118.05	693	6	106.88	734	7	105.17
Class GE Euro Accumulating	654	5	122.54	785	7	110.08	820	8	107.29
Legg Mason Western Asset Diversified Strategic Income Fund									
Class A US\$ Accumulating	\$ 2,766	21	130.37	\$ 1,914	15	124.86	\$ 2,342	19	124.30
Class A US\$ Distributing (D)	8,322	89	93.43	10,295	112	92.31	15,283	161	94.75
Class A US\$ Distributing (M)	317	3	98.65	65	1	97.44	33	–	99.99
Class A Euro Accumulating (Hedged)	414	3	129.37	623	4	124.12	1,831	11	124.02
Class A Euro Distributing (M) (Hedged)	94	1	126.54	117	1	125.06	109	1	128.64
Class B US\$ Accumulating	104	1	127.19	88	1	122.12	94	1	121.88
Class B US\$ Distributing (D)	750	8	93.42	985	11	92.30	1,877	20	94.75
Class C US\$ Accumulating	269	2	125.25	327	3	120.56	673	6	120.62
Class C US\$ Distributing (D)	3,418	37	93.40	3,545	38	92.29	6,103	64	94.74
Class A (G) US\$ Accumulating	1,996	15	129.84	1,942	16	124.51	2,277	18	124.05
Class A (G) US\$ Distributing (D)	8,175	86	95.10	9,192	98	93.96	9,943	103	96.45
Class B (G) US\$ Accumulating	3	–	124.92	60	1	120.37	271	2	120.53
Class B (G) US\$ Distributing (D)	14	–	95.21	186	2	94.07	552	6	96.57
Class L (G) US\$ Accumulating	879	7	124.92	866	7	120.39	876	7	120.55
Class L (G) US\$ Distributing (D)	1,095	12	95.13	1,317	14	94.00	1,779	18	96.49
Legg Mason Western Asset Global Multi Strategy Fund									
Class A US\$ Accumulating	\$ 41,783	296	141.14	\$ 46,472	339	137.13	\$ 114,164	823	138.66
Class A US\$ Distributing (D)	52,567	436	120.51	75,862	624	121.50	137,019	1,077	127.26
Class A US\$ Distributing (M)	17,290	169	102.18	24,109	234	103.03	53,206	493	107.86
Class A Euro Accumulating (Hedged)	30,773	200	137.49	57,030	309	133.68	141,846	802	135.50
Class A Euro Distributing (M) (Hedged)	29,889	272	98.10	54,665	400	99.01	78,936	582	103.89
Class A Euro Distributing (M) (Hedged) Plus (e)	735	7	92.43	572	4	94.56	–	–	–
Class A GBP Distributing (M) (Hedged)	89,884	544	107.11	140,339	778	107.75	232,320	1,360	112.63
Class A SGD Distributing (M) (Hedged) Plus	1,697	2,063	1.12	1,694	1,885	1.14	1,991	2,066	1.19
Class B US\$ Accumulating	420	3	134.37	498	4	130.88	698	5	132.68
Class B US\$ Distributing (D)	4,628	38	120.53	6,292	52	121.52	9,974	78	127.28
Class C US\$ Accumulating	23,576	178	132.21	27,834	216	129.09	43,823	334	131.20
Class C US\$ Distributing (D)	118,750	985	120.52	142,738	1,175	121.51	186,279	1,464	127.27
Class E US\$ Accumulating	5,688	49	116.99	9,901	87	114.35	25,566	220	116.34
Class E US\$ Distributing (D)	4,174	42	100.37	6,396	63	101.20	14,644	138	106.00
Class E Euro Accumulating (Hedged)	3,141	26	106.91	7,908	55	104.58	15,336	110	106.63
Class E Euro Distributing (M) (Hedged)	172	2	100.05	168	1	100.93	–	–	–
Class F US\$ Accumulating	5,180	41	125.36	7,164	59	121.08	14,399	118	121.70
Class F US\$ Distributing (D)	3,706	37	100.36	9,600	95	101.19	21,005	198	105.99
Class F Euro Accumulating	2	–	155.29	2	–	121.43	2	–	128.80
Class R US\$ Distributing (D)	–	–	–	–	–	–	601	6	100.09
Class X US\$ Distributing (D)	231	2	100.55	604	6	101.37	–	–	–
Premier Class US\$ Accumulating	1,787	12	148.98	1,370	10	143.53	17,288	120	143.92
Premier Class US\$ Distributing (D)	362	4	101.36	431	4	102.20	112	1	107.04
Premier Class US\$ Distributing (M)	23,781	190	124.87	3,306	26	125.90	9,777	74	131.79
Premier Class US\$ Distributing (M) Plus (e)	73,990	742	99.74	–	–	–	–	–	–
Premier Class Euro Accumulating (Hedged)	60,582	421	128.55	43,846	256	123.91	58,195	359	124.27
Premier Class Euro Distributing (M) (Hedged)	522	5	94.79	162	1	95.67	3,103	24	100.41
Premier Class GBP Accumulating (Hedged)	267,278	1,451	119.27	276,077	1,438	114.63	311,580	1,789	114.81
Premier Class GBP Distributing (M) (Hedged)	38,443	240	103.73	47,688	273	104.35	83,974	507	109.28
Premier Class GBP Distributing (M) (Hedged) Plus (e)	28,860	199	94.06	36,672	230	95.11	23,028	153	99.42
Premier Class GBP Distributing (Q) (Hedged)	14,802	96	99.61	15,160	90	100.32	17,028	107	104.70
Premier Class JPY Accumulating (Hedged)	379	4	10,124.06	–	–	–	–	–	–
Premier Class SEK Accumulating (Hedged)	–	–	–	–	–	–	20,237	1,111	117.85
LM Class US\$ Accumulating	–	–	–	9,951	88	113.50	9,048	80	113.34
LM Class AUD Distributing (M) (Hedged)	81,912	935	112.17	67,790	688	110.47	74,028	642	112.94

The accompanying notes are an integral part of the Financial Statements

Balance Sheet – (continued)

	February 28, 2015			February 28, 2014			February 28, 2013		
	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 Western Asset Global Multi Strategy Fund (continued)									
LM Class Euro Accumulating (Hedged)	–	–	–	\$ 1,643	10	113.60	\$ 1,801	12	113.70
LM Class GBP Accumulating (Hedged)	\$ 382,755	2,048	121.06	352,634	1,818	115.86	224,896	1,283	115.54
LM Class JPY Accumulating (Hedged)	–	–	–	4,044	37	11,210.29	4,572	38	11,215.55
Legg Mason Western Asset US High Yield Fund									
Class A US\$ Accumulating	\$ 95,591	643	148.58	\$ 96,833	649	149.11	\$ 61,030	438	139.22
Class A US\$ Distributing (D)	108,468	1,283	84.53	111,993	1,255	89.20	87,772	1,001	87.70
Class A US\$ Distributing (M)	26,401	259	102.04	7,931	74	107.65	26,414	250	105.78
Class A US\$ Distributing (M) Plus	1,181	12	96.65	13,710	133	103.08	3,046	30	102.42
Class A Euro Distributing (M) (Hedged)	580	5	97.35	408	3	102.78	174	1	101.20
Class A HKD Distributing (M) Plus	1	–	99.78	–	–	–	–	–	–
Class A SGD Distributing (M) (Hedged) Plus	396	571	0.94	166	206	1.02	100	124	1.00
Class B US\$ Accumulating	1,093	7	149.60	1,959	13	150.50	1,262	9	140.87
Class B US\$ Distributing (D)	9,598	114	84.56	9,164	103	89.23	6,116	70	87.73
Class C US\$ Accumulating	13,621	93	146.86	14,963	101	148.11	8,300	60	138.99
Class C US\$ Distributing (D)	21,452	254	84.57	29,460	330	89.25	18,561	212	87.74
Class E US\$ Accumulating	17,115	122	139.75	19,424	138	141.08	12,171	92	132.53
Class E US\$ Distributing (D)	19,238	182	105.68	27,339	245	111.52	5,738	52	109.64
Class E Euro Accumulating (Hedged)	89	1	99.25	–	–	–	–	–	–
Class F US\$ Accumulating	777	6	130.41	1,717	13	130.06	1,636	14	120.70
Class F US\$ Distributing (D)	759	8	100.79	505	5	106.36	1	–	104.59
Premier Class US\$ Accumulating	65,766	494	133.11	80,072	605	132.45	131,244	1,070	122.61
Premier Class US\$ Distributing (M)	–	–	–	16,999	171	99.67	–	–	–
Premier Class US\$ Distributing (M) Plus (e)	30,103	308	97.61	62,613	604	103.60	–	–	–
Premier Class Euro Accumulating	11,626	97	106.56	–	–	–	–	–	–
Premier Class Euro Accumulating (Hedged)	–	–	–	33,552	240	101.46	–	–	–
LM Class US\$ Accumulating	49,461	360	137.53	31,160	229	136.24	54,388	433	125.55
LM Class US\$ Distributing (M)	94,920	1,017	93.32	87,533	889	98.46	206,739	2,137	96.73
LM Class GBP Accumulating (Hedged)	117	1	138.56	929	4	136.90	1,476	8	125.93
Class A (G) US\$ Accumulating	647	4	150.57	3,549	24	150.88	3,790	27	140.66
Class A (G) US\$ Distributing (D)	4,712	56	83.88	5,872	66	88.52	6,552	75	87.03
Class B (G) US\$ Accumulating	22	–	144.76	30	–	145.77	77	1	136.59
Class B (G) US\$ Distributing (D)	5	–	83.86	90	1	88.52	356	4	87.03
Class L (G) US\$ Accumulating	478	3	144.74	481	3	145.76	44	3	136.57
Class L (G) US\$ Distributing (D)	4,720	56	83.88	6,360	72	88.52	7,590	87	87.03
Class GF US\$ Accumulating	1,932	15	132.06	2,757	21	132.06	3,913	32	122.87
Legg Mason Western Asset Emerging Markets Bond Fund									
Class A US\$ Accumulating	\$ 24,956	167	149.13	\$ 31,321	212	147.65	\$ 103,143	659	156.52
Class A US\$ Distributing (D)	10,482	94	111.94	15,642	136	115.23	28,537	224	127.16
Class A US\$ Distributing (M)	7,072	70	101.25	7,590	73	104.26	17,049	148	114.99
Class A US\$ Distributing (M) Plus	3,266	38	86.06	2,425	27	89.59	25	–	99.82
Class A Euro Accumulating (Hedged)	997	7	126.19	1,017	6	124.97	6,098	35	132.97
Class A Euro Distributing (D) (Hedged)	802	8	86.26	843	7	88.84	443	3	98.33
Class A GBP Distributing (D) (Hedged)	169	1	101.07	325	2	103.73	22,676	131	114.14
Class A SGD Distributing (M) (Hedged) Plus	382	565	0.92	482	627	0.97	1,061	1,206	1.09
Class B US\$ Accumulating	119	1	143.53	300	2	142.46	743	5	151.39
Class B US\$ Distributing (D)	877	8	111.91	783	7	115.20	1,720	14	127.13
Class C US\$ Accumulating	443	3	140.25	426	3	139.55	1,573	11	148.69
Class C US\$ Distributing (D)	4,978	44	111.86	12,733	111	115.16	17,022	134	127.08
Class E US\$ Distributing (D)	2,176	23	95.64	2,869	29	98.46	2,783	26	108.65
Class E Euro Accumulating (Hedged)	87	1	96.81	–	–	–	–	–	–
Class E Euro Distributing (M) (Hedged)	227	2	96.46	140	1	99.34	–	–	–
Class F US\$ Accumulating	555	4	126.70	3,656	29	124.44	4,821	37	130.82
Class X GBP Distributing (D) (Hedged)	269	2	98.34	206	1	100.95	–	–	–
Premier Class US\$ Accumulating	22,414	110	204.35	26,287	131	200.18	16,660	79	209.91
Premier Class Euro Accumulating (Hedged)	2,119	17	114.46	31,795	205	112.32	31,796	206	118.10
Premier Class GBP Distributing (D) (Hedged)	11,001	81	88.11	15,849	105	90.47	1,070	7	99.72
LM Class US\$ Accumulating	–	–	–	–	–	–	1,184	10	120.47
Class A (G) US\$ Accumulating	3,053	20	153.27	4,733	31	151.19	6,414	40	159.65
Class A (G) US\$ Distributing (D)	2,361	24	100.32	3,244	31	103.27	4,813	42	113.96
Class B (G) US\$ Accumulating	6	–	147.29	307	2	146.08	754	5	155.04
Class B (G) US\$ Distributing (D)	4	–	100.32	26	–	103.28	331	3	113.97
Class L (G) US\$ Accumulating	1,311	9	147.34	1,886	13	146.07	2,153	14	155.03
Class L (G) US\$ Distributing (D)	3,333	33	100.32	4,523	44	103.27	6,175	54	113.96
Legg Mason Western Asset Emerging Markets Corporate Bond Fund									
Class A US\$ Accumulating	\$ 2	–	94.71	\$ 1,406	14	99.24	–	–	–
Class A US\$ Distributing (M)	1	–	96.13	1	–	104.51	1	–	108.99
Premier Class US\$ Accumulating	35,687	316	112.83	39,900	342	116.80	43,870	377	116.37
LM Class US\$ Distributing (M)	47,257	491	96.19	64,256	614	104.57	74,103	680	109.04
Legg Mason Western Asset Global High Yield Fund									
Class A US\$ Accumulating	\$ 70,522	487	144.83	\$ 106,866	714	149.61	\$ 196,345	1,379	142.37
Class A US\$ Distributing (D)	46,386	570	81.37	55,770	630	88.51	54,988	620	88.67
Class A US\$ Distributing (M)	89,947	997	90.20	139,908	1,426	98.11	242,702	2,471	98.24
Class A US\$ Distributing (M) Plus	12,757	138	92.50	11,208	110	101.58	1,417	14	102.86
Class A AUD Distributing (M) (Hedged) Plus	41,126	469	112.25	48,908	449	122.19	32,887	267	120.57
Class A CNH Distributing (M) (Hedged) Plus	–	–	–	109	6	104.06	–	–	–
Class A Euro Distributing (D) (Hedged)	1,316	12	94.54	776	5	102.85	579	4	103.28
Class A SGD Distributing (M) (Hedged) Plus	4,375	6,513	0.92	4,870	6,078	1.02	3,760	4,525	1.03
Class B US\$ Accumulating	989	7	144.73	1,648	11	149.88	794	6	142.98
Class B US\$ Distributing (D)	1,435	18	81.24	1,866	21	88.36	1,134	13	88.53
Class C US\$ Accumulating	3,761	26	142.87	5,543	37	148.33	5,223	37	141.85
Class C US\$ Distributing (D)	21,669	267	81.01	35,858	407	88.12	29,997	340	88.29
Class E US\$ Accumulating	7,573	57	131.89	10,683	78	137.07	7,667	58	131.23
Class E US\$ Distributing (D)	2,504	25	99.75	4,705	43	108.50	3,778	35	108.70
Class E Euro Accumulating (Hedged)	87	1	96.94	–	–	–	–	–	–
Class E Euro Distributing (M) (Hedged)	761	7	93.85	309	2	102.20	–	–	–
Class F US\$ Accumulating	1,753	14	124.24	585	5	127.46	31,205	259	120.36
Class F US\$ Distributing (D)	4,696	49	94.92	4,649	45	103.25	2,735	26	103.45
Class X US\$ Accumulating	248	2	101.97	398	4	104.69	–	–	–
Class X US\$ Distributing (D)	137	2	91.28	159	2	99.29	–	–	–
Class X GBP Distributing (D) (Hedged)	114	1	92.03	753	5	99.91	236	2	99.92
Premier Class US\$ Accumulating	24,879	154	161.39	219,407	1,329	165.15	183,134	1,176	155.66
Premier Class US\$ Distributing (M)	–	–	–	–	–	–	78,116	696	112.24
Premier Class US\$ Distributing (M) Plus (e)	17,373	184	94.19	111,525	1,082	103.06	–	–	–
Premier Class Euro Accumulating (Hedged)	5,245	43	108.42	11,904	78	111.05	9,961	73	104.86
Premier Class GBP Distributing (D) (Hedged)	6,445	42	100.22	9,605	53	108.78	8,260	50	108.81
LM Class US\$ Accumulating	36,955	390	94.65	–	–	–	–	–	–
Class A (G) US\$ Accumulating	5,715	39	146.21	6,421	43	150.82	7,275	51	143.31
Class A (G) US\$ Distributing (D)	7,167	88	81.38	10,103	114	88.53	13,811	156	88.69
Class B (G) US\$ Accumulating	33	–	140.55	69	–	145.70	885	6	139.13
Class B (G) US\$ Distributing (D)	23	–	81.37	71	1	88.50	465	5	88.68
Class L (G) US\$ Accumulating	1,139	8	140.57	1,180	8	145.73	1,208	9	139.16
Class L (G) US\$ Distributing (D)	4,292	53	81.37	5,787	65	88.51	6,116	69	88.68

The accompanying notes are an integral part of the Financial Statements

Balance Sheet – (continued)

	February 28, 2015			February 28, 2014			February 28, 2013		
	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 Western Asset US Short-Term Government Fund									
Class A US\$ Accumulating	\$ 16,926	149	113.41	\$ 9,766	86	113.74	\$ 16,435	144	114.16
Class A US\$ Distributing (D)	1,730	17	99.85	1,684	17	100.16	1,093	11	100.88
Class B US\$ Accumulating	225	2	108.07	139	1	108.64	208	2	109.32
Class B US\$ Distributing (D)	198	2	99.71	28	–	100.25	107	1	100.93
Class C US\$ Accumulating	664	6	105.93	1,028	10	106.77	947	9	107.70
Class C US\$ Distributing (D)	1,555	16	99.18	1,226	12	99.96	3,392	34	100.84
Class A (G) US\$ Accumulating	1,476	13	113.66	1,655	15	113.94	2,308	20	114.37
Class A (G) US\$ Distributing (D)	6,050	61	99.94	7,458	74	100.20	9,804	97	100.92
Class B (G) US\$ Accumulating	–	–	–	–	–	–	17	–	111.04
Class B (G) US\$ Distributing (D)	3	–	99.28	75	1	100.00	121	1	100.88
Class L (G) US\$ Accumulating	170	2	109.25	186	2	110.07	187	2	111.04
Class L (G) US\$ Distributing (D)	1,624	16	99.25	1,751	18	99.99	2,260	22	100.88
Legg Mason Western Asset US Adjustable Rate Fund									
Class A US\$ Accumulating	\$ 4,170	42	99.61	\$ 7,857	78	100.25	\$ 8,194	82	100.51
Class B US\$ Distributing (D)	175	2	91.95	176	2	92.78	117	1	93.26
Class C US\$ Distributing (D)	728	8	90.47	1,491	16	91.51	247	3	92.21
Class A (G) US\$ Accumulating	2,336	24	99.19	2,416	24	99.94	2,587	26	100.29
Class A (G) US\$ Distributing (D)	1,674	18	92.94	2,313	25	93.64	2,798	30	93.97
Class B (G) US\$ Accumulating	–	–	–	60	1	96.58	78	1	97.41
Class B (G) US\$ Distributing (D)	–	–	–	–	–	–	168	2	92.25
Class L (G) US\$ Accumulating	318	3	95.40	488	5	96.61	533	5	97.43
Class L (G) US\$ Distributing (D)	757	8	90.37	1,397	15	91.51	2,005	22	92.29
Legg Mason Western Asset Inflation Management Fund									
Class A US\$ Accumulating	\$ 3,669	29	128.16	\$ 5,451	43	126.00	\$ 5,896	44	134.83
Class A US\$ Distributing (A)	3,252	28	114.15	1,989	18	112.22	4,010	33	120.09
Class B US\$ Accumulating	39	–	119.78	39	–	118.06	878	7	126.64
Class B US\$ Distributing (A)	10	–	117.61	10	–	115.91	11	–	124.34
Class C US\$ Accumulating	188	2	97.05	280	3	96.21	439	4	103.73
Class C US\$ Distributing (A)	1,850	16	112.67	2,779	25	111.33	11,506	96	119.72
Class A (G) US\$ Accumulating	759	6	132.63	825	6	129.87	1,229	9	138.41
Class A (G) US\$ Distributing (A)	153	1	110.92	75	1	108.62	142	1	116.22
Class B (G) US\$ Accumulating	–	–	–	–	–	–	179	1	134.43
Class B (G) US\$ Distributing (A)	–	–	–	91	1	105.79	150	1	113.31
Class L (G) US\$ Accumulating	120	1	127.27	118	1	125.25	204	2	134.16
Class L (G) US\$ Distributing (A)	399	4	103.54	396	4	101.90	438	4	109.14
Legg Mason Western Asset Asian Opportunities Fund									
Class A US\$ Accumulating	\$ 85,530	607	140.88	\$ 124,158	919	135.16	\$ 230,911	1,591	145.09
Class A US\$ Distributing (D)	42,235	366	115.37	58,951	516	114.22	105,290	837	125.74
Class A US\$ Distributing (M)	27,877	262	106.25	17,284	164	105.18	43,845	379	115.74
Class A US\$ Distributing (M) Plus	3,713	41	90.18	389	4	90.27	25	–	100.33
Class A AUD Distributing (M) (Hedged) Plus	4,468	55	104.21	2,431	26	103.38	2,758	24	112.24
Class A CHF Accumulating (Hedged)	1,274	12	99.46	–	–	–	–	–	–
Class A CNH Distributing (M) (Hedged) Plus	832	53	98.68	100	6	97.96	–	–	–
Class A Euro Accumulating	5,716	26	198.27	6,153	29	154.23	33,005	144	175.03
Class A Euro Accumulating (Hedged)	6,473	55	105.38	10,017	72	101.26	9,952	70	108.80
Class A Euro Distributing (A)	1,343	10	124.52	568	4	99.56	3,312	22	117.79
Class A GBP Distributing (D) (Hedged)	831	5	99.61	1,800	11	98.42	7,977	49	108.04
Class A GBP Distributing (M)	930	6	107.66	844	5	98.26	632	3	119.34
Class A SGD Accumulating (Hedged)	15,304	15,544	1.34	16,985	16,730	1.29	26,411	23,649	1.38
Class A SGD Distributing (M) (Hedged) Plus	6,112	8,625	0.97	8,612	11,227	0.97	15,635	17,870	1.08
Class A SGD Distributing (M) Plus	2,009	2,717	1.01	2,786	3,748	0.94	6,180	7,468	1.02
Class B US\$ Accumulating	1,552	11	138.48	1,915	14	133.18	3,554	25	143.34
Class B US\$ Distributing (D)	1,344	12	115.33	1,785	16	114.18	3,168	25	125.69
Class C US\$ Accumulating	11,744	86	135.85	20,628	157	130.98	44,497	315	141.32
Class C US\$ Distributing (D)	13,515	117	115.41	23,517	206	114.26	44,925	357	125.79
Class E US\$ Accumulating	4,111	35	118.10	6,173	54	113.98	17,871	145	123.11
Class E US\$ Distributing (D)	1,022	10	106.07	2,176	21	105.02	6,033	52	115.61
Class E Euro Accumulating (Hedged)	88	1	98.63	–	–	–	–	–	–
Class F US\$ Accumulating	14,532	116	125.06	4,223	35	119.50	16,401	128	127.77
Class F US\$ Distributing (D)	40	–	106.08	30	–	105.03	146	1	115.61
Class X Euro Accumulating (Hedged)	1,361	12	104.35	–	–	–	–	–	–
Premier Class US\$ Accumulating	78,212	533	146.80	28,544	204	139.92	49,471	332	149.23
Premier Class US\$ Distributing (M)	18,174	199	91.19	10,101	112	90.27	10,926	110	99.33
Premier Class Euro Accumulating	89,080	603	131.92	64,115	455	102.04	186,792	1,242	115.21
Premier Class Euro Accumulating (Hedged)	1,541	12	112.35	1,353	9	107.16	15,219	102	114.53
Premier Class Euro Distributing (A)	55,320	448	110.25	79,710	656	88.01	28,930	222	99.82
Premier Class Euro Distributing (M)	8,473	66	114.72	11,474	90	92.03	17,568	126	107.06
Premier Class GBP Distributing (M)	159	1	103.29	545	3	94.13	7,967	46	114.43
LM Class US\$ Accumulating	89,422	591	151.41	124,194	866	143.45	133,872	880	152.08
Legg Mason Western Asset Global Blue Chip Bond Fund									
Class A US\$ Accumulating	\$ 7,516	64	116.97	\$ 5,363	46	116.13	\$ 7,504	64	116.78
Class A US\$ Distributing (M)	1,709	16	105.62	2,509	23	106.79	3,422	31	109.41
Class A Euro Accumulating (Hedged)	113	1	100.72	68	–	100.17	19	–	115.54
Class A GBP Accumulating (Hedged)	113	1	115.33	171	1	114.23	156	1	114.64
Class B US\$ Distributing (M)	231	2	105.45	234	2	106.62	395	4	109.24
Class C US\$ Accumulating	1,967	17	113.68	1,555	14	113.43	1,889	16	114.63
Class C US\$ Distributing (M)	1,425	14	105.42	9,023	85	106.58	9,291	85	109.20
Class E US\$ Accumulating	450	4	107.87	422	4	107.63	2,313	21	108.88
Class E US\$ Distributing (D)	460	5	101.53	569	6	102.68	706	7	105.20
Class F US\$ Accumulating	1	–	113.88	1	–	112.48	1	–	112.42
Class F US\$ Distributing (D)	–	–	–	–	–	–	53	1	105.03
Premier Class US\$ Accumulating	4,783	39	121.75	4,787	40	120.10	4,777	40	119.98
Premier Class US\$ Distributing (M)	6,852	65	105.64	6,016	56	106.81	7,327	67	109.43
Premier Class Euro Accumulating (Hedged)	855	6	122.95	7,939	47	121.42	14,740	93	121.56
Premier Class Euro Distributing (M) (Hedged)	1,037	9	105.28	1,532	10	106.59	7,210	50	109.45
Premier Class GBP Accumulating (Hedged)	1,623	9	122.39	2,609	13	120.46	1,966	11	120.17
Premier Class GBP Distributing (M) (Hedged)	16,057	97	106.86	29,295	162	107.79	48,627	291	110.24
Legg Mason Western Asset Brazil Bond Fund									
Class A US\$ Distributing (M)	\$ 187	3	61.39	\$ 4	–	73.01	\$ 1	–	95.09
Premier Class US\$ Accumulating	–	–	–	30	–	108.06	49	–	128.79
LM Class US\$ Accumulating	33,387	326	102.38	5,486	50	109.71	6,502	50	130.03
Legg Mason Western Asset Global Credit Absolute Return Fund^A									
Class A US\$ Accumulating	\$ 170	2	106.39	\$ 1	–	105.19	\$ 1	–	104.69
Class A US\$ Distributing (M)	6,280	61	102.62	4,822	46	104.05	210	2	104.43
Class A Euro Accumulating (Hedged)	–	–	–	140	1	101.18	–	–	–
Class A GBP Distributing (M) (Hedged)	943	6	109.16	1,635	9	107.51	734	5	105.51
Class A (PF) US\$ Accumulating	656	6	109.26	639	6	107.68	637	6	105.62
Class A (PF) US\$ Distributing (M)	8	–	109.03	8	–	107.46	7	–	105.39
Class B US\$ Accumulating	1	–	107.09	1	–	105.69	1	–	103.84
Class B US\$ Distributing (M)	1	–	104.01	1	–	105.48	1	–	103.84
Class C US\$ Accumulating	1	–	104.94	42	–	104.02	1	–	102.73
Class C US\$ Distributing (M)	1	–	103.90	1	–	104.18	1	–	102.73

The accompanying notes are an integral part of the Financial Statements

Balance Sheet – (continued)

	February 28, 2015			February 28, 2014			February 28, 2013		
	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 Western Asset Global Credit Absolute Return Fund[^] (continued)									
Class E US\$ Accumulating	–	–	–	\$ 1	–	104.18	\$ 1	–	102.73
Class E US\$ Distributing (M)	–	–	–	1	–	105.56	1	–	104.08
Class F US\$ Accumulating	\$ 1	–	108.99	1	–	107.19	1	–	104.93
Class F US\$ Distributing (M)	1	–	104.05	1	–	105.52	1	–	104.93
Class X GBP Distributing (M) (Hedged)	2,926	19	98.87	3,191	19	100.01	–	–	–
Premier Class US\$ Distributing (M)	15	–	98.62	–	–	–	–	–	–
Premier Class Euro Accumulating (Hedged)	7,532	62	109.37	11,717	79	107.44	426	3	105.13
Premier Class GBP Distributing (M) (Hedged)	48,819	310	101.92	48,775	283	103.10	36,697	234	103.30
Premier (PF) Class US\$ Accumulating	2,949	26	112.71	24,642	223	110.29	26,761	249	107.48
Premier (PF) Class US\$ Distributing (M)	–	–	–	19	–	105.64	79	1	105.94
Premier (PF) Class GBP Accumulating (Hedged)	1,621	9	113.99	176	1	111.31	12,776	78	108.21
Premier (PF) Class GBP Distributing (M) (Hedged)	20,300	123	106.50	21,145	117	107.75	54,327	332	107.94
Legg Mason Western Asset UK£ Core Plus Bond Fund[^]									
Class A GBP Distributing (D)	–	–	–	–	–	–	£ 1	–	109.05
LM Class GBP Accumulating	–	–	–	–	–	–	62,518	529	118.29
Legg Mason Western Asset Global Core Plus Bond Fund[^]									
Class A US\$ Distributing (D)	\$ 76	1	118.37	\$ 1	–	108.79	\$ 1	–	109.68
Class X US\$ Accumulating	176	2	101.07	–	–	–	–	–	–
Premier Class US\$ Accumulating	99,048	738	134.26	81,220	675	120.34	2,972	25	118.07
Premier Class Euro Accumulating (Hedged)	16,549	138	107.25	–	–	–	–	–	–
Premier Class Euro Distributing (Q) (Hedged)	–	–	–	–	–	–	14,130	98	110.44
Premier Class JPY Accumulating (Hedged)	1,388	15	10,812.64	–	–	–	–	–	–
LM Class US\$ Accumulating	–	–	–	27,851	235	118.76	26,789	231	116.08
LM Class Euro Accumulating (Hedged)	–	–	–	4,504	27	118.76	5,208	34	116.30
LM Class JPY Accumulating (Hedged)	–	–	–	12,646	110	11,750.12	15,462	125	11,500.27
Legg Mason Western Asset Global Inflation-Linked Fund^ö									
Class A US\$ Accumulating	–	–	–	\$ 2	–	101.75	\$ 2	–	107.37
Class A US\$ Distributing (D)	–	–	–	1	–	104.05	72	1	109.38
Class A SGD Accumulating (Hedged)	–	–	–	497	623	1.01	259	301	1.07
Premier Class US\$ Accumulating	–	–	–	26,874	244	110.35	39,464	343	115.18
Premier Class SGD Accumulating (Hedged)	–	–	–	–	–	–	34,166	36,790	1.15
LM Class GBP Accumulating (Hedged)	–	–	–	747	4	112.42	1,308	7	116.72
Legg Mason Western Asset UK£ Inflation-Linked Plus Fund[^]									
Class A GBP Distributing (D)	–	–	–	–	–	–	£ 11	–	121.60
LM Class GBP Accumulating	–	–	–	–	–	–	31,015	240	129.38
Legg Mason Western Asset UK£ Long Duration Fund[^]									
Class A GBP Distributing (D)	–	–	–	–	–	–	£ 1	–	111.87
LM Class GBP Accumulating	–	–	–	–	–	–	92,708	761	121.76
Legg Mason Western Asset Global Credit Fund									
Class A US\$ Accumulating	\$ 561	5	117.65	\$ 533	5	112.49	\$ 1,348	12	111.09
Class A US\$ Distributing (D)	2,531	23	109.26	2,787	26	106.80	24,144	224	107.75
Class A Euro Accumulating (Hedged)	1,339	10	116.87	772	5	111.87	3,022	21	110.75
Class A GBP Accumulating (Hedged)	–	–	–	–	–	–	521	3	111.46
Premier Class US\$ Accumulating	858	7	115.99	899	8	109.97	1,839	17	107.67
LM Class US\$ Accumulating	94,818	740	128.21	95,064	785	121.14	92,752	785	118.19
Legg Mason Western Asset Euro High Yield Fund									
Class A Euro Distributing (D)	€ 31	–	104.12	€ 75	1	103.74	€ 33	–	101.28
LM Class Euro Accumulating	78,765	550	143.11	73,736	550	133.97	29,942	246	121.94
LM Class Euro Distributing (Q)	9,780	93	105.26	8,969	85	105.22	48,265	470	102.71
Legg Mason Western Asset Macro Opportunities Bond Fund[^]									
Class A US\$ Accumulating	\$ 705,180	6,357	110.93	\$ 101	1	103.09	–	–	–
Class A US\$ Distributing (M) Plus (e)	57,627	570	101.15	–	–	–	–	–	–
Class A US\$ Distributing (S)	119,463	1,158	103.15	–	–	–	–	–	–
Class A CHF Accumulating (Hedged)	23,221	204	108.28	115	1	101.00	–	–	–
Class A CNH Accumulating (Hedged)	101	6	102.51	–	–	–	–	–	–
Class A CNH Distributing (M) (Hedged) Plus (e)	98	6	101.91	–	–	–	–	–	–
Class A Euro Accumulating (Hedged)	295,582	2,429	108.75	112	1	101.02	–	–	–
Class A GBP Accumulating	2	–	103.44	–	–	–	–	–	–
Class A GBP Accumulating (Hedged)	17,874	106	108.91	118	1	101.03	–	–	–
Class A SGD Accumulating (Hedged)	21,823	27,529	1.08	–	–	–	–	–	–
Class A SGD Distributing (M) (Hedged) Plus (e)	101	136	1.01	–	–	–	–	–	–
Class B US\$ Accumulating	629	6	101.91	–	–	–	–	–	–
Class C US\$ Accumulating	50,071	485	103.27	–	–	–	–	–	–
Class C US\$ Distributing (S)	6,917	68	102.07	–	–	–	–	–	–
Class E US\$ Accumulating	19,195	187	102.58	–	–	–	–	–	–
Class E US\$ Distributing (S)	300	3	101.78	–	–	–	–	–	–
Class E Euro Accumulating (Hedged)	2,720	24	101.81	–	–	–	–	–	–
Class F US\$ Accumulating	52,018	506	102.73	–	–	–	–	–	–
Class F US\$ Distributing (S)	495	5	104.21	–	–	–	–	–	–
Class S US\$ Accumulating	100,081	891	112.36	82,998	803	103.32	–	–	–
Class S Euro Accumulating (Hedged)	328,451	2,610	112.43	277,517	1,946	103.31	–	–	–
Class X US\$ Accumulating	87,876	813	108.15	–	–	–	–	–	–
Class X US\$ Distributing (S)	75	1	101.53	–	–	–	–	–	–
Class X CHF Accumulating (Hedged)	5,173	46	107.95	–	–	–	–	–	–
Class X Euro Accumulating	12,896	94	122.95	–	–	–	–	–	–
Class X Euro Accumulating (Hedged)	75,529	618	109.27	112	1	101.04	–	–	–
Class X GBP Accumulating	26	–	103.71	–	–	–	–	–	–
Class X GBP Accumulating (Hedged)	66,834	395	109.60	118	1	101.05	–	–	–
Class X SGD Accumulating (Hedged)	1,097	1,378	1.08	–	–	–	–	–	–
Premier Class US\$ Accumulating	227,997	2,039	111.81	22,729	220	103.23	–	–	–
Premier Class US\$ Distributing (S)	4,986	49	101.20	–	–	–	–	–	–
Premier Class CHF Accumulating (Hedged)	2,339	22	102.09	–	–	–	–	–	–
Premier Class Euro Accumulating	14,521	104	125.19	–	–	–	–	–	–
Premier Class Euro Accumulating (Hedged)	855,659	7,178	106.52	–	–	–	–	–	–
Premier Class GBP Accumulating (Hedged)	79,306	504	101.96	–	–	–	–	–	–
Premier Class GBP Distributing (M) (Hedged) Plus (e)	44,799	288	100.65	–	–	–	–	–	–
Legg Mason Brandywine Global Fixed Income Fund									
Class A US\$ Accumulating	\$ 272,217	1,832	148.57	\$ 153,289	1,061	144.44	\$ 221,482	1,504	147.22
Class A US\$ Distributing (M)	4,308	40	108.12	4,070	38	107.03	2,961	27	110.75
Class A US\$ Distributing (S)	138,335	1,041	132.89	171,354	1,303	131.50	293,715	2,159	136.02
Class A AUD Distributing (M) (Hedged) Plus	–	–	–	–	–	–	–	–	–
Class A Euro Accumulating (Hedged)	8,347	75	99.05	7,322	55	96.54	3,620	28	98.86
Class A Euro Accumulating (Hedged) (AH)	159,381	883	161.21	152,321	796	138.70	212,163	1,154	140.83
Class A Euro Distributing (A) (Hedged)	5,494	49	99.64	104	1	98.26	–	–	–
Class A Euro Distributing (S)	–	–	–	1	–	94.96	–	–	–
Class A Euro Distributing (S) (Hedged) (AH)	33,464	239	125.13	34,831	230	109.59	62,477	424	112.96
Class A GBP Accumulating	2	–	101.76	–	–	–	–	–	–
Class A GBP Distributing (M) (Hedged)	1	–	99.49	–	–	–	–	–	–
Class A GBP Distributing (S) (Hedged) (AH)	26,723	133	130.52	41,411	217	114.01	92,889	522	117.29

The accompanying notes are an integral part of the Financial Statements

Balance Sheet – (continued)

	February 28, 2015			February 28, 2014			February 28, 2013		
	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 Brandywine Global Fixed Income Fund (continued)									
Class B US\$ Accumulating	\$ 819	6	137.31	\$ 1,361	10	133.83	\$ 1,840	13	136.74
Class B US\$ Distributing (S)	2,108	16	132.85	2,638	20	131.47	4,201	31	135.98
Class C US\$ Accumulating	6,810	50	134.94	8,418	64	131.85	6,514	48	135.06
Class C US\$ Distributing (S)	24,078	182	132.23	32,086	245	130.86	48,810	361	135.35
Class E US\$ Accumulating	14,693	142	103.75	21,342	210	101.48	77,921	749	104.05
Class E Euro Accumulating (Hedged) (AH)	34,183	255	119.72	48,344	338	103.62	33,063	239	106.08
Class F US\$ Accumulating	1,579	15	102.62	17,421	175	99.39	3,252	32	100.90
Class F US\$ Distributing (S)	1,303	13	98.07	4,217	43	97.05	455	5	100.32
Class R US\$ Distributing (S)	1,206	12	97.97	242	3	96.95	249	3	99.46
Class R GBP Distributing (S) (Hedged) (AH)	5,728	34	107.63	111	1	94.09	–	–	–
Class X US\$ Accumulating	1,135	11	102.18	593	6	98.84	–	–	–
Class X US\$ Distributing (S)	17,119	174	98.56	3,142	32	97.53	–	–	–
Class X Euro Accumulating (Hedged)	64,510	553	104.20	13,120	94	101.05	–	–	–
Class X Euro Distributing (S) (Hedged)	–	–	–	99	1	94.49	–	–	–
Class X GBP Accumulating	2	–	101.85	–	–	–	–	–	–
Class X GBP Accumulating (Hedged)	78	1	99.59	–	–	–	–	–	–
Class X GBP Distributing (S) (Hedged)	2,478	16	98.44	3,824	23	97.29	8	–	99.77
Class X GBP Distributing (S) (Hedged) (AH)	2,220	13	110.32	–	–	–	–	–	–
Premier Class US\$ Accumulating	211,402	1,800	117.46	140,137	1,235	113.46	167,105	1,455	114.89
Premier Class US\$ Distributing (S)	156,746	1,541	101.70	49,840	495	100.64	20,043	193	104.10
Premier Class CHF Accumulating (Hedged) (AH)	3,270	27	115.72	–	–	–	–	–	–
Premier Class Euro Accumulating	184,506	1,140	144.57	121,414	776	113.30	169,847	1,072	121.32
Premier Class Euro Accumulating (Hedged)	7,926	71	100.33	2,460	18	97.11	511	4	98.75
Premier Class Euro Accumulating (Hedged) (AH)	78,321	534	131.13	169,825	1,098	112.07	171,633	1,163	113.06
Premier Class GBP Distributing (M) (Hedged)	15,914	104	98.86	–	–	–	–	–	–
Premier Class GBP Distributing (S) (Hedged) (AH)	18,325	100	118.87	11,107	64	103.83	8,684	54	106.78
Premier Class JPY Accumulating (Hedged) (AH)	1,354	14	11,214.97	–	–	–	–	–	–
LM Class US\$ Accumulating	209	2	123.25	27,213	230	118.40	26,000	218	119.17
LM Class Euro Accumulating (Hedged) (AH)	–	–	–	4,358	26	120.85	5,073	32	121.11
LM Class JPY Accumulating (Hedged) (AH)	–	–	–	12,170	103	11,980.85	15,101	118	11,897.96
Legg Mason Brandywine Global Fixed Income Absolute Return Fund^A									
Class A US\$ Accumulating	\$ 89,346	772	115.81	\$ 69,462	648	107.19	\$ 1	–	110.26
Class A US\$ Distributing (A)	12,685	119	106.44	10,751	108	99.43	–	–	–
Class A Euro Accumulating (Hedged)	5,204	43	106.92	183	1	98.93	–	–	–
Class B US\$ Distributing (D)	405	4	106.02	474	5	99.97	–	–	–
Class C US\$ Accumulating	3,238	31	104.45	3,226	33	97.16	–	–	–
Class E US\$ Accumulating	2,104	20	104.33	24,014	247	97.10	–	–	–
Class E US\$ Distributing (A)	2,134	20	107.75	1,330	13	101.02	–	–	–
Class F US\$ Accumulating	34,674	334	103.74	–	–	–	–	–	–
Class F US\$ Distributing (A)	102	1	102.13	–	–	–	–	–	–
Class X GBP Accumulating (Hedged)	3,494	22	104.82	–	–	–	–	–	–
Class X GBP Distributing (M) (Hedged)	484	3	105.09	4,949	30	98.74	–	–	–
Premier Class US\$ Accumulating	172,305	1,623	106.17	147,366	1,509	97.69	–	–	–
Premier Class US\$ Distributing (A)	11,724	112	104.75	–	–	–	–	–	–
Premier Class Euro Accumulating (Hedged)	101,243	778	116.30	92,951	629	106.98	47,876	334	109.64
Premier Class Euro Distributing (A) (Hedged)	62,328	552	100.98	67,440	516	94.62	–	–	–
Premier Class GBP Distributing (M) (Hedged)	109,856	698	102.02	63,701	397	95.85	–	–	–
Premier Class SGD Accumulating (Hedged)	247,734	309,571	1.09	37,875	47,888	1.00	–	–	–
LM Class US\$ Accumulating	123,817	1,180	104.97	–	–	–	–	–	–
LM Class AUD Accumulating (Hedged)	131,666	1,298	129.86	194,545	1,888	115.48	138,633	1,188	114.27
LM Class Euro Accumulating (Hedged)	11,073	86	115.61	58,399	402	105.37	43,588	312	106.97
Legg Mason Brandywine Global High Yield Fund^A									
Class A US\$ Accumulating	\$ 438	4	107.50	\$ 2,669	25	106.25	–	–	–
Premier Class US\$ Accumulating	10,050	88	113.87	7,387	66	111.88	\$ 6,817	66	103.24
Premier Class Euro Accumulating (Hedged) (AH)	4,509	35	116.46	5,256	35	110.04	4,656	35	103.07
Premier Class GBP Accumulating (Hedged) (AH)	5,098	28	117.56	5,214	28	110.86	4,407	28	103.42
Legg Mason Brandywine Global Opportunistic Fixed Income Fund^A									
Class A US\$ Accumulating	\$ 46,844	404	115.87	\$ 22,835	207	110.58	\$ 40,100	355	112.94
Class A US\$ Distributing (M)	16,049	136	117.83	12,940	112	115.20	30,606	254	120.39
Class A Euro Accumulating (Hedged)	137	1	103.83	2	–	99.32	–	–	–
Class A Euro Accumulating (Hedged) (AH)	–	–	–	–	–	–	4,726	35	104.17
Class C US\$ Accumulating	1,160	11	109.87	896	8	105.40	1,488	14	108.22
Class E US\$ Accumulating	1,248	12	108.37	1,430	14	104.06	2,965	28	106.94
Class F US\$ Accumulating	2,552	26	98.27	–	–	–	141	1	99.68
Class F US\$ Distributing (M)	581	6	101.01	568	6	98.76	–	–	–
Class X Euro Accumulating (Hedged)	1,046	9	104.40	243	2	99.37	–	–	–
Class X GBP Distributing (M) (Hedged)	2	–	99.35	–	–	–	–	–	–
Premier Class US\$ Accumulating	38,096	326	116.71	16,409	148	110.69	33,286	296	112.33
Premier Class US\$ Distributing (M)	15,127	147	102.71	609	6	100.42	1,721	16	104.93
Premier Class Euro Accumulating (Hedged) (AH)	6,502	52	112.24	–	–	–	–	–	–
Premier Class GBP Accumulating (Hedged)	6,633	43	100.03	–	–	–	–	–	–
Premier Class GBP Distributing (M) (Hedged) (AH)	15,512	82	123.02	12,037	68	106.22	28,014	167	110.58
Premier Class NZD Accumulating (Hedged) (AH)	12,194	119	135.91	12,252	132	110.52	10,719	119	109.31
LM Class US\$ Accumulating (Hedged) (AH)	–	–	–	15,810	158	99.96	3,908	39	100.21
LM Class NZD Accumulating (Hedged) (AH)	141,680	1,232	152.08	109,693	1,065	122.90	58,398	584	120.87
Legg Mason Brandywine Global Sovereign Credit Fund^A									
Premier Class US\$ Accumulating	\$ 1	–	117.16	\$ 1	–	108.19	\$ 1	–	112.75
Premier Class GBP Accumulating (Hedged) (AH)	394,694	1,993	128.31	201,223	1,121	107.22	259,115	1,433	119.21
Premier Class GBP Distributing (S) (Hedged) (AH)	252,794	1,441	113.67	203,129	1,214	99.88	198,682	1,126	116.26
LM Class GBP Accumulating (Hedged) (AH)	1,271,197	6,864	119.95	486,197	2,906	99.93	–	–	–
LM Class GBP Distributing (S) (Hedged) (AH)	110,092	629	113.37	104,162	629	98.89	–	–	–
Legg Mason Brandywine Global Income Optimiser Fund^A									
Class A US\$ Accumulating	\$ 28	–	109.46	\$ 1	–	105.49	–	–	–
Class A US\$ Distributing (D)	1	–	101.18	1	–	103.21	–	–	–
Class A US\$ Distributing (M) Plus (e)	1,413	14	99.45	479	5	100.81	–	–	–
Class A Euro Distributing (M) (Hedged) Plus (e)	6,626	60	99.30	816	6	100.90	–	–	–
Class A GBP Distributing (M) (Hedged) Plus (e)	2,764	18	99.50	50	–	100.70	–	–	–
Class C US\$ Accumulating	260	3	99.68	–	–	–	–	–	–
Class C US\$ Distributing (D)	30	–	101.43	–	–	–	–	–	–
Class X US\$ Distributing (D)	1,223	12	102.71	1,041	10	102.48	–	–	–
Class X US\$ Distributing (M) Plus (e)	2,650	27	99.52	927	9	100.28	–	–	–
Class X Euro Distributing (M) (Hedged) Plus (e)	1,853	17	99.88	1,187	9	100.93	–	–	–
Class X GBP Distributing (M) (Hedged) Plus (e)	12,775	82	100.31	3,066	18	100.92	–	–	–
Premier Class US\$ Distributing (M) Plus (e)	365	4	100.67	262	3	101.28	–	–	–
Premier Class Euro Accumulating (Hedged)	459	4	100.93	–	–	–	–	–	–
Premier Class Euro Distributing (M) (Hedged) Plus (e)	1,237	11	100.27	120	1	101.12	–	–	–
Premier Class GBP Distributing (M) (Hedged) Plus (e)	49	–	99.86	–	–	–	–	–	–
Premier Class SEK Accumulating (Hedged)	5,172	425	101.36	–	–	–	–	–	–
LM Class US\$ Accumulating	40,564	369	110.04	4,715	45	104.77	–	–	–

The accompanying notes are an integral part of the Financial Statements

Balance Sheet – (continued)

	February 28, 2015			February 28, 2014			February 28, 2013		
	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 Brandywine Global Credit Opportunities Fund^μ									
Class A US\$ Accumulating	\$ 15,640	152	102.58	–	–	–	–	–	–
Class S US\$ Accumulating	9,159	89	103.30	–	–	–	–	–	–
Class X GBP Distributing (M) (Hedged) Plus (e)	1,741	11	98.73	–	–	–	–	–	–
Premier Class US\$ Accumulating	5,202	50	103.03	–	–	–	–	–	–
Premier Class Euro Accumulating (Hedged)	3,913	35	100.19	–	–	–	–	–	–
Premier Class GBP Accumulating (Hedged)	464	3	100.90	–	–	–	–	–	–
LM Class US\$ Accumulating	17,890	173	103.59	–	–	–	–	–	–
Legg Mason Western Asset Brazil Equity Fund									
Class A US\$ Distributing (A)	\$ 44	1	48.60	\$ 51	1	56.77	\$ 1	–	78.97
LM Class US\$ Accumulating	2,683	50	53.67	3,060	50	61.20	4,177	50	83.57
Legg Mason ClearBridge Value Fund#									
Class A US\$ Accumulating	\$ 94,762	1,000	94.73	\$ 55,728	656	84.98	\$ 28,230	431	65.53
Class A US\$ Distributing (A)	70,211	390	179.98	75,059	465	161.46	75,470	606	124.52
Class A Euro Accumulating	4,877	41	107.33	3,315	31	78.14	4,405	53	63.82
Class A Euro Distributing (A) (Hedged)	23	–	102.39	–	–	–	–	–	–
Class A GBP Distributing (A)	59	–	110.10	–	–	–	–	–	–
Class A SGD Accumulating	5,839	9,919	0.80	12,073	22,837	0.67	8,118	19,903	0.51
Class A SGD Accumulating (Hedged)	4,189	3,630	1.57	4,494	4,042	1.41	379	430	1.09
Class B US\$ Accumulating	10	–	102.41	–	–	–	–	–	–
Class B US\$ Distributing (A)	346	2	170.39	601	4	153.62	824	7	119.07
Class C US\$ Accumulating	1,205	12	99.32	863	10	89.55	274	4	69.40
Class C US\$ Distributing (A)	5,109	30	169.06	4,602	30	152.42	5,382	46	118.14
Class F US\$ Accumulating	2	–	179.54	2	–	159.84	1	–	122.33
Class F US\$ Distributing (A)	2	–	189.84	2	–	169.21	1	–	129.77
Class X US\$ Distributing (A)	1,974	16	125.56	1	–	112.00	–	–	–
Premier Class US\$ Accumulating	176,762	1,118	158.15	119,922	854	140.43	69,424	648	107.19
Premier Class US\$ Distributing (A)	449	4	112.18	–	–	–	–	–	–
Premier Class Euro Accumulating	1,162	8	130.56	–	–	–	–	–	–
LM Class US\$ Accumulating	–	–	–	5,407	31	173.38	4,899	37	131.44
LM Class Euro Accumulating	–	–	–	793	3	167.58	902	5	134.26
LM Class JPY Accumulating	–	–	–	3,455	17	20,488.32	4,104	27	14,155.77
Galleon Class	24	–	119.66	21	–	106.72	16	–	82.05
Legg Mason ClearBridge Growth Fund#									
Class A US\$ Accumulating	\$ 1,823	17	104.24	\$ 1,614	17	93.39	\$ 1,823	25	71.80
Class A US\$ Distributing (A)	3,852	30	128.97	3,287	28	116.06	6,273	70	89.37
Class A Euro Accumulating	167	1	137.63	106	1	100.08	249	2	81.19
Class B US\$ Accumulating	8	–	98.82	7	–	88.97	5	–	68.74
Class B US\$ Distributing (A)	216	2	121.97	288	3	110.31	287	3	85.37
Class C US\$ Accumulating	93	1	88.32	89	1	79.52	50	1	61.45
Class C US\$ Distributing (A)	1,781	15	120.99	1,486	14	109.42	1,527	18	84.68
Premier Class US\$ Accumulating	–	–	–	–	–	–	59,294	636	93.21
Legg Mason ClearBridge Global Equity Fund^Δ									
Class A US\$ Accumulating	\$ 1,878	18	103.20	\$ 366	3	108.18	\$ 131	2	83.80
Class A US\$ Distributing (A)	2,243	19	116.24	2,128	17	122.30	1,354	14	95.40
Class B US\$ Accumulating	26	–	101.62	27	–	107.05	21	–	83.36
Class C US\$ Accumulating	648	6	102.93	926	9	108.43	1	–	84.41
Class C US\$ Distributing (A)	198	2	113.53	84	1	119.65	23	–	93.21
Legg Mason ClearBridge Global Equity Income Fund^{ΔΘ}									
Class A US\$ Accumulating	\$ 571	6	97.74	–	–	–	–	–	–
Class A US\$ Distributing (M) Plus	10	–	103.97	–	–	–	–	–	–
Class A US\$ Distributing (M) Plus (e)	489	5	96.97	–	–	–	–	–	–
Class A US\$ Distributing (Q)	489	5	97.67	–	–	–	–	–	–
Class A AUD Distributing (M) (Hedged) Plus	10	–	104.17	–	–	–	–	–	–
Class A CNH Distributing (M) (Hedged) Plus	105	6	104.50	–	–	–	–	–	–
Class A Euro Accumulating (Hedged)	483	4	97.69	–	–	–	–	–	–
Class A Euro Distributing (M) (Hedged) Plus (e)	423	4	96.90	–	–	–	–	–	–
Premier Class US\$ Distributing (M) Plus (e)	491	5	97.36	–	–	–	–	–	–
Premier Class Euro Accumulating (Hedged)	424	4	98.09	–	–	–	–	–	–
Premier Class Euro Distributing (M) (Hedged) Plus (e)	424	4	97.30	–	–	–	–	–	–
LM Class US\$ Accumulating	853	9	98.15	–	–	–	–	–	–
Legg Mason ClearBridge US Appreciation Fund									
Class A US\$ Accumulating	\$ 76,627	487	157.48	\$ 80,219	567	141.44	\$ 69,154	588	117.65
Class A US\$ Distributing (A)	71,560	455	157.36	82,420	583	141.33	62,008	527	117.55
Class A Euro Accumulating	42,677	185	206.20	17,788	86	150.09	13,152	76	131.99
Class B US\$ Accumulating	3,077	21	147.81	2,731	20	133.42	522	5	111.53
Class B US\$ Distributing (A)	1,981	13	151.39	1,545	11	136.66	750	7	114.23
Class C US\$ Accumulating	24,854	168	147.86	20,524	154	133.47	13,304	119	111.57
Class C US\$ Distributing (A)	36,891	244	151.39	27,924	204	136.66	16,744	147	114.23
Class E US\$ Accumulating	28,761	164	174.96	30,786	194	158.33	12,994	98	132.69
Class E US\$ Distributing (A)	2,946	17	175.06	2,101	13	158.41	939	7	132.76
Class F US\$ Accumulating	2,568	18	141.20	2,901	23	126.07	413	4	104.23
Class F US\$ Distributing (A)	1,704	9	191.04	1,395	8	171.03	1,284	9	141.90
Class X US\$ Distributing (A)	8,772	71	123.51	3,667	33	110.47	–	–	–
Class X Euro Accumulating	1,080	6	150.33	2	–	108.74	–	–	–
Premier Class US\$ Accumulating	20,403	108	188.94	37,741	225	168.07	82,286	594	138.43
Premier Class US\$ Distributing (A)	3,369	15	230.80	3,113	15	206.57	2,701	16	171.19
Premier Class Euro Accumulating	12,368	52	211.57	11,002	52	152.58	4,112	24	132.99
LM Class US\$ Accumulating	–	–	–	14,605	88	165.83	10,906	80	135.74
LM Class Euro Accumulating	–	–	–	2,144	9	167.11	1,995	11	144.62
LM Class JPY Accumulating	–	–	–	9,290	46	20,508.07	9,058	55	15,288.13
Class A (G) US\$ Accumulating	7,601	47	160.98	7,714	54	144.09	6,933	58	119.43
Class B (G) US\$ Accumulating	36	–	154.77	170	1	139.22	404	3	115.98
Class L (G) US\$ Accumulating	6,127	40	154.80	5,967	43	139.25	5,014	43	116.00
Class GA US\$ Accumulating	4,831	30	163.64	4,661	32	146.72	4,438	36	121.82
Class GA Euro Accumulating	499	2	210.21	654	3	152.70	701	4	134.03
Class GA Euro Distributing (A)	684	3	209.64	620	3	152.38	576	3	133.79
Class GE US\$ Accumulating	505	3	159.14	474	3	143.76	401	3	120.26
Class GE Euro Accumulating	97	–	204.04	287	1	149.32	268	2	132.07
Class GP US\$ Accumulating	6	–	172.53	11	–	152.52	34	–	124.83
Legg Mason ClearBridge US Fundamental Value Fund									
Class A US\$ Accumulating	\$ 14,306	111	128.53	\$ 16,499	140	117.52	\$ 15,545	158	98.63
Class A US\$ Distributing (A)	3,019	24	127.41	3,371	29	116.94	2,436	25	98.26
Class A Euro Accumulating	129	1	174.46	127	1	130.66	17	–	115.79
Class B US\$ Accumulating	362	3	131.93	319	3	121.23	180	2	102.25
Class B US\$ Distributing (A)	387	3	123.58	430	4	113.56	425	4	95.78
Class C US\$ Accumulating	2,276	17	131.96	1,709	14	121.26	1,233	12	102.27
Class C US\$ Distributing (A)	2,384	19	123.60	2,365	21	113.58	1,278	13	95.80
Class A (G) US\$ Accumulating	37,781	287	131.52	40,065	334	119.93	38,951	388	100.33
Class B (G) US\$ Accumulating	285	2	126.42	972	8	115.87	1,804	19	97.42
Class L (G) US\$ Accumulating	15,031	119	126.44	15,106	130	115.88	14,588	150	97.43
Class GA US\$ Accumulating	12,772	70	181.52	19,383	117	165.81	18,671	134	138.95
Class GA Euro Accumulating	93	–	203.98	113	1	150.97	196	1	133.73
Class GA Euro Distributing (A)	75	–	204.98	69	–	152.58	62	–	135.42
Class GE US\$ Accumulating	129	1	175.50	210	1	161.52	177	1	136.37
Class GE Euro Accumulating	351	2	199.61	367	2	148.93	467	3	133.01

The accompanying notes are an integral part of the Financial Statements

Balance Sheet – (continued)

	February 28, 2015			February 28, 2014			February 28, 2013		
	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 ClearBridge US Large Cap Growth Fund									
Class A US\$ Accumulating	\$ 41,737	230	181.16	\$ 23,654	150	157.68	\$ 5,884	48	123.15
Class A US\$ Distributing (A)	18,953	105	181.22	13,667	87	157.73	1,616	13	123.19
Class A Euro Accumulating	3,947	14	260.65	3,024	12	184.03	144	1	152.20
Class A Euro Distributing (A)	3	–	119.29	–	–	–	–	–	–
Class B US\$ Accumulating	972	6	171.62	990	7	150.12	492	4	117.83
Class B US\$ Distributing (A)	976	6	174.23	892	6	152.40	704	6	119.62
Class C US\$ Accumulating	9,850	57	171.67	5,211	35	150.16	752	6	117.86
Class C US\$ Distributing (A)	32,577	187	174.26	35,915	236	152.43	23,509	196	119.65
Premier Class US\$ Accumulating	13,247	122	108.48	–	–	–	–	–	–
Class A (G) US\$ Accumulating	10,382	56	184.74	9,543	60	160.25	8,507	68	124.76
Class B (G) US\$ Accumulating	49	–	177.61	510	3	154.83	632	5	121.15
Class L (G) US\$ Accumulating	9,534	54	177.62	9,431	61	154.85	8,135	67	121.16
Class GA US\$ Accumulating	2,820	13	221.57	2,803	15	192.53	3,014	20	150.14
Class GA Euro Accumulating	166	1	252.57	144	1	177.93	130	1	146.66
Class GA Euro Distributing (A)	10	–	253.56	9	–	178.62	7	–	147.27
Class GE US\$ Distributing (A)	37	–	214.23	48	–	187.54	38	–	147.36
Class GE Euro Accumulating	46	–	244.41	76	–	173.39	60	–	144.04
Legg Mason ClearBridge US Aggressive Growth Fund									
Class A US\$ Accumulating	\$ 1,248,459	6,967	179.19	\$ 621,344	3,867	160.67	\$ 123,412	1,054	117.08
Class A US\$ Distributing (A)	296,488	1,654	179.23	145,059	903	160.71	17,436	149	117.11
Class A AUD Accumulating (Hedged)	43,026	384	143.55	24,470	218	125.68	–	–	–
Class A CHF Accumulating (Hedged)	392	3	108.97	–	–	–	–	–	–
Class A CNH Accumulating (Hedged)	10	1	106.44	–	–	–	–	–	–
Class A Euro Accumulating	115,515	398	259.28	49,759	191	188.56	1,889	10	145.16
Class A Euro Accumulating (Hedged)	18,693	117	143.13	36,980	209	128.47	–	–	–
Class A Euro Distributing (A) (Hedged)	22	–	103.50	–	–	–	–	–	–
Class A GBP Accumulating	20	–	109.76	–	–	–	–	–	–
Class A SEK Accumulating (Hedged)	77	4	154.42	205	10	138.11	1	–	100.18
Class A SGD Accumulating (Hedged)	17,860	15,908	1.53	8,328	7,698	1.37	1	–	1.00
Class B US\$ Accumulating	9,882	55	179.74	7,036	43	161.97	1,482	12	118.62
Class B US\$ Distributing (A)	6,947	40	172.33	3,677	24	155.30	1,193	10	113.73
Class C US\$ Accumulating	39,563	220	179.79	18,592	115	162.02	7,294	61	118.65
Class C US\$ Distributing (A)	74,359	431	172.34	40,038	258	155.30	14,805	130	113.74
Class E US\$ Accumulating	85,030	468	181.56	45,420	277	164.02	7,934	66	120.43
Class E US\$ Distributing (A)	4,861	27	181.59	1,811	11	164.05	177	1	120.45
Class E Euro Accumulating (Hedged)	2,913	20	127.11	1,334	8	114.85	–	–	–
Class F US\$ Accumulating	193,820	1,008	192.23	20,318	119	171.34	73	1	124.10
Class F US\$ Distributing (A)	9,039	47	192.36	3,105	18	171.46	1	–	124.10
Class X US\$ Accumulating	166,635	1,212	137.45	56,812	464	122.45	–	–	–
Class X US\$ Distributing (A)	37,652	246	152.77	12,048	89	136.10	155	2	98.54
Class X Euro Accumulating	49,750	316	140.83	95	1	101.68	–	–	–
Class X Euro Accumulating (Hedged)	3,246	25	114.23	1	–	101.75	–	–	–
Class X GBP Accumulating	80,840	367	142.70	27,973	142	117.51	–	–	–
Premier Class US\$ Accumulating	1,494,283	6,691	223.33	628,841	3,172	198.27	167,121	1,168	143.04
Premier Class Euro Accumulating	68,278	260	234.22	10,905	47	168.74	3,151	19	128.60
Premier Class Euro Accumulating (Hedged)	83,920	645	116.32	–	–	–	–	–	–
Premier Class Euro Distributing (A)	3,248	13	223.24	54,681	245	161.94	266	2	123.66
Premier Class GBP Accumulating (Hedged)	1,586	9	114.13	–	–	–	–	–	–
Premier Class GBP Distributing (A)	329,104	1,223	174.35	98,308	411	142.70	8,858	51	113.85
Class A (G) US\$ Accumulating	57,684	314	183.59	60,229	367	164.05	52,032	437	119.12
Class B (G) US\$ Accumulating	466	3	176.48	1,306	8	158.48	2,414	21	115.68
Class L (G) US\$ Accumulating	19,727	112	176.52	19,321	122	158.51	15,438	133	115.69
Class GA Euro Accumulating	1,717	6	268.14	1,543	6	194.48	1,257	6	149.48
Class GA Euro Distributing (A)	117	–	267.26	114	–	193.76	136	1	149.00
Class GE US\$ Accumulating	54	–	227.49	75	–	205.04	55	–	150.20
Class GE Euro Accumulating	81	–	260.19	188	1	190.06	142	1	147.20
Legg Mason ClearBridge US Equity Income Fund									
Class A US\$ Accumulating	–	–	–	\$ 1	–	110.42	–	–	–
Class A US\$ Distributing (M) Plus (e)	–	–	–	833	8	109.64	–	–	–
Class A Euro Accumulating (Hedged)	–	–	–	84	1	104.14	–	–	–
Class A Euro Distributing (M) (Hedged) Plus (e)	–	–	–	7	–	102.62	–	–	–
Class X US\$ Distributing (M) Plus (e)	–	–	–	114	1	107.14	–	–	–
Premier Class US\$ Distributing (M) Plus (e)	–	–	–	452	4	110.20	–	–	–
LM Class US\$ Accumulating	–	–	–	2,214	20	110.69	–	–	–
Legg Mason ClearBridge Tactical Dividend Income Fund									
Class A US\$ Accumulating	\$ 3,951	36	111.20	\$ 126	1	109.11	–	–	–
Class A US\$ Distributing (M) Plus	18,693	201	93.08	–	–	–	–	–	–
Class A US\$ Distributing (M) Plus (e)	334	3	105.61	277	3	108.22	–	–	–
Class A AUD Distributing (M) (Hedged) Plus	621	9	93.17	–	–	–	–	–	–
Class A CNH Distributing (M) (Hedged) Plus	5,447	367	93.41	–	–	–	–	–	–
Class A Euro Accumulating (Hedged)	1	–	98.25	–	–	–	–	–	–
Class A Euro Distributing (A) (Hedged)	1	–	100.80	–	–	–	–	–	–
Class A Euro Distributing (M) (Hedged) Plus (e)	347	3	98.09	14	–	100.15	–	–	–
Class A HKD Distributing (M) Plus	507	42	93.44	–	–	–	–	–	–
Class A SGD Distributing (M) (Hedged) Plus	172	251	0.93	–	–	–	–	–	–
Class B US\$ Distributing (Q)	183	2	99.96	–	–	–	–	–	–
Class C US\$ Accumulating	797	7	109.68	658	6	108.16	–	–	–
Class C US\$ Distributing (Q)	1,083	12	93.80	–	–	–	–	–	–
Premier Class US\$ Distributing (M) Plus (e)	288	3	107.35	280	3	108.80	–	–	–
Premier Class Euro Accumulating (Hedged)	3,390	30	100.97	–	–	–	–	–	–
LM Class US\$ Accumulating	2,299	20	114.95	2,225	20	111.26	–	–	–
Legg Mason Opportunity Fund#									
Class A US\$ Accumulating	\$ 88,041	451	195.24	\$ 73,057	415	176.18	\$ 8,649	77	112.76
Class A US\$ Distributing (A)	15,467	41	372.90	19,183	57	336.50	1,127	5	215.35
Class A Euro Accumulating (Hedged)	75	1	112.73	2	–	101.63	–	–	–
Class A GBP Accumulating	2	–	118.19	–	–	–	–	–	–
Class A SEK Accumulating (Hedged)	43	2	145.23	616	30	130.70	–	–	–
Class X GBP Accumulating	12,141	46	172.17	16,689	70	142.26	3,018	20	99.68
Premier Class US\$ Accumulating	130,585	667	195.78	110,144	630	174.88	51,419	464	110.78
Premier Class GBP Distributing (A)	80,066	216	239.92	46,285	140	197.88	2,456	12	139.03
LM Class US\$ Accumulating	–	–	–	–	–	–	576	2	231.45
Legg Mason Royce US Small Cap Opportunity Fund									
Class A US\$ Accumulating	\$ 395,196	2,739	144.26	\$ 631,015	4,200	150.24	\$ 170,082	1,494	113.82
Class A US\$ Distributing (A)	143,457	327	438.12	143,776	315	456.30	91,459	265	345.69
Class A AUD Accumulating (Hedged)	15,642	165	121.18	12,458	113	123.12	–	–	–
Class A CNH Accumulating (Hedged)	10	1	104.44	–	–	–	–	–	–
Class A Euro Accumulating	19,507	103	168.99	36,312	184	142.69	15,812	106	114.25
Class A Euro Accumulating (Hedged)	4,006	29	125.29	14,869	82	130.76	77	1	99.49
Class A GBP Accumulating (Hedged)	567	4	100.66	114	1	104.69	–	–	–
Class A GBP Distributing (A)	2,719	12	147.41	1,883	8	141.52	6,554	37	117.63
Class A SEK Accumulating (Hedged)	31	2	129.42	56	3	134.72	1	–	101.85
Class A SGD Accumulating	12,095	11,430	1.44	14,344	13,011	1.40	3,744	4,475	1.04
Class A SGD Accumulating (Hedged)	13,300	12,570	1.44	19,709	16,647	1.50	2,570	2,792	1.14
Class B US\$ Accumulating	2,036	13	155.08	2,596	16	162.32	721	6	123.58
Class B US\$ Distributing (A)	567	1	415.10	849	2	434.48	1,238	4	330.81

The accompanying notes are an integral part of the Financial Statements

Balance Sheet – (continued)

	February 28, 2015			February 28, 2014			February 28, 2013		
	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 Royce US Small Cap Opportunity Fund									
(continued)									
Class C US\$ Accumulating	\$ 7,147	46	155.34	\$ 8,881	55	162.59	\$ 2,147	17	123.80
Class C US\$ Distributing (A)	18,130	44	412.04	17,529	41	431.23	8,931	27	328.34
Class E US\$ Accumulating	11,321	80	141.59	16,210	109	148.57	659	6	113.41
Class E US\$ Distributing (A)	1,177	8	141.57	1,389	9	148.55	30	–	113.39
Class E Euro Accumulating	1,248	6	181.72	2,072	10	154.43	3,096	19	124.58
Class E Euro Accumulating (Hedged)	46	–	106.32	146	1	111.79	–	–	–
Class F US\$ Accumulating	16,960	113	149.53	3,940	25	154.80	10	–	116.57
Class F US\$ Distributing (A)	1,776	12	149.69	821	5	154.97	1	–	116.60
Class R US\$ Accumulating	–	–	–	766	8	101.55	–	–	–
Class R Euro Accumulating	165	1	126.83	257	2	106.55	–	–	–
Class X US\$ Accumulating	22,869	175	131.01	29,647	219	135.43	4,379	43	101.83
Class X Euro Accumulating (Hedged)	158	1	105.15	85	1	108.92	–	–	–
Class X GBP Accumulating	87,357	410	138.00	56,425	256	131.54	2,097	13	109.25
Class X GBP Distributing (A)	669	3	126.60	50	–	120.75	–	–	–
Premier Class US\$ Accumulating	261,813	1,558	168.03	254,490	1,470	173.09	54,897	423	129.69
Premier Class CHF Accumulating (Hedged)	193	2	102.06	–	–	–	–	–	–
Premier Class Euro Accumulating	2,547	10	217.80	2,126	8	181.46	1,349	7	143.60
Premier Class Euro Accumulating (Hedged)	1,935	17	103.67	–	–	–	–	–	–
Premier Class GBP Accumulating	25,609	130	127.77	42,014	206	121.58	32,139	211	100.64
Legg Mason Royce US Smaller Companies Fund#									
Class A US\$ Accumulating	\$ 108,591	770	141.10	\$ 163,335	1,132	144.31	\$ 274,595	2,346	117.03
Class A US\$ Distributing (A)	46,110	193	239.16	76,179	311	244.61	92,284	465	198.39
Class A Euro Accumulating	22,810	92	221.05	29,307	116	183.38	12,975	63	157.29
Class A Euro Accumulating (Hedged)	666	5	114.76	1,074	7	117.67	–	–	–
Class A Euro Distributing (A)	17	–	155.25	4	–	127.95	2	–	109.29
Class A GBP Distributing (A)	109	–	183.17	170	1	172.67	501	2	154.62
Class A SEK Accumulating (Hedged)	4	–	120.50	2	–	123.12	1	–	99.33
Class B US\$ Accumulating	679	5	142.53	796	5	146.50	1,059	9	119.41
Class B US\$ Distributing (A)	626	3	226.53	1,521	7	232.85	1,820	10	189.80
Class C US\$ Accumulating	7,678	54	142.50	8,023	55	146.47	5,819	49	119.38
Class C US\$ Distributing (A)	14,472	64	225.40	15,837	68	231.68	14,427	76	188.85
Class E US\$ Accumulating	2,458	16	155.88	3,032	19	160.63	3,404	26	131.26
Class E US\$ Distributing (A)	869	6	155.86	1,031	6	160.60	99	1	131.25
Class E Euro Accumulating	23	–	150.26	183	1	124.94	339	2	107.90
Class F US\$ Accumulating	1,280	8	166.91	604	4	169.69	3,274	24	136.77
Class F US\$ Distributing (A)	446	2	179.06	566	3	182.05	523	4	146.76
Class R US\$ Accumulating	1,196	12	98.69	–	–	–	–	–	–
Class X US\$ Accumulating	11,056	93	119.38	12,344	102	121.19	26,346	270	97.54
Class X US\$ Distributing (A)	679	6	109.53	1	–	111.17	–	–	–
Premier Class US\$ Accumulating	17,499	99	176.06	72,592	408	178.11	48,487	339	142.86
Premier Class US\$ Distributing (A)	42,224	333	126.70	34,304	268	128.17	15,185	148	102.86
Premier Class GBP Distributing (A)	50,482	248	131.81	46,659	227	122.93	35,455	214	108.99
LM Class US\$ Accumulating	–	–	–	3,935	24	164.79	3,128	24	131.19
LM Class Euro Accumulating	3,498	15	202.82	4,090	18	165.09	3,368	19	138.95
LM Class JPY Accumulating	–	–	–	2,496	12	205,530.91	2,619	16	14,893.76
Class A (G) US\$ Accumulating	2,343	16	151.05	2,802	18	153.57	2,504	20	123.81
Class B (G) US\$ Accumulating	–	–	–	82	1	148.42	260	2	120.25
Class L (G) US\$ Accumulating	2,352	16	145.16	2,687	18	148.31	2,267	19	120.17
Legg Mason Royce Smaller Companies Fund II[^]									
Class A US\$ Accumulating	\$ 28,858	244	118.30	\$ 34,323	284	120.86	\$ 130,082	1,312	99.14
Legg Mason Royce European Smaller Companies Fund									
Class A Euro Distributing (A)	–	–	–	–	–	–	€ 94	1	134.88
LM Class Euro Accumulating	–	–	–	–	–	–	2,397	17	144.30
Legg Mason Royce Global Smaller Companies Fund^α									
Class A US\$ Accumulating	–	–	–	\$ 182	1	136.84	\$ 333	3	127.16
Class A US\$ Distributing (A)	–	–	–	209	2	134.13	170	1	124.64
Class B US\$ Accumulating	–	–	–	1	–	131.18	1	–	122.48
Class C US\$ Accumulating	–	–	–	7	–	131.14	1	–	122.48
Class E US\$ Accumulating	–	–	–	144	1	132.67	144	1	124.22
Premier Class US\$ Accumulating	–	–	–	–	–	–	8,221	92	89.66
LM Class US\$ Accumulating	–	–	–	2,957	20	147.82	2,697	20	134.83
Legg Mason PCM US Equity Fund									
Class A US\$ Accumulating	–	–	–	–	–	–	\$ 9,034	84	107.08
Class B US\$ Accumulating	–	–	–	–	–	–	619	6	106.62
Class C US\$ Accumulating	–	–	–	–	–	–	6,556	61	106.62
Legg Mason Permal Global Absolute Fund^α									
Class A US\$ Accumulating	–	–	–	\$ 3,783	35	106.87	\$ 6,023	58	103.40
Class A US\$ Distributing (A)	–	–	–	8,453	79	106.79	8,373	81	103.32
Class A Euro Accumulating (Hedged)	–	–	–	1,005	7	102.01	7,600	59	99.25
Class A Euro Distributing (A) (Hedged)	–	–	–	39	–	106.07	37	–	102.79
Class A GBP Accumulating (Hedged)	–	–	–	38	–	107.71	33	–	104.02
Class A GBP Distributing (A) (Hedged)	–	–	–	–	–	–	142	1	103.72
Class A SGD Accumulating (Hedged)	–	–	–	486	599	1.03	602	748	1.00
Class B US\$ Accumulating	–	–	–	1	–	104.69	1	–	101.86
Class C US\$ Accumulating	–	–	–	4,150	40	104.58	5,504	54	101.69
Class C US\$ Distributing (A)	–	–	–	1,738	17	104.37	3,537	35	101.49
Class E US\$ Accumulating	–	–	–	182	2	103.43	724	7	100.83
Class E US\$ Distributing (A)	–	–	–	20	–	103.59	29	–	100.99
Class F US\$ Accumulating	–	–	–	97	1	107.83	300	3	103.70
Class F US\$ Distributing (A)	–	–	–	58	1	109.35	45	–	105.16
Premier Class GBP Distributing (A) (Hedged)	–	–	–	–	–	–	3	–	106.68
LM Class US\$ Accumulating	–	–	–	–	–	–	3,280	30	109.16
LM Class JPY Accumulating (Hedged)	–	–	–	–	–	–	673	6	10,110.18
Legg Mason Batterymarch Managed Volatility European Equity Fund#									
Class A US\$ Accumulating	€ 7,241	91	88.96	€ 1,100	17	89.53	€ 235	4	71.86
Class A US\$ Accumulating (Hedged)	23,218	224	116.04	–	–	–	–	–	–
Class A US\$ Distributing (A)	2,544	15	189.84	1,742	12	194.98	1,594	13	159.02
Class A US\$ Distributing (M) (Hedged) Plus	27,511	269	114.50	–	–	–	–	–	–
Class A AUD Distributing (M) (Hedged) Plus	3,672	46	114.46	–	–	–	–	–	–
Class A CNH Distributing (M) (Hedged) Plus	10	1	118.84	–	–	–	–	–	–
Class A Euro Accumulating	23,297	134	173.32	4,372	31	141.34	2,320	19	119.90
Class A Euro Distributing (A)	332	2	172.73	35	–	143.93	30	–	124.00
Class A Euro Distributing (M) Plus	1,166	10	114.72	–	–	–	–	–	–
Class B US\$ Accumulating	1,581	21	85.02	874	14	85.94	23	–	69.30
Class B US\$ Distributing (A)	212	1	188.24	423	3	193.84	524	4	158.13
Class C US\$ Accumulating	2,216	29	86.90	1,797	28	87.80	1,095	20	70.76
Class C US\$ Distributing (A)	3,174	19	187.11	2,488	18	192.60	1,948	16	156.56
Class E US\$ Accumulating	1,249	14	101.24	–	–	–	–	–	–
Premier Class Euro Accumulating	907	8	119.05	–	–	–	–	–	–
LM Class US\$ Accumulating	–	–	–	7,088	69	141.05	6,946	81	111.29
LM Class Euro Accumulating	–	–	–	1,053	7	143.08	1,275	11	119.32

The accompanying notes are an integral part of the Financial Statements

Balance Sheet – (continued)

	February 28, 2015			February 28, 2014			February 28, 2013		
	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 Batterymarch Managed Volatility European									
Equity Fund# (continued)									
LM Class JPY Accumulating	–	–	–	€ 4,502	36	17,560.76	€ 5,851	56	12,620.70
Class A (G) US\$ Accumulating	€ 2,708	34	90.31	2,841	43	90.54	3,054	55	72.39
Class B (G) US\$ Accumulating	42	1	86.71	99	2	87.41	122	2	70.22
Class L (G) US\$ Accumulating	526	7	87.12	464	7	87.75	473	9	70.51
Class GA US\$ Accumulating	1,750	13	154.29	1,442	13	154.77	1,423	15	123.83
Class GA Euro Accumulating	32,129	183	175.52	31,731	222	142.73	33,230	275	120.74
Class GA Euro Distributing (A)	126	1	164.56	105	1	137.11	90	1	118.10
Class GE US\$ Accumulating	122	1	149.39	157	1	150.82	214	2	121.60
Legg Mason Batterymarch Asia Ex Japan Equity Fund#									
Class A US\$ Accumulating	\$ 7,692	63	122.05	\$ 5,365	48	110.94	\$ 8,517	76	112.59
Class A US\$ Distributing (A)	20,165	87	232.77	20,778	98	212.37	29,969	139	216.36
Class A US\$ Distributing (M) Plus	10	–	102.69	–	–	–	–	–	–
Class A AUD Distributing (M) (Hedged) Plus	10	–	103.06	–	–	–	–	–	–
Class A Euro Accumulating	595	5	110.66	514	5	81.56	919	8	87.49
Class A HKD Distributing (M) Plus	11	1	102.52	–	–	–	–	–	–
Class B US\$ Accumulating	153	2	87.03	153	2	79.50	207	3	81.09
Class B US\$ Distributing (A)	602	3	225.39	825	4	206.02	2,566	12	210.31
Class C US\$ Accumulating	190	2	87.01	231	3	79.48	244	3	81.07
Class C US\$ Distributing (A)	7,803	35	224.17	8,540	42	204.91	11,480	55	209.18
Class E US\$ Accumulating	30	–	121.71	28	–	111.53	28	–	114.14
Class E US\$ Distributing (A)	1	–	122.78	1	–	112.15	1	–	114.58
Class F US\$ Accumulating	1	–	105.00	1	–	94.92	1	–	95.80
Class F US\$ Distributing (A)	1	–	101.82	1	–	92.91	1	–	94.64
Class GA US\$ Accumulating	12,145	99	122.49	12,077	109	111.15	14,229	126	112.64
Class GA Euro Accumulating	395	3	139.22	591	4	102.39	842	6	109.69
Class GA Euro Distributing (A)	39	–	137.67	48	–	101.86	59	–	109.70
Class GE US\$ Accumulating	502	4	118.42	615	6	108.27	649	6	110.54
Class GE Euro Accumulating	608	4	134.52	572	4	99.71	763	5	107.62
Class GP US\$ Accumulating	–	–	–	12	–	115.63	12	–	115.87
Legg Mason Batterymarch International Large Cap Fund#									
Class A US\$ Accumulating	–	–	–	\$ 3,313	39	85.71	\$ 2,302	31	74.63
Class A US\$ Distributing (A)	–	–	–	346	4	79.00	226	3	69.72
Class B US\$ Accumulating	–	–	–	50	1	80.93	47	1	70.83
Class B US\$ Distributing (A)	–	–	–	446	6	78.41	424	6	69.23
Class C US\$ Accumulating	–	–	–	1,568	19	80.94	253	4	70.84
Class C US\$ Distributing (A)	–	–	–	873	11	78.40	628	9	69.22
Class A (G) US\$ Accumulating	–	–	–	4,158	48	86.37	4,272	57	75.08
Class B (G) US\$ Accumulating	–	–	–	396	5	83.45	802	11	72.90
Class L (G) US\$ Accumulating	–	–	–	2,214	27	83.45	2,431	33	72.90
Legg Mason Batterymarch Emerging Markets Equity Fund									
Class A US\$ Accumulating	\$ 4,685	65	72.41	\$ 4,804	68	70.67	\$ 5,792	72	80.58
Class A US\$ Distributing (A)	430	5	79.30	471	6	77.86	729	8	89.44
Class A Euro Accumulating	40	–	112.99	43	–	89.41	86	1	107.59
Class A GBP Distributing (A)	37	–	88.90	36	–	80.47	51	–	102.02
Class B US\$ Accumulating	73	1	78.07	116	2	76.81	382	4	88.44
Class B US\$ Distributing (A)	70	1	77.77	69	1	76.51	173	2	88.11
Class C US\$ Accumulating	1,229	16	78.10	1,241	16	76.84	1,725	19	88.48
Class C US\$ Distributing (A)	267	3	77.74	308	4	76.48	704	8	88.06
Class E US\$ Accumulating	399	4	89.44	400	5	88.21	612	6	101.83
Class F US\$ Accumulating	39	–	95.91	425	5	93.32	454	4	106.28
Class F US\$ Distributing (A)	1	–	98.15	1	–	96.19	1	–	110.74
Premier Class US\$ Accumulating	1	–	98.09	–	–	–	–	–	–
Premier Class Euro Accumulating	11,842	88	120.16	984	8	94.19	1,113	8	112.59
Legg Mason Batterymarch Global Equity Fund									
Class A US\$ Accumulating	\$ 3,377	23	144.91	\$ 3,003	23	128.91	\$ 2,533	23	110.88
Class A US\$ Distributing (A)	2	–	143.35	1	–	127.35	1	–	109.94
Class A Euro Accumulating	–	–	–	–	–	–	4,780	34	109.10
Class GA US\$ Accumulating	4,288	29	147.17	4,932	38	130.49	4,557	41	111.87
Class GA Euro Accumulating	4,354	21	188.52	4,227	23	135.52	4,897	31	122.83
Class GA Euro Distributing (A)	483	2	187.22	474	3	134.57	485	3	122.56
Class GE US\$ Accumulating	286	2	143.14	256	2	127.86	232	2	110.44
Class GE Euro Accumulating	674	3	183.24	804	4	132.72	966	6	121.22
Legg Mason LMHK China Fund									
Class A US\$ Distributing (A)	–	–	–	–	–	–	\$ 2,735	27	99.91
Premier Class US\$ Accumulating	–	–	–	–	–	–	328	3	109.30
LM Class US\$ Accumulating	–	–	–	–	–	–	5,266	50	105.34

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

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

α Effective March 31, 2014 Legg Mason Royce Global Smaller Companies Fund ceased trading.

μ Effective June 30, 2014 Legg Mason Brandywine Global Credit Opportunities Fund[^] commenced trading.

ϵ Effective August 29, 2014 Legg Mason ClearBridge US Equity Income Fund[^] and Legg Mason Permal Global Absolute Fund[^] ceased trading.

∅ Effective September 15, 2014 Legg Mason ClearBridge Global Equity Income Fund[^] commenced trading.

∂ Effective January 8, 2015 Legg Mason Western Asset Global Inflation-Linked Fund ceased trading.

β Effective February 25, 2015 Legg Mason Batterymarch International Large Cap Fund ceased trading.

~ Effective June 30, 2014 Class A SGD Distributing (Q) Plus within Legg Mason Western Asset Asian Opportunities Fund was renamed Class A SGD Distributing (M) Plus. Class A SGD Distributing (Q) (Hedged) Plus within Legg Mason Western Asset Asian Opportunities Fund, Legg Mason Western Asset Emerging Markets Bond Fund, Legg Mason Western Asset Global High Yield Fund and Legg Mason Western Asset US High Yield Fund was renamed Class A SGD Distributing (M) (Hedged) Plus. Class A Euro Distributing (M) (Hedged) Plus, Class A SGD Distributing (Q) (Hedged), Premier Class GBP Distributing (M) (Hedged) Plus and Premier Class SGD Distributing (Q) (Hedged) within Legg Mason Western Asset Global Multi Strategy Fund were renamed Class A Euro Distributing (M) (Hedged) Plus (e), Class A SGD Distributing (M) (Hedged) Plus, Premier Class GBP Distributing (M) (Hedged) Plus (e) and Premier Class SGD Distributing (M) (Hedged) Plus, respectively.

Please see the General Information section for details of fund name changes.

[^] Not authorised for sale to the public in Hong Kong.

