

Annual Report and Audited Financial Statements

Legg Mason
Global Funds Plc

An umbrella fund with segregated
liability between sub-funds

For the year ended February 28, 2017

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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)
 Fionnuala Doris (Ireland) (Independent)*
 Joseph LaRocque (U.S.)
 Robert Shearman (United Kingdom)**
 Jane Trust (U.S.)***
 Joseph Carrier (U.S.)****
 * appointed on March 23, 2017
 ** resigned on March 23, 2016
 *** appointed on March 23, 2016
 **** appointed on November 18, 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-8024 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
 Ten Earlsfort Terrace
 Dublin 2, Ireland

Depositary

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 Fund Services (Ireland)
 Designated Activity Company
 Guild House
 Guild Street, IFSC
 Dublin 1, 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*	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*	February 24, 2004	<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 Emerging Markets Corporate Bond Fund*	October 21, 2011	<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 Titulos e Valores Mobiliarios Limitada Av. Pres. Juscelino Kubitschek No. 1455 – 15th Floor – 04543011 Sao Paulo – Brazil</p>
Legg Mason Western Asset Global High Yield Fund*	April 20, 2007	<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 US Short-Term Government Fund*	April 20, 2007	<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 Adjustable Rate Fund*	April 20, 2007	<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 Inflation Management Fund*	April 20, 2007	<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 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 (ceased trading on April 29, 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 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 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
Legg Mason Western Asset Euro High Yield 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

General Information – (continued)

Fund Name	Fund Launch Date	Sub Investment Manager
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 Titulos 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 UK Investment Grade Credit Fund^{^*†}	November 17, 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 Pte. Ltd 1 George Street, #23-01 Singapore 049145</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^†*	November 17, 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 Brandywine Global Fixed Income Fund*	October 1, 2003	<p>Brandywine Global Investment Management, LLC Cira Centre, 2929 Arch Street 8th Floor Philadelphia, Pennsylvania 19104 U.S.A</p>
Legg Mason Brandywine Global Fixed Income Absolute Return Fund^*	April 3, 2012	<p>Brandywine Global Investment Management, LLC Cira Centre, 2929 Arch Street 8th Floor Philadelphia, Pennsylvania 19104 U.S.A.</p>
Legg Mason Brandywine Global High Yield Fund^*	November 30, 2012	<p>Brandywine Global Investment Management, LLC Cira Centre, 2929 Arch Street 8th Floor Philadelphia, Pennsylvania 19104 U.S.A.</p>
Legg Mason Brandywine Global Opportunistic Fixed Income Fund^*	June 25, 2010	<p>Brandywine Global Investment Management, LLC Cira Centre, 2929 Arch Street 8th Floor Philadelphia, Pennsylvania 19104 U.S.A.</p>

General Information – (continued)

Fund Name	Fund Launch Date	Sub Investment Manager
Legg Mason Brandywine Global Sovereign Credit Fund^{^*}	May 10, 2012	Brandywine Global Investment Management, LLC Cira Centre, 2929 Arch Street 8th 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 8th 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 8th 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 8th Floor Philadelphia, Pennsylvania 19104 U.S.A.
Legg Mason Brandywine Global Macro Fund^{***†^}		Brandywine Global Investment Management, LLC Cira Centre, 2929 Arch Street 8th Floor Philadelphia, Pennsylvania 19104 U.S.A.
Legg Mason Brandywine Global Defensive High Yield Fund^{†^^}		Brandywine Global Investment Management, LLC Cira Centre, 2929 Arch Street 8th 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 – 15th Floor – 04543011 Sao Paulo – Brazil
Legg Mason ClearBridge Growth Fund^{**}	February 25, 2004	ClearBridge, LLC 100 International Drive Baltimore, Maryland 21202 U.S.A.
Legg Mason ClearBridge Global Equity Fund^{^***}	September 1, 2006	ClearBridge Investments, LLC 620 Eighth Avenue, 48th Floor New York, New York 10018 U.S.A.
Legg Mason ClearBridge Global Equity Income Fund^{^***}	September 15, 2014	ClearBridge Investments, LLC 620 Eighth Avenue, 48th Floor New York, New York 10018 U.S.A.
Legg Mason ClearBridge US Appreciation Fund^{**}	April 20, 2007	ClearBridge Investments, LLC 620 Eighth Avenue, 48th Floor New York, New York 10018 U.S.A.
Legg Mason ClearBridge US Large Cap Growth Fund^{**}	April 20, 2007	ClearBridge Investments, LLC 620 Eighth Avenue, 48th Floor New York, New York 10018 U.S.A.
Legg Mason ClearBridge US Aggressive Growth Fund^{**}	April 20, 2007	ClearBridge Investments, LLC 620 Eighth Avenue, 48th Floor New York, New York 10018 U.S.A.
Legg Mason ClearBridge 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.

General Information – (continued)

Fund Name	Fund Launch Date	Sub Investment Manager
Legg Mason 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**	March 1, 2004	Royce & Associates, LP 745 5th Avenue New York, New York 10151 U.S.A.
Legg Mason QS MV European Equity Growth and Income Fund**	August 31, 2002	QS Investors, LLC 880 Third Avenue, 7th Floor New York, NY 10022 U.S.A.
Legg Mason QS MV Asia Pacific Ex Japan Equity Growth and Income Fund**	February 25, 2004	QS Investors, LLC 880 Third Avenue, 7th Floor New York, NY 10022 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**	April 28, 2008	QS Investors, LLC 880 Third Avenue, 7th Floor New York, NY 10022 U.S.A.
Legg Mason QS MV Global Equity Growth and Income Fund**	December 29, 2010	QS Investors, LLC 880 Third Avenue, 7th Floor New York, NY 10022 U.S.A.
Legg Mason QS US Large Cap Fund^†**		QS Investors, LLC 880 Third Avenue, 7th Floor New York, NY 10022 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
Legg Mason Martin Currie Asia Long-Term Unconstrained Fund**‡^	March 11, 2016	Martin Currie Investment Management Limited Saltire Court 20 Castle Terrace Edinburgh EH1 2ES Legg Mason Asset Management Singapore Pte. Limited 1 George Street, #23-02 Singapore 049145
Legg Mason Martin Currie Asia Pacific Fund**‡^	March 11, 2016	Martin Currie Investment Management Limited Saltire Court 20 Castle Terrace Edinburgh EH1 2ES Legg Mason Asset Management Singapore Pte. Limited 1 George Street, #23-02 Singapore 049145
Legg Mason Martin Currie European Absolute Alpha Fund**‡^	March 11, 2016	Martin Currie Investment Management Limited Saltire Court 20 Castle Terrace Edinburgh EH1 2ES
Legg Mason Martin Currie Global Resources Fund**‡^	March 11, 2016	Martin Currie Investment Management Limited Saltire Court 20 Castle Terrace Edinburgh EH1 2ES
Legg Mason Martin Currie Greater China Fund**‡^	March 11, 2016	Martin Currie Investment Management Limited Saltire Court 20 Castle Terrace Edinburgh EH1 2ES

General Information – (continued)

Fund Name	Fund Launch Date	Sub Investment Manager
Legg Mason Martin Currie Japan Absolute Alpha Fund**‡^	March 11, 2016	Martin Currie Investment Management Limited Saltire Court 20 Castle Terrace Edinburgh EH1 2ES
Legg Mason Martin Currie North American Fund**‡^	March 11, 2016	Martin Currie Investment Management Limited Saltire Court 20 Castle Terrace Edinburgh EH1 2ES
Legg Mason Martin Currie Global Long-Term Unconstrained Fund†***^	June 28, 2016	Martin Currie Investment Management Limited Saltire Court 20 Castle Terrace Edinburgh EH1 2ES
Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund†***^	June 28, 2016	Legg Mason Asset Management Australia Limited (trading under the name "Martin Currie Australia") Level 47 120 Collins Street, Melbourne VIC 3000 Australia
Legg Mason RARE Emerging Markets Infrastructure Fund†***^		RARE Infrastructure Limited Level 13, 35 Clarence Street Sydney NSW 2000 Australia
Legg Mason RARE Infrastructure Value Fund†***^	December 9, 2016	RARE Infrastructure Limited Level 13, 35 Clarence Street Sydney NSW 2000 Australia
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)	

† As at February 28, 2017 these Funds have not commenced trading.

‡ Commenced trading during the year.

^ 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.

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

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

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

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 28, 2017. In this report, we highlight the key drivers behind the performance of bond and equity markets over the period.

Fixed income markets

In March 2016, sovereign bond markets on the whole performed well in local currency terms with Indonesia, India, Mexico, Malaysia, Singapore, South Africa, Japan and Italy among the strongest countries. Meanwhile, Switzerland, Australia, Sweden and Germany were the month's laggards. The performance of most currencies against the US dollar, which weakened, was generally positive in March. The best-performing currencies against the US dollar included the Brazilian real, Russian ruble, Colombian peso, South Korean won and South African rand. Conversely, the Venezuelan bolivar depreciated considerably versus the US dollar over the month.

In April, while performance in government bond markets was mixed, with many of the major bond markets posting negative returns, credit sectors performed well, with risk assets rallying across the board. Global high yield led the gains; this was driven in particular by strong returns from the US and, within that, the energy sector. Investment grade corporate bonds were also positive performers over the month.

May was a volatile month for government bond and credit markets, however, with hawkish US Federal Reserve (Fed) minutes, Brexit concerns, worries over China's debt burden and corporate defaults, and a falling oil price at the beginning of the month weighing on markets. High yield markets ended the month slightly positive in the US, the eurozone and the UK after a difficult start. Investment grade corporate bonds were also modestly positive in Europe, while broadly flat in the US.

In June, all eyes were on the UK's vote whether or not to remain in the European Union. The surprise decision to leave saw markets down sharply in early trading, gold rose 5%, while oil, bond yields and 'vulnerable' currencies, such as the pound and the euro, plunged. Later in the month, currency markets continued to favour safe havens such as the US, Switzerland and Japan, and bond yields continued to move lower.

Expectations for additional policy easing measures from global central banks saw global bonds post strong positive returns in July. Currencies were mixed; sterling weakened a little further, while the euro and the Japanese yen appreciated versus the US dollar. Oil-related currencies, such as the Mexican peso and Russian ruble, were weaker against the greenback, as energy prices declined during the month.

In August, developed market yields were largely driven by central bank rhetoric or monetary policy. The Bank of England (BoE) cut its key policy rate and expanded stimulus, as it was largely expected to do. Long-term gilt yields fell, although the BoE pledged to avoid negative yields and rates. The European Central Bank's (ECB's) stimulus seemed to be gaining traction; this optimism was expressed in long-dated core and peripheral European yields, which ticked higher in August. Speculation over a September US rate hike resurfaced after a strong jobs report. Shorter term US Treasury yields rose, while the 30-year yield was relatively flat for the month.

In September, the Bank of Japan added to its quantitative and qualitative easing programme and announced a shift in government bond purchases towards shorter-dated maturities to help ease pressure on banks and other financial institutions. After reinstating UK gilt asset purchases in August, the BoE started corporate bond purchases at the end of September. In the US, economic data releases were generally soft, the Fed remained on hold and the yield curve steepened modestly. Currency markets posted mixed returns; the yen and euro appreciated versus the US dollar, while sterling and the Mexican peso weakened.

October saw investment grade and high yield corporate bonds continue to benefit from central bank actions and negative core-European and Japanese government bond yields. Third-quarter earnings releases were generally better than anticipated. Rising political uncertainty and concerns over higher fiscal spending pushed longer dated government yields higher, especially in the US. Meanwhile, the US dollar trended higher against other currencies on increased market expectations of an increase in US interest rates.

Politics were at the fore in November. The surprising outcome of the US elections, both the Donald Trump victory and to a lesser extent the Republican sweep of Congress, jolted financial markets, with sentiment turning very quickly towards global deflation. Optimism over a pro-growth, pro-business agenda under the new administration ignited a rally in US equities and credit markets, while concerns over increased fiscal spending, combined with expectations of higher inflation and a more proactive Fed, pushed bond yields sharply higher and strengthened the US dollar. Uncertainty over the new administration's trade and immigration policies saw emerging market (EM) bonds and EM currencies underperform, especially the Mexican peso.

The Fed turned more hawkish in December, raising interest rates for the first time in a year, albeit only the second time since 2008, while predicting three further rate

increases in 2017. Optimism from the previous month spilled over into December and encouraged a further rally in both US equities and credit markets. Shorter dated US bond yields continued to rise and the US dollar strengthened over the last month of the year. EMs finished the year strongly in December, clawing back some of the losses from November.

Optimism over a pro-growth, pro-business agenda under the new US administration spilled over into 2017, with credit markets grinding higher in January 2017. However, longer dated US bonds and the US dollar were pressured by increasing uncertainty over: the new administration's trade policies (specifically, the future role of the US in the Trans-Pacific Partnership and the North American Free Trade Agreement); confusion over its immigration policies, which sparked a domestic and global political backlash; and rhetoric concerning the valuation of the greenback, which precipitated a broad-based rally across global currency markets. While EMs such as Mexico were initially impacted by these developments, the asset class as a whole, led by Brazil and Russia, recovered towards the end of the month. Meanwhile, stronger growth and inflation data, as well as increased political uncertainty, pushed European government bond yields sharply higher, especially in Italy and France.

Political headlines in the US continued to dominate market sentiment in February. President Trump's first address to the US Congress struck a more conciliatory tone. Less harsh rhetoric over global trade reduced the risk premia in EM assets with Mexican bonds and the Mexican peso benefiting in particular. As US financial conditions continued to improve, the Fed indicated a readiness to hike interest rates again. Shorter dated US yields rose and the US yield curve flattened. US corporate and high yield bonds continued to outperform despite increased expectations for Fed tightening. German government bonds outperformed other European markets as political uncertainty increased ahead of upcoming elections in France and the Netherlands. In Italy, former Prime Minister Matteo Renzi resigned as leader of the Democratic Party.

Global equities

Stock prices spiked higher in March 2016, rallying after significant declines and elevated volatility in the first two months of 2016. EM equities rose in double digits followed by still-sizeable returns for both US and international stocks. The Fed continued its cautious and somewhat dovish approach, holding off additional interest rate increases.

Though the performance of stocks seesawed in April, global equity markets were down slightly in sterling terms. Volatility was high, with small-cap stocks outperforming large-cap counterparts, while value outperformed growth stocks. The performance of stocks diverged in May with US stocks outperforming and international and EM stocks declining. Equity volatility was generally high with small cap stocks outperforming large cap stocks and growth stocks outperforming value stocks. Investors were concerned about the China slowdown, the prospect for higher interest rates, and the presidential election in the US. In June, the UK's decision to exit the European Union dominated the news. Although this had an immediate and detrimental impact on financial markets, equities generally had recovered somewhat by the end of the month.

Stocks rose in July across market capitalisation, investment style and region. Markets appeared to stabilise post-Brexit. However, investors continued to face other headwinds including central bank interest rate policies, the China slowdown, terrorism and lacklustre economic growth across the globe.

Global and international stock performance was flat and market activity somewhat muted in August. Essentially, the market reflected a rotation away from low-volatility solutions and defensive investments to more cyclical stocks and strategies. From a macroeconomic perspective, the focus shifted to a reflation trade versus deflationary trade for investors.

September was a month when investors were reminded of long-standing problems, but also offered some hope for 2017. Greece and the banks (in particular Deutsche Bank) reminded the market of the lack of resolution and the depth of the difficulties. Although both issues remained unresolved, and the weakness of the banks in Greece, Italy and Portugal suggested a central bailout and/or some other support in the forthcoming months, global stock markets were up slightly over the month, with Japanese equities leading the field.

Amid continued market volatility, and amid increased worries about less accommodative central bank policies around the world, subdued demand for commodities in China, and political uncertainty in Europe and the US, developed market equities were down in October. EMs, however, were up. The US dollar was extremely strong for the month, gaining against most currencies in anticipation of a rate hike in the near future. Sterling saw the biggest drop, after the UK prime minister announced a plan to begin the Brexit negotiations early in 2017.

In November, markets were driven by the surprise election of Donald Trump as US President. Contrary to almost-unanimous expectations, Trump's victory saw the Republican Party securing control of the US Senate and House of Representatives.

Global equity markets rallied after the election outcome, and bonds sold off for the rest of the month, on expectations of a lift in US inflation, as well as bullish expectations regarding Trump's program of fiscal stimulus, corporate tax cuts and less onerous regulation.

The fourth quarter as a whole was dominated by uncertainty over the US presidential election and the subsequent market volatility in the wake of Donald Trump's surprise win. However, Trump's promises of tax cuts, infrastructure spending and corporate deregulation bolstered the performance of equities in November, and this effect continued to provide a boost to stock markets in December. The Fed's decision to raise rates was the key economic event in the last month of the year. While this decision was widely anticipated by the markets, the year ended with mixed predictions on the speed of future rate hikes, as the Fed stated it had upgraded its economic assumptions due to Trump's potentially expansionary policies.

Global equities enjoyed a continuation of the positive momentum seen at the end of 2016, and rose in January 2017. Manufacturing growth remained on the up in the US, Germany and Japan, while service industries continued to have gains across most major markets. The top equity performers were Brazil and Poland, followed by Peru and New Zealand. The US slightly underperformed, however. At a sector level, materials and information technology led the field. After a strong December, energy was the month's laggard.

Equities generated positive returns during February, with the US and EMs outperforming and international equities lagging. In the US, stock prices continued to rise, notably banking stocks in anticipation of rising interest rates, given the Fed suggested an interest rate hike as early as March. In Europe, fractious politics, tied to elections coming in France, Germany and the Netherlands, provided political risk that served as an overhang for investors, despite recovering economic growth and corporate profits. Investors also worried about a hard Brexit and its impact on the eurozone, a China hard landing, turmoil in the Middle East, and the risk of terrorism.

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 February 28, 2017 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-funds' full objective and risk factors. These and other relevant documents may be obtained in a number of languages at BNY Mellon Fund Services (Ireland) Designated Activity Company, Guild House, Guild Street, IFSC, Dublin 1, Ireland, www.leggmasonglobal.com and the registered office.

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Directors' Report

The directors of the Company (the "Directors") submit their annual report together with the audited financial statements for the year ended February 28, 2017.

Statement of directors' responsibilities

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

Irish company 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. 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 company 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 ensuring that adequate accounting records are kept 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 Fund Services (Ireland) Designated Activity Company, 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 constitution 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 financial statements of the Company included on the website of Legg Mason affiliates that distribute the Funds. 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 on pages 14 to 15 contains a review of the factors which contributed to the performance of the Funds for the year. The Directors do not anticipate any changes to the investment objectives of the existing Funds.

As at February 28, 2017 the Company has 61 active Funds (2016: 50 Funds) in operation. Details of their net asset values as at February 28, 2017 are disclosed in the Statement of Financial Position on pages 194 to 214.

The following Funds commenced trading during the year:

Fund	Commencement of operations
Legg Mason Martin Currie Asia Long-Term Unconstrained Fund [^]	March 11, 2016
Legg Mason Martin Currie Asia Pacific Fund [^]	March 11, 2016
Legg Mason Martin Currie European Absolute Alpha Fund [^]	March 11, 2016
Legg Mason Martin Currie Global Resources Fund [^]	March 11, 2016
Legg Mason Martin Currie Greater China Fund [^]	March 11, 2016
Legg Mason Martin Currie Japan Absolute Alpha Fund [^]	March 11, 2016
Legg Mason Martin Currie North American Fund [^]	March 11, 2016
Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund [^]	June 28, 2016
Legg Mason Martin Currie Global Long Term Unconstrained Fund [^]	June 28, 2016
Legg Mason Western Asset UK Investment Grade Credit Fund [^]	November 17, 2016
Legg Mason Western Asset US Corporate Bond Fund [^]	November 17, 2016
Legg Mason RARE Infrastructure Value Fund [^]	December 9, 2016

Risk management objectives and policies

Information in relation to certain of the Company's risk management objectives and policies are included in Note 12 to financial statements.

Results for the year and state of affairs at February 28, 2017

The Statement of Financial Position as at February 28, 2017 and February 29, 2016 and the Statement of Comprehensive Income for the year ended February 28, 2017 and February 29, 2016 are set out on pages 194 to 214 and 216 to 225 respectively.

Distributions to holders of Redeemable Participating Shares

The distributions to holders of Redeemable Participating Shares for the year ended February 28, 2017 and February 29, 2016 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.

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

Directors' Report – (continued)

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)
 Fionnuala Doris (Ireland) (Independent)*
 Joseph LaRocque (U.S.)
 Robert Shearman (United Kingdom)**
 Jane Trust (U.S.)***
 Joseph Carrier (U.S.)****
 * appointed on March 23, 2017
 ** resigned on March 23, 2016
 *** appointed on March 23, 2016
 **** appointed on November 18, 2016

Directors' and secretary's interests

The Directors and secretary and their families had no interests in the shares of the Company at February 28, 2017 and February 29, 2016. 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 all measures included in the voluntary Corporate Governance Code for Collective Investment Schemes and Management Companies as published by the Irish Funds (formerly 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.

Director's Compliance Statement

It is the policy of the Company to comply with its relevant obligations (as defined in the Companies Act 2014). As required by Section 225(2) of the Companies Act 2014, the Directors acknowledge that they are responsible for securing the Company's compliance with the relevant obligations. The Directors have drawn up a compliance policy statement as defined in Section 225(3)(a) of the Companies Act 2014 and a compliance policy which refers to the arrangements and structures that are in place and which are, in the Directors' opinion, designed to secure material compliance with the Company's relevant obligations. In discharging their responsibilities under Section 225, the Directors relied upon, among other things, the services provided, advice and/or representations from third parties whom the Directors believe have the requisite knowledge and experience in order to secure material compliance with the Company's relevant obligations.

Establishment of an Audit Committee

The Company has not established an audit committee. Given the internal organisation of the Company, the nature, scope and complexity of the Company's activities and the existing processes and procedures adopted by the Company, the Board does not consider that an audit committee is required for the purposes of Section 167 of the Companies Act 2014.

Relevant Audit Information

So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware and the Directors have taken all the steps that ought to have been taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Connected Party Transactions

Regulation 41(1) of the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (as amended) (the "Central Bank UCITS Regulations") states that a "responsible person shall ensure that any transaction between a UCITS and a connected person is (a) conducted at arm's length; and (b) in the best interests of the unit-holders of the UCITS."

As required under Regulation 78(4) of the Central Bank UCITS Regulations, the Board is satisfied that (a) there are in place arrangements, evidenced by written procedures, to ensure that the obligations that are prescribed by Regulation 41(1) are applied to all transactions with connected parties; and (b) all transactions with connected parties that were entered into during the year complied with the obligations that are prescribed by Regulation 41(1).

Independent Auditors

PricewaterhouseCoopers have indicated their willingness to remain in office in accordance with Section 383(2) of the Companies Act 2014.

Investment Objectives and Investment Policies

All active Funds, except Legg Mason Western Asset Global Core Plus Bond 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 Western Asset UK Investment Grade Credit Fund[^], Legg Mason Western Asset US Corporate Bond Fund[^], Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^], Legg Mason Brandywine Global High Yield Fund[^], Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^], Legg Mason Brandywine Global Sovereign Credit Fund[^], Legg Mason Brandywine Global Income Optimiser Fund[^], Legg Mason Brandywine Global Credit Opportunities Fund[^], Legg Mason Brandywine Global Dynamic US Equity Fund[^], Legg Mason ClearBridge Global Equity Fund[^], Legg Mason ClearBridge Global Equity Income Fund[^], Legg Mason ClearBridge US Equity Sustainability Leaders Fund[^], 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[^], Legg Mason Martin Currie North American Fund[^], Legg Mason Martin Currie Global Long-Term Unconstrained Fund[^], Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund[^] and Legg Mason RARE Infrastructure Value Fund[^] have been authorised by the Securities and Futures Commission in Hong Kong. Therefore, the Funds noted above are not authorised for sale to the public in Hong Kong. The authorisation by the Securities and Futures Commission of Hong Kong does not imply recommendation for investment into the Funds.

The principal investment objective and policies of all active Funds at February 28, 2017 are listed on the subsequent pages. 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.

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

Directors' Report – (continued)

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.

Legg Mason Western Asset Short Duration High Income Bond 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),

Directors' Report – (continued)

Legg Mason Western Asset Global Multi Strategy Fund – (continued)

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 Countries 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

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 UCITS or 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.

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. A maximum of 10 per cent of the Fund's net asset value may be invested 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 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

Directors' Report – (continued)

Legg Mason Western Asset Global High Yield Fund – (continued)

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 unsecured participations in or assignments of floating rate mortgages or other commercial loans that are liquid and will provide for interest rate adjustments at least every 397 days and which may be secured by real estate or other assets. Such participations, combined with any other investments that are subject to Clause 2.1 in Schedule II of the Prospectus, will not exceed 10 per cent of the net asset value of the Fund in the aggregate. A maximum of 10 per cent of the Fund's net asset value may be invested in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations.

Legg Mason Western Asset US Short-Term Government Fund

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

Investment Policies – The Fund will invest at least 70 per cent of its net asset value in debt securities issued or guaranteed by the 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

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

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

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.

Directors' Report – (continued)

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 Global Core Plus Bond Fund[^]

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

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

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). 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. 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.

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

Directors' Report – (continued)

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; 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). The Fund will not invest 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 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. 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. 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 Western Asset UK Investment Grade Credit 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 corporate debt securities and debt securities issued by supranational organisations that are listed or traded on Regulated Markets in the United Kingdom and other Regulated Markets and are denominated in Pound Sterling.

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

Directors' Report – (continued)

Legg Mason Western Asset UK Investment Grade Credit Fund[^] – (continued)

The Fund may invest in corporate debt securities, including 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 and their agencies, instrumentalities and political sub-divisions; STRIPS and inflation index-linked securities; 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 whose underlying exposure may be to fixed income securities; mortgage-backed securities (including collateralised mortgage obligations) and asset-backed securities that are structured as debt securities. 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 Corporate Bond Fund[^]

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

Investment Policies – The Fund invests at all times at least two-thirds of its net asset value in corporate debt securities that are (i) denominated in US Dollars, 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, 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. 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 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 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. The Fund may invest up to 20 per cent of its net asset value in debt securities of issuers located in countries 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. The Fund may invest no 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 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 Regulations; and (iii) financial derivatives instruments providing exposure to any or all of the following: debt securities, interest rates, currencies and fixed income indices meeting the eligibility requirements of the Central Bank. The Fund may not invest more than 10 per cent of its net asset value in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations, and such investments will be for the purposes of gaining exposure to the types of instruments described in the investment policies or otherwise to pursue the investment objective and policy of the Fund.

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

Legg Mason Brandywine Global High Yield Fund[^]

Investment Objective – 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.

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

Directors' Report – (continued)

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. The Fund may invest no 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 Sovereign Credit 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 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; and (iv) other collective investment schemes.

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). 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. The Fund may invest no 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 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 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 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.

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

Directors' Report – (continued)

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.

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 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 from issuers 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

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

Directors' Report – (continued)

Legg Mason ClearBridge US Equity Sustainability Leaders Fund[^] – (continued)

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.

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 QS MV European Equity Growth and Income 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

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, Thailand, Australia and New Zealand. In addition, the Fund may, from time to time, also invest in equity securities of companies domiciled in Pakistan and Sri Lanka. A maximum of 10 per cent of the Fund's net asset value may be invested in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations. A maximum of 10 per cent of the Fund's net asset value may be invested in equity-linked or structured notes that are transferable securities, whose underlying exposure may be to equity securities.

Legg Mason QS 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.

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

Directors' Report – (continued)

Legg Mason QS MV Global Equity Growth and Income Fund

Investment Objective – To generate long-term capital appreciation.

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

Legg Mason Martin Currie Asia Long-Term Unconstrained Fund[^]

Investment Objective – To capture Asian gross domestic product ("GDP") growth and to provide an attractive risk/return profile in a historically volatile market using a long only equity strategy.

Investment Policies – The Fund will invest at least 80 per cent of its net asset value in equities, whether directly or indirectly through equity-related securities or long positions in financial derivative instruments on equities and equity-related securities, that are (i) listed or traded on Regulated Markets located in mainland China, Hong Kong, India, Indonesia, Malaysia, Philippines, Singapore, South Korea, Taiwan and Thailand (collectively, the "Primary Countries") or (ii) listed or traded on Regulated Markets located in countries other than the Primary Countries but are issued by companies whose principal activities are conducted, or who derive the majority of their business profits from, the Primary Countries.

The Sub-Investment Manager looks for companies that offer sustainable growth, strong management and a strategic market position. The Fund may invest up to 20 per cent of its net asset value in aggregate in: Money Market Instruments; deposits; financial derivative instruments; and 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 invest no more than 10 per cent of its net asset value in units or shares of such other collective investment schemes.

Legg Mason Martin Currie Asia Pacific Fund[^]

Investment Objective – To produce long-term capital growth.

Investment Policies – The Fund invests at least 80 per cent of its net asset value in equity securities (including warrants) that are (i) listed or traded on Regulated Markets located in the Asia Pacific region (excluding Japan) or (ii) listed or traded on Regulated Markets located outside of the Asia Pacific region but are issued by companies whose principal activities are conducted in, or who derive the majority of their business profits from, the Asia Pacific region. The Fund may invest no 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. Due to its investment policies, this Fund may have particularly volatile performance.

Legg Mason Martin Currie European Absolute Alpha Fund[^]

Investment Objective – To achieve absolute return over the long term by employing a long/short equity strategy.

Investment Policies – The Sub-Investment Manager focuses on fundamental analysis of securities. The Sub-Investment Manager seeks to identify valuation anomalies and take advantage of them through long or synthetic short positions as appropriate. The gross exposure (including long and short positions) to European equities and equity-related securities (including via derivatives) may be up to 200 per cent of the Fund's net asset value. The net exposure (long exposure minus short exposure) to European equities and equity-related securities (including via derivatives) is expected to range from -30 per cent to 100 per cent of the Fund's net asset value. The Fund may invest up to 10 per cent of its net asset value in units or shares of other collective investment schemes within the meaning of Regulation 68(1) of the UCITS Regulations, in order to gain exposure to European equities.

Legg Mason Martin Currie Global Resources Fund[^]

Investment Objective – To produce long-term capital growth.

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 located anywhere in the world as set out in Schedule III of the Prospectus (including Emerging Market Countries), and are issued by companies that are predominantly engaged in the energy, basic materials, industrials and/or utilities sectors. The Sub-Investment Manager's investment process consists of four components: idea generation, fundamental analysis, peer-group review of stock ideas, and risk-aware portfolio construction.

The Fund may invest up to 20 per cent of its net asset value in aggregate in Money Market Instruments, deposits, financial derivative instruments, and 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 invest no more than 10 per cent of its net asset value in units or shares of such other collective investment schemes.

Legg Mason Martin Currie Greater China Fund[^]

Investment Objective – To produce long-term capital growth.

Investment Policies – The Fund invests at least 80 per cent of its net asset value in equity securities (including warrants) that are listed or traded on Regulated Markets as set out in Schedule III of the Prospectus, and are issued by companies domiciled in or deriving the predominant portion of their revenues from the People's Republic of China ("China"), Hong Kong or Taiwan. The Sub-Investment Manager's investment process consists of idea generation, fundamental analysis, and risk-aware portfolio construction. The Sub-Investment Manager's research universe consists of all equity in China, Hong Kong and Taiwan, and Chinese companies listed overseas.

The Fund may invest in aggregate up to 30 per cent of its net asset value in warrants (including low exercise price warrants), ADRs, and exchange-traded funds. The Fund may invest no 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 Martin Currie Japan Absolute Alpha Fund[^]

Investment Objective – To achieve absolute return over the long term by employing a long/short equity strategy.

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

Directors' Report – (continued)

Legg Mason Martin Currie Japan Absolute Alpha Fund[^] – (continued)

Investment Policies – The strategy style is primarily focused on company fundamentals such as assets and liabilities, cash flows, returns on shareholder equity, and overall profitability. This leads to an in-depth understanding of the companies the Sub-Investment Manager invests in, and individual stock selection is driven by these 'bottom-up' considerations.

For the Fund's long equity positions, the Sub-Investment Manager will typically seek to select companies that exhibit some or all of the following characteristics: strong market and industry positioning; strong management, as evidenced by an ability to create shareholder value; consistent past earnings growth and reasonable price-to-earnings and price-to-book valuations. The Fund's gross exposure (excluding cash) to non-Japanese assets will not exceed 25% of its net asset value. The Fund may invest up to 10% of its net asset value in units or shares of other collective investment schemes within the meaning of Regulation 68(1) of the UCITS Regulations, in order to gain exposure to Japanese equities.

Legg Mason Martin Currie North American Fund[^]

Investment Objective – To produce long-term capital growth.

Investment Policies – The Fund will invest at least 80 per cent of its net asset value in equity securities issued by large and mid-capitalisation companies that are: (i) listed or traded on Regulated Markets in the US or Canada; or (ii) listed or traded on Regulated Markets located in countries other than the US or Canada where the issuing company conducts their principal activities in, or derives the majority of their business profits from, the US or Canada. The Sub-Investment Manager's investment process consists of four components: idea generation, fundamental analysis, internal peer-group review of stock ideas and risk-aware portfolio construction. The Fund may invest no 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 Martin Currie Global Long-Term Unconstrained Fund[^]

Investment Objective – To produce long-term capital appreciation.

Investment Policies – The Fund will invest at least 80 per cent of its net asset value in equities, whether directly or indirectly through equity-related securities or long positions in financial derivative instruments on equities and equity-related securities that are listed or traded on Regulated Markets located anywhere in the world (including Emerging Market Countries), as set out in Schedule III of the Prospectus. The Sub-Investment Manager is primarily interested in companies: (1) with a consistent ten year record of delivering a return on invested capital in excess of the weighted average cost of capital, (2) where goodwill is not a dominant asset on the balance sheet; and (3) where the free float is in excess of \$5 billion.

The Fund may invest up to 20 per cent of its net asset value in aggregate in: Money Market Instruments; deposits; and 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 invest no more than 10 per cent of its net asset value in units or shares of such other collective investment schemes.

Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund[^]

Investment Objective – To provide income.

Investment Policies – The Fund will invest at least 80 per cent of its net asset value in equity securities and equity-related securities (including preferred shares, Australian trusts and stapled securities, REITs, depositary receipts and low exercise price warrants on equity securities) that are (i) listed or traded on Regulated Markets located in the Asia Pacific (ex Japan) region, which includes those countries represented in the MSCI AC Asia Pacific ex Japan Index or (ii) listed or traded on Regulated Markets located outside of the Asia Pacific (ex Japan) region but are issued by companies whose principal activities are conducted in countries represented in the MSCI AC Asia Pacific ex Japan Index. The Sub-Investment Manager's strategy focuses on issuers from three main sectors: (1) REITs, such as shopping centres, office buildings and industrial buildings; (2) infrastructure, such as toll roads, shipping ports, airports and railroads; and (3) utilities, such as gas and electricity grids and generators. The Fund may invest up to 20 per cent of its net asset value in aggregate in: Money Market Instruments, deposits, financial derivative instruments and 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 invest no more than 10 per cent of its net asset value in units or shares of such other collective investment schemes.

Legg Mason RARE Infrastructure Value Fund[^]

Investment Objective – To achieve long-term stable growth comprised of regular and consistent income from dividends and interest, plus capital growth, from a portfolio of global infrastructure securities.

Investment Policies – The Fund will invest at least 80% of its net asset value in infrastructure companies via equity and equity-related securities listed or traded on Regulated Markets in the G7 countries of the United States, United Kingdom, Japan, Germany, France, Italy and Canada, and equity and equity-related securities listed or traded on Regulated Markets of other developed countries and Emerging Market Countries, including India. The equity and equity-related securities in which the Fund may invest includes common stock, preferred stock, depositary receipts, rights, warrants and participation notes of infrastructure companies.

The Fund may invest up to 10% of its net asset value in closed-ended collective investment schemes such as REITs. Any REIT in which the Fund will invest shall be listed or traded on a Regulated Market. The Fund may invest up to 10% of its net asset value in units or shares of other open-ended UCITS or other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations, provided the investment policies and liquidity provisions of these collective investment schemes are consistent with those of the Fund.

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

On behalf of the Board

Fionnuala Doris
Director
June 22, 2017

Joseph Keane
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 Funds' assets, liabilities and financial position as at February 28, 2017 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, included within the Annual Report and Audited Financial Statements, comprise:

- the Statement of Financial Position as at February 28, 2017;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares for the year then ended;
- the Portfolio of Investments for each of the Funds as at February 28, 2017; and
- the notes to the financial statements for the Company and for each of its Funds which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

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

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' Report is consistent with the financial statements.

Matter on which we are required to report by exception

Directors' remuneration and transactions

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.

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 16, 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 and Audited Financial Statements 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 22, 2017

Depository's Report

Report from the Depository to the Shareholders Dated June 22, 2017

For the period from March 1, 2016 to February 28, 2017 (the "Period")

BNY Mellon Trust Company (Ireland) Limited (the "Depository" "us", "we", or "our") has enquired into the conduct of Legg Mason Global Funds plc (the "Company") for the Period, in its capacity as depository to the Company.

This report including the opinion has been prepared for and solely for the shareholders in the Company, in accordance with our role as depository to the Company 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 Depository

Our duties and responsibilities are outlined in Regulation 34 of the of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No 352 of 2011), as amended (the "Regulations").

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 constitutional documentation 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 depository must state in what respects it has not been so managed and the steps which we have taken in respect thereof.

Basis of Depository Opinion

The Depository conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties 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 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 Period, in all material respects:

- (i) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the constitutional documentation and the Regulations;
and
- (ii) otherwise in accordance with the provisions of the constitutional documentation and the Regulations.

For and on behalf of BNY Mellon Trust Company (Ireland) Limited,
Guild House,
Guild Street,
IFSC,
Dublin 1.

Legg Mason Western Asset US Money Market Fund

Portfolio of Investments as at February 28, 2017

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 — 27.75% (February 29, 2016: 28.44%)				10,000	Skandinaviska Enskilda Banken AB/New York, 1.360%, due 3/3/2017 *	10,000	0.87	5,000	Bank of Tokyo-Mitsubishi UFJ Ltd/New York, 0.000%, due 3/1/2017 **	5,000	0.43
35,000	Abbey National Treasury Services Plc, 0.670%, due 3/1/2017	35,000	3.05	2,000	Standard Chartered Bank, 1.400%, due 6/2/2017	2,000	0.17	15,000	BMW US Capital LLC, 0.600%, due 3/8/2017 **	14,998	1.31
5,000	Abbey National Treasury Services Plc, 1.197%, due 6/5/2017 *	5,000	0.44	5,250	Sumitomo Mitsui Banking Corp/New York, 1.500%, due 3/3/2017 *	5,250	0.46	14,500	BNZ International Funding Ltd, 1.390%, due 3/1/2017 **	14,500	1.26
9,000	Bank of Montreal/Chicago, 0.670%, due 3/2/2017	9,000	0.78	3,000	Sumitomo Mitsui Banking Corp/New York, 1.230%, due 3/28/2017	3,000	0.26	10,000	BNZ International Funding Ltd, 0.990%, due 5/2/2017 **	9,983	0.87
10,000	Bank of Montreal/Chicago, 1.080%, due 3/16/2017	10,000	0.87	8,900	Sumitomo Mitsui Banking Corp/New York, 1.230%, due 4/3/2017	8,900	0.78	2,500	Caisse Des Depots Et Consignations, 0.470%, due 3/3/2017 **	2,500	0.22
5,000	Bank of Montreal/Chicago, 1.166%, due 6/7/2017 *	5,000	0.43	6,000	Sumitomo Mitsui Banking Corp/New York, 1.379%, due 6/19/2017 *	6,000	0.52	25,000	Caisse Des Depots Et Consignations, 0.620%, due 3/9/2017 **	24,996	2.18
5,000	Bank of Montreal/Chicago, 1.151%, due 6/13/2017 *	5,000	0.44	599	Sumitomo Mitsui Banking Corp/New York, 1.284%, due 8/1/2017 *	600	0.05	25,000	Coca-Cola Co, 0.500%, due 3/6/2017 **	24,998	2.18
10,000	Bank of Nova Scotia/Houston, 1.400%, due 3/3/2017 *	10,000	0.87	290	Sumitomo Mitsui Banking Corp/New York, 1.672%, due 8/18/2017 *	290	0.02	1,000	Credit Agricole CIB NY, 0.570%, due 3/7/2017 **	1,000	0.09
5,000	Bank of Nova Scotia/Houston, 1.145%, due 6/8/2017 *	5,000	0.44	1,000	Svenska Handelsbanken/ New York, 0.720%, due 3/17/2017	1,000	0.09	5,000	Credit Suisse AG/New York, 1.080%, due 3/21/2017 **	4,997	0.43
12,650	Bank of Tokyo-Mitsubishi UFJ Ltd/New York, 1.398%, due 4/25/2017 *	12,650	1.10	12,000	Svenska Handelsbanken/ New York, 1.119%, due 5/19/2017 *	12,000	1.05	4,265	Danske Corp, 1.210%, due 4/19/2017 **	4,258	0.37
5,000	Bank of Tokyo-Mitsubishi UFJ Ltd/New York, 1.368%, due 4/27/2017 *	5,000	0.43	4,000	Toronto-Dominion Bank/ New York, 1.080%, due 3/15/2017	4,000	0.35	5,000	DBS Bank Ltd, 0.890%, due 3/14/2017 **	4,998	0.43
4,000	BNP Paribas SA/New York, 1.281%, due 5/15/2017 *	4,000	0.35	6,000	Toronto-Dominion Bank/ New York, 1.453%, due 5/23/2017 *	5,999	0.52	15,000	DBS Bank Ltd, 0.730%, due 3/15/2017 **	14,995	1.31
10,000	Canadian Imperial Bank of Commerce/New York, 1.380%, due 3/3/2017 *	10,000	0.87	9,750	UBS AG (Stamford), 1.401%, due 3/13/2017 *	9,750	0.85	2,065	DBS Bank Ltd, 0.930%, due 3/20/2017 **	2,064	0.18
3,500	Chase Bank USA N.A., 1.442%, due 5/26/2017 *	3,500	0.30	3,000	Wells Fargo Bank NA, 1.248%, due 4/26/2017 *	3,000	0.26	4,000	DnB Nor Bank ASA/New York, 0.570%, due 3/7/2017 **	4,000	0.35
7,000	CitiBank N.A., 0.900%, due 3/1/2017	7,000	0.61	Total Certificate of Deposit (Cost \$318,519)		318,519	27.75	15,000	Exxon Mobil Corp, 0.300%, due 3/2/2017 **	15,000	1.31
13,000	CitiBank N.A., 1.000%, due 3/28/2017	13,000	1.13	Commercial Paper — 56.05% (February 29, 2016: 53.86%)				10,000	General Electric Co, 0.570%, due 3/20/2017 **	9,997	0.87
4,500	CitiBank N.A., 1.139%, due 5/19/2017 *	4,500	0.39	5,000	ABN AMRO Funding USA LLC, 1.030%, due 3/16/2017 **	4,998	0.43	4,000	HSBC USA Inc, 1.260%, due 5/2/2017 **	4,000	0.35
4,250	Cooperative Rabobank UA/ NY, 1.306%, due 4/7/2017 *	4,251	0.37	3,000	ABN AMRO Funding USA LLC, 1.220%, due 4/3/2017 **	2,996	0.26	10,000	ING U.S. Funding LLC, 1.350%, due 5/3/2017 **	10,000	0.87
7,000	Cooperative Rabobank UA/ NY, 1.299%, due 4/18/2017 *	7,000	0.61	2,500	American Honda Finance, 0.540%, due 3/6/2017 **	2,500	0.22	5,000	ING U.S. Funding LLC, 1.220%, due 5/30/2017 **	5,000	0.44
3,000	Cooperative Rabobank UA/ NY, 1.279%, due 4/20/2017 *	3,000	0.26	18,200	American Honda Finance, 0.640%, due 3/28/2017 **	18,191	1.58	3,000	ING U.S. Funding LLC, 1.230%, due 6/12/2017 **	3,000	0.26
10,000	Credit Suisse AG/New York, 1.480%, due 3/3/2017 *	10,000	0.87	5,000	ANZ New Zealand International Ltd, 1.120%, due 6/1/2017 **	5,000	0.44	25,000	JPMorgan Securities LLC, 0.740%, due 3/28/2017 **	24,986	2.18
8,000	Credit Suisse AG/New York, 1.469%, due 3/21/2017 *	8,000	0.70	5,000	ANZ New Zealand International Ltd, 1.150%, due 6/6/2017 **	5,000	0.44	3,900	JPMorgan Securities LLC, 1.230%, due 4/26/2017 **	3,900	0.34
3,300	Credit Suisse AG/New York, 1.478%, due 5/1/2017 *	3,300	0.29	5,000	Apple Inc, 0.330%, due 3/2/2017 **	5,000	0.43	3,000	Landesbank Hessen-Thuringen, 0.630%, due 3/6/2017 **	3,000	0.26
8,000	DnB Nor Bank ASA/New York, 0.660%, due 3/3/2017	8,000	0.70	15,000	Apple Inc, 0.600%, due 3/7/2017 **	14,998	1.31	10,000	Mizuho Bank Ltd/NY, 0.630%, due 3/6/2017 **	9,999	0.87
4,000	ING U.S. Funding LLC, 1.222%, due 7/10/2017 *	4,001	0.35	10,000	Apple Inc, 0.610%, due 3/8/2017 **	9,999	0.87	5,000	Novartis Finance Corp, 0.000%, due 3/1/2017 **	5,000	0.44
5,000	KBC Bank NV (New York), 0.680%, due 3/1/2017	5,000	0.43	10,000	Apple Inc, 0.660%, due 3/17/2017 **	9,997	0.87	10,000	Novartis Finance Corp, 0.630%, due 3/13/2017 **	9,998	0.87
15,825	KBC Bank NV (New York), 1.050%, due 3/6/2017	15,826	1.38	11,750	ASB Finance Ltd/London, 1.390%, due 3/2/2017 **	11,750	1.02	10,000	Novartis Finance Corp, 0.650%, due 3/16/2017 **	9,997	0.87
1,000	Mitsubishi UFJ Trust & Banking Corp/NY, 1.384%, due 6/1/2017 *	1,000	0.09	5,000	ASB Finance Ltd/London, 1.170%, due 5/16/2017 **	5,000	0.44	4,000	NRW Bank, 1.000%, due 3/22/2017 **	3,997	0.35
1,000	Mitsubishi UFJ Trust & Banking Corp/NY, 1.393%, due 6/9/2017 *	1,000	0.09	3,000	ASB Finance Ltd/London, 1.210%, due 7/17/2017 **	3,000	0.26	15,000	NRW Bank, 1.010%, due 3/28/2017 **	14,988	1.31
8,900	Mizuho Bank Ltd/NY, 1.250%, due 4/3/2017	8,900	0.78	15,000	Bank Nederlandse Gemeenten, 0.350%, due 3/2/2017 **	15,000	1.31	10,000	NRW Bank, 0.820%, due 4/7/2017 **	9,991	0.87
7,000	Mizuho Bank Ltd/NY, 1.471%, due 4/12/2017 *	7,000	0.61	15,000	Bank Nederlandse Gemeenten, 0.600%, due 3/8/2017 **	14,998	1.31	5,000	Oversea-Chinese Banking Corp, 1.360%, due 3/13/2017 **	5,000	0.44
3,050	Mizuho Bank Ltd/NY, 1.372%, due 5/17/2017 *	3,050	0.27	10,000	Bank Nederlandse Gemeenten, 0.750%, due 4/3/2017 **	9,993	0.87	5,000	Oversea-Chinese Banking Corp, 0.760%, due 3/14/2017 **	4,998	0.43
4,500	Mizuho Bank Ltd/NY, 1.381%, due 5/30/2017 *	4,500	0.39	5,000	Bank of Montreal/Chicago, 0.470%, due 3/3/2017 **	5,000	0.43	15,000	Oversea-Chinese Banking Corp, 0.820%, due 3/16/2017 **	14,995	1.31
4,000	Nordea Bank AB/New York, 1.400%, due 6/9/2017	4,002	0.35	3,200	Bank of Nova Scotia/Houston, 1.010%, due 3/17/2017 **	3,198	0.28	2,000	Oversea-Chinese Banking Corp, 1.030%, due 5/2/2017 **	1,996	0.17
250	Royal Bank of Canada/ New York, 1.323%, due 3/10/2017 *	250	0.02	2,750	Bank of Nova Scotia/Houston, 1.200%, due 4/26/2017 **	2,750	0.24	15,000	PepsiCo Inc, 0.590%, due 3/20/2017 **	14,995	1.31
5,000	Royal Bank of Canada/ New York, 1.151%, due 6/12/2017 *	5,000	0.44					20,000	Pfizer Inc, 0.510%, due 3/7/2017 **	19,998	1.74
								11,000	Procter & Gamble Co/The, 0.590%, due 3/20/2017 **	10,996	0.96
								10,000	Procter & Gamble Co/The, 0.590%, due 3/21/2017 **	9,997	0.87
								43,000	Societe Generale, 0.000%, due 3/1/2017 **	43,000	3.75
								7,025	Standard Chartered Bank, 0.650%, due 3/2/2017 **	7,025	0.61
								10,000	Toronto-Dominion Holdings USA Inc, 1.000%, due 3/15/2017 **	9,996	0.87

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US Money Market Fund

Portfolio of Investments as at February 28, 2017 – (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)			Government Bonds and Notes — 1.74% (February 29, 2016: 0.76%)			22,500 Swedbank (Stockholm), 0.570%, due 3/1/2017		
15,000 Toyota Motor Credit Corp, 1.230%, due 3/22/2017 **	15,000	1.31	United States — 1.74% (February 29, 2016: 0.76%)			Total Time Deposits (Cost \$155,063)		
4,400 Toyota Motor Credit Corp, 1.310%, due 7/21/2017 **	4,400	0.38	20,000 United States Treasury Bill, zero coupon, due 3/9/2017			155,063 13.51		
5,000 United Overseas Bank Ltd, 0.810%, due 3/7/2017 **	4,999	0.43	Total Government Bonds and Notes (Cost \$19,998)			Total Investments (Cost \$1,146,972)		
500 United Overseas Bank Ltd, 0.660%, due 3/8/2017 **	500	0.04	19,998 1.74			1,146,972 99.92		
5,000 United Overseas Bank Ltd, 0.780%, due 3/23/2017 **	4,997	0.43	Time Deposits — 13.51% (February 29, 2016: 15.52%)			Other Assets in Excess of Liabilities (February 29, 2016: (0.51%))		
10,000 United Overseas Bank Ltd, 0.830%, due 4/12/2017 **	9,990	0.87	20,000 Banque Nationale De Paris (Cayman Islands), 0.550%, due 3/1/2017			862 0.08		
15,000 USAA Capital Corp, 0.580%, due 3/16/2017 **	14,996	1.31	32,563 Canadian Imperial Bank (Cayman Islands), 0.590%, due 3/1/2017			Total Net Assets		
20,000 Wal-Mart Stores Inc, 0.000%, due 3/1/2017 **	20,000	1.74	30,000 DnB Nor Bank ASA (New York), 0.570%, due 3/1/2017			\$1,147,834 100.00		
Total Commercial Paper (Cost \$643,386)	643,386	56.05	15,000 Natixis (New York), 0.570%, due 3/1/2017			* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2017.		
Corporate Bonds and Notes — 0.87% (February 29, 2016: 1.93%)			15,000 Nordea Bank AB/New York, 0.560%, due 3/1/2017			** Rate reflects yield to maturity as at February 28, 2017.		
Switzerland — 0.87% (February 29, 2016: 0.00%)			20,000 Svenska Handelsbank (Cayman Islands), 0.550%, due 3/1/2017			% of Total Assets		
10,000 UBS AG (Stamford), 1.615%, due 6/1/2017 *	10,006	0.87				Transferable securities admitted to an official exchange listing or traded on a regulated market		
Total Corporate Bonds and Notes (Cost \$10,006)	10,006	0.87				Deposits with credit institutions		
						Other assets		
						Total Assets		
						100.00		

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US Core Bond Fund

Portfolio of Investments as at February 28, 2017

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
Asset-Backed Securities — 5.79% (February 29, 2016: 9.27%)			111			64		
64 Bayview Financial Acquisition Trust, Series 2004 D, Class M3, 2.356%, due 8/28/2044 *	63	0.11	111			64		0.11
230 Bear Stearns Asset Backed Securities I Trust 2004-BO1, Series 2004 BO1, Class M6, 2.778%, due 10/25/2034 *	233	0.42	213			139		0.24
72 Countrywide Asset-Backed Certificates, Series 2007 13, Class 2A2, 1.578%, due 10/25/2047 *	65	0.12	113			251		0.46
237 Countrywide Asset-Backed Certificates, Series 2007 4, Class A4W, 5.145%, due 4/25/2047 *	233	0.42	26			198		0.35
270 CWABS Inc Asset-Backed Certificates Trust 2004-5, Series 2004 5, Class 2A, 1.278%, due 10/25/2034 *	254	0.45	100			100		0.18
202 CWHEQ Revolving Home Equity Loan Trust Series 2006-I, Series 2006 I, Class 1A, 0.910%, due 1/15/2037 *	181	0.32	100			78		0.15
280 CWHEQ Revolving Home Equity Loan Trust Series 2007-B, Series 2007 B, Class A, 0.920%, due 2/15/2037 *	249	0.45	100			108		0.21
256 First Franklin Mortgage Loan Trust 2002-FF3, Series 2002 FF3, Class A1, 1.638%, due 8/25/2032 *	242	0.43	100			100		0.18
25 Manufactured Housing Contract Trust Pass-Through Certificates Series 2001-2, Series 2001 2, Class IA2, 4.272%, due 2/20/2032 *	23	0.04	100			138		0.26
278 Mastr Asset Backed Securities Trust 2004-OPT2, Series 2004 OPT2, Class A1, 1.478%, due 9/25/2034 *	260	0.47	157			70		0.13
101 Option One Mortgage Loan Trust 2002-3, Series 2002 3, Class A2, 1.318%, due 8/25/2032 *	94	0.17	157			76		0.15
8 RASC Series 2001-KS2 Trust, Series 2001 KS2, Class All, 1.238%, due 6/25/2031 *	8	0.01	157			600		1.12
370 RASC Series 2005-KS12 Trust, Series 2005 KS12, Class M1, 1.218%, due 1/25/2036 *	365	0.65	157			900		1.69
35 SASCO Mortgage Loan Trust 2005-GEL1, Series 2005 GEL1, Class M1, 1.603%, due 12/25/2034 *	35	0.06	157			1,400		2.57
160 SLC Student Loan Trust 2008-2, Series 2008 2, Class A4, 1.863%, due 6/15/2021 *	155	0.28	157			1,600		2.84
200 SLM Private Credit Student Loan Trust 2007-A, Series 2007 A, Class A4A, 1.203%, due 12/16/2041 *	176	0.32	157			36		0.07
130 SLM Student Loan Trust 2007-2, Series 2007 2, Class A4, 1.098%, due 7/25/2022 *	125	0.22	157			41		0.08
83 SLM Student Loan Trust 2008-5, Series 2008 5, Class A4, 2.738%, due 7/25/2023 *	86	0.15	157			47		0.01
89 SLM Student Loan Trust 2010-1, Series 2010 1, Class A, 1.178%, due 3/25/2025 *	88	0.16	157			143		0.02
219 Structured Asset Investment Loan Trust 2004-8, Series 2004 8, Class M1, 1.678%, due 9/25/2034 *	212	0.38	157			297		0.11
91 United States Small Business Administration, Series 2015 20D, Class 1, 2.510%, due 4/1/2035	90	0.16	157			23		0.05
Total Asset-Backed Securities (Cost \$3,219)	3,237	5.79	157			45		0.01
Mortgage-Backed Securities — 32.44% (February 29, 2016: 26.76%)			157			34		0.01
13 American Home Mortgage Investment Trust 2004-1, Series 2004 1, Class 1A, 1.478%, due 4/25/2044 *	12	0.02	157			33		0.07
			157			44		0.09
			157			4,768		0.20
			157			1,333		0.06
			157			150		0.26
			157			26		0.05
			157			16		0.03
			157			36		0.07
			157			16		0.03
			157			26		0.05
			157			75		0.14
			157			69		0.13
			157			99		0.18
			157			199		0.36

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US Core Bond Fund

Portfolio of Investments as at February 28, 2017 – (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)								
99 Freddie Mac Gold Pool 'Q45819', 3.000%, due 1/1/2047	99	0.18	334 Government National Mortgage Association, Series 2011 142, Class IO, 0.657%, due 9/16/2046 *	8	0.01	1,660 Government National Mortgage Association, Series 2015 5, Class IK, 0.778%, due 11/16/2054 *	87	0.16
69 Freddie Mac Gold Pool 'U90316', 4.000%, due 10/1/2042	73	0.13	79 Government National Mortgage Association, Series 2011 H01, Class AF, 1.222%, due 11/20/2060 *	79	0.14	1,079 Government National Mortgage Association, Series 2016 128, Class IO, 1.034%, due 9/16/2056 *	87	0.16
77 Freddie Mac Gold Pool 'U90503', 3.500%, due 11/1/2042	79	0.14	140 Government National Mortgage Association, Series 2011 H09, Class AF, 1.272%, due 3/20/2061 *	139	0.25	10 GS Mortgage Securities Trust 2013-GC16, Series 2013 GC16, Class B, 5.161%, due 11/10/2046 *	11	0.02
75 Freddie Mac Gold Pool 'U99045', 3.500%, due 3/1/2043	77	0.14	295 Government National Mortgage Association, Series 2012 112, Class IO, 0.311%, due 2/16/2053 *	8	0.01	33 JP Morgan Chase Commercial Mortgage Securities Trust 2006-LDP9, Series 2006 LDP9, Class AM, 5.372%, due 5/15/2047	33	0.06
199 Freddie Mac Gold Pool 'U99124', 3.500%, due 3/1/2045	205	0.37	160 Government National Mortgage Association, Series 2012 27, Class IO, 1.068%, due 4/16/2053 *	6	0.01	100 JP Morgan Chase Commercial Mortgage Securities Trust 2016-JP3, Series 2016 JP3, Class A5, 2.870%, due 8/15/2049	98	0.17
900 Freddie Mac Gold Pool, 30 year, TBA, 3.500% ±	922	1.65	55 Government National Mortgage Association, Series 2012 34, Class SA, 5.269%, due 3/20/2042 *	10	0.02	10 JPMBB Commercial Mortgage Securities Trust 2013-C15, Series 2013 C15, Class C, 5.046%, due 11/15/2045 *	11	0.02
700 Freddie Mac Gold Pool, 30 year, TBA, 3.000% ±	695	1.24	202 Government National Mortgage Association, Series 2012 44, Class IO, 0.613%, due 3/16/2049 *	6	0.01	10 JPMBB Commercial Mortgage Securities Trust 2013-C17, Series 2013 C17, Class B, 4.886%, due 1/15/2047 *	11	0.02
94 Freddie Mac Multifamily Structured Pass Through Certificates K016, Class X1, 1.537%, due 10/25/2021 *	5	0.01	144 Government National Mortgage Association, Series 2012 66, Class CI, 3.500%, due 2/20/2038	14	0.02	120 JPMBB Commercial Mortgage Securities Trust 2014-C23, Series 2014 C23, Class AS, 4.202%, due 9/15/2047 *	127	0.23
100 Freddie Mac Multifamily Structured Pass Through Certificates KJ08, Class A2, 2.356%, due 8/25/2022	100	0.18	66 Government National Mortgage Association, Series 2012 H18, Class NA, 1.292%, due 8/20/2062 *	66	0.12	10 JPMBB Commercial Mortgage Securities Trust 2015-C31, Series 2015 C31, Class A3, 3.801%, due 8/15/2048	10	0.02
14 Freddie Mac REMICS 3621, Class SB, 5.460%, due 1/15/2040 *	2	—	73 Government National Mortgage Association, Series 2012 H30, Class GA, 1.122%, due 12/20/2062 *	72	0.13	140 LB-UBS Commercial Mortgage Trust 2001-C3, Series 2001 C3, Class X, 144A, 0.568%, due 6/15/2036 *†	1	—
90 Freddie Mac REMICS 3947, Class SG, 5.180%, due 10/15/2041 *	16	0.03	140 Government National Mortgage Association, Series 2013 145, Class IO, 1.075%, due 9/16/2044 *	8	0.01	100 Morgan Stanley Bank of America Merrill Lynch Trust 2014-C18, Series 2014 C18, Class AS, 4.110%, due 10/15/2047 *	104	0.19
247 Freddie Mac REMICS 4092, Class AI, 3.000%, due 9/15/2031	25	0.04	160 Government National Mortgage Association, Series 2013 163, Class IO, 1.157%, due 2/16/2046 *	10	0.02	80 Morgan Stanley Capital I Trust 2012-C4, Series 2012 C4, Class A4, 3.244%, due 3/15/2045	83	0.15
181 Freddie Mac REMICS 4194, Class BI, 3.500%, due 4/15/2043	27	0.05	101 Government National Mortgage Association, Series 2013 178, Class IO, 0.789%, due 6/16/2055 *	4	0.01	100 Morgan Stanley Capital I Trust 2016-BNK2, Series 2016 BNK2, Class A4, 3.049%, due 11/15/2049	99	0.18
45 Freddie Mac REMICS 4298, Class PI, 4.000%, due 4/15/2043	6	0.01	464 Government National Mortgage Association, Series 2013 63, Class IO, 0.769%, due 9/16/2051 *	24	0.04	100 Morgan Stanley Capital I Trust 2016-BNK2, Series 2016 BNK2, Class C, 3.912%, due 11/15/2049 *	99	0.18
250 Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2014 DN1, Class M2, 2.978%, due 2/25/2024 *	257	0.46	248 Government National Mortgage Association, Series 2013 H08, Class BF, 1.172%, due 3/20/2063 *	246	0.44	100 Morgan Stanley Capital I Trust 2016-UBS12, Series 2016 UB12, Class C, 4.151%, due 12/15/2049 *	95	0.17
222 Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2015 DNA2, Class M2, 3.378%, due 12/25/2027 *	228	0.41	907 Government National Mortgage Association, Series 2014 105, Class IO, 0.976%, due 6/16/2054 *	57	0.10	171 Sequoia Mortgage Trust 2003-5, Series 2003 5, Class A1, 1.401%, due 9/20/2033 *	169	0.30
250 Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2015 DNA3, Class M2, 3.628%, due 4/25/2028 *	259	0.46	615 Government National Mortgage Association, Series 2014 135, Class IO, 0.844%, due 1/16/2056 *	34	0.06	5 Structured Adjustable Rate Mortgage Loan Trust, Series 2004 10, Class 1A1, 3.256%, due 8/25/2034 *	5	0.01
127 Freddie Mac Structured Pass-Through Certificates, Series T 56, Class 2AF, 1.178%, due 5/25/2043 *	126	0.23	73 Government National Mortgage Association, Series 2014 47, Class IA, 0.640%, due 2/16/2048 *	3	0.01	34 Structured Asset Securities Corp Mort Pass-thr Cert Ser 2002, Series 2002 11A, Class B2II, 3.298%, due 6/25/2032 *	28	0.05
1 Ginnie Mae I Pool '464051', 7.000%, due 7/15/2028	1	—	158 Government National Mortgage Association, Series 2014 50, Class IO, 0.914%, due 9/16/2055 *	9	0.02	34 Thornburg Mortgage Securities Trust 2007-4, Series 2007 4, Class 1A1, 2.834%, due 9/25/2037 *	33	0.06
41 Ginnie Mae I Pool '557522', 7.000%, due 7/15/2031	49	0.09	602 Government National Mortgage Association, Series 2014 92, Class IX, 0.703%, due 5/16/2054 *	24	0.04	40 WaMu Mortgage Pass-Through Certificates Series 2005-AR8, Series 2005 AR8, Class 2A1A, 1.068%, due 7/25/2045 *	39	0.07
34 Ginnie Mae I Pool '565347', 7.000%, due 8/15/2031	36	0.06	167 Government National Mortgage Association, Series 2015 167, Class OI, 4.000%, due 4/16/2045	34	0.06	1,468 Wells Fargo Commercial Mortgage Trust 2015-NXS1, Series 2015 NXS1, Class XA, 1.191%, due 5/15/2048 *	96	0.17
38 Ginnie Mae I Pool '584344', 7.000%, due 4/15/2032	43	0.08	126 Government National Mortgage Association, Series 2015 36, Class MI, 5.500%, due 3/20/2045	28	0.05	1,794 Wells Fargo Commercial Mortgage Trust 2016-C36, Series 2016 C36, Class XA, 1.379%, due 11/15/2059 *	163	0.29
36 Ginnie Mae II Pool '4837', 6.000%, due 10/20/2040	41	0.07				39 Wells Fargo Mortgage Backed Securities 2004-I Trust, Series 2004 I, Class B2, 3.143%, due 7/25/2034 *	33	0.06
27 Ginnie Mae II Pool '4923', 4.500%, due 1/20/2041	29	0.05						
19 Ginnie Mae II Pool '4961', 6.000%, due 2/20/2041	22	0.04						
71 Ginnie Mae II Pool '4978', 4.500%, due 3/20/2041	76	0.14						
42 Ginnie Mae II Pool '5240', 6.000%, due 11/20/2041	48	0.08						
200 Ginnie Mae II Pool 'MA4263', 4.000%, due 2/20/2047	212	0.38						
600 Ginnie Mae II Pool, 30 year, TBA, 3.500% ±	624	1.12						
900 Ginnie Mae II Pool, 30 year, TBA, 3.000% ±	911	1.63						
65 Government National Mortgage Association, Series 2009 H01, Class FA, 1.931%, due 11/20/2059 *	66	0.12						
20 Government National Mortgage Association, Series 2010 85, Class HS, 5.869%, due 1/20/2040 *	3	—						
60 Government National Mortgage Association, Series 2010 H26, Class LF, 1.122%, due 8/20/2058 *	60	0.11						

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US Core Bond Fund

Portfolio of Investments as at February 28, 2017 – (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)			140	Petroleos Mexicanos, 6.625%, due 6/15/2035	141 0.25	10	Altria Group Inc, 5.375%, due 1/31/2044	12 0.02
110	WFRBS Commercial Mortgage Trust 2014-C23, Series 2014 C23, Class AS, 4.210%, due 10/15/2057 *	116 0.21	20	Petroleos Mexicanos, 6.375%, due 1/23/2045	19 0.04	30	Amazon.com Inc, 4.950%, due 12/5/2044	35 0.06
2,017	WFRBS Commercial Mortgage Trust 2014-C23, Series 2014 C23, Class XA, 0.687%, due 10/15/2057 *	70 0.12			412 0.74	100	American International Group Inc, 6.250%, due 3/15/2087 *	101 0.18
100	WFRBS Commercial Mortgage Trust 2014-LC14, Series 2014 LC14, Class ASB, 3.522%, due 3/15/2047	104 0.19	Netherlands — 1.46% (February 29, 2016: 1.29%)			11	Amgen Inc, 4.663%, due 6/15/2051	11 0.02
Total Mortgage-Backed Securities (Cost \$18,157)			120	Bank Nederlandse Gemeenten NV, 4.375%, due 2/16/2021	130 0.23	20	Anadarko Petroleum Corp, 8.700%, due 3/15/2019	23 0.04
			20	Cooperatieve Rabobank UA, 3.875%, due 2/8/2022	21 0.04	150	Anadarko Petroleum Corp, 4.500%, due 7/15/2044	145 0.26
Corporate Bonds and Notes — 23.71% (February 29, 2016: 27.70%)			280	Cooperatieve Rabobank UA/NY, 3.375%, due 5/21/2025	284 0.51	10	Anthem Inc, 5.875%, due 6/15/2017	10 0.02
Australia — 0.19% (February 29, 2016: 0.22%)			10	Heineken NV, 1.400%, due 10/1/2017	10 0.02	20	Anthem Inc, 3.125%, due 5/15/2022	20 0.04
60	BHP Billiton Finance USA Ltd, 3.250%, due 11/21/2021	63 0.11	40	Royal Bank of Scotland NV/The, 4.650%, due 6/4/2018	41 0.07	144	Apache Corp, 3.250%, due 4/15/2022	146 0.26
10	BHP Billiton Finance USA Ltd, 2.875%, due 2/24/2022	10 0.02	80	Shell International Finance BV, 4.375%, due 3/25/2020	85 0.15	20	Apache Corp, 4.250%, due 1/15/2044	19 0.03
20	BHP Billiton Finance USA Ltd, 5.000%, due 9/30/2043	23 0.04	120	Shell International Finance BV, 1.875%, due 5/10/2021	118 0.21	130	Apple Inc, 2.450%, due 8/4/2026	123 0.22
10	Commonwealth Bank of Australia, 5.000%, due 10/15/2019	11 0.02	110	Shell International Finance BV, 2.875%, due 5/10/2026	107 0.19	20	AT&T Inc, 5.800%, due 2/15/2019	22 0.04
		107 0.19	10	Shell International Finance BV, 4.550%, due 8/12/2043	10 0.02	80	AT&T Inc, 4.350%, due 6/15/2045	71 0.13
Belgium — 0.86% (February 29, 2016: 1.37%)			10	Shell International Finance BV, 4.000%, due 5/10/2046	10 0.02	27	AT&T Inc, 4.500%, due 3/9/2048	24 0.04
30	Anheuser-Busch InBev Finance Inc, 2.650%, due 2/1/2021	30 0.05			816 1.46	20	AT&T Inc, 5.700%, due 3/1/2057	21 0.04
40	Anheuser-Busch InBev Finance Inc, 3.300%, due 2/1/2023	41 0.07	Peru — 0.16% (February 29, 2016: 0.15%)			10	Bank of America Corp, 3.875%, due 3/22/2017	10 0.02
220	Anheuser-Busch InBev Finance Inc, 3.650%, due 2/1/2026	224 0.40	90	Southern Copper Corp, 5.250%, due 11/8/2042	88 0.16	30	Bank of America Corp, Series L, 2.600%, due 1/15/2019	30 0.05
110	Anheuser-Busch InBev Finance Inc, 4.900%, due 2/1/2046	121 0.22	Spain — 0.02% (February 29, 2016: 0.02%)			10	Bank of America Corp, 5.625%, due 7/1/2020	11 0.02
60	Anheuser-Busch InBev Worldwide Inc, 5.375%, due 1/15/2020	65 0.12	10	Telefonica Emisiones SAU, 5.877%, due 7/15/2019	11 0.02	130	Bank of America Corp, 5.000%, due 5/13/2021	142 0.25
		481 0.86	Switzerland — 0.04% (February 29, 2016: 0.22%)			10	Bank of America Corp, 3.300%, due 1/1/2023	10 0.02
Brazil — 0.56% (February 29, 2016: 0.60%)			20	Glencore Finance Canada Ltd, 2.700%, due 10/25/2017	20 0.04	30	Bank of America Corp, 4.000%, due 4/1/2024	31 0.06
210	Petrobras Global Finance BV, 5.375%, due 1/27/2021	212 0.38	United Kingdom — 1.31% (February 29, 2016: 0.83%)			110	Bank of America Corp, 4.200%, due 8/26/2024	114 0.20
10	Petrobras Global Finance BV, 6.250%, due 3/17/2024	10 0.02	50	BP Capital Markets Plc, 3.245%, due 5/6/2022	51 0.09	310	Bank of America Corp, 4.000%, due 1/22/2025	312 0.56
50	Petrobras Global Finance BV, 6.850%, due 6/5/2115	44 0.08	60	BP Capital Markets Plc, 3.216%, due 11/28/2023	60 0.11	40	Bank of America Corp, 3.875%, due 8/1/2025	41 0.07
40	Vale Overseas Ltd, 6.875%, due 11/21/2036	44 0.08	10	BP Capital Markets Plc, 3.506%, due 3/17/2025	10 0.02	10	Bank of America Corp, 4.450%, due 3/3/2026	10 0.02
		310 0.56	120	BP Capital Markets Plc, 3.119%, due 5/4/2026	118 0.21	50	Bank of America Corp, 3.500%, due 4/19/2026	50 0.09
Canada — 0.67% (February 29, 2016: 0.50%)			70	Diageo Capital Plc, 4.828%, due 7/15/2020	76 0.13	50	Bank of America Corp, 4.250%, due 10/22/2026	51 0.09
113	Barrick Gold Corp, 4.100%, due 5/1/2023	121 0.22	200	Lloyds Banking Group Plc, 3.100%, due 7/6/2021	202 0.36	30	Bank of America Corp, 5.000%, due 1/21/2044	33 0.06
40	Barrick North America Finance LLC, 5.700%, due 5/30/2041	46 0.08	200	Lloyds Banking Group Plc, 4.650%, due 3/24/2026	205 0.37	19	Becton Dickinson and Co, 3.734%, due 12/15/2024	20 0.03
10	Potash Corp of Saskatchewan Inc, 4.875%, due 3/30/2020	11 0.02	10	WPP Finance 2010, 5.125%, due 9/7/2042	10 0.02	20	Becton Dickinson and Co, 4.685%, due 12/15/2044	21 0.04
200	Royal Bank of Canada, 1.875%, due 2/5/2020	198 0.35			732 1.31	10	Berkshire Hathaway Energy Co, 6.500%, due 9/15/2037	13 0.02
		376 0.67	United States — 16.98% (February 29, 2016: 21.49%)			10	Boeing Capital Corp, 4.700%, due 10/27/2019	11 0.02
Chile — 0.10% (February 29, 2016: 0.13%)			10	21st Century Fox America Inc, 6.650%, due 11/15/2037	13 0.02	20	Boeing Co/The, 4.875%, due 2/15/2020	22 0.04
55	Celulosa Arauco y Constitucion SA, 4.750%, due 1/11/2022	58 0.10	20	Abbott Laboratories, 3.750%, due 11/30/2026	20 0.04	10	Celgene Corp, 3.550%, due 8/15/2022	10 0.02
Colombia — 0.16% (February 29, 2016: 0.16%)			10	Abbott Laboratories, 4.750%, due 11/30/2036	10 0.02	60	Celgene Corp, 3.875%, due 8/15/2025	61 0.11
100	Ecopetrol SA, 5.875%, due 5/28/2045	90 0.16	50	Abbott Laboratories, 4.900%, due 11/30/2046	52 0.09	10	Celgene Corp, 5.250%, due 8/15/2043	11 0.02
France — 0.46% (February 29, 2016: 0.13%)			20	AbbVie Inc, 3.600%, due 5/14/2025	20 0.04	90	Charter Communications Operating LLC / Charter Communications Operating Capital, 6.484%, due 10/23/2045	104 0.19
60	BNP Paribas SA, 2.700%, due 8/20/2018	61 0.11	20	Actavis Funding SCS, 3.450%, due 3/15/2022	20 0.04	60	Chevron Corp, 2.954%, due 5/16/2026	59 0.11
200	Danone SA, 2.589%, due 11/2/2023	194 0.35	40	Actavis Funding SCS, 3.800%, due 3/15/2025	40 0.07	10	Chubb INA Holdings Inc, 2.300%, due 11/3/2020	10 0.02
		255 0.46	30	Aetna Inc, 2.400%, due 6/15/2021	30 0.05	10	Chubb INA Holdings Inc, 3.350%, due 5/3/2026	10 0.02
Mexico — 0.74% (February 29, 2016: 0.59%)			10	Aetna Inc, 2.800%, due 6/15/2023	10 0.02	70	Citigroup Inc, 4.500%, due 1/14/2022	75 0.13
50	America Movil SAB de CV, 5.625%, due 11/15/2017	51 0.09	20	Aetna Inc, 3.200%, due 6/15/2026	20 0.04	80	Citigroup Inc, 3.500%, due 5/15/2023	81 0.14
200	Mexico City Airport Trust, 5.500%, due 10/31/2046	191 0.34	10	Altria Group Inc, 9.250%, due 8/6/2019	12 0.02			
10	Petroleos Mexicanos, Series WI, 3.500%, due 1/30/2023	10 0.02	10	Altria Group Inc, 4.750%, due 5/5/2021	11 0.02			
			60	Altria Group Inc, 2.850%, due 8/9/2022	60 0.11			

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US Core Bond Fund

Portfolio of Investments as at February 28, 2017 – (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)								
180 Citigroup Inc, 3.300%, due 4/27/2025	177	0.32	40 Gilead Sciences Inc, 4.750%, due 3/1/2046	42	0.07	65 MetLife Inc, 6.400%, due 12/15/2036	72	0.13
60 Citigroup Inc, 4.400%, due 6/10/2025	62	0.11	3 Goldman Sachs Capital II, 4.000%, Perpetual *	3	—	300 Microsoft Corp, 2.400%, due 8/8/2026	285	0.51
120 Citigroup Inc, 5.500%, due 9/13/2025	132	0.24	20 Goldman Sachs Group Inc/The, 2.900%, due 7/19/2018	20	0.04	30 Microsoft Corp, 3.300%, due 2/6/2027	31	0.05
10 Citigroup Inc, 4.300%, due 11/20/2026	10	0.02	50 Goldman Sachs Group Inc/The, 3.625%, due 1/22/2023	51	0.09	20 Microsoft Corp, 4.500%, due 2/6/2057	21	0.04
60 Citigroup Inc, 4.450%, due 9/29/2027	61	0.11	140 Goldman Sachs Group Inc/The, 4.250%, due 10/21/2025	144	0.26	10 Newell Brands Inc, 3.150%, due 4/1/2021	10	0.02
40 Citigroup Inc, 8.125%, due 7/15/2039	60	0.11	90 Goldman Sachs Group Inc/The, 3.500%, due 11/16/2026	89	0.16	30 Newell Brands Inc, 3.850%, due 4/1/2023	31	0.06
77 Citigroup Inc, 4.650%, due 7/30/2045	81	0.14	30 Goldman Sachs Group Inc/The, 6.250%, due 2/1/2041	38	0.07	30 Newell Brands Inc, 4.200%, due 4/1/2026	32	0.06
10 Citigroup Inc, 4.750%, due 5/18/2046	10	0.02	220 Goldman Sachs Group Inc/The, 5.150%, due 5/22/2045	235	0.42	40 Noble Energy Inc, 4.150%, due 12/15/2021	42	0.07
10 Comcast Corp, 7.050%, due 3/15/2033	14	0.02	30 Goldman Sachs Group Inc/The, 4.750%, due 10/21/2045	32	0.06	14 Northwest Airlines 1999-2 Class A Pass Through Trust, Series 992A, 7.575%, due 3/1/2019	15	0.03
40 Comcast Corp, 6.550%, due 7/1/2039	52	0.09	50 Halliburton Co, 3.800%, due 11/15/2025	51	0.09	10 Occidental Petroleum Corp, 2.700%, due 2/15/2023	10	0.02
20 ConocoPhillips Holding Co, 6.950%, due 4/15/2029	26	0.05	20 Harris Corp, 4.854%, due 4/27/2035	22	0.04	10 Occidental Petroleum Corp, 3.400%, due 4/15/2026	10	0.02
50 CVS Health Corp, 2.750%, due 12/1/2022	50	0.09	10 Harris Corp, 5.054%, due 4/27/2045	11	0.02	20 Occidental Petroleum Corp, 3.000%, due 2/15/2027	19	0.03
8 CVS Health Corp, 3.875%, due 7/20/2025	8	0.01	200 Hertz Vehicle, 3.520%, due 3/25/2021	199	0.36	40 Occidental Petroleum Corp, 4.625%, due 6/15/2045	42	0.08
60 CVS Health Corp, 5.125%, due 7/20/2045	67	0.12	40 HSBC Finance Corp, 6.676%, due 1/15/2021	45	0.08	10 Occidental Petroleum Corp, 4.400%, due 4/15/2046	10	0.02
7 CVS Pass-Through Trust, 5.880%, due 1/10/2028	7	0.01	30 Humana Inc, 3.150%, due 12/1/2022	30	0.05	30 Occidental Petroleum Corp, 4.100%, due 2/15/2047	29	0.05
50 Delta Air Lines 2007-1 Class A Pass Through Trust, Series 071A, 6.821%, due 8/10/2022	58	0.10	10 Intel Corp, 3.700%, due 7/29/2025	11	0.02	10 Pacific Gas & Electric Co, 8.250%, due 10/15/2018	11	0.02
10 Devon Energy Corp, 3.250%, due 5/15/2022	10	0.02	10 Intel Corp, 4.900%, due 7/29/2045	11	0.02	100 Pacific Gas & Electric Co, 6.050%, due 3/1/2034	127	0.23
30 Devon Energy Corp, 5.850%, due 12/15/2025	35	0.06	80 International Lease Finance Corp, 8.625%, due 1/15/2022	99	0.18	20 Philip Morris International Inc, 2.900%, due 11/15/2021	20	0.04
20 Devon Energy Corp, 5.600%, due 7/15/2041	21	0.04	10 John Deere Capital Corp, 2.250%, due 4/17/2019	10	0.02	20 Philip Morris International Inc, 2.500%, due 8/22/2022	20	0.03
70 Devon Energy Corp, 5.000%, due 6/15/2045	71	0.13	10 John Deere Capital Corp, 1.700%, due 1/15/2020	10	0.02	10 Philip Morris International Inc, 4.500%, due 3/20/2042	10	0.02
10 Duke Energy Corp, 3.550%, due 9/15/2021	10	0.02	30 Johnson & Johnson, 3.700%, due 3/1/2046	30	0.05	10 Progress Energy Inc, 3.150%, due 4/1/2022	10	0.02
10 Eaton Corp, 1.500%, due 11/2/2017	10	0.02	10 JPMorgan Chase & Co, 4.350%, due 8/15/2021	11	0.02	10 Raytheon Co, 3.125%, due 10/15/2020	10	0.02
50 Eaton Corp, 2.750%, due 11/2/2022	50	0.09	50 JPMorgan Chase & Co, 3.625%, due 5/13/2024	51	0.09	11 Reynolds American Inc, 3.250%, due 6/12/2020	11	0.02
50 Eaton Corp, 4.150%, due 11/2/2042	50	0.09	170 JPMorgan Chase & Co, 4.125%, due 12/15/2026	174	0.31	60 Reynolds American Inc, 5.850%, due 8/15/2045	71	0.13
10 Ecolab Inc, 4.350%, due 12/8/2021	11	0.02	110 JPMorgan Chase & Co, 4.250%, due 10/1/2027	113	0.20	40 RJ Reynolds Tobacco Co/NC, 8.125%, due 6/23/2019	45	0.08
20 EOG Resources Inc, 4.150%, due 1/15/2026	21	0.04	70 JPMorgan Chase & Co, 3.625%, due 12/1/2027	68	0.12	30 Santander Holdings USA Inc, 3.450%, due 8/27/2018	31	0.05
40 Exxon Mobil Corp, 3.043%, due 3/1/2026	40	0.07	20 JPMorgan Chase & Co, 4.950%, due 6/1/2045	22	0.04	30 State Street Corp, 4.956%, due 3/15/2018	31	0.05
30 Exxon Mobil Corp, 4.114%, due 3/1/2046	31	0.06	40 Kraft Heinz Foods Co, 3.500%, due 6/6/2022	41	0.07	10 State Street Corp, 3.300%, due 12/16/2024	10	0.02
10 FirstEnergy Corp, Series A, 2.750%, due 3/15/2018	10	0.02	100 Kraft Heinz Foods Co, 3.950%, due 7/15/2025	102	0.18	20 Teachers Insurance & Annuity Association of America, 6.850%, due 12/16/2039	27	0.05
10 FirstEnergy Corp, Series B, 4.250%, due 3/15/2023	10	0.02	10 Kroger Co/The, 6.400%, due 8/15/2017	10	0.02	10 Thermo Fisher Scientific Inc, 3.600%, due 8/15/2021	10	0.02
130 FirstEnergy Corp, Series C, 7.375%, due 11/15/2031	171	0.31	10 Kroger Co/The, 6.150%, due 1/15/2020	11	0.02	60 Time Warner Inc, 4.700%, due 1/15/2021	64	0.11
200 Ford Motor Credit Co LLC, 3.200%, due 1/15/2021	203	0.36	280 Lehman Brothers Escrow, zero coupon, Perpetual †	—	—	20 TJX Cos Inc/The, 2.250%, due 9/15/2026	19	0.03
20 Freepoint-McMoRan Inc, 3.550%, due 3/1/2022	19	0.03	270 Lehman Brothers Holding Inc, zero coupon, due 12/28/2017 †	—	—	50 Toyota Motor Credit Corp, 1.250%, due 10/5/2017	50	0.09
60 General Electric Co, 4.625%, due 1/7/2021	66	0.12	140 Lehman Brothers Holdings Capital Trust Escrow, zero coupon, Perpetual †	—	—	40 Transocean Inc, 4.250%, due 10/15/2017	40	0.07
50 General Electric Co, 5.300%, due 2/1/2021	56	0.10	136 Lehman Escrow Receipt, zero coupon, Perpetual †	18	0.03	10 Tyson Foods Inc, 5.150%, due 8/15/2044	11	0.02
10 General Electric Co, 5.875%, due 1/14/2038	13	0.02	104 Lehman Swap Receipt, zero coupon, Perpetual †	6	0.01	20 United Technologies Corp, 4.500%, due 6/1/2042	22	0.04
250 General Electric Co, 6.875%, due 1/10/2039	359	0.64	20 Lockheed Martin Corp, 3.100%, due 1/15/2023	20	0.04	20 UnitedHealth Group Inc, 3.875%, due 10/15/2020	21	0.04
30 General Electric Co, 4.500%, due 3/11/2044	33	0.06	150 Lockheed Martin Corp, 3.550%, due 1/15/2026	153	0.27	50 UnitedHealth Group Inc, 4.250%, due 3/15/2043	52	0.09
30 General Motors Co, 6.250%, due 10/2/2043	34	0.06	30 Mastercard Inc, 3.375%, due 4/1/2024	31	0.06	50 US Bancorp, 3.600%, due 9/1/2024	51	0.09
10 Georgia-Pacific LLC, 8.875%, due 5/15/2031	15	0.03	30 McDonald's Corp, 3.700%, due 1/30/2026	31	0.05	10 Verizon Communications Inc, 5.150%, due 9/15/2023	11	0.02
40 Gilead Sciences Inc, 3.700%, due 4/1/2024	41	0.07	10 Medtronic Inc, 3.125%, due 3/15/2022	10	0.02	98 Verizon Communications Inc, 6.550%, due 9/15/2043	120	0.21
			20 Merck & Co Inc, 2.750%, due 2/10/2025	20	0.03	10 Viacom Inc, 4.250%, due 9/1/2023	10	0.02

The accompanying notes are an integral part of the Financial Statements

Portfolio of Investments as at February 28, 2017 – (continued)

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US Core Bond Fund

Portfolio of Investments as at February 28, 2017 – (continued)

Contracts (000's)	Value (000's) \$	% of Net Asset Value	*	Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2017.		% of Total Assets
Options — (continued)			†	Illiquid.	Analysis of Total Assets	
Written Options — (continued)			∞	Security is valued in good faith at fair value by or at the discretion of the Investment Manager.	Transferable securities admitted to an official exchange listing or traded on a regulated market	86.67
– U.S. Bond June 2017			ε	Security is in default as at February 28, 2017.	Collective investment schemes	1.77
– Call 158.00, due 5/26/2017	(1)	–	±	Securities purchased on a to-be-announced basis (Note 2).	Financial derivative instruments	0.46
– U.S. Bond June 2017			β	The rate of interest on this type of security is tied to the Consumer Price Index (CPI)/Retail Price Index (RPI). The coupon rate is the rate as of February 28, 2017.	Money market instruments	9.37
– Call 160.00, due 5/26/2017	(3)	(0.01)			Other assets	1.73
	(27)	(0.05)			Total Assets	100.00
Total Options (Cost \$(20))	(17)	(0.03)				
Total Investments (Cost \$63,135)	62,618	112.09				
Liabilities in Excess of Other Assets (February 29, 2016: 1.81%)	(6,752)	(12.09)				
Total Net Assets	\$55,866	100.00				
–	Amounts designated as “–” are either \$0, less than \$1,000 or less than 1,000 shares.					
144A	Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2017, these securities amounted to \$1,000 or –% of net assets.					

