

Annual Report

Legg Mason
Global Funds Plc

An umbrella fund with segregated
liability between sub-funds

For the year ended February 29, 2016

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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

Brian Collins (Ireland) (Independent)
 Joseph Keane (Ireland) (Independent)
 Joseph LaRocque (U.S.)
 Robert Shearman (United Kingdom)*
 Jane Trust (U.S.)**

* resigned on March 23, 2016

** appointed on March 23, 2016

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

Master Distributor and Master Shareholder Servicing Agent

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

Additional Distributors and Shareholder Servicing Agents

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

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

Swiss Paying Agent

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

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****
ClearBridge, 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

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 Short Duration High Income Bond Fund* (formerly 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 Total Return Bond Fund* (formerly 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. Ltd 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. Ltd 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 Global Inflation Management Fund* (formerly 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. Ltd. 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. Ltd 1 George Street, #23-01 Singapore 049145</p>
Legg Mason Western Asset Brazil Bond Fund^*	March 25, 2010 (ceased trading on January 14, 2016)	<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 Títulos e Valores Mobiliários 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. Ltd 1 George Street, #23-01 Singapore 049145</p> <p>Western Asset Management Company Distribuidora de Títulos e Valores Mobiliários 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. Ltd 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. Ltd 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. Ltd 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. Ltd 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. Ltd 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. Ltd 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. Ltd 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. Ltd 1 George Street, #23-01 Singapore 049145</p>
Legg Mason Western Asset EM Local Currency Debt Fund^**‡	December 16, 2015	<p>Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A.</p> <p>Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom</p>
Legg Mason Western Asset Multi-Asset Credit Fund^***‡	December 16, 2015	<p>Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A.</p> <p>Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom</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> <p>Western Asset Management Company Pte. Ltd 1 George Street, #23-01 Singapore 049145</p> <p>Western Asset Management Company Ltd. Shin-Marunouchi Building 5-1 Marunouchi 1-Chome, Chiyoda-ku Tokyo 100-6536 Japan</p>

General Information – (continued)

Fund Name	Fund Launch Date	Sub Investment Manager
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund^{^*‡}	December 31, 2015	<p>Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A.</p> <p>Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom</p> <p>Western Asset Management Company Pte. Ltd 1 George Street, #23-01 Singapore 049145</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 Pty Limited Level 48 120 Collins Street Melbourne Vic 3000, Australia</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 Structured Opportunities Fund^{^*‡}	January 13, 2016	<p>Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A.</p> <p>Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom</p>
Legg Mason Western Asset US Mortgage-Backed Securities Fund^{^*‡}	January 13, 2016	<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 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. Ltd 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>

General Information – (continued)

Fund Name	Fund Launch Date	Sub Investment Manager
Legg Mason Western Asset UK£ 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. Ltd 1 George Street, #23-01 Singapore 049145</p>
Legg Mason Western Asset UK£ Credit Plus 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. Ltd 1 George Street, #23-01 Singapore 049145</p>
Legg Mason Western Asset Euro Core 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 Global Sovereign 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. Ltd 1 George Street, #23-01 Singapore 049145</p>
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. Ltd 1 George Street, #23-01 Singapore 049145</p> <p>Western Asset Management Company Distribuidora de Títulos e Valores Mobiliários 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 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. Ltd 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 Asian Income Fund*†		<p>Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A.</p> <p>Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom</p> <p>Western Asset Management Company Pte. Ltd 1 George Street, #23-01 Singapore 049145</p>
Legg Mason Western Asset US Corporate Bond Fund*†		<p>Western Asset Management Company 385 East Colorado Boulevard Pasadena, California 91101 U.S.A.</p> <p>Western Asset Management Company Limited 10 Exchange Square Primrose Street London EC2A 2EN United Kingdom</p>
Legg Mason Brandywine Global Fixed Income Fund*	October 1, 2003	Brandywine Global Investment Management, LLC Cira Centre, 2929 Arch Street 8th Floor Philadelphia, Pennsylvania 19104 U.S.A
Legg Mason Brandywine Global Fixed Income Absolute Return Fund^*	April 3, 2012	Brandywine Global Investment Management, LLC Cira Centre, 2929 Arch Street 8th Floor Philadelphia, Pennsylvania 19104 U.S.A.
Legg Mason Brandywine Global High Yield Fund^*	November 30, 2012	Brandywine Global Investment Management, LLC Cira Centre, 2929 Arch Street 8th Floor Philadelphia, Pennsylvania 19104 U.S.A.

General Information – (continued)

Fund Name	Fund Launch Date	Sub Investment Manager
Legg Mason Brandywine Global Opportunistic Fixed Income Fund^{^*}	June 25, 2010	Brandywine Global Investment Management, LLC Cira Centre, 2929 Arch Street 8 th Floor Philadelphia, Pennsylvania 19104 U.S.A.
Legg Mason Brandywine Global Sovereign Credit Fund^{^*}	May 10, 2012	Brandywine Global Investment Management, LLC Cira Centre, 2929 Arch Street 8 th Floor Philadelphia, Pennsylvania 19104 U.S.A.
Legg Mason Brandywine Global Income Optimiser Fund^{^*}	June 3, 2013	Brandywine Global Investment Management, LLC Cira Centre, 2929 Arch Street 8 th Floor Philadelphia, Pennsylvania 19104 U.S.A.
Legg Mason Brandywine Global Credit Opportunities Fund^{^*}	June 30, 2014	Brandywine Global Investment Management, LLC Cira Centre, 2929 Arch Street 8 th Floor Philadelphia, Pennsylvania 19104 U.S.A.
Legg Mason Brandywine Global Dynamic US Equity Fund^{^*‡}	December 31, 2015	Brandywine Global Investment Management, LLC Cira Centre, 2929 Arch Street 8 th Floor Philadelphia, Pennsylvania 19104 U.S.A.
Legg Mason Brandywine Global Macro Fund^{***†}		Brandywine Global Investment Management, LLC Cira Centre, 2929 Arch Street 8 th Floor Philadelphia, Pennsylvania 19104 U.S.A.
Legg Mason Western Asset Brazil Equity Fund^{***}	October 1, 2010 (ceased trading on January 14, 2016)	Western Asset Management Company Distribuidora de Títulos e Valores Mobiliários Limitada Av. Pres. Juscelino Kubitschek No. 1455 – 15 th 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, 48 th 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, 48 th Floor New York, New York 10018 U.S.A.
Legg Mason ClearBridge US Appreciation Fund^{**}	April 20, 2007	ClearBridge Investments, LLC 620 Eighth Avenue, 48 th Floor New York, New York 10018 U.S.A.
Legg Mason ClearBridge US Fundamental Value Fund^{***}	April 20, 2007 (merged into Legg Mason ClearBridge Tactical Dividend Income Fund on March 27, 2015)	ClearBridge Investments, LLC 620 Eighth Avenue, 48 th 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, 48 th 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, 48 th 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, 48 th Floor New York, New York 10018 U.S.A.

General Information – (continued)

Fund Name	Fund Launch Date	Sub Investment Manager
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.
Legg Mason ClearBridge US Equity Sustainability Leaders Fund^***	September 30, 2015	ClearBridge Investments, LLC 620 Eighth Avenue, 48th Floor New York, New York 10018 U.S.A.
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, LP 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, LP 745 5th Avenue New York, New York 10151 U.S.A.
Legg Mason Royce Smaller Companies Fund II^***	March 13, 2011 (ceased trading on July 6, 2015)	Royce & Associates, LP 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, LP 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, LP 745 5th Avenue New York, New York 10151 U.S.A.
Legg Mason QS MV European Equity Growth and Income Fund** (formerly Legg Mason Batterymarch Managed Volatility European Equity Fund)	August 31, 2002	QS Investors, LLC (formerly QS Batterymarch Financial Management, Inc.) 200 Clarendon Street Boston, Massachusetts 02116 U.S.A.
Legg Mason QS MV Asia Pacific ex Japan Equity Growth and Income Fund** (formerly Legg Mason Batterymarch Asia Ex Japan Equity Fund)	February 25, 2004	QS Investors, LLC (formerly QS 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)	
Legg Mason QS Emerging Markets Equity Fund** (formerly Legg Mason Batterymarch Emerging Markets Equity Fund)	April 28, 2008	QS Investors, LLC (formerly QS Batterymarch Financial Management, Inc.) 200 Clarendon Street Boston, Massachusetts 02116 U.S.A.
Legg Mason QS MV Global Equity Growth and Income Fund** (formerly Legg Mason Batterymarch Global Equity Fund)	December 29, 2010	QS Investors, LLC (formerly QS Batterymarch Financial Management, Inc.) 200 Clarendon Street Boston, Massachusetts 02116 U.S.A.
Legg Mason QS US Large Cap Fund^†** (formerly Legg Mason Batterymarch US Large Cap Fund)		QS Investors, LLC (formerly QS Batterymarch Financial Management, Inc.) 200 Clarendon Street Boston, Massachusetts 02116 U.S.A.
Legg Mason Martin Currie Australia Equity Income Fund‡**	May 28, 2015	Legg Mason Asset Management Australia Limited (trading under the name "Martin Currie Australia") Level 47 120 Collins Street, Melbourne VIC 3000 Australia

General Information – (continued)

Fund Name	Fund Launch Date	Sub Investment Manager
Legg Mason Martin Currie Asia Long-Term Unconstrained Fund**†		Martin Currie Investment Management Limited Saltire Court 20 Castle Terrace Edinburgh EH1 2ES
Legg Mason Martin Currie Asia Pacific Fund**†		Martin Currie Investment Management Limited Saltire Court 20 Castle Terrace Edinburgh EH1 2ES
Legg Mason Martin Currie European Absolute Alpha Fund**†		Martin Currie Investment Management Limited Saltire Court 20 Castle Terrace Edinburgh EH1 2ES
Legg Mason Martin Currie Global Resources Fund**†		Martin Currie Investment Management Limited Saltire Court 20 Castle Terrace Edinburgh EH1 2ES
Legg Mason Martin Currie Greater China Fund**†		Martin Currie Investment Management Limited Saltire Court 20 Castle Terrace Edinburgh EH1 2ES
Legg Mason Martin Currie Japan Absolute Alpha Fund**†		Martin Currie Investment Management Limited Saltire Court 20 Castle Terrace Edinburgh EH1 2ES
Legg Mason Martin Currie North American Fund**†		Martin Currie Investment Management Limited Saltire Court 20 Castle Terrace Edinburgh EH1 2ES
Legg Mason Permal Global Absolute Fund^***	September 24, 2009 (ceased trading on August 29, 2014)	
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 Emerging Markets Select Equity Fund**†		
Legg Mason Strategic European Equity Fund**†		

† As at February 29, 2016 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 February 29, 2016. In this report, we highlight the key drivers behind the performance of bond and equity markets over the period.

Fixed Income Markets

March 2015 was a promising month for global bonds. Core European government bonds outperformed, with 10-year German yield having reached a then all-time low of 0.18%. The European Central Bank (ECB) announced the final details of its enhanced Quantitative Easing (QE) programme and national central banks initiated sovereign bond purchases. European economic data was better than expected, as the weaker euro, lower energy prices and rising stock markets supported confidence. US Treasury yields declined mildly with a modest steepening of the yield curve. Comments from the US Federal Reserve (Fed), amid weaker economic data releases, pointed to a shallower increase in the fed funds rate target than previously outlined.

However, most investment grade global bonds posted negative returns in April. After reaching a new all-time low during the month, German 10-year yields rose sharply, following weak investor demand for a government bond auction. Despite ongoing central bank purchases of eurozone government bonds, peripheral European spreads widened as the Greek government failed to reach an agreement with international creditors over the economic reforms required to continue to receive funding. US yields rose and the yield curve steepened. Longer-dated bonds were negatively impacted from rising expectations of a US economic growth rebound in the second half of 2015 while shorter-dated yields were underpinned by relatively dovish Fed commentary. May was a disappointing month for global bonds, with negative returns across most markets. Strong growth data from the eurozone and Japan were in contrast to disappointing data in the US and China, with recessions being recorded in Russia and Brazil. German bunds underperformed US Treasuries despite heightened fears over Greece's ability to cover future liabilities without an imminent agreement with its international creditors. Peripheral European spreads widened as the market absorbed heavy bond issuance and tail risks over Greece remained. US yields rose and the yield curve steepened. June proved to be yet another volatile month for global bonds, resulting in negative returns from all markets with spread sectors underperforming. Government yields rose (and so prices fell) sharply as fears of global deflation abated somewhat. The rise in yields was despite a dovish shift from the Fed reducing expectations of a rates increase in September.

Sovereign bonds were up in almost every major market in July in local currency terms. Bond markets in the eurozone core and periphery provided some of the best returns in the month, having suffered recent falls. Within credit sectors, high yield corporates posted positive returns in the eurozone and UK, while the US underperformed and was in negative territory for the month. August was another notably volatile month. Markets across the globe were under pressure, with Asia and emerging markets (EMs) bearing the brunt, amid growing concerns over China's ability to manage its slowing economy and the related impact on commodities and commodity-related industries. Investment grade and high yield corporate bonds underperformed for the month with emerging markets markedly down. In September, global bond markets posted mixed returns against a backdrop of continued global market volatility. Within government bonds, India, Hungary, the UK, Italy and Portugal posted positive returns in local currency terms, while Indonesia and Brazil were down. Corporate bonds and other spread sectors generally underperformed government bonds amid increasing fears about a slowdown in China. US high yield was particularly negatively impacted by weakness in commodity-related issuers.

The last quarter of 2015 started on a more positive note with global bond markets up by and large in October. Corporate bonds and other spread sectors outperformed government bonds over the month, as fears regarding the slowdown in China abated slightly. Nonetheless, global bond markets lacked direction again in November. European government bonds outperformed other sovereign bond markets, with markets such as Italy, Spain, Norway and Ireland recording positive returns in local currency terms. However, selected markets, such as Australia, South Korea, South Africa and the US, were in negative territory for the month. In December, the Fed raised rates for the first time in over nine years, while the ECB extended QE and cut the deposit rate further. Most global bond markets posted negative performance. Spread product sectors underperformed over the month. In the currency markets, the euro and Japanese yen rebounded from recent lows.

The New Year began more encouragingly. Sovereign bond markets rebounded in January 2016 after a difficult December. Government bond markets in the eurozone core and periphery provided some of the best returns in the month, while Portugal was among the few to post negative returns. A further appreciation of the US dollar led to negative currency returns in most markets, with the Argentine peso, New Zealand dollar, Polish zloty and Mexican peso amongst the weakest performers over the month. Nevertheless, the Malaysian ringgit, Norwegian krone, Thai baht and the Hungarian forint appreciated modestly versus the US dollar. Bond markets continued to prosper in February. The government bonds in Japan, Germany, the

UK, Australia and New Zealand were amongst the best performers, with Portugal and Mexico among the few to enter negative territory for the month. Currency performance against the US dollar was mixed. Despite weakening against the dollar for much of 2015, EM currencies did well, particularly the Indonesian rupiah, Chilean peso, Polish zloty and Hungarian forint.

Global equities

Global equities struggled in March 2015, weighed down by weak global economic growth, slowing corporate profits and speculation about central bank policies. In the US, manufacturing activity and jobs growth pulled back during the month. Lacklustre economic growth in Japan, China and Europe also deflated markets, despite the support of low interest rates across the globe. Earnings reports were ominous, with consensus estimates for the S&P 500 declining to levels not seen since the global financial crisis. Conversely, eurozone manufacturing activity rose during the month.

On the whole, equities were also down in April, although EM and US stocks proved relatively resilient. Nonetheless, the prospects for economic growth and the actions of policy makers continued to weigh on investors. In the US, a harsh winter, reduced job market gains and the strong dollar impacted economic growth during the first few months of the year. The Fed continued to signal rising rates. In Europe, the Greek debt issue continued to hinder eurozone prospects. Also, the lack of a resolution in Ukraine hung over and threatened stability. In Asia, China continued to reduce interest rates in an attempt to spur economic growth. Global equities were generally flat during May with US stocks gaining but EM equities declining. In the US, uncertainty about the timetable for expected central bank interest rate increases coupled with lacklustre consumer spending and job growth cast doubt on prospects for economic growth. US corporate profits fell 5.9% and consumer sentiment dropped to a six-month low during the month. The eurozone economy continued to improve, however, although Germany exhibited some weakness. Although a Greek exit from the euro remained a possibility, negotiations between Greece and the ECB continued during the month. Meanwhile, China continued to lower interest rates, while India's gross domestic product accelerated, placing the country ahead of China as the world's fastest-growing large economy. June was a volatile month for global markets. Concerns over the timing of US rate hikes and the possibility of Greece leaving the eurozone prompted investors to reduce risk by selling equities and bonds. Global equities suffered a weak month in June; the strongest regions were the developed Middle East and Japan, while Pacific ex Japan and Europe were the weakest.

Equities generally advanced during July, although EM stocks declined during the month. Commodities continued to tumble, with oil and natural gas prices taking a significant hit. In August, equities suffered significant losses in a global sell-off sparked by actions in China. China's surprise decision on August 11, 2015 to devalue its currency, combined with efforts to stem stock declines, stoked concerns that Chinese leaders had lost control over the world's second-largest economy, and that a slowdown would be worse than expected. Equities continued to fall in September. US stocks were down across all market capitalisations after the Fed failed to raise interest rates at its September policy meeting. Indeed, volatility remained elevated throughout the month as the market continued to absorb negative news, particularly concerns over the continued slowdown in Chinese growth, which saw commodity prices, particularly oil and copper, hit badly. European equities also continued to fall in September in reaction to a number of factors including: China's growth slowdown; commodity price declines; the spectre of the Greece deal; and an influx of refugees from the Middle East conflicts.

The fourth quarter began more positively, however. Stocks rebounded in October, after suffering one of the weakest quarters in the past five years. Japan and the US advanced the most, with Japanese equities ahead of all other regions year to date. US equities delivered the highest monthly returns in the past four years. Europe, Asia Pacific, and EMs also participated in the broad rally. In the eurozone, Germany, Spain, France and Italy advanced as a result of improving cyclical sentiment, a slightly weaker euro and tailwinds for exporters. In contrast, the more defensively orientated countries, such as Sweden, Denmark and Switzerland, lagged. Nevertheless, equities delivered mixed performance during the month of November with US stocks flat to slightly positive and international and EM equities declining. In December, after months of speculation, the Fed at last raised interest rates. Equity markets were down in US dollar terms, on the whole, although US larger caps were in positive territory over the month.

Equities recorded steep declines in January 2016 across a number of market capitalisations, investment styles and indices. The rout in stocks of all kinds spurred a flight to safety and tempered expectations for investors in 2016. Despite an environment supported by central banks globally, which went the extra mile to boost their economies, investors remained concerned about global economic growth and price declines in energy and commodities. Notably, the Bank of Japan joined its European peers in establishing interest rates below zero. In Europe, the ECB telegraphed its intentions to continue monetary stimulus later in the first quarter. Most major currencies declined against the US dollar during the month. Into February, although down slightly over the month, equities stabilised to some degree, particularly when compared to January's rout.

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 29/02/2016 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 29, 2016.

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 the accounting standards generally accepted in Ireland, including Financial Reporting Standard ("FRS") 102: "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102").

Under Irish 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.

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

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 29, 2016 the Company has 50 active Funds (2015: 46 Funds) in operation.

The following Funds commenced trading during the year:

Fund	Commencement of operations
Legg Mason Western Asset EM Local Currency Debt Fund^	December 16, 2015
Legg Mason Western Asset Multi-Asset Credit Fund^	December 16, 2015
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund^	December 31, 2015
Legg Mason Western Asset Structured Opportunities Fund^	January 13, 2016
Legg Mason Western Asset US Mortgage-Backed Securities Fund^	January 13, 2016
Legg Mason Brandywine Global Dynamic US Equity Fund^	December 31, 2015
Legg Mason ClearBridge US Equity Sustainability Leaders Fund^	September 30, 2015
Legg Mason Martin Currie Australia Equity Income Fund	May 28, 2015

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 29, 2016

The Statement of Financial Position as at February 29, 2016 and February 28, 2015 and the Statement of Comprehensive Income for the year ended February 29, 2016 and February 28, 2015 are set out on pages 194 to 212 and 214 to 222 respectively.

Distributions to holders of Redeemable Participating Shares

The distributions to holders of Redeemable Participating Shares for the year ended February 29, 2016 and February 28, 2015 are set out in the Statement of Comprehensive Income.

Significant Events

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

Subsequent Events

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

Brian Collins (Ireland) (Independent)
 Joseph Keane (Ireland) (Independent)
 Joseph LaRocque (U.S.)
 Robert Shearman (United Kingdom)*
 Jane Trust (U.S.)**

* resigned on March 23, 2016

** appointed on March 23, 2016

^ 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 29, 2016 or February 28, 2015. 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 "Irish Funds Code"). The Board has adopted all corporate governance practices and procedures in the Irish Funds Code with effect from January 1, 2013.

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

- the Irish Companies Act 2014 which is 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 and at the Companies Registration Office in Ireland.
- the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (the "UCITS Regulations") and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (the "Central Bank UCITS Regulations").
- 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 UCITS Regulation 41(1) 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 section 383(3) of the Companies Act 2014.

Investment Objectives and Investment Policies

All active Funds, except 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[^], 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 Western Asset EM Local Currency Debt Fund[^], Legg Mason Western Asset Multi-Asset Credit Fund[^], Legg Mason Western Asset Global Total Return Investment Grade Bond Fund[^], Legg Mason Western Asset Structured Opportunities Fund[^], Legg Mason Western Asset US Mortgage-Backed Securities 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 Brandywine Global Dynamic US Equity Fund, Legg Mason Western Asset Brazil Equity Fund[^], Legg Mason ClearBridge Global Equity Fund[^], Legg Mason ClearBridge Global Equity Income Fund[^], Legg Mason ClearBridge US Equity Income Fund[^], Legg Mason ClearBridge US Equity Sustainability Leaders Fund[^] and Legg Mason Royce Smaller Companies Fund II[^] 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 29, 2016 and February 28, 2015 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 US Dollars and (iii) rated at the time of purchase at least BBB by S&P or equivalent by another NRSRO 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 US Issuers. The securities in which the Fund may invest include debt securities issued or guaranteed by the US 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-US 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 Short Duration High Income Bond Fund (formerly 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 80 per cent of its Net Asset Value in high-yielding debt securities that are (i) denominated in US Dollars and currencies of a variety of other Developed Countries and (ii) listed or traded on Regulated Markets as set out in Schedule III of the Prospectus. Such high-yielding debt securities include: (i) corporate debt securities, including (a) freely transferable promissory notes, (b) debentures, (c) bonds (including zero coupon bonds), (d) convertible and non-convertible notes, (e) commercial paper, (f) certificates of deposits, and (g) bankers acceptances issued by industrial, utility, finance, commercial banking or bank holding company organisations; (ii) structured notes that are transferable securities, whose underlying exposure may be to fixed income securities; (iii) mortgage-backed securities; and (iv) asset-backed securities, provided that the Fund invests at least two thirds of its net asset value in non-convertible debt securities. The Fund may invest in debt securities rated as low as D by S&P or the equivalent by another NRSRO, 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 invested in the following types of securities that are listed or traded on Regulated Markets: debt securities rated Investment Grade, or unrated securities deemed by the Sub-Investment Managers to be of equivalent quality; preferred shares and other open ended collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations, as well as cash and Money Market Instruments. 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.

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 US 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 US Issuers that are denominated in US 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 D by S&P or the equivalent by another NRSRO, 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 the equivalent by another NRSRO, 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-US Issuers located in developed and Emerging Market Countries, provided that such debt securities are denominated in US 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 Total Return Bond Fund (formerly Legg Mason Emerging Markets Bond Fund)

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

Investment Policies – The Fund invests at least 80 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. The Fund's investments may be denominated in currencies other than the Base Currency.

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 denominated in any currency, that are listed or traded on Regulated Markets, including (i) 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; (ii) mortgage-backed securities (including collateralised debt obligations); (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; and (v) asset-backed securities.

Directors' Report – (continued)

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

The Fund may invest up to 30 per cent of its net asset value in the following types of securities that are listed or traded on Regulated Markets (the following may be denominated in any currency) and where they are not Emerging Market Corporate Bonds: (i) debt securities issued or guaranteed by national governments located in any country, their agencies or instrumentalities and political sub-divisions (including inflation protected securities); (ii) 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; (iii) mortgage-backed securities (including collateralised debt obligations); (iv) securitised participations in loans that are freely transferable securities; (v) structured notes that are transferable securities whose underlying exposure may be to fixed income securities; (vi) asset-backed securities; (vii) preferred shares; and (viii) other open-ended collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations.

The Fund may invest in common stocks, preferred securities, convertible securities, warrants, rights and their equivalents. The Fund will not invest more than 25 per cent of its net asset value in convertible debt securities issued in independent offerings and not more than 10 per cent of its net asset value in preferred shares issued in independent offerings. Investments in common stocks, preferred securities, warrants, rights and their equivalents (including through independent offerings and otherwise) in aggregate will not exceed 30 per cent of the Fund's net asset value. As restrictions to the foregoing, the Fund may not invest more than 10 per cent of its net asset value, respectively, for the following types of securities: (i) mortgage-backed securities (including collateralised debt obligations); (ii) structured notes that are transferable securities whose underlying exposure may be to fixed income securities; and (iii) asset-backed securities. The mortgage-backed securities, asset-backed securities, structured notes and credit-linked notes in which the Fund may invest may contain embedded derivatives and/or leverage.

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 the equivalent by another NRSRO, 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 D by S&P or the equivalent by another NRSRO, 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 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. 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 US 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 US government securities in which the Fund invests may comprise both direct obligations of the US Treasury and obligations issued or guaranteed by US government agencies, including mortgage-backed or asset-backed securities that are backed by the full faith and credit of the US 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 US 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 US 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 US 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 Global Inflation Management Fund (formerly 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

Directors' Report – (continued)

Legg Mason Western Asset Global Inflation Management Fund (formerly Legg Mason Western Asset Inflation Management Fund) – (continued)

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. A maximum of 10 per cent of the Fund's net asset value may be invested 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 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[^] (ceased trading on January 14, 2016)

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 sub-divisions 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.

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

Directors' Report – (continued)

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

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.

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 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, listed or traded on Regulated Markets listed in Schedule III of the Prospectus and from issuers located anywhere in the world.

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.

Subject to the above restrictions, the Fund's remaining assets (being not more than one-third of its net asset value) may be held in (i) debt securities rated above BB+ by S&P or the equivalent by another NRSRO, or unrated securities deemed by the relevant Sub-Investment Manager to be of equivalent quality; (ii) preferred shares and warrants when such investments are consistent with the Fund's investment objective of high current income; as well as (iii) cash or short term money market instruments with remaining maturities of 13 months or less, which are instruments normally dealt in on the money market which are liquid (i.e., capable of being converted to cash within 7 business days at a price closely approximating its current valuation and may include any of the following investments with maturities of 13 months or less: (a) debt securities that are issued or guaranteed by the national governments, their agencies, instrumentalities or political sub-divisions; (b) corporate debt securities including freely transferable promissory notes, debentures, bonds (including zero coupon bonds), convertible and non-convertible notes, commercial paper, certificates of deposit, and bankers' acceptances issued by industrial, utility, finance, commercial banking or bank holding company organisations; (c) mortgage-backed securities; (d) structured notes that are transferable securities; (e) securitised participations in loans that are transferable securities; (f) warrants; (g) asset-backed securities; and (h) repurchase agreements (for efficient portfolio management purposes only and subject to the requirements of the Central Bank). 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 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 Western Asset EM Local Currency Debt Fund[^]

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

Investment Policies – The Fund invests at least two-thirds of its net asset value in debt securities that are (i) denominated in the local currency of the issuer, (ii) listed or traded on a Regulated Market set out in Schedule III of the Prospectus and (iii) issued by issuers located in an Emerging Market Country. The Fund seeks to achieve its investment objective by investing in debt securities issued or guaranteed by national governments, their agencies or instrumentalities and political sub-divisions; STRIPS and inflation index-linked securities; corporate debt securities listed or traded on Regulated Markets, including freely transferable promissory notes, debentures, Brady Bonds, Eurobonds, 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 securities that are structured as debt securities (including collateralised debt obligations), securitised participations in loans that are freely transferable securities, structured notes that are freely transferable securities; 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.

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

Directors' Report – (continued)

Legg Mason Western Asset Multi-Asset Credit Fund[^]

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

Investment Policies – The Fund invests in a globally diverse portfolio of debt securities and financial derivative instruments that may provide exposure to debt securities, interest rates, currencies and indices. 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; Money Market Instruments; 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. Securitised participations in loans are listed securities and investment in such securities will be limited to 50 per cent of the Fund's net asset value.

The Sub-Investment Managers expect the average duration of the Fund's investments to range between 0 and 10 years, depending on the Sub-Investment Managers' forecast for interest rates and yields. The Fund may invest up to 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, including open-ended exchange traded funds (including equity exchange traded funds).

Legg Mason Western Asset Global Total Return Investment Grade Bond Fund[^]

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

Investment Policies – The Fund invests in the global fixed income markets; primarily in debt securities that are denominated in US Dollars, Euro, Japanese Yen, Pound Sterling and a variety of other currencies and are listed or traded on Regulated Markets located in any country in the world, including Emerging Market Countries, and as listed in Schedule III of the Prospectus. In addition, the Fund may invest extensively in financial derivative instruments to gain exposure to the asset classes contemplated by the investment policies.

The Fund will only purchase debt securities qualifying as asset-backed securities, credit-linked notes and similar assets (i.e. investments whose yield or repayment is linked to credit risks or that are used to transfer the credit risk of a third party) ("structured products") whose second-highest long-term debt rating from an NRSRO is Investment Grade. The Fund will only purchase other debt securities (which are not structured products) whose highest long-term debt rating from an NRSRO is Investment Grade and whose second-highest long-term debt rating from an NRSRO is no lower than B- or the equivalent.

The Fund may invest in non-US Dollar denominated securities, currencies and financial derivative instruments, provided that the aggregate exposure to currencies other than the US Dollar (after hedging) is no more than 50 per cent of the Fund's net asset value. 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 Structured Opportunities Fund[^]

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

Investment Policies – The Fund invests at least 65 per cent of its net asset value in mortgage-backed securities ("MBS") and asset-backed securities ("ABS") which are issued by non-governmental issuers and are not guaranteed by US government-sponsored entities such as FNMA or FHLMC and/or by agencies of the US government such as GNMA. Such securities will be listed or traded on Regulated Markets located anywhere in the world, including Emerging Market Countries.

The Fund may invest up to 35 per cent of its net asset value in aggregate in: mortgage-backed securities issued or guaranteed by an Agency; asset-backed securities which are guaranteed by an Agency; debt issued or guaranteed by corporations such as promissory notes, bonds (including zero coupon bonds), convertible and non-convertible notes and debentures, securitised participations in loans that are transferable securities, structured notes, preferred stocks, commercial paper, certificates of deposit, time deposits, repurchase agreements, reverse repurchase agreements (repurchase agreements (including reverse repurchase agreements) may be utilised for efficient portfolio management purposes) and dollar rolls; bankers acceptances, including debt securities of corporations that are owned, partially owned, or whose obligations are guaranteed by a federal government, its agencies, or other federal government entities; debt securities issued or guaranteed by federal, state, local and city governments and their agencies, instrumentalities, municipalities, and sub-divisions; commercial paper; cash and Money Market Instruments. 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 US Mortgage-Backed Securities Fund[^]

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

Investment Policies – The Fund invests at least 80 per cent of its net asset value in mortgage-backed securities (including collateralised mortgage obligations) that are (i) denominated in US Dollars, (ii) issued or guaranteed by the US government, its agencies, instrumentalities and political sub-divisions, and by US-government sponsored entities, and (iii) listed or traded on Regulated Markets located in the United States and set out in Schedule II of the Prospectus. The Fund may invest or hold up to 20 per cent of its Net Asset Value in obligations of the US Treasury, obligations issued or guaranteed by US government agencies, and US Dollar denominated cash equivalents, including money market funds and repurchase agreements (for efficient portfolio management purposes only). 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. 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.

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

Investment Objective – 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

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

Directors' Report – (continued)

Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^] – (continued)

Regulations; and (iii) financial derivative 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 – 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: (i) debt securities issued or guaranteed by supranational organisations, such as freely transferable promissory notes, bonds and debentures; (ii) short-term obligations of commercial banks, including freely transferable promissory notes, bankers' acceptances, commercial paper, certificates of deposits, deposits and bank notes; (iii) financial derivative instruments (as disclosed below); and (iv) 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.

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

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

Directors' Report – (continued)

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

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 Brandywine Global Dynamic US Equity Fund[^]

Investment Objective – To provide long term capital appreciation.

Investment Policies – The Fund invests at least 80 per cent of its net asset value in equity securities of companies with large market capitalisations that (1) have their seat or registered office in the United States or carry on a predominant portion of their activities in the United States and (2) are listed or traded on Regulated Markets as set out in Schedule II of the Prospectus.

The Fund invests in common stocks and preferred stocks. Subject to the limit above on investment in equity securities, the Fund may also invest in debt securities issued or guaranteed by US-domiciled issuers, including the US government, its agencies, instrumentalities, and political sub-divisions; corporate debt securities 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; and warrants. The Fund will only purchase debt securities that are rated 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 Western Asset Brazil Equity Fund[^] (ceased trading on January 14, 2016)

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

Investment Objective – To achieve long-term capital appreciation.

Investment Policies – The Fund invests principally in securities of US 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-US 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

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 US 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.

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

Directors' Report – (continued)

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 US 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[^] (merged into Legg Mason ClearBridge Tactical Dividend Income Fund on March 27, 2015)

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

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 US Companies and debt securities issued by US 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 US 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-US Issuers (including those from Emerging Market Countries, Emerging European Countries and Emerging Asia/Pacific Countries), American Depositary Receipts, Global Depositary 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 US 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 US 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 US 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 US 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 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 ClearBridge US Equity Sustainability Leaders Fund[^]

Investment Objective – To provide long term capital appreciation.

Investment Policies – The Fund invests at all times at least 85 per cent of its net asset value in US equity securities (including common stock and preferred shares) that are listed or traded on Regulated Markets in the United States as set out in Schedule III of the Prospectus and that are issued by companies that meet the Sub-Investment Manager's financial criteria and its criteria for sustainability and environmental, social and governance ("ESG") policies ("Sustainability Leaders"). The Sub-Investment Manager's ESG rating system consists of four rating levels: AAA, AA, A and B, which are assigned to companies based on their sustainability strategy and performance on an absolute basis and compared to their peers.

The Sub-Investment Manager seeks to invest over the long term in companies that it considers to be of high quality with sustainable competitive advantages as evidenced by high returns on capital, strong balance sheets, and capable management teams that allocate capital in an efficient manner. The Fund will not invest in companies with significant direct involvement in extraction of fossil fuels and mining, and instead will seek other attractive sustainable opportunities in the energy, industrials, and materials sectors.

Although the assets of the Fund ordinarily will be invested primarily in common stocks of US companies, the Fund may also invest in aggregate up to 15 per cent of its net asset value in convertible securities (which may contain embedded derivatives and/or leverage), preferred stocks, warrants, REITs, Rule 144A securities and Money Market Instruments securities, which are listed or traded on Regulated Markets in the US. 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

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.

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

Directors' Report – (continued)

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 US companies (i.e., US 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

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 US 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 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^A (ceased trading on July 6, 2015)

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 QS MV European Equity Growth and Income Fund (formerly Legg Mason Batterymarch Managed Volatility 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 QS MV Asia Pacific ex Japan Equity Growth and Income Fund (formerly Legg Mason Batterymarch Asia Ex Japan 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 Australia, New Zealand, 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 QS Emerging Markets Equity Fund (formerly 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 QS MV Global Equity Growth and Income Fund (formerly 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

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

Directors' Report – *(continued)*

Legg Mason QS MV Global Equity Growth and Income Fund (formerly Legg Mason Batterymarch Global Equity Fund) – **(continued)**

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. 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 Martin Currie Australia Equity Income Fund

Investment Objective – Primary investment objective is 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 (i) common shares, (ii) preferred shares, (iii) Australian trusts (up to 30 per cent of the Fund's net asset value) and (iv) stapled securities (up to 50 per cent of the Fund's net asset value), which (a) are issued by Australian Issuers and are listed or traded on Regulated Markets listed in Schedule III of the Prospectus, and (b) have the ability to maintain or increase dividends or distributions over the longer term, in the opinion of the Sub-Investment Manager. The Sub-Investment Manager seeks to achieve the Fund's investment objective by selecting securities of issuers that the Sub-Investment Manager considers to be sound companies with strong or improving fundamentals. 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.

On behalf of the Board

Brian Collins
Director
June 21, 2016

Joseph LaRocque
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 29, 2016 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

The financial statements comprise:

- the statement of financial position as at February 29, 2016;
- the statement of comprehensive income for the year then ended;
- the statement of changes in net assets attributable to redeemable participating shares for the year then ended;
- the portfolio of investments for each of the sub-funds as at February 29, 2016; and
- the notes to the financial statements for the company 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.
- In our opinion, based on the work undertaken in the course of our audit of the financial statements, the description of the main features of the internal control and risk management systems in relation to the financial reporting process included in the Corporate Governance Statement, is consistent with the financial statements and has been prepared in accordance with section 1373(2)(c) of the Companies Act 2014.
- Based on our knowledge and understanding of the company and its environment, obtained in the course of our audit of the financial statements, we have not identified material misstatements in the description of the main features of the internal control and risk management systems in relation to the financial reporting process included in the Corporate Governance Statement.
- In our opinion, based on the work undertaken during the course of our audit of the financial statements, the information required by section 1373 (2)(a),(b),(e) and (f) is contained in the Corporate Governance Statement.

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.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the statement of directors' responsibilities set out on page 18, 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 21, 2016

Custodian's Report

Report of the Custodian to the Shareholders

We have enquired into the conduct of the Legg Mason Global Funds Plc (the "Company") for the year ended February 29, 2016, in our capacity as custodian to the Company.

This report including the opinion has been prepared for and solely for the shareholders in the Company, in accordance with Regulation 47 of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No 352 of 2011) (the "Regulations"), 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 Regulation 47 of the Regulations. 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 Regulations. It is the overall responsibility of the Company to comply with these provisions. If the Company has not been so managed, we as custodian must state in what respects it has not been so managed and the steps which we have taken in respect thereof.

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 Regulation 47 of the Regulations and to ensure that, in all material respects, the Company has been managed (i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of its constitutional documentation and the appropriate regulations and (ii) otherwise in accordance with the Company's constitutional documentation and the appropriate regulations.

Opinion

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

- (i) 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
- (ii) otherwise in accordance with the provisions of the Memorandum and Articles of Association and the Regulations.

BNY Mellon Trust Company (Ireland) Limited

June 21, 2016

Legg Mason Western Asset US Money Market Fund

Portfolio of Investments as at February 29, 2016

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
Certificate of Deposit — 28.44%				2,000	Societe Generale (New York), 0.850%, due 6/14/2016	2,001	0.19	4,500	BNZ International Funding Ltd, 0.830%, due 8/16/2016 **	4,483	0.43
10,000	Bank of America N.A., 0.600%, due 4/18/2016	10,002	0.95	2,000	Societe Generale (New York), 0.850%, due 8/3/2016	2,000	0.19	4,000	BPCE SA, 0.750%, due 6/1/2016 **	3,992	0.38
5,000	Bank of Montreal (Chicago), 0.630%, due 3/21/2016	5,000	0.48	1,250	Sumitomo Mitsui Banking Corp (NY), 0.350%, due 3/3/2016	1,250	0.12	5,000	Caisse Des Depots Et Consignations, 0.230%, due 3/3/2016 **	5,000	0.48
3,000	Bank of Montreal (Chicago), 0.600%, due 4/4/2016	3,000	0.28	5,000	Sumitomo Mitsui Banking Corp (NY), 0.650%, due 3/14/2016	5,000	0.48	10,000	Caisse Des Depots Et Consignations, 0.630%, due 6/17/2016 **	9,981	0.95
10,000	Bank of Montreal (Chicago), 0.600%, due 4/6/2016	10,000	0.96	5,000	Sumitomo Mitsui Banking Corp (NY), 0.670%, due 4/4/2016	5,000	0.48	10,000	Caisse Des Depots Et Constgnations, 0.620%, due 6/20/2016 **	9,981	0.95
4,500	Bank of Tokyo-Mitsubishi UFJ Ltd (NY), 0.500%, due 3/18/2016	4,500	0.43	2,750	Sumitomo Mitsui Banking Corp (NY), 0.700%, due 4/21/2016	2,750	0.26	1,625	Commonwealth Bank of Australia, 0.830%, due 6/23/2016 **	1,621	0.15
4,050	Bank of Tokyo-Mitsubishi UFJ Ltd (NY), 0.840%, due 8/10/2016	4,050	0.39	5,000	Sumitomo Mitsui Banking Corp (NY), 0.610%, due 5/18/2016	5,000	0.48	2,000	CPPIB Capital Inc, 0.480%, due 3/8/2016 **	2,000	0.19
5,000	BNP Paribas (New York), 0.500%, due 4/11/2016	5,000	0.48	5,000	Sumitomo Mitsui Banking Corp (NY), 0.700%, due 7/6/2016	5,000	0.48	10,000	Credit Agricole, 0.720%, due 5/19/2016 **	9,984	0.95
13,495	Canadian Imperial Bank (NY), 0.540%, due 4/20/2016	13,495	1.29	3,000	Sumitomo Mitsui Trust (NY), 0.520%, due 3/17/2016	3,000	0.29	2,000	Credit Agricole CIB (NY), 0.880%, due 8/2/2016 **	1,992	0.19
9,000	CitiBank N.A., 0.580%, due 4/21/2016	9,000	0.86	1,250	Sumitomo Mitsui Trust (NY), 0.700%, due 3/23/2016	1,250	0.12	4,850	Credit Suisse/New York, 0.510%, due 3/16/2016 **	4,849	0.46
5,000	CitiBank N.A., 0.640%, due 6/1/2016	5,000	0.48	2,000	Sumitomo Mitsui Trust (NY), 0.670%, due 4/4/2016	2,000	0.19	4,900	Credit Suisse/New York, 0.790%, due 6/1/2016 **	4,890	0.47
5,000	CitiBank N.A., 0.630%, due 6/7/2016	5,000	0.48	4,000	Sumitomo Mitsui Trust (NY), 0.510%, due 4/25/2016	4,000	0.38	10,000	Credit Suisse/New York, 0.700%, due 6/17/2016 **	9,979	0.95
9,050	CitiBank N.A., 0.710%, due 7/11/2016	9,050	0.87	5,000	Svenska Handelsbanken (New York), 0.405%, due 3/3/2016	5,000	0.48	1,400	Credit Suisse/New York, 0.900%, due 7/26/2016 **	1,395	0.13
4,000	CitiBank N.A., 0.810%, due 8/16/2016	4,000	0.38	10,000	Toronto Dominion Bank/NY, 0.400%, due 3/1/2016	10,000	0.96	3,905	Credit Suisse/New York, 1.000%, due 8/2/2016 **	3,888	0.37
10,000	Commonwealth Bank of Australia, 0.548%, due 3/31/2016	9,999	0.95	2,000	Toronto-Dominion Bank/NY, 0.781%, due 7/15/2016 *	2,000	0.19	10,000	Danske Corp, 0.640%, due 6/9/2016 **	9,982	0.95
2,500	Commonwealth Bank of Australia, 0.779%, due 8/11/2016	2,500	0.24	10,000	Wells Fargo Bank N.A., 0.580%, due 4/19/2016	10,000	0.96	10,000	Danske Corp, 0.640%, due 6/10/2016 **	9,982	0.95
5,000	Cooperatieve Rabobank UANV, 0.599%, due 3/9/2016 *	5,000	0.48	2,000	Wells Fargo Bank N.A., 0.580%, due 4/20/2016	2,000	0.19	5,000	DBS Bank ASA, 0.608%, due 3/8/2016 *	5,000	0.48
3,000	Credit Agricole Corp, 0.670%, due 3/28/2016	3,000	0.29	10,000	Wells Fargo Bank N.A., 0.630%, due 5/2/2016	10,000	0.96	5,000	DBS Bank Ltd, 0.000%, due 3/1/2016 **	5,000	0.48
3,000	Lloyds TSB Bank Plc (NY), 0.800%, due 6/13/2016	3,000	0.29	3,000	Wells Fargo Bank N.A., 0.850%, due 7/25/2016	3,000	0.29	10,000	DBS Bank Ltd, 0.370%, due 3/10/2016 **	9,999	0.96
7,000	Mitsubishi UFJ Trust & Banking Corp (NY), 0.870%, due 7/18/2016	7,000	0.67	2,000	Wells Fargo Bank N.A., 0.820%, due 8/10/2016	2,000	0.19	1,350	DBS Bank Ltd, 0.530%, due 3/22/2016 **	1,350	0.13
5,000	Mizuho Corporate Bank/NY, 0.520%, due 3/3/2016	5,000	0.48	1,500	Wells Fargo Bank N.A., 0.840%, due 8/16/2016	1,500	0.14	1,775	DBS Bank Ltd, 0.580%, due 3/24/2016 **	1,774	0.17
5,000	Mizuho Corporate Bank/NY, 0.660%, due 4/18/2016	5,000	0.48	2,000	Wells Fargo Bank N.A., 0.850%, due 8/22/2016	2,000	0.19	5,000	DBS Bank Ltd, 0.390%, due 4/1/2016 **	4,998	0.48
3,000	Mizuho Corporate Bank/NY, 0.660%, due 4/18/2016	3,000	0.28	1,500	Westpac Banking Corp/NY, 0.802%, due 4/15/2016 *	1,500	0.14	3,000	Dnb Nor Bank ASA, 0.690%, due 5/18/2016 **	2,995	0.29
5,000	Mizuho Corporate Bank/NY, 0.680%, due 5/16/2016	5,001	0.48	Total Certificate of Deposit (Cost \$297,198)			297,198 28.44	5,000	Exxon Mobil Corp, 0.200%, due 3/2/2016 **	3,000	0.29
2,000	Mizuho Corporate Bank/NY, 0.700%, due 6/15/2016	2,000	0.19	Commercial Paper — 53.86%				10,000	Exxon Mobil Corp, 0.260%, due 3/4/2016 **	10,000	0.96
2,000	Mizuho Corporate Bank/NY, 0.700%, due 6/16/2016	2,000	0.19	5,000	Abbey National Treasury Services Plc, 0.630%, due 5/9/2016 **	4,994	0.48	3,000	HSBC Bank Plc, 0.000%, due 3/23/2016 **	2,999	0.29
5,000	Mizuho Corporate Bank/NY, 0.700%, due 7/1/2016	5,000	0.48	4,200	Abbey National Treasury Services Plc, 0.620%, due 5/31/2016 **	4,193	0.40	5,000	ING U.S. Funding LLC, 0.190%, due 3/2/2016 **	5,000	0.48
9,750	Natixis (New York), 0.720%, due 5/6/2016	9,750	0.93	2,000	ABN AMRO Funding USA LLC, 0.750%, due 6/7/2016 **	1,996	0.19	5,000	ING U.S. Funding LLC, 0.490%, due 3/16/2016 **	4,999	0.48
5,000	Nordea Bank Finland Plc (New York), 0.589%, due 3/9/2016 *	5,000	0.48	3,000	ABN AMRO Funding USA LLC, 0.840%, due 8/1/2016 **	2,989	0.29	5,000	ING U.S. Funding LLC, 0.590%, due 4/5/2016 **	4,997	0.48
5,000	Norinchukin Bank, 0.510%, due 4/16/2016	5,000	0.48	3,000	ASB Finance Ltd/London, 0.850%, due 8/3/2016 **	2,989	0.29	5,000	ING U.S. Funding LLC, 0.590%, due 4/12/2016 **	4,996	0.48
7,000	Norinchukin Bank (New York), 0.500%, due 3/11/2016	7,000	0.67	5,640	Australia & New Zealand Banking Group Ltd, 0.540%, due 5/3/2016 **	5,635	0.54	4,750	ING U.S. Funding LLC, 0.850%, due 8/22/2016 **	4,730	0.45
5,000	Norinchukin Bank (New York), 0.500%, due 3/22/2016	5,000	0.48	9,500	Bank of Nova Scotia, 0.360%, due 3/9/2016 **	9,499	0.91	4,500	JPMorgan Securities LLC, 0.630%, due 3/4/2016	4,500	0.43
8,750	Norinchukin Bank (New York), 0.670%, due 6/2/2016	8,750	0.84	5,000	Bank of Nova Scotia, 0.470%, due 4/6/2016 **	4,998	0.48	5,000	JPMorgan Securities LLC, 0.510%, due 4/25/2016 **	4,996	0.48
2,500	Norinchukin Bank (New York), 0.850%, due 8/8/2016	2,500	0.24	3,250	Bank of Nova Scotia, 0.470%, due 4/7/2016 **	3,248	0.31	380	JPMorgan Securities LLC, 0.790%, due 5/6/2016 **	379	0.04
5,000	Oversea-Chinese Banking Corp, 0.500%, due 3/7/2016	5,000	0.48	3,000	Bank of Nova Scotia, 0.480%, due 5/11/2016 **	2,997	0.29	2,600	JPMorgan Securities LLC, 0.860%, due 7/18/2016 **	2,591	0.25
2,500	Oversea-Chinese Banking Corp, 0.580%, due 4/26/2016	2,500	0.24	15,000	BNP Paribas Fortis (New York), 0.190%, due 3/2/2016 **	15,000	1.43	2,000	JPMorgan Securities LLC, 0.850%, due 7/27/2016 **	1,993	0.19
5,500	Rabobank Nederland NV, 0.430%, due 4/13/2016	5,500	0.52	5,000	BNZ International Funding Ltd, 0.610%, due 3/9/2016 **	5,000	0.48	15,000	Kreditanstalt Fuer Wiederaufbau, 0.260%, due 3/4/2016 **	15,000	1.43
6,500	Royal Bank of Canada/ New York, 0.594%, due 3/10/2016 *	6,500	0.63	6,250	BNZ International Funding Ltd, 0.750%, due 5/3/2016 **	6,242	0.60	3,000	Landesbank Hessen-Thuringen, 0.470%, due 3/18/2016 **	2,999	0.29
2,850	Royal Bank of Canada/ New York, 0.778%, due 7/7/2016 *	2,850	0.27					4,485	Landesbank Hessen-Thuringen, 0.610%, due 4/29/2016 **	4,480	0.43

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 29, 2016 – (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
Commercial Paper — (continued)			2,000 UBS Finance Delaware LLC, 0.850%, due 8/5/2016 **	1,993	0.19	15,000 Lloyds TSB Bank Plc, 0.270%, due 3/1/2016	15,000	1.44
250 Lloyds Tsb Bank Plc, 0.480%, due 3/22/2016 **	250	0.02	1,500 UBS Finance Delaware LLC, 0.900%, due 9/6/2016 **	1,493	0.14	15,000 Natixis, 0.300%, due 3/1/2016	15,000	1.43
10,000 Lloyds Tsb Bank Plc, 0.650%, due 6/13/2016 **	9,981	0.95	10,000 United Overseas Bank Ltd, 0.580%, due 4/1/2016 **	9,995	0.96	15,000 Nordea Bank (Cayman Islands), 0.270%, due 3/1/2016	15,000	1.44
5,000 Lloyds Tsb Bank Plc, 0.850%, due 7/25/2016 **	4,983	0.48	5,000 United Overseas Bank Ltd, 0.570%, due 4/26/2016 **	4,995	0.48	15,000 Skandinav Enskilda Banken, 0.290%, due 3/1/2016	15,000	1.44
5,000 Mitsubishi UFJ Trust & Banking Corp (NY), 0.390%, due 3/15/2016 **	4,999	0.48	3,150 United Overseas Bank Ltd, 0.690%, due 5/11/2016 **	3,146	0.30	15,000 Svenska Handelsbanken (Cayman Islands), 0.270%, due 3/1/2016	15,000	1.44
5,000 Mitsubishi UFJ Trust & Banking Corp (NY), 0.480%, due 3/24/2016 **	4,998	0.48	5,000 United Overseas Bank Ltd, 0.640%, due 6/6/2016 **	4,991	0.48	25,000 Swedbank Stockholm, 0.290%, due 3/1/2016	25,000	2.39
10,000 National Australia Bank, 0.000%, due 3/1/2016 **	10,000	0.96	2,500 United Overseas Bank Ltd, 0.630%, due 6/15/2016 **	2,495	0.24	Total Time Deposits (Cost \$162,171)	162,171	15.52
1,000 Natixis (New York), 0.000%, due 3/1/2016 **	1,000	0.09	3,000 Westpac Banking Corp, 0.585%, due 3/2/2016 *	3,000	0.29	Total Investments (Cost \$1,050,277)	1,050,277	100.51
7,000 Natixis (New York), 0.740%, due 5/31/2016 **	6,987	0.67	20,000 Westpac Banking Corp, 0.537%, due 3/3/2016 *	20,000	1.91	Liabilities in Excess of Other Assets	(5,287)	(0.51)
20,000 NRW Bank, 0.390%, due 3/14/2016 **	19,997	1.91	5,000 Westpac Banking Corp, 0.589%, due 3/4/2016 *	5,000	0.48	Total Net Assets	\$1,044,990	100.00
10,000 NRW Bank, 0.420%, due 3/24/2016 **	9,997	0.96	Total Commercial Paper (Cost \$562,857)	562,857	53.86	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 29, 2016, these securities amounted to \$4,676,000 or 0.45% of net assets.		
5,000 Ontario Teachers, 0.600%, due 4/4/2016 **	4,997	0.48	Corporate Bonds and Notes — 1.93%			* Variable rate security. The interest rate shown reflects the rate in effect at February 29, 2016.		
2,000 Ontario Teachers, 0.690%, due 5/11/2016 **	1,997	0.19	Canada — 0.62%			** Rate reflects yield to maturity as at February 29, 2016.		
750 Ontario Teachers, 0.850%, due 7/8/2016 **	748	0.07	2,000 Bank of Nova Scotia, 2.900%, due 3/29/2016	2,004	0.19			
2,500 Ontario Teachers, 0.900%, due 8/26/2016 **	2,489	0.24	500 Royal Bank of Canada/ New York, 0.563%, due 3/18/2016 *	500	0.05			
350 Oversea Chinese Banking Corp, 0.560%, due 3/16/2016 **	350	0.03	4,000 Toronto-Dominion Bank/NY, 0.542%, due 3/21/2016 *	4,000	0.38			
1,000 Oversea-Chinese Banking Corp, 0.400%, due 3/3/2016 **	1,000	0.09		6,504	0.62			
5,000 Oversea-Chinese Banking Corp, 0.620%, due 6/10/2016 **	4,991	0.48	Japan — 0.16%					
2,000 Reckitt Benckiser Treasury Services Plc, 0.000%, due 3/1/2016 **	2,000	0.19	1,650 Sumitomo Mitsui Banking Corp (NY), 0.938%, due 4/29/2016 *	1,650	0.16			
3,000 Reckitt Benckiser Treasury Services Plc, 0.460%, due 3/7/2016 **	3,000	0.29	Netherlands — 0.38%					
3,750 Royal Bank of Canada, 0.490%, due 3/9/2016 **	3,750	0.36	1,000 Cooperative Rabobank UA/NY, 1.013%, due 3/18/2016 *	1,000	0.10			
6,950 Skandinaviska Enskilda Banken AB, 0.440%, due 3/10/2016 **	6,949	0.66	2,921 ING Bank NV, 144A, 4.000%, due 3/15/2016	2,925	0.28			
1,200 Skandinaviska Enskilda Banken AB, 0.380%, due 3/21/2016 **	1,200	0.11		3,925	0.38			
10,000 Skandinaviska Enskilda Banken AB, 0.670%, due 7/5/2016 **	9,977	0.95	Sweden — 0.12%					
30,000 Societe Generale, 0.000%, due 3/1/2016 **	30,000	2.87	1,275 Svenska Handelsbanken AB, 1.020%, due 3/21/2016 *	1,275	0.12			
5,000 Sumitomo Mitsui Banking Corp, 0.590%, due 5/4/2016 **	4,995	0.48	United States — 0.65%					
5,000 Sumitomo Mitsui Trust (NY), 0.360%, due 3/8/2016 **	5,000	0.48	5,000 Bank of America N.A., 0.740%, due 6/7/2016	5,001	0.48			
4,250 Sumitomo Mitsui Trust (NY), 0.470%, due 3/18/2016 **	4,249	0.41	1,750 GE Capital International Funding Co, 144A, 0.964%, due 4/15/2016	1,751	0.17			
6,150 Sumitomo Mitsui Trust (NY), 0.700%, due 5/2/2016 **	6,142	0.59		6,752	0.65			
5,000 Svenska Handelsbanken AB, 0.300%, due 3/10/2016 **	5,000	0.48	Total Corporate Bonds and Notes (Cost \$20,106)	20,106	1.93			
2,000 Svenska Handelsbanken AB, 0.520%, due 4/15/2016 **	1,999	0.19	Government Bonds and Notes — 0.76%					
2,500 Svenska Handelsbanken AB, 0.690%, due 5/20/2016 **	2,496	0.24	United States — 0.76%					
10,000 Svenska Handelsbanken AB, 0.650%, due 6/24/2016 **	9,979	0.95	7,000 Federal Home Loan Bank Discount Notes, zero coupon, due 3/3/2016	7,000	0.67			
10,000 Swedbank AB, 0.180%, due 3/2/2016 **	10,000	0.96	545 United States Treasury Note/Bond, 0.375%, due 3/15/2016	545	0.05			
5,500 Toyota Motor Credit Corp, 0.610%, due 3/14/2016	5,500	0.53	400 United States Treasury Note/Bond, 0.250%, due 4/15/2016	400	0.04			
4,250 UBS Finance Delaware LLC, 0.270%, due 3/2/2016 **	4,250	0.41		7,945	0.76			
15,000 UBS Finance Delaware LLC, 0.750%, due 5/31/2016 **	14,971	1.43	Total Government Bonds and Notes (Cost \$7,945)	7,945	0.76			
5,000 UBS Finance Delaware LLC, 0.660%, due 6/2/2016 **	4,991	0.48	Time Deposits — 15.52%					
2,000 UBS Finance Delaware LLC, 0.850%, due 8/2/2016 **	1,993	0.19	13,012 Canadian Imperial Bank (Cayman Islands), 0.280%, due 3/1/2016	13,012	1.24			
			24,159 Credit Agricole C&I Bank, 0.310%, due 3/1/2016	24,159	2.31			
			25,000 DnB Nor Bank ASA, 0.290%, due 3/1/2016	25,000	2.39			

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Legg Mason Western Asset US Core Bond Fund

Portfolio of Investments as at February 29, 2016

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 — 9.27%								
64 Bayview Financial Acquisition Trust, Series 2004 D, Class M3, 1.489%, due 8/28/2044 *	63	0.14	110 SLM Student Loan Trust 2010-1, Series 2010 1, Class A, 0.836%, due 3/25/2025 *	105	0.23	236 Comm 2014-UBS2 Mortgage Trust, Series 2014 UBS2, Class XA, 1.241%, due 3/10/2047 *	17	0.04
230 Bear Stearns Asset Backed Securities I Trust 2004-BO1, Series 2004 BO1, Class M6, 2.436%, due 10/25/2034 *	229	0.51	160 SLM Student Loan Trust 2014-2, Series 2014 2, Class A3, 1.026%, due 3/26/2029 *	152	0.34	150 COMM 2015-LC19 Mortgage Trust, Series 2015 LC19, Class ASB, 3.040%, due 2/10/2048	154	0.34
245 Countrywide Asset-Backed Certificates, Series 2007 4, Class A4W, 5.288%, due 4/25/2047 *	236	0.52	304 Structured Asset Investment Loan Trust 2004-8, Series 2004 8, Class M1, 1.336%, due 9/25/2034 *	288	0.63	10 COMM 2015-LC19 Mortgage Trust, Series 2015 LC19, Class C, 4.263%, due 2/10/2048 *	9	0.02
96 Countrywide Asset-Backed Certificates, Series 2007 13, Class 2A2, 1.236%, due 10/25/2047 *	81	0.18	88 United States Small Business Administration, Series 2013 20J, Class 1, 3.370%, due 10/1/2033	93	0.21	11 Credit Suisse Commercial Mortgage Trust Series 2007-C2, Series 2007 C2, Class AM, 5.615%, due 1/15/2049 *	11	0.02
270 CWABS Inc Asset-Backed Certificates Trust 2004-5, Series 2004 5, Class 2A, 0.936%, due 10/25/2034 *	253	0.56	98 United States Small Business Administration, Series 2015 20D, Class 1, 2.510%, due 4/1/2035	100	0.22	100 CSAIL Commercial Mortgage Trust, Series 2015 C1, Class AS, 3.791%, due 4/15/2050	103	0.23
251 CWHEQ Revolving Home Equity Loan Trust Series 2006-I, Series 2006 I, Class 1A, 0.571%, due 1/15/2037 *	228	0.50	Total Asset-Backed Securities (Cost \$4,220)4,1989.27			51 Fannie Mae Interest Strip 409, Class C2, 3.000%, due 4/25/2027	5	0.01
346 CWHEQ Revolving Home Equity Loan Trust Series 2007-B, Series 2007 B, Class A, 0.581%, due 2/15/2037 *	310	0.68	Mortgage-Backed Securities — 26.76%			19 Fannie Mae Interest Strip 407, Class 41, 6.000%, due 1/25/2038	4	0.01
48 GSRPM Mortgage Loan Trust 2006-2, Series 2006 2, Class A2, 144A, 0.736%, due 9/25/2036 *	46	0.10	85 Alternative Loan Trust 2005-17, Series 2005 17, Class 1A1, 0.696%, due 7/25/2035 *	70	0.16	7 Fannie Mae Interest Strip 390, Class C3, 6.000%, due 7/25/2038	1	-
200 Hertz Vehicle Financing II LP, Series 2015 1A, Class B, 144A, 3.520%, due 3/25/2021	199	0.44	100 American Home Mortgage Assets Trust 2006-3, Series 2006 3, Class 3A12, 0.626%, due 10/25/2046 *	68	0.15	48 Fannie Mae Interest Strip 409, Class C13, 3.500%, due 11/25/2041	9	0.02
25 Manufactured Housing Contract Trust Pass-Through Certificates Series 2001-2, Series 2001 2, Class IA2, 3.924%, due 2/20/2032 *	23	0.05	18 American Home Mortgage Investment Trust 2004-1, Series 2004 1, Class 1A, 1.136%, due 4/25/2044 *	17	0.04	46 Fannie Mae Interest Strip 409, Class C18, 4.000%, due 4/25/2042	8	0.02
278 Mastr Asset Backed Securities Trust 2004-OPT2, Series 2004 OPT2, Class A1, 1.136%, due 9/25/2034 *	247	0.55	111 Banc of America Funding 2004-B Trust, Series 2004 B, Class 7M1, 1.032%, due 12/20/2034 *	98	0.22	200 Fannie Mae Pool, 15 year, TBA, 3.000% ±	209	0.46
143 Nelnet Student Loan Trust 2005-2, Series 2005 2, Class A4, 0.666%, due 12/23/2019 *	142	0.31	240 Banc of America Mortgage 2003-C Trust, Series 2003 C, Class B1, 2.693%, due 4/25/2033 *	183	0.40	500 Fannie Mae Pool, 30 year, TBA, 3.500% ±	524	1.16
100 Northstar Education Finance Inc, Series 2005 1, Class B, 1.273%, due 10/30/2045 *	77	0.17	57 Bear Stearns ALT-A Trust 2004-11, Series 2004 11, Class 2A2, 2.859%, due 11/25/2034 *	49	0.11	600 Fannie Mae Pool, 15 year, TBA, 3.500% ±	633	1.40
60 Option One Mortgage Loan Trust, Series 2003 1, Class A2, 1.276%, due 2/25/2033 *	55	0.12	113 Bear Stearns ALT-A Trust 2004-6, Series 2004 6, Class M1, 1.261%, due 7/25/2034 *	101	0.22	7 Fannie Mae Pool '888795', 5.500%, due 11/1/2036	8	0.02
116 Option One Mortgage Loan Trust 2002-3, Series 2002 3, Class A2, 0.976%, due 8/25/2032 *	105	0.23	33 Bear Stearns ALT-A Trust 2004-7, Series 2004 7, Class 2A1, 2.645%, due 8/25/2034 *	33	0.07	172 Fannie Mae Pool '890604', 4.500%, due 10/1/2044	190	0.42
9 RASC Series 2001-KS2 Trust, Series 2001 KS2, Class All, 0.896%, due 6/25/2031 *	9	0.02	2 CD 2006-CD2 Mortgage Trust, Series 2006 CD2, Class AM, 5.355%, due 1/15/2046 *	3	0.01	9 Fannie Mae Pool '950385', 1.499%, due 8/1/2037 *	10	0.02
370 RASC Series 2005-KS12 Trust, Series 2005 KS12, Class M1, 0.876%, due 1/25/2036 *	348	0.77	180 Chevy Chase Funding LLC Mortgage-Backed Certificates Series 2004-4, Series 2004 4X, Class A2, 0.726%, due 10/25/2035 *	160	0.35	229 Fannie Mae Pool 'AB6201', 3.000%, due 9/1/2042	236	0.52
49 SASCO Mortgage Loan Trust 2005-GEL1, Series 2005 GEL1, Class M1, 1.252%, due 12/25/2034 *	48	0.11	32 CHL Mortgage Pass-Through Trust 2005-11, Series 2005 11, Class 6A1, 1.036%, due 3/25/2035 *	28	0.06	70 Fannie Mae Pool 'AB9594', 4.000%, due 6/1/2043	76	0.17
160 SLC Student Loan Trust 2008-2, Series 2008 2, Class A4, 1.412%, due 6/15/2021 *	155	0.34	80 Citigroup Commercial Mortgage Trust 2015-GC27, Series 2015 GC27, Class B, 3.772%, due 2/10/2048	75	0.17	595 Fannie Mae Pool 'AH4536', 4.000%, due 2/1/2041	648	1.43
200 SLM Private Credit Student Loan Trust 2007-A, Series 2007 A, Class A4A, 0.752%, due 12/16/2041 *	167	0.37	1,881 COMM 2012-CCRE1 Mortgage Trust, Series 2012 CR1, Class XA, 2.076%, due 5/15/2045 *	159	0.35	118 Fannie Mae Pool 'AL0215', 4.500%, due 4/1/2041	128	0.28
240 SLM Student Loan Trust, Series 2006 BW, Class A5, 0.712%, due 12/15/2039 *	218	0.48	150 COMM 2012-CCRE4 Mortgage Trust, Series 2012 CR4, Class AM, 3.251%, due 10/15/2045	153	0.34	45 Fannie Mae Pool 'AL4324', 6.500%, due 5/1/2040	52	0.12
130 SLM Student Loan Trust 2007-2, Series 2007 2, Class A4, 0.679%, due 7/25/2022 *	121	0.27	10 COMM 2013-CCRE12 Mortgage Trust, Series 2013 CR12, Class AM, 4.300%, due 10/10/2046	11	0.02	50 Fannie Mae Pool 'AM8674', 2.810%, due 4/1/2025	51	0.11
100 SLM Student Loan Trust 2008-5, Series 2008 5, Class A4, 2.319%, due 7/25/2023 *	100	0.22	1,377 Comm 2013-CCRE13 Mortgage Trust, Series 2013 CR13, Class XA, 1.141%, due 12/10/2023 *	66	0.15	156 Fannie Mae Pool 'AO7501', 4.000%, due 6/1/2042	168	0.37
						75 Fannie Mae Pool 'AP4781', 3.000%, due 9/1/2042	77	0.17
						157 Fannie Mae Pool 'AP9633', 2.500%, due 10/1/2042	157	0.35
						196 Fannie Mae Pool 'AS5892', 3.500%, due 10/1/2045	205	0.45
						297 Fannie Mae Pool 'AS6311', 3.500%, due 12/1/2045	312	0.69
						84 Fannie Mae Pool 'AT4281', 4.000%, due 6/1/2043	91	0.20
						144 Fannie Mae Pool 'AW3971', 4.500%, due 4/1/2044	156	0.34
						99 Fannie Mae Pool 'BA0147', 3.500%, due 10/1/2045	104	0.23
						160 Fannie Mae Pool 'MA1217', 4.000%, due 10/1/2042	172	0.38
						81 Fannie Mae Pool 'MA1253', 4.000%, due 11/1/2042	87	0.19
						164 Fannie Mae Pool 'MA1372', 3.500%, due 3/1/2043	173	0.38
						82 Fannie Mae Pool 'MA1403', 3.500%, due 4/1/2043	86	0.19
						82 Fannie Mae Pool 'MA1436', 3.500%, due 5/1/2043	87	0.19

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 29, 2016 – (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
Mortgage-Backed Securities — (continued)								
86 Fannie Mae Pool 'MA1591', 4.500%, due 9/1/2043	95	0.21	18 Freddie Mac REMICS 3621, Class SB, 5.803%, due 1/15/2040 *	4	0.01	149 Government National Mortgage Association, Series 2014 47, Class IA, 1.192%, due 2/16/2048 *	10	0.02
178 Fannie Mae REMICS, Series 2012 101, Class AI, 3.000%, due 6/25/2027	17	0.04	119 Freddie Mac REMICS 3947, Class SG, 5.523%, due 10/15/2041 *	20	0.04	230 Government National Mortgage Association, Series 2012 44, Class IO, 0.688%, due 3/16/2049 *	9	0.02
45 Fannie Mae REMICS, Series 2001 81, Class GE, 6.000%, due 1/25/2032	50	0.11	238 Freddie Mac REMICS 3997, Class SK, 6.173%, due 11/15/2041 *	43	0.09	506 Government National Mortgage Association, Series 2013 63, Class IO, 0.769%, due 9/16/2051 *	30	0.07
57 Fannie Mae REMICS, Series 2005 29, Class ZA, 5.500%, due 4/25/2035	64	0.14	215 Freddie Mac REMICS 4194, Class BI, 3.500%, due 4/15/2043	30	0.07	339 Government National Mortgage Association, Series 2012 112, Class IO, 0.366%, due 2/16/2053 *	12	0.03
57 Fannie Mae REMICS, Series 2011 87, Class SG, 6.114%, due 4/25/2040 *	10	0.02	68 Freddie Mac REMICS 4298, Class PI, 4.000%, due 4/15/2043	8	0.02	189 Government National Mortgage Association, Series 2012 27, Class IO, 1.211%, due 4/16/2053 *	10	0.02
62 Fannie Mae REMICS, Series 2012 70, Class YS, 6.214%, due 2/25/2041 *	9	0.02	1 Ginnie Mae I pool '464051', 7.000%, due 7/15/2028	2	—	797 Government National Mortgage Association, Series 2014 92, Class IX, 0.820%, due 5/16/2054 *	41	0.09
57 Fannie Mae REMICS, Series 2013 9, Class CB, 5.500%, due 4/25/2042	64	0.14	46 Ginnie Mae I pool '557522', 7.000%, due 7/15/2031	57	0.13	1,190 Government National Mortgage Association, Series 2014 105, Class IO, 1.091%, due 6/16/2054 *	87	0.19
30 Fannie Mae REMICS, Series 2012 46, Class BA, 6.000%, due 5/25/2042	34	0.08	35 Ginnie Mae I pool '565347', 7.000%, due 8/15/2031	37	0.08	1,766 Government National Mortgage Association, Series 2015 5, Class IK, 0.811%, due 11/16/2054 *	107	0.24
46 Fannie Mae REMICS, Series 2012 75, Class NS, 6.164%, due 7/25/2042 *	9	0.02	42 Ginnie Mae I pool '584344', 7.000%, due 4/15/2032	47	0.10	115 Government National Mortgage Association, Series 2013 178, Class IO, 0.919%, due 6/16/2055 *	6	0.01
42 Fannie Mae REMICS, Series 2013 9, Class BC, 6.500%, due 7/25/2042	49	0.11	500 Ginnie Mae II pool, 30 year, TBA, 3.500% ±	528	1.17	176 Government National Mortgage Association, Series 2014 50, Class IO, 0.952%, due 9/16/2055 *	11	0.02
362 Fannie Mae REMICS, Series 2012 134, Class SK, 5.714%, due 12/25/2042 *	77	0.17	44 Ginnie Mae II pool '4837', 6.000%, due 10/20/2040	51	0.11	691 Government National Mortgage Association, Series 2014 135, Class IO, 0.912%, due 1/16/2056 *	48	0.11
1,368 Fannie Mae-Aces, Series 2015 M4, Class X2, 0.576%, due 7/25/2022 *	39	0.09	35 Ginnie Mae II pool '4923', 4.500%, due 1/20/2041	39	0.09	70 Government National Mortgage Association, Series 2010 H26, Class LF, 0.780%, due 8/20/2058 *	69	0.15
4,842 Fannie Mae-Aces, Series 2015 M3, Class X2, 0.385%, due 10/25/2024 *	135	0.30	22 Ginnie Mae II pool '4961', 6.000%, due 2/20/2041	25	0.06	75 Government National Mortgage Association, Series 2009 H01, Class FA, 1.582%, due 11/20/2059 *	76	0.17
95 FHLMC Multifamily Structured Pass Through Certificates K016, Class X1, 1.551%, due 10/25/2021 *	7	0.01	95 Ginnie Mae II pool '4978', 4.500%, due 3/20/2041	103	0.23	87 Government National Mortgage Association, Series 2011 H01, Class AF, 0.880%, due 11/20/2060 *	86	0.19
142 FHLMC Structured Pass Through Securities, Series T 56, Class 2AF, 0.836%, due 5/25/2043 *	141	0.31	54 Ginnie Mae II pool '5240', 6.000%, due 11/20/2041	61	0.14	150 Government National Mortgage Association, Series 2011 H09, Class AF, 0.930%, due 3/20/2061 *	149	0.33
100 Freddie Mac Gold Pool, 30 year, TBA, 3.500% ±	105	0.23	196 Ginnie Mae II pool '784054', 4.000%, due 9/20/2045	212	0.47	72 Government National Mortgage Association, Series 2012 H18, Class NA, 0.950%, due 8/20/2062 *	72	0.16
35 Freddie Mac Gold Pool 'A74793', 5.000%, due 3/1/2038	39	0.09	10 GMAC Commercial Mortgage Securities Inc Series 2006-C1 Trust, Series 2006 C1, Class AM, 5.290%, due 11/10/2045 *	10	0.02	80 Government National Mortgage Association, Series 2012 H30, Class GA, 0.780%, due 12/20/2062 *	79	0.17
22 Freddie Mac Gold Pool 'G06172', 5.500%, due 12/1/2038	24	0.05	182 Government National Mortgage Association, Series 2012 66, Class CI, 3.500%, due 2/20/2038	17	0.04	268 Government National Mortgage Association, Series 2013 H08, Class BF, 0.830%, due 3/20/2063 *	264	0.58
47 Freddie Mac Gold Pool 'G06409', 6.000%, due 11/1/2039	54	0.12	115 Government National Mortgage Association, Series 2015 101, Class VM, 2.532%, due 2/16/2039 *	119	0.26	56 GreenPoint MTA Trust 2005-AR1, Series 2005 AR1, Class A2, 0.876%, due 6/25/2045 *	48	0.11
21 Freddie Mac Gold Pool 'G06669', 6.500%, due 9/1/2039	24	0.05	28 Government National Mortgage Association, Series 2010 85, Class HS, 6.218%, due 1/20/2040 *	4	0.01	10 GS Mortgage Securities Trust 2013-GC16, Series 2013 GC16, Class B, 5.161%, due 11/10/2046 *	11	0.02
33 Freddie Mac Gold Pool 'G07117', 6.000%, due 10/1/2036	38	0.08	65 Government National Mortgage Association, Series 2012 34, Class SA, 5.618%, due 3/20/2042 *	14	0.03	80 JP Morgan Chase Commercial Mortgage Securities Trust 2006-LDP9, Series 2006 LDP9, Class AM, 5.372%, due 5/15/2047	80	0.18
103 Freddie Mac Gold Pool 'G14492', 4.000%, due 10/1/2025	110	0.24	479 Government National Mortgage Association, Series 2002 91, Class AF, 0.735%, due 4/16/2044 *	6	0.01			
80 Freddie Mac Gold Pool 'Q17792', 3.500%, due 5/1/2043	84	0.19	163 Government National Mortgage Association, Series 2013 145, Class IO, 1.070%, due 9/16/2044 *	10	0.02			
80 Freddie Mac Gold Pool 'U90316', 4.000%, due 10/1/2042	86	0.19	158 Government National Mortgage Association, Series 2015 36, Class MI, 5.500%, due 3/20/2045	32	0.07			
83 Freddie Mac Gold Pool 'U90503', 3.500%, due 11/1/2042	87	0.19	194 Government National Mortgage Association, Series 2015 167, Class OI, 4.000%, due 4/16/2045	42	0.09			
84 Freddie Mac Gold Pool 'U99045', 3.500%, due 3/1/2043	89	0.20	170 Government National Mortgage Association, Series 2013 163, Class IO, 1.173%, due 2/16/2046 *	12	0.03			
224 Freddie Mac Gold Pool 'U99124', 3.500%, due 3/1/2045	235	0.52	563 Government National Mortgage Association, Series 2011 142, Class IO, 0.838%, due 9/16/2046 *	21	0.05			
311 Freddie Mac REMICS 4092, Class AI, 3.000%, due 9/15/2031	31	0.07	109 Government National Mortgage Association, Series 2015 85, Class AB, 2.800%, due 2/16/2047 *	112	0.25			

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 29, 2016 – (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
Mortgage-Backed Securities — (continued)			Belgium — 1.37%			10 Shell International Finance BV, 4.125%, due 5/11/2035		
10 JPMBB Commercial Mortgage Securities Trust 2013-C15, Series 2013 C15, Class C, 5.081%, due 11/15/2045 *	10	0.02	30 Anheuser-Busch InBev Finance Inc, 2.650%, due 2/1/2021	30	0.07		9	0.02
10 JPMBB Commercial Mortgage Securities Trust 2013-C17, Series 2013 C17, Class B, 4.887%, due 1/15/2047 *	11	0.02	60 Anheuser-Busch InBev Finance Inc, 3.300%, due 2/1/2023	62	0.13		583	1.29
120 JPMBB Commercial Mortgage Securities Trust 2014-C23, Series 2014 C23, Class AS, 4.202%, due 9/15/2047 *	127	0.28	250 Anheuser-Busch InBev Finance Inc, 3.650%, due 2/1/2026	258	0.57	Peru — 0.15%		
110 JPMBB Commercial Mortgage Securities Trust 2015-C31, Series 2015 C31, Class A3, 3.801%, due 8/15/2048	116	0.26	190 Anheuser-Busch InBev Finance Inc, 4.900%, due 2/1/2046	204	0.45	90 Southern Copper Corp, 5.250%, due 11/8/2042	67	0.15
144 LB-UBS Commercial Mortgage Trust 2001-C3, Series 2001 C3, Class X, 144A, 0.508%, due 6/15/2036 *†	—	—	60 Anheuser-Busch InBev Worldwide Inc, 5.375%, due 1/15/2020	67	0.15	Spain — 0.02%		
100 Morgan Stanley Bank of America Merrill Lynch Trust 2014-C18, Series 2014 C18, Class AS, 4.110%, due 10/15/2047	106	0.23		621	1.37	10 Telefonica Emisiones SAU, 5.877%, due 7/15/2019	11	0.02
213 Sequoia Mortgage Trust 2003-5, Series 2003 5, Class A1, 1.052%, due 9/20/2033 *	206	0.45	Brazil — 0.60%			Switzerland — 0.22%		
6 Structured Adjustable Rate Mortgage Loan Trust, Series 2004 10, Class 1A1, 2.677%, due 8/25/2034 *	6	0.01	37 Petrobras Global Finance BV, 5.750%, due 1/20/2020	30	0.06	20 Glencore Finance Canada Ltd, 2.700%, due 10/25/2017	19	0.04
20 Structured Asset Securities Corp, Series 2005 RF1, Class A, 144A, 0.786%, due 3/25/2035 *	16	0.04	210 Petrobras Global Finance BV, 5.375%, due 1/27/2021	158	0.35	100 Glencore Funding LLC, 2.875%, due 4/16/2020	82	0.18
36 Structured Asset Securities Corp Mort Pass-thr Cert Ser 2002, Series 2002 11A, Class B2II, 2.792%, due 6/25/2032 *	29	0.06	10 Petrobras Global Finance BV, 6.250%, due 3/17/2024	7	0.02		101	0.22
42 Thornburg Mortgage Securities Trust 2007-4, Series 2007 4, Class 1A1, 2.393%, due 9/25/2037 *	40	0.09	50 Petrobras Global Finance BV, 6.850%, due 6/5/2115	31	0.07	United Kingdom — 0.83%		
61 Voyager CNTYW Delaware Trust, Series 2009 1, Class 3QB1, 144A, 0.681%, due 3/16/2030 *	51	0.11	20 Vale Overseas Ltd, 6.250%, due 1/23/2017	20	0.04	50 BP Capital Markets Plc, 3.245%, due 5/6/2022	49	0.11
49 WaMu Mortgage Pass-Through Certificates Series 2005-AR8, Series 2005 AR8, Class 2A1A, 0.726%, due 7/25/2045 *	46	0.10	40 Vale Overseas Ltd, 6.875%, due 11/21/2036	27	0.06	10 BP Capital Markets Plc, 3.506%, due 3/17/2025	10	0.02
52 Wells Fargo Mortgage Backed Securities 2004-I Trust, Series 2004 I, Class B2, 2.769%, due 7/25/2034 *	43	0.10		273	0.60	70 Diageo Capital Plc, 4.828%, due 7/15/2020	77	0.17
2,036 WFRBS Commercial Mortgage Trust 2014-C23, Series 2014 C23, Class XA, 0.706%, due 10/15/2057 *	83	0.18	Canada — 0.50%			200 HSBC Holdings Plc, 5.250%, due 3/14/2044	191	0.42
110 WFRBS Commercial Mortgage Trust 2014-C23, Series 2014 C23, Class AS, 4.210%, due 10/15/2057 *	115	0.25	13 Barrick Gold Corp, 4.100%, due 5/1/2023	12	0.03	40 Rio Tinto Finance USA Ltd, 3.500%, due 11/2/2020	40	0.09
100 WFRBS Commercial Mortgage Trust 2014-LC14, Series 2014 LC14, Class ASB, 3.522%, due 3/15/2047	105	0.23	10 Potash Corp of Saskatchewan Inc, 4.875%, due 3/30/2020	11	0.03	10 WPP Finance 2010, 5.125%, due 9/7/2042	10	0.02
Total Mortgage-Backed Securities (Cost \$12,692)			200 Royal Bank of Canada, 1.875%, due 2/5/2020	201	0.44		377	0.83
				224	0.50	United States — 21.49%		
Corporate Bonds and Notes — 27.70%			Chile — 0.13%			10 21st Century Fox America Inc, 6.650%, due 11/15/2037	11	0.02
Australia — 0.22%			55 Celulosa Arauco y Constitucion SA, 4.750%, due 1/11/2022	56	0.13	30 AbbVie Inc, 1.750%, due 11/6/2017	30	0.07
70 BHP Billiton Finance USA Ltd, 3.250%, due 11/21/2021	70	0.16	Colombia — 0.16%			20 AbbVie Inc, 3.600%, due 5/14/2025	20	0.05
20 BHP Billiton Finance USA Ltd, 5.000%, due 9/30/2043	19	0.04	70 Ecopetrol SA, 5.375%, due 6/26/2026	57	0.13	10 ACE INA Holdings Inc, 2.300%, due 1/3/2020	10	0.02
10 Commonwealth Bank of Australia, 144A, 5.000%, due 10/15/2019	11	0.02	20 Ecopetrol SA, 5.875%, due 5/28/2045	14	0.03	10 ACE INA Holdings Inc, 3.350%, due 5/3/2026	10	0.02
	100	0.22		71	0.16	30 Actavis Funding SCS, 3.450%, due 3/15/2022	31	0.07
			France — 0.13%			40 Actavis Funding SCS, 3.800%, due 3/15/2025	41	0.09
			60 BNP Paribas SA, 2.700%, due 8/20/2018	61	0.13	30 Actavis Funding SCS, 4.550%, due 3/15/2035	30	0.07
			Mexico — 0.59%			10 Actavis Funding SCS, 4.750%, due 3/15/2045	10	0.02
			50 America Movil SAB de CV, 5.625%, due 11/15/2017	53	0.12	10 Altria Group Inc, 9.250%, due 8/6/2019	12	0.03
			10 Petroleos Mexicanos, Series VI, 3.500%, due 1/30/2023	9	0.02	10 Altria Group Inc, 4.750%, due 5/5/2021	11	0.02
			180 Petroleos Mexicanos, 6.625%, due 6/15/2035	163	0.36	60 Altria Group Inc, 2.850%, due 8/9/2022	60	0.13
			50 Petroleos Mexicanos, 6.375%, due 1/23/2045	43	0.09	10 Altria Group Inc, 9.950%, due 11/10/2038	16	0.04
				268	0.59	10 Altria Group Inc, 5.375%, due 1/31/2044	11	0.03
			Netherlands — 1.29%			50 Amazon.com Inc, 4.950%, due 12/5/2044	55	0.12
			120 Bank Nederlandse Gemeenten NV, 4.375%, due 2/16/2021	135	0.30	60 American Express Co, 6.800%, due 9/1/2066 *	60	0.13
			20 Cooperatieve Rabobank UA, 3.875%, due 2/8/2022	21	0.05	100 American International Group Inc, 6.250%, due 3/15/2037	104	0.23
			280 Cooperatieve Rabobank UA/NY, 3.375%, due 5/21/2025	282	0.62	10 Amgen Inc, 5.375%, due 5/15/2043	11	0.02
			10 Heineken NV, 1.400%, due 10/1/2017	10	0.02	140 Anadarko Petroleum Corp, 6.375%, due 9/15/2017	142	0.31
			40 Royal Bank of Scotland NV, 4.650%, due 6/4/2018	41	0.09	20 Anadarko Petroleum Corp, 8.700%, due 3/15/2019	20	0.05
			80 Shell International Finance BV, 4.375%, due 3/25/2020	85	0.19	10 Anthem Inc, 5.875%, due 6/15/2017	11	0.02
						20 Anthem Inc, 3.125%, due 5/15/2022	20	0.04
						144 Apache Corp, 3.250%, due 4/15/2022	126	0.28
						20 AT&T Inc, 5.800%, due 2/15/2019	22	0.05
						200 AT&T Inc, 3.400%, due 5/15/2025	196	0.43

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Legg Mason Western Asset US Core Bond Fund

Portfolio of Investments as at February 29, 2016 – (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)								
United States — (continued)								
40 AT&T Inc, 5.550%, due 8/15/2041	39	0.09	10 Comcast Corp, 6.400%, due 3/1/2040	13	0.03	10 Halliburton Co, 2.700%, due 11/15/2020	10	0.02
20 AT&T Inc, 4.350%, due 6/15/2045	17	0.04	20 ConocoPhillips Holding Co, 6.950%, due 4/15/2029	21	0.05	50 Halliburton Co, 3.800%, due 11/15/2025	47	0.10
20 Baker Hughes Inc, 5.125%, due 9/15/2040	18	0.04	80 Countrywide Financial Corp, 6.250%, due 5/15/2016	81	0.18	10 Harris Corp, 5.054%, due 4/27/2045	10	0.02
10 Bank of America Corp, 3.875%, due 3/22/2017	10	0.02	50 CVS Health Corp, 2.750%, due 12/1/2022	50	0.11	40 HSBC Finance Corp, 6.676%, due 1/15/2021	45	0.10
30 Bank of America Corp, Series L, 2.600%, due 1/15/2019	30	0.07	20 CVS Health Corp, 3.875%, due 7/20/2025	21	0.05	30 Humana Inc, 3.150%, due 12/1/2022	30	0.07
10 Bank of America Corp, 5.625%, due 7/1/2020	11	0.02	20 CVS Health Corp, 4.875%, due 7/20/2035	22	0.05	10 Intel Corp, 3.700%, due 7/29/2025	11	0.02
130 Bank of America Corp, 5.000%, due 5/13/2021	142	0.31	10 CVS Health Corp, 5.750%, due 5/15/2041	12	0.03	10 Intel Corp, 4.900%, due 7/29/2045	11	0.02
10 Bank of America Corp, 3.300%, due 1/11/2023	10	0.02	80 CVS Health Corp, 5.125%, due 7/20/2045	90	0.20	10 John Deere Capital Corp, 2.250%, due 4/17/2019	10	0.02
30 Bank of America Corp, 4.000%, due 4/1/2024	31	0.07	7 CVS Pass-Through Trust, 5.880%, due 1/10/2028	8	0.02	10 John Deere Capital Corp, 1.700%, due 1/15/2020	10	0.02
110 Bank of America Corp, 4.200%, due 8/26/2024	110	0.24	55 Delta Air Lines 2007-1 Class A Pass Through Trust, Series 071A, 6.821%, due 8/10/2022	63	0.14	20 Johnson & Johnson, 3.550%, due 3/1/2036	20	0.04
310 Bank of America Corp, 4.000%, due 1/22/2025	301	0.67	10 Devon Energy Corp, 3.250%, due 5/15/2022	8	0.02	30 Johnson & Johnson, 3.700%, due 3/1/2046	30	0.07
40 Bank of America Corp, 3.875%, due 8/1/2025	41	0.09	30 Devon Energy Corp, 5.850%, due 12/15/2025	26	0.06	10 JPMorgan Chase & Co, 4.350%, due 8/15/2021	11	0.02
50 Bank of America Corp, 4.250%, due 10/22/2026	49	0.11	20 Devon Energy Corp, 5.600%, due 7/15/2041	14	0.03	30 JPMorgan Chase & Co, 3.375%, due 5/1/2023	30	0.07
80 Bank of America Corp, 5.000%, due 1/21/2044	85	0.19	70 Devon Energy Corp, 5.000%, due 6/15/2045	46	0.10	50 JPMorgan Chase & Co, 3.625%, due 5/13/2024	51	0.11
20 Bank of America Corp, 4.875%, due 4/1/2044	21	0.05	10 Duke Energy Corp, 3.550%, due 9/15/2021	10	0.02	70 JPMorgan Chase & Co, 4.125%, due 12/15/2026	71	0.16
100 Baxalta Inc, 5.250%, due 6/23/2045	96	0.21	10 Eaton Corp, 1.500%, due 11/2/2017	10	0.02	30 JPMorgan Chase & Co, 4.250%, due 10/1/2027	31	0.07
80 Bear Stearns Cos LLC/The, 5.550%, due 1/22/2017	83	0.18	50 Eaton Corp, 2.750%, due 11/2/2022	49	0.11	30 JPMorgan Chase & Co, 4.850%, due 2/1/2044	33	0.07
40 Becton Dickinson and Co, 3.734%, due 12/15/2024	41	0.09	50 Eaton Corp, 4.150%, due 11/2/2042	48	0.11	60 JPMorgan Chase & Co, 4.950%, due 6/1/2045	61	0.13
40 Becton Dickinson and Co, 4.685%, due 12/15/2044	41	0.09	10 Ecolab Inc, 4.350%, due 12/8/2021	11	0.02	100 KLA-Tencor Corp, 4.125%, due 11/1/2021	102	0.23
10 Berkshire Hathaway Energy Co, 6.500%, due 9/15/2037	13	0.03	10 FirstEnergy Corp, Series A, 2.750%, due 3/15/2018	10	0.02	70 Kraft Foods Group Inc, 3.500%, due 6/6/2022	72	0.16
10 Boeing Capital Corp, 4.700%, due 10/27/2019	11	0.02	10 FirstEnergy Corp, Series B, 4.250%, due 3/15/2023	10	0.02	100 Kraft Heinz Foods Co, 3.950%, due 7/15/2025	105	0.23
20 Boeing Co/The, 4.875%, due 2/15/2020	22	0.05	130 FirstEnergy Corp, Series C, 7.375%, due 11/15/2031	162	0.36	10 Kroger Co/The, 6.400%, due 8/15/2017	11	0.02
50 Burlington Northern Santa Fe LLC, 3.850%, due 9/1/2023	54	0.12	70 Ford Motor Co, 4.750%, due 1/15/2043	64	0.14	10 Kroger Co/The, 6.150%, due 1/15/2020	12	0.03
30 Burlington Northern Santa Fe LLC, 4.550%, due 9/1/2044	31	0.07	200 Ford Motor Credit Co LLC, 3.200%, due 1/15/2021	197	0.44	280 Lehman Brothers Escrow, zero coupon, Perpetual ∞	—	—
160 CCO Safari II LLC, 6.484%, due 10/23/2045	169	0.37	20 Freeport-McMoRan Inc, 3.550%, due 3/1/2022	13	0.03	270 Lehman Brothers Holding Inc, zero coupon, due 12/28/2017 ∞	—	—
20 Celgene Corp, 3.550%, due 8/15/2022	20	0.05	60 General Electric Co, 4.625%, due 1/7/2021	67	0.15	140 Lehman Brothers Holdings Capital Trust Escrow, zero coupon, Perpetual ∞	—	—
90 Celgene Corp, 3.875%, due 8/15/2025	93	0.21	50 General Electric Co, 5.300%, due 2/11/2021	57	0.13	210 Lehman Escrow Receipt, zero coupon, Perpetual ∞	27	0.06
10 Celgene Corp, 5.250%, due 8/15/2043	10	0.02	10 General Electric Co, 5.875%, due 1/14/2038	13	0.03	104 Lehman Swap Receipt, zero coupon, Perpetual ∞	8	0.02
60 Celgene Corp, 5.000%, due 8/15/2045	61	0.14	140 General Electric Co, 6.875%, due 1/10/2039	196	0.43	20 Lockheed Martin Corp, 3.100%, due 1/15/2023	21	0.05
70 Citigroup Inc, 4.500%, due 1/14/2022	75	0.17	30 General Electric Co, 4.500%, due 3/11/2044	32	0.07	30 Lockheed Martin Corp, 3.550%, due 1/15/2026	31	0.07
80 Citigroup Inc, 3.500%, due 5/15/2023	79	0.17	30 General Motors Co, 6.250%, due 10/2/2043	29	0.06	30 MasterCard Inc, 3.375%, due 4/1/2024	31	0.07
180 Citigroup Inc, 3.300%, due 4/27/2025	179	0.39	80 Gilead Sciences Inc, 3.700%, due 4/1/2024	84	0.19	30 McDonald's Corp, 3.700%, due 1/30/2026	31	0.07
60 Citigroup Inc, 4.400%, due 6/10/2025	60	0.13	40 Gilead Sciences Inc, 4.750%, due 3/1/2046	42	0.09	10 Medtronic Inc, 4.450%, due 3/15/2020	11	0.02
120 Citigroup Inc, 5.500%, due 9/13/2025	129	0.28	60 Goldman Sachs Capital II, 4.000%, Perpetual *	43	0.09	10 Medtronic Inc, 3.125%, due 3/15/2022	10	0.02
10 Citigroup Inc, 4.300%, due 11/20/2026	10	0.02	40 Goldman Sachs Group Inc/The, 5.625%, due 1/15/2017	41	0.09	30 Merck & Co Inc, 2.750%, due 2/10/2025	30	0.07
50 Citigroup Inc, 4.450%, due 9/29/2027	49	0.11	20 Goldman Sachs Group Inc/The, 2.900%, due 7/19/2018	20	0.04	65 MetLife Inc, 6.400%, due 12/15/2036	64	0.14
50 Citigroup Inc, 5.875%, due 1/30/2042	57	0.13	50 Goldman Sachs Group Inc/The, 3.625%, due 1/22/2023	51	0.11	20 Mondelez International Inc, 4.000%, due 2/1/2024	21	0.05
120 Citigroup Inc, 4.650%, due 7/30/2045	120	0.27	30 Goldman Sachs Group Inc/The, 4.250%, due 10/21/2025	30	0.07	30 Navient Corp, 5.625%, due 8/1/2033	20	0.04
70 Comcast Corp, 6.950%, due 8/15/2037	93	0.21	70 Goldman Sachs Group Inc/The, 6.750%, due 10/1/2037	80	0.18	40 NBCUniversal Media LLC, 4.375%, due 4/1/2021	44	0.10
50 Comcast Corp, 6.550%, due 7/1/2039	65	0.14	30 Goldman Sachs Group Inc/The, 6.250%, due 2/1/2041	36	0.08	40 Noble Energy Inc, 4.150%, due 12/15/2021	35	0.08
			170 Goldman Sachs Group Inc/The, 5.150%, due 5/22/2045	162	0.36	18 Northwest Airlines 1999-2 Class A Pass Through Trust, Series 992A, 7.575%, due 3/1/2019	20	0.04
			30 Goldman Sachs Group Inc/The, 4.750%, due 10/21/2045	31	0.07			

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Legg Mason Western Asset US Core Bond Fund

Portfolio of Investments as at February 29, 2016 – (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)								
United States — (continued)			20 Visa Inc, 2.200%, due 12/14/2020	20	0.05	160 Residual Funding Corp Principal Strip, zero coupon, due 10/15/2019	152	0.34
10 Occidental Petroleum Corp, 2.700%, due 2/15/2023	9	0.02	90 Visa Inc, 3.150%, due 12/14/2025	93	0.21	200 Tennessee Valley Authority, 3.875%, due 2/15/2021	223	0.49
40 Occidental Petroleum Corp, 4.625%, due 6/15/2045	38	0.08	30 Visa Inc, 4.300%, due 12/14/2045	32	0.07	140 Tennessee Valley Authority, 1.875%, due 8/15/2022	141	0.31
10 Pacific Gas & Electric Co, 8.250%, due 10/15/2018	12	0.03	130 Wachovia Capital Trust III, 5.570%, Perpetual *	125	0.28	20 United States Treasury Inflation Indexed Bonds, 0.625%, due 1/15/2024 β	21	0.05
90 Pacific Gas & Electric Co, 6.050%, due 3/1/2034	110	0.24	40 Wal-Mart Stores Inc, 6.200%, due 4/15/2038	51	0.11	170 United States Treasury Inflation Indexed Bonds, 2.375%, due 1/15/2025 β	251	0.55
9 PepsiCo Inc, 7.900%, due 11/1/2018	11	0.02	50 Wal-Mart Stores Inc, 5.625%, due 4/15/2041	61	0.14	80 United States Treasury Inflation Indexed Bonds, 0.375%, due 7/15/2025 β	80	0.18
20 Philip Morris International Inc, 2.900%, due 11/15/2021	21	0.05	10 Waste Management Inc, 4.600%, due 3/1/2021	11	0.02	120 United States Treasury Inflation Indexed Bonds, 0.625%, due 1/15/2026 β	123	0.27
20 Philip Morris International Inc, 2.500%, due 8/22/2022	20	0.04	10 Waste Management Inc, 3.500%, due 5/15/2024	10	0.02	100 United States Treasury Inflation Indexed Bonds, 2.125%, due 2/15/2040 β	136	0.30
10 Philip Morris International Inc, 4.500%, due 3/20/2042	10	0.02	10 Waste Management Inc, 7.375%, due 5/15/2029	14	0.03	230 United States Treasury Inflation Indexed Bonds, 0.625%, due 2/15/2043 β	214	0.47
10 Pride International Inc, 6.875%, due 8/15/2020	6	0.01	60 Wells Fargo & Co, 4.125%, due 8/15/2023	64	0.14	110 United States Treasury Inflation Indexed Bonds, 1.375%, due 2/15/2044 β	121	0.27
60 Private Export Funding Corp, Series DD, 1.25%, due 7/15/2016	60	0.13	61 Wells Fargo & Co, 4.480%, due 1/16/2024	65	0.14	630 United States Treasury Inflation Indexed Bonds, 0.750%, due 2/15/2045 β	589	1.30
10 Progress Energy Inc, 3.150%, due 4/1/2022	10	0.02	200 Wells Fargo & Co, 4.100%, due 6/3/2026	207	0.46	310 United States Treasury Inflation Indexed Bonds, 1.000%, due 2/15/2046 β	310	0.68
10 Raytheon Co, 3.125%, due 10/15/2020	11	0.02	110 Wells Fargo & Co, 4.300%, due 7/22/2027	114	0.25	30 United States Treasury Note/Bond, 0.625%, due 11/30/2017	30	0.07
10 Reynolds American Inc, 7.750%, due 6/1/2018	11	0.03	10 Wells Fargo & Co, 4.650%, due 11/4/2044	10	0.02	60 United States Treasury Note/Bond, 1.625%, due 7/31/2019	61	0.13
11 Reynolds American Inc, 3.250%, due 6/12/2020	11	0.03	110 Wells Fargo & Co, 3.900%, due 5/1/2045	106	0.23	190 United States Treasury Note/Bond, 1.625%, due 12/31/2019	194	0.43
80 Reynolds American Inc, 5.850%, due 8/15/2045	94	0.21	50 Wells Fargo & Co, 4.900%, due 11/17/2045	51	0.11	40 United States Treasury Note/Bond, 1.375%, due 4/30/2020	40	0.09
40 RJ Reynolds Tobacco Co/NC, 8.125%, due 6/23/2019	47	0.10	20 Wells Fargo & Co, Series U, 5.875%, Perpetual *	21	0.05	20 United States Treasury Note/Bond, 1.375%, due 10/31/2020	20	0.04
30 Santander Holdings USA Inc, 3.450%, due 8/27/2018	30	0.07	25 Williams Cos Inc/The, 7.875%, due 9/1/2021	22	0.05	10 United States Treasury Note/Bond, 2.625%, due 11/15/2020	11	0.02
30 State Street Corp, 4.956%, due 3/15/2018	32	0.07	30 Wyeth LLC, 5.950%, due 4/1/2037	37	0.08	1,000 United States Treasury Note/Bond, 1.125%, due 2/28/2021	995	2.20
10 State Street Corp, 3.300%, due 12/16/2024	10	0.02	40 Zimmer Biomet Holdings Inc, 4.450%, due 8/15/2045	37	0.08	530 United States Treasury Note/Bond, 2.125%, due 12/31/2021	551	1.22
20 Teachers Insurance & Annuity Association of America, 6.850%, due 12/16/2039	25	0.06		9,733	21.49	310 United States Treasury Note/Bond, 1.500%, due 1/31/2022	311	0.69
10 Thermo Fisher Scientific Inc, 3.600%, due 8/15/2021	10	0.02	Total Corporate Bonds and Notes (Cost \$13,290)	12,546	27.70	1,320 United States Treasury Note/Bond, 1.750%, due 3/31/2022	1,343	2.97
10 Time Warner Cable Inc, 5.875%, due 11/15/2040	9	0.02	Government Bonds and Notes — 33.32%			290 United States Treasury Note/Bond, 1.875%, due 10/31/2022	297	0.66
60 Time Warner Inc, 4.700%, due 1/15/2021	65	0.14	Brazil — 0.30%			940 United States Treasury Note/Bond, 2.000%, due 11/30/2022	970	2.14
50 Time Warner Inc, 7.700%, due 5/1/2032	60	0.13	140 Brazilian Government International Bond, 4.875%, due 1/22/2021	136	0.30	2,270 United States Treasury Note/Bond, 1.500%, due 2/28/2023	2,266	5.00
50 Toyota Motor Credit Corp, 1.250%, due 10/5/2017	50	0.11	China — 0.32%			160 United States Treasury Note/Bond, 2.375%, due 8/15/2024	169	0.37
40 Transocean Inc, 3.000%, due 10/15/2017	36	0.08	CNH 1,000 China Government Bond, 3.310%, due 11/30/2025	146	0.32	210 United States Treasury Note/Bond, 2.000%, due 8/15/2025	215	0.47
10 Tyson Foods Inc, 3.950%, due 8/15/2024	11	0.02	Mexico — 0.95%			550 United States Treasury Note/Bond, 2.250%, due 11/15/2025	574	1.27
40 Tyson Foods Inc, 5.150%, due 8/15/2044	43	0.09	410 Mexico Government International Bond, 5.550%, due 1/21/2045	427	0.95	620 United States Treasury Note/Bond, 2.750%, due 11/15/2042	641	1.42
40 United Technologies Corp, 4.500%, due 6/1/2042	41	0.09	Peru — 0.22%					
20 UnitedHealth Group Inc, 3.875%, due 10/15/2020	21	0.05	10 Peruvian Government International Bond, 6.550%, due 3/14/2037	12	0.03			
10 UnitedHealth Group Inc, 6.875%, due 2/15/2038	13	0.03	80 Peruvian Government International Bond, 5.625%, due 11/18/2050	86	0.19			
50 UnitedHealth Group Inc, 4.250%, due 3/15/2043	50	0.11		98	0.22			
50 US Bancorp, 3.600%, due 9/11/2024	52	0.11	Poland — 0.68%					
20 Verizon Communications Inc, 2.500%, due 9/15/2016	20	0.04	130 Poland Government International Bond, 5.000%, due 3/23/2022	147	0.32			
20 Verizon Communications Inc, 5.150%, due 9/15/2023	23	0.05	150 Poland Government International Bond, 4.000%, due 1/22/2024	161	0.36			
44 Verizon Communications Inc, 6.400%, due 9/15/2033	51	0.11		308	0.68			
348 Verizon Communications Inc, 6.550%, due 9/15/2043	424	0.94	Russia — 0.24%					
44 Verizon Communications Inc, 4.862%, due 8/21/2046	43	0.10	90 Russian Foreign Bond – Eurobond, 7.500%, due 3/31/2030	110	0.24			
27 Verizon Communications Inc, 5.012%, due 8/21/2054	25	0.06	United States — 30.61%					
10 Viacom Inc, 4.250%, due 9/1/2023	10	0.02	360 Federal National Mortgage Association, zero coupon, due 10/9/2019	340	0.75			

The accompanying notes are an integral part of the Financial Statements

Portfolio of Investments as at February 29, 2016 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value		Value (000's) \$	% of Net Asset Value	
Government Bonds and Notes — (continued)			Written Options — (0.01%)			
United States — (continued)						
840 United States Treasury Note/Bond, 2.875%, due 5/15/2043	889	1.96	- IMM Euro\$ March 2016 Call 99.25, due 3/14/2016	(1)	-	€ Security is in default as at February 29, 2016.
300 United States Treasury Note/Bond, 3.625%, due 8/15/2043	366	0.81	- IMM Euro\$ March 2016 Put 99.25, due 3/14/2016	-	-	± Securities purchased on a to-be-announced basis (Note 1).
10 United States Treasury Note/Bond, 2.875%, due 8/15/2045	10	0.02	- U.S. 10 Year April 2016 Put 127.50, due 3/24/2016	-	-	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 29, 2016.
1,120 United States Treasury Note/Bond, 3.000%, due 11/15/2045	1,210	2.67	- U.S. 5 Year April 2016 Put 120.00, due 3/24/2016	(1)	-	
	13,864	30.61	- U.S. 5 Year April 2016 Put 121.00, due 3/24/2016	(2)	(0.01)	
Total Government Bonds and Notes (Cost \$14,648)	15,089	33.32	- U.S. Long Bond W1 March 2016 Call 169.00, due 3/4/2016	-	-	ABBREVIATIONS:
Collective Investment Schemes — 1.13%			- U.S. Long Bond W1 March 2016 Put 163.00, due 3/4/2016	(1)	-	Perpetual - A bond with no maturity date. Perpetual bonds are not redeemable but pay a steady stream of interest
511 Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	511	1.13	- U.S. Long Bond W2 March 2016 Call 171.00, due 3/11/2016	-	-	TBA - To Be Announced
Total Collective Investment Schemes (Cost \$511)	511	1.13	- U.S. Long Bond W2 March 2016 Put 163.00, due 3/11/2016	(1)	-	CNH - Chinese Renminbi
Total Investments Excluding Options (Cost \$45,361)	44,466	98.18		(6)	(0.01)	
			Total Options (Cost \$4)	3	0.01	Analysis of Total Assets
			Total Investments (Cost \$45,365)	44,469	98.19	Transferable securities admitted to an official exchange listing or traded on a regulated market
			Other Assets in Excess of Liabilities	823	1.81	Collective investment schemes
			Total Net Assets	\$45,292	100.00	Financial derivative instruments
						Other assets
						Total Assets
						100.00
Contracts (000's)	Value (000's) \$	% of Net Asset Value				
Options — 0.01%						
Purchased Options — 0.02%						
- IMM Euro\$ March 2016 Put 99.375, due 3/14/2016	1	-	- Amounts designated as “—” are either \$0, less than \$1,000 or less than 1,000 shares.			
- U.S. 10 Year April 2016 Put 129.00, due 3/24/2016	1	-	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 29, 2016, these securities amounted to \$323,000 or 0.71% of net assets.			
- U.S. Bond May 2016 Put 159.00, due 4/22/2016	2	0.01	* Variable rate security. The interest rate shown reflects the rate in effect at February 29, 2016.			
530 USD Put/GBP Call 1.4174, due 4/29/2016	5	0.01	+ Illiquid.			
	9	0.02	∞ Security is valued in good faith at fair value by or at the discretion of the Investment Manager.			

Counterparty	Reference Entity	Buy/Sell Protection	Expiration Date	Notional Amount (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Deutsche Bank	Metlife Inc, 1.000%	Sell	9/20/21	60	\$ (2)
					\$ (2)
Unrealised Appreciation of Credit Default Swaps					–
Unrealised Depreciation of Credit Default Swaps					(2)
Net Depreciation of Credit Default Swaps					\$ (2)

Counterparty	Rate	Expiration Date	Notional Amount (000's)	Value (000's)
Goldman Sachs	Pay Fixed 1.897%, Receive Floating USD 3M Libor BBA	8/31/22	1,600	\$ (60)
Goldman Sachs	Pay Fixed 1.90%, Receive Floating USD 3M Libor BBA	11/30/22	2,480	(89)
Goldman Sachs	Pay Fixed 2.72%, Receive Floating USD 3M Libor BBA	2/15/41	528	(71)
				\$ (220)
Unrealised Appreciation of Interest Rate Swaps				—
Unrealised Depreciation of Interest Rate Swaps				(220)
Net Depreciation of Interest Rate Swaps				\$ (220)

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Legg Mason Western Asset US Core Bond Fund

Portfolio of Investments as at February 29, 2016 – (continued)

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)			Sell Currency (000's)			Unrealised Appreciation/ (Depreciation) of Contracts (000's)
04/12/16	Bank of America Sec London	Buy	USD	230	Sell	JPY	27,060	\$ (10)
04/12/16	Barclays Capital	Buy	USD	447	Sell	EUR	410	–
04/12/16	Citicorp Securities London Ltd	Buy	USD	150	Sell	CNH	1,000	(3)
04/12/16	Citicorp Securities London Ltd	Buy	USD	461	Sell	JPY	54,190	(20)
05/13/16	Bank of America Sec London	Buy	USD	844	Sell	EUR	746	31
05/13/16	Citicorp Securities London Ltd	Buy	USD	142	Sell	EUR	126	5
05/13/16	Citicorp Securities London Ltd	Buy	CAD	649	Sell	USD	464	16
05/13/16	UBS	Buy	USD	45	Sell	EUR	40	1
Unrealised Appreciation of Forward Foreign Currency Contracts								53
Unrealised Depreciation of Forward Foreign Currency Contracts								(33)
Net Appreciation of Forward Foreign Currency Contracts								\$ 20

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
90 Day Euro\$ December 2016	(51)	\$(12,644)	\$ (20)
90 Day Euro\$ March 2016	(7)	(1,738)	2
90 Day Euro\$ March 2017	4	991	4
Euro-Bund March 2016	(7)	(1,268)	(48)
U.S. 10 Year Note (CBT) June 2016	(16)	(2,088)	(1)
U.S. 2 Year Note (CBT) June 2016	(1)	(219)	–
U.S. 5 Year Note (CBT) June 2016	61	7,380	(6)
U.S. Long Bond (CBT) June 2016	(23)	(3,784)	11
U.S. Ultra Bond (CBT) June 2016	17	2,944	(9)
U.S. Ultra Bond (CBT) March 2016	–	–	–
Total Market Value of Futures Contracts	(23)	\$(10,426)	\$ (67)
Unrealised Appreciation of Futures Contracts			17
Unrealised Depreciation of Futures Contracts			(84)
Net Depreciation of Futures Contracts			\$ (67)

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Asset-Backed Securities	1,760	3.81	Oil & Gas	464	1.01	Japan	50	0.11
Collateralised Mortgage- Backed Obligations	2,520	5.46	Pharmaceuticals	109	0.24	Mexico	170	0.37
Corporate Bonds and Notes	7,438	16.11	Pipelines	28	0.06	Netherlands	299	0.65
Aerospace/Defense	45	0.10	Retail	126	0.27	Spain	12	0.03
Agriculture	245	0.53	Savings & Loans	31	0.07	United Kingdom	369	0.80
Airlines	95	0.21	Semiconductors	105	0.23	United States	207	0.45
Auto Manufacturers	77	0.17	Telecommunications	708	1.53			
Beverages	130	0.28	Transportation	140	0.30			
Biotechnology	96	0.21				U.S. Denominated Debt Obligations	782	1.69
Chemicals	11	0.02	Foreign Government Bonds and Notes	60	0.13	Mexico	513	1.11
Commercial Services	31	0.07	New Zealand Government Issues	60	0.13	Poland	162	0.35
Electric	351	0.76				Russia	107	0.23
Electronics	11	0.02	U.S. Corporate Bonds and Notes	65	0.14			
Environmental Control	36	0.08	Retail	65	0.14	U.S. Government Agency Mortgage-Backed Securities	9,350	20.25
Financials-Banks	2,103	4.55				Federal Home Loan Mortgage Corporation (FHLMC)	1,806	3.91
Financials-Capital Markets	71	0.15	U.S. Denominated Bonds and Notes	2,315	5.01	Federal National Mortgage Association (FNMA)	4,877	10.56
Financials-Diversified	809	1.75	Australia	182	0.39	Government National Mortgage Association (GNMA)	2,667	5.78
Food	274	0.59	Brazil	9	0.02			
Healthcare-Products	106	0.23	Canada	370	0.80	U.S. Government Agency Obligations	967	2.10
Healthcare-Services	173	0.37	Cayman Islands	478	1.03	U.S. Treasury Obligations	7,760	16.81
Industrial	114	0.25	Chile	58	0.13	Repurchase Agreements	7,800	16.89
Insurance	284	0.61	Colombia	19	0.04			
Internet	64	0.14	France	62	0.13			
Media	492	1.07	Germany	30	0.06			
Mining	109	0.24						

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 29, 2016 – (continued)

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

	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Futures Contracts – February 28, 2015 (000's)	Forward Contracts – February 28, 2015 (000's)
Investments			Unrealised Appreciation of Futures Contracts Unrealised Depreciation of Futures Contracts	Unrealised Appreciation of Forward Foreign Currency Contracts Unrealised Depreciation of Forward Foreign Currency Contracts
Collective Investment Schemes	4,037	8.74	Net Appreciation of Future Contracts \$46	Net Appreciation of Forward Foreign Currency Contracts \$ 8
Options	(14)	(0.03)	Credit Default Swaps – February 28, 2015	
Purchased Options	3	0.01	Unrealised Appreciation of Credit Default Swaps	
Written Options	(17)	(0.04)	Unrealised Depreciation of Credit Default Swaps	
			Net Depreciation of Credit Default Swaps \$ –	
Other Assets in Excess of Liabilities	1,335	2.89	Interest Rate Swaps – February 28, 2015	
			Unrealised Appreciation of Interest Rate Swaps	
Total Net Assets	\$46,175	100.00	Unrealised Depreciation of Interest Rate Swaps	
			Net Appreciation of Interest Rate Swaps \$46	

* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

Legg Mason Western Asset US Core Plus Bond Fund

Portfolio of Investments as at February 29, 2016

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 — 6.30%											
542	Aegis Asset Backed Sec Corp Mort Pass Thr Certs Series 2003-3, Series 2003 3, Class M2, 2.911%, due 1/25/2034 *	484	0.10	350	Hertz Vehicle Financing II LP, Series 2015 1A, Class C, 144A, 4.350%, due 3/25/2021	348	0.07	990	SLM Student Loan Trust 2008-5, Series 2008 5, Class A4, 2.319%, due 7/25/2023 *	993	0.20
1,315	Ameriquest Mortgage Securities Inc Asset-Backed Pass-Through Cfts Ser 2005-R7, Series 2005 R7, Class M2, 0.936%, due 9/25/2035 *	1,191	0.24	140	Hertz Vehicle Financing LLC, Series 2013 1A, Class A2, 144A, 1.830%, due 8/25/2019	137	0.03	1,260	SLM Student Loan Trust 2012-3, Series 2012 3, Class A, 1.086%, due 12/26/2025 *	1,219	0.25
305	Asset-Backed Pass-Through Certificates Series 2004-R2, Series 2004 R2, Class A4, 1.216%, due 4/25/2034 *	299	0.06	137	JGWPT XXXI LLC, Series 2014 1A, Class A, 144A, 3.960%, due 3/15/2063	139	0.03	618	SLM Student Loan Trust 2014-2, Series 2014 2, Class A3, 1.026%, due 3/26/2029 *	587	0.12
2,020	Centex Home Equity Loan Trust 2005-C, Series 2005 C, Class M3, 0.906%, due 6/25/2035 *	1,427	0.29	175	Manufactured Housing Contract Trust Pass-Through Certificates Series 2001-2, Series 2001 2, Class IA2, 3.924%, due 2/20/2032 *	159	0.03	550	SMB Private Education Loan Trust 2014-A, Series 2014 A, Class A2B, 144A, 1.581%, due 5/15/2026 *	541	0.11
1,918	Citigroup Mortgage Loan Trust Inc, Series 2006 WFH2, Class M2, 0.716%, due 8/25/2036 *	1,160	0.23	225	Manufactured Housing Contract Trust Pass-Through Certificates Series 2001-2, Series 2001 2, Class IIA2, 1.422%, due 3/13/2032 *	202	0.04	750	SMB Private Education Loan Trust 2014-A, Series 2014 A, Class A2A, 144A, 3.050%, due 5/15/2026	764	0.15
839	Citigroup Mortgage Loan Trust Inc, Series 2007 WFH4, Class M1, 2.086%, due 7/25/2037 *	729	0.15	165	Mastr Asset Backed Securities Trust 2003-OPT1, Series 2003 OPT1, Class M2, 3.211%, due 12/25/2032 *	166	0.03	500	SMB Private Education Loan Trust 2014-A, Series 2014 A, Class A3, 144A, 1.931%, due 4/15/2032 *	476	0.10
990	Community Funding CLO 2015-1A, Series 2015 1A, Class A, 144A, 5.750%, due 11/1/2027 ∞	961	0.19	500	National Collegiate Student Loan Trust 2006-3, Series 2006 3, Class A4, 0.706%, due 3/26/2029 *	435	0.09	2	SMB Private Education Loan Trust 2015-A, Series 2015 A, Class R, 144A, 0.000%, due 10/15/2048	2,369	0.48
58	ContiMortgage Home Equity Loan Trust 1999-1, Series 1999 1, Class B, 7.000%, due 4/25/2030	50	0.01	1,184	National Collegiate Student Loan Trust 2007-4, Series 2007 4, Class A3L, 1.286%, due 3/25/2038 *	662	0.13	-	SoFi Professional Loan Program 2014-A LLC, Series 2014 A, Class RC, 144A, 0.000%, due 7/14/2124 ∞	926	0.19
100	CountryPlace Manufactured Housing Contract Trust 2007-1, Series 2007 1, Class A4, 144A, 5.846%, due 7/15/2037 *	100	0.02	75	Northstar Education Finance Inc, Series 2007 1, Class A7, 0.000%, due 1/29/2046 *	66	0.01	1,248	SoFi Professional Loan Program 2014-B LLC, Series 2014 B, Class A2, 144A, 2.550%, due 8/27/2029	1,241	0.25
187	Countrywide Asset-Backed Certificates, Series 2002 3, Class 1A1, 1.176%, due 5/25/2032 *	176	0.04	484	Origen Manufactured Housing Contract Trust 2006-A, Series 2006 A, Class A2, 2.379%, due 10/15/2037 *	421	0.08	111	SpringCastle America Funding LLC, Series 2014 AA, Class A, 144A, 2.700%, due 5/25/2023	111	0.02
190	Countrywide Home Equity Loan Trust, Series 2006 HW, Class 2A1B, 0.576%, due 11/15/2036 *	147	0.03	1,676	Park Place Securities Inc Asset-Backed Pass-Through Cfts Ser 2005-WHQ4, Series 2005 WHQ4, Class M2, 0.926%, due 9/25/2035 *	1,306	0.26	1,650	Structured Asset Securities Corp Mortgage Loan Trust 2005-WF3, Series 2005 WF3, Class M3, 1.016%, due 7/25/2035 *	1,177	0.24
244	CWABS Asset-Backed Certificates Trust 2004-13, Series 2004 13, Class MF1, 5.029%, due 4/25/2035 *	235	0.05	16	Provident Bank Home Equity Loan Trust 1999-3, Series 1999 3, Class A3, 1.216%, due 1/25/2031 *	11	-	86	United States Small Business Administration, Series 2015 20B, Class 1, 2.460%, due 2/1/2035	86	0.02
2,180	Encore Credit Receivables Trust 2005-2, Series 2005 2, Class M4, 1.366%, due 11/25/2035 *	1,405	0.28	1,809	RAMP Series 2006-RZ5 Trust, Series 2006 RZ5, Class A3, 0.686%, due 8/25/2046 *	1,517	0.31	235	United States Small Business Administration, Series 2015 20D, Class 1, 2.510%, due 4/1/2035	239	0.05
83	GMACM Home Equity Notes 2004 Variable Funding Trust, Series 2004 VF1, Class A1, 144A, 1.186%, due 2/25/2031 *	82	0.02	29	RASC Series 2001-KS1 Trust, Series 2001 KS1, Class A16, 6.349%, due 3/25/2032	29	0.01	320	United States Small Business Administration, Series 2015 20I, Class 1, 2.820%, due 9/1/2035	328	0.07
150	Greenpoint Manufactured Housing, Series 1999 2, Class A2, 3.029%, due 3/18/2029 *	129	0.03	8	RASC Series 2001-KS2 Trust, Series 2001 KS2, Class A11, 0.896%, due 6/25/2031 *	8	-	2,000	Wells Fargo Home Equity Asset-Backed Securities 2005-2 Trust, Series 2005 3, Class M7, 1.586%, due 11/25/2035 *	1,482	0.30
1,051	Greenpoint Manufactured Housing, Series 1999 3, Class 1A7, 7.270%, due 6/15/2029	1,035	0.21	6	Renaissance Home Equity Loan Trust 2003-1, Series 2003 1, Class A, 1.296%, due 6/25/2033 *	6	-	Total Asset-Backed Securities (Cost \$32,129)			
50	Greenpoint Manufactured Housing, Series 1999 3, Class 2A2, 3.565%, due 6/19/2029 *	43	0.01	169	SBA Small Business Investment Cos, Series 2015 10A, Class 1, 2.517%, due 3/10/2025	173	0.03	Mortgage-Backed Securities — 27.40%			
50	Greenpoint Manufactured Housing, Series 1999 4, Class A2, 3.925%, due 2/20/2030 *	43	0.01	346	Security National Mortgage Loan Trust 2005-2, Series 2005 2A, Class A3, 144A, 6.213%, due 2/25/2036 *	318	0.06	189	Alternative Loan Trust 2005-14, Series 2005 14, Class 2A2, 0.686%, due 5/25/2035 *	121	0.02
350	Hertz Vehicle Financing II LP, Series 2015 1A, Class A, 144A, 2.730%, due 3/25/2021	351	0.07	146	Settlement Fee Finance LLC, Series 2004 1A, Class A, 144A, 9.100%, due 7/25/2034	153	0.03	588	Alternative Loan Trust 2005-56, Series 2005 56, Class 4A1, 0.746%, due 11/25/2035 *	486	0.10
1,000	Hertz Vehicle Financing II LP, Series 2015 1A, Class B, 144A, 3.520%, due 3/25/2021	993	0.20	99	SLM Student Loan EDC Repackaging Trust 2013-M1, Series 2013 M1, Class M1, 144A, 3.500%, due 10/28/2029	98	0.02	476	Alternative Loan Trust 2005-IM1, Series 2005 IM1, Class A1, 0.736%, due 1/25/2036 *	401	0.08
				1,310	SLM Student Loan Trust 2007-2, Series 2007 2, Class A4, 0.679%, due 7/25/2022 *	1,222	0.25	111	Alternative Loan Trust 2006-18CB, Series 2006 18CB, Class A6, 26.857%, due 7/25/2036 *	202	0.04

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 29, 2016 – (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
Mortgage-Backed Securities — (continued)				850	COMM 2006-C8 Mortgage Trust, Series 2006 C8, Class AJ, 5.377%, due 12/10/2046	808	0.16	270	CSMC Trust 2015-GLPA, Series 2015 GLPA, Class A, 144A, 3.881%, due 11/15/2037	287	0.06
1,023	American Home Mortgage Assets Trust 2006-6, Series 2006 6, Class A1A, 0.626%, due 12/25/2046 *	639	0.13	20	COMM 2013-CCRE12 Mortgage Trust, Series 2013 CR12, Class B, 4.762%, due 10/10/2046 *	21	—	16	Deutsche Alt-A Securities Inc Mortgage Loan Trust Series 2005-1, Series 2005 1, Class 1A1, 0.936%, due 2/25/2035 *	14	—
849	APS Resecuritization Trust 2015-3, Series 2015 3, Class 1A, 144A, 1.024%, due 10/27/2046 *	798	0.16	10	COMM 2013-CCRE12 Mortgage Trust, Series 2013 CR12, Class C, 5.084%, due 10/10/2046 *	10	—	730	Deutsche Mortgage Securities Inc Mortgage Loan Trust Series 2006-PR1, Series 2006 PR1, Class 3AF1, 144A, 0.707%, due 4/15/2036 *	679	0.14
2,189	Banc of America Alternative Loan Trust 2005-4, Series 2005 4, Class CB7, 4.664%, due 5/25/2035 *	292	0.06	370	COMM 2013-CCRE9 Mortgage Trust, Series 2013 CR9, Class E, 144A, 4.254%, due 7/10/2045 *	257	0.05	450	DSLA Mortgage Loan Trust 2006-AR1, Series 2006 AR1, Class 1A1A, 1.205%, due 3/19/2046 *	320	0.06
1,820	Banc of America Funding 2014-R5 Trust, Series 2014 R5, Class 1A2, 144A, 2.358%, due 9/26/2045 *	1,150	0.23	250	COMM 2014-SAVA Mortgage Trust, Series 2014 SAVA, Class D, 144A, 3.527%, due 6/15/2034 *	229	0.05	160	EQTY 2014-INNS Mortgage Trust, Series 2014 INNS, Class D, 144A, 2.778%, due 5/8/2031 *	152	0.03
2,570	BCCRE Trust 2015-GTP, Series 2015 GTP, Class E, 144A, 4.563%, due 8/10/2033 *	1,934	0.39	16	COMM 2014-UBS6 Mortgage Trust, Series 2014 UBS6, Class AM, 4.048%, due 12/10/2047 *	17	—	1,240	Fannie Mae Connecticut Avenue Securities, Series 2014 C03, Class 1M2, 3.436%, due 7/25/2024 *	1,081	0.22
280	Bear Stearns Commercial Mortgage Securities Trust 2006-PWR14, Series 2006 PW14, Class AJ, 5.273%, due 12/11/2038	276	0.06	90	COMM 2015-DC1 Mortgage Trust, Series 2015 DC1, Class B, 4.035%, due 2/10/2048 *	89	0.02	558	Fannie Mae Interest Strip 409, Class C2, 3.000%, due 4/25/2027	54	0.01
812	Bear Stearns Mortgage Funding Trust 2007-AR1, Series 2007 AR1, Class 1A1, 0.596%, due 1/25/2037 *	603	0.12	70	COMM 2015-DC1 Mortgage Trust, Series 2015 DC1, Class C, 4.353%, due 2/10/2048 *	66	0.01	25	Fannie Mae Interest Strip 407, Class 34, 5.000%, due 1/25/2038	4	—
150	CD 2006-CD2 Mortgage Trust, Series 2006 CD2, Class AJ, 5.394%, due 1/15/2046 *	139	0.03	90	COMM 2015-LC19 Mortgage Trust, Series 2015 LC19, Class C, 4.263%, due 2/10/2048 *	80	0.02	76	Fannie Mae Interest Strip 407, Class 41, 6.000%, due 1/25/2038	17	—
40	CD 2006-CD3 Mortgage Trust, Series 2006 CD3, Class AJ, 5.688%, due 10/15/2048	28	0.01	630	Core Industrial Trust 2015-TEXW, Series 2015 TEXW, Class E, 144A, 3.849%, due 2/10/2034 *	599	0.12	64	Fannie Mae Interest Strip 390, Class C3, 6.000%, due 7/25/2038	13	—
9	CD 2007-CD4 Commercial Mortgage Trust, Series 2007 CD4, Class AJ, 5.398%, due 12/11/2049 *	7	—	408	Credit Suisse Commercial Mortgage Trust Series 2006-C3, Series 2006 C3, Class AJ, 5.671%, due 6/15/2038 *	398	0.08	29	Fannie Mae Interest Strip 407, Class 22, 5.000%, due 1/25/2039	5	—
250	CGBAM Commercial Mortgage Trust 2014-HD, Series 2014 HD, Class E, 144A, 3.427%, due 2/15/2031 *	231	0.05	30	Credit Suisse Commercial Mortgage Trust Series 2006-C5, Series 2006 C5, Class AJ, 5.373%, due 12/15/2039	26	0.01	15	Fannie Mae Interest Strip 407, Class 23, 5.000%, due 1/25/2039 *	2	—
194	CHL Mortgage Pass-Through Trust 2005-3, Series 2005 3, Class 1A2, 0.726%, due 4/25/2035 *	167	0.03	84	Credit Suisse Commercial Mortgage Trust Series 2007-C2, Series 2007 C2, Class AM, 5.615%, due 1/15/2049 *	86	0.02	32	Fannie Mae Interest Strip 407, Class 27, 5.500%, due 1/25/2039 *	5	—
106	CHL Mortgage Pass-Through Trust 2005-7, Series 2005 7, Class 2A1, 1.056%, due 3/25/2035 *	90	0.02	500	CSAIL Commercial Mortgage Trust, Series 2015 C1, Class AS, 3.791%, due 4/15/2050	513	0.10	334	Fannie Mae Interest Strip 409, Class C22, 4.500%, due 11/25/2039	58	0.01
262	CHL Mortgage Pass-Through Trust 2005-HYB1, Series 2005 HYB1, Class 1A1, 0.736%, due 3/25/2035 *	211	0.04	370	CSMC 2015-TWNI Trust, Series 2015 TOWN, Class TF, 144A, 4.570%, due 3/15/2017 *	355	0.07	289	Fannie Mae Interest Strip 409, Class C13, 3.500%, due 11/25/2041	52	0.01
350	Citigroup Commercial Mortgage Trust 2014-GC19, Series 2014 GC19, Class E, 144A, 4.400%, due 3/10/2047 *	245	0.05	350	CSMC 2015-TWNI Trust, Series 2015 TOWN, Class F, 144A, 4.927%, due 3/15/2017 *	330	0.07	325	Fannie Mae Interest Strip 409, Class C18, 4.000%, due 4/25/2042	59	0.01
300	Citigroup Commercial Mortgage Trust 2015-GC27, Series 2015 GC27, Class AS, 3.571%, due 2/10/2048	295	0.06	1,694	CSMC Series 2015-8R, Series 2015 8R, Class 2A1, 144A, 4.500%, due 6/27/2036	1,713	0.35	11,700	Fannie Mae Pool, 15 year, TBA, 3.000% ±	12,200	2.47
1,550	Citigroup Commercial Mortgage Trust 2015-GC29, Series 2015 GC29, Class D, 144A, 3.110%, due 4/10/2048	970	0.20	800	CSMC Trust 2014-TIKI, Series 2014 TIKI, Class F, 144A, 4.250%, due 9/15/2038 *	754	0.15	200	Fannie Mae Pool, 30 year, TBA, 5.000% ±	221	0.04
510	Citigroup Commercial Mortgage Trust 2015-GC33, Series 2015 GC33, Class D, 3.172%, due 9/10/2058	315	0.06	250	CSMC Trust 2014-USA, Series 2014 USA, Class A2, 144A, 3.953%, due 9/15/2037	262	0.05	1,200	Fannie Mae Pool, 30 year, TBA, 4.000% ±	1,280	0.26
3,717	CitiMortgage Alternative Loan Trust Series 2007-A5, Series 2007 A5, Class 1A4, 5.164%, due 5/25/2037 *	729	0.15	240	CSMC Trust 2014-USA, Series 2014 USA, Class E, 144A, 4.373%, due 9/15/2037	196	0.04	600	Fannie Mae Pool, 30 year, TBA, 3.500% ±	629	0.13
				250	CSMC Trust 2014-USA, Series 2014 USA, Class F, 144A, 4.373%, due 9/15/2037	186	0.04	1,700	Fannie Mae Pool, 15 year, TBA, 2.500% ±	1,743	0.35
								3,500	Fannie Mae Pool, 15 year, TBA, 3.500% ±	3,694	0.75
								43	Fannie Mae Pool '254793', 5.000%, due 7/1/2033	48	0.01
								52	Fannie Mae Pool '555743', 5.000%, due 9/1/2033	58	0.01
								4	Fannie Mae Pool '725162', 6.000%, due 2/1/2034	4	—
								15	Fannie Mae Pool '745000', 6.000%, due 10/1/2035	17	—
								38	Fannie Mae Pool '843997', 2.258%, due 11/1/2035 *	40	0.01
								38	Fannie Mae Pool '844052', 2.251%, due 11/1/2035 *	40	0.01
								34	Fannie Mae Pool '844148', 2.273%, due 11/1/2035 *	36	0.01
								30	Fannie Mae Pool '844237', 2.239%, due 11/1/2035 *	32	0.01

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 29, 2016 – (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
Mortgage-Backed Securities — (continued)								
30 Fannie Mae Pool '844789', 2.199%, due 11/1/2035 *	32	0.01	90 Fannie Mae Pool 'AS4271', 4.500%, due 1/1/2045	100	0.02	775 Fannie Mae REMICS, Series 2011 59, Class NZ, 5.500%, due 7/25/2041	916	0.19
40 Fannie Mae Pool '865915', 2.337%, due 3/1/2036 *	42	0.01	185 Fannie Mae Pool 'AS4347', 4.000%, due 1/1/2045	200	0.04	250 Fannie Mae REMICS, Series 2012 74, Class SA, 6.214%, due 3/25/2042 *	44	0.01
58 Fannie Mae Pool '888560', 6.000%, due 11/1/2035	67	0.01	2,056 Fannie Mae Pool 'AS5892', 3.500%, due 10/1/2045	2,155	0.44	905 Fannie Mae REMICS, Series 2013 9, Class CB, 5.500%, due 4/25/2042	1,022	0.21
143 Fannie Mae Pool '889117', 5.000%, due 10/1/2035	159	0.03	2,279 Fannie Mae Pool 'AS6311', 3.500%, due 12/1/2045	2,389	0.48	210 Fannie Mae REMICS, Series 2012 46, Class BA, 6.000%, due 5/25/2042	240	0.05
116 Fannie Mae Pool '890248', 6.000%, due 8/1/2037	134	0.03	397 Fannie Mae Pool 'AS6340', 3.500%, due 12/1/2045	418	0.08	339 Fannie Mae REMICS, Series 2012 51, Class B, 7.000%, due 5/25/2042	395	0.08
1,810 Fannie Mae Pool '890604', 4.500%, due 10/1/2044	1,999	0.40	297 Fannie Mae Pool 'AS6541', 3.500%, due 1/1/2046	314	0.06	764 Fannie Mae REMICS, Series 2013 9, Class BC, 6.500%, due 7/25/2042	882	0.18
21 Fannie Mae Pool '985626', 6.000%, due 4/1/2033	24	—	298 Fannie Mae Pool 'AS6562', 3.500%, due 1/1/2046	314	0.06	77 Fannie Mae REMICS, Series 2012 128, Class SL, 5.714%, due 11/25/2042 *	17	—
76 Fannie Mae Pool '995072', 5.500%, due 8/1/2038	86	0.02	88 Fannie Mae Pool 'AT7208', 4.000%, due 6/1/2043	96	0.02	153 Fannie Mae REMICS, Series 2012 128, Class SQ, 5.714%, due 11/25/2042 *	36	0.01
1,600 Fannie Mae Pool 'AB6201', 3.000%, due 9/1/2042	1,650	0.33	82 Fannie Mae Pool 'AT8394', 4.000%, due 6/1/2043	89	0.02	211 Fannie Mae REMICS, Series 2012 133, Class CS, 5.714%, due 12/25/2042 *	41	0.01
149 Fannie Mae Pool 'AB9683', 4.000%, due 6/1/2043	161	0.03	247 Fannie Mae Pool 'AT9637', 4.000%, due 7/1/2043	267	0.05	74 Fannie Mae REMICS, Series 2012 133, Class SA, 5.714%, due 12/25/2042 *	15	—
177 Fannie Mae Pool 'AE0758', 7.000%, due 2/1/2039	209	0.04	164 Fannie Mae Pool 'AT9653', 4.000%, due 7/1/2043	179	0.04	286 Fannie Mae REMICS, Series 2015 48, Class SA, 5.764%, due 7/25/2045 *	72	0.01
150 Fannie Mae Pool 'AK8441', 4.000%, due 4/1/2042	162	0.03	143 Fannie Mae Pool 'AT9657', 4.000%, due 7/1/2043	154	0.03	288 Fannie Mae REMICS, Series 2015 60, Class SA, 5.714%, due 8/25/2045 *	65	0.01
864 Fannie Mae Pool 'AL0215', 4.500%, due 4/1/2041	941	0.19	271 Fannie Mae Pool 'AU9537', 4.500%, due 10/1/2043	294	0.06	10,063 Fannie Mae-Aces, Series 2015 M3, Class X2, 0.385%, due 10/25/2024 *	281	0.06
51 Fannie Mae Pool 'AL2931', 6.000%, due 6/1/2023	53	0.01	652 Fannie Mae Pool 'AV0894', 4.500%, due 11/1/2043	708	0.14	90 Fannie Mae-Aces, Series 2015 M13, Class A2, 2.710%, due 6/25/2025 *	92	0.02
1,493 Fannie Mae Pool 'AL3024', 3.500%, due 1/1/2043	1,568	0.32	671 Fannie Mae Pool 'AW0318', 4.500%, due 2/1/2044	730	0.15	1,195 FHLMLC Multifamily Structured Pass Through Certificates K007, Class X1, 1.163%, due 4/25/2020 *	42	0.01
76 Fannie Mae Pool 'AL3508', 4.000%, due 4/1/2043	83	0.02	990 Fannie Mae Pool 'BA0147', 3.500%, due 10/1/2045	1,038	0.21	1,421 FHLMLC Multifamily Structured Pass Through Certificates KAV, Class X1, 1.339%, due 6/25/2021 *	77	0.02
85 Fannie Mae Pool 'AL4741', 4.500%, due 1/1/2044	94	0.02	63 Fannie Mae Pool 'MA0706', 4.500%, due 4/1/2031	69	0.01	498 FHLMLC Multifamily Structured Pass Through Certificates K015, Class X1, 1.628%, due 7/25/2021 *	36	0.01
260 Fannie Mae Pool 'AL5540', 4.500%, due 7/1/2044	287	0.06	234 Fannie Mae Pool 'MA0734', 4.500%, due 5/1/2031	256	0.05	201 FHLMLC Multifamily Structured Pass Through Certificates K016, Class X1, 1.551%, due 10/25/2021 *	14	—
20 Fannie Mae Pool 'AM8674', 2.810%, due 4/1/2025	21	—	66 Fannie Mae Pool 'MA0776', 4.500%, due 6/1/2031	73	0.01	26 First Horizon Alternative Mortgage Securities Trust 2006-FA8, Series 2006 FA8, Class 1A8, 0.806%, due 2/25/2037 *	13	—
75 Fannie Mae Pool 'AO2711', 4.000%, due 5/1/2042	81	0.02	93 Fannie Mae Pool 'MA0913', 4.500%, due 11/1/2031	102	0.02	2,300 Freddie Mac Gold Pool, 30 year, TBA, 3.500% ±	2,405	0.49
83 Fannie Mae Pool 'AO6086', 4.000%, due 6/1/2042	90	0.02	110 Fannie Mae Pool 'MA0939', 4.500%, due 12/1/2031	120	0.02	473 Freddie Mac Gold Pool 'A74793', 5.000%, due 3/1/2038	520	0.11
65 Fannie Mae Pool 'AO9859', 4.000%, due 7/1/2042	70	0.01	390 Fannie Mae Pool 'MA1146', 4.000%, due 8/1/2042	420	0.08	243 Freddie Mac Gold Pool 'E94519', 5.000%, due 2/1/2018	251	0.05
71 Fannie Mae Pool 'AP0692', 4.000%, due 7/1/2042	76	0.02	80 Fannie Mae Pool 'MA1177', 3.500%, due 9/1/2042	84	0.02	14 Freddie Mac Gold Pool 'G01737', 5.000%, due 12/1/2034	16	—
61 Fannie Mae Pool 'AP2530', 4.000%, due 8/1/2042	65	0.01	2,561 Fannie Mae Pool 'MA1217', 4.000%, due 10/1/2042	2,755	0.56	29 Freddie Mac Gold Pool 'G04222', 5.500%, due 4/1/2038	32	0.01
61 Fannie Mae Pool 'AP2958', 4.000%, due 8/1/2042	66	0.01	569 Fannie Mae Pool 'MA1253', 4.000%, due 11/1/2042	612	0.12	97 Freddie Mac Gold Pool 'G06172', 5.500%, due 12/1/2038	109	0.02
242 Fannie Mae Pool 'AP4710', 3.500%, due 8/1/2042	254	0.05	1,247 Fannie Mae Pool 'MA1283', 3.500%, due 12/1/2042	1,310	0.27	588 Freddie Mac Gold Pool 'G06409', 6.000%, due 11/1/2039	670	0.14
745 Fannie Mae Pool 'AP4781', 3.000%, due 9/1/2042	768	0.16	329 Fannie Mae Pool 'MA1372', 3.500%, due 3/1/2043	345	0.07	648 Freddie Mac Gold Pool 'G06496', 5.000%, due 6/1/2041	724	0.15
84 Fannie Mae Pool 'AP4903', 4.000%, due 9/1/2042	91	0.02	737 Fannie Mae Pool 'MA1403', 3.500%, due 4/1/2043	775	0.16			
228 Fannie Mae Pool 'AP7399', 4.000%, due 9/1/2042	246	0.05	247 Fannie Mae Pool 'MA1436', 3.500%, due 5/1/2043	260	0.05			
143 Fannie Mae Pool 'AP9229', 4.000%, due 10/1/2042	154	0.03	864 Fannie Mae Pool 'MA1437', 3.500%, due 5/1/2043	908	0.18			
321 Fannie Mae Pool 'AP9766', 4.000%, due 10/1/2042	345	0.07	88 Fannie Mae Pool 'MA1547', 4.000%, due 8/1/2043	95	0.02			
297 Fannie Mae Pool 'AP9862', 4.000%, due 10/1/2042	320	0.06	172 Fannie Mae Pool 'MA1591', 4.500%, due 9/1/2043	189	0.04			
71 Fannie Mae Pool 'AQ0100', 4.000%, due 10/1/2042	77	0.02	176 Fannie Mae Pool 'MA1629', 4.500%, due 10/1/2043	194	0.04			
336 Fannie Mae Pool 'AQ1641', 4.000%, due 10/1/2042	363	0.07	87 Fannie Mae Pool 'MA1664', 4.500%, due 11/1/2043	96	0.02			
76 Fannie Mae Pool 'AQ3599', 4.000%, due 11/1/2042	82	0.02	173 Fannie Mae Pool 'MA1711', 4.500%, due 12/1/2043	191	0.04			
82 Fannie Mae Pool 'AQ4078', 4.000%, due 6/1/2043	89	0.02	988 Fannie Mae REMICS, Series 2012 139, Class DI, 3.000%, due 12/25/2027	95	0.02			
80 Fannie Mae Pool 'AQ4080', 4.000%, due 6/1/2043	86	0.02	3,178 Fannie Mae REMICS, Series 2013 1, Class YI, 3.000%, due 2/25/2033	448	0.09			
140 Fannie Mae Pool 'AQ4555', 4.000%, due 12/1/2042	150	0.03	230 Fannie Mae REMICS, Series 2005 29, Class ZA, 5.500%, due 4/25/2035	257	0.05			
64 Fannie Mae Pool 'AQ5137', 4.000%, due 11/1/2042	69	0.01	166 Fannie Mae REMICS, Series 2012 28, Class B, 6.500%, due 6/25/2039	186	0.04			
193 Fannie Mae Pool 'AQ7003', 4.000%, due 12/1/2042	208	0.04	62 Fannie Mae REMICS, Series 2012 70, Class YS, 6.214%, due 2/25/2041 *	9	—			
238 Fannie Mae Pool 'AQ7082', 4.000%, due 1/1/2043	258	0.05						
88 Fannie Mae Pool 'AS0070', 4.000%, due 8/1/2043	95	0.02						

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Legg Mason Western Asset US Core Plus Bond Fund

Portfolio of Investments as at February 29, 2016 – (continued)

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Mortgage-Backed Securities — (continued)			1,377			3,096		
62 Freddie Mac Gold Pool 'G06669', 6.500%, due 9/1/2039	71	0.01	Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2015 HQ2, Class B, 8.386%, due 5/25/2025 *	1,247	0.25	Government National Mortgage Association, Series 2014 169, Class IO, 1.069%, due 10/16/2056 *	227	0.05
259 Freddie Mac Gold Pool 'G06875', 5.500%, due 12/1/2038	292	0.06	4,652 FREMF 2012-K20 Mortgage Trust, Series 2012 K20, Class X2A, 144A, 0.200%, due 5/25/2045	45	0.01	3,854 Government National Mortgage Association, Series 2015 183, Class IO, 1.012%, due 9/16/2057 *	338	0.07
98 Freddie Mac Gold Pool 'G13888', 5.000%, due 6/1/2025	105	0.02	445 FREMF 2015-K48 Mortgage Trust, Series 2015 K48, Class C, 144A, 3.636%, due 8/25/2048 *	354	0.07	70 Government National Mortgage Association, Series 2010 H26, Class LF, 0.780%, due 8/20/2058 *	69	0.01
155 Freddie Mac Gold Pool 'G14492', 4.000%, due 10/1/2025	165	0.03	2,450 GE Commercial Mortgage Corp Series 2007-C1 Trust, Series 2007 C1, Class AJ, 5.677%, due 12/10/2049 *	1,602	0.32	76 Government National Mortgage Association, Series 2010 H22, Class FE, 0.780%, due 5/20/2059 *	76	0.02
79 Freddie Mac Gold Pool 'Q19135', 4.000%, due 6/1/2043	86	0.02	163 Ginnie Mae I pool '733600', 5.000%, due 4/15/2040	181	0.04	1,319 Government National Mortgage Association, Series 2009 H01, Class FA, 1.582%, due 11/20/2059 *	1,338	0.27
92 Freddie Mac Gold Pool 'Q19254', 4.000%, due 6/1/2043	100	0.02	284 Ginnie Mae I pool '733627', 5.000%, due 5/15/2040	316	0.06	714 Government National Mortgage Association, Series 2010 H11, Class FA, 1.431%, due 6/20/2060 *	721	0.15
81 Freddie Mac Gold Pool 'Q19611', 4.000%, due 7/1/2043	88	0.02	66 Ginnie Mae II pool '4040', 6.500%, due 10/20/2037	79	0.02	796 Government National Mortgage Association, Series 2010 H20, Class AF, 0.760%, due 10/20/2060 *	788	0.16
80 Freddie Mac Gold Pool 'Q19615', 4.000%, due 7/1/2043	87	0.02	124 Ginnie Mae II pool '4617', 4.500%, due 1/20/2040	135	0.03	1,212 Government National Mortgage Association, Series 2010 H24, Class FA, 0.780%, due 10/20/2060 *	1,196	0.24
167 Freddie Mac Gold Pool 'U90245', 3.500%, due 10/1/2042	175	0.04	157 Ginnie Mae II pool '4696', 4.500%, due 5/20/2040	171	0.03	470 Government National Mortgage Association, Series 2011 H01, Class AF, 0.880%, due 11/20/2060 *	464	0.09
402 Freddie Mac Gold Pool 'U90316', 4.000%, due 10/1/2042	432	0.09	489 Ginnie Mae II pool '4747', 5.000%, due 7/20/2040	543	0.11	150 Government National Mortgage Association, Series 2011 H09, Class AF, 0.930%, due 3/20/2061 *	149	0.03
172 Freddie Mac Gold Pool 'U91254', 4.000%, due 4/1/2043	185	0.04	86 Ginnie Mae II pool '4772', 5.000%, due 8/20/2040	95	0.02	858 GreenPoint Mortgage Funding Trust 2006-AR2, Series 2006 AR2, Class 2A1, 0.637%, due 3/25/2036 *	724	0.15
91 Freddie Mac Gold Pool 'U95137', 4.000%, due 8/1/2043	97	0.02	56 Ginnie Mae II pool '4802', 5.000%, due 9/20/2040	62	0.01	144 GS Mortgage Securities Trust 2006-GG6, Series 2006 GG6, Class C, 5.615%, due 4/10/2038 *	144	0.03
1,012 Freddie Mac Gold Pool 'U99045', 3.500%, due 3/1/2043	1,064	0.22	27 Ginnie Mae II pool '4871', 6.000%, due 11/20/2040	31	0.01	865 GS Mortgage Securities Trust 2007-GG10, Series 2007 GG10, Class AM, 5.794%, due 8/10/2045 *	827	0.17
2,578 Freddie Mac Gold Pool 'U99054', 4.000%, due 6/1/2043	2,772	0.56	111 Ginnie Mae II pool '4905', 6.000%, due 12/20/2040	128	0.03	169 GS Mortgage Securities Trust 2011-GC5, Series 2011 GC5, Class XA, 144A, 1.624%, due 8/10/2044 *	7	–
91 Freddie Mac Gold Pool 'U99114', 3.500%, due 2/1/2044	96	0.02	24 Ginnie Mae II pool '4928', 6.000%, due 1/20/2041	28	0.01	80 GS Mortgage Securities Trust 2013-GC16, Series 2013 GC16, Class B, 5.161%, due 11/10/2046 *	86	0.02
70 Freddie Mac Non Gold Pool '1G2341', 2.535%, due 12/1/2037 *	74	0.01	69 Ginnie Mae II pool '4961', 6.000%, due 2/20/2041	79	0.02	1,850 GS Mortgage Securities Trust 2014-GC20, Series 2014 GC20, Class XA, 1.186%, due 4/10/2047 *	117	0.02
166 Freddie Mac Non Gold Pool '1L0236', 2.535%, due 10/1/2035 *	175	0.04	1,009 Ginnie Mae II pool '4978', 4.500%, due 3/20/2041	1,100	0.22	1,691 GSMSR Resecuritization Trust 2014-5R, Series 2014 5R, Class 1B, 144A, 0.308%, due 4/26/2037 *	1,397	0.28
301 Freddie Mac Non Gold Pool '1N1454', 2.100%, due 4/1/2037 *	314	0.06	27 Ginnie Mae II pool '783050', 5.000%, due 7/20/2040	30	0.01	156 HarborView Mortgage Loan Trust 2005-9, Series 2005 9, Class 2A1A, 0.772%, due 6/20/2035 *	145	0.03
260 Freddie Mac Reference REMIC R007, Class ZA, 6.000%, due 5/15/2036	296	0.06	299 Ginnie Mae II pool '783368', 4.500%, due 7/20/2041	326	0.07	56 HarborView Mortgage Loan Trust 2007-7, Series 2007 7, Class 2A1A, 1.436%, due 10/25/2037 *	47	0.01
1,306 Freddie Mac REMICS 4092, Class AI, 3.000%, due 9/15/2031	130	0.03	4,265 Ginnie Mae II pool 'AP6338', 4.000%, due 10/20/2045	4,615	0.93	24 Homestar Mortgage Acceptance Corp, Series 2004 3, Class AV1, 0.886%, due 7/25/2034 *	23	–
1,490 Freddie Mac REMICS 3349, Class AS, 6.073%, due 7/15/2037 *	288	0.06	2,942 Ginnie Mae II pool 'MA3104', 3.000%, due 9/20/2045	3,051	0.62	5 IndyMac INDX Mortgage Loan Trust 2004-AR12, Series 2004 AR12, Class A1, 1.216%, due 12/25/2034 *	4	–
159 Freddie Mac REMICS 3621, Class SB, 5.803%, due 1/15/2040 *	33	0.01	303 Government National Mortgage Association, Series 2012 66, Class CI, 3.500%, due 2/20/2038	28	0.01			
238 Freddie Mac REMICS 3997, Class SK, 6.173%, due 11/15/2041 *	43	0.01	71 Government National Mortgage Association, Series 2010 31, Class GS, 6.068%, due 3/20/2039 *	6	–			
70 Freddie Mac REMICS 4097, Class ST, 5.623%, due 8/15/2042 *	11	–	47 Government National Mortgage Association, Series 2010 85, Class HS, 6.218%, due 1/20/2040 *	6	–			
71 Freddie Mac REMICS 4136, Class SE, 5.723%, due 11/15/2042 *	15	–	25 Government National Mortgage Association, Series 2010 42, Class BS, 6.048%, due 4/20/2040 *	4	–			
75 Freddie Mac REMICS 4136, Class SJ, 5.723%, due 11/15/2042 *	15	–	1,479 Government National Mortgage Association, Series 2014 176, Class IA, 4.000%, due 11/20/2044	200	0.04			
73 Freddie Mac REMICS 4136, Class SQ, 5.723%, due 11/15/2042 *	15	–	2,038 Government National Mortgage Association, Series 2015 167, Class OI, 4.000%, due 4/16/2045	436	0.09			
			2,989 Government National Mortgage Association, Series 2013 162, Class IO, 1.007%, due 9/16/2046 *	174	0.04			
			484 Government National Mortgage Association, Series 2013 178, Class IO, 0.919%, due 6/16/2055 *	27	0.01			

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 29, 2016 – (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
Mortgage-Backed Securities — (continued)								
614 IndyMac INDX Mortgage Loan Trust 2006-AR11, Series 2006 AR11, Class 5A1, 3.028%, due 6/25/2036 *	419	0.08	102 MASTR Reperforming Loan Trust 2005-2, Series 2005 2, Class 1A1F, 144A, 0.786%, due 5/25/2035 *	81	0.02	86 Residential Asset Securitization Trust 2007-A7, Series 2007 A7, Class A3, 6.000%, due 7/25/2037	59	0.01
854 IndyMac INDX Mortgage Loan Trust 2006-AR27, Series 2006 AR27, Class 2A1, 0.566%, due 10/25/2036 *	674	0.14	410 Merrill Lynch Mortgage Trust 2006-C2, Series 2006 C2, Class AJ, 5.802%, due 8/12/2043 *	402	0.08	21 Sequoia Mortgage Trust 2004-10, Series 2004 10, Class A1A, 1.052%, due 11/20/2034 *	20	—
169 JP Morgan Chase Commercial Mortgage Securities Trust 2006-CIBC14, Series 2006 CB14, Class AJ, 5.590%, due 12/12/2044 *	168	0.03	670 ML-CFC Commercial Mortgage Trust 2007-5, Series 2007 5, Class AJ, 5.450%, due 8/12/2048 *	590	0.12	91 Structured Asset Mortgage Investments II Trust 2006-AR1, Series 2006 AR1, Class 2A1, 0.666%, due 2/25/2036 *	74	0.01
270 JP Morgan Chase Commercial Mortgage Securities Trust 2006-LDP9, Series 2006 LDP9, Class AJ5, 5.386%, due 5/15/2047 *	190	0.04	260 ML-CFC Commercial Mortgage Trust 2007-9, Series 2007 9, Class AJ, 6.185%, due 9/12/2049 *	222	0.04	100 VNDO 2012-6AVE Mortgage Trust, Series 2012 6AVE, Class A, 144A, 2.996%, due 11/15/2030	101	0.02
570 JP Morgan Chase Commercial Mortgage Securities Trust 2006-LDP9, Series 2006 LDP9, Class AJ, 5.411%, due 5/15/2047	411	0.08	160 Morgan Stanley Bank of America Merrill Lynch Trust 2012-C6, Series 2012 C6, Class E, 144A, 4.657%, due 11/15/2045 *	148	0.03	250 Wachovia Bank Commercial Mortgage Trust Series 2007-C31, Series 2007 C31, Class AJ, 5.660%, due 4/15/2047 *	245	0.05
1,400 JP Morgan Chase Commercial Mortgage Securities Trust 2007-LDP10, Series 2007 LDPX, Class AJFX, 144A, 5.438%, due 1/15/2049	744	0.15	31 Morgan Stanley Bank of America Merrill Lynch Trust 2013-C7, Series 2013 C7, Class AS, 3.214%, due 2/15/2046	31	0.01	3,083 WaMu Mortgage Pass-Through Certificates Series 2005-AR15 Trust, Series 2005 AR15, Class A1C3, 0.916%, due 11/25/2045 *	1,492	0.30
50 JPMBB Commercial Mortgage Securities Trust 2013-C15, Series 2013 C15, Class C, 5.081%, due 11/15/2045 *	50	0.01	850 Morgan Stanley Bank of America Merrill Lynch Trust 2014-C14, Series 2014 C14, Class F, 144A, 3.710%, due 2/15/2047	467	0.09	122 WaMu Mortgage Pass-Through Certificates Series 2006-AR14 Trust, Series 2006 AR14, Class 2A3, 2.147%, due 11/25/2036 *	102	0.02
30 JPMBB Commercial Mortgage Securities Trust 2013-C17, Series 2013 C17, Class B, 4.887%, due 1/15/2047 *	32	0.01	610 Morgan Stanley Bank of America Merrill Lynch Trust 2015-C21, Series 2015 C21, Class E, 144A, 3.012%, due 3/15/2048	357	0.07	693 WaMu Mortgage Pass-Through Certificates Series 2007-OA2 Trust, Series 2007 OA2, Class 2A, 1.894%, due 3/25/2047 *	544	0.11
200 JPMBB Commercial Mortgage Securities Trust 2014-C24, Series 2014 C24, Class AS, 3.914%, due 11/15/2047 *	208	0.04	230 Morgan Stanley Capital I Trust 2006-IQ12, Series 2006 IQ12, Class AJ, 5.399%, due 12/15/2043	182	0.04	3,272 Washington Mutual Mortgage Pass-Through Certificates WMALT Series 2007-OA1 Trust, Series 2007 OA1, Class 1A, 1.032%, due 12/25/2046 *	2,241	0.45
460 JPMBB Commercial Mortgage Securities Trust 2015-C31, Series 2015 C31, Class A3, 3.801%, due 8/15/2048	484	0.10	888 Morgan Stanley Capital I Trust 2007-IQ13, Series 2007 IQ13, Class AJ, 5.438%, due 3/15/2044	864	0.17	33 Washington Mutual MSC Mortgage Pass-Through Certificates Series 2004-RA2 Trust, Series 2004 RA2, Class 2A, 7.000%, due 7/25/2033	36	0.01
260 JPMBB Commercial Mortgage Securities Trust 2015-C31, Series 2015 C31, Class B, 4.619%, due 8/15/2048 *	259	0.05	370 Morgan Stanley Capital I Trust 2007-IQ16, Series 2007 IQ16, Class AJ, 6.097%, due 12/12/2049 *	337	0.07	1,921 Waterfall Commercial Mortgage Trust 2015-SBC5, Series 2015 SBC5, Class A, 144A, 4.104%, due 9/14/2022 *	1,877	0.38
552 Lehman Mortgage Trust 2006-8, Series 2006 8, Class 4A2, 7.314%, due 12/25/2036 *	184	0.04	270 Morgan Stanley Resecuritization Trust 2015-R5, Series 2015 R5, Class 2B, 144A, 0.647%, due 10/26/2046 *	160	0.03	20 Wells Fargo Commercial Mortgage Trust 2013-LC12, Series 2013 LC12, Class B, 4.298%, due 7/15/2046 *	21	—
887 Lehman Mortgage Trust 2007-2, Series 2007 2, Class 2A12, 6.264%, due 2/25/2037 *	338	0.07	1,694 Morgan Stanley Resecuritization Trust 2015-R6, Series 2015 R6, Class 1B, 144A, 0.687%, due 7/26/2045 *	660	0.13	540 Wells Fargo Commercial Mortgage Trust 2015-LC20, Series 2015 LC20, Class AS, 3.184%, due 4/15/2050	541	0.11
2,433 Lehman Mortgage Trust 2007-4, Series 2007 4, Class 2A2, 6.234%, due 5/25/2037 *	868	0.18	600 Motel 6 Trust 2015-MTL, Series 2015 MTL6, Class F, 144A, 5.000%, due 2/5/2030	545	0.11	250 Wells Fargo Commercial Mortgage Trust 2015-LC20, Series 2015 LC20, Class AS, 3.467%, due 4/15/2050	245	0.05
581 Lehman XS Trust Series 2006-2N, Series 2006 2N, Class 1A1, 0.696%, due 2/25/2046 *	406	0.08	280 MSCI Trust 2015-ALDR, Series 2015 ALDR, Class A2, 144A, 3.462%, due 6/7/2035 *	289	0.06	280 Wells Fargo Commercial Mortgage Trust 2015-NXS1, Series 2015 NX51, Class AS, 3.406%, due 5/15/2048	274	0.06
932 LSTAR Commercial Mortgage Trust 2015-3, Series 2015 3, Class A2, 144A, 2.729%, due 4/20/2048 *	943	0.19	2,291 Prime Mortgage Trust 2006-DR1, Series 2006 DR1, Class 2A1, 144A, 5.500%, due 5/25/2035	2,076	0.42	360 Wells Fargo Commercial Mortgage Trust 2015-NXS1, Series 2015 NX51, Class C, 3.848%, due 5/15/2048 *	320	0.06
173 MASTR Adjustable Rate Mortgages Trust 2007-3, Series 2007 3, Class 12A1, 0.636%, due 5/25/2047 *	136	0.03	1,172 RALI Series 2006-QS7 Trust, Series 2006 QS7, Class A5, 5.164%, due 6/25/2036 *	236	0.05	410 Wells Fargo Commercial Mortgage Trust 2015-NXS1, Series 2015 NX51, Class D, 4.105%, due 5/15/2048 *	299	0.06
122 MASTR Adjustable Rate Mortgages Trust 2007-R5, Series 2007 R5, Class A1, 144A, 2.673%, due 11/25/2035 *	92	0.02	171 Reperforming Loan REMIC Trust 2004-R2, Series 2004 R2, Class 1AF2, 144A, 0.856%, due 11/25/2034 *	147	0.03	2,483 WFRBS Commercial Mortgage Trust 2014-C20, Series 2014 C20, Class XA, 1.205%, due 5/15/2047 *	155	0.03
			524 Reperforming Loan REMIC Trust 2005-R2, Series 2005 R2, Class 1AF1, 144A, 0.776%, due 6/25/2035 *	463	0.09			
			455 Residential Asset Securitization Trust 2005-A15, Series 2005 A15, Class 1A4, 5.750%, due 2/25/2036	422	0.09			
						Total Mortgage-Backed Securities (Cost \$136,533)	135,505	27.40

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 29, 2016 – (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 — 27.28%								
Australia — 0.62%								
340 BHP Billiton Finance USA Ltd, 6.500%, due 4/1/2019	373	0.08	300 Sinopec Group Overseas Development 2014 Ltd, 144A, 4.375%, due 4/10/2024	318	0.06	700 America Movil SAB de CV, 3.125%, due 7/16/2022	701	0.14
100 BHP Billiton Finance USA Ltd, 3.250%, due 11/21/2021	100	0.02		1,300	0.26	20 America Movil SAB de CV, 6.375%, due 3/1/2035	23	0.01
170 BHP Billiton Finance USA Ltd, 5.000%, due 9/30/2043	166	0.03	Colombia — 0.10%			20 America Movil SAB de CV, 6.125%, due 11/15/2037	22	0.01
420 BHP Billiton Finance USA Ltd, 144A, 6.750%, due 10/19/2075 *	405	0.08	450 Ecopetrol SA, 5.375%, due 6/26/2026	365	0.07	590 Petroleos Mexicanos, 144A, 4.250%, due 1/15/2025	521	0.11
360 FMG Resources August 2006 Pty Ltd, 144A, 9.750%, due 3/1/2022	338	0.07	180 Ecopetrol SA, 5.875%, due 5/28/2045	126	0.03	260 Petroleos Mexicanos, 144A, 6.875%, due 8/4/2026	269	0.05
940 WEA Finance LLC / Westfield UK & Europe Finance Plc, 144A, 3.750%, due 9/17/2024	947	0.19		491	0.10	175 Petroleos Mexicanos, 6.625%, due 6/15/2035	158	0.03
720 WEA Finance LLC / Westfield UK & Europe Finance Plc, 144A, 4.750%, due 9/17/2044	722	0.15	France — 0.75%			210 Petroleos Mexicanos, 144A, 5.500%, due 6/27/2044	161	0.03
	3,051	0.62	270 BNP Paribas SA, 144A, 4.375%, due 9/28/2025	262	0.05	210 Petroleos Mexicanos, 6.375%, due 1/23/2045	182	0.04
Belgium — 1.16%			500 BPCE SA, 144A, 5.150%, due 7/21/2024	491	0.10		2,373	0.48
310 Anheuser-Busch InBev Finance Inc, 2.650%, due 2/1/2021	315	0.06	1,700 Credit Agricole SA, 144A, 4.375%, due 3/17/2025	1,619	0.33	Morocco — 0.23%		
530 Anheuser-Busch InBev Finance Inc, 3.300%, due 2/1/2023	545	0.11	320 Credit Agricole SA, 144A, 8.375%, Perpetual *	346	0.07	1,230 OCP SA, 144A, 4.500%, due 10/22/2025	1,146	0.23
2,370 Anheuser-Busch InBev Finance Inc, 3.650%, due 2/1/2026	2,446	0.50	200 Numericable-SFR SA, 144A, 6.000%, due 5/15/2022	198	0.04	Netherlands — 0.79%		
1,820 Anheuser-Busch InBev Finance Inc, 4.900%, due 2/1/2046	1,950	0.39	380 Numericable-SFR SA, 144A, 6.250%, due 5/15/2024	370	0.07	200 ABN AMRO Bank NV, 144A, 4.750%, due 7/28/2025	194	0.04
430 Anheuser-Busch InBev Worldwide Inc, 5.375%, due 1/15/2020	479	0.10	180 Pernod Ricard SA, 144A, 2.950%, due 1/15/2017	182	0.04	160 AerCap Ireland Capital Ltd / AerCap Global Aviation Trust, 4.625%, due 7/1/2022	160	0.03
	5,735	1.16	210 Pernod Ricard SA, 144A, 4.450%, due 1/15/2022	223	0.05	250 Cooperatieve Rabobank UA, 4.625%, due 12/1/2023	255	0.05
Brazil — 0.49%				3,691	0.75	870 Cooperatieve Rabobank UA, 4.375%, due 8/4/2025	875	0.18
87 Petrobras Global Finance BV, 5.750%, due 1/20/2020	70	0.01	Germany — 0.08%			800 Cooperatieve Rabobank UA, 5.750%, due 12/1/2043	883	0.18
2,410 Petrobras Global Finance BV, 5.375%, due 1/27/2021	1,807	0.37	210 Daimler Finance North America LLC, 144A, 2.625%, due 9/15/2016	211	0.04	290 Cooperatieve Rabobank UA, 144A, 11.000%, Perpetual *	342	0.07
340 Petrobras Global Finance BV, 6.850%, due 6/5/2115	211	0.04	50 Fresenius Medical Care US Finance II Inc, 144A, 4.125%, due 10/15/2020	51	0.01	200 ING Bank NV, 144A, 5.800%, due 9/25/2023	214	0.04
160 Vale Overseas Ltd, 4.375%, due 1/11/2022	123	0.03	150 ZF North America Capital Inc, 144A, 4.500%, due 4/29/2022	148	0.03	70 Royal Bank of Scotland NV, 4.650%, due 6/4/2018	71	0.02
276 Vale Overseas Ltd, 6.875%, due 11/21/2036	189	0.04		410	0.08	160 Shell International Finance BV, 4.125%, due 5/11/2035	148	0.03
	2,400	0.49	India — 0.11%			820 Shell International Finance BV, 4.375%, due 5/11/2045	760	0.15
Canada — 0.12%			320 Bharti Airtel Ltd, 144A, 4.375%, due 6/10/2025	318	0.07		3,902	0.79
340 1011778 BC ULC / New Red Finance Inc, 144A, 6.000%, due 4/1/2022	355	0.07	200 Bharti Airtel Ltd, 4.375%, due 6/10/2025	198	0.04	New Zealand — 0.05%		
57 Barrick Gold Corp, 6.950%, due 4/1/2019	61	0.01		516	0.11	40 Reynolds Group Issuer Inc / Reynolds Group Issuer LLC / Reynolds Group Issuer Lu, 5.750%, due 10/15/2020	41	0.01
35 Barrick Gold Corp, 4.100%, due 5/1/2023	33	0.01	Indonesia — 0.08%			200 Reynolds Group Issuer Inc / Reynolds Group Issuer LLC / Reynolds Group Issuer Lu, 6.875%, due 2/15/2021	207	0.04
150 Barrick North America Finance LLC, 4.400%, due 5/30/2021	147	0.03	340 Majapahit Holding BV, 7.750%, due 1/20/2020	387	0.08		248	0.05
40 MEG Energy Corp, 144A, 6.500%, due 3/15/2021	19	–	Ireland — 0.04%			Peru — 0.18%		
	615	0.12	200 Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 144A, 6.250%, due 1/31/2019	196	0.04	1,210 Southern Copper Corp, 5.250%, due 11/8/2042	904	0.18
Chile — 0.04%			Italy — 0.12%			South Korea — 0.01%		
210 Celulosa Arauco y Constitucion SA, 4.750%, due 1/11/2022	215	0.04	650 Intesa Sanpaolo SpA, 144A, 5.017%, due 6/26/2024	597	0.12	50 Hyundai Capital America, 144A, 2.125%, due 10/2/2017	50	0.01
China — 0.26%			Luxembourg — 0.22%			Switzerland — 0.32%		
800 CNOOC Finance 2015 USA LLC, 3.500%, due 5/5/2025	780	0.16	400 Altice Financing SA, 144A, 6.625%, due 2/15/2023	394	0.08	20 ABB Finance USA Inc, 4.375%, due 5/8/2042	21	–
200 Sinopec Group Overseas Development 2012 Ltd, 144A, 2.750%, due 5/17/2017	202	0.04	90 ArcelorMittal, 6.500%, due 3/1/2021	81	0.02	340 Credit Suisse Group Funding Guernsey Ltd, 4.875%, due 5/15/2045	310	0.06
			50 ArcelorMittal, 7.250%, due 2/25/2022	45	0.01	290 Glencore Finance Canada Ltd, 144A, 2.700%, due 10/25/2017	280	0.06
			150 ArcelorMittal, 6.125%, due 6/1/2025	121	0.02	780 Glencore Funding LLC, 144A, 2.875%, due 4/16/2020	649	0.13
			160 ArcelorMittal, 8.000%, due 10/15/2039	126	0.03	330 UBS Group Funding Jersey Ltd, 144A, 4.125%, due 9/24/2025	329	0.07
			90 Intelsat Jackson Holdings SA, 7.500%, due 4/1/2021	63	0.01		1,589	0.32
			420 Intelsat Jackson Holdings SA, 5.500%, due 8/1/2023	273	0.05			
				1,103	0.22			
			Mexico — 0.48%					
			110 America Movil SAB de CV, 5.625%, due 11/15/2017	117	0.02			
			200 America Movil SAB de CV, 5.000%, due 3/30/2020	219	0.04			

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 29, 2016 – (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)								
United Arab Emirates — 0.01%								
40 Shelf Drilling Holdings Ltd, 144A, 8.625%, due 11/1/2018	26	0.01	80 Activision Blizzard Inc, 144A, 5.625%, due 9/15/2021	84	0.02	160 Baker Hughes Inc, 3.200%, due 8/15/2021	155	0.03
			780 Activision Blizzard Inc, 144A, 6.125%, due 9/15/2023	835	0.17	300 Ball Corp, 5.250%, due 7/1/2025	313	0.06
			70 AES Corp/VA, 8.000%, due 6/1/2020	77	0.02	400 Bank of America Corp, 5.750%, due 12/1/2017	424	0.09
United Kingdom — 1.25%								
70 BP Capital Markets Plc, 3.561%, due 11/1/2021	70	0.01	70 AES Corp/VA, 7.375%, due 7/1/2021	73	0.01	100 Bank of America Corp, 6.875%, due 4/25/2018	109	0.02
540 BP Capital Markets Plc, 3.506%, due 3/17/2025	525	0.11	130 AES Corp/VA, 4.875%, due 5/15/2023	117	0.02	180 Bank of America Corp, Series L, 2.600%, due 1/15/2019	181	0.04
60 Diageo Capital Plc, 5.750%, due 10/23/2017	64	0.01	180 AES Corp/VA, 5.500%, due 3/15/2024	166	0.03	30 Bank of America Corp, 5.625%, due 7/1/2020	33	0.01
310 Diageo Capital Plc, 4.828%, due 7/15/2020	342	0.07	184 Ally Financial Inc, 7.500%, due 9/15/2020	203	0.04	670 Bank of America Corp, 5.000%, due 5/13/2021	732	0.15
200 Fiat Chrysler Automobiles NV, 4.500%, due 4/15/2020	197	0.04	120 Altria Group Inc, 9.250%, due 8/6/2019	147	0.03	40 Bank of America Corp, 3.300%, due 1/1/2023	40	0.01
430 HSBC Holdings Plc, 4.250%, due 8/18/2025	417	0.08	290 Altria Group Inc, 4.750%, due 5/5/2021	321	0.06	330 Bank of America Corp, 4.000%, due 4/1/2024	340	0.07
340 HSBC Holdings Plc, 6.500%, due 5/2/2036	375	0.08	220 Altria Group Inc, 2.850%, due 8/9/2022	221	0.04	1,520 Bank of America Corp, 4.200%, due 8/26/2024	1,521	0.31
GBP 878 Magnolia Finance X Plc, FR NT, 0.000%, due 12/3/2020 ∞	1,212	0.25	220 Altria Group Inc, 9.950%, due 11/10/2038	360	0.07	470 Bank of America Corp, 4.000%, due 1/22/2025	457	0.09
GBP 319 Magnolia Finance X Plc, FR A2, 0.000%, due 12/3/2020 ∞	441	0.09	250 Altria Group Inc, 10.200%, due 2/6/2039	421	0.09	320 Bank of America Corp, 3.875%, due 8/1/2025	328	0.07
200 Nationwide Building Society, 144A, 3.900%, due 7/21/2025	209	0.04	170 Altria Group Inc, 5.375%, due 1/31/2044	192	0.04	440 Bank of America Corp, 4.250%, due 10/22/2026	434	0.09
40 Rio Tinto Finance USA Ltd, 3.500%, due 11/2/2020	40	0.01	350 Amazon.com Inc, 4.950%, due 12/5/2044	387	0.08	470 Bank of America Corp, 5.000%, due 1/21/2044	499	0.10
70 Rio Tinto Finance USA Ltd, 3.750%, due 9/20/2021	69	0.01	359 American Airlines 2013-2 Class B Pass Through Trust, 144A, 5.600%, due 7/15/2020	361	0.07	890 Bank of America Corp, 4.875%, due 4/1/2044	927	0.19
210 Royal Bank of Scotland Group Plc, 6.400%, due 10/21/2019	227	0.05	200 American Axle & Manufacturing Inc, 6.625%, due 10/15/2022	202	0.04	290 Bank of America Corp, Series X, 6.250%, Perpetual *	281	0.06
100 Royal Bank of Scotland Group Plc, 6.125%, due 12/15/2022	105	0.02	220 American Builders & Contractors Supply Co Inc, 144A, 5.750%, due 12/15/2023	227	0.05	150 Baxalta Inc, 144A, 5.250%, due 6/23/2045	144	0.03
230 Royal Bank of Scotland Group Plc, 6.100%, due 6/10/2023	233	0.05	360 American Express Co, 6.800%, due 9/1/2066 *	359	0.07	200 Becton Dickinson and Co, 3.734%, due 12/15/2024	207	0.04
220 Royal Bank of Scotland Group Plc, 6.000%, due 12/19/2023	222	0.04	220 American International Group Inc, 3.750%, due 7/10/2025	216	0.04	70 Becton Dickinson and Co, 4.685%, due 12/15/2044	72	0.01
300 Royal Bank of Scotland Group Plc, 5.125%, due 5/28/2024	288	0.06	234 American International Group Inc, 6.250%, due 3/15/2037	243	0.05	50 Berkshire Hathaway Energy Co, 6.500%, due 9/15/2037	62	0.01
100 Royal Bank of Scotland Group Plc, Series U, 7.640%, Perpetual *	97	0.02	60 Amgen Inc, 3.625%, due 5/22/2024	62	0.01	30 Boeing Capital Corp, 4.700%, due 10/27/2019	33	0.01
840 Standard Chartered Plc, 144A, 5.700%, due 3/26/2044	726	0.15	30 Amgen Inc, 5.375%, due 5/15/2043	32	0.01	170 Boeing Co/The, 4.875%, due 2/15/2020	189	0.04
320 Virgin Media Finance Plc, 144A, 6.000%, due 10/15/2024	321	0.06	130 Anadarko Petroleum Corp, 6.375%, due 9/15/2017	132	0.03	110 California Resources Corp, 5.500%, due 9/15/2021	15	–
	6,180	1.25	170 Anadarko Petroleum Corp, 6.450%, due 9/15/2036	141	0.03	280 California Resources Corp, 6.000%, due 11/15/2024	36	0.01
United States — 19.77%								
40 21st Century Fox America Inc, 4.500%, due 2/15/2021	44	0.01	200 Anadarko Petroleum Corp, 6.200%, due 3/15/2040	159	0.03	160 Calpine Corp, 144A, 5.875%, due 1/15/2024	163	0.03
10 21st Century Fox America Inc, 6.900%, due 8/15/2039	11	–	10 Antero Resources Corp, 5.375%, due 11/1/2021	9	–	20 Catholic Health Initiatives, 4.350%, due 11/1/2042	20	–
140 AbbVie Inc, 1.750%, due 11/6/2017	140	0.03	180 Anthem Inc, 3.125%, due 5/15/2022	177	0.04	46 CCO Holdings LLC / CCO Holdings Capital Corp, 7.000%, due 1/15/2019	47	0.01
120 AbbVie Inc, 2.900%, due 11/6/2022	119	0.02	95 Apache Corp, 3.250%, due 4/15/2022	83	0.02	90 CCO Holdings LLC / CCO Holdings Capital Corp, 6.625%, due 1/31/2022	94	0.02
250 AbbVie Inc, 3.600%, due 5/14/2025	255	0.05	30 Apache Corp, 6.000%, due 1/15/2037	25	–	40 CCO Holdings LLC / CCO Holdings Capital Corp, 144A, 5.875%, due 4/1/2024	41	0.01
110 ACE INA Holdings Inc, 2.300%, due 11/3/2020	111	0.02	310 Apache Corp, 5.100%, due 9/1/2040	227	0.05	120 CCO Safari II LLC, 144A, 4.908%, due 7/23/2025	123	0.02
140 ACE INA Holdings Inc, 3.350%, due 5/3/2026	143	0.03	70 Apache Corp, 4.250%, due 1/15/2044	50	0.01	60 CCO Safari II LLC, 144A, 6.384%, due 10/23/2035	63	0.01
190 Actavis Funding SCS, 3.450%, due 3/15/2022	194	0.04	180 Argos Merger Sub Inc, 144A, 7.125%, due 3/15/2023	184	0.04	1,010 CCO Safari II LLC, 144A, 6.484%, due 10/23/2045	1,065	0.22
270 Actavis Funding SCS, 3.800%, due 3/15/2025	278	0.06	20 AT&T Inc, 5.500%, due 2/1/2018	21	–	240 Celgene Corp, 3.550%, due 8/15/2022	246	0.05
290 Actavis Funding SCS, 4.550%, due 3/15/2035	292	0.06	60 AT&T Inc, 5.800%, due 2/15/2019	66	0.01	680 Celgene Corp, 3.875%, due 8/15/2025	701	0.14
340 Actavis Funding SCS, 4.750%, due 3/15/2045	348	0.07	1,790 AT&T Inc, 3.400%, due 5/15/2025	1,758	0.36	100 Celgene Corp, 5.250%, due 8/15/2043	102	0.02
			390 AT&T Inc, 5.550%, due 8/15/2041	383	0.08	530 Celgene Corp, 5.000%, due 8/15/2045	542	0.11
			50 AT&T Inc, 4.350%, due 6/15/2045	43	0.01	130 Centene Escrow Corp, 144A, 5.625%, due 2/15/2021	136	0.03
			70 Atwood Oceanics Inc, 6.500%, due 2/1/2020	29	0.01	80 Centene Escrow Corp, 144A, 6.125%, due 2/15/2024	85	0.02
			140 Axiall Corp, 4.875%, due 5/15/2023	136	0.03	10 CenturyLink Inc, Series V, 5.625%, due 4/1/2020	10	–

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 29, 2016 – (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)								
United States — (continued)								
160 CenturyLink Inc, 5.625%, due 4/1/2025	141	0.03	40 CSC Holdings LLC, 6.750%, due 11/15/2021	41	0.01	520 Ford Motor Credit Co LLC, 3.200%, due 1/15/2021	513	0.10
60 Chesapeake Energy Corp, 6.875%, due 11/15/2020	13	—	220 CVS Health Corp, 2.750%, due 12/1/2022	219	0.04	340 Freeport-McMoRan Inc, 4.000%, due 11/14/2021	231	0.05
110 Chesapeake Energy Corp, 6.125%, due 2/15/2021	23	—	170 CVS Health Corp, 3.875%, due 7/20/2025	182	0.04	32 Freeport-McMoran Oil & Gas LLC / FCX Oil & Gas Inc, 6.500%, due 11/15/2020	24	—
475 CIT Group Inc, 5.000%, due 8/15/2022	477	0.10	190 CVS Health Corp, 4.875%, due 7/20/2035	204	0.04	433 GE Capital International Funding Co, 2.342%, due 11/15/2020	437	0.09
170 CIT Group Inc, 5.000%, due 8/1/2023	170	0.03	90 CVS Health Corp, 5.750%, due 5/15/2041	106	0.02	927 GE Capital International Funding Co, 4.418%, due 11/15/2035	968	0.20
350 Citigroup Inc, 4.500%, due 1/14/2022	375	0.08	950 CVS Health Corp, 5.125%, due 7/20/2045	1,066	0.22	90 General Electric Co, 6.000%, due 8/7/2019	104	0.02
50 Citigroup Inc, 4.050%, due 7/30/2022	51	0.01	31 CVS Pass-Through Trust, 144A, 5.298%, due 1/11/2027	34	0.01	75 General Electric Co, 4.625%, due 1/7/2021	84	0.02
130 Citigroup Inc, 3.500%, due 5/15/2023	128	0.03	29 CVS Pass-Through Trust, 6.036%, due 12/10/2028	33	0.01	78 General Electric Co, 5.300%, due 2/11/2021	88	0.02
330 Citigroup Inc, 3.300%, due 4/27/2025	328	0.07	47 CVS Pass-Through Trust, 6.943%, due 1/10/2030	55	0.01	20 General Electric Co, 3.150%, due 9/7/2022	21	—
440 Citigroup Inc, 4.400%, due 6/10/2025	438	0.09	220 DaVita HealthCare Partners Inc, 5.125%, due 7/15/2024	224	0.05	80 General Electric Co, 5.875%, due 1/14/2038	101	0.02
1,220 Citigroup Inc, 5.500%, due 9/13/2025	1,307	0.26	270 DaVita HealthCare Partners Inc, 5.000%, due 5/1/2025	269	0.05	1,311 General Electric Co, 6.875%, due 1/10/2039	1,837	0.37
110 Citigroup Inc, 4.300%, due 11/20/2026	107	0.02	277 Delta Air Lines 2007-1 Class A Pass Through Trust, Series 071A, 6.821%, due 8/10/2022	317	0.06	50 General Electric Co, 4.500%, due 3/11/2044	54	0.01
660 Citigroup Inc, 4.450%, due 9/29/2027	649	0.13	50 Devon Energy Corp, 6.300%, due 1/15/2019	47	0.01	230 General Motors Co, 6.250%, due 10/2/2043	225	0.05
76 Citigroup Inc, 8.125%, due 7/15/2039	108	0.02	160 Devon Energy Corp, 3.250%, due 5/15/2022	123	0.02	60 General Motors Financial Co Inc, 2.750%, due 5/15/2016	60	0.01
270 Citigroup Inc, 5.300%, due 5/6/2044	268	0.05	330 Devon Energy Corp, 5.850%, due 12/15/2025	287	0.06	50 General Motors Financial Co Inc, 3.250%, due 5/15/2018	50	0.01
940 Citigroup Inc, 4.650%, due 7/30/2045	943	0.19	40 Devon Energy Corp, 5.600%, due 7/15/2041	27	0.01	360 General Motors Financial Co Inc, 4.375%, due 9/25/2021	362	0.07
100 Citigroup Inc, 5.950%, Perpetual *	94	0.02	760 Devon Energy Corp, 5.000%, due 6/15/2045	500	0.10	40 General Motors Financial Co Inc, 3.450%, due 4/10/2022	38	0.01
70 Citigroup Inc, 5.900%, Perpetual *	67	0.01	20 DISH DBS Corp, 5.125%, due 5/1/2020	20	—	10 General Motors Financial Co Inc, 4.250%, due 5/15/2023	10	—
740 Citigroup Inc, Series P, 5.950%, Perpetual *	696	0.14	70 DISH DBS Corp, 5.875%, due 7/15/2022	67	0.01	710 Gilead Sciences Inc, 3.700%, due 4/1/2024	749	0.15
130 Citigroup Inc, Series M, 6.300%, Perpetual *	122	0.02	410 DISH DBS Corp, 5.875%, due 11/15/2024	368	0.07	200 Gilead Sciences Inc, 3.500%, due 2/1/2025	209	0.04
90 Comcast Cable Communications Holdings Inc, 9.455%, due 11/15/2022	126	0.03	990 Dollar Tree Inc, 144A, 5.750%, due 3/1/2023	1,053	0.21	380 Gilead Sciences Inc, 3.650%, due 3/1/2026	398	0.08
40 Comcast Corp, 3.375%, due 2/15/2025	42	0.01	130 Duke Energy Carolinas LLC, 5.300%, due 2/15/2040	154	0.03	420 Gilead Sciences Inc, 4.750%, due 3/1/2046	443	0.09
250 Comcast Corp, 3.375%, due 8/15/2025	263	0.05	470 Eagle Spinco Inc, 4.625%, due 2/15/2021	465	0.09	50 Goldman Sachs Capital II, 4.000%, Perpetual *	36	0.01
60 Comcast Corp, 4.250%, due 1/15/2033	61	0.01	80 Eaton Corp, 1.500%, due 11/2/2017	80	0.02	370 Goldman Sachs Group Inc/The, Series GLOB, 2.375%, due 1/22/2018	372	0.08
60 Comcast Corp, 5.650%, due 6/15/2035	70	0.01	460 Eaton Corp, 2.750%, due 11/2/2022	452	0.09	180 Goldman Sachs Group Inc/The, 7.500%, due 2/15/2019	205	0.04
80 Comcast Corp, 6.500%, due 11/15/2035	101	0.02	420 Eaton Corp, 4.150%, due 11/2/2042	400	0.08	210 Goldman Sachs Group Inc/The, 5.375%, due 3/15/2020	230	0.05
130 Comcast Corp, 6.450%, due 3/15/2037	164	0.03	30 Ecolab Inc, 4.350%, due 12/8/2021	33	0.01	10 Goldman Sachs Group Inc/The, Series D, 6.000%, due 6/15/2020	11	—
360 Comcast Corp, 6.950%, due 8/15/2037	479	0.10	36 El Paso Natural Gas Co LLC, 8.375%, due 6/15/2032	36	0.01	80 Goldman Sachs Group Inc/The, 5.250%, due 7/27/2021	89	0.02
70 Comcast Corp, 6.550%, due 7/1/2039	90	0.02	150 Ensco PLC, 4.700%, due 3/15/2021	80	0.02	320 Goldman Sachs Group Inc/The, 4.000%, due 3/3/2024	331	0.07
200 Comcast Corp, 6.400%, due 3/1/2040	256	0.05	290 Enterprise Products Operating LLC, 5.200%, due 9/1/2020	305	0.06	800 Goldman Sachs Group Inc/The, 3.850%, due 7/8/2024	818	0.17
250 Compass Bank, 3.875%, due 4/10/2025	230	0.05	430 Enterprise Products Operating LLC, Series B, 7.034%, due 1/15/2068 *	420	0.08	270 Goldman Sachs Group Inc/The, 4.250%, due 10/21/2025	267	0.05
39 Concho Resources Inc, 6.500%, due 1/15/2022	37	0.01	640 First Data Corp, 144A, 7.000%, due 12/1/2023	640	0.13	150 Goldman Sachs Group Inc/The, 6.750%, due 10/1/2037	171	0.03
70 Concho Resources Inc, 5.500%, due 10/1/2022	65	0.01	304 First Data Corp, 144A, 5.000%, due 1/15/2024	309	0.06	670 Goldman Sachs Group Inc/The, 6.250%, due 2/1/2041	802	0.16
80 Concho Resources Inc, 5.500%, due 4/1/2023	74	0.01	90 FirstEnergy Corp, Series A, 2.750%, due 3/15/2018	91	0.02	720 Goldman Sachs Group Inc/The, 5.150%, due 5/22/2045	686	0.14
85 ConocoPhillips Holding Co, 6.950%, due 4/15/2029	91	0.02	110 FirstEnergy Corp, Series B, 4.250%, due 3/15/2023	115	0.02			
820 Constellation Brands Inc, 4.750%, due 11/15/2024	859	0.17	1,048 FirstEnergy Corp, Series C, 7.375%, due 11/15/2031	1,302	0.26			
245 Continental Airlines 2007-1 Class A Pass Through Trust, Series 071A, 5.983%, due 4/19/2022	270	0.05	130 Florida East Coast Holdings Corp, 144A, 6.750%, due 5/1/2019	130	0.03			
20 Continental Resources Inc/OK, 5.000%, due 9/15/2022	15	—	1,220 Ford Motor Co, 4.750%, due 1/15/2043	1,120	0.23			
30 Continental Resources Inc/OK, 4.500%, due 4/15/2023	21	—	490 Ford Motor Credit Co LLC, 8.125%, due 1/15/2020	570	0.12			

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Legg Mason Western Asset US Core Plus Bond Fund

Portfolio of Investments as at February 29, 2016 – (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)								
United States — (continued)								
270 Goldman Sachs Group Inc/The, 4.750%, due 10/21/2045	275	0.06	336 Kraft Heinz Foods Co, 144A, 4.875%, due 2/15/2025	368	0.07	640 Netflix Inc, 5.500%, due 2/15/2022	672	0.14
140 Goodyear Tire & Rubber Co/The, 5.125%, due 11/15/2023	144	0.03	170 Kraft Heinz Foods Co, 144A, 3.950%, due 7/15/2025	178	0.04	110 Noble Energy Inc, 4.150%, due 12/15/2021	96	0.02
120 Halliburton Co, 2.700%, due 11/15/2020	118	0.02	160 Kraft Heinz Foods Co, 144A, 5.000%, due 7/15/2035	167	0.03	80 Noble Energy Inc, 5.250%, due 11/15/2043	59	0.01
370 Halliburton Co, 3.800%, due 11/15/2025	350	0.07	240 Kraft Heinz Foods Co, 144A, 5.200%, due 7/15/2045	258	0.05	70 Oasis Petroleum Inc, 7.250%, due 2/1/2019	43	0.01
140 Harris Corp, 5.054%, due 4/27/2045	143	0.03	70 Kroger Co/The, 6.900%, due 4/15/2038	90	0.02	220 Oasis Petroleum Inc, 6.875%, due 3/15/2022	129	0.03
140 HCA Inc, 4.250%, due 10/15/2019	144	0.03	130 L Brands Inc, 5.625%, due 10/15/2023	138	0.03	80 Occidental Petroleum Corp, 3.125%, due 2/15/2022	79	0.02
120 HCA Inc, 7.500%, due 2/15/2022	136	0.03	170 Lehman Brothers Escrow, zero coupon, Perpetual $\frac{1}{8}\%$	—	—	240 Occidental Petroleum Corp, 4.625%, due 6/15/2045	230	0.05
10 HCA Inc, 5.875%, due 3/15/2022	11	—	160 Lehman Brothers Escrow, Series DMTN, zero coupon, due 12/31/2049 $\frac{1}{8}\%$	—	—	160 Oracle Corp, 1.200%, due 10/15/2017	160	0.03
80 HCA Inc, 5.375%, due 2/1/2025	82	0.02	1,110 Lehman Brothers Holding Inc, zero coupon, due 12/28/2017 $\frac{1}{8}\%$	—	—	950 Pacific Gas & Electric Co, 6.050%, due 3/1/2034	1,166	0.24
230 HCA Inc, 5.250%, due 4/15/2025	237	0.05	960 Lehman Brothers Holdings Capital Trust Escrow, zero coupon, Perpetual $\frac{1}{8}\%$	—	—	220 PepsiCo Inc, 3.125%, due 11/1/2020	231	0.05
50 HCA Inc, 7.690%, due 6/15/2025	53	0.01	352 Lehman Escrow Receipt, zero coupon, Perpetual $\frac{1}{8}\%$	46	0.01	10 Pfizer Inc, 7.200%, due 3/15/2039	14	—
130 HCA Inc, 5.875%, due 2/15/2026	134	0.03	79 Lehman Swap Receipt, zero coupon, Perpetual $\frac{1}{8}\%$	6	—	220 Philip Morris International Inc, 2.900%, due 11/15/2021	229	0.05
120 Hess Corp, 8.125%, due 2/15/2019	125	0.03	90 Lockheed Martin Corp, 3.100%, due 1/15/2023	92	0.02	160 Philip Morris International Inc, 2.500%, due 8/22/2022	161	0.03
250 Hilton Worldwide Finance LLC / Hilton Worldwide Finance Corp, 5.625%, due 10/15/2021	259	0.05	370 Lockheed Martin Corp, 3.550%, due 1/15/2026	388	0.08	30 Philip Morris International Inc, 4.500%, due 3/20/2042	31	0.01
300 HSBC Finance Corp, 6.676%, due 1/15/2021	334	0.07	40 Lockheed Martin Corp, 4.500%, due 5/15/2036	42	0.01	60 Pride International Inc, 6.875%, due 8/15/2020	35	0.01
70 Humana Inc, 4.625%, due 12/1/2042	67	0.01	200 LyondellBasell Industries NV, 6.000%, due 11/15/2021	222	0.04	270 Progress Energy Inc, 4.400%, due 1/15/2021	288	0.06
50 ILFC E-Capital Trust II, 144A, 4.740%, due 12/21/2065 *	39	0.01	490 M&T Bank Corp, 6.875%, Perpetual	491	0.10	70 QEP Resources Inc, 6.875%, due 3/1/2021	50	0.01
80 Intel Corp, 3.700%, due 7/29/2025	86	0.02	10 Mallinckrodt International Finance SA / Mallinckrodt CB LLC, 144A, 5.500%, due 4/15/2025	9	—	80 QEP Resources Inc, 5.250%, due 5/1/2023	56	0.01
120 Intel Corp, 4.900%, due 7/29/2045	130	0.03	310 McDonald's Corp, 3.700%, due 1/30/2026	323	0.07	140 Quicken Loans Inc, 144A, 5.750%, due 5/1/2025	131	0.03
490 International Lease Finance Corp, 144A, 6.750%, due 9/1/2016	499	0.10	30 Medtronic Inc, 4.450%, due 3/15/2020	33	0.01	10 QVC Inc, 5.950%, due 3/15/2043	8	—
90 John Deere Capital Corp, 2.250%, due 4/17/2019	91	0.02	70 Medtronic Inc, 3.125%, due 3/15/2022	72	0.01	270 Range Resources Corp, 5.000%, due 3/15/2023	225	0.05
50 John Deere Capital Corp, 1.700%, due 1/15/2020	50	0.01	1,000 Medtronic Inc, 3.500%, due 3/15/2025	1,050	0.21	170 Range Resources Corp, 144A, 4.875%, due 5/15/2025	147	0.03
320 JPMorgan Chase & Co, 4.350%, due 8/15/2021	347	0.07	200 Merck & Co Inc, 2.750%, due 2/10/2025	201	0.04	20 Raytheon Co, 3.125%, due 10/15/2020	21	—
100 JPMorgan Chase & Co, 4.500%, due 1/24/2022	108	0.02	310 MetLife Inc, 6.400%, due 12/15/2036	303	0.06	110 Regency Energy Partners LP / Regency Energy Finance Corp, 6.500%, due 7/15/2021	102	0.02
180 JPMorgan Chase & Co, 3.375%, due 5/1/2023	178	0.04	60 Micron Technology Inc, 5.500%, due 2/1/2025	50	0.01	90 Regency Energy Partners LP / Regency Energy Finance Corp, 5.875%, due 3/1/2022	79	0.02
300 JPMorgan Chase & Co, 4.250%, due 10/1/2027	305	0.06	80 Micron Technology Inc, 144A, 5.625%, due 1/15/2026	65	0.01	40 Republic Services Inc, 5.000%, due 3/1/2020	44	0.01
360 JPMorgan Chase & Co, 4.850%, due 2/1/2044	401	0.08	30 Molson Coors Brewing Co, 3.500%, due 5/1/2022	31	0.01	115 Reynolds American Inc, 6.750%, due 6/15/2017	123	0.02
700 JPMorgan Chase & Co, 4.950%, due 6/1/2045	706	0.14	250 Mondelez International Inc, 4.000%, due 2/1/2024	261	0.05	10 Reynolds American Inc, 8.125%, due 6/23/2019	12	—
40 Kerr-McGee Corp, 6.950%, due 7/1/2024	38	0.01	210 Morgan Stanley, 1.070%, due 10/18/2016 *	210	0.04	87 Reynolds American Inc, 3.250%, due 6/12/2020	90	0.02
170 Kerr-McGee Corp, 7.875%, due 9/15/2031	154	0.03	110 Morgan Stanley, 6.625%, due 4/1/2018	120	0.02	900 Reynolds American Inc, 5.850%, due 8/15/2045	1,056	0.21
380 Kinder Morgan Energy Partners LP, 3.500%, due 9/1/2023	319	0.06	380 MPLX LP, 4.875%, due 12/1/2024	310	0.06	100 Sabine Pass Liquefaction LLC, 5.625%, due 2/1/2021	95	0.02
110 Kinder Morgan Energy Partners LP, 4.250%, due 9/1/2024	95	0.02	160 MPLX LP, 4.875%, due 6/1/2025	131	0.03	190 Samson Investment Co, 9.750%, due 2/15/2020	—	—
130 Kinder Morgan Inc/DE, 144A, 5.000%, due 2/15/2021	120	0.02	550 Murray Energy Corp, 144A, 11.250%, due 4/15/2021	63	0.01	320 Schlumberger Holdings Corp, 144A, 3.000%, due 12/21/2020	314	0.06
270 Kinder Morgan Inc/DE, 5.300%, due 12/1/2034	212	0.04	10 National Semiconductor Corp, 6.600%, due 6/15/2017	11	—	220 Schlumberger Holdings Corp, 144A, 4.000%, due 12/21/2025	218	0.04
200 Kindred Healthcare Inc, 8.750%, due 1/15/2023	180	0.04	20 Navient Corp, 8.000%, due 3/25/2020	20	—	20 Schlumberger Norge AS, 144A, 4.200%, due 1/15/2021	21	—
30 KKR Group Finance Co II LLC, 144A, 5.500%, due 2/1/2043	30	0.01	100 NBCUniversal Enterprise Inc, 144A, 1.974%, due 4/15/2019	101	0.02	70 SESI LLC, 7.125%, due 12/15/2021	43	0.01
152 Kraft Foods Group Inc, 5.375%, due 2/10/2020	168	0.03	220 NCL Corp Ltd, 144A, 4.625%, due 11/15/2020	214	0.04	220 SM Energy Co, 6.125%, due 11/15/2022	96	0.02
120 Kraft Foods Group Inc, 3.500%, due 6/6/2022	124	0.02	200 Neptune Finco Corp, 144A, 6.625%, due 10/15/2025	211	0.04			

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Legg Mason Western Asset US Core Plus Bond Fund

Portfolio of Investments as at February 29, 2016 – (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)								
United States — (continued)								
80 SM Energy Co, 6.500%, due 1/1/2023	32	0.01	60 UnitedHealth Group Inc, 6.875%, due 2/15/2038	80	0.02	30 Williams Partners LP / ACMP Finance Corp, 4.875%, due 5/15/2023	24	—
140 SM Energy Co, 5.000%, due 1/15/2024	56	0.01	400 UnitedHealth Group Inc, 4.750%, due 7/15/2045	437	0.09	30 Wm Wrigley Jr Co, 144A, 2.400%, due 10/21/2018	30	0.01
80 Southern Natural Gas Co LLC, 8.000%, due 3/1/2032	75	0.02	272 Univision Communications Inc, 144A, 6.750%, due 9/15/2022	289	0.06	130 Wm Wrigley Jr Co, 144A, 2.900%, due 10/21/2019	132	0.03
150 Southwestern Electric Power Co, 6.200%, due 3/15/2040	180	0.04	500 Valeant Pharmaceuticals International Inc, 144A, 5.375%, due 3/15/2020	453	0.09	40 Wm Wrigley Jr Co, 144A, 3.375%, due 10/21/2020	41	0.01
70 Spectrum Brands Inc, 5.750%, due 7/15/2025	74	0.01	330 Valeant Pharmaceuticals International Inc, 144A, 7.500%, due 7/15/2021	311	0.06	110 Wyeth LLC, 5.950%, due 4/1/2037	135	0.03
205 Sprint Capital Corp, 8.750%, due 3/15/2032	158	0.03	90 Verizon Communications Inc, 5.150%, due 9/15/2023	102	0.02	350 Zimmer Biomet Holdings Inc, 4.450%, due 8/15/2045	322	0.06
20 Sprint Corp, 7.875%, due 9/15/2023	15	—	251 Verizon Communications Inc, 6.400%, due 9/15/2033	292	0.06		97,790	19.77
780 Sprint Corp, 7.625%, due 2/15/2025	558	0.11	3,956 Verizon Communications Inc, 6.550%, due 9/15/2043	4,823	0.98	Total Corporate Bonds and Notes (Cost \$138,818)		
350 State Street Corp, 4.956%, due 3/15/2018	368	0.07	60 Viacom Inc, 4.250%, due 9/1/2023	59	0.01		134,915	27.28
40 Steel Dynamics Inc, 6.375%, due 8/15/2022	40	0.01	890 Visa Inc, 3.150%, due 12/14/2025	924	0.19	Government Bonds and Notes — 36.31%		
130 Taylor Morrison Communities Inc / Monarch Communities Inc, 144A, 5.250%, due 4/15/2021	121	0.02	460 Visa Inc, 4.300%, due 12/14/2045	494	0.10	Brazil — 0.52%		
110 Teachers Insurance & Annuity Association of America, 144A, 6.850%, due 12/16/2039	138	0.03	50 Voya Financial Inc, 2.900%, due 2/15/2018	50	0.01	BRL 723 Brazil Notas do Tesouro Nacional Serie B, Series NTN8, 6.000%, due 8/15/2050 β	428	0.08
180 Teachers Insurance & Annuity Association of America, 6.850%, due 12/16/2039	226	0.05	530 Wachovia Capital Trust III, 5.570%, Perpetual *	510	0.10	BRL 4,692 Brazil Notas do Tesouro Nacional Serie F, Series NTN9, 10.000%, due 1/1/2017	1,133	0.23
410 Teachers Insurance & Annuity Association of America, 144A, 4.900%, due 9/15/2044	417	0.08	250 Wal-Mart Stores Inc, 5.625%, due 4/15/2041	307	0.06	350 Brazilian Government International Bond, 2.625%, due 1/5/2023	283	0.06
230 Tenet Healthcare Corp, 8.125%, due 4/1/2022	226	0.05	300 Wal-Mart Stores Inc, 4.750%, due 10/2/2043	337	0.07	760 Brazilian Government International Bond, 5.625%, due 1/7/2041	589	0.12
110 Tenet Healthcare Corp, 6.750%, due 6/15/2023	100	0.02	90 Waste Management Inc, 3.500%, due 5/15/2024	93	0.02	200 Brazilian Government International Bond, 5.000%, due 1/27/2045	142	0.03
80 Thermo Fisher Scientific Inc, 3.600%, due 8/15/2021	82	0.02	110 Waste Management Inc, 7.375%, due 5/15/2029	148	0.03		2,575	0.52
20 Thermo Fisher Scientific Inc, 5.300%, due 2/1/2044	22	—	160 Wells Fargo & Co, 1.500%, due 1/16/2018	160	0.03	Colombia — 0.13%		
310 Time Warner Cable Inc, 8.250%, due 4/1/2019	354	0.07	140 Wells Fargo & Co, Series M, 3.450%, due 2/13/2023	142	0.03	710 Colombia Government International Bond, 5.625%, due 2/26/2044	641	0.13
320 Time Warner Cable Inc, 4.125%, due 2/15/2021	329	0.07	410 Wells Fargo & Co, 4.480%, due 1/16/2024	436	0.09	Indonesia — 0.24%		
50 Time Warner Cable Inc, 6.550%, due 5/1/2037	50	0.01	440 Wells Fargo & Co, 4.100%, due 6/3/2026	454	0.09	650 Indonesia Government International Bond, 3.750%, due 4/25/2022	645	0.13
100 Time Warner Cable Inc, 7.300%, due 7/1/2038	106	0.02	790 Wells Fargo & Co, 4.300%, due 7/22/2027	820	0.17	510 Indonesia Government International Bond, 144A, 5.875%, due 1/15/2024	564	0.11
30 Time Warner Cable Inc, 5.500%, due 9/1/2041	27	0.01	100 Wells Fargo & Co, 5.375%, due 11/2/2043	108	0.02		1,209	0.24
85 Time Warner Entertainment Co LP, 8.375%, due 7/15/2033	101	0.02	930 Wells Fargo & Co, 4.650%, due 11/4/2044	910	0.18	Mexico — 1.91%		
60 Time Warner Inc, 4.750%, due 3/29/2021	65	0.01	1,460 Wells Fargo & Co, 3.900%, due 5/1/2045	1,412	0.29	MXN 2,161 Mexican Bonos, Series M, 8.000%, due 6/1/2020	131	0.03
360 Time Warner Inc, 7.700%, due 5/1/2032	432	0.09	460 Wells Fargo & Co, 4.900%, due 11/17/2045	466	0.09	MXN 50,633 Mexican Bonos, Series M, 6.500%, due 6/9/2022	2,902	0.59
30 Time Warner Inc, 6.100%, due 7/15/2040	32	0.01	540 Wells Fargo & Co, Series U, 5.875%, Perpetual *	572	0.12	MXN 6,990 Mexican Bonos, Series M 20, 10.000%, due 12/5/2024	492	0.10
30 Time Warner Inc, 6.250%, due 3/29/2041	32	0.01	250 Wells Fargo Bank NA, 6.000%, due 11/15/2017	268	0.05	MXN 45,807 Mexican Bonos, Series M, 7.750%, due 11/13/2042	2,801	0.56
180 Toyota Motor Credit Corp, 1.250%, due 10/5/2017	180	0.04	100 Wells Fargo Capital X, 5.950%, due 12/15/2036	101	0.02	450 Mexico Government International Bond, 3.600%, due 1/30/2025	448	0.09
410 Transcontinental Gas Pipe Line Co LLC, 144A, 7.850%, due 2/1/2026	436	0.09	310 West Corp, 144A, 5.375%, due 7/15/2022	277	0.06	10 Mexico Government International Bond, 6.050%, due 1/1/2040	11	—
40 Tyson Foods Inc, 5.150%, due 8/15/2044	43	0.01	20 WestRock RKT Co, 3.500%, due 3/1/2020	20	—	1,154 Mexico Government International Bond, 4.750%, due 3/8/2044	1,085	0.22
280 United Rentals North America Inc, 5.750%, due 11/15/2024	273	0.06	40 WestRock RKT Co, 4.000%, due 3/1/2023	41	0.01	1,030 Mexico Government International Bond, 5.550%, due 1/2/2045	1,074	0.22
350 United Technologies Corp, 4.500%, due 6/1/2042	361	0.07	70 Whiting Petroleum Corp, 5.000%, due 3/15/2019	35	0.01	520 Mexico Government International Bond, 4.600%, due 1/23/2046	477	0.10
30 UnitedHealth Group Inc, 3.875%, due 10/15/2020	32	0.01	80 Whiting Petroleum Corp, 5.750%, due 3/15/2021	37	0.01		9,421	1.91
130 UnitedHealth Group Inc, 4.700%, due 2/15/2021	144	0.03	390 Whiting Petroleum Corp, 6.250%, due 4/1/2023	178	0.04	Peru — 0.08%		
130 UnitedHealth Group Inc, 3.750%, due 7/15/2025	138	0.03	27 Williams Cos Inc/The, 7.875%, due 9/1/2021	23	—	50 Peruvian Government International Bond, 6.550%, due 3/14/2037	60	0.01
			200 Williams Cos Inc/The, Series A, 7.500%, due 1/15/2031	154	0.03	330 Peruvian Government International Bond, 5.625%, due 11/18/2050	353	0.07
			88 Williams Cos Inc/The, 8.750%, due 3/15/2032	72	0.01		413	0.08
			280 Williams Partners LP / ACMP Finance Corp, 6.125%, due 7/15/2022	246	0.05			

The accompanying notes are an integral part of the Financial Statements

Portfolio of Investments as at February 29, 2016 – (continued)

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 29, 2016 – (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 29, 2016, these securities amounted to \$60,419,000 or 12.19% of net assets.	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 29, 2016.
*	Variable rate security. The interest rate shown reflects the rate in effect at February 29, 2016.	Perpetual	– A bond with no maturity date. Perpetual bonds are not redeemable but pay a steady stream of interest
†	Illiquid.	REMIC	– Real Estate Mortgage Investment Conduit
∞	Security is valued in good faith at fair value by or at the discretion of the Investment Manager.	TBA	– To Be Announced
ε	Security is in default as at February 29, 2016.	BRL	– Brazilian Real
±	Securities purchased on a to-be-announced basis (Note 1).	GBP	– British Pound
		MXN	– Mexican Peso
		PLN	– Polish Zloty

Analysis of Total Assets		% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market		90.72
Collective investment schemes		0.63
Financial derivative instruments		0.14
Money market instruments		4.69
Other assets		3.82
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)
Barclays Capital	Federative Republic of Brazil, 1.000%	Sell	12/20/20	160	\$ (23)
Barclays Capital	Federative Republic of Brazil, 1.000%	Sell	12/20/20	401	(59)
Barclays Capital	Federative Republic of Brazil, 1.000%	Sell	12/20/20	407	(60)
Barclays Capital	Markit CDX.NA.HY, 5.000%	Sell	12/20/20	5,910	(54)
Barclays Capital	Markit CDX.NA.HY, 5.000%	Sell	6/20/20	277	5
Barclays Capital	Markit CDX.NA.IG, 1.000%	Sell	12/20/20	5,080	(17)
Barclays Capital	Metlife Inc, 1.000%	Sell	6/20/21	220	(6)
Deutsche Bank	Berkshire Hathaway Inc, 1.000%	Sell	3/20/24	390	(10)
Deutsche Bank	Metlife Inc, 1.000%	Sell	9/20/21	280	(9)
					\$ (233)
Unrealised Appreciation of Credit Default Swaps					5
Unrealised Depreciation of Credit Default Swaps					(238)
Net Depreciation of Credit Default Swaps					\$ (233)

Schedule of Interest Rate Swaps

Counterparty	Rate	Expiration Date	Notional Amount (000's)	Value (000's)
Barclays Capital	Pay Fixed 1.897%, Receive Floating USD 3M Libor BBA	8/31/22	15,200	\$ (569)
Barclays Capital	Pay Fixed 1.90%, Receive Floating USD 3M Libor BBA	11/30/22	23,188	(838)
Barclays Capital	Pay Fixed 2.72%, Receive Floating USD 3M Libor BBA	2/15/41	4,356	(586)
				\$ (1,993)
Unrealised Appreciation of Interest Rate Swaps				–
Unrealised Depreciation of Interest Rate Swaps				(1,993)
Net Depreciation of Interest Rate Swaps				\$ (1,993)

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/01/16	BNY Mellon	Buy GBP 2	Sell USD 3	\$ –
03/15/16	BNY Mellon	Buy USD 3	Sell GBP 2	–
03/15/16	BNY Mellon	Buy AUD 14	Sell USD 10	–
03/15/16	BNY Mellon	Buy GBP 62	Sell USD 90	(4)
04/12/16	Bank of America Sec London	Buy USD 1,111	Sell EUR 1,020	–
04/12/16	Bank of America Sec London	Buy USD 2,204	Sell JPY 258,630	(94)
04/12/16	Bank of America Sec London	Buy USD 4,458	Sell SGD 6,370	(69)
04/12/16	Barclays Capital	Buy USD 1,550	Sell BRL 6,471	(42)
04/12/16	Barclays Capital	Buy USD 7,234	Sell CNH 48,560	(146)
04/12/16	Barclays Capital	Buy USD 2,706	Sell EUR 2,484	–
04/12/16	Citicorp Securities London Ltd	Buy USD 164	Sell EUR 151	–
04/12/16	Citicorp Securities London Ltd	Buy USD 4,406	Sell JPY 518,044	(195)
05/13/16	Bank of America Sec London	Buy USD 3,917	Sell EUR 3,460	144
05/13/16	Bank of America Sec London	Buy USD 1,727	Sell GBP 1,200	57
05/13/16	Citicorp Securities London Ltd	Buy USD 2,407	Sell EUR 2,131	84
05/13/16	Citicorp Securities London Ltd	Buy CAD 6,253	Sell USD 4,473	149
05/13/16	Morgan Stanley London	Buy USD 2,329	Sell EUR 2,092	47
Unrealised Appreciation of Forward Foreign Currency Contracts				481
Unrealised Depreciation of Forward Foreign Currency Contracts				(550)
Net Depreciation of Forward Foreign Currency Contracts				\$ (69)

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 29, 2016 – (continued)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
90 Day Euro\$ December 2016	(341)	\$ (84,538)	\$ (101)
90 Day Euro\$ March 2017	34	8,426	36
Euro FX Currency March 2016	(4)	(544)	–
Euro-Bobl March 2016	46	6,672	76
Euro-Bund March 2016	(39)	(7,067)	(265)
U.S. 10 Year Note (CBT) June 2016	(765)	(99,845)	(37)
U.S. 2 Year Note (CBT) June 2016	(9)	(1,967)	2
U.S. 5 Year Note (CBT) June 2016	457	55,290	(33)
U.S. Long Bond (CBT) June 2016	(175)	(28,793)	80
U.S. Ultra Bond (CBT) June 2016	221	38,267	(130)
Total Market Value of Futures Contracts	(575)	\$(114,099)	\$ (372)
Unrealised Appreciation of Futures Contracts			194
Unrealised Depreciation of Futures Contracts			(566)
Net Depreciation of Futures Contracts			\$ (372)

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Asset-Backed Securities	19,262	5.82	Semiconductors	11	0.01	Repurchase Agreements	53,300	16.10
Collateralised Mortgage-Backed Obligations	29,746	8.99	Software	571	0.17	Collective Investment Schemes	3,073	0.93
Foreign Government Bonds and Notes	9,349	2.82	Telecommunications	6,607	2.00	Preferred Stock	63	0.02
Brazil Government Bonds	1,983	0.60	Transportation	134	0.04	Options	(110)	(0.03)
Mexican Government Bonds	6,917	2.09	U.S. Denominated Bonds and Notes	15,425	4.66	Purchased Options	22	0.01
New Zealand Government Bonds	449	0.13	Australia	1,872	0.57	Written Options	(132)	(0.04)
U.S. Corporate Bonds and Notes	61,149	18.47	British Virgin Islands	529	0.16	Liabilities in Excess of Other Assets	(18,519)	(5.59)
Aerospace/Defense	316	0.09	Canada	609	0.19	Total Net Assets	\$331,010	100.00
Agriculture	2,440	0.74	Cayman Islands	1,965	0.59	Futures Contracts – February 28, 2015		(000's)
Airlines	640	0.19	Chile	222	0.07	Unrealised Appreciation of Futures Contracts		488
Auto Manufacturers	1,907	0.57	Colombia	173	0.05	Unrealised Depreciation of Futures Contracts		(191)
Beverages	756	0.23	France	1,531	0.46	Net Appreciation of Future Contracts		\$ 297
Biotechnology	1,061	0.32	Germany	271	0.08	Credit Default Swaps – February 28, 2015		
Chemicals	538	0.16	Ireland	200	0.06	Unrealised Appreciation of Credit Default Swaps		24
Coal	157	0.05	Italy	669	0.20	Unrealised Depreciation of Credit Default Swaps		(5)
Commercial Services	20	0.01	Luxembourg	673	0.20	Net Appreciation of Credit Default Swaps		\$ 19
Electric	3,157	0.95	Mexico	1,986	0.60	Interest Rate Swaps – February 28, 2015		
Electronics	107	0.03	Netherlands	1,994	0.60	Unrealised Appreciation of Interest Rate Swaps		339
Engineering & Construction	22	0.01	Norway	22	0.01	Unrealised Depreciation of Interest Rate Swaps		–
Environmental Control	294	0.09	United Kingdom	2,709	0.82	Net Appreciation of Interest Rate Swaps		\$ 339
Financials-Banks	16,944	5.12	U.S. Denominated Debt Obligations	6,269	1.89	Forward Contracts – February 28, 2015		
Financials-Capital Markets	103	0.03	Brazil	193	0.06	Unrealised Appreciation of Forward Foreign Currency Contracts		171
Financials-Diversified	4,666	1.41	Colombia	332	0.10	Unrealised Depreciation of Forward Foreign Currency Contracts		(31)
Food	1,630	0.49	Indonesia	673	0.20	Net Appreciation of Forward Foreign Currency Contracts		\$ 140
Healthcare-Products	941	0.28	Mexico	2,157	0.65			
Healthcare-Services	1,522	0.46	Poland	508	0.15			
Holding Companies-Divers	186	0.06	Portugal	442	0.13			
Home Builders	170	0.05	Russia	437	0.13			
Household Products/Wares	253	0.08	South Africa	645	0.20			
Industrial	463	0.14	Turkey	882	0.27			
Insurance	1,325	0.40	U.S. Government Agency Mortgage-Backed Securities	87,174	26.34			
Internet	408	0.12	Federal Home Loan Mortgage Corporation (FHLMC)	10,224	3.09			
Iron/Steel	147	0.04	Federal National Mortgage Association (FNMA)	58,196	17.58			
Lodging	265	0.08	Government National Mortgage Association (GNMA)	18,754	5.67			
Media	4,840	1.46	U.S. Government Agency Obligations	6,991	2.11			
Mining	854	0.26	U.S. Treasury Obligations	57,838	17.47			
Oil & Gas	3,147	0.95						
Packaging & Containers	62	0.02						
Pharmaceuticals	737	0.22						
Pipelines	2,807	0.85						
Retail	941	0.29						

* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

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 29, 2016

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 — 31.94%											
Australia — 0.87%											
	400	BHP Billiton Finance Ltd, Series 17, 1.500%, due 4/29/2030	353	0.39							
	470	Commonwealth Bank of Australia, 2.000%, due 4/22/2027 *	434	0.48							
			787	0.87							
Belgium — 1.18%											
USD	560	Anheuser-Busch InBev Finance Inc, 4.900%, due 2/1/2046	552	0.61							
	420	Anheuser-Busch InBev SA/NV, 1.500%, due 4/18/2030	400	0.44							
	100	Elia System Operator SA/NV, 3.250%, due 4/4/2028	118	0.13							
			1,070	1.18							
Brazil — 0.31%											
	386	Petrobras Global Finance BV, 5.875%, due 3/7/2022	283	0.31							
Denmark — 0.26%											
	220	Danske Bank A/S, 3.875%, due 10/4/2023 *	232	0.26							
Finland — 0.41%											
	350	Elenia Finance Oyj, 2.875%, due 12/17/2020	376	0.41							
France — 2.65%											
	340	AXA SA, 3.875%, Perpetual *	331	0.37							
	200	Casino Guichard Perrachon SA, 3.248%, due 3/7/2024	185	0.20							
	100	Christian Dior SE, 1.375%, due 6/19/2019	102	0.11							
	220	Credit Agricole SA, 2.625%, due 3/17/2027	211	0.23							
	500	Electricite de France SA, 3.875%, due 1/18/2022	582	0.64							
	500	Engie SA, 1.000%, due 3/13/2026	488	0.54							
	200	Gecina SA, 2.000%, due 6/17/2024	205	0.23							
	300	Veolia Environnement SA, 1.590%, due 1/10/2028	299	0.33							
			2,403	2.65							
Germany — 2.16%											
	400	Allianz Finance II BV, 5.750%, due 7/8/2041 *	460	0.51							
	100	Allianz SE, 4.750%, Perpetual *	105	0.12							
	350	Hannover Finance Luxembourg SA, 5.750%, due 9/14/2040 *	405	0.44							
	300	Muenchener Rueckversicherungs-Gesellschaft AG in Muenchen, 6.250%, due 5/26/2042 *	364	0.40							
	250	RWE Finance BV, 3.000%, due 1/17/2024	271	0.30							
	370	Vonovia Finance BV, 1.500%, due 3/31/2025	355	0.39							
			1,960	2.16							
Italy — 0.92%											
	250	Assicurazioni Generali SpA, 2.875%, due 1/14/2020	267	0.29							
	100	Assicurazioni Generali SpA, 4.125%, due 5/4/2026	105	0.12							
GBP	180	Enel Finance International NV, 5.625%, due 8/14/2024	268	0.29							
	200	Intesa Sanpaolo SpA, 1.125%, due 3/4/2022	196	0.22							
			836	0.92							
Luxembourg — 0.41%											
	410	Alpha Trains Finance SA, 2.064%, due 6/30/2025	374	0.41							
Mexico — 0.48%											
	340	Petroleos Mexicanos, 5.500%, due 2/24/2025	355	0.39							
					USD	101	Petroleos Mexicanos, 6.375%, due 1/23/2045	81	0.09		
								436	0.48		
Netherlands — 2.37%											
	200	ABN AMRO Bank NV, 2.875%, due 6/30/2025 *	203	0.23							
	590	Cooperatieve Rabobank UA, 3.875%, due 7/25/2023	653	0.72							
	120	Delta Lloyd NV, 4.375%, Perpetual *	83	0.09							
	340	Koninklijke KPN NV, 5.625%, due 9/30/2024	446	0.49							
	390	Shell International Finance BV, 1.875%, due 9/15/2025	402	0.44							
	290	TenneT Holding BV, 4.625%, due 2/21/2023	364	0.40							
								2,151	2.37		
Norway — 0.37%											
	350	Statoil ASA, 1.250%, due 2/17/2027	336	0.37							
Spain — 1.83%											
	300	Banco Santander SA, 6.250%, Perpetual *	259	0.28							
	200	BBVA Subordinated Capital SAU, 3.500%, due 4/11/2024 *	203	0.22							
	200	Gas Natural Fenosa Finance BV, 1.375%, due 1/21/2025	196	0.22							
	200	Iberdrola International BV, 1.750%, due 9/17/2023	207	0.23							
	300	Santander Issuances SAU, 2.500%, due 3/18/2025	282	0.31							
	500	Telefonica Emisiones SAU, 2.932%, due 10/17/2029	514	0.57							
								1,661	1.83		
Supranational — 1.34%											
	919	European Investment Bank, 4.125%, due 4/15/2024	1,215	1.34							
Sweden — 0.30%											
	100	Svenska Handelsbanken AB, 2.656%, due 1/15/2024 *	103	0.11							
	230	Vattenfall AB, 3.000%, due 3/19/2077 *	169	0.19							
								272	0.30		
Switzerland — 1.13%											
	690	Glencore Finance Europe SA, 1.750%, due 3/17/2025	491	0.54							
	200	UBS AG, 4.750%, due 2/12/2026 *	204	0.23							
	330	UBS Group Funding Jersey Ltd, 1.750%, due 11/16/2022	328	0.36							
								1,023	1.13		
United Kingdom — 9.17%											
	373	Aviva Plc, 6.125%, due 7/5/2043 *	407	0.45							
	100	Aviva Plc, 3.375%, due 12/4/2045 *	87	0.09							
	349	BAT International Finance Plc, 1.250%, due 3/13/2027	337	0.37							
	130	BAT Netherlands Finance BV, 3.125%, due 3/6/2029	149	0.16							
	350	BP Capital Markets Plc, 1.573%, due 2/16/2027	334	0.37							
	400	HSBC Holdings Plc, 3.375%, due 1/10/2024 *	412	0.45							
	320	Imperial Brands Finance Plc, 3.375%, due 2/26/2026	364	0.40							
	270	Leeds Building Society, 1.375%, due 5/5/2022	255	0.28							
	200	Lloyds Bank Plc, 5.375%, due 9/3/2019	235	0.26							
	230	Nationwide Building Society, 1.250%, due 3/3/2025	221	0.24							
	120	Pearson Funding Five Plc, 1.375%, due 5/6/2025	115	0.13							
	290	Rolls-Royce Plc, 2.125%, due 6/18/2021	306	0.34							
	640	Royal Bank of Scotland Group Plc, 3.625%, due 3/25/2024 *	615	0.68							

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 29, 2016 – (continued)

Face Value (000's)	Value (000's) €	% of Net Asset Value
Government Bonds and Notes — (continued)		
Germany — (continued)		
1,000 Bundesrepublik Deutschland, 3.250%, due 7/4/2042	1,592	1.75
1,450 Deutsche Bundesrepublik Inflation Linked Bond, Series I/L, 0.500%, due 4/15/2030 β	1,666	1.84
	12,598	13.88
Italy — 17.77%		
10,530 Italy Buoni Poliennali Del Tesoro, 4.500%, due 3/1/2024	13,214	14.56
2,510 Italy Buoni Poliennali Del Tesoro, 144A, 3.250%, due 9/1/2046	2,913	3.21
	16,127	17.77
Netherlands — 2.84%		
2,280 Netherlands Government Bond, 144A, 1.750%, due 7/15/2023	2,581	2.84
Spain — 3.29%		
2,510 Spain Government Bond, 144A, 3.800%, due 4/30/2024	2,982	3.29

Sweden — 1.50%		
SEK 9,180 Sweden Government Bond, Series 1053, 3.500%, due 3/30/2039	1,357	1.50
Total Government Bonds and Notes (Cost €55,585)	57,727	63.62
Collective Investment Schemes — 0.06%		
USD 55 Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	51	0.06
Total Collective Investment Schemes (Cost €50)	51	0.06
Total Investments (Cost €84,115)	86,762	95.62
Other Assets in Excess of Liabilities	3,971	4.38
Total Net Assets	€90,733	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 29, 2016, these securities amounted to €8,476,000 or 9.34% of net assets.		
* Variable rate security. The interest rate shown reflects the rate in effect at February 29, 2016.		