Profit and Loss Account

(in 000's)	Legg Mason Western Asset US Money Market Fund		Legg Mason Western Asset US Core Bond Fund		Legg Mason Western Asset US Core Plus Bond Fund		Legg Mason Western Asset Euro Core Plus Bond Fund	
	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014
	INVESTMENT INCOME:							
Gross dividend income and bond interest (Note 1)	\$ 2,049	\$ 2,198	\$ 870	\$ 796	\$ 6,910	\$ 6,344	€ 1,243	€ 1,858
Interest (Note 1)	–	1	1	1	26	37	–	28
Equalisation (Note 1)	–	–	–	–	–	–	–	–
Other income	–	–	–	–	170	147	–	–
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss:								
Net realised gain/(loss) on financial instruments held for trading	14	26	199	(216)	3,352	193	1,500	2,514
Net unrealised gain/(loss) on financial instruments held for trading	–	–	762	(377)	3,284	(4,076)	3,944	(1,929)
Total Investment Income/(Loss)	2,063	2,225	1,832	204	13,742	2,645	6,687	2,471
EXPENSES:								
Investment management fees (Note 4)	6,566	6,739	246	251	1,192	858	224	301
Administrator and custodian fees (Note 4)	892	985	21	23	172	159	44	68
Shareholder service fees (Note 4)	–	–	28	27	66	31	9	8
Legal fees	6	22	–	1	1	4	–	2
Audit fees (Note 4)	60	49	22	46	28	55	27	31
Printing fees	83	107	1	3	16	17	5	7
Interest expense	–	–	–	–	–	43	40	24
Directors' fees and expenses (Note 4)	7	9	–	–	–	2	–	1
Transaction costs	–	–	5	4	49	28	1	2
Other expenses	462	500	10	11	75	82	27	35
Total Expenses	8,076	8,411	333	367	1,600	1,279	377	479
Expense waivers and reimbursements/recoupment (Note 4)	(6,344)	(6,544)	(3)	(10)	(2)	(11)	(24)	(30)
Total Net Expenses	1,732	1,867	330	357	1,598	1,268	353	449
Net Profit/(Loss) before finance costs	331	358	1,502	(153)	12,144	1,377	6,334	2,022
FINANCE COSTS:								
Distributions to holders of redeemable participating shares (Note 5)	(312)	(328)	(248)	(189)	(436)	(513)	(58)	(63)
Profit/(Loss) for the financial year	19	30	1,254	(342)	11,708	864	6,276	1,959
Withholding taxes on dividends and other taxation	–	–	(3)	–	(13)	(6)	61	4
Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ 19	\$ 30	\$ 1,251	\$ (342)	\$ 11,695	\$ 858	€ 6,337	€ 1,963

(in 000's)	Legg Mason Western Asset Global High Yield Fund		Legg Mason Western Asset US Short-Term Government Fund		Legg Mason Western Asset US Adjustable Rate Fund		Legg Mason Western Asset Inflation Management Fund	
	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014
	INVESTMENT INCOME:							
Gross dividend income and bond interest (Note 1)	\$ 44,486	\$ 63,561	\$ 395	\$ 446	\$ 84	\$ 106	\$ 58	\$ 239
Interest (Note 1)	3	–	–	–	–	–	–	–
Equalisation (Note 1)	6	(8)	–	–	–	–	7	(15)
Other income	441	589	–	–	–	–	–	–
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss:								
Net realised gain/(loss) on financial instruments held for trading	(5,880)	10,015	(60)	(74)	(139)	(78)	(311)	(197)
Net unrealised gain/(loss) on financial instruments held for trading	(54,115)	(19,805)	15	(149)	164	154	613	(1,500)
Total Investment Income/(Loss)	(15,059)	54,352	350	223	109	182	367	(1,473)
EXPENSES:								
Investment management fees (Note 4)	6,708	9,382	359	307	171	198	145	247
Administrator and custodian fees (Note 4)	549	836	26	24	12	15	10	16
Shareholder service fees (Note 4)	626	862	33	21	12	14	15	25
Legal fees	6	18	–	1	–	–	–	–
Audit fees (Note 4)	68	69	39	45	36	40	37	44
Printing fees	53	90	3	3	1	2	1	2
Interest expense	901	1,477	–	–	–	–	–	–
Directors' fees and expenses (Note 4)	4	8	–	–	–	–	–	–
Transaction costs	14	4	1	1	–	–	8	6
Other expenses	319	357	15	11	9	8	8	8
Total Expenses	9,248	13,103	476	413	241	277	224	348
Expense waivers and reimbursements/recoupment (Note 4)	(9)	(4)	(23)	(23)	(22)	(22)	(42)	(46)
Total Net Expenses	9,239	13,099	453	390	219	255	182	302
Net Profit/(Loss) before finance costs	(24,298)	41,253	(103)	(167)	(110)	(73)	185	(1,775)
FINANCE COSTS:								
Distributions to holders of redeemable participating shares (Note 5)	(23,551)	(28,041)	(2)	(36)	–	–	–	(1)
Profit/(Loss) for the financial year	(47,849)	13,212	(105)	(203)	(110)	(73)	185	(1,776)
Withholding taxes on dividends and other taxation	(85)	(66)	–	–	–	–	–	–
Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$(47,934)	\$ 13,146	\$ (105)	\$ (203)	\$ (110)	\$ (73)	\$ 185	\$ (1,776)

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Diversified Strategic Income Fund		Legg Mason Western Asset Global Multi Strategy Fund		Legg Mason Western Asset US High Yield Fund		Legg Mason Western Asset Emerging Markets Bond Fund		Legg Mason Western Asset Emerging Markets Corporate Bond Fund	
For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014
\$ 1,178	\$ 1,331	\$ 71,086	\$ 77,502	\$ 46,198	\$ 43,356	\$ 9,299	\$ 12,211	\$ 5,753	\$ 5,961
-	-	13	-	218	197	1	-	-	-
-	-	(1)	(1)	-	(2)	(1)	-	(1)	-
185	413	4,681	7,204	-	-	459	550	-	-
1,451	(30)	(84,775)	65,188	(3,371)	14,524	(19,760)	(627)	(3,665)	44
(1,199)	(999)	(35,141)	(71,111)	(39,696)	(3,047)	5,980	(19,641)	(4,442)	(5,226)
1,615	715	(44,137)	78,782	3,349	55,028	(4,022)	(7,507)	(2,355)	779
369	454	8,339	12,721	5,709	4,514	1,898	2,770	232	243
24	32	1,175	1,455	578	575	139	199	84	100
25	33	746	1,283	524	413	123	202	2	2
-	1	8	34	6	12	1	5	1	2
36	48	62	93	77	63	66	47	22	49
2	3	111	156	54	62	13	21	8	11
64	142	2,474	4,915	748	991	-	-	-	-
-	-	8	14	4	5	1	2	1	1
2	3	85	104	13	9	-	-	-	-
34	17	623	734	263	255	90	97	43	10
556	733	13,631	21,509	7,976	6,899	2,331	3,343	393	418
(5)	(4)	(25)	(31)	-	(4)	(15)	(12)	-	-
551	729	13,606	21,478	7,976	6,895	2,316	3,331	393	418
1,064	(14)	(57,743)	57,304	(4,627)	48,133	(6,338)	(10,838)	(2,748)	361
(684)	(821)	(23,335)	(29,046)	(19,360)	(21,010)	(2,912)	(3,494)	(3,384)	(3,592)
380	(835)	(81,078)	28,258	(23,987)	27,123	(9,250)	(14,332)	(6,132)	(3,231)
23	9	(142)	(275)	(132)	(76)	(4)	(7)	(2)	(4)
\$ 403	\$ (826)	\$(81,220)	\$ 27,983	\$(24,119)	\$ 27,047	\$ (9,254)	\$(14,339)	\$ (6,134)	\$ (3,235)
Legg Mason Western Asset Asian Opportunities Fund		Legg Mason Western Asset Global Blue Chip Bond Fund		Legg Mason Western Asset Brazil Bond Fund		Legg Mason Western Asset Global Credit Absolute Return Fund^		Legg Mason Western Asset UK£ Core Plus Bond Fund^	
For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014
\$ 29,416	\$ 38,182	\$ 1,946	\$ 2,787	\$ 1,770	\$ 595	\$ 5,041	\$ 5,897	£ -	£ 2,058
1,955	956	-	-	-	-	2,526	1,708	-	-
(910)	456	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
(5,875)	(18,118)	(931)	6,357	(651)	(244)	(7,142)	5,512	-	3,426
7,442	(75,959)	(2,821)	(4,590)	(4,292)	(1,350)	(2,635)	1,088	-	(4,558)
32,028	(54,483)	(1,806)	4,554	(3,173)	(999)	(2,210)	14,205	-	926
4,677	7,243	355	477	1	-	973	1,259	-	-
503	773	51	76	13	5	83	128	-	54
413	703	27	32	-	-	16	13	-	-
3	18	1	2	-	-	1	3	-	1
50	71	20	29	23	30	43	47	-	8
47	83	5	8	1	1	8	13	-	5
2,492	2,317	110	158	-	-	3,009	2,045	-	108
4	8	-	1	-	-	1	1	-	1
19	2	2	3	-	-	197	120	-	1
302	378	29	46	8	4	42	54	-	13
8,510	11,596	600	832	46	40	4,373	3,683	-	191
(60)	(58)	-	-	-	-	-	-	-	-
8,450	11,538	600	832	46	40	4,373	3,683	-	191
23,578	(66,021)	(2,406)	3,722	(3,219)	(1,039)	(6,583)	10,522	-	735
(7,039)	(5,848)	(933)	(1,416)	(10)	(4)	(2,617)	(2,294)	-	-
16,539	(71,869)	(3,339)	2,306	(3,229)	(1,043)	(9,200)	8,228	-	735
(978)	(3,390)	(1)	-	-	-	(54)	(11)	-	-
\$ 15,561	\$(75,259)	\$ (3,340)	\$ 2,306	\$ (3,229)	\$ (1,043)	\$ (9,254)	\$ 8,217	£ -	£ 735

The accompanying notes are an integral part of the Financial Statements

Profit and Loss Account – (continued)

(in 000's)	Legg Mason Western Asset Global Core Plus Bond Fund [^]		Legg Mason Western Asset Global Inflation-Linked Fund ^o		Legg Mason Western Asset UK [£] Inflation-Linked Plus Fund [^]		Legg Mason Western Asset UK [£] Long Duration Fund [^]	
	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014
INVESTMENT INCOME:								
Gross dividend income and bond interest (Note 1)	\$ 1,731	\$ 3,343	\$ 93	\$ 444	£ –	£ 402	£ –	£ 2,769
Interest (Note 1)	1	–	–	–	–	–	–	19
Equalisation (Note 1)	–	–	–	–	–	–	–	–
Other income	41	89	–	–	–	–	–	–
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss:								
Net realised gain/(loss) on financial instruments held for trading	4,117	214	274	2,248	–	1,460	–	4,424
Net unrealised gain/(loss) on financial instruments held for trading	(1,607)	(902)	94	(4,089)	–	(2,267)	–	(5,063)
Total Investment Income/(Loss)	4,283	2,744	461	(1,397)	–	(405)	–	2,149
EXPENSES:								
Investment management fees (Note 4)	204	239	17	104	–	–	–	–
Administrator and custodian fees (Note 4)	51	94	4	31	–	19	–	70
Shareholder service fees (Note 4)	–	–	1	–	–	–	–	–
Legal fees	1	2	–	1	–	1	–	2
Audit fees (Note 4)	31	49	30	50	–	11	–	15
Printing fees	4	8	–	4	–	2	–	6
Interest expense	1	–	–	–	–	–	–	54
Directors' fees and expenses (Note 4)	–	1	–	1	–	–	–	1
Transaction costs	37	58	–	2	–	1	–	1
Other expenses	31	35	7	23	–	6	–	16
Total Expenses	360	486	59	217	–	40	–	165
Expense waivers and reimbursements/recoupment (Note 4)	(7)	(6)	(28)	(40)	–	(7)	–	(1)
Total Net Expenses	353	480	31	177	–	33	–	164
Net Profit/(Loss) before finance costs	3,930	2,264	430	(1,574)	–	(438)	–	1,985
FINANCE COSTS:								
Distributions to holders of redeemable participating shares (Note 5)	–	(95)	–	–	–	–	–	–
Profit/(Loss) for the financial year	3,930	2,169	430	(1,574)	–	(438)	–	1,985
Withholding taxes on dividends and other taxation	39	(1)	–	–	–	–	–	–
Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ 3,969	\$ 2,168	\$ 430	\$ (1,574)	£ –	£ (438)	£ –	£ 1,985

(in 000's)	Legg Mason Brandywine Global High Yield Fund [^]		Legg Mason Brandywine Global Opportunistic Fixed Income Fund [^]		Legg Mason Brandywine Global Sovereign Credit Fund [^]		Legg Mason Brandywine Global Income Optimiser Fund [^]	
	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014
INVESTMENT INCOME:								
Gross dividend income and bond interest (Note 1)	\$ 1,228	\$ 1,170	\$ 9,350	\$ 9,225	\$ 80,289	\$ 38,939	\$ 1,871	\$ 294
Interest (Note 1)	14	33	–	–	–	–	–	2
Equalisation (Note 1)	–	–	(1)	–	332	(4)	1	–
Other income	–	–	–	–	–	–	–	–
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss:								
Net realised gain/(loss) on financial instruments held for trading	(369)	262	9,625	1,787	87,235	4,090	(1,092)	(19)
Net unrealised gain/(loss) on financial instruments held for trading	(1,415)	881	1,251	(7,104)	(52,478)	(36,735)	(2,130)	211
Total Investment Income/(Loss)	(542)	2,346	20,225	3,908	115,378	6,290	(1,350)	488
EXPENSES:								
Investment management fees (Note 4)	163	145	1,026	1,315	1,820	1,734	188	12
Administrator and custodian fees (Note 4)	17	16	195	215	1,264	653	29	4
Shareholder service fees (Note 4)	3	2	82	106	–	–	30	2
Legal fees	–	–	1	5	21	13	1	–
Audit fees (Note 4)	59	36	81	63	55	30	32	42
Printing fees	1	–	18	22	–	–	3	1
Interest expense	–	–	3	–	–	–	–	27
Directors' fees and expenses (Note 4)	–	–	1	2	8	6	–	–
Transaction costs	1	–	–	–	–	–	1	1
Other expenses	9	1	92	84	76	14	13	1
Total Expenses	253	200	1,499	1,812	3,244	2,450	417	90
Expense waivers and reimbursements/recoupment (Note 4)	(47)	(19)	(8)	(8)	–	–	(20)	(12)
Total Net Expenses	206	181	1,491	1,804	3,244	2,450	397	78
Net Profit/(Loss) before finance costs	(748)	2,165	18,734	2,104	112,134	3,840	(1,747)	410
FINANCE COSTS:								
Distributions to holders of redeemable participating shares (Note 5)	–	–	(977)	(1,536)	(15,852)	(9,582)	(1,018)	(72)
Profit/(Loss) for the financial year	(748)	2,165	17,757	568	96,282	(5,742)	(2,765)	338
Withholding taxes on dividends and other taxation	–	(3)	(268)	(89)	(3,251)	(840)	(15)	–
Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ (748)	\$ 2,162	\$ 17,489	\$ 479	\$ 93,031	\$ (6,582)	\$ (2,780)	\$ 338

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Credit Fund		Legg Mason Western Asset Euro High Yield Fund		Legg Mason Western Asset Macro Opportunities Bond Fund^		Legg Mason Brandywine Global Fixed Income Fund		Legg Mason Brandywine Global Fixed Income Absolute Return Fund^	
For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014
\$ 3,691	\$ 4,033	€ 5,428	€ 5,752	\$ 82,586	\$ 1,684	\$ 42,694	\$ 49,049	\$ 36,054	\$ 19,566
-	-	-	13	8,395	300	5	-	-	-
-	-	-	-	416	-	287	(457)	(8)	392
-	-	-	-	-	-	-	-	-	-
4,075	563	(759)	(1,298)	(128,454)	4,691	(962)	22,129	1,193	(9,359)
(2,153)	(2,399)	1,112	3,309	(74,393)	5,595	(30,200)	(57,847)	(32,067)	(24,723)
5,613	2,197	5,781	7,776	(111,450)	12,270	11,824	12,874	5,172	(14,124)
51	149	-	-	19,703	298	11,975	15,756	6,452	3,994
80	96	69	71	1,497	44	1,095	1,481	825	522
7	21	-	-	953	-	1,085	1,522	159	174
1	2	1	2	26	1	8	33	13	11
19	30	25	28	38	29	116	91	70	26
7	10	7	6	-	3	102	160	77	55
175	271	-	-	1,524	25	-	-	1	-
-	1	1	1	8	-	7	14	6	5
6	5	-	-	4,736	270	-	-	26	35
42	43	37	29	266	10	664	649	332	53
388	628	140	137	28,751	680	15,052	19,706	7,961	4,875
-	-	(1)	-	-	(14)	(7)	(19)	-	-
388	628	139	137	28,751	666	15,045	19,687	7,961	4,875
5,225	1,569	5,642	7,639	(140,201)	11,604	(3,221)	(6,813)	(2,789)	(18,999)
(58)	(225)	(593)	(1,376)	(1,678)	-	(7,417)	(7,669)	(3,271)	(522)
5,167	1,344	5,049	6,263	(141,879)	11,604	(10,638)	(14,482)	(6,060)	(19,521)
(16)	(1)	-	-	(2,819)	(33)	163	(194)	(1,112)	(361)
\$ 5,151	\$ 1,343	€ 5,049	€ 6,263	\$(144,698)	\$ 11,571	\$ (10,475)	\$ (14,676)	\$ (7,172)	\$ (19,882)
Legg Mason Brandywine Global Credit Opportunities Fund^μ		Legg Mason Western Asset Brazil Equity Fund		Legg Mason ClearBridge Value Fund#		Legg Mason ClearBridge Growth Fund#		Legg Mason ClearBridge Global Equity Fund^	
For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014
\$ 195	\$ -	\$ 134	\$ 125	\$ 4,698	\$ 4,609	\$ 73	\$ 736	\$ 114	\$ 54
45	-	-	-	3	-	-	-	-	-
-	-	-	-	1	-	-	-	1	1
-	-	-	-	-	-	-	-	-	-
2,223	-	(493)	(1,056)	35,641	32,653	570	24,552	133	376
(2,269)	-	17	(156)	1,463	34,585	309	(7,880)	(332)	235
194	-	(342)	(1,087)	41,806	71,847	952	17,408	(84)	666
80	-	-	-	3,271	2,665	95	437	62	34
11	-	3	3	271	239	9	57	4	2
4	-	-	-	590	493	25	27	15	8
-	-	-	-	3	5	-	1	-	-
26	-	18	23	28	38	21	30	24	29
-	-	1	-	24	25	1	6	1	-
4	-	-	-	-	-	-	-	-	-
-	-	-	-	2	2	-	-	-	-
1	-	6	7	190	227	2	32	10	10
2	-	5	2	117	95	7	28	2	10
128	-	33	35	4,496	3,789	160	618	118	93
(14)	-	-	-	-	(1)	(9)	(2)	(25)	(37)
114	-	33	35	4,496	3,788	151	616	93	56
80	-	(375)	(1,122)	37,310	68,059	801	16,792	(177)	610
(8)	-	(1)	-	-	-	-	-	(7)	(9)
72	-	(376)	(1,122)	37,310	68,059	801	16,792	(184)	601
-	-	(8)	(10)	(1,338)	(1,239)	(20)	(183)	(15)	(10)
\$ 72	\$ -	\$ (384)	\$ (1,132)	\$ 35,972	\$ 66,820	\$ 781	\$ 16,609	\$ (199)	\$ 591

The accompanying notes are an integral part of the Financial Statements

Profit and Loss Account – (continued)

	Legg Mason ClearBridge Global Equity Income Fund ^Ø		Legg Mason ClearBridge US Appreciation Fund		Legg Mason ClearBridge US Fundamental Value Fund		Legg Mason ClearBridge US Large Cap Growth Fund	
	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014
(in 000's)								
INVESTMENT INCOME:								
Gross dividend income and bond interest (Note 1)	\$ 45	\$ –	\$ 7,093	\$ 7,936	\$ 2,255	\$ 2,660	\$ 1,516	\$ 1,055
Interest (Note 1)	–	–	7	–	–	–	–	–
Equalisation (Note 1)	–	–	6	3	–	–	–	–
Other income	–	–	–	–	–	–	–	–
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss:								
Net realised gain/(loss) on financial instruments held for trading	(238)	–	26,488	40,434	9,713	8,667	4,929	4,073
Net unrealised gain/(loss) on financial instruments held for trading	(130)	–	13,179	32,369	(1,542)	8,361	13,702	16,149
Total Investment Income/(Loss)	(323)	–	46,773	80,742	10,426	19,688	20,147	21,277
EXPENSES:								
Investment management fees (Note 4)	21	–	4,623	4,457	1,282	1,381	1,692	1,209
Administrator and custodian fees (Note 4)	1	–	312	360	80	88	100	70
Shareholder service fees (Note 4)	4	–	986	849	81	81	317	199
Legal fees	–	–	3	7	–	2	1	–
Audit fees (Note 4)	18	–	39	44	28	34	28	35
Printing fees	–	–	27	39	7	9	9	7
Interest expense	–	–	–	–	–	–	–	–
Directors' fees and expenses (Note 4)	–	–	2	3	–	1	–	1
Transaction costs	13	–	54	99	32	30	26	27
Other expenses	1	–	153	158	91	48	38	28
Total Expenses	58	–	6,199	6,016	1,601	1,674	2,211	1,577
Expense waivers and reimbursements/recoupment (Note 4)	(14)	–	(11)	(11)	(18)	(8)	(10)	(17)
Total Net Expenses	44	–	6,188	6,005	1,583	1,666	2,201	1,560
Net Profit/(Loss) before finance costs	(367)	–	40,585	74,737	8,843	18,022	17,946	19,717
FINANCE COSTS:								
Distributions to holders of redeemable participating shares (Note 5)	(17)	–	(30)	(22)	(11)	(3)	–	–
Profit/(Loss) for the financial year	(384)	–	40,555	74,715	8,832	18,019	17,946	19,717
Withholding taxes on dividends and other taxation	(5)	–	(2,023)	(2,236)	(543)	(588)	(422)	(297)
Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ (389)	\$ –	\$ 38,532	\$ 72,479	\$ 8,289	\$ 17,431	\$ 17,524	\$ 19,420

	Legg Mason Royce US Smaller Companies Fund#		Legg Mason Royce Smaller Companies Fund II [^]		Legg Mason Royce European Smaller Companies Fund		Legg Mason Royce Global Smaller Companies Fund ^α	
	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014
(in 000's)								
INVESTMENT INCOME:								
Gross dividend income and bond interest (Note 1)	\$ 5,773	\$ 5,157	\$ 457	\$ 625	€ –	€ 65	\$ 3	\$ 116
Interest (Note 1)	2	–	–	–	–	–	–	–
Equalisation (Note 1)	–	–	–	–	–	–	–	–
Other income	–	–	–	–	–	–	–	–
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss:								
Net realised gain/(loss) on financial instruments held for trading	57,893	38,927	3,207	11,311	–	575	398	408
Net unrealised gain/(loss) on financial instruments held for trading	(65,603)	69,382	(3,735)	(1,186)	–	(298)	(454)	(207)
Total Investment Income/(Loss)	(1,935)	113,466	(71)	10,750	–	342	(53)	317
EXPENSES:								
Investment management fees (Note 4)	5,380	6,391	492	950	–	1	–	19
Administrator and custodian fees (Note 4)	373	438	30	56	–	2	1	4
Shareholder service fees (Note 4)	1,004	1,249	115	221	–	1	–	2
Legal fees	3	10	–	2	–	–	–	–
Audit fees (Note 4)	40	41	23	29	–	10	–	37
Printing fees	33	47	–	–	–	–	–	1
Interest expense	–	–	–	–	–	–	–	–
Directors' fees and expenses (Note 4)	2	4	–	1	–	–	–	–
Transaction costs	475	827	33	239	–	12	7	25
Other expenses	181	233	4	3	–	22	–	33
Total Expenses	7,491	9,240	697	1,501	–	48	8	121
Expense waivers and reimbursements/recoupment (Note 4)	(6)	(19)	–	–	–	(30)	–	(35)
Total Net Expenses	7,485	9,221	697	1,501	–	18	8	86
Net Profit/(Loss) before finance costs	(9,420)	104,245	(768)	9,249	–	324	(61)	231
FINANCE COSTS:								
Distributions to holders of redeemable participating shares (Note 5)	–	(55)	–	–	–	(1)	–	–
Profit/(Loss) for the financial year	(9,420)	104,190	(768)	9,249	–	323	(61)	231
Withholding taxes on dividends and other taxation	(1,510)	(1,257)	(118)	(154)	–	(16)	–	(24)
Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ (10,930)	\$ 102,933	\$ (886)	\$ 9,095	€ –	€ 307	\$ (61)	\$ 207

The accompanying notes are an integral part of the Financial Statements

Legg Mason ClearBridge US Aggressive Growth Fund		Legg Mason ClearBridge US Equity Income Fund [^] €		Legg Mason ClearBridge Tactical Dividend Income Fund		Legg Mason Opportunity Fund#		Legg Mason Royce US Small Cap Opportunity Fund	
For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014
\$ 27,494	\$ 10,535	\$ 50	\$ 64	\$ 1,073	\$ 142	\$ 2,598	\$ 2,136	\$ 9,370	\$ 5,850
2	-	-	-	-	-	261	-	-	-
-	41	-	-	-	-	4	38	-	-
-	-	-	-	-	-	-	-	-	-
(3,332)	4,482	582	10	(1,236)	(8)	42,160	12,726	109,074	58,153
413,284	350,430	(298)	298	(461)	251	(10,491)	52,772	(162,476)	187,646
437,448	365,488	334	372	(624)	385	34,532	67,672	(44,032)	251,649
31,677	11,741	10	8	235	9	2,573	1,374	15,968	11,042
2,658	972	2	2	16	2	238	143	1,089	745
5,618	2,066	2	2	48	2	398	185	3,249	2,268
41	20	-	-	-	-	4	3	17	14
72	40	14	30	24	31	31	28	62	47
237	107	-	-	1	-	21	16	98	80
3	-	-	-	-	-	42	39	-	-
16	9	-	-	-	-	2	1	7	7
1,011	704	2	2	34	4	605	323	2,238	2,589
1,029	353	14	-	49	-	97	48	483	283
42,362	16,012	44	44	407	48	4,011	2,160	23,211	17,075
(3)	(19)	(12)	(9)	(51)	(8)	-	(1)	(7)	(19)
42,359	15,993	32	35	356	40	4,011	2,159	23,204	17,056
395,089	349,495	302	337	(980)	345	30,521	65,513	(67,236)	234,593
-	(3)	(17)	(9)	(471)	(13)	(69)	(4)	-	-
395,089	349,492	285	328	(1,451)	332	30,452	65,509	(67,236)	234,593
(6,641)	(2,710)	(13)	(16)	(256)	(32)	(1,221)	(363)	(2,630)	(1,637)
\$388,448	\$346,782	\$ 272	\$ 312	\$ (1,707)	\$ 300	\$ 29,231	\$ 65,146	\$ (69,866)	\$232,956
Legg Mason PCM US Equity Fund		Legg Mason Permal Global Absolute Fund [^] €		Legg Mason Batterymarch Managed Volatility European Equity Fund#		Legg Mason Batterymarch Asia Ex Japan Equity Fund#		Legg Mason Batterymarch International Large Cap Fund ^β	
For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014
\$ -	\$ 156	\$ 178	\$ 515	€ 2,863	€ 2,708	\$ 1,643	\$ 1,627	\$ 586	\$ 563
-	-	-	-	1	-	12	-	-	-
-	-	-	-	10	5	(18)	(40)	-	2
-	-	-	-	-	-	-	-	-	-
-	2,508	389	1,397	6,727	1,456	7,112	3,946	1,831	185
-	(629)	(579)	(311)	13,537	7,378	(2,823)	(5,212)	(1,545)	1,227
-	2,035	(12)	1,601	23,138	11,547	5,926	321	872	1,977
-	136	120	370	939	697	849	980	201	196
-	6	8	26	59	49	45	52	11	11
-	27	29	91	103	35	134	157	22	18
-	-	-	1	-	1	-	1	-	-
-	18	11	29	25	26	29	42	22	31
-	1	1	3	5	6	4	6	1	1
-	-	1	8	5	-	18	4	-	-
-	-	-	-	-	1	-	-	-	-
-	31	7	19	188	13	198	484	13	5
-	11	1	38	29	23	32	38	11	5
-	230	178	585	1,353	851	1,309	1,764	281	267
-	-	(11)	-	(2)	(1)	(6)	(7)	(14)	(9)
-	230	167	585	1,351	850	1,303	1,757	267	258
-	1,805	(179)	1,016	21,787	10,697	4,623	(1,436)	605	1,719
-	-	-	-	(384)	(55)	(65)	(88)	(35)	(12)
-	1,805	(179)	1,016	21,403	10,642	4,558	(1,524)	570	1,707
-	(32)	(74)	(128)	(370)	(269)	(151)	(174)	(104)	(25)
\$ -	\$ 1,773	\$ (253)	\$ 888	€ 21,033	€ 10,373	\$ 4,407	\$ (1,698)	\$ 466	\$ 1,682

The accompanying notes are an integral part of the Financial Statements

Profit and Loss Account – (continued)

(in 000's)	Legg Mason Batterymarch Emerging Markets Equity Fund		Legg Mason Batterymarch Global Equity Fund		Legg Mason Congruix Japan Equity Fund		Legg Mason LMHK China Fund		Legg Mason Global Funds plc	
	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014
INVESTMENT INCOME:										
Gross dividend income and bond interest (Note 1)	\$ 255	\$ 309	\$ 393	\$ 424	¥ –	¥ –	\$ –	\$ 160	\$ 564,405	\$ 456,914
Interest (Note 1)	–	–	–	–	–	–	–	–	13,491	3,320
Equalisation (Note 1)	–	(2)	–	–	–	–	–	–	134	410
Other income	–	–	–	–	–	–	–	–	–	–
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss:										
Net realised gain/(loss) on financial instruments held for trading	696	(1,018)	900	2,796	–	–	–	47	155,934	370,644
Net unrealised gain/(loss) on financial instruments held for trading	(94)	(365)	588	121	–	–	–	(767)	(92,356)	392,365
Total Investment Income/(Loss)	857	(1,076)	1,881	3,341	–	–	–	(560)	641,608	1,223,653
EXPENSES:										
Investment management fees (Note 4)	148	153	195	281	–	–	–	15	150,012	116,589
Administrator and custodian fees (Note 4)	10	9	12	17	–	–	–	3	14,895	12,341
Shareholder service fees (Note 4)	26	30	11	29	–	–	–	4	17,798	13,556
Legal fees	–	–	–	1	–	–	–	–	179	272
Audit fees (Note 4)	24	39	15	30	–	–	–	9	1,916	2,165
Printing fees	1	1	1	2	–	–	–	–	1,109	1,242
Interest expense	–	–	–	–	–	–	–	–	11,748	12,751
Directors' fees and expenses (Note 4)	–	–	–	–	–	–	–	–	93	117
Transaction costs	53	78	8	67	–	–	–	28	10,463	6,553
Other expenses	13	18	11	8	–	–	–	9	6,325	5,134
Total Expenses	275	328	253	435	–	–	–	68	214,538	170,720
Expense waivers and reimbursements/recoupment (Note 4)	(21)	(31)	–	(2)	–	–	–	(2)	(6,934)	(7,218)
Total Net Expenses	254	297	253	433	–	–	–	66	207,604	163,502
Net Profit/(Loss) before finance costs	603	(1,373)	1,628	2,908	–	–	–	(626)	434,004	1,060,151
FINANCE COSTS:										
Distributions to holders of redeemable participating shares (Note 5)	(3)	(6)	–	(2)	–	–	–	(16)	(111,185)	(109,577)
Profit/(Loss) for the financial year	600	(1,379)	1,628	2,906	–	–	–	(642)	322,819	950,574
Withholding taxes on dividends and other taxation	(30)	(37)	(66)	(74)	–	–	–	(13)	(26,256)	(16,962)
Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ 570	\$ (1,416)	\$ 1,562	\$ 2,832	¥ –	¥ –	\$ –	\$ (655)	\$ 296,563	\$ 933,612

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

Gains and losses are solely from continuing operations except for Legg Mason Royce Global Smaller Companies Fund, Legg Mason ClearBridge US Equity Income Fund^α, Legg Mason Permal Global Absolute Fund^μ, Legg Mason Western Asset Global Inflation-Linked Fund and Legg Mason Batterymarch International Large Cap Fund which have discontinued operations. There were no other gains or losses other than those dealt with in the Profit and Loss Account.

The Euro figures for Legg Mason Western Asset Euro Core Plus Bond Fund, Legg Mason Western Asset Euro High Yield Fund and Legg Mason Batterymarch Managed Volatility European Equity Fund have been converted into US Dollars in the total figure for Legg Mason Global Funds Plc for the year ended February 28, 2015, using the USD/EUR rate of 0.7762.

α Effective March 31, 2014 Legg Mason Royce Global Smaller Companies Fund ceased trading.

μ Effective June 30, 2014 Legg Mason Brandywine Global Credit Opportunities Fund^μ commenced trading.

ϵ Effective August 29, 2014 Legg Mason ClearBridge US Equity Income Fund^α and Legg Mason Permal Global Absolute Fund ceased^α trading.

∅ Effective September 15, 2014 Legg Mason ClearBridge Global Equity Income Fund^α commenced trading.

∂ Effective January 8, 2015 Legg Mason Western Asset Global Inflation-Linked Fund ceased trading.

β Effective February 25, 2015 Legg Mason Batterymarch International Large Cap Fund ceased trading.

Please see the General Information section for details of fund name changes.

^ Not authorised for sale to the public in Hong Kong.

On behalf of the Board

Joseph Keane
Director

Brian Collins
Director

June 4, 2015

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

(000's)	Legg Mason Western Asset US Money Market Fund		Legg Mason Western Asset US Core Bond Fund		Legg Mason Western Asset US Core Plus Bond Fund		Legg Mason Western Asset Euro Core Plus Bond Fund	
	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014
	Net Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ 19	\$ 30	\$ 1,251	\$ (342)	\$ 11,695	\$ 858	€ 6,337
REDEEMABLE PARTICIPATING SHARE TRANSACTIONS								
Net proceeds from sales of shares	1,391,464	1,925,593	33,779	7,824	240,680	38,409	1,874	524
Net proceeds from reinvested distributions	314	313	162	60	205	182	29	27
Cost of shares reacquired	(1,487,563)	(1,938,182)	(9,491)	(22,821)	(76,045)	(108,122)	(5,865)	(68,035)
(Decrease)/Increase in Net Assets from Redeemable Participating Share transactions	(95,785)	(12,276)	24,450	(14,937)	164,840	(69,531)	(3,962)	(67,484)
(Decrease)/Increase in Net Assets attributable to Holders of Redeemable Participating Shares	(95,766)	(12,246)	25,701	(15,279)	176,535	(68,673)	2,375	(65,521)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES								
Beginning of year	1,148,544	1,160,790	20,474	35,753	154,475	223,148	52,562	118,083
Currency translation	-	-	-	-	-	-	-	-
End of year	\$ 1,052,778	\$ 1,148,544	\$ 46,175	\$ 20,474	\$ 331,010	\$ 154,475	€ 54,937	€ 52,562

(000's)	Legg Mason Western Asset Global High Yield Fund		Legg Mason Western Asset US Short-Term Government Fund		Legg Mason Western Asset US Adjustable Rate Fund		Legg Mason Western Asset Inflation Management Fund	
	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014
	Net Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ (47,934)	\$ 13,146	\$ (105)	\$ (203)	\$ (110)	\$ (73)	\$ 185
REDEEMABLE PARTICIPATING SHARE TRANSACTIONS								
Net proceeds from sales of shares	921,865	1,237,408	19,348	12,674	9,253	8,726	2,309	3,781
Net proceeds from reinvested distributions	2,053	1,448	2	24	-	-	-	1
Cost of shares reacquired	(1,266,205)	(1,365,037)	(13,620)	(24,378)	(15,183)	(9,182)	(4,108)	(15,035)
(Decrease)/Increase in Net Assets from Redeemable Participating Share transactions	(342,287)	(126,181)	5,730	(11,680)	(5,930)	(456)	(1,799)	(11,253)
(Decrease)/Increase in Net Assets attributable to Holders of Redeemable Participating Shares	(390,221)	(113,035)	5,625	(11,883)	(6,040)	(529)	(1,614)	(13,029)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES								
Beginning of year	811,643	924,678	24,996	36,879	16,198	16,727	12,053	25,082
Currency translation	-	-	-	-	-	-	-	-
End of year	\$ 421,422	\$ 811,643	\$ 30,621	\$ 24,996	\$ 10,158	\$ 16,198	\$ 10,439	\$ 12,053

(000's)	Legg Mason Western Asset Global Core Plus Bond Fund^		Legg Mason Western Asset Global Inflation-Linked Fund ^ö		Legg Mason Western Asset UK ^e Inflation-Linked Plus Fund^		Legg Mason Western Asset UK ^e Long Duration Fund^	
	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014
	Net Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ 3,969	\$ 2,168	\$ 430	\$ (1,574)	£ -	£ (438)	£ -
REDEEMABLE PARTICIPATING SHARE TRANSACTIONS								
Net proceeds from sales of shares	136,212	87,398	818	451	-	-	-	-
Net proceeds from reinvested distributions	-	-	-	-	-	-	-	-
Cost of shares reacquired	(149,166)	(27,906)	(29,369)	(46,027)	-	(30,588)	-	(94,694)
(Decrease)/Increase in Net Assets from Redeemable Participating Share transactions	(12,954)	59,492	(28,551)	(45,576)	-	(30,588)	-	(94,694)
(Decrease)/Increase in Net Assets attributable to Holders of Redeemable Participating Shares	(8,985)	61,660	(28,121)	(47,150)	-	(31,026)	-	(92,709)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES								
Beginning of year	126,222	64,562	28,121	75,271	-	31,026	-	92,709
Currency translation	-	-	-	-	-	-	-	-
End of year	\$ 117,237	\$ 126,222	\$ -	\$ 28,121	£ -	£ -	£ -	£ -

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Diversified Strategic Income Fund		Legg Mason Western Asset Global Multi Strategy Fund		Legg Mason Western Asset US High Yield Fund		Legg Mason Western Asset Emerging Markets Bond Fund		Legg Mason Western Asset Emerging Markets Corporate Bond Fund	
For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014
\$ 403	\$ (826)	\$ (81,220)	\$ 27,983	\$ (24,119)	\$ 27,047	\$ (9,254)	\$ (14,339)	\$ (6,134)	\$ (3,235)
3,003	2,839	313,341	445,910	797,550	669,934	108,201	129,720	11,096	1,802
501	424	2,253	2,471	9,406	11,396	1,017	887	3,397	3,592
(6,813)	(14,958)	(305,257)	(946,218)	(869,537)	(689,706)	(165,913)	(225,904)	(30,975)	(14,570)
(3,309)	(11,695)	10,337	(497,837)	(62,581)	(8,376)	(56,695)	(95,297)	(16,482)	(9,176)
(2,906)	(12,521)	(70,883)	(469,854)	(86,700)	18,671	(65,949)	(109,636)	(22,616)	(12,411)
31,522	44,043	1,480,622	1,950,476	667,569	648,898	169,408	279,044	105,563	117,974
–	–	–	–	–	–	–	–	–	–
\$ 28,616	\$ 31,522	\$ 1,409,739	\$ 1,480,622	\$ 580,869	\$ 667,569	\$ 103,459	\$ 169,408	\$ 82,947	\$ 105,563
Legg Mason Western Asset Asian Opportunities Fund		Legg Mason Western Asset Global Blue Chip Bond Fund		Legg Mason Western Asset Brazil Bond Fund		Legg Mason Western Asset Global Credit Absolute Return Fund^		Legg Mason Western Asset UK£ Core Plus Bond Fund^	
For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014
\$ 15,561	\$ (75,259)	\$ (3,340)	\$ 2,306	\$ (3,229)	\$ (1,043)	\$ (9,254)	\$ 8,217	£ –	£ 735
243,805	268,443	16,729	14,521	31,495	153	34,732	80,815	–	49
825	972	28	40	–	–	–	–	–	–
(297,415)	(635,868)	(40,318)	(55,170)	(212)	(142)	(50,212)	(104,736)	–	(63,302)
(52,785)	(366,453)	(23,561)	(40,609)	31,283	11	(15,480)	(23,921)	–	(63,253)
(37,224)	(441,712)	(26,901)	(38,303)	28,054	(1,032)	(24,734)	(15,704)	–	(62,518)
631,561	1,073,273	72,093	110,396	5,520	6,552	116,959	132,663	–	62,518
–	–	–	–	–	–	–	–	–	–
\$ 594,337	\$ 631,561	\$ 45,192	\$ 72,093	\$ 33,574	\$ 5,520	\$ 92,225	\$ 116,959	£ –	£ –
Legg Mason Western Asset Global Credit Fund		Legg Mason Western Asset Euro High Yield Fund		Legg Mason Western Asset Macro Opportunities Bond Fund^		Legg Mason Brandywine Global Fixed Income Fund		Legg Mason Brandywine Global Fixed Income Absolute Return Fund^	
For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014
\$ 5,151	\$ 1,343	€ 5,049	€ 6,263	\$ (144,698)	\$ 11,571	\$ (10,475)	\$ (14,676)	\$ (7,172)	\$ (19,882)
1,594	6,913	712	41,313	3,447,882	372,562	1,040,737	1,194,586	851,662	1,055,768
22	163	584	1,375	198	–	1,433	1,735	472	1
(6,715)	(31,990)	(549)	(44,411)	(406,240)	(213)	(785,578)	(1,571,077)	(496,012)	(489,319)
(5,099)	(24,914)	747	(1,723)	3,041,840	372,349	256,592	(374,756)	356,122	566,450
52	(23,571)	5,796	4,540	2,897,142	383,920	246,117	(389,432)	348,950	546,568
100,055	123,626	82,780	78,240	383,920	–	1,260,185	1,649,617	776,666	230,098
–	–	–	–	–	–	–	–	–	–
\$ 100,107	\$ 100,055	€ 88,576	€ 82,780	\$ 3,281,062	\$ 383,920	\$ 1,506,302	\$ 1,260,185	\$ 1,125,616	\$ 776,666

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)

	Legg Mason Brandywine Global High Yield Fund [^]		Legg Mason Brandywine Global Opportunistic Fixed Income Fund [^]		Legg Mason Brandywine Global Sovereign Credit Fund [^]		Legg Mason Brandywine Global Income Optimiser Fund [^]	
	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014
(000's)								
Net Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ (748)	\$ 2,162	\$ 17,489	\$ 479	\$ 93,031	\$ (6,582)	\$ (2,780)	\$ 338
REDEEMABLE PARTICIPATING SHARE TRANSACTIONS								
Net proceeds from sales of shares	4,109	4,896	136,579	116,577	941,035	810,406	72,545	12,584
Net proceeds from reinvested distributions	–	–	478	460	–	–	33	19
Cost of shares reacquired	(3,792)	(2,412)	(54,907)	(127,864)	–	(266,910)	(4,994)	(276)
(Decrease)/Increase in Net Assets from Redeemable Participating Share transactions	317	2,484	82,150	(10,827)	941,035	543,496	67,584	12,327
(Decrease)/Increase in Net Assets attributable to Holders of Redeemable Participating Shares	(431)	4,646	99,639	(10,348)	1,034,066	536,914	64,804	12,665
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES								
Beginning of year	20,526	15,880	205,724	216,072	994,712	457,798	12,665	–
Currency translation	–	–	–	–	–	–	–	–
End of year	\$ 20,095	\$ 20,526	\$ 305,363	\$ 205,724	\$ 2,028,778	\$ 994,712	\$ 77,469	\$ 12,665
	Legg Mason ClearBridge Global Equity Income Fund ^{^O}		Legg Mason ClearBridge US Appreciation Fund		Legg Mason ClearBridge US Fundamental Value Fund		Legg Mason ClearBridge US Large Cap Growth Fund	
	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014
(000's)								
Net Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ (389)	\$ –	\$ 38,532	\$ 72,479	\$ 8,289	\$ 17,431	\$ 17,524	\$ 19,420
REDEEMABLE PARTICIPATING SHARE TRANSACTIONS								
Net proceeds from sales of shares	5,275	–	104,291	185,191	7,274	8,588	60,749	57,085
Net proceeds from reinvested distributions	8	–	–	–	6	2	–	–
Cost of shares reacquired	(122)	–	(155,255)	(206,305)	(27,294)	(20,946)	(38,884)	(24,212)
(Decrease)/Increase in Net Assets from Redeemable Participating Share transactions	5,161	–	(50,964)	(21,114)	(20,014)	(12,356)	21,865	32,873
(Decrease)/Increase in Net Assets attributable to Holders of Redeemable Participating Shares	4,772	–	(12,432)	51,365	(11,725)	5,075	39,389	52,293
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES								
Beginning of year	–	–	372,456	321,091	101,105	96,030	105,917	53,624
Currency translation	–	–	–	–	–	–	–	–
End of year	\$ 4,772	\$ –	\$ 360,024	\$ 372,456	\$ 89,380	\$ 101,105	\$ 145,306	\$ 105,917
	Legg Mason Royce US Smaller Companies Fund [#]		Legg Mason Royce Smaller Companies Fund II [^]		Legg Mason Royce European Smaller Companies Fund		Legg Mason Royce Global Smaller Companies Fund ^o	
	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014
(000's)								
Net Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ (10,930)	\$ 102,933	\$ (886)	\$ 9,095	€ –	€ 307	\$ (61)	\$ 207
REDEEMABLE PARTICIPATING SHARE TRANSACTIONS								
Net proceeds from sales of shares	142,289	232,795	8,663	14,306	–	–	–	357
Net proceeds from reinvested distributions	–	–	–	–	–	–	–	–
Cost of shares reacquired	(276,848)	(402,813)	(13,242)	(119,160)	–	(2,798)	(3,439)	(8,631)
(Decrease)/Increase in Net Assets from Redeemable Participating Share transactions	(134,559)	(170,018)	(4,579)	(104,854)	–	(2,798)	(3,439)	(8,274)
(Decrease)/Increase in Net Assets attributable to Holders of Redeemable Participating Shares	(145,489)	(67,085)	(5,465)	(95,759)	–	(2,491)	(3,500)	(8,067)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES								
Beginning of year	483,656	550,741	34,323	130,082	–	2,491	3,500	11,567
Currency translation	–	–	–	–	–	–	–	–
End of year	\$ 338,167	\$ 483,656	\$ 28,858	\$ 34,323	€ –	€ –	\$ –	\$ 3,500

The accompanying notes are an integral part of the Financial Statements

Legg Mason Brandywine Global Credit Opportunities Fund ^μ		Legg Mason Western Asset Brazil Equity Fund		Legg Mason ClearBridge Value Fund#		Legg Mason ClearBridge Growth Fund#		Legg Mason ClearBridge Global Equity Fund [^]	
For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014
\$ 72	\$ -	\$ (384)	\$ (1,132)	\$ 35,972	\$ 66,820	\$ 781	\$ 16,609	\$ (199)	\$ 591
54,019	-	-	65	202,563	149,253	2,107	864	2,009	3,665
-	-	1	-	-	-	-	-	5	9
(82)	-	(1)	-	(157,868)	(132,164)	(1,825)	(80,105)	(353)	(2,264)
53,937	-	-	65	44,695	17,089	282	(79,241)	1,661	1,410
54,009	-	(384)	(1,067)	80,667	83,909	1,063	(62,632)	1,462	2,001
-	-	3,111	4,178	286,338	202,429	6,877	69,509	3,531	1,530
-	-	-	-	-	-	-	-	-	-
\$ 54,009	\$ -	\$ 2,727	\$ 3,111	\$ 367,005	\$ 286,338	\$ 7,940	\$ 6,877	\$ 4,993	\$ 3,531
Legg Mason ClearBridge US Aggressive Growth Fund		Legg Mason ClearBridge US Equity Income Fund ^ε		Legg Mason ClearBridge Tactical Dividend Income Fund		Legg Mason Opportunity Fund#		Legg Mason Royce US Small Cap Opportunity Fund	
For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014
\$ 388,448	\$ 346,782	\$ 272	\$ 312	\$ (1,707)	\$ 300	\$ 29,231	\$ 65,146	\$ (69,866)	\$ 232,956
4,009,092	1,909,340	495	3,514	42,656	3,579	267,006	261,971	951,120	1,321,624
83	-	6	4	31	14	15	-	-	-
(1,832,175)	(682,929)	(4,478)	(125)	(6,446)	(313)	(235,808)	(128,386)	(1,125,830)	(641,744)
2,177,000	1,226,411	(3,977)	3,393	36,241	3,280	31,213	133,585	(174,710)	679,880
2,565,448	1,573,193	(3,705)	3,705	34,534	3,580	60,444	198,731	(244,576)	912,836
1,999,916	426,723	3,705	-	3,580	-	265,976	67,245	1,314,829	401,993
-	-	-	-	-	-	-	-	-	-
\$ 4,565,364	\$ 1,999,916	\$ -	\$ 3,705	\$ 38,114	\$ 3,580	\$ 326,420	\$ 265,976	\$ 1,070,253	\$ 1,314,829
Legg Mason PCM US Equity Fund		Legg Mason Permal Global Absolute Fund ^ε		Legg Mason Batterymarch Managed Volatility European Equity Fund#		Legg Mason Batterymarch Asia Ex Japan Equity Fund#		Legg Mason Batterymarch International Large Cap Fund ^β	
For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014
\$ -	\$ 1,773	\$ (253)	\$ 888	€ 21,033	€ 10,373	\$ 4,407	\$ (1,698)	\$ 466	\$ 1,682
-	235	1,857	9,790	123,010	10,712	17,733	14,473	2,228	3,492
-	-	-	-	-	-	31	48	25	9
-	(18,217)	(21,654)	(27,534)	(70,623)	(19,219)	(21,570)	(32,958)	(16,083)	(3,204)
-	(17,982)	(19,797)	(17,744)	52,387	(8,507)	(3,806)	(18,437)	(13,830)	297
-	(16,209)	(20,050)	(16,856)	73,420	1,866	601	(20,135)	(13,364)	1,979
-	16,209	20,050	36,906	62,313	60,447	50,352	70,487	13,364	11,385
-	-	-	-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ 20,050	€ 135,733	€ 62,313	\$ 50,953	\$ 50,352	\$ -	\$ 13,364

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)

	Legg Mason Batterymarch Emerging Markets Equity Fund		Legg Mason Batterymarch Global Equity Fund		Legg Mason Congruix Japan Equity Fund		Legg Mason LMHK China Fund		Legg Mason Global Funds plc		
	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	For the year ended February 28, 2015	For the year ended February 28, 2014	
(000's)											
Net Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ 570	\$ (1,416)	\$ 1,562	\$ 2,832	¥ –	¥ –	\$ –	\$ –	\$ (655)	\$ 296,563	\$ 933,612
REDEEMABLE PARTICIPATING SHARE TRANSACTIONS											
Net proceeds from sales of shares	10,861	1,291	7	4,520	–	–	–	23	16,845,174	12,722,516	
Net proceeds from reinvested distributions	2	4	–	–	–	–	–	16	23,802	26,163	
Cost of shares reacquired	(1,218)	(2,803)	(1,802)	(12,106)	–	–	–	(7,713)	(10,591,178)	(11,626,959)	
(Decrease)/Increase in Net Assets from Redeemable Participating Share transactions	9,645	(1,508)	(1,795)	(7,586)	–	–	–	(7,674)	6,277,798	1,121,720	
(Decrease)/Increase in Net Assets attributable to Holders of Redeemable Participating Shares	10,215	(2,924)	(233)	(4,754)	–	–	–	(8,329)	6,574,361	2,055,332	
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES											
Beginning of year	8,898	11,822	13,697	18,451	–	–	–	8,329	14,584,913	12,501,587	
Currency translation	–	–	–	–	–	–	–	–	(65,434)	27,994	
End of year	\$ 19,113	\$ 8,898	\$ 13,464	\$ 13,697	¥ –	¥ –	\$ –	\$ –	\$ 21,093,840	\$ 14,584,913	

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

All Euro figures, except for the beginning of the year Net Assets attributable to Holders of Redeemable Participating Shares, for Legg Mason Western Asset Euro Core Plus Bond Fund, Legg Mason Western Asset Euro High Yield Fund and Legg Mason Batterymarch Managed Volatility European Equity Fund have been converted into US Dollars in the total figure for Legg Mason Global Funds Plc as at February 28, 2015, using the Profit and Loss Account USD/EUR FX rate for the year ended February 28, 2015 of 0.7762.

The beginning of year Net Assets Attributable to Holders of Redeemable Participating Shares for the Legg Mason Western Asset Euro Core Plus Bond Fund, Legg Mason Western Asset Euro High Yield Fund and Legg Mason Batterymarch Managed Volatility European Equity Fund have been converted into US Dollars in the total figure using the Balance Sheet USD/EUR FX rate as at February 28, 2014 of 0.7245.

α Effective March 31, 2014 Legg Mason Royce Global Smaller Companies Fund ceased trading.

μ Effective June 30, 2014 Legg Mason Brandywine Global Credit Opportunities Fund^α commenced trading.

ϕ Effective August 29, 2014 Legg Mason ClearBridge US Equity Income Fund^α and Legg Mason Permal Global Absolute Fund^α ceased trading.

∅ Effective September 15, 2014 Legg Mason ClearBridge Global Equity Income Fund^α commenced trading.

∂ Effective January 8, 2015 Legg Mason Western Asset Global Inflation-Linked Fund ceased trading.

β Effective February 25, 2015 Legg Mason Batterymarch International Large Cap Fund ceased trading.

Please see the General Information section for details of fund name changes.

^ Not authorised for sale to the public in Hong Kong.

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

	For the year ended			For the year ended	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)		February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Legg Mason Western Asset US Money Market Fund					
Class A US\$ Accumulating					
Sold	2,369	1,372			
Redeemed	(2,113)	(1,222)			
Net Increase	256	150			
Class A US\$ Distributing (D)					
Sold	1,145,602	1,778,045			
Redeemed	(1,268,084)	(1,804,791)			
Net Decrease	(122,482)	(26,746)			
Class A US\$ Distributing (M)					
Sold	128	173			
Redeemed	(88)	(152)			
Net Increase	40	21			
Class B US\$ Accumulating					
Sold	13	6			
Redeemed	(8)	(3)			
Net Increase	5	3			
Class B US\$ Distributing (D)					
Sold	76	57			
Redeemed	(117)	(99)			
Net Decrease	(41)	(42)			
Class C US\$ Accumulating					
Sold	18	9			
Redeemed	(18)	(5)			
Net Increase	–	4			
Class C US\$ Distributing (D)					
Sold	737	1,093			
Redeemed	(914)	(1,786)			
Net Decrease	(177)	(693)			
Class A (G) US\$ Accumulating					
Sold	1	–			
Redeemed	(5)	(3)			
Net Decrease	(4)	(3)			
Class A (G) US\$ Distributing (D)					
Sold	45	12			
Redeemed	(130)	(331)			
Net Decrease	(85)	(319)			
Class B (G) US\$ Accumulating					
Redeemed	(1)	(2)			
Net Decrease	(1)	(2)			
Class B (G) US\$ Distributing (D)					
Redeemed	(45)	(12)			
Net Decrease	(45)	(12)			
Class L (G) US\$ Distributing (D)					
Redeemed	(8)	(507)			
Net Decrease	(8)	(507)			
Legg Mason Western Asset US Core Bond Fund					
Class A US\$ Accumulating					
Sold	159	7			
Redeemed	(32)	(110)			
Net Increase/(Decrease)	127	(103)			
Class A US\$ Distributing (D)					
Sold	114	11			
Redeemed	(17)	(43)			
Net Increase/(Decrease)	97	(32)			
Class B US\$ Distributing (D)					
Sold	3	1			
Redeemed	(8)	(1)			
Net Decrease	(5)	–			
Class C US\$ Accumulating					
Sold	4	9			
Redeemed	(1)	(17)			
Net Increase/(Decrease)	3	(8)			
Class C US\$ Distributing (D)					
Sold	11	5			
Redeemed	(11)	(18)			
Net Decrease	–	(13)			
Class F US\$ Accumulating					
Sold	16	43			
Redeemed	(13)	–			
Net Increase	3	43			
Class GA US\$ Accumulating					
Redeemed	(13)	(12)			
Net Decrease	(13)	(12)			
Class GE US\$ Accumulating					
Redeemed	–	(4)			
Net Decrease	–	(4)			
Legg Mason Western Asset US Core Plus Bond Fund					
Class A US\$ Accumulating					
Sold	494	21			
Redeemed	(177)	(151)			
Net Increase/(Decrease)	317	(130)			
Class A US\$ Distributing (D)					
Sold	163	11			
Redeemed	(87)	(13)			
Net Increase/(Decrease)	76	(2)			
Class B US\$ Accumulating					
Sold	2	–			
Redeemed	(1)	(1)			
Net Increase/(Decrease)	1	(1)			
Class C US\$ Accumulating					
Sold	63	2			
Redeemed	(1)	(6)			
Net Increase/(Decrease)	62	(4)			
Class C US\$ Distributing (D)					
Sold	32	2			
Redeemed	(14)	(20)			
Net Increase/(Decrease)	18	(18)			
Class E US\$ Accumulating					
Sold	12	1			
Redeemed	(7)	(4)			
Net Increase/(Decrease)	5	(3)			
Class F US\$ Accumulating					
Sold	351	188			
Redeemed	(34)	(91)			
Net Increase	317	97			
Premier Class US\$ Accumulating					
Sold	856	126			
Redeemed	(276)	(340)			
Net Increase/(Decrease)	580	(214)			
Premier Class US\$ Distributing (M)					
Sold	2	4			
Redeemed	(17)	(9)			
Net Decrease	(15)	(5)			
Premier Class GBP Accumulating (Hedged)					
Redeemed	–	(3)			
Net Decrease	–	(3)			
LM Class US\$ Accumulating					
Redeemed	–	(308)			
Net Decrease	–	(308)			
LM Class GBP Accumulating (Hedged)					
Redeemed	(3)	(4)			
Net Decrease	(3)	(4)			
Class A (G) US\$ Accumulating					
Sold	–	1			
Redeemed	(2)	(1)			
Net Decrease	(2)	–			
Class A (G) US\$ Distributing (D)					
Sold	3	2			
Redeemed	(6)	(7)			
Net Decrease	(3)	(5)			
Class B (G) US\$ Accumulating					
Redeemed	–	(1)			
Net Decrease	–	(1)			
Class B (G) US\$ Distributing (D)					
Redeemed	(1)	(2)			
Net Decrease	(1)	(2)			
Class L (G) US\$ Accumulating					
Redeemed	(1)	(1)			
Net Decrease	(1)	(1)			
Class L (G) US\$ Distributing (D)					
Sold	1	–			
Redeemed	(2)	(1)			
Net Decrease	(1)	(1)			

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	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Legg Mason Western Asset Euro Core Plus Bond Fund		
Class A US\$ Distributing (D)		
Sold	35	5
Redeemed	(42)	(6)
Net Decrease	(7)	(1)
Class A Euro Distributing (D)		
Sold	1	1
Redeemed	(9)	(6)
Net Decrease	(8)	(5)
Class B US\$ Distributing (D)		
Redeemed	–	(1)
Net Decrease	–	(1)
Class C US\$ Distributing (D)		
Sold	7	1
Redeemed	(9)	(5)
Net Decrease	(2)	(4)
Class F Euro Distributing (Q)		
Redeemed	–	(1)
Net Decrease	–	(1)
Premier Class Euro Accumulating		
Redeemed	(12)	(568)
Net Decrease	(12)	(568)
Class GA Euro Accumulating		
Redeemed	(6)	(14)
Net Decrease	(6)	(14)
Class GA Euro Distributing (A)		
Redeemed	–	(1)
Net Decrease	–	(1)
Class GE Euro Accumulating		
Sold	1	–
Redeemed	(3)	(1)
Net Decrease	(2)	(1)
Legg Mason Western Asset Diversified Strategic Income Fund		
Class A US\$ Accumulating		
Sold	14	9
Redeemed	(8)	(13)
Net Increase/(Decrease)	6	(4)
Class A US\$ Distributing (D)		
Sold	46	12
Redeemed	(69)	(61)
Net Decrease	(23)	(49)
Class A US\$ Distributing (M)		
Sold	3	–
Redeemed	(1)	–
Net Increase	2	–
Class A Euro Accumulating (Hedged)		
Sold	3	1
Redeemed	(4)	(8)
Net Decrease	(1)	(7)
Class B US\$ Accumulating		
Sold	1	–
Redeemed	(1)	–
Net Increase	–	–
Class B US\$ Distributing (D)		
Sold	–	1
Redeemed	(3)	(10)
Net Decrease	(3)	(9)
Class C US\$ Accumulating		
Sold	1	–
Redeemed	(2)	(3)
Net Decrease	(1)	(3)
Class C US\$ Distributing (D)		
Sold	18	1
Redeemed	(19)	(27)
Net Decrease	(1)	(26)
Class A (G) US\$ Accumulating		
Sold	–	2
Redeemed	(1)	(4)
Net Decrease	(1)	(2)
Class A (G) US\$ Distributing (D)		
Sold	8	5
Redeemed	(20)	(10)
Net Decrease	(12)	(5)

	For the year ended	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Class B (G) US\$ Accumulating		
Redeemed	(1)	(1)
Net Decrease	(1)	(1)
Class B (G) US\$ Distributing (D)		
Redeemed	(2)	(4)
Net Decrease	(2)	(4)
Class L (G) US\$ Distributing (D)		
Sold	1	–
Redeemed	(3)	(4)
Net Decrease	(2)	(4)
Legg Mason Western Asset Global Multi Strategy Fund		
Class A US\$ Accumulating		
Sold	157	279
Redeemed	(200)	(763)
Net Decrease	(43)	(484)
Class A US\$ Distributing (D)		
Sold	96	114
Redeemed	(284)	(567)
Net Decrease	(188)	(453)
Class A US\$ Distributing (M)		
Sold	108	85
Redeemed	(173)	(344)
Net Decrease	(65)	(259)
Class A Euro Accumulating (Hedged)		
Sold	128	164
Redeemed	(237)	(657)
Net Decrease	(109)	(493)
Class A Euro Distributing (M) (Hedged) Plus (e)		
Sold	12	5
Redeemed	(9)	(1)
Net Increase	3	4
Class A Euro Distributing (M) (Hedged)		
Sold	240	108
Redeemed	(368)	(290)
Net Decrease	(128)	(182)
Class A GBP Distributing (M) (Hedged)		
Sold	98	139
Redeemed	(332)	(721)
Net Decrease	(234)	(582)
Class A SGD Distributing (M) (Hedged) Plus		
Sold	2,081	1,321
Redeemed	(1,903)	(1,502)
Net Increase/(Decrease)	178	(181)
Class B US\$ Accumulating		
Redeemed	(1)	(1)
Net Decrease	(1)	(1)
Class B US\$ Distributing (D)		
Sold	9	2
Redeemed	(23)	(28)
Net Decrease	(14)	(26)
Class C US\$ Accumulating		
Sold	44	61
Redeemed	(82)	(179)
Net Decrease	(38)	(118)
Class C US\$ Distributing (D)		
Sold	92	63
Redeemed	(282)	(352)
Net Decrease	(190)	(289)
Class E US\$ Accumulating		
Sold	12	39
Redeemed	(50)	(172)
Net Decrease	(38)	(133)
Class E US\$ Distributing (D)		
Sold	12	20
Redeemed	(33)	(95)
Net Decrease	(21)	(75)
Class E Euro Accumulating (Hedged)		
Sold	35	52
Redeemed	(64)	(107)
Net Decrease	(29)	(55)
Class E Euro Distributing (M) (Hedged)		
Sold	2	1
Redeemed	(1)	–
Net Increase	1	1

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	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Legg Mason Western Asset Global Multi Strategy Fund – (continued)		
Class F US\$ Accumulating		
Sold	24	43
Redeemed	(42)	(102)
Net Decrease	(18)	(59)
Class F US\$ Distributing (D)		
Sold	4	118
Redeemed	(62)	(221)
Net Decrease	(58)	(103)
Class R US\$ Distributing (D)		
Redeemed	–	(6)
Net Decrease	–	(6)
Class X US\$ Distributing (D)		
Sold	10	6
Redeemed	(14)	–
Net (Decrease)/Increase	(4)	6
Premier Class US\$ Accumulating		
Sold	6	16
Redeemed	(4)	(126)
Net Increase/(Decrease)	2	(110)
Premier Class US\$ Distributing (D)		
Sold	5	3
Redeemed	(5)	–
Net Increase	–	3
Premier Class US\$ Distributing (M) Plus (e)		
Sold	742	–
Net Increase	742	–
Premier Class US\$ Distributing (M)		
Sold	166	5
Redeemed	(2)	(53)
Net Increase/(Decrease)	164	(48)
Premier Class Euro Accumulating (Hedged)		
Sold	524	334
Redeemed	(359)	(437)
Net Increase/(Decrease)	165	(103)
Premier Class Euro Distributing (M) (Hedged)		
Sold	4	4
Redeemed	–	(27)
Net Increase/(Decrease)	4	(23)
Premier Class GBP Accumulating (Hedged)		
Sold	237	13
Redeemed	(224)	(364)
Net Increase/(Decrease)	13	(351)
Premier Class GBP Distributing (M) (Hedged) Plus (e)		
Sold	5	127
Redeemed	(36)	(50)
Net (Decrease)/Increase	(31)	77
Premier Class GBP Distributing (M) (Hedged)		
Sold	16	39
Redeemed	(49)	(273)
Net Decrease	(33)	(234)
Premier Class GBP Distributing (Q) (Hedged)		
Sold	7	4
Redeemed	(1)	(21)
Net Increase/(Decrease)	6	(17)
Premier Class JPY Accumulating (Hedged)		
Sold	11	–
Redeemed	(7)	–
Net Increase	4	–
Premier Class SEK Accumulating (Hedged)		
Redeemed	–	(1,111)
Net Decrease	–	(1,111)
LM Class US\$ Accumulating		
Sold	1	17
Redeemed	(89)	(9)
Net (Decrease)/Increase	(88)	8
LM Class AUD Distributing (M) (Hedged)		
Sold	300	230
Redeemed	(53)	(184)
Net Increase	247	46
LM Class Euro Accumulating (Hedged)		
Sold	–	1
Redeemed	(10)	(3)
Net Decrease	(10)	(2)

	For the year ended	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
LM Class GBP Accumulating (Hedged)		
Sold	234	832
Redeemed	(4)	(297)
Net Increase	230	535
LM Class JPY Accumulating (Hedged)		
Sold	–	8
Redeemed	(37)	(9)
Net Decrease	(37)	(1)
Legg Mason Western Asset US High Yield Fund		
Class A US\$ Accumulating		
Sold	1,827	1,419
Redeemed	(1,833)	(1,208)
Net (Decrease)/Increase	(6)	211
Class A US\$ Distributing (D)		
Sold	696	589
Redeemed	(668)	(335)
Net Increase	28	254
Class A US\$ Distributing (M) Plus		
Sold	456	412
Redeemed	(577)	(309)
Net (Decrease)/Increase	(121)	103
Class A US\$ Distributing (M)		
Sold	249	162
Redeemed	(64)	(338)
Net Increase/(Decrease)	185	(176)
Class A Euro Distributing (M) (Hedged)		
Sold	6	2
Redeemed	(4)	–
Net Increase	2	2
Class A SGD Distributing (M) (Hedged) Plus		
Sold	829	113
Redeemed	(464)	(31)
Net Increase	365	82
Class B US\$ Accumulating		
Sold	6	6
Redeemed	(12)	(2)
Net (Decrease)/Increase	(6)	4
Class B US\$ Distributing (D)		
Sold	50	59
Redeemed	(39)	(26)
Net Increase	11	33
Class C US\$ Accumulating		
Sold	77	55
Redeemed	(85)	(14)
Net (Decrease)/Increase	(8)	41
Class C US\$ Distributing (D)		
Sold	194	174
Redeemed	(270)	(56)
Net (Decrease)/Increase	(76)	118
Class E US\$ Accumulating		
Sold	90	86
Redeemed	(106)	(40)
Net (Decrease)/Increase	(16)	46
Class E US\$ Distributing (D)		
Sold	104	216
Redeemed	(167)	(23)
Net (Decrease)/Increase	(63)	193
Class E Euro Accumulating (Hedged)		
Sold	1	–
Net Increase	1	–
Class F US\$ Accumulating		
Sold	18	–
Redeemed	(25)	(1)
Net Decrease	(7)	(1)
Class F US\$ Distributing (D)		
Sold	4	5
Redeemed	(1)	–
Net Increase	3	5
Premier Class US\$ Accumulating		
Sold	1,177	641
Redeemed	(1,288)	(1,106)
Net Decrease	(111)	(465)

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	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Legg Mason Western Asset US High Yield Fund – (continued)		
Premier Class US\$ Distributing (M) Plus (e)		
Sold	1,262	703
Redeemed	(1,558)	(99)
Net (Decrease)/Increase	(296)	604
Premier Class US\$ Distributing (M)		
Sold	55	1,055
Redeemed	(226)	(884)
Net (Decrease)/Increase	(171)	171
Premier Class Euro Accumulating (Hedged)		
Sold	–	240
Redeemed	(240)	–
Net (Decrease)/Increase	(240)	240
Premier Class Euro Accumulating		
Sold	135	–
Redeemed	(38)	–
Net Increase	97	–
LM Class US\$ Accumulating		
Sold	403	–
Redeemed	(272)	(204)
Net Increase/(Decrease)	131	(204)
LM Class US\$ Distributing (M)		
Sold	199	165
Redeemed	(71)	(1,413)
Net Increase/(Decrease)	128	(1,248)
LM Class GBP Accumulating (Hedged)		
Redeemed	(3)	(4)
Net Decrease	(3)	(4)
Class A (G) US\$ Accumulating		
Sold	2	–
Redeemed	(22)	(3)
Net Decrease	(20)	(3)
Class A (G) US\$ Distributing (D)		
Sold	4	4
Redeemed	(14)	(13)
Net Decrease	(10)	(9)
Class B (G) US\$ Accumulating		
Redeemed	–	(1)
Net Decrease	–	(1)
Class B (G) US\$ Distributing (D)		
Redeemed	(1)	(3)
Net Decrease	(1)	(3)
Class L (G) US\$ Distributing (D)		
Sold	5	2
Redeemed	(21)	(17)
Net Decrease	(16)	(15)
Class GF US\$ Accumulating		
Redeemed	(6)	(11)
Net Decrease	(6)	(11)
Legg Mason Western Asset Emerging Markets Bond Fund		
Class A US\$ Accumulating		
Sold	315	221
Redeemed	(360)	(668)
Net Decrease	(45)	(447)
Class A US\$ Distributing (D)		
Sold	20	77
Redeemed	(62)	(165)
Net Decrease	(42)	(88)
Class A US\$ Distributing (M) Plus		
Sold	189	153
Redeemed	(178)	(126)
Net Increase	11	27
Class A US\$ Distributing (M)		
Sold	212	214
Redeemed	(215)	(289)
Net Decrease	(3)	(75)
Class A Euro Accumulating (Hedged)		
Sold	4	3
Redeemed	(3)	(32)
Net Increase/(Decrease)	1	(29)
Class A Euro Distributing (D) (Hedged)		
Sold	1	4
Net Increase	1	4

	For the year ended	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Class A GBP Distributing (D) (Hedged)		
Sold	–	1
Redeemed	(1)	(130)
Net Decrease	(1)	(129)
Class A SGD Distributing (M) (Hedged) Plus		
Sold	531	520
Redeemed	(593)	(1,099)
Net Decrease	(62)	(579)
Class B US\$ Accumulating		
Redeemed	(1)	(3)
Net Decrease	(1)	(3)
Class B US\$ Distributing (D)		
Sold	1	–
Redeemed	–	(7)
Net Increase/(Decrease)	1	(7)
Class C US\$ Accumulating		
Sold	–	1
Redeemed	–	(9)
Net Decrease	–	(8)
Class C US\$ Distributing (D)		
Sold	5	20
Redeemed	(72)	(43)
Net Decrease	(67)	(23)
Class E US\$ Distributing (D)		
Sold	7	8
Redeemed	(13)	(5)
Net (Decrease)/Increase	(6)	3
Class E Euro Accumulating (Hedged)		
Sold	1	–
Net Increase	1	–
Class E Euro Distributing (M) (Hedged)		
Sold	2	1
Redeemed	(1)	–
Net Increase	1	1
Class F US\$ Accumulating		
Sold	–	4
Redeemed	(25)	(12)
Net Decrease	(25)	(8)
Class X GBP Distributing (D) (Hedged)		
Sold	1	1
Net Increase	1	1
Premier Class US\$ Accumulating		
Sold	43	117
Redeemed	(64)	(65)
Net (Decrease)/Increase	(21)	52
Premier Class Euro Accumulating (Hedged)		
Sold	19	10
Redeemed	(207)	(11)
Net Decrease	(188)	(1)
Premier Class GBP Distributing (D) (Hedged)		
Sold	34	135
Redeemed	(58)	(37)
Net (Decrease)/Increase	(24)	98
LM Class US\$ Accumulating		
Sold	–	3
Redeemed	–	(13)
Net Decrease	–	(10)
Class A (G) US\$ Accumulating		
Sold	3	2
Redeemed	(14)	(11)
Net Decrease	(11)	(9)
Class A (G) US\$ Distributing (D)		
Sold	2	3
Redeemed	(9)	(14)
Net Decrease	(7)	(11)
Class B (G) US\$ Accumulating		
Redeemed	(2)	(3)
Net Decrease	(2)	(3)
Class B (G) US\$ Distributing (D)		
Redeemed	–	(3)
Net Decrease	–	(3)
Class L (G) US\$ Accumulating		
Redeemed	(4)	(1)
Net Decrease	(4)	(1)

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	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Legg Mason Western Asset Emerging Markets Bond Fund – (continued)		
Class L (G) US\$ Distributing (D)		
Sold	4	1
Redeemed	(15)	(11)
Net Decrease	(11)	(10)
Legg Mason Western Asset Emerging Markets Corporate Bond Fund		
Class A US\$ Accumulating		
Sold	2	18
Redeemed	(16)	(4)
Net (Decrease)/Increase	(14)	14
Premier Class US\$ Accumulating		
Redeemed	(26)	(35)
Net Decrease	(26)	(35)
LM Class US\$ Distributing (M)		
Sold	134	34
Redeemed	(257)	(100)
Net Decrease	(123)	(66)
Legg Mason Western Asset Global High Yield Fund		
Class A US\$ Accumulating		
Sold	1,147	1,602
Redeemed	(1,374)	(2,267)
Net Decrease	(227)	(665)
Class A US\$ Distributing (D)		
Sold	168	229
Redeemed	(228)	(219)
Net (Decrease)/Increase	(60)	10
Class A US\$ Distributing (M) Plus		
Sold	453	195
Redeemed	(425)	(99)
Net Increase	28	96
Class A US\$ Distributing (M)		
Sold	3,223	3,466
Redeemed	(3,652)	(4,511)
Net Decrease	(429)	(1,045)
Class A AUD Distributing (M) (Hedged) Plus		
Sold	1,456	1,369
Redeemed	(1,436)	(1,187)
Net Increase	20	182
Class A CNH Distributing (M) (Hedged) Plus		
Sold	–	6
Redeemed	(6)	–
Net (Decrease)/Increase	(6)	6
Class A Euro Distributing (D) (Hedged)		
Sold	14	2
Redeemed	(7)	(1)
Net Increase	7	1
Class A SGD Distributing (M) (Hedged) Plus		
Sold	7,653	7,174
Redeemed	(7,218)	(5,621)
Net Increase	435	1,553
Class B US\$ Accumulating		
Sold	3	5
Redeemed	(7)	–
Net (Decrease)/Increase	(4)	5
Class B US\$ Distributing (D)		
Sold	8	10
Redeemed	(11)	(2)
Net (Decrease)/Increase	(3)	8
Class C US\$ Accumulating		
Sold	30	19
Redeemed	(41)	(19)
Net Decrease	(11)	–
Class C US\$ Distributing (D)		
Sold	88	118
Redeemed	(228)	(51)
Net (Decrease)/Increase	(140)	67
Class E US\$ Accumulating		
Sold	40	38
Redeemed	(61)	(18)
Net (Decrease)/Increase	(21)	20
Class E US\$ Distributing (D)		
Sold	12	17
Redeemed	(30)	(9)
Net (Decrease)/Increase	(18)	8

	For the year ended	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Class E Euro Accumulating (Hedged)		
Sold	1	–
Net Increase	1	–
Class E Euro Distributing (M) (Hedged)		
Sold	8	2
Redeemed	(3)	–
Net Increase	5	2
Class F US\$ Accumulating		
Sold	12	4
Redeemed	(3)	(258)
Net Increase/(Decrease)	9	(254)
Class F US\$ Distributing (D)		
Sold	17	29
Redeemed	(13)	(10)
Net Increase	4	19
Class X US\$ Accumulating		
Sold	–	4
Redeemed	(2)	–
Net (Decrease)/Increase	(2)	4
Class X US\$ Distributing (D)		
Sold	–	5
Redeemed	–	(3)
Net Increase	–	2
Class X GBP Distributing (D) (Hedged)		
Sold	4	3
Redeemed	(8)	–
Net (Decrease)/Increase	(4)	3
Premier Class US\$ Accumulating		
Sold	150	1,438
Redeemed	(1,325)	(1,285)
Net (Decrease)/Increase	(1,175)	153
Premier Class US\$ Distributing (M) Plus (e)		
Sold	1,184	1,196
Redeemed	(2,082)	(114)
Net (Decrease)/Increase	(898)	1,082
Premier Class US\$ Distributing (M)		
Sold	–	708
Redeemed	–	(1,404)
Net Decrease	–	(696)
Premier Class Euro Accumulating (Hedged)		
Sold	90	74
Redeemed	(125)	(69)
Net (Decrease)/Increase	(35)	5
Premier Class GBP Distributing (D) (Hedged)		
Sold	22	12
Redeemed	(33)	(9)
Net (Decrease)/Increase	(11)	3
LM Class US\$ Accumulating		
Sold	407	–
Redeemed	(17)	–
Net Increase	390	–
Class A (G) US\$ Accumulating		
Sold	–	5
Redeemed	(4)	(13)
Net Decrease	(4)	(8)
Class A (G) US\$ Distributing (D)		
Sold	4	7
Redeemed	(30)	(49)
Net Decrease	(26)	(42)
Class B (G) US\$ Accumulating		
Redeemed	–	(6)
Net Decrease	–	(6)
Class B (G) US\$ Distributing (D)		
Redeemed	(1)	(4)
Net Decrease	(1)	(4)
Class L (G) US\$ Accumulating		
Redeemed	–	(1)
Net Decrease	–	(1)
Class L (G) US\$ Distributing (D)		
Sold	7	1
Redeemed	(19)	(5)
Net Decrease	(12)	(4)

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			For the year ended	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)		February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Legg Mason Western Asset US Short-Term Government Fund					
Class A US\$ Accumulating					
Sold	155	58			
Redeemed	(92)	(116)			
Net Increase/(Decrease)	63	(58)			
Class A US\$ Distributing (D)					
Sold	10	47			
Redeemed	(10)	(41)			
Net Increase	–	6			
Class B US\$ Accumulating					
Sold	1	–			
Redeemed	–	(1)			
Net Increase/(Decrease)	1	(1)			
Class B US\$ Distributing (D)					
Sold	2	–			
Redeemed	–	(1)			
Net Increase/(Decrease)	2	(1)			
Class C US\$ Accumulating					
Sold	3	12			
Redeemed	(7)	(11)			
Net (Decrease)/Increase	(4)	1			
Class C US\$ Distributing (D)					
Sold	9	1			
Redeemed	(5)	(23)			
Net Increase/(Decrease)	4	(22)			
Class A (G) US\$ Accumulating					
Redeemed	(2)	(5)			
Net Decrease	(2)	(5)			
Class A (G) US\$ Distributing (D)					
Sold	3	–			
Redeemed	(16)	(23)			
Net Decrease	(13)	(23)			
Class B (G) US\$ Distributing (D)					
Redeemed	(1)	–			
Net Decrease	(1)	–			
Class L (G) US\$ Distributing (D)					
Redeemed	(2)	(4)			
Net Decrease	(2)	(4)			
Legg Mason Western Asset US Adjustable Rate Fund					
Class A US\$ Accumulating					
Sold	89	61			
Redeemed	(125)	(65)			
Net Decrease	(36)	(4)			
Class B US\$ Distributing (D)					
Sold	–	1			
Net Increase	–	1			
Class C US\$ Distributing (D)					
Sold	5	24			
Redeemed	(13)	(11)			
Net (Decrease)/Increase	(8)	13			
Class A (G) US\$ Accumulating					
Sold	1	–			
Redeemed	(1)	(2)			
Net Decrease	–	(2)			
Class A (G) US\$ Distributing (D)					
Sold	2	2			
Redeemed	(9)	(7)			
Net Decrease	(7)	(5)			
Class B (G) US\$ Accumulating					
Redeemed	(1)	–			
Net Decrease	(1)	–			
Class B (G) US\$ Distributing (D)					
Redeemed	–	(2)			
Net Decrease	–	(2)			
Class L (G) US\$ Accumulating					
Redeemed	(2)	–			
Net Decrease	(2)	–			
Class L (G) US\$ Distributing (D)					
Redeemed	(7)	(7)			
Net Decrease	(7)	(7)			
Legg Mason Western Asset Inflation Management Fund					
Class A US\$ Accumulating					
Sold	6	9			
Redeemed	(20)	(10)			
Net Decrease	(14)	(1)			
Class A US\$ Distributing (A)					
Sold	15	7			
Redeemed	(5)	(22)			
Net Increase/(Decrease)	10	(15)			
Class B US\$ Accumulating					
Redeemed	–	(7)			
Net Decrease	–	(7)			
Class C US\$ Accumulating					
Sold	–	4			
Redeemed	(1)	(5)			
Net Decrease	(1)	(1)			
Class C US\$ Distributing (A)					
Sold	1	10			
Redeemed	(10)	(81)			
Net Decrease	(9)	(71)			
Class A (G) US\$ Accumulating					
Sold	–	1			
Redeemed	–	(4)			
Net Decrease	–	(3)			
Class A (G) US\$ Distributing (A)					
Sold	–	1			
Redeemed	–	(1)			
Net Increase	–	–			
Class B (G) US\$ Accumulating					
Redeemed	–	(1)			
Net Decrease	–	(1)			
Class B (G) US\$ Distributing (A)					
Redeemed	(1)	–			
Net Decrease	(1)	–			
Class L (G) US\$ Accumulating					
Redeemed	–	(1)			
Net Decrease	–	(1)			
Legg Mason Western Asset Asian Opportunities Fund					
Class A US\$ Accumulating					
Sold	387	432			
Redeemed	(699)	(1,104)			
Net Decrease	(312)	(672)			
Class A US\$ Distributing (D)					
Sold	95	119			
Redeemed	(245)	(440)			
Net Decrease	(150)	(321)			
Class A US\$ Distributing (M) Plus					
Sold	56	8			
Redeemed	(19)	(4)			
Net Increase	37	4			
Class A US\$ Distributing (M)					
Sold	180	124			
Redeemed	(82)	(339)			
Net Increase/(Decrease)	98	(215)			
Class A AUD Distributing (M) (Hedged) Plus					
Sold	73	35			
Redeemed	(44)	(33)			
Net Increase	29	2			
Class A CHF Accumulating (Hedged)					
Sold	12	–			
Net Increase	12	–			
Class A CNH Distributing (M) (Hedged) Plus					
Sold	105	6			
Redeemed	(58)	–			
Net Increase	47	6			
Class A Euro Accumulating (Hedged)					
Sold	10	85			
Redeemed	(27)	(83)			
Net (Decrease)/Increase	(17)	2			
Class A Euro Accumulating					
Sold	48	16			
Redeemed	(51)	(131)			
Net Decrease	(3)	(115)			

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			For the year ended	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)		February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Legg Mason Western Asset Asian Opportunities Fund – (continued)					
Class A Euro Distributing (A)					
Sold	9	1			
Redeemed	(3)	(19)			
Net Increase/(Decrease)	6	(18)			
Class A GBP Distributing (D) (Hedged)					
Sold	1	9			
Redeemed	(7)	(47)			
Net Decrease	(6)	(38)			
Class A GBP Distributing (M)					
Sold	1	7			
Redeemed	–	(5)			
Net Increase	1	2			
Class A SGD Accumulating (Hedged)					
Sold	2,601	7,183			
Redeemed	(3,787)	(14,102)			
Net Decrease	(1,186)	(6,919)			
Class A SGD Distributing (M) (Hedged) Plus					
Sold	1,650	4,188			
Redeemed	(4,252)	(10,831)			
Net Decrease	(2,602)	(6,643)			
Class A SGD Distributing (M) Plus					
Sold	2,915	2,401			
Redeemed	(3,946)	(6,121)			
Net Decrease	(1,031)	(3,720)			
Class B US\$ Accumulating					
Redeemed	(3)	(11)			
Net Decrease	(3)	(11)			
Class B US\$ Distributing (D)					
Sold	–	1			
Redeemed	(4)	(10)			
Net Decrease	(4)	(9)			
Class C US\$ Accumulating					
Sold	4	14			
Redeemed	(75)	(172)			
Net Decrease	(71)	(158)			
Class C US\$ Distributing (D)					
Sold	13	18			
Redeemed	(102)	(169)			
Net Decrease	(89)	(151)			
Class E US\$ Accumulating					
Sold	7	9			
Redeemed	(26)	(100)			
Net Decrease	(19)	(91)			
Class E US\$ Distributing (D)					
Sold	2	11			
Redeemed	(13)	(42)			
Net Decrease	(11)	(31)			
Class E Euro Accumulating (Hedged)					
Sold	1	–			
Net Increase	1	–			
Class F US\$ Accumulating					
Sold	268	76			
Redeemed	(187)	(169)			
Net Increase/(Decrease)	81	(93)			
Class F US\$ Distributing (D)					
Redeemed	–	(1)			
Net Decrease	–	(1)			
Class X Euro Accumulating (Hedged)					
Sold	13	–			
Redeemed	(1)	–			
Net Increase	12	–			
Premier Class US\$ Accumulating					
Sold	421	127			
Redeemed	(92)	(255)			
Net Increase/(Decrease)	329	(128)			
Premier Class US\$ Distributing (M)					
Sold	275	2			
Redeemed	(188)	–			
Net Increase	87	2			
Premier Class Euro Accumulating (Hedged)					
Sold	12	25			
Redeemed	(9)	(118)			
Net Increase/(Decrease)	3	(93)			
Premier Class Euro Accumulating					
Sold	167	333			
Redeemed	(19)	(1,120)			
Net Increase/(Decrease)	148	(787)			
Premier Class Euro Distributing (A)					
Sold	237	434			
Redeemed	(445)	–			
Net (Decrease)/Increase	(208)	434			
Premier Class Euro Distributing (M)					
Sold	–	5			
Redeemed	(24)	(41)			
Net Decrease	(24)	(36)			
Premier Class GBP Distributing (M)					
Redeemed	(2)	(43)			
Net Decrease	(2)	(43)			
LM Class US\$ Accumulating					
Sold	8	8			
Redeemed	(283)	(22)			
Net Decrease	(275)	(14)			
Legg Mason Western Asset Global Blue Chip Bond Fund					
Class A US\$ Accumulating					
Sold	24	55			
Redeemed	(6)	(73)			
Net Increase/(Decrease)	18	(18)			
Class A US\$ Distributing (M)					
Sold	3	8			
Redeemed	(10)	(16)			
Net Decrease	(7)	(8)			
Class A Euro Accumulating (Hedged)					
Sold	1	1			
Redeemed	–	(1)			
Net Increase	1	–			
Class B US\$ Distributing (M)					
Redeemed	–	(2)			
Net Decrease	–	(2)			
Class C US\$ Accumulating					
Sold	5	6			
Redeemed	(2)	(8)			
Net Increase/(Decrease)	3	(2)			
Class C US\$ Distributing (M)					
Sold	1	22			
Redeemed	(72)	(22)			
Net Decrease	(71)	–			
Class E US\$ Accumulating					
Sold	100	–			
Redeemed	(100)	(17)			
Net Decrease	–	(17)			
Class E US\$ Distributing (D)					
Sold	1	–			
Redeemed	(2)	(1)			
Net Decrease	(1)	(1)			
Class F US\$ Distributing (D)					
Redeemed	–	(1)			
Net Decrease	–	(1)			
Premier Class US\$ Accumulating					
Sold	41	2			
Redeemed	(42)	(2)			
Net Decrease	(1)	–			
Premier Class US\$ Distributing (M)					
Sold	18	4			
Redeemed	(9)	(15)			
Net Increase/(Decrease)	9	(11)			
Premier Class Euro Accumulating (Hedged)					
Sold	1	–			
Redeemed	(42)	(46)			
Net Decrease	(41)	(46)			
Premier Class Euro Distributing (M) (Hedged)					
Sold	–	9			
Redeemed	(1)	(49)			
Net Decrease	(1)	(40)			
Premier Class GBP Accumulating (Hedged)					
Sold	–	2			
Redeemed	(4)	–			
Net (Decrease)/Increase	(4)	2			

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	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Legg Mason Western Asset Global Blue Chip Bond Fund – (continued)		
Premier Class GBP Distributing (M) (Hedged)		
Sold	2	9
Redeemed	(67)	(138)
Net Decrease	(65)	(129)
Legg Mason Western Asset Brazil Bond Fund		
Class A US\$ Distributing (M)		
Sold	6	2
Redeemed	(3)	(2)
Net Increase	3	–
LM Class US\$ Accumulating		
Sold	276	–
Net Increase	276	–
Legg Mason Western Asset Global Credit Absolute Return Fund[^]		
Class A US\$ Accumulating		
Sold	4	–
Redeemed	(2)	–
Net Increase	2	–
Class A US\$ Distributing (M)		
Sold	24	64
Redeemed	(9)	(20)
Net Increase	15	44
Class A Euro Accumulating (Hedged)		
Sold	3	1
Redeemed	(4)	–
Net (Decrease)/Increase	(1)	1
Class A GBP Distributing (M) (Hedged)		
Sold	3	6
Redeemed	(6)	(2)
Net (Decrease)/Increase	(3)	4
Class A (PF) US\$ Accumulating		
Sold	1	3
Redeemed	(1)	(3)
Net Increase	–	–
Class X GBP Distributing (M) (Hedged)		
Sold	9	25
Redeemed	(9)	(6)
Net Increase	–	19
Premier Class Euro Accumulating (Hedged)		
Sold	26	95
Redeemed	(43)	(19)
Net (Decrease)/Increase	(17)	76
Premier Class GBP Distributing (M) (Hedged)		
Sold	86	73
Redeemed	(59)	(24)
Net Increase	27	49
Premier (PF) Class US\$ Accumulating		
Sold	24	362
Redeemed	(221)	(388)
Net Decrease	(197)	(26)
Premier (PF) Class US\$ Distributing (M)		
Redeemed	–	(1)
Net Decrease	–	(1)
Premier (PF) Class GBP Accumulating (Hedged)		
Sold	34	2
Redeemed	(26)	(79)
Net Increase/(Decrease)	8	(77)
Premier (PF) Class GBP Distributing (M) (Hedged)		
Sold	20	26
Redeemed	(14)	(241)
Net Increase/(Decrease)	6	(215)
Legg Mason Western Asset UK£ Core Plus Bond Fund[^]		
LM Class GBP Accumulating		
Redeemed	–	(529)
Net Decrease	–	(529)
Legg Mason Western Asset Global Core Plus Bond Fund[^]		
Class A US\$ Distributing (D)		
Sold	1	–
Net Increase	1	–

	For the year ended	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Class X US\$ Accumulating		
Sold	2	–
Net Increase	2	–
Premier Class US\$ Accumulating		
Sold	773	665
Redeemed	(710)	(15)
Net Increase	63	650
Premier Class Euro Accumulating (Hedged)		
Sold	138	–
Net Increase	138	–
Premier Class Euro Distributing (Q) (Hedged)		
Redeemed	–	(98)
Net Decrease	–	(98)
Premier Class JPY Accumulating (Hedged)		
Sold	44	–
Redeemed	(29)	–
Net Increase	15	–
LM Class US\$ Accumulating		
Sold	1	51
Redeemed	(236)	(47)
Net (Decrease)/Increase	(235)	4
LM Class Euro Accumulating (Hedged)		
Sold	74	4
Redeemed	(101)	(11)
Net Decrease	(27)	(7)
LM Class JPY Accumulating (Hedged)		
Sold	–	26
Redeemed	(110)	(41)
Net Decrease	(110)	(15)
Legg Mason Western Asset Global Inflation-Linked Fund^ø		
Class A US\$ Accumulating		
Sold	4	–
Redeemed	(4)	–
Net Increase	–	–
Class A US\$ Distributing (D)		
Redeemed	–	(1)
Net Decrease	–	(1)
Class A SGD Accumulating (Hedged)		
Sold	434	472
Redeemed	(1,057)	(150)
Net (Decrease)/Increase	(623)	322
Premier Class US\$ Accumulating		
Redeemed	(244)	(99)
Net Decrease	(244)	(99)
Premier Class SGD Accumulating (Hedged)		
Redeemed	–	(36,790)
Net Decrease	–	(36,790)
LM Class GBP Accumulating (Hedged)		
Sold	–	1
Redeemed	(4)	(4)
Net Decrease	(4)	(3)
Legg Mason Western Asset UK£ Inflation-Linked Plus Fund[^]		
LM Class GBP Accumulating		
Redeemed	–	(240)
Net Decrease	–	(240)
Legg Mason Western Asset UK£ Long Duration Fund[^]		
LM Class GBP Accumulating		
Redeemed	–	(761)
Net Decrease	–	(761)
Legg Mason Western Asset Global Credit Fund		
Class A US\$ Accumulating		
Sold	1	3
Redeemed	(1)	(10)
Net Decrease	–	(7)
Class A US\$ Distributing (D)		
Sold	1	56
Redeemed	(4)	(254)
Net Decrease	(3)	(198)

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			For the year ended	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)		February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Legg Mason Western Asset Global Credit Fund – (continued)					
Class A Euro Accumulating (Hedged)					
Sold	9	4			
Redeemed	(4)	(20)			
Net Increase/(Decrease)	5	(16)			
Class A GBP Accumulating (Hedged)					
Redeemed	–	(3)			
Net Decrease	–	(3)			
Premier Class US\$ Accumulating					
Sold	–	1			
Redeemed	(1)	(10)			
Net Decrease	(1)	(9)			
LM Class US\$ Accumulating					
Redeemed	(45)	–			
Net Decrease	(45)	–			
Legg Mason Western Asset Euro High Yield Fund					
Class A Euro Distributing (D)					
Sold	–	1			
Redeemed	(1)	–			
Net (Decrease)/Increase	(1)	1			
LM Class Euro Accumulating					
Sold	–	323			
Redeemed	–	(19)			
Net Increase	–	304			
LM Class Euro Distributing (Q)					
Sold	12	24			
Redeemed	(4)	(409)			
Net Increase/(Decrease)	8	(385)			
Legg Mason Western Asset Macro Opportunities Bond Fund^					
Class A US\$ Accumulating					
Sold	6,889	1			
Redeemed	(533)	–			
Net Increase	6,356	1			
Class A US\$ Distributing (M) Plus (e)					
Sold	578	–			
Redeemed	(8)	–			
Net Increase	570	–			
Class A US\$ Distributing (S)					
Sold	1,178	–			
Redeemed	(20)	–			
Net Increase	1,158	–			
Class A CHF Accumulating (Hedged)					
Sold	222	1			
Redeemed	(19)	–			
Net Increase	203	1			
Class A CNH Accumulating (Hedged)					
Sold	6	–			
Net Increase	6	–			
Class A CNH Distributing (M) (Hedged) Plus (e)					
Sold	12	–			
Redeemed	(6)	–			
Net Increase	6	–			
Class A Euro Accumulating (Hedged)					
Sold	2,607	1			
Redeemed	(179)	–			
Net Increase	2,428	1			
Class A GBP Accumulating (Hedged)					
Sold	113	1			
Redeemed	(8)	–			
Net Increase	105	1			
Class A SGD Accumulating (Hedged)					
Sold	33,177	–			
Redeemed	(5,648)	–			
Net Increase	27,529	–			
Class A SGD Distributing (M) (Hedged) Plus (e)					
Sold	136	–			
Net Increase	136	–			
Class B US\$ Accumulating					
Sold	13	–			
Redeemed	(7)	–			
Net Increase	6	–			
Class C US\$ Accumulating					
Sold	525	–			
Redeemed	(40)	–			
Net Increase	485	–			
Class C US\$ Distributing (S)					
Sold	68	–			
Net Increase	68	–			
Class E US\$ Accumulating					
Sold	268	–			
Redeemed	(81)	–			
Net Increase	187	–			
Class E US\$ Distributing (S)					
Sold	5	–			
Redeemed	(2)	–			
Net Increase	3	–			
Class E Euro Accumulating (Hedged)					
Sold	25	–			
Redeemed	(1)	–			
Net Increase	24	–			
Class F US\$ Accumulating					
Sold	587	–			
Redeemed	(81)	–			
Net Increase	506	–			
Class F US\$ Distributing (S)					
Sold	5	–			
Net Increase	5	–			
Class S US\$ Accumulating					
Sold	743	803			
Redeemed	(655)	–			
Net Increase	88	803			
Class S Euro Accumulating (Hedged)					
Sold	737	1,946			
Redeemed	(73)	–			
Net Increase	664	1,946			
Class X US\$ Accumulating					
Sold	898	–			
Redeemed	(85)	–			
Net Increase	813	–			
Class X US\$ Distributing (S)					
Sold	1	–			
Net Increase	1	–			
Class X CHF Accumulating (Hedged)					
Sold	54	–			
Redeemed	(8)	–			
Net Increase	46	–			
Class X Euro Accumulating (Hedged)					
Sold	654	1			
Redeemed	(37)	–			
Net Increase	617	1			
Class X Euro Accumulating					
Sold	230	–			
Redeemed	(136)	–			
Net Increase	94	–			
Class X GBP Accumulating (Hedged)					
Sold	444	1			
Redeemed	(50)	–			
Net Increase	394	1			
Class X SGD Accumulating (Hedged)					
Sold	1,701	–			
Redeemed	(323)	–			
Net Increase	1,378	–			
Premier Class US\$ Accumulating					
Sold	4,036	222			
Redeemed	(2,217)	(2)			
Net Increase	1,819	220			
Premier Class US\$ Distributing (S)					
Sold	51	–			
Redeemed	(2)	–			
Net Increase	49	–			
Premier Class CHF Accumulating (Hedged)					
Sold	23	–			
Redeemed	(1)	–			
Net Increase	22	–			
Premier Class Euro Accumulating (Hedged)					
Sold	10,369	–			
Redeemed	(3,191)	–			
Net Increase	7,178	–			

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	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Legg Mason Western Asset Macro Opportunities Bond Fund^ – (continued)		
Premier Class Euro Accumulating		
Sold	240	–
Redeemed	(136)	–
Net Increase	104	–
Premier Class GBP Accumulating (Hedged)		
Sold	504	–
Net Increase	504	–
Premier Class GBP Distributing (M) (Hedged) Plus (e)		
Sold	290	–
Redeemed	(2)	–
Net Increase	288	–
Legg Mason Brandywine Global Fixed Income Fund		
Class A US\$ Accumulating		
Sold	1,519	572
Redeemed	(748)	(1,015)
Net Increase/(Decrease)	771	(443)
Class A US\$ Distributing (M)		
Sold	74	52
Redeemed	(72)	(41)
Net Increase	2	11
Class A US\$ Distributing (S)		
Sold	265	386
Redeemed	(527)	(1,242)
Net Decrease	(262)	(856)
Class A Euro Accumulating (Hedged) (AH)		
Sold	561	1,394
Redeemed	(474)	(1,752)
Net Increase/(Decrease)	87	(358)
Class A Euro Accumulating (Hedged)		
Sold	34	30
Redeemed	(14)	(3)
Net Increase	20	27
Class A Euro Distributing (A) (Hedged)		
Sold	48	1
Net Increase	48	1
Class A Euro Distributing (S) (Hedged) (AH)		
Sold	95	217
Redeemed	(86)	(411)
Net Increase/(Decrease)	9	(194)
Class A GBP Distributing (S) (Hedged) (AH)		
Sold	71	215
Redeemed	(155)	(520)
Net Decrease	(84)	(305)
Class B US\$ Accumulating		
Sold	1	1
Redeemed	(5)	(4)
Net Decrease	(4)	(3)
Class B US\$ Distributing (S)		
Sold	5	6
Redeemed	(9)	(17)
Net Decrease	(4)	(11)
Class C US\$ Accumulating		
Sold	15	50
Redeemed	(29)	(34)
Net (Decrease)/Increase	(14)	16
Class C US\$ Distributing (S)		
Sold	55	58
Redeemed	(118)	(174)
Net Decrease	(63)	(116)
Class E US\$ Accumulating		
Sold	40	45
Redeemed	(108)	(584)
Net Decrease	(68)	(539)
Class E Euro Accumulating (Hedged) (AH)		
Sold	77	352
Redeemed	(160)	(253)
Net (Decrease)/Increase	(83)	99
Class F US\$ Accumulating		
Sold	226	205
Redeemed	(386)	(62)
Net (Decrease)/Increase	(160)	143
Class F US\$ Distributing (S)		
Sold	1	56
Redeemed	(31)	(18)
Net (Decrease)/Increase	(30)	38

	For the year ended	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Class R US\$ Distributing (S)		
Sold	9	–
Net Increase	9	–
Class R GBP Distributing (S) (Hedged) (AH)		
Sold	36	1
Redeemed	(3)	–
Net Increase	33	1
Class X US\$ Accumulating		
Sold	13	7
Redeemed	(8)	(1)
Net Increase	5	6
Class X US\$ Distributing (S)		
Sold	182	37
Redeemed	(40)	(5)
Net Increase	142	32
Class X Euro Accumulating (Hedged) (AH)		
Sold	–	23
Redeemed	–	(23)
Net Increase	–	–
Class X Euro Accumulating (Hedged)		
Sold	479	95
Redeemed	(20)	(1)
Net Increase	459	94
Class X Euro Distributing (S) (Hedged)		
Sold	–	1
Redeemed	(1)	–
Net (Decrease)/Increase	(1)	1
Class X GBP Accumulating (Hedged)		
Sold	1	–
Net Increase	1	–
Class X GBP Distributing (S) (Hedged) (AH)		
Sold	15	–
Redeemed	(2)	–
Net Increase	13	–
Class X GBP Distributing (S) (Hedged)		
Sold	5	25
Redeemed	(12)	(2)
Net (Decrease)/Increase	(7)	23
Premier Class US\$ Accumulating		
Sold	1,374	1,402
Redeemed	(809)	(1,622)
Net Increase/(Decrease)	565	(220)
Premier Class US\$ Distributing (S)		
Sold	1,115	327
Redeemed	(69)	(25)
Net Increase	1,046	302
Premier Class CHF Accumulating (Hedged) (AH)		
Sold	35	–
Redeemed	(8)	–
Net Increase	27	–
Premier Class Euro Accumulating (Hedged) (AH)		
Sold	1,078	1,817
Redeemed	(1,642)	(1,882)
Net Decrease	(564)	(65)
Premier Class Euro Accumulating (Hedged)		
Sold	61	234
Redeemed	(8)	(220)
Net Increase	53	14
Premier Class Euro Accumulating		
Sold	878	570
Redeemed	(514)	(866)
Net Increase/(Decrease)	364	(296)
Premier Class GBP Distributing (M) (Hedged)		
Sold	106	–
Redeemed	(2)	–
Net Increase	104	–
Premier Class GBP Distributing (S) (Hedged) (AH)		
Sold	66	17
Redeemed	(30)	(7)
Net Increase	36	10
Premier Class JPY Accumulating (Hedged) (AH)		
Sold	40	–
Redeemed	(26)	–
Net Increase	14	–

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	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Legg Mason Brandywine Global Fixed Income Fund – (continued)		
LM Class US\$ Accumulating		
Sold	1	53
Redeemed	(229)	(41)
Net (Decrease)/Increase	(228)	12
LM Class Euro Accumulating (Hedged) (AH)		
Sold	–	4
Redeemed	(26)	(10)
Net Decrease	(26)	(6)
LM Class JPY Accumulating (Hedged) (AH)		
Sold	1	20
Redeemed	(104)	(35)
Net Decrease	(103)	(15)
Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^]		
Class A US\$ Accumulating		
Sold	348	851
Redeemed	(224)	(203)
Net Increase	124	648
Class A US\$ Distributing (A)		
Sold	14	108
Redeemed	(3)	–
Net Increase	11	108
Class A Euro Accumulating (Hedged)		
Sold	44	840
Redeemed	(2)	(839)
Net Increase	42	1
Class A (PF) Euro Accumulating (Hedged)		
Sold	–	810
Redeemed	–	(810)
Net Increase	–	–
Class B US\$ Distributing (D)		
Sold	–	5
Redeemed	(1)	–
Net (Decrease)/Increase	(1)	5
Class C US\$ Accumulating		
Sold	17	47
Redeemed	(19)	(14)
Net (Decrease)/Increase	(2)	33
Class E US\$ Accumulating		
Sold	15	274
Redeemed	(242)	(27)
Net (Decrease)/Increase	(227)	247
Class E US\$ Distributing (A)		
Sold	10	16
Redeemed	(3)	(3)
Net Increase	7	13
Class F US\$ Accumulating		
Sold	334	–
Net Increase	334	–
Class F US\$ Distributing (A)		
Sold	1	–
Net Increase	1	–
Class X GBP Accumulating (Hedged)		
Sold	22	–
Net Increase	22	–
Class X GBP Distributing (M) (Hedged)		
Sold	6	80
Redeemed	(33)	(50)
Net (Decrease)/Increase	(27)	30
Premier Class US\$ Accumulating		
Sold	888	1,828
Redeemed	(774)	(319)
Net Increase	114	1,509
Premier Class US\$ Distributing (A)		
Sold	143	–
Redeemed	(31)	–
Net Increase	112	–
Premier Class Euro Accumulating (Hedged)		
Sold	591	1,313
Redeemed	(442)	(1,018)
Net Increase	149	295
Premier Class Euro Distributing (A) (Hedged)		
Sold	67	516
Redeemed	(31)	–
Net Increase	36	516

	For the year ended	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Premier Class GBP Distributing (M) (Hedged)		
Sold	543	438
Redeemed	(242)	(41)
Net Increase	301	397
Premier Class SGD Accumulating (Hedged)		
Sold	261,683	47,888
Net Increase	261,683	47,888
LM Class US\$ Accumulating		
Sold	3,616	–
Redeemed	(2,436)	–
Net Increase	1,180	–
LM Class AUD Accumulating (Hedged)		
Sold	685	700
Redeemed	(1,275)	–
Net (Decrease)/Increase	(590)	700
LM Class Euro Accumulating (Hedged)		
Sold	176	491
Redeemed	(492)	(401)
Net (Decrease)/Increase	(316)	90
Legg Mason Brandywine Global High Yield Fund[^]		
Class A US\$ Accumulating		
Sold	10	49
Redeemed	(31)	(24)
Net (Decrease)/Increase	(21)	25
Premier Class US\$ Accumulating		
Sold	27	–
Redeemed	(5)	–
Net Increase	22	–
Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^]		
Class A US\$ Accumulating		
Sold	386	32
Redeemed	(189)	(180)
Net Increase/(Decrease)	197	(148)
Class A US\$ Distributing (M)		
Sold	36	12
Redeemed	(12)	(154)
Net Increase/(Decrease)	24	(142)
Class A Euro Accumulating (Hedged) (AH)		
Sold	–	78
Redeemed	–	(112)
Net Decrease	–	(34)
Class A Euro Accumulating (Hedged)		
Sold	1	1
Redeemed	–	(1)
Net Increase	1	–
Class C US\$ Accumulating		
Sold	9	9
Redeemed	(6)	(15)
Net Increase/(Decrease)	3	(6)
Class E US\$ Accumulating		
Sold	6	1
Redeemed	(8)	(15)
Net Decrease	(2)	(14)
Class F US\$ Accumulating		
Sold	26	–
Redeemed	–	(1)
Net Increase/(Decrease)	26	(1)
Class F US\$ Distributing (M)		
Sold	–	6
Net Increase	–	6
Class X Euro Accumulating (Hedged)		
Sold	9	2
Redeemed	(2)	–
Net Increase	7	2
Premier Class US\$ Accumulating		
Sold	247	96
Redeemed	(69)	(244)
Net Increase/(Decrease)	178	(148)
Premier Class US\$ Distributing (M)		
Sold	167	28
Redeemed	(26)	(38)
Net Increase/(Decrease)	141	(10)

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	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Legg Mason Brandywine Global Opportunistic Fixed Income Fund^ – (continued)		
Premier Class Euro Accumulating (Hedged) (AH)		
Sold	100	–
Redeemed	(48)	–
Net Increase	52	–
Premier Class GBP Accumulating (Hedged)		
Sold	73	–
Redeemed	(30)	–
Net Increase	43	–
Premier Class GBP Distributing (M) (Hedged) (AH)		
Sold	52	138
Redeemed	(38)	(237)
Net Increase/(Decrease)	14	(99)
Premier Class NZD Accumulating (Hedged) (AH)		
Sold	–	13
Redeemed	(13)	–
Net (Decrease)/Increase	(13)	13
LM Class US\$ Accumulating (Hedged) (AH)		
Sold	–	119
Redeemed	(158)	–
Net (Decrease)/Increase	(158)	119
LM Class NZD Accumulating (Hedged) (AH)		
Sold	247	488
Redeemed	(80)	(7)
Net Increase	167	481
Legg Mason Brandywine Global Sovereign Credit Fund^		
Premier Class GBP Accumulating (Hedged) (AH)		
Sold	872	1,196
Redeemed	–	(1,508)
Net Increase/(Decrease)	872	(312)
Premier Class GBP Distributing (S) (Hedged) (AH)		
Sold	227	160
Redeemed	–	(72)
Net Increase	227	88
LM Class GBP Accumulating (Hedged) (AH)		
Sold	3,958	2,906
Net Increase	3,958	2,906
LM Class GBP Distributing (S) (Hedged) (AH)		
Sold	–	629
Net Increase	–	629
Legg Mason Brandywine Global Income Optimiser Fund^		
Class A US\$ Distributing (D)		
Sold	1	–
Redeemed	(1)	–
Net Increase	–	–
Class A US\$ Distributing (M) Plus (e)		
Sold	14	5
Redeemed	(5)	–
Net Increase	9	5
Class A Euro Distributing (M) (Hedged) Plus (e)		
Sold	60	6
Redeemed	(6)	–
Net Increase	54	6
Class A GBP Distributing (M) (Hedged) Plus (e)		
Sold	28	–
Redeemed	(10)	–
Net Increase	18	–
Class C US\$ Accumulating		
Sold	3	–
Net Increase	3	–
Class X US\$ Distributing (D)		
Sold	4	12
Redeemed	(2)	(2)
Net Increase	2	10
Class X US\$ Distributing (M) Plus (e)		
Sold	22	9
Redeemed	(4)	–
Net Increase	18	9
Class X Euro Distributing (M) (Hedged) Plus (e)		
Sold	13	9
Redeemed	(5)	–
Net Increase	8	9

	For the year ended	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Class X GBP Distributing (M) (Hedged) Plus (e)		
Sold	75	18
Redeemed	(11)	–
Net Increase	64	18
Premier Class US\$ Distributing (M) Plus (e)		
Sold	1	3
Net Increase	1	3
Premier Class Euro Accumulating (Hedged)		
Sold	4	–
Net Increase	4	–
Premier Class Euro Distributing (M) (Hedged) Plus (e)		
Sold	12	1
Redeemed	(2)	–
Net Increase	10	1
Premier Class SEK Accumulating (Hedged)		
Sold	425	–
Net Increase	425	–
LM Class US\$ Accumulating		
Sold	324	45
Net Increase	324	45
Legg Mason Brandywine Global Credit Opportunities Fund^µ		
Class A US\$ Accumulating		
Sold	154	–
Redeemed	(2)	–
Net Increase	152	–
Class S US\$ Accumulating		
Sold	89	–
Net Increase	89	–
Class X GBP Distributing (M) (Hedged) Plus (e)		
Sold	12	–
Redeemed	(1)	–
Net Increase	11	–
Premier Class US\$ Accumulating		
Sold	50	–
Net Increase	50	–
Premier Class Euro Accumulating (Hedged)		
Sold	35	–
Net Increase	35	–
Premier Class GBP Accumulating (Hedged)		
Sold	3	–
Net Increase	3	–
LM Class US\$ Accumulating		
Sold	173	–
Net Increase	173	–
Legg Mason Western Asset Brazil Equity Fund		
Class A US\$ Distributing (A)		
Sold	–	1
Net Increase	–	1
Legg Mason ClearBridge Value Fund#		
Class A US\$ Accumulating		
Sold	1,388	999
Redeemed	(1,044)	(774)
Net Increase	344	225
Class A US\$ Distributing (A)		
Sold	71	84
Redeemed	(146)	(225)
Net Decrease	(75)	(141)
Class A Euro Accumulating		
Sold	88	16
Redeemed	(78)	(38)
Net Increase/(Decrease)	10	(22)
Class A SGD Accumulating (Hedged)		
Sold	2,459	9,083
Redeemed	(2,871)	(5,471)
Net (Decrease)/Increase	(412)	3,612
Class A SGD Accumulating		
Sold	8,413	26,469
Redeemed	(21,331)	(23,535)
Net (Decrease)/Increase	(12,918)	2,934