Schedule of Interest Rate Swaps

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	\$ 13
Goldman Sachs	Pay Floating USD 3M Libor BBA, Receive Fixed 1.185%	6/13/21	830	(26)
Goldman Sachs	Pay Fixed 1.9%, Receive Floating USD 3M Libor BBA	11/30/22	2,480	25
Goldman Sachs	Pay Fixed 1.2665%, Receive Floating USD 3M Libor BBA	5/15/23	3,072	154
Goldman Sachs	Pay Fixed 1.58%, Receive Floating USD 3M Libor BBA	6/13/26	840	53
				\$ 219
Unrealised Appreciation of Interest Rate Swaps (February 29, 2016 (000's): \$–)				245
Unrealised Depreciation of Interest Rate Swaps (February 29, 2016 (000's): \$(220))				(26)
Net Appreciation of Interest Rate Swaps (February 29, 2016 (000's): \$(220))				\$ 219

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
04/20/17	Bank of America	Buy USD 805	Sell EUR 746	\$ 12
04/20/17	Barclays Bank	Buy USD 1	Sell CAD 1	–
04/20/17	Citigroup	Buy USD 142	Sell CNH 1,000	(3)
04/20/17	Citigroup	Buy USD 97	Sell EUR 90	2
04/20/17	Citigroup	Buy EUR 833	Sell USD 889	(4)
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$53)				14
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(33))				(7)
Net Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$20)				\$ 7

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
90 Day Euro\$ March 2017	(56)	\$(13,843)	\$ 12
U.S. 10 Year Note (CBT) June 2017	(4)	(498)	1
U.S. 10 Year Ultra Note June 2017	(9)	(1,205)	(5)
U.S. 2 Year Note (CBT) June 2017	22	4,761	–
U.S. 5 Year Note (CBT) June 2017	106	12,476	15
U.S. Long Bond (CBT) June 2017	(14)	(2,123)	(22)
U.S. Long Bond (CBT) March 2017	(1)	(153)	–
U.S. Ultra Bond (CBT) June 2017	(6)	(971)	(14)
Total Market Value of Futures Contracts			\$ (13)
Unrealised Appreciation of Futures Contracts (February 29, 2016 (000's): \$17)			28
Unrealised Depreciation of Futures Contracts (February 29, 2016 (000's): \$(84))			(41)
Net Depreciation of Futures Contracts (February 29, 2016 (000's): \$(67))			\$ (13)

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US Core Plus Bond Fund

Portfolio of Investments as at February 28, 2017

Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value	Face Value (000's)	Value (000's) \$	% of Net Asset Value
Asset-Backed Securities — 5.48% (February 29, 2016: 6.30%)								
431 Aegis Asset Backed Sec Corp Mort Pass Thr Certs Series 2003-3, Series 2003 3, Class M2, 3.253%, due 1/25/2034 *	399	0.06	350 Hertz Vehicle Financing II LP, Series 2015 1A, Class C, 144A, 4.350%, due 3/25/2021	350	0.05	550 SMB Private Education Loan Trust 2014-A, Series 2014 A, Class A2B, 144A, 1.920%, due 5/15/2026 *	556	0.09
1,315 Ameriquest Mortgage Securities Inc Asset-Backed Pass-Through Cfts Ser 2005-R7, Series 2005 R7, Class M2, 1.278%, due 9/25/2035 *	1,273	0.20	140 Hertz Vehicle Financing LLC, Series 2013 1A, Class A2, 144A, 1.830%, due 8/25/2019	139	0.02	500 SMB Private Education Loan Trust 2014-A, Series 2014 A, Class A3, 144A, 2.270%, due 4/15/2032 *	511	0.08
836 Citigroup Mortgage Loan Trust Inc, Series 2007 WFH4, Class M1, 2.428%, due 7/25/2037 *	763	0.12	126 JGWPT XXXI LLC, Series 2014 1A, Class A, 144A, 3.960%, due 3/15/2063	125	0.02	2 SMB Private Education Loan Trust 2015-A, Series 2015 A, Class R, 144A, 0.000%, due 10/15/2048 †	2,480	0.38
990 Community Funding CLO 2015-1A, Series 2015 1A, Class A, 144A, 5.750%, due 11/1/2027 †	946	0.14	175 Manufactured Housing Contract Trust Pass-Through Certificates Series 2001-2, Series 2001 2, Class IA2, 4.272%, due 2/20/2032 *	159	0.02	– SoFi Professional Loan Program 2014-A LLC, Series 2014 A, Class RC, 144A, 0.000%, due 7/14/2124 †	540	0.08
52 ContiMortgage Home Equity Loan Trust 1999-1, Series 1999 1, Class B, 9.000%, due 4/25/2030	48	0.01	225 Manufactured Housing Contract Trust Pass-Through Certificates Series 2001-2, Series 2001 2, Class IIA2, 4.271%, due 3/13/2032 *	204	0.03	1,766 Towd Point Mortgage Trust 2016-3, Series 2016 3, Class A1, 144A, 2.250%, due 4/25/2056 *	1,748	0.27
100 CountryPlace Manufactured Housing Contract Trust 2007-1, Series 2007 1, Class A4, 144A, 5.846%, due 7/15/2037 *	104	0.02	1,116 National Collegiate Student Loan Trust 2007-4, Series 2007 4, Class A3L, 1.628%, due 3/25/2038 *	625	0.10	182 United States Small Business Administration, Series 2015 20D, Class 1, 2.510%, due 4/1/2035	181	0.03
180 Countrywide Asset-Backed Certificates, Series 2002 3, Class 1A1, 1.518%, due 5/25/2032 *	172	0.03	75 Northstar Education Finance Inc, Series 2007 1, Class A7, 0.000%, due 1/29/2046 *	69	0.01	305 United States Small Business Administration, Series 2015 20I, Class 1, 2.820%, due 9/1/2035	307	0.05
1,940 Countrywide Asset-Backed Certificates, Series 2005 8, Class M4, 1.398%, due 12/25/2035 *	1,901	0.29	1,287 Origen Manufactured Housing Contract Trust 2006-A, Series 2006 A, Class A2, 3.006%, due 10/15/2037 *	1,138	0.17	2,000 Wells Fargo Home Equity Asset-Backed Securities 2005-2 Trust, Series 2005 3, Class M7, 1.928%, due 11/25/2035 *	1,724	0.26
154 Countrywide Home Equity Loan Trust, Series 2006 HW, Class 2A1B, 0.920%, due 11/15/2036 *	130	0.02	1,676 Park Place Securities Inc Asset-Backed Pass-Through Cfts Ser 2005-VHQ4, Series 2005 VHQ4, Class M2, 1.268%, due 9/25/2035 *	1,453	0.22	Total Asset-Backed Securities (Cost \$35,823)		
244 CWABS Asset-Backed Certificates Trust 2004-13, Series 2004 13, Class MF1, 4.945%, due 4/25/2035 *	238	0.04	15 Provident Bank Home Equity Loan Trust 1999-3, Series 1999 3, Class A3, 1.558%, due 1/25/2031 *	11	–	Mortgage-Backed Securities — 30.46% (February 29, 2016: 27.40%)		
2,180 Encore Credit Receivables Trust 2005-2, Series 2005 2, Class M4, 1.708%, due 11/25/2035 *	1,573	0.24	1,809 RAMP Series 2006-RZ5 Trust, Series 2006 RZ5, Class A3, 1.028%, due 8/25/2046 *	1,620	0.25	149 Alternative Loan Trust 2005-14, Series 2005 14, Class 2A2, 1.028%, due 5/25/2035 *	107	0.02
8,581 Fieldstone Mortgage Investment Trust Series 2005-2, Series 2005 2, Class M3, 1.558%, due 12/25/2035 *	4,929	0.76	22 RASC Series 2001-KS1 Trust, Series 2001 KS1, Class A16, 6.349%, due 3/25/2032	21	–	446 Alternative Loan Trust 2005-56, Series 2005 56, Class 4A1, 1.088%, due 11/25/2035 *	368	0.06
1 GMACM Home Equity Notes 2004 Variable Funding Trust, Series 2004 VF1, Class A1, 144A, 1.528%, due 2/25/2031 *	1	–	7 RASC Series 2001-KS2 Trust, Series 2001 KS2, Class A11, 1.238%, due 6/25/2031 *	7	–	408 Alternative Loan Trust 2005-IM1, Series 2005 IM1, Class A1, 1.078%, due 1/25/2036 *	358	0.06
150 Greenpoint Manufactured Housing, Series 1999 2, Class A2, 4.270%, due 3/18/2029 *	139	0.02	6 Renaissance Home Equity Loan Trust 2003-1, Series 2003 1, Class A, 1.638%, due 6/25/2033 *	6	–	88 Alternative Loan Trust 2006-18CB, Series 2006 18CB, Class A6, 25.487%, due 7/25/2036 *	126	0.02
1,530 Greenpoint Manufactured Housing, Series 1999 3, Class 1A7, 7.270%, due 6/15/2029	1,571	0.24	167 SBA Small Business Investment Cos, Series 2015 10A, Class 1, 2.517%, due 3/10/2025	168	0.03	733 APS Resecuritization Trust 2015-3, Series 2015 3, Class 1A, 144A, 1.307%, due 10/27/2046 *	683	0.11
50 Greenpoint Manufactured Housing, Series 1999 3, Class 2A2, 4.890%, due 6/19/2029 *	46	0.01	75 Settlement Fee Finance LLC, Series 2004 1A, Class A, 144A, 9.100%, due 7/25/2034	77	0.01	2,493 BAMLL Re-REMIC Trust 2016-RRGG10, Series 2016 GG10, Class AJA, 144A, 5.865%, due 7/10/2017 *	1,745	0.27
50 Greenpoint Manufactured Housing, Series 1999 4, Class A2, 4.270%, due 2/20/2030 *	45	0.01	70 SLM Student Loan EDC Repackaging Trust 2013-M1, Series 2013 M1, Class M1, 144A, 3.500%, due 10/28/2029	69	0.01	1,771 Banc of America Alternative Loan Trust 2005-4, Series 2005 4, Class CB7, 4.322%, due 5/25/2035 *†	171	0.03
1,934 GSAMP Trust 2005-NC1, Series 2005 NC1, Class M2, 1.873%, due 2/25/2035 *	1,143	0.18	1,640 SLM Student Loan Trust 2006-1, Series 2006 1, Class A5, 1.148%, due 7/26/2021 *	1,583	0.24	1,820 Banc of America Funding 2014-R5 Trust, Series 2014 R5, Class 1A2, 144A, 2.816%, due 9/26/2045 *	975	0.15
350 Hertz Vehicle Financing II LP, Series 2015 1A, Class A, 144A, 2.730%, due 3/25/2021	349	0.05	1,310 SLM Student Loan Trust 2007-2, Series 2007 2, Class A4, 1.098%, due 7/25/2022 *	1,260	0.19	2,570 BBCCRE Trust 2015-GTP, Series 2015 GTP, Class E, 144A, 4.563%, due 8/10/2033 *	2,272	0.35
1,000 Hertz Vehicle Financing II LP, Series 2015 1A, Class B, 144A, 3.520%, due 3/25/2021	997	0.15	1,065 SLM Student Loan Trust 2012-3, Series 2012 3, Class A, 1.428%, due 12/26/2025 *	1,045	0.16	761 Bear Stearns Mortgage Funding Trust 2007-AR1, Series 2007 AR1, Class 1A1, 0.938%, due 1/25/2037 *	615	0.10
			750 SMB Private Education Loan Trust 2014-A, Series 2014 A, Class A2A, 144A, 3.050%, due 5/15/2026	763	0.12	73 CD 2006-CD2 Mortgage Trust, Series 2006 CD2, Class AJ, 5.474%, due 1/15/2046 *	69	0.01
						40 CD 2006-CD3 Mortgage Trust, Series 2006 CD3, Class AJ, 5.688%, due 10/15/2048	22	–

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Legg Mason Western Asset US Core Plus Bond Fund

Portfolio of Investments as at February 28, 2017 – (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)								
895 CGBAM Commercial Mortgage Trust 2016-IMC, Series 2016 IMC, Class E, 144A, 8.172%, due 11/15/2021 *	917	0.14	20 Credit Suisse Commercial Mortgage Trust Series 2006-C5, Series 2006 C5, Class AJ, 5.373%, due 12/15/2039	19	—	226 Fannie Mae Interest Strip 409, Class C13, 3.500%, due 11/25/2041	44	0.01
152 CHL Mortgage Pass-Through Trust 2005-3, Series 2005 3, Class 1A2, 1.358%, due 4/25/2035 *	141	0.02	500 CSAIL 2015-C1 Commercial Mortgage Trust, Series 2015 C1, Class AS, 3.791%, due 4/15/2050 *	517	0.08	247 Fannie Mae Interest Strip 409, Class C18, 4.000%, due 4/25/2042	46	0.01
79 CHL Mortgage Pass-Through Trust 2005-7, Series 2005 7, Class 2A1, 1.398%, due 3/25/2035 *	66	0.01	150 CSMC 2014-USA OA LLC, Series 2014 USA, Class A2, 144A, 3.953%, due 9/15/2037	154	0.02	437 Fannie Mae Interest Strip 409, Class C2, 3.000%, due 4/25/2027	38	0.01
224 CHL Mortgage Pass-Through Trust 2005-HYB1, Series 2005 HYB1, Class 1A1, 1.078%, due 3/25/2035 *	190	0.03	240 CSMC 2014-USA OA LLC, Series 2014 USA, Class E, 144A, 4.373%, due 9/15/2037	207	0.03	240 Fannie Mae Interest Strip 409, Class C22, 4.500%, due 11/25/2039	49	0.01
350 Citigroup Commercial Mortgage Trust 2014-GC19, Series 2014 GC19, Class E, 144A, 4.401%, due 3/10/2047 *	249	0.04	250 CSMC 2014-USA OA LLC, Series 2014 USA, Class F, 144A, 4.373%, due 9/15/2037	202	0.03	33 Fannie Mae Pool '254793', 5.000%, due 7/1/2033	36	0.01
300 Citigroup Commercial Mortgage Trust 2015-GC27, Series 2015 GC27, Class AS, 3.571%, due 2/10/2048	300	0.05	350 CSMC 2015-TWNI Trust, Series 2015 TOWN, Class F, 144A, 5.270%, due 3/15/2028 *	348	0.05	40 Fannie Mae Pool '555743', 5.000%, due 9/1/2033	44	0.01
1,550 Citigroup Commercial Mortgage Trust 2015-GC29, Series 2015 GC29, Class D, 144A, 3.110%, due 4/10/2048	1,118	0.17	370 CSMC 2015-TWNI Trust, Series 2015 TOWN, Class TF, 144A, 4.913%, due 3/15/2028 *	370	0.06	3 Fannie Mae Pool '725162', 6.000%, due 2/1/2034	3	—
510 Citigroup Commercial Mortgage Trust 2015-GC33, Series 2015 GC33, Class D, 3.172%, due 9/10/2058	367	0.06	2,690 CSMC Series 2015-12R, Series 2015 12R, Class 2A2, 144A, 1.256%, due 11/30/2037 *	1,709	0.26	13 Fannie Mae Pool '745000', 6.000%, due 10/1/2035	15	—
3,079 CitiMortgage Alternative Loan Trust Series 2007-A5, Series 2007 A5, Class 1A4, 4.822%, due 5/25/2037 *†	480	0.07	700 CSMC Trust 2014-TIKI, Series 2014 TIKI, Class F, 144A, 4.593%, due 9/15/2038 *	698	0.11	29 Fannie Mae Pool '843997', 2.567%, due 11/1/2035 *	30	0.01
20 COMM 2013-CCRE12 Mortgage Trust, Series 2013 CR12, Class B, 4.762%, due 10/10/2046 *	22	—	130 CSMC Trust 2015-GLPA, Series 2015 GLPA, Class A, 144A, 3.881%, due 11/15/2037	138	0.02	28 Fannie Mae Pool '865915', 2.669%, due 3/1/2036 *	29	—
10 COMM 2013-CCRE12 Mortgage Trust, Series 2013 CR12, Class C, 5.083%, due 10/10/2046 *	10	—	2,560 CSMC Trust 2016-NYRT, Series 2016 NYRT, Class A, 144A, 2.378%, due 9/12/2017	2,557	0.39	46 Fannie Mae Pool '888560', 6.000%, due 11/1/2035	53	0.01
726 COMM 2013-CCRE6 Mortgage Trust, Series 2013 CR6, Class B, 144A, 3.397%, due 3/10/2046	727	0.11	520 DBUBS 2011-LC1 Mortgage Trust, Series 2011 LC1A, Class C, 144A, 5.685%, due 11/10/2046 *	574	0.09	110 Fannie Mae Pool '889117', 5.000%, due 10/1/2035	121	0.02
370 COMM 2013-CCRE9 Mortgage Trust, Series 2013 CR9, Class E, 144A, 4.256%, due 7/10/2045 *	264	0.04	13 Deutsche Alt-A Securities Inc Mortgage Loan Trust Series 2005-1, Series 2005 1, Class 1A1, 1.278%, due 2/25/2035 *	12	—	93 Fannie Mae Pool '890248', 6.000%, due 8/1/2037	106	0.02
16 COMM 2014-UBS6 Mortgage Trust, Series 2014 UBS6, Class AM, 4.048%, due 12/10/2047 *	17	—	565 Deutsche Mortgage Securities Inc Mortgage Loan Trust Series 2006-PR1, Series 2006 PR1, Class 3AF1, 144A, 1.050%, due 4/15/2036 *	538	0.08	1,452 Fannie Mae Pool '890604', 4.500%, due 10/1/2044	1,572	0.24
90 COMM 2015-DC1 Mortgage Trust, Series 2015 DC1, Class B, 4.035%, due 2/10/2048 *	91	0.01	160 EQTY 2014-INNS Mortgage Trust, Series 2014 INNS, Class D, 144A, 3.126%, due 5/8/2031 *	159	0.02	17 Fannie Mae Pool '985626', 6.000%, due 4/1/2033	20	—
70 COMM 2015-DC1 Mortgage Trust, Series 2015 DC1, Class C, 4.353%, due 2/10/2048 *	68	0.01	1,240 Fannie Mae Connecticut Avenue Securities, Series 2014 C03, Class 1M2, 3.778%, due 7/25/2024 *	1,272	0.20	56 Fannie Mae Pool '995072', 5.500%, due 8/1/2038	63	0.01
630 Core Industrial Trust 2015-TEXW, Series 2015 TEXW, Class E, 144A, 3.849%, due 2/10/2034 *	621	0.10	1,830 Fannie Mae Connecticut Avenue Securities, Series 2016 C04, Class 1M2, 5.028%, due 1/25/2029 *	1,928	0.30	1,373 Fannie Mae Pool 'AB6201', 3.000%, due 9/1/2042	1,371	0.21
149 Credit Suisse Commercial Mortgage Trust Series 2006-C3, Series 2006 C3, Class AJ, 6.209%, due 6/15/2038 *	79	0.01	48 Fannie Mae Interest Strip 390, Class C3, 6.000%, due 7/25/2038	11	—	123 Fannie Mae Pool 'AB9683', 4.000%, due 6/1/2043	130	0.02
			21 Fannie Mae Interest Strip 407, Class 22, 5.000%, due 1/25/2039	4	—	129 Fannie Mae Pool 'AE0758', 7.000%, due 2/1/2039	149	0.02
			11 Fannie Mae Interest Strip 407, Class 23, 5.000%, due 1/25/2039 *	2	—	133 Fannie Mae Pool 'AK8441', 4.000%, due 4/1/2042	140	0.02
			24 Fannie Mae Interest Strip 407, Class 27, 5.500%, due 1/25/2039 *	4	—	686 Fannie Mae Pool 'AL0215', 4.500%, due 4/1/2041	741	0.11
			18 Fannie Mae Interest Strip 407, Class 34, 5.000%, due 1/25/2038	3	—	20 Fannie Mae Pool 'AL2931', 6.000%, due 6/1/2023	20	—
			57 Fannie Mae Interest Strip 407, Class 41, 6.000%, due 1/25/2038	12	—	1,320 Fannie Mae Pool 'AL3024', 3.500%, due 1/1/2043	1,357	0.21
						70 Fannie Mae Pool 'AL3508', 4.000%, due 4/1/2043	75	0.01
						76 Fannie Mae Pool 'AL4741', 4.500%, due 1/1/2044	83	0.01
						217 Fannie Mae Pool 'AL5540', 4.500%, due 7/1/2044	235	0.04
						795 Fannie Mae Pool 'AL9631', 3.000%, due 12/1/2046	792	0.12
						10 Fannie Mae Pool 'AM8674', 2.810%, due 4/1/2025	10	—
						62 Fannie Mae Pool 'AO2711', 4.000%, due 5/1/2042	65	0.01
						73 Fannie Mae Pool 'AO6086', 4.000%, due 6/1/2042	77	0.01
						47 Fannie Mae Pool 'AO9859', 4.000%, due 7/1/2042	49	0.01
						58 Fannie Mae Pool 'AP0692', 4.000%, due 7/1/2042	61	0.01
						55 Fannie Mae Pool 'AP2530', 4.000%, due 8/1/2042	58	0.01
						42 Fannie Mae Pool 'AP2958', 4.000%, due 8/1/2042	44	0.01
						207 Fannie Mae Pool 'AP4710', 3.500%, due 8/1/2042	213	0.03
						639 Fannie Mae Pool 'AP4781', 3.000%, due 9/1/2042	638	0.10
						69 Fannie Mae Pool 'AP4903', 4.000%, due 9/1/2042	72	0.01
						197 Fannie Mae Pool 'AP7399', 4.000%, due 9/1/2042	208	0.03
						117 Fannie Mae Pool 'AP9229', 4.000%, due 10/1/2042	124	0.02
						281 Fannie Mae Pool 'AP9766', 4.000%, due 10/1/2042	298	0.05
						255 Fannie Mae Pool 'AP9862', 4.000%, due 10/1/2042	269	0.04

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Legg Mason Western Asset US Core Plus Bond Fund

Portfolio of Investments as at February 28, 2017 – (continued)

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Mortgage-Backed Securities — (continued)								
69 Fannie Mae Pool 'AQ0100', 4.000%, due 10/1/2042	73	0.01	80 Fannie Mae Pool 'MA1664', 4.500%, due 11/1/2043	88	0.01	82 Freddie Mac Gold Pool 'E94519', 5.000%, due 2/1/2018	84	0.01
300 Fannie Mae Pool 'AQ1641', 4.000%, due 10/1/2042	316	0.05	158 Fannie Mae Pool 'MA1711', 4.500%, due 12/1/2043	173	0.03	11 Freddie Mac Gold Pool 'G01737', 5.000%, due 12/1/2034	12	–
42 Fannie Mae Pool 'AQ3599', 4.000%, due 11/1/2042	44	0.01	3,500 Fannie Mae Pool, 15 year, TBA, 3.500% ±	3,650	0.56	21 Freddie Mac Gold Pool 'G04222', 5.500%, due 4/1/2038	23	–
68 Fannie Mae Pool 'AQ4078', 4.000%, due 6/1/2043	72	0.01	1,800 Fannie Mae Pool, 15 year, TBA, 3.000% ±	1,851	0.28	71 Freddie Mac Gold Pool 'G06172', 5.500%, due 12/1/2038	79	0.01
66 Fannie Mae Pool 'AQ4080', 4.000%, due 6/1/2043	70	0.01	5,700 Fannie Mae Pool, 15 year, TBA, 2.500% ±	5,715	0.88	446 Freddie Mac Gold Pool 'G06409', 6.000%, due 11/1/2039	507	0.08
111 Fannie Mae Pool 'AQ4555', 4.000%, due 12/1/2042	117	0.02	200 Fannie Mae Pool, 30 year, TBA, 5.000% ±	219	0.03	490 Freddie Mac Gold Pool 'G06496', 5.000%, due 6/1/2041	544	0.08
43 Fannie Mae Pool 'AQ5137', 4.000%, due 11/1/2042	45	0.01	17,200 Fannie Mae Pool, 30 year, TBA, 4.000% ±	18,076	2.78	49 Freddie Mac Gold Pool 'G06669', 6.500%, due 9/1/2039	56	0.01
171 Fannie Mae Pool 'AQ7003', 4.000%, due 12/1/2042	181	0.03	1,600 Fannie Mae Pool, 30 year, TBA, 3.500% ±	1,640	0.25	196 Freddie Mac Gold Pool 'G06875', 5.500%, due 12/1/2038	220	0.03
210 Fannie Mae Pool 'AQ7082', 4.000%, due 1/1/2043	222	0.03	3,000 Fannie Mae Pool, 30 year, TBA, 4.500% ±	3,224	0.50	71 Freddie Mac Gold Pool 'G13888', 5.000%, due 6/1/2025	76	0.01
80 Fannie Mae Pool 'AS0070', 4.000%, due 8/1/2043	85	0.01	5,800 Fannie Mae Pool, 30 year, TBA, 3.000% ±	5,761	0.89	113 Freddie Mac Gold Pool 'G14492', 4.000%, due 10/1/2025	119	0.02
79 Fannie Mae Pool 'AS4271', 4.500%, due 1/1/2045	86	0.01	164 Fannie Mae REMICS, Series 2005 29, Class ZA, 5.500%, due 4/25/2035	181	0.03	73 Freddie Mac Gold Pool 'Q19135', 4.000%, due 6/1/2043	78	0.01
154 Fannie Mae Pool 'AS4347', 4.000%, due 1/1/2045	163	0.03	819 Fannie Mae REMICS, Series 2011 59, Class NZ, 5.500%, due 7/25/2041	934	0.14	74 Freddie Mac Gold Pool 'Q19254', 4.000%, due 6/1/2043	78	0.01
2,431 Fannie Mae Pool 'AS6328', 3.500%, due 12/1/2045	2,495	0.38	178 Fannie Mae REMICS, Series 2012 133, Class CS, 5.372%, due 12/25/2042 *	36	0.01	73 Freddie Mac Gold Pool 'Q19611', 4.000%, due 7/1/2043	78	0.01
368 Fannie Mae Pool 'AS6340', 3.500%, due 12/1/2045	378	0.06	823 Fannie Mae REMICS, Series 2012 139, Class DI, 3.000%, due 12/25/2027	77	0.01	71 Freddie Mac Gold Pool 'Q19615', 4.000%, due 7/1/2043	75	0.01
279 Fannie Mae Pool 'AS6541', 3.500%, due 1/1/2046	288	0.04	116 Fannie Mae REMICS, Series 2012 28, Class B, 6.500%, due 6/25/2039	128	0.02	795 Freddie Mac Gold Pool 'Q45560', 3.000%, due 1/1/2047	791	0.12
272 Fannie Mae Pool 'AS6562', 3.500%, due 1/1/2046	280	0.04	161 Fannie Mae REMICS, Series 2012 46, Class BA, 6.000%, due 5/25/2042	183	0.03	1,994 Freddie Mac Gold Pool 'Q45737', 3.000%, due 1/1/2047	1,986	0.31
2,374 Fannie Mae Pool 'AS8359', 3.000%, due 11/1/2046	2,361	0.36	246 Fannie Mae REMICS, Series 2012 51, Class B, 7.000%, due 5/25/2042	283	0.04	497 Freddie Mac Gold Pool 'Q45819', 3.000%, due 1/1/2047	495	0.08
497 Fannie Mae Pool 'AS8623', 3.000%, due 1/1/2047	495	0.08	45 Fannie Mae REMICS, Series 2012 70, Class YS, 5.872%, due 2/25/2041 *	6	–	399 Freddie Mac Gold Pool 'Q45827', 3.000%, due 1/1/2047	397	0.06
1,896 Fannie Mae Pool 'AS8745', 3.000%, due 2/1/2047	1,889	0.29	201 Fannie Mae REMICS, Series 2012 74, Class SA, 5.872%, due 3/25/2042 *	35	0.01	149 Freddie Mac Gold Pool 'U90245', 3.500%, due 10/1/2042	154	0.02
76 Fannie Mae Pool 'AT7208', 4.000%, due 6/1/2043	80	0.01	2,799 Fannie Mae REMICS, Series 2013 1, Class YI, 3.000%, due 2/25/2033	394	0.06	343 Freddie Mac Gold Pool 'U90316', 4.000%, due 10/1/2042	363	0.06
71 Fannie Mae Pool 'AT8394', 4.000%, due 6/1/2043	75	0.01	587 Fannie Mae REMICS, Series 2013 9, Class BC, 6.500%, due 7/25/2042	670	0.10	158 Freddie Mac Gold Pool 'U91254', 4.000%, due 4/1/2043	167	0.03
218 Fannie Mae Pool 'AT9637', 4.000%, due 7/1/2043	231	0.04	702 Fannie Mae REMICS, Series 2013 9, Class CB, 5.500%, due 4/25/2042	781	0.12	81 Freddie Mac Gold Pool 'U95137', 4.000%, due 8/1/2043	86	0.01
146 Fannie Mae Pool 'AT9653', 4.000%, due 7/1/2043	155	0.02	3,264 Fannie Mae REMICS, Series 2016 23, Class ST, 5.222%, due 11/25/2045 *	704	0.11	897 Freddie Mac Gold Pool 'U99045', 3.500%, due 3/1/2043	925	0.14
126 Fannie Mae Pool 'AT9657', 4.000%, due 7/1/2043	133	0.02	1,361 Fannie Mae REMICS, Series 2016 60, Class QS, 5.322%, due 9/25/2046 *	236	0.04	2,280 Freddie Mac Gold Pool 'U99054', 4.000%, due 6/1/2043	2,419	0.37
142 Fannie Mae Pool 'AU9537', 4.500%, due 10/1/2043	153	0.02	624 Fannie Mae REMICS, Series 2016 61, Class BS, 5.322%, due 9/25/2046 *	109	0.02	81 Freddie Mac Gold Pool 'U99114', 3.500%, due 2/1/2044	84	0.01
390 Fannie Mae Pool 'AV0894', 4.500%, due 11/1/2043	419	0.06	90 Fannie Mae-Aces, Series 2015 M13, Class A2, 2.711%, due 6/25/2025 *	90	0.01	4,900 Freddie Mac Gold Pool, 30 year, TBA, 3.500% ±	5,022	0.77
659 Fannie Mae Pool 'AW0318', 4.500%, due 2/1/2044	709	0.11	9,907 Fannie Mae-Aces, Series 2015 M3, Class X2, 0.378%, due 10/25/2024 *	238	0.04	6,700 Freddie Mac Gold Pool, 30 year, TBA, 3.000% ±	6,649	1.02
1,596 Fannie Mae Pool 'BD2455', 3.000%, due 1/1/2047	1,589	0.24	810 Fannie Mae-Aces, Series 2016 M7, Class A2, 2.499%, due 9/25/2026	772	0.12	1,025 Freddie Mac Multifamily Structured Pass Through Certificates K007, Class X1, 1.095%, due 4/25/2020 *	28	–
47 Fannie Mae Pool 'MA0706', 4.500%, due 4/1/2031	51	0.01	346 Freddie Mac Gold Pool 'A74793', 5.000%, due 3/1/2038	379	0.06			
175 Fannie Mae Pool 'MA0734', 4.500%, due 5/1/2031	189	0.03						
51 Fannie Mae Pool 'MA0776', 4.500%, due 6/1/2031	55	0.01						
75 Fannie Mae Pool 'MA0913', 4.500%, due 11/1/2031	80	0.01						
86 Fannie Mae Pool 'MA0939', 4.500%, due 12/1/2031	92	0.01						
334 Fannie Mae Pool 'MA1146', 4.000%, due 8/1/2042	354	0.05						
70 Fannie Mae Pool 'MA1177', 3.500%, due 9/1/2042	72	0.01						
2,207 Fannie Mae Pool 'MA1217', 4.000%, due 10/1/2042	2,340	0.36						
490 Fannie Mae Pool 'MA1253', 4.000%, due 11/1/2042	519	0.08						
1,112 Fannie Mae Pool 'MA1283', 3.500%, due 12/1/2042	1,143	0.18						
782 Fannie Mae Pool 'MA1437', 3.500%, due 5/1/2043	804	0.12						
80 Fannie Mae Pool 'MA1547', 4.000%, due 8/1/2043	85	0.01						
151 Fannie Mae Pool 'MA1591', 4.500%, due 9/1/2043	165	0.03						
158 Fannie Mae Pool 'MA1629', 4.500%, due 10/1/2043	172	0.03						

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Mortgage-Backed Securities — (continued)								
489 Freddie Mac Multifamily Structured Pass Through Certificates K015, Class X1, 1.611%, due 7/25/2021 *	29	—	20 Ginnie Mae II Pool '783050', 5.000%, due 7/20/2040	22	—	2,480 Government National Mortgage Association, Series 2016 21, Class ST, 5.369%, due 2/20/2046 *	518	0.08
198 Freddie Mac Multifamily Structured Pass Through Certificates K016, Class X1, 1.537%, due 10/25/2021 *	12	—	225 Ginnie Mae II Pool '783368', 4.500%, due 7/20/2041	243	0.04	1,412 Government National Mortgage Association, Series 2016 84, Class IG, 4.500%, due 11/16/2045	290	0.05
13,696 Freddie Mac Multifamily Structured Pass Through Certificates K058, Class X1, 0.931%, due 8/25/2026 *	975	0.15	2,894 Ginnie Mae II Pool 'MA3873', 3.000%, due 8/20/2046	2,932	0.45	580 GS Mortgage Securities Corp Trust 2016-ICE2, Series 2016 ICE2, Class E, 144A, 9.270%, due 2/15/2033 *	603	0.09
1,389 Freddie Mac Multifamily Structured Pass Through Certificates KAIIV, Class X1, 1.317%, due 6/25/2021 *	60	0.01	3,500 Ginnie Mae II Pool, 30 year, TBA, 3.500% ±	3,638	0.56	502 GS Mortgage Securities Trust 2006-GG8, Series 2006 GG8, Class AJ, 5.622%, due 11/10/2039	467	0.07
202 Freddie Mac Reference REMIC R007, Class ZA, 6.000%, due 5/15/2036	227	0.04	12,300 Ginnie Mae II Pool, 30 year, TBA, 3.000% ±	12,446	1.91	785 GS Mortgage Securities Trust 2007-GG10, Series 2007 GG10, Class AM, 5.865%, due 8/10/2045 *	784	0.12
127 Freddie Mac REMICS 3621, Class SB, 5.460%, due 1/15/2040 *	22	—	1,145 Government National Mortgage Association, Series 2009 H01, Class FA, 1.931%, due 11/20/2059 *	1,159	0.18	114 GS Mortgage Securities Trust 2011-GC5, Series 2011 GC5, Class XA, 144A, 1.365%, due 8/10/2044 *	6	—
1,037 Freddie Mac REMICS 4092, Class AI, 3.000%, due 9/15/2031	104	0.02	43 Government National Mortgage Association, Series 2010 31, Class GS, 5.719%, due 3/20/2039 *	4	—	80 GS Mortgage Securities Trust 2013-GC16, Series 2013 GC16, Class B, 5.161%, due 11/10/2046 *	88	0.01
160 Freddie Mac Strips 334, Class S7, 5.330%, due 8/15/2044 *	34	0.01	19 Government National Mortgage Association, Series 2010 42, Class BS, 5.699%, due 4/20/2040 *	3	—	1,822 GS Mortgage Securities Trust 2014-GC20, Series 2014 GC20, Class XA, 1.151%, due 4/10/2047 *	100	0.02
1,366 Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2015 HQ2, Class B, 8.728%, due 5/25/2025 *	1,574	0.24	33 Government National Mortgage Association, Series 2010 85, Class HS, 5.869%, due 1/20/2040 *	5	—	700 GS Mortgage Securities Trust 2016-GS3, Series 2016 GS3, Class A4, 2.850%, due 10/10/2049	680	0.10
261 Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2015 HQA1, Class M2, 3.428%, due 3/25/2028 *	267	0.04	660 Government National Mortgage Association, Series 2010 H11, Class FA, 1.776%, due 6/20/2060 *	669	0.10	140 HarborView Mortgage Loan Trust 2005-9, Series 2005 9, Class 2A1A, 1.119%, due 6/20/2035 *	133	0.02
2,300 Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2016 DNA2, Class M3, 5.428%, due 10/25/2028 *	2,476	0.38	726 Government National Mortgage Association, Series 2010 H20, Class AF, 1.102%, due 10/20/2060 *	719	0.11	49 HarborView Mortgage Loan Trust 2007-7, Series 2007 7, Class 2A1A, 1.778%, due 10/25/2037 *	46	0.01
2,230 Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2016 HQA1, Class M2, 3.528%, due 9/25/2028 *	2,322	0.36	66 Government National Mortgage Association, Series 2010 H22, Class FE, 1.122%, due 5/20/2059 *	66	0.01	16 Homestar Mortgage Acceptance Corp, Series 2004 3, Class AV1, 1.228%, due 7/25/2034 *	16	—
4,565 FREMF 2012-K20 Mortgage Trust, Series 2012 K20, Class X2A, 144A, 0.200%, due 5/25/2045	37	0.01	1,133 Government National Mortgage Association, Series 2010 H24, Class FA, 1.122%, due 10/20/2060 *	1,123	0.17	630 Hudson Yards 2016-10HY Mortgage Trust, Series 2016 10HY, Class A, 144A, 2.835%, due 8/10/2038	611	0.09
495 FREMF 2015-K48 Mortgage Trust, Series 2015 K48, Class C, 144A, 3.636%, due 8/25/2048 *	426	0.07	60 Government National Mortgage Association, Series 2010 H26, Class LF, 1.122%, due 8/20/2058 *	60	0.01	511 IndyMac INDX Mortgage Loan Trust 2006-AR11, Series 2006 AR11, Class 5A1, 3.378%, due 6/25/2036 *	384	0.06
2,450 GE Commercial Mortgage Corp Series 2007-C1 Trust, Series 2007 C1, Class AJ, 5.677%, due 12/10/2049 *	1,587	0.24	428 Government National Mortgage Association, Series 2011 H01, Class AF, 1.222%, due 11/20/2060 *	426	0.07	730 IndyMac INDX Mortgage Loan Trust 2006-AR27, Series 2006 AR27, Class 2A1, 0.908%, due 10/25/2036 *	615	0.09
130 Ginnie Mae I Pool '733600', 5.000%, due 4/15/2040	143	0.02	140 Government National Mortgage Association, Series 2011 H09, Class AF, 1.272%, due 3/20/2061 *	139	0.02	570 JP Morgan Chase Commercial Mortgage Securities Trust 2006-LDP9, Series 2006 LDP9, Class AJ, 5.411%, due 5/15/2047	387	0.06
209 Ginnie Mae I Pool '733627', 5.000%, due 5/15/2040	231	0.04	240 Government National Mortgage Association, Series 2012 66, Class CI, 3.500%, due 2/20/2038	23	—	270 JP Morgan Chase Commercial Mortgage Securities Trust 2006-LDP9, Series 2006 LDP9, Class AJ5, 5.386%, due 5/15/2047 *	182	0.03
53 Ginnie Mae II Pool '4040', 6.500%, due 10/20/2037	61	0.01	426 Government National Mortgage Association, Series 2013 178, Class IO, 0.789%, due 6/16/2055 *	17	—	1,400 JP Morgan Chase Commercial Mortgage Securities Trust 2007-LDP10, Series 2007 LDPX, Class AJFX, 144A, 5.438%, due 1/15/2049	476	0.07
92 Ginnie Mae II Pool '4617', 4.500%, due 1/20/2040	100	0.02	2,392 Government National Mortgage Association, Series 2014 169, Class IO, 0.898%, due 10/16/2056 *	144	0.02	1,050 JP Morgan Chase Commercial Mortgage Securities Trust 2016-JP3, Series 2016 JP3, Class A5, 2.870%, due 8/15/2049	1,025	0.16
114 Ginnie Mae II Pool '4696', 4.500%, due 5/20/2040	123	0.02	1,053 Government National Mortgage Association, Series 2014 176, Class IA, 4.000%, due 11/20/2044	192	0.03	50 JPMBB Commercial Mortgage Securities Trust 2013-C15, Series 2013 C15, Class C, 5.046%, due 11/15/2045 *	53	0.01
363 Ginnie Mae II Pool '4747', 5.000%, due 7/20/2040	400	0.06	1,749 Government National Mortgage Association, Series 2015 167, Class IO, 4.000%, due 4/16/2045	362	0.06			
64 Ginnie Mae II Pool '4772', 5.000%, due 8/20/2040	70	0.01	3,722 Government National Mortgage Association, Series 2015 183, Class IO, 0.974%, due 9/16/2057 *	289	0.04			
42 Ginnie Mae II Pool '4802', 5.000%, due 9/20/2040	47	0.01	379 Government National Mortgage Association, Series 2016 135, Class SB, 5.330%, due 10/16/2046 *	85	0.01			
20 Ginnie Mae II Pool '4871', 6.000%, due 11/20/2040	23	—						
84 Ginnie Mae II Pool '4905', 6.000%, due 12/20/2040	95	0.02						
17 Ginnie Mae II Pool '4928', 6.000%, due 1/20/2041	19	—						
59 Ginnie Mae II Pool '4961', 6.000%, due 2/20/2041	69	0.01						
754 Ginnie Mae II Pool '4978', 4.500%, due 3/20/2041	815	0.13						

The accompanying notes are an integral part of the Financial Statements

Portfolio of Investments as at February 28, 2017 – (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 28, 2017 – (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)								
Australia — (continued)								
720 WEA Finance LLC / Westfield UK & Europe Finance Plc, 144A, 4.750%, due 9/17/2044	718	0.11	340 Danone SA, 144A, 2.077%, due 11/2/2021	330	0.05	Morocco — 0.19% (February 29, 2016: 0.23%)		
			1,110 Danone SA, 144A, 2.589%, due 11/2/2023	1,077	0.16	1,230 OCP SA, 144A, 4.500%, due 10/22/2025	1,204	0.19
	4,228	0.65	720 Danone SA, 144A, 2.947%, due 11/2/2026	693	0.11	Netherlands — 0.97% (February 29, 2016: 0.79%)		
Belgium — 1.00% (February 29, 2016: 1.16%)			210 Pernod Ricard SA, 144A, 4.450%, due 1/15/2022	224	0.03	200 ABN AMRO Bank NV, 144A, 4.750%, due 7/28/2025	205	0.03
400 Anheuser-Busch InBev Finance Inc, 2.650%, due 2/1/2021	404	0.06	200 SFR Group SA, 144A, 7.375%, due 5/1/2026	207	0.03	330 AerCap Ireland Capital DAC / AerCap Global Aviation Trust, 4.500%, due 5/15/2021	349	0.05
440 Anheuser-Busch InBev Finance Inc, 3.300%, due 2/1/2023	450	0.07		3,285	0.50	160 AerCap Ireland Capital DAC / AerCap Global Aviation Trust, 4.625%, due 7/1/2022	170	0.03
3,330 Anheuser-Busch InBev Finance Inc, 3.650%, due 2/1/2026	3,388	0.52	Germany — 0.03% (February 29, 2016: 0.08%)			250 Cooperatieve Rabobank UA, 4.625%, due 12/1/2023	264	0.04
1,640 Anheuser-Busch InBev Finance Inc, 4.900%, due 2/1/2046	1,800	0.28	50 Fresenius Medical Care US Finance II Inc, 144A, 4.125%, due 10/15/2020	51	0.01	2,370 Cooperatieve Rabobank UA, 4.375%, due 8/4/2025	2,418	0.37
430 Anheuser-Busch InBev Worldwide Inc, 5.375%, due 1/15/2020	470	0.07	150 ZF North America Capital Inc, 144A, 4.500%, due 4/29/2022	156	0.02	320 Cooperatieve Rabobank UA, 5.750%, due 12/1/2043	370	0.06
	6,512	1.00		207	0.03	290 Cooperatieve Rabobank UA, 144A, 11.000%, Perpetual *	340	0.05
Brazil — 0.63% (February 29, 2016: 0.49%)			India — 0.08% (February 29, 2016: 0.11%)			200 ING Bank NV, 144A, 5.800%, due 9/25/2023	222	0.04
2,410 Petrobras Global Finance BV, 5.375%, due 1/27/2021	2,437	0.37	320 Bharti Airtel Ltd, 144A, 4.375%, due 6/10/2025	321	0.05	70 Royal Bank of Scotland NV/The, 4.650%, due 6/4/2018	72	0.01
440 Petrobras Global Finance BV, 6.125%, due 1/17/2022	452	0.07	200 Bharti Airtel Ltd, 4.375%, due 6/10/2025	200	0.03	690 Shell International Finance BV, 2.875%, due 5/10/2026	671	0.10
57 Petrobras Global Finance BV, 6.250%, due 3/17/2024	58	0.01		521	0.08	160 Shell International Finance BV, 4.550%, due 8/12/2043	169	0.03
390 Petrobras Global Finance BV, 7.375%, due 1/17/2027	408	0.06	Indonesia — 0.06% (February 29, 2016: 0.08%)			770 Shell International Finance BV, 4.375%, due 5/11/2045	796	0.12
340 Petrobras Global Finance BV, 6.850%, due 6/5/2115	295	0.05	340 Majapahit Holding BV, 7.750%, due 1/20/2020	386	0.06	270 Shell International Finance BV, 4.000%, due 5/10/2046	263	0.04
436 Vale Overseas Ltd, 6.875%, due 11/21/2036	476	0.07					6,309	0.97
	4,126	0.63	Ireland — 0.15% (February 29, 2016: 0.04%)			New Zealand — 0.05% (February 29, 2016: 0.05%)		
Canada — 0.31% (February 29, 2016: 0.12%)			200 Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 144A, 6.250%, due 1/31/2019	203	0.03	40 Reynolds Group Issuer Inc / Reynolds Group Issuer LLC / Reynolds Group Issuer Lu, 5.750%, due 10/15/2020	41	0.01
620 1011778 BC ULC / New Red Finance Inc, 144A, 6.000%, due 4/1/2022	647	0.10	470 Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 144A, 4.625%, due 5/15/2023	478	0.07	130 Reynolds Group Issuer Inc / Reynolds Group Issuer LLC / Reynolds Group Issuer Lu, 6.875%, due 2/15/2021	133	0.02
57 Barrick Gold Corp, 6.950%, due 4/1/2019	62	0.01	100 Park Aerospace Holdings Ltd, 144A, 5.250%, due 8/15/2022	104	0.02	160 Reynolds Group Issuer Inc / Reynolds Group Issuer LLC / Reynolds Group Issuer Lu, 5.125%, due 7/15/2023	166	0.02
535 Barrick Gold Corp, 4.100%, due 5/1/2023	574	0.09	190 Park Aerospace Holdings Ltd, 144A, 5.500%, due 2/15/2024	199	0.03		340	0.05
51 Barrick North America Finance LLC, 4.400%, due 5/30/2021	55	0.01		984	0.15	Peru — 0.33% (February 29, 2016: 0.18%)		
290 Barrick North America Finance LLC, 5.700%, due 5/30/2041	333	0.05	Italy — 0.09% (February 29, 2016: 0.12%)			2,210 Southern Copper Corp, 5.250%, due 11/8/2042	2,162	0.33
330 Teck Resources Ltd, 144A, 8.000%, due 6/1/2021	368	0.05	650 Intesa Sanpaolo SpA, 144A, 5.017%, due 6/26/2024	611	0.09	Switzerland — 0.50% (February 29, 2016: 0.32%)		
	2,039	0.31	Kuwait — 0.08% (February 29, 2016: 0.00%)			20 ABB Finance USA Inc, 4.375%, due 5/8/2042	21	0.01
Chile — 0.06% (February 29, 2016: 0.04%)			520 Equate Petrochemical BV, 144A, 4.250%, due 11/3/2026	519	0.08	840 Credit Suisse Group Funding Guernsey Ltd, 4.875%, due 5/15/2045	862	0.13
360 Celulosa Arauco y Constitucion SA, 4.750%, due 1/11/2022	376	0.06	Luxembourg — 0.07% (February 29, 2016: 0.22%)			600 Glencore Finance Canada Ltd, 144A, 2.700%, due 10/25/2017	604	0.09
China — 0.37% (February 29, 2016: 0.26%)			200 Altice Financing SA, 144A, 6.625%, due 2/15/2023	210	0.03	70 Glencore Funding LLC, 144A, 4.125%, due 5/30/2023	73	0.01
1,320 CNOOC Finance 2015 USA LLC, 3.500%, due 5/5/2025	1,310	0.20	50 ArcelorMittal, 7.000%, due 2/25/2022	57	0.01	1,280 Glencore Funding LLC, 144A, 4.625%, due 4/29/2024	1,347	0.21
200 Sinopec Group Overseas Development 2012 Ltd, 144A, 2.750%, due 5/17/2017	200	0.03	150 ArcelorMittal, 7.750%, due 10/15/2039	175	0.03	330 UBS Group Funding Jersey Ltd, 144A, 4.125%, due 9/24/2025	336	0.05
820 Sinopec Group Overseas Development 2014 Ltd, 144A, 4.375%, due 4/10/2024	871	0.14		442	0.07		3,243	0.50
	2,381	0.37	Mexico — 0.40% (February 29, 2016: 0.48%)			United Arab Emirates — 0.00% (February 29, 2016: 0.01%)		
Colombia — 0.17% (February 29, 2016: 0.10%)			110 America Movil SAB de CV, 5.625%, due 11/15/2017	113	0.02	9 Shelf Drilling Holdings Ltd, 9.500%, due 11/2/2020	9	—
1,190 Ecopetrol SA, 5.875%, due 5/28/2045	1,075	0.17	200 America Movil SAB de CV, 5.000%, due 3/30/2020	214	0.03			
France — 0.50% (February 29, 2016: 0.75%)			700 America Movil SAB de CV, 3.125%, due 7/16/2022	697	0.11			
500 BPCE SA, 144A, 5.150%, due 7/21/2024	511	0.08	20 America Movil SAB de CV, 6.375%, due 3/1/2035	24	—			
220 Credit Agricole SA, 144A, 8.375%, Perpetual *	243	0.04	20 America Movil SAB de CV, 6.125%, due 11/15/2037	23	—			
			590 Petroleos Mexicanos, 4.250%, due 1/15/2025	561	0.09			
			260 Petroleos Mexicanos, 6.875%, due 8/4/2026	285	0.04			
			95 Petroleos Mexicanos, 6.625%, due 6/15/2035	96	0.02			
			660 Petroleos Mexicanos, 5.500%, due 6/27/2044	568	0.09			
				2,581	0.40			

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 28, 2017 – (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 — 1.92% (February 29, 2016: 1.25%)								
70 BP Capital Markets Plc, 3.561%, due 11/1/2021	73	0.01	780 Activision Blizzard Inc, 144A, 6.125%, due 9/15/2023	848	0.13	860 AT&T Inc, 4.350%, due 6/15/2045	763	0.12
690 BP Capital Markets Plc, 3.216%, due 11/28/2023	693	0.11	70 AES Corp/VA, 7.375%, due 7/1/2021	79	0.01	260 AT&T Inc, 5.450%, due 3/1/2047	268	0.04
540 BP Capital Markets Plc, 3.506%, due 3/17/2025	547	0.08	130 AES Corp/VA, 4.875%, due 5/15/2023	129	0.02	423 AT&T Inc, 4.500%, due 3/9/2048	380	0.06
150 BP Capital Markets Plc, 3.119%, due 5/4/2026	147	0.02	10 AES Corp/VA, 5.500%, due 3/15/2024	10	—	46 Baker Hughes Inc, 3.200%, due 8/15/2021	47	0.01
60 Diageo Capital Plc, 5.750%, due 10/23/2017	62	0.01	130 AES Corp/VA, 5.500%, due 4/15/2025	132	0.02	350 Ball Corp, 5.250%, due 7/1/2025	371	0.06
310 Diageo Capital Plc, 4.828%, due 7/15/2020	336	0.05	360 Aetna Inc, 2.400%, due 6/15/2021	364	0.06	400 Bank of America Corp, 5.750%, due 12/1/2017	413	0.06
200 Fiat Chrysler Automobiles NV, 4.500%, due 4/15/2020	206	0.03	90 Aetna Inc, 2.800%, due 6/15/2023	90	0.01	100 Bank of America Corp, 6.875%, due 4/25/2018	106	0.02
280 Fiat Chrysler Automobiles NV, 5.250%, due 4/15/2023	290	0.05	160 Aetna Inc, 3.200%, due 6/15/2026	161	0.02	270 Bank of America Corp, Series L, 2.600%, due 1/15/2019	273	0.04
910 HSBC Holdings Plc, 3.400%, due 3/8/2021	933	0.14	30 Aetna Inc, 4.375%, due 6/15/2046	30	—	30 Bank of America Corp, 5.625%, due 7/1/2020	33	0.01
430 HSBC Holdings Plc, 4.250%, due 8/18/2025	436	0.07	400 Alcoa Nederland Holding BV, 144A, 7.000%, due 9/30/2026	439	0.07	670 Bank of America Corp, 5.000%, due 5/13/2021	729	0.11
330 HSBC Holdings Plc, 4.300%, due 3/8/2026	345	0.05	370 Allison Transmission Inc, 144A, 5.000%, due 10/1/2024	377	0.06	280 Bank of America Corp, 3.300%, due 1/11/2023	282	0.04
1,540 HSBC Holdings Plc, 3.900%, due 5/25/2026	1,561	0.24	470 Ally Financial Inc, 8.000%, due 11/1/2031	578	0.09	330 Bank of America Corp, 4.000%, due 4/1/2024	343	0.05
340 HSBC Holdings Plc, 6.500%, due 5/2/2036	420	0.06	120 Altria Group Inc, 9.250%, due 8/6/2019	141	0.02	1,520 Bank of America Corp, 4.200%, due 8/26/2024	1,569	0.24
1,500 Lloyds Banking Group Plc, 4.650%, due 3/24/2026	1,535	0.24	290 Altria Group Inc, 4.750%, due 5/5/2021	315	0.05	470 Bank of America Corp, 4.000%, due 1/22/2025	473	0.07
GBP 315 Magnolia Finance X Plc, FR A2, 0.000%, due 12/3/2020 +∞	383	0.06	430 Altria Group Inc, 2.850%, due 8/9/2022	430	0.07	620 Bank of America Corp, 3.875%, due 8/1/2025	634	0.10
GBP 866 Magnolia Finance X Plc, FR NT, 0.000%, due 12/3/2020 +∞	1,053	0.16	190 Altria Group Inc, 5.375%, due 1/31/2044	221	0.03	130 Bank of America Corp, 4.450%, due 3/3/2026	135	0.02
70 Rio Tinto Finance USA Ltd, 3.750%, due 9/20/2021	74	0.01	340 Amazon.com Inc, 4.950%, due 12/5/2044	395	0.06	2,030 Bank of America Corp, 3.500%, due 4/19/2026	2,015	0.31
100 Royal Bank of Scotland Group Plc, 6.125%, due 12/15/2022	106	0.02	320 American Airlines 2013-2 Class B Pass Through Trust, 144A, 5.600%, due 7/15/2020	332	0.05	1,440 Bank of America Corp, 4.250%, due 10/22/2026	1,468	0.23
230 Royal Bank of Scotland Group Plc, 6.100%, due 6/10/2023	244	0.04	320 American Axle & Manufacturing Inc, 6.625%, due 10/15/2022	331	0.05	320 Bank of America Corp, 4.875%, due 4/1/2044	349	0.05
460 Royal Bank of Scotland Group Plc, 6.000%, due 12/19/2023	489	0.08	220 American Builders & Contractors Supply Co Inc, 144A, 5.750%, due 12/15/2023	231	0.04	200 Bank of America Corp, Series X, 6.250%, Perpetual *	214	0.03
1,300 Royal Bank of Scotland Group Plc, 5.125%, due 5/28/2024	1,316	0.20	220 American International Group Inc, 3.750%, due 7/10/2025	222	0.03	93 Becton Dickinson and Co, 3.734%, due 12/15/2024	96	0.01
840 Standard Chartered Plc, 144A, 5.700%, due 3/26/2044	858	0.13	234 American International Group Inc, 6.250%, due 3/15/2087 *	236	0.04	70 Becton Dickinson and Co, 4.685%, due 12/15/2044	74	0.01
400 Virgin Media Finance Plc, 144A, 6.375%, due 4/15/2023	420	0.06	30 Amgen Inc, 3.625%, due 5/22/2024	31	—	50 Berkshire Hathaway Energy Co, 6.500%, due 9/15/2037	66	0.01
	12,527	1.92	34 Amgen Inc, 4.663%, due 6/15/2051	34	0.01	30 Boeing Capital Corp, 4.700%, due 10/27/2019	32	0.01
United States — 18.76% (February 29, 2016: 19.77%)								
40 21st Century Fox America Inc, 4.500%, due 2/15/2021	43	0.01	680 Anadarko Petroleum Corp, 4.850%, due 3/15/2021	731	0.11	170 Boeing Co/The, 4.875%, due 2/15/2020	185	0.03
10 21st Century Fox America Inc, 6.900%, due 8/15/2039	13	—	450 Anadarko Petroleum Corp, 6.450%, due 9/15/2036	545	0.08	20 Catholic Health Initiatives, 4.350%, due 11/1/2042	18	—
480 Abbott Laboratories, 3.750%, due 11/30/2026	480	0.07	200 Anadarko Petroleum Corp, 6.200%, due 3/15/2040	233	0.04	120 Celgene Corp, 3.550%, due 8/15/2022	124	0.02
230 Abbott Laboratories, 4.750%, due 11/30/2036	236	0.04	520 Anadarko Petroleum Corp, 6.600%, due 3/15/2046	651	0.10	360 Celgene Corp, 3.875%, due 8/15/2025	368	0.06
420 Abbott Laboratories, 4.900%, due 11/30/2046	437	0.07	180 Anthem Inc, 3.125%, due 5/15/2022	181	0.03	100 Celgene Corp, 5.250%, due 8/15/2043	106	0.02
120 AbbVie Inc, 2.900%, due 11/6/2022	119	0.02	95 Apache Corp, 3.250%, due 4/15/2022	96	0.01	310 Celgene Corp, 5.000%, due 8/15/2045	329	0.05
250 AbbVie Inc, 3.600%, due 5/14/2025	249	0.04	30 Apache Corp, 6.000%, due 1/15/2037	35	0.01	200 Centene Corp, 4.750%, due 5/15/2022	207	0.03
190 Actavis Funding SCS, 3.450%, due 3/15/2022	194	0.03	310 Apache Corp, 5.100%, due 9/1/2040	329	0.05	270 Centene Corp, 6.125%, due 2/15/2024	293	0.05
790 Actavis Funding SCS, 3.800%, due 3/15/2025	798	0.12	390 Apache Corp, 4.750%, due 4/15/2043	401	0.06	110 Centene Corp, 4.750%, due 1/15/2025	113	0.02
140 Actavis Funding SCS, 4.550%, due 3/15/2035	141	0.02	180 Apache Corp, 4.250%, due 1/15/2044	175	0.03	90 Charter Communications Operating LLC / Charter Communications Operating Capital, 4.908%, due 7/23/2025	95	0.01
30 Actavis Funding SCS, 4.750%, due 3/15/2045	31	—	720 Apple Inc, 2.450%, due 8/4/2026	683	0.11	110 Chesapeake Energy Corp, 6.125%, due 2/15/2021	106	0.02
			20 AT&T Inc, 5.500%, due 2/1/2018	21	—	240 Chesapeake Energy Corp, 5.750%, due 3/15/2023	218	0.03
			60 AT&T Inc, 5.800%, due 2/15/2019	64	0.01	690 Chevron Corp, 2.954%, due 5/16/2026	681	0.10
			320 AT&T Inc, 3.400%, due 5/15/2025	309	0.05	110 Chubb INA Holdings Inc, 2.300%, due 11/3/2020	111	0.02
						140 Chubb INA Holdings Inc, 3.350%, due 5/3/2026	142	0.02
						475 CIT Group Inc, 5.000%, due 8/15/2022	504	0.08

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Legg Mason Western Asset US Core Plus Bond Fund

Portfolio of Investments as at February 28, 2017 – (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)								
350 Citigroup Inc, 4.500%, due 1/14/2022	374	0.06	40 Devon Energy Corp, 5.600%, due 7/15/2041	43	0.01	50 General Electric Co, 4.500%, due 3/11/2044	54	0.01
50 Citigroup Inc, 4.050%, due 7/30/2022	52	0.01	1,310 Devon Energy Corp, 5.000%, due 6/15/2045	1,334	0.21	230 General Motors Co, 6.250%, due 10/2/2043	262	0.04
250 Citigroup Inc, 3.500%, due 5/15/2023	252	0.04	870 Diamond 1 Finance Corp / Diamond 2 Finance Corp, 144A, 3.480%, due 6/1/2019	890	0.14	20 General Motors Financial Co Inc, 3.250%, due 5/15/2018	20	–
330 Citigroup Inc, 3.300%, due 4/27/2025	325	0.05	1,100 Diamond 1 Finance Corp / Diamond 2 Finance Corp, 144A, 4.420%, due 6/15/2021	1,154	0.18	360 General Motors Financial Co Inc, 4.375%, due 9/25/2021	380	0.06
440 Citigroup Inc, 4.400%, due 6/10/2025	452	0.07	20 DISH DBS Corp, 6.750%, due 6/1/2021	22	–	40 General Motors Financial Co Inc, 3.450%, due 4/10/2022	41	0.01
1,220 Citigroup Inc, 5.500%, due 9/13/2025	1,344	0.21	70 DISH DBS Corp, 5.875%, due 7/15/2022	75	0.01	10 General Motors Financial Co Inc, 4.250%, due 5/15/2023	10	–
110 Citigroup Inc, 4.300%, due 11/20/2026	112	0.02	410 DISH DBS Corp, 5.875%, due 11/15/2024	437	0.07	130 Georgia-Pacific LLC, 8.875%, due 5/15/2031	196	0.03
2,130 Citigroup Inc, 4.450%, due 9/29/2027	2,181	0.34	390 Dollar Tree Inc, 5.750%, due 3/1/2023	414	0.06	180 Gilead Sciences Inc, 3.700%, due 4/1/2024	185	0.03
756 Citigroup Inc, 8.125%, due 7/15/2039	1,127	0.17	130 Duke Energy Carolinas LLC, 5.300%, due 2/15/2040	157	0.02	200 Gilead Sciences Inc, 3.500%, due 2/1/2025	202	0.03
255 Citigroup Inc, 5.300%, due 5/6/2044	276	0.04	80 Eaton Corp, 1.500%, due 11/2/2017	80	0.01	80 Gilead Sciences Inc, 4.750%, due 3/1/2046	83	0.01
100 Citigroup Inc, 5.950%, Perpetual *	105	0.02	460 Eaton Corp, 2.750%, due 11/2/2022	462	0.07	500 Gilead Sciences Inc, 4.150%, due 3/1/2047	480	0.07
40 Citigroup Inc, 5.900%, Perpetual *	42	0.01	420 Eaton Corp, 4.150%, due 11/2/2042	420	0.06	80 GLP Capital LP / GLP Financing II Inc, 5.375%, due 4/15/2026	84	0.01
740 Citigroup Inc, Series P, 5.950%, Perpetual *	771	0.12	30 Ecolab Inc, 4.350%, due 12/8/2021	33	0.01	3 Goldman Sachs Capital II, 4.000%, Perpetual *	3	–
130 Citigroup Inc, Series M, 6.300%, Perpetual *	137	0.02	36 El Paso Natural Gas Co LLC, 8.375%, due 6/15/2032	46	0.01	370 Goldman Sachs Group Inc/The, Series GLOB, 2.375%, due 1/22/2018	373	0.06
90 Comcast Cable Communications Holdings Inc, 9.455%, due 11/15/2022	121	0.02	205 Enscor Plc, 8.000%, due 1/31/2024	210	0.03	180 Goldman Sachs Group Inc/The, 7.500%, due 2/15/2019	199	0.03
60 Comcast Corp, 4.250%, due 1/15/2033	62	0.01	290 Enterprise Products Operating LLC, 5.200%, due 9/1/2020	317	0.05	210 Goldman Sachs Group Inc/The, 5.375%, due 3/15/2020	228	0.04
60 Comcast Corp, 5.650%, due 6/15/2035	71	0.01	430 Enterprise Products Operating LLC, Series B, 7.034%, due 1/15/2068 *	444	0.07	10 Goldman Sachs Group Inc/The, Series D, 6.000%, due 6/15/2020	11	–
60 Comcast Corp, 6.500%, due 11/15/2035	77	0.01	210 EOG Resources Inc, 4.150%, due 1/15/2026	221	0.03	380 Goldman Sachs Group Inc/The, 5.250%, due 7/27/2021	418	0.06
130 Comcast Corp, 6.450%, due 3/15/2037	167	0.03	520 Exxon Mobil Corp, 3.043%, due 3/1/2026	520	0.08	320 Goldman Sachs Group Inc/The, 4.000%, due 3/3/2024	333	0.05
210 Comcast Corp, 6.950%, due 8/15/2037	284	0.04	130 Exxon Mobil Corp, 4.114%, due 3/1/2046	135	0.02	800 Goldman Sachs Group Inc/The, 3.850%, due 7/8/2024	823	0.13
70 Comcast Corp, 6.550%, due 7/1/2039	91	0.01	290 First Data Corp, 144A, 7.000%, due 12/1/2023	312	0.05	2,560 Goldman Sachs Group Inc/The, 4.250%, due 10/21/2025	2,625	0.40
110 Comcast Corp, 6.400%, due 3/1/2040	142	0.02	350 First Data Corp, 144A, 5.750%, due 1/15/2024	363	0.06	470 Goldman Sachs Group Inc/The, 3.500%, due 11/16/2026	463	0.07
250 Compass Bank, 3.875%, due 4/10/2025	243	0.04	90 FirstEnergy Corp, Series A, 2.750%, due 3/15/2018	91	0.01	40 Goldman Sachs Group Inc/The, 6.450%, due 5/1/2036	49	0.01
30 Concho Resources Inc, 5.500%, due 10/1/2022	31	–	110 FirstEnergy Corp, Series B, 4.250%, due 3/15/2023	115	0.02	670 Goldman Sachs Group Inc/The, 6.250%, due 2/1/2041	846	0.13
85 ConocoPhillips Holding Co, 6.950%, due 4/15/2029	110	0.02	1,048 FirstEnergy Corp, Series C, 7.375%, due 11/15/2031	1,381	0.21	840 Goldman Sachs Group Inc/The, 5.150%, due 5/22/2045	895	0.14
820 Constellation Brands Inc, 4.750%, due 11/15/2024	885	0.14	130 Florida East Coast Holdings Corp, 144A, 6.750%, due 5/1/2019	134	0.02	1,050 Goldman Sachs Group Inc/The, 4.750%, due 10/21/2045	1,118	0.17
234 Continental Airlines 2007-1 Class A Pass Through Trust, Series 071A, 5.983%, due 4/19/2022	261	0.04	460 Ford Motor Co, 4.750%, due 1/15/2043	442	0.07	140 Goodyear Tire & Rubber Co/The, 5.125%, due 11/15/2023	145	0.02
10 Continental Resources Inc/OK, 4.500%, due 4/15/2023	10	–	490 Ford Motor Credit Co LLC, 8.125%, due 1/15/2020	566	0.09	220 Goodyear Tire & Rubber Co/The, 5.000%, due 5/31/2026	224	0.03
220 CVS Health Corp, 2.750%, due 12/1/2022	218	0.03	310 Ford Motor Credit Co LLC, 3.200%, due 1/15/2021	315	0.05	460 Halliburton Co, 3.800%, due 11/15/2025	472	0.07
61 CVS Health Corp, 3.875%, due 7/20/2025	63	0.01	32 Freeport-McMoRan Inc, 6.500%, due 11/15/2020	33	0.01	60 Halliburton Co, 4.850%, due 11/15/2035	64	0.01
850 CVS Health Corp, 5.125%, due 7/20/2045	947	0.15	230 Freeport-McMoRan Inc, 4.000%, due 11/14/2021	221	0.03	110 Halliburton Co, 5.000%, due 11/15/2045	119	0.02
29 CVS Pass-Through Trust, 144A, 5.298%, due 1/11/2027	31	–	110 Freeport-McMoRan Inc, 5.450%, due 3/15/2043	94	0.01	200 Harris Corp, 5.054%, due 4/27/2045	221	0.03
28 CVS Pass-Through Trust, 6.036%, due 12/10/2028	31	0.01	433 GE Capital International Funding Co Unlimited Co, 2.342%, due 11/15/2020	437	0.07	140 HCA Inc, 6.500%, due 2/15/2020	154	0.02
45 CVS Pass-Through Trust, 6.943%, due 1/10/2030	53	0.01	90 General Electric Co, 6.000%, due 8/7/2019	99	0.02			
30 DaVita Inc, 5.000%, due 5/1/2025	30	–	75 General Electric Co, 4.625%, due 1/7/2021	82	0.01			
402 Delta Air Lines 2007-1 Class A Pass Through Trust, Series 071A, 6.821%, due 8/10/2022	465	0.07	78 General Electric Co, 5.300%, due 2/11/2021	87	0.01			
350 Devon Energy Corp, 3.250%, due 5/15/2022	351	0.05	20 General Electric Co, 3.150%, due 9/7/2022	21	–			
450 Devon Energy Corp, 5.850%, due 12/15/2025	517	0.08	80 General Electric Co, 5.875%, due 1/14/2038	103	0.02			
			2,551 General Electric Co, 6.875%, due 1/10/2039	3,660	0.56			

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US Core Plus Bond Fund

Portfolio of Investments as at February 28, 2017 – (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 HCA Inc, 7.500%, due 2/15/2022	46	0.01	160 Lehman Brothers Escrow, Series DMTN, zero coupon, Perpetual $\frac{1}{1000}$	—	—	80 Occidental Petroleum Corp, 3.125%, due 2/15/2022	82	0.01
10 HCA Inc, 5.875%, due 3/15/2022	11	—	1,110 Lehman Brothers Holding Inc, zero coupon, due 12/28/2017 $\frac{1}{1000}$	—	—	410 Occidental Petroleum Corp, 3.400%, due 4/15/2026	411	0.06
80 HCA Inc, 5.875%, due 5/1/2023	87	0.01	960 Lehman Brothers Holdings Capital Trust Escrow, zero coupon, Perpetual $\frac{1}{1000}$	—	—	300 Occidental Petroleum Corp, 3.050%, due 2/15/2027	292	0.05
50 HCA Inc, 5.375%, due 2/1/2025	52	0.01	218 Lehman Escrow Receipt, zero coupon, Perpetual $\frac{1}{1000}$	28	—	240 Occidental Petroleum Corp, 4.625%, due 6/15/2045	254	0.04
50 HCA Inc, 5.250%, due 4/15/2025	53	0.01	79 Lehman Swap Receipt, zero coupon, Perpetual $\frac{1}{1000}$	5	—	110 Occidental Petroleum Corp, 4.400%, due 4/15/2046	113	0.02
320 HCA Inc, 5.250%, due 6/15/2026	338	0.05	90 Lockheed Martin Corp, 3.100%, due 1/15/2023	91	0.01	410 Occidental Petroleum Corp, 4.100%, due 2/15/2047	403	0.06
300 HSBC Finance Corp, 6.676%, due 1/15/2021	340	0.05	460 Lockheed Martin Corp, 3.550%, due 1/15/2026	470	0.07	160 Oracle Corp, 1.200%, due 10/15/2017	160	0.02
70 Humana Inc, 4.625%, due 12/1/2042	71	0.01	40 Lockheed Martin Corp, 4.500%, due 5/15/2036	43	0.01	1,700 Pacific Gas & Electric Co, 6.050%, due 3/1/2034	2,153	0.33
50 Hyundai Capital America, 144A, 2.125%, due 10/2/2017	50	0.01	200 LyondellBasell Industries NV, 6.000%, due 11/15/2021	227	0.04	220 PepsiCo Inc, 3.125%, due 11/1/2020	229	0.04
50 ILFC E-Capital Trust II, 144A, 4.920%, due 12/21/2065 *	47	0.01	400 McDonald's Corp, 3.700%, due 1/30/2026	410	0.06	310 Philip Morris International Inc, 2.900%, due 11/15/2021	315	0.05
80 Intel Corp, 3.700%, due 7/29/2025	84	0.01	70 Medtronic Inc, 3.125%, due 3/15/2022	72	0.01	160 Philip Morris International Inc, 2.500%, due 8/22/2022	158	0.02
120 Intel Corp, 4.900%, due 7/29/2045	137	0.02	930 Medtronic Inc, 3.500%, due 3/15/2025	955	0.15	260 Philip Morris International Inc, 4.500%, due 3/20/2042	270	0.04
200 International Lease Finance Corp, 6.250%, due 5/15/2019	217	0.03	200 Merck & Co Inc, 2.750%, due 2/10/2025	198	0.03	270 Progress Energy Inc, 4.400%, due 1/15/2021	288	0.04
400 International Lease Finance Corp, 8.625%, due 1/15/2022	495	0.08	300 MetLife Inc, 6.400%, due 12/15/2036	332	0.05	70 QEP Resources Inc, 6.875%, due 3/1/2021	74	0.01
150 International Lease Finance Corp, 5.875%, due 8/15/2022	169	0.03	30 Micron Technology Inc, 144A, 5.625%, due 1/15/2026	31	—	140 Quicken Loans Inc, 144A, 5.750%, due 5/1/2025	138	0.02
90 John Deere Capital Corp, 2.250%, due 4/17/2019	91	0.01	820 Microsoft Corp, 2.875%, due 2/6/2024	826	0.13	10 QVC Inc, 5.950%, due 3/15/2043	9	—
50 John Deere Capital Corp, 1.700%, due 1/15/2020	50	0.01	200 Microsoft Corp, 2.700%, due 2/12/2025	198	0.03	270 Range Resources Corp, 5.000%, due 3/15/2023	262	0.04
320 JPMorgan Chase & Co, 4.350%, due 8/15/2021	343	0.05	1,290 Microsoft Corp, 2.400%, due 8/8/2026	1,226	0.19	170 Range Resources Corp, 4.875%, due 5/15/2025	161	0.02
100 JPMorgan Chase & Co, 4.500%, due 1/24/2022	108	0.02	1,400 Microsoft Corp, 3.300%, due 2/6/2027	1,428	0.22	20 Raytheon Co, 3.125%, due 10/15/2020	21	—
1,670 JPMorgan Chase & Co, 3.875%, due 9/10/2024	1,707	0.26	20 Microsoft Corp, 3.450%, due 8/8/2036	19	—	110 Regency Energy Partners LP / Regency Energy Finance Corp, 6.500%, due 7/15/2021	113	0.02
170 JPMorgan Chase & Co, 4.250%, due 10/1/2027	175	0.03	250 Microsoft Corp, 3.950%, due 8/8/2056	235	0.04	90 Regency Energy Partners LP / Regency Energy Finance Corp, 5.875%, due 3/1/2022	100	0.02
790 JPMorgan Chase & Co, 4.950%, due 6/1/2045	850	0.13	310 Microsoft Corp, 4.500%, due 2/6/2057	322	0.05	40 Republic Services Inc, 5.000%, due 3/1/2020	43	0.01
40 Kerr-McGee Corp, 6.950%, due 7/1/2024	48	0.01	30 Molson Coors Brewing Co, 3.500%, due 5/1/2022	31	—	10 Reynolds American Inc, 8.125%, due 6/23/2019	11	—
260 Kerr-McGee Corp, 7.875%, due 9/15/2031	339	0.05	110 Morgan Stanley, 6.625%, due 4/1/2018	116	0.02	87 Reynolds American Inc, 3.250%, due 6/12/2020	89	0.01
380 Kinder Morgan Energy Partners LP, 3.500%, due 9/1/2023	376	0.06	350 MPH Acquisition Holdings LLC, 144A, 7.125%, due 6/1/2024	377	0.06	760 Reynolds American Inc, 5.850%, due 8/15/2045	903	0.14
110 Kinder Morgan Energy Partners LP, 4.250%, due 9/1/2024	113	0.02	380 MPLX LP, 4.875%, due 12/1/2024	405	0.06	320 Schlumberger Holdings Corp, 144A, 3.000%, due 12/21/2020	327	0.05
130 Kinder Morgan Inc/DE, 144A, 5.000%, due 2/15/2021	140	0.02	160 MPLX LP, 4.875%, due 6/1/2025	171	0.03	220 Schlumberger Holdings Corp, 144A, 4.000%, due 12/21/2025	231	0.04
270 Kinder Morgan Inc/DE, 5.300%, due 12/1/2034	278	0.04	10 National Semiconductor Corp, 6.600%, due 6/15/2017	10	—	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	31	0.01	200 Navient Corp, 8.000%, due 3/25/2020	217	0.03	400 Scientific Games International Inc, 144A, 7.000%, due 1/1/2022	425	0.07
152 Kraft Heinz Foods Co, 5.375%, due 2/10/2020	165	0.03	100 NBCUniversal Enterprise Inc, 144A, 1.974%, due 4/15/2019	100	0.02	20 SESI LLC, 7.125%, due 12/15/2021	21	—
120 Kraft Heinz Foods Co, 3.500%, due 6/6/2022	123	0.02	220 NCL Corp Ltd, 144A, 4.625%, due 11/15/2020	226	0.03	30 SM Energy Co, 5.000%, due 1/15/2024	28	—
326 Kraft Heinz Foods Co, 144A, 4.875%, due 2/15/2025	348	0.05	160 NCL Corp Ltd, 144A, 4.750%, due 12/15/2021	163	0.03	80 Southern Natural Gas Co LLC, 8.000%, due 3/1/2032	105	0.02
130 Kraft Heinz Foods Co, 3.950%, due 7/15/2025	132	0.02	240 Netflix Inc, 5.500%, due 2/15/2022	256	0.04	150 Southwestern Electric Power Co, 6.200%, due 3/15/2040	187	0.03
110 Kraft Heinz Foods Co, 5.000%, due 7/15/2035	116	0.02	250 Newell Brands Inc, 3.150%, due 4/1/2021	255	0.04	250 Spectrum Brands Inc, 6.625%, due 11/15/2022	264	0.04
50 Kraft Heinz Foods Co, 5.000%, due 6/4/2042	51	0.01	310 Newell Brands Inc, 3.850%, due 4/1/2023	323	0.05	70 Spectrum Brands Inc, 5.750%, due 7/15/2025	74	0.01
240 Kraft Heinz Foods Co, 5.200%, due 7/15/2045	253	0.04	240 Newell Brands Inc, 4.200%, due 4/1/2026	253	0.04	205 Sprint Capital Corp, 8.750%, due 3/15/2032	246	0.04
270 Lamb Weston Holdings Inc, 144A, 4.875%, due 11/1/2026	274	0.04	120 Noble Energy Inc, 8.250%, due 3/1/2019	134	0.02			
170 Lehman Brothers Escrow, zero coupon, Perpetual $\frac{1}{1000}$	—	—	110 Noble Energy Inc, 4.150%, due 12/15/2021	116	0.02			
			330 Noble Energy Inc, 5.250%, due 11/15/2043	348	0.05			

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Legg Mason Western Asset US Core Plus Bond Fund

Portfolio of Investments as at February 28, 2017 – (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 Sprint Communications Inc, 144A, 7.000%, due 3/1/2020	273	0.04	140 Valeant Pharmaceuticals International Inc, 144A, 5.375%, due 3/15/2020	126	0.02	130 Wm Wrigley Jr Co, 144A, 2.900%, due 10/21/2019	132	0.02
20 Sprint Corp, 7.875%, due 9/15/2023	22	—	590 Valeant Pharmaceuticals International Inc, 144A, 7.500%, due 7/15/2021	542	0.08	40 Wm Wrigley Jr Co, 144A, 3.375%, due 10/21/2020	41	0.01
780 Sprint Corp, 7.625%, due 2/15/2025	870	0.13	60 Valeant Pharmaceuticals International Inc, 144A, 5.875%, due 5/15/2023	49	0.01	70 WPX Energy Inc, 6.000%, due 1/15/2022	72	0.01
350 State Street Corp, 4.956%, due 3/15/2018	361	0.06	1,316 Verizon Communications Inc, 6.550%, due 9/15/2043	1,611	0.25	330 WPX Energy Inc, 8.250%, due 8/1/2023	370	0.06
30 Steel Dynamics Inc, 6.375%, due 8/15/2022	31	0.01	60 Viacom Inc, 4.250%, due 9/1/2023	62	0.01	110 Wyeth LLC, 5.950%, due 4/1/2037	138	0.02
190 Targa Resources Partners LP / Targa Resources Partners Finance Corp, 144A, 5.125%, due 2/1/2025	198	0.03	830 Visa Inc, 3.150%, due 12/14/2025	840	0.13		122,193	18.76
190 Targa Resources Partners LP / Targa Resources Partners Finance Corp, 144A, 5.375%, due 2/1/2027	198	0.03	1,050 Visa Inc, 4.300%, due 12/14/2045	1,127	0.17	Total Corporate Bonds and Notes (Cost \$175,408)		
130 Taylor Morrison Communities Inc / Monarch Communities Inc, 144A, 5.250%, due 4/15/2021	133	0.02	39 Voya Financial Inc, 2.900%, due 2/15/2018	39	0.01		178,260	27.37
400 Taylor Morrison Communities Inc / Monarch Communities Inc, 144A, 5.625%, due 3/1/2024	412	0.06	480 Wachovia Capital Trust III, 5.570%, Perpetual *	479	0.07	Government Bonds and Notes — 34.52% (February 29, 2016: 36.31%)		
180 Teachers Insurance & Annuity Association of America, 6.850%, due 12/16/2039	238	0.04	480 Walgreens Boots Alliance Inc, 3.450%, due 6/1/2026	472	0.07	Argentina — 0.83% (February 29, 2016: 0.00%)		
410 Teachers Insurance & Annuity Association of America, 144A, 4.900%, due 9/15/2044	450	0.07	300 Wal-Mart Stores Inc, 4.750%, due 10/2/2043	339	0.05	ARS 23,090 Argentine Bonos del Tesoro, 18.200%, due 10/3/2021	1,658	0.25
340 Tenet Healthcare Corp, 8.125%, due 4/1/2022	356	0.05	140 Waste Management Inc, 3.500%, due 5/15/2024	145	0.02	390 Argentine Republic Government International Bond, 144A, 6.875%, due 4/22/2021	416	0.06
30 Tenet Healthcare Corp, 6.750%, due 6/15/2023	30	—	110 Waste Management Inc, 7.375%, due 5/15/2029	144	0.02	1,590 Argentine Republic Government International Bond, 144A, 5.625%, due 1/26/2022	1,606	0.25
80 Thermo Fisher Scientific Inc, 3.600%, due 8/15/2021	83	0.01	160 Wells Fargo & Co, 1.500%, due 1/16/2018	160	0.02	510 Argentine Republic Government International Bond, 144A, 7.500%, due 4/22/2026	533	0.08
310 Time Warner Cable LLC, 8.250%, due 4/1/2019	347	0.05	140 Wells Fargo & Co, Series M, 3.450%, due 2/13/2023	142	0.02	370 Argentine Republic Government International Bond, 144A, 7.125%, due 7/6/2036	355	0.05
320 Time Warner Cable LLC, 4.125%, due 2/15/2021	333	0.05	410 Wells Fargo & Co, 4.480%, due 1/16/2024	437	0.07	170 Argentine Republic Government International Bond, 144A, 7.625%, due 4/22/2046	171	0.03
420 Time Warner Cable LLC, 7.300%, due 7/1/2038	525	0.08	440 Wells Fargo & Co, 4.100%, due 6/3/2026	450	0.07	370 Provincia de Buenos Aires/ Argentina, 144A, 6.500%, due 2/15/2023	370	0.06
560 Time Warner Cable LLC, 5.875%, due 11/15/2040	607	0.09	1,360 Wells Fargo & Co, 3.000%, due 10/23/2026	1,306	0.20	320 Provincia de Buenos Aires/ Argentina, 144A, 7.875%, due 6/15/2027	320	0.05
85 Time Warner Entertainment Co LP, 8.375%, due 7/15/2033	114	0.02	3,570 Wells Fargo & Co, 4.300%, due 7/22/2027	3,717	0.57		5,429	0.83
120 Time Warner Inc, 4.750%, due 3/29/2021	129	0.02	100 Wells Fargo & Co, 5.375%, due 11/2/2043	113	0.02	Brazil — 1.29% (February 29, 2016: 0.52%)		
30 Time Warner Inc, 6.100%, due 7/15/2040	34	0.01	1,010 Wells Fargo & Co, 4.650%, due 11/4/2044	1,033	0.16	BRL 10,700 Brazil Notas do Tesouro Nacional Serie F, Series NTN, 10.000%, due 1/1/2021	3,404	0.52
30 Time Warner Inc, 6.250%, due 3/29/2041	35	0.01	580 Wells Fargo & Co, 4.900%, due 11/17/2045	616	0.09	BRL 9,026 Brazil Notas do Tesouro Nacional Serie F, Series NTN, 10.000%, due 1/1/2023	2,875	0.44
590 TJX Cos Inc/The, 2.250%, due 9/15/2026	545	0.08	120 Wells Fargo & Co, 4.400%, due 6/14/2046	118	0.02	350 Brazilian Government International Bond, 2.625%, due 1/5/2023	323	0.05
180 Toyota Motor Credit Corp, 1.250%, due 10/5/2017	180	0.03	90 Wells Fargo & Co, 4.750%, due 12/7/2046	94	0.01	760 Brazilian Government International Bond, 5.625%, due 1/7/2041	726	0.11
550 Transcontinental Gas Pipe Line Co LLC, 7.850%, due 2/1/2026	707	0.11	130 Wells Fargo & Co, Series U, 5.875%, Perpetual *	140	0.02	1,260 Brazilian Government International Bond, 5.000%, due 1/27/2045	1,099	0.17
40 Tyson Foods Inc, 5.150%, due 8/15/2044	42	0.01	250 Wells Fargo Bank NA, 6.000%, due 11/15/2017	258	0.04		8,427	1.29
280 United Rentals North America Inc, 5.750%, due 11/15/2024	297	0.05	100 Wells Fargo Capital X, 5.950%, due 12/15/2036	107	0.02	Colombia — 0.12% (February 29, 2016: 0.13%)		
180 United Rentals North America Inc, 5.875%, due 9/15/2026	189	0.03	130 West Corp, 144A, 4.750%, due 7/15/2021	133	0.02	710 Colombia Government International Bond, 5.625%, due 2/26/2044	767	0.12
180 United Technologies Corp, 4.500%, due 6/1/2042	193	0.03	130 West Corp, 144A, 5.375%, due 7/15/2022	125	0.02	Indonesia — 0.24% (February 29, 2016: 0.24%)		
30 UnitedHealth Group Inc, 3.875%, due 10/15/2020	32	0.01	140 Westlake Chemical Corp, 4.875%, due 5/15/2023	146	0.02	650 Indonesia Government International Bond, 3.750%, due 4/25/2022	667	0.10
130 UnitedHealth Group Inc, 4.700%, due 2/15/2021	141	0.02	20 WestRock RKT Co, 3.500%, due 3/1/2020	21	—	510 Indonesia Government International Bond, 144A, 5.875%, due 1/15/2024	579	0.09
130 UnitedHealth Group Inc, 3.750%, due 7/15/2025	136	0.02	40 WestRock RKT Co, 4.000%, due 3/1/2023	42	0.01	280 Indonesia Government International Bond, 5.125%, due 1/15/2045	293	0.05
380 Univision Communications Inc, 144A, 5.125%, due 2/15/2025	375	0.06	20 Whiting Petroleum Corp, 5.750%, due 3/15/2021	20	—		1,539	0.24
			340 Whiting Petroleum Corp, 6.250%, due 4/1/2023	341	0.05			
			297 Williams Cos Inc/The, 7.875%, due 9/1/2021	343	0.05			
			200 Williams Cos Inc/The, Series A, 7.500%, due 1/15/2031	235	0.04			
			38 Williams Cos Inc/The, 8.750%, due 3/15/2032	49	0.01			
			90 Williams Cos Inc/The, 5.750%, due 6/24/2044	91	0.01			
			30 Williams Partners LP / ACMP Finance Corp, 4.875%, due 5/15/2023	31	—			
			30 Wm Wrigley Jr Co, 144A, 2.400%, due 10/21/2018	30	—			

The accompanying notes are an integral part of the Financial Statements

Portfolio of Investments as at February 28, 2017 – (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 28, 2017 – (continued)

Contracts (000's)	Value (000's) \$	% of Net Asset Value
Options — (continued)		
Written Options — (continued)		
– U.S. 5 Year May 2017 Put 116.00, due 4/21/2017	(16)	–
– U.S. Bond April 2017 Call 152.00, due 3/24/2017	(32)	(0.01)
– U.S. Bond June 2017 Call 158.00, due 5/26/2017	(23)	(0.01)
– U.S. Bond June 2017 Call 160.00, due 5/26/2017	(32)	(0.01)
(6,780) USD Put/MXN Call 19.31, due 3/24/2017	(11)	–
	(370)	(0.06)
Total Options (Cost \$(140))	145	0.02
Total Investments (Cost \$710,461)	705,625	108.35
Liabilities in Excess of Other Assets (February 29, 2016: \$(3.02%))	(54,395)	(8.35)
Total Net Assets	\$651,230	100.00

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

144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2017, these securities amounted to \$76,216,000 or 11.71% of net assets.

* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2017.

† Illiquid.

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

ε Security is in default as at February 28, 2017.

± Securities purchased on a to-be-announced basis (Note 2).

β The rate of interest on this type of security is tied to the Consumer Price Index (CPI)/Retail Price Index (RPI). The coupon rate is the rate as of February 28, 2017.

The counterparties for OTC options are Barclays, Goldman Sachs and Merrill Lynch.

ABBREVIATIONS:

Perpetual	– A bond with no maturity date. Perpetual bonds are not redeemable but pay a steady stream of interest
REMIC	– Real Estate Mortgage Investment Conduit
TBA	– To Be Announced
ARS	– Argentine Peso
BRL	– Brazilian Real
EUR	– Euro
GBP	– British Pound
MXN	– Mexican Peso
RUB	– Russian Ruble

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	85.08
Collective investment schemes	0.51
Financial derivative instruments	0.78
Money market instruments	8.61
Other assets	5.02
Total Assets	100.00

Schedule of Credit Default Swaps

Counterparty	Reference Entity	Buy/Sell Protection	Expiration Date	Notional Amount (000's)	Value (000's)
Barclays	Markit CDX.NA.HY, 5.000%	Sell	12/20/21	4,198	\$ 325
Barclays	Markit CDX.NA.IG, 1.000%	Sell	12/20/20	5,080	92
Barclays	Metlife Inc, 1.000%	Sell	6/20/21	220	3
JP Morgan	Berkshire Hathaway Inc, 1.000%	Sell	3/20/24	390	1
					\$ 421
Unrealised Appreciation of Credit Default Swaps (February 29, 2016 (000's): \$(5))					421
Unrealised Depreciation of Credit Default Swaps (February 29, 2016 (000's): \$(238))					–
Net Appreciation of Credit Default Swaps (February 29, 2016 (000's): \$(233))					\$ 421

Schedule of Interest Rate Swaps

Counterparty	Rate	Expiration Date	Notional Amount (000's)	Value (000's)
Barclays	Pay Floating USD 3M Libor BBA, Receive Fixed 1.185%	6/13/21	9,720	\$ (302)
Barclays	Pay Fixed 1.897%, Receive Floating USD 3M Libor BBA	8/31/22	15,200	125
Barclays	Pay Fixed 1.9%, Receive Floating USD 3M Libor BBA	11/30/22	23,188	228
Barclays	Pay Fixed 1.2665%, Receive Floating USD 3M Libor BBA	5/15/23	54,784	2,746
Barclays	Pay Fixed 1.58%, Receive Floating USD 3M Libor BBA	6/13/26	9,700	615
				\$3,412
Unrealised Appreciation of Interest Rate Swaps (February 29, 2016 (000's): \$–)				3,714
Unrealised Depreciation of Interest Rate Swaps (February 29, 2016 (000's): \$(1,993))				(302)
Net Appreciation of Interest Rate Swaps (February 29, 2016 (000's): \$(1,993))				\$3,412

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/15/17	BNY Mellon	Buy USD –	Sell AUD –	\$ –
03/15/17	BNY Mellon	Buy EUR 81	Sell USD 85	–
03/15/17	BNY Mellon	Buy EUR 1,187	Sell USD 1,270	(11)
03/15/17	BNY Mellon	Buy AUD 50	Sell USD 38	–
03/15/17	BNY Mellon	Buy GBP 151	Sell USD 189	(2)
03/27/17	Bank of America	Buy MXN 33,521	Sell USD 1,695	(34)
03/27/17	JP Morgan Chase Bank	Buy USD 1,695	Sell MXN 33,521	34
04/06/17	Goldman Sachs	Buy USD 1,725	Sell MXN 37,325	(122)
04/10/17	Bank of America	Buy USD 1,062	Sell MXN 22,940	(72)
04/10/17	Barclays Bank	Buy USD 818	Sell MXN 17,672	(56)
04/20/17	Bank of America	Buy USD 3,732	Sell EUR 3,460	57

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US Core Plus Bond Fund

Portfolio of Investments as at February 28, 2017 – (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)
04/20/17	Bank of America	Buy	EUR	2,150	Sell	USD	2,281	\$ 3
04/20/17	Bank of America	Buy	EUR	4,180	Sell	USD	4,456	(17)
04/20/17	Barclays Bank	Buy	USD	12,037	Sell	CNH	84,100	(181)
04/20/17	Barclays Bank	Buy	USD	4,866	Sell	JPY	544,290	10
04/20/17	Barclays Bank	Buy	USD	6,355	Sell	JPY	719,164	(60)
04/20/17	Barclays Bank	Buy	CAD	8,524	Sell	USD	6,506	(86)
04/20/17	Citigroup	Buy	USD	1,821	Sell	CNH	12,780	(36)
04/20/17	Citigroup	Buy	USD	8,675	Sell	EUR	8,061	115
04/20/17	Citigroup	Buy	USD	285	Sell	EUR	269	–
04/20/17	Citigroup	Buy	USD	11,445	Sell	JPY	1,309,458	(237)
04/20/17	Citigroup	Buy	USD	4,589	Sell	TWD	144,830	(134)
04/20/17	Citigroup	Buy	GBP	1,826	Sell	USD	2,234	35
04/20/17	Citigroup	Buy	IDR	70,873,530	Sell	USD	5,255	27
04/20/17	Citigroup	Buy	INR	313,020	Sell	USD	4,529	136
04/20/17	Citigroup	Buy	EUR	6,610	Sell	USD	7,053	(34)
04/20/17	Citigroup	Buy	MXN	37,775	Sell	USD	1,799	67
04/20/17	Goldman Sachs	Buy	BRL	3,043	Sell	USD	926	40
04/20/17	JP Morgan Chase Bank	Buy	USD	2,660	Sell	TWD	84,000	(79)
05/11/17	Bank of America	Buy	USD	1,500	Sell	GBP	1,200	8
05/11/17	Morgan Stanley	Buy	USD	2,263	Sell	EUR	2,093	39
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$481)								571
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(550))								(1,161)
Net Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(69))								\$ (590)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
90 Day Euro\$ March 2017	(499)	\$(123,353)	\$ 108
Euro FX Currency March 2017	(4)	(530)	4
Euro-Bobl March 2017	97	13,845	218
Euro-BTP March 2017	168	23,652	53
Euro-Bund March 2017	(229)	(40,284)	(993)
Japan 10 Year Bond (OSE) March 2017	(6)	(8,042)	(17)
U.S. 10 Year Note (CBT) June 2017	187	23,296	76
U.S. 10 Year Ultra Note June 2017	(167)	(22,368)	(24)
U.S. 10 Year Ultra Note March 2017	(12)	(1,624)	4
U.S. 2 Year Note (CBT) June 2017	309	66,869	(63)
U.S. 5 Year Note (CBT) June 2017	1,238	145,717	151
U.S. Long Bond (CBT) June 2017	(130)	(19,715)	(203)
U.S. Long Bond (CBT) March 2017	(9)	(1,376)	–
U.S. Ultra Bond (CBT) June 2017	(41)	(6,633)	(96)
Total Market Value of Futures Contracts			\$ (782)
Unrealised Appreciation of Futures Contracts (February 29, 2016 (000's): \$194)			614
Unrealised Depreciation of Futures Contracts (February 29, 2016 (000's): \$(566))			(1,396)
Net Depreciation of Futures Contracts (February 29, 2016 (000's): \$(372))			\$ (782)

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Euro Core Plus Bond Fund

Portfolio of Investments as at February 28, 2017

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 — 37.14% (February 29, 2016: 31.94%)				USD 101	Petroleos Mexicanos, 6.375%, due 1/23/2045	91	0.08	320	Imperial Brands Finance Plc, 3.375%, due 2/26/2026	374	0.33
Australia — 1.03% (February 29, 2016: 0.87%)						471	0.42	360	Leeds Building Society, 0.125%, due 4/21/2020	362	0.32
680	BHP Billiton Finance Ltd, Series 17, 1.500%, due 4/29/2030	686	0.61	Netherlands — 2.57% (February 29, 2016: 2.37%)				270	Leeds Building Society, 1.375%, due 5/5/2022	271	0.24
470	Commonwealth Bank of Australia, 2.000%, due 4/22/2027 *	482	0.42	850	ABN AMRO Bank NV, 7.125%, due 7/6/2022	1,089	0.96	300	National Grid Gas Finance Plc, 0.625%, due 9/22/2024	296	0.26
		1,168	1.03	200	ABN AMRO Bank NV, 2.875%, due 6/30/2025 *	211	0.19	830	Nationwide Building Society, 0.500%, due 10/29/2019	842	0.75
Belgium — 0.73% (February 29, 2016: 1.18%)				200	Cooperatieve Rabobank UA, 6.625%, Perpetual *	216	0.19	290	Rolls-Royce Plc, 2.125%, due 6/18/2021	313	0.28
290	Anheuser-Busch InBev SA/NV/old, 2.750%, due 3/17/2036	313	0.28	300	ING Bank NV, 3.000%, due 4/11/2028 *	315	0.28	630	Royal Bank of Scotland Group Plc, 2.500%, due 3/22/2023	650	0.58
500	KBC Group NV, 1.875%, due 3/11/2027 *	506	0.45	USD 800	Shell International Finance BV, 3.750%, due 9/12/2046	708	0.63	640	Royal Bank of Scotland Group Plc, 3.625%, due 3/25/2024 *	653	0.58
		819	0.73	290	TenneT Holding BV, 4.625%, due 2/21/2023	364	0.32	460	Royal Bank of Scotland Plc/The, 5.375%, due 9/30/2019	522	0.46
Brazil — 0.38% (February 29, 2016: 0.31%)						2,903	2.57	560	Sky Plc, 2.250%, due 11/17/2025	598	0.53
386	Petrobras Global Finance BV, 5.875%, due 3/7/2022	430	0.38	New Zealand — 1.26% (February 29, 2016: 0.00%)				300	Smiths Group Plc, 2.000%, due 2/23/2027	305	0.27
Canada — 0.54% (February 29, 2016: 0.00%)				1,400	ASB Finance Ltd, 0.500%, due 6/17/2020	1,419	1.26	230	Standard Chartered Plc, 3.625%, due 11/23/2022	251	0.22
600	Toronto-Dominion Bank/The, 0.375%, due 4/27/2023	605	0.54	Norway — 0.99% (February 29, 2016: 0.37%)				580	Standard Chartered Plc, 3.125%, due 11/19/2024	612	0.54
Denmark — 0.56% (February 29, 2016: 0.26%)				350	DNB Bank ASA, 1.250%, due 3/1/2027 *	351	0.31	463	Tesco Plc, 3.375%, due 11/2/2018	488	0.43
390	Danske Bank A/S, 0.500%, due 5/6/2021	397	0.35	400	SpareBank 1 SMN, 0.750%, due 6/8/2021	409	0.36	100	Wellcome Trust Ltd/The, 1.125%, due 1/21/2027	103	0.09
220	Danske Bank A/S, 3.875%, due 10/4/2023 *	233	0.21	350	Statoil ASA, 1.250%, due 2/17/2027	357	0.32	710	WPP Finance Deutschland GmbH, 1.625%, due 3/23/2030	698	0.62
		630	0.56			1,117	0.99	260	Yorkshire Building Society, 2.125%, due 3/18/2019	271	0.24
Finland — 0.34% (February 29, 2016: 0.41%)				Spain — 0.99% (February 29, 2016: 1.83%)				500	Yorkshire Building Society, 1.250%, due 3/17/2022	505	0.45
350	Elenia Finance Oyj, 2.875%, due 12/17/2020	378	0.34	300	Banco Santander SA, 6.250%, Perpetual *	296	0.26			10,406	9.23
France — 1.00% (February 29, 2016: 2.65%)				200	Gas Natural Fenosa Finance BV, 1.375%, due 1/21/2025	204	0.18	United States — 9.29% (February 29, 2016: 5.78%)			
900	Banque Federative du Credit Mutuel SA, 0.157%, due 6/3/2020 *	905	0.80	300	Santander Issuances SAU, 2.500%, due 3/18/2025	296	0.26	480	AbbVie Inc, 0.375%, due 11/18/2019	485	0.43
200	Casino Guichard Perrachon SA, 3.248%, due 3/7/2024	220	0.20	300	Telefonica Emisiones SAU, 2.932%, due 10/17/2029	322	0.29	340	American Express Credit Corp, 0.625%, due 11/22/2021	346	0.31
		1,125	1.00			1,118	0.99	220	AT&T Inc, 3.550%, due 12/17/2032	248	0.22
Germany — 2.47% (February 29, 2016: 2.16%)				Sweden — 2.62% (February 29, 2016: 0.30%)				720	Bank of America Corp, 1.379%, due 2/7/2025 *	732	0.65
400	Allianz Finance II BV, 5.750%, due 7/8/2041 *	467	0.41	1,400	Skandinaviska Enskilda Banken AB, 0.271%, due 5/26/2020 *	1,419	1.26	250	Becton Dickinson and Co, 1.000%, due 12/15/2022	256	0.23
100	Allianz SE, 4.750%, Perpetual *	112	0.10	100	Svenska Handelsbanken AB, 2.656%, due 1/15/2024 *	104	0.09	420	Berkshire Hathaway Inc, 1.125%, due 3/16/2027	416	0.37
230	Deutsche Telekom International Finance BV, 1.500%, due 4/3/2028	232	0.20	1,190	Swedbank AB, 0.625%, due 1/4/2021	1,214	1.08	750	Blackstone Holdings Finance Co LLC, 1.000%, due 10/5/2026	712	0.63
230	Fresenius Finance Ireland Plc, 1.500%, due 1/30/2024	235	0.21	230	Vattenfall AB, 3.000%, due 3/19/2077 *	215	0.19	390	Citigroup Inc, 0.500%, due 5/24/2021 *	398	0.35
350	Hannover Finance Luxembourg SA, 5.750%, due 9/14/2040 *	402	0.36			2,952	2.62	790	Citigroup Inc, 1.750%, due 1/28/2025	823	0.73
260	HeidelbergCement AG, 1.500%, due 2/7/2025	266	0.23	Switzerland — 2.10% (February 29, 2016: 1.13%)				100	Eaton Capital Unlimited Co, 0.750%, due 9/20/2024	99	0.09
300	Muenchener Rueckversicherungs-Gesellschaft AG in Muenchen, 6.250%, due 5/26/2042 *	369	0.33	970	Glencore Finance Europe SA, 1.750%, due 3/17/2025	970	0.86	520	GE Capital European Funding Unlimited Co, 5.375%, due 1/23/2020	603	0.53
700	Vonovia Finance BV, 1.250%, due 12/6/2024	707	0.63	450	UBS AG, 4.750%, due 2/12/2026 *	493	0.44	340	General Electric Co, 1.875%, due 5/28/2027	371	0.33
		2,790	2.47	330	UBS Group Funding Jersey Ltd, 1.750%, due 11/16/2022	348	0.31	520	Goldman Sachs Group Inc/The, 2.000%, due 7/27/2023	555	0.49
Italy — 0.27% (February 29, 2016: 0.92%)				550	UBS Group Funding Jersey Ltd, 1.500%, due 11/30/2024	557	0.49	540	Goldman Sachs Group Inc/The, 2.125%, due 9/30/2024	576	0.51
100	Assicurazioni Generali SpA, 4.125%, due 5/4/2026	106	0.09			2,368	2.10	640	Kraft Heinz Foods Co, 2.250%, due 5/25/2028	652	0.58
200	Intesa Sanpaolo SpA, 1.125%, due 3/4/2022	199	0.18	United Kingdom — 9.23% (February 29, 2016: 9.17%)				500	McDonald's Corp, 2.625%, due 6/11/2029	567	0.50
		305	0.27	373	Aviva Plc, 6.125%, due 7/5/2043 *	438	0.39	230	Mondelez International Inc, 2.375%, due 3/6/2035	222	0.20
Luxembourg — 0.35% (February 29, 2016: 0.41%)				100	Aviva Plc, 3.375%, due 12/4/2045 *	100	0.09	420	Philip Morris International Inc, 2.875%, due 5/14/2029	486	0.43
410	Alpha Trains Finance SA, 2.064%, due 6/30/2025	393	0.35	349	BAT International Finance Plc, 1.250%, due 3/13/2027	344	0.31				
Mexico — 0.42% (February 29, 2016: 0.48%)				130	BAT International Finance Plc, 3.125%, due 3/6/2029	149	0.13				
340	Petroleos Mexicanos, 5.500%, due 2/24/2025	380	0.34	350	BP Capital Markets Plc, 1.573%, due 2/16/2027	361	0.32				
				210	British Telecommunications Plc, 1.750%, due 3/10/2026	216	0.19				
				650	HSBC Holdings Plc, 3.375%, due 1/10/2024 *	684	0.61				

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Euro Core Plus Bond Fund

Portfolio of Investments as at February 28, 2017 – (continued)

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)									
USD	111	Verizon Communications Inc, 5.012%, due 8/21/2054	101	0.09	6,990	Deutsche Bundesrepublik Inflation Linked Bond, Series I/L, 1.750%, due 4/15/2020 β		8,562	7.60
	930	Wells Fargo & Co, 0.292%, due 4/26/2021 *	938	0.83	1,900	Deutsche Bundesrepublik Inflation Linked Bond, Series I/L, 0.100%, due 4/15/2023 β		2,180	1.93
	390	Wells Fargo & Co, 2.250%, due 5/2/2023	426	0.38				18,437	16.35
	450	Wells Fargo & Co, 1.625%, due 6/2/2025	467	0.41					
			10,479	9.29					
Total Corporate Bonds and Notes (Cost €40,309)					Italy — 26.11% (February 29, 2016: 17.77%)				
			41,876	37.14	22,910	Italy Buoni Poliennali Del Tesoro, 4.500%, due 3/1/2024		27,233	24.16
Government Bonds and Notes — 56.88% (February 29, 2016: 63.62%)					2,160	Italy Buoni Poliennali Del Tesoro, 144A, 3.250%, due 9/1/2046		2,201	1.95
Belgium — 5.42% (February 29, 2016: 23.02%)								29,434	26.11
	4,450	Kingdom of Belgium Government Bond, Series 77, 144A, 1.000%, due 6/22/2026	4,637	4.11	Spain — 2.61% (February 29, 2016: 3.29%)				
	990	Kingdom of Belgium Government Bond, Series 71, 3.750%, due 6/22/2045	1,477	1.31	3,010	Spain Government Bond, 144A, 1.300%, due 10/31/2026		2,945	2.61
			6,114	5.42	Sweden — 1.36% (February 29, 2016: 1.50%)				
France — 5.03% (February 29, 2016: 1.32%)					SEK	10,700	Sweden Government Bond, Series 1053, 3.500%, due 3/30/2039	1,531	1.36
	3,050	French Republic Government Bond OAT, 0.250%, due 11/25/2026	2,869	2.55	Total Government Bonds and Notes (Cost €64,829)				
	2,150	French Republic Government Bond OAT, 3.250%, due 5/25/2045	2,799	2.48				64,129	56.88
			5,668	5.03	Collective Investment Schemes — 0.78% (February 29, 2016: 0.06%)				
Germany — 16.35% (February 29, 2016: 13.88%)					USD	930	Western Asset Liquidity Funds Plc — Western Asset US Dollar Liquidity Fund Class WA (Distributing)	878	0.78
	5,900	Bundesrepublik Deutschland, 0.500%, due 2/15/2026	6,150	5.45	Total Collective Investment Schemes (Cost €873)				
	1,010	Bundesrepublik Deutschland, 3.250%, due 7/4/2042	1,545	1.37				878	0.78
					Total Investments (Cost €106,011)				
								106,883	94.80
					Other Assets in Excess of Liabilities (February 29, 2016: 4.38%)				
								5,857	5.20
					Total Net Assets				
								€112,740	100.00

144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2017, these securities amounted to €9,783,000 or 8.67% of net assets.

* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2017.

β The rate of interest on this type of security is tied to the Consumer Price Index (CPI)/Retail Price Index (RPI). The coupon rate is the rate as of February 28, 2017.