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 29, 2016.

ABBREVIATIONS:

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

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	95.25
Collective investment schemes	0.06
Financial derivative instruments	0.07
Other assets	4.62
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)
Merrill Lynch	Markit iTraxx Europe, 1.000%	Buy	12/20/20	4,970	€ (2)
					€ (2)
Unrealised Appreciation of Credit Default Swaps					–
Unrealised Depreciation of Credit Default Swaps					(2)
Net Depreciation of Credit Default Swaps					€ (2)

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
05/13/16	Deutsche Bank London	Buy EUR 36	Sell USD 40	€ (1)
05/13/16	JP Morgan Chase Bank London	Buy USD 200	Sell EUR 182	2
05/13/16	JP Morgan Chase Bank London	Buy EUR 763	Sell USD 860	(26)
05/13/16	Morgan Stanley London	Buy EUR 710	Sell GBP 549	9
05/13/16	Morgan Stanley London	Buy EUR 1,193	Sell USD 1,328	(24)
05/13/16	UBS	Buy PLN 11,197	Sell EUR 2,517	52
05/13/16	UBS	Buy EUR 2,506	Sell PLN 11,197	(63)
05/13/16	UBS	Buy EUR 1,276	Sell SEK 12,102	(24)
Unrealised Appreciation of Forward Foreign Currency Contracts				63
Unrealised Depreciation of Forward Foreign Currency Contracts				(138)
Net Depreciation of Forward Foreign Currency Contracts				€ (75)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Euro-Bobl March 2016	(37)	€ (4,933)	€ (63)
Long Gilt June 2016	(3)	(468)	(1)
U.S. 10 Year Note (CBT) June 2016	(19)	(2,280)	(1)
U.S. Ultra Bond (CBT) March 2016	(3)	(472)	(22)
Total Market Value of Futures Contracts	(62)	€ (8,153)	€ (87)
Unrealised Appreciation of Futures Contracts			–
Unrealised Depreciation of Futures Contracts			(87)
Net Depreciation of Futures Contracts			€ (87)

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 29, 2016 – (continued)

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) € as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) € as at February 28, 2015	% of Net Asset Value as at February 28, 2015
EUR Denominated Bonds and Notes	12,814	23.32	United States	1,584	2.88
Australia	187	0.34	Foreign Corporate Bonds and Notes	1,778	3.24
Belgium	241	0.44	Mexico	101	0.18
Cayman Islands	217	0.40	Netherlands	134	0.24
Denmark	131	0.24	United Kingdom	964	1.76
Finland	229	0.42	United States	579	1.06
France	1,014	1.85	Government Bonds	36,392	66.24
Germany	380	0.69	U.S. Treasury Obligations	3,047	5.55
Ireland	383	0.70	Collective Investment Schemes	228	0.42
Italy	226	0.41	Other Assets in Excess of Liabilities	678	1.23
Luxembourg	1,606	2.92	Total Net Assets	€54,937	100.00
Mexico	433	0.79			
Netherlands	1,546	2.81			
Norway	211	0.38			
Spain	419	0.76			
Sweden	105	0.19			
Switzerland	111	0.20			
United Arab Emirates	138	0.25			
United Kingdom	3,653	6.65			

Futures Contracts – February 28, 2015	(000's)
Unrealised Appreciation of Futures Contracts	–
Unrealised Depreciation of Futures Contracts	(216)
Net Depreciation of Future Contracts	€(216)
Credit Default Swaps – February 28, 2015	
Unrealised Appreciation of Credit Default Swaps	–
Unrealised Depreciation of Credit Default Swaps	(95)
Net Depreciation of Credit Default Swaps	€ (95)
Forward Contracts – February 28, 2015	
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 classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

Legg Mason Western Asset Short Duration High Income Bond Fund

Portfolio of Investments as at February 29, 2016

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 — 2.75%								
365 Countrywide Home Equity Loan Trust, Series 2004 B, Class 1A, 0.651%, due 2/15/2029 *	315	1.28	160 AerCap Ireland Capital Ltd / AerCap Global Aviation Trust, 4.625%, due 10/30/2020	163	0.66	150 CCO Safari II LLC, 4.908%, due 7/23/2025	154	0.63
412 RAMP Series 2003-RS4 Trust, Series 2003 RS4, Class A1IB, 1.096%, due 5/25/2033 *	360	1.47	160 JLL/Delta Dutch Pledgco BV, 8.750%, due 5/1/2020	142	0.58	90 Centene Escrow Corp, 5.625%, due 2/15/2021	94	0.38
				656	2.67	150 CenturyLink Inc, Series V, 5.625%, due 4/1/2020	152	0.62
Total Asset-Backed Securities (Cost \$673)								
	675	2.75				20 CenturyLink Inc, Series W, 6.750%, due 12/1/2023	20	0.08
Mortgage-Backed Securities — 4.00%								
412 Bear Stearns Mortgage Funding Trust 2006-AR4, Series 2006 AR4, Class A1, 0.646%, due 12/25/2036 *	328	1.34	100 Lukoil International Finance BV, 6.656%, due 6/7/2022	104	0.42	20 Chesapeake Energy Corp, 6.125%, due 2/15/2021	4	0.02
5 Drexel Burnham Lambert CMO Trust X, Class 3, zero coupon, due 12/1/2018 †	5	0.02	200 VimpelCom Holdings BV, 7.504%, due 3/1/2022	205	0.84	70 Chesapeake Energy Corp, 5.750%, due 3/15/2023	15	0.06
456 IndyMac INDX Mortgage Loan Trust 2004-AR7, Series 2004 AR7, Class A2, 1.296%, due 9/25/2034 *	410	1.67		309	1.26	310 CIT Group Inc, 5.375%, due 5/15/2020	320	1.30
319 Lehman XS Trust Series 2006-12N, Series 2006 12N, Class A31A, 0.636%, due 8/25/2046 *	239	0.97	Switzerland — 0.85%			90 CIT Group Inc, 5.000%, due 8/1/2023	90	0.37
Total Mortgage-Backed Securities (Cost \$984)								
	982	4.00	200 Dufry Finance SCA, 5.500%, due 10/15/2020	209	0.85	130 Citigroup Inc, Series D, 5.350%, Perpetual *	118	0.48
Corporate Bonds and Notes — 78.38%								
Australia — 0.46%								
120 FMG Resources August 2006 Pty Ltd, 9.750%, due 3/1/2022	112	0.46	United Kingdom — 2.80%			60 Citigroup Inc, Series M, 6.300%, Perpetual *	56	0.23
Brazil — 0.80%								
250 CBC Ammo LLC / CBC FinCo Inc, 7.250%, due 11/15/2021	196	0.80	GBP 110 Anglian Water Osprey Financing Plc, 7.000%, due 1/31/2018	163	0.66	140 CNO Financial Group Inc, 4.500%, due 5/30/2020	139	0.57
Canada — 0.41%								
100 1011778 BC ULC / New Red Finance Inc, 4.625%, due 1/15/2022	102	0.41	250 Globe Luxembourg SCA, 9.625%, due 5/1/2018	132	0.54	80 Coeur Mining Inc, 7.875%, due 2/1/2021	57	0.23
France — 0.81%								
200 Numericable-SFR SA, 4.875%, due 5/15/2019	200	0.81	200 HSBC Holdings Plc, 6.375%, Perpetual *	183	0.75	10 Comstock Resources Inc, 10.000%, due 3/15/2020	4	0.01
Germany — 2.33%								
350 Schaeffler Holding Finance BV, 6.250%, due 11/15/2019	372	1.51	AUD 30 Royal Bank of Scotland Plc/The, 13.125%, due 3/19/2022 *	23	0.09	30 Concho Resources Inc, 5.500%, due 4/1/2023	28	0.11
200 ZF North America Capital Inc, 4.000%, due 4/29/2020	201	0.82	180 Virgin Media Secured Finance Plc, 5.375%, due 4/15/2021	187	0.76	180 Constellation Brands Inc, 6.000%, due 5/1/2022	202	0.82
	573	2.33		688	2.80	10 Constellation Brands Inc, 4.750%, due 11/15/2024	10	0.04
Greece — 0.42%								
100 FAGE Dairy Industry SA / FAGE USA Dairy Industry Inc, 9.875%, due 2/1/2020	103	0.42	United States — 60.67%			130 Crestwood Midstream Partners LP / Crestwood Midstream Finance Corp, 6.000%, due 12/15/2020	94	0.38
Jamaica — 0.64%								
200 Digicel Group Ltd, 8.250%, due 9/30/2020	156	0.64	350 Activision Blizzard Inc, 5.625%, due 9/15/2021	368	1.50	20 Crestwood Midstream Partners LP / Crestwood Midstream Finance Corp, 6.125%, due 3/1/2022	14	0.06
Japan — 0.81%								
200 SoftBank Group Corp, 4.500%, due 4/15/2020	198	0.81	20 AES Corp/VA, 7.375%, due 7/1/2021	21	0.08	200 CSC Holdings LLC, 8.625%, due 2/15/2019	215	0.88
Luxembourg — 2.67%								
200 Altice Financing SA, 6.625%, due 2/15/2023	197	0.80	50 AES Corp/VA, 4.875%, due 5/15/2023	45	0.18	170 CTR Partnership LP / CareTrust Capital Corp, 5.875%, due 6/1/2021	165	0.67
130 ArcelorMittal, 6.500%, due 3/1/2021	117	0.48	120 Alliance One International Inc, 9.875%, due 7/15/2021	90	0.37	40 DaVita HealthCare Partners Inc, 5.000%, due 5/1/2025	40	0.16
209 Ardagh Finance Holdings SA, 8.625%, due 6/15/2019	194	0.79	120 Ally Financial Inc, 5.500%, due 2/15/2017	122	0.50	13 Delta Air Lines 2007-1 Class B Pass Through Trust, Series 071B, 8.021%, due 8/10/2022	15	0.06
210 Intelsat Jackson Holdings SA, 7.500%, due 4/1/2021	146	0.60	200 Ally Financial Inc, 8.000%, due 11/1/2031	220	0.90	210 DISH DBS Corp, 7.875%, due 9/1/2019	227	0.93
	654	2.67	200 American Builders & Contractors Supply Co Inc, 5.625%, due 4/15/2021	205	0.83	120 DISH DBS Corp, 5.875%, due 7/15/2022	115	0.47
Mexico — 0.78%								
220 Cemex SAB de CV, 5.700%, due 1/1/2025	193	0.78	100 American Greetings Corp, 7.375%, due 12/1/2021	102	0.42	20 DJO Finance LLC / DJO Finance Corp, 10.750%, due 4/15/2020	16	0.07
Netherlands — 2.67%								
350 AerCap Ireland Capital Ltd / AerCap Global Aviation Trust, 4.250%, due 7/1/2020	351	1.43	250 Ancestry.com Holdings LLC, 9.625%, due 10/15/2018	239	0.97	200 DJO Finco Inc / DJO Finance LLC / DJO Finance Corp, 8.125%, due 6/15/2021	168	0.68
			100 Argos Merger Sub Inc, 7.125%, due 3/15/2023	102	0.42	300 Dole Food Co Inc, 7.250%, due 5/1/2019	294	1.20
			70 Atwood Oceanics Inc, 6.500%, due 2/1/2020	29	0.12	200 Dollar Tree Inc, 5.250%, due 3/1/2020	210	0.86
			40 Axial Corp, 4.875%, due 5/15/2023	39	0.16	200 DS Services of America Inc, 10.000%, due 9/1/2021	221	0.90
			100 Bank of America Corp, Series Z, 6.500%, Perpetual *	102	0.42	10 Eagle Spingo Inc, 4.625%, due 2/15/2021	10	0.04
			230 Beverages & More Inc, 10.000%, due 11/15/2018	205	0.83	50 Enterprise Products Operating LLC, Series A, 8.375%, due 8/1/2066 *	37	0.15
			100 BioScrip Inc, 8.875%, due 2/15/2021	78	0.32	300 EP Energy LLC / Everest Acquisition Finance Inc, 9.375%, due 5/1/2020	88	0.36
			60 Bonanza Creek Energy Inc, 6.750%, due 4/15/2021	18	0.07	140 EV Energy Partners LP / EV Energy Finance Corp, 8.000%, due 4/15/2019	31	0.13
			180 BreitBurn Energy Partners LP / BreitBurn Finance Corp, 7.875%, due 4/15/2022	18	0.07	100 First Cash Financial Services Inc, 6.750%, due 4/1/2021	96	0.39
			300 Caesars Entertainment Resort Properties LLC / Caesars Entertainment Resort Prope, 8.000%, due 10/1/2020	293	1.19	115 Florida East Coast Holdings Corp, 6.750%, due 5/1/2019	115	0.47
			300 California Resources Corp, 5.500%, due 9/15/2021	40	0.16	50 Freeport-McMoRan Inc, 4.000%, due 11/14/2021	34	0.14
			200 Calumet Specialty Products Partners LP / Calumet Finance Corp, 6.500%, due 4/15/2021	120	0.49	200 Frontier Communications Corp, 8.875%, due 9/15/2020	207	0.84
			200 Carrizo Oil & Gas Inc, 6.250%, due 4/15/2023	142	0.58			
			110 CCO Holdings LLC / CCO Holdings Capital Corp, 6.500%, due 4/30/2021	114	0.47			

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Short Duration High Income Bond Fund

Portfolio of Investments as at February 29, 2016 – (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)			100			20						
United States — (continued)			Natural Resource Partners LP / NRP Finance Corp, 9.125%, due 10/1/2018	46	0.19	United Rentals North America Inc, 6.125%, due 6/15/2023	21	0.08				
200	GameStop Corp, 5.500%, due 10/1/2019	199	0.81	200	Navient Corp, 8.000%, due 3/25/2020	198	0.80	250	Universal Hospital Services Inc, 7.625%, due 8/15/2020	217	0.88	
170	Genworth Holdings Inc, 7.700%, due 6/15/2020	121	0.49	30	Navient Corp, 5.875%, due 10/25/2024	24	0.10	262	US Airways 2012-2 Class B Pass Through Trust, 6.750%, due 6/3/2021	269	1.10	
10	GEO Group Inc/The, 5.875%, due 10/15/2024	10	0.04	50	Navient Corp, 5.625%, due 8/1/2033	33	0.13	160	Valeant Pharmaceuticals International Inc, 6.125%, due 4/15/2025	134	0.55	
150	Gibson Brands Inc, 8.875%, due 8/1/2018	89	0.36	150	Navios Maritime Acquisition Corp / Navios Acquisition Finance US Inc, 8.125%, due 11/15/2021	105	0.43	200	West Corp, 5.375%, due 7/15/2022	180	0.73	
130	Global Brass & Copper Inc, 9.500%, due 6/1/2019	137	0.56	250	Netflix Inc, 5.500%, due 2/15/2022	263	1.07	100	William Carter Co/The, 5.250%, due 8/15/2021	102	0.42	
50	Goodyear Tire & Rubber Co/The, 5.125%, due 11/15/2023	51	0.21	100	NGL Energy Partners LP / NGL Energy Finance Corp, 6.875%, due 10/15/2021	57	0.23	250	William Lyon Homes Inc, 8.500%, due 11/15/2020	249	1.01	
100	Greektown Holdings LLC/ Greektown Mothership Corp, 8.875%, due 3/15/2019	98	0.40	93	NRG REMA LLC, Series B, 9.237%, due 7/2/2017	92	0.38	30	Williams Cos Inc/The, 4.550%, due 6/24/2024	23	0.09	
200	Guitar Center Inc, 9.625%, due 4/15/2020	133	0.54	70	Oasis Petroleum Inc, 6.500%, due 11/1/2021	43	0.17	20	Williams Cos Inc/The, Series A, 7.500%, due 1/15/2031	15	0.06	
100	Gulfport Energy Corp, 7.750%, due 11/1/2020	94	0.38	200	Pacific Drilling V Ltd, 7.250%, due 12/1/2017	54	0.22	5	Williams Cos Inc/The, 8.750%, due 3/15/2032	4	0.02	
100	H&E Equipment Services Inc, 7.000%, due 9/1/2022	95	0.39	100	Pactiv LLC, 8.375%, due 4/15/2027	86	0.35	50	WPX Energy Inc, 7.500%, due 8/1/2020	32	0.13	
150	Halcon Resources Corp, 8.625%, due 2/1/2020	83	0.34	50	Parker Drilling Co, 6.750%, due 7/15/2022	29	0.12	100	WPX Energy Inc, 6.000%, due 1/15/2022	57	0.23	
20	HCA Inc, 4.750%, due 5/1/2023	20	0.08	90	PulteGroup Inc, 4.250%, due 3/1/2021	90	0.37	150	XPO Logistics Inc, 6.500%, due 6/15/2022	142	0.58	
20	HCA Inc, 5.000%, due 3/15/2024	20	0.08	160	QEP Resources Inc, 6.875%, due 3/1/2021	115	0.47	100	Zayo Group LLC / Zayo Capital Inc, 10.125%, due 7/1/2020	107	0.44	
250	HCA Inc, 5.875%, due 2/15/2026	257	1.05	100	Range Resources Corp, 5.000%, due 8/15/2022	83	0.34			14,898	60.67	
190	Hexion Inc, 8.875%, due 2/1/2018	126	0.51	40	Range Resources Corp, 5.000%, due 3/15/2023	33	0.14	Total Corporate Bonds and Notes (Cost \$22,453)			19,247	78.38
190	IASIS Healthcare LLC / IASIS Capital Corp, 8.375%, due 5/15/2019	180	0.73	10	Regency Energy Partners LP / Regency Energy Finance Corp, 5.875%, due 3/1/2022	9	0.04	Loan Notes — 3.25%				
100	Interface Security Systems Holdings Inc / Interface Security Systems LLC, 9.250%, due 1/15/2018	94	0.38	30	Resolute Forest Products Inc, 5.875%, due 5/15/2023	16	0.06	130	Communications Sales & Leasing, 0.000%, due 10/24/2022	122	0.50	
200	KB Home, 8.000%, due 3/15/2020	201	0.82	77	RSP Permian Inc, 6.625%, due 10/1/2022	69	0.28	33	Energy Future Intermediate Holding Co LLC / EFII Finance Inc, 4.250%, due 6/19/2016	33	0.13	
95	Kinder Morgan Inc/DE, 7.750%, due 1/15/2032	91	0.37	250	Sanchez Energy Corp, 7.750%, due 6/15/2021	101	0.41	130	Maple Holdings Acquisition Corp, 0.000%, due 1/21/2023	128	0.52	
150	Kindred Healthcare Inc, 6.375%, due 4/15/2022	123	0.50	90	Select Medical Corp, 6.375%, due 6/1/2021	81	0.33	130	Nord Anglia Education Finance LLC, 5.000%, due 3/31/2021	123	0.50	
16	Kraft Heinz Foods Co, 4.875%, due 2/15/2025	18	0.07	200	Shea Homes LP / Shea Homes Funding Corp, 5.875%, due 4/1/2023	196	0.80	50	Numericable U.S. LLC, 0.000%, due 5/21/2020	48	0.19	
200	L Brands Inc, 6.625%, due 4/1/2021	224	0.91	200	Simmons Foods Inc, 7.875%, due 10/1/2021	170	0.69	40	Numericable U.S. LLC, 0.000%, due 5/21/2020	39	0.16	
69	Lehman Escrow Receipt, zero coupon, Perpetual ∞	9	0.04	110	Sprint Capital Corp, 8.750%, due 3/15/2032	85	0.34	60	Sun Products Corp/The, 5.500%, due 3/18/2020	57	0.23	
100	Lennar Corp, 4.500%, due 11/15/2019	103	0.42	320	Sprint Communications Inc, 7.000%, due 8/15/2020	251	1.02	130	Vizient Inc, 0.000%, due 2/11/2023	129	0.53	
20	Linn Energy LLC / Linn Energy Finance Corp, 6.500%, due 5/15/2019	1	—	130	Sprint Communications Inc, 11.500%, due 11/15/2021	110	0.45	120	Xpo Logistics Inc, 0.000%, due 10/30/2021	119	0.49	
50	LMI Aerospace Inc, 7.375%, due 7/15/2019	47	0.19	50	Standard Industries Inc/NJ, 5.125%, due 2/15/2021	51	0.21	Total Loan Notes (Cost \$795)			798	3.25
340	Magnum Hunter Resources Corp, 9.750%, due 5/15/2020 \pm	78	0.32	100	StoneMor Partners LP / Cornerstone Family Services of West Virginia Subsidiary, 7.875%, due 6/1/2021	102	0.41	Time Deposits — 4.07%				
140	MGM Resorts International, 6.750%, due 10/1/2020	150	0.61	100	Summit Midstream Holdings LLC / Summit Midstream Finance Corp, 5.500%, due 8/15/2022	65	0.26	500	Barclays Capital London, 0.350%, due 3/1/2016	500	2.03	
20	MGM Resorts International, 6.625%, due 12/15/2021	21	0.09	100	Taylor Morrison Communities Inc / Monarch Communities Inc, 5.250%, due 4/15/2021	93	0.38	500	ING Bank NV Amsterdam, 0.360%, due 3/1/2016	500	2.04	
100	Michael Baker International LLC / CDL Acquisition Co Inc, 8.250%, due 10/15/2018	85	0.35	150	Tenet Healthcare Corp, 6.000%, due 10/1/2020	159	0.65	Total Time Deposits (Cost \$1,000)			1,000	4.07
97	Miran Mid-Atlantic Series C Pass Through Trust, Series C, 10.060%, due 12/30/2028	95	0.39	180	Tenet Healthcare Corp, 8.125%, due 4/1/2022	177	0.72	Collective Investment Schemes — 8.25%				
188	Mirant Mid-Atlantic Series B Pass Through Trust, Series B, 9.125%, due 6/30/2017	180	0.73	110	Time Warner Cable Inc, 8.250%, due 4/1/2019	126	0.51	24	Legg Mason Qualified Investor Funds (II) Plc – Legg Mason Western Asset Senior Loans Fund – LM Class US\$ Distributing (monthly)	2,027	8.25	
150	Modular Space Corp, 10.250%, due 1/31/2019	41	0.17	20	T-Mobile USA Inc, 6.633%, due 4/28/2021	21	0.09	Total Collective Investment Schemes (Cost \$2,390)			2,027	8.25
120	Monitronics International Inc, 9.125%, due 4/1/2020	102	0.41	10	T-Mobile USA Inc, 6.125%, due 1/15/2022	10	0.04	Common Stock — 0.02%				
70	Murphy Oil USA Inc, 6.000%, due 8/15/2023	72	0.29	30	T-Mobile USA Inc, 6.000%, due 3/1/2023	31	0.13	United States — 0.02%				
150	Murray Energy Corp, 11.250%, due 4/15/2021	17	0.07	20	United Airlines 2014-2 Class B Pass Through Trust, Series B, 4.625%, due 9/3/2022	20	0.08	1	Deep Ocean Group Holdings ∞	4	0.02	
								Total Common Stock (Cost \$15)			4	0.02
								Total Investments (Cost \$28,310)			24,733	100.72
								Liabilities in Excess of Other Assets			(178)	(0.72)
								Total Net Assets			\$24,555	100.00

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Short Duration High Income Bond Fund

Portfolio of Investments as at February 29, 2016 – (continued)

- 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 29, 2016.
- † 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 29, 2016.

ABBREVIATIONS:

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

Analysis of Total Assets		% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market		83.45
Collective investment schemes		7.79
Deposits with credit institutions		3.84
Financial derivative instruments		1.70
Other assets		3.22
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)
Merrill Lynch	Markit CDX.NA.HY, 5.000%	Buy	12/20/20	290	\$ 3
					\$ 3
Unrealised Appreciation of Credit Default Swaps					3
Unrealised Depreciation of Credit Default Swaps					–
Net Appreciation of Credit Default Swaps					\$ 3

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)			Sell Currency (000's)			Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/15/16	BNY Mellon	Buy	USD	4	Sell	EUR	3	\$ –
03/15/16	BNY Mellon	Buy	EUR	118	Sell	USD	133	(4)
05/13/16	Barclays Capital London	Buy	USD	584	Sell	GBP	404	21
05/13/16	Barclays Capital London	Buy	EUR	960	Sell	USD	1,076	(29)
05/13/16	BNP Paribas	Buy	EUR	239	Sell	USD	266	(6)
05/13/16	Citicorp Securities London Ltd	Buy	USD	1,250	Sell	EUR	1,106	44
05/13/16	Citicorp Securities London Ltd	Buy	GBP	208	Sell	USD	301	(11)
05/13/16	Deutsche Bank London	Buy	USD	822	Sell	GBP	565	36
05/13/16	Deutsche Bank London	Buy	EUR	1,452	Sell	USD	1,640	(57)
05/13/16	Goldman Sachs London	Buy	USD	808	Sell	GBP	561	28
05/13/16	Goldman Sachs London	Buy	EUR	3,280	Sell	USD	3,659	(82)
05/13/16	HSBC Midland	Buy	USD	992	Sell	EUR	890	22
05/13/16	JP Morgan Chase Bank London	Buy	EUR	2,841	Sell	USD	3,214	(116)
05/13/16	JP Morgan Chase Bank London	Buy	GBP	545	Sell	USD	785	(27)
05/13/16	Morgan Stanley London	Buy	USD	746	Sell	EUR	670	15
05/13/16	Morgan Stanley London	Buy	GBP	494	Sell	USD	710	(23)
05/13/16	Royal Bank of Canada London	Buy	USD	476	Sell	GBP	330	16
05/13/16	UBS	Buy	USD	7,697	Sell	EUR	6,823	258
05/13/16	UBS	Buy	GBP	566	Sell	USD	815	(28)
Unrealised Appreciation of Forward Foreign Currency Contracts								440
Unrealised Depreciation of Forward Foreign Currency Contracts								(383)
Net Appreciation of Forward Foreign Currency Contracts								\$ 57

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
U.S. 2 Year Note (CBT) June 2016	5	\$ 1,093	\$ (1)
U.S. Ultra Bond (CBT) June 2016	(1)	(173)	–
U.S. Ultra Bond (CBT) March 2016	(3)	(514)	(42)
Total Market Value of Futures Contracts	1	\$ 406	\$ (43)
Unrealised Appreciation of Futures Contracts			–
Unrealised Depreciation of Futures Contracts			(43)
Net Depreciation of Futures Contracts			\$ (43)

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Short Duration High Income Bond Fund

Portfolio of Investments as at February 29, 2016 – (continued)

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Collateralised Mortgage-Backed Obligations	12	0.04
Foreign Corporate Bonds and Notes	4,547	15.89
Australian Dollar Bonds	27	0.09
British Pound Sterling Bonds	2,136	7.47
Euro Bonds	2,384	8.33
Foreign Government Bonds and Notes	3,360	11.74
Colombia Government Bonds	2	0.01
Euro Government Bonds	2,632	9.19
Mexican Government Bonds	726	2.54
U.S. Corporate Bonds and Notes	5,470	19.12
U.S. Denominated Bonds and Notes	2,990	10.45
Australia	165	0.58
Bermuda	202	0.71
Canada	31	0.11
Cayman Islands	704	2.46
Colombia	215	0.75
France	332	1.16
Greece	105	0.37
Japan	204	0.71
Luxembourg	229	0.80

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Mexico	319	1.11
Netherlands	272	0.95
United Kingdom	212	0.74
U.S. Denominated Debt Obligations	229	0.80
Colombia	229	0.80
U.S. Government Agency Mortgage-Backed Securities	55	0.19
Federal Home Loan Mortgage Corporation (FHLMC)	1	–
Federal National Mortgage Association (FNMA)	30	0.11
Government National Mortgage Association (GNMA)	24	0.08
U.S. Treasury Obligations	3,562	12.45
Time Deposits	1,400	4.89
Common Stock	12	0.04
Collective Investment Schemes	5,383	18.81
Other Assets in Excess of Liabilities	1,596	5.58
Total Net Assets	\$28,616	100.00

Futures Contracts – February 28, 2015	(000's)
Unrealised Appreciation of Futures Contracts	21
Unrealised Depreciation of Futures Contracts	(53)
Net Depreciation of Future Contracts	\$ (32)
Credit Default Swaps – February 28, 2015	
Unrealised Appreciation of Credit Default Swaps	–
Unrealised Depreciation of Credit Default Swaps	(37)
Net Depreciation of Credit Default Swaps	\$ (37)
Forward Contracts – February 28, 2015	
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 classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

Legg Mason Western Asset Global Multi Strategy Fund

Portfolio of Investments as at February 29, 2016

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
Mortgage-Backed Securities — 4.30%				230	St Barbara Ltd, 144A, 8.875%, due 4/15/2018	224	0.02	10,280	Electricite de France SA, 5.250%, Perpetual *	8,931	0.90
2,131	Alternative Loan Trust 2007-16CB, Series 2007 16CB, Class 4A2, 36.985%, due 8/25/2037 *	4,302	0.43			3,823	0.39	3,750	Electricite de France SA, 5.625%, Perpetual *	3,305	0.33
139	American Home Mortgage Assets Trust 2006-4, Series 2006 4, Class 1A12, 0.646%, due 10/25/2046 *	87	0.01	Belgium — 0.97%						13,593	1.37
1,013	CD 2007-CD4 Commercial Mortgage Trust, Series 2007 CD4, Class AJ, 5.398%, due 12/11/2049 *	786	0.08	30	Anheuser-Busch Cos LLC, 6.500%, due 5/1/2042	38	—	Germany — 0.47%			
1,270	Credit Suisse Commercial Mortgage Trust Series 2006-C5, Series 2006 C5, Class AJ, 5.373%, due 12/15/2039	1,111	0.11	8,960	Anheuser-Busch InBev Finance Inc, 4.900%, due 2/1/2046	9,601	0.97	EUR 2,830	Volkswagen International Finance NV, 4.625%, Perpetual *	2,810	0.28
1,320	Credit Suisse Commercial Mortgage Trust Series 2007-C5, Series 2007 C5, Class AM, 5.869%, due 9/15/2040 *	1,210	0.12			9,639	0.97	800	ZF North America Capital Inc, 144A, 4.500%, due 4/29/2022	789	0.08
1,350	Credit Suisse Mortgage Capital Certificates 2006-C4, Series 2006 C4, Class AJ, 5.538%, due 9/15/2039 *	1,305	0.13	Brazil — 3.43%				1,130	ZF North America Capital Inc, 144A, 4.750%, due 4/29/2025	1,079	0.11
2,955	CSMC Series 2015-8R, Series 2015 8R, Class 2A1, 144A, 4.500%, due 6/27/2036	2,989	0.30	211	Braskem Finance Ltd, 7.000%, due 5/7/2020	209	0.02			4,678	0.47
6,500	CSMC Trust 2015-SAND MZ, Series 2015 SAMZ, Class MZ, 144A, 6.163%, due 8/15/2022 *	5,961	0.60	4,508	Braskem Finance Ltd, 5.750%, due 4/15/2021	4,074	0.41	Greece — 0.30%			
6,750	Fannie Mae Connecticut Avenue Securities, Series 2015 C03, Class 1M2, 5.436%, due 7/25/2025 *	6,254	0.63	1,710	Braskem Finance Ltd, 5.375%, due 5/2/2022	1,494	0.15	2,860	FAGE Dairy Industry SA / FAGE USA Dairy Industry Inc, 9.875%, due 2/1/2020	2,953	0.30
3,220	Fannie Mae Connecticut Avenue Securities, Series 2015 C03, Class 2M2, 5.436%, due 7/25/2025 *	2,987	0.30	3,293	BRF SA, 4.750%, due 5/22/2024	2,988	0.30	India — 0.33%			
1,080	JP Morgan Chase Commercial Mortgage Securities Trust 2007-CIBC19, Series 2007 CB19, Class AJ, 5.702%, due 2/12/2049 *	957	0.10	2,640	CBC Ammo LLC / CBC FinCo Inc, 7.250%, due 11/15/2021	2,072	0.21	3,120	Bharti Airtel International Netherlands BV, 144A, 5.350%, due 5/20/2024	3,302	0.33
205	JP Morgan Chase Commercial Mortgage Securities Trust 2007-LDP12, Series 2007 LD12, Class AJ, 6.010%, due 2/15/2051 *	197	0.02	2,680	CLMPOR Financial Operations BV, 144A, 5.750%, due 7/17/2024	1,689	0.17	Indonesia — 0.99%			
5,378	Lone Star Portfolio Trust 2015-LSP, Series 2015 LSP, Class F, 144A, 7.327%, due 9/15/2028 *	5,123	0.52	2,900	Gerdau Trade Inc, 4.750%, due 4/15/2023	1,816	0.18	3,680	Pertamina Persero PT, 5.250%, due 5/23/2021	3,718	0.37
5,658	Morgan Stanley Resecuritization Trust 2015-R3, Series 2015 R3, Class 7B, 144A, 0.698%, due 4/26/2047 *	1,984	0.20	3,504	GTL Trade Finance Inc, 5.893%, due 4/29/2024	2,260	0.23	6,250	Pertamina Persero PT, 4.875%, due 5/3/2022	6,143	0.62
15,370	WaMu Mortgage Pass-Through Certificates Series 2005-AR15 Trust, Series 2005 AR15, Class A1C3, 0.916%, due 11/25/2045 *	7,440	0.75	5,300	Odebrecht Finance Ltd, 4.375%, due 4/25/2025	2,389	0.24			9,861	0.99
Total Mortgage-Backed Securities (Cost \$45,603)				3,236	Odebrecht Finance Ltd, 5.250%, due 6/27/2029	1,408	0.14	Ireland — 0.24%			
Corporate Bonds and Notes — 51.24%				2,113	Odebrecht Offshore Drilling Finance Ltd, 144A, 6.625%, due 10/1/2022	423	0.04	1,050	Ardagh Packaging Finance Plc, 144A, 9.125%, due 10/15/2020	1,084	0.11
Australia — 0.39%				250	Oi Brasil Holdings Cooperatief UA, 5.750%, due 2/10/2022	60	0.01	600	Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 144A, 9.125%, due 10/15/2020	619	0.06
640	Ausdrill Finance Pty Ltd, 144A, 6.875%, due 11/1/2019	454	0.05	9,034	Petrobras Global Finance BV, 6.250%, due 3/17/2024	6,598	0.67	476	Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 144A, 7.000%, due 11/15/2020	443	0.04
340	Barmingo Finance Pty Ltd, 144A, 9.000%, due 6/1/2018	259	0.03	3,845	Petrobras Global Finance BV, 6.875%, due 1/20/2040	2,413	0.24	250	Smurfit Kappa Treasury Funding Ltd, 7.500%, due 11/20/2025	271	0.03
3,070	FMG Resources August 2006 Pty Ltd, 144A, 9.750%, due 3/1/2022	2,886	0.29	6,190	Petrobras Global Finance BV, 6.750%, due 1/27/2041	3,869	0.39			2,417	0.24
				947	Telemar Norte Leste SA, 5.500%, due 10/23/2020	284	0.03	Jamaica — 0.36%			
						34,046	3.43	4,500	Digicel Group Ltd, 8.250%, due 9/30/2020	3,510	0.36
				Canada — 0.36%				Luxembourg — 0.86%			
				GBP 2,690	Entertainment One Ltd, 6.875%, due 12/15/2022	3,576	0.36	1,890	Altice Financing SA, 144A, 6.625%, due 2/15/2023	1,862	0.19
				Chile — 0.43%				1,874	Ardagh Finance Holdings SA, 144A, 8.625%, due 6/15/2019	1,747	0.18
				2,440	AES Gener SA, 5.250%, due 8/15/2021	2,452	0.25	EUR 473	ConvaTec Healthcare E SA, 10.875%, due 12/15/2018	529	0.05
				1,970	Empresa Nacional de Telecomunicaciones SA, 4.875%, due 10/30/2024	1,818	0.18	1,480	Coveris Holdings SA, 144A, 7.875%, due 11/1/2019	1,177	0.12
						4,270	0.43	710	DH Services Luxembourg Sarl, 144A, 7.750%, due 12/15/2020	703	0.07
				Colombia — 0.88%				3,370	Intelsat Jackson Holdings SA, 7.250%, due 10/15/2020	2,325	0.23
				1,660	Ecopetrol SA, 5.875%, due 9/18/2023	1,473	0.15	230	Intelsat Jackson Holdings SA, 7.500%, due 4/1/2021	160	0.02
				2,120	Ecopetrol SA, 4.125%, due 1/16/2025	1,626	0.16			8,503	0.86
				1,380	Empresa de Energia de Bogota SA ESP, 6.125%, due 11/10/2021	1,409	0.14	Mexico — 1.31%			
				3,980	Pacific Exploration and Production Corp, 5.375%, due 1/26/2019	458	0.05	1,626	Alpek SAB de CV, 144A, 4.500%, due 11/20/2022	1,563	0.16
				3,830	Transportadora de Gas Internacional SA ESP, 5.700%, due 3/20/2022	3,748	0.38	MXN 2,811	Axtel SAB de CV, 9.000%, due 1/31/2020	326	0.03
						8,714	0.88	4,600	Cemex SAB de CV, 5.700%, due 1/11/2025	4,025	0.41
				France — 1.37%				1,045	Petroleos Mexicanos, 144A, 6.875%, due 8/4/2026	1,082	0.11
				EUR 641	AXA SA, 3.941%, Perpetual *	682	0.07				
				2,000	CGG SA, 6.500%, due 6/1/2021	675	0.07				

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 29, 2016 – (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)				GBP	610	Annington Finance No 4 Plc, Series C1, 8.070%, due 1/10/2023	1,102	0.11	3,080	Ball Corp, 5.250%, due 7/1/2025	3,211	0.32	
Mexico — (continued)									5,970	Bank of America Corp, Series U, 5.200%, Perpetual *	5,425	0.55	
2,105	Petroleos Mexicanos, 6.500%, due 6/2/2041	1,839	0.18		3,640	Barclays Bank Plc, 7.625%, due 11/21/2022	3,681	0.37					
3,330	Petroleos Mexicanos, 5.500%, due 6/27/2044	2,558	0.26	GBP	1,500	BUPA Finance Plc, 5.000%, due 4/25/2023	2,082	0.21	810	Baxalta Inc, 144A, 5.250%, due 6/23/2045	775	0.08	
1,820	Petroleos Mexicanos, 6.375%, due 1/23/2045	1,579	0.16	GBP	2,890	Centrica Plc, 5.250%, due 4/10/2075 *	3,407	0.34	1,500	Blue Racer Midstream LLC / Blue Racer Finance Corp, 144A,			
		12,972	1.31	GBP	1,180	Coventry Building Society, 6.375%, Perpetual *	1,421	0.14		6.125%, due 11/15/2022	1,125	0.11	
Morocco — 0.75%				GBP	2,740	Direct Line Insurance Group Plc, 9.250%, due 4/27/2042 *	4,486	0.45	170	Caesars Entertainment Resort Properties LLC / Caesars Entertainment Resort Prope,	166	0.02	
4,100	OCP SA, 5.625%, due 4/25/2024	4,172	0.42		725	Globe Luxembourg SCA, 144A, 9.625%, due 5/1/2018	384	0.04	280	Caesars Entertainment Resort Properties LLC / Caesars Entertainment Resort Prope,	241	0.02	
3,530	OCP SA, 4.500%, due 10/22/2025	3,290	0.33	GBP	800	Grainger Plc, 5.000%, due 12/16/2020	1,137	0.12	7,300	California Resources Corp, 6.000%, due 11/15/2024	949	0.10	
		7,462	0.75		1,459	Greene King Finance Plc, Series B2, 2.663%, due 3/15/2036 *	1,625	0.16	720	Calumet Specialty Products Partners LP / Calumet Finance Corp,	429	0.04	
Netherlands — 0.95%				GBP	1,180	HSBC Bank Plc, 5.375%, due 8/22/2033	1,676	0.17	2,290	Carrizo Oil & Gas Inc, 6.250%, due 4/15/2023	1,626	0.16	
EUR	1,800	ABN AMRO Bank NV, 2.875%, due 6/30/2025 *	1,982	0.20		4,310	HSBC Holdings Plc, 6.375%, Perpetual *	3,953	0.40	280	CCO Holdings LLC / CCO Holdings Capital Corp, 144A,	277	0.03
GBP	3,000	Cooperatieve Rabobank UA, 4.625%, due 5/23/2029	4,009	0.40	GBP	3,990	KCA Deutag UK Finance Plc, 144A, 7.250%, due 5/15/2021	1,815	0.18	3,400	CCOH Safari LLC, 144A, 5.750%, due 2/15/2026	3,409	0.34
2,960	JLL/Delta Dutch Pledgco BV, 144A, 8.750%, due 5/1/2020	2,634	0.27		1,910	Legal & General Group Plc, 5.375%, due 10/27/2045 *	2,597	0.26	4,000	Celgene Corp, 5.000%, due 8/15/2045	4,094	0.41	
290	UPCB Finance IV Ltd, 144A, 5.375%, due 1/15/2025	287	0.03	GBP	2,545	Marston's Issuer Plc, Series B1, 5.641%, due 7/15/2035 *	3,259	0.33	980	Century Intermediate Holding Co 2, 144A, 9.750%, due 2/15/2019	997	0.10	
540	Ziggo Bond Finance BV, 144A, 5.875%, due 1/15/2025	524	0.05		260	Pizzaexpress Financing 2 Plc, 6.625%, due 8/1/2021	364	0.04	880	CenturyLink Inc, Series W, 6.750%, due 12/1/2023	860	0.09	
		9,436	0.95	EUR	180	R&R Ice Cream Plc, 4.750%, due 5/15/2020	199	0.02	2,220	CenturyLink Inc, 5.625%, due 4/1/2025	1,954	0.20	
New Zealand — 0.02%				GBP	770	RI Finance Bonds No 3 Plc, 6.125%, due 11/13/2028	1,039	0.11	209	Chesapeake Energy Corp, 3.872%, due 4/15/2019 *	42	–	
	210	Reynolds Group Issuer Inc / Reynolds Group Issuer LLC / Reynolds Group Issuer Lu, 8.500%, due 5/15/2018	210	0.02	GBP	2,300	Scottish Widows Ltd, 5.500%, due 6/16/2023	3,194	0.32	970	Chesapeake Energy Corp, 6.875%, due 11/15/2020	209	0.02
Peru — 1.23%									1,545	Chesapeake Energy Corp, 6.125%, due 2/15/2021	324	0.03	
6,980	Southern Copper Corp, 3.875%, due 4/23/2025	6,219	0.63	GBP	3,094	Standard Chartered Plc, 5.125%, due 6/6/2034	3,274	0.33	30	Chesapeake Energy Corp, 4.875%, due 4/15/2022	6	–	
1,220	Southern Copper Corp, 5.250%, due 11/8/2042	911	0.09	GBP	802	Tesco Property Finance 5 Plc, 5.661%, due 10/13/2041	898	0.09	1,220	Chesapeake Energy Corp, 5.750%, due 3/15/2023	256	0.03	
5,450	Transportadora de Gas del Peru SA, 4.250%, due 4/30/2028	5,055	0.51		4,453	Tesco Property Finance 6 Plc, 5.411%, due 7/13/2044	4,943	0.50	45	Choctaw Resort Development Enterprise, 144A,	43	–	
		12,185	1.23	GBP	450	Virgin Media Finance Plc, 144A, 6.375%, due 4/15/2023	469	0.05	501	Cincinnati Bell Telephone Co LLC, 6.300%, due 12/1/2028	443	0.04	
Russia — 0.66%									570	CIT Group Inc, 5.375%, due 5/15/2020	589	0.06	
4,700	Evrax Group SA, 6.500%, due 4/22/2020	4,384	0.44	GBP	1,250	Virgin Media Finance Plc, 6.375%, due 10/15/2024	1,701	0.17	5,620	Citigroup Inc, Series D, 5.350%, Perpetual *	5,086	0.51	
1,010	Vimpel Communications Via VIP Finance Ireland Ltd OJSC, 9.125%, due 4/30/2018	1,098	0.11		380	Vougeot Bidco Plc, 7.875%, due 7/15/2020	541	0.05	9,590	Citigroup Inc, Series M, 6.300%, Perpetual *	8,967	0.90	
1,076	VimpelCom Holdings BV, 7.504%, due 3/1/2022	1,104	0.11				53,298	5.37	320	Comcast Corp, 3.600%, due 3/1/2024	339	0.03	
		6,586	0.66	United States — 28.34%									
Spain — 0.30%					534	Actavis Funding SCS, 3.800%, due 3/15/2025	550	0.06	1,840	Communications Sales & Leasing Inc / CSL Capital LLC,	1,642	0.17	
EUR	3,450	Grupo Isolux Corsan Finance BV, 6.625%, due 4/15/2021	863	0.09	1,284	Actavis Funding SCS, 4.550%, due 3/15/2035	1,292	0.13	2,460	Compiler Finance Sub Inc, 144A,	941	0.09	
GBP	1,600	Telefonica Europe BV, 6.750%, Perpetual *	2,141	0.21	3,850	Actavis Funding SCS, 4.850%, due 6/15/2044	3,951	0.40	390	Comstock Resources Inc, 10.000%, due 3/15/2020	141	0.01	
			3,004	0.30	2,124	Actavis Funding SCS, 4.750%, due 3/15/2045	2,172	0.22	380	ConocoPhillips, 6.500%, due 2/1/2039	372	0.04	
Switzerland — 0.07%					530	Activision Blizzard Inc, 144A, 6.125%, due 9/15/2023	567	0.06	210	Constellation Brands Inc, 4.750%, due 11/15/2024	220	0.02	
GBP	487	Zurich Finance UK Plc, 6.625%, Perpetual *	711	0.07	320	AECOM, 5.875%, due 10/15/2024	318	0.03	1,790	Crestwood Midstream Partners LP / Crestwood Midstream Finance Corp, 6.000%, due 12/15/2020	1,293	0.13	
Turkey — 0.86%					10	AES Corp/VA, 8.000%, due 6/1/2020	11	–					
2,180	Turk Telekomunikasyon AS, 144A, 3.750%, due 6/19/2019	2,159	0.22		110	Alliance One International Inc, 9.875%, due 7/15/2021	83	0.01					
6,750	Turk Telekomunikasyon AS, 144A, 4.875%, due 6/19/2024	6,370	0.64		1,778	American Airlines 2013-2 Class B Pass Through Trust, 144A,							
		8,529	0.86			5.600%, due 7/15/2020	1,787	0.18					
United Kingdom — 5.37%					50	Anadarko Petroleum Corp, 5.950%, due 9/15/2016	50	0.01					
GBP	960	AA Bond Co Ltd, 5.500%, due 7/31/2022	1,226	0.12	740	Atwood Oceanics Inc, 6.500%, due 2/1/2020	311	0.03					
GBP	2,042	Annington Finance No 4 Plc, Series M, 1.759%, due 1/10/2023 *	2,825	0.29									

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 29, 2016 – (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)				10	General Motors Financial Co Inc, 3.250%, due 5/15/2018	10	—	450	Mallinckrodt International Finance SA / Mallinckrodt CB LLC, 144A, 5.500%, due 4/15/2025	424	0.04
United States — (continued)				760	Genesis Energy LP / Genesis Energy Finance Corp, 6.750%, due 8/1/2022	635	0.06	770	MGM Resorts International, 6.625%, due 12/15/2021	818	0.08
890	Crestwood Midstream Partners LP / Crestwood Midstream Finance Corp, 6.125%, due 3/1/2022	641	0.06	1,570	Genesis Energy LP / Genesis Energy Finance Corp, 6.000%, due 5/15/2023	1,209	0.12	780	Michael Baker International LLC / CDL Acquisition Co Inc, 144A, 8.250%, due 10/15/2018	663	0.07
875	CSC Holdings LLC, 6.750%, due 11/15/2021	888	0.09	3,810	Gilead Sciences Inc, 4.750%, due 3/1/2046	4,017	0.40	4,000	Micron Technology Inc, 5.500%, due 2/1/2025	3,360	0.34
1,200	CSC Holdings LLC, 5.250%, due 6/1/2024	1,026	0.10	9,030	Goldman Sachs Capital II, 4.000%, Perpetual *	6,411	0.65	3,201	Miran Mid-Atlantic Series C Pass Through Trust, Series C, 10.060%, due 12/30/2028	3,121	0.31
380	CST Brands Inc, 5.000%, due 5/1/2023	376	0.04	450	Greektown Holdings LLC/ Greektown Mothership Corp, 144A, 8.875%, due 3/15/2019	439	0.04	760	Molina Healthcare Inc, 144A, 5.375%, due 11/15/2022	769	0.08
2,740	CTR Partnership LP / CareTrust Capital Corp, 5.875%, due 6/1/2021	2,665	0.27	1,600	Guitar Center Inc, 144A, 9.625%, due 4/15/2020	1,064	0.11	4,610	MPLX LP, 4.875%, due 12/1/2024	3,766	0.38
720	DaVita HealthCare Partners Inc, 5.125%, due 7/15/2024	733	0.07	240	Gulfport Energy Corp, 7.750%, due 11/1/2020	226	0.02	1,280	Murphy Oil USA Inc, 6.000%, due 8/15/2023	1,309	0.13
1,760	DaVita HealthCare Partners Inc, 5.000%, due 5/1/2025	1,756	0.18	690	Hardwoods Acquisition Inc, 144A, 7.500%, due 8/1/2021	324	0.03	4,860	Murray Energy Corp, 144A, 11.250%, due 4/15/2021	559	0.06
675	Delta Air Lines 2007-1 Class B Pass Through Trust, Series 071B, 8.021%, due 8/10/2022	757	0.08	290	HCA Inc, 7.500%, due 2/15/2022	328	0.03	670	Natural Resource Partners LP / NRP Finance Corp, 9.125%, due 10/1/2018	312	0.03
850	DISH DBS Corp, 6.750%, due 6/1/2021	866	0.09	1,840	HCA Inc, 4.750%, due 5/1/2023	1,870	0.19	2,170	Navient Corp, 8.000%, due 3/25/2020	2,143	0.22
2,275	DISH DBS Corp, 5.875%, due 7/15/2022	2,178	0.22	3,220	HCA Inc, 5.375%, due 2/1/2025	3,280	0.33	3,670	Navient Corp, 5.875%, due 10/25/2024	2,973	0.30
2,810	DISH DBS Corp, 5.875%, due 11/15/2024	2,525	0.25	4,390	HCA Inc, 5.875%, due 2/15/2026	4,522	0.46	170	Navient Corp, 5.625%, due 8/1/2033	110	0.01
2,125	DJO Finance LLC / DJO Finance Corp, 10.750%, due 4/15/2020	1,711	0.17	810	Hearthside Group Holdings LLC/Hearthside Finance Co, 144A, 6.500%, due 5/1/2022	680	0.07	760	Navios Maritime Acquisition Corp / Navios Acquisition Finance US Inc, 144A, 8.125%, due 11/15/2021	534	0.05
3,060	DJO Finco Inc / DJO Finance LLC / DJO Finance Corp, 144A, 8.125%, due 6/15/2021	2,563	0.26	450	Hiland Partners LP / Hiland Partners Finance Corp, 144A, 7.250%, due 10/1/2020	452	0.05	1,130	Neiman Marcus Group Ltd LLC, 144A, 8.750%, due 10/15/2021	681	0.07
850	Dole Food Co Inc, 144A, 7.250%, due 5/1/2019	833	0.08	1,240	Howard Hughes Corp/The, 144A, 6.875%, due 10/1/2021	1,220	0.12	970	NES Rentals Holdings Inc, 144A, 7.875%, due 5/1/2018	766	0.08
660	DPx Holdings BV, 144A, 7.500%, due 2/1/2022	630	0.06	1,740	IASIS Healthcare LLC / IASIS Capital Corp, 8.375%, due 5/15/2019	1,653	0.17	780	NRG REMA LLC, Series C, 9.681%, due 7/2/2026	757	0.08
200	El Paso Natural Gas Co LLC, 8.375%, due 6/15/2032	201	0.02	5,860	JPMorgan Chase & Co, 3.375%, due 5/1/2023	5,783	0.58	650	NWH Escrow Corp, 144A, 7.500%, due 8/1/2021	289	0.03
865	Enterprise Products Operating LLC, Series A, 8.375%, due 8/1/2066 *	649	0.07	95	JPMorgan Chase & Co, Series 1, 7.900%, Perpetual *	95	0.01	2,090	Oasis Petroleum Inc, 6.500%, due 11/1/2021	1,270	0.13
875	Enterprise Products Operating LLC, Series B, 7.034%, due 1/15/2068 *	855	0.09	1,810	JPMorgan Chase & Co, Series U, 6.125%, Perpetual *	1,801	0.18	340	Outfront Media Capital LLC / Outfront Media Capital Corp, 5.250%, due 2/15/2022	348	0.04
300	First Cash Financial Services Inc, 6.750%, due 4/1/2021	288	0.03	40	Kerr-McGee Corp, 7.875%, due 9/15/2031	36	—	1,040	Pacific Drilling V Ltd, 144A, 7.250%, due 12/1/2017	281	0.03
1,740	First Data Corp, 144A, 7.000%, due 12/1/2023	1,740	0.18	40	Kinder Morgan Inc/DE, 7.000%, due 6/15/2017	41	—	2,865	Pactiv LLC, 8.375%, due 4/15/2027	2,464	0.25
3,370	FirstEnergy Corp, Series C, 7.375%, due 11/15/2031	4,187	0.42	10	Kinder Morgan Inc/DE, 7.250%, due 6/1/2018	10	—	1,060	QEP Resources Inc, 6.875%, due 3/1/2021	763	0.08
1,760	Florida East Coast Holdings Corp, 144A, 6.750%, due 5/1/2019	1,762	0.18	550	Kinder Morgan Inc/DE, 8.050%, due 10/15/2030	551	0.06	2,140	QEP Resources Inc, 5.250%, due 5/1/2023	1,498	0.15
290	Florida East Coast Holdings Corp, 144A, 9.750%, due 5/1/2020	186	0.02	1,735	Kinder Morgan Inc/DE, 7.800%, due 8/1/2031	1,649	0.17	2,850	Quicken Loans Inc, 144A, 5.750%, due 5/1/2025	2,665	0.27
50	Fontainebleau Las Vegas Holdings LLC, 144A, 10.250%, due 6/15/2015	—	—	565	Kinder Morgan Inc/DE, 7.750%, due 1/15/2032	541	0.05	930	Quicksilver Resources Inc, 11.000%, due 7/1/2021	14	—
2,580	Freeport-McMoRan Inc, 2.375%, due 3/15/2018	2,225	0.22	1,165	Kindred Healthcare Inc, 8.000%, due 1/15/2020	1,078	0.11	EUR 2,169	Rain CII Carbon LLC / CII Carbon Corp, 8.500%, due 1/15/2021	1,680	0.17
3,020	Freeport-McMoRan Inc, 3.550%, due 3/1/2022	2,008	0.20	6,260	Kraft Heinz Foods Co, 5.200%, due 7/15/2045	6,719	0.68	1,680	Range Resources Corp, 5.000%, due 3/15/2023	1,403	0.14
8,400	Freeport-McMoRan Inc, 5.450%, due 3/15/2043	4,872	0.49	541	Lehman Escrow Receipt, zero coupon, Perpetual *	70	0.01	970	Regency Energy Partners LP / Regency Energy Finance Corp, 5.875%, due 3/1/2022	852	0.09
3,719	GE Capital International Funding Co, 4.418%, due 11/15/2035	3,884	0.39	1,450	Linn Energy LLC / Linn Energy Finance Corp, 6.500%, due 5/15/2019	62	0.01	580	Regency Energy Partners LP / Regency Energy Finance Corp, 5.000%, due 10/1/2022	482	0.05
50	General Electric Co, 6.750%, due 3/15/2032	67	0.01	5,740	Lspt 2015-Lsmz M 7.4175% 09/15/2020, 7.418%, due 9/15/2020	5,590	0.56	90	Regency Energy Partners LP / Regency Energy Finance Corp, 4.500%, due 11/1/2023	76	0.01
1,046	General Electric Co, 6.875%, due 1/10/2039	1,466	0.15	1,340	Magnum Hunter Resources Corp, 9.750%, due 5/15/2020	308	0.03	1,410	Resolute Forest Products Inc, 5.875%, due 5/15/2023	740	0.07
EUR 606	General Electric Co, 4.625%, due 9/15/2066 *	666	0.07	1,790	Mallinckrodt International Finance SA / Mallinckrodt CB LLC, 144A, 5.625%, due 10/15/2023	1,759	0.18				
5,460	General Motors Co, 6.250%, due 10/2/2043	5,342	0.54								
130	General Motors Financial Co Inc, 2.750%, due 5/15/2016	130	0.01								

The accompanying notes are an integral part of the Financial Statements

Portfolio of Investments as at February 29, 2016 – (continued)

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 29, 2016 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value
Repurchase Agreements — 0.52%		
5,200 RBS Securities Inc, Repurchase Agreement to be repurchased at US\$5,200,039 (collateralised by US Treasury Note, 1.375%, due 9/30/2020, market value US\$5,279,898), 0.270%, due 3/1/2016	5,200	0.52
Total Repurchase Agreements (Cost \$5,200)	5,200	0.52
Time Deposits — 0.81%		
8,001 ING Bank NV Amsterdam, 0.360%, due 3/1/2016	8,001	0.81
Total Time Deposits (Cost \$8,001)	8,001	0.81
Collective Investment Schemes — 9.98%		
1,001 Legg Mason China Funds – Western Asset China Bond Fund, Class M	12,111	1.22
107 Legg Mason Global Funds Plc – Western Asset Emerging Markets Corporate Bond Fund – LM Class US\$ Distributing (M)	9,552	0.96
EUR 158 Legg Mason Global Funds Plc – Western Asset Euro High Yield Fund LM Class Euro (Accumulating)	24,244	2.44
503 Legg Mason Global Funds Plc – Western Asset US High Yield Fund – LM Class US\$ Distributing (M)	38,139	3.84
179 Legg Mason Qualified Investor Funds (II) Plc – Legg Mason Western Asset Senior Loans Fund – LM Class US\$ Distributing (monthly)	15,073	1.52
Total Collective Investment Schemes (Cost \$112,621)	99,119	9.98

Face Value (000's)	Value (000's) \$	% of Net Asset Value
Common Stock — 0.03%		
United States — 0.03%		
52 Deep Ocean Group Holdings †∞	241	0.02
57 Hercules Offshore Inc	73	0.01
	314	0.03
Total Common Stock (Cost \$1,470)	314	0.03
Total Investments Excluding Options (Cost \$1,113,524)	964,579	97.15
Contracts (000's)		
Options — 0.04%		
Purchased Options — 0.04%		
30,370 USD Call/EUR Put 1.09, due 3/23/2016	423	0.04
Total Options (Cost \$222)	423	0.04
Total Investments (Cost \$1,113,746)	965,002	97.19
Other Assets in Excess of Liabilities	27,924	2.81
Total Net Assets	\$992,926	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 29, 2016, these securities amounted to \$96,039,000 or 9.69% of net assets.

* Variable rate security. The interest rate shown reflects the rate in effect at February 29, 2016.

† Illiquid.

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

⊗ Security is in default as at February 29, 2016.

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 29, 2016.

ABBREVIATIONS:

Perpetual	– A bond with no maturity date. Perpetual bonds are not redeemable but pay a steady stream of interest
BRL	– Brazilian Real
CAD	– Canadian Dollar
COP	– Colombia Peso
EUR	– Euro
GBP	– British Pound
MXN	– Mexican Peso

Analysis of Total Assets

	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	82.50
Collective investment schemes	9.59
Deposits with credit institutions	0.77
Financial derivative instruments	0.80
Money market instruments	0.50
Other assets	5.84
Total Assets	100.00

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/Depreciation of Contracts (000's)
03/01/16	BNY Mellon	Buy USD 5	Sell EUR 4	\$ –
03/01/16	BNY Mellon	Buy GBP 414	Sell USD 578	(2)
03/01/16	BNY Mellon	Buy EUR 23	Sell USD 26	–
03/15/16	BNY Mellon	Buy USD 28,234	Sell AUD 39,832	(175)
03/15/16	BNY Mellon	Buy USD 406	Sell CHF 394	11
03/15/16	BNY Mellon	Buy USD 1,768	Sell EUR 1,578	48
03/15/16	BNY Mellon	Buy USD 66	Sell GBP 48	–
03/15/16	BNY Mellon	Buy USD 11,810	Sell GBP 8,196	407
03/15/16	BNY Mellon	Buy USD 12	Sell PLN 48	–
03/15/16	BNY Mellon	Buy USD 30	Sell SGD 44	–
03/15/16	BNY Mellon	Buy CHF 30,084	Sell USD 30,298	(144)
03/15/16	BNY Mellon	Buy PLN 3,897	Sell USD 986	(10)
03/15/16	BNY Mellon	Buy SGD 1,723	Sell USD 1,230	(5)
03/15/16	BNY Mellon	Buy AUD 101,270	Sell USD 72,599	(372)
03/15/16	BNY Mellon	Buy GBP –	Sell USD –	–
03/15/16	BNY Mellon	Buy EUR 26,534	Sell USD 29,718	(840)
03/15/16	BNY Mellon	Buy GBP 452,523	Sell USD 659,137	(29,249)
03/15/16	BNY Mellon	Buy SGD 2	Sell USD 1	–
04/07/16	Bank of America Sec London	Buy USD 24,288	Sell KRW 29,442,940	558
04/07/16	Barclays Capital London	Buy USD 15,154	Sell BRL 61,160	85
04/07/16	Barclays Capital London	Buy USD 13,071	Sell BRL 54,057	(249)
04/07/16	Citicorp Securities London Ltd	Buy USD 21,319	Sell KRW 26,027,924	341
04/07/16	Citicorp Securities London Ltd	Buy INR 915,889	Sell USD 13,535	(219)
04/07/16	Citicorp Securities London Ltd	Buy KRW 17,587,540	Sell USD 14,263	(88)
04/07/16	JP Morgan Chase Bank London	Buy INR 1,548,660	Sell USD 22,855	(341)
05/13/16	Bank of America Sec London	Buy USD 10,599	Sell SGD 14,840	65
05/13/16	Bank of America Sec London	Buy SGD 2,096	Sell USD 1,497	(9)
05/13/16	Barclays Capital London	Buy USD 5,353	Sell EUR 4,775	146
05/13/16	Citicorp Securities London Ltd	Buy USD 14,414	Sell JPY 1,609,650	105

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 29, 2016 – (continued)

Schedule of Forward Foreign Currency Contracts – (continued)

Expiration Date	Counterparty	Buy Currency (000's)			Sell Currency (000's)			Unrealised Appreciation/ (Depreciation) of Contracts (000's)
05/13/16	Citicorp Securities London Ltd	Buy	TRY	6,722	Sell	USD	2,223	\$ (4)
05/13/16	Citicorp Securities London Ltd	Buy	EUR	900	Sell	USD	1,017	(36)
05/13/16	Deutsche Bank London	Buy	USD	4,308	Sell	EUR	3,812	150
05/13/16	Deutsche Bank London	Buy	USD	2,788	Sell	GBP	1,914	123
05/13/16	Deutsche Bank London	Buy	USD	10,156	Sell	JPY	1,164,264	(193)
05/13/16	Deutsche Bank London	Buy	EUR	700	Sell	USD	782	(18)
05/13/16	Goldman Sachs London	Buy	USD	18,252	Sell	GBP	12,659	627
05/13/16	HSBC Midland	Buy	USD	126,804	Sell	EUR	113,708	2,817
05/13/16	HSBC Midland	Buy	USD	16,123	Sell	JPY	1,867,370	(477)
05/13/16	HSBC Midland	Buy	AUD	1,966	Sell	USD	1,384	14
05/13/16	JP Morgan Chase Bank London	Buy	USD	23,494	Sell	GBP	16,300	801
05/13/16	JP Morgan Chase Bank London	Buy	MXN	89,000	Sell	USD	4,692	187
05/13/16	JP Morgan Chase Bank London	Buy	EUR	14,425	Sell	USD	16,316	(587)
05/13/16	Morgan Stanley London	Buy	USD	8,402	Sell	EUR	7,550	169
05/13/16	Royal Bank of Canada London	Buy	USD	5,951	Sell	GBP	4,130	201
05/13/16	Royal Bank of Canada London	Buy	USD	1,508	Sell	TRY	4,550	6
05/13/16	Societe Generale London	Buy	USD	1,573	Sell	EUR	1,414	31
05/13/16	UBS	Buy	USD	3,300	Sell	EUR	2,908	129
05/13/16	UBS	Buy	USD	12,718	Sell	GBP	8,798	469
05/13/16	UBS	Buy	EUR	37,003	Sell	USD	41,510	(1,162)
05/13/16	UBS	Buy	CHF	728	Sell	USD	738	(6)
05/13/16	UBS	Buy	JPY	1,806,870	Sell	USD	15,689	372
Unrealised Appreciation of Forward Foreign Currency Contracts								7,862
Unrealised Depreciation of Forward Foreign Currency Contracts								(34,186)
Net Depreciation of Forward Foreign Currency Contracts								\$ (26,324)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Euro-Buxl 30 Year Bond March 2016	(11)	\$ (2,032)	\$ (183)
U.S. 10 Year Note (CBT) June 2016	(1,117)	(145,786)	(55)
U.S. 5 Year Note (CBT) June 2016	1,132	136,955	(172)
U.S. Long Bond (CBT) June 2016	10	1,645	(6)
U.S. Ultra Bond (CBT) June 2016	1	173	(1)
Total Market Value of Futures Contracts	15	\$ (9,045)	\$ (417)
Unrealised Appreciation of Futures Contracts			–
Unrealised Depreciation of Futures Contracts			(417)
Net Depreciation of Futures Contracts			\$ (417)

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Collateralised Mortgage- Backed Obligations	104	0.01	Mexican Government Bonds	41,196	2.92	Indonesia	10,464	0.74
Foreign Corporate Bonds and Notes	178,818	12.68	U.S. Corporate Bonds and Notes	313,789	22.26	Ireland	6,564	0.47
Australian Dollar Bonds	2,651	0.19	U.S. Denominated Bonds and Notes	259,615	18.41	Isle of Man	1,870	0.13
British Pound Sterling Bonds	83,906	5.94	Argentina	3,350	0.24	Japan	2,064	0.15
Euro Bonds	91,246	6.48	Australia	4,233	0.30	Luxembourg	34,096	2.42
Mexican Bonds	264	0.02	Bermuda	4,552	0.32	Marshall Islands	760	0.05
Swiss Franc Bonds	751	0.05	Brazil	15,906	1.13	Mexico	29,901	2.12
Foreign Government Bonds and Notes	187,592	13.31	British Virgin Islands	7,287	0.52	Morocco	4,436	0.32
Brazil Government Bonds	54,270	3.85	Canada	11,740	0.83	Netherlands	41,604	2.95
Canadian Government Bonds	299	0.02	Cayman Islands	23,443	1.66	Peru	5,416	0.38
Colombia Government Bonds	85	0.01	Chile	4,681	0.33	Turkey	9,006	0.64
Euro Government Bonds	91,742	6.51	Colombia	12,759	0.91	United Kingdom	3,719	0.26
			France	18,761	1.33	U.S. Denominated Debt Obligations	86,806	6.16
			Greece	3,003	0.21	Colombia	16,843	1.19
						Croatia	5,156	0.37
						Hungary	17,978	1.28

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 29, 2016 – (continued)

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

	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Futures Contracts – February 28, 2015 (000's)
			Unrealised Appreciation of Futures Contracts 1,764
			Unrealised Depreciation of Futures Contracts (1,047)
Investments			Net Appreciation of Future Contracts \$ 717
Indonesia	16,078	1.14	
Russia	8,064	0.57	
Turkey	22,687	1.61	
U.S. Treasury Obligations	67,669	4.80	
Repurchase Agreements	6,200	0.44	
Time Deposits	104,008	7.38	
Common Stock	677	0.05	
Collective Investment Schemes	133,071	9.44	
Warrant	13	–	
Other Assets in Excess of Liabilities	71,377	5.06	
Total Net Assets	\$1,409,739	100.00	
			Credit Default Swaps – February 28, 2015
			Unrealised Appreciation of Credit Default Swaps –
			Unrealised Depreciation of Credit Default Swaps (1,583)
			Net Depreciation of Credit Default Swaps \$ (1,583)
			Forward Contracts – February 28, 2015
			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 classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

Legg Mason Western Asset US High Yield Fund

Portfolio of Investments as at February 29, 2016

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 — 88.37%											
Australia — 1.48%											
1,000	Ausdrill Finance Pty Ltd, 144A, 6.875%, due 11/1/2019	710	0.19	538	Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 144A, 7.000%, due 11/15/2020	500	0.14	540	Activision Blizzard Inc, 144A, 6.125%, due 9/15/2023	578	0.16
1,380	Barmingo Finance Pty Ltd, 144A, 9.000%, due 6/1/2018	1,051	0.29	200	Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 144A, 6.750%, due 1/31/2021	188	0.05	1,330	AES Corp/VA, 4.875%, due 5/15/2023	1,197	0.32
890	BHP Billiton Finance USA Ltd, 144A, 6.750%, due 10/19/2075 *	859	0.23			905	0.25	810	Alcoa Inc, 5.950%, due 2/1/2037	632	0.17
2,010	FMG Resources August 2006 Pty Ltd, 144A, 9.750%, due 3/1/2022	1,889	0.51	Italy — 0.43%				1,850	Alliance One International Inc, 9.875%, due 7/15/2021	1,394	0.38
1,580	Midwest Vanadium Pty Ltd, 144A, 11.500%, due 2/15/2018 +e	91	0.02					1,600	Ally Financial Inc, 8.000%, due 11/1/2031	1,762	0.48
1,248	Mirabela Nickel Ltd, 144A, 9.500%, due 6/24/2019 +	499	0.14	Luxembourg — 2.51%				910	AMAG Pharmaceuticals Inc, 144A, 7.875%, due 9/1/2023	792	0.21
370	St Barbara Ltd, 144A, 8.875%, due 4/15/2018	361	0.10	1,620	Telecom Italia SpA, 144A, 5.303%, due 5/30/2024	1,571	0.43	398	America West Airlines 2001-1 Pass Through Trust, Series 011G, 7.100%, due 4/2/2021	418	0.11
		5,460	1.48	2,280	Altice Financing SA, 144A, 6.625%, due 2/15/2023	2,246	0.61	851	American Airlines 2011-1 Class B Pass Through Trust, Series B, 144A, 7.000%, due 1/31/2018	885	0.24
Bahamas — 0.11%				770	Coveris Holdings SA, 144A, 7.875%, due 11/1/2019	612	0.17	265	American Airlines 2013-1 Class B Pass Through Trust, 144A, 5.625%, due 1/15/2021	267	0.07
2,140	Ultrapetrol Bahamas Ltd, 8.875%, due 6/15/2021 +e	407	0.11	2,212	DH Services Luxembourg Sarl, 144A, 7.750%, due 12/15/2020	2,190	0.59	292	American Airlines 2013-2 Class B Pass Through Trust, 144A, 5.600%, due 7/15/2020	294	0.08
Brazil — 0.60%				760	Intelsat Jackson Holdings SA, 7.250%, due 10/15/2020	524	0.14	200	American Axle & Manufacturing Inc, 6.250%, due 3/15/2021	201	0.05
2,200	CBC Ammo LLC / CBC FinCo Inc, 144A, 7.250%, due 11/15/2021	1,727	0.47	1,827	Intelsat Jackson Holdings SA, 7.500%, due 4/1/2021	1,270	0.34	620	American Axle & Manufacturing Inc, 6.625%, due 10/15/2022	628	0.17
1,960	Oi Brasil Holdings Cooperatief UA, 144A, 5.750%, due 2/10/2022	470	0.13	1,000	Intelsat Jackson Holdings SA, 5.500%, due 8/1/2023	650	0.18	1,090	American Builders & Contractors Supply Co Inc, 144A, 5.625%, due 4/15/2021	1,115	0.30
		2,197	0.60	1,290	Intelsat Luxembourg SA, 8.125%, due 6/1/2023	393	0.11	940	American Builders & Contractors Supply Co Inc, 144A, 5.750%, due 12/15/2023	968	0.26
Canada — 1.65%						9,275	2.51	1,750	Ancestry.com Holdings LLC, 144A, 9.625%, due 10/15/2018	1,671	0.45
1,476	1011778 BC ULC / New Red Finance Inc, 144A, 4.625%, due 1/15/2022	1,502	0.41	Netherlands — 0.97%				810	Ancestry.com Inc, 11.000%, due 12/15/2020	853	0.23
900	1011778 BC ULC / New Red Finance Inc, 144A, 6.000%, due 4/1/2022	938	0.25	340	AerCap Ireland Capital Ltd / AerCap Global Aviation Trust, 5.000%, due 10/1/2021	349	0.09	780	Antero Resources Corp, 5.375%, due 11/1/2021	675	0.18
270	Garda World Security Corp, 144A, 7.250%, due 11/15/2021	189	0.05	290	AerCap Ireland Capital Ltd / AerCap Global Aviation Trust, 4.625%, due 7/1/2022	290	0.08	1,020	Appvion Inc, 144A, 9.000%, due 6/1/2020	340	0.09
1,280	GFL Escrow Corp, 144A, 9.875%, due 2/1/2021	1,299	0.35	320	Cooperatieve Rabobank UA, 5.250%, due 8/4/2045	327	0.09	280	Argos Merger Sub Inc, 144A, 7.125%, due 3/15/2023	286	0.08
420	Kronos Acquisition Holdings Inc, 144A, 9.000%, due 8/15/2023	365	0.10	1,390	JLL/Delta Dutch Pledgeco BV, 144A, 8.750%, due 5/1/2020	1,237	0.34	1,646	Ashton Woods USA LLC / Ashton Woods Finance Co, 144A, 6.875%, due 2/15/2021	1,333	0.36
2,650	MEG Energy Corp, 144A, 6.375%, due 1/30/2023	1,252	0.34	520	Royal Bank of Scotland NV/ New York NY, Series B, 7.750%, due 5/15/2023	552	0.15	670	Atwood Oceanics Inc, 6.500%, due 2/1/2020	281	0.08
680	Teine Energy Ltd, 144A, 6.875%, due 9/30/2022	558	0.15	787	UPCB Finance VI Ltd, 144A, 6.875%, due 1/15/2022	828	0.22	30	Axiell Corp, 4.875%, due 5/15/2023	29	0.01
		6,103	1.65			3,583	0.97	1,300	Ball Corp, 5.250%, due 7/1/2025	1,355	0.37
France — 1.24%				United Arab Emirates — 0.25%				930	Bank of America Corp, Series Z, 6.500%, Perpetual *	949	0.26
780	BNP Paribas SA, 144A, 7.375%, Perpetual *	729	0.20	1,470	Shelf Drilling Holdings Ltd, 144A, 8.625%, due 11/1/2018	941	0.25	2,610	Berry Petroleum Co LLC, 6.375%, due 9/15/2022	281	0.08
2,580	CGG SA, 6.500%, due 6/1/2021	871	0.24	United Kingdom — 2.95%				1,790	Beverages & More Inc, 144A, 10.000%, due 11/15/2018	1,593	0.43
850	Credit Agricole SA, 144A, 8.125%, Perpetual *	791	0.21	2,190	Ashtead Capital Inc, 144A, 6.500%, due 7/15/2022	2,250	0.61	1,950	BioScrip Inc, 8.875%, due 2/15/2021	1,521	0.41
1,200	Numericable-SFR SA, 144A, 6.000%, due 5/15/2022	1,188	0.32	200	Barclays Bank Plc, 7.625%, due 11/21/2022	202	0.06	1,520	Blue Racer Midstream LLC / Blue Racer Finance Corp, 144A, 6.125%, due 11/15/2022	1,140	0.31
1,040	Numericable-SFR SA, 144A, 6.250%, due 5/15/2024	1,014	0.27	1,090	HSBC Holdings Plc, 6.375%, Perpetual *	1,001	0.27	1,400	Bonanza Creek Energy Inc, 6.750%, due 4/15/2021	416	0.11
		4,593	1.24	1,180	HSBC Holdings Plc, 6.375%, Perpetual *	1,083	0.29	200	BreitBurn Energy Partners LP / BreitBurn Finance Corp, 7.875%, due 4/15/2022	20	0.01
Germany — 0.50%				3,850	KCA Deutag UK Finance Plc, 144A, 7.250%, due 5/15/2021	1,752	0.48	1,160	BWAY Holding Co, 144A, 9.125%, due 8/15/2021	963	0.26
519	Hapag-Lloyd AG, 144A, 9.750%, due 10/15/2017	522	0.14	1,230	Royal Bank of Scotland Group Plc, 7.648%, Perpetual *	1,402	0.38	1,500	Caesars Entertainment Resort Properties LLC / Caesars Entertainment Resort Prope, 8.000%, due 10/1/2020	1,466	0.40
1,390	ZF North America Capital Inc, 144A, 4.750%, due 4/29/2025	1,327	0.36	680	Virgin Media Finance Plc, 4.875%, due 2/15/2022	600	0.16				
		1,849	0.50	2,490	Virgin Media Finance Plc, 144A, 6.375%, due 4/15/2023	2,596	0.70				
Hong Kong — 0.37%						10,886	2.95				
1,390	Studio City Finance Ltd, 144A, 8.500%, due 12/1/2020	1,355	0.37	United States — 75.06%							
Ireland — 0.25%				680	Activision Blizzard Inc, 144A, 5.625%, due 9/15/2021	715	0.19				
210	Ardagh Packaging Finance Plc, 144A, 9.125%, due 10/15/2020	217	0.06								

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 29, 2016 – (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)				2,780	Cogent Communications Group Inc, 144A, 5.375%, due 3/1/2022	2,690	0.73	1,110	First Cash Financial Services Inc, 6.750%, due 4/1/2021	1,066	0.29
United States — (continued)				1,440	CommScope Technologies Finance LLC, 144A, 6.000%, due 6/15/2025	1,426	0.39	1,023	First Data Corp, 144A, 7.000%, due 12/1/2023	1,023	0.28
3,645	California Resources Corp, 6.000%, due 11/15/2024	474	0.13	2,270	Compiler Finance Sub Inc, 144A, 7.000%, due 5/1/2021 +	868	0.24	1,104	First Data Corp, 144A, 5.000%, due 1/15/2024	1,121	0.30
650	Calumet Specialty Products Partners LP / Calumet Finance Corp, 6.500%, due 4/15/2021	392	0.11	2,490	Constellation Brands Inc, 4.750%, due 11/15/2024	2,608	0.71	1,180	Flexi-Van Leasing Inc, 144A, 7.875%, due 8/15/2018	1,139	0.31
455	Calumet Specialty Products Partners LP / Calumet Finance Corp, 7.625%, due 1/15/2022	271	0.07	610	Constellation Brands Inc, 4.750%, due 12/1/2025	637	0.17	915	Florida East Coast Holdings Corp, 144A, 6.750%, due 5/1/2019	916	0.25
630	Carmike Cinemas Inc, 144A, 6.000%, due 6/15/2023	662	0.18	48	Continental Airlines 2000-1 Class B Pass Through Trust, Series 001B, Class B, 8.388%, due 11/1/2020	48	0.01	438	Fontainebleau Las Vegas Holdings LLC, 144A, 10.250%, due 6/15/2015 e	—	—
1,560	Carolina Beverage Group LLC / Carolina Beverage Group Finance Inc, 144A, 10.625%, due 8/1/2018	1,490	0.40	21	Continental Airlines 2009-2 Class B Pass Through Trust, Series B, 9.250%, due 5/10/2017	22	0.01	500	Freeport-McMoRan Inc, 4.000%, due 1/1/2021	340	0.09
950	Carizzo Oil & Gas Inc, 7.500%, due 9/15/2020	736	0.20	933	Continental Airlines 2012-1 Class B Pass Through Trust, Series B, 6.250%, due 4/1/2020	976	0.26	280	Frontier Communications Corp, 144A, 10.500%, due 9/15/2022	283	0.08
80	Carizzo Oil & Gas Inc, 6.250%, due 4/15/2023	57	0.02	750	Crestwood Midstream Partners LP / Crestwood Midstream Finance Corp, 6.000%, due 12/15/2020	542	0.15	1,710	Frontier Communications Corp, 144A, 11.000%, due 9/15/2025	1,712	0.46
1,330	Carrolls Restaurant Group Inc, 8.000%, due 5/1/2022	1,406	0.38	1,250	Crestwood Midstream Partners LP / Crestwood Midstream Finance Corp, 6.125%, due 3/1/2022	900	0.24	1,000	GameStop Corp, 144A, 5.500%, due 10/1/2019	992	0.27
630	CCO Holdings LLC / CCO Holdings Capital Corp, 144A, 5.875%, due 4/1/2024	643	0.17	1,070	CrownRock LP / CrownRock Finance Inc, 144A, 7.750%, due 2/15/2023	920	0.25	240	General Motors Co, 6.600%, due 4/1/2036	249	0.07
820	CCO Holdings LLC / CCO Holdings Capital Corp, 144A, 5.875%, due 5/1/2027	820	0.22	1,650	CTP Transportation Products LLC / CTP Finance Inc, 144A, 8.250%, due 12/15/2019	1,645	0.45	1,520	General Motors Co, 5.200%, due 4/1/2045	1,313	0.36
1,610	CCO Safari II LLC, 144A, 4.908%, due 7/23/2025	1,652	0.45	1,890	CTR Partnership LP / CareTrust Capital Corp, 5.875%, due 6/1/2021	1,838	0.50	100	General Motors Co, 6.750%, due 4/1/2046	105	0.03
840	CCO Safari II LLC, 144A, 6.484%, due 10/23/2045	886	0.24	1,240	DaVita HealthCare Partners Inc, 5.000%, due 5/1/2025	1,237	0.34	980	Genesis Energy LP / Genesis Energy Finance Corp, 6.000%, due 5/15/2023	755	0.20
1,600	CCOH Safari LLC, 144A, 5.750%, due 2/15/2026	1,604	0.43	751	Delta Air Lines 2007-1 Class B Pass Through Trust, Series 071B, 8.021%, due 8/10/2022	844	0.23	1,090	Genworth Holdings Inc, 7.700%, due 6/15/2020	774	0.21
600	CEC Entertainment Inc, 8.000%, due 2/15/2022	511	0.14	181	Delta Air Lines 2009-1 Series B Pass Through Trust, Series B, 9.750%, due 12/17/2016	191	0.05	490	Genworth Holdings Inc, 4.900%, due 8/15/2023	287	0.08
790	Centene Escrow Corp, 144A, 5.625%, due 2/15/2021	826	0.22	484	Delta Air Lines 2012-1 Class B Pass Through Trust, Series B, 144A, 6.875%, due 5/7/2019	520	0.14	2,650	GEO Group Inc/The, 5.125%, due 4/1/2023	2,531	0.69
550	Centene Escrow Corp, 144A, 6.125%, due 2/15/2024	584	0.16	3,231	DISH DBS Corp, 5.875%, due 7/15/2022	3,094	0.84	2,020	Gibson Brands Inc, 144A, 8.875%, due 8/1/2018	1,192	0.32
730	Central Garden & Pet Co, 6.125%, due 11/15/2023	745	0.20	3,130	DJO Finco Inc / DJO Finance LLC / DJO Finance Corp, 144A, 8.125%, due 6/15/2021	2,621	0.71	1,100	Global Brass & Copper Inc, 9.500%, due 6/1/2019	1,160	0.31
2,630	Century Intermediate Holding Co 2, 144A, 9.750%, due 2/15/2019	2,676	0.73	323	Dole Food Co Inc, 144A, 7.250%, due 5/1/2019	317	0.09	1,140	Goodyear Tire & Rubber Co/The, 5.125%, due 11/15/2023	1,171	0.32
430	CenturyLink Inc, Series S, 6.450%, due 6/15/2021	437	0.12	1,550	Dollar Tree Inc, 144A, 5.750%, due 3/1/2023	1,649	0.45	1,000	Greatbatch Ltd, 144A, 9.125%, due 11/1/2023	972	0.26
1,570	CenturyLink Inc, 5.625%, due 4/1/2025	1,382	0.37	970	Downstream Development Authority of the Quapaw Tribe of Oklahoma, 144A, 10.500%, due 7/1/2019	919	0.25	580	Greektown Holdings LLC / Greektown Mothership Corp, 144A, 8.875%, due 3/15/2019	565	0.15
160	Chesapeake Energy Corp, 3.872%, due 4/15/2019 *	32	0.01	2,100	DS Services of America Inc, 144A, 10.000%, due 9/1/2021	2,360	0.64	930	Greystar Real Estate Partners LLC, 144A, 8.250%, due 12/1/2022	960	0.26
1,640	Chesapeake Energy Corp, 6.875%, due 11/15/2020	353	0.10	1,070	Eagle Spingo Inc, 4.625%, due 2/15/2021	1,058	0.29	3,400	Guitar Center Inc, 144A, 9.625%, due 4/15/2020	2,261	0.61
536	Chesapeake Energy Corp, 6.125%, due 2/15/2021	113	0.03	610	Empire Today LLC / Empire Today Finance Corp, 144A, 11.375%, due 2/1/2017	601	0.16	620	Gulfport Energy Corp, 7.750%, due 11/1/2020	583	0.16
430	Chesapeake Energy Corp, 5.375%, due 6/15/2021	90	0.02	1,410	EP Energy LLC / Everest Acquisition Finance Inc, 9.375%, due 5/1/2020	412	0.11	480	Gulfport Energy Corp, 6.625%, due 5/1/2023	407	0.11
350	Chesapeake Energy Corp, 4.875%, due 4/15/2022	73	0.02	660	EP Energy LLC / Everest Acquisition Finance Inc, 6.375%, due 6/15/2023	178	0.05	1,620	H&E Equipment Services Inc, 7.000%, due 9/1/2022	1,543	0.42
510	Chesapeake Energy Corp, 5.750%, due 3/15/2023	107	0.03	710	EV Energy Partners LP / EV Energy Finance Corp, 8.000%, due 4/15/2019	156	0.04	1,820	Hardwoods Acquisition Inc, 144A, 7.500%, due 8/1/2021	855	0.23
477	Choctaw Resort Development Enterprise, 144A, 7.250%, due 11/15/2019	458	0.12					3,600	HCA Inc, 5.375%, due 2/1/2025	3,667	0.99
130	CIT Group Inc, 5.375%, due 5/15/2020	134	0.04					830	HCA Inc, 5.250%, due 4/15/2025	855	0.23
805	CIT Group Inc, 5.000%, due 8/15/2022	808	0.22					23	HCA Inc, 7.690%, due 6/15/2025	25	0.01
2,480	CIT Group Inc, 5.000%, due 8/1/2023	2,480	0.67					2,950	HCA Inc, 5.875%, due 2/15/2026	3,038	0.82
1,250	Citigroup Inc, Series P, 5.950%, Perpetual *	1,175	0.32					41	HCA Inc, 7.500%, due 11/15/2095	40	0.01
2,150	Citigroup Inc, Series M, 6.300%, Perpetual *	2,010	0.54					1,580	Hercules Inc, 6.500%, due 6/30/2029	1,351	0.37
840	Cloud Peak Energy Resources LLC / Cloud Peak Energy Finance Corp, 6.375%, due 3/15/2024	235	0.06					1,650	Hexion Inc, 8.875%, due 2/1/2018	1,093	0.30
130	CNO Financial Group Inc, 4.500%, due 5/30/2020	130	0.04					980	HIG BBC Intermediate Holdings LLC / HIG BBC Holdings Corp, 144A, 10.500%, due 9/15/2018	637	0.17
1,400	CNO Financial Group Inc, 5.250%, due 5/30/2025	1,358	0.37								
1,674	Coeur Mining Inc, 7.875%, due 2/1/2021	1,189	0.32								

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Legg Mason Western Asset US High Yield Fund

Portfolio of Investments as at February 29, 2016 – (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)								
United States — (continued)								
1,480 Howard Hughes Corp/The, 144A, 6.875%, due 10/1/2021	1,456	0.39	930 Michael Baker International LLC / CDL Acquisition Co Inc, 144A, 8.250%, due 10/15/2018	790	0.21	1,350 Parsley Energy LLC / Parsley Finance Corp, 144A, 7.500%, due 2/15/2022	1,313	0.36
1,390 IASIS Healthcare LLC / IASIS Capital Corp, 8.375%, due 5/15/2019	1,320	0.36	250 Micron Technology Inc, 144A, 5.250%, due 8/1/2023	214	0.06	1,870 Pilgrim's Pride Corp, 144A, 5.750%, due 3/15/2025	1,819	0.49
1,778 iHeartCommunications Inc, 14,000%, due 2/1/2021	427	0.12	1,690 Micron Technology Inc, 5.500%, due 2/1/2025	1,420	0.38	90 PulteGroup Inc, 4.250%, due 3/1/2021	90	0.02
2,000 ILFC E-Capital Trust I, 144A, 4.490%, due 12/21/2065 *	1,540	0.42	2,200 Milagro Oil & Gas Inc, 10.500%, due 5/15/2016	605	0.16	1,170 PulteGroup Inc, 5.500%, due 3/1/2026	1,183	0.32
1,410 Immucor Inc, 11.125%, due 8/15/2019	1,057	0.29	17 Mirabela, 1.000%, due 9/10/2044	—	—	320 QEP Resources Inc, 6.875%, due 3/1/2021	230	0.06
1,140 Interface Security Systems Holdings Inc / Interface Security Systems LLC, 9.250%, due 1/15/2018	1,072	0.29	1,812 Miran Mid-Atlantic Series C Pass Through Trust, Series C, 10.060%, due 12/30/2028	1,767	0.48	1,700 QEP Resources Inc, 5.375%, due 10/1/2022	1,156	0.31
1,310 International Lease Finance Corp, 8.250%, due 12/15/2020	1,515	0.41	2,960 Modular Space Corp, 144A, 10.250%, due 1/31/2019	814	0.22	790 QEP Resources Inc, 5.250%, due 5/1/2023	553	0.15
440 International Lease Finance Corp, 8.625%, due 1/15/2022	521	0.14	390 Molina Healthcare Inc, 144A, 5.375%, due 11/15/2022	395	0.11	2,000 Quicken Loans Inc, 144A, 5.750%, due 5/1/2025	1,870	0.51
1,070 International Wire Group Holdings Inc, 144A, 8.500%, due 10/15/2017	1,059	0.29	1,880 Monitronics International Inc, 9.125%, due 4/1/2020	1,593	0.43	360 Quicksilver Resources Inc, 11.000%, due 7/1/2021	5	—
930 Iron Mountain Inc, 144A, 6.000%, due 10/1/2020	986	0.27	2,620 MPLX LP, 4.875%, due 6/1/2025	2,137	0.58	610 Range Resources Corp, 5.000%, due 3/15/2023	509	0.14
2,035 Jack Cooper Holdings Corp, 144A, 10.250%, due 6/1/2020	1,526	0.41	480 MPT Operating Partnership LP / MPT Finance Corp, 6.375%, due 3/1/2024	492	0.13	810 Range Resources Corp, 144A, 4.875%, due 5/15/2025	701	0.19
1,530 Kinder Morgan Inc/DE, 7.800%, due 8/1/2031	1,454	0.39	1,100 Murphy Oil USA Inc, 6.000%, due 8/15/2023	1,125	0.31	2,160 Red Oak Power LLC, Series B, 9.200%, due 11/30/2029	2,214	0.60
1,640 Kinder Morgan Inc/DE, 7.750%, due 1/15/2032	1,570	0.43	3,400 Murray Energy Corp, 144A, 11.250%, due 4/15/2021	391	0.11	1,360 Rice Energy Inc, 6.250%, due 5/1/2022	1,102	0.30
1,045 Kindred Healthcare Inc, 8.750%, due 1/15/2023	938	0.25	510 Navient Corp, 8.000%, due 3/25/2020	504	0.14	590 Rice Energy Inc, 7.250%, due 5/1/2023	472	0.13
720 Kraft Heinz Foods Co, 144A, 7.125%, due 8/1/2039	900	0.24	1,620 Navient Corp, 5.875%, due 10/25/2024	1,312	0.36	490 Rockies Express Pipeline LLC, 144A, 5.625%, due 4/15/2020	437	0.12
1,360 L Brands Inc, 144A, 6.875%, due 11/1/2035	1,445	0.39	2,170 Navios Maritime Acquisition Corp / Navios Acquisition Finance US Inc, 144A, 8.125%, due 1/15/2021	1,524	0.41	1,500 Rockies Express Pipeline LLC, 144A, 6.875%, due 4/15/2040	1,050	0.28
230 Lamar Media Corp, 144A, 5.750%, due 2/1/2026	238	0.06	1,280 NCL Corp Ltd, 144A, 5.250%, due 11/15/2019	1,280	0.35	1,100 Rose Rock Midstream LP / Rose Rock Finance Corp, 5.625%, due 11/15/2023	608	0.16
1,440 Landry's Holdings II Inc, 144A, 10.250%, due 1/1/2018	1,397	0.38	140 NCL Corp Ltd, 144A, 4.625%, due 11/15/2020	136	0.04	1,320 RSP Permian Inc, 144A, 6.625%, due 10/1/2022	1,181	0.32
300 Level 3 Financing Inc, 6.125%, due 1/15/2021	313	0.09	1,210 Neiman Marcus Group Ltd LLC, 144A, 8.750%, due 10/15/2021	729	0.20	1,810 Sabine Pass Liquefaction LLC, 5.625%, due 2/1/2021	1,727	0.47
785 Levi Strauss & Co, 5.000%, due 5/1/2025	785	0.21	2,150 Neovia Logistics Intermediate Holdings LLC / Logistics Intermediate Finance Corp, 144A, 10.000%, due 2/15/2018	1,505	0.41	835 Sally Holdings LLC / Sally Capital Inc, 5.625%, due 12/1/2025	868	0.24
860 Liberty Mutual Group Inc, 144A, 7.800%, due 3/15/2037	941	0.26	450 Neptune Finco Corp, 144A, 10.125%, due 1/15/2023	484	0.13	4,535 Samson Investment Corp, 9.750%, due 2/15/2020	11	—
750 Linn Energy LLC / Linn Energy Finance Corp, 6.500%, due 9/15/2021	32	0.01	1,430 Neptune Finco Corp, 144A, 6.625%, due 10/15/2025	1,509	0.41	840 Sanchez Energy Corp, 7.750%, due 6/15/2021	340	0.09
1,150 LMI Aerospace Inc, 7.375%, due 7/15/2019	1,072	0.29	780 Neptune Finco Corp, 144A, 10.875%, due 10/15/2025	842	0.23	2,410 Sanchez Energy Corp, Series WI, 6.125%, due 1/15/2023	856	0.23
160 Macy's Retail Holdings Inc, 9.500%, due 4/15/2021	185	0.05	2,130 NES Rentals Holdings Inc, 144A, 7.875%, due 5/1/2018	1,683	0.46	1,280 Select Medical Corp, 6.375%, due 6/1/2021	1,152	0.31
3,620 Magnum Hunter Resources Corp, 9.750%, due 5/15/2020	833	0.23	925 Netflix Inc, 5.500%, due 2/15/2022	971	0.26	570 Service Corp International/US, 5.375%, due 5/15/2024	606	0.16
100 Mallinckrodt International Finance SA / Mallinckrodt CB LLC, 144A, 5.750%, due 8/1/2022	99	0.03	790 Netflix Inc, 5.875%, due 2/15/2025	828	0.22	832 Service Corp International/US, 7.500%, due 4/1/2027	955	0.26
880 Mallinckrodt International Finance SA / Mallinckrodt CB LLC, 144A, 5.625%, due 10/15/2023	865	0.23	3,077 New Cotai LLC / New Cotai Capital Corp, 144A, 10.625%, due 5/1/2019	2,062	0.56	70 Shea Homes LP / Shea Homes Funding Corp, 144A, 5.875%, due 4/1/2023	68	0.02
170 Mallinckrodt International Finance SA / Mallinckrodt CB LLC, 144A, 5.500%, due 4/15/2025	160	0.04	800 NGPL PipeCo LLC, 144A, 7.119%, due 12/15/2017	746	0.20	1,890 Shea Homes LP / Shea Homes Funding Corp, 144A, 6.125%, due 4/1/2025	1,852	0.50
150 Matador Resources Co, 6.875%, due 4/15/2023	130	0.04	6,530 NRG REMA LLC, Series C, 9.681%, due 7/2/2026	6,334	1.72	2,955 Simmons Foods Inc, 144A, 7.875%, due 10/1/2021	2,504	0.68
773 Media News Group Inc, 12.000%, due 12/31/2018	773	0.21	370 NWH Escrow Corp, 144A, 7.500%, due 8/1/2021	165	0.04	430 SM Energy Co, 5.000%, due 1/15/2024	171	0.05
340 MGM Resorts International, 6.625%, due 12/15/2021	361	0.10	1,740 Oasis Petroleum Inc, 6.500%, due 11/1/2021	1,057	0.29	1,490 SM Energy Co, 5.625%, due 6/1/2025	600	0.16
2,589 Michael Baker Holdings LLC / Michael Baker Finance Corp, 144A, 8.875%, due 4/15/2019	1,812	0.49	770 Oasis Petroleum Inc, 6.875%, due 1/15/2023	445	0.12	760 Spectrum Brands Inc, 6.125%, due 12/15/2024	804	0.22
			700 Pacific Drilling V Ltd, 144A, 7.250%, due 12/1/2017	189	0.05	1,000 Spectrum Brands Inc, 5.750%, due 7/15/2025	1,054	0.29
			490 Pactiv LLC, 7.950%, due 12/15/2025	421	0.11	1,080 Speedway Motorsports Inc, 5.125%, due 2/1/2023	1,085	0.29
			3,325 Pactiv LLC, 8.375%, due 4/15/2027	2,860	0.78	1,296 Sprint Capital Corp, 6.875%, due 11/15/2028	940	0.25
			320 Parker Drilling Co, 7.500%, due 8/1/2020	224	0.06	2,480 Sprint Capital Corp, 8.750%, due 3/15/2032	1,910	0.52
						600 Sprint Communications Inc, 7.000%, due 8/15/2020	471	0.13
						5,224 Sprint Communications Inc, 11.500%, due 11/15/2021	4,427	1.20
						570 Sprint Corp, 7.250%, due 9/15/2021	429	0.12

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 29, 2016 – (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)						Collective Investment Schemes — 3.03%		
United States — (continued)						115	Legg Mason Qualified Investor Funds (II) Plc – Legg Mason Western Asset Senior Loans Fund – LM Class US\$ Distributing (monthly)	9,688 2.62
1,490	Sprint Corp, 7.625%, due 2/15/2025	1,065 0.29	980	Valeant Pharmaceuticals International Inc, 144A, 5.875%, due 5/15/2023	827 0.22	1,500	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	1,500 0.41
400	Standard Industries Inc/NJ, 144A, 5.125%, due 2/15/2021	408 0.11	800	Valeant Pharmaceuticals International Inc, 144A, 6.125%, due 4/15/2025	672 0.18	Total Collective Investment Schemes (Cost \$13,036)		
600	Standard Industries Inc/NJ, 144A, 5.500%, due 2/15/2023	608 0.16	1,700	Viking Cruises Ltd, 144A, 6.250%, due 5/15/2025	1,437 0.39	11,188	3.03	
810	Summit Midstream Holdings LLC / Summit Midstream Finance Corp, 7.500%, due 7/1/2021	608 0.16	700	Vista Outdoor Inc, 144A, 5.875%, due 10/1/2023	723 0.20	Preferred Stock — 0.98%		
2,340	Summit Midstream Holdings LLC / Summit Midstream Finance Corp, 5.500%, due 8/15/2022	1,521 0.41	705	WESCO Distribution Inc, 5.375%, due 12/15/2021	664 0.18	United States — 0.98%		
1,400	Sun Products Corp/The, 144A, 7.750%, due 3/15/2021	1,232 0.33	2,400	West Corp, 144A, 5.375%, due 7/15/2022	2,148 0.58	146	GMAC Capital Trust I, Series 2	3,539 0.96
172	Targa Resources Partners LP / Targa Resources Partners Finance Corp, 6.375%, due 8/1/2022	148 0.04	1,360	Whiting Petroleum Corp, 5.750%, due 3/15/2021	636 0.17	16	Rex Energy Corp	53 0.02
1,620	Targa Resources Partners LP / Targa Resources Partners Finance Corp, 5.250%, due 5/1/2023	1,268 0.34	580	Whiting Petroleum Corp, 6.250%, due 4/1/2023	265 0.07	Total Preferred Stock (Cost \$4,601)		
670	Taylor Morrison Communities Inc / Monarch Communities Inc, 144A, 5.250%, due 4/15/2021	623 0.17	1,170	William Carter Co/The, 5.250%, due 8/15/2021	1,193 0.32	3,592	0.98	
1,360	Taylor Morrison Communities Inc / Monarch Communities Inc, 144A, 5.875%, due 4/15/2023	1,251 0.34	800	William Lyon Homes Inc, 8.500%, due 11/15/2020	796 0.22	Common Stock — 1.43%		
1,880	Tenet Healthcare Corp, 8.125%, due 4/1/2022	1,848 0.50	260	William Lyon Homes Inc, 7.000%, due 8/15/2022	238 0.06	Australia — 0.05%		
1,660	Tenet Healthcare Corp, 6.750%, due 6/15/2023	1,504 0.41	540	Williams Cos Inc/The, 4.550%, due 6/24/2024	405 0.11	AUD	3,373	Mirabela Nickel Ltd t∞ 200 0.05
390	Tesoro Logistics LP / Tesoro Logistics Finance Corp, 144A, 6.250%, due 10/15/2022	359 0.10	360	Williams Cos Inc/The, Series A, 7.500%, due 1/15/2031	277 0.08	United States — 1.38%		
860	Time Warner Cable Inc, 7.300%, due 7/1/2038	907 0.25	500	Windstream Services LLC, 7.875%, due 11/1/2017	524 0.14	63	Citigroup Inc	2,439 0.66
1,370	TMX Finance LLC / TitleMax Finance Corp, 144A, 8.500%, due 9/15/2018	1,123 0.30	450	Windstream Services LLC, 7.750%, due 10/15/2020	372 0.10	89	Deep Ocean Group Holdings t∞	414 0.11
431	Toll Brothers Finance Corp, 4.000%, due 12/31/2018	441 0.12	1,160	Windstream Services LLC, 7.750%, due 10/1/2021	936 0.25	96	Hercules Offshore Inc	124 0.04
220	Toll Brothers Finance Corp, 6.750%, due 11/1/2019	243 0.07	970	Windstream Services LLC, 7.500%, due 4/1/2023	733 0.20	19	Physiotherapy Associates Holding Inc t∞	2,100 0.57
552	United Airlines 2014-1 Class B Pass Through Trust, Series B, 4.750%, due 4/11/2022	545 0.15	830	Windstream Services LLC, 6.375%, due 8/1/2023	602 0.16	Total Common Stock (Cost \$5,537)		
1,000	United Airlines 2014-2 Class B Pass Through Trust, Series B, 4.625%, due 9/3/2022	1,005 0.27	2,110	Woodside Homes Co LLC / Woodside Homes Finance Inc, 144A, 6.750%, due 12/15/2021	1,794 0.49	Total Investments Excluding Options (Cost \$439,957)		
1,290	United Rentals North America Inc, 5.750%, due 11/15/2024	1,257 0.34	210	WPX Energy Inc, 7.500%, due 8/1/2020	132 0.04	359,473	97.43	
1,890	United Rentals North America Inc, 5.500%, due 7/15/2025	1,793 0.49	1,290	WPX Energy Inc, 8.250%, due 8/1/2023	800 0.22	Contracts (000's)		
2,574	Universal Hospital Services Inc, 7.625%, due 8/15/2020	2,233 0.61	1,950	XPO Logistics Inc, 144A, 6.500%, due 6/15/2022	1,845 0.50	Options — 0.04%		
716	US Airways 2012-2 Class B Pass Through Trust, 6.750%, due 6/3/2021	735 0.20	Total Corporate Bonds and Notes (Cost \$399,685)		276,926 75.06	Purchased Options — 0.04%		
1,400	Valeant Pharmaceuticals International, 144A, 6.375%, due 10/15/2020	1,285 0.35	2,140	AP NMT Acquisition BV, 10.000%, due 8/6/2022	1,487 0.40	12,089	USD Call/SAR Put 3.8375, due 1/16/2017	153 0.04
160	Valeant Pharmaceuticals International, 144A, 7.250%, due 7/15/2022	146 0.04	723	Essar Steel Algoma Inc, 7.500%, due 8/7/2019	116 0.03	Total Options (Cost \$259)		
350	Valeant Pharmaceuticals International Inc, 144A, 6.750%, due 8/15/2018	338 0.09	2,160	Hercules Offshore Inc, 10.500%, due 1/14/2019	1,355 0.37	Total Investments (Cost \$440,216)		
820	Valeant Pharmaceuticals International Inc, 144A, 7.500%, due 7/15/2021	773 0.21	1,085	Lantheus Medical Imaging Inc, 7.000%, due 6/25/2022	943 0.26	359,626	97.47	
2,050	Valeant Pharmaceuticals International Inc, 144A, 5.500%, due 3/1/2023	1,707 0.46	840	Magnum Hunter, 0.000%, due 9/15/2016 +	840 0.23	Other Assets in Excess of Liabilities		
			686	Murray Energy Corp, 7.500%, due 4/9/2020	281 0.08	9,333	2.53	
			279	Pacific Drilling SA, 4.500%, due 6/3/2018	57 0.01	Total Net Assets		
			1,390	Panda Temple Power LLC, 7.250%, due 2/10/2022	1,146 0.31	\$368,959	100.00	
			2,440	Radnet Management Inc, 8.000%, due 3/5/2021	2,242 0.61	ABBREVIATIONS:		
			1,200	Spencer Gifts LLC, 0.000%, due 12/1/2021	1,222 0.33	Perpetual	— A bond with no maturity date. Perpetual bonds are not redeemable but pay a steady stream of interest	
			1,122	Toms Shoes LLC, 6.500%, due 10/31/2020	707 0.19	AUD	— Australian Dollar	
			2,439	TPF II Power LLC, 5.500%, due 9/9/2021	2,297 0.62			
			1,093	Westmoreland Coal Co, 7.500%, due 12/16/2020	672 0.18			
			Total Loan Notes (Cost \$17,098)		13,365 3.62			

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 29, 2016 – (continued)

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	93.67
Collective investment schemes	3.01
Financial derivative instruments	0.15
Other assets	3.17
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)
Deutsche Bank	Ally Financial Inc, 5.000%	Sell	6/20/20	4,250	\$ 378
Goldman Sachs	Markit CDX.NA.HY, 5.000%	Buy	12/20/20	4,410	40
					\$ 418
Unrealised Appreciation of Credit Default Swaps					418
Unrealised Depreciation of Credit Default Swaps					–
Net Appreciation of Credit Default Swaps					\$ 418

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)			Sell Currency (000's)			Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/01/16	BNY Mellon	Buy	GBP	2	Sell	USD	3	\$ –
03/15/16	BNY Mellon	Buy	USD	30	Sell	EUR	27	1
03/15/16	BNY Mellon	Buy	USD	6	Sell	GBP	4	–
03/15/16	BNY Mellon	Buy	USD	5	Sell	SGD	8	–
03/15/16	BNY Mellon	Buy	USD	5	Sell	SGD	7	–
03/15/16	BNY Mellon	Buy	EUR	861	Sell	USD	965	(27)
03/15/16	BNY Mellon	Buy	GBP	70	Sell	USD	102	(5)
03/15/16	BNY Mellon	Buy	GBP	1	Sell	USD	1	–
03/15/16	BNY Mellon	Buy	SGD	450	Sell	USD	320	(1)
Unrealised Appreciation of Forward Foreign Currency Contracts								1
Unrealised Depreciation of Forward Foreign Currency Contracts								(33)
Net Depreciation of Forward Foreign Currency Contracts								\$ (32)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
U.S. 2 Year Note (CBT) June 2016	237	\$ 51,796	\$ (34)
U.S. Long Bond (CBT) June 2016	(7)	(1,152)	3
U.S. Ultra Bond (CBT) June 2016	87	15,064	(52)
Total Market Value of Futures Contracts	317	\$ 65,708	\$ (83)
Unrealised Appreciation of Futures Contracts			3
Unrealised Depreciation of Futures Contracts			(86)
Net Depreciation of Futures Contracts			\$ (83)

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 29, 2016 – (continued)

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Foreign Corporate Bonds and Notes	3,176	0.55	Leisure Time	1,046	0.18	Preferred Stock	6,632	1.14
Australian Dollar Bonds	3,176	0.55	Lodging	11,517	1.99	Warrant	462	0.08
Foreign Government Bonds and Notes	2,271	0.39	Machinery-Diversified	1,158	0.20	Options	(40)	(0.01)
Mexican Government Bonds	2,271	0.39	Media	10,710	1.84	Other Assets in Excess of Liabilities	1,401	0.24
Loan Notes	14,160	2.44	Mining	4,620	0.79	Total Net Assets	580,869	100.00
U.S. Corporate Bonds and Notes	423,235	72.86	Miscellaneous Manufacturing	1,724	0.30	Futures Contracts – February 28, 2015		(000's)
Aerospace/Defense	4,246	0.73	Oil & Gas	67,498	11.62	Unrealised Appreciation of Futures Contracts		–
Agriculture	2,098	0.36	Packaging & Containers	7,499	1.29	Unrealised Depreciation of Futures Contracts		(93)
Airlines	12,663	2.18	Pipelines	19,271	3.32	Net Depreciation of Future Contracts		\$ (93)
Apparel	1,225	0.21	Real Estate	6,565	1.13	Credit Default Swaps – February 28, 2015		
Auto Manufacturers	2,498	0.43	REITS	5,906	1.02	Unrealised Appreciation of Credit Default Swaps		676
Beverages	9,662	1.66	Retail	20,285	3.49	Unrealised Depreciation of Credit Default Swaps		–
Building Materials	5,504	0.95	Semiconductors	1,290	0.22	Net Appreciation of Credit Default Swaps		\$676
Chemicals	5,973	1.03	Shipbuilding	1,311	0.22	Interest Rate Swaps – February 28, 2015		
Commercial Services	16,362	2.82	Software	14,251	2.46	Unrealised Appreciation of Interest Rate Swaps		38
Computers	2,516	0.43	Telecommunications	29,670	5.11	Unrealised Depreciation of Interest Rate Swaps		–
Distribution/Wholesale	5,585	0.96	Textiles	1,099	0.19	Net Appreciation of Interest Rate Swaps		\$ 38
Electric	12,254	2.11	Transportation	10,382	1.79	Forward Contracts – February 28, 2015		
Electrical Components & Equipment	2,588	0.44	Trucking & Leasing	3,281	0.56	Unrealised Appreciation of Forward Foreign Currency Contracts		5
Electronics	1,431	0.25	U.S. Denominated Bonds and Notes	105,068	18.09	Unrealised Depreciation of Forward Foreign Currency Contracts		(14)
Energy	6,505	1.12	Australia	11,025	1.90	Net Depreciation of Forward Foreign Currency Contracts		\$ (9)
Energy-Alternate Sources	1,394	0.24	Bahamas	2,097	0.36			
Engineering & Construction	7,028	1.21	Bermuda	3,263	0.56			
Entertainment	8,533	1.47	British Virgin Islands	625	0.11			
Financials-Banks	8,385	1.44	Canada	15,525	2.67			
Financials-Diversified	11,692	2.01	Cayman Islands	1,878	0.32			
Food	4,512	0.78	France	7,525	1.30			
Forest Products & Paper	3,977	0.68	Germany	1,477	0.25			
Healthcare-Products	6,352	1.09	Greece	1,715	0.30			
Healthcare-Services	24,443	4.21	Ireland	5,631	0.97			
Holding Companies-Diversified	3,209	0.55	Luxembourg	20,710	3.57			
Home Builders	15,108	2.60	Marshall Islands	3,200	0.55			
Household Products/Wares	4,259	0.73	Mexico	937	0.16			
Insurance	3,448	0.60	Netherlands	11,187	1.93			
Internet	8,289	1.43	Switzerland	2,453	0.42			
Iron/Steel	2,413	0.42	United Kingdom	15,820	2.72			
			Repurchase Agreements	4,000	0.69			
			Common Stock	6,926	1.19			
			Collective Investment Schemes	13,578	2.34			

* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

Legg Mason Western Asset Emerging Markets Total Return Bond Fund

Portfolio of Investments as at February 29, 2016

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 — 45.09%								
Brazil — 6.57%								
450	Gerdaу Trade Inc, 4.750%, due 4/15/2023	282	0.46					
480	Itaу Unibanco Holding SA/ Cayman Island, 144A, 2.850%, due 5/26/2018	465	0.76					
300	Klabin Finance SA, 144A, 5.250%, due 7/16/2024	266	0.44					
200	Marfrig Holdings Europe BV, 6.875%, due 6/24/2019	185	0.31					
184	Odebrecht Offshore Drilling Finance Ltd, 144A, 6.625%, due 10/1/2022	37	0.06					
200	Oi Brasil Holdings Cooperatief UA, 5.750%, due 2/10/2022	48	0.08					
500	Petrobras Global Finance BV, 3.500%, due 2/6/2017	491	0.81					
40	Petrobras Global Finance BV, 3.250%, due 3/17/2017	39	0.06					
640	Petrobras Global Finance BV, 5.375%, due 1/27/2021	480	0.79					
780	Petrobras Global Finance BV, 4.375%, due 5/20/2023	532	0.87					
595	Petrobras Global Finance BV, 6.875%, due 1/20/2040	373	0.61					
340	Petrobras Global Finance BV, 6.750%, due 1/27/2041	212	0.35					
850	Petrobras Global Finance BV, 5.625%, due 5/20/2043	494	0.81					
160	Petrobras Global Finance BV, 6.850%, due 6/5/2115	99	0.16					
		4,003	6.57					
Chile — 2.94%								
15	Celulosa Arauco y Constitucion SA, 7.250%, due 7/29/2019	17	0.03					
260	Celulosa Arauco y Constitucion SA, 4.750%, due 1/11/2022	267	0.44					
1,000	Corp Nacional del Cobre de Chile, 3.000%, due 7/17/2022	937	1.54					
310	Empresa Nacional de Telecomunicaciones SA, 4.875%, due 10/30/2024	286	0.47					
301	GNL Quintero SA, 144A, 4.634%, due 7/31/2029	284	0.46					
		1,791	2.94					
China — 5.96%								
450	CNOOC Curtis Funding No 1 Pty Ltd, 4.500%, due 10/3/2023	469	0.77					
1,000	Country Garden Holdings Co Ltd, 7.500%, due 3/9/2020	1,032	1.69					
200	CRCC Yuxiang Ltd, 3.500%, due 5/16/2023	200	0.33					
360	Export-Import Bank of China/ The via Avi Funding Co Ltd, 144A, 2.850%, due 9/16/2020	366	0.60					
1,230	Sinopec Group Overseas Development 2014 Ltd, 144A, 4.375%, due 4/10/2024	1,302	2.14					
250	Three Gorges Finance I Cayman Islands Ltd, 144A, 3.700%, due 6/10/2025	262	0.43					
		3,631	5.96					
Colombia — 0.73%								
220	Banco Bilbao Vizcaya Argentaria Colombia SA, 4.875%, due 4/21/2025	200	0.33					
220	Ecopetrol SA, 5.875%, due 5/28/2045	154	0.25					
130	Pacific Exploration and Production Corp, 7.250%, due 12/12/2021	15	0.02					
700	Pacific Exploration and Production Corp, 5.125%, due 3/28/2023	77	0.13					
		446	0.73					
Hong Kong — 0.80%								
500	Bank of East Asia Ltd/The, 4.250%, due 11/20/2024 *	485	0.80					
Hungary — 1.41%								
850	Magyar Export-Import Bank Zrt, 144A, 4.000%, due 1/30/2020	856	1.41					
India — 1.49%								
200	Bharti Airtel Ltd, 144A, 4.375%, due 6/10/2025	198	0.33					
200	Export-Import Bank of India, 2.750%, due 8/12/2020	198	0.32					
300	ICICI Bank Ltd, 7.250%, Perpetual *	301	0.49					
200	ICICI Bank Ltd/Dubai, 4.800%, due 5/22/2019	211	0.35					
		908	1.49					
Indonesia — 3.23%								
610	Majapahit Holding BV, 7.750%, due 1/20/2020	694	1.14					
500	Pelabuhan Indonesia III PT, 144A, 4.875%, due 10/1/2024	493	0.81					
570	Pertamina Persero PT, 5.250%, due 5/23/2021	576	0.94					
210	Pertamina Persero PT, 4.875%, due 5/3/2022	206	0.34					
		1,969	3.23					
Kazakhstan — 3.40%								
1,000	KazMunayGas National Co JSC, 9.125%, due 7/2/2018	1,075	1.77					
1,000	KazMunayGas National Co JSC, 6.375%, due 4/9/2021	994	1.63					
		2,069	3.40					
Mexico — 5.08%								
MXN 2,741	Axtel SAB de CV, 9.000%, due 1/31/2020	317	0.52					
520	Banco Nacional de Comercio Exterior SNC, 144A, 4.375%, due 10/14/2025	515	0.85					
280	Cemex SAB de CV, 144A, 6.125%, due 5/5/2025	252	0.41					
420	Comision Federal de Electricidad, 144A, 4.875%, due 1/15/2024	421	0.69					
240	Comision Federal de Electricidad, 144A, 6.125%, due 6/16/2045	230	0.38					
450	Grupo Idesa SA de CV, 7.875%, due 12/18/2020	423	0.69					
450	Petroleos Mexicanos, 4.875%, due 1/18/2024	417	0.68					
160	Petroleos Mexicanos, 144A, 6.875%, due 8/4/2026	166	0.27					
460	Petroleos Mexicanos, 144A, 5.625%, due 1/23/2046	357	0.59					
		3,098	5.08					
Morocco — 0.75%								
490	OCP SA, 4.500%, due 10/22/2025	457	0.75					
Peru — 0.95%								
150	BBVA Banco Continental SA, 144A, 5.250%, due 9/22/2029 *	142	0.23					
470	Transportadora de Gas del Peru SA, 4.250%, due 4/30/2028	436	0.72					
		578	0.95					
Qatar — 0.36%								
200	Ooredoo International Finance Ltd, 4.750%, due 2/16/2021	220	0.36					
Russia — 6.74%								
330	Evraz Group SA, 6.500%, due 4/22/2020	308	0.50					
610	Lukoil International Finance BV, 144A, 6.125%, due 11/9/2020	629	1.03					
520	Lukoil International Finance BV, 6.656%, due 6/7/2022	540	0.89					
100	Russian Agricultural Bank OJSC Via RSHB Capital SA, 6.299%, due 5/15/2017	102	0.17					
1,220	Russian Agricultural Bank OJSC Via RSHB Capital SA, 7.750%, due 5/29/2018	1,289	2.12					
500	Russian Agricultural Bank OJSC Via RSHB Capital SA, 6.000%, due 6/3/2021 *	487	0.80					
730	VimpelCom Holdings BV, 7.504%, due 3/1/2022	749	1.23					
		4,104	6.74					
Singapore — 1.20%								
CNH 3,000	Global Logistic Properties Ltd, 3.375%, due 5/11/2016	454	0.75					
300	Puma International Financing SA, 144A, 6.750%, due 2/1/2021	275	0.45					
		729	1.20					
South Africa — 0.37%								
230	Myriad International Holdings BV, 5.500%, due 7/21/2025	223	0.37					
Trinidad & Tobago — 1.08%								
650	Petroleum Co of Trinidad & Tobago Ltd, 9.750%, due 8/14/2019	656	1.08					
Turkey — 1.31%								
550	Export Credit Bank of Turkey, 144A, 5.875%, due 4/24/2019	570	0.94					
230	Export Credit Bank of Turkey, 144A, 5.000%, due 9/23/2021	227	0.37					
		797	1.31					
United Arab Emirates — 0.72%								
450	National Bank of Abu Dhabi PJSC, 5.250%, Perpetual *	439	0.72					
Total Corporate Bonds and Notes (Cost \$30,243)							27,459	45.09
Government Bonds and Notes — 35.14%								
Armenia — 0.32%								
200	Armenia International Bond, 6.000%, due 9/30/2020	193	0.32					
Colombia — 0.89%								
600	Colombia Government International Bond, 5.625%, due 2/26/2044	541	0.89					
Costa Rica — 0.94%								
680	Costa Rica Government International Bond, 144A, 7.000%, due 4/4/2044	573	0.94					
Cote d'Ivoire (Ivory Coast) — 0.72%								
200	Ivory Coast Government International Bond, 144A, 5.375%, due 7/23/2024	176	0.29					
290	Ivory Coast Government International Bond, 144A, 6.375%, due 3/3/2028	260	0.43					
		436	0.72					
Dominican Republic — 0.50%								
330	Dominican Republic International Bond, 144A, 6.850%, due 1/27/2045	308	0.50					
Ecuador — 1.53%								
1,190	Ecuador Government International Bond, 144A, 10.500%, due 3/24/2020	931	1.53					
El Salvador — 0.54%								
390	El Salvador Government International Bond, 144A, 6.375%, due 1/18/2027	330	0.54					

Legg Mason Western Asset Emerging Markets Total Return Bond Fund

Portfolio of Investments as at February 29, 2016 – (continued)

Face Value (000's)		Value (000's) \$	% of Net Asset Value	Face Value (000's)		Value (000's) \$	% of Net Asset Value
Government Bonds and Notes — (continued)				Poland — 1.50%			
Gabon — 0.82%				850 Poland Government International Bond, 4.000%, due 1/22/2024		914	1.50
370	Gabon Government International Bond, 6.375%, due 12/12/2024	299	0.49	Romania — 0.43%			
250	Gabon Government International Bond, 144A, 6.950%, due 6/16/2025	202	0.33	240 Romanian Government International Bond, 144A, 4.875%, due 1/22/2024		264	0.43
		501	0.82	Russia — 6.35%			
Ghana — 1.34%				1,200 Russian Foreign Bond – Eurobond, 144A, 4.875%, due 9/16/2023		1,240	2.04
500	Ghana Government International Bond, 144A, 8.125%, due 1/18/2026	372	0.61	1,039 Russian Foreign Bond – Eurobond, 7.500%, due 3/31/2030		1,267	2.08
250	Ghana Government International Bond, 8.125%, due 1/18/2026	186	0.31	1,400 Russian Foreign Bond – Eurobond, 5.625%, due 4/4/2042		1,358	2.23
280	Ghana Government International Bond, 144A, 10.750%, due 10/14/2030	257	0.42			3,865	6.35
		815	1.34	Senegal — 0.36%			
Honduras — 0.46%				240 Senegal Government International Bond, 6.250%, due 7/30/2024		217	0.36
270	Honduras Government International Bond, 7.500%, due 3/15/2024	282	0.46	Tunisia — 0.33%			
Hungary — 2.78%				230 Banque Centrale de Tunisie International Bond, 144A, 5.750%, due 1/30/2025		199	0.33
1,500	Hungary Government International Bond, 5.750%, due 11/22/2023	1,696	2.78	Turkey — 3.99%			
Indonesia — 3.95%				450 Turkey Government International Bond, 6.250%, due 9/26/2022		491	0.81
870	Indonesia Government International Bond, 3.750%, due 4/25/2022	863	1.42	1,350 Turkey Government International Bond, 5.750%, due 3/22/2024		1,433	2.35
707	Indonesia Government International Bond, 144A, 5.875%, due 1/15/2024	782	1.28	575 Turkey Government International Bond, 4.875%, due 4/16/2043		506	0.83
700	Indonesia Government International Bond, 6.625%, due 2/17/2037	760	1.25			2,430	3.99
		2,405	3.95	Vietnam — 0.77%			
Jamaica — 0.50%				480 Vietnam Government International Bond, 144A, 4.800%, due 11/19/2024		470	0.77
280	Jamaica Government International Bond, 7.625%, due 7/9/2025	306	0.50	Total Government Bonds and Notes (Cost \$22,752)		21,400	35.14
Kazakhstan — 1.27%				Repurchase Agreements — 11.00%			
430	Kazakhstan Government International Bond, 3.875%, due 10/14/2024	409	0.67	6,700 RBS Securities Inc, Repurchase Agreement to be repurchased at US\$6,700,050 (collateralised by US Treasury Note, 2.750%, due 2/15/2024, market value US\$6,843,578), 0.270%, due 3/1/2016		6,700	11.00
420	Kazakhstan Government International Bond, 4.875%, due 10/14/2044	363	0.60	Total Repurchase Agreements (Cost \$6,700)		6,700	11.00
		772	1.27	Collective Investment Schemes — 8.13%			
Mexico — 2.11%				56 Legg Mason Global Funds Plc – Western Asset Emerging Markets Corporate Bond Fund – LM Class US\$ Distributing (M)		4,952	8.13
MXN 1,832	Mexican Bonos, Series M, 8.000%, due 6/11/2020	111	0.18	Total Collective Investment Schemes (Cost \$5,623)		4,952	8.13
MXN 3,741	Mexican Bonos, Series M, 6.500%, due 6/9/2022	214	0.35	Total Investments Excluding Options (Cost \$65,318)		60,511	99.36
MXN 7,100	Mexican Bonos, Series M 20, 10.000%, due 12/5/2024	500	0.82				
501	Mexico Government International Bond, 4.600%, due 1/23/2046	460	0.76				
		1,285	2.11				
Namibia — 0.39%							
250	Namibia International Bonds, 144A, 5.250%, due 10/29/2025	237	0.39				
Pakistan — 0.67%							
400	Pakistan Government International Bond, 6.875%, due 6/1/2017	409	0.67				
Philippines — 1.68%							
1,000	Philippine Government International Bond, 3.700%, due 3/1/2041	1,021	1.68				

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 29, 2016, these securities amounted to \$14,914,000 or 24.48% of net assets.

* Variable rate security. The interest rate shown reflects the rate in effect at February 29, 2016.

ABBREVIATIONS:

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

CNH – Chinese Renminbi

MXN – Mexican Peso

	% of Total Assets
Analysis of Total Assets	
Transferable securities admitted to an official exchange listing or traded on a regulated market	77.94
Collective investment schemes	7.90
Financial derivative instruments	0.12
Money market instruments	10.69
Other assets	3.35
Total Assets	100.00

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Emerging Markets Total Return Bond Fund

Portfolio of Investments as at February 29, 2016 – (continued)

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)			Sell Currency (000's)			Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/08/16	JP Morgan Chase Bank	Buy	USD	462	Sell	CNH	3,000	\$ 5
03/15/16	BNY Mellon	Buy	USD	120	Sell	EUR	106	3
03/15/16	BNY Mellon	Buy	USD	57	Sell	GBP	40	–
03/15/16	BNY Mellon	Buy	USD	1	Sell	SGD	2	–
03/15/16	BNY Mellon	Buy	EUR	2,589	Sell	USD	2,901	(83)
03/15/16	BNY Mellon	Buy	SGD	–	Sell	USD	–	–
03/15/16	BNY Mellon	Buy	SGD	404	Sell	USD	289	(1)
03/15/16	BNY Mellon	Buy	GBP	584	Sell	USD	851	(39)
03/15/16	BNY Mellon	Buy	GBP	–	Sell	USD	1	–
03/15/16	JP Morgan Chase Bank	Buy	USD	460	Sell	BRL	1,806	13
03/28/16	JP Morgan Chase Bank	Buy	USD	718	Sell	MYR	3,150	(33)
05/13/16	Bank of America Sec London	Buy	INR	83,222	Sell	USD	1,214	(10)
05/13/16	Barclays Capital	Buy	USD	349	Sell	MXN	6,472	(6)
05/13/16	Citicorp Securities London Ltd	Buy	USD	686	Sell	BRL	2,755	14
05/13/16	Citicorp Securities London Ltd	Buy	USD	1,236	Sell	SGD	1,759	(13)
Unrealised Appreciation of Forward Foreign Currency Contracts								35
Unrealised Depreciation of Forward Foreign Currency Contracts								(185)
Net Depreciation of Forward Foreign Currency Contracts								\$ (150)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
U.S. 10 Year Note (CBT) June 2016	18	\$ 2,349	\$ (10)
U.S. Long Bond (CBT) June 2016	6	987	(10)
Total Market Value of Futures Contracts	24	\$ 3,336	\$ (20)
Unrealised Appreciation of Futures Contracts			–
Unrealised Depreciation of Futures Contracts			(20)
Net Depreciation of Futures Contracts			\$ (20)

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Foreign Corporate Bonds and Notes	257	0.25	Luxembourg	3,725	3.60	Philippines	3,218	3.11
Telecommunications	257	0.25	Mexico	8,719	8.43	Poland	2,107	2.04
Foreign Government Bonds and Notes	2,388	2.31	Morocco	541	0.52	Romania	269	0.26
Mexican Government Bonds	2,388	2.31	Netherlands	4,175	4.03	Russia	4,497	4.35
U.S. Corporate Bonds and Notes	3,508	3.39	Peru	2,156	2.08	Sri Lanka	1,311	1.27
Mining	759	0.73	South Africa	497	0.48	Tunisia	234	0.22
Oil & Gas	2,749	2.66	Trinidad and Tobago	765	0.74	Turkey	8,991	8.69
U.S. Denominated Bonds and Notes	37,960	36.69	Turkey	319	0.31	Uruguay	1,037	1.00
Australia	488	0.47	United Kingdom	653	0.63	Vietnam	504	0.49
Bermuda	371	0.36	U.S. Denominated Debt Obligations	51,691	49.96	Collective Investment Schemes	6,655	6.43
Brazil	1,537	1.49	Colombia	3,356	3.24	Other Assets in Excess of Liabilities	1,000	0.97
British Virgin Islands	1,551	1.50	Costa Rica	687	0.66	Total Net Assets	\$103,459	100.00
Canada	1,630	1.58	Cote d'Ivoire (Ivory Coast)	869	0.84	Forward Contracts – February 28, 2015		(000's)
Cayman Islands	2,345	2.27	Croatia	1,807	1.75	Unrealised Appreciation of Forward Foreign Currency Contracts		250
Chile	3,242	3.13	Dominican Republic	568	0.55	Unrealised Depreciation of Forward Foreign Currency Contracts		(216)
Colombia	957	0.92	Ecuador	329	0.32	Net Appreciation of Forward Foreign Currency Contracts		\$ 34
Hong Kong	199	0.19	El Salvador	396	0.38			
India	414	0.40	Gabon	355	0.34			
Indonesia	1,560	1.51	Ghana	485	0.47			
Ireland	340	0.33	Honduras	262	0.25			
Kazakhstan	1,776	1.72	Hungary	3,217	3.11			
			Indonesia	8,651	8.36			
			Kenya	731	0.71			
			Lithuania	1,559	1.51			
			Mexico	2,682	2.59			
			Nigeria	193	0.19			
			Paraguay	949	0.92			
			Peru	2,427	2.34			

* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

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 29, 2016

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 — 90.66%								
Brazil — 12.33%								
230 Braskem Finance Ltd, 5.375%, due 5/2/2022	201	0.49	950 CNOOC Finance 2012 Ltd, 3.875%, due 5/2/2022	973	2.35	310 America Movil SAB de CV, 3.125%, due 7/16/2022	311	0.75
300 BRFS SA, 3.950%, due 5/22/2023	275	0.66	600 Country Garden Holdings Co Ltd, 7.500%, due 3/9/2020	619	1.49	MXN 804 Axtel SAB de CV, 9.000%, due 1/31/2020	93	0.22
210 CIMPOR Financial Operations BV, 5.750%, due 7/17/2024	132	0.32	430 CRCC Yupeng Ltd, 3.950%, Perpetual *	434	1.05	220 Banco Nacional de Comercio Exterior SNC, 4.375%, due 10/14/2025	218	0.53
200 Fibria Overseas Finance Ltd, 5.250%, due 5/12/2024	190	0.46	420 Eastern Creation II Investment Holdings Ltd, 3.250%, due 1/20/2020	424	1.02	450 BBVA Bancomer SA/Texas, 6.750%, due 9/30/2022	479	1.16
200 Globo Comunicacao e Participacoes SA, 4.843%, due 6/8/2025	169	0.41	530 ICBIL Finance Co Ltd, 3.250%, due 3/17/2020	535	1.29	400 Cemex Finance LLC, 9.375%, due 10/12/2022	420	1.01
562 GTL Trade Finance Inc, 5.893%, due 4/29/2024	362	0.87	270 Longfor Properties Co Ltd, 6.875%, due 10/18/2019	281	0.68	235 Grupo Bimbo SAB de CV, 4.500%, due 1/25/2022	244	0.59
660 Itau Unibanco Holding SA/ Cayman Island, 2.850%, due 5/26/2018	639	1.54	320 Yuzhou Properties Co Ltd, 8.750%, due 10/4/2018	332	0.80	550 Grupo Idesa SA de CV, 7.875%, due 12/18/2020	517	1.25
360 JBS Investments GmbH, 7.750%, due 10/28/2020	347	0.84		7,149	17.25	270 Mexichem SAB de CV, 144A, 5.875%, due 9/17/2044	224	0.54
330 Marfrig Holdings Europe BV, 6.875%, due 6/24/2019	305	0.74	Colombia — 1.73%			111 Petroleos Mexicanos, 6.875%, due 8/4/2026	115	0.28
400 Odebrecht Finance Ltd, 144A, 5.250%, due 6/27/2029	174	0.42	400 Banco Bilbao Vizcaya Argentaria Colombia SA, 4.875%, due 4/21/2025	364	0.88		3,136	7.57
491 Odebrecht Offshore Drilling Finance Ltd, 6.750%, due 10/1/2022	98	0.24	200 Ecopetrol SA, 7.625%, due 7/23/2019	209	0.50	Morocco — 1.13%		
260 Oi Brasil Holdings Cooperatief UA, 5.750%, due 2/10/2022	62	0.15	570 Pacific Exploration and Production Corp, 5.375%, due 1/26/2019	66	0.16	250 OCP SA, 5.625%, due 4/25/2024	255	0.61
230 Petrobras Global Finance BV, 4.875%, due 3/17/2020	176	0.42	586 Pacific Exploration and Production Corp, 7.250%, due 12/12/2021	67	0.16	230 OCP SA, 4.500%, due 10/22/2025	214	0.52
1,090 Petrobras Global Finance BV, 5.375%, due 1/27/2021	818	1.97	100 Pacific Exploration and Production Corp, 144A, 5.125%, due 3/28/2023	11	0.03		469	1.13
80 Petrobras Global Finance BV, 6.250%, due 3/17/2024	58	0.14		717	1.73	Panama — 0.60%		
900 Petrobras Global Finance BV, 6.750%, due 1/27/2041	563	1.36	Hong Kong — 10.60%			250 Banco Latinoamericano de Comercio Exterior SA, 3.250%, due 5/7/2020	250	0.60
140 Petrobras Global Finance BV, 6.850%, due 6/5/2115	87	0.21	210 AIA Group Ltd, 144A, 3.200%, due 3/1/2025	209	0.50	Peru — 4.66%		
110 Vale Overseas Ltd, 6.875%, due 11/21/2036	75	0.18	725 Bank of East Asia Ltd/The, 4.250%, due 11/20/2024 *	703	1.70	90 BBVA Banco Continental SA, 144A, 5.250%, due 9/22/2029 *	85	0.21
620 Vale SA, 5.625%, due 9/11/2042	378	0.91	830 Goodman HK Finance, 4.375%, due 6/19/2024	850	2.05	360 Cementos Pacasmayo SAA, 4.500%, due 2/8/2023	335	0.81
	5,109	12.33	200 HKT Capital No 2 Ltd, 3.625%, due 4/2/2025	201	0.48	220 Cia Minera Milpo SAA, 4.625%, due 3/28/2023	180	0.44
Chile — 5.65%			550 Hutchison Whampoa International 11 Ltd, 4.625%, due 1/13/2022	600	1.45	370 InRetail Shopping Malls, 6.500%, due 7/9/2021	368	0.89
290 AES Gener SA, 5.250%, due 8/15/2021	291	0.70	520 Hutchison Whampoa International 12 II Ltd, 144A, 2.000%, due 11/8/2017	522	1.26	490 Southern Copper Corp, 7.500%, due 7/27/2035	465	1.12
315 Celulosa Arauco y Constitucion SA, 4.750%, due 1/11/2022	323	0.78	600 Hutchison Whampoa International 14 Ltd, 3.625%, due 10/31/2024	614	1.48	300 Transportadora de Gas del Peru SA, 4.250%, due 4/30/2028	278	0.67
400 Cencosud SA, 4.875%, due 1/20/2023	376	0.91	390 Prosperous Ray Ltd, 4.625%, due 11/12/2023	418	1.01	320 Volcan Cia Minera SAA, 5.375%, due 2/2/2022	218	0.52
450 Corpbanca SA, 3.875%, due 9/22/2019	456	1.10	270 Shimao Property Holdings Ltd, 6.625%, due 1/14/2020	276	0.67		1,929	4.66
330 Empresa Nacional de Telecomunicaciones SA, 4.875%, due 10/30/2024	305	0.73		4,393	10.60	Philippines — 0.51%		
200 GNL Quintero SA, 144A, 4.634%, due 7/31/2029	189	0.46	India — 4.65%			200 First Gen Corp, 6.500%, due 10/9/2023	212	0.51
400 Inversiones CMPC SA, 4.500%, due 4/25/2022	401	0.97	540 Bharti Airtel International Netherlands BV, 5.350%, due 5/20/2024	572	1.38	Qatar — 0.90%		
	2,341	5.65	210 Export-Import Bank of India, 2.750%, due 8/12/2020	208	0.50	340 Ooredoo International Finance Ltd, 4.750%, due 2/16/2021	374	0.90
China — 17.25%			300 ICICI Bank Ltd, 7.250%, Perpetual *	300	0.72	Russia — 8.82%		
430 Agricultural Bank of China Ltd/ New York, 2.750%, due 5/21/2020	437	1.05	204 ONGC Videsh Ltd, 4.625%, due 7/15/2024	206	0.50	300 EuroChem Mineral & Chemical Co OJSC via EuroChem Global Investments Ltd, 5.125%, due 12/12/2017	301	0.73
350 Alibaba Group Holding Ltd, 2.500%, due 11/28/2019	347	0.84	590 Reliance Holding USA Inc, 5.400%, due 2/14/2022	643	1.55	300 Evraz Group SA, 6.750%, due 4/27/2018	293	0.71
100 Alibaba Group Holding Ltd, 3.600%, due 11/28/2024	98	0.24		1,929	4.65	440 Lukoil International Finance BV, 6.656%, due 6/7/2022	457	1.10
1,140 Bank of China Ltd, 5.000%, due 11/13/2024	1,180	2.85	Indonesia — 1.79%			590 Rosneft Finance SA, 7.875%, due 3/13/2018	622	1.50
350 CDBL Funding 1, 3.250%, due 12/2/2019	351	0.85	490 Indo Energy Finance II BV, 6.375%, due 1/24/2023	174	0.42	160 Russian Agricultural Bank OJSC Via RSHB Capital SA, 6.299%, due 5/15/2017	163	0.39
350 China Overseas Finance Cayman III Ltd, 5.375%, due 10/29/2023	382	0.92	360 Perusahaan Listrik Negara PT, 5.500%, due 11/22/2021	380	0.92	330 Russian Agricultural Bank OJSC Via RSHB Capital SA, 6.000%, due 6/3/2021 *	322	0.78
330 China Overseas Finance Cayman IV Ltd, 4.875%, due 2/15/2017	338	0.81	200 Theta Capital Pte Ltd, 6.125%, due 11/14/2020	189	0.45	830 Sberbank of Russia Via SB Capital SA, 5.500%, due 2/26/2024 *	731	1.76
370 CITIC Ltd, 6.375%, due 4/10/2020	418	1.01		743	1.79	300 Severstal OAO Via Steel Capital SA, 4.450%, due 3/19/2018	300	0.72
			Mexico — 7.57%			455 VimpelCom Holdings BV, 7.504%, due 3/1/2022	467	1.13
			200 Alfa SAB de CV, 5.250%, due 3/25/2024	203	0.49		3,656	8.82
			325 Alpek SAB de CV, 4.500%, due 11/20/2022	312	0.75			

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 29, 2016 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value
Corporate Bonds and Notes — (continued)		
Singapore — 3.97%		
200 BOC Aviation Pte Ltd, 144A, 3.000%, due 3/30/2020	200	0.48
530 Oversea-Chinese Banking Corp Ltd, 144A, 4.250%, due 6/19/2024	547	1.32
400 Oversea-Chinese Banking Corp Ltd, 4.250%, due 6/19/2024	413	1.00
530 Puma International Financing SA, 6.750%, due 2/1/2021	486	1.17
	1,646	3.97
South Korea — 4.21%		
200 Hyundai Capital Services Inc, 144A, 2.625%, due 9/29/2020	199	0.48
200 Korea East-West Power Co Ltd, 144A, 2.500%, due 6/2/2020	203	0.49
550 Korea Gas Corp, 3.500%, due 7/21/2025	584	1.41
300 Korea Hydro & Nuclear Power Co Ltd, 4.750%, due 7/13/2021	340	0.82
420 Shinhan Bank, 2.250%, due 4/15/2020	420	1.01
	1,746	4.21
Turkey — 0.31%		
130 Turk Telekomunikasyon AS, 3.750%, due 6/19/2019	129	0.31

Face Value (000's)	Value (000's) \$	% of Net Asset Value
United Arab Emirates — 2.35%		
300 DP World Ltd, 6.850%, due 7/2/2037	291	0.70
700 National Bank of Abu Dhabi PJSC, 5.250%, Perpetual *	683	1.65
	974	2.35
United States — 1.63%		
220 Citigroup Inc, Series P, 5.950%, Perpetual *	207	0.50
450 Wells Fargo & Co, 4.300%, due 7/22/2027	467	1.13
	674	1.63
Total Corporate Bonds and Notes (Cost \$41,735)		
	37,576	90.66
Total Investments Excluding Options (Cost \$41,735)		
	37,576	90.66
Contracts (000's)	Value (000's) \$	% of Net Asset Value
Options — 0.03%		
Purchased Options — 0.03%		
1,100 USD Call/SAR Put 3.8375, due 1/16/2017	14	0.03
	14	0.03
Total Options (Cost \$20)		
	14	0.03
Total Investments (Cost \$41,755)		
	37,590	90.69
Other Assets in Excess of Liabilities		
	3,858	9.31
Total Net Assets		
	\$41,448	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 29, 2016, these securities amounted to \$2,563,000 or 6.19% of net assets.

* Variable rate security. The interest rate shown reflects the rate in effect at February 29, 2016.

ABBREVIATIONS:

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

MXN — Mexican Peso

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	90.18
Financial derivative instruments	0.07
Other assets	9.75
Total Assets	100.00

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
04/15/16	Citicorp Securities London Ltd	Buy INR 52,331	Sell USD 772	\$ (12)
05/13/16	Citicorp Securities London Ltd	Buy USD 612	Sell BRL 2,457	13
05/13/16	Citicorp Securities London Ltd	Buy USD 777	Sell SGD 1,106	(8)
01/12/17	Citicorp Securities London Ltd	Buy USD 1,132	Sell SAR 4,360	(17)
01/12/17	Citicorp Securities London Ltd	Buy SAR 4,360	Sell USD 1,145	4
Unrealised Appreciation of Forward Foreign Currency Contracts				17
Unrealised Depreciation of Forward Foreign Currency Contracts				(37)
Net Depreciation of Forward Foreign Currency Contracts				\$ (20)

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Foreign Corporate Bonds and Notes	76	0.09	Colombia	1,205	1.45	Netherlands	649	0.78
Telecommunications	76	0.09	Hong Kong	1,987	2.40			
U.S. Corporate Bonds and Notes	5,192	6.26	India	209	0.25	Other Assets in Excess of Liabilities	4,214	5.08
Building Materials	1,977	2.38	Indonesia	1,047	1.26	Total Net Assets	\$82,947	100.00
Mining	1,403	1.69	Ireland	1,687	2.03			
Oil & Gas	1,812	2.19	Isle of Man	432	0.52	Forward Contracts – February 28, 2015		(000's)
U.S. Denominated Bonds and Notes	72,816	87.79	Luxembourg	4,881	5.88	Unrealised Appreciation of Forward Foreign Currency Contracts		15
Austria	379	0.46	Mexico	6,277	7.57	Unrealised Depreciation of Forward Foreign Currency Contracts		–
Bermuda	2,818	3.40	Morocco	920	1.11	Net Appreciation of Forward Foreign Currency Contracts		\$15
Brazil	4,342	5.24	Netherlands	9,516	11.47			
British Virgin Islands	3,286	3.96	Peru	5,360	6.46			
Canada	2,190	2.64	Qatar	478	0.58			
Cayman Islands	13,935	16.80	Singapore	1,520	1.83			
Chile	4,927	5.94	South Korea	889	1.07			
China	1,730	2.09	Turkey	861	1.04			
			United Arab Emirates	1,671	2.02			
			United Kingdom	269	0.32			
			Total U.S. Denominated Debt Obligations	649	0.78			

* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

The accompanying notes are an integral part of the Financial Statements

Portfolio of Investments as at February 29, 2016

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 29, 2016 – (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)								
United States — (continued)								
1,150 Ashton Woods USA LLC / Ashton Woods Finance Co, 144A, 6.875%, due 2/15/2021	931	0.44	240 Communications Sales & Leasing Inc / CSL Capital LLC, 8.250%, due 10/15/2023	214	0.10	780 HIG BBC Intermediate Holdings LLC / HIG BBC Holdings Corp, 144A, 10.500%, due 9/15/2018	507	0.24
580 Atwood Oceanics Inc, 6.500%, due 2/1/2020	244	0.12	1,370 Compiler Finance Sub Inc, 144A, 7.000%, due 5/1/2021 †	524	0.25	720 Howard Hughes Corp/The, 144A, 6.875%, due 10/1/2021	708	0.34
720 Ball Corp, 5.250%, due 7/1/2025	751	0.36	1,490 Constellation Brands Inc, 4.750%, due 11/15/2024	1,561	0.74	610 IASIS Healthcare LLC / IASIS Capital Corp, 8.375%, due 5/15/2019	579	0.28
1,220 Bank of America Corp, Series Z, 6.500%, Perpetual *	1,244	0.59	50 Continental Airlines 2000-1 Class B Pass Through Trust, Series 001B, Class B, 8.388%, due 11/1/2020	51	0.02	1,606 iHeartCommunications Inc, 14.000%, due 2/1/2021	385	0.18
1,950 Berry Petroleum Co LLC, 6.375%, due 9/15/2022	210	0.10	1,050 CTP Transportation Products LLC / CTP Finance Inc, 144A, 8.250%, due 12/15/2019	1,047	0.50	1,630 ILFC E-Capital Trust I, 144A, 4.490%, due 12/21/2065 *	1,255	0.60
1,300 Beverages & More Inc, 144A, 10.000%, due 11/15/2018	1,157	0.55	1,440 DISH DBS Corp, 5.875%, due 11/15/2024	1,294	0.62	670 Immucor Inc, 11.125%, due 8/15/2019	502	0.24
380 BioScrip Inc, 8.875%, due 2/15/2021	296	0.14	1,200 Dollar Tree Inc, 144A, 5.750%, due 3/1/2023	1,276	0.61	900 Interface Security Systems Holdings Inc / Interface Security Systems LLC, 9.250%, due 1/15/2018	846	0.40
1,139 Bossier Casino Venture Holdco Inc, 144A, 14.000%, due 2/9/2018 †∞	1,035	0.49	800 Downstream Development Authority of the Quapaw Tribe of Oklahoma, 144A, 10.500%, due 7/1/2019	758	0.36	130 International Lease Finance Corp, 6.250%, due 5/15/2019	139	0.07
700 BWAY Holding Co, 144A, 9.125%, due 8/15/2021	581	0.28	750 DS Services of America Inc, 144A, 10.000%, due 9/1/2021	843	0.40	340 International Lease Finance Corp, 5.875%, due 8/15/2022	362	0.17
300 Caesars Entertainment Resort Properties LLC / Caesars Entertainment Resort Prope, 8.000%, due 10/1/2020	293	0.14	490 Eco Services Operations LLC/ Eco Finance Corp, 144A, 8.500%, due 11/1/2022	439	0.21	900 International Wire Group Holdings Inc, 144A, 8.500%, due 10/15/2017	891	0.42
1,140 Caesars Entertainment Resort Properties LLC / Caesars Entertainment Resort Prope, 11.000%, due 10/1/2021	983	0.47	580 EP Energy LLC / Everest Acquisition Finance Inc, 9.375%, due 5/1/2020	170	0.08	1,173 Jack Cooper Holdings Corp, 144A, 10.250%, due 6/1/2020	880	0.42
315 California Resources Corp, 5.500%, due 9/15/2021	43	0.02	340 EP Energy LLC / Everest Acquisition Finance Inc, 6.375%, due 6/15/2023	92	0.04	650 L Brands Inc, 144A, 6.875%, due 11/1/2035	691	0.33
830 California Resources Corp, 6.000%, due 11/15/2024	108	0.05	540 First Data Corp, 144A, 5.000%, due 1/15/2024	548	0.26	1,720 Landry's Holdings II Inc, 144A, 10.250%, due 1/1/2018	1,668	0.79
1,200 Carolina Beverage Group LLC / Carolina Beverage Group Finance Inc, 144A, 10.625%, due 8/1/2018	1,146	0.55	1,060 Flexi-Van Leasing Inc, 144A, 7.875%, due 8/15/2018	1,023	0.49	740 Levi Strauss & Co, 5.000%, due 5/1/2025	740	0.35
640 Carrizo Oil & Gas Inc, 7.500%, due 9/15/2020	496	0.24	400 Florida East Coast Holdings Corp, 144A, 6.750%, due 5/1/2019	400	0.19	810 LMI Aerospace Inc, 7.375%, due 7/15/2019	755	0.36
810 Carrols Restaurant Group Inc, 8.000%, due 5/1/2022	857	0.41	220 Freeport-McMoRan Inc, 4.000%, due 11/14/2021	150	0.07	1,870 Magnum Hunter Resources Corp, 9.750%, due 5/15/2020 †‡	430	0.21
1,500 CCO Safari II LLC, 144A, 4.908%, due 7/23/2025	1,539	0.73	90 Frontier Communications Corp, 144A, 10.500%, due 9/15/2022	91	0.04	330 Mallinckrodt International Finance SA / Mallinckrodt CB LLC, 144A, 5.750%, due 8/1/2022	326	0.16
1,050 CCOH Safari LLC, 144A, 5.750%, due 2/15/2026	1,053	0.50	880 Frontier Communications Corp, 144A, 11.000%, due 9/15/2025	881	0.42	180 Mallinckrodt International Finance SA / Mallinckrodt CB LLC, 144A, 5.625%, due 10/15/2023	177	0.08
350 CEC Entertainment Inc, 8.000%, due 2/15/2022	298	0.14	520 GameStop Corp, 144A, 5.500%, due 10/1/2019	516	0.25	90 Mallinckrodt International Finance SA / Mallinckrodt CB LLC, 144A, 5.500%, due 4/15/2025	85	0.04
370 Centene Escrow Corp, 144A, 5.625%, due 2/15/2021	387	0.18	370 General Motors Co, 6.600%, due 4/1/2036	383	0.18	850 Media News Group Inc, 12.000%, due 12/31/2018 ∞	850	0.40
250 Centene Escrow Corp, 144A, 6.125%, due 2/15/2024	265	0.13	770 Genworth Holdings Inc, 4.900%, due 8/15/2023	450	0.21	2,715 Michael Baker Holdings LLC / Michael Baker Finance Corp, 144A, 8.875%, due 4/15/2019	1,900	0.90
420 Central Garden & Pet Co, 6.125%, due 11/15/2023	428	0.20	1,200 Gibson Brands Inc, 144A, 8.875%, due 8/1/2018	708	0.34	100 Michael Baker International LLC / CDL Acquisition Co Inc, 144A, 8.250%, due 10/15/2018	85	0.04
1,360 Century Intermediate Holding Co 2, 144A, 9.750%, due 2/15/2019	1,384	0.66	760 Global Brass & Copper Inc, 9.500%, due 6/1/2019	802	0.38	3,270 Milagro Oil & Gas Inc, 10.500%, due 5/15/2016 †‡	899	0.43
650 CenturyLink Inc, 5.625%, due 4/1/2025	572	0.27	460 Goodyear Tire & Rubber Co/ The, 5.125%, due 11/15/2023	473	0.23	15 Mirabela, 1.000%, due 9/10/2044 †∞	—	—
60 Chesapeake Energy Corp, 6.875%, due 11/15/2020	13	0.01	580 Greatbatch Ltd, 144A, 9.125%, due 11/1/2023	564	0.27	1,544 Miran Mid-Atlantic Series C Pass Through Trust, Series C, 10.060%, due 12/30/2028	1,506	0.72
400 Chesapeake Energy Corp, 6.125%, due 2/15/2021	84	0.04	220 Greentown Holdings LLC/ Greentown Mothership Corp, 144A, 8.875%, due 3/15/2019	214	0.10	1,420 Modular Space Corp, 144A, 10.250%, due 1/31/2019	390	0.19
470 Chesapeake Energy Corp, 4.875%, due 4/15/2022	99	0.05	910 Greystar Real Estate Partners LLC, 144A, 8.250%, due 12/1/2022	940	0.45	90 Molina Healthcare Inc, 144A, 5.375%, due 11/15/2022	91	0.04
1,110 Chesapeake Energy Corp, 5.750%, due 3/15/2023	233	0.11	1,180 Guitar Center Inc, 144A, 9.625%, due 4/15/2020	785	0.37	1,030 Monitronics International Inc, 9.125%, due 4/1/2020	873	0.42
720 CIT Group Inc, 5.000%, due 8/15/2022	723	0.34	80 H&E Equipment Services Inc, 7.000%, due 9/1/2022	76	0.04	180 MPT Operating Partnership LP / MPT Finance Corp, 6.375%, due 3/1/2024	184	0.09
310 CIT Group Inc, 5.000%, due 8/1/2023	310	0.15	710 Hardwoods Acquisition Inc, 144A, 7.500%, due 8/1/2021	334	0.16	2,090 Murray Energy Corp, 144A, 11.250%, due 4/15/2021	240	0.11
1,790 Citigroup Inc, Series P, 5.950%, Perpetual *	1,683	0.80	580 HCA Inc, 5.250%, due 4/15/2025	597	0.28	1,330 Navient Corp, 8.000%, due 3/25/2020	1,313	0.63
535 Citigroup Inc, Series M, 6.300%, Perpetual *	500	0.24	1,040 HCA Inc, 5.875%, due 2/15/2026	1,071	0.51			
390 Cloud Peak Energy Resources LLC / Cloud Peak Energy Finance Corp, 6.375%, due 3/15/2024	109	0.05	490 Hercules Inc, 6.500%, due 6/30/2029	419	0.20			
930 Coeur Mining Inc, 7.875%, due 2/1/2021	660	0.31						
1,000 Cogent Communications Group Inc, 144A, 5.375%, due 3/1/2022	967	0.46						

The accompanying notes are an integral part of the Financial Statements

Portfolio of Investments as at February 29, 2016 – (continued)

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 29, 2016 – (continued)

Contracts (000's)	Value (000's) \$	% of Net Asset Value				% of Total Assets
Options — 0.04%						
Purchased Options — 0.04%						
6,808 USD Call/SAR Put 3.8375, due 1/16/2017	86	0.04				
Total Options (Cost \$146)	86	0.04				
Total Investments (Cost \$256,184)	205,668	97.83				
Other Assets in Excess of Liabilities	4,563	2.17				
Total Net Assets	\$210,231	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 29, 2016, these securities amounted to \$84,450,000 or 40.19% of net assets.					

*	Variable rate security. The interest rate shown reflects the rate in effect at February 29, 2016.
†	Illiquid.
∞	Security is valued in good faith at fair value by or at the discretion of the Investment Manager.
⊗	Security is in default as at February 29, 2016.

ABBREVIATIONS:	
Perpetual	– A bond with no maturity date. Perpetual bonds are not redeemable but pay a steady stream of interest
AUD	– Australian Dollar
EUR	– Euro
GBP	– British Pound
MXN	– Mexican Peso

Analysis of Total Assets	
Transferable securities admitted to an official exchange listing or traded on a regulated market	86.12
Collective investment schemes	9.56
Financial derivative instruments	0.51
Other assets	3.81
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)
UBS	Markit CDX.NA.HY, 5.000%	Buy	12/20/20	2,550	\$ 23
					\$ 23
Unrealised Appreciation of Credit Default Swaps					23
Unrealised Depreciation of Credit Default Swaps					–
Net Appreciation of Credit Default Swaps					\$ 23

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/01/16	BNY Mellon	Buy USD –	Sell AUD –	\$ –
03/01/16	BNY Mellon	Buy SGD 5	Sell USD 4	–
03/01/16	BNY Mellon	Buy AUD 198	Sell USD 143	(2)
03/01/16	BNY Mellon	Buy EUR 4	Sell USD 4	–
03/15/16	BNY Mellon	Buy USD 1,087	Sell AUD 1,507	14
03/15/16	BNY Mellon	Buy USD 1,308	Sell AUD 1,848	(9)
03/15/16	BNY Mellon	Buy USD 196	Sell EUR 174	5
03/15/16	BNY Mellon	Buy USD 12	Sell GBP 7	–
03/15/16	BNY Mellon	Buy USD 72	Sell SGD 101	–
03/15/16	BNY Mellon	Buy USD 51	Sell SGD 71	–
03/15/16	BNY Mellon	Buy GBP 2	Sell USD 3	–
03/15/16	BNY Mellon	Buy SGD 3	Sell USD 3	–
03/15/16	BNY Mellon	Buy AUD 785	Sell USD 557	4
03/15/16	BNY Mellon	Buy GBP 230	Sell USD 334	(15)
03/15/16	BNY Mellon	Buy EUR 4,591	Sell USD 5,142	(145)
03/15/16	BNY Mellon	Buy AUD 30,405	Sell USD 21,796	(111)
03/15/16	BNY Mellon	Buy SGD 3,176	Sell USD 2,268	(9)
04/12/16	Bank of America Sec London	Buy USD 14,740	Sell EUR 13,526	5
05/13/16	Citicorp Securities London Ltd	Buy USD 174	Sell AUD 250	(4)
05/13/16	Citicorp Securities London Ltd	Buy USD 5,325	Sell EUR 4,721	177
05/13/16	Citicorp Securities London Ltd	Buy USD 4,346	Sell GBP 3,011	154
05/13/16	Citicorp Securities London Ltd	Buy GBP 600	Sell USD 859	(24)
05/13/16	Deutsche Bank London	Buy USD 1,954	Sell EUR 1,729	68
05/13/16	JP Morgan Chase Bank London	Buy USD 1,023	Sell GBP 710	35
05/13/16	UBS	Buy USD 16,501	Sell EUR 14,664	512
Unrealised Appreciation of Forward Foreign Currency Contracts				974
Unrealised Depreciation of Forward Foreign Currency Contracts				(319)
Net Appreciation of Forward Foreign Currency Contracts				\$ 655

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 29, 2016 – (continued)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Euro FX Currency March 2016	46	\$ 6,259	\$ 7
U.S. Ultra Bond (CBT) June 2016	38	6,580	(23)
Total Market Value of Futures Contracts	84	\$ 12,839	\$ (16)
Unrealised Appreciation of Futures Contracts			7
Unrealised Depreciation of Futures Contracts			(23)
Net Depreciation of Futures Contracts			\$ (16)

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Foreign Corporate Bonds and Notes	15,780	3.75	Leisure Time	583	0.14	Peru	17	0.01
Australian Dollar Bonds	1,202	0.29	Lodging	5,149	1.22	Venezuela	5,111	1.21
British Pound Sterling Bonds	5,120	1.21	Machinery-Diversified	547	0.13	Common Stock	6,926	1.64
Euro Bonds	9,329	2.22	Media	7,228	1.72	Collective Investment Schemes	37,270	8.84
Mexican Peso Bonds	129	0.03	Mining	4,019	0.96	Preferred Stock	5,832	1.38
Foreign Government Bonds and Notes	11,123	2.64	Miscellaneous Manufacturing	3,306	0.78	Warrant	380	0.09
Brazil Government Bonds	2,285	0.54	Oil & Gas	37,303	8.85	Options	(26)	(0.01)
Mexican Government Bonds	8,838	2.10	Packaging & Containers	3,174	0.75	Written Options	(26)	(0.01)
Loan Notes	8,669	2.06	Pharmaceuticals	3,509	0.83	Other Assets in Excess of Liabilities	13,047	3.10
U.S. Corporate Bonds and Notes	219,575	52.10	Pipelines	6,270	1.49	Total Net Assets	\$421,422	100.00
Aerospace/Defense	3,098	0.74	Real Estate	3,341	0.79	Futures Contracts – February 28, 2015		(000's)
Agriculture	901	0.21	REITS	1,994	0.47	Unrealised Appreciation of Futures Contracts		–
Airlines	4,770	1.13	Retail	11,776	2.80	Unrealised Depreciation of Futures Contracts		(50)
Apparel	628	0.15	Semiconductors	829	0.20	Net Depreciation of Future Contracts		\$ (50)
Auto Manufacturers	3,132	0.74	Software	8,168	1.94	Forward Contracts – February 28, 2015		
Beverages	7,099	1.68	Telecommunications	12,994	3.08	Unrealised Appreciation of Forward Foreign Currency Contracts		814
Building Materials	2,767	0.66	Textiles	894	0.21	Unrealised Depreciation of Forward Foreign Currency Contracts		(125)
Chemicals	2,657	0.63	Transportation	6,500	1.55	Net Appreciation of Forward Foreign Currency Contracts		\$ 689
Coal	3,794	0.90	Trucking & Leasing	1,065	0.25			
Commercial Services	8,266	1.96	U.S. Denominated Bonds and Notes	97,718	23.19			
Computers	1,028	0.24	Australia	5,679	1.35			
Distribution/Wholesale	1,576	0.37	Austria	2,193	0.52			
Electric	3,850	0.91	Bahamas	1,764	0.42			
Electrical Components & Equipment	941	0.22	Bermuda	2,095	0.50			
Energy-Alternate Sources	957	0.22	Brazil	2,632	0.62			
Engineering & Construction	2,994	0.71	British Virgin Islands	598	0.14			
Entertainment	6,974	1.66	Canada	9,058	2.15			
Financials-Banks	4,926	1.17	Cayman Islands	9,371	2.22			
Financials-Diversified	7,994	1.90	France	3,538	0.84			
Food	1,000	0.24	Germany	972	0.23			
Forest Products & Paper	4,261	1.01	Ireland	5,035	1.19			
Healthcare-Products	3,788	0.90	Jersey	1,275	0.30			
Healthcare-Services	7,318	1.74	Luxembourg	18,417	4.37			
Holding Companies-Diversified	2,391	0.57	Marshall Islands	1,390	0.33			
Home Builders	7,554	1.79	Mexico	9,296	2.21			
Household Products/Wares	2,221	0.53	Netherlands	13,146	3.12			
Insurance	414	0.10	Singapore	1,875	0.45			
Internet	3,627	0.86	Switzerland	1,712	0.41			
			United Kingdom	7,446	1.77			
			Venezuela	226	0.05			
			U.S. Denominated Debt Obligations	5,128	1.22			

* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

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Legg Mason Western Asset US Short-Term Government Fund

Portfolio of Investments as at February 29, 2016

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 — 8.25%								
160 American Express Credit Account Master Trust, Series 2013 2, Class A, 0.851%, due 5/17/2021 *	160	0.68	118 Fannie Mae Pool '555194', 8.000%, due 5/1/2032	128	0.54	99 Government National Mortgage Association, Series 2010 H22, Class FE, 0.780%, due 5/20/2059 *	99	0.42
100 American Express Issuance Trust II, Series 2013 2, Class A, 0.861%, due 8/15/2019 *	100	0.42	286 Fannie Mae Pool '555318', 7.000%, due 4/1/2032	329	1.39	137 Government National Mortgage Association, Series 2010 H10, Class FC, 1.431%, due 5/20/2060 *	138	0.58
300 Chase Issuance Trust, Series 2015 A3, Class A3, 0.677%, due 4/15/2019 *	300	1.27	186 Fannie Mae Pool '555319', 7.500%, due 3/1/2021	198	0.84	Total Mortgage-Backed Securities (Cost \$4,389)		
200 Citibank Credit Card Issuance Trust, Series 2013 A4, Class A4, 0.854%, due 7/24/2020 *	200	0.85	93 Fannie Mae Pool '595463', 8.500%, due 4/1/2027	105	0.44		4,609	19.51
100 Citibank Credit Card Issuance Trust, Series 2013 A7, Class A7, 0.859%, due 9/10/2020 *	100	0.42	37 Fannie Mae Pool 'AL1469', 7.000%, due 2/1/2039	42	0.18	Corporate Bonds and Notes — 0.82%		
178 Ford Credit Auto Owner Trust 2014-B, Series 2014 B, Class A3, 0.900%, due 10/15/2018	178	0.75	24 Fannie Mae REMICS, Series 2010 150, Class SK, 6.094%, due 1/25/2041 *	5	0.02	United States — 0.82%		
260 Ford Credit Floorplan Master Owner Trust A, Series 2013 5, Class A2, 0.897%, due 9/15/2018 *	260	1.10	30 Fannie Mae REMICS, Series 2012 46, Class BA, 6.000%, due 5/25/2042	34	0.15	190 Verizon Communications Inc, 2.252%, due 9/14/2018 *	193	0.82
110 Ford Credit Floorplan Master Owner Trust A, Series 2014 4, Class A2, 0.781%, due 8/15/2019 *	110	0.46	307 Fannie Mae-Aces, Series 2015 M4, Class FA, 0.633%, due 9/25/2018 *	306	1.29	Total Corporate Bonds and Notes (Cost \$190)		
23 Honda Auto Receivables 2013-2 Owner Trust, Series 2013 2, Class A3, 0.530%, due 2/16/2017	23	0.10	200 Freddie Mac Gold Pool, 15 year, TBA, 2.500% ±	205	0.87		193	0.82
154 John Deere Owner Trust 2014-A, Series 2014 A, Class A3, 0.920%, due 4/16/2018	153	0.65	121 Freddie Mac Gold Pool 'C14619', 7.500%, due 9/1/2028	134	0.57	Government Bonds and Notes — 73.85%		
39 Mercedes-Benz Auto Receivables Trust 2012-1, Series 2013 1, Class A3, 0.780%, due 8/15/2017	39	0.17	196 Freddie Mac Gold Pool 'G00767', 7.500%, due 8/1/2027	235	0.99	United States — 73.85%		
90 Ohio Phase-In-Recovery Funding LLC, Series 2013 1, Class A1, 0.958%, due 7/1/2018	90	0.38	65 Freddie Mac Gold Pool 'G00921', 7.500%, due 4/1/2028	78	0.33	200 Federal Home Loan Bank Discount Notes, zero coupon, due 3/2/2016	200	0.85
236 SLM Student Loan Trust 2008-6, Series 2008 6, Class A3, 1.369%, due 1/25/2019 *	235	1.00	102 Freddie Mac Gold Pool 'G80176', 8.000%, due 12/17/2023	111	0.47	100 Federal Home Loan Bank Discount Notes, zero coupon, due 3/9/2016	100	0.42
Total Asset-Backed Securities (Cost \$1,951)			166 Freddie Mac Gold Pool 'G80204', 8.500%, due 10/20/2027	190	0.80	580 United States Treasury Note/Bond, 0.625%, due 6/30/2017	579	2.45
Mortgage-Backed Securities — 19.51%			88 Freddie Mac Gold Pool 'G80210', 8.000%, due 8/20/2027	101	0.43	1,250 United States Treasury Note/Bond, 0.500%, due 7/31/2017	1,245	5.27
51 Fannie Mae Interest Strip 409, Class C2, 3.000%, due 4/25/2027	5	0.02	6 Freddie Mac Gold Pool 'N30699', 7.000%, due 8/1/2030	6	0.03	4,650 United States Treasury Note/Bond, 0.625%, due 8/31/2017	4,640	19.64
21 Fannie Mae Interest Strip 407, Class C10, 5.000%, due 1/25/2038	4	0.02	80 Freddie Mac Gold Pool 'U90316', 4.000%, due 10/1/2042	86	0.37	1,250 United States Treasury Note/Bond, 0.625%, due 9/30/2017	1,247	5.28
30 Fannie Mae Interest Strip 409, Class C22, 4.500%, due 11/25/2039	5	0.02	50 Freddie Mac Non Gold Pool '555537', 9.500%, due 1/1/2021	53	0.22	3,000 United States Treasury Note/Bond, 0.875%, due 10/15/2017	3,004	12.72
289 Fannie Mae Interest Strip 409, Class C13, 3.500%, due 11/25/2041	52	0.22	289 Freddie Mac Non Gold Pool '789586', 2.500%, due 7/1/2032 *	305	1.29	2,250 United States Treasury Note/Bond, 0.750%, due 10/31/2017	2,249	9.52
93 Fannie Mae Interest Strip 409, Class C18, 4.000%, due 4/25/2042	17	0.07	12 Ginnie Mae I pool '405539', 8.500%, due 12/15/2025	14	0.06	1,000 United States Treasury Note/Bond, 0.625%, due 11/30/2017	997	4.22
100 Fannie Mae Pool, 30 year, TBA, 4.500% ±	109	0.46	182 Ginnie Mae I pool '780162', 8.500%, due 6/15/2025	218	0.92	1,144 United States Treasury Note/Bond, 0.625%, due 4/30/2018	1,139	4.82
102 Fannie Mae Pool '516216', 8.000%, due 8/1/2019	108	0.46	200 Ginnie Mae II pool, 30 year, TBA, 3.500% ±	211	0.89	1,250 United States Treasury Note/Bond, 1.000%, due 5/15/2018	1,255	5.31
33 Fannie Mae Pool '516217', 8.500%, due 8/1/2019	35	0.15	100 Ginnie Mae II pool, 30 year, TBA, 3.000% ±	104	0.44	650 United States Treasury Note/Bond, 1.125%, due 6/15/2018	654	2.77
157 Fannie Mae Pool '545746', 8.000%, due 10/1/2021	169	0.71	35 Ginnie Mae II pool '4923', 4.500%, due 1/20/2041	38	0.16	135 United States Treasury Note/Bond, 1.375%, due 7/31/2018	137	0.58
106 Fannie Mae Pool '545816', 8.000%, due 3/1/2017	108	0.46	95 Ginnie Mae II pool '4978', 4.500%, due 3/20/2041	103	0.44	Total Government Bonds and Notes (Cost \$17,413)		
84 Fannie Mae Pool '545854', 8.500%, due 3/1/2017	86	0.36	60 Government National Mortgage Association, Series 2011 140, Class AI, 4.000%, due 10/16/2026	5	0.02		17,446	73.85
86 Fannie Mae Pool '547542', 8.500%, due 10/1/2026	98	0.42	27 Government National Mortgage Association, Series 2010 31, Class GS, 6.068%, due 3/20/2039 *	2	0.01	Total Investments (Cost \$23,943)		
			29 Government National Mortgage Association, Series 2010 85, Class HS, 6.218%, due 1/20/2040 *	4	0.02	Liabilities in Excess of Other Assets		
			297 Government National Mortgage Association, Series 2012 34, Class SD, 5.620%, due 3/16/2042 *	62	0.26		(574)	(2.43)
			140 Government National Mortgage Association, Series 2010 H26, Class LF, 0.780%, due 8/20/2058 *	138	0.59	Total Net Assets		
							\$23,622	100.00

* Variable rate security. The interest rate shown reflects the rate in effect at February 29, 2016.

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

ABBREVIATIONS:

TBA — To Be Announced

Analysis of Total Assets

	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	98.21
Financial derivative instruments	0.01
Other assets	1.78
Total Assets	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 29, 2016 – (continued)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
U.S. 10 Year Note (CBT) June 2016	(1)	\$ (130)	\$ –
U.S. 5 Year Note (CBT) June 2016	(15)	(1,815)	2
Total Market Value of Futures Contracts	(16)	\$ (1,945)	\$ 2
Unrealised Appreciation of Futures Contracts			2
Unrealised Depreciation of Futures Contracts			–
Net Appreciation of Futures Contracts			\$ 2

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Futures Contracts – February 28, 2015 (000's)
Asset-Backed Securities	2,480	8.10	Government National Mortgage Association (GNMA)	1,022	3.34	Unrealised Appreciation of Futures Contracts 7
U.S. Corporate Bonds and Notes	198	0.65	U.S. Government Agency Obligations	4,592	14.99	Unrealised Depreciation of Futures Contracts –
U.S. Government Agency Mortgage-Backed Securities	4,951	16.17	Sovereign	4,592	14.99	Net Appreciation of Future Contracts \$7
Federal Home Loan Mortgage Corporation (FHLMC)	1,849	6.04	U.S. Treasury Obligations	18,389	60.05	
Federal National Mortgage Association (FNMA)	2,080	6.79	Other Assets in Excess of Liabilities	11	0.04	
			Total Net Assets	\$30,621	100.00	

* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

Legg Mason Western Asset US Adjustable Rate Fund

Portfolio of Investments as at February 29, 2016

Face Value (000's)	Value (000's) \$	% of Net Asset Value
Asset-Backed Securities — 19.27%		
200 American Express Issuance Trust II, Series 2013 2, Class A, 0.861%, due 8/15/2019 *	200	2.18
124 Argent Securities Inc Asset-Backed Pass-Through Certificates Series 2004-W10, Series 2004 W10, Class A2, 1.216%, due 10/25/2034 *	119	1.30
100 BA Credit Card Trust, Series 2014 A2, Class A, 0.701%, due 9/16/2019 *	100	1.09
54 Brazos Higher Education Authority Inc, Series 2005 2, Class A10, 0.723%, due 12/26/2019 *	53	0.58
100 Chase Issuance Trust, Series 2015 A3, Class A3, 0.677%, due 4/15/2019 *	100	1.09
120 Citibank Credit Card Issuance Trust, Series 2013 A4, Class A4, 0.854%, due 7/24/2020 *	120	1.31
100 Citibank Credit Card Issuance Trust, Series 2013 A7, Class A7, 0.859%, due 9/10/2020 *	100	1.09
180 Ford Credit Floorplan Master Owner Trust A, Series 2013 5, Class A2, 0.897%, due 9/15/2018 *	180	1.96
77 John Deere Owner Trust 2014-A, Series 2014 A, Class A3, 0.920%, due 4/16/2018	77	0.84
52 Ohio Phase-In-Recovery Funding LLC, Series 2013 1, Class A1, 0.958%, due 7/1/2018	52	0.57
4 Saxon Asset Securities Trust 2002-1, Series 2002 1, Class AV1, 0.936%, due 3/25/2032 *	4	0.04
84 SLM Student Loan Trust 2004-3, Series 2004 3, Class A5, 0.789%, due 7/25/2023 *	82	0.89
163 SLM Student Loan Trust 2008-6, Series 2008 6, Class A3, 1.369%, due 1/25/2019 *	163	1.77
123 Specialty Underwriting & Residential Finance Trust Series 2003-BC1, Series 2003 BC1, Class A, 1.116%, due 1/25/2034 *	105	1.15
331 Structured Asset Investment Loan Trust 2003-BC1, Series 2003 BC1, Class A2, 1.116%, due 1/25/2033 *	313	3.41
Total Asset-Backed Securities (Cost \$1,811)	1,768	19.27
Mortgage-Backed Securities — 2.65%		
15 Freddie Mac Non Gold Pool '555464', 10.500%, due 12/1/2020	17	0.18
69 Impac CMB Trust Series 2003-8, Series 2003 8, Class 1A2, 1.436%, due 10/25/2033 *	65	0.71
33 Structured Adjustable Rate Mortgage Loan Trust, Series 2004 1, Class 2A, 0.746%, due 2/25/2034 *	29	0.32
117 Thornburg Mortgage Securities Trust 2004-1, Series 2004 1, Class I2A, 1.336%, due 3/25/2044 *	105	1.14
28 WaMu Mortgage Pass-Through Certificates Series 2003-54, Series 2003 54, Class 2A9, 1.586%, due 6/25/2033 *	27	0.30
Total Mortgage-Backed Securities (Cost \$263)	243	2.65
Corporate Bonds and Notes — 27.81%		
Australia — 0.87%		
80 Westpac Banking Corp, 1.358%, due 7/30/2018 *	80	0.87

Face Value (000's)	Value (000's) \$	% of Net Asset Value
Canada — 2.94%		
70 Royal Bank of Canada, 0.832%, due 3/8/2016 *	70	0.76
200 Royal Bank of Canada, 0.937%, due 9/9/2016 *	200	2.18
	270	2.94
Netherlands — 2.72%		
250 Cooperatieve Rabobank UA/NY, 1.013%, due 3/18/2016 *	250	2.72
Sweden — 2.73%		
250 Svenska Handelsbanken AB, 1.020%, due 3/21/2016 *	250	2.73
United States — 18.55%		
100 Apple Inc, 0.669%, due 5/3/2016 *	100	1.09
250 Apple Inc, 0.869%, due 5/3/2018 *	249	2.72
250 Berkshire Hathaway Finance Corp, 0.767%, due 1/10/2017 *	250	2.72
300 Chevron Corp, 0.788%, due 11/15/2017 *	296	3.23
80 Exxon Mobil Corp, 0.552%, due 3/15/2017 *	80	0.87
250 Exxon Mobil Corp, 0.662%, due 3/15/2019 *	247	2.69
220 General Electric Co, 5.400%, due 2/15/2017	229	2.50
250 International Business Machines Corp, 0.988%, due 2/12/2019 *	248	2.70
25 Lehman Escrow Receipt, zero coupon, Perpetual †∞	3	0.03
	1,702	18.55
Total Corporate Bonds and Notes (Cost \$2,558)	2,552	27.81
Government Bonds and Notes — 48.81%		
United States — 48.81%		
250 Federal Farm Credit Banks, 0.450%, due 4/18/2016 *	250	2.72
275 Federal Farm Credit Banks, 0.454%, due 8/26/2016 *	275	3.00
350 Federal Farm Credit Banks, Series 1, 0.457%, due 9/12/2016 *	350	3.81
260 Federal Home Loan Bank Discount Notes, zero coupon, due 3/9/2016	260	2.83
241 Federal Home Loan Bank Discount Notes, zero coupon, due 3/14/2016	241	2.62
1,000 Federal National Mortgage Association, 0.447%, due 8/15/2016 *	1,000	10.90
123 United States Treasury Floating Rate Note, 0.399%, due 4/30/2017 *	123	1.34
545 United States Treasury Floating Rate Note, 0.493%, due 10/31/2017 *	544	5.94
1,435 United States Treasury Floating Rate Note, 0.597%, due 1/31/2018 *	1,436	15.65
	4,479	48.81
Total Government Bonds and Notes (Cost \$4,480)	4,479	48.81
Collective Investment Schemes — 0.01%		
1 Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	1	0.01
Total Collective Investment Schemes (Cost \$1)	1	0.01
Total Investments (Cost \$9,113)	9,043	98.55
Other Assets in Excess of Liabilities	133	1.45
Total Net Assets	\$9,176	100.00
* Variable rate security. The interest rate shown reflects the rate in effect at February 29, 2016.		
† 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

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	98.04
Collective investment schemes	0.01
Other assets	1.95
Total Assets	100.00

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Asset-Backed Securities	2,400	23.63
Collateralised Mortgage-Backed Obligations	834	8.21
U.S. Corporate Bonds and Notes	2,198	21.64
Beverages	70	0.69
Financials-Banks	250	2.46
Financials-Capital Markets	6	0.06
Financials-Diversified	390	3.84
Insurance	250	2.46
Oil & Gas	630	6.20
Technology	602	5.93
U.S. Denominated Bonds and Notes	854	8.41
Australia	81	0.80
Canada	271	2.67
Netherlands	251	2.47
Sweden	251	2.47
U.S. Government Agency Mortgage-Backed Securities	23	0.22
Federal Home Loan Mortgage Corporation (FHLMC)	23	0.22
U.S. Government Agency Obligations	2,442	24.04
U.S. Treasury Obligations	1,374	13.52
Collective Investment Schemes	17	0.17
Other Assets in Excess of Liabilities	16	0.16
Total Net Assets	\$10,158	100.00

Futures Contracts – February 28, 2015	(000's)
Unrealised Appreciation of Futures Contracts	–
Unrealised Depreciation of Futures Contracts	–

Net Depreciation of Future Contracts	\$–
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* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

Legg Mason Western Asset Global Inflation Management Fund

Portfolio of Investments as at February 29, 2016

Face Value (000's)			Value (000's) \$	% of Net Asset Value	Face Value (000's)		Value (000's) \$	% of Net Asset Value		% of Total Assets	
Government Bonds and Notes — 91.61%										Analysis of Total Assets	
Australia — 0.69%					703	United States Treasury Inflation Indexed Bonds, 0.625%, due 1/15/2024 β	732	7.16	Transferable securities admitted to an official exchange listing or traded on a regulated market	89.89	
AUD	70	Australia Government Bond, Series 30CI, 2.500%, due 9/20/2030 β	70	0.69	250	United States Treasury Inflation Indexed Bonds, 0.250%, due 1/15/2025 β	248	2.43	Collective investment schemes	4.26	
Brazil — 1.09%					680	United States Treasury Inflation Indexed Bonds, 0.375%, due 7/15/2025 β	683	6.68	Financial derivative instruments	2.39	
BRL	188	Brazil Notas do Tesouro Nacional Serie B, Series NTNB, 6.000%, due 8/15/2050 β	111	1.09	290	United States Treasury Inflation Indexed Bonds, 0.625%, due 1/15/2026 β	298	2.91	Other assets	3.46	
Canada — 2.20%					80	United States Treasury Inflation Indexed Bonds, 0.625%, due 2/15/2043 β	74	0.73	Total Assets	100.00	
CAD	80	Canadian Government Real Return Bond, Series CPI, 4.250%, due 12/1/2021 β	115	1.12	165	United States Treasury Inflation Indexed Bonds, 1.375%, due 2/15/2044 β	181	1.77			
CAD	110	Canadian Government Real Return Bond, Series CPI, 1.500%, due 12/1/2044 β	110	1.08	1,000	United States Treasury Inflation Indexed Bonds, 0.750%, due 2/15/2045 β	934	9.14			
France — 7.60%							3,739	36.58			
EUR	220	France Government Bond OAT, Series OATe, 0.250%, due 7/25/2024 β	258	2.52	Total Government Bonds and Notes (Cost \$9,516)		9,363	91.61			
EUR	50	France Government Bond OAT, Series OATe, 1.850%, due 7/25/2027 β	72	0.71	Collective Investment Schemes — 4.34%						
EUR	70	France Government Bond OAT, Series OATe, 144A, 0.700%, due 7/25/2030 β	84	0.83	444	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	444	4.34			
EUR	209	France Government Bond OAT, Series OATe, 1.800%, due 7/25/2040 β	362	3.54	Total Collective Investment Schemes (Cost \$444)		444	4.34			
					Total Investments Excluding Options (Cost \$9,960)		9,807	95.95			
Germany — 3.91%											
EUR	250	Deutsche Bundesrepublik Inflation Linked Bond, Series I/L, 0.500%, due 4/15/2030 β	313	3.06	Contracts (000's)		Value (000's) \$	% of Net Asset Value			
EUR	70	Deutsche Bundesrepublik Inflation Linked Bond, Series I/L, 0.100%, due 4/15/2046 β	87	0.85	Options — 0.02%						
					Purchased Options — 0.03%						
			400	3.91		– U.S. 10 Year April 2016 Put 129.50, due 3/24/2016	3	0.03			
Italy — 16.69%					Written Options — (0.01%)						
EUR	500	Italy Buoni Poliennali Del Tesoro, Series CPI, 144A, 2.350%, due 9/15/2024 β	617	6.03		– Euro-Bund April 2016 Put 159.00, due 3/24/2016	–	–			
EUR	140	Italy Buoni Poliennali Del Tesoro, Series CPI, 3.100%, due 9/15/2026 β	196	1.92		– U.S. 10 Year April 2016 Put 128.50, due 3/24/2016	(1)	(0.01)			
EUR	610	Italy Buoni Poliennali Del Tesoro, Series CPI, 2.550%, due 9/15/2041 β	893	8.74			(1)	(0.01)			
					Total Options (Cost \$1)		2	0.02			
					Total Investments (Cost \$9,961)		9,809	95.97			
					Other Assets in Excess of Liabilities		411	4.03			
					Total Net Assets		\$10,220	100.00			
New Zealand — 4.11%					–	Amounts designated as “–” are either \$0, less than \$1,000 or less than 1,000 shares.					
NZD	550	New Zealand Government Bond, 3.000%, due 9/20/2030 β	420	4.11	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 29, 2016, these securities amounted to \$1,419,000 or 13.88% of net assets.					
Spain — 7.02%					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 29, 2016.					
EUR	614	Spain Government Inflation Linked Bond, 144A, 1.800%, due 11/30/2024 β	718	7.02	ABBREVIATIONS:						
United Kingdom — 11.72%					AUD	– Australian Dollar					
GBP	180	United Kingdom Gilt Inflation Linked, Series 3MO, 0.625%, due 11/22/2042 β	442	4.33	BRL	– Brazilian Real					
GBP	200	United Kingdom Gilt Inflation Linked, Series 3MO, 0.125%, due 3/22/2044 β	389	3.80	CAD	– Canadian Dollar					
GBP	170	United Kingdom Gilt Inflation Linked, Series 3MO, 0.125%, due 3/22/2058 β	367	3.59	EUR	– Euro					
					GBP	– British Pound					
					NZD	– New Zealand Dollar					
United States — 36.58%											
	570	United States Treasury Inflation Indexed Bonds, 0.375%, due 7/15/2023 β	589	5.76							

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Inflation Management Fund

Portfolio of Investments as at February 29, 2016 – (continued)

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)			Sell Currency (000's)			Unrealised Appreciation/ (Depreciation) of Contracts (000's)
04/12/16	Bank of America Sec London	Buy	USD	8	Sell	JPY	850	\$ –
04/12/16	Bank of America Sec London	Buy	JPY	12,610	Sell	USD	107	5
04/12/16	Citicorp Securities London Ltd	Buy	USD	4	Sell	JPY	480	–
04/12/16	Citicorp Securities London Ltd	Buy	JPY	13,810	Sell	USD	118	5
05/13/16	Bank of America Sec London	Buy	USD	67	Sell	AUD	97	(1)
05/13/16	Bank of America Sec London	Buy	CAD	147	Sell	USD	106	3
05/13/16	Bank of America Sec London	Buy	JPY	32,061	Sell	USD	280	5
05/13/16	Citicorp Securities London Ltd	Buy	USD	360	Sell	EUR	319	12
05/13/16	Citicorp Securities London Ltd	Buy	USD	418	Sell	JPY	46,357	5
05/13/16	Citicorp Securities London Ltd	Buy	USD	8	Sell	JPY	885	–
05/13/16	Citicorp Securities London Ltd	Buy	USD	117	Sell	NZD	178	–
05/13/16	JP Morgan Chase Bank London	Buy	USD	39	Sell	EUR	35	1
05/13/16	JP Morgan Chase Bank London	Buy	USD	207	Sell	GBP	144	7
05/13/16	JP Morgan Chase Bank London	Buy	USD	340	Sell	JPY	38,810	(5)
05/13/16	JP Morgan Chase Bank London	Buy	USD	360	Sell	PLN	1,426	4
05/13/16	JP Morgan Chase Bank London	Buy	PLN	1,426	Sell	USD	359	(2)
05/13/16	JP Morgan Chase Bank London	Buy	EUR	282	Sell	USD	319	(12)
05/13/16	JP Morgan Chase Bank London	Buy	GBP	180	Sell	USD	261	(10)
05/13/16	UBS	Buy	USD	519	Sell	CAD	726	(18)
05/13/16	UBS	Buy	USD	4,194	Sell	EUR	3,713	146
05/13/16	UBS	Buy	USD	1,401	Sell	GBP	972	48
05/13/16	UBS	Buy	USD	295	Sell	NZD	448	–
05/13/16	UBS	Buy	SEK	1,170	Sell	USD	138	(2)
05/13/16	UBS	Buy	GBP	10	Sell	USD	14	–
05/13/16	UBS	Buy	CAD	243	Sell	USD	175	4
Unrealised Appreciation of Forward Foreign Currency Contracts								245
Unrealised Depreciation of Forward Foreign Currency Contracts								(50)
Net Appreciation of Forward Foreign Currency Contracts								\$ 195

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Canada 10 Year Bond June 2016	(2)	\$ (209)	\$ –
Euro-Bund March 2016	(12)	(2,175)	(56)
Japan 10 Year Bond (OSE) March 2016	(1)	(1,350)	(29)
Long Gilt June 2016	(5)	(848)	(3)
U.S. 10 Year Note (CBT) June 2016	(12)	(1,566)	–
U.S. 5 Year Note (CBT) June 2016	(6)	(726)	1
Total Market Value of Futures Contracts	(38)	\$ (6,874)	\$ (87)
Unrealised Appreciation of Futures Contracts			1
Unrealised Depreciation of Futures Contracts			(88)
Net Depreciation of Futures Contracts			\$ (87)

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Futures Contracts – February 28, 2015 (000's)
Collateralised Mortgage-Backed Obligations	17	0.17	Options	(5)	(0.05)	Unrealised Appreciation of Futures Contracts 33
Foreign Government Bonds and Notes	53	0.51	Written Options	(5)	(0.05)	Unrealised Depreciation of Futures Contracts (42)
Canadian Government Issues	53	0.51	Liabilities in Excess of Other Assets	(416)	(3.99)	Net Depreciation of Future Contracts \$ (9)
U.S. Treasury Obligations	9,843	94.29	Total Net Assets	\$10,439	100.00	Forward Contracts – February 28, 2015
Collective Investment Schemes	947	9.07				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 classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Asian Opportunities Fund

Portfolio of Investments as at February 29, 2016

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 — 26.08%														
Australia — 0.57%														
	2,305	Scentre Group Trust 1 / Scentre Group Trust 2, 2.375%, due 4/28/2021	2,248	0.57		1,900	Power Grid Corp of India Ltd, 3.875%, due 1/17/2023	1,904	0.48	INR	1,725,000	India Government Bond, 7.280%, due 6/3/2019	24,998	6.34
								9,642	2.45	INR	490,000	India Government Bond, 7.800%, due 4/11/2021	7,168	1.82
										INR	1,430,000	India Government Bond, 8.150%, due 6/11/2022	21,107	5.36
China — 8.34%														
	2,600	Bank of China Ltd, 5.000%, due 11/13/2024	2,691	0.68	IDR	56,000,000	Astra Sedaya Finance PT, Series OB, 7.750%, due 6/27/2016	4,181	1.06				56,815	14.42
	2,000	CCBL Cayman Corp Ltd, 3.250%, due 7/28/2020	2,023	0.51		3,400	Bank Rakyat Indonesia Persero Tbk PT, 2.950%, due 3/28/2018	3,382	0.86	Indonesia — 9.94%				
	1,238	China Construction Bank Corp, 3.875%, due 5/13/2025 *	1,230	0.31	IDR	13,000,000	Indosat Tbk PT, Series OB, 10.000%, due 12/12/2017	985	0.25	IDR	64,580,000	Indonesia Treasury Bond, Series FR70, 8.375%, due 3/15/2024	4,821	1.22
CNH	30,000	China Unicom Hong Kong Ltd, 4.000%, due 4/16/2017	4,481	1.14	IDR	32,750,000	Lembaga Pembiayaan Ekspor Indonesia, Series OB, 6.400%, due 5/23/2016	2,442	0.62	IDR	92,000,000	Indonesia Treasury Bond, Series FR59, 7.000%, due 5/15/2027	6,084	1.54
	1,400	Country Garden Holdings Co Ltd, 7.875%, due 5/27/2019	1,490	0.38		6,000	Pertamina Persero PT, 5.250%, due 5/23/2021	6,062	1.54	IDR	20,000,000	Indonesia Treasury Bond, Series FR47, 10.000%, due 2/15/2028	1,641	0.42
	1,250	CRCC Yupeng Ltd, 3.950%, Perpetual *	1,262	0.32		3,500	Pertamina Persero PT, 4.300%, due 5/20/2023	3,288	0.83	IDR	27,500,000	Indonesia Treasury Bond, Series FR64, 6.125%, due 5/15/2028	1,662	0.42
	2,500	CRCC Yuxiang Ltd, 3.500%, due 5/16/2023	2,506	0.64		2,450	Perusahaan Listrik Negara PT, 5.250%, due 10/24/2042	2,030	0.52	IDR	25,000,000	Indonesia Treasury Bond, Series FR58, 8.250%, due 6/15/2032	1,792	0.46
CNH	16,000	Industrial & Commercial Bank of China Ltd, 3.200%, due 4/24/2016	2,422	0.61				22,370	5.68	IDR	70,000,000	Indonesia Treasury Bond, Series FR68, 8.375%, due 3/15/2034	5,032	1.28
	2,000	Industrial & Commercial Bank of China Ltd, 4.875%, due 9/21/2025	2,053	0.52	CNH	9,000	Fonterra Co-operative Group Ltd, 3.600%, due 1/29/2019	1,283	0.33	IDR	67,039,000	Indonesia Treasury Bond, Series FR67, 8.750%, due 2/15/2044	4,883	1.24
CNH	25,000	Industrial & Commercial Bank of China Ltd/ Singapore, 3.500%, due 9/23/2016	3,735	0.95	Philippines — 1.33%					3,500	Perusahaan Penerbit SBSN Indonesia III, 3.300%, due 11/21/2022	3,329	0.85	
	15,000	Lenovo Group Ltd, 4.950%, due 6/10/2020	2,230	0.57	PHP	133,000	Petron Corp, 7.000%, due 11/10/2017	2,892	0.73		2,000	Perusahaan Penerbit SBSN Indonesia III, 4.350%, due 9/10/2024	1,970	0.50
	4,000	Longfor Properties Co Ltd, 6.875%, due 10/18/2019	4,165	1.06		2,300	Petron Corp, 7.500%, Perpetual *	2,366	0.60				39,151	9.94
	2,500	Yuzhou Properties Co Ltd, 8.625%, due 1/24/2019	2,578	0.65				5,258	1.33	Malaysia — 5.38%				
			32,866	8.34	Singapore — 3.20%					MYR	66,500	Malaysia Government Bond, Series 0313, 3.480%, due 3/15/2023	15,458	3.92
France — 0.04%					CNH	22,500	Global Logistic Properties Ltd, 3.375%, due 5/11/2016	3,406	0.86	MYR	22,780	Malaysia Government Bond, Series 0115, 3.955%, due 9/15/2025	5,424	1.38
CNH	1,000	Total Capital SA, 3.750%, due 9/24/2018	145	0.04	CNH	5,000	Global Logistic Properties Ltd, 4.000%, due 5/11/2018	724	0.18	MYR	1,200	Malaysia Government Bond, Series 0308, 5.248%, due 9/15/2028	311	0.08
Germany — 0.14%					HKD	7,000	Mapletree Greater China Commercial Treasury Co HKSAR Ltd, 2.800%, due 2/11/2020	910	0.23				21,193	5.38
	4,000	Volkswagen International Finance NV, 3.500%, due 1/23/2019	563	0.14		1,000	Oversea-Chinese Banking Corp Ltd, 3.150%, due 3/11/2023 *	1,012	0.26	Philippines — 8.29%				
Hong Kong — 3.82%						1,100	UOB Cayman I Ltd, 5.796%, Perpetual *	1,101	0.28	PHP	217,000	Philippine Government International Bond, 3.900%, due 11/26/2022	4,369	1.11
	3,700	Bank of East Asia Ltd/ The, 4.250%, due 11/20/2024 *	3,589	0.91				12,617	3.20	PHP	1,203,000	Philippine Government International Bond, 6.250%, due 1/14/2036	27,570	7.00
	3,000	Baosteel Financing 2015 Pty Ltd, 3.875%, due 1/28/2020	3,003	0.76	United States — 0.18%					700	Philippine Government International Bond, 3.700%, due 3/1/2041	715	0.18	
	1,000	CLP Power Hong Kong Financing Ltd, 3.125%, due 5/6/2025	1,004	0.25	SGD	1,000	Citigroup Inc, Series 21, 2.554%, due 4/8/2020 *	710	0.18				32,654	8.29
	905	Goodman HK Finance, 4.375%, due 6/19/2024	926	0.24	Total Corporate Bonds and Notes (Cost \$106,653)						Singapore — 2.03%			
	2,100	HKT Capital No 2 Ltd, 3.625%, due 4/2/2025	2,104	0.53				102,773	26.08	SGD	1,500	Singapore Government Bond, 2.750%, due 4/1/2042	1,052	0.27
	2,000	Shimao Property Holdings Ltd, 8.375%, due 2/10/2022	2,115	0.54	Government Bonds and Notes — 58.06%					SGD	10,000	Singapore Government Bond, 2.750%, due 3/1/2046	6,931	1.76
	2,300	Swire Properties MTN Financing Ltd, 3.625%, due 1/13/2026	2,330	0.59	China — 7.47%								7,983	2.03
			15,071	3.82	CNH	68,000	China Government Bond, 3.380%, due 11/21/2024	10,035	2.55	Sri Lanka — 0.70%				
India — 2.45%					CNH	5,000	China Government Bond, 3.390%, due 5/21/2025	733	0.18		3,000	Sri Lanka Government International Bond, 6.850%, due 11/3/2025	2,781	0.70
	850	Export-Import Bank of India, 3.125%, due 7/20/2021	846	0.22	CNH	25,000	China Government Bond, 3.310%, due 11/30/2025	3,653	0.93	Taiwan — 2.86%				
	1,000	ICICI Bank Ltd, 7.250%, Perpetual *	1,002	0.25	CNH	96,500	China Government Bond, 3.600%, due 5/21/2030	14,109	3.58	TWD	100,000	Taiwan Government Bond, Series 98-6, 1.375%, due 9/9/2019	3,096	0.78
CNH	14,500	ICICI Bank Ltd/Bahrain, 4.000%, due 11/24/2017	2,105	0.54	CNH	6,000	Export-Import Bank of China/The, 3.000%, due 5/14/2016	910	0.23	TWD	100,000	Taiwan Government Bond, Series 99-5, 1.375%, due 3/10/2020	3,104	0.79
	2,000	NTPC Ltd, 4.375%, due 11/26/2024	2,041	0.52				29,440	7.47					
	1,800	ONGC Videsh Ltd, 3.750%, due 5/7/2023	1,744	0.44	India — 14.42%									
					INR	240,000	India Government Bond, 8.070%, due 7/3/2017	3,542	0.90					

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Asian Opportunities Fund

Portfolio of Investments as at February 29, 2016 – (continued)

Face Value (000's)		Value (000's)	% of Net Asset Value
Government Bonds and Notes — (continued)			
Taiwan — (continued)			
TWD 100,000	Taiwan Government Bond, 2.375%, due 2/25/2025	3,417	0.87
TWD 50,000	Taiwan Government Bond, Series 99-4, 1.875%, due 2/22/2030	1,668	0.42
		11,285	2.86
Thailand — 5.33%			
THB 650,000	Thailand Government Bond, 3.850%, due 12/12/2025	20,999	5.33
Vietnam — 1.64%			
6,594	Vietnam Government International Bond, 4.800%, due 11/19/2024	6,455	1.64
Total Government Bonds and Notes (Cost \$260,487)		228,756	58.06
Total Return Swaps — 4.81%			
Indonesia — 4.81%			
IDR 17,000,000	Indonesia Treasury Bond, Series FR48, 9.000%, due 9/15/2018 ∞	1,300	0.33
IDR 17,000,000	Indonesia Treasury Bond, Series FR46, 9.500%, due 7/15/2023 ∞	1,343	0.34
IDR 45,000,000	Indonesia Treasury Bond, Series FR52, 10.500%, due 8/15/2030 ∞	3,843	0.97
IDR 157,000,000	Indonesia Treasury Bond, Series FR54, 9.500%, due 7/15/2031 ∞	12,471	3.17
		18,957	4.81
Total Return Swaps (Cost \$28,364)		18,957	4.81

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%	Sell	12/20/16	8,000	\$ 18
					\$ 18
Unrealised Appreciation of Credit Default Swaps					18
Unrealised Depreciation of Credit Default Swaps					—
Net Appreciation of Credit Default Swaps					\$ 18

Schedule of Interest Rate Swaps

Counterparty	Rate	Expiration Date	Notional Amount (000's)	Value (000's)
HSBC	Pay Floating KRW 3M ISOR, Receive Fixed 1.435%	2/16/18	64,100,000	\$ 10
HSBC	Pay Fixed 1.49%, Receive Floating KRW 3M ISOR	2/16/21	25,100,000	(27)
				\$ (17)
Unrealised Appreciation of Interest Rate Swaps				10
Unrealised Depreciation of Interest Rate Swaps				(27)
Net Depreciation of Interest Rate Swaps				\$ (17)

Face Value (000's)		Value (000's)	% of Net Asset Value
Collective Investment Schemes — 8.96%			
1,000	Legg Mason China Funds – Western Asset China Bond Fund, Class M	12,100	3.07
SGD 4,962	Legg Mason Western Asset Asian Bond Trust ∞	5,488	1.39
17,723	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WVA (Distributing)	17,723	4.50
Total Collective Investment Schemes (Cost \$32,709)		35,311	8.96
Total Investments Excluding Options (Cost \$428,213)		385,797	97.91
Contracts (000's)			
Options — (0.12)%			
Written Options — (0.12)%			
(10,000) USD Call/KRW			
Put 1,180, due 3/3/2016		(483)	(0.12)
Total Options (Cost \$(182))		(483)	(0.12)
Total Investments (Cost \$428,031)		385,314	97.79
Other Assets in Excess of Liabilities		8,722	2.21
Total Net Assets		\$394,036	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 29, 2016.