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	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Legg Mason ClearBridge Value Fund# – (continued)		
Class B US\$ Distributing (A)		
Redeemed	(2)	(3)
Net Decrease	(2)	(3)
Class C US\$ Accumulating		
Sold	8	6
Redeemed	(6)	–
Net Increase	2	6
Class C US\$ Distributing (A)		
Sold	7	1
Redeemed	(7)	(17)
Net Decrease	–	(16)
Class X US\$ Distributing (A)		
Sold	17	–
Redeemed	(1)	–
Net Increase	16	–
Premier Class US\$ Accumulating		
Sold	310	289
Redeemed	(46)	(83)
Net Increase	264	206
Premier Class US\$ Distributing (A)		
Sold	5	–
Redeemed	(1)	–
Net Increase	4	–
Premier Class Euro Accumulating		
Sold	8	–
Net Increase	8	–
LM Class US\$ Accumulating		
Sold	–	9
Redeemed	(31)	(15)
Net Decrease	(31)	(6)
LM Class Euro Accumulating		
Sold	–	1
Redeemed	(3)	(3)
Net Decrease	(3)	(2)
LM Class JPY Accumulating		
Sold	–	4
Redeemed	(17)	(14)
Net Decrease	(17)	(10)
Legg Mason ClearBridge Growth Fund#		
Class A US\$ Accumulating		
Sold	4	4
Redeemed	(4)	(12)
Net Decrease	–	(8)
Class A US\$ Distributing (A)		
Sold	10	3
Redeemed	(8)	(45)
Net Increase/(Decrease)	2	(42)
Class A Euro Accumulating		
Redeemed	–	(1)
Net Decrease	–	(1)
Class B US\$ Distributing (A)		
Sold	–	1
Redeemed	(1)	(1)
Net Decrease	(1)	–
Class C US\$ Accumulating		
Sold	1	–
Redeemed	(1)	–
Net Increase	–	–
Class C US\$ Distributing (A)		
Sold	6	2
Redeemed	(5)	(6)
Net Increase/(Decrease)	1	(4)
Premier Class US\$ Accumulating		
Redeemed	–	(636)
Net Decrease	–	(636)
Legg Mason ClearBridge Global Equity Fund^		
Class A US\$ Accumulating		
Sold	17	24
Redeemed	(2)	(23)
Net Increase	15	1
Class A US\$ Distributing (A)		
Sold	2	4
Redeemed	–	(1)
Net Increase	2	3

	For the year ended	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Class C US\$ Accumulating		
Sold	2	9
Redeemed	(5)	–
Net (Decrease)/Increase	(3)	9
Class C US\$ Distributing (A)		
Sold	1	1
Net Increase	1	1
Legg Mason ClearBridge Global Equity Income Fund^Ø		
Class A US\$ Accumulating		
Sold	6	–
Net Increase	6	–
Class A US\$ Distributing (M) Plus (e)		
Sold	5	–
Net Increase	5	–
Class A US\$ Distributing (Q)		
Sold	5	–
Net Increase	5	–
Class A CNH Distributing (M) (Hedged) Plus		
Sold	6	–
Net Increase	6	–
Class A Euro Accumulating (Hedged)		
Sold	4	–
Net Increase	4	–
Class A Euro Distributing (M) (Hedged) Plus (e)		
Sold	4	–
Net Increase	4	–
Premier Class US\$ Distributing (M) Plus (e)		
Sold	5	–
Net Increase	5	–
Premier Class Euro Accumulating (Hedged)		
Sold	4	–
Net Increase	4	–
Premier Class Euro Distributing (M) (Hedged) Plus (e)		
Sold	4	–
Net Increase	4	–
LM Class US\$ Accumulating		
Sold	10	–
Redeemed	(1)	–
Net Increase	9	–
Legg Mason ClearBridge US Appreciation Fund		
Class A US\$ Accumulating		
Sold	178	246
Redeemed	(258)	(267)
Net Decrease	(80)	(21)
Class A US\$ Distributing (A)		
Sold	247	292
Redeemed	(375)	(236)
Net (Decrease)/Increase	(128)	56
Class A Euro Accumulating		
Sold	107	42
Redeemed	(8)	(32)
Net Increase	99	10
Class B US\$ Accumulating		
Sold	3	16
Redeemed	(2)	(1)
Net Increase	1	15
Class B US\$ Distributing (A)		
Sold	3	5
Redeemed	(1)	(1)
Net Increase	2	4
Class C US\$ Accumulating		
Sold	50	49
Redeemed	(36)	(14)
Net Increase	14	35
Class C US\$ Distributing (A)		
Sold	69	68
Redeemed	(29)	(11)
Net Increase	40	57
Class E US\$ Accumulating		
Sold	96	141
Redeemed	(126)	(45)
Net (Decrease)/Increase	(30)	96

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	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Legg Mason ClearBridge US Appreciation Fund – (continued)		
Class E US\$ Distributing (A)		
Sold	9	8
Redeemed	(5)	(2)
Net Increase	4	6
Class F US\$ Accumulating		
Sold	8	19
Redeemed	(13)	–
Net (Decrease)/Increase	(5)	19
Class F US\$ Distributing (A)		
Sold	5	3
Redeemed	(4)	(4)
Net Increase/(Decrease)	1	(1)
Class X US\$ Distributing (A)		
Sold	47	44
Redeemed	(9)	(11)
Net Increase	38	33
Class X Euro Accumulating		
Sold	9	–
Redeemed	(3)	–
Net Increase	6	–
Premier Class US\$ Accumulating		
Sold	63	258
Redeemed	(180)	(627)
Net Decrease	(117)	(369)
Premier Class US\$ Distributing (A)		
Sold	2	–
Redeemed	(2)	(1)
Net Decrease	–	(1)
Premier Class Euro Accumulating		
Sold	–	52
Redeemed	–	(24)
Net Increase	–	28
LM Class US\$ Accumulating		
Sold	1	47
Redeemed	(89)	(39)
Net (Decrease)/Increase	(88)	8
LM Class Euro Accumulating		
Sold	–	4
Redeemed	(9)	(6)
Net Decrease	(9)	(2)
LM Class JPY Accumulating		
Sold	–	26
Redeemed	(46)	(35)
Net Decrease	(46)	(9)
Class A (G) US\$ Accumulating		
Sold	1	3
Redeemed	(8)	(7)
Net Decrease	(7)	(4)
Class B (G) US\$ Accumulating		
Redeemed	(1)	(2)
Net Decrease	(1)	(2)
Class L (G) US\$ Accumulating		
Sold	1	–
Redeemed	(4)	–
Net Decrease	(3)	–
Class GA US\$ Accumulating		
Redeemed	(2)	(4)
Net Decrease	(2)	(4)
Class GA Euro Accumulating		
Sold	1	–
Redeemed	(2)	(1)
Net Decrease	(1)	(1)
Class GE US\$ Accumulating		
Sold	1	–
Redeemed	(1)	–
Net Increase	–	–
Class GE Euro Accumulating		
Redeemed	(1)	(1)
Net Decrease	(1)	(1)
Legg Mason ClearBridge US Fundamental Value Fund		
Class A US\$ Accumulating		
Sold	31	42
Redeemed	(60)	(60)
Net Decrease	(29)	(18)

	For the year ended	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Class A US\$ Distributing (A)		
Sold	6	11
Redeemed	(11)	(7)
Net (Decrease)/Increase	(5)	4
Class A Euro Accumulating		
Sold	4	1
Redeemed	(4)	–
Net Increase	–	1
Class B US\$ Accumulating		
Sold	1	1
Redeemed	(1)	–
Net Increase	–	1
Class B US\$ Distributing (A)		
Sold	1	1
Redeemed	(2)	(1)
Net Decrease	(1)	–
Class C US\$ Accumulating		
Sold	7	6
Redeemed	(4)	(4)
Net Increase	3	2
Class C US\$ Distributing (A)		
Sold	4	8
Redeemed	(6)	–
Net (Decrease)/Increase	(2)	8
Class A (G) US\$ Accumulating		
Sold	11	8
Redeemed	(58)	(62)
Net Decrease	(47)	(54)
Class B (G) US\$ Accumulating		
Redeemed	(6)	(11)
Net Decrease	(6)	(11)
Class L (G) US\$ Accumulating		
Sold	2	–
Redeemed	(13)	(20)
Net Decrease	(11)	(20)
Class GA US\$ Accumulating		
Sold	8	–
Redeemed	(55)	(17)
Net Decrease	(47)	(17)
Class GA Euro Accumulating		
Redeemed	(1)	–
Net Decrease	(1)	–
Class GE Euro Accumulating		
Sold	1	–
Redeemed	(1)	(1)
Net Decrease	–	(1)
Legg Mason ClearBridge US Large Cap Growth Fund		
Class A US\$ Accumulating		
Sold	186	204
Redeemed	(106)	(102)
Net Increase	80	102
Class A US\$ Distributing (A)		
Sold	43	81
Redeemed	(25)	(7)
Net Increase	18	74
Class A Euro Accumulating		
Sold	20	22
Redeemed	(18)	(11)
Net Increase	2	11
Class B US\$ Accumulating		
Sold	1	9
Redeemed	(2)	(6)
Net (Decrease)/Increase	(1)	3
Class C US\$ Accumulating		
Sold	45	32
Redeemed	(23)	(3)
Net Increase	22	29
Class C US\$ Distributing (A)		
Sold	17	51
Redeemed	(66)	(11)
Net (Decrease)/Increase	(49)	40
Premier Class US\$ Accumulating		
Sold	122	–
Net Increase	122	–

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	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Legg Mason ClearBridge US Large Cap Growth Fund – (continued)		
Class A (G) US\$ Accumulating		
Sold	3	2
Redeemed	(7)	(10)
Net Decrease	(4)	(8)
Class B (G) US\$ Accumulating		
Redeemed	(3)	(2)
Net Decrease	(3)	(2)
Class L (G) US\$ Accumulating		
Sold	5	–
Redeemed	(12)	(6)
Net Decrease	(7)	(6)
Class GA US\$ Accumulating		
Redeemed	(2)	(5)
Net Decrease	(2)	(5)
Legg Mason ClearBridge US Aggressive Growth Fund		
Class A US\$ Accumulating		
Sold	8,027	5,982
Redeemed	(4,927)	(3,169)
Net Increase	3,100	2,813
Class A US\$ Distributing (A)		
Sold	2,010	860
Redeemed	(1,259)	(106)
Net Increase	751	754
Class A AUD Accumulating (Hedged)		
Sold	668	491
Redeemed	(502)	(273)
Net Increase	166	218
Class A CHF Accumulating (Hedged)		
Sold	3	–
Net Increase	3	–
Class A CNH Accumulating (Hedged)		
Sold	1	–
Net Increase	1	–
Class A Euro Accumulating (Hedged)		
Sold	140	292
Redeemed	(232)	(83)
Net (Decrease)/Increase	(92)	209
Class A Euro Accumulating		
Sold	458	273
Redeemed	(251)	(92)
Net Increase	207	181
Class A SEK Accumulating (Hedged)		
Sold	27	11
Redeemed	(33)	(1)
Net (Decrease)/Increase	(6)	10
Class A SGD Accumulating (Hedged)		
Sold	25,563	11,999
Redeemed	(17,353)	(4,302)
Net Increase	8,210	7,697
Class B US\$ Accumulating		
Sold	31	37
Redeemed	(19)	(6)
Net Increase	12	31
Class B US\$ Distributing (A)		
Sold	24	17
Redeemed	(8)	(3)
Net Increase	16	14
Class C US\$ Accumulating		
Sold	186	84
Redeemed	(81)	(30)
Net Increase	105	54
Class C US\$ Distributing (A)		
Sold	210	150
Redeemed	(37)	(22)
Net Increase	173	128
Class E US\$ Accumulating		
Sold	374	236
Redeemed	(183)	(25)
Net Increase	191	211
Class E US\$ Distributing (A)		
Sold	23	10
Redeemed	(7)	–
Net Increase	16	10

	For the year ended	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Class E Euro Accumulating (Hedged)		
Sold	32	9
Redeemed	(20)	(1)
Net Increase	12	8
Class F US\$ Accumulating		
Sold	1,128	123
Redeemed	(239)	(5)
Net Increase	889	118
Class F US\$ Distributing (A)		
Sold	32	18
Redeemed	(3)	–
Net Increase	29	18
Class X US\$ Accumulating		
Sold	1,081	481
Redeemed	(333)	(17)
Net Increase	748	464
Class X US\$ Distributing (A)		
Sold	201	89
Redeemed	(44)	(2)
Net Increase	157	87
Class X Euro Accumulating (Hedged)		
Sold	78	–
Redeemed	(53)	–
Net Increase	25	–
Class X Euro Accumulating		
Sold	455	1
Redeemed	(140)	–
Net Increase	315	1
Class X GBP Accumulating		
Sold	347	170
Redeemed	(122)	(28)
Net Increase	225	142
Premier Class US\$ Accumulating		
Sold	6,179	2,498
Redeemed	(2,660)	(494)
Net Increase	3,519	2,004
Premier Class Euro Accumulating (Hedged)		
Sold	730	–
Redeemed	(85)	–
Net Increase	645	–
Premier Class Euro Accumulating		
Sold	296	45
Redeemed	(83)	(17)
Net Increase	213	28
Premier Class Euro Distributing (A)		
Sold	38	335
Redeemed	(270)	(92)
Net (Decrease)/Increase	(232)	243
Premier Class GBP Accumulating (Hedged)		
Sold	9	–
Net Increase	9	–
Premier Class GBP Distributing (A)		
Sold	1,045	362
Redeemed	(233)	(2)
Net Increase	812	360
Class A (G) US\$ Accumulating		
Sold	16	21
Redeemed	(69)	(91)
Net Decrease	(53)	(70)
Class B (G) US\$ Accumulating		
Redeemed	(5)	(13)
Net Decrease	(5)	(13)
Class L (G) US\$ Accumulating		
Sold	4	1
Redeemed	(14)	(12)
Net Decrease	(10)	(11)
Class GA Euro Accumulating		
Sold	1	–
Redeemed	(1)	–
Net Increase	–	–
Class GA Euro Distributing (A)		
Redeemed	–	(1)
Net Decrease	–	(1)

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	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Legg Mason ClearBridge US Aggressive Growth Fund – (continued)		
Class GE Euro Accumulating		
Redeemed	(1)	–
Net Decrease	(1)	–
Legg Mason ClearBridge US Equity Income Fund^		
Class A US\$ Distributing (M) Plus (e)		
Sold	1	8
Redeemed	(9)	–
Net (Decrease)/Increase	(8)	8
Class A Euro Accumulating (Hedged)		
Sold	–	1
Redeemed	(1)	–
Net (Decrease)/Increase	(1)	1
Class X US\$ Distributing (M) Plus (e)		
Sold	3	1
Redeemed	(4)	–
Net (Decrease)/Increase	(1)	1
Premier Class US\$ Distributing (M) Plus (e)		
Sold	–	5
Redeemed	(4)	(1)
Net (Decrease)/Increase	(4)	4
LM Class US\$ Accumulating		
Sold	–	20
Redeemed	(20)	–
Net (Decrease)/Increase	(20)	20
Legg Mason ClearBridge Tactical Dividend Income Fund		
Class A US\$ Accumulating		
Sold	68	1
Redeemed	(33)	–
Net Increase	35	1
Class A US\$ Distributing (M) Plus (e)		
Sold	3	3
Redeemed	(3)	–
Net Increase	–	3
Class A US\$ Distributing (M) Plus		
Sold	225	–
Redeemed	(24)	–
Net Increase	201	–
Class A AUD Distributing (M) (Hedged) Plus		
Sold	9	–
Net Increase	9	–
Class A CNH Distributing (M) (Hedged) Plus		
Sold	413	–
Redeemed	(46)	–
Net Increase	367	–
Class A Euro Distributing (M) (Hedged) Plus (e)		
Sold	4	–
Redeemed	(1)	–
Net Increase	3	–
Class A HKD Distributing (M) Plus		
Sold	42	–
Net Increase	42	–
Class A SGD Distributing (M) (Hedged) Plus		
Sold	651	–
Redeemed	(400)	–
Net Increase	251	–
Class B US\$ Distributing (Q)		
Sold	3	–
Redeemed	(1)	–
Net Increase	2	–
Class C US\$ Accumulating		
Sold	4	9
Redeemed	(3)	(3)
Net Increase	1	6
Class C US\$ Distributing (Q)		
Sold	12	–
Net Increase	12	–
Premier Class US\$ Distributing (M) Plus (e)		
Sold	–	3
Net Increase	–	3
Premier Class Euro Accumulating (Hedged)		
Sold	60	–
Redeemed	(30)	–
Net Increase	30	–

	For the year ended	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
LM Class US\$ Accumulating		
Sold	–	20
Net Increase	–	20
Legg Mason Opportunity Fund#		
Class A US\$ Accumulating		
Sold	704	702
Redeemed	(668)	(364)
Net Increase	36	338
Class A US\$ Distributing (A)		
Sold	47	84
Redeemed	(63)	(32)
Net (Decrease)/Increase	(16)	52
Class A Euro Accumulating (Hedged)		
Sold	1	–
Net Increase	1	–
Class A SEK Accumulating (Hedged)		
Sold	17	63
Redeemed	(45)	(33)
Net (Decrease)/Increase	(28)	30
Class X GBP Accumulating		
Sold	53	68
Redeemed	(77)	(18)
Net (Decrease)/Increase	(24)	50
Premier Class US\$ Accumulating		
Sold	604	527
Redeemed	(567)	(361)
Net Increase	37	166
Premier Class GBP Distributing (A)		
Sold	112	144
Redeemed	(36)	(16)
Net Increase	76	128
LM Class US\$ Accumulating		
Redeemed	–	(2)
Net Decrease	–	(2)
Legg Mason Royce US Small Cap Opportunity Fund		
Class A US\$ Accumulating		
Sold	2,834	5,344
Redeemed	(4,295)	(2,638)
Net (Decrease)/Increase	(1,461)	2,706
Class A US\$ Distributing (A)		
Sold	209	232
Redeemed	(197)	(182)
Net Increase	12	50
Class A AUD Accumulating (Hedged)		
Sold	240	159
Redeemed	(188)	(46)
Net Increase	52	113
Class A CNH Accumulating (Hedged)		
Sold	1	–
Net Increase	1	–
Class A Euro Accumulating (Hedged)		
Sold	26	104
Redeemed	(79)	(23)
Net (Decrease)/Increase	(53)	81
Class A Euro Accumulating		
Sold	60	161
Redeemed	(141)	(83)
Net (Decrease)/Increase	(81)	78
Class A GBP Accumulating (Hedged)		
Sold	3	1
Net Increase	3	1
Class A GBP Distributing (A)		
Sold	9	54
Redeemed	(5)	(83)
Net Increase/(Decrease)	4	(29)
Class A SEK Accumulating (Hedged)		
Sold	8	6
Redeemed	(9)	(3)
Net (Decrease)/Increase	(1)	3
Class A SGD Accumulating (Hedged)		
Sold	12,086	36,343
Redeemed	(16,163)	(22,488)
Net (Decrease)/Increase	(4,077)	13,855

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	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Legg Mason Royce US Small Cap Opportunity Fund – (continued)		
Class A SGD Accumulating		
Sold	10,034	29,493
Redeemed	(11,615)	(20,957)
Net (Decrease)/Increase	(1,581)	8,536
Class B US\$ Accumulating		
Sold	4	12
Redeemed	(7)	(2)
Net (Decrease)/Increase	(3)	10
Class B US\$ Distributing (A)		
Redeemed	(1)	(2)
Net Decrease	(1)	(2)
Class C US\$ Accumulating		
Sold	12	40
Redeemed	(21)	(2)
Net (Decrease)/Increase	(9)	38
Class C US\$ Distributing (A)		
Sold	11	19
Redeemed	(8)	(5)
Net Increase	3	14
Class E US\$ Accumulating		
Sold	66	118
Redeemed	(95)	(15)
Net (Decrease)/Increase	(29)	103
Class E US\$ Distributing (A)		
Sold	1	9
Redeemed	(2)	–
Net (Decrease)/Increase	(1)	9
Class E Euro Accumulating (Hedged)		
Sold	1	1
Redeemed	(2)	–
Net (Decrease)/Increase	(1)	1
Class E Euro Accumulating		
Sold	2	36
Redeemed	(6)	(45)
Net Decrease	(4)	(9)
Class F US\$ Accumulating		
Sold	279	111
Redeemed	(191)	(86)
Net Increase	88	25
Class F US\$ Distributing (A)		
Sold	8	5
Redeemed	(1)	–
Net Increase	7	5
Class R US\$ Accumulating		
Sold	–	8
Redeemed	(8)	–
Net (Decrease)/Increase	(8)	8
Class R Euro Accumulating		
Sold	–	2
Redeemed	(1)	–
Net (Decrease)/Increase	(1)	2
Class X US\$ Accumulating		
Sold	98	190
Redeemed	(142)	(14)
Net (Decrease)/Increase	(44)	176
Class X Euro Accumulating (Hedged)		
Sold	–	1
Net Increase	–	1
Class X GBP Accumulating		
Sold	368	250
Redeemed	(214)	(7)
Net Increase	154	243
Class X GBP Distributing (A)		
Sold	3	–
Net Increase	3	–
Premier Class US\$ Accumulating		
Sold	1,314	1,605
Redeemed	(1,226)	(558)
Net Increase	88	1,047
Premier Class CHF Accumulating (Hedged)		
Sold	11	–
Redeemed	(9)	–
Net Increase	2	–

	For the year ended	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Premier Class Euro Accumulating (Hedged)		
Sold	17	–
Net Increase	17	–
Premier Class Euro Accumulating		
Sold	16	9
Redeemed	(14)	(8)
Net Increase	2	1
Premier Class GBP Accumulating		
Sold	254	90
Redeemed	(330)	(95)
Net Decrease	(76)	(5)
Legg Mason Royce US Smaller Companies Fund#		
Class A US\$ Accumulating		
Sold	332	455
Redeemed	(694)	(1,669)
Net Decrease	(362)	(1,214)
Class A US\$ Distributing (A)		
Sold	53	151
Redeemed	(171)	(305)
Net Decrease	(118)	(154)
Class A Euro Accumulating (Hedged)		
Sold	45	10
Redeemed	(47)	(3)
Net (Decrease)/Increase	(2)	7
Class A Euro Accumulating		
Sold	129	127
Redeemed	(153)	(74)
Net (Decrease)/Increase	(24)	53
Class A GBP Distributing (A)		
Sold	–	1
Redeemed	(1)	(2)
Net Decrease	(1)	(1)
Class A SEK Accumulating (Hedged)		
Sold	1	1
Redeemed	(1)	(1)
Net Increase	–	–
Class B US\$ Accumulating		
Sold	1	–
Redeemed	(1)	(4)
Net Decrease	–	(4)
Class B US\$ Distributing (A)		
Redeemed	(4)	(3)
Net Decrease	(4)	(3)
Class C US\$ Accumulating		
Sold	16	18
Redeemed	(17)	(12)
Net (Decrease)/Increase	(1)	6
Class C US\$ Distributing (A)		
Sold	11	7
Redeemed	(15)	(15)
Net Decrease	(4)	(8)
Class E US\$ Accumulating		
Sold	12	12
Redeemed	(15)	(19)
Net Decrease	(3)	(7)
Class E US\$ Distributing (A)		
Sold	1	6
Redeemed	(1)	(1)
Net Increase	–	5
Class E Euro Accumulating		
Sold	–	1
Redeemed	(1)	(2)
Net Decrease	(1)	(1)
Class F US\$ Accumulating		
Sold	6	53
Redeemed	(2)	(73)
Net Increase/(Decrease)	4	(20)
Class F US\$ Distributing (A)		
Sold	–	2
Redeemed	(1)	(3)
Net Decrease	(1)	(1)
Class R US\$ Accumulating		
Sold	15	–
Redeemed	(3)	–
Net Increase	12	–

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	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Legg Mason Royce US Smaller Companies Fund# – (continued)		
Class X US\$ Accumulating		
Sold	49	167
Redeemed	(58)	(335)
Net Decrease	(9)	(168)
Class X US\$ Distributing (A)		
Sold	6	–
Net Increase	6	–
Premier Class US\$ Accumulating		
Sold	78	332
Redeemed	(387)	(263)
Net (Decrease)/Increase	(309)	69
Premier Class US\$ Distributing (A)		
Sold	100	135
Redeemed	(35)	(15)
Net Increase	65	120
Premier Class GBP Distributing (A)		
Sold	73	42
Redeemed	(52)	(29)
Net Increase	21	13
LM Class US\$ Accumulating		
Sold	–	10
Redeemed	(24)	(10)
Net Decrease	(24)	–
LM Class Euro Accumulating		
Sold	–	1
Redeemed	(3)	(2)
Net Decrease	(3)	(1)
LM Class JPY Accumulating		
Sold	–	4
Redeemed	(12)	(8)
Net Decrease	(12)	(4)
Class A (G) US\$ Accumulating		
Sold	1	1
Redeemed	(3)	(3)
Net Decrease	(2)	(2)
Class B (G) US\$ Accumulating		
Redeemed	(1)	(1)
Net Decrease	(1)	(1)
Class L (G) US\$ Accumulating		
Redeemed	(2)	(1)
Net Decrease	(2)	(1)
Legg Mason Royce Smaller Companies Fund II^		
Class A US\$ Accumulating		
Sold	72	137
Redeemed	(112)	(1,165)
Net Decrease	(40)	(1,028)
Legg Mason Royce European Smaller Companies Fund		
Class A Euro Distributing (A)		
Redeemed	–	(1)
Net Decrease	–	(1)
LM Class Euro Accumulating		
Redeemed	–	(17)
Net Decrease	–	(17)
Legg Mason Royce Global Smaller Companies Fund^		
Class A US\$ Accumulating		
Redeemed	(1)	(2)
Net Decrease	(1)	(2)
Class A US\$ Distributing (A)		
Sold	–	1
Redeemed	(2)	–
Net (Decrease)/Increase	(2)	1
Class E US\$ Accumulating		
Redeemed	(1)	–
Net Decrease	(1)	–
Premier Class US\$ Accumulating		
Sold	–	2
Redeemed	–	(94)
Net Decrease	–	(92)
LM Class US\$ Accumulating		
Redeemed	(20)	–
Net Decrease	(20)	–

	For the year ended	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Legg Mason PCM US Equity Fund		
Class A US\$ Accumulating		
Sold	–	2
Redeemed	–	(86)
Net Decrease	–	(84)
Class B US\$ Accumulating		
Redeemed	–	(6)
Net Decrease	–	(6)
Class C US\$ Accumulating		
Redeemed	–	(61)
Net Decrease	–	(61)
Legg Mason Permal Global Absolute Fund^c		
Class A US\$ Accumulating		
Sold	2	20
Redeemed	(37)	(43)
Net Decrease	(35)	(23)
Class A US\$ Distributing (A)		
Sold	16	62
Redeemed	(95)	(64)
Net Decrease	(79)	(2)
Class A Euro Accumulating (Hedged)		
Redeemed	(7)	(52)
Net Decrease	(7)	(52)
Class A GBP Distributing (A) (Hedged)		
Redeemed	–	(1)
Net Decrease	–	(1)
Class A SGD Accumulating (Hedged)		
Sold	69	189
Redeemed	(668)	(338)
Net Decrease	(599)	(149)
Class C US\$ Accumulating		
Sold	12	3
Redeemed	(52)	(17)
Net Decrease	(40)	(14)
Class C US\$ Distributing (A)		
Sold	–	3
Redeemed	(17)	(21)
Net Decrease	(17)	(18)
Class E US\$ Accumulating		
Sold	–	1
Redeemed	(2)	(6)
Net Decrease	(2)	(5)
Class F US\$ Accumulating		
Sold	–	1
Redeemed	(1)	(3)
Net Decrease	(1)	(2)
Class F US\$ Distributing (A)		
Sold	–	1
Redeemed	(1)	–
Net (Decrease)/Increase	(1)	1
LM Class US\$ Accumulating		
Redeemed	–	(30)
Net Decrease	–	(30)
LM Class JPY Accumulating (Hedged)		
Redeemed	–	(6)
Net Decrease	–	(6)
Legg Mason Batterymarch Managed Volatility European Equity Fund#		
Class A US\$ Accumulating (Hedged)		
Sold	256	–
Redeemed	(32)	–
Net Increase	224	–
Class A US\$ Accumulating		
Sold	138	20
Redeemed	(64)	(7)
Net Increase	74	13
Class A US\$ Distributing (A)		
Sold	10	3
Redeemed	(7)	(4)
Net Increase/(Decrease)	3	(1)
Class A US\$ Distributing (M) (Hedged) Plus		
Sold	589	–
Redeemed	(320)	–
Net Increase	269	–

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	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Legg Mason Batterymarch Managed Volatility European Equity Fund# – (continued)		
Class A AUD Distributing (M) (Hedged) Plus		
Sold	56	–
Redeemed	(10)	–
Net Increase	46	–
Class A CNH Distributing (M) (Hedged) Plus		
Sold	1	–
Net Increase	1	–
Class A Euro Accumulating		
Sold	151	14
Redeemed	(48)	(2)
Net Increase	103	12
Class A Euro Distributing (A)		
Sold	2	–
Net Increase	2	–
Class A Euro Distributing (M) Plus		
Sold	22	–
Redeemed	(12)	–
Net Increase	10	–
Class B US\$ Accumulating		
Sold	11	14
Redeemed	(4)	–
Net Increase	7	14
Class B US\$ Distributing (A)		
Redeemed	(2)	(1)
Net Decrease	(2)	(1)
Class C US\$ Accumulating		
Sold	11	10
Redeemed	(10)	(2)
Net Increase	1	8
Class C US\$ Distributing (A)		
Sold	11	9
Redeemed	(10)	(7)
Net Increase	1	2
Class E US\$ Accumulating		
Sold	14	–
Net Increase	14	–
Premier Class Euro Accumulating		
Sold	14	–
Redeemed	(6)	–
Net Increase	8	–
LM Class US\$ Accumulating		
Sold	–	27
Redeemed	(69)	(39)
Net Decrease	(69)	(12)
LM Class Euro Accumulating		
Sold	–	2
Redeemed	(7)	(6)
Net Decrease	(7)	(4)
LM Class JPY Accumulating		
Sold	–	13
Redeemed	(36)	(33)
Net Decrease	(36)	(20)
Class A (G) US\$ Accumulating		
Sold	1	–
Redeemed	(10)	(12)
Net Decrease	(9)	(12)
Class B (G) US\$ Accumulating		
Redeemed	(1)	–
Net Decrease	(1)	–
Class L (G) US\$ Accumulating		
Sold	1	–
Redeemed	(1)	(2)
Net Decrease	–	(2)
Class GA US\$ Accumulating		
Sold	1	–
Redeemed	(1)	(2)
Net Decrease	–	(2)
Class GA Euro Accumulating		
Sold	36	3
Redeemed	(75)	(56)
Net Decrease	(39)	(53)

	For the year ended	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Class GE US\$ Accumulating		
Sold	1	–
Redeemed	(1)	(1)
Net Decrease	–	(1)
Legg Mason Batterymarch Asia Ex Japan Equity Fund#		
Class A US\$ Accumulating		
Sold	126	108
Redeemed	(111)	(136)
Net Increase/(Decrease)	15	(28)
Class A US\$ Distributing (A)		
Sold	28	10
Redeemed	(39)	(51)
Net Decrease	(11)	(41)
Class A Euro Accumulating		
Sold	4	2
Redeemed	(4)	(5)
Net Decrease	–	(3)
Class A HKD Distributing (M) Plus		
Sold	2	–
Redeemed	(1)	–
Net Increase	1	–
Class B US\$ Accumulating		
Redeemed	–	(1)
Net Decrease	–	(1)
Class B US\$ Distributing (A)		
Sold	1	–
Redeemed	(2)	(8)
Net Decrease	(1)	(8)
Class C US\$ Accumulating		
Sold	–	1
Redeemed	(1)	(1)
Net Decrease	(1)	–
Class C US\$ Distributing (A)		
Sold	6	1
Redeemed	(13)	(14)
Net Decrease	(7)	(13)
Class GA US\$ Accumulating		
Sold	1	–
Redeemed	(11)	(17)
Net Decrease	(10)	(17)
Class GA Euro Accumulating		
Sold	1	–
Redeemed	(2)	(2)
Net Decrease	(1)	(2)
Class GE US\$ Accumulating		
Redeemed	(2)	–
Net Decrease	(2)	–
Class GE Euro Accumulating		
Redeemed	–	(1)
Net Decrease	–	(1)
Legg Mason Batterymarch International Large Cap Fund^β		
Class A US\$ Accumulating		
Sold	16	16
Redeemed	(55)	(8)
Net (Decrease)/Increase	(39)	8
Class A US\$ Distributing (A)		
Sold	4	3
Redeemed	(8)	(2)
Net (Decrease)/Increase	(4)	1
Class B US\$ Accumulating		
Redeemed	(1)	–
Net Decrease	(1)	–
Class B US\$ Distributing (A)		
Redeemed	(6)	–
Net Decrease	(6)	–
Class C US\$ Accumulating		
Sold	3	16
Redeemed	(22)	(1)
Net (Decrease)/Increase	(19)	15
Class C US\$ Distributing (A)		
Sold	4	5
Redeemed	(15)	(3)
Net (Decrease)/Increase	(11)	2

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	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Legg Mason Batterymarch International Large Cap Fund^β – (continued)		
Class A (G) US\$ Accumulating		
Sold	4	4
Redeemed	(52)	(13)
Net Decrease	(48)	(9)
Class B (G) US\$ Accumulating		
Redeemed	(5)	(6)
Net Decrease	(5)	(6)
Class L (G) US\$ Accumulating		
Redeemed	(27)	(6)
Net Decrease	(27)	(6)

Legg Mason Batterymarch Emerging Markets Equity Fund		
Class A US\$ Accumulating		
Sold	2	6
Redeemed	(5)	(10)
Net Decrease	(3)	(4)
Class A US\$ Distributing (A)		
Sold	1	1
Redeemed	(2)	(3)
Net Decrease	(1)	(2)
Class A Euro Accumulating		
Redeemed	–	(1)
Net Decrease	–	(1)
Class B US\$ Accumulating		
Redeemed	(1)	(2)
Net Decrease	(1)	(2)
Class B US\$ Distributing (A)		
Redeemed	–	(1)
Net Decrease	–	(1)
Class C US\$ Accumulating		
Sold	3	1
Redeemed	(3)	(4)
Net Decrease	–	(3)
Class C US\$ Distributing (A)		
Redeemed	(1)	(4)
Net Decrease	(1)	(4)
Class E US\$ Accumulating		
Sold	2	1
Redeemed	(3)	(2)
Net Decrease	(1)	(1)
Class F US\$ Accumulating		
Sold	–	6
Redeemed	(5)	(5)
Net (Decrease)/Increase	(5)	1
Premier Class Euro Accumulating		
Sold	88	–
Redeemed	(8)	–
Net Increase	80	–

Legg Mason Batterymarch Global Equity Fund		
Class A Euro Accumulating		
Sold	–	29
Redeemed	–	(63)
Net Decrease	–	(34)
Class GA US\$ Accumulating		
Sold	1	–
Redeemed	(10)	(3)
Net Decrease	(9)	(3)
Class GA Euro Accumulating		
Sold	1	–
Redeemed	(3)	(8)
Net Decrease	(2)	(8)
Class GA Euro Distributing (A)		
Redeemed	(1)	–
Net Decrease	(1)	–
Class GE Euro Accumulating		
Sold	2	–
Redeemed	(3)	(2)
Net Decrease	(1)	(2)

Legg Mason LMHK China Fund		
Class A US\$ Distributing (A)		
Redeemed	–	(27)
Net Decrease	–	(27)

	For the year ended	
	February, 28, 2015 Shares (000's)	February, 28, 2014 Shares (000's)
Premier Class US\$ Accumulating		
Redeemed	–	(3)
Net Decrease	–	(3)
LM Class US\$ Accumulating		
Redeemed	–	(50)
Net Decrease	–	(50)

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

Only classes with transactions during the period are shown.

^α Effective March 31, 2014 Legg Mason Royce Global Smaller Companies Fund ceased trading.

^μ Effective June 30, 2014 Legg Mason Brandywine Global Credit Opportunities Fund[^] commenced trading.

^ϕ Effective August 29, 2014 Legg Mason ClearBridge US Equity Income Fund[^] and Legg Mason Permal Global Absolute Fund[^] ceased trading.

[∅] Effective September 15, 2014 Legg Mason ClearBridge Global Equity Income Fund[^] commenced trading.

[∂] Effective January 8, 2015 Legg Mason Western Asset Global Inflation-Linked Fund ceased trading.

^β Effective February 25, 2015 Legg Mason Batterymarch International Large Cap Fund ceased trading.

[~] Effective June 30, 2014 Class A SGD Distributing (Q) Plus within Legg Mason Western Asset Asian Opportunities Fund was renamed Class A SGD Distributing (M) Plus. Class A SGD Distributing (Q) (Hedged) Plus within Legg Mason Western Asset Asian Opportunities Fund, Legg Mason Western Asset Emerging Markets Bond Fund, Legg Mason Western Asset Global High Yield Fund and Legg Mason Western Asset US High Yield Fund was renamed Class A SGD Distributing (M) (Hedged) Plus. Class A Euro Distributing (M) (Hedged) Plus, Class A SGD Distributing (Q) (Hedged), Premier Class GBP Distributing (M) (Hedged) Plus and Premier Class SGD Distributing (Q) (Hedged) within Legg Mason Western Asset Global Multi Strategy Fund were renamed Class A Euro Distributing (M) (Hedged) Plus (e), Class A SGD Distributing (M) (Hedged) Plus, Premier Class GBP Distributing (M) (Hedged) Plus (e) and Premier Class SGD Distributing (M) (Hedged) Plus, respectively.

[#] Please see the General Information section for details of fund name changes.

[^] Not authorised for sale to the public in Hong Kong.

The accompanying notes are an integral part of the Financial Statements

Notes to Financial Statements

1. Significant Accounting Policies

Legg Mason Global Funds plc (the "Company") is an open-ended investment company with variable capital incorporated under the laws of Ireland as a public limited company pursuant to the Companies Act 2014, and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended (the "UCITS Regulations"). It was incorporated on January 13, 1998 with registration number 278601.

Its objective, as set out in Clause 2 of the Company's Memorandum of Association, is the collective investment in transferable securities and other liquid financial assets of capital raised from the public and which operate on the principle of risk spreading. The Company is organised in the form of an umbrella fund. The Articles of Association of the Company provide that the Company may offer separate classes of shares, each representing interests in a fund comprising a distinct portfolio of investments. A separate portfolio of assets shall not be maintained for a class. The Funds established by the Company are included in the General Information section of this report.

The significant accounting policies and estimation techniques adopted by the Company in the preparation of these financial statements are set out below.

(a) Basis of Preparation

The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland and Irish statute comprising the Companies Act 2014 and all regulations to be construed as one with those acts, including the UCITS Regulations. Accounting standards generally accepted in Ireland used in preparing financial statements that give a true and fair view are those published by the Institute of Chartered Accountants in Ireland and issued by the Financial Reporting Council.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all reporting periods presented, unless otherwise stated. These financial statements have been prepared under the historical cost convention as modified by the revaluation of financial assets and financial liabilities held at fair value through profit or loss.

The format and certain wording of the financial statements have been adapted from those contained in the Companies Act 2014 and Financial Reporting Standard 3: Reporting Financial Performance ("FRS 3") so that, in the opinion of the directors of the Company (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 Financial Reporting Standard 1: Cash Flow Statements ("FRS 1") not to prepare a cash flow statement.

All references to net assets throughout this document refer to net assets attributable to holders of Redeemable Participating Shares unless otherwise stated. All the Company's assets and liabilities are held for the purposes of being traded or are expected to be realised within one year.

(b) Investments at Fair Value

The Company classified all financial instruments, including its investments in debt and equity securities, and related derivatives, 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. Derivatives are also categorised as held for trading, as the Company does not designate any derivatives as hedges and therefore the Company does not apply hedge accounting.

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 Profit and Loss Account. 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 Profit and Loss Account in the period in which they arise.

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 Balance Sheet date. The quoted market price used for long positions including those held as financial derivative instruments by the Company is the current bid price. The quoted market price used for short positions held as financial derivative instruments by the Company is the current ask price. The fair value of collective investment schemes is based on the traded net asset value of the relevant fund at the Balance Sheet date as provided by the fund's administrator. When the Company holds derivatives with offsetting market risks it uses mid-market prices as a basis for establishing fair values for the offsetting risk positions and applies the bid or asking price to the net open position, as appropriate.

The Company may from time to time invest in financial instruments that are not traded in an active market (for example in over-the-counter derivatives). The fair value is determined by using valuation techniques. The Company uses a variety of methods and makes assumptions that are based on market conditions existing at each Balance Sheet date. Valuation techniques used include the use of comparable recent arm's length transactions, discounted cash flow analysis and other valuation techniques commonly used by market participants. The values assigned to these instruments are based upon the best available information and because of the uncertainty of the valuation, these values may differ significantly from the values that would have been realised had a ready market for these instruments existed and the differences could be material. Entering into these agreements involves, to varying degrees, elements of credit, legal, market and documentation risk in excess of amounts recognised in the Profit and Loss Account. Such risks involve the possibility that there will be no liquid market for these agreements, that the counterparties to the agreements may default on their obligations to perform or disagree as to the meaning of contractual terms in the agreements, or that there may be unfavourable changes in interest rates or the price of the index or security underlying these transactions. The prices used at the year end which have been sourced from a single broker source or based upon valuation techniques are the best estimate of fair value as at the year end date. However, there is a degree of uncertainty in respect of these prices. It may not always be possible to close out the positions at the stated market value with the given counterparty.

(c) Single Broker Pricing

The prices used at the year end which have been sourced from a single broker source are the best estimate of fair value as at the year end date. However, there is a degree of uncertainty in respect of these prices. It may not always be possible to close out the positions at the stated mark with the given counterparty.

(d) Dual Broker Pricing

The prices used at the year end which have been sourced from dual broker sources are the best estimate of fair value as at the year end date. However there is a degree of uncertainty in respect of these prices. It may not always be possible to close out the positions at the stated mark with the given counterparty. As at February 28, 2015 and February 28, 2014, no prices were sourced using dual broker pricing.

(e) 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.

(f) Income from Investments

Interest income and expense are recognised in the Profit and Loss Account for all debt instruments using the effective interest method. The Investment Managers monitor interest income receivable for any delinquent interest receivable amounts. The accounts have been reviewed for delinquent interest receivable and as at February 28, 2015 and February 28, 2014 all amounts were deemed to be recoverable.

Dividends are credited to the Profit and Loss Account 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 Profit and Loss Account.

(g) Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Balance Sheet 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 are no offsetting financial instruments as at February 28, 2015 or February 28, 2014.

(h) 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.

Fair Value of Derivative Financial Instruments

The Company may, from time to time, hold financial instruments that are not quoted in active markets, such as over-the-counter derivatives. Fair values of such instruments are determined by using valuation techniques as discussed in Note 1(b). Where valuation techniques (for example, models) are used to determine fair values, they are validated and periodically reviewed and compared to the price provided by an independent pricing service provider, where available.

Notes to Financial Statements – (continued)

1. Significant Accounting Policies – (continued)

(h) Critical Accounting Estimates and Assumptions – (continued)

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty); volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The values assigned to these instruments are based upon the best available information and because of the uncertainty of the valuation, these values may differ significantly from the values that would have been realised had a ready market for these instruments existed and the differences could be material. Entering into these agreements involves, to varying degrees, elements of credit, legal, market and documentation risk in excess of the amounts recognised in the Profit and Loss Account. Such risks involve the possibility that there will be no liquid market for these agreements, that the counterparties to the agreements may default on their obligations to perform or disagree as to the meaning of contractual terms in the agreements, or that there may be unfavourable changes in interest rates or the price of the index or security underlying these transactions.

(i) Lending of Securities

Certain Funds may lend securities to brokers, dealers and other financial organisations to earn additional income. Each security loan is collateralised with collateral assets in an amount equal to or greater than the current market value of the loaned securities. There is a risk of delay in receiving collateral or in recovering the securities loaned or even a loss of rights in collateral should the borrower fail financially.

As at February 28, 2015 and February 28, 2014 no Funds were engaged in securities lending.

(j) Equalisation

An equalisation account is maintained so that the amount distributed is the same for all shares of the same type notwithstanding different dates of issue. Equalisation income and expense are recorded in the Profit and Loss account.

Equalisation Income

A sum equal to that part of the issued price of a share which reflects income (if any) accrued but undistributed up to the date of issue will be deemed to be an equalisation payment and treated as repaid by shareholders in the first dividend to which the shareholder was entitled in the same accounting period as that in which the shares are issued.

Equalisation Expense

A sum equal to that part of the issued price of a share which reflects expense (if any) accrued but undistributed up to the date of issue will be deemed to be an equalisation receipt and treated as repaid to shareholders to the first dividend to which the shareholder was entitled in the same accounting period as that in which the shares are issued.

(k) Expenses

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

(l) 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 Profit and Loss Account.

Transaction costs charged by the Custodian on the settlement of purchases and sales of investments are disclosed within administrator and custodian fees in the Profit and Loss Account for each Fund.

Transaction costs on purchases and sales of equities, collective investment schemes, futures contracts and options are disclosed as transaction costs in the Profit and Loss Account for each Fund.

Transaction costs on the purchase and sale of bonds and forward foreign currency contracts are included in the purchase and sale price of the investment. These costs cannot be practically or reliably gathered as they are embedded in the cost of the investment and cannot be separately verified or disclosed.

(m) Foreign Exchange Translation

- (a) 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"). This is U.S. Dollars for all Funds except Legg Mason Western Asset Euro Core Plus Bond Fund, Legg Mason Western Asset Euro High Yield Fund[^], Legg Mason Royce European Smaller Companies Fund and Legg Mason Batterymarch Managed Volatility European Equity Fund for which the functional currency is Euro, and Legg Mason Western Asset UK£ Core Plus Bond Fund[^], Legg Mason Western Asset UK£ Inflation-Linked Plus Fund[^] and Legg Mason Western Asset UK£ Long Duration Fund[^] for which the functional currency is Sterling, and Legg Mason Congruix Japan Equity Fund for which the functional currency is Japanese Yen. The Company has adopted the functional currency of each Fund as the presentation currency for these financial statements. The financial statements of the Company are presented in U.S. Dollars.
- (b) 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 recorded as foreign exchange gains/losses in the Profit and Loss Account.

(n) Forward Foreign Currency Exchange Contracts

A forward foreign currency exchange contract ("forward contract") is a commitment to purchase or sell a foreign currency at a future date, at a negotiated rate. Forward contracts are used to seek to manage foreign currency risks and to tactically shift portfolio currency risk. Forward contracts are generally entered into as a hedge upon the purchase or sale of a security denominated in a foreign currency. The Fund will realise a gain or loss upon the closing or settlement of the forward transaction. Unrealised appreciation or depreciation on forward contracts is reported in the Balance Sheet and Profit and Loss Account. Realised gains and losses are reported with all other foreign currency gains and losses in the Profit and Loss Account. Risks relating to forward contracts include the potential inability of the counterparty to meet the terms of the contract and unanticipated movements in the value of a foreign currency relative to the base currency of the Fund. As at February 28, 2015, forward contracts held are disclosed in the Portfolio of Investments. Forward contracts are fair valued by an independent price source by reference to the price at which a new forward contract of the same size and maturity could be undertaken.

(o) Futures Contracts

Initial margin deposits are made upon entering into futures contracts and are generally made in cash. Futures contracts are fair valued based upon their quoted daily settlement prices. Changes in the value of open futures contracts are recognised as unrealised gains or losses on futures contracts until the contracts are terminated, at which time realised gains and losses are recognised as a realised gain or loss and included in net gain/(loss) on financial assets and financial liabilities at fair value through profit and loss in the Profit and Loss Account. Unrealised gains or losses on futures contracts are shown in the Balance Sheet. Realised gains and losses not yet delivered are shown as amounts due to/from broker in the Balance Sheet. As at February 28, 2015 the futures contracts held are disclosed in the Portfolio of Investments.

(p) Option Contracts

The premium on purchased put options exercised is subtracted from the proceeds of the sale of the underlying security or foreign currency in determining the realised gain or loss. The premium on purchased call options exercised is added to the cost of the securities or foreign currency purchased. Premiums paid from the purchase of options, which expire unexercised, are treated as realised losses. The unrealised gain or loss on open option positions is calculated and recorded as the fair value of the option less the premium paid on that option. Unrealised gains or losses on open option positions are reflected as assets or liabilities in the Balance Sheet.

The premium on written call options exercised is added to the proceeds from the sale of the underlying security or foreign currency in determining the realised gain or loss. The premium on written put options exercised is subtracted from the cost of the securities or foreign currencies purchased. Premiums received from written options, which expire unexercised, are treated as realised gains.

As at February 28, 2015, the option contracts held are disclosed in the Portfolio of Investments.

(q) Swap Instruments

Swap Instruments are recognised at fair value on the date on which the derivative contract is entered into and are subsequently remeasured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques, including discounted cash flow models and options pricing models, as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative. Movement in the fair value of the swap instruments are recognised in the Profit and Loss Account under 'Net gain/(loss) on financial assets and liabilities at fair value through profit or loss'. Interest paid and earned from swap instruments are recognised in the Profit and Loss Account under 'Interest'.

As at February 28, 2015, swap instruments held are disclosed in the Portfolio of Investments.

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

1. Significant Accounting Policies – (continued)

(q) Swap Instruments – (continued)

Credit Default Swaps

Each Fixed Income Fund (as defined on page 12), except Legg Mason Western Asset US Money Market Fund, and Legg Mason Permal Global Absolute Fund may enter into credit default swap agreements, provided that (i) the credit default swap agreement must be subject to daily valuation by the Funds and independently verified at least weekly, and (ii) the risks attached to the credit default swap must be independently assessed on a half-yearly basis and the report must be submitted to the Directors for review. A Fund may be either the buyer or seller in a credit default swap transaction. The “buyer” in credit default contract is obligated to pay the counterparty a periodic stream of payments over the term of the contract provided that no event of default on an underlying reference obligation has occurred. If a Fund is a buyer and no event of default occurs, the Fund will lose its investment and recover nothing. On the other hand, if the Fund is a buyer and an event of default does occur, the Fund (the buyer) will receive the full notional value of the reference obligation that may have little or no value. Conversely, if the Fund is a seller and an event of default occurs, the Fund (the seller) must pay the counterparty the full notional value, or “par value”, of the reference obligation in exchange for the reference obligation. As a seller, a Fund receives a fixed rate of income throughout the term of the contract, which typically is between six months and three years, provided that there is no default event. If an event of default occurs, the seller (the Fund) must pay the counterparty the full notional value of the reference obligation.

The Funds purchase credit default swap contracts in order to hedge against the risk of a fall in the capital price, or default, of debt securities they hold. The Funds sell credit default swap contracts in order to get exposure to the rise in the capital price, and the risk of default is transferred from the purchaser of credit default contracts to the Fund as a seller of the credit default swap contract. This involves the risk that the swap may expire worthless and the credit risk that the seller may fail to satisfy its payment obligations to the Funds in the event of a default. The Funds may only enter into such transactions with counterparties rated A- or higher.

Interest Rate Swaps

An interest rate swap or cross currency interest rate swap involves the exchange by a Fund with another party of their respective commitments to pay or receive cash flows e.g., an exchange of floating rate payments for fixed-rate payments in base or foreign currencies. The purchase of a cap entitles the purchaser, to the extent that a specified index exceeds a predetermined value, to receive payments on a notional principal amount from the party selling the cap. The purchase of a floor entitles the purchaser, to the extent that a specified index falls below a predetermined value, to receive payments on a notional principal amount from the party selling the floor. A collar combines elements of buying a cap and selling a floor. Spread locks are contracts that guarantee the ability to enter into an interest rate swap at a predetermined rate above some benchmark rate.

Equity Swaps

Equity swaps are agreements between the Company and third parties, which allow the Company to acquire an exposure to the price movement of specific securities without actually purchasing the securities. The changes in contract values are recorded as unrealised gains or losses and the Company recognises a realised gain or loss when the contract is closed.

Total Return Swaps

Certain of the Funds may invest in total return swaps to reduce their long-term exposure to market risk and credit risk. Total return swaps are contracts in which a Fund pays or receives a series of cash flows based upon the total return of a specified asset in return for paying or receiving, respectively, a fixed or floating rate of interest based upon that same specified asset. Total return swaps are fair valued by an independent pricing vendor. If the price is not available they are fair valued by the Legg Mason North Atlantic Valuation Committee (the “NAVC”). These positions are reconciled to the counterparty price on a monthly basis.

Cross Currency Swaps

Cross-currency swaps involve the exchange of two different currencies with an agreement to reverse the exchange at a later date at specified exchange rates. The exchange of currencies at the inception date of the contract takes place at the current spot rate. The re-exchange at maturity may take place at the same exchange rate, a specified rate, or the then current spot rate. Interest payments, if applicable, are made between the parties based on interest rates available in the two currencies at the inception of the contract.

Inflation Swaps

Inflation swaps involves an exchange of a fixed rate on a notional principal amount and a floating rate linked to an inflation index. The party paying the floating rate pays the inflation adjusted rate multiplied by the notional principal amount.

(r) Securities Traded on a “To-Be-Announced” Basis

The Funds may trade securities on a “to-be-announced” (“TBA”) basis. In a TBA transaction, a Fund commits to purchase or sell securities for which specific information is not yet known at the time of the trade. Securities purchased on a TBA basis are not settled until they are delivered to or from the relevant Fund, normally 15 to 45 days later. These transactions are subject to market fluctuations and their current value is determined in the same manner as for other securities.

As at February 28, 2015, the securities traded on a TBA basis are disclosed in the Portfolio of Investments.

(s) Short-Term Investments

Certificates of deposit, time deposits and other short-term investments maintained with financial institutions are fair valued at their face value with interest accrued, as applicable.

As at February 28, 2015, Short-Term Investments held are disclosed in the Portfolio of Investments.

(t) Repurchase Agreements

Securities purchased under agreements to resell are fair valued at their face value and adjusted for any movements in foreign exchange rates. Interest rates vary for each repurchase agreement and are set at the initiation of the agreement. It is the Company’s policy to take custody of securities purchased under repurchase agreements and to value the securities on a daily basis to protect the Company in the event the securities are not repurchased by the counterparty. The Company will generally obtain additional collateral if the market value of the underlying securities is less than the face value of the repurchase agreement plus any accrued interest. In the event of default on the obligation to repurchase, the Company has the right to liquidate the collateral and apply the proceeds in satisfaction of the obligation. In the event of default or bankruptcy by the counterparty to the agreement, realisation and/or retention of the collateral or proceeds may be subject to legal proceedings. Repurchase agreements have been used during the year for the purpose of efficient portfolio management. As at February 28, 2015 repurchase agreements were held by a number of the Funds as disclosed in Note 12.

(u) Exchange Traded Funds

The Funds may invest in exchange traded funds (“ETFs”). ETFs are securities that track an index, a commodity or a basket of assets like an index fund, but trade like a stock on an exchange. These securities are subject to market fluctuations and their current value is determined in the same manner as for other securities.

(v) Shares in Collective Investment Schemes

The fair value of investments in open-ended investment funds is based upon the unaudited net asset value per share as supplied by the respective funds’ administrator.

(w) Swaptions

Certain of the Funds may invest in swaptions for the purposes of hedging against adverse movements in interest rates. Such instruments combine the features of two other financial instruments namely an option and an interest rate swap. The Funds record an unrealised gain/(loss) (fair value) for the amount expected to be received or paid under the agreement if such amount was terminated on valuation. The fair value is provided on a daily basis by Markit as the vendor. The unrealised gain/(loss) are reflected as a financial asset or financial liability in the Balance Sheet.

As at February 28, 2015, the swaptions held are disclosed in the Portfolio of Investments.

(x) Treasury Inflationary Index Obligations (TIPS)

Certain of the Funds may invest in indexed securities. Indexed securities are securities whose prices are indexed to the prices of securities indices, currencies, or other financial statistics. Indexed securities typically are debt securities or deposits whose value at maturity and/or coupon rate is determined by reference to a specific instrument or statistic. The performance of indexed securities fluctuates (either directly or inversely, depending upon the instrument) with the performance of the index, security or currency. The securities are fair valued daily by the relevant vendor and the change in fair value is recorded by the Funds as an unrealised gain or loss.

As at February 28, 2015, the TIPS held are disclosed in the Portfolio of Investments.

(y) Credit Linked Notes

Certain of the Funds may invest in credit linked notes; a credit linked note is usually a bond which has the direct obligation of the issuer but also contains additional credit risks for the buyer (the Fund) as the principal repayment is linked not only to creditworthiness of the issuer but also a third party known as the reference entity.

Provided the reference entity experiences no credit event during the life of the credit linked note, the principal will be repaid to the Fund on maturity with interest payments being received during the life of the investment.

Should the reference entity experience a credit event, this triggers redemption of the credit linked note. In this event, the Fund would receive a bond issued by the reference entity rather than the principal invested. The value of the bond will be worth less than the principal invested.

As at February 28, 2015, the credit linked notes held are disclosed in the Portfolio of Investments.

Notes to Financial Statements – (continued)

1. Significant Accounting Policies – (continued)

(z) Loan Notes & Loan Participations

Loan notes & loan participations are fixed and floating rate loans arranged through private negotiations between a corporation or other type of entity and one or more financial institutions. Such investments are expected to be in the form of participations in, or assignment of, the loans, which may or may not be securitised. Loan notes & loan participations are classified by the Company as financial assets at fair value through profit or loss, and are initially recognised at fair value. Gains and losses arising from changes in the fair value of the financial assets are presented in the Profit and Loss Account, in the period in which they arise.

As at February 28, 2015, Loan Notes & Loan Participations held are disclosed in the Portfolio of Investments.

(aa) Master-Limited Partnership

Certain Funds may invest in master-limited partnerships (MLPs) by purchasing units issued to limited partners of the MLP that are publically traded on regulated markets. MLPs are limited partnerships or limited liability companies that typically derive income and gains from the exploration, development, storage, gathering, mining, production, processing, refining, transportation (including pipelines transporting gas, oil or products thereof) or marketing of any mineral or natural resources. MLPs generally have two classes of owners, the general partner and the limited partners. Limited partners own the remainder of the partnership, through ownership of common units, and have a limited role in the operations and management.

The fair value of an investment in MLP is determined in the same manner as for other securities. The changes in the fair value is recorded as an unrealised gain or loss.

As at February 28, 2015, MLPs held are disclosed in the Portfolio of Investments.

2. Investment Objectives and Policies

Investment objectives and investment policies for all active Funds are listed in the Directors' Report on pages 17 to 26.

3. Efficient Portfolio Management

Subject to the conditions and within the limits from time to time laid down by the Central Bank of Ireland, and except as otherwise stated in the investment objective and policies of a Fund, the Investment Managers and/or Sub-Investment Manager(s) may employ investment techniques and instruments such as futures, options, forward foreign currency contracts and other derivatives for efficient portfolio management purposes. Furthermore, new techniques and instruments may be developed which may be suitable for use by a Fund in the future and a Fund may employ such techniques and instruments subject to the prior approval of, and any restrictions imposed by, the Central Bank of Ireland.

For UCITS which have engaged in efficient portfolio management techniques, new disclosures are required under UCITS Notice 8.5. A UCITS is required to disclose the revenues arising from repurchase agreements and stocklending transactions for the entire reporting period together with the direct and indirect operational costs and fees incurred. Please refer to the tables below.

During the year, repurchase agreements were entered into for the purpose of efficient portfolio management.

Details of all open transactions at the year end are disclosed in the Portfolio of Investments.

Repurchase agreements

A portion of each Fund's assets may be held in ancillary liquid assets. For efficient portfolio management purposes, each Fund may enter into repurchase agreements and reverse repurchase agreements.

The table below shows the revenue earned from repurchase agreements during the years ended February 28, 2015 and February 28, 2014:

Fund	February 28, 2015 (000's)	February 28, 2014 (000's)
Legg Mason Western Asset US Money Market Fund	\$-	\$47
Legg Mason Western Asset US Core Bond Fund	\$1	\$1
Legg Mason Western Asset US Core Plus Bond Fund	\$9	\$5
Legg Mason Western Asset Global Multi Strategy Fund	\$2	\$2
Legg Mason Western Asset US High Yield Fund	\$7	\$7
Legg Mason Western Asset Emerging Markets Bond Fund	\$1	\$-
Legg Mason Western Asset Global High Yield Fund	\$-	\$2

Transaction costs on the purchase and sale of repurchase agreements are included in the purchase and sale price of the investment. These costs cannot be practically or reliably gathered as they are embedded in the cost of the investment and cannot be separately verified or disclosed.

Stocklending transactions

Certain Funds may also utilise stocklending agreements for efficient portfolio management purposes as described above. In such transactions the Fund may temporarily transfer its securities to a borrower, with agreement by the borrower to return equivalent securities to the Fund at a pre-agreed time. In entering into such transactions the Fund will endeavour to increase the returns on its portfolio of securities by receiving a fee for making its securities available to the borrower. There was no stocklending on any of the Funds for the years ended February 28, 2015 and February 28, 2014.

4. Operating Expenses and Other Related Party Transactions

Pursuant to separate Investment Management Agreements between the Company and ClearBridge, LLC (the Investment Manager for Legg Mason ClearBridge Value Fund) and Legg Mason Investments (Europe) Limited (the Investment Manager for all Funds except Legg Mason ClearBridge Value Fund), each Investment Manager shall be entitled to receive an investment management fee out of the assets of the relevant Fund for its services as the Investment Manager, which shall accrue on each Dealing Day and be payable monthly in arrears. The maximum investment management fee for each class, including classes not in issue, at February 28, 2015 (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 Western Asset US Money Market Fund		Legg Mason Western Asset US Core Plus Bond Fund	
Each Class A Share Class	0.800%	Each Class A Share Class	1.150%
Each Class B Share Class	1.050%	Each Class B Share Class	1.400%
Each Class C Share Class	1.300%	Each Class C Share Class	1.650%
Each Class E Share Class	1.400%	Each Class E Share Class	1.750%
Each Class X Share Class	0.600%	Each Class F Share Class	0.550%
Each LM Share Class	None	Each Class R Share Class	0.750%
Class A (G) US\$ Accumulating	0.800%	Each Class X Share Class	0.575%
Class A (G) US\$ Distributing (D)	0.800%	Each Premier Share Class	0.300%
Class B (G) US\$ Accumulating	0.800%	Each LM Share Class	None
Class B (G) US\$ Distributing (D)	0.800%	Class A (G) US\$ Accumulating	1.150%
Class L (G) US\$ Distributing (D)	0.800%	Class A (G) US\$ Distributing (D)	1.150%
		Class B (G) US\$ Accumulating	1.650%
Legg Mason Western Asset US Core Bond Fund		Class B (G) US\$ Distributing (D)	1.650%
Each Class A Share Class	0.950%	Class L (G) US\$ Accumulating	1.650%
Each Class B Share Class	1.200%	Class L (G) US\$ Distributing (D)	1.650%
Each Class C Share Class	1.450%		
Each Class E Share Class	1.550%	Legg Mason Western Asset Euro Core Plus Bond Fund	
Each Class F Share Class	0.550%	Each Class A Share Class	1.000%
Each Class R Share Class	0.550%	Each Class B Share Class	1.250%
Each Class X Share Class	0.475%	Each Class C Share Class	1.500%
Each Premier Share Class	0.300%	Each Class E Share Class	1.600%
Each LM Share Class	None	Each Class F Share Class	0.550%
Class GA US\$ Accumulating	0.820%	Each Class R Share Class	0.600%
Class GE US\$ Accumulating	1.420%	Each Class X Share Class	0.500%
		Each Premier Share Class	0.300%
		Each LM Share Class	None
		Class GA Euro Accumulating	0.820%
		Class GA Euro Distributing (A)	0.820%
		Class GE Euro Accumulating	1.420%

Notes to Financial Statements – (continued)

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

Fund Name	Maximum Investment Management Fee	Fund Name	Maximum Investment Management Fee
Legg Mason ClearBridge US Fundamental Value Fund		Legg Mason Royce US Small Cap Opportunity Fund	
Each Class A Share Class	1.250%	Each Class A Share Class	1.500%
Each Class B Share Class	1.750%	Each Class B Share Class	2.000%
Each Class C Share Class	1.750%	Each Class C Share Class	2.000%
Each Class E Share Class	2.000%	Each Class E Share Class	2.250%
Each Class F Share Class	1.000%	Each Class F Share Class	1.250%
Each Class R Share Class	0.750%	Each Class R Share Class	1.000%
Each Class X Share Class	0.625%	Each Class X Share Class	0.750%
Each Premier Share Class	0.625%	Each Premier Share Class	0.750%
Each LM Share Class	None	Each LM Share Class	None
Class A (G) US\$ Accumulating	1.250%	Legg Mason Royce US Smaller Companies Fund	
Class B (G) US\$ Accumulating	1.750%	Each Class A Share Class	1.500%
Class L (G) US\$ Accumulating	1.750%	Each Class B Share Class	2.000%
Class GP US\$ Accumulating	0.750%	Each Class C Share Class	2.000%
Class GA Euro Accumulating	1.420%	Each Class E Share Class	2.250%
Class GA Euro Distributing (A)	1.420%	Each Class F Share Class	1.250%
Class GE US\$ Accumulating	2.170%	Each Class R Share Class	1.000%
Class GE Euro Accumulating	2.170%	Each Class X Share Class	0.750%
Legg Mason ClearBridge US Large Cap Growth Fund		Each Premier Share Class	0.750%
Each Class A Share Class	1.250%	Each LM Share Class	None
Each Class B Share Class	1.750%	Class A (G) US\$ Accumulating	1.250%
Each Class C Share Class	1.750%	Class B (G) US\$ Accumulating	1.750%
Each Class E Share Class	2.000%	Class L (G) US\$ Accumulating	1.750%
Each Class F Share Class	1.000%	Class GA US\$ Accumulating	1.420%
Each Class R Share Class	0.750%	Class GA Euro Accumulating	1.420%
Each Class X Share Class	0.625%	Class GA Euro Distributing (A)	1.420%
Each Premier Share Class	0.625%	Class GE US\$ Accumulating	2.170%
Each LM Share Class	None	Class GE Euro Accumulating	2.170%
Class A (G) US\$ Accumulating	1.250%	Legg Mason Royce Smaller Companies Fund II[^]	
Class B (G) US\$ Accumulating	1.750%	Class A US\$ Accumulating	1.500%
Class L (G) US\$ Accumulating	1.750%	Legg Mason Royce Global Smaller Companies Fund	
Class GA US\$ Accumulating	1.420%	Each Class A Share Class	1.500%
Class GA Euro Accumulating	1.420%	Each Class B Share Class	2.000%
Class GA Euro Distributing (A)	1.420%	Each Class C Share Class	2.000%
Class GE US\$ Accumulating	2.170%	Each Class E Share Class	2.250%
Class GE Euro Accumulating	2.170%	Each Class F Share Class	1.250%
Legg Mason ClearBridge US Aggressive Growth Fund		Each Class R Share Class	1.000%
Each Class A Share Class	1.300%	Each Class X Share Class	0.750%
Each Class B Share Class	1.800%	Each Premier Share Class	1.000%
Each Class C Share Class	1.800%	Each LM Share Class	None
Each Class E Share Class	2.050%	Class A (G) US\$ Accumulating	1.300%
Each Class F Share Class	1.050%	Class B (G) US\$ Accumulating	1.800%
Each Class R Share Class	0.800%	Class L (G) US\$ Accumulating	1.800%
Each Class X Share Class	0.650%	Class GA Euro Accumulating	1.420%
Each Premier Share Class	0.650%	Class GA Euro Distributing (A)	1.420%
Each LM Share Class	None	Class GE US\$ Accumulating	2.170%
Class A (G) US\$ Accumulating	1.300%	Class GE Euro Accumulating	2.170%
Class B (G) US\$ Accumulating	1.800%	Legg Mason Permal Global Absolute Fund[^]	
Class L (G) US\$ Accumulating	1.800%	Each Class A Share Class	1.250%
Class GA Euro Accumulating	1.420%	Each Class B Share Class	1.750%
Class GA Euro Distributing (A)	1.420%	Each Class C Share Class	1.750%
Class GE US\$ Accumulating	2.170%	Each Class E Share Class	2.000%
Class GE Euro Accumulating	2.170%	Each Class F Share Class	1.000%
Legg Mason ClearBridge US Equity Income Fund[^]		Each Class R Share Class	0.750%
Each Class A Share Class	1.300%	Each Class X Share Class	0.625%
Each Class B Share Class	1.800%	Each Premier Share Class	0.625%
Each Class C Share Class	1.800%	Each LM Share Class	None
Each Class E Share Class	2.050%	Class A (G) US\$ Accumulating	1.300%
Each Class F Share Class	1.050%	Class B (G) US\$ Accumulating	1.850%
Each Class R Share Class	0.800%	Class L (G) US\$ Accumulating	1.850%
Each Class X Share Class	0.650%	Class GA Euro Accumulating	1.420%
Each Premier Share Class	0.650%	Class GA Euro Distributing (A)	1.420%
Each LM Share Class	None	Class GA US\$ Accumulating	1.420%
Legg Mason ClearBridge Tactical Dividend Income Fund		Class GE US\$ Accumulating	2.170%
Each Class A Share Class	1.500%	Class GE Euro Accumulating	2.170%
Each Class B Share Class	2.000%	Class GP US\$ Accumulating	0.850%
Each Class C Share Class	2.000%	Legg Mason BatteryMarch Managed Volatility European Equity Fund	
Each Class E Share Class	2.250%	Each Class A Share Class	1.350%
Each Class F Share Class	1.250%	Each Class B Share Class	1.850%
Each Class R Share Class	1.000%	Each Class C Share Class	1.850%
Each Class X Share Class	0.750%	Each Class E Share Class	2.100%
Each Premier Share Class	0.750%	Each Class F Share Class	1.100%
Each LM Share Class	None	Each Class R Share Class	0.850%
Legg Mason Opportunity Fund		Each Class X Share Class	0.675%
Each Class A Share Class	1.350%	Each Premier Share Class	0.675%
Each Class B Share Class	1.850%	Each LM Share Class	None
Each Class C Share Class	1.850%	Class A (G) US\$ Accumulating	1.350%
Each Class E Share Class	2.100%	Class B (G) US\$ Accumulating	1.850%
Each Class F Share Class	1.100%	Class L (G) US\$ Accumulating	1.850%
Each Class R Share Class	0.850%	Class GA Euro Accumulating	1.420%
Each Class X Share Class	0.675%	Class GA Euro Distributing (A)	1.420%
Each Premier Share Class	0.675%	Class GA US\$ Accumulating	1.420%
Each LM Share Class	None	Class GE US\$ Accumulating	2.170%
		Class GE Euro Accumulating	2.170%
		Class GP US\$ Accumulating	0.850%
		Legg Mason BatteryMarch Asia Ex Japan Equity Fund	
		Each Class A Share Class	1.500%
		Each Class B Share Class	2.000%
		Each Class C Share Class	2.000%
		Each Class E Share Class	2.250%
		Each Class F Share Class	1.250%
		Each Class R Share Class	1.000%
		Each Class X Share Class	0.750%
		Each Premier Share Class	0.750%
		Each LM Share Class	None
		Class GA US\$ Accumulating	1.620%
		Class GA Euro Accumulating	1.620%
		Class GA Euro Distributing (A)	1.620%
		Class GE US\$ Accumulating	2.370%
		Class GE Euro Accumulating	2.370%
		Class GP US\$ Accumulating	0.500%

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

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

Fund Name	Maximum Investment Management Fee	Fund Name	Maximum Investment Management Fee
Legg Mason Batterymarch International Large Cap Fund		Legg Mason Batterymarch Global Equity Fund	
Each Class A Share Class	1.400%	Each Class A Share Class	1.400%
Each Class B Share Class	1.900%	Each Class B Share Class	1.900%
Each Class C Share Class	1.900%	Each Class C Share Class	1.900%
Each Class E Share Class	2.150%	Each Class E Share Class	2.150%
Each Class F Share Class	1.150%	Each Class F Share Class	1.150%
Each Class R Share Class	0.900%	Each Class R Share Class	0.900%
Each Class X Share Class	0.700%	Each Class X Share Class	0.700%
Each Premier Share Class	0.700%	Each Premier Share Class	0.700%
Each LM Share Class	None	Each LM Share Class	None
Class A (G) US\$ Accumulating	1.400%	Class GA US\$ Accumulating	1.420%
Class B (G) US\$ Accumulating	1.900%	Class GA Euro Accumulating	1.420%
Class L (G) US\$ Accumulating	1.900%	Class GA Euro Distributing (A)	1.420%
		Class GE US\$ Accumulating	2.170%
		Class GE Euro Accumulating	2.170%
Legg Mason Batterymarch Emerging Markets Equity Fund			
Each Class A Share Class	1.450%		
Each Class B Share Class	1.950%		
Each Class C Share Class	1.950%		
Each Class E Share Class	2.200%		
Each Class F Share Class	1.200%		
Each Class R Share Class	0.950%		
Each Class X Share Class	0.800%		
Each Premier Share Class	0.800%		
Each LM Share Class	None		

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 February 28, 2015. 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 of certain Funds has voluntarily agreed to waive a portion of its fees and/or reimburse each respective Fund for certain expenses so that the total expenses would not exceed certain voluntary expense limitations established for each respective Fund. The Investment Manager, at its discretion, may revise or discontinue the voluntary waivers and/or expense reimbursements at any time. For the years ended February 28, 2015 and February 28, 2014, the Investment Management fees waived and reimbursed were as follows:

Fund Name	Investment Management Fee Waived February 28, 2015 (000's)	Investment Management Fee Waived February 28, 2014 (000's)	Investment Management Fee Reimbursed February 28, 2015 (000's)	Investment Management Fee Reimbursed February 28, 2014 (000's)
Legg Mason Western Asset US Money Market Fund	\$5,460	\$5,598	\$884	\$946
Legg Mason Western Asset US Core Bond Fund	–	\$2	–	–
Legg Mason Western Asset US Core Plus Bond Fund	–	\$6	–	–
Legg Mason Western Asset Euro Core Plus Bond Fund	€24	€30	–	–
Legg Mason Western Asset Diversified Strategic Income Fund	–	–	\$2	–
Legg Mason Western Asset Global Multi Strategy Fund	\$11	\$16	\$12	\$10
Legg Mason Western Asset US High Yield Fund	–	–	–	\$2
Legg Mason Western Asset Emerging Markets Bond Fund	\$1	–	\$2	–
Legg Mason Western Asset US Short-Term Government Fund	–	\$3	–	–
Legg Mason Western Asset US Adjustable Rate Fund	\$9	\$8	–	–
Legg Mason Western Asset Inflation Management Fund	\$27	\$22	–	–
Legg Mason Western Asset Asian Opportunities Fund	\$60	\$58	–	–
Legg Mason Western Asset Global Core Plus Bond Fund [^]	\$7	\$6	–	–
Legg Mason Western Asset Global Inflation-Linked Fund	\$8	\$39	\$20	\$1
Legg Mason Western Asset UK£ Inflation-Linked Plus Fund [^]	–	–	–	£7
Legg Mason Western Asset UK£ Long Duration Fund [^]	–	–	–	£1
Legg Mason Western Asset Euro High Yield Fund	–	–	€1	–
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	–	\$14	–	–
Legg Mason Brandywine Global Fixed Income Fund	–	–	–	\$4
Legg Mason Brandywine Global High Yield Fund [^]	\$44	\$17	–	–
Legg Mason Brandywine Global Opportunistic Fixed Income Fund [^]	–	–	–	\$2
Legg Mason Brandywine Global Income Optimiser Fund [^]	\$5	\$9	–	\$1
Legg Mason Brandywine Global Credit Opportunities Fund [^]	\$7	–	\$6	–
Legg Mason ClearBridge Growth Fund	\$3	\$1	–	–
Legg Mason ClearBridge Global Equity Fund [^]	\$11	\$18	–	\$11
Legg Mason ClearBridge Global Equity Income Fund [^]	\$10	–	–	–
Legg Mason ClearBridge US Fundamental Value Fund	–	–	\$13	–
Legg Mason ClearBridge US Equity Income Fund [^]	\$5	\$5	\$5	\$2
Legg Mason ClearBridge Tactical Dividend Income Fund	\$19	\$5	\$2	\$29
Legg Mason Royce European Smaller Companies Fund	–	€1	–	€29
Legg Mason Royce Global Smaller Companies Fund	–	\$4	–	\$29
Legg Mason Permal Global Absolute Fund [^]	\$1	–	\$9	–
Legg Mason Batterymarch International Large Cap Fund	–	–	\$2	–
Legg Mason Batterymarch Emerging Markets Equity Fund	\$8	\$11	–	–
Legg Mason LMHK China Fund	–	–	–	\$2

Each Investment Manager shall be responsible for paying the fees and out-of-pocket expenses of the Sub-Investment Managers out of its own investment management fee.

For the Funds for which Legg Mason Investments (Europe) Limited serves as Investment Manager, it has entered into separate distribution agreements with Legg Mason Investor Services, LLC, Legg Mason Asset Management Hong Kong Limited, Legg Mason Asset Management Singapore Pte. Limited and Legg Mason Investments (Taiwan) Limited under which Legg Mason Investments (Europe) Limited has delegated to these Distributors certain responsibilities associated with marketing and distributing each of the Funds for which it serves as Investment Manager. ClearBridge, LLC has appointed Legg Mason Investments (Europe) Limited, Legg Mason Asset Management Hong Kong Limited and Legg Mason Asset Management Singapore Pte. Limited as Distributors of Legg Mason ClearBridge Value Fund. The distribution agreement with Legg Mason Investments (Taiwan) Limited is a tri-party agreement to which ClearBridge, LLC is also party. In accordance with Taiwanese law, this agreement is entitled a Master Agent Agreement, pursuant to which Legg Mason Investments (Taiwan) Limited acts as the Master Agent of the Funds in Taiwan. The delegated functions in the distribution and master agent agreements do not include the Investment Managers' 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, each Investment Manager shall pay to each Distributor a portion of its investment management fee as set out in such distribution agreements.

The Company shall also be responsible for the prompt payment or reimbursement to the Investment Manager of any commissions, transfer fees, registration fees, taxes and similar liabilities, costs and out-of-pocket expenses properly payable or incurred by the Investment Manager.

John Alldis was a director of the Company until his resignation on July 11, 2014. Robert Shearman (appointed on July 11, 2014) and Joseph LaRocque are directors of the Company. Mr. Shearman is a director and/or executive of LMI Europe, Legg Mason Asset Management Hong Kong Limited and Legg Mason Asset Management Singapore Pte. Limited. Mr. LaRocque is a director and/or executive of certain affiliates of the Investment Managers, Distributors and Shareholder Servicing Agents.

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

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

As at February 28, 2015 and February 28, 2014, 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	February 28, 2015		February 28, 2014	
		%	Value (000's)	%	Value (000's)
Legg Mason Western Asset US Core Bond Fund	Western Asset Liquidity Funds Plc – Western Asset Euro Liquidity Fund Class WA (Distributing)	0.00%	\$–	0.01%	\$23
Legg Mason Western Asset US Core Bond Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.17%	\$4,037	0.07%	\$1,797
Legg Mason Western Asset US Core Plus Bond Fund	Western Asset Liquidity Funds Plc – Western Asset Euro Liquidity Fund Class WA (Distributing)	0.00%	\$–	0.01%	\$33
Legg Mason Western Asset US Core Plus Bond Fund	Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	0.01%	\$21	0.00%	\$23
Legg Mason Western Asset Euro Core Plus Bond Fund	Western Asset Liquidity Funds Plc – Western Asset Euro Liquidity Fund Class WA (Distributing)	0.00%	€–	0.96%	€3,169
Legg Mason Western Asset Euro Core Plus Bond Fund	Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	0.00%	€4	0.05%	€211
Legg Mason Western Asset Euro Core Plus Bond Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.01%	€224	0.00%	€–
Legg Mason Western Asset Diversified Strategic Income Fund	Legg Mason Qualified Investor Funds II Plc-Legg Mason Western Asset Senior Loans Fund – LM Class US\$ Distributing (monthly)	2.04%	\$2,869	1.92%	\$2,005
Legg Mason Western Asset Global Multi Strategy Fund	Legg Mason China Funds – Western Asset China Bond Fund, Class M	24.90%	\$11,891	24.89%	\$11,190
Legg Mason Western Asset Global Multi Strategy Fund	Legg Mason Qualified Investor Funds II Plc-Legg Mason Western Asset Senior Loans Fund – LM Class US\$ Distributing (monthly)	14.47%	\$20,367	20.23%	\$21,086
Legg Mason Western Asset US High Yield Fund	Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	0.00%	\$–	0.00%	\$–
Legg Mason Western Asset US High Yield Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.00%	\$–	0.04%	\$1,073
Legg Mason Western Asset US High Yield Fund	Legg Mason Qualified Investor Funds II Plc-Legg Mason Western Asset Senior Loans Fund – LM Class US\$ Distributing (monthly)	9.64%	\$13,578	13.49%	\$14,057
Legg Mason Western Asset Global High Yield Fund	Western Asset Liquidity Funds Plc – Western Asset Euro Liquidity Fund Class WA (Distributing)	0.00%	\$–	0.03%	\$124
Legg Mason Western Asset Global High Yield Fund	Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	0.00%	\$72	0.00%	\$17
Legg Mason Western Asset Global High Yield Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.12%	\$2,753	0.93%	\$22,589
Legg Mason Western Asset Global High Yield Fund	Legg Mason Qualified Investor Funds II Plc-Legg Mason Western Asset Senior Loans Fund – LM Class US\$ Distributing (monthly)	5.62%	\$7,907	20.59%	\$21,457
Legg Mason Western Asset Inflation Management Fund	Western Asset Liquidity Funds Plc – Western Asset Euro Liquidity Fund Class WA (Distributing)	0.00%	\$–	0.00%	\$7
Legg Mason Western Asset Inflation Management Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.04%	\$947	0.00%	\$106
Legg Mason Western Asset Asian Opportunities Fund	Legg Mason China Funds – Western Asset China Bond Fund, Class M	24.88%	\$11,880	24.87%	\$11,180
Legg Mason Western Asset Asian Opportunities Fund	Legg Mason Western Asset Asian Bond Trust	17.98%	\$5,574	15.13%	\$5,821
Legg Mason Western Asset Asian Opportunities Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.72%	\$17,142	0.37%	\$8,878
Legg Mason Western Asset Global Blue Chip Bond Fund	Western Asset Liquidity Funds Plc – Western Asset Euro Liquidity Fund Class WA (Distributing)	0.00%	\$–	0.08%	\$362
Legg Mason Western Asset Global Blue Chip Bond Fund	Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	0.01%	\$34	0.02%	\$112
Legg Mason Western Asset Global Blue Chip Bond Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.00%	\$69	0.14%	\$3,288
Legg Mason Western Asset Global Credit Absolute Return Fund [^]	Western Asset Liquidity Funds Plc – Western Asset Euro Liquidity Fund Class WA (Distributing)	0.00%	\$–	0.31%	\$1,418
Legg Mason Western Asset Global Credit Absolute Return Fund [^]	Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	0.02%	\$65	0.01%	\$33
Legg Mason Western Asset Global Credit Absolute Return Fund [^]	Legg Mason Qualified Investor Funds II Plc-Legg Mason Western Asset Senior Loans Fund – LM Class US\$ Distributing (monthly)	1.42%	\$2,005	1.99%	\$2,076
Legg Mason Western Asset Global Core Plus Bond Fund [^]	Western Asset Liquidity Funds Plc – Western Asset Euro Liquidity Fund Class WA (Distributing)	0.00%	\$–	0.21%	\$956
Legg Mason Western Asset Global Core Plus Bond Fund [^]	Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	0.01%	\$55	0.00%	\$27
Legg Mason Western Asset Global Core Plus Bond Fund [^]	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.22%	\$5,338	0.02%	\$374
Legg Mason Western Asset Global Inflation-Linked Fund	Western Asset Liquidity Funds Plc – Western Asset Euro Liquidity Fund Class WA (Distributing)	0.00%	\$–	0.02%	\$83
Legg Mason Western Asset Global Inflation-Linked Fund	Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	0.00%	\$–	0.00%	\$24
Legg Mason Western Asset Global Inflation-Linked Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.00%	\$–	0.05%	\$1,206
Legg Mason Western Asset Global Credit Fund	Western Asset Liquidity Funds Plc – Western Asset Euro Liquidity Fund Class WA (Distributing)	0.00%	\$–	0.07%	\$330
Legg Mason Western Asset Global Credit Fund	Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	0.02%	\$102	0.03%	\$173
Legg Mason Western Asset Global Credit Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.03%	\$749	0.01%	\$307
Legg Mason Western Asset Euro High Yield Fund	Western Asset Liquidity Funds Plc – Western Asset Euro Liquidity Fund Class WA (Distributing)	0.00%	€–	0.43%	€1,412
Legg Mason Western Asset Euro High Yield Fund	Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	0.98%	€3,602	0.03%	€121
Legg Mason Western Asset Euro High Yield Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.03%	€705	0.00%	€13
Legg Mason Opportunity Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.57%	\$13,623	0.47%	\$11,447
Legg Mason Royce US Small Cap Opportunity Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	3.12%	\$74,234	3.76%	\$90,873
Legg Mason Royce US Smaller Companies Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	1.00%	\$23,806	1.39%	\$33,698
Legg Mason Royce Smaller Companies Fund II [^]	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.11%	\$2,561	0.12%	\$2,958
Legg Mason Royce Global Smaller Companies Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.00%	\$–	0.01%	\$229
Legg Mason Permal Global Absolute Fund [^]	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.00%	\$–	0.15%	\$3,699

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

Notes to Financial Statements – (continued)

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

Performance Fee

In addition to the investment management fees described above, the Investment Manager may be entitled to receive a fee (a "Performance Fee") depending on the performance of the PF Class Shares of Legg Mason Western Asset Global Credit Absolute Return Fund[^]. For each PF Share Class, the Performance Fee is calculated and charged on a share-by-share basis so that each share is charged a Performance Fee depending on that particular share's performance. This method of calculation ensures that: (i) any Performance Fee paid to the Investment Manager is charged only to those shares which outperformed the Adjusted High Water Mark (as defined below); (ii) all shareholders within the same PF Share Class have the same amount of capital per share at risk in the Fund; and (iii) all shares of the same PF Share Class have the same net asset value per share.

For each PF Share Class, the Performance Fee will normally be calculated in respect of each period of twelve months ending on the last dealing day in each fiscal year (a "Calculation Period"). For each PF Share Class, the first Calculation Period will be the period commencing on the business day immediately following the dealing day on which the net asset value is first calculated for the share class (the "First dealing day") and ending on the last dealing day of the fiscal year in which the first dealing day occurs (the "First Calculation Period"). For each Calculation Period for each PF Class Share, the Investment Manager shall be entitled to a Performance Fee equal to 20 per cent of the amount, if any, by which the performance of the net asset value per share during that period exceeds the High Water Mark (as defined below) as at the end of the previous Calculation Period, as increased by the Hurdle, which is an annualised 800 basis points for Legg Mason Western Asset Global Credit Absolute Return Fund[^].

The High Water Mark with respect to each PF Share Class of Legg Mason Western Asset Global Credit Absolute Return Fund[^] is the greater of: (i) the initial offer price per Share; and (ii) the highest net asset value per share in effect immediately after the end of any previous Calculation Period.

Adjustments arising from equalisation

For each PF Share Class, if shares are subscribed for at a time when the Net Asset Value per Share of that PF Share Class is less than the Adjusted High Water Mark of that PF Share Class, the difference between the net asset value per share at the date of subscription (the "Subscription Net Asset Value") for the PF Share Class and the Adjusted High Water Mark for such PF Share Class shall be accounted for as an equalisation deficit ("Equalisation Deficit"). In these circumstances, the shareholder will be required to pay a Performance Fee with respect to any subsequent relative appreciation in the net asset per share of those shares above the Subscription Net Asset Value as increased by the Hurdle for the relevant Calculation Period that reduces such Equalisation Deficit, as well as any relative appreciation of the net asset per share of those shares above the Adjusted High Water Mark. With respect to any relative appreciation in the value of those shares that reduces the Equalisation Deficit, the Performance Fee will be charged at the end of the relevant Calculation Period(s) by redeeming a sufficient number of the shareholder's shares of the relevant PF Share Class as have an aggregate net asset value (after accrual for any Performance Fee) equal to 20 per cent of the Equalisation Deficit extinguished (a "Performance Fee Redemption"). The Fund shall pay the Investment Manager, as a Performance Fee, the aggregate net asset value of the PF Class Shares so redeemed.

For each PF Share Class, if shares are subscribed for at a time when the net asset value per share of that PF Share Class is greater than the Adjusted High Water Mark of that PF Share Class, the shareholder will be required to pay an amount in excess of the Subscription Net Asset Value per share of that PF Share Class (the "Equalisation Credit"). The Equalisation Credit is payable to account for the fact that the Subscription Net Asset Value per share of that PF Share Class has been reduced to reflect an accrued Performance Fee to be borne by existing shareholders of the same PF Share Class as at the date of subscription and serves as a credit against Performance Fees that might otherwise be payable by the PF Share Class but that should not be charged to the shareholder making the subscription because they have not benefited from favourable performance in relation to such shares. The Equalisation Credit is equal to 20 per cent of the difference between the Subscription Net Asset Value per share of the PF Share Class before accrual for the Performance Fee and the Adjusted High Water Mark of that PF Share Class, which is equivalent to the Performance Fee per share accrued with respect to the other shares of that PF Share Class. The maximum Equalisation Credit for each Shareholder on any dealing day is the Equalisation Credit payable on the date of subscription, as increased by the Hurdle (as applied since the date of subscription) as of that dealing day (the "Maximum Equalisation Credit"). The additional amount invested as the Equalisation Credit will be at risk in the Fund and will therefore appreciate or depreciate based on the performance of the PF Share Class subsequent to the issue of the relevant PF Class Shares but will never exceed the Maximum Equalisation Credit.

For the years ended February 28, 2015 and February 28, 2014, no performance fee was paid to the Investment Manager.

Shareholder Services Fee

Under the Shareholder Servicing Agreements between Legg Mason Investor Services, LLC, Legg Mason Investments (Europe) Limited, Legg Mason Asset Management Hong Kong Limited, Legg Mason International Equities (Singapore) Pte. Limited and Legg Mason Investments (Taiwan) Limited (the "Shareholder Servicing Agents") and the Company, each Shareholder Servicing Agent shall be entitled to receive a shareholder services fee from certain of the share classes for their services as Shareholder Servicing Agent. The aggregate amount of shareholder services fees paid by the Company shall be equal to the following:

- (i) 0.15 per cent, per annum of the net asset value of Legg Mason Western Asset US Core Bond Fund, Legg Mason Western Asset US Core Plus Bond Fund, Legg Mason Western Asset Euro Core Plus Bond Fund, Legg Mason Western Asset Diversified Strategic Income Fund, Legg Mason Western Asset Global Multi Strategy Fund, Legg Mason Western Asset US High Yield Fund, Legg Mason Western Asset Emerging Markets Bond Fund, Legg Mason Western Asset Emerging Markets Corporate Bond Fund, Legg Mason Western Asset Global High Yield Fund, Legg Mason Western Asset US Short-Term Government Fund, Legg Mason Western Asset US Adjustable Rate Fund, Legg Mason Western Asset Inflation Management Fund, Legg Mason Western Asset Asian Opportunities Fund, Legg Mason Western Asset Global Blue Chip Bond Fund, Legg Mason Western Asset Brazil Bond Fund, Legg Mason Western Asset Global Credit Absolute Return Fund[^], Legg Mason Western Asset Global Core Plus Bond Fund[^], Legg Mason Western Asset Global Inflation-Linked Fund (ceased trading on January 8, 2015), Legg Mason Western Asset Global Credit Fund, Legg Mason Western Asset Euro High Yield Fund, Legg Mason Western Asset Macro Opportunities Bond Fund[^], Legg Mason Brandywine Global Fixed Income Fund, Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^], Legg Mason Brandywine Global High Yield Fund[^], Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^], Legg Mason Brandywine Global Income Optimiser Fund[^] and Legg Mason Brandywine Global Credit Opportunities Fund[^]; and
- (ii) 0.35 per cent, per annum, of the net asset value of Legg Mason Western Asset Brazil Equity Fund, Legg Mason ClearBridge Value Fund, Legg Mason ClearBridge Growth Fund, Legg Mason ClearBridge Global Equity Fund[^], Legg Mason ClearBridge Global Equity Income Fund[^], Legg Mason ClearBridge US Appreciation Fund, Legg Mason ClearBridge US Fundamental Value Fund, Legg Mason ClearBridge US Large Cap Growth Fund, Legg Mason ClearBridge US Aggressive Growth Fund, Legg Mason ClearBridge US Equity Income Fund[^] (ceased trading on August 29, 2014), Legg Mason ClearBridge Tactical Dividend Income Fund, Legg Mason Opportunity Fund, Legg Mason Royce US Small Cap Opportunity Fund, Legg Mason Royce US Smaller Companies Fund, Legg Mason Royce Smaller Companies Fund II[^], Legg Mason Royce Global Smaller Companies Fund (ceased trading on March 31, 2014), Legg Mason Permal Global Absolute Fund (ceased trading on August 29, 2014), Legg Mason Batterymarch Managed Volatility European Equity Fund, Legg Mason Batterymarch Asia Ex Japan Equity Fund, Legg Mason Batterymarch International Large Cap Fund (ceased trading on February 25, 2015), Legg Mason Batterymarch Emerging Markets Equity Fund and Legg Mason Batterymarch Global Equity Fund.

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

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

Shareholder service fees are payable on all classes except: Class F Share Classes, LM Share Classes, Premier Share Classes, Grandfathered Share Classes, Class GA Share Classes, Class GE Share Classes, Class GF Share Classes, Class GP Share Classes and Galleon Share Classes (each as defined in the Prospectus), and all share classes offered by Legg Mason Western Asset US Money Market Fund.

During the years ended February 28, 2015 and February 28, 2014 the shareholder services fees waived were as follows:

Fund Name	Shareholder Services Fee Waived	Shareholder Services Fee Waived
	February 28, 2015 (000's)	February 28, 2014 (000's)
Legg Mason Western Asset US Core Bond Fund	\$3	\$8
Legg Mason Western Asset US Core Plus Bond Fund	\$2	\$5
Legg Mason Western Asset Diversified Strategic Income Fund	\$3	\$4
Legg Mason Western Asset Global Multi Strategy Fund	\$2	\$5
Legg Mason Western Asset US High Yield Fund	–	\$2
Legg Mason Western Asset Emerging Markets Bond Fund	\$12	\$12
Legg Mason Western Asset Global High Yield Fund	\$9	\$4
Legg Mason Western Asset US Short-Term Government Fund	\$23	\$20
Legg Mason Western Asset US Adjustable Rate Fund	\$13	\$14
Legg Mason Western Asset Inflation Management Fund	\$15	\$24
Legg Mason Brandywine Global Fixed Income Fund	\$7	\$15
Legg Mason Brandywine Global High Yield Fund [^]	\$3	\$2
Legg Mason Brandywine Global Opportunistic Fixed Income Fund [^]	\$8	\$6
Legg Mason Brandywine Global Income Optimiser Fund [^]	\$15	\$2
Legg Mason Brandywine Global Credit Opportunities Fund [^]	\$1	–
Legg Mason ClearBridge Value Fund	–	\$1
Legg Mason ClearBridge Growth Fund	\$6	\$1
Legg Mason ClearBridge Global Equity Fund [^]	\$14	\$8
Legg Mason ClearBridge Global Equity Income Fund [^]	\$4	–
Legg Mason ClearBridge US Appreciation Fund	\$11	\$11
Legg Mason ClearBridge US Fundamental Value Fund	\$5	\$8
Legg Mason ClearBridge US Large Cap Growth Fund	\$10	\$17
Legg Mason ClearBridge US Aggressive Growth Fund	\$3	\$19
Legg Mason ClearBridge US Equity Income Fund [^]	\$2	\$2
Legg Mason ClearBridge Tactical Dividend Income Fund	\$30	\$1
Legg Mason Opportunity Fund	–	\$1
Legg Mason Royce US Small Cap Opportunity Fund	\$7	\$19
Legg Mason Royce US Smaller Companies Fund	\$6	\$19
Legg Mason Royce Global Smaller Companies Fund	–	\$2
Legg Mason Permal Global Absolute Fund [^]	\$1	–
Legg Mason Batterymarch Managed Volatility European Equity Fund	€2	€1
Legg Mason Batterymarch Asia Ex Japan Equity Fund	\$6	\$7
Legg Mason Batterymarch International Large Cap Fund	\$12	\$9
Legg Mason Batterymarch Emerging Markets Equity Fund	\$13	\$20
Legg Mason Batterymarch Global Equity Fund	–	\$2

Administrator and Custodian Fees

BNY Mellon Trust Company (Ireland) Limited acts as Custodian and BNY Mellon Investment Servicing (International) Limited acts as Administrator to all Funds in the Company. For administration, accounting, shareholder, trustee and custodial services, they collectively receive from the Funds a fee of up to 0.15% of the net asset value of each Fund.

Directors' Remuneration

Directors' fees accrued over the years ended February 28, 2015 and February 28, 2014 were \$93,000 and \$117,000, respectively.

Auditors' Remuneration

Fees paid to the auditors, PricewaterhouseCoopers of €1,272,175 (excluding VAT), in respect of the financial year, relate to statutory audit of the financial statements of the Company, except for €23,487 (excluding VAT) paid in respect of non-audit services. For the year ended February 28, 2014 fees of €1,281,375 (excluding VAT) paid to the auditors related entirely to the statutory audit of the financial statements of the Company except for €107,900 (excluding VAT) paid in respect of non-audit services.

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	% Holding
	February 28, 2015	February 28, 2014
Legg Mason Western Asset US Money Market Fund	83.20	75.10
Legg Mason Western Asset US Core Bond Fund	–	21.96
Legg Mason Western Asset US Core Plus Bond Fund	30.29	70.77
Legg Mason Western Asset Euro Core Plus Bond Fund	85.42	78.94
Legg Mason Western Asset Emerging Markets Bond Fund	30.82	22.29
Legg Mason Western Asset Emerging Markets Corporate Bond Fund	26.87	22.37
Legg Mason Western Asset Emerging Markets Corporate Bond Fund	24.64	–
Legg Mason Western Asset Global High Yield Fund	38.64	28.70
Legg Mason Western Asset Asian Opportunities Fund	24.58	–
Legg Mason Western Asset Global Blue Chip Bond Fund	39.01	–
Legg Mason Western Asset Brazil Bond Fund	99.07	99.32
Legg Mason Western Asset Global Credit Absolute Return Fund [^]	47.79	22.38
Legg Mason Western Asset Global Credit Absolute Return Fund [^]	–	35.69
Legg Mason Western Asset Global Core Plus Bond Fund [^]	57.09	60.37
Legg Mason Western Asset Global Inflation-Linked Fund	–	64.05
Legg Mason Western Asset Global Credit Fund	94.20	94.69
Legg Mason Western Asset Euro High Yield Fund	24.61	24.89
Legg Mason Western Asset Euro High Yield Fund	24.58	24.86
Legg Mason Western Asset Euro High Yield Fund	24.41	24.69
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	59.45	38.56
Legg Mason Brandywine Global Fixed Income Absolute Return Fund [^]	79.41	88.28
Legg Mason Brandywine Global High Yield Fund [^]	46.89	22.49
Legg Mason Brandywine Global High Yield Fund [^]	33.32	–
Legg Mason Brandywine Global Opportunistic Fixed Income Fund [^]	47.35	55.31
Legg Mason Brandywine Global Sovereign Credit Fund [^]	33.05	27.69
Legg Mason Brandywine Global Sovereign Credit Fund [^]	–	21.81
Legg Mason Brandywine Global Income Optimiser Fund [^]	30.92	42.68
Legg Mason Brandywine Global Income Optimiser Fund [^]	29.02	–
Legg Mason Brandywine Global Credit Opportunities Fund [^]	29.73	–
Legg Mason Western Asset Brazil Equity Fund	98.21	98.21
Legg Mason ClearBridge Value Fund	–	26.57
Legg Mason ClearBridge Global Equity Fund [^]	28.27	42.49

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

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

Fund	% Holding February 28, 2015	% Holding February 28, 2014
Legg Mason ClearBridge Global Equity Income Fund [^]	97.34	–
Legg Mason ClearBridge US Equity Income Fund [^]	–	59.87
Legg Mason ClearBridge Tactical Dividend Income Fund	51.42	61.60
Legg Mason ClearBridge Tactical Dividend Income Fund	25.49	–
Legg Mason Royce US Small Cap Opportunity Fund	39.48	–
Legg Mason Royce Smaller Companies Fund II [^]	100.00	100.00
Legg Mason Royce Global Smaller Companies Fund	–	83.21
Legg Mason Permal Global Absolute Fund [^]	–	45.88
Legg Mason Batterymarch Managed Volatility European Equity Fund	46.68	–
Legg Mason Batterymarch Emerging Markets Equity Fund	43.59	43.90
Legg Mason Batterymarch Emerging Markets Equity Fund	27.09	–
Legg Mason Batterymarch Global Equity Fund	28.31	24.66

5. Distributions to Holders of Redeemable Participating Shares

Distributing Share Classes

The letter in parentheses at the end of the name of each Distributing Share Class indicates a particular frequency of dividend declarations and dividend payments, as detailed in the following table.

Distributing Share Class Designation	Frequency of Dividend Declarations	Frequency of Dividend Payments
(D)	Daily	Monthly
(M)	Monthly	Monthly
(Q)	Quarterly	Quarterly (March, June, September, December)
(S)	Semi-Annually	Semi-Annually (March, September)
(A)	Annually	Annually (March)

For each Distributing Share Class of each Fixed Income Fund (as defined on page 12), at the time of each dividend declaration: (1) all, or some portion of, net investment 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.

For each Distributing Share Class of each Equity Fund (as defined on page 12), at the time of each dividend declaration: all, or some portion of, net investment income, if any, will be declared as a dividend. For each Shareholder of each Distributing Share Class, distributions will be made in the currency in which the Shareholder subscribed for shares, unless the Shareholder requests otherwise.