ABBREVIATIONS:

Perpetual	— A bond with no maturity date. Perpetual bonds are not redeemable but pay a steady stream of interest
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	88.92
Collective investment schemes	0.74
Financial derivative instruments	0.09
Other assets	10.25
Total Assets	100.00

Schedule of Credit Default Swaps

Counterparty	Reference Entity	Buy/Sell Protection	Expiration Date	Notional Amount (000's)	Value (000's)
Merrill Lynch	Markit iTraxx Europe, 1.000%	Buy	12/20/21	14,570	€ (187)
					€ (187)
Unrealised Appreciation of Credit Default Swaps (February 29, 2016 (000's): €—)					—
Unrealised Depreciation of Credit Default Swaps (February 29, 2016 (000's): €(2))					(187)
Net Depreciation of Credit Default Swaps (February 29, 2016 (000's): €(2))					€ (187)

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/Depreciation of Contracts (000's)
05/11/17	BNY Mellon	Buy EUR 18	Sell USD 20	€ —
05/11/17	Deutsche Bank	Buy EUR 37	Sell USD 40	(1)
05/11/17	JP Morgan Chase Bank	Buy EUR 18	Sell USD 19	—
05/11/17	Morgan Stanley	Buy EUR 303	Sell USD 328	(5)
05/11/17	Royal Bank of Canada	Buy EUR 162	Sell USD 175	(3)
05/11/17	UBS	Buy SEK 1,942	Sell EUR 205	(2)
05/11/17	UBS	Buy EUR 1,179	Sell USD 1,264	(10)
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): €63)				—
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): €(138))				(21)
Net Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): €(75))				€ (21)

Legg Mason Western Asset Euro Core Plus Bond Fund

Portfolio of Investments as at February 28, 2017 – *(continued)*

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Euro-Bobl March 2017	(35)	€ (4,716)	€ (70)
Euro-Bund March 2017	32	5,314	105
U.S. Ultra Bond (CBT) June 2017	(6)	(916)	(13)
Total Market Value of Futures Contracts			€ 22
Unrealised Appreciation of Futures Contracts (February 29, 2016 (000's): €--)			105
Unrealised Depreciation of Futures Contracts (February 29, 2016 (000's): €(87))			(83)
Net Appreciation of Futures Contracts (February 29, 2016 (000's): €(87))			€ 22

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 28, 2017

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 — 2.63% (February 29, 2016: 2.75%)								
271 Countrywide Home Equity Loan Trust, Series 2004 B, Class 1A, 0.990%, due 2/15/2029 *	244	0.90	150 ArcelorMittal, 6.250%, due 3/1/2021	165	0.61	100 Bank of America Corp, Series Z, 6.500%, Perpetual *	109	0.40
140 Option One Mortgage Loan Trust 2007-FXD1, Series 2007 FXD1, Class 3A4, 5.860%, due 1/25/2037	134	0.50	100 Intelsat Jackson Holdings SA, 7.250%, due 10/15/2020	92	0.34	10 Berry Petroleum Co LLC, 6.375%, due 9/15/2022 †	6	0.02
379 RAMP Series 2003-RS4 Trust, Series 2003 RS4, Class A1B, 1.438%, due 5/25/2033 *	334	1.23	210 Intelsat Jackson Holdings SA, 7.500%, due 4/1/2021	192	0.71	230 Beverages & More Inc, 10.000%, due 11/15/2018	223	0.82
				660	2.44	80 BioScrip Inc, 8.875%, due 2/15/2021	64	0.24
Total Asset-Backed Securities (Cost \$702)	712	2.63	Mexico — 0.83% (February 29, 2016: 0.78%)					
Mortgage-Backed Securities — 2.75% (February 29, 2016: 4.00%)								
1 Drexel Burnham Lambert CMO Trust X, Class 3, zero coupon, due 12/1/2018 †	1	—	220 Cemex SAB de CV, 5.700%, due 1/11/2025	227	0.83	60 Caesars Entertainment Resort Properties LLC / Caesars Entertainment Resort Prope, 8.000%, due 10/1/2020	63	0.23
386 IndyMac INDX Mortgage Loan Trust 2004-AR7, Series 2004 AR7, Class A2, 1.638%, due 9/25/2034 *	351	1.30	Netherlands — 1.42% (February 29, 2016: 2.67%)					
272 Lehman XS Trust Series 2006-12N, Series 2006 12N, Class A31A, 0.978%, due 8/25/2046 *	211	0.78	150 AerCap Ireland Capital DAC / AerCap Global Aviation Trust, 4.625%, due 10/30/2020	160	0.59	70 CalAtlantic Group Inc, 5.250%, due 6/1/2026	70	0.26
198 Structured Adjustable Rate Mortgage Loan Trust, Series 2005 8XS, Class M1, 1.423%, due 4/25/2035 *	182	0.67	200 VimpelCom Holdings BV, 7.504%, due 3/1/2022	224	0.83	50 Carrizo Oil & Gas Inc, 6.250%, due 4/15/2023	51	0.19
				384	1.42	120 Carrols Restaurant Group Inc, 8.000%, due 5/1/2022	129	0.48
Total Mortgage-Backed Securities (Cost \$741)	745	2.75	New Zealand — 1.33% (February 29, 2016: 0.00%)					
Corporate Bonds and Notes — 77.73% (February 29, 2016: 78.38%)								
Bahamas — 0.19% (February 29, 2016: 0.00%)								
50 Silversea Cruise Finance Ltd, 7.250%, due 2/1/2025	52	0.19	350 Reynolds Group Issuer Inc / Reynolds Group Issuer LLC / Reynolds Group Issuer Lu, 4.523%, due 7/15/2021 *	359	1.33	60 Centene Corp, 4.750%, due 5/15/2022	124	0.46
Brazil — 0.91% (February 29, 2016: 0.80%)								
250 CBC Ammo LLC / CBC FinCo Inc, 7.250%, due 11/15/2021	246	0.91	Russia — 0.41% (February 29, 2016: 1.26%)					
Canada — 1.42% (February 29, 2016: 0.41%)								
100 1011778 BC ULC / New Red Finance Inc, 4.625%, due 1/15/2022	103	0.38	100 Lukoil International Finance BV, 6.656%, due 6/7/2022	112	0.41	60 CenturyLink Inc, Series V, 5.625%, due 4/1/2020	63	0.23
50 Hudbay Minerals Inc, 7.250%, due 1/15/2023	53	0.20	United Kingdom — 5.64% (February 29, 2016: 2.80%)					
80 MEG Energy Corp, 6.500%, due 1/15/2025	78	0.29	GBP 110 Anglian Water Osprey Financing Plc, 7.000%, due 1/31/2018	144	0.53	20 CenturyLink Inc, Series W, 6.750%, due 12/1/2023	21	0.08
40 Teck Resources Ltd, 3.000%, due 3/1/2019	41	0.15	250 Anglo American Capital Plc, 4.125%, due 9/27/2022	254	0.94	90 Charter Communications Operating LLC / Charter Communications Operating Capital, 4.908%, due 7/23/2025	95	0.35
70 Teck Resources Ltd, 8.000%, due 6/1/2021	78	0.29	200 Barclays Bank Plc, 7.625%, due 11/21/2022	215	0.79	20 Chesapeake Energy Corp, 6.125%, due 2/15/2021	19	0.07
30 Trinidad Drilling Ltd, 6.625%, due 2/15/2025	31	0.11	250 Globe Luxembourg SCA, 9.625%, due 5/1/2018	256	0.95	200 Chesapeake Energy Corp, 5.750%, due 3/15/2023	182	0.67
	384	1.42	200 HSBC Holdings Plc, 6.375%, Perpetual *	205	0.76	70 CIT Group Inc, 5.375%, due 5/15/2020	75	0.28
France — 0.77% (February 29, 2016: 0.81%)								
200 SFR Group SA, 6.000%, due 5/15/2022	208	0.77	210 Royal Bank of Scotland Group Plc, 8.625%, Perpetual *	222	0.82	100 CIT Group Inc, 5.000%, due 8/15/2022	106	0.39
Germany — 1.51% (February 29, 2016: 2.33%)								
200 IHO Verwaltungs GmbH, 4.125%, due 9/15/2021	201	0.74	AUD 30 Royal Bank of Scotland Plc/The, 13.125%, due 3/19/2022 *	23	0.08	90 CIT Group Inc, 5.000%, due 8/1/2023	95	0.35
200 ZF North America Capital Inc, 4.000%, due 4/29/2020	208	0.77	200 Virgin Media Finance Plc, 6.375%, due 4/15/2023	210	0.77	70 Citigroup Inc, Series D, 5.350%, Perpetual *	70	0.26
	409	1.51		1,529	5.64	60 Citigroup Inc, Series M, 6.300%, Perpetual *	63	0.23
Ireland — 1.53% (February 29, 2016: 0.00%)								
200 Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 6.000%, due 2/15/2025	205	0.76	United States — 58.65% (February 29, 2016: 60.67%)					
200 Park Aerospace Holdings Ltd, 5.250%, due 8/15/2022	209	0.77	200 Adient Global Holdings Ltd, 4.875%, due 8/15/2026	199	0.73	100 CNO Financial Group Inc, 4.500%, due 5/30/2020	104	0.38
	414	1.53	40 ADT Corp/The, 6.250%, due 10/15/2021	44	0.16	30 Concho Resources Inc, 5.500%, due 4/1/2023	31	0.12
Jamaica — 0.68% (February 29, 2016: 0.64%)								
200 Digicel Ltd, 6.750%, due 3/1/2023	184	0.68	10 ADT Corp/The, 3.500%, due 7/15/2022	9	0.04	20 Continental Resources Inc/OK, 3.800%, due 6/1/2024	19	0.07
Luxembourg — 2.44% (February 29, 2016: 2.67%)								
200 Altice Financing SA, 6.625%, due 2/15/2023	211	0.78	20 ADT Corp/The, 4.125%, due 6/15/2023	19	0.07	10 CoreCivic Inc, 4.125%, due 4/1/2020	10	0.04
			60 AdvancePierre Foods Holdings Inc, 5.500%, due 12/15/2024	61	0.23	40 CoreCivic Inc, 5.000%, due 10/15/2022	41	0.15
			20 AES Corp/VA, 7.375%, due 7/1/2021	23	0.08	10 CoreCivic Inc, 4.625%, due 5/1/2023	10	0.04
			50 AES Corp/VA, 4.875%, due 5/15/2023	50	0.18	30 Crestwood Midstream Partners LP / Crestwood Midstream Finance Corp, 6.000%, due 12/15/2020	31	0.11
			30 Akamai Technologies Inc, zero coupon, due 2/15/2019	30	0.11	20 Crestwood Midstream Partners LP / Crestwood Midstream Finance Corp, 6.125%, due 3/1/2022	21	0.08
			200 Alcoa Nederland Holding BV, 6.750%, due 9/30/2024	218	0.80	200 CSC Holdings LLC, 8.625%, due 2/15/2019	221	0.82
			110 Alliance One International Inc, 9.875%, due 7/15/2021	95	0.35	170 CTR Partnership LP / CareTrust Capital Corp, 5.875%, due 6/1/2021	175	0.65
			90 Allison Transmission Inc, 5.000%, due 10/1/2024	92	0.34	40 DaVita Inc, 5.000%, due 5/1/2025	40	0.15
			150 Ally Financial Inc, 7.500%, due 9/15/2020	172	0.63	12 Delta Air Lines 2007-1 Class B Pass Through Trust, Series 071B, 8.021%, due 8/10/2022	13	0.05
			200 American Builders & Contractors Supply Co Inc, 5.625%, due 4/15/2021	205	0.76	70 Diamond 1 Finance Corp / Diamond 2 Finance Corp, 5.875%, due 6/15/2021	74	0.27
			120 American Equity Investment Life Holding Co, 6.625%, due 7/15/2021	125	0.46	110 DISH DBS Corp, 7.875%, due 9/1/2019	123	0.45
			120 Arconic Inc, 5.400%, due 4/15/2021	129	0.48	150 DISH DBS Corp, 6.750%, due 6/1/2021	165	0.61
			150 Axalta Coating Systems LLC, 4.875%, due 8/15/2024	153	0.56			

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 28, 2017 – (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)				140	IASIS Healthcare LLC / IASIS Capital Corp, 8.375%, due 5/15/2019	137	0.51	41	NRG REMA LLC, Series B, 9.237%, due 7/2/2017	35	0.13
United States — (continued)				50	Interface Security Systems Holdings Inc / Interface Security Systems LLC, 9.250%, due 1/15/2018	49	0.18	70	Oasis Petroleum Inc, 6.500%, due 11/1/2021	71	0.26
50	DISH DBS Corp, 5.875%, due 7/15/2022	54	0.20	50	International Lease Finance Corp, 8.625%, due 1/15/2022	62	0.23	10	Oasis Petroleum Inc, 6.875%, due 3/15/2022	10	0.04
20	DJO Finance LLC / DJO Finance Corp, 10.750%, due 4/15/2020	17	0.06	90	International Wire Group Inc, 10.750%, due 8/1/2021	87	0.32	20	Oasis Petroleum Inc, 6.875%, due 1/15/2023	20	0.08
200	DJO Finco Inc / DJO Finance LLC / DJO Finance Corp, 8.125%, due 6/15/2021	177	0.65	100	Iron Mountain Inc, 4.375%, due 6/1/2021	103	0.38	200	Pacific Drilling V Ltd, 7.250%, due 12/1/2017 +	109	0.40
130	Dollar Tree Inc, 5.250%, due 3/1/2020	134	0.49	90	Jack Ohio Finance LLC / Jack Ohio Finance 1 Corp, 6.750%, due 11/15/2021	93	0.35	100	Pactiv LLC, 8.375%, due 4/15/2027	110	0.41
175	Eagle Materials Inc, 4.500%, due 8/1/2026	174	0.64	100	KB Home, 8.000%, due 3/15/2020	111	0.41	100	PetSmart Inc, 7.125%, due 3/15/2023	98	0.36
90	EMC Corp, 2.650%, due 6/1/2020	88	0.32	95	Kinder Morgan Inc/DE, 7.750%, due 1/15/2032	120	0.44	100	Pilgrim's Pride Corp, 5.750%, due 3/15/2025	103	0.38
61	Enso Plc, 8.000%, due 1/31/2024	63	0.23	30	Kinetic Concepts Inc / KCI USA Inc, 7.875%, due 2/15/2021	32	0.12	160	Post Holdings Inc, 5.500%, due 3/1/2025	163	0.60
50	Enterprise Products Operating LLC, Series A, 4.742%, due 8/1/2066 *	50	0.18	16	Kraft Heinz Foods Co, 4.875%, due 2/15/2025	17	0.06	60	PQ Corp, 6.750%, due 11/15/2022	65	0.24
120	EP Energy LLC / Everest Acquisition Finance Inc, 9.375%, due 5/1/2020	117	0.43	120	Lamb Weston Holdings Inc, 4.625%, due 11/1/2024	122	0.45	20	Pride International Inc, 7.875%, due 8/15/2040	19	0.07
80	EP Energy LLC / Everest Acquisition Finance Inc, 6.375%, due 6/15/2023	67	0.25	100	Landry's Inc, 6.750%, due 10/15/2024	104	0.38	100	Prime Security Services Borrower LLC / Prime Finance Inc, 9.250%, due 5/15/2023	109	0.40
80	EV Energy Partners LP / EV Energy Finance Corp, 8.000%, due 4/15/2019	64	0.24	30	Laredo Petroleum Inc, 7.375%, due 5/1/2022	31	0.12	30	PulteGroup Inc, 4.250%, due 3/1/2021	31	0.11
60	Extraction Oil & Gas Holdings LLC / Extraction Finance Corp, 7.875%, due 7/15/2021	64	0.24	45	Lehman Escrow Receipt, zero coupon, Perpetual	6	0.02	70	QEP Resources Inc, 6.875%, due 3/1/2021	74	0.27
300	FirstCash Inc, 6.750%, due 4/1/2021	315	1.16	50	LMI Aerospace Inc, 7.375%, due 7/15/2019	51	0.19	60	Range Resources Corp, 5.000%, due 3/15/2023	58	0.22
115	Florida East Coast Holdings Corp, 6.750%, due 5/1/2019	118	0.44	340	Magnum Hunter Resources Corp Escrow, 9.750%, due 5/15/2020	—	—	10	Regency Energy Partners LP / Regency Energy Finance Corp, 5.875%, due 3/1/2022	11	0.04
60	Freeport-McMoRan Inc, 6.125%, due 6/15/2019	60	0.22	50	Match Group Inc, 6.375%, due 6/1/2024	54	0.20	140	Rice Energy Inc, 6.250%, due 5/1/2022	143	0.53
30	Freeport-McMoRan Inc, 6.500%, due 11/15/2020	31	0.11	140	MGM Resorts International, 6.750%, due 10/1/2020	154	0.57	37	RSP Permian Inc, 6.625%, due 10/1/2022	39	0.14
60	Freeport-McMoRan Inc, 6.625%, due 5/1/2021	61	0.23	20	MGM Resorts International, 6.625%, due 12/15/2021	22	0.08	100	Sanchez Energy Corp, 7.750%, due 6/15/2021	102	0.38
130	Freeport-McMoRan Inc, 3.550%, due 3/1/2022	121	0.45	40	MGM Resorts International, 7.750%, due 3/15/2022	47	0.17	80	Seagate HDD Cayman, 4.250%, due 3/1/2022	79	0.29
60	Freeport-McMoRan Inc, 6.875%, due 2/15/2023	63	0.23	100	Michael Baker International LLC / CDL Acquisition Co Inc, 8.250%, due 10/15/2018	101	0.37	90	Service Corp International/US, 7.625%, due 10/1/2018	97	0.36
200	Frontier Communications Corp, 8.875%, due 9/15/2020	212	0.78	97	Miran Mid-Atlantic Series C Pass Through Trust, Series C, 10.060%, due 12/30/2028	87	0.32	200	Shea Homes LP / Shea Homes Funding Corp, 5.875%, due 4/1/2023	204	0.75
200	GameStop Corp, 5.500%, due 10/1/2019	204	0.75	93	Mirant Mid-Atlantic Series B Pass Through Trust, Series B, 9.125%, due 6/30/2017	85	0.31	70	Simmons Foods Inc, 7.875%, due 10/1/2021	74	0.27
170	Genworth Holdings Inc, 7.700%, due 6/15/2020	170	0.63	60	Monitronics International Inc, 9.125%, due 4/1/2020	60	0.22	30	Sprint Capital Corp, 8.750%, due 3/15/2032	36	0.13
10	GEO Group Inc/The, 5.875%, due 10/15/2024	10	0.04	100	MPH Acquisition Holdings LLC, 7.125%, due 6/1/2024	108	0.40	160	Sprint Communications Inc, 7.000%, due 8/15/2020	173	0.64
50	GEO Group Inc/The, 6.000%, due 4/15/2026	52	0.19	40	MPT Operating Partnership LP / MPT Finance Corp, 5.250%, due 8/1/2026	40	0.15	130	Sprint Communications Inc, 11.500%, due 11/15/2021	164	0.60
150	Gibson Brands Inc, 8.875%, due 8/1/2018	135	0.50	150	Murray Energy Corp, 11.250%, due 4/15/2021	118	0.44	240	Sprint Corp, 7.875%, due 9/15/2023	267	0.99
120	GLP Capital LP / GLP Financing II Inc, 4.375%, due 4/15/2021	125	0.46	100	Navient Corp, 8.450%, due 6/15/2018	107	0.40	50	Standard Industries Inc/NJ, 5.125%, due 2/15/2021	52	0.19
50	Goodyear Tire & Rubber Co/The, 5.125%, due 11/15/2023	52	0.19	200	Navient Corp, 8.000%, due 3/25/2020	217	0.80	30	Suburban Propane Partners LP/ Suburban Energy Finance Corp, 5.875%, due 3/1/2027	30	0.11
30	Goodyear Tire & Rubber Co/The, 5.000%, due 5/31/2026	31	0.11	30	Navient Corp, 6.625%, due 7/26/2021	31	0.12	20	Summit Midstream Holdings LLC / Summit Midstream Finance Corp, 5.500%, due 8/15/2022	20	0.08
100	Greentown Holdings LLC/ Greentown Mothership Corp, 8.875%, due 3/15/2019	105	0.39	150	Navios Maritime Acquisition Corp / Navios Acquisition Finance US Inc, 8.125%, due 11/15/2021	135	0.50	80	Targa Resources Partners LP / Targa Resources Partners Finance Corp, 4.250%, due 11/15/2023	79	0.29
200	Guitar Center Inc, 9.625%, due 4/15/2020	146	0.54	110	NCL Corp Ltd, 4.750%, due 12/15/2021	112	0.41	100	Targa Resources Partners LP / Targa Resources Partners Finance Corp, 5.125%, due 2/1/2025	104	0.38
100	H&E Equipment Services Inc, 7.000%, due 9/1/2022	105	0.39	120	Netflix Inc, 5.500%, due 2/15/2022	128	0.47	40	Tenet Healthcare Corp, 7.500%, due 1/1/2022	43	0.16
40	HCA Inc, 7.500%, due 2/15/2022	46	0.17	100	NGL Energy Partners LP / NGL Energy Finance Corp, 6.875%, due 10/15/2021	103	0.38	70	Tenet Healthcare Corp, 8.125%, due 4/1/2022	73	0.27
130	HCA Inc, 5.875%, due 2/15/2026	139	0.52	50	NGL Energy Partners LP / NGL Energy Finance Corp, 7.500%, due 11/1/2023	53	0.19	70	Terex Corp, 5.625%, due 2/1/2025	72	0.27
40	HCA Inc, 4.500%, due 2/15/2027	40	0.15					20	Tesoro Logistics LP / Tesoro Logistics Finance Corp, 6.125%, due 10/15/2021	21	0.08
10	Hexion Inc / Hexion Nova Scotia Finance ULC, 9.000%, due 11/15/2020	8	0.03								
30	Holly Energy Partners LP / Holly Energy Finance Corp, 6.000%, due 8/1/2024	31	0.12								

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 28, 2017 – (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)			Loan Notes — 10.47% (February 29, 2016: 3.25%)			Preferred Stock — 1.27% (February 29, 2016: 0.00%)		
United States — (continued)			United States — 1.27% (February 29, 2016: 0.00%)			United States — 1.27% (February 29, 2016: 0.00%)		
110 Time Warner Cable LLC, 8.250%, due 4/1/2019	123	0.45	74 Academy Ltd, 5.102%, due 7/2/2022 *	60	0.22	– Allergan Plc, Series A	64	0.24
20 T-Mobile USA Inc, 6.633%, due 4/28/2021	21	0.08	100 Acosta Inc, 4.289%, due 9/26/2021 *	97	0.36	8 GMAC Capital Trust I, Series 2	206	0.76
10 T-Mobile USA Inc, 6.125%, due 1/15/2022	11	0.04	50 Ancestry.com Inc, 9.250%, due 10/14/2024 *	51	0.19	2 Sanchez Energy Corp, Series B	72	0.26
30 T-Mobile USA Inc, 6.000%, due 3/1/2023	32	0.12	200 Avolon TLB Borrower 1 Luxembourg Sarl, 3.743%, due 1/20/2022 *	204	0.75	207 Tricer Holdco S.C.A. †∞	2	0.01
18 United Airlines 2014-2 Class B Pass Through Trust, Series B, 4.625%, due 9/3/2022	18	0.07	100 Boyd Gaming Corp, 0.000%, due 9/15/2023 *	101	0.37		344	1.27
20 United Rentals North America Inc, 6.125%, due 6/15/2023	21	0.08	150 BWAY Holding Co, 0.000%, due 8/14/2023 *	150	0.56	Total Preferred Stock (Cost \$348)	344	1.27
80 Universal Hospital Services Inc, 7.625%, due 8/15/2020	80	0.30	40 Chesapeake Energy Corp, 8.500%, due 8/16/2021 *	44	0.16	Common Stock — 0.37% (February 29, 2016: 0.02%)		
247 US Airways 2012-2 Class B Pass Through Trust, 6.750%, due 6/3/2021	268	0.99	100 Citycenter Holdings LLC, 3.531%, due 10/16/2020 *	101	0.37	United States — 0.37% (February 29, 2016: 0.02%)		
310 Valeant Pharmaceuticals International Inc, 7.500%, due 7/15/2021	284	1.05	100 CWGS Group LLC, 4.500%, due 11/3/2023 *	101	0.37	9 Magnum Hunter Resources Corp †∞	100	0.37
160 Valeant Pharmaceuticals International Inc, 6.125%, due 4/15/2025	127	0.47	90 DaVita HealthCare Partners Inc, 3.520%, due 6/24/2021 *	91	0.34	– Tricer Holdco S.C.A. †∞	1	–
70 Viking Cruises Ltd, 8.500%, due 10/15/2022	73	0.27	33 Energy Future Intermediate Holding Co LLC / EFII Finance Inc, 4.250%, due 6/30/2017 *	33	0.12		101	0.37
50 WESCO Distribution Inc, 5.375%, due 6/15/2024	51	0.19	99 First Data Corp, 3.779%, due 3/24/2021 *	100	0.37	Total Common Stock (Cost \$82)	101	0.37
100 West Corp, 4.750%, due 7/15/2021	102	0.38	110 Four Seasons Hotels Ltd, 3.998%, due 11/30/2023 *	111	0.41	Total Investments Excluding Options (Cost \$26,380)	26,632	98.32
100 West Corp, 5.375%, due 7/15/2022	96	0.35	90 Lions Gate Entertainment Corp, 3.766%, due 10/13/2023 *	91	0.34			
40 Westlake Chemical Corp, 4.875%, due 5/15/2023	42	0.15	194 MPH Acquisition Holdings LLC, 4.000%, due 6/7/2023 *	197	0.73	Contracts (000's)		
40 Whiting Petroleum Corp, 1.250%, due 4/1/2020	36	0.13	74 Neiman Marcus Group Ltd LLC, 4.250%, due 10/25/2020 *	60	0.22	Options — 0.00% (February 29, 2016: 0.00%)		
140 William Carter Co/The, 5.250%, due 8/15/2021	145	0.53	90 Nord Anglia Education Finance LLC, 4.554%, due 3/31/2021 *	92	0.34	Written Options — 0.00% (February 29, 2016: 0.00%)		
30 Williams Cos Inc/The, 3.700%, due 1/15/2023	29	0.11	30 Panda Temple Power II LLC, 7.250%, due 4/3/2019 *†	27	0.10	(123) American Axle & Manufacturing Holdings Inc Put 100.00, due 1/2/2018 ∞	(1)	–
40 Williams Cos Inc/The, 4.550%, due 6/24/2024	41	0.15	140 Petco Animal Supplies Inc, 5.000%, due 1/26/2023 *	135	0.50		(1)	–
20 Williams Cos Inc/The, Series A, 7.500%, due 1/15/2031	24	0.09	100 Petsmart Inc, 4.250%, due 3/10/2022 *	98	0.36	Total Options (Cost \$(1))	(1)	–
5 Williams Cos Inc/The, 8.750%, due 3/15/2032	6	0.02	110 Prime Security Services Borrower LLC, 4.250%, due 5/2/2022 *	111	0.41	Total Investments (Cost \$26,379)	26,631	98.32
50 WPX Energy Inc, 7.500%, due 8/1/2020	54	0.20	100 Reynolds Group Holdings Inc, 4.321%, due 2/5/2023 *	101	0.37	Other Assets in Excess of Liabilities (February 29, 2016: (0.72%))	456	1.68
10 WPX Energy Inc, 6.000%, due 1/15/2022	10	0.04	80 Scientific Games International Inc, 6.000%, due 10/1/2021 *	81	0.30	Total Net Assets	\$27,087	100.00
90 WPX Energy Inc, 8.250%, due 8/1/2023	101	0.37	100 SFR Group SA, 0.000%, due 1/31/2025 *	101	0.37			
150 XPO Logistics Inc, 6.500%, due 6/15/2022	158	0.58	90 Trans Union LLC, 3.280%, due 4/9/2023 *	91	0.34	– Amounts designated as “–” are either \$0, less than \$1,000 or less than 1,000 shares.		
	15,888	58.65	90 UFC Holdings LLC, 4.250%, due 8/18/2023 *	91	0.33	* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2017.		
Total Corporate Bonds and Notes (Cost \$20,828)	21,056	77.73	100 Univision Communications Inc, 4.000%, due 3/1/2020 *	100	0.37	† Illiquid.		
Government Bonds and Notes — 0.79% (February 29, 2016: 0.00%)			114 Vizient Inc, 5.000%, due 2/11/2023 *	116	0.43	∞ Security is valued in good faith at fair value by or at the discretion of the Investment Manager.		
Argentina — 0.79% (February 29, 2016: 0.00%)			99 Zebra Technologies Corp, 3.600%, due 10/27/2021 *	100	0.37	⊗ Security is in default as at February 28, 2017.		
200 Argentine Republic Government International Bond, 6.875%, due 4/22/2021	213	0.79				The counterparty for OTC option is JP Morgan.		
Total Government Bonds and Notes (Cost \$200)	213	0.79	Total Loan Notes (Cost \$2,854)	2,836	10.47	ABBREVIATIONS:		
			Time Deposits — 2.31% (February 29, 2016: 4.07%)			CMO – Collateralized Mortgage Obligation		
			471 Barclays Capital London, 0.700%, due 3/1/2017	471	1.74	Perpetual – A bond with no maturity date. Perpetual bonds are not redeemable but pay a steady stream of interest		
			154 Rabobank, 0.550%, due 3/1/2017	154	0.57	AUD – Australian Dollar		
			Total Time Deposits (Cost \$625)	625	2.31	GBP – British Pound		

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/Depreciation of Contracts (000's)
03/15/17	BNY Mellon	Buy EUR 114	Sell USD 122	\$ (1)
05/11/17	Barclays Bank	Buy USD 508	Sell GBP 404	6
05/11/17	Barclays Bank	Buy EUR 960	Sell USD 1,042	(21)
05/11/17	BNP Paribas	Buy EUR 239	Sell USD 259	(5)

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 28, 2017 – (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)
05/11/17	Citigroup	Buy	USD 1,188	Sell	EUR 1,102	\$ 16
05/11/17	Citigroup	Buy	GBP 213	Sell	USD 267	(2)
05/11/17	Deutsche Bank	Buy	USD 711	Sell	GBP 565	10
05/11/17	Deutsche Bank	Buy	EUR 1,452	Sell	USD 1,575	(32)
05/11/17	Goldman Sachs	Buy	USD 701	Sell	GBP 561	4
05/11/17	Goldman Sachs	Buy	EUR 3,280	Sell	USD 3,545	(58)
05/11/17	HSBC	Buy	USD 959	Sell	EUR 890	13
05/11/17	JP Morgan Chase Bank	Buy	EUR 2,841	Sell	USD 3,055	(35)
05/11/17	JP Morgan Chase Bank	Buy	GBP 545	Sell	USD 680	(3)
05/11/17	Morgan Stanley	Buy	USD 725	Sell	EUR 670	12
05/11/17	Morgan Stanley	Buy	GBP 494	Sell	USD 618	(5)
05/11/17	Royal Bank of Canada	Buy	USD 413	Sell	GBP 330	3
05/11/17	UBS	Buy	USD 7,312	Sell	EUR 6,823	59
05/11/17	UBS	Buy	GBP 565	Sell	USD 700	2
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$440)						125
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(383))						(162)
Net Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$57)						\$ (37)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
U.S. 5 Year Note (CBT) June 2017	6	\$ 706	\$ 1
U.S. Ultra Bond (CBT) June 2017	(4)	(647)	(10)
Total Market Value of Futures Contracts			\$ (9)
Unrealised Appreciation of Futures Contracts (February 29, 2016 (000's): \$-)			1
Unrealised Depreciation of Futures Contracts (February 29, 2016 (000's): \$(43))			(10)
Net Depreciation of Futures Contracts (February 29, 2016 (000's): \$(43))			\$ (9)

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Multi Strategy Fund

Portfolio of Investments as at February 28, 2017

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 — 0.49% (February 29, 2016: 0.00%)			Australia — 0.16% (February 29, 2016: 0.39%)			Transportadora de Gas Internacional SA ESP, 5.700%, due 3/20/2022		
2,840 CIT Mortgage Loan Trust 2007-1, Series 2007 1, Class 2M1, 144A, 2.278%, due 10/25/2037 *	2,468	0.24	200 Ausdrill Finance Pty Ltd, 144A, 6.875%, due 11/1/2019	205	0.02	3,933	0.39	
3,344 HSI Asset Securitization Corp Trust 2007-OPT1, Series 2007 OPT1, Class 1A, 0.918%, due 12/25/2036 *	2,513	0.25	1,230 FMG Resources August 2006 Pty Ltd, 144A, 9.750%, due 3/1/2022	1,423	0.14	9,237	0.91	
Total Asset-Backed Securities (Cost \$4,957)	4,981	0.49		1,628	0.16	France — 0.16% (February 29, 2016: 1.37%)		
Mortgage-Backed Securities — 3.63% (February 29, 2016: 4.30%)			Belgium — 0.49% (February 29, 2016: 0.97%)			EUR 641 AXA SA, 3.941%, Perpetual *		
1,802 Alternative Loan Trust 2007-16CB, Series 2007 16CB, Class 4A2, 34.930%, due 8/25/2037 *	2,905	0.29	30 Anheuser-Busch Cos LLC, 6.500%, due 5/1/2042	39	0.01	699	0.07	
127 American Home Mortgage Assets Trust 2006-4, Series 2006 4, Class 1A12, 0.988%, due 10/25/2046 *	84	0.01	4,440 Anheuser-Busch InBev Finance Inc, 4.900%, due 2/1/2046	4,873	0.48	2,000 CCG SA, 6.500%, due 6/1/2021	955	0.09
576 CD 2007-CD4 Commercial Mortgage Trust, Series 2007 CD4, Class AJ, 5.398%, due 12/11/2049 *	520	0.05		4,912	0.49		1,654	0.16
934 Credit Suisse Commercial Mortgage Trust Series 2006-C5, Series 2006 C5, Class AJ, 5.373%, due 12/15/2039	892	0.09	Brazil — 4.26% (February 29, 2016: 3.43%)			Germany — 0.80% (February 29, 2016: 0.47%)		
1,320 Credit Suisse Commercial Mortgage Trust Series 2007-C5, Series 2007 C5, Class AM, 5.869%, due 9/15/2040 *	1,259	0.12	4,530 Braskem America Finance Co, 7.125%, due 7/22/2041	4,771	0.47	EUR 5,500 Allianz SE, 3.099%, due 7/6/2047 *	5,923	0.59
6,500 CSMC Trust 2015-SAND MZ, Series 2015 SAMZ, Class MZ, 144A, 6.506%, due 8/15/2022 *	6,331	0.62	211 Braskem Finance Ltd, 7.000%, due 5/7/2020	232	0.02	1,010 IHO Verwaltungs GmbH, 144A, 4.125%, due 9/15/2021	1,021	0.10
5,440 Fannie Mae Connecticut Avenue Securities, Series 2015 C03, Class 1M2, 5.778%, due 7/25/2025 *	5,906	0.58	1,710 Braskem Finance Ltd, 5.375%, due 5/2/2022	1,795	0.18	1,170 IHO Verwaltungs GmbH, 144A, 4.750%, due 9/15/2026	1,155	0.11
3,220 Fannie Mae Connecticut Avenue Securities, Series 2015 C03, Class 2M2, 5.778%, due 7/25/2025 *	3,491	0.34	3,293 BRF SA, 4.750%, due 5/22/2024	3,297	0.33		8,099	0.80
1,080 JP Morgan Chase Commercial Mortgage Securities Trust 2007-CIBC19, Series 2007 CB19, Class AJ, 5.740%, due 2/12/2049 *	868	0.09	2,640 CBC Ammo LLC / CBC FinCo Inc, 7.250%, due 11/15/2021	2,594	0.26	India — 0.33% (February 29, 2016: 0.33%)		
205 JP Morgan Chase Commercial Mortgage Securities Trust 2007-LDP12, Series 2007 LD12, Class AJ, 6.062%, due 2/15/2051 *	189	0.02	2,680 CIMPOR Financial Operations BV, 144A, 5.750%, due 7/17/2024	2,378	0.23	3,120 Bharti Airtel International Netherlands BV, 144A, 5.350%, due 5/20/2024	3,312	0.33
4,778 Lone Star Portfolio Trust 2015-LSP, Series 2015 LSP, Class F, 144A, 7.670%, due 9/15/2028 *	4,614	0.46	4,750 GTL Trade Finance Inc, 144A, 7.250%, due 4/16/2044	4,726	0.47	Indonesia — 0.53% (February 29, 2016: 0.99%)		
4,362 Lone Star Portfolio Trust, Series 2015 LSMZ, Class M, 144A, 7.988%, due 9/15/2020 *	4,345	0.43	2,630 Marfrig Holdings Europe BV, 8.000%, due 6/8/2023	2,758	0.27	4,720 Majapahit Holding BV, 7.750%, due 1/20/2020	5,355	0.53
10,164 WaMu Mortgage Pass-Through Certificates Series 2005-AR15 Trust, Series 2005 AR15, Class A1C3, 1.258%, due 11/25/2045 *	5,375	0.53	9,034 Petrobras Global Finance BV, 6.250%, due 3/17/2024	9,179	0.91	Ireland — 0.84% (February 29, 2016: 0.24%)		
Total Mortgage-Backed Securities (Cost \$37,289)	36,779	3.63	3,845 Petrobras Global Finance BV, 6.875%, due 1/20/2040	3,563	0.35	3,940 Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 144A, 6.000%, due 2/15/2025	4,048	0.40
Corporate Bonds and Notes — 44.85% (February 29, 2016: 51.24%)			6,190 Petrobras Global Finance BV, 6.750%, due 1/27/2041	5,679	0.56	1,420 Park Aerospace Holdings Ltd, 144A, 5.250%, due 8/15/2022	1,480	0.14
Argentina — 0.69% (February 29, 2016: 0.00%)			2,170 Ultrapar International SA, 144A, 5.250%, due 10/6/2026	2,181	0.21	2,590 Park Aerospace Holdings Ltd, 144A, 5.500%, due 2/15/2024	2,707	0.27
4,250 Pampa Energia SA, 7.500%, due 1/24/2027	4,282	0.42		43,153	4.26	250 Smurfit Kappa Treasury Funding Ltd, 7.500%, due 11/20/2025	303	0.03
2,440 YPF SA, 8.500%, due 3/23/2021	2,692	0.27	Canada — 1.37% (February 29, 2016: 0.36%)				8,538	0.84
	6,974	0.69	4,600 Barrick North America Finance LLC, 5.750%, due 5/1/2043	5,407	0.53	Indonesia — 0.53% (February 29, 2016: 0.99%)		
			GBP 1,970 Entertainment One Ltd, 6.875%, due 12/15/2022	2,667	0.26	4,720 Majapahit Holding BV, 7.750%, due 1/20/2020	5,355	0.53
			880 Hudbay Minerals Inc, 144A, 7.250%, due 1/15/2023	939	0.09	Ireland — 0.84% (February 29, 2016: 0.24%)		
			2,100 Hudbay Minerals Inc, 144A, 7.625%, due 1/15/2025	2,294	0.23	3,940 Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 144A, 6.000%, due 2/15/2025	4,048	0.40
			2,310 Teck Resources Ltd, 144A, 8.000%, due 6/1/2021	2,573	0.26	1,420 Park Aerospace Holdings Ltd, 144A, 5.250%, due 8/15/2022	1,480	0.14
				13,880	1.37	2,590 Park Aerospace Holdings Ltd, 144A, 5.500%, due 2/15/2024	2,707	0.27
			Chile — 0.46% (February 29, 2016: 0.43%)			250 Smurfit Kappa Treasury Funding Ltd, 7.500%, due 11/20/2025	303	0.03
			2,440 AES Gener SA, 5.250%, due 8/15/2021	2,574	0.26		8,538	0.84
			1,970 Empresa Nacional de Telecomunicaciones SA, 4.875%, due 10/30/2024	2,038	0.20	Jamaica — 0.41% (February 29, 2016: 0.36%)		
				4,612	0.46	4,480 Digicel Ltd, 6.000%, due 4/15/2021	4,141	0.41
			Colombia — 0.91% (February 29, 2016: 0.88%)			Luxembourg — 0.62% (February 29, 2016: 0.86%)		
			1,180 Ecopetrol SA, 5.875%, due 9/18/2023	1,280	0.12	1,890 Altice Financing SA, 144A, 6.625%, due 2/15/2023	1,989	0.20
			1,750 Ecopetrol SA, 4.125%, due 1/16/2025	1,697	0.17	2,150 Altice Financing SA, 144A, 7.500%, due 5/15/2026	2,309	0.23
			880 Ecopetrol SA, 5.375%, due 6/26/2026	903	0.09	1,910 Intelsat Jackson Holdings SA, 7.250%, due 10/15/2020	1,767	0.17
			1,380 Empresa de Energia de Bogota SA ESP, 6.125%, due 11/10/2021	1,424	0.14	230 Intelsat Jackson Holdings SA, 7.500%, due 4/1/2021	210	0.02
							6,275	0.62
						Mexico — 0.35% (February 29, 2016: 1.31%)		
						1,045 Petroleos Mexicanos, 6.875%, due 8/4/2026	1,144	0.11
						2,105 Petroleos Mexicanos, 6.500%, due 6/2/2041	2,036	0.20
						450 Petroleos Mexicanos, 5.500%, due 6/27/2044	387	0.04
							3,567	0.35
						Morocco — 0.34% (February 29, 2016: 0.75%)		
						3,530 OCP SA, 4.500%, due 10/22/2025	3,454	0.34
						Netherlands — 1.66% (February 29, 2016: 0.95%)		
						EUR 3,550 ABN AMRO Bank NV, 7.125%, due 7/6/2022	4,820	0.48
						EUR 1,800 ABN AMRO Bank NV, 2.875%, due 6/30/2025 *	2,007	0.20
						EUR 1,000 Cooperatieve Rabobank UA, 6.625%, Perpetual *	1,144	0.11
						4,770 ING Groep NV, 6.875%, Perpetual *	4,878	0.48

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Multi Strategy Fund

Portfolio of Investments as at February 28, 2017 – (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 — 24.16% (February 29, 2016: 28.34%)							
Netherlands — (continued)				380	Vue International Bidco PLC, 7.875%, due 7/15/2020	490	0.05	1,740	Crestwood Midstream Partners LP / Crestwood Midstream Finance Corp, 6.125%, due 3/1/2022	1,799	0.18
2,000	Shell International Finance BV, 4.000%, due 5/10/2046	1,951	0.19			45,830	4.52	830	Crestwood Midstream Partners LP / Crestwood Midstream Finance Corp, 6.250%, due 4/1/2023	861	0.09
290	UPCB Finance IV Ltd, 144A, 5.375%, due 1/15/2025	296	0.03	2,850	Actavis Funding SCS, 4.850%, due 6/15/2044	2,913	0.29	1,260	Crown Americas LLC / Crown Americas Capital Corp V, 144A, 4.250%, due 9/30/2026	1,214	0.12
1,076	VimpelCom Holdings BV, 7.504%, due 3/1/2022	1,206	0.12	1,644	Actavis Funding SCS, 4.750%, due 3/15/2045	1,669	0.16	380	CST Brands Inc, 5.000%, due 5/1/2023	394	0.04
540	Ziggo Bond Finance BV, 144A, 5.875%, due 1/15/2025	549	0.05	530	Activision Blizzard Inc, 144A, 6.125%, due 9/15/2023	576	0.06	2,740	CTR Partnership LP / CareTrust Capital Corp, 5.875%, due 6/1/2021	2,815	0.28
		16,851	1.66	2,760	Adient Global Holdings Ltd, 144A, 4.875%, due 8/15/2026	2,739	0.27	582	Delta Air Lines 2007-1 Class B Pass Through Trust, Series 071B, 8.021%, due 8/10/2022	658	0.07
Peru — 0.66% (February 29, 2016: 1.23%)				1,010	Alcoa Nederland Holding BV, 144A, 6.750%, due 9/30/2024	1,098	0.11	2,600	Diamond 1 Finance Corp / Diamond 2 Finance Corp, 144A, 5.875%, due 6/15/2021	2,751	0.27
1,220	Southern Copper Corp, 5.250%, due 11/8/2042	1,193	0.12	2,340	Alcoa Nederland Holding BV, 144A, 7.000%, due 9/30/2026	2,568	0.25	1,500	Diamond 1 Finance Corp / Diamond 2 Finance Corp, 144A, 7.125%, due 6/15/2024	1,657	0.16
5,450	Transportadora de Gas del Peru SA, 4.250%, due 4/30/2028	5,468	0.54	1,587	American Airlines 2013-2 Class B Pass Through Trust, 144A, 5.600%, due 7/15/2020	1,646	0.16	850	DISH DBS Corp, 6.750%, due 6/1/2021	937	0.09
		6,661	0.66	5,970	Bank of America Corp, Series U, 5.200%, Perpetual *	5,981	0.59	2,275	DISH DBS Corp, 5.875%, due 7/15/2022	2,440	0.24
Spain — 0.49% (February 29, 2016: 0.30%)				490	Berry Petroleum Co LLC, 6.375%, due 9/15/2022 +	299	0.03	1,620	DISH DBS Corp, 5.875%, due 11/15/2024	1,725	0.17
EUR 2,600	CaixaBank SA, 3.500%, due 2/15/2027 *	2,835	0.28	1,500	Blue Racer Midstream LLC / Blue Racer Finance Corp, 144A, 6.125%, due 11/15/2022	1,526	0.15	1,030	DISH DBS Corp, 7.750%, due 7/1/2026	1,205	0.12
GBP 1,600	Telefonica Europe BV, 6.750%, Perpetual *	2,134	0.21	170	Caesars Entertainment Resort Properties LLC / Caesars Entertainment Resort Prope, 8.000%, due 10/1/2020	178	0.02	1,675	DJO Finance LLC / DJO Finance Corp, 10.750%, due 4/15/2020	1,432	0.14
		4,969	0.49	1,200	Care Capital Properties LP, 5.125%, due 8/15/2026	1,175	0.12	3,060	DJO Finco Inc / DJO Finance LLC / DJO Finance Corp, 144A, 8.125%, due 6/15/2021	2,708	0.27
Turkey — 0.64% (February 29, 2016: 0.86%)				1,620	Carrizo Oil & Gas Inc, 6.250%, due 4/15/2023	1,640	0.16	850	Dole Food Co Inc, 144A, 7.250%, due 5/1/2019	867	0.09
6,750	Turk Telekomunikasyon AS, 144A, 4.875%, due 6/19/2024	6,483	0.64	280	CCO Holdings LLC / CCO Holdings Capital Corp, 144A, 5.375%, due 5/1/2025	293	0.03	660	DPx Holdings BV, 144A, 7.500%, due 2/1/2022	700	0.07
United Kingdom — 4.52% (February 29, 2016: 5.37%)				3,400	CCO Holdings LLC / CCO Holdings Capital Corp, 144A, 5.750%, due 2/15/2026	3,638	0.36	200	El Paso Natural Gas Co LLC, 8.375%, due 6/15/2032	256	0.03
GBP 955	Annington Finance No 4 Plc, Series M, 1.531%, due 1/10/2023 *	1,179	0.12	1,710	Celgene Corp, 5.000%, due 8/15/2045	1,815	0.18	184	Enesco Plc, 8.000%, due 1/31/2024	189	0.02
GBP 610	Annington Finance No 4 Plc, Series C1, 8.070%, due 1/10/2023	984	0.10	3,030	Centene Corp, 4.750%, due 5/15/2022	3,140	0.31	290	Enesco Plc, 5.750%, due 10/1/2044	226	0.02
3,640	Barclays Bank Plc, 7.625%, due 11/21/2022	3,910	0.39	880	CenturyLink Inc, Series W, 6.750%, due 12/1/2023	921	0.09	865	Enterprise Products Operating LLC, Series A, 4.742%, due 8/1/2066 *	859	0.08
EUR 900	Barclays Plc, 2.625%, due 11/11/2025 *	965	0.09	880	CenturyLink Inc, 5.625%, due 4/1/2025	856	0.08	875	Enterprise Products Operating LLC, Series B, 7.034%, due 1/15/2068 *	903	0.09
GBP 1,500	BUPA Finance Plc, 5.000%, due 4/25/2023	2,060	0.20	1,545	Chesapeake Energy Corp, 6.125%, due 2/15/2021	1,491	0.15	2,060	Extraction Oil & Gas Holdings LLC / Extraction Finance Corp, 144A, 7.875%, due 7/15/2021	2,194	0.22
GBP 2,740	Direct Line Insurance Group Plc, 9.250%, due 4/27/2042 *	4,247	0.42	640	Chesapeake Energy Corp, 5.375%, due 6/15/2021	589	0.06	390	First Data Corp, 144A, 7.000%, due 12/1/2023	419	0.04
725	Globe Luxembourg SCA, 144A, 9.625%, due 5/1/2018	743	0.07	3,500	Chesapeake Energy Corp, 5.750%, due 3/15/2023	3,185	0.31	300	FirstCash Inc, 6.750%, due 4/1/2021	315	0.03
GBP 1,459	Greene King Finance Plc, Series B2, 2.453%, due 3/15/2036 *	1,326	0.13	501	Cincinnati Bell Telephone Co LLC, 6.300%, due 12/1/2028	496	0.05	3,370	FirstEnergy Corp, Series C, 7.375%, due 11/15/2031	4,442	0.44
GBP 1,050	HSBC Holdings Plc, 7.000%, due 4/7/2038	1,840	0.18	570	CIT Group Inc, 5.375%, due 5/15/2020	610	0.06	1,760	Florida East Coast Holdings Corp, 144A, 6.750%, due 5/1/2019	1,808	0.18
2,550	HSBC Holdings Plc, 6.375%, Perpetual *	2,614	0.26	3,000	Citigroup Inc, 4.450%, due 9/29/2027	3,072	0.30	290	Florida East Coast Holdings Corp, 144A, 9.750%, due 5/1/2020	301	0.03
2,890	KCA Deutag UK Finance Plc, 144A, 7.250%, due 5/15/2021	2,789	0.27	3,210	Citigroup Inc, Series D, 5.350%, Perpetual *	3,213	0.32	50	Fontainebleau Las Vegas Holdings LLC, 144A, 10.250%, due 6/15/2015	—	—
GBP 2,545	Marston's Issuer Plc, Series B1, 5.641%, due 7/15/2035 *	2,844	0.28	320	Comcast Corp, 3.600%, due 3/1/2024	331	0.03	1,110	Ford Motor Co, 4.750%, due 1/15/2043	1,068	0.11
GBP 2,110	Pizzaexpress Financing 2 Plc, 6.625%, due 8/1/2021	2,697	0.27	940	Communications Sales & Leasing Inc / CSL Capital LLC, 8.250%, due 10/15/2023	1,019	0.10	3,020	Freeport-McMoRan Inc, 3.550%, due 3/1/2022	2,805	0.28
EUR 4,760	Royal Bank of Scotland Group Plc, 3.625%, due 3/25/2024 *	5,149	0.51	580	Compiler Finance Sub Inc, 144A, 7.000%, due 5/1/2021 +	268	0.03	8,400	Freeport-McMoRan Inc, 5.450%, due 3/15/2043	7,182	0.71
GBP 3,094	Standard Chartered Plc, 5.125%, due 6/6/2034	3,916	0.39	1,758	Continental Resources Inc/ OK, 4.900%, due 6/1/2044	1,543	0.15				
GBP 4,414	Tesco Property Finance 6 Plc, 5.411%, due 7/13/2044	5,479	0.54								
450	Virgin Media Finance Plc, 144A, 6.375%, due 4/15/2023	473	0.05								
GBP 1,250	Virgin Media Finance Plc, 6.375%, due 10/15/2024	1,664	0.16								
450	Virgin Media Secured Finance Plc, 144A, 5.500%, due 8/15/2026	461	0.04								

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Multi Strategy Fund

Portfolio of Investments as at February 28, 2017 – (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)				610	Micron Technology Inc, 5.500%, due 2/1/2025	630	0.06	35	Service Corp International/ US, 7.625%, due 10/1/2018	38	—
United States — (continued)				3,201	Miran Mid-Atlantic Series C Pass Through Trust, Series C, 10.060%, due 12/30/2028	2,856	0.28	355	Southern Natural Gas Co LLC, 8.000%, due 3/1/2032	467	0.05
3,719	GE Capital International Funding Co Unlimited Co, 4.418%, due 11/15/2035	3,983	0.39	930	MPH Acquisition Holdings LLC, 144A, 7.125%, due 6/1/2024	1,002	0.10	5,580	Sprint Capital Corp, 8.750%, due 3/15/2032	6,696	0.66
50	General Electric Co, 6.750%, due 3/15/2032	68	0.01	3,350	MPLX LP, 4.875%, due 12/1/2024	3,572	0.35	3,845	Sprint Communications Inc, 11.500%, due 11/15/2021	4,840	0.48
1,046	General Electric Co, 6.875%, due 1/10/2039	1,501	0.15	1,750	MPT Operating Partnership LP / MPT Finance Corp, 5.250%, due 8/1/2026	1,767	0.17	1,000	Sprint Corp, 7.875%, due 9/15/2023	1,113	0.11
5,460	General Motors Co, 6.250%, due 10/2/2043	6,220	0.61	1,990	Murray Energy Corp, 144A, 11.250%, due 4/15/2021	1,562	0.15	1,340	Targa Resources Partners LP / Targa Resources Partners Finance Corp, 4.250%, due 11/15/2023	1,330	0.13
10	General Motors Financial Co Inc, 3.250%, due 5/15/2018	10	—	2,170	Navient Corp, 8.000%, due 3/25/2020	2,354	0.23	1,510	Targa Resources Partners LP / Targa Resources Partners Finance Corp, 144A, 5.125%, due 2/1/2025	1,570	0.16
800	Genesis Energy LP / Genesis Energy Finance Corp, 5.625%, due 6/15/2024	798	0.08	3,670	Navient Corp, 5.875%, due 10/25/2024	3,441	0.34	1,600	Targa Resources Partners LP / Targa Resources Partners Finance Corp, 144A, 5.375%, due 2/1/2027	1,668	0.16
990	Gilead Sciences Inc, 4.000%, due 9/1/2036	954	0.09	760	Navios Maritime Acquisition Corp / Navios Acquisition Finance US Inc, 144A, 8.125%, due 11/15/2021	682	0.07	2,050	Taylor Morrison Communities Inc / Monarch Communities Inc, 144A, 5.250%, due 4/15/2021	2,101	0.21
1,980	Gilead Sciences Inc, 4.750%, due 3/1/2046	2,058	0.20	2,850	NCL Corp Ltd, 144A, 4.750%, due 12/15/2021	2,907	0.29	500	Tenet Healthcare Corp, 144A, 7.500%, due 1/1/2022	541	0.05
405	Goldman Sachs Capital II, 4.000%, Perpetual *	336	0.03	1,130	Neiman Marcus Group Ltd LLC, 144A, 8.000%, due 10/15/2021	709	0.07	1,470	Tenet Healthcare Corp, 8.125%, due 4/1/2022	1,540	0.15
450	Greektown Holdings LLC/ Greektown Mothership Corp, 144A, 8.875%, due 3/15/2019	472	0.05	640	NES Rentals Holdings Inc, 144A, 7.875%, due 5/1/2018	645	0.06	350	Tesoro Logistics LP / Tesoro Logistics Finance Corp, 6.125%, due 10/15/2021	365	0.04
140	Guitar Center Inc, 144A, 6.500%, due 4/15/2019	125	0.01	760	Newell Brands Inc, 3.850%, due 4/1/2023	792	0.08	990	Tesoro Logistics LP / Tesoro Logistics Finance Corp, 6.375%, due 5/1/2024	1,076	0.11
1,320	Guitar Center Inc, 144A, 9.625%, due 4/15/2020	960	0.09	870	Newell Brands Inc, 4.200%, due 4/1/2026	915	0.09	1,740	Time Warner Cable LLC, 8.750%, due 2/14/2019	1,955	0.19
490	Hardwoods Acquisition Inc, 144A, 7.500%, due 8/1/2021	434	0.04	2,260	NGL Energy Partners LP / NGL Energy Finance Corp, 144A, 7.500%, due 11/1/2023	2,379	0.23	1,060	Time Warner Cable LLC, 8.250%, due 4/1/2019	1,185	0.12
2,026	Harris Corp, 5.054%, due 4/27/2045	2,235	0.22	1,010	NGPL PipeCo LLC, 144A, 7.768%, due 12/15/2037	1,144	0.11	280	Time Warner Cable LLC, 4.125%, due 2/15/2021	291	0.03
1,840	HCA Inc, 4.750%, due 5/1/2023	1,930	0.19	1,190	NRG Energy Inc, 7.250%, due 5/15/2026	1,224	0.12	1,900	Time Warner Inc, 4.000%, due 1/15/2022	1,983	0.20
1,810	IASIS Healthcare LLC / IASIS Capital Corp, 8.375%, due 5/15/2019	1,769	0.17	1,370	NRG Energy Inc, 144A, 6.625%, due 1/15/2027	1,346	0.13	520	TMX Finance LLC / TitleMax Finance Corp, 144A, 8.500%, due 9/15/2018	487	0.05
95	JPMorgan Chase & Co, Series 1, 7.900%, Perpetual *	99	0.01	780	NRG REMA LLC, Series C, 9.681%, due 7/2/2026	530	0.05	615	United Airlines 2014-2 Class B Pass Through Trust, Series B, 4.625%, due 9/3/2022	628	0.06
1,810	JPMorgan Chase & Co, Series U, 6.125%, Perpetual *	1,921	0.19	650	NWH Escrow Corp, 144A, 7.500%, due 8/1/2021	569	0.06	850	United Rentals North America Inc, 6.125%, due 6/15/2023	894	0.09
40	Kerr-McGee Corp, 7.875%, due 9/15/2031	52	0.01	970	Oasis Petroleum Inc, 6.500%, due 11/1/2021	987	0.10	1,980	United Rentals North America Inc, 5.500%, due 5/15/2027	2,024	0.20
40	Kinder Morgan Energy Partners LP, 3.950%, due 9/1/2022	41	—	620	Oasis Petroleum Inc, 6.875%, due 3/15/2022	631	0.06	180	Valeant Pharmaceuticals International, 144A, 6.375%, due 10/15/2020	164	0.02
550	Kinder Morgan Inc/DE, 8.050%, due 10/15/2030	674	0.07	110	Oasis Petroleum Inc, 6.875%, due 1/15/2023	112	0.01	300	Valeant Pharmaceuticals International Inc, 144A, 5.375%, due 3/15/2020	269	0.03
1,735	Kinder Morgan Inc/DE, 7.800%, due 8/1/2031	2,213	0.22	2,865	Pactiv LLC, 8.375%, due 4/15/2027	3,152	0.31	520	Valeant Pharmaceuticals International Inc, 144A, 5.500%, due 3/1/2023	419	0.04
565	Kinder Morgan Inc/DE, 7.750%, due 1/15/2032	716	0.07	3,070	Post Holdings Inc, 144A, 5.000%, due 8/15/2026	2,968	0.29	580	Valeant Pharmaceuticals International Inc, 144A, 5.875%, due 5/15/2023	472	0.05
3,400	Kraft Heinz Foods Co, 5.200%, due 7/15/2045	3,590	0.35	1,450	Pride International Inc, 7.875%, due 8/15/2040	1,349	0.13	1,000	Valeant Pharmaceuticals International Inc, 144A, 6.125%, due 4/15/2025	796	0.08
2,080	Lamb Weston Holdings Inc, 144A, 4.625%, due 11/1/2024	2,116	0.21	2,850	Quicken Loans Inc, 144A, 5.750%, due 5/1/2025	2,807	0.28	1,910	Wells Fargo & Co, Series U, 5.875%, Perpetual *	2,063	0.20
1,530	Lamb Weston Holdings Inc, 144A, 4.875%, due 11/1/2026	1,554	0.15	EUR 2,169	Rain CII Carbon LLC / CII Carbon Corp, 8.500%, due 1/15/2021	2,378	0.23	220	West Corp, 144A, 4.750%, due 7/15/2021	226	0.02
335	Lehman Escrow Receipt, zero coupon, Perpetual ∞	44	—	970	Regency Energy Partners LP / Regency Energy Finance Corp, 5.875%, due 3/1/2022	1,076	0.11	3,670	West Corp, 144A, 5.375%, due 7/15/2022	3,525	0.35
2,946	Lockheed Martin Corp, 3.800%, due 3/1/2045	2,798	0.28	580	Regency Energy Partners LP / Regency Energy Finance Corp, 5.000%, due 10/1/2022	621	0.06	2,670	Whiting Petroleum Corp, 6.250%, due 4/1/2023	2,677	0.26
1,340	Magnum Hunter Resources Corp Escrow, 9.750%, due 5/15/2020 ∞	—	—	90	Regency Energy Partners LP / Regency Energy Finance Corp, 4.500%, due 11/1/2023	94	0.01	170	William Lyon Homes Inc, 7.000%, due 8/15/2022	177	0.02
10	Mallinckrodt International Finance SA / Mallinckrodt CB LLC, 144A, 5.500%, due 4/15/2025	9	—	360	Sanchez Energy Corp, 7.750%, due 6/15/2021	369	0.04				
770	MGM Resorts International, 6.625%, due 12/15/2021	860	0.09	590	Sanchez Energy Corp, Series WI, 6.125%, due 1/15/2023	566	0.06				
450	Michael Baker International LLC / CDL Acquisition Co Inc, 144A, 8.250%, due 10/15/2018	454	0.05								
620	Micron Technology Inc, 144A, 5.250%, due 1/15/2024	628	0.06								

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Multi Strategy Fund

Portfolio of Investments as at February 28, 2017 – (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)				Honduras — 0.27% (February 29, 2016: 0.32%)							
United States — (continued)				2,700	Honduras Government International Bond, 6.250%, due 1/19/2027	2,732	0.27	2,020	Albertsons LLC, 4.302%, due 6/22/2023 *	2,052	0.20
452	Williams Cos Inc/The, Series A, 7.500%, due 1/15/2031	532	0.05					4,925	American Airlines Inc, 3.278%, due 6/27/2020 *	4,958	0.49
3,155	Williams Cos Inc/The, 5.750%, due 6/24/2044	3,187	0.31	Indonesia — 1.58% (February 29, 2016: 1.45%)				1,846	American Builders & Contractors Supply Co Inc, 3.531%, due 10/31/2023 *	1,862	0.18
850	Williams Partners LP / ACMP Finance Corp, 4.875%, due 3/15/2024	878	0.09	990	Indonesia Government International Bond, 3.750%, due 4/25/2022	1,015	0.10	1,490	Aristocrat International Pty Ltd, 0.000%, due 10/20/2021 *	1,499	0.15
450	Windstream Services LLC, 7.750%, due 10/15/2020	462	0.05	355	Indonesia Government International Bond, 6.625%, due 2/17/2037	437	0.04	1,620	Avolon TLB Borrower 1 Luxembourg Sarl, 3.743%, due 1/20/2022 *	1,649	0.16
3,000	Windstream Services LLC, 7.500%, due 4/1/2023	2,865	0.28	13,690	Indonesia Government International Bond, 5.250%, due 1/17/2042	14,536	1.44	1,957	Berry Plastics Corp, 3.750%, due 10/1/2022 *	1,973	0.19
2,800	WPX Energy Inc, 8.250%, due 8/1/2023	3,136	0.31			15,988	1.58	1,456	BWAY Holding Co, 0.000%, due 8/14/2023 *	1,461	0.14
230	XPO Logistics Inc, 144A, 6.500%, due 6/15/2022	242	0.02	Kenya — 0.30% (February 29, 2016: 0.29%)				1,349	CBS Radio Inc, 4.500%, due 10/17/2023 *	1,364	0.13
2,420	XPO Logistics Inc, 144A, 6.125%, due 9/1/2023	2,541	0.25	3,140	Kenya Government International Bond, 6.875%, due 6/24/2024	3,089	0.30	1,486	Charter Communications Operating LLC, 3.040%, due 1/15/2024 *	1,496	0.15
		244,799	24.16					750	CWGS Group LLC, 4.500%, due 11/3/2023 *	757	0.08
Total Corporate Bonds and Notes (Cost \$447,648)				Mexico — 2.62% (February 29, 2016: 3.25%)				6,826	Energy Future Intermediate Holding Co LLC / EFII Finance Inc, 4.250%, due 6/30/2017 *	6,860	0.68
		454,384	44.85	MXN 242,847	Mexican Bonos, Series M, 6.500%, due 6/9/2022	11,765	1.16	3,788	First Data Corp, 3.779%, due 3/24/2021 *	3,826	0.38
Government Bonds and Notes — 27.10% (February 29, 2016: 26.51%)				MXN 300,080	Mexican Bonos, Series M, 7.750%, due 11/13/2042	14,790	1.46	1,550	Flying Fortress Holdings LLC, 3.397%, due 10/30/2022 *	1,565	0.15
Argentina — 1.66% (February 29, 2016: 0.00%)						26,555	2.62	2,027	HCA Inc, 3.031%, due 2/15/2024 *	2,045	0.20
ARS 64,380	Argentine Bonos del Tesoro, 21.200%, due 9/19/2018	4,357	0.43	Russia — 1.13% (February 29, 2016: 0.00%)				3,138	Hercules Offshore Inc, 10.500%, due 1/14/2019 *†	2,754	0.27
ARS 63,780	Argentine Bonos del Tesoro, 18.200%, due 10/3/2021	4,579	0.45	RUB 665,433	Russian Federal Bond – OFZ, Series 6207, 8.150%, due 2/3/2027	11,450	1.13	133	Hilton Worldwide Finance LLC, 3.500%, due 10/26/2020 *	135	0.01
2,130	Argentine Republic Government International Bond, 6.875%, due 4/22/2021	2,273	0.22	United States — 12.15% (February 29, 2016: 11.60%)				2,022	Hilton Worldwide Finance LLC, 3.278%, due 10/25/2023 *	2,043	0.20
2,980	Argentine Republic Government International Bond, 7.500%, due 4/22/2026	3,114	0.31	48,954	United States Treasury Note/Bond, 1.250%, due 10/31/2019	48,761	4.81	1,000	Landry's Inc, 4.000%, due 9/22/2023 *	1,012	0.10
2,510	Provincia de Buenos Aires/ Argentina, 7.875%, due 6/15/2027	2,509	0.25	10,920	United States Treasury Note/Bond, 1.875%, due 1/31/2022	10,912	1.08	2,030	Level 3 Financing Inc, 3.029%, due 2/17/2024 *	2,043	0.20
		16,832	1.66	360	United States Treasury Note/Bond, 2.250%, due 11/15/2024	360	0.04	2,020	Level 3 Financing Inc, 3.500%, due 5/31/2022 *	2,032	0.20
Brazil — 5.86% (February 29, 2016: 4.82%)				970	United States Treasury Note/Bond, 1.625%, due 2/15/2026	912	0.09	800	Lions Gate Entertainment Corp, 3.766%, due 10/13/2023 *	807	0.08
BRL 24,871	Brazil Notas do Tesouro Nacional Serie B, Series NTN8, 6.000%, due 8/15/2050 β	26,907	2.66	5,230	United States Treasury Note/Bond, 1.625%, due 5/15/2026	4,910	0.48	1,486	MGM Growth Properties Operating Co, 3.281%, due 4/25/2023 *	1,498	0.15
BRL 83,000	Brazil Notas do Tesouro Nacional Serie F, Series NTN8, 10.000%, due 1/1/2021	26,639	2.63	440	United States Treasury Note/Bond, 1.500%, due 8/15/2026	408	0.04	2,009	Michaels Stores Inc, 3.750%, due 1/28/2023 *	2,006	0.20
BRL 18,204	Brazil Notas do Tesouro Nacional Serie F, Series NTN8, 10.000%, due 1/1/2023	5,799	0.57	1,460	United States Treasury Note/Bond, 2.000%, due 11/15/2026	1,413	0.14	1,000	Mohegan Tribal Gaming Authority, 5.000%, due 10/13/2023 *	1,011	0.10
		59,345	5.86	36,539	United States Treasury Note/Bond, 3.125%, due 2/15/2043	37,578	3.71	2,431	Multipian Inc, 5.000%, due 5/16/2023 *	2,471	0.24
Canada — 0.03% (February 29, 2016: 0.03%)				1,650	United States Treasury Note/Bond, 3.000%, due 5/15/2045	1,656	0.16	656	Neptune Finco Corp, 3.770%, due 10/11/2024 *	664	0.07
CAD 160	Canadian Government Real Return Bond, Series CPI, 4.000%, due 12/1/2031 β	257	0.03	6,325	United States Treasury Note/Bond, 3.000%, due 11/15/2045	6,347	0.63	1,490	Nord Anglia Education Finance LLC, 4.554%, due 3/31/2021 *	1,514	0.15
Colombia — 1.08% (February 29, 2016: 2.06%)				1,360	United States Treasury Note/Bond, 2.500%, due 5/15/2046	1,230	0.12	1,835	Party City Holdings Inc, 3.860%, due 8/19/2022 *	1,829	0.18
10,100	Colombia Government International Bond, 5.625%, due 2/26/2044	10,913	1.08	7,140	United States Treasury Note/Bond, 2.250%, due 8/15/2046	6,106	0.60	1,960	Patheon Inc, 4.250%, due 3/11/2021 *	1,972	0.19
COP 171,800	Colombian TES, Series B, 10.000%, due 7/24/2024	70	–	2,610	United States Treasury Note/Bond, 2.875%, due 11/15/2046	2,559	0.25	2,050	Petco Animal Supplies Inc, 5.000%, due 1/26/2023 *	1,979	0.20
		10,983	1.08			123,152	12.15	6,878	Petsmart Inc, 4.250%, due 3/10/2022 *	6,784	0.67
Ecuador — 0.40% (February 29, 2016: 0.00%)				Total Government Bonds and Notes (Cost \$288,601)				2,036	Pharmaceutical Product Development LLC, 4.250%, due 8/18/2022 *	2,050	0.20
3,720	Ecuador Government International Bond, 9.650%, due 12/13/2026	4,015	0.40			274,613	27.10	1,500	Prime Security Services Borrower LLC, 0.000%, due 5/2/2022 *	1,516	0.15
Germany — 0.02% (February 29, 2016: 0.02%)				Loan Notes — 8.83% (February 29, 2016: 3.76%)				2,056	Reynolds Group Holdings Inc, 4.321%, due 2/5/2023 *	2,070	0.20
EUR 121	Bundesrepublik Deutschland, Series 00, 5.500%, due 1/4/2031	215	0.02	992	1011778 BC ULC, 3.750%, due 2/16/2024 *	997	0.10	363	RPI Finance Trust, 3.498%, due 10/14/2022 *	367	0.04
				915	AdvancePierre Foods Inc, 4.000%, due 6/2/2023 *	928	0.09				
				1,689	Air Medical Group Holdings Inc, 4.250%, due 4/28/2022 *	1,690	0.17				

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Multi Strategy Fund

Portfolio of Investments as at February 28, 2017 – (continued)

Face Value (000's)	Value (000's)	% of Net Asset Value	Face Value (000's)	Value (000's)	% of Net Asset Value
Loan Notes — (continued)					
1,486 Station Casinos LLC, 3.280%, due 6/8/2023 *	1,496	0.15	EUR 158 Legg Mason Global Funds Plc – Western Asset Euro High Yield Fund LM Class Euro (Accumulating)	26,818	2.65
999 The Brickman Group Ltd LLC, 4.000%, due 12/18/2020 *	1,004	0.10	373 Legg Mason Global Funds Plc – Western Asset US High Yield Fund – LM Class US\$ Distributing (M)	32,834	3.24
1,486 Trans Union LLC, 3.280%, due 4/9/2023 *	1,505	0.15			
1,984 Univision Communications Inc, 4.000%, due 3/1/2020 *	1,994	0.20			
4,707 Valeant Pharmaceuticals International, 5.530%, due 3/13/2022 *	4,744	0.47			
1,719 Virgin Media Bristol LLC, 3.520%, due 1/31/2025 *	1,731	0.17			
1,490 XPO Logistics Inc, 4.302%, due 10/30/2021 *	1,505	0.15			
Total Loan Notes (Cost \$89,758)	89,518	8.83	Total Collective Investment Schemes (Cost \$78,615)	78,077	7.71
Time Deposits — 5.92% (February 29, 2016: 0.81%)					
20,017 Barclays Capital London, 0.700%, due 3/1/2017	20,017	1.98	Preferred Stock — 0.04% (February 29, 2016: 0.00%)		
20,000 Commerzbank London, 0.490%, due 3/1/2017	20,000	1.97	United States — 0.04% (February 29, 2016: 0.00%)		
20,010 Rabobank, 0.550%, due 3/1/2017	20,011	1.97	21 Berry Petroleum Co LLC †∞	276	0.03
Total Time Deposits (Cost \$60,028)	60,028	5.92	12,101 Tricer Holdco S.C.A. †∞	121	0.01
Collective Investment Schemes — 7.71% (February 29, 2016: 9.98%)				397	0.04
1,001 Legg Mason China Funds – Western Asset China Bond Fund, Class M	11,600	1.15	Total Preferred Stock (Cost \$886)	397	0.04
70 Legg Mason Global Funds Plc – Western Asset Emerging Markets Corporate Bond Fund – LM Class US\$ Distributing (M)	6,825	0.67	Common Stock — 0.14% (February 29, 2016: 0.03%)		
			Colombia — 0.09% (February 29, 2016: 0.00%)		
			CAD 22 Pacific Exploration and Production Corp	903	0.09
			United States — 0.05% (February 29, 2016: 0.03%)		
			57 Hercules Offshore Inc †∞	16	–
			35 Magnum Hunter Resources Corp †∞	394	0.04
			27 Tricer Holdco S.C.A. †∞	81	0.01
				491	0.05
			Total Common Stock (Cost \$5,071)	1,394	0.14
			Total Investments (Cost \$1,012,853)	1,000,171	98.71
			Other Assets in Excess of Liabilities (February 29, 2016: 2.81%)	13,044	1.29
			Total Net Assets	\$1,013,215	100.00
			– Amounts designated as “–” are either \$0, less than \$1,000 or less than 1,000 shares.		

144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2017, these securities amounted to \$133,756,000 or 13.19% of net assets.

* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2017.

† Illiquid.

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

ε Security is in default as at February 28, 2017.

β The rate of interest on this type of security is tied to the Consumer Price Index (CPI)/Retail Price Index (RPI). The coupon rate is the rate as of February 28, 2017.

ABBREVIATIONS:

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

Analysis of Total Assets

	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	82.65
Collective investment schemes	7.49
Deposits with credit institutions	5.75
Financial derivative instruments	0.60
Other assets	3.51
Total Assets	100.00

Schedule of Credit Default Swaps

Counterparty	Reference Entity	Buy/Sell Protection	Expiration Date	Notional Amount (000's)	Value (000's)
Merrill Lynch	Markit CDX.NA.HY, 5.000%	Buy	12/20/21	18,563	\$(1,435)
					\$(1,435)
Unrealised Appreciation of Credit Default Swaps (February 29, 2016 (000's): \$–)					–
Unrealised Depreciation of Credit Default Swaps (February 29, 2016 (000's): \$–)					(1,435)
Net Depreciation of Credit Default Swaps (February 29, 2016 (000's): \$–)					\$(1,435)

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/Depreciation of Contracts (000's)
03/07/17	Bank of America	Buy USD	25,194	Sell KRW 29,442,940 \$ (827)
03/07/17	Bank of America	Buy KRW	29,442,940	Sell USD 25,865 157
03/07/17	Barclays Bank	Buy USD	32,476	Sell BRL 114,447 (4,247)
03/07/17	Barclays Bank	Buy BRL	114,447	Sell USD 37,405 (682)
03/07/17	Citigroup	Buy USD	10,377	Sell IDR 138,642,360 (11)
03/07/17	Citigroup	Buy USD	3,122	Sell INR 208,690 (3)
03/07/17	Citigroup	Buy USD	7,220	Sell KRW 8,440,384 (240)
03/07/17	Citigroup	Buy KRW	8,440,384	Sell USD 7,416 44
03/07/17	Citigroup	Buy IDR	138,642,360	Sell USD 10,060 329
03/07/17	Citigroup	Buy INR	208,689	Sell USD 3,028 97
03/07/17	JP Morgan Chase Bank	Buy USD	23,149	Sell INR 1,548,660 (43)
03/07/17	JP Morgan Chase Bank	Buy INR	1,548,660	Sell USD 22,439 752
03/15/17	BNY Mellon	Buy USD	380	Sell EUR 357 1
03/15/17	BNY Mellon	Buy USD	151	Sell EUR 144 –
03/15/17	BNY Mellon	Buy USD	895	Sell GBP 715 4
03/15/17	BNY Mellon	Buy USD	221	Sell PLN 900 –
03/15/17	BNY Mellon	Buy USD	118	Sell SGD 168 (1)

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Multi Strategy Fund

Portfolio of Investments as at February 28, 2017 – (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)
03/15/17	BNY Mellon	Buy	EUR 24,529	Sell	USD 26,243	\$ (237)
03/15/17	BNY Mellon	Buy	PLN 14,503	Sell	USD 3,593	(27)
03/15/17	BNY Mellon	Buy	SGD 3,180	Sell	USD 2,247	21
03/15/17	BNY Mellon	Buy	CHF 45,272	Sell	USD 45,543	(423)
03/15/17	BNY Mellon	Buy	EUR 103	Sell	USD 108	–
03/15/17	BNY Mellon	Buy	GBP –	Sell	USD –	–
03/15/17	BNY Mellon	Buy	AUD 113,811	Sell	USD 86,617	610
03/15/17	BNY Mellon	Buy	GBP 456,941	Sell	USD 571,903	(4,666)
05/11/17	Bank of America	Buy	USD 9,049	Sell	SGD 12,744	(49)
05/11/17	Barclays Bank	Buy	USD 4,368	Sell	EUR 4,025	89
05/11/17	Citigroup	Buy	USD 757	Sell	JPY 84,630	1
05/11/17	Citigroup	Buy	TRY 6,722	Sell	USD 1,784	26
05/11/17	Deutsche Bank	Buy	USD 1,533	Sell	EUR 1,412	32
05/11/17	Deutsche Bank	Buy	USD 2,412	Sell	GBP 1,914	33
05/11/17	Deutsche Bank	Buy	USD 10,404	Sell	JPY 1,164,264	8
05/11/17	Deutsche Bank	Buy	GBP 3,100	Sell	USD 3,866	(13)
05/11/17	Goldman Sachs	Buy	USD 15,823	Sell	GBP 12,659	87
05/11/17	Goldman Sachs	Buy	USD 48,227	Sell	JPY 5,418,400	(154)
05/11/17	HSBC	Buy	USD 788	Sell	AUD 1,034	(3)
05/11/17	HSBC	Buy	USD 90,978	Sell	EUR 84,458	1,202
05/11/17	HSBC	Buy	EUR 2,680	Sell	USD 2,864	(15)
05/11/17	HSBC	Buy	JPY 972,410	Sell	USD 8,623	60
05/11/17	JP Morgan Chase Bank	Buy	USD 3,120	Sell	EUR 2,919	18
05/11/17	JP Morgan Chase Bank	Buy	USD 9,046	Sell	GBP 7,250	35
05/11/17	JP Morgan Chase Bank	Buy	MXN 114,000	Sell	USD 5,488	127
05/11/17	JP Morgan Chase Bank	Buy	EUR 775	Sell	USD 833	(10)
05/11/17	Morgan Stanley	Buy	USD 8,165	Sell	EUR 7,550	140
05/11/17	Royal Bank of Canada	Buy	USD 5,169	Sell	GBP 4,130	36
05/11/17	Royal Bank of Canada	Buy	USD 1,200	Sell	TRY 4,550	(26)
05/11/17	Societe Generale	Buy	USD 1,101	Sell	EUR 1,014	24
05/11/17	UBS	Buy	USD 2,600	Sell	GBP 2,098	(9)
05/11/17	UBS	Buy	JPY 2,950,850	Sell	USD 26,350	(2)
05/11/17	UBS	Buy	EUR 30,880	Sell	USD 33,093	(269)
05/24/17	Bank of America	Buy	USD 25,882	Sell	KRW 29,442,940	(97)
05/24/17	Barclays Bank	Buy	USD 36,685	Sell	BRL 114,447	642
05/24/17	Citigroup	Buy	USD 7,421	Sell	KRW 8,440,384	(26)
05/24/17	Citigroup	Buy	INR 208,689	Sell	USD 3,097	3
05/24/17	Citigroup	Buy	IDR 138,642,360	Sell	USD 10,300	(12)
05/24/17	JP Morgan Chase Bank	Buy	INR 1,548,660	Sell	USD 22,972	32
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$7,862)						4,610
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(34,186))						(12,092)
Net Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(26,324))						\$ (7,482)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Australia 10 Year Bond March 2017	312	\$ 30,678	\$ 21
Euro-BTP March 2017	235	33,084	626
Euro-Bund March 2017	149	26,211	707
Euro-Buxl 30 Year Bond March 2017	(10)	(1,839)	(9)
U.S. 10 Year Note (CBT) June 2017	(1,714)	(213,527)	(752)
U.S. 5 Year Note (CBT) June 2017	2,575	303,086	302
U.S. Long Bond (CBT) June 2017	(111)	(16,834)	(145)
U.S. Long Bond (CBT) March 2017	(1)	(153)	(2)
U.S. Ultra Bond (CBT) June 2017	(170)	(27,503)	(375)
Total Market Value of Futures Contracts			\$ 373
Unrealised Appreciation of Futures Contracts (February 29, 2016 (000's): \$–)			1,656
Unrealised Depreciation of Futures Contracts (February 29, 2016 (000's): \$(417))			(1,283)
Net Appreciation of Futures Contracts (February 29, 2016 (000's): \$(417))			\$ 373

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US High Yield Fund

Portfolio of Investments as at February 28, 2017

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 — 87.89% (February 29, 2016: 88.37%)			2,360 SFR Group SA, 144A, 7.375%, due 5/1/2026	2,445	0.64	New Zealand — 0.48% (February 29, 2016: 0.00%)		
Argentina — 0.45% (February 29, 2016: 0.00%)				5,533	1.46	380 Reynolds Group Issuer Inc / Reynolds Group Issuer LLC / Reynolds Group Issuer Lu, 144A, 5.125%, due 7/15/2023	394	0.11
1,530 YPF SA, 144A, 8.500%, due 3/23/2021	1,688	0.45	Germany — 0.92% (February 29, 2016: 0.50%)			1,310 Reynolds Group Issuer Inc / Reynolds Group Issuer LLC / Reynolds Group Issuer Lu, 144A, 7.000%, due 7/15/2024	1,409	0.37
Australia — 0.61% (February 29, 2016: 1.48%)			200 IHO Verwaltungs GmbH, 144A, 4.125%, due 9/15/2021	202	0.05		1,803	0.48
300 Ausdrill Finance Pty Ltd, 144A, 6.875%, due 11/1/2019	307	0.08	1,080 IHO Verwaltungs GmbH, 144A, 4.750%, due 9/15/2026	1,067	0.28	United Arab Emirates — 0.30% (February 29, 2016: 0.25%)		
840 Barmingo Finance Pty Ltd, 144A, 9.000%, due 6/1/2018	880	0.23	780 ZF North America Capital Inc, 144A, 4.500%, due 4/29/2022	810	0.21	160 Shelf Drilling Holdings Ltd, 144A, 9.500%, due 11/2/2020	152	0.04
890 BHP Billiton Finance USA Ltd, 144A, 6.750%, due 10/19/2075 *	1,017	0.27	1,380 ZF North America Capital Inc, 144A, 4.750%, due 4/29/2025	1,421	0.38	1,024 Shelf Drilling Holdings Ltd, 9.500%, due 11/2/2020	973	0.26
1,448 Midwest Vanadium Pty Ltd, 144A, 11.500%, due 2/15/2018 †	33	0.01		3,500	0.92		1,125	0.30
1,308 Mirabela Nickel Ltd, 144A, 9.500%, due 6/24/2019 †	91	0.02	Ireland — 1.88% (February 29, 2016: 0.25%)			United Kingdom — 2.74% (February 29, 2016: 2.95%)		
	2,328	0.61	200 Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 144A, 6.750%, due 1/31/2021	207	0.06	710 Anglo American Capital Plc, 144A, 3.625%, due 5/14/2020	722	0.19
Bahamas — 0.35% (February 29, 2016: 0.11%)			760 Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 144A, 4.625%, due 5/15/2023	773	0.20	480 Anglo American Capital Plc, 144A, 4.125%, due 4/15/2021	494	0.13
852 Silversea Cruise Finance Ltd, 144A, 7.250%, due 2/1/2025	888	0.24	850 Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 144A, 7.250%, due 5/15/2024	927	0.25	550 Anglo American Capital Plc, 144A, 4.125%, due 9/27/2022	560	0.15
2,140 Ultrapetrol Bahamas Ltd, 8.875%, due 6/15/2021 †	428	0.11	1,920 Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 144A, 6.000%, due 2/15/2025	1,973	0.52	630 Anglo American Capital Plc, 144A, 4.875%, due 5/14/2025	654	0.17
	1,316	0.35	1,090 Park Aerospace Holdings Ltd, 144A, 5.250%, due 8/15/2022	1,136	0.30	1,350 Barclays Bank Plc, 7.625%, due 11/21/2022	1,450	0.38
Brazil — 0.67% (February 29, 2016: 0.60%)			2,010 Park Aerospace Holdings Ltd, 144A, 5.500%, due 2/15/2024	2,101	0.55	3,060 KCA Deutag UK Finance Plc, 144A, 7.250%, due 5/15/2021	2,953	0.78
1,910 CBC Ammo LLC / CBC FinCo Inc, 144A, 7.250%, due 11/15/2021	1,886	0.50		7,117	1.88	1,000 Lloyds Banking Group Plc, 7.500%, Perpetual *	1,061	0.28
1,960 Oi Brasil Holdings Cooperatief UA, 144A, 5.750%, due 2/10/2022 †	657	0.17	Italy — 0.51% (February 29, 2016: 0.43%)			670 Royal Bank of Scotland Group Plc, 8.625%, Perpetual *	708	0.18
	2,543	0.67	1,920 Telecom Italia SpA/Milano, 144A, 5.303%, due 5/30/2024	1,954	0.51	680 Virgin Media Finance Plc, 4.875%, due 2/15/2022	605	0.16
Canada — 3.42% (February 29, 2016: 1.65%)			Luxembourg — 1.74% (February 29, 2016: 2.51%)			760 Virgin Media Finance Plc, 144A, 6.375%, due 4/15/2023	798	0.21
900 1011778 BC ULC / New Red Finance Inc, 144A, 6.000%, due 4/1/2022	938	0.25	420 Altice Financing SA, 144A, 6.625%, due 2/15/2023	442	0.12	400 Virgin Media Secured Finance Plc, 144A, 5.500%, due 8/15/2026	410	0.11
740 GFL Environmental Inc, 144A, 9.875%, due 2/1/2021	805	0.21	610 Altice Financing SA, 144A, 7.500%, due 5/15/2026	655	0.17		10,415	2.74
500 Hudbay Minerals Inc, 144A, 7.250%, due 1/15/2023	534	0.14	1,150 ArcelorMittal, 6.125%, due 6/1/2025	1,292	0.34	United States — 71.81% (February 29, 2016: 75.06%)		
1,170 Hudbay Minerals Inc, 144A, 7.625%, due 1/15/2025	1,278	0.34	20 ArcelorMittal, 7.500%, due 3/1/2041	23	0.01	670 ACCO Brands Corp, 144A, 5.250%, due 12/15/2024	678	0.18
850 Kissner Holdings LP / Kissner Milling Co Ltd / BSC Holding Inc / Kissner USA, 144A, 8.375%, due 12/1/2022	880	0.23	690 FAGE International SA/ FAGE USA Dairy Industry Inc, 144A, 5.625%, due 8/15/2026	706	0.18	1,060 Adient Global Holdings Ltd, 144A, 4.875%, due 8/15/2026	1,052	0.28
280 MEG Energy Corp, 144A, 6.375%, due 1/30/2023	248	0.06	907 Intelsat Jackson Holdings SA, 7.500%, due 4/1/2021	830	0.22	80 ADT Corp/The, 3.500%, due 7/15/2022	76	0.02
300 MEG Energy Corp, 144A, 7.000%, due 3/31/2024	270	0.07	1,000 Intelsat Jackson Holdings SA, 5.500%, due 8/1/2023	822	0.22	870 ADT Corp/The, 4.125%, due 6/15/2023	837	0.22
420 MEG Energy Corp, 144A, 6.500%, due 1/15/2025	411	0.11	1,690 Intelsat Jackson Holdings SA, 144A, 8.000%, due 2/15/2024	1,834	0.48	890 AdvancePierre Foods Holdings Inc, 144A, 5.500%, due 12/15/2024	906	0.24
890 Mercer International Inc, 144A, 6.500%, due 2/1/2024	908	0.24		6,604	1.74	1,330 AES Corp/VA, 4.875%, due 5/15/2023	1,321	0.35
860 Ritchie Bros Auctioneers Inc, 144A, 5.375%, due 1/15/2025	885	0.23	Netherlands — 0.55% (February 29, 2016: 0.97%)			170 Ahern Rentals Inc, 144A, 7.375%, due 5/15/2023	158	0.04
880 Teck Resources Ltd, 3.000%, due 3/1/2019	901	0.24	340 AerCap Ireland Capital DAC / AerCap Global Aviation Trust, 5.000%, due 10/1/2021	368	0.10	340 Akamai Technologies Inc, zero coupon, due 2/15/2019	342	0.09
1,280 Teck Resources Ltd, 144A, 8.000%, due 6/1/2021	1,426	0.38	520 Royal Bank of Scotland NV/ New York NY, Series B, 7.750%, due 5/15/2023	603	0.16	500 Alcoa Nederland Holding BV, 144A, 6.750%, due 9/30/2024	544	0.14
930 Teck Resources Ltd, 6.250%, due 7/15/2041	965	0.25	1,100 Ziggo Secured Finance BV, 144A, 5.500%, due 1/15/2027	1,113	0.29	1,150 Alcoa Nederland Holding BV, 144A, 7.000%, due 9/30/2026	1,262	0.33
1,010 Teine Energy Ltd, 144A, 6.875%, due 9/30/2022	1,050	0.28		2,084	0.55	410 Alliance One International Inc, 144A, 8.500%, due 4/15/2021	421	0.11
1,450 Trinidad Drilling Ltd, 144A, 6.625%, due 2/15/2025	1,493	0.39				1,530 Alliance One International Inc, 9.875%, due 7/15/2021	1,323	0.35
	12,992	3.42						
France — 1.46% (February 29, 2016: 1.24%)								
1,840 CGG SA, 6.500%, due 6/1/2021	879	0.23						
1,550 Credit Agricole SA, 144A, 8.125%, Perpetual *	1,657	0.44						
200 SFR Group SA, 144A, 6.000%, due 5/15/2022	207	0.06						
340 SFR Group SA, 144A, 6.250%, due 5/15/2024	345	0.09						

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US High Yield Fund

Portfolio of Investments as at February 28, 2017 – (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)								
1,800 Allison Transmission Inc, 144A, 5.000%, due 10/1/2024	1,831	0.48	690 Carrizo Oil & Gas Inc, 6.250%, due 4/15/2023	699	0.18	807 Continental Airlines 2012-1 Class B Pass Through Trust, Series B, 6.250%, due 4/11/2020	845	0.22
640 Ally Financial Inc, 8.000%, due 11/1/2031	787	0.21	1,020 Carrols Restaurant Group Inc, 8.000%, due 5/1/2022	1,099	0.29	890 Continental Resources Inc/OK, 4.900%, due 6/1/2044	781	0.21
910 AMAG Pharmaceuticals Inc, 144A, 7.875%, due 9/1/2023	878	0.23	930 CCO Holdings LLC / CCO Holdings Capital Corp, 144A, 5.750%, due 2/15/2026	995	0.26	140 CoreCivic Inc, 4.125%, due 4/1/2020	144	0.04
330 America West Airlines 2001-1 Pass Through Trust, Series 011G, 7.100%, due 4/2/2021	359	0.09	820 CCO Holdings LLC / CCO Holdings Capital Corp, 144A, 5.875%, due 5/1/2027	881	0.23	670 CoreCivic Inc, 5.000%, due 10/15/2022	683	0.18
753 American Airlines 2011-1 Class B Pass Through Trust, Series B, 144A, 7.000%, due 1/31/2018	782	0.21	720 CDW LLC / CDW Finance Corp, 5.000%, due 9/1/2025	730	0.19	210 CoreCivic Inc, 4.625%, due 5/1/2023	211	0.06
936 American Airlines 2013-1 Class B Pass Through Trust, 144A, 5.625%, due 1/15/2021	974	0.26	830 Cengage Learning Inc, 144A, 9.500%, due 6/15/2024	747	0.20	1,550 Crestwood Midstream Partners LP / Crestwood Midstream Finance Corp, 6.125%, due 3/1/2022	1,602	0.42
819 American Airlines 2013-2 Class B Pass Through Trust, 144A, 5.600%, due 7/15/2020	850	0.22	680 Centene Corp, 4.750%, due 5/15/2022	705	0.19	350 Crestwood Midstream Partners LP / Crestwood Midstream Finance Corp, 6.250%, due 4/1/2023	363	0.10
200 American Axle & Manufacturing Inc, 6.250%, due 3/15/2021	206	0.05	620 Centene Corp, 6.125%, due 2/15/2024	673	0.18	720 CrownRock LP / CrownRock Finance Inc, 144A, 7.750%, due 2/15/2023	776	0.20
620 American Axle & Manufacturing Inc, 6.625%, due 10/15/2022	642	0.17	1,470 Centene Corp, 4.750%, due 1/15/2025	1,512	0.40	450 CSC Holdings LLC, 144A, 10.125%, due 1/15/2023	521	0.14
680 American Builders & Contractors Supply Co Inc, 144A, 5.625%, due 4/15/2021	698	0.18	730 Central Garden & Pet Co, 6.125%, due 11/15/2023	779	0.21	1,430 CSC Holdings LLC, 144A, 6.625%, due 10/15/2025	1,578	0.42
760 American Builders & Contractors Supply Co Inc, 144A, 5.750%, due 12/15/2023	798	0.21	430 CenturyLink Inc, Series S, 6.450%, due 6/15/2021	458	0.12	780 CSC Holdings LLC, 144A, 10.875%, due 10/15/2025	940	0.25
1,190 American Greetings Corp, 144A, 7.875%, due 2/15/2025	1,247	0.33	1,570 CenturyLink Inc, 5.625%, due 4/1/2025	1,527	0.40	1,650 CTP Transportation Products LLC / CTP Finance Inc, 144A, 8.250%, due 12/15/2019	1,555	0.41
80 Arconic Inc, 5.125%, due 10/1/2024	83	0.02	2,240 Charter Communications Operating LLC / Charter Communications Operating Capital, 4.908%, due 7/23/2025	2,360	0.62	1,390 CTR Partnership LP / CareTrust Capital Corp, 5.875%, due 6/1/2021	1,428	0.38
810 Arconic Inc, 5.950%, due 2/1/2037	829	0.22	840 Charter Communications Operating LLC / Charter Communications Operating Capital, 6.484%, due 10/23/2045	975	0.26	30 DaVita Inc, 5.750%, due 8/15/2022	31	0.01
1,007 Ashton Woods USA LLC / Ashton Woods Finance Co, 144A, 6.875%, due 2/15/2021	1,004	0.26	1,340 Cheniere Corpus Christi Holdings LLC, 144A, 5.875%, due 3/31/2025	1,417	0.37	10 DaVita Inc, 5.125%, due 7/15/2024	10	—
780 Axalta Coating Systems LLC, 144A, 4.875%, due 8/15/2024	796	0.21	230 Chesapeake Energy Corp, 6.875%, due 11/15/2020	228	0.06	1,730 DaVita Inc, 5.000%, due 5/1/2025	1,741	0.46
770 Berry Petroleum Co LLC, 6.750%, due 11/1/2020 +	470	0.12	500 Chesapeake Energy Corp, 5.375%, due 6/15/2021	460	0.12	570 DCP Midstream Operating LP, 144A, 6.450%, due 11/3/2036	586	0.15
2,720 Berry Petroleum Co LLC, 6.375%, due 9/15/2022 +	1,659	0.44	1,390 Chesapeake Energy Corp, 5.750%, due 3/15/2023	1,265	0.33	320 DCP Midstream Operating LP, 144A, 6.750%, due 9/15/2037	339	0.09
970 Beverages & More Inc, 144A, 10.000%, due 11/15/2018	938	0.25	500 Chesapeake Energy Corp, 144A, 8.000%, due 1/15/2025	496	0.13	520 Diamond 1 Finance Corp / Diamond 2 Finance Corp, 144A, 5.875%, due 6/15/2021	550	0.14
970 BioScrip Inc, 8.875%, due 2/15/2021	778	0.21	590 Chesapeake Energy Corp, 144A, 5.500%, due 9/15/2026	580	0.15	550 Diamond 1 Finance Corp / Diamond 2 Finance Corp, 144A, 7.125%, due 6/15/2024	608	0.16
980 Blue Racer Midstream LLC / Blue Racer Finance Corp, 144A, 6.125%, due 11/15/2022	997	0.26	130 CIT Group Inc, 5.375%, due 5/15/2020	139	0.04	330 Diamondback Energy Inc, 144A, 4.750%, due 11/1/2024	331	0.09
570 Brinker International Inc, 144A, 5.000%, due 10/1/2024	560	0.15	350 CIT Group Inc, 5.000%, due 8/15/2022	371	0.10	330 Diamondback Energy Inc, 144A, 5.375%, due 5/31/2025	342	0.09
1,160 BWAY Holding Co, 144A, 9.125%, due 8/15/2021	1,259	0.33	1,270 CIT Group Inc, 5.000%, due 8/1/2023	1,343	0.35	330 DISH DBS Corp, 6.750%, due 6/1/2021	364	0.10
800 Caesars Entertainment Resort Properties LLC / Caesars Entertainment Resort Prope, 8.000%, due 10/1/2020	837	0.22	250 Citigroup Inc, Series P, 5.950%, Perpetual *	261	0.07	1,811 DISH DBS Corp, 5.875%, due 7/15/2022	1,942	0.51
1,020 CalAtlantic Group Inc, 5.250%, due 6/1/2026	1,021	0.27	2,150 Citigroup Inc, Series M, 6.300%, Perpetual *	2,271	0.60	1,800 DISH DBS Corp, 7.750%, due 7/1/2026	2,106	0.55
1,150 Calumet Specialty Products Partners LP / Calumet Finance Corp, 144A, 11.500%, due 1/15/2021	1,331	0.35	130 CNO Financial Group Inc, 4.500%, due 5/30/2020	135	0.04	1,630 DJO Finco Inc / DJO Finance LLC / DJO Finance Corp, 144A, 8.125%, due 6/15/2021	1,443	0.38
790 Carmike Cinemas Inc, 144A, 6.000%, due 6/15/2023	841	0.22	1,500 CNO Financial Group Inc, 5.250%, due 5/30/2025	1,545	0.41	830 Dollar Tree Inc, 5.750%, due 3/1/2023	881	0.23
1,560 Carolina Beverage Group LLC / Carolina Beverage Group Finance Inc, 144A, 10.625%, due 8/1/2018	1,466	0.39	2,130 Cogent Communications Group Inc, 144A, 5.375%, due 3/1/2022	2,215	0.58	900 Donnelley Financial Solutions Inc, 144A, 8.250%, due 10/15/2024	934	0.25
			570 Communications Sales & Leasing Inc / CSL Capital LLC, 144A, 6.000%, due 4/15/2023	599	0.16	800 Eagle Materials Inc, 4.500%, due 8/1/2026	796	0.21
			660 Compiler Finance Sub Inc, 144A, 7.000%, due 5/1/2021 +	305	0.08	510 Eco Services Operations LLC / Eco Finance Corp, 144A, 8.500%, due 11/1/2022	539	0.14
			690 Concho Resources Inc, 5.500%, due 4/1/2023	714	0.19	730 Endeavor Energy Resources LP / EER Finance Inc, 144A, 7.000%, due 8/15/2021	759	0.20
			7 Continental Airlines 2000-1 Class B Pass Through Trust, Series 001B, Class B, 8.388%, due 11/1/2020	7	—	92 Ensco Plc, 8.000%, due 1/31/2024	94	0.02
			14 Continental Airlines 2009-2 Class B Pass Through Trust, Series B, 9.250%, due 5/10/2017	14	—			