∞ 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
CNH	– Chinese Renminbi
HKD	– Hong Kong Dollar
IDR	– Indonesian Rupiah
INR	– India Rupee
MYR	– Malaysian Ringgit
PHP	– Philippine Peso
SGD	– Singapore Dollar
THB	– Thai Baht
TWD	– Taiwanese Dollar

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	86.36
Collective investment schemes	8.70
Financial derivative instruments	0.66
Other assets	4.28
Total Assets	100.00

Legg Mason Western Asset Asian Opportunities Fund

Portfolio of Investments as at February 29, 2016 – (continued)

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)		Sell Currency (000's)		Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/01/16	Bank of New York Mellon Hong Kong	Buy	SGD 9,800	Sell	USD 6,997	\$ (26)
03/01/16	BNY Mellon	Buy	USD –	Sell	AUD –	–
03/02/16	BNY Mellon	Buy	EUR –	Sell	USD –	–
03/15/16	BNY Mellon	Buy	USD 41	Sell	AUD 59	–
03/15/16	BNY Mellon	Buy	USD 3	Sell	CNH 21	–
03/15/16	BNY Mellon	Buy	USD 184	Sell	EUR 164	6
03/15/16	BNY Mellon	Buy	USD –	Sell	GBP –	–
03/15/16	BNY Mellon	Buy	USD 25	Sell	SGD 35	–
03/15/16	BNY Mellon	Buy	USD –	Sell	SGD –	–
03/15/16	BNY Mellon	Buy	EUR 4,824	Sell	USD 5,403	(154)
03/15/16	BNY Mellon	Buy	SGD 16	Sell	USD 11	–
03/15/16	BNY Mellon	Buy	CHF 1,339	Sell	USD 1,348	(6)
03/15/16	BNY Mellon	Buy	SGD 16,829	Sell	USD 12,013	(48)
03/15/16	BNY Mellon	Buy	CNH 198	Sell	USD 30	–
03/15/16	BNY Mellon	Buy	CNH 3,816	Sell	USD 577	4
03/15/16	BNY Mellon	Buy	AUD 9,434	Sell	USD 6,763	(34)
03/15/16	BNY Mellon	Buy	GBP 324	Sell	USD 472	(21)
04/29/16	BNP Paribas	Buy	KRW 48,400,000	Sell	USD 39,097	(109)
05/31/16	Bank of New York Mellon Hong Kong	Buy	USD 6,980	Sell	SGD 9,800	28
05/31/16	Barclays Bank	Buy	SGD 39,840	Sell	USD 28,330	(66)
08/31/16	Goldman Sachs	Buy	USD 18,967	Sell	TWD 636,080	(228)
Unrealised Appreciation of Forward Foreign Currency Contracts						38
Unrealised Depreciation of Forward Foreign Currency Contracts						(692)
Net Depreciation of Forward Foreign Currency Contracts						\$ (654)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Korea 10 Year Bond March 2016	757	\$ 79,189	\$ 2,621
Total Market Value of Futures Contracts	757	\$ 79,189	\$ 2,621
Unrealised Appreciation of Futures Contracts			2,621
Unrealised Depreciation of Futures Contracts			–
Net Appreciation of Futures Contracts			\$ 2,621

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Futures Contracts – February 28, 2015 (000's)
Agency Obligations	6,524	1.10	Indonesia Government Issues	32,602	5.48	Unrealised Appreciation of Futures Contracts 997
Chinese Renminbi Bonds	941	0.16	U.S. Denominated Bonds and Notes	81,488	13.71	Unrealised Depreciation of Futures Contracts –
USD Bonds	5,583	0.94				Net Appreciation of Future Contracts \$ 997
Foreign Corporate Bonds and Notes	81,924	13.78	China	17,593	2.96	Credit Default Swaps – February 28, 2015
Chinese Renminbi Bonds	28,111	4.73	Hong Kong	22,434	3.77	Unrealised Appreciation of Credit Default Swaps 80
Hong Kong Dollar Bonds	4,448	0.75	India	11,997	2.02	Unrealised Depreciation of Credit Default Swaps –
Indian Rupee Bonds	22,524	3.79	Indonesia	11,890	2.00	Net Appreciation of Credit Default Swaps \$ 80
Indonesia Rupiah Bonds	9,023	1.52	Philippines	2,760	0.46	Interest Rate Swaps – February 28, 2015
Philippines Peso Bonds	3,088	0.52	Singapore	12,275	2.07	Unrealised Appreciation of Interest Rate Swaps 125
Singapore Dollar Bonds	14,730	2.47	South Korea	719	0.12	Unrealised Depreciation of Interest Rate Swaps (5,785)
			United Kingdom	1,820	0.31	Net Depreciation of Interest Rate Swaps \$(5,660)
Foreign Government Bonds and Notes	340,068	57.22	U.S. Denominated Debt Obligations	17,095	2.88	Forward Contracts – February 28, 2015
China Government Issues	10,721	1.81	Indonesia	13,846	2.33	Unrealised Appreciation of Forward Foreign Currency Contracts 616
India Government Issues	65,573	11.03	Vietnam	3,249	0.55	Unrealised Depreciation of Forward Foreign Currency Contracts (2,141)
Indonesia Government Issues	29,312	4.93	Collective Investment Schemes — 5.82%	34,596	5.82	Net Depreciation of Forward Foreign Currency Contracts \$(1,525)
Malaysia Government Issues	50,867	8.56	Other Assets in Excess of Liabilities	40	0.01	
Philippine Government Issues	29,954	5.04				
Singapore Government Issues	26,943	4.53				
South Korea Government Issues	67,135	11.30				
Taiwan Government Issues	11,450	1.93				
Thailand Government Issues	48,113	8.09				
Total Return Swap	32,602	5.48	Total Net Assets	\$594,337	100.00	

* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

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 29, 2016

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 — 89.12%				GBP	320	Nestle Finance International Ltd, 2.250%, due 11/30/2023	459	1.26	293	John Deere Capital Corp, 2.250%, due 4/17/2019	297	0.81			
Australia — 6.14%								190	JPMorgan Chase & Co, 3.200%, due 1/25/2023	192	0.53				
	544	BHP Billiton Finance USA Ltd, 3.250%, due 11/21/2021	545	1.49	380	Novartis Securities Investment Ltd, 5.125%, due 2/10/2019	420	1.15	179	Medtronic Inc, 3.125%, due 3/15/2022	183	0.50			
GBP	300	Commonwealth Bank of Australia, 2.250%, due 12/7/2018	424	1.16			1,130	3.09	300	Medtronic Inc, 3.500%, due 3/15/2025	315	0.86			
GBP	405	Macquarie Bank Ltd, 3.500%, due 12/18/2020	587	1.61	United Kingdom — 13.07%				240	Morgan Stanley, 7.300%, due 5/13/2019	274	0.75			
EUR	287	Telstra Corp Ltd, 3.750%, due 5/16/2022	369	1.01	GBP	180	Close Brothers Finance Plc, 3.875%, due 6/27/2021	259	0.71	340	Occidental Petroleum Corp, 3.500%, due 6/15/2025	332	0.91		
GBP	230	Westpac Banking Corp, 2.625%, due 12/14/2022	318	0.87		660	Diageo Capital Plc, 2.625%, due 4/29/2023	663	1.81	GBP	420	PepsiCo Inc, 2.500%, due 11/1/2022	603	1.65	
			2,243	6.14		390	GlaxoSmithKline Capital Plc, 2.850%, due 5/8/2022	402	1.10	262	Pfizer Inc, 6.200%, due 3/15/2019	296	0.81		
Belgium — 2.47%				EUR	280	Leeds Building Society, 2.625%, due 4/1/2021	312	0.85	438	Philip Morris International Inc, 5.650%, due 5/16/2018	478	1.31			
	330	Anheuser-Busch InBev Finance Inc, 3.650%, due 2/1/2026	341	0.93		450	Lloyds Bank Plc, 2.400%, due 3/17/2020	449	1.23	290	Philip Morris International Inc, 2.900%, due 11/15/2021	301	0.83		
	570	Anheuser-Busch InBev Worldwide Inc, 2.500%, due 7/15/2022	564	1.54	GBP	270	Lloyds Bank Plc, 2.500%, due 6/1/2022	372	1.02	EUR	100	Procter & Gamble Co/The, 1.125%, due 11/2/2023	112	0.31	
			905	2.47		270	Nationwide Building Society, 2.250%, due 4/29/2022	372	1.02	250	Schlumberger Holdings Corp, 144A, 4.000%, due 12/21/2025	248	0.68		
Canada — 0.97%					561	Rio Tinto Finance USA Ltd, 3.750%, due 9/20/2021	556	1.52	180	Schlumberger Holdings Corp, 4.000%, due 12/21/2025	179	0.49			
	350	Toronto-Dominion Bank/The, 2.500%, due 12/14/2020	354	0.97	EUR	310	SSE Plc, 2.375%, due 2/10/2022	362	0.99	538	Toyota Motor Credit Corp, 3.400%, due 9/15/2021	568	1.55		
Finland — 1.03%				GBP	280	Unilever Plc, 2.000%, due 12/19/2018	400	1.10	320	United Technologies Corp, 6.125%, due 2/1/2019	359	0.98			
	270	Pohjola Bank Oyj, 2.500%, due 5/20/2022	378	1.03			4,775	13.07	360	UnitedHealth Group Inc, 1.625%, due 3/15/2019	360	0.99			
France — 4.99%				United States — 44.55%						540	Visa Inc, 3.150%, due 12/14/2025	561	1.53		
EUR	350	Airbus Group Finance BV, 2.375%, due 4/2/2024	425	1.16		320	AbbVie Inc, 3.600%, due 5/14/2025	327	0.89	670	Wachovia Corp, 5.750%, due 2/1/2018	720	1.97		
	570	BNP Paribas SA, 3.250%, due 3/3/2023	581	1.59		510	ACE INA Holdings Inc, 3.350%, due 5/3/2026	523	1.43			16,279	44.55		
EUR	200	Electricite de France SA, 2.750%, due 3/10/2023	240	0.66		280	American Express Co, 2.650%, due 12/2/2022	272	0.74	Total Corporate Bonds and Notes (Cost \$32,869)				32,565	89.12
	576	Engie SA, 1.625%, due 10/10/2017	576	1.58		160	AT&T Inc, 3.875%, due 8/15/2021	168	0.46	Collective Investment Schemes — 8.96%					
			1,822	4.99		435	Baker Hughes Inc, 7.500%, due 11/15/2018	480	1.31	3,273	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	3,273	8.96		
Germany — 3.41%					560	Bank of America Corp, 7.625%, due 6/1/2019	645	1.77	Total Collective Investment Schemes (Cost \$3,273)				3,273	8.96	
GBP	450	BMW US Capital LLC, 2.000%, due 11/20/2019	632	1.73		150	Bear Stearns Cos LLC/The, 6.400%, due 10/2/2017	160	0.44	Total Investments (Cost \$36,142)				35,838	98.08
EUR	500	Vier Gas Transport GmbH, Series 02, 2.875%, due 6/12/2025	615	1.68		347	Boeing Co/The, 6.000%, due 3/15/2019	392	1.07	Other Assets in Excess of Liabilities				702	1.92
			1,247	3.41		200	Caterpillar Financial Services Corp, 5.450%, due 4/15/2018	216	0.59	Total Net Assets				\$36,540	100.00
Japan — 2.40%					660	Chevron Corp, 2.355%, due 12/5/2022	633	1.73	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 29, 2016, these securities amounted to \$524,000 or 1.44% of net assets.						
EUR	740	Sumitomo Mitsui Banking Corp, 2.750%, due 7/24/2023	878	2.40		360	Cisco Systems Inc, 4.950%, due 2/15/2019	395					1.08		
Netherlands — 3.49%					660	Citigroup Inc, 3.300%, due 4/27/2025	655	1.79							
	270	Cooperatieve Rabobank UA/NY, 3.375%, due 5/21/2025	272	0.75		494	Coca-Cola Co/The, 3.150%, due 11/15/2020	526					1.44		
	270	ING Bank NV, 144A, 3.750%, due 3/7/2017	276	0.76		520	Colgate-Palmolive Co, 2.450%, due 11/15/2021	532					1.46		
	410	Shell International Finance BV, 3.250%, due 5/11/2025	399	1.09		350	EOG Resources Inc, 5.625%, due 6/1/2019	369	1.01	ABBREVIATIONS:					
EUR	246	TenneT Holding BV, 4.500%, due 2/9/2022	327	0.89		900	GE Capital International Funding Co, 2.342%, due 11/15/2020	909	2.49	EUR	– Euro				
			1,274	3.49		318	General Electric Co, 4.625%, due 1/7/2021	355	0.97	GBP	– British Pound				
Norway — 1.09%					510	Gilead Sciences Inc, 3.650%, due 3/1/2026	534	1.46	Analysis of Total Assets						
EUR	310	DNB Bank ASA, 4.375%, due 2/24/2021	398	1.09		150	Goldman Sachs Group Inc/The, 7.500%, due 2/15/2019	171	0.47	Transferable securities admitted to an official exchange listing or traded on a regulated market				86.57	
Singapore — 1.27%					660	Goldman Sachs Group Inc/The, Series D, 6.000%, due 6/15/2020	741	2.03	Collective investment schemes				8.70		
	460	Temasek Financial I Ltd, 2.375%, due 1/23/2023	463	1.27		340	Halliburton Co, 3.800%, due 11/15/2025	322	0.88	Financial derivative instruments				1.52	
Sweden — 1.15%					560	International Business Machines Corp, 2.900%, due 11/1/2021	576	1.58	Other assets				3.21		
	420	Svenska Handelsbanken AB, 1.625%, due 3/21/2018	419	1.15					Total Assets				100.00		
Switzerland — 3.09%															
	250	Credit Suisse AG/New York NY, 3.625%, due 9/9/2024	251	0.68											

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 29, 2016 – (continued)

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)		Sell Currency (000's)		Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/01/16	BNY Mellon	Buy	GBP 2	Sell	USD 3	\$ –
03/15/16	BNY Mellon	Buy	USD 1	Sell	EUR 1	–
03/15/16	BNY Mellon	Buy	USD 257	Sell	GBP 178	9
03/15/16	BNY Mellon	Buy	GBP 7,676	Sell	USD 11,183	(500)
03/15/16	BNY Mellon	Buy	EUR 1,361	Sell	USD 1,525	(43)
05/13/16	Bank of New York Mellon London	Buy	GBP 84	Sell	USD 121	(4)
05/13/16	Barclays Capital London	Buy	EUR 1,186	Sell	USD 1,329	(36)
05/13/16	BNP Paribas	Buy	USD 303	Sell	GBP 210	10
05/13/16	Citicorp Securities London Ltd	Buy	USD 726	Sell	GBP 503	26
05/13/16	Citicorp Securities London Ltd	Buy	EUR 1,307	Sell	USD 1,477	(52)
05/13/16	Deutsche Bank London	Buy	EUR 4,443	Sell	USD 5,020	(175)
05/13/16	HSBC Midland	Buy	EUR 197	Sell	USD 220	(5)
05/13/16	Royal Bank of Canada London	Buy	USD 25	Sell	GBP 17	1
05/13/16	Royal Bank of Canada London	Buy	GBP 296	Sell	USD 427	(14)
05/13/16	Royal Bank of Scotland	Buy	USD 188	Sell	GBP 131	6
05/13/16	UBS	Buy	USD 12,605	Sell	EUR 11,235	354
05/13/16	UBS	Buy	USD 4,500	Sell	GBP 3,113	166
05/13/16	UBS	Buy	EUR 130	Sell	USD 147	(5)
Unrealised Appreciation of Forward Foreign Currency Contracts						572
Unrealised Depreciation of Forward Foreign Currency Contracts						(834)
Net Depreciation of Forward Foreign Currency Contracts						\$ (262)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Euro-Bund March 2016	(22)	\$ (3,987)	\$ (150)
Long Gilt June 2016	(23)	(3,903)	(13)
U.S. 10 Year Note (CBT) June 2016	(34)	(4,437)	–
U.S. 5 Year Note (CBT) June 2016	8	968	(1)
Total Market Value of Futures Contracts	(71)	\$(11,359)	\$ (164)
Unrealised Appreciation of Futures Contracts			–
Unrealised Depreciation of Futures Contracts			(164)
Net Depreciation of Futures Contracts			\$ (164)

Portfolio of Investments as at February 28, 2015*

	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015		Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Futures Contracts – February 28, 2015 (000's)	
						Unrealised Appreciation of Futures Contracts	–
						Unrealised Depreciation of Futures Contracts	(362)
Investments			Investments			Net Depreciation of Future Contracts	\$(362)
Foreign Corporate Bonds and Notes	10,053	22.24	Sweden	419	0.93	Credit Default Swaps – February 28, 2015	
British Pound Sterling Bonds	4,663	10.30	Switzerland	689	1.52	Unrealised Appreciation of Credit Default Swaps	–
Euro Bonds	5,390	11.94	United Kingdom	3,192	7.06	Unrealised Depreciation of Credit Default Swaps	(160)
U.S. Corporate Bonds and Notes	19,901	44.04	U.S. Denominated Debt Obligations	1,128	2.49	Net Depreciation of Credit Default Swaps	\$(160)
U.S. Denominated Bonds and Notes	10,055	22.25	Japan	1,128	2.49	Forward Contracts – February 28, 2015	
Australia	1,160	2.57	U.S. Treasury Obligations	2,737	6.06	Unrealised Appreciation of Forward Foreign Currency Contracts	720
Denmark	773	1.71	Collective Investment Schemes	103	0.23	Unrealised Depreciation of Forward Foreign Currency Contracts	(723)
France	1,670	3.70	Other Assets in Excess of Liabilities	1,215	2.69	Net Depreciation of Forward Foreign Currency Contracts	\$ (3)
Japan	908	2.01	Total Net Assets	\$45,192	100.00		
Netherlands	492	1.09					
Singapore	752	1.66					

* The classification used for certain investments in the above comparative Portfolio of Investments may differ

* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

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 29, 2016

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 — 90.88%								
Australia — 1.24%								
200 BHP Billiton Finance USA Ltd, 144A, 6.750%, due 10/19/2075 *	193	0.96	153 American Airlines 2015-1 Class B Pass Through Trust, 3.700%, due 5/1/2023	144	0.72	260 Hardwoods Acquisition Inc, 144A, 7.500%, due 8/1/2021	122	0.61
60 FMG Resources August 2006 Pty Ltd, 144A, 9.750%, due 3/1/2022	56	0.28	80 American Builders & Contractors Supply Co Inc, 144A, 5.750%, due 12/15/2023	82	0.41	200 Harris Corp, 4.854%, due 4/27/2035	200	0.99
	249	1.24	190 Argos Merger Sub Inc, 144A, 7.125%, due 3/15/2023	194	0.97	20 Harris Corp, 5.054%, due 4/27/2045	20	0.10
Brazil — 2.16%								
400 CBC Ammo LLC / CBC FinCo Inc, 144A, 7.250%, due 11/15/2021	314	1.56	160 AT&T Inc, 4.500%, due 5/15/2035	147	0.73	500 Interface Master Holdings Inc, 144A, 12.500%, due 8/1/2018	460	2.29
500 Oi Brasil Holdings Cooperatief UA, 144A, 5.750%, due 2/10/2022	120	0.60	600 BioScrip Inc, 8.875%, due 2/15/2021	468	2.33	140 Jack Cooper Holdings Corp, 144A, 10.250%, due 6/1/2020	105	0.52
	434	2.16	100 Blue Racer Midstream LLC / Blue Racer Finance Corp, 144A, 6.125%, due 11/15/2022	75	0.37	440 KKR Group Finance Co III LLC, 144A, 5.125%, due 6/1/2044	427	2.12
Canada — 1.04%								
200 1011778 BC ULC / New Red Finance Inc, 144A, 6.000%, due 4/1/2022	208	1.04	300 California Resources Corp, 6.000%, due 11/15/2024	39	0.19	30 Kraft Heinz Foods Co, 144A, 5.000%, due 7/15/2035	31	0.16
Colombia — 2.05%								
464 Ecopetrol SA, 5.875%, due 9/18/2023	412	2.05	150 Carols Restaurant Group Inc, 8.000%, due 5/1/2022	159	0.79	90 Kraft Heinz Foods Co, 144A, 7.125%, due 8/1/2039	112	0.56
France — 1.17%								
270 Electricite de France SA, 5.250%, Perpetual *	235	1.17	190 CCO Safari II LLC, 144A, 4.908%, due 7/23/2025	195	0.97	800 Magnum Hunter Resources Corp, 9.750%, due 5/15/2020	184	0.91
Germany — 0.89%								
EUR 180 Volkswagen International Finance NV, 4.625%, Perpetual *	179	0.89	200 CCO Safari II LLC, 144A, 6.384%, due 10/23/2035	209	1.04	50 McDonald's Corp, 4.700%, due 12/9/2035	52	0.26
Mexico — 1.64%								
380 Petroleos Mexicanos, 6.375%, due 1/23/2045	330	1.64	100 CCO Safari II LLC, 144A, 6.484%, due 10/23/2045	105	0.52	80 McDonald's Corp, 4.875%, due 12/9/2045	84	0.42
Russia — 1.02%								
200 Lukoil International Finance BV, 144A, 6.125%, due 11/9/2020	206	1.02	150 Celgene Corp, 5.000%, due 8/15/2045	154	0.76	390 Miran Mid-Atlantic Series C Pass Through Trust, Series C, 10.060%, due 12/30/2028	380	1.89
Switzerland — 3.39%								
260 Credit Suisse Group Funding Guernsey Ltd, 4.875%, due 5/15/2045	237	1.18	40 Centene Escrow Corp, 144A, 5.625%, due 2/15/2021	42	0.21	400 MPLX LP, 4.875%, due 6/1/2025	326	1.62
250 Glencore Finance Canada Ltd, 144A, 2.700%, due 10/25/2017	241	1.20	20 Centene Escrow Corp, 144A, 6.125%, due 2/15/2024	21	0.11	530 Murray Energy Corp, 144A, 11.250%, due 4/15/2021	61	0.30
220 UBS Group AG, 6.875%, Perpetual *	205	1.01	270 Century Intermediate Holding Co 2, 144A, 9.750%, due 2/15/2019	275	1.37	160 Neiman Marcus Group Ltd LLC, 144A, 8.750%, due 10/15/2021	96	0.48
	683	3.39	200 CIT Group Inc, 5.000%, due 8/15/2022	201	1.00	35 New Cotai LLC / New Cotai Capital Corp, 144A, 10.625%, due 5/1/2019	24	0.12
United Kingdom — 11.97%								
GBP 200 BUPA Finance Plc, 5.000%, due 4/25/2023	278	1.38	190 Citigroup Inc, Series P, 5.950%, Perpetual *	179	0.89	500 Pactiv LLC, 8.375%, due 4/15/2027	430	2.14
GBP 180 Centrica Plc, 5.250%, due 4/10/2075 *	212	1.05	220 CNO Financial Group Inc, 5.250%, due 5/30/2025	213	1.06	200 QEP Resources Inc, 6.875%, due 3/1/2021	144	0.72
GBP 380 Co-operative Group Holdings 2011 Ltd, 7.500%, due 7/8/2026	550	2.74	180 CommScope Technologies Finance LLC, 144A, 6.000%, due 6/15/2025	178	0.89	10 Quicken Loans Inc, 144A, 5.750%, due 5/1/2025	9	0.05
300 Globe Luxembourg SCA, 144A, 9.625%, due 5/1/2018	159	0.79	400 Compiler Finance Sub Inc, 144A, 7.000%, due 5/1/2021	153	0.76	370 Reynolds American Inc, 5.850%, due 8/15/2045	434	2.16
GBP 200 Kelda Finance No 3 Plc, 5.750%, due 2/17/2020	287	1.43	280 Constellation Brands Inc, 4.750%, due 12/1/2025	293	1.45	310 Rockies Express Pipeline LLC, 144A, 7.500%, due 7/15/2038	232	1.16
GBP 130 Legal & General Group Plc, 5.375%, due 10/27/2045 *	177	0.88	200 DISH DBS Corp, 5.875%, due 11/15/2024	180	0.89	350 Sanchez Energy Corp, 7.750%, due 6/15/2021	142	0.70
GBP 280 Pension Insurance Corp Plc, 6.500%, due 7/3/2024	346	1.72	350 DJO Finco Inc / DJO Finance LLC / DJO Finance Corp, 144A, 8.125%, due 6/15/2021	293	1.46	140 Schlumberger Holdings Corp, 144A, 4.000%, due 12/21/2025	139	0.69
150 Royal Bank of Scotland Group Plc, 6.125%, due 12/15/2022	157	0.78	200 Dollar Tree Inc, 144A, 5.750%, due 3/1/2023	213	1.06	220 Shea Homes LP / Shea Homes Funding Corp, 144A, 6.125%, due 4/1/2025	216	1.07
270 Santander UK Group Holdings Plc, 144A, 5.625%, due 9/15/2045	242	1.20	260 DPx Holdings BV, 144A, 7.500%, due 2/1/2022	248	1.23	140 Simmons Foods Inc, 144A, 7.875%, due 10/1/2021	119	0.59
	2,408	11.97	190 Ensco Plc, 5.200%, due 3/15/2025	97	0.48	770 Sprint Communications Inc, 11.500%, due 11/15/2021	653	3.24
United States — 64.31%								
40 AbbVie Inc, 4.500%, due 5/14/2035	40	0.20	80 Ensco Plc, 5.750%, due 10/1/2044	38	0.19	350 Summit Midstream Holdings LLC / Summit Midstream Finance Corp, 5.500%, due 8/15/2022	228	1.13
60 Actavis Funding SCS, 4.750%, due 3/15/2045	61	0.31	80 EP Energy LLC / Everest Acquisition Finance Inc, 9.375%, due 5/1/2020	23	0.12	60 Sun Products Corp/The, 144A, 7.750%, due 3/15/2021	53	0.26
			60 EP Energy LLC / Everest Acquisition Finance Inc, 6.375%, due 6/15/2023	16	0.08	460 Teachers Insurance & Annuity Association of America, 144A, 6.850%, due 12/16/2039	578	2.87
			90 Ford Motor Co, 4.750%, due 1/15/2043	83	0.41	190 United Airlines 2014-2 Class B Pass Through Trust, Series B, 4.625%, due 9/3/2022	191	0.95
			20 General Motors Co, 6.600%, due 4/1/2036	21	0.10	230 Universal Hospital Services Inc, 7.625%, due 8/15/2020	200	0.99
			10 General Motors Co, 6.750%, due 4/1/2046	10	0.05	170 Valeant Pharmaceuticals International Inc, 144A, 6.750%, due 8/15/2018	164	0.82
			170 Gibson Brands Inc, 144A, 8.875%, due 8/1/2018	100	0.50	350 Valeant Pharmaceuticals International Inc, 144A, 7.500%, due 7/15/2021	330	1.64
			30 Gilead Sciences Inc, 4.750%, due 3/1/2046	32	0.16	280 Verizon Communications Inc, 6.550%, due 9/15/2043	341	1.70
			85 Goodyear Tire & Rubber Co/The, 5.125%, due 11/15/2023	87	0.43	105 Viking Cruises Ltd, 144A, 6.250%, due 5/15/2025	89	0.44
			110 Halliburton Co, 3.800%, due 11/15/2025	104	0.52	120 WPX Energy Inc, 8.250%, due 8/1/2023	74	0.37
			130 Halliburton Co, 4.850%, due 11/15/2035	114	0.56			
			110 Halliburton Co, 5.000%, due 11/15/2045	98	0.49			

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

Portfolio of Investments as at February 29, 2016 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value
Corporate Bonds and Notes — (continued)		
United States — (continued)		
EUR 100 XPO Logistics Inc, 5.750%, due 6/15/2021	99	0.49
	12,933	64.31
Total Corporate Bonds and Notes (Cost \$22,215)	18,277	90.88
Loan Notes — 3.12%		
170 Commercial Barge Line Co, 9.750%, due 11/6/2020	151	0.75
20 Hilton Worldwide Finance LLC, 3.500%, due 10/25/2020	20	0.10
189 Lantheus Medical Imaging Inc, 7.000%, due 6/25/2022	164	0.81
245 Magnum Hunter Resources Corp, 0.000%, due 9/15/2016 †	245	1.22
50 Party City Holdings Inc, 4.250%, due 8/19/2022	48	0.24
Total Loan Notes (Cost \$658)	628	3.12
Preferred Stock — 0.03%		
United States — 0.03%		
2 Rex Energy Corp	7	0.03
Total Preferred Stock (Cost \$95)	7	0.03
Common Stock — 6.89%		
United States — 6.89%		
13 Physiotherapy Associates Holding Inc †∞	1,385	6.89
Total Common Stock (Cost \$504)	1,385	6.89
Total Investments Excluding Options (Cost \$23,472)	20,297	100.92

Contracts (000's)	Value (000's) \$	% of Net Asset Value
Options — 0.23%		
Purchased Options — 0.26%		
– JPY/USD March 2016 Call 88.00, due 3/4/2016	30	0.15
– S&P 500 E-mini March 2016 Put 1,850.00, due 3/18/2016	17	0.09
110 USD Put/RUB Call 75.50, due 4/26/2016	4	0.02
	51	0.26
Written Options — (0.03%)		
– S&P 500 E-mini March 2016 Put 1,700.00, due 3/18/2016	(1)	(0.01)
– S&P 500 E-mini March 2016 Put 1,750.00, due 3/18/2016	(4)	(0.02)
(110) USD Call/RUB Put 90.25, due 4/26/2016	–	–
	(5)	(0.03)
Total Options (Cost \$32)	46	0.23
Total Investments (Cost \$23,504)	20,343	101.15
Liabilities in Excess of Other Assets	(232)	(1.15)
Total Net Assets	\$20,111	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 29, 2016, these securities amounted to \$7,489,000 or 37.27% of net assets.

* Variable rate security. The interest rate shown reflects the rate in effect at February 29, 2016.

† 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 29, 2016.

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

Analysis of Total Assets

	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	83.30
Financial derivative instruments	2.02
Other assets	14.68
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)
Barclays Capital	Loews Corp, 1.000%	Buy	3/20/20	2,500	\$ (68)
BNP Paribas	Newmont Mining Corp, 1.000%	Buy	9/20/20	1,500	22
Credit Suisse First Boston	Bristol-Myers Squibb Company, 1.000%	Buy	6/20/19	5,000	(150)
Credit Suisse First Boston	Markit CDX.NA.IG, 1.000%	Sell	12/20/20	10,000	(34)
Credit Suisse First Boston	Markit iTraxx Europe, 1.000%	Sell	6/20/20	4,500	(14)
					\$ (244)
Unrealised Appreciation of Credit Default Swaps					22
Unrealised Depreciation of Credit Default Swaps					(266)
Net Depreciation of Credit Default Swaps					\$ (244)

Schedule of Interest Rate Swaps

Counterparty	Rate	Expiration Date	Notional Amount (000's)	Value (000's)
Credit Suisse First Boston	Pay Fixed 1.90%, Receive Floating USD 3M Libor BBA	11/30/22	9,300	\$ (336)
				\$ (336)
Unrealised Appreciation of Interest Rate Swaps				–
Unrealised Depreciation of Interest Rate Swaps				(336)
Net Depreciation of Interest Rate Swaps				\$ (336)

Schedule of Inflation Swaps

Counterparty	Rate	Expiration Date	Notional Amount (000's)	Value (000's)
Morgan Stanley	Pay Fixed 1.910%, Receive Floating USD 3M US CPI	1/28/20	10,000	\$ (133)
				\$ (133)
Unrealised Appreciation of Inflation Swaps				–
Unrealised Depreciation of Inflation Swaps				(133)
Net Depreciation of Inflation Swaps				\$ (133)

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

Portfolio of Investments as at February 29, 2016 – (continued)

Schedule of Swaptions

Counterparty	Description	Effective Date	Notional Amount (in 000's)	Unrealised Appreciation/ (Depreciation) of Contracts (in 000's)
BNP Paribas	Swaption Payer Strike 1.15%	4/21/16	20,000	\$ 60
BNP Paribas	Swaption Payer Strike 1.30%	4/21/16	40,000	(63)
Unrealised Appreciation of Swaptions				60
Unrealised Depreciation of Swaptions				(63)
Net Depreciation of Swaptions				\$ (3)

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/01/16	BNY Mellon	Buy USD 4	Sell GBP 3	\$ –
03/01/16	BNY Mellon	Buy GBP 865	Sell USD 1,208	(4)
03/15/16	BNY Mellon	Buy USD 11	Sell EUR 10	–
03/15/16	BNY Mellon	Buy USD 3,709	Sell GBP 2,592	100
03/15/16	BNY Mellon	Buy USD 331	Sell GBP 239	(1)
03/15/16	BNY Mellon	Buy GBP 9	Sell USD 12	–
03/15/16	BNY Mellon	Buy GBP 16,008	Sell USD 23,320	(1,038)
03/15/16	BNY Mellon	Buy EUR 85	Sell USD 95	(3)
04/12/16	Bank of America Sec London	Buy USD 401	Sell BRL 1,646	(4)
04/12/16	Bank of America Sec London	Buy USD 317	Sell GBP 220	11
04/12/16	Bank of America Sec London	Buy USD 502	Sell INR 34,547	–
04/12/16	Bank of America Sec London	Buy BRL 1,646	Sell USD 397	8
04/12/16	Bank of America Sec London	Buy INR 34,547	Sell USD 501	1
04/12/16	Citicorp Securities London Ltd	Buy USD 2,370	Sell GBP 1,641	86
04/12/16	Citicorp Securities London Ltd	Buy GBP 846	Sell USD 1,194	(17)
04/12/16	Citicorp Securities London Ltd	Buy AUD 670	Sell USD 464	13
04/26/16	Citicorp Securities London Ltd	Buy USD 50	Sell RUB 4,046	(3)
05/13/16	Bank of America Sec London	Buy CAD 1,442	Sell USD 1,041	25
05/13/16	Citicorp Securities London Ltd	Buy USD 217	Sell GBP 150	8
05/13/16	Citicorp Securities London Ltd	Buy AUD 455	Sell USD 317	7
05/13/16	Citicorp Securities London Ltd	Buy GBP 190	Sell USD 275	(10)
05/13/16	JP Morgan Chase Bank London	Buy USD 5	Sell JPY 630	–
05/13/16	Royal Bank of Canada London	Buy USD 72	Sell GBP 50	2
05/13/16	UBS	Buy USD 130	Sell GBP 90	5
05/13/16	UBS	Buy USD 8	Sell JPY 850	–
Unrealised Appreciation of Forward Foreign Currency Contracts				266
Unrealised Depreciation of Forward Foreign Currency Contracts				(1,080)
Net Depreciation of Forward Foreign Currency Contracts				\$ (814)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
90 Day Euro\$ April 2016	(12)	\$ (2,980)	\$ –
Australia 10 Year Bond March 2016	13	1,223	3
Australian Dollar Currency March 2016	(11)	(785)	8
Bank Accept June 2017	19	3,484	(6)
British Pound Currency March 2016	(4)	(348)	9
Euro FX Currency March 2016	(17)	(2,313)	26
Euro-Bund March 2016	(6)	(1,087)	(15)
Japanese Yen Currency March 2016	(31)	(3,436)	(140)
Long Gilt June 2016	10	1,697	5
U.S. 10 Year Note (CBT) June 2016	143	18,664	(40)
U.S. 10 Year Ultra Note June 2016	9	1,270	3
U.S. 5 Year Note (CBT) June 2016	(62)	(7,501)	(8)
U.S. Long Bond (CBT) June 2016	(24)	(3,949)	30
U.S. Long Bond (CBT) March 2016	10	1,659	1
U.S. Ultra Bond (CBT) June 2016	17	2,944	8
Total Market Value of Futures Contracts	54	\$ 8,542	\$ (116)
Unrealised Appreciation of Futures Contracts			93
Unrealised Depreciation of Futures Contracts			(209)
Net Depreciation of Futures Contracts			\$ (116)

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

Portfolio of Investments as at February 29, 2016 – (continued)

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Futures Contracts – February 28, 2015	(000's)
Foreign Corporate Bonds and Notes	5,938	6.44	Switzerland	991	1.08	Unrealised Appreciation of Futures Contracts	389
Australian Dollar Bonds	1,365	1.48	United Kingdom	564	0.61	Unrealised Depreciation of Futures Contracts	(313)
British Pound Sterling Bonds	3,788	4.11				Net Appreciation of Future Contracts	\$ 76
Euro Bonds	785	0.85	U.S. Denominated Debt Obligations	1,106	1.20	Credit Default Swaps – February 28, 2015	
U.S. Corporate Bonds and Notes	40,176	43.56	Portugal	1,106	1.20	Unrealised Appreciation of Credit Default Swaps	1,649
U.S. Denominated Bonds and Notes	16,282	17.66	U.S. Treasury Obligations	11,024	11.95	Unrealised Depreciation of Credit Default Swaps	(2,091)
Australia	567	0.62	Common Stock	1,046	1.13	Net Depreciation of Credit Default Swaps	\$ (442)
Canada	4,341	4.71	Collective Investment Schemes	2,070	2.24	Inflation Swaps – February 28, 2015	
Colombia	500	0.54	Preferred Stock	2,902	3.15	Unrealised Appreciation of Inflation Swaps	194
France	2,302	2.50	Options	5	0.01	Unrealised Depreciation of Inflation Swaps	(201)
Germany	1,055	1.14	Purchased Options	5	0.01	Net Depreciation of Inflation Swaps	\$ (7)
Luxembourg	941	1.02	Other Assets in Excess of Liabilities	11,676	12.66	Interest Rate Swaps – February 28, 2015	
Mexico	907	0.98	Total Net Assets	92,225	100.00	Unrealised Appreciation of Interest Rate Swaps	840
Netherlands	4,114	4.46				Unrealised Depreciation of Interest Rate Swaps	(2,511)
						Net Depreciation of Interest Rate Swaps	\$(1,671)
						Forward Contracts – February 28, 2015	
						Unrealised Appreciation of Forward Foreign Currency Contracts	655
						Unrealised Depreciation of Forward Foreign Currency Contracts	(311)
						Net Appreciation of Forward Foreign Currency Contracts	\$ 344

* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

[^] 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 29, 2016

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 — 0.97%			AUD 100 Westpac Banking Corp, 7.250%, due 2/11/2020	82	0.03	Netherlands — 0.31%		
7 CDC Mortgage Capital Trust 2002-HE1, Series 2002 HE1, Class A, 1.056%, due 1/25/2033 *	7	—		283	0.12	190 AerCap Ireland Capital Ltd / AerCap Global Aviation Trust, 4.500%, due 5/15/2021	191	0.08
376 Nelnet Student Loan Trust 2004-3, Series 2004 3, Class A5, 0.799%, due 10/27/2036 *	358	0.16	Belgium — 0.82%			500 Cooperative Rabobank UA, 4.625%, due 12/1/2023	510	0.23
370 Nelnet Student Loan Trust 2008-3, Series 2008 3, Class A4, 2.279%, due 11/25/2024 *	371	0.16	30 Anheuser-Busch InBev Finance Inc, 2.625%, due 1/17/2023	30	0.01		701	0.31
300 SLM Student Loan Trust 2003-11, Series 2003 11, Class A6, 144A, 1.262%, due 12/15/2025 *	284	0.13	1,600 Anheuser-Busch InBev Finance Inc, 4.900%, due 2/1/2046	1,714	0.76	Peru — 0.08%		
862 SLM Student Loan Trust 2005-4, Series 2005 4, Class A3, 0.739%, due 1/25/2027 *	815	0.36	100 Anheuser-Busch InBev Worldwide Inc, 2.500%, due 7/15/2022	99	0.05	250 Southern Copper Corp, 5.250%, due 11/8/2042	187	0.08
370 SLM Student Loan Trust 2008-5, Series 2008 5, Class A4, 2.319%, due 7/25/2023 *	371	0.16		1,843	0.82	Spain — 0.20%		
Total Asset-Backed Securities (Cost \$2,224)	2,206	0.97	Brazil — 0.32%			EUR 400 Telefonica Emisiones SAU, 2.932%, due 10/17/2029	447	0.20
Mortgage-Backed Securities — 9.84%			580 Petrobras Global Finance BV, 6.250%, due 3/17/2024	424	0.19	Switzerland — 0.25%		
4,400 Fannie Mae Pool, 15 year, TBA, 3.000% ±	4,588	2.03	230 Petrobras Global Finance BV, 6.750%, due 1/27/2041	144	0.06	100 Glencore Finance Canada Ltd, 144A, 2.700%, due 10/25/2017	97	0.04
200 Fannie Mae Pool, 30 year, TBA, 5.000% ±	221	0.10	21 Vale Overseas Ltd, 6.875%, due 1/21/2036	14	0.01	440 UBS Group Funding Jersey Ltd, 144A, 4.125%, due 9/24/2025	438	0.20
300 Fannie Mae Pool, 30 year, TBA, 3.500% ±	314	0.14	232 Vale SA, 5.625%, due 9/11/2042	141	0.06	GBP 20 Zurich Finance UK Plc, 6.625%, Perpetual *	29	0.01
2,400 Fannie Mae Pool, 30 year, TBA, 4.000% ±	2,561	1.13		723	0.32		564	0.25
2,600 Fannie Mae Pool, 30 year, TBA, 4.500% ±	2,824	1.25	Canada — 0.18%			United Kingdom — 4.19%		
300 Fannie Mae Pool, 15 year, TBA, 2.500% ±	308	0.14	390 1011778 BC ULC / New Red Finance Inc, 144A, 6.000%, due 4/1/2022	407	0.18	GBP 220 AA Bond Co Ltd, 3.781%, due 7/31/2019	309	0.14
1,300 Fannie Mae Pool, 30 year, TBA, 3.000% ±	1,333	0.59	Colombia — 0.28%			GBP 100 Aviva Plc, 5.125%, due 6/4/2050 *	119	0.05
700 Fannie Mae Pool, 15 year, TBA, 3.500% ±	739	0.33	138 Ecopetrol SA, 5.875%, due 9/18/2023	122	0.05	GBP 210 Aviva Plc, 6.875%, due 5/20/2058 *	292	0.13
51 Fannie Mae Pool '975097', 5.000%, due 6/1/2038	56	0.02	190 Ecopetrol SA, 4.125%, due 1/16/2025	146	0.07	GBP 280 BAE Systems Plc, 4.125%, due 6/8/2022	421	0.19
249 Fannie Mae Pool 'AL3024', 3.500%, due 1/1/2043	261	0.12	510 Ecopetrol SA, 5.875%, due 5/28/2045	356	0.16	EUR 460 BAT International Finance Plc, 1.250%, due 3/13/2027	483	0.21
56 Fannie Mae Pool 'AL3572', 5.000%, due 7/1/2041	62	0.03		624	0.28	GBP 130 Boparan Finance Plc, 5.250%, due 7/15/2019	166	0.07
90 Fannie Mae Pool 'AS4271', 4.500%, due 1/1/2045	100	0.04	France — 0.42%			160 BP Capital Markets Plc, 3.245%, due 5/6/2022	158	0.07
1,322 Fannie Mae Pool 'AX0756', 3.500%, due 7/1/2044	1,398	0.62	EUR 400 Engie SA, 1.000%, due 3/13/2026	424	0.19	350 BP Capital Markets Plc, 3.506%, due 3/17/2025	340	0.15
200 Freddie Mac Gold Pool, 30 year, TBA, 3.500% ±	209	0.09	EUR 160 Numericable-SFR SA, 5.625%, due 5/15/2024	172	0.07	GBP 120 BUPA Finance Plc, 5.000%, due 4/25/2023	167	0.08
300 Freddie Mac Gold Pool, 30 year, TBA, 4.000% ±	320	0.14	200 Numericable-SFR SA, 144A, 6.250%, due 5/15/2024	195	0.09	100 Case New Holland Industrial Inc, 7.875%, due 12/1/2017	107	0.05
486 Freddie Mac Gold Pool 'G06496', 5.000%, due 6/1/2041	543	0.24	150 Pernod Ricard SA, 144A, 4.450%, due 1/15/2022	159	0.07	GBP 170 Centrica Plc, 5.250%, due 4/10/2075 *	200	0.09
619 Freddie Mac Gold Pool 'G07697', 4.500%, due 6/1/2038	673	0.30		950	0.42	GBP 140 Gatwick Funding Ltd, 4.625%, due 3/27/2034	211	0.09
3,400 Ginnie Mae II pool, 30 year, TBA, 4.000% ±	3,631	1.61	Germany — 0.57%			565 HSBC Holdings Plc, 4.250%, due 8/18/2025	547	0.24
981 Ginnie Mae II pool 'MA3104', 3.000%, due 9/20/2045	1,017	0.45	EUR 400 Allianz Finance II BV, 5.750%, due 7/8/2041 *	500	0.22	GBP 100 HSBC Holdings Plc, 7.000%, due 4/7/2038	163	0.07
998 Ginnie Mae II pool 'MA3376', 3.500%, due 1/20/2046	1,056	0.47	GBP 100 Muenchener Rueckversicherungs-Gesellschaft AG in Muenchen, 6.625%, due 5/26/2042 *	154	0.07	500 HSBC Holdings Plc, 5.250%, due 3/14/2044	478	0.21
Total Mortgage-Backed Securities (Cost \$22,114)	22,214	9.84	GBP 250 RWE Finance BV, 5.625%, due 12/6/2023	384	0.17	100 Imperial Brands Finance Plc, 4.875%, due 6/7/2032	150	0.07
Corporate Bonds and Notes — 23.06%			250 Schaeffler Holding Finance BV, 144A, 6.250%, due 11/15/2019	260	0.11	EUR 63 Lloyds Bank Plc, 6.500%, due 3/24/2020	79	0.04
Australia — 0.12%				1,298	0.57	GBP 290 Lloyds Bank Plc, 7.625%, due 4/22/2025	479	0.21
200 WEA Finance LLC / Westfield UK & Europe Finance Plc, 144A, 4.750%, due 9/17/2044	201	0.09	Italy — 0.05%			GBP 130 Manchester Airport Group Funding Plc, 4.125%, due 4/2/2024	194	0.09
			EUR 100 Intesa Sanpaolo SpA, 1.125%, due 3/4/2022	107	0.05	GBP 270 Porterbrook Rail Finance Ltd, 4.625%, due 4/4/2029	415	0.18
			Mexico — 0.73%			GBP 320 Prudential Plc, 5.000%, due 7/20/2055 *	366	0.16
			230 Mexichem SAB de CV, 4.875%, due 9/19/2022	233	0.10	100 Prudential Plc, 5.700%, due 12/19/2063 *	118	0.05
			15 Petroleos Mexicanos, 4.875%, due 1/24/2022	14	0.01	60 Royal Bank of Scotland Group Plc, 6.100%, due 6/10/2023	61	0.03
			140 Petroleos Mexicanos, 6.625%, due 6/15/2035	127	0.05	EUR 320 Royal Bank of Scotland Group Plc, 3.625%, due 3/25/2024 *	335	0.15
			26 Petroleos Mexicanos, 5.500%, due 6/27/2044	20	0.01			
			1,451 Petroleos Mexicanos, 6.375%, due 1/23/2045	1,259	0.56			
				1,653	0.73			

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

Portfolio of Investments as at February 29, 2016 – (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)													
United Kingdom — (continued)													
					100	Chesapeake Energy Corp, 4.875%, due 4/15/2022	21	0.01		560	General Motors Co, 5.200%, due 4/1/2045	484	0.21
					60	Chesapeake Energy Corp, 5.750%, due 3/15/2023	13	0.01		20	General Motors Co, 6.750%, due 4/1/2046	21	0.01
GBP	350	Royal Bank of Scotland Group Plc, 5.125%, due 5/28/2024	336	0.15	250	CIT Group Inc, 5.000%, due 8/1/2023	250	0.11		220	General Motors Financial Co Inc, 4.375%, due 9/25/2021	221	0.10
	260	Scottish Widows Ltd, 5.500%, due 6/16/2023	361	0.16	30	Citigroup Inc, 3.500%, due 5/15/2023	29	0.01		100	Gilead Sciences Inc, 3.700%, due 4/1/2024	105	0.05
EUR	420	Sky Plc, 2.250%, due 11/17/2025	471	0.21	290	Citigroup Inc, 1.750%, due 1/28/2025	314	0.14		250	Gilead Sciences Inc, 4.800%, due 4/1/2044	263	0.12
GBP	214	Sky Plc, 4.000%, due 11/26/2029	297	0.13	400	Citigroup Inc, 5.500%, due 9/13/2025	428	0.19		1,700	Gilead Sciences Inc, 4.750%, due 3/1/2046	1,793	0.79
GBP	220	Standard Chartered Plc, 5.125%, due 6/6/2034	233	0.10	760	Citigroup Inc, 4.300%, due 11/20/2026	737	0.33		30	Goldman Sachs Group Inc/The, Series GLOB, 2.375%, due 1/22/2018	30	0.01
	230	Standard Chartered Plc, 144A, 5.700%, due 3/26/2044	199	0.09	360	Citigroup Inc, 4.450%, due 9/29/2027	354	0.16					
EUR	150	Thomas Cook Finance Plc, 6.750%, due 6/15/2021	161	0.07	56	Citigroup Inc, 8.125%, due 7/15/2039	80	0.04	GBP	201	Goldman Sachs Group Inc/The, 5.500%, due 10/12/2021	302	0.13
GBP	750	Whitbread Group Plc, 3.375%, due 10/16/2025	1,042	0.46	120	Citigroup Inc, 5.300%, due 5/6/2044	119	0.05		40	Goldman Sachs Group Inc/The, 3.625%, due 1/22/2023	41	0.02
			9,458	4.19	190	Citigroup Inc, 4.650%, due 7/30/2045	191	0.08		550	Goldman Sachs Group Inc/The, 3.850%, due 7/8/2024	562	0.25
United States — 14.54%													
	30	AbbVie Inc, 2.900%, due 11/6/2022	30	0.01	100	Comcast Corp, 6.450%, due 3/15/2037	126	0.06		540	Goldman Sachs Group Inc/The, 6.750%, due 10/1/2037	617	0.27
	190	ACE INA Holdings Inc, 4.350%, due 11/3/2045	199	0.09	20	Comcast Corp, 6.400%, due 3/1/2040	26	0.01		40	Goldman Sachs Group Inc/The, 6.250%, due 2/1/2041	48	0.02
	310	Actavis Funding SCS, 3.800%, due 3/15/2025	319	0.14	210	Constellation Brands Inc, 4.750%, due 11/15/2024	220	0.10		20	Goldman Sachs Group Inc/The, 5.150%, due 5/22/2045	19	0.01
	50	Actavis Funding SCS, 4.550%, due 3/15/2035	50	0.02	72	Continental Airlines 2009-2 Class A Pass Through Trust, Series A, 7.250%, due 11/10/2019	81	0.04		520	Goodyear Tire & Rubber Co/The, 5.125%, due 11/15/2023	534	0.24
	25	Ally Financial Inc, 8.000%, due 3/15/2020	28	0.01	150	Crestwood Midstream Partners LP / Crestwood Midstream Finance Corp, 6.000%, due 12/15/2020	108	0.05		1,560	Harris Corp, 5.054%, due 4/27/2045	1,599	0.71
	30	Altria Group Inc, 9.250%, due 8/6/2019	37	0.02	55	Delta Air Lines 2007-1 Class A Pass Through Trust, Series 071A, 6.821%, due 8/10/2022	63	0.03		70	HCA Inc, 7.500%, due 2/15/2022	79	0.03
	100	Altria Group Inc, 10.200%, due 2/6/2039	168	0.07	390	Devon Energy Corp, 5.850%, due 12/15/2025	339	0.15		150	HCA Inc, 5.375%, due 2/1/2025	153	0.07
	400	Altria Group Inc, 5.375%, due 1/31/2044	452	0.20	390	Dollar Tree Inc, 144A, 5.750%, due 3/1/2023	415	0.18		50	HCA Inc, 5.875%, due 2/15/2026	51	0.02
	42	American Express Co, 2.650%, due 12/2/2022	41	0.02	60	Duke Energy Progress LLC, 4.375%, due 3/30/2044	63	0.03		30	Humana Inc, 6.300%, due 8/1/2018	33	0.01
	250	American Express Co, 3.625%, due 12/5/2024	246	0.11	50	Eagle Spinco Inc, 4.625%, due 2/15/2021	49	0.02		150	ILFC E-Capital Trust I, 144A, 4.490%, due 12/21/2065 *	116	0.05
	230	American International Group Inc, 4.500%, due 7/16/2044	201	0.09	20	Enterprise Products Operating LLC, Series L, 6.300%, due 9/15/2017	21	0.01		50	JPMorgan Chase & Co, 3.200%, due 1/25/2023	51	0.02
	10	Apache Corp, 4.750%, due 4/15/2043	8	–	20	Enterprise Products Operating LLC, 3.350%, due 3/15/2023	19	0.01		80	JPMorgan Chase & Co, 3.625%, due 5/13/2024	82	0.04
	20	AT&T Inc, 3.875%, due 8/15/2021	21	0.01	20	Enterprise Products Operating LLC, 5.100%, due 2/15/2045	18	0.01		200	JPMorgan Chase & Co, 4.125%, due 12/15/2026	203	0.09
	290	AT&T Inc, 5.550%, due 8/15/2041	285	0.13	10	Exelon Corp, 5.625%, due 6/15/2035	11	–	EUR	400	JPMorgan Chase & Co, 4.250%, due 10/1/2027	407	0.18
	60	Atwood Oceanics Inc, 6.500%, due 2/1/2020	25	0.01	30	Express Scripts Holding Co, 3.900%, due 2/15/2022	30	0.01		400	JPMorgan Chase & Co, 4.950%, due 6/1/2045	403	0.18
EUR	100	Axiall Corp, 4.875%, due 5/15/2023	97	0.04	20	FirstEnergy Corp, Series B, 4.250%, due 3/15/2023	21	0.01		100	JPMorgan Chase Bank NA, 4.375%, due 11/30/2021 *	110	0.05
	150	Bank of America Corp, 0.709%, due 3/28/2018 *	160	0.07	10	FirstEnergy Corp, Series C, 7.375%, due 11/15/2031	267	0.12		70	KLA-Tencor Corp, 6.650%, due 11/1/2024	69	0.03
	30	Bank of America Corp, 7.625%, due 6/1/2019	35	0.02	1,200	Ford Motor Co, 4.750%, due 1/15/2043	1,102	0.49		640	Kraft Heinz Foods Co, 4.125%, due 7/1/2027	918	0.41
	20	Bank of America Corp, 3.300%, due 1/11/2023	20	0.01	240	Ford Motor Credit Co LLC, 8.125%, due 1/15/2020	279	0.12		960	Lehman Brothers Holdings Capital Trust Escrow, zero coupon, Perpetual 100%	–	–
	70	Bank of America Corp, 4.100%, due 7/24/2023	73	0.03	26	GE Capital European Funding, 5.375%, due 1/23/2020	34	0.01		301	Lehman Escrow Receipt, zero coupon, Perpetual 100%	39	0.02
	250	Bank of America Corp, 4.200%, due 8/26/2024	250	0.11	30	General Electric Co, 5.400%, due 2/15/2017	21	0.01		150	Lockheed Martin Corp, 4.070%, due 12/15/2042	146	0.06
	570	Bank of America Corp, 4.000%, due 1/22/2025	554	0.25	442	General Electric Co, 6.875%, due 1/10/2039	619	0.27		690	Lockheed Martin Corp, 4.700%, due 5/15/2046	742	0.33
	250	Bank of America Corp, 3.875%, due 8/1/2025	257	0.11	50	General Motors Co, 6.600%, due 4/1/2036	52	0.02		960	McDonald's Corp, 4.875%, due 12/9/2045	1,013	0.45
	330	Bank of America Corp, 4.250%, due 10/22/2026	326	0.14						100	Medtronic Inc, 3.625%, due 3/15/2024	105	0.05
	470	Bank of America Corp, 4.875%, due 4/1/2044	490	0.22						200	Medtronic Inc, 4.625%, due 3/15/2045	213	0.09
	210	Becton Dickinson and Co, 3.734%, due 12/15/2024	217	0.10						40	MetLife Inc, 6.400%, due 12/15/2036	39	0.02
	300	California Resources Corp, 6.000%, due 11/15/2024	39	0.02						40	Mondelez International Inc, 4.000%, due 2/1/2024	42	0.02
	400	CCO Safari II LLC, 144A, 6.484%, due 10/23/2045	422	0.19									
	1,330	Celgene Corp, 5.000%, due 8/15/2045	1,361	0.60									
	20	Chesapeake Energy Corp, 6.125%, due 2/15/2021	4	–									

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

Portfolio of Investments as at February 29, 2016 – (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)								
United States — (continued)								
250 Navient Corp, 8.000%, due 3/25/2020	247	0.11	BRL 733 Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2017	177	0.08	290 Mexico Government International Bond, 4.600%, due 1/23/2046	266	0.12
300 NCL Corp Ltd, 144A, 4.625%, due 11/15/2020	292	0.13	1,850 Brazilian Government International Bond, 5.000%, due 1/27/2045	1,309	0.58		4,386	1.94
560 Netflix Inc, 5.500%, due 2/15/2022	588	0.26		2,957	1.31	Poland — 3.11%		
290 Pacific Gas & Electric Co, 6.050%, due 3/1/2034	356	0.16	Canada — 2.23%			PLN 26,920 Poland Government Bond, Series 0725, 3.250%, due 7/25/2025	7,011	3.11
250 Philip Morris International Inc, 3.250%, due 11/10/2024	261	0.12	CAD 320 Canadian Government Bond, 4.250%, due 6/1/2018	256	0.12	Spain — 0.94%		
40 QEP Resources Inc, 6.875%, due 3/1/2021	29	0.01	CAD 5,650 Canadian Government Bond, 2.250%, due 6/1/2025	4,568	2.02	EUR 1,170 Spain Government Bond, 1.150%, due 7/30/2020	1,310	0.58
40 QEP Resources Inc, 5.250%, due 5/1/2023	28	0.01	CAD 126 Canadian Government Real Return Bond, Series CPI, 4.000%, due 12/1/2031	201	0.09	EUR 500 Spain Government Bond, 144A, 5.150%, due 10/31/2044	814	0.36
220 Quicken Loans Inc, 144A, 5.750%, due 5/1/2025	206	0.09		5,025	2.23		2,124	0.94
150 Range Resources Corp, 5.750%, due 6/1/2021	127	0.06	France — 0.42%			United Kingdom — 2.01%		
10 Range Resources Corp, 5.000%, due 3/15/2023	8	—	EUR 520 France Government Bond OAT, 4.000%, due 4/25/2055	958	0.42	GBP 440 United Kingdom Gilt, 5.000%, due 3/7/2025	810	0.36
25 Reynolds American Inc, 6.750%, due 6/15/2017	27	0.01	Germany — 1.50%			GBP 1,940 United Kingdom Gilt, 4.250%, due 12/7/2040	3,727	1.65
370 Reynolds American Inc, 5.850%, due 8/15/2045	434	0.19	EUR 2,150 Bundesrepublik Deutschland, 2.500%, due 8/15/2046	3,388	1.50		4,537	2.01
200 Spectrum Brands Inc, 6.625%, due 11/15/2022	215	0.10	Hungary — 0.03%			United States — 48.86%		
200 Sprint Capital Corp, 8.750%, due 3/15/2032	154	0.07	68 Hungary Government International Bond, 5.750%, due 11/22/2023	77	0.03	4,480 United States Treasury Inflation Indexed Bonds, 0.250%, due 1/15/2025	4,443	1.97
10 Sprint Corp, 7.875%, due 9/15/2023	7	—	Italy — 2.32%			1,640 United States Treasury Note/Bond, 0.250%, due 5/15/2016	1,640	0.73
30 Sprint Corp, 7.625%, due 2/15/2025	21	0.01	EUR 1,610 Italy Buoni Poliennali Del Tesoro, 3.750%, due 5/1/2021	2,040	0.91	9,110 United States Treasury Note/Bond, 0.625%, due 8/15/2016	9,115	4.04
30 Teachers Insurance & Annuity Association of America, 6.850%, due 12/16/2039	38	0.02	EUR 170 Italy Buoni Poliennali Del Tesoro, 4.500%, due 3/1/2024	232	0.10	3,880 United States Treasury Note/Bond, 1.500%, due 12/31/2018	3,945	1.75
250 Tenet Healthcare Corp, 8.125%, due 4/1/2022	246	0.11	EUR 410 Italy Buoni Poliennali Del Tesoro, 2.000%, due 12/1/2025	470	0.21	6,630 United States Treasury Note/Bond, 1.250%, due 1/31/2019	6,697	2.96
200 TIAA Asset Management Finance Co LLC, 144A, 2.950%, due 11/1/2019	201	0.09	EUR 70 Italy Buoni Poliennali Del Tesoro, 144A, 4.750%, due 9/1/2044	112	0.05	2,410 United States Treasury Note/Bond, 1.500%, due 1/31/2019	2,450	1.08
270 Time Warner Cable Inc, 4.125%, due 2/15/2021	278	0.12	EUR 1,880 Italy Buoni Poliennali Del Tesoro, 144A, 3.250%, due 9/1/2046	2,373	1.05	2,350 United States Treasury Note/Bond, 1.625%, due 7/31/2020	2,393	1.06
40 Time Warner Cable Inc, 6.750%, due 6/15/2039	40	0.02		5,227	2.32	10,310 United States Treasury Note/Bond, 1.375%, due 1/31/2021	10,377	4.59
20 Time Warner Inc, 7.700%, due 5/1/2032	24	0.01	Japan — 5.64%			11,580 United States Treasury Note/Bond, 1.125%, due 2/28/2021	11,526	5.10
860 United Rentals North America Inc, 4.625%, due 7/15/2023	860	0.38	JPY 300,000 Japan Government Ten Year Bond, Series 341, 0.300%, due 12/20/2025	2,756	1.22	4,780 United States Treasury Note/Bond, 2.000%, due 10/31/2021	4,939	2.19
280 UnitedHealth Group Inc, 4.750%, due 7/15/2045	306	0.14	JPY 71,200 Japan Government Thirty Year Bond, Series 38, 1.800%, due 3/20/2043	779	0.35	5,650 United States Treasury Note/Bond, 1.750%, due 3/31/2022	5,750	2.55
50 Verizon Communications Inc, 5.150%, due 9/15/2023	57	0.02	JPY 207,950 Japan Government Thirty Year Bond, Series 45, 1.500%, due 12/20/2044	2,132	0.94	4,750 United States Treasury Note/Bond, 1.750%, due 9/30/2022	4,825	2.14
130 Verizon Communications Inc, 4.150%, due 3/15/2024	138	0.06	JPY 63,350 Japan Government Twenty Year Bond, Series 128, 1.900%, due 6/20/2031	702	0.31	3,470 United States Treasury Note/Bond, 2.000%, due 11/30/2022	3,579	1.58
923 Verizon Communications Inc, 6.550%, due 9/15/2043	1,125	0.50	JPY 295,700 Japan Government Twenty Year Bond, Series 143, 1.600%, due 3/20/2033	3,164	1.40	480 United States Treasury Note/Bond, 2.500%, due 5/15/2024	512	0.23
21 Verizon Communications Inc, 5.012%, due 8/21/2054	20	0.01	JPY 300,000 Japan Government Twenty Year Bond, Series 154, 1.200%, due 9/20/2035	2,980	1.32	2,020 United States Treasury Note/Bond, 2.375%, due 8/15/2024	2,132	0.94
70 Wachovia Capital Trust III, 5.570%, Perpetual *	67	0.03	JPY 24,400 Japanese Government CPI Linked Bond, Series 19, 0.100%, due 9/10/2024	224	0.10	60 United States Treasury Note/Bond, 2.250%, due 11/15/2024	63	0.03
43 Wells Fargo & Co, 4.480%, due 1/16/2024	46	0.02		12,737	5.64	1,070 United States Treasury Note/Bond, 2.000%, due 8/15/2025	1,094	0.48
200 Wells Fargo & Co, 4.100%, due 6/3/2026	207	0.09	Mexico — 1.94%			4,340 United States Treasury Note/Bond, 2.250%, due 11/15/2025	4,533	2.01
1,240 Wells Fargo & Co, 4.650%, due 11/4/2044	1,213	0.54	MXN 81 Mexican Bonos, Series M, 8.000%, due 6/1/2020	5	—	6,450 United States Treasury Note/Bond, 1.625%, due 2/15/2026	6,382	2.83
	32,826	14.54	MXN 987 Mexican Bonos, Series M, 6.500%, due 6/9/2022	57	0.02	5,640 United States Treasury Note/Bond, 4.500%, due 2/15/2036	7,760	3.44
	52,071	23.06	MXN 66,366 Mexican Bonos, Series M, 7.750%, due 11/13/2042	4,058	1.80			
Total Corporate Bonds and Notes (Cost \$54,821)								
Government Bonds and Notes — 70.31%								
Brazil — 1.31%								
BRL 2,485 Brazil Notas do Tesouro Nacional Serie B, Series NTN B, 6.000%, due 8/15/2050	1,471	0.65						

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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 29, 2016 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value
Government Bonds and Notes — (continued)		
United States — (continued)		
1,660 United States Treasury Note/ Bond, 4.500%, due 8/15/2039	2,283	1.01
1,760 United States Treasury Note/ Bond, 3.375%, due 5/15/2044	2,047	0.91
1,520 United States Treasury Note/ Bond, 3.125%, due 8/15/2044	1,684	0.75
400 United States Treasury Note/ Bond, 3.000%, due 11/15/2044	432	0.19
3,360 United States Treasury Note/ Bond, 3.000%, due 5/15/2045	3,626	1.60
420 United States Treasury Note/ Bond, 2.875%, due 8/15/2045	442	0.19
5,240 United States Treasury Note/ Bond, 3.000%, due 11/15/2045	5,661	2.51
	110,330	48.86
Total Government Bonds and Notes (Cost \$156,867)	158,757	70.31
Collective Investment Schemes — 3.12%		
14 Legg Mason Qualified Investor Funds (II) Plc – Legg Mason Western Asset India Bond Fund – LM Class US\$ Accumulating	1,412	0.63
5,626 Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	5,626	2.49
Total Collective Investment Schemes (Cost \$7,056)	7,038	3.12

Face Value (000's)	Value (000's) \$	% of Net Asset Value
Preferred Stock — 0.02%		
United States — 0.02%		
2 GMAC Capital Trust I, Series 2	42	0.02
Total Preferred Stock (Cost \$39)	42	0.02
Total Investments Excluding Options (Cost \$243,121)		
	242,328	107.32
Contracts (000's)	Value (000's) \$	% of Net Asset Value
Options — —%		
Purchased Options — 0.04%		
4,350 USD Call/EUR Put 1.095, due 4/11/2016	76	0.03
4,350 USD Call/JPY Put 118.50, due 4/15/2016	15	0.01
	91	0.04
Written Options — (0.04%)		
– U.S. 10 Year April 2016 Call 130.00, due 3/24/2016	(48)	(0.02)
– U.S. 10 Year April 2016 Call 131.50, due 3/24/2016	(6)	–
– U.S. 10 Year April 2016 Put 127.50, due 3/24/2016	(1)	–
– U.S. 10 Year April 2016 Put 128.00, due 3/24/2016	(4)	–
– U.S. 10 Year April 2016 Put 128.50, due 3/24/2016	–	–
– U.S. 10 Year April 2016 Put 129.50, due 3/24/2016	(13)	(0.01)
– U.S. Bond April 2016 Put 160.00, due 3/24/2016	(3)	–
– U.S. Bond April 2016 Put 162.00, due 3/24/2016	(6)	(0.01)
	(81)	(0.04)
Total Options (Cost \$(52))	10	–
Total Investments (Cost \$243,069)	242,338	107.32
Liabilities in Excess of Other Assets	(16,539)	(7.32)
Total Net Assets	\$225,799	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 29, 2016, these securities amounted to \$7,191,000 or 3.19% of net assets.
- * Variable rate security. The interest rate shown reflects the rate in effect at February 29, 2016.
- † 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 29, 2016.
- ± 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 29, 2016.

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
AUD	– Australian Dollar
BRL	– Brazilian Real
CAD	– Canadian Dollar
EUR	– Euro
GBP	– British Pound
JPY	– Japanese Yen
MXN	– Mexican Peso
PLN	– Polish Zloty

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	92.85
Collective investment schemes	2.78
Financial derivative instruments	0.81
Other assets	3.56
Total Assets	100.00

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/01/16	UBS	Buy GBP 280	Sell USD 392	\$ (2)
03/15/16	BNY Mellon	Buy EUR 40,254	Sell USD 45,059	(1,249)
04/07/16	Citicorp Securities London Ltd	Buy USD 1,962	Sell BRL 7,904	14
04/07/16	Citicorp Securities London Ltd	Buy USD 3,363	Sell KRW 4,093,754	64
04/07/16	Deutsche Bank London	Buy USD 1,463	Sell KRW 1,775,741	31
04/07/16	Deutsche Bank London	Buy KRW 2,632,140	Sell USD 2,172	(50)
04/07/16	JP Morgan Chase Bank London	Buy INR 22,063	Sell USD 326	(5)
04/12/16	Bank of America Sec London	Buy AUD 80	Sell USD 55	2
04/12/16	Bank of America Sec London	Buy EUR 570	Sell USD 621	–
04/12/16	BNY Mellon	Buy GBP 80	Sell USD 115	(4)
04/12/16	Citicorp Securities London Ltd	Buy USD 5	Sell JPY 621	–
04/12/16	Citicorp Securities London Ltd	Buy SEK 840	Sell USD 99	(1)
05/13/16	Bank of America Sec London	Buy USD 2,985	Sell CNH 19,977	(43)
05/13/16	Bank of America Sec London	Buy USD 2,283	Sell EUR 2,017	84
05/13/16	Bank of America Sec London	Buy USD 679	Sell GBP 471	22
05/13/16	Bank of New York Mellon London	Buy USD 887	Sell EUR 798	17
05/13/16	Barclays Capital London	Buy USD 884	Sell JPY 101,615	(19)
05/13/16	Citicorp Securities London Ltd	Buy USD 821	Sell AUD 1,180	(18)
05/13/16	Citicorp Securities London Ltd	Buy USD 404	Sell EUR 358	14
05/13/16	Citicorp Securities London Ltd	Buy USD 389	Sell GBP 270	14
05/13/16	Citicorp Securities London Ltd	Buy USD 1,752	Sell JPY 200,441	(29)
05/13/16	Deutsche Bank London	Buy USD 606	Sell AUD 856	(3)
05/13/16	Deutsche Bank London	Buy USD 1,947	Sell GBP 1,337	86
05/13/16	Deutsche Bank London	Buy USD 5,028	Sell JPY 574,266	(76)
05/13/16	Deutsche Bank London	Buy USD 1,260	Sell MXN 23,680	(39)

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

Portfolio of Investments as at February 29, 2016 – (continued)

Schedule of Forward Foreign Currency Contracts – (continued)

Expiration Date	Counterparty	Buy Currency (000's)		Sell Currency (000's)		Unrealised Appreciation/ (Depreciation) of Contracts (000's)
05/13/16	Goldman Sachs London	Buy	USD 1,018	Sell	EUR 913	23
05/13/16	HSBC Midland	Buy	USD 3,454	Sell	AUD 4,906	(35)
05/13/16	HSBC Midland	Buy	USD 8,590	Sell	EUR 7,703	191
05/13/16	JP Morgan Chase Bank London	Buy	USD 2,937	Sell	CAD 4,084	(82)
05/13/16	JP Morgan Chase Bank London	Buy	USD 8,864	Sell	EUR 7,837	319
05/13/16	JP Morgan Chase Bank London	Buy	USD 465	Sell	GBP 322	16
05/13/16	JP Morgan Chase Bank London	Buy	USD 3,446	Sell	JPY 393,797	(54)
05/13/16	JP Morgan Chase Bank London	Buy	USD 2,917	Sell	PLN 11,546	29
05/13/16	JP Morgan Chase Bank London	Buy	AUD 1,180	Sell	USD 821	18
05/13/16	JP Morgan Chase Bank London	Buy	EUR 750	Sell	USD 842	(24)
05/13/16	Morgan Stanley London	Buy	USD 1,067	Sell	JPY 123,713	(33)
05/13/16	Royal Bank of Canada London	Buy	USD 4,201	Sell	EUR 3,768	92
05/13/16	UBS	Buy	USD 6,069	Sell	EUR 5,400	180
05/13/16	UBS	Buy	USD 9,422	Sell	GBP 6,521	343
05/13/16	UBS	Buy	USD 5,970	Sell	JPY 687,581	(142)
Unrealised Appreciation of Forward Foreign Currency Contracts						1,559
Unrealised Depreciation of Forward Foreign Currency Contracts						(1,908)
Net Depreciation of Forward Foreign Currency Contracts						\$ (349)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Australia 10 Year Bond March 2016	81	\$ 7,622	\$ 137
Euro-Bobl March 2016	2	290	3
Euro-Bund March 2016	(8)	(1,450)	(53)
Euro-Buxl 30 Year Bond March 2016	12	2,216	203
Long Gilt June 2016	(5)	(848)	(3)
U.S. 10 Year Note (CBT) June 2016	(524)	(68,390)	(10)
U.S. 5 Year Note (CBT) June 2016	(108)	(13,066)	16
U.S. Long Bond (CBT) June 2016	(91)	(14,972)	42
U.S. Ultra Bond (CBT) June 2016	19	3,290	(11)
Total Market Value of Futures Contracts	(622)	\$(85,308)	\$ 324
Unrealised Appreciation of Futures Contracts			401
Unrealised Depreciation of Futures Contracts			(77)
Net Appreciation of Futures Contracts			\$ 324

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Asset-Backed Securities	309	0.26	U.S. Corporate Bonds and Notes	14,319	12.21	Mining	226	0.19
Foreign Corporate Bonds and Notes	4,835	4.13	Agriculture	776	0.66	Oil & Gas	1,035	0.88
Australian Dollar Bonds	93	0.08	Airlines	162	0.14	Pharmaceuticals	62	0.05
British Pound Sterling Bonds	3,995	3.41	Auto Manufacturers	769	0.65	Pipelines	216	0.19
Euro Bonds	747	0.64	Beverages	128	0.11	Real Estate	219	0.19
Foreign Government Bonds and Notes	24,454	20.86	Biotechnology	107	0.09	Semiconductors	106	0.09
Brazil Government Bonds	1,216	1.04	Chemicals	152	0.13	Telecommunications	1,153	0.98
Canadian Government Bonds	523	0.45	Electric	519	0.44	U.S. Denominated Bonds and Notes	4,395	3.75
Euro Government Bonds	13,479	11.49	Financials-Banks	4,681	3.99	Brazil	207	0.18
Japanese Government Bonds	4,967	4.24	Financials-Capital Markets	78	0.07	Canada	112	0.09
Mexican Government Bonds	4,269	3.64	Financials-Diversified	1,391	1.19	Cayman Islands	21	0.02
			Food	65	0.05	Colombia	330	0.28
			Healthcare-Products	490	0.42	France	163	0.14
			Healthcare-Services	617	0.53	Mexico	324	0.28
			Home Builders	265	0.23	Netherlands	1,542	1.31
			Insurance	539	0.46	United Kingdom	1,696	1.45
			Media	563	0.48			

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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 29, 2016 – (continued)

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

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
U.S. Denominated Debt Obligations	1,904	1.62	U.S. Treasury Obligations	54,920	46.85
Colombia	458	0.39	Collective Investment Schemes	6,937	5.92
Hungary	114	0.10	Preferred Stock	45	0.04
Mexico	1,332	1.13			
U.S. Government Agency Mortgage-Backed Securities	11,946	10.19	Options	(219)	(0.19)
Federal Home Loan Mortgage Corporation (FHLMC)	530	0.45	Purchased Options	32	0.03
Federal National Mortgage Association (FNMA)	8,054	6.87	Written Options	(251)	(0.22)
Government National Mortgage Association (GNMA)	3,362	2.87	Liabilities in Excess of Other Assets	(6,608)	(5.64)
			Total Net Assets	\$117,237	100.00

Futures Contracts – February 28, 2015	(000's)
Unrealised Appreciation of Futures Contracts	71
Unrealised Depreciation of Futures Contracts	(215)
Net Depreciation of Future Contracts	\$(144)
Forward Contracts – February 28, 2015	
Unrealised Appreciation of Forward Foreign Currency Contracts	650
Unrealised Depreciation of Forward Foreign Currency Contracts	(317)
Net Appreciation of Forward Foreign Currency Contracts	\$ 333

* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

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The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Credit Fund

Portfolio of Investments as at February 29, 2016

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 — 90.37%								Switzerland — 2.60%			
Australia — 2.59%				GBP 150	RWE Finance BV, 5.625%, due 12/6/2023	230	0.34	700	Credit Suisse AG/New York NY, 3.625%, due 9/9/2024	703	1.02
EUR 230	Australia Pacific Airports Melbourne Pty Ltd, 3.125%, due 9/26/2023	282	0.41	EUR 210	Volkswagen International Finance NV, 4.625%, Perpetual *	208	0.30	450	Glencore Finance Canada Ltd, 2.700%, due 10/25/2017	434	0.63
	337 BHP Billiton Finance USA Ltd, 3.250%, due 11/21/2021	337	0.49	EUR 370	Vonovia Finance BV, 1.500%, due 3/31/2025	387	0.56	EUR 102	UBS AG, 4.750%, due 2/12/2026 *	113	0.16
	200 BHP Billiton Finance USA Ltd, 144A, 6.750%, due 10/19/2025 *	193	0.28			1,682	2.44	EUR 320	UBS Group Funding Jersey Ltd, 1.750%, due 11/16/2022	346	0.50
EUR 480	Commonwealth Bank of Australia, 2.000%, due 4/22/2027 *	482	0.70	Hong Kong — 0.29%				200	UBS Group Funding Jersey Ltd, 4.125%, due 9/24/2025	199	0.29
	490 WEA Finance LLC / Westfield UK & Europe Finance Plc, 3.750%, due 9/17/2024	494	0.71	200	AIA Group Ltd, 144A, 3.200%, due 3/11/2025	198	0.29			1,795	2.60
		1,788	2.59	Italy — 1.20%				United Kingdom — 24.15%			
Belgium — 2.48%				EUR 100	Assicurazioni Generali SpA, 4.125%, due 5/4/2026	114	0.16	GBP 320	AA Bond Co Ltd, 6.269%, due 7/31/2025	515	0.75
450	Anheuser-Busch InBev Finance Inc, 3.700%, due 2/1/2024	476	0.69	270	Intesa Sanpaolo SpA, 3.875%, due 1/16/2018	275	0.40	GBP 350	ABP Finance Plc, 6.250%, due 12/14/2026	585	0.85
	420 Anheuser-Busch InBev Finance Inc, 4.900%, due 2/1/2046	450	0.65	480	Intesa Sanpaolo SpA, 144A, 5.017%, due 6/26/2024	441	0.64	GBP 90	Annington Finance No 4 Plc, Series C1, 8.070%, due 1/10/2023	163	0.24
EUR 270	Anheuser-Busch InBev SA/NV, 1.500%, due 4/18/2030	280	0.41			830	1.20	EUR 122	Aviva Plc, 6.125%, due 7/5/2043 *	145	0.21
EUR 200	Eandis CVBA, 2.875%, due 5/7/2029	250	0.36	Luxembourg — 0.98%				EUR 330	Aviva Plc, 3.375%, due 12/4/2045 *	312	0.45
EUR 200	Elia System Operator SA/NV, 3.250%, due 4/4/2028	258	0.37	EUR 680	Alpha Trains Finance SA, 2.064%, due 6/30/2025	675	0.98	550	BAE Systems Holdings Inc, 144A, 4.750%, due 10/7/2044	563	0.81
		1,714	2.48	Mexico — 1.25%				EUR 109	BAT International Finance Plc, 1.250%, due 3/13/2027	114	0.17
Brazil — 0.43%				490	Petroleos Mexicanos, 4.250%, due 1/15/2025	433	0.63	585	BP Capital Markets Plc, 3.561%, due 11/1/2021	589	0.85
GBP 150	Petrobras Global Finance BV, 6.625%, due 1/16/2034	124	0.18	276	Petroleos Mexicanos, 6.625%, due 6/15/2035	249	0.36	GBP 150	BUPA Finance Plc, 5.000%, due 4/25/2023	208	0.30
	250 Vale Overseas Ltd, 6.875%, due 11/21/2036	171	0.25	237	Petroleos Mexicanos, 5.500%, due 6/27/2044	182	0.26	523	Centrica Plc, 4.000%, due 10/16/2023	537	0.78
		295	0.43			864	1.25	GBP 140	Centrica Plc, 5.250%, due 4/10/2025 *	165	0.24
Canada — 0.83%				Netherlands — 3.21%				GBP 220	CPUK Finance Ltd, 7.239%, due 2/28/2024	376	0.54
460	Barrick North America Finance LLC, 4.400%, due 5/30/2021	451	0.65	EUR 200	ABN AMRO Bank NV, 7.125%, due 7/6/2022	269	0.39	GBP 100	CPUK Finance Ltd, 3.588%, due 8/28/2025	136	0.20
160	Yamana Gold Inc, 4.950%, due 7/15/2024	124	0.18	EUR 130	ABN AMRO Bank NV, 2.875%, due 6/30/2025 *	143	0.21	GBP 140	Direct Line Insurance Group Plc, 9.250%, due 4/27/2042 *	229	0.33
		575	0.83	280	Cooperatieve Rabobank UA, 144A, 11.000%, Perpetual *	331	0.48	GBP 240	Eversholt Funding Plc, 6.697%, due 2/22/2035	430	0.62
Colombia — 0.19%				EUR 360	Delta Lloyd NV, 4.375%, Perpetual *	272	0.39	GBP 290	Gatwick Funding Ltd, 4.625%, due 3/27/2034	437	0.63
190	Ecopetrol SA, 5.875%, due 5/28/2045	133	0.19	EUR 330	Koninklijke KPN NV, 5.625%, due 9/30/2024	471	0.68	GBP 288	Great Rolling Stock Co Ltd/The, 6.500%, due 4/5/2031	504	0.73
Finland — 0.49%				750	Shell International Finance BV, 3.250%, due 5/11/2025	731	1.06	500	HBOS Plc, 144A, 6.750%, due 5/2/2018	537	0.78
EUR 292	Elenia Finance Oyj, 2.875%, due 12/17/2020	341	0.49			2,217	3.21	GBP 94	HSBC Bank Capital Funding Sterling 2 LP, 5.862%, Perpetual *	130	0.19
France — 4.75%				Norway — 0.50%				230	HSBC Holdings Plc, 5.100%, due 4/5/2021	254	0.37
EUR 200	AXA SA, 3.875%, Perpetual *	212	0.31	EUR 330	Statol ASA, 1.250%, due 2/17/2027	344	0.50	450	HSBC Holdings Plc, 6.375%, Perpetual *	413	0.60
GBP 200	BPCE SA, 5.250%, due 4/16/2029	265	0.38	Peru — 0.40%				444	Imperial Brands Finance Plc, 4.250%, due 7/21/2025	462	0.67
EUR 100	Casino Guichard Perrachon SA, 3.248%, due 3/7/2024	101	0.15	370	Southern Copper Corp, 5.250%, due 11/8/2042	276	0.40	EUR 150	Imperial Brands Finance Plc, 3.375%, due 2/26/2026	186	0.27
EUR 210	Credit Agricole SA, 2.625%, due 3/17/2027	219	0.32	Spain — 2.22%				GBP 265	Intu SGS Finance Plc, 3.875%, due 3/17/2023	383	0.55
670	Electricite de France SA, 5.250%, Perpetual *	582	0.84	EUR 200	BBVA Subordinated Capital SAU, 3.500%, due 4/11/2024 *	221	0.32	GBP 390	John Lewis Plc, 4.250%, due 12/18/2034	516	0.75
850	Engie SA, 2.875%, due 10/10/2022	845	1.22	EUR 100	Gas Natural Fenosa Finance BV, 1.375%, due 1/21/2025	106	0.15	EUR 270	Leeds Building Society, 1.375%, due 5/5/2022	278	0.40
EUR 200	Gecina SA, 2.000%, due 6/17/2024	223	0.32	EUR 100	Iberdrola International BV, 1.750%, due 9/17/2023	113	0.16	GBP 140	Legal & General Group Plc, 5.375%, due 10/27/2045 *	190	0.28
480	Pernod Ricard SA, 4.450%, due 1/15/2022	509	0.74	EUR 150	Redexis Gas Finance BV, 2.750%, due 4/8/2021	174	0.25	EUR 99	Lloyds Bank Plc, 11.875%, due 12/16/2021 *	116	0.17
EUR 300	Veolia Environnement SA, 1.590%, due 1/10/2028	326	0.47	EUR 300	Santander Issuances SAU, 2.500%, due 3/18/2025	307	0.45	GBP 110	Manchester Airport Group Funding Plc, 4.125%, due 4/2/2024	164	0.24
		3,282	4.75	GBP 400	Telefonica Emisiones SAU, 5.597%, due 3/12/2020	611	0.89	GBP 308	Mitchells & Butlers Finance Plc, Series B2, 6.013%, due 12/15/2028	487	0.71
Germany — 2.44%						1,532	2.22	EUR 200	Nationwide Building Society, 1.250%, due 3/3/2025	209	0.30
EUR 300	Allianz Finance II BV, 5.750%, due 7/8/2041 *	375	0.54	Sweden — 1.79%				GBP 150	Porterbrook Rail Finance Ltd, 4.625%, due 4/4/2029	230	0.33
EUR 200	Allianz SE, 4.750%, Perpetual *	230	0.33	650	Nordea Bank AB, 4.250%, due 9/21/2022	675	0.98	GBP 290	Prudential Plc, 5.000%, due 7/20/2055 *	332	0.48
EUR 200	Hannover Finance Luxembourg SA, 5.750%, due 9/14/2040 *	252	0.37	EUR 350	Skandinaviska Enskilda Banken AB, 2.500%, due 5/28/2026 *	383	0.56				
				EUR 220	Vattenfall AB, 3.000%, due 3/19/2077 *	176	0.25				
						1,234	1.79				

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Credit Fund

Portfolio of Investments as at February 29, 2016 – (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)											
United Kingdom — (continued)											
GBP	280	Prudential Plc, 5.700%, due 12/19/2063 *	331	0.48							
GBP	180	RL Finance Bonds No. 2 plc, 6.125%, due 11/30/2043 *	252	0.36							
	230	Royal Bank of Scotland Plc/The, 5.625%, due 8/24/2020	254	0.37							
	250	Royal Bank of Scotland Plc/The, 6.125%, due 1/11/2021	284	0.41							
GBP	240	Scottish Widows Ltd, 7.000%, due 6/16/2043	329	0.48							
EUR	270	Sky Plc, 2.250%, due 11/17/2025	303	0.44							
EUR	426	Standard Chartered Plc, 3.625%, due 11/23/2022	417	0.60							
GBP	100	Standard Chartered Plc, 5.125%, due 6/6/2034	106	0.15							
GBP	394	Telereal Secured Finance Plc, 4.010%, due 12/10/2031	541	0.78							
GBP	393	Tesco Property Finance 3 Plc, 5.744%, due 4/13/2040	455	0.66							
GBP	210	UNITE USAF II Plc, 3.374%, due 6/30/2023	305	0.44							
GBP	287	Virgin Media Secured Finance Plc, 5.500%, due 1/15/2021	416	0.60							
GBP	200	Virgin Money Plc, 2.250%, due 4/21/2020	274	0.40							
EUR	260	Vodafone Group Plc, 2.200%, due 8/25/2026	284	0.41							
GBP	310	Western Power Distribution East Midlands Plc, 5.250%, due 1/17/2023	497	0.72							
GBP	130	Whitbread Group Plc, 3.375%, due 10/16/2025	181	0.26							
GBP	160	Wm Morrison Supermarkets Plc, 4.625%, due 12/8/2023	221	0.32							
EUR	320	Yorkshire Building Society, 1.250%, due 3/17/2022	334	0.48							
			16,679	24.15							
United States — 37.58%											
	255	21st Century Fox America Inc, 7.280%, due 6/30/2028	316	0.46							
	90	21st Century Fox America Inc, 6.150%, due 3/1/2037	95	0.14							
	120	AbbVie Inc, 2.900%, due 11/6/2022	119	0.17							
	110	AbbVie Inc, 3.600%, due 5/14/2025	112	0.16							
	170	ACE INA Holdings Inc, 4.350%, due 11/3/2045	178	0.26							
	70	Actavis Funding SCS, 4.550%, due 3/15/2035	70	0.10							
	290	Actavis Funding SCS, 4.750%, due 3/15/2045	297	0.43							
	200	Allstate Corp/The, 6.500%, due 5/15/2057 *	215	0.31							
	450	Altria Group Inc, 4.750%, due 5/5/2021	498	0.72							
	700	Amgen Inc, 3.625%, due 5/22/2024	721	1.04							
	270	Anadarko Petroleum Corp, 6.375%, due 9/15/2017	274	0.40							
	140	Anthem Inc, 3.125%, due 5/15/2022	138	0.20							
GBP	405	AT&T Inc, 4.250%, due 6/1/2043	500	0.72							
	250	Baker Hughes Inc, 5.125%, due 9/15/2040	219	0.32							
	450	Bank of America Corp, 5.700%, due 5/2/2017	468	0.68							
	180	Bank of America Corp, 5.750%, due 12/1/2017	191	0.28							
	410	Bank of America Corp, 7.625%, due 6/1/2019	472	0.68							
	90	Baxalta Inc, 144A, 5.250%, due 6/23/2045	86	0.13							
	394	Bear Stearns Cos LLC/The, 6.400%, due 10/2/2017	421	0.61							
	400	Berkshire Hathaway Energy Co, 5.750%, due 4/1/2018	431	0.62							
	420	Berkshire Hathaway Inc, 1.125%, due 3/16/2027	423	0.61							
	240	Cameron International Corp, 4.000%, due 12/15/2023	238	0.34							
	290	Carlyle Holdings II Finance LLC, 144A, 5.625%, due 3/30/2043	305	0.44							
	479	Celgene Corp, 3.625%, due 5/15/2024	482	0.70							
	250	Celgene Corp, 5.000%, due 8/15/2045	256	0.37							
	430	Citigroup Inc, 4.500%, due 1/14/2022	461	0.67							
EUR	530	Citigroup Inc, 2.125%, due 9/10/2026	580	0.84							
	55	Comcast Corp, 7.050%, due 3/15/2033	72	0.10							
	265	ConocoPhillips Holding Co, 6.950%, due 4/15/2029	284	0.41							
	330	CSX Corp, 3.950%, due 5/1/2050	283	0.41							
	470	CVS Health Corp, 5.125%, due 7/20/2045	527	0.76							
	250	Devon Energy Corp, 6.300%, due 1/15/2019	237	0.34							
	240	Devon Energy Corp, 5.000%, due 6/15/2045	158	0.23							
	290	Ensco Plc, 5.200%, due 3/15/2025	148	0.21							
	400	Enterprise Products Operating LLC, 4.850%, due 8/15/2042	341	0.49							
	392	Express Scripts Holding Co, 3.900%, due 2/15/2022	398	0.58							
	370	FirstEnergy Corp, Series C, 7.375%, due 11/15/2031	460	0.67							
	320	Freeport-McMoran Oil & Gas LLC / FCX Oil & Gas Inc, 6.875%, due 2/15/2023	230	0.33							
	698	GE Capital International Funding Co, 2.342%, due 11/15/2020	705	1.02							
	513	GE Capital International Funding Co, 4.418%, due 11/15/2035	536	0.78							
	247	General Electric Co, 4.650%, due 10/17/2021	280	0.41							
	50	General Motors Co, 6.600%, due 4/1/2036	52	0.08							
	40	General Motors Co, 6.750%, due 4/1/2046	42	0.06							
	40	Gilead Sciences Inc, 3.700%, due 4/1/2024	42	0.06							
	324	Gilead Sciences Inc, 4.500%, due 2/1/2045	329	0.48							
	300	Gilead Sciences Inc, 4.750%, due 3/1/2046	316	0.46							
	340	Goldman Sachs Capital II, 4.000%, Perpetual *	241	0.35							
EUR	500	Goldman Sachs Group Inc/The, 2.875%, due 6/3/2026	584	0.85							
	340	Goldman Sachs Group Inc/The, 5.150%, due 5/22/2045	324	0.47							
	310	Halliburton Co, 5.000%, due 11/15/2045	276	0.40							
	230	Harris Corp, 5.550%, due 10/1/2021	256	0.37							
	280	Harris Corp, 4.854%, due 4/27/2035	280	0.41							
	160	Hess Corp, 7.300%, due 8/15/2031	139	0.20							
	300	HSBC Finance Corp, 6.676%, due 1/15/2021	334	0.48							
	490	Humana Inc, 4.950%, due 10/1/2044	479	0.69							
	380	Johnson Controls Inc, 3.625%, due 7/2/2024	379	0.55							
	380	JPMorgan Chase & Co, 3.375%, due 5/1/2023	375	0.54							
	70	Kinder Morgan Energy Partners LP, 4.250%, due 9/1/2024	61	0.09							
	180	Kraft Foods Group Inc, 3.500%, due 6/6/2022	186	0.27							
	130	Kraft Heinz Foods Co, 144A, 5.200%, due 7/15/2045	140	0.20							
	210	Lehman Brothers Holding Inc, zero coupon, due 12/28/2017 †	—	—							
	320	Lehman Brothers Holdings Capital Trust Escrow, zero coupon, Perpetual †	—	—							
	100	Lockheed Martin Corp, 3.550%, due 1/15/2026	105	0.15							
	120	McDonald's Corp, 4.875%, due 12/9/2045	127	0.18							
	134	Medtronic Inc, 3.125%, due 3/15/2022	137	0.20							
	156	Medtronic Inc, 4.625%, due 3/15/2045	166	0.24							
EUR	200	Mondelez International Inc, 2.375%, due 3/6/2035	198	0.29							
	140	MUFG Americas Holdings Corp, 3.000%, due 2/10/2025	135	0.20							
	120	Occidental Petroleum Corp, 4.625%, due 6/15/2045	115	0.17							
	100	Pacific Gas & Electric Co, 4.600%, due 6/15/2043	106	0.15							
	80	Philip Morris International Inc, 4.500%, due 3/20/2042	84	0.12							
	270	Philip Morris International Inc, 4.250%, due 11/10/2044	276	0.40							
	250	PPG Industries Inc, 5.500%, due 11/15/2040	284	0.41							
	360	Progress Energy Inc, 3.150%, due 4/1/2022	361	0.52							
	370	QUALCOMM Inc, 4.800%, due 5/20/2045	341	0.49							
	250	Republic Services Inc, 5.250%, due 11/15/2021	281	0.41							
	350	Reynolds American Inc, 5.850%, due 8/15/2045	411	0.60							
	510	Schlumberger Holdings Corp, 144A, 4.000%, due 12/21/2025	506	0.73							
GBP	210	Time Warner Cable Inc, 5.750%, due 6/2/2031	286	0.41							
	350	United Technologies Corp, 3.100%, due 6/1/2022	363	0.53							
	180	Verizon Communications Inc, 2.450%, due 11/1/2022	174	0.25							
	475	Verizon Communications Inc, 6.550%, due 9/15/2043	579	0.84							
	425	Verizon Communications Inc, 5.012%, due 8/21/2054	395	0.57							
	300	Visa Inc, 4.300%, due 12/14/2045	322	0.47							
	530	Wachovia Capital Trust III, 5.570%, Perpetual *	510	0.74							
	260	Wal-Mart Stores Inc, 6.200%, due 4/15/2038	334	0.48							
	380	Wells Fargo & Co, 4.600%, due 4/1/2021	418	0.61							
EUR	250	Wells Fargo & Co, 2.250%, due 5/2/2023	293	0.42							
	340	Wells Fargo & Co, 4.300%, due 7/22/2027	353	0.51							
	190	Wyeth LLC, 5.950%, due 4/1/2037	234	0.34							
			25,954	37.58							
Total Corporate Bonds and Notes (Cost \$65,212)										62,408	90.37
Government Bonds and Notes — 3.03%											
Brazil — 0.83%											
	290	Banco Nacional de Desenvolvimento Economico e Social, 3.375%, due 9/26/2016	289	0.42							
BRL	474	Brazil Notas do Tesouro Nacional Serie B, Series NTN-B, 6.000%, due 8/15/2050 β	281	0.41							
			570	0.83							
Colombia — 0.65%											
	500	Colombia Government International Bond, 5.625%, due 2/26/2044	451	0.65							

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Credit Fund

Portfolio of Investments as at February 29, 2016 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value
Government Bonds and Notes — (continued)		
Mexico — 1.30%		
391 Mexico Government International Bond, 5.550%, due 1/21/2045	408	0.59
530 Mexico Government International Bond, 4.600%, due 1/23/2046	486	0.71
	894	1.30
United States — 0.25%		
160 United States Treasury Note/Bond, 3.000%, due 11/15/2045	173	0.25
Total Government Bonds and Notes (Cost \$2,424)	2,088	3.03
Collective Investment Schemes — 2.89%		
1,999 Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	1,999	2.89
Total Collective Investment Schemes (Cost \$1,999)	1,999	2.89
Total Investments (Cost \$69,635)	66,495	96.29
Other Assets in Excess of Liabilities	2,562	3.71
Total Net Assets	\$69,057	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 29, 2016, these securities amounted to \$3,300,000 or 4.78% of net assets.

* Variable rate security. The interest rate shown reflects the rate in effect at February 29, 2016.

† 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 29, 2016.

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 29, 2016.

ABBREVIATIONS:

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

BRL – Brazilian Real

EUR – Euro

GBP – British Pound

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	92.58
Collective investment schemes	2.87
Financial derivative instruments	1.56
Other assets	2.99
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)
BNP Paribas	Markit iTraxx Europe, 1.000%	Buy	12/20/20	3,400	\$ 232
					\$ 232
Unrealised Appreciation of Credit Default Swaps					232
Unrealised Depreciation of Credit Default Swaps					–
Net Appreciation of Credit Default Swaps					\$ 232

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/01/16	UBS	Buy EUR 378	Sell USD 417	\$ (5)
03/15/16	BNY Mellon	Buy USD 11	Sell EUR 10	–
03/15/16	BNY Mellon	Buy EUR 947	Sell USD 1,061	(31)
04/07/16	Deutsche Bank London	Buy USD 304	Sell BRL 1,260	(6)
05/13/16	Barclays Capital London	Buy USD 205	Sell EUR 183	6
05/13/16	Barclays Capital London	Buy USD 522	Sell GBP 362	19
05/13/16	Barclays Capital London	Buy GBP 240	Sell USD 348	(14)
05/13/16	BNP Paribas	Buy USD 167	Sell EUR 150	4
05/13/16	Citicorp Securities London Ltd	Buy USD 396	Sell EUR 356	7
05/13/16	Citicorp Securities London Ltd	Buy USD 3,859	Sell GBP 2,673	137
05/13/16	Deutsche Bank London	Buy USD 210	Sell GBP 144	9
05/13/16	Goldman Sachs London	Buy USD 3,292	Sell EUR 2,951	74
05/13/16	HSBC Midland	Buy USD 178	Sell EUR 160	4
05/13/16	JP Morgan Chase Bank London	Buy USD 5,377	Sell GBP 3,730	183
05/13/16	Morgan Stanley London	Buy USD 3,640	Sell EUR 3,271	73
05/13/16	Royal Bank of Scotland	Buy USD 783	Sell EUR 702	17
05/13/16	Societe Generale London	Buy USD 556	Sell EUR 500	11
05/13/16	UBS	Buy USD 4,900	Sell EUR 4,343	165
05/13/16	UBS	Buy USD 3,630	Sell GBP 2,511	134
05/13/16	UBS	Buy USD 690	Sell JPY 76,655	9
Unrealised Appreciation of Forward Foreign Currency Contracts				852
Unrealised Depreciation of Forward Foreign Currency Contracts				(56)
Net Appreciation of Forward Foreign Currency Contracts				\$ 796

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Credit Fund

Portfolio of Investments as at February 29, 2016 – (continued)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Euro-Bund March 2016	(2)	\$ (363)	\$ (2)
Long Gilt June 2016	(74)	(12,557)	(42)
U.S. 10 Year Note (CBT) June 2016	(49)	(6,395)	(3)
U.S. 5 Year Note (CBT) June 2016	82	9,921	(13)
U.S. Long Bond (CBT) June 2016	(12)	(1,974)	6
U.S. Ultra Bond (CBT) June 2016	14	2,424	(9)
Ultra Long Gilt June 2016	(7)	(1,325)	(1)
Total Market Value of Futures Contracts	(48)	\$ (10,269)	\$ (64)
Unrealised Appreciation of Futures Contracts			6
Unrealised Depreciation of Futures Contracts			(70)
Net Depreciation of Futures Contracts			\$ (64)

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Foreign Corporate Bonds and Notes	28,375	28.34	Machinery-Construction & Mining	618	0.62	U.S. Treasury Obligations	7,246	7.24
British Pound Sterling Bonds	17,051	17.04	Media	920	0.92	Collective Investment Schemes	851	0.85
Euro Bonds	11,324	11.30	Mining	1,022	1.02			
Foreign Government Bonds and Notes	5,899	5.89	Oil & Gas	1,850	1.85	Other Assets in Excess of Liabilities	2,729	2.73
Brazil Government Bonds	424	0.42	Packaging & Containers	75	0.07	Total Net Assets	100,107	100.00
Euro Government Bonds	311	0.31	Pharmaceuticals	2,345	2.34			
Germany Government Bonds	1,099	1.10	Pipelines	441	0.44	Futures Contracts – February 28, 2015		(000's)
Mexican Government Bonds	464	0.46	Real Estate	505	0.50	Unrealised Appreciation of Futures Contracts		84
United Kingdom Government Bonds	3,601	3.60	Retail	1,576	1.58	Unrealised Depreciation of Futures Contracts		(133)
U.S. Corporate Bonds and Notes	35,058	35.02	Telecommunications	2,426	2.42	Net Depreciation of Future Contracts		\$ (49)
Aerospace/Defense	990	0.99	Transportation	481	0.48			
Agriculture	899	0.90	U.S. Denominated Bonds and Notes	18,065	18.05	Credit Default Swaps – February 28, 2015		
Auto Manufacturers	476	0.48	Australia	823	0.82	Unrealised Appreciation of Credit Default Swaps		38
Auto Parts & Equipment	394	0.39	British Virgin Islands	1,073	1.07	Unrealised Depreciation of Credit Default Swaps		(246)
Beverages	1,974	1.98	Canada	910	0.91	Net Depreciation of Credit Default Swaps		\$(208)
Biotechnology	1,863	1.86	Cayman Islands	979	0.98			
Chemicals	675	0.68	Colombia	182	0.18	Forward Contracts – February 28, 2015		
Electric	1,797	1.79	Denmark	587	0.59	Unrealised Appreciation of Forward Foreign Currency Contracts		388
Environmental Control	285	0.28	France	2,093	2.09	Unrealised Depreciation of Forward Foreign Currency Contracts		(308)
Financials-Banks	6,378	6.37	Italy	779	0.78	Net Appreciation of Forward Foreign Currency Contracts		\$ 80
Financials-Capital Markets	–	–	Mexico	2,121	2.12			
Financials-Diversified	3,548	3.54	Netherlands	1,357	1.36			
Food	604	0.60	Sweden	685	0.68			
Healthcare-Products	583	0.58	Switzerland	1,351	1.35			
Healthcare-Services	1,059	1.06	United Kingdom	5,125	5.12			
Holding Companies-Diversified	188	0.19	U.S. Denominated Debt Obligations	1,884	1.88			
Insurance	547	0.55	Brazil	292	0.29			
Internet	539	0.54	Colombia	573	0.57			
			Mexico	1,019	1.02			

* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

Legg Mason Western Asset Euro High Yield Fund

Portfolio of Investments as at February 29, 2016

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 — 88.66%				GBP	860	Enel SpA, 7.750%, due 9/10/2075 *	1,136	1.31	United Kingdom — 23.91%					
Brazil — 2.15%					670	Onorato Armatori SPA, 7.750%, due 2/15/2023	652	0.75	GBP	190	AA Bond Co Ltd, 5.500%, due 7/31/2022	223	0.26	
	1,510	Petrobras Global Finance BV, 2.750%, due 1/15/2018	1,283	1.47	GBP	650	Telecom Italia SpA, 6.375%, due 6/24/2019	888	1.02	850	Alliance Automotive Finance Plc, 6.250%, due 12/1/2021	873	1.00	
GBP	770	Petrobras Global Finance BV, 6.625%, due 1/16/2034	588	0.68		1,000	Wind Acquisition Finance SA, 4.000%, due 7/15/2020	968	1.11	GBP	245	Anglian Water Osprey Financing Plc, 7.000%, due 1/31/2018	333	0.38
			1,871	2.15		770	Wind Acquisition Finance SA, 7.000%, due 4/23/2021	732	0.84	GBP	520	Anglian Water Osprey Financing Plc, 5.000%, due 4/30/2023	643	0.74
Canada — 1.42%							5,745	6.60	GBP	1,120	Boparan Finance Plc, 5.500%, due 7/15/2021	1,239	1.42	
GBP	1,010	Entertainment One Ltd, 6.875%, due 12/15/2022	1,234	1.42	Japan — 0.38%				GBP	270	Centrica Plc, 5.250%, due 4/10/2075 *	293	0.34	
France — 13.91%					340	SoftBank Group Corp, 4.000%, due 7/30/2022	335	0.38	GBP	100	Co-operative Group Holdings 2011 Ltd, 6.875%, due 7/8/2020	135	0.16	
	1,473	3AB Optique Developpement SAS, 5.625%, due 4/15/2019	1,326	1.52	Luxembourg — 12.42%				GBP	220	Co-operative Group Holdings 2011 Ltd, 7.500%, due 7/8/2026	293	0.34	
	900	Autodis SA, 6.500%, due 2/1/2019	925	1.06	330	Altice Financing SA, 5.250%, due 2/15/2023	316	0.36	GBP	290	CPUK Finance Ltd, 7.239%, due 2/28/2024	455	0.52	
USD	1,100	Electricite de France SA, 5.625%, Perpetual *	891	1.02	430	Altice Luxembourg SA, 7.250%, due 5/15/2022	410	0.47	480	EC Finance Plc, 5.125%, due 7/15/2021	495	0.57		
	670	Europcar Groupe SA, 5.750%, due 6/15/2022	668	0.77	1,440	Ardagh Finance Holdings SA, 8.375%, due 6/15/2019	1,364	1.57	910	Eco-Bat Finance Plc, 7.750%, due 2/15/2017	874	1.00		
	850	HomeVi SAS, 6.875%, due 8/15/2021	888	1.02	255	ConvaTec Healthcare E SA, 10.875%, due 12/15/2018	262	0.30	1,000	Fiat Chrysler Finance Europe, 6.750%, due 10/14/2019	1,106	1.27		
	880	Labeyrie Fine Foods SAS, 5.625%, due 3/15/2021	906	1.04	1,450	Eurofins Scientific SE, 4.875%, Perpetual *	1,316	1.51	GBP	1,000	Galaxy Bidco Ltd, 6.375%, due 11/15/2020	1,235	1.42	
	500	Novacap International SAS, 4.840%, due 5/1/2019 *	492	0.57	1,840	Garfunkelux Holdco 3 SA, 7.500%, due 8/1/2022	1,813	2.08	GBP	260	Grainger Plc, 5.000%, due 12/16/2020	340	0.39	
	1,090	Novafives SAS, 4.500%, due 6/30/2021	874	1.01	1,030	LSF9 Balta Issuer SA, 7.750%, due 9/15/2022	1,040	1.20	GBP	876	Heathrow Finance Plc, 7.125%, due 3/1/2017	1,155	1.33	
	1,730	Numericable-SFR SA, 5.625%, due 5/15/2024	1,708	1.96	870	Picard Bondco SA, 7.750%, due 2/1/2020	919	1.06	1,000	Interoute Finco Plc, 7.375%, due 10/15/2020	1,038	1.19		
	1,290	Oberthur Technologies Holding SAS, 9.250%, due 4/30/2020	1,325	1.52	1,000	SIG Combibloc Holdings SCA, 7.750%, due 2/15/2023	1,030	1.18	GBP	670	Jaguar Land Rover Automotive Plc, 5.000%, due 2/15/2022	831	0.96	
	1,020	Paprec Holding, 7.375%, due 4/1/2023	907	1.04	1,130	Telenet Finance VI Luxembourg SCA, 4.875%, due 7/15/2027	1,058	1.22	GBP	350	Kelda Finance No 3 Plc, 5.750%, due 2/17/2020	462	0.53	
	1,230	SGD Group SAS, 5.625%, due 5/15/2019	1,202	1.38	1,250	Unilabs Subholding AB, 8.500%, due 7/15/2018	1,284	1.47	800	Kerling Ltd, 10.625%, due 2/1/2017	795	0.91		
			12,112	13.91			10,812	12.42	GBP	100	Pizzaexpress Financing 2 Plc, 6.625%, due 8/1/2021	129	0.15	
Germany — 10.08%					Mexico — 0.91%				200	R&R Ice Cream Plc, 4.750%, due 5/15/2020	203	0.23		
	540	Deutsche Raststaetten Gruppe IV GmbH, 6.750%, due 12/30/2020	568	0.65	840	Cemex Finance LLC, 5.250%, due 4/1/2021	790	0.91	1,370	Synlab Bondco Plc, 6.250%, due 7/1/2022	1,394	1.60		
	1,000	Douglas GmbH, 6.250%, due 7/15/2022	1,024	1.18	Netherlands — 4.21%				880	Tesco Corporate Treasury Services Plc, 2.500%, due 7/1/2024	801	0.92		
	1,340	HeidelbergCement Finance Luxembourg SA, 7.500%, due 4/3/2020	1,596	1.83	1,886	Boats Investments Netherlands BV, 11.000%, due 3/31/2017	317	0.36	GBP	496	Tesco Property Finance 6 Plc, 5.411%, due 7/13/2044	506	0.58	
	432	KraussMaffei Group GmbH, 8.750%, due 12/15/2020	458	0.53	1,350	LGE HoldCo VI BV, 7.125%, due 5/15/2024	1,450	1.67	GBP	1,100	Thomas Cook Group Plc, 7.750%, due 6/22/2017	1,440	1.65	
	860	ProGroup AG, 5.125%, due 5/1/2022	882	1.01	1,800	UPC Holding BV, 6.375%, due 9/15/2022	1,895	2.18	GBP	360	Virgin Media Finance Plc, 7.000%, due 4/15/2023	467	0.54	
	800	Schaeffler Holding Finance BV, 6.875%, due 8/15/2018	823	0.94			3,662	4.21	GBP	460	Virgin Media Finance Plc, 6.375%, due 10/15/2024	575	0.66	
	750	Trionista TopCo GmbH, 6.875%, due 4/30/2021	783	0.90	Poland — 0.75%				GBP	650	Virgin Media Secured Finance Plc, 5.500%, due 1/15/2021	866	1.00	
	890	Unitymedia Hessen GmbH & Co KG / Unitymedia NRW GmbH, 4.000%, due 1/15/2025	850	0.98	640	Play Finance 1 SA, 6.500%, due 8/1/2019	657	0.75	1,070	Viridian Group FundCo II Ltd, 7.500%, due 3/1/2020	1,113	1.28		
	220	Volkswagen International Finance NV, 4.625%, Perpetual *	201	0.23	Portugal — 0.20%				GBP	380	Vougeot Bidco Plc, 7.875%, due 7/15/2020	497	0.57	
	1,600	ZF North America Capital Inc, 2.250%, due 4/26/2019	1,592	1.83	200	EDP – Energias de Portugal SA, 5.375%, due 9/16/2075 *	176	0.20			20,809	23.91		
			8,777	10.08	Spain — 2.50%				United States — 6.28%					
Greece — 0.55%					510	Campofrio Food Group SA, 3.375%, due 3/15/2022	501	0.58	661	Chesapeake Energy Corp, 6.250%, due 1/15/2017	317	0.37		
USD	500	FAGE Dairy Industry SA / FAGE USA Dairy Industry Inc, 9.875%, due 2/1/2020	474	0.55	390	Empark Funding SA, 6.750%, due 12/15/2019	410	0.47	1,000	Crown European Holdings SA, 4.000%, due 7/15/2022	1,030	1.18		
India — 0.99%					1,000	Grupo Isolux Corsan Finance BV, 6.625%, due 4/15/2021	230	0.26	500	Jarden Corp, 3.750%, due 10/1/2021	514	0.59		
	970	Samvardhana Motherson Automotive Systems Group BV, 4.125%, due 7/15/2021	863	0.99	400	Telefonica Europe BV, 7.625%, Perpetual *	416	0.48	870	PSPC Escrow Corp, 6.000%, due 2/1/2023	651	0.75		
Italy — 6.60%				GBP	500	Telefonica Europe BV, 6.750%, Perpetual *	615	0.71	780	Rain CII Carbon LLC / CII Carbon Corp, 8.500%, due 1/15/2021	556	0.64		
							2,172	2.50	400	Sealed Air Corp, 4.500%, due 9/15/2023	413	0.4		
	1,270	Astaldi SpA, 7.125%, due 12/1/2020	1,238	1.42	Sweden — 0.24%				Switzerland — 1.16%					
	130	Enel SpA, 5.000%, due 1/15/2075 *	131	0.15	280	Vattenfall AB, 3.000%, due 3/19/2077 *	206	0.24	1,000	Dufry Finance SCA, 4.500%, due 8/1/2023	1,012	1.16		

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 29, 2016 – (continued)

Face Value (000's)	Value (000's) €	% of Net Asset Value
Corporate Bonds and Notes — (continued)		
United States — (continued)		
890 Valeant Pharmaceuticals International Inc, 4.500%, due 5/15/2023	713	0.82
1,400 XPO Logistics Inc, 5.750%, due 6/15/2021	1,274	1.46
	5,468	6.28
Total Corporate Bonds and Notes (Cost €80,702)	77,175	88.66
Time Deposits — 7.52%		
GBP 1,700 Commerzbank London, 0.350%, due 3/1/2016	2,183	2.50
GBP 1,700 ING Bank NV Amsterdam, 0.400%, due 3/1/2016	2,183	2.51
GBP 1,701 Rabobank, 0.250%, due 3/1/2016	2,184	2.51
Total Time Deposits (Cost €6,527)	6,550	7.52

Face Value (000's)	Value (000's) €	% of Net Asset Value
Collective Investment Schemes — 0.19%		
USD 176 Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	162	0.19
Total Collective Investment Schemes (Cost €161)	162	0.19
Total Investments (Cost €87,390)	83,887	96.37
Other Assets in Excess of Liabilities	3,161	3.63
Total Net Assets	€87,048	100.00

* Variable rate security. The interest rate shown reflects the rate in effect at February 29, 2016.

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

	% of Total Assets
Analysis of Total Assets	
Transferable securities admitted to an official exchange listing or traded on a regulated market	88.54
Collective investment schemes	0.19
Deposits with credit institutions	7.51
Financial derivative instruments	0.21
Other assets	3.55
Total Assets	100.00

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
05/13/16	Bank of New York Mellon London	Buy EUR 905	Sell GBP 700	€ 11
05/13/16	Barclays Capital London	Buy EUR 362	Sell CHF 398	(4)
05/13/16	Barclays Capital London	Buy CHF 397	Sell EUR 361	6
05/13/16	Barclays Capital London	Buy EUR 961	Sell GBP 750	3
05/13/16	BNP Paribas	Buy GBP 800	Sell EUR 1,035	(14)
05/13/16	BNP Paribas	Buy EUR 1,321	Sell GBP 1,021	17
05/13/16	Citicorp Securities London Ltd	Buy EUR 2,436	Sell GBP 1,907	1
05/13/16	Deutsche Bank London	Buy EUR 1,226	Sell GBP 951	12
05/13/16	Deutsche Bank London	Buy EUR 186	Sell USD 210	(7)
05/13/16	JP Morgan Chase Bank London	Buy EUR 3,883	Sell GBP 3,047	(8)
05/13/16	JP Morgan Chase Bank London	Buy EUR 869	Sell USD 983	(32)
05/13/16	Royal Bank of Canada London	Buy EUR 879	Sell GBP 680	11
05/13/16	Societe Generale London	Buy EUR 1,196	Sell GBP 924	16
05/13/16	UBS	Buy EUR 12,517	Sell GBP 9,718	109
05/13/16	UBS	Buy EUR 447	Sell GBP 350	(1)
Unrealised Appreciation of Forward Foreign Currency Contracts				186
Unrealised Depreciation of Forward Foreign Currency Contracts				(66)
Net Appreciation of Forward Foreign Currency Contracts				€ 120

Portfolio of Investments as at February 28, 2015*

	Value (000's) € as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Investments		
EUR Denominated Bonds and Notes — 66.49%	58,889	66.49
Austria	1,420	1.60
Canada	1,063	1.20
Cayman Islands	653	0.74
France	12,955	14.63
Germany	4,340	4.90
Ireland	1,389	1.57
Italy	1,932	2.18
Luxembourg	12,683	14.32
Netherlands	8,890	10.04
South Africa	607	0.68
Spain	416	0.47
Sweden	1,496	1.69
United Kingdom	5,083	5.74
United States	5,962	6.73
Foreign Corporate Bonds and Notes		
	22,668	25.59
France	1,064	1.20
Greece	469	0.53

	Value (000's) € as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Investments		
Italy	2,350	2.65
Jersey	1,918	2.17
Luxembourg	477	0.54
Netherlands	756	0.85
United Kingdom	15,101	17.05
United States	533	0.60
Collective Investment Schemes	4,307	4.86
Other Assets in Excess of Liabilities	2,712	3.06
Total Net Assets	€88,576	100.00

Forward Contracts – February 28, 2015		(000's)
Unrealised Appreciation of Forward Foreign Currency Contracts	3	
Unrealised Depreciation of Forward Foreign Currency Contracts	(811)	
Net Depreciation of Forward Foreign Currency Contracts	€(808)	

* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

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 29, 2016

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 — 1.68%						France — 1.61%					
494	Argent Securities Inc Asset-Backed Pass-Through Certificates Series 2004-W8, Series 2004 W8, Class A2, 1.396%, due 5/25/2034 *	486 0.01	21,782	JPMBB Commercial Mortgage Securities Trust 2015-C32, Series 2015 C32, Class D, 4.169%, due 11/15/2048 *	14,360 0.37	6,880	BNP Paribas SA, 144A, 4.375%, due 9/28/2025	6,664 0.17			
10,560	Community Funding CLO 2015-1A, Series 2015 1A, Class A, 144A, 5.750%, due 11/1/2027 ∞	10,243 0.27	10,115	MortgageIT Trust 2005-3, Series 2005 3, Class A1, 0.736%, due 8/25/2035 *	9,251 0.24	4,110	BNP Paribas SA, 144A, 7.375%, Perpetual *	3,843 0.10			
EUR 2,910	Magnus Dritte Immobilienbesitz und Verwaltungs 1 GmbH 1A, Class JNR, 144A, 7.250%, due 7/1/2024 ∞	3,134 0.08	6,553	Wells Fargo Commercial Mortgage Trust 2015-C31, Series 2015 C31, Class D, 3.852%, due 11/15/2048	4,649 0.12	20,529	Credit Agricole SA, 144A, 4.375%, due 3/17/2025	19,545 0.51			
10,790	SLM Student Loan Trust 2008-5, Series 2008 5, Class A4, 2.319%, due 7/25/2023 *	10,822 0.28	4,700	Wells Fargo Commercial Mortgage Trust 2015-SG1, Series 2015 SG1, Class D, 4.471%, due 12/15/2047 *	3,429 0.09	6,050	Credit Agricole SA, 144A, 8.125%, Perpetual *	5,627 0.14			
12,457	SLM Student Loan Trust 2008-6, Series 2008 6, Class A3, 1.369%, due 1/25/2019 *	12,400 0.32	Total Mortgage-Backed Securities (Cost \$120,322)			112,166	2.91	1,863	Numericable-SFR SA, 144A, 6.250%, due 5/15/2024	1,816 0.05	
14,576	SLM Student Loan Trust 2012-2, Series 2012 2, Class A, 1.136%, due 1/25/2029 *	13,819 0.36	Corporate Bonds and Notes — 54.02%			20,905			Pernod Ricard SA, 144A, 5.500%, due 1/15/2042	21,954 0.57	
14,260	SLM Student Loan Trust 2013-3, Series 2013 3, Class A3, 0.936%, due 4/26/2027 *	13,635 0.36	Australia — 0.51%			3,090			Societe Generale SA, 144A, 6.000%, Perpetual *	2,603 0.07	
Total Asset-Backed Securities (Cost \$66,029)			64,539	1.68	Belgium — 1.67%			62,052			1.61
Mortgage-Backed Securities — 2.91%						Germany — 0.18%					
11,740	BBCCRE Trust 2015-GTP, Series 2015 GTP, Class D, 144A, 4.563%, due 8/10/2033 *	9,932 0.26	14,660	BHP Billiton Finance USA Ltd, 144A, 6.750%, due 10/19/2075 *	14,147 0.37	4,060	Schaeffler Holding Finance BV, 144A, 6.875%, due 8/15/2018	4,162 0.11			
880	COMM 2015-CCRE25 Mortgage Trust, Series 2015 CR25, Class D, 3.797%, due 8/10/2048 *	587 0.02	6,020	FMG Resources August 2006 Pty Ltd, 144A, 9.750%, due 3/1/2022	5,659 0.14	2,290	Schaeffler Holding Finance BV, 144A, 6.250%, due 11/15/2019	2,384 0.06			
13,360	COMM 2015-LC21 Mortgage Trust, Series 2015 LC21, Class D, 4.313%, due 7/10/2048 *	10,307 0.27				19,806	0.51	CNH 4,000	Volkswagen International Finance NV, 3.750%, due 11/30/2017	572 0.01	
13,758	CSMC Series 2009-2R, Series 2009 2R, Class 1A14, 144A, 2.753%, due 9/26/2034 *	13,464 0.35	Brazil — 0.60%			India — 0.88%					
13,900	CSMC Series 2015-12R, Series 2015 12R, Class 2A1, 144A, 0.931%, due 11/30/2037 *	12,080 0.31	18,320	Anheuser-Busch InBev Finance Inc, 3.650%, due 2/1/2026	18,910 0.49	INR 300,000	Export-Import Bank of India, Series P-03, 9.300%, due 5/11/2022	4,560 0.12			
5,103	Fannie Mae Connecticut Avenue Securities, Series 2015 C01, Class 1M1, 1.936%, due 2/25/2025 *	5,111 0.13	14,650	Anheuser-Busch InBev Finance Inc, 4.700%, due 2/1/2036	15,358 0.40	INR 250,000	National Bank for Agriculture and Rural Development, Series 16C, 8.370%, due 6/22/2020	3,673 0.09			
3,700	Fannie Mae Pool, 30 year, TBA, 3.500% ±	3,876 0.10	28,000	Anheuser-Busch InBev Finance Inc, 4.900%, due 2/1/2046	30,005 0.78	INR 500,000	NTPC Ltd, Series 53, 9.170%, due 9/22/2024	7,589 0.20			
8,610	Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2016 DNA1, Class M2, 3.336%, due 7/25/2028 *	8,592 0.22				64,273	1.67	INR 500,000	Power Finance Corp Ltd, Series 130C, 8.390%, due 4/19/2025	7,234 0.19	
2,500	GS Mortgage Securities Trust 2014-GC24, Series 2014 GC24, Class D, 144A, 4.529%, due 9/10/2047 *	1,735 0.05	Canada — 0.31%			INR 250,000			Power Grid Corp of India Ltd, Series C, 8.200%, due 1/23/2025	3,607 0.09	
6,780	JP Morgan Chase Commercial Mortgage Securities Trust 2014-FL6, Series 2014 FL6, Class C, 144A, 3.461%, due 11/15/2031 *	6,534 0.17	6,160	MEG Energy Corp, 144A, 6.500%, due 3/15/2021	2,972 0.08	INR 500,000			Rural Electrification Corp Ltd, Series 133, 8.300%, due 4/10/2025	7,192 0.19	
4,700	JP Morgan Chase Commercial Mortgage Securities Trust 2014-FL6, Series 2014 FL6, Class D, 144A, 4.681%, due 11/15/2031 *	4,256 0.11	3,700	MEG Energy Corp, 144A, 6.375%, due 1/30/2023	1,748 0.04	Italy — 0.38%					
5,987	JPMBB Commercial Mortgage Securities Trust 2015-C31, Series 2015 C31, Class D, 4.119%, due 8/15/2048 *	4,003 0.10	1,580	MEG Energy Corp, 144A, 7.000%, due 3/31/2024	727 0.02	9,230	Enel Finance International NV, 144A, 6.000%, due 10/7/2039	10,190 0.26			
			8,040	Teine Energy Ltd, 144A, 6.875%, due 9/30/2022	6,593 0.17	2,150	Intesa Sanpaolo SpA, 144A, 5.017%, due 6/26/2024	1,975 0.05			
						23,125	0.60	2,570	Telecom Italia SpA, 144A, 5.303%, due 5/30/2024	2,493 0.07	
			China — 0.13%			Luxembourg — 0.25%					
			CNH 15,000	Bank of China Ltd/ Luxembourg, 3.500%, due 5/15/2017	2,236 0.06	9,600	Altice Financing SA, 144A, 6.625%, due 2/15/2023	9,456 0.25			
			2,690	Sinopec Group Overseas Development 2014 Ltd, 144A, 4.375%, due 4/10/2024	2,848 0.07	Mexico — 0.47%					
						5,084	0.13	20,780	Petroleos Mexicanos, 6.375%, due 1/23/2045	18,026 0.47	
			Colombia — 1.78%			Netherlands — 0.74%					
			24,540	Ecopetrol SA, 5.875%, due 9/18/2023	21,772 0.56	3,550	Cooperatieve Rabobank UA, 4.625%, due 12/1/2023	3,621 0.09			
			37,120	Ecopetrol SA, 4.125%, due 1/16/2025	28,471 0.74	11,480	Cooperatieve Rabobank UA, 5.750%, due 12/1/2043	12,668 0.33			
			11,320	Ecopetrol SA, 5.375%, due 6/26/2026	9,183 0.24	6,210	Cooperatieve Rabobank UA, 5.250%, due 8/4/2045	6,340 0.17			
			13,390	Ecopetrol SA, 5.875%, due 5/28/2045	9,340 0.24	6,200	Shell International Finance BV, 4.375%, due 5/11/2045	5,750 0.15			
						68,766	1.78				

[^] 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 29, 2016 – (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)				United States — 36.80%									
New Zealand — 0.22%				3,250	AbbVie Inc,			510	Chesapeake Energy Corp,				
CNH	59,000	Fonterra Co-operative Group Ltd,		4,500%, due 5/14/2035	3,236	0.08		6,625%, due 8/15/2020	115	–			
		3,600%, due 1/29/2019	8,408	0.22	440	AbbVie Inc,		930	Chesapeake Energy Corp,				
						4,700%, due 5/14/2045	440	0.01	6,125%, due 2/15/2021	195	–		
Spain — 1.06%				1,860	ACE INA Holdings Inc,			3,410	Chesapeake Energy Corp,				
	13,200	Banco Bilbao Vizcaya Argentaria SA,		3,350%, due 5/3/2026	1,906	0.05		4,875%, due 4/15/2022	716	0.02			
		9,000%, Perpetual *	13,438	0.35	6,270	ACE INA Holdings Inc,		2,670	Chesapeake Energy Corp,				
	15,200	Banco Santander SA,		4,350%, due 11/3/2045	6,575	0.17		5,750%, due 3/15/2023	561	0.01			
		6,375%, Perpetual *	12,996	0.34	5,080	Actavis Funding SCS,		4,720	CIT Group Inc, 144A,				
	4,910	Telefonica Emisiones SAU,		4,550%, due 3/15/2035	5,111	0.13		5,500%, due 2/15/2019	4,885	0.13			
		4,570%, due 4/27/2023	5,216	0.13	4,410	Alcoa Inc,		15,990	CIT Group Inc,				
	7,810	Telefonica Emisiones SAU,		5,870%, due 2/23/2022	4,223	0.11		5,000%, due 8/15/2022	16,050	0.42			
		7,045%, due 6/20/2036	9,274	0.24	2,380	Ally Financial Inc,		8,290	CIT Group Inc,				
			40,924	1.06		8,000%, due 11/1/2031	2,621	0.07	5,000%, due 8/1/2023	8,290	0.22		
Switzerland — 1.45%				7,180	Altria Group Inc,			6,520	Citigroup Inc,				
	3,240	Credit Suisse AG/New York NY,		10,200%, due 2/6/2039	12,083	0.31		4,450%, due 9/29/2027	6,415	0.17			
		2,300%, due 5/28/2019	3,213	0.08	2,540	Amazon.com Inc,		3,435	Citigroup Inc,				
	22,250	Credit Suisse Group Funding Guernsey Ltd,		4,950%, due 12/5/2044	2,809	0.07		8,125%, due 7/15/2039	4,898	0.13			
		4,875%, due 5/15/2045	20,271	0.53	2,680	American Airlines 2013-2 Class B Pass Through Trust, 144A,		14,660	Citigroup Inc,				
	8,450	Glencore Funding LLC, 144A,		4,500%, due 7/15/2044	5,167	0.13		5,300%, due 5/6/2044	14,543	0.38			
		2,875%, due 4/16/2020	7,035	0.18	4,180	Apache Corp,		8,220	Citigroup Inc,				
	11,160	UBS Group AG,		4,750%, due 4/15/2043	3,196	0.08		4,650%, due 7/30/2045	8,245	0.21			
		6,875%, Perpetual *	10,378	0.27	12,640	Apache Corp,		20,565	Citigroup Inc, Series D,				
	11,570	UBS Group AG,		4,250%, due 1/15/2044	9,051	0.23		5,350%, Perpetual *	18,611	0.48			
		7,000%, Perpetual *	11,454	0.30	7,400	Argos Merger Sub Inc, 144A,		87,805	Citigroup Inc, Series P,				
	3,540	UBS Group Funding Jersey Ltd, 144A,		7,125%, due 3/15/2023	7,566	0.20		5,950%, Perpetual *	82,537	2.14			
		4,125%, due 9/24/2025	3,525	0.09	9,590	AT&T Inc,		12,740	Citigroup Inc, Series M,				
			55,876	1.45		4,500%, due 5/15/2035	8,803	0.23	6,300%, Perpetual *	11,912	0.31		
United Arab Emirates — 0.09%				17,700	AT&T Inc,			4,800	Comcast Corp,				
	5,270	Shelf Drilling Holdings Ltd, 144A,		4,750%, due 5/15/2046	16,157	0.42		6,500%, due 11/15/2035	6,043	0.16			
		8,625%, due 11/1/2018	3,373	0.09	8,740	Atwood Oceanics Inc,		620	Comcast Corp,				
United Kingdom — 4.89%					6,500%, due 2/1/2020	3,671	0.10	3,800	Communications Sales & Leasing Inc /CSL Capital LLC,				
	2,410	Barclays Bank Plc,			3,990	Axial Corp,		3,185	Compass Bank,				
		7,625%, due 11/21/2022	2,437	0.06		4,875%, due 5/15/2023	3,870	0.10	3,875%, due 4/10/2025	2,928	0.08		
CNH	34,000	BP Capital Markets Plc, Series 82,			23,560	BAC Capital Trust XIV, Series G, 4,000%, Perpetual *	16,492	0.43	6,610	Comstock Resources Inc, 144A,			
		3,650%, due 2/28/2019	4,866	0.13		8,000	Bank of America Corp,		10,000%, due 3/15/2020	2,396	0.06		
GBP	4,970	Eversholt Funding Plc,				4,250%, due 10/22/2026	7,895	0.20	860	Concho Resources Inc,			
		6,359%, due 12/2/2025	8,563	0.22		5,000%, due 1/21/2044	8,572	0.22	6,500%, due 1/15/2022	826	0.02		
	2,470	Globe Luxembourg SCA, 144A,			8,070	Bank of America Corp,			1,685	Concho Resources Inc,			
		9,625%, due 5/1/2018	1,309	0.03		Series X, 6,250%, Perpetual *	33,766	0.88	5,500%, due 10/1/2022	1,562	0.04		
	6,540	HSBC Holdings Plc,			34,900	Bank of America Corp,			580	Constellation Brands Inc,			
		4,250%, due 8/18/2025	6,336	0.16		Series Z, 6,500%, Perpetual *	8,354	0.22	4,750%, due 11/15/2024	608	0.02		
	15,980	HSBC Holdings Plc,			8,190	Bank of America Corp,			4,433	Crestwood Midstream Partners LP / Crestwood Midstream Finance Corp,			
		5,250%, due 3/14/2044	15,285	0.40		Series U, 5,200%, Perpetual *	26,163	0.68	6,125%, due 3/1/2022	3,192	0.08		
	5,560	HSBC Holdings Plc,			40,430	Bank of America Corp,			5,370	CSC Holdings LLC,			
		6,375%, Perpetual *	5,100	0.13		Series AA,			8,625%, due 2/15/2019	5,773	0.15		
	7,370	HSBC Holdings Plc,			3,190	Baxalta Inc, 144A,			1,140	CSC Holdings LLC,			
		6,375%, Perpetual *	6,769	0.17		5,250%, due 6/23/2045	3,053	0.08	6,750%, due 11/15/2021	1,157	0.03		
	4,000	KCA Deutag UK Finance Plc, 144A,			5,268	Berry Petroleum Co LLC,			650	CSC Holdings LLC,			
		7,250%, due 5/15/2021	1,820	0.05		6,750%, due 11/1/2020	579	0.01	5,250%, due 6/1/2024	556	0.01		
GBP	5,720	Manchester Airport Group Funding Plc,			7,010	Blue Racer Midstream LLC / Blue Racer Finance Corp,			4,000	CVS Health Corp,			
		4,125%, due 4/2/2024	8,548	0.22		144A,			4,875%, due 7/20/2035	4,297	0.11		
	8,902	Royal Bank of Scotland Group Plc,				6,125%, due 11/15/2022	5,257	0.14	3,911	CVS Health Corp,			
		6,125%, due 12/15/2022	9,341	0.24		BreitBurn Energy Partners LP / BreitBurn Finance Corp,			5,750%, due 5/15/2041	4,594	0.12		
	3,280	Royal Bank of Scotland Group Plc,			6,320	Calumet Specialty Products Partners LP / Calumet Finance Corp,			150	CVS Health Corp,			
		6,100%, due 6/10/2023	3,320	0.09		7,875%, due 4/15/2022	632	0.02	5,300%, due 12/5/2043	170	–		
	6,410	Royal Bank of Scotland Group Plc,				5,500%, due 9/15/2021	751	0.02	6,030	CVS Health Corp,			
		6,000%, due 12/19/2023	6,474	0.17		6,000%, due 11/15/2024	3,383	0.09	5,125%, due 7/20/2045	6,765	0.18		
	70,650	Royal Bank of Scotland Group Plc,				Calumet Specialty Products Partners LP / Calumet Finance Corp,			2,380	DaVita HealthCare Partners Inc,			
		5,125%, due 5/28/2024	67,759	1.76		7,625%, due 1/15/2022	1,491	0.04		5,125%, due 7/15/2024	2,422	0.06	
	740	Santander UK Group Holdings Plc, 144A,				7,750%, due 4/15/2023	1,725	0.04	8,670	DaVita HealthCare Partners Inc,			
		4,750%, due 9/15/2025	698	0.02		5,375%, due 5/1/2025	2,673	0.07		5,000%, due 5/1/2025	8,648	0.22	
	24,007	Standard Chartered Plc, 144A,				CCO Holdings LLC / CCO Holdings Capital Corp, 144A,			22,380	Devon Energy Corp,			
		5,700%, due 3/26/2044	20,739	0.54		5,375%, due 5/1/2025	2,673	0.07		5,850%, due 12/15/2025	19,470	0.51	
GBP	13,750	Whitbread Group Plc,				CCO Safari II LLC, 144A,			180	Devon Energy Corp,			
		3,375%, due 10/16/2025	19,113	0.50		4,908%, due 7/23/2025	33,978	0.88		5,600%, due 7/15/2041	123	–	
			188,477	4.89		6,834%, due 10/23/2055	18,409	0.48	3,530	Devon Energy Corp,			
						7,120	Celgene Corp,			5,000%, due 6/15/2045	2,321	0.06	
						5,000%, due 8/15/2045	7,287	0.19	870	DISH DBS Corp,			
						1,670	Centene Escrow Corp, 144A,			5,125%, due 5/1/2020	861	0.02	
							5,625%, due 2/15/2021	1,745	0.05	5,010	DISH DBS Corp,		
						1,000	Centene Escrow Corp, 144A,				5,875%, due 11/15/2024	4,502	0.12
							6,125%, due 2/15/2024	1,061	0.03	10,260	Dollar Tree Inc, 144A,		
						3,130	CenturyLink Inc,				5,750%, due 3/1/2023	10,914	0.28
							5,625%, due 4/1/2025	2,754	0.07	1,140	Enscopl,		
										5,200%, due 3/15/2025	581	0.01	
										5,254	EP Energy LLC / Everest Acquisition Finance Inc,		
										9,375%, due 5/1/2020	1,537	0.04	
										5,130	EP Energy LLC / Everest Acquisition Finance Inc,		
										6,375%, due 6/15/2023	1,385	0.04	

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The accompanying notes are an integral part of the Financial Statements

Portfolio of Investments as at February 29, 2016 – (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)								
United States — (continued)								
14,550	First Data Corp, 144A, 5.000%, due 1/15/2024	14,777 0.38	6,500	Medtronic Inc, 4.625%, due 3/15/2045	6,919 0.18	1,000	Time Warner Cable Inc, 6.550%, due 5/1/2037	1,007 0.03
18,450	FirstEnergy Corp, Series C, 7.375%, due 11/15/2031	22,924 0.59	10,520	Micron Technology Inc, 144A, 5.250%, due 8/1/2023	8,995 0.23	1,300	Time Warner Cable Inc, 7.300%, due 7/1/2038	1,372 0.04
13,225	Freeport-McMoRan Inc, 2.375%, due 3/15/2018	11,407 0.30	10,360	Micron Technology Inc, 5.500%, due 2/1/2025	8,702 0.23	2,710	Time Warner Cable Inc, 5.875%, due 11/15/2040	2,521 0.07
4,750	General Electric Co, 5.875%, due 1/14/2038	5,974 0.15	10,890	Microsoft Corp, 4.750%, due 11/3/2055	11,473 0.30	10,190	Toll Road Investors Partnership II LP, 144A, zero coupon, due 2/15/2024	6,429 0.17
5,890	Genesis Energy LP / Genesis Energy Finance Corp, 6.750%, due 8/1/2022	4,918 0.13	4,667	Miran Mid-Atlantic Series C Pass Through Trust, Series C, 10.060%, due 12/30/2028	4,550 0.12	2,100	Toll Road Investors Partnership II LP, 144A, zero coupon, due 2/15/2038	503 0.01
6,830	Gilead Sciences Inc, 3.650%, due 3/1/2026	7,150 0.19	7,700	MPLX LP, 4.875%, due 12/1/2024	6,291 0.16	8,080	Transcontinental Gas Pipe Line Co LLC, 144A, 7.850%, due 2/1/2026	8,599 0.22
20,404	Goldman Sachs Capital II, 4.000%, Perpetual *	14,487 0.38	1,600	MPLX LP, 4.875%, due 6/1/2025	1,305 0.03	310	United Rentals North America Inc, 6.125%, due 6/15/2023	318 0.01
14,590	Goldman Sachs Capital III, Series APEX, 4.000%, Perpetual *	10,286 0.27	9,340	Murray Energy Corp, 144A, 11.250%, due 4/15/2021	1,074 0.03	2,000	United Rentals North America Inc, 4.625%, due 7/15/2023	2,000 0.05
3,560	Goldman Sachs Group Inc/The, 4.250%, due 10/21/2025	3,520 0.09	5,950	Navient Corp, 8.450%, due 6/15/2018	6,340 0.16	4,330	United Rentals North America Inc, 5.750%, due 11/15/2024	4,221 0.11
12,340	Goldman Sachs Group Inc/The, 6.750%, due 10/1/2037	14,104 0.37	2,310	NCL Corp Ltd, 144A, 4.625%, due 11/15/2020	2,246 0.06	5,960	UnitedHealth Group Inc, 4.625%, due 7/15/2035	6,398 0.17
21,590	Goldman Sachs Group Inc/The, 5.150%, due 5/22/2045	20,584 0.53	4,540	Netflix Inc, 5.500%, due 2/15/2022	4,767 0.12	3,980	Universal Hospital Services Inc, 7.625%, due 8/15/2020	3,453 0.09
3,280	Goldman Sachs Group Inc/The, 4.750%, due 10/21/2045	3,337 0.09	3,740	Netflix Inc, 5.875%, due 2/15/2025	3,918 0.10	10,730	Valeant Pharmaceuticals International Inc, 144A, 5.375%, due 3/15/2020	9,711 0.25
1,360	Goodyear Tire & Rubber Co/The, 5.125%, due 11/15/2023	1,397 0.04	6,430	Occidental Petroleum Corp, 4.625%, due 6/15/2045	6,168 0.16	9,270	Valeant Pharmaceuticals International Inc, 144A, 6.125%, due 4/15/2025	7,781 0.20
5,590	Halliburton Co, 3.800%, due 11/15/2025	5,294 0.14	9,595	Pacific Drilling SA, 144A, 5.375%, due 6/1/2020	1,919 0.05	88,837	Verizon Communications Inc, 6.550%, due 9/15/2043	108,316 2.81
7,150	Halliburton Co, 4.850%, due 11/15/2035	6,248 0.16	4,030	Pfizer Inc, 4.400%, due 5/15/2044	4,268 0.11	22,447	Verizon Communications Inc, 5.012%, due 8/21/2054	20,847 0.54
10,050	Halliburton Co, 5.000%, due 11/15/2045	8,934 0.23	3,197	Pride International Inc, 6.875%, due 8/15/2020	1,870 0.05	6,620	Visa Inc, 4.150%, due 12/14/2035	7,027 0.18
1,740	HCA Inc, 5.375%, due 2/1/2025	1,773 0.05	2,325	PulteGroup Inc, 6.375%, due 5/15/2033	2,348 0.06	15,440	Visa Inc, 4.300%, due 12/14/2045	16,581 0.43
2,865	HCA Inc, 5.875%, due 2/15/2026	2,951 0.08	4,180	QEP Resources Inc, 5.250%, due 5/1/2023	2,926 0.08	68,705	Wachovia Capital Trust III, 5.570%, Perpetual *	66,148 1.72
6,290	ILFC E-Capital Trust I, 144A, 4.490%, due 12/21/2065 *	4,843 0.13	12,080	QUALCOMM Inc, 4.800%, due 5/20/2045	11,132 0.29	13,200	Wells Fargo & Co, Series M, 3.450%, due 2/13/2023	13,373 0.35
5,010	Intel Corp, 4.900%, due 7/29/2045	5,434 0.14	1,380	Quicken Loans Inc, 144A, 5.750%, due 5/1/2025	1,290 0.03	1,500	Wells Fargo & Co, 4.125%, due 8/15/2023	1,589 0.04
3,720	International Lease Finance Corp, 5.875%, due 8/15/2022	3,957 0.10	1,700	Range Resources Corp, 5.000%, due 8/15/2022	1,419 0.04	19,630	Wells Fargo & Co, 3.550%, due 9/29/2025	20,405 0.53
3,850	JPMorgan Chase & Co, 4.250%, due 10/1/2027	3,918 0.10	9,780	Range Resources Corp, 144A, 4.875%, due 5/15/2025	8,460 0.22	9,550	Wells Fargo & Co, 4.300%, due 7/22/2027	9,910 0.26
16,250	JPMorgan Chase & Co, Series Q, 5.150%, Perpetual *	15,199 0.39	1,690	Reynolds American Inc, 6.150%, due 9/15/2043	2,002 0.05	14,490	Wells Fargo & Co, 4.650%, due 11/4/2044	14,172 0.

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 29, 2016 – (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
Government Bonds and Notes — (continued)					2,730	Inland Valley Development Agency, 5.500%, due 3/1/2033	2,987	0.08		–	Euro-Bobl March 2016 Call 98.875, due 3/11/2016	185	0.01	
China — (continued)					5,325	Metropolitan Water Reclamation District of Greater Chicago, 5.000%, due 12/1/2044	6,064	0.16	3	Euro-Bund April 2016 Call 172.00, due 3/24/2016	31	–		
CNH	12,000	China Government Bond, 4.000%, due 5/22/2024	1,841	0.05					5	Euro-Bund May 2016 Call 175.50, due 4/22/2016	49	–		
CNH	54,500	China Government Bond, 3.380%, due 11/21/2024	8,042	0.21	3,070	Michigan Finance Authority, 5.000%, due 7/1/2027	3,608	0.09	1	IMM Euro\$ June 2016 Call 99.75, due 6/13/2016	9	–		
CNH	46,000	China Government Bond, 3.390%, due 5/21/2025	6,745	0.17	6,100	Port Authority of New York & New Jersey, 4.823%, due 6/1/2045	6,406	0.17	1	IMM Euro\$ March 2016 Call 99.50, due 3/14/2016	8	–		
CNH	73,500	China Government Bond, 3.310%, due 11/30/2025	10,740	0.28	1,760	United States Treasury Inflation Indexed Bonds, 2.375%, due 1/15/2025	2,600	0.07	6	IMM Euro\$ March 2016 Put 98.875, due 3/14/2016	37	–		
CNH	121,000	China Government Bond, 3.480%, due 6/29/2027	17,829	0.46	2,990	United States Treasury Inflation Indexed Bonds, 2.125%, due 2/15/2041	4,026	0.11	5	IMM Euro\$ March 2016 Put 99.375, due 3/14/2016	506	0.01		
CNH	11,000	China Government Bond, 3.600%, due 6/27/2028	1,634	0.04					–	JPY/USD April 2016 Put 85.00, due 4/8/2016	12	–		
CNH	23,000	China Government Bond, 4.290%, due 5/22/2029	3,633	0.09	10,999	United States Treasury Inflation Indexed Bonds, 0.750%, due 2/15/2042	10,766	0.28	–	JPY/USD April 2016 Put 85.50, due 4/8/2016	50	–		
			61,765	1.60	4,060	United States Treasury Inflation Indexed Bonds, 1.375%, due 2/15/2044	4,455	0.12	–	JPY/USD April 2016 Put 89.00, due 4/8/2016	326	0.01		
Colombia — 1.19%					25,267	United States Treasury Inflation Indexed Bonds, 0.750%, due 2/15/2045	23,611	0.61	1	JPY/USD March 2016 Put 84.50, due 3/4/2016	7	–		
	51,010	Colombia Government International Bond, 5.625%, due 2/26/2044	46,037	1.19	8,230	United States Treasury Inflation Indexed Bonds, 1.000%, due 2/15/2046	8,224	0.21	–	JPY/USD March 2016 Put 85.00, due 3/4/2016	4	–		
France — 1.13%					164,749	United States Treasury Note/Bond, 3.000%, due 5/15/2045	177,774	4.61	–	JPY/USD March 2016 Put 87.00, due 3/4/2016	12	–		
EUR	24,980	France Government Bond OAT, Series OATe, 1.800%, due 7/25/2040	43,387	1.13	2,930	United States Treasury Note/Bond, 3.000%, due 11/15/2045	3,165	0.08	1	U.S. 10 Year April 2016 Call 138.00, due 3/24/2016	5	–		
India — 2.55%					10,328	United States Treasury Strip Principal, zero coupon, due 2/15/2044	4,904	0.13	2	U.S. 10 Year April 2016 Call 138.50, due 3/24/2016	15	–		
INR	1,510,000	India Government Bond, 8.120%, due 12/10/2020	22,403	0.58	58,990	United States Treasury Strip Principal, zero coupon, due 5/15/2044	27,532	0.71	1	U.S. 10 Year April 2016 Call 139.00, due 3/24/2016	54	–		
INR	1,100,000	India Government Bond, 7.800%, due 4/11/2021	16,090	0.42					3	U.S. 10 Year April 2016 Call 147.50, due 3/24/2016	25	–		
INR	1,580,000	India Government Bond, Series SPB, 8.130%, due 9/21/2022	23,322	0.60					5	U.S. 10 Year April 2016 Put 122.50, due 3/24/2016	41	–		
INR	1,200,000	India Government Bond, 8.830%, due 11/25/2023	18,371	0.48					–	U.S. 10 Year April 2016 Put 127.50, due 3/24/2016	7	–		
INR	1,230,000	India Government Bond, 8.150%, due 11/24/2026	18,039	0.47					2	U.S. 10 Year April 2016 Put 129.00, due 3/24/2016	422	0.01		
			98,225	2.55					2	U.S. 2 Year April 2016 Put 108.50, due 3/24/2016	33	–		
Italy — 4.41%									3	U.S. 5 Year April 2016 Put 115.00, due 3/24/2016	20	–		
EUR	105,650	Italy Buoni Poliennali Del Tesoro, 5.000%, due 9/1/2040	169,765	4.41					1	U.S. 5 Year April 2016 Put 115.50, due 3/24/2016	11	–		
Mexico — 6.07%									1	U.S. 5 Year April 2016 Put 115.75, due 3/24/2016	11	–		
MXN	881,122	Mexican Bonos, Series M 30, 8.500%, due 11/18/2038	57,914	1.50					2	U.S. 5 Year April 2016 Put 116.00, due 3/24/2016	13	–		
MXN	2,533,974	Mexican Bonos, Series M, 7.750%, due 11/13/2042	154,959	4.02					1	U.S. 5 Year April 2016 Put 118.25, due 3/24/2016	9	–		
	8,550	Mexico Government International Bond, 3.600%, due 1/30/2025	8,507	0.22					1	U.S. Bond April 2016 Put 140.00, due 3/24/2016	9	–		
	13,560	Mexico Government International Bond, 4.600%, due 1/23/2046	12,442	0.33					1	U.S. Bond April 2016 Put 143.00, due 3/24/2016	9	–		
			233,822	6.07					–	U.S. Bond April 2016 Put 144.00, due 3/24/2016	3	–		
Poland — 2.38%									1	U.S. Bond April 2016 Put 145.00, due 3/24/2016	4	–		
PLN	188,160	Poland Government Bond, Series 1023, 4.000%, due 10/25/2023	51,461	1.33					4	U.S. Bond April 2016 Put 146.00, due 3/24/2016	34	–		
PLN	155,030	Poland Government Bond, Series 0725, 3.250%, due 7/25/2025	40,373	1.05					5	U.S. Bond April 2016 Put 147.00, due 3/24/2016	37	–		
			91,834	2.38					45,810	USD Put/MXN Call 17.25, due 4/8/2016	102	–		
Russia — 2.08%									29,080	USD Put/RUB Call 75.50, due 4/26/2016	1,009	0.03		
RUB	6,574,680	Russian Federal Bond – OFZ, Series 6207, 8.150%, due 2/3/2027	80,248	2.08							12,196	0.32		
South Korea — 0.66%									Written Options — (0.60%)					
CNH	5,000	Export-Import Bank of Korea, 3.625%, due 1/27/2019	729	0.02					–	AUD/USD March 2016 Call 70.00, due 3/4/2016	(329)	(0.01)		
KRW	27,149,360	Korea Treasury Bond, Series 2403, 3.500%, due 3/10/2024	24,779	0.64					–	AUD/USD March 2016 Call 72.00, due 3/4/2016	(53)	–		
			25,508	0.66					–	AUD/USD March 2016 Call 73.50, due 3/4/2016	(7)	–		
United States — 7.76%									–	AUD/USD March 2016 Call 74.00, due 3/4/2016	(2)	–		
	4,820	City of Chicago IL, 6.314%, due 1/1/2044	4,362	0.11					–	British Pound FX Currency April 2016 Call 141.00, due 4/8/2016	(113)	–		
	7,190	County of Jefferson AL Sewer Revenue, 6.500%, due 10/1/2053	8,621	0.22					–	Canadian Dollar FX Currency March 2016 Call 71.00, due 3/4/2016	(344)	(0.01)		

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Legg Mason Western Asset Macro Opportunities Bond Fund[^]

Portfolio of Investments as at February 29, 2016 – (continued)

Contracts (000's)	Value (000's) \$	% of Net Asset Value	Contracts (000's)	Value (000's) \$	% of Net Asset Value	Contracts (000's)	Value (000's) \$	% of Net Asset Value
Options — (continued)			(1) U.S. 10 Year April 2016 Put 127.00, due 3/24/2016	(38)	—	(80,500) USD Put/MXN Call 16.67, due 3/11/2016	(1)	—
Written Options — (continued)			(1) U.S. 10 Year April 2016 Put 128.00, due 3/24/2016	(87)	—		(23,127)	(0.60)
— Canadian Dollar FX Currency March 2016 Call 73.00, due 3/4/2016	(319)	(0.01)	(2) U.S. 10 Year April 2016 Put 128.50, due 3/24/2016	(204)	(0.01)	Total Options (Cost \$(28,290))	(10,931)	(0.28)
— Canadian Dollar FX Currency March 2016 Call 74.00, due 3/4/2016	(50)	—	(3) U.S. 10 Year April 2016 Put 129.50, due 3/24/2016	(1,020)	(0.03)	Total Investments (Cost \$3,982,432)	3,590,382	93.16
— Euro FX Currency April 2016 Put 1.09, due 4/8/2016	(312)	(0.01)	— U.S. 10 Year April 2016 Put 130.00, due 3/24/2016	(14)	—	Other Assets in Excess of Liabilities	263,729	6.84
(1) Euro FX Currency March 2016 Call 1.09, due 3/4/2016	(374)	(0.01)	(2) U.S. 5 Year April 2016 Put 119.75, due 3/24/2016	(198)	—	Total Net Assets	\$3,854,111	100.00
(1) Euro FX Currency March 2016 Call 1.10, due 3/4/2016	(257)	(0.01)	(1) U.S. 5 Year April 2016 Put 120.00, due 3/24/2016	(77)	—	— Amounts designated as “—” are either \$0, less than \$1,000 or less than 1,000 shares.		
(1) Euro FX Currency March 2016 Put 1.06, due 3/4/2016	(31)	—	(3) U.S. 5 Year April 2016 Put 120.50, due 3/24/2016	(675)	(0.02)	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 29, 2016, these securities amounted to \$475,093,000 or 12.32% of net assets.		
(1) Euro FX Currency March 2016 Put 1.07, due 3/4/2016	(53)	—	(5) U.S. 5 Year April 2016 Put 120.75, due 3/24/2016	(1,818)	(0.05)	* Variable rate security. The interest rate shown reflects the rate in effect at February 29, 2016.		
(1) Euro FX Currency March 2016 Put 1.08, due 3/4/2016	(255)	(0.01)	(1) U.S. 5 Year June 2016 Put 120.50, due 5/20/2016	(487)	(0.01)	∞ Security is valued in good faith at fair value by or at the discretion of the Investment Manager.		
— Euro FX Currency March 2016 Put 1.09, due 3/4/2016	(299)	(0.01)	— U.S. Bond April 2016 Call 166.00, due 3/24/2016	(383)	(0.01)	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 29, 2016.		
(1) IMM Euro\$ June 2016 Call 99.00, due 6/13/2016	(412)	(0.01)	(1) U.S. Bond April 2016 Call 167.00, due 3/24/2016	(1,331)	(0.03)	ABBREVIATIONS:		
— IMM Euro\$ June 2016 Call 99.25, due 6/13/2016	(79)	—	— U.S. Bond April 2016 Call 168.00, due 3/24/2016	(220)	(0.01)	Perpetual — A bond with no maturity date. Perpetual bonds are not redeemable but pay a steady stream of interest		
(6) IMM Euro\$ March 2016 Put 99.25, due 3/14/2016	(40)	—	— U.S. Bond April 2016 Put 155.00, due 3/24/2016	(15)	—	TBA — To Be Announced		
— JPY/USD March 2016 Call 84.00, due 3/4/2016	(1,004)	(0.03)	(1) U.S. Bond April 2016 Put 157.00, due 3/24/2016	(106)	—	BRL — Brazilian Real		
— JPY/USD March 2016 Put 81.00, due 3/4/2016	—	—	— U.S. Bond April 2016 Put 159.00, due 3/24/2016	(42)	—	CNH — Chinese Renminbi		
— JPY/USD March 2016 Put 82.50, due 3/4/2016	(1)	—	(2) U.S. Bond April 2016 Put 160.00, due 3/24/2016	(765)	(0.02)	EUR — Euro		
(1) JPY/USD March 2016 Put 83.00, due 3/4/2016	(5)	—	(1) U.S. Bond April 2016 Put 161.00, due 3/24/2016	(320)	(0.01)	GBP — British Pound		
(1) U.S. 10 Year April 2016 Call 129.00, due 3/24/2016	(1,024)	(0.03)	(1) U.S. Bond April 2016 Put 162.00, due 3/24/2016	(1,054)	(0.03)	INR — India Rupee		
(1) U.S. 10 Year April 2016 Call 129.50, due 3/24/2016	(798)	(0.02)	(2) U.S. Bond April 2016 Put 163.00, due 3/24/2016	(2,216)	(0.06)	KRW — South Korean Won		
— U.S. 10 Year April 2016 Call 130.00, due 3/24/2016	(1,038)	(0.03)	— U.S. Bond June 2016 Call 171.00, due 5/20/2016	(135)	—	MXN — Mexican Peso		
— U.S. 10 Year April 2016 Call 130.50, due 3/24/2016	(313)	(0.01)	(1) U.S. Bond June 2016 Put 160.00, due 5/20/2016	(922)	(0.02)	PLN — Polish Zloty		
(1) U.S. 10 Year April 2016 Call 131.00, due 3/24/2016	(652)	(0.02)	— U.S. Bond June 2016 Put 165.00, due 5/20/2016	(356)	(0.01)	RUB — Russian Ruble		
(2) U.S. 10 Year April 2016 Call 131.50, due 3/24/2016	(544)	(0.01)	(45,810) USD Call/MXN Put 18.60, due 4/8/2016	(423)	(0.01)	Analysis of Total Assets		% of Total Assets
(2) U.S. 10 Year April 2016 Call 132.00, due 3/24/2016	(564)	(0.01)	(29,080) USD Call/RUB Put 90.25, due 4/26/2016	(149)	—	Transferable securities admitted to an official exchange listing or traded on a regulated market	78.79	
— U.S. 10 Year April 2016 Put 126.50, due 3/24/2016	(3)	—	(86,030) USD Put/BRL Call 3.8485, due 3/22/2016	(313)	(0.01)	Financial derivative instruments	1.92	
			(44,390) USD Put/EUR Call 1.08, due 3/4/2016	(442)	(0.01)	Other assets	19.29	
						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)
Barclays Capital	Federative Republic of Brazil, 1.000%	Sell	12/20/20	2,108	\$ (309)
Barclays Capital	Federative Republic of Brazil, 1.000%	Sell	12/20/20	829	(122)
Barclays Capital	Federative Republic of Brazil, 1.000%	Sell	12/20/20	2,072	(304)
Barclays Capital	Markit CDX.NA.IG, 1.000%	Sell	12/20/20	266,980	(912)
Merrill Lynch	Markit CDX.NA.HY, 5.000%	Sell	12/20/20	71,212	(648)
Merrill Lynch	Markit iTraxx Europe, 5.000%	Sell	12/20/20	54,170	2,268
Merrill Lynch	Markit iTraxx Europe, 5.000%	Sell	12/20/19	62,357	2,569
					\$ 2,542
Unrealised Appreciation of Credit Default Swaps					4,837
Unrealised Depreciation of Credit Default Swaps					(2,295)
Net Appreciation of Credit Default Swaps					\$ 2,542

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Legg Mason Western Asset Macro Opportunities Bond Fund[^]

Portfolio of Investments as at February 29, 2016 – (continued)

Schedule of Interest Rate Swaps

Counterparty	Rate	Expiration Date	Notional Amount (000's)	Value (000's)
Barclays Capital	Pay Fixed 1.897%, Receive Floating USD 3M Libor BBA	8/31/22	160,800	\$ (6,023)
Merrill Lynch	Pay Floating USD 3M Libor BBA, Receive Fixed 0.7712%	2/26/18	752,610	(1,052)
Merrill Lynch	Pay Floating BRL CDI, Receive Fixed 12.49%	1/4/21	935,690	(20,194)
Merrill Lynch	Pay Fixed 1.90%, Receive Floating USD 3M Libor BBA	11/30/22	2,506,735	(90,532)
Merrill Lynch	Pay Fixed 0.6775%, Receive Floating JPY 6M Libor	7/22/24	11,717,390	(5,703)
Merrill Lynch	Pay Fixed 2.72%, Receive Floating USD 3M Libor BBA	2/15/41	49,500	(6,660)
Merrill Lynch	Pay Fixed 2.5908%, Receive Floating USD 3M Libor BBA	11/4/45	191,640	(21,775)
				\$ (151,939)
Unrealised Appreciation of Interest Rate Swaps				–
Unrealised Depreciation of Interest Rate Swaps				(151,939)
Net Depreciation of Interest Rate Swaps				\$ (151,939)

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	\$ 1,173
				\$ 1,173
Unrealised Appreciation of Cross Currency Swaps				1,173
Unrealised Depreciation of Cross Currency Swaps				–
Net Appreciation of Cross Currency Swaps				\$ 1,173

Schedule of Inflation Swaps

Counterparty	Rate	Expiration Date	Notional Amount (000's)	Value (000's)
Merrill Lynch	Pay Fixed 0.420%, Receive Floating USD 1T Federal Funds H.15 OIS COMPOUND	6/15/16	7,408,140	\$ 5
				\$ 5
Unrealised Appreciation of Inflation Swaps				5
Unrealised Depreciation of Inflation Swaps				–
Net Appreciation of Inflation Swaps				\$ 5

Schedule of Swaptions

Counterparty	Description	Effective Date	Notional Amount (in 000's)	Unrealised Appreciation/ (Depreciation) of Contracts (in 000's)
BNP Paribas	Swaption Receiver Strike 0.99%	3/17/16	56,950	\$ 395
BNP Paribas	Swaption Receiver Strike 0.99%	4/21/16	42,560	454
Credit Suisse First Boston	Swaption Payer Strike 0.87%	3/17/16	10,393	–
Credit Suisse First Boston	Swaption Payer Strike 1.70%	3/17/16	12,610	–
Credit Suisse First Boston	Swaption Receiver Strike 0.995%	3/17/16	28,690	124
Credit Suisse First Boston	Swaption Receiver Strike 1.05%	4/21/16	172,260	393
Credit Suisse First Boston	Swaption Receiver Strike 0.995%	4/21/16	28,690	232
Unrealised Appreciation of Swaptions				1,598
Unrealised Depreciation of Swaptions				–
Net Appreciation of Swaptions				\$ 1,598

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)			Sell Currency (000's)			Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/01/16	BNY Mellon	Buy	USD	3	Sell	AUD	4	\$ –
03/01/16	BNY Mellon	Buy	USD	3	Sell	CHF	3	–
03/01/16	BNY Mellon	Buy	USD	1,303	Sell	EUR	1,182	17
03/01/16	BNY Mellon	Buy	USD	24	Sell	GBP	17	–
03/01/16	BNY Mellon	Buy	USD	2	Sell	SEK	14	–
03/01/16	BNY Mellon	Buy	CHF	11	Sell	USD	11	–
03/01/16	BNY Mellon	Buy	EUR	4,536	Sell	USD	5,002	(67)
03/01/16	BNY Mellon	Buy	GBP	870	Sell	USD	1,216	(4)
03/14/16	Bank of America Sec London	Buy	MXN	347,880	Sell	USD	20,150	(987)
03/15/16	BNY Mellon	Buy	USD	31	Sell	AUD	42	–
03/15/16	BNY Mellon	Buy	USD	873	Sell	AUD	1,239	(10)
03/15/16	BNY Mellon	Buy	USD	743	Sell	BRL	2,943	13
03/15/16	BNY Mellon	Buy	USD	4,668	Sell	CHF	4,583	77
03/15/16	BNY Mellon	Buy	USD	251	Sell	CNH	1,644	–

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Legg Mason Western Asset Macro Opportunities Bond Fund[^]

Portfolio of Investments as at February 29, 2016 – (continued)

Schedule of Forward Foreign Currency Contracts – (continued)

		Buy Currency (000's)			Sell Currency (000's)			Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Expiration Date	Counterparty							
03/15/16	BNY Mellon	Buy	USD	16	Sell	CNH	101	\$ –
03/15/16	BNY Mellon	Buy	USD	203,934	Sell	EUR	181,840	6,022
03/15/16	BNY Mellon	Buy	USD	28,520	Sell	GBP	19,772	996
03/15/16	BNY Mellon	Buy	USD	22	Sell	GBP	15	–
03/15/16	BNY Mellon	Buy	USD	2,697	Sell	SEK	22,730	42
03/15/16	BNY Mellon	Buy	USD	516	Sell	SGD	727	–
03/15/16	BNY Mellon	Buy	USD	1,486	Sell	SGD	2,083	5
03/15/16	BNY Mellon	Buy	GBP	908	Sell	USD	1,259	6
03/15/16	BNY Mellon	Buy	GBP	256,749	Sell	USD	373,832	(16,456)
03/15/16	BNY Mellon	Buy	SEK	406,807	Sell	USD	48,460	(915)
03/15/16	BNY Mellon	Buy	EUR	1,577,090	Sell	USD	1,766,660	(50,185)
03/15/16	BNY Mellon	Buy	CNH	38,400	Sell	USD	5,810	43
03/15/16	BNY Mellon	Buy	CHF	7	Sell	USD	7	–
03/15/16	BNY Mellon	Buy	AUD	27,150	Sell	USD	19,461	(97)
03/15/16	BNY Mellon	Buy	BRL	72,936	Sell	USD	18,530	(445)
03/15/16	BNY Mellon	Buy	AUD	115	Sell	USD	82	–
03/15/16	BNY Mellon	Buy	SGD	55	Sell	USD	39	–
03/15/16	BNY Mellon	Buy	SGD	38,187	Sell	USD	27,260	(109)
03/15/16	BNY Mellon	Buy	CNH	1,377	Sell	USD	211	–
03/15/16	BNY Mellon	Buy	CHF	62,103	Sell	USD	62,584	(333)
03/23/16	Bank of America Sec London	Buy	BRL	92,603	Sell	USD	22,368	542
04/11/16	Barclays Capital	Buy	USD	21,531	Sell	MXN	383,935	431
04/12/16	Bank of America Sec London	Buy	USD	227,039	Sell	CAD	314,449	(5,379)
04/12/16	Bank of America Sec London	Buy	USD	266,190	Sell	GBP	185,287	8,255
04/12/16	Bank of America Sec London	Buy	USD	44,705	Sell	IDR	619,163,412	(1,273)
04/12/16	Bank of America Sec London	Buy	USD	36,763	Sell	INR	2,544,346	(201)
04/12/16	Bank of America Sec London	Buy	USD	21,046	Sell	JPY	2,467,814	(873)
04/12/16	Bank of America Sec London	Buy	USD	9,268	Sell	JPY	1,035,000	76
04/12/16	Bank of America Sec London	Buy	USD	–	Sell	KRW	112	–
04/12/16	Bank of America Sec London	Buy	USD	3,580	Sell	RUB	276,815	(53)
04/12/16	Bank of America Sec London	Buy	USD	40,076	Sell	SGD	57,291	(630)
04/12/16	Bank of America Sec London	Buy	GBP	135,680	Sell	USD	196,712	(7,834)
04/12/16	Bank of America Sec London	Buy	CAD	1,694	Sell	USD	1,178	74
04/12/16	Bank of America Sec London	Buy	RUB	2,144,979	Sell	USD	27,475	673
04/12/16	Bank of America Sec London	Buy	INR	1,871,187	Sell	USD	27,613	(429)
04/12/16	Bank of America Sec London	Buy	PLN	32,739	Sell	USD	8,119	73
04/12/16	Bank of America Sec London	Buy	KRW	56	Sell	USD	–	–
04/12/16	Barclays Capital	Buy	USD	40,196	Sell	BRL	167,940	(1,131)
04/12/16	Barclays Capital	Buy	USD	127,145	Sell	CNH	852,891	(2,497)
04/12/16	Barclays Capital	Buy	USD	95,134	Sell	EUR	87,319	16
04/12/16	Barclays Capital	Buy	USD	38,951	Sell	PLN	158,467	(703)
04/12/16	Barclays Capital	Buy	JPY	7,214,217	Sell	USD	61,450	2,624
04/12/16	Barclays Capital	Buy	CNH	295,730	Sell	USD	44,787	165
04/12/16	Barclays Capital	Buy	BRL	2,503	Sell	USD	600	16
04/12/16	Barclays Capital	Buy	CNH	4,280	Sell	USD	652	(1)
04/12/16	Barclays Capital	Buy	PEN	72,951	Sell	USD	20,843	(227)
04/12/16	Barclays Capital	Buy	USD	12,777	Sell	ZAR	214,766	(639)
04/12/16	Citibank London	Buy	USD	25,517	Sell	INR	1,760,000	(52)
04/12/16	Citicorp Securities London Ltd	Buy	USD	45,120	Sell	BRL	178,223	1,262
04/12/16	Citicorp Securities London Ltd	Buy	USD	125,255	Sell	CNH	837,157	(1,996)
04/12/16	Citicorp Securities London Ltd	Buy	USD	46,599	Sell	COP	153,776,261	163
04/12/16	Citicorp Securities London Ltd	Buy	USD	53,302	Sell	EUR	49,000	(75)
04/12/16	Citicorp Securities London Ltd	Buy	USD	148,100	Sell	KRW	179,455,470	3,481
04/12/16	Citicorp Securities London Ltd	Buy	USD	93,800	Sell	MXN	1,685,085	1,202
04/12/16	Citicorp Securities London Ltd	Buy	USD	81,852	Sell	MXN	1,505,886	(898)
04/12/16	Citicorp Securities London Ltd	Buy	USD	15,415	Sell	MYR	63,200	359
04/12/16	Citicorp Securities London Ltd	Buy	USD	27,882	Sell	PEN	96,652	568
04/12/16	Citicorp Securities London Ltd	Buy	USD	563	Sell	PLN	2,228	6
04/12/16	Citicorp Securities London Ltd	Buy	USD	25,233	Sell	PLN	101,018	(45)
04/12/16	Citicorp Securities London Ltd	Buy	USD	40,511	Sell	SGD	56,800	153
04/12/16	Citicorp Securities London Ltd	Buy	USD	21,527	Sell	TRY	66,300	(550)
04/12/16	Citicorp Securities London Ltd	Buy	COP	522	Sell	USD	–	–
04/12/16	Citicorp Securities London Ltd	Buy	ZAR	214,761	Sell	USD	12,843	572
04/12/16	Citicorp Securities London Ltd	Buy	CAD	271,090	Sell	USD	195,179	5,191
04/12/16	Citicorp Securities London Ltd	Buy	COP	207,424,059	Sell	USD	60,996	1,641
04/12/16	Citicorp Securities London Ltd	Buy	CNH	284,060	Sell	USD	42,877	301
04/12/16	Citicorp Securities London Ltd	Buy	MYR	1,430	Sell	USD	342	(1)
04/12/16	Citicorp Securities London Ltd	Buy	CNH	18,018	Sell	USD	2,742	(3)
04/12/16	Citicorp Securities London Ltd	Buy	PEN	23,701	Sell	USD	6,811	(113)
04/12/16	Citicorp Securities London Ltd	Buy	MXN	1,170,447	Sell	USD	62,628	1,689

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Legg Mason Western Asset Macro Opportunities Bond Fund[^]

Portfolio of Investments as at February 29, 2016 – (continued)

Schedule of Forward Foreign Currency Contracts – (continued)

Expiration Date	Counterparty		Buy Currency (000's)			Sell Currency (000's)		Unrealised Appreciation/ (Depreciation) of Contracts (000's)
04/12/16	Citicorp Securities London Ltd	Buy	IDR	619,163,412	Sell	USD	43,572	\$ 2,405
04/26/16	Citicorp Securities London Ltd	Buy	USD	13,086	Sell	RUB	1,069,621	(895)
05/13/16	Bank of America Sec London	Buy	USD	141,639	Sell	CNH	948,103	(2,051)
05/13/16	Bank of America Sec London	Buy	USD	183,474	Sell	EUR	162,098	6,721
05/13/16	Bank of America Sec London	Buy	USD	52,482	Sell	JPY	5,997,429	(830)
05/13/16	Bank of America Sec London	Buy	USD	31,627	Sell	NOK	271,101	488
05/13/16	Bank of America Sec London	Buy	USD	2,365	Sell	PLN	9,354	24
05/13/16	Bank of America Sec London	Buy	CAD	38,000	Sell	USD	27,421	668
05/13/16	Bank of New York Mellon London	Buy	USD	3,651	Sell	EUR	3,284	70
05/13/16	Citicorp Securities London Ltd	Buy	USD	4,794	Sell	AUD	6,890	(107)
05/13/16	Citicorp Securities London Ltd	Buy	USD	143,261	Sell	EUR	127,327	4,423
05/13/16	Citicorp Securities London Ltd	Buy	USD	2,744	Sell	GBP	1,898	102
05/13/16	Citicorp Securities London Ltd	Buy	JPY	291,803	Sell	USD	2,551	43
05/13/16	Citicorp Securities London Ltd	Buy	EUR	7,300	Sell	USD	8,149	(189)
05/13/16	Citicorp Securities London Ltd	Buy	NOK	271,101	Sell	USD	31,537	(398)
05/13/16	Royal Bank of Canada London	Buy	CAD	42,420	Sell	USD	30,504	852
Unrealised Appreciation of Forward Foreign Currency Contracts								52,550
Unrealised Depreciation of Forward Foreign Currency Contracts								(99,681)
Net Depreciation of Forward Foreign Currency Contracts								\$ (47,131)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
90 Day Euro\$ December 2016	(4,543)	\$(1,126,266)	\$ (3,202)
90 Day Euro\$ June 2016	3,621	898,642	2,075
90 Day Euro\$ June 2017	1,716	425,075	2,223
90 Day Euro\$ March 2016	(10,511)	(2,610,341)	1,366
90 Day Euro\$ March 2017	787	195,038	844
Australia 10 Year Bond March 2016	1,460	137,384	2,011
Australian Dollar Currency March 2016	982	70,036	(221)
British Pound Currency March 2016	149	12,959	(162)
Canadian Dollar Currency March 2016	2,737	202,593	3,755
Euro FX Currency June 2016	46	6,278	(185)
Euro FX Currency March 2016	1,275	173,480	(5,403)
Euro-Bobl June 2016	1,553	222,346	677
Euro-BTP March 2016	1,547	235,909	1,892
Euro-Bund June 2016	(7,292)	(1,300,551)	(8,955)
Euro-Buxl 30 Year Bond June 2016	(222)	(40,708)	(96)
Euro-Buxl 30 Year Bond March 2016	(1,799)	(332,306)	(24,368)
Japan 10 Year Bond (OSE) March 2016	(642)	(866,363)	(19,198)
Japanese Yen Currency June 2016	37	4,113	61
Japanese Yen Currency March 2016	(3,331)	(369,200)	(15,994)
Long Gilt June 2016	(574)	(97,397)	(327)
U.S. 10 Year Note (CBT) June 2016	(21,909)	(2,859,467)	(2,371)
U.S. 10 Year Note (CBT) March 2016	(840)	(109,961)	255
U.S. 2 Year Note (CBT) June 2016	2,089	456,545	(431)
U.S. 5 Year Note (CBT) June 2016	38,029	4,600,915	(1,753)
U.S. 5 Year Note (CBT) March 2016	700	84,771	69
U.S. Long Bond (CBT) June 2016	2,521	414,783	(2,094)
U.S. Ultra Bond (CBT) June 2016	3,819	661,284	(1,832)
U.S. Ultra Bond (CBT) March 2016	70	11,990	19
Total Market Value of Futures Contracts	11,475	\$ (898,419)	\$ (71,345)
Unrealised Appreciation of Futures Contracts			15,247
Unrealised Depreciation of Futures Contracts			(86,592)
Net Depreciation of Futures Contracts			\$ (71,345)

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Legg Mason Western Asset Macro Opportunities Bond Fund[^]

Portfolio of Investments as at February 29, 2016 – (continued)

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Asset-Backed Securities	3,980	0.12
Collateralised Mortgage-Backed Obligations	50,900	1.55
Foreign Corporate Bonds and Notes	19,542	0.60
Chinese Renminbi Bonds	17,380	0.53
Euro Bonds	2,162	0.07
Foreign Government Bonds and Notes	656,883	20.02
Brazil Government Bonds	157,626	4.80
China Government Bonds	13,571	0.41
Euro Government Bonds	136,280	4.16
Mexican Government Bonds	218,767	6.67
Poland Government Bonds	30,497	0.93
Russian Government Bonds	72,295	2.20
South Korean Government Bonds	27,847	0.85
U.S. Corporate Bonds and Notes	709,469	21.62
Agriculture	15,738	0.48
Airlines	3,028	0.09
Auto Manufacturers	9,343	0.29
Commercial Services	1,583	0.05
Electric	17,656	0.54
Financials – Diversified	23,447	0.71
Financials – Banks	360,288	10.98
Food	18,810	0.57
Healthcare – Products	6,009	0.18
Healthcare – Services	5,928	0.18
Holding Companies – Diversified	7,783	0.24
Home Builders	4,392	0.13
Household Products/Wares	1,707	0.05
Insurance	18,940	0.58
Internet	19,676	0.60
Media	25,749	0.79
Oil & Gas	26,197	0.80
Pharmaceuticals	7,407	0.23
Pipelines	7,912	0.24
Retail	9,287	0.28

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Software	1,713	0.05
Telecommunications	116,876	3.56
U.S. Denominated Bonds and Notes	336,455	10.26
British Virgin Islands	2,918	0.09
Cayman Islands	1,608	0.05
Colombia	33,362	1.02
France	25,461	0.78
Italy	4,925	0.15
Luxembourg	7,914	0.24
Mexico	9,341	0.28
Netherlands	66,918	2.04
Spain	42,005	1.28
Switzerland	15,339	0.47
United Kingdom	126,664	3.86
U.S. Denominated Debt Obligations	149,065	4.54
Brazil	4,024	0.12
Colombia	34,236	1.04
Hungary	9,561	0.29
Mexico	23,178	0.71
Russia	6,451	0.20
South Africa	29,572	0.90
Turkey	42,043	1.28
U.S. Government Agency Obligations	92,330	2.81
U.S. Treasury Obligations	496,952	15.15
Preferred Stock	5,025	0.15
Options	(7,330)	(0.22)
Purchased Options	3,915	0.12
Written Options	(11,245)	(0.34)
Other Assets in Excess of Liabilities	767,791	23.40
Total Net Assets	\$3,281,062	100.00

Futures Contracts – February 28, 2015	(000's)
Unrealised Appreciation of Futures Contracts	20,863
Unrealised Depreciation of Futures Contracts	(33,755)
Net Depreciation of Future Contracts	\$ (12,892)
Credit Default Swaps – February 28, 2015	
Unrealised Appreciation of Credit Default Swaps	28,225
Unrealised Depreciation of Credit Default Swaps	(219)
Net Appreciation of Credit Default Swaps	\$ 28,006
Cross Currency Swaps – February 28, 2015	
Unrealised Appreciation of Cross Currency Swaps	959
Unrealised Depreciation of Cross Currency Swaps	–
Net Appreciation of Cross Currency Swaps	\$ 959
Interest Rate Swaps – February 28, 2015	
Unrealised Appreciation of Interest Rate Swaps	–
Unrealised Depreciation of Interest Rate Swaps	(7,032)
Net Depreciation of Interest Rate Swaps	\$ (7,032)
Swaptions – February 28, 2015	
Unrealised Appreciation of Swaptions	54
Unrealised Depreciation of Swaptions	–
Net Appreciation of Swaptions	\$ 54
Forward Contracts – February 28, 2015	
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

* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

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The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset EM Local Currency Debt Fund[^]

Portfolio of Investments as at February 29, 2016

Face Value (000's)		Value (000's)	% of Net Asset Value
Government Bonds and Notes — 91.20%			
Brazil — 12.45%			
BRL	27,000	Brazil Letras do Tesouro Nacional, Series LTN, zero coupon, due 1/1/2019	4,512 5.82
BRL	7,450	Brazil Notas do Tesouro Nacional Serie F, Series NTN, 10.000%, due 1/1/2017	1,799 2.32
BRL	13,145	Brazil Notas do Tesouro Nacional Serie F, Series NTN, 10.000%, due 1/1/2021	2,711 3.50
BRL	3,450	Brazil Notas do Tesouro Nacional Serie F, Series NTN, 10.000%, due 1/1/2025	632 0.81
			9,654 12.45
Colombia — 4.33%			
COP	11,922,400	Colombian TES, Series B, 7.000%, due 5/4/2022	3,352 4.33
Hungary — 6.42%			
HUF	821,510	Hungary Government Bond, Series 19/A, 6.500%, due 6/24/2019	3,309 4.27
HUF	389,020	Hungary Government Bond, Series 23/A, 6.000%, due 11/24/2023	1,670 2.15
			4,979 6.42
Indonesia — 11.23%			
IDR	74,772,000	Indonesia Treasury Bond, Series FR61, 7.000%, due 5/15/2022	5,231 6.75
IDR	14,601,000	Indonesia Treasury Bond, Series FR56, 8.375%, due 9/15/2026	1,102 1.42
IDR	39,272,000	Indonesia Treasury Bond, Series FR65, 6.625%, due 5/15/2033	2,374 3.06
			8,707 11.23
Malaysia — 7.82%			
MYR	18,660	Malaysia Government Bond, Series 0111, 4.160%, due 7/15/2021	4,549 5.87
MYR	6,350	Malaysia Government Bond, Series 0115, 3.955%, due 9/15/2025	1,512 1.95
			6,061 7.82
Mexico — 9.21%			
MXN	96,100	Mexican Bonos, Series M, 6.500%, due 6/9/2022	5,510 7.11
MXN	26,600	Mexican Bonos, Series M, 7.750%, due 11/13/2042	1,627 2.10
			7,137 9.21
Peru — 1.44%			
PEN	3,590	Peru Government Bond, 5.700%, due 8/12/2024	933 1.20
PEN	620	Peru Government Bond, 8.200%, due 8/12/2026	186 0.24
			1,119 1.44
Philippines — 1.53%			
PHP	2,000	Philippine Government Bond, Series 1055, 5.750%, due 11/24/2021	46 0.06
PHP	53,000	Philippine Government International Bond, 4.950%, due 1/15/2021	1,143 1.47
			1,189 1.53
Poland — 7.91%			
PLN	9,820	Poland Government Bond, Series 1020, 5.250%, due 10/25/2020	2,809 3.63
PLN	7,090	Poland Government Bond, Series 1023, 4.000%, due 10/25/2023	1,939 2.50

Face Value (000's)		Value (000's)	% of Net Asset Value
PLN	5,300	Poland Government Bond, Series 0725, 3.250%, due 7/25/2025	1,380 1.78
			6,128 7.91
Romania — 3.48%			
RON	10,040	Romania Government Bond, Series 10Y, 4.750%, due 2/24/2025	2,699 3.48
Russia — 4.61%			
RUB	164,640	Russian Federal Bond – OFZ, Series 6211, 7.000%, due 1/25/2023	1,920 2.48
RUB	7,180	Russian Federal Bond – OFZ, Series 6207, 8.150%, due 2/3/2027	88 0.11
RUB	140,480	Russian Federal Bond – OFZ, Series 6212, 7.050%, due 1/19/2028	1,562 2.02
			3,570 4.61
South Africa — 5.63%			
ZAR	41,120	South Africa Government Bond, Series 2023, 7.750%, due 2/28/2023	2,392 3.09
ZAR	45,820	South Africa Government Bond, Series R209, 6.250%, due 3/31/2036	1,970 2.54
			4,362 5.63
Thailand — 5.73%			
THB	7,410	Thailand Government Bond, 3.875%, due 6/13/2019	224 0.29
THB	86,350	Thailand Government Bond, 3.625%, due 6/16/2023	2,696 3.48
THB	47,120	Thailand Government Bond, 3.850%, due 12/12/2025	1,523 1.96
			4,443 5.73
Turkey — 9.41%			
TRY	11,640	Turkey Government Bond, Series 5YR, 9.000%, due 3/8/2017	3,863 4.98
TRY	11,150	Turkey Government Bond, 8.800%, due 9/27/2023	3,434 4.43
			7,297 9.41
Total Government Bonds and Notes (Cost \$69,630)		70,697	91.20
Collective Investment Schemes — 5.89%			
	4,568	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	4,568 5.89
Total Collective Investment Schemes (Cost \$4,568)		4,568	5.89
Total Investments Excluding Options (Cost \$74,198)		75,265	97.09
Contracts (000's)		Value (000's)	% of Net Asset Value
Options — 0.02%			
Purchased Options — 0.05%			
	3,382	USD Call/SAR Put 3.8375, due 1/16/2017	43 0.05
Written Options — (0.03%)			
	(1,500)	USD Call/ZAR Put 16.145, due 3/22/2016	(21) (0.03)
	(470)	USD Put/MXN Call 17.80, due 3/18/2016	(2) –
	(690)	USD Put/PLN Call 3.882, due 3/24/2016	(2) –
			(25) (0.03)
Total Options (Cost \$47)		18	0.02
Total Investments (Cost \$74,245)		75,283	97.11
Other Assets in Excess of Liabilities		2,241	2.89
Total Net Assets		\$77,524	100.00

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

ABBREVIATIONS:

BRL	–	Brazilian Real
COP	–	Colombia Peso
HUF	–	Hungarian Forint
IDR	–	Indonesian Rupiah
MXN	–	Mexican Peso
MYR	–	Malaysian Ringgit
PEN	–	Peruvian New Sol
PHP	–	Philippine Peso
PLN	–	Polish Zloty
RON	–	Romanian New Leu
RUB	–	Russian Ruble
THB	–	Thai Baht
TRY	–	Turkish Lira
ZAR	–	South Africa Rand

Analysis of Total Assets

	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	80.73
Collective investment schemes	5.22
Financial derivative instruments	0.42
Other assets	13.63
Total Assets	100.00

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The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset EM Local Currency Debt Fund[^]

Portfolio of Investments as at February 29, 2016 – (continued)

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)			Sell Currency (000's)			Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/15/16	Citicorp Securities London Ltd	Buy	USD	912	Sell	PEN	3,203	\$ 3
03/15/16	Citicorp Securities London Ltd	Buy	PEN	3,817	Sell	USD	1,104	(21)
03/28/16	Citibank London	Buy	USD	988	Sell	IDR	13,300,000	(3)
04/15/16	Bank of America Sec London	Buy	USD	662	Sell	HUF	191,308	(9)
04/15/16	Bank of America Sec London	Buy	USD	1,248	Sell	PLN	5,100	(27)
04/15/16	Bank of America Sec London	Buy	USD	1,117	Sell	RUB	88,562	(45)
04/15/16	Bank of America Sec London	Buy	RUB	102,581	Sell	USD	1,297	48
04/15/16	Bank of America Sec London	Buy	ZAR	13,691	Sell	USD	823	33
04/15/16	Bank of America Sec London	Buy	RUB	51,116	Sell	USD	680	(9)
04/15/16	Bank of America Sec London	Buy	ZAR	10,800	Sell	USD	679	(5)
04/15/16	Bank of America Sec London	Buy	HUF	142,000	Sell	USD	491	6
04/15/16	Bank of America Sec London	Buy	PLN	2,630	Sell	USD	662	(5)
04/15/16	Bank of America Sec London	Buy	PLN	11,698	Sell	USD	2,878	47
04/15/16	Bank of America Sec London	Buy	USD	1,045	Sell	ZAR	17,115	(24)
04/15/16	Citicorp Securities London Ltd	Buy	USD	447	Sell	COP	1,529,479	(14)
04/15/16	Citicorp Securities London Ltd	Buy	USD	727	Sell	EUR	670	(3)
04/15/16	Citicorp Securities London Ltd	Buy	USD	195	Sell	EUR	178	1
04/15/16	Citicorp Securities London Ltd	Buy	USD	130	Sell	MXN	2,241	7
04/15/16	Citicorp Securities London Ltd	Buy	USD	1,189	Sell	MXN	22,035	(22)
04/15/16	Citicorp Securities London Ltd	Buy	ZAR	11,425	Sell	USD	745	(31)
04/15/16	Citicorp Securities London Ltd	Buy	MXN	11,118	Sell	USD	637	(27)
04/15/16	Citicorp Securities London Ltd	Buy	COP	2,608,052	Sell	USD	772	16
04/15/16	Citicorp Securities London Ltd	Buy	MXN	26,744	Sell	USD	1,454	15
04/15/16	Citicorp Securities London Ltd	Buy	USD	654	Sell	ZAR	10,175	19
04/19/16	Citibank London	Buy	THB	27,000	Sell	USD	742	15
04/19/16	Citicorp Securities London Ltd	Buy	THB	4,393	Sell	USD	122	2
04/19/16	Citicorp Securities London Ltd	Buy	THB	5,496	Sell	USD	154	(1)
05/12/16	Citibank London	Buy	USD	209	Sell	PHP	10,000	(1)
05/13/16	Bank of America Sec London	Buy	USD	4,102	Sell	BRL	16,369	110
05/13/16	Bank of America Sec London	Buy	MYR	2,352	Sell	USD	563	(4)
05/13/16	Bank of America Sec London	Buy	BRL	1,320	Sell	USD	326	(4)
05/13/16	Citibank London	Buy	USD	37	Sell	SGD	52	1
05/13/16	Citicorp Securities London Ltd	Buy	USD	712	Sell	SGD	1,012	(6)
05/13/16	Citicorp Securities London Ltd	Buy	RON	1,169	Sell	USD	290	(5)
Unrealised Appreciation of Forward Foreign Currency Contracts								323
Unrealised Depreciation of Forward Foreign Currency Contracts								(266)
Net Appreciation of Forward Foreign Currency Contracts								\$ 57

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The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Multi-Asset Credit Fund[^]

Portfolio of Investments as at February 29, 2016

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 — 3.15%												
708	CWABS Revolving Home Equity Loan Trust Series 2004-I, Series 2004 I, Class A, 0.721%, due 2/15/2034 *	643	0.39	1,780	JP Morgan Chase Commercial Mortgage Securities Trust 2006-LDP9, Series 2006 LDP9, Class AJ, 5.411%, due 5/15/2047	1,282	0.77	520	JBS Investments GmbH, 7.750%, due 10/28/2020	501	0.30	
464	CWHEQ Revolving Home Equity Loan Trust Series 2005-D, Series 2005 D, Class 2A, 0.621%, due 11/15/2035 *	411	0.25	330	JP Morgan Chase Commercial Mortgage Securities Trust 2007-CIBC19, Series 2007 CB19, Class AJ, 5.702%, due 2/12/2049 *	292	0.18	650	Petrobras Global Finance BV, 3.000%, due 1/15/2019	515	0.31	
12	Earnest Student Loan Program 2016-A, Series 2016 A, Class R, 144A, 0.000%, due 1/25/2039 ∞	1,285	0.77	1,610	JP Morgan Chase Commercial Mortgage Securities Trust 2007-LDP10, Series 2007 LDPX, Class AJFX, 144A, 5.438%, due 1/15/2049	855	0.51			1,823	1.09	
900	Earnest Student Loan Program 2016-A, Series 2016 A, Class B, 144A, 2.500%, due 1/25/2039	858	0.51	1,610	JP Morgan Chase Commercial Mortgage Securities Trust 2007-LDP10, Series 2007 LDPX, Class AJ, 5.503%, due 1/15/2049 *	855	0.51		Canada — 0.80%			
2,090	Encore Credit Receivables Trust 2005-2, Series 2005 2, Class M4, 1.366%, due 11/25/2035 *	1,347	0.81	65	JP Morgan Chase Commercial Mortgage Securities Trust 2007-LDP12, Series 2007 LD12, Class AJ, 6.010%, due 2/15/2051 *	63	0.04	630	1011778 BC ULC / New Red Finance Inc, 144A, 6.000%, due 4/1/2022	657	0.39	
1,080	National Collegiate Student Loan Trust 2006-1, Series 2006 1, Class A5, 0.786%, due 3/25/2033 *	693	0.42	1,101	JP Morgan Resecuritization Trust Series 2009-10, Series 2009 10, Class 7A2, 144A, 6.054%, due 2/26/2037 *	516	0.31	GBP 180	Entertainment One Ltd, 144A, 6.875%, due 12/15/2022	239	0.14	
Total Asset-Backed Securities (Cost \$5,241)			5,237	3.15	2,472	JPMBB Commercial Mortgage Securities Trust 2013-C17, Series 2013 C17, Class E, 144A, 3.867%, due 1/15/2047 *	1,631	0.98	920	MEG Energy Corp, 144A, 6.500%, due 3/15/2021	444	0.27
Mortgage-Backed Securities — 12.18%					910	ML-CFC Commercial Mortgage Trust 2007-5, Series 2007 5, Class AJ, 5.450%, due 8/12/2048 *	801	0.48		1,340	0.80	
640	BBCCRE Trust 2015-GTP, Series 2015 GTP, Class D, 144A, 4.563%, due 8/10/2033 *	541	0.32	910	ML-CFC Commercial Mortgage Trust 2007-5, Series 2007 5, Class AJFL, 144A, 5.450%, due 8/12/2048 *	801	0.48		Chile — 0.99%			
350	BBCCRE Trust 2015-GTP, Series 2015 GTP, Class E, 144A, 4.563%, due 8/10/2033 *	263	0.16	675	Morgan Stanley Bank of America Merrill Lynch Trust 2014-C14, Series 2014 C14, Class F, 144A, 3.710%, due 2/15/2047	371	0.22	540	Cencosud SA, 5.500%, due 1/20/2021	547	0.33	
353	CD 2007-CD4 Commercial Mortgage Trust, Series 2007 CD4, Class AJ, 5.398%, due 12/11/2049 *	274	0.16	960	Morgan Stanley Bank of America Merrill Lynch Trust 2015-C20, Series 2015 C20, Class D, 144A, 3.071%, due 2/15/2048	599	0.36	550	Corpbanca SA, 3.875%, due 9/22/2019	557	0.34	
630	Citigroup Commercial Mortgage Trust 2015-GC29, Series 2015 GC29, Class D, 144A, 3.110%, due 4/10/2048	394	0.24	780	Morgan Stanley Bank of America Merrill Lynch Trust 2015-C22, Series 2015 C22, Class D, 144A, 4.243%, due 4/15/2048 *	573	0.34	510	Empresa Nacional del Petroleo, 5.250%, due 8/10/2020	536	0.32	
400	COMM 2013-LC13 Mortgage Trust, Series 2013 LC13, Class E, 144A, 3.719%, due 8/10/2046 *	260	0.16	1,040	Wachovia Bank Commercial Mortgage Trust Series 2006-C27, Series 2006 C27, Class AJ, 5.825%, due 7/15/2045 *	1,013	0.61		1,640	0.99		
970	Credit Suisse Commercial Mortgage Trust Series 2006-C5, Series 2006 C5, Class AJ, 5.373%, due 12/15/2039	849	0.51	2,951	WaMu Mortgage Pass-Through Certificates Series 2005-AR17 Trust, Series 2005 AR17, Class A1C4, 0.836%, due 12/25/2045 *	1,639	0.98		China — 0.68%			
940	Credit Suisse Commercial Mortgage Trust Series 2007-C5, Series 2007 C5, Class AM, 5.869%, due 9/15/2040 *	861	0.52	Total Mortgage-Backed Securities (Cost \$20,668)			20,292	12.18	580	Alibaba Group Holding Ltd, 3.125%, due 11/28/2021	578	0.35
430	Credit Suisse Mortgage Capital Certificates 2006-C4, Series 2006 C4, Class AJ, 5.538%, due 9/15/2039 *	416	0.25	Corporate Bonds and Notes — 44.16%					550	Country Garden Holdings Co Ltd, 7.250%, due 4/4/2021	558	0.33
1,570	Fannie Mae Connecticut Avenue Securities, Series 2014 C02, Class 2M2, 3.036%, due 5/25/2024 *	1,347	0.81	Australia — 0.29%						1,136	0.68	
1,550	Fannie Mae Connecticut Avenue Securities, Series 2014 C03, Class 2M2, 3.336%, due 7/25/2024 *	1,347	0.81	500	BHP Billiton Finance USA Ltd, 144A, 6.750%, due 10/19/2075 *	483	0.29		France — 0.50%			
660	Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2015 HQA2, Class M2, 3.236%, due 5/25/2028 *	654	0.39	Brazil — 1.09%					250	CGG SA, 6.500%, due 6/1/2021	84	0.05
560	Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2016 DNA1, Class M2, 3.336%, due 7/25/2028 *	559	0.34	300	CBC Ammo LLC / CBC FinCo Inc, 144A, 7.250%, due 11/15/2021	235	0.14	210	Credit Agricole SA, 144A, 8.125%, Perpetual *	195	0.12	
1,890	GE Commercial Mortgage Corp Series 2007-C1 Trust, Series 2007 C1, Class AJ, 5.677%, due 12/10/2049 *	1,236	0.74	590	Itau Unibanco Holding SA/ Cayman Island, 2.850%, due 5/26/2018	572	0.34	550	Numericable-SFR SA, 144A, 6.000%, due 5/15/2022	545	0.33	
										824	0.50	
										Germany — 1.38%		
									450	Fresenius Medical Care US Finance II Inc, 144A, 4.125%, due 10/15/2020	459	0.27
									500	Schaeffler Holding Finance BV, 144A, 6.750%, due 11/15/2022	530	0.32
									EUR 680	Trionista TopCo GmbH, 6.875%, due 4/30/2021	772	0.46
									570	ZF North America Capital Inc, 144A, 4.750%, due 4/29/2025	545	0.33
										2,306	1.38	
										Hong Kong — 0.56%		
									310	Prosperous Ray Ltd, 4.625%, due 11/12/2023	333	0.20
									560	Swire Pacific MTN Financing Ltd, 4.500%, due 10/9/2023	605	0.36
										938	0.56	
										India — 0.56%		
									430	Bharti Airtel International Netherlands BV, 144A, 5.350%, due 5/20/2024	455	0.27
									430	ICICI Bank Ltd/Hong Kong, 5.750%, due 11/16/2020	478	0.29
										933	0.56	
										Italy — 0.44%		
									EUR 250	Astaldi SpA, 144A, 7.125%, due 12/1/2020	265	0.16
									GBP 320	Enel SpA, 7.750%, due 9/10/2075 *	460	0.28
										725	0.44	
										Luxembourg — 1.71%		
									550	Altice Financing SA, 144A, 6.625%, due 2/15/2023	542	0.33

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Legg Mason Western Asset Multi-Asset Credit Fund[^]

Portfolio of Investments as at February 29, 2016 – (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)				GBP	340	Santander UK Group Holdings Plc, 7.375%, Perpetual *	422 0.25	600	Ford Motor Co, 4.750%, due 1/15/2043	551 0.33	
Luxembourg — (continued)				GBP	340	Virgin Media Finance Plc, 6.375%, due 10/15/2024	463 0.28	430	Freeport-McMoRan Inc, 4.000%, due 11/14/2021	292 0.18	
	400	Ardagh Finance Holdings SA, 144A, 8.625%, due 6/15/2019	373 0.22	GBP	320	Vougeot Bidco Plc, 7.875%, due 7/15/2020	455 0.27	1,000	General Electric Co, 6.875%, due 1/10/2039	1,401 0.84	
	850	DH Services Luxembourg Sarl, 144A, 7.750%, due 12/15/2020	841 0.51				7,813 4.69	600	General Motors Co, 6.250%, due 10/2/2043	587 0.35	
EUR	230	SIG Combibloc Holdings SCA, 144A, 7.750%, due 2/15/2023	258 0.15	United States — 27.02%				500	Gilead Sciences Inc, 4.500%, due 2/1/2045	508 0.30	
EUR	750	Unilabs Subholding AB, 8.500%, due 7/15/2018	838 0.50		400	Actavis Funding SCS, 4.750%, due 3/15/2045	409 0.25	200	Greektown Holdings LLC/ Greektown Mothership Corp, 144A, 8.875%, due 3/15/2019	195 0.12	
			2,852 1.71		500	Actuant Corp, 5.625%, due 6/15/2022	505 0.30	600	Guitar Center Inc, 144A, 6.500%, due 4/15/2019	513 0.31	
Mexico — 0.94%					600	Alcoa Inc, 5.125%, due 10/1/2024	542 0.33	20	Gulfmark Offshore Inc, 6.375%, due 3/15/2022	5 —	
	420	Cemex Finance LLC, 144A, 9.375%, due 10/12/2022	441 0.27		350	Alliance One International Inc, 9.875%, due 7/15/2021	264 0.16	120	H&E Equipment Services Inc, 7.000%, due 9/1/2022	114 0.07	
	570	Comision Federal de Electricidad, 144A, 6.125%, due 6/16/2045	546 0.33		20	Axiell Corp, 4.875%, due 5/15/2023	19 0.01	550	HC2 Holdings Inc, 144A, 11.000%, due 12/1/2019	413 0.25	
	550	Grupo Bimbo SAB de CV, 4.500%, due 1/25/2022	571 0.34		450	Ball Corp, 5.250%, due 7/1/2025	469 0.28	590	HCA Inc, 5.375%, due 2/1/2025	601 0.36	
			1,558 0.94		1,500	Bank of America Corp, 4.000%, due 1/22/2025	1,457 0.87	110	HCA Inc, 5.875%, due 2/15/2026	113 0.07	
Netherlands — 1.51%					580	BioScrip Inc, 8.875%, due 2/15/2021	452 0.27	490	IASIS Healthcare LLC / IASIS Capital Corp, 8.375%, due 5/15/2019	466 0.28	
	490	AerCap Ireland Capital Ltd / AerCap Global Aviation Trust, 5.000%, due 10/1/2021	503 0.30		220	Blue Racer Midstream LLC / Blue Racer Finance Corp, 144A, 6.125%, due 11/15/2022	165 0.10	60	Immucor Inc, 11.125%, due 8/15/2019	45 0.03	
	150	AerCap Ireland Capital Ltd / AerCap Global Aviation Trust, 4.625%, due 7/1/2022	150 0.09		600	Calpine Corp, 144A, 5.875%, due 1/15/2024	611 0.37	500	Interface Security Systems Holdings Inc / Interface Security Systems LLC, 9.250%, due 1/15/2018	470 0.28	
	500	Cooperatieve Rabobank UA, 5.250%, due 8/4/2045	510 0.30		510	Carolina Beverage Group Finance Inc, 144A, 10.625%, due 8/1/2018	487 0.29	200	International Wire Group Holdings Inc, 144A, 8.500%, due 10/15/2017	198 0.12	
	500	JLL/Delta Dutch Pledgco BV, 144A, 8.750%, due 5/1/2020	445 0.27		64	Carrizo Oil & Gas Inc, 6.250%, due 4/15/2023	45 0.03	1,200	JPMorgan Chase & Co, 4.250%, due 10/1/2027	1,221 0.73	
	420	NXP BV / NXP Funding LLC, 144A, 4.625%, due 6/15/2022	419 0.25		490	CCO Holdings LLC / CCO Holdings Capital Corp, 5.250%, due 9/30/2022	496 0.30	450	Kindred Healthcare Inc, 8.000%, due 1/15/2020	416 0.25	
	500	UPCB Finance IV Ltd, 144A, 5.375%, due 1/15/2025	495 0.30		200	CCO Holdings LLC / CCO Holdings Capital Corp, 144A, 5.375%, due 5/1/2025	198 0.12	530	Kinetic Concepts Inc / KCI USA Inc, 10.500%, due 11/1/2018	489 0.29	
			2,522 1.51		600	CCO Safari II LLC, 144A, 6.484%, due 10/23/2045	633 0.38	1,000	L Brands Inc, 5.625%, due 10/15/2023	1,065 0.64	
Singapore — 0.36%					500	Celgene Corp, 5.000%, due 8/15/2045	512 0.31	630	LMI Aerospace Inc, 7.375%, due 7/15/2019	588 0.35	
	580	Oversea-Chinese Banking Corp Ltd, 4.250%, due 6/19/2024	598 0.36		550	CenturyLink Inc, Series V, 5.625%, due 4/1/2020	557 0.33	550	MGM Resorts International, 6.625%, due 12/15/2021	584 0.35	
Spain — 0.24%					1,500	Citigroup Inc, 4.450%, due 9/29/2027	1,476 0.89	310	Micron Technology Inc, 144A, 5.250%, due 1/15/2024	260 0.16	
GBP	300	Telefonica Europe BV, 6.750%, Perpetual *	401 0.24		480	Compiler Finance Sub Inc, 144A, 7.000%, due 5/1/2021 †	184 0.11	350	Micron Technology Inc, 5.500%, due 2/1/2025	294 0.18	
Switzerland — 0.40%					700	Constellation Brands Inc, 4.750%, due 11/15/2024	733 0.44	240	Micron Technology Inc, 144A, 5.625%, due 1/15/2026	194 0.12	
	800	Glencore Funding LLC, 144A, 2.875%, due 4/16/2020	666 0.40		490	Crestwood Midstream Partners LP / Crestwood Midstream Finance Corp, 6.125%, due 3/1/2022	353 0.21	974	Miran Mid-Atlantic Series C Pass Through Trust, Series C, 10.060%, due 12/30/2028	950 0.57	
United Kingdom — 4.69%					500	CTR Partnership LP / CareTrust Capital Corp, 5.875%, due 6/1/2021	486 0.29	550	Murphy Oil USA Inc, 6.000%, due 8/15/2023	562 0.34	
GBP	360	AA Bond Co Ltd, 5.500%, due 7/31/2022	460 0.28		340	DaVita HealthCare Partners Inc, 5.000%, due 5/1/2025	339 0.20	870	Murray Energy Corp, 144A, 11.250%, due 4/15/2021	100 0.06	
GBP	290	ABP Finance Plc, 6.250%, due 12/14/2026	485 0.29		350	DISH DBS Corp, 5.875%, due 11/15/2024	315 0.19	200	Natural Resource Partners LP / NRP Finance Corp, 9.125%, due 10/1/2018	93 0.06	
GBP	350	Anglian Water Osprey Financing Plc, 5.000%, due 4/30/2023	471 0.28		500	DJO Finco Inc / DJO Finance LLC / DJO Finance Corp, 144A, 8.125%, due 6/15/2021	419 0.25	550	Navient Corp, 8.000%, due 3/25/2020	543 0.33	
GBP	470	CPUK Finance Ltd, 7.239%, due 2/28/2024	802 0.48		200	Dole Food Co Inc, 144A, 7.250%, due 5/1/2019	196 0.12	550	Navios Maritime Acquisition Corp / Navios Acquisition Finance US Inc, 144A, 8.125%, due 11/15/2021	386 0.23	
GBP	280	Galaxy Bidco Ltd, 6.375%, due 11/15/2020	376 0.23		550	Dollar Tree Inc, 144A, 5.750%, due 3/1/2023	585 0.35	550	NCL Corp Ltd, 144A, 5.250%, due 11/15/2019	550 0.33	
GBP	450	Great Rolling Stock Co Ltd/ The, 6.250%, due 7/27/2020	719 0.43		150	DPx Holdings BV, 144A, 7.500%, due 2/1/2022	143 0.09	600	Neiman Marcus Group Ltd LLC, 144A, 8.750%, due 10/15/2021	362 0.22	
GBP	440	Heathrow Finance Plc, 7.125%, due 3/1/2017	631 0.38		580	Eagle Spinco Inc, 4.625%, due 2/15/2021	574 0.34	450	Neptune Finco Corp, 144A, 6.625%, due 10/15/2025	475 0.28	
	730	KCA Deutag UK Finance Plc, 144A, 7.250%, due 5/15/2021	332 0.20		500	Florida East Coast Holdings Corp, 144A, 6.750%, due 5/1/2019	501 0.30	900	Oasis Petroleum Inc, 6.500%, due 11/1/2021	547 0.33	
EUR	700	Kerling Ltd, 10.625%, due 2/1/2017	757 0.45					300	Pactiv LLC, 8.375%, due 4/15/2027	258 0.15	
GBP	350	Nationwide Building Society, 6.875%, Perpetual *	443 0.27								
GBP	300	R&R Ice Cream Plc, 5.500%, due 5/15/2020	422 0.25								
	600	Royal Bank of Scotland Group Plc, 5.125%, due 5/28/2024	575 0.35								

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The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Multi-Asset Credit Fund[^]

Portfolio of Investments as at February 29, 2016 – (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)			Indonesia — 1.70%			Collective Investment Schemes — 8.98%		
United States — (continued)			2,600	Indonesia Government International Bond, 6.625%, due 2/17/2037	2,824 1.70	14,956	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	8.98
230	PaperWorks Industries Inc, 144A, 9.500%, due 8/15/2019	194 0.12	Jamaica — 0.28%			Total Collective Investment Schemes (Cost \$14,956)		
300	Parsley Energy LLC / Parsley Finance Corp, 144A, 7.500%, due 2/15/2022	292 0.17	460	Jamaica Government International Bond, 6.750%, due 4/28/2028	466 0.28	14,956	8.98	
1,750	Quicken Loans Inc, 144A, 5.750%, due 5/1/2025	1,636 0.98	Kazakhstan — 1.16%			Total Investments Excluding Options (Cost \$145,964)		
600	Reynolds American Inc, 5.850%, due 8/15/2045	704 0.42	1,900	Kazakhstan Government International Bond, 5.125%, due 7/21/2025	1,926 1.16	143,840	86.36	
350	Rice Energy Inc, 6.250%, due 5/1/2022	284 0.17	Mexico — 1.69%					
160	Rice Energy Inc, 7.250%, due 5/1/2023	128 0.08	3,000	Mexico Government International Bond, 4.750%, due 3/8/2044	2,820 1.69			
170	Sabine Pass Liquefaction LLC, 5.625%, due 2/1/2021	162 0.10	Nigeria — 0.27%					
300	Sanchez Energy Corp, Series WL, 6.125%, due 1/15/2023	107 0.06	510	Nigeria Government International Bond, 6.375%, due 7/12/2023	454 0.27			
330	Sanmina Corp, 144A, 4.375%, due 6/1/2019	333 0.20	Peru — 1.17%					
900	Sprint Corp, 7.250%, due 9/15/2021	677 0.41	1,910	Peruvian Government International Bond, 4.125%, due 8/25/2027	1,955 1.17			
450	Sun Products Corp/The, 144A, 7.750%, due 3/15/2021	396 0.24	Poland — 1.72%					
370	Targa Resources Partners LP / Targa Resources Partners Finance Corp, 5.250%, due 5/1/2023	290 0.17	2,660	Poland Government International Bond, 4.000%, due 1/22/2024	2,860 1.72			
600	Taylor Morrison Communities Inc / Monarch Communities Inc, 144A, 5.250%, due 4/15/2021	558 0.33	United States — 5.26%					
280	Tenet Healthcare Corp, 8.125%, due 4/1/2022	275 0.17	8,800	United States Treasury Note/Bond, 1.125%, due 2/28/2021	8,759 5.26			
1,190	Universal Hospital Services Inc, 7.625%, due 8/15/2020	1,032 0.62	Total Government Bonds and Notes (Cost \$25,885)					
500	Univision Communications Inc, 144A, 5.125%, due 2/15/2025	489 0.29	26,201	15.73				
900	Valeant Pharmaceuticals International Inc, 144A, 7.500%, due 7/15/2021	848 0.51	Loan Notes — 2.16%					
1,000	Verizon Communications Inc, 6.550%, due 9/15/2043	1,219 0.73	199	1011778 Bc Ulc, 3.750%, due 12/10/2021	199 0.12			
540	Viking Cruises Ltd, 144A, 8.500%, due 10/15/2022	501 0.30	249	Academy Ltd, 0.000%, due 7/2/2022	230 0.14			
500	Visa Inc, 4.300%, due 12/14/2045	537 0.32	249	Air Medical Group Holdings Inc, 0.000%, due 4/28/2022	237 0.14			
550	Vista Outdoor Inc, 144A, 5.875%, due 10/1/2023	568 0.34	250	American Builders & Contractor, 3.500%, due 4/16/2020	247 0.15			
1,000	Wells Fargo & Co, 4.650%, due 11/4/2044	978 0.59	500	Energy Future Intermediate Holding Co LLC / EFH Finance Inc, 4.250%, due 6/19/2016	499 0.30			
550	West Corp, 144A, 5.375%, due 7/15/2022	492 0.30	250	Hilton Worldwide Finance LLC, 3.500%, due 10/25/2020	250 0.15			
200	Whiting Petroleum Corp, 6.250%, due 4/1/2023	92 0.05	250	MPH Acquisition Holdings LLC, 3.750%, due 3/31/2021	245 0.15			
1,000	William Lyon Homes Inc, 7.000%, due 8/15/2022	915 0.55	249	Party City Holdings Inc, 4.250%, due 8/19/2022	240 0.14			
EUR 430	XPO Logistics Inc, 144A, 5.750%, due 6/15/2021	426 0.26	250	Patheon Inc, 4.250%, due 3/11/2021	239 0.14			
350	XPO Logistics Inc, 144A, 6.500%, due 6/15/2022	331 0.20	250	Petsmart Inc, 0.000%, due 3/10/2022	243 0.14			
		44,998 27.02	250	Staples Inc, 0.000%, due 2/2/2022	248 0.15			
Total Corporate Bonds and Notes (Cost \$75,582)			249	Univision Communications Inc, 4.000%, due 3/1/2020	243 0.15			
Government Bonds and Notes — 15.73%			249	Valeant Pharmaceuticals International, 4.000%, due 3/13/2022	235 0.14			
Argentina — 1.14%			250	Virgin Media Investment Holdings Ltd, 3.500%, due 6/30/2023	243 0.15			
1,890	Argentina Bonar Bonds, Series X, 7.000%, due 4/17/2017	1,906 1.14	Total Loan Notes (Cost \$3,632)					
Cote d'Ivoire (Ivory Coast) — 0.21%			3,598	2.16				
390	Ivory Coast Government International Bond, 144A, 5.375%, due 7/23/2024	343 0.21						
Hungary — 1.13%								
1,670	Hungary Government International Bond, 5.750%, due 11/22/2023	1,888 1.13						

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Legg Mason Western Asset Multi-Asset Credit Fund[^]

Portfolio of Investments as at February 29, 2016 – (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)
Merrill Lynch	Markit CDX.NA.HY, 5.000%	Sell	12/20/20	18,000	\$ (164)
					\$ (164)
Unrealised Appreciation of Credit Default Swaps					–
Unrealised Depreciation of Credit Default Swaps					(164)
Net Depreciation of Credit Default Swaps					\$ (164)

Schedule of Interest Rate Swaps

Counterparty	Rate	Expiration Date	Notional Amount (000's)	Value (000's)
Merrill Lynch	Pay Floating USD 3M Libor BBA, Receive Fixed 0.78%	2/17/18	54,470	\$ 2
Merrill Lynch	Pay Fixed 0.8195%, Receive Floating USD 3M Libor BBA	2/19/18	39,760	15
Merrill Lynch	Pay Fixed 1.6738%, Receive Floating USD 3M Libor BBA	11/30/22	26,784	(575)
				\$ (558)
Unrealised Appreciation of Interest Rate Swaps				17
Unrealised Depreciation of Interest Rate Swaps				(575)
Net Depreciation of Interest Rate Swaps				\$ (558)

Schedule of Swaptions

Counterparty	Description	Effective Date	Notional Amount (in 000's)	Unrealised Appreciation/ (Depreciation) of Contracts (in 000's)
BNP Paribas	Swaption Receiver Strike 1.05%	3/17/16	78,020	\$ (216)
BNP Paribas	Swaption Receiver Strike 1.10%	3/17/16	78,020	(319)
BNP Paribas	Swaption Receiver Strike 1.20%	3/17/16	78,020	577
BNP Paribas	Swaption Receiver Strike 0.85%	3/17/16	78,020	16
Unrealised Appreciation of Swaptions				593
Unrealised Depreciation of Swaptions				(535)
Net Appreciation of Swaptions				\$ 58

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/15/16	BNY Mellon	Buy GBP 118,724	Sell USD 172,982	\$ (7,725)
04/12/16	Bank of America Sec London	Buy USD 126	Sell EUR 112	4
04/12/16	Bank of America Sec London	Buy USD 8,739	Sell GBP 6,100	247
04/12/16	Bank of America Sec London	Buy USD 4,391	Sell KRW 5,298,700	120
04/12/16	Bank of America Sec London	Buy USD 2,712	Sell SGD 3,900	(59)
04/12/16	Bank of America Sec London	Buy USD 2,660	Sell TWD 89,170	(25)
04/12/16	Bank of America Sec London	Buy ZAR 42,920	Sell USD 2,792	(110)
04/12/16	Bank of America Sec London	Buy GBP 6,100	Sell USD 8,832	(341)
04/12/16	Bank of America Sec London	Buy EUR 4,770	Sell USD 5,245	(49)
04/12/16	Bank of America Sec London	Buy USD 2,644	Sell ZAR 42,920	(37)
04/12/16	Barclays Capital	Buy CAD 4,290	Sell USD 3,135	36
04/12/16	Citicorp Securities London Ltd	Buy USD 1,778	Sell BRL 7,290	(16)
04/12/16	Citicorp Securities London Ltd	Buy USD 8,964	Sell EUR 8,240	(13)
04/12/16	Citicorp Securities London Ltd	Buy USD 1,623	Sell MXN 31,080	(85)
04/12/16	Citicorp Securities London Ltd	Buy USD 3,537	Sell TRY 10,890	(89)
04/12/16	Citicorp Securities London Ltd	Buy INR 240,670	Sell USD 3,558	(61)
04/12/16	Citicorp Securities London Ltd	Buy EUR 3,640	Sell USD 3,951	14
04/12/16	Citicorp Securities London Ltd	Buy MXN 31,080	Sell USD 1,730	(22)
04/12/16	Citicorp Securities London Ltd	Buy ILS 10,080	Sell USD 2,595	(8)
05/13/16	Citicorp Securities London Ltd	Buy USD 351	Sell AUD 505	(8)
05/13/16	Citicorp Securities London Ltd	Buy USD 445	Sell CAD 619	(13)
05/13/16	Citicorp Securities London Ltd	Buy USD 554	Sell CAD 750	–
05/13/16	Citicorp Securities London Ltd	Buy USD 5,051	Sell EUR 4,470	178
05/13/16	Citicorp Securities London Ltd	Buy USD 8,515	Sell GBP 5,900	301
05/13/16	Citicorp Securities London Ltd	Buy EUR 650	Sell USD 715	(7)
05/13/16	Citicorp Securities London Ltd	Buy CAD 350	Sell USD 256	3
Unrealised Appreciation of Forward Foreign Currency Contracts				903
Unrealised Depreciation of Forward Foreign Currency Contracts				(8,668)
Net Depreciation of Forward Foreign Currency Contracts				\$ (7,765)

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Legg Mason Western Asset Multi-Asset Credit Fund[^]

Portfolio of Investments as at February 29, 2016 – (continued)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
90 Day Euro\$ April 2016	(85)	\$(21,103)	\$ (2)
Australia 10 Year Bond March 2016	96	9,034	20
Bank Accept June 2017	118	21,638	(40)
Euro-Bund March 2016	(28)	(5,074)	(69)
Long Gilt June 2016	75	12,726	37
U.S. 10 Year Note (CBT) June 2016	897	117,072	(374)
U.S. 10 Year Ultra Note June 2016	70	9,878	(4)
U.S. 5 Year Note (CBT) June 2016	(467)	(56,500)	(8)
U.S. Long Bond (CBT) June 2016	(288)	(47,385)	260
U.S. Ultra Bond (CBT) June 2016	201	34,804	(54)
Total Market Value of Futures Contracts	589	\$ 75,090	\$ (234)
Unrealised Appreciation of Futures Contracts			317
Unrealised Depreciation of Futures Contracts			(551)
Net Depreciation of Futures Contracts			\$ (234)

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Legg Mason Western Asset Global Total Return Investment Grade Bond Fund[^]

Portfolio of Investments as at February 29, 2016

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
Corporate Bonds and Notes — 27.40%				Italy — 5.06%				Options — 0.03%			
Belgium — 1.30%				EUR 197 Italy Buoni Poliennali Del Tesoro, 3.750%, due 5/1/2021				Purchased Options — 0.04%			
60	Anheuser-Busch InBev Finance Inc, 4.900%, due 2/1/2046	64	1.30	Mexico — 3.24%				100	USD Call/EUR Put 1.095, due 4/11/2016	2	0.03
Colombia — 3.11%				MXN 1,420 Mexican Bonos, Series M, 7.750%, due 11/13/2042				100	USD Call/JPY Put 118.50, due 4/15/2016	—	0.01
189	Ecopetrol SA, 5.375%, due 6/26/2026	153	3.11	70 Mexico Government International Bond, 5.550%, due 1/21/2045							
Germany — 1.15%								Written Options — (0.01%)			
GBP 22	RWE Finance BV, 5.625%, due 12/6/2023	34	0.69	Poland — 4.02%				(100) USD Call/CNH Put 6.90, due 4/13/2016			
EUR 23	Volkswagen International Finance NV, 4.625%, Perpetual *	23	0.46	PLN 761 Poland Government Bond, Series 0725, 3.250%, due 7/25/2025				(20) USD Put/BRL Call 3.90, due 4/19/2016			
United Kingdom — 0.98%				United States — 38.91%				Total Options (Cost \$1)			
50	BP Capital Markets Plc, 3.506%, due 3/17/2025	49	0.98	15 United States Treasury Note/Bond, 0.500%, due 4/30/2017				Total Investments (Cost \$4,564)			
United States — 20.86%				1,096 United States Treasury Note/Bond, 0.875%, due 7/15/2017				Other Assets in Excess of Liabilities			
47	AbbVie Inc, 3.600%, due 5/14/2025	48	0.97	280 United States Treasury Note/Bond, 1.625%, due 6/30/2020				Total Net Assets			
50	ACE INA Holdings Inc, 4.350%, due 11/3/2045	52	1.06	160 United States Treasury Note/Bond, 8.000%, due 11/15/2021				— Amounts designated as “—” are either \$0, less than \$1,000 or less than 1,000 shares.			
46	Actavis Funding SCS, 3.800%, due 3/15/2025	47	0.96	28 United States Treasury Note/Bond, 2.000%, due 8/15/2025				* Variable rate security. The interest rate shown reflects the rate in effect at February 29, 2016.			
57	Amgen Inc, 4.400%, due 5/1/2045	55	1.10	283 United States Treasury Note/Bond, 2.500%, due 2/15/2045				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 29, 2016.			
78	AT&T Inc, 3.400%, due 5/15/2025	77	1.55					ABBREVIATIONS:			
101	Bank of America Corp, 4.000%, due 1/22/2025	98	1.99					Perpetual — A bond with no maturity date. Perpetual bonds are not redeemable but pay a steady stream of interest			
76	Becton Dickinson and Co, 3.734%, due 12/15/2024	79	1.59					BRL — Brazilian Real			
47	Brown-Forman Corp, 4.500%, due 7/15/2045	50	1.01					EUR — Euro			
36	Citigroup Inc, 8.125%, due 7/15/2039	51	1.04					GBP — British Pound			
103	Goldman Sachs Group Inc/The, 5.150%, due 5/22/2045	98	1.99					MXN — Mexican Peso			
101	JPMorgan Chase & Co, 4.950%, due 6/1/2045	102	2.07					PLN — Polish Zloty			
42	Reynolds American Inc, 5.850%, due 8/15/2045	49	1.00					Analysis of Total Assets			
43	UnitedHealth Group Inc, 4.750%, due 7/15/2045	47	0.95					Transferable securities admitted to an official exchange listing or traded on a regulated market			
65	Verizon Communications Inc, 6.550%, due 9/15/2043	79	1.61					Collective investment schemes			
94	Wells Fargo & Co, 4.100%, due 6/3/2026	97	1.97					Deposits with credit institutions			
		1,029	20.86					Financial derivative instruments			
								Other assets			
Total Corporate Bonds and Notes (Cost \$1,345)		1,352	27.40					Total Assets			
Government Bonds and Notes — 52.68%											
Brazil — 1.45%											
BRL 121	Brazil Notas do Tesouro Nacional Serie B, Series NTN-B, 6.000%, due 8/15/2050 β	72	1.45								

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/15/16	BNY Mellon	Buy EUR 2,710	Sell USD 3,037	\$ (87)
04/07/16	Citicorp Securities London Ltd	Buy USD 66	Sell BRL 265	1
04/07/16	Citicorp Securities London Ltd	Buy USD 49	Sell INR 3,330	1
04/07/16	Citicorp Securities London Ltd	Buy USD 146	Sell KRW 177,015	3
04/07/16	Deutsche Bank London	Buy KRW 60,360	Sell USD 50	(1)
05/13/16	Bank of America Sec London	Buy USD 110	Sell AUD 157	(2)
05/13/16	Bank of America Sec London	Buy USD 1,030	Sell EUR 910	38
05/13/16	Bank of America Sec London	Buy USD 1	Sell MXN 20	—
05/13/16	Bank of America Sec London	Buy CAD 70	Sell USD 50	1
05/13/16	Citicorp Securities London Ltd	Buy USD 245	Sell CNH 1,640	(4)
05/13/16	Citicorp Securities London Ltd	Buy USD 40	Sell GBP 28	1
05/13/16	Citicorp Securities London Ltd	Buy USD 158	Sell JPY 18,020	(3)

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Legg Mason Western Asset Global Total Return Investment Grade Bond Fund[^]

Portfolio of Investments as at February 29, 2016 – (continued)

Schedule of Forward Foreign Currency Contracts – (continued)

Expiration Date	Counterparty	Buy Currency (000's)			Sell Currency (000's)			Unrealised Appreciation/ (Depreciation) of Contracts (000's)
05/13/16	Deutsche Bank London	Buy	USD	50	Sell	JPY	5,682	\$ –
05/13/16	UBS	Buy	EUR	200	Sell	USD	227	(9)
Unrealised Appreciation of Forward Foreign Currency Contracts								45
Unrealised Depreciation of Forward Foreign Currency Contracts								(106)
Net Depreciation of Forward Foreign Currency Contracts								\$ (61)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Australia 10 Year Bond March 2016	2	\$ 188	\$ 3
Euro-Bobl March 2016	(2)	(290)	(5)
Euro-Bund March 2016	(3)	(544)	(26)
U.S. 10 Year Note (CBT) June 2016	(5)	(652)	(1)
U.S. 5 Year Note (CBT) June 2016	(11)	(1,331)	2
U.S. Long Bond (CBT) June 2016	(1)	(164)	–
Total Market Value of Futures Contracts	(20)	\$ (2,793)	\$ (27)
Unrealised Appreciation of Futures Contracts			5
Unrealised Depreciation of Futures Contracts			(32)
Net Depreciation of Futures Contracts			\$ (27)

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Legg Mason Western Asset Structured Opportunities Fund[^]