For each Distributing Share Class of each Multi-Asset Fund (as defined on page 12), at the time of each dividend declaration, all, or some portion of, net investment income, if any, will be declared as a dividend. For each Shareholder of each Distributing Share Class, distributions will be made in the currency in which the Shareholder subscribed for shares, unless the Shareholder requests otherwise.

Distributing Plus Share Classes, which are offered by certain Funds, may charge certain fees and expenses to capital rather than income, and there is an increased risk that investors in these Share Classes may not receive back the full amount invested when redeeming their holding. The declaration of distributions in Distributing Plus Share Classes which may charge certain fees and expenses to capital rather than income could result in the erosion of capital for investors in those Distributing Plus Share Classes and that increased income will be achieved by foregoing some of the potential for future capital growth. All expenses of the Distributing Plus (e) Share Classes have been charged to capital.

During the year, the following Funds have charged fees and expenses to capital on Distributing Plus Share Classes:

Fund Name – Share Class	February 28, 2015 (000's)	February 28, 2014 (000's)
Legg Mason Western Asset Global Multi Strategy Fund – Class A Euro Distributing (M) (Hedged) Plus (e)	\$11	\$5
Legg Mason Western Asset Global Multi Strategy Fund – Premier Class US\$ Distributing (M) Plus (e)	\$93	\$–
Legg Mason Western Asset Global Multi Strategy Fund – Premier Class GBP Distributing (M) (Hedged) Plus (e)	\$170	\$189
Legg Mason Western Asset US High Yield Fund – Class A US\$ Distributing (M) Plus (e)	\$64	\$124
Legg Mason Western Asset US High Yield Fund – Class A SGD Distributing (M) (Hedged) Plus	\$3	\$1
Legg Mason Western Asset US High Yield Fund – Premier Class US\$ Distributing (M) Plus (e)	\$257	\$175
Legg Mason Western Asset Emerging Markets Bond Fund – Class A US\$ Distributing (M) Plus	\$26	\$18
Legg Mason Western Asset Emerging Markets Bond Fund – Class A SGD Distributing (M) (Hedged) Plus	\$2	\$9
Legg Mason Western Asset Global High Yield Fund – Class A US\$ Distributing (M) Plus	\$94	\$71
Legg Mason Western Asset Global High Yield Fund – Class A AUD Distributing (M) (Hedged) Plus	\$293	\$586
Legg Mason Western Asset Global High Yield Fund – Class A CNH Distributing (M) (Hedged) Plus	\$–	\$1
Legg Mason Western Asset Global High Yield Fund – Class A SGD Distributing (M) (Hedged) Plus	\$42	\$37
Legg Mason Western Asset Global High Yield Fund – Premier Class US\$ Distributing (M) Plus (e)	\$334	\$374
Legg Mason Western Asset Asian Opportunities Fund – Class A US\$ Distributing (M) Plus	\$–	\$2
Legg Mason Western Asset Asian Opportunities Fund – Class A AUD Distributing (M) (Hedged) Plus	\$4	\$35
Legg Mason Western Asset Asian Opportunities Fund – Class A CNH Distributing (M) (Hedged) Plus	\$–	\$1
Legg Mason Western Asset Asian Opportunities Fund – Class A SGD Distributing (M) (Plus)	\$7	\$55
Legg Mason Western Asset Asian Opportunities Fund – Class A SGD Distributing (M) (Hedged) Plus	\$24	\$119
Legg Mason Western Asset Macro Opportunities Bond Fund [^] – Class A US\$ Distributing (M) Plus (e)	\$110	\$–
Legg Mason Western Asset Macro Opportunities Bond Fund [^] – Class A CNH Distributing (M) (Hedged) Plus (e)	\$–	\$–
Legg Mason Western Asset Macro Opportunities Bond Fund [^] – Class A SGD Distributing (M) (Hedged) Plus (e)	\$–	\$–
Legg Mason Western Asset Macro Opportunities Bond Fund [^] – Premier Class GBP Distributing (M) (Hedged) Plus (e)	\$197	\$–
Legg Mason Brandywine Global Income Optimiser Fund [^] – Class A US\$ Distributing (M) Plus (e)	\$16	\$2
Legg Mason Brandywine Global Income Optimiser Fund [^] – Class A Euro Distributing (M) (Hedged) Plus (e)	\$64	\$2
Legg Mason Brandywine Global Income Optimiser Fund [^] – Class A GBP Distributing (M) (Hedged) Plus (e)	\$29	\$–
Legg Mason Brandywine Global Income Optimiser Fund [^] – Class X US\$ Distributing (M) Plus (e)	\$19	\$–

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

5. Distributions to Holders of Redeemable Participating Shares – (continued)

Fund Name – Share Class	Fees and expenses charged to capital for the year ended	
	February 28, 2015 (000's)	February 28, 2014 (000's)
Legg Mason Brandywine Global Income Optimiser Fund [^] – Class X Euro Distributing (M) (Hedged) Plus (e)	\$19	\$1
Legg Mason Brandywine Global Income Optimiser Fund [^] – Premier Class US\$ Distributing (M) Plus (e)	\$2	\$1
Legg Mason Brandywine Global Income Optimiser Fund [^] – Premier Class Euro Distributing (M) (Hedged) Plus (e)	\$4	\$–
Legg Mason Brandywine Global Income Optimiser Fund [^] – Class X GBP Distributing (M) (Hedged) Plus (e)	\$73	\$1
Legg Mason Brandywine Global Income Optimiser Fund [^] – Premier Class GBP Distributing (M) (Hedged) Plus (e)	\$–	\$–
Legg Mason Brandywine Global Credit Opportunities Fund [^] – Class X GBP Distributing (M) (Hedged) Plus (e)	\$8	\$–
Legg Mason ClearBridge Global Equity Income Fund [^] – Class A US\$ Distributing (M) Plus (e)	\$4	\$–
Legg Mason ClearBridge Global Equity Income Fund [^] – Class A Euro Distributing (M) (Hedged) Plus (e)	\$4	\$–
Legg Mason ClearBridge Global Equity Income Fund [^] – Premier Class US\$ Distributing (M) Plus (e)	\$2	\$–
Legg Mason ClearBridge Global Equity Income Fund [^] – Premier Class Euro Distributing (M) (Hedged) Plus (e)	\$2	\$–
Legg Mason ClearBridge US Equity Income Fund [^] – Class A US\$ Distributing (M) Plus (e)	\$8	\$4
Legg Mason ClearBridge US Equity Income Fund [^] – Class A Euro Distributing (M) (Hedged) Plus (e)	\$–	\$–
Legg Mason ClearBridge US Equity Income Fund [^] – Class A GBP Distributing (M) (Hedged) Plus (e)	\$–	\$–
Legg Mason ClearBridge US Equity Income Fund [^] – Class X US\$ Distributing (M) Plus (e)	\$2	\$–
Legg Mason ClearBridge US Equity Income Fund [^] – Premier Class US\$ Distributing (M) Plus (e)	\$2	\$1
Legg Mason ClearBridge Tactical Dividend Income Fund [^] – Class A US\$ Distributing (M) Plus (e)	\$8	\$2
Legg Mason ClearBridge Tactical Dividend Income Fund [^] – Class A Euro Distributing (M) (Hedged) Plus (e)	\$6	\$–
Legg Mason ClearBridge Tactical Dividend Income Fund [^] – Premier Class US\$ Distributing (M) Plus (e)	\$3	\$1

Amounts designated as “–” are less than \$1,000.

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 investment income attributable to each Accumulating Share Class will be accumulated daily in the respective net asset value per share of each respective share class.

6. Share Capital and Redeemable Participating Shares

Share Capital

The Company was incorporated with an initial share capital of Euro 39,000 represented by 39,000 subscriber shares of no par value. All but three of the subscriber shares have been repurchased by the Company. Shareholders of these three subscriber shares are entitled to attend and vote at all of the meetings of the Company, but are not entitled to participate in the dividends or net assets of any Fund or of the Company.

Redeemable Participating Shares

The share capital of the Company shall at all times equal the net asset value. The Directors 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 see 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, where applicable, 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 Fund has different share classes offered as indicated in the Company's Prospectus. These different classes of shares differ principally in terms of their sales charges, fees, rates of expenses, distribution policy, and currency denomination. Investors are thus able to choose a share class that best suits their investment needs, considering the amount of investment and anticipated holding period.

Each share class is designated as a Distributing Share Class or an Accumulating Share Class. Accumulating Share Classes do not distribute net income, net realised or net unrealised capital gains whereas Distributing Share Classes will distribute at certain intervals, which will vary depending on the letter in parentheses at the end of the name of the Distributing Share Class, as explained under the Distributions Note 5 above. In addition, the Company has subscriber shares outstanding. The subscriber shares do not entitle the holders to participate in the assets of any Fund.

Each Fund may offer share classes designated in currencies other than the base currency of the Fund. For each such share class, unless indicated by “(Hedged)” in the name of the share class, the Investment Manager or Sub-Investment Manager will not employ any techniques to hedge the share class's exposure to changes in exchange rates between the Base Currency of the Fund and the currency of the share class.

Each of the Funds offers LM Share Classes, and certain of the Funds offer Grandfathered Share Classes. LM Share Classes are available only at the discretion of the relevant Distributor. The Grandfathered Share Classes are available only to unitholders of the funds which are managed by affiliates of the Investment Managers (“Affiliated Funds”). Following the initial subscription for shares of the Grandfathered Share Classes by unitholders of the Affiliated Funds, the Grandfathered Share Classes will be closed to any subsequent subscriptions, both by existing Shareholders in the share class and by new investors, except that shares may continue to be acquired through (1) dividend reinvestments; (2) automatic conversions from a Class B (G) Share Class of a Fund to a Class A (G) Share Class of the same Fund; and (3) exchanges of shares of a Grandfathered Share Class with the same letter designation. Notwithstanding the foregoing, the Grandfathered Share Classes for Legg Mason Western Asset US Core Bond Fund, Legg Mason Western Asset Euro Core Plus Bond Fund, Legg Mason ClearBridge US Appreciation Fund, Legg Mason ClearBridge US Fundamental Value Fund, Legg Mason ClearBridge US Large Cap Growth Fund, Legg Mason ClearBridge US Aggressive Growth Fund, Legg Mason Batterymarch Managed Volatility European Equity Fund, Legg Mason Batterymarch Asia Ex Japan Equity Fund and Legg Mason Batterymarch Global Equity Fund (except for Class GP US\$ Accumulating) may be made available for subsequent subscriptions by existing Shareholders in the Share Class in the sole discretion of the Directors.

Class R Shares are available to: (1) institutional investors and (2) retail investors based in the UK (or in other jurisdictions as determined at the discretion of the Directors) who have a fee-based arrangement with an intermediary from whom they have received a personal recommendation in relation to their investment in the Funds. A list of such jurisdictions is available upon request from the Distributors. Class X Shares are available to dealers or other intermediaries who have qualifying terms of business arrangements with a Distributor, or retail investors who have a fee-based arrangement with an intermediary, or at the discretion of the Distributors.

Legg Mason Western Asset Global Credit Absolute Return Fund[^] offers PF Share Classes which are subject to a performance fee payable to the Investment Manager.

Galleon Class Shares of Legg Mason ClearBridge Value Fund differ from the other share classes in terms of minimum subscription level, sales charges and/or rates of expenses.

7. 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,

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

7. Taxation – (continued)

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 in respect of:

- (i) 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
- (ii) certain exempted Irish tax resident shareholders who have provided the Company with the necessary signed statutory declarations.

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 period 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.

8. 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. Cash collateral is amounts held as collateral for derivative trading with brokers and is disclosed separately on the Balance Sheet.

9. Commitments and Contingent Liabilities

There were no significant commitments or contingent liabilities at the balance sheet date.

10. Soft Commission Arrangements

During the year ended February 28, 2015, QS Batterymarch Financial Management, Inc. ("Batterymarch"), Brandywine Global Investments Management, LLC ("Brandywine"), ClearBridge, LLC ("ClearBridge"), ClearBridge Investments, LLC ("ClearBridge Investments"), LMM, LLC ("LMM") and Royce & Associates, LLC ("Royce") entered into soft commission arrangements with brokers in respect of which certain goods and services used to support the investment decision process were received. Batterymarch, Brandywine, ClearBridge, ClearBridge Investments, LMM, Royce and their respective connected persons do not make direct payments for these services but do transact business with the brokers on behalf of the Funds for which Batterymarch, Brandywine, ClearBridge, ClearBridge Investments, LMM and Royce acts as Investment Manager or Sub-Investment Manager, and commissions are paid on these transactions. Under these agreements, each broker has agreed to provide best execution. These services assist Batterymarch, Brandywine, ClearBridge, ClearBridge Investments, LMM and Royce in carrying out their investment decision-making responsibilities in respect of the relevant Funds.

Western Asset Management Company, Western Asset Management Company Pte, Limited and Western Asset Management Company Limited ("Western Asset"), Legg Mason Asset Management Hong Kong Limited, and Permal Investment Management Services Company did not participate in any soft commission arrangements during the year for the Funds to which Western Asset, Legg Mason Asset Management Hong Kong Limited, and Permal Investment Management Services Company act or acted as Investment Manager or Sub-Investment Manager.

11. Exchange Rates

The following exchange rates were used in these financial statements to obtain the equivalent U.S. Dollar, Euro, Sterling and Japanese Yen amounts for the respective Funds with U.S. Dollar, Euro, Sterling and Japanese Yen based currencies, respectively:

	Country	Exchange rates as at February 28, 2015	Exchange rates as at February 28, 2014
USD Based Funds	Argentine Peso	8.7215	7.8713
	Australian Dollar	1.2798	1.1206
	Brazilian Real	2.8388	2.3448
	British Pound	0.6477	0.5972
	Canadian Dollar	1.2501	1.1073
	Chilean Peso	617.0450	558.9700
	Chinese Renminbi	6.2868	6.1450
	Colombian Peso	2,499.9750	2,046.0000
	Czech Koruna	24.6057	19.7946
	Danish Krone	6.6684	5.4065
	Egyptian Pound	7.6301	6.9607
	Euro	0.8936	0.7245
	Hong Kong Dollar	7.7558	7.7606
	Hungarian Forint	270.6671	224.5491
	Indian Rupee	61.8050	61.9800
	Indonesian Rupiah	12,925.0000	11,609.0000
	Israeli Shekel	3.9835	3.4885
	Japanese Yen	119.6250	101.7700
	Malaysian Ringgit	3.6040	3.2765
	Mexican Peso	14.9275	13.2608
	New Zealand Dollar	1.3221	1.1927
	Norwegian Krone	7.6661	6.0020
	Pakistani Rupee	101.8350	104.8950
	Peruvian New Sol	3.0935	n/a
	Philippine Peso	44.0900	44.6350
	Polish Zloty	3.7069	3.0141
	Russian Ruble	61.6320	36.0060
	Singapore Dollar	1.3629	1.2677
	South African Rand	11.6665	10.7683
	South Korean Won	1,097.5500	1,067.5000
	Swedish Krona	8.3370	6.4117
	Swiss Franc	0.9534	0.8795
Taiwanese Dollar	31.4050	30.2980	
Thai Baht	32.3300	32.6250	
Turkish Lira	2.5087	2.2103	
United Arab Emirates Dirham	n/a	3.6730	
EUR Based Funds	Australian Dollar	1.4321	1.5468
	British Pound	0.7248	0.8243
	Danish Krone	7.4623	7.4626
	Japanese Yen	133.8664	n/a
	Norwegian Krone	8.5787	8.2846
	Polish Zloty	4.1482	4.1603
	South African Rand	13.0554	n/a
	Swedish Krona	9.3295	8.8500
	Swiss Franc	1.0668	1.2140
	Turkish Lira	2.8074	3.0508
United States Dollar	1.1191	1.3803	

Notes to Financial Statements – (continued)

11. Exchange Rates – (continued)

	Country	Exchange rates as at February 28, 2015	Exchange rates as at February 28, 2014
JPY Based Funds	United States Dollar	n/a	0.0098
GBP Based Funds	United States Dollar	n/a	1.6746

12. Risk Exposure and Risk Management

The Company has appointed Legg Mason Investments (Europe) Limited as Investment Manager for each of the Funds of Legg Mason Global Funds Plc (with the exception of Legg Mason ClearBridge Value Fund) and ClearBridge, LLC (formerly Legg Mason Capital Management, LLC) as Investment Manager of Legg Mason ClearBridge Value Fund (together the "Investment Managers"). Legg Mason Investments (Europe) Limited ("LMIE") has made the decision to delegate all investment management activities to Sub-Investment Managers/Advisors (as at February 28, 2015 Sub-Investment Managers/ Sub-Investment Advisors include Batterymarch Financial Management, Inc., Brandywine Global Investment Management, LLC, ClearBridge Investments, LLC, ClearBridge, LLC, LMM LLC, Legg Mason International Equities (Singapore) Pte. Limited, Royce & Associates LLC, Western Asset Management Company, Western Asset Management Company Limited, Western Asset Management Company Ltd., Western Asset Management Company Pte. Limited and Legg Mason Global Asset Allocation, LLC) provided that LMIE remains responsible to the Funds for the performance of its agreed upon obligations. The Investment Manager's responsibility as Investment Manager is to manage the assets of the Funds in accordance with each Fund's stated investment objective, investment policies and restrictions. Day-to-day risk management of the financial instruments held by the Legg Mason Capital Management Value Fund is the responsibility of ClearBridge, LLC. For each of the other Funds, day-to-day risk management of the financial instruments (including financial derivative instruments) held by each Fund is the responsibility of the relevant Sub-Investment Manager/Advisor.

The Company, in conjunction with the Investment Managers, has determined that certain of its material risks are market risk, credit risk and liquidity risk. In respect of the use of financial derivative instruments, the risks are counterparty risk, credit risk, increased margin calls and unlimited risk of loss. Further details of these and other risks are set out below and in the 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 or 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 is determined by the fair value of financial instruments. The Sub-Investment Managers/Advisors may consider the asset allocation of the portfolios in order to minimise the risk associated with particular countries, industry sectors or securities while continuing to follow each Fund's investment objective as outlined in the Directors' Report. Risk is managed by each Sub-Investment Manager/Advisor through careful selection of securities and other financial instruments within specified limits and investment mandates. Details of each Fund's investment policies are outlined in the Directors' Report. Details of each Fund's financial assets and financial liabilities are presented on the Balance Sheet.

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 a Fund 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.

Where a Fund holds investments in a currency other than that Fund's functional currency, the Sub-Investment Manager/Advisor may manage foreign currency risk by either hedging foreign currency into the functional currency of the Fund or alternatively by diversifying investments across multiple currencies using a multi-bank foreign exchange trading network.

Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rate. Funds which hold fixed interest rate debt securities and overdraft positions are exposed to interest rate risk where the value of these securities or loans may fluctuate as a result of a change in interest rates. Holdings in floating and variable rate securities may also be subject to interest rate risk although to a lesser degree. Cash assets held via the Custodian have the potential to yield interest income, the level of which will fluctuate according to the prevailing level of market interest rates.

The Equity Funds generally do not invest in any interest bearing securities other than cash balances held with the Custodian. Cash assets yield interest income, the level of which will fluctuate according to the prevailing level of market interest rates. As a result, the Equity Funds are not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates on its financial assets and financial liabilities.

The Fixed Income Funds and Multi-Asset Fund invest in interest bearing financial assets and financial liabilities which expose them to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on their financial positions and cash flows. The value of investments in fixed rate interest bearing securities may be subject to price volatility due to changes in interest rates. Fluctuations in market interest rates will impact upon the level of interest received by a Fund.

An increase in interest rates will generally reduce the value of debt securities that are issued and outstanding, while a decline in interest rates will generally increase the value of debt securities that are issued and outstanding. The magnitude of these price fluctuations will be greater when the maturity of the outstanding securities is longer. Changes in the value of securities held by a Fund when interest rates change mean that a Fund's net asset value per share can go up or down because of the effect on the value of the Fund's portfolio of debt securities.

The relevant Sub-Investment Manager to each Fixed Income Fund monitors the interest-rate environment and evaluates risks on major strategies. Interest rate risk is controlled by monitoring maturities and duration relative to the Funds' benchmarks. Techniques such as factor analysis and key rate duration measurement are used to evaluate portfolio curve exposures.

Details of each Fixed Income Fund's weighted average yield, weighted average years to maturity and an analysis of fixed and non-interest bearing securities are set out in Notes 12.1 (b) and 12.1 (c) below.

The risks involved with investing in Equity Funds include changing economic conditions, industry and company conditions and security selection. Fixed Income Funds and Multi-Asset Fund are also subject to interest rate risk, credit risk, maturity risk and market risk. International securities are subject to changing exchange rates, 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. For the purpose of efficient portfolio management, the Funds may enter into exchange traded over-the-counter ("OTC") derivatives, including but not limited to, futures, swaps, forwards, options and warrants and may enter into stock lending agreements.

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 including equity, fixed income and derivatives; 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. The Sub-Investment Managers report to the Committee matters arising in relation to the monitoring of certain material risks arising from a Fund's investments in financial instruments.

12.1 Market Risk

Each Fund using financial derivative instruments ("FDI") will seek to limit the market risk and leverage created through the use of derivatives by using either the commitment approach or by using a sophisticated risk measurement technique known as "value-at-risk" (the "VaR approach"). Each Fund using FDI (other than the Legg Mason Western Asset Global Credit Absolute Return Fund[^], the Legg Mason Western Asset Macro Opportunities Bond Fund[^], the Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^], the Legg Mason Brandywine Global Income Optimiser Fund[^] and the Legg Mason Brandywine Global Credit Opportunities Fund[^]) use the commitment approach. The Legg Mason Western Asset Global Credit Absolute Return Fund[^], the Legg Mason Western Asset Macro Opportunities Bond Fund[^], the Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^], the Legg Mason Brandywine Global Income Optimiser Fund[^] and the Legg Mason Brandywine Global Credit Opportunities Fund[^] use the VaR approach.

The Sub-Investment Managers of each Fund using FDI employ a risk management process to enable them to accurately measure, monitor and manage the risks attached to FDI positions.

The commitment approach calculates leverage by measuring the market value of the underlying exposures of derivatives relative to the relevant Fund's Net Asset Value. VaR is a statistical methodology that seeks to predict, using historical data, the likely maximum loss that a Fund could suffer, calculated to a specific (e.g., "one tailed" 99 per cent) confidence level. The Legg Mason Western Asset Global Credit Absolute Return Fund[^], the Legg Mason Western Asset Macro Opportunities Bond Fund[^], the Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^], the Legg Mason Brandywine Global Income Optimiser Fund[^], and Legg Mason Brandywine Global Credit Opportunities Fund[^] use an "absolute" VaR model where the measurement of VaR is relative to the Net Asset Value of the Fund. A VaR model has certain inherent limitations and it cannot be relied upon to predict or guarantee that the size or frequency of losses incurred by a Fund will be limited to any extent. As the VaR model relies on historical market data as one of its key inputs, if current market conditions differ from those during the historical observation period, the effectiveness of the VaR model in predicting the VaR of a Fund may be materially impaired. Investors may suffer serious financial consequences under abnormal market conditions.

The effectiveness of the VaR model could be impaired in a similar fashion if other assumptions or components comprised in the VaR model prove to be inadequate or incorrect.

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

Western Asset Management Company (“Western Asset”) was calculating VaR at a 95% confidence level for a 1 day time horizon using an appropriate sample of historical data. Western Asset has adopted a new system to calculate VaR, and the numbers presented may not be directly comparable to previous numbers presented. Brandywine Global Investment Management, LLC calculates VaR at a 95% confidence level for a 1 day time horizon using 2 years of historical data. The table below indicates the absolute VaR for the sub-funds:

Fund	As at February 28, 2015	As at February 28, 2014
Legg Mason Western Asset Global Credit Absolute Return Fund [^]	0.43%	0.26%
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	0.49%	0.63%
Legg Mason Brandywine Global Fixed Income Absolute Return Fund [^]	0.50%	0.56%
Legg Mason Brandywine Global Income Optimiser Fund [^]	0.24%	0.28%
Legg Mason Brandywine Global Credit Opportunities Fund [^]	0.82%	n/a

Where the Legg Mason Western Asset Global Credit Absolute Return Fund[^], the Legg Mason Western Asset Macro Opportunities Bond Fund[^], the Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^], the Legg Mason Brandywine Global Income Optimiser Fund[^] and the Legg Mason Brandywine Global Credit Opportunities Fund[^] use an absolute VaR model, in accordance with the requirements of the Central Bank and as set out above, each of these Funds is subject to an absolute VaR limit of 20% of the Fund’s Net Asset Value, based on a 20 day holding period and a “one tailed” 99 per cent confidence interval. However, each of these Funds may from time to time experience a change in Net Asset Value over a 20 day holding period greater than 20% of Net Asset Value.

In addition to using the VaR approach, the respective Sub-Investment Managers of the Legg Mason Western Asset Global Credit Absolute Return Fund[^], the Legg Mason Western Asset Macro Opportunities Bond Fund[^], the Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^], the Legg Mason Brandywine Global Income Optimiser Fund[^] and the Legg Mason Brandywine Global Credit Opportunities Fund[^] will monitor leverage levels on a daily basis to monitor changes due to market movements. In addition, the respective Sub-Investment Managers of each of these Funds shall carry out pre-trade testing to consider the impact that the trade would have on the relevant Fund’s overall leverage and to consider the risk/reward levels of the trade.

The lowest, average and highest utilisation of the VaR limit were as follows:

As at February 28, 2015

	Minimum	Average	Maximum
Legg Mason Western Asset Global Credit Absolute Return Fund [^]	1.24%	2.26%	4.05%
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	2.91%	3.96%	5.41%
Legg Mason Brandywine Global Fixed Income Absolute Return Fund [^]	3.47%	4.10%	4.43%
Legg Mason Brandywine Global Income Optimiser Fund [^]	1.19%	1.91%	2.26%
Legg Mason Brandywine Global Credit Opportunities Fund [^]	1.74%	6.05%	8.51%

As at February 28, 2014

	Minimum	Average	Maximum
Legg Mason Western Asset Global Credit Absolute Return Fund [^]	3.94%	6.09%	9.29%
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	6.53%	8.03%	11.85%
Legg Mason Brandywine Global Fixed Income Absolute Return Fund [^]	3.29%	3.81%	4.36%
Legg Mason Brandywine Global Income Optimiser Fund [^]	1.35%	1.83%	2.29%

For sub-funds using VaR, leverage is calculated as the sum of the notional of the derivatives used.

Average level of leverage employed were as follows:

Fund	As at February 28, 2015	As at February 28, 2014
Legg Mason Western Asset Global Credit Absolute Return Fund [^]	719.73%	427.64%
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	82.83%	74.74%
Legg Mason Brandywine Global Fixed Income Absolute Return Fund [^]	118.85%	109.76%
Legg Mason Brandywine Global Income Optimiser Fund [^]	75.05%	83.34%
Legg Mason Brandywine Global Credit Opportunities Fund [^]	100.93%	n/a

Stress testing is the examination of the potential effects on a fund’s financial condition of a set of specific changes in risk factors, relating to exceptional but possible events. The Investment Manager takes a conservative approach by applying stress tests that are beyond the range of reasonably likely occurrences. The Investment Manager expects (although there is no assurance) that if the Fund is able to withstand stress tests that are beyond the range of reasonably likely occurrences, that the Net Asset Value per share (or any particular class of share) of the Fund, would remain stable in the event of reasonable negative market events.

A scenario based stress test can be used to meet the sensitivity analysis requirement of FRS 29. FRS 29 does not prescribe a specific basis point movement or percentage movement for sensitivity analyses. Accordingly for the purposes of this annual report, the currency impact on the Fund of an instantaneous 25 basis points increase in short-term interest rates is shown:

Legg Mason Western Asset US Money Market Fund	
As of February 28, 2015	(\$421,111)
As of February 28, 2014	(\$469,118)

(a) Market Price Risk

Each Fund’s market price risk is monitored, but not managed, relative to an index. The indices as at February 28, 2015 and February 28, 2014 are outlined below.

The following tables set out an index for each Fund, except Legg Mason Western Asset Global Credit Absolute Return Fund[^], Legg Mason Western Asset Macro Opportunities Bond Fund[^], Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^], Legg Mason Brandywine Global Income Optimiser Fund[^] and Legg Mason Brandywine Global Credit Opportunities Fund[^] and quantify the probable impact to the value of the net asset value for each Fund based on positive and negative movement in the index, including one year beta for each Fund. Beta is a measure of a Fund’s holdings’ volatility in relation to the market or index. While beta offers a clear, quantifiable measure, it does not incorporate new information, and past price movements are not accurate predictors of the future.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

(a) Market Price Risk – (continued)

As at February 28, 2015:

Fund	Index	Currency	Impact on net asset value due to movement in index	
			Positive 5% *	Negative 5% *
Legg Mason Western Asset US Core Bond Fund	Barclays U.S. Aggregate Bond Index	USD	2,127,882	(2,127,882)
Legg Mason Western Asset US Core Plus Bond Fund	Barclays U.S. Aggregate Bond Index	USD	15,924,541	(15,924,541)
Legg Mason Western Asset Euro Core Plus Bond Fund	Citigroup Euro Broad Investment Grade Bond Index	EUR	3,660,041	(3,660,041)
Legg Mason Western Asset Diversified Strategic Income Fund	Citigroup 1 Month U.S. Treasury Bill Index **	USD	(327,424,037)	327,424,037
Legg Mason Western Asset Global Multi Strategy Fund	50% Barclays Global Aggregate Bond Index, 25% Barclays U.S. Corporate High Yield Bond Index 2% Issuer Capped, 25% JP Morgan EMBI Plus Index	USD	68,216,311	(68,216,311)
Legg Mason Western Asset US High Yield Fund	Barclays U.S. Corporate High Yield Bond Index 2% Issuer Capped	USD	26,548,326	(26,548,326)
Legg Mason Western Asset Emerging Markets Bond Fund	JP Morgan EMBI Global Index	USD	5,793,032	(5,793,032)
Legg Mason Western Asset Emerging Markets Corporate Bond Fund	JP Morgan Corporate Emerging Markets Bond Index - Broad Composite	USD	6,768,282	(6,768,282)
Legg Mason Western Asset Global High Yield Fund	Barclays Global High Yield Bond Hedged Index	USD	24,720,981	(24,720,981)
Legg Mason Western Asset US Short-Term Government Fund	Barclays 1-3 Year U.S. Government Index	USD	64,893	(64,893)
Legg Mason Western Asset US Adjustable Rate Fund	Citigroup 6 Month U.S. Treasury Bill Index ***	USD	1,554,819	(1,554,819)
Legg Mason Western Asset Inflation Management Fund	Barclays Global Inflation-Linked: U.S. TIPS Index	USD	534,880	(534,880)
Legg Mason Western Asset Asian Opportunities Fund	HSBC Asian Local Bond Overall Index	USD	34,718,831	(34,718,831)
Legg Mason Western Asset Global Blue Chip Bond Fund	BofA Merrill Lynch U.S. Treasury 1-10 Years Index ****	USD	1,189,578	(1,189,578)
Legg Mason Western Asset Brazil Bond Fund	Brazil CDI Overnight Rate	USD	1,986,676	(1,986,676)
Legg Mason Western Asset Global Core Plus Bond Fund^	Barclays Global Aggregate Bond Index	USD	7,054,211	(7,054,211)
Legg Mason Western Asset Global Credit Fund	Barclays Global Aggregate Credit Index	USD	5,183,431	(5,183,431)
Legg Mason Western Asset Euro High Yield Fund	BofA Merrill Lynch European Currency High Yield (ex. Financials) 2% Constrained Index (EUR) Hedge	EUR	4,550,792	(4,550,792)
Legg Mason Brandywine Global Fixed Income Fund	Citigroup World Government Bond Index	USD	76,692,512	(76,692,512)
Legg Mason Brandywine Global High Yield Fund^	Barclays Global High Yield Bond Index	USD	N/A	N/A
Legg Mason Brandywine Global Opportunistic Fixed Income Fund^	Citigroup World Government Bond Index	USD	16,765,168	(16,765,168)
Legg Mason Brandywine Global Sovereign Credit Fund^	Citigroup World Government Bond Index	USD	N/A	N/A
Legg Mason Western Asset Brazil Equity Fund	MSCI Brazil Net Dividends Index	USD	101,053	(101,053)
Legg Mason ClearBridge Value Fund	S&P 500 Index	USD	20,196,841	(20,196,841)
Legg Mason ClearBridge Growth Fund	Russell 1000 Growth Index	USD	414,120	(414,120)
Legg Mason ClearBridge Global Equity Fund^	MSCI World Net Dividends Index	USD	306,832	(306,832)
Legg Mason ClearBridge Global Equity Income Fund^ *****	MSCI World Net Dividends Index	USD	N/A	N/A
Legg Mason ClearBridge US Appreciation Fund	S&P 500 Index	USD	17,947,404	(17,947,404)
Legg Mason ClearBridge US Fundamental Value Fund	Russell 3000 Value Index	USD	4,272,323	(4,272,323)
Legg Mason ClearBridge US Large Cap Growth Fund	Russell 1000 Growth Index	USD	6,830,769	(6,830,769)
Legg Mason ClearBridge US Aggressive Growth Fund	Russell 3000 Growth Index	USD	215,700,344	(215,700,344)
Legg Mason ClearBridge Tactical Dividend Income Fund	Dow Jones US Select Dividend Index	USD	1,327,783	(1,327,783)
Legg Mason Opportunity Fund	S&P 500 Index	USD	30,532,303	(30,532,303)
Legg Mason Royce US Small Cap Opportunity Fund	Russell 2000 Index	USD	54,689,587	(54,689,587)
Legg Mason Royce US Smaller Companies Fund	Russell 2000 Index	USD	13,859,449	(13,859,449)
Legg Mason Royce Smaller Companies Fund II^	Russell 2000 Index	USD	1,111,637	(1,111,637)
Legg Mason Batterymarch Managed Volatility European Equity Fund	MSCI Europe Net Dividends Index	EUR	5,763,960	(5,763,960)
Legg Mason Batterymarch Asia Ex Japan Equity Fund	MSCI AC Asia ex Japan Net Dividends Index	USD	2,164,730	(2,164,730)
Legg Mason Batterymarch Emerging Markets Equity Fund	MSCI Emerging Markets Net Dividends Index	USD	794,435	(794,435)
Legg Mason Batterymarch Global Equity Fund	MSCI AC World Net Dividends Index	USD	575,956	(575,956)

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

** Legg Mason Western Asset Diversified Strategic Income Fund does not have a set benchmark, therefore the Citigroup 1 Month U.S. Treasury Bill Index was used as an indicator for the beta calculation.

*** Legg Mason Western Asset US Adjustable Rate Fund does not have a set benchmark, therefore the Citigroup 6 Month U.S. Treasury Bill Index was used as an indicator for the beta calculation.

**** Legg Mason Western Asset Global Blue Chip Bond Fund does not have a set benchmark, therefore the BofA Merrill Lynch U.S. Treasury 1-10 Years Index was used as an indicator for the beta calculation.

***** One year beta history not available for the Fund.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

(a) Market Price Risk – (continued)

As at February 28, 2014:

Fund	Index	Currency	Impact on net asset value due to movement in index	
			Positive 5%*	Negative 5%*
Legg Mason Western Asset US Core Bond Fund	Barclays U.S. Aggregate Bond Index	USD	1,275,712	(1,275,712)
Legg Mason Western Asset US Core Plus Bond Fund	Barclays U.S. Aggregate Bond Index	USD	9,338,340	(9,338,340)
Legg Mason Western Asset Euro Core Plus Bond Fund	Citigroup Euro Broad Investment Grade Bond Index	EUR	3,124,174	(3,124,174)
Legg Mason Western Asset Diversified Strategic Income Fund	Citigroup 1 Month U.S. Treasury Bill Index**	USD	197,814,333	(197,814,333)
Legg Mason Western Asset Global Multi Strategy Fund	50% Barclays Global Aggregate Bond Index, 25% Barclays U.S. Corporate High Yield Bond Index 2% Issuer Capped, 25% JP Morgan EMBI Plus Index	USD	79,080,860	(79,080,860)
Legg Mason Western Asset US High Yield Fund	Barclays U.S. Corporate High Yield Bond Index 2% Issuer Capped	USD	31,831,947	(31,831,947)
Legg Mason Western Asset Emerging Markets Bond Fund	JP Morgan EMBI Global Index	USD	8,908,395	(8,908,395)
Legg Mason Western Asset Emerging Markets Corporate Bond Fund [^]	JP Morgan Corporate Emerging Markets Bond Index – Broad Composite	USD	5,856,067	(5,856,067)
Legg Mason Western Asset Global High Yield Fund	Barclays Global High Yield Bond Hedged Index	USD	41,220,178	(41,220,178)
Legg Mason Western Asset US Short-Term Government Fund	Barclays 1-3 Year U.S. Government Index	USD	1,293,708	(1,293,708)
Legg Mason Western Asset US Adjustable Rate Fund	Citigroup 6 Month U.S. Treasury Bill Index***	USD	(21,739,337)	21,739,337
Legg Mason Western Asset Inflation Management Fund	Barclays Global Inflation-Linked: U.S. TIPS Index	USD	558,201	(558,201)
Legg Mason Western Asset Asian Opportunities Fund	HSBC Asian Local Bond Overall Index	USD	31,733,623	(31,733,623)
Legg Mason Western Asset Global Blue Chip Bond Fund	BofA Merrill Lynch U.S. Treasury 1-10 Years Index****	USD	3,601,443	(3,601,443)
Legg Mason Western Asset Brazil Bond Fund	Brazil CDI Overnight Rate	USD	389,854	(389,854)
Legg Mason Western Asset Global Core Plus Bond Fund [^]	Barclays Global Aggregate Bond Index	USD	11,075,993	(11,075,993)
Legg Mason Western Asset Global Inflation-Linked Fund	Barclays World Government Inflation-Linked All Maturities Index	USD	1,498,809	(1,498,809)
Legg Mason Western Asset Global Credit Fund	Barclays Global Aggregate Credit Index	USD	5,435,192	(5,435,192)
Legg Mason Western Asset Euro High Yield Fund [^]	BofA Merrill Lynch European Currency High Yield (ex. Financials) 2% Constrained Index (EUR) Hedge	EUR	4,340,153	(4,340,153)
Legg Mason Brandywine Global Fixed Income Fund	Citigroup World Government Bond Index	USD	60,644,327	(60,644,327)
Legg Mason Brandywine Global High Yield Fund [^]	Barclays Global High Yield Bond Index	USD	857,662	(857,662)
Legg Mason Brandywine Global Opportunistic Fixed Income Fund [^]	Citigroup World Government Bond Index	USD	11,637,635	(11,637,635)
Legg Mason Brandywine Global Sovereign Credit Fund [^]	Citigroup World Government Bond Index	USD	79,121,222	(79,121,222)
Legg Mason Western Asset Brazil Equity Fund	MSCI Brazil TR Net Dividends Index	USD	163,061	(163,061)
Legg Mason Capital Management Value Fund	S&P 500 Index	USD	16,010,456	(16,010,456)
Legg Mason Capital Management Growth Fund	Russell 1000 Growth Index	USD	410,754	(410,754)
Legg Mason Capital Management Opportunity Fund	S&P 500 Index	USD	13,236,381	(13,236,381)
Legg Mason ClearBridge Global Equity Fund [^]	MSCI World Net Dividends Index	USD	133,227	(133,227)
Legg Mason ClearBridge US Appreciation Fund	S&P 500 Index	USD	17,299,160	(17,299,160)
Legg Mason ClearBridge US Fundamental Value Fund	Russell 3000 Value Index	USD	5,050,860	(5,050,860)
Legg Mason ClearBridge US Large Cap Growth Fund	Russell 1000 Growth Index	USD	4,884,389	(4,884,389)
Legg Mason ClearBridge US Aggressive Growth Fund	Russell 3000 Growth Index	USD	74,832,887	(74,832,887)
Legg Mason ClearBridge US Equity Income Fund [^] *****	Russell 3000 Value Index	USD	N/A	N/A
Legg Mason ClearBridge Tactical Dividend Income Fund [^] *****	Dow Jones US Select Dividend Index	USD	N/A	N/A
Legg Mason Royce US Small Cap Opportunity Fund	Russell 2000 Index	USD	68,033,122	(68,033,122)
Legg Mason Royce Smaller Companies Fund	Russell 2000 Index	USD	24,867,777	(24,867,777)
Legg Mason Royce Smaller Companies Fund II [^]	Russell 2000 Index	USD	1,812,713	(1,812,713)
Legg Mason Royce Global Smaller Companies Fund	Russell Global Small Cap Index	USD	162,080	(162,080)
Legg Mason Permal Global Absolute Fund	MSCI AC World Net Dividends Index*****	USD	168,610	(168,610)
Legg Mason BatteryMarch European Equity Fund	MSCI Europe Net Dividends Index	EUR	2,228,811	(2,228,811)
Legg Mason BatteryMarch Asia Pacific Equity Fund	MSCI AC Asia ex Japan Net Dividends Index	USD	2,724,740	(2,724,740)
Legg Mason BatteryMarch International Large Cap Fund	MSCI EAFE Net Dividends Index	USD	586,158	(586,158)
Legg Mason BatteryMarch Emerging Markets Equity Fund	MSCI Emerging Markets Net Dividends Index	USD	452,526	(452,526)
Legg Mason BatteryMarch Global Equity Fund	MSCI AC World Net Dividends Index	USD	677,011	(677,011)

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

** Legg Mason Western Asset Diversified Strategic Income Fund does not have a set benchmark, therefore the Citigroup 1 Month U.S. Treasury Bill Index was used as an indicator for the beta calculation.

*** Legg Mason Western Asset US Adjustable Rate Fund does not have a set benchmark, therefore the Citigroup 6 Month U.S. Treasury Bill Index was used as an indicator for the beta calculation.

**** Legg Mason Western Asset Global Blue Chip Bond Fund does not have a set benchmark, therefore the BofA Merrill Lynch U.S. Treasury 1-10 Years Index was used as an indicator for the beta calculation.

***** One year beta history not available for the Fund.

***** Legg Mason Permal Global Absolute Fund does not have a set benchmark, therefore the MSCI AC World Net Dividends Index was used as an indicator for the beta calculation.

The sensitivity analysis set out above should not be used as an indication of future performance.

The market price risk to the Legg Mason Western Asset Global Credit Absolute Return Fund[^], Legg Mason Western Asset Macro Opportunities Bond Fund[^], Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^], Legg Mason Brandywine Global Income Optimiser Fund[^] and Legg Mason Brandywine Global Credit Opportunities Fund[^] has been incorporated into the calculation of the market risk (Note 12.1 above), therefore, a sensitivity analysis does not need to be presented.

(b) Foreign Currency Risk

A portion of the financial assets of the Funds are denominated in currencies other than the U.S. Dollar, Euro, Japanese Yen and Sterling (the functional currencies of the Funds) with the effect that the Balance Sheet and total return can be significantly affected by currency movements.

Western Asset Management Company Limited and Western Asset Management Company (together "Western") has a strong bias to hedge all foreign currencies into the functional currency of the Fund's portfolio. Western will typically leave only a small portion of the portfolio unhedged, and then only if the outlook strongly suggests that currency risk is attractive. In other portfolios, hedges are implemented whenever a currency is seen to be at risk of depreciating by more than the cost of the hedge transaction. Western may cross-hedge into non-functional currencies – when permitted by guidelines, under severe limits (typically less than 5% of the portfolio), and seeking to reflect an exposure relative to the benchmark.

The following tables set out the Funds' net exposure to foreign currency with the value to be received under forward foreign currency contracts and the resulting net unhedged amounts invested in assets in foreign currencies as at February 28, 2015 and February 28, 2014.

Amounts represented below primarily are monetary assets and monetary liabilities except for investments in non-interest bearing securities, which include equities, which are non-monetary assets.

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

(b) Foreign Currency Risk – (continued)

As at February 28, 2015:

Currency	Investments in Fixed Interest Securities (000's)	Investments in Variable Interest Securities (000's)	Investments in Non-Interest Bearing Securities (000's)	Forward Currency Contracts (000's)	Other Derivatives (000's)	Net Other Assets/ (Liabilities) (000's)	Total Net Asset Value (000's)
Legg Mason Western Asset US Money Market Fund							
US Dollar	\$ 1,012,268	\$ 36,083	\$ –	\$ –	\$ –	\$ 4,427	\$ 1,052,778
Total	\$ 1,012,268	\$ 36,083	\$ –	\$ –	\$ –	\$ 4,427	\$ 1,052,778
Legg Mason Western Asset US Core Bond Fund							
Euro	\$ –	\$ –	\$ –	\$ 5	\$ (4)	\$ (204)	\$ (203)
Japanese Yen	–	–	–	4	–	(188)	(184)
New Zealand Dollar	60	–	–	–	–	2	62
US Dollar	34,766	5,991	4,037	(1)	82	1,625	46,500
Total	\$ 34,826	\$ 5,991	\$ 4,037	\$ 8	\$ 78	\$ 1,235	\$ 46,175
Legg Mason Western Asset US Core Plus Bond Fund							
Brazilian Real	\$ 1,983	\$ –	\$ –	\$ –	\$ –	\$ 178	\$ 2,161
British Pound	–	–	21	(9)	–	95	107
Euro	–	–	–	87	(102)	(2,351)	(2,366)
Japanese Yen	–	–	–	43	–	(2,235)	(2,192)
Malaysian Ringgit	–	–	–	–	–	31	31
Mexican Peso	6,917	–	–	34	–	(2,455)	4,496
New Zealand Dollar	449	–	–	–	–	15	464
US Dollar	287,029	50,125	3,115	(15)	647	(12,592)	328,309
Total	\$ 296,378	\$ 50,125	\$ 3,136	\$ 140	\$ 545	\$ (19,314)	\$ 331,010
Legg Mason Western Asset Euro Core Plus Bond Fund							
British Pound	€ 1,098	€ –	€ 4	€ (114)	€ –	€ (993)	€ (5)
Euro	46,461	2,745	–	464	(311)	5,538	54,897
Polish Zloty	–	–	–	–	–	1	1
US Dollar	3,727	–	224	(464)	–	(3,443)	44
Total	€ 51,286	€ 2,745	€ 228	€ (114)	€ (311)	€ 1,103	€ 54,937
Legg Mason Western Asset Diversified Strategic Income Fund							
Australian Dollar	\$ –	\$ 27	\$ –	\$ –	\$ –	\$ 5	\$ 32
British Pound	1,162	1,305	–	(59)	–	(2,325)	83
Chinese Renminbi	–	–	–	–	–	654	654
Colombian Peso	2	–	–	–	–	–	2
Danish Krone	–	–	–	180	–	(158)	22
Euro	4,261	789	2,514	375	(73)	(8,235)	(369)
Japanese Yen	–	–	–	6	–	(356)	(350)
Mexican Peso	726	–	–	–	–	199	925
Polish Zloty	–	–	–	–	–	9	9
US Dollar	12,782	571	2,881	(412)	4	11,782	27,608
Total	\$ 18,933	\$ 2,692	\$ 5,395	\$ 90	\$ (69)	\$ 1,575	\$ 28,616
Legg Mason Western Asset Global Multi Strategy Fund							
Australian Dollar	\$ 1,432	\$ 1,219	\$ –	\$ (31)	\$ –	\$ 78,266	\$ 80,886
Brazilian Real	54,270	–	–	1,329	–	(14,798)	40,801
British Pound	55,683	29,457	–	(1,723)	–	732,570	815,987
Canadian Dollar	299	–	–	–	–	26	325
Chinese Renminbi	–	–	–	–	–	29,703	29,703
Colombian Peso	85	–	–	–	–	4	89
Euro	158,723	30,672	25,362	4,720	(1,714)	(124,192)	93,571
Indian Rupee	–	–	–	–	–	44,976	44,976
Indonesian Rupiah	–	–	–	–	–	12,847	12,847
Japanese Yen	–	–	–	485	–	(25,475)	(24,990)
Malaysian Ringgit	–	–	–	–	–	1,022	1,022
Mexican Peso	41,460	–	–	–	–	3,864	45,324
Polish Zloty	–	–	–	–	–	168	168
Singapore Dollar	–	–	–	–	–	3,218	3,218
Swiss Franc	751	–	–	–	–	35	786
Turkish Lira	–	–	–	103	–	2,346	2,449
US Dollar	787,350	43,200	108,399	2,421	848	(679,641)	262,577
Total	\$ 1,100,053	\$ 104,548	\$ 133,761	\$ 7,304	\$ (866)	\$ 64,939	\$ 1,409,739

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

(b) Foreign Currency Risk – (continued)

As at February 28, 2015: – (continued)

Currency	Investments in Fixed Interest Securities (000's)	Investments in Variable Interest Securities (000's)	Investments in Non-Interest Bearing Securities (000's)	Forward Currency Contracts (000's)	Other Derivatives (000's)	Net Other Assets/ (Liabilities) (000's)	Total Net Asset Value (000's)
Legg Mason Western Asset US High Yield Fund							
Australian Dollar	\$ –	\$ 3,176	\$ 224	\$ (1)	\$ –	\$ (495)	\$ 2,904
British Pound	–	–	–	(6)	–	123	117
Euro	–	–	–	–	–	624	624
Mexican Peso	2,271	–	–	–	–	310	2,581
Singapore Dollar	–	–	–	–	–	394	394
US Dollar	530,827	15,636	27,374	(2)	581	(167)	574,249
Total	\$ 533,098	\$ 18,812	\$ 27,598	\$ (9)	\$ 581	\$ 789	\$ 580,869
Legg Mason Western Asset Emerging Markets Bond Fund							
Brazilian Real	\$ –	\$ –	\$ –	\$ 105	\$ –	\$ 33	\$ 138
British Pound	–	–	–	–	–	11,347	11,347
Euro	–	–	–	25	–	4,157	4,182
Indian Rupee	–	–	–	–	–	1,335	1,335
Mexican Peso	2,645	–	–	31	–	(1,651)	1,025
Polish Zloty	–	–	–	–	–	12	12
Singapore Dollar	–	–	–	22	–	(959)	(937)
Turkish Lira	–	–	–	–	–	1	1
US Dollar	93,006	153	6,655	(149)	–	(13,309)	86,356
Total	\$ 95,651	\$ 153	\$ 6,655	\$ 34	\$ –	\$ 966	\$ 103,459
Legg Mason Western Asset Emerging Markets Corporate Bond Fund							
Indian Rupee	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 839	\$ 839
Mexican Peso	76	–	–	–	–	–	76
Singapore Dollar	–	–	–	15	–	(839)	(824)
US Dollar	76,994	1,663	–	–	–	4,199	82,856
Total	\$ 77,070	\$ 1,663	\$ –	\$ 15	\$ –	\$ 4,199	\$ 82,947
Legg Mason Western Asset Global High Yield Fund							
Argentine Peso	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 58	\$ 58
Australian Dollar	1,202	–	206	3	–	43,498	44,909
Brazilian Real	2,285	–	–	–	–	155	2,440
British Pound	5,120	–	72	(46)	–	4,014	9,160
Euro	9,329	–	25,339	655	–	(24,703)	10,620
Mexican Peso	8,967	–	–	–	–	179	9,146
Singapore Dollar	–	–	–	1	–	4,361	4,362
Turkish Lira	–	–	–	–	–	126	126
US Dollar	322,902	8,188	24,791	76	(76)	(15,280)	340,601
Total	\$ 349,805	\$ 8,188	\$ 50,408	\$ 689	\$ (76)	\$ 12,408	\$ 421,422
Legg Mason Western Asset US Short-Term Government Fund							
US Dollar	\$ 28,278	\$ 2,332	\$ –	\$ –	\$ 7	\$ 4	\$ 30,621
Total	\$ 28,278	\$ 2,332	\$ –	\$ –	\$ 7	\$ 4	\$ 30,621
Legg Mason Western Asset US Adjustable Rate Fund							
US Dollar	\$ 1,054	\$ 9,071	\$ 17	\$ –	\$ –	\$ 16	\$ 10,158
Total	\$ 1,054	\$ 9,071	\$ 17	\$ –	\$ –	\$ 16	\$ 10,158
Legg Mason Western Asset Inflation Management Fund							
Canadian Dollar	\$ 53	\$ –	\$ –	\$ –	\$ –	\$ 57	\$ 110
Euro	–	–	–	–	–	2	2
Japanese Yen	–	–	–	1	–	338	339
US Dollar	9,843	17	947	(10)	(14)	(795)	9,988
Total	\$ 9,896	\$ 17	\$ 947	\$ (9)	\$ (14)	\$ (398)	\$ 10,439

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

(b) Foreign Currency Risk – (continued)

As at February 28, 2015: – (continued)

Currency	Investments in Fixed Interest Securities (000's)	Investments in Variable Interest Securities (000's)	Investments in Non-Interest Bearing Securities (000's)	Forward Currency Contracts (000's)	Other Derivatives (000's)	Net Other Assets/(Liabilities) (000's)	Total Net Asset Value (000's)
Legg Mason Western Asset Asian Opportunities Fund							
Australian Dollar	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 4,144	\$ 4,144
British Pound	–	–	–	(3)	–	830	827
Chinese Renminbi	42,836	–	–	–	–	35,934	78,770
Euro	–	–	–	6	–	9,441	9,447
Hong Kong Dollar	4,448	–	–	–	–	23,949	28,397
Indian Rupee	85,034	–	–	(342)	102	(17,856)	66,938
Indonesian Rupiah	70,937	–	–	–	–	6,796	77,733
Japanese Yen	–	–	–	105	–	(105)	–
Malaysian Ringgit	50,867	–	–	–	–	5,896	56,763
Philippine Peso	33,042	–	–	–	–	7,438	40,480
Singapore Dollar	30,923	10,750	5,574	–	(637)	39,843	86,453
South Korean Won	67,135	–	–	83	997	57,509	125,724
Swiss Franc	–	–	–	–	–	1,266	1,266
Taiwan Dollar	11,450	–	–	(95)	–	(11,506)	(151)
Thai Baht	48,113	–	–	–	–	357	48,470
US Dollar	90,344	13,822	29,022	(1,279)	(5,045)	(157,788)	(30,924)
Total	\$ 535,129	\$ 24,572	\$ 34,596	\$ (1,525)	\$ (4,583)	\$ 6,148	\$ 594,337
Legg Mason Western Asset Global Blue Chip Bond Fund							
British Pound	\$ 7,154	\$ –	\$ 34	\$ (279)	\$ (7)	\$ 10,799	\$ 17,701
Euro	6,114	–	–	515	(515)	(4,207)	1,907
US Dollar	30,606	–	69	(239)	–	(4,852)	25,584
Total	\$ 43,874	\$ –	\$ 103	\$ (3)	\$ (522)	\$ 1,740	\$ 45,192
Legg Mason Western Asset Brazil Bond Fund							
Brazilian Real	\$ 33,488	\$ –	\$ –	\$ –	\$ –	\$ 106	\$ 33,594
US Dollar	–	–	–	–	–	(20)	(20)
Total	\$ 33,488	\$ –	\$ –	\$ –	\$ –	\$ 86	\$ 33,574
Legg Mason Western Asset Global Credit Absolute Return Fund[^]							
Australian Dollar	\$ –	\$ 1,365	\$ –	\$ (2)	\$ –	\$ (243)	\$ 1,120
Brazilian Real	–	–	–	56	–	(56)	–
British Pound	2,924	864	65	(66)	80	70,554	74,421
Canadian Dollar	–	–	–	–	12	805	817
Euro	785	–	–	110	(13)	6,287	7,169
Indian Rupee	–	–	–	–	–	1,981	1,981
Indonesian Rupiah	–	–	–	–	–	1,886	1,886
Japanese Yen	–	–	–	–	–	35	35
Mexican Peso	–	–	–	–	–	938	938
New Zealand Dollar	–	–	–	–	–	241	241
Philippine Peso	–	–	–	–	–	1,599	1,599
Swedish Krona	–	–	–	–	–	29	29
US Dollar	60,917	7,671	5,953	246	(2,118)	(70,680)	1,989
Total	\$ 64,626	\$ 9,900	\$ 6,018	\$ 344	\$ (2,039)	\$ 13,376	\$ 92,225
Legg Mason Western Asset Global Core Plus Bond Fund[^]							
Australian Dollar	\$ 93	\$ –	\$ –	\$ (29)	\$ –	\$ (1,987)	\$ (1,923)
Brazilian Real	1,216	–	–	–	–	318	1,534
British Pound	3,524	822	55	(67)	(30)	(4,275)	29
Canadian Dollar	523	–	–	2	–	(399)	126
Euro	14,148	1,076	782	450	(81)	(4,981)	11,394
Indian Rupee	–	–	–	–	–	451	451
Japanese Yen	4,967	–	–	163	–	(6,883)	(1,753)
Mexican Peso	4,269	–	–	19	–	(1,593)	2,695
Swedish Krona	–	–	–	1	–	10	11
Turkish Lira	–	–	–	3	–	21	24
US Dollar	85,923	521	6,145	(209)	(252)	12,521	104,649
Total	\$ 114,663	\$ 2,419	\$ 6,982	\$ 333	\$ (363)	\$ (6,797)	\$ 117,237

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

(b) Foreign Currency Risk – (continued)

As at February 28, 2015: – (continued)

Currency	Investments in Fixed Interest Securities (000's)	Investments in Variable Interest Securities (000's)	Investments in Non-Interest Bearing Securities (000's)	Forward Currency Contracts (000's)	Other Derivatives (000's)	Net Other Assets/ (Liabilities) (000's)	Total Net Asset Value (000's)
Legg Mason Western Asset Global Credit Fund							
Brazilian Real	\$ 424	\$ –	\$ –	\$ –	\$ –	\$ 39	\$ 463
British Pound	20,515	1,776	102	(253)	(3)	(23,049)	(912)
Euro	11,818	3,851	–	388	(280)	(14,425)	1,352
Mexican Peso	464	–	–	–	–	47	511
Polish Zloty	–	–	–	–	–	4	4
US Dollar	55,586	2,093	749	(55)	26	40,290	98,689
Total	\$ 88,807	\$ 7,720	\$ 851	\$ 80	\$ (257)	\$ 2,906	\$ 100,107
Legg Mason Western Asset Euro High Yield Fund							
British Pound	€ 17,088	€ 3,037	€ 3,602	€ (759)	€ –	€ (21,993)	€ 975
Euro	57,922	967	–	–	–	28,179	87,068
Swiss Franc	477	–	–	3	–	(411)	69
US Dollar	1,002	1,064	705	(52)	–	(2,255)	464
Total	€ 76,489	€ 5,068	€ 4,307	€ (808)	€ –	€ 3,520	€ 88,576
Legg Mason Western Asset Macro Opportunities Bond Fund[^]							
Brazilian Real	\$ 157,626	\$ –	\$ –	\$ 4,539	\$ –	\$ (91,883)	\$ 70,282
British Pound	–	–	–	–	(121)	210,844	210,723
Canadian Dollar	–	–	–	(4)	–	172	168
Chinese Renminbi	31,730	–	–	420	–	(13,050)	19,100
Colombian Peso	–	–	–	159	–	(159)	–
Euro	141,799	–	–	6,863	(4,326)	1,313,519	1,457,855
Indian Rupee	–	–	–	–	–	139,625	139,625
Japanese Yen	–	–	–	3,560	(5,837)	(142,585)	(144,862)
Malaysian Ringgit	–	–	–	–	–	54,656	54,656
Mexican Peso	218,767	–	–	3,763	–	(115,377)	107,153
Polish Zloty	30,497	–	–	496	–	(31,343)	(350)
Russian Ruble	72,295	–	–	(4,107)	–	(2,377)	65,811
Singapore Dollar	–	–	–	–	–	22,842	22,842
South African Rand	–	–	–	302	–	1,597	1,899
South Korean Won	27,068	–	–	408	–	(26,588)	888
Swiss Franc	–	–	–	–	–	30,405	30,405
US Dollar	1,488,491	347,303	5,025	(15,288)	12,049	(592,713)	1,244,867
Total	\$ 2,168,273	\$ 347,303	\$ 5,025	\$ 1,111	\$ 1,765	\$ 757,585	\$ 3,281,062
Legg Mason Brandywine Global Fixed Income Fund							
Australian Dollar	\$ 108,527	\$ –	\$ –	\$ (85)	\$ –	\$ (4,425)	\$ 104,017
Brazilian Real	63,615	–	–	–	–	1,140	64,755
British Pound	77,392	–	–	(924)	–	47,791	124,259
Canadian Dollar	–	–	–	(77)	–	(6,222)	(6,299)
Chilean Peso	–	–	–	–	–	104,551	104,551
Danish Krone	–	–	–	19	–	(2,028)	(2,009)
Euro	82,011	–	–	1,853	–	217,028	300,892
Hungarian Forint	60,555	–	–	–	–	1,868	62,423
Indian Rupee	–	–	–	–	–	70,406	70,406
Indonesian Rupiah	41,901	–	–	–	–	1,985	43,886
Japanese Yen	–	–	–	(338)	–	(82,176)	(82,514)
Malaysian Ringgit	26,743	–	–	(8)	–	(968)	25,767
Mexican Peso	155,996	–	–	(5)	–	47,907	203,898
New Zealand Dollar	50,308	–	–	861	–	(45,717)	5,452
Norwegian Krone	–	–	–	(1)	–	(760)	(761)
Polish Zloty	61,823	–	–	(371)	–	(60,985)	467
Singapore Dollar	–	–	–	(7)	–	(1,086)	(1,093)
South African Rand	65,843	–	–	2	–	906	66,751
South Korean Won	62,698	–	–	350	–	(58,532)	4,516
Swedish Krona	–	–	–	(5)	–	(1,338)	(1,343)
Swiss Franc	–	–	–	29	–	2,211	2,240
US Dollar	79,383	506,459	50,853	(2,282)	–	(218,372)	416,041
Total	\$ 936,795	\$ 506,459	\$ 50,853	\$ (989)	\$ –	\$ 13,184	\$ 1,506,302

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

(b) Foreign Currency Risk – (continued)

As at February 28, 2015: – (continued)

Currency	Investments in Fixed Interest Securities (000's)	Investments in Variable Interest Securities (000's)	Investments in Non-Interest Bearing Securities (000's)	Forward Currency Contracts (000's)	Other Derivatives (000's)	Net Other Assets/ (Liabilities) (000's)	Total Net Asset Value (000's)
Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^]							
Australian Dollar	\$ 29,926	\$ –	\$ –	\$ 18	\$ –	\$ 100,952	\$ 130,896
Brazilian Real	47,201	–	–	–	–	842	48,043
British Pound	–	–	–	–	–	113,869	113,869
Chilean Peso	–	–	–	–	–	94,233	94,233
Czech Koruna	–	–	–	78	–	(78)	–
Euro	56,526	4,553	–	4,374	(11,554)	(87,453)	(33,554)
Hungarian Forint	40,260	–	–	–	–	524	40,784
Indian Rupee	–	–	–	–	–	52,516	52,516
Indonesian Rupiah	50,699	–	–	–	–	1,178	51,877
Japanese Yen	–	–	–	(239)	–	(251,912)	(252,151)
Malaysian Ringgit	21,650	–	–	–	–	359	22,009
Mexican Peso	153,232	–	–	–	–	2,100	155,332
New Zealand Dollar	43,175	–	–	2,528	–	(136,113)	(90,410)
Polish Zloty	22,949	–	–	(126)	–	(20,223)	2,600
Singapore Dollar	–	–	–	–	–	247,750	247,750
South African Rand	48,803	–	–	–	–	1,856	50,659
South Korean Won	47,570	–	–	284	–	(47,622)	232
US Dollar	75,836	401,747	56,111	(1,462)	68	(41,369)	490,931
Total	\$ 637,827	\$ 406,300	\$ 56,111	\$ 5,455	\$ (11,486)	\$ 31,409	\$ 1,125,616
Legg Mason Brandywine Global High Yield Fund[^]							
Brazilian Real	\$ 197	\$ –	\$ –	\$ 8	\$ –	\$ (166)	\$ 39
British Pound	1,485	–	–	26	–	3,702	5,213
Euro	2,891	597	–	72	8	978	4,546
Indian Rupee	–	–	–	–	–	207	207
Mexican Peso	–	–	–	–	–	294	294
Swedish Krona	–	–	–	–	–	(2)	(2)
Swiss Franc	–	–	–	1	–	(27)	(26)
US Dollar	13,491	–	888	(20)	45	(4,580)	9,824
Total	\$ 18,064	\$ 597	\$ 888	\$ 87	\$ 53	\$ 406	\$ 20,095
Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^]							
Australian Dollar	\$ 22,122	\$ –	\$ –	\$ 48	\$ –	\$ (2,197)	\$ 19,973
Brazilian Real	13,276	–	–	–	–	238	13,514
British Pound	15,602	–	–	5	–	12,320	27,927
Canadian Dollar	–	–	–	90	–	(3,007)	(2,917)
Chilean Peso	–	–	–	–	–	21,745	21,745
Danish Krone	–	–	–	48	–	(980)	(932)
Euro	26,815	4,764	–	3,080	–	(76,295)	(41,636)
Hungarian Forint	10,696	–	–	–	–	206	10,902
Indian Rupee	–	–	–	–	–	14,382	14,382
Indonesian Rupiah	14,043	–	–	–	–	329	14,372
Japanese Yen	–	–	–	1,521	–	(40,359)	(38,838)
Malaysian Ringgit	5,415	–	–	24	–	(592)	4,847
Mexican Peso	42,376	–	–	58	–	(871)	41,563
New Zealand Dollar	10,642	–	–	123	–	142,791	153,556
Norwegian Krone	–	–	–	15	–	(367)	(352)
Polish Zloty	6,701	–	–	–	–	(6,760)	(59)
Singapore Dollar	–	–	–	19	–	(525)	(506)
South African Rand	13,488	–	–	33	–	(251)	13,270
South Korean Won	12,788	–	–	66	–	(11,983)	871
Swedish Krona	–	–	–	24	–	(647)	(623)
Swiss Franc	–	–	–	28	–	(507)	(479)
US Dollar	19,509	70,983	9,013	1,728	–	(46,450)	54,783
Total	\$ 213,473	\$ 75,747	\$ 9,013	\$ 6,910	\$ –	\$ 220	\$ 305,363

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

(b) Foreign Currency Risk – (continued)

As at February 28, 2015: – (continued)

Currency	Investments in Fixed Interest Securities (000's)	Investments in Variable Interest Securities (000's)	Investments in Non-Interest Bearing Securities (000's)	Forward Currency Contracts (000's)	Other Derivatives (000's)	Net Other Assets/(Liabilities) (000's)	Total Net Asset Value (000's)
Legg Mason Brandywine Global Sovereign Credit Fund[^]							
Australian Dollar	\$ 71,040	\$ –	\$ –	\$ 154	\$ –	\$ 38,369	\$ 109,563
Brazilian Real	216,280	–	–	–	–	34,357	250,637
British Pound	–	–	–	(394)	–	796,127	795,733
Canadian Dollar	–	–	–	371	–	(15,036)	(14,665)
Chilean Peso	–	–	–	–	–	83,254	83,254
Czech Koruna	–	–	–	91	–	(91)	–
Danish Krone	–	–	–	219	–	(4,815)	(4,596)
Euro	145,931	–	–	15,158	–	(481,346)	(320,257)
Hong Kong Dollar	–	–	–	7	–	87,763	87,770
Hungarian Forint	74,456	–	–	–	–	2,151	76,607
Indian Rupee	–	–	–	–	–	83,155	83,155
Indonesian Rupiah	143,349	–	–	–	–	3,643	146,992
Japanese Yen	–	–	–	6,638	–	(320,296)	(313,658)
Malaysian Ringgit	72,215	–	–	–	–	28,151	100,366
Mexican Peso	277,298	–	–	–	–	3,816	281,114
New Zealand Dollar	100,279	–	–	3,304	–	(179,486)	(75,903)
Norwegian Krone	–	–	–	66	–	(1,805)	(1,739)
Polish Zloty	100,143	–	–	(138)	–	(21,046)	78,959
Singapore Dollar	–	–	–	86	–	(2,808)	(2,722)
South African Rand	138,420	–	–	–	–	4,929	143,349
South Korean Won	177,967	–	–	532	–	(88,190)	90,309
Swedish Krona	–	–	–	102	–	(3,208)	(3,106)
Swiss Franc	–	–	–	16,025	–	(20,409)	(4,384)
US Dollar	138,151	226,282	93,775	(17,265)	–	1,057	442,000
Total	\$ 1,655,529	\$ 226,282	\$ 93,775	\$ 24,956	\$ –	\$ 28,236	\$ 2,028,778
Legg Mason Brandywine Global Income Optimiser Fund[^]							
Australian Dollar	\$ 1,495	\$ –	\$ –	\$ 1	\$ –	\$ (1,480)	\$ 16
Brazilian Real	1,330	–	–	3	–	(1,342)	(9)
British Pound	3,492	2,112	–	55	–	9,853	15,512
Canadian Dollar	–	–	–	51	–	(864)	(813)
Euro	9,641	5,596	–	293	(330)	(7,376)	7,824
Indian Rupee	299	–	–	–	–	13	312
Indonesian Rupiah	1,831	–	–	–	–	42	1,873
Mexican Peso	3,603	–	–	29	–	(1,248)	2,384
New Zealand Dollar	1,616	–	–	57	–	(3,313)	(1,640)
South Korean Won	–	–	–	7	–	(741)	(734)
Swedish Krona	–	–	–	–	–	5,099	5,099
Swiss Franc	–	–	–	124	–	(124)	–
US Dollar	31,164	7,591	5,356	(63)	(26)	3,623	47,645
Total	\$ 54,471	\$ 15,299	\$ 5,356	\$ 557	\$ (356)	\$ 2,142	\$ 77,469
Legg Mason Brandywine Global Credit Opportunities Fund[^]							
Australian Dollar	\$ 852	\$ –	\$ –	\$ 1	\$ –	\$ (844)	\$ 9
British Pound	–	–	–	–	–	2,195	2,195
Euro	1,666	32,499	–	636	–	(30,806)	3,995
New Zealand Dollar	874	–	–	(30)	–	(846)	(2)
US Dollar	–	15,897	848	(102)	171	30,998	47,812
Total	\$ 3,392	\$ 48,396	\$ 848	\$ 505	\$ 171	\$ 697	\$ 54,009
Legg Mason Western Asset Brazil Equity Fund							
Brazilian Real	\$ –	\$ –	\$ 2,660	\$ –	\$ –	\$ 79	\$ 2,739
US Dollar	–	–	–	–	–	(12)	(12)
Total	\$ –	\$ –	\$ 2,660	\$ –	\$ –	\$ 67	\$ 2,727
Legg Mason ClearBridge Value Fund							
Euro	\$ –	\$ –	\$ –	\$ –	\$ –	\$ (2)	\$ (2)
Singapore Dollar	–	–	–	1	–	4,219	4,220
US Dollar	–	–	361,983	(36)	–	840	362,787
Total	\$ –	\$ –	\$ 361,983	\$ (35)	\$ –	\$ 5,057	\$ 367,005
Legg Mason ClearBridge Growth Fund							
US Dollar	\$ –	\$ –	\$ 7,793	\$ –	\$ –	\$ 147	\$ 7,940
Total	\$ –	\$ –	\$ 7,793	\$ –	\$ –	\$ 147	\$ 7,940

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Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

(b) Foreign Currency Risk – (continued)

As at February 28, 2015: – (continued)

Currency	Investments in Fixed Interest Securities (000's)	Investments in Variable Interest Securities (000's)	Investments in Non-Interest Bearing Securities (000's)	Forward Currency Contracts (000's)	Other Derivatives (000's)	Net Other Assets/ (Liabilities) (000's)	Total Net Asset Value (000's)
Legg Mason ClearBridge Global Equity Fund[^]							
Australian Dollar	\$ –	\$ –	\$ 127	\$ –	\$ –	\$ 1	\$ 128
Brazilian Real	–	–	102	–	–	1	103
British Pound	–	–	585	–	–	2	587
Canadian Dollar	–	–	30	–	–	–	30
Danish Krone	–	–	42	–	–	–	42
Euro	–	–	1,570	–	–	(49)	1,521
Hong Kong Dollar	–	–	232	–	–	–	232
Japanese Yen	–	–	550	–	–	–	550
Norwegian Krone	–	–	93	–	–	1	94
South Korean Won	–	–	99	–	–	1	100
Swedish Krona	–	–	117	–	–	–	117
Swiss Franc	–	–	183	–	–	–	183
Turkish Lira	–	–	41	–	–	–	41
US Dollar	–	–	1,134	–	–	131	1,265
Total	\$ –	\$ –	\$ 4,905	\$ –	\$ –	\$ 88	\$ 4,993
Legg Mason ClearBridge Global Equity Income Fund[^]							
Australian Dollar	\$ –	\$ –	\$ 198	\$ –	\$ –	\$ 11	\$ 209
Brazilian Real	–	–	151	–	–	1	152
British Pound	–	–	709	–	–	2	711
Chinese Renminbi	–	–	–	–	–	103	103
Danish Krone	–	–	41	–	–	–	41
Euro	–	–	1,423	–	–	1,739	3,162
Hong Kong Dollar	–	–	468	–	–	–	468
Japanese Yen	–	–	546	–	–	–	546
Norwegian Krone	–	–	127	–	–	–	127
Swedish Krona	–	–	131	–	–	–	131
Swiss Franc	–	–	254	–	–	–	254
US Dollar	–	–	761	(24)	–	(1,869)	(1,132)
Total	\$ –	\$ –	\$ 4,809	\$ (24)	\$ –	\$ (13)	\$ 4,772
Legg Mason ClearBridge US Appreciation Fund							
Euro	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 6	\$ 6
US Dollar	–	–	348,358	–	–	11,660	360,018
Total	\$ –	\$ –	\$ 348,358	\$ –	\$ –	\$ 11,666	\$ 360,024
Legg Mason ClearBridge US Fundamental Value Fund							
British Pound	\$ –	\$ –	\$ 997	\$ –	\$ –	\$ 8	\$ 1,005
US Dollar	–	–	87,797	–	–	578	88,375
Total	\$ –	\$ –	\$ 88,794	\$ –	\$ –	\$ 586	\$ 89,380
Legg Mason ClearBridge US Large Cap Growth Fund							
Euro	\$ –	\$ –	\$ –	\$ 2	\$ –	\$ (56)	\$ (54)
US Dollar	–	–	137,870	–	–	7,490	145,360
Total	\$ –	\$ –	\$ 137,870	\$ 2	\$ –	\$ 7,434	\$ 145,306
Legg Mason ClearBridge US Aggressive Growth Fund							
Australian Dollar	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 44,305	\$ 44,305
British Pound	–	–	–	4	–	(115)	(111)
Chinese Renminbi	–	–	–	–	–	10	10
Euro	–	–	–	110	–	100,014	100,124
Singapore Dollar	–	–	–	3	–	17,890	17,893
Swedish Krona	–	–	–	–	–	76	76
Swiss Franc	–	–	–	–	–	391	391
US Dollar	–	–	4,202,637	(1,300)	–	201,339	4,402,676
Total	\$ –	\$ –	\$ 4,202,637	\$ (1,183)	\$ –	\$ 363,910	\$ 4,565,364

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Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

(b) Foreign Currency Risk – (continued)

As at February 28, 2015: – (continued)

Currency	Investments in Fixed Interest Securities (000's)	Investments in Variable Interest Securities (000's)	Investments in Non-Interest Bearing Securities (000's)	Forward Currency Contracts (000's)	Other Derivatives (000's)	Net Other Assets/ (Liabilities) (000's)	Total Net Asset Value (000's)
Legg Mason ClearBridge Tactical Dividend Income Fund							
Australian Dollar	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 615	\$ 615
British Pound	–	–	205	–	–	–	205
Canadian Dollar	–	–	399	–	–	(398)	1
Chinese Renminbi	–	–	–	–	–	5,383	5,383
Euro	–	–	–	–	–	3,711	3,711
Singapore Dollar	–	–	–	–	–	168	168
Swiss Franc	–	–	611	–	–	–	611
US Dollar	–	–	34,089	(68)	–	(6,601)	27,420
Total	\$ –	\$ –	\$ 35,304	\$ (68)	\$ –	\$ 2,878	\$ 38,114
Legg Mason Opportunity Fund							
British Pound	\$ –	\$ –	\$ 3,142	\$ –	\$ –	\$ 1	\$ 3,143
Euro	–	–	10,751	–	–	75	10,826
Swedish Krona	–	–	–	–	–	43	43
US Dollar	–	–	285,032	(1)	30,071	(2,694)	312,408
Total	\$ –	\$ –	\$ 298,925	\$ (1)	\$ 30,071	\$ (2,575)	\$ 326,420
Legg Mason Royce US Small Cap Opportunity Fund							
Australian Dollar	\$ –	\$ –	\$ –	\$ (5)	\$ –	\$ 15,665	\$ 15,660
British Pound	–	–	–	–	–	885	885
Canadian Dollar	–	–	3,649	–	–	(3,077)	572
Chinese Renminbi	–	–	–	–	–	10	10
Euro	–	–	–	7	–	5,447	5,454
Singapore Dollar	–	–	–	1	–	13,177	13,178
Swedish Krona	–	–	–	–	–	31	31
Swiss Franc	–	–	–	–	–	1,039	1,039
US Dollar	–	–	1,072,494	(109)	–	(38,961)	1,033,424
Total	\$ –	\$ –	\$ 1,076,143	\$ (106)	\$ –	\$ (5,784)	\$ 1,070,253
Legg Mason Royce US Smaller Companies Fund							
British Pound	\$ –	\$ –	\$ 1,917	\$ –	\$ –	\$ 85	\$ 2,002
Canadian Dollar	–	–	13,157	–	–	(2,948)	10,209
Euro	–	–	–	–	–	675	675
Norwegian Krone	–	–	5,182	–	–	–	5,182
Swedish Krona	–	–	–	–	–	4	4
US Dollar	–	–	319,478	(9)	–	626	320,095
Total	\$ –	\$ –	\$ 339,734	\$ (9)	\$ –	\$ (1,558)	\$ 338,167
Legg Mason Royce Smaller Companies Fund II[^]							
British Pound	\$ –	\$ –	\$ 175	\$ –	\$ –	\$ –	\$ 175
Canadian Dollar	–	–	1,109	–	–	(245)	864
Norwegian Krone	–	–	441	–	–	–	441
US Dollar	–	–	27,326	–	–	52	27,378
Total	\$ –	\$ –	\$ 29,051	\$ –	\$ –	\$ (193)	\$ 28,858
Legg Mason Batterymarch Managed Volatility European Equity Fund							
Australian Dollar	€ –	€ –	€ –	€ (2)	€ –	€ 3,509	€ 3,507
British Pound	–	–	49,721	–	–	283	50,004
Chinese Renminbi	–	–	–	–	–	10	10
Danish Krone	–	–	3,789	–	–	3	3,792
Euro	–	–	49,813	787	–	(51,346)	(746)
Norwegian Krone	–	–	3,525	–	–	26	3,551
Polish Zloty	–	–	–	–	–	1	1
Swedish Krona	–	–	7,951	–	–	2	7,953
Swiss Franc	–	–	18,364	–	–	3	18,367
US Dollar	–	–	–	(73)	–	49,367	49,294
Total	€ –	€ –	€ 133,163	€ 712	€ –	€ 1,858	€ 135,733

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Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

(b) Foreign Currency Risk – (continued)

As at February 28, 2015: – (continued)

Currency	Investments in Fixed Interest Securities (000's)	Investments in Variable Interest Securities (000's)	Investments in Non-Interest Bearing Securities (000's)	Forward Currency Contracts (000's)	Other Derivatives (000's)	Net Other Assets/(Liabilities) (000's)	Total Net Asset Value (000's)
Legg Mason Batterymarch Asia Ex Japan Equity Fund							
Australian Dollar	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 10	\$ 10
Euro	–	–	–	–	–	(3)	(3)
Hong Kong Dollar	–	–	17,690	–	–	60	17,750
Indian Rupee	–	–	3,484	–	–	–	3,484
Indonesian Rupiah	–	–	1,732	–	–	–	1,732
Malaysian Ringgit	–	–	3,626	–	–	6	3,632
Pakistani Rupee	–	–	572	–	–	–	572
Philippine Peso	–	–	786	–	–	7	793
Singapore Dollar	–	–	2,773	–	–	28	2,801
South Korean Won	–	–	5,714	–	–	79	5,793
Taiwan Dollar	–	–	12,189	–	–	1	12,190
Thai Baht	–	–	1,726	–	–	20	1,746
US Dollar	–	–	577	–	–	(124)	453
Total	\$ –	\$ –	\$ 50,869	\$ –	\$ –	\$ 84	\$ 50,953

Legg Mason Batterymarch Emerging Markets Equity Fund

Brazilian Real	\$ –	\$ –	\$ 846	\$ –	\$ –	\$ 8	\$ 854
Chilean Peso	–	–	562	–	–	2	564
Colombian Peso	–	–	369	–	–	2	371
Czech Koruna	–	–	366	–	–	1	367
Egyptian Pound	–	–	202	–	–	–	202
Euro	–	–	171	–	–	5	176
Hong Kong Dollar	–	–	2,914	–	–	2	2,916
Hungarian Forint	–	–	190	–	–	1	191
Indian Rupee	–	–	1,958	–	–	1	1,959
Indonesian Rupiah	–	–	1,114	–	–	3	1,117
Malaysian Ringgit	–	–	1,604	–	–	6	1,610
Mexican Peso	–	–	604	–	–	2	606
Philippine Peso	–	–	457	–	–	1	458
Polish Zloty	–	–	545	–	–	2	547
Russian Ruble	–	–	79	–	–	(77)	2
South African Rand	–	–	1,038	–	–	3	1,041
South Korean Won	–	–	1,754	–	–	18	1,772
Taiwan Dollar	–	–	1,395	–	–	1	1,396
Thai Baht	–	–	660	–	–	4	664
Turkish Lira	–	–	1,158	–	–	1	1,159
US Dollar	–	–	689	–	32	420	1,141
Total	\$ –	\$ –	\$ 18,675	\$ –	\$ 32	\$ 406	\$ 19,113

Legg Mason Batterymarch Global Equity Fund

Australian Dollar	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 1	\$ 1
British Pound	–	–	1,675	–	–	–	1,675
Canadian Dollar	–	–	462	–	–	4	466
Danish Krone	–	–	863	–	–	–	863
Egyptian Pound	–	–	97	–	–	–	97
Euro	–	–	538	–	–	18	556
Hong Kong Dollar	–	–	868	–	–	23	891
Israeli Shekel	–	–	79	–	–	–	79
Japanese Yen	–	–	1,542	–	–	11	1,553
Norwegian Krone	–	–	43	–	–	–	43
South Korean Won	–	–	177	–	–	2	179
Swedish Krona	–	–	197	–	–	–	197
Swiss Franc	–	–	274	–	–	–	274
US Dollar	–	–	6,584	–	–	6	6,590
Total	\$ –	\$ –	\$ 13,399	\$ –	\$ –	\$ 65	\$ 13,464

As at February 28, 2014:

Currency	Investments in Fixed Interest Securities (000's)	Investments in Variable Interest Securities (000's)	Investments in Non-Interest Bearing Securities (000's)	Forward Currency Contracts (000's)	Other Derivatives (000's)	Net Other Assets/(Liabilities) (000's)	Total Net Asset Value (000's)
Legg Mason Western Asset US Money Market Fund							
US Dollar	\$ 1,099,538	\$ 54,372	\$ –	\$ –	\$ –	\$ (5,366)	\$ 1,148,544
Total	\$ 1,099,538	\$ 54,372	\$ –	\$ –	\$ –	\$ (5,366)	\$ 1,148,544

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Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

(b) Foreign Currency Risk – (continued)

As at February 28, 2014: – (continued)

Currency	Investments in Fixed Interest Securities (000's)	Investments in Variable Interest Securities (000's)	Investments in Non-Interest Bearing Securities (000's)	Forward Currency Contracts (000's)	Other Derivatives (000's)	Net Other Assets/(Liabilities) (000's)	Total Net Asset Value (000's)
Legg Mason Western Asset US Core Bond Fund							
Euro	\$ 559	\$ –	\$ 23	\$ (9)	\$ –	\$ (1,064)	\$ (491)
Japanese Yen	–	–	–	(1)	–	(311)	(312)
US Dollar	16,149	3,913	1,797	–	(1)	(581)	21,277
Total	\$ 16,708	\$ 3,913	\$ 1,820	\$ (10)	\$ (1)	\$ (1,956)	\$ 20,474
Legg Mason Western Asset US Core Plus Bond Fund							
Brazilian Real	\$ 1,183	\$ –	\$ –	\$ –	\$ –	\$ 85	\$ 1,268
British Pound	–	–	23	(5)	–	688	706
Euro	4,014	–	33	(86)	–	(6,840)	(2,879)
Japanese Yen	–	–	–	(13)	–	(2,766)	(2,779)
Malaysian Ringgit	–	–	–	–	–	34	34
Mexican Peso	2,904	–	–	–	–	39	2,943
Polish Zloty	795	–	–	–	–	16	811
US Dollar	114,259	30,500	2,941	8	80	6,583	154,371
Total	\$ 123,155	\$ 30,500	\$ 2,997	\$ (96)	\$ 80	\$ (2,161)	\$ 154,475
Legg Mason Western Asset Euro Core Plus Bond Fund							
Australian Dollar	€ –	€ –	€ –	€ –	€ –	€ 4	€ 4
British Pound	883	–	211	(25)	–	(1,161)	(92)
Euro	43,245	2,077	3,169	(132)	(92)	4,240	52,507
Polish Zloty	1,667	–	–	(10)	–	(1,580)	77
Swedish Krona	–	–	–	–	–	(5)	(5)
Turkish Lira	192	–	–	–	–	(186)	6
US Dollar	513	–	–	243	–	(691)	65
Total	€ 46,500	€ 2,077	€ 3,380	€ 76	€ (92)	€ 621	€ 52,562
Legg Mason Western Asset Diversified Strategic Income Fund							
Australian Dollar	\$ –	\$ 32	\$ –	\$ 6	\$ –	\$ (1,040)	\$ (1,002)
British Pound	1,097	1,505	–	(117)	–	(2,473)	12
Chinese Renminbi	–	–	–	–	–	675	675
Danish Krone	–	–	–	(93)	–	120	27
Euro	5,164	1,043	2,903	(245)	(188)	(8,198)	479
Japanese Yen	–	–	–	(2)	–	(408)	(410)
Mexican Peso	906	–	–	–	–	44	950
Norwegian Krone	–	–	–	(10)	–	10	–
Polish Zloty	741	–	–	(7)	–	(385)	349
South African Rand	658	–	–	(16)	–	(628)	14
US Dollar	12,088	491	3,078	299	(12)	14,484	30,428
Total	\$ 20,654	\$ 3,071	\$ 5,981	\$ (185)	\$ (200)	\$ 2,201	\$ 31,522
Legg Mason Western Asset Global Multi Strategy Fund							
Australian Dollar	\$ –	\$ 1,429	\$ –	\$ 265	\$ –	\$ 21,396	\$ 23,090
Brazilian Real	46,852	–	–	(39)	–	(14,648)	32,165
British Pound	64,992	28,405	–	(2,631)	–	765,776	856,542
Canadian Dollar	299	–	–	–	–	21	320
Chinese Renminbi	–	–	–	–	–	30,626	30,626
Euro	131,405	30,396	29,285	(1,322)	(6,147)	80,457	264,074
Indian Rupee	–	–	–	–	–	16,592	16,592
Japanese Yen	–	–	–	(348)	–	(84,647)	(84,995)
Malaysian Ringgit	–	–	–	–	–	1,124	1,124
Mexican Peso	53,323	–	–	–	–	4,323	57,646
Norwegian Krone	–	–	–	(547)	–	547	–
Polish Zloty	49,604	–	–	(274)	–	(15,841)	33,489
Russian Ruble	–	–	–	–	–	953	953
Singapore Dollar	–	–	–	–	–	3,340	3,340
South African Rand	20,158	–	–	(408)	–	(17,083)	2,667
Swiss Franc	860	–	–	–	–	6	866
Turkish Lira	9,956	–	–	(12)	–	(9,275)	669
US Dollar	876,126	30,843	108,020	5,217	236	(778,988)	241,454
Total	\$ 1,253,575	\$ 91,073	\$ 137,305	\$ (99)	\$ (5,911)	\$ 4,679	\$ 1,480,622

^ Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

(b) Foreign Currency Risk – (continued)

As at February 28, 2014: – (continued)

Currency	Investments in Fixed Interest Securities (000's)	Investments in Variable Interest Securities (000's)	Investments in Non-Interest Bearing Securities (000's)	Forward Currency Contracts (000's)	Other Derivatives (000's)	Net Other Assets/(Liabilities) (000's)	Total Net Asset Value (000's)
Legg Mason Western Asset US High Yield Fund							
Australian Dollar	\$ –	\$ 2,655	\$ –	\$ –	\$ –	\$ 133	\$ 2,788
British Pound	–	–	–	(2)	–	918	916
Euro	–	–	–	–	–	33,864	33,864
Mexican Peso	2,470	–	–	–	–	190	2,660
Singapore Dollar	–	–	–	–	–	154	154
US Dollar	614,552	12,225	32,440	229	(1,056)	(31,203)	627,187
Total	\$ 617,022	\$ 14,880	\$ 32,440	\$ 227	\$ (1,056)	\$ 4,056	\$ 667,569
Legg Mason Western Asset Emerging Markets Bond Fund							
Brazilian Real	\$ 7,608	\$ –	\$ –	\$ (114)	\$ –	\$ (5,704)	\$ 1,790
British Pound	–	–	–	(2)	–	16,241	16,239
Euro	–	–	–	(74)	–	33,320	33,246
Mexican Peso	7,047	–	–	–	–	100	7,147
Polish Zloty	–	–	–	–	–	7	7
Russian Ruble	–	–	–	–	–	1	1
Singapore Dollar	–	–	–	1	–	470	471
Turkish Lira	–	–	–	–	–	1	1
US Dollar	141,291	–	9,009	321	–	(40,115)	110,506
Total	\$ 155,946	\$ –	\$ 9,009	\$ 132	\$ –	\$ 4,321	\$ 169,408
Legg Mason Western Asset Emerging Markets Corporate Bond Fund[^]							
Mexican Peso	\$ 85	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 85
US Dollar	102,536	–	–	–	–	2,942	105,478
Total	\$ 102,621	\$ –	\$ –	\$ –	\$ –	\$ 2,942	\$ 105,563
Legg Mason Western Asset Global High Yield Fund							
Argentine Peso	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 65	\$ 65
Australian Dollar	–	4,511	–	49	–	51,302	55,862
Brazilian Real	4,600	–	–	(71)	–	(2,432)	2,097
British Pound	16,043	8,154	17	(389)	–	(7,286)	16,539
Chinese Renminbi	–	–	–	–	–	107	107
Euro	36,502	5,953	29,383	(742)	–	(50,091)	21,005
Mexican Peso	14,002	–	–	–	–	183	14,185
Russian Ruble	–	–	–	–	–	263	263
Singapore Dollar	–	–	–	–	–	3,504	3,504
Turkish Lira	–	–	–	–	–	144	144
US Dollar	609,278	3,550	71,911	(110)	(2,446)	15,689	697,872
Total	\$ 680,425	\$ 22,168	\$ 101,311	\$ (1,263)	\$ (2,446)	\$ 11,448	\$ 811,643
Legg Mason Western Asset US Short-Term Government Fund							
US Dollar	\$ 22,218	\$ 2,849	\$ –	\$ –	\$ (9)	\$ (62)	\$ 24,996
Total	\$ 22,218	\$ 2,849	\$ –	\$ –	\$ (9)	\$ (62)	\$ 24,996
Legg Mason Western Asset US Adjustable Rate Fund							
US Dollar	\$ 1,405	\$ 14,804	\$ 39	\$ –	\$ –	\$ (50)	\$ 16,198
Total	\$ 1,405	\$ 14,804	\$ 39	\$ –	\$ –	\$ (50)	\$ 16,198
Legg Mason Western Asset Inflation Management Fund							
British Pound	\$ –	\$ –	\$ –	\$ (4)	\$ –	\$ (186)	\$ (190)
Canadian Dollar	55	–	–	–	–	(55)	–
Euro	–	–	7	(2)	–	(209)	(204)
Japanese Yen	–	–	–	(3)	–	(373)	(376)
US Dollar	11,805	142	106	–	(3)	773	12,823
Total	\$ 11,860	\$ 142	\$ 113	\$ (9)	\$ (3)	\$ (50)	\$ 12,053

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

(b) Foreign Currency Risk – (continued)

As at February 28, 2014: – (continued)

Currency	Investments in Fixed Interest Securities (000's)	Investments in Variable Interest Securities (000's)	Investments in Non-Interest Bearing Securities (000's)	Forward Currency Contracts (000's)	Other Derivatives (000's)	Net Other Assets/ (Liabilities) (000's)	Total Net Asset Value (000's)
Legg Mason Western Asset Asian Opportunities Fund							
Australian Dollar	\$ –	\$ –	\$ –	\$ 1	\$ –	\$ 2,246	\$ 2,247
British Pound	–	–	–	(28)	–	1,817	1,789
Chinese Renminbi	68,941	–	–	345	–	817	70,103
Euro	–	–	–	(45)	–	11,282	11,237
Hong Kong Dollar	9,368	–	–	–	–	24,000	33,368
Indian Rupee	59,613	–	–	(389)	(280)	(17,434)	41,510
Indonesian Rupiah	33,147	–	–	–	32,550	961	66,658
Malaysian Ringgit	51,621	–	–	(235)	–	8,387	59,773
Philippine Peso	36,551	–	–	(371)	–	2,469	38,649
Singapore Dollar	41,311	12,279	5,821	1	338	66,437	126,187
South Korean Won	109,952	–	–	–	–	18,831	128,783
Taiwan Dollar	11,836	–	–	20	–	(2,631)	9,225
Thai Baht	36,626	–	–	(130)	–	6,453	42,949
US Dollar	72,336	18,818	20,058	(18)	(4,417)	(107,694)	(917)
Total	\$ 531,302	\$ 31,097	\$ 25,879	\$ (849)	\$ 28,191	\$ 15,941	\$ 631,561
Legg Mason Western Asset Global Blue Chip Bond Fund							
British Pound	\$ 8,315	\$ –	\$ 112	\$ (304)	\$ (16)	\$ 24,279	\$ 32,386
Euro	17,048	–	362	(466)	(484)	(7,079)	9,381
US Dollar	43,558	–	3,288	577	–	(17,097)	30,326
Total	\$ 68,921	\$ –	\$ 3,762	\$ (193)	\$ (500)	\$ 103	\$ 72,093
Legg Mason Western Asset Brazil Bond Fund							
Brazilian Real	\$ 5,459	\$ –	\$ –	\$ –	\$ –	\$ 77	\$ 5,536
US Dollar	–	–	–	–	–	(16)	(16)
Total	\$ 5,459	\$ –	\$ –	\$ –	\$ –	\$ 61	\$ 5,520
Legg Mason Western Asset Global Credit Absolute Return Fund[^]							
Australian Dollar	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 108	\$ 108
British Pound	2,591	892	33	(89)	1	70,824	74,252
Canadian Dollar	–	–	–	(5)	–	(1,023)	(1,028)
Euro	806	–	1,418	(79)	132	9,457	11,734
Indian Rupee	–	–	–	–	–	2,720	2,720
Indonesian Rupiah	–	–	–	–	–	2,037	2,037
Japanese Yen	–	–	–	(126)	(46)	(298)	(470)
Thai Baht	–	–	–	(31)	–	(1,937)	(1,968)
US Dollar	95,386	5,263	4,943	657	2,274	(78,949)	29,574
Total	\$ 98,783	\$ 6,155	\$ 6,394	\$ 327	\$ 2,361	\$ 2,939	\$ 116,959
Legg Mason Western Asset Global Core Plus Bond Fund[^]							
Australian Dollar	\$ 303	\$ –	\$ –	\$ 12	\$ –	\$ (1,459)	\$ (1,144)
Brazilian Real	3,351	–	–	(5)	–	(1,002)	2,344
British Pound	8,019	311	27	(197)	7	(7,855)	312
Canadian Dollar	1,741	–	–	8	–	(1,655)	94
Chinese Renminbi	–	–	–	–	–	1,224	1,224
Euro	28,738	1,518	1,762	(562)	57	(32,098)	(585)
Indian Rupee	–	–	–	–	–	556	556
Japanese Yen	7,200	–	–	(62)	9	(1,284)	5,863
Mexican Peso	2,794	–	–	–	–	761	3,555
Norwegian Krone	–	–	–	–	–	2,426	2,426
Polish Zloty	2,861	–	–	(27)	–	(1,538)	1,296
South African Rand	2,361	–	–	(52)	–	(2,175)	134
Swedish Krona	–	–	–	(14)	–	(2,424)	(2,438)
Turkish Lira	893	–	–	2	–	(736)	159
US Dollar	84,012	1,974	456	252	(207)	25,939	112,426
Total	\$ 142,273	\$ 3,803	\$ 2,245	\$ (645)	\$ (134)	\$ (21,320)	\$ 126,222

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

(b) Foreign Currency Risk – (continued)

As at February 28, 2014: – (continued)

Currency	Investments in Fixed Interest Securities (000's)	Investments in Variable Interest Securities (000's)	Investments in Non-Interest Bearing Securities (000's)	Forward Currency Contracts (000's)	Other Derivatives (000's)	Net Other Assets/(Liabilities) (000's)	Total Net Asset Value (000's)
Legg Mason Western Asset Global Inflation-Linked Fund							
Australian Dollar	\$ 191	\$ –	\$ –	\$ (1)	\$ –	\$ (155)	\$ 35
Brazilian Real	155	–	–	–	–	3	158
British Pound	7,268	–	24	(302)	(9)	(6,535)	446
Canadian Dollar	677	–	–	3	–	(661)	19
Euro	4,057	–	83	(125)	–	(4,281)	(266)
Japanese Yen	508	–	–	(10)	–	(1,058)	(560)
Mexican Peso	136	–	–	–	–	4	140
Singapore Dollar	–	–	–	–	–	494	494
Swedish Krona	1,100	–	–	(24)	–	(1,047)	29
US Dollar	12,681	–	1,206	261	(15)	13,493	27,626
Total	\$ 26,773	\$ –	\$ 1,313	\$ (198)	\$ (24)	\$ 257	\$ 28,121
Legg Mason Western Asset Global Credit Fund							
Brazilian Real	\$ 491	\$ –	\$ –	\$ –	\$ –	\$ (1)	\$ 490
British Pound	21,844	1,814	173	(455)	(50)	(24,145)	(819)
Euro	16,844	4,384	330	(316)	(1,035)	(19,295)	912
Japanese Yen	–	–	–	(6)	–	(985)	(991)
Mexican Peso	485	–	–	–	–	16	501
US Dollar	51,866	2,235	307	51	5	45,498	99,962
Total	\$ 91,530	\$ 8,433	\$ 810	\$ (726)	\$ (1,080)	\$ 1,088	\$ 100,055
Legg Mason Western Asset Euro High Yield Fund^							
British Pound	€ 18,615	€ 3,426	€ 121	€ (186)	€ –	€ (21,438)	€ 538
Euro	54,759	1,671	1,412	–	–	24,172	82,014
Swiss Franc	443	–	–	(3)	–	(388)	52
US Dollar	796	804	13	16	–	(1,453)	176
Total	€ 74,613	€ 5,901	€ 1,546	€ (173)	€ –	€ 893	€ 82,780
Legg Mason Western Asset Macro Opportunities Bond Fund^							
Brazilian Real	\$ 17,537	\$ –	\$ –	\$ (58)	\$ –	\$ (3,587)	\$ 13,892
British Pound	–	–	–	–	–	234	234
Canadian Dollar	4,084	–	–	5	–	(4,076)	13
Chinese Renminbi	7,593	–	–	–	–	3,627	11,220
Euro	17,195	–	–	(299)	191	243,489	260,576
Indian Rupee	–	–	–	–	–	3,571	3,571
Japanese Yen	–	–	–	(19)	(67)	(3,089)	(3,175)
Mexican Peso	31,136	–	–	(42)	–	(4,435)	26,659
Polish Zloty	11,770	–	–	(224)	–	(11,479)	67
Russian Ruble	–	–	–	–	–	4	4
South African Rand	9,419	–	–	(103)	–	(6,424)	2,892
South Korean Won	–	–	–	–	–	4,378	4,378
Swiss Franc	–	–	–	–	–	114	114
US Dollar	161,811	47,245	804	1,535	(387)	(147,533)	63,475
Total	\$ 260,545	\$ 47,245	\$ 804	\$ 795	\$ (263)	\$ 74,794	\$ 383,920
Legg Mason Brandywine Global Fixed Income Fund							
Australian Dollar	\$ 141,548	\$ –	\$ –	\$ 667	\$ –	\$ (110,173)	\$ 32,042
Brazilian Real	54,565	–	–	–	–	2,142	56,707
British Pound	79,139	–	–	(177)	–	29,544	108,506
Canadian Dollar	–	–	–	164	–	(8,200)	(8,036)
Chilean Peso	–	–	–	10	–	56,797	56,807
Danish Krone	–	–	–	–	–	(2,779)	(2,779)
Euro	91,312	–	–	(2,718)	–	202,085	290,679
Hungarian Forint	30,179	–	–	–	–	84	30,263
Indian Rupee	52,869	–	–	(150)	–	8,978	61,697
Indonesian Rupiah	–	–	–	–	–	26,705	26,705
Japanese Yen	–	–	–	2,937	–	(111,514)	(108,577)
Malaysian Ringgit	–	–	–	(38)	–	10,773	10,735
Mexican Peso	94,010	–	–	65	–	89,793	183,868
New Zealand Dollar	48,890	–	–	(9)	–	(46,275)	2,606
Norwegian Krone	–	–	–	(21)	–	(1,177)	(1,198)
Polish Zloty	87,519	–	–	(1,886)	–	(83,341)	2,292
Singapore Dollar	–	–	–	25	–	(1,225)	(1,200)
South African Rand	26,517	–	–	(99)	–	18,019	44,437
South Korean Won	57,772	–	–	–	–	1,123	58,895
Swedish Krona	–	–	–	3	–	(1,978)	(1,975)
Swiss Franc	–	–	–	(9)	–	(1,319)	(1,328)
US Dollar	137,352	295,684	56,792	5,061	–	(75,850)	419,039
Total	\$ 901,672	\$ 295,684	\$ 56,792	\$ 3,825	\$ –	\$ 2,212	\$ 1,260,185