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US High Yield Fund

Portfolio of Investments as at February 28, 2017 – (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)								
340 Enso Plc, 5.750%, due 10/1/2044	265	0.07	720 Goodyear Tire & Rubber Co/The, 5.125%, due 11/15/2023	748	0.20	1,125 Levi Strauss & Co, 5.000%, due 5/1/2025	1,149	0.30
570 EP Energy LLC / Everest Acquisition Finance Inc, 9.375%, due 5/1/2020	557	0.15	460 Goodyear Tire & Rubber Co/The, 5.000%, due 5/31/2026	469	0.12	290 Liberty Media Corp-Liberty Formula One, 144A, 1.000%, due 1/30/2023	302	0.08
480 EP Energy LLC / Everest Acquisition Finance Inc, 7.750%, due 9/1/2022	418	0.11	1,000 Greatbatch Ltd, 144A, 9.125%, due 11/1/2023	1,070	0.28	1,150 LMI Aerospace Inc, 7.375%, due 7/15/2019	1,172	0.31
1,600 EP Energy LLC / Everest Acquisition Finance Inc, 6.375%, due 6/15/2023	1,332	0.35	580 Grektown Holdings LLC/ Grektown Mothership Corp, 144A, 8.875%, due 3/15/2019	608	0.16	3,620 Magnum Hunter Resources Corp Escrow, 9.750%, due 5/15/2020	—	—
270 EP Energy LLC / Everest Acquisition Finance Inc, 144A, 8.000%, due 2/15/2025	263	0.07	820 Greystar Real Estate Partners LLC, 144A, 8.250%, due 12/1/2022	894	0.24	140 Mallinckrodt International Finance SA, 3.500%, due 4/15/2018	140	0.04
700 Extraction Oil & Gas Holdings LLC / Extraction Finance Corp, 144A, 7.875%, due 7/15/2021	746	0.20	720 Guitar Center Inc, 144A, 6.500%, due 4/15/2019	643	0.17	410 Mallinckrodt International Finance SA / Mallinckrodt CB LLC, 144A, 5.750%, due 8/1/2022	402	0.11
260 Finisar Corp, 144A, 0.500%, due 12/15/2036	274	0.07	1,820 Guitar Center Inc, 144A, 9.625%, due 4/15/2020	1,324	0.35	10 Mallinckrodt International Finance SA / Mallinckrodt CB LLC, 144A, 5.500%, due 4/15/2025	9	—
1,683 First Data Corp, 144A, 7.000%, due 12/1/2023	1,809	0.48	480 Gulfport Energy Corp, 144A, 6.000%, due 10/15/2024	478	0.13	520 Match Group Inc, 6.375%, due 6/1/2024	562	0.15
553 First Data Corp, 144A, 5.000%, due 1/15/2024	565	0.15	380 Gulfport Energy Corp, 144A, 6.375%, due 5/15/2025	382	0.10	690 MDC Partners Inc, 144A, 6.500%, due 5/1/2024	667	0.18
1,110 FirstCash Inc, 6.750%, due 4/1/2021	1,166	0.31	1,620 H&E Equipment Services Inc, 7.000%, due 9/1/2022	1,705	0.45	830 MGM Growth Properties Operating Partnership LP / MGP Finance Co-Issuer Inc, 144A, 4.500%, due 9/1/2026	807	0.21
935 Flex Acquisition Co Inc, 144A, 6.875%, due 1/15/2025	956	0.25	510 Hanesbrands Inc, 144A, 4.625%, due 5/15/2024	506	0.13	80 MGM Resorts International, 6.625%, due 12/15/2021	89	0.02
1,370 Flexi-Van Leasing Inc, 144A, 7.875%, due 8/15/2018	1,243	0.33	510 Hanesbrands Inc, 144A, 4.875%, due 5/15/2026	505	0.13	1,080 MGM Resorts International, 4.625%, due 9/1/2026	1,058	0.28
455 Florida East Coast Holdings Corp, 144A, 6.750%, due 5/1/2019	468	0.12	1,640 Hardwoods Acquisition Inc, 144A, 7.500%, due 8/1/2021	1,451	0.38	1,763 Michael Baker Holdings LLC / Michael Baker Finance Corp, 144A, 8.875%, due 4/15/2019	1,719	0.45
438 Fontainebleau Las Vegas Holdings LLC, 144A, 10.250%, due 6/15/2015	—	—	360 HCA Inc, 7.500%, due 2/15/2022	415	0.11	220 Michael Baker International LLC / CDL Acquisition Co Inc, 144A, 8.250%, due 10/15/2018	222	0.06
310 Freeport-McMoRan Inc, 6.625%, due 5/1/2021	316	0.08	680 HCA Inc, 5.375%, due 2/1/2025	711	0.19	430 Microchip Technology Inc, 144A, 1.625%, due 2/15/2027	432	0.11
360 Freeport-McMoRan Inc, 6.750%, due 2/1/2022	374	0.10	80 HCA Inc, 5.250%, due 4/15/2025	85	0.02	280 Microchip Technology Inc, 144A, 2.250%, due 2/15/2037	283	0.07
850 Freeport-McMoRan Inc, 3.550%, due 3/1/2022	789	0.21	23 HCA Inc, 7.690%, due 6/15/2025	26	0.01	17 Mirabela, 1.000%, due 9/10/2044	—	—
2,010 Freeport-McMoRan Inc, 6.875%, due 2/15/2023	2,121	0.56	2,020 HCA Inc, 5.875%, due 2/15/2026	2,166	0.57	1,010 Mohegan Tribal Gaming Authority, 144A, 7.875%, due 10/15/2024	1,035	0.27
420 Freeport-McMoRan Inc, 3.875%, due 3/15/2023	386	0.10	420 HCA Inc, 5.250%, due 6/15/2026	444	0.12	730 Monitronics International Inc, 9.125%, due 4/1/2020	726	0.19
270 Freeport-McMoRan Inc, 5.450%, due 3/15/2043	231	0.06	590 HCA Inc, 4.500%, due 2/15/2027	589	0.16	2,100 MPH Acquisition Holdings LLC, 144A, 7.125%, due 6/1/2024	2,263	0.60
100 Frontier Communications Corp, 10.500%, due 9/15/2022	104	0.03	41 HCA Inc, 7.500%, due 11/15/2095	40	0.01	480 MPT Operating Partnership LP / MPT Finance Corp, 6.375%, due 3/1/2024	512	0.14
1,300 Frontier Communications Corp, 11.000%, due 9/15/2025	1,307	0.34	150 Hexion Inc / Hexion Nova Scotia Finance ULC, 9.000%, due 11/15/2020	120	0.03	350 MPT Operating Partnership LP / MPT Finance Corp, 5.250%, due 8/1/2026	354	0.09
800 GameStop Corp, 144A, 5.500%, due 10/1/2019	816	0.22	558 HiG BBC Intermediate Holdings LLC / HiG BBC Holdings Corp, 144A, 10.500%, due 9/15/2018	543	0.14	1,160 Murray Energy Corp, 144A, 11.250%, due 4/15/2021	911	0.24
590 GameStop Corp, 144A, 6.750%, due 3/15/2021	609	0.16	1,590 IASIS Healthcare LLC / IASIS Capital Corp, 8.375%, due 5/15/2019	1,554	0.41	880 Navient Corp, 8.000%, due 3/25/2020	955	0.25
240 General Motors Co, 6.600%, due 4/1/2036	281	0.07	1,579 iHeartCommunications Inc, 14.000%, due 2/1/2021	604	0.16	550 Navient Corp, 6.625%, due 7/26/2021	573	0.15
1,520 General Motors Co, 5.200%, due 4/1/2045	1,530	0.40	2,000 ILFC E-Capital Trust I, 144A, 4.670%, due 12/21/2065 *	1,880	0.50	1,120 Navient Corp, 5.875%, due 10/25/2024	1,050	0.28
100 General Motors Co, 6.750%, due 4/1/2046	121	0.03	130 Immucor Inc, 11.125%, due 8/15/2019	124	0.03	2,170 Navios Maritime Acquisition Corp / Navios Acquisition Finance US Inc, 144A, 8.125%, due 11/15/2021	1,948	0.51
980 Genesis Energy LP / Genesis Energy Finance Corp, 6.000%, due 5/15/2023	992	0.26	630 Interface Security Systems Holdings Inc / Interface Security Systems LLC, 9.250%, due 1/15/2018	621	0.16	1,730 NCL Corp Ltd, 144A, 4.750%, due 12/15/2021	1,765	0.46
1,090 Genworth Holdings Inc, 7.700%, due 6/15/2020	1,090	0.29	1,380 Iron Mountain Inc, 144A, 6.000%, due 10/1/2020	1,449	0.38	1,670 Neiman Marcus Group Ltd LLC, 144A, 8.000%, due 10/15/2021	1,048	0.28
490 Genworth Holdings Inc, 4.900%, due 8/15/2023	419	0.11	1,450 Jack Ohio Finance LLC / Jack Ohio Finance 1 Corp, 144A, 6.750%, due 11/15/2021	1,504	0.40	1,502 Neovia Logistics Intermediate Holdings LLC / Logistics Intermediate Finance Corp, 144A, 10.000%, due 2/15/2018	1,112	0.29
950 GEO Group Inc/The, 5.125%, due 4/1/2023	952	0.25	720 Kraft Heinz Foods Co, 144A, 7.125%, due 8/1/2039	927	0.24			
1,780 Gibson Brands Inc, 144A, 8.875%, due 8/1/2018	1,606	0.42	740 L Brands Inc, 6.875%, due 11/1/2035	711	0.19			
1,070 GLP Capital LP / GLP Financing II Inc, 5.375%, due 4/15/2026	1,119	0.30	1,230 Lamb Weston Holdings Inc, 144A, 4.625%, due 11/1/2024	1,252	0.33			
1,200 Goldman Sachs Group Inc/The, 5.150%, due 5/22/2045	1,279	0.34	930 Lamb Weston Holdings Inc, 144A, 4.875%, due 11/1/2026	944	0.25			
			1,090 Landry's Inc, 144A, 6.750%, due 10/15/2024	1,134	0.30			
			1,020 Level 3 Financing Inc, 144A, 5.250%, due 3/15/2026	1,029	0.27			

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US High Yield Fund

Portfolio of Investments as at February 28, 2017 – (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)			570 Service Corp International/ US, 5.375%, due 5/15/2024	604	0.16	1,060 Terex Corp, 144A, 5.625%, due 2/1/2025	1,088	0.29
United States — (continued)			832 Service Corp International/ US, 7.500%, due 4/1/2027	986	0.26	90 Tesoro Logistics LP / Tesoro Logistics Finance Corp, 6.125%, due 10/15/2021	94	0.02
775 Netflix Inc, 5.500%, due 2/15/2022	827	0.22	950 ServiceMaster Co LLC/The, 144A, 5.125%, due 11/15/2024	967	0.25	390 Tesoro Logistics LP / Tesoro Logistics Finance Corp, 6.250%, due 10/15/2022	417	0.11
190 Netflix Inc, 5.875%, due 2/15/2025	205	0.05	70 Shea Homes LP / Shea Homes Funding Corp, 144A, 5.875%, due 4/1/2023	71	0.02	250 Tesoro Logistics LP / Tesoro Logistics Finance Corp, 6.375%, due 5/1/2024	272	0.07
870 NGL Energy Partners LP / NGL Energy Finance Corp, 144A, 7.500%, due 11/1/2023	916	0.24	1,680 Shea Homes LP / Shea Homes Funding Corp, 144A, 6.125%, due 4/1/2025	1,709	0.45	490 Tesoro Logistics LP / Tesoro Logistics Finance Corp, 5.250%, due 1/15/2025	516	0.14
410 NGPL PipeCo LLC, 144A, 7.119%, due 12/15/2017	425	0.11	1,705 Simmons Foods Inc, 144A, 7.875%, due 10/1/2021	1,795	0.47	860 Time Warner Cable LLC, 7.300%, due 7/1/2038	1,075	0.28
570 NGPL PipeCo LLC, 144A, 7.768%, due 12/15/2037	646	0.17	760 Spectrum Brands Inc, 6.125%, due 12/15/2024	809	0.21	1,500 T-Mobile USA Inc, 6.000%, due 4/15/2024	1,601	0.42
550 Nielsen Co Luxembourg SARL/The, 144A, 5.000%, due 2/1/2025	554	0.15	700 Spectrum Brands Inc, 5.750%, due 7/15/2025	744	0.20	1,400 TMX Finance LLC / TitleMax Finance Corp, 144A, 8.500%, due 9/15/2018	1,311	0.35
690 Novelis Corp, 144A, 5.875%, due 9/30/2026	710	0.19	1,080 Speedway Motorsports Inc, 5.125%, due 2/1/2023	1,094	0.29	499 United Airlines 2014-1 Class B Pass Through Trust, Series B, 4.750%, due 4/11/2022	513	0.14
50 NRG Energy Inc, 7.250%, due 5/15/2026	51	0.01	1,296 Sprint Capital Corp, 6.875%, due 11/15/2028	1,382	0.36	904 United Airlines 2014-2 Class B Pass Through Trust, Series B, 4.625%, due 9/3/2022	923	0.24
240 NRG Energy Inc, 144A, 6.625%, due 1/15/2027	236	0.06	2,580 Sprint Capital Corp, 8.750%, due 3/15/2032	3,096	0.82	1,290 United Rentals North America Inc, 5.750%, due 11/15/2024	1,370	0.36
5,930 NRG REMA LLC, Series C, 9.681%, due 7/2/2026	4,032	1.06	2,094 Sprint Communications Inc, 11.500%, due 11/15/2021	2,636	0.69	390 United Rentals North America Inc, 5.500%, due 7/15/2025	411	0.11
370 NWH Escrow Corp, 144A, 7.500%, due 8/1/2021	324	0.09	440 Sprint Corp, 7.250%, due 9/15/2021	480	0.13	1,300 United Rentals North America Inc, 5.500%, due 5/15/2027	1,329	0.35
150 Oasis Petroleum Inc, 6.875%, due 3/15/2022	153	0.04	2,630 Sprint Corp, 7.875%, due 9/15/2023	2,926	0.77	999 Universal Hospital Services Inc, 7.625%, due 8/15/2020	1,005	0.26
620 Oasis Petroleum Inc, 6.875%, due 1/15/2023	629	0.17	1,270 Sprint Corp, 7.625%, due 2/15/2025	1,416	0.37	630 Univision Communications Inc, 144A, 5.125%, due 2/15/2025	621	0.16
700 Pacific Drilling V Ltd, 144A, 7.250%, due 12/1/2017 +	382	0.10	400 Standard Industries Inc/NJ, 144A, 5.125%, due 2/15/2021	417	0.11	740 US Concrete Inc, 144A, 6.375%, due 6/1/2024	783	0.21
3,325 Pactiv LLC, 8.375%, due 4/15/2027	3,658	0.96	175 Standard Industries Inc/NJ, 144A, 5.500%, due 2/15/2023	182	0.05	550 US Concrete Inc, 6.375%, due 6/1/2024	582	0.15
900 Pilgrim's Pride Corp, 144A, 5.750%, due 3/15/2025	925	0.24	605 Steel Dynamics Inc, 144A, 5.000%, due 12/15/2026	625	0.16	300 Valeant Pharmaceuticals International, 144A, 7.000%, due 10/1/2020	279	0.07
660 Post Holdings Inc, 144A, 5.500%, due 3/1/2025	672	0.18	510 Suburban Propane Partners LP/Suburban Energy Finance Corp, 5.875%, due 3/1/2027	511	0.13	190 Valeant Pharmaceuticals International, 144A, 6.375%, due 10/15/2020	173	0.05
950 Post Holdings Inc, 144A, 5.000%, due 8/15/2026	919	0.24	180 Summit Midstream Holdings LLC / Summit Midstream Finance Corp, 5.500%, due 8/15/2022	182	0.05	410 Valeant Pharmaceuticals International, 144A, 7.250%, due 7/15/2022	369	0.10
960 Post Holdings Inc, 144A, 5.750%, due 3/1/2027	971	0.26	172 Targa Resources Partners LP / Targa Resources Partners Finance Corp, 6.375%, due 8/1/2022	178	0.05	310 Valeant Pharmaceuticals International Inc, 144A, 5.375%, due 3/15/2020	278	0.07
1,260 Pride International Inc, 7.875%, due 8/15/2040	1,172	0.31	530 Targa Resources Partners LP / Targa Resources Partners Finance Corp, 5.250%, due 5/1/2023	547	0.14	1,080 Valeant Pharmaceuticals International Inc, 144A, 5.625%, due 12/1/2021	910	0.24
890 Prime Security Services Borrower LLC / Prime Finance Inc, 144A, 9.250%, due 5/15/2023	973	0.26	950 Targa Resources Partners LP / Targa Resources Partners Finance Corp, 4.250%, due 11/15/2023	943	0.25	900 Valeant Pharmaceuticals International Inc, 144A, 5.500%, due 3/1/2023	726	0.19
670 PulteGroup Inc, 5.500%, due 3/1/2026	695	0.18	410 Targa Resources Partners LP / Targa Resources Partners Finance Corp, 144A, 5.125%, due 2/1/2025	426	0.11	1,570 Valeant Pharmaceuticals International Inc, 144A, 5.875%, due 5/15/2023	1,278	0.34
520 QEP Resources Inc, 6.875%, due 3/1/2021	550	0.14	420 Targa Resources Partners LP / Targa Resources Partners Finance Corp, 144A, 5.375%, due 2/1/2027	438	0.12	290 Valeant Pharmaceuticals International Inc, 144A, 6.125%, due 4/15/2025	231	0.06
642 QEP Resources Inc, 5.250%, due 5/1/2023	632	0.17	670 Taylor Morrison Communities Inc / Monarch Communities Inc, 144A, 5.250%, due 4/15/2021	687	0.18	950 Valvoline Inc, 144A, 5.500%, due 7/15/2024	1,002	0.26
1,800 Quicken Loans Inc, 144A, 5.750%, due 5/1/2025	1,773	0.47	1,360 Taylor Morrison Communities Inc / Monarch Communities Inc, 144A, 5.875%, due 4/15/2023	1,431	0.38	1,020 Viacom Inc, 3.450%, due 10/4/2026	976	0.26
340 Range Resources Corp, 5.000%, due 3/15/2023	329	0.09	550 Tenet Healthcare Corp, 144A, 7.500%, due 1/1/2022	595	0.16	1,200 Viacom Inc, 4.375%, due 3/15/2043	1,053	0.28
270 Range Resources Corp, 4.875%, due 5/15/2025	255	0.07	910 Tenet Healthcare Corp, 8.125%, due 4/1/2022	953	0.25	1,700 Viking Cruises Ltd, 144A, 6.250%, due 5/15/2025	1,636	0.43
1,030 Red Oak Power LLC, Series B, 9.200%, due 11/30/2029	1,061	0.28	1,200 Tenet Healthcare Corp, 6.750%, due 6/15/2023	1,190	0.31	660 Vista Outdoor Inc, 5.875%, due 10/1/2023	655	0.17
2,240 Rice Energy Inc, 6.250%, due 5/1/2022	2,289	0.60			210 WebMD Health Corp, 144A, 2.625%, due 6/15/2023	200	0.05	
2,000 Rockies Express Pipeline LLC, 144A, 6.875%, due 4/15/2040	2,130	0.56			615 WESCO Distribution Inc, 5.375%, due 12/15/2021	637	0.17	
1,270 Rose Rock Midstream LP / Rose Rock Finance Corp, 5.625%, due 11/15/2023	1,238	0.33						
960 RSP Permian Inc, 6.625%, due 10/1/2022	1,015	0.27						
530 RSP Permian Inc, 144A, 5.250%, due 1/15/2025	543	0.14						
835 Sally Holdings LLC / Sally Capital Inc, 5.625%, due 12/1/2025	850	0.22						
1,200 Sanchez Energy Corp, 7.750%, due 6/15/2021	1,230	0.32						
1,030 Scientific Games International Inc, 144A, 7.000%, due 1/1/2022	1,096	0.29						
840 Scientific Games International Inc, 144A, 7.000%, due 1/1/2022	893	0.24						

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US High Yield Fund

Portfolio of Investments as at February 28, 2017 – (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
Corporate Bonds and Notes — (continued)						Options — 0.00% (February 29, 2016: 0.04%)		
United States — (continued)						Written Options — 0.00% (February 29, 2016: 0.00%)		
1,900 West Corp, 144A, 5.375%, due 7/15/2022	1,825	0.48	708 Murray Energy Corp, 8.250%, due 4/9/2020 *	700	0.19	(1,674) American Axle & Manufacturing Holdings Inc Put 100.00, due 1/2/2018 ∞	(8)	—
630 Whiting Petroleum Corp, 1.250%, due 4/1/2020	561	0.15	276 Pacific Drilling SA, 4.500%, due 6/3/2018 *†	127	0.03	Total Options (Cost \$(8))	(8)	—
220 Whiting Petroleum Corp, 5.750%, due 3/15/2021	219	0.06	417 Panda Temple Power II LLC, 7.250%, due 4/3/2019 *†	374	0.10	Total Investments (Cost \$377,255)	374,928	98.80
1,170 William Carter Co/The, 5.250%, due 8/15/2021	1,209	0.32	1,376 Panda Temple Power LLC, 7.250%, due 2/10/2022 *†	1,176	0.31	Other Assets in Excess of Liabilities (February 29, 2016: 2.53%)	4,560	1.20
260 William Lyon Homes Inc, 7.000%, due 8/15/2022	270	0.07	2,277 Radnet Management Inc, 8.000%, due 3/5/2021 *	2,286	0.60	Total Net Assets	\$379,488	100.00
680 Williams Cos Inc/The, 4.550%, due 6/24/2024	690	0.18	1,200 Spencer Gifts LLC, 9.250%, due 12/11/2021 *	978	0.26	— Amounts designated as “—” are either \$0, less than \$1,000 or less than 1,000 shares.		
1,430 Williams Cos Inc/The, Series A, 7.500%, due 1/15/2031	1,682	0.44	1,110 Toms Shoes LLC, 6.500%, due 10/31/2020 *	752	0.20	144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2017, these securities amounted to \$176,163,000 or 46.42% of net assets.		
480 Williams Cos Inc/The, 8.750%, due 3/15/2032	616	0.16	2,312 TPF II Power LLC, 5.000%, due 10/2/2021 *	2,339	0.62	* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2017.		
550 Williams Cos Inc/The, 5.750%, due 6/24/2044	556	0.15	1,082 Westmoreland Coal Co, 7.500%, due 12/16/2020 *	998	0.26	† Illiquid.		
960 Windstream Services LLC, 7.750%, due 10/15/2020	986	0.26	Total Loan Notes (Cost \$17,177)	15,467	4.07	∞ Security is valued in good faith at fair value by or at the discretion of the Investment Manager.		
830 Windstream Services LLC, 6.375%, due 8/1/2023	755	0.20	Repurchase Agreements — 0.79% (February 29, 2016: 0.00%)			⊗ Security is in default as at February 28, 2017. The counterparty for OTC option is JP Morgan.		
1,050 Woodside Homes Co LLC / Woodside Homes Finance Inc, 144A, 6.750%, due 12/15/2021	1,100	0.29	3,000 Merrill Lynch, Repurchase Agreement to be repurchased at US\$3,000,043 (collateralised by US Treasury Note/Bond, 2.000%, due 8/15/2025, market value US\$3,049,951), 0.520%, due 3/1/2017	3,000	0.79			
140 WPX Energy Inc, 6.000%, due 1/15/2022	143	0.04	Total Repurchase Agreements (Cost \$3,000)	3,000	0.79			
1,920 WPX Energy Inc, 8.250%, due 8/1/2023	2,150	0.57	Collective Investment Schemes — 3.46% (February 29, 2016: 3.03%)					
710 XPO Logistics Inc, 144A, 6.500%, due 6/15/2022	746	0.20	41 Legg Mason Global Funds Plc – Western Asset Emerging Markets Corporate Bond Fund – LM Class US\$ Distributing (M)	3,984	1.05			
1,070 XPO Logistics Inc, 144A, 6.125%, due 9/1/2023	1,124	0.30	270 SPDR Bloomberg Barclays Short Term High Yield Bond ETF	7,598	2.00			
	272,518	71.81	1,553 Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	1,553	0.41			
Total Corporate Bonds and Notes (Cost \$332,318)	333,520	87.89	Total Collective Investment Schemes (Cost \$13,069)	13,135	3.46			
Government Bonds and Notes — 0.49% (February 29, 2016: 0.00%)								
Argentina — 0.49% (February 29, 2016: 0.00%)								
400 Argentine Republic Government International Bond, 144A, 6.875%, due 4/22/2021	427	0.11	Preferred Stock — 1.36% (February 29, 2016: 0.98%)					
360 Argentine Republic Government International Bond, 144A, 5.625%, due 1/26/2022	364	0.10	United States — 1.36% (February 29, 2016: 0.98%)					
360 Argentine Republic Government International Bond, 144A, 7.500%, due 4/22/2026	376	0.10	1 Allergan Plc, Series A	1,039	0.27			
480 Argentine Republic Government International Bond, 144A, 6.875%, due 1/26/2027	480	0.13	152 Berry Petroleum Co LLC †∞	1,975	0.52			
200 Argentine Republic Government International Bond, 144A, 7.625%, due 4/22/2046	201	0.05	35 GMAC Capital Trust I, Series 2	895	0.24			
	1,848	0.49	25 Sanchez Energy Corp, Series B	1,036	0.27			
Total Government Bonds and Notes (Cost \$1,788)	1,848	0.49	20,789 Tricor Holdco S.C.A. †∞	208	0.06			
Loan Notes — 4.07% (February 29, 2016: 3.62%)								
820 Ancestry.com Inc, 9.250%, due 10/14/2024 *	843	0.22		5,153	1.36			
2,140 AP NMT Acquisition BV, 10.000%, due 8/13/2022 *	1,622	0.42	Total Preferred Stock (Cost \$5,567)	5,153	1.36			
660 Chesapeake Energy Corp, 8.500%, due 8/16/2021 *	717	0.19	Common Stock — 0.74% (February 29, 2016: 1.43%)					
723 Essar Steel Algoma Inc, 9.000%, due 6/16/2019 *†	262	0.07	Australia — 0.00% (February 29, 2016: 0.05%)					
1,219 Hercules Offshore Inc, 10.500%, due 1/14/2019 *†	1,070	0.28	AUD 3,373 Mirabela Nickel Ltd †∞	—	—			
850 Lantheus Medical Imaging Inc, 7.000%, due 6/25/2022 *	851	0.22	United States — 0.74% (February 29, 2016: 1.38%)					
372 Magnum Hunter Resources Corp, 8.000%, due 5/6/2019 *†	372	0.10	96 Hercules Offshore Inc †∞	27	0.01			
			189 Magnum Hunter Resources Corp †∞	2,127	0.56			
			1 MWO Holdings Ltd †∞	282	0.07			
			19 Physiotherapy Associates Holding Inc †∞	237	0.06			
			47 Tricor Holdco S.C.A. †∞	140	0.04			
				2,813	0.74			
			Total Common Stock (Cost \$4,344)	2,813	0.74			
			Total Investments Excluding Options (Cost \$377,263)	374,936	98.80			

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US High Yield Fund

Portfolio of Investments as at February 28, 2017 – (continued)

Schedule of Swaptions

Counterparty	Description	Effective Date	Notional Amount (000's)	Value (000's)
Credit Suisse	Swaption Payer Strike 1.06%	4/20/17	12,246	\$ 39
Credit Suisse	Swaption Payer Strike 1.05%	4/20/17	24,493	(34)
Unrealised Appreciation of Swaptions (February 29, 2016 (000's): \$-)				39
Unrealised Depreciation of Swaptions (February 29, 2016 (000's): \$-)				(34)
Net Appreciation of Swaptions (February 29, 2016 (000's): \$-)				\$ 5

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)			Sell Currency (000's)			Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/15/17	BNY Mellon	Buy	USD	10	Sell	EUR	9	\$ -
03/15/17	BNY Mellon	Buy	USD	2	Sell	SGD	2	-
03/15/17	BNY Mellon	Buy	EUR	2,530	Sell	USD	2,707	(25)
03/15/17	BNY Mellon	Buy	GBP	173	Sell	USD	216	(2)
03/15/17	BNY Mellon	Buy	SGD	503	Sell	USD	356	4
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$1)								4
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(33))								(27)
Net Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(32))								\$ (23)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
U.S. 5 Year Note (CBT) June 2017	24	\$ 2,825	\$ 2
U.S. Long Bond (CBT) June 2017	(7)	(1,062)	(8)
Total Market Value of Futures Contracts			\$ (6)
Unrealised Appreciation of Futures Contracts (February 29, 2016 (000's): \$3)			2
Unrealised Depreciation of Futures Contracts (February 29, 2016 (000's): \$(86))			(8)
Net Depreciation of Futures Contracts (February 29, 2016 (000's): \$(83))			\$ (6)

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 28, 2017

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 — 55.60% (February 29, 2016: 45.09%)													
Argentina — 1.56% (February 29, 2016: 0.00%)													
220	Genneia SA, 8.750%, due 1/20/2022	229	0.56	450	Ecopetrol SA, 5.875%, due 9/18/2023	488	1.19	480	Mexico City Airport Trust, 5.500%, due 10/31/2046	459	1.12		
200	Pampa Energia SA, 7.500%, due 1/24/2027	201	0.49	220	Ecopetrol SA, 5.875%, due 5/28/2045	199	0.48	150	Petroleos Mexicanos, 5.500%, due 1/21/2021	159	0.38		
190	YPF SA, 8.500%, due 3/23/2021	210	0.51			909	2.21			1,585	3.85		
640		1.56		Costa Rica — 0.50% (February 29, 2016: 0.00%)									
Brazil — 9.58% (February 29, 2016: 6.57%)													
200	Itau Unibanco Holding SA/ Cayman Island, 2.850%, due 5/26/2018	201	0.49	200	Banco Nacional de Costa Rica, 5.875%, due 4/25/2021	206	0.50	Morocco — 0.48% (February 29, 2016: 0.75%)					
300	Klabin Finance SA, 144A, 5.250%, due 7/16/2024	302	0.73	Netherlands — 1.45% (February 29, 2016: 0.00%)									
200	Marfrig Holdings Europe BV, 6.875%, due 6/24/2019	208	0.51	Peru — 3.21% (February 29, 2016: 0.95%)									
780	Petrobras Global Finance BV, 4.375%, due 5/20/2023	724	1.76	200	Bank of East Asia Ltd/The, 4.250%, due 11/20/2024 *	202	0.49	150	BBVA Banco Continental SA, 144A, 5.250%, due 9/22/2029 *	158	0.38		
200	Petrobras Global Finance BV, 7.375%, due 1/17/2027	209	0.51	200	Chinalco Capital Holdings Ltd, 4.000%, due 8/25/2021	199	0.48	190	InRetail Shopping Malls, 6.500%, due 7/9/2021	202	0.49		
595	Petrobras Global Finance BV, 6.875%, due 1/20/2040	551	1.34	500	Shimao Property Holdings Ltd, 8.375%, due 2/10/2022	562	1.37	500	Southern Copper Corp, 5.250%, due 11/8/2042	489	1.19		
340	Petrobras Global Finance BV, 6.750%, due 1/27/2041	312	0.76			963	2.34	470	Transportadora de Gas del Peru SA, 4.250%, due 4/30/2028	471	1.15		
750	Petrobras Global Finance BV, 5.625%, due 5/20/2043	598	1.45	Hungary — 2.12% (February 29, 2016: 1.41%)									
160	Petrobras Global Finance BV, 6.850%, due 6/5/2115	139	0.34	850	Magyar Export-Import Bank Zrt, 4.000%, due 1/30/2020	871	2.12			1,320	3.21		
200	Suzano Austria GmbH, 5.750%, due 7/14/2026	206	0.50	India — 0.97% (February 29, 2016: 1.49%)									
140	Suzano Trading Ltd, 5.875%, due 1/23/2021	148	0.36	200	Bharti Airtel Ltd, 4.375%, due 6/10/2025	201	0.49	Philippines — 1.28% (February 29, 2016: 0.00%)					
200	Ultrapar International SA, 5.250%, due 10/6/2026	201	0.49	200	ICICI Bank Ltd, 6.375%, due 4/30/2022 *	200	0.48	500	Petron Corp, 7.500%, Perpetual *	528	1.28		
130	Vale Overseas Ltd, 5.875%, due 6/10/2021	141	0.34			401	0.97	Russia — 5.51% (February 29, 2016: 6.74%)					
		3,940	9.58	Indonesia — 6.00% (February 29, 2016: 3.23%)									
Chile — 1.44% (February 29, 2016: 2.94%)													
15	Celulosa Arauco y Constitucion SA, 7.250%, due 7/29/2019	17	0.04	200	Pacific Emerald Pte Ltd, 9.750%, due 7/25/2018	209	0.51	330	Evraz Group SA, 6.500%, due 4/22/2020	350	0.85		
260	Celulosa Arauco y Constitucion SA, 4.750%, due 1/11/2022	272	0.66	200	Pelabuhan Indonesia II PT, 4.250%, due 5/5/2025	200	0.48	520	Lukoil International Finance BV, 6.656%, due 6/7/2022	584	1.42		
301	GNL Quintero SA, 144A, 4.634%, due 7/31/2029	305	0.74	500	Pelabuhan Indonesia III Persero PT, 4.875%, due 10/1/2024	522	1.27	100	Russian Agricultural Bank OJSC Via RSHB Capital SA, 6.299%, due 5/15/2017	101	0.25		
		594	1.44	570	Pertamina Persero PT, 5.250%, due 5/23/2021	610	1.48	420	Russian Agricultural Bank OJSC Via RSHB Capital SA, 7.750%, due 5/29/2018	446	1.08		
China — 4.37% (February 29, 2016: 5.96%)													
240	Country Garden Holdings Co Ltd, 7.500%, due 3/9/2020	255	0.62	210	Pertamina Persero PT, 4.875%, due 5/3/2022	222	0.54	700	Russian Agricultural Bank OJSC Via RSHB Capital SA, 8.500%, due 10/16/2023	787	1.91		
200	CRCC Yuxiang Ltd, 3.500%, due 5/16/2023	203	0.49	200	Perusahaan Listrik Negara PT, 5.500%, due 11/22/2021	217	0.53			2,268	5.51		
200	Franshion Investment Ltd, 4.700%, due 10/26/2017	204	0.50	500	Perusahaan Listrik Negara PT, 5.250%, due 10/24/2042	488	1.19	South Africa — 0.58% (February 29, 2016: 0.37%)					
250	Three Gorges Finance I Cayman Islands Ltd, 144A, 3.700%, due 6/10/2025	256	0.62			2,468	6.00	230	Myriad International Holdings BV, 5.500%, due 7/21/2025	240	0.58		
260	Three Gorges Finance I Cayman Islands Ltd, 144A, 3.150%, due 6/2/2026	254	0.62	Ireland — 0.25% (February 29, 2016: 0.00%)									
200	Vanke Real Estate Hong Kong Co Ltd, 3.950%, due 12/23/2019	206	0.50	100	Park Aerospace Holdings Ltd, 5.500%, due 2/15/2024	104	0.25	Turkey — 1.04% (February 29, 2016: 1.31%)					
200	Yuzhou Properties Co Ltd, 9.000%, due 12/8/2019	216	0.52	Kazakhstan — 4.77% (February 29, 2016: 3.40%)									
200	Yuzhou Properties Co Ltd, 6.000%, due 1/25/2022	204	0.50	800	KazMunayGas National Co JSC, 9.125%, due 7/2/2018	866	2.10	220	TC Ziraat Bankasi AS, 4.750%, due 4/29/2021	215	0.52		
		1,798	4.37	1,000	KazMunayGas National Co JSC, 6.375%, due 4/9/2021	1,098	2.67	220	Turk Telekomunikasyon AS, 4.875%, due 6/19/2024	211	0.52		
Colombia — 2.21% (February 29, 2016: 0.73%)													
220	Banco Bilbao Vizcaya Argentaria Colombia SA, 4.875%, due 4/21/2025	222	0.54			1,964	4.77			426	1.04		
				Kuwait — 0.96% (February 29, 2016: 0.00%)									
United Arab Emirates — 1.13% (February 29, 2016: 0.72%)													
ARS	1,740	Argentine Bonos del Tesoro, 22.750%, due 3/5/2018	117	0.28	200	Equate Petrochemical BV, 3.000%, due 3/3/2022	194	0.47	450	National Bank of Abu Dhabi PJSC, 5.250%, Perpetual *	463	1.13	
ARS	5,280	Argentine Bonos del Tesoro, 18.200%, due 10/3/2021	379	0.92	200	Equate Petrochemical BV, 4.250%, due 11/3/2026	200	0.49	Total Corporate Bonds and Notes (Cost \$22,525)			22,872	55.60
						394	0.96	Government Bonds and Notes — 32.10% (February 29, 2016: 35.14%)					
Argentina — 6.71% (February 29, 2016: 0.00%)													
ARS	1,740	Argentine Bonos del Tesoro, 22.750%, due 3/5/2018	117	0.28	Mexico — 3.85% (February 29, 2016: 5.08%)								
ARS	5,280	Argentine Bonos del Tesoro, 18.200%, due 10/3/2021	379	0.92	240	Banco Nacional de Comercio Exterior SNC/ Cayman Islands, 3.800%, due 8/11/2026 *	233	0.57	Government Bonds and Notes — 32.10% (February 29, 2016: 35.14%)				
	210	Argentine Republic Government International Bond, 6.875%, due 4/22/2021	224	0.55	280	Cemex SAB de CV, 144A, 6.125%, due 5/5/2025	293	0.71	Argentina — 6.71% (February 29, 2016: 0.00%)				
	510	Argentine Republic Government International Bond, 7.500%, due 4/22/2026	533	1.30	200	Comision Federal de Electricidad, 144A, 4.875%, due 1/15/2024	203	0.49	ARS	1,740	Argentine Bonos del Tesoro, 22.750%, due 3/5/2018	117	0.28
				240	Comision Federal de Electricidad, 6.125%, due 6/16/2045	238	0.58						

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 28, 2017 – (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
Government Bonds and Notes — (continued)				200	Honduras Government International Bond, 6.250%, due 1/19/2027	203	0.49	Sri Lanka — 1.01% (February 29, 2016: 0.00%)			
Argentina — (continued)						500	1.21	200	Sri Lanka Government International Bond, 5.875%, due 7/25/2022	207	0.50
330	Argentine Republic Government International Bond, 7.125%, due 7/6/2036	316	0.77	Indonesia — 4.88% (February 29, 2016: 3.95%)				200	Sri Lanka Government International Bond, 6.825%, due 7/18/2026	208	0.51
440	Argentine Republic Government International Bond, 2.500%, due 12/31/2038	277	0.67	400	Indonesia Government International Bond, 3.750%, due 4/25/2022	410	1.00			415	1.01
260	City of Buenos Aires Argentina, 144A, 7.500%, due 6/1/2027	267	0.65	700	Indonesia Government International Bond, 6.625%, due 2/17/2037	861	2.09	Turkey — 0.55% (February 29, 2016: 3.99%)			
390	Provincia de Buenos Aires/ Argentina, 9.950%, due 6/9/2021	442	1.07	IDR 335,000	Indonesia Treasury Bond, Series FR56, 8.375%, due 9/15/2026	27	0.06	230	Export Credit Bank of Turkey, 5.000%, due 9/23/2021	227	0.55
200	Provincia de Cordoba, 7.125%, due 6/10/2021	206	0.50	IDR 9,246,000	Indonesia Treasury Bond, Series FR68, 8.375%, due 3/15/2034	711	1.73	Vietnam — 0.50% (February 29, 2016: 0.77%)			
		2,761	6.71			2,009	4.88	200	Vietnam Government International Bond, 144A, 4.800%, due 11/19/2024	204	0.50
Armenia — 0.51% (February 29, 2016: 0.32%)				Jordan — 0.49% (February 29, 2016: 0.00%)				Total Government Bonds and Notes (Cost \$12,938)			
200	Republic of Armenia International Bond, 6.000%, due 9/30/2020	208	0.51	210	Jordan Government International Bond, 5.750%, due 1/31/2027	203	0.49			13,205	32.10
Brazil — 0.61% (February 29, 2016: 0.00%)				Kazakhstan — 2.03% (February 29, 2016: 1.27%)				Collective Investment Schemes — 9.74% (February 29, 2016: 8.13%)			
BRL 790	Brazil Notas do Tesouro Nacional Serie F, Series NTN-F, 10.000%, due 1/1/2023	252	0.61	430	Kazakhstan Government International Bond, 3.875%, due 10/14/2024	432	1.05	41	Legg Mason Global Funds Plc – Western Asset Emerging Markets Corporate Bond Fund – LM Class US\$ Distributing (M)	4,007	9.74
Dominican Republic — 1.37% (February 29, 2016: 0.50%)				420	Kazakhstan Government International Bond, 4.875%, due 10/14/2044	404	0.98	Total Collective Investment Schemes (Cost \$4,040)			
200	Dominican Republic International Bond, 7.500%, due 5/6/2021	221	0.54			836	2.03			4,007	9.74
330	Dominican Republic International Bond, 144A, 6.850%, due 1/27/2045	341	0.83	Mexico — 0.49% (February 29, 2016: 2.11%)				Total Investments (Cost \$39,503)			
		562	1.37	200	Banco Nacional de Comercio Exterior SNC, 144A, 4.375%, due 10/14/2025	200	0.49	Other Assets in Excess of Liabilities (February 29, 2016: 0.58%)			
Ecuador — 1.63% (February 29, 2016: 1.53%)				Peru — 0.79% (February 29, 2016: 0.00%)						1,053	2.56
600	Ecuador Government International Bond, 10.750%, due 3/28/2022	670	1.63	150	Fondo MIVIVIENDA SA, 3.500%, due 1/31/2023	150	0.36	Total Net Assets			
Egypt — 0.51% (February 29, 2016: 0.00%)				150	Peruvian Government International Bond, 5.625%, due 11/18/2050	177	0.43			\$41,137	100.00
200	Egypt Government International Bond, 6.125%, due 1/31/2022	208	0.51			327	0.79	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 28, 2017, these securities amounted to \$3,196,000 or 7.76% of net assets.			
Ghana — 2.45% (February 29, 2016: 1.34%)				Russia — 5.33% (February 29, 2016: 6.35%)				* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2017.			
200	Ghana Government International Bond, 9.250%, due 9/15/2022	209	0.51	RUB 31,480	Russian Federal Bond – OFZ, Series 6212, 7.050%, due 1/19/2028	496	1.21	ABBREVIATIONS:			
680	Ghana Government International Bond, 10.750%, due 10/14/2030	799	1.94	200	Russian Foreign Bond – Eurobond, 144A, 4.875%, due 9/16/2023	215	0.52	Perpetual	–	A bond with no maturity date. Perpetual bonds are not redeemable but pay a steady stream of interest	
		1,008	2.45	506	Russian Foreign Bond – Eurobond, 7.500%, due 3/31/2030	607	1.48	ARS	–	Argentine Peso	
Guatemala — 0.48% (February 29, 2016: 0.00%)				800	Russian Foreign Bond – Eurobond, 5.625%, due 4/4/2042	873	2.12	BRL	–	Brazilian Real	
200	Guatemala Government Bond, 144A, 4.500%, due 5/3/2026	198	0.48			2,191	5.33	IDR	–	Indonesian Rupiah	
Honduras — 1.21% (February 29, 2016: 0.46%)				Senegal — 0.55% (February 29, 2016: 0.36%)				RUB	–	Russian Ruble	
270	Honduras Government International Bond, 7.500%, due 3/15/2024	297	0.72	200	Senegal Government International Bond, 8.750%, due 5/13/2021	226	0.55	Analysis of Total Assets			
								Transferable securities admitted to an official exchange listing or traded on a regulated market			
								Collective investment schemes			
								Financial derivative instruments			
								Other assets			
								Total Assets			
								100.00			

Schedule of Credit Default Swaps

Counterparty	Reference Entity	Buy/Sell Protection	Expiration Date	Notional Amount (000's)	Value (000's)
Barclays	Republic of Korea, 1.000%	Buy	12/20/21	370	\$ (9)
Barclays	Republic of Korea, 1.000%	Buy	12/20/21	430	(11)
					\$ (20)
Unrealised Appreciation of Credit Default Swaps (February 29, 2016 (000's): \$–)					–
Unrealised Depreciation of Credit Default Swaps (February 29, 2016 (000's): \$–)					(20)
Net Depreciation of Credit Default Swaps (February 29, 2016 (000's): \$–)					\$ (20)

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 28, 2017 – (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)
03/09/17	Citigroup	Buy	USD	251	Sell	INR	16,800	\$ –
03/09/17	Goldman Sachs	Buy	INR	16,800	Sell	USD	246	6
03/15/17	BNY Mellon	Buy	USD	1	Sell	EUR	1	–
03/15/17	BNY Mellon	Buy	USD	15	Sell	EUR	14	–
03/15/17	BNY Mellon	Buy	USD	10	Sell	GBP	8	–
03/15/17	BNY Mellon	Buy	USD	8	Sell	SGD	12	–
03/15/17	BNY Mellon	Buy	EUR	2,281	Sell	USD	2,440	(22)
03/15/17	BNY Mellon	Buy	EUR	7	Sell	USD	8	–
03/15/17	BNY Mellon	Buy	SGD	444	Sell	USD	313	3
03/15/17	BNY Mellon	Buy	GBP	372	Sell	USD	465	(4)
05/15/17	Barclays Bank	Buy	USD	401	Sell	PLN	1,625	2
06/15/17	JP Morgan Chase Bank	Buy	INR	16,800	Sell	USD	249	–
07/17/17	Bank of America	Buy	USD	870	Sell	SAR	3,270	(2)
11/15/17	JP Morgan Chase Bank	Buy	ARS	3,663	Sell	USD	211	1
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$35)								12
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(185))								(28)
Net Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(150))								\$ (16)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
U.S. 10 Year Note (CBT) June 2017	(85)	\$(10,589)	\$ (37)
U.S. Ultra Bond (CBT) June 2017	(14)	(2,265)	(31)
Total Market Value of Futures Contracts			\$ (68)
Unrealised Appreciation of Futures Contracts (February 29, 2016 (000's): \$–)			–
Unrealised Depreciation of Futures Contracts (February 29, 2016 (000's): \$(20))			(68)
Net Depreciation of Futures Contracts (February 29, 2016 (000's): \$(20))			\$ (68)

Legg Mason Western Asset Emerging Markets Corporate Bond Fund

Portfolio of Investments as at February 28, 2017

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 — 90.49% (February 29, 2016: 90.66%)								
Argentina — 3.42% (February 29, 2016: 0.00%)								
180 Genneia SA, 8.750%, due 1/20/2022	188	0.57	220 Eastern Creation II Investment Holdings Ltd, 3.250%, due 1/20/2020	222	0.68	Luxembourg — 0.64% (February 29, 2016: 0.00%)		
310 Pampa Energia SA, 7.500%, due 1/24/2027	312	0.96	300 ICBCIL Finance Co Ltd, 3.250%, due 3/17/2020	303	0.92	200 Millicom International Cellular SA, 6.000%, due 3/15/2025	209	0.64
560 YPF SA, 8.500%, due 3/23/2021	618	1.89	370 Sinopec Group Overseas Development 2016 Ltd, 2.750%, due 5/3/2021	369	1.13	Mexico — 5.84% (February 29, 2016: 7.57%)		
	1,118	3.42	200 Yuzhou Properties Co Ltd, 6.000%, due 1/25/2022	203	0.62	200 Alfa SAB de CV, 5.250%, due 3/25/2024	208	0.64
Brazil — 17.42% (February 29, 2016: 12.33%)				2,725	8.33	325 Alpek SAB de CV, 4.500%, due 11/20/2022	328	1.00
400 Braskem America Finance Co, 7.125%, due 7/22/2041	421	1.29	Colombia — 3.64% (February 29, 2016: 1.73%)			200 Banco Nacional de Comercio Exterior SNC/ Cayman Islands, 144A, 3.800%, due 8/11/2026 *	194	0.59
210 CIMPOR Financial Operations BV, 5.750%, due 7/17/2024	186	0.57	200 Banco Bilbao Vizcaya Argentaria Colombia SA, 4.875%, due 4/21/2025	202	0.62	300 BBVA Bancomer SA/Texas, 6.750%, due 9/30/2022	334	1.02
200 Globo Comunicacao e Participacoes SA, 4.843%, due 6/8/2025	203	0.62	80 Ecopetrol SA, 7.625%, due 7/23/2019	90	0.27	235 Grupo Bimbo SAB de CV, 4.500%, due 1/25/2022	248	0.76
370 GTL Trade Finance Inc, 5.893%, due 4/29/2024	374	1.14	180 Ecopetrol SA, 5.875%, due 9/18/2023	195	0.60	200 Mexichem SAB de CV, 4.875%, due 9/19/2022	210	0.64
220 JBS Investments GmbH, 7.750%, due 10/28/2020	233	0.71	350 Ecopetrol SA, 5.375%, due 6/26/2026	359	1.10	200 Mexico City Airport Trust, 5.500%, due 10/31/2046	191	0.59
300 Marfrig Holdings Europe BV, 6.875%, due 6/24/2019	312	0.95	380 Ecopetrol SA, 5.875%, due 5/28/2045	343	1.05	200 Trust F/1401, 6.950%, due 1/30/2044	196	0.60
80 Petrobras Global Finance BV, 4.375%, due 5/20/2023	74	0.23		1,189	3.64		1,909	5.84
760 Petrobras Global Finance BV, 6.250%, due 3/17/2024	772	2.36	Dominican Republic — 0.64% (February 29, 2016: 0.00%)			Morocco — 1.45% (February 29, 2016: 1.13%)		
600 Petrobras Global Finance BV, 7.375%, due 1/17/2027	628	1.92	200 Aeropuertos Dominicanos Siglo XXI SA, 6.750%, due 3/30/2029	209	0.64	450 OCP SA, 5.625%, due 4/25/2024	475	1.45
600 Petrobras Global Finance BV, 6.750%, due 1/27/2041	550	1.68	Guatemala — 0.77% (February 29, 2016: 0.00%)			Netherlands — 2.25% (February 29, 2016: 0.00%)		
220 Petrobras Global Finance BV, 6.850%, due 6/5/2115	191	0.58	240 Comcel Trust via Comunicaciones Celulares SA, 6.875%, due 2/6/2024	254	0.77	655 VimpelCom Holdings BV, 7.504%, due 3/1/2022	734	2.25
200 Raizen Fuels Finance SA, 5.300%, due 1/20/2027	205	0.63	Hong Kong — 7.50% (February 29, 2016: 10.60%)			Panama — 0.77% (February 29, 2016: 0.60%)		
200 Suzano Austria GmbH, 5.750%, due 7/14/2026	206	0.63	210 AIA Group Ltd, 3.200%, due 3/11/2025	206	0.63	250 Banco Latinoamericano de Comercio Exterior SA, 3.250%, due 5/7/2020	252	0.77
400 Ultrapar International SA, 5.250%, due 10/6/2026	402	1.23	200 Bank of East Asia Ltd/The, 4.250%, due 11/20/2024 *	202	0.62	Peru — 4.45% (February 29, 2016: 4.66%)		
300 Vale Overseas Ltd, 5.875%, due 6/10/2021	325	0.99	510 Goodman HK Finance, 4.375%, due 6/19/2024	528	1.61	240 Cia Minera Milpo SAA, 4.625%, due 3/28/2023	245	0.75
110 Vale Overseas Ltd, 6.875%, due 11/21/2036	120	0.37	610 Hutchison Whampoa International 14 Ltd, 3.625%, due 10/31/2024	628	1.92	280 InRetail Shopping Malls, 6.500%, due 7/9/2021	297	0.91
230 Vale Overseas Ltd, 6.875%, due 11/10/2039	251	0.77	200 MCE Finance Ltd, 5.000%, due 2/15/2021	202	0.62	505 Southern Copper Corp, 7.500%, due 7/27/2035	612	1.87
240 Votorantim Cimentos SA, 7.250%, due 4/5/2041	244	0.75	390 Prosperous Ray Ltd, 4.625%, due 11/12/2023	419	1.28	300 Transportadora de Gas del Peru SA, 4.250%, due 4/30/2028	301	0.92
	5,697	17.42	250 Swire Properties MTN Financing Ltd, 4.375%, due 6/18/2022	268	0.82		1,455	4.45
Chile — 3.36% (February 29, 2016: 5.65%)				2,453	7.50	Poland — 0.65% (February 29, 2016: 0.00%)		
140 AES Gener SA, 5.250%, due 8/15/2021	148	0.45	India — 3.82% (February 29, 2016: 4.65%)			200 Powszechna Kasa Oszczednosci Bank Polski SA Via PKO Finance AB, 4.630%, due 9/26/2022	211	0.65
65 Celulosa Arauco y Constitucion SA, 4.750%, due 1/11/2022	68	0.21	440 Bharti Airtel International Netherlands BV, 5.350%, due 5/20/2024	467	1.43	Qatar — 0.85% (February 29, 2016: 0.90%)		
400 Cencosud SA, 4.875%, due 1/20/2023	419	1.28	204 ONGC Videsh Ltd, 4.625%, due 7/15/2024	216	0.66	250 Ras Laffan Liquefied Natural Gas Co Ltd III, 6.750%, due 9/30/2019	278	0.85
200 Inversiones CMPC SA, 4.500%, due 4/25/2022	206	0.63	520 Reliance Holding USA Inc, 5.400%, due 2/14/2022	568	1.73	Russia — 7.57% (February 29, 2016: 8.82%)		
250 Itau CorpBanca, 3.875%, due 9/22/2019	258	0.79		1,251	3.82	770 Lukoil International Finance BV, 6.656%, due 6/7/2022	864	2.64
	1,099	3.36	Indonesia — 3.09% (February 29, 2016: 1.79%)			400 Lukoil International Finance BV, 4.750%, due 11/2/2026	404	1.23
China — 8.33% (February 29, 2016: 17.25%)			200 Listrindo Capital BV, 144A, 4.950%, due 9/14/2026	196	0.60	600 Rosneft Finance SA, 7.875%, due 3/13/2018	634	1.94
210 Baidu Inc, 2.750%, due 6/9/2019	212	0.65	560 Perusahaan Listrik Negara PT, 5.500%, due 11/22/2021	608	1.86	300 Russian Agricultural Bank OJSC Via RSHB Capital SA, 8.500%, due 10/16/2023	338	1.03
450 China Overseas Finance Cayman III Ltd, 5.375%, due 10/29/2023	494	1.51	200 TBG Global Pte Ltd, 5.250%, due 2/10/2022	206	0.63	230 Sberbank of Russia Via SB Capital SA, 5.500%, due 2/26/2024 *	237	0.73
570 CNOOC Finance 2012 Ltd, 3.875%, due 5/2/2022	592	1.81		1,010	3.09		2,477	7.57
310 Country Garden Holdings Co Ltd, 7.500%, due 3/9/2020	330	1.01	Jamaica — 0.57% (February 29, 2016: 0.00%)			Singapore — 2.29% (February 29, 2016: 3.97%)		
			200 Digicel Ltd, 6.000%, due 4/15/2021	185	0.57	200 BOC Aviation Ltd, 3.000%, due 3/30/2020	201	0.62
			Kuwait — 1.20% (February 29, 2016: 0.00%)			530 Oversea-Chinese Banking Corp Ltd, 144A, 4.250%, due 6/19/2024	547	1.67
			200 Equate Petrochemical BV, 3.000%, due 3/3/2022	194	0.59		748	2.29
			200 Equate Petrochemical BV, 4.250%, due 11/3/2026	200	0.61			
				394	1.20			

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Emerging Markets Corporate Bond Fund

Portfolio of Investments as at February 28, 2017 – (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)				Government Bonds and Notes — 9.25% (February 29, 2016: 0.00%)				Russia — 0.60% (February 29, 2016: 0.00%)			
South Africa — 0.64% (February 29, 2016: 0.00%)				Argentina — 2.44% (February 29, 2016: 0.00%)				RUB 12,520 Russian Federal Bond – OFZ, Series 6212, 7.050%, due 1/19/2028 197 0.60			
200	Myriad International Holdings BV, 5.500%, due 7/21/2025	209	0.64	ARS 2,240	Argentine Bonos del Tesoro, 18.200%, due 10/3/2021	161	0.49	South Korea — 0.63% (February 29, 2016: 0.00%)			
South Korea — 4.26% (February 29, 2016: 4.21%)				200	Argentine Republic Government International Bond, 6.875%, due 4/22/2021	213	0.65	200	Korea Gas Corp, 3.500%, due 7/21/2025	205	0.63
200	Hyundai Capital Services Inc, 3.000%, due 3/6/2022	200	0.61	250	City of Buenos Aires Argentina, 7.500%, due 6/1/2027	257	0.79	Total Government Bonds and Notes (Cost \$2,916) 3,024 9.25			
330	KEB Hana Bank, 4.250%, due 10/14/2024	339	1.03	150	Provincia de Buenos Aires/ Argentina, 9.125%, due 3/16/2024	166	0.51	Total Investments (Cost \$31,930) 32,615 99.74			
200	Kia Motors Corp, 3.250%, due 4/21/2026	198	0.61			797	2.44	Other Assets in Excess of Liabilities (February 29, 2016: 9.31%) 84 0.26			
200	NongHyup Bank, 144A, 1.875%, due 9/12/2021	192	0.59	Brazil — 1.96% (February 29, 2016: 0.00%)				Total Net Assets \$32,699 100.00			
200	Shinhan Bank, 144A, 3.875%, due 3/24/2026	201	0.62	BRL 2,000	Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2021	642	1.96	144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2017, these securities amounted to \$1,330,000 or 4.07% of net assets.			
260	Shinhan Bank, 3.875%, due 3/24/2026	262	0.80	Ecuador — 0.66% (February 29, 2016: 0.00%)				* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2017.			
		1,392	4.26	200	Ecuador Government International Bond, 9.650%, due 12/13/2026	216	0.66	ABBREVIATIONS:			
Turkey — 1.58% (February 29, 2016: 0.31%)				Egypt — 0.64% (February 29, 2016: 0.00%)				Perpetual	– A bond with no maturity date. Perpetual bonds are not redeemable but pay a steady stream of interest		
200	TC Ziraat Bankasi AS, 4.750%, due 4/29/2021	195	0.59	200	Egypt Government International Bond, 6.125%, due 1/31/2022	208	0.64	ARS	– Argentine Peso		
130	Turk Telekomunikasyon AS, 3.750%, due 6/19/2019	131	0.40	Ghana — 0.72% (February 29, 2016: 0.00%)				BRL	– Brazilian Real		
200	Turk Telekomunikasyon AS, 4.875%, due 6/19/2024	192	0.59	200	Ghana Government International Bond, 10.750%, due 10/14/2030	235	0.72	IDR	– Indonesian Rupiah		
		518	1.58	Honduras — 0.69% (February 29, 2016: 0.00%)				RUB	– Russian Ruble		
United Arab Emirates — 2.79% (February 29, 2016: 2.35%)				200	Honduras Government International Bond, 8.750%, due 12/16/2020	227	0.69	Analysis of Total Assets			
200	Dolphin Energy Ltd, 5.500%, due 12/15/2021	221	0.68	Indonesia — 0.45% (February 29, 2016: 0.00%)				Transferable securities admitted to an official exchange listing or traded on a regulated market 96.46			
200	DP World Ltd, 6.850%, due 7/2/2037	226	0.69	IDR 1,848,000	Indonesia Treasury Bond, Series FR56, 8.375%, due 9/15/2026	147	0.45	Financial derivative instruments 0.01			
450	National Bank of Abu Dhabi PJSC, 5.250%, Perpetual *	464	1.42	Peru — 0.46% (February 29, 2016: 0.00%)				Other assets 3.53			
		911	2.79	150	Fondo MIVIVIENDA SA, 3.500%, due 1/31/2023	150	0.46	Total Assets 100.00			
United States — 0.70% (February 29, 2016: 1.63%)											
220	Citigroup Inc, Series P, 5.950%, Perpetual *	229	0.70								
Total Corporate Bonds and Notes (Cost \$29,014)											
		29,591	90.49								

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/15/17	Citigroup	Buy USD 271	Sell BRL 948	\$ (32)
03/15/17	Citigroup	Buy BRL 948	Sell USD 308	(4)
06/16/17	JP Morgan Chase Bank	Buy USD 301	Sell BRL 949	4
01/16/18	Citigroup	Buy USD 716	Sell SAR 2,708	(5)
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$17)				4
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(37))				(41)
Net Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(20))				\$ (37)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
U.S. 10 Year Note (CBT) June 2017	(27)	\$ (3,364)	\$ (1)
Total Market Value of Futures Contracts			\$ (1)
Unrealised Appreciation of Futures Contracts (February 29, 2016 (000's): \$—)			—
Unrealised Depreciation of Futures Contracts (February 29, 2016 (000's): \$—)			(1)
Net Depreciation of Futures Contracts (February 29, 2016 (000's): \$—)			\$ (1)

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global High Yield Fund

Portfolio of Investments as at February 28, 2017

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 — 68.61% (February 29, 2016: 80.14%)								
Argentina — 1.10% (February 29, 2016: 0.62%)								
810 Pampa Energia SA, 144A, 7.500%, due 1/24/2027	816	0.31	290 MEG Energy Corp, 144A, 6.500%, due 1/15/2025	283	0.11	1,000 Intelsat Jackson Holdings SA, 7.250%, due 4/1/2019	958	0.37
560 YPF SA, 8.500%, due 3/23/2021	618	0.24	630 Mercer International Inc, 144A, 6.500%, due 2/1/2024	643	0.24	710 Intelsat Jackson Holdings SA, 144A, 8.000%, due 2/15/2024	770	0.29
1,330 YPF SA, 144A, 8.500%, due 7/28/2025	1,437	0.55	450 Ritchie Bros Auctioneers Inc, 144A, 5.375%, due 1/15/2025	463	0.18		3,000	1.15
	2,871	1.10	1,010 Teck Resources Ltd, 144A, 8.000%, due 6/1/2021	1,125	0.43	Mexico — 0.76% (February 29, 2016: 0.76%)		
Australia — 0.05% (February 29, 2016: 1.08%)			70 Teck Resources Ltd, 4.750%, due 1/15/2022	73	0.03	810 Cemex SAB de CV, 5.700%, due 1/15/2025	833	0.32
934 Midwest Vanadium Pty Ltd, 144A, 11.500%, due 2/15/2018 †	21	0.01	1,010 Trinidad Drilling Ltd, 144A, 6.625%, due 2/15/2025	1,040	0.40	610 Mexico City Airport Trust, 144A, 4.250%, due 10/31/2026	611	0.24
1,545 Mirabela Nickel Ltd, 144A, 9.500%, due 6/24/2019 †	108	0.04		7,155	2.74	550 Petroleos Mexicanos, 6.500%, due 6/2/2041	532	0.20
	129	0.05	Colombia — 0.75% (February 29, 2016: 0.07%)				1,976	0.76
Bahamas — 0.38% (February 29, 2016: 0.16%)			920 Ecopetrol SA, 5.375%, due 6/26/2026	944	0.36	Netherlands — 1.88% (February 29, 2016: 0.80%)		
603 Silversea Cruise Finance Ltd, 144A, 7.250%, due 2/1/2025	629	0.24	260 Ecopetrol SA, 5.875%, due 5/28/2045	235	0.09	1,150 UPCB Finance IV Ltd, 144A, 5.375%, due 1/15/2025	1,176	0.45
1,800 Ultrapetrol Bahamas Ltd, 8.875%, due 6/15/2021 †	360	0.14	690 Pacific Exploration and Production Corp, 10.000%, due 11/2/2021	775	0.30	1,910 VimpelCom Holdings BV, 7.504%, due 3/1/2022	2,141	0.82
	989	0.38		1,954	0.75	1,580 Ziggo Secured Finance BV, 144A, 5.500%, due 1/15/2027	1,600	0.61
Brazil — 6.19% (February 29, 2016: 3.91%)			France — 1.50% (February 29, 2016: 2.51%)				4,917	1.88
810 Braskem Finance Ltd, 144A, 5.750%, due 4/15/2021	857	0.33	1,400 CGG SA, 6.500%, due 6/1/2021	668	0.26	Peru — 0.72% (February 29, 2016: 0.00%)		
1,210 CBC Ammo LLC / CBC FinCo Inc, 144A, 7.250%, due 11/15/2021	1,195	0.46	550 Credit Agricole SA, 144A, 8.125%, Perpetual *	588	0.22	650 Southern Copper Corp, 5.250%, due 11/8/2042	636	0.24
910 Marfrig Holdings Europe BV, 6.875%, due 6/24/2019	945	0.36	2,560 SFR Group SA, 144A, 7.375%, due 5/1/2026	2,653	1.02	1,250 Transportadora de Gas del Peru SA, 144A, 4.250%, due 4/30/2028	1,254	0.48
500 Marfrig Holdings Europe BV, 144A, 8.000%, due 6/8/2023	524	0.20		3,909	1.50		1,890	0.72
1,680 Oi Brasil Holdings Cooperatief UA, 144A, 5.750%, due 2/10/2022 †	563	0.22	Germany — 0.56% (February 29, 2016: 1.25%)			Russia — 1.86% (February 29, 2016: 4.01%)		
1,570 Oi Brasil Holdings Cooperatief UA, 5.750%, due 2/10/2022 †	526	0.20	250 Fresenius Medical Care US Finance II Inc, 144A, 4.750%, due 10/15/2024	257	0.10	1,060 Gazprom OAO Via Gaz Capital SA, 144A, 6.510%, due 3/7/2022	1,172	0.45
1,860 Petrobras Global Finance BV, 4.375%, due 5/20/2023	1,725	0.66	460 IHO Verwaltungen GmbH, 144A, 4.750%, due 9/15/2026	454	0.18	640 Lukoil International Finance BV, 144A, 4.563%, due 4/24/2023	653	0.25
1,000 Petrobras Global Finance BV, 7.375%, due 1/17/2027	1,046	0.40	180 ZF North America Capital Inc, 144A, 4.500%, due 4/29/2022	187	0.07	1,060 MMC Norilsk Nickel OJSC via MMC Finance DAC, 6.625%, due 10/14/2022	1,189	0.45
4,980 Petrobras Global Finance BV, 6.875%, due 1/20/2040	4,614	1.77	540 ZF North America Capital Inc, 144A, 4.750%, due 4/29/2025	556	0.21	1,790 Sberbank of Russia Via SB Capital SA, 5.500%, due 2/26/2024 *	1,848	0.71
1,170 Petrobras Global Finance BV, 6.750%, due 1/27/2041	1,074	0.41		1,454	0.56		4,862	1.86
580 Telemar Norte Leste SA, 5.500%, due 10/23/2020 †	189	0.07	Indonesia — 0.46% (February 29, 2016: 0.00%)			United Arab Emirates — 0.04% (February 29, 2016: 0.00%)		
670 Ultrapar International SA, 144A, 5.250%, due 10/6/2026	673	0.26	540 Pertamina Persero PT, 5.250%, due 5/23/2021	578	0.22	110 Shelf Drilling Holdings Ltd, 144A, 9.500%, due 11/2/2020	105	0.04
750 Vale Overseas Ltd, 4.375%, due 1/11/2022	776	0.30	570 Perusahaan Listrik Negara PT, 5.500%, due 11/22/2021	619	0.24			
1,490 Vale SA, 5.625%, due 9/11/2042	1,438	0.55		1,197	0.46	United Kingdom — 2.94% (February 29, 2016: 5.74%)		
	16,145	6.19	Ireland — 1.09% (February 29, 2016: 1.04%)			440 Anglo American Capital Plc, 144A, 3.625%, due 5/14/2020	447	0.17
Canada — 2.74% (February 29, 2016: 1.72%)			530 Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 144A, 6.000%, due 2/15/2025	544	0.21	410 Anglo American Capital Plc, 144A, 4.125%, due 4/15/2021	422	0.16
750 1011778 BC ULC / New Red Finance Inc, 144A, 6.000%, due 4/1/2022	782	0.30	780 Park Aerospace Holdings Ltd, 144A, 5.250%, due 8/15/2022	813	0.31	360 Anglo American Capital Plc, 144A, 4.125%, due 9/27/2022	366	0.14
500 DS Services of America Inc, 144A, 10.000%, due 9/1/2021	542	0.21	1,430 Park Aerospace Holdings Ltd, 144A, 5.500%, due 2/15/2024	1,495	0.57	480 Anglo American Capital Plc, 144A, 4.875%, due 5/14/2025	498	0.19
430 GFL Environmental Inc, 144A, 9.875%, due 2/1/2021	468	0.18		2,852	1.09	760 Ashtead Capital Inc, 144A, 5.625%, due 10/1/2024	806	0.31
230 Hudbay Minerals Inc, 144A, 7.625%, due 1/15/2025	251	0.09	Italy — 1.57% (February 29, 2016: 1.35%)			640 Barclays Bank Plc, 7.625%, due 11/21/2022	687	0.26
530 Kissner Holdings LP / Kissner Milling Co Ltd / BSC Holding Inc / Kissner USA, 144A, 8.375%, due 12/1/2022	549	0.21	100 Telecom Italia Capital SA, 7.200%, due 7/18/2036	106	0.04	1,420 Globe Luxembourg SCA, 144A, 9.625%, due 5/1/2018	1,456	0.56
70 MEG Energy Corp, 144A, 6.500%, due 3/15/2021	72	0.03	3,920 Telecom Italia SpA/Milano, 144A, 5.303%, due 5/30/2024	3,989	1.53	460 Marston's Issuer Plc, Series B1, 5.641%, due 7/15/2035 *	514	0.20
690 MEG Energy Corp, 144A, 6.375%, due 1/30/2023	612	0.23		4,095	1.57	780 Royal Bank of Scotland Group Plc, 6.000%, due 12/19/2023	829	0.32
280 MEG Energy Corp, 144A, 7.000%, due 3/31/2024	252	0.10	Luxembourg — 1.15% (February 29, 2016: 2.49%)			460 Royal Bank of Scotland Group Plc, 8.625%, Perpetual *	486	0.19
			270 Altice Financing SA, 144A, 6.625%, due 2/15/2023	284	0.11			
			240 Altice Financing SA, 144A, 7.500%, due 5/15/2026	258	0.10			
			650 ArcelorMittal, 6.125%, due 6/1/2025	730	0.28			

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global High Yield Fund

Portfolio of Investments as at February 28, 2017 – (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)			810 Carrols Restaurant Group Inc., 8.000%, due 5/1/2022	872	0.33	230 DISH DBS Corp, 7.750%, due 7/1/2026	269	0.10
500 Virgin Media Finance Plc, 144A, 6.000%, due 10/15/2024	526	0.20	490 CDW LLC / CDW Finance Corp, 5.000%, due 9/1/2025	497	0.19	400 Dollar Tree Inc, 5.750%, due 3/1/2023	425	0.16
610 Virgin Media Secured Finance Plc, 144A, 5.500%, due 1/15/2025	627	0.24	730 Cengage Learning Inc, 144A, 9.500%, due 6/15/2024	657	0.25	560 Donnelley Financial Solutions Inc, 144A, 8.250%, due 10/15/2024	581	0.22
	7,664	2.94	690 Centene Corp, 4.750%, due 5/15/2022	715	0.27	38 Ensco Plc, 8.000%, due 1/31/2024	39	0.02
United States — 42.46% (February 29, 2016: 50.05%)			130 Centene Corp, 6.125%, due 2/15/2024	141	0.05	170 Finisar Corp, 144A, 0.500%, due 12/15/2036	179	0.07
420 ACCO Brands Corp, 144A, 5.250%, due 12/15/2024	425	0.16	1,460 Centene Corp, 4.750%, due 1/15/2025	1,502	0.58	940 First Data Corp, 144A, 5.000%, due 1/15/2024	960	0.37
1,150 Adient Global Holdings Ltd, 144A, 4.875%, due 8/15/2026	1,141	0.44	420 Central Garden & Pet Co, 6.125%, due 11/15/2023	448	0.17	490 Flex Acquisition Co Inc, 144A, 6.875%, due 1/15/2025	501	0.19
330 ADT Corp/The, 6.250%, due 10/15/2021	360	0.14	580 CenturyLink Inc, Series S, 6.450%, due 6/15/2024	618	0.24	1,060 Flexi-Van Leasing Inc, 144A, 7.875%, due 8/15/2018	962	0.37
560 AdvancePierre Foods Holdings Inc, 144A, 5.500%, due 12/15/2024	570	0.22	1,860 Charter Communications Operating LLC / Charter Communications Operating Capital, 4.908%, due 7/23/2025	1,959	0.75	300 Florida East Coast Holdings Corp, 144A, 6.750%, due 5/1/2019	308	0.12
110 Ahern Rentals Inc, 144A, 7.375%, due 5/15/2023	102	0.04	800 Cheniere Corpus Christi Holdings LLC, 144A, 5.875%, due 3/31/2025	846	0.32	360 Freeport-McMoRan Inc, 6.625%, due 5/1/2021	367	0.14
240 Akamai Technologies Inc, zero coupon, due 2/15/2019	242	0.09	60 Chesapeake Energy Corp, 6.875%, due 11/15/2020	59	0.02	120 Freeport-McMoRan Inc, 144A, 6.875%, due 2/15/2023	127	0.05
320 Alcoa Nederland Holding BV, 144A, 6.750%, due 9/30/2024	348	0.13	400 Chesapeake Energy Corp, 6.125%, due 2/15/2021	386	0.15	940 Freeport-McMoRan Inc, 6.875%, due 2/15/2023	992	0.38
790 Alcoa Nederland Holding BV, 144A, 7.000%, due 9/30/2026	867	0.33	10 Chesapeake Energy Corp, 5.375%, due 6/15/2021	9	—	240 Freeport-McMoRan Inc, 3.875%, due 3/15/2023	221	0.09
260 Alliance One International Inc, 144A, 8.500%, due 4/15/2021	267	0.10	200 Chesapeake Energy Corp, 5.750%, due 3/15/2023	182	0.07	150 Freeport-McMoRan Inc, 5.450%, due 3/15/2043	128	0.05
1,120 Alliance One International Inc, 9.875%, due 7/15/2021	969	0.37	650 Chesapeake Energy Corp, 144A, 8.000%, due 1/15/2025	645	0.25	510 Frontier Communications Corp, 11.000%, due 9/15/2025	513	0.20
1,230 Allison Transmission Inc, 144A, 5.000%, due 10/1/2024	1,252	0.48	400 Chesapeake Energy Corp, 144A, 5.500%, due 9/15/2026	394	0.15	120 GameStop Corp, 144A, 5.500%, due 10/1/2019	122	0.05
400 AMAG Pharmaceuticals Inc, 144A, 7.875%, due 9/1/2023	386	0.15	720 CIT Group Inc, 5.000%, due 8/15/2022	763	0.29	470 GameStop Corp, 144A, 6.750%, due 3/15/2021	485	0.19
328 American Airlines 2013-2 Class B Pass Through Trust, 144A, 5.600%, due 7/15/2020	340	0.13	310 CIT Group Inc, 5.000%, due 8/1/2023	328	0.13	770 Genworth Holdings Inc, 4.900%, due 8/15/2023	658	0.25
840 American Greetings Corp, 144A, 7.875%, due 2/15/2025	880	0.34	398 Coeur Mining Inc, 7.875%, due 2/1/2021	411	0.16	480 GEO Group Inc/The, 6.000%, due 4/15/2026	500	0.19
300 Axalta Coating Systems LLC, 144A, 4.875%, due 8/15/2024	306	0.12	1,050 Cogent Communications Group Inc, 144A, 5.375%, due 3/1/2022	1,092	0.42	810 Gibson Brands Inc, 144A, 8.875%, due 8/1/2018	731	0.28
720 Bank of America Corp, Series Z, 6.500%, Perpetual *	786	0.30	230 Compiler Finance Sub Inc, 144A, 7.000%, due 5/1/2021 †	106	0.04	570 GLP Capital LP / GLP Financing II Inc, 5.375%, due 4/15/2026	596	0.23
1,450 Berry Petroleum Co LLC, 6.375%, due 9/15/2022 ‡	885	0.34	8 Continental Airlines 2000-1 Class B Pass Through Trust, Series 001B, Class B, 8.388%, due 11/1/2020	8	—	590 Greystar Real Estate Partners LLC, 144A, 8.250%, due 12/1/2022	643	0.25
400 Beverages & More Inc, 144A, 10.000%, due 11/15/2018	387	0.15	840 Continental Resources Inc/OK, 3.800%, due 6/1/2024	778	0.30	1,160 Guitar Center Inc, 144A, 6.500%, due 4/15/2019	1,035	0.40
690 Blue Racer Midstream LLC / Blue Racer Finance Corp, 144A, 6.125%, due 11/15/2022	702	0.27	410 CoreCivic Inc, 5.000%, due 10/15/2022	418	0.16	300 Gulfport Energy Corp, 144A, 6.000%, due 10/15/2024	299	0.11
1,310 Bossier Casino Venture Holdco Inc, 144A, 14.000%, due 2/9/2018 †	1,310	0.50	1,310 CSC Holdings LLC, 144A, 6.625%, due 10/15/2025	1,446	0.55	1,020 H&E Equipment Services Inc, 7.000%, due 9/1/2022	1,074	0.41
960 Brinker International Inc, 144A, 5.000%, due 10/1/2024	943	0.36	550 CTP Transportation Products LLC / CTP Finance Inc, 144A, 8.250%, due 12/15/2019	518	0.20	120 Hanesbrands Inc, 144A, 4.625%, due 5/15/2024	119	0.05
700 BWAY Holding Co, 144A, 9.125%, due 8/15/2021	760	0.29	490 DaVita Inc, 5.750%, due 8/15/2022	511	0.20	480 Hanesbrands Inc, 144A, 4.875%, due 5/15/2026	475	0.18
990 Caesars Entertainment Resort Properties LLC / Caesars Entertainment Resort Prope, 8.000%, due 10/1/2020	1,036	0.40	450 DaVita Inc, 5.125%, due 7/15/2024	459	0.18	660 Hardwoods Acquisition Inc, 144A, 7.500%, due 8/1/2021	584	0.22
420 CalAtlantic Group Inc, 5.250%, due 6/1/2026	421	0.16	1,380 DaVita Inc, 5.000%, due 5/1/2025	1,389	0.53	210 HCA Inc, 7.500%, due 2/15/2022	242	0.09
250 Carmike Cinemas Inc, 144A, 6.000%, due 6/15/2023	266	0.10	280 DCP Midstream Operating LP, 144A, 6.750%, due 9/15/2037	297	0.11	130 HCA Inc, 5.250%, due 4/15/2025	139	0.05
790 Carolina Beverage Group LLC / Carolina Beverage Group Finance Inc, 144A, 10.625%, due 8/1/2018	743	0.29	350 Diamond 1 Finance Corp / Diamond 2 Finance Corp, 144A, 5.875%, due 6/15/2021	370	0.14	220 HCA Inc, 5.875%, due 2/15/2026	236	0.09
			350 Diamond 1 Finance Corp / Diamond 2 Finance Corp, 144A, 7.125%, due 6/15/2024	387	0.15	530 HCA Inc, 5.250%, due 6/15/2026	560	0.21
			240 DISH DBS Corp, 5.875%, due 11/15/2024	256	0.10	60 HCA Inc, 4.500%, due 2/15/2027	60	0.02
						100 Hexion Inc / Hexion Nova Scotia Finance ULC, 9.000%, due 11/15/2020	80	0.03
						190 HIG BBC Intermediate Holdings LLC / HIG BBC Holdings Corp, 144A, 10.500%, due 9/15/2018	185	0.07
						260 IASIS Healthcare LLC / IASIS Capital Corp, 8.375%, due 5/15/2019	254	0.10
						1,424 iHeartCommunications Inc, 14.000%, due 2/1/2021	545	0.21

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global High Yield Fund

Portfolio of Investments as at February 28, 2017 – (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)								
1,630 ILFC E-Capital Trust I, 144A, 4.670%, due 12/21/2065 *	1,532	0.59	540 NGL Energy Partners LP / NGL Energy Finance Corp, 144A, 7.500%, due 11/1/2023	568	0.22	70 Tenet Healthcare Corp, 144A, 7.500%, due 1/1/2022	76	0.03
500 Iron Mountain Inc, 144A, 6.000%, due 10/1/2020	525	0.20	390 Nielsen Co Luxembourg SARL/The, 144A, 5.000%, due 2/1/2025	393	0.15	620 Tenet Healthcare Corp, 6.750%, due 6/15/2023	615	0.24
720 Jack Ohio Finance LLC / Jack Ohio Finance 1 Corp, 144A, 6.750%, due 11/15/2021	747	0.29	420 Novellis Corp, 144A, 5.875%, due 9/30/2026	432	0.17	750 Terex Corp, 144A, 5.625%, due 2/1/2025	770	0.30
2,500 JPMorgan Chase & Co, Series R, 6.000%, Perpetual *	2,619	1.00	320 NWH Escrow Corp, 144A, 7.500%, due 8/1/2021	280	0.11	80 Tesoro Logistics LP / Tesoro Logistics Finance Corp, 6.125%, due 10/15/2021	84	0.03
330 L Brands Inc, 6.875%, due 11/1/2035	317	0.12	1,280 Pactiv LLC, 8.375%, due 4/15/2027	1,408	0.54	220 Tesoro Logistics LP / Tesoro Logistics Finance Corp, 6.375%, due 5/1/2024	239	0.09
770 Lamb Weston Holdings Inc, 144A, 4.625%, due 11/1/2024	784	0.30	780 Pilgrim's Pride Corp, 144A, 5.750%, due 3/15/2025	801	0.31	500 T-Mobile USA Inc, 6.000%, due 4/15/2024	534	0.20
460 Lamb Weston Holdings Inc, 144A, 4.875%, due 11/1/2026	467	0.18	720 Post Holdings Inc, 144A, 5.500%, due 3/1/2025	734	0.28	620 TMX Finance LLC / TitleMax Finance Corp, 144A, 8.500%, due 9/15/2018	580	0.22
210 Landry's Inc, 144A, 6.750%, due 10/15/2024	218	0.08	200 Post Holdings Inc, 144A, 5.000%, due 8/15/2026	193	0.07	1,530 United Rentals North America Inc, 5.500%, due 7/15/2025	1,614	0.62
740 Levi Strauss & Co, 5.000%, due 5/1/2025	756	0.29	690 Post Holdings Inc, 144A, 5.750%, due 3/1/2027	698	0.27	460 United Rentals North America Inc, 5.500%, due 5/15/2027	470	0.18
210 Liberty Media Corp-Liberty Formula One, 144A, 1.000%, due 1/30/2023	219	0.08	610 Pride International Inc, 7.875%, due 8/15/2040	567	0.22	610 US Concrete Inc, 6.375%, due 6/1/2024	645	0.25
640 LMI Aerospace Inc, 7.375%, due 7/15/2019	652	0.25	1,100 Prime Security Services Borrower LLC / Prime Finance Inc, 144A, 9.250%, due 5/15/2023	1,203	0.46	490 US Concrete Inc, 144A, 6.375%, due 6/1/2024	518	0.20
1,870 Magnum Hunter Resources Corp Escrow, 9.750%, due 5/15/2020 to	—	—	370 QEP Resources Inc, 6.875%, due 3/1/2021	391	0.15	190 Valeant Pharmaceuticals International, 144A, 7.000%, due 10/1/2020	177	0.07
320 Match Group Inc, 6.375%, due 6/1/2024	346	0.13	950 Rice Energy Inc, 6.250%, due 5/1/2022	971	0.37	400 Valeant Pharmaceuticals International, 144A, 7.250%, due 7/15/2022	360	0.14
400 MDC Partners Inc, 144A, 6.500%, due 5/1/2024	387	0.15	150 Rockies Express Pipeline LLC, 144A, 7.500%, due 7/15/2038	166	0.06	780 Valeant Pharmaceuticals International Inc, 144A, 5.625%, due 12/1/2021	657	0.25
480 MGM Growth Properties Operating Partnership LP / MGP Finance Co-Issuer Inc, 144A, 4.500%, due 9/1/2026	467	0.18	690 Rockies Express Pipeline LLC, 144A, 6.875%, due 4/15/2040	735	0.28	300 Valeant Pharmaceuticals International Inc, 144A, 5.500%, due 3/1/2023	242	0.09
380 MGM Resorts International, 4.625%, due 9/1/2026	372	0.14	740 RSP Permian Inc, 144A, 5.250%, due 1/15/2025	759	0.29	470 Valeant Pharmaceuticals International Inc, 144A, 5.875%, due 5/15/2023	382	0.15
1,015 Michael Baker Holdings LLC / Michael Baker Finance Corp, 144A, 8.875%, due 4/15/2019	990	0.38	500 Sally Holdings LLC / Sally Capital Inc, 5.625%, due 12/1/2025	509	0.20	1,630 Valeant Pharmaceuticals International Inc, 144A, 6.125%, due 4/15/2025	1,298	0.50
30 Michael Baker International LLC / CDL Acquisition Co Inc, 144A, 8.250%, due 10/15/2018	30	0.01	310 Sanchez Energy Corp, 7.750%, due 6/15/2021	318	0.12	500 Valvoline Inc, 144A, 5.500%, due 7/15/2024	528	0.20
280 Microchip Technology Inc, 144A, 1.625%, due 2/15/2027	282	0.11	510 Scientific Games International Inc, 144A, 7.000%, due 1/1/2022	543	0.21	1,500 Viacom Inc, 3.450%, due 10/4/2026	1,436	0.55
190 Microchip Technology Inc, 144A, 2.250%, due 2/15/2037	192	0.07	260 Scotts Miracle-Gro Co/The, 144A, 5.250%, due 12/15/2026	266	0.10	160 Viacom Inc, 4.375%, due 3/15/2043	140	0.05
15 Mirabela, 1.000%, due 9/10/2044 to	—	—	500 Seagate HDD Cayman, 144A, 4.250%, due 3/1/2022	495	0.19	30 Viking Cruises Ltd, 144A, 8.500%, due 10/15/2022	31	0.01
1,544 Miran Mid-Atlantic Series C Pass Through Trust, Series C, 10.060%, due 12/30/2028	1,378	0.53	580 Service Corp International/US, 5.375%, due 5/15/2024	614	0.24	875 Viking Cruises Ltd, 144A, 6.250%, due 5/15/2025	842	0.32
410 Mohegan Tribal Gaming Authority, 144A, 7.875%, due 10/15/2024	420	0.16	590 ServiceMaster Co LLC/The, 144A, 5.125%, due 11/15/2024	600	0.23	150 WebMD Health Corp, 144A, 2.625%, due 6/15/2023	143	0.06
740 Navios Maritime Acquisition Corp / Navios Acquisition Finance US Inc, 144A, 8.125%, due 11/15/2021	664	0.25	720 Simmons Foods Inc, 144A, 7.875%, due 10/1/2021	758	0.29	1,250 West Corp, 144A, 5.375%, due 7/15/2022	1,201	0.46
590 NCL Corp Ltd, 144A, 4.625%, due 11/15/2020	606	0.23	260 Spectrum Brands Inc, 5.750%, due 7/15/2025	276	0.11	450 Whiting Petroleum Corp, 1.250%, due 4/1/2020	401	0.15
330 NCL Corp Ltd, 144A, 4.750%, due 12/15/2021	337	0.13	1,397 Sprint Capital Corp, 8.750%, due 3/15/2032	1,676	0.64	130 Whiting Petroleum Corp, 5.750%, due 3/15/2021	129	0.05
650 Neiman Marcus Group Ltd LLC, 144A, 8.000%, due 10/15/2021	408	0.16	380 Sprint Communications Inc, 11.500%, due 11/15/2021	478	0.18	70 Whiting Petroleum Corp, 6.250%, due 4/1/2023	70	0.03
1,007 Neovia Logistics Intermediate Holdings LLC / Logistics Intermediate Finance Corp, 144A, 10.000%, due 2/15/2018	745	0.29	2,010 Sprint Corp, 7.875%, due 9/15/2023	2,236	0.86	290 Williams Cos Inc/The, 3.700%, due 1/15/2023	284	0.11
600 NES Rentals Holdings Inc, 144A, 7.875%, due 5/1/2018	605	0.23	1,610 Sprint Corp, 7.625%, due 2/15/2025	1,795	0.69	530 Williams Cos Inc/The, Series A, 7.500%, due 1/15/2031	623	0.24
			160 Standard Industries Inc/NJ, 144A, 5.125%, due 2/15/2021	167	0.06	320 Williams Cos Inc/The, 5.750%, due 6/24/2044	323	0.12
			360 Suburban Propane Partners LP/Suburban Energy Finance Corp, 5.875%, due 3/1/2027	361	0.14	380 Windstream Services LLC, 7.750%, due 10/15/2020	390	0.15
			370 Targa Resources Partners LP / Targa Resources Partners Finance Corp, 144A, 5.125%, due 2/1/2025	385	0.15	530 Windstream Services LLC, 7.750%, due 10/1/2021	546	0.21
			390 Targa Resources Partners LP / Targa Resources Partners Finance Corp, 144A, 5.375%, due 2/1/2027	407	0.16	500 Windstream Services LLC, 7.500%, due 6/1/2022	495	0.19
						500 Windstream Services LLC, 6.375%, due 8/1/2023	455	0.17
						620 Woodside Homes Co LLC / Woodside Homes Finance Inc, 144A, 6.750%, due 12/15/2021	649	0.25

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global High Yield Fund

Portfolio of Investments as at February 28, 2017 – (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)				Egypt — 0.24% (February 29, 2016: 0.00%)							
United States — (continued)				650 Egypt Government International Bond, 144A, 5.875%, due 6/11/2025				638 0.24			
1,100 WPX Energy Inc, 8.250%, due 8/1/2023		1,232	0.47	Ghana — 0.45% (February 29, 2016: 0.00%)							
		110,782	42.46	1,010 Ghana Government International Bond, 144A, 10.750%, due 10/14/2030				1,187 0.45			
Venezuela — 0.41% (February 29, 2016: 0.62%)				Indonesia — 0.63% (February 29, 2016: 0.00%)							
2,720 Petroleos de Venezuela SA, 6.000%, due 5/16/2024		1,081	0.41	920 Indonesia Government International Bond, 5.950%, due 1/8/2046				1,079 0.41			
Total Corporate Bonds and Notes (Cost \$179,684)				IDR 6,943,000 Indonesia Treasury Bond, Series FR56, 8.375%, due 9/15/2026				553 0.21			
		179,027	68.61	IDR 262,000 Indonesia Treasury Bond, Series FR68, 8.375%, due 3/15/2034				20 0.01			
Government Bonds and Notes — 16.06% (February 29, 2016: 2.69%)								1,652 0.63			
Argentina — 4.18% (February 29, 2016: 1.00%)				Peru — 0.01% (February 29, 2016: 0.01%)							
ARS 17,870 Argentine Bonos del Tesoro, 18.200%, due 10/3/2021		1,283	0.49	12 Peruvian Government International Bond, 7.350%, due 7/21/2025				16 0.01			
1,260 Argentine Republic Government International Bond, 144A, 7.500%, due 4/22/2026		1,317	0.50	Russia — 2.39% (February 29, 2016: 0.00%)							
1,210 Argentine Republic Government International Bond, 144A, 6.875%, due 1/26/2027		1,210	0.46	RUB 78,000 Russian Federal Bond – OFZ, Series 6207, 8.150%, due 2/3/2027				1,342 0.52			
1,094 Argentine Republic Government International Bond, 8.280%, due 12/31/2033		1,167	0.45	RUB 77,950 Russian Federal Bond – OFZ, Series 6212, 7.050%, due 1/19/2028				1,228 0.47			
690 Argentine Republic Government International Bond, 144A, 7.625%, due 4/22/2046		695	0.27	3,400 Russian Foreign Bond – Eurobond, 144A, 4.875%, due 9/16/2023				3,657 1.40			
870 City of Buenos Aires Argentina, 144A, 7.500%, due 6/1/2027		894	0.34					6,227 2.39			
1,410 Provincia de Buenos Aires/ Argentina, 144A, 9.125%, due 3/16/2024		1,558	0.60	Sri Lanka — 0.15% (February 29, 2016: 0.00%)							
2,780 Provincia de Buenos Aires/ Argentina, 144A, 7.875%, due 6/15/2027		2,779	1.07	360 Sri Lanka Government International Bond, 6.250%, due 7/27/2021				382 0.15			
		10,903	4.18	Turkey — 2.61% (February 29, 2016: 0.00%)							
Brazil — 1.13% (February 29, 2016: 0.00%)				6,930 Turkey Government International Bond, 4.250%, due 4/14/2026				6,341 2.43			
BRL 4,000 Brazil Notas do Tesouro Nacional Serie F, Series NTNf, 10.000%, due 1/1/2023		1,274	0.49	500 Turkey Government International Bond, 4.875%, due 10/9/2026				475 0.18			
1,700 Brazilian Government International Bond, 4.250%, due 1/7/2025		1,670	0.64					6,816 2.61			
		2,944	1.13	United States — 1.90% (February 29, 2016: 1.44%)							
Colombia — 0.10% (February 29, 2016: 0.00%)				900 United States Treasury Note/ Bond, 1.375%, due 9/30/2020				891 0.34			
250 Colombia Government International Bond, 4.000%, due 2/26/2024		257	0.10	2,400 United States Treasury Note/ Bond, 1.125%, due 8/31/2021				2,326 0.89			
Costa Rica — 0.19% (February 29, 2016: 0.00%)				1,500 United States Treasury Note/ Bond, 1.125%, due 9/30/2021				1,452 0.56			
510 Costa Rica Government International Bond, 144A, 7.000%, due 4/4/2044		502	0.19	300 United States Treasury Note/ Bond, 1.875%, due 1/31/2022				300 0.11			
Cote d'Ivoire (Ivory Coast) — 0.23% (February 29, 2016: 0.00%)								4,969 1.90			
637 Ivory Coast Government International Bond, 5.750%, due 12/31/2032		599	0.23	Venezuela — 0.44% (February 29, 2016: 0.24%)							
Dominican Republic — 0.47% (February 29, 2016: 0.00%)				1,365 Venezuela Government International Bond, 7.750%, due 10/13/2019				893 0.34			
1,190 Dominican Republic International Bond, 144A, 6.850%, due 1/27/2045		1,229	0.47	3 Venezuela Government International Bond, 0.000%, due 4/15/2020 *				13 0.01			
Ecuador — 0.94% (February 29, 2016: 0.00%)				500 Venezuela Government International Bond, 8.250%, due 10/13/2024				241 0.09			
900 Ecuador Government International Bond, 144A, 10.500%, due 3/24/2020		989	0.38					1,147 0.44			
400 Ecuador Government International Bond, 144A, 10.750%, due 3/28/2022		447	0.17	Total Government Bonds and Notes (Cost \$41,620)				41,920 16.06			
1,015 Ecuador Government International Bond, 7.950%, due 6/20/2024		1,016	0.39	Loan Notes — 1.57% (February 29, 2016: 2.33%)							
		2,452	0.94	EUR 2,244 Boats Investments Netherlands BV PIK, 11.000%, due 3/31/2017 *†				559 0.22			

Portfolio of Investments as at February 28, 2017 – (continued)

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Schedule of Forward Foreign Currency Contracts

								Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Expiration Date	Counterparty		Buy Currency (000's)			Sell Currency (000's)		
03/02/17	BNY Mellon	Buy	SGD	—	Sell	USD	—	\$ —
03/15/17	BNY Mellon	Buy	USD	2,443	Sell	AUD	3,178	8
03/15/17	BNY Mellon	Buy	USD	557	Sell	AUD	730	(3)
03/15/17	BNY Mellon	Buy	USD	272	Sell	EUR	257	—
03/15/17	BNY Mellon	Buy	USD	168	Sell	EUR	159	(1)
03/15/17	BNY Mellon	Buy	USD	1	Sell	GBP	—	—
03/15/17	BNY Mellon	Buy	USD	367	Sell	SGD	518	(3)
03/15/17	BNY Mellon	Buy	EUR	6,837	Sell	USD	7,315	(66)
03/15/17	BNY Mellon	Buy	AUD	40,745	Sell	USD	31,009	219
03/15/17	BNY Mellon	Buy	AUD	451	Sell	USD	347	(1)
03/15/17	BNY Mellon	Buy	GBP	126	Sell	USD	158	(1)
03/15/17	BNY Mellon	Buy	EUR	39	Sell	USD	42	—
03/15/17	BNY Mellon	Buy	SGD	8,575	Sell	USD	6,054	65
04/20/17	Citigroup	Buy	USD	946	Sell	EUR	886	5
05/11/17	Citigroup	Buy	USD	191	Sell	AUD	250	(1)
05/11/17	Citigroup	Buy	USD	1,726	Sell	EUR	1,601	23
05/11/17	Citigroup	Buy	USD	1,189	Sell	GBP	951	7
05/11/17	Citigroup	Buy	GBP	800	Sell	USD	1,000	(5)
05/11/17	Deutsche Bank	Buy	USD	1,225	Sell	EUR	1,129	25
05/11/17	UBS	Buy	USD	12,436	Sell	EUR	11,604	101
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$974)								453
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(319))								(81)
Net Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$655)								\$ 372

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
U.S. 2 Year Note (CBT) June 2017	(66)	\$(14,283)	\$ 11
Total Market Value of Futures Contracts			\$ 11
Unrealised Appreciation of Futures Contracts (February 29, 2016 (000's): \$7)			11
Unrealised Depreciation of Futures Contracts (February 29, 2016 (000's): \$(23))			—
Net Appreciation of Futures Contracts (February 29, 2016 (000's): \$(16))			\$ 11

Legg Mason Western Asset US Short-Term Government Fund

Portfolio of Investments as at February 28, 2017

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 — 3.96% (February 29, 2016: 8.25%)			279 Fannie Mae-Aces, Series 2015 M4, Class FA, 0.949%, due 9/25/2018 *	280	1.59	Government Bonds and Notes — 86.19% (February 29, 2016: 73.85%)		
160 American Express Credit Account Master Trust, Series 2013 2, Class A, 1.190%, due 5/17/2021 *	161	0.92	6 Freddie Mac Gold Pool 'N30699', 7.000%, due 8/1/2030	6	0.03	United States — 86.19% (February 29, 2016: 73.85%)		
100 American Express Issuance Trust II, Series 2013 2, Class A, 1.200%, due 8/15/2019 *	100	0.57	69 Freddie Mac Gold Pool 'U90316', 4.000%, due 10/1/2042	73	0.41	100 Federal Home Loan Bank Discount Notes, zero coupon, due 3/8/2017	100	0.57
200 Citibank Credit Card Issuance Trust, Series 2013 A4, Class A4, 1.199%, due 7/24/2020 *	201	1.14	23 Ginnie Mae I Pool '385981', 9.000%, due 11/15/2024	23	0.13	360 Federal Home Loan Banks, 0.625%, due 8/7/2018	358	2.04
100 Citibank Credit Card Issuance Trust, Series 2013 A7, Class A7, 1.202%, due 9/10/2020 *	100	0.57	11 Ginnie Mae I Pool '405539', 8.500%, due 12/15/2025	12	0.07	1,144 United States Treasury Note/Bond, 0.625%, due 4/30/2018	1,139	6.49
110 Ford Credit Floorplan Master Owner Trust A, Series 2014 4, Class A2, 1.120%, due 8/15/2019 *	110	0.63	154 Ginnie Mae I Pool '780162', 8.500%, due 6/15/2025	179	1.02	850 United States Treasury Note/Bond, 0.750%, due 4/30/2018	847	4.83
24 Ohio Phase-In-Recovery Funding LLC, Series 2013 1, Class A1, 0.958%, due 7/1/2018	24	0.13	27 Ginnie Mae II Pool '4923', 4.500%, due 1/20/2041	29	0.17	1,250 United States Treasury Note/Bond, 1.000%, due 5/15/2018	1,250	7.12
Total Asset-Backed Securities (Cost \$693)	696	3.96	71 Ginnie Mae II Pool '4978', 4.500%, due 3/20/2041	76	0.44	650 United States Treasury Note/Bond, 1.125%, due 6/15/2018	651	3.71
Mortgage-Backed Securities — 8.54% (February 29, 2016: 19.51%)			17 Government National Mortgage Association, Series 2010 31, Class GS, 5.719%, due 3/20/2039 *	2	0.01	135 United States Treasury Note/Bond, 1.375%, due 7/31/2018	136	0.77
15 Fannie Mae Interest Strip 407, Class C10, 5.000%, due 1/25/2038	3	0.02	20 Government National Mortgage Association, Series 2010 85, Class HS, 5.869%, due 1/20/2040 *	3	0.02	1,475 United States Treasury Note/Bond, 1.500%, due 8/31/2018	1,484	8.45
226 Fannie Mae Interest Strip 409, Class C13, 3.500%, due 11/25/2041	44	0.25	121 Government National Mortgage Association, Series 2010 H10, Class FC, 1.776%, due 5/20/2060 *	122	0.69	1,500 United States Treasury Note/Bond, 1.000%, due 9/15/2018	1,498	8.53
71 Fannie Mae Interest Strip 409, Class C18, 4.000%, due 4/25/2042	13	0.07	86 Government National Mortgage Association, Series 2010 H22, Class FE, 1.122%, due 5/20/2059 *	85	0.49	1,500 United States Treasury Note/Bond, 0.750%, due 10/31/2018	1,490	8.48
40 Fannie Mae Interest Strip 409, Class C2, 3.000%, due 4/25/2027	3	0.02	121 Government National Mortgage Association, Series 2010 H26, Class LF, 1.122%, due 8/20/2058 *	120	0.68	2,000 United States Treasury Note/Bond, 1.125%, due 1/15/2019	1,997	11.37
22 Fannie Mae Interest Strip 409, Class C22, 4.500%, due 11/25/2039	4	0.03	43 Government National Mortgage Association, Series 2011 140, Class AI, 4.000%, due 10/16/2026	4	0.02	2,229 United States Treasury Note/Bond, 1.000%, due 8/31/2019	2,209	12.58
21 Fannie Mae Pool '516217', 8.500%, due 8/1/2019	22	0.12	245 Government National Mortgage Association, Series 2012 34, Class SD, 5.280%, due 3/16/2042 *	50	0.28	1,000 United States Treasury Note/Bond, 0.875%, due 9/15/2019	988	5.62
43 Fannie Mae Pool '545816', 8.000%, due 3/1/2017	43	0.24	Total Mortgage-Backed Securities (Cost \$1,445)	1,500	8.54	1,000 United States Treasury Note/Bond, 1.000%, due 11/15/2019	989	5.63
213 Fannie Mae Pool '555318', 7.000%, due 4/1/2032	242	1.38	Corporate Bonds and Notes — 1.11% (February 29, 2016: 0.82%)				15,136	86.19
29 Fannie Mae Pool 'AL1469', 7.000%, due 2/1/2039	33	0.19	United States — 1.11% (February 29, 2016: 0.82%)			Total Government Bonds and Notes (Cost \$15,208)	15,136	86.19
19 Fannie Mae REMICS, Series 2010 150, Class SK, 5.752%, due 1/25/2041 *	3	0.02	190 Verizon Communications Inc, 2.709%, due 9/14/2018 *	195	1.11	Total Investments (Cost \$17,536)	17,527	99.80
23 Fannie Mae REMICS, Series 2012 46, Class BA, 6.000%, due 5/25/2042	26	0.15	Total Corporate Bonds and Notes (Cost \$190)	195	1.11	Other Assets in Excess of Liabilities (February 29, 2016: (2.43%))	35	0.20
						Total Net Assets	\$17,562	100.00

* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2017.