Portfolio of Investments as at February 29, 2016

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 — 14.03%								
8 Aegis Asset Backed Securities Trust Mortgage Pass-Through Cfts Ser 2004-2, Series 2004 2, Class A3, 1.396%, due 6/25/2034 *	8	—	19 First Franklin Mortgage Loan Trust 2002-FF1, Series 2002 FF1, Class 1A2, 1.551%, due 4/25/2032 *	18	0.01	340 Renaissance Home Equity Loan Trust 2003-1, Series 2003 1, Class A, 1.296%, due 6/25/2033 *	319	0.10
214 AFC Trust Series 2000-2, Series 2000 2, Class 1A, 1.226%, due 6/25/2030 *	190	0.06	17 First Franklin Mortgage Loan Trust 2002-FF4, Series 2002 FF4, Class 2A2, 1.551%, due 2/25/2033 *	15	—	1,367 Renaissance Home Equity Loan Trust 2005-3, Series 2005 3, Class AV3, 0.816%, due 11/25/2035 *	1,189	0.36
67 AFC Trust Series 2000-3, Series 2000 3, Class 1A, 144A, 1.186%, due 10/25/2030 *	56	0.02	2,544 First Franklin Mortgage Loan Trust 2003-FF1, Series 2003 FF1, Class A1, 1.551%, due 3/25/2033 *	2,426	0.74	2,864 Renaissance Home Equity Loan Trust 2006-1, Series 2006 1, Class AV3, 0.736%, due 5/25/2036 *	1,589	0.49
188 Amerquest Mortgage Securities Inc Asset Backed Pass-Through Cfts Ser 2005-R11, Series 2005 R11, Class A2D, 0.766%, due 1/25/2036 *	184	0.06	1,182 First Horizon ABS Trust 2006 – HE1, Series 2006 HE1, Class A, 0.596%, due 10/25/2034 *	1,058	0.32	11 Southern Pacific Secured Asset Corp, Series 1998 1, Class A7, 6.510%, due 12/25/2027 *	11	—
335 Asset Backed Securities Corp Home Equity Loan Trust Series 2003-HE6, Series 2003 HE6, Class M2, 2.911%, due 11/25/2033 *	298	0.09	2,812 GSAMP Trust 2003-SEA2, Series 2003 SEA2, Class A1, 4.421%, due 7/25/2033 *	2,764	0.85	3,651 Structured Asset Securities Corp Trust 2005-SC1, Series 2005 SC1, Class 1A1, 144A, 0.706%, due 5/25/2031 *	1,891	0.58
419 Bear Stearns Asset Backed Securities I Trust 2005-CL1, Series 2005 CL1, Class A1, 0.827%, due 9/25/2034 *	377	0.12	4,500 GSAMP Trust 2005-WMC3, Series 2005 WMC3, Class A2C, 0.766%, due 12/25/2035 *	2,844	0.87	4,931 Terwin Mortgage Trust 2006-5, Series 2006 5, Class 1A2C, 144A, 0.736%, due 7/25/2037 *	2,636	0.81
161 Bear Stearns Asset Backed Securities Trust 2004-2, Series 2004 2, Class A3, 1.636%, due 8/25/2034 *	161	0.05	167 GSAMP Trust 2007-SEA1, Series 2007 SEA1, Class A, 144A, 0.736%, due 12/25/2036 *	154	0.05	Total Asset-Backed Securities (Cost \$46,165)		
3,447 Centex Home Equity Loan Trust 2005-C, Series 2005 C, Class M3, 0.906%, due 6/25/2035 *	2,435	0.75	502 Home Equity Mortgage Loan Asset-Backed Notes Series 2006-H1, Series 2006 H1, Class A, 0.606%, due 4/25/2036 *	350	0.11	Mortgage-Backed Securities — 75.36%		
38 Chase Funding Trust Series 2002-4, Series 2002 4, Class 2A1, 1.176%, due 10/25/2032 *	36	0.01	119 Home Equity Mortgage Loan Asset-Backed Trust Series SPMD 2001-A, Series 2001 A, Class AV, 0.956%, due 3/25/2031 *	104	0.03	5,360 Adjustable Rate Mortgage Trust 2004-2, Series 2004 2, Class 7M1, 1.596%, due 2/25/2035 *	4,895	1.50
3,180 Citigroup Mortgage Loan Trust 2007-WFHE2, Series 2007 WFH2, Class M2, 0.886%, due 3/25/2037 *	1,951	0.60	82 Irwin Home Equity Loan Trust 2002-1, Series 2002 1, Class 2M1, 1.786%, due 2/25/2029 *	79	0.02	2,065 Alternative Loan Trust 2005-14, Series 2005 14, Class 2A1, 0.646%, due 5/25/2035 *	1,681	0.52
4,848 Citigroup Mortgage Loan Trust Inc, Series 2006 WFH2, Class M2, 0.716%, due 8/25/2036 *	2,932	0.90	357 Long Beach Mortgage Loan Trust 2000-1, Series 2000 1, Class AV1, 0.952%, due 1/21/2031 *	331	0.10	4,166 Alternative Loan Trust 2005-44, Series 2005 44, Class 1A1, 0.766%, due 10/25/2035 *	3,243	0.99
4,630 Citigroup Mortgage Loan Trust Inc, Series 2006 WFH4, Class M2, 0.726%, due 11/25/2036 *	2,978	0.91	104 Long Beach Mortgage Loan Trust 2002-2, Series 2002 2, Class M2, 2.236%, due 7/25/2032 *	92	0.03	1,403 Alternative Loan Trust 2005-56, Series 2005 56, Class 4A1, 0.746%, due 11/25/2035 *	1,159	0.36
3,350 Citigroup Mortgage Loan Trust Inc, Series 2007 WFH4, Class M2, 2.586%, due 7/25/2037 *	2,440	0.75	329 Mastr Specialized Loan Trust, Series 2006 2, Class A, 144A, 0.696%, due 2/25/2036 *	279	0.08	1,648 Alternative Loan Trust 2005-59, Series 2005 59, Class 1A1, 0.762%, due 11/20/2035 *	1,303	0.40
46 Countrywide Asset-Backed Certificates, Series 2003 BC2, Class 2A1, 1.036%, due 6/25/2033 *	39	0.01	10 Morgan Stanley ABS Capital I Inc Trust Series 2003-SD1, Series 2003 SD1, Class A1, 1.436%, due 3/25/2033 *	9	—	6,548 Alternative Loan Trust 2005-76, Series 2005 76, Class 2A1, 1.322%, due 2/25/2036 *	5,664	1.74
33 Countrywide Asset-Backed Certificates, Series 2004 SD1, Class A1, 144A, 1.116%, due 6/25/2033 *	32	0.01	1,921 Morgan Stanley Mortgage Loan Trust 2006-13ARX, Series 2006 13AX, Class A1, 0.526%, due 10/25/2036 *	842	0.26	875 Alternative Loan Trust 2006-OA11, Series 2006 OA11, Class A2, 0.616%, due 9/25/2046 *	725	0.22
262 Countrywide Asset-Backed Certificates, Series 2003 BC5, Class 2A2, 1.136%, due 12/25/2033 *	248	0.08	164 New Century Home Equity Loan Trust, Series 2003 A, Class M1, 144A, 1.561%, due 10/25/2033 *	155	0.05	572 American Home Mortgage Investment Trust 2005-1, Series 2005 1, Class 1A1, 0.656%, due 6/25/2045 *	527	0.16
2,508 Countrywide Asset-Backed Certificates, Series 2007 SD1, Class A1, 144A, 0.886%, due 3/25/2047 *	1,814	0.56	99 New Century Home Equity Loan Trust 2004-2, Series 2004 2, Class A2, 1.176%, due 8/25/2034 *	89	0.03	2,460 BAMLL-DB Trust, Series 2012 OSI, Class D, 144A, 6.786%, due 4/13/2029	2,500	0.77
1,176 CWABS Inc Asset-Backed Certificates Trust 2004-6, Series 2004 6, Class 1A1, 0.976%, due 12/25/2034 *	1,067	0.33	3,171 NovaStar Mortgage Funding Trust Series 2003-1, Series 2003 1, Class A1, 1.196%, due 5/25/2033 *	2,944	0.90	4,020 Banc of America Funding 2015-R4 Trust, Series 2015 R4, Class 4A2, 144A, 4.500%, due 1/1/2030 *	3,995	1.23
2,694 CWABS Revolving Home Equity Loan Trust Series 2004-I, Series 2004 I, Class A, 0.721%, due 2/15/2034 *	2,447	0.75	1,161 RAAC Series 2006-RP2 Trust, Series 2006 RP2, Class A, 144A, 0.677%, due 2/25/2037 *	1,146	0.35	1,960 BBCCRE Trust 2015-GTP, Series 2015 GTP, Class D, 144A, 4.563%, due 8/10/2033 *	1,658	0.51
171 CWABS Revolving Home Equity Loan Trust Series 2004-J, Series 2004 J, Class 2A, 0.721%, due 12/15/2033 *	156	0.05	67 RAMP Series 2002-RS5 Trust, Series 2002 RS5, Class All, 1.176%, due 9/25/2032 *	60	0.02	1,000 BBCCRE Trust 2015-GTP, Series 2015 GTP, Class E, 144A, 4.563%, due 8/10/2033 *	753	0.23
101 EMC Mortgage Loan Trust 2002-A, Series 2002 AA, Class A1, 144A, 1.376%, due 5/25/2039 *	96	0.03	264 RAMP Series 2003-RS3 Trust, Series 2003 RS3, Class All, 1.156%, due 4/25/2033 *	230	0.07	40 Bear Stearns ALT-A Trust 2004-7, Series 2004 7, Class 2A1, 2.645%, due 8/25/2034 *	40	0.01
38 Fairbanks Capital Mortgage Loan Trust 1999-1, Series 1999 1, Class A, 144A, 1.627%, due 5/25/2028 *	36	0.01	57 RAMP Series 2004-SL3 Trust, Series 2004 SL3, Class A4, 8.500%, due 12/25/2031	48	0.01	1,706 Chevy Chase Funding LLC Mortgage-Backed Certificates Series 2005-1, Series 2005 1A, Class A2, 144A, 0.636%, due 1/25/2036 *	1,424	0.44
			3,410 RAMP Series 2006-RZ4 Trust, Series 2006 RZ4, Class M1, 0.786%, due 10/25/2036 *	2,064	0.63	35 CHL Mortgage Pass-Through Trust 2004-16, Series 2004 16, Class 1A2, 2.372%, due 9/25/2034 *	32	0.01
			27 RASC Series 2001-KS2 Trust, Series 2001 KS2, Class All, 0.896%, due 6/25/2031 *	25	0.01			

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Portfolio of Investments as at February 29, 2016 – (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
Mortgage-Backed Securities — (continued)				19,370	FHLMC Multifamily Structured Pass Through Certificates K052, Class X3, 1.611%, due 1/25/2044 *	2,046	0.63	231	GSR Mortgage Loan Trust 2005-AR3, Series 2005 AR3, Class 2A1, 0.876%, due 5/25/2035 *	208	0.06
1,477	CHL Mortgage Pass-Through Trust 2004-25, Series 2004 25, Class 2A1, 1.116%, due 2/25/2035 *	1,269	0.39	62	First Republic Mortgage Loan Trust 2002-FRB2, Series 2002 FRB2, Class A2, 1.227%, due 11/15/2032 *	58	0.02	392	HarborView Mortgage Loan Trust 2004-11, Series 2004 11, Class 3A3, 1.190%, due 1/19/2035 *	254	0.08
1,021	CHL Mortgage Pass-Through Trust 2005-11, Series 2005 11, Class 6A1, 1.036%, due 3/25/2035 *	908	0.28	4,840	Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2014 DN3, Class M3, 4.436%, due 8/25/2024 *	4,444	1.36	233	HarborView Mortgage Loan Trust 2005-1, Series 2005 1, Class 2A1A, 0.700%, due 3/19/2035 *	201	0.06
1,520	CHL Mortgage Pass-Through Trust 2005-11, Series 2005 11, Class 3A3, 2.409%, due 4/25/2035 *	1,112	0.34	10,080	Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2014 HQ1, Class M3, 4.536%, due 8/25/2024 *	9,116	2.80	812	HarborView Mortgage Loan Trust 2005-10, Series 2005 10, Class 2A1A, 0.740%, due 11/19/2035 *	663	0.20
6,153	CHL Mortgage Pass-Through Trust 2005-3, Series 2005 3, Class 1A2, 0.726%, due 4/25/2035 *	5,295	1.62	5,000	Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2016 DNA1, Class B, 10.436%, due 7/25/2028 *	4,453	1.37	1,656	HarborView Mortgage Loan Trust 2005-2, Series 2005 2, Class 2A1A, 0.650%, due 5/19/2035 *	1,354	0.42
2,903	Citigroup Commercial Mortgage Trust 2015-GC29, Series 2015 GC29, Class D, 144A, 3.110%, due 4/10/2048	1,816	0.56	6,300	GE Commercial Mortgage Corp Series 2007-C1 Trust, Series 2007 C1, Class AJ, 5.677%, due 12/10/2049 *	4,119	1.26	1,091	HarborView Mortgage Loan Trust 2005-3, Series 2005 3, Class 2A1A, 0.670%, due 6/19/2035 *	953	0.29
1,580	COMM 2013-LC13 Mortgage Trust, Series 2013 LC13, Class E, 144A, 3.719%, due 8/10/2046 *	1,027	0.31	29,550	Government National Mortgage Association, Series 2013 163, Class IO, 1.173%, due 2/16/2046 *	2,036	0.62	1,424	HarborView Mortgage Loan Trust 2006-10, Series 2006 10, Class 2A1A, 0.610%, due 11/19/2036 *	1,127	0.35
1,820	COMM 2014-CCRE16 Mortgage Trust, Series 2014 CR16, Class E, 144A, 3.220%, due 4/10/2047	998	0.31	38,805	Government National Mortgage Association, Series 2011 142, Class IO, 0.838%, due 9/16/2046 *	1,474	0.45	1,620	HomeBanc Mortgage Trust 2007-1, Series 2007 1, Class 2A, 0.736%, due 5/25/2037 *	1,410	0.43
950	COMM 2014-CCRE18 Mortgage Trust, Series 2014 CR18, Class D, 144A, 4.738%, due 7/15/2047 *	732	0.22	27,437	Government National Mortgage Association, Series 2011 127, Class IO, 1.182%, due 3/16/2047 *	1,169	0.36	193	Impac CMB Trust Series 2004-5, Series 2004 5, Class 1A1, 1.156%, due 10/25/2034 *	180	0.05
1,908	Comm 2014-UBS2 Mortgage Trust, Series 2014 UBS2, Class E, 144A, 0.653%, due 3/10/2047 *	1,236	0.38	10,565	Government National Mortgage Association, Series 2014 47, Class IA, 1.192%, due 2/16/2048 *	675	0.21	491	IndyMac INDX Mortgage Loan Trust 2004-AR7, Series 2004 AR7, Class A2, 1.296%, due 9/25/2034 *	442	0.14
240	COMM 2015-CCRE25 Mortgage Trust, Series 2015 CR25, Class D, 3.797%, due 8/10/2048 *	160	0.05	72,653	Government National Mortgage Association, Series 2011 95, Class IO, 0.501%, due 4/16/2051 *	1,441	0.44	5	IndyMac INDX Mortgage Loan Trust 2005-AR1, Series 2005 AR1, Class 1A1, 2.738%, due 3/25/2035 *	4	—
6,860	COMM 2015-PC1 Mortgage Trust, Series 2015 PC1, Class D, 4.443%, due 7/10/2050 *	4,992	1.53	19,126	Government National Mortgage Association, Series 2010 13, Class IO, 0.017%, due 11/16/2051 *	213	0.07	1,808	IndyMac INDX Mortgage Loan Trust 2005-AR13, Series 2005 AR13, Class 1A1, 2.692%, due 8/25/2035 *	1,338	0.41
1,300	Credit Suisse Commercial Mortgage Trust Series 2006-C5, Series 2006 C5, Class AJ, 5.373%, due 12/15/2039	1,138	0.35	8,249	Government National Mortgage Association, Series 2010 102, Class IO, 0.502%, due 6/16/2052 *	202	0.06	422	IndyMac INDX Mortgage Loan Trust 2005-AR4, Series 2005 AR4, Class 2A1A, 0.716%, due 3/25/2035 *	365	0.11
1,380	Credit Suisse Commercial Mortgage Trust Series 2007-C5, Series 2007 C5, Class AM, 5.869%, due 9/15/2040 *	1,265	0.39	26,898	Government National Mortgage Association, Series 2012 114, Class IO, 0.904%, due 1/16/2053 *	1,887	0.58	297	IndyMac INDX Mortgage Loan Trust 2006-AR15, Series 2006 AR15, Class A1, 0.556%, due 7/25/2036 *	231	0.07
2,020	CSAIL 2015-C4 Commercial Mortgage Trust, Series 2015 C4, Class D, 3.586%, due 11/15/2048 *	1,440	0.44	19,987	Government National Mortgage Association, Series 2014 16, Class IO, 1.024%, due 6/16/2055 *	1,248	0.38	8,564	IndyMac INDX Mortgage Loan Trust 2006-AR21, Series 2006 AR21, Class A1, 0.556%, due 8/25/2036 *	6,461	1.98
14,455	CSMC Mortgage-Backed Trust 2006-7, Series 2006 7, Class 11A2, 6.064%, due 8/25/2036 *	3,894	1.19	20,859	Government National Mortgage Association, Series 2014 50, Class IO, 0.952%, due 9/16/2055 *	1,333	0.41	4,550	JP Morgan Chase Commercial Mortgage Securities Trust 2006-LDP9, Series 2006 LDP9, Class AJ, 5.411%, due 5/15/2047	3,277	1.01
132	CSMC Trust 2014-CIM1, Series 2014 CIM1, Class A1, 144A, 2.177%, due 1/25/2058 *	132	0.04	300	GSMPS Mortgage Loan Trust 2005-LT1, Series 2005 LT1, Class A1, 144A, 0.896%, due 2/25/2035 *	284	0.09	4,600	JP Morgan Chase Commercial Mortgage Securities Trust 2007-LDP10, Series 2007 LDPX, Class AJFX, 144A, 5.438%, due 1/15/2049	2,444	0.75
10,690	Fannie Mae Connecticut Avenue Securities, Series 2014 C03, Class 1M2, 3.436%, due 7/25/2024 *	9,317	2.86	1,704	GSMPS Mortgage Loan Trust 2005-RP2, Series 2005 RP2, Class 1AF, 144A, 0.786%, due 3/25/2035 *	1,436	0.44	4,600	JP Morgan Chase Commercial Mortgage Securities Trust 2007-LDP10, Series 2007 LDPX, Class AJ, 5.503%, due 1/15/2049 *	2,444	0.75
2,860	Fannie Mae Connecticut Avenue Securities, Series 2014 C04, Class 2M2, 5.436%, due 11/25/2024 *	2,765	0.85	6,388	GSMPS Mortgage Loan Trust 2005-RP3, Series 2005 RP3, Class 1AF, 144A, 0.786%, due 9/25/2035 *	5,159	1.58	830	JP Morgan Chase Commercial Mortgage Securities Trust 2012-C8, Series 2012 C8, Class E, 144A, 4.658%, due 10/15/2045 *	735	0.23
2,480	Fannie Mae Connecticut Avenue Securities, Series 2016 C01, Class 1M2, 7.177%, due 8/25/2028 *	2,517	0.77	1,187	GSR Mortgage Loan Trust 2003-10, Series 2003 10, Class 3A1, 2.438%, due 10/25/2033 *	1,144	0.35	4,770	JP Morgan Resecuritization Trust Series 2014-6, Series 2014 6, Class 8A2, 144A, 0.607%, due 10/27/2036 *	2,566	0.79
3,300	Fannie Mae Connecticut Avenue Securities, Series 2016 C01, Class 1B, 12.177%, due 8/25/2028 *	3,300	1.01	168	GSR Mortgage Loan Trust 2004-7, Series 2004 7, Class 4A1, 2.479%, due 6/25/2034 *	159	0.05	4,170	JPMBB Commercial Mortgage Securities Trust 2013-C17, Series 2013 C17, Class E, 144A, 3.867%, due 1/15/2047 *	2,752	0.84
552	FDIC 2013-N1 Trust, Series 2013 N1, Class A, 144A, 4.500%, due 10/25/2018	552	0.17	836	GSR Mortgage Loan Trust 2005-AR3, Series 2005 AR3, Class 1A1, 0.876%, due 5/25/2035 *	759	0.23				
40,195	FHLMC Multifamily Structured Pass Through Certificates KAIV, Class X1, 1.339%, due 6/25/2021 *	2,190	0.67								

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Portfolio of Investments as at February 29, 2016 – (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
Mortgage-Backed Securities — (continued)			297			6,260		
1,920 JPMBB Commercial Mortgage Securities Trust 2015-C31, Series 2015 C31, Class D, 4.119%, due 8/15/2048 *	1,284	0.39	6,250			2,260		
90 Lehman XS Trust Series 2005-5N, Series 2005 5N, Class 1A1, 0.736%, due 11/25/2035 *	80	0.02	56			3,908%	4,371	1.34
3,871 Lehman XS Trust Series 2006-4N, Series 2006 4N, Class A2A, 0.656%, due 4/25/2046 *	2,665	0.82	32			3,692%, due 11/15/2047	1,529	0.47
4,447 Luminent Mortgage Trust 2006-2, Series 2006 2, Class A1A, 0.636%, due 2/25/2046 *	2,878	0.88	42			Total Mortgage-Backed Securities (Cost \$251,680)		
70 MASTR Adjustable Rate Mortgages Trust 2004-15, Series 2004 15, Class 6A1, 0.766%, due 12/25/2034 *	59	0.02	42			245,638	75.36	
867 MASTR Adjustable Rate Mortgages Trust 2004-15, Series 2004 15, Class 1A1, 3.526%, due 12/25/2034 *	831	0.25	32			Collective Investment Schemes — 9.02%		
900 MASTR Adjustable Rate Mortgages Trust 2005-4, Series 2005 4, Class A3, 144A, 0.914%, due 4/26/2035 *	542	0.17	42			29,400	9.02	
25,098 MASTR Adjustable Rate Mortgages Trust 2006-OA2, Series 2006 OA2, Class 1A1, 1.122%, due 12/25/2046 *	17,851	5.48	42			Total Collective Investment Schemes (Cost \$29,400)		
1,654 MASTR Reperforming Loan Trust 2005-2, Series 2005 2, Class 1A1F, 144A, 0.786%, due 5/25/2035 *	1,307	0.40	42			29,400	9.02	
3,460 ML-CFC Commercial Mortgage Trust 2007-5, Series 2007 5, Class AJ, 5.450%, due 8/12/2048 *	3,045	0.93	42			Total Investments Excluding Options (Cost \$327,245)		
1,730 ML-CFC Commercial Mortgage Trust 2007-5, Series 2007 5, Class AJFL, 144A, 5.450%, due 8/12/2048 *	1,522	0.47	42			320,780	98.41	
3,040 Morgan Stanley Bank of America Merrill Lynch Trust 2014-C14, Series 2014 C14, Class F, 144A, 3.710%, due 2/15/2047	1,670	0.51	42			Contracts (000's)		
1,850 Morgan Stanley Bank of America Merrill Lynch Trust 2015-C20, Series 2015 C20, Class D, 144A, 3.071%, due 2/15/2048	1,154	0.35	42			Options — 0.36%		
1,620 Morgan Stanley Bank of America Merrill Lynch Trust 2015-C22, Series 2015 C22, Class D, 144A, 4.243%, due 4/15/2048 *	1,190	0.36	42			Purchased Options — 0.51%		
7,766 Morgan Stanley Resecuritization Trust 2015-R3, Series 2015 R3, Class 7B, 144A, 0.698%, due 4/26/2047 *	2,723	0.84	42			1 S&P 500 E-mini March 2016 Put 1,800.00, due 3/18/2016	212	0.06
1,910 Morgan Stanley Resecuritization Trust 2015-R4, Series 2015 R4, Class 1A2, 144A, 0.672%, due 8/26/2047 *	1,431	0.44	42			– S&P 500 E-mini March 2016 Put 1,875.00, due 3/18/2016	246	0.08
6,030 Morgan Stanley Resecuritization Trust 2015-R4, Series 2015 R4, Class 1B, 144A, 0.672%, due 8/26/2047 *	2,444	0.75	42			2 U.S. 10 Year April 2016 Call 130.50, due 3/24/2016	1,203	0.37
393 MortgageIT Trust 2004-2, Series 2004 2, Class A1, 1.176%, due 12/25/2034 *	375	0.11	42			1,661	0.51	
117 New York Mortgage Trust 2005-2, Series 2005 2, Class A, 0.766%, due 8/25/2035 *	107	0.03	42			Written Options — (0.15%)		
5,393 Nomura Resecuritization Trust 2015-5R, Series 2015 5R, Class 4A1, 144A, 0.562%, due 7/26/2037 *	5,173	1.59	42			(1) S&P 500 E-mini March 2016 Put 1,700.00, due 3/18/2016	(69)	(0.02)
2,969 Prime Mortgage Trust 2006-DR1, Series 2006 DR1, Class 2A1, 144A, 5.500%, due 5/25/2035	2,690	0.83	42			(2) U.S. 10 Year April 2016 Call 132.00, due 3/24/2016	(409)	(0.13)
1,341 RALI Series 2006-QA2 Trust, Series 2006 QA2, Class 1A1, 0.686%, due 2/25/2036 *	918	0.28	42			(478)	(0.15)	
			42			Total Options (Cost \$2,151)		
			42			1,183	0.36	
			42			Total Investments (Cost \$329,396)		
			42			321,963	98.77	
			42			Other Assets in Excess of Liabilities		
			42			3,989	1.23	
			42			Total Net Assets		
			42			\$325,952	100.00	
			42			Analysis of Total Assets		
			42			Transferable securities admitted to an official exchange listing or traded on a regulated market	84.73	
			42			Collective investment schemes	8.55	
			42			Financial derivative instruments	0.50	
			42			Other assets	6.22	
			42			Total Assets		
			42			100.00		

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The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Structured Opportunities Fund[^]

Portfolio of Investments as at February 29, 2016 – (continued)

Schedule of Total Return Swaps

Counterparty	Reference Entity	Expiration Date	Notional Amount (000's)	Unrealised Appreciation/ Depreciation on contracts (000's)
Credit Suisse First Boston	EUR-Euribor-Reuters	4/21/20	40,000	\$ (591)
				\$ (591)
Unrealised Appreciation of Total Return Swaps				–
Unrealised Depreciation of Total Return Swaps				(591)
Net Depreciation of Total Return Swaps				\$ (591)

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 1.35%	3/17/2016	184,380	\$ 27
Credit Suisse First Boston	Swaption Payer Strike 1.35%	3/17/2016	184,360	27
Credit Suisse First Boston	Swaption Payer Strike 1.60%	3/17/2016	184,380	(10)
Credit Suisse First Boston	Swaption Payer Strike 1.60%	3/17/2016	184,360	(9)
Unrealised Appreciation of Swaptions				54
Unrealised Depreciation of Swaptions				(19)
Net Appreciation of Swaptions				\$ 35

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
U.S. 10 Year Note (CBT) June 2016	(73)	\$ (9,528)	\$ (3)
U.S. 5 Year Note (CBT) June 2016	(19)	(2,298)	3
U.S. Long Bond (CBT) June 2016	(11)	(1,810)	5
Total Market Value of Futures Contracts	(103)	\$(13,636)	\$ 5
Unrealised Appreciation of Futures Contracts			8
Unrealised Depreciation of Futures Contracts			(3)
Net Appreciation of Futures Contracts			\$ 5

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Legg Mason Western Asset US Mortgage-Backed Securities Fund[^]

Portfolio of Investments as at February 29, 2016

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
Mortgage-Backed Securities — 102.82%								
3,089 Fannie Mae Interest Strip 407, Class C10, 5.000%, due 1/25/2038	548	0.07	49 Fannie Mae Pool '745959', 5.500%, due 11/1/2036	55	0.01	70 Fannie Mae Pool 'AB2817', 5.000%, due 4/1/2041	77	0.01
1,547 Fannie Mae Interest Strip 407, Class 9, 5.000%, due 2/25/2041 *	323	0.04	678 Fannie Mae Pool '836390', 5.000%, due 10/1/2035	752	0.10	3,778 Fannie Mae Pool 'AB3882', 4.500%, due 11/1/2041	4,114	0.52
2,308 Fannie Mae Interest Strip 409, Class C13, 3.500%, due 11/25/2041	415	0.05	2,511 Fannie Mae Pool '836398', 2.168%, due 10/1/2035 *	2,628	0.33	3,070 Fannie Mae Pool 'AB7453', 2.500%, due 12/1/2038	3,168	0.40
2 Fannie Mae Pool '252875', 8.000%, due 11/1/2029	3	—	91 Fannie Mae Pool '836464', 2.283%, due 10/1/2035 *	95	0.01	166 Fannie Mae Pool 'AB7668', 3.000%, due 1/1/2043	171	0.02
1 Fannie Mae Pool '253184', 8.000%, due 4/1/2030	2	—	59 Fannie Mae Pool '836852', 2.196%, due 10/1/2035 *	61	0.01	1,205 Fannie Mae Pool 'AB8144', 5.000%, due 4/1/2037	1,336	0.17
1 Fannie Mae Pool '253399', 8.500%, due 8/1/2030	1	—	97 Fannie Mae Pool '838559', 2.735%, due 10/1/2035 *	102	0.01	826 Fannie Mae Pool 'AB9107', 3.500%, due 4/1/2033	877	0.11
— Fannie Mae Pool '253438', 8.500%, due 9/1/2030	—	—	58 Fannie Mae Pool '843823', 2.236%, due 11/1/2035 *	61	0.01	158 Fannie Mae Pool 'AC2389', 5.000%, due 2/1/2037	175	0.02
1 Fannie Mae Pool '253598', 8.500%, due 12/1/2030	2	—	806 Fannie Mae Pool '843997', 2.258%, due 11/1/2035 *	845	0.11	957 Fannie Mae Pool 'AC7286', 2.618%, due 12/1/2039 *	1,010	0.13
414 Fannie Mae Pool '254793', 5.000%, due 7/1/2033	461	0.06	633 Fannie Mae Pool '844052', 2.251%, due 11/1/2035 *	663	0.08	70 Fannie Mae Pool 'AC7479', 5.000%, due 3/1/2040	79	0.01
— Fannie Mae Pool '303157', 10.000%, due 5/1/2022	—	—	653 Fannie Mae Pool '844148', 2.273%, due 11/1/2035 *	685	0.09	5,099 Fannie Mae Pool 'AD1645', 5.000%, due 3/1/2040	5,683	0.72
3 Fannie Mae Pool '411186', 10.000%, due 1/1/2020	3	—	578 Fannie Mae Pool '844237', 2.239%, due 11/1/2035 *	609	0.08	332 Fannie Mae Pool 'AD2963', 5.000%, due 4/1/2040	369	0.05
1 Fannie Mae Pool '426874', 10.000%, due 11/1/2024	1	—	614 Fannie Mae Pool '844789', 2.199%, due 11/1/2035 *	642	0.08	108 Fannie Mae Pool 'AD3336', 5.500%, due 4/1/2040	123	0.02
2 Fannie Mae Pool '495792', 8.500%, due 5/1/2030	2	—	302 Fannie Mae Pool '865524', 2.118%, due 2/1/2036 *	317	0.04	139 Fannie Mae Pool 'AD3515', 5.500%, due 4/1/2040	159	0.02
1 Fannie Mae Pool '525734', 8.000%, due 4/1/2030	1	—	217 Fannie Mae Pool '865915', 2.337%, due 3/1/2036 *	227	0.03	59 Fannie Mae Pool 'AD3796', 5.000%, due 4/1/2040	65	0.01
1 Fannie Mae Pool '535270', 8.500%, due 4/1/2030	1	—	325 Fannie Mae Pool '886952', 2.500%, due 6/1/2036 *	342	0.04	24 Fannie Mae Pool 'AD4567', 5.500%, due 4/1/2040	28	—
42 Fannie Mae Pool '535299', 7.500%, due 5/1/2030	51	0.01	715 Fannie Mae Pool '888218', 5.000%, due 3/1/2037	791	0.10	38 Fannie Mae Pool 'AD4598', 5.500%, due 5/1/2040	43	0.01
3 Fannie Mae Pool '535332', 8.500%, due 4/1/2030	4	—	26 Fannie Mae Pool '888547', 2.387%, due 6/1/2037 *	28	—	14 Fannie Mae Pool 'AD4614', 5.500%, due 6/1/2040	16	—
1 Fannie Mae Pool '535351', 8.000%, due 6/1/2030	1	—	1,804 Fannie Mae Pool '888603', 2.305%, due 7/1/2037 *	1,895	0.24	434 Fannie Mae Pool 'AD4898', 5.000%, due 5/1/2040	481	0.06
— Fannie Mae Pool '535435', 8.500%, due 8/1/2030	—	—	51 Fannie Mae Pool '889117', 5.000%, due 10/1/2035	57	0.01	84 Fannie Mae Pool 'AD7000', 5.500%, due 7/1/2040	94	0.01
5 Fannie Mae Pool '535608', 9.500%, due 4/1/2030	6	—	2,034 Fannie Mae Pool '890345', 5.000%, due 6/1/2041	2,260	0.29	35 Fannie Mae Pool 'AD8281', 5.500%, due 7/1/2040	40	0.01
18 Fannie Mae Pool '535996', 7.500%, due 6/1/2031	23	—	2,844 Fannie Mae Pool '890604', 4.500%, due 10/1/2044	3,141	0.40	140 Fannie Mae Pool 'AD8326', 5.500%, due 7/1/2040	157	0.02
1 Fannie Mae Pool '537715', 8.500%, due 9/1/2030	1	—	181 Fannie Mae Pool '891066', 2.415%, due 7/1/2036 *	192	0.02	275 Fannie Mae Pool 'AD8642', 5.500%, due 8/1/2040	314	0.04
— Fannie Mae Pool '541211', 8.000%, due 6/1/2030	—	—	50 Fannie Mae Pool '902663', 6.000%, due 11/1/2036	57	0.01	103 Fannie Mae Pool 'AD8696', 5.500%, due 6/1/2040	116	0.02
3 Fannie Mae Pool '541735', 8.000%, due 6/1/2030	3	—	37 Fannie Mae Pool '909856', 6.000%, due 3/1/2037	43	0.01	291 Fannie Mae Pool 'AD9893', 5.500%, due 7/1/2040	333	0.04
114 Fannie Mae Pool '545189', 7.500%, due 8/1/2031	139	0.02	528 Fannie Mae Pool '915130', 2.325%, due 4/1/2037 *	560	0.07	2,985 Fannie Mae Pool 'AE0530', 5.000%, due 9/1/2040	3,304	0.42
70 Fannie Mae Pool '545190', 7.500%, due 8/1/2031	83	0.01	1,049 Fannie Mae Pool '918909', 2.125%, due 4/1/2037 *	1,102	0.14	64 Fannie Mae Pool 'AE0758', 7.000%, due 2/1/2039	76	0.01
6 Fannie Mae Pool '545612', 8.000%, due 4/1/2032	7	—	771 Fannie Mae Pool '924779', 1.984%, due 6/1/2037 *	801	0.10	93 Fannie Mae Pool 'AE1592', 5.500%, due 9/1/2040	106	0.01
8 Fannie Mae Pool '545990', 7.500%, due 4/1/2031	10	—	1,533 Fannie Mae Pool '934231', 5.000%, due 1/1/2039	1,697	0.22	34 Fannie Mae Pool 'AE4513', 5.500%, due 2/1/2041	38	0.01
1 Fannie Mae Pool '546591', 8.500%, due 6/1/2030	1	—	605 Fannie Mae Pool '942551', 2.295%, due 8/1/2037 *	640	0.08	25,705 Fannie Mae Pool 'AE7744', 4.500%, due 11/1/2040	27,998	3.56
8 Fannie Mae Pool '548965', 8.500%, due 7/1/2030	9	—	603 Fannie Mae Pool '942566', 2.341%, due 8/1/2037 *	640	0.08	429 Fannie Mae Pool 'AH4029', 5.000%, due 4/1/2041	479	0.06
42 Fannie Mae Pool '555676', 7.500%, due 12/1/2032	50	0.01	27 Fannie Mae Pool '944094', 2.579%, due 8/1/2037 *	27	—	422 Fannie Mae Pool 'AH5036', 5.500%, due 2/1/2041	477	0.06
503 Fannie Mae Pool '555743', 5.000%, due 9/1/2033	560	0.07	668 Fannie Mae Pool '944105', 2.150%, due 7/1/2037 *	705	0.09	498 Fannie Mae Pool 'AH8309', 5.000%, due 4/1/2041	555	0.07
7 Fannie Mae Pool '625848', 5.500%, due 1/1/2017	7	—	429 Fannie Mae Pool '961907', 5.000%, due 3/1/2038	475	0.06	18 Fannie Mae Pool 'AH9785', 5.500%, due 4/1/2041	20	—
2 Fannie Mae Pool '630518', 8.000%, due 11/1/2031	2	—	2,550 Fannie Mae Pool '962687', 5.000%, due 4/1/2038	2,822	0.36	188 Fannie Mae Pool 'AI0199', 5.000%, due 4/1/2041	208	0.03
99 Fannie Mae Pool '655199', 2.415%, due 5/1/2032 *	103	0.01	88 Fannie Mae Pool '973013', 4.500%, due 3/1/2038	95	0.01	42 Fannie Mae Pool 'AI2249', 5.500%, due 8/1/2041	47	0.01
— Fannie Mae Pool '70617', 11.000%, due 8/1/2020	—	—	5 Fannie Mae Pool '974763', 4.500%, due 4/1/2038	5	—	942 Fannie Mae Pool 'AI2464', 5.000%, due 5/1/2041	1,044	0.13
120 Fannie Mae Pool '727181', 5.000%, due 8/1/2033	134	0.02	47 Fannie Mae Pool '981766', 4.500%, due 4/1/2038	51	0.01	7,270 Fannie Mae Pool 'AI4218', 5.000%, due 6/1/2041	8,091	1.03
109 Fannie Mae Pool '735578', 5.000%, due 6/1/2035	121	0.02	23 Fannie Mae Pool '995072', 5.500%, due 8/1/2038	26	—	30 Fannie Mae Pool 'AI9532', 5.500%, due 9/1/2041	34	—
61 Fannie Mae Pool '745248', 7.500%, due 8/1/2034	75	0.01	2,747 Fannie Mae Pool '995948', 5.000%, due 3/1/2039	3,040	0.39	57 Fannie Mae Pool 'AJ2033', 5.500%, due 10/1/2041	64	0.01
2,331 Fannie Mae Pool '745580', 5.000%, due 6/1/2036	2,588	0.33	265 Fannie Mae Pool 'AA8438', 4.500%, due 6/1/2039	291	0.04	176 Fannie Mae Pool 'AJ4713', 4.500%, due 11/1/2041	192	0.02
455 Fannie Mae Pool '745802', 6.000%, due 7/1/2036	530	0.07	372 Fannie Mae Pool 'AB0129', 5.000%, due 4/1/2035	411	0.05	226 Fannie Mae Pool 'AL0521', 5.000%, due 6/1/2041	251	0.03
			2,605 Fannie Mae Pool 'AB0131', 5.000%, due 12/1/2038	2,904	0.37	709 Fannie Mae Pool 'AL1051', 4.500%, due 9/1/2041	772	0.10
			62 Fannie Mae Pool 'AB2725', 5.500%, due 4/1/2041	70	0.01	2,522 Fannie Mae Pool 'AL1469', 7.000%, due 2/1/2039	2,932	0.37

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Legg Mason Western Asset US Mortgage-Backed Securities Fund[^]

Portfolio of Investments as at February 29, 2016 – (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
Mortgage-Backed Securities — (continued)								
1,121 Fannie Mae Pool 'AL1470', 7.000%, due 4/1/2037	1,324	0.17	88 Fannie Mae Pool 'AV3286', 5.000%, due 11/1/2043	97	0.01	8,390 Fannie Mae REMICS, Series 2011 59, Class YS, 6.264%, due 11/25/2040 *	1,037	0.13
16,421 Fannie Mae Pool 'AL3024', 3.500%, due 1/1/2043	17,253	2.20	99 Fannie Mae Pool 'AV6366', 4.500%, due 1/1/2044	107	0.01	16,279 Fannie Mae REMICS, Series 2013 9, Class HS, 5.764%, due 7/25/2041 *	2,891	0.37
6,909 Fannie Mae Pool 'AL4324', 6.500%, due 5/1/2040	7,924	1.01	91 Fannie Mae Pool 'AV7116', 4.500%, due 3/1/2044	101	0.01	8,960 Fannie Mae REMICS, Series 2012 22, Class SM, 6.064%, due 3/25/2042 *	1,655	0.21
595 Fannie Mae Pool 'AL4741', 4.500%, due 1/1/2044	655	0.08	341 Fannie Mae Pool 'AV7681', 3.500%, due 1/1/2034	363	0.05	17,538 Fannie Mae REMICS, Series 2013 9, Class CB, 5.500%, due 4/25/2042	19,799	2.52
433 Fannie Mae Pool 'AL5540', 4.500%, due 7/1/2044	478	0.06	605 Fannie Mae Pool 'AV7683', 3.500%, due 1/1/2034	643	0.08	3,864 Fannie Mae REMICS, Series 2013 9, Class BC, 6.500%, due 7/25/2042	4,460	0.57
4,284 Fannie Mae Pool 'AL7877', 4.000%, due 12/1/2045	4,611	0.59	800 Fannie Mae Pool 'AV7694', 3.500%, due 1/1/2034	852	0.11	7,742 Fannie Mae REMICS, Series 2012 128, Class SQ, 5.714%, due 11/25/2042 *	1,793	0.23
675 Fannie Mae Pool 'AQ4102', 4.000%, due 6/1/2042	725	0.09	1,094 Fannie Mae Pool 'AV7696', 3.500%, due 1/1/2034	1,162	0.15	102,506 Fannie Mae REMICS, Series 2014 47, Class AI, 1.758%, due 8/25/2044 *	6,870	0.87
2,047 Fannie Mae Pool 'AP9633', 2.500%, due 10/1/2042	2,042	0.26	7,665 Fannie Mae Pool 'AZ9645', 4.000%, due 9/1/2035	8,269	1.05	24,100 Freddie Mac Gold Pool, 30 year, TBA, 3.500% ±	25,197	3.21
1,925 Fannie Mae Pool 'AP9766', 4.000%, due 10/1/2042	2,070	0.26	3,069 Fannie Mae Pool 'BA0147', 3.500%, due 10/1/2045	3,218	0.41	42,700 Freddie Mac Gold Pool, 30 year, TBA, 3.000% ±	43,687	5.56
6,228 Fannie Mae Pool 'AQ6295', 3.500%, due 12/1/2032	6,603	0.84	37 Fannie Mae Pool 'MA0440', 5.500%, due 5/1/2040	43	0.01	11,100 Freddie Mac Gold Pool, 30 year, TBA, 4.000% ±	11,828	1.51
396 Fannie Mae Pool 'AQ7130', 3.500%, due 12/1/2032	420	0.05	47 Fannie Mae Pool 'MA0619', 5.500%, due 11/1/2040	53	0.01	– Freddie Mac Gold Pool 'A01524', 9.500%, due 1/1/2017	–	–
1,368 Fannie Mae Pool 'AQ7270', 3.500%, due 12/1/2032	1,450	0.19	32 Fannie Mae Pool 'MA0706', 4.500%, due 4/1/2031	35	–	161 Freddie Mac Gold Pool 'A29586', 5.000%, due 1/1/2035	181	0.02
966 Fannie Mae Pool 'AQ7306', 3.000%, due 1/1/2043	990	0.13	67 Fannie Mae Pool 'MA0734', 4.500%, due 5/1/2031	73	0.01	39 Freddie Mac Gold Pool 'A30703', 5.500%, due 12/1/2034	43	0.01
1,789 Fannie Mae Pool 'AQ7864', 3.500%, due 12/1/2032	1,896	0.24	77 Fannie Mae Pool 'MA0766', 5.500%, due 5/1/2041	88	0.01	374 Freddie Mac Gold Pool 'A35950', 5.000%, due 7/1/2035	414	0.05
429 Fannie Mae Pool 'AQ7869', 3.500%, due 11/1/2032	454	0.06	33 Fannie Mae Pool 'MA0776', 4.500%, due 6/1/2031	36	0.01	85 Freddie Mac Gold Pool 'A36526', 5.000%, due 8/1/2035	94	0.01
656 Fannie Mae Pool 'AQ7913', 3.500%, due 12/1/2032	695	0.09	393 Fannie Mae Pool 'MA0823', 5.500%, due 7/1/2041	450	0.06	166 Freddie Mac Gold Pool 'A39036', 5.000%, due 5/1/2035	183	0.02
1,216 Fannie Mae Pool 'AQ8677', 3.500%, due 12/1/2032	1,289	0.16	199 Fannie Mae Pool 'MA0867', 5.500%, due 9/1/2041	228	0.03	36 Freddie Mac Gold Pool 'A39302', 5.500%, due 11/1/2035	40	0.01
184 Fannie Mae Pool 'AQ9670', 3.000%, due 1/1/2043	189	0.02	744 Fannie Mae Pool 'MA0913', 4.500%, due 11/1/2031	815	0.10	219 Freddie Mac Gold Pool 'A81215', 6.500%, due 8/1/2038	250	0.03
319 Fannie Mae Pool 'AR1198', 3.000%, due 1/1/2043	327	0.04	989 Fannie Mae Pool 'MA0939', 4.500%, due 12/1/2031	1,083	0.14	8 Freddie Mac Gold Pool 'A84166', 6.500%, due 1/1/2039	9	–
753 Fannie Mae Pool 'AR1202', 3.000%, due 1/1/2043	771	0.10	146 Fannie Mae Pool 'MA0968', 4.500%, due 12/1/2031	160	0.02	2,256 Freddie Mac Gold Pool 'A92179', 5.000%, due 5/1/2040	2,491	0.32
94 Fannie Mae Pool 'AR1203', 3.000%, due 12/1/2042	97	0.01	884 Fannie Mae Pool 'MA1177', 3.500%, due 9/1/2042	929	0.12	1,978 Freddie Mac Gold Pool 'A97953', 5.000%, due 4/1/2041	2,198	0.28
57 Fannie Mae Pool 'AR4217', 3.000%, due 1/1/2043	58	0.01	75 Fannie Mae Pool 'MA1221', 4.500%, due 9/1/2042	83	0.01	4 Freddie Mac Gold Pool 'C00556', 8.000%, due 10/1/2027	5	–
1,376 Fannie Mae Pool 'AR6881', 2.500%, due 2/1/2028	1,419	0.18	171 Fannie Mae Pool 'MA1363', 3.000%, due 2/1/2043	175	0.02	1 Freddie Mac Gold Pool 'C01025', 8.000%, due 7/1/2030	2	–
2,294 Fannie Mae Pool 'AS0462', 3.500%, due 9/1/2033	2,435	0.31	6,578 Fannie Mae Pool 'MA1393', 4.000%, due 3/1/2043	7,077	0.90	1 Freddie Mac Gold Pool 'C01051', 8.000%, due 9/1/2030	1	–
696 Fannie Mae Pool 'AS0469', 4.000%, due 9/1/2033	751	0.10	2,310 Fannie Mae Pool 'MA1436', 3.500%, due 5/1/2043	2,428	0.31	6 Freddie Mac Gold Pool 'C46047', 8.000%, due 12/1/2030	7	–
329 Fannie Mae Pool 'AS1281', 3.500%, due 12/1/2033	349	0.04	1,204 Fannie Mae Pool 'MA1591', 4.500%, due 9/1/2043	1,326	0.17	4 Freddie Mac Gold Pool 'C55319', 8.000%, due 8/1/2031	4	–
16,198 Fannie Mae Pool 'AS4347', 4.000%, due 1/1/2045	17,507	2.23	1,059 Fannie Mae Pool 'MA1629', 4.500%, due 10/1/2043	1,166	0.15	2 Freddie Mac Gold Pool 'C57324', 8.000%, due 9/1/2031	2	–
4,445 Fannie Mae Pool 'AS4363', 4.500%, due 2/1/2045	4,964	0.63	697 Fannie Mae Pool 'MA1664', 4.500%, due 11/1/2043	768	0.10	15 Freddie Mac Gold Pool 'C91046', 6.500%, due 5/1/2027	17	–
6,754 Fannie Mae Pool 'AS5892', 3.500%, due 10/1/2045	7,082	0.90	865 Fannie Mae Pool 'MA1711', 4.500%, due 12/1/2043	956	0.12	4 Freddie Mac Gold Pool 'G00556', 8.000%, due 9/1/2026	5	–
2,752 Fannie Mae Pool 'AS6204', 3.500%, due 11/1/2045	2,886	0.37	2,170 Fannie Mae Pool 'MA2445', 3.500%, due 11/1/2045	2,275	0.29			
7,232 Fannie Mae Pool 'AS6311', 3.500%, due 12/1/2045	7,584	0.97	10,019 Fannie Mae REMICS, Series 2011 98, Class SL, 6.264%, due 10/25/2026 *	1,712	0.22			
1,588 Fannie Mae Pool 'AS6340', 3.500%, due 12/1/2045	1,672	0.21	8,597 Fannie Mae REMICS, Series 2012 70, Class IW, 3.000%, due 2/25/2027	784	0.10			
991 Fannie Mae Pool 'AS6541', 3.500%, due 1/1/2046	1,046	0.13	32,030 Fannie Mae REMICS, Series 2012 43, Class AI, 3.500%, due 4/25/2027	3,509	0.45			
993 Fannie Mae Pool 'AS6562', 3.500%, due 1/1/2046	1,046	0.13	13,264 Fannie Mae REMICS, Series 2012 111, Class NI, 3.500%, due 10/25/2027	1,712	0.22			
758 Fannie Mae Pool 'AT2486', 3.500%, due 6/1/2033	804	0.10	13,680 Fannie Mae REMICS, Series 2013 5, Class DI, 3.500%, due 2/25/2028	1,436	0.18			
8,337 Fannie Mae Pool 'AT3070', 3.500%, due 4/1/2043	8,806	1.12	2,913 Fannie Mae REMICS, Series 2012 9, Class PT, 12.220%, due 7/25/2036 *	3,486	0.44			
320 Fannie Mae Pool 'AU4395', 4.000%, due 10/1/2033	347	0.04	4,549 Fannie Mae REMICS, Series 2010 2, Class AI, 5.500%, due 2/25/2040	841	0.11			
214 Fannie Mae Pool 'AU4397', 4.000%, due 10/1/2033	231	0.03	9,500 Fannie Mae REMICS, Series 2010 59, Class PC, 5.000%, due 6/25/2040	11,230	1.43			
222 Fannie Mae Pool 'AU7248', 4.000%, due 10/1/2033	239	0.03						
429 Fannie Mae Pool 'AU9562', 4.000%, due 10/1/2033	463	0.06						
473 Fannie Mae Pool 'AU9567', 4.000%, due 10/1/2033	512	0.07						
410 Fannie Mae Pool 'AU9570', 4.000%, due 10/1/2033	443	0.06						

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Legg Mason Western Asset US Mortgage-Backed Securities Fund[^]

Portfolio of Investments as at February 29, 2016 – (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
Mortgage-Backed Securities — (continued)								
5 Freddie Mac Gold Pool 'G00726', 8.000%, due 6/1/2027	6	—	403 Freddie Mac Gold Pool 'U90598', 3.500%, due 12/1/2042	423	0.05	1,286 Freddie Mac Non Gold Pool '1Q0121', 2.606%, due 10/1/2036 *	1,357	0.17
3 Freddie Mac Gold Pool 'G00931', 8.000%, due 11/1/2026	4	—	231 Freddie Mac Gold Pool 'U90608', 3.500%, due 12/1/2042	243	0.03	980 Freddie Mac Non Gold Pool '1Q0303', 2.258%, due 5/1/2037 *	1,026	0.13
50 Freddie Mac Gold Pool 'G01737', 5.000%, due 12/1/2034	56	0.01	632 Freddie Mac Gold Pool 'U90720', 3.500%, due 1/1/2043	664	0.08	1,367 Freddie Mac Non Gold Pool '1Q0304', 2.407%, due 5/1/2037 *	1,444	0.18
23 Freddie Mac Gold Pool 'G02427', 5.000%, due 12/1/2036	26	—	384 Freddie Mac Gold Pool 'U90768', 3.500%, due 1/1/2043	403	0.05	— Freddie Mac Non Gold Pool '350011', 2.000%, due 9/1/2016 *	—	—
1,360 Freddie Mac Gold Pool 'G02723', 6.000%, due 3/1/2037	1,549	0.20	1,701 Freddie Mac Gold Pool 'U90772', 3.500%, due 1/1/2043	1,787	0.23	— Freddie Mac Non Gold Pool '555283', 10.000%, due 9/1/2017	—	—
34 Freddie Mac Gold Pool 'G03092', 5.500%, due 7/1/2037	38	0.01	321 Freddie Mac Gold Pool 'U90778', 3.500%, due 1/1/2043	337	0.04	83 Freddie Mac Non Gold Pool '785343', 5.553%, due 8/1/2034 *	85	0.01
50 Freddie Mac Gold Pool 'G03695', 5.500%, due 11/1/2037	56	0.01	283 Freddie Mac Gold Pool 'U90794', 3.500%, due 1/1/2043	297	0.04	775 Freddie Mac Non Gold Pool '847721', 3.048%, due 3/1/2037 *	830	0.11
150 Freddie Mac Gold Pool 'G04581', 6.500%, due 8/1/2038	171	0.02	7,668 Freddie Mac Gold Pool 'U90809', 3.500%, due 2/1/2043	8,056	1.03	960 Freddie Mac REMICS 2750, Class SD, 6.723%, due 6/15/2023 *	99	0.01
16 Freddie Mac Gold Pool 'G04947', 6.500%, due 4/1/2038	18	—	323 Freddie Mac Gold Pool 'U90828', 3.500%, due 2/1/2043	339	0.04	8,628 Freddie Mac REMICS 4032, Class CI, 3.500%, due 6/15/2026	742	0.09
711 Freddie Mac Gold Pool 'G06172', 5.500%, due 12/1/2038	797	0.10	452 Freddie Mac Gold Pool 'U90841', 3.500%, due 2/1/2043	474	0.06	31,492 Freddie Mac REMICS 4136, Class UI, 2.500%, due 11/15/2027	2,771	0.35
21 Freddie Mac Gold Pool 'G06669', 6.500%, due 9/1/2039	24	—	280 Freddie Mac Gold Pool 'U90879', 3.500%, due 2/1/2043	294	0.04	8,128 Freddie Mac REMICS 4280, Class AI, 3.000%, due 2/15/2028	792	0.10
2,121 Freddie Mac Gold Pool 'G06858', 5.000%, due 11/1/2041	2,346	0.30	456 Freddie Mac Gold Pool 'U90903', 3.500%, due 2/1/2043	479	0.06	40,229 Freddie Mac REMICS 4142, Class IA, 3.000%, due 12/15/2032	5,155	0.66
585 Freddie Mac Gold Pool 'G07335', 7.000%, due 3/1/2039	688	0.09	660 Freddie Mac Gold Pool 'U90940', 3.500%, due 2/1/2043	693	0.09	10,440 Freddie Mac REMICS 3806, Class CZ, 5.500%, due 7/15/2034	11,815	1.50
190 Freddie Mac Gold Pool 'G07485', 5.000%, due 6/1/2041	213	0.03	530 Freddie Mac Gold Pool 'U91027', 3.500%, due 2/1/2043	557	0.07	7,038 Freddie Mac REMICS 3136, Class PS, 6.223%, due 4/15/2036 *	1,258	0.16
1,245 Freddie Mac Gold Pool 'G07509', 6.500%, due 9/1/2039	1,420	0.18	6,265 Freddie Mac Gold Pool 'U99038', 3.000%, due 1/1/2043	6,423	0.82	2,276 Freddie Mac REMICS 3349, Class AS, 6.073%, due 7/15/2037 *	441	0.06
1,651 Freddie Mac Gold Pool 'G07615', 5.000%, due 11/1/2041	1,826	0.23	3,206 Freddie Mac Gold Pool 'U99045', 3.500%, due 3/1/2043	3,368	0.43	4,600 Freddie Mac REMICS 3810, Class WA, 9.257%, due 6/15/2040 *	6,087	0.77
1,702 Freddie Mac Gold Pool 'G14492', 4.000%, due 10/1/2025	1,811	0.23	546 Freddie Mac Gold Pool 'U99114', 3.500%, due 2/1/2044	573	0.07	8,000 Freddie Mac REMICS 3898, Class KD, 4.500%, due 7/15/2041	9,129	1.16
6,542 Freddie Mac Gold Pool 'G60329', 5.500%, due 6/1/2040	7,406	0.94	17,136 Freddie Mac Gold Pool 'U99124', 3.500%, due 3/1/2045	17,999	2.29	5,000 Freddie Mac REMICS 3890, Class BE, 5.000%, due 7/15/2041	5,899	0.75
74 Freddie Mac Gold Pool 'H00041', 5.000%, due 7/1/2035	77	0.01	295 Freddie Mac Non Gold Pool '1A1138', 2.119%, due 1/1/2037 *	307	0.04	8,343 Freddie Mac REMICS 4019, Class GI, 4.500%, due 12/15/2041	1,223	0.16
18 Freddie Mac Gold Pool 'H00790', 5.500%, due 5/1/2037	20	—	1,660 Freddie Mac Non Gold Pool '1G0679', 2.588%, due 1/1/2036 *	1,740	0.22	2,932 Freddie Mac REMICS 4097, Class ST, 5.623%, due 8/15/2042 *	455	0.06
135 Freddie Mac Gold Pool 'H02216', 5.000%, due 1/1/2038	145	0.02	51 Freddie Mac Non Gold Pool '1G1825', 2.760%, due 2/1/2036 *	54	0.01	2,194 Freddie Mac REMICS 4136, Class SE, 5.723%, due 11/15/2042 *	457	0.06
730 Freddie Mac Gold Pool 'H02425', 5.500%, due 2/1/2038	810	0.10	1,141 Freddie Mac Non Gold Pool '1G3655', 2.085%, due 6/1/2037 *	1,198	0.15	14,233 Freddie Mac Strips 328, Class S4, 1.839%, due 2/15/2038 *	1,078	0.14
26 Freddie Mac Gold Pool 'H09170', 5.500%, due 1/1/2038	28	—	17 Freddie Mac Non Gold Pool '1J1498', 3.157%, due 2/1/2037 *	18	—	21,339 Freddie Mac Strips 327, Class PO, 0.000%, due 3/15/2044	17,706	2.25
537 Freddie Mac Gold Pool 'Q26702', 4.000%, due 6/1/2044	585	0.07	253 Freddie Mac Non Gold Pool '1J1573', 2.600%, due 4/1/2037 *	270	0.03	2 Ginnie Mae I pool '238647', 10.000%, due 4/15/2018	3	—
483 Freddie Mac Gold Pool 'Q35049', 4.000%, due 8/1/2045	515	0.07	1,334 Freddie Mac Non Gold Pool '1J1579', 2.805%, due 4/1/2037 *	1,430	0.18	1 Ginnie Mae I pool '248292', 10.000%, due 4/15/2018	1	—
1,333 Freddie Mac Gold Pool 'U90245', 3.500%, due 10/1/2042	1,401	0.18	160 Freddie Mac Non Gold Pool '1J1695', 2.212%, due 4/1/2037 *	168	0.02	— Ginnie Mae I pool '254912', 11.000%, due 3/15/2019	—	—
321 Freddie Mac Gold Pool 'U90316', 4.000%, due 10/1/2042	346	0.04	178 Freddie Mac Non Gold Pool '1M0037', 2.065%, due 12/1/2036 *	188	0.02	2 Ginnie Mae I pool '262628', 11.000%, due 9/15/2018	2	—
2,654 Freddie Mac Gold Pool 'U90503', 3.500%, due 11/1/2042	2,787	0.36	30 Freddie Mac Non Gold Pool '1N0350', 2.035%, due 10/1/2036 *	31	—	1 Ginnie Mae I pool '410304', 7.500%, due 12/15/2025	1	—
			715 Freddie Mac Non Gold Pool '1N1626', 1.920%, due 6/1/2037 *	744	0.10	4 Ginnie Mae I pool '417463', 7.000%, due 9/15/2025	4	—
						— Ginnie Mae I pool '430208', 7.000%, due 9/15/2027	—	—
						3 Ginnie Mae I pool '436094', 7.000%, due 1/15/2028	3	—

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The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US Mortgage-Backed Securities Fund[^]

Portfolio of Investments as at February 29, 2016 – (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
Mortgage-Backed Securities — (continued)			45			2,312		
4			Ginnie Mae II pool '4170', 6.000%, due 6/20/2038	51	0.01	Government National Mortgage Association, Series 2015 159, Class ZX, 3.000%, due 12/20/2043	2,276	0.29
7.500%, due 6/15/2028	4	—	3,574			12,042		
1			Ginnie Mae II pool '4245', 6.000%, due 9/20/2038	4,057	0.52	Government National Mortgage Association, Series 2010 H22, Class FE, 0.780%, due 5/20/2059 *	11,985	1.53
7.000%, due 4/15/2028	2	—	496			1,830		
3			Ginnie Mae II pool '4602', 6.000%, due 12/20/2039	570	0.07	Government National Mortgage Association, Series 2010 H02, Class FA, 1.111%, due 2/20/2060 *	1,826	0.23
8.000%, due 5/15/2030	3	—	682			1,989		
1			Ginnie Mae II pool '4617', 4.500%, due 1/20/2040	743	0.10	Government National Mortgage Association, Series 2010 H20, Class AF, 0.760%, due 10/20/2060 *	1,970	0.25
8.000%, due 5/15/2030	1	—	376			1,361		
—			Ginnie Mae II pool '4696', 4.500%, due 5/20/2040	410	0.05	Government National Mortgage Association, Series 2010 H28, Class FE, 0.830%, due 12/20/2060 *	1,347	0.17
6.500%, due 8/15/2028	1	—	217			Total Mortgage-Backed Securities (Cost \$805,308)	808,380	102.82
1			Ginnie Mae II pool '4772', 5.000%, due 8/20/2040	241	0.03	Government Bonds and Notes — 1.27%		
6.500%, due 9/15/2028	1	—	229			United States — 1.27%		
1			Ginnie Mae II pool '4774', 6.000%, due 8/20/2040	253	0.03	10,000		
8.000%, due 5/15/2030	1	—	16			United States Treasury Bill, zero coupon, due 3/17/2016	9,999	1.27
93			Ginnie Mae II pool '4802', 5.000%, due 9/20/2040	19	—	Total Government Bonds and Notes (Cost \$9,999)	9,999	1.27
6.500%, due 10/15/2037	107	0.01	447			Collective Investment Schemes — 9.01%		
9			Ginnie Mae II pool '4802', 5.000%, due 9/20/2040	496	0.06	70,819		
5.000%, due 3/15/2036	11	—	165			Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	70,819	9.01
12			Ginnie Mae II pool '4855', 5.000%, due 11/20/2040	185	0.02	Total Collective Investment Schemes (Cost \$70,819)	70,819	9.01
6.000%, due 11/15/2036	13	—	71			Total Investments Excluding Options (Cost \$886,126)	889,198	113.10
7			Ginnie Mae II pool '4923', 4.500%, due 1/20/2041	77	0.01	Contracts (000's)		
5.000%, due 5/15/2038	8	—	63				Value (000's) \$	% of Net Asset Value
7			Ginnie Mae II pool '4928', 6.000%, due 1/20/2041	73	0.01	Options — 0.11%		
5.000%, due 4/15/2038	7	—	2,649			Purchased Options — 0.17%		
29			Ginnie Mae II pool '4978', 4.500%, due 3/20/2041	2,887	0.37	2		
5.000%, due 2/15/2038	32	—	6,182			U.S. 10 Year April 2016 Call 130.50, due 3/24/2016	1,370	0.17
43			Ginnie Mae II pool '783050', 5.000%, due 7/20/2040	6,857	0.87	Written Options — (0.06%)		
5.000%, due 2/15/2038	48	0.01	4,837			(2) U.S. 10 Year April 2016 Call 132.00, due 3/24/2016	(466)	(0.06)
16			Ginnie Mae II pool '783298', 4.500%, due 4/20/2041	5,271	0.67	Total Options (Cost \$791)	904	0.11
5.000%, due 4/15/2038	17	—	8,271			Total Investments (Cost \$886,917)	890,102	113.21
11			Ginnie Mae II pool '892346', 2.936%, due 8/20/2059 *	8,776	1.12	Liabilities in Excess of Other Assets	(103,911)	(13.21)
5.000%, due 4/15/2038	12	—	361			Total Net Assets	\$ 786,191	100.00
8			Ginnie Mae II pool '892614', 2.328%, due 8/20/2060 *	380	0.05	Analysis of Total Assets		
5.000%, due 5/15/2038	9	—	256			Transferable securities admitted to an official exchange listing or traded on a regulated market	61.87	
162			Ginnie Mae II pool 'MA0463', 4.000%, due 10/20/2042	275	0.04	Collective investment schemes	5.35	
6.000%, due 4/15/2039	186	0.02	9,805			Financial derivative instruments	0.11	
55			Ginnie Mae II pool 'MA3104', 3.000%, due 9/20/2045	10,170	1.29	Other assets	32.67	
5.000%, due 12/15/2038	62	0.01	50,000			Total Assets	100.00	
1,141			Ginnie Mae II pool 'MA3454', 3.500%, due 2/20/2046	52,884	6.73	ABBREVIATIONS:		
5.000%, due 6/15/2039	1,280	0.16	2,836			TBA	—	To Be Announced
650			Government National Mortgage Association, Series 2004 81, Class SK, 5.770%, due 10/16/2034 *	606	0.08	Analysis of Total Assets		
5.000%, due 4/15/2040	723	0.09	6,740			Transferable securities admitted to an official exchange listing or traded on a regulated market	61.87	
1,499			Government National Mortgage Association, Series 2008 79, Class ID, 6.368%, due 6/20/2035 *	970	0.12	Collective investment schemes	5.35	
—			11,726			Financial derivative instruments	0.11	
Ginnie Mae I pool '780059', 11.000%, due 4/15/2021	—	—	Government National Mortgage Association, Series 2010 157, Class LS, 6.108%, due 4/20/2038 *	806	0.10	Other assets	32.67	
1			5,296			Total Assets	100.00	
Ginnie Mae I pool '780066', 10.500%, due 12/15/2020	1	—	Government National Mortgage Association, Series 2008 40, Class SC, 5.920%, due 5/16/2038 *	979	0.13	Liabilities in Excess of Other Assets		
2			1,427			Total Net Assets	\$ 786,191	100.00
Ginnie Mae I pool '780081', 10.000%, due 2/15/2025	2	—	Government National Mortgage Association, Series 2011 2, Class NS, 5.650%, due 3/16/2039 *	98	0.01	Analysis of Total Assets		
1			8,130			Transferable securities admitted to an official exchange listing or traded on a regulated market	61.87	
Ginnie Mae I pool '780082', 10.500%, due 2/15/2025	1	—	Government National Mortgage Association, Series 2010 59, Class PB, 4.500%, due 7/20/2039	8,640	1.10	Collective investment schemes	5.35	
2			9,562			Financial derivative instruments	0.11	
Ginnie Mae I pool '780141', 10.000%, due 12/15/2020	2	—	Government National Mortgage Association, Series 2011 135, Class D, 5.000%, due 4/16/2040	10,494	1.34	Other assets	32.67	
—			25,235			Total Assets	100.00	
Ginnie Mae I pool '780488', 10.000%, due 10/15/2021	1	—	Government National Mortgage Association, Series 2010 47, Class SL, 5.228%, due 4/20/2040 *	3,639	0.46	ABBREVIATIONS:		
1			14,000			TBA	—	To Be Announced
Ginnie Mae I pool '780496', 10.500%, due 12/15/2017	1	—	Government National Mortgage Association, Series 2010 158, Class MS, 9.136%, due 12/20/2040 *	18,035	2.29	Analysis of Total Assets		
1			19,226			Transferable securities admitted to an official exchange listing or traded on a regulated market	61.87	
Ginnie Mae I pool '780574', 10.000%, due 12/15/2021	1	—	Government National Mortgage Association, Series 2011 70, Class PO, 0.000%, due 5/16/2041	17,582	2.24	Collective investment schemes	5.35	
6			53,438			Financial derivative instruments	0.11	
Ginnie Mae I pool '780732', 7.000%, due 3/15/2028	7	—	Government National Mortgage Association, Series 2012 38, Class MI, 4.000%, due 3/20/2042	9,268	1.18	Other assets	32.67	
1			42,000			Total Assets	100.00	
Ginnie Mae I pool '780835', 10.000%, due 7/15/2022	2	—	44,851			ABBREVIATIONS:		
—			33			TBA	—	To Be Announced
Ginnie Mae I pool '780907', 9.500%, due 12/15/2017	—	—	28			Analysis of Total Assets		
2			Ginnie Mae II pool '4040', 6.500%, due 10/20/2037	33	—	Transferable securities admitted to an official exchange listing or traded on a regulated market	61.87	
—						Collective investment schemes	5.35	
Ginnie Mae I pool '780991', 9.000%, due 11/15/2024	2	—				Financial derivative instruments	0.11	
3						Other assets	32.67	
Ginnie Mae I pool '781001', 7.500%, due 3/15/2029	4	—				Total Assets	100.00	
224						ABBREVIATIONS:		
Ginnie Mae I pool '781590', 5.500%, due 4/15/2033	256	0.03				TBA	—	To Be Announced
1,370						Analysis of Total Assets		
Ginnie Mae I pool '781994', 5.500%, due 11/15/2033	1,562	0.20				Transferable securities admitted to an official exchange listing or traded on a regulated market	61.87	
14						Collective investment schemes	5.35	
Ginnie Mae I pool '782198', 6.000%, due 10/15/2037	16	—				Financial derivative instruments	0.11	
23,600						Other assets	32.67	
Ginnie Mae II pool, 30 year, TBA, 3.500% ±	24,920	3.17				Total Assets	100.00	
42,000						ABBREVIATIONS:		
Ginnie Mae II pool, 30 year, TBA, 4.000% ±	44,851	5.71				TBA	—	To Be Announced
28						Analysis of Total Assets		
Ginnie Mae II pool '4040', 6.500%, due 10/20/2037	33	—				Transferable securities admitted to an official exchange listing or traded on a regulated market	61.87	
						Collective investment schemes	5.35	
						Financial derivative instruments	0.11	
						Other assets	32.67	
						Total Assets	100.00	

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Legg Mason Western Asset US Mortgage-Backed Securities Fund[^]

Portfolio of Investments as at February 29, 2016 – (continued)

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 1.35%	3/17/16	87,770	\$ 13
Credit Suisse First Boston	Swaption Payer Strike 1.35%	3/17/16	87,740	12
Credit Suisse First Boston	Swaption Payer Strike 1.60%	3/17/16	87,770	(5)
Credit Suisse First Boston	Swaption Payer Strike 1.60%	3/17/16	87,740	(4)
Unrealised Appreciation of Swaptions				25
Unrealised Depreciation of Swaptions				(9)
Net Appreciation of Swaptions				\$ 16

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
90 Day Euro\$ December 2016	(251)	\$ (62,226)	\$ 2
U.S. 10 Year Note (CBT) June 2016	(168)	(21,926)	3
U.S. 10 Year Ultra Note June 2016	65	9,172	3
U.S. 5 Year Note (CBT) June 2016	(600)	(72,591)	(11)
U.S. Long Bond (CBT) June 2016	52	8,556	(5)
U.S. Ultra Bond (CBT) June 2016	28	4,848	(17)
Total Market Value of Futures Contracts	(874)	\$(134,167)	\$ (25)
Unrealised Appreciation of Futures Contracts			8
Unrealised Depreciation of Futures Contracts			(33)
Net Depreciation of Futures Contracts			\$ (25)

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Legg Mason Brandywine Global Fixed Income Fund

Portfolio of Investments as at February 29, 2016

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 — 15.16%				Malaysia — 3.61%				United States — 19.31%					
France — 3.89%				MYR	95,760	Malaysia Government Bond, Series 0315, 3.659%, due 10/15/2020	22,900 2.01	45,250	United States Treasury Floating Rate Note, 0.402%, due 7/31/2017 *	45,202 3.95			
	29,120	Dexia Credit Local SA/ New York NY, 144A, 1.017%, due 1/11/2017 *	29,137 2.55	MYR	78,770	Malaysia Government Bond, Series 0313, 3.480%, due 3/15/2023	18,310 1.60	20,290	United States Treasury Note/Bond, 2.875%, due 5/15/2043	21,466 1.88			
	15,510	Dexia Credit Local SA/ New York NY, 144A, 0.652%, due 6/5/2018 *	15,345 1.34				41,210 3.61	128,495	United States Treasury Note/Bond, 2.500%, due 2/15/2045	125,182 10.95			
			44,482 3.89	Mexico — 12.76%					26,710	United States Treasury Note/Bond, 3.000%, due 11/15/2045	28,856 2.53		
Supranational — 7.89%				MXN	701,000	Mexican Bonos, Series M 20, 8.500%, due 5/31/2029	45,846 4.01			220,706 19.31			
	18,300	Corp Andina de Fomento, 1.168%, due 1/29/2018 *	18,248 1.60	MXN	605,700	Mexican Bonos, Series M 30, 8.500%, due 11/18/2038	39,811 3.48	Total Government Bonds and Notes (Cost \$980,798)				856,876 74.95	
	19,655	European Investment Bank, 144A, 0.687%, due 10/9/2018 *	19,569 1.71	MXN	985,000	Mexican Bonos, Series M, 7.750%, due 11/13/2042	60,236 5.27	Collective Investment Schemes — 8.06%					
IDR	734,300,000	European Investment Bank, 144A, 7.200%, due 7/9/2019	52,423 4.58				145,893 12.76	92,204	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	92,204 8.06			
			90,240 7.89	New Zealand — 3.44%				Total Collective Investment Schemes (Cost \$92,204)				92,204 8.06	
Sweden — 3.38%				NZD	15,540	New Zealand Government Bond, Series 521, 6.000%, due 5/15/2021	11,987 1.05	Total Investments (Cost \$1,249,188)				1,122,373 98.17	
	38,670	Svensk Exportkredit AB, 0.693%, due 9/28/2017 *	38,571 3.38	NZD	35,050	New Zealand Government Bond, Series 423, 5.500%, due 4/15/2023	27,346 2.39	Other Assets in Excess of Liabilities				20,906 1.83	
Total Corporate Bonds and Notes (Cost \$176,186)							39,333 3.44	Total Net Assets				\$1,143,279 100.00	
Government Bonds and Notes — 74.95%				Norway — 8.94%				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 29, 2016, these securities amounted to \$254,493,000 or 22.26% of net assets.					
Australia — 7.09%								* Variable rate security. The interest rate shown reflects the rate in effect at February 29, 2016.					
AUD	35,685	New South Wales Treasury Corp, Series 24, 5.000%, due 8/20/2024	30,313 2.65		32,856	Kommunalbanken AS, 144A, 0.983%, due 3/27/2017 *	32,929 2.88	ABBREVIATIONS:					
AUD	17,355	Queensland Treasury Corp, Series 22, 6.000%, due 7/21/2022	14,901 1.30		61,094	Kommunalbanken AS, 144A, 0.733%, due 5/2/2017 *	61,064 5.34	– Australian Dollar					
AUD	22,765	Queensland Treasury Corp, Series 25, 144A, 4.750%, due 7/21/2025	18,708 1.64		8,244	Kommunalbanken AS, 144A, 0.798%, due 2/20/2018 *	8,228 0.72	– Brazilian Real					
AUD	23,500	Queensland Treasury Corp, Series 26, 144A, 3.250%, due 7/21/2026	17,090 1.50				102,221 8.94	– Euro					
			81,012 7.09	Poland — 4.07%					– Hungarian Forint				
Brazil — 4.04%				PLN	94,025	Poland Government Bond, Series 1023, 4.000%, due 10/25/2023	25,715 2.25	– Indonesian Rupiah					
BRL	119,950	Brazil Notas do Tesouro Nacional Serie F, Series NTNF, 10.000%, due 1/1/2023	23,195 2.03	PLN	80,070	Poland Government Bond, Series 0725, 3.250%, due 7/25/2025	20,852 1.82	– Mexican Peso					
BRL	125,595	Brazil Notas do Tesouro Nacional Serie F, Series NTNF, 10.000%, due 1/1/2025	23,027 2.01				46,567 4.07	– Malaysian Ringgit					
			46,222 4.04	South Africa — 2.94%					– New Zealand Dollar				
Hungary — 4.04%				ZAR	123,770	South Africa Government Bond, Series R208, 6.750%, due 3/31/2021	7,071 0.62	– Polish Zloty					
HUF	11,000,000	Hungary Government Bond, Series 25/B, 5.500%, due 6/24/2025	46,230 4.04	ZAR	451,805	South Africa Government Bond, Series R214, 6.500%, due 2/28/2041	19,322 1.69	– South Africa Rand					
Italy — 4.71%				ZAR	132,455	South Africa Government Bond, Series 2048, 8.750%, due 2/28/2048	7,264 0.63	Analysis of Total Assets				% of Total Assets	
EUR	33,470	Italy Buoni Poliennali Del Tesoro, 5.000%, due 8/1/2039	53,825 4.71				33,657 2.94	Transferable securities admitted to an official exchange listing or traded on a regulated market				88.20	
								Collective investment schemes				7.89	
								Financial derivative instruments				0.82	
								Other assets				3.09	

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/01/16	BNY Mellon	Buy USD 13	Sell EUR 12	\$ –
03/01/16	BNY Mellon	Buy USD 25	Sell GBP 17	–
03/01/16	BNY Mellon	Buy USD –	Sell SGD –	–
03/01/16	BNY Mellon	Buy EUR 1,599	Sell USD 1,768	(28)
03/01/16	BNY Mellon	Buy GBP 30	Sell USD 42	–
03/01/16	BNY Mellon	Buy SGD 3	Sell USD 2	–
03/01/16	BNY Mellon	Buy GBP –	Sell USD –	–
03/02/16	BNY Mellon	Buy USD –	Sell GBP –	–
03/03/16	Citigroup	Buy JPY 7,324,000	Sell USD 59,793	5,169
03/03/16	JP Morgan	Buy USD 4,411	Sell JPY 524,000	(237)
03/09/16	BNY Mellon	Buy EUR –	Sell AUD –	–

The accompanying notes are an integral part of the Financial Statements

Legg Mason Brandywine Global Fixed Income Fund

Portfolio of Investments as at February 29, 2016 – (continued)

Schedule of Forward Foreign Currency Contracts – (continued)

Expiration Date	Counterparty	Buy Currency (000's)		Sell Currency (000's)		Unrealised Appreciation/ (Depreciation) of Contracts (000's)	
03/09/16	BNY Mellon	Buy	USD 1,199	Sell	AUD 1,672	\$ 6	
03/09/16	BNY Mellon	Buy	GBP –	Sell	AUD 1	–	
03/09/16	BNY Mellon	Buy	EUR 2,762	Sell	AUD 4,316	(74)	
03/09/16	BNY Mellon	Buy	GBP 446	Sell	AUD 905	(26)	
03/09/16	BNY Mellon	Buy	GBP –	Sell	CAD –	–	
03/09/16	BNY Mellon	Buy	EUR –	Sell	CAD –	–	
03/09/16	BNY Mellon	Buy	EUR 3,099	Sell	CAD 4,771	(156)	
03/09/16	BNY Mellon	Buy	GBP 500	Sell	CAD 1,001	(44)	
03/09/16	BNY Mellon	Buy	USD 1,345	Sell	CAD 1,848	(21)	
03/09/16	BNY Mellon	Buy	USD 190	Sell	CHF 188	1	
03/09/16	BNY Mellon	Buy	EUR 437	Sell	CHF 484	(12)	
03/09/16	BNY Mellon	Buy	GBP 71	Sell	CHF 102	(5)	
03/09/16	BNY Mellon	Buy	EUR –	Sell	CHF –	–	
03/09/16	BNY Mellon	Buy	GBP –	Sell	CHF –	–	
03/09/16	BNY Mellon	Buy	EUR 972	Sell	DKK 7,268	–	
03/09/16	BNY Mellon	Buy	GBP –	Sell	DKK 3	–	
03/09/16	BNY Mellon	Buy	EUR –	Sell	DKK –	–	
03/09/16	BNY Mellon	Buy	GBP 157	Sell	DKK 1,530	(4)	
03/09/16	BNY Mellon	Buy	USD 423	Sell	DKK 2,814	12	
03/09/16	BNY Mellon	Buy	SEK 228	Sell	EUR 23	–	
03/09/16	BNY Mellon	Buy	MXN 988	Sell	EUR 47	1	
03/09/16	BNY Mellon	Buy	MXN –	Sell	EUR –	–	
03/09/16	BNY Mellon	Buy	MYR 116	Sell	EUR 22	–	
03/09/16	BNY Mellon	Buy	GBP 10,375	Sell	EUR 13,487	(233)	
03/09/16	BNY Mellon	Buy	NOK 136	Sell	EUR 11	–	
03/09/16	BNY Mellon	Buy	PLN 124	Sell	EUR 30	–	
03/09/16	BNY Mellon	Buy	GBP 125	Sell	EUR 160	1	
03/09/16	BNY Mellon	Buy	JPY 178,146	Sell	EUR 1,416	48	
03/09/16	BNY Mellon	Buy	USD –	Sell	EUR –	–	
03/09/16	BNY Mellon	Buy	CAD –	Sell	EUR –	–	
03/09/16	BNY Mellon	Buy	USD 29,668	Sell	EUR 26,496	843	
03/09/16	BNY Mellon	Buy	DKK 234	Sell	EUR 32	–	
03/09/16	BNY Mellon	Buy	ZAR 137	Sell	EUR 6	–	
03/09/16	BNY Mellon	Buy	CHF 11	Sell	EUR 11	–	
03/09/16	BNY Mellon	Buy	SGD –	Sell	EUR –	–	
03/09/16	BNY Mellon	Buy	ZAR 226	Sell	EUR 12	–	
03/09/16	BNY Mellon	Buy	SGD 29	Sell	EUR 13	–	
03/09/16	BNY Mellon	Buy	AUD –	Sell	EUR –	–	
03/09/16	BNY Mellon	Buy	CAD 157	Sell	EUR 104	6	
03/09/16	BNY Mellon	Buy	AUD 139	Sell	EUR 94	1	
03/09/16	BNY Mellon	Buy	PLN 15	Sell	GBP 2	–	
03/09/16	BNY Mellon	Buy	MXN 173	Sell	GBP 5	–	
03/09/16	BNY Mellon	Buy	SEK 6	Sell	GBP –	–	
03/09/16	BNY Mellon	Buy	ZAR 7	Sell	GBP –	–	
03/09/16	BNY Mellon	Buy	JPY 30,407	Sell	GBP 189	11	
03/09/16	BNY Mellon	Buy	ZAR 57	Sell	GBP 1	–	
03/09/16	BNY Mellon	Buy	MYR 17	Sell	GBP 2	–	
03/09/16	BNY Mellon	Buy	SEK 37	Sell	GBP 2	–	
03/09/16	BNY Mellon	Buy	SGD 2	Sell	GBP –	–	
03/09/16	BNY Mellon	Buy	USD 39	Sell	GBP 28	–	
03/09/16	BNY Mellon	Buy	PLN 3	Sell	GBP –	–	
03/09/16	BNY Mellon	Buy	NOK 4	Sell	GBP –	–	
03/09/16	BNY Mellon	Buy	NOK 18	Sell	GBP –	–	
03/09/16	BNY Mellon	Buy	JPY 764	Sell	GBP 5	–	
03/09/16	BNY Mellon	Buy	SGD –	Sell	GBP –	–	
03/09/16	BNY Mellon	Buy	USD 5,747	Sell	GBP 3,949	250	
03/09/16	BNY Mellon	Buy	EUR 12,525	Sell	GBP 9,642	216	
03/09/16	BNY Mellon	Buy	EUR 188	Sell	GBP 149	–	
03/09/16	BNY Mellon	Buy	DKK 10	Sell	GBP –	–	
03/09/16	BNY Mellon	Buy	CHF –	Sell	GBP –	–	
03/09/16	BNY Mellon	Buy	CHF –	Sell	GBP –	–	
03/09/16	BNY Mellon	Buy	AUD 4	Sell	GBP 1	–	
03/09/16	BNY Mellon	Buy	CAD 3	Sell	GBP 1	–	
03/09/16	BNY Mellon	Buy	CAD 22	Sell	GBP 10	–	
03/09/16	BNY Mellon	Buy	DKK 33	Sell	GBP 2	–	
03/09/16	BNY Mellon	Buy	AUD 18	Sell	GBP 9	–	
03/09/16	BNY Mellon	Buy	EUR –	Sell	JPY –	–	
03/09/16	BNY Mellon	Buy	USD 18,883	Sell	JPY 2,204,285	(674)	
03/09/16	BNY Mellon	Buy	GBP 7,054	Sell	JPY 1,199,173	(824)	
03/09/16	BNY Mellon	Buy	EUR 43,528	Sell	JPY 5,690,760	(3,121)	

The accompanying notes are an integral part of the Financial Statements

Legg Mason Brandywine Global Fixed Income Fund

Portfolio of Investments as at February 29, 2016 – (continued)

Schedule of Forward Foreign Currency Contracts – (continued)

								Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Expiration Date	Counterparty	Buy Currency (000's)			Sell Currency (000's)			
03/09/16	BNY Mellon	Buy	GBP	8	Sell	JPY	1,261	\$ -
03/09/16	BNY Mellon	Buy	GBP	-	Sell	MXN	-	-
03/09/16	BNY Mellon	Buy	GBP	238	Sell	MXN	6,367	(20)
03/09/16	BNY Mellon	Buy	USD	638	Sell	MXN	11,690	(6)
03/09/16	BNY Mellon	Buy	EUR	1,470	Sell	MXN	30,198	(64)
03/09/16	BNY Mellon	Buy	EUR	-	Sell	MXN	-	-
03/09/16	BNY Mellon	Buy	USD	319	Sell	MYR	1,322	5
03/09/16	BNY Mellon	Buy	EUR	734	Sell	MYR	3,412	(12)
03/09/16	BNY Mellon	Buy	GBP	118	Sell	MYR	718	(6)
03/09/16	BNY Mellon	Buy	EUR	-	Sell	MYR	-	-
03/09/16	BNY Mellon	Buy	GBP	-	Sell	MYR	-	-
03/09/16	BNY Mellon	Buy	USD	190	Sell	NOK	1,614	4
03/09/16	BNY Mellon	Buy	GBP	71	Sell	NOK	875	(2)
03/09/16	BNY Mellon	Buy	EUR	437	Sell	NOK	4,166	(4)
03/09/16	BNY Mellon	Buy	GBP	-	Sell	NOK	1	-
03/09/16	BNY Mellon	Buy	EUR	-	Sell	NOK	-	-
03/09/16	BNY Mellon	Buy	GBP	137	Sell	PLN	795	(7)
03/09/16	BNY Mellon	Buy	USD	371	Sell	PLN	1,465	4
03/09/16	BNY Mellon	Buy	EUR	853	Sell	PLN	3,791	(19)
03/09/16	BNY Mellon	Buy	EUR	-	Sell	PLN	-	-
03/09/16	BNY Mellon	Buy	GBP	-	Sell	PLN	-	-
03/09/16	BNY Mellon	Buy	USD	328	Sell	SEK	2,750	7
03/09/16	BNY Mellon	Buy	GBP	-	Sell	SEK	3	-
03/09/16	BNY Mellon	Buy	GBP	121	Sell	SEK	1,494	(5)
03/09/16	BNY Mellon	Buy	EUR	-	Sell	SEK	-	-
03/09/16	BNY Mellon	Buy	EUR	753	Sell	SEK	7,107	(8)
03/09/16	BNY Mellon	Buy	USD	241	Sell	SGD	338	1
03/09/16	BNY Mellon	Buy	GBP	89	Sell	SGD	183	(6)
03/09/16	BNY Mellon	Buy	EUR	-	Sell	SGD	-	-
03/09/16	BNY Mellon	Buy	EUR	555	Sell	SGD	872	(15)
03/09/16	BNY Mellon	Buy	GBP	-	Sell	SGD	-	-
03/09/16	BNY Mellon	Buy	GBP	10,913	Sell	USD	15,893	(707)
03/09/16	BNY Mellon	Buy	GBP	8	Sell	USD	11	-
03/09/16	BNY Mellon	Buy	EUR	67,321	Sell	USD	75,412	(2,158)
03/09/16	BNY Mellon	Buy	EUR	-	Sell	USD	-	-
03/09/16	BNY Mellon	Buy	GBP	102	Sell	ZAR	2,399	(8)
03/09/16	BNY Mellon	Buy	EUR	3	Sell	ZAR	56	-
03/09/16	BNY Mellon	Buy	USD	276	Sell	ZAR	4,411	(2)
03/09/16	BNY Mellon	Buy	EUR	634	Sell	ZAR	11,333	(25)
03/09/16	BNY Mellon	Buy	GBP	-	Sell	ZAR	4	-
03/09/16	HSBC	Buy	CLP	8,290,000	Sell	USD	11,785	100
03/15/16	BNY Mellon	Buy	USD	2	Sell	AUD	3	-
03/15/16	BNY Mellon	Buy	USD	1,227	Sell	EUR	1,095	36
03/15/16	BNY Mellon	Buy	USD	202	Sell	GBP	142	7
03/15/16	BNY Mellon	Buy	USD	14	Sell	GBP	10	-
03/15/16	BNY Mellon	Buy	GBP	7,137	Sell	USD	10,397	(462)
03/15/16	BNY Mellon	Buy	AUD	712	Sell	USD	511	(3)
03/15/16	BNY Mellon	Buy	GBP	1	Sell	USD	1	-
03/15/16	BNY Mellon	Buy	EUR	151,604	Sell	USD	168,408	(3,407)
03/16/16	Barclays Capital	Buy	USD	4,513	Sell	INR	310,000	(8)
03/16/16	Barclays Capital	Buy	INR	4,007,000	Sell	USD	59,235	(802)
04/20/16	HSBC	Buy	USD	1,771	Sell	NOK	15,400	2
04/20/16	HSBC	Buy	NOK	299,200	Sell	USD	34,011	359
04/21/16	HSBC	Buy	USD	2,998	Sell	SEK	25,500	14
04/21/16	HSBC	Buy	SEK	176,300	Sell	USD	20,568	66
05/11/16	Citigroup	Buy	EUR	31,530	Sell	USD	35,385	(1,006)
05/16/16	HSBC	Buy	CLP	22,860,000	Sell	USD	30,930	1,608
05/19/16	HSBC	Buy	SEK	353,800	Sell	USD	41,497	(43)
05/27/16	HSBC	Buy	CLP	15,230,000	Sell	USD	20,902	747
06/24/16	HSBC	Buy	CLP	7,725,000	Sell	USD	10,986	(39)
Unrealised Appreciation of Forward Foreign Currency Contracts								9,525
Unrealised Depreciation of Forward Foreign Currency Contracts								(14,303)
Net Depreciation of Forward Foreign Currency Contracts								\$ (4,778)

The accompanying notes are an integral part of the Financial Statements

Legg Mason Brandywine Global Fixed Income Fund

Portfolio of Investments as at February 29, 2016 – (continued)

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Foreign Corporate Bonds and Notes	41,901	2.78
Multi-International	41,901	2.78
Foreign Government Bonds and Notes	815,511	54.14
Australia Government Issues	108,527	7.21
Brazil Government Issues	63,615	4.22
Hungary Government Issues	60,555	4.02
Italy Government Issues	82,011	5.44
Korea Government Issues	62,698	4.16
Malaysia Government Issues	26,743	1.78
Mexico Government Issues	155,996	10.36
New Zealand Government Issues	50,308	3.34
Poland Government Issues	61,823	4.10
South Africa Government Issues	65,843	4.37
United Kingdom Government Issues	77,392	5.14

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
U.S. Denominated Bonds and Notes	107,880	7.16
France	29,233	1.94
Germany	60,258	4.00
Multi-National	18,389	1.22
U.S. Denominated Debt Obligations	102,455	6.80
Norway	102,455	6.80
U.S. Treasury Obligations	375,507	24.93
Collective Investment Schemes	50,853	3.38
Other Assets in Excess of Liabilities	12,195	0.81
Total Net Assets	\$1,506,302	100.00

Forward Contracts – February 28, 2015	(000's)
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)

* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

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 29, 2016

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
Mortgage-Backed Securities — 0.25%				10,760 Verizon Communications Inc, 2.042%, due 9/15/2016 *				Poland — 2.36%			
EUR	3,337	Rural Hipotecario I Fondo De Titulizacion Hipotecaria 9, Class A2, 0.000%, due 2/17/2050 *	3,539 0.25			272,979	19.60	PLN	125,980	Poland Government Bond, Series 0725, 3.250%, due 7/25/2025	32,808 2.36
Total Mortgage-Backed Securities (Cost \$4,427)				Total Corporate Bonds and Notes (Cost \$423,139)				Portugal — 3.26%			
Corporate Bonds and Notes — 30.15%				Government Bonds and Notes — 68.32%				EUR	36,005	Portugal Obrigaçoes do Tesouro OT, 144A, 4.950%, due 10/25/2023	45,459 3.26
Australia — 1.94%				Australia — 2.67%				South Africa — 3.17%			
	10,180	Commonwealth Bank of Australia, 144A, 1.070%, due 9/20/2016 *	10,194 0.73	AUD	42,755	Queensland Treasury Corp, Series 24, 5.750%, due 7/22/2024	37,231 2.67	ZAR	116,280	South Africa Government Bond, Series R208, 6.750%, due 3/31/2021	6,643 0.48
	8,600	Macquarie Bank Ltd, 144A, 1.249%, due 10/27/2017 *	8,546 0.61					ZAR	624,100	South Africa Government Bond, Series R214, 6.500%, due 2/28/2041	26,690 1.92
	8,320	Macquarie Group Ltd, 144A, 1.616%, due 1/31/2017 *	8,323 0.60	BRL	204,490	Brazil Notas do Tesouro Nacional Serie F, Series NTFN, 10.000%, due 1/1/2023	23,827 1.71	ZAR	197,095	South Africa Government Bond, Series 2048, 8.750%, due 2/28/2048	10,809 0.77
			27,063 1.94				37,493 2.69				44,142 3.17
Chile — 0.53%							61,320 4.40	United States — 20.53%			
	7,400	Banco Santander Chile, 144A, 1.517%, due 4/11/2017 *	7,363 0.53	Hungary — 4.42%					286,180	United States Treasury Floating Rate Note, 0.402%, due 7/31/2017 *	285,876 20.53
Germany — 1.62%				HUF	11,740,000	Hungary Government Bond, Series 23/A, 6.000%, due 11/24/2023	50,309 3.61	Total Government Bonds and Notes (Cost \$1,113,708)			
	22,715	Deutsche Bank AG/ London, 1.227%, due 2/13/2017 *	22,583 1.62	HUF	2,680,000	Hungary Government Bond, Series 25/B, 5.500%, due 6/24/2025	11,263 0.81				951,468 68.32
Netherlands — 1.50%							61,572 4.42	Collective Investment Schemes — 4.06%			
	9,945	ABN AMRO Bank NV, 144A, 1.421%, due 10/28/2016 *	9,960 0.71	Indonesia — 4.79%					56,576	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	56,576 4.06
	11,080	AerCap Ireland Capital Ltd / AerCap Global Aviation Trust, 2.750%, due 5/15/2017	10,983 0.79	IDR	80,700,000	Indonesia Treasury Bond, Series FR70, 8.375%, due 3/15/2024	6,024 0.43	Total Collective Investment Schemes (Cost \$56,576)			
			20,943 1.50	IDR	505,900,000	Indonesia Treasury Bond, Series FR71, 9.000%, due 3/15/2029	38,671 2.77	Total Investments (Cost \$1,597,850)			
South Korea — 1.26%				IDR	106,000,000	Indonesia Treasury Bond, Series FR68, 8.375%, due 3/15/2034	7,620 0.55	Liabilities in Excess of Other Assets			
	17,530	Shinhan Bank, 144A, 1.270%, due 4/8/2017 *	17,514 1.26	IDR	198,300,000	Indonesia Treasury Bond, Series FR67, 8.750%, due 2/15/2044	14,444 1.04	Total Net Assets			
Supranational — 0.97%							66,759 4.79	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 29, 2016, these securities amounted to \$107,359,000 or 7.70% of net assets.			
	13,500	Corp Andina de Fomento, 1.168%, due 1/29/2018 *	13,461 0.97	Italy — 1.37%				* Variable rate security. The interest rate shown reflects the rate in effect at February 29, 2016.			
United Kingdom — 2.73%				EUR	11,815	Italy Buoni Poliennali Del Tesoro, 5.000%, due 8/1/2039	19,001 1.37	ABBREVIATIONS:			
	13,440	Abbey National Treasury Services Plc/United Kingdom, 1.013%, due 9/29/2017 *	13,332 0.96	Malaysia — 3.91%				AUD	–	Australian Dollar	
	12,695	Barclays Bank Plc, 1.017%, due 12/9/2016 *	12,680 0.91	MYR	132,575	Malaysia Government Bond, Series 0315, 3.659%, due 10/15/2020	31,704 2.28	BRL	–	Brazilian Real	
	12,145	HBOS Plc, 1.152%, due 9/6/2017 *	11,970 0.86	MYR	98,005	Malaysia Government Bond, Series 0313, 3.480%, due 3/15/2023	22,781 1.63	EUR	–	Euro	
			37,982 2.73				54,485 3.91	HUF	–	Hungarian Forint	
United States — 19.60%				Mexico — 13.78%				IDR	–	Indonesian Rupiah	
	17,700	American Express Credit Corp, 1.228%, due 7/31/2018 *	17,553 1.26	MXN	187,000	Mexican Bonos, Series M, 6.250%, due 6/16/2016	10,379 0.75	MXN	–	Mexican Peso	
	41,005	Bank of America Corp, 1.662%, due 1/15/2019 *	40,730 2.92	MXN	797,200	Mexican Bonos, Series M 20, 8.500%, due 5/31/2029	52,138 3.74	MYR	–	Malaysian Ringgit	
	15,280	Citigroup Inc, 1.027%, due 3/10/2017 *	15,228 1.09	MXN	759,590	Mexican Bonos, Series M 30, 8.500%, due 11/18/2038	49,926 3.59	NZD	–	New Zealand Dollar	
	12,845	Citigroup Inc, 1.311%, due 4/27/2018 *	12,707 0.91	MXN	1,299,000	Mexican Bonos, Series M, 7.750%, due 11/13/2042	79,437 5.70	PLN	–	Polish Zloty	
	13,185	DISH DBS Corp, 4.625%, due 7/15/2017	13,482 0.97				191,880 13.78	ZAR	–	South Africa Rand	
	3,460	Fifth Third Bancorp, 0.990%, due 12/20/2016 *	3,446 0.25	New Zealand — 3.66%				Analysis of Total Assets			
	6,890	Ford Motor Credit Co LLC, 4.207%, due 4/15/2016	6,915 0.50	NZD	34,015	New Zealand Government Bond, Series 521, 6.000%, due 5/15/2021	26,238 1.89	Transferable securities admitted to an official exchange listing or traded on a regulated market			
	27,630	Ford Motor Credit Co LLC, Series 00, 1.400%, due 1/17/2017 *	27,506 1.97					Collective investment schemes			
	16,010	Ford Motor Credit Co LLC, 1.412%, due 6/15/2018 *	15,707 1.13					Financial derivative instruments			
	46,940	Goldman Sachs Group Inc/ The, 1.718%, due 11/15/2018 *	46,669 3.35					Other assets			
	21,120	JPMorgan Chase & Co, 1.519%, due 1/25/2018 *	21,110 1.52					Total Assets			
	40,915	Morgan Stanley, 1.899%, due 4/25/2018 *	41,109 2.95								

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

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

Portfolio of Investments as at February 29, 2016 – (continued)

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)		Sell Currency (000's)		Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/01/16	BNY Mellon	Buy	SGD 63,800	Sell	USD 45,545	\$ (168)
03/03/16	Citigroup	Buy	USD 65,113	Sell	JPY 7,338,000	27
03/03/16	Citigroup	Buy	USD 299,611	Sell	JPY 36,699,000	(25,902)
03/03/16	Citigroup	Buy	JPY 400,000	Sell	USD 3,324	224
03/03/16	HSBC	Buy	JPY 27,239,000	Sell	USD 231,236	10,369
03/03/16	JP Morgan	Buy	JPY 308,000	Sell	USD 2,592	140
03/09/16	HSBC	Buy	CLP 7,180,000	Sell	USD 10,251	42
03/14/16	HSBC	Buy	USD 81,396	Sell	GBP 53,690	6,663
03/14/16	HSBC	Buy	GBP 2,090	Sell	USD 2,978	(69)
03/14/16	National Australia Bank	Buy	GBP 1,990	Sell	USD 3,013	(243)
03/15/16	BNY Mellon	Buy	USD 1,242	Sell	EUR 1,117	26
03/15/16	BNY Mellon	Buy	USD 153	Sell	GBP 105	6
03/15/16	BNY Mellon	Buy	USD 1	Sell	GBP 1	–
03/15/16	BNY Mellon	Buy	USD 22	Sell	SEK 181	–
03/15/16	BNY Mellon	Buy	USD 45,533	Sell	SGD 63,800	169
03/15/16	BNY Mellon	Buy	AUD 193,814	Sell	USD 138,934	(702)
03/15/16	BNY Mellon	Buy	EUR 331,750	Sell	USD 371,759	(10,686)
03/15/16	BNY Mellon	Buy	CHF 783	Sell	USD 789	(5)
03/15/16	BNY Mellon	Buy	GBP 87,528	Sell	USD 127,520	(5,686)
03/15/16	BNY Mellon	Buy	SGD 377,224	Sell	USD 269,289	(1,075)
03/15/16	BNY Mellon	Buy	SEK 21,597	Sell	USD 2,574	(50)
03/16/16	Barclays Capital	Buy	INR 4,066,000	Sell	USD 60,107	(813)
04/12/16	HSBC	Buy	USD 151,885	Sell	KRW 183,200,000	4,249
04/12/16	HSBC	Buy	KRW 7,800,000	Sell	USD 6,470	(185)
04/20/16	HSBC	Buy	USD 2,790	Sell	NOK 24,000	33
04/20/16	HSBC	Buy	NOK 390,100	Sell	USD 44,343	469
04/21/16	HSBC	Buy	USD 4,938	Sell	SEK 42,000	22
04/21/16	HSBC	Buy	SEK 271,700	Sell	USD 31,698	101
05/11/16	Citigroup	Buy	USD 263,875	Sell	EUR 235,130	7,505
05/18/16	HSBC	Buy	USD 151,630	Sell	SGD 211,400	1,594
05/18/16	HSBC	Buy	AUD 2,440	Sell	USD 1,735	–
05/18/16	Morgan Stanley	Buy	USD 7,471	Sell	AUD 10,600	(67)
05/19/16	HSBC	Buy	SEK 431,300	Sell	USD 50,586	(52)
05/26/16	JP Morgan	Buy	INR 780,000	Sell	USD 11,196	60
05/27/16	HSBC	Buy	CLP 8,000,000	Sell	USD 10,979	393
06/13/16	HSBC	Buy	CLP 66,867,000	Sell	USD 92,275	2,596
Unrealised Appreciation of Forward Foreign Currency Contracts						34,688
Unrealised Depreciation of Forward Foreign Currency Contracts						(45,703)
Net Depreciation of Forward Foreign Currency Contracts						\$ (11,015)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Euro-OAT March 2016	(852)	\$(145,404)	\$ (6,867)
U.S. Ultra Bond (CBT) June 2016	495	85,712	(758)
Total Market Value of Futures Contracts	(357)	\$ (59,692)	\$ (7,625)
Unrealised Appreciation of Futures Contracts			–
Unrealised Depreciation of Futures Contracts			(7,625)
Net Depreciation of Futures Contracts			\$ (7,625)

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

Portfolio of Investments as at February 29, 2016 – (continued)

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Collateralised Mortgage-Backed Obligations	4,553	0.41
Foreign Government Bonds and Notes	559,942	49.75
Australian Government Issues	29,926	2.66
Brazil Government Issues	47,201	4.19
Hungary Government Issues	40,260	3.58
Indonesia Government Issues	50,699	4.50
Italy Government Issues	23,249	2.07
Korea Government Issues	47,570	4.23
Malaysia Government Issues	21,650	1.92
Mexico Government Issues	153,232	13.61
New Zealand Government Issues	41,126	3.65
Poland Government Issues	22,949	2.04
Portugal Government Issues	33,277	2.96
South Africa Government Issues	48,803	4.34
U.S. Corporate Bonds and Notes	221,561	19.68
Auto Manufacturers	23,022	2.05
Financial – Banks	138,501	12.30
Financials – Diversified	24,636	2.19
Healthcare-Services	10,928	0.97

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Media	10,616	0.94
Telecommunications	13,858	1.23
U.S. Denominated Bonds and Notes	164,156	14.59
Australia	27,187	2.42
Bermuda	12,397	1.10
Chile	7,369	0.65
Germany	16,311	1.45
Ireland	8,479	0.75
Luxembourg	1,669	0.15
Multi-National	13,566	1.21
Netherlands	20,627	1.83
New Zealand	3,556	0.32
South Korea	17,569	1.56
United Kingdom	35,426	3.15
U.S. Treasury Obligations	93,915	8.34
Collective Investment Schemes	56,111	4.98
Other Assets in Excess of Liabilities	25,378	2.25
Total Net Assets	\$1,125,616	100.00

Futures Contracts – February 28, 2015	(000's)
Unrealised Appreciation of Futures Contracts	68
Unrealised Depreciation of Futures Contracts	(11,554)
Net Depreciation of Future Contracts	\$ (11,486)
Forward Contracts – February 28, 2015	
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

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Portfolio of Investments as at February 29, 2016

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Legg Mason Brandywine Global High Yield Fund[^]

Portfolio of Investments as at February 29, 2016 – (continued)

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	84.34
Collective investment schemes	8.53
Financial derivative instruments	1.82
Other assets	5.31
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	Markit CDX.NA.HY, 5.000%	Sell	12/20/20	2,330	\$ (21)
Citigroup	Markit CDX.NA.IG, 1.000%	Sell	12/20/20	2,325	(8)
Citigroup	Markit iTraxx Europe, 5.000%	Sell	12/20/20	2,055	86
Citigroup	Markit iTraxx Europe, 1.000%	Sell	12/20/20	1,285	(5)
					\$ 52
Unrealised Appreciation of Credit Default Swaps					86
Unrealised Depreciation of Credit Default Swaps					(34)
Net Appreciation of Credit Default Swaps					\$ 52

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)		Sell Currency (000's)		Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/09/16	BNY Mellon	Buy	EUR 10	Sell	CHF 11	\$ –
03/09/16	BNY Mellon	Buy	GBP –	Sell	CHF –	–
03/09/16	BNY Mellon	Buy	GBP 8	Sell	CHF 11	–
03/09/16	BNY Mellon	Buy	CAD 23	Sell	CHF 16	1
03/09/16	BNY Mellon	Buy	GBP 498	Sell	EUR 649	(11)
03/09/16	BNY Mellon	Buy	CHF –	Sell	EUR –	–
03/09/16	BNY Mellon	Buy	CAD 1,463	Sell	EUR 962	35
03/09/16	BNY Mellon	Buy	SEK –	Sell	EUR –	–
03/09/16	BNY Mellon	Buy	GBP 7	Sell	EUR 9	–
03/09/16	BNY Mellon	Buy	USD 45	Sell	EUR 40	1
03/09/16	BNY Mellon	Buy	EUR 2	Sell	GBP 1	–
03/09/16	BNY Mellon	Buy	USD 44	Sell	GBP 31	2
03/09/16	BNY Mellon	Buy	CAD 296	Sell	GBP 153	5
03/09/16	BNY Mellon	Buy	CHF –	Sell	GBP –	–
03/09/16	BNY Mellon	Buy	EUR 139	Sell	GBP 107	2
03/09/16	BNY Mellon	Buy	SEK –	Sell	GBP –	–
03/09/16	BNY Mellon	Buy	CAD 2	Sell	SEK 11	–
03/09/16	BNY Mellon	Buy	GBP –	Sell	SEK –	–
03/09/16	BNY Mellon	Buy	GBP 1	Sell	SEK 7	–
03/09/16	BNY Mellon	Buy	EUR 1	Sell	SEK 7	–
03/09/16	BNY Mellon	Buy	GBP 2,456	Sell	USD 3,578	(159)
03/09/16	BNY Mellon	Buy	EUR 3,254	Sell	USD 3,645	(103)
03/09/16	BNY Mellon	Buy	CAD 7,217	Sell	USD 5,227	107
03/09/16	BNY Mellon	Buy	GBP 34	Sell	USD 47	–
03/14/16	Barclays Capital	Buy	USD 432	Sell	GBP 305	8
03/14/16	HSBC	Buy	USD 2,082	Sell	GBP 1,378	164
03/14/16	HSBC	Buy	GBP 25	Sell	USD 35	(1)
03/14/16	JP Morgan	Buy	GBP 215	Sell	USD 312	(13)
03/14/16	Morgan Stanley	Buy	USD 686	Sell	GBP 485	11
03/14/16	Morgan Stanley	Buy	GBP 25	Sell	USD 37	(2)
03/14/16	UBS	Buy	GBP 20	Sell	USD 28	(1)
03/21/16	Barclays Capital	Buy	HUF 100,990	Sell	USD 349	5
03/21/16	HSBC	Buy	USD 478	Sell	HUF 138,300	(7)
03/21/16	Morgan Stanley	Buy	HUF 37,310	Sell	USD 130	1
04/12/16	HSBC	Buy	USD 164	Sell	MXN 2,990	–
04/12/16	HSBC	Buy	MXN 2,990	Sell	USD 166	(1)
05/05/16	HSBC	Buy	USD 113	Sell	BRL 465	(1)
05/11/16	Citigroup	Buy	USD 887	Sell	EUR 790	25
05/11/16	Goldman Sachs	Buy	USD 116	Sell	EUR 105	2
05/11/16	HSBC	Buy	EUR 210	Sell	USD 235	(6)
05/11/16	Morgan Stanley	Buy	USD 414	Sell	EUR 375	5
05/11/16	Morgan Stanley	Buy	EUR 870	Sell	USD 956	(7)
05/17/16	JP Morgan	Buy	USD 163	Sell	NZD 245	2

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Legg Mason Brandywine Global High Yield Fund[^]

Portfolio of Investments as at February 29, 2016 – (continued)

Schedule of Forward Foreign Currency Contracts – (continued)

Expiration Date	Counterparty	Buy Currency (000's)			Sell Currency (000's)			Unrealised Appreciation/ (Depreciation) of Contracts (000's)
05/18/16	Goldman Sachs	Buy	AUD	230	Sell	USD	164	\$ (1)
05/18/16	Morgan Stanley	Buy	USD	162	Sell	AUD	230	(2)
Unrealised Appreciation of Forward Foreign Currency Contracts								376
Unrealised Depreciation of Forward Foreign Currency Contracts								(315)
Net Appreciation of Forward Foreign Currency Contracts								\$ 61

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
U.S. Ultra Bond (CBT) June 2016	11	\$ 1,810	\$ (17)
Total Market Value of Futures Contracts	11	\$ 1,810	\$ (17)
Unrealised Appreciation of Futures Contracts			–
Unrealised Depreciation of Futures Contracts			(17)
Net Depreciation of Futures Contracts			\$ (17)

Portfolio of Investments as at February 28, 2015*

	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015		Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Futures Contracts – February 28, 2015 (000's)	
Investments			Investments			Unrealised Appreciation of Futures Contracts	8
Collateralised Mortgage- Backed Obligations	597	2.97	Commercial Services	450	2.24	Unrealised Depreciation of Futures Contracts	–
			Electric	290	1.44		
Foreign Corporate Bonds and Notes	3,973	19.77	Electrical Components & Equipment	108	0.54	Net Appreciation of Future Contracts	\$ 8
Building Materials	165	0.82	Financials – Diversified	1,196	5.95		
Electric	578	2.88	Food	397	1.98	Credit Default Swaps – February 28, 2015	
Engineering & Construction	236	1.18	Media	630	3.14	Unrealised Appreciation of Credit Default Swaps	45
Entertainment	465	2.31	Oil & Gas	1,326	6.60	Unrealised Depreciation of Credit Default Swaps	–
Financials – Diversified	144	0.72	Software	395	1.96		
Food	594	2.95	Telecommunications	1,242	6.18	Net Appreciation of Credit Default Swaps	\$ 45
Internet	181	0.90					
Packaging & Containers	171	0.85	U.S. Denominated Bonds and Notes	4,192	20.86	Forward Contracts – February 28, 2015	
Retail	380	1.89	Austria	612	3.04	Unrealised Appreciation of Forward Foreign Currency Contracts	204
Telecommunications	1,059	5.27	Barbados	420	2.09	Unrealised Depreciation of Forward Foreign Currency Contracts	(117)
			Bermuda	1,240	6.17		
Foreign Government Bonds and Notes	600	2.99	Croatia	219	1.09	Net Appreciation of Forward Foreign Currency Contracts	\$ 87
Italy Government Issues	213	1.06	France	203	1.01		
Portugal Government Issues	387	1.93	Italy	502	2.50		
			Luxembourg	313	1.56		
Loan Notes	395	1.96	Panama	308	1.53		
			Singapore	199	0.99		
			United Kingdom	176	0.88		
U.S. Corporate Bonds and Notes	8,904	44.31					
Aerospace/Defense	419	2.09	Collective Investment Schemes	888	4.42		
Agriculture	762	3.79					
Airlines	319	1.59	Other Assets in Excess of Liabilities	546	2.72		
Building Materials	495	2.46					
Chemicals	875	4.35	Total Net Assets	\$20,095	100.00		

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Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^]

Portfolio of Investments as at February 29, 2016

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
Mortgage-Backed Securities — 1.94%								Indonesia — 4.55%			
EUR	288 Bancaja 11 Fondo de Titulizacion de Activos 11, Class A2, 0.015%, due 4/27/2050 *	275	0.05	4,050 Apple Inc, 4.500%, due 2/23/2036	4,226	0.77		IDR	21,400,000 Indonesia Treasury Bond, Series FR70, 8.375%, due 3/15/2024	1,598	0.29
	26 CHL Mortgage Pass-Through Trust 2007-9, Series 2007 9, Class A13, 5.750%, due 7/25/2037	24	—	4,650 Apple Inc, 4.650%, due 2/23/2046	4,872	0.89		IDR	246,800,000 Indonesia Treasury Bond, Series FR71, 9.000%, due 3/15/2029	18,865	3.44
EUR	470 Fondo de Titulizacion de Activos UCI 17 17, Class A2, 0.028%, due 12/17/2049 *	358	0.06	890 Dell Inc, 6.500%, due 4/15/2038	623	0.11		IDR	62,200,000 Indonesia Treasury Bond, Series FR67, 8.750%, due 2/15/2044	4,530	0.82
EUR	1,966 GAMMA Sociedade de Titularizacao de Creditos SA/Atlantes Mortgage Plc 3, Class A, 0.005%, due 8/20/2061 *	1,739	0.32	1,275 Devon Energy Corp, 5.600%, due 7/15/2041	870	0.16				24,993	4.55
EUR	1,213 GC Pastor Hipotecario 5 FTA 5, Class A2, 0.037%, due 6/21/2046 *	923	0.17	235 Devon Energy Corp, 4.750%, due 5/15/2042	151	0.03		Italy — 4.88%			
EUR	574 Hipocat 11 FTA, Series HIPO 11, Class A2, 0.000%, due 1/15/2050 *	435	0.08	180 Devon Energy Corp, 5.000%, due 6/15/2045	118	0.02		EUR	16,650 Italy Buoni Poliennali Del Tesoro, 5.000%, due 8/1/2039	26,776	4.88
EUR	576 IM Pastor 3 FTH 3, Class A, 0.009%, due 3/22/2043 *	437	0.08	950 Devon Financing Co LLC, 7.875%, due 9/30/2031	761	0.14		Malaysia — 3.66%			
EUR	1,119 IM Pastor 4 FTA 4, Class A, 0.009%, due 3/22/2044 *	855	0.16	3,200 Ford Motor Credit Co LLC, 1.233%, due 3/27/2017 *	3,177	0.58		MYR	49,965 Malaysia Government Bond, Series 0315, 3.659%, due 10/15/2020	11,948	2.18
EUR	3,500 Marche Mutui Srl 6, Class A2, 0.045%, due 1/27/2064 *	3,657	0.67	4,370 Ford Motor Credit Co LLC, 1.412%, due 6/15/2018 *	4,287	0.78		MYR	5,565 Malaysia Government Bond, Series 0314, 4.048%, due 9/30/2021	1,346	0.25
EUR	1,947 TDA CAM 8 FTA 8, Class A, 0.000%, due 2/26/2049 *	1,929	0.35	14,780 Goldman Sachs Group Inc/The, 1.718%, due 11/15/2018 *	14,695	2.68		MYR	29,170 Malaysia Government Bond, Series 0313, 3.480%, due 3/15/2023	6,781	1.23
Total Mortgage-Backed Securities (Cost \$12,792)				355 Hess Corp, 7.875%, due 10/1/2029	325	0.06				20,075	3.66
		10,632	1.94	405 Hess Corp, 7.300%, due 8/15/2031	352	0.06		Mexico — 13.21%			
Corporate Bonds and Notes — 19.33%				235 Hess Corp, 6.000%, due 1/15/2040	176	0.03		MXN	345,000 Mexican Bonos, Series M 20, 8.500%, due 5/31/2029	22,563	4.11
Australia — 0.75%				700 Hess Corp, 5.600%, due 2/15/2041	503	0.09		MXN	302,000 Mexican Bonos, Series M 30, 8.500%, due 11/18/2038	19,850	3.61
	1,845 Macquarie Bank Ltd, 144A, 1.249%, due 10/27/2017 *	1,833	0.33	420 Marathon Oil Corp, 6.600%, due 10/1/2037	284	0.05		MXN	492,590 Mexican Bonos, Series M, 7.750%, due 11/13/2042	30,123	5.49
	2,280 Macquarie Group Ltd, 144A, 1.616%, due 1/31/2017 *	2,281	0.42	235 Marathon Oil Corp, 5.200%, due 6/1/2045	138	0.03				72,536	13.21
		4,114	0.75	7,290 Morgan Stanley, 1.899%, due 4/25/2018 *	7,325	1.33		New Zealand — 3.48%			
France — 2.72%					47,867	8.72		NZD	3,125 New Zealand Government Bond, Series 521, 6.000%, due 5/15/2021	2,411	0.44
	15,090 Dexia Credit Local SA/ New York NY, 144A, 0.652%, due 6/5/2018 *	14,929	2.72	Total Corporate Bonds and Notes (Cost \$106,849)				NZD	21,395 New Zealand Government Bond, Series 423, 5.500%, due 4/15/2023	16,692	3.04
Germany — 1.14%					106,164	19.33				19,103	3.48
	6,295 Deutsche Bank AG/London, 1.227%, due 2/13/2017 *	6,258	1.14	Government Bonds and Notes — 71.74%				Poland — 2.23%			
Netherlands — 3.07%				Australia — 7.37%				PLN	16,450 Poland Government Bond, Series 1023, 4.000%, due 10/25/2023	4,499	0.82
	6,850 ABN AMRO Bank NV, 144A, 1.421%, due 10/28/2016 *	6,860	1.25	AUD	17,920 New South Wales Treasury Corp, Series 24, 5.000%, due 8/20/2024	15,222	2.77	PLN	29,750 Poland Government Bond, Series 0725, 3.250%, due 7/25/2025	7,747	1.41
	4,792 Bank Nederlandse Gemeenten NV, 144A, 0.694%, due 7/14/2017 *	4,783	0.87	AUD	8,670 Queensland Treasury Corp, Series 22, 6.000%, due 7/21/2022	7,444	1.35			12,246	2.23
	5,245 Nederlandse Waterschapsbank NV, 144A, 0.848%, due 2/14/2018 *	5,239	0.95	AUD	11,430 Queensland Treasury Corp, Series 25, 144A, 4.750%, due 7/21/2025	9,393	1.71	Portugal — 3.09%			
		16,882	3.07	AUD	11,600 Queensland Treasury Corp, Series 26, 144A, 3.250%, due 7/21/2026	8,436	1.54	EUR	925 Portugal Obrigacoes do Tesouro OT, 144A, 3.850%, due 4/15/2021	1,101	0.20
Supranational — 2.15%					40,495	7.37		EUR	12,580 Portugal Obrigacoes do Tesouro OT, 144A, 4.950%, due 10/25/2023	15,883	2.89
	3,620 Corp Andina de Fomento, 1.168%, due 1/29/2018 *	3,610	0.66	Brazil — 4.19%						16,984	3.09
	8,250 European Investment Bank, 144A, 0.687%, due 10/9/2018 *	8,214	1.49	BRL	1,020 Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2021	210	0.04	South Africa — 3.07%			
		11,824	2.15	BRL	31,965 Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2023	6,181	1.13	ZAR	55,550 South Africa Government Bond, Series R208, 6.750%, due 3/31/2021	3,174	0.58
United Kingdom — 0.78%				BRL	90,580 Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2025	16,608	3.02	ZAR	229,070 South Africa Government Bond, Series R214, 6.500%, due 2/28/2041	9,796	1.78
	4,295 Barclays Bank Plc, 1.017%, due 12/9/2016 *	4,290	0.78			22,999	4.19	ZAR	70,605 South Africa Government Bond, Series 2048, 8.750%, due 2/28/2048	3,872	0.71
United States — 8.72%				Hungary — 4.15%						16,842	3.07
	785 Anadarko Finance Co, Series B, 7.500%, due 5/1/2031	704	0.13	HUF	160,000 Hungary Government Bond, Series 20/A, 7.500%, due 11/12/2020	693	0.13	South Korea — 1.69%			
	290 Anadarko Petroleum Corp, 6.450%, due 9/15/2036	241	0.04	HUF	540,000 Hungary Government Bond, Series 22/A, 7.000%, due 6/24/2022	2,378	0.43		1,145 Export-Import Bank of Korea, 1.374%, due 1/14/2017 *	1,147	0.21
	235 Anadarko Petroleum Corp, 4.500%, due 7/15/2044	161	0.03	HUF	3,400,000 Hungary Government Bond, Series 23/A, 6.000%, due 11/24/2023	14,570	2.65		4,230 Export-Import Bank of Korea, 144A, 1.218%, due 5/12/2017 *	4,222	0.77
				HUF	1,220,000 Hungary Government Bond, Series 25/B, 5.500%, due 6/24/2025	5,127	0.94				
						22,768	4.15				

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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 29, 2016 – (continued)

Face Value (000's)	Value (000's)	% of Net Asset Value
Government Bonds and Notes — (continued)		
South Korea — (continued)		
3,940 Export-Import Bank of Korea, 144A, 1.243%, due 8/14/2017 *	3,933	0.71
	9,302	1.69
United States — 16.17%		
1,740 Municipal Electric Authority of Georgia, 6.655%, due 4/1/2057	2,077	0.38
9,790 United States Treasury Note/Bond, 2.875%, due 5/15/2043	10,357	1.88
64,080 United States Treasury Note/Bond, 2.500%, due 2/15/2045	62,428	11.37
12,900 United States Treasury Note/Bond, 3.000%, due 11/15/2045	13,937	2.54
	88,799	16.17
Total Government Bonds and Notes (Cost \$442,255)	393,918	71.74

Face Value (000's)	Value (000's)	% of Net Asset Value
Collective Investment Schemes — 5.62%		
30,841 Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	30,841	5.62
Total Collective Investment Schemes (Cost \$30,841)	30,841	5.62
Total Investments (Cost \$592,737)	541,555	98.63
Other Assets in Excess of Liabilities	7,516	1.37
Total Net Assets	\$549,071	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 29, 2016, these securities amounted to \$87,107,000 or 15.85% of net assets.

* Variable rate security. The interest rate shown reflects the rate in effect at February 29, 2016.

ABBREVIATIONS:	
AUD	– Australian Dollar
BRL	– Brazilian Real
EUR	– Euro
HUF	– Hungarian Forint
IDR	– Indonesian Rupiah
MXN	– Mexican Peso
MYR	– Malaysian Ringgit
NZD	– New Zealand Dollar
PLN	– Polish Zloty
ZAR	– South Africa Rand

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	92.45
Collective investment schemes	5.58
Financial derivative instruments	0.91
Other assets	1.06
Total Assets	100.00

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/03/16	Citigroup	Buy JPY 3,404,000	Sell USD 27,789	\$ 2,404
03/09/16	BNY Mellon	Buy NZD 2,916	Sell AUD 2,715	(17)
03/09/16	BNY Mellon	Buy GBP 1	Sell AUD 2	–
03/09/16	BNY Mellon	Buy EUR 71	Sell AUD 110	(2)
03/09/16	BNY Mellon	Buy USD 27	Sell AUD 38	–
03/09/16	BNY Mellon	Buy GBP 1	Sell CAD 2	–
03/09/16	BNY Mellon	Buy NZD 3,274	Sell CAD 3,005	(66)
03/09/16	BNY Mellon	Buy EUR 79	Sell CAD 122	(4)
03/09/16	BNY Mellon	Buy USD 31	Sell CAD 42	(1)
03/09/16	BNY Mellon	Buy GBP –	Sell CHF –	–
03/09/16	BNY Mellon	Buy USD 4	Sell CHF 4	–
03/09/16	BNY Mellon	Buy EUR 11	Sell CHF 12	–
03/09/16	BNY Mellon	Buy NZD 1	Sell CHF –	–
03/09/16	BNY Mellon	Buy NZD 461	Sell CHF 305	(2)
03/09/16	BNY Mellon	Buy EUR 25	Sell DKK 186	–
03/09/16	BNY Mellon	Buy NZD 1,029	Sell DKK 4,576	10
03/09/16	BNY Mellon	Buy USD 10	Sell DKK 64	–
03/09/16	BNY Mellon	Buy GBP –	Sell DKK 3	–
03/09/16	BNY Mellon	Buy NOK 1	Sell EUR –	–
03/09/16	BNY Mellon	Buy MYR 1	Sell EUR –	–
03/09/16	BNY Mellon	Buy SEK 1	Sell EUR –	–
03/09/16	BNY Mellon	Buy GBP 19	Sell EUR 25	–
03/09/16	BNY Mellon	Buy MXN 5	Sell EUR –	–
03/09/16	BNY Mellon	Buy JPY 850	Sell EUR 7	–
03/09/16	BNY Mellon	Buy NZD 66,283	Sell EUR 39,496	671
03/09/16	BNY Mellon	Buy CHF –	Sell EUR –	–
03/09/16	BNY Mellon	Buy CAD 1	Sell EUR –	–
03/09/16	BNY Mellon	Buy ZAR 2	Sell EUR –	–
03/09/16	BNY Mellon	Buy AUD 1	Sell EUR –	–
03/09/16	BNY Mellon	Buy SGD –	Sell EUR –	–
03/09/16	BNY Mellon	Buy DKK 1	Sell EUR –	–
03/09/16	BNY Mellon	Buy PLN 1	Sell EUR –	–
03/09/16	BNY Mellon	Buy USD 627	Sell EUR 560	18
03/09/16	BNY Mellon	Buy MYR –	Sell GBP –	–
03/09/16	BNY Mellon	Buy ZAR –	Sell GBP –	–
03/09/16	BNY Mellon	Buy CHF –	Sell GBP –	–
03/09/16	BNY Mellon	Buy NOK –	Sell GBP –	–
03/09/16	BNY Mellon	Buy CAD –	Sell GBP –	–
03/09/16	BNY Mellon	Buy EUR 316	Sell GBP 243	6
03/09/16	BNY Mellon	Buy JPY 4	Sell GBP –	–
03/09/16	BNY Mellon	Buy SEK –	Sell GBP –	–
03/09/16	BNY Mellon	Buy DKK –	Sell GBP –	–
03/09/16	BNY Mellon	Buy MXN –	Sell GBP –	–
03/09/16	BNY Mellon	Buy AUD –	Sell GBP –	–
03/09/16	BNY Mellon	Buy NZD 13,051	Sell GBP 5,986	263
03/09/16	BNY Mellon	Buy USD 121	Sell GBP 83	5

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Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^]

Portfolio of Investments as at February 29, 2016 – (continued)

Schedule of Forward Foreign Currency Contracts – (continued)

Expiration Date	Counterparty	Buy Currency (000's)		Sell Currency (000's)		Unrealised Appreciation/ (Depreciation) of Contracts (000's)	
03/09/16	BNY Mellon	Buy	SGD	–	Sell	GBP	–
03/09/16	BNY Mellon	Buy	PLN	–	Sell	GBP	–
03/09/16	BNY Mellon	Buy	EUR	1,113	Sell	JPY	145,540
03/09/16	BNY Mellon	Buy	USD	427	Sell	JPY	49,839
03/09/16	BNY Mellon	Buy	NZD	45,951	Sell	JPY	3,580,398
03/09/16	BNY Mellon	Buy	GBP	12	Sell	JPY	2,086
03/09/16	BNY Mellon	Buy	NZD	1,553	Sell	MXN	19,004
03/09/16	BNY Mellon	Buy	USD	15	Sell	MXN	264
03/09/16	BNY Mellon	Buy	GBP	–	Sell	MXN	11
03/09/16	BNY Mellon	Buy	EUR	38	Sell	MXN	772
03/09/16	BNY Mellon	Buy	GBP	–	Sell	MYR	1
03/09/16	BNY Mellon	Buy	NZD	776	Sell	MYR	2,147
03/09/16	BNY Mellon	Buy	EUR	19	Sell	MYR	87
03/09/16	BNY Mellon	Buy	USD	7	Sell	MYR	30
03/09/16	BNY Mellon	Buy	NZD	462	Sell	NOK	2,621
03/09/16	BNY Mellon	Buy	EUR	11	Sell	NOK	107
03/09/16	BNY Mellon	Buy	USD	4	Sell	NOK	36
03/09/16	BNY Mellon	Buy	GBP	–	Sell	NOK	2
03/09/16	BNY Mellon	Buy	MXN	–	Sell	NZD	–
03/09/16	BNY Mellon	Buy	USD	1	Sell	NZD	1
03/09/16	BNY Mellon	Buy	SGD	–	Sell	NZD	–
03/09/16	BNY Mellon	Buy	AUD	–	Sell	NZD	–
03/09/16	BNY Mellon	Buy	PLN	–	Sell	NZD	–
03/09/16	BNY Mellon	Buy	DKK	–	Sell	NZD	–
03/09/16	BNY Mellon	Buy	JPY	62	Sell	NZD	1
03/09/16	BNY Mellon	Buy	SEK	–	Sell	NZD	–
03/09/16	BNY Mellon	Buy	GBP	–	Sell	NZD	–
03/09/16	BNY Mellon	Buy	PLN	–	Sell	NZD	–
03/09/16	BNY Mellon	Buy	DKK	–	Sell	NZD	–
03/09/16	BNY Mellon	Buy	MYR	–	Sell	NZD	–
03/09/16	BNY Mellon	Buy	CHF	–	Sell	NZD	–
03/09/16	BNY Mellon	Buy	NOK	–	Sell	NZD	–
03/09/16	BNY Mellon	Buy	NOK	–	Sell	NZD	–
03/09/16	BNY Mellon	Buy	CAD	–	Sell	NZD	–
03/09/16	BNY Mellon	Buy	ZAR	–	Sell	NZD	–
03/09/16	BNY Mellon	Buy	EUR	–	Sell	NZD	–
03/09/16	BNY Mellon	Buy	EUR	1	Sell	NZD	1
03/09/16	BNY Mellon	Buy	EUR	22	Sell	PLN	97
03/09/16	BNY Mellon	Buy	USD	8	Sell	PLN	33
03/09/16	BNY Mellon	Buy	NZD	1	Sell	PLN	4
03/09/16	BNY Mellon	Buy	GBP	–	Sell	PLN	1
03/09/16	BNY Mellon	Buy	NZD	901	Sell	PLN	2,376
03/09/16	BNY Mellon	Buy	NZD	797	Sell	SEK	4,474
03/09/16	BNY Mellon	Buy	USD	7	Sell	SEK	62
03/09/16	BNY Mellon	Buy	GBP	–	Sell	SEK	3
03/09/16	BNY Mellon	Buy	EUR	19	Sell	SEK	182
03/09/16	BNY Mellon	Buy	NZD	587	Sell	SGD	548
03/09/16	BNY Mellon	Buy	USD	5	Sell	SGD	8
03/09/16	BNY Mellon	Buy	NZD	1	Sell	SGD	1
03/09/16	BNY Mellon	Buy	GBP	–	Sell	SGD	–
03/09/16	BNY Mellon	Buy	EUR	14	Sell	SGD	22
03/09/16	BNY Mellon	Buy	GBP	19	Sell	USD	27
03/09/16	BNY Mellon	Buy	NZD	107	Sell	USD	70
03/09/16	BNY Mellon	Buy	NZD	70,960	Sell	USD	47,405
03/09/16	BNY Mellon	Buy	EUR	1,721	Sell	USD	1,928
03/09/16	BNY Mellon	Buy	NZD	1	Sell	ZAR	11
03/09/16	BNY Mellon	Buy	USD	6	Sell	ZAR	100
03/09/16	BNY Mellon	Buy	NZD	670	Sell	ZAR	7,159
03/09/16	BNY Mellon	Buy	GBP	–	Sell	ZAR	4
03/09/16	BNY Mellon	Buy	EUR	16	Sell	ZAR	291
03/09/16	HSBC	Buy	CLP	1,700,000	Sell	USD	2,415
03/15/16	BNY Mellon	Buy	USD	2	Sell	EUR	2
03/15/16	BNY Mellon	Buy	GBP	1	Sell	USD	1
03/15/16	BNY Mellon	Buy	EUR	742	Sell	USD	832
03/16/16	Barclays Capital	Buy	INR	1,851,000	Sell	USD	27,363
04/20/16	HSBC	Buy	NOK	141,200	Sell	USD	16,050
04/21/16	HSBC	Buy	SEK	106,400	Sell	USD	12,413
05/11/16	Citigroup	Buy	USD	11,548	Sell	EUR	10,290
05/16/16	HSBC	Buy	CLP	5,055,000	Sell	USD	6,839
05/19/16	HSBC	Buy	SEK	145,000	Sell	USD	17,007
05/27/16	HSBC	Buy	CLP	3,523,000	Sell	USD	4,835

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Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^]

Portfolio of Investments as at February 29, 2016 – (continued)

Schedule of Forward Foreign Currency Contracts – (continued)

		Buy Currency (000's)				Sell Currency (000's)				Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Expiration Date	Counterparty									
06/13/16	HSBC	Buy	CLP	13,980,000	Sell	USD	19,292	\$	543	
06/24/16	HSBC	Buy	CLP	2,615,000	Sell	USD	3,719		(13)	
Unrealised Appreciation of Forward Foreign Currency Contracts									5,014	
Unrealised Depreciation of Forward Foreign Currency Contracts									(2,894)	
Net Appreciation of Forward Foreign Currency Contracts									\$ 2,120	

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Collateralised Mortgage-Backed Obligations	4,797	1.57	U.S. Corporate Bonds and Notes	7,725	2.53	U.S. Government Agency Obligations	2,322	0.76
Foreign Government Bonds and Notes	193,964	63.52	Banks	6,808	2.23	U.S. Treasury Obligations	36,661	12.01
Australia Government Issues	22,122	7.24	Software	917	0.30	Collective Investment Schemes	9,013	2.95
Brazil Government Issues	13,276	4.35	U.S. Denominated Bonds and Notes	35,638	11.67	Other Assets in Excess of Liabilities	7,130	2.33
Hungary Government Issues	10,696	3.50	Australia	4,138	1.35	Total Net Assets	\$305,363	100.00
Indonesia Government Issues	14,043	4.60	Germany	3,836	1.26	Forward Contracts – February 28, 2015		(000's)
Italy Government Issues	17,306	5.67	Multi-National	3,637	1.19	Unrealised Appreciation of Forward Foreign Currency Contracts		7,308
Malaysia Government Issues	5,415	1.77	Netherlands	12,207	4.00	Unrealised Depreciation of Forward Foreign Currency Contracts		(398)
Mexico Government Issues	42,376	13.88	South Korea	9,317	3.05	Net Appreciation of Forward Foreign Currency Contracts		\$6,910
New Zealand Government Issues	10,642	3.49	United Kingdom	2,503	0.82			
Poland Government Issues	6,701	2.19	U.S. Denominated Debt Obligations	8,113	2.66			
Portugal Government Issues	9,509	3.11	Norway	8,113	2.66			
South Africa Government Issues	13,488	4.42						
South Korea Government Issues	12,788	4.19						
United Kingdom Government Issues	15,602	5.11						

* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

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Portfolio of Investments as at February 29, 2016

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty		Buy Currency (000's)			Sell Currency (000's)			Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/03/16	Citigroup	Buy	USD	43,465	Sell	JPY	5,324,000	\$	(3,758)
03/03/16	HSBC	Buy	JPY	24,100,000	Sell	USD	204,703		9,060
03/09/16	BNY Mellon	Buy	GBP	460	Sell	AUD	895		3
03/09/16	BNY Mellon	Buy	GBP	9,666	Sell	AUD	19,638		(556)
03/09/16	BNY Mellon	Buy	GBP	11,454	Sell	CAD	22,882		(968)
03/09/16	BNY Mellon	Buy	GBP	3,169	Sell	CHF	4,586		(184)
03/09/16	BNY Mellon	Buy	GBP	151	Sell	CHF	208		1
03/09/16	BNY Mellon	Buy	GBP	3,486	Sell	DKK	33,844		(85)
03/09/16	BNY Mellon	Buy	GBP	167	Sell	DKK	1,570		2
03/09/16	BNY Mellon	Buy	GBP	10,490	Sell	EUR	13,280		152
03/09/16	BNY Mellon	Buy	GBP	220,106	Sell	EUR	286,195		(5,061)
03/09/16	BNY Mellon	Buy	GBP	332	Sell	HKD	3,757		(21)
03/09/16	BNY Mellon	Buy	GBP	158,463	Sell	JPY	26,959,061		(18,609)
03/09/16	BNY Mellon	Buy	GBP	7,553	Sell	JPY	1,182,650		21

The accompanying notes are an integral part of the Financial Statements

Legg Mason Brandywine Global Sovereign Credit Fund[^]

Portfolio of Investments as at February 29, 2016 – (continued)

Schedule of Forward Foreign Currency Contracts – (continued)

Expiration Date	Counterparty		Buy Currency (000's)			Sell Currency (000's)		Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/09/16	BNY Mellon	Buy	GBP	76	Sell	NOK	911	\$ –
03/09/16	BNY Mellon	Buy	GBP	1,585	Sell	NOK	19,660	(52)
03/09/16	BNY Mellon	Buy	GBP	48	Sell	NZD	101	–
03/09/16	BNY Mellon	Buy	GBP	1,447	Sell	NZD	3,153	(64)
03/09/16	BNY Mellon	Buy	GBP	128	Sell	SEK	1,520	–
03/09/16	BNY Mellon	Buy	GBP	2,694	Sell	SEK	32,929	(98)
03/09/16	BNY Mellon	Buy	GBP	2,251	Sell	SGD	4,592	(133)
03/09/16	BNY Mellon	Buy	GBP	74	Sell	SGD	145	–
03/09/16	BNY Mellon	Buy	GBP	166,016	Sell	USD	241,410	(10,330)
03/16/16	Barclays Capital	Buy	INR	7,040,000	Sell	USD	104,071	(1,409)
04/07/16	HSBC	Buy	COP	301,800,000	Sell	USD	94,936	(3,735)
04/12/16	HSBC	Buy	USD	205,246	Sell	KRW	248,540,000	4,955
04/20/16	HSBC	Buy	NOK	595,300	Sell	USD	67,669	715
04/21/16	HSBC	Buy	SEK	356,200	Sell	USD	41,556	133
04/22/16	Citigroup	Buy	MYR	134,460	Sell	USD	30,564	1,459
05/05/16	UBS	Buy	BRL	167,790	Sell	USD	40,810	222
05/11/16	Citigroup	Buy	USD	173,893	Sell	EUR	154,950	4,946
05/16/16	HSBC	Buy	CLP	35,162,000	Sell	USD	47,574	2,472
05/18/16	HSBC	Buy	USD	98,839	Sell	SGD	137,800	1,039
05/18/16	Morgan Stanley	Buy	AUD	112,630	Sell	USD	79,384	715
05/19/16	HSBC	Buy	SEK	689,000	Sell	USD	80,812	(83)
05/27/16	HSBC	Buy	CLP	32,219,000	Sell	USD	44,217	1,581
Unrealised Appreciation of Forward Foreign Currency Contracts								27,476
Unrealised Depreciation of Forward Foreign Currency Contracts								(45,146)
Net Depreciation of Forward Foreign Currency Contracts								\$ (17,670)

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Schedule of Forward Contracts – February 28, 2015	(000's)
Foreign Government Bonds and Notes	1,517,378	74.79	U.S. Denominated Debt Obligations	32,063	1.58	Unrealised Appreciation of Forward Foreign Currency Contracts	50,236
Australia Government Issues	71,040	3.50	Colombia	32,063	1.58	Unrealised Depreciation of Forward Foreign Currency Contracts	(25,280)
Brazil Government Issues	216,280	10.66	U.S. Treasury Obligations	332,370	16.39	Net Appreciation of Forward Foreign Currency Contracts	\$ 24,956
Hungary Government Issues	74,456	3.67	Collective Investment Schemes	93,775	4.62		
Indonesia Government Issues	143,349	7.07					
Italy Government Issues	59,619	2.94	Other Assets in Excess of Liabilities	53,192	2.62		
Malaysia Government Issues	72,215	3.56	Total Net Assets	\$2,028,778	100.00		
Mexico Government Issues	277,298	13.67					
New Zealand Government Issues	100,279	4.94					
Poland Government Issues	100,143	4.94					
Portugal Government Issues	86,312	4.25					
South Africa Government Issues	138,420	6.82					
South Korea Government Issues	177,967	8.77					

* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

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Legg Mason Brandywine Global Income Optimiser Fund[^]

Portfolio of Investments as at February 29, 2016

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				
Mortgage-Backed Securities — 8.89%				Luxembourg — 1.53%				Government Bonds and Notes — 32.50%							
GBP	200	Alba 2007-1 Plc, Series 2007 1, Class D, 1.085%, due 3/17/2039 *	196	0.51	EUR	570	Altice Luxembourg SA, 7.250%, due 5/15/2022	591	1.53	Australia — 5.14%					
GBP	333	Auburn Securities 5 Plc 5, Class A2, 0.826%, due 12/1/2041 *	440	1.14	United Kingdom — 6.83%				AUD	1,785	Australia Government Bond, Series 137, 2.750%, due 4/21/2024	1,317	3.42		
	530	Banc of America Commercial Mortgage Trust 2007-3, Series 2007 3, Class B, 5.566%, due 6/10/2049 *	522	1.36		275	Abbey National Treasury Services Plc/United Kingdom, 1.013%, due 9/29/2017 *	273	0.71	AUD	870	Australia Government Bond, Series 138, 3.250%, due 4/21/2029	663	1.72	
	189	Bayview Commercial Asset Trust 2006-1, Series 2006 1A, Class A2, 144A, 0.796%, due 4/25/2036 *	159	0.41	GBP	200	Barclays Plc, 7.875%, Perpetual *	234	0.61				1,980	5.14	
	15	JP Morgan Chase Commercial Mortgage Securities Trust 2007-LDP12, Series 2007 LD12, Class AM, 6.010%, due 2/15/2051 *	16	0.04	GBP	310	Boparan Finance Plc, 5.250%, due 7/15/2019	397	1.03	Canada — 2.82%					
EUR	120	Magellan Mortgages No2 Plc 2, Class B, 0.957%, due 7/18/2036 *	106	0.27	GBP	255	CPUK Finance Ltd, 7.000%, due 8/28/2020	358	0.93	CAD	1,345	Canadian Government Bond, 2.250%, due 6/1/2025	1,088	2.82	
EUR	98	RMAC Securities No 1 Plc, Series 2007 NS1X, Class M2C, 0.345%, due 6/12/2044 *	77	0.20	EUR	250	Interoute Finco Plc, 7.375%, due 10/15/2020	282	0.73	Italy — 1.59%					
EUR	1,378	Rural Hipotecario I Fondo De Titulizacion Hipotecaria 9, Class A2, 0.000%, due 2/17/2050 *	1,461	3.79	GBP	510	Virgin Media Secured Finance Plc, 4.875%, due 1/15/2027	634	1.65	EUR	555	Italy Buoni Poliennali Del Tesoro, 1.500%, due 6/1/2025	613	1.59	
EUR	216	TDA 24 FTA 24, Class A1, 0.000%, due 6/22/2040 *	224	0.58	EUR	400	Viridian Group FundCo II Ltd, 7.500%, due 3/1/2020	453	1.17	New Zealand — 6.40%					
EUR	100	TDA CAM 2 FTA 2, Class B, 0.548%, due 10/26/2032 *	93	0.24				2,631	6.83	NZD	1,200	New Zealand Government Bond, Series 1217, 6.000%, due 12/15/2017	843	2.19	
	140	Wachovia Bank Commercial Mortgage Trust Series 2006-C26, Series 2006 C26, Class AJ, 6.038%, due 6/15/2045 *	135	0.35	United States — 30.27%				NZD	2,155	New Zealand Government Bond, Series 0427, 4.500%, due 4/15/2027	1,622	4.21		
Total Mortgage-Backed Securities (Cost \$3,811)				3,429	8.89	735	American Tower Corp, 4.400%, due 2/15/2026	751	1.95				2,465	6.40	
Corporate Bonds and Notes — 52.15%						280	Apple Inc, 4.500%, due 2/23/2036	292	0.76	United Kingdom — 12.11%					
Argentina — 0.45%						320	Apple Inc, 4.650%, due 2/23/2046	335	0.87	GBP	1,415	United Kingdom Gilt, 5.000%, due 3/7/2025	2,604	6.75	
BRL	750	Arcos Dorados Holdings Inc, 144A, 10.250%, due 7/13/2016	174	0.45	745	AT&T Inc, 4.750%, due 5/15/2046	680	1.76	GBP	1,185	United Kingdom Gilt, 3.500%, due 1/22/2045	2,065	5.36		
Belgium — 0.97%						770	Bank of America Corp, 4.200%, due 8/26/2024	771	2.00				4,669	12.11	
	350	Anheuser-Busch InBev Finance Inc, 4.900%, due 2/1/2046	375	0.97	405	Capsugel SA, 144A, 7.000%, due 5/15/2019	405	1.05	United States — 4.44%						
Brazil — 1.82%						545	Devon Energy Corp, 3.250%, due 5/15/2022	420	1.09	860	United States Treasury Note/ Bond, 2.000%, due 2/15/2025	880	2.28		
	800	JBS Investments GmbH, 144A, 7.250%, due 4/3/2024	700	1.82	350	DISH DBS Corp, 5.000%, due 3/15/2023	310	0.80	770	United States Treasury Note/ Bond, 3.000%, due 5/15/2045	831	2.16			
Croatia — 0.55%						130	Equinix Inc, 5.375%, due 4/1/2023	139	0.36				1,711	4.44	
	200	Agrokor dd, 144A, 8.875%, due 2/1/2020	210	0.55	385	Express Scripts Holding Co, 4.500%, due 2/25/2026	388	1.01	Total Government Bonds and Notes (Cost \$12,401)						
Ireland — 3.01%						EUR	120	Goodyear Dunlop Tires Europe BV, 3.750%, due 12/15/2023	132	0.34				12,526	32.50
	955	Fly Leasing Ltd, 6.750%, due 12/15/2020	916	2.38	410	Hess Corp, 8.125%, due 2/15/2019	426	1.11	Collective Investment Schemes — 3.43%						
EUR	250	Permanent TSB Plc, 8.625%, Perpetual *	245	0.63	710	Hexion Inc, 6.625%, due 4/15/2020	561	1.45	574	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	574	1.49			
			1,161	3.01	600	International Game Technology Plc, 144A, 6.250%, due 2/15/2022	567	1.47	30	SPDR S&P Oil & Gas Exploration & Production ETF	748	1.94	Total Collective Investment Schemes (Cost \$1,317)		
Italy — 3.62%						500	Iron Mountain Inc, 6.000%, due 8/15/2023	531	1.38				1,322	3.43	
EUR	300	Intesa Sanpaolo SpA, 7.000%, Perpetual *	302	0.78	220	Kellogg Co, 3.250%, due 4/1/2026	221	0.57	Total Investments (Cost \$39,193)						
	420	Telecom Italia Capital SA, 6.375%, due 11/15/2033	386	1.00	570	Lockheed Martin Corp, 3.550%, due 1/15/2026	597	1.55				37,379	96.97		
	770	Wind Acquisition Finance SA, 144A, 7.375%, due 4/23/2021	708	1.84	555	Marathon Oil Corp, 6.600%, due 10/1/2037	376	0.97	Other Assets in Excess of Liabilities						
			1,396	3.62	245	Qorvo Inc, 144A, 6.750%, due 12/1/2023	249	0.65				1,167	3.03		
Jamaica — 2.02%						655	QUALCOMM Inc, 4.800%, due 5/20/2045	604	1.57	Total Net Assets					
	1,000	Digicel Group Ltd, 144A, 8.250%, due 9/30/2020	780	2.02	1,000	Sprint Corp, 7.250%, due 9/15/2021	752	1.95				\$38,546	100.00		
Japan — 1.08%						690	T-Mobile USA Inc, 6.500%, due 1/15/2024	709	1.84	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 29, 2016, these securities amounted to \$4,768,000 or 12.38% of net assets.					
EUR	405	SoftBank Group Corp, 4.750%, due 7/30/2025	415	1.08	390	Triumph Group Inc, 5.250%, due 6/1/2022	312	0.81							
					400	Universal Health Services Inc, 144A, 4.750%, due 8/1/2022	400	1.04	*	Variable rate security. The interest rate shown reflects the rate in effect at February 29, 2016.					
					305	Vector Group Ltd, 7.750%, due 2/15/2021	325	0.84	ABBREVIATIONS:						
					400	WR Grace & Co-Conn, 144A, 5.125%, due 10/1/2021	416	1.08	ETF	– Exchange Traded Fund					
Total Corporate Bonds and Notes (Cost \$21,664)							11,669	30.27	Perpetual	– A bond with no maturity date. Perpetual bonds are not redeemable but pay a steady stream of interest					
							20,102	52.15	SPDR	– Standard & Poor's Depository Receipts					
									AUD	– Australian Dollar					
									BRL	– Brazilian Real					
									CAD	– Canadian Dollar					
									EUR	– Euro					
									GBP	– British Pound					

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Legg Mason Brandywine Global Income Optimiser Fund[^]

Portfolio of Investments as at February 29, 2016 – (continued)

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	86.87
Collective investment schemes	3.19
Financial derivative instruments	4.32
Other assets	5.62
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	Markit CDX.NA.HY, 5.000%	Sell	12/20/20	3,810	\$ (34)
Citigroup	Markit CDX.NA.IG, 1.000%	Sell	12/20/20	3,640	(12)
Citigroup	Markit iTraxx Europe, 5.000%	Sell	12/20/20	2,185	91
Citigroup	Markit iTraxx Europe, 1.000%	Sell	12/20/20	2,070	(9)
					\$ 36
Unrealised Appreciation of Credit Default Swaps					91
Unrealised Depreciation of Credit Default Swaps					(55)
Net Appreciation of Credit Default Swaps					\$ 36

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/03/16	JP Morgan	Buy USD 1,531	Sell JPY 177,000	\$ (39)
03/03/16	JP Morgan	Buy JPY 177,000	Sell USD 1,505	65
03/09/16	Citigroup	Buy CAD 1,350	Sell USD 977	21
03/09/16	JP Morgan	Buy CAD 1,320	Sell USD 962	13
03/09/16	Morgan Stanley	Buy USD 3,929	Sell CAD 5,535	(162)
03/14/16	Barclays Capital	Buy USD 1,864	Sell GBP 1,315	33
03/14/16	HSBC	Buy USD 11,994	Sell GBP 7,976	892
03/14/16	JP Morgan	Buy GBP 820	Sell USD 1,193	(51)
03/14/16	Morgan Stanley	Buy USD 782	Sell GBP 535	38
03/14/16	UBS	Buy GBP 4,050	Sell USD 5,801	(163)
03/15/16	BNY Mellon	Buy USD 105	Sell EUR 93	3
03/15/16	BNY Mellon	Buy USD 2,481	Sell GBP 1,709	104
03/15/16	BNY Mellon	Buy USD 97	Sell GBP 70	–
03/15/16	BNY Mellon	Buy GBP 11,201	Sell USD 16,318	(728)
03/15/16	BNY Mellon	Buy EUR 13,232	Sell USD 14,824	(424)
03/15/16	BNY Mellon	Buy SGD 48	Sell USD 34	–
03/15/16	BNY Mellon	Buy SEK 55,390	Sell USD 6,602	(129)
03/21/16	Barclays Capital	Buy HUF 482,235	Sell USD 1,668	24
03/21/16	HSBC	Buy USD 2,121	Sell HUF 613,500	(30)
03/21/16	Morgan Stanley	Buy USD 110	Sell HUF 32,000	(2)
03/21/16	Morgan Stanley	Buy HUF 163,265	Sell USD 567	5
04/12/16	HSBC	Buy USD 741	Sell KRW 900,000	16
04/12/16	HSBC	Buy USD 702	Sell MXN 12,805	(1)
04/12/16	HSBC	Buy MXN 12,805	Sell USD 710	(6)
04/12/16	HSBC	Buy KRW 415,000	Sell USD 336	(2)
05/05/16	Barclays Capital	Buy USD 175	Sell BRL 720	(1)
05/11/16	Citigroup	Buy USD 14,320	Sell EUR 12,760	407
05/11/16	HSBC	Buy EUR 1,180	Sell USD 1,336	(50)
05/11/16	JP Morgan	Buy EUR 320	Sell USD 356	(7)
05/11/16	UBS	Buy EUR 6,420	Sell USD 7,138	(138)
05/17/16	JP Morgan	Buy USD 4,638	Sell NZD 6,970	67
05/17/16	JP Morgan	Buy NZD 1,145	Sell USD 755	(4)
05/17/16	National Australia Bank	Buy NZD 2,190	Sell USD 1,444	(8)
05/18/16	Citigroup	Buy SGD 525	Sell USD 372	–
05/18/16	HSBC	Buy USD 775	Sell SGD 1,080	8
05/18/16	HSBC	Buy AUD 2,465	Sell USD 1,753	–
05/18/16	Morgan Stanley	Buy USD 3,619	Sell AUD 5,135	(33)
07/19/16	HSBC	Buy USD 751	Sell TWD 25,400	(15)
07/19/16	HSBC	Buy TWD 12,000	Sell USD 358	4
Unrealised Appreciation of Forward Foreign Currency Contracts				1,700
Unrealised Depreciation of Forward Foreign Currency Contracts				(1,993)
Net Depreciation of Forward Foreign Currency Contracts				\$ (293)

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Legg Mason Brandywine Global Income Optimiser Fund[^]

Portfolio of Investments as at February 29, 2016 – (continued)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
U.S. Long Bond (CBT) June 2016	25	\$ 4,113	\$ (34)
Total Market Value of Futures Contracts	25	\$ 4,113	\$ (34)
Unrealised Appreciation of Futures Contracts			–
Unrealised Depreciation of Futures Contracts			(34)
Net Depreciation of Futures Contracts			\$ (34)

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Collateralised Mortgage-Backed Obligations	8,420	10.87	U.S. Corporate Bonds and Notes	23,039	29.74	Collective Investment Schemes	5,356	6.91
Foreign Corporate Bonds and Notes	10,831	13.98	Aerospace/Defense	2,279	2.94	Other Assets in Excess of Liabilities	2,343	3.02
Building Materials	1,019	1.32	Agriculture	1,618	2.09	Total Net Assets	\$77,469	100.00
Electric	1,501	1.94	Banks	3,410	4.40	Credit Default Swaps – February 28, 2015		(000's)
Financials – Diversified	748	0.96	Beverages	1,083	1.40	Unrealised Appreciation of Credit Default Swaps		–
Food	2,008	2.59	Building Materials	1,314	1.69	Unrealised Depreciation of Credit Default Swaps		(356)
Healthcare-Services	581	0.75	Chemicals	1,710	2.21	Net Depreciation of Credit Default Swaps		\$(356)
Internet	786	1.01	Financials – Diversified	4,531	5.85	Forward Contracts – February 28, 2015		
Multi-National	299	0.38	Food	422	0.54	Unrealised Appreciation of Forward Foreign Currency Contracts		898
Retail	1,089	1.41	Oil & Gas	3,284	4.24	Unrealised Depreciation of Forward Foreign Currency Contracts		(341)
Telecommunications	2,800	3.62	Pharmaceuticals	493	0.64	Net Appreciation of Forward Foreign Currency Contracts		\$ 557
Foreign Government Bonds and Notes	11,974	15.46	Software	395	0.51			
Australia Government Issues	1,495	1.93	Telecommunications	2,500	3.23			
Indonesia Government Issues	1,831	2.36	U.S. Denominated Bonds and Notes	15,506	20.02			
Ireland Government Issues	1,432	1.85	Australia	1,305	1.69			
Italy Government Issues	1,997	2.58	Austria	1,734	2.24			
Mexico Government Issues	3,603	4.65	Barbados	998	1.29			
New Zealand Government Issues	1,616	2.09	Bermuda	2,884	3.72			
			Cayman Islands	1,346	1.74			
			Croatia	219	0.28			
			Jersey	751	0.97			
			Luxembourg	1,811	2.34			
			Malaysia	199	0.26			
			Mexico	1,784	2.30			
			Panama	669	0.86			
			United Kingdom	1,806	2.33			

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Legg Mason Brandywine Global Credit Opportunities Fund[^]

Portfolio of Investments as at February 29, 2016

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 — 7.22%				3,439	LSTAR Securities Investment Trust 2015-7, Series 2015 7, Class A, 144A, 2.439%, due 7/1/2020 *	3,380	3.96	United Kingdom — 6.06%			
384	Accredited Mortgage Loan Trust 2006-2, Series 2006 2, Class A3, 0.586%, due 9/25/2036 *	379	0.44	EUR 2,687	Lusitano Mortgages No6 Ltd 6, Class A, 0.072%, due 3/15/2060 *	2,360	2.77	GBP 2,320	United Kingdom Gilt, 5.000%, due 3/7/2025	4,270	5.01
1,298	Morgan Stanley Dean Witter Capital I Inc Trust 2003-NC1, Series 2003 NC1, Class M1, 2.011%, due 11/25/2032 *	1,233	1.45	EUR 2,855	Magellan Mortgages No4 Plc 4, Class A, 0.138%, due 7/20/2059 *	2,477	2.90	GBP 610	United Kingdom Gilt, 2.000%, due 9/7/2025	899	1.05
1,890	Option One Mortgage Loan Trust 2005-4 Asset-Backed Certificates Series 2005-4, Series 2005 4, Class M1, 0.876%, due 11/25/2035 *	1,763	2.07	EUR 2,939	Newgate Funding 2006-2, Series 2006 2, Class CB, 0.298%, due 12/1/2050 *	2,403	2.82			5,169	6.06
404	RASC Series 2006-KS1 Trust, Series 2006 KS1, Class A4, 0.736%, due 2/25/2036 *	398	0.47	EUR 3,452	RMAC Securities No 1 Plc, Series 2006 NS4X, Class B1C, 0.725%, due 6/12/2044 *	2,824	3.31	United States — 2.98%			
2,479	VOLT XXXIII LLC, Series 2015 NPL5, Class A2, 144A, 4.250%, due 3/25/2055	2,379	2.79	EUR 902	RMAC Securities No 1 Plc, Series 2006 NS1X, Class B1C, 0.755%, due 6/12/2044 *	764	0.90	845	United States Treasury Bill, zero coupon, due 3/10/2016	845	0.99
Total Asset-Backed Securities (Cost \$6,252)				EUR 300	TDA 16-Mixto Fondo de Titulizacion de Activos 16, Class B1, 0.519%, due 3/22/2035 *	271	0.32	1,700	United States Treasury Bill, zero coupon, due 5/19/2016	1,699	1.99
Mortgage-Backed Securities — 51.00%				EUR 405	TDA 24 FTA 24, Class A1, 0.000%, due 6/22/2040 *	419	0.49			2,544	2.98
GBP 900	Alba 2007-1 Plc, Series 2007 1, Class D, 1.085%, due 3/17/2039 *	880	1.03	EUR 3,000	TDA CAM 4 FTA 4, Class B, 0.109%, due 6/26/2039 *	2,542	2.98	Total Government Bonds and Notes (Cost \$9,178)			
EUR 1,062	BBVA RMBS 2 FTA, Series 2007 2, Class A2, 0.008%, due 9/17/2050 *	1,100	1.29	EUR 4,298	TDA CAM 5 FTA 5, Class A, 0.000%, due 10/26/2043 *	4,387	5.15	Collective Investment Schemes — 9.01%			
4,050	Citigroup Commercial Mortgage Trust 2007-C6, Series 2007 C6, Class AJFX, 144A, 5.714%, due 7/10/2017 *	3,345	3.92	EUR 4,443	TDA CAM 7 FTA 7, Class A2, 0.000%, due 2/26/2049 *	4,543	5.33	7,685	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	7,685	9.01
1,000	Fannie Mae Connecticut Avenue Securities, Series 2014 C03, Class 2M2, 3.336%, due 7/25/2024 *	869	1.02	EUR 973	TDA CAM 8 FTA 8, Class A, 0.000%, due 2/26/2049 *	964	1.13	Total Collective Investment Schemes (Cost \$7,685)			
250	Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2014 DN2, Class M3, 4.036%, due 4/25/2024 *	222	0.26	EUR 2,033	TDA CAM 9 FTA 9, Class A3, 0.042%, due 4/28/2050 *	1,871	2.19	Total Investments (Cost \$71,775)			
EUR 100	GAMMA Sociedade de Titularizacao de Creditos SA/ Atlantes Mortgage Plc 1, Class B, 1.157%, due 1/17/2036 *	92	0.11	2,250	Wachovia Bank Commercial Mortgage Trust Series 2006-C27, Series 2006 C27, Class AJ, 5.825%, due 7/15/2045 *	2,191	2.57	Other Assets in Excess of Liabilities			
EUR 378	Hipocat 8 FTA, Series HIPO 8, Class B, 0.032%, due 3/15/2038 *	320	0.38	1,285	Wachovia Bank Commercial Mortgage Trust Series 2006-C29, Series 2006 C29, Class AJ, 5.368%, due 11/15/2048 *	1,251	1.47	Total Net Assets			
EUR 2,508	Kildare Securities Ltd, Series 2007 1, Class A3, 0.084%, due 12/10/2043 *	2,546	2.99	Total Mortgage-Backed Securities (Cost \$48,660)							
EUR 1,723	Landmark Mortgage Securities No 2 Plc 2, Class BC, 0.468%, due 6/17/2039 *	1,460	1.71	Government Bonds and Notes — 10.71%							
				New Zealand — 1.67%							
				NZD 1,890	New Zealand Government Bond, Series 0427, 4.500%, due 4/15/2027	1,423	1.67				

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%	Sell	12/20/20	4,250	\$ (38)
Citigroup	Markit CDX.NA.IG, 1.000%	Sell	12/20/20	4,100	(14)
Citigroup	Markit iTraxx Europe, 1.000%	Sell	12/20/20	3,795	(16)
Citigroup	Markit iTraxx Europe, 5.000%	Sell	12/20/20	7,555	316
					\$ 248
Unrealised Appreciation of Credit Default Swaps					316
Unrealised Depreciation of Credit Default Swaps					(68)
Net Appreciation of Credit Default Swaps					\$ 248

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Portfolio of Investments as at February 29, 2016 – (continued)

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)		Sell Currency (000's)		Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/01/16	HSBC	Buy	USD 1,600	Sell	EUR 1,464	\$ 7
03/14/16	Barclays Capital	Buy	USD 2,225	Sell	GBP 1,570	40
03/14/16	Citigroup	Buy	USD 907	Sell	GBP 630	30
03/14/16	HSBC	Buy	USD 3,228	Sell	GBP 2,190	180
03/15/16	BNY Mellon	Buy	USD 9	Sell	GBP 7	–
03/15/16	BNY Mellon	Buy	GBP 5,303	Sell	USD 7,726	(345)
03/15/16	BNY Mellon	Buy	EUR 2,256	Sell	USD 2,529	(72)
03/21/16	Barclays Capital	Buy	HUF 578,570	Sell	USD 2,001	28
03/21/16	HSBC	Buy	USD 2,144	Sell	HUF 620,000	(31)
03/21/16	Morgan Stanley	Buy	HUF 41,430	Sell	USD 144	1
04/12/16	Morgan Stanley	Buy	USD 4,905	Sell	MXN 90,035	(43)
04/12/16	Morgan Stanley	Buy	MXN 90,035	Sell	USD 4,823	125
05/11/16	Barclays Capital	Buy	EUR 1,160	Sell	USD 1,295	(30)
05/11/16	Citigroup	Buy	USD 37,467	Sell	EUR 33,385	1,066
05/11/16	HSBC	Buy	EUR 1,465	Sell	USD 1,604	(7)
05/11/16	Morgan Stanley	Buy	EUR 1,095	Sell	USD 1,214	(20)
05/11/16	UBS	Buy	EUR 670	Sell	USD 740	(10)
05/17/16	JP Morgan	Buy	USD 1,381	Sell	NZD 2,075	20
Unrealised Appreciation of Forward Foreign Currency Contracts						1,497
Unrealised Depreciation of Forward Foreign Currency Contracts						(558)
Net Appreciation of Forward Foreign Currency Contracts						\$ 939

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Long Gilt June 2016	12	\$ 2,036	\$ 8
U.S. 10 Year Note (CBT) June 2016	34	4,438	(13)
U.S. Long Bond (CBT) June 2016	106	17,440	(146)
Total Market Value of Futures Contracts	152	\$ 23,914	\$ (151)
Unrealised Appreciation of Futures Contracts			8
Unrealised Depreciation of Futures Contracts			(159)
Net Depreciation of Futures Contracts			\$ (151)

Portfolio of Investments as at February 28, 2015*

	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Credit Default Swaps – February 28, 2015 (000's)
Investments			
Asset-Backed Securities	4,490	8.31	Unrealised Appreciation of Credit Default Swaps 214
Collateralised Mortgage-Backed Obligations	43,906	81.30	Unrealised Depreciation of Credit Default Swaps (43)
			Net Appreciation of Credit Default Swaps \$ 171
Foreign Government Bonds and Notes	3,392	6.28	Forward Contracts – February 28, 2015
Australia Government Issues	852	1.58	Unrealised Appreciation of Forward Foreign Currency Contracts 661
New Zealand Government Issues	874	1.62	Unrealised Depreciation of Forward Foreign Currency Contracts (156)
Portugal Government Issues	1,666	3.08	Net Appreciation of Forward Foreign Currency Contracts \$ 505
Collective Investment Schemes	848	1.57	
Other Assets in Excess of Liabilities	1,373	2.54	
Total Net Assets	\$54,009	100.00	

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Portfolio of Investments as at February 29, 2016

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Legg Mason Brandywine Global Dynamic US Equity Fund^

Portfolio of Investments as at February 29, 2016 – (continued)

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)			Sell Currency (000's)			Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/15/16	BNY Mellon	Buy	USD	43	Sell	EUR	38	\$ 1
03/15/16	BNY Mellon	Buy	EUR	1,274	Sell	USD	1,427	(40)
Unrealised Appreciation of Forward Foreign Currency Contracts								1
Unrealised Depreciation of Forward Foreign Currency Contracts								(40)
Net Depreciation of Forward Foreign Currency Contracts								\$ (39)

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Legg Mason ClearBridge Value Fund

Portfolio of Investments as at February 29, 2016

Shares (000's)	Value (000's) \$	% of Net Asset Value
Common Stock — 94.49%		
Aerospace & Defense — 1.66%		
38 Boeing Co/The	4,539	1.66
Airlines — 2.49%		
119 United Continental Holdings Inc	6,794	2.49
Apparel — 1.69%		
51 Ralph Lauren Corp 'A'	4,626	1.69
Auto Manufacturers — 1.42%		
76 PACCAR Inc	3,891	1.42
Banks — 6.21%		
224 Citigroup Inc	8,697	3.18
176 Wells Fargo & Co	8,262	3.03
	16,959	6.21
Biotechnology — 3.76%		
25 Alexion Pharmaceuticals Inc	3,505	1.28
6 Amgen Inc	885	0.32
23 Biogen Inc	5,891	2.16
	10,281	3.76
Chemicals — 3.99%		
114 Albemarle Corp	6,394	2.34
56 LyondellBasell Industries NV	4,523	1.65
	10,917	3.99
Coal — 0.97%		
307 CONSOL Energy Inc	2,652	0.97
Commercial Services — 1.07%		
57 United Rentals Inc	2,917	1.07
Computers — 2.41%		
252 EMC Corp/MA	6,594	2.41
Cosmetics & Personal Care — 1.95%		
81 Colgate-Palmolive Co	5,323	1.95
Diversified Financial Services — 6.24%		
51 Ameriprise Financial Inc	4,284	1.57
127 Discover Financial Services	5,889	2.16
255 Synchrony Financial	6,867	2.51
	17,040	6.24

Shares (000's)	Value (000's) \$	% of Net Asset Value
Electric — 6.81%		
842 AES Corp/VA	8,247	3.02
695 Calpine Corp	8,733	3.19
52 Exelon Corp	1,633	0.60
	18,613	6.81
Healthcare-Services — 2.49%		
57 UnitedHealth Group Inc	6,811	2.49
Home Builders — 2.85%		
452 PulteGroup Inc	7,777	2.85
Insurance — 2.76%		
150 American International Group Inc	7,541	2.76
Internet — 6.28%		
13 Amazon.com Inc	6,984	2.56
127 eBay Inc	3,013	1.10
225 Yahoo! Inc	7,167	2.62
	17,164	6.28
Iron/Steel — 1.97%		
297 Steel Dynamics Inc	5,395	1.97
Machinery – Diversified — 1.96%		
51 Rockwell Automation Inc	5,343	1.96
Media — 1.13%		
64 CBS Corp 'B'	3,078	1.13
Oil & Gas — 3.34%		
127 Apache Corp	4,867	1.78
217 Devon Energy Corp	4,262	1.56
	9,129	3.34
Pharmaceuticals — 10.32%		
89 AbbVie Inc	4,867	1.78
88 Express Scripts Holding Co	6,173	2.26
25 Jazz Pharmaceuticals Plc	3,040	1.11
180 Merck & Co Inc	9,015	3.30
40 Perrigo Co Plc	5,111	1.87
	28,206	10.32

Shares (000's)	Value (000's) \$	% of Net Asset Value
Real Estate — 1.76%		
151 Realogy Holdings Corp	4,816	1.76
Retail — 2.13%		
86 Lowe's Cos Inc	5,810	2.13
Semiconductors — 4.57%		
102 NXP Semiconductors NV	7,295	2.67
102 QUALCOMM Inc	5,194	1.90
	12,489	4.57
Software — 7.41%		
216 Microsoft Corp	10,969	4.01
252 Oracle Corp	9,286	3.40
	20,255	7.41
Telecommunications — 3.21%		
335 Cisco Systems Inc	8,766	3.21
Transportation — 1.64%		
64 CH Robinson Worldwide Inc	4,471	1.64
Total Common Stock (Cost \$276,717)	258,197	94.49
Real Estate Investment Trusts — 2.10%		
REITS — 2.10%		
409 American Homes 4 Rent 'A'	5,733	2.10
Total Real Estate Investment Trusts (Cost \$6,784)	5,733	2.10
Total Investments (Cost \$283,501)	263,930	96.59
Other Assets in Excess of Liabilities	9,325	3.41
Total Net Assets	\$273,255	100.00

	% of Total Assets
Analysis of Total Assets	
Transferable securities admitted to an official exchange listing or traded on a regulated market	95.38
Other assets	4.62
Total Assets	100.00

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)			Sell Currency (000's)			Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/01/16	BNY Mellon	Buy	EUR	25	Sell	USD	27	\$ (1)
03/15/16	BNY Mellon	Buy	USD	2	Sell	EUR	2	—
03/15/16	BNY Mellon	Buy	USD	44	Sell	SGD	62	—
03/15/16	BNY Mellon	Buy	EUR	32	Sell	USD	35	(1)
03/15/16	BNY Mellon	Buy	SGD	1,239	Sell	USD	885	(3)
Unrealised Appreciation of Forward Foreign Currency Contracts								—
Unrealised Depreciation of Forward Foreign Currency Contracts								(5)
Net Depreciation of Forward Foreign Currency Contracts								\$ (5)

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Common Stock	361,983	98.63	Financial	75,162	20.48
Basic Materials	16,267	4.43	Industrial	20,343	5.54
Communications	36,507	9.95	Technology	49,931	13.60
Computers	5,029	1.37	Utilities	8,872	2.42
Consumer, Cyclical	37,072	10.10	Other Assets in Excess of		
Consumer, Non-cyclical	73,930	20.15	Liabilities		
Electric	4,438	1.21		5,022	1.37
Energy	34,432	9.38	Total Net Assets	\$367,005	100.00

Forward Contracts – February 28, 2015	(000's)
Unrealised Appreciation of Forward Foreign Currency Contracts	1
Unrealised Depreciation of Forward Foreign Currency Contracts	(36)
Net Depreciation of Forward Foreign Currency Contracts	\$(35)

* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

The accompanying notes are an integral part of the Financial Statements

Legg Mason ClearBridge Growth Fund

Portfolio of Investments as at February 29, 2016

Shares (000's)	Value (000's) \$	% of Net Asset Value
Common Stock — 93.61%		
Aerospace & Defense — 2.53%		
2 Rockwell Collins Inc	157	2.53
Airlines — 2.77%		
3 United Continental Holdings Inc	172	2.77
Apparel — 4.74%		
3 NIKE Inc	199	3.19
1 Ralph Lauren Corp 'A'	96	1.55
	295	4.74
Auto Manufacturers — 1.86%		
1 Tesla Motors Inc	115	1.86
Auto Parts & Equipment — 1.11%		
2 Mobiley NV	69	1.11
Beverages — 10.67%		
1 Boston Beer Co Inc/The	115	1.85
1 Brown-Forman Corp	135	2.17
7 Coca-Cola Co/The	291	4.70
1 Diageo Plc ADR	121	1.95
	662	10.67
Biotechnology — 6.09%		
1 Alexion Pharmaceuticals Inc	127	2.04
1 BioMarin Pharmaceutical Inc	65	1.04
1 Celgene Corp	131	2.11
1 Vertex Pharmaceuticals Inc	55	0.90
	378	6.09
Chemicals — 1.95%		
1 International Flavors & Fragrances Inc	121	1.95
Computers — 7.10%		
5 Apple Inc	440	7.10
Cosmetics & Personal Care — 1.29%		
1 Colgate-Palmolive Co	80	1.29

Shares (000's)	Value (000's) \$	% of Net Asset Value
Diversified Financial Services — 1.76%		
1 Affiliated Managers Group Inc	110	1.76
Electrical Components & Equipment — 0.77%		
1 Universal Display Corp	48	0.77
Electronics — 1.88%		
– Mettler-Toledo International Inc	116	1.88
Food — 1.06%		
4 Blue Buffalo Pet Products Inc	66	1.06
Healthcare-Services — 2.38%		
1 Aetna Inc	83	1.33
1 ICON Plc	65	1.05
	148	2.38
Internet — 16.97%		
– Alphabet Inc	188	3.03
– Alphabet Inc 'A'	194	3.12
1 Amazon.com Inc	293	4.72
2 Facebook Inc 'A'	227	3.65
5 FireEye Inc	85	1.36
4 Twitter Inc	67	1.09
	1,054	16.97
Lodging — 1.31%		
2 Las Vegas Sands Corp	82	1.31
Media — 4.03%		
3 Sinclair Broadcast Group Inc 'A'	97	1.57
2 Walt Disney Co/The	153	2.46
	250	4.03
Oil & Gas Services — 1.61%		
1 Schlumberger Ltd	100	1.61
Pharmaceuticals — 2.69%		
3 Bristol-Myers Squibb Co	167	2.69

Shares (000's)	Value (000's) \$	% of Net Asset Value
Retail — 8.67%		
3 Lowe's Cos Inc	200	3.23
1 lululemon athletica Inc	64	1.03
5 Starbucks Corp	274	4.41
	538	8.67
Software — 10.37%		
1 athenahealth Inc	86	1.39
1 Atlassian Corp Plc	29	0.47
2 Microsoft Corp	100	1.61
2 Red Hat Inc	110	1.78
2 salesforce.com inc	119	1.92
1 ServiceNow Inc	45	0.73
3 Veeva Systems Inc 'A'	85	1.36
1 Workday Inc 'A'	69	1.11
	643	10.37
Total Common Stock (Cost \$5,245)		5,811 93.61
Total Investments (Cost \$5,245)		5,811 93.61
Other Assets in Excess of Liabilities		396 6.39
Total Net Assets		\$6,207 100.00

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

ABBREVIATIONS:

ADR – American Depositary Receipt

	% of Total Assets
Analysis of Total Assets	
Transferable securities admitted to an official exchange listing or traded on a regulated market	92.99
Other assets	7.01
Total Assets	100.00

Portfolio of Investments as at February 28, 2015*

	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Investments		
Common Stock	7,793	98.15
Airlines	280	3.53
Basic Materials	160	2.02
Beverages	244	3.08
Communications	695	8.75
Consumer, Cyclical	1,187	14.95
Consumer, Non-cyclical	1,323	16.65
Energy	300	3.78
Financial	470	5.92
Industrial	549	6.91
Internet	303	3.82
Technology	2,150	27.08
Utilities	132	1.66
Other Assets in Excess of Liabilities		
	147	1.85
Total Net Assets	\$7,940	100.00

* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

Legg Mason ClearBridge Global Equity Fund[^]

Portfolio of Investments as at February 29, 2016

Shares (000's)		Value (000's) \$	% of Net Asset Value
Common Stock — 98.62%			
Australia — 1.00%			
AUD 23	Incitec Pivot Ltd	47	1.00
Austria — 1.87%			
EUR 1	voestalpine AG	31	0.66
EUR 3	Wienerberger AG	56	1.21
		87	1.87
Brazil — 0.68%			
BRL 8	Grendene SA	32	0.68
China — 6.60%			
HKD 10	ANTA Sports Products Ltd	24	0.51
HKD 55	Baoxin Auto Group Ltd	34	0.73
HKD 26	Belle International Holdings Ltd	17	0.37
HKD 137	China Construction Bank Corp 'H'	80	1.72
HKD 182	CIFI Holdings Group Co Ltd	37	0.78
HKD 151	Greatview Aseptic Packaging Co Ltd	63	1.34
HKD 98	Pacific Online Ltd	25	0.54
HKD 19	TravelSky Technology Ltd 'H'	28	0.61
		308	6.60
Denmark — 0.67%			
DKK —	AP Moeller – Maersk A/S 'B'	32	0.67
Finland — 0.71%			
EUR 1	Kesko OYJ	33	0.71
France — 15.76%			
EUR 3	AXA SA	62	1.32
EUR 1	BNP Paribas SA	47	1.01
EUR 2	Bouygues SA	87	1.86
EUR 1	Danone SA	73	1.57
EUR 2	Engie SA	34	0.74
EUR 5	Europcar Groupe SA, 144A	51	1.09
EUR 4	Rexel SA	51	1.10
EUR 1	Safran SA	43	0.92
EUR 1	Saft Groupe SA	30	0.65
EUR 1	Sanofi	54	1.15
EUR 1	Schneider Electric SE	53	1.12
EUR 2	Tarkett SA	59	1.25
EUR 2	TOTAL SA	92	1.98
		736	15.76
Germany — 5.12%			
EUR —	Allianz SE	46	0.99
EUR —	Bayer AG	39	0.84
EUR 3	Deutsche Telekom AG	57	1.21
EUR 1	HeidelbergCement AG	48	1.02
EUR 3	ThyssenKrupp AG	49	1.06
		239	5.12
Hong Kong — 0.69%			
HKD 93	Sitoy Group Holdings Ltd	32	0.69
Israel — 1.54%			
1	Teva Pharmaceutical Industries Ltd ADR	72	1.54
Italy — 1.27%			
EUR 10	Anima Holding SpA, 144A	59	1.27
Japan — 10.69%			
JPY 13	Daiwa Securities Group Inc	78	1.67
JPY 9	Hitachi Ltd	40	0.85
JPY 1	Japan Airlines Co Ltd	48	1.03
JPY 1	Kyocera Corp	65	1.40
JPY 2	LIXIL Group Corp	48	1.03
JPY 4	Sony Corp	94	2.01
JPY 2	Sumitomo Mitsui Financial Group Inc	56	1.19
JPY 1	TDK Corp	51	1.10
JPY 12	Toshiba Corp	19	0.41
		499	10.69
Netherlands — 2.98%			
EUR 1	Akzo Nobel NV	68	1.46
EUR 19	Koninklijke KPN NV	71	1.52
		139	2.98
Norway — 2.18%			
NOK 4	Marine Harvest ASA	53	1.12

Shares (000's)		Value (000's) \$	% of Net Asset Value
NOK 6	Orkla ASA	49	1.06
		102	2.18
Russia — 0.43%			
6	Gazprom PAO ADR	20	0.43
South Korea — 3.36%			
KRW 2	KT Corp	43	0.93
KRW —	POSCO	42	0.90
KRW —	Samsung Electronics Co Ltd	72	1.53
		157	3.36
Spain — 0.58%			
EUR 3	Indra Sistemas SA	27	0.58
Sweden — 1.58%			
SEK 2	Mekonomen AB	32	0.69
SEK 5	Telefonaktiebolaget LM Ericsson	42	0.89
		74	1.58
Switzerland — 3.52%			
CHF 1	Adecco SA	70	1.51
CHF 1	Nestle SA	94	2.01
		164	3.52
Thailand — 1.34%			
2	Fabrinet	63	1.34
United Kingdom — 13.38%			
GBP 22	Barclays Plc	52	1.12
GBP 20	BP Plc	97	2.08
GBP 3	Diageo Plc	90	1.92
GBP 15	G4S Plc	43	0.93
GBP 3	GlaxoSmithKline Plc	68	1.45
GBP 7	Laird Plc	32	0.68
GBP 27	Lloyds Banking Group Plc	27	0.58
GBP 39	Shanks Group Plc	42	0.90
GBP 8	Standard Chartered Plc	45	0.97
EUR 2	Unilever NV	82	1.75
GBP 15	Vodafone Group Plc	47	1.00
		625	13.38
United States — 22.67%			
—	Accenture Plc 'A'	34	0.72
7	Alcoa Inc	60	1.28
1	Ambarella Inc	44	0.94
—	Amgen Inc	48	1.02
1	Apache Corp	56	1.20
2	AT&T Inc	69	1.47
2	Carnival Corp	78	1.66
1	Chicago Bridge & Iron Co NV	38	0.83
2	Citigroup Inc	58	1.25
3	Citizens Financial Group Inc	62	1.34
1	CVS Health Corp	51	1.09
2	DR Horton Inc	60	1.28
3	EMC Corp/MA	67	1.44
1	Emerson Electric Co	56	1.19
1	Exelon Corp	44	0.94
2	Halliburton Co	72	1.55
1	JPMorgan Chase & Co	59	1.26
1	Merck & Co Inc	30	0.65
1	MetLife Inc	45	0.98
1	Veeco Instruments Inc	27	0.58
		1,058	22.67
Total Common Stock (Cost \$5,538)		4,605	98.62
Real Estate Investment Trusts — 1.39%			
France — 1.39%			
EUR 1	ICADE	65	1.39
Total Real Estate Investment Trusts (Cost \$67)			
		65	1.39
Total Investments (Cost \$5,605)		4,670	100.01
Liabilities in Excess of Other Assets		(1)	(0.01)
Total Net Assets		\$4,669	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 29, 2016, these securities amounted to \$110,000 or 2.36% of net assets.

ABBREVIATIONS:

ADR	— American Depositary Receipt
AUD	— Australian Dollar
BRL	— Brazilian Real
CHF	— Swiss Franc
DKK	— Danish Krone
EUR	— Euro
GBP	— British Pound
HKD	— Hong Kong Dollar
JPY	— Japanese Yen
KRW	— South Korean Won
NOK	— Norwegian Krone
SEK	— Swedish Krona

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	98.90
Other assets	1.10
Total Assets	100.00

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Common Stock		
Australia	127	2.54
Austria	80	1.60
Belgium	43	0.86
Bermuda	60	1.20
Brazil	102	2.04
Canada	30	0.60
China	42	0.84
Denmark	42	0.84
Finland	34	0.68
France	629	12.60
Germany	382	7.65
Greece	14	0.28
Hong Kong	190	3.81
Ireland	131	2.63
Israel	104	2.08
Italy	78	1.56
Japan	550	11.02
Netherlands	207	4.15
Norway	93	1.86
Russia	27	0.54
South Korea	99	1.98
Spain	57	1.14
Sweden	117	2.34
Switzerland	183	3.67
Turkey	41	0.82
United Kingdom	585	11.72
United States	858	17.19

Right	—	—
Denmark	—	—
Other Assets in Excess of Liabilities		
	88	1.76
Total Net Assets	\$4,993	100.00

* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

[^] 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 29, 2016

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 — 94.21%				Italy — 2.91%								
Australia — 2.74%				EUR 6 Anima Holding SpA, 144A				2 Exelon Corp				
AUD	28	Incitec Pivot Ltd	58	1.46	EUR 4 MARR SpA				1 Merck & Co Inc			
AUD	6	McMillan Shakespeare Ltd	50	1.28					1 Microsoft Corp			
			108	2.74					2 ONEOK Inc			
								364 9.27				
								Total Common Stock (Cost \$4,294)				
								3,697 94.21				
Brazil — 1.90%				Japan — 3.09%				Real Estate Investment Trusts — 3.56%				
BRL	12	Cyrela Brazil Realty SA Empreendimentos e Participacoes	24	0.62	JPY 7 Nihon House Holdings Co Ltd				France — 1.77%			
BRL	12	Duratex SA	18	0.46	JPY 2 NTT DOCOMO Inc				EUR 1 ICADE			
BRL	8	Grendene SA	32	0.82	JPY 7 Shinko Plantech Co Ltd				Ireland — 1.03%			
			74	1.90					EUR 33 Irish Residential Properties REIT Plc			
												40 1.03
Canada — 1.56%				Netherlands — 1.88%				United Kingdom — 0.76%				
CAD	3	Pason Systems Inc	42	1.08	EUR 1 Akzo Nobel NV				GBP 7 NewRiver Retail Ltd			
CAD	1	Potash Corp of Saskatchewan Inc	19	0.48	EUR 9 Koninklijke KPN NV							
			61	1.56					30 0.76			
								Total Real Estate Investment Trusts (Cost \$153)				
								140 3.56				
China — 8.57%				Norway — 5.16%				Right — 0.01%				
HKD	8	ANTA Sports Products Ltd	17	0.44	NOK 18 Norsk Hydro ASA				Brazil — 0.01%			
HKD	48	Belle International Holdings Ltd	31	0.79	NOK 6 Ocean Yield ASA				BRL – Duratex SA			
HKD	93	China Construction Bank Corp 'H'	54	1.38	NOK 8 Orkla ASA				Total Right (Cost \$–)			
HKD	123	CIFI Holdings Group Co Ltd	25	0.63	NOK 11 Selvaag Bolig ASA				– – 0.01			
HKD	67	Far East Horizon Ltd	50	1.26					Total Investments (Cost \$4,447)			
HKD	114	Greatview Aseptic Packaging Co Ltd	47	1.21					3,837 97.78			
HKD	96	HOSA International Ltd	34	0.87					Other Assets in Excess of Liabilities			
HKD	117	Pacific Online Ltd	30	0.77					87 2.22			
HKD	13	Shenzhen International Holdings Ltd	19	0.49					Total Net Assets			
HKD	32	Zhejiang Expressway Co Ltd 'H'	29	0.73					\$3,924 100.00			
			336	8.57								
Denmark — 0.84%				Singapore — 1.16%				– Amounts designated as “–” are either \$0, less than \$1,000 or less than 1,000 shares.				
DKK	–	AP Moeller – Maersk A/S 'B'	33	0.84	SGD 73 Ascendas India Trust				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 29, 2016, these securities amounted to \$34,000 or 0.86% of net assets.			
Finland — 2.28%				South Korea — 2.66%				ABBREVIATIONS:				
EUR	4	Kemira OYJ	42	1.09	3 KT Corp ADR				– American Depositary Receipt			
EUR	1	Kesko OYJ	47	1.19	2 POSCO ADR				AUD – Australian Dollar			
			89	2.28					BRL – Brazilian Real			
France — 12.68%				Sweden — 4.15%				CAD – Canadian Dollar				
EUR	2	AXA SA	40	1.02	SEK 2 Mekonomen AB				CHF – Swiss Franc			
EUR	2	BNP Paribas SA	81	2.07	SEK 2 Modern Times Group MTG AB				DKK – Danish Krone			
EUR	2	Bouygues SA	75	1.91	SEK 2 Skanska AB				EUR – Euro			
EUR	3	Engie SA	41	1.03	SEK 6 Tethys Oil AB				GBP – British Pound			
EUR	1	Sanofi	57	1.45					HKD – Hong Kong Dollar			
EUR	1	Schneider Electric SE	42	1.06					JPY – Japanese Yen			
EUR	2	TOTAL SA	72	1.84					NOK – Norwegian Krone			
EUR	4	Veolia Environnement SA	90	2.30					SEK – Swedish Krona			
			498	12.68					SGD – Singapore Dollar			
Germany — 2.80%				Switzerland — 2.77%								
EUR	–	Allianz SE	39	0.98	CHF 1 Adecco SA							
EUR	4	Deutsche Telekom AG	71	1.82	CHF – Sulzer AG							
			110	2.80								
Hong Kong — 2.08%				United Kingdom — 24.05%				Analysis of Total Assets				
HKD	5	ASM Pacific Technology Ltd	42	1.09	GBP 16 BP Plc				Transferable securities admitted to an official exchange listing or traded on a regulated market			
HKD	112	Sitoy Group Holdings Ltd	39	0.99	GBP 14 Connect Group Plc				Financial derivative instruments			
			81	2.08	GBP 17 Debenhams Plc				Other assets			
Ireland — 1.66%				GBP 2 Diageo Plc								
EUR	3	CRH Plc	65	1.66	GBP 15 G4S Plc				Total Assets			
					GBP 5 GlaxoSmithKline Plc				100.00			
					GBP 1 Imperial Brands Plc							
					GBP 9 Laird Plc							
					GBP 44 Laura Ashley Holdings Plc							
					GBP 19 McBride Plc							
					GBP 10 Mitie Group Plc							
					GBP 6 Petrofac Ltd							
					GBP 13 Premier Farnell Plc							
					GBP 6 RPC Group Plc							
					GBP 41 Shanks Group Plc							
					GBP 11 Standard Chartered Plc							
					EUR 2 Unilever NV							
					GBP 21 Vodafone Group Plc							
									944 24.05			
United States — 9.27%												
					1 AT&T Inc				47 1.20			
					1 Eaton Corp Plc				39 1.00			
					2 Emerson Electric Co				83 2.10			

Legg Mason ClearBridge Global Equity Income Fund[^]

Portfolio of Investments as at February 29, 2016 – (continued)

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Common Stock	4,775	100.07	Spain	24	0.50
Australia	198	4.15	Sweden	131	2.75
Belgium	49	1.03	Switzerland	254	5.32
Bermuda	163	3.42	United Kingdom	709	14.86
Brazil	151	3.16	United States	472	9.89
China	94	1.97			
Denmark	41	0.86	Preferred Stock	34	0.71
Finland	42	0.88	Germany	34	0.71
France	718	15.05			
Germany	159	3.33	Right	–	–
Hong Kong	276	5.78	Denmark	–	–
Ireland	145	3.04	Ireland	–	–
Israel	114	2.39			
Italy	117	2.45	Liabilities in Excess of Other		
Japan	546	11.44	Assets	(37)	(0.78)
Netherlands	135	2.83			
Norway	127	2.66	Total Net Assets	\$4,772	100.00
South Korea	110	2.31			

Forward Contracts – February 28, 2015	(000's)
Unrealised Appreciation of Forward Foreign Currency Contracts	–
Unrealised Depreciation of Forward Foreign Currency Contracts	(24)

Net Depreciation of Forward Foreign Currency Contracts	\$(24)
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* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

[^] 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 29, 2016

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 — 92.95%			Insurance — 6.70%			Real Estate Investment Trusts — 1.41%		
Aerospace & Defense — 2.28%			– Berkshire Hathaway Inc			REITS — 1.41%		
36 Raytheon Co	4,433	1.53	71 MetLife Inc	2,801	0.96	33 American Tower Corp	3,073	1.05
23 United Technologies Corp	2,186	0.75	84 Travelers Cos Inc/The	8,993	3.09	56 Forest City Realty Trust Inc	1,047	0.36
	6,619	2.28		19,491	6.70		4,120	1.41
Banks — 5.92%			Internet — 4.12%			Total Real Estate Investment Trusts (Cost \$3,280)		
26 Bank of New York Mellon Corp/The	907	0.31	6 Alphabet Inc	4,369	1.50		4,120	1.41
30 BB&T Corp	951	0.33	6 Alphabet Inc 'A'	4,042	1.39	Total Investments (Cost \$208,147)		
69 Citigroup Inc	2,698	0.93	33 Facebook Inc 'A'	3,563	1.23		274,506	94.36
112 JPMorgan Chase & Co	6,305	2.17		11,974	4.12	Other Assets in Excess of Liabilities		
51 US Bancorp	1,947	0.67	Media — 5.99%				16,397	5.64
94 Wells Fargo & Co	4,403	1.51	178 Comcast Corp 'A'	10,304	3.54	Total Net Assets		
	17,211	5.92	75 Walt Disney Co/The	7,127	2.45		\$290,903	100.00
Beverages — 2.15%				17,431	5.99	– Amounts designated as “–” are either \$0, less than		
81 Coca-Cola Co/The	3,508	1.21	Miscellaneous Manufacturing — 2.94%			\$1,000 or less than 1,000 shares.		
28 PepsiCo Inc	2,738	0.94	22 3M Co	3,404	1.17	# Master Limited Partnership.		
	6,246	2.15	176 General Electric Co	5,141	1.77	ABBREVIATIONS:		
Biotechnology — 2.01%				8,545	2.94	ADR – American Depositary Receipt		
27 Amgen Inc	3,829	1.31	Oil & Gas — 4.39%			Analysis of Total Assets		
6 BioMarin Pharmaceutical Inc	488	0.17	29 Anadarko Petroleum Corp	1,093	0.38	Transferable securities admitted to an official		
15 Celgene Corp	1,537	0.53	2 California Resources Corp	1	–	exchange listing or traded on a regulated market		
	5,854	2.01	36 Chevron Corp	3,007	1.03	Other assets		
Chemicals — 3.92%			87 Exxon Mobil Corp	6,981	2.40		93.83	6.17
30 Ecolab Inc	3,106	1.07	24 Occidental Petroleum Corp	1,682	0.58	Total Assets		
12 El du Pont de Nemours & Co	703	0.24		12,764	4.39		100.00	
79 PPG Industries Inc	7,608	2.61	Oil & Gas Services — 1.22%					
	11,417	3.92	31 Cameron International Corp	2,064	0.71			
Commercial Services — 1.33%			14 Schlumberger Ltd	1,001	0.34			
46 Automatic Data Processing Inc	3,873	1.33	78 Weatherford International Plc	497	0.17			
Computers — 3.65%				3,562	1.22			
75 Apple Inc	7,269	2.50	Pharmaceuticals — 8.86%					
76 EMC Corp/MA	1,978	0.68	14 AbbVie Inc	789	0.27			
10 International Business Machines Corp	1,375	0.47	48 Bristol-Myers Squibb Co	2,996	1.03			
	10,622	3.65	20 Cardinal Health Inc	1,668	0.57			
Cosmetics & Personal Care — 1.24%			12 Express Scripts Holding Co	872	0.30			
45 Procter & Gamble Co/The	3,619	1.24	66 Johnson & Johnson	6,960	2.39			
Diversified Financial Services — 3.13%			104 Merck & Co Inc	5,200	1.79			
145 Synchrony Financial	3,894	1.34	154 Pfizer Inc	4,582	1.58			
72 Visa Inc	5,208	1.79	84 Roche Holding AG ADR	2,692	0.93			
	9,102	3.13		25,759	8.86			
Electric — 0.47%			Private Equity — 0.23%					
25 Eversource Energy	1,363	0.47	26 Blackstone Group LP/The #	673	0.23			
Electronics — 1.80%			Retail — 9.14%					
47 Honeywell International Inc	4,783	1.65	67 CVS Health Corp	6,547	2.25			
13 Tyco International Plc	445	0.15	78 Home Depot Inc/The	9,740	3.35			
	5,228	1.80	16 McDonald's Corp	1,920	0.66			
Environmental Control — 0.78%			61 TJX Cos Inc/The	4,526	1.55			
40 Waste Management Inc	2,257	0.78	58 Wal-Mart Stores Inc	3,863	1.33			
				26,596	9.14			
Food — 1.50%			Semiconductors — 0.91%					
19 General Mills Inc	1,089	0.37	46 Intel Corp	1,366	0.47			
17 Kraft Heinz Co/The	1,304	0.45	24 Texas Instruments Inc	1,290	0.44			
49 Mondelez International Inc	1,984	0.68		2,656	0.91			
	4,377	1.50	Software — 6.90%					
Gas — 0.20%			35 Adobe Systems Inc	2,958	1.02			
6 Semptra Energy	581	0.20	215 Microsoft Corp	10,944	3.76			
Healthcare – Products — 2.38%			68 Oracle Corp	2,483	0.85			
8 Becton Dickinson and Co	1,187	0.41	24 Red Hat Inc	1,599	0.55			
42 Medtronic Plc	3,219	1.10	28 SAP SE ADR	2,082	0.72			
20 Thermo Fisher Scientific Inc	2,529	0.87		20,066	6.90			
	6,935	2.38	Telecommunications — 3.54%					
Healthcare – Services — 2.81%			126 AT&T Inc	4,656	1.60			
21 Aetna Inc	2,302	0.79	104 Cisco Systems Inc	2,727	0.94			
49 UnitedHealth Group Inc	5,873	2.02	58 Verizon Communications Inc	2,923	1.00			
	8,175	2.81		10,306	3.54			
Household Products & Wares — 1.20%			Transportation — 1.24%					
27 Kimberly-Clark Corp	3,479	1.20	37 United Parcel Service Inc 'B'	3,605	1.24			
			Total Common Stock (Cost \$204,867)					
				270,386	92.95			

The accompanying notes are an integral part of the Financial Statements

Legg Mason ClearBridge US Appreciation Fund

Portfolio of Investments as at February 29, 2016 – (continued)

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Common Stock	348,358	96.76	Industrial Conglomerates	26,996	7.50
Aerospace & Defense	3,979	1.10	Insurance	24,106	6.69
Air Freight & Logistics	4,299	1.19	Internet Software & Services	8,836	2.46
Auto Parts & Equipment	2,266	0.63	Lodging	1,160	0.32
Beverages	6,523	1.81	Media	14,079	3.91
Biotechnology	6,359	1.77	Metals & Mining	953	0.26
Cable & Satellite	11,966	3.32	Oil, Gas & Consumable Fuels	26,683	7.41
Chemicals	17,127	4.76	Payment & Data Processors	4,532	1.26
Commercial Services	2,584	0.72	Pharmaceuticals	30,341	8.43
Communications Equipment	3,271	0.91	Real Estate Management & Development	2,235	0.62
Computers & Peripherals	17,504	4.86	Semiconductors & Equipment	3,336	0.93
Electric Utilities	1,214	0.34	Software	21,745	6.04
Energy Services	2,455	0.68	Speciality REIT	3,729	1.04
Environmental Control	1,519	0.42	Speciality Retail	14,675	4.08
Financials – Banks	21,829	6.06	Telecommunications	7,485	2.08
Financials – Diversified	8,571	2.38	Transportation	1,690	0.47
Food & Staples Retailing	14,208	3.95			
Food Products	4,350	1.21			
Healthcare – Services	11,113	3.09			
Healthcare-Products	2,859	0.79			
Hotels, Restaurants & Leisure	1,985	0.55			
Household Products	8,049	2.23			
Industrial	1,747	0.49			
			Other Assets in Excess of Liabilities	11,666	3.24
			Total Net Assets	\$360,024	100.00

Forward Contracts – February 28, 2015	(000's)
Unrealised Appreciation of Forward Foreign Currency Contracts	–
Unrealised Depreciation of Forward Foreign Currency Contracts	–

Net Depreciation of Forward Foreign Currency Contracts	\$–
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* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

Legg Mason ClearBridge US Large Cap Growth Fund

Portfolio of Investments as at February 29, 2016

Shares (000's)	Value (000's) \$	% of Net Asset Value
Common Stock — 91.96%		
Aerospace & Defense — 1.81%		
56 Rockwell Collins Inc	4,922	1.81
Beverages — 4.10%		
44 Anheuser-Busch InBev SA/NV ADR	4,925	1.81
145 Coca-Cola Co/The	6,235	2.29
	11,160	4.10
Biotechnology — 6.23%		
19 Alexion Pharmaceuticals Inc	2,616	0.96
21 Biogen Inc	5,570	2.05
66 Celgene Corp	6,638	2.44
6 Regeneron Pharmaceuticals Inc	2,135	0.78
	16,959	6.23
Chemicals — 3.45%		
49 Ecolab Inc	5,005	1.84
49 Monsanto Co	4,396	1.61
	9,401	3.45
Commercial Services — 1.86%		
133 PayPal Holdings Inc	5,057	1.86
Computers — 2.04%		
57 Apple Inc	5,549	2.04
Distribution & Wholesale — 1.68%		
21 WW Grainger Inc	4,577	1.68
Diversified Financial Services — 9.41%		
70 American Express Co	3,882	1.43
20 BlackRock Inc	6,085	2.24
146 Charles Schwab Corp/The	3,648	1.34
67 Nasdaq Inc	4,241	1.56
107 Visa Inc	7,741	2.84
	25,597	9.41
Healthcare – Products — 1.93%		
41 Thermo Fisher Scientific Inc	5,240	1.93

Shares (000's)	Value (000's) \$	% of Net Asset Value
Healthcare – Services — 4.34%		
45 Aetna Inc	4,887	1.80
58 UnitedHealth Group Inc	6,915	2.54
	11,802	4.34
Internet — 12.73%		
11 Alphabet Inc	7,356	2.70
9 Alphabet Inc 'A'	6,296	2.31
18 Amazon.com Inc	10,122	3.72
97 eBay Inc	2,298	0.84
60 Facebook Inc 'A'	6,463	2.38
18 LinkedIn Corp 'A'	2,117	0.78
	34,652	12.73
Media — 6.23%		
131 Comcast Corp 'A'	7,589	2.79
127 Twenty-First Century Fox Inc	3,441	1.26
62 Walt Disney Co/The	5,934	2.18
	16,964	6.23
Miscellaneous Manufacturing — 3.09%		
58 Eaton Corp Plc	3,276	1.20
176 General Electric Co	5,142	1.89
	8,418	3.09
Oil & Gas Services — 3.15%		
41 Cameron International Corp	2,658	0.97
83 Schlumberger Ltd	5,926	2.18
	8,584	3.15
Pharmaceuticals — 5.97%		
77 Bristol-Myers Squibb Co	4,785	1.76
54 Johnson & Johnson	5,723	2.10
140 Zoetis Inc	5,728	2.11
	16,236	5.97
Retail — 7.62%		
91 CVS Health Corp	8,799	3.23
62 Home Depot Inc/The	7,746	2.85

Shares (000's)	Value (000's) \$	% of Net Asset Value
58 Yum! Brands Inc	4,198	1.54
	20,743	7.62
Semiconductors — 3.03%		
81 Texas Instruments Inc	4,315	1.59
83 Xilinx Inc	3,928	1.44
	8,243	3.03
Software — 11.64%		
59 Adobe Systems Inc	5,000	1.84
132 Akamai Technologies Inc	7,103	2.61
36 Citrix Systems Inc	2,575	0.94
163 Microsoft Corp	8,304	3.05
76 Red Hat Inc	4,997	1.84
73 VMware Inc	3,694	1.36
	31,673	11.64
Transportation — 1.65%		
47 United Parcel Service Inc 'B'	4,503	1.65
Total Common Stock (Cost \$227,582)		250,280 91.96
Total Investments (Cost \$227,582)		250,280 91.96
Other Assets in Excess of Liabilities		21,873 8.04
Total Net Assets		\$272,153 100.00

ABBREVIATIONS:

ADR – American Depositary Receipt

	% of Total Assets
Analysis of Total Assets	
Transferable securities admitted to an official exchange listing or traded on a regulated market	91.32
Other assets	8.68
Total Assets	100.00

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/01/16	BNY Mellon	Buy EUR 41	Sell USD 46	\$ –
03/15/16	BNY Mellon	Buy USD 24	Sell EUR 22	–
03/15/16	BNY Mellon	Buy EUR 7,178	Sell USD 7,911	(99)
Unrealised Appreciation of Forward Foreign Currency Contracts				–
Unrealised Depreciation of Forward Foreign Currency Contracts				(99)
Net Depreciation of Forward Foreign Currency Contracts				\$ (99)

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Common Stock	137,870	94.88
Air Freight & Logistics	2,330	1.60
Apparel	1,522	1.05
Beverages	5,792	3.98
Biotechnology	11,530	7.94
Cable & Satellite	3,788	2.61
Chemicals	2,691	1.85
Commercial Services	2,663	1.83
Communications Equipment	1,663	1.14
Computers & Peripherals	3,604	2.48
Distribution/Wholesale	2,796	1.92
Drug Retail	5,174	3.56
Energy Equipment & Services	8,114	5.59
Financials – Diversified	9,455	6.51
Healthcare – Services	3,704	2.55

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Industrial Conglomerates	7,337	5.05
Information Technology	4,798	3.30
Internet Software & Services	22,034	15.17
Media	5,367	3.69
Metal Fabricate & Hardware	2,477	1.71
Pharmaceuticals	8,300	5.71
Restaurants	2,350	1.62
Semiconductors & Equipment	4,190	2.88
Software	9,687	6.67
Specialty Retail	4,322	2.97
Technology	2,182	1.50
Other Assets in Excess of Liabilities		7,436 5.12
Total Net Assets		\$145,306 100.00

Forward Contracts – February 28, 2015		(000's)
Unrealised Appreciation of Forward Foreign Currency Contracts		2
Unrealised Depreciation of Forward Foreign Currency Contracts		–
Net Appreciation of Forward Foreign Currency Contracts		\$2

* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

Legg Mason ClearBridge US Aggressive Growth Fund

Portfolio of Investments as at February 29, 2016

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 — 99.13%			Leisure Time — 0.01%			Retail — 0.14%		
Biotechnology — 19.47%			Media — 14.91%			Savings & Loans — 0.15%		
50 Aduro Biotech Inc	728	0.02	17 Liberty TripAdvisor Holdings Inc	343	0.01	168 Liberty Interactive Corp QVC Group	4,268	0.14
1,415 Amgen Inc	201,282	6.61	1,511 AMC Networks Inc	99,031	3.25	Telecommunications — 0.25%		
859 Biogen Inc	222,794	7.32	26 CBS Corp 'B'	1,278	0.04	25 ARRIS International Plc	593	0.02
1,509 ImmunoGen Inc	10,988	0.36	2,646 Comcast Corp 'A'	152,738	5.02	190 AT&T Inc	7,033	0.23
1,917 Ionis Pharmaceuticals Inc	66,256	2.18	3,305 Discovery Communications Inc 'A'	82,624	2.71	Total Common Stock (Cost \$3,352,928)		
191 Spark Therapeutics Inc	6,094	0.20	475 Discovery Communications Inc 'C'	11,707	0.38	Right — 0.00%		
991 Vertex Pharmaceuticals Inc	84,687	2.78	373 Liberty Broadband Corp 'A'	18,736	0.62	Healthcare-Products — 1.06%		
	592,829	19.47	490 Liberty Broadband Corp 'C'	24,679	0.81	414 Medtronic Plc	32,035	1.05
Commercial Services — 0%			21 Liberty Global Plc 'A'	760	0.02	15 Wright Medical Group NV	264	0.01
– Ascent Capital Group Inc	4	–	63 Liberty Global Plc 'C'	2,255	0.07		32,299	1.06
Computers — 8.08%			1 Liberty Global Plc LiLAC 'A'	35	–	Healthcare-Services — 6.96%		
10 Engility Holdings Inc	148	–	3 Liberty Global Plc LiLAC 'C'	115	–	1,779 UnitedHealth Group Inc	211,838	6.96
1,664 SanDisk Corp	120,234	3.95	290 Liberty Media Corp 'A'	10,338	0.34	Internet — 1.71%		
3,589 Seagate Technology Plc	112,543	3.70	580 Liberty Media Corp 'C'	20,258	0.67	270 Facebook Inc 'A'	28,860	0.95
300 Western Digital Corp	13,059	0.43	537 MSG Networks Inc	8,822	0.29	41 Liberty Ventures	1,494	0.05
	245,984	8.08	773 Starz	19,484	0.64	1,200 Twitter Inc	21,744	0.71
Diversified Financial Services — 0.04%			22 Viacom Inc 'B'	796	0.03		52,098	1.71
36 Cohen & Steers Inc	1,118	0.04	32 World Wrestling Entertainment Inc 'A'	534	0.02	Iron/Steel — 0.45%		
Electronics — 3.45%				454,190	14.91	349 Nucor Corp	13,745	0.45
744 TE Connectivity Ltd	42,375	1.39	Mining — 1.73%					
1,778 Tyco International Plc	62,555	2.06	6,888 Freeport-McMoRan Inc	52,556	1.73			
	104,930	3.45	Miscellaneous Manufacturing — 0.07%					
Engineering & Construction — 3.27%			45 Pentair Plc	2,134	0.07			
2,165 Fluor Corp	99,664	3.27	Oil & Gas — 6.65%					
Entertainment — 1.07%			3,511 Anadarko Petroleum Corp	133,253	4.37			
121 Dolby Laboratories Inc 'A'	4,778	0.16	2,547 Newfield Exploration Co	69,351	2.28			
179 Madison Square Garden Co/The	27,758	0.91		202,604	6.65			
	32,536	1.07	Oil & Gas Services — 6.06%					
Healthcare-Products — 1.06%			976 Core Laboratories NV	102,410	3.36			
414 Medtronic Plc	32,035	1.05	1,259 National Oilwell Varco Inc	36,863	1.21			
15 Wright Medical Group NV	264	0.01	215 NOW Inc	3,476	0.12			
	32,299	1.06	6,528 Weatherford International Plc	41,779	1.37			
Healthcare-Services — 6.96%				184,528	6.06			
1,779 UnitedHealth Group Inc	211,838	6.96	Pharmaceuticals — 8.22%					
Internet — 1.71%			191 Agios Pharmaceuticals Inc	7,321	0.24			
270 Facebook Inc 'A'	28,860	0.95	43 Alkermes Plc	1,400	0.05			
41 Liberty Ventures	1,494	0.05	713 Allergan plc	206,810	6.79			
1,200 Twitter Inc	21,744	0.71	8 Mallinckrodt Plc	545	0.02			
	52,098	1.71	100 ProQR Therapeutics NV	434	0.01			
Iron/Steel — 0.45%			14 Teva Pharmaceutical Industries Ltd ADR	791	0.03			
349 Nucor Corp	13,745	0.45	500 Valeant Pharmaceuticals International Inc	32,931	1.08			
				250,232	8.22			

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

ABBREVIATIONS:

ADR – American Depositary Receipt

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	97.93
Financial derivative instruments	0.07
Other assets	2.00
Total Assets	100.00

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/01/16	BNY Mellon	Buy	AUD	\$ –
03/01/16	BNY Mellon	Buy	EUR	4 –
03/01/16	BNY Mellon	Buy	GBP	–
03/01/16	BNY Mellon	Buy	GBP	135 1
03/01/16	BNY Mellon	Buy	PLN	40 –
03/01/16	BNY Mellon	Buy	USD	1,724 (25)
03/01/16	BNY Mellon	Buy	USD	–
03/01/16	BNY Mellon	Buy	USD	70 (1)
03/01/16	BNY Mellon	Buy	USD	86 (1)
03/02/16	BNY Mellon	Buy	USD	–
03/15/16	BNY Mellon	Buy	AUD	1,965 (21)
03/15/16	BNY Mellon	Buy	AUD	274 2
03/15/16	BNY Mellon	Buy	CHF	214 3
03/15/16	BNY Mellon	Buy	CNH	11 –
03/15/16	BNY Mellon	Buy	EUR	78,840 2,108
03/15/16	BNY Mellon	Buy	GBP	100 5
03/15/16	BNY Mellon	Buy	PLN	19 –
03/15/16	BNY Mellon	Buy	SEK	34 –
03/15/16	BNY Mellon	Buy	SGD	164 1

The accompanying notes are an integral part of the Financial Statements

Legg Mason ClearBridge US Aggressive Growth Fund

Portfolio of Investments as at February 29, 2016 – (continued)

Schedule of Forward Foreign Currency Contracts – (continued)

Expiration Date	Counterparty	Buy Currency (000's)		Sell Currency (000's)		Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/15/16	BNY Mellon	Buy	USD 335	Sell	SGD 471	\$ –
03/15/16	BNY Mellon	Buy	EUR 115,639	Sell	USD 129,517	(3,659)
03/15/16	BNY Mellon	Buy	CNH 207	Sell	USD 31	–
03/15/16	BNY Mellon	Buy	CHF 2,568	Sell	USD 2,586	(12)
03/15/16	BNY Mellon	Buy	GBP 2,312	Sell	USD 3,353	(135)
03/15/16	BNY Mellon	Buy	AUD 1,080	Sell	USD 768	3
03/15/16	BNY Mellon	Buy	CNH 14	Sell	USD 2	–
03/15/16	BNY Mellon	Buy	SEK 297	Sell	USD 35	(1)
03/15/16	BNY Mellon	Buy	SGD 3	Sell	USD 3	–
03/15/16	BNY Mellon	Buy	GBP 70	Sell	USD 97	–
03/15/16	BNY Mellon	Buy	AUD 36,046	Sell	USD 25,846	(138)
03/15/16	BNY Mellon	Buy	SGD 9,325	Sell	USD 6,657	(26)
03/15/16	BNY Mellon	Buy	PLN 732	Sell	USD 185	(1)
Unrealised Appreciation of Forward Foreign Currency Contracts						2,123
Unrealised Depreciation of Forward Foreign Currency Contracts						(4,020)
Net Depreciation of Forward Foreign Currency Contracts						\$ (1,897)

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Common Stock	4,202,394	92.05	Media	285,842	6.26
Biotechnology	796,541	17.44	Metals & Mining	124,322	2.73
Cable & Satellite	216,671	4.75	Oil, Gas & Consumable Fuels	347,061	7.60
Commercial Services	79,451	1.74	Pharmaceuticals	517,669	11.34
Computers & Peripherals	334,383	7.33	Semiconductors & Equipment	240,487	5.27
Electronics	92,535	2.03	Software	304,655	6.67
Energy Services	272,467	5.96	Telecommunications	729	0.02
Engineering & Construction	121,864	2.67			
Entertainment	42,094	0.92	Right	243	–
Financials – Diversified	6,234	0.14	Healthcare-Products	243	–
Healthcare Providers & Services	228,812	5.01			
Healthcare-Products	16,969	0.37			
Industrial Conglomerates	2,973	0.07	Other Assets in Excess of		
Internet Software & Services	89,675	1.96	Liabilities	362,727	7.95
Investment Companies	44,828	0.98			
Machinery	36,132	0.79	Total Net Assets	\$4,565,364	100.00

Forward Contracts – February 28, 2015 (000's)	
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)	
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* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

Legg Mason ClearBridge Tactical Dividend Income Fund

Portfolio of Investments as at February 29, 2016

Shares (000's)	Value (000's) \$	% of Net Asset Value
Common Stock — 61.80%		
Commercial Services — 0.80%		
9 Macquarie Infrastructure Corp	531	0.80
Computers — 4.03%		
16 Apple Inc	1,499	2.27
37 Seagate Technology Plc	1,160	1.76
	2,659	4.03
Cosmetics & Personal Care — 2.19%		
18 Procter & Gamble Co/The	1,445	2.19
Electric — 4.53%		
24 Brookfield Infrastructure Partners LP #	903	1.37
30 Brookfield Renewable Energy Partners LP/CA #	786	1.19
16 Great Plains Energy Inc	462	0.70
24 PPL Corp	840	1.27
	2,991	4.53
Electrical Components & Equipment — 1.07%		
15 Emerson Electric Co	708	1.07
Entertainment — 3.63%		
33 National CineMedia Inc	489	0.74
97 Regal Entertainment Group 'A'	1,910	2.89
	2,399	3.63
Forest Products & Paper — 0.49%		
9 International Paper Co	321	0.49
Gas — 0.85%		
30 CenterPoint Energy Inc	559	0.85
Household Products & Wares — 3.45%		
18 Kimberly-Clark Corp	2,280	3.45
Investment Companies — 6.75%		
61 Ares Capital Corp	834	1.26
73 FS Investment Corp	617	0.94
63 Golub Capital BDC Inc	1,050	1.59
85 TCP Capital Corp	1,176	1.78
78 TriplePoint Venture Growth BDC Corp	778	1.18
	4,455	6.75
Miscellaneous Manufacturing — 1.77%		
40 General Electric Co	1,166	1.77
Oil & Gas — 1.83%		
7 Transocean Partners LLC #	57	0.09
63 VTI Energy Partners LP #	1,149	1.74
	1,206	1.83
Pharmaceuticals — 8.91%		
11 AstraZeneca Plc ADR	315	0.48

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)			Sell Currency (000's)			Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/01/16	BNY Mellon	Buy	SGD	12	Sell	USD	9	\$ —
03/15/16	Barclays Capital London	Buy	EUR	283	Sell	USD	317	(9)
03/15/16	BNY Mellon	Buy	USD	22	Sell	AUD	32	—
03/15/16	BNY Mellon	Buy	USD	11	Sell	CNH	75	—
03/15/16	BNY Mellon	Buy	USD	87	Sell	CNH	573	—
03/15/16	BNY Mellon	Buy	USD	11	Sell	EUR	9	—
03/15/16	BNY Mellon	Buy	USD	20	Sell	SGD	27	—
03/15/16	BNY Mellon	Buy	USD	2	Sell	SGD	3	—
03/15/16	BNY Mellon	Buy	CNH	14,724	Sell	USD	2,228	17
03/15/16	BNY Mellon	Buy	CNH	462	Sell	USD	71	—
03/15/16	BNY Mellon	Buy	AUD	—	Sell	USD	—	—
03/15/16	BNY Mellon	Buy	AUD	975	Sell	USD	699	(5)
03/15/16	BNY Mellon	Buy	SGD	105	Sell	USD	74	—
03/15/16	BNY Mellon	Buy	EUR	20	Sell	USD	22	—
Unrealised Appreciation of Forward Foreign Currency Contracts								17
Unrealised Depreciation of Forward Foreign Currency Contracts								(14)
Net Appreciation of Forward Foreign Currency Contracts								\$ 3

The accompanying notes are an integral part of the Financial Statements

Shares (000's)	Value (000's) \$	% of Net Asset Value
21 Bristol-Myers Squibb Co	1,285	1.95
13 GlaxoSmithKline Plc ADR	503	0.76
11 Johnson & Johnson	1,105	1.68
33 Merck & Co Inc	1,632	2.47
35 Pfizer Inc	1,038	1.57
	5,878	8.91
Pipelines — 1.96%		
55 Plains GP Holdings LP 'A'	418	0.63
30 Spectra Energy Corp	876	1.33
	1,294	1.96
Semiconductors — 3.41%		
30 Intel Corp	888	1.34
24 Maxim Integrated Products Inc	823	1.25
12 Microchip Technology Inc	538	0.82
	2,249	3.41
Software — 5.38%		
46 Microsoft Corp	2,335	3.54
24 Paychex Inc	1,218	1.84
	3,553	5.38
Telecommunications — 6.43%		
47 AT&T Inc	1,718	2.60
9 Cisco Systems Inc	236	0.36
32 Verizon Communications Inc	1,623	2.46
22 Vodafone Group Plc ADR	669	1.01
	4,246	6.43
Transportation — 4.32%		
71 Dynagas LNG Partners LP #	659	1.00
46 Golar LNG Partners LP #	672	1.02
37 Hoegh LNG Partners LP #	568	0.86
60 KNOT Offshore Partners LP #	951	1.44
	2,850	4.32
Total Common Stock (Cost \$47,375)		
	40,790	61.80
Preferred Stock — 8.23%		
Electric — 3.90%		
14 Dominion Resources Inc/VA, Series A	759	1.15
22 Exelon Corp	980	1.49
15 NextEra Energy Inc	832	1.26
	2,571	3.90
Hand/Machine Tools — 0.94%		
6 Stanley Black & Decker Inc	621	0.94
Oil & Gas — 1.16%		
26 Anadarko Petroleum Corp	763	1.16
Pharmaceuticals — 2.23%		
2 Allergan plc, Series A	1,473	2.23
Total Preferred Stock (Cost \$6,137)		
	5,428	8.23

Shares (000's)	Value (000's) \$	% of Net Asset Value
Real Estate Investment Trusts — 20.09%		
REITS — 20.09%		
4 Alexandria Real Estate Equities Inc	328	0.50
47 American Capital Agency Corp	849	1.29
8 American Tower Corp, Series A	751	1.14
6 American Tower Corp	565	0.86
105 Annaly Capital Management Inc	1,064	1.61
15 Apartment Investment & Management Co	549	0.83
3 AvalonBay Communities Inc	575	0.87
5 DCT Industrial Trust Inc	185	0.28
10 DuPont Fabros Technology Inc	371	0.56
16 EPR Properties	971	1.47
6 Equity Residential	447	0.68
3 Highwoods Properties Inc	113	0.17
20 Hospitality Properties Trust	477	0.72
43 Inland Real Estate Corp	456	0.69
15 Liberty Property Trust	423	0.64
9 Ramco-Gershenson Properties Trust	158	0.24
34 Retail Properties of America Inc	494	0.75
27 Senior Housing Properties Trust	415	0.63
6 Simon Property Group Inc	1,138	1.72
34 Spirit Realty Capital Inc	363	0.55
79 Starwood Property Trust Inc	1,386	2.10
25 Weyerhaeuser Co, Series A	1,183	1.79
	13,261	20.09
Total Real Estate Investment Trusts (Cost \$14,652)		
	13,261	20.09
Total Investments (Cost \$68,164)		
	59,479	90.12
Other Assets in Excess of Liabilities		
	6,522	9.88
Total Net Assets		
	\$66,001	100.00

Master Limited Partnership.