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Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

(b) Foreign Currency Risk – (continued)

As at February 28, 2014: – (continued)

Currency	Investments in Fixed Interest Securities (000's)	Investments in Variable Interest Securities (000's)	Investments in Non-Interest Bearing Securities (000's)	Forward Currency Contracts (000's)	Other Derivatives (000's)	Net Other Assets/(Liabilities) (000's)	Total Net Asset Value (000's)
Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^]							
Australian Dollar	\$ 22,286	\$ –	\$ –	\$ (60)	\$ –	\$ 210,414	\$ 232,640
Brazilian Real	30,885	–	–	–	–	574	31,459
British Pound	424	–	–	–	–	68,476	68,900
Canadian Dollar	–	–	–	1,039	–	(1,040)	(1)
Chilean Peso	–	–	–	–	–	33,937	33,937
Czech Koruna	–	–	–	(1,054)	–	(34,645)	(35,699)
Euro	77,562	–	–	(3,565)	(3,846)	76,543	146,694
Hungarian Forint	30,088	–	–	–	–	84	30,172
Indian Rupee	–	–	–	–	–	37,448	37,448
Indonesian Rupiah	–	–	–	–	–	14,840	14,840
Japanese Yen	–	–	–	(1,748)	–	(211,287)	(213,035)
Malaysian Ringgit	7,015	–	–	–	–	120	7,135
Mexican Peso	108,443	–	–	–	–	1,636	110,079
New Zealand Dollar	25,953	–	–	(11)	–	(62,301)	(36,359)
Polish Zloty	31,300	–	–	(620)	–	(28,559)	2,121
Singapore Dollar	–	–	–	–	–	37,865	37,865
South African Rand	26,213	–	–	–	–	225	26,438
South Korean Won	32,169	–	–	–	–	630	32,799
Swiss Franc	–	–	–	(3,409)	–	(111,830)	(115,239)
Turkish Lira	9,833	–	–	–	–	98	9,931
US Dollar	101,306	238,595	55,754	5,032	–	(46,146)	354,541
Total	\$ 503,477	\$ 238,595	\$ 55,754	\$ (4,396)	\$ (3,846)	\$ (12,918)	\$ 776,666
Legg Mason Brandywine Global High Yield Fund[^]							
Brazilian Real	\$ 516	\$ –	\$ –	\$ (18)	\$ –	\$ (466)	\$ 32
British Pound	1,893	387	–	(43)	–	3,290	5,527
Euro	3,251	–	–	(33)	179	2,928	6,325
Swedish Krona	–	–	–	–	–	(6)	(6)
Swiss Franc	361	–	–	(7)	–	(345)	9
US Dollar	11,858	573	857	210	–	(4,859)	8,639
Total	\$ 17,879	\$ 960	\$ 857	\$ 109	\$ 179	\$ 542	\$ 20,526
Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^]							
Australian Dollar	\$ 18,816	\$ –	\$ –	\$ 103	\$ –	\$ (14,485)	\$ 4,434
Brazilian Real	7,974	–	–	–	–	148	8,122
British Pound	12,443	–	–	(74)	–	3,490	15,859
Canadian Dollar	–	–	–	44	–	(2,568)	(2,524)
Chilean Peso	–	–	–	–	–	8,982	8,982
Danish Krone	–	–	–	(1)	–	(871)	(872)
Euro	22,724	–	–	(619)	–	(67,219)	(45,114)
Hungarian Forint	8,185	–	–	–	–	37	8,222
Indian Rupee	–	–	–	(55)	–	10,237	10,182
Indonesian Rupiah	–	–	–	–	–	4,199	4,199
Japanese Yen	–	–	–	780	–	(38,733)	(37,953)
Malaysian Ringgit	2,067	–	–	–	–	(525)	1,542
Mexican Peso	29,492	–	–	18	–	(629)	28,881
New Zealand Dollar	8,459	–	–	(2)	–	112,389	120,846
Norwegian Krone	–	–	–	(8)	–	(369)	(377)
Polish Zloty	9,510	–	–	(209)	–	(9,579)	(278)
Singapore Dollar	–	–	–	7	–	(384)	(377)
South African Rand	7,365	–	–	(9)	–	(426)	6,930
South Korean Won	9,178	–	–	–	–	178	9,356
Swedish Krona	–	–	–	–	–	(620)	(620)
Swiss Franc	–	–	–	(3)	–	(413)	(416)
Turkish Lira	2,993	–	–	–	–	30	3,023
US Dollar	22,078	33,736	7,110	1,002	–	(249)	63,677
Total	\$ 161,284	\$ 33,736	\$ 7,110	\$ 974	\$ –	\$ 2,620	\$ 205,724

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Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

(b) Foreign Currency Risk – (continued)

As at February 28, 2014: – (continued)

Currency	Investments in Fixed Interest Securities (000's)	Investments in Variable Interest Securities (000's)	Investments in Non-Interest Bearing Securities (000's)	Forward Currency Contracts (000's)	Other Derivatives (000's)	Net Other Assets/(Liabilities) (000's)	Total Net Asset Value (000's)
Legg Mason Brandywine Global Sovereign Credit Fund[^]							
Australian Dollar	\$ 38,684	\$ –	\$ –	\$ 36	\$ –	\$ 5,851	\$ 44,571
Brazilian Real	129,780	–	–	5	–	15,470	145,255
British Pound	–	–	–	–	–	394,132	394,132
Canadian Dollar	–	–	–	1,483	–	(8,791)	(7,308)
Chilean Peso	–	–	–	–	–	39,704	39,704
Colombian Peso	–	–	–	–	–	33,174	33,174
Czech Koruna	–	–	–	(684)	–	(23,314)	(23,998)
Danish Krone	–	–	–	16	–	(2,465)	(2,449)
Euro	122,272	–	–	(4,429)	–	(295,703)	(177,860)
Hong Kong Dollar	–	–	–	5	–	(197)	(192)
Hungarian Forint	41,953	–	–	–	–	1,375	43,328
Indian Rupee	–	–	–	–	–	44,252	44,252
Indonesian Rupiah	13,568	–	–	–	–	30,323	43,891
Japanese Yen	–	–	–	2,395	–	(142,135)	(139,740)
Malaysian Ringgit	42,460	–	–	–	–	726	43,186
Mexican Peso	145,232	–	–	–	–	2,220	147,452
New Zealand Dollar	56,399	–	–	(894)	–	(105,883)	(50,378)
Norwegian Krone	–	–	–	(14)	–	(1,085)	(1,099)
Polish Zloty	101,427	–	–	(1,069)	–	(50,756)	49,602
Singapore Dollar	–	–	–	29	–	(1,183)	(1,154)
South African Rand	64,411	–	–	–	–	1,102	65,513
South Korean Won	96,697	–	–	–	–	1,460	98,157
Swedish Krona	–	–	–	14	–	(1,775)	(1,761)
Swiss Franc	–	–	–	(2,604)	–	(87,547)	(90,151)
Turkish Lira	29,986	–	–	14	–	285	30,285
US Dollar	72,269	–	23,056	5,803	–	167,172	268,300
Total	\$ 955,138	\$ –	\$ 23,056	\$ 106	\$ –	\$ 16,412	\$ 994,712
Legg Mason Brandywine Global Income Optimiser Fund[^]							
Australian Dollar	\$ 158	\$ –	\$ –	\$ –	\$ –	\$ (160)	\$ (2)
Brazilian Real	388	–	–	(2)	–	(29)	357
British Pound	1,226	846	–	(33)	(2)	1,015	3,052
Canadian Dollar	–	–	–	2	–	(323)	(321)
Euro	2,859	280	–	(71)	(89)	(1,388)	1,591
Indian Rupee	–	–	–	–	–	182	182
Indonesian Rupiah	–	–	–	–	–	124	124
Japanese Yen	–	–	–	(2)	–	(362)	(364)
Mexican Peso	553	–	–	–	–	8	561
New Zealand Dollar	–	–	–	(1)	–	(245)	(246)
Philippine Peso	–	–	–	–	–	121	121
Polish Zloty	124	–	–	–	–	5	129
South African Rand	–	–	–	–	–	123	123
Swiss Franc	180	–	–	(6)	–	(294)	(120)
US Dollar	5,168	429	425	79	(17)	1,394	7,478
Total	\$ 10,656	\$ 1,555	\$ 425	\$ (34)	\$ (108)	\$ 171	\$ 12,665
Legg Mason Western Asset Brazil Equity Fund							
Brazilian Real	\$ –	\$ –	\$ 3,049	\$ –	\$ –	\$ 47	\$ 3,096
US Dollar	–	–	–	–	–	15	15
Total	\$ –	\$ –	\$ 3,049	\$ –	\$ –	\$ 62	\$ 3,111
Legg Mason Capital Management Value Fund							
Euro	\$ –	\$ –	\$ –	\$ –	\$ –	\$ (17)	\$ (17)
Japanese Yen	–	–	–	–	–	4	4
Singapore Dollar	–	–	–	–	–	4,483	4,483
US Dollar	–	–	285,595	(3)	–	(3,724)	281,868
Total	\$ –	\$ –	\$ 285,595	\$ (3)	\$ –	\$ 746	\$ 286,338
Legg Mason Capital Management Growth Fund							
US Dollar	\$ –	\$ –	\$ 6,893	\$ –	\$ –	\$ (16)	\$ 6,877
Total	\$ –	\$ –	\$ 6,893	\$ –	\$ –	\$ (16)	\$ 6,877

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

(b) Foreign Currency Risk – (continued)

As at February 28, 2014: – (continued)

Currency	Investments in Fixed Interest Securities (000's)	Investments in Variable Interest Securities (000's)	Investments in Non-Interest Bearing Securities (000's)	Forward Currency Contracts (000's)	Other Derivatives (000's)	Net Other Assets/ (Liabilities) (000's)	Total Net Asset Value (000's)
Legg Mason Capital Management Opportunity Fund							
British Pound	\$ –	\$ –	\$ –	\$ (12)	\$ –	\$ (3,025)	\$ (3,037)
Euro	–	–	6,311	–	–	1	6,312
Swedish Krona	–	–	–	(3)	–	588	585
US Dollar	–	–	248,995	9	3,413	9,699	262,116
Total	\$ –	\$ –	\$ 255,306	\$ (6)	\$ 3,413	\$ 7,263	\$ 265,976
Legg Mason ClearBridge Global Equity Fund[^]							
Australian Dollar	\$ –	\$ –	\$ 47	\$ –	\$ –	\$ –	\$ 47
British Pound	–	–	343	–	–	1	344
Canadian Dollar	–	–	22	–	–	–	22
Danish Krone	–	–	54	–	–	–	54
Euro	–	–	995	–	–	2	997
Hong Kong Dollar	–	–	191	–	–	–	191
Japanese Yen	–	–	290	–	–	–	290
Norwegian Krone	–	–	68	–	–	1	69
Swedish Krona	–	–	33	–	–	–	33
Swiss Franc	–	–	38	–	–	–	38
US Dollar	–	–	1,192	–	–	254	1,446
Total	\$ –	\$ –	\$ 3,273	\$ –	\$ –	\$ 258	\$ 3,531
Legg Mason ClearBridge US Appreciation Fund							
Japanese Yen	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 11	\$ 11
US Dollar	–	–	364,423	–	–	8,022	372,445
Total	\$ –	\$ –	\$ 364,423	\$ –	\$ –	\$ 8,033	\$ 372,456
Legg Mason ClearBridge US Fundamental Value Fund							
British Pound	\$ –	\$ –	\$ 921	\$ –	\$ –	\$ 8	\$ 929
US Dollar	–	–	99,394	–	–	782	100,176
Total	\$ –	\$ –	\$ 100,315	\$ –	\$ –	\$ 790	\$ 101,105
Legg Mason ClearBridge US Large Cap Growth Fund							
Euro	\$ –	\$ –	\$ –	\$ –	\$ –	\$ (51)	\$ (51)
US Dollar	–	–	100,244	–	–	5,724	105,968
Total	\$ –	\$ –	\$ 100,244	\$ –	\$ –	\$ 5,673	\$ 105,917
Legg Mason ClearBridge US Aggressive Growth Fund							
Australian Dollar	\$ –	\$ –	\$ –	\$ 54	\$ –	\$ 25,810	\$ 25,864
British Pound	–	–	–	(7)	–	(1,893)	(1,900)
Euro	–	–	–	(13)	–	36,616	36,603
Singapore Dollar	–	–	–	2	–	9,053	9,055
Swedish Krona	–	–	–	–	–	201	201
US Dollar	–	–	1,770,983	325	–	158,785	1,930,093
Total	\$ –	\$ –	\$ 1,770,983	\$ 361	\$ –	\$ 228,572	\$ 1,999,916
Legg Mason ClearBridge US Equity Income Fund[^]							
British Pound	\$ –	\$ –	\$ 58	\$ –	\$ –	\$ –	\$ 58
Euro	–	–	–	–	–	89	89
US Dollar	–	–	3,484	1	–	73	3,558
Total	\$ –	\$ –	\$ 3,542	\$ 1	\$ –	\$ 162	\$ 3,705
Legg Mason ClearBridge Tactical Dividend Income Fund[^]							
British Pound	\$ –	\$ –	\$ 47	\$ –	\$ –	\$ –	\$ 47
Swiss Franc	–	–	46	–	–	–	46
US Dollar	–	–	3,430	–	–	57	3,487
Total	\$ –	\$ –	\$ 3,523	\$ –	\$ –	\$ 57	\$ 3,580

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

(b) Foreign Currency Risk – (continued)

As at February 28, 2014: – (continued)

Currency	Investments in Fixed Interest Securities (000's)	Investments in Variable Interest Securities (000's)	Investments in Non-Interest Bearing Securities (000's)	Forward Currency Contracts (000's)	Other Derivatives (000's)	Net Other Assets/ (Liabilities) (000's)	Total Net Asset Value (000's)
Legg Mason Royce US Small Cap Opportunity Fund							
Australian Dollar	\$ –	\$ –	\$ –	\$ 36	\$ –	\$ 12,543	\$ 12,579
British Pound	–	–	–	(22)	–	(4,938)	(4,960)
Canadian Dollar	–	–	–	–	–	18	18
Euro	–	–	–	(4)	–	15,010	15,006
Singapore Dollar	–	–	–	2	–	19,514	19,516
Swedish Krona	–	–	–	–	–	56	56
US Dollar	–	–	1,303,941	115	–	(31,442)	1,272,614
Total	\$ –	\$ –	\$ 1,303,941	\$ 127	\$ –	\$ 10,761	\$ 1,314,829
Legg Mason Royce Smaller Companies Fund							
British Pound	\$ –	\$ –	\$ 3,357	\$ –	\$ –	\$ 31	\$ 3,388
Euro	–	–	–	–	–	1,070	1,070
Japanese Yen	–	–	–	–	–	3	3
Norwegian Krone	–	–	8,108	–	–	–	8,108
Swedish Krona	–	–	–	–	–	2	2
US Dollar	–	–	469,304	13	–	1,768	471,085
Total	\$ –	\$ –	\$ 480,769	\$ 13	\$ –	\$ 2,874	\$ 483,656
Legg Mason Royce Smaller Companies Fund II[^]							
British Pound	\$ –	\$ –	\$ 230	\$ –	\$ –	\$ –	\$ 230
Norwegian Krone	–	–	541	–	–	–	541
US Dollar	–	–	33,603	–	–	(51)	33,552
Total	\$ –	\$ –	\$ 34,374	\$ –	\$ –	\$ (51)	\$ 34,323
Legg Mason Royce Global Smaller Companies Fund							
Brazilian Real	\$ –	\$ –	\$ 92	\$ –	\$ –	\$ –	\$ 92
British Pound	–	–	234	–	–	–	234
Chilean Peso	–	–	16	–	–	–	16
Danish Krone	–	–	24	–	–	–	24
Euro	–	–	628	–	–	–	628
Hong Kong Dollar	–	–	238	–	–	–	238
Japanese Yen	–	–	358	–	–	1	359
Norwegian Krone	–	–	100	–	–	–	100
Singapore Dollar	–	–	19	–	–	–	19
South African Rand	–	–	78	–	–	–	78
Swiss Franc	–	–	116	–	–	–	116
Turkish Lira	–	–	30	–	–	–	30
US Dollar	–	–	1,639	–	–	(73)	1,566
Total	\$ –	\$ –	\$ 3,572	\$ –	\$ –	\$ (72)	\$ 3,500
Legg Mason Permal Global Absolute Fund							
Australian Dollar	\$ –	\$ –	\$ –	\$ –	\$ –	\$ (980)	\$ (980)
British Pound	–	–	–	–	–	38	38
Canadian Dollar	–	–	–	40	–	(943)	(903)
Euro	–	–	1,056	(8)	–	(1,434)	(386)
Japanese Yen	–	–	–	(28)	–	(2,527)	(2,555)
Mexican Peso	–	–	–	–	–	979	979
Singapore Dollar	–	–	–	–	–	486	486
US Dollar	6,000	–	11,493	(20)	(32)	5,930	23,371
Total	\$ 6,000	\$ –	\$ 12,549	\$ (16)	\$ (32)	\$ 1,549	\$ 20,050
Legg Mason Batterymarch European Equity Fund							
British Pound	€ –	€ –	€ 22,161	€ –	€ –	€ 83	€ 22,244
Danish Krone	–	–	2,440	–	–	–	2,440
Euro	–	–	25,815	(1)	–	939	26,753
Japanese Yen	–	–	–	–	–	5	5
Norwegian Krone	–	–	1,018	–	–	8	1,026
Swedish Krona	–	–	478	–	–	3	481
Swiss Franc	–	–	9,248	–	–	24	9,272
US Dollar	–	–	130	–	–	(38)	92
Total	€ –	€ –	€ 61,290	€ (1)	€ –	€ 1,024	€ 62,313

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

(b) Foreign Currency Risk – (continued)

As at February 28, 2014: – (continued)

Currency	Investments in Fixed Interest Securities (000's)	Investments in Variable Interest Securities (000's)	Investments in Non-Interest Bearing Securities (000's)	Forward Currency Contracts (000's)	Other Derivatives (000's)	Net Other Assets/ (Liabilities) (000's)	Total Net Asset Value (000's)
Legg Mason Batterymarch Asia Pacific Equity Fund							
Hong Kong Dollar	\$ –	\$ –	\$ 16,237	\$ –	\$ –	\$ 29	\$ 16,266
Indian Rupee	–	–	5,354	–	–	598	5,952
Indonesian Rupiah	–	–	1,913	–	–	650	2,563
Malaysian Ringgit	–	–	1,715	–	–	11	1,726
Pakistani Rupee	–	–	852	–	–	–	852
Philippine Peso	–	–	388	–	–	–	388
Singapore Dollar	–	–	1,578	–	–	9	1,587
South Korean Won	–	–	10,225	–	–	92	10,317
Taiwan Dollar	–	–	6,562	–	–	134	6,696
Thai Baht	–	–	2,230	–	–	27	2,257
US Dollar	–	–	2,804	–	–	(1,056)	1,748
Total	\$ –	\$ –	\$ 49,858	\$ –	\$ –	\$ 494	\$ 50,352
Legg Mason Batterymarch International Large Cap Fund							
Australian Dollar	\$ –	\$ –	\$ 760	\$ –	\$ –	\$ 15	\$ 775
Brazilian Real	–	–	62	–	–	1	63
British Pound	–	–	2,382	–	–	10	2,392
Canadian Dollar	–	–	732	–	–	3	735
Danish Krone	–	–	140	–	–	–	140
Euro	–	–	3,032	–	–	38	3,070
Hong Kong Dollar	–	–	971	–	–	4	975
Israeli Shekel	–	–	134	–	–	–	134
Japanese Yen	–	–	3,097	–	–	5	3,102
New Zealand Dollar	–	–	130	–	–	–	130
Norwegian Krone	–	–	228	–	–	2	230
Singapore Dollar	–	–	218	–	–	–	218
Swedish Krona	–	–	206	–	–	–	206
Swiss Franc	–	–	945	–	–	3	948
US Dollar	–	–	235	–	–	11	246
Total	\$ –	\$ –	\$ 13,272	\$ –	\$ –	\$ 92	\$ 13,364
Legg Mason Batterymarch Emerging Markets Equity Fund							
Brazilian Real	\$ –	\$ –	\$ 572	\$ –	\$ –	\$ 4	\$ 576
Chilean Peso	–	–	58	–	–	–	58
Colombian Peso	–	–	45	–	–	(23)	22
Czech Koruna	–	–	73	–	–	–	73
Euro	–	–	94	–	–	–	94
Hong Kong Dollar	–	–	1,660	–	–	–	1,660
Indian Rupee	–	–	629	–	–	2	631
Indonesian Rupiah	–	–	211	–	–	–	211
Malaysian Ringgit	–	–	127	–	–	1	128
Mexican Peso	–	–	361	–	–	–	361
Pakistani Rupee	–	–	54	–	–	–	54
Polish Zloty	–	–	54	–	–	1	55
South African Rand	–	–	656	–	–	–	656
South Korean Won	–	–	1,471	–	–	13	1,484
Taiwan Dollar	–	–	741	–	–	–	741
Thai Baht	–	–	224	–	–	3	227
Turkish Lira	–	–	152	–	–	–	152
UAE Dirham	–	–	49	–	–	–	49
US Dollar	–	–	1,484	–	–	182	1,666
Total	\$ –	\$ –	\$ 8,715	\$ –	\$ –	\$ 183	\$ 8,898
Legg Mason Batterymarch Global Equity Fund							
Australian Dollar	\$ –	\$ –	\$ 69	\$ –	\$ –	\$ –	\$ 69
British Pound	–	–	1,234	–	–	–	1,234
Canadian Dollar	–	–	606	–	–	–	606
Danish Krone	–	–	924	–	–	–	924
Egyptian Pound	–	–	139	–	–	139	278
Euro	–	–	1,006	–	–	19	1,025
Hong Kong Dollar	–	–	334	–	–	6	340
Japanese Yen	–	–	1,361	–	–	–	1,361
Norwegian Krone	–	–	171	–	–	–	171
South Korean Won	–	–	212	–	–	3	215
Swedish Krona	–	–	198	–	–	–	198
Swiss Franc	–	–	262	–	–	–	262
US Dollar	–	–	6,977	–	–	37	7,014
Total	\$ –	\$ –	\$ 13,493	\$ –	\$ –	\$ 204	\$ 13,697

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

(b) Foreign Currency Risk – (continued)

The values noted above for the forward currency contracts and other derivatives represent the unrealised appreciation/(depreciation) at year end. Certain Funds also have share classes issued in foreign currencies. The Sub-Investment Manager/Advisor may enter into forward currency contracts for investment or hedging purposes. Where the Sub-Investment Manager/Advisor has entered into the forward currency contracts to hedge the foreign currency share class, the net exposure above should be offset by the net assets of the foreign currency share class.

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 February 28, 2015 and February 28, 2014. 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)			
		February 28, 2015		February 28, 2014	
		Positive 5%	Negative 5%	Positive 5%	Negative 5%
Legg Mason Western Asset Global Multi Strategy Fund	British Pound	42,946,684	(38,856,524)	45,081,158	(40,787,714)
	Euro	n/a	n/a	13,898,632	(12,574,952)
Legg Mason Western Asset Emerging Markets Bond Fund	British Pound	597,211	(540,333)	n/a	n/a
	Euro	n/a	n/a	1,749,789	(1,583,143)
Legg Mason Western Asset Global High Yield Fund	Australian Dollar	2,363,632	(2,138,524)	n/a	n/a
Legg Mason Western Asset Asian Opportunities Fund	Chinese Renminbi	4,145,789	(3,750,952)	3,689,632	(3,338,238)
	Indian Rupee	3,523,053	(3,187,524)	n/a	n/a
	Indonesian Rupiah	4,091,211	(3,701,571)	3,508,316	(3,174,190)
	Singapore Dollar	4,550,158	(4,116,810)	6,641,421	(6,008,905)
	South Korean Won	6,617,053	(5,986,857)	6,778,053	(6,132,524)
Legg Mason Western Asset Global Blue Chip Bond Fund	British Pound	931,632	(842,905)	1,704,526	(1,542,190)
	Euro	n/a	n/a	493,737	(446,714)
Legg Mason Western Asset Brazil Bond Fund	Brazilian Real	1,768,105	(1,599,714)	291,368	(263,619)
Legg Mason Western Asset Global Credit Absolute Return Fund^	British Pound	3,916,895	(3,543,857)	3,908,000	(3,535,810)
	Euro	n/a	n/a	617,579	(558,762)
Legg Mason Western Asset Macro Opportunities Bond Fund^	Euro	76,729,211	(69,421,667)	13,714,526	(12,408,381)
Legg Mason Brandywine Global Fixed Income Fund	Euro	15,836,421	(14,328,190)	15,298,895	(13,841,857)
	Mexican Peso	10,731,474	(9,709,429)	9,677,263	(8,755,619)
Legg Mason Brandywine Global Fixed Income Absolute Return Fund^	Australian Dollar	6,889,263	(6,233,143)	12,244,211	(11,078,095)
	British Pound	5,993,105	(5,422,333)	n/a	n/a
	Euro	n/a	n/a	7,720,737	(6,985,429)
	Japanese Yen	(13,271,105)	12,007,190	(11,212,368)	10,144,524
	Mexican Peso	8,175,368	(7,396,762)	5,793,632	(5,241,857)
	Singapore Dollar	13,039,474	(11,797,619)	n/a	n/a
	Swiss Franc	n/a	n/a	(6,065,211)	5,487,571
Legg Mason Brandywine Global High Yield Fund^	British Pound	274,368	(248,238)	290,895	(263,190)
	Euro	239,263	(216,476)	332,895	(301,190)
Legg Mason Brandywine Global Opportunistic Fixed Income Fund^	Euro	(2,191,368)	1,982,667	(2,374,421)	2,148,286
	Japanese Yen	(2,044,105)	1,849,429	(1,997,526)	1,807,286
	Mexican Peso	2,187,526	(1,979,190)	1,520,053	(1,375,286)
	New Zealand Dollar	8,081,895	(7,312,190)	6,360,316	(5,754,571)
Legg Mason Brandywine Global Sovereign Credit Fund^	Brazilian Real	13,191,421	(11,935,095)	7,645,000	(6,916,905)
	British Pound	41,880,684	(37,892,048)	20,743,789	(18,768,190)
	Euro	(16,855,632)	15,250,333	(9,361,053)	8,469,524
	Japanese Yen	(16,508,316)	14,936,095	(7,354,737)	6,654,286
	Mexican Peso	14,795,474	(13,386,381)	7,760,632	(7,021,524)
Legg Mason Brandywine Global Income Optimiser Fund^	British Pound	816,421	(738,667)	160,632	(145,333)
	Euro	411,789	(372,571)	83,737	(75,762)
Legg Mason Western Asset Brazil Equity Fund	Brazilian Real	144,158	(130,429)	162,947	(147,429)
Legg Mason ClearBridge Global Equity Fund^	British Pound	30,895	(27,952)	n/a	n/a
	Euro	80,053	(72,429)	52,474	(47,476)
	Japanese Yen	28,947	(26,190)	n/a	n/a
Legg Mason ClearBridge Global Equity Income Fund^	British Pound	37,421	(33,857)	n/a	n/a
	Euro	166,421	(150,571)	n/a	n/a
	Japanese Yen	28,737	(26,000)	n/a	n/a
Legg Mason ClearBridge Tactical Dividend Income Fund	Chinese Renminbi	283,316	(256,333)	n/a	n/a
Legg Mason Royce Global Smaller Companies Fund	Euro	n/a	n/a	33,053	(29,905)
	Japanese Yen	n/a	n/a	18,895	(17,095)
Legg Mason Permal Global Absolute Fund	Japanese Yen	n/a	n/a	(134,474)	121,667
Legg Mason Batterymarch Managed Volatility European Equity Fund	British Pound	2,631,789	(2,381,143)	1,170,737	(1,059,238)
	Swiss Franc	966,684	(874,619)	488,000	(441,524)
	US Dollar	2,594,421	(2,347,333)	n/a	n/a
Legg Mason Batterymarch Asia Ex Japan Equity Fund	Hong Kong Dollar	934,211	(845,238)	856,105	(774,571)
	Indian Rupee	n/a	n/a	313,263	(283,429)
	South Korean Won	304,895	(275,857)	543,000	(491,286)
	Taiwan Dollar	641,579	(580,476)	352,421	(318,857)
Legg Mason Batterymarch International Large Cap Fund	British Pound	n/a	n/a	125,895	(113,905)
	Euro	n/a	n/a	161,579	(146,190)
	Japanese Yen	n/a	n/a	163,263	(147,714)
Legg Mason Batterymarch Emerging Markets Equity Fund	Hong Kong Dollar	153,474	(138,857)	87,368	(79,048)
	Indian Rupee	103,105	(93,286)	n/a	n/a
	South Korean Won	n/a	n/a	78,105	(70,667)
Legg Mason Batterymarch Global Equity Fund	British Pound	88,158	(79,762)	n/a	n/a
	Japanese Yen	81,737	(73,952)	n/a	n/a

* 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 February 28, 2015 and February 28, 2014 are listed in Note 11. This sensitivity analysis should not be used as a prediction of future performance.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

(b) Foreign Currency Risk – (continued)

The risk from foreign currency exposure to the Legg Mason Western Asset Global Credit Absolute Return Fund[^], the Legg Mason Western Asset Macro Opportunities Bond Fund[^], the Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^], the Legg Mason Brandywine Global Income Optimiser Fund[^] and the Legg Mason Brandywine Global Credit Opportunities Fund[^] has been incorporated into the calculation of the market risk (Note 12.1 above); therefore, a sensitivity analysis does not need to be presented.

(c) Interest Rate Risk

A sensitivity analysis has not been prepared as the majority of the Equity Funds' assets are not interest bearing assets and therefore the risk is not sufficiently material.

As at February 28, 2015 and February 28, 2014, all of the cash held by the Funds is held with the Custodian or other brokers and have the potential to yield interest income, the level of which will fluctuate according to the prevailing level of market interest rates.

The analysis of fixed, variable and non-interest bearing securities is disclosed in Note 12.1(b) above.

The weighted average yield and weighted average years to maturity of each Fund on its fixed rate instruments per currency as at February 28, 2015 and February 28, 2014 are as follows:

As at February 28, 2015:

Currency	Weighted Average Yield	Weighted Average Years to Maturity
Legg Mason Western Asset US Money Market Fund		
US Dollar	0.13%	0.15
Legg Mason Western Asset US Core Bond Fund		
New Zealand Dollar	3.03%	5.13
US Dollar	3.66%	16.14
Legg Mason Western Asset US Core Plus Bond Fund		
Brazilian Real	10.45%	1.84
Mexican Peso	6.42%	14.96
New Zealand Dollar	3.03%	5.13
US Dollar	3.57%	16.63
Legg Mason Western Asset Euro Core Plus Bond Fund		
British Pound	5.59%	11.97
Euro	2.26%	11.24
US Dollar	2.55%	14.16
Legg Mason Western Asset Diversified Strategic Income Fund		
British Pound	5.42%	8.95
Colombian Peso	8.09%	9.41
Euro	4.97%	5.68
Mexican Peso	6.32%	17.68
US Dollar	5.00%	12.46
Legg Mason Western Asset Global Multi Strategy Fund		
Australian Dollar	8.42%	5.21
Brazilian Real	10.45%	1.84
British Pound	5.71%	10.91
Colombian Peso	8.09%	9.41
Euro	5.74%	7.02
Mexican Peso	6.35%	19.08
Swiss Franc	7.86%	2.93
US Dollar	6.10%	11.84
Legg Mason Western Asset US High Yield Fund		
Mexican Peso	6.13%	7.28
US Dollar	7.67%	6.75
Legg Mason Western Asset Emerging Markets Bond Fund		
Mexican Peso	6.79%	15.55
US Dollar	5.62%	12.71
Legg Mason Western Asset Emerging Markets Corporate Bond Fund		
Mexican Peso	6.43%	4.93
US Dollar	6.26%	7.87
Legg Mason Western Asset Global High Yield Fund		
Australian Dollar	8.42%	5.21
Brazilian Real	10.45%	1.84
British Pound	7.36%	8.54
Euro	10.02%	4.45
Mexican Peso	6.14%	7.25
US Dollar	8.45%	6.63
Legg Mason Western Asset US Short-Term Government Fund		
US Dollar	1.67%	3.01
Legg Mason Western Asset US Adjustable Rate Fund		
US Dollar	1.99%	2.37
Legg Mason Western Asset Asian Opportunities Fund		
Chinese Renminbi	3.54%	3.60
Hong Kong Dollar	3.10%	3.46
Indian Rupee	8.12%	4.77
Indonesian Rupiah	7.87%	12.77
Malaysian Ringgit	3.88%	6.84
Philippine Peso	5.43%	18.21
Singapore Dollar	3.14%	12.69
South Korean Won	3.31%	9.21
Taiwan Dollar	1.69%	7.74
Thai Baht	3.44%	9.99
US Dollar	4.50%	7.09

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

(c) Interest Rate Risk – (continued)

As at February 28, 2015: – (continued)

Currency	Weighted Average Yield	Weighted Average Years to Maturity
Legg Mason Western Asset Global Blue Chip Bond Fund		
British Pound	2.60%	5.28
Euro	3.12%	7.32
US Dollar	3.83%	5.03
Legg Mason Western Asset Brazil Bond Fund		
Brazilian Real	1.30%	1.37
Legg Mason Western Asset Global Credit Absolute Return Fund[^]		
British Pound	6.34%	7.71
Euro	6.20%	2.68
US Dollar	6.45%	10.54
Legg Mason Western Asset Global Core Plus Bond Fund[^]		
Australian Dollar	6.10%	4.96
Brazilian Real	10.45%	1.84
British Pound	4.85%	13.89
Canadian Dollar	3.79%	3.26
Euro	2.46%	18.62
Japanese Yen	1.43%	21.66
Mexican Peso	6.50%	27.36
US Dollar	2.51%	11.54
Legg Mason Western Asset Global Credit Fund		
British Pound	3.81%	11.96
Euro	2.94%	7.88
Mexican Peso	6.50%	27.73
US Dollar	3.95%	11.59
Legg Mason Western Asset Euro High Yield Fund		
British Pound	6.63%	5.98
Euro	6.81%	5.33
Swiss Franc	7.86%	2.93
US Dollar	9.71%	3.48
Legg Mason Western Asset Macro Opportunities Bond Fund[^]		
Brazilian Real	10.45%	1.84
Chinese Renminbi	3.46%	2.67
Euro	3.45%	24.58
Mexican Peso	6.19%	10.19
Polish Zloty	3.48%	8.66
Russian Ruble	11.20%	11.94
South Korean Won	3.20%	9.04
US Dollar	3.87%	17.59
Legg Mason Brandywine Global Fixed Income Fund		
Australian Dollar	4.84%	7.08
Brazilian Real	11.23%	8.20
British Pound	1.97%	0.90
Euro	3.29%	24.44
Hungarian Forint	4.49%	10.33
Indonesian Rupiah	7.33%	4.36
Malaysian Ringgit	3.57%	8.05
Mexican Peso	6.66%	22.80
New Zealand Dollar	4.96%	7.26
Polish Zloty	3.94%	7.24
South African Rand	7.81%	23.12
South Korean Won	4.64%	4.72
US Dollar	2.65%	29.04
Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^]		
Australian Dollar	4.69%	9.40
Brazilian Real	11.21%	7.95
Euro	3.65%	15.15
Hungarian Forint	4.85%	8.74
Indonesian Rupiah	7.72%	16.45
Malaysian Ringgit	3.65%	7.77
Mexican Peso	6.67%	22.42
New Zealand Dollar	5.23%	6.31
Polish Zloty	4.46%	5.66
South African Rand	7.81%	23.16
South Korean Won	4.62%	4.77
US Dollar	5.21%	1.27
Legg Mason Brandywine Global High Yield Fund[^]		
Brazilian Real	10.98%	1.37
British Pound	5.85%	6.38
Euro	6.28%	8.09
US Dollar	6.95%	6.61

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

(c) Interest Rate Risk – (continued)

As at February 28, 2015: – (continued)

Currency	Weighted Average Yield	Weighted Average Years to Maturity
Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^]		
Australian Dollar	4.83%	7.12
Brazilian Real	11.24%	8.23
British Pound	1.97%	0.90
Euro	3.48%	18.73
Hungarian Forint	5.08%	8.19
Indonesian Rupiah	7.72%	16.35
Malaysian Ringgit	3.69%	7.62
Mexican Peso	6.67%	22.06
New Zealand Dollar	4.88%	7.64
Polish Zloty	4.06%	6.87
South African Rand	7.85%	23.96
South Korean Won	4.69%	4.61
US Dollar	3.11%	30.29
Legg Mason Brandywine Global Sovereign Credit Fund[^]		
Australian Dollar	4.69%	9.40
Brazilian Real	11.20%	7.91
Euro	3.42%	18.33
Hungarian Forint	5.71%	6.60
Indonesian Rupiah	7.68%	16.44
Malaysian Ringgit	3.57%	8.05
Mexican Peso	6.69%	21.70
New Zealand Dollar	4.76%	8.13
Polish Zloty	4.46%	5.66
South African Rand	7.57%	18.63
South Korean Won	4.74%	4.42
US Dollar	3.14%	29.33
Legg Mason Brandywine Global Income Optimiser Fund[^]		
Australian Dollar	2.67%	9.15
Brazilian Real	10.10%	0.84
British Pound	6.40%	4.84
Euro	6.02%	11.38
Indian Rupee	6.20%	0.33
Indonesian Rupiah	7.57%	4.13
Mexican Peso	6.35%	14.02
New Zealand Dollar	3.03%	5.13
US Dollar	6.77%	8.26
Legg Mason Brandywine Global Credit Opportunities Fund[^]		
Australian Dollar	2.67%	9.15
Euro	3.22%	29.99
New Zealand Dollar	4.76%	8.13
As at February 28, 2014:		
Currency	Weighted Average Yield	Weighted Average Years to Maturity
Legg Mason Western Asset US Money Market Fund		
US Dollar	0.18%	0.16
Legg Mason Western Asset US Core Bond Fund		
Euro	3.29%	4.76
US Dollar	4.45%	18.56
Legg Mason Western Asset US Core Plus Bond Fund		
Brazilian Real	11.03%	5.69
Euro	3.29%	4.76
Mexican Peso	6.54%	7.80
Polish Zloty	3.03%	4.31
US Dollar	4.71%	17.50
Legg Mason Western Asset Euro Core Plus Bond Fund		
British Pound	5.84%	13.97
Euro	2.43%	9.73
Polish Zloty	4.12%	9.66
Turkish Lira	8.60%	9.03
US Dollar	5.45%	29.77
Legg Mason Western Asset Diversified Strategic Income Fund		
British Pound	5.80%	5.19
Euro	4.38%	3.93
Mexican Peso	6.80%	7.14
Polish Zloty	4.96%	3.66
South African Rand	9.14%	12.82
US Dollar	5.27%	16.12

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

(c) Interest Rate Risk – (continued)

As at February 28, 2014: – (continued)

Currency	Weighted Average Yield	Weighted Average Years to Maturity
Legg Mason Western Asset Global Multi Strategy Fund		
Brazilian Real	10.79%	4.36
British Pound	4.62%	5.76
Euro	6.22%	6.21
Mexican Peso	6.84%	6.99
Polish Zloty	4.26%	3.89
South African Rand	9.14%	12.82
Swiss Franc	7.44%	3.93
Turkish Lira	9.36%	8.27
US Dollar	5.88%	13.46
Legg Mason Western Asset US High Yield Fund		
Mexican Peso	6.35%	8.28
US Dollar	7.33%	7.07
Legg Mason Western Asset Emerging Markets Bond Fund		
Brazilian Real	10.52%	2.84
Mexican Peso	7.07%	14.23
US Dollar	6.27%	10.87
Legg Mason Western Asset Emerging Markets Corporate Bond Fund[^]		
Mexican Peso	5.00%	5.93
US Dollar	6.26%	7.26
Legg Mason Western Asset Global High Yield Fund		
Brazilian Real	10.79%	4.33
British Pound	7.20%	6.61
Euro	9.24%	4.59
Mexican Peso	6.34%	8.26
US Dollar	7.55%	6.73
Legg Mason Western Asset US Short-Term Government Fund		
US Dollar	2.32%	4.54
Legg Mason Western Asset US Adjustable Rate Fund		
US Dollar	1.47%	2.20
Legg Mason Western Asset Asian Opportunities Fund		
Chinese Renminbi	2.96%	1.09
Hong Kong Dollar	4.47%	17.97
Indian Rupee	8.87%	5.59
Indonesian Rupiah	11.12%	12.94
Malaysian Ringgit	3.94%	7.83
Philippine Peso	6.16%	17.60
Singapore Dollar	3.48%	11.41
South Korean Won	3.68%	7.20
Taiwan Dollar	1.69%	8.76
Thai Baht	3.64%	8.97
US Dollar	6.12%	6.10
Legg Mason Western Asset Global Blue Chip Bond Fund		
British Pound	2.85%	4.89
Euro	3.40%	6.27
US Dollar	4.08%	5.67
Legg Mason Western Asset Brazil Bond Fund		
Brazilian Real	11.70%	4.14
Legg Mason Western Asset Global Credit Absolute Return Fund[^]		
British Pound	6.59%	8.37
Euro	6.44%	4.02
US Dollar	5.37%	8.26
Legg Mason Western Asset Global Core Plus Bond Fund[^]		
Australian Dollar	6.40%	5.96
Brazilian Real	11.24%	6.85
British Pound	5.30%	7.46
Canadian Dollar	3.81%	4.26
Euro	3.60%	11.95
Japanese Yen	1.60%	18.50
Mexican Peso	6.69%	7.40
Polish Zloty	3.95%	7.27
South African Rand	9.14%	12.82
Turkish Lira	8.60%	9.03
US Dollar	3.58%	14.35
Legg Mason Western Asset Global Inflation-Linked Fund[^]		
Brazilian Real	11.04%	6.85
Mexican Peso	6.35%	8.28
Legg Mason Western Asset Global Credit Fund		
Brazilian Real	11.04%	6.85
British Pound	3.99%	11.62
Euro	3.57%	8.19
Mexican Peso	6.35%	8.28
US Dollar	4.24%	9.74

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Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

(c) Interest Rate Risk – (continued)

As at February 28, 2014: – (continued)

Currency	Weighted Average Yield	Weighted Average Years to Maturity
Legg Mason Western Asset Euro High Yield Fund[^]		
British Pound	6.83%	5.46
Euro	7.56%	5.30
Swiss Franc	7.44%	3.93
US Dollar	9.91%	4.53
Legg Mason Western Asset Macro Opportunities Bond Fund[^]		
Brazilian Real	9.75%	7.28
Canadian Dollar	1.69%	3.80
Chinese Renminbi	3.52%	2.95
Euro	4.67%	13.14
Mexican Peso	6.35%	8.28
Polish Zloty	3.57%	6.32
South African Rand	8.80%	11.55
US Dollar	5.75%	21.46
Legg Mason Brandywine Global Fixed Income Fund		
Australian Dollar	5.25%	8.08
Brazilian Real	6.01%	1.06
British Pound	2.25%	0.02
Euro	4.52%	25.44
Hungarian Forint	5.33%	1.96
Indian Rupee	7.17%	2.46
Mexican Peso	7.47%	22.93
New Zealand Dollar	5.33%	8.01
Polish Zloty	4.65%	6.86
South African Rand	8.85%	27.02
South Korean Won	4.78%	5.68
US Dollar	3.37%	20.25
Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^]		
Australian Dollar	5.26%	10.40
Brazilian Real	11.46%	8.61
British Pound	6.48%	3.01
Euro	4.60%	20.03
Hungarian Forint	5.33%	1.96
Malaysian Ringgit	3.66%	9.05
Mexican Peso	7.38%	20.30
New Zealand Dollar	5.61%	6.88
Polish Zloty	4.53%	8.12
South African Rand	8.45%	21.67
South Korean Won	4.82%	5.57
Turkish Lira	6.72%	0.86
US Dollar	4.67%	7.71
Legg Mason Brandywine Global High Yield Fund[^]		
Brazilian Real	10.61%	2.15
British Pound	7.13%	6.07
Euro	8.04%	5.92
Swiss Franc	7.44%	3.93
US Dollar	7.05%	6.96
Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^]		
Australian Dollar	5.18%	8.50
Brazilian Real	11.48%	8.75
British Pound	2.25%	0.02
Euro	4.57%	20.57
Hungarian Forint	5.47%	2.41
Malaysian Ringgit	3.66%	9.05
Mexican Peso	7.44%	23.20
New Zealand Dollar	5.28%	8.32
Polish Zloty	4.53%	7.67
South African Rand	8.47%	21.90
South Korean Won	4.76%	5.72
Turkish Lira	6.72%	0.86
US Dollar	3.78%	25.96
Legg Mason Brandywine Global Sovereign Credit Fund[^]		
Australian Dollar	5.26%	10.40
Brazilian Real	11.50%	8.85
Euro	4.57%	21.51
Hungarian Forint	6.66%	7.51
Indonesian Rupiah	8.82%	20.05
Malaysian Ringgit	3.66%	9.05
Mexican Peso	7.46%	22.35
New Zealand Dollar	5.15%	9.13
Polish Zloty	4.73%	7.03
South African Rand	8.12%	17.20
South Korean Won	4.88%	5.39
Turkish Lira	6.72%	0.86
US Dollar	3.29%	29.00

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Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

(c) Interest Rate Risk – (continued)

As at February 28, 2014: – (continued)

Currency	Weighted Average Yield	Weighted Average Years to Maturity
Legg Mason Brandywine Global Income Optimiser Fund[^]		
Australian Dollar	4.08%	3.39
Brazilian Real	10.45%	2.05
British Pound	6.78%	6.20
Euro	7.00%	8.20
Mexican Peso	7.49%	26.51
Polish Zloty	5.22%	15.16
Swiss Franc	7.44%	3.93
US Dollar	7.19%	9.69

(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 American 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 and no more than ten 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.

Some Funds entered into derivative contracts during the year. The value of derivatives is based on certain underlying stocks or bonds, interest rates, currencies or indices and includes futures, options, options on futures and swap agreements. Derivatives may be hard to sell at an advantageous price or time and are sensitive to changes in the underlying security, interest rate, currency or index. Therefore, derivatives can be highly volatile and could result in a loss to the Fund. Refer to the respective Funds' Portfolio of Investments for details of other open derivative positions as at February 28, 2015.

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 Balance Sheet date. The quoted market price used for long positions including those held as financial derivative instruments by the Company is the current bid price. The quoted market price used for short positions held as financial liabilities by the Company is the current ask 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.

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.

Investments measured and reported at fair value are classified and disclosed in one of the following fair value hierarchy levels based on the significance of the inputs used in measuring its fair value:

Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the valuation date. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 inputs are inputs other than quoted prices in active markets included within level 1 that are observable for the asset or liability, either directly or indirectly. Fair value is determined through the use of models or other valuation methodologies. Level 2 inputs include the following:

- (i) Quoted prices for similar assets or liabilities in active markets.
- (ii) Quoted prices for identical or similar assets or liabilities in markets that are not active, that is, markets in which there are few transactions for the asset or liability, the prices are not current, or price quotations vary substantially either over time or among market makers, or in which little information is released publicly.
- (iii) Inputs other than quoted prices that are observable for the asset or liability (e.g. interest rate and yield curves observable at commonly quoted intervals, volatilities, prepayment speeds, loss severities, credit risks and default rates).
- (iv) Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

The majority of fixed income securities including bonds and money market instruments are considered to be level 2 as their valuations are not technically derived from a quoted price.

Level 3 inputs are unobservable inputs for the asset or liability. Unobservable inputs reflect the Company's own assumptions about how market participants would be expected to value the asset or liability. Unobservable inputs are developed based on the best information available in the circumstances, other than market data obtained from sources independent of the Company and might include the Company's own data.

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.

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

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

The following table analyses under the fair value hierarchy the Funds' financial assets and financial liabilities measured at fair value at February 28, 2015:

	Legg Mason Western Asset US Money Market Fund as at February 28, 2015 (in 000's)	Legg Mason Western Asset US Core Bond Fund as at February 28, 2015 (in 000's)	Legg Mason Western Asset US Core Plus Bond Fund as at February 28, 2015 (in 000's)	Legg Mason Western Asset Euro Core Plus Bond Fund as at February 28, 2015 (in 000's)	Legg Mason Western Asset Diversified Strategic Income Fund as at February 28, 2015 (in 000's)
Level 1					
Bonds and Notes	\$ -	\$ -	\$ -	€ -	\$ -
Money Market Instruments	-	-	-	-	-
Equity Instruments	-	-	63	-	-
Derivative assets held for trading	-	-	-	-	-
Derivative liabilities held for trading	-	-	-	-	-
	-	-	63	-	-
Level 2					
Bonds and Notes	\$ 27,951	\$ 32,946	\$ 292,142	€ 54,031	\$ 20,207
Money Market Instruments	1,020,400	7,800	53,300	-	1,400
Equity Instruments	-	4,037	3,073	228	5,383
Derivative assets held for trading	-	112	1,044	464	602
Derivative liabilities held for trading	-	(26)	(359)	(889)	(581)
	1,048,351	44,869	349,200	53,834	27,011
Level 3					
Bonds and Notes	\$ -	\$ 71	\$ 1,061	€ -	\$ 18
Money Market Instruments	-	-	-	-	-
Equity Instruments	-	-	-	-	12
Derivative assets held for trading	-	-	-	-	-
Derivative liabilities held for trading	-	-	-	-	-
	-	71	1,061	-	30
Total Investments	\$ 1,048,351	\$ 44,940	\$ 350,324	€ 53,834	\$ 27,041

The following table presents the movement in level 3 instruments for the year ended February 28, 2015 by class of financial instrument.

	Legg Mason Western Asset US Money Market Fund as at February 28, 2015 (in 000's)	Legg Mason Western Asset US Core Bond Fund as at February 28, 2015 (in 000's)	Legg Mason Western Asset US Core Plus Bond Fund as at February 28, 2015 (in 000's)	Legg Mason Western Asset Euro Core Plus Bond Fund as at February 28, 2015 (in 000's)	Legg Mason Western Asset Diversified Strategic Income Fund as at February 28, 2015 (in 000's)
Bonds & Notes					
Opening Balance	\$ -	\$ 55	\$ 92	€ -	\$ 18
Purchases	-	-	959	-	-
Sales	-	-	-	-	-
Transfers into Level 3	-	24	18	-	-
Transfers out of Level 3	-	-	-	-	-
Movement in gains and losses recognised in the profit and loss account	-	(8)	(8)	-	-
Closing Balance	\$ -	\$ 71	\$ 1,061	€ -	\$ 18
Money Markets					
Opening Balance	\$ -	\$ -	\$ -	€ -	\$ -
Purchases	-	-	-	-	-
Sales	-	-	-	-	-
Transfers into Level 3	-	-	-	-	-
Transfers out of Level 3	-	-	-	-	-
Movement in gains and losses recognised in the profit and loss account	-	-	-	-	-
Closing Balance	\$ -	\$ -	\$ -	€ -	\$ -
Equity Instruments					
Opening Balance	\$ -	\$ -	\$ -	€ -	\$ 28
Purchases	-	-	-	-	-
Sales	-	-	-	-	-
Transfers into Level 3	-	-	-	-	-
Transfers out of Level 3	-	-	-	-	-
Movement in gains and losses recognised in the profit and loss account	-	-	-	-	(16)
Closing Balance	\$ -	\$ -	\$ -	€ -	\$ 12
Total Level 3 Investments	\$ -	\$ 71	\$ 1,061	€ -	\$ 30

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

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

	Legg Mason Western Asset Global Multi Strategy Fund as at February 28, 2015 (in 000's)	Legg Mason Western Asset US High Yield Fund as at February 28, 2015 (in 000's)	Legg Mason Western Asset Emerging Markets Bond Fund as at February 28, 2015 (in 000's)	Legg Mason Western Asset Emerging Markets Corporate Bond Fund as at February 28, 2015 (in 000's)	Legg Mason Western Asset Global High Yield Fund as at February 28, 2015 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	10,551	–	–	9,244
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	10,551	–	–	9,244
Level 2					
Bonds and Notes	\$ 1,094,252	\$ 546,143	\$ 95,804	\$ 78,733	\$ 355,157
Money Market Instruments	110,208	4,000	–	–	–
Equity Instruments	133,085	14,300	6,655	–	38,132
Derivative assets held for trading	13,980	719	250	15	814
Derivative liabilities held for trading	(7,542)	(147)	(216)	–	(201)
	1,343,983	565,015	102,493	78,748	393,902
Level 3					
Bonds and Notes	\$ 141	\$ 1,767	\$ –	\$ –	\$ 2,836
Money Market Instruments	–	–	–	–	–
Equity Instruments	676	2,747	–	–	3,032
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	817	4,514	–	–	5,868
Total Investments	\$ 1,344,800	\$ 580,080	\$ 102,493	\$ 78,748	\$ 409,014

	Legg Mason Western Asset Global Multi Strategy Fund as at February 28, 2015 (in 000's)	Legg Mason Western Asset US High Yield Fund as at February 28, 2015 (in 000's)	Legg Mason Western Asset Emerging Markets Bond Fund as at February 28, 2015 (in 000's)	Legg Mason Western Asset Emerging Markets Corporate Bond Fund as at February 28, 2015 (in 000's)	Legg Mason Western Asset Global High Yield Fund as at February 28, 2015 (in 000's)
Bonds & Notes					
Opening Balance	\$ 3,873	\$ 1,978	\$ –	\$ –	\$ 4,261
Purchases	356	–	–	–	886
Sales	(3,854)	–	–	–	(2,027)
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	(234)	(211)	–	–	(284)
Closing Balance	\$ 141	\$ 1,767	\$ –	\$ –	\$ 2,836
Money Markets					
Opening Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Equity Instruments					
Opening Balance	\$ 1,647	\$ 2,830	\$ –	\$ –	\$ 1,773
Purchases	–	764	–	–	1,141
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	(971)	(847)	–	–	118
Closing Balance	\$ 676	\$ 2,747	\$ –	\$ –	\$ 3,032
Total Level 3 Investments	\$ 817	\$ 4,514	\$ –	\$ –	\$ 5,868

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

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

	Legg Mason Western Asset US Short-Term Government Fund as at February 28, 2015 (in 000's)	Legg Mason Western Asset US Adjustable Rate Fund as at February 28, 2015 (in 000's)	Legg Mason Western Asset Inflation Management Fund as at February 28, 2015 (in 000's)	Legg Mason Western Asset Asian Opportunities Fund as at February 28, 2015 (in 000's)	Legg Mason Western Asset Global Blue Chip Bond Fund as at February 28, 2015 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	–	–	–	–
Level 2					
Bonds and Notes	\$ 30,610	\$ 10,119	\$ 9,913	\$ 559,701	\$ 43,874
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	17	947	34,596	103
Derivative assets held for trading	7	–	34	1,818	720
Derivative liabilities held for trading	–	–	(57)	(7,926)	(1,245)
	30,617	10,136	10,837	588,189	43,452
Level 3					
Bonds and Notes	\$ –	\$ 6	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	6	–	–	–
Total Investments	\$ 30,617	\$ 10,142	\$ 10,837	\$ 588,189	\$ 43,452

	Legg Mason Western Asset US Short-Term Government Fund as at February 28, 2015 (in 000's)	Legg Mason Western Asset US Adjustable Rate Fund as at February 28, 2015 (in 000's)	Legg Mason Western Asset Inflation Management Fund as at February 28, 2015 (in 000's)	Legg Mason Western Asset Asian Opportunities Fund as at February 28, 2015 (in 000's)	Legg Mason Western Asset Global Blue Chip Bond Fund as at February 28, 2015 (in 000's)
Bonds & Notes					
Opening Balance	\$ 20	\$ 7	\$ –	\$ –	\$ –
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	(20)	(1)	–	–	–
Closing Balance	\$ –	\$ 6	\$ –	\$ –	\$ –
Money Markets					
Opening Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Equity Instruments					
Opening Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Total Level 3 Investments	\$ –	\$ 6	\$ –	\$ –	\$ –

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

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

	Legg Mason Western Asset Brazil Bond Fund as at February 28, 2015 (in 000's)	Legg Mason Western Asset Global Credit Absolute Return Fund [^] as at February 28, 2015 (in 000's)	Legg Mason Western Asset Global Core Plus Bond Fund [^] as at February 28, 2015 (in 000's)	Legg Mason Western Asset Global Credit Fund as at February 28, 2015 (in 000's)	Legg Mason Western Asset Euro High Yield Fund as at February 28, 2015 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	€ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	2,902	45	–	–
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	2,902	45	–	–
Level 2					
Bonds and Notes	\$ 33,488	\$ 74,526	\$ 117,004	\$ 96,527	€ 81,557
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	2,070	6,937	851	4,307
Derivative assets held for trading	–	3,732	753	510	3
Derivative liabilities held for trading	–	(5,427)	(783)	(687)	(811)
	33,488	74,901	123,911	97,201	85,056
Level 3					
Bonds and Notes	\$ –	\$ –	\$ 78	\$ –	€ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	1,046	–	–	–
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	1,046	78	–	–
Total Investments	\$ 33,488	\$ 78,849	\$ 124,034	\$ 97,201	€ 85,056

	Legg Mason Western Asset Brazil Bond Fund as at February 28, 2015 (in 000's)	Legg Mason Western Asset Global Credit Absolute Return Fund [^] as at February 28, 2015 (in 000's)	Legg Mason Western Asset Global Core Plus Bond Fund [^] as at February 28, 2015 (in 000's)	Legg Mason Western Asset Global Credit Fund as at February 28, 2015 (in 000's)	Legg Mason Western Asset Euro High Yield Fund as at February 28, 2015 (in 000's)
Bonds & Notes					
Opening Balance	\$ –	\$ –	\$ 78	\$ –	€ 983
Purchases	–	–	–	–	84
Sales	–	–	–	–	(1,023)
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	(44)
Closing Balance	\$ –	\$ –	\$ 78	\$ –	€ –
Money Markets					
Opening Balance	\$ –	\$ –	\$ –	\$ –	€ –
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	€ –
Equity Instruments					
Opening Balance	\$ –	\$ –	\$ –	\$ –	€ –
Purchases	–	504	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	542	–	–	–
Closing Balance	\$ –	\$ 1,046	\$ –	\$ –	€ –
Total Level 3 Investments	\$ –	\$ 1,046	\$ 78	\$ –	€ –

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

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

	Legg Mason Western Asset Macro Opportunities Bond Fund [^] as at February 28, 2015 (in 000's)	Legg Mason Brandywine Global Fixed Income Fund as at February 28, 2015 (in 000's)	Legg Mason Brandywine Global Fixed Income Absolute Return Fund [^] as at February 28, 2015 (in 000's)	Legg Mason Brandywine Global High Yield Fund [^] as at February 28, 2015 (in 000's)	Legg Mason Brandywine Global Opportunistic Fixed Income Fund [^] as at February 28, 2015 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	5,025	–	–	–	–
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	5,025	–	–	–	–
Level 2					
Bonds and Notes	\$ 2,515,576	\$ 1,443,254	\$ 1,044,127	\$ 18,661	\$ 289,220
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	50,853	56,111	888	9,013
Derivative assets held for trading	81,238	7,163	11,507	257	7,308
Derivative liabilities held for trading	(78,362)	(8,152)	(17,538)	(117)	(398)
	2,518,452	1,493,118	1,094,207	19,689	305,143
Level 3					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	–	–	–	–
Total Investments	\$ 2,523,477	\$ 1,493,118	\$ 1,094,207	\$ 19,689	\$ 305,143

	Legg Mason Western Asset Macro Opportunities Bond Fund [^] as at February 28, 2015 (in 000's)	Legg Mason Brandywine Global Fixed Income Fund as at February 28, 2015 (in 000's)	Legg Mason Brandywine Global Fixed Income Absolute Return Fund [^] as at February 28, 2015 (in 000's)	Legg Mason Brandywine Global High Yield Fund [^] as at February 28, 2015 (in 000's)	Legg Mason Brandywine Global Opportunistic Fixed Income Fund [^] as at February 28, 2015 (in 000's)
Bonds & Notes					
Opening Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Money Markets					
Opening Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Equity Instruments					
Opening Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Total Level 3 Investments	\$ –	\$ –	\$ –	\$ –	\$ –

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

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

	Legg Mason Brandywine Global Sovereign Credit Fund [^] as at February 28, 2015 (in 000's)	Legg Mason Brandywine Global Income Optimiser Fund [^] as at February 28, 2015 (in 000's)	Legg Mason Brandywine Global Credit Opportunities Fund [^] as at February 28, 2015 (in 000's)	Legg Mason Western Asset Brazil Equity Fund as at February 28, 2015 (in 000's)	Legg Mason ClearBridge Value Fund as at February 28, 2015 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	2,660	361,983
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
				2,660	361,983
Level 2					
Bonds and Notes	\$ 1,881,811	\$ 69,770	\$ 51,788	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	93,775	5,356	848	–	–
Derivative assets held for trading	50,236	898	875	–	1
Derivative liabilities held for trading	(25,280)	(697)	(199)	–	(36)
	2,000,542	75,327	53,312	–	(35)
Level 3					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	–	–	–	–
Total Investments	\$ 2,000,542	\$ 75,327	\$ 53,312	\$ 2,660	\$ 361,948

	Legg Mason Brandywine Global Sovereign Credit Fund [^] as at February 28, 2015 (in 000's)	Legg Mason Brandywine Global Income Optimiser Fund [^] as at February 28, 2015 (in 000's)	Legg Mason Brandywine Global Credit Opportunities Fund [^] as at February 28, 2015 (in 000's)	Legg Mason Western Asset Brazil Equity Fund as at February 28, 2015 (in 000's)	Legg Mason ClearBridge Value Fund as at February 28, 2015 (in 000's)
Bonds & Notes					
Opening Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Money Markets					
Opening Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Equity Instruments					
Opening Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Total Level 3 Investments	\$ –	\$ –	\$ –	\$ –	\$ –

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

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

	Legg Mason ClearBridge Growth Fund as at February 28, 2015 (in 000's)	Legg Mason ClearBridge Global Equity Fund [^] as at February 28, 2015 (in 000's)	Legg Mason ClearBridge Global Equity Income Fund [^] as at February 28, 2015 (in 000's)	Legg Mason ClearBridge US Appreciation Fund as at February 28, 2015 (in 000's)	Legg Mason ClearBridge US Fundamental Value Fund as at February 28, 2015 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	7,793	4,905	4,809	348,358	88,789
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	7,793	4,905	4,809	348,358	88,789
Level 2					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	5
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	(24)	–	–
	–	–	(24)	–	5
Level 3					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	–	–	–	–
Total Investments	\$ 7,793	\$ 4,905	\$ 4,785	\$ 348,358	\$ 88,794

	Legg Mason ClearBridge Growth Fund as at February 28, 2015 (in 000's)	Legg Mason ClearBridge Global Equity Fund [^] as at February 28, 2015 (in 000's)	Legg Mason ClearBridge Global Equity Income Fund [^] as at February 28, 2015 (in 000's)	Legg Mason ClearBridge US Appreciation Fund as at February 28, 2015 (in 000's)	Legg Mason ClearBridge US Fundamental Value Fund as at February 28, 2015 (in 000's)
Bonds & Notes					
Opening Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Money Markets					
Opening Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Equity Instruments					
Opening Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Total Level 3 Investments	\$ –	\$ –	\$ –	\$ –	\$ –

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

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

	Legg Mason ClearBridge US Large Cap Growth Fund as at February 28, 2015 (in 000's)	Legg Mason ClearBridge US Aggressive Growth Fund as at February 28, 2015 (in 000's)	Legg Mason ClearBridge Tactical Dividend Income Fund as at February 28, 2015 (in 000's)	Legg Mason Opportunity Fund as at February 28, 2015 (in 000's)	Legg Mason Royce US Small Cap Opportunity Fund as at February 28, 2015 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	137,870	4,202,637	35,304	285,302	999,100
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	137,870	4,202,637	35,304	285,302	999,100
Level 2					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	13,623	77,043
Derivative assets held for trading	2	466	5	30,444	135
Derivative liabilities held for trading	–	(1,649)	(73)	(374)	(241)
	2	(1,183)	(68)	43,693	76,937
Level 3					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	–	–	–	–
Total Investments	\$ 137,872	\$ 4,201,454	\$ 35,236	\$ 328,995	\$ 1,076,037

	Legg Mason ClearBridge US Large Cap Growth Fund as at February 28, 2015 (in 000's)	Legg Mason ClearBridge US Aggressive Growth Fund as at February 28, 2015 (in 000's)	Legg Mason ClearBridge Tactical Dividend Income Fund as at February 28, 2015 (in 000's)	Legg Mason Opportunity Fund as at February 28, 2015 (in 000's)	Legg Mason Royce US Small Cap Opportunity Fund as at February 28, 2015 (in 000's)
Bonds & Notes					
Opening Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Money Markets					
Opening Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Equity Instruments					
Opening Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Total Level 3 Investments	\$ –	\$ –	\$ –	\$ –	\$ –

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

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

	Legg Mason Royce US Smaller Companies Fund as at February 28, 2015 (in 000's)	Legg Mason Royce Smaller Companies Fund II [^] as at February 28, 2015 (in 000's)	Legg Mason Batterymarch Managed Volatility European Equity Fund as at February 28, 2015 (in 000's)	Legg Mason Batterymarch Asia Ex Japan Equity Fund as at February 28, 2015 (in 000's)	Legg Mason Batterymarch Emerging Markets Equity Fund as at February 28, 2015 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	€ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	315,928	26,490	133,163	48,541	18,479
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	315,928	26,490	133,163	48,541	18,479
Level 2					
Bonds and Notes	\$ –	\$ –	€ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	23,806	2,561	–	2,328	196
Derivative assets held for trading	–	–	787	–	32
Derivative liabilities held for trading	(9)	–	(75)	–	–
	23,797	2,561	712	2,328	228
Level 3					
Bonds and Notes	\$ –	\$ –	€ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	–	–	–	–
Total Investments	\$ 339,725	\$ 29,051	€ 133,875	\$ 50,869	\$ 18,707

	Legg Mason Royce US Smaller Companies Fund as at February 28, 2015 (in 000's)	Legg Mason Royce Smaller Companies Fund II [^] as at February 28, 2015 (in 000's)	Legg Mason Batterymarch Managed Volatility European Equity Fund as at February 28, 2015 (in 000's)	Legg Mason Batterymarch Asia Ex Japan Equity Fund as at February 28, 2015 (in 000's)	Legg Mason Batterymarch Emerging Markets Equity Fund as at February 28, 2015 (in 000's)
Bonds & Notes					
Opening Balance	\$ –	\$ –	€ –	\$ –	\$ –
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	€ –	\$ –	\$ –
Money Markets					
Opening Balance	\$ –	\$ –	€ –	\$ –	\$ –
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	€ –	\$ –	\$ –
Equity Instruments					
Opening Balance	\$ –	\$ –	€ –	\$ –	\$ –
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	€ –	\$ –	\$ –
Total Level 3 Investments	\$ –	\$ –	€ –	\$ –	\$ –

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

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

	Legg Mason Batterymarch Global Equity Fund as at February 28, 2015 (in 000's)
Level 1	
Bonds and Notes	\$ –
Money Market Instruments	–
Equity Instruments	13,399
Derivative assets held for trading	–
Derivative liabilities held for trading	–
	<u>13,399</u>
Level 2	
Bonds and Notes	\$ –
Money Market Instruments	–
Equity Instruments	–
Derivative assets held for trading	–
Derivative liabilities held for trading	–
	<u>–</u>
Level 3	
Bonds and Notes	\$ –
Money Market Instruments	–
Equity Instruments	–
Derivative assets held for trading	–
Derivative liabilities held for trading	–
	<u>–</u>
Total Investments	\$ 13,399

	Legg Mason Batterymarch Global Equity Fund as at February 28, 2015 (in 000's)
Bonds & Notes	
Opening Balance	\$ –
Purchases	–
Sales	–
Transfers into Level 3	–
Transfers out of Level 3	–
Movement in gains and losses recognised in the profit and loss account	–
Closing Balance	\$ –
Money Markets	
Opening Balance	\$ –
Purchases	–
Sales	–
Transfers into Level 3	–
Transfers out of Level 3	–
Movement in gains and losses recognised in the profit and loss account	–
Closing Balance	\$ –
Equity Instruments	
Opening Balance	\$ –
Purchases	–
Sales	–
Transfers into Level 3	–
Transfers out of Level 3	–
Movement in gains and losses recognised in the profit and loss account	–
Closing Balance	\$ –
Total Level 3 Investments	\$ –

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

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

The following table analyses under the fair value hierarchy the Funds' financial assets and financial liabilities measured at fair value at February 28, 2014:

	Legg Mason Western Asset US Money Market Fund as at February 28, 2014 (in 000's)	Legg Mason Western Asset US Core Bond Fund as at February 28, 2014 (in 000's)	Legg Mason Western Asset US Core Plus Bond Fund as at February 28, 2014 (in 000's)	Legg Mason Western Asset Euro Core Plus Bond Fund as at February 28, 2014 (in 000's)	Legg Mason Western Asset Diversified Strategic Income Fund as at February 28, 2014 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	€ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	65	–	2
Derivative asset held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
			65		2
Level 2					
Bonds and Notes	\$ 44,505	\$ 20,566	\$ 149,763	€ 48,577	\$ 23,707
Money Market Instruments	1,109,405	–	3,800	–	–
Equity Instruments	–	1,820	2,932	3,380	5,951
Derivative asset held for trading	–	19	194	264	325
Derivative liabilities held for trading	–	(30)	(210)	(280)	(710)
	1,153,910	22,375	156,479	51,941	29,273
Level 3					
Bonds and Notes	\$ –	\$ 55	\$ 92	€ –	\$ 18
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	28
Derivative asset held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
		55	92		46
Total Investments	\$ 1,153,910	\$ 22,430	\$ 156,636	€ 51,941	\$ 29,321

The following table presents the movement in level 3 instruments for the year ended February 28, 2014 by class of financial instrument.

	Legg Mason Western Asset US Money Market Fund as at February 28, 2014 (in 000's)	Legg Mason Western Asset US Core Bond Fund as at February 28, 2014 (in 000's)	Legg Mason Western Asset US Core Plus Bond Fund as at February 28, 2014 (in 000's)	Legg Mason Western Asset Euro Core Plus Bond Fund as at February 28, 2014 (in 000's)	Legg Mason Western Asset Diversified Strategic Income Fund as at February 28, 2014 (in 000's)
Bonds and Notes					
Opening Balance	\$ –	\$ 75	\$ 130	€ –	\$ 109
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	(28)	(53)	–	(94)
Movement in gains and losses recognised in the profit and loss account	–	8	15	–	3
Closing Balance	\$ –	\$ 55	\$ 92	€ –	\$ 18
Money Markets					
Opening Balance	–	–	–	–	–
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	€ –	\$ –
Equity Instruments					
Opening Balance	–	–	4	–	23
Purchases	–	–	–	–	–
Sales	–	–	(1)	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	(5)
Movement in gains and losses recognised in the profit and loss account	–	–	(3)	–	10
Closing Balance	\$ –	\$ –	\$ –	€ –	\$ 28
Total Level 3 Investments	\$ –	\$ 55	\$ 92	€ –	\$ 46

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

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

	Legg Mason Western Asset Global Multi Strategy Fund as at February 28, 2014 (in 000's)	Legg Mason Western Asset US High Yield Fund as at February 28, 2014 (in 000's)	Legg Mason Western Asset Emerging Markets Bond Fund as at February 28, 2014 (in 000's)	Legg Mason Western Asset Emerging Markets Corporate Bond Fund^ as at February 28, 2014 (in 000's)	Legg Mason Western Asset Global High Yield Fund as at February 28, 2014 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	22	13,968	–	–	13,827
Derivative asset held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	22	13,968	–	–	13,827
Level 2					
Bonds and Notes	\$ 1,219,073	\$ 589,424	\$ 155,946	\$ 102,621	\$ 698,332
Money Market Instruments	121,702	40,500	–	–	–
Equity Instruments	135,636	15,642	9,009	–	85,711
Derivative asset held for trading	7,954	1,078	325	–	167
Derivative liabilities held for trading	(13,964)	(1,907)	(193)	–	(3,876)
	1,470,401	644,737	165,087	102,621	780,334
Level 3					
Bonds and Notes	\$ 3,873	\$ 1,978	\$ –	\$ –	\$ 4,261
Money Market Instruments	–	–	–	–	–
Equity Instruments	1,647	2,830	–	–	1,773
Derivative asset held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	5,520	4,808	–	–	6,034
Total Investments	\$ 1,475,943	\$ 663,513	\$ 165,087	\$ 102,621	\$ 800,195
	Legg Mason Western Asset Global Multi Strategy Fund as at February 28, 2014 (in 000's)	Legg Mason Western Asset US High Yield Fund as at February 28, 2014 (in 000's)	Legg Mason Western Asset Emerging Markets Bond Fund as at February 28, 2014 (in 000's)	Legg Mason Western Asset Emerging Markets Corporate Bond Fund^ as at February 28, 2014 (in 000's)	Legg Mason Western Asset Global High Yield Fund as at February 28, 2014 (in 000's)
	Bonds and Notes	Bonds and Notes	Bonds and Notes	Bonds and Notes	Bonds and Notes
Opening Balance	\$ 3,060	\$ 5,917	\$ –	\$ –	\$ 7,933
Purchases	416	1,000	–	–	1,451
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	(165)	(4,920)	–	–	(5,337)
	562	(19)	–	–	214
Closing Balance	\$ 3,873	\$ 1,978	\$ –	\$ –	\$ 4,261
	Money Markets	Money Markets	Money Markets	Money Markets	Money Markets
Opening Balance	–	–	–	–	–
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
	Equity Instruments	Equity Instruments	Equity Instruments	Equity Instruments	Equity Instruments
Opening Balance	9,100	10,321	–	–	9,285
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers in to Level 3	–	–	–	–	–
Transfers out of Level 3	(8,074)	(8,558)	–	–	(8,122)
Movement in gains and losses recognised in the profit and loss account	621	1,067	–	–	610
Closing Balance	\$ 1,647	\$ 2,830	\$ –	\$ –	\$ 1,773
Total Level 3 Investments	\$ 5,520	\$ 4,808	\$ –	\$ –	\$ 6,034

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

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

	Legg Mason Western Asset US Short-Term Government Fund as at February 28, 2014 (in 000's)	Legg Mason Western Asset US Adjustable Rate Fund as at February 28, 2014 (in 000's)	Legg Mason Western Asset Inflation Management Fund as at February 28, 2014 (in 000's)	Legg Mason Western Asset Asian Opportunities Fund as at February 28, 2014 (in 000's)	Legg Mason Western Asset Global Blue Chip Bond Fund as at February 28, 2014 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative asset held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	–	–	–	–
Level 2					
Bonds and Notes	\$ 25,047	\$ 16,202	\$ 12,002	\$ 594,949	\$ 68,921
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	39	113	25,879	3,762
Derivative asset held for trading	–	–	5	1,665	586
Derivative liabilities held for trading	(9)	–	(17)	(6,873)	(1,279)
	25,038	16,241	12,103	615,620	71,990
Level 3					
Bonds and Notes	\$ 20	\$ 7	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative asset held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	20	7	–	–	–
Total Investments	\$ 25,058	\$ 16,248	\$ 12,103	\$ 615,620	\$ 71,990
	Legg Mason Western Asset US Short-Term Government Fund as at February 28, 2014 (in 000's)	Legg Mason Western Asset US Adjustable Rate Fund as at February 28, 2014 (in 000's)	Legg Mason Western Asset Inflation Management Fund as at February 28, 2014 (in 000's)	Legg Mason Western Asset Asian Opportunities Fund as at February 28, 2014 (in 000's)	Legg Mason Western Asset Global Blue Chip Bond Fund as at February 28, 2014 (in 000's)
	Bonds and Notes	Bonds and Notes	Bonds and Notes	Bonds and Notes	Bonds and Notes
Opening Balance	\$ 16	\$ 5	\$ –	\$ 870	\$ –
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	(870)	–
Movement in gains and losses recognised in the profit and loss account	4	2	–	–	–
Closing Balance	\$ 20	\$ 7	\$ –	\$ –	\$ –
	Money Markets	Money Markets	Money Markets	Money Markets	Money Markets
Opening Balance	–	–	–	–	–
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
	Equity Instruments	Equity Instruments	Equity Instruments	Equity Instruments	Equity Instruments
Opening Balance	–	–	–	16,920	–
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	(16,920)	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Total Level 3 Investments	\$ 20	\$ 7	\$ –	\$ –	\$ –

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

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

	Legg Mason Western Asset Brazil Bond Fund as at February 28, 2014 (in 000's)	Legg Mason Western Asset Global Credit Absolute Return Fund [^] as at February 28, 2014 (in 000's)	Legg Mason Western Asset UK£ Core Plus Bond Fund [^] as at February 28, 2014 (in 000's)	Legg Mason Western Asset Global Core Plus Bond Fund [^] as at February 28, 2014 (in 000's)	Legg Mason Western Asset Global Inflation- Linked Fund as at February 28, 2014 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	£ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	2,867	–	82	–
Derivative asset held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	2,867	–	82	–
Level 2					
Bonds and Notes	\$ 5,459	\$ 104,938	£ –	\$ 145,998	\$ 26,773
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	3,527	–	2,163	1,313
Derivative asset held for trading	–	6,599	–	534	270
Derivative liabilities held for trading	–	(3,911)	–	(1,313)	(492)
	5,459	111,153	–	147,382	27,864
Level 3					
Bonds and Notes	\$ –	\$ –	£ –	\$ 78	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative asset held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	–	–	78	–
Total Investments	\$ 5,459	\$ 114,020	£ –	\$ 147,542	\$ 27,864
	Legg Mason Western Asset Brazil Bond Fund as at February 28, 2014 (in 000's)	Legg Mason Western Asset Global Credit Absolute Return Fund [^] as at February 28, 2014 (in 000's)	Legg Mason Western Asset UK£ Core Plus Bond Fund [^] as at February 28, 2014 (in 000's)	Legg Mason Western Asset Global Core Plus Bond Fund [^] as at February 28, 2014 (in 000's)	Legg Mason Western Asset Global Inflation- Linked Fund as at February 28, 2014 (in 000's)
	Bonds and Notes	Bonds and Notes	Bonds and Notes	Bonds and Notes	Bonds and Notes
Opening Balance	\$ –	\$ 1,456	£ 2	\$ 66	\$ –
Purchases	–	–	–	–	–
Sales	–	(1,369)	(1)	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	(87)	(1)	12	–
Closing Balance	\$ –	\$ –	£ –	\$ 78	\$ –
	Money Markets	Money Markets	Money Markets	Money Markets	Money Markets
Opening Balance	–	–	–	–	–
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	£ –	\$ –	\$ –
	Equity Instruments	Equity Instruments	Equity Instruments	Equity Instruments	Equity Instruments
Opening Balance	–	–	–	–	–
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers in to Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	£ –	\$ –	\$ –
Total Level 3 Investments	\$ –	\$ –	£ –	\$ 78	\$ –

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

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

	Legg Mason Western Asset UK£ Inflation- Linked Plus Fund [^] as at February 28, 2014 (in 000's)	Legg Mason Western Asset UK£ Long Duration Fund [^] as at February 28, 2014 (in 000's)	Legg Mason Western Asset Global Credit Fund as at February 28, 2014 (in 000's)	Legg Mason Western Asset Euro High Yield Fund [^] as at February 28, 2014 (in 000's)	Legg Mason Western Asset Macro Opportunities Bond Fund [^] as at February 28, 2014 (in 000's)
Level 1					
Bonds and Notes	£ –	£ –	\$ –	€ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	804
Derivative asset held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
					804
Level 2					
Bonds and Notes	£ –	£ –	\$ 99,662	€ 79,531	\$ 307,790
Money Market Instruments	–	–	301	–	–
Equity Instruments	–	–	810	1,546	–
Derivative asset held for trading	–	–	72	16	5,431
Derivative liabilities held for trading	–	–	(1,878)	(189)	(4,899)
			98,967	80,904	308,322
Level 3					
Bonds and Notes	£ –	£ –	\$ –	€ 983	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative asset held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
				983	–
Total Investments	£ –	£ –	\$ 98,967	€ 81,887	\$ 309,126
	Legg Mason Western Asset UK£ Inflation- Linked Plus Fund [^] as at February 28, 2014 (in 000's)	Legg Mason Western Asset UK£ Long Duration Fund [^] as at February 28, 2014 (in 000's)	Legg Mason Western Asset Global Credit Fund as at February 28, 2014 (in 000's)	Legg Mason Western Asset Euro High Yield Fund [^] as at February 28, 2014 (in 000's)	Legg Mason Western Asset Macro Opportunities Bond Fund [^] as at February 28, 2014 (in 000's)
	Bonds and Notes	Bonds and Notes	Bonds and Notes	Bonds and Notes	Bonds and Notes
Opening Balance	£ –	£ 1	\$ –	€ –	\$ –
Purchases	–	–	–	113	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	767	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	(1)	–	103	–
Closing Balance	£ –	£ –	\$ –	€ 983	\$ –
	Money Markets	Money Markets	Money Markets	Money Markets	Money Markets
Opening Balance	–	–	–	–	–
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	£ –	£ –	\$ –	€ –	\$ –
	Equity Instruments	Equity Instruments	Equity Instruments	Equity Instruments	Equity Instruments
Opening Balance	–	–	–	–	–
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers in to Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	£ –	£ –	\$ –	€ –	\$ –
Total Level 3 Investments	£ –	£ –	\$ –	€ 983	\$ –

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

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

	Legg Mason Brandywine Global Fixed Income Fund as at February 28, 2014 (in 000's)	Legg Mason Brandywine Global Fixed Income Absolute Return Fund [^] as at February 28, 2014 (in 000's)	Legg Mason Brandywine Global High Yield Fund [^] as at February 28, 2014 (in 000's)	Legg Mason Brandywine Global Opportunistic Fixed Income Fund [^] as at February 28, 2014 (in 000's)	Legg Mason Brandywine Global Sovereign Credit Fund [^] as at February 28, 2014 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative asset held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	–	–	–	–
Level 2					
Bonds and Notes	\$ 1,197,356	\$ 742,072	\$ 18,839	\$ 195,020	\$ 955,138
Money Market Instruments	–	–	–	–	–
Equity Instruments	56,792	55,754	857	7,110	23,056
Derivative asset held for trading	10,526	7,211	395	2,221	13,163
Derivative liabilities held for trading	(6,701)	(15,453)	(107)	(1,247)	(13,057)
	1,257,973	789,584	19,984	203,104	978,300
Level 3					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative asset held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	–	–	–	–
Total Investments	\$ 1,257,973	\$ 789,584	\$ 19,984	\$ 203,104	\$ 978,300

	Legg Mason Brandywine Global Fixed Income Fund as at February 28, 2014 (in 000's)	Legg Mason Brandywine Global Fixed Income Absolute Return Fund [^] as at February 28, 2014 (in 000's)	Legg Mason Brandywine Global High Yield Fund [^] as at February 28, 2014 (in 000's)	Legg Mason Brandywine Global Opportunistic Fixed Income Fund [^] as at February 28, 2014 (in 000's)	Legg Mason Brandywine Global Sovereign Credit Fund [^] as at February 28, 2014 (in 000's)
	Bonds and Notes	Bonds and Notes	Bonds and Notes	Bonds and Notes	Bonds and Notes
Opening Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
	Money Markets	Money Markets	Money Markets	Money Markets	Money Markets
Opening Balance	–	–	–	–	–
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
	Equity Instruments	Equity Instruments	Equity Instruments	Equity Instruments	Equity Instruments
Opening Balance	–	–	–	–	–
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Total Level 3 Investments	\$ –	\$ –	\$ –	\$ –	\$ –

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

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

	Legg Mason Brandywine Global Income Optimiser Fund [^] as at February 28, 2014 (in 000's)	Legg Mason Western Asset Brazil Equity Fund as at February 28, 2014 (in 000's)	Legg Mason Capital Management Value Fund as at February 28, 2014 (in 000's)	Legg Mason Capital Management Growth Fund as at February 28, 2014 (in 000's)	Legg Mason Capital Management Opportunity Fund as at February 28, 2014 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	3,045	285,595	6,893	243,859
Derivative asset held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	3,045	285,595	6,893	243,859
Level 2					
Bonds and Notes	\$ 12,211	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	425	4	–	–	11,447
Derivative asset held for trading	83	–	–	–	3,580
Derivative liabilities held for trading	(225)	–	(3)	–	(173)
	12,494	4	(3)	–	14,854
Level 3					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative asset held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	–	–	–	–
Total Investments	\$ 12,494	\$ 3,049	\$ 285,592	\$ 6,893	\$ 258,713

	Legg Mason Brandywine Global Income Optimiser Fund [^] as at February 28, 2014 (in 000's)	Legg Mason Western Asset Brazil Equity Fund as at February 28, 2014 (in 000's)	Legg Mason Capital Management Value Fund as at February 28, 2014 (in 000's)	Legg Mason Capital Management Growth Fund as at February 28, 2014 (in 000's)	Legg Mason Capital Management Opportunity Fund as at February 28, 2014 (in 000's)
Bonds and Notes					
Opening Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Money Markets					
Opening Balance	–	–	–	–	–
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Equity Instruments					
Opening Balance	–	–	–	–	–
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers in to Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Total Level 3 Investments	\$ –	\$ –	\$ –	\$ –	\$ –

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

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

	Legg Mason ClearBridge Global Equity Fund [^] as at February 28, 2014 (in 000's)	Legg Mason ClearBridge US Appreciation Fund as at February 28, 2014 (in 000's)	Legg Mason ClearBridge US Fundamental Value Fund as at February 28, 2014 (in 000's)	Legg Mason ClearBridge US Large Cap Growth Fund as at February 28, 2014 (in 000's)	Legg Mason ClearBridge US Aggressive Growth Fund as at February 28, 2014 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	3,270	364,423	100,307	100,244	1,770,983
Derivative asset held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	3,270	364,423	100,307	100,244	1,770,983
Level 2					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	3	–	8	–	–
Derivative asset held for trading	–	–	–	–	503
Derivative liabilities held for trading	–	–	–	–	(142)
	3	–	8	–	361
Level 3					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative asset held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	–	–	–	–
Total Investments	\$ 3,273	\$ 364,423	\$ 100,315	\$ 100,244	\$ 1,771,344

	Legg Mason ClearBridge Global Equity Fund [^] as at February 28, 2014 (in 000's)	Legg Mason ClearBridge US Appreciation Fund as at February 28, 2014 (in 000's)	Legg Mason ClearBridge US Fundamental Value Fund as at February 28, 2014 (in 000's)	Legg Mason ClearBridge US Large Cap Growth Fund as at February 28, 2014 (in 000's)	Legg Mason ClearBridge US Aggressive Growth Fund as at February 28, 2014 (in 000's)
	Bonds and Notes	Bonds and Notes	Bonds and Notes	Bonds and Notes	Bonds and Notes
Opening Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
	Money Markets	Money Markets	Money Markets	Money Markets	Money Markets
Opening Balance	–	–	–	–	–
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
	Equity Instruments	Equity Instruments	Equity Instruments	Equity Instruments	Equity Instruments
Opening Balance	–	–	6	–	–
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers in to Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	(6)	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Total Level 3 Investments	\$ –	\$ –	\$ –	\$ –	\$ –

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

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

	Legg Mason ClearBridge US Equity Income Fund^ as at February 28, 2014 (in 000's)	Legg Mason ClearBridge Tactical Dividend Income Fund^ as at February 28, 2014 (in 000's)	Legg Mason Royce US Small Cap Opportunity Fund as at February 28, 2014 (in 000's)	Legg Mason Royce Smaller Companies Fund as at February 28, 2014 (in 000's)	Legg Mason Royce Smaller Companies Fund II^ as at February 28, 2014 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	3,542	3,523	1,213,068	447,071	31,416
Derivative asset held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	3,542	3,523	1,213,068	447,071	31,416
Level 2					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	90,873	33,698	2,958
Derivative asset held for trading	1	–	226	13	–
Derivative liabilities held for trading	–	–	(99)	–	–
	1	–	91,000	33,711	2,958
Level 3					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative asset held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	–	–	–	–
Total Investments	\$ 3,543	\$ 3,523	\$ 1,304,068	\$ 480,782	\$ 34,374
Level 3 Investments					
	Legg Mason ClearBridge US Equity Income Fund^ as at February 28, 2014 (in 000's)	Legg Mason ClearBridge Tactical Dividend Income Fund^ as at February 28, 2014 (in 000's)	Legg Mason Royce US Small Cap Opportunity Fund as at February 28, 2014 (in 000's)	Legg Mason Royce Smaller Companies Fund as at February 28, 2014 (in 000's)	Legg Mason Royce Smaller Companies Fund II^ as at February 28, 2014 (in 000's)
Opening Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Money Markets					
Opening Balance	–	–	–	–	–
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Equity Instruments					
Opening Balance	–	–	–	–	–
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Total Level 3 Investments	\$ –	\$ –	\$ –	\$ –	\$ –

^ Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

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

	Legg Mason Royce European Smaller Companies Fund as at February 28, 2014 (in 000's)	Legg Mason Royce Global Smaller Companies Fund as at February 28, 2014 (in 000's)	Legg Mason PCM US Equity Fund as at February 28, 2014 (in 000's)	Legg Mason Permal Global Absolute Fund as at February 28, 2014 (in 000's)	Legg Mason Batterymarch European Equity Fund as at February 28, 2014 (in 000's)
Level 1					
Bonds and Notes	€ –	\$ –	\$ –	\$ –	€ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	3,343	–	6,714	61,160
Derivative asset held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	3,343	–	6,714	61,160
Level 2					
Bonds and Notes	€ –	\$ –	\$ –	\$ 6,000	€ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	229	–	5,835	130
Derivative asset held for trading	–	–	–	45	–
Derivative liabilities held for trading	–	–	–	(93)	(1)
	–	229	–	11,787	129
Level 3					
Bonds and Notes	€ –	\$ –	\$ –	\$ –	€ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative asset held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	–	–	–	–
Total Investments	€ –	\$ 3,572	\$ –	\$ 18,501	€ 61,289
Level 3 Investments					
	Legg Mason Royce European Smaller Companies Fund as at February 28, 2014 (in 000's)	Legg Mason Royce Global Smaller Companies Fund as at February 28, 2014 (in 000's)	Legg Mason PCM US Equity Fund as at February 28, 2014 (in 000's)	Legg Mason Permal Global Absolute Fund as at February 28, 2014 (in 000's)	Legg Mason Batterymarch European Equity Fund as at February 28, 2014 (in 000's)
	Bonds and Notes	Bonds and Notes	Bonds and Notes	Bonds and Notes	Bonds and Notes
Opening Balance	€ –	\$ –	\$ –	\$ –	€ –
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	€ –	\$ –	\$ –	\$ –	€ –
	Money Markets	Money Markets	Money Markets	Money Markets	Money Markets
Opening Balance	–	–	–	–	–
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	€ –	\$ –	\$ –	\$ –	€ –
	Equity Instruments	Equity Instruments	Equity Instruments	Equity Instruments	Equity Instruments
Opening Balance	–	–	–	1,038	–
Purchases	–	–	–	300	–
Sales	–	–	–	(1,326)	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	(12)	–
Closing Balance	€ –	\$ –	\$ –	\$ –	€ –
Total Level 3 Investments	€ –	\$ –	\$ –	\$ –	€ –

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

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

	Legg Mason Batterymarch Asia Pacific Equity Fund as at February 28, 2014 (in 000's)	Legg Mason Batterymarch International Large Cap Fund as at February 28, 2014 (in 000's)	Legg Mason Batterymarch Emerging Markets Equity Fund as at February 28, 2014 (in 000's)	Legg Mason Batterymarch Global Equity Fund as at February 28, 2014 (in 000's)	Legg Mason LMHK China Fund as at February 28, 2014 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	49,858	13,256	8,560	13,493	–
Derivative asset held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	49,858	13,256	8,560	13,493	–
Level 2					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	16	155	–	–
Derivative asset held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	16	155	–	–
Level 3					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative asset held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	–	–	–	–
Total Investments	\$ 49,858	\$ 13,272	\$ 8,715	\$ 13,493	\$ –

	Legg Mason Batterymarch Asia Pacific Equity Fund as at February 28, 2014 (in 000's)	Legg Mason Batterymarch International Large Cap Fund as at February 28, 2014 (in 000's)	Legg Mason Batterymarch Emerging Markets Equity Fund as at February 28, 2014 (in 000's)	Legg Mason Batterymarch Global Equity Fund as at February 28, 2014 (in 000's)	Legg Mason LMHK China Fund as at February 28, 2014 (in 000's)
Bonds and Notes					
Opening Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Money Markets					
Opening Balance	–	–	–	–	–
Purchases	–	–	–	–	–
Sales	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	–	–	–	–	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Equity Instruments					
Opening Balance	304	–	29	2	–
Purchases	–	–	(17)	–	–
Sales	(172)	–	–	(110)	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Movement in gains and losses recognised in the profit and loss account	(132)	–	(12)	108	–
Closing Balance	\$ –	\$ –	\$ –	\$ –	\$ –
Total Level 3 Investments	\$ –	\$ –	\$ –	\$ –	\$ –

Securities which are fair valued by the Investment Manager at February 28, 2015 are noted on the Portfolio of Investments. In the event a price is not available from a Pricing Service, the Valuation Committee may obtain one or more indicative quotes from approved broker-dealers.

Matrix pricing is used for Funds when the Valuation Committee is unable to obtain one or more broker-dealer quotes for a security for which there is no price available from a Pricing Service. Matrix pricing estimates a U.S. Dollar-denominated security's current market value by using the most recent quote received from a broker-dealer and adjusting the price by the change in the yield of the U.S. treasury security most similar in duration to the security being valued.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

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

The following tables set out the value of securities for each Fund which have been priced using single broker sources and fair valued by the Valuation Committee as at February 28, 2015 and February 28, 2014:

As at February 28, 2015	Currency	Single Broker Priced (in '000's)	Fair Valued by Valuation Committee (in '000's)
Legg Mason Western Asset US Core Bond Fund	USD	16	71
Legg Mason Western Asset US Core Plus Bond Fund	USD	3,188	3,144
Legg Mason Western Asset Diversified Strategic Income Fund	USD	–	30
Legg Mason Western Asset Global Multi Strategy Fund	USD	11,891	830
Legg Mason Western Asset US High Yield Fund	USD	1,000	4,936
Legg Mason Western Asset Global High Yield Fund	USD	1,346	6,222
Legg Mason Western Asset US Adjustable Rate Fund	USD	–	6
Legg Mason Western Asset Asian Opportunities Fund	USD	11,880	38,176
Legg Mason Western Asset Global Credit Absolute Return Fund [^]	USD	–	1,046
Legg Mason Western Asset Global Core Plus Bond Fund [^]	USD	–	78
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	USD	3,357	–
Legg Mason ClearBridge US Fundamental Value Fund	USD	–	5
Legg Mason Batterymarch Emerging Markets Equity Fund	USD	–	196

As at February 28, 2014	Currency	Single Broker Priced 000's	Fair Valued by Valuation Committee 000's
Legg Mason Western Asset US Core Bond Fund	USD	24	79
Legg Mason Western Asset US Core Plus Bond Fund	USD	458	117
Legg Mason Western Asset Diversified Strategic Income Fund	USD	–	56
Legg Mason Western Asset Global Multi Strategy Fund	USD	14,922	5,534
Legg Mason Western Asset US High Yield Fund	USD	1,000	5,651
Legg Mason Western Asset Global High Yield Fund	USD	3,000	6,985
Legg Mason Western Asset US Short-Term Government Fund	USD	–	20
Legg Mason Western Asset US Adjustable Rate Fund	USD	77	7
Legg Mason Western Asset Inflation Management Fund	USD	–	–
Legg Mason Western Asset Asian Opportunities Fund	USD	11,180	38,371
Legg Mason Western Asset Global Core Plus Bond Fund [^]	USD	–	78
Legg Mason Western Asset Global Credit Fund	USD	–	–
Legg Mason Western Asset Euro High Yield Fund [^]	EUR	983	983
Legg Mason Western Asset Brazil Equity Fund	USD	–	4
Legg Mason ClearBridge Global Equity Fund [^]	USD	–	3
Legg Mason ClearBridge US Fundamental Value Fund	USD	–	8
Legg Mason Permal Global Absolute Fund	USD	–	2,136
Legg Mason Batterymarch European Equity Fund	EUR	–	130
Legg Mason Batterymarch International Large Cap Fund	USD	–	16
Legg Mason Batterymarch Emerging Markets Equity Fund	USD	–	155

In certain circumstances the Company employs International Data Corporation ("IDC") adjusted pricing in the valuation of non-US equities. The trigger for applying the IDC adjusted pricing to the Funds investing in non-US equities is determined by significant movement in the Russell 1000 Index. IDC calculates and supplies an adjusted closing price to use as a fair value price. Where the IDC adjusted pricing is applied the Administrator monitors the variance to the following day's open market price.

As at February 28, 2015 IDC adjusted pricing was not applied to any of the Funds.

As at February 28, 2014 IDC adjusted pricing was applied to Legg Mason Batterymarch Asia Pacific Equity Fund, Legg Mason Batterymarch International Large Cap Fund and Legg Mason Batterymarch Emerging Markets Equity Fund.

12.2 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 a Fund. 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 Managers/Advisor minimise 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 are settled/paid for upon delivery using 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.

Each Fund will be exposed to credit risk on the counterparties with which it trades in relation to options, forward contracts and other derivative financial instruments that are not traded on a recognised exchange. Such instruments are not afforded the same protections as may apply to participants trading swaps, futures or options on organised exchanges, such as the performance guarantee of an exchange clearing house. The Funds will be subject to the possibility of the insolvency, bankruptcy or default of a counterparty with which the Funds trade such instruments, which could result in substantial losses to the Funds.

The Company is exposed to credit risk on the OTC counterparties with whom it trades. All OTC counterparties must meet the following criteria as set out in the UCITS Regulations namely:

- (i) Be a credit institution in accordance with sub-paragraphs 1.4 (i), (ii) or (iii) of UCITS Notice 9, or an investment firm authorised in accordance with the Markets in Financial Instruments Directive in an EEA Member State, or is an entity subject to regulation as a Consolidated Supervised Entity by the Securities and Exchange Commission, or
- (ii) Have a minimum credit rating of A2 or equivalent, or in the opinion of the Investment Manager, an implied credit minimum rating of A2 or equivalent.

Exposures to individual counterparties are normally limited to 10% of net asset value in the case of authorised credit institutions and 5% of net asset value in the case of other counterparties.

Transactions involving derivative financial instruments are usually with counterparties with whom the Company has signed master netting agreements. Master netting agreements provide for the net settlement of contracts for a particular Fund with the same counterparty in the event of default. The credit risk associated with derivative financial assets subject to a master netting arrangement is eliminated only to the extent that financial liabilities due to the same counterparty will be settled after the assets are realised.

Transactions resulting in large unrealised gains to a Fund may require a Fund to hold collateral received from a broker. In these instances, the credit risk to the Fund is reduced by the value of the collateral held. In the event a broker files for bankruptcy, in the U.S. (though regulations may vary by jurisdiction), collateral posted in connection with certain derivative financial instruments is exempt from the automatic stay implemented at the inception of a bankruptcy proceeding. This derivative financial instruments exemption would allow a Fund to immediately foreclose on collateral posted by the insolvent party in order to satisfy claims against such insolvent party.

The Company monitors its risk by periodically considering the credit quality and financial positions of the counterparties which the Funds use. The Funds may only trade with approved counterparties.

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.2 Credit Risk – (continued)

The value of underlying securities received as collateral in relation to derivative trading held by the following Funds as at February 28, 2015 and February 28, 2014 was as follows:

Fund	Broker	As at February 28, 2015 Market Value of Collateral 000's	As at February 28, 2014 Market Value of Collateral 000's
Legg Mason Western Asset US High Yield Fund	Deutsche Bank	\$724	\$852
Legg Mason Western Asset Global Credit Absolute Return Fund [^]	BNP Paribas	–	\$622
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	Barclays	\$902	–

A list of approved counterparties is maintained. Additions to this list are reviewed quarterly and a thorough re-evaluation of all counterparties is conducted annually. The review includes analysis of the counterparty's capital adequacy, profitability, liquidity and other factors as may be appropriate.