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	99.40
Other assets	0.60
Total Assets	100.00

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
U.S. 5 Year Note (CBT) June 2017	(5)	\$ (589)	\$ —
Total Market Value of Futures Contracts			\$ —
Unrealised Appreciation of Futures Contracts (February 29, 2016 (000's): \$2)			—
Unrealised Depreciation of Futures Contracts (February 29, 2016 (000's): \$—)			—
Net Depreciation of Futures Contracts (February 29, 2016 (000's): \$2)			\$ —

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US Adjustable Rate Fund

Portfolio of Investments as at February 28, 2017

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 — 9.47% (February 29, 2016: 19.27%)				Collective Investment Schemes — 1.66% (February 29, 2016: 0.01%)			
200	American Express Issuance Trust II, Series 2013 2, Class A, 1.200%, due 8/15/2019 *	201	3.56	94	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	94	1.66
100	Capital One Multi-Asset Execution Trust, Series 2016 A3, Class A3, 1.340%, due 4/15/2022	99	1.76	Total Collective Investment Schemes (Cost \$94)			
120	Citibank Credit Card Issuance Trust, Series 2013 A4, Class A4, 1.199%, due 7/24/2020 *	120	2.13	Total Investments (Cost \$5,674)			
100	Citibank Credit Card Issuance Trust, Series 2013 A7, Class A7, 1.202%, due 9/10/2020 *	100	1.78	Liabilities in Excess of Other Assets (February 29, 2016: 1.45%)			
14	Ohio Phase-In-Recovery Funding LLC, Series 2013 1, Class A1, 0.958%, due 7/1/2018	14	0.24	Total Net Assets			
Total Asset-Backed Securities (Cost \$534)		534	9.47	\$5,643 100.00			
Mortgage-Backed Securities — 0.18% (February 29, 2016: 2.65%)				ABBREVIATIONS:			
9	Freddie Mac Non Gold Pool '555464', 10.500%, due 12/1/2020	10	0.18	Perpetual – A bond with no maturity date. Perpetual bonds are not redeemable but pay a steady stream of interest			
Total Mortgage-Backed Securities (Cost \$10)		10	0.18				
Corporate Bonds and Notes — 26.02% (February 29, 2016: 27.81%)				% of Total Assets			
Australia — 1.43% (February 29, 2016: 0.87%)				Analysis of Total Assets			
80	Westpac Banking Corp, 1.779%, due 7/30/2018 *	81	1.43	Transferable securities admitted to an official exchange listing or traded on a regulated market			
United States — 24.59% (February 29, 2016: 18.55%)				Collective investment schemes			
250	Apple Inc, 1.285%, due 5/3/2018 *	251	4.44	Other assets			
250	Berkshire Hathaway Finance Corp, 1.653%, due 3/15/2019 *	253	4.49	Total Assets			
300	Chevron Corp, 1.209%, due 11/15/2017 *	300	5.32	100.00			
80	Exxon Mobil Corp, 1.003%, due 3/15/2017 *	80	1.42				
250	Exxon Mobil Corp, 1.113%, due 3/15/2019 *	250	4.43				
250	International Business Machines Corp, 1.404%, due 2/12/2019 *	251	4.45				
15	Lehman Escrow Receipt, zero coupon, Perpetual †∞	2	0.04				
		1,387	24.59				
Total Corporate Bonds and Notes (Cost \$1,461)		1,468	26.02				
Government Bonds and Notes — 63.45% (February 29, 2016: 48.81%)							
United States — 63.45% (February 29, 2016: 48.81%)							
500	Federal Farm Credit Banks, 0.802%, due 1/17/2018 *	501	8.88				
250	Federal Farm Credit Banks, 0.829%, due 11/1/2018 *	251	4.44				
225	Federal Home Loan Bank Discount Notes, zero coupon, due 3/3/2017	225	3.99				
275	Federal Home Loan Banks, 0.796%, due 11/28/2017 *	275	4.88				
200	Federal Home Loan Banks, 0.829%, due 3/1/2018 *	201	3.55				
550	United States Treasury Floating Rate Note, 0.788%, due 1/31/2018 *	551	9.77				
775	United States Treasury Floating Rate Note, 0.706%, due 4/30/2018 *	776	13.76				
450	United States Treasury Floating Rate Note, 0.690%, due 7/31/2018 *	451	7.98				
150	United States Treasury Floating Rate Note, 0.686%, due 10/31/2018 *	150	2.66				
200	United States Treasury Floating Rate Note, 0.656%, due 1/31/2019 *	200	3.54				
		3,581	63.45				
Total Government Bonds and Notes (Cost \$3,575)		3,581	63.45				

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 28, 2017

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 — 88.59% (February 29, 2016: 91.61%)				United Kingdom — 18.22% (February 29, 2016: 11.72%)				Options — (0.01%) (February 29, 2016: 0.02%)		
Australia — 0.45% (February 29, 2016: 0.69%)				GBP 450	United Kingdom Gilt Inflation Linked, Series 3MO, 0.125%, due 11/22/2019 β	650	3.97	Purchased Options — 0.01% (February 29, 2016: 0.03%)		
AUD 70	Australia Government Bond, Series 30CI, 2.500%, due 9/20/2030 β	74	0.45	GBP 489	United Kingdom Gilt Inflation Linked, Series 3MO, 0.125%, due 3/22/2026 β	757	4.62	– U.S. 10 Year April 2017 Call 127.00, due 3/24/2017		
Canada — 1.29% (February 29, 2016: 2.20%)				GBP 190	United Kingdom Gilt Inflation Linked, Series 3MO, 0.125%, due 11/22/2036 β	345	2.11	Written Options — (0.02%) (February 29, 2016: (0.01%))		
CAD 70	Canadian Government Real Return Bond, Series CPI, 4.250%, due 12/1/2021 β	100	0.61	GBP 150	United Kingdom Gilt Inflation Linked, Series 3MO, 0.125%, due 3/22/2044 β	326	1.99	– U.S. 10 Year June 2017 Call 128.00, due 5/26/2017		
CAD 110	Canadian Government Real Return Bond, Series CPI, 1.500%, due 12/1/2044 β	112	0.68	GBP 90	United Kingdom Gilt Inflation Linked, Series 3MO, 0.500%, due 3/22/2050 β	269	1.64	Total Options (Cost \$(1))		
		212	1.29	GBP 50	United Kingdom Gilt Inflation Linked, Series 3MO, 0.125%, due 3/22/2058 β	131	0.80	Total Investments (Cost \$15,874)		
France — 6.49% (February 29, 2016: 7.60%)				GBP 155	United Kingdom Gilt Inflation Linked, Series 3MO, 0.125%, due 3/22/2068 β	507	3.09	Other Assets in Excess of Liabilities (February 29, 2016: 4.03%)		
EUR 130	French Republic Government Bond OAT, Series OATe, 1.100%, due 7/25/2022 β	169	1.03			2,985	18.22	Total Net Assets		
EUR 690	French Republic Government Bond OAT, Series OATe, 0.250%, due 7/25/2024 β	810	4.94	United States — 42.13% (February 29, 2016: 36.58%)				– Amounts designated as “–” are either \$0, less than \$1,000 or less than 1,000 shares.		
EUR 70	French Republic Government Bond OAT, Series OATe, 144A, 0.700%, due 7/25/2030 β	85	0.52	330	United States Treasury Inflation Indexed Bonds, 1.625%, due 1/15/2018 β	391	2.38	144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2017, these securities amounted to \$85,000 or 0.52% of net assets.		
		1,064	6.49	1,370	United States Treasury Inflation Indexed Bonds, 0.125%, due 4/15/2018 β	1,452	8.86	β The rate of interest on this type of security is tied to the Consumer Price Index (CPI)/Retail Price Index (RPI). The coupon rate is the rate as of February 28, 2017.		
Germany — 5.77% (February 29, 2016: 3.91%)				970	United States Treasury Inflation Indexed Bonds, 0.125%, due 4/15/2020 β	1,019	6.22	ABBREVIATIONS:		
EUR 590	Deutsche Bundesrepublik Inflation Linked Bond, Series I/L, 1.750%, due 4/15/2020 β	765	4.67	750	United States Treasury Inflation Indexed Bonds, 0.125%, due 4/15/2021 β	774	4.73	CPI – Consumer Price Index		
EUR 140	Deutsche Bundesrepublik Inflation Linked Bond, Series I/L, 0.500%, due 4/15/2030 β	180	1.10	2,000	United States Treasury Inflation Indexed Bonds, 0.375%, due 7/15/2025 β	2,055	12.54	AUD – Australian Dollar		
		945	5.77	165	United States Treasury Inflation Indexed Bonds, 1.375%, due 2/15/2044 β	191	1.17	CAD – Canadian Dollar		
Italy — 10.90% (February 29, 2016: 16.69%)				890	United States Treasury Inflation Indexed Bonds, 0.750%, due 2/15/2045 β	884	5.39	EUR – Euro		
EUR 370	Italy Buoni Poliennali Del Tesoro, Series CPI, 1.700%, due 9/15/2018 β	415	2.53	130	United States Treasury Inflation Indexed Bonds, 1.000%, due 2/15/2046 β	137	0.84	GBP – British Pound		
EUR 890	Italy Buoni Poliennali Del Tesoro, Series CPI, 3.100%, due 9/15/2026 β	1,193	7.28			6,903	42.13	JPY – Japanese Yen		
EUR 130	Italy Buoni Poliennali Del Tesoro, Series CPI, 2.550%, due 9/15/2041 β	179	1.09	Total Government Bonds and Notes (Cost \$14,400)				NZD – New Zealand Dollar		
		1,787	10.90			14,517	88.59	PLN – Polish Zloty		
Japan — 0.83% (February 29, 2016: 0.00%)				Collective Investment Schemes — 9.00% (February 29, 2016: 4.34%)				Analysis of Total Assets		
JPY 14,400	Japanese Government CPI Linked Bond, Series 21, 0.100%, due 3/10/2026 β	135	0.83	1,475	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	1,475	9.00	Transferable securities admitted to an official exchange listing or traded on a regulated market	85.82	
New Zealand — 1.04% (February 29, 2016: 4.11%)				Total Collective Investment Schemes (Cost \$1,475)				Collective investment schemes	8.72	
NZD 210	New Zealand Government Bond, Series 0930, 3.000%, due 9/20/2030 β	171	1.04	Total Investments Excluding Options (Cost \$15,875)				Financial derivative instruments	0.35	
Poland — 1.47% (February 29, 2016: 0.00%)						15,992	97.59	Other assets	5.11	
PLN 1,080	Republic of Poland Government Bond, Series 0726, 2.500%, due 7/25/2026	241	1.47					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)
04/20/17	Citigroup	Buy USD 214	Sell JPY 24,490	\$ (5)
04/20/17	Citigroup	Buy JPY 24,490	Sell USD 213	6
05/11/17	Bank of America	Buy USD 81	Sell AUD 107	–
05/11/17	Bank of America	Buy JPY 32,061	Sell USD 286	1
05/11/17	Bank of America	Buy CAD 127	Sell USD 97	(2)
05/11/17	BNY Mellon	Buy USD 146	Sell EUR 134	3
05/11/17	Citigroup	Buy USD 57	Sell EUR 53	1
05/11/17	Citigroup	Buy USD 210	Sell JPY 23,452	–
05/11/17	Citigroup	Buy USD 130	Sell NZD 178	2
05/11/17	HSBC	Buy USD 172	Sell EUR 160	2

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 28, 2017 – (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)
05/11/17	JP Morgan Chase Bank	Buy	USD 251	Sell	EUR 234	\$ 2
05/11/17	JP Morgan Chase Bank	Buy	USD 886	Sell	GBP 710	4
05/11/17	JP Morgan Chase Bank	Buy	USD 300	Sell	JPY 33,510	1
05/11/17	JP Morgan Chase Bank	Buy	JPY 14,800	Sell	USD 129	3
05/11/17	UBS	Buy	USD 133	Sell	AUD 175	(1)
05/11/17	UBS	Buy	USD 332	Sell	CAD 438	3
05/11/17	UBS	Buy	USD 4,254	Sell	EUR 3,974	29
05/11/17	UBS	Buy	USD 431	Sell	EUR 406	–
05/11/17	UBS	Buy	USD 2,117	Sell	GBP 1,709	(7)
05/11/17	UBS	Buy	USD 62	Sell	GBP 50	–
05/11/17	UBS	Buy	USD 164	Sell	JPY 18,600	(2)
05/11/17	UBS	Buy	USD 136	Sell	JPY 15,120	–
05/11/17	UBS	Buy	USD 79	Sell	NZD 108	1
05/11/17	UBS	Buy	EUR 232	Sell	PLN 1,000	1
05/11/17	UBS	Buy	SEK 2,070	Sell	USD 234	(4)
05/11/17	UBS	Buy	JPY 5,800	Sell	USD 52	–
05/11/17	UBS	Buy	EUR 644	Sell	USD 688	(4)
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$245)						59
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(50))						(25)
Net Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$195)						\$ 34

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
10 Year Mini Japanese Government Bond March 2017	(4)	\$ (536)	\$ (2)
Euro-BTP March 2017	(3)	(422)	(4)
Euro-Bund March 2017	(9)	(1,583)	(23)
Japanese Yen Currency March 2017	(2)	(223)	(1)
Long Gilt June 2017	(3)	(474)	(6)
U.S. 10 Year Note (CBT) June 2017	(8)	(997)	(4)
U.S. 5 Year Note (CBT) June 2017	8	942	(3)
Total Market Value of Futures Contracts			\$ (43)
Unrealised Appreciation of Futures Contracts (February 29, 2016 (000's): \$1)			–
Unrealised Depreciation of Futures Contracts (February 29, 2016 (000's): \$(88))			(43)
Net Depreciation of Futures Contracts (February 29, 2016 (000's): \$(87))			\$ (43)

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Asian Opportunities Fund

Portfolio of Investments as at February 28, 2017

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 — 27.08% (February 29, 2016: 26.08%)				India — 2.10% (February 29, 2016: 2.45%)				United States — 0.13% (February 29, 2016: 0.18%)							
Australia — 1.26% (February 29, 2016: 0.57%)				CNH	14,500	ICICI Bank Ltd/Bahrain, 4.000%, due 11/24/2017	2,091	0.37	SGD	1,000	Citigroup Inc, Series 21, 2.225%, due 4/8/2020 *	711	0.13		
	1,500	AusNet Services Holdings Pty Ltd, 5.750%, due 3/17/2076 *	1,609	0.28		4,000	ONGC Videsh Vankorneft Pte Ltd, 3.750%, due 7/27/2026	3,936	0.69	Total Corporate Bonds and Notes (Cost \$158,616)			154,014	27.08	
CNH	10,000	Commonwealth Bank of Australia, 4.000%, due 5/3/2018 †	1,432	0.25		6,000	UPL Corp Ltd, 3.250%, due 10/13/2021	5,929	1.04	Government Bonds and Notes — 61.96% (February 29, 2016: 58.06%)					
CNH	29,000	Commonwealth Bank of Australia, 3.950%, due 5/27/2018 †	4,146	0.73				11,956	2.10	China — 3.99% (February 29, 2016: 7.47%)					
			7,187	1.26	Indonesia — 5.26% (February 29, 2016: 5.68%)				CNH	68,000	China Government Bond, 3.380%, due 11/21/2024	9,232	1.62		
China — 3.49% (February 29, 2016: 8.34%)				IDR	13,000,000	Indosat Tbk PT, Series OB, 10.000%, due 12/12/2017	972	0.17	CNH	5,000	China Government Bond, 3.390%, due 5/21/2025	677	0.12		
	800	Bright Galaxy International Ltd, 3.375%, due 11/3/2021	784	0.14		15,000	Pelabuhan Indonesia II PT, 5.375%, due 5/5/2045	14,587	2.57	CNH	96,500	China Government Bond, 3.600%, due 5/21/2030	12,798	2.25	
	1,800	China Aoyuan Property Group Ltd, 6.350%, due 1/11/2020	1,856	0.33		6,000	Pertamina Persero PT, 5.250%, due 5/23/2021	6,420	1.13				22,707	3.99	
	2,238	China Construction Bank Corp, 3.875%, due 5/13/2025 *	2,278	0.40		3,500	Pertamina Persero PT, 4.300%, due 5/20/2023	3,602	0.63	India — 15.58% (February 29, 2016: 14.42%)					
CNH	30,000	China Unicom Hong Kong Ltd, 4.000%, due 4/16/2017	4,357	0.76		4,450	Perusahaan Listrik Negara PT, 5.250%, due 10/24/2042	4,341	0.76	INR	1,725,000	India Government Bond, 7.280%, due 6/3/2019	26,299	4.63	
	1,400	Country Garden Holdings Co Ltd, 7.875%, due 5/27/2019	1,467	0.26	Malaysia — 1.30% (February 29, 2016: 0.00%)				INR	650,000	India Government Bond, 7.800%, due 4/11/2021	10,114	1.78		
	3,110	Franshion Investment Ltd, 4.700%, due 10/26/2017	3,169	0.56		1,900	Gohl Capital Ltd, 4.250%, due 1/24/2027	1,918	0.34	INR	1,480,000	India Government Bond, 8.150%, due 6/11/2022	23,310	4.10	
	1,300	FUXIANG Investment Management Ltd, 3.625%, due 11/30/2019	1,308	0.23		1,500	Malayan Banking Bhd, 3.905%, due 10/29/2026 *	1,512	0.26	INR	850,000	India Government Bond, 8.150%, due 11/24/2026	13,432	2.36	
	500	Gansu Provincial Highway Aviation Tourism Investment Group Co Ltd, 3.000%, due 11/18/2019	497	0.09		2,100	RHB Bank Bhd, 2.503%, due 10/6/2021	2,047	0.36	INR	980,000	India Government Bond, Series SPB, 8.240%, due 2/15/2027	15,430	2.71	
	800	Guangxi Communications Investment Group Co Ltd, 3.000%, due 11/4/2019	792	0.14		2,000	TNB Global Ventures Capital Bhd, 3.244%, due 10/19/2026	1,930	0.34				88,585	15.58	
CNH	20,050	Industrial & Commercial Bank of China Ltd/Sydney, 3.550%, due 8/11/2017	2,908	0.51				7,407	1.30	Indonesia — 14.06% (February 29, 2016: 9.94%)					
	400	Yuzhou Properties Co Ltd, 6.000%, due 1/25/2022	407	0.07	New Zealand — 0.22% (February 29, 2016: 0.33%)				IDR	170,380,000	Indonesia Treasury Bond, Series FR70, 8.375%, due 3/15/2024	13,415	2.36		
			19,823	3.49	CNH	9,000	Fonterra Co-operative Group Ltd, 3.600%, due 1/29/2019	1,276	0.22	IDR	171,000,000	Indonesia Treasury Bond, Series FR56, 8.375%, due 9/15/2026	13,621	2.40	
France — 0.03% (February 29, 2016: 0.04%)				Philippines — 1.08% (February 29, 2016: 1.33%)				IDR	108,875,000	Indonesia Treasury Bond, Series FR59, 7.000%, due 5/15/2027	7,866	1.38			
CNH	1,000	Total Capital SA, 3.750%, due 9/24/2018	144	0.03		1,000	BDO Unibank Inc, 2.625%, due 10/24/2021	989	0.17	IDR	20,000,000	Indonesia Treasury Bond, Series FR47, 10.000%, due 2/15/2028	1,717	0.30	
Germany — 0.10% (February 29, 2016: 0.14%)				PHP	133,000	Petron Corp, 7.000%, due 11/10/2017	2,698	0.48	IDR	27,500,000	Indonesia Treasury Bond, Series FR64, 6.125%, due 5/15/2028	1,803	0.32		
CNH	4,000	Volkswagen International Finance NV, 3.500%, due 1/23/2019	569	0.10		2,300	Petron Corp, 7.500%, Perpetual *	2,427	0.43	IDR	75,000,000	Indonesia Treasury Bond, Series FR73, 8.750%, due 5/15/2031	5,998	1.05	
							6,114	1.08	IDR	120,000,000	Indonesia Treasury Bond, Series FR54, 9.500%, due 7/15/2031	10,062	1.77		
Hong Kong — 5.93% (February 29, 2016: 3.82%)				Singapore — 3.17% (February 29, 2016: 3.20%)				IDR	25,000,000	Indonesia Treasury Bond, Series FR58, 8.250%, due 6/15/2032	1,901	0.33			
	3,700	Bank of East Asia Ltd/The, 4.000%, due 11/3/2026 *	3,652	0.64	SGD	1,750	AACI REIT MTN Pte Ltd, 3.800%, due 5/21/2019	1,259	0.22	IDR	70,000,000	Indonesia Treasury Bond, Series FR68, 8.375%, due 3/15/2034	5,380	0.95	
	2,000	Bank of East Asia Ltd/The, 5.500%, Perpetual *	1,974	0.35		3,000	CapitalLand Treasury Ltd, 4.076%, due 9/20/2022	3,100	0.54	IDR	67,039,000	Indonesia Treasury Bond, Series FR67, 8.750%, due 2/15/2044	5,217	0.92	
	3,000	Baosteel Financing 2015 Pty Ltd, 3.875%, due 1/28/2020	3,069	0.54	SGD	6,750	CapitalLand Treasury Ltd, 3.800%, due 8/28/2024	4,984	0.88	IDR	56,000,000	Lembaga Pembiayaan Ekspor Indonesia, Series Ob, 7.400%, due 3/3/2018	4,204	0.74	
CNH	22,750	China Construction Bank Asia Corp Ltd, 3.450%, due 6/27/2017	3,295	0.58	CNH	5,000	Global Logistic Properties Ltd, 4.000%, due 5/11/2018	722	0.13		2,000	Perusahaan Penerbit SBSN Indonesia III, 4.350%, due 9/10/2024	2,060	0.36	
	6,800	Chinalco Capital Holdings Ltd, 4.000%, due 8/25/2021	6,757	1.19		10,000	Mapletree Commercial Trust Treasury Co Pte Ltd, 3.110%, due 8/24/2026	7,080	1.24		5,000	Perusahaan Penerbit SBSN Indonesia III, 4.550%, due 3/29/2026	5,181	0.91	
	1,000	CLP Power Hong Kong Financing Ltd, 3.125%, due 5/6/2025	983	0.17	HKD	7,000	Mapletree Greater China Commercial Treasury Co HK SAR Ltd, 2.800%, due 2/11/2020	888	0.16				79,962	14.06	
	1,200	Dah Sing Bank Ltd, 4.250%, due 11/30/2026 *	1,213	0.21				18,033	3.17	Malaysia — 7.35% (February 29, 2016: 5.38%)					
	905	Goodman HK Finance, 4.375%, due 6/19/2024	938	0.16	South Korea — 0.98% (February 29, 2016: 0.00%)				MYR	66,380	Malaysia Government Bond, Series 0115, 3.955%, due 9/15/2025	14,802	2.60		
	2,100	HKT Capital No 2 Ltd, 3.625%, due 4/2/2025	2,098	0.37		2,000	Busan Bank Co Ltd, 3.625%, due 7/25/2026	1,919	0.34	MYR	21,500	Malaysia Government Bond, Series 0316, 3.900%, due 11/30/2026	4,773	0.84	
	7,900	HKT Capital No 4 Ltd, 3.000%, due 7/14/2026	7,447	1.31		2,520	Shinhan Bank, 3.875%, due 3/24/2026	2,539	0.44						
	2,300	Swire Properties MTN Financing Ltd, 3.625%, due 1/13/2026	2,315	0.41		1,100	Shinhan Bank, 3.875%, due 12/7/2026 *	1,120	0.20						
			33,741	5.93				5,578	0.98	Taiwan — 1.67% (February 29, 2016: 0.00%)					
						10,000	Foxconn Far East Ltd, 3.000%, due 9/23/2026	9,479	1.67	Thailand — 0.36% (February 29, 2016: 0.00%)					
						2,000	Krung Thai Bank PCL/ Cayman Islands, 5.200%, due 12/26/2024 *	2,074	0.36						

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Asian Opportunities Fund

Portfolio of Investments as at February 28, 2017 – (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	
Government Bonds and Notes — (continued)				Taiwan — 1.52% (February 29, 2016: 2.86%)				25,480 Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)				
Malaysia — (continued)				TWD	100,000	Taiwan Government Bond, Series 99-5, 1.375%, due 3/10/2020	3,323	0.59	Total Collective Investment Schemes (Cost \$40,467)			
MYR	1,200	Malaysia Government Bond, Series 0308, 5.248%, due 9/15/2028	291	0.05	TWD	100,000	Taiwan Government Bond, 2.375%, due 2/25/2025	3,607	0.63	Total Investments (Cost \$593,642)		
MYR	100,000	Malaysia Government Bond, Series 0411, 4.232%, due 6/30/2031	21,925	3.86	TWD	50,000	Taiwan Government Bond, Series 99-4, 1.875%, due 2/22/2030	1,731	0.30	Other Assets in Excess of Liabilities (February 29, 2016: 2.21%)		
			41,791	7.35				8,661	1.52	Total Net Assets		
Philippines — 7.69% (February 29, 2016: 8.29%)				Thailand — 2.90% (February 29, 2016: 5.33%)				* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2017.				
PHP	503,000	Philippine Government International Bond, 3.900%, due 11/26/2022	9,766	1.72	THB	525,000	Thailand Government Bond, 3.850%, due 12/12/2025	16,485	2.90	† Illiquid.		
PHP	1,506,000	Philippine Government International Bond, 6.250%, due 1/14/2036	33,290	5.85	Vietnam — 2.08% (February 29, 2016: 1.64%)				∞ Security is valued in good faith at fair value by or at the discretion of the Investment Manager. The counterparties for Total Return Swaps are Citi and JP Morgan.			
	700	Philippine Government International Bond, 3.700%, due 3/1/2041	693	0.12		11,594	Vietnam Government International Bond, 4.800%, due 11/19/2024	11,819	2.08	ABBREVIATIONS:		
			43,749	7.69	Total Government Bonds and Notes (Cost \$384,212)				Perpetual – A bond with no maturity date. Perpetual bonds are not redeemable but pay a steady stream of interest			
Singapore — 3.24% (February 29, 2016: 2.03%)				Total Return Swaps — 1.41% (February 29, 2016: 4.81%)				CNH – Chinese Renminbi				
SGD	3,000	Housing & Development Board, 1.230%, due 1/30/2018	2,139	0.38	Indonesia — 1.41% (February 29, 2016: 4.81%)				HKD – Hong Kong Dollar			
SGD	1,500	Singapore Government Bond, 2.750%, due 4/1/2042	1,137	0.20	IDR	10,000,000	Indonesia Treasury Bond, Series FR46, 9.500%, due 7/15/2023 ∞	826	0.15	IDR – Indonesian Rupiah		
SGD	20,000	Singapore Government Bond, 2.750%, due 3/1/2046	15,156	2.66	IDR	45,000,000	Indonesia Treasury Bond, Series FR52, 10.500%, due 8/15/2030 ∞	4,057	0.71	INR – India Rupee		
			18,432	3.24	IDR	37,000,000	Indonesia Treasury Bond, Series FR54, 9.500%, due 7/15/2031 ∞	3,102	0.55	KRW – South Korean Won		
South Korea — 2.64% (February 29, 2016: 0.00%)				Total Total Return Swaps (Cost \$10,347)				MYR – Malaysian Ringgit				
CNH	7,000	Export-Import Bank of Korea, 3.625%, due 1/27/2019	997	0.17	Collective Investment Schemes — 7.52% (February 29, 2016: 8.96%)				PHP – Philippine Peso			
KRW	18,000,000	Korea Treasury Bond, Series 3609, 1.500%, due 9/10/2036	14,026	2.47		1,000	Legg Mason China Funds – Western Asset China Bond Fund, Class M	11,590	2.04	SGD – Singapore Dollar		
			15,023	2.64		4,962	Legg Mason Western Asset Asian Bond Trust – Class A (SGD) Accumulating ∞	5,711	1.00	THB – Thai Baht		
Sri Lanka — 0.91% (February 29, 2016: 0.70%)								TWD – Taiwanese Dollar			% of Total Assets	
	2,000	Sri Lanka Government International Bond, 5.125%, due 4/11/2019	2,068	0.36	Analysis of Total Assets							
	3,000	Sri Lanka Government International Bond, 6.825%, due 7/18/2026	3,121	0.55	Transferable securities admitted to an official exchange listing or traded on a regulated market							
			5,189	0.91	Collective investment schemes							
								Financial derivative instruments			0.25	
								Other assets			2.55	
								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)
03/01/17	BNY Mellon	Buy USD	Sell AUD	59
03/02/17	BNY Mellon	Buy USD	Sell AUD	588
03/13/17	Deutsche Bank	Buy USD	Sell TWD	448,000
03/15/17	BNY Mellon	Buy USD	Sell AUD	1,072
03/15/17	BNY Mellon	Buy USD	Sell AUD	474
03/15/17	BNY Mellon	Buy USD	Sell CHF	479
03/15/17	BNY Mellon	Buy USD	Sell CNH	3,248
03/15/17	BNY Mellon	Buy USD	Sell CNH	651
03/15/17	BNY Mellon	Buy USD	Sell EUR	119
03/15/17	BNY Mellon	Buy USD	Sell GBP	–
03/15/17	BNY Mellon	Buy USD	Sell SGD	17
03/15/17	BNY Mellon	Buy USD	Sell USD	12,184
03/15/17	BNY Mellon	Buy CNH	Sell USD	13,585
03/15/17	BNY Mellon	Buy EUR	Sell USD	932
03/15/17	BNY Mellon	Buy AUD	Sell USD	3,786
03/15/17	BNY Mellon	Buy CHF	Sell USD	330
03/15/17	BNY Mellon	Buy GBP	Sell USD	22,353
03/15/17	BNY Mellon	Buy AUD	Sell USD	5,620
03/15/17	BNY Mellon	Buy SGD	Sell USD	40,316
04/26/17	Deutsche Bank	Buy KRW	Sell USD	14,248
05/15/17	Citigroup	Buy THB	Sell USD	66
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$38)				1,434
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(692))				(314)
Net Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(654))				\$ 1,120

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Asian Opportunities Fund

Portfolio of Investments as at February 28, 2017 – *(continued)*

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Korea 10 Year Bond March 2017	637	\$ 70,593	\$ (28)
Total Market Value of Futures Contracts			\$ (28)
Unrealised Appreciation of Futures Contracts (February 29, 2016 (000's): \$2,621)			–
Unrealised Depreciation of Futures Contracts (February 29, 2016 (000's): \$–)			(28)
Net Depreciation of Futures Contracts (February 29, 2016 (000's): \$2,621)			\$ (28)

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Blue Chip Bond Fund

Portfolio of Investments as at February 28, 2017

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 — 94.03% (February 29, 2016: 89.12%)											
Australia — 6.22% (February 29, 2016: 6.14%)											
544	BHP Billiton Finance USA Ltd, 3.250%, due 11/21/2021	570	1.99	180	Schlumberger Holdings Corp, 144A, 4.000%, due 12/21/2025	263	0.92				
GBP 405	Macquarie Bank Ltd, 3.500%, due 12/18/2020	547	1.91	180	Schlumberger Holdings Corp, 4.000%, due 12/21/2025	189	0.66				
EUR 287	Telstra Corp Ltd, 3.750%, due 5/16/2022	360	1.25	538	Toyota Motor Credit Corp, 3.400%, due 9/15/2021	560	1.95				
GBP 230	Westpac Banking Corp, 2.625%, due 12/14/2022	306	1.07	360	UnitedHealth Group Inc, 1.625%, due 3/15/2019	359	1.25				
		1,783	6.22	540	Visa Inc, 3.150%, due 12/14/2025	547	1.91				
Belgium — 1.97% (February 29, 2016: 2.47%)											
570	Anheuser-Busch InBev Worldwide Inc, 2.500%, due 7/15/2022	565	1.97	Total Corporate Bonds and Notes (Cost \$27,525)							
Canada — 1.23% (February 29, 2016: 0.97%)											
350	Toronto-Dominion Bank/The, 2.500%, due 12/14/2020	353	1.23	26,943 94.03							
France — 6.38% (February 29, 2016: 4.99%)											
EUR 350	Airbus Group Finance BV, 2.375%, due 4/2/2024	417	1.45	Government Bonds and Notes — 3.59% (February 29, 2016: 0.00%)							
570	BNP Paribas / BNP Paribas US Medium-Term Note Program LLC, 3.250%, due 3/3/2023	574	2.01	United States — 3.59% (February 29, 2016: 0.00%)							
EUR 300	Credit Agricole SA/London, 1.250%, due 4/14/2026	316	1.10	730	United States Treasury Note/Bond, 1.875%, due 1/31/2022	729	2.54				
EUR 200	Electricite de France SA, 2.750%, due 3/10/2023	236	0.82	310	United States Treasury Note/Bond, 2.000%, due 11/15/2026	300	1.05				
286	Engie SA, 1.625%, due 10/10/2017	286	1.00	Total Government Bonds and Notes (Cost \$1,030)							
		1,829	6.38	1,029 3.59							
Germany — 4.19% (February 29, 2016: 3.41%)											
GBP 450	BMW US Capital LLC, 2.000%, due 11/20/2019	577	2.01	Collective Investment Schemes — 0.87% (February 29, 2016: 8.96%)							
EUR 500	Vier Gas Transport GmbH, Series 02, 2.875%, due 6/12/2025	623	2.18	250	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	250	0.87				
		1,200	4.19	Total Collective Investment Schemes (Cost \$250)							
Japan — 2.27% (February 29, 2016: 2.40%)											
EUR 540	Sumitomo Mitsui Banking Corp, 2.750%, due 7/24/2023	649	2.27	250 0.87							
Netherlands — 3.50% (February 29, 2016: 3.49%)											
270	Cooperatieve Rabobank UA/NY, 3.375%, due 5/21/2025	273	0.95	Total Investments (Cost \$28,805)							
410	Shell International Finance BV, 3.250%, due 5/11/2025	414	1.44	28,222 98.49							
EUR 246	TenneT Holding BV, 4.500%, due 2/9/2022	317	1.11	Other Assets in Excess of Liabilities (February 29, 2016: 1.92%)							
		1,004	3.50	432 1.51							
Singapore — 1.58% (February 29, 2016: 1.27%)											
460	Temasek Financial I Ltd, 2.375%, due 1/23/2023	453	1.58	Total Net Assets							
Sweden — 2.77% (February 29, 2016: 1.15%)											
420	Svenska Handelsbanken AB, 1.625%, due 3/21/2018	420	1.47	\$28,654 100.00							
370	Swedbank AB, 2.650%, due 3/10/2021	372	1.30	144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2017, these securities amounted to \$263,000 or 0.92% of net assets.							
		792	2.77	ABBREVIATIONS:							
Switzerland — 5.19% (February 29, 2016: 3.09%)											
250	Credit Suisse AG/New York NY, 3.625%, due 9/9/2024	254	0.89	EUR	–	Euro					% of Total Assets
GBP 320	Nestle Finance International Ltd, 2.250%, due 11/30/2023	427	1.49	GBP	–	British Pound					
380	Novartis Securities Investment Ltd, 5.125%, due 2/10/2019	405	1.41	Analysis of Total Assets							
400	UBS Group Funding Jersey Ltd, 3.000%, due 4/15/2021	401	1.40	Transferable securities admitted to an official exchange listing or traded on a regulated market							
		1,487	5.19	Collective investment schemes							
United Kingdom — 17.28% (February 29, 2016: 13.07%)											
EUR 250	Barclays Plc, 1.875%, due 3/23/2021	275	0.96	Financial derivative instruments							
GBP 300	BAT International Finance Plc, 1.750%, due 7/5/2021	378	1.32	Other assets							
280	BP Capital Markets Plc, 3.506%, due 3/17/2025	283	0.99	Total Assets							
				100.00							

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Blue Chip Bond Fund

Portfolio of Investments as at February 28, 2017 – (continued)

Schedule of Credit Default Swaps

Counterparty	Reference Entity	Buy/Sell Protection	Expiration Date	Notional Amount (000's)	Value (000's)
Merrill Lynch	Markit iTraxx Europe, 1.000%	Buy	12/20/21	1,600	\$ (22)
					\$ (22)
Unrealised Appreciation of Credit Default Swaps (February 29, 2016 (000's): \$-)					–
Unrealised Depreciation of Credit Default Swaps (February 29, 2016 (000's): \$-)					(22)
Net Depreciation of Credit Default Swaps (February 29, 2016 (000's): \$-)					\$ (22)

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)		Sell Currency (000's)		Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/15/17	BNY Mellon	Buy	USD 1	Sell	EUR 1	\$ –
03/15/17	BNY Mellon	Buy	USD 112	Sell	GBP 89	1
03/15/17	BNY Mellon	Buy	EUR 8	Sell	USD 9	–
03/15/17	BNY Mellon	Buy	EUR 1,160	Sell	USD 1,240	(11)
03/15/17	BNY Mellon	Buy	GBP 5,579	Sell	USD 6,983	(56)
05/11/17	Barclays Bank	Buy	EUR 942	Sell	USD 1,022	(21)
05/11/17	BNY Mellon	Buy	GBP 84	Sell	USD 106	(1)
05/11/17	Citigroup	Buy	USD 73	Sell	GBP 59	–
05/11/17	Citigroup	Buy	EUR 1,282	Sell	USD 1,382	(19)
05/11/17	Deutsche Bank	Buy	EUR 4,543	Sell	USD 4,931	(102)
05/11/17	HSBC	Buy	EUR 197	Sell	USD 212	(3)
05/11/17	Royal Bank of Canada	Buy	USD 15	Sell	GBP 12	–
05/11/17	Royal Bank of Canada	Buy	GBP 26	Sell	USD 32	–
05/11/17	Royal Bank of Scotland	Buy	USD 14	Sell	GBP 11	–
05/11/17	UBS	Buy	USD 12,006	Sell	EUR 11,203	98
05/11/17	UBS	Buy	USD 4,041	Sell	GBP 3,262	(14)
05/11/17	UBS	Buy	GBP 18	Sell	USD 23	(1)
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$572)						99
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(834))						(228)
Net Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(262))						\$ (129)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Euro-Bund March 2017	(16)	\$ (2,815)	\$ (68)
Long Gilt June 2017	(20)	(3,157)	(41)
U.S. 5 Year Note (CBT) June 2017	18	2,119	2
Total Market Value of Futures Contracts			\$ (107)
Unrealised Appreciation of Futures Contracts (February 29, 2016 (000's): \$-)			2
Unrealised Depreciation of Futures Contracts (February 29, 2016 (000's): \$(164))			(109)
Net Depreciation of Futures Contracts (February 29, 2016 (000's): \$(164))			\$ (107)

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Credit Absolute Return Fund^ø

Portfolio of Investments as at February 28, 2017

Face Value (000's)	Value (000's) \$
Common Stock (February 29, 2016: 6.89%)	
United States (February 29, 2016: 6.89%)	
800 Magnum Hunter Resources Corp Escrow †	–
13 Physiotherapy Associates Holding Inc †∞	157
	157
Total Common Stock (Cost \$143)	157
Total Investments (Cost \$143)	157
Liabilities in Excess of Other Assets (February 29, 2016: (1.15%))	(157)
Total Net Assets	\$ –

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

† Illiquid.

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

	% of Total Assets
Analysis of Total Assets	
Transferable securities admitted to an official exchange listing or traded on a regulated market	50.32
Other assets	49.68
Total Assets	100.00

ø Effective April 29, 2016 Legg Mason Western Asset Global Credit Absolute Return Fund[^] ceased trading.

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

The accompanying notes are an integral part of the Financial Statements

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

Portfolio of Investments as at February 28, 2017

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 — 0.17% (February 29, 2016: 0.97%)			AUD 100 Westpac Banking Corp, 7.250%, due 2/11/2020	86	0.04	500 Cooperatieve Rabobank UA, 4.625%, due 12/1/2023	528	0.25
6 CDC Mortgage Capital Trust 2002-HE1, Series 2002 HE1, Class A, 1.398%, due 1/25/2033 *	6	—		286	0.13	500 Shell International Finance BV, 4.375%, due 5/11/2045	517	0.24
344 Nelnet Student Loan Trust 2008-3, Series 2008 3, Class A4, 2.702%, due 11/25/2024 *	352	0.17	Belgium — 0.36% (February 29, 2016: 0.82%)				2,332	1.08
Total Asset-Backed Securities (Cost \$351)	358	0.17	30 Anheuser-Busch InBev Finance Inc, 2.625%, due 1/17/2023	30	0.01	Peru — 0.11% (February 29, 2016: 0.08%)		
Mortgage-Backed Securities — 9.87% (February 29, 2016: 9.84%)			590 Anheuser-Busch InBev Finance Inc, 4.900%, due 2/1/2046	647	0.30	250 Southern Copper Corp, 5.250%, due 11/8/2042	245	0.11
40 Fannie Mae Pool '975097', 5.000%, due 6/1/2038	44	0.02	100 Anheuser-Busch InBev Worldwide Inc, 2.500%, due 7/15/2022	99	0.05	Spain — 0.21% (February 29, 2016: 0.20%)		
220 Fannie Mae Pool 'AL3024', 3.500%, due 1/1/2043	226	0.11		776	0.36	EUR 400 Telefonica Emisiones SAU, 2.932%, due 10/17/2029	454	0.21
42 Fannie Mae Pool 'AL3572', 5.000%, due 7/1/2041	47	0.02	Brazil — 0.49% (February 29, 2016: 0.32%)			Switzerland — 0.60% (February 29, 2016: 0.25%)		
252 Fannie Mae Pool 'AL7093', 4.000%, due 5/1/2045	267	0.12	580 Petrobras Global Finance BV, 6.250%, due 3/17/2024	589	0.27	100 Glencore Finance Canada Ltd, 144A, 2.700%, due 10/25/2017	101	0.05
79 Fannie Mae Pool 'AS4271', 4.500%, due 1/1/2045	86	0.04	230 Petrobras Global Finance BV, 6.750%, due 1/27/2041	211	0.10	EUR 651 Glencore Finance Europe SA, 1.875%, due 9/13/2023	711	0.33
890 Fannie Mae Pool 'AS8359', 3.000%, due 11/1/2046	885	0.41	21 Vale Overseas Ltd, 6.875%, due 11/21/2036	23	0.01	440 UBS Group Funding Jersey Ltd, 144A, 4.125%, due 9/24/2025	448	0.21
1,174 Fannie Mae Pool 'AX0756', 3.500%, due 7/1/2044	1,212	0.56	232 Vale SA, 5.625%, due 9/11/2042	224	0.11	GBP 20 Zurich Finance UK Plc, 6.625%, Perpetual *	29	0.01
700 Fannie Mae Pool, 15 year, TBA, 3.500% ±	730	0.34		1,047	0.49		1,289	0.60
4,400 Fannie Mae Pool, 15 year, TBA, 3.000% ±	4,524	2.10	Canada — 0.19% (February 29, 2016: 0.18%)			United Kingdom — 5.92% (February 29, 2016: 4.19%)		
300 Fannie Mae Pool, 15 year, TBA, 2.500% ±	301	0.14	390 1011778 BC ULC / New Red Finance Inc, 144A, 6.000%, due 4/1/2022	407	0.19	GBP 232 AA Bond Co Ltd, 2.875%, due 1/31/2022	292	0.14
200 Fannie Mae Pool, 30 year, TBA, 5.000% ±	219	0.10	Colombia — 1.09% (February 29, 2016: 0.28%)			GBP 670 Aviva Plc, 6.125%, due 11/14/2036 *	942	0.44
300 Fannie Mae Pool, 30 year, TBA, 3.500% ±	308	0.14	138 Ecopetrol SA, 5.875%, due 9/18/2023	150	0.07	GBP 100 Aviva Plc, 5.125%, due 6/4/2050 *	128	0.06
2,400 Fannie Mae Pool, 30 year, TBA, 4.000% ±	2,522	1.17	1,780 Ecopetrol SA, 4.125%, due 1/16/2025	1,726	0.80	GBP 210 Aviva Plc, 6.875%, due 5/20/2058 *	319	0.15
2,600 Fannie Mae Pool, 30 year, TBA, 4.500% ±	2,794	1.30	510 Ecopetrol SA, 5.875%, due 5/28/2045	460	0.22	GBP 280 BAE Systems Plc, 4.125%, due 6/8/2022	393	0.18
400 Fannie Mae Pool, 30 year, TBA, 3.000% ±	397	0.19		2,336	1.09	EUR 460 Barclays Bank Plc, 6.000%, due 1/14/2021	574	0.27
368 Freddie Mac Gold Pool 'G06496', 5.000%, due 6/1/2041	408	0.19	France — 0.25% (February 29, 2016: 0.42%)			EUR 530 Barclays Plc, 2.625%, due 11/11/2025 *	568	0.26
473 Freddie Mac Gold Pool 'G07697', 4.500%, due 6/1/2038	510	0.24	150 Pernod Ricard SA, 144A, 4.450%, due 1/15/2022	160	0.07	EUR 460 BAT International Finance Plc, 1.250%, due 3/13/2027	481	0.22
200 Freddie Mac Gold Pool, 30 year, TBA, 3.500% ±	205	0.10	EUR 160 SFR Group SA, 5.625%, due 5/15/2024	180	0.08	160 BP Capital Markets Plc, 3.245%, due 5/6/2022	164	0.08
965 Ginnie Mae II Pool 'MA3873', 3.000%, due 8/20/2046	977	0.45	200 SFR Group SA, 144A, 6.250%, due 5/15/2024	203	0.10	350 BP Capital Markets Plc, 3.506%, due 3/17/2025	354	0.16
4,400 Ginnie Mae II Pool, 30 year, TBA, 3.500% ±	4,574	2.13		543	0.25	GBP 470 BUPA Finance Plc, 5.000%, due 4/25/2023	646	0.30
Total Mortgage-Backed Securities (Cost \$21,256)	21,236	9.87	Germany — 0.47% (February 29, 2016: 0.57%)			GBP 170 Centrica Plc, 5.250%, due 4/10/2075 *	224	0.10
Certificate of Deposit — 3.76% (February 29, 2016: 0.00%)			EUR 400 Allianz Finance II BV, 5.750%, due 7/8/2041 *	495	0.23	GBP 140 Gatwick Funding Ltd, 4.625%, due 3/27/2034	215	0.10
2,700 Mizuho Bank Ltd/NY, 1.250%, due 3/28/2017	2,701	1.25	GBP 250 innogy Finance BV, 5.625%, due 12/6/2023	381	0.17	565 HSBC Holdings Plc, 4.250%, due 8/18/2025	573	0.27
2,700 Sumitomo Mitsui Banking Corp/New York, 1.230%, due 3/28/2017	2,701	1.26	GBP 100 Muenchener Rueckversicherungs-Gesellschaft AG in Muenchen, 6.625%, due 5/26/2042 *	147	0.07	GBP 100 HSBC Holdings Plc, 7.000%, due 4/7/2038	175	0.08
2,700 Sumitomo Mitsui Trust Bank Ltd (NY), 1.240%, due 3/27/2017	2,701	1.25		1,023	0.47	GBP 100 Imperial Brands Finance Plc, 4.875%, due 6/7/2032	153	0.07
Total Certificate of Deposit (Cost \$8,100)	8,103	3.76	Italy — 0.05% (February 29, 2016: 0.05%)			EUR 63 Lloyds Bank Plc, 6.500%, due 3/24/2020	79	0.04
Commercial Paper — 2.51% (February 29, 2016: 0.00%)			EUR 100 Intesa Sanpaolo SpA, 1.125%, due 3/4/2022	105	0.05	GBP 960 Lloyds Bank Plc, 7.625%, due 4/22/2025	1,585	0.74
2,700 Bank of Tokyo-Mitsubishi UFJ Ltd/New York, 0.770%, due 3/28/2017 **	2,698	1.25	Mexico — 0.84% (February 29, 2016: 0.73%)			GBP 270 Porterbrook Rail Finance Ltd, 4.625%, due 4/4/2029	409	0.19
2,700 BNP Paribas/New York, 0.700%, due 3/28/2017 **	2,699	1.26	230 Mexichem SAB de CV, 4.875%, due 9/19/2022	241	0.11	GBP 850 Prudential Plc, 5.000%, due 7/20/2055 *	1,055	0.49
Total Commercial Paper (Cost \$5,395)	5,397	2.51	15 Petroleos Mexicanos, 4.875%, due 1/24/2022	15	0.01	GBP 100 Prudential Plc, 5.700%, due 12/19/2063 *	130	0.06
Corporate Bonds and Notes — 29.92% (February 29, 2016: 23.06%)			140 Petroleos Mexicanos, 6.625%, due 6/15/2035	141	0.07	60 Royal Bank of Scotland Group Plc, 6.100%, due 6/10/2023	64	0.03
Australia — 0.13% (February 29, 2016: 0.12%)			26 Petroleos Mexicanos, 5.500%, due 6/27/2044	22	0.01	EUR 320 Royal Bank of Scotland Group Plc, 3.625%, due 3/25/2024 *	346	0.16
200 WEA Finance LLC / Westfield UK & Europe Finance Plc, 144A, 4.750%, due 9/17/2044	200	0.09	1,451 Petroleos Mexicanos, 6.375%, due 1/23/2045	1,381	0.64	350 Royal Bank of Scotland Group Plc, 5.125%, due 5/28/2024	354	0.16
				1,800	0.84	GBP 260 Scottish Widows Ltd, 5.500%, due 6/16/2023	358	0.17
			Netherlands — 1.08% (February 29, 2016: 0.31%)			EUR 420 Sky Plc, 2.250%, due 11/17/2025	475	0.22
			EUR 800 ABN AMRO Bank NV, 7.125%, due 7/6/2022	1,086	0.50	GBP 214 Sky Plc, 4.000%, due 11/26/2029	306	0.14
			190 AerCap Ireland Capital DAC / AerCap Global Aviation Trust, 4.500%, due 5/15/2021	201	0.09			

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The accompanying notes are an integral part of the Financial Statements

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

Portfolio of Investments as at February 28, 2017 – (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	220 Standard Chartered Plc, 5.125%, due 6/6/2034	278	0.13	100 Comcast Corp, 6.450%, due 3/15/2037		129	0.06	1,120 Goldman Sachs Group Inc/The, 6.250%, due 2/1/2041	1,414	0.66	
	230 Standard Chartered Plc, 144A, 5.700%, due 3/26/2044	235	0.11	20 Comcast Corp, 6.400%, due 3/1/2040		26	0.01	20 Goldman Sachs Group Inc/The, 5.150%, due 5/22/2045	21	0.01	
GBP	650 Whitbread Group Plc, 3.375%, due 10/16/2025	864	0.40	210 Constellation Brands Inc, 4.750%, due 11/15/2024		227	0.11	440 Goodyear Tire & Rubber Co/The, 5.125%, due 11/15/2023	457	0.21	
		12,739	5.92	67 Continental Airlines 2009-2 Class A Pass Through Trust, Series A, 7.250%, due 11/10/2019		75	0.03	1,000 Harris Corp, 5.054%, due 4/27/2045	1,103	0.51	
United States — 18.13% (February 29, 2016: 14.54%)				10 Crestwood Midstream Partners LP / Crestwood Midstream Finance Corp, 6.000%, due 12/15/2020		10	0.01	70 HCA Inc, 7.500%, due 2/15/2022	81	0.04	
	30 AbbVie Inc, 2.900%, due 11/6/2022	30	0.01	70 Crestwood Midstream Partners LP / Crestwood Midstream Finance Corp, 6.125%, due 3/1/2022		72	0.03	150 HCA Inc, 5.375%, due 2/1/2025	157	0.07	
	310 Actavis Funding SCS, 3.800%, due 3/15/2025	313	0.15	70 Crestwood Midstream Partners LP / Crestwood Midstream Finance Corp, 6.250%, due 4/1/2023		73	0.03	30 Humana Inc, 6.300%, due 8/1/2018	32	0.01	
	25 Ally Financial Inc, 8.000%, due 3/15/2020	29	0.01	50 Delta Air Lines 2007-1 Class A Pass Through Trust, Series 071A, 6.821%, due 8/10/2022		58	0.03	150 ILFC E-Capital Trust 1, 144A, 4.670%, due 12/2/2065 *	141	0.07	
	30 Altria Group Inc, 9.250%, due 8/6/2019	35	0.02	390 Devon Energy Corp, 5.850%, due 12/15/2025		448	0.21	1,290 JPMorgan Chase & Co, 3.200%, due 1/25/2023	1,307	0.61	
	80 Altria Group Inc, 5.375%, due 1/31/2044	93	0.04	390 Dollar Tree Inc, 5.750%, due 3/1/2023		414	0.19	80 JPMorgan Chase & Co, 3.625%, due 5/13/2024	82	0.04	
	42 American Express Co, 2.650%, due 12/2/2022	42	0.02	60 Duke Energy Progress LLC, 4.375%, due 3/30/2044		64	0.03	200 JPMorgan Chase & Co, 4.125%, due 12/15/2026	205	0.10	
	250 American Express Co, 3.625%, due 12/5/2024	254	0.12	20 Enterprise Products Operating LLC, Series L, 6.300%, due 9/15/2017		21	0.01	1,250 JPMorgan Chase & Co, 4.250%, due 10/1/2027	1,289	0.60	
	40 American International Group Inc, 4.500%, due 7/16/2044	39	0.02	20 Enterprise Products Operating LLC, 5.100%, due 2/15/2045		22	0.01	GBP 640 Kraft Heinz Foods Co, 4.125%, due 7/1/2027	886	0.41	
	10 Apache Corp, 4.750%, due 4/15/2043	10	0.01	10 Exelon Corp, 5.625%, due 6/15/2035		12	0.01	90 Lamb Weston Holdings Inc, 144A, 4.875%, due 11/1/2026	91	0.04	
	20 AT&T Inc, 3.875%, due 8/15/2021	21	0.01	30 Express Scripts Holding Co, 3.900%, due 2/15/2022		31	0.01	960 Lehman Brothers Holdings Capital Trust Escrow, zero coupon, Perpetual 1000	—	—	
	244 AT&T Inc, 4.500%, due 3/9/2048	219	0.10	20 FirstEnergy Corp, Series B, 4.250%, due 3/15/2023		21	0.01	186 Lehman Escrow Receipt, zero coupon, Perpetual 1000	24	0.01	
EUR	150 Bank of America Corp, 0.523%, due 3/28/2018 *	159	0.07	215 FirstEnergy Corp, Series C, 7.375%, due 11/15/2031		283	0.13	150 Lockheed Martin Corp, 4.070%, due 12/15/2042	149	0.07	
	30 Bank of America Corp, 7.625%, due 6/1/2019	34	0.02	1,200 Ford Motor Co, 4.750%, due 1/15/2043		1,154	0.54	690 Lockheed Martin Corp, 4.700%, due 5/15/2046	757	0.35	
	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		277	0.13	960 McDonald's Corp, 4.875%, due 12/9/2045	1,033	0.48	
	70 Bank of America Corp, 4.100%, due 7/24/2023	73	0.03	325 GE Capital International Funding Co Unlimited Co, 4.418%, due 11/15/2035		348	0.16	100 Medtronic Inc, 3.625%, due 3/15/2024	105	0.05	
	250 Bank of America Corp, 4.200%, due 8/26/2024	258	0.12	442 General Electric Co, 6.875%, due 1/10/2039		634	0.29	200 Medtronic Inc, 4.625%, due 3/15/2045	217	0.10	
	570 Bank of America Corp, 4.000%, due 1/22/2025	574	0.27	50 General Motors Co, 6.600%, due 4/1/2036		59	0.03	40 MetLife Inc, 6.400%, due 12/15/2036	44	0.02	
	250 Bank of America Corp, 3.875%, due 8/1/2025	256	0.12	560 General Motors Co, 5.200%, due 4/1/2045		564	0.26	250 Navient Corp, 8.000%, due 3/25/2020	271	0.13	
	330 Bank of America Corp, 4.250%, due 10/22/2026	336	0.16	20 General Motors Co, 6.750%, due 4/1/2046		24	0.01	300 NCL Corp Ltd, 144A, 4.625%, due 11/15/2020	308	0.14	
	3,000 Bank of America Corp, 4.875%, due 4/1/2044	3,274	1.52	220 General Motors Financial Co Inc, 4.375%, due 9/25/2021		232	0.11	560 Netflix Inc, 5.500%, due 2/15/2022	598	0.28	
	97 Becton Dickinson and Co, 3.734%, due 12/15/2024	100	0.05	250 Gilead Sciences Inc, 4.800%, due 4/1/2044		261	0.12	290 Pacific Gas & Electric Co, 6.050%, due 3/1/2034	367	0.17	
	460 Celgene Corp, 5.000%, due 8/15/2045	488	0.23	340 Gilead Sciences Inc, 4.750%, due 3/1/2046		353	0.16	250 Philip Morris International Inc, 3.250%, due 11/10/2024	252	0.12	
	80 Charter Communications Operating LLC / Charter Communications Operating Capital, 6.484%, due 10/23/2045	93	0.04	30 Goldman Sachs Group Inc/The, Series GLOB, 2.375%, due 1/22/2018		30	0.01	40 QEP Resources Inc, 6.875%, due 3/1/2021	42	0.02	
	190 Chubb INA Holdings Inc, 4.350%, due 11/3/2045	203	0.09	201 Goldman Sachs Group Inc/The, 5.500%, due 10/12/2021		289	0.13	40 QEP Resources Inc, 5.250%, due 5/1/2023	39	0.02	
	250 CIT Group Inc, 5.000%, due 8/1/2023	264	0.12	40 Goldman Sachs Group Inc/The, 3.625%, due 1/22/2023		41	0.02	220 Quicken Loans Inc, 144A, 5.750%, due 5/1/2025	217	0.10	
	30 Citigroup Inc, 3.500%, due 5/15/2023	30	0.01	550 Goldman Sachs Group Inc/The, 3.850%, due 7/8/2024		566	0.26	150 Range Resources Corp, 5.750%, due 6/1/2021	155	0.07	
EUR	290 Citigroup Inc, 1.750%, due 1/28/2025	320	0.15	1,830 Goldman Sachs Group Inc/The, 6.750%, due 10/1/2037		2,284	1.06	10 Range Resources Corp, 5.000%, due 3/15/2023	10	—	
	400 Citigroup Inc, 5.500%, due 9/13/2025	441	0.20					110 Reynolds American Inc, 5.850%, due 8/15/2045	131	0.06	
	500 Citigroup Inc, 4.600%, due 3/9/2026	519	0.24					200 Spectrum Brands Inc, 6.625%, due 11/15/2022	212	0.10	
	760 Citigroup Inc, 4.300%, due 11/20/2026	774	0.36					20 Sprint Capital Corp, 8.750%, due 3/15/2032	24	0.01	
	360 Citigroup Inc, 4.450%, due 9/29/2027	369	0.17					180 Sprint Communications Inc, 11.500%, due 11/15/2021	227	0.11	
	56 Citigroup Inc, 8.125%, due 7/15/2039	83	0.04					10 Sprint Corp, 7.875%, due 9/15/2023	11	0.01	
	93 Citigroup Inc, 5.300%, due 5/6/2044	101	0.05					30 Sprint Corp, 7.625%, due 2/15/2025	33	0.02	
	1,035 Citigroup Inc, 4.650%, due 7/30/2045	1,093	0.51					30 Teachers Insurance & Annuity Association of America, 6.850%, due 12/16/2039	40	0.02	
	30 Comcast Corp, 5.875%, due 2/15/2018	31	0.01								

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

Portfolio of Investments as at February 28, 2017 – (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)			Japan — 6.14% (February 29, 2016: 5.64%)					
United States — (continued)			JPY 300,000 Japan Government Ten Year Bond, Series 341, 0.300%, due 12/20/2025	2,735	1.27	400 United States Treasury Note/Bond, 3.000%, due 11/15/2044	402	0.19
200 TIAA Asset Management Finance Co LLC, 144A, 2.950%, due 11/1/2019	204	0.09	JPY 63,350 Japan Government Twenty Year Bond, Series 128, 1.900%, due 6/20/2031	690	0.32	4,640 United States Treasury Note/Bond, 3.000%, due 5/15/2045	4,656	2.16
270 Time Warner Cable LLC, 4.125%, due 2/15/2021	281	0.13	JPY 300,000 Japan Government Twenty Year Bond, Series 154, 1.200%, due 9/20/2035	2,971	1.38	420 United States Treasury Note/Bond, 2.875%, due 8/15/2045	411	0.19
40 Time Warner Cable LLC, 6.750%, due 6/15/2039	48	0.02	JPY 24,400 Japanese Government CPI Linked Bond, Series 19, 0.100%, due 9/10/2024 β	228	0.11	6,410 United States Treasury Note/Bond, 3.000%, due 11/15/2045	6,432	2.99
860 United Rentals North America Inc, 4.625%, due 7/15/2023	883	0.41	JPY 703,300 Japanese Government CPI Linked Bond, Series 21, 0.100%, due 3/10/2026 β	6,598	3.06	3,830 United States Treasury Note/Bond, 2.500%, due 5/15/2046	3,465	1.61
130 Verizon Communications Inc, 4.150%, due 3/15/2024	135	0.06		13,222	6.14	3,450 United States Treasury Note/Bond, 2.250%, due 8/15/2046	2,951	1.37
233 Verizon Communications Inc, 6.550%, due 9/15/2043	285	0.13	Mexico — 5.18% (February 29, 2016: 1.94%)			570 United States Treasury Note/Bond, 2.875%, due 11/15/2046	559	0.26
21 Verizon Communications Inc, 5.012%, due 8/21/2054	20	0.01	MXN 81 Mexican Bonos, Series M, 8.000%, due 6/11/2020	4	—		41,308	19.19
1,610 Wachovia Capital Trust III, 5.570%, Perpetual *	1,608	0.75	MXN 987 Mexican Bonos, Series M, 6.500%, due 6/9/2022	48	0.02	Total Government Bonds and Notes (Cost \$130,669)		
43 Wells Fargo & Co, 4.480%, due 1/16/2024	46	0.02	MXN 219,556 Mexican Bonos, Series M, 7.750%, due 11/13/2042	10,821	5.03		122,885	57.10
200 Wells Fargo & Co, 4.100%, due 6/3/2026	205	0.10	290 Mexico Government International Bond, 4.600%, due 1/23/2046	271	0.13	Collective Investment Schemes — 3.37% (February 29, 2016: 3.12%)		
1,240 Wells Fargo & Co, 4.650%, due 11/4/2044	1,268	0.59		11,144	5.18	14 Legg Mason Qualified Investor Funds (II) Plc – Legg Mason Western Asset India Bond Fund – LM Class US\$ Accumulating	1,600	0.74
1,350 Wells Fargo & Co, 3.900%, due 5/1/2045	1,302	0.61	Poland — 5.88% (February 29, 2016: 3.11%)			5,650 Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	5,650	2.63
100 Westlake Chemical Corp, 4.875%, due 5/15/2023	104	0.05	PLN 1,510 Republic of Poland Government Bond, Series 0421, 2.000%, due 4/25/2021	359	0.17	Total Collective Investment Schemes (Cost \$7,080)		
	39,021	18.13	PLN 21,260 Republic of Poland Government Bond, Series 0725, 3.250%, due 7/25/2025	5,099	2.37		7,250	3.37
Total Corporate Bonds and Notes (Cost \$64,315)	64,403	29.92	PLN 32,250 Republic of Poland Government Bond, Series 0726, 2.500%, due 7/25/2026	7,187	3.34	Preferred Stock — 0.02% (February 29, 2016: 0.02%)		
Government Bonds and Notes — 57.10% (February 29, 2016: 70.31%)				12,645	5.88	United States — 0.02% (February 29, 2016: 0.02%)		
Brazil — 2.38% (February 29, 2016: 1.31%)			South Korea — 3.17% (February 29, 2016: 0.00%)			2 GMAC Capital Trust I, Series 2	44	0.02
BRL 2,484 Brazil Notas do Tesouro Nacional Serie B, Series NNTNB, 6.000%, due 8/15/2050 β	2,687	1.25	KRW 7,898,280 Korea Treasury Bond, Series 2606, 1.875%, due 6/10/2026	6,820	3.17	Total Preferred Stock (Cost \$39)		
BRL 2,575 Brazil Notas do Tesouro Nacional Serie F, Series NNTNF, 10.000%, due 1/1/2023	821	0.38	Spain — 0.36% (February 29, 2016: 0.94%)			Total Investments Excluding Options (Cost \$237,205)		
1,850 Brazilian Government International Bond, 5.000%, due 1/27/2045	1,614	0.75	EUR 500 Spain Government Bond, 144A, 5.150%, due 10/31/2044	768	0.36		229,676	106.72
	5,122	2.38	United Kingdom — 1.66% (February 29, 2016: 2.01%)			Contracts (000's)		
Canada — 2.90% (February 29, 2016: 2.23%)			GBP 1,940 United Kingdom Gilt, 4.250%, due 12/7/2040	3,568	1.66		Value (000's)	% of Net Asset Value
CAD 7,590 Canadian Government Bond, 2.250%, due 6/1/2025	6,044	2.81	United States — 19.19% (February 29, 2016: 48.86%)			Options — (0.09%) (February 29, 2016: 0.00%)		
CAD 126 Canadian Government Real Return Bond, Series CPI, 4.000%, due 12/1/2031 β	203	0.09	7,570 United States Treasury Note/Bond, 1.375%, due 4/30/2021	7,446	3.46	Purchased Options — 0.02% (February 29, 2016: 0.04%)		
	6,247	2.90	70 United States Treasury Note/Bond, 2.250%, due 1/31/2024	70	0.03	– U.S. 10 Year June 2017 Call 142.50, due 5/26/2017	—	—
France — 0.39% (February 29, 2016: 0.42%)			1,740 United States Treasury Note/Bond, 1.625%, due 2/15/2026	1,637	0.76	– U.S. 5 Year April 2017 Put 117.75, due 3/24/2017	30	0.02
EUR 520 French Republic Government Bond OAT, 4.000%, due 4/25/2055	847	0.39	110 United States Treasury Note/Bond, 2.000%, due 11/15/2026	106	0.05	– U.S. 5 Year June 2017 Put 109.00, due 5/26/2017	6	—
Germany — 1.46% (February 29, 2016: 1.50%)			400 United States Treasury Note/Bond, 2.250%, due 2/15/2027	396	0.18	6,750 USD Call/EUR Put 105.00, due 3/8/2017	8	—
EUR 2,150 Bundesrepublik Deutschland, 2.500%, due 8/15/2046	3,149	1.46	5,640 United States Treasury Note/Bond, 4.500%, due 2/15/2036	7,208	3.35		44	0.02
Italy — 8.39% (February 29, 2016: 2.32%)			1,660 United States Treasury Note/Bond, 4.500%, due 8/15/2039	2,111	0.98	Written Options — (0.11%) (February 29, 2016: (0.04%))		
EUR 1,810 Italy Buoni Poliennali Del Tesoro, 1.450%, due 9/15/2022	1,948	0.91	1,760 United States Treasury Note/Bond, 3.375%, due 5/15/2044	1,895	0.88	– U.S. 10 Year April 2017 Call 125.00, due 3/24/2017	(20)	(0.01)
EUR 10,840 Italy Buoni Poliennali Del Tesoro, 2.000%, due 12/1/2025	11,499	5.34	1,520 United States Treasury Note/Bond, 3.125%, due 8/15/2044	1,563	0.73	– U.S. 10 Year April 2017 Call 125.50, due 3/24/2017	(35)	(0.02)
EUR 70 Italy Buoni Poliennali Del Tesoro, 144A, 4.750%, due 9/1/2044	95	0.05				– U.S. 10 Year April 2017 Call 126.00, due 3/24/2017	(8)	—
EUR 4,170 Italy Buoni Poliennali Del Tesoro, 144A, 3.250%, due 9/1/2046	4,503	2.09				– U.S. 10 Year April 2017 Call 126.50, due 3/24/2017	(1)	—
	18,045	8.39				– U.S. 10 Year June 2017 Call 127.00, due 5/26/2017	(97)	(0.04)
						– U.S. 10 Year June 2017 Call 127.50, due 5/26/2017	(15)	(0.01)
						– U.S. 10 Year June 2017 Call 128.00, due 5/26/2017	(12)	(0.01)
						– U.S. 10 Year June 2017 Put 119.50, due 5/26/2017	(5)	—
						– U.S. 10 Year June 2017 Put 121.00, due 5/26/2017	(10)	—
						– U.S. 5 Year April 2017 Call 118.25, due 3/24/2017	(4)	—

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The accompanying notes are an integral part of the Financial Statements

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

Portfolio of Investments as at February 28, 2017 – (continued)

Contracts (000's)	Value (000's) \$	% of Net Asset Value
Options — (continued)		
Written Options — (continued)		
– U.S. 5 Year April 2017 Call 118.50, due 3/24/2017	–	–
– U.S. Bond April 2017 Call 153.00, due 3/24/2017	(6)	–
– U.S. Bond April 2017 Call 154.00, due 3/24/2017	(18)	(0.01)
(2,181) USD Call/CNH Put 6.95, due 3/8/2017	–	–
(2,250) USD Put/EUR Call 109.00, due 5/8/2017	(12)	(0.01)
	(243)	(0.11)
Total Options (Cost \$(252))	(199)	(0.09)
Total Investments (Cost \$236,953)	229,477	106.63
Liabilities in Excess of Other Assets (February 29, 2016: (7.32%))	(14,254)	(6.63)
Total Net Assets	\$215,223	100.00

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

144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2017, these securities amounted to \$8,081,000 or 3.76% of net assets.

* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2017.

† Illiquid.

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

ε Security is in default as at February 28, 2017.

± Securities purchased on a to-be-announced basis (Note 2).

β The rate of interest on this type of security is tied to the Consumer Price Index (CPI)/Retail Price Index (RPI). The coupon rate is the rate as of February 28, 2017.

** Rate reflects yield to maturity as at February 28, 2017. The counterparties for OTC options are HSBC and UBS.

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
KRW	– South Korean Won
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	93.04
Collective investment schemes	3.03
Financial derivative instruments	0.51
Other assets	3.42
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)
03/07/17	Citigroup	Buy	USD 2,239	Sell	BRL 7,904	\$ (297)
03/07/17	Citigroup	Buy	USD 6,081	Sell	KRW 7,108,374	(202)
03/07/17	Citigroup	Buy	BRL 7,904	Sell	USD 2,585	(49)
03/07/17	Citigroup	Buy	KRW 7,108,374	Sell	USD 6,246	37
03/07/17	Deutsche Bank	Buy	USD 6,612	Sell	KRW 7,694,560	(189)
03/07/17	Deutsche Bank	Buy	KRW 7,694,560	Sell	USD 6,739	61
03/07/17	JP Morgan Chase Bank	Buy	USD 324	Sell	INR 22,063	(6)
03/07/17	JP Morgan Chase Bank	Buy	INR 22,063	Sell	USD 320	11
03/15/17	BNY Mellon	Buy	USD 493	Sell	EUR 465	–
03/15/17	BNY Mellon	Buy	AUD 20	Sell	USD 15	–
03/15/17	BNY Mellon	Buy	EUR 43,301	Sell	USD 46,327	(420)
04/20/17	Citigroup	Buy	USD 60	Sell	AUD 80	(1)
04/20/17	Citigroup	Buy	USD 615	Sell	EUR 570	10
04/20/17	Citigroup	Buy	USD 100	Sell	GBP 80	1
04/20/17	Citigroup	Buy	USD 5	Sell	JPY 621	–
04/20/17	Citigroup	Buy	JPY 621	Sell	USD 5	–
04/20/17	Citigroup	Buy	EUR 570	Sell	USD 608	(3)
04/20/17	Citigroup	Buy	GBP 80	Sell	USD 98	2
04/20/17	Citigroup	Buy	AUD 80	Sell	USD 60	1
05/11/17	Bank of America	Buy	USD 2,903	Sell	CNH 19,977	6
05/11/17	Bank of America	Buy	USD 2,177	Sell	EUR 2,017	33
05/11/17	Bank of America	Buy	USD 1	Sell	GBP 1	–
05/11/17	Barclays Bank	Buy	USD 908	Sell	JPY 101,615	1
05/11/17	BNY Mellon	Buy	USD 421	Sell	EUR 388	9
05/11/17	Citigroup	Buy	USD 244	Sell	AUD 320	(1)
05/11/17	Citigroup	Buy	USD 2,187	Sell	EUR 2,029	30
05/11/17	Citigroup	Buy	USD 3,572	Sell	JPY 399,547	4
05/11/17	Citigroup	Buy	GBP 310	Sell	USD 388	(2)
05/11/17	Deutsche Bank	Buy	USD 656	Sell	AUD 856	1
05/11/17	Deutsche Bank	Buy	USD 1,307	Sell	GBP 1,037	18
05/11/17	Deutsche Bank	Buy	USD 5,131	Sell	JPY 574,266	4
05/11/17	Deutsche Bank	Buy	USD 4,665	Sell	MXN 97,088	(117)
05/11/17	Goldman Sachs	Buy	USD 34	Sell	EUR 32	1
05/11/17	Goldman Sachs	Buy	EUR 620	Sell	USD 656	2
05/11/17	HSBC	Buy	USD 1,906	Sell	AUD 2,500	(8)
05/11/17	HSBC	Buy	USD 4,922	Sell	EUR 4,569	65
05/11/17	HSBC	Buy	USD 5,166	Sell	JPY 582,555	(36)
05/11/17	JP Morgan Chase Bank	Buy	USD 4,053	Sell	CAD 5,293	65
05/11/17	JP Morgan Chase Bank	Buy	USD 10,466	Sell	EUR 9,732	121
05/11/17	JP Morgan Chase Bank	Buy	USD 206	Sell	GBP 165	1
05/11/17	JP Morgan Chase Bank	Buy	USD 4,802	Sell	JPY 537,047	7
05/11/17	JP Morgan Chase Bank	Buy	USD 6,816	Sell	PLN 27,290	111
05/11/17	JP Morgan Chase Bank	Buy	MXN 60,392	Sell	USD 2,907	68

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

Portfolio of Investments as at February 28, 2017 – (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)
05/11/17	JP Morgan Chase Bank	Buy	AUD 997	Sell	USD 761	\$ 2
05/11/17	Morgan Stanley	Buy	USD 1,102	Sell	JPY 123,713	(3)
05/11/17	Royal Bank of Canada	Buy	USD 7,262	Sell	EUR 6,727	111
05/11/17	UBS	Buy	USD 2,692	Sell	AUD 3,540	(18)
05/11/17	UBS	Buy	USD 11,899	Sell	EUR 11,098	101
05/11/17	UBS	Buy	USD 306	Sell	EUR 288	–
05/11/17	UBS	Buy	USD 10,553	Sell	GBP 8,519	(36)
05/11/17	UBS	Buy	USD 2,542	Sell	JPY 287,700	(27)
05/11/17	UBS	Buy	USD 647	Sell	MXN 13,000	6
05/11/17	UBS	Buy	USD 1,275	Sell	MXN 26,650	(37)
05/11/17	UBS	Buy	JPY 587,205	Sell	USD 5,243	–
05/24/17	Citigroup	Buy	USD 2,535	Sell	BRL 7,904	46
05/24/17	Citigroup	Buy	USD 6,250	Sell	KRW 7,108,374	(22)
05/24/17	Deutsche Bank	Buy	USD 6,010	Sell	KRW 6,838,161	(23)
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$1,559)						936
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(1,908))						(1,497)
Net Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(349))						\$ (561)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Australia 10 Year Bond March 2017	83	\$ 8,161	\$ 61
Euro-Bobl March 2017	2	286	5
Euro-BTP March 2017	28	3,942	(14)
Euro-Bund March 2017	(230)	(40,460)	(996)
Euro-Buxl 30 Year Bond March 2017	11	2,023	31
Japan 10 Year Bond (OSE) March 2017	5	6,702	13
Long Gilt June 2017	(68)	(10,735)	(29)
U.S. 10 Year Note (CBT) June 2017	(198)	(24,667)	(97)
U.S. 10 Year Ultra Note June 2017	(47)	(6,295)	(30)
U.S. 10 Year Ultra Note March 2017	(1)	(135)	–
U.S. 5 Year Note (CBT) June 2017	279	32,839	45
U.S. Long Bond (CBT) June 2017	(181)	(27,450)	(249)
U.S. Long Bond (CBT) March 2017	(1)	(153)	(1)
U.S. Ultra Bond (CBT) June 2017	35	5,662	79
U.S. Ultra Bond (CBT) March 2017	4	652	1
Total Market Value of Futures Contracts			\$ (1,181)
Unrealised Appreciation of Futures Contracts (February 29, 2016 (000's): \$401)			235
Unrealised Depreciation of Futures Contracts (February 29, 2016 (000's): \$(77))			(1,416)
Net Depreciation of Futures Contracts (February 29, 2016 (000's): \$324)			\$ (1,181)

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Legg Mason Western Asset Global Credit Fund

Portfolio of Investments as at February 28, 2017

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 — 82.79% (February 29, 2016: 90.37%)				GBP	150	innogy Finance BV, 5.625%, due 12/6/2023	229	0.33	EUR	500	Glencore Finance Europe SA, 1.875%, due 9/13/2023	546	0.79					
Australia — 2.79% (February 29, 2016: 2.59%)					350	Schaeffler Finance BV, 4.750%, due 5/15/2023	360	0.52	EUR	102	UBS AG, 4.750%, due 2/12/2026 *	118	0.17					
EUR	290	BHP Billiton Finance Ltd, 4.750%, due 4/22/2076 *	342	0.49	EUR	500	Vonovia Finance BV, 1.250%, due 12/6/2024	535	0.77	EUR	320	UBS Group Funding Jersey Ltd, 1.750%, due 11/16/2022	357	0.51				
	337	BHP Billiton Finance USA Ltd, 3.250%, due 11/21/2021	353	0.51				3,045	4.37	EUR	300	UBS Group Funding Jersey Ltd, 1.500%, due 11/30/2024	322	0.46				
	200	BHP Billiton Finance USA Ltd, 6.750%, due 10/19/2075 *	229	0.33	Hong Kong — 0.28% (February 29, 2016: 0.29%)						200	UBS Group Funding Jersey Ltd, 4.125%, due 9/24/2025	204	0.29				
EUR	480	Commonwealth Bank of Australia, 2.000%, due 4/22/2027 *	521	0.75		200	AIA Group Ltd, 144A, 3.200%, due 3/11/2025	196	0.28				2,258	3.24				
	490	WEA Finance LLC / Westfield UK & Europe Finance Plc, 3.750%, due 9/17/2024	498	0.71	Italy — 0.61% (February 29, 2016: 1.20%)						United Kingdom — 20.48% (February 29, 2016: 24.15%)							
			1,943	2.79	EUR	100	Assicurazioni Generali SpA, 4.125%, due 5/4/2026	112	0.16	GBP	320	AA Bond Co Ltd, 6.269%, due 7/31/2025	491	0.70				
Belgium — 2.15% (February 29, 2016: 2.48%)					270	Enel Finance International NV, 6.000%, due 10/7/2039	311	0.45	GBP	90	Annington Finance No 4 Plc, Series C1, 8.070%, due 1/10/2023	145	0.21					
	450	Anheuser-Busch InBev Finance Inc, 3.700%, due 2/1/2024	465	0.67				423	0.61	EUR	122	Aviva Plc, 6.125%, due 7/5/2043 *	152	0.22				
	210	Anheuser-Busch InBev Finance Inc, 4.900%, due 2/1/2046	231	0.33	Luxembourg — 0.63% (February 29, 2016: 0.98%)						EUR	330	Aviva Plc, 3.375%, due 12/4/2045 *	349	0.50			
EUR	200	Anheuser-Busch InBev SA/NV/old, 2.750%, due 3/17/2036	229	0.33	Mexico — 0.40% (February 29, 2016: 1.25%)						EUR	340	Barclays Plc, 1.875%, due 12/8/2023	368	0.53			
EUR	200	Eandis System Operator SCRL, 2.875%, due 5/7/2029	249	0.36		276	Petroleos Mexicanos, 6.625%, due 6/15/2035	278	0.40	EUR	330	Barclays Plc, 2.625%, due 11/11/2025 *	354	0.51				
EUR	300	KBC Group NV, 1.875%, due 3/11/2027 *	321	0.46	Netherlands — 4.80% (February 29, 2016: 3.21%)						EUR	109	BAT International Finance Plc, 1.250%, due 3/13/2027	114	0.16			
			1,495	2.15	EUR	500	ABN AMRO Bank NV, 7.125%, due 7/6/2022	679	0.97		585	BP Capital Markets Plc, 3.561%, due 11/1/2021	612	0.88				
Brazil — 0.98% (February 29, 2016: 0.43%)				EUR	440	ABN AMRO Bank NV, 2.875%, due 6/30/2025 *	490	0.70	EUR	150	British Telecommunications Plc, 1.750%, due 3/10/2026	164	0.23					
	150	Petrobras Global Finance BV, 6.625%, due 1/16/2034	178	0.26	EUR	310	Cooperatieve Rabobank UA, 2.500%, due 5/26/2026 *	343	0.49	GBP	150	BUPA Finance Plc, 5.000%, due 4/25/2023	206	0.30				
	150	Vale Overseas Ltd, 4.375%, due 1/11/2022	155	0.22	EUR	200	Cooperatieve Rabobank UA, 6.625%, Perpetual *	229	0.33		523	Centrica Plc, 4.000%, due 10/16/2023	542	0.78				
EUR	300	Vale SA, 3.750%, due 1/10/2023	346	0.50	EUR	150	ING Bank NV, Series EMTM, 3.625%, due 2/25/2026 *	173	0.25	GBP	340	Close Brothers Finance Plc, 2.750%, due 10/19/2026	434	0.62				
			679	0.98	EUR	200	ING Bank NV, 3.000%, due 4/11/2028 *	223	0.32	GBP	220	CPUK Finance Ltd, 7.239%, due 2/28/2024	359	0.52				
Canada — 1.64% (February 29, 2016: 0.83%)				EUR	300	ING Groep NV, 2.500%, due 2/15/2029 *	321	0.46	GBP	100	CPUK Finance Ltd, 3.588%, due 8/28/2025	133	0.19					
	690	Bank of Montreal, 2.100%, due 12/12/2019	692	0.99		750	Shell International Finance BV, 3.250%, due 5/11/2025	757	1.09	GBP	140	Direct Line Insurance Group Plc, 9.250%, due 4/27/2042 *	217	0.31				
	250	Barrick PD Australia Finance Pty Ltd, 5.950%, due 10/15/2039	288	0.41				3,344	4.80	GBP	98	Greene King Finance Plc, Series A6, 4.064%, due 3/15/2035	132	0.19				
	160	Yamana Gold Inc, 4.950%, due 7/15/2024	163	0.24	Norway — 0.48% (February 29, 2016: 0.50%)						500	HBOS Plc, 6.750%, due 5/21/2018	526	0.75				
			1,143	1.64	EUR	320	DNB Bank ASA, 6.500%, Perpetual *	336	0.48	GBP	94	HSBC Bank Capital Funding Sterling 2 LP, 5.862%, Perpetual *	126	0.18				
Colombia — 0.74% (February 29, 2016: 0.19%)				Peru — 0.52% (February 29, 2016: 0.40%)							230	HSBC Holdings Plc, 5.100%, due 4/5/2021	250	0.36				
	570	Ecopetrol SA, 5.875%, due 5/28/2045	515	0.74		370	Southern Copper Corp, 5.250%, due 11/8/2042	362	0.52	Russia — 0.51% (February 29, 2016: 0.00%)					250	HSBC Holdings Plc, 6.375%, Perpetual *	256	0.37
France — 1.86% (February 29, 2016: 4.75%)				Russia — 0.51% (February 29, 2016: 0.00%)							444	Imperial Brands Finance Plc, 4.250%, due 7/21/2025	461	0.66				
GBP	200	BPCE SA, 5.250%, due 4/16/2029	275	0.39	Spain — 1.98% (February 29, 2016: 2.22%)						EUR	150	Imperial Brands Finance Plc, 3.375%, due 2/26/2026	186	0.27			
EUR	100	Casino Guichard Perrachon SA, 3.248%, due 3/7/2024	116	0.17	EUR	200	CaixaBank SA, 3.500%, due 2/15/2027 *	218	0.31	GBP	265	Intu SGS Finance Plc, 3.875%, due 3/17/2023	360	0.52				
	400	Engie SA, 2.875%, due 10/10/2022	396	0.57	EUR	100	Gas Natural Fenosa Finance BV, 1.375%, due 1/21/2025	108	0.16	GBP	390	John Lewis Plc, 4.250%, due 12/18/2034	527	0.76				
	480	Pernod Ricard SA, 4.450%, due 1/15/2022	511	0.73	EUR	300	Santander Issuances SAU, 2.500%, due 3/18/2025	314	0.45	EUR	270	Leeds Building Society, 1.375%, due 5/5/2022	288	0.41				
			1,298	1.86	EUR	300	Santander Issuances SAU, 3.125%, due 1/19/2027	320	0.46	GBP	140	Legal & General Group Plc, 5.375%, due 10/27/2045 *	187	0.27				
Germany — 4.37% (February 29, 2016: 2.44%)				GBP	300	Telefonica Emisiones SAU, 5.597%, due 3/12/2020	417	0.60		390	Lloyds Bank Plc, 12.000%, Perpetual *	524	0.75					
EUR	300	Allianz Finance II BV, 5.750%, due 7/8/2041 *	371	0.53				1,377	1.98	GBP	297	Mitchells & Butlers Finance Plc, Series B2, 6.013%, due 12/15/2028	438	0.63				
EUR	200	Allianz SE, 4.750%, Perpetual *	237	0.34	Sweden — 1.84% (February 29, 2016: 1.79%)						GBP	160	Next Plc, 3.625%, due 5/18/2028	205	0.29			
	500	Deutsche Telekom International Finance BV, 2.820%, due 1/19/2022	498	0.71	EUR	350	Skandinaviska Enskilda Banken AB, 2.500%, due 5/28/2026 *	392	0.56		350	Petrofac Ltd, 3.400%, due 10/10/2018	354	0.51				
EUR	160	Deutsche Telekom International Finance BV, 1.500%, due 4/3/2028	171	0.24	EUR	220	Vattenfall AB, 3.000%, due 3/19/2077 *	218	0.31	GBP	280	Prudential Plc, 5.700%, due 12/19/2063 *	364	0.52				
EUR	180	Fresenius Finance Ireland Plc, 1.500%, due 1/30/2024	195	0.28				1,284	1.84	EUR	430	Royal Bank of Scotland Group Plc, 2.500%, due 3/22/2023	470	0.67				
EUR	200	Hannover Finance Luxembourg SA, 5.750%, due 9/14/2040 *	243	0.35	Switzerland — 3.24% (February 29, 2016: 2.60%)						GBP	240	Scottish Widows Ltd, 7.000%, due 6/16/2043	350	0.50			
EUR	190	HeidelbergCement AG, 1.500%, due 2/7/2025	206	0.30		700	Credit Suisse AG/New York NY, 3.625%, due 9/9/2024	711	1.02									

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Credit Fund

Portfolio of Investments as at February 28, 2017 – (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)														
EUR	330	SELP Finance Sarl, 1.250%, due 10/25/2023	343	0.49	460	Citigroup Inc, 4.450%, due 9/29/2027	471	0.68	440	Southern Co/The, 2.950%, due 7/1/2023	433	0.62		
EUR	270	Sky Plc, 2.250%, due 11/17/2025	305	0.44	330	CSX Corp, 3.950%, due 5/1/2050	305	0.44	290	Tennessee Gas Pipeline Co LLC, 7.000%, due 3/15/2027	345	0.49		
EUR	200	Smiths Group Plc, 2.000%, due 2/23/2027	215	0.31	240	Devon Energy Corp, 5.000%, due 6/15/2045	244	0.35	310	Time Warner Cable LLC, 7.300%, due 7/1/2038	388	0.56		
EUR	426	Standard Chartered Plc, 3.625%, due 11/23/2022	492	0.71	460	Diamond 1 Finance Corp / Diamond 2 Finance Corp, 3.480%, due 6/1/2019	470	0.68	150	Transcontinental Gas Pipe Line Co LLC, 7.850%, due 2/1/2026	193	0.28		
GBP	372	Telereal Secured Finance Plc, 4.010%, due 12/10/2031	492	0.71	250	Diamond 1 Finance Corp / Diamond 2 Finance Corp, 4.420%, due 6/15/2021	262	0.38	350	United Technologies Corp, 3.100%, due 6/1/2022	360	0.52		
GBP	391	Tesco Property Finance 3 Plc, 5.744%, due 4/13/2040	501	0.72	200	Enterprise Products Operating LLC, 4.850%, due 8/15/2042	207	0.30	180	Verizon Communications Inc, 2.450%, due 11/1/2022	175	0.25		
GBP	210	UNITE USAF II Plc, 3.374%, due 6/30/2023	284	0.41	310	Exelon Corp, 3.400%, due 4/15/2026	307	0.44	90	Verizon Communications Inc, 5.050%, due 3/15/2034	93	0.13		
GBP	200	Virgin Money Plc, 2.250%, due 4/21/2020	254	0.36	140	Exxon Mobil Corp, 3.043%, due 3/1/2026	140	0.20	55	Verizon Communications Inc, 6.550%, due 9/15/2043	67	0.10		
GBP	150	Western Power Distribution East Midlands Plc, 5.250%, due 1/17/2023	223	0.32	200	FirstEnergy Corp, Series C, 7.375%, due 11/15/2031	264	0.38	260	Verizon Communications Inc, 5.012%, due 8/21/2054	250	0.36		
GBP	130	Whitbread Group Plc, 3.375%, due 10/16/2025	173	0.25	513	GE Capital International Funding Co Unlimited Co, 4.418%, due 11/15/2035	549	0.79	300	Visa Inc, 4.300%, due 12/14/2045	322	0.46		
EUR	320	Yorkshire Building Society, 1.250%, due 3/17/2022	343	0.49	247	General Electric Co, 4.650%, due 10/17/2021	273	0.39	EUR	231	Walgreens Boots Alliance Inc, 2.125%, due 11/20/2026	254	0.36	
			14,269	20.48	50	General Motors Co, 6.600%, due 4/1/2036	59	0.08	260	Wal-Mart Stores Inc, 6.200%, due 4/15/2038	343	0.49		
United States — 32.49% (February 29, 2016: 37.58%)														
	120	AbbVie Inc, 2.900%, due 11/6/2022	119	0.17	40	General Motors Co, 6.750%, due 4/1/2046	49	0.07	380	Wells Fargo & Co, 4.600%, due 4/1/2021	410	0.59		
EUR	197	AbbVie Inc, 1.375%, due 5/17/2024	213	0.30	16	Goldman Sachs Capital II, 4.000%, Perpetual *	13	0.02	EUR	250	Wells Fargo & Co, 2.250%, due 5/2/2023	289	0.42	
	110	AbbVie Inc, 3.600%, due 5/14/2025	110	0.16	EUR	500	Goldman Sachs Group Inc/The, 2.875%, due 6/3/2026	593	0.85	340	Wells Fargo & Co, 4.300%, due 7/22/2027	354	0.51	
	200	Actavis Funding SCS, 4.750%, due 3/15/2045	203	0.29	340	Goldman Sachs Group Inc/The, 5.150%, due 5/22/2045	362	0.52	150	Western Gas Partners LP, 4.650%, due 7/1/2026	157	0.23		
	140	Aetna Inc, 2.800%, due 6/15/2023	139	0.20	310	Halliburton Co, 5.000%, due 11/15/2045	337	0.48			22,634	32.49		
	200	Allstate Corp/The, 6.500%, due 5/15/2057 *	229	0.33	230	Harris Corp, 5.550%, due 10/1/2021	255	0.37	Total Corporate Bonds and Notes (Cost \$58,006)			57,668	82.79	
	450	Altria Group Inc, 4.750%, due 5/5/2021	489	0.70	170	Harris Corp, 4.854%, due 4/27/2035	183	0.26	Government Bonds and Notes — 13.33% (February 29, 2016: 3.03%)					
EUR	460	American Express Credit Corp, 0.625%, due 11/22/2021	495	0.71	300	HSBC Finance Corp, 6.676%, due 1/15/2021	340	0.49	Colombia — 0.78% (February 29, 2016: 0.65%)					
EUR	190	American International Group Inc, 1.500%, due 6/8/2023	206	0.30	450	International Lease Finance Corp, 5.875%, due 8/15/2022	508	0.73	500	Colombia Government International Bond, 5.625%, due 2/26/2044	540	0.78		
	330	Amgen Inc, 3.625%, due 5/22/2024	340	0.49	EUR	250	Kraft Heinz Foods Co, 2.250%, due 5/25/2028	270	0.39	Mexico — 0.86% (February 29, 2016: 1.30%)				
	350	Anadarko Petroleum Corp, 3.450%, due 7/15/2024	347	0.50	40	Kraft Heinz Foods Co, 5.200%, due 7/15/2045	42	0.06	391	Mexico Government International Bond, 5.550%, due 1/21/2045	412	0.59		
	140	Anthem Inc, 3.125%, due 5/15/2022	141	0.20	210	Lehman Brothers Holding Inc, zero coupon, due 12/28/2017 to 2018	—	—	200	Mexico Government International Bond, 4.600%, due 1/23/2046	187	0.27		
	150	Arconic Inc, 5.125%, due 10/1/2024	155	0.22	320	Lehman Brothers Holdings Capital Trust Escrow, zero coupon, Perpetual to 2018	—	—			599	0.86		
GBP	275	AT&T Inc, 4.250%, due 6/1/2043	366	0.53	100	Lockheed Martin Corp, 3.550%, due 1/15/2026	102	0.15	United Kingdom — 0.39% (February 29, 2016: 0.00%)					
	340	AT&T Inc, 5.450%, due 3/1/2047	350	0.50	EUR	200	Mondelez International Inc, 2.375%, due 3/6/2035	204	0.29	GBP	70	United Kingdom Gilt, 4.250%, due 6/7/2032	119	0.17
	450	Bank of America Corp, 5.700%, due 5/2/2017	453	0.65	140	MUFG Americas Holdings Corp, 3.000%, due 2/10/2025	136	0.19	GBP	80	United Kingdom Gilt, 4.500%, due 12/7/2042	156	0.22	
	180	Bank of America Corp, 5.750%, due 12/1/2017	186	0.27	130	Occidental Petroleum Corp, 3.400%, due 4/15/2026	130	0.19			275	0.39		
	450	Bank of America Corp, 4.250%, due 10/22/2026	459	0.66	120	Occidental Petroleum Corp, 3.000%, due 2/15/2027	117	0.17	United States — 11.30% (February 29, 2016: 0.25%)					
	140	Bank of America Corp, 4.443%, due 1/20/2048 *	143	0.20	120	Occidental Petroleum Corp, 4.625%, due 6/15/2045	127	0.18	2,860	United States Treasury Note/Bond, 1.375%, due 1/31/2021	2,821	4.05		
	394	Bear Stearns Cos LLC/The, 6.400%, due 10/2/2017	405	0.58	100	Pacific Gas & Electric Co, 4.600%, due 6/15/2043	108	0.15	300	United States Treasury Note/Bond, 1.875%, due 1/31/2022	300	0.43		
EUR	400	Berkshire Hathaway Energy Co, 5.750%, due 4/1/2018	418	0.60	80	Philip Morris International Inc, 4.500%, due 3/20/2042	83	0.12	3,080	United States Treasury Note/Bond, 2.000%, due 11/15/2026	2,980	4.28		
EUR	420	Berkshire Hathaway Inc, 1.125%, due 3/16/2027	441	0.63	250	PPG Industries Inc, 5.500%, due 11/15/2040	298	0.43	950	United States Treasury Note/Bond, 3.000%, due 11/15/2045	953	1.37		
EUR	300	Blackstone Holdings Finance Co LLC, 1.000%, due 10/5/2026	302	0.43	360	Progress Energy Inc, 3.150%, due 4/1/2022	365	0.52	65	United States Treasury Note/Bond, 2.500%, due 2/15/2046	59	0.08		
	290	Carlyle Holdings II Finance LLC, 144A, 5.625%, due 3/30/2043	290	0.42	250	Republic Services Inc, 5.250%, due 11/15/2021	280	0.40	40	United States Treasury Note/Bond, 2.500%, due 5/15/2046	36	0.05		
	479	Celgene Corp, 3.625%, due 5/15/2024	483	0.69	140	Reynolds American Inc, 5.850%, due 8/15/2045	166	0.24	630	United States Treasury Note/Bond, 2.250%, due 8/15/2046	539	0.77		
	170	Chubb INA Holdings Inc, 4.350%, due 11/3/2045	182	0.26	510	Schlumberger Holdings Corp, 4.000%, due 12/21/2025	536	0.77						
EUR	530	Citigroup Inc, 2.125%, due 9/10/2026	596	0.85	260	Seagate HDD Cayman, 4.250%, due 3/1/2022	257	0.37						

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Credit Fund

Portfolio of Investments as at February 28, 2017 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value
Government Bonds and Notes — (continued)		
United States — (continued)		
190 United States Treasury Note/ Bond, 2.875%, due 11/15/2046	187	0.27
	7,875	11.30
Total Government Bonds and Notes (Cost \$9,333)	9,289	13.33
Collective Investment Schemes — 1.52% (February 29, 2016: 2.89%)		
1,059 Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	1,059	1.52
Total Collective Investment Schemes (Cost \$1,059)	1,059	1.52
Total Investments (Cost \$68,398)	68,016	97.64
Other Assets in Excess of Liabilities (February 29, 2016: 3.71%)	1,641	2.36
Total Net Assets	\$69,657	100.00

- Amounts designated as “–” are either \$0, less than \$1,000 or less than 1,000 shares.
- 144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2017, these securities amounted to \$615,000 or 0.89% of net assets.
- * Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2017.
- † 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 28, 2017.