ABBREVIATIONS:

ADR — American Depositary Receipt

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	89.55
Financial derivative instruments	0.03
Other assets	10.42
Total Assets	100.00

Legg Mason ClearBridge Tactical Dividend Income Fund

Portfolio of Investments as at February 29, 2016 – (continued)

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Common Stock	30,368	79.68	Software	649	1.70
Commercial Services	764	2.00	Telecommunications	1,942	5.09
Computers & Peripherals	1,432	3.76	Transportation	1,677	4.40
Electric Utilities	1,573	4.13	Trucking & Leasing	918	2.41
Electrical Components & Equipment	289	0.76	Utilities	549	1.44
Entertainment	1,182	3.10	Preferred Stock	4,936	12.95
Financials – Diversified	1,232	3.23	Electric Utilities	1,842	4.83
Forest Products & Paper	293	0.77	Hand/Machine Tools	531	1.40
Household Products	1,097	2.88	Industrial Conglomerates	1,323	3.47
Industrial Conglomerates	520	1.36	Pharmaceuticals	462	1.21
Investment Companies	2,666	7.00	Real Estate Investment Trusts	778	2.04
Oil, Gas & Consumable Fuels	1,833	4.81			
Pharmaceuticals	3,327	8.73	Other Assets in Excess of Liabilities	2,810	7.37
Pipelines	3,218	8.45			
Real Estate Investment Trusts	4,102	10.76	Total Net Assets	\$38,114	100.00
Semiconductors & Equipment	1,105	2.90			

Forward Contracts – February 28, 2015	(000's)
Unrealised Appreciation of Forward Foreign Currency Contracts	5
Unrealised Depreciation of Forward Foreign Currency Contracts	(73)

Net Depreciation of Forward Foreign Currency Contracts	\$(68)
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* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

Legg Mason ClearBridge US Equity Sustainability Leaders Fund[^]

Portfolio of Investments as at February 29, 2016

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 — 96.96%			1	Charles Schwab Corp/The	19	1.96		
Apparel — 5.57%					49	5.15		
1	NIKE Inc	37	3.89					
	– Under Armour Inc 'A'	16	1.68					
		53	5.57					
Auto Parts & Equipment — 1.40%								
	– WABCO Holdings Inc	13	1.40					
Banks — 6.31%			1	Citizens Financial Group Inc	17	1.83		
1	US Bancorp	43	4.48					
		60	6.31					
Biotechnology — 4.10%								
	– Alexion Pharmaceuticals Inc	17	1.78					
	– Biogen Inc	22	2.32					
		39	4.10					
Building Materials — 2.46%			1	Trex Co Inc	24	2.46		
Chemicals — 3.44%								
	– Ecolab Inc	33	3.44					
Commercial Services — 3.13%								
	– Automatic Data Processing Inc	30	3.13					
Computers — 7.30%								
	– Apple Inc	42	4.33					
	– MAXIMUS Inc	17	1.76					
1	Mentor Graphics Corp	11	1.21					
		70	7.30					
Distribution & Wholesale — 1.94%								
	– WW Grainger Inc	19	1.94					
Diversified Financial Services — 5.15%								
	– BlackRock Inc	30	3.19					
Electric — 5.31%			1	Brookfield Renewable Energy Partners LP/CA #	16	1.66		
	– NextEra Energy Inc	35	3.65					
		51	5.31					
Energy – Alternate Sources — 2.14%			1	Vestas Wind Systems A/S ADR	21	2.14		
Food — 1.63%								
	– Whole Foods Market Inc	16	1.63					
Healthcare-Services — 7.11%								
	– Centene Corp	18	1.91					
	– MEDNAX Inc	20	2.06					
	– UnitedHealth Group Inc	30	3.14					
		68	7.11					
Internet — 4.71%								
	– Alphabet Inc 'A'	45	4.71					
Machinery – Diversified — 1.92%								
	– Rockwell Automation Inc	18	1.92					
Miscellaneous Manufacturing — 3.21%								
	– 3M Co	31	3.21					
Office Furnishings — 1.52%			1	Herman Miller Inc	15	1.52		
Pharmaceuticals — 4.27%			1	Roche Holding AG ADR	28	2.90		
	– Shire Plc ADR	13	1.37					
		41	4.27					
Retail — 14.65%								
	– Costco Wholesale Corp	38	3.91					
	– CVS Health Corp	40	4.18					
1	Lowe's Cos Inc	38	3.97					
	– Starbucks Corp	25	2.59					
		141	14.65					
Semiconductors — 2.00%			1	Intel Corp	19	2.00		
Software — 7.69%								
	– Autodesk Inc	19	2.00					
	– Check Point Software Technologies Ltd	16	1.63					
1	Microsoft Corp	39	4.06					
		74	7.69					
Total Common Stock (Cost \$935)					930	96.96		
Total Investments (Cost \$935)					930	96.96		
Other Assets in Excess of Liabilities					29	3.04		
Total Net Assets					\$959	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								
Analysis of Total Assets								% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market								94.13
Other assets								5.87
Total Assets								100.00

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)			Sell Currency (000's)			Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/15/16	BNY Mellon	Buy	USD	15	Sell	EUR	14	\$ –
03/15/16	BNY Mellon	Buy	EUR	354	Sell	USD	396	(11)
Unrealised Appreciation of Forward Foreign Currency Contracts								–
Unrealised Depreciation of Forward Foreign Currency Contracts								(11)
Net Depreciation of Forward Foreign Currency Contracts								\$ (11)

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

The accompanying notes are an integral part of the Financial Statements

Legg Mason Opportunity Fund

Portfolio of Investments as at February 29, 2016

Shares (000's)	Value (000's) \$	% of Net Asset Value
Collective Investment Schemes — 3.25%		
12,309 Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	12,309	3.25
Total Collective Investment Schemes (Cost \$12,309)	12,309	3.25
Common Stock — 91.00%		
Airlines — 16.25%		
477 American Airlines Group Inc†	19,557	5.16
478 Delta Air Lines Inc‡	23,073	6.08
332 United Continental Holdings Inc‡	19,005	5.01
	61,635	16.25
Auto Manufacturers — 2.26%		
1,250 Fiat Chrysler Automobiles NV	8,565	2.26
Banks — 2.24%		
219 Citigroup Inc	8,508	2.24
Biotechnology — 10.18%		
113 Gilead Sciences Inc	9,815	2.59
636 Intrexon Corp	19,675	5.19
1,162 ZIOPHARM Oncology Inc	9,132	2.40
	38,622	10.18
Chemicals — 3.04%		
1,626 Platform Specialty Products Corp	11,528	3.04
Computers — 3.90%		
95 Apple Inc	9,186	2.42
179 Seagate Technology Plc	5,613	1.48
	14,799	3.90
Diversified Financial Services — 4.51%		
571 Nationstar Mortgage Holdings Inc	6,748	1.78
276 OneMain Holdings Inc 'A'	6,236	1.64
332 PennyMac Financial Services Inc 'A'	4,116	1.09
	17,100	4.51

Shares (000's)	Value (000's) \$	% of Net Asset Value
Healthcare — Services — 2.30%		
63 Cigna Corp	8,726	2.30
Home Builders — 14.09%		
750 KB Home	9,145	2.41
392 Lennar Corp	16,424	4.33
945 PulteGroup Inc	16,248	4.29
485 Taylor Morrison Home Corp	6,742	1.78
471 TRI Pointe Group Inc	4,858	1.28
	53,417	14.09
Insurance — 6.17%		
3,277 Genworth Financial Inc 'A'	6,947	1.83
1,826 MGIC Investment Corp	12,487	3.29
367 Radian Group Inc	3,968	1.05
	23,402	6.17
Internet — 21.60%		
98 Alibaba Group Holding Ltd ADR	6,750	1.78
24 Amazon.com Inc	13,261	3.50
1,176 Endurance International Group Holdings Inc	13,222	3.49
1,881 Groupon Inc 'A'	8,992	2.37
293 JD.com Inc ADR	7,523	1.98
925 Monitise Plc	23	0.01
1,251 Pandora Media Inc	12,785	3.37
1,349 Quotient Technology Inc	11,735	3.09
421 Twitter Inc	7,619	2.01
	81,910	21.60
Pharmaceuticals — 0.89%		
51 Valeant Pharmaceuticals International Inc	3,356	0.89
Semiconductors — 3.57%		
190 NXP Semiconductors NV	13,543	3.57
Total Common Stock (Cost \$390,836)	345,111	91.00
Warrant — 2.22%		
Banks — 2.22%		
518 JPMorgan Chase & Co	8,427	2.22
Total Warrant (Cost \$10,200)	8,427	2.22
Total Investments Excluding Options (Cost \$413,345)	365,847	96.47

Contracts (000's)	Value (000's) \$	% of Net Asset Value
Options — 5.18%		
Purchased Options — 5.18%		
2 AAPL U.S. January 2018 Call 95.00, due 1/19/2018	3,992	1.05
– Amazon.com Inc January 2017 Call 300.00, due 1/20/2017	10,804	2.85
8 Twitter Inc January 2018 Call 18.00, due 1/19/2018	4,860	1.28
	19,656	5.18
Total Options (Cost \$16,226)	19,656	5.18
Total Investments (Cost \$429,571)	385,503	101.65
Liabilities in Excess of Other Assets	(6,263)	(1.65)
Total Net Assets	\$379,240	100.00

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

‡ Security (in whole or part) pledged as collateral for derivatives trading as at February 29, 2016.

ABBREVIATIONS:

ADR – American Depositary Receipt
GBP – British Pound

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	91.52
Collective investment schemes	3.19
Financial derivative instruments	5.22
Other assets	0.07
Total Assets	100.00

Schedule of Equity Swaps

Counterparty	Reference Entity	Shares (000's)	Unrealised Appreciation/ (Depreciation) on Contracts (000's)
Credit Suisse First Boston	Bank of America Corp	867	\$ (17)
Credit Suisse First Boston	GameStop Corp	314	505
Credit Suisse First Boston	General Motors Co	241	(46)
			\$ 442
Unrealised Appreciation of Equity Swaps			505
Unrealised Depreciation of Equity Swaps			(63)
Net Appreciation of Equity Swaps			\$ 442

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/01/16	BNY Mellon	Buy USD 4	Sell GBP 2	\$ –
03/01/16	BNY Mellon	Buy GBP 35	Sell USD 49	–
03/01/16	BNY Mellon	Buy GBP –	Sell USD –	–
03/02/16	BNY Mellon	Buy USD –	Sell GBP –	–
03/02/16	BNY Mellon	Buy GBP –	Sell USD –	–
03/15/16	BNY Mellon	Buy USD 23	Sell EUR 21	1
03/15/16	BNY Mellon	Buy USD 1	Sell PLN 4	–
03/15/16	BNY Mellon	Buy USD 8	Sell SEK 66	–
03/15/16	BNY Mellon	Buy PLN 44	Sell USD 10	–
03/15/16	BNY Mellon	Buy EUR 269	Sell USD 301	(9)
03/15/16	BNY Mellon	Buy SEK 334	Sell USD 41	(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 Opportunity Fund

Portfolio of Investments as at February 29, 2016 – (continued)

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Collective Investment Schemes	13,623	4.17
Common Stock	278,990	85.47
Auto Manufacturers	11,122	3.41
Basic Materials	918	0.28
Biotechnology	10,585	3.24
Chemicals	11,152	3.42
Communications	8,902	2.73
Consumer Discretionary	71,663	21.95
Consumer, Cyclical	13,877	4.25
Consumer, Non-cyclical	14,519	4.45
Diversified Financial Services	7,796	2.39
Energy	3,605	1.10
Financial	40,110	12.29
Health Care	6,957	2.13
Industrial	26,104	8.00
Information Technology	31,913	9.77
Internet	16,518	5.06
Telecommunication Services	3,249	1.00
Warrant	6,312	1.94
Financial	6,312	1.94

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Options	30,353	9.30
Purchased Options	30,353	9.30
Liabilities in Excess of Other Assets	(2,858)	(0.88)
Total Net Assets	\$326,420	100.00
Equity Swaps – February 28, 2015	(282)	(0.09)
Consumer, Cyclical	(96)	(0.03)
Financial	(277)	(0.09)
Internet	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)

Forward Contracts – February 28, 2015	(000's)
Unrealised Appreciation of Forward Foreign Currency Contracts	–
Unrealised Depreciation of Forward Foreign Currency Contracts	(1)
Net Depreciation of Forward Foreign Currency Contracts	\$(1)

* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

Legg Mason Royce US Small Cap Opportunity Fund

Portfolio of Investments as at February 29, 2016

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 — 4.39%			325	Kraton Performance Polymers Inc	5,584 1.03	358	SUPERVALU Inc	1,827 0.34
87	BlackRock Resources & Commodities Strategy Trust	586 0.11	229	Landec Corp	2,314 0.43	53	United Natural Foods Inc	1,642 0.30
23,107	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	23,107 4.28	208	Olin Corp	3,152 0.58			5,633 1.04
Total Collective Investment Schemes (Cost \$23,719)				28,387 5.26				
Common Stock — 95.41%			Commercial Services — 2.47%			Hand/Machine Tools — 0.52%		
Advertising — 0.13%			88	ABM Industries Inc	2,765 0.51	318	Hardinge Inc	2,813 0.52
413	Tremor Video Inc	697 0.13	258	Albany Molecular Research Inc	3,804 0.70	Healthcare – Products — 2.85%		
Aerospace & Defense — 2.56%			212	Care.com Inc	1,283 0.24	704	Accuray Inc	3,555 0.66
214	Aerojet Rocketdyne Holdings Inc	3,323 0.62	57	Hertz Global Holdings Inc	484 0.09	141	Exactech Inc	2,631 0.49
35	Curtiss-Wright Corp	2,485 0.46	707	Monster Worldwide Inc	2,107 0.39	305	Invacare Corp	3,690 0.68
974	Kratos Defense & Security Solutions Inc	3,254 0.60	130	Rent-A-Center Inc/TX	1,665 0.31	591	OraSure Technologies Inc	3,964 0.73
334	LMI Aerospace Inc	3,193 0.59	95	Travelport Worldwide Ltd	1,233 0.23	160	Trinity Biotech Plc ADR	1,567 0.29
36	Moog Inc 'A'	1,555 0.29			13,341 2.47			15,407 2.85
		13,810 2.56	Computers — 4.47%			Healthcare – Services — 1.15%		
Agriculture — 0.56%			638	Ciber Inc	1,276 0.24	223	Healthways Inc	2,348 0.44
171	Tejon Ranch Co	3,002 0.56	101	Cray Inc	4,287 0.79	186	Kindred Healthcare Inc	1,951 0.36
Airlines — 0.35%			272	Datalink Corp	1,948 0.36	195	Select Medical Holdings Corp	1,909 0.35
60	Virgin America Inc	1,872 0.35	76	Echelon Corp	403 0.07			6,208 1.15
Apparel — 0.67%			45	KEYW Holding Corp/The	280 0.05	Home Builders — 3.77%		
105	Unifi Inc	2,353 0.44	227	Maxwell Technologies Inc	1,302 0.24	278	Beazer Homes USA Inc	2,037 0.38
196	Vince Holding Corp	1,266 0.23	52	Mentor Graphics Corp	993 0.18	89	Installed Building Products Inc	1,989 0.37
		3,619 0.67	293	Mercury Systems Inc	4,780 0.89	132	M/I Homes Inc	2,319 0.43
Auto Parts & Equipment — 1.58%			266	Radisys Corp	685 0.13	202	MDC Holdings Inc	4,455 0.82
168	Commercial Vehicle Group Inc	422 0.08	681	Silicon Graphics International Corp	4,135 0.77	196	New Home Co Inc/The	1,965 0.36
217	Dana Holding Corp	2,700 0.50	374	Unisys Corp	4,031 0.75	270	TRI Pointe Group Inc	2,784 0.52
213	Fuel Systems Solutions Inc	960 0.18			24,120 4.47	163	William Lyon Homes 'A'	1,927 0.36
78	Meritor Inc	576 0.11	Cosmetics & Personal Care — 0.34%			152	Winnebago Industries Inc	2,851 0.53
474	Spartan Motors Inc	1,702 0.31	294	Elizabeth Arden Inc	1,823 0.34			20,327 3.77
100	Tower International Inc	2,147 0.40	Distribution & Wholesale — 0.53%			Home Furnishings — 0.68%		
		8,507 1.58	80	Ingram Micro Inc	2,866 0.53	193	Daktronics Inc	1,364 0.25
Banks — 3.69%			Diversified Financial Services — 0.32%			74	Ethan Allen Interiors Inc	2,113 0.39
54	BankUnited Inc	1,736 0.32	42	Air Lease Corp 'A'	1,262 0.23	48	VOXX International Corp 'A'	190 0.04
346	Boston Private Financial Holdings Inc	3,648 0.68	80	Enova International Inc	463 0.09			3,667 0.68
98	CenterState Banks Inc	1,365 0.25			1,725 0.32	Household Products & Wares — 0.42%		
68	Fidelity Southern Corp	1,012 0.19	Electric — 0.16%			163	Central Garden & Pet Co	2,271 0.42
89	Guaranty Bancorp	1,325 0.24	165	Ameresco Inc	848 0.16	Insurance — 0.76%		
155	State Bank Financial Corp	2,902 0.54	Electrical Components & Equipment — 3.53%			30	Ambac Financial Group Inc	459 0.09
250	TriState Capital Holdings Inc	3,003 0.56	186	Advanced Energy Industries Inc	5,550 1.03	55	Assured Guaranty Ltd	1,364 0.25
204	Umpqua Holdings Corp	3,069 0.57	150	Encore Wire Corp	5,421 1.00	283	MBIA Inc	1,938 0.36
13	United Bankshares Inc/WV	456 0.08	388	General Cable Corp	3,330 0.62	50	MGIC Investment Corp	342 0.06
61	Walker & Dunlop Inc	1,421 0.26	183	Insteel Industries Inc	4,780 0.88			4,103 0.76
		19,937 3.69			19,081 3.53	Internet — 1.42%		
Biotechnology — 0.32%			Electronics — 5.41%			109	Bankrate Inc	831 0.15
19	Cambrex Corp	741 0.14	247	Ballantyne Strong Inc	1,008 0.19	130	Blucora Inc	802 0.15
288	RTI Surgical Inc	1,009 0.18	136	Benchmark Electronics Inc	2,934 0.54	230	Boingo Wireless Inc	1,646 0.31
		1,750 0.32	240	Checkpoint Systems Inc	1,802 0.33	581	Limelight Networks Inc	901 0.17
Building Materials — 4.92%			359	Electro Scientific Industries Inc	2,563 0.47	81	Perficient Inc	1,464 0.27
183	Builders FirstSource Inc	1,451 0.27	84	Frequency Electronics Inc	786 0.15	525	QuinStreet Inc	1,559 0.29
100	Gibraltar Industries Inc	2,474 0.46	222	GSI Group Inc	2,858 0.53	115	YuMe Inc	434 0.08
105	Griffon Corp	1,560 0.29	4	Identiv Inc	8 –			7,637 1.42
195	Louisiana-Pacific Corp	3,093 0.57	227	IL-VI Inc	4,973 0.92	Iron/Steel — 2.33%		
391	NCI Building Systems Inc	4,273 0.79	1,031	Kemet Corp	1,897 0.35	463	AK Steel Holding Corp	1,323 0.25
309	PGT Inc	3,059 0.57	178	Sanmina Corp	3,667 0.68	243	Allegheny Technologies Inc	3,258 0.60
237	Ply Gem Holdings Inc	2,414 0.45	460	TTM Technologies Inc	3,018 0.56	82	Carpenter Technology Corp	2,439 0.45
213	Quanex Building Products Corp	3,668 0.68	313	Vishay Intertechnology Inc	3,700 0.69	379	Commercial Metals Co	5,569 1.03
85	US Concrete Inc	4,554 0.84			29,214 5.41			12,589 2.33
		26,546 4.92	Energy – Alternate Sources — 0.07%			Leisure Time — 0.15%		
Chemicals — 5.26%			200	SunEdison Inc	396 0.07	193	Black Diamond Inc	831 0.15
165	A Schulman Inc	4,072 0.75	Engineering & Construction — 1.75%			Lodging — 0.83%		
43	Axiall Corp	856 0.16	240	Aegion Corp 'A'	4,347 0.80	488	Belmond Ltd 'A'	4,487 0.83
123	Calgon Carbon Corp	1,717 0.32	358	Layne Christensen Co	2,270 0.42	Machinery – Construction & Mining — 1.45%		
413	Ferro Corp	4,104 0.76	168	MasTec Inc	2,844 0.53	145	Astec Industries Inc	6,277 1.16
77	HB Fuller Co	2,944 0.55			9,461 1.75	27	Hyster-Yale Materials Handling Inc	1,566 0.29
317	Huntsman Corp	3,443 0.64	Environmental Control — 0.73%					7,843 1.45
203	Intrepid Potash Inc	201 0.04	70	Pure Cycle Corp	325 0.06	Machinery – Diversified — 1.11%		
			546	TRC Cos Inc	3,631 0.67	87	Albany International Corp	3,186 0.59
					3,956 0.73	347	Intevac Inc	1,560 0.29
			Food — 1.04%			126	Power Solutions International Inc	1,264 0.23
			354	Inventure Foods Inc	2,164 0.40			6,010 1.11

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 29, 2016 – (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)			Semiconductors — 12.13%					
Media — 1.14%			157 Alpha & Omega Semiconductor Ltd	1,852	0.34	96 RAIT Financial Trust	250	0.05
340 Entravision Communications Corp	2,625	0.48	219 Amtech Systems Inc	1,115	0.21	21 Rouse Properties Inc	385	0.07
120 Houghton Mifflin Harcourt Co	2,258	0.42	420 Axcelis Technologies Inc	1,050	0.19		4,081	0.75
1,210 McClatchy Co/The	1,294	0.24	500 Brooks Automation Inc	4,871	0.90	Total Real Estate Investment Trusts (Cost \$4,546)		
	6,177	1.14	226 Cohu Inc	2,583	0.48		4,081	0.75
Metal Fabricate & Hardware — 4.43%			40 Cree Inc	1,270	0.23	Total Investments (Cost \$682,035)		
595 A. M. Castle & Co	1,279	0.24	65 Cypress Semiconductor Corp	519	0.10		542,904	100.55
166 Dynamic Materials Corp	921	0.17	133 EMCORE Corp	709	0.13	Liabilities in Excess of Other Assets		
389 Furmanite Corp	2,171	0.40	575 Exar Corp	3,071	0.57		(2,991)	(0.55)
92 Haynes International Inc	2,834	0.52	209 FormFactor Inc	1,588	0.29	Total Net Assets		
193 Mueller Industries Inc	5,048	0.93	171 Inphi Corp	4,329	0.80		\$539,913	100.00
693 Mueller Water Products Inc 'A'	5,962	1.10	327 Intersil Corp 'A'	4,169	0.77	— Amounts designated as "—" are either \$0, less than \$1,000 or less than 1,000 shares.		
242 NN Inc	3,067	0.57	295 IXYS Corp	3,324	0.62	ABBREVIATIONS:		
212 Northwest Pipe Co	2,188	0.41	400 Kopin Corp	764	0.14	ADR — American Depositary Receipt		
60 TimkenSteel Corp	464	0.09	268 Kulicke & Soffa Industries Inc	3,023	0.56	CAD — Canadian Dollar		
	23,934	4.43	598 Mattson Technology Inc	2,160	0.40			
Mining — 1.34%			355 MaxLinear Inc	5,712	1.06			
365 Century Aluminum Co	2,607	0.48	170 Microsemi Corp	5,887	1.09			
146 Coeur Mining Inc	564	0.10	267 Nanometrics Inc	3,702	0.69			
510 Hecla Mining Co	1,321	0.25	127 QLogic Corp	1,637	0.30			
23 Kaiser Aluminum Corp	1,769	0.33	215 Rubicon Technology Inc	206	0.04			
50 US Silica Holdings Inc	959	0.18	401 Rudolph Technologies Inc	5,198	0.96			
	7,220	1.34	197 Sigma Designs Inc	1,358	0.25			
Miscellaneous Manufacturing — 0.64%			281 SunEdison Semiconductor Ltd	1,918	0.36			
293 Federal Signal Corp	3,469	0.64	255 Ultra Clean Holdings Inc	1,336	0.25			
Office Furnishings — 1.00%			378 Xcerra Corp	2,156	0.40			
21 Herman Miller Inc	537	0.10		65,507	12.13			
236 Interface Inc 'A'	3,754	0.69	Software — 1.77%					
90 Steelcase Inc	1,124	0.21	367 Allscripts Healthcare Solutions Inc	4,596	0.85			
	5,415	1.00	171 Amber Road Inc	786	0.14			
Oil & Gas — 0.55%			101 Bottomline Technologies de Inc	2,849	0.53			
25 Bill Barrett Corp	72	0.01	166 Tangoe Inc	1,342	0.25			
69 Matador Resources Co	1,114	0.21		9,573	1.77			
55 Parker Drilling Co	86	0.02	Storage & Warehousing — 0.70%					
50 Patterson-UTI Energy Inc	777	0.14	295 Wesco Aircraft Holdings Inc	3,773	0.70			
CAD 1,044 Pengrowth Energy Corp	781	0.15	Telecommunications — 4.59%					
70 Stone Energy Corp	109	0.02	390 A10 Networks Inc	2,403	0.44			
	2,939	0.55	68 ARRIS International Plc	1,624	0.30			
Oil & Gas Services — 0.64%			841 Aviat Networks Inc	544	0.10			
125 Basic Energy Services Inc	219	0.04	195 Comtech Telecommunications Corp	4,005	0.74			
130 Key Energy Services Inc	30	0.01	758 EarthLink Holdings Corp	4,273	0.79			
71 Matrix Service Co	1,296	0.24	483 Extreme Networks Inc	1,361	0.25			
453 Newpark Resources Inc	1,688	0.31	252 Harmonic Inc	844	0.16			
173 Willbros Group Inc	227	0.04	610 Iridium Communications Inc	4,228	0.78			
	3,460	0.64	210 NeoPhotonics Corp	2,302	0.43			
Pharmaceuticals — 0.48%			428 Oclaro Inc	2,103	0.39			
65 Owens & Minor Inc	2,562	0.48	120 Viavi Solutions Inc	784	0.15			
Retail — 5.29%			270 Westell Technologies Inc	302	0.06			
155 American Eagle Outfitters Inc	2,365	0.44		24,773	4.59			
384 Ascena Retail Group Inc	3,241	0.60	Textiles — 0.36%					
421 bebe stores inc	193	0.04	433 Dixie Group Inc/The	1,946	0.36			
38 Chico's FAS Inc	485	0.09	Transportation — 1.67%					
205 Gaiam Inc 'A'	1,162	0.21	161 Ardmore Shipping Corp	1,295	0.24			
55 Guess? Inc	1,166	0.22	45 Atlas Air Worldwide Holdings Inc	1,632	0.30			
181 Ignite Restaurant Group Inc	588	0.11	219 Diana Shipping Inc	553	0.10			
256 JC Penney Co Inc	2,610	0.48	50 Genco Shipping & Trading Ltd	35	0.01			
206 Krispy Kreme Doughnuts Inc	3,008	0.56	345 Navios Maritime Holdings Inc	285	0.05			
473 New York & Co Inc	945	0.17	405 Scorpio Tankers Inc	2,519	0.47			
300 PCM Inc	2,265	0.42	406 StealthGas Inc	1,262	0.24			
20 Restoration Hardware Holdings Inc	760	0.14	83 Swift Transportation Co	1,408	0.26			
535 Ruby Tuesday Inc	2,829	0.52		8,989	1.67			
344 TravelCenters of America LLC	2,967	0.55	Trucking & Leasing — 0.07%					
409 West Marine Inc	3,349	0.62	15 Greenbrier Cos Inc/The	382	0.07			
31 Zumiez Inc	641	0.12		515,130	95.41			
	28,574	5.29	Total Common Stock (Cost \$653,770)					
Savings & Loans — 0.31%			Real Estate Investment Trusts — 0.75%					
78 Washington Federal Inc	1,653	0.31	REITS — 0.75%					
			30 BRT Realty Trust	194	0.03			
			58 DiamondRock Hospitality Co	516	0.09			
			138 Mack-Cali Realty Corp	2,736	0.51			

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 29, 2016 – (continued)

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)			Sell Currency (000's)			Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/01/16	BNY Mellon	Buy	USD	–	Sell	EUR	–	\$ –
03/01/16	BNY Mellon	Buy	GBP	14	Sell	USD	21	–
03/01/16	BNY Mellon	Buy	SGD	–	Sell	USD	–	–
03/01/16	BNY Mellon	Buy	GBP	–	Sell	USD	–	–
03/01/16	BNY Mellon	Buy	SGD	5	Sell	USD	4	–
03/01/16	BNY Mellon	Buy	AUD	38	Sell	USD	28	–
03/02/16	BNY Mellon	Buy	USD	–	Sell	EUR	–	–
03/02/16	BNY Mellon	Buy	EUR	–	Sell	USD	–	–
03/03/16	BNY Mellon	Buy	AUD	22	Sell	USD	15	–
03/15/16	BNY Mellon	Buy	USD	75	Sell	AUD	104	1
03/15/16	BNY Mellon	Buy	USD	445	Sell	AUD	632	(5)
03/15/16	BNY Mellon	Buy	USD	2	Sell	CNH	16	–
03/15/16	BNY Mellon	Buy	USD	5,175	Sell	EUR	4,628	139
03/15/16	BNY Mellon	Buy	USD	14	Sell	GBP	9	–
03/15/16	BNY Mellon	Buy	USD	1	Sell	SEK	12	–
03/15/16	BNY Mellon	Buy	USD	233	Sell	SGD	328	–
03/15/16	BNY Mellon	Buy	USD	37	Sell	SGD	53	–
03/15/16	BNY Mellon	Buy	EUR	21,149	Sell	USD	23,672	(656)
03/15/16	BNY Mellon	Buy	AUD	315	Sell	USD	224	–
03/15/16	BNY Mellon	Buy	CNH	31	Sell	USD	4	–
03/15/16	BNY Mellon	Buy	SGD	8,573	Sell	USD	6,119	(24)
03/15/16	BNY Mellon	Buy	CNH	407	Sell	USD	62	–
03/15/16	BNY Mellon	Buy	GBP	241	Sell	USD	351	(15)
03/15/16	BNY Mellon	Buy	SGD	298	Sell	USD	212	1
03/15/16	BNY Mellon	Buy	AUD	9,196	Sell	USD	6,594	(35)
03/15/16	BNY Mellon	Buy	GBP	9	Sell	USD	12	–
03/15/16	BNY Mellon	Buy	SEK	315	Sell	USD	37	(1)
Unrealised Appreciation of Forward Foreign Currency Contracts								141
Unrealised Depreciation of Forward Foreign Currency Contracts								(736)
Net Depreciation of Forward Foreign Currency Contracts								\$ (595)

Portfolio of Investments as at February 28, 2015*

	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015		Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015		Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Investments			Investments			Investments		
Collective Investment Schemes	74,234	6.94	Financials – Diversified	9,235	0.86	Textiles	3,637	0.34
			Food	6,526	0.61	Transportation & Logistics	37,426	3.49
			Healthcare-Products	26,203	2.45			
			Healthcare-Services	6,548	0.61	Real Estate Investment Trusts	2,809	0.26
			Home Builders	45,297	4.23	Real Estate Management & Development	2,809	0.26
Common Stock	999,100	93.35	Home Furnishing & Appliances	3,235	0.30			
Advertising	4,404	0.41	Hotels, Restaurants & Leisure	8,519	0.80			
Aerospace & Defense	13,613	1.27	Insurance	33,082	3.09	Liabilities in Excess of Other Assets	(5,890)	(0.55)
Agriculture	3,935	0.37	Internet Software & Services	12,259	1.15			
Airlines	6,031	0.57	Iron & Steel	2,201	0.20	Total Net Assets	\$1,070,253	100.00
Apparel, Shoes & Accessories	7,952	0.74	Leisure & Entertainment	2,371	0.22			
Auto Parts & Equipment	28,868	2.70	Machinery	20,468	1.91	Forward Contracts – February 28, 2015		(000's)
Banking	63,505	5.93	Media	9,651	0.90	Unrealised Appreciation of Forward Foreign Currency Contracts		135
Building Materials	36,444	3.41	Metal Fabrication & Distribution	63,438	5.93	Unrealised Depreciation of Forward Foreign Currency Contracts		(241)
Building Systems & Components	5,700	0.54	Mining	18,045	1.69			
Chemicals	24,176	2.26	Miscellaneous Manufacturing	11,034	1.03	Net Depreciation of Forward Foreign Currency Contracts		\$(106)
Commercial Services	24,119	2.25	Office Furnishings	13,235	1.24			
Computers	20,953	1.96	Oil & Gas	11,905	1.11			
Cosmetics & Personal Care	4,611	0.43	Real Estate Management & Development	15,261	1.43			
Distribution	13,472	1.26	Retail	41,998	3.92			
Drugs & Biotech	6,292	0.59	Retail Stores	8,768	0.82			
Electrical Components & Equipment	29,014	2.71	Semiconductors & Equipment	143,920	13.45			
Electronics	64,220	6.00	Software	36,012	3.36			
Engineering & Construction	8,473	0.79	Telecommunications	38,115	3.56			
Environmental Control	4,929	0.46						

* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

The accompanying notes are an integral part of the Financial Statements

Legg Mason Royce US Smaller Companies Fund

Portfolio of Investments as at February 29, 2016

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 — 6.99%				Food — 4.41%				Real Estate — 1.38%			
10,840	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	10,840	6.99	52	Cal-Maine Foods Inc	2,764	1.78	96	Marcus & Millichap Inc	2,131	1.38
Total Collective Investment Schemes (Cost \$10,840)				61	Industrias Bachoco SAB de CV ADR	2,949	1.90	Retail — 8.10%			

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)			Sell Currency (000's)			Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/01/16	BNY Mellon	Buy	GBP	–	Sell	USD	–	\$ –
03/01/16	BNY Mellon	Buy	GBP	19	Sell	USD	26	–
03/15/16	BNY Mellon	Buy	USD	4	Sell	EUR	3	–
03/15/16	BNY Mellon	Buy	USD	–	Sell	SEK	1	–
03/15/16	BNY Mellon	Buy	EUR	117	Sell	USD	131	(4)
03/15/16	BNY Mellon	Buy	PLN	121	Sell	USD	31	–
03/15/16	BNY Mellon	Buy	SEK	37	Sell	USD	4	–
Unrealised Appreciation of Forward Foreign Currency Contracts								–
Unrealised Depreciation of Forward Foreign Currency Contracts								(4)
Net Depreciation of Forward Foreign Currency Contracts								\$ (4)

The accompanying notes are an integral part of the Financial Statements

Legg Mason Royce US Smaller Companies Fund

Portfolio of Investments as at February 29, 2016 – (continued)

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Collective Investment Schemes	23,806	7.04	Forest Products & Paper	3,185	0.94	Liabilities in Excess of Other Assets	(1,567)	(0.46)
Common Stock	315,928	93.42	Healthcare-Products	7,040	2.08	Total Net Assets	\$338,167	100.00
Aerospace & Defense	1,645	0.49	Home Builders	6,434	1.90	Forward Contracts – February 28, 2015		(000's)
Biotechnology	14,160	4.19	Industrial Distribution	3,042	0.90	Unrealised Appreciation of Forward Foreign Currency Contracts		–
Building Systems & Components	3,212	0.95	Insurance	9,653	2.86	Unrealised Depreciation of Forward Foreign Currency Contracts		(9)
Chemicals	20,048	5.93	Machinery	11,082	3.28	Net Depreciation of Forward Foreign Currency Contracts		\$(9)
Commercial Services	22,204	6.57	Media	5,704	1.69			
Computers	13,654	4.03	Metal Fabrication & Distribution	17,810	5.27			
Electrical Components & Equipment	5,782	1.71	Mining	993	0.29			
Electronics	20,092	5.94	Miscellaneous Manufacturing	13,352	3.95			
Energy Services	17,969	5.31	Oil & Gas Services	9,870	2.92			
Engineering & Construction	3,673	1.08	Pharmaceuticals	2,737	0.81			
Financials	5,344	1.58	Real Estate	2,568	0.76			
Financials – Diversified	20,880	6.17	Retail	24,836	7.35			
Food & Tobacco Processors	7,652	2.26	Semiconductors & Equipment	27,931	8.26			
			Sports & Recreation	6,530	1.93			
			Telecommunications	6,846	2.02			

* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

Legg Mason QS MV European Equity Growth and Income Fund

Portfolio of Investments as at February 29, 2016

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 — 96.51%			Netherlands — 1.86%			Switzerland — 13.44%		
Australia — 0.58%			89 Koninklijke Ahold NV	1,793	1.19	CHF 108 ABB Ltd	1,769	1.18
GBP 93 BHP Billiton Plc	863	0.58	GBP 48 Royal Dutch Shell Plc	1,002	0.67	CHF 1 Flughafen Zuerich AG	1,054	0.70
Belgium — 4.86%				2,795	1.86	CHF 1 Givaudan SA	1,778	1.19
36 Ageas	1,223	0.82	Norway — 0.89%			CHF 25 Nestle SA	1,639	1.09
16 Anheuser-Busch InBev SA/NV	1,654	1.10	NOK 97 Telenor ASA	1,335	0.89	CHF 22 Novartis AG	1,448	0.97
50 bpost SA	1,142	0.76	Portugal — 1.11%			CHF 20 PSP Swiss Property AG	1,585	1.06
49 Proximus SADP	1,409	0.94	583 EDP – Energias de Portugal SA	1,660	1.11	CHF 8 Roche Holding AG	1,783	1.19
39 Telenet Group Holding NV	1,863	1.24				CHF 20 Swiss Prime Site AG	1,498	1.00
	7,291	4.86	Spain — 4.29%			CHF 21 Swiss Re AG	1,716	1.14
Denmark — 1.98%			130 Abertis Infraestructuras SA	1,789	1.19	CHF 4 Swisscom AG	1,610	1.07
DKK 70 Danske Bank A/S	1,764	1.17	65 Enagas SA	1,680	1.12	CHF 4 Syngenta AG	1,483	0.99
DKK 311 TDC A/S	1,212	0.81	91 Endesa SA	1,500	1.00	CHF 96 UBS Group AG	1,344	0.90
	2,976	1.98	92 Gas Natural SDG SA	1,470	0.98	CHF 7 Zurich Insurance Group AG	1,444	0.96
Finland — 3.41%				6,439	4.29	Sweden — 6.30%		
45 Elisa OYJ	1,472	0.98	Sweden — 6.30%			SEK 176 Nordea Bank AB	1,606	1.07
112 Fortum OYJ	1,370	0.92	SEK 137 Svenska Handelsbanken AB	1,605	1.07	SEK 100 Swedbank AB 'A'	1,857	1.24
47 Orion Oyj	1,455	0.97	SEK 100 Swedbank AB 'A'	1,857	1.24	SEK 56 Swedish Match AB	1,649	1.10
20 Sampo Oyj 'A'	814	0.54	SEK 144 Tele2 AB	1,095	0.73	SEK 388 TeliaSonera AB	1,637	1.09
	5,111	3.41		9,449	6.30	United Kingdom — 36.23%		
France — 7.76%			Switzerland — 13.44%			GBP 57 Admiral Group Plc	1,248	0.83
21 Casino Guichard Perrachon SA	863	0.57	CHF 108 ABB Ltd	1,769	1.18	GBP 29 AstraZeneca Plc	1,524	1.02
143 CNP Assurances	1,939	1.29	CHF 1 Flughafen Zuerich AG	1,054	0.70	GBP 179 BAE Systems Plc	1,168	0.78
103 Engie SA	1,464	0.98	CHF 1 Givaudan SA	1,778	1.19	GBP 85 Berendsen Plc	1,261	0.84
61 Eutelsat Communications SA	1,693	1.13	CHF 25 Nestle SA	1,639	1.09	GBP 40 Berkeley Group Holdings Plc	1,661	1.11
43 Neopost SA	844	0.56	CHF 22 Novartis AG	1,448	0.97	GBP 353 BP Plc	1,575	1.05
126 Rexel SA	1,422	0.95	CHF 20 PSP Swiss Property AG	1,585	1.06	GBP 36 British American Tobacco Plc	1,781	1.19
22 Sanofi	1,626	1.08	CHF 8 Roche Holding AG	1,783	1.19	GBP 207 BT Group Plc	1,284	0.86
56 SCOR SE	1,794	1.20	CHF 20 Swiss Prime Site AG	1,498	1.00	GBP 369 Centrica Plc	976	0.65
	11,645	7.76	CHF 21 Swiss Re AG	1,716	1.14	GBP 263 Cobham Plc	863	0.58
Germany — 10.23%			CHF 4 Swisscom AG	1,610	1.07	GBP 58 Diageo Plc	1,370	0.91
13 Allianz SE	1,714	1.14	CHF 4 Syngenta AG	1,483	0.99	GBP 368 Direct Line Insurance Group Plc	1,821	1.21
34 Axel Springer SE	1,565	1.04	CHF 96 UBS Group AG	1,344	0.90	GBP 40 easyJet Plc	762	0.51
63 Freenet AG	1,731	1.15	CHF 7 Zurich Insurance Group AG	1,444	0.96			
19 Hannover Rueck SE	1,808	1.21	United Kingdom — 36.23%			Total Common Stock (Cost €156,916)		
18 MAN SE	1,729	1.15	GBP 57 Admiral Group Plc	1,248	0.83		144,739	96.51
10 Muenchener Rueckversicherungs-Gesellschaft AG in Muenchen	1,809	1.21	GBP 29 AstraZeneca Plc	1,524	1.02	Real Estate Investment Trusts — 0.88%		
21 Siemens AG	1,749	1.17	GBP 179 BAE Systems Plc	1,168	0.78	France — 0.88%		
69 Talanx AG	1,798	1.20	GBP 85 Berendsen Plc	1,261	0.84	35 Klepierre	1,328	0.88
323 Telefonica Deutschland Holding AG	1,434	0.96	GBP 40 Berkeley Group Holdings Plc	1,661	1.11	Total Real Estate Investment Trusts (Cost €1,411)		
	15,337	10.23	GBP 353 BP Plc	1,575	1.05		1,328	0.88
Italy — 1.16%			GBP 36 British American Tobacco Plc	1,781	1.19	Total Investments (Cost €158,327)		
352 Snam SpA	1,742	1.16	GBP 207 BT Group Plc	1,284	0.86		146,067	97.39
Luxembourg — 2.41%			GBP 369 Centrica Plc	976	0.65	Other Assets in Excess of Liabilities		
23 RTL Group SA	1,804	1.21	GBP 263 Cobham Plc	863	0.58		3,908	2.61
75 SES SA	1,803	1.20	GBP 58 Diageo Plc	1,370	0.91	Total Net Assets		
	3,607	2.41	GBP 368 Direct Line Insurance Group Plc	1,821	1.21		€149,975	100.00
			GBP 40 easyJet Plc	762	0.51			

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/01/16	BNY Mellon	Buy	AUD 1	€ —
03/01/16	BNY Mellon	Buy	EUR 82	1
03/01/16	BNY Mellon	Buy	EUR 14	—
03/01/16	BNY Mellon	Buy	USD 594	(6)
03/15/16	BNY Mellon	Buy	AUD 2,826	(67)
03/15/16	BNY Mellon	Buy	AUD 270	—
03/15/16	BNY Mellon	Buy	CNH 546	(3)
03/15/16	BNY Mellon	Buy	EUR 83,913	2,387
03/15/16	BNY Mellon	Buy	EUR 17,615	425
03/15/16	BNY Mellon	Buy	EUR 53	1
03/15/16	BNY Mellon	Buy	EUR 1,202	42
03/15/16	BNY Mellon	Buy	EUR 1	—
03/15/16	BNY Mellon	Buy	SGD 5	—
03/15/16	BNY Mellon	Buy	USD 7,980	(219)
Unrealised Appreciation of Forward Foreign Currency Contracts				2,856
Unrealised Depreciation of Forward Foreign Currency Contracts				(295)
Net Appreciation of Forward Foreign Currency Contracts				€ 2,561

The accompanying notes are an integral part of the Financial Statements

Legg Mason QS MV European Equity Growth and Income Fund

Portfolio of Investments as at February 29, 2016 – (continued)

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Common Stock	132,384	97.53	Portugal	1,458	1.07
Belgium	5,672	4.18	Spain	3,091	2.28
Bermuda	1,532	1.13	Sweden	7,951	5.86
Denmark	3,789	2.79	Switzerland	18,364	13.53
Finland	3,129	2.30	United Kingdom	45,479	33.51
France	14,126	10.41			
Germany	14,717	10.84	Preferred Stock	779	0.58
Guernsey	1,384	1.02	Germany	779	0.58
Ireland	1,491	1.10			
Italy	823	0.61	Other Assets in Excess of		
Luxembourg	1,420	1.04	Liabilities	2,570	1.89
Netherlands	4,433	3.26			
Norway	3,525	2.60	Total Net Assets	€135,733	100.00

Forward Contracts – February 28, 2015		(000's)
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 classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

Legg Mason QS MV Asia Pacific ex Japan Equity Growth and Income Fund

Portfolio of Investments as at February 29, 2016

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 — 91.13%				Malaysia — 5.91%				Thailand — 2.55%			
Australia — 10.52%				MYR 126	Axiata Group Bhd	177	0.50	THB 37	Advanced Info Service PCL, NVDR	174	0.50
AUD 35	Arcor Ltd/Australia	353	1.00	MYR 14	British American Tobacco Malaysia Bhd	189	0.54	THB 187	Delta Electronics Thailand PCL, NVDR	427	1.21
AUD 95	Aurizon Holdings Ltd	274	0.77	MYR 167	DiGi.Com Bhd	195	0.55	THB 469	GFPT PCL, NVDR	160	0.45
AUD 21	Australia & New Zealand Banking Group Ltd	335	0.95	MYR 112	Globetronics Technology BHD	146	0.41	THB 1,810	Jasmine International PCL, NVDR	139	0.39
AUD 57	Bendigo & Adelaide Bank Ltd	344	0.97	MYR 167	IOI Corp Bhd	187	0.53			900	2.55
AUD 48	Coca-Cola Amatil Ltd	288	0.82	MYR 137	Malayan Banking Bhd	277	0.78	Total Common Stock (Cost \$37,604)			
AUD 5	Commonwealth Bank of Australia	258	0.73	MYR 132	Maxis Bhd	192	0.55			32,202	91.13
AUD 25	Sonic Healthcare Ltd	326	0.92	MYR 145	Telekom Malaysia Bhd	227	0.64	Real Estate Investment Trusts — 8.54%			
AUD 77	Sydney Airport	353	1.00	MYR 90	Tenaga Nasional Bhd	280	0.79	Australia — 1.46%			
AUD 86	Tabcorp Holdings Ltd	263	0.74	MYR 127	UEM Edgenta Bhd	103	0.29	AUD 65	Dexus Property Group	347	0.98
AUD 11	Wesfarmers Ltd	302	0.86	MYR 214	Unisem M Bhd	116	0.33	AUD 57	Stockland	168	0.48
AUD 19	Woodside Petroleum Ltd	347	0.98							515	1.46
AUD 17	Woolworths Ltd	274	0.78					Hong Kong — 0.59%			
		3,717	10.52					HKD 37	Link	208	0.59
China — 15.21%				New Zealand — 3.67%				Singapore — 6.49%			
HKD 926	Agricultural Bank of China Ltd 'H'	304	0.86	NZD 116	Contact Energy Ltd	343	0.97	SGD 211	CapitaLand Mall Trust	328	0.93
HKD 449	Anhui Expressway Co Ltd 'H'	347	0.98	NZD 265	Genesis Energy Ltd	340	0.96	HKD 427	Fortune Real Estate Investment Trust †	442	1.25
HKD 157	ANTA Sports Products Ltd	355	1.00	NZD 219	Meridian Energy Ltd	356	1.01	SGD 125	Fraser's Centrepoint Trust	177	0.50
HKD 1,350	Bank of China Ltd 'H'	507	1.43	NZD 149	Mighty River Power Ltd	258	0.73	SGD 332	Fraser's Commercial Trust	290	0.82
HKD 169	Bank of Chongqing Co Ltd 'H'	134	0.38			1,297	3.67	SGD 360	Mapletree Commercial Trust	361	1.02
HKD 1,300	China Construction Bank Corp 'H'	760	2.15	Pakistan — 0.60%				SGD 360	Mapletree Industrial Trust	395	1.12
HKD 234	China Merchants Bank Co Ltd 'H'	436	1.23	PKR 212	Hub Power Co Ltd/The	214	0.60	SGD 434	Mapletree Logistics Trust	301	0.85
HKD 150	China Vanke Co Ltd 'H'	339	0.96							2,294	6.49
HKD 270	Guangdong Investment Ltd	328	0.93	Philippines — 1.41%				Total Real Estate Investment Trusts (Cost \$3,279)			
HKD 223	Huaneng Power International Inc 'H'	175	0.50	PHP 9	Globe Telecom Inc	329	0.93			3,017	8.54
HKD 1,348	Industrial & Commercial Bank of China Ltd 'H'	667	1.89	PHP 4	Philippine Long Distance Telephone Co	170	0.48	Total Investments (Cost \$40,883)			
HKD 516	Shenzhen Expressway Co Ltd 'H'	386	1.09			499	1.41			35,219	99.67
HKD 9	Tencent Holdings Ltd	165	0.47	Singapore — 5.32%				Other Assets in Excess of Liabilities			
HKD 438	Yuexiu Transport Infrastructure Ltd	267	0.76	SGD 775	Hutchison Port Holdings Trust	365	1.03	Total Net Assets			
HKD 924	Yuzhou Properties Co Ltd	203	0.58	SGD 137	M1 Ltd/Singapore	246	0.70			\$35,335	100.00
		5,373	15.21	SGD 35	Oversea-Chinese Banking Corp Ltd	201	0.57	— Amounts designated as “—” are either \$0, less than \$1,000 or less than 1,000 shares.			
Hong Kong — 12.03%				SGD 153	SATS Ltd	427	1.21	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 29, 2016, these securities amounted to \$202,000 or 0.57% of net assets.			
HKD 174	BOC Hong Kong Holdings Ltd	451	1.28	SGD 102	Singapore Telecommunications Ltd	270	0.76	† Illiquid.			
HKD 25	Cheung Kong Property Holdings Ltd	129	0.37	SGD 64	Venture Corp Ltd	370	1.05	ABBREVIATIONS:			
HKD 47	CLP Holdings Ltd	410	1.16			1,879	5.32	NVDR	— Non Voting Depository Receipt		
HKD 242	HK Electric Investments & HK Electric Investments Ltd, 144A	202	0.57	South Korea — 8.64%				AUD	— Australian Dollar		
HKD 337	HKT Trust & HKT Ltd	466	1.32	KRW 6	Coway Co Ltd	509	1.44	HKD	— Hong Kong Dollar		
	5 Jardine Matheson Holdings Ltd	262	0.74	KRW 7	Dongbu Insurance Co Ltd	359	1.02	IDR	— Indonesian Rupiah		
HKD 640	Li & Fung Ltd	361	1.02	KRW 15	KB Insurance Co Ltd	403	1.14	INR	— India Rupee		
HKD 217	Lifestyle International Holdings Ltd	263	0.74	KRW 7	Kia Motors Corp	265	0.75	KRW	— South Korean Won		
HKD 148	NWS Holdings Ltd	210	0.59	KRW 12	Korea Electric Power Corp	561	1.59	MYR	— Malaysian Ringgit		
HKD 855	PCCW Ltd	543	1.54	KRW 3	KT&G Corp	258	0.73	NZD	— New Zealand Dollar		
HKD 31	Swire Pacific Ltd 'A'	298	0.84	KRW —	Samsung Electronics Co Ltd	436	1.23	PHP	— Philippine Peso		
HKD 28	VTech Holdings Ltd	312	0.88	KRW 3	Samsung Life Insurance Co Ltd	261	0.74	PKR	— Pakistan Rupee		
HKD 97	Yue Yuen Industrial Holdings Ltd	345	0.98			3,052	8.64	SGD	— Singapore Dollar		
		4,252	12.03	Taiwan — 18.31%				THB	— Thai Baht		
India — 3.63%				TWD 211	Asia Cement Corp	175	0.49	TWD	— Taiwanese Dollar		
INR 66	Cairn India Ltd	114	0.32	TWD 41	Asustek Computer Inc	336	0.95	Analysis of Total Assets			
INR 22	HCL Technologies Ltd	259	0.73	TWD 174	Cheng Shin Rubber Industry Co Ltd	304	0.86	Transferable securities admitted to an official exchange listing or traded on a regulated market			
INR 26	Infosys Ltd	419	1.19	TWD 412	China Steel Corp	255	0.72	Other assets			
INR 5	Tata Consultancy Services Ltd	147	0.42	TWD 120	Chin-Poon Industrial Co Ltd	215	0.61			98.90	
INR 45	Wipro Ltd	342	0.97	TWD 123	Far EasTone Telecommunications Co Ltd	257	0.73			1.10	
		1,281	3.63	TWD 789	First Financial Holding Co Ltd	367	1.04	Total Assets			
Indonesia — 3.33%				TWD 333	Gigabyte Technology Co Ltd	359	1.02			100.00	
IDR 2,005	Adaro Energy Tbk PT	91	0.26	TWD 239	Hon Hai Precision Industry Co Ltd	556	1.57				
IDR 333	Astra International Tbk PT	169	0.48	TWD 358	Inventec Corp	254	0.72				
IDR 136	Indo Tambangraya Megah Tbk PT	69	0.19	TWD 438	King Yuan Electronics Co Ltd	343	0.97				
IDR 581	Indofood Sukses Makmur Tbk PT	306	0.87	TWD 289	Lite-On Technology Corp	332	0.94				
IDR 1,554	Telekomunikasi Indonesia Persero Tbk PT	376	1.06	TWD 456	Mega Financial Holding Co Ltd	299	0.85				
IDR 144	United Tractors Tbk PT	167	0.47	TWD 41	President Chain Store Corp	277	0.78				
		1,178	3.33	TWD 103	Radiant Opto-Electronics Corp	202	0.57				
				TWD 294	Siliconware Precision Industries Co Ltd	451	1.28				
				TWD 69	Simplo Technology Co Ltd	220	0.62				
				TWD 262	Taiwan Cement Corp	235	0.67				
				TWD 176	Taiwan Semiconductor Manufacturing Co Ltd	789	2.23				
				TWD 161	Vanguard International Semiconductor Corp	245	0.69				
						6,471	18.31				

The accompanying notes are an integral part of the Financial Statements

Legg Mason QS MV Asia Pacific ex Japan Equity Growth and Income Fund

Portfolio of Investments as at February 29, 2016 – (continued)

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)				Sell Currency (000's)				Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/15/16	BNY Mellon	Buy	USD	–	Sell	AUD	–		\$	–
03/15/16	BNY Mellon	Buy	AUD	117	Sell	USD	84			–
03/15/16	BNY Mellon	Buy	PLN	371	Sell	USD	94			(1)
Unrealised Appreciation of Forward Foreign Currency Contracts										–
Unrealised Depreciation of Forward Foreign Currency Contracts										(1)
Net Depreciation of Forward Foreign Currency Contracts										\$ (1)

Portfolio of Investments as at February 28, 2015*

	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015		Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Forward Contracts – February 28, 2015 (000's)
Investments			Investments			Unrealised Appreciation of Forward Foreign Currency Contracts
Common Stock	48,541	95.27	Real Estate Investment Trusts	2,328	4.57	–
China	10,416	20.44	Hong Kong	236	0.46	Unrealised Depreciation of Forward Foreign Currency Contracts
Hong Kong	7,126	13.99	Singapore	2,092	4.11	–
India	3,484	6.84				
Indonesia	1,732	3.40	Other Assets in Excess of Liabilities	84	0.16	
Malaysia	3,626	7.12	Total Net Assets	\$50,953	100.00	
Pakistan	572	1.12				
Philippines	786	1.54				
Singapore	1,170	2.30				
South Korea	5,714	11.21				
Taiwan	12,189	23.92				
Thailand	1,726	3.39				

**Net Depreciation of Forward Foreign Currency
Contracts** **\$–**

* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

Legg Mason QS Emerging Markets Equity Fund

Portfolio of Investments as at February 29, 2016

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 — 96.51%														
Brazil — 2.98%														
BRL	7	Ambev SA	31	0.21	HKD	27	China Longyuan Power Group Corp Ltd 'H'	15	0.10	HKD	20	Tingyi Cayman Islands Holding Corp	19	0.13
BRL	3	Banco Bradesco SA	16	0.11	HKD	18	China Medical System Holdings Ltd ∞	23	0.16	HKD	4	Tsingtao Brewery Co Ltd 'H'	14	0.10
BRL	3	Banco do Brasil SA	10	0.07	HKD	26	China Mengniu Dairy Co Ltd	37	0.26	HKD	1	Vipshop Holdings Ltd ADR	8	0.05
BRL	1	BRF SA	13	0.09	HKD	2	China Merchants Bank Co Ltd 'H'	4	0.03	HKD	60	Want Want China Holdings Ltd	40	0.28
BRL	8	CCR SA	25	0.17	HKD	4	China Merchants Holdings International Co Ltd	11	0.08	HKD	6	Zhejiang Expressway Co Ltd 'H'	5	0.04
BRL	3	Cia de Saneamento Basico do Estado de Sao Paulo	17	0.12	HKD	18	China Mobile Ltd	192	1.33	HKD	2	Zhuzhou CSR Times Electric Co Ltd 'H'	7	0.05
BRL	9	Cielo SA	68	0.47	HKD	48	China National Building Material Co Ltd 'H'	21	0.15	HKD	102	Zijin Mining Group Co Ltd 'H'	31	0.21
BRL	5	Embraer SA	40	0.28									1,713	11.89
BRL	3	Estacio Participacoes SA	9	0.06	HKD	8	China Oilfield Services Ltd 'H'	6	0.04	Colombia — 1.35%				
BRL	1	Fibria Celulose SA	14	0.10	HKD	4	China Overseas Land & Investment Ltd	12	0.08	COP	10	Cementos Argos SA	31	0.22
BRL	3	Klablin SA	14	0.10	HKD	2	China Pacific Insurance Group Co Ltd 'H'	8	0.05	COP	234	Ecopetrol SA	81	0.56
BRL	12	Kroton Educacional SA	29	0.20	HKD	84	China Petroleum & Chemical Corp 'H'	48	0.33	COP	10	Grupo Argos SA/Colombia	54	0.37
BRL	5	Lojas Renner SA	20	0.14						COP	2	Grupo de Inversiones Suramericana SA	28	0.20
BRL	1	M Dias Branco SA	8	0.06	HKD	27	China Power International Development Ltd	11	0.08				194	1.35
BRL	12	Petroleo Brasileiro SA	22	0.16	HKD	10	China Railway Group Ltd 'H'	6	0.04	Czech Republic — 0.95%				
BRL	16	Tim Participacoes SA	28	0.19	HKD	14	China Resources Beer Holdings Company Ltd	23	0.16	CZK	4	CEZ AS	56	0.39
BRL	1	TOTVS SA	10	0.07	HKD	6	China Resources Gas Group Ltd	16	0.11	CZK	—	Komerčni banka as	81	0.56
BRL	1	Tractebel Energia SA	5	0.04	HKD	16	China Resources Power Holdings Co Ltd	26	0.18				137	0.95
BRL	1	Ultrapar Participacoes SA	19	0.13	HKD	14	China Shenhua Energy Co Ltd 'H'	19	0.13	Egypt — 0.54%				
BRL	4	Vale SA	13	0.09	HKD	10	China Southern Airlines Co Ltd 'H'	6	0.04	EGP	16	Commercial International Bank Egypt SAE	68	0.47
BRL	5	WEG SA	18	0.12	HKD	8	China State Construction International Holdings Ltd	12	0.09	EGP	15	Talaat Moustafa Group	9	0.07
			429	2.98	HKD	46	China Telecom Corp Ltd 'H'	22	0.15				77	0.54
Chile — 4.33%										Greece — 0.66%				
CLP	18	AES Gener SA	8	0.06	HKD	20	China Unicom Hong Kong Ltd	23	0.16	EUR	1	FF Group	15	0.10
CLP	6	Aguas Andinas SA	3	0.02	HKD	15	CITIC Ltd	20	0.14	EUR	3	JUMBO SA	34	0.24
CLP	423	Banco de Chile	43	0.30	HKD	62	CNOOC Ltd	65	0.45	EUR	7	OPAP SA	46	0.32
CLP	1	Banco de Credito e Inversiones	29	0.20	HKD	6	COSCO Pacific Ltd	6	0.04				95	0.66
CLP	1,173	Banco Santander Chile	51	0.35	HKD	13	CRRC Corp Ltd 'H'	12	0.08	Hong Kong — 0.80%				
CLP	35	Cencosud SA	77	0.54	HKD	48	CSPC Pharmaceutical Group Ltd	38	0.27	HKD	60	Alibaba Pictures Group Ltd	12	0.09
CLP	4	Cia Cervecerias Unidas SA	35	0.24	HKD	1	Ctrip.com International Ltd ADR	20	0.14	HKD	14	China Gas Holdings Ltd	19	0.13
CLP	71	Colbun SA	19	0.13	HKD	18	Datang International Power Generation Co Ltd 'H'	5	0.03	HKD	38	Hanergy Thin Film Power Group Ltd †∞	—	—
CLP	2,887	Corpbanca SA	24	0.16	HKD	10	Dongfeng Motor Group Co Ltd 'H'	12	0.08	HKD	340	Imperial Pacific International Holdings Ltd	6	0.04
CLP	32	Empresa Nacional de Electricidad SA/Chile	43	0.30	HKD	4	ENN Energy Holdings Ltd	18	0.13	HKD	38	Nine Dragons Paper Holdings Ltd	25	0.17
CLP	44	Empresas CMPC SA	100	0.70	HKD	10	Fosun International Ltd	13	0.09	HKD	53	Sino Biopharmaceutical Ltd	39	0.27
CLP	32	Endesa Americas SA ∞	—	—	HKD	12	Great Wall Motor Co Ltd 'H'	8	0.06	HKD	24	Sun Art Retail Group Ltd	14	0.10
CLP	195	Enerasis Americas SA	49	0.34	HKD	20	Guangdong Investment Ltd	24	0.17				115	0.80
CLP	195	Enerasis Chile ∞	—	—	HKD	9	Guangzhou R&F Properties Co Ltd 'H'	10	0.07	Hungary — 0.70%				
CLP	22	SACI Falabella	143	0.99	HKD	8	Hengan International Group Co Ltd	59	0.41	HUF	5	OTP Bank Plc	101	0.70
			624	4.33	HKD	12	Huadian Power International Corp Ltd 'H'	7	0.05	India — 8.43%				
China — 11.89%										INR	5	Adani Ports & Special Economic Zone Ltd	13	0.09
HKD	8	Air China Ltd 'H'	5	0.03	HKD	30	Huaneng Power International Inc 'H'	24	0.16	INR	6	Ambuja Cements Ltd	16	0.11
	—	Alibaba Group Holding Ltd ADR	28	0.19	HKD	40	Huaneng Renewables Corp Ltd 'H'	9	0.06	INR	2	Asian Paints Ltd	29	0.20
HKD	12	Alibaba Health Information Technology Ltd	6	0.04	HKD	49	Industrial & Commercial Bank of China Ltd 'H'	24	0.17	INR	1	Aurobindo Pharma Ltd	11	0.08
HKD	66	Aluminum Corp of China Ltd 'H'	23	0.16	HKD	25	Jiangxi Copper Co Ltd 'H'	26	0.18	INR	—	Bajaj Auto Ltd	16	0.11
HKD	24	Anhui Conch Cement Co Ltd 'H'	48	0.34	HKD	12	Kunlun Energy Co Ltd	9	0.06	INR	1	Bharat Forge Ltd	9	0.06
HKD	4	ANTA Sports Products Ltd	9	0.06	HKD	12	Lenovo Group Ltd	10	0.07	INR	5	Bharat Heavy Electricals Ltd	6	0.04
HKD	12	AviChina Industry & Technology Co Ltd 'H'	8	0.06	HKD	16	Luye Pharma Group Ltd	13	0.09	INR	1	Bharat Petroleum Corp Ltd	6	0.04
	—	Baidu Inc ADR	17	0.12	HKD	70	PetroChina Co Ltd 'H'	45	0.31	INR	12	Bharti Airtel Ltd	58	0.40
HKD	53	Bank of China Ltd 'H'	20	0.14	HKD	4	Ping An Insurance Group Co of China Ltd 'H'	17	0.12	INR	5	Bharti Infratel Ltd	26	0.18
HKD	3	Beijing Enterprises Holdings Ltd	12	0.08	HKD	24	Shandong Weigao Group Medical Polymer Co Ltd 'H'	15	0.11	INR	—	Bosch Ltd	12	0.09
HKD	26	Beijing Enterprises Water Group Ltd	14	0.09	HKD	12	Shanghai Electric Group Co Ltd 'H'	5	0.04	INR	2	Cipla Ltd/India	14	0.10
HKD	19	Belle International Holdings Ltd	12	0.09	HKD	7	Shanghai Fosun Pharmaceutical Group Co Ltd 'H'	15	0.10	INR	3	Coal India Ltd	15	0.10
HKD	10	Brilliance China Automotive Holdings Ltd	8	0.06	HKD	11	Shanghai Pharmaceuticals Holding Co Ltd 'H'	20	0.14	INR	1	Container Corp Of India Ltd	11	0.07
HKD	56	CGN Power Co Ltd 'H', 144A	16	0.11	HKD	2	Shenzhou International Group Holdings Ltd	10	0.07	INR	1	Dabur India Ltd	5	0.03
HKD	19	China Coal Energy Co Ltd 'H'	6	0.04	HKD	54	Sinopec Shanghai Petrochemical Co Ltd 'H'	23	0.16	INR	1	Dr Reddy's Laboratories Ltd	23	0.16
HKD	14	China Communications Construction Co Ltd 'H'	13	0.09	HKD	13	Sinopharm Group Co Ltd 'H'	48	0.34	INR	1	Eicher Motors Ltd	27	0.19
HKD	5	China Conch Venture Holdings Ltd	8	0.05	HKD	4	Tencent Holdings Ltd	79	0.55	INR	10	GAIL India Ltd	45	0.31
HKD	58	China Construction Bank Corp 'H'	34	0.23						INR	—	Godrej Consumer Products Ltd	8	0.06
HKD	13	China COSCO Holdings Co Ltd 'H'	4	0.03						INR	2	HCL Technologies Ltd	18	0.13
HKD	8	China Everbright International Ltd	9	0.06						INR	1	Hero MotoCorp Ltd	19	0.13
HKD	70	China Huishan Dairy Holdings Co Ltd	26	0.18						INR	7	Hindalco Industries Ltd	7	0.05
HKD	6	China Life Insurance Co Ltd 'H'	13	0.09						INR	4	Hindustan Unilever Ltd	43	0.30
										INR	5	Housing Development Finance Corp Ltd	78	0.54
										INR	3	ICICI Bank Ltd	8	0.05
										INR	12	Idea Cellular Ltd	18	0.12
										INR	4	Infosys Ltd	66	0.46
										INR	11	ITC Ltd	46	0.32

The accompanying notes are an integral part of the Financial Statements

Legg Mason QS Emerging Markets Equity Fund

Portfolio of Investments as at February 29, 2016 – (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)											
India — (continued)											
INR	3 Larsen & Toubro Ltd	42	0.29	MYR	5 Hong Leong Bank Bhd	16	0.11	PHP	2 Philippine Long Distance Telephone Co	72	0.50
INR	1 Lupin Ltd	21	0.15	MYR	28 UM Corp Bhd	23	0.16	PHP	1 SM Investments Corp	24	0.17
INR	2 Mahindra & Mahindra Ltd	41	0.28	MYR	55 IOI Corp Bhd	61	0.42	PHP	31 SM Prime Holdings Inc	14	0.10
INR	3 Marico Ltd	9	0.07	MYR	8 Kuala Lumpur Kepong Bhd	43	0.30			331	2.30
INR	1 Maruti Suzuki India Ltd	38	0.26	MYR	14 Lafarge Malaysia Bhd	29	0.20	Poland — 3.29%			
INR	1 Motherson Sumi Systems Ltd	4	0.03	MYR	26 Malayan Banking Bhd	53	0.37	PLN	1 Bank Pekao SA	20	0.14
INR	– Nestle India Ltd	8	0.05	MYR	5 Malaysia Airports Holdings Bhd	7	0.05	PLN	– Bank Zachodni WBK SA	7	0.05
INR	31 NTPC Ltd	55	0.38	MYR	22 Maxis Bhd	32	0.22	PLN	1 CCC SA	26	0.18
INR	3 Oil & Natural Gas Corp Ltd	9	0.06	MYR	10 MISC Bhd	21	0.15	PLN	6 Cyfrowy Polsat SA	32	0.22
INR	13 Reliance Communications Ltd	10	0.07	MYR	93 Petronas Chemicals Group Bhd	149	1.03	PLN	3 Enea SA	7	0.05
INR	7 Reliance Industries Ltd	93	0.64	MYR	13 Petronas Dagangan Bhd	75	0.52	PLN	5 Energa SA	16	0.11
INR	– Shree Cement Ltd	12	0.09	MYR	7 Petronas Gas Bhd	38	0.27	PLN	1 Grupa Azoty SA	28	0.19
INR	1 Siemens Ltd	8	0.06	MYR	7 PPB Group Bhd	28	0.20	PLN	1 Grupa Lotos SA	8	0.05
INR	4 State Bank of India	10	0.07	MYR	13 Public Bank Bhd	57	0.39	PLN	4 KGHM Polska Miedz SA	68	0.47
INR	3 Sun Pharmaceutical Industries Ltd	43	0.30	MYR	182 SapuraKencana Petroleum Bhd	82	0.57	PLN	– LPP SA	46	0.32
INR	1 Tata Consultancy Services Ltd	33	0.23	MYR	31 Sime Darby Bhd	55	0.38	PLN	19 PGE Polska Grupa Energetyczna SA	60	0.42
INR	5 Tata Motors Ltd	21	0.15	MYR	13 Telekom Malaysia Bhd	20	0.14	PLN	4 Polski Koncern Naftowy ORLEN SA	62	0.43
INR	28 Tata Power Co Ltd	24	0.16	MYR	34 Tenaga Nasional Bhd	107	0.74	PLN	18 Polskie Gornictwo Naftowe i Gazownictwo SA	22	0.15
INR	2 Tata Steel Ltd	6	0.04	MYR	10 UMW Holdings Bhd	17	0.11	PLN	4 Powszechna Kasa Oszczednosci Bank Polski SA	27	0.19
INR	– UltraTech Cement Ltd	8	0.06	MYR	13 Westports Holdings Bhd	12	0.08	PLN	2 Powszechny Zaklad Ubezpieczenia SA	17	0.12
INR	– United Spirits Ltd	8	0.06	MYR	66 YTL Corp Bhd	24	0.17	PLN	11 Synthos SA	11	0.08
INR	3 UPL Ltd	14	0.10	MYR	21 YTL Power International Bhd	7	0.05	PLN	26 Tauron Polska Energia SA	16	0.12
INR	9 Vedanta Ltd	9	0.06			1,399	9.71			473	3.29
INR	1 Wipro Ltd	7	0.05	Mexico — 4.98%				Russia — 4.09%			
INR	5 Zee Entertainment Enterprises Ltd	29	0.20	MXN	23 Alfa SAB de CV	42	0.29		25 Alrosa PAO	23	0.16
		1,215	8.43	MXN	164 America Movil SAB de CV	112	0.77		9 Gazprom PAO ADR	35	0.24
Indonesia — 5.35%				MXN	96 Cemex SAB de CV	53	0.37		1 Lukoil PJSC	31	0.22
IDR	58 AKR Corporindo Tbk PT	36	0.25	MXN	2 Coca-Cola Femsa SAB de CV	11	0.08		3 Magnit PJSC GDR	104	0.72
IDR	132 Astra International Tbk PT	67	0.46	MXN	1 El Puerto de Liverpool SAB de CV	12	0.08		2 MegaFon PJSC GDR	20	0.14
IDR	38 Bank Central Asia Tbk PT	38	0.26	MXN	5 Fomento Economico Mexicano SAB de CV	42	0.29		7 MMC Norilsk Nickel PJSC ADR	80	0.55
IDR	26 Bank Mandiri Persero Tbk PT	18	0.13	MXN	6 Gentera SAB de CV	12	0.08		10 Mobile TeleSystems PJSC ADR	69	0.48
IDR	17 Bank Negara Indonesia Persero Tbk PT	6	0.04	MXN	3 Grupo Aeroportuario del Pacifico SAB de CV	21	0.14		5 Moscow Exchange MICEX-RTS PJSC	7	0.05
IDR	33 Bank Rakyat Indonesia Persero Tbk PT	27	0.19	MXN	2 Grupo Aeroportuario del Sureste SAB de CV 'B'	24	0.17		– Novatek OAO GDR	14	0.10
IDR	47 Charoen Pokphand Indonesia Tbk PT	12	0.08	MXN	8 Grupo Bimbo SAB de CV	23	0.16		2 Rosneft OAO GDR	8	0.05
IDR	3 Gudang Garam Tbk PT	13	0.09	MXN	5 Grupo Carso SAB de CV	19	0.13		17 Rostelecom PJSC	20	0.13
IDR	3 Hanjaya Mandala Sampoerna Tbk PT	25	0.17	MXN	12 Grupo Financiero Banorte SAB de CV	60	0.42		65 Sberbank of Russia	93	0.65
IDR	38 Indocement Tunggal Prakarsa Tbk PT	57	0.39	MXN	9 Grupo Financiero Inbursa SAB de CV	16	0.11		3 Severstal PAO	21	0.15
IDR	10 Indofood CBP Sukses Makmur Tbk PT	12	0.09	MXN	11 Grupo Financiero Santander Mexico SAB de CV	17	0.12		4 Sistema JSFC GDR	20	0.14
IDR	70 Indofood Sukses Makmur Tbk PT	37	0.26	MXN	24 Grupo Mexico SAB de CV	51	0.36		3 Tatneft PAO	13	0.09
IDR	61 Jasa Marga Persero Tbk PT	24	0.17	MXN	19 Grupo Televisa SAB	97	0.67		32,580 VTB Bank PJSC	32	0.22
IDR	19 Matahari Department Store Tbk PT	27	0.19	MXN	1 Industrias Penoles SAB de CV	13	0.09			590	4.09
IDR	559 Perusahan Gas Negara Persero Tbk	110	0.76	MXN	4 Kimberly-Clark de Mexico SAB de CV	9	0.06	South Africa — 7.18%			
IDR	78 Semen Indonesia Persero Tbk PT	59	0.41	MXN	5 Mexichem SAB de CV	11	0.08	ZAR	3 AngloGold Ashanti Ltd	42	0.29
IDR	29 Surya Citra Media Tbk PT	6	0.04	MXN	7 OHL Mexico SAB de CV	8	0.06	ZAR	4 Aspen Pharmacare Holdings Ltd	69	0.48
IDR	383 Telekomunikasi Indonesia Persero Tbk PT	93	0.65	MXN	2 Promotora y Operadora de Infraestructura SAB de CV	26	0.18	ZAR	1 Barclays Africa Group Ltd	10	0.07
IDR	13 Unilever Indonesia Tbk PT	42	0.29	MXN	8 Telesites SAB de CV	5	0.03	ZAR	4 Barloworld Ltd	16	0.11
IDR	54 United Tractors Tbk PT	62	0.43	MXN	15 Wal-Mart de Mexico SAB de CV	34	0.24	ZAR	7 Bidvest Group Ltd/The	168	1.17
		771	5.35			718	4.98	ZAR	7 FirstRand Ltd	20	0.14
Malaysia — 9.71%				Peru — 1.54%				ZAR	7 Gold Fields Ltd	28	0.20
MYR	6 AMMB Holdings Bhd	6	0.04		2 Cia de Minas Buenaventura SAA ADR	12	0.08	ZAR	7 Life Healthcare Group Holdings Ltd	16	0.11
MYR	27 Astro Malaysia Holdings Bhd	17	0.12		1 Credicorp Ltd	152	1.06	ZAR	2 Massmart Holdings Ltd	10	0.07
MYR	33 Axiata Group Bhd	47	0.33		2 Southern Copper Corp	57	0.40	GBP	3 Mediclinic International Plc	38	0.26
MYR	7 Berjaya Sports Toto Bhd	6	0.04			221	1.54	ZAR	1 Mondi Ltd	20	0.14
MYR	2 British American Tobacco Malaysia Bhd	27	0.19	Philippines — 2.30%				ZAR	– Mr Price Group Ltd	5	0.03
MYR	145 Bumi Armada Bhd	33	0.23	PHP	11 Aboitiz Equity Ventures Inc	13	0.09	ZAR	14 MTN Group Ltd	118	0.82
MYR	30 CIMB Group Holdings Bhd	32	0.23	PHP	50 Aboitiz Power Corp	45	0.32	ZAR	1 Naspers Ltd	93	0.65
MYR	25 Dialog Group BHD	9	0.07	PHP	13 Alliance Global Group Inc	4	0.03	ZAR	7 Netcare Ltd	14	0.10
MYR	46 DiGi.Com Bhd	54	0.37	PHP	1 Ayala Corp	20	0.14	ZAR	3 Pick n Pay Stores Ltd	9	0.07
MYR	23 Felda Global Ventures Holdings Bhd	8	0.06	PHP	35 Ayala Land Inc	24	0.17	ZAR	2 Pioneer Foods Group Ltd	17	0.11
MYR	14 Gamuda Bhd	15	0.10	PHP	5 BDO Unibank Inc	11	0.07	ZAR	1 Remgro Ltd	19	0.13
MYR	49 Genting Bhd	91	0.63	PHP	26 DMCI Holdings Inc	7	0.05	ZAR	4 Sanlam Ltd	14	0.10
MYR	68 Genting Malaysia Bhd	67	0.46	PHP	338 Energy Development Corp – Globe Telecom Inc	41	0.28	ZAR	5 Sappi Ltd	19	0.13
MYR	5 Genting Plantations Bhd	12	0.08	PHP	– GT Capital Holdings Inc	16	0.11	ZAR	3 Sasol Ltd	91	0.63
MYR	10 HAP Seng Consolidated Bhd	19	0.13	PHP	3 International Container Terminal Services Inc	5	0.03	ZAR	5 Shoprite Holdings Ltd	51	0.35
				PHP	17 JG Summit Holdings Inc	23	0.16	ZAR	2 SPAR Group Ltd/The	24	0.17
								ZAR	5 Standard Bank Group Ltd	33	0.23
								ZAR	4 Steinhoff International Holdings NV	23	0.16
								ZAR	2 Tiger Brands Ltd	35	0.24
								ZAR	2 Vodacom Group Ltd	22	0.15

The accompanying notes are an integral part of the Financial Statements

Legg Mason QS Emerging Markets Equity Fund

Portfolio of Investments as at February 29, 2016 – (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)				TWD	12 Fubon Financial Holding Co Ltd	14	0.10	TRY	3 Ulker Biskuvi Sanayi AS	20	0.14	
South Africa — (continued)				TWD	2 Giant Manufacturing Co Ltd	13	0.09	TRY	19 Yapi ve Kredi Bankasi AS	24	0.17	
ZAR	2 Woolworths Holdings Ltd/ South Africa	11	0.07	TWD	3 Hiwin Technologies Corp	12	0.09			1,135	7.88	
		1,035	7.18	TWD	7 Hon Hai Precision Industry Co Ltd	16	0.11	Total Common Stock (Cost \$17,044)				13,902 96.51
South Korea — 6.68%				TWD	2 Hotai Motor Co Ltd	21	0.14	Corporate Bonds and Notes — 0.05%				
KRW	– Amorepacific Corp	31	0.22	TWD	1 MediaTek Inc	7	0.05	India — 0.05%				
KRW	– AMOREPACIFIC Group	12	0.08	TWD	26 Mega Financial Holding Co Ltd	17	0.12	INR	492 NTPC Ltd, 8.490%, due 3/25/2025 ∞	8	0.05	
KRW	1 Celltrion Inc	51	0.35	TWD	17 Nan Ya Plastics Corp	32	0.22	Total Corporate Bonds and Notes (Cost \$1)				8 0.05
KRW	– CJ CheilJedang Corp	16	0.11	TWD	17 Pou Chen Corp	21	0.14	Preferred Stock — 2.54%				
KRW	– Coway Co Ltd	6	0.04	TWD	8 President Chain Store Corp	54	0.37	Brazil — 1.40%				
KRW	– E-MART Inc	12	0.08	TWD	42 SinoPac Financial Holdings Co Ltd	11	0.08	BRL	5 Banco Bradesco SA	25	0.17	
KRW	1 GS Holdings Corp	24	0.17	TWD	7 Standard Foods Corp	17	0.12	BRL	7 Cia Energetica de Minas Gerais	11	0.07	
KRW	– Hana Financial Group Inc	7	0.05	TWD	14 Taiwan Cement Corp	13	0.09	BRL	6 Gerdau SA	5	0.04	
KRW	– Hanmi Pharm Co Ltd	24	0.16	TWD	13 Taiwan Mobile Co Ltd	40	0.28	BRL	5 Itau Unibanco Holding SA	32	0.22	
KRW	– Hanmi Science Co Ltd	12	0.09	TWD	10 Taiwan Semiconductor Manufacturing Co Ltd	45	0.31	BRL	5 Lojas Americanas SA	25	0.18	
KRW	– Hyundai Glovis Co Ltd	9	0.06	TWD	32 Teco Electric and Machinery Co Ltd	26	0.18	BRL	16 Petroleo Brasileiro SA	21	0.15	
KRW	– Hyundai Heavy Industries Co Ltd	6	0.04	TWD	59 Uni-President Enterprises Corp	102	0.71	BRL	7 Telefonica Brasil SA	66	0.46	
KRW	– Hyundai Mobis Co Ltd	19	0.13	TWD	34 Yuanta Financial Holding Co Ltd	11	0.07	BRL	8 Vale SA	16	0.11	
KRW	– Hyundai Motor Co	23	0.16			855	5.94			201	1.40	
KRW	– Hyundai Steel Co	14	0.10	Thailand — 4.94%				Chile — 0.57%				
KRW	– Kangwon Land Inc	10	0.07	THB	15 Advanced Info Service PCL ∞	70	0.48	CLP	7 Embotelladora Andina SA	19	0.13	
KRW	1 KB Financial Group Inc	15	0.11	THB	17 BEC World PCL ∞	15	0.10	CLP	4 Sociedad Quimica y Minera de Chile SA	63	0.44	
KRW	– Kia Motors Corp	14	0.09	THB	14 BEC World PCL, NVDR	12	0.09			82	0.57	
KRW	2 Korea Electric Power Corp	115	0.80	THB	52 Charoen Pokphand Foods PCL ∞	27	0.19	Colombia — 0.39%				
KRW	1 Korea Gas Corp	16	0.11	THB	71 CP ALL PCL ∞	85	0.59	COP	5 Bancolombia SA	37	0.26	
KRW	– Korea Zinc Co Ltd	8	0.06	THB	128 Home Product Center PCL ∞	26	0.18	COP	24 Grupo Aval Acciones y Valores SA	8	0.06	
KRW	1 KT Corp	35	0.24	THB	23 Indorama Ventures PCL ∞	14	0.10	COP	1 Grupo de Inversiones Suramericana SA	11	0.07	
KRW	– KT&G Corp	30	0.21	THB	96 IRPC PCL ∞	12	0.08			56	0.39	
KRW	– LG Chem Ltd	27	0.19	THB	5 Kasikornbank PCL	25	0.17	Russia — 0.05%				
KRW	– LG Corp	10	0.07	THB	5 Kasikornbank PCL, Foreign	26	0.18	13 Surgutneftegas OAO				8 0.05
KRW	– LG Household & Health Care Ltd	23	0.16	THB	2 Kasikornbank PCL, NVDR	11	0.07	South Korea — 0.13%				
KRW	5 LG Uplus Corp	45	0.31	THB	53 Minor International PCL ∞	53	0.37	KRW	– Amorepacific Corp	10	0.07	
KRW	– Lotte Chemical Corp	12	0.09	THB	12 PTT Exploration & Production PCL ∞	22	0.16	KRW	– Samsung Electronics Co Ltd	9	0.06	
KRW	– NAVER Corp	10	0.07	THB	22 PTT Global Chemical PCL	34	0.23			19	0.13	
KRW	– Orion Corp/Republic of Korea	11	0.08	THB	8 PTT Global Chemical PCL, NVDR	12	0.09	Total Preferred Stock (Cost \$543)				366 2.54
KRW	– POSCO	32	0.22	THB	11 PTT PCL ∞	82	0.57	Real Estate Investment Trusts — 0.31%				
KRW	– Samsung C&T Corp	19	0.13	THB	6 Siam Cement PCL/The	76	0.53	Mexico — 0.16%				
KRW	– Samsung Electronics Co Ltd	49	0.34	THB	1 Siam Cement PCL/The	7	0.05	MXN	11 Fibra Uno Administracion SA de CV	23	0.16	
KRW	– Samsung Fire & Marine Insurance Co Ltd	16	0.11	THB	11 Siam Commercial Bank PCL/The ∞	44	0.30	South Africa — 0.06%				
KRW	– Samsung Life Insurance Co Ltd	15	0.10	THB	9 Thai Oil PCL ∞	16	0.11	ZAR	6 Growthpoint Properties Ltd	9	0.06	
KRW	1 Shinhan Financial Group Co Ltd	21	0.14	THB	29 Thai Union Group PCL ∞	16	0.11	Turkey — 0.09%				
KRW	– SK Holdings Co Ltd	12	0.09	THB	138 True Corp PCL ∞	27	0.19	TRY	14 Emlak Konut Gayrimenkul Yatirim Ortakligi AS	13	0.09	
KRW	1 SK Innovation Co Ltd	62	0.43			712	4.94	Total Real Estate Investment Trusts (Cost \$59)				45 0.31
KRW	– SK Telecom Co Ltd	45	0.31	Turkey — 7.88%				Total Investments (Cost \$17,647)				14,321 99.41
KRW	– S-Oil Corp	27	0.19	TRY	21 Akbank TAS	53	0.37	Other Assets in Excess of Liabilities				84 0.59
KRW	– Yuhan Corp	17	0.12	TRY	5 Anadolu Efes Biracilik Ve Malt Sanayii AS	32	0.22	Total Net Assets				\$14,405 100.00
		962	6.68	TRY	16 Arcelik AS	105	0.73	– Amounts designated as “–” are either \$0, less than \$1,000 or less than 1,000 shares.				
Taiwan — 5.94%				TRY	5 BIM Birlesik Magazalar AS	97	0.67	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 29, 2016, these securities amounted to \$16,000 or 0.11% of net assets.				
TWD	6 Asia Cement Corp	5	0.03	TRY	2 Coca-Cola Icecek AS	25	0.18	† Illiquid.				
TWD	14 Cathay Financial Holding Co Ltd	16	0.11	TRY	12 Enka Insaat ve Sanayi AS	20	0.14	∞ Security is valued in good faith at fair value by or at the discretion of the Investment Manager.				
TWD	13 Cheng Shin Rubber Industry Co Ltd	23	0.16	TRY	5 Ford Otomotiv Sanayi AS	54	0.37					
TWD	3 Chicony Electronics Co Ltd	7	0.05	TRY	6 Haci Omer Sabanci Holding AS	19	0.13					
TWD	35 China Airlines Ltd	12	0.08	TRY	16 KOC Holding AS	72	0.50					
TWD	55 China Development Financial Holding Corp	13	0.09	TRY	4 TAV Havalimanlari Holding AS	23	0.16					
TWD	32 China Steel Corp	20	0.14	TRY	8 Tofas Turk Otomobil Fabrikasi AS	56	0.39					
TWD	26 Chunghwa Telecom Co Ltd	82	0.57	TRY	8 Tupras Turkiye Petrol Rafinerileri AS	193	1.34					
TWD	27 CTBC Financial Holding Co Ltd	13	0.09	TRY	13 Turk Hava Yollari AO	33	0.23					
TWD	17 E.Sun Financial Holding Co Ltd	9	0.06	TRY	17 Turk Telekomunikasyon AS	34	0.23					
TWD	1 Eclat Textile Co Ltd	13	0.09	TRY	39 Turkcell Iletisim Hizmetleri AS	147	1.02					
TWD	21 Eva Airways Corp	11	0.08	TRY	27 Turkiye Garanti Bankasi AS	67	0.46					
TWD	17 Evergreen Marine Corp Taiwan Ltd	6	0.04	TRY	5 Turkiye Halk Bankasi AS	15	0.11					
TWD	47 Far Eastern New Century Corp	36	0.25	TRY	12 Turkiye Is Bankasi	17	0.12					
TWD	15 Far EasTone Telecommunications Co Ltd	31	0.22	TRY	17 Turkiye Sise ve Cam Fabrikalari AS	19	0.13					
TWD	2 Feng TAY Enterprise Co Ltd	11	0.08	TRY	7 Turkiye Vakiflar Bankasi TAO	10	0.07					
TWD	33 First Financial Holding Co Ltd	15	0.11									
TWD	12 Formosa Chemicals & Fibre Corp	27	0.19									
TWD	14 Formosa Plastics Corp	33	0.23									

The accompanying notes are an integral part of the Financial Statements

Legg Mason QS Emerging Markets Equity Fund

Portfolio of Investments as at February 29, 2016 – (continued)

ABBREVIATIONS:				% of Total Assets
ADR	– American Depositary Receipt	Analysis of Total Assets		
GDR	– Global Depositary Receipt			
NVDR	– Non Voting Depositary Receipt			
BRL	– Brazilian Real			
CLP	– Chilean Peso			
COP	– Colombia Peso	Transferable securities admitted to an official exchange listing or traded on a regulated market		99.02
CZK	– Czech Koruna	Other assets		0.98
EGP	– Egyptian Pound	Total Assets		100.00
EUR	– Euro			
GBP	– British Pound			
HKD	– Hong Kong Dollar			
HUF	– Hungarian Forint			
IDR	– Indonesian Rupiah			
INR	– India Rupee			
KRW	– South Korean Won			
MXN	– Mexican Peso			
MYR	– Malaysian Ringgit			
PHP	– Philippine Peso			
PLN	– Polish Zloty			
THB	– Thai Baht			
TRY	– Turkish Lira			
TWD	– Taiwanese Dollar			
ZAR	– South Africa Rand			

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Mini MSCI Emerging Markets Index March 2016	3	\$ 111	\$ (6)
Total Market Value of Futures Contracts	3	\$ 111	\$ (6)
Unrealised Appreciation of Futures Contracts			–
Unrealised Depreciation of Futures Contracts			(6)
Net Depreciation of Futures Contracts			\$ (6)

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Common Stock	18,241	95.44	Russia	564	2.95	Russia	7	0.04
Brazil	553	2.89	South Africa	1,038	5.43			
Chile	512	2.68	South Korea	1,738	9.09	Warrant	–	–
China	2,393	12.52	Spain	18	0.09	Thailand	–	–
Colombia	284	1.49	Taiwan	1,395	7.30			
Czech Republic	366	1.92	Thailand	660	3.45	Other Assets in Excess of		
Egypt	202	1.06	Turkey	1,158	6.06	Liabilities	438	2.29
Greece	171	0.90	United States	74	0.39			
Hong Kong	521	2.73				Total Net Assets	\$19,113	100.00
Hungary	190	0.99	Preferred Stock	426	2.23			
India	1,958	10.24	Brazil	293	1.53	Futures Contracts – February 28, 2015		(000's)
Indonesia	1,114	5.83	Chile	50	0.26	Unrealised Appreciation of Futures Contracts		32
Malaysia	1,603	8.39	Colombia	67	0.35	Unrealised Depreciation of Futures Contracts		–
Mexico	604	3.16	South Korea	16	0.09	Net Appreciation of Future Contracts		\$32
Peru	123	0.64						
Philippines	457	2.39	Right	8	0.04			
Poland	545	2.85	Brazil	–	–			
			Malaysia	1	–			

* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

Portfolio of Investments as at February 29, 2016

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Legg Mason QS MV Global Equity Growth and Income Fund

Portfolio of Investments as at February 29, 2016 – (continued)

ABBREVIATIONS:

ADR	– American Depositary Receipt
GDR	– Global Depositary Receipt
AUD	– Australian Dollar
BRL	– Brazilian Real
CAD	– Canadian Dollar
CHF	– Swiss Franc
CZK	– Czech Koruna
DKK	– Danish Krone
EUR	– Euro
GBP	– British Pound

HKD	– Hong Kong Dollar
ILS	– Israeli Shekel
MXN	– Mexican Peso
MYR	– Malaysian Ringgit
NZD	– New Zealand Dollar
SEK	– Swedish Krona
SGD	– Singapore Dollar
TRY	– Turkish Lira
TWD	– Taiwanese Dollar
ZAR	– South Africa Rand

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	97.85
Financial derivative instruments	0.53
Other assets	1.62
Total Assets	100.00

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)			Sell Currency (000's)			Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/15/16	BNY Mellon	Buy	USD	–	Sell	AUD	–	\$ –
03/15/16	BNY Mellon	Buy	AUD	14	Sell	USD	10	–
03/16/16	Bank of New York Mellon New York	Buy	USD	1,193	Sell	GBP	825	44
03/16/16	Citibank	Buy	USD	430	Sell	CAD	600	(14)
03/16/16	Northern Trust	Buy	USD	340	Sell	AUD	480	(2)
03/16/16	Northern Trust	Buy	USD	867	Sell	NZD	1,300	12
03/16/16	UBS	Buy	USD	755	Sell	SGD	1,050	8
03/16/16	UBS	Buy	USD	364	Sell	ZAR	5,800	–
Unrealised Appreciation of Forward Foreign Currency Contracts								64
Unrealised Depreciation of Forward Foreign Currency Contracts								(16)
Net Appreciation of Forward Foreign Currency Contracts								\$ 48

Portfolio of Investments as at February 28, 2015*

Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015	Investments	Value (000's) \$ as at February 28, 2015	% of Net Asset Value as at February 28, 2015
Common Stock	13,399	99.52	Netherlands	237	1.76
Austria	101	0.75	Norway	43	0.32
Bermuda	281	2.09	Russia	199	1.48
Canada	462	3.43	South Korea	177	1.31
Cayman Islands	140	1.04	Sweden	197	1.46
China	494	3.67	Switzerland	274	2.04
Denmark	863	6.41	United Kingdom	1,675	12.44
Egypt	97	0.72	United States	5,549	41.21
Germany	200	1.49			
Hong Kong	558	4.14			
Ireland	231	1.72			
Israel	79	0.59			
Japan	1,542	11.45			
			Other Assets in Excess of Liabilities	65	0.48
			Total Net Assets	\$13,464	100.00

Forward Contracts – February 28, 2015	(000's)
Unrealised Appreciation of Forward Foreign Currency Contracts	–
Unrealised Depreciation of Forward Foreign Currency Contracts	–
Net Depreciation of Forward Foreign Currency Contracts	\$–

* The classification used for certain investments in the above comparative Portfolio of Investments may differ from those used in the current period due to a change in the classification methodology in the current period.

Legg Mason Martin Currie Australia Equity Income Fund

Portfolio of Investments as at February 29, 2016

Shares (000's)	Value (000's) \$	% of Net Asset Value	Shares (000's)	Value (000's) \$	% of Net Asset Value
Common Stock — 80.19%					
Advertising — 0.43%					
4 STW Communications Group Ltd	4	0.43	3 Dexus Property Group	22	2.33
Apparel — 1.41%			5 GPT Group/The	22	2.40
15 Pacific Brands Ltd	13	1.41	10 Scentre Group	42	4.42
Banks — 14.84%			5 Shopping Centres Australasia Property Group	12	1.25
1 Australia & New Zealand Banking Group Ltd	31	3.33	2 Stockland	10	1.08
1 Bendigo & Adelaide Bank Ltd	11	1.14	18 Vicinity Centres	55	5.80
– Commonwealth Bank of Australia	25	2.66		191	20.25
1 National Australia Bank Ltd	24	2.50	Total Real Estate Investment Trusts (Cost \$186)		
2 Westpac Banking Corp	49	5.21		191	20.25
	140	14.84	Total Investments (Cost \$1,039)		
Building Materials — 1.45%				(4)	(0.44)
3 Adelaide Brighton Ltd	14	1.45	Liabilities in Excess of Other Assets		
Commercial Services — 1.24%				\$944	100.00
1 Transurban Group	12	1.24	Total Net Assets		
Diversified Financial Services — 10.92%			– Amounts designated as “–” are either \$0, less than \$1,000 or less than 1,000 shares.		
1 ASX Ltd	37	3.92	Analysis of Total Assets		
3 Genworth Mortgage Insurance Australia Ltd	6	0.65	Transferable securities admitted to an official exchange listing or traded on a regulated market		97.53
5 IOOF Holdings Ltd	42	4.47	Other assets		2.47
– Perpetual Ltd	9	0.94	Total Assets		
2 Platinum Asset Management Ltd	9	0.94		100.00	
	103	10.92			
Electric — 13.12%					
1 AGL Energy Ltd	14	1.46			
24 AusNet Services	35	3.69			
25 DUET Group	57	6.02			
9 Spark Infrastructure Group	18	1.95			
	124	13.12			
Engineering & Construction — 2.73%					
3 Sydney Airport	19	2.05			
2 UGL Ltd	7	0.68			
	26	2.73			
Entertainment — 1.09%					
3 Tatts Group Ltd	10	1.09			
Food — 7.72%					
1 Wesfarmers Ltd	38	4.04			
2 Woolworths Ltd	35	3.68			
	73	7.72			
Holding Companies – Diversified — 1.37%					
2 Seven Group Holdings Ltd	13	1.37			
Insurance — 8.65%					
1 AMP Ltd	5	0.53			
11 Insurance Australia Group Ltd	55	5.80			
2 Suncorp Group Ltd	22	2.32			
	82	8.65			
Media — 3.26%					
22 Fairfax Media Ltd	17	1.80			
14 Seven West Media Ltd	14	1.46			
	31	3.26			
Mining — 0.41%					
1 Iluka Resources Ltd	4	0.41			
Miscellaneous Manufacturing — 1.08%					
2 GUD Holdings Ltd	10	1.08			
Oil & Gas — 1.23%					
– Woodside Petroleum Ltd	11	1.23			
Pipelines — 1.39%					
2 APA Group	13	1.39			
Retail — 3.99%					
2 JB Hi-Fi Ltd	38	3.99			
Telecommunications — 3.86%					
7 Telstra Corp Ltd	36	3.86			
Total Common Stock (Cost \$853)	757	80.19			
Real Estate Investment Trusts — 20.25%					
REITS — 20.25%					
2 BWP Trust	6	0.63			
5 Charter Hall Retail	22	2.34			

The accompanying notes are an integral part of the Financial Statements

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Statement of Financial Position

	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 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015
(in 000's)								
CURRENT ASSETS:								
Cash (Note 8)	\$ 1	\$ 1	\$ 2,316	\$ 2,463	\$ 1,230	\$ 1,443	€ 2,738	€ 574
Cash collateral (Note 8)	—	—	540	236	5,032	1,616	279	403
Amounts due from broker	—	—	23	—	141	—	19	—
Financial assets at fair value through profit or loss (Note 1):								
Investments	1,050,277	1,048,351	44,466	44,854	509,483	349,639	86,762	54,259
Pledged investments	—	—	—	—	—	—	—	—
Options at fair value	—	—	9	3	87	22	—	—
Unrealised appreciation on swap contracts	—	—	—	46	5	363	—	—
Unrealised appreciation on swaptions	—	—	—	—	—	—	—	—
Unrealised appreciation on forward foreign currency contracts	—	—	53	9	481	171	63	464
Unrealised appreciation on futures contracts	—	—	17	54	194	488	—	—
Receivable for investments sold	—	—	1,445	864	9,344	11,562	—	—
Receivable for redeemable participating shares sold	—	4,441	53	1,395	1,257	2,981	—	—
Interest receivable	388	366	251	178	3,171	1,606	1,165	460
Dividend receivable	—	—	—	1	—	—	—	—
Receivable from investment manager	—	16	—	—	—	—	—	—
Other assets	107	70	4	3	45	17	10	4
Total Current Assets	1,050,773	1,053,245	49,177	50,106	530,470	369,908	91,036	56,164
CURRENT LIABILITIES:								
Cash overdraft	—	—	—	682	—	188	—	—
Amounts due to broker	—	—	—	35	—	319	—	—
Payable for investments purchased	4,998	—	3,448	3,070	31,436	37,245	—	259
Financial liabilities at fair value through profit or loss (Note 1):								
Options at fair value	—	—	6	17	52	132	—	—
Unrealised depreciation on swap contracts	—	—	222	—	2,231	5	2	95
Unrealised depreciation on swaptions	—	—	—	—	—	—	—	—
Unrealised depreciation on forward foreign currency contracts	—	—	33	1	550	31	138	578
Unrealised depreciation on futures contracts	—	—	84	8	566	191	87	216
Distributions payable to holders of redeemable participating shares	22	23	7	11	24	9	—	—
Investment management fees payable (Note 4)	312	—	36	32	261	146	22	14
Administrator and custodian fees payable (Note 4)	65	64	3	2	28	19	6	3
Shareholder service fees payable (Note 4)	—	—	2	4	22	9	1	—
Payable for redeemable participating shares reacquired	—	—	—	33	585	523	—	21
Payable to shareholders	—	—	—	—	—	—	—	—
Interest payable	—	—	—	—	—	—	—	—
Accrued expenses and other liabilities	386	380	44	36	116	81	47	41
Liabilities (excluding Net Assets attributable to Holders of Redeemable Participating Shares)	5,783	467	3,885	3,931	35,871	38,898	303	1,227
Total Net Assets attributable to Holders of Redeemable Participating Shares at fair value	\$1,044,990	\$1,052,778	\$ 45,292	\$ 46,175	\$ 494,599	\$ 331,010	€ 90,733	€ 54,937

	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 Global Inflation Management Fund#	
	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015
(in 000's)								
CURRENT ASSETS:								
Cash (Note 8)	\$ 1,931	\$ 4,480	\$ 28	\$ 48	\$ 173	\$ —	\$ 41	\$ 49
Cash collateral (Note 8)	499	145	34	34	—	6	286	11
Amounts due from broker	—	37	—	—	—	—	—	9
Financial assets at fair value through profit or loss (Note 1):								
Investments	205,582	408,401	24,196	30,610	9,043	10,142	9,807	10,860
Pledged investments	—	—	—	—	—	—	—	—
Options at fair value	86	—	—	—	—	—	3	—
Unrealised appreciation on swap contracts	23	—	—	—	—	—	—	—
Unrealised appreciation on swaptions	—	—	—	—	—	—	—	—
Unrealised appreciation on forward foreign currency contracts	974	814	—	—	—	—	245	1
Unrealised appreciation on futures contracts	7	—	2	7	—	—	1	33
Receivable for investments sold	1,394	2,733	323	334	—	52	—	—
Receivable for redeemable participating shares sold	101	7,802	—	—	—	—	—	—
Interest receivable	4,225	7,492	51	91	6	6	32	13
Dividend receivable	10	1	—	—	—	—	—	—
Receivable from investment manager	—	—	—	—	—	—	—	—
Other assets	31	37	3	3	1	1	1	1
Total Current Assets	214,863	431,942	24,637	31,127	9,223	10,207	10,416	10,977
CURRENT LIABILITIES:								
Cash overdraft	213	2	—	—	—	—	4	311
Amounts due to broker	1	—	4	11	—	—	4	—
Payable for investments purchased	1,225	5,395	942	419	—	—	—	—
Financial liabilities at fair value through profit or loss (Note 1):								
Options at fair value	—	26	—	—	—	—	1	5
Unrealised depreciation on swap contracts	—	—	—	—	—	—	—	—
Unrealised depreciation on swaptions	—	—	—	—	—	—	—	—
Unrealised depreciation on forward foreign currency contracts	319	125	—	—	—	—	50	10
Unrealised depreciation on futures contracts	23	50	—	—	—	—	88	42
Distributions payable to holders of redeemable participating shares	72	163	1	—	—	—	—	—
Investment management fees payable (Note 4)	172	358	22	27	8	10	7	10
Administrator and custodian fees payable (Note 4)	12	25	1	2	1	1	—	—
Shareholder service fees payable (Note 4)	17	36	1	2	—	—	—	—
Payable for redeemable participating shares reacquired	2,421	4,151	—	—	—	—	—	120
Payable to shareholders	—	—	—	—	—	—	—	—
Interest payable	—	—	—	—	—	—	—	—
Accrued expenses and other liabilities	157	189	44	45	38	38	42	40
Liabilities (excluding Net Assets attributable to Holders of Redeemable Participating Shares)	4,632	10,520	1,015	506	47	49	196	538
Total Net Assets attributable to Holders of Redeemable Participating Shares at fair value	\$ 210,231	\$ 421,422	\$ 23,622	\$ 30,621	\$ 9,176	\$ 10,158	\$ 10,220	\$ 10,439

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Short Duration High Income Bond Fund#		Legg Mason Western Asset Global Multi Strategy Fund		Legg Mason Western Asset US High Yield Fund		Legg Mason Western Asset Emerging Markets Total Return Bond Fund#		Legg Mason Western Asset Emerging Markets Corporate Bond Fund	
As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015
\$ 166 115 —	\$ 517 261 2	\$ 10,271 2,067 195	\$ 47,671 4,151 —	\$ 1,342 847 110	\$ 4,702 317 69	\$ 1,237 54 12	\$ 1,744 — —	\$ 3,348 — —	\$ 890 — —
24,733	27,020	964,579	1,338,362	359,473	579,508	60,511	102,459	37,576	78,733
—	—	—	—	—	—	—	—	—	—
3	—	423	—	153	—	39	—	14	—
—	—	—	—	418	714	—	—	—	—
—	—	—	—	—	—	—	—	—	—
440	581	7,862	12,216	1	5	35	250	17	15
—	21	—	1,764	3	—	—	—	—	—
84	—	31,966	8,870	796	3,106	—	151	182	2,495
—	693	2,918	709	937	290	1	55	—	—
466	236	12,655	15,442	7,669	10,315	796	1,278	527	1,194
—	—	—	2	1	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
3	2	137	108	54	54	8	13	6	8
26,010	29,333	1,033,073	1,429,295	371,804	599,080	62,693	105,950	41,670	83,335
—	—	—	—	—	—	—	—	—	325
916	20	3,908	9,435	1,758	5,862	1,000	712	134	—
—	—	—	—	—	40	—	—	—	—
—	37	—	1,583	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
383	491	34,186	4,912	33	14	185	216	37	—
43	53	417	1,047	86	93	20	—	—	—
22	11	143	160	181	285	14	40	—	—
24	26	370	601	211	379	63	110	6	15
1	2	62	86	22	38	4	8	3	5
1	2	27	51	18	36	3	7	—	—
—	14	703	819	385	11,296	401	1,295	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
65	61	331	328	151	168	102	103	42	43
1,455	717	40,147	19,556	2,845	18,211	1,792	2,491	222	388
\$ 24,555	\$ 28,616	\$ 992,926	\$1,409,739	\$ 368,959	\$ 580,869	\$ 60,901	\$ 103,459	\$ 41,448	\$ 82,947
Legg Mason Western Asset Asian Opportunities Fund		Legg Mason Western Asset Global Blue Chip Bond Fund		Legg Mason Western Asset Brazil Bond Fund ^α		Legg Mason Western Asset Global Credit Absolute Return Fund ^α		Legg Mason Western Asset UK£ Core Plus Bond Fund ^α	
As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015
\$ 11,806 724 —	\$ 7,765 8,256 —	\$ 145 503 —	\$ 707 876 20	\$ 22 — —	\$ 47 — —	\$ 322 2,061 93	\$ 7,624 5,352 72	£ 1 — —	£ 2 — —
385,797	594,297	35,838	43,977	—	33,488	20,297	80,544	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	51	5	—	—
28	205	—	—	—	—	22	2,683	—	—
—	—	—	—	—	—	60	—	—	—
38	616	572	720	—	—	266	655	—	—
2,621	997	—	—	—	—	93	389	—	—
36	—	—	—	—	—	675	661	—	—
342	2,083	218	—	—	—	17	205	—	—
4,377	5,787	335	421	—	70	403	1,584	—	—
7	3	1	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
52	42	4	4	—	—	6	6	—	—
405,828	620,051	37,616	46,725	22	33,605	24,366	99,780	1	2
—	9,320	—	—	—	—	—	943	—	—
77	15	3	—	—	—	—	—	—	—
10,007	7,663	—	—	—	—	472	1,020	—	—
483	—	—	—	—	—	5	—	—	—
27	5,785	—	160	—	—	735	4,803	—	—
—	—	—	—	—	—	63	—	—	—
692	2,141	834	723	—	—	1,080	311	—	—
—	—	164	362	—	—	209	313	—	—
26	48	1	—	—	—	—	—	—	—
212	351	21	22	—	—	17	71	—	—
24	37	2	3	—	2	2	6	—	—
16	29	2	—	—	—	—	1	—	—
33	124	11	224	—	—	1,614	34	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
195	201	38	37	22	29	58	53	1	2
11,792	25,714	1,076	1,533	22	31	4,255	7,555	1	2
\$ 394,036	\$ 594,337	\$ 36,540	\$ 45,192	\$ —	\$ 33,574	\$ 20,111	\$ 92,225	£ —	£ —

The accompanying notes are an integral part of the Financial Statements

Statement of Financial Position – (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 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015
(in 000's)								
CURRENT ASSETS:								
Cash (Note 8)	\$ 422	\$ 830	\$ 20	\$ 39	£ 3	£ 4	£ 3	£ 4
Cash collateral (Note 8)	1,713	952	–	–	–	–	–	–
Amounts due from broker	–	31	–	–	–	–	–	–
Financial assets at fair value through profit or loss (Note 1):								
Investments	242,328	124,064	–	–	–	–	–	–
Pledged investments	–	–	–	–	–	–	–	–
Options at fair value	91	32	–	–	–	–	–	–
Unrealised appreciation on swap contracts	–	–	–	–	–	–	–	–
Unrealised appreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised appreciation on forward foreign currency contracts	1,559	650	–	–	–	–	–	–
Unrealised appreciation on futures contracts	401	71	–	–	–	–	–	–
Receivable for investments sold	5,249	4,728	–	–	–	–	–	–
Receivable for redeemable participating shares sold	7	3	–	–	–	–	–	–
Interest receivable	1,625	678	–	–	–	–	–	–
Dividend receivable	6	2	–	–	–	–	–	–
Receivable from investment manager	–	–	–	–	–	–	–	–
Other assets	17	–	–	–	–	–	–	–
Total Current Assets	253,418	132,041	20	39	3	4	3	4
CURRENT LIABILITIES:								
Cash overdraft	2,740	–	–	–	–	–	–	–
Amounts due to broker	139	–	–	–	–	–	–	–
Payable for investments purchased	22,522	13,932	–	–	–	–	–	–
Financial liabilities at fair value through profit or loss (Note 1):								
Options at fair value	81	251	–	–	–	–	–	–
Unrealised depreciation on swap contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	1,908	317	–	–	–	–	–	–
Unrealised depreciation on futures contracts	77	215	–	–	–	–	–	–
Distributions payable to holders of redeemable participating shares	1	–	–	–	–	–	–	–
Investment management fees payable (Note 4)	70	39	–	–	–	–	–	–
Administrator and custodian fees payable (Note 4)	13	7	–	–	–	–	–	–
Shareholder service fees payable (Note 4)	–	–	–	–	–	–	–	–
Payable for redeemable participating shares reacquired	8	–	–	–	–	–	–	–
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	–	–	–	–	–	–
Accrued expenses and other liabilities	59	43	20	39	3	4	3	4
Liabilities (excluding Net Assets attributable to Holders of Redeemable Participating Shares)	27,619	14,804	20	39	3	4	3	4
Total Net Assets attributable to Holders of Redeemable Participating Shares at fair value	\$ 225,799	\$ 117,237	\$ –	\$ –	£ –	£ –	£ –	£ –

	Legg Mason Western Asset Global Total Return Investment Grade Bond Fund ^{^c}		Legg Mason Western Asset Structured Opportunities Fund ^{^d}		Legg Mason Western Asset US Mortgage-Backed Securities Fund ^{^d}		Legg Mason Brandywine Global Fixed Income Fund	
	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015
(in 000's)								
CURRENT ASSETS:								
Cash (Note 8)	\$ 306	\$ –	\$ 12,604	\$ –	\$ 59,261	\$ –	\$ 1,019	\$ 4,704
Cash collateral (Note 8)	95	–	6,291	–	–	–	–	–
Amounts due from broker	–	–	–	–	–	–	–	–
Financial assets at fair value through profit or loss (Note 1):								
Investments	4,598	–	320,780	–	889,198	–	1,122,373	1,494,107
Pledged investments	–	–	–	–	–	–	–	–
Options at fair value	2	–	1,661	–	1,370	–	–	–
Unrealised appreciation on swap contracts	–	–	–	–	–	–	–	–
Unrealised appreciation on swaptions	–	–	54	–	25	–	–	–
Unrealised appreciation on forward foreign currency contracts	45	–	–	–	–	–	9,525	7,163
Unrealised appreciation on futures contracts	5	–	8	–	8	–	–	–
Receivable for investments sold	–	–	1,727	–	370,076	–	4,778	–
Receivable for redeemable participating shares sold	–	–	–	–	–	–	19,659	7,025
Interest receivable	29	–	753	–	2,838	–	10,417	11,985
Dividend receivable	–	–	10	–	23	–	20	2
Receivable from investment manager	8	–	–	–	–	–	–	–
Other assets	–	–	–	–	–	–	140	110
Total Current Assets	5,088	–	343,888	–	1,322,799	–	1,167,931	1,525,096
CURRENT LIABILITIES:								
Cash overdraft	–	–	16,791	–	–	–	352	–
Amounts due to broker	–	–	–	–	25	–	–	–
Payable for investments purchased	–	–	–	–	535,981	–	4,778	–
Financial liabilities at fair value through profit or loss (Note 1):								
Options at fair value	–	–	478	–	466	–	–	–
Unrealised depreciation on swap contracts	–	–	591	–	–	–	–	–
Unrealised depreciation on swaptions	–	–	19	–	9	–	–	–
Unrealised depreciation on forward foreign currency contracts	106	–	–	–	–	–	14,303	8,152
Unrealised depreciation on futures contracts	32	–	3	–	33	–	–	–
Distributions payable to holders of redeemable participating shares	–	–	–	–	–	–	–	–
Investment management fees payable (Note 4)	–	–	–	–	–	–	709	1,046
Administrator and custodian fees payable (Note 4)	–	–	20	–	49	–	70	92
Shareholder service fees payable (Note 4)	–	–	–	–	–	–	68	97
Payable for redeemable participating shares reacquired	–	–	–	–	–	–	4,043	9,094
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	–	–	–	–	–	–
Accrued expenses and other liabilities	15	–	34	–	45	–	329	313
Liabilities (excluding Net Assets attributable to Holders of Redeemable Participating Shares)	153	–	17,936	–	536,608	–	24,652	18,794
Total Net Assets attributable to Holders of Redeemable Participating Shares at fair value	\$ 4,935	\$ –	\$ 325,952	\$ –	\$ 786,191	\$ –	\$1,143,279	\$1,506,302

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 Western Asset EM Local Currency Debt Fund ^μ		Legg Mason Western Asset Multi-Asset Credit Fund ^μ	
As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015
\$ 89 618 21	\$ 657 1,577 —	€ 1,666 — —	€ 2,109 — —	\$ 64,686 426,105 21,318	\$ 612,699 99,771 5,357	\$ 241 — —	\$ — — —	\$ 34,080 4,571 —	\$ — — —
66,495	97,378	83,887	85,864	3,601,313	2,520,601	75,265	—	143,840	—
—	—	—	—	—	—	—	—	—	—
232	38	—	—	12,196 6,015	3,915 29,184	43	—	101 17	—
—	—	—	—	1,598	54	—	—	593	—
852	388	186	3	52,550	27,222	323	—	903	—
6	84	—	—	15,247	20,863	—	—	317	—
425	—	—	—	309,452	834	—	—	—	—
—	35	—	—	7,241	32,676	10,000	—	—	—
918	1,152	1,410	1,446	52,759	27,565	1,436	—	1,769	—
1	—	2	1	—	18	—	—	6	—
—	—	1	1	—	—	14	—	—	—
9	7	10	6	454	14	249	—	—	—
69,666	101,316	87,162	89,430	4,570,934	3,380,773	87,571	—	186,197	—
12	21	—	—	15,256	—	—	—	8,257	—
—	6	—	—	—	—	—	—	1	—
420	446	—	—	308,568	16,815	9,714	—	703	—
—	—	—	—	23,127	11,245	25	—	152	—
—	246	—	—	154,234	7,251	—	—	739	—
—	—	—	—	—	—	—	—	535	—
56	308	66	811	99,681	26,111	266	—	8,668	—
70	133	—	—	86,592	33,755	—	—	551	—
2	2	—	—	—	—	—	—	—	—
3	4	—	—	3,734	2,885	21	—	—	—
4	6	5	5	242	192	4	—	11	—
—	—	—	—	240	174	—	—	—	—
—	—	—	—	24,756	1,080	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
42	37	43	38	393	203	17	—	25	—
609	1,209	114	854	716,823	99,711	10,047	—	19,642	—
\$ 69,057	\$ 100,107	€ 87,048	€ 88,576	\$3,854,111	\$3,281,062	\$ 77,524	\$ —	\$ 166,555	\$ —
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 [^]	
As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015
\$ 742 13,090 957	\$ 2,515 17,485 660	\$ 439 505 —	\$ 8 72 —	\$ 176 — —	\$ 445 — —	\$ 31,606 — —	\$ 3,243 — —	\$ 115 1,213 —	\$ 377 118 —
1,431,471	1,100,238	23,537	19,549	541,555	298,233	2,260,046	1,975,586	37,379	75,126
—	—	—	—	—	—	—	—	—	—
—	—	86	45	—	—	—	—	91	—
—	—	—	—	—	—	—	—	—	—
34,688	11,439	376	204	5,014	7,308	27,476	50,236	1,700	898
—	68	—	8	—	—	—	—	—	—
1	2,543	—	101	—	—	12,496	—	475	303
220	100	—	—	1,003	106	—	—	9	475
10,958	8,966	400	322	4,550	2,446	26,842	24,841	514	953
181	115	—	—	71	37	693	511	—	—
—	—	—	—	—	—	—	—	—	—
182	98	2	—	62	18	271	10	9	3
1,492,490	1,144,227	25,345	20,309	552,431	308,593	2,359,430	2,054,427	41,505	78,253
5	—	444	39	2	728	—	—	—	—
—	—	—	—	—	—	—	—	—	—
1	—	357	—	180	—	—	—	692	—
—	—	—	—	—	—	—	—	—	—
—	—	34	—	—	—	—	—	55	356
—	—	—	—	—	—	—	—	—	—
45,703	5,984	315	117	2,894	398	45,146	25,280	1,993	341
7,625	11,554	17	—	—	—	—	—	34	—
—	—	—	—	—	—	—	—	—	1
593	656	7	10	124	112	162	176	21	24
89	68	1	1	34	18	140	122	4	5
10	14	—	—	5	8	—	—	—	4
45,445	158	—	—	—	1,872	—	—	98	14
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
248	177	53	47	121	94	178	71	62	39
99,719	18,611	1,228	214	3,360	3,230	45,626	25,649	2,959	784
\$1,392,771	\$1,125,616	\$ 24,117	\$ 20,095	\$ 549,071	\$ 305,363	\$2,313,804	\$2,028,778	\$ 38,546	\$ 77,469

The accompanying notes are an integral part of the Financial Statements

Statement of Financial Position – (continued)

	Legg Mason Brandywine Global Credit Opportunities Fund [^]		Legg Mason Brandywine Global Dynamic US Equity Fund [^] €		Legg Mason Western Asset Brazil Equity Fund [^] α		Legg Mason ClearBridge Value Fund	
	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015
(in 000's)								
CURRENT ASSETS:								
Cash (Note 8)	\$ 14,506	\$ 46	\$ –	\$ –	\$ 14	\$ 70	\$ 10,411	\$ 17,631
Cash collateral (Note 8)	2,253	216	–	–	–	–	–	–
Amounts due from broker	–	–	–	–	–	–	–	–
Financial assets at fair value through profit or loss (Note 1):								
Investments	66,454	52,636	1,920	–	–	2,660	263,930	361,983
Pledged investments	–	–	–	–	–	–	–	–
Options at fair value	–	–	–	–	–	–	–	–
Unrealised appreciation on swap contracts	316	214	–	–	–	–	–	–
Unrealised appreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised appreciation on forward foreign currency contracts	1,497	661	1	–	–	–	–	1
Unrealised appreciation on futures contracts	8	–	–	–	–	–	–	–
Receivable for investments sold	1,593	579	–	–	–	38	2,054	–
Receivable for redeemable participating shares sold	–	–	–	–	–	–	1	880
Interest receivable	308	126	–	–	–	–	–	–
Dividend receivable	1	2	5	–	8	10	284	321
Receivable from investment manager	–	–	13	–	–	–	–	–
Other assets	11	–	–	–	–	–	34	24
Total Current Assets	86,947	54,480	1,939	–	22	2,778	276,714	380,840
CURRENT LIABILITIES:								
Cash overdraft	–	205	–	–	–	–	865	–
Amounts due to broker	–	–	–	–	–	–	–	–
Payable for investments purchased	777	–	–	–	–	30	1,664	11,131
Financial liabilities at fair value through profit or loss (Note 1):								
Options at fair value	–	–	–	–	–	–	–	–
Unrealised depreciation on swap contracts	68	43	–	–	–	–	–	–
Unrealised depreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	558	156	40	–	–	–	5	36
Unrealised depreciation on futures contracts	159	–	–	–	–	–	–	–
Distributions payable to holders of redeemable participating shares	–	–	–	–	–	–	–	–
Investment management fees payable (Note 4)	71	35	–	–	–	–	200	293
Administrator and custodian fees payable (Note 4)	5	3	–	–	–	–	19	26
Shareholder service fees payable (Note 4)	2	2	–	–	–	–	29	52
Payable for redeemable participating shares reacquired	–	–	–	–	–	–	591	2,220
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	–	–	1	–	–	–
Accrued expenses and other liabilities	42	27	15	–	21	21	86	77
Liabilities (excluding Net Assets attributable to Holders of Redeemable Participating Shares)	1,682	471	55	–	22	51	3,459	13,835
Total Net Assets attributable to Holders of Redeemable Participating Shares at fair value	\$ 85,265	\$ 54,009	\$ 1,884	\$ –	\$ –	\$ 2,727	\$ 273,255	\$ 367,005

	Legg Mason ClearBridge US Large Cap Growth Fund		Legg Mason ClearBridge US Aggressive Growth Fund		Legg Mason ClearBridge US Equity Income Fund [^]		Legg Mason ClearBridge Tactical Dividend Income Fund	
	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015
(in 000's)								
CURRENT ASSETS:								
Cash (Note 8)	\$ 22,346	\$ 9,154	\$ 56,938	\$ 390,411	\$ –	\$ 24	\$ 6,664	\$ 2,547
Cash collateral (Note 8)	–	–	–	–	–	–	–	–
Amounts due from broker	–	–	–	–	–	–	–	–
Financial assets at fair value through profit or loss (Note 1):								
Investments	250,280	137,870	3,018,472	4,202,637	–	–	59,479	35,304
Pledged investments	–	–	–	–	–	–	–	–
Options at fair value	–	–	–	–	–	–	–	–
Unrealised appreciation on swap contracts	–	–	–	–	–	–	–	–
Unrealised appreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised appreciation on forward foreign currency contracts	–	2	2,123	466	–	–	17	5
Unrealised appreciation on futures contracts	–	–	–	–	–	–	–	–
Receivable for investments sold	256	–	163	–	–	–	57	16
Receivable for redeemable participating shares sold	964	208	2,478	24,129	–	–	–	1,058
Interest receivable	–	–	–	2	–	–	–	–
Dividend receivable	215	83	1,530	2,091	–	–	193	78
Receivable from investment manager	–	–	–	–	–	–	–	–
Other assets	18	10	488	301	–	–	9	2
Total Current Assets	274,079	147,327	3,082,192	4,620,037	–	24	66,419	39,010
CURRENT LIABILITIES:								
Cash overdraft	–	–	10,912	9,306	–	–	–	141
Amounts due to broker	–	–	–	–	–	–	–	–
Payable for investments purchased	256	620	162	–	–	–	–	561
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	99	–	4,020	1,649	–	–	14	73
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
Distributions payable to holders of redeemable participating shares	–	–	–	–	–	–	–	–
Investment management fees payable (Note 4)	252	155	2,401	3,506	–	–	56	39
Administrator and custodian fees payable (Note 4)	17	10	228	310	–	–	5	2
Shareholder service fees payable (Note 4)	50	29	418	625	–	–	5	5
Payable for redeemable participating shares reacquired	1,186	1,158	18,222	38,719	–	–	284	48
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	1	–	–	–	–	–
Accrued expenses and other liabilities	66	49	800	558	–	24	54	27
Liabilities (excluding Net Assets attributable to Holders of Redeemable Participating Shares)	1,926	2,021	37,164	54,673	–	24	418	896
Total Net Assets attributable to Holders of Redeemable Participating Shares at fair value	\$ 272,153	\$ 145,306	\$3,045,028	\$4,565,364	\$ –	\$ –	\$ 66,001	\$ 38,114

The accompanying notes are an integral part of the Financial Statements

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 ^{^δ}	
As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015
\$ 435	\$ 134	\$ 38	\$ 111	\$ 267	\$ —	\$ 17,298	\$ 11,353	\$ 35	\$ 702
—	—	—	—	—	—	—	—	—	—
5,811	7,793	4,670	4,905	3,837	4,809	274,506	348,358	—	88,794
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	1	—	—	—	—	—
—	—	—	—	192	—	—	553	—	—
—	51	—	—	—	—	267	241	—	7
3	4	13	9	11	7	438	455	—	182
—	—	—	—	2	—	—	—	—	—
—	—	1	1	1	1	35	25	—	7
6,249	7,982	4,722	5,026	4,311	4,817	292,544	360,985	35	89,692
—	1	—	—	5	—	186	—	—	22
—	—	—	—	301	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	42	24	—	—	—	—
—	—	—	—	—	—	—	—	—	—
6	8	5	5	—	3	302	382	—	85
1	1	—	1	—	—	20	25	1	7
1	2	—	1	—	—	65	83	—	6
—	—	20	—	—	—	970	375	—	92
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
34	30	28	26	39	18	98	96	34	100
42	42	53	33	387	45	1,641	961	35	312
\$ 6,207	\$ 7,940	\$ 4,669	\$ 4,993	\$ 3,924	\$ 4,772	\$ 290,903	\$ 360,024	\$ —	\$ 89,380
Legg Mason ClearBridge US Equity Sustainability Leaders Fund ^{^β}		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 ^{^φ}	
As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015
\$ 51	\$ —	\$ 7	\$ 201	\$ 3	\$ —	\$ 2,706	\$ 485	\$ 20	\$ —
—	—	—	—	—	—	—	—	—	—
930	—	359,547	298,925	542,904	1,076,143	153,770	339,734	—	29,051
—	—	6,300	—	—	—	—	—	—	—
—	—	19,656	30,353	—	—	—	—	—	—
—	—	505	91	—	—	—	—	—	—
—	—	1	—	141	135	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	43	—	5,190	7,268	1,600	—	—	—
—	—	164	715	178	1,912	80	324	—	—
—	—	—	—	—	—	—	—	—	—
1	—	49	20	109	170	150	221	—	18
6	—	—	—	—	—	—	—	—	—
—	—	36	24	79	84	23	28	—	—
988	—	386,308	330,329	548,604	1,085,712	158,329	340,792	20	29,069
—	—	2,711	—	1,386	1,043	—	1,175	—	36
—	—	3,839	104	3,968	4,013	2,171	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	63	373	—	—	—	—	—	—
11	—	10	1	736	241	4	9	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	226	227	500	1,047	161	339	1	34
—	—	26	22	38	77	12	25	1	2
—	—	18	32	104	209	32	61	—	8
—	—	88	3,081	1,757	8,581	863	879	—	102
—	—	—	—	—	—	—	—	—	—
—	—	3	1	—	—	—	—	—	—
18	—	84	68	202	248	122	137	18	29
29	—	7,068	3,909	8,691	15,459	3,365	2,625	20	211
\$ 959	\$ —	\$ 379,240	\$ 326,420	\$ 539,913	\$ 1,070,253	\$ 154,964	\$ 338,167	\$ —	\$ 28,858

The accompanying notes are an integral part of the Financial Statements

Statement of Financial Position – (continued)

	Legg Mason Royce European Smaller Companies Fund		Legg Mason Royce Global Smaller Companies Fund		Legg Mason PCM US Equity Fund		Legg Mason Permal Global Absolute Fund^	
	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015
(in 000's)								
CURRENT ASSETS:								
Cash (Note 8)	€ –	€ 7	\$ –	\$19	\$ 1	\$ –	\$ 7	\$27
Cash collateral (Note 8)	–	–	–	–	–	–	–	–
Amounts due from broker	–	–	–	–	–	–	–	–
Financial assets at fair value through profit or loss (Note 1):								
Investments	–	–	–	–	–	–	–	–
Pledged investments	–	–	–	–	–	–	–	–
Options at fair value	–	–	–	–	–	–	–	–
Unrealised appreciation on swap contracts	–	–	–	–	–	–	–	–
Unrealised appreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised appreciation on forward foreign currency contracts	–	–	–	–	–	–	–	–
Unrealised appreciation on futures contracts	–	–	–	–	–	–	–	–
Receivable for investments sold	–	–	–	–	–	–	–	–
Receivable for redeemable participating shares sold	–	–	–	–	–	–	–	–
Interest receivable	–	–	–	–	–	–	–	–
Dividend receivable	–	–	–	–	–	–	–	–
Receivable from investment manager	–	–	–	–	–	–	–	–
Other assets	–	–	–	1	–	–	–	–
Total Current Assets	–	7	–	20	1	–	7	27
CURRENT LIABILITIES:								
Cash overdraft	–	–	–	–	–	–	–	–
Amounts due to broker	–	–	–	–	–	–	–	–
Payable for investments purchased	–	–	–	–	–	–	–	–
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	–	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
Distributions payable to holders of redeemable participating shares	–	–	–	–	–	–	–	–
Investment management fees payable (Note 4)	–	–	–	–	–	–	–	–
Administrator and custodian fees payable (Note 4)	–	–	–	–	–	–	–	–
Shareholder service fees payable (Note 4)	–	–	–	–	–	–	–	–
Payable for redeemable participating shares reacquired	–	–	–	–	–	–	–	–
Payable to shareholders	–	–	–	–	1	–	7	–
Interest payable	–	–	–	–	–	–	–	–
Accrued expenses and other liabilities	–	7	–	20	–	–	–	27
Liabilities (excluding Net Assets attributable to Holders of Redeemable Participating Shares)	–	7	–	20	1	–	7	27
Total Net Assets attributable to Holders of Redeemable Participating Shares at fair value	€ –	€ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –

The accompanying notes are an integral part of the Financial Statements

Legg Mason QS MV European Equity Growth and Income Fund#		Legg Mason QS MV Asia Pacific ex Japan Equity Growth and Income Fund#		Legg Mason Batterymarch International Large Cap Fund^		Legg Mason QS Emerging Markets Equity Fund#		Legg Mason QS MV Global Equity Growth and Income Fund#	
As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015
€ 687	€ 8,132	\$ 225	\$ 265	\$ 17	\$ 4,423	\$ 87	\$ 400	\$ 95	\$ 92
—	—	—	—	—	—	29	25	—	—
146,067	133,163	35,219	50,869	—	—	14,321	18,675	11,857	13,399
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
2,856	787	—	—	—	—	—	—	64	—
—	—	—	—	—	—	—	32	—	—
153	—	—	—	—	3,113	—	—	66	—
626	2,213	4	8	—	—	—	3	—	—
—	—	6	—	—	—	—	—	2	—
655	441	150	140	—	36	24	28	32	22
—	—	—	—	—	—	—	—	—	—
18	2	5	4	—	—	2	1	1	1
151,062	144,738	35,609	51,286	17	7,572	14,463	19,164	12,117	13,514
—	—	90	—	3	6,536	—	—	—	—
—	—	—	—	—	—	—	—	—	—
153	7,185	—	—	—	—	—	—	82	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
295	75	1	—	—	—	—	—	16	—
—	—	—	—	—	—	6	—	—	—
—	—	—	—	—	—	—	—	—	—
160	130	46	66	—	9	9	16	13	15
11	7	3	4	—	1	1	1	1	1
33	22	7	10	—	1	1	2	1	1
371	1,545	78	210	—	994	—	—	—	11
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
64	41	49	43	14	31	41	32	24	22
1,087	9,005	274	333	17	7,572	58	51	137	50
€149,975	€135,733	\$ 35,335	\$ 50,953	\$ —	\$ —	\$ 14,405	\$ 19,113	\$ 11,980	\$ 13,464

Statement of Financial Position – (continued)

	Legg Mason Congruix Japan Equity Fund		Legg Mason Martin Currie Australia Equity Income Fund		Legg Mason Global Funds plc	
	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015	As at February 29, 2016	As at February 28, 2015
(in 000's)						
CURRENT ASSETS:						
Cash (Note 8)	¥ 95,881	¥ 101,351	\$ 9	\$ –	\$ 378,764	\$ 1,156,741
Cash collateral (Note 8)	–	–	–	–	469,549	141,928
Amounts due from broker	–	–	–	–	22,891	6,257
Financial assets at fair value through profit or loss (Note 1):						
Investments	–	–	948	–	19,819,499	19,725,390
Pledged investments	–	–	–	–	6,300	–
Options at fair value	–	–	–	–	35,985	34,330
Unrealised appreciation on swap contracts	–	–	–	–	7,761	33,583
Unrealised appreciation on swaptions	–	–	–	–	2,330	54
Unrealised appreciation on forward foreign currency contracts	–	–	–	–	153,218	124,234
Unrealised appreciation on futures contracts	–	–	–	–	18,938	24,879
Receivable for investments sold	–	–	–	–	762,304	50,904
Receivable for redeemable participating shares sold	–	–	–	–	48,800	93,087
Interest receivable	–	–	1	–	154,278	127,248
Dividend receivable	–	–	8	–	4,981	5,084
Receivable from investment manager	–	–	6	–	34	17
Other assets	–	–	–	–	2,641	1,156
Total Current Assets	95,881	101,351	972	–	21,888,273	21,524,892
CURRENT LIABILITIES:						
Cash overdraft	–	–	–	–	60,234	31,024
Amounts due to broker	–	–	–	–	254	920
Payable for investments purchased	–	–	–	–	957,546	126,824
Financial liabilities at fair value through profit or loss (Note 1):						
Options at fair value	–	–	–	–	24,876	11,716
Unrealised depreciation on swap contracts	–	–	–	–	159,001	20,748
Unrealised depreciation on swaptions	–	–	–	–	626	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	265,520	79,810
Unrealised depreciation on futures contracts	–	–	–	–	96,994	48,058
Distributions payable to holders of redeemable participating shares	–	–	–	–	516	753
Investment management fees payable (Note 4)	–	–	–	–	11,633	13,535
Administrator and custodian fees payable (Note 4)	–	–	–	–	1,313	1,346
Shareholder service fees payable (Note 4)	–	–	–	–	1,203	1,630
Payable for redeemable participating shares reacquired	–	–	–	–	104,966	89,073
Payable to shareholders	95,881	99,514	–	–	861	836
Interest payable	–	–	–	–	5	1
Accrued expenses and other liabilities	–	1,837	28	–	5,558	4,778
Liabilities (excluding Net Assets attributable to Holders of Redeemable Participating Shares)	95,881	101,351	28	–	1,691,106	431,052
Total Net Assets attributable to Holders of Redeemable Participating Shares at fair value	¥ –	¥ –	\$ 944	\$ –	\$20,197,167	\$21,093,840

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 QS MV European Equity Growth and Income Fund have been converted into US Dollars in the total figure for Legg Mason Global Funds Plc for the year ended February 29, 2016 using the USD/EUR rate of 0.9192.

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 29, 2016 using the USD/JPY rate of 112.7550.

The British Pound figures for 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[^] have been converted into US Dollars in the total figure for Legg Mason Global Funds Plc for the year ended February 29, 2016 using the USD/GBP rate of 0.7185.

The Australian Dollar figures for Legg Mason Martin Currie Australia Equity Income Fund have been converted into US Dollars in the total figure for Legg Mason Global Funds Plc for the year ended February 29, 2016 using the USD/AUD rate of 1.4011.

ð Effective March 27, 2015 Legg Mason ClearBridge US Fundamental Value Fund[^] ceased trading.

Œ Effective May 28, 2015 Legg Mason Martin Currie Australia Equity Income Fund commenced trading.

φ Effective July 6, 2015 Legg Mason Royce Smaller Companies Fund II[^] ceased trading.

β Effective September 30, 2015 Legg Mason ClearBridge US Equity Sustainability Leaders Fund[^] commenced trading.

μ Effective December 16, 2015 Legg Mason Western Asset EM Local Currency Debt Fund[^] and Legg Mason Western Asset Multi-Asset Credit Fund[^] commenced trading.

ϰ Effective December 31, 2015 Legg Mason Western Asset Global Total Return Investment Grade Bond Fund[^] and Legg Mason Brandywine Global Dynamic US Equity Fund[^] commenced trading.

Ø Effective January 13, 2016 Legg Mason Western Asset Structured Opportunities Fund[^] and Legg Mason Western Asset US Mortgage-Backed Securities Fund[^] commenced trading.

α Effective January 14, 2016 Legg Mason Western Asset Brazil Bond Fund[^] and Legg Mason Western Asset Brazil Equity 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

Brian Collins
Director
June 21, 2016

Joseph LaRocque
Director

Statement of Financial Position – (continued)

	February 29, 2016			February 28, 2015			February 28, 2014		
	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	\$ 107,318	1,015	105.68	\$ 64,973	615	105.67	\$ 37,931	359	105.66
Class A US\$ Distributing (D)	933,234	932,978	1.00	983,299	983,053	1.00	1,105,769	1,105,535	1.00
Class A US\$ Distributing (M)	137	137	1.00	61	61	1.00	21	21	1.00
Class B US\$ Accumulating	836	8	102.54	1,048	10	102.53	519	5	102.52
Class B US\$ Distributing (D)	418	418	1.00	33	33	1.00	74	74	1.00
Class C US\$ Accumulating	214	2	102.02	596	6	102.01	627	6	102.00
Class C US\$ Distributing (D)	395	395	1.00	335	335	1.00	513	512	1.00
Class A (G) US\$ Accumulating	564	5	105.90	530	5	105.89	956	9	105.87
Class A (G) US\$ Distributing (D)	1,153	1,153	1.00	1,182	1,182	1.00	1,267	1,267	1.00
Class B (G) US\$ Accumulating	–	–	–	–	–	105.94	94	1	105.88
Class B (G) US\$ Distributing (D)	–	–	–	–	–	1.00	45	45	1.00
Class L (G) US\$ Distributing (D)	721	720	1.00	721	720	1.00	728	728	1.00
Legg Mason Western Asset US Core Bond Fund									
Class A US\$ Accumulating	\$ 22,280	176	126.52	\$ 18,364	145	126.22	\$ 2,122	18	118.96
Class A US\$ Distributing (D)	12,557	124	101.10	15,957	156	102.46	5,825	59	98.71
Class B US\$ Accumulating	249	2	123.12	12	–	123.13	12	–	116.33
Class B US\$ Distributing (D)	674	7	101.10	419	4	102.46	849	9	98.72
Class C US\$ Accumulating	1,320	11	120.86	695	6	121.18	314	3	114.77
Class C US\$ Distributing (D)	4,002	40	101.13	2,944	29	102.49	2,903	29	98.74
Class F US\$ Accumulating	941	8	111.33	5,073	46	110.56	4,450	43	103.73
Premier Class US\$ Accumulating	1,000	10	100.28	–	–	–	–	–	–
Class GA US\$ Accumulating	1,908	16	122.98	2,349	19	122.44	3,642	32	115.18
Class GE US\$ Accumulating	361	3	118.99	362	3	119.17	357	3	112.78
Legg Mason Western Asset US Core Plus Bond Fund									
Class A US\$ Accumulating	\$ 134,054	960	139.63	\$ 48,443	342	141.65	\$ 3,310	25	134.53
Class A US\$ Distributing (D)	23,379	213	109.75	13,893	122	113.43	5,017	46	109.91
Class A US\$ Distributing (M) Plus	10	–	100.50	–	–	–	–	–	–
Class A AUD Distributing (M) (Hedged) Plus	10	–	100.52	–	–	–	–	–	–
Class B US\$ Accumulating	542	4	133.46	302	2	135.72	171	1	129.22
Class B US\$ Distributing (D)	463	4	109.57	448	4	113.25	433	4	109.73
Class C US\$ Accumulating	10,007	77	130.67	9,035	68	133.22	819	6	127.15
Class C US\$ Distributing (D)	7,352	67	110.51	6,051	53	114.22	3,820	35	110.68
Class E US\$ Accumulating	9,565	89	107.67	1,305	12	109.88	741	7	104.98
Class F US\$ Accumulating	63,734	605	105.35	43,928	414	106.07	9,691	97	100.00
Class X US\$ Accumulating	57	1	98.98	–	–	–	–	–	–
Premier Class US\$ Accumulating	236,041	1,897	124.44	195,448	1,564	124.98	115,615	984	117.53
Premier Class US\$ Distributing (M)	1,783	17	104.02	3,111	29	107.48	4,567	44	104.18
LM Class GBP Accumulating (Hedged)	83	–	127.47	86	–	127.60	689	3	119.22
Class A (G) US\$ Accumulating	1,493	11	140.55	1,753	12	142.36	1,828	14	135.01
Class A (G) US\$ Distributing (D)	2,963	27	110.61	3,484	30	114.32	3,688	33	110.77
Class B (G) US\$ Distributing (D)	3	–	110.59	3	–	114.30	117	1	110.76
Class L (G) US\$ Accumulating	459	3	134.45	767	6	136.86	967	7	130.44
Class L (G) US\$ Distributing (D)	2,601	24	110.60	2,953	26	114.31	3,002	27	110.76
Legg Mason Western Asset Euro Core Plus Bond Fund									
Class A US\$ Distributing (D)	€ 759	7	111.80	€ 872	8	116.97	€ 1,404	15	131.07
Class A Euro Distributing (D)	2,496	24	104.45	2,138	20	106.27	2,653	28	96.16
Class C US\$ Distributing (D)	379	4	111.52	566	5	117.18	650	7	130.39
Class F Euro Distributing (Q)	1	–	118.80	1	–	120.94	2	–	109.61
Premier Class Euro Accumulating	84,310	639	131.86	47,923	361	132.63	43,894	373	117.76
Class GA Euro Accumulating	1,770	14	124.49	2,071	16	125.90	2,481	22	112.42
Class GA Euro Distributing (A)	604	5	115.45	712	6	118.05	693	6	106.88
Class GE Euro Accumulating	414	3	120.44	654	5	122.54	785	7	110.08
Legg Mason Western Asset Short Duration High Income Bond Fund#									
Class A US\$ Accumulating	\$ 4,401	38	115.40	\$ 2,766	21	130.37	\$ 1,914	15	124.86
Class A US\$ Distributing (D)	6,078	77	79.38	8,322	89	93.43	10,295	112	92.31
Class A US\$ Distributing (M)	29	–	83.87	317	3	98.65	65	1	97.44
Class A Euro Accumulating (Hedged)	125	1	113.63	414	3	129.37	623	4	124.12
Class A Euro Distributing (M) (Hedged)	–	–	–	94	1	126.54	117	1	125.06
Class B US\$ Accumulating	66	1	112.31	104	1	127.19	88	1	122.12
Class B US\$ Distributing (D)	207	3	79.37	750	8	93.42	985	11	92.30
Class C US\$ Accumulating	1,193	11	110.32	269	2	125.25	327	3	120.56
Class C US\$ Distributing (D)	2,771	35	79.36	3,418	37	93.40	3,545	38	92.29
Class A (G) US\$ Accumulating	1,448	13	114.86	1,996	15	129.84	1,942	16	124.51
Class A (G) US\$ Distributing (D)	6,592	82	80.80	8,175	86	95.10	9,192	98	93.96
Class B (G) US\$ Accumulating	–	–	110.55	3	–	124.92	60	1	120.37
Class B (G) US\$ Distributing (D)	4	–	80.90	14	–	95.21	186	2	94.07
Class L (G) US\$ Accumulating	773	7	109.96	879	7	124.92	866	7	120.39
Class L (G) US\$ Distributing (D)	868	11	80.83	1,095	12	95.13	1,317	14	94.00
Legg Mason Western Asset Global Multi Strategy Fund									
Class A US\$ Accumulating	\$ 30,906	239	129.33	\$ 41,783	296	141.14	\$ 46,472	339	137.13
Class A US\$ Distributing (D)	33,939	320	106.22	52,567	436	120.51	75,862	624	121.50
Class A US\$ Distributing (M)	7,877	87	90.07	17,290	169	102.18	24,109	234	103.03
Class A Euro Accumulating (Hedged)	12,013	88	125.35	30,773	200	137.49	57,030	309	133.68
Class A Euro Distributing (M) (Hedged)	10,464	112	86.00	29,889	272	98.10	54,665	400	99.01
Class A Euro Distributing (M) (Hedged) Plus (e)	363	4	79.91	735	7	92.43	572	4	94.56
Class A GBP Distributing (M) (Hedged)	21,679	164	94.75	89,884	544	107.11	140,339	778	107.75
Class A SGD Distributing (M) (Hedged) Plus	1,205	1,719	0.99	1,697	2,063	1.12	1,694	1,885	1.14
Class B US\$ Accumulating	167	1	122.82	420	3	134.37	498	4	130.88
Class B US\$ Distributing (D)	2,394	23	106.23	4,628	38	120.53	6,292	52	121.52
Class C US\$ Accumulating	19,627	163	120.54	23,576	178	132.21	27,834	216	129.09
Class C US\$ Distributing (D)	73,376	691	106.23	118,750	985	120.52	142,738	1,175	121.51
Class E US\$ Accumulating	3,544	33	106.56	5,688	49	116.99	9,901	87	114.35
Class E US\$ Distributing (D)	2,564	29	88.47	4,174	42	100.37	6,396	63	101.20
Class E Euro Accumulating (Hedged)	1,179	11	96.92	3,141	26	106.91	7,908	55	104.58
Class E Euro Distributing (M) (Hedged)	28	–	87.71	172	2	100.05	168	1	100.93
Class F US\$ Accumulating	2,710	23	115.57	5,180	41	125.36	7,164	59	121.08
Class F US\$ Distributing (D)	1,682	19	88.46	3,706	37	100.36	9,600	95	101.19
Class F Euro Accumulating	–	–	–	2	–	155.29	2	–	121.43
Class X US\$ Distributing (D)	115	1	88.63	231	2	100.55	604	6	101.37
Premier Class US\$ Accumulating	357	3	137.69	1,787	12	148.98	1,370	10	143.53
Premier Class US\$ Distributing (D)	134	2	89.35	362	4	101.36	431	4	102.20
Premier Class US\$ Distributing (M)	20,545	187	110.07	23,781	190	124.87	3,306	26	125.90
Premier Class US\$ Distributing (M) Plus (e)	63,825	730	87.45	73,990	742	99.74	–	–	–
Premier Class CHF Accumulating (Hedged)	30,061	316	95.13	–	–	–	–	–	–
Premier Class Euro Accumulating (Hedged)	3,268	25	118.17	60,582	421	128.55	43,846	256	123.91
Premier Class Euro Distributing (M) (Hedged)	47	1	83.08	522	5	94.79	162	1	95.67
Premier Class GBP Accumulating (Hedged)	236,750	1,541	110.41	267,278	1,451	119.27	276,077	1,438	114.63
Premier Class GBP Distributing (M) (Hedged)	25,314	199	91.39	38,443	240	103.73	47,688	273	104.35
Premier Class GBP Distributing (M) (Hedged) Plus (e)	20,943	182	82.58	28,860	199	94.06	36,672	230	95.11
Premier Class GBP Distributing (Q) (Hedged)	12,216	100	87.90	14,802	96	99.61	15,160	90	100.32
Premier Class JPY Accumulating (Hedged)	–	–	–	379	4	10,124.06	–	–	–
LM Class US\$ Accumulating	–	–	–	–	–	–	9,951	88	113.50
LM Class AUD Distributing (M) (Hedged)	44,176	615	100.63	81,912	935	112.17	67,790	688	110.47
LM Class Euro Accumulating (Hedged)	–	–	–	–	–	–	1,643	10	113.60

The accompanying notes are an integral part of the Financial Statements

Statement of Financial Position – (continued)

	February 29, 2016			February 28, 2015			February 28, 2014		
	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 GBP Accumulating (Hedged)	\$308,484	1,970	112.48	\$382,755	2,048	121.06	\$352,634	1,818	115.86
LM Class JPY Accumulating (Hedged)	—	—	—	—	—	—	4,044	37	11,210.29
Premier Class PLN Accumulating (Hedged)	974	40	96.83	—	—	—	—	—	—
Legg Mason Western Asset US High Yield Fund									
Class A US\$ Accumulating	\$ 38,449	300	128.08	\$ 95,591	643	148.58	\$ 96,833	649	149.11
Class A US\$ Distributing (D)	64,598	940	68.73	108,468	1,283	84.53	111,993	1,255	89.20
Class A US\$ Distributing (M)	1,037	13	82.91	26,401	259	102.04	7,931	74	107.65
Class A US\$ Distributing (M) Plus	736	9	77.87	1,181	12	96.65	13,710	133	103.08
Class A Euro Distributing (M) (Hedged)	691	8	78.75	580	5	97.35	408	3	102.78
Class A HKD Distributing (M) Plus	256	25	80.61	1	—	99.78	—	—	—
Class A SGD Distributing (M) (Hedged) Plus	313	574	0.77	396	571	0.94	166	206	1.02
Class B US\$ Accumulating	615	5	128.64	1,093	7	149.60	1,959	13	150.50
Class B US\$ Distributing (D)	6,388	93	68.75	9,598	114	84.56	9,164	103	89.23
Class C US\$ Accumulating	6,506	52	125.97	13,621	93	146.86	14,963	101	148.11
Class C US\$ Distributing (D)	12,722	185	68.76	21,452	254	84.57	29,460	330	89.25
Class E US\$ Accumulating	8,646	72	119.75	17,115	122	139.75	19,424	138	141.08
Class E US\$ Distributing (D)	13,303	155	85.93	19,238	182	105.68	27,339	245	111.52
Class E Euro Accumulating (Hedged)	221	2	84.61	89	1	99.25	—	—	—
Class F US\$ Accumulating	1,562	14	113.10	777	6	130.41	1,717	13	130.06
Class F US\$ Distributing (D)	860	10	81.94	759	8	100.79	505	5	106.36
Premier Class US\$ Accumulating	104,568	904	115.73	65,766	494	133.11	80,072	605	132.45
Premier Class US\$ Distributing (M)	—	—	—	—	—	—	16,999	171	99.67
Premier Class US\$ Distributing (M) Plus (e)	2,179	28	78.83	30,103	308	97.61	62,613	604	103.60
Premier Class Euro Accumulating	6,637	64	95.42	11,626	97	106.56	—	—	—
Premier Class Euro Accumulating (Hedged)	—	—	—	—	—	—	33,552	240	101.46
LM Class US\$ Accumulating	20,353	169	120.10	49,461	360	137.53	31,160	229	136.24
LM Class US\$ Distributing (M)	70,145	925	75.81	94,920	1,017	93.32	87,533	889	98.46
LM Class GBP Accumulating (Hedged)	93	1	121.01	117	1	138.56	929	4	136.90
Class A (G) US\$ Accumulating	336	3	129.99	647	4	150.57	3,549	24	150.88
Class A (G) US\$ Distributing (D)	2,818	41	68.20	4,712	56	83.88	5,872	66	88.52
Class B (G) US\$ Accumulating	19	—	124.35	22	—	144.76	30	—	145.77
Class B (G) US\$ Distributing (D)	4	—	68.18	5	—	83.86	90	1	88.52
Class C (G) US\$ Accumulating	410	3	124.34	478	3	144.74	481	3	145.76
Class C (G) US\$ Distributing (D)	2,893	42	68.20	4,720	56	83.88	6,360	72	88.52
Class GF US\$ Accumulating	1,601	14	114.24	1,932	15	132.06	2,757	21	132.06
Legg Mason Western Asset Emerging Markets Total Return									
Bond Fund#									
Class A US\$ Accumulating	\$ 17,748	124	142.63	\$ 24,956	167	149.13	\$ 31,321	212	147.65
Class A US\$ Distributing (D)	6,580	64	103.54	10,482	94	111.94	15,642	136	115.23
Class A US\$ Distributing (M)	3,185	34	93.61	7,072	70	101.25	7,590	73	104.26
Class A US\$ Distributing (M) Plus	2,868	37	78.26	3,266	38	86.06	2,425	27	89.59
Class A Euro Accumulating (Hedged)	737	6	119.99	997	7	126.19	1,017	6	124.97
Class A Euro Distributing (D) (Hedged)	709	8	79.43	802	8	86.26	843	7	88.84
Class A GBP Distributing (D) (Hedged)	58	—	93.63	169	1	101.07	325	2	103.73
Class A SGD Distributing (M) (Hedged) Plus	290	489	0.83	382	565	0.92	482	627	0.97
Class B US\$ Accumulating	102	1	136.93	119	1	143.53	300	2	142.46
Class B US\$ Distributing (D)	754	7	103.51	877	8	111.91	783	7	115.20
Class C US\$ Accumulating	412	3	133.47	443	3	140.25	426	3	139.55
Class C US\$ Distributing (D)	4,116	40	103.46	4,978	44	111.86	12,733	111	115.16
Class E US\$ Distributing (D)	1,587	18	88.46	2,176	23	95.64	2,869	29	98.46
Class E Euro Accumulating (Hedged)	—	—	—	87	1	96.81	—	—	—
Class E Euro Distributing (M) (Hedged)	62	1	88.81	227	2	96.46	140	1	99.34
Class F US\$ Accumulating	28	—	122.18	555	4	126.70	3,656	29	124.44
Class X GBP Distributing (D) (Hedged)	289	2	91.09	269	2	98.34	206	1	100.95
Premier Class US\$ Accumulating	12,452	63	197.48	22,414	110	204.35	26,287	131	200.18
Premier Class Euro Accumulating (Hedged)	1,226	10	110.08	2,119	17	114.46	31,795	205	112.32
Premier Class GBP Distributing (D) (Hedged)	415	4	81.67	11,001	81	88.11	15,849	105	90.47
Class A (G) US\$ Accumulating	1,738	12	147.09	3,053	20	153.27	4,733	31	151.19
Class A (G) US\$ Distributing (D)	1,946	21	92.79	2,361	24	100.32	3,244	31	103.27
Class B (G) US\$ Accumulating	—	—	140.65	6	—	147.29	307	2	146.08
Class B (G) US\$ Distributing (D)	4	—	92.79	4	—	100.32	26	—	103.28
Class C (G) US\$ Accumulating	1,186	8	140.69	1,311	9	147.34	1,886	13	146.07
Class L (G) US\$ Distributing (D)	2,409	26	92.78	3,333	33	100.32	4,523	44	103.27
Legg Mason Western Asset Emerging Markets Corporate									
Bond Fund									
Class A US\$ Accumulating	\$ 11	—	90.18	\$ 2	—	94.71	\$ 1,406	14	99.24
Class A US\$ Distributing (M)	1	—	88.91	1	—	96.13	1	—	104.51
Premier Class US\$ Accumulating	14,570	134	108.65	35,687	316	112.83	39,900	342	116.80
LM Class US\$ Distributing (M)	26,866	302	88.97	47,257	491	96.19	64,256	614	104.57
Legg Mason Western Asset Global High Yield Fund									
Class A US\$ Accumulating	\$ 31,310	248	126.17	\$ 70,522	487	144.83	\$106,866	714	149.61
Class A US\$ Distributing (D)	27,595	412	66.98	46,386	570	81.37	55,770	630	88.51
Class A US\$ Distributing (M)	34,167	461	74.18	89,947	997	90.20	139,908	1,426	98.11
Class A US\$ Distributing (M) Plus	5,216	69	75.30	12,757	138	92.50	11,208	110	101.58
Class A AUD Distributing (M) (Hedged) Plus	20,018	307	91.47	41,126	469	112.25	48,908	449	122.19
Class A CNH Distributing (M) (Hedged) Plus	—	—	—	—	—	—	109	6	104.06
Class A Euro Accumulating	21	—	95.66	—	—	—	—	—	—
Class A Euro Distributing (D) (Hedged)	361	4	77.51	1,316	12	94.54	776	5	102.85
Class A SGD Distributing (M) (Hedged) Plus	2,152	4,028	0.75	4,375	6,513	0.92	4,870	6,078	1.02
Class B US\$ Accumulating	350	3	125.77	989	7	144.73	1,648	11	149.88
Class B US\$ Distributing (D)	890	13	66.87	1,435	18	81.24	1,866	21	88.36
Class C US\$ Accumulating	2,069	17	123.84	3,761	26	142.87	5,543	37	148.33
Class C US\$ Distributing (D)	11,570	173	66.69	21,669	267	81.01	35,858	407	88.12
Class E US\$ Accumulating	3,030	27	114.21	7,573	57	131.89	10,683	78	137.07
Class E US\$ Distributing (D)	1,066	13	82.11	2,504	25	99.75	4,705	43	108.50
Class E Euro Accumulating (Hedged)	11	—	83.53	87	1	96.94	—	—	—
Class E Euro Distributing (M) (Hedged)	548	7	76.82	761	7	93.85	309	2	102.20
Class F US\$ Accumulating	488	4	109.00	1,753	14	124.24	585	5	127.46
Class F US\$ Distributing (D)	3,447	44	78.14	4,696	49	94.92	4,649	45	103.25
Class X US\$ Accumulating	104	1	89.39	248	2	101.97	398	4	104.69
Class X US\$ Distributing (D)	66	1	75.14	137	2	91.28	159	2	99.29
Class X GBP Distributing (D) (Hedged)	35	—	75.86	114	1	92.03	753	5	99.91
Premier Class US\$ Accumulating	13,884	98	141.94	24,879	154	161.39	219,407	1,329	165.15
Premier Class US\$ Distributing (M) Plus (e)	3,293	43	77.01	17,373	184	94.19	111,525	1,082	103.06
Premier Class Euro Accumulating (Hedged)	3,933	38	94.95	5,245	43	108.42	11,904	78	111.05
Premier Class GBP Distributing (D) (Hedged)	277	2	82.64	6,445	42	100.22	9,605	53	108.78
LM Class US\$ Accumulating	31,745	380	83.62	36,955	390	94.65	—	—	—
Class A (G) US\$ Accumulating	4,133	32	127.56	5,715	39	146.21	6,421	43	150.82
Class A (G) US\$ Distributing (D)	4,851	72	67.00	7,167	88	81.38	10,103	114	88.53
Class B (G) US\$ Accumulating	14	—	122.02	33	—	140.55	69	—	145.70
Class B (G) US\$ Distributing (D)	2	—	66.97	23	—	81.37	71	1	88.50
Class L (G) US\$ Accumulating	728	6	122.03	1,139	8	140.57	1,180	8	145.73
Class L (G) US\$ Distributing (D)	2,857	43	66.99	4,292	53	81.37	5,787	65	88.51

The accompanying notes are an integral part of the Financial Statements

Statement of Financial Position – (continued)

	February 29, 2016			February 28, 2015			February 28, 2014		
	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	\$12,752	113	112.94	\$16,926	149	113.41	\$ 9,766	86	113.74
Class A US\$ Distributing (D)	688	7	99.44	1,730	17	99.85	1,684	17	100.16
Class B US\$ Accumulating	126	1	107.36	225	2	108.07	139	1	108.64
Class B US\$ Distributing (D)	23	–	99.04	198	2	99.71	28	–	100.25
Class C US\$ Accumulating	577	5	104.97	664	6	105.93	1,028	10	106.77
Class C US\$ Distributing (D)	1,441	15	98.28	1,555	16	99.18	1,226	12	99.96
Class E US\$ Accumulating	62	1	99.97	–	–	–	–	–	–
Class A (G) US\$ Accumulating	1,360	12	113.26	1,476	13	113.66	1,655	15	113.94
Class A (G) US\$ Distributing (D)	4,938	50	99.56	6,050	61	99.94	7,458	74	100.20
Class B (G) US\$ Distributing (D)	3	–	98.39	3	–	99.28	75	1	100.00
Class L (G) US\$ Accumulating	86	1	108.33	170	2	109.25	186	2	110.07
Class L (G) US\$ Distributing (D)	1,566	16	98.41	1,624	16	99.25	1,751	18	99.99
Legg Mason Western Asset US Adjustable Rate Fund									
Class A US\$ Accumulating	\$ 5,536	56	98.54	\$ 4,170	42	99.61	\$ 7,857	78	100.25
Class B US\$ Distributing (D)	218	2	90.73	175	2	91.95	176	2	92.78
Class C US\$ Distributing (D)	589	7	89.05	728	8	90.47	1,491	16	91.51
Class A (G) US\$ Accumulating	536	5	97.96	2,336	24	99.19	2,416	24	99.94
Class A (G) US\$ Distributing (D)	1,412	15	91.77	1,674	18	92.94	2,313	25	93.64
Class B (G) US\$ Accumulating	–	–	–	–	–	–	60	1	96.58
Class L (G) US\$ Accumulating	305	3	93.74	318	3	95.40	488	5	96.61
Class L (G) US\$ Distributing (D)	580	7	88.80	757	8	90.37	1,397	15	91.51
Legg Mason Western Asset Global Inflation Management Fund#									
Class A US\$ Accumulating	\$ 3,403	27	126.52	\$ 3,669	29	128.16	\$ 5,451	43	126.00
Class A US\$ Distributing (A)	3,761	33	112.69	3,252	28	114.15	1,989	18	112.22
Class B US\$ Accumulating	39	–	117.95	39	–	119.78	39	–	118.06
Class B US\$ Distributing (A)	10	–	115.82	10	–	117.61	10	–	115.91
Class C US\$ Accumulating	189	2	95.25	188	2	97.05	280	3	96.21
Class C US\$ Distributing (A)	1,606	15	110.67	1,850	16	112.67	2,779	25	111.33
Class A (G) US\$ Accumulating	685	5	131.24	759	6	132.63	825	6	129.87
Class A (G) US\$ Distributing (A)	89	1	109.76	153	1	110.92	75	1	108.62
Class B (G) US\$ Distributing (A)	–	–	–	–	–	–	91	1	105.79
Class L (G) US\$ Accumulating	118	1	125.32	120	1	127.27	118	1	125.25
Class L (G) US\$ Distributing (A)	320	3	101.95	399	4	103.54	396	4	101.90
Legg Mason Western Asset Asian Opportunities Fund									
Class A US\$ Accumulating	\$51,706	387	133.63	\$85,530	607	140.88	\$124,158	919	135.16
Class A US\$ Distributing (D)	16,586	156	106.29	42,235	366	115.37	58,951	516	114.22
Class A US\$ Distributing (M)	12,299	126	97.90	27,877	262	106.25	17,284	164	105.18
Class A US\$ Distributing (M) Plus	5,310	65	81.74	3,713	41	90.18	389	4	90.27
Class A AUD Distributing (M) (Hedged) Plus	6,702	99	94.48	4,468	55	104.21	2,431	26	103.38
Class A CHF Accumulating (Hedged)	1,341	14	92.99	1,274	12	99.46	–	–	–
Class A CNH Distributing (M) (Hedged) Plus	613	44	90.66	832	53	98.68	100	6	97.96
Class A Euro Accumulating	1,887	9	193.54	5,716	26	198.27	6,153	29	154.23
Class A Euro Accumulating (Hedged)	4,092	38	99.33	6,473	55	105.38	10,017	72	101.26
Class A Euro Distributing (A)	710	6	117.66	1,343	10	124.52	568	4	99.56
Class A GBP Distributing (D) (Hedged)	451	4	91.91	831	5	99.61	1,800	11	98.42
Class A GBP Distributing (M)	856	6	110.02	930	6	107.66	844	5	98.26
Class A HKD Distributing (M) Plus	10	1	98.41	–	–	–	–	–	–
Class A SGD Accumulating (Hedged)	9,990	10,970	1.28	15,304	15,544	1.34	16,985	16,730	1.29
Class A SGD Distributing (M) (Hedged) Plus	1,978	3,157	0.88	6,112	8,625	0.97	8,612	11,227	0.97
Class A SGD Distributing (M) Plus	1,202	1,796	0.94	2,009	2,717	1.01	2,786	3,748	0.94
Class B US\$ Accumulating	989	8	131.03	1,552	11	138.48	1,915	14	133.18
Class B US\$ Distributing (D)	694	7	106.24	1,344	12	115.33	1,785	16	114.18
Class C US\$ Accumulating	7,292	57	128.21	11,744	86	135.85	20,628	157	130.98
Class C US\$ Distributing (D)	9,426	89	106.33	13,515	117	115.41	23,517	206	114.26
Class E US\$ Accumulating	2,037	18	111.36	4,111	35	118.10	6,173	54	113.98
Class E US\$ Distributing (D)	668	7	97.72	1,022	10	106.07	2,176	21	105.02
Class E Euro Accumulating (Hedged)	–	–	–	88	1	98.63	–	–	–
Class F US\$ Accumulating	4,699	39	119.09	14,532	116	125.06	4,223	35	119.50
Class F US\$ Distributing (D)	37	–	97.73	40	–	106.08	30	–	105.03
Class X US\$ Distributing (M)	1,411	15	94.10	–	–	–	–	–	–
Class X Euro Accumulating (Hedged)	–	–	–	1,361	12	104.35	–	–	–
Premier Class US\$ Accumulating	53,316	380	140.15	78,212	533	146.80	28,544	204	139.92
Premier Class US\$ Distributing (M)	9,451	112	84.02	18,174	199	91.19	10,101	112	90.27
Premier Class Euro Accumulating	65,086	462	129.56	89,080	603	131.92	64,115	455	102.04
Premier Class Euro Accumulating (Hedged)	979	8	106.60	1,541	12	112.35	1,353	9	107.16
Premier Class Euro Distributing (A)	53,920	476	104.10	55,320	448	110.25	79,710	656	88.01
Premier Class Euro Distributing (M)	7,807	66	108.73	8,473	66	114.72	11,474	90	92.03
Premier Class GBP Distributing (M)	410	3	105.29	159	1	103.29	545	3	94.13
LM Class US\$ Accumulating	60,081	413	145.42	89,422	591	151.41	124,194	866	143.45
Legg Mason Western Asset Global Blue Chip Bond Fund									
Class A US\$ Accumulating	\$ 1,837	16	116.61	\$ 7,516	64	116.97	\$ 5,363	46	116.13
Class A US\$ Distributing (M)	965	9	103.42	1,709	16	105.62	2,509	23	106.79
Class A Euro Accumulating (Hedged)	34	–	99.69	113	1	100.72	68	–	100.17
Class A GBP Accumulating (Hedged)	102	1	115.16	113	1	115.33	171	1	114.23
Class B US\$ Accumulating	1,151	12	100.03	–	–	–	–	–	–
Class B US\$ Distributing (M)	227	2	103.24	231	2	105.45	234	2	106.62
Class C US\$ Accumulating	1,882	17	112.78	1,967	17	113.68	1,555	14	113.43
Class C US\$ Distributing (M)	1,136	11	103.22	1,425	14	105.42	9,023	85	106.58
Class E US\$ Accumulating	7,293	68	106.91	450	4	107.87	422	4	107.63
Class E US\$ Distributing (D)	4,058	41	99.40	460	5	101.53	569	6	102.68
Class F US\$ Accumulating	64	1	114.00	1	–	113.88	1	–	112.48
Premier Class US\$ Accumulating	1,257	10	122.19	4,783	39	121.75	4,787	40	120.10
Premier Class US\$ Distributing (M)	4,763	46	103.44	6,852	65	105.64	6,016	56	106.81
Premier Class Euro Accumulating (Hedged)	894	7	122.66	855	6	122.95	7,939	47	121.42
Premier Class Euro Distributing (M) (Hedged)	550	5	102.39	1,037	9	105.28	1,532	10	106.59
Premier Class GBP Accumulating (Hedged)	871	5	122.94	1,623	9	122.39	2,609	13	120.46
Premier Class GBP Distributing (M) (Hedged)	9,456	65	104.81	16,057	97	106.86	29,295	162	107.79
Legg Mason Western Asset Brazil Bond Fund^α									
Class A US\$ Distributing (M)	\$ –	–	–	\$ 187	3	61.39	\$ 4	–	73.01
Premier Class US\$ Accumulating	–	–	–	–	–	–	30	–	108.06
LM Class US\$ Accumulating	–	–	–	33,387	326	102.38	5,486	50	109.71
Legg Mason Western Asset Global Credit Absolute Return Fund^Δ									
Class A US\$ Accumulating	\$ –	–	–	\$ 170	2	106.39	\$ 1	–	105.19
Class A US\$ Distributing (M)	52	1	85.90	6,280	61	102.62	4,822	46	104.05
Class A Euro Accumulating (Hedged)	–	–	–	–	–	–	140	1	101.18
Class A GBP Distributing (M) (Hedged)	117	1	95.46	943	6	109.16	1,635	9	107.51
Class A (PF) US\$ Accumulating	109	1	95.70	656	6	109.26	639	6	107.68
Class A (PF) US\$ Distributing (M)	1	–	95.51	8	–	109.03	8	–	107.46
Class B US\$ Accumulating	–	–	–	1	–	107.09	1	–	105.69
Class B US\$ Distributing (M)	–	–	–	1	–	104.01	1	–	105.48
Class C US\$ Accumulating	–	–	–	1	–	104.94	42	–	104.02

The accompanying notes are an integral part of the Financial Statements

Statement of Financial Position – (continued)

	February 29, 2016			February 28, 2015			February 28, 2014		
	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 C US\$ Distributing (M)	\$ –	–	–	\$ 1	–	103.90	\$ 1	–	104.18
Class E US\$ Accumulating	–	–	–	–	–	–	1	–	104.18
Class E US\$ Distributing (M)	–	–	–	–	–	–	1	–	105.56
Class F US\$ Accumulating	–	–	–	1	–	108.99	1	–	107.19
Class F US\$ Distributing (M)	–	–	–	1	–	104.05	1	–	105.52
Class X GBP Distributing (M) (Hedged)	372	3	82.95	2,926	19	98.87	3,191	19	100.01
Premier Class US\$ Distributing (M)	17	–	82.65	15	–	98.62	–	–	–
Premier Class Euro Accumulating (Hedged)	82	1	95.62	7,532	62	109.37	11,717	79	107.44
Premier Class GBP Distributing (M) (Hedged)	16,686	140	85.51	48,819	310	101.92	48,775	283	103.10
Premier (PF) Class US\$ Accumulating	1,302	13	99.37	2,949	26	112.71	24,642	223	110.29
Premier (PF) Class US\$ Distributing (M)	–	–	–	–	–	–	19	–	105.64
Premier (PF) Class GBP Accumulating (Hedged)	1,301	9	100.62	1,621	9	113.99	176	1	111.31
Premier (PF) Class GBP Distributing (M) (Hedged)	72	1	89.42	20,300	123	106.50	21,145	117	107.75
Legg Mason Western Asset Global Core Plus Bond Fund[^]									
Class A US\$ Distributing (A)	\$ 13	–	99.08	\$ –	–	–	\$ –	–	–
Class A US\$ Distributing (D)	2,725	24	115.37	76	1	118.37	1	–	108.79
Class X US\$ Accumulating	203	2	100.15	176	2	101.07	–	–	–
Premier Class US\$ Accumulating	178,688	1,339	133.44	99,048	738	134.26	81,220	675	120.34
Premier Class Euro Accumulating (Hedged)	44,170	383	105.97	16,549	138	107.25	–	–	–
Premier Class JPY Accumulating (Hedged)	–	–	–	1,388	15	10,812.64	–	–	–
LM Class US\$ Accumulating	–	–	–	–	–	–	27,851	235	118.76
LM Class Euro Accumulating (Hedged)	–	–	–	–	–	–	4,504	27	118.76
LM Class JPY Accumulating (Hedged)	–	–	–	–	–	–	12,646	110	11,750.12
Legg Mason Western Asset Global Inflation-Linked Fund									
Class A US\$ Accumulating	\$ –	–	–	\$ –	–	–	\$ 2	–	101.75
Class A US\$ Distributing (D)	–	–	–	–	–	–	1	–	104.05
Class A SGD Accumulating (Hedged)	–	–	–	–	–	–	497	623	1.01
Premier Class US\$ Accumulating	–	–	–	–	–	–	26,874	244	110.35
LM Class GBP Accumulating (Hedged)	–	–	–	–	–	–	747	4	112.42
Legg Mason Western Asset Global Credit Fund									
Class A US\$ Accumulating	\$ 458	4	113.20	\$ 561	5	117.65	\$ 533	5	112.49
Class A US\$ Distributing (D)	2,097	20	102.63	2,531	23	109.26	2,787	26	106.80
Class A Euro Accumulating (Hedged)	1,023	8	111.72	1,339	10	116.87	772	5	111.87
Premier Class US\$ Accumulating	833	7	112.55	858	7	115.99	899	8	109.97
LM Class US\$ Accumulating	64,646	518	124.85	94,818	740	128.21	95,064	785	121.14
Legg Mason Western Asset Euro High Yield Fund									
Class A Euro Distributing (D)	€ 130	1	96.59	€ 31	–	104.12	€ 75	1	103.74
LM Class Euro Accumulating	78,314	557	140.72	78,765	550	143.11	73,736	550	133.97
LM Class Euro Distributing (Q)	8,604	88	97.57	9,780	93	105.26	8,969	85	105.22
Legg Mason Western Asset Macro Opportunities Bond Fund[^]									
Class A US\$ Accumulating	\$ 906,888	8,696	104.29	\$ 705,180	6,357	110.93	\$ 101	1	103.09
Class A US\$ Distributing (M) Plus (e)	122,586	1,351	90.71	57,627	570	101.15	–	–	–
Class A US\$ Distributing (S)	91,231	968	94.29	119,463	1,158	103.15	–	–	–
Class A AUD Distributing (M) (Hedged) Plus (e)	6,462	99	91.42	–	–	–	–	–	–
Class A CHF Accumulating (Hedged)	27,447	272	100.59	23,221	204	108.28	115	1	101.00
Class A CNH Accumulating (Hedged)	2,962	194	100.11	101	6	102.51	–	–	–
Class A CNH Distributing (M) (Hedged) Plus (e)	2,882	199	95.05	98	6	101.91	–	–	–
Class A Euro Accumulating (Hedged)	300,653	2,713	101.88	295,582	2,429	108.75	112	1	101.02
Class A Euro Distributing (A)	1,059	11	92.45	–	–	–	–	–	–
Class A GBP Accumulating	124	1	107.78	2	–	103.44	–	–	–
Class A GBP Accumulating (Hedged)	27,148	190	102.48	17,874	106	108.91	118	1	101.03
Class A SEK Accumulating (Hedged)	39,987	3,655	93.68	–	–	–	–	–	–
Class A SGD Accumulating (Hedged)	21,481	29,497	1.02	21,823	27,529	1.08	–	–	–
Class A SGD Distributing (M) (Hedged) Plus (e)	3,364	5,170	0.91	101	136	1.01	–	–	–
Class B US\$ Accumulating	1,241	13	95.40	629	6	101.91	–	–	–
Class C US\$ Accumulating	29,115	301	96.59	50,071	485	103.27	–	–	–
Class C US\$ Distributing (S)	9,717	104	93.31	6,917	68	102.07	–	–	–
Class E US\$ Accumulating	24,134	252	95.85	19,195	187	102.58	–	–	–
Class E US\$ Distributing (S)	1,769	19	93.06	300	3	101.78	–	–	–
Class E Euro Accumulating (Hedged)	3,790	37	94.80	2,720	24	101.81	–	–	–
Class F US\$ Accumulating	58,810	607	96.96	52,018	506	102.73	–	–	–
Class F US\$ Distributing (S)	4,297	45	95.53	495	5	104.21	–	–	–
Class S US\$ Accumulating	37,906	355	106.75	100,081	891	112.36	82,998	803	103.32
Class S Euro Accumulating (Hedged)	292,604	2,526	106.50	328,451	2,610	112.43	277,517	1,946	103.31
Class X US\$ Accumulating	123,425	1,208	102.18	87,876	813	108.15	–	–	–
Class X US\$ Distributing (M) Plus (e)	436	5	93.07	–	–	–	–	–	–
Class X US\$ Distributing (S)	6,638	71	93.99	75	1	101.53	–	–	–
Class X CHF Accumulating (Hedged)	17,103	169	100.76	5,173	46	107.95	–	–	–
Class X Euro Accumulating	17,036	131	119.35	12,896	94	122.95	–	–	–
Class X Euro Accumulating (Hedged)	82,833	739	102.97	75,529	618	109.27	112	1	101.04
Class X GBP Accumulating	4,308	28	108.73	26	–	103.71	–	–	–
Class X GBP Accumulating (Hedged)	76,723	531	103.78	66,834	395	109.60	118	1	101.05
Class X GBP Distributing (M) (Hedged) Plus (e)	350	3	93.78	–	–	–	–	–	–
Class X SGD Accumulating (Hedged)	650	885	1.03	1,097	1,378	1.08	–	–	–
Premier Class US\$ Accumulating	334,731	3,164	105.80	227,997	2,039	111.81	22,729	220	103.23
Premier Class US\$ Distributing (S)	26,715	285	93.78	4,986	49	101.20	–	–	–
Premier Class AUD Distributing (S) (Hedged)	12,277	180	95.33	–	–	–	–	–	–
Premier Class CHF Accumulating (Hedged)	10,927	114	95.47	2,339	22	102.09	–	–	–
Premier Class CHF Distributing (S) (Hedged)	10,954	30	95.04	–	–	–	–	–	–
Premier Class Euro Accumulating	8,756	66	121.90	14,521	104	125.19	–	–	–
Premier Class Euro Accumulating (Hedged)	848,798	7,772	100.39	855,659	7,178	106.52	–	–	–
Premier Class Euro Distributing (S) (Hedged)	8,589	83	95.27	–	–	–	–	–	–
Premier Class GBP Accumulating (Hedged)	139,028	1,033	96.66	79,306	504	101.96	–	–	–
Premier Class GBP Distributing (M) (Hedged) Plus (e)	91,334	721	91.00	44,799	288	100.65	–	–	–
Premier Class SEK Accumulating (Hedged)	5,422	494	94.02	–	–	–	–	–	–
Premier Class BRL Accumulating (Hedged)	17,521	718	97.99	–	–	–	–	–	–
Legg Mason Western Asset EM Local Currency Debt Fund^{^μ}									
Class A US\$ Distributing (D)	\$ 1	–	100.74	\$ –	–	–	\$ –	–	–
Premier Class US\$ Accumulating	77,523	763	101.60	–	–	–	–	–	–
Legg Mason Western Asset Multi-Asset Credit Fund^{^μ}									
Class A US\$ Distributing (M) Plus (e)	\$ 10	–	98.24	\$ –	–	–	\$ –	–	–
LM Class GBP Accumulating (Hedged)	166,545	1,206	99.21	–	–	–	–	–	–
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund^{^ε}									
Class A US\$ Distributing (M) Plus (e)	\$ 986	10	98.38	\$ –	–	–	\$ –	–	–
Class A Euro Accumulating (Hedged)	986	9	98.56	–	–	–	–	–	–
Class A Euro Distributing (A) (Hedged)	987	9	98.56	–	–	–	–	–	–
Premier Class US\$ Accumulating	988	10	98.76	–	–	–	–	–	–
Premier Class Euro Accumulating (Hedged)	988	9	98.67	–	–	–	–	–	–

The accompanying notes are an integral part of the Financial Statements

Statement of Financial Position – (continued)

	February 29, 2016			February 28, 2015			February 28, 2014		
	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 Structured Opportunities									
Fund^Ø									
LM Class US\$ Accumulating	\$325,952	3,337	97.68	\$ –	–	–	\$ –	–	–
Legg Mason Western Asset US Mortgage-Backed Securities									
Fund^Ø									
Class A US\$ Distributing (M) Plus (e)	\$ 10	–	100.56	\$ –	–	–	\$ –	–	–
LM Class US\$ Accumulating	786,181	7,788	100.95	–	–	–	–	–	–
Legg Mason Brandywine Global Fixed Income Fund									
Class A US\$ Accumulating	\$195,851	1,430	136.93	\$272,217	1,832	148.57	\$153,289	1,061	144.44
Class A US\$ Distributing (M)	2,758	28	97.63	4,308	40	108.12	4,070	38	107.03
Class A US\$ Distributing (S)	87,464	728	120.18	138,335	1,041	132.89	171,354	1,303	131.50
Class A AUD Distributing (M) (Hedged) Plus	507	8	85.35	8	–	95.94	–	–	–
Class A Euro Accumulating (Hedged)	8,837	90	90.45	8,347	75	99.05	7,322	55	96.54
Class A Euro Accumulating (Hedged) (AH)	109,948	676	149.52	159,381	883	161.21	152,321	796	138.70
Class A Euro Distributing (A) (Hedged)	833	9	88.87	5,494	49	99.64	104	1	98.26
Class A Euro Distributing (S)	–	–	–	–	–	–	1	–	94.96
Class A Euro Distributing (S) (Hedged) (AH)	29,618	239	113.81	33,464	239	125.13	34,831	230	109.59
Class A GBP Accumulating	1	–	104.08	2	–	101.76	–	–	–
Class A GBP Distributing (M) (Hedged)	1	–	89.62	1	–	99.49	–	–	–
Class A GBP Distributing (S) (Hedged) (AH)	15,403	93	119.29	26,723	133	130.52	41,411	217	114.01
Class A SGD Accumulating	985	1,386	1.00	–	–	–	–	–	–
Class B US\$ Accumulating	446	4	126.24	819	6	137.31	1,361	10	133.83
Class B US\$ Distributing (S)	2,064	17	120.16	2,108	16	132.85	2,638	20	131.47
Class C US\$ Accumulating	3,814	31	123.75	6,810	50	134.94	8,418	64	131.85
Class C US\$ Distributing (S)	13,264	111	119.62	24,078	182	132.23	32,086	245	130.86
Class E US\$ Accumulating	9,113	96	95.05	14,693	142	103.75	21,342	210	101.48
Class E Euro Accumulating (Hedged) (AH)	11,057	92	110.35	34,183	255	119.72	48,344	338	103.62
Class F US\$ Accumulating	755	8	94.96	1,579	15	102.62	17,421	175	99.39
Class F US\$ Distributing (S)	597	7	88.67	1,303	13	98.07	4,217	43	97.05
Class R US\$ Distributing (S)	744	8	88.58	1,206	12	97.97	242	3	96.95
Class R GBP Distributing (S) (Hedged) (AH)	2,005	15	98.49	5,728	34	107.63	111	1	94.09
Class X US\$ Accumulating	2,310	24	94.64	1,135	11	102.18	593	6	98.84
Class X US\$ Distributing (S)	11,633	131	89.11	17,119	174	98.56	3,142	32	97.53
Class X Euro Accumulating (Hedged)	60,812	585	95.56	64,510	553	104.20	13,120	94	101.05
Class X Euro Accumulating (Hedged) (AH)	12	–	98.60	–	–	–	–	–	–
Class X Euro Distributing (S) (Hedged)	–	–	–	–	–	–	99	1	94.49
Class X Euro Distributing (S) (Hedged) (AH)	1	–	97.43	–	–	–	–	–	–
Class X GBP Accumulating	176	1	104.52	2	–	101.85	–	–	–
Class X GBP Accumulating (Hedged)	587	5	92.08	78	1	99.59	–	–	–
Class X GBP Accumulating (Hedged) (AH)	47	–	98.81	–	–	–	–	–	–
Class X GBP Distributing (S) (Hedged)	773	6	88.74	2,478	16	98.44	3,824	23	97.29
Class X GBP Distributing (S) (Hedged) (AH)	5,898	42	100.74	2,220	13	110.32	–	–	–
Premier Class US\$ Accumulating	127,483	1,170	108.96	211,402	1,800	117.46	140,137	1,235	113.46
Premier Class US\$ Distributing (S)	48,048	523	91.93	156,746	1,541	101.70	49,840	495	100.64
Premier Class CHF Accumulating (Hedged) (AH)	–	–	–	3,270	27	115.72	–	–	–
Premier Class Euro Accumulating	119,373	796	137.78	184,506	1,140	144.57	121,414	776	113.30
Premier Class Euro Accumulating (Hedged)	92,775	926	92.06	7,926	71	100.33	2,460	18	97.11
Premier Class Euro Accumulating (Hedged) (AH)	59,641	448	122.43	78,321	534	131.13	169,825	1,098	112.07
Premier Class Euro Distributing (S)	1,758	16	101.00	–	–	–	–	–	–
Premier Class GBP Distributing (M) (Hedged)	8,374	68	88.99	15,914	104	98.86	–	–	–
Premier Class GBP Distributing (S) (Hedged) (AH)	20,555	136	108.63	18,325	100	118.87	11,107	64	103.83
Premier Class JPY Accumulating (Hedged) (AH)	–	–	–	1,354	14	11,214.97	–	–	–
LM Class US\$ Accumulating	195	2	115.02	209	2	123.25	27,213	230	118.40
LM Class US\$ Accumulating (Hedged) (AH)	86,763	873	99.38	–	–	–	–	–	–
LM Class Euro Accumulating (Hedged) (AH)	–	–	–	–	–	–	4,358	26	120.85
LM Class JPY Accumulating (Hedged) (AH)	–	–	–	–	–	–	12,170	103	11,980.85
Legg Mason Brandywine Global Fixed Income Absolute									
Return Fund^A									
Class A US\$ Accumulating	\$ 56,469	528	106.93	\$ 89,346	772	115.81	\$ 69,462	648	107.19
Class A US\$ Distributing (A)	12,292	127	96.51	12,685	119	106.44	10,751	108	99.43
Class A Euro Accumulating (Hedged)	3,099	29	98.31	5,204	43	106.92	183	1	98.93
Class A SEK Accumulating (Hedged)	1,766	161	93.63	–	–	–	–	–	–
Class B US\$ Distributing (D)	182	2	96.57	405	4	106.02	474	5	99.97
Class C US\$ Accumulating	1,741	18	95.96	3,238	31	104.45	3,226	33	97.16
Class E US\$ Accumulating	849	9	95.75	2,104	20	104.33	24,014	247	97.10
Class E US\$ Distributing (A)	1,666	17	97.69	2,134	20	107.75	1,330	13	101.02
Class F US\$ Accumulating	20,802	216	96.17	34,674	334	103.74	–	–	–
Class F US\$ Distributing (A)	–	–	–	102	1	102.13	–	–	–
Class X GBP Accumulating (Hedged)	2,934	22	97.30	3,494	22	104.82	–	–	–
Class X GBP Distributing (M) (Hedged)	216	2	95.80	484	3	105.09	4,949	30	98.74
Premier Class US\$ Accumulating	175,323	1,778	98.62	172,305	1,623	106.17	147,366	1,509	97.69
Premier Class US\$ Distributing (A)	4,733	50	95.39	11,724	112	104.75	–	–	–
Premier Class CHF Accumulating (Hedged)	786	9	92.38	–	–	–	–	–	–
Premier Class Euro Accumulating (Hedged)	85,623	731	107.61	101,243	778	116.30	92,951	629	106.98
Premier Class Euro Distributing (A) (Hedged)	52,731	535	90.69	62,328	552	100.98	67,440	516	94.62
Premier Class GBP Distributing (M) (Hedged)	96,792	748	93.00	109,856	698	102.02	63,701	397	95.85
Premier Class SEK Accumulating (Hedged)	743	68	93.24	–	–	–	–	–	–
Premier Class SGD Accumulating (Hedged)	224,124	308,996	1.02	247,734	309,571	1.09	37,875	47,888	1.00
LM Class US\$ Accumulating	268,948	2,734	98.39	123,817	1,180	104.97	–	–	–
LM Class AUD Accumulating (Hedged)	139,098	1,574	123.84	131,666	1,298	129.86	194,545	1,888	115.48
LM Class Euro Accumulating (Hedged)	219,637	1,871	107.93	11,073	86	115.61	58,399	402	105.37
LM Class GBP Accumulating (Hedged)	22,217	160	99.76	–	–	–	–	–	–
Legg Mason Brandywine Global High Yield Fund^A									
Class A US\$ Accumulating	\$ –	–	–	\$ 438	4	107.50	\$ 2,669	25	106.25
Class S CAD Accumulating (Hedged) (AH)	6,711	90	100.88	–	–	–	–	–	–
Premier Class US\$ Accumulating	8,743	83	105.15	10,050	88	113.87	7,387	66	111.88
Premier Class Euro Accumulating (Hedged) (AH)	4,378	37	107.99	4,509	35	116.46	5,256	35	110.04
Premier Class GBP Accumulating (Hedged) (AH)	4,285	28	109.62	5,098	28	117.56	5,214	28	110.86
Legg Mason Brandywine Global Opportunistic Fixed Income									
Fund^A									
Class A US\$ Accumulating	\$ 27,773	262	105.95	\$ 46,844	404	115.87	\$ 22,835	207	110.58
Class A US\$ Distributing (M)	16,095	153	105.54	16,049	136	117.83	12,940	112	115.20
Class A Euro Accumulating (Hedged)	203	2	94.02	137	1	103.83	2	–	99.32
Class C US\$ Accumulating	783	8	99.97	1,160	11	109.87	896	8	105.40
Class E US\$ Accumulating	412	4	98.50	1,248	12	108.37	1,430	14	104.06
Class F US\$ Accumulating	685	8	90.22	2,552	26	98.27	–	–	–
Class F US\$ Distributing (M)	260	3	90.47	581	6	101.01	568	6	98.76
Class X Euro Accumulating (Hedged)	601	6	95.00	1,046	9	104.40	243	2	99.37
Class X GBP Distributing (M) (Hedged) (AH)	1	–	96.39	–	–	–	–	–	–
Class X GBP Distributing (M) (Hedged)	1	–	88.78	2	–	99.35	–	–	–
Premier Class US\$ Accumulating	122,248	1,138	107.41	38,096	326	116.71	16,409	148	110.69
Premier Class US\$ Accumulating (Hedged) (AH)	1,956	20	97.74	–	–	–	–	–	–
Premier Class US\$ Distributing (M)	7,305	79	92.01	15,127	147	102.71	609	6	100.42
Premier Class Euro Accumulating (Hedged) (AH)	5,508	49	103.98	6,502	52	112.24	–	–	–
Premier Class GBP Accumulating (Hedged)	–	–	–	6,633	43	100.03	–	–	–

The accompanying notes are an integral part of the Financial Statements

Statement of Financial Position – (continued)

	February 29, 2016			February 28, 2015			February 28, 2014		
	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 Opportunistic Fixed Income Fund[^] (continued)									
Premier Class GBP Distributing (M) (Hedged) (AH)	\$ 77	–	111.32	\$ 15,512	82	123.02	\$ 12,037	68	106.22
Premier Class NZD Accumulating (Hedged) (AH)	12,421	145	129.63	12,194	119	135.91	12,252	132	110.52
LM Class US\$ Accumulating	226,227	2,373	95.35	–	–	–	–	–	–
LM Class US\$ Accumulating (Hedged) (AH)	–	–	–	–	–	–	15,810	158	99.96
LM Class NZD Accumulating (Hedged) (AH)	126,515	1,315	146.03	141,680	1,232	152.08	109,693	1,065	122.90
Legg Mason Brandywine Global Sovereign Credit Fund[^]									
Premier Class US\$ Accumulating	\$ 1	–	104.69	\$ 1	–	117.16	\$ 1	–	108.19
Premier Class GBP Accumulating (Hedged) (AH)	297,410	1,744	122.49	394,694	1,993	128.31	201,223	1,121	107.22
Premier Class GBP Distributing (S) (Hedged) (AH)	289,514	2,004	103.80	252,794	1,441	113.67	203,129	1,214	99.88
LM Class GBP Accumulating (Hedged) (AH)	1,129,415	7,062	114.91	1,271,197	6,864	119.95	486,197	2,906	99.93
LM Class GBP Distributing (S) (Hedged) (AH)	597,464	4,148	103.50	110,092	629	113.37	104,162	629	98.89
Legg Mason Brandywine Global Income Optimiser Fund[^]									
Class A US\$ Accumulating	\$ 5	–	104.92	\$ 28	–	109.46	\$ 1	–	105.49
Class A US\$ Distributing (D)	–	–	–	1	–	101.18	1	–	103.21
Class A US\$ Distributing (M) Plus (e)	1,175	13	91.46	1,413	14	99.45	479	5	100.81
Class A Euro Distributing (A) (Hedged)	1	–	95.86	–	–	–	–	–	–
Class A Euro Distributing (M) (Hedged) Plus (e)	9,870	100	90.91	6,626	60	99.30	816	6	100.90
Class A GBP Distributing (M) (Hedged) Plus (e)	694	5	91.65	2,764	18	99.50	50	–	100.70
Class A SGD Distributing (M) (Hedged) Plus	35	49	0.99	–	–	–	–	–	–
Class C US\$ Accumulating	24	–	95.07	260	3	99.68	–	–	–
Class C US\$ Distributing (D)	28	–	94.67	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)	2,604	28	92.08	2,650	27	99.52	927	9	100.28
Class X Euro Distributing (M) (Hedged) Plus (e)	2,011	20	91.97	1,853	17	99.88	1,187	9	100.93
Class X GBP Distributing (M) (Hedged) Plus (e)	12,620	98	92.95	12,775	82	100.31	3,066	18	100.92
Premier Class US\$ Distributing (M) Plus (e)	177	2	93.26	365	4	100.67	262	3	101.28
Premier Class Euro Accumulating (Hedged)	476	5	97.02	459	4	100.93	–	–	–
Premier Class Euro Distributing (M) (Hedged) Plus (e)	2,194	22	92.49	1,237	11	100.27	120	1	101.12
Premier Class GBP Distributing (M) (Hedged) Plus (e)	45	–	92.67	49	–	99.86	–	–	–
Premier Class SEK Accumulating (Hedged)	6,587	580	97.22	5,172	425	101.36	–	–	–
LM Class US\$ Accumulating	–	–	–	40,564	369	110.04	4,715	45	104.77
Legg Mason Brandywine Global Credit Opportunities Fund[^]									
Class A US\$ Accumulating	\$ 13,031	141	92.53	\$ 15,640	152	102.58	\$ –	–	–
Class A Euro Accumulating (Hedged)	310	3	95.72	–	–	–	–	–	–
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	39,119	418	93.55	5,202	50	103.03	–	–	–
Premier Class US\$ Distributing (A)	8,911	96	93.17	–	–	–	–	–	–
Premier Class Euro Accumulating (Hedged)	2,107	21	90.35	3,913	35	100.19	–	–	–
Premier Class GBP Accumulating (Hedged)	379	3	91.65	464	3	100.90	–	–	–
Premier Class GBP Distributing (M) (Hedged)	6,879	54	91.93	–	–	–	–	–	–
LM Class US\$ Accumulating	14,529	153	95.14	17,890	173	103.59	–	–	–
Legg Mason Brandywine Global Dynamic US Equity Fund[^] €									
Class A US\$ Accumulating	\$ 47	1	93.88	\$ –	–	–	\$ –	–	–
Class S Euro Accumulating (Hedged)	1,367	13	94.14	–	–	–	–	–	–
Premier Class US\$ Accumulating	470	5	94.02	–	–	–	–	–	–
Legg Mason Western Asset Brazil Equity Fund[^] α									
Class A US\$ Distributing (A)	\$ –	–	–	\$ 44	1	48.60	\$ 51	1	56.77
LM Class US\$ Accumulating	–	–	–	2,683	50	53.67	3,060	50	61.20
Legg Mason ClearBridge Value Fund									
Class A US\$ Accumulating	\$ 45,008	560	80.33	\$ 94,762	1,000	94.73	\$ 55,728	656	84.98
Class A US\$ Distributing (A)	45,037	295	152.64	70,211	390	179.98	75,059	465	161.46
Class A Euro Accumulating	2,942	29	93.62	4,877	41	107.33	3,315	31	78.14
Class A Euro Distributing (A) (Hedged)	33	–	86.70	23	–	102.39	–	–	–
Class A GBP Distributing (A)	21	–	103.77	59	–	110.10	–	–	–
Class A SGD Accumulating	3,495	7,002	0.70	5,839	9,919	0.80	12,073	22,837	0.67
Class A SGD Accumulating (Hedged)	839	881	1.34	4,189	3,630	1.57	4,494	4,042	1.41
Class B US\$ Accumulating	145	2	86.42	10	–	102.41	–	–	–
Class B US\$ Distributing (A)	61	–	143.80	346	2	170.39	601	4	153.62
Class C US\$ Accumulating	938	11	83.81	1,205	12	99.32	863	10	89.55
Class C US\$ Distributing (A)	3,607	25	142.66	5,109	30	169.06	4,602	30	152.42
Class F US\$ Accumulating	2	–	153.42	2	–	179.54	2	–	159.84
Class F US\$ Distributing (A)	35	–	162.04	2	–	189.84	2	–	169.21
Class X US\$ Distributing (A)	1,634	15	107.20	1,974	16	125.56	1	–	112.00
Premier Class US\$ Accumulating	168,066	1,240	135.50	176,762	1,118	158.15	119,922	854	140.43
Premier Class US\$ Distributing (A)	285	3	95.87	449	4	112.18	–	–	–
Premier Class Euro Accumulating	1,087	9	115.07	1,162	8	130.56	–	–	–
LM Class US\$ Accumulating	–	–	–	–	–	–	5,407	31	173.38
LM Class Euro Accumulating	–	–	–	–	–	–	793	3	167.58
LM Class JPY Accumulating	–	–	–	–	–	–	3,455	17	20,488.32
Galleon Class	20	–	102.27	24	–	119.66	21	–	106.72
Legg Mason ClearBridge Growth Fund									
Class A US\$ Accumulating	\$ 1,228	13	91.08	\$ 1,823	17	104.24	\$ 1,614	17	93.39
Class A US\$ Distributing (A)	2,602	23	112.30	3,852	30	128.97	3,287	28	116.06
Class A Euro Accumulating	135	1	123.74	167	1	137.63	106	1	100.08
Class B US\$ Accumulating	–	–	–	8	–	98.82	7	–	88.97
Class B US\$ Distributing (A)	112	1	105.67	216	2	121.97	288	3	110.31
Class C US\$ Accumulating	81	1	76.79	93	1	88.32	89	1	79.52
Class C US\$ Distributing (A)	2,049	20	104.82	1,781	15	120.99	1,486	14	109.42
Legg Mason ClearBridge Global Equity Fund[^]									
Class A US\$ Accumulating	\$ 1,817	22	83.81	\$ 1,878	18	103.20	\$ 366	3	108.18
Class A US\$ Distributing (A)	2,007	21	93.79	2,243	19	116.24	2,128	17	122.30
Class B US\$ Accumulating	–	–	–	26	–	101.62	27	–	107.05
Class C US\$ Accumulating	340	4	83.17	648	6	102.93	926	9	108.43
Class C US\$ Distributing (A)	505	6	91.69	198	2	113.53	84	1	119.65
Legg Mason ClearBridge Global Equity Income Fund[^]									
Class A US\$ Accumulating	\$ 508	6	83.18	\$ 571	6	97.74	\$ –	–	–
Class A US\$ Distributing (M) Plus	24	–	85.87	10	–	103.97	–	–	–
Class A US\$ Distributing (M) Plus (e)	416	5	79.86	489	5	96.97	–	–	–
Class A US\$ Distributing (Q)	416	5	81.89	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)	348	4	82.76	483	4	97.69	–	–	–
Class A Euro Distributing (M) (Hedged) Plus (e)	354	4	79.42	423	4	96.90	–	–	–
Premier Class US\$ Distributing (M) Plus (e)	421	5	80.86	491	5	97.36	–	–	–
Premier Class Euro Accumulating (Hedged)	353	4	83.81	424	4	98.09	–	–	–
Premier Class Euro Distributing (M) (Hedged) Plus (e)	352	4	80.42	424	4	97.30	–	–	–
LM Class US\$ Accumulating	732	9	84.19	853	9	98.15	–	–	–

The accompanying notes are an integral part of the Financial Statements

Statement of Financial Position – (continued)

	February 29, 2016			February 28, 2015			February 28, 2014		
	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 Appreciation Fund									
Class A US\$ Accumulating	\$ 61,936	419	147.72	\$ 76,627	487	157.48	\$ 80,219	567	141.44
Class A US\$ Distributing (A)	64,781	439	147.60	71,560	455	157.36	82,420	583	141.33
Class A Euro Accumulating	20,287	94	198.93	42,677	185	206.20	17,788	86	150.09
Class B US\$ Accumulating	2,270	16	137.95	3,077	21	147.81	2,731	20	133.42
Class B US\$ Distributing (A)	1,508	11	141.30	1,981	13	151.39	1,545	11	136.66
Class C US\$ Accumulating	20,504	149	138.01	24,854	168	147.86	20,524	154	133.47
Class C US\$ Distributing (A)	34,326	243	141.30	36,891	244	151.39	27,924	204	136.66
Class E US\$ Accumulating	19,271	118	162.88	28,761	164	174.96	30,786	194	158.33
Class E US\$ Distributing (A)	2,272	14	162.98	2,946	17	175.06	2,101	13	158.41
Class F US\$ Accumulating	3,707	28	133.25	2,568	18	141.20	2,901	23	126.07
Class F US\$ Distributing (A)	2,359	13	179.81	1,704	9	191.04	1,395	8	171.03
Class X US\$ Distributing (A)	9,574	82	116.25	8,772	71	123.51	3,667	33	110.47
Class X Euro Accumulating	577	4	145.99	1,080	6	150.33	2	–	108.74
Premier Class US\$ Accumulating	8,867	50	178.97	20,403	108	188.94	37,741	225	168.07
Premier Class US\$ Distributing (A)	3,060	14	217.27	3,369	15	230.80	3,113	15	206.57
Premier Class Euro Accumulating	20,143	90	206.27	12,368	52	211.57	11,002	52	152.58
LM Class US\$ Accumulating	–	–	–	–	–	–	14,605	88	165.83
LM Class Euro Accumulating	–	–	–	–	–	–	2,144	9	167.11
LM Class JPY Accumulating	–	–	–	–	–	–	9,290	46	20,508.07
Class A (G) US\$ Accumulating	6,016	40	151.53	7,601	47	160.98	7,714	54	144.09
Class B (G) US\$ Accumulating	11	–	144.94	36	–	154.77	170	1	139.22
Class L (G) US\$ Accumulating	5,147	36	144.99	6,127	40	154.80	5,967	43	139.25
Class GA US\$ Accumulating	3,065	20	153.77	4,831	30	163.64	4,661	32	146.72
Class GA Euro Accumulating	432	2	203.21	499	2	210.21	654	3	152.70
Class GA Euro Distributing (A)	549	2	202.59	684	3	209.64	620	3	152.38
Class GE US\$ Accumulating	202	1	148.43	505	3	159.14	474	3	143.76
Class GE Euro Accumulating	34	–	196.01	97	–	204.04	287	1	149.32
Class GP US\$ Accumulating	5	–	164.43	6	–	172.53	11	–	152.52
Legg Mason ClearBridge US Fundamental Value Fund[^]									
Class A US\$ Accumulating	\$ –	–	–	\$ 14,306	111	128.53	\$ 16,499	140	117.52
Class A US\$ Distributing (A)	–	–	–	3,019	24	127.41	3,371	29	116.94
Class A Euro Accumulating	–	–	–	129	1	174.46	127	1	130.66
Class B US\$ Accumulating	–	–	–	362	3	131.93	319	3	121.23
Class B US\$ Distributing (A)	–	–	–	387	3	123.58	430	4	113.56
Class C US\$ Accumulating	–	–	–	2,276	17	131.96	1,709	14	121.26
Class C US\$ Distributing (A)	–	–	–	2,384	19	123.60	2,365	21	113.58
Class A (G) US\$ Accumulating	–	–	–	37,781	287	131.52	40,065	334	119.93
Class B (G) US\$ Accumulating	–	–	–	285	2	126.42	972	8	115.87
Class L (G) US\$ Accumulating	–	–	–	15,031	119	126.44	15,106	130	115.88
Class GA US\$ Accumulating	–	–	–	12,772	70	181.52	19,383	117	165.81
Class GA Euro Accumulating	–	–	–	93	–	203.98	113	1	150.97
Class GA Euro Distributing (A)	–	–	–	75	–	204.98	69	–	152.58
Class GE US\$ Accumulating	–	–	–	129	1	175.50	210	1	161.52
Class GE Euro Accumulating	–	–	–	351	2	199.61	367	2	148.93
Legg Mason ClearBridge US Large Cap Growth Fund									
Class A US\$ Accumulating	\$ 80,220	456	175.87	\$ 41,737	230	181.16	\$ 23,654	150	157.68
Class A US\$ Distributing (A)	33,838	192	175.92	18,953	105	181.22	13,667	87	157.73
Class A Euro Accumulating	3,788	13	259.87	3,947	14	260.65	3,024	12	184.03
Class A Euro Accumulating (Hedged)	7,802	69	103.61	–	–	–	–	–	–
Class A Euro Distributing (A)	6	–	119.49	3	–	119.29	–	–	–
Class B US\$ Accumulating	910	5	165.75	972	6	171.62	990	7	150.12
Class B US\$ Distributing (A)	171	1	168.29	976	6	174.23	892	6	152.40
Class C US\$ Accumulating	17,643	106	165.81	9,850	57	171.67	5,211	35	150.16
Class C US\$ Distributing (A)	33,899	201	168.32	32,577	187	174.26	35,915	236	152.43
Class E US\$ Accumulating	3,791	38	99.90	–	–	–	–	–	–
Class E US\$ Distributing (A)	4,265	44	96.89	–	–	–	–	–	–
Class F US\$ Distributing (A)	715	8	92.03	–	–	–	–	–	–
Class X US\$ Accumulating	4,351	42	103.08	–	–	–	–	–	–
Class X GBP Accumulating	1	–	99.66	–	–	–	–	–	–
Premier Class US\$ Accumulating	60,089	565	106.33	13,247	122	108.48	–	–	–
Premier Class GBP Accumulating	250	2	98.92	–	–	–	–	–	–
Class A (G) US\$ Accumulating	8,789	49	179.96	10,382	56	184.74	9,543	60	160.25
Class B (G) US\$ Accumulating	6	–	172.18	49	–	177.61	510	3	154.83
Class L (G) US\$ Accumulating	8,836	51	172.17	9,534	54	177.62	9,431	61	154.85
Class GA US\$ Accumulating	2,564	12	215.48	2,820	13	221.57	2,803	15	192.53
Class GA Euro Accumulating	161	1	252.67	166	1	252.57	144	1	177.93
Class GA Euro Distributing (A)	–	–	–	10	–	253.56	9	–	178.62
Class GE US\$ Distributing (A)	36	–	206.78	37	–	214.23	48	–	187.54
Class GE Euro Accumulating	22	–	242.50	46	–	244.41	76	–	173.39
Legg Mason ClearBridge US Aggressive Growth Fund									
Class A US\$ Accumulating	\$749,904	5,109	146.79	\$1,248,459	6,967	179.19	\$621,344	3,867	160.67
Class A US\$ Distributing (A)	176,626	1,203	146.82	296,488	1,654	179.23	145,059	903	160.71
Class A AUD Accumulating (Hedged)	24,720	293	118.35	43,026	384	143.55	24,470	218	125.68
Class A CHF Accumulating (Hedged)	173	2	88.31	392	3	108.97	–	–	–
Class A CNH Accumulating (Hedged)	32	2	90.68	10	1	106.44	–	–	–
Class A Euro Accumulating	86,115	363	218.14	115,515	398	259.28	49,759	191	188.56
Class A Euro Accumulating (Hedged)	9,219	72	116.90	18,693	117	143.13	36,980	209	128.47
Class A Euro Distributing (A) (Hedged)	131	1	84.71	22	–	103.50	–	–	–
Class A GBP Accumulating	801	6	99.63	20	–	109.76	–	–	–
Class A HKD Accumulating	1	–	88.81	–	–	–	–	–	–
Class A SEK Accumulating (Hedged)	31	2	125.49	77	4	154.42	205	10	138.11
Class A SGD Accumulating (Hedged)	6,138	6,856	1.26	17,860	15,908	1.53	8,328	7,698	1.37
Class B US\$ Accumulating	5,939	41	146.51	9,882	55	179.74	7,036	43	161.97
Class B US\$ Distributing (A)	3,249	23	140.47	6,947	40	172.33	3,677	24	155.30
Class C US\$ Accumulating	31,789	217	146.54	39,563	220	179.79	18,592	115	162.02
Class C US\$ Distributing (A)	59,950	427	140.47	74,359	431	172.34	40,038	258	155.30
Class E US\$ Accumulating	60,826	412	147.62	85,030	468	181.56	45,420	277	164.02
Class E US\$ Distributing (A)	6,091	41	147.64	4,861	27	181.59	1,811	11	164.05
Class F Euro Accumulating (Hedged)	648	6	103.22	2,913	20	127.11	1,334	8	114.85
Class F US\$ Accumulating	110,796	699	158.42	193,820	1,008	192.23	20,318	119	171.34
Class F US\$ Distributing (A)	8,445	53	158.53	9,039	47	192.36	3,105	18	171.46
Class X US\$ Accumulating	67,149	593	113.33	166,635	1,212	137.45	56,812	464	122.45
Class X US\$ Distributing (A)	41,767	332	125.96	37,652	246	152.77	12,048	89	136.10
Class X Euro Accumulating	31,840	245	119.45	49,750	316	140.83	95	1	101.68
Class X Euro Accumulating (Hedged)	856	8	94.03	3,246	25	114.23	1	–	101.75
Class X GBP Accumulating	96,069	529	130.41	80,840	367	142.70	27,973	142	117.51
Premier Class US\$ Accumulating	978,128	5,293	184.79	1,494,283	6,691	223.33	628,841	3,172	198.27
Premier Class CHF Accumulating (Hedged)	2,168	26	81.77	–	–	–	–	–	–
Premier Class Euro Accumulating	34,571	159	199.34	68,278	260	234.22	10,905	47	168.74
Premier Class Euro Accumulating (Hedged)	28,721	275	96.13	83,920	645	116.32	–	–	–
Premier Class Euro Distributing (A)	4,981	24	189.57	3,248	13	223.24	54,681	245	161.94
Premier Class GBP Accumulating (Hedged)	3,148	24	94.30	1,586	9	114.13	–	–	–
Premier Class GBP Distributing (A)	367,034	1,648	160.00	329,104	1,223	174.35	98,308	411	142.70
Class A (G) US\$ Accumulating	32,191	213	150.92	57,684	314	183.59	60,229	367	164.05
Class B (G) US\$ Accumulating	–	–	144.35	466	3	176.48	1,306	8	158.48
Class L (G) US\$ Accumulating	13,308	92	144.38	19,727	112	176.52	19,321	122	158.51
Class GA Euro Accumulating	1,097	4	226.42	1,717	6	268.14	1,543	6	194.48

The accompanying notes are an integral part of the Financial Statements

Statement of Financial Position – (continued)

	February 29, 2016			February 28, 2015			February 28, 2014		
	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 Aggressive Growth Fund									
(continued)									
Class GA Euro Distributing (A)	\$ 86	–	225.72	\$ 117	–	267.26	\$ 114	–	193.76
Class GE US\$ Accumulating	44	–	185.39	54	–	227.49	75	–	205.04
Class GE Euro Accumulating	42	–	218.04	81	–	260.19	188	1	190.06
Premier Class PLN Accumulating (Hedged)	177	8	89.69	–	–	–	–	–	–
Legg Mason ClearBridge US Equity Income Fund^A									
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	\$ 16,583	184	89.92	\$ 3,951	36	111.20	\$ 126	1	109.11
Class A US\$ Distributing (A)	1,815	22	81.62	–	–	–	–	–	–
Class A US\$ Distributing (M) Plus	7,127	99	72.33	18,693	201	93.08	–	–	–
Class A US\$ Distributing (M) Plus (e)	26	–	81.72	334	3	105.61	277	3	108.22
Class A US\$ Distributing (Q)	240	3	79.63	–	–	–	–	–	–
Class A AUD Distributing (M) (Hedged) Plus	672	13	71.97	621	9	93.17	–	–	–
Class A CNH Distributing (M) (Hedged) Plus	2,258	201	73.56	5,447	367	93.41	–	–	–
Class A Euro Accumulating	189	2	81.73	–	–	–	–	–	–
Class A Euro Accumulating (Hedged)	9	–	79.18	1	–	98.25	–	–	–
Class A Euro Distributing (A) (Hedged)	1	–	79.66	1	–	100.80	–	–	–
Class A Euro Distributing (M) (Hedged) Plus (e)	308	4	75.63	347	3	98.09	14	–	100.15
Class A HKD Distributing (M) Plus	743	79	72.78	507	42	93.44	–	–	–
Class A SGD Distributing (M) (Hedged) Plus	54	103	0.73	172	251	0.93	–	–	–
Class B US\$ Accumulating	157	2	81.25	–	–	–	–	–	–
Class B US\$ Distributing (A)	212	3	81.25	–	–	–	–	–	–
Class B US\$ Distributing (Q)	11	–	78.79	183	2	99.96	–	–	–
Class C US\$ Accumulating	1,727	20	88.25	797	7	109.68	658	6	108.16
Class C US\$ Distributing (A)	1,343	17	81.25	–	–	–	–	–	–
Class C US\$ Distributing (Q)	785	11	73.94	1,083	12	93.80	–	–	–
Class F US\$ Accumulating	31,531	384	82.07	–	–	–	–	–	–
Class F Euro Accumulating	74	1	82.23	–	–	–	–	–	–
Class F Euro Distributing (A)	60	1	82.23	–	–	–	–	–	–
Class X US\$ Distributing (M) Plus (e)	27	–	82.77	–	–	–	–	–	–
Premier Class US\$ Distributing (M) Plus (e)	18	–	83.89	288	3	107.35	280	3	108.80
Premier Class Euro Accumulating (Hedged)	–	–	–	3,390	30	100.97	–	–	–
LM Class US\$ Accumulating	31	–	94.32	2,299	20	114.95	2,225	20	111.26
Legg Mason ClearBridge US Equity Sustainability Leaders Fund^A									
Class A US\$ Distributing (A)	\$ 96	1	96.54	\$ –	–	–	\$ –	–	–
Class A Euro Accumulating (Hedged)	94	1	96.52	–	–	–	–	–	–
Class X US\$ Distributing (A)	97	1	96.78	–	–	–	–	–	–
Class X Euro Accumulating (Hedged)	94	1	96.76	–	–	–	–	–	–
Class X GBP Accumulating	1	–	99.39	–	–	–	–	–	–
Premier Class US\$ Distributing (A)	194	2	96.92	–	–	–	–	–	–
Premier Class Euro Accumulating (Hedged)	189	2	96.90	–	–	–	–	–	–
Premier Class GBP Accumulating	194	1	105.34	–	–	–	–	–	–
Legg Mason Opportunity Fund									
Class A US\$ Accumulating	\$ 51,520	342	150.46	\$ 88,041	451	195.24	\$ 73,057	415	176.18
Class A US\$ Distributing (A)	7,432	26	287.37	15,467	41	372.90	19,183	57	336.50
Class A Euro Accumulating (Hedged)	275	3	87.05	75	1	112.73	2	–	101.63
Class A GBP Accumulating	24	–	101.06	2	–	118.19	–	–	–
Class A SEK Accumulating (Hedged)	32	2	111.35	43	2	145.23	616	30	130.70
Class X US\$ Accumulating	298	4	80.02	–	–	–	–	–	–
Class X GBP Accumulating	10,345	50	148.18	12,141	46	172.17	16,689	70	142.26
Premier Class US\$ Accumulating	266,154	1,746	152.43	130,585	667	195.78	110,144	630	174.88
Premier Class US\$ Distributing (A)	3,274	40	81.85	–	–	–	–	–	–
Premier Class GBP Distributing (A)	39,876	138	207.39	80,066	216	239.92	46,285	140	197.88
Premier Class PLN Accumulating (Hedged)	10	1	81.80	–	–	–	–	–	–
Legg Mason Royce US Small Cap Opportunity Fund									
Class A US\$ Accumulating	\$168,756	1,469	114.91	\$395,196	2,739	144.26	\$631,015	4,200	150.24
Class A US\$ Distributing (A)	81,050	232	348.99	143,457	327	438.12	143,776	315	456.30
Class A AUD Accumulating (Hedged)	6,273	90	97.48	15,642	165	121.18	12,458	113	123.12
Class A CNH Accumulating (Hedged)	65	5	86.14	10	1	104.44	–	–	–
Class A Euro Accumulating	6,645	44	138.42	19,507	103	168.99	36,312	184	142.69
Class A Euro Accumulating (Hedged)	7,353	68	99.56	4,006	29	125.29	14,869	82	130.76
Class A GBP Accumulating (Hedged)	335	3	80.18	567	4	100.66	114	1	104.69
Class A GBP Distributing (A)	1,257	7	130.20	2,719	12	147.41	1,883	8	141.52
Class A SEK Accumulating (Hedged)	35	3	102.18	31	2	129.42	56	3	134.72
Class A SGD Accumulating	4,564	5,418	1.18	12,095	11,430	1.44	14,344	13,011	1.40
Class A SGD Accumulating (Hedged)	6,048	7,365	1.15	13,300	12,570	1.44	19,709	16,647	1.50
Class B US\$ Accumulating	702	6	122.91	2,036	13	155.08	2,596	16	162.32
Class B US\$ Distributing (A)	315	1	328.99	567	1	415.10	849	2	434.48
Class C US\$ Accumulating	5,223	42	123.12	7,147	46	155.34	8,881	55	162.59
Class C US\$ Distributing (A)	9,065	28	326.57	18,130	44	412.04	17,529	41	431.23
Class E US\$ Accumulating	6,749	60	111.94	11,321	80	141.59	16,210	109	148.57
Class E US\$ Distributing (A)	918	8	111.93	1,177	8	141.57	1,389	9	148.55
Class E Euro Accumulating	407	3	147.72	1,248	6	181.72	2,072	10	154.43
Class E Euro Accumulating (Hedged)	6	–	83.80	46	–	106.32	146	1	111.79
Class F US\$ Accumulating	2,728	23	119.83	16,960	113	149.53	3,940	25	154.80
Class F US\$ Distributing (A)	1,296	11	119.95	1,776	12	149.69	821	5	154.97
Class R US\$ Accumulating	–	–	–	–	–	–	766	8	101.55
Class R Euro Accumulating	137	1	104.45	165	1	126.83	257	2	106.55
Class X US\$ Accumulating	10,913	104	105.15	22,869	175	131.01	29,647	219	135.43
Class X Euro Accumulating (Hedged)	10,489	115	84.19	158	1	105.15	85	1	108.92
Class X GBP Accumulating	60,105	351	122.86	87,357	410	138.00	56,425	256	131.54
Class X GBP Distributing (A)	575	4	112.72	669	3	126.60	50	–	120.75
Premier Class US\$ Accumulating	119,680	884	135.33	261,813	1,558	168.03	254,490	1,470	173.09
Premier Class CHF Accumulating (Hedged)	–	–	–	193	2	102.06	–	–	–
Premier Class Euro Accumulating	7,921	40	180.43	2,547	10	217.80	2,126	8	181.46
Premier Class Euro Accumulating (Hedged)	154	2	88.77	1,935	17	103.67	–	–	–
Premier Class GBP Accumulating	20,149	127	114.11	25,609	130	127.77	42,014	206	121.58
Legg Mason Royce US Smaller Companies Fund									
Class A US\$ Accumulating	\$ 60,023	502	119.68	\$108,591	770	141.10	\$163,335	1,132	144.31
Class A US\$ Distributing (A)	28,606	141	202.86	46,110	193	239.16	76,179	311	244.61
Class A Euro Accumulating	3,542	17	192.74	22,810	92	221.05	29,307	116	183.38
Class A Euro Accumulating (Hedged)	125	1	97.18	666	5	114.76	1,074	7	117.67
Class A Euro Distributing (A)	7	–	137.18	17	–	155.25	4	–	127.95
Class A GBP Distributing (A)	85	–	172.33	109	–	183.17	170	1	172.67
Class A SEK Accumulating (Hedged)	4	–	101.43	4	–	120.50	2	–	123.12
Class B US\$ Accumulating	468	4	120.29	679	5	142.53	796	5	146.50

The accompanying notes are an integral part of the Financial Statements

Statement of Financial Position – (continued)

	February 29, 2016			February 28, 2015			February 28, 2014		
	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 Smaller Companies Fund (continued)									
Class B US\$ Distributing (A)	\$ 347	2	191.18	\$ 626	3	226.53	\$ 1,521	7	232.85
Class C US\$ Accumulating	5,161	43	120.27	7,678	54	142.50	8,023	55	146.47
Class C US\$ Distributing (A)	7,808	41	190.23	14,472	64	225.40	15,837	68	231.68
Class E US\$ Accumulating	1,518	12	131.23	2,458	16	155.88	3,032	19	160.63
Class E US\$ Distributing (A)	715	5	131.21	869	6	155.86	1,031	6	160.60
Class E Euro Accumulating	7	–	129.76	23	–	150.26	183	1	124.94
Class F US\$ Accumulating	888	6	142.43	1,280	8	166.91	604	4	169.69
Class F US\$ Distributing (A)	138	1	152.80	446	2	179.06	566	3	182.05
Class R US\$ Accumulating	1,007	12	84.13	1,196	12	98.69	–	–	–
Class X US\$ Accumulating	6,851	67	102.03	11,056	93	119.38	12,344	102	121.19
Class X US\$ Distributing (A)	842	9	93.60	679	6	109.53	1	–	111.17
Premier Class US\$ Accumulating	3,195	21	150.99	17,499	99	176.06	72,592	408	178.11
Premier Class US\$ Distributing (A)	18,065	166	108.55	42,224	333	126.70	34,304	268	128.17
Premier Class GBP Distributing (A)	11,981	69	125.20	50,482	248	131.81	46,659	227	122.93
LM Class US\$ Accumulating	–	–	–	–	–	–	3,935	24	164.79
LM Class Euro Accumulating	–	–	–	3,498	15	202.82	4,090	18	165.09
LM Class JPY Accumulating	–	–	–	–	–	–	2,496	12	20,530.91
Class A (G) US\$ Accumulating	1,733	13	128.90	2,343	16	151.05	2,802	18	153.57
Class B (G) US\$ Accumulating	–	–	–	–	–	–	82	1	148.42
Class L (G) US\$ Accumulating	1,817	15	123.24	2,352	16	145.16	2,687	18	148.31
Premier Class PLN Accumulating (Hedged)	31	1	93.00	–	–	–	–	–	–
Legg Mason Royce Smaller Companies Fund II[^]φ									
Class A US\$ Accumulating	\$ –	–	–	\$ 28,858	244	118.30	\$ 34,323	284	120.86
Legg Mason Royce Global Smaller Companies Fund									
Class A US\$ Accumulating	\$ –	–	–	\$ –	–	–	\$ 182	1	136.84
Class A US\$ Distributing (A)	–	–	–	–	–	–	209	2	134.13
Class B US\$ Accumulating	–	–	–	–	–	–	1	–	131.18
Class C US\$ Accumulating	–	–	–	–	–	–	7	–	131.14
Class E US\$ Accumulating	–	–	–	–	–	–	144	1	132.67
LM Class US\$ Accumulating	–	–	–	–	–	–	2,957	20	147.82
Legg Mason Permal Global Absolute Fund[^]									
Class A US\$ Accumulating	\$ –	–	–	\$ –	–	–	\$ 3,783	35	106.87
Class A US\$ Distributing (A)	–	–	–	–	–	–	8,453	79	106.79
Class A Euro Accumulating (Hedged)	–	–	–	–	–	–	1,005	7	102.01
Class A Euro Distributing (A) (Hedged)	–	–	–	–	–	–	39	–	106.07
Class A GBP Accumulating (Hedged)	–	–	–	–	–	–	38	–	107.71
Class A SGD Accumulating (Hedged)	–	–	–	–	–	–	486	599	1.03
Class B US\$ Accumulating	–	–	–	–	–	–	1	–	104.69
Class C US\$ Accumulating	–	–	–	–	–	–	4,150	40	104.58
Class C US\$ Distributing (A)	–	–	–	–	–	–	1,738	17	104.37
Class E US\$ Accumulating	–	–	–	–	–	–	182	2	103.43
Class E US\$ Distributing (A)	–	–	–	–	–	–	20	–	103.59
Class F US\$ Accumulating	–	–	–	–	–	–	97	1	107.83
Class F US\$ Distributing (A)	–	–	–	–	–	–	58	1	109.35
Legg Mason QS MV European Equity Growth and Income Fund#									
Class A US\$ Accumulating	€ 6,119	84	79.17	€ 7,241	91	88.96	€ 1,100	17	89.53
Class A US\$ Accumulating (Hedged)	28,603	294	105.68	23,218	224	116.04	–	–	–
Class A US\$ Distributing (A)	1,797	12	166.61	2,544	15	189.84	1,742	12	194.98
Class A US\$ Distributing (M) (Hedged) Plus	48,937	533	99.82	27,511	269	114.50	–	–	–
Class A US\$ Distributing (Q) (Hedged)	1	–	91.50	–	–	–	–	–	–
Class A AUD Distributing (M) (Hedged) Plus	16,028	246	99.32	3,672	46	114.46	–	–	–
Class A CNH Distributing (M) (Hedged) Plus	1,172	80	104.52	10	1	118.84	–	–	–
Class A Euro Accumulating	11,445	72	158.68	23,297	134	173.32	4,372	31	141.34
Class A Euro Distributing (A)	151	1	155.84	332	2	172.73	35	–	143.93
Class A Euro Distributing (M) Plus	1,855	18	100.56	1,166	10	114.72	–	–	–
Class A SGD Distributing (M) (Hedged) Plus	51	84	0.92	–	–	–	–	–	–
Class B US\$ Accumulating	905	13	75.33	1,581	21	85.02	874	14	85.94
Class B US\$ Distributing (A)	278	2	164.26	212	1	188.24	423	3	193.84
Class C US\$ Accumulating	2,014	28	77.00	2,216	29	86.90	1,797	28	87.80
Class C US\$ Distributing (A)	2,143	14	163.83	3,174	19	187.11	2,488	18	192.60
Class C US\$ Distributing (Q) (Hedged)	1	–	91.41	–	–	–	–	–	–
Class E US\$ Accumulating	43	1	86.78	1,249	14	101.24	–	–	–
Class E US\$ Accumulating (Hedged)	1,489	18	89.02	–	–	–	–	–	–
Class E US\$ Distributing (Q) (Hedged)	1	–	91.32	–	–	–	–	–	–
Class F US\$ Distributing (Q) (Hedged)	1	–	91.61	–	–	–	–	–	–
Premier Class Euro Accumulating	35	–	110.13	907	8	119.05	–	–	–
LM Class US\$ Accumulating	–	–	–	–	–	–	7,088	69	141.05
LM Class Euro Accumulating	–	–	–	–	–	–	1,053	7	143.08
LM Class JPY Accumulating	–	–	–	–	–	–	4,502	36	17,560.76
Class A (G) US\$ Accumulating	2,093	28	80.64	2,708	34	90.31	2,841	43	90.54
Class B (G) US\$ Accumulating	1	–	76.48	42	1	86.71	99	2	87.41
Class L (G) US\$ Accumulating	481	7	77.42	526	7	87.12	464	7	87.75
Class GA US\$ Accumulating	1,093	9	138.47	1,750	13	154.29	1,442	13	154.77
Class GA Euro Accumulating	23,035	143	161.14	32,129	183	175.52	31,731	222	142.73
Class GA Euro Distributing (A)	113	1	148.55	126	1	164.56	105	1	137.11
Class GE US\$ Accumulating	90	1	132.40	122	1	149.39	157	1	150.82
Legg Mason QS MV Asia Pacific ex Japan Equity Growth and Income Fund#									
Class A US\$ Accumulating	\$ 6,427	62	103.75	\$ 7,692	63	122.05	\$ 5,365	48	110.94
Class A US\$ Distributing (A)	12,875	66	195.58	20,165	87	232.77	20,778	98	212.37
Class A US\$ Distributing (M) Plus	35	–	83.55	10	–	102.69	–	–	–
Class A AUD Distributing (M) (Hedged) Plus	84	1	83.24	10	–	103.06	–	–	–
Class A Euro Accumulating	351	3	96.72	595	5	110.66	514	5	81.56
Class A HKD Distributing (M) Plus	9	1	83.66	11	1	102.52	–	–	–
Class B US\$ Accumulating	93	1	73.61	153	2	87.03	153	2	79.50
Class B US\$ Distributing (A)	401	2	190.49	602	3	225.39	825	4	206.02
Class C US\$ Accumulating	181	2	73.60	190	2	87.01	231	3	79.48
Class C US\$ Distributing (A)	4,781	25	189.48	7,803	35	224.17	8,540	42	204.91
Class E US\$ Accumulating	25	–	102.62	30	–	121.71	28	–	111.53
Class E US\$ Distributing (A)	1	–	103.76	1	–	122.78	1	–	112.15
Class F US\$ Accumulating	1	–	89.76	1	–	105.00	1	–	94.92
Class F US\$ Distributing (A)	1	–	85.57	1	–	101.82	1	–	92.91
Class X US\$ Accumulating	263	3	99.83	–	–	–	–	–	–
Class GA US\$ Accumulating	9,026	87	104.29	12,145	99	122.49	12,077	109	111.15
Class GA Euro Accumulating	255	2	121.93	395	3	139.22	591	4	102.39
Class GA Euro Distributing (A)	24	–	119.19	39	–	137.67	48	–	101.86
Class GE US\$ Accumulating	397	4	100.07	502	4	118.42	615	6	108.27
Class GP Euro Accumulating	11	–	117.32	608	4	134.52	572	4	99.71
Class GP US\$ Accumulating	–	–	–	–	–	–	12	–	115.63
Premier Class PLN Accumulating (Hedged)	94	4	94.95	–	–	–	–	–	–
Legg Mason Batterymarch International Large Cap Fund[^]									
Class A US\$ Accumulating	\$ –	–	–	\$ –	–	–	\$ 3,313	39	85.71
Class A US\$ Distributing (A)	–	–	–	–	–	–	346	4	79.00

The accompanying notes are an integral part of the Financial Statements

Statement of Financial Position – (continued)

	February 29, 2016			February 28, 2015			February 28, 2014		
	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 International Large Cap Fund^Δ									
(continued)									
Class B US\$ Accumulating	\$ –	–	–	\$ –	–	–	\$ 50	1	80.93
Class B US\$ Distributing (A)	–	–	–	–	–	–	446	6	78.41
Class C US\$ Accumulating	–	–	–	–	–	–	1,568	19	80.94
Class C US\$ Distributing (A)	–	–	–	–	–	–	873	11	78.40
Class A (G) US\$ Accumulating	–	–	–	–	–	–	4,158	48	86.37
Class B (G) US\$ Accumulating	–	–	–	–	–	–	396	5	83.45
Class L (G) US\$ Accumulating	–	–	–	–	–	–	2,214	27	83.45
Legg Mason QS Emerging Markets Equity Fund[#]									
Class A US\$ Accumulating	\$3,592	63	57.23	\$ 4,685	65	72.41	\$4,804	68	70.67
Class A US\$ Distributing (A)	288	5	62.46	430	5	79.30	471	6	77.86
Class A Euro Accumulating	31	–	91.86	40	–	112.99	43	–	89.41
Class A GBP Distributing (A)	29	–	77.66	37	–	88.90	36	–	80.47
Class B US\$ Accumulating	54	1	61.29	73	1	78.07	116	2	76.81
Class B US\$ Distributing (A)	37	1	61.05	70	1	77.77	69	1	76.51
Class C US\$ Accumulating	600	10	61.31	1,229	16	78.10	1,241	16	76.84
Class C US\$ Distributing (A)	145	2	61.03	267	3	77.74	308	4	76.48
Class E US\$ Accumulating	136	2	70.03	399	4	89.44	400	5	88.21
Class F US\$ Accumulating	–	–	–	39	–	95.91	425	5	93.32
Class F US\$ Distributing (A)	1	–	77.33	1	–	98.15	1	–	96.19
Premier Class US\$ Accumulating	1	–	78.36	1	–	98.09	–	–	–
Premier Class Euro Accumulating	9,491	88	98.72	11,842	88	120.16	984	8	94.19
Legg Mason QS MV Global Equity Growth and Income Fund[#]									
Class A US\$ Accumulating	\$3,166	23	134.82	\$ 3,377	23	144.91	\$3,003	23	128.91
Class A US\$ Distributing (A)	–	–	–	2	–	143.35	1	–	127.35
Class A US\$ Distributing (M) Plus	529	6	93.17	–	–	–	–	–	–
Class A AUD Distributing (M) (Hedged) Plus	9	–	93.11	–	–	–	–	–	–
Class A HKD Distributing (M) Plus	22	2	93.47	–	–	–	–	–	–
Class GA US\$ Accumulating	3,759	27	137.37	4,288	29	147.17	4,932	38	130.49
Class GA Euro Accumulating	3,607	18	181.02	4,354	21	188.52	4,227	23	135.52
Class GA Euro Distributing (A)	413	2	178.61	483	2	187.22	474	3	134.57
Class GE US\$ Accumulating	71	1	132.61	286	2	143.14	256	2	127.86
Class GE Euro Accumulating	404	2	174.54	674	3	183.24	804	4	132.72
Legg Mason Martin Currie Australia Equity Income Fund[⌘]									
Class A AUD Distributing (M) Plus	\$ 5	–	90.23	\$ –	–	–	\$ –	–	–
LM Class AUD Accumulating	939	10	94.40	–	–	–	–	–	–

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.