For efficient portfolio management purposes, each Fund may enter into repurchase agreements, reverse repurchase agreements and stock lending agreements subject to the conditions and limits set out in the Central Bank of Ireland UCITS Notices.

Until the expiry of the repurchase agreements, reverse repurchase agreements and the stock lending transactions, collateral obtained under such contracts or transactions:

- (i) must be marked to market daily;
- (ii) must equal or exceed, in value, at all times the value of the amount invested or securities loaned;
- (iii) must be transferred to the trustee, or its agent; and
- (iv) must be immediately available to the scheme, without recourse to the counterparty, in the event of a default by that entity.

Any non-cash collateral received by the Company cannot be sold or repledged; must be held at the credit risk of the counterparty; and must be issued by an entity independent of the counterparty.

Credit risk is addressed through diversified use of counterparties and issuers, and through minimum security ratings and average portfolio ratings. The Sub-Investment Managers may set portfolio limits and may invest based on internal parameters with mutually agreed limits set at a Fund's inception, including issue and issuer limitations, credit minimums, and an average credit quality, and the account is monitored on an ongoing basis to ensure it continues to meet these parameters. Rigorous independent analysis of all credit securities before purchase, including financial modeling, scenario analysis, and monitoring changes in risk profile may also be performed. Generally no more than 5% of the portfolio may be invested in any single corporate issuer at the time of purchase.

The Valuation Committee meets at least monthly and whenever the circumstances so require, to review and deliberate on valuation concerns including credit risk. The Sub-Investment Managers provide risk analysis to the Board and the Committee on a semi-annual basis.

Substantially all of the cash and securities held by the Funds are held via the Custodian. Bankruptcy or insolvency by the Custodian may cause the Funds' rights with respect to the cash held by the Custodian to be delayed or limited. The credit rating of the Custodian is highly rated by prominent rating agencies. If the credit quality or financial position of the Custodian deteriorates significantly, the Sub-Investment Managers may move the cash holdings to another bank.

Any securities placed as collateral are disclosed on the Portfolios of Investments. Cash and cash equivalents held at the Custodian and amounts held by brokers as collateral are disclosed in Note 8.

If a Fund has posted collateral to a counterparty, in a counterparty insolvency, that Fund may have the right under trading agreements with the counterparty to recall such posted collateral. In practice, however, the Fund may seek to reduce any amounts owed to the counterparty to settle any open transactions by setting off the amounts owed against the posted collateral. If the Fund was due back any collateral after setting off against the amounts owed (e.g., the Fund's position was over collateralised), it is likely the Fund would have an unsecured claim against the counterparty in the insolvency proceeding for the excess amount due to it.

As at February 28, 2015 and February 28, 2014, balances due from brokers and other receivables were exposed to credit risk. The total amount of financial assets exposed to credit risk approximates to their carrying value on the Balance Sheet (excluding equities).

No securities have been placed as collateral with brokers as at February 28, 2015 in relation to derivative trading. The following table represents the market value of the securities which have been placed as collateral with brokers as at February 28, 2014 in relation to derivative trading:

As of February 28, 2014

Fund	Market Value of Collateral 000's	Broker
Legg Mason Western Asset Inflation Management Fund	\$12	J.P. Morgan Futures, Inc.
Legg Mason Western Asset Global Credit Fund	\$565	BNP Paribas

The tables below set out a summary of the credit exposure based on credit ratings of the debt securities held in the Fixed Income Funds:

Legg Mason Western Asset US Money Market Fund			Legg Mason Western Asset US Core Bond Fund			Legg Mason Western Asset US Core Plus Bond Fund			Legg Mason Western Asset Euro Core Plus Bond Fund		
Rating	Feb-15	Feb-14	Rating	Feb-15	Feb-14	Rating	Feb-15	Feb-14	Rating	Feb-15	Feb-14
AAA	82.93%	88.35%	AAA	58.23%	53.02%	AAA	47.42%	42.72%	AAA	32.19%	42.18%
AA	5.31%	6.67%	AA	5.10%	5.39%	AA	3.90%	4.95%	AA	30.20%	16.44%
A	11.76%	4.98%	A	18.93%	18.70%	A	18.18%	17.63%	A	14.70%	14.33%
			BBB	14.76%	17.38%	BBB	13.22%	18.29%	BBB	22.13%	26.68%
			BB	0.50%	0.75%	BB	4.57%	8.08%	BB	0.78%	0.37%
			B	0.83%	2.15%	B	4.06%	1.68%			
			CCC & Below	1.22%	2.17%	CCC & Below	6.20%	6.65%			
			Not Rated	0.43%	0.44%	Not Rated	2.45%	–			
	100.00%	100.00%		100.00%	100.00%		100.00%	100.00%		100.00%	100.00%

Legg Mason Western Asset Diversified Strategic Income Fund			Legg Mason Western Asset Global Multi Strategy Fund			Legg Mason Western Asset US High Yield Fund			Legg Mason Western Asset Emerging Markets Bond Fund		
Rating	Feb-15	Feb-14	Rating	Feb-15	Feb-14	Rating	Feb-15	Feb-14	Rating	Feb-15	Feb-14
AAA	21.55%	24.23%	AAA	10.04%	14.86%	AAA	–	0.11%	AA & Above	3.53%	1.79%
AA	1.30%	1.24%	AA	0.97%	0.97%	A	0.43%	1.76%	A	15.89%	14.37%
A	15.33%	21.36%	A	10.53%	19.02%	BBB	5.16%	4.68%	BBB	54.94%	50.09%
BBB	18.48%	16.00%	BBB	32.07%	24.64%	BB	36.32%	41.16%	BB	18.45%	21.38%
BB	35.06%	20.70%	BB	25.46%	25.47%	B	41.33%	35.87%	B	7.19%	11.36%
B	7.37%	15.86%	B	17.99%	12.82%	CCC & Below	14.92%	15.61%	CCC	–	1.01%
CCC & Below	0.89%	0.32%	CCC & Below	2.52%	2.22%	Not Rated	1.84%	0.81%			
Not rated	0.02%	0.29%	Not Rated	0.42%	–						
	100.00%	100.00%		100.00%	100.00%		100.00%	100.00%		100.00%	100.00%

Legg Mason Western Asset Emerging Markets Corporate Bond Fund			Legg Mason Western Asset Global High Yield Fund			Legg Mason Western Asset US Short-Term Government Fund			Legg Mason Western Asset US Adjustable Rate Fund		
Rating	Feb-15	Feb-14	Rating	Feb-15	Feb-14	Rating	Feb-15	Feb-14	Rating	Feb-15	Feb-14
AA	3.93%	2.92%	A	2.19%	3.10%	AAA	99.35%	99.20%	AAA	60.39%	59.80%
A	13.94%	7.84%	BBB	4.36%	7.01%	AA	–	0.80%	AA	33.21%	21.22%
BBB	48.70%	43.30%	BB	38.54%	36.39%	A	0.65%	–	A	–	8.05%
BB	23.75%	31.84%	B	37.42%	39.34%				BBB	–	5.10%
B	9.58%	14.10%	CCC & Below	14.16%	12.32%				BB	6.40%	4.50%
CCC & Below	0.10%	–	Not Rated	3.33%	1.84%				B	–	0.85%
									CCC	–	0.48%
	100.00%	100.00%		100.00%	100.00%		100.00%	100.00%		100.00%	100.00%

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.2 Credit Risk – (continued)

Legg Mason Western Asset Inflation Management Fund			Legg Mason Western Asset Asian Opportunities Fund			Legg Mason Western Asset Global Blue Chip Bond Fund			Legg Mason Western Asset Brazil Bond Fund		
Rating	Feb-15	Feb-14	Rating	Feb-15	Feb-14	Rating	Feb-15	Feb-14	Rating	Feb-15	Feb-14
AAA	99.83%	98.81%	AAA	11.25%	12.84%	AAA	10.10%	4.00%	A	–	100.00%
A	–	0.18%	AA	17.70%	25.63%	AA	26.03%	27.20%	BBB	100.00%	–
BBB	0.17%	–	A	19.47%	16.56%	A	63.13%	68.31%			
CCC	–	1.01%	BBB	37.52%	28.56%	BBB	0.74%	0.49%			
			BB	2.39%	3.52%						
			B	1.59%	3.00%						
			Not Rated	10.08%	9.89%						
	100.00%	100.00%		100.00%	100.00%		100.00%	100.00%		100.00%	100.00%

Legg Mason Western Asset Global Credit Absolute Return Fund [^]			Legg Mason Western Asset Global Core Plus Bond Fund [^]			Legg Mason Western Asset Global Inflation-Linked Fund			Legg Mason Western Asset Global Credit Fund		
Rating	Feb-15	Feb-14	Rating	Feb-15	Feb-14	Rating	Feb-15	Feb-14	Rating	Feb-15	Feb-14
AAA	15.61%	13.36%	AAA	60.30%	34.17%	AAA	–	88.12%	AAA	16.38%	13.76%
A	5.71%	4.50%	AA	5.56%	17.81%	AA	–	10.79%	AA	7.80%	6.73%
BBB	22.05%	25.31%	A	13.62%	19.57%	A	–	1.09%	A	43.43%	43.46%
BB	24.16%	16.92%	BBB	16.95%	24.91%				BBB	31.07%	35.29%
B	21.89%	23.34%	BB	2.56%	2.50%				BB	0.78%	0.76%
CCC	9.64%	12.20%	B	1.01%	0.66%				Not Rated	0.54%	–
Not Rated	0.94%	4.37%	CCC & Below	–	0.38%						
	100.00%	100.00%		100.00%	100.00%		–	100.00%		100.00%	100.00%

Legg Mason Western Asset Euro High Yield Fund			Legg Mason Western Asset Macro Opportunities Bond Fund [^]			Legg Mason Brandywine Global Fixed Income Fund			Legg Mason Brandywine Global Fixed Income Absolute Return Fund [^]		
Rating	Feb-15	Feb-14	Rating	Feb-15	Feb-14	Rating	Feb-15	Feb-14	Rating	Feb-15	Feb-14
A	1.28%	0.97%	AAA	19.50%	20.70%	AAA	38.62%	41.42%	AAA	8.93%	17.73%
BBB	8.20%	8.14%	AA	8.36%	4.69%	AA	25.42%	31.04%	AA	14.07%	12.36%
BB	35.62%	37.30%	A	22.49%	36.98%	A	17.03%	15.26%	A	40.91%	31.52%
B	50.47%	40.24%	BBB	34.00%	27.32%	BBB	14.64%	9.78%	BBB	22.34%	23.77%
CCC & Below	3.89%	8.75%	BB	12.80%	5.09%	BB	4.29%	2.50%	BB	11.48%	11.57%
Not Rated	0.54%	4.60%	B	1.76%	–				B	2.27%	0.70%
			Not Rated	1.09%	5.22%				CC & Below	–	0.96%
									Not Rated	–	1.39%
	100.00%	100.00%		100.00%	100.00%		100.00%	100.00%		100.00%	100.00%

Legg Mason Brandywine Global High Yield Fund [^]			Legg Mason Brandywine Global Opportunistic Fixed Income Fund [^]			Legg Mason Brandywine Global Sovereign Credit Fund [^]			Legg Mason Brandywine Global Income Optimiser Fund [^]		
Rating	Feb-15	Feb-14	Rating	Feb-15	Feb-14	Rating	Feb-15	Feb-14	Rating	Feb-15	Feb-14
A	–	0.94%	AAA	18.21%	16.59%	AAA	21.50%	9.80%	AAA	3.91%	1.30%
BBB	1.14%	1.73%	AA	22.77%	29.13%	AA	17.70%	19.60%	AA	7.82%	–
BB	34.11%	23.88%	A	29.84%	28.12%	A	22.70%	29.50%	A	26.22%	8.35%
B	53.07%	55.19%	BBB	20.16%	16.52%	BBB	29.90%	29.20%	BBB	8.03%	9.27%
CCC & Below	11.68%	18.26%	BB	7.50%	7.70%	BB	8.20%	8.90%	BB	11.10%	20.87%
			B	1.51%	0.38%	Not Rated	–	3.00%	B	34.94%	45.78%
			CC & Below	0.01%	0.02%				CCC & Below	7.98%	14.43%
			Not Rated	–	1.54%						
	100.00%	100.00%		100.00%	100.00%		100.00%	100.00%		100.00%	100.00%

Legg Mason Brandywine Global Credit Opportunities Fund [^]	
Rating	Feb-15
AAA	10.77%
AA	1.71%
A	7.11%
BBB	10.45%
BB	34.92%
B	30.96%
CCC & Below	4.08%
	100.00%

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 Administrator monitors subscription and redemption volumes on a daily basis and notifies the Sub-Investment Managers of significant movements and unusual trends as appropriate. The Company can limit redemptions, if redemption requests on any dealing day (as defined in the Prospectus) exceed 10% of the shares in issue in respect of any Fund. The Company may defer the excess redemption requests to subsequent dealing days and shall redeem such shares ratably.

The Company has the ability to borrow in the short term to ensure settlement. In accordance with the UCITS Regulations a Fund may borrow money only as follows:

- (a) a Fund may acquire foreign currency by means of a "back-to-back" loan; and
- (b) a Fund may borrow:
 - (i) up to 10% of its net asset value provided that such borrowing is on a temporary basis; and
 - (ii) up to 10% of its net asset value provided that the borrowing is to make possible the acquisition of real property required for the purpose of its business;

provided that such borrowing referred to in subparagraph b (i) and b (ii) may not in total exceed 15% of the borrower's assets.

One of the responsibilities of the Valuation Committee is to review and deliberate on valuation concerns, including illiquid securities. The Company may from time to time invest in derivative contracts traded OTC, which are not traded in an organised public market and may be illiquid. As a result, the Company may not be able to liquidate quickly its investments in these instruments at an amount close to their fair value in order to meet its liquidity requirements or to respond to specific events such as deterioration in the creditworthiness of any particular issuer.

The cash outflows below are presented as undiscounted gross amounts if the amounts will settle on a gross basis and undiscounted net amounts if the amounts will settle on a net basis. The forward foreign currency contracts included in the tables below settle on a gross basis. Please refer to the relevant Portfolio of Investment for details of gross settlement amounts on these contracts.

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.3 Liquidity Risk

Details of residual contractual maturities of financial liabilities for each Fund are outlined below:

Liabilities (in 000's)	Legg Mason Western Asset US Money Market Fund		Legg Mason Western Asset US Core Bond Fund		Legg Mason Western Asset US Core Plus Bond Fund		Legg Mason Western Asset Euro Core Plus Bond Fund	
	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014
Less than 1 Month								
Cash overdraft	\$ –	\$ –	\$ 682	\$ 72	\$ 188	\$ –	€ –	€ 36
Amounts due to broker	–	–	35	24	319	93	–	–
Payable for investments purchased	–	9,999	3,070	2,006	37,245	5,770	259	100
Options at fair value	–	–	7	–	49	7	–	–
Unrealised depreciation on swaps	–	–	–	1	5	6	95	18
Unrealised depreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	–	7	–	102	4	216	74
Distributions payable to holders of redeemable participating shares	23	28	11	7	9	10	–	2
Investment management fees payable	–	–	32	15	146	61	14	17
Administrator and custodian fees payable	64	86	2	2	19	11	3	4
Shareholder service fees payable	–	–	4	1	9	1	–	1
Payable for redeemable participating shares sold	–	437	33	–	523	13	21	–
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	–	–	–	–	–	–
Redeemable Participating Shares	1,052,778	1,148,544	46,175	20,474	331,010	154,475	54,937	52,562
1 – 3 months								
Options at fair value	–	–	5	3	41	16	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	1	10	31	104	578	188
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
3 months – 1 year								
Options at fair value	–	–	5	–	42	–	–	–
Unrealised depreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	–	1	16	89	73	–	–
Accrued expenses and other liabilities	380	444	36	39	81	84	41	37
Total Financial Liabilities	\$1,053,245	\$1,159,538	\$ 50,106	\$ 22,670	\$ 369,908	\$ 160,728	€ 56,164	€ 53,039

Liabilities (in 000's)	Legg Mason Western Asset Global High Yield Fund		Legg Mason Western Asset US Short-Term Government Fund		Legg Mason Western Asset US Adjustable Rate Fund		Legg Mason Western Asset Inflation Management Fund	
	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014
Less than 1 Month								
Cash overdraft	\$ 2	\$ –	\$ –	\$ 3	\$ –	\$ –	\$ 311	\$ 62
Amounts due to broker	–	–	11	–	–	–	–	–
Payable for investments purchased	5,395	5,041	419	201	–	–	–	–
Options at fair value	–	–	–	–	–	–	5	–
Unrealised depreciation on swaps	–	2,268	–	–	–	–	–	–
Unrealised depreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	2	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
Distributions payable to holders of redeemable participating shares	163	183	–	–	–	–	–	–
Investment management fees payable	358	620	27	24	10	15	10	9
Administrator and custodian fees payable	25	58	2	2	1	1	–	1
Shareholder service fees payable	36	51	2	–	–	–	–	–
Payable for redeemable participating shares sold	4,151	11,033	–	34	–	15	120	–
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	–	–	–	–	–	–
Redeemable Participating Shares	421,422	811,643	30,621	24,996	10,158	16,198	10,439	12,053
1 – 3 months								
Options at fair value	–	–	–	–	–	–	–	1
Unrealised depreciation on forward foreign currency contracts	125	1,428	–	–	–	–	10	9
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
3 months – 1 year								
Options at fair value	26	–	–	–	–	–	–	–
Unrealised depreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	50	178	–	9	–	–	42	7
Accrued expenses and other liabilities	189	230	45	38	38	32	40	34
Total Financial Liabilities	\$ 431,942	\$ 832,735	\$ 31,127	\$ 25,307	\$ 10,207	\$ 16,261	\$ 10,977	\$ 12,176

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.3 Liquidity Risk – (continued)

Legg Mason Western Asset Diversified Strategic Income Fund		Legg Mason Western Asset Global Multi Strategy Fund		Legg Mason Western Asset US High Yield Fund		Legg Mason Western Asset Emerging Markets Bond Fund		Legg Mason Western Asset Emerging Markets Corporate Bond Fund	
as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014
\$ -	\$ 17	\$ -	\$ 2,587	\$ -	\$ -	\$ -	\$ 814	\$ 325	\$ -
-	-	534	-	-	-	-	-	-	-
20	893	9,435	48,386	5,862	11,399	712	103	-	303
-	-	-	-	-	-	-	-	-	-
37	202	1,583	7,626	-	1,700	-	-	-	-
-	-	-	-	-	-	-	-	-	-
36	2	860	-	-	-	142	-	-	-
-	-	-	-	-	-	-	-	-	-
11	13	160	210	285	263	40	72	-	-
26	32	601	780	379	430	110	156	15	20
2	2	86	100	38	46	8	12	5	8
2	2	51	75	36	39	7	10	-	-
14	-	819	2,096	11,296	2,040	1,295	409	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
28,616	31,522	1,409,739	1,480,622	580,869	667,569	103,459	169,408	82,947	105,563
-	-	-	-	-	-	-	-	-	-
491	494	4,912	6,014	14	2	74	193	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	40	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
17	12	187	324	93	205	-	-	-	-
61	41	328	338	168	167	103	86	43	35
\$ 29,333	\$ 33,232	\$1,429,295	\$1,549,158	\$ 599,080	\$ 683,860	\$ 105,950	\$ 171,263	\$ 83,335	\$ 105,929

Legg Mason Western Asset Asian Opportunities Fund		Legg Mason Western Asset Global Blue Chip Bond Fund		Legg Mason Western Asset Brazil Bond Fund		Legg Mason Western Asset Global Credit Absolute Return Fund^		Legg Mason Western Asset UK£ Core Plus Bond Fund^	
as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014
\$ 9,320	\$ 3,797	\$ -	\$ -	\$ -	\$ -	\$ 943	\$ -	£ -	£ 62
15	-	-	4	-	-	-	-	-	-
7,663	5,881	-	1,436	-	-	1,020	3,208	-	-
-	-	-	-	-	-	-	-	-	-
5,785	4,697	160	201	-	-	4,803	2,953	-	-
-	-	-	-	-	-	-	263	-	-
952	1,149	-	-	-	-	-	-	-	-
-	-	355	292	-	-	131	102	-	-
-	-	-	-	-	-	-	-	-	-
48	63	-	-	-	-	-	-	-	-
351	399	22	34	-	-	71	99	-	-
37	47	3	5	2	-	6	10	-	3
29	39	2	3	-	-	1	1	-	-
124	757	224	328	-	-	34	106	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
594,337	631,561	45,192	72,093	33,574	5,520	92,225	116,959	-	-
-	-	-	-	-	-	-	13	-	-
1,189	1,027	723	770	-	-	311	326	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	219	-	-
-	-	-	-	-	-	-	31	-	-
-	-	7	16	-	-	182	4	-	-
201	244	37	36	29	19	53	54	2	6
\$ 620,051	\$ 649,661	\$ 46,725	\$ 75,218	\$ 33,605	\$ 5,539	\$ 99,780	\$ 124,348	£ 2	£ 71

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.3 Liquidity Risk – (continued)

	Legg Mason Western Asset Global Core Plus Bond Fund [^]		Legg Mason Western Asset Global Inflation-Linked Fund		Legg Mason Western Asset UK£ Inflation-Linked Plus Fund [^]		Legg Mason Western Asset UK£ Long Duration Fund [^]	
	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014
Liabilities (in 000's)								
Less than 1 Month								
Cash overdraft	\$ –	\$ 4,662	\$ –	\$ 200	£ –	£ –	£ –	£ –
Amounts due to broker	–	–	–	–	–	–	–	–
Payable for investments purchased	13,932	31,050	–	153	–	–	–	–
Options at fair value	109	101	–	–	–	–	–	–
Unrealised depreciation on swaps	–	–	–	–	–	–	–	–
Unrealised depreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	93	110	–	–	–	–	–	–
Distributions payable to holders of redeemable participating shares	–	–	–	–	–	–	–	–
Investment management fees payable	39	25	–	3	–	–	–	–
Administrator and custodian fees payable	7	9	–	2	–	–	–	4
Shareholder service fees payable	–	–	–	–	–	–	–	–
Payable for redeemable participating shares sold	–	46	–	–	–	–	–	–
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	–	–	–	–	–	–
Redeemable Participating Shares	117,237	126,222	–	28,121	–	–	–	–
1 – 3 months								
Options at fair value	142	10	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	317	941	–	468	–	–	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
3 months – 1 year								
Options at fair value	–	–	–	–	–	–	–	–
Unrealised depreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	122	151	–	24	–	–	–	–
Accrued expenses and other liabilities	43	47	39	48	4	7	4	9
Total Financial Liabilities	\$ 132,041	\$ 163,374	\$ 39	\$ 29,019	£ 4	£ 7	£ 4	£ 13

	Legg Mason Brandywine Global High Yield Fund [^]		Legg Mason Brandywine Global Opportunistic Fixed Income Fund [^]		Legg Mason Brandywine Global Sovereign Credit Fund [^]		Legg Mason Brandywine Global Income Optimiser Fund [^]	
	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014
Liabilities (in 000's)								
Less than 1 Month								
Cash overdraft	\$ 39	\$ 254	\$ 728	\$ –	\$ –	\$ –	\$ –	\$ 163
Amounts due to broker	–	–	–	–	–	–	–	–
Payable for investments purchased	–	450	–	5,120	–	52,182	–	829
Options at fair value	–	–	–	–	–	–	–	–
Unrealised depreciation on swaps	–	–	–	–	–	–	356	96
Unrealised depreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	95	43	276	474	4,688	2,239	178	37
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	13
Distributions payable to holders of redeemable participating shares	–	–	–	–	–	–	1	2
Investment management fees payable	10	12	112	58	176	114	24	1
Administrator and custodian fees payable	1	1	18	15	122	69	5	1
Shareholder service fees payable	–	–	8	3	–	–	4	–
Payable for redeemable participating shares sold	–	–	1,872	–	–	–	14	–
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	–	–	–	–	–	–
Redeemable Participating Shares	20,095	20,526	305,363	205,724	2,028,778	994,712	77,469	12,665
1 – 3 months								
Options at fair value	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	22	64	122	740	20,592	10,613	163	79
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
3 months – 1 year								
Options at fair value	–	–	–	–	–	–	–	–
Unrealised depreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	33	–	205	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
Accrued expenses and other liabilities	47	23	94	73	71	34	39	30
Total Financial Liabilities	\$ 20,309	\$ 21,373	\$ 308,593	\$ 212,240	\$2,054,427	\$1,060,168	\$ 78,253	\$ 13,916

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.3 Liquidity Risk – (continued)

Legg Mason Western Asset Global Credit Fund		Legg Mason Western Asset Euro High Yield Fund		Legg Mason Western Asset Macro Opportunities Bond Fund^		Legg Mason Brandywine Global Fixed Income Fund		Legg Mason Brandywine Global Fixed Income Absolute Return Fund^	
as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014
\$ 21	\$ –	€ –	€ –	\$ –	\$ 19,667	\$ –	\$ 7,411	\$ –	\$ 15,141
6	6	–	–	–	–	–	–	–	59
446	1,421	–	996	16,815	7,629	–	18,358	–	18,348
–	–	–	–	8,522	959	–	–	–	–
246	941	–	–	7,251	945	–	–	–	–
–	–	–	–	–	–	–	–	–	–
84	94	–	–	1,076	19	6,406	1,955	4,915	2,734
–	–	–	–	16,143	528	–	–	11,554	3,846
–	–	–	–	–	–	–	–	–	–
2	2	–	–	–	–	–	–	–	–
4	4	–	–	2,885	158	1,046	945	656	429
6	7	5	6	192	24	92	93	68	55
–	1	–	–	174	–	97	85	14	14
–	104	–	–	1,080	–	9,094	4,944	158	4,127
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
100,107	100,055	88,576	82,780	3,281,062	383,920	1,506,302	1,260,185	1,125,616	776,666
–	–	–	–	2,526	373	–	–	–	–
308	777	811	189	25,035	762	1,746	4,583	1,069	8,772
–	–	–	–	–	–	–	–	–	–
–	–	–	–	197	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	163	–	101
49	66	–	–	17,612	1,313	–	–	–	–
37	36	38	30	203	31	313	345	177	56
\$ 101,316	\$ 103,514	€ 89,430	€ 84,001	\$3,380,773	\$ 416,328	\$1,525,096	\$1,299,067	\$1,144,227	\$ 830,348

Legg Mason Brandywine Global Credit Opportunities Fund^		Legg Mason Western Asset Brazil Equity Fund		Legg Mason ClearBridge Value Fund		Legg Mason ClearBridge Growth Fund		Legg Mason ClearBridge Global Equity Fund^	
as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014
\$ 205	\$ –	\$ –	\$ –	\$ –	\$ 391	\$ 1	\$ 167	\$ –	\$ –
–	–	–	–	–	–	–	–	–	–
–	–	30	73	11,131	559	–	–	–	–
43	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
53	–	–	–	36	3	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
35	–	–	–	293	238	8	7	5	2
3	–	–	–	26	21	1	1	1	–
2	–	–	–	52	44	2	1	1	–
–	–	–	–	2,220	1,896	–	–	–	10
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
54,009	–	2,727	3,111	367,005	286,338	7,940	6,877	4,993	3,531
–	–	–	–	–	–	–	–	–	–
103	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
27	–	21	12	77	76	30	36	26	21
\$ 54,480	\$ –	\$ 2,778	\$ 3,196	\$ 380,840	\$ 289,566	\$ 7,982	\$ 7,089	\$ 5,026	\$ 3,564

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.3 Liquidity Risk – (continued)

Liabilities (in 000's)	Legg Mason ClearBridge Global Equity Income Fund [^]		Legg Mason ClearBridge US Appreciation Fund		Legg Mason ClearBridge US Fundamental Value Fund		Legg Mason ClearBridge US Large Cap Growth Fund	
	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014
Less than 1 Month								
Cash overdraft	\$ –	\$ –	\$ –	\$ –	\$ 22	\$ –	\$ –	\$ 677
Amounts due to broker	–	–	–	–	–	–	–	–
Payable for investments purchased	–	–	–	–	–	–	620	253
Options at fair value	–	–	–	–	–	–	–	–
Unrealised depreciation on swaps	–	–	–	–	–	–	–	–
Unrealised depreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	24	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
Distributions payable to holders of redeemable participating shares	–	–	–	–	–	–	–	–
Investment management fees payable	3	–	382	372	85	113	155	125
Administrator and custodian fees payable	–	–	25	27	7	7	10	7
Shareholder service fees payable	–	–	83	71	6	6	29	20
Payable for redeemable participating shares sold	–	–	375	199	92	230	1,158	180
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	–	–	–	–	–	–
Redeemable Participating Shares	4,772	–	360,024	372,456	89,380	101,105	145,306	105,917
1 – 3 months								
Options at fair value	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
3 months – 1 year								
Options at fair value	–	–	–	–	–	–	–	–
Unrealised depreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
Accrued expenses and other liabilities	18	–	96	105	100	46	49	45
Total Financial Liabilities	\$ 4,817	\$ –	\$ 360,985	\$ 373,230	\$ 89,692	\$ 101,507	\$ 147,327	\$ 107,224

Liabilities (in 000's)	Legg Mason Royce US Smaller Companies Fund		Legg Mason Royce Smaller Companies Fund II [^]		Legg Mason Royce European Smaller Companies Fund		Legg Mason Royce Global Smaller Companies Fund	
	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014
Less than 1 Month								
Cash overdraft	\$ 1,175	\$ –	\$ 36	\$ –	€ –	€ –	\$ –	\$ –
Amounts due to broker	–	–	–	–	–	–	–	–
Payable for investments purchased	–	1,159	–	57	–	–	–	–
Options at fair value	–	–	–	–	–	–	–	–
Unrealised depreciation on swaps	–	–	–	–	–	–	–	–
Unrealised depreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	9	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
Distributions payable to holders of redeemable participating shares	–	–	–	–	–	–	–	–
Investment management fees payable	339	487	34	41	–	–	–	–
Administrator and custodian fees payable	25	34	2	2	–	–	–	–
Shareholder service fees payable	61	89	8	9	–	–	–	–
Payable for redeemable participating shares sold	879	1,794	102	–	–	–	–	39
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	–	–	–	–	–	–
Redeemable Participating Shares	338,167	483,656	28,858	34,323	–	–	–	3,500
1 – 3 months								
Options at fair value	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
3 months – 1 year								
Options at fair value	–	–	–	–	–	–	–	–
Unrealised depreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
Accrued expenses and other liabilities	137	152	29	28	7	8	20	39
Total Financial Liabilities	\$ 340,792	\$ 487,371	\$ 29,069	\$ 34,460	€ 7	€ 8	\$ 20	\$ 3,578

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.3 Liquidity Risk – (continued)

Legg Mason ClearBridge US Aggressive Growth Fund		Legg Mason ClearBridge US Equity Income Fund^		Legg Mason ClearBridge Tactical Dividend Income Fund		Legg Mason Opportunity Fund		Legg Mason Royce US Small Cap Opportunity Fund	
as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014
\$ 9,306	\$ 16,481	\$ -	\$ 35	\$ 141	\$ -	\$ -	\$ 559	\$ 1,043	\$ 4,014
-	-	-	-	-	-	-	-	-	-
-	11,858	-	-	561	19	104	-	4,013	6,135
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	373	158	-	-
1,649	142	-	-	73	-	1	15	241	99
-	-	-	-	-	-	-	-	-	-
3,506	1,594	-	-	39	-	227	189	1,047	1,323
310	135	-	-	2	-	22	18	77	90
625	283	-	-	5	-	32	29	209	264
38,719	33,160	-	-	48	-	3,081	1,140	8,581	12,430
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
4,565,364	1,999,916	-	3,705	38,114	3,580	326,420	265,976	1,070,253	1,314,829
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
558	243	24	17	27	18	68	45	248	193
\$4,620,037	\$2,063,812	\$ 24	\$ 3,757	\$ 39,010	\$ 3,617	\$ 330,329	\$ 268,129	\$1,085,712	\$1,339,377

Legg Mason PCM US Equity Fund		Legg Mason Permal Global Absolute Fund^		Legg Mason BatteryMarch Managed Volatility European Equity Fund		Legg Mason BatteryMarch Asia Ex Japan Equity Fund		Legg Mason BatteryMarch International Large Cap Fund	
as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014
\$ -	\$ -	\$ -	\$ -	€ -	€ -	\$ -	\$ 761	\$ 6,536	\$ -
-	-	-	-	-	-	-	-	-	-
-	-	-	-	7,185	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	61	75	1	-	-	-	-
-	-	-	32	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	23	130	58	66	68	9	17
-	-	-	1	7	4	4	4	1	1
-	-	-	6	22	3	10	10	1	-
-	-	-	17	1,545	209	210	175	994	-
-	-	-	-	-	-	-	-	-	-
-	-	-	22	-	-	-	-	-	-
-	-	-	20,050	135,733	62,313	50,953	50,352	-	13,364
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	14	27	28	41	34	43	44	31	23
\$ -	\$ 14	\$ 27	\$ 20,240	€ 144,738	€ 62,622	\$ 51,286	\$ 51,414	\$ 7,572	\$ 13,405

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.3 Liquidity Risk – (continued)

	Legg Mason Batterymarch Emerging Markets Equity Fund		Legg Mason Batterymarch Global Equity Fund		Legg Mason Congruix Japan Equity Fund	
	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014
Liabilities (in 000's)						
Less than 1 Month						
Cash overdraft	\$ –	\$ –	\$ –	\$ 52	¥ –	¥ –
Amounts due to broker	–	–	–	–	–	–
Payable for investments purchased	–	70	–	139	–	–
Options at fair value	–	–	–	–	–	–
Unrealised depreciation on swaps	–	–	–	–	–	–
Unrealised depreciation on swaptions	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–
Distributions payable to holders of redeemable participating shares	–	–	–	–	–	–
Investment management fees payable	16	9	15	16	–	–
Administrator and custodian fees payable	1	–	1	1	–	–
Shareholder service fees payable	2	–	1	1	–	–
Payable for redeemable participating shares sold	–	–	11	12	–	–
Payable to shareholders	–	–	–	–	99,514	86,216
Interest payable	–	–	–	–	–	–
Redeemable Participating Shares	19,113	8,898	13,464	13,697	–	–
1 – 3 months						
Options at fair value	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–
3 months – 1 year						
Options at fair value	–	–	–	–	–	–
Unrealised depreciation on swaptions	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–
Accrued expenses and other liabilities	32	27	22	18	1,837	1,837
Total Financial Liabilities	\$ 19,164	\$ 9,004	\$ 13,514	\$ 13,936	¥ 101,351	¥ 88,053

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.3 Liquidity Risk – (continued)

Legg Mason LMHK China Fund		Legg Mason Global Funds plc	
as at February 28, 2015	as at February 28, 2014	as at February 28, 2015	as at February 28, 2014
\$	\$	\$	\$
–	–	31,024	78,141
–	–	920	186
–	–	126,824	252,001
–	–	8,692	1,067
–	–	20,748	21,819
–	–	–	263
–	–	20,898	8,973
–	–	29,607	5,125
–	–	753	856
–	–	13,535	9,171
–	–	1,346	1,047
–	–	1,630	1,164
–	–	89,073	78,059
–	–	836	845
–	–	1	22
–	–	21,093,840	14,584,913
–	–	2,714	416
–	–	58,912	38,696
–	–	–	–
–	–	310	–
–	–	–	219
–	–	–	533
–	–	18,451	2,398
–	10	4,778	4,089
\$	\$	\$21,524,892	\$15,090,003

Notes to Financial Statements – (continued)

13. Disclosure for Cross Investments by Sub-Funds within the Company

Legg Mason Western Asset US Core Plus Bond Fund

Legg Mason Western Asset US Core Plus Bond Fund held 31,731 (2014: 27,509) shares in Legg Mason Western Asset Emerging Markets Corporate Bond Fund at the year end. Transactions involving these shares and the related gains, losses and distributions during the year were:

	Legg Mason Western Asset Emerging Markets Corporate Bond Fund		Total	
	For the year ended February 28, 2015 (in 000's)	For the year ended February 28, 2014 (in 000's)	For the year ended February 28, 2015 (in 000's)	For the year ended February 28, 2014 (in 000's)
Issue of shares	\$438	\$147	\$438	\$147
Redemption of shares	–	(528)	–	(528)
Net realised gain on financial assets at fair value through profit or loss	–	49	–	49
Distributions received	170	147	170	147
Cost	3,208	2,770	3,208	2,770
Fair value	3,052	2,876	3,052	2,876
Net unrealised (loss)/gain on financial assets at fair value through profit or loss	\$(156)	\$106	\$(156)	\$106

Legg Mason Western Asset Diversified Strategic Income Fund

Legg Mason Western Asset Diversified Strategic Income Fund held Nil (2014: 10,587) and 21,345 (2014: 19,991) shares in Legg Mason Western Asset US High Yield Fund and Legg Mason Western Asset Euro High Yield Fund respectively at the year end. Transactions involving these shares and the related gains, losses and distributions during the year were:

	Legg Mason Western Asset US High Yield Fund		Legg Mason Western Asset Euro High Yield Fund		Total	
	For the year ended February 28, 2015 (in 000's)	For the year ended February 28, 2014 (in 000's)	For the year ended February 28, 2015 (in 000's)	For the year ended February 28, 2014 (in 000's)	For the year ended February 28, 2015 (in 000's)	For the year ended February 28, 2014 (in 000's)
Issue of shares	\$–	\$197	\$184	\$215	\$184	\$412
Redemption of shares	(1,041)	(4,502)	–	(671)	(1,041)	(5,173)
Net realised gain on financial assets at fair value through profit or loss	63	75	–	38	63	113
Distributions received	–	197	185	216	185	413
Cost	–	978	2,838	2,654	2,838	3,632
Fair value	–	1,043	2,514	2,903	2,514	3,946
Net unrealised gain/(loss) on financial assets at fair value through profit or loss	\$–	\$65	\$(324)	\$249	\$(324)	\$314

Legg Mason Western Asset Global Multi Strategy Fund

Legg Mason Western Asset Global Multi Strategy Fund held 603,369 (2014: 548,961), 158,366 (2014: 158,366) and 199,035 (2014: 191,355) shares in Legg Mason Western Asset US High Yield Fund, Legg Mason Western Asset Euro High Yield Fund and Legg Mason Western Asset Emerging Markets Corporate Bond Fund respectively at the year end. Transactions involving these shares and the related gains, losses and distributions during the year were:

	Legg Mason Western Asset US High Yield Fund		Legg Mason Western Asset Euro High Yield Fund		Legg Mason Western Asset Emerging Markets Corporate Bond Fund		Total	
	For the year ended February 28, 2015 (in 000's)	For the year ended February 28, 2014 (in 000's)	For the year ended February 28, 2015 (in 000's)	For the year ended February 28, 2014 (in 000's)	For the year ended February 28, 2015 (in 000's)	For the year ended February 28, 2014 (in 000's)	For the year ended February 28, 2015 (in 000's)	For the year ended February 28, 2014 (in 000's)
Issue of shares	\$11,203	\$12,132	\$–	\$27,458	\$6,553	\$1,286	\$17,756	\$40,876
Redemption of shares	(5,800)	(90,628)	–	(28,345)	(5,397)	(7,019)	(11,197)	(125,992)
Net realised gain/(loss) on financial assets at fair value through profit or loss	50	1,678	–	278	(181)	219	(131)	2,175
Distributions received	3,513	5,429	–	489	1,168	1,286	4,681	7,204
Cost	57,175	51,722	25,676	25,676	21,502	20,527	104,353	97,925
Fair value	56,306	54,051	25,362	29,285	19,145	20,010	100,813	103,346
Net unrealised (loss)/gain on financial assets at fair value through profit or loss	\$(869)	\$2,329	\$(314)	\$3,609	\$(2,357)	\$(517)	\$(3,540)	\$5,421

Notes to Financial Statements – (continued)

13. Disclosure for Cross Investments by Sub-Funds within the Company – (continued)

Legg Mason Western Asset Emerging Markets Bond Fund

Legg Mason Western Asset Emerging Markets Bond Fund held 69,186 (2014: 86,157) shares in Legg Mason Western Asset Emerging Markets Corporate Bond Fund at the year end. Transactions involving these shares and the related gains, losses and distributions during the year were:

	Legg Mason Western Asset Emerging Markets Corporate Bond Fund		Total	
	For the year ended February 28, 2015 (in 000's)	For the year ended February 28, 2014 (in 000's)	For the year ended February 28, 2015 (in 000's)	For the year ended February 28, 2014 (in 000's)
Issue of shares	\$459	\$550	\$459	\$550
Redemption of shares	(2,100)	(2,748)	(2,100)	(2,748)
Net realised (loss)/gain on financial assets at fair value through profit or loss	(44)	74	(44)	74
Distributions received	459	550	459	550
Cost	6,993	8,679	6,993	8,679
Fair value	6,655	9,009	6,655	9,009
Net unrealised (loss)/gain on financial assets at fair value through profit or loss	\$(338)	\$330	\$(338)	\$330

Legg Mason Western Asset Global High Yield Fund

Legg Mason Western Asset Global High Yield Fund held 158,224 (2014: 158,224) and 12,467 (2014: 113,271) shares in Legg Mason Western Asset Euro High Yield Fund and Legg Mason Western Asset Emerging Markets Corporate Bond Fund respectively at the year end. Transactions involving these shares and the related gains, losses and distributions during the year were:

	Legg Mason Western Asset Euro High Yield Fund		Legg Mason Western Asset Emerging Markets Corporate Bond Fund		Total	
	For the year ended February 28, 2015 (in 000's)	For the year ended February 28, 2014 (in 000's)	For the year ended February 28, 2015 (in 000's)	For the year ended February 28, 2014 (in 000's)	For the year ended February 28, 2015 (in 000's)	For the year ended February 28, 2014 (in 000's)
Issue of shares	\$–	\$–	\$441	\$589	\$441	\$589
Redemption of shares	–	–	(11,000)	–	(11,000)	–
Net realised gain on financial assets at fair value through profit or loss	–	–	485	–	485	–
Distributions received	–	–	441	589	441	589
Cost	25,833	25,833	1,317	11,392	27,150	37,225
Fair value	25,339	29,259	1,199	11,845	26,538	41,104
Net unrealised (loss)/gain on financial assets at fair value through profit or loss	\$(494)	\$3,426	\$(118)	\$453	\$(612)	\$3,879

Legg Mason Western Asset Global Core Plus Bond Fund[^]

Legg Mason Western Asset Global Core Plus Bond Fund[^] held 6,640 (2014: 5,555) and 8,169 (2014: Nil) shares in Legg Mason Western Asset Euro High Yield Fund and Legg Mason Western Asset US High Yield Fund respectively at the year end. Transactions involving these shares and the related gains, losses and distributions during the year were:

	Legg Mason Western Asset Euro High Yield Fund		Legg Mason Western Asset US High Yield Fund		Total	
	For the year ended February 28, 2015 (in 000's)	For the year ended February 28, 2014 (in 000's)	For the year ended February 28, 2015 (in 000's)	For the year ended February 28, 2014 (in 000's)	For the year ended February 28, 2015 (in 000's)	For the year ended February 28, 2014 (in 000's)
Issue of shares	\$721	\$1,565	\$750	\$–	\$1,471	\$1,565
Redemption of shares	(647)	(1,854)	–	–	(647)	(1,854)
Net realised gain on financial assets at fair value through profit or loss	53	88	–	–	53	88
Distributions received	33	89	8	–	41	89
Cost	866	740	750	–	1,616	740
Fair value	782	806	762	–	1,544	806
Net unrealised (loss)/gain on financial assets at fair value through profit or loss	\$(84)	\$66	\$12	\$–	\$(72)	\$66

14. Significant Events

On March 4, 2014, Legg Mason, Inc. announced the acquisition of QS Investors. The acquisition took effect on May 31, 2014. Batterymarch Financial Management, Inc. was renamed QS Batterymarch Financial Management, Inc. ("QS Batterymarch").

On March 31, 2014, Legg Mason Royce Global Smaller Companies Fund ceased trading.

On August 29, 2014, Legg Mason ClearBridge US Equity Income Fund[^] and Legg Mason Permal Global Absolute Fund[^] ceased trading.

On September 15, 2014, Legg Mason ClearBridge Global Equity Income Fund[^] launched.

On September 29, 2014, a supplement to the June 30, 2014 Prospectus was issued and noted by the Central Bank. Please see Note 16 for a list of the most significant amendments.

As part of the integration of Batterymarch and QS Investors, QS Batterymarch intends to utilise QS Investors' proprietary security risk assessment process to select securities for each Fund's portfolio that focuses on managing volatility of returns. This approach favours diversification within securities that have less risk in aggregate to the overall risk of the relevant markets (Asia or Global) and favours dividend paying companies that demonstrate dividend and cash flow growth. The objective of these changes is to improve each Fund's risk adjusted returns. The changes to the investment approach was followed by Legg Mason Batterymarch Asia Ex Japan Equity Fund and Legg Mason Batterymarch Global Equity Fund, and took effect on October 21, 2014.

On November 28, 2014, an updated Specialist Prospectus was issued and noted by the Central Bank. Please see Note 16 for a list of the most significant amendments.

On January 28, 2015, Legg Mason Western Asset Global Inflation-Linked Fund ceased trading.

On February 25, 2015, Legg Mason Batterymarch International Large Cap Fund ceased trading.

[^] Not authorised for sale to the public in Hong Kong.

Notes to Financial Statements – (continued)

15. Segregated Liability

The Company is an umbrella fund with segregated liability between its Funds. As such, as matter of Irish law the assets of each of the Funds will not be exposed to the liabilities of the Company's other Funds. Notwithstanding the foregoing there can be no assurance that, should an action be brought against the Company in the court of another jurisdiction, the segregated nature of the Funds would necessarily be upheld.

16. Amendments to Prospectus

On May 9, 2014, an updated Specialist Prospectus was issued and noted by the Central Bank. The most significant amendments included:

- A new Fund, the Legg Mason Brandywine Global Credit Opportunities Fund, was added.
- Where the investment policies provided for "Total Asset Value", the policies for all Funds were revised to refer to "Net Asset Value".

On June 30, 2014, an updated Main Prospectus was issued and noted by the Central Bank. The most significant amendments included:

- Names of certain Funds were changed as detailed on the General Information section.
- The prospectus was revised to reflect the change in the name of Legg Mason Capital Management, LLC to ClearBridge, LLC, which took effect on February 14, 2014.
- The investment policies for certain Funds were revised. Also, where the investment policies provided for "Total Asset Value", the investment policies for all Funds were revised to refer to "Net Asset Value".
- Western Asset Management Company Pte. Ltd was appointed as a Sub-Investment Manager of the Legg Mason Western Asset Global High Yield Fund in addition to the two existing Sub-Investment Managers of this Fund.
- Names of share classes for certain Funds were changed to reflect that dividend payments by these share classes will occur on a monthly basis instead of a quarterly basis.
- Disclosure was revised to reflect that anti-dilution levies will no longer be charged, and instead dilution adjustments may be made to net asset values.

On September 29, 2014, a supplement to the June 30, 2014 Prospectus was issued and noted by the Central Bank. The most significant amendments included disclosure to reflect that:

- the Equity Funds may now offer Distributing Plus and Distributing Plus (e) Share Classes
- effective November 1, 2014, First Independent Fund Services Ltd. will act as Swiss representative agent for the Company and NPB Neue Privat Bank Ltd. will act as Swiss paying agent for the Company.

On November 28, 2014, an updated Specialist Prospectus was issued and noted by the Central Bank. The most significant amendment was the addition of a new Fund, the Legg Mason Brandywine Global Dynamic US Equity Fund.

17. Subsequent Events

On March 27, 2015, Legg Mason ClearBridge US Fundamental Value Fund merged into Legg Mason ClearBridge Tactical Dividend Income Fund.

On May 13, 2015, an updated Main Prospectus was issued and noted by the Central Bank. The most significant amendments included:

- Names of certain Funds were changed as detailed below:

Previous Name	New Name
Legg Mason Western Asset Inflation Management Fund	Legg Mason Western Asset Global Inflation Management Fund
Legg Mason Western Asset Diversified Strategic Income Fund	Legg Mason Western Asset Short Duration High Income Bond Fund
Legg Mason Western Asset Emerging Markets Bond Fund	Legg Mason Western Asset Emerging Markets Total Return Bond Fund
Legg Mason Batterymarch Asia Ex Japan Equity Fund	Legg Mason Q5 MV Asia Pacific ex Japan Equity Growth and Income Fund
Legg Mason Batterymarch Emerging Markets Equity Fund	Legg Mason Q5 Emerging Markets Equity Fund
Legg Mason Batterymarch Global Equity Fund	Legg Mason Q5 MV Global Equity Growth and Income Fund
Legg Mason Batterymarch Managed Volatility European Equity Fund	Legg Mason Q5 MV European Equity Growth and Income Fund
Legg Mason Batterymarch US Large Cap Fund	Legg Mason Q5 US Large Cap Fund

- QS Investors, LLC replaced QS Batterymarch Financial Management, Inc. as Sub-Investment Manager of the Legg Mason Batterymarch Managed Volatility European Equity Fund, Legg Mason Batterymarch Asia Ex Japan Equity Fund, Legg Mason Batterymarch Emerging Markets Equity Fund, Legg Mason Batterymarch Global Equity Fund and Legg Mason Batterymarch US Large Cap Fund.
- The material contracts section has been amended to reflect changes in Fund representatives and paying agents for certain countries.
- The Distributing Share Classes (excluding the Distributing Plus Share Classes and Distributing Plus (e) Share Classes) no longer have the ability to pay distributions out of unrealised capital gains.
- The investment policies for certain Funds were revised.
- The Investment Management fee for Legg Mason Western Asset Inflation Management Fund and Legg Mason ClearBridge Tactical Dividend Income Fund were reduced.

There were no other material events subsequent to the Balance Sheet date which require disclosure in the financial statements.

18. Prior Period Comparatives

The prior year comparatives for the Balance Sheet are as at February 28, 2014. The prior year comparatives for the Profit and Loss Account and Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares are for the year ended February 28, 2014.

19. Approval of the Report

The Directors approved the Annual Report on June 4, 2015.

Supplemental Information – Total Expense Ratios (TER)

Class Name	Ratio of Total Operating Expenses in CU(1) to average Fund daily net assets in CU(1) For the year ended February 28, 2015**	Class Name	Ratio of Total Operating Expenses in CU(1) to average Fund daily net assets in CU(1) For the year ended February 28, 2015**
Legg Mason Western Asset US Money Market Fund		Legg Mason Western Asset Global Multi Strategy Fund	
Class A US\$ Accumulating	0.18%	Class A US\$ Accumulating	1.39%
Class A US\$ Distributing (D)	0.16%	Class A US\$ Distributing (D)	1.39%
Class A US\$ Distributing (M)	0.16%	Class A US\$ Distributing (M)	1.39%
Class B US\$ Accumulating	0.18%	Class A Euro Accumulating (Hedged)	1.39%
Class B US\$ Distributing (D)	0.16%	Class A Euro Distributing (M) (Hedged)	1.39%
Class C US\$ Accumulating	0.18%	Class A Euro Distributing (M) (Hedged) Plus (e)	1.39%
Class C US\$ Distributing (D)	0.16%	Class A GBP Distributing (M) (Hedged)	1.39%
Class A (G) US\$ Accumulating	0.18%	Class A SGD Distributing (M) (Hedged) Plus	1.39%
Class A (G) US\$ Distributing (D)	0.18%	Class B US\$ Accumulating	1.64%
Class L (G) US\$ Distributing (D)	0.18%	Class B US\$ Distributing (D)	1.64%
Legg Mason Western Asset US Core Bond Fund		Class C US\$ Accumulating	1.89%
Class A US\$ Accumulating	1.22%	Class C US\$ Distributing (D)	1.89%
Class A US\$ Distributing (D)	1.30%	Class E US\$ Accumulating	1.99%
Class B US\$ Accumulating	1.48%	Class E US\$ Distributing (D)	1.99%
Class B US\$ Distributing (D)	1.59%	Class E Euro Accumulating (Hedged)	1.99%
Class C US\$ Accumulating	1.73%	Class E Euro Distributing (M) (Hedged)	1.99%
Class C US\$ Distributing (D)	1.84%	Class F US\$ Accumulating	0.79%
Class F US\$ Accumulating	0.79%	Class F US\$ Distributing (D)	0.79%
Class GA US\$ Accumulating	1.07%	Class F Euro Accumulating	0.65%
Class GE US\$ Accumulating	1.66%	Class X US\$ Distributing (D)	0.84%
Legg Mason Western Asset US Core Plus Bond Fund		Premier Class US\$ Accumulating	0.54%
Class A US\$ Accumulating	1.43%	Premier Class US\$ Distributing (D)	0.54%
Class A US\$ Distributing (D)	1.43%	Premier Class US\$ Distributing (M)	0.54%
Class B US\$ Accumulating	1.68%	Premier Class US\$ Distributing (M) Plus (e)	0.51%
Class B US\$ Distributing (D)	1.69%	Premier Class Euro Accumulating (Hedged)	0.54%
Class C US\$ Accumulating	1.92%	Premier Class Euro Distributing (M) (Hedged)	0.53%
Class C US\$ Distributing (D)	1.93%	Premier Class GBP Accumulating (Hedged)	0.54%
Class E US\$ Accumulating	2.05%	Premier Class GBP Distributing (M) (Hedged)	0.54%
Class F US\$ Accumulating	0.68%	Premier Class GBP Distributing (M) (Hedged) Plus (e)	0.54%
Premier Class US\$ Accumulating	0.44%	Premier Class GBP Distributing (Q) (Hedged)	0.54%
Premier Class US\$ Distributing (M)	0.45%	Premier Class JPY Accumulating (Hedged)	0.54%
LM Class GBP Accumulating (Hedged)	0.16%	LM Class AUD Distributing (M) (Hedged)	0.14%
Class A (G) US\$ Accumulating	1.29%	LM Class GBP Accumulating (Hedged)	0.14%
Class A (G) US\$ Distributing (D)	1.29%	Legg Mason Western Asset US High Yield Fund	
Class B (G) US\$ Distributing (D)	1.81%	Class A US\$ Accumulating	1.44%
Class L (G) US\$ Accumulating	1.80%	Class A US\$ Distributing (D)	1.44%
Class L (G) US\$ Distributing (D)	1.79%	Class A US\$ Distributing (M)	1.44%
Legg Mason Western Asset Euro Core Plus Bond Fund		Class A US\$ Distributing (M) Plus	1.44%
Class A US\$ Distributing (D)	1.34%	Class A Euro Distributing (M) (Hedged)	1.44%
Class A Euro Distributing (D)	1.34%	Class A HKD Distributing (M) Plus	1.23%
Class C US\$ Distributing (D)	1.84%	Class A SGD Distributing (M) (Hedged) Plus	1.44%
Class F Euro Distributing (Q)	0.56%	Class B US\$ Accumulating	1.69%
Premier Class Euro Accumulating	0.44%	Class B US\$ Distributing (D)	1.69%
Class GA Euro Accumulating	1.01%	Class C US\$ Accumulating	1.94%
Class GA Euro Distributing (A)	1.01%	Class C US\$ Distributing (D)	1.94%
Class GE Euro Accumulating	1.61%	Class E US\$ Accumulating	2.04%
Legg Mason Western Asset Diversified Strategic Income Fund		Class E US\$ Distributing (D)	2.04%
Class A US\$ Accumulating	1.40%	Class E Euro Accumulating (Hedged)	2.03%
Class A US\$ Distributing (D)	1.58%	Class F US\$ Accumulating	0.84%
Class A US\$ Distributing (M)	1.40%	Class F US\$ Distributing (D)	0.84%
Class A Euro Accumulating (Hedged)	1.58%	Premier Class US\$ Accumulating	0.59%
Class A Euro Distributing (M) (Hedged)	1.40%	Premier Class US\$ Distributing (M) Plus (e)	0.59%
Class B US\$ Accumulating	1.65%	Premier Class Euro Accumulating	0.56%
Class B US\$ Distributing (D)	1.83%	LM Class US\$ Accumulating	0.14%
Class C US\$ Accumulating	1.90%	LM Class US\$ Distributing (M)	0.14%
Class C US\$ Distributing (D)	2.08%	LM Class GBP Accumulating (Hedged)	0.13%
Class A (G) US\$ Accumulating	1.53%	Class A (G) US\$ Accumulating	1.29%
Class A (G) US\$ Distributing (D)	1.53%	Class A (G) US\$ Distributing (D)	1.29%
Class B (G) US\$ Accumulating	1.99%	Class B (G) US\$ Accumulating	1.79%
Class B (G) US\$ Distributing (D)	2.00%	Class B (G) US\$ Distributing (D)	1.79%
Class L (G) US\$ Accumulating	2.03%	Class L (G) US\$ Accumulating	1.79%
Class L (G) US\$ Distributing (D)	2.03%	Class L (G) US\$ Distributing (D)	1.79%
Legg Mason Western Asset Emerging Markets Bond Fund		Class GF US\$ Accumulating	1.09%
Class A US\$ Accumulating	1.80%	Class A US\$ Accumulating	1.80%
Class A US\$ Distributing (D)	1.83%	Class A US\$ Distributing (D)	1.83%
Class A US\$ Distributing (M)	1.80%	Class A US\$ Distributing (M)	1.83%
Class A US\$ Distributing (M) Plus	1.83%	Class A Euro Accumulating (Hedged)	1.83%
Class A Euro Accumulating (Hedged)	1.83%	Class A Euro Distributing (D) (Hedged)	1.83%
Class A Euro Distributing (D) (Hedged)	1.83%	Class A GBP Distributing (D) (Hedged)	1.83%
Class A GBP Distributing (D) (Hedged)	1.83%	Class A SGD Distributing (M) (Hedged) Plus	1.83%
Class A SGD Distributing (M) (Hedged) Plus	1.83%	Class B US\$ Accumulating	2.05%
Class B US\$ Accumulating	2.05%	Class B US\$ Distributing (D)	2.08%
Class B US\$ Distributing (D)	2.08%	Class C US\$ Accumulating	2.30%
Class C US\$ Accumulating	2.30%	Class C US\$ Distributing (D)	2.33%
Class C US\$ Distributing (D)	2.33%	Class E US\$ Distributing (D)	2.43%
Class E US\$ Distributing (D)	2.43%	Class E Euro Accumulating (Hedged)	2.44%
Class E Euro Accumulating (Hedged)	2.44%	Class E Euro Distributing (M) (Hedged)	2.43%
Class E Euro Distributing (M) (Hedged)	2.43%	Class F US\$ Accumulating	0.99%
Class F US\$ Accumulating	0.99%	Class X GBP Distributing (D) (Hedged)	1.08%
Class X GBP Distributing (D) (Hedged)	1.08%	Premier Class US\$ Accumulating	0.73%
Premier Class US\$ Accumulating	0.73%	Premier Class Euro Accumulating (Hedged)	0.73%
Premier Class Euro Accumulating (Hedged)	0.73%	Premier Class GBP Distributing (D) (Hedged)	0.73%
Premier Class GBP Distributing (D) (Hedged)	0.73%	Class A (G) US\$ Accumulating	1.43%
Class A (G) US\$ Accumulating	1.43%	Class A (G) US\$ Distributing (D)	1.43%
Class A (G) US\$ Distributing (D)	1.43%	Class B (G) US\$ Accumulating	1.93%
Class B (G) US\$ Accumulating	1.93%	Class B (G) US\$ Distributing (D)	1.93%
Class B (G) US\$ Distributing (D)	1.93%	Class L (G) US\$ Accumulating	1.93%
Class L (G) US\$ Accumulating	1.93%	Class L (G) US\$ Distributing (D)	1.93%
Class L (G) US\$ Distributing (D)	1.93%		

Supplemental Information – Total Expense Ratios (TER) – (continued)

Class Name	Ratio of Total Operating Expenses in CU(1) to average Fund daily net assets in CU(1) For the year ended February 28, 2015**	Class Name	Ratio of Total Operating Expenses in CU(1) to average Fund daily net assets in CU(1) For the year ended February 28, 2015**
Legg Mason Western Asset Emerging Markets Corporate Bond Fund		Legg Mason Western Asset Asian Opportunities Fund	
Class A US\$ Accumulating	1.81%	Class A US\$ Accumulating	1.39%
Class A US\$ Distributing (M)	1.52%	Class A US\$ Distributing (D)	1.39%
Premier Class US\$ Accumulating	0.70%	Class A US\$ Distributing (M)	1.39%
LM Class US\$ Distributing (M)	0.15%	Class A US\$ Distributing (M) Plus	1.38%
Legg Mason Western Asset Global High Yield Fund		Class A AUD Distributing (M) (Hedged) Plus	1.39%
Class A US\$ Accumulating	1.54%	Class A CHF Accumulating (Hedged)	1.35%
Class A US\$ Distributing (D)	1.54%	Class A CNH Distributing (M) (Hedged) Plus	1.38%
Class A US\$ Distributing (M)	1.55%	Class A Euro Accumulating	1.39%
Class A US\$ Distributing (M) Plus	1.55%	Class A Euro Accumulating (Hedged)	1.39%
Class A AUD Distributing (M) (Hedged) Plus	1.55%	Class A Euro Distributing (A)	1.39%
Class A Euro Distributing (D) (Hedged)	1.55%	Class A GBP Distributing (D) (Hedged)	1.39%
Class A SGD Distributing (M) (Hedged) Plus	1.55%	Class A GBP Distributing (M)	1.39%
Class B US\$ Accumulating	1.79%	Class A SGD Accumulating (Hedged)	1.39%
Class B US\$ Distributing (D)	1.79%	Class A SGD Distributing (M) (Hedged) Plus	1.39%
Class C US\$ Accumulating	2.04%	Class B US\$ Accumulating	1.64%
Class C US\$ Distributing (D)	2.04%	Class B US\$ Distributing (D)	1.64%
Class E US\$ Accumulating	2.15%	Class C US\$ Accumulating	1.89%
Class E US\$ Distributing (D)	2.15%	Class C US\$ Distributing (D)	1.89%
Class E Euro Accumulating (Hedged)	2.13%	Class E US\$ Accumulating	1.99%
Class E Euro Distributing (M) (Hedged)	2.15%	Class E US\$ Distributing (D)	1.99%
Class F US\$ Accumulating	0.84%	Class E Euro Accumulating (Hedged)	1.97%
Class F US\$ Distributing (D)	0.85%	Class F US\$ Accumulating	0.99%
Class X US\$ Accumulating	0.92%	Class F US\$ Distributing (D)	0.99%
Class X US\$ Distributing (D)	0.92%	Class X Euro Accumulating (Hedged)	0.89%
Class X GBP Distributing (D) (Hedged)	0.93%	Premier Class US\$ Accumulating	0.74%
Premier Class US\$ Accumulating	0.60%	Premier Class US\$ Distributing (M)	0.74%
Premier Class US\$ Distributing (M) Plus (e)	0.61%	Premier Class Euro Accumulating	0.74%
Premier Class Euro Accumulating (Hedged)	0.60%	Premier Class Euro Accumulating (Hedged)	0.74%
Premier Class GBP Distributing (D) (Hedged)	0.60%	Premier Class Euro Distributing (A)	0.74%
LM Class US\$ Accumulating	0.15%	Premier Class Euro Distributing (M)	0.74%
Class A (G) US\$ Accumulating	1.40%	Premier Class GBP Distributing (M)	0.74%
Class A (G) US\$ Distributing (D)	1.40%	LM Class US\$ Accumulating	0.14%
Class B (G) US\$ Accumulating	1.90%	Legg Mason Western Asset Global Blue Chip Bond Fund	
Class B (G) US\$ Distributing (D)	1.90%	Class A US\$ Accumulating	1.17%
Class L (G) US\$ Accumulating	1.90%	Class A US\$ Distributing (M)	1.17%
Class L (G) US\$ Distributing (D)	1.90%	Class A Euro Accumulating (Hedged)	1.17%
Legg Mason Western Asset US Short-Term Government Fund		Class A GBP Accumulating (Hedged)	1.17%
Class A US\$ Accumulating	1.35%	Class B US\$ Distributing (M)	1.42%
Class A US\$ Distributing (D)	1.35%	Class C US\$ Accumulating	1.67%
Class B US\$ Accumulating	1.60%	Class C US\$ Distributing (M)	1.68%
Class B US\$ Distributing (D)	1.60%	Class E US\$ Accumulating	1.75%
Class C US\$ Accumulating	1.85%	Class E US\$ Distributing (D)	1.77%
Class C US\$ Distributing (D)	1.85%	Class F US\$ Accumulating	0.67%
Class A (G) US\$ Accumulating	1.31%	Premier Class US\$ Accumulating	0.52%
Class A (G) US\$ Distributing (D)	1.31%	Premier Class US\$ Distributing (M)	0.52%
Class B (G) US\$ Distributing (D)	1.82%	Premier Class Euro Accumulating (Hedged)	0.53%
Class L (G) US\$ Accumulating	1.81%	Premier Class Euro Distributing (M) (Hedged)	0.52%
Class L (G) US\$ Distributing (D)	1.81%	Premier Class GBP Accumulating (Hedged)	0.52%
Legg Mason Western Asset US Adjustable Rate Fund		Premier Class GBP Distributing (M) (Hedged)	0.52%
Class A US\$ Accumulating	1.40%	Legg Mason Western Asset Brazil Bond Fund	
Class B US\$ Distributing (D)	1.65%	Class A US\$ Distributing (M)	1.43%
Class C US\$ Distributing (D)	1.90%	LM Class US\$ Accumulating	0.29%
Class A (G) US\$ Accumulating	1.51%	Legg Mason Western Asset Global Credit Absolute Return Fund[^]	
Class A (G) US\$ Distributing (D)	1.51%	Class A US\$ Accumulating	1.83%
Class L (G) US\$ Accumulating	2.01%	Class A US\$ Distributing (M)	1.82%
Class L (G) US\$ Distributing (D)	2.01%	Class A GBP Distributing (M) (Hedged)	1.83%
Legg Mason Western Asset Inflation Management Fund		Class A (PF) US\$ Accumulating	1.58%
Class A US\$ Accumulating	1.40%	Class A (PF) US\$ Distributing (M)	1.58%
Class A US\$ Distributing (A)	1.40%	Class B US\$ Accumulating	1.72%
Class B US\$ Accumulating	1.65%	Class B US\$ Distributing (M)	1.72%
Class B US\$ Distributing (A)	1.65%	Class C US\$ Accumulating	2.32%
Class C US\$ Accumulating	2.25%	Class C US\$ Distributing (M)	2.10%
Class C US\$ Distributing (A)	1.90%	Class F US\$ Accumulating	1.35%
Class A (G) US\$ Accumulating	1.00%	Class F US\$ Distributing (M)	1.36%
Class A (G) US\$ Distributing (A)	1.00%	Class X GBP Distributing (M) (Hedged)	1.33%
Class L (G) US\$ Accumulating	1.50%	Premier Class US\$ Distributing (M)	1.17%
Class L (G) US\$ Distributing (A)	1.50%	Premier Class Euro Accumulating (Hedged)	1.18%
		Premier Class GBP Distributing (M) (Hedged)	1.17%
		Premier (PF) Class US\$ Accumulating	0.93%
		Premier (PF) Class GBP Accumulating (Hedged)	0.93%
		Premier (PF) Class GBP Distributing (M) (Hedged)	0.93%
		Legg Mason Western Asset Global Core Plus Bond Fund[^]	
		Class A US\$ Distributing (D)	1.39%
		Class X US\$ Accumulating	0.82%
		Premier Class US\$ Accumulating	0.54%
		Premier Class Euro Accumulating (Hedged)	0.62%
		Premier Class JPY Accumulating (Hedged)	0.67%
		Legg Mason Western Asset Global Credit Fund	
		Class A US\$ Accumulating	1.35%
		Class A US\$ Distributing (D)	1.35%
		Class A Euro Accumulating (Hedged)	1.35%
		Premier Class US\$ Accumulating	0.50%
		LM Class US\$ Accumulating	0.15%

[^] Not authorised for sale to the public in Hong Kong.

Supplemental Information – Total Expense Ratios (TER) – (continued)

Class Name	Ratio of Total Operating Expenses in CU(1) to average Fund daily net assets in CU(1) For the year ended February 28, 2015**	Class Name	Ratio of Total Operating Expenses in CU(1) to average Fund daily net assets in CU(1) For the year ended February 28, 2015**
Legg Mason Western Asset Euro High Yield Fund		Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^]	
Class A Euro Distributing (D)	1.46%	Class A US\$ Accumulating	1.63%
LM Class Euro Accumulating	0.16%	Class A US\$ Distributing (A)	1.63%
LM Class Euro Distributing (Q)	0.16%	Class A Euro Accumulating (Hedged)	1.62%
Legg Mason Western Asset Macro Opportunities Bond Fund[^]		Class B US\$ Distributing (D)	1.88%
Class A US\$ Accumulating	1.75%	Class C US\$ Accumulating	2.13%
Class A US\$ Distributing (M) Plus (e)	1.74%	Class E US\$ Accumulating	2.23%
Class A US\$ Distributing (S)	1.75%	Class E US\$ Distributing (A)	2.23%
Class A CHF Accumulating (Hedged)	1.75%	Class F US\$ Accumulating	1.22%
Class A CNH Accumulating (Hedged)	1.75%	Class F US\$ Distributing (A)	1.22%
Class A CNH Distributing (M) (Hedged) Plus (e)	1.74%	Class X GBP Accumulating (Hedged)	1.18%
Class A Euro Accumulating (Hedged)	1.75%	Class X GBP Distributing (M) (Hedged)	1.18%
Class A GBP Accumulating	1.64%	Premier Class US\$ Accumulating	1.03%
Class A GBP Accumulating (Hedged)	1.75%	Premier Class US\$ Distributing (A)	1.03%
Class A SGD Accumulating (Hedged)	1.75%	Premier Class Euro Accumulating (Hedged)	1.03%
Class A SGD Distributing (M) (Hedged) Plus (e)	1.74%	Premier Class Euro Distributing (A) (Hedged)	1.03%
Class B US\$ Accumulating	2.00%	Premier Class GBP Distributing (M) (Hedged)	1.03%
Class C US\$ Accumulating	2.25%	Premier Class SGD Accumulating (Hedged)	1.03%
Class C US\$ Distributing (S)	2.24%	LM Class US\$ Accumulating	0.13%
Class E US\$ Accumulating	2.35%	LM Class AUD Accumulating (Hedged)	0.13%
Class E US\$ Distributing (S)	2.35%	LM Class Euro Accumulating (Hedged)	0.13%
Class E Euro Accumulating (Hedged)	2.34%	Legg Mason Brandywine Global High Yield Fund[^]	
Class F US\$ Accumulating	1.35%	Class A US\$ Accumulating	1.55%
Class F US\$ Distributing (S)	1.34%	Premier Class US\$ Accumulating	0.95%
Class S US\$ Accumulating	0.70%	Premier Class Euro Accumulating (Hedged)	0.95%
Class S Euro Accumulating (Hedged)	0.70%	Premier Class GBP Accumulating (Hedged)	0.95%
Class X US\$ Accumulating	1.25%	Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^]	
Class X US\$ Distributing (S)	1.24%	Class A US\$ Accumulating	1.45%
Class X CHF Accumulating (Hedged)	1.25%	Class A US\$ Distributing (M)	1.45%
Class X Euro Accumulating	1.25%	Class A Euro Accumulating (Hedged)	1.46%
Class X Euro Accumulating (Hedged)	1.25%	Class C US\$ Accumulating	1.96%
Class X GBP Accumulating	1.18%	Class E US\$ Accumulating	2.06%
Class X GBP Accumulating (Hedged)	1.25%	Class F US\$ Accumulating	1.06%
Class X SGD Accumulating (Hedged)	1.25%	Class F US\$ Distributing (M)	1.06%
Premier Class US\$ Accumulating	1.10%	Class X Euro Accumulating (Hedged)	0.96%
Premier Class US\$ Distributing (S)	1.09%	Class X GBP Distributing (M) (Hedged)	0.94%
Premier Class CHF Accumulating (Hedged)	1.09%	Premier Class US\$ Accumulating	0.81%
Premier Class Euro Accumulating	1.09%	Premier Class US\$ Distributing (M)	0.80%
Premier Class Euro Accumulating (Hedged)	1.10%	Premier Class Euro Accumulating (Hedged) (AH)	0.80%
Premier Class GBP Accumulating (Hedged)	1.09%	Premier Class GBP Accumulating (Hedged)	0.81%
Premier Class GBP Distributing (M) (Hedged) Plus (e)	1.10%	Premier Class GBP Distributing (M) (Hedged) (AH)	0.81%
Legg Mason Brandywine Global Fixed Income Fund		Premier Class NZD Accumulating (Hedged) (AH)	0.81%
Class A US\$ Accumulating	1.40%	LM Class NZD Accumulating (Hedged) (AH)	0.16%
Class A US\$ Distributing (M)	1.40%	Legg Mason Brandywine Global Sovereign Credit Fund[^]	
Class A US\$ Distributing (S)	1.40%	Premier Class US\$ Accumulating	0.50%
Class A AUD Distributing (M) (Hedged) Plus	1.41%	Premier Class GBP Accumulating (Hedged) (AH)	0.44%
Class A Euro Accumulating (Hedged)	1.40%	Premier Class GBP Distributing (S) (Hedged) (AH)	0.44%
Class A Euro Accumulating (Hedged) (AH)	1.40%	LM Class GBP Accumulating (Hedged) (AH)	0.09%
Class A Euro Distributing (A) (Hedged)	1.39%	LM Class GBP Distributing (S) (Hedged) (AH)	0.09%
Class A Euro Distributing (S) (Hedged) (AH)	1.40%	Legg Mason Brandywine Global Income Optimiser Fund[^]	
Class A GBP Accumulating	1.40%	Class A US\$ Accumulating	1.54%
Class A GBP Distributing (M) (Hedged)	1.36%	Class A US\$ Distributing (D)	1.55%
Class A GBP Distributing (S) (Hedged) (AH)	1.40%	Class A US\$ Distributing (M) Plus (e)	1.55%
Class B US\$ Accumulating	1.65%	Class A Euro Distributing (M) (Hedged) Plus (e)	1.55%
Class B US\$ Distributing (S)	1.65%	Class A GBP Distributing (M) (Hedged) Plus (e)	1.55%
Class C US\$ Accumulating	1.90%	Class C US\$ Accumulating	2.04%
Class C US\$ Distributing (S)	1.90%	Class C US\$ Distributing (D)	2.02%
Class E US\$ Accumulating	2.00%	Class X US\$ Distributing (D)	0.95%
Class E Euro Accumulating (Hedged) (AH)	2.00%	Class X US\$ Distributing (M) Plus (e)	0.95%
Class F US\$ Accumulating	1.00%	Class X Euro Distributing (M) (Hedged) Plus (e)	0.95%
Class F US\$ Distributing (S)	1.00%	Class X GBP Distributing (M) (Hedged) Plus (e)	0.95%
Class R US\$ Distributing (S)	1.00%	Premier Class US\$ Distributing (M) Plus (e)	0.80%
Class R GBP Distributing (S) (Hedged) (AH)	1.00%	Premier Class Euro Accumulating (Hedged)	0.79%
Class X US\$ Accumulating	0.90%	Premier Class Euro Distributing (M) (Hedged) Plus (e)	0.79%
Class X US\$ Distributing (S)	0.89%	Premier Class GBP Distributing (M) (Hedged) Plus (e)	0.79%
Class X Euro Accumulating (Hedged)	0.91%	Premier Class SEK Accumulating (Hedged)	0.79%
Class X GBP Accumulating	0.93%	LM Class US\$ Accumulating	0.19%
Class X GBP Accumulating (Hedged)	0.89%	Legg Mason Brandywine Global Credit Opportunities Fund[^]	
Class X GBP Distributing (S) (Hedged)	0.90%	Class A US\$ Accumulating	1.93%
Class X GBP Distributing (S) (Hedged) (AH)	0.90%	Class S US\$ Accumulating	0.89%
Premier Class US\$ Accumulating	0.75%	Class X GBP Distributing (M) (Hedged) Plus (e)	1.44%
Premier Class US\$ Distributing (S)	0.75%	Premier Class US\$ Accumulating	1.29%
Premier Class CHF Accumulating (Hedged) (AH)	0.75%	Premier Class Euro Accumulating (Hedged)	1.29%
Premier Class Euro Accumulating	0.75%	Premier Class GBP Accumulating (Hedged)	1.27%
Premier Class Euro Accumulating (Hedged)	0.75%	LM Class US\$ Accumulating	0.20%
Premier Class Euro Accumulating (Hedged) (AH)	0.75%	Legg Mason Western Asset Brazil Equity Fund	
Premier Class GBP Distributing (M) (Hedged)	0.75%	Class A US\$ Distributing (A)	2.00%
Premier Class GBP Distributing (S) (Hedged) (AH)	0.75%	LM Class US\$ Accumulating	0.80%
Premier Class JPY Accumulating (Hedged) (AH)	0.75%		
LM Class US\$ Accumulating	0.15%		

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Supplemental Information – Total Expense Ratios (TER) – (continued)

Class Name	Ratio of Total Operating Expenses in CU(1) to average Fund daily net assets in CU(1) For the year ended February 28, 2015**	Class Name	Ratio of Total Operating Expenses in CU(1) to average Fund daily net assets in CU(1) For the year ended February 28, 2015**
Legg Mason ClearBridge Value Fund		Legg Mason ClearBridge US Large Cap Growth Fund	
Class A US\$ Accumulating	1.84%	Class A US\$ Accumulating	1.74%
Class A US\$ Distributing (A)	1.84%	Class A US\$ Distributing (A)	1.74%
Class A Euro Accumulating	1.84%	Class A Euro Accumulating	1.75%
Class A Euro Distributing (A) (Hedged)	1.81%	Class A Euro Distributing (A)	1.57%
Class A GBP Distributing (A)	1.84%	Class B US\$ Accumulating	2.24%
Class A SGD Accumulating	1.84%	Class B US\$ Distributing (A)	2.24%
Class A SGD Accumulating (Hedged)	1.84%	Class C US\$ Accumulating	2.24%
Class B US\$ Accumulating	2.31%	Class C US\$ Distributing (A)	2.24%
Class B US\$ Distributing (A)	2.34%	Premier Class US\$ Accumulating	0.77%
Class C US\$ Accumulating	2.34%	Class A (G) US\$ Accumulating	1.40%
Class C US\$ Distributing (A)	2.34%	Class B (G) US\$ Accumulating	1.90%
Class F US\$ Accumulating	1.08%	Class L (G) US\$ Accumulating	1.90%
Class F US\$ Distributing (A)	1.01%	Class GA US\$ Accumulating	1.57%
Class X US\$ Distributing (A)	1.16%	Class GA Euro Accumulating	1.57%
Premier Class US\$ Accumulating	0.82%	Class GA Euro Distributing (A)	1.57%
Premier Class US\$ Distributing (A)	0.81%	Class GE US\$ Distributing (A)	2.32%
Premier Class Euro Accumulating	0.81%	Class GE Euro Accumulating	2.32%
Galleon Class	0.99%		
Legg Mason ClearBridge Growth Fund		Legg Mason ClearBridge US Aggressive Growth Fund	
Class A US\$ Accumulating	1.63%	Class A US\$ Accumulating	1.78%
Class A US\$ Distributing (A)	2.08%	Class A US\$ Distributing (A)	1.78%
Class A Euro Accumulating	1.64%	Class A AUD Accumulating (Hedged)	1.78%
Class B US\$ Accumulating	2.13%	Class A CHF Accumulating (Hedged)	1.77%
Class B US\$ Distributing (A)	2.58%	Class A CNH Accumulating (Hedged)	1.76%
Class C US\$ Accumulating	2.13%	Class A Euro Accumulating	1.78%
Class C US\$ Distributing (A)	2.57%	Class A Euro Accumulating (Hedged)	1.78%
		Class A Euro Distributing (A) (Hedged)	1.77%
Legg Mason ClearBridge Global Equity Fund[^]		Legg Mason ClearBridge US Appreciation Fund	
Class A US\$ Accumulating	1.83%	Class A US\$ Accumulating	1.74%
Class A US\$ Distributing (A)	1.86%	Class A US\$ Distributing (A)	1.75%
Class B US\$ Accumulating	2.31%	Class A Euro Accumulating	1.75%
Class C US\$ Accumulating	2.30%	Class B US\$ Accumulating	2.24%
Class C US\$ Distributing (A)	2.38%	Class B US\$ Distributing (A)	2.24%
		Class C US\$ Accumulating	2.24%
Legg Mason ClearBridge Global Equity Income Fund[^]		Legg Mason ClearBridge Tactical Dividend Income Fund	
Class A US\$ Accumulating	1.85%	Class A US\$ Accumulating	2.00%
Class A US\$ Distributing (M) Plus	1.85%	Class A US\$ Distributing (M) Plus	2.00%
Class A US\$ Distributing (M) Plus (e)	1.85%	Class A US\$ Distributing (M) Plus (e)	2.00%
Class A US\$ Distributing (Q)	1.85%	Class A AUD Distributing (M) (Hedged) Plus	2.00%
Class A AUD Distributing (M) (Hedged) Plus	1.85%	Class A CNH Distributing (M) (Hedged) Plus	2.00%
Class A CNH Distributing (M) (Hedged) Plus	1.85%	Class A Euro Accumulating (Hedged)	2.00%
Class A Euro Accumulating (Hedged)	1.85%	Class A Euro Distributing (A) (Hedged)	2.00%
Class A Euro Distributing (M) (Hedged) Plus (e)	1.85%	Class A Euro Distributing (M) (Hedged) Plus (e)	2.00%
Premier Class US\$ Distributing (M) Plus (e)	0.97%	Class A HKD Distributing (M) Plus	2.00%
Premier Class Euro Accumulating (Hedged)	0.97%	Class A SGD Distributing (M) (Hedged) Plus	2.00%
Premier Class Euro Distributing (M) (Hedged) Plus (e)	0.97%	Class B US\$ Distributing (Q)	2.50%
LM Class US\$ Accumulating	0.96%	Class C US\$ Accumulating	2.50%
		Class C US\$ Distributing (Q)	2.50%
Legg Mason ClearBridge US Fundamental Value Fund		Legg Mason Opportunity Fund	
Class A US\$ Accumulating	1.74%	Class A US\$ Accumulating	1.84%
Class A US\$ Distributing (A)	1.74%	Class A US\$ Distributing (A)	1.84%
Class A Euro Accumulating	1.88%	Class A Euro Accumulating (Hedged)	1.82%
Class B US\$ Accumulating	2.25%	Class A GBP Accumulating	1.72%
Class B US\$ Distributing (A)	2.24%	Class A SEK Accumulating (Hedged)	1.84%
Class C US\$ Accumulating	2.25%	Class X GBP Accumulating	1.17%
Class C US\$ Distributing (A)	2.24%	Premier Class US\$ Accumulating	0.81%
Class A (G) US\$ Accumulating	1.48%	Premier Class GBP Distributing (A)	0.82%
Class B (G) US\$ Accumulating	1.95%		
Class L (G) US\$ Accumulating	1.98%		
Class GA US\$ Accumulating	1.64%		
Class GA Euro Accumulating	1.64%		
Class GA Euro Distributing (A)	1.65%		
Class GE US\$ Accumulating	2.40%		
Class GE Euro Accumulating	2.40%		

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Supplemental Information – Total Expense Ratios (TER) – (continued)

Class Name	Ratio of Total Operating Expenses in CU(1) to average Fund daily net assets in CU(1) For the year ended February 28, 2015**	Class Name	Ratio of Total Operating Expenses in CU(1) to average Fund daily net assets in CU(1) For the year ended February 28, 2015**
Legg Mason Royce US Small Cap Opportunity Fund		Legg Mason Batterymarch Asia Ex Japan Equity Fund	
Class A US\$ Accumulating	1.99%	Class A US\$ Accumulating	2.00%
Class A US\$ Distributing (A)	1.99%	Class A US\$ Distributing (A)	2.06%
Class A AUD Accumulating (Hedged)	1.99%	Class A US\$ Distributing (M) Plus	2.07%
Class A CNH Accumulating (Hedged)	1.98%	Class A AUD Distributing (M) (Hedged) Plus	2.06%
Class A Euro Accumulating	1.99%	Class A Euro Accumulating	2.00%
Class A Euro Accumulating (Hedged)	1.99%	Class A HKD Distributing (M) Plus	2.07%
Class A GBP Accumulating (Hedged)	1.98%	Class B US\$ Accumulating	2.49%
Class A GBP Distributing (A)	1.99%	Class B US\$ Distributing (A)	2.56%
Class A SEK Accumulating (Hedged)	1.99%	Class C US\$ Accumulating	2.49%
Class A SGD Accumulating	1.99%	Class C US\$ Distributing (A)	2.56%
Class A SGD Accumulating (Hedged)	1.99%	Class E US\$ Accumulating	2.81%
Class B US\$ Accumulating	2.49%	Class E US\$ Distributing (A)	2.50%
Class B US\$ Distributing (A)	2.49%	Class F US\$ Accumulating	1.45%
Class C US\$ Accumulating	2.49%	Class F US\$ Distributing (A)	1.45%
Class C US\$ Distributing (A)	2.49%	Class GA US\$ Accumulating	1.83%
Class E US\$ Accumulating	2.74%	Class GA Euro Accumulating	1.83%
Class E US\$ Distributing (A)	2.74%	Class GA Euro Distributing (A)	1.83%
Class E Euro Accumulating	2.74%	Class GE US\$ Accumulating	2.58%
Class E Euro Accumulating (Hedged)	2.74%	Class GE Euro Accumulating	2.58%
Class F US\$ Accumulating	1.38%	Legg Mason Batterymarch Emerging Markets Equity Fund	
Class F US\$ Distributing (A)	1.39%	Class A US\$ Accumulating	1.99%
Class R Euro Accumulating	1.49%	Class A US\$ Distributing (A)	1.99%
Class X US\$ Accumulating	1.24%	Class A Euro Accumulating	1.99%
Class X Euro Accumulating (Hedged)	1.24%	Class A GBP Distributing (A)	1.99%
Class X GBP Accumulating	1.24%	Class B US\$ Accumulating	2.82%
Class X GBP Distributing (A)	1.24%	Class B US\$ Distributing (A)	2.80%
Premier Class US\$ Accumulating	0.89%	Class C US\$ Accumulating	2.80%
Premier Class CHF Accumulating (Hedged)	0.89%	Class C US\$ Distributing (A)	2.80%
Premier Class Euro Accumulating	0.89%	Class E US\$ Accumulating	3.04%
Premier Class Euro Accumulating (Hedged)	0.88%	Class F US\$ Accumulating	1.90%
Premier Class GBP Accumulating	0.89%	Class F US\$ Distributing (A)	1.81%
Legg Mason Royce US Smaller Companies Fund		Premier Class US\$ Accumulating	0.95%
Class A US\$ Accumulating	2.00%	Premier Class Euro Accumulating	0.98%
Class A US\$ Distributing (A)	2.00%	Legg Mason Batterymarch Global Equity Fund	
Class A Euro Accumulating	2.00%	Class A US\$ Accumulating	2.05%
Class A Euro Accumulating (Hedged)	2.00%	Class A US\$ Distributing (A)	2.00%
Class A Euro Distributing (A)	1.99%	Class GA US\$ Accumulating	1.72%
Class A GBP Distributing (A)	2.00%	Class GA Euro Accumulating	1.72%
Class A SEK Accumulating (Hedged)	2.00%	Class GA Euro Distributing (A)	1.72%
Class B US\$ Accumulating	2.50%	Class GE US\$ Accumulating	2.47%
Class B US\$ Distributing (A)	2.50%	Class GE Euro Accumulating	2.47%
Class C US\$ Accumulating	2.50%	Legg Mason Royce Smaller Companies Fund II^	
Class C US\$ Distributing (A)	2.50%	Class A US\$ Accumulating	2.00%
Class E US\$ Accumulating	2.75%	Legg Mason Batterymarch Managed Volatility European Equity Fund	
Class E US\$ Distributing (A)	2.75%	Class A US\$ Accumulating	1.85%
Class E Euro Accumulating	2.75%	Class A US\$ Accumulating (Hedged)	1.85%
Class F US\$ Accumulating	1.40%	Class A US\$ Distributing (A)	1.88%
Class F US\$ Distributing (A)	1.40%	Class A US\$ Distributing (M) (Hedged) Plus	1.85%
Class R US\$ Accumulating	1.50%	Class A AUD Distributing (M) (Hedged) Plus	1.85%
Class X US\$ Accumulating	1.25%	Class A CNH Distributing (M) (Hedged) Plus	1.87%
Class X US\$ Distributing (A)	1.25%	Class A Euro Accumulating	1.87%
Premier Class US\$ Accumulating	0.90%	Class A Euro Distributing (A)	1.87%
Premier Class US\$ Distributing (A)	0.90%	Class A Euro Distributing (M) Plus	1.85%
Premier Class GBP Distributing (A)	0.90%	Class B US\$ Accumulating	2.35%
LM Class Euro Accumulating	0.15%	Class B US\$ Distributing (A)	2.38%
Class A (G) US\$ Accumulating	1.40%	Class C US\$ Accumulating	2.35%
Class L (G) US\$ Accumulating	1.90%	Class C US\$ Distributing (A)	2.38%
Legg Mason Batterymarch Managed Volatility European Equity Fund		Class E US\$ Accumulating	2.60%
Class A US\$ Accumulating	1.85%	Premier Class Euro Accumulating	0.85%
Class A US\$ Accumulating (Hedged)	1.85%	Class A (G) US\$ Accumulating	1.53%
Class A US\$ Distributing (A)	1.88%	Class B (G) US\$ Accumulating	2.03%
Class A US\$ Distributing (M) (Hedged) Plus	1.85%	Class L (G) US\$ Accumulating	2.03%
Class A AUD Distributing (M) (Hedged) Plus	1.85%	Class GA US\$ Accumulating	1.60%
Class A CNH Distributing (M) (Hedged) Plus	1.87%	Class GA Euro Accumulating	1.60%
Class A Euro Accumulating	1.87%	Class GA Euro Distributing (A)	1.60%
Class A Euro Distributing (A)	1.87%	Class GE US\$ Accumulating	2.35%
Class A Euro Distributing (M) Plus	1.85%		
Class B US\$ Accumulating	2.35%		
Class B US\$ Distributing (A)	2.38%		
Class C US\$ Accumulating	2.35%		
Class C US\$ Distributing (A)	2.38%		
Class E US\$ Accumulating	2.60%		
Premier Class Euro Accumulating	0.85%		
Class A (G) US\$ Accumulating	1.53%		
Class B (G) US\$ Accumulating	2.03%		
Class L (G) US\$ Accumulating	2.03%		
Class GA US\$ Accumulating	1.60%		
Class GA Euro Accumulating	1.60%		
Class GA Euro Distributing (A)	1.60%		
Class GE US\$ Accumulating	2.35%		

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Supplemental Information – Total Expense Ratios (TER) – (continued)

	Synthetic TER (2) For the year ended February 28, 2015**
Legg Mason Western Asset Diversified Strategic Income Fund	
Class A US\$ Accumulating	1.45%
Class A US\$ Distributing (D)	1.63%
Class A US\$ Distributing (M)	1.44%
Class A Euro Accumulating (Hedged)	1.63%
Class A Euro Distributing (M) (Hedged)	1.44%
Class B US\$ Accumulating	1.69%
Class B US\$ Distributing (D)	1.88%
Class C US\$ Accumulating	1.95%
Class C US\$ Distributing (D)	2.13%
Class A (G) US\$ Accumulating	1.58%
Class A (G) US\$ Distributing (D)	1.58%
Class B (G) US\$ Accumulating	2.03%
Class B (G) US\$ Distributing (D)	2.05%
Class L (G) US\$ Accumulating	2.08%
Class L (G) US\$ Distributing (D)	2.08%

The method of calculation of the Total Expense Ratios (TER) is described on the website of the Swiss Funds and Asset Management Association (SFAMA) (www.sfama.ch)

(1) CU = Currency units in the Fund's accounting currency

(2) If a Fund invests at least 10% of its Net Asset Value in other funds ("target funds") which publish a TER, a composite (synthetic) TER of the Fund is calculated as at the financial year end.

** Annualised for periods less than one year

Supplemental Information – Portfolio Turnover Rate (PTR)

	Ratio of (1) less Total (2) to average Fund daily net assets in CU (3) For the year ended February 28, 2015
Legg Mason Western Asset US Money Market Fund	9929.62%
Legg Mason Western Asset US Core Bond Fund	489.46%
Legg Mason Western Asset US Core Plus Bond Fund	390.90%
Legg Mason Western Asset Euro Core Plus Bond Fund	155.34%
Legg Mason Western Asset Diversified Strategic Income Fund	92.39%
Legg Mason Western Asset Global Multi Strategy Fund	101.27%
Legg Mason Western Asset US High Yield Fund	(26.79)%
Legg Mason Western Asset Emerging Markets Bond Fund	(13.16)%
Legg Mason Western Asset Emerging Markets Corporate Bond Fund	65.66%
Legg Mason Western Asset Global High Yield Fund	12.30%
Legg Mason Western Asset US Short-Term Government Fund	75.49%
Legg Mason Western Asset US Adjustable Rate Fund	173.07%
Legg Mason Western Asset Inflation Management Fund	73.55%
Legg Mason Western Asset Asian Opportunities Fund	60.73%
Legg Mason Western Asset Global Blue Chip Bond Fund	(7.12)%
Legg Mason Western Asset Brazil Bond Fund	32.95%
Legg Mason Western Asset Global Credit Absolute Return Fund^	87.81%
Legg Mason Western Asset Global Core Plus Bond Fund^	868.36%
Legg Mason Western Asset Global Credit Fund	61.32%
Legg Mason Western Asset Euro High Yield Fund	67.34%
Legg Mason Western Asset Macro Opportunities Bond Fund^	265.52%
Legg Mason Brandywine Global Fixed Income Fund	235.96%
Legg Mason Brandywine Global Fixed Income Absolute Return Fund^	256.75%
Legg Mason Brandywine Global High Yield Fund^	347.71%
Legg Mason Brandywine Global Opportunistic Fixed Income Fund^	191.63%
Legg Mason Brandywine Global Sovereign Credit Fund^	138.44%
Legg Mason Brandywine Global Income Optimiser Fund^	529.09%
Legg Mason Brandywine Global Credit Opportunities Fund^	220.81%
Legg Mason Western Asset Brazil Equity Fund	169.20%
Legg Mason ClearBridge Value Fund	45.87%
Legg Mason ClearBridge Growth Fund	14.70%
Legg Mason ClearBridge Global Equity Fund^	60.95%
Legg Mason ClearBridge Global Equity Income Fund^	26.68%
Legg Mason ClearBridge US Appreciation Fund	(4.75)%
Legg Mason ClearBridge US Fundamental Value Fund	12.04%
Legg Mason ClearBridge US Large Cap Growth Fund	(5.33)%
Legg Mason ClearBridge US Aggressive Growth Fund	(21.13)%
Legg Mason ClearBridge Tactical Dividend Income Fund	9.47%
Legg Mason Opportunity Fund	27.25%
Legg Mason Royce US Small Cap Opportunity Fund	17.95%
Legg Mason Royce US Smaller Companies Fund	45.45%
Legg Mason Royce Smaller Companies Fund II^	25.84%
Legg Mason Batterymarch Managed Volatility European Equity Fund	(19.75)%
Legg Mason Batterymarch Asia Ex Japan Equity Fund	138.18%
Legg Mason Batterymarch Emerging Markets Equity Fund	173.83%
Legg Mason Batterymarch Global Equity Fund	45.43%

The method of calculation of the Portfolio Turnover Rates (PTR) is described on the website of the Swiss Funds and Asset Management Association (SFAMA) (www.sfama.ch)

- (1) Total 1 = Purchase of securities + sale of securities
- (2) Total 2 = Subscription of shares + redemption of shares
- (3) CU = Currency units in the Fund's accounting currency.

^ Not authorised for sale to the public in Hong Kong.