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	95.55
Collective investment schemes	1.51
Financial derivative instruments	0.56
Other assets	2.38
Total Assets	100.00

Schedule of Credit Default Swaps

Counterparty	Reference Entity	Buy/Sell Protection	Expiration Date	Notional Amount (000's)	Value (000's)
Merrill Lynch	Markit CDX.NA.IG, 1.000%	Buy	12/20/21	3,200	\$ (55)
Merrill Lynch	Markit iTraxx Europe, 1.000%	Buy	12/20/21	6,580	(90)
					\$ (145)
Unrealised Appreciation of Credit Default Swaps (February 29, 2016 (000's): \$232)					–
Unrealised Depreciation of Credit Default Swaps (February 29, 2016 (000's): \$–)					(145)
Net Depreciation of Credit Default Swaps (February 29, 2016 (000's): \$232)					\$ (145)

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/15/17	BNY Mellon	Buy EUR 637	Sell USD 681	\$ (6)
05/11/17	Barclays Bank	Buy USD 2,646	Sell EUR 2,438	54
05/11/17	Barclays Bank	Buy USD 153	Sell GBP 122	2
05/11/17	BNY Mellon	Buy USD 54	Sell EUR 50	1
05/11/17	Citigroup	Buy USD 1,502	Sell EUR 1,396	17
05/11/17	Citigroup	Buy USD 350	Sell EUR 330	–
05/11/17	Citigroup	Buy USD 3,954	Sell GBP 3,162	24
05/11/17	Deutsche Bank	Buy USD 560	Sell GBP 444	7
05/11/17	Goldman Sachs	Buy USD 3,189	Sell EUR 2,951	52
05/11/17	HSBC	Buy USD 269	Sell EUR 250	4
05/11/17	JP Morgan Chase Bank	Buy USD 523	Sell EUR 485	7
05/11/17	JP Morgan Chase Bank	Buy USD 3,407	Sell GBP 2,730	13
05/11/17	JP Morgan Chase Bank	Buy GBP 160	Sell USD 200	(1)
05/11/17	Morgan Stanley	Buy USD 3,537	Sell EUR 3,271	60
05/11/17	Royal Bank of Canada	Buy USD 189	Sell EUR 175	3
05/11/17	Royal Bank of Scotland	Buy USD 758	Sell EUR 702	12
05/11/17	Societe Generale	Buy USD 543	Sell EUR 500	12
05/11/17	UBS	Buy USD 5,723	Sell EUR 5,340	46
05/11/17	UBS	Buy USD 211	Sell EUR 200	(2)
05/11/17	UBS	Buy USD 588	Sell GBP 475	(2)
05/11/17	UBS	Buy USD 684	Sell JPY 76,655	–
05/11/17	UBS	Buy JPY 76,740	Sell USD 673	13
05/11/17	UBS	Buy GBP 400	Sell USD 500	(3)
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$852)				327
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(56))				(14)
Net Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$796)				\$ 313

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Global Credit Fund

Portfolio of Investments as at February 28, 2017 – (continued)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Euro-BTP March 2017	5	\$ 704	\$ 7
Euro-Bund March 2017	(9)	(1,583)	(36)
Long Gilt June 2017	(50)	(7,894)	(102)
U.S. 10 Year Note (CBT) June 2017	(63)	(7,848)	(27)
U.S. 2 Year Note (CBT) June 2017	(1)	(216)	–
U.S. 5 Year Note (CBT) June 2017	51	6,003	6
U.S. Long Bond (CBT) June 2017	(16)	(2,427)	(21)
U.S. Ultra Bond (CBT) June 2017	22	3,559	50
U.S. Ultra Bond (CBT) March 2017	2	326	4
Total Market Value of Futures Contracts			\$ (119)
Unrealised Appreciation of Futures Contracts (February 29, 2016 (000's): \$6)			67
Unrealised Depreciation of Futures Contracts (February 29, 2016 (000's): \$(70))			(186)
Net Depreciation of Futures Contracts (February 29, 2016 (000's): \$(64))			\$ (119)

Legg Mason Western Asset Euro High Yield Fund

Portfolio of Investments as at February 28, 2017

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 — 94.29% (February 29, 2016: 88.66%)				Japan — 0.76% (February 29, 2016: 0.38%)							
Belgium — 0.74% (February 29, 2016: 0.00%)				650 SoftBank Group Corp, 4.750%, due 7/30/2025				GBP 520 Anglian Water Osprey Financing Plc, 5.000%, due 4/30/2023			
650 Solvay Finance SA, 5.118%, Perpetual *		713	0.74	Luxembourg — 13.83% (February 29, 2016: 12.42%)				GBP 560 Boparan Finance Plc, 5.500%, due 7/15/2021			
Brazil — 0.90% (February 29, 2016: 2.15%)				900 Altice Financing SA, 5.250%, due 2/15/2023		962	1.00	GBP 270 Centrica Plc, 5.250%, due 4/10/2075 *			
GBP 770 Petrobras Global Finance BV, 6.625%, due 1/16/2034		863	0.90	430 Altice Luxembourg SA, 7.250%, due 5/15/2022		456	0.47	940 Centrica Plc, 3.000%, due 4/10/2076 *			
Canada — 1.96% (February 29, 2016: 1.42%)				1,950 ARD Finance SA, 6.625%, due 9/15/2023		2,017	2.10	GBP 100 Co-operative Group Holdings 2011 Ltd, 6.875%, due 7/8/2020			
900 Cott Corp, 5.500%, due 7/1/2024		950	0.99	GBP 500 B&M European Value Retail SA, 4.125%, due 2/1/2022		610	0.63	GBP 220 Co-operative Group Holdings 2011 Ltd, 7.500%, due 7/8/2026			
GBP 730 Entertainment One Ltd, 6.875%, due 12/15/2022		933	0.97	2,350 Eurofins Scientific SE, 4.875%, Perpetual *		2,443	2.54	480 EC Finance Plc, 5.125%, due 7/15/2021			
		1,883	1.96	940 Garfunkelux Holdco 3 SA, 7.500%, due 9/1/2022		992	1.03	GBP 250 El Group Plc, 6.375%, due 2/15/2022			
France — 12.66% (February 29, 2016: 13.91%)				1,000 Interoute Finco Plc, 7.375%, due 10/15/2020		1,070	1.11	840 Fiat Chrysler Finance Europe, 4.750%, due 7/15/2022			
1,473 3AB Optique Developpement SAS, 5.625%, due 4/15/2019		1,488	1.54	1,030 LSF9 Balta Issuer SA, 7.750%, due 9/15/2022		1,138	1.18	GBP 1,000 Galaxy Bidco Ltd, 6.375%, due 11/15/2020			
1,530 BiSoho SAS, 5.875%, due 5/1/2023		1,633	1.70	720 Monitchem HoldCo 2 SA, 6.875%, due 6/15/2022		713	0.74	GBP 876 Heathrow Finance Plc, 7.125%, due 3/1/2017			
400 Casino Guichard Perrachon SA, 3.248%, due 3/7/2024		439	0.46	870 Picard Bondco SA, 7.750%, due 2/1/2020		909	0.94	GBP 640 IDH Finance Plc, 6.250%, due 8/15/2022			
980 CMA CGM SA, 7.750%, due 1/15/2021		958	0.99	1,130 Telenet Finance VI Luxembourg SCA, 4.875%, due 7/15/2027		1,225	1.27	GBP 670 Jaguar Land Rover Automotive Plc, 5.000%, due 2/15/2022			
670 Europcar Groupe SA, 5.750%, due 6/15/2022		707	0.73	750 Trionista TopCo GmbH, 6.875%, due 4/30/2021		785	0.82	GBP 1,000 Jerrold Finco Plc, 6.125%, due 1/15/2024			
500 Groupe Fnac SA, 3.250%, due 9/30/2023		508	0.53			13,320	13.83	GBP 1,000 Ladbroke's Group Finance Plc, 5.125%, due 9/8/2023			
370 HomeVi SAS, 6.875%, due 8/15/2021		391	0.41	Mexico — 0.90% (February 29, 2016: 0.91%)				GBP 1,020 Pizzaxpress Financing 2 Plc, 6.625%, due 8/1/2021			
1,000 Mobilux Finance SAS, 5.500%, due 11/15/2024		1,031	1.07	840 Cemex Finance LLC, 5.250%, due 4/1/2021		865	0.90	1,370 Synlab Bondco Plc, 6.250%, due 7/1/2022			
1,090 Novafives SAS, 4.500%, due 6/30/2021		1,073	1.11	Netherlands — 3.68% (February 29, 2016: 4.21%)				1,030 Synlab Unsecured Bondco Plc, 8.250%, due 7/1/2023			
1,020 Paprec Holding SA, 7.375%, due 4/1/2023		1,086	1.13	1,570 Samvardhana Motherson Automotive Systems Group BV, 4.125%, due 7/15/2021		1,611	1.67	880 Tesco Corporate Treasury Services Plc, 2.500%, due 7/1/2024			
1,730 SFR Group SA, 5.625%, due 5/15/2024		1,837	1.91	1,840 Ziggo Secured Finance BV, 4.250%, due 1/15/2027		1,934	2.01	GBP 492 Tesco Property Finance 6 Plc, 5.411%, due 7/13/2044			
1,000 THOM Europe SAS, 7.375%, due 7/15/2019		1,045	1.08			3,545	3.68	GBP 830 Virgin Media Finance Plc, 6.375%, due 10/15/2024			
		12,196	12.66	Poland — 0.69% (February 29, 2016: 0.75%)				GBP 500 Virgin Media Secured Finance Plc, 5.000%, due 4/15/2027			
Germany — 4.99% (February 29, 2016: 10.08%)				640 Play Finance 1 SA, Series Regs, 6.500%, due 8/1/2019		660	0.69	1,070 Viridian Group FundCo II Ltd, 7.500%, due 3/1/2020			
500 BMBG Bond Finance SCA, 3.000%, due 6/15/2021		520	0.54	Spain — 7.57% (February 29, 2016: 2.50%)				GBP 380 Vue International Bidco Plc, 7.875%, due 7/15/2020			
830 CeramTec Group GmbH, 8.250%, due 8/15/2021		885	0.92	459 Campofrio Food Group SA, 3.375%, due 3/15/2022		476	0.49				
1,000 IHO Verwaltungs GmbH, 3.750%, due 9/15/2026		1,019	1.06	900 Codere Finance 2 Luxembourg SA, 6.750%, due 11/1/2021		882	0.91				
500 PrestigeBidCo GmbH, 6.250%, due 12/15/2023		529	0.55	390 Empark Funding SA, 6.750%, due 12/15/2019		405	0.42				
410 ProGroup AG, 5.125%, due 5/1/2022		436	0.45	760 Gestamp Funding Luxembourg SA, 3.500%, due 5/15/2023		798	0.83				
500 RWE AG, 3.500%, due 4/21/2075 *		475	0.49	1,450 Lecta SA, 6.500%, due 8/1/2023		1,513	1.57				
890 Unitymedia Hessen GmbH & Co KG / Unitymedia NRW GmbH, 4.000%, due 1/15/2025		938	0.98	690 Repsol International Finance BV, 4.500%, due 3/25/2075 *		699	0.73				
		4,802	4.99	1,300 Telefonica Europe BV, 5.875%, Perpetual *		1,423	1.48				
Ireland — 1.63% (February 29, 2016: 0.00%)				400 Telefonica Europe BV, 7.625%, Perpetual *		468	0.49				
1,500 eircom Finance DAC, 4.500%, due 5/31/2022		1,571	1.63	GBP 500 Telefonica Europe BV, 6.750%, Perpetual *		629	0.65				
Italy — 7.55% (February 29, 2016: 6.60%)						7,293	7.57				
1,000 Buzzi Unicem SpA, 2.125%, due 4/28/2023		1,035	1.08	Sweden — 0.27% (February 29, 2016: 0.24%)							
130 Enel SpA, 5.000%, due 1/15/2075 *		139	0.14	280 Vattenfall AB, 3.000%, due 3/19/2077 *		262	0.27				
GBP 860 Enel SpA, 7.750%, due 9/10/2075 *		1,115	1.16	Switzerland — 1.11% (February 29, 2016: 1.16%)							
580 Leonardo SpA, 4.875%, due 3/24/2025		690	0.72	1,000 Dufry Finance SCA, 4.500%, due 8/1/2023		1,074	1.11				
1,000 Telecom Italia SpA/Milano, 3.000%, due 9/30/2025		1,005	1.04	United Kingdom — 21.42% (February 29, 2016: 23.91%)							
1,410 Telecom Italia SpA/Milano, 3.625%, due 5/25/2026		1,463	1.52	850 Alliance Automotive Finance Plc, 6.250%, due 12/1/2021		906	0.94				
1,000 Wind Acquisition Finance SA, 4.000%, due 7/15/2020		1,019	1.06	GBP 245 Anglian Water Osprey Financing Plc, 7.000%, due 1/31/2018		302	0.31				
770 Wind Acquisition Finance SA, 7.000%, due 4/23/2021		802	0.83								
		7,268	7.55								

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Euro High Yield Fund

Portfolio of Investments as at February 28, 2017 – (continued)

Face Value (000's)	Value (000's) €	% of Net Asset Value
Corporate Bonds and Notes — (continued)		
United States — (continued)		
1,170 Valeant Pharmaceuticals International Inc, 4.500%, due 5/15/2023	914	0.95
500 WMG Acquisition Corp, 4.125%, due 11/1/2024	528	0.55
	13,132	13.63
Total Corporate Bonds and Notes (Cost €88,431)	90,807	94.29
Loan Notes — 0.51% (February 29, 2016: 0.00%)		
2,104 Boats Investments Netherlands BV PIK, 11.000%, due 3/31/2017 *†	495	0.51
Total Loan Notes (Cost €2,032)	495	0.51

Face Value (000's)	Value (000's) €	% of Net Asset Value
Time Deposits — 1.83% (February 29, 2016: 7.52%)		
GBP 1,500 Commerzbank London, 0.120%, due 3/1/2017	1,757	1.83
Total Time Deposits (Cost €1,757)	1,757	1.83
Collective Investment Schemes — 1.79% (February 29, 2016: 0.19%)		
USD 1,830 Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	1,727	1.79
Total Collective Investment Schemes (Cost €1,685)	1,727	1.79
Total Investments (Cost €93,905)	94,786	98.42
Other Assets in Excess of Liabilities (February 29, 2016: 3.63%)		
	1,520	1.58
Total Net Assets	€96,306	100.00

* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2017.

† Illiquid.

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	93.14
Collective investment schemes	1.76
Deposits with credit institutions	1.79
Other assets	3.31
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)
05/11/17	BNP Paribas	Buy EUR 142	Sell GBP 121	€ –
05/11/17	Citigroup	Buy GBP 1,150	Sell EUR 1,348	(2)
05/11/17	Citigroup	Buy EUR 5,800	Sell GBP 4,997	(44)
05/11/17	Deutsche Bank	Buy EUR 233	Sell GBP 201	(2)
05/11/17	Deutsche Bank	Buy EUR 194	Sell USD 210	(4)
05/11/17	JP Morgan Chase Bank	Buy EUR 216	Sell GBP 187	(2)
05/11/17	JP Morgan Chase Bank	Buy EUR 912	Sell USD 981	(11)
05/11/17	Royal Bank of Canada	Buy GBP 1,500	Sell EUR 1,773	(19)
05/11/17	Royal Bank of Canada	Buy EUR 3,223	Sell GBP 2,780	(27)
05/11/17	Societe Generale	Buy EUR 376	Sell GBP 324	(4)
05/11/17	UBS	Buy GBP 600	Sell EUR 703	(2)
05/11/17	UBS	Buy EUR 11,232	Sell GBP 9,714	(127)
05/11/17	UBS	Buy EUR 176	Sell GBP 150	1
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): €186)				1
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): €(66))				(244)
Net Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): €120)				€ (243)

Legg Mason Western Asset Macro Opportunities Bond Fund[^]

Portfolio of Investments as at February 28, 2017

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 — 0.44% (February 29, 2016: 1.68%)								
378 Argent Securities Inc Asset-Backed Pass-Through Certificates Series 2004-V8, Series 2004 W8, Class A2, 1.738%, due 5/25/2034 *	378	0.01	21,782 JPMBB Commercial Mortgage Securities Trust 2015-C32, Series 2015 C32, Class D, 4.168%, due 11/15/2048 *	16,082	0.36	6,050 Credit Agricole SA, 144A, 8.125%, Perpetual *	6,466	0.15
10,560 Community Funding CLO 2015-1A, Series 2015 1A, Class A, 144A, 5.750%, due 11/1/2027 +∞	10,091	0.23	7,658 MortgageIT Trust 2005-3, Series 2005 3, Class A1, 1.078%, due 8/25/2035 *	7,237	0.16	4,795 Pernod Ricard SA, 144A, 5.500%, due 1/15/2042	5,432	0.12
9,452 Morgan Stanley ABS Capital I Inc Trust 2005-HE1, Series 2005 HE1, Class M1, 1.453%, due 12/25/2034 *	9,095	0.20	6,553 Wells Fargo Commercial Mortgage Trust 2015-C31, Series 2015 C31, Class D, 3.852%, due 11/15/2048	4,792	0.11	1,863 SFR Group SA, 144A, 6.250%, due 5/15/2024	1,891	0.04
			4,700 Wells Fargo Commercial Mortgage Trust 2015-SG1, Series 2015 SG1, Class D, 4.470%, due 12/15/2047 *	3,736	0.09	3,000 SFR Group SA, 144A, 7.375%, due 5/1/2026	3,109	0.07
Total Asset-Backed Securities (Cost \$19,974)	19,564	0.44					29,015	0.66
Mortgage-Backed Securities — 3.35% (February 29, 2016: 2.91%)								
10,640 BBCCRE Trust 2015-GTP, Series 2015 GTP, Class D, 144A, 4.563%, due 8/10/2033 *	9,821	0.22	Total Mortgage-Backed Securities (Cost \$150,198)			Germany — 0.11% (February 29, 2016: 0.18%)		
880 COMM 2015-CCRE25 Mortgage Trust, Series 2015 CR25, Class D, 3.796%, due 8/10/2048 *	688	0.02		148,060	3.35	2,220 IHO Verwaltungs GmbH, 144A, 4.125%, due 9/15/2021	2,243	0.05
13,360 COMM 2015-LC21 Mortgage Trust, Series 2015 LC21, Class D, 4.311%, due 7/10/2048 *	10,285	0.23	Corporate Bonds and Notes — 37.60% (February 29, 2016: 54.02%)			2,210 IHO Verwaltungs GmbH, 144A, 4.750%, due 9/15/2026	2,182	0.05
13,758 CSMC Series 2009-2R, Series 2009 2R, Class 1A14, 144A, 3.044%, due 9/26/2034 *	13,875	0.31	Australia — 0.46% (February 29, 2016: 0.51%)			CNH 4,000 Volkswagen International Finance NV, 3.750%, due 11/30/2017	577	0.01
13,664 CSMC Series 2015-12R, Series 2015 12R, Class 2A1, 144A, 1.256%, due 11/30/2037 *	12,904	0.29	14,660 BHP Billiton Finance USA Ltd, 144A, 6.750%, due 10/19/2075 *	16,757	0.38		5,002	0.11
12,640 CSMC Trust 2016-NYRT, Series 2016 NYRT, Class A, 144A, 2.378%, due 9/12/2017	12,624	0.29	2,920 FMG Resources August 2006 Pty Ltd, 144A, 9.750%, due 3/1/2022	3,378	0.08	India — 0.71% (February 29, 2016: 0.88%)		
3,700 Fannie Mae Pool, 30 year, TBA, 3.500% ±	3,793	0.09		20,135	0.46	INR 250,000 National Bank for Agriculture and Rural Development, Series 16C, 8.370%, due 6/22/2020	3,865	0.09
9,350 Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2016 DNA1, Class M2, 3.678%, due 7/25/2028 *	9,734	0.22	Belgium — 0.76% (February 29, 2016: 1.67%)			INR 500,000 NTPC Ltd, Series 53, 9.170%, due 9/22/2024	8,107	0.18
20,913 Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2017 DNA1, Class M1, 1.979%, due 7/25/2029 *	20,963	0.47	15,950 Anheuser-Busch InBev Finance Inc, 3.650%, due 2/1/2026	16,226	0.37	INR 500,000 Power Finance Corp Ltd, Series 130C, 8.390%, due 4/19/2025	7,761	0.17
3,880 GS Mortgage Securities Corp Trust 2016-ICE2, Series 2016 ICE2, Class D, 144A, 6.520%, due 2/15/2033 *	4,006	0.09	15,700 Anheuser-Busch InBev Finance Inc, 4.900%, due 2/1/2046	17,233	0.39	INR 250,000 Power Grid Corp of India Ltd, Series C, 8.200%, due 1/23/2025	3,898	0.09
2,500 GS Mortgage Securities Trust 2014-GC24, Series 2014 GC24, Class D, 144A, 4.529%, due 9/10/2047 *	1,968	0.05		33,459	0.76	INR 500,000 Rural Electrification Corp Ltd, Series 133, 8.300%, due 4/10/2025	7,764	0.18
6,780 JP Morgan Chase Commercial Mortgage Securities Trust 2014-FL6, Series 2014 FL6, Class C, 144A, 3.800%, due 11/15/2031 *	6,718	0.15	Brazil — 0.65% (February 29, 2016: 0.60%)				31,395	0.71
4,700 JP Morgan Chase Commercial Mortgage Securities Trust 2014-FL6, Series 2014 FL6, Class D, 144A, 5.020%, due 11/15/2031 *	4,402	0.10	1,050 CBC Ammo LLC / CBC FinCo Inc, 144A, 7.250%, due 11/15/2021	1,037	0.02	Ireland — 0.43% (February 29, 2016: 0.00%)		
5,987 JPMBB Commercial Mortgage Securities Trust 2015-C31, Series 2015 C31, Class D, 4.118%, due 8/15/2048 *	4,432	0.10	5,550 Petrobras Global Finance BV, 6.750%, due 1/27/2041	5,092	0.12	14,470 Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 144A, 4.625%, due 5/15/2023	14,723	0.33
			12,960 Petrobras Global Finance BV, 5.625%, due 5/20/2043	10,336	0.23	1,500 Park Aerospace Holdings Ltd, 144A, 5.250%, due 8/15/2022	1,564	0.04
			9,610 Petrobras Global Finance BV, 7.250%, due 3/17/2044	9,277	0.21	2,750 Park Aerospace Holdings Ltd, 144A, 5.500%, due 2/15/2024	2,874	0.06
			3,430 Petrobras Global Finance BV, 6.850%, due 6/5/2115	2,976	0.07		19,161	0.43
				28,718	0.65	Italy — 0.29% (February 29, 2016: 0.38%)		
			Canada — 0.18% (February 29, 2016: 0.31%)			9,230 Enel Finance International NV, 144A, 6.000%, due 10/7/2039	10,630	0.24
			705 1011778 BC ULC / New Red Finance Inc, 144A, 6.000%, due 4/1/2022	735	0.02	2,150 Intesa Sanpaolo SpA, 144A, 5.017%, due 6/26/2024	2,019	0.05
			6,880 Teine Energy Ltd, 144A, 6.875%, due 9/30/2022	7,155	0.16		12,649	0.29
				7,890	0.18	Luxembourg — 0.15% (February 29, 2016: 0.25%)		
			China — 0.05% (February 29, 2016: 0.13%)			6,520 Altice Financing SA, 144A, 6.625%, due 2/15/2023	6,862	0.15
			CNH 15,000 Bank of China Ltd/ Luxembourg, 3.500%, due 5/15/2017	2,181	0.05	Mexico — 0.45% (February 29, 2016: 0.47%)		
			Colombia — 1.18% (February 29, 2016: 1.78%)			20,780 Petroleos Mexicanos, 6.375%, due 1/23/2045	19,772	0.45
			12,970 Ecopetrol SA, 5.875%, due 9/18/2023	14,072	0.32	Netherlands — 0.10% (February 29, 2016: 0.74%)		
			19,689 Ecopetrol SA, 4.125%, due 1/16/2025	19,089	0.43	3,550 Cooperatieve Rabobank UA, 4.625%, due 12/1/2023	3,745	0.08
			9,010 Ecopetrol SA, 5.375%, due 6/26/2026	9,247	0.21	700 Cooperatieve Rabobank UA, 5.750%, due 12/1/2043	808	0.02
			10,720 Ecopetrol SA, 5.875%, due 5/28/2045	9,680	0.22		4,553	0.10
				52,088	1.18	New Zealand — 0.19% (February 29, 2016: 0.22%)		
			France — 0.66% (February 29, 2016: 1.61%)			CNH 59,000 Fonterra Co-operative Group Ltd, 3.600%, due 1/29/2019	8,367	0.19
			4,110 BNP Paribas SA, 144A, 7.375%, Perpetual *	4,186	0.10	Spain — 0.98% (February 29, 2016: 1.06%)		
			7,510 BNP Paribas SA, 144A, 7.625%, Perpetual *	7,931	0.18	13,200 Banco Bilbao Vizcaya Argentaria SA, 9.000%, Perpetual *	13,938	0.32

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The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Macro Opportunities Bond Fund[^]

Portfolio of Investments as at February 28, 2017 – (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)				2,391	American Airlines 2013-2 Class B Pass Through Trust, 144A, 5.600%, due 7/15/2020	2,481	0.06	3,185	Compass Bank, 3.875%, due 4/10/2025	3,091	0.07
Spain — (continued)				2,863	Anadarko Petroleum Corp, 3.450%, due 7/15/2024	2,842	0.06	1,685	Concho Resources Inc, 5.500%, due 10/1/2022	1,744	0.04
15,200	Banco Santander SA, 6.375%, Perpetual *	14,782	0.33	3,700	Anadarko Petroleum Corp, 5.550%, due 3/15/2026	4,156	0.09	1,090	Constellation Brands Inc, 4.750%, due 11/15/2024	1,177	0.03
4,910	Telefonica Emisiones SAU, 4.570%, due 4/27/2023	5,209	0.12	2,930	Anadarko Petroleum Corp, 4.500%, due 7/15/2044	2,830	0.06	4,433	Crestwood Midstream Partners LP / Crestwood Midstream Finance Corp, 6.125%, due 3/1/2022	4,583	0.10
7,810	Telefonica Emisiones SAU, 7.045%, due 6/20/2036	9,386	0.21	9,920	Apache Corp, 4.750%, due 4/15/2043	10,189	0.23	5,370	CSC Holdings LLC, 8.625%, due 2/15/2019	5,937	0.13
		43,315	0.98	5,600	Apache Corp, 4.250%, due 1/15/2044	5,437	0.12	4,370	DaVita Inc, 5.000%, due 5/1/2025	4,397	0.10
Switzerland — 0.88% (February 29, 2016: 1.45%)				3,800	Apple Inc, 3.850%, due 8/4/2046	3,662	0.08	630	DCP Midstream Operating LP, 144A, 6.450%, due 11/3/2036	647	0.01
510	Credit Suisse Group Funding Guernsey Ltd, 4.550%, due 4/17/2026	528	0.01	4,410	Arcenic Inc, 5.870%, due 2/23/2022	4,784	0.11	3,910	DCP Midstream Operating LP, 144A, 6.750%, due 9/15/2037	4,145	0.09
18,840	Credit Suisse Group Funding Guernsey Ltd, 4.875%, due 5/15/2045	19,326	0.44	9,590	AT&T Inc, 4.500%, due 5/15/2035	9,096	0.21	11,660	Devon Energy Corp, 5.850%, due 12/15/2025	13,407	0.30
11,160	UBS Group AG, 6.875%, Perpetual *	11,493	0.26	23,560	BAC Capital Trust XIV, Series G, 4.000%, Perpetual *	18,285	0.41	180	Devon Energy Corp, 5.600%, due 7/15/2041	193	—
7,050	UBS Group AG, 7.000%, Perpetual *	7,588	0.17	8,000	Bank of America Corp, 4.250%, due 10/22/2026	8,154	0.18	3,530	Devon Energy Corp, 5.000%, due 6/15/2045	3,596	0.08
		38,935	0.88	31,590	Bank of America Corp, Series X, 6.250%, Perpetual *	33,804	0.76	14,430	Diamond 1 Finance Corp / Diamond 2 Finance Corp, 144A, 3.480%, due 6/1/2019	14,756	0.33
United Arab Emirates — 0.03% (February 29, 2016: 0.09%)				8,190	Bank of America Corp, Series Z, 6.500%, Perpetual *	8,945	0.20	9,510	Diamond 1 Finance Corp / Diamond 2 Finance Corp, 144A, 4.420%, due 6/15/2021	9,973	0.23
1,495	Shelf Drilling Holdings Ltd, 9.500%, due 11/2/2020	1,420	0.03	12,600	Bank of America Corp, Series U, 5.200%, Perpetual *	12,624	0.29	870	DISH DBS Corp, 6.750%, due 6/1/2021	959	0.02
United Kingdom — 4.03% (February 29, 2016: 4.89%)				33,420	Bank of America Corp, Series AA, 6.100%, Perpetual *	35,655	0.81	4,970	DISH DBS Corp, 5.875%, due 11/15/2024	5,293	0.12
2,410	Barclays Bank Plc, 7.625%, due 11/21/2022	2,589	0.06	7,010	Blue Racer Midstream LLC / Blue Racer Finance Corp, 144A, 6.125%, due 11/15/2022	7,133	0.16	7,420	Dollar Tree Inc, 5.750%, due 3/1/2023	7,874	0.18
CNH	34,000 BP Capital Markets Plc, Series 82, 3.650%, due 2/28/2019	4,848	0.11	2,700	CCO Holdings LLC / CCO Holdings Capital Corp, 144A, 5.375%, due 5/1/2025	2,828	0.06	1,710	EnSCO Plc, 8.000%, due 1/31/2024	1,753	0.04
GBP	4,970 Eversholt Funding Plc, 6.359%, due 12/2/2025	8,169	0.18	1,670	Centene Corp, 4.750%, due 5/15/2022	1,731	0.04	5,920	Exxon Mobil Corp, 4.114%, due 3/1/2046	6,160	0.14
	4,560 HSBC Holdings Plc, 4.250%, due 8/18/2025	4,627	0.10	1,000	Centene Corp, 6.125%, due 2/15/2024	1,085	0.02	5,740	First Data Corp, 144A, 5.000%, due 1/15/2024	5,862	0.13
	5,560 HSBC Holdings Plc, 4.300%, due 3/8/2026	5,820	0.13	2,590	Centene Corp, 4.750%, due 1/15/2025	2,664	0.06	18,450	FirstEnergy Corp, Series C, 7.375%, due 11/15/2031	24,319	0.55
	3,060 HSBC Holdings Plc, 6.375%, Perpetual *	3,136	0.07	3,130	CenturyLink Inc, 5.625%, due 4/1/2025	3,044	0.07	4,305	Freeport-McMoRan Inc, 2.375%, due 3/15/2018	4,283	0.10
	3,000 HSBC Holdings Plc, 6.375%, Perpetual *	3,045	0.07	18,100	Charter Communications Operating LLC / Charter Communications Operating Capital, 6.834%, due 10/23/2055	21,206	0.48	8,920	Freeport-McMoRan Inc, 6.625%, due 5/1/2021	9,098	0.21
	3,280 Lloyds Banking Group Plc, 7.500%, Perpetual *	3,481	0.08	6,270	Chubb INA Holdings Inc, 4.350%, due 11/3/2045	6,705	0.15	4,750	General Electric Co, 5.875%, due 1/14/2038	6,089	0.14
GBP	4,510 Manchester Airport Group Funding Plc, 4.125%, due 4/2/2024	6,454	0.15	4,720	CIT Group Inc, 144A, 5.500%, due 2/15/2019	4,974	0.11	5,890	Genesis Energy LP / Genesis Energy Finance Corp, 6.750%, due 8/1/2022	6,140	0.14
	7,942 Royal Bank of Scotland Group Plc, 6.125%, due 12/15/2022	8,450	0.19	15,990	CIT Group Inc, 5.000%, due 8/15/2022	16,949	0.38	915	Goldman Sachs Capital II, 4.000%, Perpetual *	759	0.02
	3,280 Royal Bank of Scotland Group Plc, 6.100%, due 6/10/2023	3,485	0.08	8,290	CIT Group Inc, 5.000%, due 8/1/2023	8,767	0.20	655	Goldman Sachs Capital III, Series APEX, 4.000%, Perpetual *	540	0.01
	6,410 Royal Bank of Scotland Group Plc, 6.000%, due 12/19/2023	6,813	0.15	11,580	Citigroup Inc, 4.600%, due 3/9/2026	12,029	0.27	3,560	Goldman Sachs Group Inc/ The, 4.250%, due 10/21/2025	3,650	0.08
	70,650 Royal Bank of Scotland Group Plc, 5.125%, due 5/28/2024	71,514	1.62	6,520	Citigroup Inc, 4.450%, due 9/29/2027	6,676	0.15	12,340	Goldman Sachs Group Inc/ The, 6.750%, due 10/1/2037	15,399	0.35
	7,840 Royal Bank of Scotland Group Plc, 8.625%, Perpetual *	8,283	0.19	3,435	Citigroup Inc, 8.125%, due 7/15/2039	5,120	0.12	21,590	Goldman Sachs Group Inc/ The, 5.150%, due 5/22/2045	23,009	0.52
	740 Santander UK Group Holdings Plc, 144A, 4.750%, due 9/15/2025	738	0.02	11,305	Citigroup Inc, 5.300%, due 5/6/2044	12,250	0.28	3,280	Goldman Sachs Group Inc/ The, 4.750%, due 10/21/2045	3,492	0.08
	18,217 Standard Chartered Plc, 144A, 5.700%, due 3/26/2044	18,613	0.42	12,925	Citigroup Inc, Series D, 5.350%, Perpetual *	12,938	0.29	1,360	Goodyear Tire & Rubber Co/The, 5.125%, due 11/15/2023	1,413	0.03
	1,560 Virgin Media Secured Finance Plc, 144A, 5.250%, due 1/15/2026	1,577	0.04	87,805	Citigroup Inc, Series P, 5.950%, Perpetual *	91,537	2.07	2,100	Goodyear Tire & Rubber Co/The, 5.000%, due 5/31/2026	2,142	0.05
GBP	12,366 Whitbread Group Plc, 3.375%, due 10/16/2025	16,442	0.37	12,740	Citigroup Inc, Series M, 6.300%, Perpetual *	13,457	0.30	5,590	Halliburton Co, 3.800%, due 11/15/2025	5,730	0.13
		178,084	4.03	3,330	Comcast Corp, 6.500%, due 11/15/2035	4,293	0.10	7,150	Halliburton Co, 4.850%, due 11/15/2035	7,668	0.17
United States — 25.31% (February 29, 2016: 36.80%)				2,580	Communications Sales & Leasing Inc / CSL Capital LLC, 8.250%, due 10/15/2023	2,796	0.06	4,440	Halliburton Co, 5.000%, due 11/15/2045	4,820	0.11

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Legg Mason Western Asset Macro Opportunities Bond Fund[^]

Portfolio of Investments as at February 28, 2017 – (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)								
1,070 HCA Inc, 5.375%, due 2/1/2025	1,119	0.03	2,590 Rice Energy Inc, 6.250%, due 5/1/2022	2,647	0.06	80,724 Wachovia Capital Trust III, 5.570%, Perpetual *	80,623	1.82
1,595 HCA Inc, 5.875%, due 2/15/2026	1,711	0.04	2,990 Rice Energy Inc, 7.250%, due 5/1/2023	3,162	0.07	1,500 Wells Fargo & Co, 4.125%, due 8/15/2023	1,571	0.04
670 HCA Inc, 5.250%, due 6/15/2026	708	0.02	6,910 Rockies Express Pipeline LLC, 144A, 6.875%, due 4/15/2040	7,359	0.17	5,940 Wells Fargo & Co, 3.550%, due 9/29/2025	5,992	0.14
470 HCA Inc, 4.500%, due 2/15/2027	469	0.01	1,108 RSP Permian Inc, 6.625%, due 10/1/2022	1,172	0.03	9,550 Wells Fargo & Co, 4.300%, due 7/22/2027	9,942	0.23
6,290 ILFC E-Capital Trust I, 144A, 4.670%, due 12/21/2065 *	5,913	0.13	12,960 Schlumberger Holdings Corp, 144A, 4.000%, due 12/21/2025	13,632	0.31	14,490 Wells Fargo & Co, 4.650%, due 11/4/2044	14,818	0.34
3,720 International Lease Finance Corp, 5.875%, due 8/15/2022	4,198	0.10	1,330 Shea Homes LP / Shea Homes Funding Corp, 144A, 5.875%, due 4/1/2023	1,353	0.03	7,420 Wells Fargo & Co, 4.400%, due 6/14/2046	7,302	0.17
6,040 Kerr-McGee Corp, 6.950%, due 7/1/2024	7,228	0.16	4,090 Shea Homes LP / Shea Homes Funding Corp, 144A, 6.125%, due 4/1/2025	4,162	0.09	9,016 Wells Fargo & Co, Series U, 5.875%, Perpetual *	9,737	0.22
3,216 Kinder Morgan Energy Partners LP, 3.500%, due 9/1/2023	3,183	0.07	3,120 Sprint Capital Corp, 8.750%, due 3/15/2032	3,744	0.08	3,890 Wesleyan University, 4.781%, due 7/1/2116	3,759	0.09
3,512 Kinder Morgan Energy Partners LP, 4.250%, due 9/1/2024	3,591	0.08	3,390 Sprint Communications Inc, 144A, 9.000%, due 11/15/2018	3,708	0.08	3,990 Westlake Chemical Corp, 4.875%, due 5/15/2023	4,151	0.09
2,330 Kinder Morgan Inc/DE, 5.300%, due 12/1/2034	2,401	0.05	2,220 Sprint Communications Inc, 11.500%, due 11/15/2021	2,794	0.06	5,400 Williams Cos Inc/The, 8.750%, due 3/15/2032	6,932	0.16
GBP 13,050 Kraft Heinz Foods Co, 4.125%, due 7/1/2027	18,068	0.41	660 Sprint Corp, 7.875%, due 9/15/2023	734	0.02	6,980 WPX Energy Inc, 8.250%, due 8/1/2023	7,818	0.18
3,090 Kraft Heinz Foods Co, 5.200%, due 7/15/2045	3,263	0.07	16,810 Teachers Insurance & Annuity Association of America, 144A, 4.900%, due 9/15/2044	18,432	0.42	11,182 XPO Logistics Inc, 144A, 6.500%, due 6/15/2022	11,741	0.27
1,550 Lamb Weston Holdings Inc, 144A, 4.875%, due 11/1/2026	1,574	0.04	1,300 Time Warner Cable LLC, 7.300%, due 7/1/2038	1,625	0.04		1,119,143	25.31
2,010 Laredo Petroleum Inc, 7.375%, due 5/1/2022	2,080	0.05	10,190 Toll Road Investors Partnership II LP, 144A, zero coupon, due 2/15/2024	6,983	0.16	Total Corporate Bonds and Notes (Cost \$1,620,294)		
3,360 Level 3 Financing Inc, 6.125%, due 1/15/2021	3,482	0.08	2,100 Toll Road Investors Partnership II LP, 144A, zero coupon, due 2/15/2038	544	0.01		1,662,144	37.60
10,138 Micron Technology Inc, 144A, 5.250%, due 8/1/2023	10,227	0.23	8,080 Transcontinental Gas Pipe Line Co LLC, 7.850%, due 2/1/2026	10,391	0.24	Government Bonds and Notes — 49.68% (February 29, 2016: 34.67%)		
192 Micron Technology Inc, 144A, 5.250%, due 1/15/2024	194	—	310 United Rentals North America Inc, 6.125%, due 6/15/2023	326	0.01	Argentina — 2.26% (February 29, 2016: 0.00%)		
190 Micron Technology Inc, 5.500%, due 2/1/2025	196	—	2,000 United Rentals North America Inc, 4.625%, due 7/15/2023	2,053	0.05	ARS 128,900 Argentine Bonos del Tesoro, 22.750%, due 3/5/2018	8,653	0.20
12,380 Microsoft Corp, 3.300%, due 2/6/2027	12,629	0.29	4,330 United Rentals North America Inc, 5.750%, due 11/15/2024	4,598	0.10	ARS 55,750 Argentine Bonos del Tesoro, 21.200%, due 9/19/2018	3,775	0.08
3,690 Microsoft Corp, 3.700%, due 8/8/2046	3,491	0.08	920 United Rentals North America Inc, 5.875%, due 9/15/2026	968	0.02	ARS 314,020 Argentine Bonos del Tesoro, 18.200%, due 10/3/2021	22,546	0.51
4,667 Miran Mid-Atlantic Series C Pass Through Trust, Series C, 10.060%, due 12/30/2028	4,165	0.09	1,160 Universal Hospital Services Inc, 7.625%, due 8/15/2020	1,167	0.03	ARS 30,310 Argentine Bonos del Tesoro, 15.500%, due 10/17/2026	2,160	0.05
7,700 MPLX LP, 4.875%, due 12/1/2024	8,210	0.19	15,286 Valeant Pharmaceuticals International, 144A, 6.375%, due 10/15/2020	13,910	0.31	12,670 Argentine Republic Government International Bond, 144A, 6.875%, due 4/22/2021	13,519	0.31
1,600 MPLX LP, 4.875%, due 6/1/2025	1,705	0.04	2,220 Valeant Pharmaceuticals International Inc, 144A, 5.375%, due 3/15/2020	1,990	0.05	20,820 Argentine Republic Government International Bond, 144A, 5.625%, due 1/26/2022	21,028	0.47
5,950 Navient Corp, 8.450%, due 6/15/2018	6,359	0.14	5,818 Valeant Pharmaceuticals International Inc, 144A, 7.500%, due 7/15/2021	5,345	0.12	11,660 Argentine Republic Government International Bond, 144A, 7.500%, due 4/22/2026	12,185	0.27
2,310 NCL Corp Ltd, 144A, 4.625%, due 11/15/2020	2,374	0.05	7,950 Valeant Pharmaceuticals International Inc, 144A, 5.500%, due 3/1/2023	6,410	0.15	5,970 Argentine Republic Government International Bond, 144A, 7.625%, due 4/22/2046	6,012	0.14
4,540 Netflix Inc, 5.500%, due 2/15/2022	4,846	0.11	16,290 Valeant Pharmaceuticals International Inc, 144A, 5.875%, due 5/15/2023	13,256	0.30	9,990 Provincia de Buenos Aires/ Argentina, 144A, 7.875%, due 6/15/2027	9,987	0.23
3,740 Netflix Inc, 5.875%, due 2/15/2025	4,044	0.09	31,841 Valeant Pharmaceuticals International Inc, 144A, 6.125%, due 4/15/2025	25,353	0.57		99,865	2.26
1,010 Newell Brands Inc, 4.200%, due 4/1/2026	1,063	0.02	11,800 Verizon Communications Inc, 6.400%, due 9/15/2033	14,095	0.32	Brazil — 3.58% (February 29, 2016: 4.84%)		
4,000 NRG REMA LLC, Series C, 9.681%, due 7/2/2026	2,720	0.06	12,837 Verizon Communications Inc, 6.550%, due 9/15/2043	15,715	0.36	BRL 132,921 Brazil Notas do Tesouro Nacional Serie F, Series NTN-F, 10.000%, due 1/1/2021	42,661	0.97
2,570 Occidental Petroleum Corp, 4.625%, due 6/15/2045	2,717	0.06				BRL 96,056 Brazil Notas do Tesouro Nacional Serie F, Series NTN-F, 10.000%, due 1/1/2023	30,601	0.69
660 Occidental Petroleum Corp, 4.400%, due 4/15/2046	676	0.02				8,530 Brazilian Government International Bond, 4.250%, due 1/7/2025	8,381	0.19
3,890 Occidental Petroleum Corp, 4.100%, due 2/15/2047	3,820	0.09				87,840 Brazilian Government International Bond, 5.000%, due 1/27/2045	76,640	1.73
1,512 PetSmart Inc, 144A, 7.125%, due 3/15/2023	1,484	0.03					158,283	3.58
2,325 PulteGroup Inc, 6.375%, due 5/15/2033	2,406	0.05				China — 1.04% (February 29, 2016: 1.60%)		
2,430 QEP Resources Inc, 5.250%, due 5/1/2023	2,394	0.05				CNH 12,000 China Government Bond, 4.000%, due 5/22/2024	1,702	0.04
3,270 Quicken Loans Inc, 144A, 5.750%, due 5/1/2025	3,221	0.07						
6,980 Range Resources Corp, 4.875%, due 5/15/2025	6,605	0.15						
900 Reynolds American Inc, 6.150%, due 9/15/2043	1,093	0.03						

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The accompanying notes are an integral part of the Financial Statements

Portfolio of Investments as at February 28, 2017 – (continued)

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The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset Macro Opportunities Bond Fund[^]

Portfolio of Investments as at February 28, 2017 – (continued)

Contracts (000's)	Value (000's) \$	% of Net Asset Value	Contracts (000's)	Value (000's) \$	% of Net Asset Value	
Options — (continued)						
Written Options — (continued)						
– JPY/USD March 2017			(4) U.S. 5 Year April 2017			
Call 87.00, due 3/3/2017	(698)	(0.02)	Call 118.25, due 3/24/2017	(765)	(0.02)	†
(1) JPY/USD March 2017			(2) U.S. 5 Year April 2017			∞
Call 88.00, due 3/3/2017	(1,061)	(0.02)	Call 118.50, due 3/24/2017	(248)	(0.01)	
– JPY/USD March 2017			(1) U.S. 5 Year May 2017			±
Call 89.00, due 3/3/2017	(316)	(0.01)	Call 119.25, due 4/21/2017	(69)	–	
(1) JPY/USD March 2017			(1) U.S. Bond April 2017			β
Call 90.00, due 3/3/2017	(95)	–	Call 152.00, due 3/24/2017	(1,798)	(0.04)	
– JPY/USD March 2017			(4) U.S. Bond April 2017			
Put 84.00, due 3/3/2017	–	–	Call 153.00, due 3/24/2017	(4,119)	(0.09)	
– JPY/USD March 2017			(2) U.S. Bond April 2017			
Put 85.00, due 3/3/2017	(3)	–	Call 154.00, due 3/24/2017	(1,092)	(0.03)	
(1) JPY/USD March 2017			– U.S. Bond April 2017			
Put 86.00, due 3/3/2017	(16)	–	Call 155.00, due 3/24/2017	(107)	–	
(1) U.S. 10 Year April 2017			– U.S. Bond April 2017			CPI
Call 124.50, due 3/24/2017	(364)	(0.01)	Put 145.00, due			Perpetual
(3) U.S. 10 Year April 2017			3/24/2017	(14)	–	
Call 125.00, due 3/24/2017	(1,607)	(0.04)	(1) U.S. Bond April 2017			TBA
(3) U.S. 10 Year April 2017			Put 147.00, due			ARS
Call 125.50, due 3/24/2017	(918)	(0.02)	3/24/2017	(127)	–	BRL
(1) U.S. 10 Year April 2017			(1) U.S. Bond April 2017			CNY
Call 126.00, due 3/24/2017	(160)	–	Put 148.00, due			CNH
(1) U.S. 10 Year April 2017			3/24/2017	(298)	(0.01)	EUR
Call 126.50, due 3/24/2017	(82)	–	(1) U.S. Bond April 2017			GBP
(1) U.S. 10 Year April 2017			Put 149.00, due			IDR
Put 123.00, due 3/24/2017	(261)	(0.01)	3/24/2017	(338)	(0.01)	INR
(1) U.S. 10 Year April 2017			(42,782) USD Call/MXN			JPY
Put 123.50, due 3/24/2017	(263)	(0.01)	Put 21.2150, due			MXN
(2) U.S. 10 Year June 2017			3/8/2017	(3)	–	RUB
Call 127.00, due 5/26/2017	(1,005)	(0.02)	(79,010) USD Put/MXN			TRY
(1) U.S. 10 Year June 2017			Call 19.31, due 3/24/2017	(124)	–	
Call 127.50, due 5/26/2017	(199)	–		(17,954)	(0.41)	
(1) U.S. 10 Year June 2017			Total Options (Cost \$(14,950))	(8,358)	(0.19)	
Call 128.00, due 5/26/2017	(158)	–	Total Investments (Cost \$4,117,048)	4,023,201	91.00	
(1) U.S. 10 Year June 2017			Other Assets in Excess of Liabilities			
Put 119.50, due 5/26/2017	(66)	–	(February 29, 2016: 6.84%)	397,724	9.00	
(1) U.S. 10 Year June 2017			Total Net Assets	\$4,420,925	100.00	
Put 121.00, due 5/26/2017	(128)	–				
(2) U.S. 10 Year May 2017			– Amounts designated as “–” are either \$0, less than			
Call 127.00, due 4/21/2017	(384)	(0.01)	\$1,000 or less than 1,000 shares.			
(2) U.S. 10 Year May 2017			144A Securities exempt from registration under Rule 144A of			
Put 121.00, due 4/21/2017	(207)	(0.01)	the Securities Act of 1933, as amended. These			
(2) U.S. 5 Year April 2017			securities may only be resold, in transactions exempt			
Call 118.00, due 3/24/2017	(676)	(0.02)	from registration, to qualified institutional buyers. As at			

February 28, 2017, these securities amounted to \$536,022,000 or 12.11% of net assets.

* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2017.

† Illiquid.

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

± Securities purchased on a to-be-announced basis (Note 2).

β The rate of interest on this type of security is tied to the Consumer Price Index (CPI)/Retail Price Index (RPI). The coupon rate is the rate as of February 28, 2017.

The counterparties for OTC options are Barclays, Citi, Goldman Sachs and Merrill Lynch.

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
ARS	– Argentine Peso
BRL	– Brazilian Real
CNY	– Chinese Renminbi
CNH	– Chinese Renminbi
EUR	– Euro
GBP	– British Pound
IDR	– Indonesian Rupiah
INR	– India Rupee
JPY	– Japanese Yen
MXN	– Mexican Peso
RUB	– Russian Ruble
TRY	– Turkish Lira

Analysis of Total Assets

	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	84.88
Financial derivative instruments	4.56
Other assets	10.56
Total Assets	100.00

Schedule of Credit Default Swaps

Counterparty	Reference Entity	Buy/Sell Protection	Expiration Date	Notional Amount (000's)	Value (000's)
Merrill Lynch	Markit CDX.NA.HY, 5.000%	Buy	12/20/21	61,264	\$(4,736)
Merrill Lynch	Markit CDX.NA.IG, 1.000%	Sell	12/20/21	59,120	1,015
Merrill Lynch	Markit iTraxx Europe, 5.000%	Sell	6/20/21	520	50
Merrill Lynch	Markit iTraxx Europe, 5.000%	Sell	12/20/20	26,630	2,616
Merrill Lynch	Markit iTraxx Europe, 5.000%	Sell	12/20/19	22,957	2,009
					\$ 954
Unrealised Appreciation of Credit Default Swaps (February 29, 2016 (000's): \$4,837)					5,690
Unrealised Depreciation of Credit Default Swaps (February 29, 2016 (000's): \$(2,295))					(4,736)
Net Appreciation of Credit Default Swaps (February 29, 2016 (000's): \$2,542)					\$ 954

Schedule of Interest Rate Swaps

Counterparty	Rate	Expiration Date	Notional Amount (000's)	Value (000's)
Merrill Lynch	Pay Fixed 1.897%, Receive Floating USD 3M Libor BBA	8/31/22	160,800	\$ 1,322
Merrill Lynch	Pay Floating USD 3M Libor BBA, Receive Fixed 0.7712%	2/26/18	752,610	(4,134)
Merrill Lynch	Pay Floating USD 3M Libor BBA, Receive Fixed 0.9069%	6/27/18	529,200	(3,557)
Merrill Lynch	Pay Fixed 1.12%, Receive Floating CAD 3M BA CDOR	1/25/19	652,120	(439)
Merrill Lynch	Pay Floating USD 3M Libor BBA, Receive Fixed 1.51%	1/28/19	499,490	(475)
Merrill Lynch	Pay Floating USD 3M Libor BBA, Receive Fixed 1.1375%	10/17/19	262,550	(3,800)
Merrill Lynch	Pay Floating BRL CDI, Receive Fixed 12.4872%	1/4/21	935,690	14,271
Merrill Lynch	Pay Floating USD 3M Libor BBA, Receive Fixed 1.34%	6/1/21	546,260	(13,238)
Merrill Lynch	Pay Floating USD 3M Libor BBA, Receive Fixed 1.185%	6/13/21	65,810	(2,045)
Merrill Lynch	Pay Floating USD 3M Libor BBA, Receive Fixed 1.22%	6/27/21	282,630	(8,506)

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Legg Mason Western Asset Macro Opportunities Bond Fund[^]

Portfolio of Investments as at February 28, 2017 – (continued)

Schedule of Interest Rate Swaps – (continued)

Counterparty	Rate	Expiration Date	Notional Amount (000's)	Value (000's)
Merrill Lynch	Pay Fixed 1.9%, Receive Floating USD 3M Libor BBA	11/30/22	1,977,999	\$ 19,416
Merrill Lynch	Pay Fixed 1.2665%, Receive Floating USD 3M Libor BBA	5/15/23	318,208	15,950
Merrill Lynch	Pay Fixed 0.6775%, Receive Floating JPY 6M Libor BBA	7/22/24	11,717,390	(4,045)
Merrill Lynch	Pay Fixed 1.738%, Receive Floating USD 3M Libor BBA	5/23/26	430,920	21,273
Merrill Lynch	Pay Fixed 1.735%, Receive Floating USD 3M Libor BBA	5/27/26	273,070	13,546
Merrill Lynch	Pay Fixed 1.58%, Receive Floating USD 3M Libor BBA	6/13/26	65,640	4,163
Merrill Lynch	Pay Fixed 1.7368%, Receive Floating USD 3M Libor BBA	11/15/41	135,273	22,936
Merrill Lynch	Pay Fixed 1.93%, Receive Floating USD 3M Libor BBA	2/15/42	183,464	24,516
Merrill Lynch	Pay Fixed 2.63%, Receive Floating USD 3M Libor BBA	11/15/43	93,426	(10)
Merrill Lynch	Pay Fixed 2.5908%, Receive Floating USD 3M Libor BBA	11/4/45	162,940	1,240
Merrill Lynch	Pay Fixed 0.6408%, Receive Floating JPY 6M Libor BBA	5/9/46	3,058,400	1,467
Merrill Lynch	Pay Fixed 0.33%, Receive Floating JPY 6M Libor BBA	7/26/46	4,331,000	5,444
				\$105,295
Unrealised Appreciation of Interest Rate Swaps (February 29, 2016 (000's): \$-)				145,544
Unrealised Depreciation of Interest Rate Swaps (February 29, 2016 (000's): \$(151,939))				(40,249)
Net Appreciation of Interest Rate Swaps (February 29, 2016 (000's): \$(151,939))				\$105,295

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)			Sell Currency (000's)		Unrealised Appreciation/ Depreciation of Contracts (000's)
03/07/17	Barclays Bank	Buy	USD	42,619	Sell	PHP 2,146,723	\$ (94)
03/07/17	Barclays Bank	Buy	PHP	2,146,723	Sell	USD 43,281	(568)
03/09/17	Citigroup	Buy	USD	13,645	Sell	MXN 280,041	(274)
03/14/17	Bank of America	Buy	KRW	32,310,277	Sell	USD 28,169	367
03/15/17	BNY Mellon	Buy	USD	28	Sell	AUD 36	-
03/15/17	BNY Mellon	Buy	USD	25	Sell	AUD 33	-
03/15/17	BNY Mellon	Buy	USD	378	Sell	CHF 379	-
03/15/17	BNY Mellon	Buy	USD	500	Sell	CHF 499	2
03/15/17	BNY Mellon	Buy	USD	3	Sell	CNH 20	-
03/15/17	BNY Mellon	Buy	USD	16,820	Sell	EUR 15,757	119
03/15/17	BNY Mellon	Buy	USD	7,488	Sell	EUR 7,085	(22)
03/15/17	BNY Mellon	Buy	USD	3,569	Sell	GBP 2,845	28
03/15/17	BNY Mellon	Buy	USD	328	Sell	SEK 2,922	4
03/15/17	BNY Mellon	Buy	USD	5	Sell	SEK 50	-
03/15/17	BNY Mellon	Buy	USD	1,739	Sell	SGD 2,471	(21)
03/15/17	BNY Mellon	Buy	EUR	10,561	Sell	USD 11,168	28
03/15/17	BNY Mellon	Buy	SGD	64,645	Sell	USD 45,642	493
03/15/17	BNY Mellon	Buy	AUD	361	Sell	USD 278	-
03/15/17	BNY Mellon	Buy	SEK	117	Sell	USD 13	-
03/15/17	BNY Mellon	Buy	BRL	239,039	Sell	USD 76,166	379
03/15/17	BNY Mellon	Buy	JPY	2,090,372	Sell	USD 18,655	(35)
03/15/17	BNY Mellon	Buy	SEK	481,226	Sell	USD 54,497	(1,140)
03/15/17	BNY Mellon	Buy	CHF	1,538	Sell	USD 1,527	6
03/15/17	BNY Mellon	Buy	BRL	11,000	Sell	USD 3,536	(14)
03/15/17	BNY Mellon	Buy	AUD	54,701	Sell	USD 41,632	292
03/15/17	BNY Mellon	Buy	CHF	94,143	Sell	USD 94,692	(866)
03/15/17	BNY Mellon	Buy	GBP	407,357	Sell	USD 509,807	(4,121)
03/15/17	BNY Mellon	Buy	EUR	1,526,670	Sell	USD 1,633,322	(14,754)
03/15/17	BNY Mellon	Buy	CNH	28,542	Sell	USD 4,156	3
03/15/17	Goldman Sachs	Buy	JPY	14,525,000	Sell	USD 123,923	5,457
03/27/17	Bank of America	Buy	MXN	390,635	Sell	USD 19,752	(393)
03/27/17	JP Morgan Chase Bank	Buy	USD	19,758	Sell	MXN 390,635	398
03/31/17	Goldman Sachs	Buy	USD	10,790	Sell	MXN 226,568	(432)
04/06/17	Goldman Sachs	Buy	USD	20,113	Sell	MXN 435,193	(1,425)
04/10/17	Bank of America	Buy	USD	12,368	Sell	MXN 267,108	(844)
04/10/17	Barclays Bank	Buy	USD	9,535	Sell	MXN 205,898	(650)
04/17/17	Citigroup	Buy	ARS	193,330	Sell	USD 12,196	15
04/17/17	Citigroup	Buy	ARS	137,271	Sell	USD 8,690	(20)
04/20/17	Bank of America	Buy	USD	24,862	Sell	CAD 32,550	346
04/20/17	Bank of America	Buy	USD	163,273	Sell	EUR 151,409	2,484
04/20/17	Bank of America	Buy	CAD	37,968	Sell	USD 29,169	(571)
04/20/17	Bank of America	Buy	KRW	49,504,350	Sell	USD 43,532	131
04/20/17	Bank of America	Buy	EUR	7,000	Sell	USD 7,462	(29)
04/20/17	Bank of America	Buy	INR	2,953,450	Sell	USD 43,846	170
04/20/17	Barclays Bank	Buy	USD	61,307	Sell	CNH 428,351	(924)
04/20/17	Barclays Bank	Buy	USD	8,430	Sell	IDR 113,925,020	(61)

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Legg Mason Western Asset Macro Opportunities Bond Fund[^]

Portfolio of Investments as at February 28, 2017 – (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)
04/20/17	Barclays Bank	Buy	USD	216,350	Sell	KRW	259,548,256	\$ (12,571)
04/20/17	Barclays Bank	Buy	USD	39,146	Sell	RUB	2,369,216	(1,025)
04/20/17	Barclays Bank	Buy	RUB	6,985,417	Sell	USD	113,788	4,654
04/20/17	Barclays Bank	Buy	PHP	2,146,723	Sell	USD	42,409	75
04/20/17	Barclays Bank	Buy	GBP	18,961	Sell	USD	23,508	49
04/20/17	Barclays Bank	Buy	CAD	92,565	Sell	USD	70,595	(875)
04/20/17	Citigroup	Buy	USD	80,956	Sell	CNH	568,272	(1,602)
04/20/17	Citigroup	Buy	USD	248,432	Sell	EUR	232,749	1,264
04/20/17	Citigroup	Buy	USD	33,340	Sell	EUR	31,500	(111)
04/20/17	Citigroup	Buy	USD	4,554	Sell	GBP	3,648	22
04/20/17	Citigroup	Buy	USD	11,142	Sell	INR	770,037	(334)
04/20/17	Citigroup	Buy	USD	401,191	Sell	JPY	45,784,749	(7,254)
04/20/17	Citigroup	Buy	USD	53,347	Sell	MXN	1,158,672	(3,888)
04/20/17	Citigroup	Buy	USD	936	Sell	PLN	3,888	(20)
04/20/17	Citigroup	Buy	USD	–	Sell	SGD	–	–
04/20/17	Citigroup	Buy	USD	41,357	Sell	TWD	1,326,334	(1,893)
04/20/17	Citigroup	Buy	IDR	545,244,409	Sell	USD	40,427	209
04/20/17	Citigroup	Buy	JPY	800,000	Sell	USD	7,091	46
04/20/17	Citigroup	Buy	MXN	255,629	Sell	USD	12,496	132
04/20/17	Citigroup	Buy	EUR	27,000	Sell	USD	29,100	(427)
04/20/17	Citigroup	Buy	COP	83,000	Sell	USD	28	–
04/20/17	Goldman Sachs	Buy	USD	28,112	Sell	BRL	92,361	(1,227)
04/20/17	JP Morgan Chase Bank	Buy	USD	15,479	Sell	MXN	317,350	(197)
04/20/17	JP Morgan Chase Bank	Buy	MXN	484,906	Sell	USD	23,598	355
04/20/17	UBS	Buy	USD	640	Sell	AUD	849	(10)
05/11/17	Bank of America	Buy	USD	146,305	Sell	CNH	1,006,652	308
05/11/17	Bank of America	Buy	USD	36,073	Sell	JPY	4,047,429	(66)
05/11/17	Bank of America	Buy	TRY	79,080	Sell	USD	20,948	354
05/11/17	Citigroup	Buy	USD	254,837	Sell	EUR	236,612	3,325
05/11/17	Citigroup	Buy	USD	150,683	Sell	JPY	16,855,117	184
05/11/17	Royal Bank of Canada	Buy	CAD	42,345	Sell	USD	32,541	(641)
05/11/17	UBS	Buy	USD	51,113	Sell	AUD	67,214	(337)
05/11/17	UBS	Buy	USD	2,679	Sell	JPY	300,000	–
08/15/17	Citigroup	Buy	ARS	278,478	Sell	USD	16,619	99
11/15/17	JP Morgan Chase Bank	Buy	ARS	343,349	Sell	USD	19,761	129
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$52,550)								21,927
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(99,681))								(59,736)
Net Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(47,131))								\$ (37,809)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
90 Day Euro\$ December 2018	3,932	\$ 963,389	\$ (3,243)
90 Day Euro\$ June 2017	520	128,329	10
90 Day Euro\$ March 2017	(8,175)	(2,020,860)	1,218
90 Day Euro\$ March 2018	5,674	1,394,811	(4,392)
Australia 10 Year Bond March 2017	1,400	137,657	861
Australian Dollar Currency March 2017	(1,565)	(119,973)	(3,963)
British Pound Currency March 2017	(250)	(19,383)	215
Canadian 10 Year Bond June 2017	256	26,473	90
Canadian Dollar Currency March 2017	(847)	(63,737)	839
Euro FX Currency March 2017	2,394	317,130	(1,609)
Euro-Bobl March 2017	210	29,974	343
Euro-BTP March 2017	2,827	397,996	6,821
Euro-Bund March 2017	(12,581)	(2,213,167)	(38,172)
Euro-Buxl 30 Year Bond March 2017	(710)	(130,592)	(631)
Euro-OAT March 2017	640	101,668	1,335
Japan 10 Year Bond (OSE) March 2017	(530)	(710,378)	(1,472)
Japanese Yen Currency March 2017	(857)	(95,513)	(913)
Long Gilt June 2017	(1,927)	(304,222)	(5,440)
Mexican Peso Currency March 2017	1,785	44,366	1,703
U.S. 10 Year Note (CBT) June 2017	(15,609)	(1,944,540)	2,088
U.S. 10 Year Note (CBT) March 2017	190	23,771	(11)
U.S. 10 Year Ultra Note June 2017	(9,896)	(1,325,446)	2,051
U.S. 10 Year Ultra Note March 2017	(1,018)	(137,748)	(1,535)

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Legg Mason Western Asset Macro Opportunities Bond Fund[^]

Portfolio of Investments as at February 28, 2017 – (continued)

Schedule of Futures Contracts – (continued)

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
U.S. 5 Year Note (CBT) June 2017	30,611	\$3,603,010	\$ (7,758)
U.S. 5 Year Note (CBT) March 2017	761	89,852	(92)
U.S. Long Bond (CBT) June 2017	10,501	1,592,542	(3,181)
U.S. Long Bond (CBT) March 2017	34	5,200	5
U.S. Ultra Bond (CBT) June 2017	6,690	1,082,317	13,702
U.S. Ultra Bond (CBT) March 2017	2,169	353,344	2,454
Total Market Value of Futures Contracts			\$ (38,677)
Unrealised Appreciation of Futures Contracts (February 29, 2016 (000's): \$15,247)			33,735
Unrealised Depreciation of Futures Contracts (February 29, 2016 (000's): \$(86,592))			(72,412)
Net Depreciation of Futures Contracts (February 29, 2016 (000's): \$(71,345))			\$ (38,677)

[^] 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 EM Local Currency Debt Fund[^]

Portfolio of Investments as at February 28, 2017

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
Government Bonds and Notes — 93.94% (February 29, 2016: 91.20%)				IDR 10,600,000	Indonesia Treasury Bond, Series FR68, 8.375%, due 3/15/2034	815	0.58	PLN 1,550	Republic of Poland Government Bond, Series 0726, 2.500%, due 7/25/2026	345	0.24
Argentina — 3.12% (February 29, 2016: 0.00%)				IDR 27,390,000	Indonesia Treasury Bond, Series FR72, 8.250%, due 5/15/2036	2,085	1.47			10,985	7.76
ARS 9,670	Argentine Bonos del Tesoro, 22.750%, due 3/5/2018	649	0.46			16,074	11.35	Russia — 6.55% (February 29, 2016: 4.61%)			
ARS 14,000	Argentine Bonos del Tesoro, 21.200%, due 9/19/2018	947	0.67	Jordan — 0.27% (February 29, 2016: 0.00%)				RUB 200,750	Russian Federal Bond – OFZ, Series 6211, 7.000%, due 1/25/2023	3,240	2.29
ARS 8,690	Argentine Bonos del Tesoro, 18.200%, due 10/3/2021	624	0.44		390 Jordan Government International Bond, 5.750%, due 1/31/2027	378	0.27	RUB 7,180	Russian Federal Bond – OFZ, Series 6207, 8.150%, due 2/3/2027	123	0.09
ARS 18,100	Argentine Bonos del Tesoro, 15.500%, due 10/17/2026	1,290	0.91	Kenya — 0.26% (February 29, 2016: 0.00%)				RUB 375,430	Russian Federal Bond – OFZ, Series 6212, 7.050%, due 1/19/2028	5,914	4.17
	500 Argentine Republic Government International Bond, 7.500%, due 4/22/2026	522	0.37		350 Kenya Government International Bond, 5.875%, due 6/24/2019	362	0.26			9,277	6.55
	380 Argentine Republic Government International Bond, 7.625%, due 4/22/2046	383	0.27	Malaysia — 8.68% (February 29, 2016: 7.82%)				Senegal — 0.24% (February 29, 2016: 0.00%)			
		4,415	3.12	MYR 16,500	Malaysia Government Bond, Series 0511, 3.580%, due 9/28/2018	3,736	2.64		300 Senegal Government International Bond, 8.750%, due 5/13/2021	340	0.24
Brazil — 17.74% (February 29, 2016: 12.45%)				MYR 16,030	Malaysia Government Bond, Series 0111, 4.160%, due 7/15/2021	3,672	2.59	South Africa — 6.67% (February 29, 2016: 5.63%)			
BRL 45,700	Brazil Letras do Tesouro Nacional, Series LTN, zero coupon, due 1/1/2019	12,374	8.74	MYR 5,400	Malaysia Government Bond, Series 0116, 3.800%, due 8/17/2023	1,206	0.85	ZAR 9,620	Republic of South Africa Government Bond, Series 2023, 7.750%, due 2/28/2023	714	0.50
BRL 565	Brazil Notas do Tesouro Nacional Serie B, Series NTN8, 6.000%, due 8/15/2050 β	611	0.43	MYR 6,690	Malaysia Government Bond, Series 0316, 3.900%, due 11/30/2026	1,485	1.05	ZAR 32,630	Republic of South Africa Government Bond, Series R213, 7.000%, due 2/28/2031	2,052	1.45
BRL 16,045	Brazil Notas do Tesouro Nacional Serie F, Series NTN9, 10.000%, due 1/1/2021	5,150	3.64	MYR 10,030	Malaysia Government Bond, Series 0411, 4.232%, due 6/30/2031	2,199	1.55	ZAR 99,810	Republic of South Africa Government Bond, Series R209, 6.250%, due 3/31/2036	5,449	3.85
BRL 21,934	Brazil Notas do Tesouro Nacional Serie F, Series NTN9, 10.000%, due 1/1/2025	6,982	4.93			12,298	8.68	ZAR 22,700	Republic of South Africa Government Bond, Series R214, 6.500%, due 2/28/2041	1,235	0.87
		25,117	17.74	Mexico — 6.49% (February 29, 2016: 9.21%)						9,450	6.67
Colombia — 8.27% (February 29, 2016: 4.33%)				MXN 110,260	Mexican Bonos, Series M, 6.500%, due 6/9/2022	5,342	3.77	Sri Lanka — 0.26% (February 29, 2016: 0.00%)			
COP 14,235,500	Colombian TES, Series B, 7.000%, due 5/4/2022	4,956	3.50	MXN 67,940	Mexican Bonos, Series M, 5.750%, due 3/5/2026	3,025	2.14		350 Sri Lanka Government International Bond, 5.125%, due 4/11/2019	362	0.26
COP 11,669,800	Colombian TES, Series B, 7.500%, due 8/26/2026	4,107	2.90	MXN 16,500	Mexican Bonos, Series M, 7.750%, due 11/23/2034	821	0.58	Thailand — 5.13% (February 29, 2016: 5.73%)			
COP 7,401,000	Colombian TES, Series B, 7.750%, due 9/18/2030	2,653	1.87			9,188	6.49	THB 7,410	Thailand Government Bond, 3.875%, due 6/13/2019	223	0.16
		11,716	8.27	Peru — 2.18% (February 29, 2016: 1.44%)				THB 173,780	Thailand Government Bond, 3.625%, due 6/16/2023	5,351	3.78
Egypt — 0.15% (February 29, 2016: 0.00%)				PEN 4,260	Peru Government Bond, 5.700%, due 8/12/2024	1,302	0.92	THB 53,880	Thailand Government Bond, 3.850%, due 12/12/2025	1,692	1.19
	200 Egypt Government International Bond, 6.125%, due 1/31/2022	207	0.15	PEN 515	Peru Government Bond, 8.200%, due 8/12/2026	182	0.13			7,266	5.13
Ghana — 0.51% (February 29, 2016: 0.00%)						3,090	2.18	Turkey — 6.49% (February 29, 2016: 9.41%)			
	350 Ghana Government International Bond, 8.500%, due 10/4/2017	360	0.25	Philippines — 0.43% (February 29, 2016: 1.53%)				TRY 975	Turkey Government Bond, 10.400%, due 3/27/2019	266	0.19
	350 Ghana Government International Bond, 9.250%, due 9/15/2022	366	0.26	PHP 15,000	Philippine Government International Bond, 4.950%, due 1/15/2021	306	0.21	TRY 5,210	Turkey Government Bond, 7.400%, due 2/5/2020	1,313	0.93
		726	0.51			616	0.43	TRY 15,920	Turkey Government Bond, 7.100%, due 3/8/2023	3,683	2.60
Honduras — 0.56% (February 29, 2016: 0.00%)				Poland — 7.76% (February 29, 2016: 7.91%)				TRY 15,630	Turkey Government Bond, 8.800%, due 9/27/2023	3,930	2.77
	700 Honduras Government International Bond, 8.750%, due 12/16/2020	795	0.56	PLN 9,820	Republic of Poland Government Bond, Series 1020, 5.250%, due 10/25/2020	2,629	1.86			9,192	6.49
Hungary — 0.83% (February 29, 2016: 6.42%)				PLN 14,800	Republic of Poland Government Bond, Series 0421, 2.000%, due 4/25/2021	3,516	2.48	Total Government Bonds and Notes (Cost \$128,006)			
HUF 281,610	Hungary Government Bond, Series 23/A, 6.000%, due 11/24/2023	1,170	0.83	PLN 6,170	Republic of Poland Government Bond, Series 0422, 2.250%, due 4/25/2022	1,456	1.03			133,024	93.94
Indonesia — 11.35% (February 29, 2016: 11.23%)				PLN 7,980	Republic of Poland Government Bond, Series 1023, 4.000%, due 10/25/2023	2,034	1.44	Total Investments Excluding Options (Cost \$128,006)			
IDR 61,365,000	Indonesia Treasury Bond, Series FR61, 7.000%, due 5/15/2022	4,538	3.20	PLN 4,190	Republic of Poland Government Bond, Series 0725, 3.250%, due 7/25/2025	1,005	0.71			133,024	93.94
IDR 67,527,000	Indonesia Treasury Bond, Series FR56, 8.375%, due 9/15/2026	5,379	3.80					Contracts (000's)			
IDR 3,980,000	Indonesia Treasury Bond, Series FR73, 8.750%, due 5/15/2031	318	0.22					Options — 0.14% (February 29, 2016: 0.02%)			
IDR 45,114,000	Indonesia Treasury Bond, Series FR65, 6.625%, due 5/15/2033	2,939	2.08					Purchased Options — 0.16% (February 29, 2016: 0.05%)			
								1,400	USD Put/MXN Call 19.18, due 5/27/2017	9	0.01
								2,800	USD Put/MXN Call 20.71, due 4/24/2017	98	0.07
								2,060	USD Put/MXN Call 20.80, due 4/21/2017	79	0.06
								2,475	USD Put/PHP Call 49.45, due 5/15/2017	4	—

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

Portfolio of Investments as at February 28, 2017 – (continued)

Contracts (000's)	Value (000's) \$	% of Net Asset Value
Options — (continued)		
Purchased Options — (continued)		
1,350 USD Put/TRY Call 3.6650, due 4/24/2017	23	0.02
1,400 USD Put/ZAR Call 13.05, due 3/3/2017	5	—
	218	0.16
Written Options — (0.02%) (February 29, 2016: (0.03%))		
(2,800) USD Call/MXN Put 23.06, due 4/24/2017	(2)	—
(2,060) USD Call/MXN Put 23.41, due 4/21/2017	(1)	—
(2,475) USD Call/PHP Put 51.45, due 5/15/2017	(11)	(0.01)
(1,350) USD Call/TRY Put 4.13, due 4/24/2017	(3)	—
(2,800) USD Put/MXN Call 18.81, due 5/27/2017	(9)	(0.01)
	(26)	(0.02)
Total Options (Cost \$9)	192	0.14
Total Investments (Cost \$128,015)	133,216	94.08
Other Assets in Excess of Liabilities (February 29, 2016: 2.89%)	8,394	5.92
Total Net Assets	\$141,610	100.00

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

β The rate of interest on this type of security is tied to the Consumer Price Index (CPI)/Retail Price Index (RPI). The coupon rate is the rate as of February 28, 2017.

The counterparties for OTC options are Citi, JP Morgan and Merrill Lynch.

ABBREVIATIONS:

ARS — Argentine Peso
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
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	93.26
Financial derivative instruments	0.70
Other assets	6.04
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)
03/09/17	Citigroup	Buy USD 1,395	Sell INR 93,200	\$ (1)
03/09/17	Citigroup	Buy INR 93,200	Sell USD 1,363	32
03/15/17	Citigroup	Buy USD 1,044	Sell BRL 3,653	(126)
03/15/17	Citigroup	Buy USD 768	Sell COP 2,405,340	(51)
03/15/17	Citigroup	Buy USD 1,360	Sell RON 5,776	8
03/15/17	Citigroup	Buy COP 2,405,340	Sell USD 829	(9)
03/15/17	Citigroup	Buy BRL 3,653	Sell USD 1,054	115
03/15/17	Citigroup	Buy RON 10,140	Sell USD 2,330	45
03/15/17	JP Morgan Chase Bank	Buy USD 5,556	Sell BRL 18,627	(409)
03/15/17	JP Morgan Chase Bank	Buy USD 1,630	Sell COP 4,742,475	14
03/15/17	JP Morgan Chase Bank	Buy USD 327	Sell COP 1,000,000	(14)
03/15/17	JP Morgan Chase Bank	Buy USD 266	Sell PEN 919	(15)
03/15/17	JP Morgan Chase Bank	Buy USD 1,354	Sell RON 5,796	(3)
03/15/17	JP Morgan Chase Bank	Buy BRL 18,627	Sell USD 6,042	(77)
03/15/17	JP Morgan Chase Bank	Buy RON 1,432	Sell USD 354	(19)
03/15/17	JP Morgan Chase Bank	Buy PEN 919	Sell USD 279	2
03/15/17	JP Morgan Chase Bank	Buy COP 5,742,474	Sell USD 1,836	120
04/12/17	Citigroup	Buy USD 2,821	Sell PHP 141,090	27
04/13/17	Barclays Bank	Buy USD 3,048	Sell TRY 11,577	(93)
04/13/17	Barclays Bank	Buy HUF 840,772	Sell USD 2,872	22
04/13/17	Barclays Bank	Buy TRY 9,400	Sell USD 2,442	109
04/13/17	Barclays Bank	Buy HUF 278,149	Sell USD 966	(9)
04/13/17	JP Morgan Chase Bank	Buy ZAR 51,428	Sell USD 3,742	147
04/13/17	JP Morgan Chase Bank	Buy USD 1,384	Sell ZAR 18,744	(34)
04/17/17	Bank of America	Buy USD 1,105	Sell SAR 4,167	(6)
04/18/17	Citigroup	Buy THB 61,200	Sell USD 1,725	27
05/15/17	Bank of America	Buy RUB 128,906	Sell USD 2,155	21
05/15/17	Barclays Bank	Buy USD 673	Sell PLN 2,729	2
05/15/17	Barclays Bank	Buy PLN 4,772	Sell USD 1,176	(3)
05/15/17	Citigroup	Buy USD 267	Sell MXN 5,507	(4)
06/15/17	JP Morgan Chase Bank	Buy RON 5,796	Sell USD 1,357	3
06/15/17	JP Morgan Chase Bank	Buy INR 93,200	Sell USD 1,381	(1)
06/16/17	JP Morgan Chase Bank	Buy USD 5,908	Sell BRL 18,628	74
06/16/17	JP Morgan Chase Bank	Buy COP 2,337,135	Sell USD 792	(6)
11/15/17	JP Morgan Chase Bank	Buy ARS 18,924	Sell USD 1,089	7
01/16/18	Bank of America	Buy CZK 35,008	Sell EUR 1,315	(6)
01/16/18	Citigroup	Buy USD 2,684	Sell SAR 10,156	(17)

Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$323)

Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(266))

Net Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$57)

775
(903)
\$ (128)

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

Portfolio of Investments as at February 28, 2017

Face Value (000's)	Value (000's)	% of Net Asset \$ Value	Face Value (000's)	Value (000's)	% of Net Asset \$ Value	Face Value (000's)	Value (000's)	% of Net Asset \$ Value		
Asset-Backed Securities — 5.64% (February 29, 2016: 3.15%)			630 Citigroup Commercial Mortgage Trust 2015-GC29, Series 2015 GC29, Class D, 144A, 3.110%, due 4/10/2048	455	0.26	1,610 JP Morgan Chase Commercial Mortgage Securities Trust 2007-LDP10, Series 2007 LDPX, Class AJFX, 144A, 5.438%, due 1/15/2049	547	0.32		
750 Asset Backed Securities Corp Home Equity Loan Trust Series OOMC 2005-HE6, Series 2005 HE6, Class M4, 1.738%, due 7/25/2035 *	699	0.41	400 COMM 2013-LC13 Mortgage Trust, Series 2013 LC13, Class E, 144A, 3.719%, due 8/10/2046 *	274	0.16	65 JP Morgan Chase Commercial Mortgage Securities Trust 2007-LDP12, Series 2007 LD12, Class AJ, 6.062%, due 2/15/2051 *	60	0.03		
1,013 BCMSC Trust 1998-C, Series 1998 C, Class M1, 7.510%, due 1/15/2029 *	843	0.49	93 Credit Suisse Commercial Mortgage Trust Series 2006-C3, Series 2006 C3, Class AJ, 6.209%, due 6/15/2038 *	50	0.03	1,028 JP Morgan Resecuritization Trust Series 2009-10, Series 2009 10, Class 7A2, 144A, 6.054%, due 2/26/2037 *	529	0.31		
500 Benefit Street Partners CLO IV Ltd, Series 2014 IVA, Class CR, 144A, 5.046%, due 1/20/2029 *	501	0.29	712 Credit Suisse Commercial Mortgage Trust Series 2006-C5, Series 2006 C5, Class AJ, 5.373%, due 12/15/2039	680	0.39	2,472 JPMBB Commercial Mortgage Securities Trust 2013-C17, Series 2013 C17, Class E, 144A, 3.867%, due 1/15/2047 *	1,709	0.99		
541 CWABS Revolving Home Equity Loan Trust Series 2004-I, Series 2004 I, Class A, 1.060%, due 2/15/2034 *	504	0.29	940 Credit Suisse Commercial Mortgage Trust Series 2007-C5, Series 2007 C5, Class AM, 5.869%, due 9/15/2040 *	896	0.52	954 ML-CFC Commercial Mortgage Trust 2007-5, Series 2007 5, Class AJ, 5.450%, due 8/12/2048 *	845	0.49		
348 CWHEQ Revolving Home Equity Loan Trust Series 2005-D, Series 2005 D, Class 2A, 0.960%, due 11/15/2035 *	319	0.19	900 CSMC Series 2014-11R, Series 2014 11R, Class 9A2, 144A, 0.896%, due 10/27/2036 *	537	0.31	869 ML-CFC Commercial Mortgage Trust 2007-5, Series 2007 5, Class AJFL, 144A, 5.450%, due 8/12/2048 *	764	0.44		
12 Earnest Student Loan Program 2016-A LLC, Series 2016 A, Class R, 144A, 0.000%, due 1/25/2039 †	1,190	0.69	1,680 CSMC Series 2015-12R, Series 2015 12R, Class 2A2, 144A, 1.256%, due 11/30/2037 *	1,067	0.62	675 Morgan Stanley Bank of America Merrill Lynch Trust 2014-C14, Series 2014 C14, Class F, 144A, 3.710%, due 2/15/2047	388	0.22		
2,090 Encore Credit Receivables Trust 2005-2, Series 2005 2, Class M4, 1.708%, due 11/25/2035 *	1,508	0.87	1,310 CSMC Series 2016-NYRM, Series 2016, Class MZB, 144A, 7.169%, due 9/12/2017 *	1,316	0.76	960 Morgan Stanley Bank of America Merrill Lynch Trust 2015-C20, Series 2015 C20, Class D, 144A, 3.071%, due 2/15/2048	730	0.42		
375 Ocean Trails CLO VI, Series 2016 6A, Class E, 144A, 8.773%, due 7/15/2028 *	379	0.22	490 EQTY 2014-INNS Mortgage Trust, Series 2014 INNS, Class E, 144A, 4.226%, due 5/8/2031 *	487	0.28	820 Morgan Stanley Capital I Trust 2007-IQ15, Series 2007 IQ15, Class AJ, 5.914%, due 6/11/2049 *	772	0.45		
474 RAMP Series 2004-RS8 Trust, Series 2004 RS8, Class M11, 5.680%, due 8/25/2034	479	0.28	840 Fannie Mae Connecticut Avenue Securities, Series 2016 C02, Class 1M2, 6.778%, due 9/25/2028 *	950	0.55	750 Nomura Resecuritization Trust 2015-4R, Series 2015 4R, Class 1A14, 144A, 0.993%, due 3/26/2047 *	496	0.29		
480 SLM Private Credit Student Loan Trust 2005-B, Series 2005 B, Class A4, 1.293%, due 6/15/2039 *	444	0.26	450 Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2015 DNA3, Class M2, 3.628%, due 4/25/2028 *	466	0.27	1,898 Nomura Resecuritization Trust 2015-4R, Series 2015 4R, Class 2A2, 144A, 0.896%, due 10/26/2036 *	1,046	0.61		
440 Sofi Consumer Loan Program 2016-3 LLC, Series 2016 3, Class B, 144A, 4.490%, due 12/26/2025 *	438	0.25	642 Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2015 HQA2, Class M2, 3.578%, due 5/25/2028 *	660	0.38	2,570 WaMu Mortgage Pass-Through Certificates Series 2005-AR17 Trust, Series 2005 AR17, Class A1C4, 1.178%, due 12/25/2045 *	1,504	0.87		
355 Towd Point Mortgage Trust 2016-3, Series 2016 3, Class A1, 144A, 2.250%, due 4/25/2056 *	351	0.20	483 GE Business Loan Trust 2005-1, Series 2005 1A, Class A3, 144A, 1.020%, due 6/15/2033 *	445	0.26	Total Mortgage-Backed Securities (Cost \$26,047)			25,609	14.83
3,338 WaMu Asset-Backed Certificates WaMu Series 2007-HE4 Trust, Series 2007 HE4, Class 1A, 0.948%, due 7/25/2047 *	2,079	1.20	1,890 GE Commercial Mortgage Corp Series 2007-C1 Trust, Series 2007 C1, Class AJ, 5.677%, due 12/10/2049 *	1,224	0.71	Corporate Bonds and Notes — 42.32% (February 29, 2016: 44.16%)				
Total Asset-Backed Securities (Cost \$9,571)			178 GS Mortgage Securities Trust 2006-GG8, Series 2006 GG8, Class AJ, 5.622%, due 11/10/2039	166	0.10	Australia — 0.51% (February 29, 2016: 0.29%)				
			1,780 JP Morgan Chase Commercial Mortgage Securities Trust 2006-LDP9, Series 2006 LDP9, Class AJ, 5.411%, due 5/15/2047	1,210	0.70	130 Barmingo Finance Pty Ltd, 144A, 9.000%, due 6/1/2018	136	0.08		
			850 JP Morgan Chase Commercial Mortgage Securities Trust 2007-CIBC18, Series 2007 CB18, Class AJ, 5.502%, due 6/12/2047 *	725	0.42	500 BHP Billiton Finance USA Ltd, 144A, 6.750%, due 10/19/2075 *	571	0.33		
			330 JP Morgan Chase Commercial Mortgage Securities Trust 2007-CIBC19, Series 2007 CB19, Class AJ, 5.740%, due 2/12/2049 *	265	0.15	170 FMG Resources August 2006 Pty Ltd, 144A, 6.875%, due 4/1/2022	176	0.10		
			1,610 JP Morgan Chase Commercial Mortgage Securities Trust 2007-LDP10, Series 2007 LDPX, Class AJ, 5.503%, due 1/15/2049 *	547	0.32				883	0.51
						Bahamas — 0.11% (February 29, 2016: 0.00%)				
						187 Silversea Cruise Finance Ltd, 144A, 7.250%, due 2/1/2025	195	0.11		
						Brazil — 1.10% (February 29, 2016: 1.09%)				
						210 CBC Ammo LLC / CBC FinCo Inc, 144A, 7.250%, due 11/15/2021	207	0.12		
						390 Itau Unibanco Holding SA/Cayman Island, 2.850%, due 5/26/2018	392	0.23		
						710 Petrobras Global Finance BV, 6.850%, due 6/5/2115	616	0.36		

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

Portfolio of Investments as at February 28, 2017 – (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)								
Brazil — (continued)								
210 Vale Overseas Ltd, 6.250%, due 8/10/2026	232	0.13	290 Park Aerospace Holdings Ltd, 144A, 5.250%, due 8/15/2022	302	0.18	GBP 350 Nationwide Building Society, 6.875%, Perpetual *	448	0.26
410 Vale Overseas Ltd, 6.875%, due 11/10/2039	447	0.26	260 Park Aerospace Holdings Ltd, 144A, 5.500%, due 2/15/2024	272	0.16	750 Royal Bank of Scotland Group Plc, 5.125%, due 5/28/2024	759	0.44
	1,894	1.10		1,201	0.70	570 Santander UK Group Holdings Plc, 144A, 4.750%, due 9/15/2025	568	0.33
Canada — 1.18% (February 29, 2016: 0.80%)								
630 1011778 BC ULC / New Red Finance Inc, 144A, 6.000%, due 4/1/2022	657	0.38	Italy — 0.51% (February 29, 2016: 0.44%)			GBP 340 Santander UK Group Holdings Plc, 7.375%, Perpetual *	439	0.25
GBP 180 Entertainment One Ltd, 144A, 6.875%, due 12/15/2022	244	0.14	GBP 320 Enel SpA, 7.750%, due 9/10/2075 *	440	0.25	EUR 230 Synlab Unsecured Bondco Plc, 8.250%, due 7/1/2023	268	0.16
110 Hudbay Minerals Inc, 144A, 7.250%, due 1/15/2023	117	0.07	440 Telecom Italia SpA/Milano, 144A, 5.303%, due 5/30/2024	448	0.26	GBP 340 Virgin Media Finance Plc, 6.375%, due 10/15/2024	453	0.26
250 Hudbay Minerals Inc, 144A, 7.625%, due 1/15/2025	273	0.16		888	0.51	GBP 320 Vue International Bidco Plc, 7.875%, due 7/15/2020	413	0.24
210 MEG Energy Corp, 144A, 6.500%, due 3/15/2021	215	0.12	Luxembourg — 0.87% (February 29, 2016: 1.71%)				8,119	4.70
270 MEG Energy Corp, 144A, 7.000%, due 3/31/2024	243	0.14	550 Altice Financing SA, 144A, 6.625%, due 2/15/2023	579	0.34	United States — 27.47% (February 29, 2016: 27.02%)		
60 MEG Energy Corp, 144A, 6.500%, due 1/15/2025	59	0.03	170 Intelsat Jackson Holdings SA, 7.250%, due 4/1/2019	163	0.09	190 ACCO Brands Corp, 144A, 5.250%, due 12/15/2024	192	0.11
230 Ritchie Bros Auctioneers Inc, 144A, 5.375%, due 1/15/2025	236	0.14	EUR 680 Trionista TopCo GmbH, 6.875%, due 4/30/2021	753	0.44	210 Actavis Funding SCS, 4.750%, due 3/15/2045	213	0.12
	2,044	1.18		1,495	0.87	200 Adient Global Holdings Ltd, 144A, 4.875%, due 8/15/2026	198	0.11
Chile — 0.54% (February 29, 2016: 0.99%)			Mexico — 0.60% (February 29, 2016: 0.94%)			210 ADT Corp/The, 4.125%, due 6/15/2023	202	0.12
540 Cencosud SA, 5.500%, due 1/20/2021	585	0.34	570 Comision Federal de Electricidad, 144A, 6.125%, due 6/16/2045	566	0.33	110 Ahern Rentals Inc, 144A, 7.375%, due 5/15/2023	102	0.06
330 Itau CorpBanca, 3.875%, due 9/22/2019	341	0.20	450 Grupo Bimbo SAB de CV, 4.500%, due 1/25/2022	475	0.27	80 Akamai Technologies Inc, zero coupon, due 2/15/2019	80	0.05
	926	0.54		1,041	0.60	200 Alcoa Nederland Holding BV, 144A, 6.750%, due 9/30/2024	217	0.13
China — 0.39% (February 29, 2016: 0.68%)			Netherlands — 0.70% (February 29, 2016: 1.51%)			190 Alliance One International Inc, 144A, 8.500%, due 4/15/2021	195	0.11
380 Alibaba Group Holding Ltd, 3.125%, due 1/1/28/2021	386	0.22	490 AerCap Ireland Capital DAC / AerCap Global Aviation Trust, 5.000%, due 10/1/2021	530	0.31	300 Alliance One International Inc, 9.875%, due 7/15/2021	259	0.15
280 Country Garden Holdings Co Ltd, 7.250%, due 4/4/2021	293	0.17	150 AerCap Ireland Capital DAC / AerCap Global Aviation Trust, 4.625%, due 7/1/2022	160	0.09	230 Allison Transmission Inc, 144A, 5.000%, due 10/1/2024	234	0.14
	679	0.39	500 UPCB Finance IV Ltd, 144A, 5.375%, due 1/15/2025	511	0.30	70 American Airlines Group Inc, 144A, 4.625%, due 3/1/2020	71	0.04
France — 0.65% (February 29, 2016: 0.50%)				1,201	0.70	600 Arconic Inc, 5.125%, due 10/1/2024	621	0.36
250 CGG SA, 6.500%, due 6/1/2021	120	0.07	New Zealand — 0.09% (February 29, 2016: 0.00%)			60 Ball Corp, 5.250%, due 7/1/2025	64	0.04
410 Credit Agricole SA, 144A, 8.125%, Perpetual *	438	0.25	150 Reynolds Group Issuer Inc / Reynolds Group Issuer LLC / Reynolds Group Issuer Lu, 144A, 7.000%, due 7/15/2024	161	0.09	1,250 Bank of America Corp, 4.000%, due 1/22/2025	1,259	0.73
350 SFR Group SA, 144A, 6.000%, due 5/15/2022	363	0.21		392	0.23	500 BioScrip Inc, 8.875%, due 2/15/2021	401	0.23
200 SFR Group SA, 144A, 7.375%, due 5/1/2026	207	0.12	Singapore — 0.23% (February 29, 2016: 0.36%)			220 Blue Racer Midstream LLC / Blue Racer Finance Corp, 144A, 6.125%, due 11/15/2022	224	0.13
	1,128	0.65	380 Oversea-Chinese Banking Corp Ltd, 4.250%, due 6/19/2024	392	0.23	220 BlueLine Rental Finance Corp, 144A, 7.000%, due 2/1/2019	224	0.13
Germany — 0.88% (February 29, 2016: 1.38%)			Spain — 0.23% (February 29, 2016: 0.24%)			240 Calumet Specialty Products Partners LP / Calumet Finance Corp, 6.500%, due 4/15/2021	208	0.12
450 Fresenius Medical Care US Finance II Inc, 144A, 4.125%, due 10/15/2020	462	0.27	GBP 300 Telefonica Europe BV, 6.750%, Perpetual *	400	0.23	510 Carolina Beverage Group LLC / Carolina Beverage Group Finance Inc, 144A, 10.625%, due 8/1/2018	479	0.28
470 IHO Verwaltungs GmbH, 144A, 4.750%, due 9/15/2026	464	0.27	Switzerland — 0.13% (February 29, 2016: 0.40%)			490 CCO Holdings LLC / CCO Holdings Capital Corp, 5.250%, due 9/30/2022	510	0.30
570 ZF North America Capital Inc, 144A, 4.750%, due 4/29/2025	587	0.34	200 Credit Suisse Group AG, 144A, 7.500%, Perpetual *	217	0.13	200 CCO Holdings LLC / CCO Holdings Capital Corp, 144A, 5.375%, due 5/1/2025	209	0.12
	1,513	0.88		212	0.12	120 Celgene Corp, 5.000%, due 8/15/2045	127	0.07
Hong Kong — 0.19% (February 29, 2016: 0.56%)			United Kingdom — 4.70% (February 29, 2016: 4.69%)			500 Centene Corp, 4.750%, due 5/15/2022	518	0.30
310 Prosperous Ray Ltd, 4.625%, due 11/12/2023	333	0.19	GBP 350 Anglian Water Osprey Financing Plc, 5.000%, due 4/30/2023	461	0.27	320 CenturyLink Inc, Series V, 5.625%, due 4/1/2020	338	0.20
India — 0.54% (February 29, 2016: 0.56%)			200 Barclays Bank Plc, 7.625%, due 11/21/2022	215	0.12	310 Chesapeake Energy Corp, 6.625%, due 8/15/2020	308	0.18
430 Bharti Airtel International Netherlands BV, 144A, 5.350%, due 5/20/2024	457	0.27	GBP 470 CPMK Finance Ltd, 7.239%, due 2/28/2024	768	0.44			
430 ICICI Bank Ltd/Hong Kong, 5.750%, due 11/16/2020	473	0.27	GBP 280 Galaxy Bidco Ltd, 6.375%, due 11/15/2020	358	0.21			
	930	0.54	GBP 450 Great Rolling Stock Co Ltd/The, 6.250%, due 7/27/2020	647	0.37			
Ireland — 0.70% (February 29, 2016: 0.00%)			GBP 440 Heathrow Finance Plc, 7.125%, due 3/1/2017	546	0.32			
610 Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 144A, 6.000%, due 2/15/2025	627	0.36	730 KCA Deutag UK Finance Plc, 144A, 7.250%, due 5/15/2021	704	0.41			
			840 Lloyds Banking Group Plc, 4.650%, due 3/24/2026	860	0.50			
			200 Lloyds Banking Group Plc, 7.500%, Perpetual *	212	0.12			