Δ Effective March 27, 2015 Legg Mason ClearBridge US Fundamental Value Fund^Δ ceased trading.

⌘ Effective May 28, 2015 Legg Mason Martin Currie Australia Equity Income Fund commenced trading.

φ Effective July 6, 2015 Legg Mason Royce Smaller Companies Fund II^Δ ceased trading.

β Effective September 30, 2015 Legg Mason ClearBridge US Equity Sustainability Leaders Fund^Δ commenced trading.

μ Effective December 16, 2015 Legg Mason Western Asset EM Local Currency Debt Fund^Δ and Legg Mason Western Asset Multi-Asset Credit Fund^Δ commenced trading.

ϕ Effective December 31, 2015 Legg Mason Western Asset Global Total Return Investment Grade Bond Fund^Δ and Legg Mason Brandywine Global Dynamic US Equity Fund^Δ commenced trading.

Ø Effective January 13, 2016 Legg Mason Western Asset Structured Opportunities Fund^Δ and Legg Mason Western Asset US Mortgage-Backed Securities Fund^Δ commenced trading.

α Effective January 14, 2016 Legg Mason Western Asset Brazil Bond Fund^Δ and Legg Mason Western Asset Brazil Equity Fund^Δ ceased trading.

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

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

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Statement of Comprehensive Income

	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 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015
(in 000's)								
INVESTMENT INCOME:								
Gross dividend income and bond interest (Note 1)	\$ 3,030	\$ 2,049	\$ 1,238	\$ 870	\$ 12,702	\$ 7,080	€ 1,089	€ 1,243
Interest (Note 1)	—	—	—	—	—	—	—	—
Equalisation (Note 1)	—	—	—	—	—	—	—	—
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	11	14	199	195	2,404	3,329	2,652	1,460
Net unrealised (loss)/gain on financial instruments held for trading	—	—	(824)	762	(14,458)	3,284	(3,112)	3,944
Total Investment Income/(Loss)	3,041	2,063	613	1,827	648	13,693	629	6,647
EXPENSES:								
Investment management fees (Note 4)	6,249	6,566	423	246	2,610	1,192	245	224
Administrator and custodian fees (Note 4)	784	892	33	21	292	172	51	44
Shareholder service fees (Note 4)	—	—	57	28	204	66	5	9
Legal fees	11	6	1	—	4	1	—	—
Audit fees (Note 4)	34	60	26	22	37	28	22	27
Printing fees	55	83	3	1	20	16	3	5
Interest expense	—	—	—	—	—	—	—	—
Directors' fees and expenses (Note 4)	6	7	—	—	2	1	—	1
Other expenses	304	462	27	10	116	75	32	27
Total Expenses	7,443	8,076	570	328	3,285	1,551	359	337
Expense waivers and reimbursements/recoupment (Note 4)	(4,710)	(6,344)	(15)	(3)	—	(2)	(14)	(24)
Total Net Expenses	2,733	1,732	555	325	3,285	1,549	345	313
Net Profit/(Loss) before finance costs	308	331	58	1,502	(2,637)	12,144	284	6,334
FINANCE COSTS:								
Distributions to holders of redeemable participating shares (Note 5)	(290)	(312)	(251)	(248)	(657)	(436)	(15)	(58)
Profit/(Loss) for the financial year	18	19	(193)	1,254	(3,294)	11,708	269	6,276
Withholding taxes on dividends and other taxation	—	—	(3)	(3)	(56)	(13)	—	61
Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ 18	\$ 19	\$ (196)	\$ 1,251	\$ (3,350)	\$ 11,695	€ 269	€ 6,337

	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 Global Inflation Management Fund#	
	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015
(in 000's)								
INVESTMENT INCOME:								
Gross dividend income and bond interest (Note 1)	\$ 22,505	\$ 44,927	\$ 373	\$ 395	\$ 53	\$ 84	\$ 112	\$ 58
Interest (Note 1)	—	—	—	—	—	—	—	—
Equalisation (Note 1)	(3)	6	—	—	—	—	2	7
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	(44,489)	(6,792)	(59)	(61)	(40)	(139)	(53)	(319)
Net unrealised (loss)/gain on financial instruments held for trading	(12,773)	(54,115)	(67)	15	13	164	(72)	613
Total Investment Income/(Loss)	(34,760)	(15,974)	247	349	26	109	(11)	359
EXPENSES:								
Investment management fees (Note 4)	3,293	6,708	298	359	102	171	121	145
Administrator and custodian fees (Note 4)	234	549	20	26	6	12	9	10
Shareholder service fees (Note 4)	325	626	27	33	8	12	15	15
Legal fees	3	6	—	—	—	—	—	—
Audit fees (Note 4)	40	68	19	39	18	36	21	37
Printing fees	17	53	1	3	—	1	1	1
Interest expense	—	—	—	—	—	—	—	—
Directors' fees and expenses (Note 4)	2	4	—	—	—	—	—	—
Other expenses	128	319	21	15	16	9	16	8
Total Expenses	4,042	8,333	386	475	150	241	183	216
Expense waivers and reimbursements/recoupment (Note 4)	(1)	(9)	(15)	(23)	(17)	(22)	(33)	(42)
Total Net Expenses	4,041	8,324	371	452	133	219	150	174
Net Profit/(Loss) before finance costs	(38,801)	(24,298)	(124)	(103)	(107)	(110)	(161)	185
FINANCE COSTS:								
Distributions to holders of redeemable participating shares (Note 5)	(12,195)	(23,551)	(1)	(2)	—	—	—	—
Profit/(Loss) for the financial year	(50,996)	(47,849)	(125)	(105)	(107)	(110)	(161)	185
Withholding taxes on dividends and other taxation	(78)	(85)	—	—	—	—	(1)	—
Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$(51,074)	\$(47,934)	\$ (125)	\$ (105)	\$ (107)	\$ (110)	\$ (162)	\$ 185

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Short Duration High Income Bond Fund#		Legg Mason Western Asset Global Multi Strategy Fund		Legg Mason Western Asset US High Yield Fund		Legg Mason Western Asset Emerging Markets Total Return Bond Fund#		Legg Mason Western Asset Emerging Markets Corporate Bond Fund	
for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015
\$ 1,660	\$ 1,363	\$ 66,499	\$ 75,767	\$ 36,213	\$ 46,198	\$ 4,117	\$ 9,758	\$ 3,116	\$ 5,753
–	–	1 4	3 (1)	– (4)	–	–	1 (1)	–	– (1)
(1,587)	1,385	(84,684)	(87,311)	(38,264)	(3,914)	(3,196)	(19,760)	(7,198)	(3,665)
(3,172)	(1,199)	(152,158)	(35,141)	(60,747)	(39,696)	(3,440)	5,980	2,519	(4,442)
(3,099)	1,549	(170,338)	(46,683)	(62,802)	2,588	(2,519)	(4,022)	(1,563)	(2,355)
378	369	6,204	8,339	3,826	5,709	1,037	1,898	146	232
23	24	941	1,175	374	578	60	139	50	84
29	25	476	746	359	524	76	123	–	2
1	–	13	8	5	6	1	1	–	1
25	36	51	62	35	77	46	66	18	22
2	2	67	111	27	54	4	13	4	8
–	–	3	13	–	–	–	–	–	–
–	–	8	8	3	4	–	1	–	1
26	34	404	623	179	263	52	90	33	43
484	490	8,167	11,085	4,808	7,215	1,276	2,331	252	393
(8)	(5)	–	(25)	–	–	(17)	(15)	–	–
476	485	8,167	11,060	4,808	7,215	1,259	2,316	252	393
(3,575)	1,064	(178,505)	(57,743)	(67,610)	(4,627)	(3,778)	(6,338)	(1,815)	(2,748)
(758)	(684)	(21,598)	(23,335)	(16,131)	(19,360)	(1,294)	(2,912)	(1,835)	(3,384)
(4,333)	380	(200,103)	(81,078)	(83,741)	(23,987)	(5,072)	(9,250)	(3,650)	(6,132)
(2)	23	(763)	(142)	(80)	(132)	8	(4)	(2)	(2)
\$ (4,335)	\$ 403	\$ (200,866)	\$ (81,220)	\$ (83,821)	\$ (24,119)	\$ (5,064)	\$ (9,254)	\$ (3,652)	\$ (6,134)
Legg Mason Western Asset Asian Opportunities Fund		Legg Mason Western Asset Global Blue Chip Bond Fund		Legg Mason Western Asset Brazil Bond Fund^α		Legg Mason Western Asset Global Credit Absolute Return Fund^		Legg Mason Western Asset UK£ Core Plus Bond Fund^	
for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015
\$ 23,113	\$ 29,416	\$ 1,108	\$ 1,946	\$ 2,933	\$ 1,770	\$ 3,839	\$ 5,041	£ –	£ –
– (2)	– (910)	–	–	–	–	– (2)	–	–	–
(39,492)	(6,431)	(231)	(1,042)	(17,783)	(651)	(6,133)	(7,808)	–	–
(7,744)	7,442	(1,826)	(2,821)	5,854	(4,292)	(7,004)	(2,635)	–	–
(24,125)	29,517	(949)	(1,917)	(8,996)	(3,173)	(9,300)	(5,402)	–	–
3,478	4,677	219	355	2	1	646	973	–	–
370	503	27	51	18	13	49	83	–	–
264	413	19	27	1	–	11	16	–	–
5	3	–	1	–	–	1	1	–	–
32	50	10	20	5	23	33	43	–	–
26	47	2	5	1	1	3	8	–	–
–	–	–	1	–	–	3	14	–	–
3	4	–	–	–	–	–	1	–	–
207	302	25	29	18	8	42	42	–	–
4,385	5,999	302	489	45	46	788	1,181	–	–
(59)	(60)	–	–	–	–	–	–	–	–
4,326	5,939	302	489	45	46	788	1,181	–	–
(28,451)	23,578	(1,251)	(2,406)	(9,041)	(3,219)	(10,088)	(6,583)	–	–
(5,331)	(7,039)	(525)	(933)	(22)	(10)	(2,560)	(2,617)	–	–
(33,782)	16,539	(1,776)	(3,339)	(9,063)	(3,229)	(12,648)	(9,200)	–	–
(1,006)	(978)	–	(1)	–	–	(35)	(54)	–	–
\$ (34,788)	\$ 15,561	\$ (1,776)	\$ (3,340)	\$ (9,063)	\$ (3,229)	\$ (12,683)	\$ (9,254)	£ –	£ –

The accompanying notes are an integral part of the Financial Statements

Statement of Comprehensive Income – (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 [^]	
	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015
(in 000's)								
INVESTMENT INCOME:								
Gross dividend income and bond interest (Note 1)	\$ 3,947	\$ 1,772	\$ –	\$ 93	£ –	£ –	£ –	£ –
Interest (Note 1)	–	1	–	–	–	–	–	–
Equalisation (Note 1)	–	–	–	–	–	–	–	–
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	(2,379)	4,080	–	274	–	–	–	–
Net unrealised (loss)/gain on financial instruments held for trading	(1,498)	(1,607)	–	94	–	–	–	–
Total Investment Income/(Loss)	70	4,246	–	461	–	–	–	–
EXPENSES:								
Investment management fees (Note 4)	636	204	–	17	–	–	–	–
Administrator and custodian fees (Note 4)	120	51	–	4	–	–	–	–
Shareholder service fees (Note 4)	1	–	–	1	–	–	–	–
Legal fees	2	1	–	–	–	–	–	–
Audit fees (Note 4)	26	31	–	30	–	–	–	–
Printing fees	6	4	–	–	–	–	–	–
Interest expense	2	1	–	–	–	–	–	–
Directors' fees and expenses (Note 4)	1	–	–	–	–	–	–	–
Other expenses	46	31	–	7	–	–	–	–
Total Expenses	840	323	–	59	–	–	–	–
Expense waivers and reimbursements/recoupment (Note 4)	–	(7)	–	(28)	–	–	–	–
Total Net Expenses	840	316	–	31	–	–	–	–
Net Profit/(Loss) before finance costs	(770)	3,930	–	430	–	–	–	–
FINANCE COSTS:								
Distributions to holders of redeemable participating shares (Note 5)	(4)	–	–	–	–	–	–	–
Profit/(Loss) for the financial year	(774)	3,930	–	430	–	–	–	–
Withholding taxes on dividends and other taxation	(39)	39	–	–	–	–	–	–
Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ (813)	\$ 3,969	\$ –	\$ 430	£ –	£ –	£ –	£ –

	Legg Mason Western Asset Global Total Return Investment Grade Bond Fund [^] €		Legg Mason Western Asset Structured Opportunities Fund [^] Ø		Legg Mason Western Asset US Mortgage-Backed Securities Fund [^] Ø		Legg Mason Brandywine Global Fixed Income Fund	
	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015
(in 000's)								
INVESTMENT INCOME:								
Gross dividend income and bond interest (Note 1)	\$ 19	\$ –	\$ 1,215	\$ –	\$ 2,845	\$ –	\$ 45,194	\$ 42,694
Interest (Note 1)	–	–	–	–	–	–	–	5
Equalisation (Note 1)	–	–	–	–	–	–	(1,341)	287
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	(21)	–	(100)	–	1,904	–	(81,511)	(962)
Net unrealised (loss)/gain on financial instruments held for trading	(53)	–	(8,801)	–	2,787	–	(83,526)	(30,200)
Total Investment Income/(Loss)	(55)	–	(7,686)	–	7,536	–	(121,184)	11,824
EXPENSES:								
Investment management fees (Note 4)	7	–	–	–	–	–	11,165	11,975
Administrator and custodian fees (Note 4)	1	–	33	–	79	–	997	1,095
Shareholder service fees (Note 4)	1	–	–	–	–	–	1,052	1,085
Legal fees	–	–	1	–	2	–	14	8
Audit fees (Note 4)	10	–	15	–	13	–	62	116
Printing fees	–	–	3	–	8	–	70	102
Interest expense	–	–	–	–	–	–	–	–
Directors' fees and expenses (Note 4)	–	–	–	–	–	–	9	7
Other expenses	5	–	13	–	22	–	438	664
Total Expenses	24	–	65	–	124	–	13,807	15,052
Expense waivers and reimbursements/recoupment (Note 4)	(15)	–	–	–	–	–	–	(7)
Total Net Expenses	9	–	65	–	124	–	13,807	15,045
Net Profit/(Loss) before finance costs	(64)	–	(7,751)	–	7,412	–	(134,991)	(3,221)
FINANCE COSTS:								
Distributions to holders of redeemable participating shares (Note 5)	(3)	–	–	–	–	–	(9,153)	(7,417)
Profit/(Loss) for the financial year	(67)	–	(7,751)	–	7,412	–	(144,144)	(10,638)
Withholding taxes on dividends and other taxation	(1)	–	–	–	–	–	(94)	163
Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ (68)	\$ –	\$ (7,751)	\$ –	\$ 7,412	\$ –	\$(144,238)	\$ (10,475)

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 Western Asset EM Local Currency Debt Fund ^μ		Legg Mason Western Asset Multi-Asset Credit Fund ^μ	
for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015
\$ 3,526	\$ 3,691	€ 5,441	€ 5,428	\$ 188,030	\$ 82,586	\$ 492	\$ –	\$ 1,376	\$ –
–	–	–	–	41	3	–	–	–	–
					416				
(185)	3,895	2,316	(759)	132,533	(126,313)	(147)	–	(4,740)	–
(5,782)	(2,153)	(9,178)	1,112	(599,924)	(74,393)	1,354	–	(10,909)	–
(2,441)	5,433	(1,421)	5,781	(279,320)	(117,701)	1,699	–	(14,273)	–
44	51	1	–	48,849	19,703	39	–	–	–
70	80	69	69	3,091	1,497	6	–	28	–
6	7	–	–	3,084	953	–	–	–	–
1	1	1	1	44	26	–	–	–	–
13	19	19	25	46	38	12	–	13	–
5	7	4	7	204	–	–	–	2	–
–	1	–	–	5	9	–	–	–	–
1	–	1	1	22	8	–	–	–	–
40	42	38	37	638	266	6	–	10	–
180	208	133	140	55,983	22,500	63	–	53	–
–	–	(1)	(1)	–	–	(12)	–	–	–
180	208	132	139	55,983	22,500	51	–	53	–
(2,621)	5,225	(1,553)	5,642	(335,303)	(140,201)	1,648	–	(14,326)	–
(53)	(58)	(525)	(593)	(13,231)	(1,678)	–	–	–	–
(2,674)	5,167	(2,078)	5,049	(348,534)	(141,879)	1,648	–	(14,326)	–
(13)	(16)	–	–	(6,542)	(2,819)	(75)	–	(3)	–
\$ (2,687)	\$ 5,151	€ (2,078)	€ 5,049	\$(355,076)	\$(144,698)	\$ 1,573	\$ –	\$ (14,329)	\$ –
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 [^]	
for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015
\$ 48,866	\$ 36,054	\$ 1,026	\$ 1,228	\$ 18,318	\$ 9,350	\$ 106,898	\$ 80,289	\$ 3,428	\$ 1,871
(91)	(8)	–	–	–	(1)	–	–	–	–
						1,270	332		1
(50,818)	1,167	(1,917)	(356)	(14,269)	9,625	(175,097)	87,235	(8,473)	(1,213)
(138,533)	(32,067)	(721)	(1,415)	(49,073)	1,251	(262,509)	(52,478)	(190)	(2,130)
(140,576)	5,146	(1,612)	(543)	(45,024)	20,225	(329,438)	115,378	(5,235)	(1,471)
8,473	6,452	139	163	1,409	1,026	2,099	1,820	363	188
1,215	825	14	17	389	195	1,706	1,264	60	29
162	159	–	3	87	82	–	–	51	30
17	13	–	–	5	1	24	21	1	1
37	70	33	59	30	81	33	55	42	32
72	77	1	1	23	18	123	–	4	3
4	1	–	–	3	3	–	–	–	–
10	6	–	–	3	1	13	8	–	–
424	332	21	9	135	92	158	76	46	13
10,414	7,935	208	252	2,084	1,499	4,156	3,244	567	296
–	–	(33)	(47)	–	(8)	–	–	(25)	(20)
10,414	7,935	175	205	2,084	1,491	4,156	3,244	542	276
(150,990)	(2,789)	(1,787)	(748)	(47,108)	18,734	(333,594)	112,134	(5,777)	(1,747)
(4,284)	(3,271)	–	–	(632)	(977)	(27,881)	(15,852)	(1,476)	(1,018)
(155,274)	(6,060)	(1,787)	(748)	(47,740)	17,757	(361,475)	96,282	(7,253)	(2,765)
(1,146)	(1,112)	–	–	(392)	(268)	(4,798)	(3,251)	(3)	(15)
\$(156,420)	\$ (7,172)	\$ (1,787)	\$ (748)	\$ (48,132)	\$ 17,489	\$(366,273)	\$ 93,031	\$ (7,256)	\$ (2,780)

The accompanying notes are an integral part of the Financial Statements

Statement of Comprehensive Income – (continued)

	Legg Mason Brandywine Global Credit Opportunities Fund [^]		Legg Mason Brandywine Global Dynamic US Equity Fund [^] €		Legg Mason Western Asset Brazil Equity Fund [^] α		Legg Mason ClearBridge Value Fund	
	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015
(in 000's)								
INVESTMENT INCOME:								
Gross dividend income and bond interest (Note 1)	\$ 2,416	\$ 195	\$ 9	\$ –	\$ 70	\$ 134	\$ 5,396	\$ 4,698
Interest (Note 1)	–	–	–	–	–	–	–	4
Equalisation (Note 1)	–	–	–	–	–	–	–	1
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	(9,149)	2,264	31	–	(1,795)	(499)	33,521	35,450
Net unrealised (loss)/gain on financial instruments held for trading	(2,472)	(2,269)	(152)	–	621	17	(81,393)	1,463
Total Investment Income/(Loss)	(9,205)	190	(112)	–	(1,104)	(348)	(42,476)	41,616
EXPENSES:								
Investment management fees (Note 4)	935	80	2	–	–	–	3,138	3,271
Administrator and custodian fees (Note 4)	70	11	–	–	2	3	245	271
Shareholder service fees (Note 4)	24	4	–	–	–	–	500	590
Legal fees	1	–	–	–	–	–	3	3
Audit fees (Note 4)	17	26	10	–	8	18	18	28
Printing fees	4	–	–	–	–	1	17	24
Interest expense	–	–	–	–	–	–	–	–
Directors' fees and expenses (Note 4)	1	1	–	–	–	–	2	2
Other expenses	19	2	4	–	15	5	107	117
Total Expenses	1,071	124	16	–	25	27	4,030	4,306
Expense waivers and reimbursements/recoupment (Note 4)	–	(14)	(14)	–	–	–	–	–
Total Net Expenses	1,071	110	2	–	25	27	4,030	4,306
Net Profit/(Loss) before finance costs	(10,276)	80	(114)	–	(1,129)	(375)	(46,506)	37,310
FINANCE COSTS:								
Distributions to holders of redeemable participating shares (Note 5)	(70)	(8)	–	–	(1)	(1)	(1)	–
Profit/(Loss) for the financial year	(10,346)	72	(114)	–	(1,130)	(376)	(46,507)	37,310
Withholding taxes on dividends and other taxation	–	–	(2)	–	(5)	(8)	(1,516)	(1,338)
Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ (10,346)	\$ 72	\$ (116)	\$ –	\$ (1,135)	\$ (384)	\$ (48,023)	\$ 35,972
(in 000's)								
	Legg Mason ClearBridge US Large Cap Growth Fund		Legg Mason ClearBridge US Aggressive Growth Fund		Legg Mason ClearBridge US Equity Income Fund [^]		Legg Mason ClearBridge Tactical Dividend Income Fund	
	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015
INVESTMENT INCOME:								
Gross dividend income and bond interest (Note 1)	\$ 2,222	\$ 1,516	\$ 44,368	\$ 27,494	\$ –	\$ 50	\$ 4,660	\$ 1,073
Interest (Note 1)	–	–	–	2	–	–	–	–
Equalisation (Note 1)	–	–	4	–	–	–	(16)	–
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	10,030	4,903	310,772	(4,343)	–	580	(11,546)	(1,270)
Net unrealised (loss)/gain on financial instruments held for trading	(19,646)	13,702	(1,159,350)	413,284	–	(298)	(8,472)	(461)
Total Investment Income/(Loss)	(7,394)	20,121	(804,206)	436,437	–	332	(15,374)	(658)
EXPENSES:								
Investment management fees (Note 4)	2,342	1,692	43,102	31,677	–	10	968	235
Administrator and custodian fees (Note 4)	134	100	3,386	2,658	–	2	64	16
Shareholder service fees (Note 4)	467	317	7,611	5,618	–	2	156	48
Legal fees	2	1	48	41	–	–	1	–
Audit fees (Note 4)	26	28	52	72	–	14	41	24
Printing fees	9	9	237	237	–	–	4	1
Interest expense	–	–	6	3	–	–	–	–
Directors' fees and expenses (Note 4)	1	–	28	16	–	–	–	–
Other expenses	60	38	1,305	1,029	–	14	43	49
Total Expenses	3,041	2,185	55,775	41,351	–	42	1,277	373
Expense waivers and reimbursements/recoupment (Note 4)	–	(10)	–	(3)	–	(12)	(33)	(51)
Total Net Expenses	3,041	2,175	55,775	41,348	–	30	1,244	322
Net Profit/(Loss) before finance costs	(10,435)	17,946	(859,981)	395,089	–	302	(16,618)	(980)
FINANCE COSTS:								
Distributions to holders of redeemable participating shares (Note 5)	–	–	–	–	–	(17)	(836)	(471)
Profit/(Loss) for the financial year	(10,435)	17,946	(859,981)	395,089	–	285	(17,454)	(1,451)
Withholding taxes on dividends and other taxation	(605)	(422)	(9,706)	(6,641)	–	(13)	(1,050)	(256)
Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ (11,040)	\$ 17,524	\$ (869,687)	\$ 388,448	\$ –	\$ 272	\$ (18,504)	\$ (1,707)

The accompanying notes are an integral part of the Financial Statements

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 ^{^δ}	
for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015
\$ 71	\$ 73	\$ 147	\$ 114	\$ 176	\$ 45	\$ 6,439	\$ 7,093	\$ 252	\$ 2,255
—	—	4	1	—	—	3	7	—	—
							6		
315	568	(226)	123	(304)	(251)	20,364	26,434	25,340	9,681
(1,238)	309	(1,022)	(332)	(521)	(130)	(39,703)	13,179	(27,160)	(1,542)
(852)	950	(1,097)	(94)	(649)	(336)	(12,897)	46,719	(1,568)	10,394
101	95	79	62	44	21	4,222	4,623	91	1,282
6	9	4	4	4	1	242	312	6	80
26	25	19	15	9	4	914	986	5	81
—	—	—	—	—	—	3	3	—	—
16	21	13	24	25	18	25	39	16	28
—	1	—	1	—	—	17	27	1	7
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	2	2	—	—
14	7	13	2	18	1	106	153	22	91
163	158	128	108	100	45	5,531	6,145	141	1,569
(6)	(9)	(21)	(25)	(33)	(14)	—	(11)	(5)	(18)
157	149	107	83	67	31	5,531	6,134	136	1,551
(1,009)	801	(1,204)	(177)	(716)	(367)	(18,428)	40,585	(1,704)	8,843
—	—	(11)	(7)	(72)	(17)	(50)	(30)	(4)	(11)
(1,009)	801	(1,215)	(184)	(788)	(384)	(18,478)	40,555	(1,708)	8,832
(18)	(20)	(18)	(15)	(19)	(5)	(1,852)	(2,023)	(96)	(543)
\$ (1,027)	\$ 781	\$ (1,233)	\$ (199)	\$ (807)	\$ (389)	\$ (20,330)	\$ 38,532	\$ (1,804)	\$ 8,289
Legg Mason ClearBridge US Equity Sustainability Leaders Fund ^{αβ}		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 ^{αφ}	
for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015
\$ 6	\$ —	\$ 2,030	\$ 2,598	\$ 6,654	\$ 9,370	\$ 4,257	\$ 5,773	\$ 145	\$ 457
—	—	—	261	—	—	—	2	—	—
—	—	—	4	—	—	(108)	—	—	—
(26)	—	(13,871)	41,513	47,262	106,836	6,329	57,418	2,349	3,174
(16)	—	(97,456)	(10,491)	(197,360)	(162,476)	(43,170)	(65,603)	(1,833)	(3,735)
(36)	—	(109,297)	33,885	(143,444)	(46,270)	(32,692)	(2,410)	661	(104)
3	—	2,931	2,573	9,487	15,968	3,047	5,380	135	492
—	—	266	238	595	1,089	184	373	7	30
1	—	351	398	1,967	3,249	558	1,004	32	115
—	—	4	4	8	17	2	3	1	—
10	—	17	31	10	62	25	40	4	23
—	—	19	21	42	98	13	33	—	—
—	—	—	—	8	—	—	—	—	—
—	—	2	2	4	7	1	2	—	—
8	—	104	97	265	483	96	181	6	4
22	—	3,694	3,364	12,386	20,973	3,926	7,016	185	664
(18)	—	—	—	—	(7)	—	(6)	—	—
4	—	3,694	3,364	12,386	20,966	3,926	7,010	185	664
(40)	—	(112,991)	30,521	(155,830)	(67,236)	(36,618)	(9,420)	476	(768)
—	—	—	(69)	—	—	(81)	—	—	—
(40)	—	(112,991)	30,452	(155,830)	(67,236)	(36,699)	(9,420)	476	(768)
(2)	—	(570)	(1,221)	(1,830)	(2,630)	(1,059)	(1,510)	(34)	(118)
\$ (42)	\$ —	\$ (113,561)	\$ 29,231	\$ (157,660)	\$ (69,866)	\$ (37,758)	\$ (10,930)	\$ 442	\$ (886)

Statement of Comprehensive Income – (continued)

	Legg Mason Royce European Smaller Companies Fund		Legg Mason Royce Global Smaller Companies Fund		Legg Mason PCM US Equity Fund		Legg Mason Permal Global Absolute Fund^	
	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015
(in 000's)								
INVESTMENT INCOME:								
Gross dividend income and bond interest (Note 1)	€ –	€ –	\$ –	\$ 3	\$ –	\$ –	\$ –	\$ 178
Interest (Note 1)	–	–	–	–	–	–	–	–
Equalisation (Note 1)	–	–	–	–	–	–	–	–
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	–	–	–	391	–	–	–	382
Net unrealised (loss)/gain on financial instruments held for trading	–	–	–	(454)	–	–	–	(579)
Total Investment Income/(Loss)	–	–	–	(60)	–	–	–	(19)
EXPENSES:								
Investment management fees (Note 4)	–	–	–	–	–	–	–	120
Administrator and custodian fees (Note 4)	–	–	–	1	–	–	–	8
Shareholder service fees (Note 4)	–	–	–	–	–	–	–	29
Legal fees	–	–	–	–	–	–	–	–
Audit fees (Note 4)	–	–	–	–	–	–	–	11
Printing fees	–	–	–	–	–	–	–	1
Interest expense	–	–	–	–	–	–	–	1
Directors' fees and expenses (Note 4)	–	–	–	–	–	–	–	–
Other expenses	–	–	–	–	–	–	–	1
Total Expenses	–	–	–	1	–	–	–	171
Expense waivers and reimbursements/recoupment (Note 4)	–	–	–	–	–	–	–	(11)
Total Net Expenses	–	–	–	1	–	–	–	160
Net Profit/(Loss) before finance costs	–	–	–	(61)	–	–	–	(179)
FINANCE COSTS:								
Distributions to holders of redeemable participating shares (Note 5)	–	–	–	–	–	–	–	–
Profit/(Loss) for the financial year	–	–	–	(61)	–	–	–	(179)
Withholding taxes on dividends and other taxation	–	–	–	–	–	–	–	(74)
Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	€ –	€ –	\$ –	\$ (61)	\$ –	\$ –	\$ –	\$(253)

The accompanying notes are an integral part of the Financial Statements

Legg Mason QS MV European Equity Growth and Income Fund#		Legg Mason QS MV Asia Pacific ex Japan Equity Growth and Income Fund#		Legg Mason Batterymarch International Large Cap Fund^		Legg Mason QS Emerging Markets Equity Fund#		Legg Mason QS MV Global Equity Growth and Income Fund#	
for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015
€ 7,190	€ 2,863	\$ 2,232	\$ 1,643	\$ –	\$ 586	\$ 488	\$ 255	\$ 536	\$ 393
–	1	–	12	–	–	1	–	–	–
(26)	10	(84)	(18)	–	–	–	–	–	–
13,882	6,539	231	6,896	–	1,818	(448)	643	2,076	892
(34,874)	13,537	(9,143)	(2,823)	–	(1,545)	(3,596)	(94)	(3,160)	588
(13,828)	22,950	(6,764)	5,710	–	859	(3,555)	804	(548)	1,873
2,308	939	735	849	–	201	184	148	182	195
127	59	35	45	–	11	13	10	9	12
465	103	116	134	–	22	21	26	12	11
2	–	1	–	–	–	–	–	–	–
32	25	24	29	–	22	25	24	7	15
9	5	2	4	–	1	1	1	1	1
–	5	–	–	–	–	–	–	–	–
1	–	–	–	–	–	–	–	–	–
56	29	33	32	–	11	22	13	14	11
3,000	1,165	946	1,093	–	268	266	222	225	245
–	(2)	(6)	(6)	–	(14)	(31)	(21)	–	–
3,000	1,163	940	1,087	–	254	235	201	225	245
(16,828)	21,787	(7,704)	4,623	–	605	(3,790)	603	(773)	1,628
(3,169)	(384)	(214)	(65)	–	(35)	(2)	(3)	(6)	–
(19,997)	21,403	(7,918)	4,558	–	570	(3,792)	600	(779)	1,628
(753)	(370)	(243)	(151)	–	(104)	(54)	(30)	(89)	(66)
€(20,750)	€ 21,033	\$ (8,161)	\$ 4,407	\$ –	\$ 466	\$ (3,846)	\$ 570	\$ (868)	\$ 1,562

Statement of Comprehensive Income – (continued)

	Legg Mason Congruix Japan Equity Fund		Legg Mason Martin Currie Australia Equity Income Fund ^δ		Legg Mason Global Funds plc	
	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015	for the year ended February 29, 2016	for the year ended February 28, 2015
(in 000's)						
INVESTMENT INCOME:						
Gross dividend income and bond interest (Note 1)	¥ –	¥ –	\$ 43	\$ –	\$ 700,801	\$ 564,405
Interest (Note 1)	–	–	–	–	2	302
Equalisation (Note 1)	–	–	–	–	(352)	134
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	–	–	(2)	–	408	146,967
Net unrealised (loss)/gain on financial instruments held for trading	–	–	(91)	–	(3,150,057)	(92,356)
Total Investment Income/(Loss)	–	–	(50)	–	(2,449,198)	619,452
EXPENSES:						
Investment management fees (Note 4)	–	–	–	–	176,789	150,012
Administrator and custodian fees (Note 4)	–	–	1	–	16,643	14,895
Shareholder service fees (Note 4)	–	–	–	–	19,620	17,798
Legal fees	–	–	–	–	235	179
Audit fees (Note 4)	–	–	14	–	1,315	1,916
Printing fees	–	–	–	–	1,139	1,109
Interest expense	–	–	–	–	34	55
Directors' fees and expenses (Note 4)	–	–	–	–	126	93
Other expenses	–	–	14	–	6,039	6,325
Total Expenses	–	–	29	–	221,940	192,382
Expense waivers and reimbursements/recoupment (Note 4)	–	–	(25)	–	(5,162)	(6,934)
Total Net Expenses	–	–	4	–	216,778	185,448
Net Profit/(Loss) before finance costs	–	–	(54)	–	(2,665,976)	434,004
FINANCE COSTS:						
Distributions to holders of redeemable participating shares (Note 5)	–	–	–	–	(120,919)	(111,185)
Profit/(Loss) for the financial year	–	–	(54)	–	(2,786,895)	322,819
Withholding taxes on dividends and other taxation	–	–	(2)	–	(34,720)	(26,256)
Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	¥ –	¥ –	\$ (56)	\$ –	\$ (2,821,615)	\$ 296,563

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 ClearBridge US Fundamental Value Fund^α, Legg Mason Royce Smaller Companies Fund II^α, Legg Mason Western Asset Brazil Bond Fund^α, and Legg Mason Western Asset Brazil Equity Fund^α which have discontinued operations. There were no other gains or losses other than those dealt with in the Statement of Comprehensive Income.

The Euro figures for Legg Mason Western Asset Euro Core Plus Bond Fund, Legg Mason Western Asset Euro High Yield Fund and Legg Mason QS MV European Equity Growth and Income Fund have been converted into US Dollars in the total figure for Legg Mason Global Funds Plc for the year ended February 29, 2016, using the USD/EUR rate of 0.9102.

The Australian Dollar figures for Legg Mason Martin Currie Australia Equity Income Fund^α have been converted into US Dollars in the total figure for Legg Mason Global Funds Plc for the year ended February 29, 2016 using the USD/AUD rate of 1.3537.

δ Effective March 27, 2015 Legg Mason ClearBridge US Fundamental Value Fund^α ceased trading.

ζ Effective May 28, 2015 Legg Mason Martin Currie Australia Equity Income Fund commenced trading.

φ Effective July 6, 2015 Legg Mason Royce Smaller Companies Fund II^α ceased trading.

β Effective September 30, 2015 Legg Mason ClearBridge US Equity Sustainability Leaders Fund^α commenced trading.

μ Effective December 16, 2015 Legg Mason Western Asset EM Local Currency Debt Fund^α and Legg Mason Western Asset Multi-Asset Credit Fund^α commenced trading.

ϰ Effective December 31, 2015 Legg Mason Western Asset Global Total Return Investment Grade Bond Fund^α and Legg Mason Brandywine Global Dynamic US Equity Fund^α commenced trading.

Ø Effective January 13, 2016 Legg Mason Western Asset Structured Opportunities Fund^α and Legg Mason Western Asset US Mortgage-Backed Securities Fund^α commenced trading.

α Effective January 14, 2016 Legg Mason Western Asset Brazil Bond Fund^α and Legg Mason Western Asset Brazil Equity Fund^α ceased trading.

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

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

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

	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 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015
(000's)								
Net Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ 18	\$ 19	\$ (196)	\$ 1,251	\$ (3,350)	\$ 11,695	€ 269	€ 6,337
REDEEMABLE PARTICIPATING SHARE TRANSACTIONS								
Net proceeds from sales of shares	1,132,840	1,391,464	34,233	33,779	330,256	240,680	37,154	1,874
Net proceeds from reinvested distributions	263	314	213	162	438	205	8	29
Cost of shares reacquired	(1,140,909)	(1,487,563)	(35,133)	(9,491)	(163,755)	(76,045)	(1,635)	(5,865)
(Decrease)/Increase in Net Assets from Redeemable Participating Share transactions	(7,806)	(95,785)	(687)	24,450	166,939	164,840	35,527	(3,962)
(Decrease)/Increase in Net Assets attributable to Holders of Redeemable Participating Shares	(7,788)	(95,766)	(883)	25,701	163,589	176,535	35,796	2,375
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES								
Beginning of year	1,052,778	1,148,544	46,175	20,474	331,010	154,475	54,937	52,562
Currency translation	—	—	—	—	—	—	—	—
End of year	\$ 1,044,990	\$ 1,052,778	\$ 45,292	\$ 46,175	\$ 494,599	\$ 331,010	€ 90,733	€ 54,937

	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 Global Inflation Management Fund#	
	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015
(000's)								
Net Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ (51,074)	\$ (47,934)	\$ (125)	\$ (105)	\$ (107)	\$ (110)	\$ (162)	\$ 185
REDEEMABLE PARTICIPATING SHARE TRANSACTIONS								
Net proceeds from sales of shares	216,109	921,865	8,579	19,348	4,967	9,253	4,013	2,309
Net proceeds from reinvested distributions	1,702	2,053	1	2	—	—	—	—
Cost of shares reacquired	(377,928)	(1,266,205)	(15,454)	(13,620)	(5,842)	(15,183)	(4,070)	(4,108)
(Decrease)/Increase in Net Assets from Redeemable Participating Share transactions	(160,117)	(342,287)	(6,874)	5,730	(875)	(5,930)	(57)	(1,799)
(Decrease)/Increase in Net Assets attributable to Holders of Redeemable Participating Shares	(211,191)	(390,221)	(6,999)	5,625	(982)	(6,040)	(219)	(1,614)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES								
Beginning of year	421,422	811,643	30,621	24,996	10,158	16,198	10,439	12,053
Currency translation	—	—	—	—	—	—	—	—
End of year	\$ 210,231	\$ 421,422	\$ 23,622	\$ 30,621	\$ 9,176	\$ 10,158	\$ 10,220	\$ 10,439

	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^	
	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015
(000's)								
Net Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ (813)	\$ 3,969	\$ —	\$ 430	£ —	£ —	£ —	£ —
REDEEMABLE PARTICIPATING SHARE TRANSACTIONS								
Net proceeds from sales of shares	142,982	136,212	—	818	—	—	—	—
Net proceeds from reinvested distributions	—	—	—	—	—	—	—	—
Cost of shares reacquired	(33,607)	(149,166)	—	(29,369)	—	—	—	—
(Decrease)/Increase in Net Assets from Redeemable Participating Share transactions	109,375	(12,954)	—	(28,551)	—	—	—	—
(Decrease)/Increase in Net Assets attributable to Holders of Redeemable Participating Shares	108,562	(8,985)	—	(28,121)	—	—	—	—
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES								
Beginning of year	117,237	126,222	—	28,121	—	—	—	—
Currency translation	—	—	—	—	—	—	—	—
End of year	\$ 225,799	\$ 117,237	\$ —	\$ —	£ —	£ —	£ —	£ —

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Short Duration High Income Bond Fund#		Legg Mason Western Asset Global Multi Strategy Fund		Legg Mason Western Asset US High Yield Fund		Legg Mason Western Asset Emerging Markets Total Return Bond Fund#		Legg Mason Western Asset Emerging Markets Corporate Bond Fund	
For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015
\$ (4,335)	\$ 403	\$ (200,866)	\$ (81,220)	\$ (83,821)	\$ (24,119)	\$ (5,064)	\$ (9,254)	\$ (3,652)	\$ (6,134)
11,422	3,003	201,384	313,341	237,680	797,550	25,379	108,201	1,631	11,096
693	501	3,228	2,253	9,976	9,406	734	1,017	1,842	3,397
(11,841)	(6,813)	(420,559)	(305,257)	(375,745)	(869,537)	(63,607)	(165,913)	(41,320)	(30,975)
274	(3,309)	(215,947)	10,337	(128,089)	(62,581)	(37,494)	(56,695)	(37,847)	(16,482)
(4,061)	(2,906)	(416,813)	(70,883)	(211,910)	(86,700)	(42,558)	(65,949)	(41,499)	(22,616)
28,616	31,522	1,409,739	1,480,622	580,869	667,569	103,459	169,408	82,947	105,563
–	–	–	–	–	–	–	–	–	–
\$ 24,555	\$ 28,616	\$ 992,926	\$ 1,409,739	\$ 368,959	\$ 580,869	\$ 60,901	\$ 103,459	\$ 41,448	\$ 82,947
Legg Mason Western Asset Asian Opportunities Fund		Legg Mason Western Asset Global Blue Chip Bond Fund		Legg Mason Western Asset Brazil Bond Fund [^] _{CL}		Legg Mason Western Asset Global Credit Absolute Return Fund [^]		Legg Mason Western Asset UK£ Core Plus Bond Fund [^]	
For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015
\$ (34,788)	\$ 15,561	\$ (1,776)	\$ (3,340)	\$ (9,063)	\$ (3,229)	\$ (12,683)	\$ (9,254)	£ –	£ –
116,630	243,805	16,381	16,729	199	31,495	10,049	34,732	–	–
584	825	27	28	–	–	–	–	–	–
(282,727)	(297,415)	(23,284)	(40,318)	(24,710)	(212)	(69,480)	(50,212)	–	–
(165,513)	(52,785)	(6,876)	(23,561)	(24,511)	31,283	(59,431)	(15,480)	–	–
(200,301)	(37,224)	(8,652)	(26,901)	(33,574)	28,054	(72,114)	(24,734)	–	–
594,337	631,561	45,192	72,093	33,574	5,520	92,225	116,959	–	–
–	–	–	–	–	–	–	–	–	–
\$ 394,036	\$ 594,337	\$ 36,540	\$ 45,192	\$ –	\$ 33,574	\$ 20,111	\$ 92,225	£ –	£ –
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 Western Asset EM Local Currency Debt Fund [^] _{IL}		Legg Mason Western Asset Multi-Asset Credit Fund [^] _{IL}	
For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015
\$ (2,687)	\$ 5,151	€ (2,078)	€ 5,049	\$ (355,076)	\$ (144,698)	\$ 1,573	\$ –	\$ (14,329)	\$ –
451	1,594	6,420	712	2,635,080	3,447,882	75,951	–	180,884	–
27	22	510	584	760	198	–	–	–	–
(28,841)	(6,715)	(6,380)	(549)	(1,707,715)	(406,240)	–	–	–	–
(28,363)	(5,099)	550	747	928,125	3,041,840	75,951	–	180,884	–
(31,050)	52	(1,528)	5,796	573,049	2,897,142	77,524	–	166,555	–
100,107	100,055	88,576	82,780	3,281,062	383,920	–	–	–	–
–	–	–	–	–	–	–	–	–	–
\$ 69,057	\$ 100,107	€ 87,048	€ 88,576	\$ 3,854,111	\$ 3,281,062	\$ 77,524	\$ –	\$ 166,555	\$ –

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 Western Asset Global Total Return Investment Grade Bond Fund [^] €		Legg Mason Western Asset Structured Opportunities Fund [^] Ø		Legg Mason Western Asset US Mortgage-Backed Securities Fund [^] Ø		Legg Mason Brandywine Global Fixed Income Fund	
	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015
(000's)								
Net Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ (68)	\$ –	\$ (7,751)	\$ –	\$ 7,412	\$ –	\$ (144,238)	\$ (10,475)
REDEEMABLE PARTICIPATING SHARE TRANSACTIONS								
Net proceeds from sales of shares	5,000	–	333,703	–	778,779	–	715,810	1,040,737
Net proceeds from reinvested distributions	3	–	–	–	–	–	1,133	1,433
Cost of shares reacquired	–	–	–	–	–	–	(935,728)	(785,578)
(Decrease)/Increase in Net Assets from Redeemable Participating Share transactions	5,003	–	333,703	–	778,779	–	(218,785)	256,592
(Decrease)/Increase in Net Assets attributable to Holders of Redeemable Participating Shares	4,935	–	325,952	–	786,191	–	(363,023)	246,117
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES								
Beginning of year	–	–	–	–	–	–	1,506,302	1,260,185
Currency translation	–	–	–	–	–	–	–	–
End of year	\$ 4,935	\$ –	\$ 325,952	\$ –	\$ 786,191	\$ –	\$ 1,143,279	\$ 1,506,302
	Legg Mason Brandywine Global Credit Opportunities Fund [^]		Legg Mason Brandywine Global Dynamic US Equity Fund [^] €		Legg Mason Western Asset Brazil Equity Fund [^] α		Legg Mason ClearBridge Value Fund	
	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015
(000's)								
Net Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ (10,346)	\$ 72	\$ (116)	\$ –	\$ (1,135)	\$ (384)	\$ (48,023)	\$ 35,972
REDEEMABLE PARTICIPATING SHARE TRANSACTIONS								
Net proceeds from sales of shares	83,290	54,019	2,000	–	4	–	62,044	202,563
Net proceeds from reinvested distributions	9	–	–	–	–	1	7	–
Cost of shares reacquired	(41,697)	(82)	–	–	(1,596)	(1)	(107,778)	(157,868)
(Decrease)/Increase in Net Assets from Redeemable Participating Share transactions	41,602	53,937	2,000	–	(1,592)	–	(45,727)	44,695
(Decrease)/Increase in Net Assets attributable to Holders of Redeemable Participating Shares	31,256	54,009	1,884	–	(2,727)	(384)	(93,750)	80,667
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES								
Beginning of year	54,009	–	–	–	2,727	3,111	367,005	286,338
Currency translation	–	–	–	–	–	–	–	–
End of year	\$ 85,265	\$ 54,009	\$ 1,884	\$ –	\$ –	\$ 2,727	\$ 273,255	\$ 367,005
	Legg Mason ClearBridge US Large Cap Growth Fund		Legg Mason ClearBridge US Aggressive Growth Fund		Legg Mason ClearBridge US Equity Income Fund [^]		Legg Mason ClearBridge Tactical Dividend Income Fund	
	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015
(000's)								
Net Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ (11,040)	\$ 17,524	\$ (869,687)	\$ 388,448	\$ –	\$ 272	\$ (18,504)	\$ (1,707)
REDEEMABLE PARTICIPATING SHARE TRANSACTIONS								
Net proceeds from sales of shares	217,070	60,749	2,202,879	4,009,092	–	495	86,909	42,656
Net proceeds from reinvested distributions	–	–	195	83	–	6	7	31
Cost of shares reacquired	(79,183)	(38,884)	(2,853,723)	(1,832,175)	–	(4,478)	(40,525)	(6,446)
(Decrease)/Increase in Net Assets from Redeemable Participating Share transactions	137,887	21,865	(650,649)	2,177,000	–	(3,977)	46,391	36,241
(Decrease)/Increase in Net Assets attributable to Holders of Redeemable Participating Shares	126,847	39,389	(1,520,336)	2,565,448	–	(3,705)	27,887	34,534
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES								
Beginning of year	145,306	105,917	4,565,364	1,999,916	–	3,705	38,114	3,580
Currency translation	–	–	–	–	–	–	–	–
End of year	\$ 272,153	\$ 145,306	\$ 3,045,028	\$ 4,565,364	\$ –	\$ –	\$ 66,001	\$ 38,114

The accompanying notes are an integral part of the Financial Statements

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 [^]	
For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015
\$ (156,420)	\$ (7,172)	\$ (1,787)	\$ (748)	\$ (48,132)	\$ 17,489	\$ (366,273)	\$ 93,031	\$ (7,256)	\$ (2,780)
826,585	851,662	8,203	4,109	409,525	136,579	1,332,958	941,035	22,563	72,545
864	472	2	—	473	478	—	—	22	33
(403,874)	(496,012)	(2,396)	(3,792)	(118,158)	(54,907)	(681,659)	—	(54,252)	(4,994)
423,575	356,122	5,809	317	291,840	82,150	651,299	941,035	(31,667)	67,584
267,155	348,950	4,022	(431)	243,708	99,639	285,026	1,034,066	(38,923)	64,804
1,125,616	776,666	20,095	20,526	305,363	205,724	2,028,778	994,712	77,469	12,665
—	—	—	—	—	—	—	—	—	—
\$ 1,392,771	\$ 1,125,616	\$ 24,117	\$ 20,095	\$ 549,071	\$ 305,363	\$ 2,313,804	\$ 2,028,778	\$ 38,546	\$ 77,469
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 ^{^δ}	
For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015
\$ (1,027)	\$ 781	\$ (1,233)	\$ (199)	\$ (807)	\$ (389)	\$ (20,330)	\$ 38,532	\$ (1,804)	\$ 8,289
2,184	2,107	2,968	2,009	94	5,275	55,867	104,291	312	7,274
—	—	10	5	39	8	—	—	2	6
(2,890)	(1,825)	(2,069)	(353)	(174)	(122)	(104,658)	(155,255)	(87,890)	(27,294)
(706)	282	909	1,661	(41)	5,161	(48,791)	(50,964)	(87,576)	(20,014)
(1,733)	1,063	(324)	1,462	(848)	4,772	(69,121)	(12,432)	(89,380)	(11,725)
7,940	6,877	4,993	3,531	4,772	—	360,024	372,456	89,380	101,105
—	—	—	—	—	—	—	—	—	—
\$ 6,207	\$ 7,940	\$ 4,669	\$ 4,993	\$ 3,924	\$ 4,772	\$ 290,903	\$ 360,024	\$ —	\$ 89,380
Legg Mason ClearBridge US Equity Sustainability Leaders Fund ^{^β}		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 ^{^φ}	
For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015
\$ (42)	\$ —	\$ (113,561)	\$ 29,231	\$ (157,660)	\$ (69,866)	\$ (37,758)	\$ (10,930)	\$ 442	\$ (886)
1,003	—	355,709	267,006	261,152	951,120	29,276	142,289	1,114	8,663
—	—	68	15	—	—	—	—	—	—
(2)	—	(189,396)	(235,808)	(633,832)	(1,125,830)	(174,721)	(276,848)	(30,414)	(13,242)
1,001	—	166,381	31,213	(372,680)	(174,710)	(145,445)	(134,559)	(29,300)	(4,579)
959	—	52,820	60,444	(530,340)	(244,576)	(183,203)	(145,489)	(28,858)	(5,465)
—	—	326,420	265,976	1,070,253	1,314,829	338,167	483,656	28,858	34,323
—	—	—	—	—	—	—	—	—	—
\$ 959	\$ —	\$ 379,240	\$ 326,420	\$ 539,913	\$ 1,070,253	\$ 154,964	\$ 338,167	\$ —	\$ 28,858

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 Royce European Smaller Companies Fund				Legg Mason Royce Global Smaller Companies Fund				Legg Mason PCM US Equity Fund				Legg Mason Permal Global Absolute Fund^			
	For the year ended February 29, 2016		For the year ended February 28, 2015		For the year ended February 29, 2016		For the year ended February 28, 2015		For the year ended February 29, 2016		For the year ended February 28, 2015		For the year ended February 29, 2016		For the year ended February 28, 2015	
(000's)																
Net Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	€	–	€	–	\$	–	\$	(61)	\$	–	\$	–	\$	–	\$	(253)
REDEEMABLE PARTICIPATING SHARE TRANSACTIONS																
Net proceeds from sales of shares		–		–		–		–		–		–		–		1,857
Net proceeds from reinvested distributions		–		–		–		–		–		–		–		–
Cost of shares reacquired		–		–		–		(3,439)		–		–		–		(21,654)
(Decrease)/Increase in Net Assets from Redeemable Participating Share transactions		–		–		–		(3,439)		–		–		–		(19,797)
(Decrease)/Increase in Net Assets attributable to Holders of Redeemable Participating Shares		–		–		–		(3,500)		–		–		–		(20,050)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES																
Beginning of year		–		–		–		3,500		–		–		–		20,050
Currency translation		–		–		–		–		–		–		–		–
End of year	€	–	€	–	\$	–	\$	–	\$	–	\$	–	\$	–	\$	–

The accompanying notes are an integral part of the Financial Statements

Legg Mason QS MV European Equity Growth and Income Fund#		Legg Mason QS MV Asia Pacific ex Japan Equity Growth and Income Fund#		Legg Mason Batterymarch International Large Cap Fund^		Legg Mason QS Emerging Markets Equity Fund#		Legg Mason QS MV Global Equity Growth and Income Fund#	
For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015
€ (20,750)	€ 21,033	\$ (8,161)	\$ 4,407	\$ –	\$ 466	\$ (3,846)	\$ 570	\$ (868)	\$ 1,562
244,161	123,010	12,458	17,733	–	2,228	142	10,861	587	7
–	–	111	31	–	25	1	2	–	–
(209,169)	(70,623)	(20,026)	(21,570)	–	(16,083)	(1,005)	(1,218)	(1,203)	(1,802)
34,992	52,387	(7,457)	(3,806)	–	(13,830)	(862)	9,645	(616)	(1,795)
14,242	73,420	(15,618)	601	–	(13,364)	(4,708)	10,215	(1,484)	(233)
135,733	62,313	50,953	50,352	–	13,364	19,113	8,898	13,464	13,697
–	–	–	–	–	–	–	–	–	–
€ 149,975	€ 135,733	\$ 35,335	\$ 50,953	\$ –	\$ –	\$ 14,405	\$ 19,113	\$ 11,980	\$ 13,464

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 Congruix Japan Equity Fund		Legg Mason Martin Currie Australia Equity Income Fund		Legg Mason Global Funds plc	
	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015	For the year ended February 29, 2016	For the year ended February 28, 2015
(000's)						
Net Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	¥	–	¥	–	\$ (56)	\$ –
REDEEMABLE PARTICIPATING SHARE TRANSACTIONS						
Net proceeds from sales of shares	–	–	1,000	–	13,509,462	16,845,174
Net proceeds from reinvested distributions	–	–	–	–	24,003	23,802
Cost of shares reacquired	–	–	–	–	(11,599,268)	(10,591,178)
(Decrease)/Increase in Net Assets from Redeemable Participating Share transactions	–	–	1,000	–	1,934,197	6,277,798
(Decrease)/Increase in Net Assets attributable to Holders of Redeemable Participating Shares	–	–	944	–	(887,418)	6,574,361
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES						
Beginning of year	–	–	–	–	21,093,840	14,584,913
Currency translation	–	–	–	–	(9,255)	(65,434)
End of year	¥	–	¥	–	\$ 20,197,167	\$ 21,093,840

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 QS MV European Equity Growth and Income Fund have been converted into US Dollars in the total figure for Legg Mason Global Funds Plc as at February 29, 2016, using the Statement of Comprehensive Income USD/EUR FX rate for the year ended February 29, 2016, using the USD/EUR rate of 0.9102.

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 QS MV European Equity Growth and Income Fund have been converted into US Dollars in the total figure using the Statement of Financial Position USD/EUR FX rate as at February 28, 2015 of 0.8936.

All AUD figures have been converted into US Dollars in the total figure for Legg Mason Global Funds Plc as at February 29, 2016, using the Statement of Comprehensive Income USD/AUD FX rate for the year ended February 29, 2016, using the USD/AUD rate of 1.3537.

δ Effective March 27, 2015 Legg Mason ClearBridge US Fundamental Value Fund[^] ceased trading.

ζ Effective May 28, 2015 Legg Mason Martin Currie Australia Equity Income Fund commenced trading.

φ Effective July 6, 2015 Legg Mason Royce Smaller Companies Fund II[^] ceased trading.

β Effective September 30, 2015 Legg Mason ClearBridge US Equity Sustainability Leaders Fund[^] commenced trading.

μ Effective December 16, 2015 Legg Mason Western Asset EM Local Currency Debt Fund[^] and Legg Mason Western Asset Multi-Asset Credit Fund[^] commenced trading.

ϰ Effective December 31, 2015 Legg Mason Western Asset Global Total Return Investment Grade Bond Fund[^] and Legg Mason Brandywine Global Dynamic US Equity Fund[^] commenced trading.

Ø Effective January 13, 2016 Legg Mason Western Asset Structured Opportunities Fund[^] and Legg Mason Western Asset US Mortgage-Backed Securities Fund[^] commenced trading.

α Effective January 14, 2016 Legg Mason Western Asset Brazil Bond Fund[^] and Legg Mason Western Asset Brazil Equity 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	
	February 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Legg Mason Western Asset US Money Market Fund		
Class A US\$ Accumulating		
Sold	2,060	2,369
Redeemed	(1,660)	(2,113)
Net Increase	400	256
Class A US\$ Distributing (D)		
Sold	914,912	1,145,602
Redeemed	(964,987)	(1,268,084)
Net Decrease	(50,075)	(122,482)
Class A US\$ Distributing (M)		
Sold	960	128
Redeemed	(884)	(88)
Net Increase	76	40
Class B US\$ Accumulating		
Sold	6	13
Redeemed	(8)	(8)
Net (Decrease)/Increase	(2)	5
Class B US\$ Distributing (D)		
Sold	1,063	76
Redeemed	(678)	(117)
Net Increase/(Decrease)	385	(41)
Class C US\$ Accumulating		
Sold	2	18
Redeemed	(6)	(18)
Net Decrease	(4)	–
Class C US\$ Distributing (D)		
Sold	547	737
Redeemed	(487)	(914)
Net Increase/(Decrease)	60	(177)
Class A (G) US\$ Accumulating		
Sold	1	1
Redeemed	(1)	(5)
Net Decrease	–	(4)
Class A (G) US\$ Distributing (D)		
Sold	3	45
Redeemed	(32)	(130)
Net Decrease	(29)	(85)
Class B (G) US\$ Accumulating		
Redeemed	–	(1)
Net Decrease	–	(1)
Class B (G) US\$ Distributing (D)		
Redeemed	–	(45)
Net Decrease	–	(45)
Class L (G) US\$ Distributing (D)		
Sold	2	–
Redeemed	(2)	(8)
Net Decrease	–	(8)
Legg Mason Western Asset US Core Bond Fund		
Class A US\$ Accumulating		
Sold	178	159
Redeemed	(147)	(32)
Net Increase	31	127
Class A US\$ Distributing (D)		
Sold	80	114
Redeemed	(112)	(17)
Net (Decrease)/Increase	(32)	97
Class B US\$ Accumulating		
Sold	4	–
Redeemed	(2)	–
Net Increase	2	–
Class B US\$ Distributing (D)		
Sold	7	3
Redeemed	(4)	(8)
Net Increase/(Decrease)	3	(5)
Class C US\$ Accumulating		
Sold	9	4
Redeemed	(4)	(1)
Net Increase	5	3
Class C US\$ Distributing (D)		
Sold	16	11
Redeemed	(5)	(11)
Net Increase	11	–

	For the year ended	
	February 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Class F US\$ Accumulating		
Sold	33	16
Redeemed	(71)	(13)
Net (Decrease)/Increase	(38)	3
Premier Class US\$ Accumulating		
Sold	10	–
Net Increase	10	–
Class GA US\$ Accumulating		
Sold	8	–
Redeemed	(11)	(13)
Net Decrease	(3)	(13)
Class GE US\$ Accumulating		
Sold	2	–
Redeemed	(2)	–
Net Increase	–	–
Legg Mason Western Asset US Core Plus Bond Fund		
Class A US\$ Accumulating		
Sold	878	494
Redeemed	(260)	(177)
Net Increase	618	317
Class A US\$ Distributing (D)		
Sold	170	163
Redeemed	(79)	(87)
Net Increase	91	76
Class B US\$ Accumulating		
Sold	4	2
Redeemed	(2)	(1)
Net Increase	2	1
Class B US\$ Distributing (D)		
Sold	2	–
Redeemed	(2)	–
Net Increase	–	–
Class C US\$ Accumulating		
Sold	25	63
Redeemed	(16)	(1)
Net Increase	9	62
Class C US\$ Distributing (D)		
Sold	25	32
Redeemed	(11)	(14)
Net Increase	14	18
Class E US\$ Accumulating		
Sold	89	12
Redeemed	(12)	(7)
Net Increase	77	5
Class F US\$ Accumulating		
Sold	485	351
Redeemed	(294)	(34)
Net Increase	191	317
Class X US\$ Accumulating		
Sold	1	–
Net Increase	1	–
Premier Class US\$ Accumulating		
Sold	1,042	856
Redeemed	(709)	(276)
Net Increase	333	580
Premier Class US\$ Distributing (M)		
Sold	1	2
Redeemed	(13)	(17)
Net Decrease	(12)	(15)
LM Class GBP Accumulating (Hedged)		
Sold	1	–
Redeemed	(1)	(3)
Net Decrease	–	(3)
Class A (G) US\$ Accumulating		
Sold	1	–
Redeemed	(2)	(2)
Net Decrease	(1)	(2)
Class A (G) US\$ Distributing (D)		
Sold	2	3
Redeemed	(5)	(6)
Net Decrease	(3)	(3)
Class B (G) US\$ Distributing (D)		
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 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Legg Mason Western Asset US Core Plus Bond Fund – (continued)		
Class L (G) US\$ Accumulating		
Redeemed	(3)	(1)
Net Decrease	(3)	(1)
Class L (G) US\$ Distributing (D)		
Sold	1	1
Redeemed	(3)	(2)
Net Decrease	(2)	(1)
Legg Mason Western Asset Euro Core Plus Bond Fund		
Class A US\$ Distributing (D)		
Sold	2	35
Redeemed	(3)	(42)
Net Decrease	(1)	(7)
Class A Euro Distributing (D)		
Sold	11	1
Redeemed	(7)	(9)
Net Increase/(Decrease)	4	(8)
Class C US\$ Distributing (D)		
Sold	1	7
Redeemed	(2)	(9)
Net Decrease	(1)	(2)
Premier Class Euro Accumulating		
Sold	278	–
Redeemed	–	(12)
Net Increase/(Decrease)	278	(12)
Class GA Euro Accumulating		
Sold	4	–
Redeemed	(6)	(6)
Net Decrease	(2)	(6)
Class GA Euro Distributing (A)		
Redeemed	(1)	–
Net Decrease	(1)	–
Class GE Euro Accumulating		
Sold	1	1
Redeemed	(3)	(3)
Net Decrease	(2)	(2)
Legg Mason Western Asset Short Duration High Income Bond Fund#		
Class A US\$ Accumulating		
Sold	77	14
Redeemed	(60)	(8)
Net Increase	17	6
Class A US\$ Distributing (D)		
Sold	20	46
Redeemed	(32)	(69)
Net Decrease	(12)	(23)
Class A US\$ Distributing (M)		
Sold	–	3
Redeemed	(3)	(1)
Net (Decrease)/Increase	(3)	2
Class A Euro Accumulating (Hedged)		
Sold	1	3
Redeemed	(3)	(4)
Net Decrease	(2)	(1)
Class A Euro Distributing (M) (Hedged)		
Redeemed	(1)	–
Net Decrease	(1)	–
Class B US\$ Accumulating		
Sold	–	1
Redeemed	–	(1)
Net Increase	–	–
Class B US\$ Distributing (D)		
Redeemed	(5)	(3)
Net Decrease	(5)	(3)
Class C US\$ Accumulating		
Sold	9	1
Redeemed	–	(2)
Net Increase/(Decrease)	9	(1)
Class C US\$ Distributing (D)		
Sold	10	18
Redeemed	(12)	(19)
Net Decrease	(2)	(1)

	For the year ended	
	February 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Class A (G) US\$ Accumulating		
Redeemed	(2)	(1)
Net Decrease	(2)	(1)
Class A (G) US\$ Distributing (D)		
Sold	11	8
Redeemed	(15)	(20)
Net Decrease	(4)	(12)
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\$ Distributing (D)		
Sold	1	1
Redeemed	(2)	(3)
Net Decrease	(1)	(2)
Legg Mason Western Asset Global Multi Strategy Fund		
Class A US\$ Accumulating		
Sold	157	157
Redeemed	(214)	(200)
Net Decrease	(57)	(43)
Class A US\$ Distributing (D)		
Sold	88	96
Redeemed	(204)	(284)
Net Decrease	(116)	(188)
Class A US\$ Distributing (M)		
Sold	28	108
Redeemed	(110)	(173)
Net Decrease	(82)	(65)
Class A Euro Accumulating (Hedged)		
Sold	61	128
Redeemed	(173)	(237)
Net Decrease	(112)	(109)
Class A Euro Distributing (M) (Hedged) Plus (e)		
Sold	5	12
Redeemed	(8)	(9)
Net (Decrease)/Increase	(3)	3
Class A Euro Distributing (M) (Hedged)		
Sold	119	240
Redeemed	(279)	(368)
Net Decrease	(160)	(128)
Class A GBP Distributing (M) (Hedged)		
Sold	165	98
Redeemed	(545)	(332)
Net Decrease	(380)	(234)
Class A SGD Distributing (M) (Hedged) Plus		
Sold	664	2,081
Redeemed	(1,008)	(1,903)
Net (Decrease)/Increase	(344)	178
Class B US\$ Accumulating		
Redeemed	(2)	(1)
Net Decrease	(2)	(1)
Class B US\$ Distributing (D)		
Sold	3	9
Redeemed	(18)	(23)
Net Decrease	(15)	(14)
Class C US\$ Accumulating		
Sold	40	44
Redeemed	(55)	(82)
Net Decrease	(15)	(38)
Class C US\$ Distributing (D)		
Sold	73	92
Redeemed	(367)	(282)
Net Decrease	(294)	(190)
Class E US\$ Accumulating		
Sold	14	12
Redeemed	(30)	(50)
Net Decrease	(16)	(38)
Class E US\$ Distributing (D)		
Sold	6	12
Redeemed	(19)	(33)
Net Decrease	(13)	(21)

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 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Legg Mason Western Asset Global Multi Strategy Fund – (continued)		
Class E Euro Accumulating (Hedged)		
Sold	19	35
Redeemed	(34)	(64)
Net Decrease	(15)	(29)
Class E Euro Distributing (M) (Hedged)		
Sold	–	2
Redeemed	(2)	(1)
Net (Decrease)/Increase	(2)	1
Class F US\$ Accumulating		
Sold	2	24
Redeemed	(20)	(42)
Net Decrease	(18)	(18)
Class F US\$ Distributing (D)		
Sold	2	4
Redeemed	(20)	(62)
Net Decrease	(18)	(58)
Class X US\$ Distributing (D)		
Sold	2	10
Redeemed	(3)	(14)
Net Decrease	(1)	(4)
Premier Class US\$ Accumulating		
Sold	42	6
Redeemed	(51)	(4)
Net (Decrease)/Increase	(9)	2
Premier Class US\$ Distributing (D)		
Sold	1	5
Redeemed	(3)	(5)
Net Decrease	(2)	–
Premier Class US\$ Distributing (M) Plus (e)		
Sold	66	742
Redeemed	(78)	–
Net (Decrease)/Increase	(12)	742
Premier Class US\$ Distributing (M)		
Sold	6	166
Redeemed	(9)	(2)
Net (Decrease)/Increase	(3)	164
Premier Class CHF Accumulating (Hedged)		
Sold	316	–
Net Increase	316	–
Premier Class Euro Accumulating (Hedged)		
Sold	22	524
Redeemed	(418)	(359)
Net (Decrease)/Increase	(396)	165
Premier Class Euro Distributing (M) (Hedged)		
Sold	5	4
Redeemed	(9)	–
Net (Decrease)/Increase	(4)	4
Premier Class GBP Accumulating (Hedged)		
Sold	214	237
Redeemed	(124)	(224)
Net Increase	90	13
Premier Class GBP Distributing (M) (Hedged) Plus (e)		
Sold	–	5
Redeemed	(17)	(36)
Net Decrease	(17)	(31)
Premier Class GBP Distributing (M) (Hedged)		
Sold	239	16
Redeemed	(280)	(49)
Net Decrease	(41)	(33)
Premier Class GBP Distributing (Q) (Hedged)		
Sold	5	7
Redeemed	(1)	(1)
Net Increase	4	6
Premier Class JPY Accumulating (Hedged)		
Sold	1	11
Redeemed	(5)	(7)
Net (Decrease)/Increase	(4)	4
LM Class US\$ Accumulating		
Sold	–	1
Redeemed	–	(89)
Net Decrease	–	(88)
LM Class AUD Distributing (M) (Hedged)		
Sold	336	300
Redeemed	(656)	(53)
Net (Decrease)/Increase	(320)	247

	For the year ended	
	February 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
LM Class Euro Accumulating (Hedged)		
Redeemed	–	(10)
Net Decrease	–	(10)
LM Class GBP Accumulating (Hedged)		
Sold	61	234
Redeemed	(139)	(4)
Net (Decrease)/Increase	(78)	230
LM Class JPY Accumulating (Hedged)		
Redeemed	–	(37)
Net Decrease	–	(37)
Premier Class PLN Accumulating (Hedged)		
Sold	78	–
Redeemed	(38)	–
Net Increase	40	–

Legg Mason Western Asset US High Yield Fund		
Class A US\$ Accumulating		
Sold	412	1,827
Redeemed	(755)	(1,833)
Net Decrease	(343)	(6)
Class A US\$ Distributing (D)		
Sold	378	696
Redeemed	(721)	(668)
Net (Decrease)/Increase	(343)	28
Class A US\$ Distributing (M) Plus		
Sold	377	456
Redeemed	(380)	(577)
Net Decrease	(3)	(121)
Class A US\$ Distributing (M)		
Sold	15	249
Redeemed	(261)	(64)
Net (Decrease)/Increase	(246)	185
Class A Euro Distributing (M) (Hedged)		
Sold	3	6
Redeemed	–	(4)
Net Increase	3	2
Class A HKD Distributing (M) Plus		
Sold	25	–
Net Increase	25	–
Class A SGD Distributing (M) (Hedged) Plus		
Sold	101	829
Redeemed	(98)	(464)
Net Increase	3	365
Class B US\$ Accumulating		
Sold	3	6
Redeemed	(5)	(12)
Net Decrease	(2)	(6)
Class B US\$ Distributing (D)		
Sold	31	50
Redeemed	(52)	(39)
Net (Decrease)/Increase	(21)	11
Class C US\$ Accumulating		
Sold	28	77
Redeemed	(69)	(85)
Net Decrease	(41)	(8)
Class C US\$ Distributing (D)		
Sold	70	194
Redeemed	(139)	(270)
Net Decrease	(69)	(76)
Class E US\$ Accumulating		
Sold	32	90
Redeemed	(82)	(106)
Net Decrease	(50)	(16)
Class E US\$ Distributing (D)		
Sold	86	104
Redeemed	(113)	(167)
Net Decrease	(27)	(63)
Class E Euro Accumulating (Hedged)		
Sold	2	1
Redeemed	(1)	–
Net Increase	1	1
Class F US\$ Accumulating		
Sold	20	18
Redeemed	(12)	(25)
Net Increase/(Decrease)	8	(7)

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 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Legg Mason Western Asset US High Yield Fund – (continued)		
Class F US\$ Distributing (D)		
Sold	13	4
Redeemed	(11)	(1)
Net Increase	2	3
Premier Class US\$ Accumulating		
Sold	727	1,177
Redeemed	(317)	(1,288)
Net Increase/(Decrease)	410	(111)
Premier Class US\$ Distributing (M) Plus (e)		
Sold	288	1,262
Redeemed	(568)	(1,558)
Net Decrease	(280)	(296)
Premier Class US\$ Distributing (M)		
Sold	–	55
Redeemed	–	(226)
Net Decrease	–	(171)
Premier Class Euro Accumulating (Hedged)		
Redeemed	–	(240)
Net Decrease	–	(240)
Premier Class Euro Accumulating		
Sold	39	135
Redeemed	(72)	(38)
Net (Decrease)/Increase	(33)	97
LM Class US\$ Accumulating		
Sold	–	403
Redeemed	(191)	(272)
Net (Decrease)/Increase	(191)	131
LM Class US\$ Distributing (M)		
Sold	114	199
Redeemed	(206)	(71)
Net (Decrease)/Increase	(92)	128
LM Class GBP Accumulating (Hedged)		
Sold	1	–
Redeemed	(1)	(3)
Net Decrease	–	(3)
Class A (G) US\$ Accumulating		
Sold	–	2
Redeemed	(1)	(22)
Net Decrease	(1)	(20)
Class A (G) US\$ Distributing (D)		
Sold	5	4
Redeemed	(20)	(14)
Net Decrease	(15)	(10)
Class B (G) US\$ Distributing (D)		
Redeemed	–	(1)
Net Decrease	–	(1)
Class L (G) US\$ Accumulating		
Sold	1	–
Redeemed	(1)	–
Net Increase	–	–
Class L (G) US\$ Distributing (D)		
Sold	6	5
Redeemed	(20)	(21)
Net Decrease	(14)	(16)
Class GF US\$ Accumulating		
Redeemed	(1)	(6)
Net Decrease	(1)	(6)
Legg Mason Western Asset Emerging Markets Total Return Bond Fund#		
Class A US\$ Accumulating		
Sold	122	315
Redeemed	(165)	(360)
Net Decrease	(43)	(45)
Class A US\$ Distributing (D)		
Sold	15	20
Redeemed	(45)	(62)
Net Decrease	(30)	(42)
Class A US\$ Distributing (M) Plus		
Sold	36	189
Redeemed	(37)	(178)
Net (Decrease)/Increase	(1)	11
Class A US\$ Distributing (M)		
Sold	20	212
Redeemed	(56)	(215)
Net Decrease	(36)	(3)

	For the year ended	
	February 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Class A Euro Accumulating (Hedged)		
Sold	3	4
Redeemed	(4)	(3)
Net (Decrease)/Increase	(1)	1
Class A Euro Distributing (D) (Hedged)		
Sold	2	1
Redeemed	(2)	–
Net Increase	–	1
Class A GBP Distributing (D) (Hedged)		
Redeemed	(1)	(1)
Net Decrease	(1)	(1)
Class A SGD Distributing (M) (Hedged) Plus		
Sold	45	531
Redeemed	(121)	(593)
Net Decrease	(76)	(62)
Class B US\$ Accumulating		
Sold	2	–
Redeemed	(2)	(1)
Net Decrease	–	(1)
Class B US\$ Distributing (D)		
Sold	–	1
Redeemed	(1)	–
Net (Decrease)/Increase	(1)	1
Class C US\$ Distributing (D)		
Sold	5	5
Redeemed	(9)	(72)
Net Decrease	(4)	(67)
Class E US\$ Distributing (D)		
Sold	10	7
Redeemed	(15)	(13)
Net Decrease	(5)	(6)
Class E Euro Accumulating (Hedged)		
Sold	–	1
Redeemed	(1)	–
Net (Decrease)/Increase	(1)	1
Class E Euro Distributing (M) (Hedged)		
Sold	–	2
Redeemed	(1)	(1)
Net (Decrease)/Increase	(1)	1
Class F US\$ Accumulating		
Sold	4	–
Redeemed	(8)	(25)
Net Decrease	(4)	(25)
Class X GBP Distributing (D) (Hedged)		
Sold	2	1
Redeemed	(2)	–
Net Increase	–	1
Premier Class US\$ Accumulating		
Sold	16	43
Redeemed	(63)	(64)
Net Decrease	(47)	(21)
Premier Class Euro Accumulating (Hedged)		
Sold	5	19
Redeemed	(12)	(207)
Net Decrease	(7)	(188)
Premier Class GBP Distributing (D) (Hedged)		
Sold	1	34
Redeemed	(78)	(58)
Net Decrease	(77)	(24)
Class A (G) US\$ Accumulating		
Sold	1	3
Redeemed	(9)	(14)
Net Decrease	(8)	(11)
Class A (G) US\$ Distributing (D)		
Sold	1	2
Redeemed	(4)	(9)
Net Decrease	(3)	(7)
Class B (G) US\$ Accumulating		
Redeemed	–	(2)
Net Decrease	–	(2)
Class L (G) US\$ Accumulating		
Sold	7	–
Redeemed	(8)	(4)
Net Decrease	(1)	(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	
	February 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Legg Mason Western Asset Emerging Markets Total Return Bond Fund# – (continued)		
Class L (G) US\$ Distributing (D)		
Sold	3	4
Redeemed	(10)	(15)
Net Decrease	(7)	(11)
Legg Mason Western Asset Emerging Markets Corporate Bond Fund		
Class A US\$ Accumulating		
Sold	–	2
Redeemed	–	(16)
Net Decrease	–	(14)
Premier Class US\$ Accumulating		
Sold	14	–
Redeemed	(196)	(26)
Net Decrease	(182)	(26)
LM Class US\$ Distributing (M)		
Sold	20	134
Redeemed	(209)	(257)
Net Decrease	(189)	(123)
Legg Mason Western Asset Global High Yield Fund		
Class A US\$ Accumulating		
Sold	335	1,147
Redeemed	(574)	(1,374)
Net Decrease	(239)	(227)
Class A US\$ Distributing (D)		
Sold	104	168
Redeemed	(262)	(228)
Net Decrease	(158)	(60)
Class A US\$ Distributing (M) Plus		
Sold	98	453
Redeemed	(167)	(425)
Net (Decrease)/Increase	(69)	28
Class A US\$ Distributing (M)		
Sold	505	3,223
Redeemed	(1,041)	(3,652)
Net Decrease	(536)	(429)
Class A AUD Distributing (M) (Hedged) Plus		
Sold	616	1,456
Redeemed	(778)	(1,436)
Net (Decrease)/Increase	(162)	20
Class A CNH Distributing (M) (Hedged) Plus		
Redeemed	–	(6)
Net Decrease	–	(6)
Class A Euro Distributing (D) (Hedged)		
Sold	1	14
Redeemed	(9)	(7)
Net (Decrease)/Increase	(8)	7
Class A SGD Distributing (M) (Hedged) Plus		
Sold	1,957	7,653
Redeemed	(4,442)	(7,218)
Net (Decrease)/Increase	(2,485)	435
Class B US\$ Accumulating		
Sold	2	3
Redeemed	(6)	(7)
Net Decrease	(4)	(4)
Class B US\$ Distributing (D)		
Sold	1	8
Redeemed	(6)	(11)
Net Decrease	(5)	(3)
Class C US\$ Accumulating		
Sold	16	30
Redeemed	(25)	(41)
Net Decrease	(9)	(11)
Class C US\$ Distributing (D)		
Sold	24	88
Redeemed	(118)	(228)
Net Decrease	(94)	(140)
Class E US\$ Accumulating		
Sold	7	40
Redeemed	(37)	(61)
Net Decrease	(30)	(21)

	For the year ended	
	February 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Class E US\$ Distributing (D)		
Sold	5	12
Redeemed	(17)	(30)
Net Decrease	(12)	(18)
Class E Euro Accumulating (Hedged)		
Sold	–	1
Redeemed	(1)	–
Net (Decrease)/Increase	(1)	1
Class E Euro Distributing (M) (Hedged)		
Sold	1	8
Redeemed	(1)	(3)
Net Increase	–	5
Class F US\$ Accumulating		
Sold	5	12
Redeemed	(15)	(3)
Net (Decrease)/Increase	(10)	9
Class F US\$ Distributing (D)		
Sold	5	17
Redeemed	(10)	(13)
Net (Decrease)/Increase	(5)	4
Class X US\$ Accumulating		
Sold	1	–
Redeemed	(2)	(2)
Net Decrease	(1)	(2)
Class X US\$ Distributing (D)		
Redeemed	(1)	–
Net Decrease	(1)	–
Class X GBP Distributing (D) (Hedged)		
Sold	–	4
Redeemed	(1)	(8)
Net Decrease	(1)	(4)
Premier Class US\$ Accumulating		
Sold	147	150
Redeemed	(203)	(1,325)
Net Decrease	(56)	(1,175)
Premier Class US\$ Distributing (M) Plus (e)		
Sold	414	1,184
Redeemed	(555)	(2,082)
Net Decrease	(141)	(898)
Premier Class Euro Accumulating (Hedged)		
Sold	17	90
Redeemed	(22)	(125)
Net Decrease	(5)	(35)
Premier Class GBP Distributing (D) (Hedged)		
Sold	2	22
Redeemed	(42)	(33)
Net Decrease	(40)	(11)
LM Class US\$ Accumulating		
Sold	52	407
Redeemed	(62)	(17)
Net (Decrease)/Increase	(10)	390
Class A (G) US\$ Accumulating		
Redeemed	(7)	(4)
Net Decrease	(7)	(4)
Class A (G) US\$ Distributing (D)		
Sold	7	4
Redeemed	(23)	(30)
Net Decrease	(16)	(26)
Class B (G) US\$ Distributing (D)		
Redeemed	–	(1)
Net Decrease	–	(1)
Class L (G) US\$ Accumulating		
Redeemed	(2)	–
Net Decrease	(2)	–
Class L (G) US\$ Distributing (D)		
Sold	6	7
Redeemed	(16)	(19)
Net Decrease	(10)	(12)
Legg Mason Western Asset US Short-Term Government Fund		
Class A US\$ Accumulating		
Sold	72	155
Redeemed	(108)	(92)
Net (Decrease)/Increase	(36)	63

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 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Legg Mason Western Asset US Short-Term Government Fund – (continued)		
Class A US\$ Distributing (D)		
Sold	20	10
Redeemed	(30)	(10)
Net Decrease	(10)	–
Class B US\$ Accumulating		
Sold	1	1
Redeemed	(2)	–
Net (Decrease)/Increase	(1)	1
Class B US\$ Distributing (D)		
Sold	–	2
Redeemed	(2)	–
Net (Decrease)/Increase	(2)	2
Class C US\$ Accumulating		
Sold	2	3
Redeemed	(3)	(7)
Net Decrease	(1)	(4)
Class C US\$ Distributing (D)		
Sold	12	9
Redeemed	(13)	(5)
Net (Decrease)/Increase	(1)	4
Class E US\$ Accumulating		
Sold	1	–
Net Increase	1	–
Class A (G) US\$ Accumulating		
Redeemed	(1)	(2)
Net Decrease	(1)	(2)
Class A (G) US\$ Distributing (D)		
Sold	–	3
Redeemed	(11)	(16)
Net Decrease	(11)	(13)
Class B (G) US\$ Distributing (D)		
Redeemed	–	(1)
Net Decrease	–	(1)
Class L (G) US\$ Accumulating		
Redeemed	(1)	–
Net Decrease	(1)	–
Class L (G) US\$ Distributing (D)		
Redeemed	–	(2)
Net Decrease	–	(2)
Legg Mason Western Asset US Adjustable Rate Fund		
Class A US\$ Accumulating		
Sold	50	89
Redeemed	(36)	(125)
Net Increase/(Decrease)	14	(36)
Class B US\$ Distributing (D)		
Sold	3	–
Redeemed	(3)	–
Net Increase	–	–
Class C US\$ Distributing (D)		
Sold	1	5
Redeemed	(2)	(13)
Net Decrease	(1)	(8)
Class A (G) US\$ Accumulating		
Sold	–	1
Redeemed	(19)	(1)
Net Decrease	(19)	–
Class A (G) US\$ Distributing (D)		
Sold	–	2
Redeemed	(3)	(9)
Net Decrease	(3)	(7)
Class B (G) US\$ Accumulating		
Redeemed	–	(1)
Net Decrease	–	(1)
Class L (G) US\$ Accumulating		
Redeemed	–	(2)
Net Decrease	–	(2)
Class L (G) US\$ Distributing (D)		
Redeemed	(1)	(7)
Net Decrease	(1)	(7)

	For the year ended	
	February 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Legg Mason Western Asset Global Inflation Management Fund#		
Class A US\$ Accumulating		
Sold	14	6
Redeemed	(16)	(20)
Net Decrease	(2)	(14)
Class A US\$ Distributing (A)		
Sold	24	15
Redeemed	(19)	(5)
Net Increase	5	10
Class C US\$ Accumulating		
Redeemed	–	(1)
Net Decrease	–	(1)
Class C US\$ Distributing (A)		
Sold	2	1
Redeemed	(3)	(10)
Net Decrease	(1)	(9)
Class A (G) US\$ Accumulating		
Redeemed	(1)	–
Net Decrease	(1)	–
Class B (G) US\$ Distributing (A)		
Redeemed	–	(1)
Net Decrease	–	(1)
Class L (G) US\$ Distributing (A)		
Redeemed	(1)	–
Net Decrease	(1)	–
Legg Mason Western Asset Asian Opportunities Fund		
Class A US\$ Accumulating		
Sold	255	387
Redeemed	(475)	(699)
Net Decrease	(220)	(312)
Class A US\$ Distributing (D)		
Sold	43	95
Redeemed	(253)	(245)
Net Decrease	(210)	(150)
Class A US\$ Distributing (M) Plus		
Sold	80	56
Redeemed	(56)	(19)
Net Increase	24	37
Class A US\$ Distributing (M)		
Sold	47	180
Redeemed	(183)	(82)
Net (Decrease)/Increase	(136)	98
Class A AUD Distributing (M) (Hedged) Plus		
Sold	82	73
Redeemed	(38)	(44)
Net Increase	44	29
Class A CHF Accumulating (Hedged)		
Sold	3	12
Redeemed	(1)	–
Net Increase	2	12
Class A CNH Distributing (M) (Hedged) Plus		
Sold	62	105
Redeemed	(71)	(58)
Net (Decrease)/Increase	(9)	47
Class A Euro Accumulating (Hedged)		
Sold	14	10
Redeemed	(31)	(27)
Net Decrease	(17)	(17)
Class A Euro Accumulating		
Sold	8	48
Redeemed	(25)	(51)
Net Decrease	(17)	(3)
Class A Euro Distributing (A)		
Sold	2	9
Redeemed	(6)	(3)
Net (Decrease)/Increase	(4)	6
Class A GBP Distributing (D) (Hedged)		
Sold	2	1
Redeemed	(3)	(7)
Net Decrease	(1)	(6)
Class A GBP Distributing (M)		
Sold	1	1
Redeemed	(1)	–
Net Increase	–	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 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Legg Mason Western Asset Asian Opportunities Fund – (continued)		
Class A HKD Distributing (M) Plus		
Sold	1	–
Net Increase	1	–
Class A SGD Accumulating (Hedged)		
Sold	6,896	2,601
Redeemed	(11,470)	(3,787)
Net Decrease	(4,574)	(1,186)
Class A SGD Distributing (M) (Hedged) Plus		
Sold	1,411	1,650
Redeemed	(6,879)	(4,252)
Net Decrease	(5,468)	(2,602)
Class A SGD Distributing (M) Plus		
Sold	360	2,915
Redeemed	(1,281)	(3,946)
Net Decrease	(921)	(1,031)
Class B US\$ Accumulating		
Sold	1	–
Redeemed	(4)	(3)
Net Decrease	(3)	(3)
Class B US\$ Distributing (D)		
Sold	1	–
Redeemed	(6)	(4)
Net Decrease	(5)	(4)
Class C US\$ Accumulating		
Sold	2	4
Redeemed	(31)	(75)
Net Decrease	(29)	(71)
Class C US\$ Distributing (D)		
Sold	8	13
Redeemed	(36)	(102)
Net Decrease	(28)	(89)
Class E US\$ Accumulating		
Sold	10	7
Redeemed	(27)	(26)
Net Decrease	(17)	(19)
Class E US\$ Distributing (D)		
Sold	5	2
Redeemed	(8)	(13)
Net Decrease	(3)	(11)
Class E Euro Accumulating (Hedged)		
Sold	–	1
Redeemed	(1)	–
Net (Decrease)/Increase	(1)	1
Class F US\$ Accumulating		
Sold	97	268
Redeemed	(174)	(187)
Net (Decrease)/Increase	(77)	81
Class X US\$ Distributing (M)		
Sold	15	–
Net Increase	15	–
Class X Euro Accumulating (Hedged)		
Sold	2	13
Redeemed	(14)	(1)
Net (Decrease)/Increase	(12)	12
Premier Class US\$ Accumulating		
Sold	264	421
Redeemed	(417)	(92)
Net (Decrease)/Increase	(153)	329
Premier Class US\$ Distributing (M)		
Sold	243	275
Redeemed	(330)	(188)
Net (Decrease)/Increase	(87)	87
Premier Class Euro Accumulating (Hedged)		
Sold	1	12
Redeemed	(5)	(9)
Net (Decrease)/Increase	(4)	3
Premier Class Euro Accumulating		
Sold	41	167
Redeemed	(182)	(19)
Net (Decrease)/Increase	(141)	148
Premier Class Euro Distributing (A)		
Sold	28	237
Redeemed	–	(445)
Net Increase/(Decrease)	28	(208)

	For the year ended	
	February 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Premier Class Euro Distributing (M)		
Redeemed	–	(24)
Net Decrease	–	(24)
Premier Class GBP Distributing (M)		
Sold	3	–
Redeemed	(1)	(2)
Net Increase/(Decrease)	2	(2)
LM Class US\$ Accumulating		
Sold	–	8
Redeemed	(178)	(283)
Net Decrease	(178)	(275)
Legg Mason Western Asset Global Blue Chip Bond Fund		
Class A US\$ Accumulating		
Sold	21	24
Redeemed	(69)	(6)
Net (Decrease)/Increase	(48)	18
Class A US\$ Distributing (M)		
Sold	5	3
Redeemed	(12)	(10)
Net Decrease	(7)	(7)
Class A Euro Accumulating (Hedged)		
Sold	–	1
Redeemed	(1)	–
Net (Decrease)/Increase	(1)	1
Class B US\$ Accumulating		
Sold	20	–
Redeemed	(8)	–
Net Increase	12	–
Class C US\$ Accumulating		
Sold	–	5
Redeemed	–	(2)
Net Increase	–	3
Class C US\$ Distributing (M)		
Sold	–	1
Redeemed	(3)	(72)
Net Decrease	(3)	(71)
Class E US\$ Accumulating		
Sold	70	100
Redeemed	(6)	(100)
Net Increase	64	–
Class E US\$ Distributing (D)		
Sold	37	1
Redeemed	(1)	(2)
Net Increase/(Decrease)	36	(1)
Class F US\$ Accumulating		
Sold	1	–
Net Increase	1	–
Premier Class US\$ Accumulating		
Sold	–	41
Redeemed	(29)	(42)
Net Decrease	(29)	(1)
Premier Class US\$ Distributing (M)		
Sold	–	18
Redeemed	(19)	(9)
Net (Decrease)/Increase	(19)	9
Premier Class Euro Accumulating (Hedged)		
Sold	1	1
Redeemed	–	(42)
Net Increase/(Decrease)	1	(41)
Premier Class Euro Distributing (M) (Hedged)		
Redeemed	(4)	(1)
Net Decrease	(4)	(1)
Premier Class GBP Accumulating (Hedged)		
Redeemed	(4)	(4)
Net Decrease	(4)	(4)
Premier Class GBP Distributing (M) (Hedged)		
Sold	6	2
Redeemed	(38)	(67)
Net Decrease	(32)	(65)

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 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Legg Mason Western Asset Brazil Bond Fund^α		
Class A US\$ Distributing (M)		
Sold	4	6
Redeemed	(7)	(3)
Net (Decrease)/Increase	(3)	3
LM Class US\$ Accumulating		
Sold	–	276
Redeemed	(326)	–
Net (Decrease)/Increase	(326)	276
Legg Mason Western Asset Global Credit Absolute Return Fund^α		
Class A US\$ Accumulating		
Sold	–	4
Redeemed	(2)	(2)
Net (Decrease)/Increase	(2)	2
Class A US\$ Distributing (M)		
Sold	25	24
Redeemed	(85)	(9)
Net (Decrease)/Increase	(60)	15
Class A Euro Accumulating (Hedged)		
Sold	–	3
Redeemed	–	(4)
Net Decrease	–	(1)
Class A GBP Distributing (M) (Hedged)		
Sold	5	3
Redeemed	(10)	(6)
Net Decrease	(5)	(3)
Class A (PF) US\$ Accumulating		
Sold	–	1
Redeemed	(5)	(1)
Net Decrease	(5)	–
Class X GBP Distributing (M) (Hedged)		
Sold	3	9
Redeemed	(19)	(9)
Net Decrease	(16)	–
Premier Class Euro Accumulating (Hedged)		
Sold	24	26
Redeemed	(85)	(43)
Net Decrease	(61)	(17)
Premier Class GBP Distributing (M) (Hedged)		
Sold	37	86
Redeemed	(207)	(59)
Net (Decrease)/Increase	(170)	27
Premier (PF) Class US\$ Accumulating		
Sold	–	24
Redeemed	(13)	(221)
Net Decrease	(13)	(197)
Premier (PF) Class GBP Accumulating (Hedged)		
Sold	–	34
Redeemed	–	(26)
Net Increase	–	8
Premier (PF) Class GBP Distributing (M) (Hedged)		
Sold	8	20
Redeemed	(130)	(14)
Net (Decrease)/Increase	(122)	6
Legg Mason Western Asset Global Core Plus Bond Fund^α		
Class A US\$ Distributing (D)		
Sold	23	1
Net Increase	23	1
Class X US\$ Accumulating		
Sold	2	2
Redeemed	(2)	–
Net Increase	–	2
Premier Class US\$ Accumulating		
Sold	788	773
Redeemed	(187)	(710)
Net Increase	601	63
Premier Class Euro Accumulating (Hedged)		
Sold	313	138
Redeemed	(68)	–
Net Increase	245	138

	For the year ended	
	February 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Premier Class JPY Accumulating (Hedged)		
Sold	4	44
Redeemed	(19)	(29)
Net (Decrease)/Increase	(15)	15
LM Class US\$ Accumulating		
Sold	–	1
Redeemed	–	(236)
Net Decrease	–	(235)
LM Class Euro Accumulating (Hedged)		
Sold	–	74
Redeemed	–	(101)
Net Decrease	–	(27)
LM Class JPY Accumulating (Hedged)		
Redeemed	–	(110)
Net Decrease	–	(110)
Legg Mason Western Asset Global Inflation-Linked Fund		
Class A US\$ Accumulating		
Sold	–	4
Redeemed	–	(4)
Net Increase	–	–
Class A SGD Accumulating (Hedged)		
Sold	–	434
Redeemed	–	(1,057)
Net Decrease	–	(623)
Premier Class US\$ Accumulating		
Redeemed	–	(244)
Net Decrease	–	(244)
LM Class GBP Accumulating (Hedged)		
Redeemed	–	(4)
Net Decrease	–	(4)
Legg Mason Western Asset Global Credit Fund		
Class A US\$ Accumulating		
Sold	–	1
Redeemed	(1)	(1)
Net Decrease	(1)	–
Class A US\$ Distributing (D)		
Sold	2	1
Redeemed	(5)	(4)
Net Decrease	(3)	(3)
Class A Euro Accumulating (Hedged)		
Sold	1	9
Redeemed	(3)	(4)
Net (Decrease)/Increase	(2)	5
Premier Class US\$ Accumulating		
Redeemed	–	(1)
Net Decrease	–	(1)
LM Class US\$ Accumulating		
Sold	1	–
Redeemed	(223)	(45)
Net Decrease	(222)	(45)
Legg Mason Western Asset Euro High Yield Fund		
Class A Euro Distributing (D)		
Sold	1	–
Redeemed	–	(1)
Net Increase/(Decrease)	1	(1)
LM Class Euro Accumulating		
Sold	31	–
Redeemed	(24)	–
Net Increase	7	–
LM Class Euro Distributing (Q)		
Sold	26	12
Redeemed	(31)	(4)
Net (Decrease)/Increase	(5)	8
Legg Mason Western Asset Macro Opportunities Bond Fund^α		
Class A US\$ Accumulating		
Sold	6,354	6,889
Redeemed	(4,015)	(533)
Net Increase	2,339	6,356

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 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Legg Mason Western Asset Macro Opportunities Bond Fund^ – (continued)		
Class A US\$ Distributing (M) Plus (e)		
Sold	1,429	578
Redeemed	(648)	(8)
Net Increase	781	570
Class A US\$ Distributing (S)		
Sold	436	1,178
Redeemed	(626)	(20)
Net (Decrease)/Increase	(190)	1,158
Class A AUD Distributing (M) (Hedged) Plus (e)		
Sold	118	–
Redeemed	(19)	–
Net Increase	99	–
Class A CHF Accumulating (Hedged)		
Sold	251	222
Redeemed	(183)	(19)
Net Increase	68	203
Class A CNH Accumulating (Hedged)		
Sold	212	6
Redeemed	(24)	–
Net Increase	188	6
Class A CNH Distributing (M) (Hedged) Plus (e)		
Sold	227	12
Redeemed	(34)	(6)
Net Increase	193	6
Class A Euro Accumulating (Hedged)		
Sold	2,080	2,607
Redeemed	(1,796)	(179)
Net Increase	284	2,428
Class A Euro Distributing (A)		
Sold	96	–
Redeemed	(85)	–
Net Increase	11	–
Class A GBP Accumulating (Hedged)		
Sold	158	113
Redeemed	(74)	(8)
Net Increase	84	105
Class A GBP Accumulating		
Sold	1	–
Net Increase	1	–
Class A SEK Accumulating (Hedged)		
Sold	4,615	–
Redeemed	(960)	–
Net Increase	3,655	–
Class A SGD Accumulating (Hedged)		
Sold	12,093	33,177
Redeemed	(10,125)	(5,648)
Net Increase	1,968	27,529
Class A SGD Distributing (M) (Hedged) Plus (e)		
Sold	5,837	136
Redeemed	(803)	–
Net Increase	5,034	136
Class B US\$ Accumulating		
Sold	7	13
Redeemed	–	(7)
Net Increase	7	6
Class C US\$ Accumulating		
Sold	252	525
Redeemed	(436)	(40)
Net (Decrease)/Increase	(184)	485
Class C US\$ Distributing (S)		
Sold	74	68
Redeemed	(38)	–
Net Increase	36	68
Class E US\$ Accumulating		
Sold	260	268
Redeemed	(195)	(81)
Net Increase	65	187
Class E US\$ Distributing (S)		
Sold	18	5
Redeemed	(2)	(2)
Net Increase	16	3

	For the year ended	
	February 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Class E Euro Accumulating (Hedged)		
Sold	27	25
Redeemed	(14)	(1)
Net Increase	13	24
Class F US\$ Accumulating		
Sold	632	587
Redeemed	(531)	(81)
Net Increase	101	506
Class F US\$ Distributing (S)		
Sold	68	5
Redeemed	(28)	–
Net Increase	40	5
Class S US\$ Accumulating		
Sold	20	743
Redeemed	(556)	(655)
Net (Decrease)/Increase	(536)	88
Class S Euro Accumulating (Hedged)		
Sold	467	737
Redeemed	(551)	(73)
Net (Decrease)/Increase	(84)	664
Class X US\$ Accumulating		
Sold	1,008	898
Redeemed	(613)	(85)
Net Increase	395	813
Class X US\$ Distributing (M) Plus (e)		
Sold	5	–
Net Increase	5	–
Class X US\$ Distributing (S)		
Sold	70	1
Net Increase	70	1
Class X CHF Accumulating (Hedged)		
Sold	164	54
Redeemed	(41)	(8)
Net Increase	123	46
Class X Euro Accumulating (Hedged)		
Sold	546	654
Redeemed	(425)	(37)
Net Increase	121	617
Class X Euro Accumulating		
Sold	107	230
Redeemed	(70)	(136)
Net Increase	37	94
Class X GBP Accumulating (Hedged)		
Sold	430	444
Redeemed	(294)	(50)
Net Increase	136	394
Class X GBP Accumulating		
Sold	49	–
Redeemed	(21)	–
Net Increase	28	–
Class X GBP Distributing (M) (Hedged) Plus (e)		
Sold	3	–
Net Increase	3	–
Class X SGD Accumulating (Hedged)		
Sold	748	1,701
Redeemed	(1,241)	(323)
Net (Decrease)/Increase	(493)	1,378
Premier Class US\$ Accumulating		
Sold	2,928	4,036
Redeemed	(1,803)	(2,217)
Net Increase	1,125	1,819
Premier Class US\$ Distributing (S)		
Sold	269	51
Redeemed	(33)	(2)
Net Increase	236	49
Premier Class AUD Distributing (S) (Hedged)		
Sold	190	–
Redeemed	(10)	–
Net Increase	180	–
Premier Class CHF Accumulating (Hedged)		
Sold	141	23
Redeemed	(49)	(1)
Net Increase	92	22

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 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Legg Mason Western Asset Macro Opportunities Bond Fund[^] – (continued)		
Premier Class CHF Distributing (S) (Hedged)		
Sold	30	–
Net Increase	30	–
Premier Class Euro Accumulating (Hedged)		
Sold	4,527	10,369
Redeemed	(3,933)	(3,191)
Net Increase	594	7,178
Premier Class Euro Accumulating		
Sold	49	240
Redeemed	(87)	(136)
Net (Decrease)/Increase	(38)	104
Premier Class Euro Distributing (S) (Hedged)		
Sold	89	–
Redeemed	(6)	–
Net Increase	83	–
Premier Class GBP Accumulating (Hedged)		
Sold	637	504
Redeemed	(108)	–
Net Increase	529	504
Premier Class GBP Distributing (M) (Hedged) Plus (e)		
Sold	501	290
Redeemed	(68)	(2)
Net Increase	433	288
Premier Class SEK Accumulating (Hedged)		
Sold	1,523	–
Redeemed	(1,029)	–
Net Increase	494	–
Premier Class BRL Accumulating (Hedged)		
Sold	718	–
Net Increase	718	–
Legg Mason Western Asset EM Local Currency Debt Fund^{^μ}		
Premier Class US\$ Accumulating		
Sold	763	–
Net Increase	763	–
Legg Mason Western Asset Multi-Asset Credit Fund^{^μ}		
LM Class GBP Accumulating (Hedged)		
Sold	1,206	–
Net Increase	1,206	–
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund^{^c}		
Class A US\$ Distributing (M) Plus (e)		
Sold	10	–
Net Increase	10	–
Class A Euro Accumulating (Hedged)		
Sold	9	–
Net Increase	9	–
Class A Euro Distributing (A) (Hedged)		
Sold	9	–
Net Increase	9	–
Premier Class US\$ Accumulating		
Sold	10	–
Net Increase	10	–
Premier Class Euro Accumulating (Hedged)		
Sold	9	–
Net Increase	9	–
Legg Mason Western Asset Structured Opportunities Fund^{^Ø}		
LM Class US\$ Accumulating		
Sold	3,337	–
Net Increase	3,337	–
Legg Mason Western Asset US Mortgage-Backed Securities Fund^{^Ø}		
LM Class US\$ Accumulating		
Sold	7,788	–
Net Increase	7,788	–
Legg Mason Brandywine Global Fixed Income Fund		
Class A US\$ Accumulating		
Sold	765	1,519
Redeemed	(1,167)	(748)
Net (Decrease)/Increase	(402)	771

	For the year ended	
	February 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Class A US\$ Distributing (M)		
Sold	27	74
Redeemed	(39)	(72)
Net (Decrease)/Increase	(12)	2
Class A US\$ Distributing (S)		
Sold	248	265
Redeemed	(561)	(527)
Net Decrease	(313)	(262)
Class A AUD Distributing (M) (Hedged) Plus		
Sold	37	–
Redeemed	(29)	–
Net Increase	8	–
Class A Euro Accumulating (Hedged) (AH)		
Sold	393	561
Redeemed	(600)	(474)
Net (Decrease)/Increase	(207)	87
Class A Euro Accumulating (Hedged)		
Sold	41	34
Redeemed	(26)	(14)
Net Increase	15	20
Class A Euro Distributing (A) (Hedged)		
Sold	6	48
Redeemed	(46)	–
Net (Decrease)/Increase	(40)	48
Class A Euro Distributing (S) (Hedged) (AH)		
Sold	151	95
Redeemed	(151)	(86)
Net Increase	–	9
Class A GBP Distributing (S) (Hedged) (AH)		
Sold	29	71
Redeemed	(69)	(155)
Net Decrease	(40)	(84)
Class A SGD Accumulating		
Sold	1,691	–
Redeemed	(305)	–
Net Increase	1,386	–
Class B US\$ Accumulating		
Sold	–	1
Redeemed	(2)	(5)
Net Decrease	(2)	(4)
Class B US\$ Distributing (S)		
Sold	6	5
Redeemed	(5)	(9)
Net Increase/(Decrease)	1	(4)
Class C US\$ Accumulating		
Sold	5	15
Redeemed	(24)	(29)
Net Decrease	(19)	(14)
Class C US\$ Distributing (S)		
Sold	12	55
Redeemed	(83)	(118)
Net Decrease	(71)	(63)
Class E US\$ Accumulating		
Sold	44	40
Redeemed	(90)	(108)
Net Decrease	(46)	(68)
Class E Euro Accumulating (Hedged) (AH)		
Sold	51	77
Redeemed	(214)	(160)
Net Decrease	(163)	(83)
Class F US\$ Accumulating		
Sold	7	226
Redeemed	(14)	(386)
Net Decrease	(7)	(160)
Class F US\$ Distributing (S)		
Sold	1	1
Redeemed	(7)	(31)
Net Decrease	(6)	(30)
Class R US\$ Distributing (S)		
Sold	1	9
Redeemed	(5)	–
Net (Decrease)/Increase	(4)	9
Class R GBP Distributing (S) (Hedged) (AH)		
Sold	10	36
Redeemed	(29)	(3)
Net (Decrease)/Increase	(19)	33

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 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Legg Mason Brandywine Global Fixed Income Fund – (continued)		
Class X US\$ Accumulating		
Sold	27	13
Redeemed	(14)	(8)
Net Increase	13	5
Class X US\$ Distributing (S)		
Sold	173	182
Redeemed	(216)	(40)
Net (Decrease)/Increase	(43)	142
Class X Euro Accumulating (Hedged)		
Sold	109	479
Redeemed	(77)	(20)
Net Increase	32	459
Class X Euro Distributing (S) (Hedged)		
Redeemed	–	(1)
Net Decrease	–	(1)
Class X GBP Accumulating (Hedged) (AH)		
Sold	1	–
Redeemed	(1)	–
Net Increase	–	–
Class X GBP Accumulating (Hedged)		
Sold	7	1
Redeemed	(3)	–
Net Increase	4	1
Class X GBP Accumulating		
Sold	1	–
Net Increase	1	–
Class X GBP Distributing (S) (Hedged) (AH)		
Sold	46	15
Redeemed	(17)	(2)
Net Increase	29	13
Class X GBP Distributing (S) (Hedged)		
Sold	5	5
Redeemed	(15)	(12)
Net Decrease	(10)	(7)
Premier Class US\$ Accumulating		
Sold	1,279	1,374
Redeemed	(1,909)	(809)
Net (Decrease)/Increase	(630)	565
Premier Class US\$ Distributing (S)		
Sold	295	1,115
Redeemed	(1,313)	(69)
Net (Decrease)/Increase	(1,018)	1,046
Premier Class CHF Accumulating (Hedged) (AH)		
Sold	14	35
Redeemed	(41)	(8)
Net (Decrease)/Increase	(27)	27
Premier Class Euro Accumulating (Hedged) (AH)		
Sold	316	1,078
Redeemed	(402)	(1,642)
Net Decrease	(86)	(564)
Premier Class Euro Accumulating (Hedged)		
Sold	935	61
Redeemed	(80)	(8)
Net Increase	855	53
Premier Class Euro Accumulating		
Sold	1,328	878
Redeemed	(1,672)	(514)
Net (Decrease)/Increase	(344)	364
Premier Class Euro Distributing (S)		
Sold	16	–
Net Increase	16	–
Premier Class GBP Distributing (M) (Hedged)		
Sold	22	106
Redeemed	(58)	(2)
Net (Decrease)/Increase	(36)	104
Premier Class GBP Distributing (S) (Hedged) (AH)		
Sold	67	66
Redeemed	(31)	(30)
Net Increase	36	36
Premier Class JPY Accumulating (Hedged) (AH)		
Sold	3	40
Redeemed	(17)	(26)
Net (Decrease)/Increase	(14)	14

	For the year ended	
	February 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
LM Class US\$ Accumulating (Hedged) (AH)		
Sold	873	–
Net Increase	873	–
LM Class US\$ Accumulating		
Sold	–	1
Redeemed	–	(229)
Net Decrease	–	(228)
LM Class Euro Accumulating (Hedged) (AH)		
Redeemed	–	(26)
Net Decrease	–	(26)
LM Class JPY Accumulating (Hedged) (AH)		
Sold	–	1
Redeemed	–	(104)
Net Decrease	–	(103)

Legg Mason Brandywine Global Fixed Income Absolute Return Fund^A

Class A US\$ Accumulating		
Sold	244	348
Redeemed	(488)	(224)
Net (Decrease)/Increase	(244)	124
Class A US\$ Distributing (A)		
Sold	21	14
Redeemed	(13)	(3)
Net Increase	8	11
Class A Euro Accumulating (Hedged)		
Sold	63	44
Redeemed	(77)	(2)
Net (Decrease)/Increase	(14)	42
Class A SEK Accumulating (Hedged)		
Sold	488	–
Redeemed	(327)	–
Net Increase	161	–
Class B US\$ Distributing (D)		
Redeemed	(2)	(1)
Net Decrease	(2)	(1)
Class C US\$ Accumulating		
Sold	11	17
Redeemed	(24)	(19)
Net Decrease	(13)	(2)
Class E US\$ Accumulating		
Sold	7	15
Redeemed	(18)	(242)
Net Decrease	(11)	(227)
Class E US\$ Distributing (A)		
Sold	6	10
Redeemed	(9)	(3)
Net (Decrease)/Increase	(3)	7
Class F US\$ Accumulating		
Sold	319	334
Redeemed	(437)	–
Net (Decrease)/Increase	(118)	334
Class F US\$ Distributing (A)		
Sold	–	1
Redeemed	(1)	–
Net (Decrease)/Increase	(1)	1
Class X GBP Accumulating (Hedged)		
Sold	–	22
Net Increase	–	22
Class X GBP Distributing (M) (Hedged)		
Sold	2	6
Redeemed	(3)	(33)
Net Decrease	(1)	(27)
Premier Class US\$ Accumulating		
Sold	913	888
Redeemed	(758)	(774)
Net Increase	155	114
Premier Class US\$ Distributing (A)		
Sold	52	143
Redeemed	(114)	(31)
Net (Decrease)/Increase	(62)	112
Premier Class CHF Accumulating (Hedged)		
Sold	28	–
Redeemed	(19)	–
Net Increase	9	–

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 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^] – (continued)		
Premier Class Euro Accumulating (Hedged)		
Sold	486	591
Redeemed	(533)	(442)
Net (Decrease)/Increase	(47)	149
Premier Class Euro Distributing (A) (Hedged)		
Sold	9	67
Redeemed	(26)	(31)
Net (Decrease)/Increase	(17)	36
Premier Class GBP Distributing (M) (Hedged)		
Sold	319	543
Redeemed	(269)	(242)
Net Increase	50	301
Premier Class SEK Accumulating (Hedged)		
Sold	149	–
Redeemed	(81)	–
Net Increase	68	–
Premier Class SGD Accumulating (Hedged)		
Sold	61,913	261,683
Redeemed	(62,488)	–
Net (Decrease)/Increase	(575)	261,683
LM Class US\$ Accumulating		
Sold	2,849	3,616
Redeemed	(1,295)	(2,436)
Net Increase	1,554	1,180
LM Class AUD Accumulating (Hedged)		
Sold	276	685
Redeemed	–	(1,275)
Net Increase/(Decrease)	276	(590)
LM Class Euro Accumulating (Hedged)		
Sold	1,823	176
Redeemed	(38)	(492)
Net Increase/(Decrease)	1,785	(316)
LM Class GBP Accumulating (Hedged)		
Sold	160	–
Net Increase	160	–
Legg Mason Brandywine Global High Yield Fund[^]		
Class A US\$ Accumulating		
Sold	1	10
Redeemed	(5)	(31)
Net Decrease	(4)	(21)
Class S CAD Accumulating (Hedged) (AH)		
Sold	90	–
Net Increase	90	–
Premier Class US\$ Accumulating		
Sold	53	27
Redeemed	(58)	(5)
Net (Decrease)/Increase	(5)	22
Premier Class Euro Accumulating (Hedged) (AH)		
Sold	2	–
Net Increase	2	–
Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^]		
Class A US\$ Accumulating		
Sold	93	386
Redeemed	(235)	(189)
Net (Decrease)/Increase	(142)	197
Class A US\$ Distributing (M)		
Sold	22	36
Redeemed	(5)	(12)
Net Increase	17	24
Class A Euro Accumulating (Hedged)		
Sold	1	1
Net Increase	1	1
Class C US\$ Accumulating		
Sold	4	9
Redeemed	(7)	(6)
Net (Decrease)/Increase	(3)	3
Class E US\$ Accumulating		
Sold	1	6
Redeemed	(9)	(8)
Net Decrease	(8)	(2)

	For the year ended	
	February 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Class F US\$ Accumulating		
Sold	28	26
Redeemed	(46)	–
Net (Decrease)/Increase	(18)	26
Class F US\$ Distributing (M)		
Redeemed	(3)	–
Net Decrease	(3)	–
Class X Euro Accumulating (Hedged)		
Sold	–	9
Redeemed	(3)	(2)
Net (Decrease)/Increase	(3)	7
Premier Class US\$ Accumulating (Hedged) (AH)		
Sold	40	–
Redeemed	(20)	–
Net Increase	20	–
Premier Class US\$ Accumulating		
Sold	1,584	247
Redeemed	(772)	(69)
Net Increase	812	178
Premier Class US\$ Distributing (M)		
Sold	–	167
Redeemed	(68)	(26)
Net (Decrease)/Increase	(68)	141
Premier Class Euro Accumulating (Hedged) (AH)		
Sold	1	100
Redeemed	(4)	(48)
Net (Decrease)/Increase	(3)	52
Premier Class GBP Accumulating (Hedged)		
Sold	–	73
Redeemed	(43)	(30)
Net (Decrease)/Increase	(43)	43
Premier Class GBP Distributing (M) (Hedged) (AH)		
Sold	1	52
Redeemed	(83)	(38)
Net (Decrease)/Increase	(82)	14
Premier Class NZD Accumulating (Hedged) (AH)		
Sold	36	–
Redeemed	(10)	(13)
Net Increase/(Decrease)	26	(13)
LM Class US\$ Accumulating (Hedged) (AH)		
Redeemed	–	(158)
Net Decrease	–	(158)
LM Class US\$ Accumulating		
Sold	2,383	–
Redeemed	(10)	–
Net Increase	2,373	–
LM Class NZD Accumulating (Hedged) (AH)		
Sold	101	247
Redeemed	(18)	(80)
Net Increase	83	167
Legg Mason Brandywine Global Sovereign Credit Fund[^]		
Premier Class GBP Accumulating (Hedged) (AH)		
Sold	112	872
Redeemed	(361)	–
Net (Decrease)/Increase	(249)	872
Premier Class GBP Distributing (S) (Hedged) (AH)		
Sold	563	227
Net Increase	563	227
LM Class GBP Accumulating (Hedged) (AH)		
Sold	3,450	3,958
Redeemed	(3,252)	–
Net Increase	198	3,958
LM Class GBP Distributing (S) (Hedged) (AH)		
Sold	3,787	–
Redeemed	(268)	–
Net Increase	3,519	–
Legg Mason Brandywine Global Income Optimiser Fund[^]		
Class A US\$ Distributing (D)		
Sold	–	1
Redeemed	–	(1)
Net Increase	–	–

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 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Legg Mason Brandywine Global Income Optimiser Fund[^] – (continued)		
Class A US\$ Distributing (M) Plus (e)		
Sold	4	14
Redeemed	(5)	(5)
Net (Decrease)/Increase	(1)	9
Class A Euro Distributing (M) (Hedged) Plus (e)		
Sold	46	60
Redeemed	(6)	(6)
Net Increase	40	54
Class A GBP Distributing (M) (Hedged) Plus (e)		
Sold	3	28
Redeemed	(16)	(10)
Net (Decrease)/Increase	(13)	18
Class A SGD Distributing (M) (Hedged) Plus		
Sold	49	–
Net Increase	49	–
Class C US\$ Accumulating		
Sold	–	3
Redeemed	(3)	–
Net (Decrease)/Increase	(3)	3
Class X US\$ Distributing (D)		
Sold	65	4
Redeemed	(77)	(2)
Net (Decrease)/Increase	(12)	2
Class X US\$ Distributing (M) Plus (e)		
Sold	6	22
Redeemed	(5)	(4)
Net Increase	1	18
Class X Euro Distributing (M) (Hedged) Plus (e)		
Sold	10	13
Redeemed	(7)	(5)
Net Increase	3	8
Class X GBP Distributing (M) (Hedged) Plus (e)		
Sold	53	75
Redeemed	(37)	(11)
Net Increase	16	64
Premier Class US\$ Distributing (M) Plus (e)		
Sold	1	1
Redeemed	(3)	–
Net (Decrease)/Increase	(2)	1
Premier Class Euro Accumulating (Hedged)		
Sold	2	4
Redeemed	(1)	–
Net Increase	1	4
Premier Class Euro Distributing (M) (Hedged) Plus (e)		
Sold	27	12
Redeemed	(16)	(2)
Net Increase	11	10
Premier Class SEK Accumulating (Hedged)		
Sold	168	425
Redeemed	(13)	–
Net Increase	155	425
LM Class US\$ Accumulating		
Sold	–	324
Redeemed	(369)	–
Net (Decrease)/Increase	(369)	324
Legg Mason Brandywine Global Credit Opportunities Fund[^]		
Class A US\$ Accumulating		
Sold	171	154
Redeemed	(182)	(2)
Net (Decrease)/Increase	(11)	152
Class A Euro Accumulating (Hedged)		
Sold	3	–
Net Increase	3	–
Class S US\$ Accumulating		
Sold	53	89
Redeemed	(142)	–
Net (Decrease)/Increase	(89)	89
Class X GBP Distributing (M) (Hedged) Plus (e)		
Sold	–	12
Redeemed	(11)	(1)
Net (Decrease)/Increase	(11)	11

	For the year ended	
	February 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Premier Class US\$ Accumulating		
Sold	469	50
Redeemed	(101)	–
Net Increase	368	50
Premier Class US\$ Distributing (A)		
Sold	102	–
Redeemed	(6)	–
Net Increase	96	–
Premier Class Euro Accumulating (Hedged)		
Sold	84	35
Redeemed	(98)	–
Net (Decrease)/Increase	(14)	35
Premier Class GBP Accumulating (Hedged)		
Sold	–	3
Net Increase	–	3
Premier Class GBP Distributing (M) (Hedged)		
Sold	108	–
Redeemed	(54)	–
Net Increase	54	–
LM Class US\$ Accumulating		
Sold	–	173
Redeemed	(20)	–
Net (Decrease)/Increase	(20)	173
Legg Mason Brandywine Global Dynamic US Equity Fund[^] &		
Class A US\$ Accumulating		
Sold	1	–
Net Increase	1	–
Class S Euro Accumulating (Hedged)		
Sold	13	–
Net Increase	13	–
Premier Class US\$ Accumulating		
Sold	5	–
Net Increase	5	–
Legg Mason Western Asset Brazil Equity Fund[^] &		
Class A US\$ Distributing (A)		
Redeemed	(1)	–
Net Decrease	(1)	–
LM Class US\$ Accumulating		
Redeemed	(50)	–
Net Decrease	(50)	–
Legg Mason ClearBridge Value Fund		
Class A US\$ Accumulating		
Sold	313	1,388
Redeemed	(753)	(1,044)
Net (Decrease)/Increase	(440)	344
Class A US\$ Distributing (A)		
Sold	36	71
Redeemed	(131)	(146)
Net Decrease	(95)	(75)
Class A Euro Accumulating		
Sold	6	88
Redeemed	(18)	(78)
Net (Decrease)/Increase	(12)	10
Class A GBP Distributing (A)		
Sold	1	–
Redeemed	(1)	–
Net Increase	–	–
Class A SGD Accumulating (Hedged)		
Sold	54	2,459
Redeemed	(2,803)	(2,871)
Net Decrease	(2,749)	(412)
Class A SGD Accumulating		
Sold	1,288	8,413
Redeemed	(4,205)	(21,331)
Net Decrease	(2,917)	(12,918)
Class B US\$ Accumulating		
Sold	2	–
Net Increase	2	–
Class B US\$ Distributing (A)		
Redeemed	(2)	(2)
Net Decrease	(2)	(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 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Legg Mason ClearBridge Value Fund – (continued)		
Class C US\$ Accumulating		
Sold	3	8
Redeemed	(4)	(6)
Net (Decrease)/Increase	(1)	2
Class C US\$ Distributing (A)		
Sold	5	7
Redeemed	(10)	(7)
Net Decrease	(5)	–
Class X US\$ Distributing (A)		
Sold	–	17
Redeemed	(1)	(1)
Net (Decrease)/Increase	(1)	16
Premier Class US\$ Accumulating		
Sold	1,087	310
Redeemed	(965)	(46)
Net Increase	122	264
Premier Class US\$ Distributing (A)		
Sold	–	5
Redeemed	(1)	(1)
Net (Decrease)/Increase	(1)	4
Premier Class Euro Accumulating		
Sold	6	8
Redeemed	(5)	–
Net Increase	1	8
LM Class US\$ Accumulating		
Redeemed	–	(31)
Net Decrease	–	(31)
LM Class Euro Accumulating		
Redeemed	–	(3)
Net Decrease	–	(3)
LM Class JPY Accumulating		
Redeemed	–	(17)
Net Decrease	–	(17)

Legg Mason ClearBridge Growth Fund		
Class A US\$ Accumulating		
Sold	3	4
Redeemed	(7)	(4)
Net Decrease	(4)	–
Class A US\$ Distributing (A)		
Sold	25	10
Redeemed	(32)	(8)
Net (Decrease)/Increase	(7)	2
Class B US\$ Distributing (A)		
Redeemed	(1)	(1)
Net Decrease	(1)	(1)
Class C US\$ Accumulating		
Sold	–	1
Redeemed	–	(1)
Net Increase	–	–
Class C US\$ Distributing (A)		
Sold	10	6
Redeemed	(5)	(5)
Net Increase	5	1

Legg Mason ClearBridge Global Equity Fund^		
Class A US\$ Accumulating		
Sold	14	17
Redeemed	(10)	(2)
Net Increase	4	15
Class A US\$ Distributing (A)		
Sold	10	2
Redeemed	(8)	–
Net Increase	2	2
Class C US\$ Accumulating		
Sold	1	2
Redeemed	(3)	(5)
Net Decrease	(2)	(3)
Class C US\$ Distributing (A)		
Sold	4	1
Net Increase	4	1

	For the year ended	
	February 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Legg Mason ClearBridge Global Equity Income Fund^		
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
Redeemed	(6)	–
Net (Decrease)/Increase	(6)	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	134	178
Redeemed	(202)	(258)
Net Decrease	(68)	(80)
Class A US\$ Distributing (A)		
Sold	130	247
Redeemed	(146)	(375)
Net Decrease	(16)	(128)
Class A Euro Accumulating		
Sold	43	107
Redeemed	(134)	(8)
Net (Decrease)/Increase	(91)	99
Class B US\$ Accumulating		
Sold	4	3
Redeemed	(9)	(2)
Net (Decrease)/Increase	(5)	1
Class B US\$ Distributing (A)		
Sold	3	3
Redeemed	(5)	(1)
Net (Decrease)/Increase	(2)	2
Class C US\$ Accumulating		
Sold	42	50
Redeemed	(61)	(36)
Net (Decrease)/Increase	(19)	14
Class C US\$ Distributing (A)		
Sold	23	69
Redeemed	(24)	(29)
Net (Decrease)/Increase	(1)	40
Class E US\$ Accumulating		
Sold	48	96
Redeemed	(94)	(126)
Net Decrease	(46)	(30)
Class E US\$ Distributing (A)		
Sold	2	9
Redeemed	(5)	(5)
Net (Decrease)/Increase	(3)	4
Class F US\$ Accumulating		
Sold	23	8
Redeemed	(13)	(13)
Net Increase/(Decrease)	10	(5)

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 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Legg Mason ClearBridge US Appreciation Fund – (continued)		
Class F US\$ Distributing (A)		
Sold	9	5
Redeemed	(5)	(4)
Net Increase	4	1
Class X US\$ Distributing (A)		
Sold	27	47
Redeemed	(16)	(9)
Net Increase	11	38
Class X Euro Accumulating		
Sold	1	9
Redeemed	(3)	(3)
Net (Decrease)/Increase	(2)	6
Premier Class US\$ Accumulating		
Sold	3	63
Redeemed	(61)	(180)
Net Decrease	(58)	(117)
Premier Class US\$ Distributing (A)		
Sold	–	2
Redeemed	(1)	(2)
Net Decrease	(1)	–
Premier Class Euro Accumulating		
Sold	39	–
Redeemed	(1)	–
Net Increase	38	–
LM Class US\$ Accumulating		
Sold	–	1
Redeemed	–	(89)
Net Decrease	–	(88)
LM Class Euro Accumulating		
Redeemed	–	(9)
Net Decrease	–	(9)
LM Class JPY Accumulating		
Redeemed	–	(46)
Net Decrease	–	(46)
Class A (G) US\$ Accumulating		
Sold	4	1
Redeemed	(11)	(8)
Net Decrease	(7)	(7)
Class B (G) US\$ Accumulating		
Redeemed	–	(1)
Net Decrease	–	(1)
Class L (G) US\$ Accumulating		
Sold	3	1
Redeemed	(7)	(4)
Net Decrease	(4)	(3)
Class GA US\$ Accumulating		
Sold	3	–
Redeemed	(13)	(2)
Net Decrease	(10)	(2)
Class GA Euro Accumulating		
Sold	–	1
Redeemed	–	(2)
Net Decrease	–	(1)
Class GA Euro Distributing (A)		
Redeemed	(1)	–
Net Decrease	(1)	–
Class GE US\$ Accumulating		
Sold	1	1
Redeemed	(3)	(1)
Net Decrease	(2)	–
Class GE Euro Accumulating		
Redeemed	–	(1)
Net Decrease	–	(1)
Legg Mason ClearBridge US Fundamental Value Fund^8		
Class A US\$ Accumulating		
Sold	–	31
Redeemed	(111)	(60)
Net Decrease	(111)	(29)
Class A US\$ Distributing (A)		
Sold	1	6
Redeemed	(25)	(11)
Net Decrease	(24)	(5)

	For the year ended	
	February 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Class A Euro Accumulating		
Sold	–	4
Redeemed	(1)	(4)
Net Decrease	(1)	–
Class B US\$ Accumulating		
Sold	–	1
Redeemed	(3)	(1)
Net Decrease	(3)	–
Class B US\$ Distributing (A)		
Sold	1	1
Redeemed	(4)	(2)
Net Decrease	(3)	(1)
Class C US\$ Accumulating		
Sold	–	7
Redeemed	(17)	(4)
Net (Decrease)/Increase	(17)	3
Class C US\$ Distributing (A)		
Sold	–	4
Redeemed	(19)	(6)
Net Decrease	(19)	(2)
Class A (G) US\$ Accumulating		
Sold	–	11
Redeemed	(287)	(58)
Net Decrease	(287)	(47)
Class B (G) US\$ Accumulating		
Redeemed	(2)	(6)
Net Decrease	(2)	(6)
Class L (G) US\$ Accumulating		
Sold	–	2
Redeemed	(119)	(13)
Net Decrease	(119)	(11)
Class GA US\$ Accumulating		
Sold	6	8
Redeemed	(76)	(55)
Net Decrease	(70)	(47)
Class GA Euro Accumulating		
Redeemed	–	(1)
Net Decrease	–	(1)
Class GE US\$ Accumulating		
Redeemed	(1)	–
Net Decrease	(1)	–
Class GE Euro Accumulating		
Sold	–	1
Redeemed	(2)	(1)
Net Decrease	(2)	–
Legg Mason ClearBridge US Large Cap Growth Fund		
Class A US\$ Accumulating		
Sold	489	186
Redeemed	(263)	(106)
Net Increase	226	80
Class A US\$ Distributing (A)		
Sold	143	43
Redeemed	(56)	(25)
Net Increase	87	18
Class A Euro Accumulating (Hedged)		
Sold	69	–
Net Increase	69	–
Class A Euro Accumulating		
Sold	26	20
Redeemed	(27)	(18)
Net (Decrease)/Increase	(1)	2
Class B US\$ Accumulating		
Sold	1	1
Redeemed	(2)	(2)
Net Decrease	(1)	(1)
Class B US\$ Distributing (A)		
Redeemed	(5)	–
Net Decrease	(5)	–
Class C US\$ Accumulating		
Sold	97	45
Redeemed	(48)	(23)
Net Increase	49	22

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 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Legg Mason ClearBridge US Large Cap Growth Fund – (continued)		
Class C US\$ Distributing (A)		
Sold	34	17
Redeemed	(20)	(66)
Net Increase/(Decrease)	14	(49)
Class E US\$ Accumulating		
Sold	39	–
Redeemed	(1)	–
Net Increase	38	–
Class E US\$ Distributing (A)		
Sold	51	–
Redeemed	(7)	–
Net Increase	44	–
Class F US\$ Distributing (A)		
Sold	8	–
Net Increase	8	–
Class X US\$ Accumulating		
Sold	42	–
Net Increase	42	–
Premier Class US\$ Accumulating		
Sold	546	122
Redeemed	(103)	–
Net Increase	443	122
Premier Class GBP Accumulating		
Sold	3	–
Redeemed	(1)	–
Net Increase	2	–
Class A (G) US\$ Accumulating		
Sold	4	3
Redeemed	(11)	(7)
Net Decrease	(7)	(4)
Class B (G) US\$ Accumulating		
Redeemed	–	(3)
Net Decrease	–	(3)
Class L (G) US\$ Accumulating		
Sold	1	5
Redeemed	(4)	(12)
Net Decrease	(3)	(7)
Class GA US\$ Accumulating		
Sold	2	–
Redeemed	(3)	(2)
Net Decrease	(1)	(2)
Legg Mason ClearBridge US Aggressive Growth Fund		
Class A US\$ Accumulating		
Sold	4,404	8,027
Redeemed	(6,262)	(4,927)
Net (Decrease)/Increase	(1,858)	3,100
Class A US\$ Distributing (A)		
Sold	747	2,010
Redeemed	(1,198)	(1,259)
Net (Decrease)/Increase	(451)	751
Class A AUD Accumulating (Hedged)		
Sold	437	668
Redeemed	(528)	(502)
Net (Decrease)/Increase	(91)	166
Class A CHF Accumulating (Hedged)		
Sold	–	3
Redeemed	(1)	–
Net (Decrease)/Increase	(1)	3
Class A CNH Accumulating (Hedged)		
Sold	7	1
Redeemed	(6)	–
Net Increase	1	1
Class A Euro Accumulating (Hedged)		
Sold	389	140
Redeemed	(434)	(232)
Net Decrease	(45)	(92)
Class A Euro Accumulating		
Sold	1,037	458
Redeemed	(1,072)	(251)
Net (Decrease)/Increase	(35)	207
Class A Euro Distributing (A) (Hedged)		
Sold	1	–
Net Increase	1	–

	For the year ended	
	February 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Class A GBP Accumulating		
Sold	6	–
Net Increase	6	–
Class A SEK Accumulating (Hedged)		
Sold	3	27
Redeemed	(5)	(33)
Net Decrease	(2)	(6)
Class A SGD Accumulating (Hedged)		
Sold	9,606	25,563
Redeemed	(18,658)	(17,353)
Net (Decrease)/Increase	(9,052)	8,210
Class B US\$ Accumulating		
Sold	18	31
Redeemed	(32)	(19)
Net (Decrease)/Increase	(14)	12
Class B US\$ Distributing (A)		
Sold	10	24
Redeemed	(27)	(8)
Net (Decrease)/Increase	(17)	16
Class C US\$ Accumulating		
Sold	162	186
Redeemed	(165)	(81)
Net (Decrease)/Increase	(3)	105
Class C US\$ Distributing (A)		
Sold	114	210
Redeemed	(118)	(37)
Net (Decrease)/Increase	(4)	173
Class E US\$ Accumulating		
Sold	270	374
Redeemed	(326)	(183)
Net (Decrease)/Increase	(56)	191
Class E US\$ Distributing (A)		
Sold	23	23
Redeemed	(9)	(7)
Net Increase	14	16
Class E Euro Accumulating (Hedged)		
Sold	15	32
Redeemed	(29)	(20)
Net (Decrease)/Increase	(14)	12
Class F US\$ Accumulating		
Sold	677	1,128
Redeemed	(986)	(239)
Net (Decrease)/Increase	(309)	889
Class F US\$ Distributing (A)		
Sold	43	32
Redeemed	(37)	(3)
Net Increase	6	29
Class X US\$ Accumulating		
Sold	1,216	1,081
Redeemed	(1,835)	(333)
Net (Decrease)/Increase	(619)	748
Class X US\$ Distributing (A)		
Sold	350	201
Redeemed	(264)	(44)
Net Increase	86	157
Class X Euro Accumulating (Hedged)		
Sold	10	78
Redeemed	(27)	(53)
Net (Decrease)/Increase	(17)	25
Class X Euro Accumulating		
Sold	130	455
Redeemed	(201)	(140)
Net (Decrease)/Increase	(71)	315
Class X GBP Accumulating		
Sold	413	347
Redeemed	(251)	(122)
Net Increase	162	225
Premier Class US\$ Accumulating		
Sold	3,473	6,179
Redeemed	(4,871)	(2,660)
Net (Decrease)/Increase	(1,398)	3,519
Premier Class CHF Accumulating (Hedged)		
Sold	53	–
Redeemed	(27)	–
Net Increase	26	–

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 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Legg Mason ClearBridge US Aggressive Growth Fund – (continued)		
Premier Class Euro Accumulating (Hedged)		
Sold	175	730
Redeemed	(545)	(85)
Net (Decrease)/Increase	(370)	645
Premier Class Euro Accumulating		
Sold	256	296
Redeemed	(357)	(83)
Net (Decrease)/Increase	(101)	213
Premier Class Euro Distributing (A)		
Sold	28	38
Redeemed	(17)	(270)
Net Increase/(Decrease)	11	(232)
Premier Class GBP Accumulating (Hedged)		
Sold	17	9
Redeemed	(2)	–
Net Increase	15	9
Premier Class GBP Distributing (A)		
Sold	869	1,045
Redeemed	(444)	(233)
Net Increase	425	812
Class A (G) US\$ Accumulating		
Sold	47	16
Redeemed	(148)	(69)
Net Decrease	(101)	(53)
Class B (G) US\$ Accumulating		
Redeemed	(3)	(5)
Net Decrease	(3)	(5)
Class L (G) US\$ Accumulating		
Sold	8	4
Redeemed	(28)	(14)
Net Decrease	(20)	(10)
Class GA Euro Accumulating		
Sold	–	1
Redeemed	(2)	(1)
Net Decrease	(2)	–
Class GE Euro Accumulating		
Redeemed	–	(1)
Net Decrease	–	(1)
Premier Class PLN Accumulating (Hedged)		
Sold	9	–
Redeemed	(1)	–
Net Increase	8	–
Legg Mason ClearBridge US Equity Income Fund^		
Class A US\$ Distributing (M) Plus (e)		
Sold	–	1
Redeemed	–	(9)
Net Decrease	–	(8)
Class A Euro Accumulating (Hedged)		
Redeemed	–	(1)
Net Decrease	–	(1)
Class X US\$ Distributing (M) Plus (e)		
Sold	–	3
Redeemed	–	(4)
Net Decrease	–	(1)
Premier Class US\$ Distributing (M) Plus (e)		
Redeemed	–	(4)
Net Decrease	–	(4)
LM Class US\$ Accumulating		
Redeemed	–	(20)
Net Decrease	–	(20)
Legg Mason ClearBridge Tactical Dividend Income Fund		
Class A US\$ Accumulating		
Sold	224	68
Redeemed	(76)	(33)
Net Increase	148	35
Class A US\$ Distributing (A)		
Sold	33	–
Redeemed	(11)	–
Net Increase	22	–

	For the year ended	
	February 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Class A US\$ Distributing (M) Plus (e)		
Sold	–	3
Redeemed	(3)	(3)
Net Decrease	(3)	–
Class A US\$ Distributing (M) Plus		
Sold	30	225
Redeemed	(132)	(24)
Net (Decrease)/Increase	(102)	201
Class A US\$ Distributing (Q)		
Sold	3	–
Net Increase	3	–
Class A AUD Distributing (M) (Hedged) Plus		
Sold	19	9
Redeemed	(15)	–
Net Increase	4	9
Class A CNH Distributing (M) (Hedged) Plus		
Sold	31	413
Redeemed	(197)	(46)
Net (Decrease)/Increase	(166)	367
Class A Euro Accumulating		
Sold	8	–
Redeemed	(6)	–
Net Increase	2	–
Class A Euro Distributing (M) (Hedged) Plus (e)		
Sold	1	4
Redeemed	–	(1)
Net Increase	1	3
Class A HKD Distributing (M) Plus		
Sold	93	42
Redeemed	(56)	–
Net Increase	37	42
Class A SGD Distributing (M) (Hedged) Plus		
Sold	250	651
Redeemed	(398)	(400)
Net (Decrease)/Increase	(148)	251
Class B US\$ Accumulating		
Sold	4	–
Redeemed	(2)	–
Net Increase	2	–
Class B US\$ Distributing (A)		
Sold	5	–
Redeemed	(2)	–
Net Increase	3	–
Class B US\$ Distributing (Q)		
Sold	–	3
Redeemed	(2)	(1)
Net (Decrease)/Increase	(2)	2
Class C US\$ Accumulating		
Sold	26	4
Redeemed	(13)	(3)
Net Increase	13	1
Class C US\$ Distributing (A)		
Sold	25	–
Redeemed	(8)	–
Net Increase	17	–
Class C US\$ Distributing (Q)		
Sold	3	12
Redeemed	(4)	–
Net (Decrease)/Increase	(1)	12
Class F US\$ Accumulating		
Sold	526	–
Redeemed	(142)	–
Net Increase	384	–
Class F Euro Accumulating		
Sold	2	–
Redeemed	(1)	–
Net Increase	1	–
Class F Euro Distributing (A)		
Sold	1	–
Net Increase	1	–
Premier Class US\$ Distributing (M) Plus (e)		
Redeemed	(3)	–
Net Decrease	(3)	–

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 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Legg Mason ClearBridge Tactical Dividend Income Fund – (continued)		
Premier Class Euro Accumulating (Hedged)		
Sold	–	60
Redeemed	(30)	(30)
Net (Decrease)/Increase	(30)	30
LM Class US\$ Accumulating		
Redeemed	(20)	–
Net Decrease	(20)	–
Legg Mason ClearBridge US Equity Sustainability Leaders Fund^{αβ}		
Class A US\$ Distributing (A)		
Sold	1	–
Net Increase	1	–
Class A Euro Accumulating (Hedged)		
Sold	1	–
Net Increase	1	–
Class X US\$ Distributing (A)		
Sold	1	–
Net Increase	1	–
Class X Euro Accumulating (Hedged)		
Sold	1	–
Net Increase	1	–
Premier Class US\$ Distributing (A)		
Sold	2	–
Net Increase	2	–
Premier Class Euro Accumulating (Hedged)		
Sold	2	–
Net Increase	2	–
Premier Class GBP Accumulating		
Sold	1	–
Net Increase	1	–
Legg Mason Opportunity Fund		
Class A US\$ Accumulating		
Sold	341	704
Redeemed	(450)	(668)
Net (Decrease)/Increase	(109)	36
Class A US\$ Distributing (A)		
Sold	31	47
Redeemed	(46)	(63)
Net Decrease	(15)	(16)
Class A Euro Accumulating (Hedged)		
Sold	19	1
Redeemed	(17)	–
Net Increase	2	1
Class A GBP Accumulating		
Sold	1	–
Redeemed	(1)	–
Net Increase	–	–
Class A SEK Accumulating (Hedged)		
Sold	8	17
Redeemed	(8)	(45)
Net Decrease	–	(28)
Class X US\$ Accumulating		
Sold	4	–
Net Increase	4	–
Class X GBP Accumulating		
Sold	21	53
Redeemed	(17)	(77)
Net Increase/(Decrease)	4	(24)
Premier Class US\$ Accumulating		
Sold	1,415	604
Redeemed	(336)	(567)
Net Increase	1,079	37
Premier Class US\$ Distributing (A)		
Sold	40	–
Net Increase	40	–
Premier Class GBP Distributing (A)		
Sold	88	112
Redeemed	(166)	(36)
Net (Decrease)/Increase	(78)	76
Premier Class PLN Accumulating (Hedged)		
Sold	1	–
Net Increase	1	–

	For the year ended	
	February 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Legg Mason Royce US Small Cap Opportunity Fund		
Class A US\$ Accumulating		
Sold	770	2,834
Redeemed	(2,040)	(4,295)
Net Decrease	(1,270)	(1,461)
Class A US\$ Distributing (A)		
Sold	66	209
Redeemed	(161)	(197)
Net (Decrease)/Increase	(95)	12
Class A AUD Accumulating (Hedged)		
Sold	41	240
Redeemed	(116)	(188)
Net (Decrease)/Increase	(75)	52
Class A CNH Accumulating (Hedged)		
Sold	10	1
Redeemed	(6)	–
Net Increase	4	1
Class A Euro Accumulating (Hedged)		
Sold	240	26
Redeemed	(201)	(79)
Net Increase/(Decrease)	39	(53)
Class A Euro Accumulating		
Sold	39	60
Redeemed	(98)	(141)
Net Decrease	(59)	(81)
Class A GBP Accumulating (Hedged)		
Sold	–	3
Redeemed	(1)	–
Net (Decrease)/Increase	(1)	3
Class A GBP Distributing (A)		
Sold	4	9
Redeemed	(9)	(5)
Net (Decrease)/Increase	(5)	4
Class A SEK Accumulating (Hedged)		
Sold	9	8
Redeemed	(8)	(9)
Net Increase/(Decrease)	1	(1)
Class A SGD Accumulating (Hedged)		
Sold	1,549	12,086
Redeemed	(6,754)	(16,163)
Net Decrease	(5,205)	(4,077)
Class A SGD Accumulating		
Sold	954	10,034
Redeemed	(6,966)	(11,615)
Net Decrease	(6,012)	(1,581)
Class B US\$ Accumulating		
Sold	3	4
Redeemed	(10)	(7)
Net Decrease	(7)	(3)
Class B US\$ Distributing (A)		
Sold	1	–
Redeemed	(1)	(1)
Net Decrease	–	(1)
Class C US\$ Accumulating		
Sold	46	12
Redeemed	(50)	(21)
Net Decrease	(4)	(9)
Class C US\$ Distributing (A)		
Sold	6	11
Redeemed	(22)	(8)
Net (Decrease)/Increase	(16)	3
Class E US\$ Accumulating		
Sold	18	66
Redeemed	(38)	(95)
Net Decrease	(20)	(29)
Class E US\$ Distributing (A)		
Sold	–	1
Redeemed	–	(2)
Net Decrease	–	(1)
Class E Euro Accumulating (Hedged)		
Sold	–	1
Redeemed	–	(2)
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 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Legg Mason Royce US Small Cap Opportunity Fund – (continued)		
Class E Euro Accumulating		
Sold	1	2
Redeemed	(4)	(6)
Net Decrease	(3)	(4)
Class F US\$ Accumulating		
Sold	52	279
Redeemed	(142)	(191)
Net (Decrease)/Increase	(90)	88
Class F US\$ Distributing (A)		
Sold	4	8
Redeemed	(5)	(1)
Net (Decrease)/Increase	(1)	7
Class R US\$ Accumulating		
Redeemed	–	(8)
Net Decrease	–	(8)
Class R Euro Accumulating		
Redeemed	–	(1)
Net Decrease	–	(1)
Class X US\$ Accumulating		
Sold	97	98
Redeemed	(168)	(142)
Net Decrease	(71)	(44)
Class X Euro Accumulating (Hedged)		
Sold	114	–
Net Increase	114	–
Class X GBP Accumulating		
Sold	104	368
Redeemed	(163)	(214)
Net (Decrease)/Increase	(59)	154
Class X GBP Distributing (A)		
Sold	4	3
Redeemed	(3)	–
Net Increase	1	3
Premier Class US\$ Accumulating		
Sold	380	1,314
Redeemed	(1,054)	(1,226)
Net (Decrease)/Increase	(674)	88
Premier Class CHF Accumulating (Hedged)		
Sold	1	11
Redeemed	(3)	(9)
Net (Decrease)/Increase	(2)	2
Premier Class Euro Accumulating (Hedged)		
Sold	27	17
Redeemed	(42)	–
Net (Decrease)/Increase	(15)	17
Premier Class Euro Accumulating		
Sold	40	16
Redeemed	(10)	(14)
Net Increase	30	2
Premier Class GBP Accumulating		
Sold	65	254
Redeemed	(68)	(330)
Net Decrease	(3)	(76)
Legg Mason Royce US Smaller Companies Fund		
Class A US\$ Accumulating		
Sold	108	332
Redeemed	(376)	(694)
Net Decrease	(268)	(362)
Class A US\$ Distributing (A)		
Sold	25	53
Redeemed	(77)	(171)
Net Decrease	(52)	(118)
Class A Euro Accumulating (Hedged)		
Sold	26	45
Redeemed	(30)	(47)
Net Decrease	(4)	(2)
Class A Euro Accumulating		
Sold	6	129
Redeemed	(81)	(153)
Net Decrease	(75)	(24)
Class A GBP Distributing (A)		
Redeemed	–	(1)
Net Decrease	–	(1)

	For the year ended	
	February 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Class A SEK Accumulating (Hedged)		
Sold	1	1
Redeemed	(1)	(1)
Net Increase	–	–
Class B US\$ Accumulating		
Sold	1	1
Redeemed	(2)	(1)
Net Decrease	(1)	–
Class B US\$ Distributing (A)		
Redeemed	(1)	(4)
Net Decrease	(1)	(4)
Class C US\$ Accumulating		
Sold	10	16
Redeemed	(21)	(17)
Net Decrease	(11)	(1)
Class C US\$ Distributing (A)		
Sold	5	11
Redeemed	(28)	(15)
Net Decrease	(23)	(4)
Class E US\$ Accumulating		
Sold	6	12
Redeemed	(10)	(15)
Net Decrease	(4)	(3)
Class E US\$ Distributing (A)		
Sold	–	1
Redeemed	(1)	(1)
Net Decrease	(1)	–
Class E Euro Accumulating		
Redeemed	–	(1)
Net Decrease	–	(1)
Class F US\$ Accumulating		
Sold	2	6
Redeemed	(4)	(2)
Net (Decrease)/Increase	(2)	4
Class F US\$ Distributing (A)		
Redeemed	(1)	(1)
Net Decrease	(1)	(1)
Class R US\$ Accumulating		
Sold	1	15
Redeemed	(1)	(3)
Net Increase	–	12
Class X US\$ Accumulating		
Sold	14	49
Redeemed	(40)	(58)
Net Decrease	(26)	(9)
Class X US\$ Distributing (A)		
Sold	12	6
Redeemed	(9)	–
Net Increase	3	6
Premier Class US\$ Accumulating		
Sold	7	78
Redeemed	(85)	(387)
Net Decrease	(78)	(309)
Premier Class US\$ Distributing (A)		
Sold	45	100
Redeemed	(212)	(35)
Net (Decrease)/Increase	(167)	65
Premier Class GBP Distributing (A)		
Sold	6	73
Redeemed	(185)	(52)
Net (Decrease)/Increase	(179)	21
LM Class US\$ Accumulating		
Redeemed	–	(24)
Net Decrease	–	(24)
LM Class Euro Accumulating		
Sold	16	–
Redeemed	(31)	(3)
Net Decrease	(15)	(3)
LM Class JPY Accumulating		
Redeemed	–	(12)
Net Decrease	–	(12)
Class A (G) US\$ Accumulating		
Sold	–	1
Redeemed	(3)	(3)
Net Decrease	(3)	(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 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Legg Mason Royce US Smaller Companies Fund – (continued)		
Class B (G) US\$ Accumulating		
Redeemed	–	(1)
Net Decrease	–	(1)
Class L (G) US\$ Accumulating		
Sold	1	–
Redeemed	(2)	(2)
Net Decrease	(1)	(2)
Premier Class PLN Accumulating (Hedged)		
Sold	2	–
Redeemed	(1)	–
Net Increase	1	–
Legg Mason Royce Smaller Companies Fund II[^]		
Class A US\$ Accumulating		
Sold	9	72
Redeemed	(253)	(112)
Net Decrease	(244)	(40)
Legg Mason Royce Global Smaller Companies Fund		
Class A US\$ Accumulating		
Redeemed	–	(1)
Net Decrease	–	(1)
Class A US\$ Distributing (A)		
Redeemed	–	(2)
Net Decrease	–	(2)
Class E US\$ Accumulating		
Redeemed	–	(1)
Net Decrease	–	(1)
LM Class US\$ Accumulating		
Redeemed	–	(20)
Net Decrease	–	(20)
Legg Mason Permal Global Absolute Fund[^]		
Class A US\$ Accumulating		
Sold	–	2
Redeemed	–	(37)
Net Decrease	–	(35)
Class A US\$ Distributing (A)		
Sold	–	16
Redeemed	–	(95)
Net Decrease	–	(79)
Class A Euro Accumulating (Hedged)		
Redeemed	–	(7)
Net Decrease	–	(7)
Class A SGD Accumulating (Hedged)		
Sold	–	69
Redeemed	–	(668)
Net Decrease	–	(599)
Class C US\$ Accumulating		
Sold	–	12
Redeemed	–	(52)
Net Decrease	–	(40)
Class C US\$ Distributing (A)		
Redeemed	–	(17)
Net Decrease	–	(17)
Class E US\$ Accumulating		
Redeemed	–	(2)
Net Decrease	–	(2)
Class F US\$ Accumulating		
Redeemed	–	(1)
Net Decrease	–	(1)
Class F US\$ Distributing (A)		
Redeemed	–	(1)
Net Decrease	–	(1)
Legg Mason QS MV European Equity Growth and Income Fund[#]		
Class A US\$ Accumulating (Hedged)		
Sold	723	256
Redeemed	(653)	(32)
Net Increase	70	224
Class A US\$ Accumulating		
Sold	62	138
Redeemed	(69)	(64)
Net (Decrease)/Increase	(7)	74

	For the year ended	
	February 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Class A US\$ Distributing (A)		
Sold	4	10
Redeemed	(7)	(7)
Net (Decrease)/Increase	(3)	3
Class A US\$ Distributing (M) (Hedged) Plus		
Sold	1,032	589
Redeemed	(768)	(320)
Net Increase	264	269
Class A AUD Distributing (M) (Hedged) Plus		
Sold	407	56
Redeemed	(207)	(10)
Net Increase	200	46
Class A CNH Distributing (M) (Hedged) Plus		
Sold	84	1
Redeemed	(5)	–
Net Increase	79	1
Class A Euro Accumulating		
Sold	63	151
Redeemed	(125)	(48)
Net (Decrease)/Increase	(62)	103
Class A Euro Distributing (A)		
Sold	9	2
Redeemed	(10)	–
Net (Decrease)/Increase	(1)	2
Class A Euro Distributing (M) Plus		
Sold	29	22
Redeemed	(21)	(12)
Net Increase	8	10
Class A SGD Distributing (M) (Hedged) Plus		
Sold	118	–
Redeemed	(34)	–
Net Increase	84	–
Class B US\$ Accumulating		
Sold	13	11
Redeemed	(21)	(4)
Net (Decrease)/Increase	(8)	7
Class B US\$ Distributing (A)		
Sold	1	–
Redeemed	–	(2)
Net Increase/(Decrease)	1	(2)
Class C US\$ Accumulating		
Sold	17	11
Redeemed	(18)	(10)
Net (Decrease)/Increase	(1)	1
Class C US\$ Distributing (A)		
Sold	3	11
Redeemed	(8)	(10)
Net (Decrease)/Increase	(5)	1
Class E US\$ Accumulating (Hedged)		
Sold	24	–
Redeemed	(6)	–
Net Increase	18	–
Class E US\$ Accumulating		
Sold	2	14
Redeemed	(15)	–
Net (Decrease)/Increase	(13)	14
Premier Class Euro Accumulating		
Sold	–	14
Redeemed	(8)	(6)
Net (Decrease)/Increase	(8)	8
LM Class US\$ Accumulating		
Redeemed	–	(69)
Net Decrease	–	(69)
LM Class Euro Accumulating		
Redeemed	–	(7)
Net Decrease	–	(7)
LM Class JPY Accumulating		
Redeemed	–	(36)
Net Decrease	–	(36)
Class A (G) US\$ Accumulating		
Sold	1	1
Redeemed	(7)	(10)
Net Decrease	(6)	(9)

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 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Legg Mason QS MV European Equity Growth and Income Fund#		
Class B (G) US\$ Accumulating		
Redeemed	(1)	(1)
Net Decrease	(1)	(1)
Class L (G) US\$ Accumulating		
Sold	–	1
Redeemed	–	(1)
Net Increase	–	–
Class GA US\$ Accumulating		
Sold	1	1
Redeemed	(5)	(1)
Net Decrease	(4)	–
Class GA Euro Accumulating		
Sold	34	36
Redeemed	(74)	(75)
Net Decrease	(40)	(39)
Class GE US\$ Accumulating		
Sold	–	1
Redeemed	–	(1)
Net Increase	–	–
Legg Mason QS MV Asia Pacific ex Japan Equity Growth and Income Fund#		
Class A US\$ Accumulating		
Sold	93	126
Redeemed	(94)	(111)
Net (Decrease)/Increase	(1)	15
Class A US\$ Distributing (A)		
Sold	10	28
Redeemed	(31)	(39)
Net Decrease	(21)	(11)
Class A AUD Distributing (M) (Hedged) Plus		
Sold	1	–
Net Increase	1	–
Class A Euro Accumulating		
Sold	4	4
Redeemed	(6)	(4)
Net Decrease	(2)	–
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	1
Redeemed	(2)	(2)
Net Decrease	(1)	(1)
Class C US\$ Accumulating		
Sold	1	–
Redeemed	(1)	(1)
Net Decrease	–	(1)
Class C US\$ Distributing (A)		
Sold	2	6
Redeemed	(12)	(13)
Net Decrease	(10)	(7)
Class X US\$ Accumulating		
Sold	3	–
Net Increase	3	–
Class GA US\$ Accumulating		
Sold	4	1
Redeemed	(16)	(11)
Net Decrease	(12)	(10)
Class GA Euro Accumulating		
Sold	1	1
Redeemed	(2)	(2)
Net Decrease	(1)	(1)
Class GE US\$ Accumulating		
Redeemed	–	(2)
Net Decrease	–	(2)
Class GE Euro Accumulating		
Redeemed	(4)	–
Net Decrease	(4)	–

	For the year ended	
	February 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Premier Class PLN Accumulating (Hedged)		
Sold	6	–
Redeemed	(2)	–
Net Increase	4	–
Legg Mason Batterymarch International Large Cap Fund^		
Class A US\$ Accumulating		
Sold	–	16
Redeemed	–	(55)
Net Decrease	–	(39)
Class A US\$ Distributing (A)		
Sold	–	4
Redeemed	–	(8)
Net Decrease	–	(4)
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
Redeemed	–	(22)
Net Decrease	–	(19)
Class C US\$ Distributing (A)		
Sold	–	4
Redeemed	–	(15)
Net Decrease	–	(11)
Class A (G) US\$ Accumulating		
Sold	–	4
Redeemed	–	(52)
Net Decrease	–	(48)
Class B (G) US\$ Accumulating		
Redeemed	–	(5)
Net Decrease	–	(5)
Class L (G) US\$ Accumulating		
Redeemed	–	(27)
Net Decrease	–	(27)
Legg Mason QS Emerging Markets Equity Fund#		
Class A US\$ Accumulating		
Sold	3	2
Redeemed	(5)	(5)
Net Decrease	(2)	(3)
Class A US\$ Distributing (A)		
Sold	1	1
Redeemed	(1)	(2)
Net Decrease	–	(1)
Class B US\$ Accumulating		
Redeemed	–	(1)
Net Decrease	–	(1)
Class C US\$ Accumulating		
Sold	1	3
Redeemed	(7)	(3)
Net Decrease	(6)	–
Class C US\$ Distributing (A)		
Redeemed	(1)	(1)
Net Decrease	(1)	(1)
Class E US\$ Accumulating		
Sold	–	2
Redeemed	(2)	(3)
Net Decrease	(2)	(1)
Class F US\$ Accumulating		
Redeemed	–	(5)
Net Decrease	–	(5)
Premier Class Euro Accumulating		
Sold	–	88
Redeemed	–	(8)
Net Increase	–	80
Legg Mason QS MV Global Equity Growth and Income Fund#		
Class A US\$ Distributing (M) Plus		
Sold	6	–
Net Increase	6	–

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 29, 2016 Shares (000's)	February 28, 2015 Shares (000's)
Legg Mason QS MV Global Equity Growth and Income Fund# – (continued)		
Class A HKD Distributing (M) Plus		
Sold	2	–
Net Increase	2	–
Class GA US\$ Accumulating		
Sold	3	1
Redeemed	(5)	(10)
Net Decrease	(2)	(9)
Class GA Euro Accumulating		
Sold	3	1
Redeemed	(6)	(3)
Net Decrease	(3)	(2)
Class GA Euro Distributing (A)		
Redeemed	–	(1)
Net Decrease	–	(1)
Class GE US\$ Accumulating		
Redeemed	(1)	–
Net Decrease	(1)	–
Class GE Euro Accumulating		
Sold	1	2
Redeemed	(2)	(3)
Net Decrease	(1)	(1)
Legg Mason Martin Currie Australia Equity Income Fund[¶]		
LM Class AUD Accumulating		
Sold	10	–
Net Increase	10	–

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

Only classes with transactions during the period are shown.

ð Effective March 27, 2015 Legg Mason ClearBridge US Fundamental Value Fund[^] ceased trading.

¶ Effective May 28, 2015 Legg Mason Martin Currie Australia Equity Income Fund commenced trading.

φ Effective July 6, 2015 Legg Mason Royce Smaller Companies Fund II[^] ceased trading.

β Effective September 30, 2015 Legg Mason ClearBridge US Equity Sustainability Leaders Fund[^] commenced trading.

μ Effective December 16, 2015 Legg Mason Western Asset EM Local Currency Debt Fund[^] and Legg Mason Western Asset Multi-Asset Credit Fund[^] commenced trading.

ϰ Effective December 31, 2015 Legg Mason Western Asset Global Total Return Investment Grade Bond Fund[^] and Legg Mason Brandywine Global Dynamic US Equity Fund[^] commenced trading.

Ø Effective January 13, 2016 Legg Mason Western Asset Structured Opportunities Fund[^] and Legg Mason Western Asset US Mortgage-Backed Securities Fund[^] commenced trading.

α Effective January 14, 2016 Legg Mason Western Asset Brazil Bond Fund[^] and Legg Mason Western Asset Brazil Equity 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.

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 UCITS Regulations and the Central Bank 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 (the "Fund" or the "Funds" collectively) 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.

Statement of Compliance

The financial statements for the year ended February 29, 2016 have been prepared in accordance with the accounting standards generally accepted in Ireland, including Financial Reporting Standard ("FRS") 102: "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and Irish statute comprising the Companies Act 2014, the UCITS Regulations and the Central Bank UCITS Regulations. Effective March 1, 2015, the Company transitioned to FRS 102 as discussed below.

Basis of Preparation

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

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

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

Transition to FRS 102

The Directors of the Company have adopted the accounting standards generally accepted in Ireland, including FRS 102, for its annual financial statements effective March 1, 2015. Accordingly, these are the Company's first annual financial statements presented in accordance with FRS 102. Other than those listed below, the Company has consistently applied the accounting policies used in the preparation of its opening FRS 102 Statement of Financial Position at March 1, 2014 throughout all periods presented, as if these policies had always been in effect. This note discloses the impact of transition to FRS 102 on the Company's reported financial position and financial performance, including the nature and effect of significant changes in accounting policies from those used in the Company's financial statements for the year ended February 28, 2015 prepared in accordance with the previous accounting standards generally accepted in Ireland ("Irish GAAP").

The transition to FRS 102 had no impact to the Statement of Financial Position, the Statement of Comprehensive Income and the Statement of Changes in Net Assets Attributable to Redeemable Participating Shareholders.

Change in accounting policies

Under previous Irish GAAP, the quoted market price used for financial assets held was the current bid price and the appropriate quoted market price for financial liabilities was the current ask price. Under FRS 102, in accounting for all of its financial instruments, an entity is required to apply either of the following:

- the full requirements of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS 102;
- the recognition and measurement provisions of International Accounting Standards ("IAS") 39 "Financial Instruments: Recognition and Measurement" ("IAS 39") as adopted for use in the European Union and the disclosure requirements of Sections 11 and 12 of FRS 102; or
- the recognition and measurement provisions of International Financial Reporting Standards ("IFRS") 9 "Financial Instruments" ("IFRS 9") and the disclosure requirements of Sections 11 and 12 of FRS 102.

The Company has elected to apply the recognition and measurement provisions of IAS 39 and the disclosure requirements of Sections 11 and 12 of FRS 102.

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

(a) 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 classify any derivatives as hedges in a hedging relationship.

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

The fair value of financial instruments traded in active markets (such as publicly traded derivatives and trading securities) is based on quoted market prices at the Statement of Financial Position date. The fair value of collective investment schemes is based on the traded net asset value of the relevant fund at the Statement of Financial Position date as provided by the fund's administrator.

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 Statement of Financial Position 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 Statement of Comprehensive Income. 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.

(b) Recognition/derecognition

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.

(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. Values of securities for each Fund which have been priced using single broker sources as at February 29, 2016 and February 28, 2015 are disclosed in Note 12.1 (d).

(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 29, 2016 and February 28, 2015, 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.

Notes to Financial Statements – (continued)

1. Significant Accounting Policies – (continued)

(f) Income from Investments

Interest income and expense are recognised in the Statement of Comprehensive Income 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 29, 2016 and February 28, 2015 all amounts were deemed to be recoverable.

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

(g) Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. There are no offsetting financial instruments as at February 29, 2016 and February 28, 2015.

(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(a). 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.

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 Statement of Comprehensive Income. 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 29, 2016 and February 28, 2015 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 Statement of Comprehensive Income.

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 Statement of Comprehensive Income.

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

Transaction costs on purchases and sales of equities, collective investment schemes, futures contracts and options are disclosed in Note 4 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 QS MV European Equity Growth and Income 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, Legg Mason Congruix Japan Equity Fund for which the functional currency is Japanese Yen and Legg Mason Martin Currie Australia Equity Income Fund for which the functional currency is Australian Dollar. 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 Statement of Comprehensive Income.

(n) Forward and Spot 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 Statement of Financial Position and Statement of Comprehensive Income. Realised gains and losses are reported with all other foreign currency gains and losses in the Statement of Comprehensive Income. 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 29, 2016, 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. For each relevant Fund, gains or losses on open spot foreign currency exchange contracts are included in cash in the Statement of Financial Position.

(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

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

Notes to Financial Statements – (continued)

1. Significant Accounting Policies – (continued)

(o) Futures Contracts – (continued)

gain or loss and included in net gain/(loss) on financial assets and financial liabilities at fair value through profit and loss in the Statement of Comprehensive Income. Unrealised gains or losses on futures contracts are shown in the Statement of Financial Position. Realised gains and losses not yet delivered are shown as amounts due to/from broker in the Statement of Financial Position. As at February 29, 2016 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 Statement of Financial Position.

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 29, 2016, 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 and interest paid and earned from the swap instruments are recognised in the Statement of Comprehensive Income under 'Net gain/(loss) on financial assets and liabilities at fair value through profit or loss'.

As at February 29, 2016, swap instruments held are disclosed in the Portfolio of Investments.

Credit Default Swaps

Each Fixed Income Fund (as defined on page 14), except Legg Mason Western Asset US Money Market 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 Fund Valuation Committee (the "NAFVC"). 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 involve 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 29, 2016, 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 29, 2016, 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 29, 2016 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.

Notes to Financial Statements – (continued)

1. Significant Accounting Policies – (continued)

(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 Statement of Financial Position.

As at February 29, 2016, 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 29, 2016, 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 29, 2016, the credit linked notes held are disclosed in the Portfolio of Investments.

(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 Statement of Comprehensive Income, in the period in which they arise.

As at February 29, 2016, 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 29, 2016, 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.

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 Regulations. 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 29, 2016 and February 28, 2015:

Fund	February 29, 2016 (000's)	February 28, 2015 (000's)
Legg Mason Western Asset US Core Bond Fund	\$7	\$1
Legg Mason Western Asset US Core Plus Bond Fund	\$31	\$9
Legg Mason Western Asset Global Multi Strategy Fund	\$5	\$2
Legg Mason Western Asset US High Yield Fund	\$3	\$7
Legg Mason Western Asset Emerging Markets Total Return Bond Fund	\$2	\$1

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 29, 2016 and February 28, 2015.

Notes to Financial Statements – (continued)

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 29, 2016 (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 Emerging Markets Total Return Bond Fund	
Class A	0.800%	Class A	1.500%
Class B	1.050%	Class B	1.750%
Class C	1.300%	Class C	2.000%
Class E	1.400%	Class E	2.100%
Class X	0.600%	Class F	0.800%
LM Class	None	Class R	1.100%
Class A (G)	0.800%	Class X	0.750%
Class B (G)	0.800%	Premier Class	0.550%
Class L (G)	0.800%	LM Class	None
Legg Mason Western Asset US Core Bond Fund		Class A (G)	1.250%
Class A	0.950%	Class B (G)	1.750%
Class B	1.200%	Class L (G)	1.750%
Class C	1.450%		
Class E	1.550%	Legg Mason Western Asset Emerging Markets Corporate Bond Fund	
Class F	0.550%	Class A	1.500%
Class R	0.550%	Class B	1.750%
Class X	0.475%	Class C	2.000%
Premier Class	0.300%	Class E	2.100%
LM Class	None	Class F	0.800%
Class GA	0.820%	Class R	1.100%
Class GE	1.420%	Class X	0.750%
Legg Mason Western Asset US Core Plus Bond Fund		Premier Class	0.550%
Class A	1.150%	LM Class	None
Class B	1.400%		
Class C	1.650%	Legg Mason Western Asset Global High Yield Fund	
Class E	1.750%	Class A	1.250%
Class F	0.550%	Class B	1.500%
Class R	0.750%	Class C	1.750%
Class X	0.575%	Class E	1.850%
Premier Class	0.300%	Class F	0.700%
LM Class	None	Class R	0.850%
Class A (G)	1.150%	Class X	0.625%
Class B (G)	1.650%	Premier Class	0.450%
Class L (G)	1.650%	LM Class	None
Legg Mason Western Asset Euro Core Plus Bond Fund		Class A (G)	1.250%
Class A	1.000%	Class B (G)	1.750%
Class B	1.250%	Class L (G)	1.750%
Class C	1.500%		
Class E	1.600%	Legg Mason Western Asset US Short-Term Government Fund	
Class F	0.550%	Class A	1.050%
Class R	0.600%	Class B	1.300%
Class X	0.500%	Class C	1.550%
Premier Class	0.300%	Class E	1.650%
LM Class	None	Class F	0.800%
Class GA	0.820%	Class R	0.650%
Class GE	1.420%	Class X	0.550%
Legg Mason Western Asset Short Duration High Income Bond Fund		Premier Class	0.550%
Class A	1.100%	LM Class	None
Class B	1.350%	Class A (G)	1.050%
Class C	1.600%	Class B (G)	1.550%
Class E	1.700%	Class L (G)	1.550%
Class F	0.850%		
Class R	0.700%	Legg Mason Western Asset US Adjustable Rate Fund	
Class X	0.600%	Class A	1.100%
Premier Class	0.600%	Class B	1.350%
LM Class	None	Class C	1.600%
Class A (G)	1.200%	Class E	1.700%
Class B (G)	1.700%	Class F	0.850%
Class L (G)	1.700%	Class R	0.700%
Legg Mason Western Asset Global Multi Strategy Fund		Class X	0.600%
Class A	1.100%	Premier Class	0.600%
Class B	1.350%	LM Class	None
Class C	1.600%	Class A (G)	1.100%
Class E	1.700%	Class L (G)	1.600%
Class F	0.650%		
Class R	0.700%	Legg Mason Western Asset Global Inflation Management Fund	
Class X	0.550%	Class A	0.900%
Premier Class	0.400%	Class B	1.150%
LM Class	None	Class C	1.400%
Legg Mason Western Asset US High Yield Fund		Class E	1.500%
Class A	1.150%	Class F	0.600%
Class B	1.400%	Class R	0.550%
Class C	1.650%	Class X	0.450%
Class E	1.750%	Premier Class	0.350%
Class F	0.700%	LM Class	None
Class R	0.750%	Class A (G)	1.100%
Class X	0.575%	Class L (G)	1.600%
Premier Class	0.450%		
LM Class	None	Legg Mason Western Asset Asian Opportunities Fund	
Class A (G)	1.150%	Class A	1.100%
Class B (G)	1.650%	Class B	1.350%
Class L (G)	1.650%	Class C	1.600%
Class GF	0.950%	Class E	1.700%
		Class F	0.850%
		Class R	0.700%
		Class X	0.600%
		Premier Class	0.600%
		LM Class	None

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 Western Asset Global Blue Chip Bond Fund		Legg Mason Western Asset Global Total Return Investment Grade Bond Fund[^]	
Class A	0.850%	Class A	1.200%
Class B	1.100%	Class B	1.450%
Class C	1.350%	Class C	1.700%
Class E	1.450%	Class E	1.950%
Class F	0.600%	Class F	0.700%
Class R	0.450%	Class R	0.750%
Class X	0.425%	Class X	0.600%
Premier Class	0.350%	Premier Class	0.600%
LM Class	None	S Class	0.400%
		LM Class	None
Legg Mason Western Asset Brazil Bond Fund[^]		Legg Mason Western Asset Structured Opportunities Fund[^]	
Class A	1.050%	Premier Class	0.600%
Class B	1.300%	LM Class	None
Class C	1.550%		
Class E	1.650%		
Class F	0.800%		
Class R	0.650%		
Class X	0.550%		
Premier Class	0.550%		
LM Class	None		
Legg Mason Western Asset Global Credit Absolute Return Fund[^]		Legg Mason Western Asset US Mortgage-Backed Securities Fund[^]	
Class A	1.500%	Each Class A Share Class	1.000%
Class A (PF)	1.250%	Each Class B Share Class	1.250%
Class B	1.750%	Each Class C Share Class	1.500%
Class C	2.000%	Each Class E Share Class	1.600%
Class E	2.100%	Each Class F Share Class	0.550%
Class F	1.250%	Each Class R Share Class	0.600%
Class F (PF)	1.000%	Each Class X Share Class	0.500%
Class R	1.100%	Each Premier Share Class	0.300%
Class X	1.000%	Each LM Share Class	None
Premier Class	1.000%		
Premier (PF) Class	0.750%		
LM Class	None		
Legg Mason Western Asset Global Core Plus Bond Fund[^]		Legg Mason Brandywine Global Fixed Income Fund	
Class A	1.100%	Class A	1.100%
Class B	1.350%	Class B	1.350%
Class C	1.600%	Class C	1.600%
Class E	1.700%	Class E	1.700%
Class F	0.650%	Class F	0.850%
Class R	0.700%	Class R	0.700%
Class X	0.550%	Class X	0.600%
Premier Class	0.400%	Premier Class	0.600%
LM Class	None	LM Class	None
Legg Mason Western Asset Global Credit Fund		Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^]	
Class A	1.050%	Class A	1.350%
Class B	1.300%	Class B	1.600%
Class C	1.550%	Class C	1.850%
Class E	1.650%	Class E	1.950%
Class F	0.600%	Class F	1.100%
Class R	0.650%	Class R	0.950%
Class X	0.525%	Class X	0.900%
Premier Class	0.350%	Premier Class	0.900%
LM Class	None	LM Class	None
Legg Mason Western Asset Euro High Yield Fund		Legg Mason Brandywine Global High Yield Fund[^]	
Class A	1.150%	Each Class A Share Class	1.250%
Class B	1.400%	Each Class F Share Class	0.900%
Class C	1.650%	Each Premier Share Class	0.750%
Class E	1.750%	Each S Share Class	0.600%
Class F	0.700%	Each LM Share Class	None
Class R	0.750%		
Class X	0.575%		
Premier Class	0.450%		
LM Class	None		
Legg Mason Western Asset Macro Opportunities Bond Fund[^]		Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^]	
Each Class A Share Class	1.500%	Class A	1.150%
Each Class B Share Class	1.750%	Class B	1.400%
Each Class C Share Class	2.000%	Class C	1.650%
Each Class E Share Class	2.100%	Class E	1.750%
Each Class F Share Class	1.250%	Class F	0.900%
Each Class R Share Class	1.100%	Class R	0.750%
Each Class X Share Class	1.000%	Class X	0.650%
Each Class Premier Share Class	1.000%	Premier Class	0.650%
Each S Share Class	0.600%	LM Class	None
Each LM Share Class	None		
Legg Mason Western Asset EM Local Currency Debt Fund[^]		Legg Mason Brandywine Global Sovereign Credit Fund[^]	
Class A	1.200%	Each Premier Share Class	0.350%
Premier Class	0.500%	Each LM Share Class	None
LM Class	None		
Legg Mason Western Asset Multi-Asset Credit Fund[^]		Legg Mason Brandywine Global Income Optimiser Fund[^]	
Class A	1.250%	Class A	1.250%
Class B	1.500%	Class B	1.500%
Class C	1.750%	Class C	1.750%
Class E	1.850%	Class E	1.850%
Class F	0.800%	Class F	0.875%
Class R	0.750%	Class R	0.850%
Class X	0.625%	Class X	0.650%
Premier Class	0.600%	Premier Class	0.650%
S Class	0.400%	LM Class	None
LM Class	None		
		Legg Mason Brandywine Global Credit Opportunities Fund[^]	
		Each Class A Share Class	1.650%
		Each Class B Share Class	1.900%
		Each Class C Share Class	2.150%
		Each Class E Share Class	2.250%
		Each Class F Share Class	1.300%
		Each Class R Share Class	1.250%
		Each Class X Share Class	1.150%
		Each Premier Share Class	1.150%
		Each S Share Class	0.750%
		Each LM Share Class	None

[^] 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 Brandywine Global Dynamic US Equity Fund[^]		Legg Mason ClearBridge US Large Cap Growth Fund	
Each Class A Share Class	1.200%	Class A	1.250%
Each Class E Share Class	1.950%	Class B	1.750%
Each Class F Share Class	0.950%	Class C	1.750%
Each Class R Share Class	0.700%	Class E	2.000%
Each Class X Share Class	0.600%	Class F	1.000%
Each Premier Share Class	0.600%	Class R	0.750%
Each S Share Class	0.500%	Class X	0.625%
Each LM Share Class	None	Premier Class	0.625%
		LM Class	None
Legg Mason Western Asset Brazil Equity Fund[^]		Class A (G)	1.250%
Class A	1.250%	Class B (G)	1.750%
Class B	1.750%	Class L (G)	1.750%
Class C	1.750%	Class GA	1.420%
Class E	2.000%	Class GE	2.170%
Class F	1.000%		
Class R	0.750%	Legg Mason ClearBridge US Aggressive Growth Fund	
Class X	0.625%	Class A	1.300%
Premier Class	0.625%	Class B	1.800%
LM Class	None	Class C	1.800%
		Class E	2.050%
Legg Mason ClearBridge Value Fund		Class F	1.050%
Class A	1.350%	Class R	0.800%
Class B	1.850%	Class X	0.650%
Class C	1.850%	Premier Class	0.650%
Class E	2.100%	LM Class	None
Class F	1.100%	Class A (G)	1.300%
Class R	0.850%	Class B (G)	1.800%
Class X	0.675%	Class L (G)	1.800%
Premier Class	0.675%	Class GA	1.420%
LM Class	None	Class GE	2.170%
Galleon Class	0.850%		
Legg Mason ClearBridge Growth Fund		Legg Mason ClearBridge Tactical Dividend Income Fund	
Class A	1.200%	Class A	1.250%
Class B	1.700%	Class B	1.750%
Class C	1.700%	Class C	1.750%
Class E	1.950%	Class E	2.000%
Class F	0.950%	Class F	1.000%
Class R	0.700%	Class R	0.800%
Class X	0.600%	Class X	0.625%
Premier Class	0.600%	Premier Class	0.625%
LM Class	None	LM Class	None
Legg Mason ClearBridge Global Equity Fund[^]		Legg Mason ClearBridge US Equity Sustainability Leaders Fund[^]	
Class A	1.350%	Class A	1.200%
Class B	1.850%	Class B	1.700%
Class C	1.850%	Class C	1.700%
Class E	2.100%	Class E	1.950%
Class F	1.100%	Class F	0.950%
Class R	0.850%	Class R	0.700%
Class X	0.675%	Class X	0.600%
Premier Class	0.675%	Premier Class	0.600%
LM Class	None	LM Class	None
Legg Mason ClearBridge Global Equity Income Fund[^]		Legg Mason Opportunity Fund	
Class A	1.350%	Class A	1.350%
Premier Class	0.850%	Class B	1.850%
LM Class	None	Class C	1.850%
Legg Mason ClearBridge US Appreciation Fund		Class E	2.100%
Class A	1.250%	Class F	1.100%
Class B	1.750%	Class R	0.850%
Class C	1.750%	Class X	0.675%
Class E	2.000%	Premier Class	0.675%
Class F	1.000%	LM Class	None
Class R	0.750%		
Class X	0.625%	Legg Mason Royce US Small Cap Opportunity Fund	
Premier Class	0.625%	Class A	1.500%
LM Class	None	Class B	2.000%
Class A (G)	1.250%	Class C	2.000%
Class B (G)	1.750%	Class E	2.250%
Class L (G)	1.750%	Class F	1.250%
Class GA	1.420%	Class R	1.000%
Class GE	2.170%	Class X	0.750%
Class GP	None	Premier Class	0.750%
Legg Mason ClearBridge US Fundamental Value Fund[^]		LM Class	None
Class A	1.250%	Legg Mason Royce US Smaller Companies Fund	
Class B	1.750%	Class A	1.500%
Class C	1.750%	Class B	2.000%
Class E	2.000%	Class C	2.000%
Class F	1.000%	Class E	2.250%
Class R	0.750%	Class F	1.250%
Class X	0.625%	Class R	1.000%
Premier Class	0.625%	Class X	0.750%
LM Class	None	Premier Class	0.750%
Class A (G)	1.250%	LM Class	None
Class B (G)	1.750%	Legg Mason Royce Smaller Companies Fund II[^]	
Class L (G)	1.750%	Class A US\$ Accumulating	1.500%
Class GA	1.420%		
Class GE	2.170%		
Class GP	0.750%		

[^] 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 QS MV European Equity Growth and Income Fund		Legg Mason QS Emerging Markets Equity Fund	
Class A	1.350%	Class A	1.450%
Class B	1.850%	Class B	1.950%
Class C	1.850%	Class C	1.950%
Class E	2.100%	Class E	2.200%
Class F	1.100%	Class F	1.200%
Class R	0.850%	Class R	0.950%
Class X	0.675%	Class X	0.800%
Premier Class	0.675%	Premier Class	0.800%
LM Class	None	LM Class	None
Class A (G)	1.350%	Legg Mason QS MV Global Equity Growth and Income Fund	
Class B (G)	1.850%	Fund	
Class L (G)	1.850%	Class A	1.400%
Class GA	1.420%	Class B	1.900%
Class GE	2.170%	Class C	1.900%
Class GP	0.850%	Class E	2.150%
Legg Mason QS MV Asia Pacific ex Japan Equity Growth and Income Fund		Class F	1.150%
Class A	1.500%	Class R	0.900%
Class B	2.000%	Class X	0.700%
Class C	2.000%	Premier Class	0.700%
Class E	2.250%	LM Class	None
Class F	1.250%	Class GA	1.420%
Class R	1.000%	Class GE	2.170%
Class X	0.750%	Legg Mason Martin Currie Australia Equity Income Fund	
Premier Class	0.750%	Class A	1.300%
LM Class	None	Class B	1.800%
Class GA	1.620%	Class C	1.800%
Class GE	2.370%	Class E	2.050%
		Class F	1.050%
		Class R	0.800%
		Class X	0.650%
		Premier Class	0.650%
		S Class	0.600%
		LM Share	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 29, 2016. 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 29, 2016 and February 28, 2015, the Investment Management fees waived and reimbursed were as follows:

Fund Name	February 29, 2016 in (000's)		February 28, 2015 in (000's)	
	Investment Management Fee Waived	Investment Management Fee Reimbursed	Investment Management Fee Waived	Investment Management Fee Reimbursed
Legg Mason Western Asset US Money Market Fund	\$4,631	\$79	\$5,460	\$884
Legg Mason Western Asset Euro Core Plus Bond Fund	€14	€–	€24	€–
Legg Mason Western Asset Short Duration High Income Bond Fund	\$–	\$–	\$–	\$2
Legg Mason Western Asset Global Multi Strategy Fund	\$–	\$–	\$11	\$12
Legg Mason Western Asset Emerging Markets Total Return Bond Fund	\$–	\$–	\$1	\$2
Legg Mason Western Asset US Adjustable Rate Fund	\$9	\$–	\$9	\$–
Legg Mason Western Asset Global Inflation Management Fund	\$18	\$–	\$27	\$–
Legg Mason Western Asset Asian Opportunities Fund	\$59	\$–	\$60	\$–
Legg Mason Western Asset Global Core Plus Bond Fund [^]	\$–	\$–	\$7	\$–
Legg Mason Western Asset Global Inflation-Linked Fund	\$–	\$–	\$8	\$20
Legg Mason Western Asset Euro High Yield Fund	€–	€1	€–	€1
Legg Mason Western Asset EM Local Currency Debt Fund [^]	\$10	\$2	\$–	\$–
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund [^]	\$5	\$9	\$–	\$–
Legg Mason Brandywine Global High Yield Fund [^]	\$33	\$–	\$44	\$–
Legg Mason Brandywine Global Income Optimiser Fund [^]	\$9	\$1	\$5	\$–
Legg Mason Brandywine Global Credit Opportunities Fund [^]	\$–	\$–	\$7	\$6
Legg Mason Brandywine Global Dynamic US Equity Fund [^]	\$1	\$13	\$–	\$–
Legg Mason ClearBridge Growth Fund	\$1	\$–	\$3	\$–
Legg Mason ClearBridge Global Equity Fund [^]	\$2	\$–	\$11	\$–
Legg Mason ClearBridge Global Equity Income Fund [^]	\$21	\$3	\$10	\$–
Legg Mason ClearBridge US Fundamental Value Fund [^]	\$1	\$3	\$–	\$13
Legg Mason ClearBridge US Equity Income Fund [^]	\$–	\$–	\$5	\$5
Legg Mason ClearBridge Tactical Dividend Income Fund	\$15	\$–	\$19	\$2
Legg Mason ClearBridge US Equity Sustainability Leaders Fund [^]	\$3	\$14	\$–	\$–
Legg Mason Permal Global Absolute Fund [^]	\$–	\$–	\$1	\$9
Legg Mason Batterymarch International Large Cap Fund [^]	\$–	\$–	\$–	\$2
Legg Mason QS Emerging Markets Equity Fund	\$23	\$–	\$8	\$–
Legg Mason Martin Currie Australia Equity Income Fund	\$–	\$25	\$–	\$–

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.

Under the terms of the Master Distribution Agreement between the Company and Legg Mason Investor Services, LLC ("LMIS"), LMIS is authorised to market, promote, offer and arrange for the sale and redemption of shares of the Company (collectively, "distribution services"). In addition, LMIS is authorised at its own costs and expenses to engage one or more distributors for the purpose of assisting it with carrying out its duties and responsibilities. LMIS has appointed Legg Mason Investments (Europe) Limited as an additional Distributor of the Funds. Similarly, under the terms of the Distribution Agreement with LMIS, Legg Mason Investments (Europe) Limited is authorised at its own costs and expenses to engage one or more distributors for the purpose of assisting it with carrying out its duties and responsibilities. Legg Mason Investments (Europe) Limited, pursuant to the Distribution Agreement with LMIS and in accordance with the requirements of the Central Bank, has appointed Legg Mason Asset Management Hong Kong Limited and Legg Mason Asset Management Singapore Pte. Limited as additional Distributors of the Funds.

Under the terms of the Investment Management Agreement with ClearBridge, LLC, ClearBridge, LLC is authorised to market, promote, offer and arrange for the sale and redemption of shares of the Legg Mason ClearBridge Value Fund. In addition, ClearBridge, LLC is authorised at its own costs and expenses to engage one or more distributors for the purpose of assisting it with carrying out its duties and responsibilities with respect to such distribution services. ClearBridge, LLC, pursuant to the Investment Management Agreement with the Company, and Legg Mason Investments (Europe) Limited, pursuant to the distribution agreement with LMIS, and in accordance with the requirements of the Central Bank, have appointed Legg Mason Investments (Taiwan) Limited as Distributors of each of the Funds.

Legg Mason Investments (Europe) Limited provide fund registration and fund governance services to the Company.

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.

[^] 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 Services Fee

The Company has appointed LMIS as Master Shareholder Servicing Agent of the Company. Under the terms of the Master Shareholder Servicing Agent Agreement with the Company, LMIS is authorised at its own costs and expenses to engage one or more parties for the purpose of assisting it with carrying out its duties under the agreement, provided that LMIS shall remain responsible to the Company for the performance of its obligations under such agreement. Pursuant to this, LMIS has appointed LMI Europe as an additional Shareholder Servicing Agent. Similarly, under the terms of the Shareholder Servicing Agent Agreement with LMIS, LMI Europe is authorised at its own costs and expenses to engage one or more parties for the purpose of assisting it with carrying out its duties under the agreement, provided that LMI Europe shall remain responsible to the Company and LMIS for the performance of its obligations under such agreement. Pursuant to this, LMI Europe has appointed Legg Mason Asset Management Hong Kong Limited, Legg Mason Asset Management Singapore Pte. Limited and Legg Mason Investments (Taiwan) Limited as Shareholder Servicing Agents of the Company. 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 Short Duration High Income Bond Fund, Legg Mason Western Asset Global Multi Strategy Fund, Legg Mason Western Asset US High Yield Fund, Legg Mason Western Asset Emerging Markets Total Return 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 Global 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[^] (ceased trading on January 14, 2016), Legg Mason Western Asset Global Credit Absolute Return Fund[^], Legg Mason Western Asset Global Core Plus Bond Fund[^], 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 Western Asset EM Local Currency Debt Fund[^], Legg Mason Western Asset Multi-Asset Credit Fund[^], Legg Mason Western Asset Global Total Return Investment Grade Bond Fund[^], Legg Mason Western Asset US Mortgage-Backed Securities 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 Brandywine Global Dynamic US Equity Fund[^], Legg Mason Western Asset Brazil Equity Fund[^] (ceased trading on January 14, 2016), 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[^] (merged into Legg Mason ClearBridge Tactical Dividend Income Fund), Legg Mason ClearBridge US Large Cap Growth Fund, Legg Mason ClearBridge US Aggressive Growth Fund, Legg Mason ClearBridge Tactical Dividend Income Fund, Legg Mason ClearBridge US Equity Sustainability Leaders 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[^] (ceased trading on July 6, 2015), Legg Mason QS MV European Equity Growth and Income Fund, Legg Mason QS MV Asia Pacific ex Japan Equity Growth and Income Fund, Legg Mason QS Emerging Markets Equity Fund, Legg Mason QS MV Global Equity Growth and Income Fund and Legg Mason Martin Currie Australia Equity Income Fund.

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, Glass 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, Legg Mason Western Asset Structured Opportunities Fund[^] and Legg Mason Brandywine Global Sovereign Credit Fund[^].

During the years ended February 29, 2016 and February 28, 2015 the shareholder services fees waived were as follows:

Fund Name	February 29, 2016 (000's)	February 28, 2015 (000's)
Legg Mason Western Asset US Core Bond Fund	\$15	\$3
Legg Mason Western Asset US Core Plus Bond Fund	\$–	\$2
Legg Mason Western Asset Short Duration High Income Bond Fund	\$8	\$3
Legg Mason Western Asset Global Multi Strategy Fund	\$–	\$2
Legg Mason Western Asset Emerging Markets Total Return Bond Fund	\$17	\$12
Legg Mason Western Asset Global High Yield Fund	\$1	\$9
Legg Mason Western Asset US Short-Term Government Fund	\$15	\$23
Legg Mason Western Asset US Adjustable Rate Fund	\$8	\$13
Legg Mason Western Asset Global Inflation Management Fund	\$15	\$15
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund [^]	\$1	\$–
Legg Mason Brandywine Global Fixed Income Fund	\$–	\$7
Legg Mason Brandywine Global High Yield Fund [^]	\$–	\$3
Legg Mason Brandywine Global Opportunistic Fixed Income Fund [^]	\$–	\$8
Legg Mason Brandywine Global Income Optimiser Fund [^]	\$15	\$15
Legg Mason Brandywine Global Credit Opportunities Fund [^]	\$–	\$1
Legg Mason ClearBridge Growth Fund	\$5	\$6
Legg Mason ClearBridge Global Equity Fund [^]	\$19	\$14
Legg Mason ClearBridge Global Equity Income Fund [^]	\$9	\$4
Legg Mason ClearBridge US Appreciation Fund	\$–	\$11
Legg Mason ClearBridge US Fundamental Value Fund [^]	\$1	\$5
Legg Mason ClearBridge US Large Cap Growth Fund	\$–	\$10
Legg Mason ClearBridge US Aggressive Growth Fund	\$–	\$3
Legg Mason ClearBridge US Equity Income Fund [^]	\$–	\$2
Legg Mason ClearBridge Tactical Dividend Income Fund	\$18	\$30
Legg Mason ClearBridge US Equity Sustainability Leaders Fund [^]	\$1	\$–
Legg Mason Royce US Small Cap Opportunity Fund	\$–	\$7
Legg Mason Royce US Smaller Companies Fund	\$–	\$6
Legg Mason Permal Global Absolute Fund [^]	\$–	\$1
Legg Mason QS MV European Equity Growth and Income Fund	€–	€2
Legg Mason QS MV Asia Pacific ex Japan Equity Growth and Income Fund	\$6	\$6
Legg Mason Batterymarch International Large Cap Fund [^]	\$–	\$12
Legg Mason QS Emerging Markets Equity Fund	\$8	\$13

Joseph LaRoque is a director of the Company. Robert Shearman (until his resignation on March 23, 2016) and Jane Trust (from the date of her appointment on March 23, 2016) was/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. LaRoque is a director and/or executive of certain affiliates of the Investment Managers, Distributors and Shareholder Servicing Agents.

As at February 29, 2016 and February 28, 2015, 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 29, 2016 Value (000's)		February 28, 2015 Value (000's)	
		%		%	
Legg Mason Western Asset US Core Bond Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.02%	\$511	0.17%	\$4,037
Legg Mason Western Asset US Core Plus Bond Fund	Legg Mason Qualified Investor Funds (II) Plc – Legg Mason Western Asset India Bond Fund – LM Class US\$ Accumulating	10.02%	\$3,357	0.00%	\$–
Legg Mason Western Asset US Core Plus Bond Fund	Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	0.00%	\$–	0.01%	\$21
Legg Mason Western Asset Euro Core Plus Bond Fund	Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	0.00%	€–	0.00%	€4
Legg Mason Western Asset Euro Core Plus Bond Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.00%	€51	0.01%	€224
Legg Mason Western Asset Short Duration High Income Bond Fund	Legg Mason Qualified Investor Funds (II) Plc – Legg Mason Western Asset Senior Loans Fund – LM Class US\$ Distributing (monthly)	4.01%	\$2,027	2.04%	\$2,869
Legg Mason Western Asset Global Multi Strategy Fund	Legg Mason China Funds – Western Asset China Bond, Class M	24.90%	\$12,111	24.90%	\$11,891
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)	27.43%	\$15,073	14.47%	\$20,367
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)	17.63%	\$9,688	9.64%	\$13,578

[^] 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	Underlying Collective Investment Scheme	February 29, 2016		February 28, 2015	
		%	Value (000's)	%	Value (000's)
Legg Mason Western Asset US High Yield Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.06%	\$1,500	0.00%	\$–
Legg Mason Western Asset Global High Yield Fund	Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	0.00%	\$–	0.00%	\$72
Legg Mason Western Asset Global High Yield Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.00%	\$–	0.12%	\$2,753
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)	0.00%	\$–	5.62%	\$7,907
Legg Mason Western Asset Global Inflation Management Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.02%	\$444	0.04%	\$947
Legg Mason Western Asset Asian Opportunities Fund	Legg Mason China Funds – Western Asset China Bond, Class M	24.88%	\$12,100	24.88%	\$11,880
Legg Mason Western Asset Asian Opportunities Fund	Legg Mason Western Asset Asian Bond Trust	17.62%	\$5,488	17.98%	\$5,574
Legg Mason Western Asset Asian Opportunities Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.75%	\$17,723	0.72%	\$17,142
Legg Mason Western Asset Global Blue Chip Bond Fund	Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	0.00%	\$–	0.01%	\$34
Legg Mason Western Asset Global Blue Chip Bond Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.14%	\$3,273	0.00%	\$69
Legg Mason Western Asset Global Credit Absolute Return Fund [^]	Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	0.00%	\$–	0.02%	\$65
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)	0.00%	\$–	1.42%	\$2,005
Legg Mason Western Asset Global Core Plus Bond Fund [^]	Legg Mason Qualified Investor Funds (II) Plc – Legg Mason Western Asset India Bond Fund – LM Class US\$ Accumulating	4.21%	\$1,412	0.00%	\$–
Legg Mason Western Asset Global Core Plus Bond Fund [^]	Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	0.00%	\$–	0.01%	\$55
Legg Mason Western Asset Global Core Plus Bond Fund [^]	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.24%	\$5,626	0.22%	\$5,338
Legg Mason Western Asset Global Credit Fund	Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	0.00%	\$–	0.02%	\$102
Legg Mason Western Asset Global Credit Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.09%	\$1,999	0.03%	\$749
Legg Mason Western Asset Euro High Yield Fund	Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	0.00%	€–	0.98%	€3,602
Legg Mason Western Asset Euro High Yield Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.01%	€162	0.03%	€705
Legg Mason Western Asset EM Local Currency Debt Fund [^]	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.19%	\$4,568	0.00%	\$–
Legg Mason Western Asset Multi-Asset Credit Strategy Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.64%	\$14,956	0.00%	\$–
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund [^]	Legg Mason Qualified Investor Funds (II) Plc – Legg Mason Western Asset India Bond Fund – LM Class US\$ Accumulating	0.29%	\$98	0.00%	\$–
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund [^]	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.01%	\$348	0.00%	\$–
Legg Mason Western Asset Structured Opportunities Fund [^]	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	1.25%	\$29,400	0.00%	\$–
Legg Mason Western Asset US Mortgage-Backed Securities Fund [^]	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	3.02%	\$70,819	0.00%	\$–
Legg Mason Opportunity Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.52%	\$12,309	0.57%	\$13,623
Legg Mason Royce US Small Cap Opportunity Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.98%	\$23,107	3.12%	\$74,234
Legg Mason Royce US Smaller Companies Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.46%	\$10,840	1.00%	\$23,806
Legg Mason Royce Smaller Companies Fund II [^]	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.00%	\$–	0.11%	\$2,561

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

Transaction costs

Transaction costs on purchases and sales of equities, collective investment schemes, futures contracts and options for the years ended February 29, 2016 and February 28, 2015 are detailed in the table below:

Fund Name	February 29, 2016 (000's)	February 28, 2015 (000's)
Legg Mason Western Asset US Core Bond Fund	\$12	\$5
Legg Mason Western Asset US Core Plus Bond Fund	\$110	\$49
Legg Mason Western Asset Euro Core Plus Bond Fund	€2	€1
Legg Mason Western Asset Short Duration High Income Bond Fund	\$1	\$2
Legg Mason Western Asset Global Multi Strategy Fund	\$83	\$85
Legg Mason Western Asset US High Yield Fund	\$11	\$13
Legg Mason Western Asset Global High Yield Fund	\$5	\$14
Legg Mason Western Asset US Short-Term Government Fund	\$1	\$1
Legg Mason Western Asset Global Inflation Management Fund	\$6	\$8
Legg Mason Western Asset Asian Opportunities Fund	\$30	\$19
Legg Mason Western Asset Global Blue Chip Bond Fund	\$2	\$2
Legg Mason Western Asset Global Credit Absolute Return Fund [^]	\$210	\$197
Legg Mason Western Asset Global Core Plus Bond Fund [^]	\$51	\$37
Legg Mason Western Asset Global Credit Fund	\$6	\$6
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	\$8,119	\$4,736
Legg Mason Western Asset Multi-Asset Credit Fund [^]	\$66	–
Legg Mason Western Asset Structured Opportunities Fund [^]	\$48	–
Legg Mason Western Asset US Mortgage-Backed Securities Fund [^]	\$55	–
Legg Mason Brandywine Global Fixed Income Fund	\$335	–
Legg Mason Brandywine Global Fixed Income Absolute Return Fund [^]	\$363	\$26
Legg Mason Brandywine Global High Yield Fund [^]	–	\$1
Legg Mason Brandywine Global Opportunistic Fixed Income Fund [^]	\$83	–
Legg Mason Brandywine Global Sovereign Credit Fund [^]	\$55	–
Legg Mason Brandywine Global Income Optimiser Fund [^]	\$3	\$1
Legg Mason Brandywine Global Credit Opportunities Fund [^]	\$3	\$1
Legg Mason Western Asset Brazil Equity Fund [^]	\$6	\$6

[^] 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	February 29, 2016 (000's)	February 28, 2015 (000's)
Legg Mason ClearBridge Value Fund	\$203	\$190
Legg Mason ClearBridge Growth Fund	\$3	\$2
Legg Mason ClearBridge Global Equity Fund [^]	\$8	\$10
Legg Mason ClearBridge Global Equity Income Fund [^]	\$9	\$13
Legg Mason ClearBridge US Appreciation Fund	\$47	\$54
Legg Mason ClearBridge US Fundamental Value Fund [^]	\$24	\$32
Legg Mason ClearBridge US Large Cap Growth Fund	\$60	\$26
Legg Mason ClearBridge US Aggressive Growth Fund	\$743	\$1,011
Legg Mason ClearBridge US Equity Income Fund [^]	–	\$2
Legg Mason ClearBridge Tactical Dividend Income Fund	\$79	\$34
Legg Mason ClearBridge US Equity Sustainability Leaders Fund [^]	\$1	–
Legg Mason Opportunity Fund	\$948	\$605
Legg Mason Royce US Small Cap Opportunity Fund	\$1,471	\$2,238
Legg Mason Royce US Smaller Companies Fund	\$368	\$475
Legg Mason Royce Smaller Companies Fund II [^]	\$34	\$33
Legg Mason Royce Global Smaller Companies Fund	–	\$7
Legg Mason Permal Global Absolute Fund [^]	–	\$7
Legg Mason QS MV European Equity Growth and Income Fund	€356	€188
Legg Mason QS MV Asia Pacific ex Japan Equity Growth and Income Fund	\$57	\$198
Legg Mason Batterymarch International Large Cap Fund [^]	–	\$13
Legg Mason QS Emerging Markets Equity Fund	\$22	\$53
Legg Mason QS MV Global Equity Growth and Income Fund	\$26	\$8
Legg Mason Martin Currie Australia Equity Income Fund	\$1	–

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 29, 2016 and February 28, 2015, no performance fee was paid to the Investment Manager.