Supplemental Information – Fund Performance Data

Fund	Share Class	Class CCY	Inception Date	Fiscal YTD 3/1/14-2/28/15	Calendar 1/1/14-12/31/14	3 Year Cumulative 1/1/12-12/31/14
Legg Mason Western Asset US Money Market Fund	Class A US\$ Accumulating	USD	5/8/2007	0.01%	0.01%	0.01%
	Class A US\$ Distributing (D)	USD	2/27/2004	0.03%	0.03%	0.03%
	Class B US\$ Accumulating	USD	11/15/2007	0.01%	0.01%	0.01%
	Class B US\$ Distributing (D)	USD	2/27/2004	0.02%	0.02%	0.20%
	Class C US\$ Accumulating	USD	11/15/2007	0.01%	0.01%	0.01%
	Class C US\$ Distributing (D)	USD	2/27/2004	0.03%	0.03%	0.03%
	Class A (G) US\$ Accumulating	USD	4/20/2007	0.02%	0.02%	0.01%
	Class A (G) US\$ Distributing (D)	USD	4/20/2007	0.01%	0.01%	0.01%
	Class B (G) US\$ Accumulating	USD	4/20/2007	0.06%	0.02%	0.02%
	Class B (G) US\$ Distributing (D)	USD	4/20/2007	0.01%	0.02%	0.07%
Class L (G) US\$ Distributing (D)	USD	4/20/2007	0.01%	0.01%	0.01%	
Legg Mason Western Asset US Core Bond Fund	Class A US\$ Accumulating	USD	5/9/2007	6.10%	7.45%	3.85%
	Class A US\$ Distributing (D)	USD	8/30/2002	6.03%	7.35%	3.73%
	Class B US\$ Accumulating	USD	11/15/2007	5.85%	7.19%	3.60%
	Class B US\$ Distributing (D)	USD	2/24/2004	5.76%	7.05%	3.46%
	Class C US\$ Accumulating	USD	11/15/2007	5.59%	6.92%	3.34%
	Class C US\$ Distributing (D)	USD	2/24/2004	5.49%	6.80%	3.21%
	Class F US\$ Accumulating	USD	8/9/2013	6.58%	7.89%	-
	Class GA US\$ Accumulating	USD	8/27/2010	6.30%	7.59%	4.00%
	Class GE US\$ Accumulating	USD	8/27/2010	5.67%	6.96%	3.38%
Legg Mason Western Asset US Core Plus Bond Fund	Class A US\$ Accumulating	USD	4/20/2007	5.29%	6.45%	3.75%
	Class A US\$ Distributing (D)	USD	4/20/2007	5.34%	6.50%	3.75%
	Class B US\$ Accumulating	USD	11/15/2007	5.03%	6.18%	3.49%
	Class B US\$ Distributing (D)	USD	4/20/2007	5.07%	6.22%	3.48%
	Class C US\$ Accumulating	USD	11/15/2007	4.77%	5.92%	3.24%
	Class C US\$ Distributing (D)	USD	4/20/2007	4.80%	5.97%	3.23%
	Class E US\$ Accumulating	USD	2/3/2012	4.67%	5.79%	-
	Class F US\$ Accumulating	USD	4/5/2013	6.07%	7.23%	-
	Premier Class US\$ Accumulating	USD	9/14/2010	6.34%	7.50%	4.78%
	Premier Class US\$ Distributing (M)	USD	9/29/2011	6.34%	7.51%	4.77%
	LM Class GBP Accumulating (Hedged)	GBP	11/19/2010	7.03%	8.19%	5.31%
	Class A (G) US\$ Accumulating	USD	4/20/2007	5.44%	6.60%	3.89%
	Class A (G) US\$ Distributing (D)	USD	4/20/2007	5.47%	6.63%	3.88%
	Class B (G) US\$ Distributing (D)	USD	4/20/2007	4.94%	6.10%	3.36%
	Class L (G) US\$ Accumulating	USD	4/20/2007	4.92%	6.06%	3.37%
	Class L (G) US\$ Distributing (D)	USD	4/20/2007	4.95%	6.11%	3.36%
Legg Mason Western Asset Euro Core Plus Bond Fund	Class A US\$ Distributing (D)	USD	2/24/2004	(9.85)%	(3.02)%	4.01%
	Class A Euro Distributing (D)	EUR	9/30/2003	11.63%	10.72%	6.68%
	Class C US\$ Distributing (D)	USD	2/24/2004	(9.65)%	(2.87)%	3.87%
	Class F Euro Distributing (Q)	EUR	12/3/2010	12.48%	11.59%	7.44%
	Premier Class Euro Accumulating	EUR	12/3/2010	12.63%	11.67%	7.63%
	Class GA Euro Accumulating	EUR	8/27/2010	11.99%	11.04%	7.02%
	Class GA Euro Distributing (A)	EUR	8/27/2010	11.99%	11.05%	7.02%
	Class GE Euro Accumulating	EUR	8/27/2010	11.32%	10.39%	6.38%
Legg Mason Western Asset Diversified Strategic Income Fund	Class A US\$ Accumulating	USD	5/9/2007	4.41%	3.69%	3.81%
	Class A US\$ Distributing (D)	USD	2/24/2004	4.23%	3.56%	3.71%
	Class A US\$ Distributing (M)	USD	1/8/2008	4.41%	3.70%	3.81%
	Class A Euro Accumulating (Hedged)	EUR	5/8/2008	4.23%	3.48%	3.50%
	Class A Euro Distributing (M) (Hedged)	EUR	6/16/2008	4.36%	3.66%	3.76%
	Class B US\$ Accumulating	USD	11/15/2007	4.15%	3.42%	3.55%
	Class B US\$ Distributing (D)	USD	2/24/2004	3.97%	3.30%	3.44%
	Class C US\$ Accumulating	USD	11/15/2007	3.89%	3.17%	3.29%
	Class C US\$ Distributing (D)	USD	2/24/2004	3.71%	3.04%	3.18%
	Class A (G) US\$ Accumulating	USD	4/20/2007	4.28%	3.60%	3.75%
	Class A (G) US\$ Distributing (D)	USD	4/20/2007	4.28%	3.62%	3.75%
	Class B (G) US\$ Accumulating	USD	4/20/2007	3.78%	3.08%	3.23%
	Class B (G) US\$ Distributing (D)	USD	4/20/2007	3.76%	3.10%	3.23%
	Class L (G) US\$ Accumulating	USD	4/20/2007	3.76%	3.08%	3.23%
	Class L (G) US\$ Distributing (D)	USD	4/20/2007	3.75%	3.09%	3.24%
Legg Mason Western Asset Global Multi Strategy Fund	Class A US\$ Accumulating	USD	5/9/2007	2.92%	2.11%	2.89%
	Class A US\$ Distributing (D)	USD	8/30/2002	2.91%	2.14%	2.89%
	Class A US\$ Distributing (M)	USD	2/19/2008	2.92%	2.11%	2.89%
	Class A Euro Accumulating (Hedged)	EUR	2/12/2008	2.85%	2.05%	2.66%
	Class A Euro Distributing (M) (Hedged)	EUR	4/28/2008	2.84%	2.04%	2.66%
	Class A Euro Distributing (M) (Hedged) Plus (e)	EUR	4/2/2013	2.86%	2.07%	-
	Class A GBP Distributing (M) (Hedged)	GBP	5/29/2008	3.16%	2.30%	3.03%
	Class A SGD Distributing (M) (Hedged) Plus	SGD	5/26/2009	2.96%	2.03%	2.77%
	Class B US\$ Accumulating	USD	11/15/2007	2.67%	1.86%	2.64%
	Class B US\$ Distributing (D)	USD	2/24/2004	2.65%	1.88%	2.63%
	Class C US\$ Accumulating	USD	11/15/2007	2.42%	1.60%	2.38%
	Class C US\$ Distributing (D)	USD	2/24/2004	2.40%	1.64%	2.38%
	Class E US\$ Accumulating	USD	1/21/2010	2.31%	1.50%	2.28%
	Class E US\$ Distributing (D)	USD	1/21/2010	2.29%	1.51%	2.27%
	Class E Euro Accumulating (Hedged)	EUR	5/19/2011	2.23%	1.43%	2.09%
	Class E Euro Distributing (M) (Hedged)	EUR	8/2/2013	2.27%	1.47%	-

Supplemental Information – Fund Performance Data – (continued)

Fund	Share Class	Class CCY	Inception Date	Fiscal YTD 3/1/14-2/28/15	Calendar 1/1/14-12/31/14	3 Year Cumulative 1/1/12-12/31/14
	Class F US\$ Accumulating	USD	2/4/2010	3.53%	2.72%	3.51%
	Class F US\$ Distributing (D)	USD	1/21/2010	3.50%	2.75%	3.52%
	Class F Euro Accumulating	EUR	1/21/2010	27.88%	16.95%	5.88%
	Class X US\$ Distributing (D)	USD	7/3/2013	3.47%	2.73%	–
	Premier Class US\$ Accumulating	USD	9/10/2008	3.80%	2.98%	3.77%
	Premier Class US\$ Distributing (D)	USD	4/18/2008	3.80%	3.06%	3.84%
	Premier Class US\$ Distributing (M)	USD	2/6/2009	3.80%	2.98%	3.77%
	Premier Class Euro Accumulating (Hedged)	EUR	12/17/2009	3.74%	2.94%	3.60%
	Premier Class Euro Distributing (M) (Hedged)	EUR	11/23/2012	3.72%	2.92%	–
	Premier Class GBP Accumulating (Hedged)	GBP	12/3/2010	4.05%	3.17%	3.90%
	Premier Class GBP Distributing (M) (Hedged)	GBP	4/18/2008	4.05%	3.17%	3.84%
	Premier Class GBP Distributing (M) (Hedged) Plus (e)	GBP	2/5/2013	4.05%	3.20%	–
	Premier Class GBP Distributing (Q) (Hedged)	GBP	12/3/2010	4.07%	3.19%	3.91%
	LM Class AUD Distributing (M) (Hedged)	AUD	12/3/2010	6.71%	5.86%	7.09%
	LM Class GBP Accumulating (Hedged)	GBP	12/3/2010	4.49%	3.64%	4.35%
Legg Mason Western Asset US High Yield Fund	Class A US\$ Accumulating	USD	5/9/2007	(0.36)%	(0.45)%	7.38%
	Class A US\$ Distributing (D)	USD	2/27/2004	(0.38)%	(0.38)%	7.40%
	Class A US\$ Distributing (M)	USD	12/20/2010	(0.34)%	(0.44)%	7.37%
	Class A US\$ Distributing (M) Plus (Hedged)	USD	11/21/2012	(0.33)%	(0.43)%	–
	Class A Euro Distributing (M) (Hedged)	EUR	12/19/2012	(0.39)%	(0.43)%	–
	Class A SGD Distributing (M) (Hedged) Plus	SGD	1/31/2013	(0.25)%	(0.53)%	–
	Class B US\$ Accumulating	USD	11/15/2007	(0.60)%	(0.69)%	7.11%
	Class B US\$ Distributing (D)	USD	2/27/2004	(0.62)%	(0.64)%	7.13%
	Class C US\$ Accumulating	USD	11/15/2007	(0.84)%	(0.94)%	6.84%
	Class C US\$ Distributing (D)	USD	2/27/2004	(0.90)%	(0.92)%	6.86%
	Class E US\$ Accumulating	USD	1/21/2010	(0.94)%	(1.04)%	6.73%
	Class E US\$ Distributing (D)	USD	1/21/2010	(0.98)%	(1.00)%	6.80%
	Class F US\$ Accumulating	USD	1/4/2011	0.27%	0.17%	7.96%
	Class F US\$ Distributing (D)	USD	1/4/2011	0.23%	0.25%	11.08%
	Premier Class US\$ Accumulating	USD	11/8/2010	0.50%	0.41%	8.29%
	Premier Class US\$ Distributing (M) Plus (e)	USD	6/21/2013	0.50%	0.41%	–
	LM Class US\$ Accumulating	USD	11/19/2010	0.95%	0.86%	8.78%
	LM Class US\$ Distributing (M)	USD	5/27/2008	0.95%	0.86%	8.78%
	LM Class GBP Accumulating (Hedged)	GBP	11/19/2010	1.21%	1.11%	8.97%
	Class A (G) US\$ Accumulating	USD	4/20/2007	(0.21)%	(0.30)%	7.53%
	Class A (G) US\$ Distributing (D)	USD	4/20/2007	(0.24)%	(0.24)%	7.55%
	Class B (G) US\$ Accumulating	USD	4/20/2007	(0.69)%	(0.79)%	7.00%
	Class B (G) US\$ Distributing (D)	USD	4/20/2007	(0.79)%	(0.76)%	7.00%
	Class L (G) US\$ Accumulating	USD	4/20/2007	(0.70)%	(0.79)%	7.00%
	Class L (G) US\$ Distributing (D)	USD	4/20/2007	(0.74)%	(0.75)%	7.01%
	Class GF US\$ Accumulating	USD	11/19/2010	0.00%	(0.09)%	7.75%
Legg Mason Western Asset Emerging Markets Bond Fund	Class A US\$ Accumulating	USD	5/4/2007	1.00%	1.41%	2.45%
	Class A US\$ Distributing (D)	USD	2/24/2004	0.98%	1.46%	2.45%
	Class A US\$ Distributing (M)	USD	1/3/2008	1.00%	1.40%	2.45%
	Class A US\$ Distributing (M) Plus (Hedged)	USD	11/21/2012	0.96%	1.38%	–
	Class A Euro Accumulating (Hedged)	EUR	1/5/2010	0.98%	1.38%	2.16%
	Class A Euro Distributing (D) (Hedged)	EUR	12/19/2012	0.95%	1.47%	–
	Class A GBP Distributing (D) (Hedged)	GBP	6/30/2010	1.28%	1.77%	2.70%
	Class A SGD Distributing (M) (Hedged) Plus	SGD	1/18/2011	0.25%	1.01%	1.97%
	Class B US\$ Accumulating	USD	11/15/2007	0.75%	1.16%	2.19%
	Class B US\$ Distributing (D)	USD	2/24/2004	0.74%	1.21%	2.19%
	Class C US\$ Accumulating	USD	11/15/2007	0.50%	0.91%	1.94%
	Class C US\$ Distributing (D)	USD	2/24/2004	0.46%	0.93%	1.93%
	Class E US\$ Distributing (D)	USD	1/4/2011	0.38%	0.84%	1.86%
	Class E Euro Distributing (M) (Hedged)	EUR	8/2/2013	0.37%	0.80%	–
	Class F US\$ Accumulating	USD	4/20/2010	1.82%	2.26%	3.30%
	Class X GBP Distributing (D) (Hedged)	GBP	12/19/2013	2.04%	2.40%	–
	Premier Class US\$ Accumulating	USD	12/16/2008	2.08%	2.51%	3.56%
	Premier Class Euro Accumulating (Hedged)	EUR	10/20/2011	1.91%	2.48%	3.30%
	Premier Class GBP Distributing (D) (Hedged)	GBP	2/19/2013	2.35%	2.85%	–
	Class A (G) US\$ Accumulating	USD	4/20/2007	1.38%	1.80%	2.84%
	Class A (G) US\$ Distributing (D)	USD	4/20/2007	1.38%	1.87%	2.85%
	Class B (G) US\$ Accumulating	USD	4/20/2007	0.83%	1.28%	2.33%
	Class B (G) US\$ Distributing (D)	USD	4/20/2007	0.86%	1.35%	2.33%
	Class L (G) US\$ Accumulating	USD	4/20/2007	0.87%	1.28%	2.33%
	Class L (G) US\$ Distributing (D)	USD	4/20/2007	0.88%	1.36%	2.34%
Legg Mason Western Asset Emerging Markets Corporate Bond Fund	Class A US\$ Accumulating	USD	3/4/2013	(4.56)%	(2.97)%	–
	Class A US\$ Distributing (M)	USD	10/21/2011	(4.19)%	(2.69)%	2.79%

Supplemental Information – Fund Performance Data – (continued)

Fund	Share Class	Class CCY	Inception Date	Fiscal YTD 3/1/14-2/28/15	Calendar 1/1/14-12/31/14	3 Year Cumulative 1/1/12-12/31/14
	Premier Class US\$ Accumulating	USD	12/21/2011	(3.40)%	(1.84)%	3.73%
	LM Class US\$ Distributing (M)	USD	10/21/2011	(2.86)%	(1.30)%	4.30%
Legg Mason Western Asset Global High Yield Fund	Class A US\$ Accumulating	USD	4/20/2007	(3.19)%	(2.60)%	6.40%
	Class A US\$ Distributing (D)	USD	4/20/2007	(3.22)%	(2.55)%	6.42%
	Class A US\$ Distributing (M)	USD	1/30/2008	(3.20)%	(2.61)%	6.40%
	Class A US\$ Distributing (M) Plus	USD	11/21/2012	(3.20)%	(2.62)%	–
	Class A AUD Distributing (M) (Hedged) Plus	AUD	6/28/2010	(0.91)%	(0.28)%	9.38%
	Class A Euro Distributing (D) (Hedged)	EUR	9/25/2012	(3.12)%	(2.47)%	–
	Class A SGD Distributing (M) (Hedged) Plus	SGD	1/18/2011	(3.23)%	(2.67)%	6.29%
	Class B US\$ Accumulating	USD	11/15/2007	(3.44)%	(2.85)%	6.14%
	Class B US\$ Distributing (D)	USD	4/20/2007	(3.46)%	(2.79)%	6.15%
	Class C US\$ Accumulating	USD	11/15/2007	(3.68)%	(3.09)%	5.87%
	Class C US\$ Distributing (D)	USD	4/20/2007	(3.72)%	(3.05)%	5.90%
	Class E US\$ Accumulating	USD	1/21/2010	(3.78)%	(3.20)%	5.76%
	Class E US\$ Distributing (D)	USD	1/21/2010	(3.82)%	(3.15)%	5.79%
	Class E Euro Distributing (M) (Hedged)	EUR	8/2/2013	(3.87)%	(3.22)%	–
	Class F US\$ Accumulating	USD	1/4/2011	(2.53)%	(1.93)%	7.17%
	Class F US\$ Distributing (D)	USD	1/4/2011	(2.54)%	(1.86)%	7.20%
	Class X US\$ Accumulating	USD	4/1/2013	(2.60)%	(2.00)%	–
	Class X US\$ Distributing (D)	USD	3/20/2013	(2.62)%	(1.95)%	–
	Class X GBP Distributing (D) (Hedged)	GBP	1/15/2013	(2.49)%	(1.77)%	–
	Premier Class US\$ Accumulating	USD	8/10/2009	(2.28)%	(1.68)%	7.41%
	Premier Class US\$ Distributing (M) Plus (e)	USD	6/21/2013	(2.27)%	(1.67)%	–
	Premier Class Euro Accumulating (Hedged)	EUR	10/12/2012	(2.37)%	(1.70)%	–
	Premier Class GBP Distributing (D) (Hedged)	GBP	8/12/2011	(2.10)%	(1.38)%	7.68%
Class A (G) US\$ Accumulating	USD	4/20/2007	(3.06)%	(2.47)%	6.55%	
Class A (G) US\$ Distributing (D)	USD	4/20/2007	(3.10)%	(2.41)%	6.56%	
Class B (G) US\$ Accumulating	USD	4/20/2007	(3.53)%	(2.95)%	6.02%	
Class B (G) US\$ Distributing (D)	USD	4/20/2007	(3.57)%	(2.92)%	6.02%	
Class L (G) US\$ Accumulating	USD	4/20/2007	(3.54)%	(2.95)%	6.02%	
Class L (G) US\$ Distributing (D)	USD	4/20/2007	(3.57)%	(2.92)%	6.03%	
Legg Mason Western Asset US Short-Term Government Fund	Class A US\$ Accumulating	USD	4/20/2007	(0.29)%	(0.04)%	(0.28)%
	Class A US\$ Distributing (D)	USD	4/20/2007	(0.28)%	(0.03)%	(0.27)%
	Class B US\$ Accumulating	USD	11/15/2007	(0.52)%	(0.29)%	(0.52)%
	Class B US\$ Distributing (D)	USD	4/20/2007	(0.54)%	(0.29)%	(0.52)%
	Class C US\$ Accumulating	USD	11/15/2007	(0.79)%	(0.54)%	(0.78)%
	Class C US\$ Distributing (D)	USD	4/20/2007	(0.78)%	(0.54)%	(0.77)%
	Class A (G) US\$ Accumulating	USD	4/20/2007	(0.25)%	(0.02)%	(0.26)%
	Class A (G) US\$ Distributing (D)	USD	4/20/2007	(0.23)%	(0.01)%	(0.25)%
	Class B (G) US\$ Distributing (D)	USD	4/20/2007	(0.72)%	(0.52)%	(0.75)%
	Class L (G) US\$ Accumulating	USD	4/20/2007	(0.74)%	(0.52)%	(0.76)%
	Class L (G) US\$ Distributing (D)	USD	4/20/2007	(0.74)%	(0.52)%	(0.75)%
	Legg Mason Western Asset US Adjustable Rate Fund	Class A US\$ Accumulating	USD	4/20/2007	(0.64)%	(0.51)%
Class B US\$ Distributing (D)		USD	4/20/2007	(0.89)%	(0.76)%	1.35%
Class C US\$ Distributing (D)		USD	4/20/2007	(1.14)%	(1.01)%	1.10%
Class A (G) US\$ Accumulating		USD	4/20/2007	(0.75)%	(0.62)%	1.53%
Class A (G) US\$ Distributing (D)		USD	4/20/2007	(0.75)%	(0.63)%	1.53%
Class L (G) US\$ Accumulating		USD	4/20/2007	(1.25)%	(1.12)%	1.02%
Class L (G) US\$ Distributing (D)		USD	4/20/2007	(1.25)%	(1.12)%	1.02%
Legg Mason Western Asset Inflation Management Fund	Class A US\$ Accumulating	USD	4/20/2007	1.71%	1.85%	(0.62)%
	Class A US\$ Distributing (A)	USD	4/20/2007	1.72%	1.85%	(0.62)%
	Class B US\$ Accumulating	USD	11/15/2007	1.46%	1.60%	(0.87)%
	Class B US\$ Distributing (A)	USD	4/20/2007	1.47%	1.59%	(0.86)%
	Class C US\$ Accumulating	USD	1/18/2012	0.87%	0.96%	–
	Class C US\$ Distributing (A)	USD	4/20/2007	1.20%	1.35%	(1.11)%
	Class A (G) US\$ Accumulating	USD	4/20/2007	2.13%	2.26%	(0.22)%
	Class A (G) US\$ Distributing (A)	USD	4/20/2007	2.12%	2.26%	(0.22)%
	Class L (G) US\$ Accumulating	USD	4/20/2007	1.61%	1.74%	(0.72)%
	Class L (G) US\$ Distributing (A)	USD	4/20/2007	1.61%	1.75%	(0.72)%
Legg Mason Western Asset Asian Opportunities Fund	Class A US\$ Accumulating	USD	7/2/2008	4.23%	3.40%	2.05%
	Class A US\$ Distributing (D)	USD	7/2/2008	4.21%	3.47%	2.04%
	Class A US\$ Distributing (M)	USD	1/7/2010	4.23%	3.40%	2.05%
	Class A US\$ Distributing (M) Plus	USD	11/21/2012	4.23%	3.39%	–
	Class A AUD Distributing (M) (Hedged) Plus	AUD	9/28/2011	6.75%	5.86%	4.26%
	Class A CNH Distributing (M) (Hedged) Plus	CNH	6/20/2013	6.75%	5.46%	–
	Class A Euro Accumulating	EUR	7/2/2008	28.55%	17.49%	4.32%
	Class A Euro Accumulating (Hedged)	EUR	5/19/2011	4.07%	3.34%	1.76%
	Class A Euro Distributing (A)	EUR	4/1/2011	28.36%	17.33%	3.90%
	Class A GBP Distributing (D) (Hedged)	GBP	12/28/2011	4.44%	3.72%	2.28%
	Class A GBP Distributing (M)	GBP	7/22/2010	13.05%	9.85%	2.51%
	Class A SGD Accumulating (Hedged)	SGD	5/19/2009	4.27%	3.36%	1.88%

Supplemental Information – Fund Performance Data – (continued)

Fund	Share Class	Class CCY	Inception Date	Fiscal YTD 3/1/14-2/28/15	Calendar 1/1/14-12/31/14	3 Year Cumulative 1/1/12-12/31/14
	Class A SGD Distributing (M) (Hedged) Plus	SGD	1/18/2011	4.32%	3.33%	1.81%
	Class A SGD Distributing (M) Plus	SGD	8/4/2010	12.32%	8.65%	2.74%
	Class B US\$ Accumulating	USD	7/2/2008	3.98%	3.14%	1.79%
	Class B US\$ Distributing (D)	USD	7/2/2008	3.96%	3.22%	1.79%
	Class C US\$ Accumulating	USD	7/2/2008	3.72%	2.87%	1.53%
	Class C US\$ Distributing (D)	USD	7/2/2008	3.70%	2.95%	1.54%
	Class E US\$ Accumulating	USD	1/21/2010	3.61%	2.78%	1.43%
	Class E US\$ Distributing (D)	USD	1/21/2010	3.58%	2.84%	1.43%
	Class F US\$ Accumulating	USD	2/4/2010	4.65%	3.81%	2.45%
	Class F US\$ Distributing (D)	USD	1/21/2010	4.65%	3.90%	2.46%
	Premier Class US\$ Accumulating	USD	7/2/2008	4.92%	4.07%	2.71%
	Premier Class US\$ Distributing (M)	USD	1/10/2013	4.91%	4.06%	–
	Premier Class Euro Accumulating	EUR	9/3/2010	29.28%	18.29%	4.95%
	Premier Class Euro Accumulating (Hedged)	EUR	3/10/2011	4.84%	3.98%	2.50%
	Premier Class Euro Distributing (A)	EUR	1/9/2013	29.39%	18.32%	–
	Premier Class Euro Distributing (M)	EUR	9/8/2010	29.46%	18.31%	4.98%
	Premier Class GBP Distributing (M)	GBP	7/16/2010	13.96%	10.59%	2.78%
	LM Class US\$ Accumulating	USD	6/12/2008	5.55%	4.69%	3.33%
Legg Mason Western Asset Global Blue Chip Bond Fund	Class A US\$ Accumulating	USD	6/25/2009	0.72%	1.07%	2.28%
	Class A US\$ Distributing (M)	USD	6/2/2009	0.73%	1.07%	2.27%
	Class A Euro Accumulating (Hedged)	EUR	1/30/2014	0.55%	–	–
	Class A GBP Accumulating (Hedged)	GBP	8/13/2009	0.96%	1.32%	2.46%
	Class B US\$ Distributing (M)	USD	6/25/2009	0.47%	0.82%	2.02%
	Class C US\$ Accumulating	USD	6/25/2009	0.22%	0.58%	1.77%
	Class C US\$ Distributing (M)	USD	6/25/2009	0.23%	0.57%	1.77%
	Class E US\$ Accumulating	USD	1/21/2010	0.22%	0.47%	1.67%
	Class E US\$ Distributing (D)	USD	1/21/2010	0.11%	0.49%	1.67%
	Class F US\$ Accumulating	USD	2/4/2010	1.24%	1.59%	2.77%
	Premier Class US\$ Accumulating	USD	6/2/2009	1.37%	1.73%	2.94%
	Premier Class US\$ Distributing (M)	USD	6/2/2009	1.38%	1.74%	2.94%
	Premier Class Euro Accumulating (Hedged)	EUR	6/2/2009	1.26%	1.64%	2.64%
	Premier Class Euro Distributing (M) (Hedged)	EUR	6/2/2009	1.26%	1.64%	2.72%
	Premier Class GBP Accumulating (Hedged)	GBP	6/2/2009	1.60%	1.96%	3.11%
	Premier Class GBP Distributing (M) (Hedged)	GBP	6/2/2009	1.63%	1.97%	3.14%
Legg Mason Western Asset Brazil Bond Fund	Class A US\$ Distributing (M)	USD	3/16/2012	(7.80)%	(0.03)%	–
	LM Class US\$ Accumulating	USD	3/25/2010	(6.68)%	1.14%	(3.15)%
Legg Mason Western Asset Global Credit Absolute Return Fund [^]	Class A US\$ Accumulating	USD	5/20/2010	1.14%	(0.35)%	1.32%
	Class A US\$ Distributing (M)	USD	5/20/2010	1.22%	0.20%	1.85%
	Class A GBP Distributing (M) (Hedged)	GBP	5/20/2010	1.53%	0.50%	2.10%
	Class A (PF) US\$ Accumulating	USD	5/20/2010	1.47%	0.45%	2.11%
	Class A (PF) US\$ Distributing (M)	USD	5/20/2010	1.46%	0.44%	2.10%
	Class B US\$ Accumulating	USD	5/27/2010	1.32%	0.34%	1.86%
	Class B US\$ Distributing (M)	USD	5/27/2010	1.33%	0.35%	1.87%
	Class C US\$ Accumulating	USD	5/27/2010	0.88%	(0.15)%	1.42%
	Class C US\$ Distributing (M)	USD	5/27/2010	0.92%	(0.03)%	1.49%
	Class F US\$ Accumulating	USD	5/27/2010	1.68%	0.72%	2.23%
	Class F US\$ Distributing (M)	USD	5/27/2010	1.70%	0.72%	2.23%
	Class X GBP Distributing (M) (Hedged)	GBP	3/13/2013	1.98%	0.94%	–
	Premier Class Euro Accumulating (Hedged)	EUR	7/9/2010	1.80%	0.85%	2.39%
	Premier Class GBP Distributing (M) (Hedged)	GBP	5/5/2011	2.13%	1.09%	2.72%
	Premier (PF) Class US\$ Accumulating	USD	5/20/2010	2.19%	1.18%	2.80%
	Premier (PF) Class GBP Accumulating (Hedged)	GBP	5/20/2010	2.41%	1.36%	3.02%
	Premier (PF) Class GBP Distributing (M) (Hedged)	GBP	5/20/2010	2.37%	1.34%	2.98%
Legg Mason Western Asset Global Core Plus Bond Fund [^]	Class A US\$ Distributing (D)	USD	12/3/2010	10.61%	10.40%	7.20%
	Premier Class US\$ Accumulating	USD	12/3/2010	11.57%	11.39%	8.21%
Legg Mason Western Asset Global Credit Fund	Class A US\$ Accumulating	USD	11/15/2011	4.59%	5.10%	4.83%
	Class A US\$ Distributing (D)	USD	11/19/2010	4.58%	5.14%	4.82%
	Class A Euro Accumulating (Hedged)	EUR	11/15/2011	4.47%	4.99%	4.62%
	Premier Class US\$ Accumulating	USD	4/24/2012	5.47%	6.01%	–
	LM Class US\$ Accumulating	USD	1/27/2011	5.84%	6.37%	6.10%
Legg Mason Western Asset Euro High Yield Fund	Class A Euro Distributing (D)	EUR	12/3/2010	5.41%	4.52%	11.90%
	LM Class Euro Accumulating	EUR	12/3/2010	6.82%	5.74%	13.10%
	LM Class Euro Distributing (Q)	EUR	12/3/2010	6.82%	5.74%	13.10%
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	Class A US\$ Accumulating	USD	11/29/2013	7.61%	6.79%	–
	Class A CHF Accumulating (Hedged)	CHF	2/14/2014	7.21%	–	–
	Class A Euro Accumulating (Hedged)	EUR	2/14/2014	7.65%	–	–

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Supplemental Information – Fund Performance Data – (continued)

Fund	Share Class	Class CCY	Inception Date	Fiscal YTD 3/1/14-2/28/15	Calendar 1/1/14-12/31/14	3 Year Cumulative 1/1/12-12/31/14
	Class A GBP Accumulating (Hedged)	GBP	2/14/2014	7.80%	–	–
	Class S US\$ Accumulating	USD	11/29/2013	8.75%	7.89%	–
	Class S Euro Accumulating (Hedged)	EUR	11/29/2013	8.83%	7.98%	–
	Class X Euro Accumulating (Hedged)	EUR	2/14/2014	8.15%	–	–
	Class X GBP Accumulating (Hedged)	GBP	2/14/2014	8.46%	–	–
	Premier Class US\$ Accumulating	USD	11/29/2013	8.31%	7.46%	–
Legg Mason Brandywine Global Fixed Income Fund	Class A US\$ Accumulating	USD	5/9/2007	2.86%	2.93%	2.14%
	Class A US\$ Distributing (M)	USD	12/6/2010	2.85%	2.92%	2.13%
	Class A US\$ Distributing (S)	USD	10/1/2003	2.86%	2.92%	2.13%
	Class A Euro Accumulating (Hedged)	EUR	2/19/2013	2.60%	2.71%	–
	Class A Euro Accumulating (Hedged) (AH)	EUR	1/18/2008	16.23%	11.90%	7.31%
	Class A Euro Distributing (A) (Hedged)	EUR	6/7/2013	2.62%	2.72%	–
	Class A Euro Distributing (S) (Hedged) (AH)	EUR	11/22/2010	16.22%	11.88%	7.28%
	Class A GBP Distributing (S) (Hedged) (AH)	GBP	2/7/2008	16.52%	12.21%	7.75%
	Class B US\$ Accumulating	USD	11/15/2007	2.60%	2.67%	1.88%
	Class B US\$ Distributing (S)	USD	2/24/2004	2.60%	2.66%	1.88%
	Class C US\$ Accumulating	USD	11/15/2007	2.34%	2.41%	1.63%
	Class C US\$ Distributing (S)	USD	2/24/2004	2.34%	2.41%	1.62%
	Class E US\$ Accumulating	USD	9/8/2011	2.24%	2.30%	1.53%
	Class E Euro Accumulating (Hedged) (AH)	EUR	7/13/2012	15.54%	11.22%	–
	Class F US\$ Accumulating	USD	9/14/2012	3.25%	3.34%	–
	Class F US\$ Distributing (S)	USD	10/4/2012	3.27%	3.33%	–
	Class R US\$ Distributing (S)	USD	2/22/2013	3.27%	3.33%	–
	Class R GBP Distributing (S) (Hedged) (AH)	GBP	5/2/2013	16.89%	12.58%	–
	Class X US\$ Accumulating	USD	6/4/2013	3.38%	3.44%	–
	Class X US\$ Distributing (S)	USD	3/26/2013	3.37%	3.44%	–
	Class X Euro Accumulating (Hedged)	EUR	6/28/2013	3.12%	3.24%	–
	Class X GBP Distributing (S) (Hedged)	GBP	2/25/2013	3.53%	3.59%	–
	Premier Class US\$ Accumulating	USD	3/24/2011	3.53%	3.60%	2.80%
	Premier Class US\$ Distributing (S)	USD	2/24/2012	3.53%	3.59%	–
	Premier Class Euro Accumulating	EUR	1/25/2011	27.60%	17.67%	5.12%
	Premier Class Euro Accumulating (Hedged)	EUR	1/30/2013	3.32%	3.46%	–
	Premier Class Euro Accumulating (Hedged) (AH)	EUR	11/4/2011	17.01%	12.63%	7.91%
	Premier Class GBP Distributing (S) (Hedged) (AH)	GBP	8/14/2012	17.27%	12.94%	–
	LM Class US\$ Accumulating	USD	8/24/2010	4.10%	4.16%	3.40%
Legg Mason Brandywine Global Fixed Income Absolute Return Fund [^]	Class A US\$ Accumulating	USD	4/3/2012	8.04%	4.24%	–
	Class A US\$ Distributing (A)	USD	9/17/2013	8.04%	4.23%	–
	Class A Euro Accumulating (Hedged)	EUR	6/18/2013	8.08%	4.27%	–
	Class B US\$ Distributing (D)	USD	8/21/2013	7.78%	4.00%	–
	Class C US\$ Accumulating	USD	7/17/2013	7.50%	3.71%	–
	Class E US\$ Accumulating	USD	7/17/2013	7.45%	3.66%	–
	Class E US\$ Distributing (A)	USD	8/27/2013	7.39%	3.62%	–
	Class X GBP Distributing (M) (Hedged)	GBP	1/21/2014	8.91%	–	–
	Premier Class US\$ Accumulating	USD	3/25/2013	8.68%	4.86%	–
	Premier Class Euro Accumulating (Hedged)	EUR	7/2/2012	8.71%	4.90%	–
	Premier Class Euro Distributing (A) (Hedged)	EUR	5/23/2013	8.71%	4.93%	–
	Premier Class GBP Distributing (M) (Hedged)	GBP	3/25/2013	9.08%	5.20%	–
	Premier Class SGD Accumulating (Hedged)	SGD	2/7/2014	8.77%	–	–
	LM Class AUD Accumulating (Hedged)	AUD	4/3/2012	12.45%	8.42%	–
	LM Class Euro Accumulating (Hedged)	EUR	8/31/2012	9.72%	5.88%	–
Legg Mason Brandywine Global High Yield Fund [^]	Class A US\$ Accumulating	USD	8/14/2013	1.18%	(0.19)%	–
	Premier Class US\$ Accumulating	USD	11/30/2012	1.78%	0.40%	–
	Premier Class Euro Accumulating (Hedged) (AH)	EUR	11/30/2012	5.83%	2.90%	–
	Premier Class GBP Accumulating (Hedged) (AH)	GBP	11/30/2012	6.04%	3.10%	–
Legg Mason Brandywine Global Opportunistic Fixed Income Fund [^]	Class A US\$ Accumulating	USD	5/6/2011	4.78%	5.30%	3.95%
	Class A US\$ Distributing (M)	USD	6/25/2010	4.78%	5.29%	3.95%
	Class A Euro Accumulating (Hedged)	EUR	7/23/2013	4.54%	5.09%	–
	Class C US\$ Accumulating	USD	3/21/2012	4.24%	4.75%	–
	Class E US\$ Accumulating	USD	2/17/2012	4.14%	4.64%	–
	Class F US\$ Distributing (M)	USD	7/19/2013	5.18%	5.68%	–
	Class X Euro Accumulating (Hedged)	EUR	6/11/2013	5.06%	5.60%	–
	Premier Class US\$ Accumulating	USD	1/6/2012	5.44%	5.97%	–
	Premier Class US\$ Distributing (M)	USD	4/26/2012	5.44%	5.96%	–
	Premier Class GBP Distributing (M) (Hedged) (AH)	GBP	4/26/2012	19.39%	15.40%	–

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Supplemental Information – Fund Performance Data – (continued)

Fund	Share Class	Class CCY	Inception Date	Fiscal YTD 3/1/14-2/28/15	Calendar 1/1/14-12/31/14	3 Year Cumulative 1/1/12-12/31/14
	Premier Class NZD Accumulating (Hedged) (AH)	NZD	9/19/2012	22.97%	18.66%	–
	LM Class NZD Accumulating (Hedged) (AH)	NZD	1/13/2012	23.74%	19.41%	–
Legg Mason Brandywine Global Sovereign Credit Fund [^]	Premier Class US\$ Accumulating	USD	5/9/2012	8.29%	10.18%	–
	Premier Class GBP Accumulating (Hedged) (AH)	GBP	5/9/2012	19.67%	18.29%	–
	Premier Class GBP Distributing (S) (Hedged) (AH)	GBP	6/21/2012	19.64%	18.28%	–
	LM Class GBP Accumulating (Hedged) (AH)	GBP	11/5/2013	20.06%	18.68%	–
	LM Class GBP Distributing (S) (Hedged) (AH)	GBP	8/19/2013	20.03%	18.68%	–
Legg Mason Brandywine Global Income Optimiser Fund [^]	Class A US\$ Accumulating	USD	8/30/2013	3.76%	2.39%	–
	Class A US\$ Distributing (M) Plus (e)	USD	6/3/2013	3.71%	2.31%	–
	Class A Euro Distributing (M) (Hedged) Plus (e)	EUR	10/21/2013	3.49%	2.16%	–
	Class A GBP Distributing (M) (Hedged) Plus (e)	GBP	10/24/2013	3.89%	2.51%	–
	Class X US\$ Distributing (D)	USD	8/9/2013	4.37%	3.05%	–
	Class X US\$ Distributing (M) Plus (e)	USD	1/21/2014	4.33%	–	–
	Class X Euro Distributing (M) (Hedged) Plus (e)	EUR	12/23/2013	4.06%	2.73%	–
	Class X GBP Distributing (M) (Hedged) Plus (e)	GBP	12/20/2013	4.51%	3.12%	–
	Premier Class US\$ Distributing (M) Plus (e)	USD	6/3/2013	4.50%	3.09%	–
	Premier Class Euro Distributing (M) (Hedged) Plus (e)	EUR	12/13/2013	4.27%	2.92%	–
	LM Class US\$ Accumulating	USD	6/3/2013	5.03%	3.50%	–
	Legg Mason Western Asset Brazil Equity Fund	Class A US\$ Distributing (A)	USD	10/1/2010	(13.36)%	(14.04)%
LM Class US\$ Accumulating		USD	10/1/2010	(12.30)%	(13.07)%	(8.52)%
Legg Mason ClearBridge Value Fund	Class A US\$ Accumulating	USD	4/24/2007	11.47%	11.85%	19.91%
	Class A US\$ Distributing (A)	USD	3/23/1998	11.47%	11.86%	19.92%
	Class A Euro Accumulating	EUR	6/12/2007	37.36%	27.05%	23.13%
	Class A SGD Accumulating	SGD	5/18/2007	19.70%	17.35%	20.65%
	Class A SGD Accumulating (Hedged)	SGD	9/10/2012	11.64%	11.96%	–
	Class B US\$ Distributing (A)	USD	2/24/2004	10.92%	11.31%	19.32%
	Class C US\$ Accumulating	USD	11/15/2007	10.91%	11.31%	19.32%
	Class C US\$ Distributing (A)	USD	2/24/2004	10.92%	11.30%	19.32%
	Class F US\$ Accumulating	USD	1/21/2010	12.32%	12.71%	20.77%
	Class F US\$ Distributing (A)	USD	2/4/2010	12.39%	12.76%	20.77%
	Class X US\$ Distributing (A)	USD	10/7/2013	12.29%	12.72%	–
	Premier Class US\$ Accumulating	USD	7/1/2008	12.62%	13.01%	21.09%
	Galleon Class	USD	1/24/2000	12.42%	12.82%	20.93%
	Legg Mason ClearBridge Growth Fund	Class A US\$ Accumulating	USD	5/9/2007	11.62%	11.35%
Class A US\$ Distributing (A)		USD	2/25/2004	11.12%	10.75%	17.31%
Class A Euro Accumulating		EUR	11/8/2007	37.52%	26.62%	20.49%
Class B US\$ Accumulating		USD	11/15/2007	11.07%	10.79%	16.98%
Class B US\$ Distributing (A)		USD	2/25/2004	10.57%	10.20%	16.73%
Class C US\$ Accumulating		USD	11/15/2007	11.07%	10.79%	16.97%
Class C US\$ Distributing (A)		USD	2/25/2004	10.57%	10.20%	16.73%
Legg Mason ClearBridge Global Equity Fund [^]	Class A US\$ Accumulating	USD	5/9/2007	(4.60)%	(5.98)%	12.01%
	Class A US\$ Distributing (A)	USD	9/1/2006	(4.64)%	(6.02)%	11.95%
	Class B US\$ Accumulating	USD	11/15/2007	(5.07)%	(6.45)%	11.45%
	Class C US\$ Accumulating	USD	11/15/2007	(5.07)%	(6.44)%	11.53%
	Class C US\$ Distributing (A)	USD	9/1/2006	(5.11)%	(6.49)%	11.41%
Legg Mason ClearBridge US Appreciation Fund	Class A US\$ Accumulating	USD	4/20/2007	11.34%	9.51%	16.72%
	Class A US\$ Distributing (A)	USD	4/20/2007	11.34%	9.52%	16.72%
	Class A Euro Accumulating	EUR	6/3/2008	37.38%	24.55%	19.35%
	Class B US\$ Accumulating	USD	11/15/2007	10.79%	8.97%	16.14%
	Class B US\$ Distributing (A)	USD	4/20/2007	10.78%	8.97%	16.14%
	Class C US\$ Accumulating	USD	11/15/2007	10.78%	8.97%	16.14%
	Class C US\$ Distributing (A)	USD	4/20/2007	10.78%	8.97%	16.14%
	Class E US\$ Accumulating	USD	1/21/2010	10.50%	8.69%	15.84%
	Class E US\$ Distributing (A)	USD	1/21/2010	10.51%	8.69%	15.84%
	Class F US\$ Accumulating	USD	9/17/2012	12.00%	10.17%	–
	Class F US\$ Distributing (A)	USD	2/4/2010	12.00%	10.17%	17.42%
	Class X US\$ Distributing (A)	USD	10/7/2013	12.03%	10.19%	–
	Class X Euro Accumulating	EUR	10/7/2013	38.25%	25.40%	–
	Premier Class US\$ Accumulating	USD	5/6/2010	12.42%	10.58%	17.81%
	Premier Class US\$ Distributing (A)	USD	4/9/2009	12.42%	10.58%	17.81%
	Premier Class Euro Accumulating	EUR	6/7/2010	38.66%	25.71%	20.45%
	Class A (G) US\$ Accumulating	USD	4/20/2007	11.72%	9.89%	17.12%
	Class B (G) US\$ Accumulating	USD	4/20/2007	11.17%	9.34%	16.54%
	Class L (G) US\$ Accumulating	USD	4/20/2007	11.17%	9.34%	16.54%
	Class GA US\$ Accumulating	USD	6/10/2011	11.53%	9.71%	16.92%
Class GA Euro Accumulating	EUR	6/10/2011	37.66%	24.73%	19.65%	
Class GA Euro Distributing (A)	EUR	6/10/2011	37.58%	24.72%	19.59%	

[^] Not authorised for sale to the public in Hong Kong.

Supplemental Information – Fund Performance Data – (continued)

Fund	Share Class	Class CCY	Inception Date	Fiscal YTD 3/1/14-2/28/15	Calendar 1/1/14-12/31/14	3 Year Cumulative 1/1/12-12/31/14
	Class GE US\$ Accumulating	USD	6/10/2011	10.70%	8.88%	16.05%
	Class GE Euro Accumulating	EUR	6/10/2011	36.65%	23.88%	18.73%
	Class GP US\$ Accumulating	USD	6/10/2011	13.12%	11.27%	18.60%
Legg Mason ClearBridge US Fundamental Value Fund	Class A US\$ Accumulating	USD	4/20/2007	9.37%	7.36%	16.54%
	Class A US\$ Distributing (A)	USD	4/20/2007	9.37%	7.37%	16.54%
	Class A Euro Accumulating	EUR	3/29/2011	33.52%	21.08%	18.92%
	Class B US\$ Accumulating	USD	11/15/2007	8.83%	6.83%	15.96%
	Class B US\$ Distributing (A)	USD	4/20/2007	8.82%	6.83%	15.96%
	Class C US\$ Accumulating	USD	11/15/2007	8.82%	6.82%	15.96%
	Class C US\$ Distributing (A)	USD	4/20/2007	8.82%	6.83%	15.96%
	Class A (G) US\$ Accumulating	USD	4/20/2007	9.66%	7.71%	16.91%
	Class B (G) US\$ Accumulating	USD	4/20/2007	9.11%	7.17%	16.32%
	Class L (G) US\$ Accumulating	USD	4/20/2007	9.11%	7.17%	16.32%
	Class GA US\$ Accumulating	USD	8/27/2010	9.47%	7.53%	16.71%
	Class GA Euro Accumulating	EUR	8/27/2010	35.11%	22.34%	19.46%
	Class GA Euro Distributing (A)	EUR	8/27/2010	35.03%	22.25%	19.37%
	Class GE US\$ Accumulating	USD	8/27/2010	8.66%	6.72%	15.84%
Class GE Euro Accumulating	EUR	8/27/2010	34.03%	21.28%	18.45%	
Legg Mason ClearBridge US Large Cap Growth Fund	Class A US\$ Accumulating	USD	4/20/2007	14.89%	12.58%	21.51%
	Class A US\$ Distributing (A)	USD	4/20/2007	14.89%	12.58%	21.51%
	Class A Euro Accumulating	EUR	8/27/2008	41.63%	27.96%	24.16%
	Class B US\$ Accumulating	USD	11/15/2007	14.32%	12.02%	20.90%
	Class B US\$ Distributing (A)	USD	4/20/2007	14.32%	12.02%	20.91%
	Class C US\$ Accumulating	USD	11/15/2007	14.32%	12.02%	20.91%
	Class C US\$ Distributing (A)	USD	4/20/2007	14.32%	12.02%	20.91%
	Class A (G) US\$ Accumulating	USD	4/20/2007	15.28%	12.96%	21.89%
	Class B (G) US\$ Accumulating	USD	4/20/2007	14.71%	12.40%	21.28%
	Class L (G) US\$ Accumulating	USD	4/20/2007	14.70%	12.39%	21.28%
	Class GA US\$ Accumulating	USD	8/27/2010	15.08%	12.77%	21.68%
	Class GA Euro Accumulating	EUR	8/27/2010	41.95%	28.20%	24.50%
	Class GA Euro Distributing (A)	EUR	8/27/2010	41.95%	28.21%	24.65%
	Class GE US\$ Distributing (A)	USD	8/27/2010	14.23%	11.93%	20.77%
Class GE Euro Accumulating	EUR	8/27/2010	40.96%	27.30%	23.53%	
Legg Mason ClearBridge US Aggressive Growth Fund	Class A US\$ Accumulating	USD	4/20/2007	11.53%	13.62%	22.86%
	Class A US\$ Distributing (A)	USD	4/20/2007	11.52%	13.62%	22.86%
	Class A AUD Accumulating (Hedged)	AUD	6/3/2013	14.22%	16.44%	–
	Class A Euro Accumulating	EUR	9/7/2010	37.51%	29.12%	25.61%
	Class A Euro Accumulating (Hedged)	EUR	4/2/2013	11.41%	13.60%	–
	Class A SEK Accumulating (Hedged)	SEK	1/31/2013	11.81%	14.11%	–
	Class A SGD Accumulating (Hedged)	SGD	1/31/2013	11.60%	13.73%	–
	Class B US\$ Accumulating	USD	11/15/2007	10.97%	13.06%	22.25%
	Class B US\$ Distributing (A)	USD	4/20/2007	10.97%	13.05%	22.25%
	Class C US\$ Accumulating	USD	11/15/2007	10.97%	13.05%	22.25%
	Class C US\$ Distributing (A)	USD	4/20/2007	10.97%	13.06%	22.25%
	Class E US\$ Accumulating	USD	1/4/2011	10.69%	12.76%	21.94%
	Class E US\$ Distributing (A)	USD	1/4/2011	10.69%	12.77%	21.94%
	Class E Euro Accumulating (Hedged)	EUR	9/10/2013	10.67%	12.84%	–
	Class F US\$ Accumulating	USD	1/4/2011	12.19%	14.30%	23.63%
	Class F US\$ Distributing (A)	USD	1/4/2011	12.19%	14.30%	23.66%
	Class X US\$ Accumulating	USD	5/17/2013	12.25%	14.35%	–
	Class X US\$ Distributing (A)	USD	2/13/2013	12.25%	14.35%	–
	Class X Euro Accumulating	EUR	1/21/2014	38.50%	–	–
	Class X Euro Accumulating (Hedged)	EUR	2/19/2014	12.27%	–	–
	Class X GBP Accumulating	GBP	4/24/2013	21.44%	21.19%	–
	Premier Class US\$ Accumulating	USD	3/17/2010	12.64%	14.76%	24.03%
	Premier Class Euro Accumulating	EUR	12/14/2010	38.81%	30.46%	26.81%
	Premier Class Euro Distributing (A)	EUR	7/7/2011	37.85%	29.50%	26.50%
	Premier Class GBP Distributing (A)	EUR	12/13/2012	22.18%	21.89%	–
	Class A (G) US\$ Accumulating	USD	4/20/2007	11.91%	14.01%	23.28%
	Class B (G) US\$ Accumulating	USD	4/20/2007	11.36%	13.44%	22.67%
	Class L (G) US\$ Accumulating	USD	4/20/2007	11.36%	13.45%	22.67%
	Class GA Euro Accumulating	EUR	8/27/2010	37.88%	29.46%	25.95%
Class GA Euro Distributing (A)	EUR	8/27/2010	37.93%	29.46%	25.92%	
Class GE US\$ Accumulating	USD	8/27/2010	10.95%	13.02%	22.22%	
Class GE Euro Accumulating	EUR	8/27/2010	36.90%	28.55%	25.07%	
Legg Mason ClearBridge Tactical Dividend Income Fund	Class A US\$ Accumulating	USD	8/13/2013	1.92%	1.74%	–
	Class A US\$ Distributing (M) Plus (e)	USD	6/3/2013	1.91%	1.75%	–
	Class A Euro Distributing (M) (Hedged) Plus (e)	EUR	2/27/2014	1.78%	–	–
	Class C US\$ Accumulating	USD	9/27/2013	1.41%	1.24%	–
	Premier Class US\$ Distributing (M) Plus (e)	USD	6/3/2013	3.03%	2.88%	–
	LM Class US\$ Accumulating	USD	6/3/2013	3.32%	2.96%	–
Legg Mason Opportunity Fund	Class A US\$ Accumulating	USD	2/22/2010	10.82%	9.57%	35.60%
	Class A US\$ Distributing (A)	USD	2/4/2009	10.82%	9.57%	35.63%
	Class A Euro Accumulating (Hedged)	EUR	1/17/2014	10.92%	–	–
	Class A SEK Accumulating (Hedged)	SEK	6/3/2013	11.12%	9.90%	–
	Class X GBP Accumulating	GBP	2/20/2013	21.02%	17.22%	–
	Premier Class US\$ Accumulating	USD	3/19/2010	11.95%	10.70%	36.92%
Premier Class GBP Distributing (A)	GBP	8/25/2009	21.42%	17.60%	36.25%	

Supplemental Information – Fund Performance Data – (continued)

Fund	Share Class	Class CCY	Inception Date	Fiscal YTD 3/1/14-2/28/15	Calendar 1/1/14-12/31/14	3 Year Cumulative 1/1/12-12/31/14	
Legg Mason Royce US Small Cap Opportunity Fund	Class A US\$ Accumulating	USD	5/9/2007	(3.98)%	(2.18)%	18.63%	
	Class A US\$ Distributing (A)	USD	11/8/2002	(3.98)%	(2.18)%	18.63%	
	Class A AUD Accumulating (Hedged)	AUD	6/3/2013	(1.58)%	0.17%	–	
	Class A Euro Accumulating	EUR	7/12/2007	18.43%	11.21%	21.33%	
	Class A Euro Accumulating (Hedged)	EUR	2/20/2013	(4.18)%	(2.27)%	–	
	Class A GBP Accumulating (Hedged)	GBP	12/20/2013	(3.85)%	(2.04)%	–	
	Class A GBP Distributing (A)	GBP	4/26/2011	4.16%	3.93%	18.73%	
	Class A SEK Accumulating (Hedged)	SEK	1/31/2013	(3.93)%	(2.02)%	–	
	Class A SGD Accumulating	SGD	2/16/2011	3.15%	2.65%	19.30%	
	Class A SGD Accumulating (Hedged)	SGD	9/10/2012	(3.93)%	(2.25)%	–	
	Class B US\$ Accumulating	USD	11/15/2007	(4.46)%	(2.66)%	18.04%	
	Class B US\$ Distributing (A)	USD	2/24/2004	(4.46)%	(2.66)%	18.04%	
	Class C US\$ Accumulating	USD	11/15/2007	(4.46)%	(2.66)%	18.04%	
	Class C US\$ Distributing (A)	USD	2/24/2004	(4.45)%	(2.66)%	18.03%	
	Class E US\$ Accumulating	USD	1/4/2011	(4.70)%	(2.91)%	17.74%	
	Class E US\$ Distributing (A)	USD	1/4/2011	(4.70)%	(2.91)%	17.74%	
	Class E Euro Accumulating	EUR	11/26/2010	17.67%	10.41%	20.77%	
	Class E Euro Accumulating (Hedged)	EUR	9/23/2013	(4.89)%	(2.98)%	–	
	Class F US\$ Accumulating	USD	1/4/2011	(3.40)%	(1.59)%	19.30%	
	Class F US\$ Distributing (A)	USD	1/4/2011	(3.41)%	(1.59)%	19.35%	
	Class R Euro Accumulating	EUR	12/9/2013	19.03%	11.76%	–	
	Class X US\$ Accumulating	USD	2/25/2013	(3.26)%	(1.44)%	–	
	Class X Euro Accumulating (Hedged)	EUR	10/21/2013	(3.46)%	(1.53)%	–	
	Class X GBP Accumulating	GBP	1/18/2013	4.91%	4.70%	–	
	Class X GBP Distributing (A)	GBP	4/23/2013	4.84%	4.63%	–	
	Premier Class US\$ Accumulating	USD	4/27/2010	(2.92)%	(1.09)%	19.84%	
	Premier Class Euro Accumulating	EUR	6/7/2010	20.03%	12.75%	22.88%	
	Premier Class GBP Accumulating	GBP	2/15/2013	5.09%	4.81%	–	
	Legg Mason Royce US Smaller Companies Fund	Class A US\$ Accumulating	USD	5/9/2007	(2.22)%	(0.69)%	11.93%
		Class A US\$ Distributing (A)	USD	3/1/2004	(2.23)%	(0.70)%	11.92%
		Class A Euro Accumulating	EUR	10/1/2008	20.54%	12.82%	14.42%
		Class A Euro Accumulating (Hedged)	EUR	6/5/2013	(2.47)%	(0.85)%	–
		Class A Euro Distributing (A)	EUR	2/9/2011	21.34%	13.62%	14.76%
Class A GBP Distributing (A)		GBP	11/5/2009	6.08%	5.53%	11.81%	
Class A SEK Accumulating (Hedged)		SEK	1/31/2013	(2.13)%	(0.35)%	–	
Class B US\$ Accumulating		USD	11/15/2007	(2.71)%	(1.18)%	11.37%	
Class B US\$ Distributing (A)		USD	3/1/2004	(2.71)%	(1.19)%	11.36%	
Class C US\$ Accumulating		USD	11/15/2007	(2.71)%	(1.18)%	11.37%	
Class C US\$ Distributing (A)		USD	3/1/2004	(2.71)%	(1.19)%	11.36%	
Class E US\$ Accumulating		USD	1/21/2010	(2.96)%	(1.44)%	11.09%	
Class E US\$ Distributing (A)		USD	1/21/2010	(2.95)%	(1.44)%	11.08%	
Class E Euro Accumulating		EUR	4/11/2011	20.27%	12.10%	13.68%	
Class F US\$ Accumulating		USD	1/21/2010	(1.64)%	(0.07)%	12.60%	
Class F US\$ Distributing (A)		USD	2/4/2010	(1.64)%	(0.10)%	12.59%	
Class X US\$ Accumulating		USD	2/8/2013	(1.49)%	0.06%	–	
Class X US\$ Distributing (A)		USD	10/7/2013	(1.48)%	0.11%	–	
Premier Class US\$ Accumulating		USD	11/24/2009	(1.15)%	0.41%	13.07%	
Premier Class US\$ Distributing (A)		USD	2/18/2011	(1.15)%	0.40%	13.07%	
Premier Class GBP Distributing (A)		GBP	5/20/2011	7.22%	6.67%	12.91%	
LM Class Euro Accumulating		EUR	10/6/2010	22.85%	15.02%	16.58%	
Class A (G) US\$ Accumulating		USD	4/20/2007	(1.64)%	(0.10)%	12.59%	
Class L (G) US\$ Accumulating	USD	4/20/2007	(2.12)%	(0.60)%	12.03%		
Legg Mason Royce Smaller Companies Fund II [^]	Class A US\$ Accumulating	USD	5/13/2011	(2.12)%	0.61%	11.41%	
Legg Mason BatteryMarch Managed Volatility European Equity Fund	Class A US\$ Accumulating	USD	5/9/2007	(0.64)%	(1.63)%	11.86%	
	Class A US\$ Distributing (A)	USD	2/24/2004	(0.51)%	(1.46)%	11.84%	
	Class A Euro Accumulating	EUR	8/31/2010	22.63%	11.95%	14.33%	
	Class A Euro Distributing (A)	EUR	8/30/2002	22.63%	11.95%	14.35%	
	Class B US\$ Accumulating	USD	11/15/2007	(1.07)%	(2.02)%	11.25%	
	Class B US\$ Distributing (A)	USD	2/24/2004	(1.24)%	(2.01)%	11.25%	
	Class C US\$ Accumulating	USD	11/15/2007	(1.03)%	(1.92)%	11.37%	
	Class C US\$ Distributing (A)	USD	2/24/2004	(1.20)%	(2.13)%	11.33%	
	Class A (G) US\$ Accumulating	USD	4/20/2007	(0.25)%	(1.19)%	12.20%	
	Class B (G) US\$ Accumulating	USD	4/20/2007	(0.80)%	(1.73)%	11.61%	
	Class L (G) US\$ Accumulating	USD	4/20/2007	(0.72)%	(1.69)%	11.67%	
	Class GA US\$ Accumulating	USD	8/27/2010	(0.31)%	(1.26)%	12.16%	
	Class GA Euro Accumulating	EUR	8/27/2010	22.97%	12.25%	14.67%	
	Class GA Euro Distributing (A)	EUR	8/27/2010	22.97%	12.26%	14.67%	
	Class GE US\$ Accumulating	USD	8/27/2010	(0.95)%	(2.01)%	11.28%	
	Legg Mason BatteryMarch Asia Ex Japan Equity Fund	Class A US\$ Accumulating	USD	5/9/2007	10.01%	5.01%	8.80%
Class A US\$ Distributing (A)		USD	2/25/2004	9.95%	4.94%	8.72%	
Class A Euro Accumulating		EUR	10/31/2007	35.68%	19.37%	11.26%	
Class B US\$ Accumulating		USD	11/15/2007	9.47%	4.48%	8.25%	
Class B US\$ Distributing (A)		USD	2/25/2004	9.40%	4.42%	8.18%	
Class C US\$ Accumulating		USD	11/15/2007	9.47%	4.50%	8.26%	
Class C US\$ Distributing (A)		USD	2/25/2004	9.40%	4.42%	8.18%	
Class E US\$ Accumulating		USD	1/21/2010	9.13%	4.16%	7.90%	
Class E US\$ Distributing (A)		USD	1/21/2010	9.48%	4.47%	8.11%	
Class F US\$ Accumulating		USD	1/4/2011	10.62%	5.57%	9.42%	
Class F US\$ Distributing (A)		USD	1/4/2011	10.61%	5.57%	9.42%	
Class GA US\$ Accumulating		USD	8/27/2010	10.20%	5.18%	8.97%	
Class GA Euro Accumulating		EUR	8/27/2010	35.97%	19.62%	11.45%	
Class GA Euro Distributing (A)		EUR	8/27/2010	35.89%	19.55%	11.47%	

[^] Not authorised for sale to the public in Hong Kong.

Supplemental Information – Fund Performance Data – (continued)

Fund	Share Class	Class CCY	Inception Date	Fiscal YTD 3/1/14-2/28/15	Calendar 1/1/14-12/31/14	3 Year Cumulative 1/1/12-12/31/14
	Class GE US\$ Accumulating	USD	8/27/2010	9.37%	4.40%	8.16%
	Class GE Euro Accumulating	EUR	8/27/2010	34.91%	18.70%	10.61%
Legg Mason Batterymarch Emerging Markets Equity Fund	Class A US\$ Accumulating	USD	4/28/2008	2.46%	(4.70)%	(0.81)%
	Class A US\$ Distributing (A)	USD	7/2/2008	2.45%	(4.70)%	(0.81)%
	Class A Euro Accumulating	EUR	7/2/2008	26.37%	8.34%	1.55%
	Class A GBP Distributing (A)	GBP	4/30/2008	11.13%	1.25%	(0.99)%
	Class B US\$ Accumulating	USD	7/2/2008	1.64%	(5.56)%	(1.66)%
	Class B US\$ Distributing (A)	USD	7/2/2008	1.65%	(5.56)%	(1.66)%
	Class C US\$ Accumulating	USD	7/2/2008	1.64%	(5.54)%	(1.66)%
	Class C US\$ Distributing (A)	USD	7/2/2008	1.65%	(5.56)%	(1.66)%
	Class E US\$ Accumulating	USD	1/21/2010	1.39%	(5.79)%	(1.90)%
	Class F US\$ Accumulating	USD	1/21/2010	2.78%	(4.50)%	(0.57)%
	Class F US\$ Distributing (A)	USD	2/4/2010	2.63%	(4.65)%	(0.66)%
	Premier Class Euro Accumulating	EUR	7/2/2008	27.57%	9.34%	2.31%
Legg Mason Batterymarch Global Equity Fund	Class A US\$ Accumulating	USD	9/6/2012	12.41%	8.23%	–
	Class A US\$ Distributing (A)	USD	12/29/2010	12.56%	8.37%	14.59%
	Class GA US\$ Accumulating	EUR	6/10/2011	12.78%	8.58%	14.80%
	Class GA Euro Accumulating	USD	6/10/2011	39.11%	23.46%	17.40%
	Class GA Euro Distributing (A)	EUR	6/10/2011	39.12%	23.46%	17.40%
	Class GE US\$ Accumulating	USD	6/10/2011	11.95%	7.77%	13.94%
	Class GE Euro Accumulating	EUR	6/10/2011	38.07%	22.52%	16.52%

Statement of Major Portfolio Changes

Legg Mason Western Asset US Money Market Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Barclays Bank Plc, 0.090% due 4/29/2014	38,175	Barclays Bank Plc, 0.090% due 6/6/2014	40,000
Barclays Bank Plc, 0.120% due 12/2/2014	37,000	Barclays Bank Plc, 0.090% due 4/29/2014	38,175
Barclays Bank Plc, 0.080% due 7/8/2014	35,000	Barclays Bank Plc, 0.120% due 12/2/2014	37,000
Barclays Bank Plc, 0.080% due 7/9/2014	35,000	Barclays Bank Plc, 0.090% due 3/5/2014	35,000
Barclays Bank Plc, 0.080% due 7/16/2014	35,000	Barclays Bank Plc, 0.100% due 3/18/2014	35,000
Barclays Bank Plc, 0.080% due 7/24/2014	35,000	Barclays Bank Plc, 0.100% due 3/19/2014	35,000
Barclays Bank Plc, 0.080% due 7/25/2014	35,000	Barclays Bank Plc, 0.090% due 3/20/2014	35,000
Barclays Bank Plc, 0.080% due 7/29/2014	35,000	Barclays Bank Plc, 0.100% due 3/21/2014	35,000
Barclays Bank Plc, 0.080% due 7/30/2014	35,000	Barclays Bank Plc, 0.100% due 3/24/2014	35,000
Barclays Bank Plc, 0.080% due 8/5/2014	35,000	Barclays Bank Plc, 0.100% due 3/25/2014	35,000
Barclays Bank Plc, 0.080% due 8/12/2014	35,000	Barclays Bank Plc, 0.100% due 3/26/2014	35,000
Barclays Bank Plc, 0.080% due 8/14/2014	35,000	Barclays Bank Plc, 0.090% due 3/27/2014	35,000
Barclays Bank Plc, 0.080% due 8/20/2014	35,000	Barclays Bank Plc, 0.090% due 3/28/2014	35,000
Barclays Bank Plc, 0.080% due 8/21/2014	35,000	Barclays Bank Plc, 0.090% due 3/31/2014	35,000
Barclays Bank Plc, 0.080% due 8/22/2014	35,000	Barclays Bank Plc, 0.090% due 4/9/2014	35,000
Barclays Bank Plc, 0.080% due 8/26/2014	35,000	Barclays Bank Plc, 0.090% due 4/10/2014	35,000
Barclays Bank Plc, 0.080% due 8/27/2014	35,000	Barclays Bank Plc, 0.090% due 4/11/2014	35,000
Barclays Bank Plc, 0.080% due 9/4/2014	35,000	Barclays Bank Plc, 0.100% due 4/16/2014	35,000
Barclays Bank Plc, 0.080% due 9/5/2014	35,000	Barclays Bank Plc, 0.090% due 4/17/2014	35,000
Barclays Bank Plc, 0.080% due 9/9/2014	35,000	Barclays Bank Plc, 0.090% due 4/21/2014	35,000

Legg Mason Western Asset US Core Bond Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	20,895	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	18,655
United States Treasury Note, 1.625% due 7/31/2019	3,910	United States Treasury Note/Bond, 1.625% due 4/30/2019	2,279
United States Treasury Note/Bond, 1.625% due 4/30/2019	2,259	Fannie Mae Pool, TBA January, 4.000% due 1/25/2045	2,244
Fannie Mae Pool, TBA January, 4.000% due 1/25/2045	2,232	United States Treasury Note, 3.125% due 8/15/2044	2,043
United States Treasury Note, 3.125% due 8/15/2044	2,110	United States Treasury Note, 1.625% due 7/31/2019	2,004
United States Treasury Note/Bond, 1.625% due 8/31/2019	1,979	United States Treasury Note/Bond, 1.625% due 8/31/2019	1,973
Fannie Mae Pool, TBA February, 4.000% due 2/25/2044	1,924	Fannie Mae Pool, TBA February, 4.000% due 2/25/2044	1,923
Fannie Mae Pool, TBA December, 4.500% due 12/25/2044	1,843	Fannie Mae Pool, TBA December, 4.500% due 12/25/2044	1,843
United States Treasury Note, 1.625% due 12/31/2019	1,701	United States Treasury Note, 2.500% due 5/15/2024	1,708
United States Treasury Note, 2.500% due 5/15/2024	1,662	United States Treasury Note, 2.250% due 11/15/2024	1,622
United States Treasury Note, 2.250% due 11/15/2024	1,645	Ginnie Mae II pool, TBA January, 3.500% due 1/20/2045	1,473
Ginnie Mae II pool, TBA January, 3.500% due 1/20/2045	1,468	Fannie Mae Pool, 4.000% due 4/15/2044	1,455
Fannie Mae Pool, 4.000% due 4/15/2045	1,457	Ginnie Mae II pool, TBA February, 4.000% due 2/20/2044	1,277
United States Treasury Bond, 3.000% due 11/15/2044	1,354	Fannie Mae Pool, TBA December, 4.000% due 12/25/2044	1,063
Ginnie Mae II pool, TBA February, 4.000% due 2/20/2044	1,278	Fannie Mae Pool, TBA November, 4.000% due 11/25/2044	1,062
Fannie Mae Pool, 3.500% due 3/15/2045	1,216	Fannie Mae Pool, TBA October, 4.000% due 10/25/2044	1,055
United States Treasury Note, 2.000% due 2/15/2025	1,072	Fannie Mae Pool, TBA September, 3.000% due 9/25/2029	1,035
Fannie Mae Pool, TBA December, 4.000% due 12/25/2044	1,062	Fannie Mae Pool, 3.500% due 3/15/2045	1,007
Fannie Mae Pool, TBA November, 4.000% due 11/25/2044	1,062	United States Treasury Note, 1.500% due 11/30/2019	955
Fannie Mae Pool, TBA October, 4.000% due 10/25/2044	1,054	Ginnie Mae II pool, TBA December, 3.500% due 12/20/2044	943

Legg Mason Western Asset US Core Plus Bond Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Fannie Mae Pool, TBA January, 4.000% due 1/25/2045	26,566	Fannie Mae Pool, TBA January, 4.000% due 1/25/2045	26,687
Fannie Mae Pool, TBA February, 4.000% due 2/25/2044	21,909	Fannie Mae Pool, TBA February, 4.000% due 2/25/2044	21,911
Fannie Mae Pool, TBA November, 4.000% due 11/25/2044	19,626	Fannie Mae Pool, TBA November, 4.000% due 11/25/2044	19,637
Fannie Mae Pool, TBA December, 4.500% due 12/25/2044	13,873	Fannie Mae Pool, TBA December, 4.500% due 12/25/2044	13,879
Fannie Mae Pool, TBA December, 4.000% due 12/25/2044	13,799	Fannie Mae Pool, TBA December, 4.000% due 12/25/2044	13,817
United States Treasury Note, 2.500% due 5/15/2024	13,520	Fannie Mae Pool, TBA October, 4.000% due 10/25/2044	13,321
Fannie Mae Pool, TBA October, 4.000% due 10/25/2044	13,285	United States Treasury Note, 2.500% due 5/15/2024	11,862
United States Treasury Bond, 3.125% due 8/15/2044	11,999	Fannie Mae Pool, TBA December, 3.500% due 12/25/2044	10,853
United States Treasury Note, 2.250% due 11/15/2024	11,615	United States Treasury Bond, 3.125% due 8/15/2044	10,700
Fannie Mae Pool, TBA December, 3.500% due 12/25/2044	10,842	Ginnie Mae II pool, TBA January, 3.500% due 1/20/2045	8,001
United States Treasury Bill, zero coupon due 3/26/2015	9,998	Fannie Mae Pool, TBA September, 4.000% due 9/25/2044	7,726
Fannie Mae Discount Notes, zero coupon due 5/13/2015	9,995	Fannie Mae Pool, TBA January, 4.500% due 1/25/2045	7,692
United States Treasury Note, 1.500% due 11/30/2019	9,291	United States Treasury Note, 2.375% due 8/15/2024	6,742
Ginnie Mae II pool, TBA January, 3.500% due 1/20/2045	7,964	Fannie Mae Pool, TBA March, 3.500% due 3/15/2045	6,710
Fannie Mae Pool, TBA September, 4.000% due 9/25/2044	7,687	Fannie Mae Pool, TBA November, 4.500% due 11/25/2045	6,616
Fannie Mae Pool, TBA January, 4.500% due 1/25/2045	7,687	Fannie Mae Pool, TBA October, 4.500% due 10/25/2044	6,610
United States Treasury Note, 2.000% due 5/31/2021	7,599	United States Treasury Bond, 3.000% due 11/15/2044	6,205
United States Treasury Bond, 3.375% due 5/15/2044	7,267	Fannie Mae Pool, TBA August, 4.000% due 8/25/2044	5,800
United States Treasury Bond, 3.000% due 11/15/2044	7,213	Ginnie Mae II pool, TBA December, 3.500% due 12/20/2044	5,763
Ginnie Mae II pool, TBA April, 4.000% due 4/15/2045	7,008	United States Treasury Note, 2.250% due 11/15/2024	5,719
Fannie Mae Pool, TBA March, 3.500% due 3/15/2045	6,710	Fannie Mae Pool, TBA May, 4.000% due 5/25/2044	5,642
United States Treasury Note, 2.375% due 8/15/2024	6,604	Italy Buoni Poliennali Del Tesoro, 3.750% due 5/1/2021	5,609
Fannie Mae Pool, TBA November, 4.500% due 11/25/2045	6,594	Fannie Mae Pool, TBA July, 4.000% due 7/25/2044	5,301
Fannie Mae Pool, TBA October, 4.500% due 10/25/2044	6,580		

Legg Mason Western Asset Euro Core Plus Bond Fund

MAJOR PURCHASES	COST (in 000€)	MAJOR SALES	PROCEEDS (in 000€)
Western Asset Liquidity Funds Plc – Western Asset Euro Liquidity Fund Class WA (Distributing)	10,207	Western Asset Liquidity Funds Plc – Western Asset Euro Liquidity Fund Class WA (Distributing)	13,375
France Government Bond OAT, 0.250% due 7/25/2018	5,404	Italy Buoni Poliennali Del Tesoro, 4.500% due 3/1/2024	5,571
United Kingdom Gilt, 2.000% due 1/22/2016	5,025	United Kingdom Gilt, 2.000% due 1/22/2016	5,058

Statement of Major Portfolio Changes – (continued)

Legg Mason Western Asset Euro Core Plus Bond Fund – (continued)

MAJOR PURCHASES	COST (in 000€)	MAJOR SALES	PROCEEDS (in 000€)
Italy Buoni Poliennali Del Tesoro, 4.500% due 3/1/2024	3,225	Poland Government Bond, Series 1023, 4.000% due 10/25/2023	3,672
United States Treasury Note, 2.000% due 2/15/2025	2,973	Finland Government Bond, Series 5Y, 1.125% due 9/15/2018	3,070
Italy Buoni Poliennali Del Tesoro, 2.500% due 5/1/2019	2,836	Belgium Government Bond, Series 69, 1.250% due 6/22/2018	2,850
Bundesobligation, Series 159, 2.000% due 2/26/2016	2,799	Italy Buoni Poliennali Del Tesoro, 3.750% due 5/1/2021	2,826
Belgium Government Bond, Series 68, 2.250% due 6/22/2023	2,705	Bundesrepublik Deutschland, 1.500% due 2/15/2023	2,822
Italy Buoni Poliennali Del Tesoro, 3.750% due 5/1/2021	2,645	Bundesobligation, Series 159, 2.000% due 2/26/2016	2,806
Italy Buoni Poliennali Del Tesoro, 5.000% due 9/1/2040	2,318	Italy Buoni Poliennali Del Tesoro, 2.500% due 5/1/2019	2,802
Belgium Government Bond, 3.000% due 9/28/2019	2,218	Italy Buoni Poliennali Del Tesoro, 4.500% due 8/1/2018	2,652
Poland Government Bond, Series 1023, 4.000% due 10/25/2023	1,856	Italy Buoni Poliennali Del Tesoro, 5.000% due 9/1/2040	2,238
France Government Bond OAT, 4.000% due 4/25/2018	1,654	Austria Government Bond, 1.150% due 10/19/2018	2,201
Spain Government Bond, 3.800% due 4/30/2024	1,600	France Government Bond OAT, 4.000% due 4/25/2018	1,661
Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	988	Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	1,209
Deutsche Bundesrepublik Inflation Linked Bond, 0.500% due 4/15/2030	852	France Government Bond OAT, 3.250% due 5/25/2045	841
France Government Bond OAT, 1.800% due 7/25/2040	637	Netherlands Government Bond, 1.750% due 7/15/2023	570
Italy Buoni Poliennali Del Tesoro, 3.250% due 9/1/2046	626	Bundesobligation, Series 166, 0.250% due 4/13/2018	455
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	452	CRH Finland Services OYJ, 2.750% due 10/15/2020	335
Bundesobligation, Series 166, 0.250% due 4/13/2018	441	Belgium Government Bond, Series 68, 2.250% due 6/22/2023	277

Legg Mason Western Asset Diversified Strategic Income Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Poland Government Bond, Series 1023, 4.000% due 10/25/2023	1,813	Bundesobligation, Series 159, 2.000% due 2/26/2016	2,265
Italy Buoni Poliennali Del Tesoro, 4.500% due 3/1/2024	1,339	Poland Government Bond, Series 1023, 4.000% due 10/25/2023	1,843
Legg Mason Qualified Investor Funds II Plc – Legg Mason Western Asset Senior Loans – LM Class US\$ Distributing (monthly)	1,041	Legg Mason Global Funds Plc – Western Asset US High Yield Fund – LM Class US\$ Distributing (M)	1,041
Fannie Mae Pool, 4.000% due 4/15/2044	1,041	Fannie Mae Pool, 4.000% due 4/15/2044	1,041
Fannie Mae Pool, 3.500% due 4/15/2044	805	Fannie Mae Pool, TBA December, 3.000% due 12/1/2029	825
United States Treasury Note, 0.875% due 7/15/2017	769	Fannie Mae Pool, 3.500% due 4/15/2044	805
Bundesrepublik Deutschland, Series 08, 3.750% due 1/4/2019	695	Poland Government Bond, Series 1017, 5.250% due 10/25/2017	745
Mexican Bonos, Series M, 7.750% due 11/13/2042	695	South Africa Government Bond, Series R186, 10.500% due 12/21/2026	692
Deutsche Bundesrepublik Inflation Linked Bond, Series VL, 0.100% due 4/15/2023	577	Fannie Mae Pool, TBA March, 4.000% due 3/15/2044	627
Deutsche Bundesrepublik Inflation Linked Bond, 0.500% due 4/15/2030	573	Italy Buoni Poliennali Del Tesoro, 4.500% due 3/1/2024	568
United States Treasury Note, 1.250% due 11/30/2018	477	Mexican Bonos, Series M, 8.000% due 6/11/2020	532
Fannie Mae Pool, TBA April, 3.000% due 4/25/2029	412	Fannie Mae Pool AB5937, 3.500% due 8/1/2042	485
Fannie Mae Pool, 3.500% due 8/1/2043	402	El Paso LLC, 7.750% due 1/15/2032	450
Fannie Mae Pool, TBA March, 4.000% due 3/15/2044	313	Fannie Mae Pool, TBA April, 3.000% due 4/25/2029	412
Fannie Mae Pool, 4.000% due 1/1/2041	313	Fannie Mae Pool, 3.500% due 8/1/2043	403
Italy Buoni Poliennali Del Tesoro, 4.750% due 9/1/2044	311	Italy Buoni Poliennali Del Tesoro, 4.750% due 9/1/2044	316
Fannie Mae Pool, TBA December, 3.000% due 12/1/2029	310	Fannie Mae Pool, 4.000% due 1/1/2041	312
Barclays Bank Plc, 8.000% due 12/15/2049	301	Mexican Bonos, Series M, 7.750% due 11/13/2042	294
Cemex SAB de CV, 5.700% due 1/11/2025	220	Fannie Mae Pool AQ5795, 3.500% due 11/1/2042	292
Fannie Mae Pool, 3.000% due 4/1/2029	207	Fannie Mae Pool AQ3841, 3.500% due 11/1/2042	289
Fannie Mae Pool, 3.000% due 5/1/2029	206	Fannie Mae Pool AB6939, 4.000% due 11/1/2042	287
Altice Financing SA, 6.625% due 2/15/2023	200	Pennon Group Plc, 6.750% due 3/8/2049	275
American Airlines 2013-2 Class B Pass Through Trust, 5.600% due 7/15/2020	196	Fannie Mae Pool 366094, 6.000% due 9/1/2025	269
Legg Mason Global Funds Plc – Western Asset Euro High Yield Bond Fund – LM Class EUR Distributing (Q)	184	Lloyds TSB Bank Plc, 6.500% due 3/24/2020	257
		JPMorgan Chase & Co, 5.125% due 9/15/2014	256
		JPMorgan Chase Bank NA, 4.375% due 11/30/2021	245
		Cemex SAB de CV, 9.000% due 1/11/2018	217
		Russian Foreign Bond – Eurobond, 4.875% due 9/16/2023	212
		Fannie Mae Pool, 3.000% due 5/1/2029	207
		Fannie Mae Pool, 3.000% due 4/1/2029	207

Legg Mason Western Asset Global Multi Strategy Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Poland Government Bond, Series 1023, 4.000% due 10/25/2023	93,969	Poland Government Bond, Series 1023, 4.000% due 10/25/2023	95,921
Italy Buoni Poliennali Del Tesoro, 4.500% due 3/1/2024	80,665	Fannie Mae Pool, 4.000% due 4/15/2044	58,339
Fannie Mae Pool, 4.000% due 4/15/2044	58,354	Italy Buoni Poliennali Del Tesoro, 4.500% due 3/1/2024	41,887
Fannie Mae Pool, 3.500% due 4/15/2044	41,456	Fannie Mae Pool, 3.500% due 4/15/2044	41,456
Mexican Bonos, Series M, 7.750% due 11/13/2042	41,402	Bundesrepublik Deutschland, 3.250% due 7/4/2021	40,719
United States Treasury Bond, 3.125% due 2/15/2043	37,526	Mexican Bonos, Series M, 8.000% due 6/11/2020	35,159
Brazil Notas do Tesouro Nacional, Series NTN8, 6.000% due 8/15/2050	30,466	Fannie Mae Pool, TBA March, 4.000% due 3/15/2043	34,632
Deutsche Bundesrepublik Inflation Linked Bond, Series VL, 0.100% due 4/15/2023	29,151	Poland Government Bond, Series 1017, 5.250% due 10/25/2017	34,033
Deutsche Bundesrepublik Inflation Linked Bond, 0.500% due 4/15/2030	28,586	South Africa Government International Bond, 5.875% due 9/16/2025	23,048
Brazil Notas do Tesouro Nacional, Series NTN9, 10.000% due 1/1/2017	17,793	United States Treasury Bond, 3.125% due 2/15/2043	21,702
Petrobras Global Finance BV, 6.250% due 3/1/2024	14,838	South Africa Government Bond, Series R186, 10.500% due 12/21/2026	21,225
Italy Buoni Poliennali Del Tesoro, 4.750% due 9/1/2044	14,719	United Kingdom Gilt, 1.000% due 9/7/2017	19,929
Legg Mason Global Funds Plc – Western Asset US High Yield Fund – LM Class US\$ Distributing (M)	11,203	Brazil Notas do Tesouro Nacional, Series NTN9, 10.000% due 1/1/2021	17,794
Fannie Mae Pool, 4.000% due 4/1/2044	10,915	Mexican Bonos, Series M, 7.750% due 11/13/2042	15,265
Turkey Government International Bond, 5.750% due 3/22/2024	9,442	Italy Buoni Poliennali Del Tesoro, 4.750% due 9/1/2044	14,986
Tesco Property Finance 6 Plc, 5.411% due 7/13/2044	7,322	Poland Government Bond, Series 0718, 2.500% due 7/25/2018	14,161
Barclays Bank Plc, 8.000% due 12/15/2049	7,290	Brazil Notas do Tesouro Nacional, Series NTN9, 10.000% due 1/1/2017	12,675
Lloyds Banking Group Plc, 6.375% due 6/27/2049	7,248	Russian Foreign Bond – Eurobond, 7.500% due 3/31/2030	12,154
California Resources Corp, 6.000% due 11/15/2024	7,070	Fannie Mae Pool AB6939, 4.000% due 11/1/2042	11,475
Royal Bank of Scotland Group Plc, 3.625% due 3/25/2024	6,805	Freddie Mac Gold Pool Q09080, 3.500% due 6/1/2042	11,462
		Fannie Mae Pool AB4484, 3.000% due 2/1/2027	11,241
		Fannie Mae Pool, 4.000% due 4/1/2044	10,879

Statement of Major Portfolio Changes – (continued)

Legg Mason Western Asset US High Yield Fund

MAJOR PURCHASES	COST (in 000s)	MAJOR SALES	PROCEEDS (in 000s)
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	157,335	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	158,407
Energy Future Intermediate Holding Co LLC / EFIH Finance Inc, 4.250% due 6/19/2016	7,570	Energy Future Intermediate Holding Co LLC / EFIH Finance Inc, 4.250% due 6/19/2016	7,676
Guitar Center Inc, 9.625% due 4/15/2020	5,700	HCA Inc, 7.250% due 9/15/2020	6,535
MedImpact Holdings Inc, 10.500% due 2/1/2018	5,327	Sprint Capital Corp, 8.750% due 3/15/2032	5,737
United Rentals North America Inc, 5.750% due 11/15/2024	5,281	Wind Acquisition Holdings Finance SA, 12.250% due 7/15/2017	5,191
NRG REMA LLC, Series C, 9.681% due 7/2/2026	5,110	Ally Financial Inc, 3.500% due 1/27/2019	5,166
West Corp, 5.375% due 7/15/2022	4,774	American Airlines 2013-1 Class C Pass Through Trust, 6.125% due 7/15/2018	4,571
FMG Resources August 2006 Pty Ltd, 6.875% due 4/1/2022	4,623	First Wind Capital LLC, 10.250% due 6/1/2018	4,324
Sprint Capital Corp, 8.750% due 3/15/2032	4,603	Simmons Foods Inc, 10.500% due 11/1/2017	4,156
Numericable Group SA, 6.000% due 5/15/2022	4,477	DISH DBS Corp, 5.000% due 3/15/2023	4,082
AES Corp, 8.000% due 6/1/2020	4,323	Sprint Corp, 7.125% due 6/15/2024	4,074
Altice Financing SA, 6.625% due 2/15/2023	4,230	Resolute Forest Products Inc, 5.875% due 5/15/2023	4,048
Sprint Corp, 7.625% due 2/15/2025	4,030	AES Corp, 8.000% due 6/1/2020	4,046
DISH DBS Corp, 5.875% due 7/15/2022	3,965	Intelsat Jackson Holdings SA, 5.500% due 8/1/2023	4,008
KCA Deutag UK Finance Plc, 7.250% due 5/15/2021	3,902	FMG Resources August 2006 Pty Ltd, 6.875% due 2/1/2018	3,936
Group 1 Automotive Inc, 5.000% due 6/1/2022	3,765	Group 1 Automotive Inc, 5.000% due 6/1/2022	3,723
Chinos Intermediate Holdings A Inc, 7.750% due 5/1/2019	3,725	Energy Future Intermediate Holding Co LLC / EFIH Finance Inc, 10.000% due 12/1/2020	3,710
Halcon Resources Corp, 8.875% due 5/15/2021	3,675	T-Mobile USA Inc, 6.000% due 3/1/2023	3,690
T-Mobile USA Inc, 6.000% due 3/1/2023	3,590	Calpine Corp, 6.000% due 1/15/2022	3,577
Calpine Corp, 6.000% due 1/15/2022	3,535	CCO Holdings LLC / CCO Holdings Capital Corp, 8.125% due 4/30/2020	3,497

Legg Mason Western Asset Emerging Markets Bond Fund

MAJOR PURCHASES	COST (in 000s)	MAJOR SALES	PROCEEDS (in 000s)
Poland Government International Bond, 4.000% due 1/22/2024	4,045	Brazil Notas do Tesouro Nacional, Series NTNf, 10.000% due 1/1/2017	7,428
Indonesia Government International Bond, 5.250% due 1/17/2042	2,975	Venezuela Government International Bond, 7.750% due 10/13/2019	5,117
Corp Nacional del Cobre de Chile, 3.000% due 7/17/2022	2,301	Peruvian Government International Bond, 8.750% due 11/21/2033	3,558
ICICI Bank Ltd/Dubai, 4.800% due 5/22/2019	2,139	Russian Foreign Bond – Eurobond, 7.500% due 3/31/2030	3,482
Costa Rica Government International Bond, 7.000% due 4/4/2044	2,020	Venezuela Government International Bond, 9.250% due 9/15/2027	3,408
Indonesia Government International Bond, 5.250% due 1/17/2042	1,991	Turkey Government International Bond, 5.625% due 3/30/2021	2,850
KazMunaiGaz Finance Sub BV, 6.375% due 4/9/2021	1,980	Colombia Government International Bond, 4.375% due 7/12/2021	2,489
Peruvian Government International Bond, 6.550% due 3/14/2037	1,794	Cemex Finance LLC, 9.375% due 10/12/2022	2,486
Colombia Government International Bond, 5.625% due 2/26/2044	1,653	Argentina Boden Bonds, 7.000% due 10/3/2015	2,210
Philippine Government International Bond, 5.000% due 1/13/2037	1,588	Vale Overseas Ltd, 6.875% due 11/21/2036	2,165
Sinopec Group Overseas Development 2014 Ltd, 4.375% due 4/10/2024	1,513	ICICI Bank Ltd/Dubai, 4.800% due 5/22/2019	2,142
Hungary Government International Bond, 4.000% due 3/25/2019	1,510	Legg Mason Global Funds Plc – Western Asset Emerging Markets Corporate Bond Fund – LM Class US\$ Distributing (M)	2,100
Venezuela Government International Bond, 7.750% due 10/13/2019	1,364	Vedanta Resources Plc, 6.000% due 1/31/2019	2,082
Mexico Government International Bond, 5.550% due 1/21/2045	1,323	Poland Government International Bond, 4.000% due 1/22/2024	2,046
Mexican Bonos, Series M, 7.750% due 11/13/2042	1,263	Peruvian Government International Bond, 7.125% due 3/30/2019	2,020
Petrobras Global Finance BV, 6.250% due 3/17/2024	1,206	Indonesia Government International Bond, 5.250% due 1/17/2042	1,993
Republic of Paraguay, 6.100% due 8/11/2044	1,093	Rosneft Finance SA, 7.875% due 3/13/2018	1,924
Pacific Rubiales Energy Corp, 5.375% due 1/26/2019	1,082	Corp Nacional del Cobre de Chile, 3.000% due 7/17/2022	1,882
ICICI Bank Ltd/Dubai, 4.800% due 5/22/2019	1,077	Mexican Bonos, Series M 30, 8.500% due 11/18/2038	1,848
Empresas ICA SAB de CV, 8.875% due 5/29/2024	1,077	KazMunaiGaz Finance Sub BV, 6.375% due 4/9/2021	1,750
Petroleos Mexicanos, 6.375% due 1/23/2045	1,064	Petroleos Mexicanos, 4.875% due 1/24/2022	1,637
Uruguay Government International Bond, 4.500% due 8/14/2024	1,045	Mexican Bonos, Series M, 8.000% due 6/11/2020	1,575
Ivory Coast Government International Bond, 5.375% due 7/23/2024	994	Indonesia Government International Bond, 3.750% due 4/25/2022	1,547
Turkey Government International Bond, 5.750% due 3/22/2024	988	Petroleos Mexicanos, 5.500% due 1/21/2021	1,493
Afren Plc, 6.625% due 12/9/2020	986	Petroleos Mexicanos, 6.375% due 1/23/2045	1,427
Mexico Government International Bond, 4.750% due 3/8/2044	975	Costa Rica Government International Bond, 7.000% due 4/4/2044	1,344
Ecuador Government International Bond, 7.950% due 6/20/2024	971	Venezuela Government International Bond, 5.750% due 2/26/2016	1,340
Petroleos Mexicanos, 4.875% due 1/18/2024	965	Southern Copper Corp, 6.750% due 4/16/2040	1,332
Virgolino de Oliveira Finance SA, 10.875% due 1/13/2020	895		
Pemex Project Funding Master Trust, 6.625% due 6/15/2035	852		
Sri Lanka Government International Bond, 6.000% due 1/14/2019	810		
Philippine Government International Bond, 3.950% due 1/20/2040	800		

Legg Mason Western Asset Emerging Markets Corporate Bond Fund

MAJOR PURCHASES	COST (in 000s)	MAJOR SALES	PROCEEDS (in 000s)
Digicel Ltd, 6.000% due 4/15/2021	2,876	Digicel Group Ltd, 8.250% due 9/30/2020	2,636
Petrobras Global Finance BV, 6.250% due 3/17/2024	1,982	Vedanta Resources Plc, 6.750% due 6/7/2016	2,374
Empresas ICA SAB de CV, 8.875% due 5/29/2024	1,888	Petroleos de Venezuela SA, 8.500% due 11/2/2017	2,180
Cemex Finance LLC, 9.375% due 10/12/2022	1,774	Cemex Finance LLC, 9.375% due 10/12/2022	1,839
Marfrig Holding Europe BV, 6.875% due 6/24/2019	1,730	Digicel Ltd, 6.000% due 4/15/2021	1,777
GTL Trade Finance Inc, 5.893% due 4/29/2024	1,490	Gazprom OAO Via Gaz Capital SA, 4.950% due 5/23/2016	1,676
MIE Holdings Corp, 7.500% due 4/25/2019	1,414	Vedanta Resources Plc, 6.000% due 1/31/2019	1,589
Tonon Bioenergia SA, 9.250% due 1/24/2020	1,299	MIE Holdings Corp, 9.750% due 5/12/2016	1,489
Fibria Overseas Finance Ltd, 5.250% due 5/12/2024	1,092	Evrax Group SA, 6.750% due 4/27/2018	1,469
Oversea-Chinese Banking Corp Ltd, 4.250% due 6/19/2024	1,063	Sibur Securities Ltd, 3.914% due 1/31/2018	1,355
Goodman HK Finance, 4.375% due 6/19/2024	1,057	Petrobras Global Finance BV, 6.250% due 3/17/2024	1,352
CRCC Yupeng Ltd, 3.950% due 2/28/2049	1,055	Reardeen G Holdings EINS GmbH, 7.875% due 3/30/2020	1,228
Bank of China Ltd, 5.000% due 11/13/2024	1,051	Vale Overseas Ltd, 4.375% due 1/1/2022	1,197
Perusahaan Listrik Negara PT, 5.500% due 11/22/2021	1,049	Suzano Trading Ltd, 5.875% due 1/23/2021	1,147
Hutchison Whampoa International 11 Ltd, 4.625% due 1/13/2022	1,045	CSN Resources SA, 6.500% due 7/21/2020	1,121
Pacific Rubiales Energy Corp, 5.375% due 1/26/2019	994	Pacnet Ltd, 9.000% due 12/12/2018	1,002
Virgolino de Oliveira Finance Ltd, 10.500% due 1/28/2018	971	Fibria Overseas Finance Ltd, 6.750% due 3/3/2021	997
Petrobras International Finance Co, 6.750% due 1/27/2041	956	Andrade Gutierrez International SA, 4.000% due 4/30/2018	942

Statement of Major Portfolio Changes – (continued)

Legg Mason Western Asset Emerging Markets Corporate Bond Fund – (continued)

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Korea East-West Power Co Ltd, 2.500% due 6/2/2020	880	Dolphin Energy Ltd, 5.888% due 6/15/2019	937
OCP SA, 5.625% due 4/25/2024	842	Empresas Publicas de Medellin ESP, 7.625% due 7/29/2019	936
Petrobras International Finance Co, 7.875% due 3/15/2019	835	Vedanta Resources Plc, 9.500% due 7/18/2018	921
Mexichem SAB de CV, 5.875% due 9/17/2044	763	GTL Trade Finance Inc, 7.250% due 10/20/2017	906
JBS Investments GmbH, 7.250% due 4/3/2024	756	Novatek OAO via Novatek Finance Ltd, 4.422% due 12/13/2022	903
Oleoducto Central SA, 4.000% due 5/7/2021	733	Southern Copper Corp, 5.250% due 11/08/2042	871
Prosperous Ray Ltd, 4.625% due 11/12/2023	642	Noble Group Ltd, 6.750% due 1/29/2020	868
Vedanta Resources Plc, 6.000% due 1/31/2019	631	Centrais Eletricas Brasileiras SA, 5.750% due 10/27/2021	868
Industrial & Commercial Bank of China Ltd/New York, 3.231% due 11/13/2019	620	Tonon Bioenergia SA, 9.250% due 1/24/2020	839
OAS Finance Ltd, 8.000% due 7/2/2021	600	Ecopetrol SA, 5.875% due 9/18/2023	821
Hutchison Whampoa International 14 Ltd, 3.625% due 10/31/2024	599	VimpelCom Holdings BV, 7.504% due 3/1/2022	813
Alibaba Group Holding Ltd, 3.600% due 11/28/2024	599	GTL Trade Finance Inc, 5.893% due 4/29/2024	787
Odebrecht Finance Ltd, 5.250% due 6/27/2029	592	Marfrig Holding Europe BV, 11.250% due 9/20/2021	784
InRetail Shopping Malls, 6.500% due 7/9/2021	566	Mexichem SAB de CV, 4.875% due 9/19/2022	775
KWG Property Holding Ltd, 8.975% due 1/14/2019	554	Southern Copper Corp, 6.750% due 4/16/2040	770
Bharti Airtel International Netherlands BV, 5.350% due 5/20/2024	549	Empresas ICA SAB de CV, 8.375% due 7/24/2017	770
YPF SA, 8.750% due 4/4/2024	544	Hypermarcas SA, 6.500% due 4/20/2021	764
VimpelCom Holdings BV, 7.504% due 3/1/2022	536	JBS Investments GmbH, 7.250% due 4/3/2024	761
		Odebrecht Finance Ltd, 4.375% due 4/25/2025	688

Legg Mason Western Asset Global High Yield Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	160,954	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	180,790
iShares iBoxx \$ High Yield Corporate Bond ETF	65,285	iShares iBoxx \$ High Yield Corporate Bond ETF	65,020
Western Asset Liquidity Funds Plc – Western Asset Euro Liquidity Fund Class WA (Distributing)	12,059	Legg Mason Qualified Investor Funds II Plc-Legg Mason Western Asset Senior Loans	13,000
Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	8,964	Western Asset Liquidity Funds Plc – Western Asset Euro Liquidity Fund Class WA (Distributing)	12,149
Energy Future Intermediate Holding Co LLC / EFH Finance Inc, 4.250% due 6/19/2016	7,607	Legg Mason Global Funds Plc – Western Asset Emerging Markets Corporate Bond Fund – LM Class US\$ Distributing (M)	11,000
Sprint Capital Corp, 8.750% due 3/15/2032	6,398	Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	8,905
HCA Inc, 5.000% due 3/15/2024	6,079	Catalent Pharma Solutions Inc, 9.750% due 4/15/2017	8,817
First Data Corp, 11.750% due 8/15/2021	5,828	Sprint Corp, 7.875% due 9/15/2023	8,303
MedImpact Holdings Inc, 10.500% due 2/1/2018	5,532	Turkey Government International Bond, 6.250% due 9/26/2022	7,975
Atwood Oceanics Inc, 6.500% due 2/1/2020	5,156	Wind Acquisition Holdings Finance SA, 12.250% due 7/15/2017	7,961
Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 6.750% due 1/31/2021	4,946	Energy Future Intermediate Holding Co LLC / EFH Finance Inc, 4.250% due 6/19/2016	7,734
Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 3.241% due 6/19/2019	4,481	HCA Inc, 5.000% due 3/15/2024	6,060
Ardagh Packaging Finance Plc / Ardagh MP Holdings USA Inc, 7.000% due 11/15/2020	4,450	Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 6.750% due 1/31/2021	5,939
AES Corp, 8.000% due 6/1/2020	4,323	Cemex SAB de CV, 9.000% due 1/1/2018	5,879
Guitar Center Inc, 9.625% due 4/15/2020	4,085	Energy Future Intermediate Holding Co LLC / EFH Finance Inc, 10.000% due 12/1/2020	5,809
United Rentals North America Inc, 5.750% due 11/15/2024	4,070	Hungary Government International Bond, 5.750% due 11/22/2023	5,559
HomeVi SAS, 6.875% due 8/15/2021	3,889	MedImpact Holdings Inc, 10.500% due 2/1/2018	5,541
Altice SA, 7.750% due 5/15/2022	3,760	Nara Cable Funding Ltd, 8.875% due 12/1/2018	5,521
Griffon Corp, 5.250% due 3/1/2022	3,613	NRG REMA LLC, Series B, 9.237% due 7/2/2017	5,448
Numericable Group SA, 6.000% due 5/15/2022	3,544	The Royal Bank of Scotland Plc, 13.125% due 3/19/2022	4,818

Legg Mason Western Asset US Short-Term Government Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
United States Treasury Note, 0.375% due 1/15/2016	3,731	United States Treasury Note, 1.250% due 10/31/2015	1,515
United States Treasury Note, 0.375% due 3/31/2016	3,036	Federal Home Loan Bank Discount Notes, zero coupon due 10/8/2014	950
United States Treasury Note, 0.875% due 1/31/2017	1,508	United States Treasury Note, 0.250% due 7/15/2015	731
United States Treasury Note, 0.375% due 3/15/2016	999	Federal Home Loan Bank Discount Notes, zero coupon due 9/10/2014	698
United States Treasury Note, 0.375% due 5/31/2016	983	Freddie Mac Discount Notes, Series RB, zero coupon due 9/11/2014	646
Federal Home Loan Bank Discount Notes, zero coupon due 10/8/2014	950	Federal Home Loan Bank Discount Notes, zero coupon due 11/19/2014	570
Federal Home Loan Bank Discount Notes, zero coupon due 9/10/2014	698	Freddie Mac Discount Notes, Series RB, zero coupon due 1/22/2015	550
Freddie Mac Discount Notes, Series RB, zero coupon due 9/11/2014	646	Fannie Mae Discount Notes, zero coupon due 11/12/2014	525
Federal Home Loan Bank Discount Notes, zero coupon due 11/19/2014	570	Federal Home Loan Bank Discount Notes, 0.080% due 11/5/2014	500
Freddie Mac Discount Notes, Series RB, zero coupon due 1/22/2015	550	Fannie Mae Discount Notes, zero coupon due 9/8/2014	465
Fannie Mae Discount Notes, zero coupon due 11/12/2014	525	Fannie Mae Discount Notes, zero coupon due 11/3/2014	450
Federal Home Loan Bank Discount Notes, zero coupon due 11/5/2014	500	Federal National Mortgage Association, 1.625% due 10/26/2015	416
Fannie Mae Discount Notes, zero coupon due 9/8/2014	465	Federal Home Loan Bank Discount Notes, 0.040% due 7/23/2014	399
Fannie Mae Discount Notes, zero coupon due 11/3/2014	450	Federal Home Loan Bank Discount Notes, zero coupon due 10/17/2014	375
Freddie Mac Discount Notes, zero coupon due 3/19/2015	400	United States Treasury Note, 2.125% due 5/31/2015	354
Federal Home Loan Bank Discount Notes, zero coupon due 10/17/2014	375	Federal Home Loan Bank Discount Notes, zero coupon due 6/27/2014	350
Federal Home Loan Bank Discount Notes, zero coupon due 6/27/2014	350	Federal Home Loan Bank Discount Notes, zero coupon due 7/18/2014	325
Federal Home Loan Bank Discount Notes, zero coupon due 7/18/2014	325	Fannie Mae Pool, TBA February, 4.000% due 2/25/2044	321
Fannie Mae Pool, TBA February, 4.000% due 2/25/2044	321	SLM Student Loan Trust, Series 2012 6, Class A2, 0.435% due 9/25/2019	300
Freddie Mac Discount Notes, Series RB, zero coupon due 7/11/2014	300	Freddie Mac Discount Notes, Series RB, zero coupon due 7/11/2014	300
Federal Home Loan Bank Discount Notes, zero coupon due 1/28/2015	300	Fannie Mae Discount Notes, zero coupon due 1/28/2015	300
Fannie Mae Discount Notes, zero coupon due 1/28/2015	300	Fannie Mae Discount Notes, zero coupon due 12/15/2014	300
Fannie Mae Discount Notes, zero coupon due 12/15/2014	300	Federal Home Loan Bank Discount Notes, zero coupon due 1/28/2015	300
		Freddie Mac Discount Notes, Series RB, zero coupon due 3/19/2015	275
		United States Treasury Note, 0.250% due 5/31/2015	265
		Freddie Mac Discount Notes, zero coupon due 11/17/2014	240

Statement of Major Portfolio Changes – (continued)