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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 28, 2017 – (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)								
125 Chesapeake Energy Corp, 6.125%, due 2/15/2021	121	0.07	120 H&E Equipment Services Inc, 7.000%, due 9/1/2022	126	0.07	320 Pride International Inc, 7.875%, due 8/15/2040	298	0.17
190 Chesapeake Energy Corp, 144A, 8.000%, due 1/15/2025	189	0.11	20 Hanesbrands Inc, 144A, 4.625%, due 5/15/2024	20	0.01	820 Quicken Loans Inc, 144A, 5.750%, due 5/1/2025	808	0.47
130 Chesapeake Energy Corp, 144A, 5.500%, due 9/15/2026	128	0.07	1,070 Hanesbrands Inc, 144A, 4.875%, due 5/15/2026	1,059	0.61	280 Range Resources Corp, 144A, 5.000%, due 3/15/2023	271	0.16
1,250 Citigroup Inc, 4.450%, due 9/29/2027	1,280	0.74	220 HC2 Holdings Inc, 144A, 11.000%, due 12/1/2019	223	0.13	200 Rice Energy Inc, 6.250%, due 5/1/2022	204	0.12
120 Compiler Finance Sub Inc, 144A, 7.000%, due 5/1/2021 +	55	0.03	590 HCA Inc, 5.375%, due 2/1/2025	617	0.36	160 Rice Energy Inc, 7.250%, due 5/1/2023	169	0.10
60 CoreCivic Inc, 4.125%, due 4/1/2020	61	0.04	90 HCA Inc, 5.250%, due 6/15/2026	95	0.05	520 Rockies Express Pipeline LLC, 144A, 7.500%, due 7/15/2038	575	0.33
260 CoreCivic Inc, 5.000%, due 10/15/2022	265	0.15	60 Hexion Inc / Hexion Nova Scotia Finance UL, 9.000%, due 11/15/2020	48	0.03	280 Sanchez Energy Corp, Series W, 6.125%, due 1/15/2023	269	0.16
490 Crestwood Midstream Partners LP / Crestwood Midstream Finance Corp, 6.125%, due 3/1/2022	507	0.29	390 IASIS Healthcare LLC / IASIS Capital Corp, 8.375%, due 5/15/2019	381	0.22	320 Scientific Games International Inc, 144A, 7.000%, due 1/1/2022	340	0.20
450 CSC Holdings LLC, 144A, 6.625%, due 10/15/2025	497	0.29	250 Immucor Inc, 11.125%, due 8/15/2019	239	0.14	120 Sinclair Television Group Inc, 6.125%, due 10/1/2022	126	0.07
70 CTP Transportation Products LLC / CTP Finance Inc, 144A, 8.250%, due 12/15/2019	66	0.04	70 Iron Mountain Inc, 6.000%, due 8/15/2023	74	0.04	190 SPL Logistics Escrow LLC / SPL Logistics Finance Corp, 144A, 8.875%, due 8/1/2020	168	0.10
500 CTR Partnership LP / CareTrust Capital Corp, 5.875%, due 6/1/2021	514	0.30	480 Jo-Ann Stores Holdings Inc, 144A, 9.750%, due 10/15/2019	455	0.26	300 Sprint Capital Corp, 8.750%, due 3/15/2032	360	0.21
340 DaVita Inc, 5.000%, due 5/1/2025	342	0.20	300 JPMorgan Chase & Co, 3.625%, due 12/1/2027	293	0.17	640 Sprint Communications Inc, 11.500%, due 11/15/2021	806	0.47
190 Diamondback Energy Inc, 144A, 4.750%, due 11/1/2024	190	0.11	210 Lamb Weston Holdings Inc, 144A, 4.625%, due 11/1/2024	214	0.12	160 Sprint Corp, 7.875%, due 9/15/2023	178	0.10
110 Diamondback Energy Inc, 144A, 5.375%, due 5/31/2025	114	0.07	190 Lamb Weston Holdings Inc, 144A, 4.875%, due 11/1/2026	193	0.11	370 Targa Resources Partners LP / Targa Resources Partners Finance Corp, 5.250%, due 5/1/2023	382	0.22
350 DISH DBS Corp, 5.875%, due 11/15/2024	373	0.22	120 Liberty Media Corp-Liberty Formula One, 144A, 1.000%, due 1/30/2023	125	0.07	600 Taylor Morrison Communities Inc / Monarch Communities Inc, 144A, 5.250%, due 4/15/2021	615	0.36
330 DISH DBS Corp, 7.750%, due 7/1/2026	386	0.22	240 Lions Gate Entertainment Corp, 144A, 5.875%, due 11/1/2024	247	0.14	210 Tenet Healthcare Corp, 8.125%, due 4/1/2022	220	0.13
410 DJO Finco Inc / DJO Finance LLC / DJO Finance Corp, 144A, 8.125%, due 6/15/2021	363	0.21	630 LMI Aerospace Inc, 7.375%, due 7/15/2019	642	0.37	220 Terex Corp, 144A, 5.625%, due 2/1/2025	226	0.13
200 Dole Food Co Inc, 144A, 7.250%, due 5/1/2019	204	0.12	550 MGM Resorts International, 6.625%, due 12/15/2021	614	0.36	180 TMX Finance LLC / TitleMax Finance Corp, 144A, 8.500%, due 9/15/2018	169	0.10
550 Dollar Tree Inc, 5.750%, due 3/1/2023	584	0.34	190 Microchip Technology Inc, 144A, 1.625%, due 2/15/2027	191	0.11	540 United Rentals North America Inc, 5.500%, due 5/15/2027	552	0.32
150 DPx Holdings BV, 144A, 7.500%, due 2/1/2022	159	0.09	120 Microchip Technology Inc, 144A, 2.250%, due 2/15/2037	121	0.07	940 Universal Hospital Services Inc, 7.625%, due 8/15/2020	946	0.55
67 Ensco Plc, 8.000%, due 1/31/2024	69	0.04	974 Miran Mid-Atlantic Series C Pass Through Trust, Series C, 10.060%, due 12/30/2028	870	0.50	500 Univision Communications Inc, 144A, 5.125%, due 2/15/2025	493	0.29
200 EP Energy LLC / Everest Acquisition Finance Inc, 144A, 8.000%, due 2/15/2025	195	0.11	600 Murray Energy Corp, 144A, 11.250%, due 4/15/2021	471	0.27	200 US Concrete Inc, 144A, 6.375%, due 6/1/2024	212	0.12
100 Finisar Corp, 144A, 0.500%, due 12/15/2036	106	0.06	550 Navient Corp, 8.000%, due 3/25/2020	597	0.35	900 Valeant Pharmaceuticals International Inc, 144A, 5.625%, due 12/1/2021	758	0.44
230 Flex Acquisition Co Inc, 144A, 6.875%, due 1/15/2025	235	0.14	550 Navios Maritime Acquisition Corp / Navios Acquisition Finance US Inc, 144A, 8.125%, due 11/15/2021	494	0.29	170 Vander Intermediate Holding II Corp, 144A, 9.750%, due 2/1/2019	171	0.10
500 Florida East Coast Holdings Corp, 144A, 6.750%, due 5/1/2019	514	0.30	750 NCL Corp Ltd, 144A, 4.750%, due 12/15/2021	765	0.44	400 Verizon Communications Inc, 6.550%, due 9/15/2043	490	0.28
190 Freeport-McMoRan Inc, 6.625%, due 5/1/2021	194	0.11	490 Neiman Marcus Group Ltd LLC, 144A, 8.000%, due 10/15/2021	307	0.18	350 Viacom Inc, 3.450%, due 10/4/2026	335	0.19
430 Freeport-McMoRan Inc, 3.550%, due 3/1/2022	399	0.23	310 Niska Gas Storage Ltd / Niska Gas Storage Canada Finance Corp, 6.500%, due 4/1/2019	312	0.18	420 Viacom Inc, 4.375%, due 3/15/2043	369	0.21
1,000 General Electric Co, 6.875%, due 1/10/2039	1,435	0.83	110 Oasis Petroleum Inc, 6.875%, due 3/15/2022	112	0.06	540 Viking Cruises Ltd, 144A, 8.500%, due 10/15/2022	564	0.33
600 General Motors Co, 6.250%, due 10/2/2043	683	0.40	560 Pactiv LLC, 8.375%, due 4/15/2027	616	0.36	400 Visa Inc, 4.300%, due 12/14/2045	429	0.25
160 Goldman Sachs Group Inc/ The, 3.500%, due 11/16/2026	158	0.09	230 PaperWorks Industries Inc, 144A, 9.500%, due 8/15/2019	190	0.11	510 Vista Outdoor Inc, 5.875%, due 10/1/2023	506	0.29
310 Goodyear Tire & Rubber Co/ The, 5.125%, due 11/15/2023	322	0.19	200 Parsley Energy LLC / Parsley Finance Corp, 144A, 6.250%, due 6/1/2024	210	0.12	90 WebMD Health Corp, 144A, 2.625%, due 6/15/2023	86	0.05
200 Greentown Holdings LLC/ Greentown Motherhood Corp, 144A, 8.875%, due 3/15/2019	210	0.12	170 Post Holdings Inc, 144A, 5.500%, due 3/1/2025	173	0.10	750 Wells Fargo & Co, 4.650%, due 11/4/2044	767	0.44
380 Guitar Center Inc, 144A, 6.500%, due 4/15/2019	339	0.20	150 Post Holdings Inc, 144A, 5.000%, due 8/15/2026	145	0.08	650 West Corp, 144A, 5.375%, due 7/15/2022	624	0.36
			170 Post Holdings Inc, 144A, 5.750%, due 3/1/2027	172	0.10	20 Westlake Chemical Corp, 4.875%, due 5/15/2023	21	0.01
						270 Whiting Petroleum Corp, 1.250%, due 4/1/2020	241	0.14
						50 Whiting Petroleum Corp, 6.250%, due 4/1/2023	50	0.03

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

Portfolio of Investments as at February 28, 2017 – (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)			Japan — 0.50% (February 29, 2016: 0.00%)					
United States — (continued)			JPY 92,200 Japanese Government CPI Linked Bond, Series 21, 0.100%, due 3/10/2026	865	0.50	172 CBS Radio Inc, 4.500%, due 10/17/2023 *	174	0.10
1,000 William Lyon Homes Inc, 7.000%, due 8/15/2022	1,040	0.60	Kazakhstan — 1.19% (February 29, 2016: 1.16%)			737 Charter Communications Operating LLC, 3.040%, due 1/15/2024 *	741	0.43
920 Williams Cos Inc/The, 8.750%, due 3/15/2032	1,181	0.68	1,900 Kazakhstan Government International Bond, 5.125%, due 7/21/2025	2,057	1.19	350 CHG Healthcare Services Inc, 3.750%, due 2/3/2024 *	351	0.20
120 Williams Cos Inc/The, 5.750%, due 6/24/2044	121	0.07	Mexico — 2.15% (February 29, 2016: 1.69%)			90 Commercial Barge Line Co, 9.750%, due 11/12/2020 *	86	0.05
320 Windstream Services LLC, 7.750%, due 10/15/2020	329	0.19	MXN 25,040 Mexican Bonos, Series M 30, 8.500%, due 11/18/2038	1,334	0.77	190 Communications Sales & Leasing Inc, 4.000%, due 10/24/2022 *	193	0.11
60 WPX Energy Inc, 6.000%, due 1/15/2022	61	0.04	2,500 Mexico Government International Bond, 4.750%, due 3/8/2044	2,381	1.38	190 CWGS Group LLC, 4.500%, due 11/3/2023 *	192	0.11
300 WPX Energy Inc, 8.250%, due 8/1/2023	336	0.19		3,715	2.15	190 DaVita HealthCare Partners Inc, 3.520%, due 6/24/2021 *	192	0.11
110 WPX Energy Inc, 5.250%, due 9/15/2024	107	0.06	Peru — 1.05% (February 29, 2016: 1.17%)			500 Energy Future Intermediate Holding Co LLC / EFII Finance Inc, 4.250%, due 6/30/2017 *	502	0.29
330 XPO Logistics Inc, 144A, 6.500%, due 6/15/2022	347	0.20	1,680 Peruvian Government International Bond, 4.125%, due 8/25/2027	1,816	1.05	247 First Data Corp, 3.779%, due 3/24/2021 *	249	0.14
	47,441	27.47	Poland — 0.24% (February 29, 2016: 1.72%)			168 Flex Acquisition Company Inc, 4.250%, due 12/29/2023 *	170	0.10
Total Corporate Bonds and Notes (Cost \$70,651)	73,081	42.32	400 Republic of Poland Government International Bond, 4.000%, due 1/22/2024	419	0.24	100 GYP Holdings III Corp, 4.539%, due 4/1/2021 *	100	0.06
Government Bonds and Notes — 20.01% (February 29, 2016: 15.73%)			Russia — 1.10% (February 29, 2016: 0.00%)			249 HCA Inc, 3.031%, due 2/15/2024 *	252	0.15
Argentina — 2.20% (February 29, 2016: 1.14%)			RUB 120,080 Russian Federal Bond – OFZ, Series 6212, 7.050%, due 1/19/2028	1,892	1.10	227 Hilton Worldwide Finance LLC, 3.278%, due 10/25/2023 *	229	0.13
ARS 4,810 Argentine Bonos del Tesoro, 22.750%, due 3/5/2018	323	0.19	United States — 5.48% (February 29, 2016: 5.26%)			17 Hilton Worldwide Finance LLC, 3.500%, due 10/26/2020 *	17	0.01
ARS 14,330 Argentine Bonos del Tesoro, 18.200%, due 10/3/2021	1,029	0.60	6,000 United States Treasury Note/ Bond, 0.750%, due 3/15/2017	6,001	3.48	274 Kate Spade & Co, 4.000%, due 4/10/2021 *	275	0.16
300 Argentine Republic Government International Bond, 144A, 6.875%, due 4/22/2021	320	0.18	2,460 United States Treasury Note/ Bond, 2.125%, due 11/30/2023	2,455	1.42	430 Landry's Inc, 4.000%, due 10/4/2023 *	435	0.25
260 Argentine Republic Government International Bond, 144A, 7.500%, due 4/22/2026	271	0.16	160 United States Treasury Note/ Bond, 2.500%, due 2/15/2046	145	0.08	190 Leslie's Poolmart Inc, 5.250%, due 8/16/2023 *	190	0.11
1,160 Argentine Republic Government International Bond, 144A, 7.125%, due 7/6/2036	1,112	0.64	760 United States Treasury Note/ Bond, 2.250%, due 8/15/2046	650	0.38	330 Level 3 Financing Inc, 3.029%, due 2/17/2024 *	332	0.19
740 Provincia de Buenos Aires/ Argentina, 144A, 6.500%, due 2/15/2023	740	0.43	220 United States Treasury Note/ Bond, 2.875%, due 11/15/2046	216	0.12	156 Lions Gate Entertainment Corp, 3.766%, due 10/13/2023 *	157	0.09
	3,795	2.20		9,467	5.48	414 MGM Growth Properties Operating Co, 3.281%, due 4/25/2023 *	418	0.24
Brazil — 1.65% (February 29, 2016: 0.00%)			Total Government Bonds and Notes (Cost \$33,489)			497 Michaels Stores Inc, 3.750%, due 1/28/2023 *	497	0.29
BRL 5,500 Brazil Notas do Tesouro Nacional Serie F, Series NTN-F, 10.000%, due 1/1/2021	1,765	1.02		34,555	20.01	251 Multiplan Inc, 5.000%, due 5/16/2023 *	255	0.15
BRL 433 Brazil Notas do Tesouro Nacional Serie F, Series NTN-F, 10.000%, due 1/1/2023	138	0.08	Loan Notes — 8.73% (February 29, 2016: 2.16%)			228 Party City Holdings Inc, 3.860%, due 8/19/2022 *	227	0.13
870 Brazilian Government International Bond, 6.000%, due 4/7/2026	942	0.55	184 1011778 BC ULC, 3.750%, due 2/16/2024 *	185	0.11	247 Patheon Inc, 4.250%, due 3/11/2021 *	248	0.14
	2,845	1.65	513 Academy Ltd, 5.102%, due 7/2/2022 *	411	0.24	338 Petco Animal Supplies Inc, 5.000%, due 1/26/2023 *	327	0.19
Ecuador — 0.31% (February 29, 2016: 0.00%)			509 Acosta Inc, 4.289%, due 9/26/2021 *	497	0.29	337 Petsmart Inc, 4.250%, due 3/10/2022 *	332	0.19
480 Ecuador Government International Bond, 144A, 10.750%, due 3/28/2022	536	0.31	64 AdvancePierre Foods Inc, 4.000%, due 6/2/2023 *	64	0.04	259 Pharmaceutical Product Development LLC, 4.250%, due 8/18/2022 *	260	0.15
Hungary — 1.05% (February 29, 2016: 1.13%)			247 Air Medical Group Holdings Inc, 4.250%, due 4/28/2022 *	247	0.14	195 Prime Security Services Borrower LLC, 0.000%, due 5/2/2022 *	197	0.11
1,610 Hungary Government International Bond, 5.750%, due 11/22/2023	1,818	1.05	100 Albertsons LLC, 3.778%, due 8/25/2021 *	101	0.06	168 Quikrete Holdings Inc, 4.232%, due 11/15/2023 *	170	0.10
Indonesia — 2.79% (February 29, 2016: 1.70%)			114 Albertsons LLC, 4.302%, due 6/22/2023 *	116	0.07	554 Reynolds Group Holdings Inc, 4.321%, due 2/5/2023 *	558	0.32
2,600 Indonesia Government International Bond, 6.625%, due 2/17/2037	3,200	1.85	231 American Builders & Contractors Supply Co Inc, 3.531%, due 10/31/2023 *	233	0.14	125 Reynolds Group Holdings Inc, 4.250%, due 2/5/2023 *	126	0.07
IDR 19,590,000 Indonesia Treasury Bond, Series FR56, 8.375%, due 9/15/2026	1,560	0.91	490 Ancestry.com Inc, 5.250%, due 10/19/2023 *	493	0.29	300 RPI Finance Trust, 3.498%, due 10/14/2022 *	304	0.18
IDR 721,000 Indonesia Treasury Bond, Series FR68, 8.375%, due 3/15/2034	55	0.03	150 Avolon TLB Borrower 1 Luxembourg Sarl, 3.743%, due 1/20/2022 *	153	0.09	400 Scientific Games International Inc, 6.000%, due 10/1/2021 *	406	0.24
	4,815	2.79	323 Berry Plastics Corp, 3.750%, due 10/1/2022 *	326	0.19	188 SFR Group SA, 0.000%, due 1/31/2025 *	190	0.11
Jamaica — 0.30% (February 29, 2016: 0.28%)			149 Boyd Gaming Corp, 0.000%, due 9/15/2023 *	151	0.09	190 Station Casinos LLC, 3.280%, due 6/8/2023 *	191	0.11
460 Jamaica Government International Bond, 6.750%, due 4/28/2028	515	0.30	418 BWAY Holding Co, 0.000%, due 8/14/2023 *	419	0.24	125 Trans Union LLC, 3.280%, due 4/9/2023 *	126	0.07
			433 Catalent Pharma Solutions Inc, 3.750%, due 5/20/2021 *	439	0.25	190 UFC Holdings LLC, 0.000%, due 8/18/2023 *	191	0.11

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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 28, 2017 – (continued)

Face Value (000's)	Value (000's)	% of Net Asset Value	Contracts (000's)	Value (000's)	% of Net Asset Value			
Loan Notes — (continued)			Options — 0.07% (February 29, 2016: (0.03%))			*	Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2017.	
297 Univision Communications Inc,			Purchased Options — 0.12% (February 29, 2016: 0.06%)			†	Illiquid.	
4.000%, due 3/1/2020 *	298	0.17	– S&P 500 E-mini June 2017			∞	Security is valued in good faith at fair value by or at the discretion of the Investment Manager.	
340 UPC Financing Partnership, 3.520%, due 4/15/2025 *	343	0.20	Put 2,100.00, due 6/16/2017	35	0.02	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 28, 2017.	
237 Valeant Pharmaceuticals International, 5.530%, due 3/13/2022 *	239	0.14	– S&P 500 E-mini March 2017	9	–		The counterparties for OTC options are Goldman Sachs and JP Morgan.	
254 Virgin Media Bristol LLC, 3.520%, due 1/31/2025 *	256	0.15	Put 2,100.00, due 3/17/2017					
60 Virgin Media Investment Holdings Ltd, 3.500%, due 6/30/2023 *	60	0.03	– S&P 500 E-mini W3 May 2017	96	0.06			
190 XPO Logistics Inc, 4.302%, due 10/30/2021 *	192	0.11	Put 2,150.00, due 5/19/2017					
			1,910 USD Put/MXN	65	0.04			
			Call 20.71, due 4/5/2017	205	0.12			
Total Loan Notes (Cost \$15,103)	15,083	8.73	Written Options — (0.05%) (February 29, 2016: (0.09%))				ABBREVIATIONS:	
Collective Investment Schemes — 2.01% (February 29, 2016: 8.98%)			(377) American Axle & Manufacturing Holdings Inc			CPI	– Consumer Price Index	
36 Legg Mason Global Funds Plc – Western Asset Emerging Markets Corporate Bond Fund – LM Class US\$ Distributing (M)	3,470	2.01	Put 100.00, due 1/2/2018 ∞	(2)	–	Perpetual	– A bond with no maturity date. Perpetual bonds are not redeemable but pay a steady stream of interest	
Total Collective Investment Schemes (Cost \$3,448)	3,470	2.01	– S&P 500 E-mini June 2017			REMIC	– Real Estate Mortgage Investment Conduit	
Preferred Stock — 0.48% (February 29, 2016: 0.00%)			Put 2,050.00, due 6/16/2017	(20)	(0.01)	ARS	– Argentine Peso	
United States — 0.48% (February 29, 2016: 0.00%)			– S&P 500 E-mini March 2017			BRL	– Brazilian Real	
– Allergan Plc, Series A	388	0.22	Put 2,050.00, due 3/17/2017	(3)	(0.01)	EUR	– Euro	
11 Sanchez Energy Corp, Series B	441	0.26	– S&P 500 E-mini W3 May 2017			GBP	– British Pound	
	829	0.48	Put 2,050.00, due 5/19/2017	(52)	(0.03)	IDR	– Indonesian Rupiah	
Total Preferred Stock (Cost \$847)	829	0.48		(77)	(0.05)	JPY	– Japanese Yen	
Total Investments Excluding Options (Cost \$159,156)			Total Options (Cost \$171)	128	0.07	MXN	– Mexican Peso	
	162,361	94.02	Total Investments (Cost \$159,327)	162,489	94.09	RUB	– Russian Ruble	
			Other Assets in Excess of Liabilities (February 29, 2016: 13.67%)		10,198	5.91		
			Total Net Assets		\$172,687 100.00			
			–	Amounts designated as “–” are either \$0, less than \$1,000 or less than 1,000 shares.				
			144A	Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2017, these securities amounted to \$49,619,000 or 28.75% of net assets.				% of Total Assets
								Transferable securities admitted to an official exchange listing or traded on a regulated market
								88.49
								Collective investment schemes
								1.93
								Financial derivative instruments
								1.53
								Other assets
								8.05
								Total Assets
								100.00

Schedule of Credit Default Swaps

Counterparty	Reference Entity	Buy/Sell Protection	Expiration Date	Notional Amount (000's)	Value (000's)
Merrill Lynch	Markit CDX.NA.HY, 5.000%	Buy	12/20/21	3,258	\$ (252)
Merrill Lynch	Markit CDX.NA.IG, 1.000%	Sell	12/20/21	9,950	171
					\$ (81)
Unrealised Appreciation of Credit Default Swaps (February 29, 2016 (000's): \$–)					171
Unrealised Depreciation of Credit Default Swaps (February 29, 2016 (000's): \$(164))					(252)
Net Depreciation of Credit Default Swaps (February 29, 2016 (000's): \$(164))					\$ (81)

Schedule of Interest Rate Swaps

Counterparty	Rate	Expiration Date	Notional Amount (000's)	Value (000's)
Merrill Lynch	Pay Fixed 0.664%, Receive Floating GBP 6M Libor BBA	12/6/18	33,550	\$ (74)
Merrill Lynch	Pay Floating USD 3M Libor BBA, Receive Fixed 1.34%	12/8/18	42,930	(140)
Merrill Lynch	Pay Fixed 1.085%, Receive Floating CAD 3M BA CDOR	12/9/18	52,450	(29)
Merrill Lynch	Pay Floating USD 3M Libor BBA, Receive Fixed 1.355%	12/13/18	40,010	(122)
Merrill Lynch	Pay Fixed 1.2692%, Receive Floating USD 3M Libor BBA	2/28/21	19,320	471
Merrill Lynch	Pay Floating USD 3M Libor BBA, Receive Fixed 1.185%	6/13/21	2,910	(90)
Merrill Lynch	Pay Fixed 1.081%, Receive Floating USD 3M Libor BBA	8/2/21	1,840	68
Merrill Lynch	Pay Fixed 1.084%, Receive Floating USD 3M Libor BBA	8/2/21	–	–
Merrill Lynch	Pay Floating NZD 3M BBR FRA, Receive Fixed 2.1025%	8/2/21	2,660	(61)
Merrill Lynch	Pay Floating NZD 3M BBR FRA, Receive Fixed 2.1275%	8/2/21	–	–
Merrill Lynch	Pay Fixed 1.1415%, Receive Floating USD 3M Libor BBA	8/4/21	1,840	64
Merrill Lynch	Pay Fixed 1.1435%, Receive Floating USD 3M Libor BBA	8/4/21	1,840	64
Merrill Lynch	Pay Floating NZD 3M BBR FRA, Receive Fixed 2.105%	8/4/21	2,610	(60)
Merrill Lynch	Pay Floating NZD 3M BBR FRA, Receive Fixed 2.105%	8/4/21	2,610	(60)

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

Portfolio of Investments as at February 28, 2017 – (continued)

Schedule of Interest Rate Swaps – (continued)

Counterparty	Rate	Expiration Date	Notional Amount (000's)	Value (000's)
Merrill Lynch	Pay Fixed 1.6738%, Receive Floating USD 3M Libor BBA	11/30/22	26,784	\$ 595
Merrill Lynch	Pay Fixed 1.58%, Receive Floating USD 3M Libor BBA	6/13/26	2,920	185
				\$ 811
Unrealised Appreciation of Interest Rate Swaps (February 29, 2016 (000's): \$17)				1,447
Unrealised Depreciation of Interest Rate Swaps (February 29, 2016 (000's): \$(575))				(636)
Net Appreciation of Interest Rate Swaps (February 29, 2016 (000's): \$(558))				\$ 811

Schedule of Inflation Swaps

Counterparty	Reference Entity	Expiration Date	Notional Amount (000's)	Value (000's)
Bank of America	USD-CPURNSA	4/26/46	1,500	\$ 153
Barclays Capital	USD-CPURNSA	4/9/46	530	49
				\$ 202
Unrealised Appreciation of Total Return Swaps (February 29, 2016 (000's): \$-)				202
Unrealised Depreciation of Total Return Swaps (February 29, 2016 (000's): \$-)				-
Net Appreciation of Total Return Swaps (February 29, 2016 (000's): \$-)				\$ 202

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)		Sell Currency (000's)		Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/15/17	BNY Mellon	Buy	CHF 3,492	Sell	USD 3,461	\$ 19
03/15/17	BNY Mellon	Buy	EUR 31	Sell	USD 33	-
03/15/17	BNY Mellon	Buy	EUR 2,040	Sell	USD 2,157	6
03/15/17	BNY Mellon	Buy	GBP 132,824	Sell	USD 166,243	(1,359)
04/06/17	Goldman Sachs	Buy	USD 497	Sell	MXN 10,828	(39)
04/20/17	Barclays Bank	Buy	USD 494	Sell	AUD 660	(11)
04/20/17	Barclays Bank	Buy	USD 2,385	Sell	CAD 3,127	30
04/20/17	Barclays Bank	Buy	USD 1,804	Sell	KRW 2,171,400	(111)
04/20/17	Barclays Bank	Buy	USD 1,099	Sell	RUB 66,490	(28)
04/20/17	Barclays Bank	Buy	RUB 146,580	Sell	USD 2,388	98
04/20/17	Citigroup	Buy	USD 1,231	Sell	CNH 8,640	(24)
04/20/17	Citigroup	Buy	USD 2,708	Sell	EUR 2,516	37
04/20/17	Citigroup	Buy	USD 57	Sell	EUR 54	-
04/20/17	Citigroup	Buy	USD 5,719	Sell	GBP 4,575	34
04/20/17	Citigroup	Buy	USD 3,725	Sell	JPY 428,701	(99)
04/20/17	Citigroup	Buy	USD 1,020	Sell	MXN 22,310	(82)
04/20/17	Citigroup	Buy	USD 4,405	Sell	TWD 141,260	(202)
04/20/17	Citigroup	Buy	GBP 823	Sell	USD 1,007	16
04/20/17	Citigroup	Buy	INR 212,060	Sell	USD 3,068	92
04/20/17	Citigroup	Buy	EUR 1,174	Sell	USD 1,253	(6)
04/20/17	Citigroup	Buy	GBP 455	Sell	USD 566	(1)
04/20/17	Citigroup	Buy	IDR 11,859,935	Sell	USD 879	5
04/20/17	Goldman Sachs	Buy	USD 1,020	Sell	BRL 3,350	(45)
04/20/17	JP Morgan Chase Bank	Buy	USD 376	Sell	JPY 43,040	(8)
05/11/17	Bank of America	Buy	USD 2,237	Sell	GBP 1,790	12
05/11/17	Citigroup	Buy	USD 802	Sell	AUD 1,050	(2)
05/11/17	Citigroup	Buy	USD 636	Sell	CAD 829	11
05/11/17	Citigroup	Buy	USD 364	Sell	NZD 500	5
05/11/17	Citigroup	Buy	AUD 150	Sell	USD 115	-
08/15/17	Citigroup	Buy	ARS 11,113	Sell	USD 663	4
11/15/17	JP Morgan Chase Bank	Buy	ARS 14,120	Sell	USD 813	5
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$903)						374
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(8,668))						(2,017)
Net Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(7,765))						\$ (1,643)

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

Portfolio of Investments as at February 28, 2017 – (continued)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
90 Day Euro\$ June 2017	211	\$ 52,072	\$ (20)
90 Day Euro\$ June 2019	(211)	(51,627)	33
Euro-Bobl March 2017	63	8,992	67
Euro-BTP March 2017	38	5,350	(1)
Euro-Bund March 2017	(48)	(8,444)	(142)
Euro-Buxl 30 Year Bond March 2017	(12)	(2,207)	(92)
U.S. 10 Year Note (CBT) June 2017	266	33,138	108
U.S. 10 Year Note (CBT) March 2017	2	250	2
U.S. 5 Year Note (CBT) June 2017	340	40,019	40
U.S. Long Bond (CBT) June 2017	(14)	(2,123)	(19)
U.S. Long Bond (CBT) March 2017	(1)	(153)	(2)
U.S. Ultra Bond (CBT) June 2017	42	6,795	96
U.S. Ultra Bond (CBT) March 2017	4	652	7
Total Market Value of Futures Contracts			\$ 77
Unrealised Appreciation of Futures Contracts (February 29, 2016 (000's): \$317)			353
Unrealised Depreciation of Futures Contracts (February 29, 2016 (000's): \$(551))			(276)
Net Appreciation of Futures Contracts (February 29, 2016 (000's): \$(234))			\$ 77

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

Portfolio of Investments as at February 28, 2017

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 — 0.33% (February 29, 2016: 0.00%)			Netherlands — 0.86% (February 29, 2016: 0.00%)					
72 KeyCorp Student Loan Trust 2004-A, Series 2004 A, Class 1A2, 1.277%, due 10/27/2042 *	67	0.07	EUR 250 ABN AMRO Bank NV, 7.125%, due 7/6/2022	339	0.37	54 Citigroup Inc, 5.300%, due 5/6/2044	58	0.06
37 Missouri Higher Education Loan Authority, Series 2010 3, Class A1, 1.775%, due 8/26/2030 *	36	0.04	450 Shell International Finance BV, 4.000%, due 5/10/2046	439	0.49	380 Devon Energy Corp, 5.850%, due 12/15/2025	437	0.48
93 Nelnet Student Loan Trust 2008-3, Series 2008 3, Class A4, 2.702%, due 11/25/2024 *	95	0.11		778	0.86	70 Devon Energy Corp, 7.950%, due 4/15/2032	92	0.10
100 SLM Student Loan Trust 2006-1, Series 2006 1, Class A5, 1.148%, due 7/26/2021 *	96	0.11	Peru — 0.22% (February 29, 2016: 0.00%)			60 Enterprise Products Operating LLC, 5.100%, due 2/15/2045	64	0.07
Total Asset-Backed Securities (Cost \$291)	294	0.33	200 Southern Copper Corp, 5.250%, due 11/8/2042	196	0.22	110 FirstEnergy Corp, Series C, 7.375%, due 11/15/2031	145	0.16
Certificate of Deposit — 2.32% (February 29, 2016: 0.00%)			Spain — 0.17% (February 29, 2016: 0.00%)			70 General Electric Co, 4.625%, due 1/7/2021	77	0.08
700 Mizuho Bank Ltd/NY, 1.300%, due 8/28/2017	700	0.77	70 Telefonica Emisiones SAU, 5.462%, due 2/16/2021	77	0.09	70 General Electric Co, 5.300%, due 2/11/2021	78	0.09
700 Norinchukin Bank/New York, 1.340%, due 9/5/2017	700	0.77	50 Telefonica Emisiones SAU, 5.375%, due 2/2/2026	75	0.08	40 Gilead Sciences Inc, 4.800%, due 4/1/2044	42	0.05
700 Toronto Dominion Bank/ New York, 1.170%, due 8/24/2017	700	0.78		152	0.17	200 Gilead Sciences Inc, 4.750%, due 3/1/2046	208	0.23
Total Certificate of Deposit (Cost \$2,100)	2,100	2.32	Switzerland — 1.46% (February 29, 2016: 0.00%)			220 Goldman Sachs Group Inc/The, 6.250%, due 2/1/2041	278	0.31
Commercial Paper — 2.31% (February 29, 2016: 0.00%)			1,050 Credit Suisse Group Funding Guernsey Ltd, 4.875%, due 5/15/2045	1,077	1.19	913 Goldman Sachs Group Inc/The, 5.150%, due 5/22/2045	973	1.08
700 Credit Agricole CIB/NY, 1.220%, due 8/28/2017 **	696	0.77	EUR 220 Glencore Finance Europe SA, 1.875%, due 9/13/2023	240	0.27	350 Harris Corp, 5.054%, due 4/27/2045	386	0.43
700 Mitsubishi UFJ Trust & Banking Corp/NY, 1.330%, due 8/22/2017 **	695	0.77		1,317	1.46	80 HSBC Finance Corp, 6.676%, due 1/15/2021	91	0.10
700 Natixis/New York, 1.250%, due 8/23/2017 **	696	0.77	United Kingdom — 2.77% (February 29, 2016: 0.98%)			130 JPMorgan Chase & Co, 4.500%, due 1/24/2022	141	0.15
Total Commercial Paper (Cost \$2,087)	2,087	2.31	GBP 120 AA Bond Co Ltd, 6.269%, due 7/31/2025	184	0.20	251 JPMorgan Chase & Co, 4.950%, due 6/1/2045	270	0.30
Corporate Bonds and Notes — 20.60% (February 29, 2016: 27.40%)			GBP 160 Aviva Plc, 5.125%, due 6/4/2050 *	206	0.23	220 Kraft Heinz Foods Co, 4.125%, due 7/1/2027	305	0.34
Belgium — 0.33% (February 29, 2016: 1.30%)			EUR 140 Barclays Bank Plc, 6.000%, due 1/14/2021	175	0.19	20 Lockheed Martin Corp, 4.070%, due 12/15/2042	20	0.02
140 Anheuser-Busch InBev Finance Inc, 4.900%, due 2/1/2046	154	0.17	EUR 160 Barclays Plc, 2.625%, due 11/11/2025 *	172	0.19	240 Lockheed Martin Corp, 4.700%, due 5/15/2046	263	0.29
130 Anheuser-Busch InBev Worldwide Inc, 5.375%, due 1/15/2020	142	0.16	150 BP Capital Markets Plc, 4.500%, due 10/1/2020	161	0.18	130 MetLife Inc, 6.400%, due 12/15/2036	144	0.16
	296	0.33	GBP 130 BUPA Finance Plc, 5.000%, due 4/25/2023	179	0.20	260 Time Warner Cable LLC, 5.500%, due 9/1/2041	269	0.30
Brazil — 0.19% (February 29, 2016: 0.00%)			GBP 120 Close Brothers Finance Plc, 3.875%, due 6/27/2021	163	0.18	110 Time Warner Entertainment Co LP, 8.375%, due 7/15/2033	148	0.16
180 Vale SA, 5.625%, due 9/11/2042	174	0.19	GBP 100 Gatwick Funding Ltd, 4.625%, due 3/27/2034	154	0.17	20 Verizon Communications Inc, 5.150%, due 9/15/2023	22	0.02
Canada — 0.61% (February 29, 2016: 0.00%)			GBP 190 Intu SGS Finance Plc, 3.875%, due 3/17/2023	258	0.28	300 Verizon Communications Inc, 6.550%, due 9/15/2043	367	0.41
470 Barrick North America Finance LLC, 5.750%, due 5/1/2043	552	0.61	GBP 250 Legal & General Group Plc, 5.375%, due 10/27/2045 *	334	0.37	150 Wachovia Capital Trust III, 5.570%, Perpetual *	150	0.17
Colombia — 2.49% (February 29, 2016: 3.11%)			EUR 166 Lloyds Bank Plc, 6.500%, due 3/24/2020	207	0.23	554 Wells Fargo & Co, 4.100%, due 6/3/2026	567	0.63
40 Ecopetrol SA, 5.875%, due 9/18/2023	43	0.05	EUR 90 Royal Bank of Scotland Plc/The, 5.375%, due 9/30/2019	108	0.12	200 Wells Fargo & Co, 4.300%, due 7/22/2027	208	0.23
120 Ecopetrol SA, 4.125%, due 1/16/2025	116	0.13	GBP 140 Scottish Widows Ltd, 7.000%, due 6/16/2043	204	0.23	200 Wells Fargo & Co, 4.650%, due 11/4/2044	204	0.23
2,039 Ecopetrol SA, 5.375%, due 6/26/2026	2,093	2.31		2,505	2.77		9,509	10.52
	2,252	2.49	United States — 10.52% (February 29, 2016: 20.86%)			Total Corporate Bonds and Notes (Cost \$18,638)		
Germany — 0.27% (February 29, 2016: 1.15%)			147 AbbVie Inc, 3.600%, due 5/14/2025	146	0.16		18,618	20.60
GBP 162 innogy Finance BV, 5.625%, due 12/6/2023	247	0.27	26 Actavis Funding SCS, 3.800%, due 3/15/2025	26	0.03	Government Bonds and Notes — 64.20% (February 29, 2016: 52.68%)		
Mexico — 0.71% (February 29, 2016: 0.00%)			60 Actavis Funding SCS, 4.750%, due 3/15/2045	61	0.07	Canada — 1.30% (February 29, 2016: 0.00%)		
200 Mexichem SAB de CV, 4.875%, due 9/19/2022	210	0.23	110 Altria Group Inc, 9.250%, due 8/6/2019	129	0.14	CAD 860 Canadian Government Bond, 4.000%, due 6/1/2017	653	0.72
130 Petroleos Mexicanos, 4.875%, due 1/24/2022	132	0.15	280 Anadarko Petroleum Corp, 6.600%, due 3/15/2046	350	0.39	CAD 230 Canadian Government Bond, 4.250%, due 6/1/2018	181	0.20
180 Petroleos Mexicanos, 5.500%, due 6/27/2044	155	0.17	100 Anthem Inc, 4.350%, due 8/15/2020	106	0.12	CAD 430 Canadian Government Bond, 2.250%, due 6/1/2025	342	0.38
150 Petroleos Mexicanos, 6.375%, due 1/23/2045	143	0.16	100 Bank of America Corp, 4.625%, due 9/14/2018	113	0.12		1,176	1.30
	640	0.71	60 Bank of America Corp, 4.100%, due 7/24/2023	63	0.07	Germany — 0.52% (February 29, 2016: 0.00%)		
			721 Bank of America Corp, 4.000%, due 1/22/2025	726	0.80	EUR 320 Bundesrepublik Deutschland, 2.500%, due 8/15/2046	469	0.52
			140 Bank of America Corp, 7.750%, due 5/14/2038	196	0.22			
			470 Chevron Corp, 2.954%, due 5/16/2026	464	0.51			
			200 Chubb INA Holdings Inc, 4.350%, due 11/3/2045	214	0.24			
			620 Citigroup Inc, 4.450%, due 9/29/2027	635	0.70			
			183 Citigroup Inc, 8.125%, due 7/15/2039	273	0.30			

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

Portfolio of Investments as at February 28, 2017 – (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)								Options — (0.01%) (February 29, 2016: 0.03%)							
Italy — 10.23% (February 29, 2016: 5.06%)								Purchased Options — 0.00% (February 29, 2016: 0.04%)							
EUR	1,580	Italy Buoni Poliennali Del Tesoro, 1.450%, due 9/15/2022	1,701	1.88	100	United States Treasury Note/ Bond, 2.250%, due 11/15/2025	99	0.11	2,663	USD Call/EUR Put 105.00, due 3/8/2017	3	—			
EUR	6,980	Italy Buoni Poliennali Del Tesoro, 2.000%, due 12/1/2025	7,404	8.19	280	United States Treasury Note/ Bond, 1.625%, due 2/15/2026	263	0.29	Written Options — (0.01%) (February 29, 2016: (0.01%))						
EUR	130	Italy Buoni Poliennali Del Tesoro, 144A, 3.250%, due 9/1/2046	140	0.16	60	United States Treasury Note/ Bond, 1.625%, due 5/15/2026	56	0.06	(1,244)	USD Call/CNH Put 6.95, due 3/8/2017	—	(0.01)			
			9,245	10.23	100	United States Treasury Note/ Bond, 1.500%, due 8/15/2026	93	0.10	(888)	USD Put/EUR Call 109.00, due 5/8/2017	(5)	(0.01)			
Japan — 0.99% (February 29, 2016: 0.00%)								Total Options (Cost \$ (23))				(11)	(0.01)		
JPY	95,600	Japanese Government CPI Linked Bond, Series 21, 0.100%, due 3/10/2026 β	897	0.99	20	United States Treasury Note/ Bond, 2.000%, due 11/15/2026	19	0.02	Total Investments (Cost \$88,940)				88,123	97.51	
Mexico — 3.81% (February 29, 2016: 3.24%)								Other Assets in Excess of Liabilities (February 29, 2016: 6.81%)				2,257	2.49		
MXN	56,571	Mexican Bonos, Series M, 7.750%, due 11/13/2042	2,788	3.09	220	United States Treasury Note/ Bond, 3.375%, due 5/15/2044	237	0.26	Total Net Assets				\$90,380	100.00	
	620	Mexico Government International Bond, 5.550%, due 1/21/2045	654	0.72	100	United States Treasury Note/ Bond, 3.125%, due 8/15/2044	103	0.12	—	Amounts designated as “—” are either \$0, less than \$1,000 or less than 1,000 shares.					
			3,442	3.81	3,033	United States Treasury Note/ Bond, 2.500%, due 2/15/2045	2,751	3.05	144A	Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2017, these securities amounted to \$140,000 or 0.16% of net assets.					
Poland — 5.81% (February 29, 2016: 4.02%)								* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2017.							
PLN	17,551	Republic of Poland Government Bond, Series 0725, 3.250%, due 7/25/2025	4,210	4.66	2,070	United States Treasury Note/ Bond, 3.000%, due 5/15/2045	2,077	2.30	β	The rate of interest on this type of security is tied to the Consumer Price Index (CPI)/Retail Price Index (RPI). The coupon rate is the rate as of February 28, 2017.					
PLN	4,670	Republic of Poland Government Bond, Series 0726, 2.500%, due 7/25/2026	1,040	1.15	1,910	United States Treasury Note/ Bond, 3.000%, due 11/15/2045	1,870	2.07							
			5,250	5.81	70	United States Treasury Note/ Bond, 3.000%, due 11/15/2045	70	0.08	**	Rate reflects yield to maturity as at February 28, 2017. The counterparty for OTC options is UBS.					
South Africa — 1.95% (February 29, 2016: 0.00%)															
ZAR	32,410	Republic of South Africa Government Bond, Series R214, 6.500%, due 2/28/2041	1,763	1.95	2,600	United States Treasury Note/ Bond, 2.500%, due 5/15/2046	2,352	2.60	ABBREVIATIONS:						
South Korea — 2.61% (February 29, 2016: 0.00%)								CPI — Consumer Price Index							
KRW	2,738,080	Korea Treasury Bond, Series 2606, 1.875%, due 6/10/2026	2,364	2.61	550	United States Treasury Note/ Bond, 2.250%, due 8/15/2046	470	0.52	Perpetual	— A bond with no maturity date. Perpetual bonds are not redeemable but pay a steady stream of interest					
United States — 36.98% (February 29, 2016: 38.91%)								CAD — Canadian Dollar							
	120	United States Treasury Note/ Bond, 0.625%, due 5/31/2017	120	0.13	150	United States Treasury Note/ Bond, 2.875%, due 11/15/2046	147	0.16	EUR	— Euro					
	4,390	United States Treasury Note/ Bond, 1.500%, due 12/31/2018	4,415	4.89	530	United States Treasury Strip Principal, zero coupon, due 11/15/2041	250	0.28	GBP	— British Pound					
	640	United States Treasury Note/ Bond, 1.375%, due 2/28/2019	642	0.71	460	United States Treasury Strip Principal, zero coupon, due 5/15/2043	207	0.23	JPY	— Japanese Yen					
	20	United States Treasury Note/ Bond, 1.750%, due 9/30/2019	20	0.02		33,421	36.98	KRW	— South Korean Won						
	30	United States Treasury Note/ Bond, 1.375%, due 2/15/2020	30	0.03	Total Government Bonds and Notes (Cost \$58,876)			58,027	64.20	MXN	— Mexican Peso				
	1,230	United States Treasury Note/ Bond, 1.625%, due 6/30/2020	1,232	1.36	Time Deposits — 5.98% (February 29, 2016: 4.05%)					PLN	— Polish Zloty				
	2,940	United States Treasury Note/ Bond, 8.000%, due 11/15/2021	3,751	4.15	1,801	Barclays Capital London, 0.700%, due 3/1/2017	1,801	2.00	ZAR	— South Africa Rand					
	8,790	United States Treasury Note/ Bond, 1.750%, due 3/31/2022	8,715	9.64	1,801	Commerzbank London, 0.490%, due 3/1/2017	1,801	1.99							
	640	United States Treasury Note/ Bond, 2.000%, due 11/30/2022	639	0.71	1,801	Rabobank, 0.550%, due 3/1/2017	1,801	1.99							
	2,290	United States Treasury Note/ Bond, 2.750%, due 11/15/2023	2,374	2.63	Total Time Deposits (Cost \$5,403)			5,403	5.98						
	10	United States Treasury Note/ Bond, 2.250%, due 11/15/2024	10	0.01	Collective Investment Schemes — 1.78% (February 29, 2016: 9.03%)										
	380	United States Treasury Note/ Bond, 2.000%, due 2/15/2025	372	0.41	6	Legg Mason Qualified Investor Funds (II) Plc — Legg Mason Western Asset India Bond Fund — LM Class US\$ Accumulating	667	0.74							
					938	Western Asset Liquidity Funds Plc — Western Asset US Dollar Liquidity Fund Class WA (Distributing)	938	1.04							
					Total Collective Investment Schemes (Cost \$1,568)			1,605	1.78						
					Total Investments Excluding Options (Cost \$88,963)			88,134	97.52						

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The accompanying notes are an integral part of the Financial Statements

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

Portfolio of Investments as at February 28, 2017 – (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)
03/07/17	Citigroup	Buy	USD 131	Sell	INR 9,020	\$ (4)
03/07/17	Citigroup	Buy	USD 1,995	Sell	KRW 2,331,015	(66)
03/07/17	Citigroup	Buy	INR 9,020	Sell	USD 131	4
03/07/17	Citigroup	Buy	KRW 2,331,015	Sell	USD 2,048	12
03/07/17	Deutsche Bank	Buy	USD 2,937	Sell	KRW 3,421,636	(86)
03/07/17	Deutsche Bank	Buy	KRW 3,421,636	Sell	USD 3,005	19
03/15/17	BNY Mellon	Buy	USD 4	Sell	GBP 3	–
03/15/17	BNY Mellon	Buy	GBP 4,406	Sell	USD 5,516	(44)
03/15/17	BNY Mellon	Buy	EUR 2,738	Sell	USD 2,929	(27)
03/15/17	BNY Mellon	Buy	JPY 5,541,668	Sell	USD 49,455	(93)
05/11/17	Bank of America	Buy	USD 105	Sell	AUD 137	–
05/11/17	Bank of America	Buy	USD 363	Sell	CAD 473	7
05/11/17	Bank of America	Buy	USD 4,172	Sell	EUR 3,865	63
05/11/17	Bank of America	Buy	USD 98	Sell	JPY 11,045	–
05/11/17	Bank of America	Buy	MXN 513	Sell	USD 25	–
05/11/17	Barclays Bank	Buy	USD 48	Sell	JPY 5,356	–
05/11/17	Citigroup	Buy	USD 1,451	Sell	AUD 1,900	(4)
05/11/17	Citigroup	Buy	USD 2,085	Sell	CNH 14,335	6
05/11/17	Citigroup	Buy	USD 9,946	Sell	EUR 9,230	135
05/11/17	Citigroup	Buy	USD 2,181	Sell	GBP 1,744	13
05/11/17	Citigroup	Buy	USD 2,413	Sell	JPY 269,870	3
05/11/17	Citigroup	Buy	USD 1,877	Sell	PLN 7,496	35
05/11/17	Citigroup	Buy	ZAR 110	Sell	USD 8	–
05/11/17	Citigroup	Buy	CAD 70	Sell	USD 54	(1)
05/11/17	Citigroup	Buy	MXN 5,133	Sell	USD 249	4
05/11/17	Deutsche Bank	Buy	USD 239	Sell	EUR 220	5
05/11/17	Deutsche Bank	Buy	USD 105	Sell	JPY 11,783	–
05/11/17	Royal Bank of Canada	Buy	USD 156	Sell	PLN 625	3
05/11/17	UBS	Buy	USD 8	Sell	AUD 10	–
05/11/17	UBS	Buy	USD 407	Sell	AUD 535	(3)
05/11/17	UBS	Buy	USD 2,417	Sell	EUR 2,255	21
05/11/17	UBS	Buy	USD 361	Sell	EUR 340	(1)
05/11/17	UBS	Buy	USD 649	Sell	JPY 73,500	(7)
05/11/17	UBS	Buy	MXN 4,502	Sell	USD 215	6
05/11/17	UBS	Buy	GBP 39	Sell	USD 48	–
05/11/17	UBS	Buy	JPY 54,595	Sell	USD 487	–
05/24/17	Citigroup	Buy	USD 2,050	Sell	KRW 2,331,015	(7)
05/24/17	Deutsche Bank	Buy	USD 3,008	Sell	KRW 3,421,636	(11)
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$45)						336
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(106))						(354)
Net Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(61))						\$ (18)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Australia 10 Year Bond March 2017	29	\$ 2,851	\$ 19
Euro-Bobl March 2017	(19)	(2,712)	(39)
Euro-BTP March 2017	25	3,520	(19)
Euro-Bund March 2017	(190)	(33,424)	(719)
Euro-Buxl 30 Year Bond March 2017	(4)	(736)	(2)
Euro-Schatz June 2017	(90)	(10,724)	(3)
Japan 10 Year Bond (OSE) March 2017	(1)	(1,340)	(4)
Long Gilt June 2017	(28)	(4,420)	(35)
U.S. 10 Year Note (CBT) June 2017	(107)	(13,330)	(45)
U.S. 10 Year Ultra Note June 2017	(18)	(2,411)	(11)
U.S. 5 Year Note (CBT) June 2017	155	18,244	19
U.S. Long Bond (CBT) June 2017	(38)	(5,763)	(50)
U.S. Ultra Bond (CBT) June 2017	(12)	(1,941)	(26)
Total Market Value of Futures Contracts			\$ (915)
Unrealised Appreciation of Futures Contracts (February 29, 2016 (000's): \$5)			38
Unrealised Depreciation of Futures Contracts (February 29, 2016 (000's): \$(32))			(953)
Net Depreciation of Futures Contracts (February 29, 2016 (000's): \$(27))			\$ (915)

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Legg Mason Western Asset Structured Opportunities Fund[^]

Portfolio of Investments as at February 28, 2017

Face Value (000's)		Value (000's) \$	% of Net Asset Value	Face Value (000's)		Value (000's) \$	% of Net Asset Value	Face Value (000's)		Value (000's) \$	% of Net Asset Value
Asset-Backed Securities — 23.78% (February 29, 2016: 14.03%)				4,869	Fieldstone Mortgage Investment Trust Series 2005-2, Series 2005 2, Class M3, 1.558%, due 12/25/2035 *	2,797	0.69	1,010	Purchasing Power Funding 2015-1A LLC, Series 2015 A, Class A2, 144A, 4.750%, due 12/15/2019	1,020	0.25
5,000	Aames Mortgage Investment Trust 2005-1, Series 2005 1, Class M6, 2.083%, due 6/25/2035 *	3,600	0.89	14	First Franklin Mortgage Loan Trust 2002-FF1, Series 2002 FF1, Class 1A2, 1.905%, due 4/25/2032 *	13	—	1,465	RAAC Series 2006-SP1 Trust, Series 2006 SP1, Class M2, 1.328%, due 9/25/2045 *	786	0.19
3,861	Accredited Mortgage Loan Trust 2005-2, Series 2005 2, Class M6, 1.458%, due 7/25/2035 *	3,067	0.76	14	First Franklin Mortgage Loan Trust 2002-FF4, Series 2002 FF4, Class 2A2, 1.905%, due 2/25/2033 *	13	—	216	RAMP Series 2003-RS3 Trust, Series 2003 RS3, Class All, 1.498%, due 4/25/2033 *	196	0.05
4,865	ACE Securities Corp Home Equity Loan Trust Series 2005-HE3, Series 2005 HE3, Class M4, 1.723%, due 5/25/2035 *	3,545	0.88	653	First Horizon ABS Trust 2006-HE1, Series 2006 HE1, Class A, 0.938%, due 10/25/2034 *	638	0.16	1,780	RAMP Series 2004-RS9 Trust, Series 2004 RS9, Class M12, 2.503%, due 9/25/2034 *	1,427	0.35
733	ACE Securities Corp Home Equity Loan Trust Series 2005-RM1, Series 2005 RM1, Class M4, 1.798%, due 3/25/2035 *	595	0.15	17,085	HERO Funding Trust 2016-1, Series 2016 1A, Class R, 144A, 0.000%, due 9/20/2041 †	2,710	0.67	53	RAMP Series 2004-SL3 Trust, Series 2004 SL3, Class A4, 8.500%, due 12/25/2031	41	0.01
5,325	Aegis Asset Backed Securities Trust 2005-1, Series 2005 1, Class M5, 1.528%, due 3/25/2035 *	3,570	0.88	107	Home Equity Mortgage Loan Asset-Backed Trust Series SPMD 2001-A, Series 2001 A, Class AV, 1.298%, due 3/25/2031 *	95	0.02	5,000	RAMP Series 2005-EFC3 Trust, Series 2005 EFC3, Class M7, 1.898%, due 8/25/2035 *	3,753	0.93
185	AFC Trust Series 2000-2, Series 2000 2, Class 1A, 1.561%, due 6/25/2030 *	164	0.04	389	IndyMac Home Equity Mortgage Loan Asset-Backed Trust Series 2006-H1, Series 2006 H1, Class A, 0.948%, due 4/25/2036 *	286	0.07	5,200	RAMP Series 2005-RS6 Trust, Series 2005 RS6, Class M6, 1.903%, due 6/25/2035 *	3,730	0.92
60	AFC Trust Series 2000-3, Series 2000 3, Class 1A, 144A, 1.521%, due 10/25/2030 *	51	0.01	3,850	InSite Issuer LLC, Series 2016 1A, Class C, 144A, 6.414%, due 11/15/2046	3,857	0.95	4,698	RAMP Series 2006-EFC1 Trust, Series 2006 EFC1, Class M3, 1.208%, due 2/25/2036 *	3,466	0.86
6,000	Ameriquest Mortgage Securities Inc Asset-Backed Pass-Through Cfts Ser 2005-R10, Series 2005 R10, Class M5, 1.408%, due 1/25/2036 *	3,925	0.97	97	Long Beach Mortgage Loan Trust 2002-2, Series 2002 2, Class M2, 2.578%, due 7/25/2032 *	91	0.02	3,410	RAMP Series 2006-R24 Trust, Series 2006 R24, Class M1, 1.128%, due 10/25/2036 *	2,547	0.63
295	Asset Backed Securities Corp Home Equity Loan Trust Series 2003-HE6, Series 2003 HE6, Class M2, 3.253%, due 11/25/2033 *	279	0.07	280	Mastr Specialized Loan Trust, Series 2006 2, Class A, 144A, 1.038%, due 2/25/2036 *	264	0.07	24	RASC Series 2001-KS2 Trust, Series 2001 KS2, Class All, 1.238%, due 6/25/2031 *	22	0.01
973	BCMSC Trust 1998-C, Series 1998 C, Class M1, 7.510%, due 1/15/2029 *	809	0.20	1,599	Merlin Aviation Holdings DAC, Series 2016 1, Class A, 144A, 4.500%, due 12/15/2032	1,536	0.38	3,900	RASC Series 2006-KS2 Trust, Series 2006 KS2, Class M3, 1.188%, due 3/25/2036 *	2,771	0.69
366	Bear Stearns Asset Backed Securities I Trust 2005-CL1, Series 2005 CL1, Class A1, 1.105%, due 9/25/2034 *	324	0.08	8	Morgan Stanley ABS Capital I Inc Trust Series 2003-SD1, Series 2003 SD1, Class A1, 1.778%, due 3/25/2033 *	8	—	337	Renaissance Home Equity Loan Trust 2003-1, Series 2003 1, Class A, 1.638%, due 6/25/2033 *	324	0.08
2,200	CIT Mortgage Loan Trust 2007-1, Series 2007 1, Class 1M1, 144A, 2.278%, due 10/25/2037 *	1,949	0.48	1,762	Morgan Stanley Mortgage Loan Trust 2006-13ARX, Series 2006 13AX, Class A1, 0.868%, due 10/25/2036 *	699	0.17	2,662	Renaissance Home Equity Loan Trust 2006-1, Series 2006 1, Class AV3, 1.078%, due 5/25/2036 *	1,399	0.35
3,370	CIT Mortgage Loan Trust 2007-1, Series 2007 1, Class 2M1, 144A, 2.278%, due 10/25/2037 *	2,928	0.72	2,910	Nationstar HECM Loan Trust 2016-3, Series 2016 3A, Class M2, 144A, 5.682%, due 8/25/2026	2,950	0.73	5,332	Securitized Asset Backed Receivables LLC Trust 2006-OP1, Series 2006 OP1, Class M6, 1.448%, due 10/25/2035 *	3,198	0.79
2,463	Conseco Financial Corp, Series 1997 4, Class M1, 7.220%, due 2/15/2029 *	2,545	0.63	6,790	New Century Home Equity Loan Trust Series 2005-D, Series 2005 D, Class M2, 1.248%, due 2/25/2036 *	3,552	0.88	6	Southern Pacific Secured Asset Corp, Series 1998 1, Class A7, 6.510%, due 12/25/2027 *	6	—
241	Countrywide Asset-Backed Certificates, Series 2003 BC5, Class 2A2, 1.478%, due 12/25/2033 *	227	0.06	90	New Century Home Equity Loan Trust, Series 2003 A, Class M1, 144A, 1.903%, due 10/25/2033 *	86	0.02	3,239	Structured Asset Securities Corp Trust 2005-SC1, Series 2005 SC1, Class 1A1, 144A, 1.048%, due 5/25/2031 *	1,967	0.49
2,118	Countrywide Asset-Backed Certificates, Series 2007 SD1, Class A1, 144A, 1.228%, due 3/25/2047 *	1,215	0.30	6,746	Option One Mortgage Loan Trust 2005-3, Series 2005 3, Class M4, 1.398%, due 8/25/2035 *	3,157	0.78	4,931	Terwin Mortgage Trust 2006-5, Series 2006 5, Class 1A2C, 144A, 1.078%, due 7/25/2037 *	3,621	0.90
2,058	CWABS Revolving Home Equity Loan Trust Series 2004-I, Series 2004 I, Class A, 1.060%, due 2/15/2034 *	1,917	0.47	5,070	Option One Mortgage Loan Trust 2005-4 Asset-Backed Certificates Series 2005-4, Series 2005 4, Class M3, 1.268%, due 11/25/2035 *	2,858	0.71	Total Asset-Backed Securities (Cost \$92,193)			96,211 23.78
125	CWABS Revolving Home Equity Loan Trust Series 2004-J, Series 2004 J, Class 2A, 1.060%, due 12/15/2033 *	116	0.03	3,090	Option One Mortgage Loan Trust 2007-FXD1, Series 2007 FXD1, Class 3A4, 5.860%, due 1/25/2037	2,961	0.73	Mortgage-Backed Securities — 70.80% (February 29, 2016: 75.36%)			
58	EMC Mortgage Loan Trust 2002-A, Series 2002 AA, Class A1, 144A, 1.718%, due 5/25/2039 *	55	0.01	1,201	Popular ABS Mortgage Pass-Through Trust 2004-4, Series 2004 4, Class M2, 4.595%, due 9/25/2034	1,096	0.27	1,628	Alternative Loan Trust 2005-14, Series 2005 14, Class 2A1, 0.988%, due 5/25/2035 *	1,357	0.34
5,905	Encore Credit Receivables Trust 2005-4, Series 2005 4, Class M5, 1.428%, due 1/25/2036 *	3,914	0.97	2,720	Popular ABS Mortgage Pass-Through Trust 2005-5, Series 2005 5, Class MV2, 1.408%, due 11/25/2035 *	1,475	0.36	2,877	Alternative Loan Trust 2005-44, Series 2005 44, Class 1A1, 1.108%, due 10/25/2035 *	2,258	0.56
								1,051	Alternative Loan Trust 2005-56, Series 2005 56, Class 4A1, 1.088%, due 11/25/2035 *	867	0.21
								1,193	Alternative Loan Trust 2005-59, Series 2005 59, Class 1A1, 1.109%, due 11/20/2035 *	1,008	0.25
								5,724	Alternative Loan Trust 2005-76, Series 2005 76, Class 2A1, 1.614%, due 2/25/2036 *	5,080	1.26

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Portfolio of Investments as at February 28, 2017 – (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)				1,225	CHL Mortgage Pass-Through Trust 2005-11, Series 2005 11, Class 3A3, 2.362%, due 4/25/2035 *	845	0.21	12,700	CSMC Series 2016-NYRM, Series 2016, Class MZB, 144A, 7.169%, due 9/12/2017 *	12,754	3.15
1,532	Alternative Loan Trust 2006-19CB, Series 2006 19CB, Class A20, 32.530%, due 8/25/2036 *	2,376	0.59	869	CHL Mortgage Pass-Through Trust 2005-11, Series 2005 11, Class 6A1, 1.378%, due 3/25/2035 *	746	0.18	4,944	DSLA Mortgage Loan Trust 2006-AR1, Series 2006 AR1, Class 2A1B, 1.029%, due 4/19/2047 *	2,856	0.71
8,379	Alternative Loan Trust 2006-28CB, Series 2006 28CB, Class A12, 5.122%, due 10/25/2036 *†	1,715	0.42	833	CHL Mortgage Pass-Through Trust 2005-25, Series 2005 25, Class A15, 24.829%, due 11/25/2035 *	1,064	0.26	1,606	EQTY 2014-MZ Mezzanine Trust, Series 2014 INMZ, Class M, 144A, 5.526%, due 5/8/2031 *	1,562	0.39
747	Alternative Loan Trust 2006-OA11, Series 2006 OA11, Class A2, 0.958%, due 9/25/2046 *	570	0.14	4,831	CHL Mortgage Pass-Through Trust 2005-3, Series 2005 3, Class 1A2, 1.358%, due 4/25/2035 *	4,482	1.11	3,300	Fannie Mae Connecticut Avenue Securities, Series 2016 C01, Class 1B, 12.528%, due 8/25/2028 *	4,122	1.02
2,003	Alternative Loan Trust 2007-23CB, Series 2007 23CB, Class A8, 25.287%, due 9/25/2037 *	2,803	0.69	4,192	CHL Mortgage Pass-Through Trust 2007-14, Series 2007 14, Class A12, 1.178%, due 9/25/2037 *	2,942	0.73	3,000	Fannie Mae Connecticut Avenue Securities, Series 2016 C02, Class 1B, 13.028%, due 9/25/2028 *	3,847	0.95
13,633	Alternative Loan Trust 2007-5CB, Series 2007 5CB, Class 1A20, 4.682%, due 4/25/2037 *†	2,135	0.53	4,193	CHL Mortgage Pass-Through Trust 2007-14, Series 2007 14, Class A13, 6.322%, due 9/25/2037 *	1,108	0.27	2,960	Fannie Mae Connecticut Avenue Securities, Series 2016 C03, Class 1B, 12.528%, due 10/25/2028 *	3,685	0.91
6,224	BAMLL Re-REMIC Trust 2016-RRG10, Series 2016 GG10, Class AJA, 144A, 5.865%, due 7/10/2017 *	4,357	1.08	2,903	Citigroup Commercial Mortgage Trust 2015-GC29, Series 2015 GC29, Class D, 144A, 3.110%, due 4/10/2048	2,095	0.52	4,775	Fannie Mae Connecticut Avenue Securities, Series 2016 C04, Class 1B, 11.028%, due 1/25/2029 *	5,484	1.36
480	Banc of America Commercial Mortgage Trust 2007-2, Series 2007 2, Class AJ, 5.696%, due 4/10/2049 *	470	0.12	1,107	Citigroup Mortgage Loan Trust 2008-3, Series 2008 3, Class A3, 144A, 6.100%, due 4/25/2037	453	0.11	2,880	Fannie Mae Connecticut Avenue Securities, Series 2016 C06, Class 1B, 10.028%, due 4/25/2029 *	3,126	0.77
4,020	Banc of America Funding 2015-R4 Trust, Series 2015 R4, Class 4A2, 144A, 4.500%, due 1/1/2030 *	3,870	0.96	1,580	COMM 2013-LC13 Mortgage Trust, Series 2013 LC13, Class E, 144A, 3.719%, due 8/10/2046 *	1,081	0.27	3,500	Fannie Mae Connecticut Avenue Securities, Series 2017 C01, Class 1B1, 144A, 6.528%, due 7/25/2029 *	3,714	0.92
2,143	Banc of America Funding 2015-R4 Trust, Series 2015 R4, Class 4A3, 144A, 21.172%, due 1/1/2030 *	997	0.25	1,820	COMM 2014-CCRE16 Mortgage Trust, Series 2014 CR16, Class E, 144A, 3.220%, due 4/10/2047	1,132	0.28	2,178	Fannie Mae REMICS, Series 2016 60, Class QS, 5.322%, due 9/25/2046 *	378	0.09
4,981	Banc of America Funding 2015-R4 Trust, Series 2015 R4, Class 6A3, 144A, 0.911%, due 8/27/2036 *	3,620	0.89	950	COMM 2014-CCRE18 Mortgage Trust, Series 2014 CR18, Class D, 144A, 4.736%, due 7/15/2047 *	804	0.20	53	First Republic Mortgage Loan Trust 2002-FRB2, Series 2002 FRB2, Class A2, 1.570%, due 11/15/2032 *	50	0.01
6,114	Banc of America Funding Corp, Series 2015 R3, Class 1A2, 144A, 0.946%, due 3/27/2036 *	3,612	0.89	1,908	Comm 2014-UBS2 Mortgage Trust, Series 2014 UBS2, Class E, 144A, 5.015%, due 3/10/2047 *	1,375	0.34	6,605	Freddie Mac Multifamily Structured Pass Through Certificates K038, Class X3, 2.490%, due 6/25/2042 *	961	0.24
5,390	Banc of America Funding Corp, Series 2015 R3, Class 2A2, 144A, 0.886%, due 2/27/2037 *	3,389	0.84	240	COMM 2015-CCRE25 Mortgage Trust, Series 2015 CR25, Class D, 3.796%, due 8/10/2048 *	188	0.05	19,370	Freddie Mac Multifamily Structured Pass Through Certificates K052, Class X3, 1.612%, due 1/25/2044 *	2,083	0.51
1,760	BBCRE Trust 2015-GTP, Series 2015 GTP, Class D, 144A, 4.563%, due 8/10/2033 *	1,624	0.40	6,860	COMM 2015-PC1 Mortgage Trust, Series 2015 PC1, Class D, 4.441%, due 7/10/2050 *	5,174	1.28	39,286	Freddie Mac Multifamily Structured Pass Through Certificates KAIV, Class X1, 1.317%, due 6/25/2021 *	1,700	0.42
1,000	BBCRE Trust 2015-GTP, Series 2015 GTP, Class E, 144A, 4.563%, due 8/10/2033 *	884	0.22	954	Credit Suisse Commercial Mortgage Trust Series 2006-C5, Series 2006 C5, Class AJ, 5.373%, due 12/15/2039	911	0.23	4,999	Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2016 DNA1, Class B, 10.778%, due 7/25/2028 *	5,740	1.42
1,525	BCAP LLC 2011-RR2 Trust, Series 2011 RR2, Class 1A4, 144A, 3.535%, due 7/26/2036 *	916	0.23	1,380	Credit Suisse Commercial Mortgage Trust Series 2007-C5, Series 2007 C5, Class AM, 5.869%, due 9/15/2040 *	1,316	0.33	1,840	Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2016 DNA2, Class B, 11.278%, due 10/25/2028 *	2,157	0.53
3,541	BCAP LLC Trust 2007-AA3, Series 2007 AA3, Class 1A2, 1.048%, due 4/25/2037 *	2,936	0.73	2,020	CSAIL 2015-C4 Commercial Mortgage Trust, Series 2015 C4, Class D, 3.585%, due 11/15/2048 *	1,708	0.42	2,579	Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2016 DNA3, Class B, 12.028%, due 12/25/2028 *	3,154	0.78
3,244	Bear Stearns ALT-A Trust 2004-12, Series 2004 12, Class 1M1, 1.708%, due 1/25/2035 *	2,908	0.72	12,576	CSMC Mortgage-Backed Trust 2006-7, Series 2006 7, Class 11A2, 5.722%, due 8/25/2036 *†	2,711	0.67	2,860	Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2016 DNA4, Class B, 9.378%, due 3/25/2029 *	3,069	0.76
2,510	Bellemeade Re II Ltd, Series 2016 1A, Class M2B, 144A, 7.278%, due 4/25/2026 *	2,533	0.62	570	CSMC Resecuritization Trust 2006-1R, Series 2006 1R, Class 1A2, 144A, 17.391%, due 7/27/2036 *	713	0.18	6,300	GE Commercial Mortgage Corp Series 2007-C1 Trust, Series 2007 C1, Class AJ, 5.677%, due 12/10/2049 *	4,081	1.01
9,650	CGBAM Commercial Mortgage Trust 2016-IMC, Series 2016 IMC, Class E, 144A, 8.172%, due 11/15/2021 *	9,888	2.44	6,620	CSMC Series 2014-11R, Series 2014 11R, Class 9A2, 144A, 0.896%, due 10/27/2036 *	3,952	0.98	2,805	Government National Mortgage Association, Series 2010 102, Class IO, 0.019%, due 6/16/2052 *	25	0.01
1,364	Chevy Chase Funding LLC Mortgage-Backed Certificates Series 2005-1, Series 2005 1A, Class A2, 144A, 0.978%, due 1/25/2036 *	1,169	0.29	5,800	CSMC Series 2015-12R, Series 2015 12R, Class 2A2, 144A, 1.256%, due 11/30/2037 *	3,685	0.91	17,737	Government National Mortgage Association, Series 2010 13, Class IO, 0.000%, due 11/16/2051 *	164	0.04
1,210	CHL Mortgage Pass-Through Trust 2004-25, Series 2004 25, Class 2A1, 1.458%, due 2/25/2035 *	1,060	0.26								

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Legg Mason Western Asset Structured Opportunities Fund[^]

Portfolio of Investments as at February 28, 2017 – (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)				416	IndyMac INDX Mortgage Loan Trust 2004-AR7, Series 2004 AR7, Class A2, 1.638%, due 9/25/2034 *	379	0.09	1,488	MASTR Reperforming Loan Trust 2005-2, Series 2005 2, Class 1A1F, 144A, 1.128%, due 5/25/2035 *	1,237	0.31
18,504	Government National Mortgage Association, Series 2011 127, Class IO, 0.666%, due 3/16/2047 *	471	0.12	1,566	IndyMac INDX Mortgage Loan Trust 2005-AR13, Series 2005 AR13, Class 1A1, 3.116%, due 8/25/2035 *	1,261	0.31	3,665	ML-CFC Commercial Mortgage Trust 2007-5, Series 2007 5, Class AJ, 5.450%, due 8/12/2048 *	3,244	0.80
71,165	Government National Mortgage Association, Series 2011 95, Class IO, 0.468%, due 4/16/2051 *	1,085	0.27	3,109	IndyMac INDX Mortgage Loan Trust 2005-AR2, Series 2005 AR2, Class 2A1B, 1.558%, due 2/25/2035 *	2,142	0.53	1,651	ML-CFC Commercial Mortgage Trust 2007-5, Series 2007 5, Class AJFL, 144A, 5.450%, due 8/12/2048 *	1,453	0.36
25,280	Government National Mortgage Association, Series 2012 114, Class IO, 0.822%, due 1/16/2053 *	1,463	0.36	352	IndyMac INDX Mortgage Loan Trust 2005-AR4, Series 2005 AR4, Class 2A1A, 1.058%, due 3/25/2035 *	309	0.08	3,040	Morgan Stanley Bank of America Merrill Lynch Trust 2014-C14, Series 2014 C14, Class F, 144A, 3.710%, due 2/15/2047	1,745	0.43
27,690	Government National Mortgage Association, Series 2013 163, Class IO, 1.157%, due 2/16/2046 *	1,678	0.41	7,250	IndyMac INDX Mortgage Loan Trust 2006-AR21, Series 2006 AR21, Class A1, 0.898%, due 8/25/2036 *	5,789	1.43	1,850	Morgan Stanley Bank of America Merrill Lynch Trust 2015-C20, Series 2015 C20, Class D, 144A, 3.071%, due 2/15/2048	1,407	0.35
15,857	Government National Mortgage Association, Series 2014 16, Class IO, 0.823%, due 6/16/2055 *	702	0.17	4,550	JP Morgan Chase Commercial Mortgage Securities Trust 2006-LDP9, Series 2006 LDP9, Class AJ, 5.411%, due 5/15/2047	3,092	0.76	230	Morgan Stanley Capital I Trust 2007-IQ13, Series 2007 IQ13, Class AJ, 5.438%, due 3/15/2044	207	0.05
14,858	Government National Mortgage Association, Series 2014 171, Class IO, 0.790%, due 11/16/2055 *	743	0.18	2,100	JP Morgan Chase Commercial Mortgage Securities Trust 2007-CIBC18, Series 2007 CB18, Class AJ, 5.502%, due 6/12/2047 *	1,791	0.44	1,600	Morgan Stanley Capital I Trust 2007-IQ15, Series 2007 IQ15, Class AJ, 5.914%, due 6/11/2049 *	1,506	0.37
5,153	Government National Mortgage Association, Series 2014 47, Class IA, 0.640%, due 2/16/2048 *	224	0.06	1,500	JP Morgan Chase Commercial Mortgage Securities Trust 2007-CIBC19, Series 2007 CB19, Class AJ, 5.740%, due 2/12/2049 *	1,206	0.30	3,945	Morgan Stanley Mortgage Loan Trust 2006-7, Series 2006 7, Class 4A2, 1.528%, due 6/25/2036 *	2,512	0.62
18,730	Government National Mortgage Association, Series 2014 50, Class IO, 0.914%, due 9/16/2055 *	1,066	0.26	4,600	JP Morgan Chase Commercial Mortgage Securities Trust 2007-LDP10, Series 2007 LDPX, Class AJ, 5.503%, due 1/15/2049 *	1,564	0.39	4,058	Morgan Stanley Resecuritization Trust 2014-R4, Series 2014 R4, Class 3B2, 144A, 3.099%, due 8/26/2034 *	2,963	0.73
6,783	Government National Mortgage Association, Series 2016 110, Class IO, 1.048%, due 5/16/2058 *	542	0.13	830	JP Morgan Chase Commercial Mortgage Securities Trust 2012-C8, Series 2012 C8, Class E, 144A, 4.659%, due 10/15/2045 *	763	0.19	1,910	Morgan Stanley Resecuritization Trust 2015-R4, Series 2015 R4, Class 1A2, 144A, 1.006%, due 8/26/2047 *	1,482	0.37
1,327	Government National Mortgage Association, Series 2016 135, Class SB, 5.330%, due 10/16/2046 *	298	0.07	4,600	JP Morgan Chase Commercial Mortgage Securities Trust 2007-LDP10, Series 2007 LDPX, Class AJFX, 144A, 5.438%, due 1/15/2049	1,564	0.39	6,030	Morgan Stanley Resecuritization Trust 2015-R4, Series 2015 R4, Class 1B, 144A, 1.006%, due 8/26/2047 *	3,372	0.83
2,575	Government National Mortgage Association, Series 2016 51, Class NS, 5.269%, due 4/20/2046 *	481	0.12	1,500	JP Morgan Chase Commercial Mortgage Securities Trust 2012-C8, Series 2012 C8, Class E, 144A, 4.659%, due 10/15/2045 *	763	0.19	4,154	Nomura Resecuritization Trust 2015-4R, Series 2015 4R, Class 4A7, 144A, 2.910%, due 3/26/2037 *	2,891	0.71
970	GS Mortgage Securities Corp Trust 2016-ICE2, Series 2016 ICE2, Class E, 144A, 9.270%, due 2/15/2033 *	1,009	0.25	4,600	JP Morgan Chase Commercial Mortgage Securities Trust 2012-C8, Series 2012 C8, Class E, 144A, 4.659%, due 10/15/2045 *	763	0.19	3,641	Prime Mortgage Trust 2006-DR1, Series 2006 DR1, Class 2A1, 144A, 5.500%, due 5/25/2035	3,408	0.84
1,492	GSMPS Mortgage Loan Trust 2005-RP2, Series 2005 RP2, Class 1AF, 144A, 1.128%, due 3/25/2035 *	1,320	0.33	1,500	JP Morgan Chase Commercial Mortgage Securities Trust 2015-MAR7, Series 2015 MAR7, Class E, 144A, 5.962%, due 6/5/2032	1,437	0.36	1,118	RALI Series 2006-QA2 Trust, Series 2006 QA2, Class 1A1, 1.028%, due 2/25/2036 *	837	0.21
4,250	GSMSC Resecuritization Trust 2014-2R, Series 2014 2R, Class 3B, 144A, 1.366%, due 11/26/2037 *	2,661	0.66	4,170	JPMBB Commercial Mortgage Securities Trust 2013-C17, Series 2013 C17, Class E, 144A, 3.867%, due 1/15/2047 *	2,883	0.71	10,684	RALI Series 2006-QS17 Trust, Series 2006 QS17, Class A2, 5.872%, due 12/25/2036 *	1,804	0.45
332	HarborView Mortgage Loan Trust 2004-11, Series 2004 11, Class 3A3, 1.539%, due 1/19/2035 *	257	0.06	1,920	JPMBB Commercial Mortgage Securities Trust 2015-C31, Series 2015 C31, Class D, 4.118%, due 8/15/2048 *	1,421	0.35	6,203	RBSSP Resecuritization Trust 2013-4, Series 2013 4, Class 1A2, 144A, 1.946%, due 12/26/2037 *	3,522	0.87
193	HarborView Mortgage Loan Trust 2005-1, Series 2005 1, Class 2A1A, 1.319%, due 3/19/2035 *	176	0.04	4,327	Lehman Mortgage Trust 2006-7, Series 2006 7, Class 2A5, 5.772%, due 11/25/2036 *†	1,256	0.31	2,199	Residential Asset Securitization Trust 2007-A1, Series 2007 A1, Class A6, 6.278%, due 3/25/2037 *†	521	0.13
682	HarborView Mortgage Loan Trust 2005-10, Series 2005 10, Class 2A1A, 1.089%, due 11/19/2035 *	556	0.14	749	MASTR Adjustable Rate Mortgages Trust 2004-15, Series 2004 15, Class 1A1, 3.840%, due 12/25/2034 *	721	0.18	9,342	Seasoned Credit Risk Transfer Trust Series 2016-1, Series 2016 1, Class B, 144A, 0.000%, due 9/25/2055	296	0.07
1,392	HarborView Mortgage Loan Trust 2005-2, Series 2005 2, Class 2A1A, 1.219%, due 5/19/2035 *	1,274	0.31	62	MASTR Adjustable Rate Mortgages Trust 2004-15, Series 2004 15, Class 6A1, 1.108%, due 12/25/2034 *	53	0.01	21,955	Seasoned Credit Risk Transfer Trust Series 2016-1, Series 2016 1, Class BIO, 144A, 0.757%, due 9/25/2055 *	869	0.21
884	HarborView Mortgage Loan Trust 2005-3, Series 2005 3, Class 2A1A, 1.019%, due 6/19/2035 *	789	0.19	3,936	MASTR Adjustable Rate Mortgages Trust 2006-OA2, Series 2006 OA2, Class 1A1, 1.414%, due 12/25/2046 *	2,876	0.71	92,727	Seasoned Credit Risk Transfer Trust Series 2016-1, Series 2016 1, Class XSIO, 144A, 0.075%, due 9/25/2055 *	423	0.10
1,268	HarborView Mortgage Loan Trust 2006-10, Series 2006 10, Class 2A1A, 0.959%, due 11/19/2036 *	1,050	0.26					1,278	Structured Adjustable Rate Mortgage Loan Trust, Series 2004 2, Class 1A1, 3.500%, due 3/25/2034 *	1,248	0.31
1,190	HomeBanc Mortgage Trust 2007-1, Series 2007 1, Class 2A, 1.078%, due 5/25/2037 *	1,080	0.27								

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Legg Mason Western Asset Structured Opportunities Fund[^]

Portfolio of Investments as at February 28, 2017 – (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)				54	Washington Mutual MSC Mortgage Pass-Through Certificates Series 2005-RA1 Trust, Series 2005 RA1, Class 3A, 2.885%, due 1/25/2035 *	54	0.01	Collective Investment Schemes — 4.11% (February 29, 2016: 9.02%)			
3,051	Structured Adjustable Rate Mortgage Loan Trust, Series 2005 8XS, Class M1, 1.423%, due 4/25/2035 *	2,809	0.69	1,570	Wells Fargo Commercial Mortgage Trust 2015-SG1, Series 2015 SG1, Class D, 4.470%, due 12/15/2047 *	1,248	0.31	16,613	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	16,613	4.11
152	Structured Asset Mortgage Investments II Trust 2006-AR6, Series 2006 AR6, Class 1A1, 0.958%, due 7/25/2046 *	125	0.03	3,472	Wells Fargo Mortgage Backed Securities 2005-AR7 Trust, Series 2005 AR7, Class B1, 3.090%, due 5/25/2035 *	3,149	0.78	Total Collective Investment Schemes (Cost \$16,613)			
GBP 1,000	Towd Point Mortgage Funding 2016-Granite1 Plc, Series 2016 GR1A, Class E, 144A, 3.402%, due 7/20/2046	1,224	0.30	4,840	WFRBS Commercial Mortgage Trust 2014-C21, Series 2014 C21, Class D, 144A, 3.497%, due 8/15/2047	3,622	0.90	Total Investments (Cost \$396,881)			
GBP 4,000	Towd Point Mortgage Funding 2016-Granite1 Plc, Series 2016 GR1A, Class F, 144A, 3.360%, due 7/20/2046 *	4,873	1.21	6,260	WFRBS Commercial Mortgage Trust 2014-C22, Series 2014 C22, Class D, 144A, 3.907%, due 9/15/2057 *	4,747	1.17	Other Assets in Excess of Liabilities (February 29, 2016: 1.23%)			
4,570	Wachovia Bank Commercial Mortgage Trust Series 2004-C11, Series 2004 C11, Class F, 144A, 5.743%, due 1/15/2041 *	4,496	1.11	2,260	WFRBS Commercial Mortgage Trust 2014-C24, Series 2014 C24, Class D, 144A, 3.692%, due 11/15/2047	1,421	0.35	Total Net Assets			
2,650	Wachovia Bank Commercial Mortgage Trust Series 2006-C26, Series 2006 C26, Class AJ, 6.116%, due 6/15/2045 *	1,941	0.48	Total Mortgage-Backed Securities (Cost \$288,075)				286,442	70.80	– Amounts designated as “–” are either \$0, less than \$1,000 or less than 1,000 shares.	
747	WaMu Mortgage Pass-Through Certificates Series 2005-AR13 Trust, Series 2005 AR13, Class A1B3, 1.138%, due 10/25/2045 *	665	0.16	144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2017, these securities amounted to \$151,476,000 or 37.45% of net assets.							
3,952	WaMu Mortgage Pass-Through Certificates Series 2005-AR15 Trust, Series 2005 AR15, Class A1C3, 1.258%, due 11/25/2045 *	2,090	0.52	* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2017.							
† Illiquid.											
ABBREVIATIONS:											
REMIC – Real Estate Mortgage Investment Conduit											
GBP – British Pound											
Analysis of Total Assets											
Transferable securities admitted to an official exchange listing or traded on a regulated market 93.51%											
Collective investment schemes 4.06%											
Financial derivative instruments 0.01%											
Other assets 2.42%											
Total Assets 100.00%											

Legg Mason Western Asset Structured Opportunities Fund[^]

Portfolio of Investments as at February 28, 2017 – (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 2017	(1,129)	\$(140,649)	\$ (496)
U.S. 2 Year Note (CBT) June 2017	(20)	(4,328)	4
U.S. 5 Year Note (CBT) June 2017	(237)	(27,896)	16
U.S. Long Bond (CBT) June 2017	(11)	(1,668)	(15)
U.S. Ultra Bond (CBT) June 2017	14	2,265	31
U.S. Ultra Bond (CBT) March 2017	1	163	–
Total Market Value of Futures Contracts			\$ (460)
Unrealised Appreciation of Futures Contracts (February 29, 2016 (000's): \$8)			51
Unrealised Depreciation of Futures Contracts (February 29, 2016 (000's): \$(3))			(511)
Net Depreciation of Futures Contracts (February 29, 2016 (000's): \$5)			\$ (460)

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

Portfolio of Investments as at February 28, 2017

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 — 102.08% (February 29, 2016: 102.82%)								
1,175 Fannie Mae Interest Strip 407, Class 9, 5.000%, due 2/25/2041 *	217	0.03	45 Fannie Mae Pool '836852', 2.482%, due 10/1/2035 *	47	0.01	184 Fannie Mae Pool 'AD8642', 5.500%, due 8/1/2040	208	0.03
2,250 Fannie Mae Interest Strip 407, Class C10, 5.000%, due 1/25/2038	444	0.06	47 Fannie Mae Pool '843823', 2.528%, due 11/1/2035 *	49	0.01	100 Fannie Mae Pool 'AD8696', 5.500%, due 6/1/2040	111	0.01
1,809 Fannie Mae Interest Strip 409, Class C13, 3.500%, due 11/25/2041	352	0.05	615 Fannie Mae Pool '843997', 2.567%, due 11/1/2035 *	640	0.08	271 Fannie Mae Pool 'AD9893', 5.500%, due 7/1/2040	309	0.04
1 Fannie Mae Pool '252875', 8.000%, due 11/1/2029	2	—	148 Fannie Mae Pool '865915', 2.669%, due 3/1/2036 *	154	0.02	47 Fannie Mae Pool 'AE0758', 7.000%, due 2/1/2039	54	0.01
1 Fannie Mae Pool '253184', 8.000%, due 4/1/2030	1	—	535 Fannie Mae Pool '888218', 5.000%, due 3/1/2037	587	0.07	91 Fannie Mae Pool 'AE1592', 5.500%, due 9/1/2040	102	0.01
1 Fannie Mae Pool '253399', 8.500%, due 8/1/2030	1	—	39 Fannie Mae Pool '889117', 5.000%, due 10/1/2035	43	0.01	33 Fannie Mae Pool 'AE4513', 5.500%, due 2/1/2041	37	—
— Fannie Mae Pool '253438', 8.500%, due 9/1/2030	—	—	1,546 Fannie Mae Pool '890345', 5.000%, due 6/1/2041	1,699	0.22	18,217 Fannie Mae Pool 'AE7744', 4.500%, due 11/1/2040	19,659	2.50
1 Fannie Mae Pool '253598', 8.500%, due 12/1/2030	2	—	2,282 Fannie Mae Pool '890604', 4.500%, due 10/1/2044	2,470	0.31	419 Fannie Mae Pool 'AH4029', 5.500%, due 4/1/2041	463	0.06
317 Fannie Mae Pool '254793', 5.000%, due 7/1/2033	349	0.04	41 Fannie Mae Pool '902663', 6.000%, due 11/1/2036	46	0.01	375 Fannie Mae Pool 'AH5036', 5.500%, due 2/1/2041	419	0.05
— Fannie Mae Pool '303157', 10.000%, due 5/1/2022	—	—	27 Fannie Mae Pool '909856', 6.000%, due 3/1/2037	30	—	334 Fannie Mae Pool 'AH8309', 5.000%, due 4/1/2041	369	0.05
2 Fannie Mae Pool '411186', 10.000%, due 1/1/2020	2	—	930 Fannie Mae Pool '934231', 5.000%, due 1/1/2039	1,020	0.13	18 Fannie Mae Pool 'AH9785', 5.500%, due 4/1/2041	20	—
1 Fannie Mae Pool '426874', 10.000%, due 11/1/2024	1	—	346 Fannie Mae Pool '961907', 5.000%, due 3/1/2038	380	0.05	184 Fannie Mae Pool 'AI0199', 5.000%, due 4/1/2041	202	0.03
2 Fannie Mae Pool '495792', 8.500%, due 5/1/2030	2	—	1,824 Fannie Mae Pool '962687', 5.000%, due 4/1/2038	2,002	0.26	41 Fannie Mae Pool 'AI2249', 5.500%, due 8/1/2041	46	0.01
— Fannie Mae Pool '525734', 8.000%, due 4/1/2030	—	—	47 Fannie Mae Pool '973013', 4.500%, due 3/1/2038	51	0.01	29 Fannie Mae Pool 'AI9532', 5.500%, due 9/1/2041	33	—
1 Fannie Mae Pool '535270', 8.500%, due 4/1/2030	1	—	5 Fannie Mae Pool '974763', 4.500%, due 4/1/2038	5	—	56 Fannie Mae Pool 'AJ2033', 5.500%, due 10/1/2041	62	0.01
34 Fannie Mae Pool '535299', 7.500%, due 5/1/2030	40	0.01	46 Fannie Mae Pool '981766', 4.500%, due 4/1/2038	49	0.01	151 Fannie Mae Pool 'AJ4713', 4.500%, due 11/1/2041	162	0.02
3 Fannie Mae Pool '535332', 8.500%, due 4/1/2030	3	—	17 Fannie Mae Pool '995072', 5.500%, due 8/1/2038	19	—	170 Fannie Mae Pool 'AL0521', 5.000%, due 6/1/2041	187	0.02
1 Fannie Mae Pool '535351', 8.000%, due 6/1/2030	1	—	1,909 Fannie Mae Pool '995948', 5.000%, due 3/1/2039	2,095	0.27	553 Fannie Mae Pool 'AL1051', 4.500%, due 9/1/2041	597	0.08
— Fannie Mae Pool '535435', 8.500%, due 8/1/2030	—	—	201 Fannie Mae Pool 'AA8438', 4.500%, due 6/1/2039	217	0.03	1,974 Fannie Mae Pool 'AL1469', 7.000%, due 2/1/2039	2,302	0.29
4 Fannie Mae Pool '535608', 9.500%, due 4/1/2030	5	—	262 Fannie Mae Pool 'AB0129', 5.000%, due 4/1/2035	288	0.04	880 Fannie Mae Pool 'AL1470', 7.000%, due 4/1/2037	1,039	0.13
15 Fannie Mae Pool '535996', 7.500%, due 6/1/2031	19	—	2,013 Fannie Mae Pool 'AB0131', 5.000%, due 12/1/2038	2,218	0.28	14,524 Fannie Mae Pool 'AL3024', 3.500%, due 1/1/2043	14,924	1.90
1 Fannie Mae Pool '537715', 8.500%, due 9/1/2030	1	—	55 Fannie Mae Pool 'AB2725', 5.500%, due 4/1/2041	61	0.01	5,135 Fannie Mae Pool 'AL4324', 6.500%, due 5/1/2040	5,803	0.74
2 Fannie Mae Pool '541735', 8.000%, due 6/1/2030	3	—	57 Fannie Mae Pool 'AB2817', 5.000%, due 4/1/2041	63	0.01	530 Fannie Mae Pool 'AL4741', 4.500%, due 1/1/2044	579	0.07
94 Fannie Mae Pool '545189', 7.500%, due 8/1/2031	110	0.01	3,212 Fannie Mae Pool 'AB3882', 4.500%, due 11/1/2041	3,467	0.44	361 Fannie Mae Pool 'AL5540', 4.500%, due 7/1/2044	392	0.05
62 Fannie Mae Pool '545190', 7.500%, due 8/1/2031	71	0.01	1,815 Fannie Mae Pool 'AB5692', 4.000%, due 6/1/2042	1,924	0.25	16,953 Fannie Mae Pool 'AL7093', 4.000%, due 5/1/2045	17,968	2.29
5 Fannie Mae Pool '545612', 8.000%, due 4/1/2032	6	—	2,513 Fannie Mae Pool 'AB7453', 2.500%, due 1/1/2028	2,548	0.32	3,631 Fannie Mae Pool 'AL7877', 4.000%, due 12/1/2045	3,842	0.49
7 Fannie Mae Pool '545990', 7.500%, due 4/1/2031	8	—	142 Fannie Mae Pool 'AB7668', 3.000%, due 1/1/2043	141	0.02	2,456 Fannie Mae Pool 'AN3701', 2.720%, due 11/1/2026	2,423	0.31
— Fannie Mae Pool '546591', 8.500%, due 6/1/2030	—	—	910 Fannie Mae Pool 'AB8144', 5.000%, due 4/1/2037	1,001	0.13	20,050 Fannie Mae Pool 'AN3763', 3.170%, due 1/1/2027	20,396	2.60
7 Fannie Mae Pool '548965', 8.500%, due 7/1/2030	8	—	687 Fannie Mae Pool 'AB9107', 3.500%, due 4/1/2033	717	0.09	5,800 Fannie Mae Pool 'AN4267', 3.080%, due 1/1/2027	5,859	0.75
33 Fannie Mae Pool '555676', 7.500%, due 12/1/2032	38	0.01	117 Fannie Mae Pool 'AC2389', 5.000%, due 2/1/2037	129	0.02	563 Fannie Mae Pool 'AO4102', 4.000%, due 6/1/2042	596	0.08
384 Fannie Mae Pool '555743', 5.000%, due 9/1/2033	423	0.05	28 Fannie Mae Pool 'AC7479', 5.500%, due 3/1/2040	31	—	1,805 Fannie Mae Pool 'AP9633', 2.500%, due 10/1/2042	1,729	0.22
2 Fannie Mae Pool '630518', 8.000%, due 11/1/2031	2	—	3,579 Fannie Mae Pool 'AD1645', 5.000%, due 3/1/2040	3,941	0.50	1,684 Fannie Mae Pool 'AP9766', 4.000%, due 10/1/2042	1,785	0.23
91 Fannie Mae Pool '727181', 5.000%, due 8/1/2033	101	0.01	239 Fannie Mae Pool 'AD2963', 5.000%, due 4/1/2040	264	0.03	5,366 Fannie Mae Pool 'AQ6295', 3.500%, due 12/1/2032	5,551	0.71
83 Fannie Mae Pool '735578', 5.000%, due 6/1/2035	91	0.01	80 Fannie Mae Pool 'AD3336', 5.500%, due 4/1/2040	90	0.01	323 Fannie Mae Pool 'AQ7130', 3.500%, due 12/1/2032	335	0.04
52 Fannie Mae Pool '745248', 7.500%, due 8/1/2034	61	0.01	97 Fannie Mae Pool 'AD3515', 5.500%, due 4/1/2040	108	0.01	1,163 Fannie Mae Pool 'AQ7270', 3.500%, due 12/1/2032	1,203	0.15
1,776 Fannie Mae Pool '745580', 5.000%, due 6/1/2036	1,953	0.25	44 Fannie Mae Pool 'AD3796', 5.000%, due 4/1/2040	49	0.01	892 Fannie Mae Pool 'AQ7306', 3.000%, due 1/1/2043	886	0.11
374 Fannie Mae Pool '745802', 6.000%, due 7/1/2036	438	0.06	24 Fannie Mae Pool 'AD4567', 5.500%, due 4/1/2040	27	—	1,375 Fannie Mae Pool 'AQ7864', 3.500%, due 12/1/2032	1,421	0.18
37 Fannie Mae Pool '745959', 5.500%, due 11/1/2036	41	0.01	6 Fannie Mae Pool 'AD4598', 5.500%, due 5/1/2040	6	—	344 Fannie Mae Pool 'AQ7869', 3.500%, due 11/1/2032	356	0.05
558 Fannie Mae Pool '836390', 5.000%, due 10/1/2035	613	0.08	14 Fannie Mae Pool 'AD4614', 5.500%, due 6/1/2040	15	—	623 Fannie Mae Pool 'AQ7913', 3.500%, due 12/1/2032	645	0.08
1,981 Fannie Mae Pool '836398', 2.481%, due 10/1/2035 *	2,057	0.26	238 Fannie Mae Pool 'AD4898', 5.000%, due 5/1/2040	261	0.03	777 Fannie Mae Pool 'AQ8677', 3.500%, due 12/1/2032	802	0.10
			41 Fannie Mae Pool 'AD7000', 5.500%, due 7/1/2040	45	0.01	180 Fannie Mae Pool 'AQ9670', 3.000%, due 1/1/2043	179	0.02
			24 Fannie Mae Pool 'AD8281', 5.500%, due 7/1/2040	27	—	260 Fannie Mae Pool 'AR1198', 3.000%, due 1/1/2043	258	0.03
			108 Fannie Mae Pool 'AD8326', 5.500%, due 7/1/2040	120	0.02	661 Fannie Mae Pool 'AR1202', 3.000%, due 1/1/2043	657	0.08