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 29, 2016 and February 28, 2015 were \$126,000 and \$93,000, respectively.

Auditors' Remuneration

Fees paid to the auditors, PricewaterhouseCoopers of €1,180,100 (excluding VAT), in respect of the financial year, relate to statutory audit of the financial statements of the Company, except for €235,075 (excluding VAT) paid in respect of non-audit services. For the year ended February 28, 2015 fees of €1,272,175 (excluding VAT) paid to the auditors related entirely to the statutory audit of the financial statements of the Company except for €23,487 (excluding VAT) paid in respect of non-audit services.

The out-of-pocket expenses paid to the auditors were €32,132 (excluding VAT) (February 28, 2015: €32,772 (excluding VAT)).

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 February 29, 2016	% Holding February 28, 2015
Legg Mason Western Asset US Money Market Fund	89.73	83.20
Legg Mason Western Asset US Core Bond Fund	29.24	–
Legg Mason Western Asset US Core Plus Bond Fund	30.01	30.29
Legg Mason Western Asset Euro Core Plus Bond Fund	91.70	85.42
Legg Mason Western Asset Emerging Markets Total Return Bond Fund	41.93	30.82
Legg Mason Western Asset Emerging Markets Corporate Bond Fund	30.74	26.87
Legg Mason Western Asset Emerging Markets Corporate Bond Fund	24.61	24.64
Legg Mason Western Asset Emerging Markets Corporate Bond Fund	24.54	–
Legg Mason Western Asset Global High Yield Fund	28.65	38.64

[^] 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 29, 2016	% Holding February 28, 2015
Legg Mason Western Asset US Adjustable Rate Fund	33.15	–
Legg Mason Western Asset Asian Opportunities Fund	28.51	24.58
Legg Mason Western Asset Global Blue Chip Bond Fund	29.98	39.01
Legg Mason Western Asset Brazil Bond Fund [^]	–	99.07
Legg Mason Western Asset Global Credit Absolute Return Fund [^]	94.12	47.79
Legg Mason Western Asset Global Core Plus Bond Fund [^]	31.45	57.09
Legg Mason Western Asset Global Credit Fund	92.59	94.20
Legg Mason Western Asset Euro High Yield Fund	24.51	24.61
Legg Mason Western Asset Euro High Yield Fund	24.32	24.58
Legg Mason Western Asset Euro High Yield Fund	20.78	24.41
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	43.03	59.45
Legg Mason Western Asset EM Local Currency Debt Fund [^]	80.88	–
Legg Mason Western Asset Multi-Asset Credit Fund [^]	99.99	–
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund [^]	100.00	–
Legg Mason Western Asset Structured Opportunities Fund [^]	100.00	–
Legg Mason Western Asset US Mortgage-Backed Securities Fund [^]	100.00	–
Legg Mason Brandywine Global Fixed Income Absolute Return Fund [^]	59.29	79.41
Legg Mason Brandywine Global High Yield Fund [^]	37.74	46.89
Legg Mason Brandywine Global High Yield Fund [^]	30.48	33.32
Legg Mason Brandywine Global Opportunistic Fixed Income Fund [^]	42.64	47.35
Legg Mason Brandywine Global Opportunistic Fixed Income Fund [^]	23.63	–
Legg Mason Brandywine Global Sovereign Credit Fund [^]	24.15	33.05
Legg Mason Brandywine Global Sovereign Credit Fund [^]	23.07	–
Legg Mason Brandywine Global Income Optimiser Fund [^]	45.34	30.92
Legg Mason Brandywine Global Income Optimiser Fund [^]	–	29.02
Legg Mason Brandywine Global Credit Opportunities Fund [^]	37.53	29.73
Legg Mason Brandywine Global Dynamic US Equity Fund [^]	100.00	–
Legg Mason Western Asset Brazil Equity Fund [^]	–	98.21
Legg Mason ClearBridge Global Equity Fund [^]	24.71	28.27
Legg Mason ClearBridge Global Equity Income Fund [^]	96.84	97.34
Legg Mason ClearBridge Tactical Dividend Income Fund	20.87	51.42
Legg Mason ClearBridge Tactical Dividend Income Fund	–	25.49
Legg Mason ClearBridge US Equity Sustainability Leaders Fund [^]	100.00	–
Legg Mason Opportunity Fund	27.59	–
Legg Mason Royce US Small Cap Opportunity Fund	36.47	39.48
Legg Mason Royce Smaller Companies Fund II [^]	–	100.00
Legg Mason QS MV European Equity Growth and Income Fund	38.90	46.68
Legg Mason QS Emerging Markets Equity Fund	46.99	43.59
Legg Mason QS Emerging Markets Equity Fund	29.09	27.09
Legg Mason QS MV Global Equity Growth and Income Fund	27.99	28.31
Legg Mason Martin Currie Australia Equity Income Fund	100.00	–

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 14), 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 14), 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 14), 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	Fees and expenses charged to capital for the year ended	
	February 29, 2016 (000's)	February 28, 2015 (000's)
Legg Mason Western Asset Global Multi Strategy Fund – Class A Euro Distributing (M) (Hedged) Plus (e)	\$7	\$11
Legg Mason Western Asset Global Multi Strategy Fund – Premier Class US\$ Distributing (M) Plus (e)	\$363	\$93
Legg Mason Western Asset Global Multi Strategy Fund – Premier Class GBP Distributing (M) (Hedged) Plus (e)	\$135	\$170
Legg Mason Western Asset US High Yield Fund – Class A US\$ Distributing (M) Plus	\$–	\$64
Legg Mason Western Asset US High Yield Fund – Class A SGD Distributing (M) (Hedged) Plus	\$–	\$3
Legg Mason Western Asset US High Yield Fund – Premier Class US\$ Distributing (M) Plus (e)	\$64	\$257
Legg Mason Western Asset Emerging Markets Total Return Bond Fund – Class A US\$ Distributing (M) Plus	\$–	\$26
Legg Mason Western Asset Emerging Markets Total Return Bond Fund – Class A SGD Distributing (M) (Hedged) Plus	\$–	\$2
Legg Mason Western Asset Global High Yield Fund – Class A US\$ Distributing (M) Plus	\$–	\$94
Legg Mason Western Asset Global High Yield Fund – Class A AUD Distributing (M) (Hedged) Plus	\$–	\$293
Legg Mason Western Asset Global High Yield Fund – Class A CNH Distributing (M) (Hedged) Plus	\$–	\$–
Legg Mason Western Asset Global High Yield Fund – Class A SGD Distributing (M) (Hedged) Plus	\$–	\$42
Legg Mason Western Asset Global High Yield Fund – Premier Class US\$ Distributing (M) Plus (e)	\$64	\$334
Legg Mason Western Asset Asian Opportunities Fund – Class A US\$ Distributing (M) Plus	\$–	\$–
Legg Mason Western Asset Asian Opportunities Fund – Class A AUD Distributing (M) (Hedged) Plus	\$–	\$4
Legg Mason Western Asset Asian Opportunities Fund – Class A CNH Distributing (M) (Hedged) Plus	\$–	\$–
Legg Mason Western Asset Asian Opportunities Fund – Class A SGD Distributing (M) (Plus)	\$–	\$7
Legg Mason Western Asset Asian Opportunities Fund – Class A SGD Distributing (M) (Hedged) Plus	\$–	\$24
Legg Mason Western Asset Macro Opportunities Bond Fund [^] – Class A US\$ Distributing (M) Plus (e)	\$1,991	\$110
Legg Mason Western Asset Macro Opportunities Bond Fund [^] – Class A AUD Distributing (M) (Hedged) Plus (e)	\$64	\$–
Legg Mason Western Asset Macro Opportunities Bond Fund [^] – Class A CNH Distributing (M) (Hedged) Plus (e)	\$40	\$–

[^] 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 29, 2016 (000's)	February 28, 2015 (000's)
Legg Mason Western Asset Macro Opportunities Bond Fund [^] – Class A SGD Distributing (M) (Hedged) Plus (e)	\$32	\$–
Legg Mason Western Asset Macro Opportunities Bond Fund [^] – Class X US\$ Distributing (M) Plus (e)	\$–	\$–
Legg Mason Western Asset Macro Opportunities Bond Fund [^] – Class X GBP Distributing (M) (Hedged) Plus (e)	\$2	\$–
Legg Mason Western Asset Macro Opportunities Bond Fund [^] – Premier Class GBP Distributing (M) (Hedged) Plus (e)	\$824	\$197
Legg Mason Western Asset Multi-Asset Credit Fund [^] – Class A US\$ Distributing (M) Plus (e)	\$–	\$–
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund [^] – Class A US\$ Distributing (M) Plus (e)	\$2	\$–
Legg Mason Western Asset US Mortgage-Backed Securities Fund [^] – Class A US\$ Distributing (M) Plus (e)	\$–	\$–
Legg Mason Brandywine Global Income Optimiser Fund [^] – Class A US\$ Distributing (M) Plus (e)	\$21	\$16
Legg Mason Brandywine Global Income Optimiser Fund [^] – Class A Euro Distributing (M) (Hedged) Plus (e)	\$143	\$64
Legg Mason Brandywine Global Income Optimiser Fund [^] – Class A GBP Distributing (M) (Hedged) Plus (e)	\$36	\$29
Legg Mason Brandywine Global Income Optimiser Fund [^] – Class X US\$ Distributing (M) Plus (e)	\$25	\$19
Legg Mason Brandywine Global Income Optimiser Fund [^] – Class X Euro Distributing (M) (Hedged) Plus (e)	\$18	\$19
Legg Mason Brandywine Global Income Optimiser Fund [^] – Class X GBP Distributing (M) (Hedged) Plus (e)	\$130	\$73
Legg Mason Brandywine Global Income Optimiser Fund [^] – Premier Class US\$ Distributing (M) Plus (e)	\$2	\$2
Legg Mason Brandywine Global Income Optimiser Fund [^] – Premier Class Euro Distributing (M) (Hedged) Plus (e)	\$18	\$4
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)	\$9	\$4
Legg Mason ClearBridge Global Equity Income Fund [^] – Class A Euro Distributing (M) (Hedged) Plus (e)	\$8	\$4
Legg Mason ClearBridge Global Equity Income Fund [^] – Premier Class US\$ Distributing (M) Plus (e)	\$5	\$2
Legg Mason ClearBridge Global Equity Income Fund [^] – Premier Class Euro Distributing (M) (Hedged) Plus (e)	\$4	\$2
Legg Mason ClearBridge US Equity Income Fund [^] – Class A US\$ Distributing (M) Plus (e)	\$–	\$8
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
Legg Mason ClearBridge Tactical Dividend Income Fund [^] – Class A US\$ Distributing (M) Plus (e)	\$1	\$8
Legg Mason ClearBridge Tactical Dividend Income Fund [^] – A Euro Distributing (M) (Hedged) Plus (e)	\$6	\$6
Legg Mason ClearBridge Tactical Dividend Income Fund [^] – Class X US\$ Distributing (M) Plus (e)	\$–	\$–
Legg Mason ClearBridge Tactical Dividend Income Fund [^] – Premier Class US\$ Distributing (M) Plus (e)	\$–	\$3

Amounts designated as “–” are either \$0/E0/Y0/E0 or less than \$1,000/E1,000/Y1,000/E1,000.

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 QS MV European Equity Growth and Income Fund, Legg Mason Betterymarch Asia Ex Japan Equity Fund and Legg Mason QS MV Global Equity Growth and Income 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, 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.

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

Notes to Financial Statements – (continued)

7. Taxation – (continued)

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 Statement of Financial Position.

9. Commitments and Contingent Liabilities

There were no significant commitments or contingent liabilities at February 29, 2016.

10. Soft Commission Arrangements

During the year ended February 29, 2016, ClearBridge, LLC ("ClearBridge"), ClearBridge Investments, LLC ("ClearBridge Investments"), LMM, LLC ("LMM"), Royce & Associates, LP ("Royce") and Legg Mason Asset Management Australia Limited (t/a "Martin Currie Australia") entered into soft commission arrangements with brokers in respect of which certain goods and services used to support the investment decision process were received. ClearBridge, ClearBridge Investments, LMM, Royce and Martin Currie Australia act 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 ClearBridge, ClearBridge Investments, LMM, Royce and Martin Currie Australia act 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 ClearBridge, ClearBridge Investments, LMM, Royce and Martin Currie Australia in carrying out their investment decision-making responsibilities in respect of the relevant Funds.

QS Batterymarch Financial Management, Inc. ("Batterymarch"), Western Asset Management Company, Western Asset Management Company Pte, Limited and Western Asset Management Company Limited ("Western Asset"), Brandywine Global Investments Management, LLC ("Brandywine"), Legg Mason Asset Management Hong Kong Limited, Legg Mason International Equities Limited and Private Capital Management, L.P. did not participate in any soft commission arrangements during the period for the Funds to which Batterymarch, Western Asset, Brandywine, Legg Mason Asset Management Hong Kong Limited, Legg Mason International Equities Limited and Private Capital Management, L.P. 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 and Australian Dollar amounts for the respective Funds with U.S. Dollar, Euro and Australian Dollar based currencies, respectively:

	Country	Exchange rates as at February 29, 2016	Exchange rates as at February 28, 2015
USD Based Funds	Argentine Peso	15.8000	8.7215
	Australian Dollar	1.4011	1.2798
	Brazilian Real	4.0156	2.8388
	British Pound	0.7185	0.6477
	Canadian Dollar	1.3530	1.2501
	Chilean Peso	696.8750	617.0450
	Chinese Renminbi	6.5523	6.2868
	Colombian Peso	3,290.9000	2,499.9750
	Czech Koruna	24.8803	24.6057
	Danish Krone	6.8569	6.6684
	Egyptian Pound	7.8301	7.6301
	Euro	0.9192	0.8936
	Hong Kong Dollar	7.7781	7.7558
	Hungarian Forint	285.0761	270.6671
	Indian Rupee	68.4250	61.8050
	Indonesian Rupiah	13,372.0000	12,925.0000
	Israeli Shekel	3.9023	3.9835
	Japanese Yen	112.7550	119.6250
	Malaysian Ringgit	4.2050	3.6040
	Mexican Peso	18.1300	14.9275
	New Zealand Dollar	1.5177	1.3221
	Norwegian Krone	8.7025	7.6661
	Pakistan Rupee	104.6650	101.8350
	Peruvian Nuevo Sol	3.5165	3.0935
	Philippine Peso	47.5500	44.0900
	Polish Zloty	3.9946	3.7069
	Romanian Leu	4.1046	–
	Russian Ruble	75.3100	61.6320
	Singapore Dollar	1.4060	1.3629
	South African Rand	15.8680	11.6665
	South Korean Won	1,236.7000	1,097.5500
	Swedish Krona	8.5619	8.3370
	Swiss Franc	0.9985	0.9534
	Taiwanese Dollar	33.2320	31.4050
	Thai Baht	35.6300	32.3300
	Turkish Lira	2.9652	2.5087
	Country	Exchange rates as at February 29, 2016	Exchange rates as at February 28, 2015
EUR Based Funds	Australian Dollar	1.5241	1.4321
	British Pound	0.7816	0.7248
	Danish Krone	7.4592	7.4623
	Japanese Yen	122.6606	133.8664
	Norwegian Krone	9.4670	8.5787
	Polish Zloty	–	4.1482
	South African Rand	17.2620	13.0554
	Swedish Krona	9.3140	9.3295
	Swiss Franc	1.0862	1.0668
	Turkish Lira	3.2256	2.8074
AUD Based Funds	United States Dollar	1.0879	1.1191
	United States Dollar	0.7138	–

Notes to Financial Statements – (continued)

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 29, 2016 Sub-Investment Managers/ Sub-Investment Advisors include QS Investors, LLC, Brandywine Global Investment Management, LLC, ClearBridge Investments, LLC, ClearBridge, LLC, LMM LLC, Royce & Associates LP, Western Asset Management Company, Western Asset Management Company Limited, Western Asset Management Company Ltd., Western Asset Management Company Pte. Ltd, Western Asset Management Company Distribuidora de Títulos e Valores Mobiliários Limitada, Western Asset Management Company Pty Limited and Legg Mason Asset Management Australia Limited) 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 ClearBridge 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 Statement of Financial Position.

Foreign currency risk is the risk that the value of a financial instrument will fluctuate because of changes in the rate of exchange between the currency in which the financial asset or financial liability is denominated and the functional currency of the Funds. The value of the investments of 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 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 Funds 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's") 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 Western Asset Multi-Asset Credit Fund[^], the Legg Mason Western Asset Global Total Return Investment Grade Bond Fund[^], the Legg Mason Western Asset Structured Opportunities 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 Western Asset Multi-Asset Credit Fund[^], the Legg Mason Western Asset Global Total Return Investment Grade 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 Western Asset Multi-Asset Credit Fund[^], the Legg Mason Western Asset Global Total Return Investment Grade Bond Fund[^], the Legg Mason Western Asset Structured Opportunities 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.

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. 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 Funds:

Fund	As at February 29, 2016	As at February 28, 2015
Legg Mason Western Asset Global Credit Absolute Return Fund [^]	0.99%	0.43%
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	0.79%	0.49%
Legg Mason Western Asset Multi-Asset Credit Fund [^]	0.43%	n/a
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund [^]	0.29%	n/a
Legg Mason Western Asset Structured Opportunities Fund [^]	0.34%	n/a
Legg Mason Brandywine Global Fixed Income Absolute Return Fund [^]	0.48%	0.50%
Legg Mason Brandywine Global Income Optimiser Fund [^]	0.52%	0.24%
Legg Mason Brandywine Global Credit Opportunities Fund [^]	0.49%	0.82%

[^] 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)

Where the Legg Mason Western Asset Global Credit Absolute Return Fund[^], the Legg Mason Western Asset Macro Opportunities Bond Fund[^], the Legg Mason Western Asset Multi-Asset Credit Fund[^], the Legg Mason Western Asset Global Total Return Investment Grade Bond Fund[^], the Legg Mason Western Asset Structured Opportunities 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 Western Asset Multi-Asset Credit Fund[^], the Legg Mason Western Asset Global Total Return Investment Grade Bond Fund[^], the Legg Mason Western Asset Structured Opportunities 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 at a 99% confidence level for a 20 day time horizon were as follows:

As at February 29, 2016

	Minimum	Average	Maximum
Legg Mason Western Asset Global Credit Absolute Return Fund [^]	2.89%	4.19%	7.28%
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	3.10%	4.47%	6.41%
Legg Mason Western Asset Multi-Asset Credit Fund [^]	1.21%	2.68%	3.39%
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund [^]	1.58%	1.74%	1.83%
Legg Mason Western Asset Structured Opportunities Fund [^]	1.31%	1.85%	2.30%
Legg Mason Brandywine Global Fixed Income Absolute Return Fund [^]	2.78%	3.26%	3.76%
Legg Mason Brandywine Global Income Optimiser Fund [^]	1.53%	1.93%	5.90%
Legg Mason Brandywine Global Credit Opportunities Fund [^]	2.47%	4.05%	6.25%

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%

For Funds using VaR, leverage is calculated as the sum of the notionals of the derivatives used.

Average level of leverage employed were as follows:

Fund	As at February 29, 2016	As at February 28, 2015
Legg Mason Western Asset Global Credit Absolute Return Fund [^]	655.38%	719.73%
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	862.11%	82.83%
Legg Mason Western Asset Multi-Asset Credit Fund [^]	484.88%	n/a
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund [^]	115.07%	n/a
Legg Mason Western Asset Structured Opportunities Fund [^]	62.28%	n/a
Legg Mason Brandywine Global Fixed Income Absolute Return Fund [^]	89.34%	118.90%
Legg Mason Brandywine Global Income Optimiser Fund [^]	91.34%	75.10%
Legg Mason Brandywine Global Credit Opportunities Fund [^]	97.80%	101.00%

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 102. FRS 102 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 29, 2016	(\$335,783)
As of February 28, 2015	(\$421,111)

(a) Market Price Risk

Each Fund's market price risk is monitored, but not managed, relative to an index. The indices as at February 29, 2016 and February 28, 2015 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[^], the Legg Mason Western Asset Multi-Asset Credit Fund[^], the Legg Mason Western Asset Global Total Return Investment Grade Bond Fund[^], the Legg Mason Western Asset Structured Opportunities 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.

As at February 29, 2016:

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	1,942,277	(1,942,277)
Legg Mason Western Asset US Core Plus Bond Fund	Barclays U.S. Aggregate Bond Index	USD	19,665,127	(19,665,127)
Legg Mason Western Asset Euro Core Plus Bond Fund	Citigroup Euro Broad Investment Grade Bond Index	EUR	5,233,887	(5,233,887)
Legg Mason Western Asset Short Duration High Income Bond Fund	Barclays U.S. High Yield 1-5 Years Cash Pay 2% Constrained Index	USD	1,343,907	(1,343,907)
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	49,560,476	(49,560,476)
Legg Mason Western Asset US High Yield Fund	Barclays U.S. Corporate High Yield Bond Index 2% Issuer Capped	USD	18,350,546	(18,350,546)
Legg Mason Western Asset Emerging Markets Total Return Bond Fund	JP Morgan EMBI Global Index ***	USD	3,171,197	(3,171,197)
Legg Mason Western Asset Emerging Markets Corporate Bond Fund	JP Morgan Corporate Emerging Markets Bond Index – Broad Composite	USD	2,301,463	(2,301,463)
Legg Mason Western Asset Global High Yield Fund	Barclays Global High Yield Bond Hedged Index	USD	12,105,197	(12,105,197)
Legg Mason Western Asset US Short-Term Government Fund	Barclays 1-3 Year U.S. Government Index	USD	713,942	(713,942)
Legg Mason Western Asset US Adjustable Rate Fund	Citigroup 6 Month U.S. Treasury Bill Index	USD	780,734	(780,734)

[^] 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)

(a) Market Price Risk – (continued)

As at February 29, 2016 – (continued)

Fund	Index	Currency	Impact on net asset value due to movement in index	
			Positive 5%*	Negative 5%*
Legg Mason Western Asset Global Inflation Management Fund	Barclays World Government Inflation-Linked All Maturities Index	USD	309,862	(309,862)
Legg Mason Western Asset Asian Opportunities Fund	HSBC Asian Local Bond Overall Index	USD	23,030,487	(23,030,487)
Legg Mason Western Asset Global Blue Chip Bond Fund	BofA Merrill Lynch U.S. Treasury 1-10 Years Index	USD	334,300	(334,300)
Legg Mason Western Asset Global Core Plus Bond Fund [^]	Barclays Global Aggregate Bond Index	USD	12,973,662	(12,973,662)
Legg Mason Western Asset Global Credit Fund	Barclays Global Aggregate Credit Index	USD	3,384,596	(3,384,596)
Legg Mason Western Asset Euro High Yield Fund	BofA Merrill Lynch European Currency High Yield (ex. Financials) 2% Constrained Index (EUR) Hedge	EUR	3,432,379	(3,432,379)
Legg Mason Western Asset EM Local Currency Debt Fund [^] **	JP Morgan Emerging Markets Bond Global Diversified Index	USD	N/A	N/A
Legg Mason Western Asset US Mortgage-Backed Securities Fund [^] **	Barclays U.S. Mortgage-Backed Securities Index	USD	N/A	N/A
Legg Mason Brandywine Global Fixed Income Fund	Citigroup World Government Bond Index	USD	35,459,074	(35,459,074)
Legg Mason Brandywine Global High Yield Fund [^]	Barclays Global High Yield Bond Index	USD	1,110,166	(1,110,166)
Legg Mason Brandywine Global Opportunistic Fixed Income Fund [^]	Citigroup World Government Bond Index	USD	16,151,932	(16,151,932)
Legg Mason Brandywine Global Sovereign Credit Fund [^]	Citigroup World Government Bond Index	USD	73,836,494	(73,836,494)
Legg Mason Brandywine Global Dynamic US Equity Fund [^] **	Russell 1000 Value Index	USD	N/A	N/A
Legg Mason ClearBridge Value Fund	S&P 500 Index	USD	15,473,253	(15,473,253)
Legg Mason ClearBridge Growth Fund	Russell 1000 Growth Index	USD	303,801	(303,801)
Legg Mason ClearBridge Global Equity Fund [^]	MSCI World Net Dividends Index	USD	228,079	(228,079)
Legg Mason ClearBridge Global Equity Income Fund [^]	MSCI World Net Dividends Index	USD	172,865	(172,865)
Legg Mason ClearBridge US Appreciation Fund	S&P 500 Index	USD	13,045,802	(13,045,802)
Legg Mason ClearBridge US Large Cap Growth Fund	Russell 1000 Growth Index	USD	11,800,627	(11,800,627)
Legg Mason ClearBridge US Aggressive Growth Fund	Russell 3000 Growth Index	USD	170,272,458	(170,272,458)
Legg Mason ClearBridge Tactical Dividend Income Fund	Dow Jones US Select Dividend Index	USD	3,261,457	(3,261,457)
Legg Mason ClearBridge US Equity Sustainability Leaders Fund [^] **	Russell 3000 Index	USD	N/A	N/A
Legg Mason Opportunity Fund	S&P 500 Index	USD	28,058,393	(28,058,393)
Legg Mason Royce US Small Cap Opportunity Fund	Russell 2000 Index	USD	26,511,902	(26,511,902)
Legg Mason Royce US Smaller Companies Fund	Russell 2000 Index	USD	6,502,633	(6,502,633)
Legg Mason QS MV European Equity Growth and Income Fund	MSCI Europe Net Dividends Index	EUR	5,925,332	(5,925,332)
Legg Mason QS MV Asia Pacific ex Japan Equity Growth and Income Fund	MSCI AC Asia Pacific ex Japan Net Dividends Index	USD	1,291,815	(1,291,815)
Legg Mason QS Emerging Markets Equity Fund	MSCI Emerging Markets Net Dividends Index	USD	588,153	(588,153)
Legg Mason QS MV Global Equity Growth and Income Fund	MSCI AC World Net Dividends Index	USD	380,467	(380,467)
Legg Mason Martin Currie Australia Equity Income Fund **	S&P ASX 200 Accumulation Index ****	AUD	N/A	N/A

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

** One year beta history not available for the Fund.

*** Legg Mason Western Asset Emerging Markets Total Return Bond Fund does not have a set benchmark, therefore the JP Morgan EMBI Global Index was used as an indicator for the beta calculation.

**** Legg Mason Martin Currie Australia Equity Income Fund does not have a set benchmark, therefore the S&P ASX 200 Accumulation Index was used as an indicator for the beta calculation.

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 Short Duration High Income Bond 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 Total Return 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 Global 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

[^] 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)

(a) Market Price Risk – (continued)

As at February 28, 2015 – (continued)

Fund	Index	Currency	Impact on net asset value due to movement in index	
			Positive 5% *	Negative 5% *
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 QS MV European Equity Growth and Income Fund	MSCI Europe Net Dividends Index	EUR	5,763,960	(5,763,960)
Legg Mason QS MV Asia Pacific ex Japan Equity Growth and Income Fund	MSCI AC Asia ex Japan Net Dividends Index			
Legg Mason QS Emerging Markets Equity Fund	MSCI Emerging Markets Net Dividends Index	USD	2,164,730	(2,164,730)
Legg Mason QS MV Global Equity Growth and Income Fund	MSCI AC World Net Dividends Index	USD	794,435	(794,435)
		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 Short Duration High Income Bond 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.

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[^], the Legg Mason Western Asset Multi-Asset Credit Fund[^], the Legg Mason Western Asset Global Total Return Investment Grade Bond Fund[^], the Legg Mason Western Asset Structured Opportunities 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, Sterling and Australian Dollar (the functional currencies of the Funds) with the effect that the Statement of Financial Position 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 29, 2016 and February 28, 2015.

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.

As at February 29, 2016:

Currency	Investments in Fixed Interest Securities (000's)	Investments in Variable Interest Securities (000's)	Investments in Non-Interest Bearing Securities (000's)	Forward Foreign 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							
United States Dollar	\$ 986,002	\$ 64,275	\$ –	\$ –	\$ –	\$ (5,287)	\$ 1,044,990
Total	\$ 986,002	\$ 64,275	\$ –	\$ –	\$ –	\$ (5,287)	\$ 1,044,990
Legg Mason Western Asset US Core Bond Fund							
Canadian Dollar	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 480	\$ 480
Chinese Renminbi	146	–	–	(3)	–	(148)	(5)
Euro	–	–	–	37	(48)	(1,380)	(1,391)
Japanese Yen	–	–	–	(30)	–	(692)	(722)
United States Dollar	35,862	7,947	511	16	(238)	2,832	46,930
Total	\$ 36,008	\$ 7,947	\$ 511	\$ 20	\$ (286)	\$ 1,092	\$ 45,292
Legg Mason Western Asset US Core Plus Bond Fund							
Australian Dollar	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 10	\$ 10
Brazilian Real	1,561	–	–	(42)	–	(1,445)	74
British Pound	1,653	–	–	57	–	(1,594)	116
Canadian Dollar	–	–	–	–	–	4,622	4,622
Chinese Renminbi	–	–	–	(146)	–	(7,235)	(7,381)
Euro	–	–	–	275	(189)	(12,379)	(12,293)
Japanese Yen	–	–	–	(289)	–	(6,609)	(6,898)
Malaysian Ringgit	–	–	–	–	–	26	26
Mexican Peso	6,326	–	–	–	–	302	6,628
New Zealand Dollar	–	–	–	–	–	8	8
Polish Zloty	2,094	–	–	–	–	149	2,243
Singapore Dollar	–	–	–	(69)	–	(4,457)	(4,526)
United States Dollar	423,840	69,667	4,342	145	(2,374)	16,350	511,970
Total	\$ 435,474	\$ 69,667	\$ 4,342	\$ (69)	\$ (2,563)	\$ (12,252)	\$ 494,599

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 29, 2016: – (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 Foreign Currency Contracts (000's)	Other Derivatives (000's)	Net Other Assets/ (Liabilities) (000's)	Total Net Asset Value (000's)
Legg Mason Western Asset Euro Core Plus Bond Fund							
British Pound	€ 588	€ –	€ –	€ 9	€ (1)	€ (646)	€ (50)
Euro	78,140	5,076	–	54	(65)	7,590	90,795
Polish Zloty	–	–	–	(63)	–	63	–
Swedish Krona	1,357	–	–	(24)	–	(1,245)	88
United States Dollar	1,550	–	51	(51)	(23)	(1,627)	(100)
Total	€ 81,635	€ 5,076	€ 51	€ (75)	€ (89)	€ 4,135	€ 90,733
Legg Mason Western Asset Short Duration High Income Bond Fund							
Australian Dollar	\$ –	\$ 23	\$ –	\$ –	\$ –	\$ 7	\$ 30
British Pound	163	–	–	101	–	(154)	110
Colombian Peso	–	–	–	–	–	1	1
Euro	–	–	–	339	–	(987)	(648)
Polish Zloty	–	–	–	–	–	8	8
United States Dollar	19,570	2,946	2,031	(383)	(40)	930	25,054
Total	\$ 19,733	\$ 2,969	\$ 2,031	\$ 57	\$ (40)	\$ (195)	\$ 24,555
Legg Mason Western Asset Global Multi Strategy Fund							
Australian Dollar	\$ –	\$ –	\$ –	\$ (175)	\$ –	\$ 45,419	\$ 45,244
Brazilian Real	41,752	–	–	(164)	–	(25,225)	16,363
British Pound	30,762	22,472	–	2,628	–	561,328	617,190
Canadian Dollar	255	–	–	–	–	31	286
Colombian Peso	56	–	–	–	–	7	63
Euro	25,474	6,140	24,244	3,490	(183)	(62,471)	(3,306)
Indian Rupee	–	–	–	–	–	35,830	35,830
Japanese Yen	–	–	–	(565)	–	(24,631)	(25,196)
Malaysian Ringgit	–	–	–	–	–	876	876
Mexican Peso	32,599	–	–	–	–	5,328	37,927
Polish Zloty	–	–	–	–	–	1,119	1,119
Singapore Dollar	–	–	–	65	–	(7,916)	(7,851)
South Korean Won	–	–	–	899	–	(31,432)	(30,533)
Swiss Franc	–	–	–	11	–	30,480	30,491
Turkish Lira	–	–	–	6	–	731	737
United States Dollar	589,228	116,408	75,189	(32,519)	189	(474,809)	273,686
Total	\$ 720,126	\$ 145,020	\$ 99,433	\$ (26,324)	\$ 6	\$ 54,665	\$ 992,926
Legg Mason Western Asset US High Yield Fund							
Australian Dollar	\$ –	\$ –	\$ 200	\$ –	\$ –	\$ 27	\$ 227
British Pound	–	–	–	–	–	96	96
Euro	–	–	–	1	–	908	909
Mexican Peso	–	–	–	–	–	58	58
Singapore Dollar	–	–	–	–	–	309	309
United States Dollar	315,835	23,581	19,857	(33)	488	7,632	367,360
Total	\$ 315,835	\$ 23,581	\$ 20,057	\$ (32)	\$ 488	\$ 9,030	\$ 368,959
Legg Mason Western Asset Emerging Markets Total Return Bond Fund							
Brazilian Real	\$ –	\$ –	\$ –	\$ 27	\$ –	\$ (1,147)	\$ (1,120)
British Pound	–	–	–	–	–	759	759
Chinese Renminbi	454	–	–	5	–	(450)	9
Euro	–	–	–	3	–	2,698	2,701
Indian Rupee	–	–	–	–	–	1,203	1,203
Malaysian Ringgit	–	–	–	(33)	–	(718)	(751)
Mexican Peso	1,142	–	–	(6)	–	(266)	870
Singapore Dollar	–	–	–	(13)	–	(877)	(890)
United States Dollar	52,109	1,854	4,952	(133)	19	(681)	58,120
Total	\$ 53,705	\$ 1,854	\$ 4,952	\$ (150)	\$ 19	\$ 521	\$ 60,901
Legg Mason Western Asset Emerging Markets Corporate Bond Fund							
Brazilian Real	–	–	–	13	–	(612)	(599)
Indian Rupee	–	–	–	–	–	760	760
Mexican Peso	93	–	–	–	–	2	95
Saudi Riyal	–	–	–	(17)	–	17	–
Singapore Dollar	–	–	–	(8)	–	(739)	(747)
United States Dollar	34,018	3,465	–	(8)	14	4,450	41,939
Total	\$ 34,111	\$ 3,465	\$ –	\$ (20)	\$ 14	\$ 3,878	\$ 41,448

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 29, 2016: – (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 Foreign 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 High Yield Fund							
Argentine Peso	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 32	\$ 32
Australian Dollar	–	–	184	1	–	19,872	20,057
British Pound	3,303	862	–	189	–	(4,170)	184
Euro	4,447	–	20,546	767	–	(33,497)	(7,737)
Mexican Peso	160	–	–	–	–	4	164
Singapore Dollar	–	–	–	–	–	2,138	2,138
Turkish Lira	–	–	–	–	–	5	5
United States Dollar	156,095	14,167	5,818	(302)	93	19,517	195,388
Total	\$ 164,005	\$ 15,029	\$ 26,548	\$ 655	\$ 93	\$ 3,901	\$ 210,231
Legg Mason Western Asset US Short-Term Government Fund							
United States Dollar	\$ 21,479	\$ 2,717	\$ –	\$ –	\$ 2	\$ (576)	\$ 23,622
Total	\$ 21,479	\$ 2,717	\$ –	\$ –	\$ 2	\$ (576)	\$ 23,622
Legg Mason Western Asset US Adjustable Rate Fund							
United States Dollar	\$ 879	\$ 8,163	\$ 1	\$ –	\$ –	\$ 133	\$ 9,176
Total	\$ 879	\$ 8,163	\$ 1	\$ –	\$ –	\$ 133	\$ 9,176
Legg Mason Western Asset Global Inflation Management Fund							
Australian Dollar	\$ 70	\$ –	\$ –	\$ (1)	\$ –	\$ (66)	\$ 3
Brazilian Real	111	–	–	–	–	5	116
British Pound	1,198	–	–	55	(3)	(1,302)	(52)
Canadian Dollar	225	–	–	(18)	–	(208)	(1)
Euro	3,600	–	–	159	(56)	(4,109)	(406)
Japanese Yen	–	–	–	–	(29)	(210)	(239)
New Zealand Dollar	420	–	–	–	–	(401)	19
Polish Zloty	–	–	–	4	–	(4)	–
Swedish Krona	–	–	–	–	–	140	140
United States Dollar	3,739	–	444	(4)	3	6,458	10,640
Total	\$ 9,363	\$ –	\$ 444	\$ 195	\$ (85)	\$ 303	\$ 10,220
Legg Mason Western Asset Asian Opportunities Fund							
Australian Dollar	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 6,687	\$ 6,687
British Pound	–	–	–	–	–	451	451
Chinese Renminbi	50,534	–	–	–	–	1,117	51,651
Euro	–	–	–	6	–	5,074	5,080
Hong Kong Dollar	910	–	–	–	–	14	924
Indian Rupee	56,815	–	–	–	–	1,178	57,993
Indonesian Rupiah	52,480	–	–	–	–	2,255	54,735
Malaysian Ringgit	21,193	–	–	–	–	359	21,552
Philippine Peso	34,831	–	–	–	–	303	35,134
Singapore Dollar	7,983	710	5,488	28	–	33,291	47,500
South Korean Won	–	–	–	–	2,604	39,972	42,576
Swiss Franc	–	–	–	–	–	1,342	1,342
Taiwan Dollar	11,285	–	–	(228)	–	(18,794)	(7,737)
Thai Baht	20,999	–	–	–	–	152	21,151
United States Dollar	81,184	11,562	29,823	(460)	(465)	(66,647)	54,997
Total	\$ 338,214	\$ 12,272	\$ 35,311	\$ (654)	\$ 2,139	\$ 6,754	\$ 394,036
Legg Mason Western Asset Global Blue Chip Bond Fund							
British Pound	\$ 4,804	\$ –	\$ –	\$ 218	\$ (13)	\$ 5,393	\$ 10,402
Euro	4,038	–	–	354	(150)	(2,787)	1,455
United States Dollar	23,723	–	3,273	(834)	(1)	(1,478)	24,683
Total	\$ 32,565	\$ –	\$ 3,273	\$ (262)	\$ (164)	\$ 1,128	\$ 36,540
Legg Mason Western Asset Global Credit Absolute Return Fund[^]							
Australian Dollar	\$ –	\$ –	\$ –	\$ –	\$ 3	\$ 974	\$ 977
Brazilian Real	–	–	–	(4)	–	4	–
British Pound	1,461	389	–	211	5	18,217	20,283
Canadian Dollar	–	–	–	–	(6)	1,202	1,196
Euro	99	179	–	–	(15)	315	578
Japanese Yen	–	–	–	–	–	2	2
Russian Ruble	–	–	–	(3)	–	(50)	(53)
Swedish Krona	–	–	–	–	–	2	2
United States Dollar	15,337	1,440	1,392	(1,018)	(773)	(19,252)	(2,874)
Total	\$ 16,897	\$ 2,008	\$ 1,392	\$ (814)	\$ (786)	\$ 1,414	\$ 20,111

[^] 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 29, 2016: – (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 Foreign 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 Core Plus Bond Fund[^]							
Australian Dollar	\$ 82	\$ –	\$ –	\$ (56)	\$ 137	\$ (3,736)	\$ (3,573)
Brazilian Real	1,648	–	–	14	–	(1,612)	50
British Pound	10,749	1,278	–	481	(3)	(12,494)	11
Canadian Dollar	5,025	–	–	(82)	–	(2,908)	2,035
Chinese Renminbi	–	–	–	(43)	–	(2,986)	(3,029)
Euro	14,389	1,105	–	920	153	13,178	29,745
Indian Rupee	–	–	–	–	–	321	321
Japanese Yen	12,737	–	–	(353)	–	(18,113)	(5,729)
Mexican Peso	4,120	–	–	(39)	–	(1,201)	2,880
Polish Zloty	7,011	–	–	29	–	(2,800)	4,240
South Korean Won	–	–	–	95	–	(2,704)	(2,609)
Swedish Krona	–	–	–	–	–	98	98
Turkish Lira	–	–	–	–	–	53	53
United States Dollar	174,715	2,389	7,080	(1,315)	47	18,390	201,306
Total	\$ 230,476	\$ 4,772	\$ 7,080	\$ (349)	\$ 334	\$ (16,514)	\$ 225,799
Legg Mason Western Asset Global Credit Fund							
Brazilian Real	\$ 281	\$ –	\$ –	\$ (6)	\$ –	\$ (258)	\$ 17
British Pound	10,475	1,629	–	482	(43)	(12,561)	(18)
Euro	9,789	3,640	–	361	230	(12,796)	1,224
Japanese Yen	–	–	–	9	–	(690)	(681)
Polish Zloty	–	–	–	–	–	3	3
United States Dollar	36,197	2,485	1,999	(50)	(19)	27,900	68,512
Total	\$ 56,742	\$ 7,754	\$ 1,999	\$ 796	\$ 168	\$ 1,598	\$ 69,057
Legg Mason Western Asset Euro High Yield Fund							
British Pound	€ 21,084	€ 2,044	€ –	€ 171	€ –	€ (23,077)	€ 222
Euro	56,294	2,938	–	(8)	–	27,159	86,383
Swiss Franc	–	–	–	(4)	–	4	–
United States Dollar	474	891	162	(39)	–	(1,045)	443
Total	€ 77,852	€ 5,873	€ 162	€ 120	€ –	€ 3,041	€ 87,048
Legg Mason Western Asset Macro Opportunities Bond Fund[^]							
Australian Dollar	\$ –	\$ –	\$ –	\$ (117)	\$ 2,011	\$ 18,639	\$ 20,533
Brazilian Real	119,306	–	–	144	(20,194)	(36,206)	63,050
British Pound	54,945	–	–	9,353	(327)	256,532	320,503
Canadian Dollar	–	–	–	(5,379)	–	34,027	28,648
Chinese Renminbi	78,576	–	–	(6,544)	–	(293,597)	(221,565)
Colombian Peso	–	–	–	163	–	16,037	16,200
Euro	216,286	–	–	17,194	(25,933)	1,128,198	1,335,745
Indian Rupee	132,080	–	–	(253)	–	(30,139)	101,688
Indonesian Rupiah	–	–	–	(1,273)	–	1,273	–
Japanese Yen	–	–	–	(1,627)	(24,901)	20,548	(5,980)
Malaysian Ringgit	–	–	–	359	–	(15,074)	(14,715)
Mexican Peso	212,873	–	–	735	–	(110,324)	103,284
Norwegian Krone	–	–	–	488	–	(488)	–
Peruvian Nuevo Sol	–	–	–	568	–	(568)	–
Polish Zloty	91,834	–	–	(718)	–	(56,375)	34,741
Russian Ruble	80,248	–	–	(948)	–	18,472	97,772
Singapore Dollar	–	–	–	(472)	–	(55,400)	(55,872)
South African Rand	–	–	–	(639)	–	639	–
South Korean Won	24,779	–	–	3,481	–	(147,131)	(118,871)
Swedish Krona	–	–	–	42	–	44,831	44,873
Swiss Franc	–	–	–	77	–	57,295	57,372
Turkish Lira	–	–	–	(550)	–	(21,527)	(22,077)
United States Dollar	1,981,706	603,202	5,478	(61,215)	(159,553)	(300,836)	2,068,782
Total	\$ 2,992,633	\$ 603,202	\$ 5,478	\$ (47,131)	\$ (228,897)	\$ 528,826	\$ 3,854,111

[^] 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 29, 2016: – (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 Foreign Currency Contracts (000's)	Other Derivatives (000's)	Net Other Assets/ (Liabilities) (000's)	Total Net Asset Value (000's)
Legg Mason Western Asset EM Local Currency Debt Fund[^]							
Brazilian Real	\$ 9,654	\$ –	\$ –	\$ 110	\$ –	\$ (5,355)	\$ 4,409
Colombian Peso	3,352	–	–	(14)	–	64	3,402
Euro	–	–	–	(2)	–	(921)	(923)
Hungarian Forint	4,979	–	–	(9)	–	(689)	4,281
Indonesian Rupiah	8,707	–	–	(3)	–	(1,910)	6,794
Malaysian Ringgit	6,061	–	–	–	–	(143)	5,918
Mexican Peso	7,137	–	–	(15)	–	(7)	7,115
Peruvian Nuevo Sol	1,119	–	–	3	–	63	1,185
Philippine Peso	1,189	–	–	(1)	–	(204)	984
Polish Zloty	6,128	–	–	(27)	–	1,625	7,726
Romanian Leu	2,699	–	–	–	–	(79)	2,620
Russian Ruble	3,570	–	–	(45)	–	441	3,966
Singapore Dollar	–	–	–	(5)	–	(750)	(755)
South African Rand	4,362	–	–	(5)	–	177	4,534
Thai Baht	4,443	–	–	–	–	482	4,925
Turkish Lira	7,297	–	–	–	–	(702)	6,595
United States Dollar	–	–	4,568	70	18	10,092	14,748
Total	\$ 70,697	\$ –	\$ 4,568	\$ 57	\$ 18	\$ 2,184	\$ 77,524
Legg Mason Western Asset Multi-Asset Credit Fund[^]							
Australian Dollar	\$ –	\$ –	\$ –	\$ (8)	\$ 20	\$ (47)	\$ (35)
Brazilian Real	–	–	–	(16)	–	(1,778)	(1,794)
British Pound	5,523	1,726	–	548	37	157,267	165,101
Canadian Dollar	–	–	–	(13)	(38)	3,127	3,076
Euro	3,316	–	–	169	(11)	(3,717)	(243)
Indian Rupee	–	–	–	–	–	3,496	3,496
Israeli Shekel	–	–	–	–	–	2,586	2,586
Japanese Yen	–	–	–	–	–	40	40
Mexican Peso	–	–	–	(85)	–	85	–
Singapore Dollar	–	–	–	(59)	–	(2,712)	(2,771)
South African Rand	–	–	–	(37)	–	37	–
South Korean Won	–	–	–	120	–	(4,390)	(4,270)
Taiwan Dollar	–	–	–	(25)	–	(2,659)	(2,684)
Turkish Lira	–	–	–	(89)	–	(3,537)	(3,626)
United States Dollar	95,007	23,312	14,956	(8,270)	(957)	(116,369)	7,679
Total	\$ 103,846	\$ 25,038	\$ 14,956	\$ (7,765)	\$ (949)	\$ 31,429	\$ 166,555
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund[^]							
Australian Dollar	\$ –	\$ –	\$ –	\$ (2)	\$ 3	\$ (98)	\$ (97)
Brazilian Real	72	–	–	1	–	(64)	9
British Pound	34	–	–	1	–	(35)	–
Canadian Dollar	–	–	–	–	–	52	52
Chinese Renminbi	–	–	–	(4)	–	(245)	(249)
Euro	250	23	–	38	(31)	2,192	2,472
Indian Rupee	–	–	–	1	–	(49)	(48)
Japanese Yen	–	–	–	(3)	–	(208)	(211)
Mexican Peso	87	–	–	–	–	–	87
Polish Zloty	198	–	–	–	–	4	202
South Korean Won	–	–	–	3	–	(97)	(94)
United States Dollar	3,488	–	446	(96)	3	(1,029)	2,812
Total	\$ 4,129	\$ 23	\$ 446	\$ (61)	\$ (25)	\$ 423	\$ 4,935
Legg Mason Western Asset Structured Opportunities Fund[^]							
Euro	\$ –	\$ –	\$ –	\$ –	\$ (591)	\$ –	\$ (591)
United States Dollar	25,878	265,502	29,400	–	1,223	4,540	326,543
Total	\$ 25,878	\$ 265,502	\$ 29,400	\$ –	\$ 632	\$ 4,540	\$ 325,952
Legg Mason Western Asset US Mortgage-Backed Securities Fund[^]							
United States Dollar	\$ 711,450	\$ 106,929	\$ 70,819	\$ –	\$ 895	\$ (103,902)	\$ 786,191
Total	\$ 711,450	\$ 106,929	\$ 70,819	\$ –	\$ 895	\$ (103,902)	\$ 786,191

[^] 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 29, 2016: – (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 Foreign 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 Fund							
Australian Dollar	\$ 81,012	\$ –	\$ –	\$ (94)	\$ –	\$ (3,944)	\$ 76,974
Brazilian Real	46,222	–	–	–	–	960	47,182
British Pound	–	–	–	484	–	32,354	32,838
Canadian Dollar	–	–	–	(221)	–	(5,283)	(5,504)
Chilean Peso	–	–	–	–	–	77,017	77,017
Danish Krone	–	–	–	8	–	(1,662)	(1,654)
Euro	53,825	–	–	703	–	297,770	352,298
Hungarian Forint	46,230	–	–	–	–	1,456	47,686
Indian Rupee	–	–	–	(8)	–	53,921	53,913
Indonesian Rupiah	52,423	–	–	–	–	2,549	54,972
Japanese Yen	–	–	–	(4,856)	–	(13,666)	(18,522)
Malaysian Ringgit	41,210	–	–	(13)	–	(639)	40,558
Mexican Peso	145,893	–	–	(90)	–	(400)	145,403
New Zealand Dollar	39,333	–	–	–	–	659	39,992
Norwegian Krone	–	–	–	–	–	31,854	31,854
Polish Zloty	46,567	–	–	(22)	–	(1,156)	45,389
Singapore Dollar	–	–	–	(20)	–	(947)	(967)
South African Rand	33,657	–	–	(35)	–	(868)	32,754
Swedish Krona	–	–	–	8	–	57,801	57,809
Swiss Franc	–	–	–	(16)	–	(744)	(760)
United States Dollar	175,504	268,293	92,204	(606)	–	(501,348)	34,047
Total	\$ 761,876	\$ 268,293	\$ 92,204	\$ (4,778)	\$ –	\$ 25,684	\$ 1,143,279
Legg Mason Brandywine Global Fixed Income Absolute Return Fund^							
Australian Dollar	\$ 37,231	\$ –	\$ –	\$ (67)	\$ –	\$ 132,684	\$ 169,848
Brazilian Real	61,320	–	–	–	–	1,288	62,608
British Pound	–	–	–	6,669	–	45,962	52,631
Chilean Peso	–	–	–	–	–	116,536	116,536
Euro	64,460	3,539	–	7,531	(6,867)	96,683	165,346
Hungarian Forint	61,572	–	–	–	–	1,016	62,588
Indian Rupee	–	–	–	–	–	70,549	70,549
Indonesian Rupiah	66,759	–	–	–	–	1,748	68,507
Japanese Yen	–	–	–	(25,875)	–	(116,840)	(142,715)
Malaysian Ringgit	54,485	–	–	–	–	809	55,294
Mexican Peso	191,880	–	–	–	–	2,749	194,629
New Zealand Dollar	50,935	–	–	–	–	828	51,763
Norwegian Krone	–	–	–	33	–	42,022	42,055
Polish Zloty	32,808	–	–	–	–	555	33,363
Singapore Dollar	–	–	–	1,763	–	116,430	118,193
South African Rand	44,142	–	–	–	–	201	44,343
South Korean Won	–	–	–	4,249	–	(145,599)	(141,350)
Swedish Krona	–	–	–	22	–	79,899	79,921
Swiss Franc	–	–	–	–	–	785	785
United States Dollar	31,380	674,384	56,576	(5,340)	(758)	(468,365)	287,877
Total	\$ 696,972	\$ 677,923	\$ 56,576	\$ (11,015)	\$ (7,625)	\$ (20,060)	\$ 1,392,771
Legg Mason Brandywine Global High Yield Fund^							
Australian Dollar	\$ –	\$ –	\$ –	\$ (2)	\$ –	\$ 27	\$ 25
Brazilian Real	139	–	–	(1)	–	(111)	27
British Pound	2,369	234	–	192	–	992	3,787
Canadian Dollar	–	–	–	–	–	6,652	6,652
Euro	2,993	226	–	57	81	1,690	5,047
Hungarian Forint	–	–	–	(7)	–	7	–
New Zealand Dollar	181	–	–	2	–	(160)	23
Swedish Krona	–	–	–	–	–	(3)	(3)
Swiss Franc	–	–	–	1	–	(39)	(38)
United States Dollar	14,845	389	2,161	(181)	(46)	(8,571)	8,597
Total	\$ 20,527	\$ 849	\$ 2,161	\$ 61	\$ 35	\$ 484	\$ 24,117

^ 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 29, 2016: – (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 Foreign Currency Contracts (000's)	Other Derivatives (000's)	Net Other Assets/ (Liabilities) (000's)	Total Net Asset Value (000's)
Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^]							
Australian Dollar	\$ 40,495	\$ –	\$ –	\$ (19)	\$ –	\$ (1,893)	\$ 38,583
Brazilian Real	22,999	–	–	–	–	489	23,488
British Pound	–	–	–	274	–	(8,984)	(8,710)
Canadian Dollar	–	–	–	(71)	–	(2,272)	(2,343)
Chilean Peso	–	–	–	–	–	38,180	38,180
Danish Krone	–	–	–	10	–	(714)	(704)
Euro	43,760	10,608	–	1,017	–	(50,931)	4,454
Hungarian Forint	22,768	–	–	–	–	457	23,225
Indian Rupee	–	–	–	–	–	26,993	26,993
Indonesian Rupiah	24,993	–	–	–	–	676	25,669
Japanese Yen	–	–	–	(1,602)	–	(1,714)	(3,316)
Malaysian Ringgit	20,075	–	–	–	–	(241)	19,834
Mexican Peso	72,536	–	–	(27)	–	(31)	72,478
New Zealand Dollar	19,103	–	–	–	–	138,471	157,574
Norwegian Krone	–	–	–	3	–	15,899	15,902
Polish Zloty	12,246	–	–	(2)	–	(443)	11,801
Singapore Dollar	–	–	–	(3)	–	(409)	(412)
South African Rand	16,842	–	–	(10)	–	(369)	16,463
Swedish Krona	–	–	–	2	–	28,889	28,891
Swiss Franc	–	–	–	(2)	–	(321)	(323)
United States Dollar	103,328	100,961	30,841	2,550	–	(176,336)	61,344
Total	\$ 399,145	\$ 111,569	\$ 30,841	\$ 2,120	\$ –	\$ 5,396	\$ 549,071

Legg Mason Brandywine Global Sovereign Credit Fund[^]

Australian Dollar	\$ 84,003	\$ –	\$ –	\$ (553)	\$ –	\$ 66,427	\$ 149,877
Brazilian Real	103,835	–	–	–	–	55,585	159,420
British Pound	–	–	–	–	–	834,888	834,888
Canadian Dollar	–	–	–	(968)	–	(15,945)	(16,913)
Chilean Peso	–	–	–	–	–	95,844	95,844
Colombian Peso	–	–	–	–	–	91,201	91,201
Danish Krone	–	–	–	(83)	–	(5,083)	(5,166)
Euro	165,468	–	–	37	–	(491,981)	(326,476)
Hong Kong Dollar	–	–	–	(21)	–	(462)	(483)
Hungarian Forint	95,788	–	–	–	–	2,883	98,671
Indian Rupee	–	–	–	–	–	102,663	102,663
Indonesian Rupiah	158,567	–	–	–	–	4,713	163,280
Japanese Yen	–	–	–	(22,346)	–	(60,782)	(83,128)
Malaysian Ringgit	125,799	–	–	–	–	33,922	159,721
Mexican Peso	306,074	–	–	–	–	4,429	310,503
New Zealand Dollar	118,765	–	–	(64)	–	2	118,703
Norwegian Krone	–	–	–	(52)	–	66,072	66,020
Polish Zloty	117,203	–	–	–	–	1,695	118,898
Singapore Dollar	–	–	–	906	–	(102,075)	(101,169)
South African Rand	45,548	–	–	–	–	591	46,139
South Korean Won	205,513	–	–	4,955	–	(202,277)	8,191
Swedish Krona	–	–	–	(98)	–	118,490	118,392
Swiss Franc	–	–	–	(183)	–	(4,622)	(4,805)
United States Dollar	402,696	141,924	188,863	800	–	(524,750)	209,533
Total	\$ 1,929,259	\$ 141,924	\$ 188,863	\$ (17,670)	\$ –	\$ 71,428	\$ 2,313,804

Legg Mason Brandywine Global Income Optimiser Fund[^]

Australian Dollar	\$ 1,980	\$ –	\$ –	\$ (33)	\$ –	\$ (1,845)	\$ 102
Brazilian Real	174	–	–	(1)	–	(173)	–
British Pound	6,058	870	–	1,067	–	5,325	13,320
Canadian Dollar	1,088	–	–	(162)	–	(1,950)	(1,024)
Euro	2,486	2,508	–	410	82	8,761	14,247
Hungarian Forint	–	–	–	(32)	–	32	–
Japanese Yen	–	–	–	(39)	–	39	–
Mexican Peso	–	–	–	(1)	–	1	–
New Zealand Dollar	2,465	–	–	67	–	(2,417)	115
Singapore Dollar	–	–	–	8	–	(368)	(360)
South Korean Won	–	–	–	16	–	(407)	(391)
Swedish Krona	–	–	–	–	–	6,473	6,473
Taiwan Dollar	–	–	–	(15)	–	(389)	(404)
United States Dollar	17,323	1,105	1,322	(1,578)	(80)	(11,624)	6,468
Total	\$ 31,574	\$ 4,483	\$ 1,322	\$ (293)	\$ 2	\$ 1,458	\$ 38,546

[^] 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 29, 2016: – (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 Foreign Currency Contracts (000's)	Other Derivatives (000's)	Net Other Assets/ (Liabilities) (000's)	Total Net Asset Value (000's)
Legg Mason Brandywine Global Credit Opportunities Fund[^]							
Australian Dollar	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 257	\$ 257
British Pound	5,169	880	–	250	8	1,107	7,414
Euro	–	31,343	–	1,073	300	(30,032)	2,684
Hungarian Forint	–	–	–	(31)	–	31	–
Mexican Peso	–	–	–	(43)	–	43	–
New Zealand Dollar	1,423	–	–	20	–	(1,360)	83
United States Dollar	4,923	15,031	7,685	(330)	(211)	47,729	74,827
Total	\$ 11,515	\$ 47,254	\$ 7,685	\$ 939	\$ 97	\$ 17,775	\$ 85,265
Legg Mason Brandywine Global Dynamic US Equity Fund[^]							
Euro	\$ –	\$ –	\$ –	\$ 1	\$ –	\$ 1,343	\$ 1,344
United States Dollar	–	–	1,920	(40)	–	(1,340)	540
Total	\$ –	\$ –	\$ 1,920	\$ (39)	\$ –	\$ 3	\$ 1,884
Legg Mason ClearBridge Value Fund							
Euro	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 60	\$ 60
Singapore Dollar	–	–	–	–	–	849	849
United States Dollar	–	–	263,930	(5)	–	8,421	272,346
Total	\$ –	\$ –	\$ 263,930	\$ (5)	\$ –	\$ 9,330	\$ 273,255
Legg Mason ClearBridge Growth Fund							
United States Dollar	\$ –	\$ –	\$ 5,811	\$ –	\$ –	\$ 396	\$ 6,207
Total	\$ –	\$ –	\$ 5,811	\$ –	\$ –	\$ 396	\$ 6,207
Legg Mason ClearBridge Global Equity Fund[^]							
Australian Dollar	\$ –	\$ –	\$ 47	\$ –	\$ –	\$ –	\$ 47
Brazilian Real	–	–	32	–	–	–	32
British Pound	–	–	543	–	–	5	548
Danish Krone	–	–	32	–	–	–	32
Euro	–	–	1,467	–	–	3	1,470
Hong Kong Dollar	–	–	340	–	–	–	340
Japanese Yen	–	–	499	–	–	–	499
Norwegian Krone	–	–	102	–	–	–	102
South Korean Won	–	–	157	–	–	2	159
Swedish Krona	–	–	74	–	–	–	74
Swiss Franc	–	–	164	–	–	–	164
United States Dollar	–	–	1,213	–	–	(11)	1,202
Total	\$ –	\$ –	\$ 4,670	\$ –	\$ –	\$ (1)	\$ 4,669
Legg Mason ClearBridge Global Equity Income Fund[^]							
Australian Dollar	\$ –	\$ –	\$ 108	\$ –	\$ –	\$ –	\$ 108
Brazilian Real	–	–	74	–	–	1	75
British Pound	–	–	885	–	–	6	891
Canadian Dollar	–	–	61	–	–	–	61
Danish Krone	–	–	33	–	–	–	33
Euro	–	–	1,149	1	–	1,390	2,540
Hong Kong Dollar	–	–	417	–	–	1	418
Japanese Yen	–	–	121	–	–	–	121
Norwegian Krone	–	–	203	–	–	–	203
Singapore Dollar	–	–	46	–	–	–	46
Swedish Krona	–	–	163	–	–	–	163
Swiss Franc	–	–	109	–	–	–	109
United States Dollar	–	–	468	(42)	–	(1,270)	(844)
Total	\$ –	\$ –	\$ 3,837	\$ (41)	\$ –	\$ 128	\$ 3,924
Legg Mason ClearBridge US Appreciation Fund							
United States Dollar	\$ –	\$ –	\$ 274,506	\$ –	\$ –	\$ 16,397	\$ 290,903
Total	\$ –	\$ –	\$ 274,506	\$ –	\$ –	\$ 16,397	\$ 290,903
Legg Mason ClearBridge US Large Cap Growth Fund							
Euro	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 7,625	\$ 7,625
United States Dollar	–	–	250,280	(99)	–	14,347	264,528
Total	\$ –	\$ –	\$ 250,280	\$ (99)	\$ –	\$ 21,972	\$ 272,153

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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 29, 2016: – (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 Foreign Currency Contracts (000's)	Other Derivatives (000's)	Net Other Assets/ (Liabilities) (000's)	Total Net Asset Value (000's)
Legg Mason ClearBridge US Aggressive Growth Fund							
Australian Dollar	\$ –	\$ –	\$ –	\$ (19)	\$ –	\$ 24,901	\$ 24,882
British Pound	–	–	–	6	–	2,918	2,924
Chinese Renminbi	–	–	–	–	–	32	32
Euro	–	–	–	2,108	–	39,680	41,788
Polish Zloty	–	–	–	–	–	158	158
Singapore Dollar	–	–	–	1	–	6,182	6,183
Swedish Krona	–	–	–	–	–	31	31
Swiss Franc	–	–	–	3	–	2,443	2,446
United States Dollar	–	–	3,018,472	(3,996)	–	(47,892)	2,966,584
Total	\$ –	\$ –	\$ 3,018,472	\$ (1,897)	\$ –	\$ 28,453	\$ 3,045,028
Legg Mason ClearBridge Tactical Dividend Income Fund							
Australian Dollar	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 673	\$ 673
Canadian Dollar	–	–	–	–	–	3	3
Chinese Renminbi	–	–	–	–	–	2,216	2,216
Euro	–	–	–	–	–	319	319
Singapore Dollar	–	–	–	–	–	62	62
United States Dollar	–	–	59,479	3	–	3,246	62,728
Total	\$ –	\$ –	\$ 59,479	\$ 3	\$ –	\$ 6,519	\$ 66,001
Legg Mason ClearBridge US Equity Sustainability Leaders Fund[^]							
Euro	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 370	\$ 370
United States Dollar	–	–	930	(11)	–	(330)	589
Total	\$ –	\$ –	\$ 930	\$ (11)	\$ –	\$ 40	\$ 959
Legg Mason Opportunity Fund							
British Pound	\$ –	\$ –	\$ 23	\$ –	\$ –	\$ 93	\$ 116
Euro	–	–	–	1	–	270	271
Polish Zloty	–	–	–	–	–	10	10
Swedish Krona	–	–	–	–	–	31	31
United States Dollar	–	–	365,824	(10)	20,098	(7,100)	378,812
Total	\$ –	\$ –	\$ 365,847	\$ (9)	\$ 20,098	\$ (6,696)	\$ 379,240
Legg Mason Royce US Small Cap Opportunity Fund							
Australian Dollar	\$ –	\$ –	\$ –	\$ (4)	\$ –	\$ 6,278	\$ 6,274
British Pound	–	–	–	–	–	1,240	1,240
Canadian Dollar	–	–	781	–	–	(781)	–
Chinese Renminbi	–	–	–	–	–	64	64
Euro	–	–	–	139	–	17,842	17,981
Singapore Dollar	–	–	–	–	–	6,040	6,040
Swedish Krona	–	–	–	–	–	35	35
United States Dollar	–	–	542,123	(730)	–	(33,114)	508,279
Total	\$ –	\$ –	\$ 542,904	\$ (595)	\$ –	\$ (2,396)	\$ 539,913
Legg Mason Royce US Smaller Companies Fund							
British Pound	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 26	\$ 26
Canadian Dollar	–	–	10,457	–	–	(2,515)	7,942
Danish Krone	–	–	1,284	–	–	–	1,284
Euro	–	–	–	–	–	105	105
Norwegian Krone	–	–	1,881	–	–	–	1,881
Polish Zloty	–	–	–	–	–	30	30
Swedish Krona	–	–	–	–	–	3	3
United States Dollar	–	–	140,148	(4)	–	3,549	143,693
Total	\$ –	\$ –	\$ 153,770	\$ (4)	\$ –	\$ 1,198	\$ 154,964
Legg Mason QS MV European Equity Growth and Income Fund							
Australian Dollar	€ –	€ –	€ –	€ (67)	€ –	€ 16,122	€ 16,055
British Pound	–	–	55,143	–	–	247	55,390
Chinese Renminbi	–	–	–	(3)	–	1,156	1,153
Danish Krone	–	–	2,976	–	–	12	2,988
Euro	–	–	57,013	2,856	–	(95,215)	(35,346)
Norwegian Krone	–	–	1,335	–	–	–	1,335
Singapore Dollar	–	–	–	–	–	51	51
Swedish Krona	–	–	9,449	–	–	–	9,449
Swiss Franc	–	–	20,151	–	–	36	20,187
United States Dollar	–	–	–	(225)	–	78,938	78,713
Total	€ –	€ –	€ 146,067	€ 2,561	€ –	€ 1,347	€ 149,975

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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 29, 2016: – (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 Foreign Currency Contracts (000's)	Other Derivatives (000's)	Net Other Assets/ (Liabilities) (000's)	Total Net Asset Value (000's)
Legg Mason QS MV Asia Pacific ex Japan Equity Growth and Income Fund							
Australian Dollar	\$	–	\$	–	\$	135	\$
Hong Kong Dollar	–	–	10,013	–	–	32	10,045
Indian Rupee	–	–	1,281	–	–	–	1,281
Indonesian Rupiah	–	–	1,178	–	–	–	1,178
Malaysian Ringgit	–	–	2,089	–	–	4	2,093
New Zealand Dollar	–	–	1,297	–	–	8	1,305
Pakistan Rupee	–	–	214	–	–	–	214
Philippine Peso	–	–	499	–	–	3	502
Polish Zloty	–	–	–	–	–	89	89
Singapore Dollar	–	–	3,366	–	–	33	3,399
South Korean Won	–	–	3,052	–	–	52	3,104
Taiwan Dollar	–	–	6,471	–	–	–	6,471
Thai Baht	–	–	900	–	–	14	914
United States Dollar	–	–	627	(1)	–	(253)	373
Total	\$	–	\$	35,219	\$	117	\$
Legg Mason QS Emerging Markets Equity Fund							
Brazilian Real	\$	–	\$	630	\$	9	\$
British Pound	–	–	38	–	–	–	38
Chilean Peso	–	–	706	–	–	2	708
Colombian Peso	–	–	250	–	–	1	251
Czech Koruna	–	–	137	–	–	–	137
Egyptian Pound	–	–	77	–	–	–	77
Euro	–	–	95	–	–	1	96
Hong Kong Dollar	–	–	1,755	–	–	2	1,757
Hungarian Forint	–	–	101	–	–	–	101
Indian Rupee	8	–	1,215	–	–	3	1,226
Indonesian Rupiah	–	–	771	–	–	1	772
Malaysian Ringgit	–	–	1,399	–	–	9	1,408
Mexican Peso	–	–	741	–	–	2	743
Philippine Peso	–	–	331	–	–	–	331
Polish Zloty	–	–	473	–	–	1	474
Russian Ruble	–	–	–	–	–	2	2
South African Rand	–	–	1,006	–	–	5	1,011
South Korean Won	–	–	981	–	–	14	995
Taiwan Dollar	–	–	855	–	–	–	855
Thai Baht	–	–	712	–	–	2	714
Turkish Lira	–	–	1,148	–	–	1	1,149
United States Dollar	–	–	892	–	(6)	35	921
Total	\$	8	\$	14,313	\$	90	\$
Legg Mason QS MV Global Equity Growth and Income Fund							
Australian Dollar	\$	–	\$	414	\$	(326)	\$
Brazilian Real	–	–	157	–	–	3	160
British Pound	–	–	1,441	44	–	(1,180)	305
Canadian Dollar	–	–	554	(14)	–	(428)	112
Czech Koruna	–	–	49	–	–	–	49
Danish Krone	–	–	104	–	–	3	107
Euro	–	–	1,368	–	–	6	1,374
Hong Kong Dollar	–	–	1,146	–	–	–	1,146
Israeli Shekel	–	–	135	–	–	–	135
Malaysian Ringgit	–	–	311	–	–	–	311
Mexican Peso	–	–	116	–	–	–	116
New Zealand Dollar	–	–	1,099	12	–	(866)	245
Singapore Dollar	–	–	921	8	–	(750)	179
South African Rand	–	–	450	–	–	(364)	86
Swedish Krona	–	–	346	–	–	–	346
Swiss Franc	–	–	116	–	–	–	116
Taiwan Dollar	–	–	713	–	–	–	713
Turkish Lira	–	–	266	–	–	–	266
United States Dollar	–	–	2,151	–	–	3,977	6,128
Total	\$	–	\$	11,857	\$	75	\$
Legg Mason Martin Currie Australia Equity Income Fund							
Australian Dollar	\$	–	\$	948	\$	(4)	\$
Total	\$	–	\$	948	\$	(4)	\$

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 Short Duration High Income Bond 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 Total Return 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 Global 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
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

[^] 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 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

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

[^] 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 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
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

[^] 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 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
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

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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 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
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

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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 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 QS MV European Equity Growth and Income 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
Legg Mason QS MV Asia Pacific ex Japan Equity Growth and Income 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

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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 QS 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 QS MV Global Equity Growth and Income 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

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.

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

(b) Foreign Currency Risk – (continued)

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 29, 2016 and February 28, 2015. 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 29, 2016		February 28, 2015	
		Positive 5%	Negative 5%	Positive 5%	Negative 5%
Legg Mason Western Asset Global Multi Strategy Fund	British Pound	32,483,684	(29,390,000)	42,946,684	(38,856,524)
Legg Mason Western Asset Emerging Markets Total Return Bond Fund	British Pound	n/a	n/a	597,211	(540,333)
Legg Mason Western Asset Global High Yield Fund	Australian Dollar	n/a	n/a	2,363,632	(2,138,524)
Legg Mason Western Asset Asian Opportunities Fund	Chinese Renminbi	2,718,474	(2,459,571)	4,145,789	(3,750,952)
	Indian Rupee	3,052,263	(2,761,571)	3,523,053	(3,187,524)
	Indonesian Rupiah	2,880,789	(2,606,429)	4,091,211	(3,701,571)
	Singapore Dollar	2,500,000	(2,261,905)	4,550,158	(4,116,810)
	South Korean Won	2,240,842	(2,027,429)	6,617,053	(5,986,857)
Legg Mason Western Asset Global Blue Chip Bond Fund	British Pound	547,474	(495,333)	931,632	(842,905)
Legg Mason Western Asset Brazil Bond Fund [^]	Brazilian Real	n/a	n/a	1,768,105	(1,599,714)
Legg Mason Western Asset Global Credit Absolute Return Fund [^]	British Pound	1,067,526	(965,857)	3,916,895	(3,543,857)
Legg Mason Western Asset Global Core Plus Bond Fund [^]	Euro	1,565,526	(1,416,429)	n/a	n/a
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	Euro	70,302,368	(63,606,905)	76,729,211	(69,421,667)
Legg Mason Western Asset Multi-Asset Credit Fund [^]	British Pound	8,689,526	(7,861,952)	n/a	n/a
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund [^]	Euro	130,105	(117,714)	n/a	n/a
Legg Mason Brandywine Global Fixed Income Fund	Euro	18,542,000	(16,776,095)	15,836,421	(14,328,190)
	Mexican Peso	7,652,789	(6,923,952)	10,731,474	(9,709,429)
Legg Mason Brandywine Global Fixed Income Absolute Return Fund [^]	Australian Dollar	8,939,368	(8,088,000)	6,889,263	(6,233,143)
	British Pound	n/a	n/a	5,993,105	(5,422,333)
	Euro	8,702,421	(7,873,619)	n/a	n/a
	Japanese Yen	(7,511,316)	6,795,952	(13,271,105)	12,007,190
	Mexican Peso	10,243,632	(9,268,048)	8,175,368	(7,396,762)
	Singapore Dollar	n/a	n/a	13,039,474	(11,797,619)
	South Korean Won	(7,439,474)	6,730,952	n/a	n/a
Legg Mason Brandywine Global High Yield Fund [^]	British Pound	199,316	(180,333)	274,368	(248,238)
	Canadian Dollar	350,105	(316,762)	n/a	n/a
	Euro	265,632	(240,333)	239,263	(216,476)
Legg Mason Brandywine Global Opportunistic Fixed Income Fund [^]	Euro	n/a	n/a	(2,191,368)	1,982,667
	Japanese Yen	n/a	n/a	(2,044,105)	1,849,429
	Mexican Peso	3,814,632	(3,451,333)	2,187,526	(1,979,190)
	New Zealand Dollar	8,293,368	(7,503,524)	8,081,895	(7,312,190)
Legg Mason Brandywine Global Sovereign Credit Fund [^]	Brazilian Real	n/a	n/a	13,191,421	(11,935,095)
	British Pound	43,941,474	(39,756,571)	41,880,684	(37,892,048)
	Euro	(17,182,947)	15,546,476	(16,855,632)	15,250,333
	Japanese Yen	n/a	n/a	(16,508,316)	14,936,095
	Mexican Peso	16,342,263	(14,785,857)	14,795,474	(13,386,381)
Legg Mason Brandywine Global Income Optimiser Fund [^]	British Pound	701,053	(634,286)	816,421	(738,667)
	Euro	749,842	(678,429)	411,789	(372,571)
	Swedish Krona	340,684	(308,238)	n/a	n/a
Legg Mason Brandywine Global Dynamic US Equity Fund [^]	Euro	70,737	(64,000)	n/a	n/a
Legg Mason Western Asset Brazil Equity Fund [^]	Brazilian Real	n/a	n/a	144,158	(130,429)
Legg Mason ClearBridge Global Equity Fund [^]	British Pound	28,842	(26,095)	30,895	(27,952)
	Euro	77,368	(70,000)	80,053	(72,429)
	Japanese Yen	26,263	(23,762)	28,947	(26,190)
Legg Mason ClearBridge Global Equity Income Fund [^]	British Pound	46,895	(42,429)	37,421	(33,857)
	Euro	133,684	(120,952)	166,421	(150,571)
	Hong Kong Dollar	22,000	(19,905)	n/a	n/a
	Japanese Yen	n/a	n/a	28,737	(26,000)
Legg Mason ClearBridge Tactical Dividend Income Fund	Chinese Renminbi	n/a	n/a	283,316	(256,333)
Legg Mason ClearBridge US Equity Sustainability Leaders Fund [^]	Euro	19,474	(17,619)	n/a	n/a
Legg Mason QS MV European Equity Growth and Income Fund	Australian Dollar	845,000	(764,524)	n/a	n/a
	British Pound	2,915,263	(2,637,619)	2,631,789	(2,381,143)
	Swiss Franc	1,062,474	(961,286)	966,684	(874,619)
	US Dollar	4,142,789	(3,748,238)	2,594,421	(2,347,333)
Legg Mason QS MV Asia Pacific ex Japan Equity Growth and Income Fund	Australian Dollar	229,842	(207,952)	n/a	n/a
	Hong Kong Dollar	528,684	(478,333)	934,211	(845,238)
	South Korean Won	n/a	n/a	304,895	(275,857)
	Taiwan Dollar	340,579	(308,143)	641,579	(580,476)
Legg Mason QS Emerging Markets Equity Fund	Hong Kong Dollar	92,474	(83,667)	153,474	(138,857)
	Indian Rupee	n/a	n/a	103,105	(93,286)
Legg Mason QS MV Global Equity Growth and Income Fund	British Pound	n/a	n/a	88,158	(79,762)
	Euro	72,316	(65,429)	n/a	n/a
	Japanese Yen	n/a	n/a	81,737	(73,952)

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 29, 2016 and February 28, 2015 are listed in Note 11. This sensitivity analysis should not be used as a prediction of future performance.

The risk from foreign currency exposure to the Legg Mason Western Asset Global Credit Absolute Return Fund[^], Legg Mason Western Asset Macro Opportunities Bond Fund[^], the Legg Mason Western Asset Multi-Asset Credit Fund[^], the Legg Mason Western Asset Global Total Return Investment Grade Bond Fund[^], the Legg Mason Western Asset Structured Opportunities 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.

[^] 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

A sensitivity analysis for the Equity Funds 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 29, 2016 and February 28, 2015, 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 29, 2016 and February 28, 2015 are as follows:

As at February 29, 2016

Currency	Weighted Average Yield	Weighted Average Years to Maturity
Legg Mason Western Asset US Money Market Fund		
US Dollar	0.24%	0.13
Legg Mason Western Asset US Core Bond Fund		
Chinese Renminbi	3.46%	9.73
US Dollar	3.54%	16.52
Legg Mason Western Asset US Core Plus Bond Fund		
Brazilian Real	10.32%	0.84
British Pound	0.00%	4.75
Mexican Peso	6.72%	15.44
Polish Zloty	3.12%	9.38
US Dollar	3.67%	16.18
Legg Mason Western Asset Euro Core Plus Bond Fund		
British Pound	5.08%	6.50
Euro	2.42%	9.05
Swedish Krona	2.54%	23.03
US Dollar	5.20%	31.19
Legg Mason Western Asset Short Duration High Income Bond Fund		
British Pound	6.60%	1.92
US Dollar	7.59%	4.99
Legg Mason Western Asset Global Multi Strategy Fund		
Brazilian Real	5.92%	3.81
British Pound	6.11%	13.66
Colombian Peso	9.34%	8.38
Euro	5.33%	7.43
Mexican Peso	6.65%	17.72
US Dollar	6.08%	11.77
Legg Mason Western Asset US High Yield Fund		
US Dollar	8.85%	6.99
Legg Mason Western Asset Emerging Markets Total Return Bond Fund		
Chinese Renminbi	3.40%	0.20
Mexican Peso	6.50%	6.50
US Dollar	6.19%	10.27
Legg Mason Western Asset Emerging Markets Corporate Bond Fund		
Mexican Peso	4.29%	3.91
US Dollar	5.73%	7.29
Legg Mason Western Asset Global High Yield Fund		
British Pound	6.67%	10.29
Euro	13.42%	5.25
Mexican Peso	4.29%	3.91
US Dollar	9.20%	6.50
Legg Mason Western Asset US Short-Term Government Fund		
US Dollar	1.68%	3.83
Legg Mason Western Asset US Adjustable Rate Fund		
US Dollar	1.67%	0.81
Legg Mason Western Asset Asian Opportunities Fund		
Chinese Renminbi	3.72%	7.10
Hong Kong Dollar	2.77%	3.94
Indian Rupee	7.71%	4.49
Indonesian Rupiah	8.53%	12.69
Malaysian Ringgit	3.68%	7.74
Philippine Peso	5.61%	16.68
Singapore Dollar	2.82%	29.42
Taiwan Dollar	1.62%	6.85
Thai Baht	3.34%	9.77
US Dollar	4.67%	7.42
Legg Mason Western Asset Global Blue Chip Bond Fund		
British Pound	2.49%	5.31
Euro	2.69%	6.96
US Dollar	3.68%	5.55
Legg Mason Western Asset Global Credit Absolute Return Fund[^]		
British Pound	6.50%	8.00
Euro	6.32%	5.28
US Dollar	8.43%	11.88

[^] 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 29, 2016: – (continued)

Currency	Weighted Average Yield	Weighted Average Years to Maturity
Legg Mason Western Asset Global Core Plus Bond Fund[^]		
Australian Dollar	6.28%	3.94
Brazilian Real	10.32%	0.84
British Pound	3.97%	15.08
Canadian Dollar	2.16%	8.86
Euro	2.39%	20.03
Japanese Yen	1.05%	18.54
Mexican Peso	6.98%	26.34
Polish Zloty	3.12%	9.38
US Dollar	2.86%	14.20
Legg Mason Western Asset Global Credit Fund		
British Pound	5.02%	12.90
Euro	2.39%	9.33
US Dollar	4.64%	14.12
Legg Mason Western Asset Euro High Yield Fund		
British Pound	4.68%	4.24
Euro	6.75%	5.21
US Dollar	9.56%	3.92
Legg Mason Western Asset Macro Opportunities Bond Fund[^]		
Brazilian Real	10.75%	1.82
British Pound	3.94%	9.97
Chinese Renminbi	3.58%	7.27
Euro	3.46%	24.16
Indian Rupee	8.21%	7.19
Mexican Peso	7.03%	25.57
Polish Zloty	3.43%	8.40
Russian Ruble	8.87%	10.91
South Korean Won	3.10%	8.01
US Dollar	5.69%	19.68
Legg Mason Western Asset EM Local Currency Debt Fund[^]		
Brazilian Real	7.48%	3.45
Colombian Peso	8.69%	6.16
Hungarian Forint	6.24%	4.33
Indonesian Rupiah	8.87%	9.68
Malaysian Ringgit	4.63%	6.40
Mexican Peso	7.29%	11.00
Peruvian Sol	7.45%	8.81
Philippine Peso	4.84%	4.90
Polish Zloty	4.55%	6.66
Romanian Leu	5.19%	8.97
Russian Ruble	9.45%	9.19
South African Rand	9.93%	12.92
Thai Baht	3.80%	7.88
Turkish Lira	10.80%	4.10
Legg Mason Western Asset Multi-Asset Credit Fund[^]		
British Pound	6.11%	5.95
Euro	8.05%	3.61
US Dollar	5.74%	10.81
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund[^]		
British Pound	5.10%	7.75
Euro	3.22%	5.16
Mexican Peso	6.99%	26.65
Polish Zloty	3.12%	9.38
US Dollar	3.01%	11.87
Legg Mason Western Asset Structured Opportunities Fund[^]		
US Dollar	6.27%	26.02
Legg Mason Western Asset US Mortgage-Backed Securities Fund[^]		
US Dollar	4.51%	25.96
Legg Mason Brandywine Global Fixed Income Fund		
Australian Dollar	4.12%	8.69
Brazilian Real	13.23%	7.82
Euro	3.38%	23.37
Hungarian Forint	4.59%	9.30
Indonesian Rupiah	7.54%	3.35
Malaysian Ringgit	3.60%	5.69
Mexican Peso	7.09%	21.35
New Zealand Dollar	4.79%	6.53
Polish Zloty	3.42%	8.42
South African Rand	9.23%	22.28
US Dollar	2.62%	28.81

[^] 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 29, 2016: – (continued)

Currency	Weighted Average Yield	Weighted Average Years to Maturity
Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^]		
Australian Dollar	4.71%	8.38
Brazilian Real	13.31%	8.05
Euro	4.00%	12.27
Hungarian Forint	4.85%	8.01
Indonesian Rupiah	8.80%	16.35
Malaysian Ringgit	3.61%	5.62
Mexican Peso	7.03%	20.54
New Zealand Dollar	4.89%	6.12
Polish Zloty	3.12%	9.38
South African Rand	9.37%	23.67
US Dollar	3.84%	1.04
Legg Mason Brandywine Global High Yield Fund[^]		
Brazilian Real	11.02%	0.37
British Pound	5.19%	7.15
Euro	5.82%	6.78
New Zealand Dollar	3.94%	11.10
US Dollar	6.29%	6.39
Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^]		
Australian Dollar	4.12%	8.68
Brazilian Real	13.38%	8.25
Euro	3.71%	17.20
Hungarian Forint	4.94%	7.83
Indonesian Rupiah	8.81%	15.39
Malaysian Ringgit	3.64%	5.49
Mexican Peso	7.08%	21.39
New Zealand Dollar	4.71%	6.87
Polish Zloty	3.32%	8.74
South African Rand	9.29%	22.81
US Dollar	3.14%	28.32
Legg Mason Brandywine Global Sovereign Credit Fund[^]		
Australian Dollar	4.71%	8.38
Brazilian Real	12.94%	6.91
Euro	3.72%	16.81
Hungarian Forint	5.72%	5.84
Indonesian Rupiah	8.78%	14.81
Malaysian Ringgit	3.60%	5.84
Mexican Peso	7.11%	20.98
New Zealand Dollar	4.64%	7.11
Polish Zloty	4.60%	4.64
South African Rand	9.72%	27.06
South Korean Won	4.78%	3.42
US Dollar	3.37%	28.92
Legg Mason Brandywine Global Income Optimiser Fund[^]		
Australian Dollar	2.79%	9.80
Brazilian Real	11.02%	0.37
British Pound	3.93%	15.32
Canadian Dollar	2.06%	9.23
Euro	5.33%	6.98
New Zealand Dollar	4.52%	7.92
US Dollar	6.00%	11.21
Legg Mason Brandywine Global Credit Opportunities Fund[^]		
British Pound	3.45%	9.09
New Zealand Dollar	3.94%	11.10
US Dollar	2.14%	18.92
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

[^] 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 Short Duration High Income Bond 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 Total Return 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
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

[^] 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 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
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

[^] 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 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

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

In addition to the Committee, Legg Mason has established the Legg Mason North Atlantic 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 29, 2016.

Fair Value Estimation

The fair value of financial instruments traded in active markets (such as publicly traded derivatives and trading securities) is based on quoted market prices at the Statement of Financial Position date. 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 an active market for identical assets or liabilities that the entity can access at the measurement date.

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

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

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

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

[^] 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 29, 2016:

	Legg Mason Western Asset US Money Market Fund as at February 29, 2016 (in 000's)	Legg Mason Western Asset US Core Bond Fund as at February 29, 2016 (in 000's)	Legg Mason Western Asset US Core Plus Bond Fund as at February 29, 2016 (in 000's)	Legg Mason Western Asset Euro Core Plus Bond Fund as at February 29, 2016 (in 000's)	Legg Mason Western Asset Short Duration High Income Bond Fund as at February 29, 2016 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	€ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	59	51	–
Derivative assets held for trading	–	21	233	–	–
Derivative liabilities held for trading	–	(90)	(618)	(87)	(43)
	–	(69)	(326)	(36)	(43)
Level 2					
Bonds and Notes	\$ 28,051	\$ 43,920	\$ 477,489	€ 86,711	\$ 21,478
Money Market Instruments	1,022,226	–	24,900	–	1,000
Equity Instruments	–	511	3,357	–	2,027
Derivative assets held for trading	–	58	534	63	443
Derivative liabilities held for trading	–	(255)	(2,781)	(140)	(383)
	1,050,277	44,234	503,499	86,634	24,565
Level 3					
Bonds and Notes	\$ –	\$ 35	\$ 3,678	€ –	\$ 224
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	4
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	35	3,678	–	228
Total Investments	\$ 1,050,277	\$ 44,200	\$ 506,851	€ 86,598	\$ 24,750
	Legg Mason Western Asset Global Multi Strategy Fund as at February 29, 2016 (in 000's)	Legg Mason Western Asset US High Yield Fund as at February 29, 2016 (in 000's)	Legg Mason Western Asset Emerging Markets Total Return Bond Fund as at February 29, 2016 (in 000's)	Legg Mason Western Asset Emerging Markets Corporate Bond Fund as at February 29, 2016 (in 000's)	Legg Mason Western Asset Global High Yield Fund as at February 29, 2016 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	73	6,155	–	–	2,112
Derivative assets held for trading	–	3	–	–	7
Derivative liabilities held for trading	(417)	(86)	(20)	–	(23)
	(344)	6,072	(20)	–	2,096
Level 2					
Bonds and Notes	\$ 851,875	\$ 338,643	\$ 48,859	\$ 37,576	\$ 177,149
Money Market Instruments	13,201	–	6,700	–	–
Equity Instruments	99,119	11,188	4,952	–	20,546
Derivative assets held for trading	8,285	572	74	31	1,083
Derivative liabilities held for trading	(34,186)	(33)	(185)	(37)	(319)
	938,294	350,370	60,400	37,570	198,459
Level 3					
Bonds and Notes	\$ 70	\$ 773	\$ –	\$ –	\$ 1,885
Money Market Instruments	–	–	–	–	–
Equity Instruments	241	2,714	–	–	3,890
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	311	3,487	–	–	5,775
Total Investments	\$ 938,261	\$ 359,929	\$ 60,380	\$ 37,570	\$ 206,330

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 29, 2016 (in 000's)	Legg Mason Western Asset US Adjustable Rate Fund as at February 29, 2016 (in 000's)	Legg Mason Western Asset Global Inflation Management Fund as at February 29, 2016 (in 000's)	Legg Mason Western Asset Asian Opportunities Fund as at February 29, 2016 (in 000's)	Legg Mason Western Asset Global Blue Chip Bond Fund as at February 29, 2016 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative assets held for trading	2	–	4	2,621	–
Derivative liabilities held for trading	–	–	(89)	–	(164)
	2	–	(85)	2,621	(164)
Level 2					
Bonds and Notes	\$ 24,196	\$ 9,039	\$ 9,363	\$ 350,486	\$ 32,565
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	1	444	35,311	3,273
Derivative assets held for trading	–	–	245	66	572
Derivative liabilities held for trading	–	–	(50)	(1,202)	(834)
	24,196	9,040	10,002	384,661	35,576
Level 3					
Bonds and Notes	\$ –	\$ 3	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	3	–	–	–
Total Investments	\$ 24,198	\$ 9,043	\$ 9,917	\$ 387,282	\$ 35,412

	Legg Mason Western Asset Global Credit Absolute Return Fund [^] as at February 29, 2016 (in 000's)	Legg Mason Western Asset Global Core Plus Bond Fund [^] as at February 29, 2016 (in 000's)	Legg Mason Western Asset Global Credit Fund as at February 29, 2016 (in 000's)	Legg Mason Western Asset Euro High Yield Fund as at February 29, 2016 (in 000's)	Legg Mason Western Asset Macro Opportunities Bond Fund [^] as at February 29, 2016 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	€ –	\$ –
Money Market Instruments	–	–	–	6,550	–
Equity Instruments	7	42	–	–	5,478
Derivative assets held for trading	140	401	6	–	26,332
Derivative liabilities held for trading	(214)	(158)	(70)	–	(108,391)
	(67)	285	(64)	6,550	(76,581)
Level 2					
Bonds and Notes	\$ 18,905	\$ 235,209	\$ 64,496	€ 77,175	\$ 3,582,458
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	7,038	1,999	162	–
Derivative assets held for trading	352	1,650	1,084	186	61,274
Derivative liabilities held for trading	(1,878)	(1,908)	(56)	(66)	(255,243)
	17,379	241,989	67,523	77,457	3,388,489
Level 3					
Bonds and Notes	\$ –	\$ 39	\$ –	€ –	\$ 13,377
Money Market Instruments	–	–	–	–	–
Equity Instruments	1,385	–	–	–	–
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	1,385	39	–	–	13,377
Total Investments	\$ 18,697	\$ 242,313	\$ 67,459	€ 84,007	\$ 3,325,285

[^] 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 EM Local Currency Debt Fund [^] as at February 29, 2016 (in 000's)	Legg Mason Western Asset Multi-Asset Credit Fund [^] as at February 29, 2016 (in 000's)	Legg Mason Western Asset Global Total Return Investment Grade Bond Fund [^] as at February 29, 2016 (in 000's)	Legg Mason Western Asset Structured Opportunities Fund [^] as at February 29, 2016 (in 000's)	Legg Mason Western Asset US Mortgage-Backed Securities Fund [^] as at February 29, 2016 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	29,400	–
Derivative assets held for trading	–	398	5	1,669	1,378
Derivative liabilities held for trading	–	(574)	(32)	(481)	(499)
	–	(176)	(27)	30,588	879
Level 2					
Bonds and Notes	\$ 70,697	\$ 127,599	\$ 3,952	\$ 291,380	\$ 818,379
Money Market Instruments	–	–	200	–	–
Equity Instruments	4,568	14,956	446	–	70,819
Derivative assets held for trading	366	1,533	47	54	25
Derivative liabilities held for trading	(291)	(10,071)	(106)	(610)	(9)
	75,340	134,017	4,539	290,824	889,214
Level 3					
Bonds and Notes	\$ –	\$ 1,285	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	1,285	–	–	–
Total Investments	\$ 75,340	\$ 135,126	\$ 4,512	\$ 321,412	\$ 890,093

	Legg Mason Brandywine Global Fixed Income Fund as at February 29, 2016 (in 000's)	Legg Mason Brandywine Global Fixed Income Absolute Return Fund [^] as at February 29, 2016 (in 000's)	Legg Mason Brandywine Global High Yield Fund [^] as at February 29, 2016 (in 000's)	Legg Mason Brandywine Global Opportunistic Fixed Income Fund [^] as at February 29, 2016 (in 000's)	Legg Mason Brandywine Global Sovereign Credit Fund [^] as at February 29, 2016 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	337	–	–
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	(7,625)	(17)	–	–
	–	(7,625)	320	–	–
Level 2					
Bonds and Notes	\$ 1,030,169	\$ 1,374,895	\$ 21,376	\$ 510,714	\$ 2,071,183
Money Market Instruments	–	–	–	–	–
Equity Instruments	92,204	56,576	1,824	30,841	188,863
Derivative assets held for trading	9,525	34,688	462	5,014	27,476
Derivative liabilities held for trading	(14,303)	(45,703)	(349)	(2,894)	(45,146)
	1,117,595	1,420,456	23,313	543,675	2,242,376
Level 3					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	–	–	–	–
Total Investments	\$ 1,117,595	\$ 1,412,831	\$ 23,633	\$ 543,675	\$ 2,242,376

[^] 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 29, 2016 (in 000's)	Legg Mason Brandywine Global Credit Opportunities Fund [^] as at February 29, 2016 (in 000's)	Legg Mason Brandywine Global Dynamic US Equity Fund [^] as at February 29, 2016 (in 000's)	Legg Mason ClearBridge Value Fund as at February 29, 2016 (in 000's)	Legg Mason ClearBridge Growth Fund as at February 29, 2016 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	748	–	1,905	263,930	5,811
Derivative assets held for trading	–	8	–	–	–
Derivative liabilities held for trading	(34)	(159)	–	–	–
	714	(151)	1,905	263,930	5,811
Level 2					
Bonds and Notes	\$ 36,057	\$ 58,769	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	574	7,685	15	–	–
Derivative assets held for trading	1,791	1,813	1	–	–
Derivative liabilities held for trading	(2,048)	(626)	(40)	(5)	–
	36,374	67,641	(24)	(5)	–
Level 3					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	–	–	–	–
Total Investments	\$ 37,088	\$ 67,490	\$ 1,881	\$ 263,925	\$ 5,811
	Legg Mason ClearBridge Global Equity Fund [^] as at February 29, 2016 (in 000's)	Legg Mason ClearBridge Global Equity Income Fund [^] as at February 29, 2016 (in 000's)	Legg Mason ClearBridge US Appreciation Fund as at February 29, 2016 (in 000's)	Legg Mason ClearBridge US Large Cap Growth Fund as at February 29, 2016 (in 000's)	Legg Mason ClearBridge US Aggressive Growth Fund as at February 29, 2016 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	4,605	3,697	270,386	250,280	3,018,472
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	4,605	3,697	270,386	250,280	3,018,472
Level 2					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	65	140	4,120	–	–
Derivative assets held for trading	–	1	–	–	2,123
Derivative liabilities held for trading	–	(42)	–	(99)	(4,020)
	65	99	4,120	(99)	(1,897)
Level 3					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	–	–	–	–
Total Investments	\$ 4,670	\$ 3,796	\$ 274,506	\$ 250,181	\$ 3,016,575

[^] 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 Tactical Dividend Income Fund as at February 29, 2016 (in 000's)	Legg Mason ClearBridge US Equity Sustainability Leaders Fund^ as at February 29, 2016 (in 000's)	Legg Mason Opportunity Fund as at February 29, 2016 (in 000's)	Legg Mason Royce US Small Cap Opportunity Fund as at February 29, 2016 (in 000's)	Legg Mason Royce US Smaller Companies Fund as at February 29, 2016 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	48,717	930	353,538	515,716	142,930
Derivative assets held for trading	–	–	19,656	–	–
Derivative liabilities held for trading	–	–	–	–	–
	48,717	930	373,194	515,716	142,930
Level 2					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	10,762	–	12,309	27,188	10,840
Derivative assets held for trading	17	–	506	141	–
Derivative liabilities held for trading	(14)	(11)	(73)	(736)	(4)
	10,765	(11)	12,742	26,593	10,836
Level 3					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	–	–	–	–
Total Investments	\$ 59,482	\$ 919	\$ 385,936	\$ 542,309	\$ 153,766

	Legg Mason QS MV European Equity Growth and Income Fund as at February 29, 2016 (in 000's)	Legg Mason QS MV Asia Pacific ex Japan Equity Growth and Income Fund as at February 29, 2016 (in 000's)	Legg Mason QS Emerging Markets Equity Fund as at February 29, 2016 (in 000's)	Legg Mason QS MV Global Equity Growth and Income Fund as at February 29, 2016 (in 000's)	Legg Mason Martin Currie Australia Equity Income Fund as at February 29, 2016 (in 000's)
Level 1					
Bonds and Notes	€ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	146,067	32,202	14,290	11,048	948
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	(6)	–	–
	146,067	32,202	14,284	11,048	948
Level 2					
Bonds and Notes	€ –	\$ –	\$ 8	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	3,017	–	809	–
Derivative assets held for trading	2,856	–	–	64	–
Derivative liabilities held for trading	(295)	(1)	–	(16)	–
	2,561	3,016	8	857	–
Level 3					
Bonds and Notes	€ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	23	–	–
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	–	23	–	–
Total Investments	€ 148,628	\$ 35,218	\$ 14,315	\$ 11,905	\$ 948

^ 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 Short Duration High Income Bond 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
	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 Total Return 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

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 Global 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 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

[^] 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 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

[^] 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 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

^ 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 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 QS MV European Equity Growth and Income Fund as at February 28, 2015 (in 000's)	Legg Mason QS MV Asia Pacific ex Japan Equity Growth and Income Fund as at February 28, 2015 (in 000's)	Legg Mason QS 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 QS MV Global Equity Growth and Income 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	–
	13,399
Level 2	
Bonds and Notes	\$ –
Money Market Instruments	–
Equity Instruments	–
Derivative assets held for trading	–
Derivative liabilities held for trading	–
	–
Level 3	
Bonds and Notes	\$ –
Money Market Instruments	–
Equity Instruments	–
Derivative assets held for trading	–
Derivative liabilities held for trading	–
	–
Total Investments	\$ 13,399

Securities which are fair valued by the Investment Manager at February 29, 2016 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.

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 29, 2016 and February 28, 2015:

As at February 29, 2016	Single Broker Priced (in 000's)	Fair Valued by Valuation Committee (in 000's)
Legg Mason Western Asset US Core Bond Fund	\$8	\$35
Legg Mason Western Asset US Core Plus Bond Fund	\$3,546	\$3,592
Legg Mason Western Asset Short Duration High Income Bond Fund	–	\$13
Legg Mason Western Asset Global Multi Strategy Fund	–	\$311
Legg Mason Western Asset US High Yield Fund	\$773	\$3,487
Legg Mason Western Asset Global High Yield Fund	\$1,183	\$5,442
Legg Mason Western Asset US Adjustable Rate Fund	–	\$3
Legg Mason Western Asset Asian Opportunities Fund	–	\$24,445
Legg Mason Western Asset Global Credit Absolute Return Fund [^]	–	\$1,385
Legg Mason Western Asset Global Core Plus Bond Fund [^]	–	\$39
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	\$13,377	\$13,377
Legg Mason Western Asset Multi-Asset Credit Fund [^]	–	\$1,285
Legg Mason QS Emerging Markets Equity Fund	–	\$540

[^] 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)

As at February 28, 2015	Single Broker Priced (in '000's)	Fair Valued by Valuation Committee (in '000's)
Legg Mason Western Asset US Core Bond Fund	\$16	\$71
Legg Mason Western Asset US Core Plus Bond Fund	\$3,188	\$3,144
Legg Mason Western Asset Short Duration High Income Bond Fund	–	\$30
Legg Mason Western Asset Global Multi Strategy Fund	\$11,891	\$830
Legg Mason Western Asset US High Yield Fund	\$1,000	\$4,936
Legg Mason Western Asset Global High Yield Fund	\$1,346	\$6,222
Legg Mason Western Asset US Adjustable Rate Fund	–	\$6
Legg Mason Western Asset Asian Opportunities Fund	\$11,880	\$38,176
Legg Mason Western Asset Global Credit Absolute Return Fund [^]	–	\$1,046
Legg Mason Western Asset Global Core Plus Bond Fund [^]	–	\$78
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	\$3,357	–
Legg Mason ClearBridge US Fundamental Value Fund	–	\$5
Legg Mason QS Emerging Markets Equity Fund	–	\$196

In certain circumstances the Company employs International Data Corporation ("IDC") adjusted pricing in the valuation of non-US equities. IDC calculates and supplies an adjusted closing price to use as a fair value price.

As at February 29, 2016 IDC adjusted pricing was applied to Legg Mason ClearBridge Global Equity Fund[^], Legg Mason ClearBridge Global Equity Income Fund[^], Legg Mason Opportunity Fund, Legg Mason Royce US Smaller Companies Fund, Legg Mason QS MV European Equity Growth and Income Fund, Legg Mason QS MV Asia Pacific ex Japan Equity Growth and Income Fund, Legg Mason QS Emerging Markets Equity Fund, Legg Mason QS MV Global Equity Growth and Income Fund, and Legg Mason Martin Currie Australia Equity Income Fund (February 28, 2015: IDC adjusted pricing was not applied to any of the Funds).

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 recognized 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:

- Be a credit institution in accordance with the UCITS Regulations, 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
- 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.

The value of underlying securities received as collateral in relation to derivative trading held by the following Funds as at February 29, 2016 and February 28, 2015 was as follows:

Fund	Broker	As at February 29, 2016 Market Value of Collateral 000's	As at February 28, 2015 Market Value of Collateral 000's
Legg Mason Western Asset US High Yield Fund	Deutsche Bank	\$377	\$724
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	Barclays	\$244	\$902
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	BNP Paribas	\$532	–
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	Credit Suisse	\$599	–

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:

- must be marked to market daily;
- must equal or exceed, in value, at all times the value of the amount invested or securities loaned;
- must be transferred to the trustee, or its agent; and
- 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.

[^] 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)

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.

To mitigate counterparty credit risk, certain over the counter derivatives are cleared through central clearing houses. Under this arrangement, over the counter trades entered with counter parties are given up to clearing houses, which after acceptance effectively replace the counterparty for the risk aspects of the trade.

As at February 29, 2016 and February 28, 2015, 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 Statement of Financial Position (excluding equities).

The following table represents the market value of the securities which have been placed as collateral with brokers as at February 29, 2016 and February 28, 2015 in relation to derivative trading:

Fund	Broker	As at February 29, 2016 Market Value of Collateral 000's	As at February 28, 2015 Market Value of Collateral 000's
Legg Mason Opportunity Fund	Credit Suisse	\$6,300	–

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-16	Feb-15	Rating	Feb-16	Feb-15	Rating	Feb-16	Feb-15	Rating	Feb-16	Feb-15
AAA	83.78%	82.93%	AAA	59.40%	58.23%	AAA	53.04%	47.42%	AAA	20.47%	32.19%
AA	10.81%	5.31%	AA	7.21%	5.10%	AA	3.24%	3.90%	AA	28.57%	30.20%
A	5.41%	11.76%	A	19.28%	18.93%	A	16.12%	18.18%	A	16.03%	14.70%
			BBB	11.44%	14.76%	BBB	10.34%	13.22%	BBB	33.16%	22.13%
			BB	1.28%	0.50%	BB	5.07%	4.57%	BB	1.67%	0.78%
			B	0.78%	0.83%	B	4.01%	4.06%	Not Rated	0.10%	–
			CCC & Below	0.47%	1.22%	CCC & Below	4.89%	6.20%			
			Not Rated	0.14%	0.43%	Not Rated	3.29%	2.45%			
	100.00%	100.00%		100.00%	100.00%		100.00%	100.00%		100.00%	100.00%

Legg Mason Western Asset Short Duration High Income Bond Fund			Legg Mason Western Asset Global Multi Strategy Fund			Legg Mason Western Asset US High Yield Fund			Legg Mason Western Asset Emerging Markets Total Return Bond Fund		
Rating	Feb-16	Feb-15	Rating	Feb-16	Feb-15	Rating	Feb-16	Feb-15	Rating	Feb-16	Feb-15
AAA	–	21.55%	AAA	15.41%	10.04%	A	0.50%	0.43%	AA & Above	4.48%	3.53%
AA	–	1.30%	AA	1.73%	0.97%	BBB	8.72%	5.16%	A	7.56%	15.89%
A	–	15.33%	A	8.37%	10.53%	BB	38.19%	36.32%	BBB	55.11%	54.94%
BBB	7.57%	18.48%	BBB	27.69%	32.07%	B	37.81%	41.33%	BB	27.02%	18.45%
BB	48.47%	35.06%	BB	25.62%	25.46%	CCC & Below	12.55%	14.92%	B	5.64%	7.19%
B	27.98%	7.37%	B	13.46%	17.99%	Not Rated	2.23%	1.84%	CCC	0.19%	–
CCC & Below	15.49%	0.89%	CCC & Below	4.42%	2.52%						
Not rated	0.49%	0.02%	Not Rated	3.30%	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-16	Feb-15	Rating	Feb-16	Feb-15	Rating	Feb-16	Feb-15	Rating	Feb-16	Feb-15
AA	6.67%	3.93%	AAA	1.48%	–	AAA	99.20%	99.35%	AAA	67.78%	60.39%
A	22.57%	13.94%	A	0.58%	2.19%	A	0.80%	0.65%	AA	30.67%	33.21%
BBB	43.59%	48.70%	BBB	7.73%	4.36%				BB	1.55%	6.40%
BB	24.42%	23.75%	BB	41.59%	38.54%						
B	1.76%	9.58%	B	30.65%	37.42%						
CCC & Below	0.41%	0.10%	CCC & Below	14.35%	14.16%						
Not Rated	0.58%	–	Not Rated	3.62%	3.33%						
	100.00%	100.00%		100.00%	100.00%		100.00%	100.00%		100.00%	100.00%

Legg Mason Western Asset Global 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-16	Feb-15	Rating	Feb-16	Feb-15	Rating	Feb-16	Feb-15	Rating	Feb-16	Feb-15
AAA	64.47%	99.83%	AAA	3.88%	11.25%	AAA	1.81%	10.10%	BBB	–	100.00%
AA	8.30%	–	AA	20.59%	17.70%	AA	30.97%	26.03%			
BBB	26.02%	0.17%	A	16.27%	19.47%	A	66.08%	63.13%			
BB	1.20%	–	BBB	49.21%	37.52%	BBB	1.14%	0.74%			
Not Rated	0.01%	–	BB	2.99%	2.39%						
			B	0.69%	1.59%						
			Not Rated	6.37%	10.08%						
	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 Credit Fund			Legg Mason Western Asset Euro High Yield Fund		
Rating	Feb-16	Feb-15	Rating	Feb-16	Feb-15	Rating	Feb-16	Feb-15	Rating	Feb-16	Feb-15
AAA	–	15.61%	AAA	61.79%	60.30%	AAA	0.48%	16.38%	A	–	1.28%
AA	0.85%	–	AA	1.01%	5.56%	AA	7.78%	7.80%	BBB	7.23%	8.20%
A	10.38%	5.71%	A	20.22%	13.62%	A	45.10%	43.43%	BB	31.52%	35.62%
BBB	30.22%	22.05%	BBB	12.43%	16.95%	BBB	42.28%	31.07%	B	55.46%	50.47%
BB	21.64%	24.16%	BB	3.53%	2.56%	BB	3.23%	0.78%	CCC & Below	3.51%	3.89%
B	20.47%	21.89%	B	1.00%	1.01%	Not Rated	1.13%	0.54%	Not Rated	2.28%	0.54%
CCC	13.67%	9.64%	CCC & Below	0.02%	–						
Not Rated	2.77%	0.94%									
	100.00%	100.00%		100.00%	100.00%		100.00%	100.00%		100.00%	100.00%

^ 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)

Legg Mason Western Asset Macro Opportunities Bond Fund^			Legg Mason Western Asset EM Local Currency Debt Fund^			Legg Mason Western Asset Multi-Asset Credit Fund^			Legg Mason Western Asset Global Total Return Investment Grade Bond Fund^		
Rating	Feb-16	Feb-15	Rating	Feb-16	Feb-15	Rating	Feb-16	Feb-15	Rating	Feb-16	Feb-15
AAA	9.18%	19.50%	AAA	–	–	AAA	6.74%	–	AAA	47.21%	–
AA	6.80%	8.36%	AA	–	–	AA	1.40%	–	AA	–	–
A	27.51%	22.49%	A	34.89%	–	A	14.93%	–	A	32.88%	–
BBB	31.59%	34.00%	BBB	51.45%	–	BBB	15.01%	–	BBB	18.14%	–
BB	20.34%	12.80%	BB	13.66%	–	BB	24.31%	–	BB	1.77%	–
B	4.25%	1.76%	B	–	–	B	20.41%	–	B	–	–
CCC & Below	0.33%	–	CCC & Below	–	–	CCC & Below	12.62%	–	–	–	–
Not Rated	–	1.09%	Not Rated	–	–	Not Rated	4.58%	–	–	–	–
	100.00%	100.00%		100.00%	–		100.00%	–		100.00%	–

Legg Mason Western Asset Structured Opportunities Fund^			Legg Mason Western Asset US Mortgage-Backed Securities Fund^			Legg Mason Brandywine Global Fixed Income Fund			Legg Mason Brandywine Global Fixed Income Absolute Return Fund^		
Rating	Feb-16	Feb-15	Rating	Feb-16	Feb-15	Rating	Feb-16	Feb-15	Rating	Feb-16	Feb-15
AAA	6.01%	–	AAA	100.00%	–	AAA	41.13%	38.62%	AAA	20.98%	8.93%
AA	2.94%	–	AA	–	–	AA	18.47%	25.42%	AA	7.96%	14.07%
A	4.10%	–	A	–	–	A	22.81%	17.03%	A	35.29%	40.91%
BBB	11.96%	–	BBB	–	–	BBB	8.45%	14.64%	BBB	21.87%	22.34%
BB	4.71%	–	BB	–	–	BB	9.14%	4.29%	BB	13.90%	11.48%
B	10.36%	–	–	–	–	–	–	–	B	–	2.27%
CCC & Below	36.43%	–	–	–	–	–	–	–	–	–	–
Not Rated	23.49%	–	–	–	–	–	–	–	–	–	–
	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-16	Feb-15	Rating	Feb-16	Feb-15	Rating	Feb-16	Feb-15	Rating	Feb-16	Feb-15
AAA	0.69%	–	AAA	23.36%	18.21%	AAA	29.30%	21.50%	AAA	13.77%	3.91%
AA	5.50%	–	AA	16.57%	22.77%	AA	17.70%	17.70%	AA	21.36%	7.82%
BBB	4.56%	1.14%	A	28.65%	29.84%	A	23.90%	22.70%	A	8.94%	26.22%
BB	48.49%	34.11%	BBB	18.23%	20.16%	BBB	15.80%	29.90%	BBB	15.73%	8.03%
B	34.26%	53.07%	BB	12.62%	7.50%	BB	13.30%	8.20%	BB	16.46%	11.10%
CCC & Below	6.50%	11.68%	B	0.42%	1.51%	–	–	–	B	18.12%	34.94%
			CC & Below	0.15%	0.01%				CCC & Below	4.91%	7.98%
									Not Rated	0.71%	–
	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-16	Feb-15
AAA	34.60%	10.77%
AA	8.80%	1.71%
A	8.30%	7.11%
BBB	16.30%	10.45%
BB	11.80%	34.92%
B	9.40%	30.96%
CCC & Below	4.00%	4.08%
Not Rated	6.80%	–
	100.00%	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 tables below have been prepared based on the undiscounted gross cash outflows relating to respective financial liabilities. 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.

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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:

	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 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015
Liabilities (in 000's)								
Less than 1 Month								
Cash overdraft	\$ –	\$ –	\$ –	\$ 682	\$ –	\$ 188	€ –	€ –
Amounts due to broker	–	–	–	35	–	319	–	–
Payable for investments purchased	4,998	–	3,448	3,070	31,436	37,245	–	259
Options at fair value	–	–	6	7	52	49	–	–
Unrealised depreciation on swaps	–	–	222	–	2,231	5	2	95
Unrealised depreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	4	–	–	–
Unrealised depreciation on futures contracts	–	–	48	7	265	102	85	216
Distributions payable to holders of redeemable participating shares	22	23	7	11	24	9	–	–
Investment management fees payable	312	–	36	32	261	146	22	14
Administrator and custodian fees payable	65	64	3	2	28	19	6	3
Shareholder service fees payable	–	–	2	4	22	9	1	–
Payable for redeemable participating shares reacquired	–	–	–	33	585	523	–	21
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	–	–	–	–	–	–
Redeemable Participating Shares	1,044,990	1,052,778	45,292	46,175	494,599	331,010	90,733	54,937
1 – 3 months								
Options at fair value	–	–	–	5	–	41	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	33	1	546	31	138	578
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
3 months – 1 year								
Options at fair value	–	–	–	5	–	42	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	–	36	1	301	89	2	–
Accrued expenses and other liabilities	386	380	44	36	116	81	47	41
Total Financial Liabilities	\$ 1,050,773	\$ 1,053,245	\$ 49,177	\$ 50,106	\$ 530,470	\$ 369,908	€ 91,036	€ 56,164

	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 Global Inflation Management Fund	
	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015
Liabilities (in 000's)								
Less than 1 Month								
Cash overdraft	\$ 213	\$ 2	\$ –	\$ –	\$ –	\$ –	\$ 4	\$ 311
Amounts due to broker	1	–	4	11	–	–	4	–
Payable for investments purchased	1,225	5,395	942	419	–	–	–	–
Options at fair value	–	–	–	–	–	–	1	5
Unrealised depreciation on swaps	–	–	–	–	–	–	–	–
Unrealised depreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	291	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–	85	–
Distributions payable to holders of redeemable participating shares	72	163	1	–	–	–	–	–
Investment management fees payable	172	358	22	27	8	10	7	10
Administrator and custodian fees payable	12	25	1	2	1	1	–	–
Shareholder service fees payable	17	36	1	2	–	–	–	–
Payable for redeemable participating shares reacquired	2,421	4,151	–	–	–	–	–	120
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	–	–	–	–	–	–
Redeemable Participating Shares	210,231	421,422	23,622	30,621	9,176	10,158	10,220	10,439
1 – 3 months								
Options at fair value	–	–	–	–	–	–	–	–
Unrealised depreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	28	125	–	–	–	–	50	10
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
3 months – 1 year								
Options at fair value	–	26	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	23	50	–	–	–	–	3	42
Accrued expenses and other liabilities	157	189	44	45	38	38	42	40
Total Financial Liabilities	\$ 214,863	\$ 431,942	\$ 24,637	\$ 31,127	\$ 9,223	\$ 10,207	\$ 10,416	\$ 10,977

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.3 Liquidity Risk – (continued)

Legg Mason Western Asset Short Duration High Income Bond Fund		Legg Mason Western Asset Global Multi Strategy Fund		Legg Mason Western Asset US High Yield Fund		Legg Mason Western Asset Emerging Markets Total Return Bond Fund		Legg Mason Western Asset Emerging Markets Corporate Bond Fund	
as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
–	–	–	534	–	–	–	–	–	325
916	20	3,908	9,435	1,758	5,862	1,000	712	134	–
–	–	–	–	–	–	–	–	–	–
–	37	–	1,583	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
4	–	30,797	–	33	–	156	142	–	–
42	36	183	860	–	–	–	–	–	–
22	11	143	160	181	285	14	40	–	–
24	26	370	601	211	379	63	110	6	15
1	2	62	86	22	38	4	8	3	5
1	2	27	51	18	36	3	7	–	–
–	14	703	819	385	11,296	401	1,295	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
24,555	28,616	992,926	1,409,739	368,959	580,869	60,901	103,459	41,448	82,947
–	–	–	–	–	–	–	–	–	–
379	491	3,389	4,912	–	14	29	74	20	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	40	–	–	–	–
–	–	–	–	–	–	–	–	17	–
1	17	234	187	86	93	20	–	–	–
65	61	331	328	151	168	102	103	42	43
\$ 26,010	\$ 29,333	\$ 1,033,073	\$ 1,429,295	\$ 371,804	\$ 599,080	\$ 62,693	\$ 105,950	\$ 41,670	\$ 83,335

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 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015
\$	\$	\$	\$	\$	\$	\$	\$	£	£
–	9,320	–	–	–	–	–	943	–	–
77	15	3	–	–	–	–	–	–	–
10,007	7,663	–	–	–	–	472	1,020	–	–
483	–	–	–	–	–	5	–	–	–
27	5,785	–	160	–	–	735	4,803	–	–
–	–	–	–	–	–	–	–	–	–
289	952	543	–	–	–	1,046	–	–	–
–	–	150	355	–	–	155	131	–	–
–	–	–	–	–	–	–	–	–	–
26	48	1	–	–	–	–	–	–	–
212	351	21	22	–	–	17	71	–	–
24	37	2	3	–	2	2	6	–	–
16	29	2	2	–	–	–	1	–	–
33	124	11	224	–	–	1,614	34	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
394,036	594,337	36,540	45,192	–	33,574	20,111	92,225	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	63	–	–	–
109	1,189	291	723	–	–	34	311	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
294	–	–	–	–	–	–	–	–	–
–	–	14	7	–	–	54	182	–	–
195	201	38	37	22	29	58	53	1	2
\$ 405,828	\$ 620,051	\$ 37,616	\$ 46,725	\$ 22	\$ 33,605	\$ 24,366	\$ 99,780	£ 1	£ 2

[^] 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 – (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 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015
Liabilities (in 000's)								
Less than 1 Month								
Cash overdraft	\$ 2,740	\$ –	\$ –	\$ –	£ –	£ –	£ –	£ –
Amounts due to broker	139	–	–	–	–	–	–	–
Payable for investments purchased	22,522	13,932	–	–	–	–	–	–
Options at fair value	81	109	–	–	–	–	–	–
Unrealised depreciation on swaps	–	–	–	–	–	–	–	–
Unrealised depreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	1,251	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	53	93	–	–	–	–	–	–
Distributions payable to holders of redeemable participating shares	1	–	–	–	–	–	–	–
Investment management fees payable	70	39	–	–	–	–	–	–
Administrator and custodian fees payable	13	7	–	–	–	–	–	–
Shareholder service fees payable	1	–	–	–	–	–	–	–
Payable for redeemable participating shares reacquired	8	–	–	–	–	–	–	–
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	–	–	–	–	–	–
Redeemable Participating Shares	225,799	117,237	–	–	–	–	–	–
1 – 3 months								
Options at fair value	–	142	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	657	317	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
3 months – 1 year								
Options at fair value	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	24	122	–	–	–	–	–	–
Accrued expenses and other liabilities	59	43	20	39	3	4	3	4
Total Financial Liabilities	\$ 253,418	\$ 132,041	\$ 20	\$ 39	£ 3	£ 4	£ 3	£ 4

	Legg Mason Western Asset Global Total Return Investment Grade Bond Fund [^]		Legg Mason Western Asset Structured Opportunities Fund [^]		Legg Mason Western Asset US Mortgage-Backed Securities Fund [^]		Legg Mason Brandywine Global Fixed Income Fund	
	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015
Liabilities (in 000's)								
Less than 1 Month								
Cash overdraft	\$ –	\$ –	\$ 16,791	\$ –	\$ –	\$ –	\$ 352	\$ –
Amounts due to broker	–	–	–	–	25	–	–	–
Payable for investments purchased	–	–	–	–	535,981	–	4,778	–
Options at fair value	–	–	478	–	466	–	–	–
Unrealised depreciation on swaps	–	–	591	–	–	–	–	–
Unrealised depreciation on swaptions	–	–	19	–	9	–	–	–
Unrealised depreciation on forward foreign currency contracts	87	–	–	–	–	–	13,215	6,406
Unrealised depreciation on futures contracts	31	–	–	–	–	–	–	–
Distributions payable to holders of redeemable participating shares	–	–	–	–	–	–	–	–
Investment management fees payable	–	–	–	–	–	–	709	1,046
Administrator and custodian fees payable	–	–	20	–	49	–	70	92
Shareholder service fees payable	–	–	–	–	–	–	68	97
Payable for redeemable participating shares reacquired	–	–	–	–	–	–	4,043	9,094
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	–	–	–	–	–	–
Redeemable Participating Shares	4,935	–	325,952	–	786,191	–	1,143,279	1,506,302
1 – 3 months								
Options at fair value	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	19	–	–	–	–	–	1,049	1,746
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
3 months – 1 year								
Options at fair value	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	–	–	39	–
Unrealised depreciation on futures contracts	1	–	3	–	33	–	–	–
Accrued expenses and other liabilities	15	–	34	–	45	–	329	313
Total Financial Liabilities	\$ 5,088	\$ –	\$ 343,888	\$ –	\$ 1,322,799	\$ –	\$ 1,167,931	\$ 1,525,096

[^] 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 – (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 Western Asset EM Local Currency Debt Fund [^]		Legg Mason Western Asset Multi-Asset Credit Fund [^]	
as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015
\$ 12	\$ 21	€ –	€ –	\$ 15,256	\$ –	\$ –	\$ –	\$ 8,257	\$ –
–	6	–	–	–	–	–	–	1	–
420	446	–	–	308,568	16,815	9,714	–	703	–
–	–	–	–	19,739	8,522	25	–	23	–
–	246	–	–	154,234	7,251	–	–	739	–
–	–	–	–	–	–	–	–	535	–
36	–	–	–	69,608	1,076	24	–	7,725	–
2	84	–	–	65,346	16,143	–	–	69	–
2	2	–	–	–	–	–	–	–	–
3	4	–	–	3,734	2,885	21	–	–	–
4	6	5	5	242	192	4	–	11	–
–	–	–	–	240	174	–	–	–	–
–	–	–	–	24,756	1,080	–	–	–	–
–	–	–	–	–	–	–	–	–	–
69,057	100,107	87,048	88,576	3,854,111	3,281,062	77,524	–	166,555	–
–	–	–	–	2,897	2,526	–	–	–	–
20	308	66	811	30,073	25,035	242	–	943	–
–	–	–	–	–	–	–	–	2	–
–	–	–	–	491	197	–	–	129	–
–	–	–	–	–	–	–	–	–	–
68	49	–	–	21,246	17,612	–	–	480	–
42	37	43	38	393	203	17	–	25	–
\$ 69,666	\$ 101,316	€ 87,162	€ 89,430	\$ 4,570,934	\$ 3,380,773	\$ 87,571	\$ –	\$ 186,197	\$ –

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 [^]	
as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015
\$ 5	\$ –	\$ 444	\$ 39	\$ 2	\$ 728	\$ –	\$ –	\$ –	\$ –
1	–	–	–	–	–	–	–	–	–
–	–	357	–	180	–	–	–	692	–
–	–	–	–	–	–	–	–	–	–
–	–	34	–	–	–	–	–	55	356
–	–	–	–	–	–	–	–	–	–
45,399	4,915	297	95	2,863	276	41,328	4,688	1,728	178
6,867	11,554	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	1
593	656	7	10	124	112	162	176	21	24
89	68	1	1	34	18	140	122	4	5
10	14	–	–	5	8	–	–	–	4
45,445	158	–	–	–	1,872	–	–	98	14
–	–	–	–	–	–	–	–	–	–
1,392,771	1,125,616	24,117	20,095	549,071	305,363	2,313,804	2,028,778	38,546	77,469
–	–	–	–	–	–	–	–	–	–
304	1,069	18	22	18	122	3,818	20,592	250	163
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	13	–	–	–	15	–
758	–	17	–	–	–	–	–	34	–
248	177	53	47	121	94	178	71	62	39
\$ 1,492,490	\$ 1,144,227	\$ 25,345	\$ 20,309	\$ 552,431	\$ 308,593	\$ 2,359,430	\$ 2,054,427	\$ 41,505	\$ 78,253

[^] 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 – (continued)

	Legg Mason Brandywine Global Credit Opportunities Fund [^]		Legg Mason Brandywine Global Dynamic US Equity Fund [^]		Legg Mason Western Asset Brazil Equity Fund [^]		Legg Mason ClearBridge Value Fund	
	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015
Liabilities (in 000's)								
Less than 1 Month								
Cash overdraft	\$ –	\$ 205	\$ –	\$ –	\$ –	\$ –	\$ 865	\$ –
Payable for investments purchased	777	–	–	–	–	30	1,664	11,131
Options at fair value	–	–	–	–	–	–	–	–
Unrealised depreciation on swaps	68	43	–	–	–	–	–	–
Unrealised depreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	448	53	40	–	–	–	5	36
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
Investment management fees payable	71	35	–	–	–	–	200	293
Administrator and custodian fees payable	5	3	–	–	–	–	19	26
Shareholder service fees payable	2	2	–	–	–	–	29	52
Payable for redeemable participating shares reacquired	–	–	–	–	–	–	591	2,220
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	–	–	1	–	–	–
Redeemable Participating Shares	85,265	54,009	1,884	–	–	2,727	273,255	367,005
1 – 3 months								
Options at fair value	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	110	103	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
3 months – 1 year								
Options at fair value	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	159	–	–	–	–	–	–	–
Accrued expenses and other liabilities	42	27	15	–	21	21	86	77
Total Financial Liabilities	\$ 86,947	\$ 54,480	\$ 1,939	\$ –	\$ 22	\$ 2,778	\$ 276,714	\$ 380,840

	Legg Mason ClearBridge US Large Cap Growth Fund		Legg Mason ClearBridge US Aggressive Growth Fund		Legg Mason ClearBridge US Equity Income Fund [^]		Legg Mason ClearBridge Tactical Dividend Income Fund	
	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015
Liabilities (in 000's)								
Less than 1 Month								
Cash overdraft	\$ –	\$ –	\$ 10,912	\$ 9,306	\$ –	\$ –	\$ –	\$ 141
Payable for investments purchased	256	620	162	–	–	–	–	561
Options at fair value	–	–	–	–	–	–	–	–
Unrealised depreciation on swaps	–	–	–	–	–	–	–	–
Unrealised depreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	99	–	4,020	1,649	–	–	14	73
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
Investment management fees payable	252	155	2,401	3,506	–	–	56	39
Administrator and custodian fees payable	17	10	228	310	–	–	5	2
Shareholder service fees payable	50	29	418	625	–	–	5	5
Payable for redeemable participating shares reacquired	1,186	1,158	18,222	38,719	–	–	284	48
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	1	–	–	–	–	–
Redeemable Participating Shares	272,153	145,306	3,045,028	4,565,364	–	–	66,001	38,114
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 forward foreign currency contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
Accrued expenses and other liabilities	66	49	800	558	–	24	54	27
Total Financial Liabilities	\$ 274,079	\$ 147,327	\$ 3,082,192	\$ 4,620,037	\$ –	\$ 24	\$ 66,419	\$ 39,010

[^] 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 – (continued)

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 [^]	
as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015
\$ –	\$ 1	\$ –	\$ –	\$ 5	\$ –	\$ 186	\$ –	\$ –	\$ 22
–	–	–	–	301	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	42	24	–	–	–	–
–	–	–	–	–	–	–	–	–	–
6	8	5	5	–	3	302	382	–	85
1	1	–	1	–	–	20	25	1	7
1	2	–	1	–	–	65	83	–	6
–	–	20	–	–	–	970	375	–	92
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
6,207	7,940	4,669	4,993	3,924	4,772	290,903	360,024	–	89,380
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
34	30	28	26	39	18	98	96	34	100
\$ 6,249	\$ 7,982	\$ 4,722	\$ 5,026	\$ 4,311	\$ 4,817	\$ 292,544	\$ 360,985	\$ 35	\$ 89,692

Legg Mason ClearBridge US Equity Sustainability Leaders 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 [^]	
as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015
\$ –	\$ –	\$ 2,711	\$ –	\$ 1,386	\$ 1,043	\$ –	\$ 1,175	\$ –	\$ 36
–	–	3,839	104	3,968	4,013	2,171	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	63	373	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
11	–	10	1	736	241	4	9	–	–
–	–	–	–	–	–	–	–	–	–
–	–	226	227	500	1,047	161	339	1	34
–	–	26	22	38	77	12	25	1	2
–	–	18	32	104	209	32	61	–	8
–	–	88	3,081	1,757	8,581	863	879	–	102
–	–	–	–	–	–	–	–	–	–
–	–	3	1	–	–	–	–	–	–
959	–	379,240	326,420	539,913	1,070,253	154,964	338,167	–	28,858
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
18	–	84	68	202	248	122	137	18	29
\$ 988	\$ –	\$ 386,308	\$ 330,329	\$ 548,604	\$ 1,085,712	\$ 158,329	\$ 340,792	\$ 20	\$ 29,069

[^] 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 – (continued)

	Legg Mason Royce European Smaller Companies Fund		Legg Mason Royce Global Smaller Companies Fund		Legg Mason PCM US Equity Fund		Legg Mason Permal Global Absolute Fund [^]	
	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015
Liabilities (in 000's)								
Less than 1 Month								
Cash overdraft	€ –	€ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
Payable for investments purchased	–	–	–	–	–	–	–	–
Options at fair value	–	–	–	–	–	–	–	–
Unrealised depreciation on swaps	–	–	–	–	–	–	–	–
Unrealised depreciation on swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
Investment management fees payable	–	–	–	–	–	–	–	–
Administrator and custodian fees payable	–	–	–	–	–	–	–	–
Shareholder service fees payable	–	–	–	–	–	–	–	–
Payable for redeemable participating shares reacquired	–	–	–	–	–	–	–	–
Payable to shareholders	–	–	–	–	1	–	7	–
Interest payable	–	–	–	–	–	–	–	–
Redeemable Participating Shares	–	–	–	–	–	–	–	–
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 forward foreign currency contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
Accrued expenses and other liabilities	–	7	–	20	–	–	–	27
Total Financial Liabilities	€ –	€ 7	\$ –	\$ 20	\$ 1	\$ –	\$ 7	\$ 27

	Legg Mason Congruix Japan Equity Fund		Legg Mason Martin Currie Australia Equity Income Fund		Legg Mason Global Funds plc	
	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015
Liabilities (in 000's)						
Less than 1 Month						
Cash overdraft	¥ –	¥ –	\$ –	\$ –	\$ 60,234	\$ 31,024
Amounts due to broker	–	–	–	–	254	920
Payable for investments purchased	–	–	–	–	957,546	126,824
Options at fair value	–	–	–	–	21,359	8,692
Unrealised depreciation on swaps	–	–	–	–	159,001	20,748
Unrealised depreciation on swaptions	–	–	–	–	563	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	222,491	20,898
Unrealised depreciation on futures contracts	–	–	–	–	73,395	29,607
Distributions payable to holders of redeemable participating shares	–	–	–	–	516	753
Investment management fees payable	–	–	–	–	11,633	13,535
Administrator and custodian fees payable	–	–	–	–	1,313	1,346
Shareholder service fees payable	–	–	–	–	1,203	1,630
Payable for redeemable participating shares reacquired	–	–	–	–	104,966	89,073
Payable to shareholders	95,881	99,514	–	–	861	836
Interest payable	–	–	–	–	5	1
Redeemable Participating Shares	–	–	944	–	20,197,167	21,093,840
1 – 3 months						
Options at fair value	–	–	–	–	2,897	2,714
Unrealised depreciation on swaptions	–	–	–	–	63	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	42,651	58,912
Unrealised depreciation on futures contracts	–	–	–	–	2	–
3 months – 1 year						
Options at fair value	–	–	–	–	620	310
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	378	–
Unrealised depreciation on futures contracts	–	–	–	–	23,597	18,451
Accrued expenses and other liabilities	–	1,837	28	–	5,558	4,778
Total Financial Liabilities	¥ 95,881	¥ 101,351	\$ 972	\$ –	\$21,888,273	\$21,524,892

[^] 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 – (continued)

Legg Mason QS MV European Equity Growth and Income Fund		Legg Mason QS MV Asia Pacific ex Japan Equity Growth and Income Fund		Legg Mason Batterymarch International Large Cap Fund [^]		Legg Mason QS Emerging Markets Equity Fund		Legg Mason QS MV Global Equity Growth and Income Fund	
as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015	as at February 29, 2016	as at February 28, 2015
€	–	\$	90	\$	3	\$	–	\$	–
153	7,185	–	–	–	6,536	–	–	82	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
295	75	1	–	–	–	–	–	16	–
–	–	–	–	–	–	6	–	–	–
160	130	46	66	–	9	9	16	13	15
11	7	3	4	–	1	1	1	1	1
33	22	7	10	–	1	1	2	1	1
371	1,545	78	210	–	994	–	–	–	11
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
149,975	135,733	35,335	50,953	–	–	14,405	19,113	11,980	13,464
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
64	41	49	43	14	31	41	32	24	22
€ 151,062	€ 144,738	\$ 35,609	\$ 51,286	\$ 17	\$ 7,572	\$ 14,463	\$ 19,164	\$ 12,117	\$ 13,514

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

Notes to Financial Statements – (continued)

13. Disclosure for Cross Investments by Funds within the Company

Legg Mason Western Asset US Core Plus Bond Fund

Legg Mason Western Asset US Core Plus Bond Fund held Nil (2015: 31,731) 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 29, 2016 (in 000's)	For the year ended February 28, 2015 (in 000's)	For the year ended February 29, 2016 (in 000's)	For the year ended February 28, 2015 (in 000's)
Issue of shares	\$83	\$438	\$83	\$438
Redemption of shares	(2,990)	–	(2,990)	–
Net realised loss on financial assets at fair value through profit or loss	(301)	–	(301)	–
Distributions received	83	170	83	170
Cost	–	3,208	–	3,208
Fair value	–	3,052	–	3,052
Net unrealised loss on financial assets at fair value through profit or loss	\$–	\$(156)	\$–	\$(156)

Legg Mason Western Asset Short Duration High Income Bond Fund

Legg Mason Western Asset Short Duration High Income Bond Fund held Nil (2015: Nil) and Nil (2015: 21,345) 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 29, 2016 (in 000's)	For the year ended February 28, 2015 (in 000's)	For the year ended February 29, 2016 (in 000's)	For the year ended February 28, 2015 (in 000's)	For the year ended February 29, 2016 (in 000's)	For the year ended February 28, 2015 (in 000's)
Issue of shares	\$–	\$–	\$71	\$184	\$71	\$184
Redemption of shares	–	(1,041)	(2,522)	–	(2,522)	(1,041)
Net realised gain/(loss) on financial assets at fair value through profit or loss	–	63	(387)	–	(387)	63
Distributions received	–	–	70	185	70	185
Cost	–	–	–	2,838	–	2,838
Fair value	–	–	–	2,514	–	2,514
Net unrealised loss on financial assets at fair value through profit or loss	\$–	\$–	\$–	\$(324)	\$–	\$(324)

Legg Mason Western Asset Global Multi Strategy Fund

Legg Mason Western Asset Global Multi Strategy Fund held 503,069 (2015: 603,369), 158,366 (2015: 158,366) and 107,358 (2015: 199,035) 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 29, 2016 (in 000's)	For the year ended February 28, 2015 (in 000's)	For the year ended February 29, 2016 (in 000's)	For the year ended February 28, 2015 (in 000's)	For the year ended February 29, 2016 (in 000's)	For the year ended February 28, 2015 (in 000's)	For the year ended February 29, 2016 (in 000's)	For the year ended February 28, 2015 (in 000's)
Issue of shares	\$3,504	\$11,203	\$–	\$–	\$718	\$6,553	\$4,222	\$17,756
Redemption of shares	(12,000)	(5,800)	–	–	(9,164)	(5,397)	(21,164)	(11,197)
Net realised (loss)/gain on financial assets at fair value through profit or loss	(1,393)	50	–	–	(1,692)	(181)	(3,085)	(131)
Distributions received	3,504	3,513	–	–	718	1,168	4,222	4,681
Cost	47,286	57,175	25,676	25,676	11,364	21,502	84,326	104,353
Fair value	38,139	56,306	22,286	25,362	9,552	19,145	69,977	100,813
Net unrealised loss on financial assets at fair value through profit or loss	\$(9,147)	\$(869)	\$(3,390)	\$(314)	\$(1,812)	\$(2,357)	\$(14,349)	\$(3,540)

Notes to Financial Statements – (continued)

13. Disclosure for Cross Investments by Funds within the Company – (continued)

Legg Mason Western Asset Emerging Markets Total Return Bond Fund

Legg Mason Western Asset Emerging Markets Total Return Bond Fund held 55,654 (2015: 69,186) 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 29, 2016 (in 000's)	For the year ended February 28, 2015 (in 000's)	For the year ended February 29, 2016 (in 000's)	For the year ended February 28, 2015 (in 000's)
Issue of shares	\$268	\$459	\$268	\$459
Redemption of shares	(1,550)	(2,100)	(1,550)	(2,100)
Net realised loss on financial assets at fair value through profit or loss	(88)	(44)	(88)	(44)
Distributions received	268	459	268	459
Cost	5,623	6,993	5,623	6,993
Fair value	4,952	6,655	4,952	6,655
Net unrealised loss on financial assets at fair value through profit or loss	\$(671)	\$(338)	\$(671)	\$(338)

Legg Mason Western Asset Global High Yield Fund

Legg Mason Western Asset Global High Yield Fund held 134,214 (2015: 158,224) and Nil (2015: 12,467) 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 29, 2016 (in 000's)	For the year ended February 28, 2015 (in 000's)	For the year ended February 29, 2016 (in 000's)	For the year ended February 28, 2015 (in 000's)	For the year ended February 29, 2016 (in 000's)	For the year ended February 28, 2015 (in 000's)
Issue of shares	\$–	\$–	\$14	\$441	\$14	\$441
Redemption of shares	(3,719)	–	(1,247)	(11,000)	(4,966)	(11,000)
Net realised (loss)/gain on financial assets at fair value through profit or loss	(201)	–	(84)	485	(285)	485
Distributions received	–	–	14	441	14	441
Cost	21,913	25,833	–	1,317	21,913	27,150
Fair value	20,546	25,339	–	1,199	20,546	26,538
Net unrealised loss on financial assets at fair value through profit or loss	\$(1,367)	\$(494)	\$–	\$(118)	\$(1,367)	\$(612)

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

Legg Mason Western Asset Global Core Plus Bond Fund[^] held Nil (2015: 6,640) and Nil (2015: 8,169) 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 29, 2016 (in 000's)	For the year ended February 28, 2015 (in 000's)	For the year ended February 29, 2016 (in 000's)	For the year ended February 28, 2015 (in 000's)	For the year ended February 29, 2016 (in 000's)	For the year ended February 28, 2015 (in 000's)
Issue of shares	\$10	\$721	\$4	\$750	\$14	\$1,471
Redemption of shares	(755)	(647)	(760)	–	(1,515)	(647)
Net realised (loss)/gain on financial assets at fair value through profit or loss	(121)	53	6	–	(115)	53
Distributions received	10	33	4	8	14	41
Cost	–	866	–	750	–	1,616
Fair value	–	782	–	762	–	1,544
Net unrealised (loss)/gain on financial assets at fair value through profit or loss	\$–	\$(84)	\$–	\$12	\$–	\$(72)

14. Significant 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 Specialist and an updated Main Prospectus were issued and noted by the Central Bank. Please see Note 16 for a list of the most significant amendments.

On May 28, 2015, Legg Mason Martin Currie Australia Equity Income Fund launched.

On July 6, 2015, Legg Mason Royce Smaller Companies Fund II[^] ceased trading.

On September 15, 2015, three supplements to the May 13, 2015 Prospectus were issued and noted by the Central Bank of Ireland. Please refer to Note 16 for particulars of the supplements.

On September 30, 2015, Legg Mason ClearBridge US Equity Sustainability Leaders Fund[^] launched.

On October 16, 2015, an updated Main Prospectus was issued and noted by the Central Bank. Please see Note 16 for a list of the most significant amendments.

On December 14, 2015, two supplements to the October 16, 2015 Prospectus were issued and noted by the Central Bank. Please refer to Note 16 for particulars of the supplements.

On December 16, 2015, Legg Mason Western Asset EM Local Currency Debt Fund[^] and Legg Mason Western Asset Multi-Asset Credit Fund[^] launched.

On December 17, 2015, an updated Specialist Prospectus was issued and noted by the Central Bank. Please see Note 16 for details of most significant amendments.

On December 31, 2015, Legg Mason Western Asset Global Total Return Investment Grade Bond Fund[^] and Legg Mason Brandywine Global Dynamic US Equity launched[^].

On January 13, 2016, Legg Mason Western Asset Structured Opportunities Fund[^] and Legg Mason Western Asset US Mortgage-Backed Securities Fund[^] launched.

On January 14, 2016, Legg Mason Western Asset Brazil Bond Fund[^] and Legg Mason Western Asset Brazil Equity 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 13, 2015, an updated Specialist Prospectus was issued by the Company and noted by the Central Bank. The most significant amendments included:

- Restructuring of the contractual relationships for the Distributors and Shareholder Servicing Agents;
- Additional risk disclosure;
- Revisions to the tax disclosure.

On May 13, 2015, an updated Main Prospectus was issued by the Company and noted by the Central Bank. The most significant amendments included:

- Names of certain Funds were changed as detailed in the General Information section;
- Restructuring of the contractual relationships for the Distributors and Shareholder Servicing Agents;
- The replacement of QS Batterymarch Financial Management, Inc. by QS Investors, LLC as Sub-Investment Manager of certain Funds;
- Changes to certain Funds' investment policies, as detailed in a letter sent to shareholders dated March 5, 2015;
- Reductions of annual investment management fees for the Legg Mason Western Asset Inflation Management Fund and Legg Mason ClearBridge Tactical Dividend Income Fund;
- Revisions to the tax disclosure;
- Disclosure regarding the key risks of each Fund; and
- Restructuring of the Main Prospectus, to provide a separate supplement for each Fund disclosing its investment objective and policies and other key information.

On September 15, 2015, fund supplements to the Main Prospectus for the following new Funds were issued by the Company and noted by the Central Bank: Legg Mason Brandywine Global Macro Fund, Legg Mason ClearBridge US Equity Sustainability Leaders Fund[^] and Legg Mason Western Asset Global Total Return Investment Grade Bond Fund[^].

On October 16, 2015, an updated Main Prospectus was issued by the Company and noted by the Central Bank. The most significant amendments included:

- The addition of fund supplements for the following new Funds: Legg Mason Martin Currie Asia Long-Term Unconstrained Fund, Legg Mason Martin Currie Asia Pacific Fund, Legg Mason Martin Currie European Absolute Alpha Fund, Legg Mason Martin Currie Global Resources Fund, Legg Mason Martin Currie Greater China Fund, Legg Mason Martin Currie Japan Absolute Alpha Fund and Legg Mason Martin Currie North American Fund;
- Added disclosure regarding contingent convertible securities and their risks; low exercise price warrants; the risks of performance fee classes; cyber security risks; and dealers who trade via platforms; and
- Changes to FATCA tax disclosure.

On December 14, 2015, fund supplements to the Main Prospectus for the following new Funds were issued by the Company and noted by the Central Bank: Legg Mason Western Asset Multi-Asset Credit Fund and Legg Mason Western Asset Structured Opportunities Fund.

On December 17, 2015, an updated Specialist Prospectus was issued by the Company and noted by the Central Bank. The most significant amendments included:

- Adding a Brazilian real denominated share class for the Legg Mason Western Asset Macro Opportunities Bond Fund[^], and removing Western Asset Management Company Distribuidora de Titulos e Valores Mobiliarios Limitada as a Sub-Investment Manager for that Fund;
- Revising the investment policies of the Legg Mason Western Asset US Mortgage-Backed Securities Fund;
- Amending various investment restrictions and regulatory references to reflect the new UCITS Rulebook released by the Central Bank, including adding disclosure regarding the minimum viable size of Funds; and
- Adding cyber security risk language.

17. Subsequent Events

Effective March 1, 2016, Royce & Associates, LP replaced Royce & Associates, LLC as Sub-Investment Manager of the 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 European Smaller Companies Fund and Legg Mason Royce Global Smaller Companies Fund.

On March 11, 2016, the following funds launched: Legg Mason Martin Currie Asia Long-Term Unconstrained Fund, Legg Mason Martin Currie Asia Pacific Fund, Legg Mason Martin Currie European Absolute Alpha Fund, Legg Mason Martin Currie Global Resources Fund, Legg Mason Martin Currie Greater China Fund, Legg Mason Martin Currie Japan Absolute Alpha Fund and Legg Mason Martin Currie North American Fund.

The Directors of the Company have determined to compulsorily redeem all remaining Shares of the Legg Mason Western Asset Global Credit Absolute Return Fund, a sub-fund of the Company, and to terminate the Fund, with effect from April 29, 2016 (the "Compulsory Redemption Date"). All Shares held in any Share Class of the Fund as of the close of business on the Compulsory Redemption Date will be compulsorily redeemed on such date at the applicable Net Asset Value per Share as of that date calculated in accordance with the Prospectus and Articles of Association.

The reason for the compulsory redemption and termination of the Fund is that a Shareholder, who held Shares representing approximately 78% of the Net Asset Value of the Fund, redeemed all of its Shares in the Fund. As a result, the Directors of the Company have determined that it is not in the ultimate best interest of the Shareholders of the Fund to continue the Fund after such a significant redemption as it is unlikely the Fund will grow significantly.

There were no other material events subsequent to the Statement of Financial Position date which require disclosure in the financial statements.

18. Prior Period Comparatives

The prior year comparatives for the Statement of Financial Position are as at February 28, 2015. The prior year comparatives for the Statement of Comprehensive Income and the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares are for the year ended February 28, 2015. Certain comparatives have been re-classified for consistency with current year classifications.

19. Approval of the Annual Report and Audited Financial Statements

The Directors approved the Annual Report and Audited Financial Statements on June 21, 2016.

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

Supplemental Information – Total Expense Ratios (TER) (unaudited)

Class Name	Ratio of Total Operating Expenses in CU(1) to average Fund daily net assets in CU(1) For the year ended February 29, 2016**
Legg Mason Western Asset US Money Market Fund	
Class A US\$ Accumulating	0.30%
Class A US\$ Distributing (D)	0.26%
Class A US\$ Distributing (M)	0.26%
Class B US\$ Accumulating	0.28%
Class B US\$ Distributing (D)	0.34%
Class C US\$ Accumulating	0.26%
Class C US\$ Distributing (D)	0.26%
Class A (G) US\$ Accumulating	0.29%
Class A (G) US\$ Distributing (D)	0.28%
Class L (G) US\$ Distributing (D)	0.28%
Legg Mason Western Asset US Core Bond Fund	
Class A US\$ Accumulating	1.24%
Class A US\$ Distributing (D)	1.30%
Class B US\$ Accumulating	1.50%
Class B US\$ Distributing (D)	1.56%
Class C US\$ Accumulating	1.74%
Class C US\$ Distributing (D)	1.81%
Class F US\$ Accumulating	0.69%
Premier Class US\$ Accumulating	0.55%
Class GA US\$ Accumulating	1.02%
Class GE US\$ Accumulating	1.63%
Legg Mason Western Asset US Core Plus Bond Fund	
Class A US\$ Accumulating	1.43%
Class A US\$ Distributing (D)	1.43%
Class A US\$ Distributing (M) Plus	1.42%
Class A AUD Distributing (M) (Hedged) Plus	1.41%
Class B US\$ Accumulating	1.68%
Class B US\$ Distributing (D)	1.68%
Class C US\$ Accumulating	1.93%
Class C US\$ Distributing (D)	1.93%
Class E US\$ Accumulating	2.03%
Class F US\$ Accumulating	0.67%
Class X US\$ Accumulating	0.85%
Premier Class US\$ Accumulating	0.42%
Premier Class US\$ Distributing (M)	0.42%
LM Class GBP Accumulating (Hedged)	0.12%
Class A (G) US\$ Accumulating	1.27%
Class A (G) US\$ Distributing (D)	1.27%
Class B (G) US\$ Distributing (D)	1.73%
Class L (G) US\$ Accumulating	1.78%
Class L (G) US\$ Distributing (D)	1.78%
Legg Mason Western Asset Euro Core Plus Bond Fund	
Class A US\$ Distributing (D)	1.32%
Class A Euro Distributing (D)	1.32%
Class C US\$ Distributing (D)	1.82%
Class F Euro Distributing (Q)	0.54%
Premier Class Euro Accumulating	0.44%
Class GA Euro Accumulating	0.99%
Class GA Euro Distributing (A)	0.99%
Class GE Euro Accumulating	1.59%
Legg Mason Western Asset Short Duration High Income Bond Fund	
Class A US\$ Accumulating	1.40%
Class A US\$ Distributing (D)	1.50%
Class A US\$ Distributing (M)	1.40%
Class A Euro Accumulating (Hedged)	1.50%
Class B US\$ Accumulating	1.65%
Class B US\$ Distributing (D)	1.75%
Class C US\$ Accumulating	1.90%
Class C US\$ Distributing (D)	2.00%
Class A (G) US\$ Accumulating	1.45%
Class A (G) US\$ Distributing (D)	1.45%
Class B (G) US\$ Accumulating	1.84%
Class B (G) US\$ Distributing (D)	1.97%
Class L (G) US\$ Accumulating	1.95%
Class L (G) US\$ Distributing (D)	1.95%

Class Name	Ratio of Total Operating Expenses in CU(1) to average Fund daily net assets in CU(1) For the year ended February 29, 2016**
Legg Mason Western Asset Global Multi Strategy Fund	
Class A US\$ Accumulating	1.37%
Class A US\$ Distributing (D)	1.37%
Class A US\$ Distributing (M)	1.37%
Class A Euro Accumulating (Hedged)	1.37%
Class A Euro Distributing (M) (Hedged)	1.37%
Class A Euro Distributing (M) (Hedged) Plus (e)	1.37%
Class A GBP Distributing (M) (Hedged)	1.37%
Class A SGD Distributing (M) (Hedged) Plus	1.37%
Class B US\$ Accumulating	1.62%
Class B US\$ Distributing (D)	1.62%
Class C US\$ Accumulating	1.87%
Class C US\$ Distributing (D)	1.87%
Class E US\$ Accumulating	1.97%
Class E US\$ Distributing (D)	1.97%
Class E Euro Accumulating (Hedged)	1.97%
Class E Euro Distributing (M) (Hedged)	1.97%
Class F US\$ Accumulating	0.77%
Class F US\$ Distributing (D)	0.77%
Class X US\$ Distributing (D)	0.82%
Premier Class US\$ Accumulating	0.52%
Premier Class US\$ Distributing (D)	0.52%
Premier Class US\$ Distributing (M)	0.52%
Premier Class US\$ Distributing (M) Plus (e)	0.52%
Premier Class CHF Accumulating (Hedged)	0.52%
Premier Class Euro Accumulating (Hedged)	0.52%
Premier Class Euro Distributing (M) (Hedged)	0.52%
Premier Class GBP Accumulating (Hedged)	0.52%
Premier Class GBP Distributing (M) (Hedged)	0.52%
Premier Class GBP Distributing (M) (Hedged) Plus (e)	0.52%
Premier Class GBP Distributing (Q) (Hedged)	0.52%
LM Class AUD Distributing (M) (Hedged)	0.12%
LM Class GBP Accumulating (Hedged)	0.12%
Premier Class PLN Accumulating (Hedged)	0.52%
Legg Mason Western Asset US High Yield Fund	
Class A US\$ Accumulating	1.43%
Class A US\$ Distributing (D)	1.43%
Class A US\$ Distributing (M)	1.43%
Class A US\$ Distributing (M) Plus	1.43%
Class A Euro Distributing (M) (Hedged)	1.43%
Class A HKD Distributing (M) Plus	1.43%
Class A SGD Distributing (M) (Hedged) Plus	1.43%
Class B US\$ Accumulating	1.68%
Class B US\$ Distributing (D)	1.68%
Class C US\$ Accumulating	1.93%
Class C US\$ Distributing (D)	1.93%
Class E US\$ Accumulating	2.03%
Class E US\$ Distributing (D)	2.03%
Class E Euro Accumulating (Hedged)	2.03%
Class F US\$ Accumulating	0.83%
Class F US\$ Distributing (D)	0.83%
Premier Class US\$ Accumulating	0.58%
Premier Class US\$ Distributing (M) Plus (e)	0.58%
Premier Class Euro Accumulating	0.58%
LM Class US\$ Accumulating	0.13%
LM Class US\$ Distributing (M)	0.13%
LM Class GBP Accumulating (Hedged)	0.13%
Class A (G) US\$ Accumulating	1.28%
Class A (G) US\$ Distributing (D)	1.28%
Class B (G) US\$ Accumulating	1.78%
Class B (G) US\$ Distributing (D)	1.80%
Class L (G) US\$ Accumulating	1.78%
Class L (G) US\$ Distributing (D)	1.78%
Class GF US\$ Accumulating	1.08%

Supplemental Information – Total Expense Ratios (TER) (unaudited) – (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 29, 2016**	Class Name	Ratio of Total Operating Expenses in CU(1) to average Fund daily net assets in CU(1) For the year ended February 29, 2016**
Legg Mason Western Asset Emerging Markets Total Return Bond Fund		Legg Mason Western Asset US Adjustable Rate Fund	
Class A US\$ Accumulating	1.80%	Class A US\$ Accumulating	1.40%
Class A US\$ Distributing (D)	1.86%	Class B US\$ Distributing (D)	1.65%
Class A US\$ Distributing (M)	1.80%	Class C US\$ Distributing (D)	1.90%
Class A US\$ Distributing (M) Plus	1.86%	Class A (G) US\$ Accumulating	1.55%
Class A Euro Accumulating (Hedged)	1.86%	Class A (G) US\$ Distributing (D)	1.58%
Class A Euro Distributing (D) (Hedged)	1.86%	Class L (G) US\$ Accumulating	2.08%
Class A GBP Distributing (D) (Hedged)	1.86%	Class L (G) US\$ Distributing (D)	2.08%
Class A SGD Distributing (M) (Hedged) Plus	1.86%		
Class B US\$ Accumulating	2.05%	Legg Mason Western Asset Global Inflation Management Fund	
Class B US\$ Distributing (D)	2.11%	Class A US\$ Accumulating	1.24%
Class C US\$ Accumulating	2.30%	Class A US\$ Distributing (A)	1.23%
Class C US\$ Distributing (D)	2.36%	Class B US\$ Accumulating	1.49%
Class E US\$ Distributing (D)	2.46%	Class B US\$ Distributing (A)	1.49%
Class E Euro Distributing (M) (Hedged)	2.46%	Class C US\$ Accumulating	1.83%
Class F US\$ Accumulating	1.00%	Class C US\$ Distributing (A)	1.74%
Class X GBP Distributing (D) (Hedged)	1.11%	Class A (G) US\$ Accumulating	1.00%
Premier Class US\$ Accumulating	0.76%	Class A (G) US\$ Distributing (A)	1.00%
Premier Class Euro Accumulating (Hedged)	0.76%	Class L (G) US\$ Accumulating	1.50%
Premier Class GBP Distributing (D) (Hedged)	0.74%	Class L (G) US\$ Distributing (A)	1.50%
Class A (G) US\$ Accumulating	1.46%		
Class A (G) US\$ Distributing (D)	1.46%	Legg Mason Western Asset Asian Opportunities Fund	
Class B (G) US\$ Accumulating	1.95%	Class A US\$ Accumulating	1.37%
Class B (G) US\$ Distributing (D)	1.99%	Class A US\$ Distributing (D)	1.37%
Class L (G) US\$ Accumulating	1.96%	Class A US\$ Distributing (M)	1.37%
Class L (G) US\$ Distributing (D)	1.96%	Class A US\$ Distributing (M) Plus	1.37%
		Class A AUD Distributing (M) (Hedged) Plus	1.37%
		Class A CHF Accumulating (Hedged)	1.37%
		Class A CNH Distributing (M) (Hedged) Plus	1.37%
		Class A Euro Accumulating	1.37%
		Class A Euro Accumulating (Hedged)	1.37%
		Class A Euro Distributing (A)	1.37%
		Class A GBP Distributing (D) (Hedged)	1.37%
		Class A GBP Distributing (M)	1.37%
		Class A HKD Distributing (M) Plus	1.38%
		Class A SGD Accumulating (Hedged)	1.37%
		Class A SGD Distributing (M) (Hedged) Plus	1.37%
		Class A SGD Distributing (M) Plus	1.37%
		Class B US\$ Accumulating	1.62%
		Class B US\$ Distributing (D)	1.62%
		Class C US\$ Accumulating	1.87%
		Class C US\$ Distributing (D)	1.87%
		Class E US\$ Accumulating	1.97%
		Class E US\$ Distributing (D)	1.97%
		Class F US\$ Accumulating	0.97%
		Class F US\$ Distributing (D)	0.97%
		Class X US\$ Distributing (M)	0.87%
		Premier Class US\$ Accumulating	0.72%
		Premier Class US\$ Distributing (M)	0.72%
		Premier Class Euro Accumulating	0.72%
		Premier Class Euro Accumulating (Hedged)	0.72%
		Premier Class Euro Distributing (A)	0.72%
		Premier Class Euro Distributing (M)	0.72%
		Premier Class GBP Distributing (M)	0.72%
		LM Class US\$ Accumulating	0.12%
		Legg Mason Western Asset Global Blue Chip Bond Fund	
		Class A US\$ Accumulating	1.18%
		Class A US\$ Distributing (M)	1.18%
		Class A Euro Accumulating (Hedged)	1.18%
		Class A GBP Accumulating (Hedged)	1.18%
		Class B US\$ Accumulating	1.44%
		Class B US\$ Distributing (M)	1.43%
		Class C US\$ Accumulating	1.68%
		Class C US\$ Distributing (M)	1.68%
		Class E US\$ Accumulating	1.81%
		Class E US\$ Distributing (D)	1.81%
		Class F US\$ Accumulating	0.79%
		Premier Class US\$ Accumulating	0.52%
		Premier Class US\$ Distributing (M)	0.53%
		Premier Class Euro Accumulating (Hedged)	0.53%
		Premier Class Euro Distributing (M) (Hedged)	0.53%
		Premier Class GBP Accumulating (Hedged)	0.53%
		Premier Class GBP Distributing (M) (Hedged)	0.53%
		Legg Mason Western Asset Global Credit Absolute Return Fund[^]	
		Class A US\$ Distributing (M)	1.84%
		Class A GBP Distributing (M) (Hedged)	1.84%
		Class A (PF) US\$ Accumulating	1.60%
		Class A (PF) US\$ Distributing (M)	1.62%
		Class X GBP Distributing (M) (Hedged)	1.34%
		Premier Class US\$ Distributing (M)	1.23%
		Premier Class Euro Accumulating (Hedged)	1.18%
		Premier Class GBP Distributing (M) (Hedged)	1.21%
		Premier (PF) Class US\$ Accumulating	0.96%
		Premier (PF) Class GBP Accumulating (Hedged)	0.97%
		Premier (PF) Class GBP Distributing (M) (Hedged)	0.92%
Legg Mason Western Asset Emerging Markets Corporate Bond Fund			
Class A US\$ Accumulating	1.83%		
Class A US\$ Distributing (M)	1.49%		
Premier Class US\$ Accumulating	0.71%		
LM Class US\$ Distributing (M)	0.16%		
Legg Mason Western Asset Global High Yield Fund			
Class A US\$ Accumulating	1.54%		
Class A US\$ Distributing (D)	1.54%		
Class A US\$ Distributing (M)	1.54%		
Class A US\$ Distributing (M) Plus	1.54%		
Class A AUD Distributing (M) (Hedged) Plus	1.54%		
Class A Euro Accumulating	1.53%		
Class A Euro Distributing (D) (Hedged)	1.54%		
Class A SGD Distributing (M) (Hedged) Plus	1.54%		
Class B US\$ Accumulating	1.79%		
Class B US\$ Distributing (D)	1.79%		
Class C US\$ Accumulating	2.04%		
Class C US\$ Distributing (D)	2.04%		
Class E US\$ Accumulating	2.14%		
Class E US\$ Distributing (D)	2.14%		
Class E Euro Accumulating (Hedged)	2.14%		
Class E Euro Distributing (M) (Hedged)	2.14%		
Class F US\$ Accumulating	0.84%		
Class F US\$ Distributing (D)	0.84%		
Class X US\$ Accumulating	0.91%		
Class X US\$ Distributing (D)	0.91%		
Class X GBP Distributing (D) (Hedged)	0.91%		
Premier Class US\$ Accumulating	0.59%		
Premier Class US\$ Distributing (M) Plus (e)	0.58%		
Premier Class Euro Accumulating (Hedged)	0.59%		
Premier Class GBP Distributing (D) (Hedged)	0.59%		
LM Class US\$ Accumulating	0.14%		
Class A (G) US\$ Accumulating	1.39%		
Class A (G) US\$ Distributing (D)	1.39%		
Class B (G) US\$ Accumulating	1.89%		
Class B (G) US\$ Distributing (D)	1.82%		
Class L (G) US\$ Accumulating	1.89%		
Class L (G) US\$ Distributing (D)	1.89%		
Legg Mason Western Asset US Short-Term Government Fund			
Class A US\$ Accumulating	1.35%		
Class A US\$ Distributing (D)	1.35%		
Class B US\$ Accumulating	1.60%		
Class B US\$ Distributing (D)	1.60%		
Class C US\$ Accumulating	1.85%		
Class C US\$ Distributing (D)	1.85%		
Class E US\$ Accumulating	1.95%		
Class A (G) US\$ Accumulating	1.29%		
Class A (G) US\$ Distributing (D)	1.29%		
Class B (G) US\$ Distributing (D)	1.85%		
Class L (G) US\$ Accumulating	1.79%		
Class L (G) US\$ Distributing (D)	1.79%		

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

Supplemental Information – Total Expense Ratios (TER) (unaudited) – (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 29, 2016**	Class Name	Ratio of Total Operating Expenses in CU(1) to average Fund daily net assets in CU(1) For the year ended February 29, 2016**
Legg Mason Western Asset Global Core Plus Bond Fund		Legg Mason Brandywine Global Fixed Income Fund	
Class A US\$ Distributing (A)	1.39%	Class A US\$ Accumulating	1.37%
Class A US\$ Distributing (D)	1.39%	Class A US\$ Distributing (M)	1.37%
Class X US\$ Accumulating	0.83%	Class A US\$ Distributing (S)	1.37%
Premier Class US\$ Accumulating	0.53%	Class A AUD Distributing (M) (Hedged) Plus	1.37%
Premier Class Euro Accumulating (Hedged)	0.53%	Class A Euro Accumulating (Hedged)	1.37%
Legg Mason Western Asset Global Credit Fund		Class A Euro Accumulating (Hedged) (AH)	1.37%
Class A US\$ Accumulating	1.34%	Class A Euro Distributing (A) (Hedged)	1.37%
Class A US\$ Distributing (D)	1.34%	Class A Euro Distributing (S) (Hedged) (AH)	1.37%
Class A Euro Accumulating (Hedged)	1.34%	Class A GBP Accumulating	1.30%
Premier Class US\$ Accumulating	0.49%	Class A GBP Distributing (M) (Hedged)	1.30%
LM Class US\$ Accumulating	0.14%	Class A GBP Distributing (S) (Hedged) (AH)	1.37%
Legg Mason Western Asset Euro High Yield Fund		Class A SGD Accumulating	1.37%
Class A Euro Distributing (D)	1.45%	Class B US\$ Accumulating	1.62%
LM Class Euro Accumulating	0.14%	Class B US\$ Distributing (S)	1.62%
LM Class Euro Distributing (Q)	0.14%	Class C US\$ Accumulating	1.87%
Legg Mason Western Asset Macro Opportunities Bond Fund[^]		Class C US\$ Distributing (S)	1.87%
Class A US\$ Accumulating	1.75%	Class E US\$ Accumulating	1.97%
Class A US\$ Distributing (M) Plus (e)	1.75%	Class E Euro Accumulating (Hedged) (AH)	1.97%
Class A US\$ Distributing (S)	1.75%	Class F US\$ Accumulating	0.97%
Class A AUD Distributing (M) (Hedged) Plus (e)	1.76%	Class F US\$ Distributing (S)	0.97%
Class A CHF Accumulating (Hedged)	1.75%	Class R US\$ Distributing (S)	0.97%
Class A CNH Accumulating (Hedged)	1.75%	Class R GBP Distributing (S) (Hedged) (AH)	0.97%
Class A CNH Distributing (M) (Hedged) Plus (e)	1.75%	Class X US\$ Accumulating	0.87%
Class A Euro Accumulating (Hedged)	1.75%	Class X US\$ Distributing (S)	0.87%
Class A Euro Distributing (A)	1.75%	Class X Euro Accumulating (Hedged)	0.87%
Class A GBP Accumulating	1.75%	Class X Euro Accumulating (Hedged) (AH)	0.90%
Class A GBP Accumulating (Hedged)	1.75%	Class X Euro Distributing (S) (Hedged) (AH)	0.81%
Class A SEK Accumulating (Hedged)	1.76%	Class X GBP Accumulating	0.87%
Class A SGD Accumulating (Hedged)	1.75%	Class X GBP Accumulating (Hedged)	0.87%
Class A SGD Distributing (M) (Hedged) Plus (e)	1.76%	Class X GBP Accumulating (Hedged) (AH)	0.87%
Class B US\$ Accumulating	2.14%	Class X GBP Distributing (S) (Hedged)	0.87%
Class C US\$ Accumulating	2.26%	Class X GBP Distributing (S) (Hedged) (AH)	0.87%
Class C US\$ Distributing (S)	2.27%	Premier Class US\$ Accumulating	0.72%
Class E US\$ Accumulating	2.35%	Premier Class US\$ Distributing (S)	0.72%
Class E US\$ Distributing (S)	2.36%	Premier Class Euro Accumulating	0.72%
Class E Euro Accumulating (Hedged)	2.35%	Premier Class Euro Accumulating (Hedged)	0.72%
Class F US\$ Accumulating	1.35%	Premier Class Euro Accumulating (Hedged) (AH)	0.72%
Class F US\$ Distributing (S)	1.35%	Premier Class Euro Distributing (S)	0.72%
Class S US\$ Accumulating	0.70%	Premier Class GBP Distributing (M) (Hedged)	0.72%
Class S Euro Accumulating (Hedged)	0.70%	Premier Class GBP Distributing (S) (Hedged) (AH)	0.72%
Class X US\$ Accumulating	1.25%	LM Class US\$ Accumulating	0.12%
Class X US\$ Distributing (M) Plus (e)	1.27%	LM Class US\$ Accumulating (Hedged) (AH)	0.12%
Class X US\$ Distributing (S)	1.26%	Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^]	
Class X CHF Accumulating (Hedged)	1.25%	Class A US\$ Accumulating	1.62%
Class X Euro Accumulating	1.25%	Class A US\$ Distributing (A)	1.61%
Class X Euro Accumulating (Hedged)	1.25%	Class A Euro Accumulating (Hedged)	1.61%
Class X GBP Accumulating	1.25%	Class A SEK Accumulating (Hedged)	1.61%
Class X GBP Accumulating (Hedged)	1.25%	Class B US\$ Distributing (D)	1.86%
Class X GBP Distributing (M) (Hedged) Plus (e)	1.26%	Class C US\$ Accumulating	2.11%
Class X SGD Accumulating (Hedged)	1.25%	Class E US\$ Accumulating	2.21%
Premier Class US\$ Accumulating	1.10%	Class E US\$ Distributing (A)	2.21%
Premier Class US\$ Distributing (S)	1.10%	Class F US\$ Accumulating	1.21%
Premier Class AUD Distributing (S) (Hedged)	1.11%	Class X GBP Accumulating (Hedged)	1.16%
Premier Class CHF Accumulating (Hedged)	1.10%	Class X GBP Distributing (M) (Hedged)	1.16%
Premier Class CHF Distributing (S) (Hedged)	1.11%	Premier Class US\$ Accumulating	1.01%
Premier Class Euro Accumulating	1.10%	Premier Class US\$ Distributing (A)	1.03%
Premier Class Euro Accumulating (Hedged)	1.10%	Premier Class CHF Accumulating (Hedged)	1.01%
Premier Class Euro Distributing (S) (Hedged)	1.11%	Premier Class Euro Accumulating (Hedged)	1.01%
Premier Class GBP Accumulating (Hedged)	1.10%	Premier Class Euro Distributing (A) (Hedged)	1.01%
Premier Class GBP Distributing (M) (Hedged) Plus (e)	1.10%	Premier Class GBP Distributing (M) (Hedged)	1.01%
Premier Class SEK Accumulating (Hedged)	1.10%	Premier Class SEK Accumulating (Hedged)	1.01%
Premier Class BRL Accumulating (Hedged)	1.11%	Premier Class SGD Accumulating (Hedged)	1.01%
Legg Mason Western Asset EM Local Currency Debt Fund[^]		LM Class US\$ Accumulating	0.11%
Class A US\$ Distributing (D)	1.50%	LM Class AUD Accumulating (Hedged)	0.11%
Premier Class US\$ Accumulating	0.65%	LM Class Euro Accumulating (Hedged)	0.11%
Legg Mason Western Asset Multi-Asset Credit Fund[^]		LM Class GBP Accumulating (Hedged)	0.11%
Class A US\$ Distributing (M) Plus (e)	1.55%	Legg Mason Brandywine Global High Yield Fund[^]	
LM Class GBP Accumulating (Hedged)	0.15%	Class S CAD Accumulating (Hedged) (AH)	0.75%
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund[^]		Premier Class US\$ Accumulating	0.95%
Class A US\$ Distributing (M) Plus (e)	1.50%	Premier Class Euro Accumulating (Hedged) (AH)	0.95%
Class A Euro Accumulating (Hedged)	1.50%	Premier Class GBP Accumulating (Hedged) (AH)	0.95%
Class A Euro Distributing (A) (Hedged)	1.50%		
Premier Class US\$ Accumulating	0.75%		
Premier Class Euro Accumulating (Hedged)	0.75%		
Legg Mason Western Asset Structured Opportunities Fund[^]			
LM Class US\$ Accumulating	0.15%		
Legg Mason Western Asset US Mortgage-Backed Securities Fund[^]			
Class A US\$ Distributing (M) Plus (e)	1.27%		
LM Class US\$ Accumulating	0.12%		

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Supplemental Information – Total Expense Ratios (TER) (unaudited) – (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 29, 2016**	Class Name	Ratio of Total Operating Expenses in CU(1) to average Fund daily net assets in CU(1) For the year ended February 29, 2016**
Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^]		Legg Mason ClearBridge Global Equity Fund[^]	
Class A US\$ Accumulating	1.42%	Class A US\$ Accumulating	1.85%
Class A US\$ Distributing (M)	1.42%	Class A US\$ Distributing (A)	1.90%
Class A Euro Accumulating (Hedged)	1.42%	Class C US\$ Accumulating	2.35%
Class C US\$ Accumulating	1.92%	Class C US\$ Distributing (A)	2.40%
Class E US\$ Accumulating	2.02%	Legg Mason ClearBridge Global Equity Income Fund[^]	
Class F US\$ Accumulating	1.02%	Class A US\$ Accumulating	1.85%
Class F US\$ Distributing (M)	1.02%	Class A US\$ Distributing (M) Plus	1.85%
Class X Euro Accumulating (Hedged)	0.92%	Class A US\$ Distributing (M) Plus (e)	1.85%
Class X GBP Distributing (M) (Hedged) (AH)	0.95%	Class A US\$ Distributing (Q)	1.85%
Class X GBP Distributing (M) (Hedged)	0.93%	Class A Euro Accumulating (Hedged)	1.85%
Premier Class US\$ Accumulating	0.77%	Class A Euro Distributing (M) (Hedged) Plus (e)	1.85%
Premier Class US\$ Accumulating (Hedged) (AH)	0.77%	Premier Class US\$ Distributing (M) Plus (e)	1.00%
Premier Class US\$ Distributing (M)	0.77%	Premier Class Euro Accumulating (Hedged)	1.00%
Premier Class Euro Accumulating (Hedged) (AH)	0.77%	Premier Class Euro Distributing (M) (Hedged) Plus (e)	1.00%
Premier Class GBP Distributing (M) (Hedged) (AH)	0.76%	LM Class US\$ Accumulating	1.03%
Premier Class NZD Accumulating (Hedged) (AH)	0.77%	Legg Mason ClearBridge US Appreciation Fund	
LM Class US\$ Accumulating	0.11%	Class A US\$ Accumulating	1.73%
LM Class NZD Accumulating (Hedged) (AH)	0.11%	Class A US\$ Distributing (A)	1.73%
Legg Mason Brandywine Global Sovereign Credit Fund[^]		Class A Euro Accumulating	1.73%
Premier Class US\$ Accumulating	0.50%	Class B US\$ Accumulating	2.23%
Premier Class GBP Accumulating (Hedged) (AH)	0.44%	Class B US\$ Distributing (A)	2.23%
Premier Class GBP Distributing (S) (Hedged) (AH)	0.44%	Class C US\$ Accumulating	2.23%
LM Class GBP Accumulating (Hedged) (AH)	0.09%	Class C US\$ Distributing (A)	2.23%
LM Class GBP Distributing (S) (Hedged) (AH)	0.09%	Class E US\$ Accumulating	2.48%
Legg Mason Brandywine Global Income Optimiser Fund[^]		Class E US\$ Distributing (A)	2.48%
Class A US\$ Accumulating	1.54%	Class F US\$ Accumulating	1.13%
Class A US\$ Distributing (M) Plus (e)	1.55%	Class F US\$ Distributing (A)	1.13%
Class A Euro Distributing (A) (Hedged)	1.55%	Class X US\$ Distributing (A)	1.10%
Class A Euro Distributing (M) (Hedged) Plus (e)	1.54%	Class X Euro Accumulating	1.10%
Class A GBP Distributing (M) (Hedged) Plus (e)	1.54%	Premier Class US\$ Accumulating	0.75%
Class A SGD Distributing (M) (Hedged) Plus	1.53%	Premier Class US\$ Distributing (A)	0.75%
Class C US\$ Accumulating	2.05%	Premier Class Euro Accumulating	0.75%
Class C US\$ Distributing (D)	2.08%	Class A (G) US\$ Accumulating	1.38%
Class X US\$ Distributing (M) Plus (e)	0.94%	Class B (G) US\$ Accumulating	1.88%
Class X Euro Distributing (M) (Hedged) Plus (e)	0.94%	Class L (G) US\$ Accumulating	1.88%
Class X GBP Distributing (M) (Hedged) Plus (e)	0.94%	Class GA US\$ Accumulating	1.55%
Premier Class US\$ Distributing (M) Plus (e)	0.80%	Class GA Euro Accumulating	1.55%
Premier Class Euro Accumulating (Hedged)	0.80%	Class GA Euro Distributing (A)	1.55%
Premier Class Euro Distributing (M) (Hedged) Plus (e)	0.80%	Class GE US\$ Accumulating	2.30%
Premier Class GBP Distributing (M) (Hedged) Plus (e)	0.80%	Class GE Euro Accumulating	2.30%
Premier Class SEK Accumulating (Hedged)	0.80%	Class GP US\$ Accumulating	0.13%
LM Class US\$ Accumulating	0.19%	Legg Mason ClearBridge US Large Cap Growth Fund	
Legg Mason Brandywine Global Credit Opportunities Fund[^]		Class A US\$ Accumulating	1.74%
Class A US\$ Accumulating	1.93%	Class A US\$ Distributing (A)	1.74%
Class A Euro Accumulating (Hedged)	1.93%	Class A Euro Accumulating	1.74%
Premier Class US\$ Accumulating	1.27%	Class A Euro Accumulating (Hedged)	1.73%
Premier Class US\$ Distributing (A)	1.27%	Class A Euro Distributing (A)	1.73%
Premier Class Euro Accumulating (Hedged)	1.27%	Class B US\$ Accumulating	2.24%
Premier Class GBP Accumulating (Hedged)	1.27%	Class B US\$ Distributing (A)	2.24%
Premier Class GBP Distributing (M) (Hedged)	1.27%	Class C US\$ Accumulating	2.24%
LM Class US\$ Accumulating	0.12%	Class C US\$ Distributing (A)	2.24%
Legg Mason Brandywine Global Dynamic US Equity Fund[^]		Class E US\$ Accumulating	2.48%
Class A US\$ Accumulating	1.70%	Class E US\$ Distributing (A)	2.48%
Class S Euro Accumulating (Hedged)	0.65%	Class F US\$ Distributing (A)	1.13%
Premier Class US\$ Accumulating	0.75%	Class X US\$ Accumulating	1.11%
Legg Mason ClearBridge Value Fund		Class X GBP Accumulating	1.13%
Class A US\$ Accumulating	1.83%	Premier Class US\$ Accumulating	0.76%
Class A US\$ Distributing (A)	1.83%	Premier Class GBP Accumulating	0.75%
Class A Euro Accumulating	1.83%	Class A (G) US\$ Accumulating	1.39%
Class A Euro Distributing (A) (Hedged)	1.83%	Class B (G) US\$ Accumulating	1.88%
Class A GBP Distributing (A)	1.83%	Class L (G) US\$ Accumulating	1.89%
Class A SGD Accumulating	1.83%	Class GA US\$ Accumulating	1.56%
Class A SGD Accumulating (Hedged)	1.83%	Class GA Euro Accumulating	1.56%
Class B US\$ Accumulating	2.33%	Class GE US\$ Distributing (A)	2.31%
Class B US\$ Distributing (A)	2.33%	Class GE Euro Accumulating	2.31%
Class C US\$ Accumulating	2.33%	Legg Mason ClearBridge Growth Fund	
Class C US\$ Distributing (A)	2.33%	Class A US\$ Accumulating	1.70%
Class F US\$ Accumulating	1.06%	Class A US\$ Distributing (A)	2.04%
Class F US\$ Distributing (A)	1.21%	Class A Euro Accumulating	1.70%
Class X US\$ Distributing (A)	1.15%	Class B US\$ Distributing (A)	2.54%
Premier Class US\$ Accumulating	0.80%	Class C US\$ Accumulating	2.20%
Premier Class US\$ Distributing (A)	0.80%	Class C US\$ Distributing (A)	2.56%
Premier Class Euro Accumulating	0.80%		
Galleon Class	0.98%		

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Supplemental Information – Total Expense Ratios (TER) (unaudited) – (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 29, 2016**	Class Name	Ratio of Total Operating Expenses in CU(1) to average Fund daily net assets in CU(1) For the year ended February 29, 2016**
Legg Mason ClearBridge US Aggressive Growth Fund		Legg Mason Opportunity Fund	
Class A US\$ Accumulating	1.77%	Class A US\$ Accumulating	1.82%
Class A US\$ Distributing (A)	1.77%	Class A US\$ Distributing (A)	1.82%
Class A AUD Accumulating (Hedged)	1.77%	Class A Euro Accumulating (Hedged)	1.82%
Class A CHF Accumulating (Hedged)	1.77%	Class A GBP Accumulating	1.82%
Class A CNH Accumulating (Hedged)	1.77%	Class A SEK Accumulating (Hedged)	1.82%
Class A Euro Accumulating	1.77%	Class X US\$ Accumulating	1.14%
Class A Euro Accumulating (Hedged)	1.77%	Class X GBP Accumulating	1.15%
Class A Euro Distributing (A) (Hedged)	1.77%	Premier Class US\$ Accumulating	0.79%
Class A GBP Accumulating	1.77%	Premier Class US\$ Distributing (A)	0.79%
Class A HKD Accumulating	1.80%	Premier Class GBP Distributing (A)	0.80%
Class A SEK Accumulating (Hedged)	1.77%	Premier Class PLN Accumulating (Hedged)	0.80%
Class A SGD Accumulating (Hedged)	1.77%		
Class B US\$ Accumulating	2.27%	Legg Mason Royce US Small Cap Opportunity Fund	
Class B US\$ Distributing (A)	2.27%	Class A US\$ Accumulating	1.97%
Class C US\$ Accumulating	2.27%	Class A US\$ Distributing (A)	1.97%
Class C US\$ Distributing (A)	2.27%	Class A AUD Accumulating (Hedged)	1.97%
Class E US\$ Accumulating	2.52%	Class A CNH Accumulating (Hedged)	1.97%
Class E US\$ Distributing (A)	2.52%	Class A Euro Accumulating	1.97%
Class E Euro Accumulating (Hedged)	2.52%	Class A Euro Accumulating (Hedged)	1.97%
Class F US\$ Accumulating	1.17%	Class A GBP Accumulating (Hedged)	1.97%
Class F US\$ Distributing (A)	1.17%	Class A GBP Distributing (A)	1.97%
Class X US\$ Accumulating	1.12%	Class A SEK Accumulating (Hedged)	1.97%
Class X US\$ Distributing (A)	1.12%	Class A SGD Accumulating	1.97%
Class X Euro Accumulating	1.12%	Class A SGD Accumulating (Hedged)	1.97%
Class X Euro Accumulating (Hedged)	1.12%	Class B US\$ Accumulating	2.48%
Class X GBP Accumulating	1.12%	Class B US\$ Distributing (A)	2.48%
Premier Class US\$ Accumulating	0.77%	Class C US\$ Accumulating	2.48%
Premier Class CHF Accumulating (Hedged)	0.77%	Class C US\$ Distributing (A)	2.48%
Premier Class Euro Accumulating	0.77%	Class E US\$ Accumulating	2.73%
Premier Class Euro Accumulating (Hedged)	0.77%	Class E US\$ Distributing (A)	2.73%
Premier Class Euro Distributing (A)	0.77%	Class E Euro Accumulating	2.73%
Premier Class GBP Accumulating (Hedged)	0.77%	Class E Euro Accumulating (Hedged)	2.73%
Premier Class GBP Distributing (A)	0.77%	Class F US\$ Accumulating	1.37%
Class A (G) US\$ Accumulating	1.42%	Class F US\$ Distributing (A)	1.37%
Class B (G) US\$ Accumulating	1.92%	Class R Euro Accumulating	1.47%
Class L (G) US\$ Accumulating	1.92%	Class X US\$ Accumulating	1.22%
Class GA Euro Accumulating	1.54%	Class X Euro Accumulating (Hedged)	1.22%
Class GA Euro Distributing (A)	1.54%	Class X GBP Accumulating	1.22%
Class GE US\$ Accumulating	2.29%	Class X GBP Distributing (A)	1.22%
Class GE Euro Accumulating	2.29%	Premier Class US\$ Accumulating	0.87%
Premier Class PLN Accumulating (Hedged)	0.77%	Premier Class Euro Accumulating	0.87%
		Premier Class Euro Accumulating (Hedged)	0.87%
		Premier Class GBP Accumulating	0.87%
Legg Mason ClearBridge Tactical Dividend Income Fund		Legg Mason Royce US Smaller Companies Fund	
Class A US\$ Accumulating	1.75%	Class A US\$ Accumulating	1.99%
Class A US\$ Distributing (A)	1.75%	Class A US\$ Distributing (A)	1.99%
Class A US\$ Distributing (M) Plus	1.77%	Class A Euro Accumulating	1.99%
Class A US\$ Distributing (M) Plus (e)	1.83%	Class A Euro Accumulating (Hedged)	1.99%
Class A US\$ Distributing (Q)	1.81%	Class A Euro Distributing (A)	1.99%
Class A AUD Distributing (M) (Hedged) Plus	1.76%	Class A GBP Distributing (A)	1.99%
Class A CNH Distributing (M) (Hedged) Plus	1.78%	Class A SEK Accumulating (Hedged)	2.03%
Class A Euro Accumulating	1.75%	Class B US\$ Accumulating	2.49%
Class A Euro Accumulating (Hedged)	1.74%	Class B US\$ Distributing (A)	2.49%
Class A Euro Distributing (A) (Hedged)	1.75%	Class C US\$ Accumulating	2.49%
Class A Euro Distributing (M) (Hedged) Plus (e)	1.77%	Class C US\$ Distributing (A)	2.49%
Class A HKD Distributing (M) Plus	1.76%	Class E US\$ Accumulating	2.74%
Class A SGD Distributing (M) (Hedged) Plus	1.78%	Class E US\$ Distributing (A)	2.74%
Class B US\$ Accumulating	2.25%	Class E Euro Accumulating	2.74%
Class B US\$ Distributing (A)	2.25%	Class F US\$ Accumulating	1.39%
Class B US\$ Distributing (Q)	2.29%	Class F US\$ Distributing (A)	1.39%
Class C US\$ Accumulating	2.25%	Class R US\$ Accumulating	1.49%
Class C US\$ Distributing (A)	2.25%	Class X US\$ Accumulating	1.24%
Class C US\$ Distributing (Q)	2.27%	Class X US\$ Distributing (A)	1.24%
Class F US\$ Accumulating	1.15%	Premier Class US\$ Accumulating	0.89%
Class F Euro Accumulating	1.15%	Premier Class US\$ Distributing (A)	0.89%
Class F Euro Distributing (A)	1.15%	Premier Class GBP Distributing (A)	0.89%
Class X US\$ Distributing (M) Plus (e)	1.13%	Class A (G) US\$ Accumulating	1.39%
Premier Class US\$ Distributing (M) Plus (e)	0.82%	Class L (G) US\$ Accumulating	1.89%
LM Class US\$ Accumulating	0.16%	Premier Class PLN Accumulating (Hedged)	0.89%
Legg Mason ClearBridge US Equity Sustainability Leaders Fund[^]			
Class A US\$ Distributing (A)	1.70%		
Class A Euro Accumulating (Hedged)	1.70%		
Class X US\$ Distributing (A)	1.10%		
Class X Euro Accumulating (Hedged)	1.10%		
Class X GBP Accumulating	1.10%		
Premier Class US\$ Distributing (A)	0.75%		
Premier Class Euro Accumulating (Hedged)	0.75%		
Premier Class GBP Accumulating	0.75%		

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Supplemental Information – Total Expense Ratios (TER) (unaudited) – (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 29, 2016**	Class Name	Ratio of Total Operating Expenses in CU(1) to average Fund daily net assets in CU(1) For the year ended February 29, 2016**
Legg Mason QS MV European Equity Growth and Income Fund		Legg Mason QS Emerging Markets Equity Fund	
Class A US\$ Accumulating	1.84%	Class A US\$ Accumulating	2.00%
Class A US\$ Accumulating (Hedged)	1.84%	Class A US\$ Distributing (A)	2.00%
Class A US\$ Distributing (A)	1.84%	Class A Euro Accumulating	2.00%
Class A US\$ Distributing (M) (Hedged) Plus	1.84%	Class A GBP Distributing (A)	2.00%
Class A US\$ Distributing (Q) (Hedged)	1.85%	Class B US\$ Accumulating	2.66%
Class A AUD Distributing (M) (Hedged) Plus	1.84%	Class B US\$ Distributing (A)	2.65%
Class A CNH Distributing (M) (Hedged) Plus	1.85%	Class C US\$ Accumulating	2.66%
Class A Euro Accumulating	1.84%	Class C US\$ Distributing (A)	2.66%
Class A Euro Distributing (A)	1.84%	Class E US\$ Accumulating	2.90%
Class A Euro Distributing (M) Plus	1.84%	Class F US\$ Distributing (A)	1.75%
Class A SGD Distributing (M) (Hedged) Plus	1.85%	Premier Class US\$ Accumulating	0.95%
Class B US\$ Accumulating	2.34%	Premier Class Euro Accumulating	0.95%
Class B US\$ Distributing (A)	2.35%		
Class C US\$ Accumulating	2.34%	Legg Mason QS MV Global Equity Growth and Income Fund	
Class C US\$ Distributing (A)	2.34%	Class A US\$ Accumulating	2.00%
Class C US\$ Distributing (Q) (Hedged)	2.35%	Class A US\$ Distributing (A)	2.00%
Class E US\$ Accumulating	2.58%	Class A US\$ Distributing (M) Plus	2.00%
Class E US\$ Accumulating (Hedged)	2.60%	Class A AUD Distributing (M) (Hedged) Plus	1.98%
Class E US\$ Distributing (Q) (Hedged)	2.60%	Class A HKD Distributing (M) Plus	1.99%
Class F US\$ Distributing (Q) (Hedged)	1.25%	Class GA US\$ Accumulating	1.67%
Premier Class Euro Accumulating	0.81%	Class GA Euro Accumulating	1.67%
Class A (G) US\$ Accumulating	1.49%	Class GA Euro Distributing (A)	1.67%
Class B (G) US\$ Accumulating	1.96%	Class GE US\$ Accumulating	2.42%
Class L (G) US\$ Accumulating	1.99%	Class GE Euro Accumulating	2.42%
Class GA US\$ Accumulating	1.56%		
Class GA Euro Accumulating	1.56%	Legg Mason Martin Currie Australia Equity Income Fund	
Class GA Euro Distributing (A)	1.56%	Class A AUD Distributing (M) Plus	1.80%
Class GE US\$ Accumulating	2.31%	LM Class AUD Accumulating	0.50%
Legg Mason QS MV Asia Pacific ex Japan Equity Growth and Income Fund			
Class A US\$ Accumulating	2.00%		
Class A US\$ Distributing (A)	2.06%		
Class A US\$ Distributing (M) Plus	2.08%		
Class A AUD Distributing (M) (Hedged) Plus	2.08%		
Class A Euro Accumulating	2.00%		
Class A HKD Distributing (M) Plus	2.07%		
Class B US\$ Accumulating	2.50%		
Class B US\$ Distributing (A)	2.56%		
Class C US\$ Accumulating	2.50%		
Class C US\$ Distributing (A)	2.57%		
Class E US\$ Accumulating	2.82%		
Class E US\$ Distributing (A)	2.57%		
Class F US\$ Accumulating	1.43%		
Class F US\$ Distributing (A)	1.43%		
Class X US\$ Accumulating	1.25%		
Class GA US\$ Accumulating	1.83%		
Class GA Euro Accumulating	1.83%		
Class GA Euro Distributing (A)	1.83%		
Class GE US\$ Accumulating	2.59%		
Class GE Euro Accumulating	2.57%		
Premier Class PLN Accumulating (Hedged)	0.98%		

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

** Annualised for periods less than one year

Supplemental Information – Fund Performance Data (unaudited)

Fund	Share Class	Class CCY	Inception Date	Fiscal YTD 3/1/15-2/29/16	Calendar 1/1/15-12/31/15	3 Year Cumulative 1/1/13-12/31/15
Legg Mason Western Asset US Money Market Fund	Class A US\$ Accumulating	USD	5/8/2007	0.01%	0.01%	0.03%
	Class A US\$ Distributing (D)	USD	2/27/2004	0.03%	0.03%	0.09%
	Class A US\$ Distributing (M)	USD	7/29/2014	0.03%	0.03%	–
	Class B US\$ Accumulating	USD	11/15/2007	0.01%	0.01%	0.04%
	Class B US\$ Distributing (D)	USD	2/27/2004	0.01%	0.01%	0.60%
	Class C US\$ Accumulating	USD	11/15/2007	0.01%	0.01%	0.04%
	Class C US\$ Distributing (D)	USD	2/27/2004	0.03%	0.03%	0.09%
	Class A (G) US\$ Accumulating	USD	4/20/2007	0.01%	0.01%	0.04%
	Class A (G) US\$ Distributing (D)	USD	4/20/2007	0.01%	0.01%	0.03%
	Class L (G) US\$ Distributing (D)	USD	4/20/2007	0.01%	0.01%	0.03%
Legg Mason Western Asset US Core Bond Fund	Class A US\$ Accumulating	USD	5/9/2007	0.24%	0.13%	5.03%
	Class A US\$ Distributing (D)	USD	8/30/2002	0.17%	0.08%	4.65%
	Class B US\$ Accumulating	USD	11/15/2007	(0.01)%	(0.12)%	4.25%
	Class B US\$ Distributing (D)	USD	2/24/2004	(0.07)%	(0.14)%	3.87%
	Class C US\$ Accumulating	USD	11/15/2007	(0.26)%	(0.37)%	3.48%
	Class C US\$ Distributing (D)	USD	2/24/2004	(0.31)%	(0.41)%	3.08%
	Class F US\$ Accumulating	USD	8/9/2013	0.70%	0.60%	–
	Class GA US\$ Accumulating	USD	8/27/2010	0.44%	0.36%	5.53%
	Class GE US\$ Accumulating	USD	8/27/2010	(0.15)%	(0.25)%	3.64%
Legg Mason Western Asset US Core Plus Bond Fund	Class A US\$ Accumulating	USD	4/20/2007	(1.43)%	(0.64)%	3.81%
	Class A US\$ Distributing (D)	USD	4/20/2007	(1.44)%	(0.65)%	3.82%
	Class B US\$ Accumulating	USD	11/15/2007	(1.67)%	(0.88)%	3.04%
	Class B US\$ Distributing (D)	USD	4/20/2007	(1.69)%	(0.89)%	3.04%
	Class C US\$ Accumulating	USD	11/15/2007	(1.91)%	(1.13)%	2.27%
	Class C US\$ Distributing (D)	USD	4/20/2007	(1.93)%	(1.15)%	2.27%
	Class E US\$ Accumulating	USD	2/3/2012	(2.01)%	(1.23)%	1.92%
	Class F US\$ Accumulating	USD	4/5/2013	(0.68)%	0.11%	–
	Premier Class US\$ Accumulating	USD	9/14/2010	(0.43)%	0.37%	6.95%
	Premier Class US\$ Distributing (M)	USD	9/29/2011	(0.43)%	0.36%	6.93%
	LM Class GBP Accumulating (Hedged)	GBP	11/19/2010	(0.10)%	0.78%	8.53%
	Class A (G) US\$ Accumulating	USD	4/20/2007	(1.27)%	(0.49)%	4.24%
	Class A (G) US\$ Distributing (D)	USD	4/20/2007	(1.30)%	(0.50)%	4.23%
	Class B (G) US\$ Distributing (D)	USD	4/20/2007	(1.74)%	(0.96)%	2.71%
	Class L (G) US\$ Accumulating	USD	4/20/2007	(1.76)%	(0.98)%	2.69%
	Class L (G) US\$ Distributing (D)	USD	4/20/2007	(1.79)%	(1.00)%	2.68%
Legg Mason Western Asset Euro Core Plus Bond Fund	Class A US\$ Distributing (D)	USD	2/24/2004	(4.15)%	(10.13)%	(9.49)%
	Class A Euro Distributing (D)	EUR	9/30/2003	(1.44)%	0.01%	10.77%
	Class C US\$ Distributing (D)	USD	2/24/2004	(4.83)%	(10.64)%	(9.87)%
	Class F Euro Distributing (Q)	EUR	12/3/2010	(0.57)%	0.93%	13.52%
	Premier Class Euro Accumulating	EUR	12/3/2010	(0.58)%	0.91%	13.77%
	Class GA Euro Accumulating	EUR	8/27/2010	(1.12)%	0.34%	11.85%
	Class GA Euro Distributing (A)	EUR	8/27/2010	(1.12)%	0.35%	11.86%
	Class GE Euro Accumulating	EUR	8/27/2010	(1.71)%	(0.26)%	9.86%
Legg Mason Western Asset Short Duration High Income Bond Fund	Class A US\$ Accumulating	USD	5/9/2007	(11.48)%	(5.99)%	(3.79)%
	Class A US\$ Distributing (D)	USD	2/24/2004	(11.64)%	(6.20)%	(4.26)%
	Class A US\$ Distributing (M)	USD	1/8/2008	(11.47)%	(5.99)%	(3.78)%
	Class A Euro Accumulating (Hedged)	EUR	5/8/2008	(12.17)%	(6.67)%	(5.02)%
	Class B US\$ Accumulating	USD	11/15/2007	(11.70)%	(6.23)%	(4.51)%
	Class B US\$ Distributing (D)	USD	2/24/2004	(11.88)%	(6.45)%	(4.99)%
	Class C US\$ Accumulating	USD	11/15/2007	(11.92)%	(6.46)%	(5.22)%
	Class C US\$ Distributing (D)	USD	2/24/2004	(12.06)%	(6.67)%	(5.70)%
	Class A (G) US\$ Accumulating	USD	4/20/2007	(11.54)%	(6.08)%	(4.03)%
	Class A (G) US\$ Distributing (D)	USD	4/20/2007	(11.59)%	(6.16)%	(4.11)%
	Class B (G) US\$ Accumulating	USD	4/20/2007	(11.50)%	(6.13)%	(5.03)%
	Class B (G) US\$ Distributing (D)	USD	4/20/2007	(12.04)%	(6.65)%	(5.57)%
	Class L (G) US\$ Accumulating	USD	4/20/2007	(11.98)%	(6.56)%	(5.47)%
	Class L (G) US\$ Distributing (D)	USD	4/20/2007	(12.02)%	(6.63)%	(5.55)%
Legg Mason Western Asset Global Multi Strategy Fund	Class A US\$ Accumulating	USD	5/9/2007	(8.37)%	(5.28)%	(6.33)%
	Class A US\$ Distributing (D)	USD	8/30/2002	(8.39)%	(5.32)%	(6.40)%
	Class A US\$ Distributing (M)	USD	2/19/2008	(8.37)%	(5.28)%	(6.34)%
	Class A Euro Accumulating (Hedged)	EUR	2/12/2008	(8.83)%	(5.66)%	(7.04)%
	Class A Euro Distributing (M) (Hedged)	EUR	4/28/2008	(8.86)%	(5.71)%	(7.09)%
	Class A Euro Distributing (M) (Hedged) Plus (e)	EUR	4/2/2013	(8.87)%	(5.71)%	–
	Class A GBP Distributing (M) (Hedged)	GBP	5/29/2008	(8.03)%	(4.85)%	(5.62)%
	Class A SGD Distributing (M) (Hedged) Plus	SGD	5/26/2009	(7.71)%	(4.63)%	(5.88)%
	Class B US\$ Accumulating	USD	11/15/2007	(8.60)%	(5.52)%	(7.02)%
	Class B US\$ Distributing (D)	USD	2/24/2004	(8.63)%	(5.55)%	(7.10)%
	Class C US\$ Accumulating	USD	11/15/2007	(8.83)%	(5.75)%	(7.71)%
	Class C US\$ Distributing (D)	USD	2/24/2004	(8.84)%	(5.78)%	(7.78)%
	Class E US\$ Accumulating	USD	1/21/2010	(8.92)%	(5.85)%	(8.00)%
	Class E US\$ Distributing (D)	USD	1/21/2010	(8.93)%	(5.88)%	(8.08)%
	Class E Euro Accumulating (Hedged)	EUR	5/19/2011	(9.34)%	(6.19)%	(8.66)%
	Class E Euro Distributing (M) (Hedged)	EUR	8/2/2013	(9.41)%	(6.27)%	–
	Class F US\$ Accumulating	USD	2/4/2010	(7.81)%	(4.71)%	(4.63)%
	Class F US\$ Distributing (D)	USD	1/21/2010	(7.85)%	(4.77)%	(4.74)%
	Class X US\$ Distributing (D)	USD	7/3/2013	(7.90)%	(4.81)%	–

Supplemental Information – Fund Performance Data (unaudited) – (continued)

Fund	Share Class	Class CCY	Inception Date	Fiscal YTD 3/1/15-2/29/16	Calendar 1/1/15-12/31/15	3 Year Cumulative 1/1/13-12/31/15
Legg Mason Western Asset US High Yield Fund	Premier Class US\$ Accumulating	USD	9/10/2008	(7.58)%	(4.46)%	(3.91)%
	Premier Class US\$ Distributing (D)	USD	4/18/2008	(7.60)%	(4.50)%	(3.74)%
	Premier Class US\$ Distributing (M)	USD	2/6/2009	(7.58)%	(4.47)%	(3.91)%
	Premier Class US\$ Distributing (M) Plus (e)	USD	11/14/2014	(7.59)%	(4.46)%	–
	Premier Class Euro Accumulating (Hedged)	EUR	12/17/2009	(8.07)%	(4.87)%	(4.47)%
	Premier Class Euro Distributing (M) (Hedged)	EUR	11/23/2012	(8.10)%	(4.95)%	(4.77)%
	Premier Class GBP Accumulating (Hedged)	GBP	12/3/2010	(7.43)%	(4.21)%	(3.36)%
	Premier Class GBP Distributing (M) (Hedged)	GBP	4/18/2008	(7.61)%	(4.41)%	(3.74)%
	Premier Class GBP Distributing (M) (Hedged) Plus (e)	GBP	2/5/2013	(7.46)%	(4.26)%	–
	Premier Class GBP Distributing (Q) (Hedged)	GBP	12/3/2010	(7.48)%	(4.24)%	(3.38)%
	LM Class AUD Distributing (M) (Hedged)	AUD	12/3/2010	(5.55)%	(2.24)%	3.96%
	LM Class GBP Accumulating (Hedged)	GBP	12/3/2010	(7.09)%	(3.87)%	(2.17)%
	Class A US\$ Accumulating	USD	5/9/2007	(13.80)%	(8.27)%	(2.37)%
	Class A US\$ Distributing (D)	USD	2/27/2004	(13.76)%	(8.31)%	(2.36)%
	Class A US\$ Distributing (M)	USD	12/20/2010	(13.79)%	(8.26)%	(2.37)%
	Class A US\$ Distributing (M) Plus (Hedged)	USD	11/21/2012	(13.80)%	(8.26)%	(2.36)%
	Class A Euro Distributing (M) (Hedged)	EUR	12/19/2012	(14.16)%	(8.65)%	(3.04)%
	Class A HKD Distributing (M) Plus (Hedged) Plus	HKD	12/1/2014	(13.57)%	(8.34)%	–
	Class B US\$ Accumulating	USD	1/31/2013	(13.25)%	(7.72)%	–
Legg Mason Western Asset Emerging Markets Total Return Bond Fund	Class B US\$ Distributing (D)	USD	11/15/2007	(14.01)%	(8.50)%	(3.10)%
	Class C US\$ Accumulating	USD	2/27/2004	(13.98)%	(8.54)%	(3.09)%
	Class C US\$ Distributing (D)	USD	11/15/2007	(14.22)%	(8.73)%	(3.82)%
	Class C US\$ Distributing (D)	USD	2/27/2004	(14.20)%	(8.78)%	(3.85)%
	Class E US\$ Accumulating	USD	1/21/2010	(14.31)%	(8.82)%	(4.12)%
	Class E US\$ Distributing (D)	USD	1/21/2010	(14.27)%	(8.86)%	(4.05)%
	Class E Euro Accumulating (Hedged)	EUR	10/28/2014	(14.75)%	(9.27)%	–
	Class F US\$ Accumulating	USD	1/4/2011	(13.27)%	(7.70)%	(0.57)%
	Class F US\$ Distributing (D)	USD	1/4/2011	(13.23)%	(7.75)%	8.30%
	Premier Class US\$ Accumulating	USD	11/8/2010	(13.06)%	(7.48)%	0.17%
	Premier Class US\$ Distributing (M) Plus (e)	USD	6/21/2013	(13.07)%	(7.49)%	–
	Premier Class Euro Accumulating	EUR	1/16/2015	(10.45)%	–	–
	LM Class US\$ Accumulating	USD	11/19/2010	(12.67)%	(7.06)%	1.52%
	LM Class US\$ Distributing (M)	USD	5/27/2008	(12.67)%	(7.06)%	1.52%
	LM Class GBP Accumulating (Hedged)	GBP	11/19/2010	(12.67)%	(7.02)%	2.05%
	Class A (G) US\$ Accumulating	USD	4/20/2007	(13.67)%	(8.13)%	(1.95)%
	Class A (G) US\$ Distributing (D)	USD	4/20/2007	(13.64)%	(8.19)%	(1.97)%
	Class B (G) US\$ Accumulating	USD	4/20/2007	(14.10)%	(8.59)%	(3.40)%
	Class B (G) US\$ Distributing (D)	USD	4/20/2007	(14.07)%	(8.69)%	(3.50)%
	Class L (G) US\$ Accumulating	USD	4/20/2007	(14.09)%	(8.59)%	(3.40)%
	Class L (G) US\$ Distributing (D)	USD	4/20/2007	(14.07)%	(8.65)%	(3.43)%
	Class GF US\$ Accumulating	USD	11/19/2010	(13.49)%	(7.95)%	(1.34)%
Legg Mason Western Asset Emerging Markets Total Return Bond Fund	Class A US\$ Accumulating	USD	5/4/2007	(4.36)%	(3.07)%	(10.11)%
	Class A US\$ Distributing (D)	USD	2/24/2004	(4.39)%	(3.16)%	(10.20)%
	Class A US\$ Distributing (M)	USD	1/3/2008	(4.36)%	(3.07)%	(10.11)%
	Class A US\$ Distributing (M) Plus (Hedged)	USD	11/21/2012	(4.42)%	(3.13)%	(10.31)%
	Class A Euro Accumulating (Hedged)	EUR	1/5/2010	(4.91)%	(3.52)%	(10.91)%
	Class A Euro Distributing (D) (Hedged)	EUR	12/19/2012	(4.80)%	(3.52)%	(11.05)%
	Class A GBP Distributing (D) (Hedged)	GBP	6/30/2010	(4.24)%	(2.94)%	(9.43)%
	Class A SGD Distributing (M) (Hedged) Plus	SGD	1/18/2011	(4.78)%	(4.06)%	(11.71)%
	Class B US\$ Accumulating	USD	11/15/2007	(4.60)%	(3.32)%	(10.78)%
	Class B US\$ Distributing (D)	USD	2/24/2004	(4.62)%	(3.39)%	(10.85)%
	Class C US\$ Accumulating	USD	11/15/2007	(4.83)%	(3.56)%	(11.45)%
	Class C US\$ Distributing (D)	USD	2/24/2004	(4.86)%	(3.62)%	(11.55)%
	Class E US\$ Distributing (D)	USD	1/4/2011	(4.96)%	(3.73)%	(11.79)%
	Class E Euro Distributing (M) (Hedged)	EUR	8/2/2013	(5.38)%	(4.03)%	–
	Class F US\$ Accumulating	USD	4/20/2010	(3.57)%	(2.28)%	(7.86)%
	Class X GBP Distributing (D) (Hedged)	GBP	12/19/2013	(3.51)%	(2.15)%	–
	Premier Class US\$ Accumulating (Hedged)	USD	12/16/2008	(3.36)%	(2.06)%	(7.19)%
	Premier Class Euro Accumulating (Hedged)	EUR	10/20/2011	(3.83)%	(2.56)%	(8.00)%
	Premier Class GBP Distributing (D) (Hedged)	GBP	2/19/2013	(3.20)%	(1.88)%	–
	Class A (G) US\$ Accumulating	USD	4/20/2007	(4.03)%	(2.74)%	(9.11)%
	Class A (G) US\$ Distributing (D)	USD	4/20/2007	(4.00)%	(2.77)%	(9.12)%
	Class B (G) US\$ Accumulating	USD	4/20/2007	(4.51)%	(3.28)%	(10.53)%
	Class B (G) US\$ Distributing (D)	USD	4/20/2007	(4.50)%	(3.27)%	(10.50)%
	Class L (G) US\$ Accumulating	USD	4/20/2007	(4.51)%	(3.23)%	(10.48)%
	Class L (G) US\$ Distributing (D)	USD	4/20/2007	(4.49)%	(3.24)%	(10.46)%

Supplemental Information – Fund Performance Data (unaudited) – (continued)

Fund	Share Class	Class CCY	Inception Date	Fiscal YTD 3/1/15-2/29/16	Calendar 1/1/15-12/31/15	3 Year Cumulative 1/1/13-12/31/15
Legg Mason Western Asset Emerging Markets Corporate Bond Fund	Class A US\$ Accumulating	USD	3/4/2013	(4.78)%	(4.07)%	–
	Class A US\$ Distributing (M)	USD	10/21/2011	(4.39)%	(3.66)%	(8.84)%
	Premier Class US\$ Accumulating	USD	12/21/2011	(3.70)%	(2.93)%	(6.52)%
	LM Class US\$ Distributing (M)	USD	10/21/2011	(3.18)%	(2.40)%	(4.98)%
Legg Mason Western Asset Global High Yield Fund	Class A US\$ Accumulating	USD	4/20/2007	(12.88)%	(8.21)%	(6.23)%
	Class A US\$ Distributing (D)	USD	4/20/2007	(12.83)%	(8.24)%	(6.23)%
	Class A US\$ Distributing (M)	USD	1/30/2008	(12.89)%	(8.21)%	(6.25)%
	Class A US\$ Distributing (M) Plus	USD	11/21/2012	(12.89)%	(8.21)%	(6.25)%
	Class A AUD Distributing (M) (Hedged) Plus	AUD	6/28/2010	(11.30)%	(6.39)%	0.49%
	Class A Euro Distributing (D) (Hedged)	EUR	9/25/2012	(13.20)%	(8.57)%	(6.74)%
	Class A SGD Distributing (M) (Hedged) Plus	SGD	1/18/2011	(12.14)%	(7.45)%	(5.60)%
	Class B US\$ Accumulating	USD	11/15/2007	(13.10)%	(8.44)%	(6.93)%
	Class B US\$ Distributing (D)	USD	4/20/2007	(13.05)%	(8.47)%	(6.92)%
	Class C US\$ Accumulating	USD	11/15/2007	(13.32)%	(8.66)%	(7.62)%
	Class C US\$ Distributing (D)	USD	4/20/2007	(13.26)%	(8.71)%	(7.65)%
	Class E US\$ Accumulating	USD	1/21/2010	(13.41)%	(8.76)%	(7.93)%
	Class E US\$ Distributing (D)	USD	1/21/2010	(13.37)%	(8.82)%	(7.95)%
	Class E Euro Accumulating (Hedged)	EUR	10/28/2014	(13.83)%	(9.23)%	–
	Class E Euro Distributing (M) (Hedged)	EUR	8/2/2013	(13.80)%	(9.19)%	–
	Class F US\$ Accumulating	USD	1/4/2011	(12.27)%	(7.56)%	(4.18)%
	Class F US\$ Distributing (D)	USD	1/4/2011	(12.20)%	(7.59)%	(4.18)%
	Class X US\$ Accumulating	USD	4/1/2013	(12.34)%	(7.63)%	–
	Class X US\$ Distributing (D)	USD	3/20/2013	(12.28)%	(7.66)%	–
	Class X GBP Distributing (D) (Hedged)	GBP	1/15/2013	(12.19)%	(7.58)%	–
	Premier Class US\$ Accumulating	USD	8/10/2009	(12.05)%	(7.32)%	(3.53)%
	Premier Class US\$ Distributing (M) Plus (e)	USD	6/21/2013	(12.04)%	(7.32)%	–
	Premier Class Euro Accumulating (Hedged)	EUR	10/12/2012	(12.42)%	(7.73)%	(4.20)%
	Premier Class GBP Distributing (D) (Hedged)	GBP	8/12/2011	(11.94)%	(7.31)%	(3.05)%
	LM Class US\$ Accumulating	USD	7/1/2014	(11.65)%	(6.91)%	–
	Class A (G) US\$ Accumulating	USD	4/20/2007	(12.76)%	(8.06)%	(5.82)%
	Class A (G) US\$ Distributing (D)	USD	4/20/2007	(12.68)%	(8.11)%	(5.85)%
	Class B (G) US\$ Accumulating	USD	4/20/2007	(13.18)%	(8.52)%	(7.22)%
	Class B (G) US\$ Distributing (D)	USD	4/20/2007	(13.07)%	(8.52)%	(7.20)%
	Class L (G) US\$ Accumulating	USD	4/20/2007	(13.19)%	(8.53)%	(7.23)%
	Class L (G) US\$ Distributing (D)	USD	4/20/2007	(13.12)%	(8.56)%	(7.23)%
Legg Mason Western Asset US Short-Term Government Fund	Class A US\$ Accumulating	USD	4/20/2007	(0.41)%	(0.66)%	(1.52)%
	Class A US\$ Distributing (D)	USD	4/20/2007	(0.41)%	(0.66)%	(1.49)%
	Class B US\$ Accumulating	USD	11/15/2007	(0.66)%	(0.92)%	(2.25)%
	Class B US\$ Distributing (D)	USD	4/20/2007	(0.67)%	(0.91)%	(2.25)%
	Class C US\$ Accumulating	USD	11/15/2007	(0.91)%	(1.16)%	(3.00)%
	Class C US\$ Distributing (D)	USD	4/20/2007	(0.91)%	(1.17)%	(2.99)%
	Class A (G) US\$ Accumulating	USD	4/20/2007	(0.35)%	(0.60)%	(1.44)%
	Class A (G) US\$ Distributing (D)	USD	4/20/2007	(0.36)%	(0.60)%	(1.42)%
	Class B (G) US\$ Distributing (D)	USD	4/20/2007	(0.90)%	(1.12)%	(2.93)%
	Class L (G) US\$ Accumulating	USD	4/20/2007	(0.84)%	(1.10)%	(2.91)%
	Class L (G) US\$ Distributing (D)	USD	4/20/2007	(0.85)%	(1.10)%	(2.91)%
Legg Mason Western Asset US Adjustable Rate Fund	Class A US\$ Accumulating	USD	4/20/2007	(1.07)%	(1.15)%	(1.42)%
	Class B US\$ Distributing (D)	USD	4/20/2007	(1.33)%	(1.40)%	(2.16)%
	Class C US\$ Distributing (D)	USD	4/20/2007	(1.57)%	(1.64)%	(2.88)%
	Class A (G) US\$ Accumulating	USD	4/20/2007	(1.24)%	(1.31)%	(1.77)%
	Class A (G) US\$ Distributing (D)	USD	4/20/2007	(1.26)%	(1.31)%	(1.78)%
	Class L (G) US\$ Accumulating	USD	4/20/2007	(1.74)%	(1.81)%	(3.24)%
Legg Mason Western Asset Global Inflation Management Fund	Class L (G) US\$ Distributing (D)	USD	4/20/2007	(1.74)%	(1.80)%	(3.24)%
	Class A US\$ Accumulating	USD	4/20/2007	(1.28)%	(0.43)%	(7.54)%
	Class A US\$ Distributing (A)	USD	4/20/2007	(1.28)%	(0.42)%	(7.52)%
	Class B US\$ Accumulating	USD	11/15/2007	(1.53)%	(0.67)%	(8.22)%
	Class B US\$ Distributing (A)	USD	4/20/2007	(1.52)%	(0.67)%	(8.21)%
	Class C US\$ Accumulating	USD	1/18/2012	(1.85)%	(1.03)%	(9.54)%
	Class C US\$ Distributing (A)	USD	4/20/2007	(1.78)%	(0.92)%	(8.90)%
	Class A (G) US\$ Accumulating	USD	4/20/2007	(1.05)%	(0.15)%	(6.53)%
	Class A (G) US\$ Distributing (A)	USD	4/20/2007	(1.05)%	(0.15)%	(6.52)%
	Class L (G) US\$ Accumulating	USD	4/20/2007	(1.53)%	(0.65)%	(7.93)%
Legg Mason Western Asset Asian Opportunities Fund	Class L (G) US\$ Distributing (A)	USD	4/20/2007	(1.54)%	(0.65)%	(7.92)%
	Class A US\$ Accumulating	USD	7/2/2008	(5.15)%	(4.90)%	(8.56)%
	Class A US\$ Distributing (D)	USD	7/2/2008	(5.16)%	(4.95)%	(8.61)%
	Class A US\$ Distributing (M)	USD	1/7/2010	(5.14)%	(4.90)%	(8.56)%
	Class A US\$ Distributing (M) Plus	USD	11/21/2012	(5.15)%	(4.91)%	(8.56)%
	Class A AUD Distributing (M) (Hedged) Plus	AUD	9/28/2011	(3.48)%	(3.07)%	(2.19)%
	Class A CHF Accumulating (Hedged)	CHF	1/26/2015	(6.51)%	–	–
	Class A CNH Distributing (M) (Hedged) Plus	CNH	6/20/2013	(1.50)%	(1.85)%	–
	Class A Euro Accumulating	EUR	7/2/2008	(2.39)%	5.94%	10.95%

Supplemental Information – Fund Performance Data (unaudited) – (continued)