Legg Mason Western Asset US Adjustable Rate Fund

	COST (in 000s)		PROCEEDS (in 000s)
MAJOR PURCHASES		MAJOR SALES	
United States Treasury Note, 0.073% due 10/31/2016	3,999	United States Treasury Note, 0.073% due 10/31/2016	3,179
Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	1,890	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	1,912
United States Treasury Note, 0.090% due 7/31/2016	1,601	United States Treasury Note, 0.090% due 1/31/2016	1,750
United States Treasury Note, 1.000% due 9/15/2017	1,248	United States Treasury Note, 0.090% due 07/31/2016	1,600
United States Treasury Note, 0.090% due 1/31/2016	1,000	U.S. Treasury Bill, zero coupon due 10/30/2014	895
U.S. Treasury Bill, zero coupon due 10/30/2014	895	United States Treasury Note, 1.000% due 9/15/2017	860
United States Treasury Note, 0.089% due 4/30/2016	750	United States Treasury Note, 0.089% due 4/30/2016	625
United States Treasury Note, 0.250% due 10/15/2015	585	United States Treasury Note, 0.250% due 10/15/2015	586
Federal Home Loan Bank Discount Notes, zero coupon due 12/3/2014	417	United States Treasury Note, 0.250% due 1/31/2015	546
U.S. Treasury Bill, zero coupon due 11/28/2014	416	The Coca-Cola Co, 0.193% due 3/14/2014	520
Fannie Mae, 0.175% due 8/15/2016	350	Johnson & Johnson, 0.326% due 5/15/2014	450
Federal Home Loan Bank Discount Notes, zero coupon due 10/17/2014	345	Federal Home Loan Bank Discount Notes, zero coupon due 12/3/2014	417
Federal Home Loan Bank Discount Notes, zero coupon due 10/21/2014	340	U.S. Treasury Bill, zero coupon due 11/28/2014	416
Federal Home Loan Bank Discount Notes, zero coupon due 10/8/2014	340	Residential Asset Securitization Trust 2004, Series 2004 A2, Class 1A3, 0.555% due 5/25/2034	350
U.S. Treasury Bill, zero coupon due 11/15/2015	323	Federal Farm Credit Banks, 0.185% due 7/27/2015	350
Federal Home Loan Bank Discount Notes, zero coupon due 12/17/2014	315	Federal Home Loan Bank Discount Notes, zero coupon due 10/17/2014	345
United States Treasury Note, 0.500% due 7/31/2016	300	Federal Home Loan Bank Discount Notes, zero coupon due 10/21/2014	340
Chevron Corp, 0.427% due 11/15/2017	300	Federal Home Loan Bank Discount Notes, zero coupon due 10/8/2014	340
Federal Home Loan Bank Discount Notes, zero coupon due 1/7/2015	300	Structured Asset Securities Corp Mortgage Loan Trust 2004, Series 2004 NP1, Class A, 0.955% due 9/25/2033	328
Freddie Mac Discount Notes, zero coupon due 1/21/2015	300	CHL Mortgage Pass-Through Trust, Series 2003 37, Class 2A1, 2.447% due 9/25/2033	328
U.S. Treasury Bill, 0.048% due 4/24/2014	275	U.S. Treasury Bill, zero coupon due 1/8/2015	323
International Business Machines Corp, 0.628% due 2/12/2019	252	Federal Home Loan Bank Discount Notes, zero coupon due 12/17/2014	315
Berkshire Hathaway Finance Corp, 0.402% due 1/10/2017	251	Structured Asset Securities Corp Mortgage Pass Through Certs 1998, Series 1998 3, Class M1, 1.155% due 3/25/2028	310
Federal Home Loan Bank Discount Notes, zero coupon due 6/13/2014	250	Federal Farm Credit Banks, 0.205% due 10/26/2015	300
Exxon Mobil Corp, 0.391% due 3/15/2019	250	Federal Farm Credit Banks, 0.154% due 11/19/2015	300
Federal Home Loan Bank Discount Notes, zero coupon due 6/27/2014	235	Federal Home Loan Bank Discount Notes, zero coupon due 1/7/2015	300
		Freddie Mac Discount Notes, zero coupon due 1/21/2015	300
		U.S. Treasury Bill, 0.048% due 4/24/2014	275

Legg Mason Western Asset Inflation Management Fund

	COST (in 000s)		PROCEEDS (in 000s)
MAJOR PURCHASES		MAJOR SALES	
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	6,923	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	6,082
United States Treasury Inflation Indexed Bonds, 0.125% due 7/15/2024	798	United States Treasury Inflation Indexed Bond, 1.750% due 1/15/2028	752
United States Treasury Inflation Indexed Bond, 0.125% due 4/15/2018	759	United States Treasury Inflation Indexed Bond, 0.125% due 4/15/2018	699
United States Treasury Inflation Indexed Bonds, 0.625% due 1/15/2024	747	United States Treasury Inflation Indexed Note, 1.625% due 1/15/2018	659
United States Treasury Inflation Indexed Bond, 0.125% due 4/15/2019	643	United States Treasury Inflation Indexed Bond, 2.375% due 1/15/2025	658
United States Treasury Inflation Indexed Note, 1.125% due 1/15/2021	491	United States Treasury Inflation Indexed Bond, 0.125% due 4/15/2019	644
United States Treasury Inflation Indexed Bond, 1.750% due 1/15/2028	456	United States Treasury Inflation Indexed Bonds, 0.625% due 1/15/2024	586
United States Treasury Inflation Indexed Bonds, 0.375% due 7/15/2023	422	United States Treasury Inflation Indexed Bonds, 0.125% due 4/15/2016	484
United States Treasury Inflation Indexed Bonds, 1.375% due 2/15/2044	367	United States Treasury Inflation Indexed Bonds, 0.125% due 7/15/2024	451
United States Treasury Inflation Indexed Bonds, 0.500% due 4/15/2015	223	United States Treasury Inflation Indexed Note, 2.000% due 1/15/2016	390
United States Treasury Inflation Indexed Bond, 0.250% due 1/15/2025	219	United States Treasury Inflation Indexed Note, 1.125% due 1/15/2021	367
United States Treasury Inflation Indexed Bonds, 0.125% due 4/15/2016	194	United States Treasury Inflation Indexed Bonds, 2.125% due 2/15/2040	305
United States Treasury Inflation Indexed Bonds, 0.625% due 2/15/2043	183	United States Treasury Inflation Indexed Bond, 3.875% due 4/15/2029	300
United States Treasury Inflation Indexed Bonds, 0.125% due 1/15/2023	112	United States Treasury Inflation Indexed Bonds, 1.375% due 2/15/2044	270
United States Treasury Inflation Indexed Note, 3.625% due 4/15/2028	108	United States Treasury Inflation Indexed Bonds, 0.125% due 7/15/2023	261
United States Treasury Inflation Indexed Bonds, 0.750% due 2/15/2045	88	United States Treasury Inflation Indexed Note, 1.375% due 7/15/2018	240
United States Treasury Inflation Indexed Bond, 2.375% due 1/15/2025	87	United States Treasury Inflation Indexed Bond, 2.000% due 1/15/2026	220
United States Treasury Inflation Indexed Bond, 0.750% due 2/15/2042	85	United States Treasury Inflation Indexed Bonds, 0.500% due 4/15/2015	220
United States Treasury Inflation Indexed Note, 0.125% due 7/15/2022	18	United States Treasury Inflation Indexed Bonds, 0.625% due 2/15/2043	181
United States Treasury Inflation Indexed Bonds, 0.125% due 1/15/2022	17	United States Treasury Inflation Indexed Note, 0.125% due 7/15/2022	163
		United States Treasury Inflation Indexed Bond, 2.125% due 2/15/2041	153

Legg Mason Western Asset Asian Opportunities Fund

	COST (in 000s)		PROCEEDS (in 000s)
MAJOR PURCHASES		MAJOR SALES	
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	295,286	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	287,022
Thailand Government Bond, 3.850% due 12/12/2025	31,727	Thailand Government Bond, 3.650% due 12/17/2021	18,443
India Government Bond, 7.280% due 6/3/2019	24,555	Thailand Government Bond, 3.625% due 6/16/2023	18,343
Thailand Government Bond, 3.625% due 6/16/2023	16,227	Thailand Government Bond, 3.580% due 12/17/2027	16,071
Bank of Thailand, zero coupon due 11/27/2014	15,963	Bank of Thailand, zero coupon due 11/27/2014	16,036
Korea Treasury Bond, 3.000% due 9/10/2024	14,108	Korea Treasury Bond, Series 1709, 2.750% due 9/10/2017	15,653
Thailand Government Bond, 3.580% due 12/17/2027	12,638	Korea Treasury Bond, Series 1803, 2.750% due 3/10/2018	15,643
China Government Bond, 3.380% due 11/21/2024	11,044	Korea Treasury Bond, Series 1809, 5.750% due 9/10/2018	14,813
Indonesia Government International Bond, 4.125% due 1/15/2025	10,933	MAS Bill, zero coupon due 9/5/2014	10,765
MAS Bill, zero coupon due 9/5/2014	10,705	Singapore Government Bond, 3.000% due 9/1/2024	10,733
GS Caltex Corp, 3.000% due 6/18/2019	9,732	GS Caltex Corp, 3.000% due 6/18/2019	9,824
Singapore Government Bond, 2.875% due 9/1/2030	8,921	Standard Chartered Plc, 2.625% due 5/31/2016	9,605
Korea National Oil Corp, 3.250% due 7/10/2024	7,037	Philippine Government Bond, Series 1054, 6.375% due 1/19/2022	8,834
Malaysia Government Bond, Series 0902, 4.378% due 11/29/2019	6,350	Korea Treasury Bond, Series 2006, 5.000% due 6/10/2020	7,787
Tencent Holdings Ltd, 3.375% due 5/2/2019	5,994	Fonterra Cooperative Group Ltd, 1.100% due 6/27/2014	7,104
CRCC Yupeng Ltd, 3.950% due 2/28/2049	5,500	Housing Development Finance Corp, Series K-17, 9.500% due 3/12/2014	6,804
CapitaLand Treasury Ltd, 4.076% due 9/20/2022	5,438	Malaysia Government Bond, Series 0902, 4.378% due 11/29/2019	6,675
United Overseas Bank Ltd, 3.750% due 9/19/2024	5,365	Korea National Oil Corp, 3.250% due 7/10/2024	6,345
Korea Exchange Bank, 4.250% due 10/14/2024	5,105	Export-Import Bank of Korea, 3.250% due 7/27/2015	6,226
Wheelock Finance Ltd, 3.000% due 3/19/2018	5,070	Tencent Holdings Ltd, 3.375% due 5/2/2019	6,097

Statement of Major Portfolio Changes – (continued)

Legg Mason Western Asset Global Blue Chip Bond Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	20,775	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	23,994
United States Treasury Note, 1.250% due 1/31/2020	8,313	United States Treasury Note, 1.250% due 1/31/2020	5,558
Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	2,356	Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	2,435
Western Asset Liquidity Funds Plc – Western Asset Euro Liquidity Fund Class WA (Distributing)	1,821	Western Asset Liquidity Funds Plc – Western Asset Euro Liquidity Fund Class WA (Distributing)	2,172
BNP Paribas SA, 3.250% due 3/3/2023	1,037	Prudential Plc, 1.250% due 11/16/2015	1,251
Leeds Building Society, 2.625% due 4/1/2021	757	BNP Paribas SA, 2.875% due 9/26/2023	1,032
BMW US Capital LLC, 2.000% due 11/20/2019	706	Abbey National Treasury Services Plc, 5.500% due 6/18/2014	1,020
Commonwealth Bank of Australia, 2.250% due 12/7/2018	667	Roche Holdings Inc, 6.000% due 3/1/2019	950
Unilever Plc, 2.000% due 12/19/2018	628	Cooperatieve Centrale Raiffeisen-Boerenleenbank BA, 3.500% due 10/17/2018	874
United States Treasury Note, 1.500% due 5/31/2019	586	Sparebank, 2.125% due 2/21/2018	853
Airbus Group Finance BV, 2.375% due 4/2/2024	481	BRFKredit A/S, 2.500% due 1/31/2018	784
Close Brothers Finance Plc, 3.875% due 6/27/2021	304	Bank of America Corp, 4.625% due 8/7/2017	769
Credit Suisse/New York NY, 3.625% due 9/9/2024	249	UBS AG, 6.000% due 4/18/2018	760
United States Treasury Note, 2.375% due 8/15/2024	175	Bristol-Myers Squibb Co, 5.450% due 5/1/2018	755
United States Treasury Note, 2.500% due 5/15/2024	151	Svenska Handelsbanken AB, 1.625% due 3/21/2018	735
		BAT International Finance Plc, 1.125% due 3/29/2016	707
		BMW Finance NV, 3.625% due 1/29/2018	705
		United Technologies Corp, 6.125% due 2/1/2019	696
		Volkswagen Leasing GmbH, 3.250% due 5/10/2018	693
		The Boeing Co, 6.000% due 3/15/2019	673
		International Business Machines Corp, 7.625% due 10/15/2018	667

Legg Mason Western Asset Brazil Bond Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Brazil Letras do Tesouro Nacional, Series LTN, zero coupon due 7/1/2015	8,915	Brazil Letras do Tesouro Nacional, Series LTN, zero coupon due 4/1/2015	1,163
Brazil Letras do Tesouro Nacional, Series LTN, 11.420% due 1/1/2017	7,825	Brazil Notas do Tesouro Nacional, Series NTN, 10.000% due 1/1/2015	1,135
Brazil Letras do Tesouro Nacional, Series LTN, zero coupon due 4/1/2015	7,696	Brazil Letras do Tesouro Nacional, Series LTN, 10.020% due 7/1/2014	230
Brazil Letras do Tesouro Nacional, Series LTN, zero coupon due 7/1/2016	6,407	Brazil Notas do Tesouro Nacional, Series NTN, 10.000% due 1/1/2021	60
Brazil Notas do Tesouro Nacional, Series NTN, 6.000% due 8/15/2050	1,068		
Brazil Notas do Tesouro Nacional, Series NTN, 10.000% due 1/1/2017	831		
Brazil Notas do Tesouro Nacional, Series NTN, 10.000% due 1/1/2023	419		
Brazil Notas do Tesouro Nacional, Series NTN, 10.000% due 1/1/2021	300		

Legg Mason Western Asset Global Credit Absolute Return Fund[^]

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Fannie Mae Discount Notes, zero coupon due 11/3/2014	8,097	United States Treasury Bill, 0.080% due 8/21/2014	9,997
United States Treasury Note, 3.625% due 2/15/2044	6,552	Fannie Mae Discount Notes, zero coupon due 11/3/2014	8,100
Italy Buoni Poliennali Del Tesoro, 5.000% due 9/1/2040	6,165	United States Treasury Note, 3.625% due 2/15/2044	6,601
United States Treasury Inflation Indexed Bonds, 1.375% due 2/15/2044	4,169	Italy Buoni Poliennali Del Tesoro, 5.000% due 9/1/2040	6,158
Western Asset Liquidity Funds Plc – Western Asset Euro Liquidity Fund Class WA (Distributing)	2,115	United States Treasury Bill, 0.010% due 3/13/2014	5,000
The Royal Bank of Scotland Plc, 13.125% due 3/19/2022	1,743	United States Treasury Bond, 3.125% due 2/15/2043	4,468
Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	1,536	United States Treasury Inflation Indexed Bonds, 1.375% due 2/15/2044	4,132
Dominion Resources Inc/VA, 6.375% due 7/1/2017	1,500	Western Asset Liquidity Funds Plc – Western Asset Euro Liquidity Fund Class WA (Distributing)	3,518
DISH DBS Corp, 7.875% due 9/1/2019	1,209	Bunge Ltd Finance Corp, 5.350% due 4/15/2014	3,080
Thompson Creek Metals Co Inc, 12.500% due 5/1/2019	1,159	Morgan Stanley, 4.750% due 4/1/2014	2,617
VimpelCom Holdings BV, 7.504% due 3/1/2022	1,113	Horizon Lines LLC, 11.000% due 10/15/2016	2,577
Foresight Energy LLC / Foresight Energy Corp, 7.875% due 8/15/2021	1,094	United States Treasury Bill, 0.050% due 7/10/2014	2,000
JPMorgan Chase & Co, 6.000% due 12/29/2049	1,045	Verizon Communications Inc, 6.400% due 9/15/2033	1,984
Essar Steel Minnesota LLC, 11.500% due 5/15/2020	1,029	Cliffs Natural Resources Inc, 3.950% due 1/15/2018	1,881
United States Treasury Note, 3.750% due 11/15/2043	1,020	Royal Bank of Scotland Group Plc, 6.125% due 12/15/2022	1,620
Portugal Government International Bond, 5.125% due 10/15/2024	1,016	Dominion Resources Inc/VA, 6.375% due 7/1/2017	1,562
HJ Heinz Co, 4.250% due 10/15/2020	1,009	CMA CGM SA, 8.500% due 4/15/2017	1,485
Credit Suisse Group AG, 6.250% due 12/29/2049	1,006	Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	1,475
International Lease Finance Corp, 8.250% due 12/15/2020	930	Wind Acquisition Holdings Finance SA, 12.250% due 7/15/2017	1,463
Univision Communications Inc, 7.875% due 11/1/2020	837	ARD Finance SA, 11.125% due 6/1/2018	1,190
Level 3 Financing Inc, 7.000% due 6/1/2020	823	Radnet Management Inc, 10.375% due 4/1/2018	1,107
Peabody Energy Corp, 7.875% due 11/1/2026	794	T-Mobile USA Inc, 6.542% due 4/28/2020	1,103
Sprint Corp, 7.875% due 9/15/2023	669	Turkey Government International Bond, 5.750% due 3/22/2024	1,102
		SunCoke Energy Partners LP / SunCoke Energy Partners Finance Corp, 7.375% due 2/1/2020	1,088
		Essar Steel Minnesota LLC, 11.500% due 5/15/2020	1,044
		Service Corp International/US, 5.375% due 1/15/2022	1,027
		United States Treasury Note, 3.750% due 11/15/2043	995
		Erickson Air-Crane Inc, 8.250% due 5/1/2020	975

Legg Mason Western Asset Global Core Plus Bond Fund[^]

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	70,634	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	65,671
United States Treasury Note, 1.250% due 1/31/2019	15,698	Italy Buoni Poliennali Del Tesoro, 4.500% due 3/1/2024	14,614
Ginnie Mae II pool, TBA April, 4.500%, due 4/15/2045	12,548	Ginnie Mae II pool, TBA April, 4.500%, due 4/15/2045	12,548
Fannie Mae Pool, TBA May, 4.000% due 5/25/2044	12,276	Fannie Mae Pool, TBA May, 4.000% due 5/25/2044	12,276
Italy Buoni Poliennali Del Tesoro, 4.500% due 3/1/2024	11,426	Fannie Mae Pool, TBA April, 4.500% due 4/15/2045	11,633
United States Treasury Note/Bond, 1.500% due 12/31/2018	9,438	Fannie Mae Pool, 4.000% due 4/15/2044	8,734

Statement of Major Portfolio Changes – (continued)

Legg Mason Western Asset Global Core Plus Bond Fund^A – (continued)

	COST (in 000s)		PROCEEDS (in 000s)
MAJOR PURCHASES		MAJOR SALES	
Fannie Mae Pool, TBA April, 4.500% due 4/15/2044	8,486	Fannie Mae Pool, 2.550% due 10/09/2019	8,255
Fannie Mae Pool, TBA May, 4.500%, due 5/15/2045	7,790	Western Asset Liquidity Funds Plc – Western Asset Euro Liquidity Fund Class WA (Distributing)	8,199
United States Treasury Note, 0.250% due 9/15/2015	7,330	United States Treasury Note, 0.750% due 6/15/2014	7,908
Western Asset Liquidity Funds Plc – Western Asset Euro Liquidity Fund Class WA (Distributing)	7,236	Fannie Mae Pool, TBA May, 4.500%, due 5/15/2045	7,796
United States Treasury Note/Bond, 4.500% due 8/15/2039	6,785	Poland Government Bond, Series 1023, 4.000% due 10/25/2023	7,448
Fannie Mae Pool, 4.000% due 4/15/2044	6,570	United States Treasury Note, 2.375% due 10/31/2014	7,338
Fannie Mae Pool, TBA May, 3.500% due 5/25/2044	6,248	Italy Buoni Poliennali Del Tesoro, 5.000% due 9/1/2040	6,698
Poland Government Bond, Series 1023, 4.000% due 10/25/2023	5,857	Fannie Mae Pool, TBA March, 4.500% due 3/15/2044	6,473
United States Treasury Note/Bond, 1.625% due 3/31/2019	5,636	Fannie Mae Pool, TBA May, 3.500% due 5/25/2044	6,265
United States Treasury Note/Bond, 0.625% due 8/31/2017	5,498	United States Treasury Note/Bond, 1.625% due 3/31/2019	5,635
United States Treasury Note, 0.625% due 12/31/2016	5,054	United States Treasury Note/Bond, 0.625% due 8/31/2017	5,506
Fannie Mae Pool, 3.500% due 4/15/2044	4,926	Fannie Mae Pool, 3.500% due 4/15/2044	5,129
United States Treasury Note, 2.000% due 10/31/2021	4,912	United States Treasury Note/Bond, 4.500% due 8/15/2039	5,061
United States Treasury Note/Bond, 0.375% due 4/15/2015	4,543	United States Treasury Note, 2.000% due 2/28/2021	4,818

Legg Mason Western Asset Global Inflation-Linked Fund

	COST (in 000s)		PROCEEDS (in 000s)
MAJOR PURCHASES		MAJOR SALES	
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	3,286	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	4,492
United States Treasury Inflation Indexed Bonds, 0.125% due 4/15/2016	1,320	United States Treasury Inflation Indexed Bonds, 0.125% due 4/15/2016	2,799
Sweden Government Bond, Series 3108, 0.250% due 6/1/2022	1,261	Sweden Government Bond, Series 3108, 0.250% due 6/1/2022	2,386
United States Treasury Inflation Indexed Bonds, 0.500% due 4/15/2015	863	United States Treasury Inflation Indexed Bond, 2.375% due 1/15/2025	2,173
Deutsche Bundesrepublik Inflation Linked Bond, Series iL, 0.100% due 4/15/2023	714	United States Treasury Inflation Indexed Bonds, 0.125% due 1/15/2023	2,109
Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	626	United States Treasury Inflation Indexed Bonds, 0.500% due 4/15/2015	2,085
United States Treasury Inflation Indexed Bonds, 0.125% due 1/15/2023	554	United Kingdom Gilt Inflation Linked, Series 3MO, 1.250% due 11/22/2027	1,930
Deutsche Bundesrepublik Inflation Linked Bond, 0.500% due 4/15/2030	449	Deutsche Bundesrepublik Inflation Linked Bond, Series iL, 0.100% due 4/15/2023	1,845
Japanese Government CPI Linked Bond, 0.100% due 9/10/2023	242	United States Treasury Inflation Indexed Bond, 0.125% due 4/15/2018	1,689
Western Asset Liquidity Funds Plc – Western Asset Euro Liquidity Fund Class WA (Distributing)	155	United Kingdom Gilt Inflation Linked, Series 3MO, 1.875% due 11/22/2022	1,297
United States Treasury Inflation Indexed Bonds, 0.125% due 7/15/2024	106	United States Treasury Inflation Indexed Bonds, 0.625% due 2/15/2043	1,254
Australia Government Bond, Series 30C1, 2.500% due 9/20/2030	97	France Government Bond OAT, Series OATe, 1.100% due 7/25/2022	1,137
France Government Bond OAT, Series OATe, 0.250% due 7/25/2018	69	United States Treasury Inflation Indexed Bonds, 0.125% due 4/15/2017	959
Italy Buoni Poliennali Del Tesoro, 2.600% due 9/15/2023	61	United Kingdom Gilt Inflation Linked, Series 3MO, 0.125% due 3/22/2044	953
United Kingdom Gilt Inflation Linked, Series 3MO, 1.250% due 11/22/2027	60	United States Treasury Inflation Indexed Bonds, 0.125% due 1/15/2022	765
United States Treasury Inflation Indexed Bonds, 1.375% due 2/15/2044	57	France Government Bond OAT, Series OATe, 1.850% due 7/25/2027	740
United States Treasury Inflation Indexed Bonds, 0.125% due 1/15/2022	52	United Kingdom Gilt Inflation Linked, Series 3MO, 0.125% due 3/22/2024	736
United States Treasury Inflation Indexed Bond, 2.375% due 1/15/2025	45	United States Treasury Inflation Indexed Bonds, 0.375% due 7/15/2023	727
United Kingdom Gilt Inflation Linked, Series 3MO, 0.125% due 3/22/2044	43	United Kingdom Gilt Inflation Linked, Series 3MO, 0.625% due 3/22/2040	711
Spain Government Inflation Linked Bond, 0.550% due 11/30/2019	39	United Kingdom Gilt Inflation Linked, Series 3MO, 0.125% due 3/22/2068	675
		Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	652
		United Kingdom Gilt Inflation Linked, Series 3MO, 0.375% due 3/22/2062	608
		Bundesrepublik Deutschland Bundesobligation Inflation Linked Bond, Series iL, 0.750% due 4/15/2018	573
		United States Treasury Inflation Indexed Bonds, 2.125% due 2/15/2040	533
		United States Treasury Inflation Indexed Bond, 3.875% due 4/15/2029	515
		France Government Bond OAT, Series OATe, 1.800% due 7/25/2040	498
		United Kingdom Gilt Inflation Linked, Series 3MO, 1.250% due 11/22/2032	494
		Deutsche Bundesrepublik Inflation Linked Bond, 0.500% due 4/15/2030	445
		Canadian Government Bond, Series CPI, 4.000% due 12/1/2031	437

Legg Mason Western Asset Global Credit Fund

	COST (in 000s)		PROCEEDS (in 000s)
MAJOR PURCHASES		MAJOR SALES	
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	22,873	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	22,431
United States Treasury Note, 1.625% due 6/30/2019	5,360	Western Asset Liquidity Funds Plc – Western Asset Euro Liquidity Fund Class WA (Distributing)	5,524
Western Asset Liquidity Funds Plc – Western Asset Euro Liquidity Fund Class WA (Distributing)	5,209	United States Treasury Note, 2.500% due 8/15/2023	4,091
Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	3,309	Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	3,370
United States Treasury Note, 2.000% due 2/15/2025	2,705	United States Treasury Note, 1.625% due 6/30/2019	1,477
Bundesrepublik Deutschland, 1.500% due 2/15/2023	1,151	European Investment Bank, 4.125% due 4/15/2024	1,238
United States Treasury Note, 3.375% due 5/15/2044	1,020	BAE Systems Plc, 4.125% due 6/8/2022	816
Pfizer Inc, 3.400% due 5/15/2024	727	John Deere Capital Corp, 2.250% due 4/17/2019	732
Amgen Inc, 3.625% due 5/22/2024	699	General Electric Capital Corp, 4.650% due 10/17/2021	724
Celgene Corp, 3.625% due 5/15/2024	698	Abbey National Treasury Services Plc, 4.000% due 4/27/2016	722
Credit Suisse/New York NY, 3.625% due 9/9/2024	696	HSBC Finance Corp, 6.676% due 1/15/2021	720
Merck & Co Inc, 3.700% due 2/10/2045	656	ING Bank NV, 3.875% due 12/23/2016	717
John Lewis Plc, 4.250% due 12/18/2034	601	United States Treasury Note, 3.375% due 5/15/2044	705
Mexico Government International Bond, 4.600% due 1/23/2046	530	Muenchener Rueckversicherungs AG, 5.767% due 6/29/2049	659
Mexican Bonos, Series M, 7.750% due 11/13/2042	512	Deutsche Telekom International Finance BV, 4.875% due 4/22/2025	607
Brazil Notas do Tesouro Nacional, Series NNTB, 6.000% due 8/15/2050	507	Time Warner Cable Inc, 8.750% due 2/14/2019	588
Amazon.com Inc, 4.800% due 12/5/2034	496	Noble Energy Inc, 4.150% due 12/15/2021	574
WEA Finance LLC / Westfield UK & Europe Finance Plc, 3.750% due 9/17/2024	493	Mexican Bonos, Series M, 6.500% due 6/9/2022	512
Humana Inc, 4.950% due 10/1/2044	488	United Kingdom Gilt, 1.250% due 7/22/2018	499
Petroleos Mexicanos, 4.250% due 1/15/2025	487	British Telecommunications Plc, 6.625% due 6/23/2017	498

Statement of Major Portfolio Changes – (continued)

Legg Mason Western Asset Euro High Yield Fund

MAJOR PURCHASES	COST (in 000€)	MAJOR SALES	PROCEEDS (in 000€)
Western Asset Liquidity Funds Plc – Western Asset Euro Liquidity Fund Class WA (Distributing)	16,534	Western Asset Liquidity Funds Plc – Western Asset Euro Liquidity Fund Class WA (Distributing)	17,946
Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	7,558	Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	4,428
LGE HoldCo VI BV, 7.125% due 5/15/2024	1,366	Peugeot SA, 7.375% due 3/6/2018	1,855
Numericable Group SA, 5.625% due 5/15/2024	1,360	Ardagh Glass Finance Plc, 7.125% due 6/15/2017	1,656
Wind Acquisition Finance SA, 7.000% due 4/23/2021	1,305	R&R Ice Cream Plc, 8.375% due 11/15/2017	1,471
Lecta SA, 8.875% due 5/15/2019	1,277	Ziggo Bond Co BV, 8.000% due 5/15/2018	1,419
SGD Group SAS, 5.625% due 5/15/2019	1,220	Enterprise Inns Plc, 6.500% due 12/6/2018	1,406
Novafives SAS, 4.500% due 6/30/2021	1,102	Ono Finance II Plc, 11.125% due 7/15/2019	1,372
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	1,054	EDP Finance BV, 4.875% due 9/14/2020	1,225
CGG SA, 5.875% due 5/15/2020	1,000	UCB SA, 7.750% due 3/18/2049	1,168
Grupo Isolux Corsan Finance BV, 6.625% due 4/15/2021	1,000	Renault SA, 3.125% due 3/05/2021	1,070
Wind Acquisition Finance SA, 4.000% due 7/15/2020	1,000	Sunrise Communications Holdings SA, 8.500% due 12/31/2018	1,054
Dufry Finance SCA, 4.500% due 7/15/2022	1,000	Dufry Finance SCA, 4.500% due 7/15/2022	1,038
Crown European Holdings SA, 4.000% due 7/15/2022	1,000	Wind Acquisition Finance SA, 7.375% due 2/15/2018	1,021
Boparan Finance Plc, 4.375% due 7/15/2021	1,000	CGG SA, 5.875% due 5/15/2020	1,019
Eco-Bat Finance Plc, 7.750% due 2/15/2017	882	Foodcorp Proprietary Ltd, 8.750% due 3/1/2018	988
Tesco Corporate Treasury Services Plc, 2.500% due 7/1/2024	880	Portugal Telecom International Finance BV, 5.000% due 11/4/2019	939
Ardagh Finance Holdings SA, 8.375% due 6/15/2019	878	Corral Petroleum Holdings AB, 15.000% due 12/31/2017	906
Rottapharm Ltd, 6.125% due 11/15/2019	872	Ontex IV SA, 9.000% due 4/15/2019	904
Picard Bondco SA, 7.750% due 2/1/2020	870	Pennon Group Plc, 6.750% due 3/8/2049	889
PSPC Escrow Corp, 6.000% due 2/1/2023	870	Virgin Media Finance Plc, 8.875% due 10/15/2019	888
Labco SAS, 8.500% due 1/15/2018	870	Spie BondCo 3 SCA, 11.000% due 8/15/2019	867
Schaeffler Holding Finance BV, 6.875% due 8/15/2018	861	Smurfit Kappa Acquisitions, 7.750% due 11/15/2019	829
HomeVi SAS, 6.875% due 8/15/2021	850	Boparan Finance Plc, 9.750% due 4/30/2018	765
Cemex Finance LLC, 5.250% due 4/1/2021	840	Deutsche Annington Finance BV, 4.625% due 4/8/2074	758
Alliance Automotive Finance Plc, 6.250% due 12/1/2021	827	UPM-Kymmene OYJ, 6.625% due 1/23/2017	747
Deutsche Annington Finance BV, 4.625% due 4/8/2074	706	Styrolution Group GmbH, 7.625% due 5/15/2016	724
Tesco Property Finance 6 Plc, 5.411% due 7/13/2044	646	William Hill Plc, 7.125% due 11/11/2016	698
Viridian Group FundCo II Ltd, 7.500% due 3/1/2020	640	Numericable Finance & Co SCA, 12.375% due 2/15/2019	692
Sappi Papier Holding GmbH, 6.625% due 4/15/2018	638	Voyage Care Bondco Plc, 6.500% due 8/1/2018	655
Labeyrie Fine Foods SAS, 5.625% due 3/15/2021	622	Ardagh Glass Finance Plc, 8.750% due 2/1/2020	617
Virgin Media Finance Plc, 6.375% due 10/15/2024	585	Boardriders SA, 8.875% due 12/15/2017	610
		Wind Acquisition Finance SA, 7.000% due 4/23/2021	594

Legg Mason Western Asset Macro Opportunities Bond Fund[^]

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
United States Treasury Note, 1.500% due 11/30/2019	757,124	United States Treasury Note, 1.500% due 11/30/2019	640,093
United States Treasury Note, 1.875% due 11/30/2021	265,338	United States Treasury Note, 1.875% due 11/30/2021	265,813
Mexican Bonos, Series M, 6.500% due 6/9/2022	253,314	United States Treasury Bond, 3.000% due 11/15/2044	199,591
United States Treasury Note, 2.375% due 8/15/2024	244,793	United States Treasury Note, 2.375% due 8/15/2024	192,640
United States Treasury Bond, 3.000% due 11/15/2044	222,633	United States Treasury Strip Principal, 3.810% due 11/15/2043	162,178
United States Treasury Note, 3.125% due 8/15/2044	166,519	United States Treasury Strip Principal, zero coupon due 2/15/2044	133,780
Russian Federal Bond – OFZ, 8.150% due 2/3/2027	158,467	Poland Government Bond, Series 1023, 4.000% due 10/25/2023	81,295
Italy Buoni Poliennali Del Tesoro, 5.000% due 9/1/2040	138,912	Mexican Bonos, Series M, 6.500% due 6/9/2022	76,487
United States Treasury Strip Principal, zero coupon due 2/15/2044	125,971	Italy Buoni Poliennali Del Tesoro, 4.750% due 9/1/2044	58,455
Brazil Notas do Tesouro Nacional, Series NTN F, 10.000% due 1/1/2017	117,594	Mexican Bonos, Series M, 7.750% due 11/13/2042	54,316
Poland Government Bond, Series 1023, 4.000% due 10/25/2023	109,512	United States Treasury Note, 3.125% due 8/15/2044	53,103
United States Treasury Strip Principal, 3.810% due 11/15/2043	106,501	United States Treasury Note, 1.625% due 8/31/2019	47,499
Mexican Bonos, Series M, 7.750% due 11/13/2042	88,576	United States Treasury Note, 1.625% due 6/30/2019	46,960
Verizon Communications Inc, 6.550% due 9/15/2043	88,482	United States Treasury Note, 1.625% due 3/31/2019	46,871
United States Treasury Note, 1.250% due 1/31/2020	69,447	United States Treasury Note, 3.375% due 5/15/2044	46,392
Fannie Mae, zero coupon due 10/9/2019	62,144	Italy Buoni Poliennali Del Tesoro, 5.000% due 9/1/2040	44,479
Royal Bank of Scotland Group Plc, 5.125% due 5/28/2024	57,243	United States Treasury Note, 2.250% due 11/15/2024	44,398
Brazil Notas do Tesouro Nacional, Series NTN B, 6.000% due 8/15/2050	56,825	United States Treasury Note, 2.500% due 5/15/2024	40,569
United States Treasury Note, 2.500% due 2/15/2045	55,455	Italy Buoni Poliennali Del Tesoro, 5.500% due 11/1/2022	37,378
Italy Buoni Poliennali Del Tesoro, 4.750% due 9/1/2044	53,536	South Africa Government Bond, Series R186, 10.500% due 12/21/2026	36,945
		United States Treasury Note, 2.000% due 2/28/2021	33,542

Legg Mason Brandywine Global Fixed Income Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	952,009	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	957,948
United States Treasury Note, 0.090% due 7/31/2016	279,293	United States Treasury Note, 0.090% due 1/31/2016	190,676
United States Treasury Note, 0.090% due 1/31/2016	117,978	United Kingdom Gilt, 2.750% due 1/22/2015	83,099
United Kingdom Gilt, 2.750% due 1/22/2015	91,166	United Kingdom Gilt, 2.250% due 3/7/2014	79,914
Kommunalbanken AS, 0.375% due 5/2/2017	86,609	Kommunalbanken AS, 0.353% due 3/18/2016	65,105
United Kingdom Gilt, 2.000% due 1/22/2016	76,950	International Finance Corp, 7.750% due 12/3/2016	49,694
Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000% due 1/1/2023	67,697	European Bank for Reconstruction & Development, 7.250% due 2/8/2016	47,925
Hungary Government Bond, 5.500% due 6/24/2025	62,850	Municipality Finance Plc, 3.750% due 12/20/2017	47,078
Mexican Bonos, Series M, 7.750% due 11/13/2042	49,238	United States Treasury Bond, 2.875% due 5/15/2043	40,448
European Bank for Reconstruction & Development, 7.250% due 2/8/2016	49,167	United States Treasury Bond, 2.750% due 8/15/2042	35,237
European Investment Bank, 7.200% due 7/9/2019	47,390	Italy Buoni Poliennali Del Tesoro, 5.000% due 8/1/2039	33,717
Municipality Finance Plc, 3.750% due 12/20/2017	47,217	Hungary Government Bond, Series 16/C, 5.500% due 2/12/2016	31,581
United States Treasury Note, 2.500% due 2/15/2045	36,101	New South Wales Treasury Corp, 5.000% due 8/20/2024	30,677
Kommunalbanken AS, 0.635% due 3/27/2017	33,174	Poland Government Bond, Series 1023, 4.000% due 10/25/2023	29,890
Mexican Bonos, Series M 20, 8.500% due 5/31/2029	31,282	European Investment Bank, 3.750% due 4/15/2015	26,672
Malaysia Government Bond, Series O323, 3.480% due 3/15/2023	30,463	Kommunalbanken AS, 0.375% due 5/2/2017	25,440
United States Treasury Note, 0.104% due 1/31/2017	29,131	Kommunekredit, 0.465% due 4/23/2014	25,027

Statement of Major Portfolio Changes – (continued)

Legg Mason Brandywine Global Fixed Income Fund – (continued)

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Italy Buoni Poliennali Del Tesoro, 5.000% due 8/1/2039	28,270	Asian Development Bank, 5.250% due 9/25/2015	21,847
Poland Government Bond, Series 1023, 4.000% due 10/25/2023	24,377	KFW, 6.250% due 12/4/2019	19,972
Corp Andina de Fomento, 0.803% due 1/29/2018	18,300	Export Development Canada, 5.125% due 7/31/2014	19,818

Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^]

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	957,542	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	957,185
United States Treasury Note, 0.090% due 7/31/2016	223,824	United States Treasury Note, 0.075% due 1/31/2016	182,902
United States Treasury Note, 0.075% due 1/31/2016	69,284	United States Treasury Note, 0.090% due 7/31/2016	129,875
Hungary Government Bond, 6.000% due 11/24/2023	49,396	Italy Buoni Poliennali Del Tesoro, 5.000% due 8/1/2039	46,272
Indonesia Treasury Bond, 9.000% due 3/15/2029	42,550	Hungary Government Bond, Series 16/C, 5.500% due 2/12/2016	37,581
Mexican Bonos, Series M, 7.750% due 11/13/2042	38,459	Poland Government Bond, Series 1023, 4.000% due 10/25/2023	26,451
Mexican Bonos, Series M 20, 8.500% due 5/31/2029	36,728	United States Treasury Bond, 2.875% due 5/15/2043	23,868
Morgan Stanley, 1.536% due 4/25/2018	32,762	Mexican Bonos, Series M, 7.000% due 6/19/2014	18,117
Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000% due 1/1/2023	31,621	Mexican Bonos, Series M 20, 8.500% due 5/31/2029	13,789
The Goldman Sachs Group Inc, 1.336% due 11/15/2018	31,320	Turkey Government Bond, 6.500% due 1/7/2015	13,691
International Lease Finance Corp, 4.875% due 4/1/2015	24,973	IM Pastor 4 Fondo de Titulizacion de Activos, Series 4, Class A, 0.219% due 3/22/2044	13,639
Italy Buoni Poliennali Del Tesoro, 5.000% due 8/1/2039	23,143	Citigroup Inc, 5.000% due 9/15/2014	13,615
JPMorgan Chase & Co, 1.156% due 1/25/2018	21,542	Morgan Stanley, 4.750% due 4/1/2014	13,541
Mexican Bonos, Series M 30, 8.500% due 11/18/2038	20,593	JPMorgan Chase & Co, 0.945% due 3/31/2016	12,500
Korea Treasury Bond, Series 1809, 5.750% due 9/10/2018	19,020	Fondo de Titulizacion de Activos UCI, Series 16, Class A2, 0.232% due 6/16/2049	12,253
Portugal Obrigacoes do Tesouro OT, 4.950% due 10/25/2023	17,605	Mexican Bonos, Series M, 7.750% due 11/13/2042	11,805
Shinhan Bank, 0.901% due 4/8/2017	17,530	Mexican Bonos, 6.000% due 6/18/2015	11,703
Bank of America Corp, 1.279% due 1/15/2019	17,426	Italy Buoni Poliennali Del Tesoro, Series CPI, 2.350% due 9/15/2035	11,681
New Zealand Government Bond, Series 521, 6.000% due 5/15/2021	17,286	TDA CAM 8 Fondo de Titulizacion de Activos, Series 8, Class A, 0.174%, due 2/26/2049	10,142
South Africa Government Bond, Series R214, 6.500% due 2/28/2041	16,710	Morgan Stanley, 5.375% due 10/15/2015	9,567

Legg Mason Brandywine Global High Yield Fund[^]

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	16,932	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	16,901
Kelda Finance No 3 Plc, 5.750% due 2/17/2020	796	DISH DBS Corp, 5.000% due 3/15/2023	867
JP Morgan Chase Commercial Mortgage Securities Trust 2007-CIBC18, 5.466% due 6/12/2047	765	Kelda Finance No 3 Plc, 5.750% due 2/17/2020	776
Virgin Media Secured Finance Plc, 5.500% due 1/15/2025	684	JP Morgan Chase Commercial Mortgage Securities Trust 2007-CIBC18, 5.466% due 6/12/2047	750
Wind Acquisition Finance SA, 7.375% due 4/23/2021	638	Anheuser-Busch InBev Worldwide Inc, 9.750% due 11/17/2015	611
T-Mobile USA Inc, 6.500% due 1/15/2024	623	Momentive Performance Materials Inc, 8.875% due 10/15/2020	504
JBS Investments GmbH, 7.250% due 4/3/2024	617	Par Pharmaceutical Cos Inc, 7.375% due 10/15/2020	498
Auburn Securities 3 Plc, 1.155% due 11/1/2039	527	Auburn Securities 3 Plc, 1.155% due 11/1/2039	492
Cemex Finance LLC, 6.000% due 4/1/2024	503	JBS USA LLC / JBS USA Finance Inc, 8.250% due 2/1/2020	471
Portugal Obrigacoes do Tesouro OT, 5.650% due 2/15/2024	494	Linn Energy LLC / Linn Energy Finance Corp, 6.250% due 11/1/2019	452
Boparan Finance Plc, 5.250% due 7/15/2019	485	CMA CGM SA, 8.750% due 12/15/2018	429
IM Pastor 4 Fondo de Titulizacion de Activos, Series 4, Class A, 0.219% due 3/22/2044	457	Banc of America Commercial Mortgage Trust, 5.576% due 6/10/2049	422
International Game Technology Plc, 4.750% due 2/15/2023	456	Viridian Group FundCo II, 11.125% due 4/1/2017	412
Anheuser-Busch InBev Worldwide Inc, 9.750% due 11/17/2015	450	IM Pastor 4 Fondo de Titulizacion de Activos, Series 4, Class A, 0.219% due 3/22/2044	406
Vector Group Ltd, 7.750% due 2/15/2021	448	Softbank Corp, 4.500% due 4/15/2020	402
DISH DBS Corp, 5.000% due 3/15/2023	443	SBA Communications Corp, 5.625% due 10/1/2019	401
Triumph Group Inc, 5.250% due 6/1/2022	433	Hastings Insurance Group Finance Plc, 6.578% due 10/21/2019	399
Fly Leasing Ltd, 6.750% due 12/15/2020	429	TVN Finance Corp III AB, 7.375% due 12/15/2020	383
Sprint Corp, 7.250% due 9/15/2021	429	GenOn Americas Generation LLC, 8.500% due 10/1/2021	381
Capsugel Holdings U.S. Inc, Zero Coupon due 8/1/2018	424	Vector Group Ltd, 7.750% due 2/15/2021	380
Banc of America Commercial Mortgage Trust, 5.576% due 6/10/2049	418		
Columbus International Inc, 7.375% due 3/30/2021	414		

Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^]

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	149,528	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	147,625
United States Treasury Note, 0.090% due 7/31/2016	31,371	United States Treasury Note, 0.090% due 7/31/2016	16,861
United Kingdom Gilt, 2.750% due 1/22/2015	16,202	United Kingdom Gilt, 2.750% due 1/22/2015	14,853
United Kingdom Gilt, 2.000% due 1/22/2016	15,489	United Kingdom Gilt, 2.250% due 3/7/2014	12,565
United States Treasury Note, 0.075% due 1/31/2016	10,589	United States Treasury Note, 0.075% due 1/31/2016	10,591
Indonesia Treasury Bond, 9.000% due 3/15/2029	9,816	Hungary Government Bond, Series 16/C, 5.500% due 2/12/2016	7,622
Nederlandse Waterschapsbank NV, 0.487% due 2/14/2018	8,162	United States Treasury Bond, 2.875% due 5/15/2043	7,269
Kommunalbanken AS, 0.441% due 2/20/2018	8,127	Italy Buoni Poliennali Del Tesoro, 5.000% due 8/1/2039	5,923
Hungary Government Bond, 6.000% due 11/24/2023	8,051	United States Treasury Bond, 2.750% due 8/15/2042	5,503
United States Treasury Note, 2.500% due 2/15/2045	7,198	Dexia Credit Local SA/New York NY, 0.676% due 1/11/2017	5,420
Mexican Bonos, Series M, 7.750% due 11/13/2042	6,073	Poland Government Bond, Series 1023, 4.000% due 10/25/2023	4,415
United States Treasury Note, 0.104% due 1/31/2017	5,920	New South Wales Treasury Corp, 5.000% due 8/20/2024	4,197
Mexican Bonos, Series M 20, 8.500% due 5/31/2029	5,586	Svensk Exportkredit AB, 0.422% due 6/12/2017	3,278
Italy Buoni Poliennali Del Tesoro, 5.000% due 8/1/2039	5,540	Turkey Government Bond, 6.500% due 1/7/2015	3,171
Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000% due 1/1/2023	5,223	Erste Abwicklungsanstalt, 0.536% due 1/29/2016	2,812
Queensland Treasury Corp, Series 20, 6.250% due 2/21/2020	5,063	Bank Nederlandse Gemeenten, 0.407% due 7/18/2016	2,591
Mexican Bonos, Series M 30, 8.500% due 11/18/2038	4,787	Achmea Hypotheekbank NV, 3.200% due 11/3/2014	1,905
Korea Treasury Bond, Series 1809, 5.750% due 9/10/2018	4,087	KFW, 6.250% due 12/4/2019	1,372
The Goldman Sachs Group Inc, 1.336% due 11/15/2018	3,951	Mexican Bonos, Series M, 7.750% due 11/13/2042	1,292
Deutsche Bank AG/London, 0.868% due 2/13/2017	3,847	Bank Nederlandse Gemeenten, 0.517% due 2/8/2016	1,221

Statement of Major Portfolio Changes – (continued)

Legg Mason Brandywine Global Sovereign Credit Fund^A

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	676,946	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	606,228
United States Treasury Note, 0.090% due 7/31/2016	352,540	United States Treasury Note, 0.090% due 7/31/2016	126,131
Brazil Notas do Tesouro Nacional Serie F, Series NTFN, 10.000% due 1/1/2023	127,745	Poland Government Bond, Series 1023, 4.000% due 10/25/2023	81,425
Indonesia Treasury Bond, 9.000% due 3/15/2029	87,663	Italy Buoni Poliennali Del Tesoro, 5.000% due 8/1/2039	63,772
Mexican Bonos, Series M 30, 8.500% due 11/18/2038	66,131	Turkey Government Bond, 6.500% due 1/7/2015	53,092
Poland Government Bond, Series 1023, 4.000% due 10/25/2023	51,314	United States Treasury Bond, 2.875% due 5/15/2043	44,758
Poland Government Bond, Series 1020, 5.250% due 10/25/2020	49,665	United States Treasury Bond, 2.750% due 8/15/2042	41,701
New Zealand Government Bond, Series 423, 5.500% due 4/15/2023	48,568	Poland Government Bond, Series 0415, 5.500% due 4/25/2015	8,991
United States Treasury Note, 2.500% due 2/15/2045	47,755		
Mexican Bonos, Series M 20, 8.500% due 5/31/2029	44,794		
Korea Treasury Bond, Series 2006, 5.000% due 6/10/2020	44,340		
Korea Treasury Bond, Series 1809, 5.750% due 9/10/2018	42,984		
United States Treasury Bond, 2.875% due 5/15/2043	40,754		
Italy Buoni Poliennali Del Tesoro, 5.000% due 8/1/2039	39,729		
Malaysia Government Bond, Series 0323, 3.480% due 3/15/2023	37,407		
Queensland Treasury Corp, Series 24, 5.750% due 7/22/2024	36,785		
Mexican Bonos, Series M, 7.750% due 11/13/2042	36,313		
South Africa Government Bond, Series R214, 6.500% due 2/28/2041	32,868		
Colombia Government International Bond, 5.000% due 6/15/2045	30,200		
South Africa Government Bond, Series R208, 6.750% due 3/31/2021	27,869		
Hungary Government Bond, Series 22/A, 7.000% due 6/24/2022	21,693		
Turkey Government Bond, 6.500% due 1/7/2015	21,543		

Legg Mason Brandywine Global Income Optimiser Fund^A

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	45,983	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	41,051
U.S. Treasury Bill, zero coupon due 12/4/2014	12,840	U.S. Treasury Bill, zero coupon due 12/4/2014	12,840
United States Treasury Bill, zero coupon due 11/12/2015	12,836	United States Treasury Bill, zero coupon due 11/12/2015	12,836
Mexican Bonos, Series M, 6.500% due 6/9/2022	2,385	Republic of Korea, 4.125% due 6/10/2044	1,900
Aire Valley Mortgages Plc, 0.379% due 9/20/2066	2,236	Spain Government Bond, 5.150% due 10/31/2044	1,602
Aire Valley Mortgages Plc, Series 2005 1X, 0.439% due 9/20/2066	2,051	European Bank for Reconstruction & Development, 7.650% due 2/8/2015	1,566
Indonesia Treasury Bond, 7.875% due 4/15/2019	1,912	State Bank of India/London, 4.875% due 4/17/2024	1,400
JBS Investments GmbH, 7.250% due 4/3/2024	1,800	Telecom Italia SpA, 5.303% due 5/30/2024	1,355
Republic of Korea, 4.125% due 6/10/2044	1,775	Intesa Sanpaolo SpA, 5.017% due 6/26/2024	1,127
BBVA Bancomer SA/Texas, 4.375% due 4/10/2024	1,769	Virgin Media Secured Finance Plc, 5.500% due 1/15/2025	1,047
Altice SA, 7.250% due 5/15/2022	1,686	Indonesia Government International Bond, 8.500% due 10/12/2035	947
Italy Buoni Poliennali Del Tesoro, 5.000% due 9/1/2040	1,661	Abengoa Finance SAU, 8.875% due 2/5/2018	780
New Zealand Government Bond, 3.000% due 4/15/2020	1,619	Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 4.250% due 1/15/2022	754
European Bank for Reconstruction & Development, 7.650% due 2/8/2015	1,556	Australia Government Bond, Series 135, 4.250% due 7/21/2017	676
Boparan Finance Plc, 5.250% due 7/15/2019	1,513	San Miguel Corp, 4.875% due 4/26/2023	563
Australia Government Bond, 2.750% due 4/21/2024	1,498	Grupo Bimbo SAB de CV, 3.875% due 6/27/2024	554
Spain Government Bond, 5.150% due 10/31/2044	1,484	Towergate Finance Plc, 6.021% due 2/15/2018	547
Wind Acquisition Finance SA, 7.375% due 4/23/2021	1,468	NGG Finance Plc, Series GBP, 5.625% due 6/18/2073	536
General Electric Capital Corp, 0.872% due 1/9/2020	1,420	Viridian Group FundCo II, 11.125% due 4/1/2017	508
State Bank of India/London, 4.875% due 4/17/2024	1,368	Kelda Finance No 3 Plc, 5.750% due 2/17/2020	490

Legg Mason Brandywine Global Credit Opportunities Fund^A

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	16,088	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	15,239
IM Pastor 4 Fondo de Titulizacion de Activos, Series 4, Class A, 0.219%, due 3/22/2044	6,082	United States Treasury Bill, zero coupon due 7/31/2014	1,500
TDA CAM 4 Fondo de Titulizacion de Activos, Series 4, Class B, 0.319%, due 6/26/2039	4,349	Fannie Mae Connecticut Avenue Securities, Series 2014 C03, Class 2M2, 3.071%, due 7/25/2024	914
Kildare Securities Ltd, Series 1, Class A3, 0.282%, due 12/10/2043	3,704	TDA CAM 4 Fondo de Titulizacion de Activos, Series 4, Class B, 0.319%, due 6/26/2039	907
RMAC Securities No 1 Plc, Series 2006-NS4X, Class B1C, 0.933%, due 6/12/2044	3,678	Spain Government Bond, 5.150% due 10/31/2044	828
IM Pastor 3 Fondo de Titulizacion Hipotecaria, Series 3, Class A, 0.219%, due 3/22/2043	3,168	Portugal Obrigacoes do Tesouro OT, 5.650% due 2/15/2024	799
Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2014 DN3, Class M3, 4.171%, due 8/25/2024	3,019	United States Treasury Bill, zero coupon due 1/8/2015	600
TDA CAM 9 Fondo de Titulizacion de Activos, Series 9, Class A3, 0.254%, due 4/28/2050	2,463	TDA Ibercaja Fondo de Titulizacion de Activos, Series 4, Class D, 0.663% due 8/26/2044	551
Carlyle Global Market Strategies CLO Ltd, Series 2012-4A, Class E, 5.757%, due 1/20/2025	2,396	Grifonas Finance Plc, Series 1, Class A, 0.551%, due 8/28/2039	521
Wachovia Bank Commercial Mortgage Trust, Series 2006-C29, Class AJ, 5.368%, due 11/15/2048	2,182	Infinity 2007-1, Series SOPR, Class A, 0.235%, due 11/5/2019	372
Citigroup Commercial Mortgage Trust, Series 2007-C6, Class AJFX, 5.713%, due 7/10/2017	2,102	TDA 24 Fondo de Titulizacion de Activos, Series 24, Class A1, 0.209%, due 6/22/2040	235
RMAC Securities No 1 Plc, Series 2006-NS1X, Class B1C, 0.963%, due 6/12/2044	1,903	HJ Heinz Co, 4.875% due 2/15/2025	227
Fannie Mae Connecticut Avenue Securities, Series 2014 C03, Class 2M2, 3.071%, due 7/25/2024	1,889	SLM Private Credit Student Loan Trust, Series 2005-B, Class C, 0.941%, due 6/15/2039	98
Figueroa CLO Ltd, Series 2013-1A, Class D, 5.032%, due 3/21/2024	1,853	IM Pastor 4 Fondo de Titulizacion de Activos, Series 4, Class A, 0.219% due 3/22/2044	94
Magellan Mortgages No 4 Plc, Series 4, Class A, 0.200%, due 7/20/2059	1,849	TDA CAM 9 Fondo de Titulizacion de Activos, Series 9, Class A3, 0.254%, due 4/28/2050	92
Option One Mortgage Loan Trust, Series 2005 4, Class M1, 0.611%, due 11/25/2035	1,791	BBVA RMBS 2 Fondo de Titulizacion de Activos, Series 2, Class A2, 0.222%, due 9/17/2050	75
BBVA RMBS 2 Fondo de Titulizacion de Activos, Series 2, Class A2, 0.222%, due 9/17/2050	1,668	Magellan Mortgages No 4 Plc, Series 4, Class A, 0.200%, due 7/20/2059	60
Portugal Obrigacoes do Tesouro OT, 4.100% due 2/15/2045	1,510	TDA CAM 7 Fondo de Titulizacion de Activos, Series 7, Class A2, 0.184%, due 2/26/2049	56
United States Treasury Bill, zero coupon due 7/31/2014	1,500	Triangle USA Petroleum Corp, 6.750% due 7/15/2022	51
TDA CAM 8 Fondo de Titulizacion de Activos, Series 8, Class A, 0.174%, due 2/26/2049	1,342	TDA CAM 8 Fondo de Titulizacion de Activos, Series 8, Class A, 0.174%, due 2/26/2049	46

Statement of Major Portfolio Changes – (continued)

Legg Mason Brandywine Global Credit Opportunities Fund[^] – (continued)

MAJOR PURCHASES	COST (in 000\$)
Fondo de Titulizacion de Activos UCI, Series 16, Class A2, 0.232%, due 6/16/2049	1,328
Rural Hipotecario I Fondo De Titulizacion Hipotec, Series 9, Class B, 0.368%, due 2/17/2050	1,184
Grifonas Finance Plc, Series 1, Class A, 0.551%, due 8/28/2039	1,127
SLM Private Credit Student Loan Trust, Series 2005-B, Class C, 0.941%, due 6/15/2039	990
Infinity 2007-1, Series SOPR, Class A, 0.235%, due 11/5/2019	980
TDA CAM 7 Fondo de Titulizacion de Activos, Series 7, Class A2, 0.184%, due 2/26/2049	967
TDA 24 Fondo de Titulizacion de Activos, Series 24, Class A1, 0.209%, due 6/22/2040	916
New Zealand Government Bond, Series 423, 5.500% due 4/15/2023	861
Australia Government Bond, Series 137, 2.750%, due 4/21/2024	855
Portugal Obrigacoes do Tesouro OT, 5.650% due 2/15/2024	799

Legg Mason Western Asset Brazil Equity Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Suzano Papel e Celulose SA	269	Vale SA	269
Klabin SA	216	Porto Seguro SA	165
Iguatemi Empresa de Shopping Centers SA	163	Magazine Luiza SA	160
lochpe-Maxion SA	162	Raia Drogasil SA	154
Estacio Participacoes SA	146	Even Construtora e Incorporadora SA	146
EcoRodovias Infraestrutura e Logistica SA	131	Brasil Brokers Participacoes SA	141
Cosan SA Industria e Comercio	129	Minerva SA	125
CCR SA	120	Ez Tec Empreendimentos E Participacoes SA	119
BM&FBovespa SA – Bolsa de Valores Mercadorias e Futuros	114	Cia de Transmissao de Energia Eletrica Paulista	117
Petroleo Brasileiro SA	113	Suzano Papel e Celulose SA	115
Lojas Americanas SA	112	Tegma Gestao Logistica	114
Cia de Transmissao de Energia Eletrica Paulista	108	BB Seguridade Participacoes SA	110
Minerva SA	106	Banco ABC Brasil SA	110
Tegma Gestao Logistica	104	Itau Unibanco Holding SA	102
Sao Martinho SA	86	lochpe-Maxion SA	88
Banco ABC Brasil SA	75	Cia de Saneamento Basico do Estado de Sao Paulo	86
JBS SA	74	BRF SA	73
Gerdau SA	73	Valid Solucoes E Servicos de Seguranca Em Meios de Pagamento E Identificacao SA	72
Porto Seguro SA	71	Direcional Engenharia SA	61
BB Seguridade Participacoes SA	64	Iguatemi Empresa de Shopping Centers SA	59
Tupy SA	58	Petroleo Brasileiro SA	57
Itau Unibanco Holding SA	50	Banco Bradesco SA	47
Vale SA	48	Alupar Investimento SA	42
Even Construtora e Incorporadora SA	37	International Meal Co Holdings SA	36
Valid Solucoes E Servicos de Seguranca Em Meios de Pagamento E Identificacao SA	35	CCR SA	32
Contax Participacoes SA	34	Sao Martinho SA	31
BRF SA	29	Klabin SA	30

Legg Mason ClearBridge Value Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
American International Group Inc	9,027	Apple Inc	10,936
PulteGroup Inc	8,924	Target Corp	9,079
NXP Semiconductor NV	8,231	Celgene Corp	8,550
Yahoo! Inc	8,010	MetLife Inc	8,490
Keurig Green Mountain Inc	7,955	Phillips 66	7,376
Amgen Inc	6,192	Parker Hannifin Corp	6,720
Perrigo Co Plc	6,124	Capital One Financial Corp	6,609
Rockwell Automation Inc	6,075	Pfizer Inc	6,549
EOG Resources Inc	5,909	eBay Inc	6,308
Citigroup Inc	5,858	United Technologies Corp	5,779
Lowe's Cos Inc	5,610	Halliburton Co	5,426
Apache Corp	5,555	GlaxoSmithKline Plc, ADR	5,056
The Boeing Co	5,436	Amgen Inc	4,967
Steel Dynamics Inc	5,339	Broadcom Corp, Class A	4,523
Baker Hughes Inc	4,705	UnitedHealth Group Inc	4,299
American Homes 4 Rent	4,355	McDonald's Corp	4,242
Calpine Corp	4,350	United Continental Holdings Inc	3,795
Citizens Financial Group Inc	4,300	JPMorgan Chase & Co	3,541
Amazon.com Inc	3,698	PetSmart Inc	3,502
Genworth Financial Inc, Class A	3,603	Teradata Corp	2,955
Albemarle Corp	3,455	Merck & Co Inc	2,755
Southwestern Energy Co	3,367	Southwestern Energy Co	2,445
Microsoft Corp	3,357	Coach Inc	2,445
Target Corp	2,970	Citigroup Inc	1,823
Cisco Systems Inc	2,720	LyondellBasell Industries NV, Class A	1,756
JPMorgan Chase & Co	2,713	NXP Semiconductor NV	1,724
Wells Fargo & Co	2,612	EMC Corp	1,633
EMC Corp	2,485	Chevron Corp	1,547
United Continental Holdings Inc	2,441		
Apple Inc	2,347		

Statement of Major Portfolio Changes – (continued)

Legg Mason ClearBridge Value Fund – (continued)

MAJOR PURCHASES	COST (in 000\$)
E*Trade Financial Corp	2,343
Teradata Corp	2,289
Celgene Corp	2,228
UnitedHealth Group Inc	2,219
Merck & Co Inc	2,158
CONSOL Energy Inc	2,134
Express Scripts Holding Co	1,934
LyondellBasell Industries NV, Class A	1,926
Chevron Corp	1,918

Legg Mason ClearBridge Growth Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Precision Castparts Corp	170	Adobe Systems Inc	234
Perrigo Co Plc	168	Dollar General Corp	216
salesforce.com inc	153	The Estee Lauder Cos Inc	193
Kate Spade & Co	152	Forest Laboratories Inc	171
FireEye Inc	151	United Technologies Corp	140
The Boeing Co	140	JPMorgan Chase & Co	127
Bristol-Myers Squibb Co	134	PetSmart Inc	114
Discover Financial Services	102	TRW Automotive Holdings Corp	111
EOG Resources Inc	87	United Parcel Service Inc, Class B	110
Athenahealth Inc	82	Teradata Corp	108
Celgene Corp	74	Southwest Airlines Co	95
Yahoo! Inc	73	Broadcom Corp, Class A	86
CommVault Systems Inc	70	Bed Bath & Beyond Inc	75
Twitter Inc	69	Las Vegas Sands Corp	72
Amgen Inc	68	Apple Inc	61
Apple Inc	57	Spirit Airlines Inc	58
The Boston Beer Co Inc	52	Altera Corp	58
Cvent Inc	42	CommVault Systems Inc	50
Veeva Systems Inc	37	Groupon Inc	31
Las Vegas Sands Corp	34	Scripps Networks Interactive Inc, Series A	16
Ralph Lauren Corp	33		
Amazon.com Inc	32		
California Resources Corp	29		

Legg Mason ClearBridge Global Equity Fund^A

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Nestle SA	92	Hospira Inc	95
POSCO	87	Molson Coors Brewing Co	65
Danone SA	87	Corning Inc	62
Telefonaktiebolaget LM Ericsson	81	Rio Tinto Ltd	49
Sumitomo Mitsui Financial Group Inc	81	Direct Line Insurance Group Plc	45
Standard Chartered Plc	78	Exmar NV	44
Koninklijke KPN NV	78	Lorillard Inc	41
Sanofi-Aventis SA	70	Capital One Financial Corp	40
Rio Tinto Ltd	67	CSX Corp	39
Anglo American Plc	66	Hoya Corp	39
Alcoa Inc	63	Foster Wheeler AG	39
Banca Monte dei Paschi di Siena SpA	60	JTEKT Corp	37
GDF Suez SA	60	Newell Rubbermaid Inc	37
Anima Holding SpA	57	Electrolux AB, Series B	36
Unilever NV	56	Yue Yuen Industrial Holdings Ltd	36
Teva Pharmaceutical Industries Ltd, ADR	56	Fifth Third Bancorp	35
Japan Airlines Co Ltd	55	Publicis Groupe SA	33
Sony Corp	53	TDC A/S	33
Grendene SA	52	Muenchener Rueckversicherungs AG	32
Greggs Plc	51	Imerys SA	31
Opus Bank	51	Rexam Plc	31
Duratex SA	50	Ube Industries Ltd	31
Vodafone Group Plc	49	UPM-Kymmene OYJ	29
Adecco SA	49	General Motors Co	28
Deutsche Telekom AG	49	SAF-Holland SA	27
GUD Holdings Ltd	49	DirecTV	26
GlaxoSmithKline Plc	49	Sensient Technologies Corp	25
Mitsubishi Corp	48	Vulcan Materials Co	25
Bouygues SA	48	Canadian Natural Resource Ltd	24
Aircastle Ltd	48	Greggs Plc	23
C&C Group Plc	48	Denso Corp	23
Exelon Corp	47	PNC Financial Services Group Inc	22
TDK Corp	47	Amadeus IT Holding SA, Class A	22
Grupo BTG Pactual	44	HeidelbergCement AG	19
Turkiye Garanti Bankasi AS	44	Siemens AG	18
Gazprom OAO, ADR	43	XTEP International Holdings	18
Wienerberger AG	43	Peabody Energy Corp	17
Safran SA	42	Indra Sistemas SA	16
Total SA	42	Corbion NV	15
AXA SA	41	AXA SA	15
KT Corp	41	Allianz SE	15

Statement of Major Portfolio Changes – (continued)

Legg Mason ClearBridge Global Equity Fund[^] – (continued)

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
China Construction Bank Corp, Class H	38	Voestalpine AG	15
Lorillard Inc	36	OPAP SA	15
Belgacom SA	36	Banca Monte dei Paschi di Siena SpA	15
Muenchener Rueckversicherungs AG	36		
Daiwa Securities Group Inc	35		
BP Plc	35		
Kesko OYJ	35		
Hitachi Ltd	34		
Allianz SE	34		

Legg Mason ClearBridge Global Equity Income Fund[^]

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Teva Pharmaceutical Industries Ltd, ADR	104	China Communications Construction Co Ltd	63
Sumitomo Mitsui Financial Group Inc	96	Zhejiang Expressway Co Ltd	57
Daiwa Securities Group Inc	91	Mitsui & Co Ltd	55
Telefonaktiebolaget LM Ericsson	90	Rio Tinto Ltd	51
Nestle SA	89	Daihatsu Motor Co Ltd	49
Danone SA	89	Catlin Group Ltd	48
POSCO	87	China CNR Corp Ltd	43
Cisco Systems Inc	82	United Utilities Group Plc	40
Adecco SA	81	Swedish Match AB	39
Sanofi-Aventis SA	81	SAF-Holland SA	36
AXA SA	81	Yangzijiang Shipbuilding Holdings Ltd	36
Standard Chartered Plc	81	Frasers Commercial Trust	35
Norsk Hydro ASA	80	Neopost SA	35
Total SA	79	Greggs Plc	29
Unilever NV	78	XTEP International Holdings	24
International Paper Co	77	Invesco Mortgage Capital Inc	20
Allianz SE	76	Mudajaya Group Bhd	16
Carnival Corp	76	Peabody Energy Corp	14
BP Plc	76	Cisco Systems Inc	8
Veolia Environnement SA	74	International Paper Co	7
Incitec Pivot Ltd	72		
Merck & Co Inc	72		
Novartis AG	69		
Anta Sports Products Ltd	69		
Vodafone Group Plc	69		
Yingde Gases Group Co Ltd	68		
Shanks Group Plc	67		
Yue Yuen Industrial Holdings Ltd	67		
GDF Suez SA	66		
BNP Paribas SA	65		
Saft Groupe SA	65		
Anglo American Plc	65		
Imperial Tobacco Group Plc	65		
Rio Tinto Ltd	64		
GUD Holdings Ltd	63		
G4S Plc	62		
Exelon Corp	61		
Aviva Plc	60		
Mitsui & Co Ltd	60		
Daihatsu Motor Co Ltd	59		
Greggs Plc	59		
Orkla ASA	59		
KT Corp	58		
Cyrela Brazil Realty SA Empreendimentos E Participacoes	57		

Legg Mason ClearBridge US Appreciation Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Synchrony Financial	2,058	eBay Inc	4,126
Norfolk Southern Corp	1,748	Apple Inc	2,830
Intel Corp	1,593	The Travelers Cos Inc	2,733
Microsoft Corp	1,575	Qualcomm Inc	2,501
SAP SE	1,506	United Parcel Service Inc, Class B	2,431
CH Robinson Worldwide Inc	1,473	Amazon.com Inc	2,152
UnitedHealth Group Inc	1,210	Pfizer Inc	2,042
Nucor Corp	1,133	Twenty-First Century Fox Inc	2,039
Johnson Controls Inc	1,063	NetApp Inc	2,003
Occidental Petroleum Corp	1,031	The Walt Disney Co	2,002
Berkshire Hathaway Inc, Class A	808	Pentair Plc	1,987
Citrix Systems Inc	729	Visa Inc, Class A	1,974
The Procter & Gamble Co	683	Harley-Davidson Inc	1,794
Bristol-Myers Squibb Co	670	Google Inc, Class A	1,771
Red Hat Inc	665	Citigroup Inc	1,649
TJX Cos Inc	574	Johnson Controls Inc	1,645
AbbVie Inc	550	GlaxoSmithKline Plc, ADR	1,642
Oracle Corp	501	Covidien Plc	1,583
JPMorgan Chase & Co	435	Lowe's Cos Inc	1,508
Apple Inc	405	AT&T Inc	1,498

Statement of Major Portfolio Changes – (continued)

Legg Mason ClearBridge US Appreciation Fund – (continued)

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Schlumberger Ltd	396	Juniper Networks Inc	1,447
Facebook Inc, Class A	396	Express Scripts Holding Co	1,446
The Walt Disney Co	366	Google Inc	1,401
Covidien Plc	361	Citrix Systems Inc	1,367
The Boeing Co	355	Bristol-Myers Squibb Co	1,301
Exxon Mobil Corp	328	Comcast Corp, Class A	1,259
Adobe Systems Inc	327	Johnson & Johnson	1,197
Comcast Corp, Class A	326	CVS Caremark Corp	1,087
Wells Fargo & Co	317	Exxon Mobil Corp	1,077
PPG Industries Inc	312	AstraZeneca Plc, ADR	1,075
CVS Caremark Corp	303	The Boeing Co	1,066
		PPG Industries Inc	1,057
		Blackstone Group LP	1,033
		Wal-Mart Stores Inc	985
		Home Depot Inc	968
		General Electric Co	957
		Starwood Hotels & Resorts Worldwide Inc	937
		Wells Fargo & Co	912

Legg Mason ClearBridge US Fundamental Value Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Target Corp	1,087	Applied Materials Inc	2,690
Yahoo! Inc	931	Home Depot Inc	1,443
Best Buy Co Inc	917	Halliburton Co	1,101
Synchrony Financial	897	Merck & Co Inc	1,082
Marathon Oil Corp	763	The Walt Disney Co	1,080
EnscO Plc	622	Novartis AG, ADR	997
Vodafone Group Plc, ADR	621	Hess Corp	952
Pier 1 Imports Inc	523	Verizon Communications Inc	929
McDermott International Inc	507	Apple Inc	891
Greenhill & Co Inc	492	Baker Hughes Inc	771
Royal Dutch Shell Plc, ADR	457	US Bancorp	720
Halliburton Co	440	Jones Lang LaSalle Inc	716
Allison Transmission Holdings Inc	402	Fluor Corp	707
Stanley Black & Decker Inc	374	Devon Energy Corp	674
Citigroup Inc	268	BHP Billiton Ltd, ADR	638
General Electric Co	207	The Chubb Corp	584
First Republic Bank/San Francisco CA	177	Chevron Corp	578
Exxon Mobil Corp	144	Safeway Inc	504
		Johnson & Johnson	478
		EnscO Plc	475
		Peabody Energy Corp	458
		The Boeing Co	455
		Pebblebrook Hotel Trust	426
		Exxon Mobil Corp	395
		Mattel Inc	386
		Marsh & McLennan Cos Inc	385
		Jacobs Engineering Group Inc	332
		KLA-Tencor Corp	331
		Honeywell International Inc	324
		BlackRock Inc	319
		JPMorgan Chase & Co	318
		The Goldman Sachs Group Inc	301
		Axis Capital Holdings Ltd	298

Legg Mason ClearBridge US Large Cap Growth Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Precision Castparts Corp	2,596	Target Corp	3,177
Towers Watson & Co	2,155	Broadcom Corp, Class A	1,994
Schlumberger Ltd	1,878	NetApp Inc	1,707
FMC Technologies Inc	1,838	Amgen Inc	1,678
Twenty-First Century Fox Inc	1,557	Caterpillar Inc	1,631
VMware Inc	1,375	PepsiCo Inc	1,605
Amazon.com Inc	1,298	Juniper Networks Inc	1,247
Google Inc	1,179	Check Point Software Technologies Ltd	1,187
Red Hat Inc	1,114	Bed Bath & Beyond Inc	1,013
WW Grainger Inc	1,100	Riverbed Technology Inc	766
Bristol-Myers Squibb Co	1,021	Celgene Corp	619
LinkedIn Corp	988	CVS Caremark Corp	534
Regeneron Pharmaceuticals Inc	929	Apple Inc	454
Target Corp	922	Thermo Fisher Scientific Inc	318
Xilinx Inc	889	Home Depot Inc	265
Eaton Corp Plc	874	Monsanto Co	175
Cameron International Corp	863	The Walt Disney Co	174
Celgene Corp	842	UnitedHealth Group Inc	173
CVS Caremark Corp	819	Comcast Corp, Special Class A	164
Biogen Idec Inc	749	Texas Instruments Inc	163
General Electric Co	734		
Visa Inc, Class A	700		

Statement of Major Portfolio Changes – (continued)

Legg Mason ClearBridge US Large Cap Growth Fund – (continued)

MAJOR PURCHASES	COST (in 000\$)
The Nasdaq OMX Group	571
eBay Inc	560
Comcast Corp, Special Class A	547
Akamai Technologies Inc	546
BlackRock Inc	544
Google Inc, Class A	528
Home Depot Inc	521
Anheuser-Busch InBev NV, ADR	505
The Walt Disney Co	505
Microsoft Corp	501
Apple Inc	458
Citrix Systems Inc	447
Thermo Fisher Scientific Inc	429
The Coca-Cola Co	419
Monsanto Co	410
Facebook Inc, Class A	407
United Parcel Service Inc, Class B	406
UnitedHealth Group Inc	405

Legg Mason ClearBridge US Aggressive Growth Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Anadarko Petroleum Corp	179,000	Forest Laboratories Inc	35,722
Biogen Idec Inc	156,193	Covidien Plc	7,875
Core Laboratories NV	121,840	Intelsat Luxembourg SA	2,289
SanDisk Corp	114,002	Liberty Global Plc, Series C	720
Amgen Inc	106,631		
Fluor Corp	104,482		
Actavis plc	99,894		
Freeport-McMoRan Copper & Gold Inc	90,793		
Autodesk Inc	82,953		
Seagate Technology Plc	79,399		
Comcast Corp, Special Class A	76,815		
AMC Networks Inc, Class A	69,840		
Broadcom Corp, Class A	65,472		
Weatherford International Plc	61,250		
Tyco International Ltd	54,730		
Citrix Systems Inc	54,711		
Nuance Communications Inc	53,355		
National Oilwell Varco Inc	51,844		
Isis Pharmaceuticals Inc	50,173		
Newfield Exploration Co	45,352		
The ADT Corp	40,426		
Valeant Pharmaceuticals International Inc	40,359		
Cree Inc	36,955		
UnitedHealth Group Inc	33,895		
Forest Laboratories Inc	29,671		
Vertex Pharmaceuticals Inc	25,828		
Discovery Communications Inc, Class A	24,761		

Legg Mason ClearBridge US Equity Income Fund^

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
CH Robinson Worldwide Inc	53	Berkshire Hathaway Inc	135
Exelon Corp	52	Schlumberger Ltd	123
American Express Co	47	Exxon Mobil Corp	119
Costco Wholesale Corp	32	General Electric Co	105
Home Depot Inc	28	American Tower Corp	101
Wisconsin Energy Corp	26	UnitedHealth Group Inc	101
Amgen Inc	25	Union Pacific Corp	99
Ecolab Inc	23	Microsoft Corp	98
Praxair Inc	23	3M Co	97
Schlumberger Ltd	22	Time Warner Inc	94
Kimberly-Clark Corp	22	Comcast Corp, Special Class A	93
Eaton Corp Plc	21	United Technologies Corp	92
CenterPoint Energy Inc	13	Qualcomm Inc	91
General Electric Co	12	Johnson & Johnson	91
Anheuser-Busch InBev NV, ADR	11	Verizon Communications Inc	90
Occidental Petroleum Corp	10	Home Depot Inc	89
Merck & Co Inc	8	Kimberly-Clark Corp	87
UnitedHealth Group Inc	8	American Express Co	86
Union Pacific Corp	8	Nestle SA, ADR	84
PPG Industries Inc	7	Spectra Energy Corp	84
Intel Corp	7	Chevron Corp	83
Berkshire Hathaway Inc	6	Apple Inc	81
		The Procter & Gamble Co	80
		Raytheon Co	78
		Waste Management Inc	76
		Pfizer Inc	76
		Wal-Mart Stores Inc	74
		PPG Industries Inc	74

Statement of Major Portfolio Changes – (continued)

Legg Mason ClearBridge US Equity Income Fund[^] – (continued)

	PROCEEDS (in 000\$)
MAJOR SALES	
The Travelers Cos Inc	73
AT&T Inc	69
United Parcel Service Inc, Class B	67
Wisconsin Energy Corp	67
MetLife Inc	67
Merck & Co Inc	67
Automatic Data Processing Inc	63
CH Robinson Worldwide Inc	62
National Grid Plc	60
American Electric Power Co Inc	57
Anheuser-Busch InBev NV, ADR	55
International Paper Co	55
Amgen Inc	53
Corning Inc	52
Intel Corp	52
UGI Corp	52
Exelon Corp	51
Weyerhaeuser Co	50
El du Pont de Nemours & Co	47
Oracle Corp	46
Freeport-McMoRan Copper & Gold Inc	46

Legg Mason ClearBridge Tactical Dividend Income Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
United Technologies Corp	1,200	MetLife Inc PFD	615
Och-Ziff Capital Management Group LLC	1,128	MetLife Inc	594
Regal Entertainment Group	1,043	Kinder Morgan Inc/DE	489
TAL International Group Inc	930	Fiat Chrysler Automobiles NV, 7.875% due 12/15/2016	457
Ares Capital Corp	847	Seadrill Ltd	387
The Williams Cos Inc	839	NextEra Energy Inc 2015	322
Starwood Property Trust Inc	780	Freeport-McMoRan Copper & Gold Inc	300
Apple Inc	766	Enbridge Inc	229
Verizon Communications Inc	696	TransCanada Corp	227
AT&T Inc	679	The Williams Cos Inc	204
Dominion Resources Inc/VA, Series A	665	North Atlantic Drilling Ltd	196
NextEra Energy Inc 2016	659	PPL Corp	192
Roche Holding AG	650	Great Plains Energy Inc	187
Microsoft Corp	637	Hoegh Lng Partners LP	147
KNOT Offshore Partners LP	617	Ares Capital Corp	138
Plains GP Holdings LP	613	Medley Capital Corp	97
Merck & Co Inc	603	Integrus Energy Group Inc	96
AstraZeneca Plc, ADR	601	Kimberly-Clark Corp	83
Kimberly-Clark Corp	599	Regal Entertainment Group	79
VTTI Energy Partners LP	585	TAL International Group Inc	66
MetLife Inc	582		
Dynagas Lng Partners LP	576		
ONEOK Inc	572		
TCP Capital Corp	552		
Stanley Black & Decker Inc	551		
Targa Resources Corp	541		
Brookfield Infrastructure Partners LP	535		
Exelon Corp	518		
Golar LNG Partners LP	507		
Seadrill Ltd	507		
Teekay Corp	504		
General Electric Co	499		
Spectra Energy Corp	492		
FS Investment Corp	491		
MetLife Inc	490		
Freeport-McMoRan Copper & Gold Inc	484		
Hoegh Lng Partners LP	475		
The Procter & Gamble Co	468		
Triplepoint Venture Growth BDC Corp	466		
Fiat Chrysler Automobiles NV, 7.875% due 12/15/2016	462		
Pfizer Inc	460		
Actavis plc	460		
Kinder Morgan Inc/DE	447		
Enbridge Inc	447		
EnLink Midstream LLC	437		
Seagate Technology Plc	430		
PPL Corp	426		
Bristol-Myers Squibb Co	424		
Transocean Partners LLC	414		
Golub Capital BDC Inc	407		
Paychex Inc	404		
Intel Corp	396		
Weyerhaeuser Co, Series A	396		
CenterPoint Energy Inc	390		

Statement of Major Portfolio Changes – (continued)

Legg Mason Opportunity Fund

	COST (in 000s)		PROCEEDS (in 000s)
MAJOR PURCHASES		MAJOR SALES	
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	167,847	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	165,670
Platform Specialty Products Corp	11,000	Bank of America Corp	9,705
Monitise Plc	8,338	GameStop Corp, Class A	8,293
Genworth Financial Inc, Class A	8,285	Hartford Financial Services Group Inc	8,036
Gilead Sciences Inc	7,905	Assured Guaranty Ltd	7,200
GameStop Corp, Class A	7,770	Priceline Group Inc	6,549
Intrexon Corp	6,793	Questcor Pharmaceuticals Inc	5,556
Priceline Group Inc	6,492	Microsoft Corp	4,578
Alibaba Group Holding Ltd	6,408	NorthStar Asset Management Group Inc/New York	4,490
Coupons.com Inc	6,047	Newcastle Investment Corp	4,419
Pandora Media Inc	5,866	NorthStar Realty Finance Corp	4,405
Lennar Corp, Class A	5,820	Delta Air Lines Inc	3,784
NXP Semiconductor NV	5,722	Qualcomm Inc	3,689
zulily Inc	4,903	Supervalu Inc	3,481
PulteGroup Inc	4,807	Ford Motor Co	3,315
Qualcomm Inc	4,792	American Airlines Group Inc	3,308
Sberbank of Russia ADR	4,641	Gilead Sciences Inc	3,261
American Airlines Group Inc	4,401	Universal Display Corp	3,196
Endurance International Group Holdings Inc	4,176	eBay Inc	3,143
Delta Air Lines Inc	4,156	Alibaba Group Holding Ltd	3,114
Nationstar Mortgage Holdings Inc	3,838		
United Continental Holdings Inc	3,764		

Legg Mason Royce US Small Cap Opportunity Fund

	COST (in 000s)		PROCEEDS (in 000s)
MAJOR PURCHASES		MAJOR SALES	
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	311,770	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	328,410
Knowles Corp	8,210	International Rectifier Corp	14,687
Approach Resources Inc	7,945	Spanion Inc	10,010
Encore Wire Corp	7,861	Digital River Inc	9,931
Owens & Minor Inc	6,503	Alere Inc	9,199
Silicon Graphics International Corp	6,060	Apogee Enterprises Inc	9,125
AM Castle & Co	5,591	Spirit Aerosystems Holdings Inc, Class A	8,296
Comtech Telecommunications Corp	5,574	Skechers U.S.A. Inc, Class A	8,261
General Cable Corp	5,420	Century Aluminum Co	7,976
MBIA Inc	5,190	Sunedison Inc	7,805
Unisys Corp	4,783	Patterson-UTI Energy Inc	7,427
TimkenSteel Corp	4,676	Kennedy-Wilson Holdings Inc	7,355
RTI International Metals Inc	4,626	Oplink Communications Inc	7,216
Ferro Corp	4,574	Barnes Group Inc	6,958
SunEdison Semiconductor Ltd	4,372	ArcBest Corp	6,957
Elizabeth Arden Inc	4,280	Chemtura Corp	6,831
William Lyon Homes	4,033	LaSalle Hotel Properties	6,743
Hudson's Bay Co	3,763	The Jones Group Inc	6,637
Curtiss-Wright Corp	3,747	Matrix Service Co	6,627
Old Republic International Corp	3,698	Curtiss-Wright Corp	6,558

Legg Mason Royce US Smaller Companies Fund

	COST (in 000s)		PROCEEDS (in 000s)
MAJOR PURCHASES		MAJOR SALES	
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	136,831	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	146,723
Nu Skin Enterprises Inc, Class A	10,259	Helmerich & Payne Inc	10,918
Genworth MI Canada Inc	6,379	Federated Investors Inc, Class B	10,823
Pason Systems Inc	6,269	Lam Research Corp	10,747
j2 Global Inc	5,889	Unit Corp	9,249
Gentex Corp	5,670	Jacobs Engineering Group Inc	8,315
CIRCOR International Inc	5,640	The Medicines Company	7,264
Movado Group Inc	5,624	MKS Instruments Inc	6,434
Oil States International Inc	5,324	Timken Co	6,287
Virtus Investment Partners Inc	5,297	Nu Skin Enterprises Inc, Class A	5,774
John Bean Technologies Corp	5,042	Robert Half International Inc	5,487
The Medicines Company	4,782	Cal-Maine Foods Inc	5,373
Lannett Co Inc	4,432	Innospec Inc	5,329
Valmont Industries Inc	4,251	Pason Systems Inc	5,151
Artisan Partners Asset Management Inc	4,188	Industrias Bachoco SAB de CV, ADR	4,982
Major Drilling Group International Inc	3,959	Myriad Genetics Inc	4,955
Adtran Inc	3,713	John Bean Technologies Corp	4,529
TGS Nopec Geophysical Co ASA	3,482	Ascena Retail Group Inc	4,399
Genworth MI Canada Inc	3,351	Veeco Instruments Inc	4,259
Aceto Corp	3,222	CIRCOR International Inc	4,231
Ritchie Bros Auctioneers Inc	3,065		

Legg Mason Royce Smaller Companies Fund II^

	COST (in 000s)		PROCEEDS (in 000s)
MAJOR PURCHASES		MAJOR SALES	
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	13,047	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	13,444
Nu Skin Enterprises Inc, Class A	776	Lam Research Corp	769
Pason Systems Inc	641	Federated Investors Inc, Class B	714

Statement of Major Portfolio Changes – (continued)

Legg Mason Royce Smaller Companies Fund II[^] – (continued)

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Genworth MI Canada Inc	489	Helmerich & Payne Inc	701
CIRCOR International Inc	459	Jacobs Engineering Group Inc	527
Gentex Corp	434	Pason Systems Inc	493
Oil States International Inc	432	The Medicines Company	451
j2 Global Inc	427	Unit Corp	429
Virtus Investment Partners Inc	415	Sykes Enterprises Inc	426
Movado Group Inc	411	MKS Instruments Inc	412
John Bean Technologies Corp	374	Nu Skin Enterprises Inc, Class A	401
Lannett Co Inc	360	Robert Half International Inc	394
Artisan Partners Asset Management Inc	345	Timken Co	379
The Medicines Company	301	Cal-Maine Foods Inc	327
Adtran Inc	291	Industrias Bachoco SAB de CV, ADR	319
Valmont Industries Inc	287	Innospec Inc	319
Bio-Rad Laboratories Inc, Class A	277	Lannett Co Inc	311
Genworth MI Canada Inc	264	Ascena Retail Group Inc	304
Ritchie Bros Auctioneers Inc	260	Genworth MI Canada Inc	292
Aceto Corp	245	IPG Photonics Corp	291

Legg Mason Royce Global Smaller Companies Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	140	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	369
		Helmerich & Payne Inc	138
		Mayr Melnhof Karton AG	125
		Semperit AG Holding	124
		Myriad Genetics Inc	122
		Western Digital Corp	106
		Forbo Holding AG	104
		Signet Jewelers Ltd	90
		Recordati SpA	80
		Garmin Ltd	77
		Pason Systems Inc	75
		Ashmore Group Plc	74
		Kennedy-Wilson Holdings Inc	71
		Luk Fook Holdings International Ltd	70
		Sipef SA	66
		Sprott Inc	66
		Pan American Silver Corp	63
		TGS Nopec Geophysical Co ASA	61
		Jupiter Fund Management Plc	60
		Industrias Bachoco SAB de CV, ADR	58
		Trican Well Service Ltd	57
		EPS Corp	56
		Stallergenes SA	52
		Major Drilling Group International Inc	51
		Teradyne Inc	50
		Brasil Brokers Participacoes SA	50
		Value Partners Group Ltd	49
		Moshi Moshi Hotline Inc	49
		Lindsay Corp	48
		Cirrus Logic Inc	48
		FamilyMart Co Ltd	47
		Alten SA	46
		Eternit SA	45
		Societe Internationale de Plantations d'Heveas SA	44
		Benesse Holdings Inc	44
		New World Department Store China Ltd	40
		Autoliv Inc	40
		Lewis Group Ltd	40
		Kennametal Inc	39
		Randgold Resources Ltd, ADR	39
		Raubex Group Ltd	39
		USS Co Ltd	38
		Spectrum ASA	37
		Hochschild Mining Plc	37

Legg Mason Permal Global Absolute Fund[^]

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	5,919	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	9,618
United States Treasury Bill, Zero Coupon due 8/14/2014	3,000	United States Treasury Bill, Zero Coupon due 8/14/2014	3,000
United States Treasury Bill, Zero Coupon due 8/28/2014	3,000	United States Treasury Bill, Zero Coupon due 8/28/2014	3,000
United States Treasury Bill, 0.080% due 8/21/2014	3,000	United States Treasury Bill, 0.080% due 8/21/2014	3,000
United States Treasury Bill, Zero Coupon due 6/19/2014	2,000	United States Treasury Bill, Zero Coupon due 5/22/2014	2,000
United States Treasury Bill, Zero Coupon due 5/22/2014	2,000	United States Treasury Bill, 0.050% due 7/10/2014	2,000
United States Treasury Bill, Zero Coupon due 9/18/2014	2,000	United States Treasury Bill, Zero Coupon due 6/19/2014	2,000
United States Treasury Bill, 0.050% due 7/10/2014	2,000	United States Treasury Bill, Zero Coupon due 7/24/2014	2,000
United States Treasury Bill, Zero Coupon due 7/24/2014	2,000	United States Treasury Bill, Zero Coupon due 6/26/2014	2,000
United States Treasury Bill, Zero Coupon due 6/26/2014	2,000	United States Treasury Bill, 0.050% due 5/8/2014	2,000

Statement of Major Portfolio Changes – (continued)

Legg Mason Permal Global Absolute Fund^ – (continued)

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Chimera Investment Corp	184	United States Treasury Bill, 0.048% due 4/24/2014	2,000
Two Harbors Investment Corp	166	United States Treasury Bill, 0.038% due 3/27/2014	2,000
Resource Capital Corp	48	United States Treasury Bill, Zero Coupon due 9/18/2014	2,000
Starwood Property Trust Inc	45	MLIS Och-Ziff European Multi-Strategy UCITS Fund	1,060
Colony Financial Inc	28	Merrill Lynch Investment Solutions – York Event Driven UCITS Fund	1,042
RAIT Financial Trust	27	iShares S&P 500 Index Fund	1,042
		iShares Euro Stoxx 50	1,035
		iShares MSCI Japan Fund	1,002
		Chimera Investment Corp	397
		Colony Financial Inc	393

Legg Mason Batterymarch Managed Volatility European Equity Fund

MAJOR PURCHASES	COST (in 000€)	MAJOR SALES	PROCEEDS (in 000€)
Berkeley Group Holdings Plc	1,674	Delhaize Group SA	1,141
ABB Ltd	1,479	Tesco Plc	1,132
Siemens AG	1,417	RTL Group SA	853
Svenska Handelsbanken AB	1,352	Merck KGaA	762
Telefonaktiebolaget LM Ericsson	1,334	Thales SA	742
Swiss Re AG	1,323	Orange SA	697
Ageas	1,297	Imperial Tobacco Group Plc	595
RTL Group SA	1,297	SES SA	566
Catlin Group Ltd	1,288	AstraZeneca Plc	562
Tate & Lyle Plc	1,284	EDP – Energias de Portugal SA	539
Swedish Match AB	1,265	Lindt & Spruengli AG	470
Royal Mail Plc	1,229	British American Tobacco Plc	468
Allianz SE	1,226	Novartis AG	467
Rexam Plc	1,223	Royal Dutch Shell Plc, Class A	467
Direct Line Insurance Group Plc	1,185	Schindler Holding AG	466
Amlin Plc	1,122	Reckitt Benckiser Group Plc	445
Gjensidige Forsikring ASA	1,091	GDF Suez SA	438
Friends Life Group Ltd	1,041	Swisscom AG	433
TeliaSonera AB	1,011	Total SA	420
Nordea Bank AB	1,006	Telefonica Deutschland Holding AG	408
Fortum OYJ	983	British Sky Broadcasting Group Plc	408
Muenchener Rueckversicherungs AG	959	Nestle SA	396
UBS AG	953	Roche Holding AG	390
Admiral Group Plc	902	Novo Nordisk A/S	387
Klepierre	897	Banco Santander SA	356
BT Group Plc	896	GlaxoSmithKline Plc	356
SCOR SE	891	Berkeley Group Holdings Plc	332
Axel Springer AG	879	PSP Swiss Property AG	326
Standard Chartered Plc	866	SSE Plc	321
Gas Natural SDG SA	863	Royal Dutch Shell Plc, Class B	320
RTL Group SA	853	National Grid Plc	320
BHP Billiton Plc	842	Talanx AG	313
TDC A/S	816	Elisa OYJ	286
DCC Plc	809	Neopost SA	281
Next Plc	798	Koninklijke Ahold NV	280
HSBC Holdings Plc	791	TDC A/S	278
Givaudan SA	780	Sanofi-Aventis SA	243
Telenor ASA	751	WPP Plc	221
British American Tobacco Plc	744	Givaudan SA	215

Legg Mason Batterymarch Asia Ex Japan Equity Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Cheung Kong Holdings Ltd	789	Tencent Holdings Ltd	1,473
CapitaMall Trust	774	Samsung Electronics Co Ltd	1,207
China Mobile Ltd	753	Galaxy Entertainment Group Ltd	1,091
Hutchison Whampoa Ltd	661	DBS Group Holdings Ltd	1,030
China Merchants Bank Co Ltd, Class H	600	China Oilfield Services Ltd	944
PetroChina Co Ltd	596	WuXi PharmaTech Cayman Inc, ADR	932
Infosys Ltd	523	Cheung Kong Holdings Ltd	806
Power Assets Holdings Ltd	510	NAVER Corp	703
Hyundai Mobis	509	Bank Rakyat Indonesia Persero Tbk PT	632
China Construction Bank Corp, Class H	486	SK Hynix Inc	616
Li & Fung Ltd	460	Melco Crown Entertainment Ltd, ADR	614
DBS Group Holdings Ltd	448	Great Wall Motor Co Ltd, Class H	611
Siliconware Precision Industries Co Ltd	444	Yes Bank Ltd	601
MGM China Holdings Ltd	441	AIA Group Ltd	567
Globe Telecom Inc	431	Airports of Thailand PCL, NVDR	553
Agricultural Bank of China Ltd	431	Paradise Co Ltd	535
Radiant Opto-Electronics Corp	428	Biostime International Holdings Ltd	529
Lifestyle International Holdings Ltd	421	Taiwan Semiconductor Manufacturing Co Ltd, ADR	528
Tata Consultancy Services Ltd	415	LG Hausys Ltd	527
Asustek Computer Inc	415	Lupin Ltd	507

Statement of Major Portfolio Changes – (continued)

Legg Mason Batterymarch International Large Cap Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Colruyt SA	150	AstraZeneca Plc	190
Cie Generale des Etablissements Michelin	147	Delhaize Group SA	180
Anheuser-Busch InBev NV	142	Orange SA	176
Berkeley Group Holdings Plc	132	Telefonica Deutschland Holding AG	162
Unilever Plc	108	Novartis AG	158
J Sainsbury Plc	108	Cheung Kong Infrastructure Holdings Ltd	156
Siemens AG	95	Japan Airlines Co Ltd	155
Nordea Bank AB	79	Anheuser-Busch InBev NV	155
Tryg A/S	78	HKT Trust and HKT Ltd	154
Statoil ASA	64	Belgacom SA	151
Koninklijke Ahold NV	57	Axel Springer AG	149
Suedzucker AG	53	Severn Trent Plc	149
AstraZeneca Plc	45	Telecom Corp of New Zealand Ltd	149
Unilever NV	43	Koninklijke Ahold NV	148
Tate & Lyle Plc	35	Shiseido Co Ltd	148
Diageo Plc	34	Eisai Co Ltd	147
Delhaize Group SA	27	British American Tobacco Plc	146
Axel Springer AG	24	Nestle SA	146
WM Morrison Supermarkets Plc	17	Central Japan Railway Co	145
Nestle SA	8	The Link REIT	145

Legg Mason Batterymarch Emerging Markets Equity Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Korea Electric Power Corp	214	Samsung Electronics Co Ltd	416
Tupras Turkiye Petrol Rafinerileri AS	200	Taiwan Semiconductor Manufacturing Co Ltd, ADR	250
OTP Bank Plc	195	iShares MSCI Emerging Markets ETF	171
CEZ AS	189	Industrial & Commercial Bank of China Ltd, Class H	165
Petronas Chemicals Group Bhd	179	Gazprom OAO, ADR	150
iShares MSCI Emerging Markets ETF	174	Bank of China Ltd, Class H	129
Turkcell Iletisim Hizmetleri AS	169	Naspers Ltd, Class N	127
KGHM Polska Miedz SA	148	Sasol Ltd	117
SapuraKencana Petroleum Bhd	148	America Movil SAB de CV, Series L, ADR	111
Commercial International Bank Egypt SAE	147	SK Hynix Inc	106
Perusahaan Gas Negara Persero Tbk PT	136	China Construction Bank Corp, Class H	105
China Mobile Ltd	133	Gruma SAB de CV	99
Celltrion Inc	124	Huaneng Power International Inc	99
Komercni Banka AS	124	NAVER Corp	96
OPAP SA	122	Korea Electric Power Corp	94
Reliance Industries Ltd	122	HCL Technologies Ltd	88
Naspers Ltd, Class N	122	MediaTek Inc	86
Tencent Holdings Ltd	121	ICICI Bank Ltd Sponsored, ADR	85
Ecopetrol SA	119	Cemex SAB de CV, ADR	85
SK Innovation Co Ltd	115	Eregli Demir ve Celik Fabrikalari TAS	80

Legg Mason Batterymarch Global Equity Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Jazz Pharmaceuticals Plc	209	Hanesbrands Inc	308
BT Group Plc	207	Questcor Pharmaceuticals Inc	264
Bellway Plc	177	Jazz Pharmaceuticals Plc	253
Taylor Wimpey Plc	175	SES SA	240
Japan Airlines Co Ltd	141	PetSmart Inc	215
Activision Blizzard Inc	137	Safeway Inc	210
Orbitz Worldwide Inc	137	Anika Therapeutics Inc	205
BOC Hong Kong Holdings Ltd	131	BAE Systems Plc	198
The Southern Co	129	Mazda Motor Corp	186
Verizon Communications Inc	128	Pandora A/S	165
The Clorox Company	128	SanDisk Corp	156
AT&T Inc	128	Constellation Software Inc	151
BCE Inc	127	Orbitz Worldwide Inc	150
Wal-Mart Stores Inc	115	Asahi Kasei Corp	140
HKT Trust and HKT Ltd	111	Argonaut Gold Inc	131
Toronto-Dominion Bank	100	Packaging Corp of America	128
McDonald's Corp	99	Volkswagen AG	127
Huaneng Power International Inc	96	The Kroger Co	102
Centrica Plc	94	Altria Group Inc	89
Bezeq The Israeli Telecommunication Corp Ltd	86	Shanghai Mechanical and Electrical Industry Co Ltd	87
Lawson Inc	85	Wisconsin Energy Corp	77
China Petroleum & Chemical Corp, Class H	77	AES Corp/VA	71
FamilyMart Co Ltd	76	Mentor Graphics Corp	70
Consolidated Edison Inc	64	Western Digital Corp	66
The Procter & Gamble Co	64	Huabao International Holdings Ltd	65
CLP Holdings Ltd	60	Fabrinet	64
Jardine Matheson Holdings Ltd	60	Time Warner Inc	64
		Tosoh Corp	57
		Lydian International Ltd	55
		Taylor Wimpey Plc	52
		Dixons Carphone Plc	52
		Dillard's Inc, Class A	50