Fund	Share Class	Class CCY	Inception Date	Fiscal YTD 3/1/15-2/29/16	Calendar 1/1/15-12/31/15	3 Year Cumulative 1/1/13-12/31/15
	Class A Euro Accumulating (Hedged)	EUR	5/19/2011	(5.74)%	(5.46)%	(9.25)%
	Class A Euro Distributing (A)	EUR	4/1/2011	(2.37)%	5.93%	8.65%
	Class A GBP Distributing (D) (Hedged)	GBP	12/28/2011	(5.01)%	(4.72)%	(7.91)%
	Class A GBP Distributing (M)	GBP	7/22/2010	5.21%	0.54%	0.86%
	Class A SGD Accumulating (Hedged)	SGD	5/19/2009	(4.62)%	(4.38)%	(8.19)%
	Class A SGD Distributing (M) (Hedged) Plus	SGD	1/18/2011	(4.53)%	(4.27)%	(8.29)%
	Class A SGD Distributing (M) Plus	SGD	8/4/2010	(2.27)%	1.76%	6.08%
	Class B US\$ Accumulating	USD	7/2/2008	(5.38)%	(5.14)%	(9.24)%
	Class B US\$ Distributing (D)	USD	7/2/2008	(5.40)%	(5.18)%	(9.26)%
	Class C US\$ Accumulating	USD	7/2/2008	(5.62)%	(5.38)%	(9.93)%
	Class C US\$ Distributing (D)	USD	7/2/2008	(5.63)%	(5.41)%	(9.95)%
	Class E US\$ Accumulating	USD	1/21/2010	(5.71)%	(5.47)%	(10.19)%
	Class E US\$ Distributing (D)	USD	1/21/2010	(5.73)%	(5.51)%	(10.23)%
	Class F US\$ Accumulating	USD	2/4/2010	(4.77)%	(4.53)%	(7.47)%
	Class F US\$ Distributing (D)	USD	1/21/2010	(4.77)%	(4.55)%	(7.47)%
	Premier Class US\$ Accumulating	USD	7/2/2008	(4.53)%	(4.28)%	(6.76)%
	Premier Class US\$ Distributing (M)	USD	1/10/2013	(4.53)%	(4.27)%	–
	Premier Class Euro Accumulating	EUR	9/3/2010	(1.79)%	6.47%	12.86%
	Premier Class Euro Accumulating (Hedged)	EUR	3/10/2011	(5.12)%	(4.74)%	(7.51)%
	Premier Class Euro Distributing (A)	EUR	1/9/2013	(1.79)%	6.57%	–
	Premier Class Euro Distributing (M)	EUR	9/8/2010	(1.79)%	6.62%	13.16%
	Premier Class GBP Distributing (M)	GBP	7/16/2010	5.63%	0.95%	2.64%
	LM Class US\$ Accumulating	USD	6/12/2008	(3.96)%	(3.70)%	(5.06)%
Legg Mason Western Asset Global Blue Chip Bond Fund	Class A US\$ Accumulating	USD	6/25/2009	(0.31)%	0.41%	0.13%
	Class A US\$ Distributing (M)	USD	6/2/2009	(0.29)%	0.42%	0.14%
	Class A Euro Accumulating (Hedged)	EUR	1/30/2014	(1.02)%	(0.20)%	–
	Class A GBP Accumulating (Hedged)	GBP	8/13/2009	(0.15)%	0.63%	0.78%
	Class B US\$ Distributing (M)	USD	6/25/2009	(0.55)%	0.17%	(0.61)%
	Class C US\$ Accumulating	USD	6/25/2009	(0.79)%	(0.08)%	(1.35)%
	Class C US\$ Distributing (M)	USD	6/25/2009	(0.79)%	(0.07)%	(1.34)%
	Class E US\$ Accumulating	USD	1/21/2010	(0.89)%	(0.07)%	(1.53)%
	Class E US\$ Distributing (D)	USD	1/21/2010	(0.86)%	(0.17)%	(1.63)%
	Class F US\$ Accumulating	USD	2/4/2010	0.11%	0.86%	1.70%
	Premier Class US\$ Accumulating	USD	6/2/2009	0.36%	1.09%	2.13%
	Premier Class US\$ Distributing (M)	USD	6/2/2009	0.36%	1.09%	2.13%
	Premier Class Euro Accumulating (Hedged)	EUR	6/2/2009	(0.24)%	0.60%	0.95%
	Premier Class Euro Distributing (M) (Hedged)	EUR	6/2/2009	(0.31)%	0.52%	1.18%
	Premier Class GBP Accumulating (Hedged)	GBP	6/2/2009	0.45%	1.22%	2.65%
	Premier Class GBP Distributing (M) (Hedged)	GBP	6/2/2009	0.53%	1.34%	2.76%
Legg Mason Western Asset Global Credit Absolute Return Fund [^]	Class A US\$ Distributing (M)	USD	5/20/2010	(12.74)%	(6.18)%	(3.97)%
	Class A GBP Distributing (M) (Hedged)	GBP	5/20/2010	(12.55)%	(6.03)%	(3.30)%
	Class A (PF) US\$ Accumulating	USD	5/20/2010	(12.41)%	(5.94)%	(3.24)%
	Class A (PF) US\$ Distributing (M)	USD	5/20/2010	(12.40)%	(5.96)%	(3.28)%
	Class X GBP Distributing (M) (Hedged)	GBP	3/13/2013	(12.08)%	(5.53)%	–
	Premier Class US\$ Distributing (M)	USD	5/20/2014	(12.06)%	(5.56)%	–
	Premier Class Euro Accumulating (Hedged)	EUR	7/9/2010	(12.57)%	(6.03)%	(2.76)%
	Premier Class GBP Distributing (M) (Hedged)	GBP	5/5/2011	(11.95)%	(5.37)%	(1.46)%
	Premier (PF) Class US\$ Accumulating	USD	5/20/2010	(11.84)%	(5.33)%	(1.28)%
	Premier (PF) Class GBP Accumulating (Hedged)	GBP	5/20/2010	(11.73)%	(5.14)%	(0.64)%
	Premier (PF) Class GBP Distributing (M) (Hedged)	GBP	5/20/2010	(11.65)%	(5.07)%	(0.64)%
Legg Mason Western Asset Global Core Plus Bond Fund [^]	Class A US\$ Distributing (D)	USD	12/3/2010	(1.41)%	0.22%	9.85%
	Class X US\$ Accumulating	USD	2/17/2015	(0.91)%	–	–
	Premier Class US\$ Accumulating	USD	12/3/2010	(0.61)%	1.04%	12.74%
	Premier Class Euro Accumulating (Hedged)	EUR	6/27/2014	(1.19)%	0.56%	–
Legg Mason Western Asset Global Credit Fund	Class A US\$ Accumulating	USD	11/15/2011	(3.78)%	(1.76)%	2.13%
	Class A US\$ Distributing (D)	USD	11/19/2010	(3.80)%	(1.79)%	2.09%
	Class A Euro Accumulating (Hedged)	EUR	11/15/2011	(4.41)%	(2.28)%	1.19%
	Premier Class US\$ Accumulating	USD	4/24/2012	(2.97)%	(0.92)%	4.77%
	LM Class US\$ Accumulating	USD	1/27/2011	(2.62)%	(0.57)%	5.88%
Legg Mason Western Asset Euro High Yield Fund	Class A Euro Distributing (D)	EUR	12/3/2010	(2.87)%	1.79%	14.83%
	LM Class Euro Accumulating	EUR	12/3/2010	(1.67)%	3.13%	18.65%
	LM Class Euro Distributing (Q)	EUR	12/3/2010	(1.67)%	3.12%	18.67%
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	Class A US\$ Accumulating	USD	11/29/2013	(5.99)%	1.16%	–
	Class A US\$ Distributing (M) Plus (e)	USD	8/1/2014	(5.99)%	1.17%	–
	Class A US\$ Distributing (S)	USD	4/8/2014	(5.99)%	1.17%	–

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

Supplemental Information – Fund Performance Data (unaudited) – (continued)

Fund	Share Class	Class CCY	Inception Date	Fiscal YTD 3/1/15-2/29/16	Calendar 1/1/15-12/31/15	3 Year Cumulative 1/1/13-12/31/15
Legg Mason Brandywine Global Fixed Income Fund	Class A AUD Distributing (M) (Hedged) Plus (e)	AUD	2/27/2015	(4.29)%	–	–
	Class A CHF Accumulating (Hedged)	CHF	2/14/2014	(7.10)%	(0.01)%	–
	Class A CNH Accumulating (Hedged)	CNH	9/19/2014	(2.34)%	4.38%	–
	Class A CNH Distributing (M) (Hedged) Plus (e)	CNH	12/3/2014	(2.22)%	4.55%	–
	Class A Euro Accumulating (Hedged)	EUR	2/14/2014	(6.32)%	0.86%	–
	Class A GBP Accumulating	GBP	12/23/2014	4.20%	6.92%	–
	Class A GBP Accumulating (Hedged)	GBP	2/14/2014	(5.90)%	1.33%	–
	Class A SGD Accumulating (Hedged)	SGD	3/10/2014	(5.19)%	1.91%	–
	Class A SGD Distributing (M) (Hedged) Plus (e)	SGD	12/3/2014	(5.11)%	1.97%	–
	Class B US\$ Accumulating	USD	9/15/2014	(6.39)%	0.74%	–
	Class C US\$ Accumulating	USD	5/5/2014	(6.47)%	0.65%	–
	Class C US\$ Distributing (S)	USD	7/15/2014	(6.48)%	0.64%	–
	Class E US\$ Accumulating	USD	5/13/2014	(6.56)%	0.55%	–
	Class E US\$ Distributing (S)	USD	7/28/2014	(6.55)%	0.55%	–
	Class E Euro Accumulating (Hedged)	EUR	8/25/2014	(6.89)%	0.20%	–
	Class F US\$ Accumulating	USD	6/18/2014	(5.62)%	1.57%	–
	Class F US\$ Distributing (S)	USD	10/16/2014	(5.61)%	1.57%	–
	Class S US\$ Accumulating	USD	11/29/2013	(4.99)%	2.24%	–
	Class S Euro Accumulating (Hedged)	EUR	11/29/2013	(5.27)%	1.97%	–
	Class X US\$ Accumulating	USD	3/5/2014	(5.52)%	1.67%	–
	Class X US\$ Distributing (S)	USD	2/3/2015	(5.51)%	–	–
	Class X CHF Accumulating (Hedged)	CHF	3/5/2014	(6.66)%	0.43%	–
	Class X Euro Accumulating	EUR	7/29/2014	(2.93)%	12.90%	–
	Class X Euro Accumulating (Hedged)	EUR	2/14/2014	(5.77)%	1.36%	–
	Class X GBP Accumulating	GBP	12/23/2014	4.84%	7.78%	–
	Class X GBP Accumulating (Hedged)	GBP	2/14/2014	(5.31)%	1.98%	–
	Class X SGD Accumulating (Hedged)	SGD	3/10/2014	(4.79)%	2.38%	–
	Premier Class US\$ Accumulating	USD	11/29/2013	(5.38)%	1.83%	–
	Premier Class US\$ Distributing (S)	USD	2/10/2015	(5.37)%	–	–
	Premier Class CHF Accumulating (Hedged)	CHF	12/4/2014	(6.48)%	0.60%	–
	Premier Class Euro Accumulating	EUR	7/3/2014	(2.63)%	13.39%	–
	Premier Class Euro Accumulating (Hedged)	EUR	3/26/2014	(5.75)%	1.45%	–
	Premier Class GBP Accumulating (Hedged)	GBP	12/1/2014	(5.20)%	2.09%	–
	Premier Class GBP Distributing (M) (Hedged) Plus (e)	GBP	5/21/2014	(5.21)%	2.06%	–
	Class A US\$ Accumulating	USD	5/9/2007	(7.83)%	(9.12)%	(10.23)%
	Class A US\$ Distributing (M)	USD	12/6/2010	(7.83)%	(9.12)%	(10.24)%
	Class A US\$ Distributing (S)	USD	10/1/2003	(7.84)%	(9.12)%	(10.25)%
	Class A AUD Distributing (M) (Hedged) Plus	AUD	7/28/2014	(6.63)%	(7.65)%	–
	Class A Euro Accumulating (Hedged)	EUR	2/19/2013	(8.68)%	(9.84)%	–
	Class A Euro Accumulating (Hedged) (AH)	EUR	1/18/2008	(7.25)%	(4.80)%	6.34%
	Class A Euro Distributing (A) (Hedged)	EUR	6/7/2013	(8.74)%	(9.89)%	–
	Class A Euro Distributing (S) (Hedged) (AH)	EUR	11/22/2010	(7.26)%	(4.79)%	6.39%
	Class A GBP Accumulating	GBP	12/23/2014	2.28%	(3.86)%	–
	Class A GBP Distributing (M) (Hedged)	GBP	11/14/2014	(8.00)%	(9.16)%	–
	Class A GBP Distributing (S) (Hedged) (AH)	GBP	2/7/2008	(6.87)%	(4.48)%	7.61%
	Class B US\$ Accumulating	USD	11/15/2007	(8.06)%	(9.35)%	(10.91)%
	Class B US\$ Distributing (S)	USD	2/24/2004	(8.07)%	(9.35)%	(10.92)%
	Class C US\$ Accumulating	USD	11/15/2007	(8.29)%	(9.57)%	(11.57)%
	Class C US\$ Distributing (S)	USD	2/24/2004	(8.29)%	(9.58)%	(11.59)%
	Class E US\$ Accumulating	USD	9/8/2011	(8.39)%	(9.66)%	(11.85)%
	Class E Euro Accumulating (Hedged) (AH)	EUR	7/13/2012	(7.83)%	(5.39)%	4.17%
	Class F US\$ Accumulating	USD	9/14/2012	(7.46)%	(8.78)%	(9.18)%
	Class F US\$ Distributing (S)	USD	10/4/2012	(7.46)%	(8.76)%	(9.17)%
	Class R US\$ Distributing (S)	USD	2/22/2013	(7.46)%	(8.76)%	–
	Class R GBP Distributing (S) (Hedged) (AH)	GBP	5/2/2013	(6.36)%	(3.95)%	–
	Class X US\$ Accumulating	USD	6/4/2013	(7.38)%	(8.66)%	–
	Class X US\$ Distributing (S)	USD	3/26/2013	(7.37)%	(8.66)%	–
	Class X Euro Accumulating (Hedged)	EUR	6/28/2013	(8.29)%	(9.43)%	–
	Class X GBP Accumulating	GBP	12/23/2014	2.62%	(3.56)%	–
	Class X GBP Accumulating (Hedged)	GBP	10/10/2014	(7.54)%	(8.77)%	–
	Class X GBP Distributing (S) (Hedged)	GBP	2/25/2013	(7.59)%	(8.79)%	–
	Class X GBP Distributing (S) (Hedged) (AH)	GBP	7/15/2014	(6.46)%	(4.06)%	–
	Premier Class US\$ Accumulating	USD	3/24/2011	(7.24)%	(8.53)%	(8.47)%
	Premier Class US\$ Distributing (S)	USD	2/24/2012	(7.24)%	(8.52)%	(8.47)%
	Premier Class Euro Accumulating	EUR	1/25/2011	(4.70)%	1.73%	10.81%
	Premier Class Euro Accumulating (Hedged)	EUR	1/30/2013	(8.24)%	(9.38)%	–
	Premier Class Euro Accumulating (Hedged) (AH)	EUR	11/4/2011	(6.63)%	(4.14)%	8.65%
	Premier Class GBP Distributing (M) (Hedged)	GBP	10/10/2014	(7.51)%	(8.73)%	–

Supplemental Information – Fund Performance Data (unaudited) – (continued)

Fund	Share Class	Class CCY	Inception Date	Fiscal YTD 3/1/15-2/29/16	Calendar 1/1/15-12/31/15	3 Year Cumulative 1/1/13-12/31/15
Legg Mason Brandywine Global Fixed Income Absolute Return Fund [^]	Premier Class GBP Distributing (S) (Hedged) (AH)	GBP	8/14/2012	(6.24)%	(3.83)%	9.75%
	LM Class US\$ Accumulating	USD	8/24/2010	(6.68)%	(7.96)%	(6.85)%
	Class A US\$ Accumulating	USD	4/3/2012	(7.67)%	(5.75)%	(0.96)%
	Class A US\$ Distributing (A)	USD	9/17/2013	(7.66)%	(5.75)%	–
	Class A Euro Accumulating (Hedged)	EUR	6/18/2013	(8.05)%	(6.04)%	–
	Class B US\$ Distributing (D)	USD	8/21/2013	(7.90)%	(6.00)%	–
	Class C US\$ Accumulating	USD	7/17/2013	(8.13)%	(6.22)%	–
	Class E US\$ Accumulating	USD	7/17/2013	(8.22)%	(6.32)%	–
	Class E US\$ Distributing (A)	USD	8/27/2013	(8.22)%	(6.32)%	–
	Class F US\$ Accumulating	USD	7/29/2014	(7.30)%	(5.38)%	–
	Class X GBP Accumulating (Hedged)	GBP	6/16/2014	(7.17)%	(5.15)%	–
	Class X GBP Distributing (M) (Hedged)	GBP	1/21/2014	(7.17)%	(5.15)%	–
	Premier Class US\$ Accumulating	USD	3/25/2013	(7.11)%	(5.18)%	–
	Premier Class US\$ Distributing (A)	USD	5/13/2014	(7.13)%	(5.19)%	–
	Premier Class Euro Accumulating (Hedged)	EUR	7/2/2012	(7.47)%	(5.46)%	0.07%
	Premier Class Euro Distributing (A) (Hedged)	EUR	5/23/2013	(7.50)%	(5.48)%	–
	Premier Class GBP Distributing (M) (Hedged)	GBP	3/25/2013	(7.03)%	(5.01)%	–
	Premier Class SGD Accumulating (Hedged)	SGD	2/7/2014	(6.51)%	(4.51)%	–
	LM Class US\$ Accumulating	USD	6/12/2014	(6.27)%	(4.32)%	–
	LM Class AUD Accumulating (Hedged)	AUD	4/3/2012	(4.64)%	(2.33)%	10.93%
Legg Mason Brandywine Global High Yield Fund [^]	LM Class Euro Accumulating (Hedged)	EUR	8/31/2012	(6.64)%	(4.57)%	3.10%
	Premier Class US\$ Accumulating	USD	11/30/2012	(7.66)%	(4.30)%	2.80%
	Premier Class Euro Accumulating (Hedged) (AH)	EUR	11/30/2012	(7.27)%	(2.70)%	5.82%
	Premier Class GBP Accumulating (Hedged) (AH)	GBP	11/30/2012	(6.75)%	(2.22)%	7.29%
Legg Mason Brandywine Global Opportunistic Fixed Income Fund [^]	Class A US\$ Accumulating	USD	5/6/2011	(8.56)%	(9.34)%	(9.04)%
	Class A US\$ Distributing (M)	USD	6/25/2010	(8.56)%	(9.34)%	(9.05)%
	Class A Euro Accumulating (Hedged)	EUR	7/23/2013	(9.45)%	(10.07)%	–
	Class C US\$ Accumulating	USD	3/21/2012	(9.01)%	(9.79)%	(10.44)%
	Class E US\$ Accumulating	USD	2/17/2012	(9.11)%	(9.88)%	(10.71)%
	Class F US\$ Accumulating	USD	7/22/2014	(8.19)%	(8.96)%	–
	Class F US\$ Distributing (M)	USD	7/19/2013	(8.20)%	(8.98)%	–
	Class X Euro Accumulating (Hedged)	EUR	6/11/2013	(9.00)%	(9.62)%	–
	Class X GBP Distributing (M) (Hedged)	GBP	10/10/2014	(8.23)%	(8.94)%	–
	Premier Class US\$ Accumulating	USD	1/6/2012	(7.97)%	(8.74)%	(7.29)%
	Premier Class US\$ Distributing (M)	USD	4/26/2012	(7.95)%	(8.74)%	(7.28)%
	Premier Class Euro Accumulating (Hedged) (AH)	EUR	6/11/2014	(7.36)%	(4.35)%	–
	Premier Class GBP Distributing (M) (Hedged) (AH)	GBP	4/26/2012	(7.02)%	(4.09)%	10.63%
	Premier Class NZD Accumulating (Hedged) (AH)	NZD	9/19/2012	(4.62)%	(1.36)%	19.40%
	LM Class NZD Accumulating (Hedged) (AH)	NZD	1/13/2012	(3.98)%	(0.69)%	21.75%
	Premier Class US\$ Accumulating	USD	5/9/2012	(10.64)%	(12.02)%	(8.55)%
Legg Mason Brandywine Global Sovereign Credit Fund [^]	Premier Class GBP Accumulating (Hedged) (AH)	GBP	5/9/2012	(4.54)%	(7.17)%	3.73%
	Premier Class GBP Distributing (S) (Hedged) (AH)	GBP	6/21/2012	(4.51)%	(7.16)%	3.87%
	LM Class GBP Accumulating (Hedged) (AH)	GBP	8/19/2013	(4.20)%	(6.84)%	–
	LM Class GBP Distributing (S) (Hedged) (AH)	GBP	11/5/2013	(4.17)%	(6.81)%	–
	Premier Class US\$ Accumulating	USD	5/9/2012	(10.64)%	(12.02)%	(8.55)%
Legg Mason Brandywine Global Income Optimiser Fund [^]	Premier Class US\$ Distributing (M) Plus (e)	USD	6/3/2013	(4.15)%	(3.17)%	–
	Class A Euro Distributing (M) (Hedged) Plus (e)	EUR	10/21/2013	(4.57)%	(3.54)%	–
	Class A GBP Distributing (M) (Hedged) Plus (e)	GBP	10/24/2013	(3.99)%	(3.00)%	–
	Class C US\$ Accumulating	USD	9/19/2014	(4.62)%	(3.65)%	–
	Class C US\$ Distributing (D)	USD	2/4/2015	(4.65)%	–	–
	Class X US\$ Distributing (M) Plus (e)	USD	1/21/2014	(3.57)%	(2.58)%	–
	Class X Euro Distributing (M) (Hedged) Plus (e)	GBP	12/23/2013	(4.02)%	(2.98)%	–
	Class X GBP Distributing (M) (Hedged) Plus (e)	EUR	12/20/2013	(3.41)%	(2.43)%	–
	Premier Class US\$ Distributing (M) Plus (e)	USD	6/3/2013	(3.45)%	(2.45)%	–
	Premier Class Euro Accumulating (Hedged)	EUR	10/7/2014	(3.87)%	(2.82)%	–
	Premier Class US\$ Accumulating	USD	5/9/2012	(10.64)%	(12.02)%	(8.55)%
	Premier Class GBP Accumulating (Hedged) (AH)	GBP	5/9/2012	(4.54)%	(7.17)%	3.73%

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

Supplemental Information – Fund Performance Data (unaudited) – (continued)

Fund	Share Class	Class CCY	Inception Date	Fiscal YTD 3/1/15-2/29/16	Calendar 1/1/15-12/31/15	3 Year Cumulative 1/1/13-12/31/15
Legg Mason Brandywine Global Credit Opportunities Fund [^]	Premier Class Euro Distributing (M) (Hedged) Plus (e)	EUR	12/13/2013	(3.85)%	(2.80)%	–
	Premier Class GBP Distributing (M) (Hedged) Plus (e)	GBP	10/23/2014	(3.27)%	(2.27)%	–
	Premier Class SEK Accumulating (Hedged)	SEK	10/22/2014	(4.08)%	(2.98)%	–
	Class A US\$ Accumulating	USD	6/30/2014	(9.80)%	(4.98)%	–
	Premier Class US\$ Accumulating	USD	6/30/2014	(9.20)%	(4.36)%	–
	Premier Class Euro Accumulating (Hedged)	EUR	12/5/2014	(9.82)%	(4.92)%	–
Legg Mason ClearBridge Value Fund	Premier Class GBP Accumulating (Hedged)	GBP	12/1/2014	(9.17)%	(4.24)%	–
	LM Class US\$ Accumulating	USD	6/30/2014	(8.16)%	(3.24)%	–
	Class A US\$ Accumulating	USD	4/24/2007	(15.20)%	(4.63)%	44.67%
	Class A US\$ Distributing (A)	USD	3/23/1998	(15.19)%	(4.63)%	44.69%
	Class A Euro Accumulating	EUR	6/12/2007	(12.77)%	6.18%	74.96%
	Class A Euro Distributing (A) (Hedged)	EUR	9/2/2014	(15.32)%	(4.88)%	–
	Class A GBP Distributing (A)	GBP	8/28/2014	(5.75)%	1.03%	–
	Class A SGD Accumulating	SGD	5/18/2007	(12.47)%	2.08%	67.80%
	Class A SGD Accumulating (Hedged)	SGD	9/10/2012	(14.88)%	(4.31)%	44.93%
	Class B US\$ Accumulating	USD	2/5/2015	(15.61)%	–	–
	Class B US\$ Distributing (A)	USD	2/24/2004	(15.61)%	(5.11)%	42.52%
	Class C US\$ Accumulating	USD	11/15/2007	(15.62)%	(5.11)%	42.53%
	Class C US\$ Distributing (A)	USD	2/24/2004	(15.62)%	(5.11)%	42.53%
	Class F US\$ Accumulating	USD	1/21/2010	(14.55)%	(3.88)%	48.03%
	Class F US\$ Distributing (A)	USD	2/4/2010	(14.60)%	(3.91)%	48.06%
	Class X US\$ Distributing (A)	USD	10/7/2013	(14.62)%	(3.98)%	–
	Premier Class US\$ Accumulating	USD	7/1/2008	(14.32)%	(3.64)%	49.21%
	Premier Class US\$ Distributing (A)	USD	4/25/2014	(14.32)%	(3.64)%	–
	Premier Class Euro Accumulating	EUR	6/30/2014	(11.86)%	7.24%	–
	Galleon Class	USD	1/24/2000	(14.47)%	(3.81)%	48.43%
Legg Mason ClearBridge Growth Fund	Class A US\$ Accumulating	USD	5/9/2007	(12.62)%	0.45%	46.54%
	Class A US\$ Distributing (A)	USD	2/25/2004	(12.93)%	0.15%	45.24%
	Class A Euro Accumulating	EUR	11/8/2007	(10.09)%	11.74%	78.02%
	Class B US\$ Distributing (A)	USD	2/25/2004	(13.36)%	(0.35)%	43.10%
	Class C US\$ Accumulating	USD	11/15/2007	(13.05)%	(0.05)%	44.36%
	Class C US\$ Distributing (A)	USD	2/25/2004	(13.36)%	(0.35)%	43.09%
Legg Mason ClearBridge Global Equity Fund [^]	Class A US\$ Accumulating	USD	5/9/2007	(18.79)%	(6.10)%	14.20%
	Class A US\$ Distributing (A)	USD	9/1/2006	(18.83)%	(6.14)%	14.01%
	Class C US\$ Accumulating	USD	11/15/2007	(19.20)%	(6.57)%	12.53%
	Class C US\$ Distributing (A)	USD	9/1/2006	(19.24)%	(6.63)%	12.30%
Legg Mason ClearBridge Global Equity Income Fund [^]	Class A US\$ Accumulating	USD	9/15/2014	(14.90)%	(1.91)%	–
	Class A US\$ Distributing (M) Plus	USD	10/29/2014	(14.90)%	(1.90)%	–
	Class A US\$ Distributing (M) Plus (e)	USD	9/15/2014	(14.90)%	(1.91)%	–
	Class A US\$ Distributing (Q)	USD	9/15/2014	(14.90)%	(1.92)%	–
	Class A Euro Accumulating (Hedged)	EUR	9/15/2014	(15.28)%	(2.38)%	–
	Class A Euro Distributing (M) (Hedged) Plus (e)	EUR	9/15/2014	(15.31)%	(2.42)%	–
	Premier Class US\$ Distributing (M) Plus (e)	USD	9/15/2014	(14.18)%	(1.07)%	–
	Premier Class Euro Accumulating (Hedged)	EUR	9/15/2014	(14.56)%	(1.54)%	–
	Premier Class Euro Distributing (M) (Hedged) Plus (e)	EUR	9/15/2014	(14.59)%	(1.59)%	–
	LM Class US\$ Accumulating	USD	9/15/2014	(14.22)%	(0.98)%	–
Legg Mason ClearBridge US Appreciation Fund	Class A US\$ Accumulating	USD	4/20/2007	(6.20)%	0.02%	39.46%
	Class A US\$ Distributing (A)	USD	4/20/2007	(6.20)%	0.01%	39.46%
	Class A Euro Accumulating	EUR	6/3/2008	(3.53)%	11.35%	69.20%
	Class B US\$ Accumulating	USD	11/15/2007	(6.67)%	(0.49)%	37.39%
	Class B US\$ Distributing (A)	USD	4/20/2007	(6.66)%	(0.48)%	37.39%
	Class C US\$ Accumulating	USD	11/15/2007	(6.66)%	(0.48)%	37.39%
	Class C US\$ Distributing (A)	USD	4/20/2007	(6.66)%	(0.48)%	37.39%
	Class E US\$ Accumulating	USD	1/21/2010	(6.90)%	(0.73)%	36.34%
	Class E US\$ Distributing (A)	USD	1/21/2010	(6.90)%	(0.74)%	36.33%
	Class F US\$ Accumulating	USD	9/17/2012	(5.63)%	0.62%	41.98%
	Class F US\$ Distributing (A)	USD	2/4/2010	(5.63)%	0.62%	41.97%
	Class X US\$ Distributing (A)	USD	10/7/2013	(5.61)%	0.64%	–
	Class X Euro Accumulating	EUR	10/7/2013	(2.89)%	12.11%	–
	Premier Class US\$ Accumulating	USD	5/6/2010	(5.28)%	1.00%	43.58%
	Premier Class US\$ Distributing (A)	USD	4/9/2009	(5.28)%	1.00%	43.59%
	Premier Class Euro Accumulating	EUR	6/7/2010	(2.51)%	12.52%	74.14%
	Class A (G) US\$ Accumulating	USD	4/20/2007	(5.87)%	0.37%	40.91%
	Class B (G) US\$ Accumulating	USD	4/20/2007	(6.35)%	(0.15)%	38.79%
	Class L (G) US\$ Accumulating	USD	4/20/2007	(6.34)%	(0.13)%	38.82%
	Class GA US\$ Accumulating	USD	6/10/2011	(6.03)%	0.20%	40.20%
	Class GA Euro Accumulating	EUR	6/10/2011	(3.33)%	11.64%	70.23%
	Class GA Euro Distributing (A)	EUR	6/10/2011	(3.36)%	11.53%	70.01%
	Class GE US\$ Accumulating	USD	6/10/2011	(6.73)%	(0.55)%	37.08%
	Class GE Euro Accumulating	EUR	6/10/2011	(3.94)%	10.87%	66.65%
	Class GP US\$ Accumulating	USD	6/10/2011	(4.69)%	1.63%	46.30%

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

Supplemental Information – Fund Performance Data (unaudited) – (continued)

Fund	Share Class	Class CCY	Inception Date	Fiscal YTD 3/1/15-2/29/16	Calendar 1/1/15-12/31/15	3 Year Cumulative 1/1/13-12/31/15
Legg Mason ClearBridge US Large Cap Growth Fund	Class A US\$ Accumulating	USD	4/20/2007	(2.92)%	8.53%	64.17%
	Class A US\$ Distributing (A)	USD	4/20/2007	(2.92)%	8.53%	64.16%
	Class A Euro Accumulating	EUR	8/27/2008	(0.30)%	20.65%	98.43%
	Class A Euro Distributing (A)	EUR	11/7/2014	0.17%	21.25%	–
	Class B US\$ Accumulating	USD	11/15/2007	(3.42)%	7.98%	61.70%
	Class B US\$ Distributing (A)	USD	4/20/2007	(3.41)%	7.99%	61.72%
	Class C US\$ Accumulating	USD	11/15/2007	(3.41)%	7.98%	61.71%
	Class C US\$ Distributing (A)	USD	4/20/2007	(3.41)%	7.99%	61.71%
	Premier Class US\$ Accumulating	USD	9/19/2014	(1.98)%	9.59%	–
	Class A (G) US\$ Accumulating	USD	4/20/2007	(2.59)%	8.91%	65.79%
	Class B (G) US\$ Accumulating	USD	4/20/2007	(3.06)%	8.38%	63.35%
	Class L (G) US\$ Accumulating	USD	4/20/2007	(3.07)%	8.36%	63.31%
	Class GA US\$ Accumulating	USD	8/27/2010	(2.75)%	8.73%	64.95%
	Class GA Euro Accumulating	EUR	8/27/2010	0.04%	21.06%	100.18%
Legg Mason ClearBridge US Aggressive Growth Fund	Class GE US\$ Distributing (A)	USD	8/27/2010	(3.48)%	7.90%	61.27%
	Class GE Euro Accumulating	EUR	8/27/2010	(0.78)%	20.06%	95.60%
	Class A US\$ Accumulating	USD	4/20/2007	(18.08)%	(5.22)%	48.10%
	Class A US\$ Distributing (A)	USD	4/20/2007	(18.08)%	(5.22)%	48.11%
	Class A AUD Accumulating (Hedged)	AUD	6/3/2013	(17.55)%	(4.17)%	–
	Class A CHF Accumulating (Hedged)	CHF	10/23/2014	(18.96)%	(6.12)%	–
	Class A CNH Accumulating (Hedged)	CNH	11/14/2014	(14.81)%	(2.44)%	–
	Class A Euro Accumulating	EUR	9/7/2010	(15.87)%	5.39%	79.47%
	Class A Euro Accumulating (Hedged)	EUR	4/2/2013	(18.33)%	(5.54)%	–
	Class A Euro Distributing (A) (Hedged)	EUR	8/28/2014	(18.15)%	(5.36)%	–
	Class A GBP Accumulating	GBP	9/29/2014	(9.23)%	0.08%	–
	Class A SEK Accumulating (Hedged)	SEK	1/31/2013	(18.73)%	(5.98)%	–
	Class A SGD Accumulating (Hedged)	SGD	1/31/2013	(17.71)%	(4.91)%	–
	Class B US\$ Accumulating	USD	11/15/2007	(18.49)%	(5.69)%	45.90%
Legg Mason ClearBridge Tactical Dividend Income Fund	Class B US\$ Distributing (A)	USD	4/20/2007	(18.49)%	(5.69)%	45.90%
	Class C US\$ Accumulating	USD	11/15/2007	(18.49)%	(5.69)%	45.90%
	Class C US\$ Distributing (A)	USD	4/20/2007	(18.49)%	(5.70)%	45.90%
	Class E US\$ Accumulating	USD	1/4/2011	(18.69)%	(5.93)%	44.79%
	Class E US\$ Distributing (A)	USD	1/4/2011	(18.70)%	(5.93)%	44.80%
	Class E Euro Accumulating (Hedged)	EUR	9/10/2013	(18.79)%	(6.14)%	–
	Class F US\$ Accumulating	USD	1/4/2011	(17.59)%	(4.64)%	50.76%
	Class F US\$ Distributing (A)	USD	1/4/2011	(17.59)%	(4.64)%	50.88%
	Class X US\$ Accumulating	USD	5/17/2013	(17.55)%	(4.59)%	–
	Class X US\$ Distributing (A)	USD	2/13/2013	(17.55)%	(4.60)%	–
	Class X Euro Accumulating	EUR	1/21/2014	(15.18)%	6.23%	–
	Class X Euro Accumulating (Hedged)	EUR	2/19/2014	(17.68)%	(4.80)%	–
	Class X GBP Accumulating	GBP	4/24/2013	(8.61)%	0.78%	–
	Premier Class US\$ Accumulating	USD	3/17/2010	(17.26)%	(4.26)%	52.61%
Legg Mason Opportunity Fund	Premier Class Euro Accumulating	EUR	12/14/2010	(14.89)%	6.59%	85.08%
	Premier Class Euro Accumulating (Hedged)	EUR	5/13/2014	(17.36)%	(4.45)%	–
	Premier Class Euro Distributing (A)	EUR	7/7/2011	(15.08)%	6.40%	83.22%
	Premier Class GBP Accumulating (Hedged)	GBP	4/22/2014	(17.37)%	(4.39)%	–
	Premier Class GBP Distributing (A)	GBP	12/13/2012	(8.23)%	1.24%	67.94%
	Class A (G) US\$ Accumulating	USD	4/20/2007	(17.80)%	(4.88)%	49.66%
	Class B (G) US\$ Accumulating	USD	4/20/2007	(18.21)%	(5.36)%	47.41%
	Class L (G) US\$ Accumulating	USD	4/20/2007	(18.21)%	(5.36)%	47.43%
	Class GA Euro Accumulating	EUR	8/27/2010	(15.56)%	5.76%	80.88%
	Class GA Euro Distributing (A)	EUR	8/27/2010	(15.54)%	5.83%	80.92%
	Class GE US\$ Accumulating	USD	8/27/2010	(18.51)%	(5.71)%	45.80%
	Class GE Euro Accumulating	EUR	8/27/2010	(16.20)%	4.95%	76.89%
	Class A US\$ Accumulating	USD	8/13/2013	(19.14)%	(15.17)%	–
	Class A US\$ Distributing (M) Plus	USD	6/19/2014	(19.14)%	(15.17)%	–
	Class A US\$ Distributing (M) Plus (e)	USD	6/3/2013	(19.12)%	(15.17)%	–
Legg Mason ClearBridge Tactical Dividend Income Fund	Class A AUD Distributing (M) (Hedged) Plus	AUD	6/25/2014	(18.22)%	(14.01)%	–
	Class A CNH Distributing (M) (Hedged) Plus	CNH	7/28/2014	(16.04)%	(12.60)%	–
	Class A Euro Accumulating (Hedged)	EUR	11/21/2014	(19.41)%	(15.55)%	–
	Class A Euro Distributing (A) (Hedged)	EUR	5/2/2014	(19.15)%	(15.35)%	–
	Class A Euro Distributing (M) (Hedged) Plus (e)	EUR	2/27/2014	(19.40)%	(15.55)%	–
	Class A HKD Distributing (M) Plus	HKD	7/28/2014	(18.95)%	(15.30)%	–
	Class A SGD Distributing (M) (Hedged) Plus	SGD	7/28/2014	(18.64)%	(14.70)%	–
	Class B US\$ Distributing (Q)	USD	10/27/2014	(19.54)%	(15.59)%	–
	Class C US\$ Accumulating	USD	9/27/2013	(19.54)%	(15.60)%	–
	Class C US\$ Distributing (Q)	USD	8/29/2014	(19.53)%	(15.60)%	–
	Premier Class US\$ Distributing (M) Plus (e)	USD	6/3/2013	(18.32)%	(14.31)%	–
	LM Class US\$ Accumulating	USD	6/3/2013	(17.95)%	(13.89)%	–
	Class A US\$ Accumulating	USD	2/22/2010	(22.94)%	(5.24)%	71.36%
	Class A US\$ Distributing (A)	USD	2/4/2009	(22.94)%	(5.25)%	71.39%
	Class A Euro Accumulating (Hedged)	EUR	1/17/2014	(22.78)%	(5.11)%	–
	Class A GBP Accumulating	GBP	9/29/2014	(14.49)%	0.23%	–
	Class A SEK Accumulating (Hedged)	SEK	6/3/2013	(23.33)%	(5.64)%	–
	Class X GBP Accumulating	GBP	2/20/2013	(13.93)%	0.86%	–

Supplemental Information – Fund Performance Data (unaudited) – (continued)

Fund	Share Class	Class CCY	Inception Date	Fiscal YTD 3/1/15-2/29/16	Calendar 1/1/15-12/31/15	3 Year Cumulative 1/1/13-12/31/15
Legg Mason Royce US Small Cap Opportunity Fund	Premier Class US\$ Accumulating	USD	3/19/2010	(22.14)%	(4.26)%	76.73%
	Premier Class GBP Distributing (A)	GBP	8/25/2009	(13.56)%	1.22%	95.25%
	Class A US\$ Accumulating	USD	5/9/2007	(20.35)%	(13.78)%	18.50%
	Class A US\$ Distributing (A)	USD	11/8/2002	(20.34)%	(13.78)%	18.48%
	Class A AUD Accumulating (Hedged)	AUD	6/3/2013	(19.56)%	(12.46)%	–
	Class A CNH Accumulating (Hedged)	CNH	11/14/2014	(17.52)%	(11.28)%	–
	Class A Euro Accumulating	EUR	7/12/2007	(18.09)%	(4.02)%	43.76%
	Class A Euro Accumulating (Hedged)	EUR	2/20/2013	(20.54)%	(14.10)%	–
	Class A GBP Accumulating (Hedged)	GBP	12/20/2013	(20.35)%	(13.81)%	–
	Class A GBP Distributing (A)	GBP	4/26/2011	(11.67)%	(8.87)%	31.44%
	Class A SEK Accumulating (Hedged)	SEK	1/31/2013	(21.05)%	(14.59)%	–
	Class A SGD Accumulating	SGD	2/16/2011	(17.82)%	(7.75)%	37.10%
	Class A SGD Accumulating (Hedged)	SGD	9/10/2012	(19.90)%	(13.27)%	18.74%
	Class B US\$ Accumulating	USD	11/15/2007	(20.74)%	(14.22)%	16.73%
	Class B US\$ Distributing (A)	USD	2/24/2004	(20.74)%	(14.22)%	16.71%
	Class C US\$ Accumulating	USD	11/15/2007	(20.74)%	(14.22)%	16.72%
	Class C US\$ Distributing (A)	USD	2/24/2004	(20.74)%	(14.21)%	16.73%
	Class E US\$ Accumulating	USD	1/4/2011	(20.94)%	(14.43)%	15.85%
	Class E US\$ Distributing (A)	USD	1/4/2011	(20.94)%	(14.44)%	15.84%
	Class E Euro Accumulating	EUR	11/26/2010	(18.71)%	(4.67)%	40.77%
	Class E Euro Accumulating (Hedged)	EUR	9/23/2013	(21.18)%	(14.81)%	–
	Class F US\$ Accumulating	USD	1/4/2011	(19.86)%	(13.25)%	20.64%
	Class F US\$ Distributing (A)	USD	1/4/2011	(19.87)%	(13.27)%	20.78%
	Class R Euro Accumulating	EUR	12/9/2013	(17.65)%	(3.50)%	–
	Class X US\$ Accumulating	USD	2/25/2013	(19.74)%	(13.13)%	–
	Class X Euro Accumulating (Hedged)	EUR	10/21/2013	(19.93)%	(13.46)%	–
	Class X GBP Accumulating	GBP	1/18/2013	(10.97)%	(8.18)%	–
	Class X GBP Distributing (A)	GBP	4/23/2013	(10.96)%	(8.14)%	–
	Premier Class US\$ Accumulating	USD	4/27/2010	(19.46)%	(12.83)%	22.46%
	Premier Class Euro Accumulating	EUR	6/7/2010	(17.16)%	(2.88)%	49.87%
	Premier Class GBP Accumulating	GBP	2/15/2013	(10.69)%	(7.80)%	–
Legg Mason Royce US Smaller Companies Fund	Class A US\$ Accumulating	USD	5/9/2007	(15.18)%	(12.62)%	9.80%
	Class A US\$ Distributing (A)	USD	3/1/2004	(15.18)%	(12.63)%	9.77%
	Class A Euro Accumulating	EUR	10/1/2008	(12.81)%	(2.66)%	33.14%
	Class A Euro Accumulating (Hedged)	EUR	6/5/2013	(15.32)%	(12.99)%	–
	Class A Euro Distributing (A)	EUR	2/9/2011	(11.64)%	(1.53)%	36.16%
	Class A GBP Distributing (A)	GBP	11/5/2009	(5.92)%	(7.63)%	21.12%
	Class A SEK Accumulating (Hedged)	SEK	1/31/2013	(15.83)%	(13.30)%	–
	Class B US\$ Accumulating	USD	11/15/2007	(15.60)%	(13.07)%	8.16%
	Class B US\$ Distributing (A)	USD	3/1/2004	(15.61)%	(13.07)%	8.14%
	Class C US\$ Accumulating	USD	11/15/2007	(15.60)%	(13.07)%	8.16%
	Class C US\$ Distributing (A)	USD	3/1/2004	(15.60)%	(13.07)%	8.14%
	Class E US\$ Accumulating	USD	1/21/2010	(15.81)%	(13.28)%	7.33%
	Class E US\$ Distributing (A)	USD	1/21/2010	(15.82)%	(13.29)%	7.32%
	Class E Euro Accumulating	EUR	4/11/2011	(13.64)%	(3.31)%	30.51%
	Class F US\$ Accumulating	USD	1/21/2010	(14.67)%	(12.10)%	11.79%
	Class F US\$ Distributing (A)	USD	2/4/2010	(14.67)%	(12.10)%	11.78%
	Class R US\$ Accumulating	USD	5/9/2014	(14.75)%	(12.19)%	–
	Class X US\$ Accumulating	USD	2/8/2013	(14.53)%	(11.97)%	–
	Class X US\$ Distributing (A)	USD	10/7/2013	(14.54)%	(11.97)%	–
	Premier Class US\$ Accumulating	USD	11/24/2009	(14.24)%	(11.65)%	13.47%
	Premier Class US\$ Distributing (A)	USD	2/18/2011	(14.23)%	(11.65)%	13.48%
	Premier Class GBP Distributing (A)	GBP	5/20/2011	(4.95)%	(6.67)%	25.06%
	Class A (G) US\$ Accumulating	USD	4/20/2007	(14.66)%	(12.10)%	11.77%
	Class L (G) US\$ Accumulating	USD	4/20/2007	(15.10)%	(12.54)%	10.11%
Legg Mason QS MV European Equity Growth and Income Fund	Class A US\$ Accumulating	USD	5/9/2007	(11.00)%	0.52%	19.51%
	Class A US\$ Accumulating (Hedged)	USD	9/30/2014	(8.93)%	11.21%	–
	Class A US\$ Distributing (A)	USD	2/24/2004	(10.95)%	0.58%	19.56%
	Class A US\$ Distributing (M) (Hedged) Plus	USD	9/30/2014	(8.94)%	11.54%	–
	Class A AUD Distributing (M) (Hedged) Plus	AUD	9/30/2014	(7.78)%	13.12%	–
	Class A CNH Distributing (M) (Hedged) Plus	CNH	10/28/2014	(5.88)%	14.32%	–
	Class A Euro Accumulating	EUR	8/31/2010	(8.45)%	11.96%	45.04%
	Class A Euro Distributing (A)	EUR	8/30/2002	(8.46)%	11.95%	45.03%
	Class A Euro Distributing (M) Plus	EUR	9/30/2014	(8.44)%	11.95%	–
	Class B US\$ Accumulating	USD	11/15/2007	(11.40)%	0.07%	17.72%
	Class B US\$ Distributing (A)	USD	2/24/2004	(11.83)%	(0.62)%	16.96%
	Class C US\$ Accumulating	USD	11/15/2007	(11.39)%	0.11%	18.00%
	Class C US\$ Distributing (A)	USD	2/24/2004	(11.54)%	(0.10)%	17.84%
	Class E US\$ Accumulating	USD	9/22/2014	(14.28)%	(2.24)%	–
	Premier Class Euro Accumulating	EUR	5/9/2014	(7.49)%	13.11%	–
	Class A (G) US\$ Accumulating	USD	4/20/2007	(10.71)%	0.87%	20.79%
	Class B (G) US\$ Accumulating	USD	4/20/2007	(11.80)%	(0.39)%	18.02%
	Class L (G) US\$ Accumulating	USD	4/20/2007	(11.13)%	0.40%	19.04%
	Class GA US\$ Accumulating	USD	8/27/2010	(10.25)%	1.39%	21.22%
	Class GA Euro Accumulating	EUR	8/27/2010	(8.19)%	12.27%	46.26%
	Class GA Euro Distributing (A)	EUR	8/27/2010	(8.19)%	12.27%	46.26%
	Class GE US\$ Accumulating	USD	8/27/2010	(11.37)%	0.17%	17.96%
Legg Mason QS MV Asia Pacific ex Japan Equity Growth and Income Fund	Class A US\$ Accumulating	USD	5/9/2007	(14.99)%	(8.52)%	(1.66)%
	Class A US\$ Distributing (A)	USD	2/25/2004	(15.05)%	(8.58)%	(1.88)%

Supplemental Information – Fund Performance Data (unaudited) – (continued)

Fund	Share Class	Class CCY	Inception Date	Fiscal YTD 3/1/15-2/29/16	Calendar 1/1/15-12/31/15	3 Year Cumulative 1/1/13-12/31/15
	Class A US\$ Distributing (M) Plus	USD	9/30/2014	(15.05)%	(8.58)%	–
	Class A AUD Distributing (M) (Hedged) Plus	AUD	9/30/2014	(14.21)%	(7.34)%	–
	Class A Euro Accumulating	EUR	10/31/2007	(12.60)%	1.83%	19.25%
	Class A HKD Distributing (M) Plus	HKD	9/30/2014	(14.80)%	(8.63)%	–
	Class B US\$ Accumulating	USD	11/15/2007	(15.42)%	(8.97)%	(3.13)%
	Class B US\$ Distributing (A)	USD	2/25/2004	(15.48)%	(9.04)%	(3.35)%
	Class C US\$ Accumulating	USD	11/15/2007	(15.41)%	(8.99)%	(3.13)%
	Class C US\$ Distributing (A)	USD	2/25/2004	(15.47)%	(9.03)%	(3.34)%
	Class E US\$ Accumulating	USD	1/21/2010	(15.68)%	(9.26)%	(4.07)%
	Class E US\$ Distributing (A)	USD	1/21/2010	(15.49)%	(9.03)%	(3.36)%
	Class F US\$ Accumulating	USD	1/4/2011	(14.51)%	(8.01)%	(0.09)%
	Class F US\$ Distributing (A)	USD	1/4/2011	(14.52)%	(8.01)%	(0.08)%
	Class GA US\$ Accumulating	USD	8/27/2010	(14.86)%	(8.37)%	(1.21)%
	Class GA Euro Accumulating	EUR	8/27/2010	(12.42)%	2.02%	19.91%
	Class GA Euro Distributing (A)	EUR	8/27/2010	(12.27)%	2.19%	20.02%
	Class GE US\$ Accumulating	USD	8/27/2010	(15.50)%	(9.05)%	(3.40)%
	Class GE Euro Accumulating	EUR	8/27/2010	(12.79)%	1.43%	17.40%
Legg Mason QS Emerging Markets Equity Fund	Class A US\$ Accumulating	USD	4/28/2008	(20.96)%	(16.00)%	(27.07)%
	Class A US\$ Distributing (A)	USD	7/2/2008	(20.96)%	(15.99)%	(27.07)%
	Class A Euro Accumulating	EUR	7/2/2008	(18.70)%	(6.46)%	(11.36)%
	Class A GBP Distributing (A)	GBP	4/30/2008	(12.33)%	(11.18)%	(19.54)%
	Class B US\$ Accumulating	USD	7/2/2008	(21.49)%	(16.51)%	(28.86)%
	Class B US\$ Distributing (A)	USD	7/2/2008	(21.50)%	(16.51)%	(28.87)%
	Class C US\$ Accumulating	USD	7/2/2008	(21.50)%	(16.53)%	(28.88)%
	Class C US\$ Distributing (A)	USD	7/2/2008	(21.49)%	(16.52)%	(28.87)%
	Class E US\$ Accumulating	USD	1/21/2010	(21.70)%	(16.74)%	(29.41)%
	Class F US\$ Distributing (A)	USD	2/4/2010	(20.77)%	(15.72)%	(26.73)%
	Premier Class US\$ Accumulating	USD	9/29/2014	(20.11)%	(15.05)%	–
	Premier Class Euro Accumulating	EUR	7/2/2008	(17.84)%	(5.46)%	(9.00)%
Legg Mason QS MV Global Equity Growth and Income Fund	Class A US\$ Accumulating	USD	9/6/2012	(6.96)%	(1.19)%	29.11%
	Class GA US\$ Accumulating	USD	6/10/2011	(6.66)%	(0.86)%	30.39%
	Class GA Euro Accumulating	EUR	6/10/2011	(3.98)%	10.39%	58.19%
	Class GA Euro Distributing (A)	EUR	6/10/2011	(3.97)%	10.40%	58.22%
	Class GE US\$ Accumulating	USD	6/10/2011	(7.36)%	(1.61)%	27.48%
	Class GE Euro Accumulating	EUR	6/10/2011	(4.75)%	9.51%	54.55%

Fund Performance Data do not take account of the commissions and costs incurred on the issue and redemption of shares.

Past performance is no indication of current or future performance.

Statement of Major Portfolio Changes (unaudited)

Legg Mason Western Asset US Money Market Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Lloyds TSB Bank Plc, 0.060%, due 5/1/2015	35,000	Lloyds TSB Bank Plc, 0.120%, due 4/24/2015	35,000
Societe Generale, 0.110%, due 10/20/2015	35,000	Lloyds TSB Bank Plc, 0.120%, due 4/27/2015	35,000
Societe Generale, 0.110%, due 10/7/2015	35,000	Lloyds TSB Bank Plc, 0.120%, due 4/28/2015	35,000
Societe Generale, 0.110%, due 10/8/2015	35,000	Lloyds TSB Bank Plc, 0.120%, due 4/29/2015	35,000
Societe Generale, 0.110%, due 10/9/2015	35,000	Lloyds TSB Bank Plc, 0.120%, due 4/30/2015	35,000
Societe Generale, 0.110%, due 10/14/2015	35,000	Lloyds TSB Bank Plc, 0.060%, due 5/1/2015	35,000
Societe Generale, 0.110%, due 10/15/2015	35,000	Lloyds TSB Bank Plc, 0.120%, due 5/4/2015	35,000
Societe Generale, 0.110%, due 10/16/2015	35,000	Societe Generale, 0.340%, due 1/26/2016	35,000
Societe Generale, 0.110%, due 10/21/2015	35,000	Societe Generale, 0.130%, due 9/18/2015	35,000
Societe Generale, 0.110%, due 10/23/2015	35,000	Societe Generale, 0.130%, due 9/21/2015	35,000
Societe Generale, 0.120%, due 10/2/2015	35,000	Societe Generale, 0.130%, due 9/22/2015	35,000
Societe Generale, 0.120%, due 10/6/2015	35,000	Societe Generale, 0.130%, due 9/23/2015	35,000
Lloyds TSB Bank Plc, 0.120%, due 4/24/2015	35,000	Societe Generale, 0.130%, due 9/24/2015	35,000
Lloyds TSB Bank Plc, 0.120%, due 4/28/2015	35,000	Societe Generale, 0.130%, due 9/25/2015	35,000
Lloyds TSB Bank Plc, 0.120%, due 4/29/2015	35,000	Societe Generale, 0.130%, due 9/28/2015	35,000
Lloyds TSB Bank Plc, 0.120%, due 4/30/2015	35,000	Societe Generale, 0.130%, due 9/29/2015	35,000
Societe Generale, 0.130%, due 9/18/2015	35,000	Societe Generale, 0.130%, due 9/30/2015	35,000
Societe Generale, 0.130%, due 9/22/2015	35,000	Societe Generale, 0.120%, due 10/2/2015	35,000
Societe Generale, 0.130%, due 9/23/2015	35,000	Societe Generale, 0.120%, due 10/5/2015	35,000
Societe Generale, 0.130%, due 9/24/2015	35,000	Societe Generale, 0.120%, due 10/6/2015	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)	27,416	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	30,941
United States Treasury Note/Bond, 1.750%, due 1/31/2023	3,447	United States Treasury Note/Bond, 1.750%, due 1/31/2023	3,471
United States Treasury Note/Bond, 1.750%, due 3/31/2022	3,098	United States Treasury Note/Bond, 2.125%, due 6/30/2022	2,905
United States Treasury Note/Bond, 2.125%, due 6/30/2022	2,830	United States Treasury Note/Bond, 3.000%, due 5/15/2045	2,678
United States Treasury Note/Bond, 3.000%, due 5/15/2045	2,660	Ginnie Mae II pool, 30 year, TBA, 3.500%	2,193
United States Treasury Note/Bond, 1.125%, due 2/28/2021	2,345	Fannie Mae Pool, 30 year, TBA, 3.500%	2,062
United States Treasury Note/Bond, 1.500%, due 2/28/2023	2,262	United States Treasury Note/Bond, 2.000%, due 2/15/2025	2,041
Ginnie Mae II pool, 30 year, TBA, 3.500%	2,194	Ginnie Mae II pool, 30 year, TBA, 3.500%	1,988
United States Treasury Note/Bond, 3.000%, due 11/15/2045	2,120	United States Treasury Note/Bond, 1.625%, due 7/31/2019	1,860
Fannie Mae Pool, 30 year, TBA, 3.500%	2,064	United States Treasury Note/Bond, 1.750%, due 3/31/2022	1,779
Ginnie Mae II pool, 30 year, TBA, 3.500%	1,984	Fannie Mae Pool, 30 year, TBA, 3.500%	1,560
Fannie Mae Pool, 30 year, TBA, 3.500%	1,560	United States Treasury Note/Bond, 1.625%, due 12/31/2019	1,524
Fannie Mae Pool, 30 year, TBA, 4.000%	1,490	Fannie Mae Pool, 30 year, TBA, 4.000%	1,489
Ginnie Mae II pool, 30 year, TBA, 3.500%	1,473	Ginnie Mae II pool, 30 year, TBA, 3.500%	1,473
Fannie Mae Pool, 30 year, TBA, 3.500%	1,463	Fannie Mae Pool, 30 year, TBA, 4.500%	1,412
Fannie Mae Pool, 30 year, TBA, 4.500%	1,413	Fannie Mae Pool, 30 year, TBA, 4.000%	1,383
Fannie Mae Pool, 30 year, TBA, 4.000%	1,383	Fannie Mae Pool, 30 year, TBA, 4.000%	1,376
Fannie Mae Pool, 30 year, TBA, 4.000%	1,380	United States Treasury Note/Bond, 1.125%, due 2/28/2021	1,342
Fannie Mae Pool, 30 year, TBA, 4.500%	1,303	Fannie Mae Pool, 30 year, TBA, 4.500%	1,306
United States Treasury Note/Bond, 2.125%, due 5/15/2025	1,287	United States Treasury Note/Bond, 2.125%, due 5/15/2025	1,285

Legg Mason Western Asset US Core Plus Bond Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
United States Treasury Note/Bond, 1.750%, due 1/31/2023	26,570	Freddie Mac Discount Notes, zero coupon, due 2/4/2016	40,000
United States Treasury Note/Bond, 1.125%, due 2/28/2021	25,486	United States Treasury Note/Bond, 1.750%, due 1/31/2023	26,773
United States Treasury Note/Bond, 3.000%, due 5/15/2045	25,406	Fannie Mae Pool, 30 year, TBA, 4.000%	23,206
United States Treasury Note/Bond, 3.000%, due 11/15/2045	23,476	Fannie Mae Pool, 15 year, TBA, 3.000%	22,178
Fannie Mae Pool, 30 year, TBA, 4.000%	23,198	Fannie Mae Pool, 15 year, TBA, 3.000%	20,789
Fannie Mae Pool, 15 year, TBA, 3.000%	22,139	United States Treasury Note/Bond, 3.000%, due 5/15/2045	18,656
Fannie Mae Pool, 15 year, TBA, 3.000%	20,763	United States Treasury Note/Bond, 1.375%, due 3/31/2020	18,120
Freddie Mac Discount Notes, zero coupon, due 2/4/2016	19,988	Fannie Mae Pool, 30 year, TBA, 3.500%	17,474
United States Treasury Note/Bond, 1.375%, due 3/31/2020	18,203	United States Treasury Note/Bond, 2.000%, due 2/15/2025	15,944
United States Treasury Note/Bond, 2.125%, due 12/31/2021	17,694	Ginnie Mae II pool, 30 year, TBA, 3.500%	15,851
Fannie Mae Pool, 30 year, TBA, 3.500%	17,477	Ginnie Mae II pool, 30 year, TBA, 4.000%	15,099
United States Treasury Note/Bond, 1.500%, due 2/28/2023	16,021	United States Treasury Note/Bond, 1.125%, due 2/28/2021	14,605
Ginnie Mae II pool, 30 year, TBA, 3.500%	15,851	United States Treasury Note/Bond, 2.250%, due 7/31/2021	14,090
United States Treasury Note/Bond, 1.375%, due 1/31/2021	15,109	Fannie Mae Pool, 30 year, TBA, 4.000%	12,867
Ginnie Mae II pool, 30 year, TBA, 4.000%	15,080	United States Treasury Note/Bond, 2.500%, due 2/15/2045	12,828
United States Treasury Note/Bond, 2.000%, due 2/15/2025	14,356	United States Treasury Note/Bond, 2.125%, due 12/31/2021	12,777
United States Treasury Note/Bond, 2.250%, due 7/31/2021	13,844	Federal Home Loan Bank Discount Notes, zero coupon, due 9/9/2015	12,253
United States Treasury Note/Bond, 2.250%, due 11/15/2025	13,078	Fannie Mae Pool, 15 year, TBA, 3.000%	12,167
Fannie Mae Pool, 30 year, TBA, 4.000%	12,878	Fannie Mae Pool, 15 year, TBA, 3.000%	12,128
Federal Home Loan Bank Discount Notes, zero coupon, due 9/9/2015	12,246	Fannie Mae Pool, 15 year, TBA, 3.000%	12,097
		Fannie Mae Pool, 30 year, TBA, 3.500%	11,342

Legg Mason Western Asset Euro Core Plus Bond Fund

MAJOR PURCHASES	COST (in 000€)	MAJOR SALES	PROCEEDS (in 000€)
Italy Buoni Poliennali Del Tesoro, 4.500%, due 3/1/2024	13,580	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	8,161
Belgium Government Bond, Series 67, 3.000%, due 9/28/2019	12,008	Bundesrepublik Deutschland, 1.000%, due 8/15/2024	7,640
Bundesrepublik Deutschland, 1.000%, due 8/15/2024	11,137	France Government Bond OATe, 0.250%, due 7/25/2018	5,632
Bundesobligation, Series 171, 0.000%, due 4/17/2020	8,781	Bundesobligation, Series 166, 0.250%, due 4/13/2018	4,744
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	7,868	Italy Buoni Poliennali Del Tesoro, 5.000%, due 9/1/2040	3,701
Italy Buoni Poliennali Del Tesoro, 144A, 3.250%, due 9/1/2046	4,311	Bundesobligation, Series 171, 0.000%, due 4/17/2020	3,307

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

Legg Mason Western Asset Euro Core Plus Bond Fund – (continued)

MAJOR PURCHASES	COST (in 000€)	MAJOR SALES	PROCEEDS (in 000€)
Belgium Government Bond, Series 68, 2.250%, due 6/22/2023	2,872	United States Treasury Note, 2.000%, due 2/15/2015	3,207
Poland Government Bond, Series 0725, 3.250%, due 7/25/2025	2,623	Italy Buoni Poliennali Del Tesoro, 4.500%, due 3/1/2024	3,019
Deutsche Bundesrepublik Inflation Linked Bond, Series I/L, 0.500%, due 4/15/2030	2,552	Netherlands Government Bond, 1.250%, due 1/15/2019	2,708
Bundesrepublik Deutschland, 3.250%, due 7/4/2042	2,378	Poland Government Bond, Series 0725, 3.250%, due 7/25/2025	2,503
Sweden Government Bond, Series 1053, 3.500%, due 3/30/2039	1,281	France Government Bond OAT, 3.250%, due 5/25/2045	2,165
Spain Government Bond, 144A, 3.800%, due 4/30/2024	1,196	Bundesrepublik Deutschland, 3.250%, due 7/4/2042	2,047
Belgium Government Bond, Series 71, 3.750%, due 6/22/2045	1,102	Deutsche Bundesrepublik Inflation Linked Bond, Series I/L, 0.500%, due 4/15/2030	1,835
France Government Bond OAT, 3.250%, due 5/25/2045	1,073	Bundesrepublik Deutschland, 1.500%, due 4/15/2030	1,707
Netherlands Government Bond, 144A, 1.750%, due 7/15/2023	1,024	Belgium Government Bond, Series 67, 3.000%, due 9/28/2019	1,622
Deutsche Bundesrepublik Inflation Linked Bond, Series I/L, 0.100%, due 4/15/2046	720	Italy Buoni Poliennali Del Tesoro, 144A, 3.250%, due 9/1/2046	1,580
WPP Finance Deutschland GmbH, 1.625%, due 3/23/2030	670	France Government Bond OAT, Series OATe, 1.800%, due 7/25/2040	1,063
Glencore Finance Europe SA, 1.750%, due 3/17/2025	610	Annington Finance No 4 Plc, Series C1, 8.070%, due 1/10/2023	818
Engie SA, 1.000%, due 3/13/2026	586	Deutsche Bundesrepublik Inflation Linked Bond, Series I/L, 0.100%, due 4/15/2046	724
Sky Plc, 2.250%, due 11/17/2025	558	JPMorgan Chase & Co, 2.750%, due 8/24/2022	263

Legg Mason Western Asset Short Duration High Income Bond Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
United States Treasury Note/Bond, 0.875%, due 7/15/2017	5,503	United States Treasury Note/Bond, 0.875%, due 7/15/2017	6,292
United States Treasury Note/Bond, 1.250%, due 11/30/2018	4,226	United States Treasury Note/Bond, 1.250%, due 11/30/2018	4,764
Legg Mason Qualified Investor Funds (II) Plc – Legg Mason Western Asset Senior Loans Fund – LM Class US\$ Distributing (monthly)	860	Legg Mason Global Funds Plc – Western Asset Euro High Yield Fund – LM Class EUR Distributing (Q)	2,522
United States Treasury Note/Bond, 1.375%, due 8/31/2020	706	Legg Mason Qualified Investor Funds (II) Plc – Legg Mason Western Asset Senior Loans Fund – LM Class US\$ Distributing (monthly)	1,324
Deutsche Bundesrepublik Inflation Linked Bond, Series I/L, 0.100%, due 4/15/2023	487	Deutsche Bundesrepublik Inflation Linked Bond, Series I/L, 0.100%, due 4/15/2023	1,001
Deutsche Bundesrepublik Inflation Linked Bond, Series I/L, 0.100%, due 4/15/2023	481	United States Treasury Note/Bond, 3.125%, due 2/15/2043	984
IndyMac INDX Mortgage Loan Trust 2004-AR7, Series 2004 AR7, Class A2, 1.296%, due 9/25/2034	429	United States Treasury Note/Bond, 4.625%, due 2/15/2040	856
RAMP Series 2003-RS4 Trust, 1.096%, due 5/25/2033	385	Bundesrepublik Deutschland, 3.750%, due 1/4/2019	786
Fannie Mae Connecticut Avenue Securities, 5.437%, due 10/25/2023	380	United States Treasury Note/Bond, 1.375%, due 8/31/2020	706
Schaeffler Holding Finance BV, 6.250%, due 11/15/2019	370	Italy Buoni Poliennali Del Tesoro, 4.500%, due 3/1/2024	685
Activision Blizzard Inc, 5.625%, due 9/15/2021	368	Deutsche Bundesrepublik Inflation Linked Bond, Series I/L, 0.500%, due 4/15/2030	607
AerCap Ireland Capital Ltd / AerCap Global Aviation Trust, 4.250%, due 7/1/2020	353	Barclays Bank Plc, 6.000%, due 1/14/2021	497
Bear Stearns Mortgage Funding Trust 2006-AR4, 0.646%, due 12/25/2036	352	Vale Overseas Ltd, 6.875%, due 11/21/2036	453
First Data Corp, 11.750%, due 8/15/2021	348	Goldman Sachs Group Inc/The, 7.500%, due 2/15/2019	375
Countrywide Home Equity Loan Trust, 0.651%, due 2/15/2029	345	Lantheus Medical Imaging Inc, 9.750%, due 5/15/2017	366
Simmons Foods Inc, 7.875%, due 10/1/2021	326	First Data Corp, 11.750%, due 8/15/2021	358
EP Energy LLC / Everest Acquisition Finance Inc, 9.375%, due 5/1/2020	326	Fannie Mae Connecticut Avenue Securities, 5.437%, due 10/25/2023	354
CIT Group Inc, 5.375%, due 5/15/2020	318	HSBC Capital Funding LP/Jersey, 8.208%, Perpetual	353
Dole Food Co Inc, 7.250%, due 5/1/2019	305	General Electric Capital Corp, 6.250%, due 12/15/2017	325
US Airways 2012-2 Class B Pass Through Trust, 6.750%, due 6/3/2021	304	Mexican Bonos, Series M, 6.500%, due 6/9/2022	315
		Whiting Canadian Holding Co ULC, 8.125%, due 12/1/2019	314
		Mexican Bonos, Series M, 7.750%, due 11/13/2042	311

Legg Mason Western Asset Global Multi Strategy Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
United States Treasury Note/Bond, 0.875%, due 7/15/2017	95,500	United States Treasury Note/Bond, 1.250%, due 10/31/2019	56,833
United States Treasury Note/Bond, 1.250%, due 10/31/2019	61,251	Italy Buoni Poliennali Del Tesoro, 4.500%, due 3/1/2024	31,803
Deutsche Bundesrepublik Inflation Linked Bond, Series I/L, 0.100%, due 4/15/2023	49,422	Deutsche Bundesrepublik Inflation Linked Bond, 0.500%, due 4/15/2030	28,299
Italy Buoni Poliennali Del Tesoro, 3.750%, due 5/1/2021	23,148	United States Treasury Note/Bond, 0.875%, due 7/15/2017	27,350
United States Treasury Note/Bond, 0.875%, due 4/15/2017	18,670	United States Treasury Note/Bond, 3.125%, due 2/15/2043	26,080
Italy Buoni Poliennali Del Tesoro, 4.500%, due 3/1/2024	17,778	Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2017	25,843
Brazilian Government International Bond, 4.250%, due 1/7/2025	13,177	Italy Buoni Poliennali Del Tesoro, 3.750%, due 5/1/2021	23,420
Brazil Letras do Tesouro Nacional, zero coupon, due 1/1/2019	13,076	United States Treasury Note/Bond, 0.875%, due 4/15/2017	18,699
Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2021	12,615	Hungary Government International Bond, 5.750%, due 11/22/2023	17,577
WaMu Mortgage Pass-Through Certificates Series 2005-AR15 Trust, Series 2005 AR15, Class A1C3, 0.916%, due 11/25/2045	9,650	Legg Mason Global Funds Plc – Western Asset US High Yield Fund – LM Class US\$ Distributing (M)	12,000
Anheuser-Busch InBev Finance Inc, 4.900%, due 2/1/2046	8,939	Turkey Government International Bond, 5.750%, due 3/22/2024	9,201
Colombia Government International Bond, 5.625%, due 2/26/2044	8,774	Legg Mason Global Funds Plc – Western Asset Emerging Markets Corporate Bond Fund – LM Class US\$ Distributing (M)	9,164
Petsmart Inc, 4.250%, due 3/10/2022	7,061	Lukoil International Finance BV, 6.656%, due 6/7/2022	8,954
Valeant Pharmaceuticals International Inc 144A, 6.125%, due 4/15/2025	6,930	Russian Foreign Bond – Eurobond, 4.875%, due 9/16/2023	8,850
Southern Copper Corp, 3.875%, due 4/23/2025	6,870	Petroleos Mexicanos, 6.625%, due 6/15/2035	8,241
Citigroup Inc, Class M, 6.300%, Perpetual	6,823	Vale Overseas Ltd, 6.875%, due 11/21/2036	7,477
Fannie Mae Connecticut Avenue Securities, 5.433%, due 7/25/2025	6,749	Bank of America Corp, Class Z, 6.500%, Perpetual	6,935
Reynolds American Inc, 5.850%, due 8/15/2045	6,633	ABN AMRO Bank NV, 7.125%, due 7/6/2022	6,885
Kraft Heinz Foods Co, 5.200%, due 7/15/2045	6,596	Turkey Government International Bond, 6.250%, due 9/26/2022	6,847
CSMC Trust 2015-SAND MZ, Series 2015 SAMZ, Class MZ, 144A, 6.163%, due 8/15/2022	6,500	Barclays Bank Plc, Class E, 6.000%, due 1/14/2021	6,816
		Brazilian Government International Bond, 4.250%, due 1/7/2025	6,192
		Barclays Plc, 8.000%, Perpetual	5,744
		Lloyds Banking Group Plc, 6.375%, Perpetual	5,735
		Anglian Water Osprey Financing, 7.000%, due 01/31/2018	5,655
		Vale SA, 5.625%, due 09/11/2042	5,637
		Royal Bank of Scotland Group Plc, 3.625%, due 3/25/2024	5,635
		Kelda Finance No 3 Plc, 5.750%, due 02/17/2020	5,510
		Turkey Government International Bond, 7.500%, due 7/14/2017	5,430
		Shea Homes LP/ Shea Homes Funding Corp, 144A, 8.625%, due 05/15/2019	5,388
		Cemex Finance LLC, 9.375%, due 10/12/2022	5,239

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

Legg Mason Western Asset US 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)	91,752	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	90,252
United States Treasury Note/Bond, 1.625%, due 6/30/2020	29,951	United States Treasury Note/Bond, 1.625%, due 6/30/2020	30,219
United States Treasury Note/Bond, 1.500%, due 5/31/2020	17,032	United States Treasury Note/Bond, 1.500%, due 5/31/2020	16,923
iShares iBoxx \$ High Yield Corporate Bond ETF	10,002	iShares iBoxx \$ High Yield Corporate Bond ETF	9,735
Tenet Healthcare Corp, 8.125%, due 4/1/2022	6,298	First Data Corp, 12.625%, due 1/15/2021	6,610
HCA Inc, 5.375%, due 2/1/2025	6,263	United States Treasury Note/Bond, 1.375%, due 9/30/2020	5,954
United States Treasury Note/Bond, 1.375%, due 9/30/2020	6,006	HCA Inc, 5.375%, due 2/1/2025	5,874
Sprint Communications Inc, 11.500%, due 11/15/2021	4,623	Lantheus Medical Imaging Inc, 9.750%, due 5/15/2017	5,390
DJO Finco Inc / DJO Finance LLC / DJO Finance Corp, 144A, 8.125%, due 6/15/2021	4,130	Tenet Healthcare Corp, 8.125%, due 4/1/2022	4,058
First Data Corp, 12.625%, due 1/15/2021	3,869	MedImpact Holdings Inc, 144A, 10.500%, due 2/1/2018	3,981
XPO Logistics Inc, 144A, 6.500%, due 6/15/2022	3,848	CCO Holdings LLC / CCO Holdings Capital Corp, 5.375%, due 5/1/2025	3,758
CCO Holdings LLC / CCO Holdings Capital Corp, 5.375%, due 5/1/2025	3,800	Ardagh Finance Holdings SA, 144A, 8.625%, due 6/15/2019	3,577
Tenet Healthcare Corp, 6.750%, due 6/15/2023	3,762	MarkWest Energy Partners LP / MarkWest Energy Finance Corp, 4.875%, due 6/1/2025	3,543
MarkWest Energy Partners LP / MarkWest Energy Finance Corp, 4.875%, due 6/1/2025	3,535	IASIS Healthcare LLC / IASIS Capital Corp, 8.375%, due 5/15/2019	3,531
FMG Resources August 2006 Pty Ltd, 9.750%, due 3/1/2022	3,508	Murray Energy Corp, 9.500%, due 12/5/2020	3,487
Tenet Healthcare Corp, 6.750%, due 6/15/2023	3,343	Caesars Entertainment Resort Properties LLC / Caesars Entertainment Resort Prope, 11.000%, due 10/1/2021	3,403
Murray Energy Corp, 144A, 11.250%, due 4/15/2021	3,245	Tenet Healthcare Corp, 6.750%, due 6/15/2023	3,383
Caesars Entertainment Resort Properties LLC / Caesars Entertainment Resort Prope, 11.000%, due 10/1/2021	3,241	Sprint Corp, 7.875%, due 9/15/2023	3,284
Valeant Pharmaceuticals International Inc, 144A, 6.125%, due 4/15/2025	3,081	CBRE Services Inc, 5.250%, due 3/15/2025	3,197
T-Mobile USA Inc, 6.500%, due 1/15/2026	3,080	Caesars Entertainment Resort Properties LLC / Caesars Entertainment Resort Properties Finance, Inc, 144A, 8.000%, due 10/1/2020	3,113

Legg Mason Western Asset Emerging Markets Total Return Bond Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Pelabuhan Indonesia III PT, 144A, 4.875%, due 10/1/2024	2,934	Indonesia Government International Bond, 5.250%, due 1/17/2042	3,485
Russian Agricultural Bank OJSC Via RSHB Capital SA, 7.750%, due 5/29/2018	1,291	Turkey Government International Bond, 5.625%, due 3/30/2021	2,670
Ecuador Government International Bond, 144A, 10.500%, due 3/24/2020	1,133	Pelabuhan Indonesia III PT, 144A, 4.875%, due 10/1/2024	2,429
KazMunayGas National Co JSC, 9.125%, due 7/2/2018	1,098	Petroleos Mexicanos, 6.625%, due 6/15/2035	1,969
Petrobras Global Finance BV, 5.375%, due 1/27/2021	1,087	Turkey Government International Bond, 4.875%, due 4/16/2043	1,899
Country Garden Holdings Co Ltd, 7.500%, due 3/9/2020	1,061	Peruvian Government International Bond, 6.550%, due 3/14/2037	1,893
Philippine Government International Bond, 3.700%, due 3/1/2041	1,000	Axtel SAB de CV, 9.000%, due 1/31/2020	1,719
Magyar Export-Import Bank Zrt, 144A, 4.000%, due 1/30/2020	871	Philippine Government International Bond, 5.000%, due 1/13/2037	1,625
Dominican Republic International Bond, 144A, 5.500%, due 1/27/2025	753	Indonesia Government International Bond, 144A, 5.875%, due 1/15/2024	1,588
Petrobras Global Finance BV, 4.375%, due 5/20/2023	703	Lithuania Government International Bond 144A, 6.125%, due 3/9/2021	1,564
Petrobras Global Finance BV, 5.625%, due 5/20/2043	692	Legg Mason Global Funds Plc – Western Asset Emerging Markets Corporate Bond Fund – LM Class US\$ Distributing (M)	1,550
Lukoil International Finance BV, 144A, 6.125%, due 11/9/2020	612	Croatia Government International Bond, 5.500%, due 4/4/2023	1,429
Export Credit Bank of Turkey, 144A, 5.875%, due 4/24/2019	586	Sri Lanka Government International Bond, 6.000%, due 1/14/2019	1,313
Egypt Government International Bond, 144A, 5.875%, due 6/11/2025	555	Petroleos Mexicanos, 5.500%, due 1/21/2021	1,287
Banco Nacional de Comercio Exterior SNC, 144A, 4.375%, due 10/14/2025	519	Russian Foreign Bond – Eurobond, 7.500%, due 3/31/2030	1,221
Bank of East Asia Ltd/The, 4.250%, due 11/20/2024	500	Colombia Government International Bond, 4.000%, due 2/26/2024	1,175
Dominican Republic International Bond, 144A, 6.850%, due 1/27/2045	495	Poland Government International Bond, 4.000%, due 1/22/2024	1,170
OCP SA, 4.500%, due 10/22/2025	484	Mexico Government International Bond, 4.750%, due 3/8/2044	1,121
Global Logistic Properties Ltd, 3.375%, due 5/11/2016	482	Dominican Republic International Bond, 144A, 5.500%, due 1/27/2025	1,085
Itau Unibanco Holding SA/Cayman Island 144A, 2.850%, due 5/26/2018	480	Uruguay Government International Bond, 4.500%, due 8/14/2024	1,006
Petrobras Global Finance BV, 3.500%, due 2/6/2017	469	Mexican Bonos, Series M 30, 8.500%, due 1/18/2038	1,001
National Bank of Abu Dhabi PJSC, 5.250%, Perpetual	458	Petroleos Mexicanos, 4.875%, due 1/24/2022	978
Russian Agricultural Bank OJSC Via RSHB Capital SA, 6.000%, due 6/3/2021	442	Turkey Government International Bond, 6.750%, due 5/30/2040	921
Senegal Government International Bond, 6.250%, due 7/30/2024	435	Paraguay Government International Bond 144A, 6.100%, due 8/11/2044	909
Pakistan Government International Bond, 6.875%, due 6/1/2017	415	Turkey Government International Bond, 7.500%, due 7/14/2017	907
Kazakhstan Government International Bond, 3.875%, due 10/14/2024	413	Hungary Government International Bond, 4.000%, due 3/25/2019	890
Jordan Government International Bond 144A, 6.125%, due 1/29/2026	412	Vimpel Communications OJSC Via UBS Luxembourg SA, 8.250%, due 5/23/2016	882
Kazakhstan Government International Bond, 4.875%, due 10/14/2044	395	Mexico Government International Bond, 5.550%, due 1/21/2045	878
Ecuador Government International Bond, 7.950%, due 6/20/2024	371	Philippine Government International Bond, 3.950%, due 1/20/2040	854
Export-Import Bank of China/The via Avi Funding Co Ltd, 144A, 2.850%, due 9/16/2020	360	KazMunayGas National Co JSC, 6.375%, due 4/9/2021	803
Jamaica Government International Bond, 7.625%, due 7/9/2025	315	Colombia Government International Bond, 4.375%, due 7/12/2021	799
ICICI Bank Ltd, 7.250%, Perpetual	301	Pacific Exploration and Production Corp, 5.375%, due 1/26/2019	794
Turkey Government International Bond, 4.250%, due 4/14/2026	296	Inversiones CMPC SA, 4.500%, due 4/25/2022	781
		Philippine Government International Bond, 6.375%, due 10/23/2034	770

Legg Mason Western Asset Emerging Markets Corporate Bond Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Hutchison Whampoa International 11 Ltd, 4.625%, due 1/13/2022	1,542	VimpelCom Holdings BV, 7.504%, due 3/1/2022	2,192
National Bank of Abu Dhabi PJSC, 5.250%, Perpetual	917	Hutchison Whampoa International 11 Ltd, 4.625%, due 1/13/2022	1,972
Itau Unibanco Holding SA/Cayman Island, 2.850%, due 5/26/2018	860	Cemex Finance LLC, 9.375%, due 10/12/2022	1,471
Petrobras Global Finance BV, 4.375%, due 5/20/2023	856	Indosat Palapa Co BV, 7.375%, due 7/29/2020	1,160
BBVA Bancomer SA/Texas, 6.750%, due 9/30/2022	852	Offshore Drilling Holding SA, 8.375%, due 9/20/2020	1,039
Oversea-Chinese Banking Corp Ltd, 4.250%, due 6/19/2024	846	Marfrig Holdings Europe BV, 6.875%, due 6/24/2019	1,025
Bank of China Ltd, 5.000%, due 11/13/2024	844	Digicel Ltd, 6.000%, due 4/15/2021	949
Sberbank of Russia Via SB Capital SA, 5.500%, due 2/26/2024	840	Abu Dhabi National Energy Co PJSC, 2.500%, due 1/12/2018	918
Country Garden Holdings Co Ltd, 7.500%, due 3/9/2020	806	Samarco Mineracao SA, 4.125%, due 11/1/2022	900
CNOOC Finance 2012 Ltd, 3.875%, due 5/2/2022	785	CNOOC Finance 2012 Ltd, 3.875%, due 5/2/2022	895
Korea Gas Corp, 3.500%, due 7/21/2025	749	Myriad International Holdings BV, 6.000%, due 7/18/2020	884
Itau Unibanco Holding SA/Cayman Island, 5.650%, due 3/19/2022	591	Odebrecht Finance Ltd, 4.375%, due 4/25/2025	865
Pacific Exploration and Production Corp, 5.375%, due 1/26/2019	537	Rosneft Finance SA, 7.875%, due 3/13/2018	860
ICBCIL Finance Co Ltd, 3.250%, due 3/17/2020	524	EDC Finance Ltd, 4.875%, due 4/17/2020	831

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

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

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Corpbanca SA, 3.875%, due 9/22/2019	458	Volcan Cia Minera SAA, 5.375%, due 2/2/2022	830
Wells Fargo & Co, 4.300%, due 7/22/2027	449	Pacific Exploration and Production Corp, 5.375%, due 1/26/2019	829
Agricultural Bank of China Ltd/New York, 2.750%, due 5/21/2020	429	Transportadora de Gas del Peru SA, 4.250%, due 4/30/2028	825
ONGC Videsh Ltd, 4.625%, due 7/15/2024	427	Pacific Exploration and Production Corp, 7.250%, due 12/12/2021	763
OCP SA, 4.500%, due 10/22/2025	425	Petrobras Global Finance BV, 4.375%, due 5/20/2023	745
Shinhan Bank, 2.250%, due 4/15/2020	420	Dolphin Energy Ltd, 5.500%, due 12/15/2021	736
Sberbank of Russia Via SB Capital SA, Series 7, 5.717%, due 6/16/2021	417	Ooredoo International Finance Ltd, 4.750%, due 2/16/2021	735
Banco Bilbao Vizcaya Argentaria Colombia SA, 4.875%, due 4/21/2025	400	Southern Copper Corp, 6.750%, due 4/16/2040	733
Petrobras Global Finance BV, 5.375%, due 1/27/2021	383	Petrobras Global Finance BV, 7.875%, due 3/15/2019	730
China Cinda Finance 2015 I Ltd, 3.125%, due 4/23/2020	352	Bank of China Ltd, 5.000%, due 11/13/2024	729
Baidu Inc, 2.750%, due 6/9/2019	350	Korea East-West Power Co Ltd, 144A, 2.500%, due 6/2/2020	692
AES Panama SRL, 6.000%, due 6/25/2022	350	GeoPark Latin America Ltd Agencia en Chile, 7.500%, due 2/11/2020	689
CDBL Funding 1, 3.250%, due 12/2/2019	350	Celulosa Arauco y Constitucion SA, 4.750%, due 1/11/2022	677
Alibaba Group Holding Ltd, 2.500%, due 11/28/2019	347	Cementos Pacasmayo SAA, 4.500%, due 2/8/2023	673
Alibaba Group Holding Ltd, 2.500%, due 11/28/2019	346	Country Garden Holdings Co Ltd, 11.125%, due 2/23/2018	640
ICBCIL Finance Co Ltd, 3.200%, due 11/10/2020	346	Industrial & Commercial Bank of China Ltd/New York, 3.231%, due 11/13/2019	639
Korea Hydro & Nuclear Power Co Ltd, 4.750%, due 7/13/2021	332	MDC-GMTN B.V., 7.625%, due 5/6/2019	638
DP World Ltd, 6.850%, due 7/2/2037	327	Fibria Overseas Finance Ltd, 5.250%, due 5/12/2024	638
Bharti Airtel Ltd, 4.375%, due 6/10/2025	308	Gas Natural de Lima y Callao SA, 4.375%, due 4/1/2023	636
ICICI Bank Ltd, 7.250%, Perpetual	301	Perusahaan Listrik Negara PT, 5.500%, due 11/22/2021	634
Myriad International Holdings BV, 5.500%, due 7/21/2025	300	Reliance Holding USA Inc, 4.500%, due 10/19/2020	622
Petrobras Global Finance BV, 5.625%, due 5/20/2043	294	CRCC Yupeng Ltd, 3.950%, Perpetual	622
Russian Agricultural Bank OJSC Via RSHB Capital SA, 6.000%, due 6/3/2021	282	Vale Overseas Ltd, 4.375%, due 1/11/2022	613
Ecopetrol SA, 5.375%, due 6/26/2026	278		
Russian Agricultural Bank OJSC Via RSHB Capital SA, 6.299%, due 5/15/2017	260		
JBS USA LLC / JBS USA Finance Inc, 5.750%, due 6/15/2025	250		
Banco Latinoamericano de Comercio Exterior SA, 3.250%, due 5/7/2020	249		

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 Euro High Yield Fund LM Class Euro (Accumulating)	24,110	Western Asset Liquidity Funds Plc – Western Asset Euro High Yield Fund LM Class Euro (Accumulating)	26,863
United States Treasury Note/Bond, 1.375%, due 9/30/2020	17,638	United States Treasury Note/Bond, 1.375%, due 9/30/2020	14,534
United States Treasury Note/Bond, 1.500%, due 5/31/2020	7,715	Mexican Bonos, Series M, 6.500%, due 6/9/2022	8,107
HCA Inc, 5.375%, due 2/1/2025	3,818	United States Treasury Note/Bond, 1.500%, due 5/31/2020	7,727
Petroleos de Venezuela SA, 6.000%, due 5/16/2024	3,174	Legg Mason Qualified Investor Funds (II) Plc – Legg Mason Western Asset Senior Loans Fund – LM Class US\$ Distributing (monthly)	7,699
CCO Safari II LLC, 144A, 4.908%, due 7/23/2025	2,500	HCA Inc, 5.375%, due 2/1/2025	5,593
Gazprom OAO Via Gaz Capital SA, 144A, 6.510%, due 3/7/2022	2,425	Evraz Group SA, 6.750%, due 4/27/2018	4,948
Valeant Pharmaceuticals International Inc 144A, 6.125%, due 4/15/2025	2,399	GMAC Capital Trust I, Series 2, 6.402%, due 2/15/2040	4,789
DJO Finco Inc / DJO Finance LLC / DJO Finance Corp 144A, 8.125%, due 6/15/2021	2,380	VimpelCom Holdings BV, 7.504%, due 3/1/2022	4,520
Numericable-SFR SA, 144A, 6.250%, due 5/15/2024	2,318	Sprint Capital Corp, 8.750%, due 3/15/2032	4,206
Oi Brasil Holdings Cooperatief UA, 144A, 5.750%, due 2/10/2022	2,257	Legg Mason Global Funds Plc – Western Asset Euro High Yield Fund LM Class Euro (Accumulating)	3,719
Tenet Healthcare Corp, 8.125%, due 4/1/2022	2,230	Lantheus Medical Imaging Inc, 9.750%, due 5/15/2017	3,701
Caesars Entertainment Resort Properties LLC / Caesars Entertainment Resort Prope, 11.000%, due 10/1/2021	2,222	Venezuela Government International Bond, 7.750%, due 10/13/2019	3,510
Telecom Italia SpA, 144A, 5.303%, due 5/30/2024	2,177	Interface Security Systems Holdings Inc / Interface Security Systems LLC, 9.250%, due 1/15/2018	3,098
First Data Corp, 144A, 5.375%, due 8/15/2023	2,150	Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 144A, 7.000%, due 11/15/2020	2,957
Intelsat Jackson Holdings SA, 5.500%, due 8/1/2023	2,149	Level 3 Financing Inc 144A, 5.625%, due 2/1/2023	2,640
Argentine Republic Government International Bond, 8.280%, due 12/31/2033	2,142	DJO Finance LLC / DJO Finance Corp, 9.875%, due 4/15/2018	2,630
Quicken Loans Inc, 144A, 5.750%, due 5/1/2025	2,111	Axtel SAB de CV, 9.000%, due 1/31/2020	2,475
Petrobras Global Finance BV, 6.875%, due 1/20/2040	2,106	New Cotai LLC / New Cotai Capital Corp, 144A, 10.625%, due 5/1/2019	2,472
Valeant Pharmaceuticals International Inc, 144A, 5.625%, due 12/1/2021	2,096	Valeant Pharmaceuticals International Inc 144A, 6.125%, due 4/15/2025	2,458

Legg Mason Western Asset US Short-Term Government Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
United States Treasury Note/Bond, 0.625%, due 8/31/2017	4,639	United States Treasury Note/Bond, 0.375%, due 1/15/2016	3,703
United States Treasury Note/Bond, 0.875%, due 10/15/2017	2,992	United States Treasury Note/Bond, 0.250%, due 4/15/2016	3,120
United States Treasury Note/Bond, 0.875%, due 11/30/2017	1,997	United States Treasury Note/Bond, 0.375%, due 3/31/2016	3,045
United States Treasury Note/Bond, 0.750%, due 10/31/2017	1,997	United States Treasury Note/Bond, 0.375%, due 1/31/2016	2,506
United States Treasury Bill, zero coupon, due 6/2/2016	1,721	United States Treasury Note/Bond, 0.875%, due 11/30/2017	1,997
United States Treasury Note/Bond, 0.500%, due 4/30/2017	1,497	United States Treasury Bill, zero coupon, due 6/2/2016	1,722
United States Treasury Note/Bond, 1.375%, due 7/31/2018	1,258	United States Treasury Note/Bond, 0.875%, due 1/31/2017	1,508
United States Treasury Note/Bond, 0.625%, due 5/31/2017	1,248	United States Treasury Note/Bond, 0.500%, due 4/30/2017	1,494
United States Treasury Note/Bond, 1.000%, due 5/15/2018	1,247	United States Treasury Note/Bond, 0.250%, due 5/15/2016	1,450
United States Treasury Note/Bond, 0.625%, due 9/30/2017	1,243	United States Treasury Note/Bond, 0.625%, due 5/31/2017	1,245
United States Treasury Note/Bond, 0.500%, due 7/31/2017	1,242	United States Treasury Note/Bond, 1.375%, due 7/31/2018	1,128
United States Treasury Note/Bond, 0.625%, due 4/30/2018	1,129	Federal National Mortgage Association, 5.000%, due 3/15/2016	1,024
United States Treasury Note/Bond, 0.500%, due 2/28/2017	998	Federal National Mortgage Association, 2.375%, due 4/11/2016	1,011
United States Treasury Note/Bond, 0.625%, due 11/30/2017	993	Federal National Mortgage Association, 2.250%, due 3/15/2016	1,010
Fannie Mae Pool, 30 year, TBA, 4.000%	957	Federal National Mortgage Association, 0.500%, due 3/30/2016	1,002
United States Treasury Note/Bond, 1.125%, due 6/15/2018	652	United States Treasury Note/Bond, 0.375%, due 3/15/2016	1,002
United States Treasury Note/Bond, 0.625%, due 6/30/2017	650	United States Treasury Note/Bond, 0.500%, due 2/28/2017	1,000
Federal Home Loan Bank Discount Notes, zero coupon, due 3/20/2015	560	United States Treasury Note/Bond, 0.375%, due 5/31/2016	986
Federal Home Loan Bank Discount Notes, zero coupon, due 10/16/2015	535	Fannie Mae Pool, 30 year, TBA, 4.000%	957
Federal Home Loan Bank Discount Notes, zero coupon, due 5/8/2015	520	United States Treasury Note/Bond, 0.750%, due 10/31/2017	748
Federal Home Loan Bank Discount Notes, zero coupon, due 2/5/2016	500	Federal Home Loan Bank Discount Notes, zero coupon, due 3/20/2015	560
		Federal Home Loan Bank Discount Notes, zero coupon, due 10/16/2015	535

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

Legg Mason Western Asset US Adjustable Rate Fund

MAJOR PURCHASES

	COST (in 000\$)
United States Treasury Floating Rate Note, 0.597%, due 1/31/2018	1,436
United States Treasury Floating Rate Note, 0.314%, due 1/31/2017	1,185
Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	1,176
United States Treasury Floating Rate Note, 0.283%, due 10/31/2016	820
United States Treasury Floating Rate Note, 0.493%, due 10/31/2017	545
United States Treasury Floating Rate Note, 0.399%, due 4/30/2017	455
Federal Home Loan Bank Discount Notes, zero coupon, due 3/20/2015	450
United States Treasury Note/Bond, 0.2500%, due 12/31/2015	350
Federal Home Loan Bank Discount Notes, zero coupon, due 12/11/2015	275
Federal Home Loan Bank Discount Notes, zero coupon, due 11/19/2015	260
Federal Home Loan Bank Discount Notes, zero coupon, due 3/9/2016	260
Federal Home Loan Bank Discount Notes, zero coupon, due 3/14/2016	241
Federal Home Loan Bank Discount Notes, zero coupon, due 2/17/2016	200
Federal Home Loan Bank Discount Notes, zero coupon, due 4/16/2015	200
United States Treasury Bill, zero coupon, due 2/4/2016	165
Federal Home Loan Bank Discount Notes, zero coupon, due 2/10/2016	160
Federal Home Loan Bank Discount Notes, zero coupon, due 2/29/2016	160
Fannie Mae Discount Notes, zero coupon, due 4/15/2015	150
Federal Home Loan Bank Discount Notes, zero coupon, due 8/11/2015	145
Federal Home Loan Bank Discount Notes, zero coupon, due 7/20/2015	135
Federal Home Loan Bank Discount Notes, zero coupon, due 1/25/2016	130
Freddie Mac Discount Notes, zero coupon, due 12/21/2015	125
Federal Home Loan Bank Discount Notes, zero coupon, due 12/30/2015	125
United States Treasury Bill, zero coupon, due 8/6/2015	105
Chase Issuance Trust, 0.686%, due 4/15/2019	100
Chase Issuance Trust, 0.686%, due 11/15/2018	100
Freddie Mac Discount Notes, zero coupon, due 3/25/2015	100
Fannie Mae Discount Notes, zero coupon, due 5/6/2015	100

MAJOR SALES

	PROCEEDS (in 000\$)
United States Treasury Floating Rate Note, 0.283%, due 10/31/2016	1,640
Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	1,193
United States Treasury Floating Rate Note, 0.314%, due 1/31/2017	1,185
Federal Home Loan Bank Discount Notes, zero coupon, due 3/20/2015	450
Federal Farm Credit Banks, 0.260%, due 2/26/2016	400
United States Treasury Note/Bond, 1.000%, due 9/15/2017	393
United States Treasury Note/Bond, 0.250%, due 12/31/2015	350
United States Treasury Floating Rate Note, 0.169%, due 4/30/2017	332
Structured Adjustable Rate Mortgage Loan Trust, 0.838%, due 6/25/2034	324
Federal Home Loan Bank Discount Notes, zero coupon, due 12/11/2015	275
Federal Home Loan Bank Discount Notes, zero coupon, due 11/19/2015	260
Wells Fargo & Co, 0.494%, due 10/28/2015	250
Federal Home Loan Bank Discount Notes, zero coupon, due 2/17/2016	200
Federal Home Loan Bank Discount Notes, zero coupon, due 4/16/2015	200
Fannie Mae Discount Notes, zero coupon, due 3/3/2015	165
United States Treasury Bill, zero coupon, due 2/4/2016	165
Federal Home Loan Bank Discount Notes, zero coupon, due 2/10/2016	160
Federal Home Loan Bank Discount Notes, zero coupon, due 2/29/2016	160
General Electric Capital Corp, 0.886%, due 12/11/2015	150
Fannie Mae Discount Notes, zero coupon, due 4/15/2015	150
Nissan Master Owner Trust Receivables, Series 2013 A, Class A, 0.498%, due 2/15/2018	150
Federal Home Loan Bank Discount Notes, zero coupon, due 8/11/2015	145
Nissan Auto Lease Trust 2014-A, 0.491%, due 9/15/2016	142
Federal Home Loan Bank Discount Notes, zero coupon, due 7/20/2015	135
Federal Home Loan Bank Discount Notes, zero coupon, due 1/25/2016	130
Impac Secured Assets CMN Owner Trust, 1.233%, due 11/25/2034	128
United States Treasury Floating Rate Note, 0.299%, due 4/30/2016	125
Freddie Mac Discount Notes, zero coupon, due 12/21/2015	125
Federal Home Loan Bank Discount Notes, zero coupon, due 12/30/2015	125

Legg Mason Western Asset Global Inflation Management Fund

MAJOR PURCHASES

	COST (in 000\$)
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	13,065
Spain Government Inflation Linked Bond, 144A, 1.800%, due 11/30/2024	1,471
United States Treasury Inflation Indexed Bonds, 0.750%, due 2/15/2045	1,461
Italy Buoni Poliennali Del Tesoro, Series CPI, 2.550%, due 9/15/2041	1,314
United Kingdom Gilt Inflation Linked, Series 3MO, 0.125%, due 3/22/2024	1,139
United Kingdom Gilt Inflation Linked, Series 3MO, 0.125%, due 3/22/2058	1,042
France Government Bond OAT, Series OATe, 1.800%, due 7/25/2040	992
France Government Bond OAT, Series OATe, 0.250%, due 7/25/2024	947
United Kingdom Gilt Inflation Linked, Series 3MO, 0.625%, due 11/22/2042	785
Poland Government Bond, Series 0725, 3.250%, due 7/25/2025	677
United States Treasury Inflation Indexed Bonds, 0.375%, due 7/15/2025	670
Sweden Government Bond, Series 1053, 3.500%, due 3/30/2039	667
Italy Buoni Poliennali Del Tesoro, Series CPI, 144A, 2.350%, due 9/15/2024	645
United Kingdom Gilt Inflation Linked, Series 3MO, 0.125%, due 3/22/2044	628
United Kingdom Gilt Inflation Linked, Series 3MO, 0.125%, due 3/22/2068	625
United States Treasury Inflation Indexed Bonds, 0.625%, due 1/15/2024	581
United States Treasury Inflation Indexed Bonds, 1.625%, due 1/15/2018	578
Deutsche Bundesrepublik Inflation Linked Bond, Series I/L, 0.100%, due 4/15/2023	519
United States Treasury Inflation Indexed Bonds, 0.125%, due 4/15/2019	518
United States Treasury Inflation Indexed Bonds, 0.250%, due 1/15/2025	508
New Zealand Government Bond, 3.000%, due 9/20/2030	472
France Government Bond OAT, Series OATe, 0.250%, due 7/25/2018	447
United States Treasury Inflation Indexed Bonds, 0.125%, due 1/15/2022	433
United Kingdom Gilt, 3.250%, due 1/22/2044	396

MAJOR SALES

	PROCEEDS (in 000\$)
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	13,568
United States Treasury Inflation Indexed Bonds, 0.125%, due 4/15/2016	1,068
United Kingdom Gilt Inflation Linked, Series 3MO, 0.125%, due 3/22/2024	1,045
United States Treasury Inflation Indexed Bonds, 0.125%, due 1/15/2022	1,041
United States Treasury Inflation Indexed Bonds, 1.125%, due 1/15/2021	903
Spain Government Inflation Linked Bond, 144A, 1.800%, due 11/30/2024	731
Poland Government Bond, Series 0725, 3.250%, due 7/25/2025	720
United States Treasury Inflation Indexed Bonds, 0.125%, due 4/15/2018	706
Sweden Government Bond, Series 1053, 3.500%, due 3/30/2039	695
United States Treasury Inflation Indexed Bonds, 0.125%, due 4/15/2017	689
France Government Bond OAT, Series OATe, 0.250%, due 7/25/2024	681
United Kingdom Gilt Inflation Linked, Series 3MO, 0.125%, due 3/22/2058	649
France Government Bond OAT, Series OATe, 1.800%, due 7/25/2040	629
United States Treasury Inflation Indexed Bonds, 0.125%, due 7/15/2022	628
United Kingdom Gilt Inflation Linked, Series 3MO, 0.125%, due 3/22/2068	622
United States Treasury Inflation Indexed Bonds, 0.750%, due 2/15/2045	600
United States Treasury Inflation Indexed Bonds, 1.625%, due 1/15/2018	579
United States Treasury Inflation Indexed Bonds, 2.000%, due 1/15/2026	550
United States Treasury Inflation Indexed Bonds, 0.125%, due 4/15/2019	524
Deutsche Bundesrepublik Inflation Linked Bond, Series I/L, 0.100%, due 4/15/2023	498
United States Treasury Inflation Indexed Bonds, 0.250%, due 1/15/2025	464
France Government Bond OAT, Series OATe, 0.250%, due 7/25/2018	434
United Kingdom Gilt, 3.250%, due 1/22/2044	405
Italy Buoni Poliennali Del Tesoro, Series CPI, 2.550%, due 9/15/2041	403
United States Treasury Inflation Indexed Bonds, 1.250%, due 7/15/2020	397
United States Treasury Inflation Indexed Bonds, 1.750%, due 1/15/2028	387
United States Treasury Inflation Indexed Bonds, 0.125%, due 7/15/2024	348

Legg Mason Western Asset Asian Opportunities Fund

MAJOR PURCHASES

	COST (in 000\$)
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	223,991
Philippine Government International Bond, 6.250%, due 1/14/2036	26,387
United States Treasury Note/Bond, 2.000%, due 2/15/2025	16,731
China Government Bond, 3.600%, due 9/20/2030	15,555
Singapore Government Bond, 2.750%, due 3/1/2046	6,943
Vietnam Government International Bond, 4.800%, due 11/19/2024	6,498
Malaysia Government Bond, Series 0115, 3.955%, due 9/15/2025	5,297
Scentre Group Trust 1 / Scentre Group Trust 2, 2.375%, due 4/28/2021	5,142
Philippine Government International Bond, 3.900%, due 11/26/2022	4,710
China Government Bond, 3.310%, due 11/30/2025	3,886
Swire Pacific MTN Financing Ltd, Class E, 3.875%, due 9/21/2025	3,496
Pertamina Persero PT, 5.250%, due 5/23/2021	3,057
Country Garden Holdings Co Ltd, 7.500%, due 3/9/2020	3,000

MAJOR SALES

	PROCEEDS (in 000\$)
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	223,411
Korea Treasury Bond, Series 2206, 3.750%, due 6/10/2022	27,338
Philippine Government International Bond, 6.250%, due 1/14/2036	22,564
United States Treasury Note/Bond, 2.000%, due 2/15/2025	16,858
Thailand Government Bond, 3.625%, due 6/16/2023	14,262
Korea Treasury Bond, Series 2409, 3.000%, due 9/10/2024	13,416
Malaysia Government Bond, Series 0111, 4.160%, due 7/15/2021	10,204
Malaysia Government Bond, Series 0902, 4.378%, due 11/29/2019	9,890
Thailand Government Bond, 3.850%, due 12/12/2025	9,494
Housing Development Finance Corp, Series L-08, 9.750%, due 5/29/2015	9,448
Korea Treasury Bond, Series 3112, 4.000%, due 12/10/2031	9,435
Korea Treasury Bond, Series 2106, 4.250%, due 6/10/2021	8,404
Singapore Government Bond, 3.500%, due 3/1/2027	8,269

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

Legg Mason Western Asset Asian Opportunities Fund – (continued)

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Sri Lanka Government International Bond, 6.850%, due 11/3/2025	2,998	Singapore Government Bond, 2.875%, due 9/1/2030	8,001
Agricultural Bank of China Ltd/New York, 2.750%, due 5/21/2020	2,991	Wheelock Finance Ltd, 3.000%, due 3/19/2018	5,083
Azure Orbit II International Finance Ltd, Class E, 3.125%, due 8/21/2020	2,989	Singapore Government Bond, 3.125%, due 9/1/2022	5,066
CDBL Funding 1, 3.250%, due 12/2/2019	2,985	Bestgain Real Estate Ltd, 2.625%, due 3/13/2018	4,991
Yuzhou Properties Co Ltd, 8.625%, due 1/24/2019	2,593	Russian Agricultural Bank OJSC Via RSHB Capital SA, 3.600%, due 2/4/2016	4,953
Lenovo Group Ltd, 4.950%, due 6/10/2020	2,420	Hongkong & Shanghai Banking Corp Ltd/Singapore, 2.250%, due 6/5/2015	4,883
Swire Properties MTN Financing Ltd, 3.625%, due 1/13/2026	2,292	Malaysia Government Bond, Series 0313, 3.480%, due 3/15/2023	4,808

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)	23,289	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	20,085
GE Capital International Funding Co, 2.342%, due 11/15/2020	879	United States Treasury Note/Bond, 1.250%, due 1/31/2020	2,770
Citigroup Inc, 3.300%, due 4/27/2025	639	Japan Bank for International Cooperation/Japan, 2.625%, due 12/15/2020	1,138
Visa Inc, 3.150%, due 12/14/2025	548	Royal Bank of Scotland Plc/The, 5.625%, due 8/24/2020	1,067
Gilead Sciences Inc, 3.650%, due 3/1/2026	522	Barclays Bank Plc, 1.500%, due 4/4/2017	952
ACE INA Holdings Inc, 3.350%, due 5/3/2026	517	General Electric Co, 4.625%, due 1/7/2021	891
Lloyds Bank Plc, 2.400%, due 3/17/2020	449	Danske Bank A/S, 3.875%, due 4/14/2016	772
Belgium Government International Bond, 1.125%, due 12/21/2018	445	Citigroup Inc, 3.735%, due 9/4/2019	709
Lloyds Bank Plc, 2.500%, due 6/1/2022	419	Apache Corp, 6.900%, due 9/15/2018	680
Pohjola Bank Oyj, 2.500%, due 5/20/2022	419	Citigroup Inc, 8.500%, due 5/22/2019	672
Shell International Finance BV, 3.250%, due 5/11/2025	409	BG Energy Capital Plc, 5.125%, due 12/7/2017	611
Nationwide Building Society, 2.250%, due 4/29/2022	404	McDonald's Corp, 2.625%, due 1/15/2022	610
Toronto-Dominion Bank/The, 2.500%, due 12/14/2020	349	Coca-Cola Co/The, 3.150%, due 11/15/2020	552
Westpac Banking Corp, 2.625%, due 12/14/2022	345	El du Pont de Nemours & Co, 6.000%, due 7/15/2018	540
Anheuser-Busch InBev Finance Inc, 3.650%, due 2/1/2026	340	Bank of America Corp, 7.625%, due 6/1/2019	532
Occidental Petroleum Corp, 3.500%, due 6/15/2025	322	Total Capital International SA, 1.550%, due 6/28/2017	505
AbbVie Inc, 3.600%, due 5/14/2025	318	Colgate-Palmolive Co, 2.450%, due 11/15/2021	491
Halliburton Co, 3.800%, due 11/15/2025	317	International Business Machines Corp, 7.625%, due 10/15/2018	477
Medtronic Inc, 3.500%, due 3/15/2025	313	Belgium Government International Bond, 1.125%, due 12/21/2018	467
American Express Co, 2.650%, due 12/2/2022	271	DNB Bank ASA, 4.375%, due 2/24/2021	460
		EOG Resources Inc, 5.625%, due 6/1/2019	396

Legg Mason Western Asset Brazil Bond Fund^

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Brazil Notas do Tesouro Nacional Serie F, Series NTN, 10.000%, due 1/1/2021	8,803	Brazil Letras do Tesouro Nacional, Series LTN, zero coupon, due 7/1/2015	7,877
Brazil Letras do Tesouro Nacional, Series LTN, zero coupon, due 4/1/2016	7,660	Brazil Letras do Tesouro Nacional, Series LTN, zero coupon, due 4/1/2016	7,476
Brazil Notas do Tesouro Nacional Serie F, Series NTN, 10.000%, due 1/1/2023	7,256	Brazil Notas do Tesouro Nacional Serie F, Series NTN, 10.000%, due 1/1/2021	7,309
Brazil Letras do Tesouro Nacional, Series LTN, zero coupon, due 1/1/2018	7,033	Brazil Notas do Tesouro Nacional Serie F, Series NTN, 10.000%, due 1/1/2023	6,906
Brazil Letras do Tesouro Nacional, Series LTN, zero coupon, due 1/1/2016	5,413	Brazil Letras do Tesouro Nacional, Series LTN, zero coupon, due 1/1/2017	6,417
Brazil Notas do Tesouro Nacional Serie F, Series NTN, 10.000%, due 1/1/2017	5,218	Brazil Letras do Tesouro Nacional, Series LTN, zero coupon, due 1/1/2018	6,166
Brazil Letras do Tesouro Nacional, Series LTN, zero coupon, due 1/1/2017	66	Brazil Notas do Tesouro Nacional Serie F, Series NTN, 10.000%, due 1/1/2017	6,067
Brazil Notas do Tesouro Nacional Serie B, Series NTN, 6.000%, due 8/15/2020	63	Brazil Letras do Tesouro Nacional, Series LTN, zero coupon, due 1/1/2016	5,748
		Brazil Letras do Tesouro Nacional, Series LTN, zero coupon, due 4/1/2015	5,482
		Brazil Letras do Tesouro Nacional, Series LTN, zero coupon, due 7/1/2016	5,228
		Brazil Notas do Tesouro Nacional Serie B, Series NTN, 6.000%, due 8/15/2050	715
		Brazil Notas do Tesouro Nacional Serie F, Series NTN, 10.000%, due 1/1/2018	244
		Brazil Notas do Tesouro Nacional Serie F, Series NTN, 10.000%, due 1/1/2019	115

Legg Mason Western Asset Global Credit Absolute Return Fund^

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
United States Treasury Inflation Indexed Bonds, 0.750%, due 2/15/2045	5,702	United States Treasury Note/Bond, 3.625%, due 8/15/2043	10,671
United States Treasury Note/Bond, 2.500%, due 2/15/2045	2,477	United States Treasury Inflation Indexed Bonds, 0.750%, due 2/15/2045	5,369
Sprint Communications Inc, 11.500%, due 11/15/2021	1,291	Glencore Finance Canada Ltd, 2.050%, due 10/23/2015	3,021
United States Treasury Note/Bond, 2.000%, due 2/15/2025	951	United States Treasury Note/Bond, 2.500%, due 2/15/2045	2,592
Goldman Sachs Group Inc/The, 6.750%, due 10/1/2037	778	GMAC Capital Trust I, Series 2	1,923
Teachers Insurance & Annuity Association of America, 144A, 6.850%, due 12/16/2039	778	Legg Mason Qualified Investor Funds (II) Plc – Legg Mason Western Asset Senior Loans Fund – LM Class US\$ Distributing (monthly)	1,918
MarkWest Energy Partners LP / MarkWest Energy Finance Corp, 4.875%, due 6/1/2025	743	Petrobras Global Finance BV, 2.393%, due 1/15/2019	1,768
Argos Merger Sub Inc, 144A, 7.125%, due 3/15/2023	650	Credit Agricole SA, 144A, 8.375%, Perpetual	1,726
Comstock Resources Inc, 10.000%, due 3/15/2020	641	Wachovia Capital Trust III, 5.570%, Perpetual	1,252
HSBC Holdings Plc, 6.375%, Perpetual	596	Royal Bank of Scotland Plc/The, 13.125%, due 3/19/2022	1,224
Constellation Brands Inc, 4.750%, due 12/1/2025	568	Calumet Specialty Products Partners LP / Calumet Finance Corp, 9.625%, due 8/1/2020	1,161
United States Treasury Note/Bond, 3.000%, due 5/15/2045	561	Lantheus Medical Imaging Inc, 9.750%, due 5/15/2017	1,138
Dollar Tree Inc, 144A, 5.750%, due 3/1/2023	527	HSBC Finance Corp, 6.676%, due 1/15/2021	1,112
Citigroup Inc, 4.300%, due 11/20/2026	516	First Wind Capital LLC, 10.250%, due 6/1/2018	1,103
Commercial Barge Line Co, 10.750%, due 3/22/2020	511	DISH DBS Corp, 7.875%, due 9/1/2019	1,083
Credit Suisse Group Funding Guernsey Ltd, 144A, 4.875%, due 5/15/2045	508	Ford Motor Credit Co LLC, 8.125%, due 1/15/2020	1,071
Bank of America Corp, 4.000%, due 1/22/2025	506	Interface Security Systems Holdings Inc / Interface Security Systems LLC, 9.250%, due 1/15/2018	1,069
Pilgrim's Pride Corp, 144A, 5.750%, due 3/15/2025	500	Portugal Government International Bond, 144A, 5.125%, due 10/15/2024	1,065
Valeant Pharmaceuticals International Inc, 144A, 7.500%, due 7/15/2021	499	Landry's Holdings II Inc, 144A, 10.250%, due 1/1/2018	1,061
Numerical-SFR SAS, 6.250%, due 5/15/2024	497	Unitymedia Hessen GmbH & Co KG / Unitymedia NRW GmbH, 5.500%, due 1/15/2023	1,054

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

Legg Mason Western Asset Global Core Plus Bond 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)	157,712	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	157,423
Italy Buoni Poliennali Del Tesoro, 3.750%, due 9/1/2024	20,836	Italy Buoni Poliennali Del Tesoro, 3.750%, due 9/1/2024	21,170
Poland Government Bond, Series 0725, 3.250%, due 7/25/2025	11,561	United States Treasury Note/Bond, 1.500%, due 12/31/2018	14,315
United States Treasury Note/Bond, 1.125%, due 2/28/2021	11,555	United States Treasury Note/Bond, 1.250%, due 1/31/2019	9,159
United States Treasury Note/Bond, 1.500%, due 12/31/2018	10,309	Fannie Mae Pool, 30 year, TBA, 4.000%	8,486
United States Treasury Note/Bond, 1.375%, due 1/31/2021	10,250	Fannie Mae Pool, 15 year, TBA, 3.000%	8,417
United States Treasury Note/Bond, 0.625%, due 8/15/2016	9,128	Italy Buoni Poliennali Del Tesoro, 4.500%, due 3/1/2024	7,990
Fannie Mae Pool, 30 year, TBA, 4.000%	8,486	Fannie Mae Pool, 30 year, TBA, 4.000%	6,806
Fannie Mae Pool, 15 year, TBA, 3.000%	8,412	United States Treasury Note/Bond, 0.250%, due 9/15/2015	6,618
United States Treasury Note/Bond, 4.500%, due 2/15/2036	7,264	United States Treasury Note/Bond, 0.625%, due 12/31/2016	6,572
Fannie Mae Pool, 30 year, TBA, 4.000%	6,810	Italy Buoni Poliennali Del Tesoro, 2.000%, due 12/1/2025	5,153
United States Treasury Note/Bond, 1.625%, due 2/15/2026	6,388	Fannie Mae Pool, 15 year, TBA, 3.000%	5,005
Italy Buoni Poliennali Del Tesoro, 144A, 3.250%, due 9/1/2046	6,046	Italy Buoni Poliennali Del Tesoro, 144A, 3.250%, due 9/1/2046	4,837
Italy Buoni Poliennali Del Tesoro, 2.000%, due 12/1/2025	5,706	Fannie Mae Pool, 30 year, TBA, 3.500%	4,783
United States Treasury Note/Bond, 1.750%, due 3/31/2022	5,555	Fannie Mae Pool, 15 year, TBA, 3.000%	4,576
United States Treasury Note/Bond, 1.625%, due 7/31/2020	5,370	Fannie Mae Pool, 15 year, TBA, 3.000%	4,561
Italy Buoni Poliennali Del Tesoro, 4.500%, due 3/1/2024	5,355	Fannie Mae Pool, 15 year, TBA, 3.000%	4,549
United States Treasury Note/Bond, 3.000%, due 11/15/2045	5,294	Poland Government Bond, Series 0725, 3.250%, due 7/25/2025	4,496
Fannie Mae Pool, 15 year, TBA, 3.000%	5,000	Fannie Mae Pool, 30 year, TBA, 4.500%	4,117
Fannie Mae Pool, 30 year, TBA, 3.500%	4,783	Fannie Mae Pool, 30 year, TBA, 4.500%	4,099

Legg Mason Western Asset Global Credit 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)	19,542	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	18,293
United States Treasury Note/Bond, 2.500%, due 2/15/2045	1,376	United States Treasury Note/Bond, 1.625%, due 6/30/2019	3,916
Shell International Finance BV, 3.250%, due 5/11/2025	748	United States Treasury Note/Bond, 2.000%, due 2/15/2025	3,343
Alpha Trains Finance SA, 2.064%, due 6/30/2025	737	United Kingdom Gilt, 1.250%, due 7/22/2018	2,869
Imperial Brands Finance Plc, 4.250%, due 7/21/2025	724	Bank Nederlandse Gemeenten NV, 1.875%, due 12/7/2018	1,765
GE Capital International Funding Co, 2.342%, due 11/15/2020	689	European Investment Bank, 4.125%, due 4/15/2024	1,451
United States Treasury Note/Bond, 2.000%, due 2/15/2025	663	United States Treasury Note/Bond, 2.500%, due 2/15/2045	1,408
Goldman Sachs Group Inc/The, 2.875%, due 6/3/2026	584	Goldman Sachs Group Inc/The, 5.125%, due 10/23/2019	1,202
Sky Plc, 2.250%, due 11/17/2025	578	Bundesrepublik Deutschland, 1.500%, due 2/15/2023	1,089
Citigroup Inc, 2.125%, due 9/10/2026	577	Sinopec Group Overseas Development 2013 Ltd, 4.375%, due 10/17/2023	781
Commonwealth Bank of Australia, 2.000%, due 4/22/2027	511	General Electric Capital Corp, 6.750%, due 3/15/2032	693
Schlumberger Holdings Corp, 144A, 4.000%, due 12/21/2025	510	General Electric Co, 4.650%, due 10/17/2021	690
BAT International Finance Plc, 1.250%, due 3/13/2027	496	Diageo Investment Corp, 2.875%, due 5/11/2022	679
GE Capital International Funding Co, 4.418%, due 11/15/2035	489	Southern Gas Networks Plc, Series A5, 4.875%, due 12/21/2020	657
CVS Health Corp, 5.125%, due 7/20/2045	469	Pfizer Inc, 3.400%, due 5/15/2024	652
Koninklijke KPN NV, 5.625%, due 9/30/2024	467	Caterpillar Financial Services Corp, 2.850%, due 6/1/2022	615
Berkshire Hathaway Inc, 1.125%, due 3/16/2027	457	UBS AG/Stamford CT, 4.875%, due 8/4/2020	613
HSBC Holdings Plc, 6.375%, Perpetual	450	Cooperatieve Centrale Raiffeisen-Boerenleenbank BA/Netherlands, 3.375%, due 1/19/2017	598
Prudential Plc, 5.000%, due 7/20/2055	440	Merck & Co Inc, 3.700%, due 2/10/2045	590
BAE Systems Holdings Inc, 144A, 4.750%, due 10/7/2044	431	Danske Bank A/S, 3.875%, due 4/14/2016	587

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 Sterling Liquidity Fund Class WA (Distributing)	2,810	Western Asset Liquidity Funds Plc – Western Asset Sterling Liquidity Fund Class WA (Distributing)	6,508
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	2,723	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	3,208
Garfunkelux Holdco 3 SA, 7.500%, due 8/1/2022	1,813	Unitymedia GmbH, 9.500%, due 3/15/2021	2,188
ZF North America Capital Inc, 2.250%, due 4/26/2019	1,603	Matterhorn Telecom SA, 3.875%, due 5/1/2022	1,473
Matterhorn Telecom SA, 3.875%, due 5/1/2022	1,543	Rottapharm Ltd, 6.125%, due 11/15/2019	1,438
Eurofins Scientific SE, 4.875%, Perpetual	1,457	Sappi Papier Holding GmbH, 6.625%, due 4/15/2018	1,415
3AB Optique Developpement SAS, 5.625%, due 4/15/2019	1,453	Gala Electric Casinos Plc, 11.500%, due 6/1/2019	1,327
Entertainment One Ltd, 6.875%, due 12/15/2022	1,399	Lecta SA, 8.875%, due 5/15/2019	1,318
Petrobras Global Finance BV, 2.750%, due 1/15/2018	1,393	CMA CGM SA, 8.875%, due 4/15/2019	1,272
Synlab Bondco Plc, 6.250%, due 7/1/2022	1,386	Labco SA, 8.500%, due 1/15/2018	1,231
XPO Logistics Inc, 5.750%, due 6/15/2021	1,381	Lafarge SA, 5.375%, due 11/29/2018	1,192
Boparan Finance Plc, 5.500%, due 7/15/2021	1,299	KP Germany Erste GmbH, 11.625%, due 7/15/2017	1,153
Telenet Finance VI Luxembourg SCA, 4.875%, due 7/15/2027	1,102	Bombardier Inc, 6.125%, due 5/15/2021	1,109
Paprec Holding, 7.375%, due 4/1/2023	1,062	Telenet Finance V Luxembourg SCA, 6.250%, due 8/15/2022	1,107
LSF9 Balta Issuer SA, 7.750%, due 9/15/2022	1,035	DFS Furniture Holdings Plc, 6.560%, due 8/15/2018	958
Dufry Finance SCA, 4.500%, due 8/1/2023	1,000	Ephios Bondco Plc, 6.250%, due 7/1/2022	949
Douglas GmbH, 6.250%, due 7/15/2022	998	CNH Industrial Finance Europe SA, 6.250%, due 3/9/2018	931
Interoute Finco Plc, 7.375%, due 10/15/2020	995	Priory Group No 3 Plc, 8.875%, due 2/15/2019	905
Ephios Bondco Plc, 6.250%, due 7/1/2022	931	Boparan Finance Plc, 4.375%, due 7/15/2021	893
Unitymedia Hessen GmbH & Co KG / Unitymedia NRW GmbH, Series Regs, 4.000%, due 1/15/2025	911	Italcementi Finance SA, 6.625%, due 3/19/2020	869
ProGroup AG, 5.125%, due 5/1/2022	897	gategroup Finance Luxembourg SA, 6.750%, due 3/1/2019	849
Petrobras Global Finance BV, 6.625%, due 1/16/2034	894	KION Finance SA, 6.750%, due 2/15/2020	820
Valeant Pharmaceuticals International Inc, 4.500%, due 5/15/2023	890	ProGroup AG, 5.125%, due 5/1/2022	795
ProGroup AG, 5.125%, due 5/1/2022	788	Anglian Water Osprey Financing Plc, 7.000%, due 1/31/2018	779
Oberthur Technologies Holding SAS, 9.250%, due 4/30/2020	760	Equiniti Newco 2 plc, Series ReGs, 7.125%, due 12/15/2018	764
Anglian Water Osprey Financing Plc, 5.000%, due 4/30/2023	719	Matterhorn Mobile Holdings SA, 8.250%, due 2/15/2020	730
Europcar Groupe SA, 5.750%, due 6/15/2022	692	Europcar Groupe SA, 11.500%, due 5/15/2017	598
Onorato Armatori SPA, 7.750%, due 2/15/2023	670	Lantheus Medical Imaging Inc, 9.750%, due 5/15/2017	583
		GKN Holdings Plc, 5.375%, due 9/19/2022	558

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

Legg Mason Western Asset Euro High Yield Fund – (continued)

MAJOR PURCHASES	COST (in 000€)	MAJOR SALES	PROCEEDS (in 000€)
SIG Combibloc Holdings SCA, 7.750%, due 2/15/2023	642	Cerved Group SpA, 6.375%, due 1/15/2020	524
Ardagh Finance Holdings SA, 8.375%, due 6/15/2019	569	Novacap Honey SAS, 4.751%, due 5/1/2019	504
CMA CGM SA, 8.875%, due 4/15/2019	524	Aguila 3 SA, 7.875%, due 1/31/2018	472
Campofrio Food Group SA, 3.375%, due 3/15/2022	510		
Novacap Honey SAS, 4.751%, due 5/1/2019	500		
Novacap International SAS, 4.840%, due 5/1/2019	500		
Samvardhana Motherson Automotive Systems Group BV, 4.125%, due 7/15/2021	459		
Viridian Group FundCo II Ltd, 7.500%, due 3/1/2020	446		
Astaldi SpA, 7.125%, due 12/1/2020	434		

Legg Mason Western Asset Macro Opportunities Bond Fund^

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
United States Treasury Note/Bond, 0.750%, due 2/28/2018	752,580	United States Treasury Note/Bond, 0.750%, due 2/28/2018	753,022
United States Treasury Note/Bond, 1.750%, due 1/31/2023	612,888	United States Treasury Note/Bond, 1.750%, due 1/31/2023	615,701
United States Treasury Note/Bond, 2.250%, due 11/15/2025	542,096	United States Treasury Note/Bond, 2.250%, due 11/15/2025	546,326
United States Treasury Note/Bond, 1.625%, due 2/15/2026	490,049	United States Treasury Note/Bond, 1.625%, due 2/15/2026	487,864
United States Treasury Note/Bond, 3.000%, due 11/15/2045	470,398	United States Treasury Note/Bond, 3.000%, due 11/15/2045	473,910
United States Treasury Note/Bond, 3.000%, due 5/15/2045	441,404	United States Treasury Note/Bond, 2.875%, due 8/15/2045	301,521
United States Treasury Note/Bond, 1.125%, due 2/28/2021	410,713	United States Treasury Note/Bond, 1.125%, due 1/15/2019	287,795
United States Treasury Note/Bond, 2.875%, due 8/15/2045	302,406	United States Treasury Note/Bond, 1.000%, due 12/31/2017	284,720
United States Treasury Note/Bond, 1.500%, due 2/28/2023	289,295	United States Treasury Note/Bond, 3.000%, due 5/15/2045	281,534
United States Treasury Note/Bond, 1.125%, due 1/15/2019	287,645	United States Treasury Note/Bond, 1.750%, due 12/31/2020	257,821
United States Treasury Note/Bond, 1.000%, due 12/31/2017	284,895	United States Treasury Note/Bond, 2.000%, due 8/15/2025	251,639
United States Treasury Note/Bond, 1.750%, due 12/31/2020	257,710	Mexican Bonos, Series M, 6.500%, due 6/9/2022	247,660
United States Treasury Note/Bond, 2.000%, due 8/15/2025	249,875	United States Treasury Note/Bond, 1.625%, due 7/31/2020	212,657
United States Treasury Note/Bond, 1.625%, due 7/31/2020	210,860	United States Treasury Note/Bond, 2.000%, due 2/15/2025	196,176
United States Treasury Note/Bond, 1.375%, due 1/31/2021	192,307	United States Treasury Note/Bond, 1.375%, due 1/31/2021	194,060
United States Treasury Note/Bond, 2.000%, due 2/15/2025	190,605	United States Treasury Note/Bond, 2.500%, due 2/15/2045	166,272
Mexican Bonos, Series M, 7.750%, due 11/13/2042	175,439	United States Treasury Note/Bond, 1.250%, due 12/15/2018	146,285
United States Treasury Note/Bond, 1.250%, due 12/15/2018	145,959	United States Treasury Note/Bond, 1.375%, due 9/30/2020	144,358
United States Treasury Note/Bond, 3.750%, due 9/30/2020	143,861	United States Treasury Note/Bond, 2.000%, due 11/30/2022	143,493
United States Treasury Note/Bond, 2.000%, due 11/30/2022	143,299	United States Treasury Note/Bond, 2.500%, due 2/15/2046	137,552
United States Treasury Note/Bond, 2.500%, due 2/15/2046	141,830	Fannie Mae Pool, 30 year, TBA, 4.000%	133,034
Fannie Mae Pool, 30 year, TBA, 4.000%	133,147	Fannie Mae Pool, 30 year, TBA, 4.000%	127,942
Fannie Mae Pool, 30 year, TBA, 4.000%	127,942	United States Treasury Note/Bond, 3.125%, due 8/15/2044	124,956
United States Treasury Note/Bond, 2.500%, due 2/15/2045	113,955	United States Treasury Note/Bond, 1.500%, due 11/30/2019	120,068
		Fannie Mae Pool, 30 year, TBA, 3.500%	96,413
		United States Treasury Note/Bond, 1.750%, due 9/30/2022	96,265

Legg Mason Western Asset EM Local Currency Debt 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)	11,654	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	7,086
Mexican Bonos, Series M, 6.500%, due 6/9/2022	4,877	Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2017	3,499
Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2017	4,790	Turkey Government Bond, Series 5YR, 9.000%, due 3/8/2017	86
Indonesia Treasury Bond, Series FR61, 7.000%, due 5/15/2022	4,434		
Brazil Letras do Tesouro Nacional, Series LTN, zero coupon, due 1/1/2019	3,901		
Malaysia Government Bond, Series 0111, 4.160%, due 7/15/2021	3,862		
Turkey Government Bond, Series 5YR, 9.000%, due 3/8/2017	3,401		
Hungary Government Bond, Series 19/A, 6.500%, due 6/24/2019	3,258		
Colombian TES, Series B, 7.000%, due 5/4/2022	2,920		
Turkey Government Bond, 8.800%, due 9/27/2023	2,911		
Poland Government Bond, Series 1020, 5.250%, due 10/25/2020	2,413		
Thailand Government Bond, 3.625%, due 6/16/2023	2,274		
Romania Government Bond, Series 10Y, 4.750%, due 2/24/2025	2,199		
South Africa Government Bond, Series 2023, 7.750%, due 2/28/2023	2,053		
Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2021	1,979		
Indonesia Treasury Bond, Series FR65, 6.625%, due 5/15/2033	1,973		
South Africa Government Bond, Series R209, 6.250%, due 3/31/2036	1,704		
Poland Government Bond, Series 1023, 4.000%, due 10/25/2023	1,654		
Russian Federal Bond – OFZ, Series 6211, 7.000%, due 1/25/2023	1,567		
Mexican Bonos, Series M, 7.750%, due 11/13/2042	1,460		
Russian Federal Bond – OFZ, Series 6212, 7.050%, due 1/19/2028	1,274		
Malaysia Government Bond, Series 0115, 3.955%, due 9/15/2025	1,273		
Thailand Government Bond, 3.850%, due 12/12/2025	1,247		
Poland Government Bond, Series 0725, 3.250%, due 7/25/2025	1,168		
Philippine Government International Bond, 4.950%, due 1/15/2021	1,144		
Hungary Government Bond, Series 23/A, 6.000%, due 11/24/2023	972		
Indonesia Treasury Bond, Series FR56, 8.375%, due 9/15/2026	955		
Peru Government Bond, 5.700%, due 8/12/2024	791		

Legg Mason Western Asset Multi-Asset Credit 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)	17,434	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	2,478
United States Treasury Note/Bond, 1.125%, due 2/28/2021	8,781	BCAP LLC 2010-RR9 Trust, 2.923%, due 8/28/2037	1,350
Poland Government International Bond, 4.000%, due 1/22/2024	2,803	KION Finance SA 144A, 6.750%, due 2/15/2020	875

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

Legg Mason Western Asset Multi-Asset Credit Fund[^] – (continued)

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Mexico Government International Bond, 4.750%, due 3/8/2044	2,762	ExamWorks Group Inc , 5.625%, due 4/15/2023	554
Indonesia Government International Bond, 6.625%, due 2/17/2037	2,720	Priory Group No 3 Plc, 8.875%, due 2/15/2019	482
Argentina Bonar Bonds, Series X, 7.000%, due 4/17/2017	1,908	Beverages & More Inc 144A, 10.000%, due 11/15/2018	426
Kazakhstan Government International Bond, 5.125%, due 7/21/2025	1,892	Joseph T Ryerson & Son Inc , 9.000%, due 10/15/2017	235
Peruvian Government International Bond, 4.125%, due 8/25/2027	1,886	Micron Technology Inc, 144A, 5.250%, due 1/15/2024	199
Hungary Government International Bond, 5.750%, due 11/22/2023	1,875	Freeport-McMoRan Inc, 4.000%, due 11/14/2021	133
WaMu Mortgage Pass-Through Certificates Series 2005-AR17 Trust, Series 2005 AR17, Class A1C4, 0.836%, due 12/25/2045	1,765	JP Morgan Chase Commercial Mortgage Securities Trust 2007-LDP12, Series 2007 LD12, Class AJ, 6.010%, due 2/15/2051	132
Quicken Loans Inc, 144A, 5.750%, due 5/1/2025	1,671	Rice Energy Inc, 6.250%, due 5/1/2022	116
JPMBB Commercial Mortgage Securities Trust 2013-C17, Series 2013 C17, Class E, 144A, 3.867%, due 1/15/2047	1,633	HCA Inc, 5.375%, due 2/1/2025	114
Citigroup Inc, 4.450%, due 9/29/2027	1,491	WaMu Mortgage Pass-Through Certificates Series 2005-AR17 Trust, Series 2005 AR17, Class A1C4, 0.836%, due 12/25/2045	73
Bank of America Corp, 4.000%, due 1/22/2025	1,472	Gulfmark Offshore Inc, 6.375%, due 3/15/2022	71
Fannie Mae Connecticut Avenue Securities, Series 2014 C03, Class 2M2, 3.336%, due 7/25/2024	1,414	Eagle Spino Inc, 4.625%, due 2/15/2021	20
Fannie Mae Connecticut Avenue Securities, Series 2014 C02, Class 2M2, 3.036%, due 5/25/2024	1,411	CWABS Revolving Home Equity Loan Trust Series 2004-I, Series 2004 I, Class A, 0.721%, due 2/15/2034	10
General Electric Co, 6.875%, due 1/10/2039	1,384	CWHEQ Revolving Home Equity Loan Trust Series 2005-D, Series 2005 D, Class 2A, 0.621%, due 11/15/2035	6
Encore Credit Receivables Trust 2005-2, 1.352%, due 11/25/2035	1,352	Academy Ltd, 0.000%, due 7/2/2022	1
Earnest Student Loan Program 2016-A, zero coupon, due 1/25/2039	1,285	Air Medical Group Holdings Inc, 0.000%, due 4/28/2022	1
BCAP LLC 2010-RR9 Trust, 2.923%, due 8/28/2037	1,280	Univision Communications Inc, 4.000%, due 3/1/2020	1

Legg Mason Western Asset Global Total Return Investment Grade Bond Fund[^]

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
United States Treasury Note/Bond, 0.875%, due 7/15/2017	1,095	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	384
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	731	Italy Buoni Poliennali Del Tesoro, 3.750%, due 5/1/2021	223
Italy Buoni Poliennali Del Tesoro, 3.750%, due 5/1/2021	461	Italy Buoni Poliennali Del Tesoro, 2.000%, due 12/1/2025	136
United States Treasury Note/Bond, 1.625%, due 6/30/2020	279	United States Treasury Note/Bond, 3.000%, due 5/15/2045	60
United States Treasury Note/Bond, 2.500%, due 2/15/2045	256	Italy Buoni Poliennali Del Tesoro, 3.250%, due 9/1/2046	26
United States Treasury Note/Bond, 8.000%, due 11/15/2021	219		
Poland Government Bond, Series 0725, 3.250%, due 7/25/2025	196		
Ecopetrol SA, 5.375%, due 6/26/2026	158		
Italy Buoni Poliennali Del Tesoro, 2.000%, due 12/1/2025	135		
JPMorgan Chase & Co, 4.950%, due 6/1/2045	101		
Goldman Sachs Group Inc/The, 5.150%, due 5/22/2045	101		
Legg Mason Qualified Investor Funds (II) Plc – Legg Mason Western Asset India Bond Fund – LM Class US\$ Accumulating	100		
Bank of America Corp, 4.000%, due 1/22/2025	99		
Wells Fargo & Co, 4.100%, due 6/3/2026	95		
Mexican Bonos, Series M, 7.750%, due 11/13/2042	90		
Verizon Communications Inc, 6.550%, due 9/15/2043	78		
Becton Dickinson and Co, 3.734%, due 12/15/2024	78		
AT&T Inc, 3.400%, due 5/15/2025	75		
Brazil Notas do Tesouro Nacional Serie B, Series NTN9, 6.000%, due 8/15/2050	73		
Mexico Government International Bond, 5.550%, due 1/21/2045	72		
Anheuser-Busch InBev Finance Inc, 4.900%, due 2/1/2046	60		
United States Treasury Note/Bond, 3.000%, due 5/15/2045	57		
Amgen Inc, 4.400%, due 5/1/2045	54		
Citigroup Inc, 8.125%, due 7/15/2039	52		
ACE INA Holdings Inc, 4.350%, due 11/3/2045	52		

Legg Mason Western Asset Structured Opportunities 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)	30,317	JMAC Master Resecuritization Trust I, Series 2009-A, 0.011%, due 12/25/2046	18,247
JMAC Master Resecuritization Trust I, Series 2009-A, 0.010%, due 12/25/2046	18,247	JMAC Master Resecuritization Trust I, Series 2009-A, 0.000%, due 10/25/2046	8,485
MASTR Adjustable Rate Mortgages Trust 2006-OA2, Series 2006 OA2, Class 1A1, 1.122%, due 12/25/2046	18,247	CSMC Trust 2014-CIM1, Series 2014 CIM1, Class A1, 144A, 2.172%, due 1/25/2058	6,656
Fannie Mae Connecticut Avenue Securities, Series 2014 C03, Class 1M2, 3.422%, due 7/25/2024	9,545	JMAC Master Resecuritization Trust I, Series 2009-A, 0.542%, due 8/25/2036	6,543
Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2014 HQ1, Class M3, 4.522%, due 8/25/2024	9,402	Thornburg Mortgage Securities Trust 2007-4, Series 2007 4, Class 1A1, 2.364%, due 9/25/2037	5,887
JMAC Master Resecuritization Trust I, Series 2009-A, 0.000%, due 10/25/2046	8,485	JMAC Master Resecuritization Trust I, Series 2009-A, 1.257%, due 2/25/2036	5,788
WaMu Mortgage Pass-Through Certificates Series 2006-AR13 Trust, Series 2006 AR13, Class 1A, 1.202%, due 10/25/2046	8,485	JMAC Master Resecuritization Trust I, Series 2009-A, 0.712%, due 4/25/2035	5,474
RBSSP Resecuritization Trust 2010-2, Series 2010 2, Class 11A2, 144A, 2.758%, due 7/26/2045	8,062	JMAC Master Resecuritization Trust I, Series 2009-A, 0.692%, due 12/25/2045	3,444
CSMC Trust 2014-CIM1, Series 2014 CIM1, Class A1, 144A, 2.172%, due 1/25/2058	6,823	JMAC Master Resecuritization Trust I, Series 2009-A, 0.752%, due 10/25/2035	3,313
IndyMac INDX Mortgage Loan Trust 2006-AR21, Series 2006 AR21, Class A1, 0.547%, due 8/25/2036	6,543	JMAC Master Resecuritization Trust I, Series 2009-A, 0.006%, due 2/25/2046	2,965
JMAC Master Resecuritization Trust I, Series 2009-A, 0.341%, due 8/25/2036	6,543	JMAC Master Resecuritization Trust I, Series 2009-B, 0.642%, due 4/26/2046	2,760
Thornburg Mortgage Securities Trust 2007-4, Series 2007 4, Class 1A1, 2.364%, due 9/25/2037	6,135	Bear Stearns ALT-A Trust 2004-7, Series 2004 7, Class 2A1, 2.661%, due 8/25/2034	2,668
Alternative Loan Trust 2005-76, Series 2005 76, Class 2A1, 1.322%, due 2/25/2036	5,788	Bear Stearns ALT-A Trust 2004-4, Series 2004 4, Class A1, 1.027%, due 6/25/2034	2,478
JMAC Master Resecuritization Trust I, Series 2009-A, 1.244%, due 2/25/2036	5,788	WaMu Mortgage Pass-Through Certificates, Series 2005-AR6 Trust, 0.656%, due 4/25/2045	2,477
CHL Mortgage Pass-Through Trust 2005-3, Series 2005 3, Class 1A2, 0.717%, due 4/25/2035	5,474	WaMu Mortgage Pass-Through Certificates, Series 2005-AR13 Trust, 0.717%, due 10/25/2045	2,442
JMAC Master Resecuritization Trust I, Series 2009-A, 0.511%, due 4/25/2035	5,474	RBSSP Resecuritization Trust 2010-2, Series 2010 2, Class 11A2, 144A, 2.758%, due 7/26/2045	1,996
		JMAC Master Resecuritization Trust I, Series 2009-B, 0.000%, due 3/26/2047	1,887
		FFML Trust 2005-FF8, Series 2005 FF8, Class M2, 0.956%, due 9/25/2035	1,611
		WaMu Mortgage Pass-Through Certificates, Series 2005-AR19 Trust, 0.717%, due 12/25/2045	1,460

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

Legg Mason Western Asset Structured Opportunities Fund[^] – (continued)

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
COMM 2015-PC1 Mortgage Trust, Series 2015 PC1, Class D, 4.443%, due 7/10/2050	5,368	JMAC Master Resecuritization Trust I, Series 2009-A, 0.722%, due 5/25/2036	1,447
GSMPs Mortgage Loan Trust 2005-RP3, Series 2005 RP3, Class 1AF, 144A, 0.772%, due 9/25/2035	5,343	JMAC Master Resecuritization Trust I, Series 2009-A, 2.681%, due 8/25/2035	1,447
Nomura Resecuritization Trust 2015-5R, Series 2015 5R, Class 4A1, 144A, 0.562%, due 7/26/2037	5,240	JMAC Master Resecuritization Trust I, Series 2009-B, 0.743%, due 11/21/2035	1,323
WFRBS Commercial Mortgage Trust 2014-C22, Series 2014 C22, Class D, 144A, 3.908%, due 9/15/2057	5,091	WaMu Mortgage Pass-Through Certificates, Series 2005-AR9 Trust, 1.067%, due 7/25/2045	1,266
Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2016 DNA1, Class B, 0.000%, due 7/25/2028	5,000	IndyMac INDX Mortgage Loan Trust 2005-AR1, Series 2005 AR1, Class 1A1, 2.738%, due 3/25/2035	1,172
Adjustable Rate Mortgage Trust 2004-2, Series 2004 2, Class 7M1, 1.582%, due 2/25/2035	4,900	JMAC Master Resecuritization Trust I, Series 2009-A, 0.508%, due 11/19/2036	1,155
Wachovia Bank Commercial Mortgage Trust Series 2004-C11, Series 2004 C11, Class F, 144A, 5.171%, due 1/15/2041	4,640		
Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2014 DN3, Class M3, 4.422%, due 8/25/2024	4,579		
GE Commercial Mortgage Corp Series 2007-C1 Trust, Series 2007 C1, Class AJ, 5.677%, due 12/10/2049	4,284		

Legg Mason Western Asset US Mortgage-Backed Securities Fund[^]

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Fannie Mae Pool, 30 year, TBA, 3.500%	218,040	Fannie Mae Pool, 30 year, TBA, 3.500%	217,894
Fannie Mae Pool, 30 year, TBA, 4.000%	160,959	Fannie Mae Pool, 30 year, TBA, 4.000%	161,166
Fannie Mae Pool, 30 year, TBA, 3.500%	154,542	Fannie Mae Pool, 30 year, TBA, 3.500%	154,540
Fannie Mae Pool, 30 year, TBA, 4.500%	151,896	Fannie Mae Pool, 30 year, TBA, 4.500%	151,896
Ginnie Mae II pool, 30 year, TBA, 3.500%	116,289	Ginnie Mae II pool, 30 year, TBA, 3.500%	116,373
Ginnie Mae II pool, 30 year, TBA, 4.000%	98,150	Freddie Mac Gold Pool, 30 year, TBA, 4.000%	72,650
Freddie Mac Gold Pool, 30 year, TBA, 4.000%	72,625	Ginnie Mae II pool, 30 year, TBA, 4.000%	53,293
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	71,407	Ginnie Mae II pool, 30 year, TBA, 4.000%	53,219
Ginnie Mae II pool, 30 year, TBA, 4.000%	53,219	Fannie Mae Pool, 30 year, TBA, 4.000%	51,821
Ginnie Mae II pool 'MA3454', 3.500%, due 2/20/2046	52,910	Freddie Mac Gold Pool, 15 year, TBA, 2.500%	38,992
Fannie Mae Pool, 30 year, TBA, 4.000%	51,782	Fannie Mae Pool, 15 year, TBA, 3.000%	36,208
Freddie Mac Gold Pool, 30 year, TBA, 3.000%	50,861	Fannie Mae Pool, 4.500%, due 11/1/2043	34,477
Freddie Mac Gold Pool, 30 year, TBA, 4.000%	39,808	Freddie Mac Gold Pool, 30 year, TBA, 4.000%	27,997
Freddie Mac Gold Pool, 15 year, TBA, 2.500%	38,980	Ginnie Mae II pool, 4.000%, due 1/20/2046	26,866
Fannie Mae Pool, 15 year, TBA, 3.000%	36,090	Ginnie Mae II pool, 4.000%, due 8/20/2045	26,679
Fannie Mae Pool, 4.500%, due 11/1/2043	34,321	Fannie Mae Pool, 3.500%, due 10/1/2045	19,596
Fannie Mae Pool 'AE7744', 4.500%, due 11/1/2040	28,341	Fannie Mae Pool, 15 year, TBA, 3.000%	13,971
Ginnie Mae II pool, 4.000%, due 1/20/2046	26,804	Ginnie Mae II pool, 3.500%, due 7/20/2045	13,249
Ginnie Mae II pool, 4.000%, due 8/20/2045	26,598	Fannie Mae Pool, 3.500%, due 11/1/2045	13,216
Freddie Mac Gold Pool, 30 year, TBA, 3.500%	25,156	Ginnie Mae II pool, 3.500%, due 8/20/2045	12,899
Ginnie Mae II pool, 30 year, TBA, 3.500%	24,912		

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	875,905	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	834,554
United States Treasury Floating Rate Note, 0.402%, due 7/31/2017	127,172	United States Treasury Floating Rate Note, 0.090%, due 7/31/2016	267,072
United States Treasury Note/Bond, 2.500%, due 2/15/2045	112,695	United States Treasury Floating Rate Note, 0.099%, due 1/31/2017	137,251
United States Treasury Floating Rate Note, 0.179%, due 1/31/2017	108,111	European Investment Bank, 144A, 7.200%, due 7/9/2019	83,018
European Investment Bank, 144A, 7.200%, due 7/9/2019	93,321	United States Treasury Floating Rate Note, 0.357%, due 7/31/2017	81,865
United States Treasury Floating Rate Note, 0.089%, due 4/30/2017	59,538	United Kingdom Gilt, 2.000%, due 1/22/2016	75,035
United States Treasury Note/Bond, 3.000%, due 11/15/2045	44,214	United States Treasury Floating Rate Note, 0.074%, due 4/30/2017	59,482
Svensk Exportkredit AB, 0.693%, due 9/28/2017	38,670	Korea Treasury Bond, Series 1809, 5.750%, due 9/10/2018	46,277
Mexican Bonos, Series M, 7.750%, due 11/13/2042	31,423	Queensland Treasury Corp, Series 20, 6.250%, due 2/21/2020	44,861
Mexican Bonos, Series M 20, 8.500%, due 5/31/2029	29,437	Erste Abwicklungsanstalt, 0.991%, due 3/13/2015	37,892
Malaysia Government Bond, Series 0315, 3.659%, due 10/15/2020	28,390	United States Treasury Note/Bond, 2.500%, due 2/15/2045	30,735
Poland Government Bond, Series 0725, 3.250%, due 7/25/2025	28,141	Italy Buoni Poliennali Del Tesoro, 5.000%, due 8/1/2039	29,320
Queensland Treasury Corp, Series 25, 144A, 4.750%, due 7/21/2025	22,965	Poland Government Bond, Series 1020, 5.250%, due 10/25/2020	28,300
Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2025	21,498	United States Treasury Note/Bond, 2.875%, due 5/15/2043	23,180
European Investment Bank, 144A, 0.687%, due 10/9/2018	19,655	Erste Abwicklungsanstalt, 0.553%, due 1/29/2016	22,440
Queensland Treasury Corp, Series 26, 144A, 3.250%, due 7/21/2026	18,300	United States Treasury Note/Bond, 3.000%, due 11/15/2045	16,764
Dexia Credit Local SA/New York NY, 144A, 0.652%, due 6/5/2018	15,510	Mexican Bonos, Series M, 7.750%, due 11/13/2042	16,353
Italy Buoni Poliennali Del Tesoro, 5.000%, due 8/1/2039	6,445	Mexican Bonos, Series M 20, 8.500%, due 5/31/2029	14,289
Mexican Bonos, Series M 30, 8.500%, due 11/18/2038	3,091	Korea Treasury Bond, 3.375%, due 9/10/2023	14,220
New Zealand Government Bond, Series 423, 5.500%, due 4/15/2023	2,977	Hungary Government Bond, Series 25/B, 5.500%, due 6/24/2025	11,925

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	805,248	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	804,783
United States Treasury Floating Rate Note, 0.172%, due 7/31/2017	371,974	United States Treasury Floating Rate Note, 0.179%, due 1/31/2017	292,191
United States Treasury Floating Rate Note, 0.179%, due 1/31/2017	292,222	United States Treasury Floating Rate Note, 0.300%, due 7/31/2016	93,944
United States Treasury Floating Rate Note, 0.169%, due 4/30/2017	73,458	United States Treasury Floating Rate Note, 0.172%, due 7/31/2017	85,928
Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2025	47,833	United States Treasury Floating Rate Note, 0.169%, due 4/30/2017	73,404
Mexican Bonos, Series M, 7.750%, due 11/13/2042	47,216	Korea Treasury Bond, Series 1809, 5.750%, due 9/10/2018	54,706
Poland Government Bond, Series 0725, 3.250%, due 7/25/2025	36,447	Poland Government Bond, Series 1020, 5.250%, due 10/25/2020	36,657
Malaysia Government Bond, Series 0315, 3.659%, due 10/15/2020	34,136	International Lease Finance Corp, 4.875%, due 4/1/2015	25,205
Mexican Bonos, Series M 20, 8.500%, due 5/31/2029	31,735	Korea Treasury Bond, Series 2309, 3.375%, due 9/10/2023	15,205
New Zealand Government Bond, Series 423, 5.500%, due 4/15/2023	20,718	Italy Buoni Poliennali Del Tesoro, 5.000%, due 8/1/2039	14,208

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

Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^] – (continued)

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Korea Treasury Bond, Series 1809, 5.750%, due 9/10/2018	20,595	HCA Inc, 6.500%, due 2/15/2016	13,498
Indonesia Treasury Bond, Series FR71, 9.000%, due 3/15/2029	17,918	Digicel Ltd 144A, 8.250%, due 9/1/2017	12,487
American Express Credit Corp, 0.907%, due 7/31/2018	17,700	AerCap Ireland Capital Ltd / AerCap Global Aviation Trust 144A, 2.750%, due 5/15/2017	10,992
Portugal Obrigacoes do Tesouro OT, 144A, 4.950%, due 10/25/2023	17,360	Mexican Bonos, Series M 20, 8.500%, due 5/31/2029	10,783
Mexican Bonos, Series M, 6.250%, due 6/16/2016	16,196	Petrobras Global Finance BV, 3.000%, due 3/17/2017	10,725
South Africa Government Bond, Series R214, 6.500%, due 2/28/2041	16,068	Indonesia Treasury Bond, Series FR71, 9.000%, due 3/15/2029	5,430
Hungary Government Bond, Series 23/A, 6.000%, due 11/24/2023	16,056	Mexican Bonos, Series M, 6.250%, due 6/16/2016	4,925
Ford Motor Credit Co LLC, 1.186%, due 6/15/2018	16,010	New Zealand Government Bond, Series 521, 6.000%, due 5/15/2021	4,613
Bank of America Corp, 1.329%, due 1/15/2019	15,936	Mexican Bonos, Series M, 7.750%, due 11/13/2042	4,605
Mexican Bonos, Series M 30, 8.500%, due 11/18/2038	15,513	Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2023	3,688

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	11,575	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	10,639
United Kingdom Gilt, 5.000%, due 3/7/2025	775	Hungary Government Bond, Series 25/B, 5.500%, due 6/24/2025	497
DISH DBS Corp, 5.000%, due 3/15/2023	649	Cemex Finance LLC, 6.000%, due 4/1/2024	496
SoftBank Group Corp, 4.750%, due 7/30/2025	591	Columbus International Inc, 144A, 7.375%, due 3/30/2021	432
HCA Inc, 5.000%, due 3/15/2024	509	International Game Technology Plc, 4.750%, due 2/15/2023	429
DuPont Fabros Technology LP, 5.875%, due 9/15/2021	495	Kraft Heinz Foods Co, 144A, 4.875%, due 2/15/2025	424
Hungary Government Bond, Series 25/B, 5.500%, due 6/24/2025	490	JBS Investments GmbH, 144A, 7.250%, due 4/3/2024	416
DaVita HealthCare Partners Inc, 5.750%, due 8/15/2022	477	Rolta Americas LLC, 8.875%, due 7/24/2019	398
Anglian Water Osprey Financing Plc, 5.000%, due 4/30/2023	448	United States Treasury Bill, zero coupon, due 12/24/2015	395
Equinix Inc, 5.375%, due 4/1/2023	429	Portugal Obrigacoes do Tesouro OT, 5.650%, due 2/15/2024	375
International Game Technology Plc, 4.750%, due 2/15/2023	426	Tronox Finance LLC, 6.375%, due 8/15/2020	358
Tenet Healthcare Corp, 4.750%, due 6/1/2020	409	Spain Government Bond, 2.150%, due 10/31/2025	351
United States Treasury Bill, zero coupon, due 12/24/2015	395	Mexican Bonos, Series M 20, 10.000%, due 12/5/2024	343
Fiat Chrysler Automobiles NV, 5.250%, due 4/15/2023	390	Mexican Bonos, Series M, 6.500%, due 6/10/2021	342
SBA Communications Corp, 4.875%, due 7/15/2022	383	NWEN Finance Plc, 5.875%, due 6/21/2021	334
Ineos Finance Plc, 4.000%, due 5/1/2023	374	Jefferies Finance LLC / JFIN Co-Issuer Corp, 7.375%, due 4/1/2020	327
Iron Mountain Inc, 6.000%, due 8/15/2023	364	Avianca Holdings SA / Avianca Leasing LLC / Grupo Taca Holdings Ltd, 8.375%, due 5/10/2020	315
Spain Government Bond, 2.150%, due 10/31/2025	362	New Look Secured Issuer Plc, 6.500%, due 7/1/2022	313
AmeriGas Partners LP / AmeriGas Finance Corp, 6.500%, due 5/20/2021	359	Fondo de Titulizacion de Activos UCI 16, Series 16, Class A2, 0.177%, due 6/16/2049	265
WR Grace & Co-Conn, 144A, 5.125%, due 10/1/2021	358	Fly Leasing Ltd, 6.750%, due 12/15/2020	263
Mexican Bonos, Series M 20, 10.000%, due 12/5/2024	354	TMX Finance LLC / TitleMax Finance Corp, 8.500%, due 9/15/2018	260
Mexican Bonos, Series M, 6.500%, due 6/10/2021	352		
SPDR S&P Oil & Gas Exploration & Production ETF	351		
Universal Health Services Inc, 144A, 4.750%, due 8/1/2022	349		
New Zealand Government Bond, Series 0427, 4.500%, due 4/15/2027	345		
New Look Secured Issuer Plc, 6.500%, due 7/1/2022	333		
CSC Holdings LLC, 5.250%, due 6/1/2024	323		

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	333,339	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	311,511
United States Treasury Floating Rate Note, 0.314%, due 1/31/2017	66,223	United States Treasury Floating Rate Note, 0.314%, due 1/31/2017	72,155
United States Treasury Note/Bond, 2.500%, due 2/15/2045	51,501	United States Treasury Floating Rate Note, 0.169%, due 4/30/2017	49,658
United States Treasury Floating Rate Note, 0.169%, due 4/30/2017	49,674	United Kingdom Gilt, 2.000%, due 1/22/2016	25,624
United States Treasury Floating Rate Note, 0.307%, due 7/31/2017	22,010	United States Treasury Floating Rate Note, 0.307%, due 7/31/2017	22,001
United States Treasury Note/Bond, 3.000%, due 11/15/2045	21,205	Queensland Treasury Corp, Series 20, 6.250%, due 2/21/2020	16,233
Mexican Bonos, Series M, 7.750%, due 11/13/2042	20,993	Svensk Exportkredit AB, 0.720%, due 9/28/2017	15,709
Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2025	19,258	Korea Treasury Bond, Series 1809, 5.750%, due 9/10/2018	15,573
Svensk Exportkredit AB, 0.720%, due 9/28/2017	15,730	United States Treasury Floating Rate Note, 0.300%, due 7/31/2016	14,505
Italy Buoni Poliennali Del Tesoro, 5.000%, due 8/1/2039	15,534	Kommunalbanken AS, 144A, 0.513%, due 2/20/2018	13,862
Dexia Credit Local SA/New York NY, 144A, 0.533%, due 6/5/2018	15,090	Bank Nederlandse Gemeenten NV, 144A, 0.356%, due 7/14/2017	9,741
Bank Nederlandse Gemeenten NV, 144A, 0.356%, due 7/14/2017	14,530	Nederlandse Waterschapsbank NV, 144A, 0.848%, due 2/14/2018	8,640
Mexican Bonos, Series M 20, 8.500%, due 5/31/2029	12,808	United States Treasury Note/Bond, 3.000%, due 11/15/2045	7,964
Malaysia Government Bond, Series 0315, 3.659%, due 10/15/2020	12,579	United States Treasury Note/Bond, 2.875%, due 5/15/2043	7,031
Mexican Bonos, Series M 30, 8.500%, due 11/18/2038	12,555	Poland Government Bond, Series 1020, 5.250%, due 10/25/2020	6,458
Indonesia Treasury Bond, Series FR71, 9.000%, due 3/15/2029	11,608	Korea Treasury Bond, Series 2309, 3.375%, due 9/10/2023	4,937
United Kingdom Gilt, 2.000%, due 1/22/2016	10,607	Italy Buoni Poliennali Del Tesoro, 5.000%, due 8/1/2039	4,568
New Zealand Government Bond, Series 423, 5.500%, due 4/15/2023	10,059	Erste Abwicklungsanstalt, 0.836%, due 06/07/2016	4,408
Queensland Treasury Corp, Series 25, 144A, 4.750%, due 7/21/2025	9,313	Deutsche Bank AG/London, 0.924%, due 2/13/2017	241
Portugal Obrigacoes do Tesouro OT, 144A, 4.950%, due 10/25/2023	9,211	TDA CAM 8 FTA 8, Class A, 0.000%, due 2/26/2049	145

Legg Mason Brandywine Global Sovereign Credit Fund[^]

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	1,026,112	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	931,023
United States Treasury Note/Bond, 2.500%, due 2/15/2045	240,233	United States Treasury Floating Rate Note, 0.090%, due 7/31/2016	226,340
United States Treasury Floating Rate Note, 0.172%, due 7/31/2017	170,573	United States Treasury Floating Rate Note, 0.084%, due 1/31/2017	78,490
United States Treasury Floating Rate Note, 0.099%, due 1/31/2017	78,480	Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2023	78,041
Colombia Government International Bond, 5.000%, due 6/15/2045	74,398	United States Treasury Floating Rate Note, 0.074%, due 4/30/2017	67,144
Malaysia Government Bond, Series 0315, 3.659%, due 10/15/2020	72,745	South Africa Government Bond, Series R208, 6.750%, due 3/31/2021	66,518
Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2023	67,401	United States Treasury Note/Bond, 2.875%, due 5/15/2043	66,091
United States Treasury Floating Rate Note, 0.084%, due 4/30/2017	67,164	United States Treasury Floating Rate Note, 0.292%, due 7/31/2017	28,572
Mexican Bonos, Series M 30, 8.500%, due 11/18/2038	55,113	South Africa Government Bond, Series R214, 6.500%, due 2/28/2041	27,761
Indonesia Treasury Bond, Series FR71, 9.000%, due 3/15/2029	46,792	United States Treasury Note/Bond, 2.500%, due 2/15/2045	11,841
Mexican Bonos, Series M, 7.750%, due 11/13/2042	40,542	Italy Buoni Poliennali Del Tesoro, 5.000%, due 8/1/2039	11,631

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

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

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
New Zealand Government Bond, Series 423, 5.500%, due 4/15/2023	36,339	Mexican Bonos, Series M 30, 8.500%, due 11/18/2038	7,226
Poland Government Bond, Series 1020, 5.250%, due 10/25/2020	34,640	Indonesia Treasury Bond, Series FR71, 9.000%, due 3/15/2029	7,063
Korea Treasury Bond, Series 2006, 5.000%, due 6/10/2020	33,298	Hungary Government Bond, Series 20/A, 7.500%, due 11/12/2020	6,601
Korea Treasury Bond, Series 1809, 5.750%, due 9/10/2018	30,946	Poland Government Bond, Series 1020, 5.250%, due 10/25/2020	5,598
Mexican Bonos, Series M 20, 8.500%, due 5/31/2029	28,063	New Zealand Government Bond, Series 423, 5.500%, due 4/15/2023	5,393
Queensland Treasury Corp, Series 24, 5.750%, due 7/22/2024	24,300	Korea Treasury Bond, Series 1809, 5.750%, due 9/10/2018	4,918
South Africa Government Bond, Series R208, 6.750%, due 3/31/2021	20,724	Korea Treasury Bond, Series 2006, 5.000%, due 6/10/2020	4,636
United States Treasury Note/Bond, 2.875%, due 5/15/2043	20,637	Malaysia Government Bond, Series 0315, 3.659%, due 10/15/2020	4,632
South Africa Government Bond, Series R214, 6.500%, due 2/28/2041	20,151	Mexican Bonos, Series M 20, 8.500%, due 5/31/2029	4,432

Legg Mason Brandywine Global Income Optimiser Fund[^]

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	19,130	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	23,913
United Kingdom Gilt, 5.000%, due 3/7/2025	5,092	Aire Valley Mortgages Plc, Series 2006 1X, Class 2A1, 0.286%, due 9/20/2066	2,681
United Kingdom Gilt, 3.500%, due 1/22/2045	4,007	Italy Buoni Poliennali Del Tesoro, 5.000%, due 9/1/2040	2,392
New Zealand Government Bond, Series 0427, 4.500%, due 4/15/2027	2,978	United Kingdom Gilt, 5.000%, due 3/7/2025	2,362
SoftBank Group Corp, 4.750%, due 7/30/2025	2,342	Hungary Government Bond, Series 25/B, 5.500%, due 6/24/2025	2,205
Hungary Government Bond, Series 25/B, 5.500%, due 6/24/2025	2,173	Ireland Government Bond, 2.000%, due 2/18/2045	1,920
United States Treasury Note/Bond, 3.000%, due 5/15/2045	2,052	Australia Government Bond, Series 137, 2.750%, due 4/21/2024	1,893
Canadian Government Bond, 2.250%, due 6/1/2025	1,952	Mexican Bonos, Class M, 6.500%, due 6/9/2022	1,861
New Zealand Government Bond, Series 1217, 6.000%, due 12/15/2017	1,813	SoftBank Group Corp, 4.750%, due 7/30/2025	1,848
Australia Government Bond, Series 137, 2.750%, due 4/21/2024	1,712	United Kingdom Gilt, 3.500%, due 1/22/2045	1,847
Spain Government Bond, 144A, 2.150%, due 10/31/2025	1,669	BBVA Bancomer SA/Texas 144A, 4.375%, due 4/10/2024	1,791
International Finance Corp, Class G, 6.450%, due 10/30/2018	1,641	Aire Valley Mortgages Plc, Series 2005 1X, Class 2A2, 0.346%, due 9/20/2066	1,770
United States Treasury Note/Bond, 2.000%, due 2/15/2025	1,586	Indonesia Treasury Bond, Series FR69, 7.875%, due 4/15/2019	1,729
Mexican Bonos, Series M 20, 10.000%, due 12/5/2024	1,571	International Finance Corp, Class G, 6.450%, due 10/30/2018	1,658
Virgin Media Secured Finance Plc, 4.875%, due 1/15/2027	1,423	Spain Government Bond, 144A, 2.150%, due 10/31/2025	1,649
American Tower Corp, 4.400%, due 2/15/2026	1,384	New Zealand Government Bond, Series 420, 3.000%, due 4/15/2020	1,617
AT&T Inc, 4.750%, due 5/15/2046	1,329	Mexican Bonos, Series M 30, 8.500%, due 11/18/2038	1,597
Anglian Water Osprey Financing Plc, 5.000%, due 4/30/2023	1,326	Mexican Bonos, Series M 20, 10.000%, due 12/5/2024	1,524
Korea Treasury Bond, Series 2409, 3.000%, due 9/10/2024	1,299	New Zealand Government Bond, Series 0427, 4.500%, due 4/15/2027	1,472
Telecom Italia Capital SA, 6.375%, due 11/15/2033	1,256	General Electric Capital Corp, 0.903%, due 1/9/2020	1,419
Ireland Government Bond, 2.000%, due 2/18/2045	1,251	United States Treasury Note/Bond, 3.000%, due 5/15/2045	1,382
Italy Buoni Poliennali Del Tesoro, 1.500%, due 6/1/2025	1,232	Alibaba Group Holding Ltd 144A, 3.600%, due 11/28/2024	1,352
Australia Government Bond, Series 138, 3.250%, due 4/21/2029	1,226	Viridian Group FundCo II Ltd, 7.500%, due 3/1/2020	1,318
QUALCOMM Inc, 4.800%, due 5/20/2045	1,223	Anglian Water Osprey Financing Plc, 5.000%, due 4/30/2023	1,316
International Game Technology Plc, 144A, 6.250%, due 2/15/2022	1,189		
New Look Secured Issuer Plc, 6.500%, due 7/1/2022	1,175		
Rural Hipotecario I Fondo De Titulizacion Hipotecaria, 0.000%, due 2/17/2050	1,157		
Lockheed Martin Corp, 3.550%, due 1/15/2026	1,085		
WR Grace & Co-Conn, 144A, 5.125%, due 10/1/2021	1,005		

Legg Mason Brandywine Global Credit Opportunities Fund[^]

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	42,621	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	35,785
Magellan Mortgages No3 Plc 3, Class A, 0.308%, due 5/15/2058	5,717	Magellan Mortgages No3 Plc 3, Class A, 0.251%, due 5/15/2058	5,310
TDA CAM 5 FTA 5, Class A, 0.118%, due 10/26/2043	4,675	IM Pastor 4 Fondo de Titulizacion de Activos 4, Class A, 0.165%, due 3/22/2044	4,627
United Kingdom Gilt, 5.000%, due 3/7/2025	4,355	Figueroa CLO 2013-1 Ltd, Series 2013-1A, Class D, 144A, 5.418%, due 3/21/2024	3,753
TDA CAM 7 FTA 7, Class A2, 0.108%, due 2/26/2049	4,016	Octagon Investment Partners XVIII Ltd, Series 2013 1A, Class D, 144A, 5.571%, due 12/16/2024	3,277
Hildene CLO I Ltd, Series 2013 1A, Class D, 144A, 4.007%, due 1/17/2026	3,840	Hildene CLO I Ltd, Series 2013 1A, Class D, 144A, 4.370%, due 1/17/2026	3,150
LSTAR Securities Investment Trust 2015-7, Series 2015 7, Class A, 144A, 2.439%, due 7/1/2020	3,697	Catamaran CLO 2013-1 Ltd, Series 2013 1A, Class E, 144A, 5.634%, due 1/27/2025	2,844
Catamaran CLO 2013-1 Ltd, Series 2013 1A, Class E, 144A, 5.634%, due 1/27/2025	3,670	Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2014 DN3, Class M3, 4.426%, due 8/25/2024	2,756
Octagon Investment Partners XVIII Ltd, Series 2013 1A, Class D, 144A, 5.526%, due 12/16/2024	3,518	IM Pastor 3 Fondo de Titulizacion Hipotecaria 3, Class A, 0.165%, due 3/22/2043	2,644
Ares XXVIII CLO Ltd, Series 2013 3A, Class E, 144A, 5.533%, due 10/17/2024	3,246	Ares XXVIII CLO Ltd, Series 2013 3A, Class E, 144A, 5.533%, due 10/17/2024	2,461
Lusitano Mortgages No6 Ltd 6, Class A, 0.186%, due 3/15/2060	2,787	Italy Buoni Poliennali Del Tesoro, 1.500%, due 6/1/2025	2,239
Newgate Funding 2006-2, Series 2006 2, Class CB, 0.414%, due 12/1/2050	2,696	Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2014 DN4, Class M3, 4.747%, due 10/25/2024	2,224
Alba 2007-1 Plc, Series 2007 1, Class D, 1.089%, due 3/17/2039	2,507	Carlyle Global Market Strategies CLO 2012-4 Ltd, Series 2012 4A, Class E, 144A, 6.134%, due 1/20/2025	2,165
VOLT XXXIII LLC, Series 2015 NPL5, Class A2, 144A, 4.250%, due 3/25/2055	2,452	Spain Government Bond, 2.150%, due 10/31/2025	2,153
Neuberger Berman CLO XV, Series 2013 15A, Class E, 144A, 5.228%, due 10/15/2025	2,412	Hungary Government Bond, Series 25/B, 5.500%, due 6/24/2025	2,117
Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2014 DN4, Class M3, 4.731%, due 10/25/2024	2,340	Cent CLO 19 Ltd, Series 2013 19A, Class D, 144A, 5.588%, due 10/29/2025	1,978
Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2014 DN2, Class M3, 3.771%, due 4/25/2024	2,243	Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2014 DN2, Class M3, 4.036%, due 4/25/2024	1,821
Spain Government Bond, 2.150%, due 10/31/2025	2,229	Kildare Securities Ltd, Series 2007 1, Class A3, 0.236%, due 12/10/2043	1,771
Cent CLO 19 Ltd, Series 2013 19A, Class D, 144A, 5.588%, due 10/29/2025	2,220	Neuberger Berman CLO XV, Series 2013 15A, Class E, 144A, 5.228%, due 10/15/2025	1,720
Italy Buoni Poliennali Del Tesoro, 1.500%, due 6/1/2025	2,210	Driven Brands Funding LLC, Series 2015 1A, Class A2, 5.216%, due 7/20/2045	1,657
Wachovia Bank Commercial Mortgage Trust Series 2006-C27, Series 2006 C27, Class AJ, 5.825%, due 7/15/2045	2,199	Portugal Obrigacoes do Tesouro OT, 4.100%, due 2/15/2045	1,632
Hungary Government Bond, Series 25/B, 5.500%, due 6/24/2025	2,101	Atlas Senior Loan Fund IV Ltd, Series 2013 2A, Class B2L, 5.318%, due 2/17/2026	1,544
Figueroa CLO 2013-1 Ltd, Series 2013-1A, Class D, 144A, 5.418%, due 3/21/2024	2,046	Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2014 HQ3, Class M3, 5.189%, due 10/25/2024	1,508
Citigroup Commercial Mortgage Trust, Series 2007-C6, Class AJFX, 5.899%, due 7/10/2017	1,870	Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2015 HQA1, Class M3, 5.139%, due 3/25/2028	1,434
Atlas Senior Loan Fund IV Ltd, Series 2013 2A, Class B2L, 5.318%, due 2/17/2026	1,822		
Landmark Mortgage Securities No 2 Plc 2, Class BC, 0.682%, due 6/17/2039	1,759		

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

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

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
United States Treasury Bill, zero coupon, due 5/19/2016	1,699	Alba 2007-1 Plc, Series 2007 1, Class D, 1.089%, due 3/17/2039	1,193
Driven Brands Funding LLC, Series 2015 1A, Class A2, 5.216%, due 7/20/2045	1,680	Fondo de Titulizacion de Activos UCI 16, Series 16, Class A2, 0.000%, due 6/16/2049	1,138
Magellan Mortgages No4 Plc 4, Class A, 0.142%, due 7/20/2059	1,621		
Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2015 HQA1, Class M3, 5.189%, due 10/25/2024	1,594		
Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2015 HQA1, Class M3, 5.139%, due 3/25/2028	1,430		
New Zealand Government Bond, Series 0427, 4.500%, due 4/15/2027	1,387		
Morgan Stanley Dean Witter Capital I Inc Trust 2003-NCI, Series 2003-NCI, Class M1, 2.014%, due 11/25/2032	1,360		

Legg Mason Brandywine Global Dynamic US Equity Fund^

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Apple Inc	94	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	48
Dow Chemical Co/The	77	Corning Inc	24
Boeing Co/The	71	Caterpillar Inc	23
QUALCOMM Inc	68	American Airlines Group Inc	17
Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	63	JPMorgan Chase & Co	13
General Motors Co	60	Johnson Controls Inc	13
Mondelez International Inc	58	Boeing Co/The	6
3M Co	58	Validus Holdings Ltd	5
JPMorgan Chase & Co	57	Lockheed Martin Corp	4
LyondellBasell Industries NV	54	Sonoco Products Co	2
Phillips 66	54	WR Berkley Corp	2
United Technologies Corp	50	Assurant Inc	2
Anthem Inc	48	Northrop Grumman Corp	1
Valero Energy Corp	48	General Dynamics Corp	1
Travelers Cos Inc/The	48	Deere & Co	1
Lockheed Martin Corp	45	Raytheon Co	1
Twenty-First Century Fox Inc	43	Santander Consumer USA Holdings Inc	1
Target Corp	43	Emerson Electric Co	1
El du Pont de Nemours & Co	39	Tenneco Inc	1
Aflac Inc	35	Crane Co	
Thomson Reuters Corp	34		
General Dynamics Corp	33		
Texas Instruments Inc	33		
Marathon Petroleum Corp	31		
PPL Corp	29		
Delphi Automotive Plc	28		
Allstate Corp/The	28		
Northrop Grumman Corp	27		
Catapillar Inc	26		
Illinois Tool Works Inc	26		
Archer-Daniels-Midland Co	26		
Delta Air Lines Inc	25		
Raytheon Co	25		
Emerson Electric Co	24		
Ameriprise Financial Inc	24		
Corning Inc	24		

Legg Mason Western Asset Brazil Equity Fund^

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
FPC Par Corretora de Seguros SA	189	Suzano Papel e Celulose SA 'A'	260
Telefonica Brasil SA	142	Klabin SA	220
AES Tiete SA	136	FPC Par Corretora de Seguros SA	192
CCR SA	136	Itau Unibanco Holding SA	167
CETIP SA – Mercados Organizados	129	Sao Martinho SA	161
BR Malls Participacoes SA	103	Valid Solucoes e Servicos de Seguranca em Meios de Pagamento e Identificacao SA	161
Qualicorp SA	103	BRF SA	138
WEG SA	101	BB Seguridade Participacoes SA	129
Itau Unibanco Holding SA	98	CCR SA	128
Lojas Renner SA	93	BM&FBovespa SA – Bolsa de Valores Mercadorias e Futuros	125
Tupy SA	82	Lojas Americanas SA	121
Kroton Educacional SA	81	Tupy SA	121
BB Seguridade Participacoes SA	64	CETIP SA – Mercados Organizados	117
Valid Solucoes e Servicos de Seguranca em Meios de Pagamento e Identificacao SA	63	Telefonica Brasil SA	115
BRF SA	63	Cosan SA Industria e Comercio	105
Alpargatas SA	62	AES Tiete Energia SA	102
Suzano Papel e Celulose SA 'A'	60	Kroton Educacional SA	98
Profarma Distribuidora de Produtos Farmaceuticos SA	58	JBS SA	95
lochpe-Maxion SA	56	Iguatemi Empresa de Shopping Centers SA	92
Cia Hering	52	WEG SA	86
Cosan SA Industria e Comercio	50	Qualicorp SA	81
Guararapes Confeccoes SA	50	Banco Bradesco SA	80
Sao Martinho SA	49	Lojas Renner SA	77
Gerdau SA	48	Guararapes Confeccoes SA	75
Banco Bradesco SA	46	Estacio Participacoes SA	74
Usinas Siderurgicas de Minas Gerais SA	42	Gerdau SA	72

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

Legg Mason Western Asset Brazil Equity Fund^ – (continued)

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
BM&FBovespa SA – Bolsa de Valores Mercadorias e Futuros	41	Alupar Investimento SA	68
JBS SA	39	Banco ABC Brasil SA	65
Lojas Americanas SA	32	EcoRodovias Infraestrutura e Logistica SA	63
Alupar Investimento SA	29	BR Malls Participacoes SA	61
		Alpargatas SA	56
		lochpe-Maxion SA	55
		Contax Participacoes SA	45
		Profarma Distribuidora de Produtos Farmaceuticos SA	41

Legg Mason ClearBridge Value Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Oracle Corp	9,889	Medtronic Plc	15,872
Devon Energy Corp	9,312	JPMorgan Chase & Co	10,362
Synchrony Financial	7,603	Broadcom Corp 'A'	9,702
McDonald's Corp	6,569	Keurig Green Mountain Inc	8,966
Biogen Inc	6,369	Amgen Inc	8,531
Discover Financial Services	6,230	Amazon.com Inc	7,946
AES Corp/VA	6,133	Perrigo Co Plc	7,843
Calpine Corp	5,841	E*TRADE Financial Corp	7,796
Medtronic Plc	5,840	McDonald's Corp	7,776
Perrigo Co Plc	5,826	Norfolk Southern Corp	7,486
Realogy Holdings Corp	5,755	Apple Inc	7,426
AbbVie Inc	5,431	Expedia Inc	7,382
Alexion Pharmaceuticals Inc	5,289	Hartford Financial Services Group Inc/The	6,470
American Express Co	4,794	Dr Pepper Snapple Group Inc	6,181
QUALCOMM Inc	4,745	EOG Resources Inc	6,129
Ameriprise Financial Inc	4,122	Microsoft Corp	5,591
Keurig Green Mountain Inc	4,105	Chevron Corp	4,852
CH Robinson Worldwide Inc	4,080	Baker Hughes Inc	4,822
Jazz Pharmaceuticals Plc	3,353	Citizens Financial Group Inc	4,765
United Rentals Inc	3,352	Teradata Corp	4,565
CBS Corp 'B'	2,838	NXP Semiconductors NV	4,420
NXP Semiconductors NV	2,821	UnitedHealth Group Inc	3,432
eBay Inc	2,549	American Express Co	3,425
Ralph Lauren Corp 'A'	2,269	Citigroup Inc	3,034
Albemarle Corp	2,190	EMC Corp/MA	2,501
Merck & Co Inc	1,931	LyondellBasell Industries NV	2,334
CONSOL Energy Inc	1,858		
Yahoo! Inc	1,684		
Exelon Corp	1,652		

Legg Mason ClearBridge Growth Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Coca-Cola Co/The	281	Amgen Inc	243
Facebook Inc 'A'	212	Perrigo Co Plc	224
Keurig Green Mountain Inc	177	Yahoo! Inc	197
Walt Disney Co/The	172	EMC Corp/MA	189
Rockwell Collins Inc	156	Roche Holding AG ADR	188
Yahoo! Inc	154	Precision Castparts Corp	184
Tesla Motors Inc	152	Martin Marietta Materials Inc	161
Alexion Pharmaceuticals Inc	138	Boeing Co/The	156
Affiliated Managers Group Inc	134	NASDAQ OMX Group Inc/The	152
International Flavors & Fragrances Inc	132	Kate Spade & Co	151
Mettler-Toledo International Inc	116	Cvent Inc	148
Microsoft Corp	109	E*TRADE Financial Corp	141
Sinclair Broadcast Group Inc 'A'	99	Occidental Petroleum Corp	138
Boston Beer Co Inc/The	96	Brown-Forman Corp	130
Workday Inc 'A'	91	ServiceNow Inc	128
Apple Inc	89	Accenture Plc 'A'	121
Aetna Inc	82	athenahealth Inc	118
Colgate-Palmolive Co	80	Monsanto Co	117
Kate Spade & Co	78	Red Hat Inc	114
Twitter Inc	72	Delphi Automotive Plc	105
Blue Buffalo Pet Products Inc	71	Rackspace Hosting Inc	103
ICON Plc	63	Discover Financial Services	102
lululemon athletica Inc	61	Scripps Networks Interactive Inc	102
Mobileye NV	60	Keurig Green Mountain Inc	101
Amazon.com Inc	53	salesforce.com inc	101
Universal Display Corp	50	Calpine Corp	99
Nektar Therapeutics	42	American Homes 4 Rent 'A'	93
Cvent Inc	41	Qlik Technologies Inc	93
salesforce.com inc	41	Apple Inc	89
BioMarin Pharmaceutical Inc	40	Nektar Therapeutics	81
Ralph Lauren Corp 'A'	40	Spirit Airlines Inc	71
Las Vegas Sands Corp	39	Emerson Electric Co	69
Roche Holding AG ADR	39	EOG Resources Inc	60
United Continental Holdings Inc	38	Amazon.com Inc	54
Atlassian Corp Plc	38	Cabot Oil & Gas Corp	54
Diageo Plc	36	Ralph Lauren Corp 'A'	49
Celgene Corp	35	Las Vegas Sands Corp	47

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

Legg Mason ClearBridge Global Equity Fund^

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Samsung Electronics Co Ltd	103	Opus Bank	63
Daiwa Securities Group Inc	101	Mitsubishi Corp	57
Diageo Plc	99	Greggs Plc	56
Citizens Financial Group Inc	88	Koito Manufacturing Co Ltd	52
Greatview Aseptic Packaging Co Ltd	81	Spirit AeroSystems Holdings Inc 'A'	52
Kyocera Corp	81	Wincor Nixdorf AG	51
China Construction Bank Corp 'H'	77	Aircastle Ltd	51
Rexel SA	76	ANTA Sports Products Ltd	49
DR Horton Inc	76	Cisco Systems Inc	48
MetLife Inc	72	GUD Holdings Ltd	45
EMC Corp/MA	68	MetLife Inc	44
ICADE	67	C&C Group Plc	43
Emerson Electric Co	66	TravelSky Technology Ltd 'H'	43
AT&T Inc	65	Saft Groupe SA	42
Europcar Groupe SA, 144A	64	Daimler AG	42
Mosaic Co/The	62	Endo International Plc	42
Chicago Bridge & Iron Co NV	61	Carnival Corp	41
Sony Corp	61	Proximus SADP	40
Bouygues SA	58	Anglo American Plc	38
BP Plc	57	Yingde Gases Group Co Ltd	38
Sitoy Group Holdings Ltd	56	St Shine Optical Co Ltd	37
BNP Paribas SA	53	BNP Paribas SA	34
Toshiba Corp	53	Teva Pharmaceutical Industries Ltd ADR	32
St Shine Optical Co Ltd	53	Mosaic Co/The	30
Schneider Electric SE	52	Daiwa Securities Group Inc	29
TOTAL SA	52	Banco Latinoamericano de Comercio Exterior SA	28
Halliburton Co	51	Hitachi Ltd	28
Apache Corp	50	Safran SA	27
Standard Chartered Plc	48	Turkiye Garanti Bankasi AS	26
Citigroup Inc	47	Unilever NV	24
CIFI Holdings Group Co Ltd	45	Banco Santander SA	23
Akzo Nobel NV	44	Nestle SA	23
JPMorgan Chase & Co	39	JPMorgan Chase & Co	23
Ambarella Inc	39	Erste Group Bank AG	23
Baoxin Auto Group Ltd	38	LIXIL Group Corp	22
Barclays Plc	37	Bouygues SA	20
Belle International Holdings Ltd	35	Banca Monte Dei Paschi Siena SpA	20
Le Saunda Holdings Ltd	34	Telefonaktiebolaget LM Ericsson	19
Nestle SA	34		
Voestalpine AG	33		
Carnival Corp	30		
LIXIL Group Corp	29		
GlaxoSmithKline Plc	27		

Legg Mason ClearBridge Global Equity Income Fund^

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Emerson Electric Co	79	Teva Pharmaceutical Industries Ltd ADR	127
Petrofac Ltd	76	Nestle SA	90
ICADE	71	Carnival Corp	87
Greatview Aseptic Packaging Co Ltd	63	TravelSky Technology Ltd 'H'	80
Far East Horizon Ltd	59	Danone SA	79
Sitoy Group Holdings Ltd	59	Cisco Systems Inc	79
GlaxoSmithKline Plc	54	ANTA Sports Products Ltd	73
Diageo Plc	50	Saft Groupe SA	72
Ascendas India Trust	50	Novartis AG	70
Standard Chartered Plc	47	Sumitomo Mitsui Financial Group Inc	70
ONEOK Inc	46	International Paper Co	68
Mitie Group Plc	46	Daiwa Securities Group Inc	67
Modern Times Group MTG AB	45	Yue Yuen Industrial Holdings Ltd	67
Kemira OYJ	45	Aircastle Ltd	62
AT&T Inc	43	Japan Airlines Co Ltd	60
Ocean Yield ASA	43	Telefonaktiebolaget LM Ericsson	58
ASM Pacific Technology Ltd	41	Greggs Plc	53
Skanska AB	41	Mitsubishi Corp	53
Pason Systems Inc	41	GUD Holdings Ltd	53
Schneider Electric SE	41	Tarkett SA	51
Eaton Corp Plc	40	Wincor Nixdorf AG	50
BNP Paribas SA	40	Calsonic Kansei Corp	47
Tethys Oil AB	39	Proximus	45
Sulzer AG	39	C&C Group Plc	42
Nihon House Holdings Co Ltd	34	Anglo American Plc	41
Zhejiang Expressway Co Ltd 'H'	34	Yingde Gases Group Co Ltd	41
Selvaag Bolig ASA	34	Aviva Plc	38
NewRiver Retail Ltd	34	Banco Latinoamericano de Comercio Exterior SA	34
McBride Plc	34	Rexel SA	34
BP Plc	34	Anima Holding SpA, 144A	33
Koninklijke KPN NV	34	Baoxin Auto Group Ltd	30
Connect Group Plc	34	AXA SA	30
CIFI Holdings Group Co Ltd	33	AP Moeller – Maersk A/S	30
AP Moeller – Maersk A/S 'B'	31	Valiant Holding AG	27

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

Legg Mason ClearBridge Global Equity Income Fund^ – (continued)

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
China BlueChemical Ltd 'H'	29	Avex Group Holdings Inc	27
Deutsche Telekom AG	27	Endo Lighting Corp	26
Valiant Holding AG	27	Indra Sistemas SA	26
Bouygues SA	25	Asahi Holdings Inc	26
China Construction Bank Corp 'H'	25	West Holdings Corp	24
Potash Corp of Saskatchewan Inc	24		
Debenhams Plc	23		
Shenzhen International Holdings Ltd	22		
POSCO ADR	22		
Premier Farnell Plc	20		

Legg Mason ClearBridge US Appreciation Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Aetna Inc	2,408	Walt Disney Co/The	5,044
Bank of New York Mellon Corp/The	1,957	Apple Inc	2,749
McDonald's Corp	1,804	General Electric Co	2,352
Synchrony Financial	1,722	Johnson Controls Inc	2,297
Becton Dickinson and Co	1,146	Chevron Corp	1,890
Citigroup Inc	904	Yum! Brands Inc	1,776
Bank of America Corp	835	AmerisourceBergen Corp 'A'	1,712
Waste Management Inc	697	Eaton Corp Plc	1,640
Facebook Inc 'A'	646	Hess Corp	1,612
Alphabet Inc	613	Norfolk Southern Corp	1,602
Medtronic Plc	612	Tyco International Plc	1,574
Alphabet Inc 'A'	603	CH Robinson Worldwide Inc	1,465
Chevron Corp	601	Travelers Cos Inc/The	1,373
General Electric Co	569	Comcast Corp 'A'	1,349
Sempra Energy	552	ConocoPhillips	1,260
JPMorgan Chase & Co	547	Johnson & Johnson	1,247
UnitedHealth Group Inc	546	Wal-Mart Stores Inc	1,218
Amgen Inc	520	Twenty-First Century Fox Inc	1,213
SAP SE ADR	503	Procter & Gamble Co/The	1,194
Johnson Controls Inc	492	AbbVie Inc	1,189
AT&T Inc	467	Home Depot Inc/The	1,168
Berkshire Hathaway Inc	408	PPG Industries Inc	1,153
Kimberly-Clark Corp	403	Merck & Co Inc	1,082
Roche Holding AG ADR	374	Red Hat Inc	1,078
Coca-Cola Co/The	359	Schlumberger Ltd	1,066
Raytheon Co	354	Berkshire Hathaway Inc	1,063
Red Hat Inc	337	Monsanto Co	1,062
Adobe Systems Inc	331	Wells Fargo & Co	997
Merck & Co Inc	317	Exxon Mobil Corp	995
Eversource Energy	259	MetLife Inc	980
Pfizer Inc	250	Starwood Hotels & Resorts Worldwide Inc	933
		Microsoft Corp	929
		Citigroup Inc	913
		SunTrust Banks Inc	902
		CVS Health Corp	899
		Blackstone Group LP/The	895
		Nucor Corp	873
		VMware Inc	855
		American Express Co	838
		JPMorgan Chase & Co	836
		Bank of New York Mellon Corp/The	835

Legg Mason ClearBridge US Fundamental Value Fund^

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
		Citigroup Inc	2,879
		Walt Disney Co/The	2,858
		Novartis AG	2,794
		JPMorgan Chase & Co	2,733
		Merck & Co Inc	2,574
		Boeing Co/The	2,514
		State Street Corp	2,426
		Home Depot Inc/The	2,344
		Chevron Corp	2,281
		Allied World Assurance Co Holdings AG	2,243
		Johnson & Johnson	2,223
		Goldman Sachs Group Inc/The	2,080
		BlackRock Inc	1,753
		Vodafone Group Plc ADR	1,694
		Honeywell International Inc	1,659
		Apple Inc	1,652
		Axis Capital Holdings Ltd	1,617
		US Bancorp	1,510
		Cisco Systems Inc	1,488
		Raytheon Co	1,453
		General Electric Co	1,449
		Target Corp	1,435

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

Legg Mason ClearBridge US Fundamental Value Fund^ – (continued)

MAJOR SALES

	PROCEEDS (in 000\$)
Devon Energy Corp	1,412
Chubb Corp/The	1,394
Exxon Mobil Corp	1,391
Carnival Corp	1,307
Stanley Black & Decker Inc	1,191
Texas Instruments Inc	1,185
Halliburton Co	1,184
Pebblebrook Hotel Trust	1,168
Regions Financial Corp	1,166
KeyCorp	1,154
Yahoo! Inc	1,146
Synchrony Financial	1,133
Samsung Electronics Co Ltd	1,117
Nucor Corp	1,093
First Republic Bank/CA	1,065
Franklin Resources Inc	1,063
El du Pont de Nemours & Co	1,004
Telefonaktiebolaget LM Ericsson	1,003
Teradyne Inc	1,003
Best Buy Co Inc	973
Jones Lang LaSalle Inc	962
AT&T Inc	954
Unilever Plc	945
Weyerhaeuser Co	935
Teva Pharmaceutical Industries Ltd ADR	906
Allison Transmission Holdings Inc	905
eBay Inc	896
Occidental Petroleum Corp	887
Hess Corp	873

Legg Mason ClearBridge US Large Cap Growth Fund

MAJOR PURCHASES

	COST (in 000\$)
Ecolab Inc	5,485
Microsoft Corp	5,343
Amazon.com Inc	5,123
American Express Co	5,113
Rockwell Collins Inc	5,050
Adobe Systems Inc	4,742
Aetna Inc	4,705
Akamai Technologies Inc	4,639
CVS Health Corp	4,538
Coca-Cola Co/The	3,970
Visa Inc	3,855
Facebook Inc 'A'	3,786
Zoetis Inc	3,680
BlackRock Inc	3,614
VMware Inc	3,568
Apple Inc	3,561
Home Depot Inc/The	3,530
Alphabet Inc	3,392
Celgene Corp	3,303
UnitedHealth Group Inc	3,301
Red Hat Inc	3,243
Walt Disney Co/The	3,226
Biogen Inc	3,072
Johnson & Johnson	3,016
Thermo Fisher Scientific Inc	2,997
Schlumberger Ltd	2,930
PayPal Holdings Inc	2,810
General Electric Co	2,784
Monsanto Co	2,759
Alphabet Inc 'A'	2,734
Alexion Pharmaceuticals Inc	2,656
LinkedIn Corp 'A'	2,631
United Parcel Service Inc 'B'	2,601
Texas Instruments Inc	2,489
Charles Schwab Corp/The	2,400
Anheuser-Busch InBev SA/NV ADR	2,396
Bristol-Myers Squibb Co	2,384
Twenty-First Century Fox Inc	2,313
Comcast Corp Special 'A'	2,275
Yum! Brands Inc	2,245
VW Grainger Inc	2,131
Comcast Corp 'A'	1,987
Xilinx Inc	1,960
Nasdaq Inc	1,741
Citrix Systems Inc	1,676

MAJOR SALES

	PROCEEDS (in 000\$)
Precision Castparts Corp	3,038
NIKE Inc	2,852
CME Group Inc/IL	2,773
Towers Watson & Co 'A'	2,608
EMC Corp/MA	2,308
Amazon.com Inc	2,136
Citrix Systems Inc	1,824
FMC Technologies Inc	1,808
QUALCOMM Inc	1,666
Cameron International Corp	1,490
Visa Inc	1,066
QUALCOMM Inc	1,032
Facebook Inc 'A'	905
Alphabet Inc	581
Schlumberger Ltd	558
Red Hat Inc	530
CVS Health Corp	490
Walt Disney Co/The	404
Celgene Corp	395
Home Depot Inc/The	364

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

Legg Mason ClearBridge US Aggressive Growth Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Discovery Communications Inc 'A'	79,300	SanDisk Corp	135,679
SanDisk Corp	77,921	ADT Corp/The	96,590
Seagate Technology Plc	67,058	Facebook Inc 'A'	83,090
Anadarko Petroleum Corp	37,298	Cablevision Systems Corp 'A'	79,573
TE Connectivity Ltd	30,406	Broadcom Corp 'A'	77,426
Twitter Inc	29,727	Comcast Corp 'A'	63,684
Freeport-McMoRan Inc	27,680	Biogen Inc	51,557
Autodesk Inc	26,114	Allergan plc	48,383
Biogen Inc	25,361	Pall Corp	44,493
Citrix Systems Inc	25,259	Broadcom Ltd	43,342
Starz	22,998	Amgen Inc	41,909
Western Digital Corp	20,251	UnitedHealth Group Inc	26,361
Amgen Inc	15,213	Citrix Systems Inc	23,016
Medtronic Plc	14,426	AT&T Inc	17,752
ADT Corp/The	13,168	Cree Inc	14,922
Broadcom Corp 'A'	13,047	DIRECTV	10,399
Agios Pharmaceuticals Inc	12,077	Valeant Pharmaceuticals International Inc	8,517
Fluor Corp	10,634	Core Laboratories NV	8,195
Tyco International Plc	7,005	Autodesk Inc	6,903
Spark Therapeutics Inc	6,797	AMC Networks Inc	6,240

Legg Mason ClearBridge Tactical Dividend Income Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
United Technologies Corp	3,114	United Technologies Corp	3,786
Och-Ziff Capital Management Group LLC 'A'	2,817	Nestle SA	2,048
Regal Entertainment Group 'A'	2,532	Och-Ziff Capital Management Group LLC 'A'	1,965
Starwood Property Trust Inc	2,111	NextEra Energy Inc	1,704
Apple Inc	2,020	Ares Capital Corp	1,413
Nestle SA	2,003	AstraZeneca Plc ADR	1,267
Ares Capital Corp	1,832	Roche Holding AG	1,198
Plains GP Holdings LP 'A'	1,463	Regal Entertainment Group 'A'	1,173
Merck & Co Inc	1,447	Apple Inc	987
Kimberly-Clark Corp	1,440	Dominion Resources Inc/VA, Series A	921
Microsoft Corp	1,360	Starwood Property Trust Inc	888
Weyerhaeuser Co, Series A	1,313	FS Investment Corp	863
Actavis Plc	1,290	TAL International Group Inc	850
Bristol-Myers Squibb Co	1,280	Vodafone Group Plc ADR	786
Procter & Gamble Co/The	1,277	Stanley Black & Decker Inc	743
Seagate Technology Plc	1,254	General Electric Co	600
American Capital Agency Corp	1,192	National Grid Plc	581
FS Investment Corp	1,191	Intel Corp	578
VTI Energy Partners LP	1,190	Williams Cos Inc/The	552
Anadarko Petroleum Corp	1,171	ONEOK Inc	524
AstraZeneca Plc ADR	1,162	Brookfield Infrastructure Partners LP	503
TCP Capital Corp	1,144	BioMed Realty Trust Inc	483
Pfizer Inc	1,133	Bristol-Myers Squibb Co	444
Brookfield Infrastructure Partners LP	1,131	Pfizer Inc	426
Dynagas LNG Partners LP	1,126	American Capital Agency Corp	417
KNOT Offshore Partners LP	1,114	Enbridge Inc	388
Vodafone Group Plc ADR	1,103	Golub Capital BDC Inc	377
NextEra Energy Inc	1,095	EnLink Midstream LLC	365
Golub Capital BDC Inc	1,092	PPL Corp	364
AT&T Inc	1,072	CenterPoint Energy Inc	347
Annaly Capital Management Inc	1,060		
TriplePoint Venture Growth BDC Corp	1,049		
Johnson & Johnson	1,042		
Dominion Resources Inc/VA, Series A	1,038		
Intel Corp	1,033		
General Electric Co	1,021		
Verizon Communications Inc	986		
Stanley Black & Decker Inc	929		
Macquarie Infrastructure Corp	869		
TAL International Group Inc	861		
Simon Property Group Inc	861		
NextEra Energy Inc	844		
Teekay Corp	834		
EnLink Midstream LLC	829		
Maxim Integrated Products Inc	828		
Golar LNG Partners LP	813		

Legg Mason ClearBridge US Equity Sustainability Leaders Fund^

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Apple Inc	52	American Express Co	30
US Bancorp	47	Novozymes A/S	14
Google Inc 'A'	41	Chipotle Mexican Grill Inc	12
CVS Health Corp	41	EnerNOC Inc	10
Lowe's Cos Inc	40	Apple Inc	6
American Express Co	40	Roche Holding AG ADR	5
NIKE Inc	38	Check Point Software Technologies Ltd	5

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

Legg Mason ClearBridge US Equity Sustainability Leaders Fund^ – (continued)

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Costco Wholesale Corp	37	Alphabet Inc 'A'	1
Ecolab Inc	36	Lowe's Cos Inc	1
Microsoft Corp	35	Microsoft Corp	1
Roche Holding AG ADR	34	US Bancorp	1
NextEra Energy Inc	31	NIKE Inc	1
UnitedHealth Group Inc	30	CVS Health Corp	1
BlackRock Inc	30	Costco Wholesale Corp	1
Automatic Data Processing Inc	29	Ecolab Inc	1
3M Co	28	BlackRock Inc	1
Biogen Inc	26	NextEra Energy Inc	1
Starbucks Corp	25	UnitedHealth Group Inc	1
MEDNAX Inc	23	3M Co	1
Citizens Financial Group Inc	22	Automatic Data Processing Inc	1
Charles Schwab Corp/The	22		
MAXIMUS Inc	21		
Intel Corp	20		
Check Point Software Technologies Ltd	20		
EnerNOC Inc	20		
Trex Co Inc	19		
Under Armour Inc	19		
WW Grainger Inc	19		
Alexion Pharmaceuticals Inc	19		
Rockwell Automation Inc	18		
Centene Corp	18		
Chipotle Mexican Grill Inc	18		
Vestas Wind Systems A/S ADR	18		
Shire Plc ADR	18		
Autodesk Inc	17		
Herman Miller Inc	17		
Whole Foods Market Inc	16		
Mentor Graphics Corp	15		
WABCO Holdings Inc	15		
Brookfield Renewable Energy Partners LP/CA	15		
Novozymes A/S	15		

Legg Mason Opportunity 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)	148,442	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	149,756
Endurance International Group Holdings Inc	12,652	Netflix Inc	17,731
Platform Specialty Products Corp	12,140	Boyd Gaming Corp	12,620
Delta Air Lines Inc	10,933	General Motors Co	7,437
Pandora Media Inc	10,251	zulily Inc	7,128
Intrexon Corp	10,104	E*TRADE Financial Corp	6,086
Twitter Inc	9,687	QUALCOMM Inc	5,699
PulteGroup Inc	9,557	Angie's List Inc	5,647
Lennar Corp	9,359	Ferrari NV	4,816
American Airlines Group Inc	8,856	eBay Inc	4,736
United Continental Holdings Inc	8,227	Seagate Technology Plc	3,938
Netflix Inc	7,976	Cigna Corp	3,520
MGIC Investment Corp	7,718	Level 3 Communications Inc	3,297
NXP Semiconductors NV	7,483	Liberty Interactive Corp QVC Group	3,252
Genworth Financial Inc 'A'	7,420	Best Buy Co Inc	3,011
Fiat Chrysler Automobiles NV	7,367	Sberbank of Russia	2,900
Quotient Technology Inc	7,120	Chesapeake Energy Corp	2,494
JD.com Inc ADR	6,797	Green Brick Partners Inc	2,274
ZIOPHARM Oncology Inc	6,686	Delta Air Lines Inc	1,715
TRI Pointe Group Inc	6,661	Intrexon Corp	1,575
Amazon.com Inc	6,304		
OneMain Holdings Inc 'A'	6,277		
Boyd Gaming Corp	6,206		
Gilead Sciences Inc	6,181		
KB Home	6,166		
Alibaba Group Holding Ltd ADR	6,074		
Apple Inc	5,373		
Citigroup Inc	5,147		
Valeant Pharmaceuticals International Inc	4,916		
Taylor Morrison Home Corp	4,821		
Groupon Inc 'A'	4,791		
Nationstar Mortgage Holdings Inc	4,734		
General Motors Co	4,553		
Angie's List Inc	4,342		
Cigna Corp	4,282		

Legg Mason Royce US Small Cap Opportunity 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)	259,728	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	310,855
Allegheny Technologies Inc	5,439	RT1 International Metals Inc	14,197

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

Legg Mason Royce US Small Cap Opportunity Fund – (continued)

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Virgin America Inc	4,323	Newport Corp	8,948
Ardmore Shipping Corp	3,914	Pericom Semiconductor Corp	8,515
Olin Corp	3,815	Kaiser Aluminum Corp	6,831
Huntsman Corp	3,523	Microsemi Corp	6,694
A Schulman Inc	3,175	XPO Logistics Inc	6,602
Healthways Inc	3,097	Atlas Air Worldwide Holdings Inc	6,600
MasTec Inc	2,957	Inphi Corp	6,527
HB Fuller Co	2,835	Air Lease Corp 'A'	6,419
Tangoe Inc	2,803	Fairchild Semiconductor International Inc 'A'	6,387
Century Aluminum Co	2,752	Radian Group Inc	6,279
Unisys Corp	2,749	BankUnited Inc	5,490
Beazer Homes USA Inc	2,697	Cambrex Corp	5,462
Trinity Biotech Plc ADR	2,527	Qorvo Inc	5,453
United Natural Foods Inc	2,477	Assured Guaranty Ltd	5,408
TravelCenters of America LLC	2,431	Rouse Properties Inc	5,355
Zumiez Inc	2,409	Builders FirstSource Inc	5,321
GENCORP Inc	2,392	OM Group Inc	5,289
Power Solutions International Inc	2,356	Mentor Graphics Corp	5,285

Legg Mason Royce US 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)	77,527	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	90,493
Saia Inc	6,526	John Bean Technologies Corp	7,765
Genworth MI Canada Inc	5,390	Sykes Enterprises Inc	7,696
Steelcase Inc	5,009	NVR Inc	7,510
Deckers Outdoor Corp	4,001	Integrated Silicon Solution Inc	6,713
Virtus Investment Partners Inc	3,928	SEI Investments Co	6,592
Artisan Partners Asset Management Inc	3,822	Myriad Genetics Inc	6,196
Federal Signal Corp	3,762	EnerSys	5,924
Buckle Inc/The	3,398	Genesco Inc	5,777
Mentor Graphics Corp	3,195	Validus Holdings Ltd	5,365
Minerals Technologies Inc	3,115	j2 Global Inc	5,359
Cal-Maine Foods Inc	3,009	Innospec Inc	5,344
Marcus & Millichap Inc	2,675	ICF International Inc	5,335
Lazard Ltd 'A'	2,671	MKS Instruments Inc	5,113
Tessera Technologies Inc	2,644	Bio-Techne Corp	4,943
Bio-Techne Corp	2,634	Cal-Maine Foods Inc	4,741
TrueBlue Inc	2,633	Reliance Steel & Aluminum Co	4,604
Veeco Instruments Inc	2,604	ADTRAN Inc	4,602
Monotype Imaging Holdings Inc	2,579	Bio-Rad Laboratories Inc	4,599
Movado Group Inc	2,384	Coherent Inc	4,310
EW Scripps Co/The 'A'	2,129	IPG Photonics Corp	4,310
MSC Industrial Direct Co Inc 'A'	2,052	Carlisle Cos Inc	4,309
Landstar System Inc	2,022	Valmont Industries Inc	4,182
		Buckle Inc/The	4,063
		Towers Watson & Co 'A'	3,980
		SEACOR Holdings Inc	3,799
		Jacobs Engineering Group Inc	3,792
		Veeco Instruments Inc	3,782
		Minerals Technologies Inc	3,754
		Genworth MI Canada Inc	3,684
		Helmerich & Payne Inc	3,667
		Oil States International Inc	3,590
		Rofin-Sinar Technologies Inc	3,552

Legg Mason Royce Smaller Companies Fund II^A

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	3,772	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	6,332
Genworth MI Canada Inc	384	MKS Instruments Inc	905
Steelcase Inc	291	Buckle Inc/The	836
Virtus Investment Partners Inc	278	Genworth MI Canada Inc	825
Sykes Enterprises Inc	274	Genesco Inc	781
Cal-Maine Foods Inc	227	Minerals Technologies Inc	773
Minerals Technologies Inc	217	Lazard Ltd	729
Deckers Outdoor Corp	217	John Bean Technologies Corp	690
Artisan Partners Asset Management Inc	208	Bio-Rad Laboratories Inc	690
Federal Signal Corp	198	Bio-Techne Corp	661
MKS Instruments Inc	187	Valmont Industries Inc	641
Buckle Inc/The	186	Cal-Maine Foods Inc	625
Genesco Inc	172	j2 Global Inc	615
Veeco Instruments Inc	157	Sykes Enterprises Inc	590
MSC Industrial Direct Co Inc	146	Reliance Steel & Aluminum Co	587
Saia Inc	143	NVR Inc	584
Movado Group Inc	138	Thor Industries Inc	562
Mentor Graphics Corp	136	SEI Investments Co	559
Bio-Rad Laboratories Inc	134	Integrated Silicon Solution Inc	558
Valmont Industries Inc	129	Virtus Investment Partners Inc	548

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

Legg Mason Royce Smaller Companies Fund II[^] – (continued)

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Lazard Ltd	129	Artisan Partners Asset Management Inc	546
Reliance Steel & Aluminum Co	111	Myriad Genetics Inc	542
Lydall Inc	92	Pason Systems Inc	520
Nanometrics Inc	91	Federated Investors Inc	517
		ICF International Inc	516
		Gentex Corp	501
		EnerSys	500
		CIRCOR International Inc	481
		Validus Holdings Ltd	450
		Helmerich & Payne Inc	448
		Innospec Inc	442
		Movado Group Inc	442
		Veeco Instruments Inc	433
		TGS Nopec Geophysical Co ASA	432
		Rofin-Sinar Technologies Inc	422
		ADTRAN Inc	402
		Nanometrics Inc	399
		MSC Industrial Direct Co Inc	392

Legg Mason QS MV European Equity Growth and Income Fund

MAJOR PURCHASES	COST (in 000€)	MAJOR SALES	PROCEEDS (in 000€)
Legal & General Group Plc	2,472	DCC Plc	2,948
Swedbank AB 'A'	2,464	Amlin Plc	2,940
Delta Lloyd NV	2,365	Orange SA	2,362
United Utilities Group Plc	2,264	Gjensidige Forsikring ASA	2,120
Inmarsat Plc	2,254	TOTAL SA	1,965
Lloyds Banking Group Plc	2,208	J Sainsbury Plc	1,963
Danske Bank A/S	2,193	Telefonaktiebolaget LM Ericsson	1,942
Snam SpA	2,168	Catlin Group Ltd	1,911
MAN SE	2,163	Novo Nordisk A/S	1,823
Eutelsat Communications SA	2,141	Delhaize Group	1,777
Rexel SA	2,062	Coloplast A/S	1,651
Enagas SA	2,008	Unilever NV	1,608
Abertis Infraestructuras SA	1,863	Centrica Plc	1,600
Endesa SA	1,775	Aviva Plc	1,598
Telenet Group Holding NV	1,707	Societe BIC SA	1,527
CNP Assurances	1,706	Standard Chartered Plc	1,466
Rio Tinto Plc	1,674	Berkeley Group Holdings Plc	1,449
Nordea Bank AB	1,447	Ageas	1,365
Fortum OYJ	1,436	Elisa OYJ	1,348
SES SA	1,428	Statoil ASA	1,329
Centrica Plc	1,384	Deutsche Telekom AG	1,318
Tele2 AB	1,359	Imperial Brands Plc	1,162
BT Group Plc	1,314	Delta Lloyd NV	1,155
Meggitt Plc	1,311	Amadeus IT Holding SA	1,151
William Hill Plc	1,307	Fresenius Medical Care AG & Co KGaA	1,145
Berendsen Plc	1,282	Vodafone Group Plc	1,115
		BT Group Plc	1,113
		Admiral Group Plc	1,108
		Heineken NV	1,097
		Telefonica Deutschland Holding AG	1,070
		Unilever Plc	941
		Enel SpA	909
		Swedish Match AB	895

Legg Mason QS MV Asia Pacific ex Japan Equity Growth and Income Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Bendigo & Adelaide Bank Ltd	557	Samsung Electronics Co Ltd	1,232
Australia & New Zealand Banking Group Ltd	553	China Mobile Ltd	953
Woodside Petroleum Ltd	547	Chongqing Rural Commercial Bank Co Ltd	553
Contact Energy Ltd	429	MediaTek Inc	511
Tabcorp Holdings Ltd	397	Pegatron Corp	475
Arcor Ltd/Australia	397	Britannia Industries Ltd	444
Insurance Australia Group Ltd	395	Meritz Fire & Marine Insurance Co Ltd	434
Wesfarmers Ltd	392	Bharti Infratel Ltd	434
Aurizon Holdings Ltd	392	Hub Power Co Ltd/The	431
Woolworths Ltd	391	Zhejiang Expressway Co Ltd	413
Sonic Healthcare Ltd	390	China Petroleum & Chemical Corp	413
Coca-Cola Amatil Ltd	390	Power Assets Holdings Ltd	407
VTech Holdings Ltd	390	Hyundai Mobis Co Ltd	399
Dexus Property Group	389	Advanced Semiconductor Engineering Inc	393
Synnex Technology International Corp	388	Cheung Kong Infrastructure Holdings Ltd	391
Telstra Corp Ltd	388	CK Hutchison Holdings Ltd	364
Meridian Energy Ltd	387	PetroChina Co Ltd	345
Venture Corp Ltd	386	Insurance Australia Group Ltd	334
Platinum Asset Management Ltd	385	Telstra Corp Ltd	320
SATS Ltd	383	Teco Electric and Machinery Co Ltd	315
Sydney Airport	381	Delta Electronics Inc	305
M1 Ltd/Singapore	366	Sands China Ltd	301

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

Legg Mason QS MV Asia Pacific ex Japan Equity Growth and Income Fund – (continued)

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Commonwealth Bank of Australia	350	MGM China Holdings Ltd	299
Genesis Energy Ltd	348	Platinum Asset Management Ltd	296
Mighty River Power Ltd	292	Lonking Holdings Ltd	291
Fraser's Commercial Trust	284	Formosa Petrochemical Corp	290
Fortune Real Estate Investment Trust	248	Huadian Power International Corp Ltd	288
Hutchison Port Holdings Trust	242	ComfortDelGro Corp Ltd	287
Li & Fung Ltd	241	Huabao International Holdings Ltd	283
Gigabyte Technology Co Ltd	206	PTT Exploration & Production PCL	279
HK Electric Investments & HK Electric Investments Ltd, 144A	203	Byucksan Corp	276
Stockland	195	Namchow Chemical Industrial Co Ltd	268
Tencent Holdings Ltd	188	HK Electric Investments & HK Electric Investments Ltd, 144A	265
Coretronic Corp	183	Coretronic Corp	254
Mapletree Logistics Trust	160	Synnex Technology International Corp	254
Dongbu Insurance Co Ltd	157	Seah Besteel Corp	253
China Vanke Co Ltd 'H'	156	Samsung Fire & Marine Insurance Co Ltd	250
Indo Tambangraya Megah Tbk PT	146	SJM Holdings Ltd	248
Coway Co Ltd	138	Torrent Pharmaceuticals Ltd	242
		Hua Nan Financial Holdings Co Ltd	235
		Taiwan Semiconductor Manufacturing Co Ltd	235
		China Merchants Bank Co Ltd 'H'	233
		Dongwon F&B Co Ltd	231
		Grape King Bio Ltd	224
		Tata Consultancy Services Ltd	212
		Hero MotoCorp Ltd	207

Legg Mason QS Emerging Markets Equity Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
China Mobile Ltd	120	Tencent Holdings Ltd	231
Sinopharm Group Co Ltd 'H'	94	Celltrion Inc	174
MTN Group Ltd	91	OTP Bank Plc	139
Credicorp Ltd	90	Korea Electric Power Corp	138
PGE Polska Grupa Energetyczna SA	79	Komerční banka as	97
Bidvest Group Ltd/The	73	Polski Koncern Naftowy Orlen SA	96
LPP SA	71	Commercial International Bank Egypt SAE	90
America Movil SAB de CV	64	China Mobile Ltd	81
CSPC Pharmaceutical Group Ltd	63	CEZ AS	79
Turkcell İletişim Hizmetleri AS	63	Yuhan Corp	77
Magnit PJSC GDR	62	SK Innovation Co Ltd	71
SACI Falabella	62	Latam Airlines Group SA	65
Empresas CMPC SA	61	Uni-President Enterprises Corp	58
Sino Biopharmaceutical Ltd	56	KGHM Polska Miedz SA	56
Maruti Suzuki India Ltd	55	Tupras Türkiye Petrol Rafinerileri AS	54
Energy Development Corp	55	Naspers Ltd	52
Ecopetrol SA	51	Adaro Energy Tbk PT	51
Perusahaan Gas Negara Persero Tbk	51	Idea Cellular Ltd	51
Aboitiz Power Corp	49	Interconexion Electrica SA ESP	49
Aspen Pharmacare Holdings Ltd	46	Polskie Gornictwo Naftowe i Gazownictwo SA	48

Legg Mason QS MV Global Equity Growth and Income Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Pfizer Inc	196	Betfair Group Plc	385
Potash Corp of Saskatchewan Inc	182	Kose Corp	356
H&R Real Estate Investment Trust	146	Novo Nordisk A/S	304
Oesterreichische Post AG	145	Kuroda Electric Co Ltd	247
SKY Network Television Ltd	143	Shanghai Mechanical and Electrical Industry Co Ltd	235
Eregli Demir ve Çelik Fabrikalari TAS	141	Wolters Kluwer NV	230
Direct Line Insurance Group Plc	140	BT Group Plc	226
King Yuan Electronics Co Ltd	139	Dixons Carphone Plc	224
Amlin Plc	138	Medtronic Plc	223
PCCW Ltd	137	McKesson Corp	218
Fortum OYJ	137	United Fire Group Inc	215
Li & Fung Ltd	137	Dr Pepper Snapple Group Inc	215
Swedbank AB 'A'	137	Everest Re Group Ltd	213
Genesis Energy Ltd	136	Daito Trust Construction Co Ltd	212
SATS Ltd	136	SimCorp A/S	212
TeliaSonera AB	135	Hiscox Ltd	209
Coretronic Corp	135	Huabao International Holdings Ltd	207
DuPont Fabros Technology Inc	135	Time Warner Inc	207
Intel Corp	133	Kimberly-Clark Corp	204
National Grid Plc	133	Allstate Corp/The	199
Legal & General Group Plc	132	Lorillard LLC	199
Lifestyle International Holdings Ltd	132	Boeing Co/The	197
SSE Plc	131	Japan Airlines Co Ltd	195
Royal Dutch Shell Plc	130	Tosoh Corp	189
Berkeley Group Holdings Plc	130	Amlin Plc	185
Rio Tinto Plc	129	Swedish Match AB	184
Endesa SA	128	WEC Energy Group Inc	184
Astro Malaysia Holdings Bhd	128	Phillips 66	180
British American Tobacco Malaysia Bhd	127	Lockheed Martin Corp	177

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

Legg Mason QS MV Global Equity Growth and Income Fund – (continued)

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Oversea-Chinese Banking Corp Ltd	127	Amdocs Ltd	172
Snam SpA	124	Cisco Systems Inc	171
Imperial Brands Plc	123	Pandora A/S	166
Meridian Energy Ltd	123	Burberry Group Plc	166
Telefonaktiebolaget LM Ericsson	122	Takuma Co Ltd	163
Amcor Ltd/Australia	120	Activision Blizzard Inc	161
		Edison International	159
		Actelion Ltd	158
		Samsung Electronics Co Ltd	158
		Tyson Foods Inc 'A'	156
		Constellation Software Inc/Canada	156
		Kroger Co/The	152
		Bellway Plc	150
		Fabrinet	141
		Clorox Co/The	141
		Mentor Graphics Corp	140
		Western Digital Corp	134
		Pace Plc	131
		NetApp Inc	124

Legg Mason Martin Currie Australia Equity Income Fund

MAJOR PURCHASES	COST (in 000\$)	MAJOR SALES	PROCEEDS (in 000\$)
Insurance Australia Group Ltd	60	Sydney Airport	19
Westpac Banking Corp	55	Scentre Group	17
Scentre Group	55	Spark Infrastructure Group	5
IOOF Holdings Ltd	54	AGL Energy Ltd	3
Australia & New Zealand Banking Group Ltd	46	Federation Centres	2
DUET Group	43	Bradken Ltd	2
Woolworths Ltd	43	CYBG Plc	1
Novion Property Group Pty Ltd	42	Adelaide Brighton Ltd	1
Wesfarmers Ltd	42		
Telstra Corp Ltd	42		
JB Hi-Fi Ltd	37		
ASX Ltd	37		
AusNet Services	36		
Sydney Airport	36		
National Australia Bank Ltd	33		
Commonwealth Bank of Australia	29		
Suncorp Group Ltd	27		
Dexus Property Group	23		
Charter Hall Retail	23		
Fairfax Media Ltd	23		
GPT Group/The	21		
Spark Infrastructure Group	20		
Seven West Media Ltd	18		
Seven Group Holdings Ltd	17		
Woodside Petroleum Ltd	17		
DUET Group	16		
Bendigo & Adelaide Bank Ltd	16		
AGL Energy Ltd	15		
GUD Holdings Ltd	15		
APA Group	14		
Adelaide Brighton Ltd	14		
Federation Centres	12		
Platinum Asset Management Ltd	11		
Tatts Group Ltd	11		

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