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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 28, 2017 – (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)								
79 Fannie Mae Pool 'AR1203', 3.000%, due 12/1/2042	78	0.01	126 Fannie Mae Pool 'MA0968', 4.500%, due 12/1/2031	136	0.02	3 Freddie Mac Gold Pool 'G00556', 8.000%, due 9/1/2026	4	—
56 Fannie Mae Pool 'AR4217', 3.000%, due 1/1/2043	55	0.01	775 Fannie Mae Pool 'MA1177', 3.500%, due 9/1/2042	797	0.10	4 Freddie Mac Gold Pool 'G00726', 8.000%, due 6/1/2027	4	—
1,118 Fannie Mae Pool 'AR6881', 2.500%, due 2/1/2028	1,133	0.14	62 Fannie Mae Pool 'MA1221', 4.500%, due 9/1/2042	68	0.01	3 Freddie Mac Gold Pool 'G00931', 8.000%, due 11/1/2026	3	—
1,706 Fannie Mae Pool 'AS0462', 3.500%, due 9/1/2033	1,779	0.23	156 Fannie Mae Pool 'MA1363', 3.000%, due 2/1/2043	155	0.02	39 Freddie Mac Gold Pool 'G01737', 5.000%, due 12/1/2034	43	0.01
604 Fannie Mae Pool 'AS0469', 4.000%, due 9/1/2033	646	0.08	5,867 Fannie Mae Pool 'MA1393', 4.000%, due 3/1/2043	6,223	0.79	18 Freddie Mac Gold Pool 'G02427', 5.500%, due 12/1/2036	20	—
283 Fannie Mae Pool 'AS1281', 3.500%, due 12/1/2033	295	0.04	1,058 Fannie Mae Pool 'MA1591', 4.500%, due 9/1/2043	1,155	0.15	1,129 Freddie Mac Gold Pool 'G02723', 6.000%, due 3/1/2037	1,288	0.16
13,484 Fannie Mae Pool 'AS4347', 4.000%, due 1/1/2045	14,279	1.82	945 Fannie Mae Pool 'MA1629', 4.500%, due 10/1/2043	1,032	0.13	25 Freddie Mac Gold Pool 'G03092', 5.500%, due 7/1/2037	28	—
4,034 Fannie Mae Pool 'AS4363', 4.500%, due 2/1/2045	4,392	0.56	641 Fannie Mae Pool 'MA1664', 4.500%, due 11/1/2043	701	0.09	36 Freddie Mac Gold Pool 'G03695', 5.000%, due 11/1/2041	40	0.01
10,143 Fannie Mae Pool 'AS6328', 3.500%, due 12/1/2045	10,409	1.33	791 Fannie Mae Pool 'MA1711', 4.500%, due 12/1/2043	864	0.11	110 Freddie Mac Gold Pool 'G04581', 6.500%, due 8/1/2038	124	0.02
1,470 Fannie Mae Pool 'AS6340', 3.500%, due 12/1/2045	1,513	0.19	3,433 Fannie Mae Pool 'MA2820', 2.500%, due 11/1/2031	3,402	0.43	8 Freddie Mac Gold Pool 'G04947', 6.500%, due 4/1/2038	9	—
4,835 Fannie Mae Pool 'AS6396', 3.500%, due 12/1/2045	4,962	0.63	25,000 Fannie Mae Pool, 15 year, TBA, 2.500% ±	25,066	3.19	522 Freddie Mac Gold Pool 'G06172', 5.500%, due 12/1/2038	580	0.07
931 Fannie Mae Pool 'AS6541', 3.500%, due 1/1/2046	958	0.12	8,600 Fannie Mae Pool, 30 year, TBA, 5.000% ±	9,429	1.20	16 Freddie Mac Gold Pool 'G06669', 6.500%, due 9/1/2039	19	—
906 Fannie Mae Pool 'AS6562', 3.500%, due 1/1/2046	932	0.12	3,471 Fannie Mae REMICS, Series 2010 2, Class AI, 5.500%, due 2/25/2040	639	0.08	1,601 Freddie Mac Gold Pool 'G06858', 5.000%, due 11/1/2041	1,755	0.22
7,302 Fannie Mae Pool 'AS7890', 3.000%, due 9/1/2046	7,261	0.92	6,871 Fannie Mae REMICS, Series 2012 22, Class SM, 5.722%, due 3/25/2042 *	1,318	0.17	433 Freddie Mac Gold Pool 'G07335', 7.000%, due 3/1/2039	494	0.06
678 Fannie Mae Pool 'AT2486', 3.500%, due 6/1/2033	707	0.09	7,005 Fannie Mae REMICS, Series 2012 70, Class IW, 3.000%, due 2/25/2027	595	0.08	130 Freddie Mac Gold Pool 'G07485', 5.000%, due 6/1/2041	143	0.02
7,348 Fannie Mae Pool 'AT3070', 3.500%, due 4/1/2043	7,573	0.96	2,282 Fannie Mae REMICS, Series 2012 9, Class PT, 11.939%, due 7/25/2036 *	2,662	0.34	938 Freddie Mac Gold Pool 'G07509', 6.500%, due 9/1/2039	1,055	0.13
299 Fannie Mae Pool 'AU4395', 4.000%, due 10/1/2033	321	0.04	10,676 Fannie Mae REMICS, Series 2013 5, Class DI, 3.500%, due 2/25/2028	1,071	0.14	1,235 Freddie Mac Gold Pool 'G07615', 5.000%, due 11/1/2041	1,353	0.17
197 Fannie Mae Pool 'AU4397', 4.000%, due 10/1/2033	211	0.03	2,969 Fannie Mae REMICS, Series 2013 9, Class BC, 6.500%, due 7/25/2042	3,386	0.43	1,243 Freddie Mac Gold Pool 'G14492', 4.000%, due 10/1/2025	1,308	0.17
213 Fannie Mae Pool 'AU7248', 4.000%, due 10/1/2033	226	0.03	13,598 Fannie Mae REMICS, Series 2013 9, Class CB, 5.500%, due 4/25/2042	15,124	1.93	4,920 Freddie Mac Gold Pool 'G60329', 5.500%, due 6/1/2040	5,534	0.70
400 Fannie Mae Pool 'AU9562', 4.000%, due 10/1/2033	426	0.05	2,910 Fannie Mae-Aces, Series 2016 M11, Class AL, 2.944%, due 7/25/2039	2,842	0.36	13,838 Freddie Mac Gold Pool 'G60344', 4.000%, due 12/1/2045	14,669	1.87
431 Fannie Mae Pool 'AU9567', 4.000%, due 10/1/2033	463	0.06	150 Freddie Mac Gold Pool 'A29586', 5.000%, due 1/1/2035	167	0.02	74 Freddie Mac Gold Pool 'H00041', 5.000%, due 7/1/2035	76	0.01
297 Fannie Mae Pool 'AU9570', 4.000%, due 10/1/2033	318	0.04	37 Freddie Mac Gold Pool 'A30703', 5.500%, due 12/1/2034	41	0.01	12 Freddie Mac Gold Pool 'H00790', 5.500%, due 5/1/2037	13	—
60 Fannie Mae Pool 'AV3286', 5.000%, due 11/1/2043	66	0.01	318 Freddie Mac Gold Pool 'A35950', 5.000%, due 7/1/2035	350	0.04	65 Freddie Mac Gold Pool 'H02216', 5.000%, due 1/1/2038	67	0.01
77 Fannie Mae Pool 'AV6366', 4.500%, due 1/1/2044	83	0.01	71 Freddie Mac Gold Pool 'A36526', 5.000%, due 8/1/2035	79	0.01	494 Freddie Mac Gold Pool 'H02425', 5.500%, due 2/1/2038	527	0.07
85 Fannie Mae Pool 'AV7116', 4.500%, due 3/1/2044	93	0.01	142 Freddie Mac Gold Pool 'A39036', 5.000%, due 5/1/2035	156	0.02	14 Freddie Mac Gold Pool 'H09170', 5.500%, due 1/1/2038	14	—
256 Fannie Mae Pool 'AV7681', 3.500%, due 1/1/2034	266	0.03	28 Freddie Mac Gold Pool 'A39302', 5.500%, due 11/1/2035	31	—	457 Freddie Mac Gold Pool 'Q26702', 4.000%, due 6/1/2044	486	0.06
582 Fannie Mae Pool 'AV7683', 3.500%, due 1/1/2034	607	0.08	215 Freddie Mac Gold Pool 'A81215', 6.500%, due 8/1/2038	247	0.03	392 Freddie Mac Gold Pool 'Q35049', 4.000%, due 8/1/2045	413	0.05
670 Fannie Mae Pool 'AV7694', 3.500%, due 1/1/2034	700	0.09	7 Freddie Mac Gold Pool 'A84166', 6.500%, due 1/1/2039	8	—	12,838 Freddie Mac Gold Pool 'Q42046', 3.500%, due 7/1/2046	13,195	1.68
876 Fannie Mae Pool 'AV7696', 3.500%, due 1/1/2034	914	0.12	1,647 Freddie Mac Gold Pool 'A92179', 5.000%, due 5/1/2040	1,815	0.23	1,195 Freddie Mac Gold Pool 'U90245', 3.500%, due 10/1/2042	1,232	0.16
12,980 Fannie Mae Pool 'AY1321', 3.500%, due 3/1/2035	13,526	1.72	1,576 Freddie Mac Gold Pool 'A97953', 5.000%, due 4/1/2041	1,748	0.22	274 Freddie Mac Gold Pool 'U90316', 4.000%, due 10/1/2042	291	0.04
6,954 Fannie Mae Pool 'AZ9645', 4.000%, due 9/1/2035	7,408	0.94	4 Freddie Mac Gold Pool 'C00556', 8.000%, due 10/1/2027	4	—	1,545 Freddie Mac Gold Pool 'U90378', 4.000%, due 11/1/2042	1,639	0.21
18,884 Fannie Mae Pool 'BD9284', 3.000%, due 11/1/2046	18,778	2.39	1 Freddie Mac Gold Pool 'C01025', 8.000%, due 7/1/2030	2	—	1,045 Freddie Mac Gold Pool 'U90436', 4.000%, due 11/1/2042	1,109	0.14
29 Fannie Mae Pool 'MA0440', 5.500%, due 5/1/2040	33	—	1 Freddie Mac Gold Pool 'C01051', 8.000%, due 9/1/2030	1	—	2,457 Freddie Mac Gold Pool 'U90503', 3.500%, due 11/1/2042	2,533	0.32
44 Fannie Mae Pool 'MA0619', 5.500%, due 11/1/2040	49	0.01	6 Freddie Mac Gold Pool 'C46047', 5.500%, due 12/1/2030	7	—	394 Freddie Mac Gold Pool 'U90598', 3.500%, due 12/1/2042	406	0.05
24 Fannie Mae Pool 'MA0706', 4.500%, due 4/1/2031	26	—	4 Freddie Mac Gold Pool 'C55319', 8.000%, due 8/1/2031	4	—	168 Freddie Mac Gold Pool 'U90608', 3.500%, due 12/1/2042	173	0.02
50 Fannie Mae Pool 'MA0734', 4.500%, due 5/1/2031	54	0.01	1 Freddie Mac Gold Pool 'C57324', 8.000%, due 9/1/2031	1	—	438 Freddie Mac Gold Pool 'U90720', 3.500%, due 1/1/2043	452	0.06
68 Fannie Mae Pool 'MA0766', 5.500%, due 5/1/2041	77	0.01	12 Freddie Mac Gold Pool 'C91046', 6.500%, due 5/1/2027	14	—	376 Freddie Mac Gold Pool 'U90768', 3.500%, due 1/1/2043	387	0.05
26 Fannie Mae Pool 'MA0776', 4.500%, due 6/1/2031	28	—	5,349 Freddie Mac Gold Pool 'C91764', 3.500%, due 5/1/2034	5,563	0.71	1,591 Freddie Mac Gold Pool 'U90772', 3.500%, due 1/1/2043	1,641	0.21
294 Fannie Mae Pool 'MA0823', 5.500%, due 7/1/2041	333	0.04	7,457 Freddie Mac Gold Pool 'C91876', 3.000%, due 6/1/2036	7,552	0.96	314 Freddie Mac Gold Pool 'U90778', 3.500%, due 1/1/2043	324	0.04
173 Fannie Mae Pool 'MA0867', 5.500%, due 9/1/2041	196	0.03				277 Freddie Mac Gold Pool 'U90794', 3.500%, due 1/1/2043	286	0.04
597 Fannie Mae Pool 'MA0913', 4.500%, due 11/1/2031	644	0.08				7,037 Freddie Mac Gold Pool 'U90809', 3.500%, due 2/1/2043	7,256	0.92
770 Fannie Mae Pool 'MA0939', 4.500%, due 12/1/2031	829	0.11				315 Freddie Mac Gold Pool 'U90828', 3.500%, due 2/1/2043	325	0.04
						440 Freddie Mac Gold Pool 'U90841', 3.500%, due 2/1/2043	453	0.06

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

Portfolio of Investments as at February 28, 2017 – (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)								
273 Freddie Mac Gold Pool 'U90879', 3.500%, due 2/1/2043	281	0.04	5 Ginnie Mae I Pool '676940', 5.000%, due 4/15/2038	6	—	7,452 Ginnie Mae II Pool '892346', 3.303%, due 8/20/2059 *	7,897	1.01
445 Freddie Mac Gold Pool 'U90903', 3.500%, due 2/1/2043	459	0.06	13 Ginnie Mae I Pool '683926', 5.000%, due 2/15/2038	14	—	348 Ginnie Mae II Pool '892614', 2.686%, due 8/20/2060 *	368	0.05
613 Freddie Mac Gold Pool 'U90940', 3.500%, due 2/1/2043	632	0.08	19 Ginnie Mae I Pool '684334', 5.000%, due 2/15/2038	21	—	2,245 Ginnie Mae II Pool 'AV0243', 3.500%, due 8/20/2046	2,355	0.30
497 Freddie Mac Gold Pool 'U91027', 3.500%, due 2/1/2043	512	0.07	12 Ginnie Mae I Pool '684754', 5.000%, due 4/15/2038	13	—	4,216 Ginnie Mae II Pool 'AV8310', 3.500%, due 8/20/2046	4,407	0.56
5,693 Freddie Mac Gold Pool 'U99038', 3.000%, due 1/1/2043	5,682	0.72	6 Ginnie Mae I Pool '684848', 5.000%, due 4/15/2038	7	—	4,158 Ginnie Mae II Pool 'AV8311', 3.500%, due 8/20/2046	4,340	0.55
2,842 Freddie Mac Gold Pool 'U99045', 3.500%, due 3/1/2043	2,930	0.37	4 Ginnie Mae I Pool '686062', 5.000%, due 5/15/2038	4	—	5,051 Ginnie Mae II Pool 'AV8312', 3.500%, due 8/20/2046	5,269	0.67
488 Freddie Mac Gold Pool 'U99114', 3.500%, due 2/1/2044	504	0.06	124 Ginnie Mae I Pool '698086', 6.000%, due 4/15/2039	141	0.02	5,100 Ginnie Mae II Pool 'AZ3074', 4.000%, due 2/20/2047	5,429	0.69
15,246 Freddie Mac Gold Pool 'U99124', 3.500%, due 3/1/2045	15,720	2.00	45 Ginnie Mae I Pool '701501', 5.000%, due 12/15/2038	50	0.01	9,646 Ginnie Mae II Pool 'MA3873', 3.500%, due 8/20/2046	9,775	1.24
8,989 Freddie Mac Gold Pool 'U99135', 4.000%, due 2/1/2044	9,528	1.21	921 Ginnie Mae I Pool '701947', 5.000%, due 6/15/2039	1,029	0.13	29,619 Ginnie Mae II Pool 'MA4003', 3.500%, due 10/20/2046	30,014	3.82
9,905 Freddie Mac Gold Pool 'V82781', 3.000%, due 12/1/2046	9,846	1.25	519 Ginnie Mae I Pool '733600', 5.000%, due 4/15/2040	573	0.07	200 Ginnie Mae II Pool 'MA4263', 4.000%, due 2/20/2047	212	0.03
11,500 Freddie Mac Gold Pool, 15 year, TBA, 2.500% ±	11,531	1.47	1,107 Ginnie Mae I Pool '733627', 5.000%, due 5/15/2040	1,219	0.16	72,100 Ginnie Mae II Pool, 30 year, TBA, 3.500% ±	74,950	9.54
20,000 Freddie Mac Gold Pool, 15 year, TBA, 3.000% ±	20,575	2.62	— Ginnie Mae I Pool '780059', 11.000%, due 4/15/2021	—	—	25,000 Ginnie Mae II Pool, 30 year, TBA, 3.000% ±	25,297	3.22
10,000 Freddie Mac Gold Pool, 30 year, TBA, 3.500% ±	10,249	1.30	— Ginnie Mae I Pool '780066', 10.500%, due 12/15/2020	1	—	29,700 Ginnie Mae II Pool, 30 year, TBA, 4.000% ±	31,429	4.00
17,000 Freddie Mac Gold Pool, 30 year, TBA, 3.000% ±	16,872	2.15	1 Ginnie Mae I Pool '780081', 10.000%, due 2/15/2025	1	—	2,281 Government National Mortgage Association, Series 2004 81, Class SK, 5.430%, due 10/16/2034 *	384	0.05
— Freddie Mac Non Gold Pool '555283', 10.000%, due 9/1/2017	—	—	— Ginnie Mae I Pool '780082', 10.500%, due 2/15/2025	—	—	4,222 Government National Mortgage Association, Series 2008 40, Class SC, 5.580%, due 5/16/2038 *	739	0.09
614 Freddie Mac REMICS 2750, Class SD, 6.380%, due 6/15/2023 *	62	0.01	1 Ginnie Mae I Pool '780141', 10.000%, due 12/15/2020	1	—	5,404 Government National Mortgage Association, Series 2008 79, Class ID, 6.019%, due 6/20/2035 *	683	0.09
8,804 Freddie Mac REMICS 3806, Class CZ, 5.500%, due 7/15/2034	9,837	1.25	— Ginnie Mae I Pool '780488', 10.000%, due 10/15/2021	—	—	14,000 Government National Mortgage Association, Series 2010 158, Class MS, 8.439%, due 12/20/2040 *	16,341	2.08
4,600 Freddie Mac REMICS 3810, Class WA, 7.741%, due 6/15/2040 *	5,620	0.72	— Ginnie Mae I Pool '780496', 10.500%, due 12/15/2017	—	—	1,652 Government National Mortgage Association, Series 2010 H02, Class FA, 1.456%, due 2/20/2060 *	1,655	0.21
5,000 Freddie Mac REMICS 3890, Class BE, 5.000%, due 7/15/2041	5,914	0.75	1 Ginnie Mae I Pool '780574', 10.000%, due 12/15/2021	1	—	1,814 Government National Mortgage Association, Series 2010 H20, Class AF, 1.102%, due 10/20/2060 *	1,797	0.23
6,656 Freddie Mac REMICS 4280, Class AI, 3.000%, due 2/15/2028	597	0.08	5 Ginnie Mae I Pool '780732', 7.000%, due 3/15/2028	6	—	10,405 Government National Mortgage Association, Series 2010 H22, Class FE, 1.122%, due 5/20/2059 *	10,352	1.32
1 Ginnie Mae I Pool '238647', 10.000%, due 4/15/2018	1	—	1 Ginnie Mae I Pool '780835', 10.000%, due 7/15/2022	1	—	1,214 Government National Mortgage Association, Series 2010 H28, Class FE, 1.172%, due 12/20/2060 *	1,206	0.15
— Ginnie Mae I Pool '248292', 10.000%, due 4/15/2018	—	—	— Ginnie Mae I Pool '780907', 9.500%, due 12/15/2017	—	—	786 Government National Mortgage Association, Series 2011 2, Class NS, 5.310%, due 3/16/2039 *	52	0.01
— Ginnie Mae I Pool '254912', 11.000%, due 3/15/2019	—	—	2 Ginnie Mae I Pool '780991', 9.000%, due 11/15/2024	2	—	6,983 Government National Mortgage Association, Series 2012 H21, Class FA, 1.272%, due 7/20/2062 *	6,954	0.89
1 Ginnie Mae I Pool '262628', 11.000%, due 9/15/2018	1	—	2 Ginnie Mae I Pool '781001', 7.500%, due 3/15/2029	3	—	Total Mortgage-Backed Securities (Cost \$808,913)		
1 Ginnie Mae I Pool '410304', 7.500%, due 12/15/2025	1	—	179 Ginnie Mae I Pool '781590', 5.500%, due 4/15/2033	201	0.03	801,909	102.08	
2 Ginnie Mae I Pool '417463', 7.000%, due 9/15/2025	2	—	1,106 Ginnie Mae I Pool '781994', 5.500%, due 11/15/2033	1,249	0.16	Collective Investment Schemes — 9.02% (February 29, 2016: 9.01%)		
— Ginnie Mae I Pool '430208', 7.000%, due 9/15/2027	—	—	11 Ginnie Mae I Pool '782198', 6.000%, due 10/15/2037	12	—	70,868 Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	70,868	9.02
2 Ginnie Mae I Pool '436094', 7.000%, due 1/15/2028	2	—	22 Ginnie Mae II Pool '4040', 6.500%, due 10/20/2037	26	—	Total Collective Investment Schemes (Cost \$70,868)		
1 Ginnie Mae I Pool '462669', 7.000%, due 4/15/2028	1	—	35 Ginnie Mae II Pool '4170', 6.000%, due 6/20/2038	40	0.01	70,868	9.02	
1 Ginnie Mae I Pool '486212', 8.000%, due 5/15/2030	1	—	414 Ginnie Mae II Pool '4245', 6.000%, due 9/20/2038	3,138	0.40	Total Investments Excluding Options (Cost \$879,781)		
— Ginnie Mae I Pool '486470', 6.500%, due 8/15/2028	—	—	— Ginnie Mae II Pool '4602', 6.000%, due 12/20/2039	476	0.06	872,777	111.10	
1 Ginnie Mae I Pool '486516', 6.500%, due 9/15/2028	1	—	508 Ginnie Mae II Pool '4617', 4.500%, due 1/20/2040	551	0.07			
1 Ginnie Mae I Pool '519569', 8.000%, due 5/15/2030	1	—	274 Ginnie Mae II Pool '4696', 4.500%, due 5/20/2040	295	0.04			
90 Ginnie Mae I Pool '646044', 6.500%, due 10/15/2037	102	0.01	161 Ginnie Mae II Pool '4747', 5.000%, due 7/20/2040	178	0.02			
5 Ginnie Mae I Pool '652203', 5.000%, due 3/15/2036	6	—	170 Ginnie Mae II Pool '4772', 5.000%, due 8/20/2040	188	0.02			
9 Ginnie Mae I Pool '658182', 6.000%, due 11/15/2036	11	—	13 Ginnie Mae II Pool '4774', 6.000%, due 8/20/2040	15	—			
5 Ginnie Mae I Pool '675375', 5.000%, due 5/15/2038	6	—	337 Ginnie Mae II Pool '4802', 5.000%, due 9/20/2040	372	0.05			
			124 Ginnie Mae II Pool '4855', 5.000%, due 11/20/2040	137	0.02			
			54 Ginnie Mae II Pool '4923', 4.500%, due 1/20/2041	58	0.01			
			43 Ginnie Mae II Pool '4928', 6.000%, due 1/20/2041	50	0.01			
			1,980 Ginnie Mae II Pool '4978', 4.500%, due 3/20/2041	2,139	0.27			
			4,586 Ginnie Mae II Pool '783050', 5.000%, due 7/20/2040	5,060	0.64			
			3,507 Ginnie Mae II Pool '783298', 4.500%, due 4/20/2041	3,785	0.48			

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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 28, 2017 – (continued)

Contracts (000's)	Value (000's) \$	% of Net Asset Value
Options — 0.01% (February 29, 2016: 0.11%)		
Purchased Options — 0.02% (February 29, 2016: 0.17%)		
1 Euro-Bobl March 2017		
Put 98.3750, due 3/10/2017	179	0.02
Written Options — (0.01%) (February 29, 2016: (0.06%))		
(2) Euro-Bobl March 2017		
Put 98.25, due 3/10/2017	(92)	(0.01)
Total Options (Cost \$55)	87	0.01
Total Investments (Cost \$879,836)	872,864	111.11
Liabilities in Excess of Other Assets (February 29, 2016: (13.21%))	(87,288)	(11.11)
Total Net Assets	\$785,576	100.00

- Amounts designated as “–” are either \$0, less than \$1,000 or less than 1,000 shares.
- * Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2017.
- ± Securities purchased on a to-be-announced basis (Note 2).

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	71.52
Collective investment schemes	6.32
Financial derivative instruments	0.02
Other assets	22.14
Total Assets	100.00

Schedule of Total Return Swaps

Counterparty	Reference Entity	Expiration Date	Notional Amount (000's)	Value (000's)
Barclays Capital	USD-FNCL 3.0 ∞	3/9/17	68,800	\$ (178)
				\$ (178)
Unrealised Appreciation of Total Return Swaps (February 29, 2016 (000's): \$–)				–
Unrealised Depreciation of Total Return Swaps (February 29, 2016 (000's): \$–)				(178)
Net Depreciation of Total Return Swaps (February 29, 2016 (000's): \$–)				\$ (178)

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

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
U.S. 10 Year Note (CBT) June 2017	(422)	\$ (52,572)	\$ (104)
U.S. 10 Year Ultra Note June 2017	(99)	(13,260)	(60)
U.S. 10 Year Ultra Note March 2017	(3)	(406)	(3)
U.S. 5 Year Note (CBT) June 2017	(227)	(26,718)	13
U.S. Long Bond (CBT) June 2017	31	4,701	30
U.S. Ultra Bond (CBT) June 2017	(33)	(5,339)	(48)
Total Market Value of Futures Contracts			\$ (172)
Unrealised Appreciation of Futures Contracts (February 29, 2016 (000's): \$8)			43
Unrealised Depreciation of Futures Contracts (February 29, 2016 (000's): \$(33))			(215)
Net Depreciation of Futures Contracts (February 29, 2016 (000's): \$(25))			\$ (172)

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The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset UK Investment Grade Credit Fund[^]

Portfolio of Investments as at February 28, 2017

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 — 88.07%			Mexico — 0.67%			131 Direct Line Insurance Group Plc, 9.250%, due 4/27/2042 *		
Australia — 1.63%			368 America Movil SAB de CV, 5.000%, due 10/27/2026			164 0.25		
421 BHP Billiton Finance Ltd, Series 11, 3.250%, due 9/25/2024	469	0.71	Netherlands — 2.31%			212 Eastern Power Networks Plc, 5.750%, due 3/8/2024		
100 BHP Billiton Finance Ltd, 6.500%, due 10/22/2027 *	114	0.17	300 Cooperatieve Rabobank UA, Series 2541, 4.000%, due 9/19/2022			267 0.40		
138 National Australia Bank Ltd, 3.000%, due 9/4/2026	155	0.24	600 Cooperatieve Rabobank UA, 4.625%, due 5/23/2029			142 Eastern Power Networks Plc, 6.250%, due 11/12/2036		
322 Scentre Group Trust 1 / Scentre Group Trust 2, 2.375%, due 4/8/2022	337	0.51	100 ING Bank NV, 5.375%, due 4/15/2021			135 Eversholt Funding Plc, 5.831%, due 12/2/2020		
	1,075	1.63	312 Koninklijke KPN NV, 5.750%, due 9/17/2029			156 Eversholt Funding Plc, 6.359%, due 12/2/2025		
Belgium — 0.47%						294 Experian Finance Plc, 3.500%, due 10/15/2021		
266 Anheuser-Busch InBev SA/NV/old, 4.000%, due 9/24/2025	310	0.47				319 FCE Bank Plc, 2.727%, due 6/3/2022		
Canada — 0.72%			Spain — 0.82%			273 G4S Plc, 7.750%, due 5/13/2019		
404 Glencore Canada Financial Corp, 7.375%, due 5/27/2020	474	0.72	200 Telefonica Emisiones SAU, 5.597%, due 3/12/2020			308 Gatwick Funding Ltd, 6.125%, due 3/2/2026		
Denmark — 0.26%			250 Telefonica Emisiones SAU, 5.445%, due 10/8/2029			584 GlaxoSmithKline Capital Plc, 4.250%, due 12/18/2045		
135 DONG Energy A/S, 4.875%, due 1/12/2032	171	0.26				156 Great Rolling Stock Co Ltd/The, 6.250%, due 7/27/2020		
France — 4.02%			Supranational — 4.71%			216 Great Rolling Stock Co Ltd/The, 6.500%, due 4/5/2031		
304 AXA SA, 6.686%, Perpetual *	334	0.51	1,112 European Investment Bank, 5.375%, due 6/7/2021			278 Greene King Finance Plc, Series A2, 5.318%, due 9/15/2031		
149 AXA SA, 5.453%, Perpetual *	155	0.23	1,362 European Investment Bank, 3.875%, due 6/8/2037			340 Greene King Finance Plc, Series B1, 5.702%, due 12/15/2034		
100 BPCE SA, 5.250%, due 4/16/2029	111	0.17				234 Heathrow Funding Ltd, 5.875%, due 5/13/2041		
200 CNP Assurances, 7.375%, due 9/30/2041 *	225	0.34	Sweden — 1.45%			156 High Speed Rail Finance 1 Plc, 4.375%, due 11/1/2038		
200 Electricite de France SA, 5.500%, due 3/27/2037	248	0.37	600 Svenska Handelsbanken AB, 2.375%, due 1/18/2022			600 HSBC Holdings Plc, 7.000%, due 4/7/2038		
600 Electricite de France SA, 5.500%, due 10/17/2041	749	1.14	198 Vattenfall AB, 6.875%, due 4/15/2039			177 HSBC Holdings Plc, 6.000%, due 3/29/2040		
301 Orange SA, 5.750%, Perpetual *	319	0.48				386 Imperial Brands Finance Plc, 5.500%, due 9/28/2026		
350 Veolia Environnement SA, 6.125%, due 10/29/2037	513	0.78	Switzerland — 0.85%			255 Intu SGS Finance Plc, 3.875%, due 3/17/2023		
	2,654	4.02	200 ELM BV for Swiss Reinsurance Co Ltd, 6.302%, Perpetual *			100 Intu SGS Finance Plc, 4.625%, due 3/17/2028		
Germany — 3.97%						382 John Lewis Plc, 4.250%, due 12/18/2034		
71 BMW Finance NV, 3.375%, due 12/14/2018	74	0.11	United Kingdom — 48.42%			210 Land Securities Capital Markets Plc, 2.399%, due 2/8/2029		
650 Daimler AG, 1.500%, due 1/13/2022	657	1.00	365 AA Bond Co Ltd, 6.269%, due 7/31/2025			219 Legal & General Group Plc, 5.375%, due 10/27/2045 *		
170 Deutsche Telekom International Finance BV, 6.500%, due 4/8/2022	213	0.32	210 Aviva Plc, 6.125%, Perpetual *			191 Legal & General Group Plc, 5.875%, Perpetual *		
450 E.ON International Finance BV, 6.000%, due 10/30/2019	509	0.77	117 Aviva Plc, 5.125%, due 6/4/2050 *			173 Legal & General Group Plc, 5.500%, due 6/27/2064 *		
300 innogy Finance BV, 5.500%, due 7/6/2022	356	0.54	290 Aviva Plc, 6.875%, due 5/20/2058 *			500 Lloyds Bank Plc, 5.125%, due 3/7/2025		
131 innogy Finance BV, 5.625%, due 12/6/2023	161	0.24	404 BAE Systems Plc, 4.125%, due 6/8/2022			510 Lloyds Bank Plc, 7.625%, due 4/22/2025		
200 innogy Finance BV, 4.750%, due 1/31/2034	242	0.37	191 Barclays Bank Plc, 4.250%, due 1/12/2022			453 Lloyds Bank Plc, 6.500%, due 9/17/2040		
200 innogy Finance BV, 6.125%, due 7/6/2039	289	0.44	773 Barclays Plc, 3.250%, due 2/12/2027			127 Manchester Airport Group Funding Plc, 4.125%, due 4/2/2024		
100 Muenchener Rueckversicherungs-Gesellschaft AG in Muenchen, 6.625%, due 5/26/2042 *	118	0.18	181 BAT International Finance Plc, 4.000%, due 9/4/2026			100 Manchester Airport Group Funding Plc, 4.750%, due 3/31/2034		
	2,619	3.97	850 BP Capital Markets Plc, 2.030%, due 2/14/2025			335 Marston's Issuer Plc, Series A3, 5.177%, due 7/15/2032 *		
Hong Kong — 0.30%			333 BUPA Finance Plc, 5.000%, due 4/25/2023			258 Marston's Issuer Plc, Series B1, 5.641%, due 7/15/2035 *		
150 Hutchison Whampoa Finance UK Plc, Series B, 5.625%, due 11/24/2026	196	0.30	400 Centrica Plc, 7.000%, due 9/19/2018			88 Mitchells & Butlers Finance Plc, Series B1, 5.965%, due 12/15/2023		
Italy — 1.82%			135 Centrica Plc, 5.250%, due 4/10/2075 *			203 Mitchells & Butlers Finance Plc, Series B2, 6.013%, due 12/15/2028		
611 Enel Finance International NV, 5.750%, due 9/14/2040	814	1.23	329 Close Brothers Finance Plc, 2.750%, due 10/19/2026			216 Motability Operations Group Plc, 3.625%, due 3/10/2036		
397 FCA Bank SpA/Ireland, 1.625%, due 9/29/2021	390	0.59	160 Close Brothers Group Plc, 4.250%, due 1/24/2027			160 National Express Group Plc, 2.500%, due 11/1/2023		
	1,204	1.82	191 Clydesdale Bank Plc, 4.625%, due 6/8/2026			340 National Grid Gas Finance Plc, 2.625%, due 9/22/2038		
Jersey — 0.60%			184 Co-Operative Bank Plc/United Kingdom, 4.750%, due 11/11/2021			262 Nationwide Building Society, 5.625%, due 9/9/2019		
340 Annington Repackaging No 1 Ltd, Series A, 5.324%, due 1/10/2023	392	0.60	397 Coventry Building Society, 5.875%, due 9/28/2022					
			616 CPMK Finance Ltd, 3.588%, due 8/28/2025					
			195 Crh Finance UK Plc, 4.125%, due 12/2/2029					
			285 Dignity Finance Plc, Series A, 3.546%, due 12/31/2034					

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Legg Mason Western Asset UK Investment Grade Credit Fund[^]

Portfolio of Investments as at February 28, 2017 – (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)								
336 Nationwide Building Society, 3.250%, due 1/20/2028	364	0.55	350 Wellcome Trust Finance Plc, 4.625%, due 7/25/2036	491	0.74	550 Wells Fargo & Co, 4.875%, due 11/29/2035	675	1.02
262 Next Plc, 3.625%, due 5/18/2028	270	0.41	372 Western Power Distribution East Midlands Plc, 5.250%, due 1/17/2023	446	0.68	200 Wells Fargo Bank NA, 5.250%, due 8/1/2023	239	0.36
159 Northern Gas Networks Finance Plc, 5.875%, due 7/8/2019	178	0.27	145 Western Power Distribution East Midlands Plc, 6.250%, due 12/10/2040	230	0.35		9,926	15.05
219 Places For People Treasury Plc, 2.875%, due 8/17/2026	214	0.32	237 Whitbread Group Plc, 3.375%, due 10/16/2025	254	0.39	Total Corporate Bonds and Notes (Cost £56,576)		
400 Porterbrook Rail Finance Ltd, 5.500%, due 4/20/2019	437	0.66	177 Wm Morrison Supermarkets Plc, 4.625%, due 12/8/2023	204	0.31		58,089	88.07
124 Porterbrook Rail Finance Ltd, 7.125%, due 10/20/2026	175	0.26	113 Wm Morrison Supermarkets Plc, 4.750%, due 7/4/2029	132	0.20	Government Bonds and Notes — 4.93%		
294 Prudential Plc, 5.700%, due 12/19/2063 *	308	0.47	258 WPP Finance 2013, 2.875%, due 9/14/2046	233	0.35	Germany — 1.01%		
142 Rio Tinto Finance Plc, 4.000%, due 12/11/2029	168	0.25	432 Yorkshire Building Society, 4.125%, due 11/20/2024 *	444	0.67	EUR 510 Bundesrepublik Deutschland, 3.250%, due 7/4/2042	666	1.01
198 Rolls-Royce Plc, 3.375%, due 6/18/2026	217	0.33		31,940	48.42	Sweden — 1.66%		
347 Royal Bank of Scotland Plc/The, 6.625%, due 9/17/2018	377	0.57	United States — 15.05%			SEK 8,945 Sweden Government Bond, Series 1053, 3.500%, due 3/30/2039	1,093	1.66
290 RSA Insurance Group Plc, 5.125%, due 10/10/2045 *	311	0.47	USD 200 Actavis Funding SCS, 4.750%, due 3/15/2045	164	0.25	United Kingdom — 2.18%		
212 RSA Insurance Group Plc, 6.701%, Perpetual *	214	0.33	USD 150 Altria Group Inc, 3.875%, due 9/16/2046	114	0.17	930 United Kingdom Gilt, 3.750%, due 7/22/2052	1,442	2.18
142 Santander UK Plc, 4.125%, due 9/14/2017	145	0.22	241 Amgen Inc, 4.000%, due 9/13/2029	275	0.42	United States — 0.08%		
294 Santander UK Plc, 5.125%, due 4/14/2021	344	0.52	USD 200 Anadarko Petroleum Corp, 6.600%, due 3/15/2046	202	0.31	USD 80 United States Treasury Note/ Bond, 2.250%, due 8/15/2046	55	0.08
170 Santander UK Plc, 5.750%, due 3/2/2026	227	0.34	USD 200 Apache Corp, 4.750%, due 4/15/2043	166	0.25	Total Government Bonds and Notes (Cost £3,199)		
347 Santander UK Plc, 3.875%, due 10/15/2029	397	0.60	743 AT&T Inc, 4.250%, due 6/1/2043	797	1.21		3,256	4.93
308 Scottish Widows Ltd, 7.000%, due 6/16/2043	362	0.55	200 Bank of America Corp, 7.750%, due 4/30/2018	216	0.33	Total Investments (Cost £59,775)		
117 Severn Trent Utilities Finance Plc, 3.625%, due 1/16/2026	132	0.20	150 Bank of America Corp, 6.125%, due 9/15/2021	180	0.27	Other Assets in Excess of Liabilities		
100 Severn Trent Utilities Finance Plc, 4.875%, due 1/24/2042	138	0.21	244 Bank of America Corp, 5.500%, due 11/22/2021	283	0.43		4,615	7.00
312 Sky Plc, 4.000%, due 11/26/2029	359	0.54	300 Bank of America Corp, 7.000%, due 7/31/2028	425	0.64	Total Net Assets		
142 South Eastern Power Networks Plc, 5.500%, due 6/5/2026	182	0.28	294 Citigroup Inc, 7.625%, due 4/3/2018	316	0.48		£65,960	100.00
191 Southern Gas Networks Plc, 2.500%, due 2/3/2025	201	0.30	177 Citigroup Inc, 5.125%, due 12/12/2018	189	0.29			
457 Southern Water Services Finance Ltd, Series A4, 6.640%, due 3/31/2026	631	0.96	379 Citigroup Inc, 7.375%, due 9/1/2039	644	0.98			
100 SP Manweb Plc, 4.875%, due 9/20/2027	124	0.19	85 Comcast Corp, 5.500%, due 11/23/2029	115	0.18			
311 SSE Plc, 5.000%, due 10/1/2018	332	0.50	810 GE Capital UK Funding Unlimited Co, 5.875%, due 11/4/2020	957	1.45			
300 Standard Chartered Plc, 5.125%, due 6/6/2034	306	0.46	USD 250 General Electric Co, 6.875%, due 1/10/2039	289	0.44			
120 Standard Life Plc, 6.750%, Perpetual *	137	0.21	USD 200 General Motors Co, 6.250%, due 10/2/2043	184	0.28			
300 Student Finance Plc, 2.666%, due 9/30/2024	301	0.46	397 Goldman Sachs Group Inc/The, 5.500%, due 10/12/2021	460	0.70			
461 Telereal Secured Finance Plc, 4.010%, due 12/10/2031	491	0.74	379 Goldman Sachs Group Inc/The, 7.125%, due 8/7/2025	515	0.78			
326 Thames Water Utilities Cayman Finance Ltd, 4.000%, due 6/19/2025	382	0.58	219 JPMorgan Chase & Co, 1.875%, due 2/10/2020	225	0.34			
368 Thames Water Utilities Cayman Finance Ltd, 5.375%, due 7/21/2025 *	374	0.57	191 Kraft Heinz Foods Co, 4.125%, due 7/1/2027	213	0.32			
204 Unique Pub Finance Co Plc/The, Series A4, 5.659%, due 6/30/2027	221	0.34	135 McDonald's Corp, 5.875%, due 4/23/2032	184	0.28			
230 UNITE USAF II Plc, 3.921%, due 6/30/2025	262	0.40	152 MetLife Inc, 5.375%, due 12/9/2024	193	0.29			
191 Virgin Money Plc, 2.250%, due 4/21/2020	195	0.30	EUR 485 Mondelez International Inc, 2.375%, due 3/6/2035	399	0.60			
198 Wales & West Utilities Finance Plc, 4.625%, due 12/13/2023	237	0.36	152 Mondelez International Inc, 3.875%, due 3/6/2045	160	0.24			
188 Wales & West Utilities Finance Plc, 6.750%, due 12/17/2036 *	205	0.31	USD 200 Occidental Petroleum Corp, 4.100%, due 2/15/2047	158	0.24			
			100 Pfizer Inc, 6.500%, due 6/3/2038	163	0.25			
			315 Time Warner Cable LLC, 5.750%, due 6/2/2031	386	0.59			
			USD 250 Verizon Communications Inc, 6.550%, due 9/15/2043	247	0.37			
			135 Wal-Mart Stores Inc, 5.250%, due 9/28/2035	193	0.29			

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Legg Mason Western Asset UK Investment Grade Credit Fund[^]

Portfolio of Investments as at February 28, 2017 – (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)	
05/11/17	Goldman Sachs	Buy	GBP	1,210	Sell	EUR	1,400	£	13
05/11/17	Goldman Sachs	Buy	GBP	1,191	Sell	SEK	13,000		28
05/11/17	UBS	Buy	GBP	649	Sell	EUR	750		7
05/11/17	UBS	Buy	GBP	628	Sell	JPY	87,070		2
05/11/17	UBS	Buy	JPY	86,700	Sell	USD	760		11
05/11/17	UBS	Buy	GBP	1,371	Sell	USD	1,699		5
Unrealised Appreciation of Forward Foreign Currency Contracts									66
Unrealised Depreciation of Forward Foreign Currency Contracts									–
Net Appreciation of Forward Foreign Currency Contracts									£ 66

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Long Gilt June 2017	2	£ 255	£ 3
U.S. Ultra Bond (CBT) June 2017	(5)	(652)	(9)
Total Market Value of Futures Contracts			£ (6)
Unrealised Appreciation of Futures Contracts			3
Unrealised Depreciation of Futures Contracts			(9)
Net Depreciation of Futures Contracts			£ (6)

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Legg Mason Western Asset US Corporate Bond Fund

Portfolio of Investments as at February 28, 2017

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 — 80.95%								
Argentina — 0.55%								
610 YPF SA, 144A, 8.500%, due 3/23/2021	673	0.55	230 ZF North America Capital Inc, 144A, 4.500%, due 4/29/2022	239	0.20	200 BP Capital Markets Plc, 2.315%, due 2/13/2020	201	0.16
Australia — 0.95%								
240 BHP Billiton Finance USA Ltd, 5.000%, due 9/30/2043	277	0.23	750 ZF North America Capital Inc, 144A, 4.750%, due 4/29/2025	772	0.63	300 BP Capital Markets Plc, 3.216%, due 11/28/2023	301	0.25
470 BHP Billiton Finance USA Ltd, 144A, 6.750%, due 10/19/2075 *	537	0.44		1,758	1.44	430 BP Capital Markets Plc, 3.119%, due 5/4/2026	420	0.35
340 WEA Finance LLC / Westfield UK & Europe Finance Plc, 144A, 4.750%, due 9/17/2044	339	0.28	Hong Kong — 0.28%			300 BP Capital Markets Plc, 3.723%, due 11/28/2028	304	0.25
	1,153	0.95	350 AIA Group Ltd, 144A, 3.200%, due 3/11/2025	343	0.28	190 British Telecommunications Plc, 9.125%, due 12/15/2030	284	0.23
Belgium — 1.60%								
1,500 Anheuser-Busch InBev Finance Inc, 3.650%, due 2/1/2026	1,526	1.26	Ireland — 0.24%			1,060 Lloyds Banking Group Plc, 3.000%, due 1/11/2022	1,060	0.87
100 Anheuser-Busch InBev Finance Inc, 4.700%, due 2/1/2036	108	0.09	80 Park Aerospace Holdings Ltd, 144A, 5.250%, due 8/15/2022	83	0.07	460 Lloyds Banking Group Plc, 7.500%, Perpetual *	488	0.40
280 Anheuser-Busch InBev Finance Inc, 4.900%, due 2/1/2046	307	0.25	200 Park Aerospace Holdings Ltd, 144A, 5.500%, due 2/15/2024	209	0.17	260 Nationwide Building Society, 144A, 2.450%, due 7/27/2021	257	0.21
	1,941	1.60		292	0.24	440 Petrofac Ltd, 144A, 3.400%, due 10/10/2018	445	0.36
Brazil — 0.39%								
20 Fibria Overseas Finance Ltd, 5.250%, due 5/12/2024	20	0.02	Italy — 0.55%			110 Royal Bank of Scotland Group Plc, 6.100%, due 6/10/2023	117	0.10
280 Petrobras Global Finance BV, 7.375%, due 1/17/2027	293	0.24	200 Intesa Sanpaolo SpA, 144A, 5.017%, due 6/26/2024	188	0.15	350 Royal Bank of Scotland Group Plc, 8.625%, Perpetual *	370	0.30
150 Vale Overseas Ltd, 6.875%, due 11/21/2036	164	0.13	500 Intesa Sanpaolo SpA, 144A, 5.710%, due 1/15/2026	483	0.40	400 Santander UK Group Holdings Plc, 2.875%, due 8/5/2021	396	0.33
	477	0.39		671	0.55	420 Santander UK Group Holdings Plc, 3.571%, due 1/10/2023	422	0.35
Canada — 2.12%								
191 Barrick Gold Corp, 4.100%, due 5/1/2023	205	0.17	Mexico — 1.70%			450 Santander UK Group Holdings Plc, 144A, 5.625%, due 9/15/2045	460	0.38
330 Barrick North America Finance LLC, 5.700%, due 5/30/2041	379	0.31	190 Becel SAB de CV, 144A, 3.750%, due 5/13/2025	185	0.15	260 Standard Chartered Plc, 144A, 5.700%, due 3/26/2044	266	0.22
110 Barrick PD Australia Finance Pty Ltd, 5.950%, due 10/15/2039	127	0.10	570 Mexico City Airport Trust, 144A, 4.250%, due 10/31/2026	571	0.47	270 Standard Chartered Plc, 144A, 7.750%, Perpetual *	277	0.23
220 Hudbay Minerals Inc, 144A, 7.250%, due 1/15/2023	235	0.19	250 Petroleos Mexicanos, 6.875%, due 8/4/2026	274	0.23		7,571	6.22
200 Hudbay Minerals Inc, 144A, 7.625%, due 1/15/2025	218	0.18	340 Petroleos Mexicanos, 144A, 6.500%, due 3/13/2027	361	0.30	United States — 59.35%		
650 Teck Resources Ltd, 144A, 8.000%, due 6/1/2021	724	0.60	670 Petroleos Mexicanos, 6.625%, due 6/15/2035	675	0.55	180 Abbott Laboratories, 4.750%, due 11/30/2036	185	0.15
680 Yamana Gold Inc, 4.950%, due 7/15/2024	693	0.57		2,066	1.70	90 Abbott Laboratories, 4.900%, due 11/30/2046	94	0.08
	2,581	2.12	Netherlands — 1.31%			290 Actavis Funding SCS, 3.450%, due 3/15/2022	296	0.24
Colombia — 0.45%								
220 Ecopetrol SA, 5.375%, due 6/26/2026	226	0.18	240 ABN AMRO Bank NV, 144A, 4.750%, due 7/28/2025	246	0.20	40 Actavis Funding SCS, 3.800%, due 3/15/2025	40	0.03
360 Ecopetrol SA, 5.875%, due 5/28/2045	325	0.27	170 AerCap Ireland Capital DAC / AerCap Global Aviation Trust, 5.000%, due 10/1/2021	184	0.15	250 Actavis Funding SCS, 4.550%, due 3/15/2035	252	0.21
	551	0.45	360 NXP BV / NXP Funding LLC, 144A, 3.875%, due 9/1/2022	368	0.31	390 Aetna Inc, 2.800%, due 6/15/2023	388	0.32
Costa Rica — 0.25%								
300 Banco Nacional de Costa Rica, 144A, 5.875%, due 4/25/2021	309	0.25	110 Shell International Finance BV, 2.875%, due 5/10/2026	107	0.09	40 Aetna Inc, 3.200%, due 6/15/2026	40	0.03
France — 1.48%								
470 BNP Paribas SA, 144A, 7.625%, Perpetual *	496	0.41	660 Shell International Finance BV, 4.375%, due 5/11/2045	683	0.56	60 Aetna Inc, 4.375%, due 6/15/2046	61	0.05
410 BPCE SA, 144A, 5.150%, due 7/21/2024	419	0.34		1,588	1.31	240 Alcoa Nederland Holding BV, 144A, 6.750%, due 9/30/2024	261	0.21
200 Credit Agricole SA, 144A, 8.125%, Perpetual *	214	0.18	Peru — 0.12%			260 Allstate Corp/The, 6.500%, due 5/15/2057 *	298	0.24
410 Danone SA, 144A, 2.947%, due 11/2/2026	394	0.32	150 Southern Copper Corp, 5.250%, due 11/8/2042	147	0.12	510 Altria Group Inc, 9.250%, due 8/6/2019	600	0.49
250 Pernod Ricard SA, 144A, 5.750%, due 4/7/2021	279	0.23	Russia — 0.23%			170 Altria Group Inc, 2.850%, due 8/9/2022	170	0.14
	1,802	1.48	280 Lukoil International Finance BV, 144A, 4.750%, due 11/2/2026	283	0.23	492 American Airlines 2013-2 Class B Pass Through Trust, 144A, 5.600%, due 7/15/2020	510	0.42
Germany — 1.44%								
780 Deutsche Telekom International Finance BV, 144A, 2.485%, due 9/19/2023	747	0.61	Sweden — 0.54%			238 American Airlines 2014-1 Class B Pass Through Trust, 4.375%, due 10/1/2022	238	0.20
			630 Nordea Bank AB, 144A, 4.250%, due 9/21/2022	653	0.54	102 American Airlines 2015-1 Class A Pass Through Trust, 3.375%, due 5/1/2027	101	0.08
			Switzerland — 1.18%			120 American Airlines 2015-1 Class B Pass Through Trust, 3.700%, due 5/1/2023	117	0.10
			300 Credit Suisse Group AG, 144A, 6.250%, Perpetual *	304	0.25	1,150 American Express Co, 7.000%, due 3/19/2018	1,214	1.00
			620 Glencore Finance Canada Ltd, 144A, 4.250%, due 10/25/2022	650	0.53	10 American International Group Inc, 4.500%, due 7/16/2044	10	0.01
			460 Glencore Funding LLC, 144A, 4.625%, due 4/29/2024	484	0.40			
				1,438	1.18			
			United Kingdom — 6.22%					
			400 Anglo American Capital Plc, 144A, 2.625%, due 9/27/2017	400	0.33			
			100 Barclays Bank Plc, 144A, 10.179%, due 6/12/2021	125	0.10			
			910 Barclays Bank Plc, 7.625%, due 11/21/2022	978	0.80			

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US Corporate Bond Fund

Portfolio of Investments as at February 28, 2017 – (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)			490	Comcast Corp,		130	Gilead Sciences Inc,	
United States — (continued)				3.150%, due 3/1/2026	483 0.40		4.000%, due 9/1/2036	125 0.10
200	American International Group Inc,		300	Commonwealth Edison Co,		110	Gilead Sciences Inc,	
	6.250%, due 3/15/2087 *	202 0.17		6.450%, due 1/15/2038	401 0.33		4.750%, due 3/1/2046	114 0.09
100	Amgen Inc,		90	Constellation Brands Inc,		170	GLP Capital LP / GLP	
	3.625%, due 5/22/2024	103 0.09		3.700%, due 12/6/2026	90 0.07		Financing II Inc,	
100	Amgen Inc,		143	Continental Airlines 2007-1			5.375%, due 4/15/2026	178 0.15
	4.400%, due 5/1/2045	98 0.08		Class A Pass Through Trust,		150	Goldman Sachs Capital III,	
100	Amgen Inc,			Series 071A,			Series APEX,	
	4.663%, due 6/15/2051	101 0.08		5.983%, due 4/19/2022	160 0.13		4.000%, Perpetual *	124 0.10
580	Anadarko Petroleum Corp,		350	CVS Health Corp,		1,110	Goldman Sachs Group Inc/The,	
	4.850%, due 3/15/2021	624 0.51		4.000%, due 12/5/2023	368 0.30		2.300%, due 12/13/2019	1,112 0.91
880	Anadarko Petroleum Corp,		300	CVS Health Corp,		250	Goldman Sachs Group Inc/The,	
	5.550%, due 3/15/2026	988 0.81		5.125%, due 7/20/2045	334 0.27		4.250%, due 10/21/2025	256 0.21
660	Anadarko Petroleum Corp,		60	Delta Air Lines 2007-1 Class A		620	Goldman Sachs Group Inc/The,	
	6.450%, due 9/15/2036	800 0.66		Pass Through Trust,			3.500%, due 11/16/2026	611 0.50
230	Analog Devices Inc,			Series 071A,		510	Goldman Sachs Group Inc/The,	
	2.500%, due 12/5/2021	229 0.19		6.821%, due 8/10/2022	70 0.06		5.150%, due 5/22/2045	543 0.45
500	Analog Devices Inc,		370	Devon Energy Corp,		250	Goldman Sachs Group Inc/The,	
	3.125%, due 12/5/2023	500 0.41		3.250%, due 5/15/2022	372 0.31		4.750%, due 10/21/2045	266 0.22
450	Apache Corp,		540	Devon Energy Corp,		140	Halliburton Co,	
	4.750%, due 4/15/2043	462 0.38		5.850%, due 12/15/2025	621 0.51		3.500%, due 8/1/2023	144 0.12
580	Apple Inc,		330	Devon Energy Corp,		120	Halliburton Co,	
	2.450%, due 8/4/2026	550 0.45		5.000%, due 6/15/2045	336 0.28		3.800%, due 11/15/2025	123 0.10
280	Apple Inc,		100	Devon Financing Co LLC,		330	Halliburton Co,	
	3.350%, due 2/9/2027	285 0.23		7.875%, due 9/30/2031	131 0.11		5.000%, due 11/15/2045	358 0.29
310	Arconic Inc,		850	Diamond 1 Finance Corp /		250	Harris Corp,	
	5.125%, due 10/1/2024	321 0.26		Diamond 2 Finance Corp,			5.550%, due 10/1/2021	277 0.23
400	AT&T Inc,			144A,		480	Harris Corp,	
	4.500%, due 5/15/2035	379 0.31		3.480%, due 6/1/2019	869 0.71		4.854%, due 4/27/2035	518 0.43
370	AT&T Inc,		620	Diamond 1 Finance Corp /		350	Hess Corp,	
	5.550%, due 8/15/2041	383 0.32		Diamond 2 Finance Corp,			4.300%, due 4/1/2027	350 0.29
230	AT&T Inc,			144A,		480	Hexcel Corp,	
	5.450%, due 3/1/2047	237 0.19		4.420%, due 6/15/2021	650 0.53		3.950%, due 2/15/2027	484 0.40
80	AT&T Inc,		290	Dominion Resources Inc/VA,		210	Home Depot Inc/The,	
	4.500%, due 3/9/2048	72 0.06		Series D,			2.125%, due 9/15/2026	195 0.16
520	AT&T Inc,			2.850%, due 8/15/2026	274 0.23	750	HSBC USA Inc,	
	5.700%, due 3/1/2057	536 0.44	280	DR Horton Inc,			1.700%, due 3/5/2018	751 0.62
1,000	Bank of America Corp,			4.000%, due 2/15/2020	291 0.24	170	Humana Inc,	
	6.875%, due 4/25/2018	1,058 0.87	230	Duke Energy Carolinas LLC,			3.850%, due 10/1/2024	174 0.14
180	Bank of America Corp,			5.300%, due 2/15/2040	278 0.23	340	Humana Inc,	
	4.200%, due 8/26/2024	186 0.15	210	Duke Energy Corp,			4.950%, due 10/1/2044	362 0.30
700	Bank of America Corp,			2.650%, due 9/1/2026	197 0.16	1,330	International Lease Finance	
	4.250%, due 10/22/2026	713 0.59	230	Duke Energy Corp,			Corp,	
220	Bank of America Corp,			3.750%, due 9/1/2046	212 0.17		8.625%, due 1/15/2022	1,647 1.35
	4.875%, due 4/1/2044	240 0.20	121	Enesco Plc,		400	International Lease Finance	
160	Bank of America Corp,			8.000%, due 1/31/2024	124 0.10		Corp,	
	4.443%, due 1/20/2048 *	163 0.13	130	Enesco Plc,			5.875%, due 8/15/2022	451 0.37
690	Bear Stearns Cos LLC/The,			4.500%, due 10/1/2024	112 0.09	280	Johnson & Johnson,	
	7.250%, due 2/1/2018	726 0.60	310	Enesco Plc,			3.700%, due 3/1/2046	281 0.23
170	Becton Dickinson and Co,			5.200%, due 3/15/2025	274 0.23	367	Johnson Controls International	
	4.685%, due 12/15/2044	181 0.15	120	Enterprise Products Operating			plc,	
580	Blackstone Holdings Finance			LLC, Series B,			3.625%, due 7/2/2024	376 0.31
	Co LLC, 144A,			7.034%, due 1/15/2068 *	124 0.10	240	JPMorgan Chase & Co,	
	4.450%, due 7/15/2045	554 0.46	320	EOG Resources Inc,			3.625%, due 12/1/2027	234 0.19
630	Broadcom Corp / Broadcom			4.150%, due 1/15/2026	337 0.28	250	JPMorgan Chase & Co,	
	Cayman Finance Ltd, 144A,		600	Exelon Corp,			5.625%, due 8/16/2043	293 0.24
	3.625%, due 1/15/2024	637 0.52		3.400%, due 4/15/2026	594 0.49	160	JPMorgan Chase & Co,	
370	Burlington Northern Santa Fe		360	Exxon Mobil Corp,			4.950%, due 6/1/2045	172 0.14
	LLC,			1.439%, due 3/1/2018	361 0.30	210	JPMorgan Chase & Co,	
	4.400%, due 3/15/2042	388 0.32	190	Exxon Mobil Corp,			4.260%, due 2/22/2048 *	212 0.17
260	Carlyle Holdings II Finance LLC,			3.043%, due 3/1/2026	190 0.16	50	Kerr-McGee Corp,	
	144A,		200	Exxon Mobil Corp,			7.875%, due 9/15/2031	65 0.05
	5.625%, due 3/30/2043	260 0.21		4.114%, due 3/1/2046	208 0.17	100	Kinder Morgan Inc/DE,	
130	Celgene Corp,		600	FirstEnergy Corp, Series C,			5.300%, due 12/1/2034	103 0.09
	3.550%, due 8/15/2022	134 0.11		7.375%, due 11/15/2031	791 0.65	620	KKR Group Finance Co III LLC,	
250	Celgene Corp,		500	Ford Motor Credit Co LLC,			144A,	
	3.875%, due 8/15/2025	256 0.21		8.125%, due 1/15/2020	577 0.47		5.125%, due 6/1/2044	616 0.51
390	CenterPoint Energy Houston		110	Freeport-McMoRan Inc,		100	Kraft Heinz Foods Co,	
	Electric LLC, Series AA,			2.375%, due 3/15/2018	109 0.09		3.500%, due 6/6/2022	102 0.08
	3.000%, due 2/1/2027	387 0.32	1,100	General Electric Co,		70	Kraft Heinz Foods Co,	
310	Chevron Corp,			6.875%, due 1/10/2039	1,578 1.30		5.000%, due 7/15/2035	74 0.06
	2.954%, due 5/16/2026	306 0.25	190	General Motors Co,		30	Kraft Heinz Foods Co,	
110	Chubb INA Holdings Inc,			4.875%, due 10/2/2023	204 0.17		5.000%, due 6/4/2042	31 0.03
	3.350%, due 5/3/2026	112 0.09	170	General Motors Co,		200	Kraft Heinz Foods Co,	
150	Chubb INA Holdings Inc,			6.600%, due 4/1/2036	199 0.16		4.375%, due 6/1/2046	188 0.15
	4.350%, due 11/3/2045	160 0.13	120	General Motors Co,		300	Lockheed Martin Corp,	
330	Citigroup Inc,			6.250%, due 10/2/2043	137 0.11		3.550%, due 1/15/2026	307 0.25
	4.125%, due 7/25/2028	328 0.27	180	General Motors Co,		330	Marathon Petroleum Corp,	
1,000	Citigroup Inc,			6.750%, due 4/1/2046	219 0.18		3.625%, due 9/15/2024	328 0.27
	8.125%, due 7/15/2039	1,490 1.23	550	General Motors Financial Co		240	McDonald's Corp,	
530	Comcast Cable			Inc,			3.700%, due 1/30/2026	246 0.20
	Communications Holdings Inc,			4.375%, due 9/25/2021	580 0.48	300	Medco Health Solutions Inc,	
	9.455%, due 11/15/2022	713 0.59	310	Gilead Sciences Inc,			4.125%, due 9/15/2020	315 0.26
				3.700%, due 4/1/2024	319 0.26	110	Medtronic Inc,	
							4.625%, due 3/15/2044	118 0.10

The accompanying notes are an integral part of the Financial Statements

Portfolio of Investments as at February 28, 2017 – (continued)

The accompanying notes are an integral part of the Financial Statements

Legg Mason Western Asset US Corporate Bond Fund

Portfolio of Investments as at February 28, 2017 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value			% of Total Assets
Collective Investment Schemes — 1.64%			144A	Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2017, these securities amounted to \$26,851,000 or 22.06% of net assets.	
1,991 Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	1,991	1.64	*	Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2017.	
Total Collective Investment Schemes (Cost \$1,991)	1,991	1.64	ABBREVIATIONS:		
Total Investments (Cost \$121,415)	122,933	101.01	Perpetual	– A bond with no maturity date. Perpetual bonds are not redeemable but pay a steady stream of interest	
Liabilities in Excess of Other Assets	(1,231)	(1.01)	ARS	– Argentine Peso	
Total Net Assets	\$121,702	100.00			
			Analysis of Total Assets		
			Transferable securities admitted to an official exchange listing or traded on a regulated market		
			Collective investment schemes		
			Other assets		
			Total Assets		

Schedule of Credit Default Swaps

Counterparty	Reference Entity	Buy/Sell Protection	Expiration Date	Notional Amount (000's)	Value (000's)
Merrill Lynch	Markit CDX.NA.HY, 5.000%	Buy	12/20/21	2,574	\$ (199)
Merrill Lynch	Markit CDX.NA.IG, 1.000%	Buy	12/20/21	1,790	(31)
					\$ (230)
Unrealised Appreciation of Credit Default Swaps					–
Unrealised Depreciation of Credit Default Swaps					(230)
Net Depreciation of Credit Default Swaps					\$ (230)

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/15/17	BNY Mellon	Buy GBP 97,469	Sell USD 121,993	\$ (997)
04/20/17	Citigroup	Buy USD 832	Sell EUR 780	4
Unrealised Appreciation of Forward Foreign Currency Contracts				4
Unrealised Depreciation of Forward Foreign Currency Contracts				(997)
Net Depreciation of Forward Foreign Currency Contracts				\$ (993)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
U.S. 10 Year Note (CBT) June 2017	(59)	\$ (7,350)	\$ (26)
U.S. 2 Year Note (CBT) June 2017	23	4,977	–
U.S. 5 Year Note (CBT) June 2017	5	589	1
U.S. Long Bond (CBT) June 2017	(29)	(4,398)	(37)
Total Market Value of Futures Contracts			\$ (62)
Unrealised Appreciation of Futures Contracts			1
Unrealised Depreciation of Futures Contracts			(63)
Net Depreciation of Futures Contracts			\$ (62)

Legg Mason Brandywine Global Fixed Income Fund

Portfolio of Investments as at February 28, 2017

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 — 17.63% (February 29, 2016: 15.16%)			MYR 78,770 Malaysia Government Bond, Series 0313, 3.480%, due 3/15/2023	17,287	1.72	103,710 United States Treasury Note/Bond, 2.875%, due 11/15/2046	101,696	10.10
France — 1.54% (February 29, 2016: 3.89%)				40,384	4.01		254,532	25.29
15,510 Dexia Credit Local SA/New York NY, 144A, 1.142%, due 6/5/2018 *	15,471	1.54	Mexico — 12.26% (February 29, 2016: 12.76%)			Total Government Bonds and Notes (Cost \$893,873)		
Supranational — 12.25% (February 29, 2016: 7.89%)			MXN 606,000 Mexican Bonos, Series M 20, 8.500%, due 5/31/2029	32,464	3.23	Collective Investment Schemes — 3.34% (February 29, 2016: 8.06%)		
18,300 Corp Andina de Fomento, 1.589%, due 1/29/2018 *	18,309	1.82	MXN 198,200 Mexican Bonos, Series M, 7.750%, due 11/23/2034	9,858	0.98	33,626 Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	33,626	3.34
9,205 Corp Andina de Fomento, 2.000%, due 5/10/2019	9,230	0.92	MXN 649,000 Mexican Bonos, Series M 30, 8.500%, due 11/18/2038	34,564	3.43	Total Collective Investment Schemes (Cost \$33,626)		
30,454 European Investment Bank, 1.000%, due 8/17/2017	30,437	3.03	MXN 944,000 Mexican Bonos, Series M, 7.750%, due 11/13/2042	46,527	4.62	Total Investments (Cost \$1,105,540)		
19,655 European Investment Bank, 1.079%, due 10/9/2018 *	19,666	1.95		123,413	12.26	Other Assets in Excess of Liabilities (February 29, 2016: 1.83%)		
IDR 616,000,000 European Investment Bank, 144A, 7.200%, due 7/9/2019	45,629	4.53	New Zealand — 2.34% (February 29, 2016: 3.44%)			Total Net Assets		
	123,271	12.25	NZD 28,435 New Zealand Government Bond, Series 0423, 5.500%, due 4/15/2023	23,516	2.34	144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2017, these securities amounted to \$129,454,000 or 12.85% of net assets.		
Sweden — 3.84% (February 29, 2016: 3.38%)			Norway — 1.56% (February 29, 2016: 8.94%)			*		
38,670 Svensk Exportkredit AB, 1.087%, due 2/28/2017 *	38,696	3.84	8,244 Kommunalbanken AS, 144A, 1.232%, due 2/20/2018 *	8,256	0.82	Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2017.		
Total Corporate Bonds and Notes (Cost \$178,041)			7,426 Kommunalbanken AS, 144A, 1.300%, due 6/16/2020 *	7,475	0.74	ABBREVIATIONS:		
Government Bonds and Notes — 77.55% (February 29, 2016: 74.95%)				15,731	1.56	AUD – Australian Dollar		
Australia — 7.23% (February 29, 2016: 7.09%)			Poland — 3.77% (February 29, 2016: 4.07%)			BRL – Brazilian Real		
AUD 29,755 New South Wales Treasury Corp, Series 24, 5.000%, due 8/20/2024	26,305	2.62	PLN 73,310 Republic of Poland Government Bond, Series 1023, 4.000%, due 10/25/2023	18,682	1.86	GBP – British Pound		
AUD 15,040 Queensland Treasury Corp, Series 22, 6.000%, due 7/21/2022	13,516	1.34	PLN 80,070 Republic of Poland Government Bond, Series 0725, 3.250%, due 7/25/2025	19,206	1.91	HUF – Hungarian Forint		
AUD 19,105 Queensland Treasury Corp, Series 25, 144A, 4.750%, due 7/21/2025	16,532	1.64		37,888	3.77	IDR – Indonesian Rupiah		
AUD 21,260 Queensland Treasury Corp, Series 26, 144A, 3.250%, due 7/21/2026	16,425	1.63	South Africa — 5.38% (February 29, 2016: 2.94%)			MXN – Mexican Peso		
	72,778	7.23	ZAR 123,770 Republic of South Africa Government Bond, Series R208, 6.750%, due 3/31/2021	9,049	0.90	MYR – Malaysian Ringgit		
Brazil — 5.78% (February 29, 2016: 4.04%)			ZAR 391,565 Republic of South Africa Government Bond, Series R214, 6.500%, due 2/28/2041	21,303	2.12	NZD – New Zealand Dollar		
BRL 75,810 Brazil Notas do Tesouro Nacional Serie F, Series NTNF, 10.000%, due 1/1/2023	24,151	2.40	ZAR 341,790 Republic of South Africa Government Bond, Series 2048, 8.750%, due 2/28/2048	23,763	2.36	PLN – Polish Zloty		
BRL 106,865 Brazil Notas do Tesouro Nacional Serie F, Series NTNF, 10.000%, due 1/1/2025	34,014	3.38		54,115	5.38	ZAR – South Africa Rand		
	58,165	5.78	United Kingdom — 6.20% (February 29, 2016: 0.00%)			Analysis of Total Assets		
Hungary — 3.73% (February 29, 2016: 4.04%)			GBP 49,445 United Kingdom Gilt, 1.250%, due 7/22/2018	62,355	6.20	Transferable securities admitted to an official exchange listing or traded on a regulated market	93.52	
HUF 9,370,000 Hungary Government Bond, Series 25/B, 5.500%, due 6/24/2025	37,525	3.73	United States — 25.29% (February 29, 2016: 19.31%)			Collective investment schemes	3.28	
Malaysia — 4.01% (February 29, 2016: 3.61%)			129,790 United States Treasury Floating Rate Note, 0.656%, due 1/31/2019 *	129,796	12.90	Financial derivative instruments	0.52	
MYR 84,730 Malaysia Government Bond, Series 0315, 3.659%, due 10/15/2020	19,101	1.90	22,960 United States Treasury Note/Bond, 3.000%, due 11/15/2045	23,040	2.29	Other assets	2.68	
MYR 17,530 Malaysia Government Bond, Series 0314, 4.048%, due 9/30/2021	3,996	0.39				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)
03/06/17	HSBC	Buy SEK 299,800	Sell USD 32,621	\$ 604
03/09/17	BNY Mellon	Buy EUR 2,592	Sell AUD 3,652	(53)
03/09/17	BNY Mellon	Buy GBP 3	Sell AUD 6	–
03/09/17	BNY Mellon	Buy USD 1,495	Sell AUD 1,952	(1)
03/09/17	BNY Mellon	Buy GBP 646	Sell AUD 1,059	(5)
03/09/17	BNY Mellon	Buy EUR 11	Sell AUD 13	–
03/09/17	BNY Mellon	Buy USD 1,578	Sell CAD 2,053	32
03/09/17	BNY Mellon	Buy EUR –	Sell CAD 1	–

The accompanying notes are an integral part of the Financial Statements

Legg Mason Brandywine Global Fixed Income Fund

Portfolio of Investments as at February 28, 2017 – (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)
03/09/17	BNY Mellon	Buy	GBP	683	Sell	CAD	1,122	\$ 12
03/09/17	BNY Mellon	Buy	GBP	1	Sell	CAD	2	–
03/09/17	BNY Mellon	Buy	EUR	2,745	Sell	CAD	3,855	6
03/09/17	BNY Mellon	Buy	USD	147	Sell	CHF	145	2
03/09/17	BNY Mellon	Buy	EUR	256	Sell	CHF	273	(2)
03/09/17	BNY Mellon	Buy	GBP	62	Sell	CHF	78	–
03/09/17	BNY Mellon	Buy	GBP	–	Sell	CHF	–	–
03/09/17	BNY Mellon	Buy	EUR	–	Sell	CHF	–	–
03/09/17	BNY Mellon	Buy	EUR	2	Sell	DKK	26	–
03/09/17	BNY Mellon	Buy	GBP	180	Sell	DKK	1,557	4
03/09/17	BNY Mellon	Buy	USD	422	Sell	DKK	2,907	8
03/09/17	BNY Mellon	Buy	GBP	2	Sell	DKK	34	–
03/09/17	BNY Mellon	Buy	EUR	730	Sell	DKK	5,432	–
03/09/17	BNY Mellon	Buy	NOK	35	Sell	EUR	2	–
03/09/17	BNY Mellon	Buy	NOK	36	Sell	EUR	2	–
03/09/17	BNY Mellon	Buy	CHF	–	Sell	EUR	–	–
03/09/17	BNY Mellon	Buy	SEK	123	Sell	EUR	11	–
03/09/17	BNY Mellon	Buy	JPY	87,562	Sell	EUR	729	6
03/09/17	BNY Mellon	Buy	MXN	129	Sell	EUR	5	–
03/09/17	BNY Mellon	Buy	MYR	38	Sell	EUR	6	–
03/09/17	BNY Mellon	Buy	CHF	2	Sell	EUR	2	–
03/09/17	BNY Mellon	Buy	MXN	348	Sell	EUR	15	–
03/09/17	BNY Mellon	Buy	GBP	387	Sell	EUR	455	(1)
03/09/17	BNY Mellon	Buy	GBP	12,271	Sell	EUR	14,218	168
03/09/17	BNY Mellon	Buy	JPY	7,634	Sell	EUR	65	–
03/09/17	BNY Mellon	Buy	MYR	21	Sell	EUR	5	–
03/09/17	BNY Mellon	Buy	SGD	12	Sell	EUR	8	–
03/09/17	BNY Mellon	Buy	DKK	67	Sell	EUR	6	–
03/09/17	BNY Mellon	Buy	CAD	81	Sell	EUR	57	–
03/09/17	BNY Mellon	Buy	SGD	1	Sell	EUR	1	–
03/09/17	BNY Mellon	Buy	PLN	33	Sell	EUR	7	–
03/09/17	BNY Mellon	Buy	AUD	42	Sell	EUR	29	–
03/09/17	BNY Mellon	Buy	AUD	43	Sell	EUR	30	–
03/09/17	BNY Mellon	Buy	PLN	47	Sell	EUR	7	–
03/09/17	BNY Mellon	Buy	USD	649	Sell	EUR	611	–
03/09/17	BNY Mellon	Buy	ZAR	92	Sell	EUR	5	–
03/09/17	BNY Mellon	Buy	SEK	4	Sell	EUR	–	–
03/09/17	BNY Mellon	Buy	DKK	58	Sell	EUR	7	–
03/09/17	BNY Mellon	Buy	ZAR	125	Sell	EUR	8	–
03/09/17	BNY Mellon	Buy	USD	29,200	Sell	EUR	27,067	515
03/09/17	BNY Mellon	Buy	CAD	8	Sell	EUR	5	–
03/09/17	BNY Mellon	Buy	JPY	634	Sell	GBP	5	–
03/09/17	BNY Mellon	Buy	ZAR	10	Sell	GBP	–	–
03/09/17	BNY Mellon	Buy	ZAR	12	Sell	GBP	–	–
03/09/17	BNY Mellon	Buy	MYR	3	Sell	GBP	–	–
03/09/17	BNY Mellon	Buy	MXN	19	Sell	GBP	–	–
03/09/17	BNY Mellon	Buy	NOK	2	Sell	GBP	–	–
03/09/17	BNY Mellon	Buy	USD	5,298	Sell	GBP	4,245	32
03/09/17	BNY Mellon	Buy	PLN	1	Sell	GBP	–	–
03/09/17	BNY Mellon	Buy	PLN	6	Sell	GBP	–	–
03/09/17	BNY Mellon	Buy	SGD	–	Sell	GBP	–	–
03/09/17	BNY Mellon	Buy	NOK	3	Sell	GBP	–	–
03/09/17	BNY Mellon	Buy	JPY	9,507	Sell	GBP	70	–
03/09/17	BNY Mellon	Buy	SEK	8	Sell	GBP	–	–
03/09/17	BNY Mellon	Buy	MYR	–	Sell	GBP	–	–
03/09/17	BNY Mellon	Buy	MXN	34	Sell	GBP	–	–
03/09/17	BNY Mellon	Buy	CHF	–	Sell	GBP	–	–
03/09/17	BNY Mellon	Buy	EUR	8,940	Sell	GBP	7,717	(106)
03/09/17	BNY Mellon	Buy	EUR	156	Sell	GBP	134	–
03/09/17	BNY Mellon	Buy	CAD	–	Sell	GBP	–	–
03/09/17	BNY Mellon	Buy	CHF	–	Sell	GBP	–	–
03/09/17	BNY Mellon	Buy	DKK	3	Sell	GBP	–	–
03/09/17	BNY Mellon	Buy	DKK	9	Sell	GBP	–	–
03/09/17	BNY Mellon	Buy	SEK	5	Sell	GBP	–	–
03/09/17	BNY Mellon	Buy	AUD	4	Sell	GBP	2	–
03/09/17	BNY Mellon	Buy	AUD	3	Sell	GBP	1	–
03/09/17	BNY Mellon	Buy	CAD	7	Sell	GBP	3	–
03/09/17	BNY Mellon	Buy	EUR	34,997	Sell	JPY	4,245,096	(709)
03/09/17	BNY Mellon	Buy	GBP	5	Sell	JPY	558	–
03/09/17	BNY Mellon	Buy	GBP	8,808	Sell	JPY	1,236,850	(84)

The accompanying notes are an integral part of the Financial Statements

Legg Mason Brandywine Global Fixed Income Fund

Portfolio of Investments as at February 28, 2017 – (continued)

Schedule of Forward Foreign Currency Contracts – (continued)

		Buy Currency			Sell Currency			Unrealised
Expiration Date	Counterparty		(000's)			(000's)	Appreciation/ (Depreciation) of Contracts (000's)	
03/09/17	BNY Mellon	Buy	USD	20,131	Sell	JPY	2,262,081	\$ (13)
03/09/17	BNY Mellon	Buy	EUR	41	Sell	JPY	4,853	–
03/09/17	BNY Mellon	Buy	GBP	245	Sell	MXN	6,250	(8)
03/09/17	BNY Mellon	Buy	EUR	2	Sell	MXN	75	–
03/09/17	BNY Mellon	Buy	GBP	–	Sell	MXN	20	–
03/09/17	BNY Mellon	Buy	EUR	970	Sell	MXN	21,454	(39)
03/09/17	BNY Mellon	Buy	USD	560	Sell	MXN	11,465	(11)
03/09/17	BNY Mellon	Buy	USD	321	Sell	MYR	1,424	1
03/09/17	BNY Mellon	Buy	EUR	555	Sell	MYR	2,670	(10)
03/09/17	BNY Mellon	Buy	GBP	–	Sell	MYR	–	–
03/09/17	BNY Mellon	Buy	EUR	1	Sell	MYR	6	–
03/09/17	BNY Mellon	Buy	GBP	138	Sell	MYR	778	–
03/09/17	BNY Mellon	Buy	GBP	–	Sell	NOK	12	–
03/09/17	BNY Mellon	Buy	EUR	349	Sell	NOK	3,103	2
03/09/17	BNY Mellon	Buy	GBP	85	Sell	NOK	893	2
03/09/17	BNY Mellon	Buy	EUR	1	Sell	NOK	7	–
03/09/17	BNY Mellon	Buy	USD	202	Sell	NOK	1,656	4
03/09/17	BNY Mellon	Buy	GBP	3	Sell	PLN	21	–
03/09/17	BNY Mellon	Buy	EUR	796	Sell	PLN	3,436	(1)
03/09/17	BNY Mellon	Buy	EUR	1	Sell	PLN	7	–
03/09/17	BNY Mellon	Buy	USD	459	Sell	PLN	1,834	8
03/09/17	BNY Mellon	Buy	GBP	197	Sell	PLN	980	4
03/09/17	BNY Mellon	Buy	GBP	–	Sell	SEK	8	–
03/09/17	BNY Mellon	Buy	GBP	147	Sell	SEK	1,619	5
03/09/17	BNY Mellon	Buy	USD	339	Sell	SEK	2,972	10
03/09/17	BNY Mellon	Buy	EUR	588	Sell	SEK	5,581	7
03/09/17	BNY Mellon	Buy	EUR	–	Sell	SEK	3	–
03/09/17	BNY Mellon	Buy	USD	275	Sell	SGD	387	(1)
03/09/17	BNY Mellon	Buy	EUR	476	Sell	SGD	724	(13)
03/09/17	BNY Mellon	Buy	EUR	–	Sell	SGD	1	–
03/09/17	BNY Mellon	Buy	GBP	118	Sell	SGD	210	(1)
03/09/17	BNY Mellon	Buy	GBP	–	Sell	SGD	–	–
03/09/17	BNY Mellon	Buy	EUR	208	Sell	USD	220	–
03/09/17	BNY Mellon	Buy	GBP	–	Sell	USD	–	–
03/09/17	BNY Mellon	Buy	EUR	54,998	Sell	USD	59,351	(1,061)
03/09/17	BNY Mellon	Buy	GBP	13,883	Sell	USD	17,335	(108)
03/09/17	BNY Mellon	Buy	GBP	165	Sell	ZAR	2,782	(5)
03/09/17	BNY Mellon	Buy	GBP	1	Sell	ZAR	28	–
03/09/17	BNY Mellon	Buy	EUR	666	Sell	ZAR	9,622	(26)
03/09/17	BNY Mellon	Buy	USD	385	Sell	ZAR	5,133	(6)
03/09/17	BNY Mellon	Buy	EUR	2	Sell	ZAR	41	–
03/09/17	Citigroup	Buy	GBP	78,600	Sell	USD	99,905	(2,350)
03/09/17	Morgan Stanley	Buy	USD	2,934	Sell	GBP	2,400	(45)
03/15/17	Barclays Capital	Buy	USD	1,745	Sell	INR	120,000	(51)
03/15/17	Barclays Capital	Buy	INR	3,382,000	Sell	USD	49,365	1,231
03/15/17	BNY Mellon	Buy	USD	2	Sell	AUD	3	–
03/15/17	BNY Mellon	Buy	USD	67	Sell	AUD	87	–
03/15/17	BNY Mellon	Buy	USD	212	Sell	EUR	200	–
03/15/17	BNY Mellon	Buy	USD	954	Sell	EUR	901	(1)
03/15/17	BNY Mellon	Buy	USD	163	Sell	GBP	130	–
03/15/17	BNY Mellon	Buy	AUD	924	Sell	USD	703	5
03/15/17	BNY Mellon	Buy	GBP	12,893	Sell	USD	16,132	(129)
03/15/17	BNY Mellon	Buy	EUR	200,427	Sell	USD	214,440	(1,951)
03/15/17	BNY Mellon	Buy	EUR	513	Sell	USD	544	–
03/24/17	HSBC	Buy	CLP	20,250,000	Sell	USD	30,011	1,086
04/10/17	HSBC	Buy	NOK	227,600	Sell	USD	26,491	666
04/21/17	Morgan Stanley	Buy	USD	22,877	Sell	NZD	32,160	(251)
04/24/17	HSBC	Buy	SEK	286,100	Sell	USD	32,253	(468)
05/02/17	JP Morgan Chase Bank	Buy	JPY	5,580,000	Sell	USD	49,722	81
05/12/17	HSBC	Buy	CLP	13,800,000	Sell	USD	20,401	730
05/15/17	HSBC	Buy	NOK	206,300	Sell	USD	24,783	(161)
05/17/17	Morgan Stanley	Buy	AUD	29,690	Sell	USD	22,621	103
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$9,525)								5,334
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(14,303))								(7,671)
Net Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(4,778))								\$ (2,337)

The accompanying notes are an integral part of the Financial Statements

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

Portfolio of Investments as at February 28, 2017

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 — 0.23% (February 29, 2016: 0.25%)				Government Bonds and Notes — 64.90% (February 29, 2016: 68.32%)				South Africa — 5.18% (February 29, 2016: 3.17%)											
EUR	2,596 Rural Hipotecario I Fondo De Titulizacion Hipotecaria 9, Class A2, 0.000%, due 2/17/2050 *	2,730	0.23	AUD	32,000 Queensland Treasury Corp, Series 24, 5.750%, due 7/22/2024	29,242	2.49	ZAR	112,135 Republic of South Africa Government Bond, Series R208, 6.750%, due 3/31/2021	8,198	0.70								
Total Mortgage-Backed Securities (Cost \$3,447)				2,730	0.23	Australia — 2.49% (February 29, 2016: 2.67%)				ZAR	444,875 Republic of South Africa Government Bond, Series R214, 6.500%, due 2/28/2041	24,204	2.06						
Corporate Bonds and Notes — 28.03% (February 29, 2016: 30.15%)				Brazil — 5.56% (February 29, 2016: 4.40%)				ZAR	409,070 Republic of South Africa Government Bond, Series 2048, 8.750%, due 2/28/2048	28,441	2.42								
Australia — 0.65% (February 29, 2016: 1.94%)				BRL	85,095 Brazil Notas do Tesouro Nacional Serie F, Series NTNf, 10.000%, due 1/1/2025	27,086	2.30					60,843	5.18						
	7,575 Macquarie Bank Ltd, 144A, 1.662%, due 10/27/2017 *	7,599	0.65	BRL	120,945 Brazil Notas do Tesouro Nacional Serie F, Series NTNf, 10.000%, due 1/1/2027	38,268	3.26												
Chile — 0.53% (February 29, 2016: 0.53%)								65,354	5.56										
	6,180 Banco Santander Chile, 144A, 1.915%, due 4/11/2017 *	6,180	0.53	Hungary — 3.74% (February 29, 2016: 4.42%)															
France — 1.28% (February 29, 2016: 0.00%)				HUF	8,170,000 Hungary Government Bond, Series 23/A, 6.000%, due 11/24/2023	33,958	2.89					104,125 United States Treasury Floating Rate Note, 0.690%, due 7/31/2018 *	104,278	8.88					
	15,090 Dexia Credit Local SA/ New York NY, 144A, 1.142%, due 6/5/2018 *	15,052	1.28	HUF	2,500,000 Hungary Government Bond, Series 25/B, 5.500%, due 6/24/2025	10,012	0.85					36,733 United States Treasury Floating Rate Note, 0.686%, due 10/31/2018 *	36,770	3.13					
Netherlands — 1.62% (February 29, 2016: 1.50%)								43,970	3.74					45,021 United States Treasury Floating Rate Note, 0.656%, due 1/31/2019 *	45,023	3.83			
	9,255 AerCap Ireland Capital DAC / AerCap Global Aviation Trust, 2.750%, due 5/15/2017	9,278	0.79	Indonesia — 4.60% (February 29, 2016: 4.79%)								59,830 United States Treasury Note/Bond, 2.875%, due 11/15/2046	58,668	4.99					
	9,732 Bank Nederlandse Gemeenten NV, 144A, 1.093%, due 7/14/2017 *	9,732	0.83	IDR	80,700,000 Indonesia Treasury Bond, Series FR70, 8.375%, due 3/15/2024	6,354	0.54					244,739 20.83							
				19,010	1.62	IDR	297,600,000 Indonesia Treasury Bond, Series FR71, 9.000%, due 3/15/2029	24,078	2.05	Total Government Bonds and Notes (Cost \$838,580)				762,585	64.90				
South Korea — 1.25% (February 29, 2016: 1.26%)				IDR	106,000,000 Indonesia Treasury Bond, Series FR68, 8.375%, due 3/15/2034	8,147	0.69					Collective Investment Schemes — 5.40% (February 29, 2016: 4.06%)							
	14,645 Shinhan Bank, 144A, 1.659%, due 4/8/2017 *	14,649	1.25	IDR	198,300,000 Indonesia Treasury Bond, Series FR67, 8.750%, due 2/15/2044	15,433	1.32					63,418 Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	63,418	5.40					
Supranational — 2.58% (February 29, 2016: 0.97%)								54,012	4.60					Total Collective Investment Schemes (Cost \$63,418)		63,418	5.40		
	12,050 Corp Andina de Fomento, 1.589%, due 1/29/2018 *	12,056	1.03	Malaysia — 3.96% (February 29, 2016: 3.91%)								Total Investments (Cost \$1,233,701)		1,158,115	98.56				
	10,010 Corp Andina de Fomento, 2.000%, due 5/10/2019	10,037	0.85	MYR	88,390 Malaysia Government Bond, Series 0315, 3.659%, due 10/15/2020	19,926	1.70					Other Assets in Excess of Liabilities (February 29, 2016: 2.78%)		16,977	1.44				
	8,250 European Investment Bank, 144A, 1.079%, due 10/9/2018 *	8,254	0.70	MYR	17,750 Malaysia Government Bond, Series 0314, 4.048%, due 9/30/2021	4,047	0.34					Total Net Assets		\$1,175,092	100.00				
				30,347	2.58	MYR	15,150 Malaysia Government Bond, Series 0416, 3.620%, due 11/30/2021	3,397	0.29					144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2017, these securities amounted to \$92,595,000 or 7.89% of net assets.					
United Kingdom — 0.95% (February 29, 2016: 2.73%)								19,118	1.63					* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2017.					
	11,225 Santander UK Plc, 1.407%, due 9/29/2017 *	11,222	0.95					46,488	3.96					ABBREVIATIONS:					
United States — 19.17% (February 29, 2016: 19.60%)												AUD – Australian Dollar							
	17,700 American Express Credit Corp, 1.649%, due 7/31/2018 *	17,768	1.51									BRL – Brazilian Real							
	34,255 Bank of America Corp, 2.063%, due 1/15/2019 *	34,647	2.95									EUR – Euro							
	11,565 Citigroup Inc, 1.727%, due 4/27/2018 *	11,616	0.99									HUF – Hungarian Forint							
	5,990 Citigroup Inc, 1.800%, due 1/10/2020 *	6,018	0.51									IDR – Indonesian Rupiah							
	11,015 DISH DBS Corp, 4.625%, due 7/15/2017	11,125	0.95									MXN – Mexican Peso							
	14,305 Ford Motor Credit Co LLC, 1.863%, due 6/15/2018 *	14,374	1.22									MYR – Malaysian Ringgit							
	7,545 Ford Motor Credit Co LLC, 2.009%, due 1/9/2020 *	7,613	0.65									NZD – New Zealand Dollar							
	42,360 Goldman Sachs Group Inc/ The, 2.139%, due 11/15/2018 *	42,870	3.65									PLN – Polish Zloty							
	17,640 JPMorgan Chase & Co, 1.938%, due 1/25/2018 *	17,760	1.51									ZAR – South Africa Rand							
	7,470 JPMorgan Chase Bank NA, 1.444%, due 9/21/2018 *	7,493	0.64																
	35,730 Morgan Stanley, 2.318%, due 4/25/2018 *	36,139	3.07																
	17,585 Wells Fargo & Co, 2.057%, due 7/26/2021 *	17,900	1.52																
				225,323	19.17														
Total Corporate Bonds and Notes (Cost \$328,256)				329,382	28.03														

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

Portfolio of Investments as at February 28, 2017 – (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)
03/02/17	JP Morgan Chase Bank	Buy	USD 2,036	Sell	INR 140,000	\$ (63)
03/02/17	JP Morgan Chase Bank	Buy	INR 140,000	Sell	USD 2,020	78
03/06/17	HSBC	Buy	SEK 391,200	Sell	USD 42,566	788
03/09/17	Citigroup	Buy	GBP 88,570	Sell	USD 112,361	(2,430)
03/09/17	Morgan Stanley	Buy	USD 6,823	Sell	GBP 5,580	(103)
03/15/17	Barclays Capital	Buy	INR 3,786,000	Sell	USD 55,396	1,243
03/15/17	BNY Mellon	Buy	USD 1,208	Sell	EUR 1,141	(2)
03/15/17	BNY Mellon	Buy	USD 1	Sell	EUR 1	–
03/15/17	BNY Mellon	Buy	USD 193	Sell	GBP 155	1
03/15/17	BNY Mellon	Buy	USD 23	Sell	SEK 206	–
03/15/17	BNY Mellon	Buy	SGD 314,793	Sell	USD 222,239	2,411
03/15/17	BNY Mellon	Buy	GBP 70,845	Sell	USD 88,670	(724)
03/15/17	BNY Mellon	Buy	SEK 22,282	Sell	USD 2,524	(53)
03/15/17	BNY Mellon	Buy	EUR 162,964	Sell	USD 174,360	(1,585)
03/15/17	BNY Mellon	Buy	SEK 9	Sell	USD 1	–
03/15/17	BNY Mellon	Buy	EUR 2,432	Sell	USD 2,566	12
03/15/17	BNY Mellon	Buy	AUD 118,368	Sell	USD 90,085	634
04/10/17	HSBC	Buy	NOK 439,800	Sell	USD 51,190	1,287
04/10/17	HSBC	Buy	NOK 55,600	Sell	USD 6,644	(10)
04/11/17	Citigroup	Buy	USD 146,301	Sell	JPY 16,950,000	(4,856)
04/11/17	Citigroup	Buy	JPY 8,440,000	Sell	USD 74,672	594
04/11/17	Goldman Sachs	Buy	USD 3,522	Sell	JPY 400,000	(46)
04/11/17	JP Morgan Chase Bank	Buy	USD 6,463	Sell	JPY 730,000	(47)
04/21/17	Morgan Stanley	Buy	USD 19,823	Sell	NZD 27,830	(190)
04/24/17	HSBC	Buy	SEK 303,100	Sell	USD 34,142	(469)
05/10/17	Citigroup	Buy	USD 219,604	Sell	EUR 204,910	1,800
05/10/17	Morgan Stanley	Buy	USD 24,724	Sell	EUR 23,200	64
05/16/17	HSBC	Buy	USD 110,255	Sell	SGD 156,600	(1,540)
05/16/17	JP Morgan Chase Bank	Buy	SGD 52,200	Sell	USD 37,131	134
05/17/17	Morgan Stanley	Buy	AUD 46,030	Sell	USD 35,070	159
06/02/17	JP Morgan Chase Bank	Buy	USD 37,132	Sell	TWD 1,135,100	52
06/16/17	HSBC	Buy	CLP 44,870,000	Sell	USD 69,286	(728)
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$34,688)						9,257
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(45,703))						(12,846)
Net Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(11,015))						\$ (3,589)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Euro-OAT March 2017	(1,324)	\$(210,327)	\$ (4)
Long Gilt June 2017	(813)	(128,351)	(529)
U.S. 2 Year Note (CBT) June 2017	(1,322)	(286,089)	262
U.S. Ultra Bond (CBT) June 2017	208	33,650	(5)
Total Market Value of Futures Contracts			\$ (276)
Unrealised Appreciation of Futures Contracts (February 29, 2016 (000's): \$–)			262
Unrealised Depreciation of Futures Contracts (February 29, 2016 (000's): \$(7,625))			(538)
Net Depreciation of Futures Contracts (February 29, 2016 (000's): \$(7,625))			\$ (276)

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

The accompanying notes are an integral part of the Financial Statements

Legg Mason Brandywine Global High Yield Fund[^]

Portfolio of Investments as at February 28, 2017

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 — 2.24% (February 29, 2016: 0.94%)				GBP	320	Virgin Media Secured Finance Plc, 5.500%, due 1/15/2025	419 0.37	2,680	Hexion Inc, 6.625%, due 4/15/2020	2,492	2.17	
2,275	Fannie Mae Connecticut Avenue Securities, Series 2016 C02, Class 1M2, 6.778%, due 9/25/2028 *	2,574	2.24	GBP	1,000	Virgin Media Secured Finance Plc, 4.875%, due 1/15/2027	1,249 1.09	1,000	Hughes Satellite Systems Corp, 6.625%, due 8/1/2026	1,041	0.91	
Total Mortgage-Backed Securities (Cost \$2,585)						6,294	5.48	60	Hughes Satellite Systems Corp, 144A, 6.625%, due 8/1/2026	62	0.05	
Corporate Bonds and Notes — 86.94% (February 29, 2016: 82.21%)				United States — 63.84% (February 29, 2016: 50.49%)								
Brazil — 5.78% (February 29, 2016: 1.45%)				1,625	Allegheny Technologies Inc, 5.950%, due 1/15/2021	1,632	1.42	1,345	International Game Technology Plc, 144A, 6.500%, due 2/15/2025	1,469	1.28	
400	JBS Investments GmbH, 144A, 7.250%, due 4/3/2024	426	0.37	1,105	Allegheny Technologies Inc, 7.875%, due 8/15/2023	1,141	0.99	350	Iron Mountain Inc, 6.000%, due 8/15/2023	370	0.32	
1,000	JBS Investments GmbH, 7.250%, due 4/3/2024	1,065	0.93	GBP	435	AMC Entertainment Holdings Inc, 6.375%, due 11/15/2024	577 0.50	1,060	Iron Mountain US Holdings Inc, 144A, 5.375%, due 6/1/2026	1,055	0.92	
1,000	Marfrig Holdings Europe BV, 8.000%, due 6/8/2023	1,049	0.91	1,220	AmeriGas Partners LP / AmeriGas Finance Corp, 5.625%, due 5/20/2024	1,263	1.10	1,055	Morgan Stanley, Series 3NC2, 1.842%, due 2/14/2020 *	1,059	0.92	
230	Marfrig Holdings Europe BV, 144A, 8.000%, due 6/8/2023	241	0.21	1,195	AmeriGas Partners LP / AmeriGas Finance Corp, 5.875%, due 8/20/2026	1,234	1.07	1,795	Murphy Oil Corp, 6.875%, due 8/15/2024	1,922	1.67	
300	Marfrig Overseas Ltd, 9.500%, due 5/4/2020	310	0.27	205	Anixter Inc, 5.125%, due 10/1/2021	214	0.19	1,110	NRG Energy Inc, 144A, 6.625%, due 1/15/2027	1,091	0.95	
150	Petrobras Global Finance BV, 5.750%, due 1/20/2020	157	0.14	1,340	Antero Resources Corp, 5.375%, due 11/1/2021	1,370	1.19	2,600	Rackspace Hosting Inc, 144A, 8.625%, due 11/15/2024	2,740	2.38	
1,140	Petrobras Global Finance BV, 5.375%, due 1/27/2021	1,153	1.00	1,137	Antero Resources Corp, 144A, 5.000%, due 3/1/2025	1,103	0.96	885	Rivers Pittsburgh Borrower LP/Rivers Pittsburgh Finance Corp, 144A, 6.125%, due 8/15/2021	905	0.79	
1,980	Petrobras Global Finance BV, 8.750%, due 5/23/2026	2,246	1.95	1,500	Boise Cascade Co, 144A, 5.625%, due 9/1/2024	1,534	1.34	2,095	Rowan Cos Inc, 4.750%, due 1/15/2024	1,901	1.65	
		6,647	5.78	1,340	California Resources Corp, 144A, 8.000%, due 12/15/2022	1,146	1.00	1,610	SBA Communications Corp, 4.875%, due 7/15/2022	1,646	1.43	
Canada — 2.89% (February 29, 2016: 1.79%)				208	Capsugel SA, 144A, 7.000%, due 5/15/2019	209	0.18	1,655	SBA Communications Corp, 144A, 4.875%, due 9/1/2024	1,647	1.43	
1,955	Air Canada, 144A, 7.750%, due 4/15/2021	2,194	1.91	2,585	CF Industries Inc, 4.950%, due 6/1/2043	2,223	1.94	1,165	Sinclair Television Group Inc, 144A, 5.625%, due 8/1/2024	1,198	1.04	
1,000	Air Canada, 7.750%, due 4/15/2021	1,128	0.98	535	Chemours Co/The, 6.625%, due 5/15/2023	568	0.49	355	Sirius XM Radio Inc, 144A, 6.000%, due 7/15/2024	378	0.33	
		3,322	2.89	400	Chesapeake Energy Corp, 8.000%, due 12/15/2022	423	0.37	1,200	Sirius XM Radio Inc, 144A, 5.375%, due 7/15/2026	1,224	1.07	
Germany — 1.19% (February 29, 2016: 1.15%)				2,695	Chesapeake Energy Corp, 144A, 8.000%, due 12/15/2022	2,850	2.48	660	Sirius XM Radio Inc, 5.375%, due 7/15/2026	673	0.59	
EUR	1,300	Unitymedia GmbH, 3.750%, due 1/15/2027	1,372	1.19	235	CIT Group Inc, 5.000%, due 8/15/2022	249	0.22	2,055	Sprint Corp, 7.250%, due 9/15/2021	2,240	1.95
Ireland — 2.29% (February 29, 2016: 2.50%)				765	CIT Group Inc, 5.000%, due 8/1/2023	809	0.70	1,915	Sprint Corp, 7.125%, due 6/15/2024	2,068	1.80	
405	Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 144A, 4.250%, due 9/15/2022	411	0.36	1,545	Clear Channel Worldwide Holdings Inc, Series A, 6.500%, due 11/15/2022	1,560	1.36	265	StoneMor Partners LP / Cornerstone Family Services of West Virginia Subsidiary, 7.875%, due 6/1/2021	264	0.23	
2,120	Fly Leasing Ltd, 6.750%, due 12/15/2020	2,221	1.93	1,330	CSC Holdings LLC, 5.250%, due 6/1/2024	1,338	1.17	945	Tenet Healthcare Corp, 4.750%, due 6/1/2020	964	0.84	
		2,632	2.29	1,490	DaVita Inc, 5.750%, due 8/15/2022	1,553	1.35	1,030	T-Mobile USA Inc, 6.500%, due 1/15/2024	1,107	0.96	
Jamaica — 2.64% (February 29, 2016: 2.67%)				2,130	DaVita Inc, 5.000%, due 5/1/2025	2,143	1.87	1,035	Transocean Inc, 8.125%, due 12/15/2021	1,087	0.95	
3,434	Digicel Group Ltd, 8.250%, due 9/30/2020	3,035	2.64	750	Diamond 1 Finance Corp / Diamond 2 Finance Corp, 6.020%, due 6/15/2026	826	0.72	385	Universal Health Services Inc, 144A, 4.750%, due 8/1/2022	397	0.35	
Luxembourg — 1.16% (February 29, 2016: 2.27%)				250	Diamond 1 Finance Corp / Diamond 2 Finance Corp, 144A, 6.020%, due 6/15/2026	275	0.24	940	Valeant Pharmaceuticals International, 144A, 6.375%, due 10/15/2020	855	0.74	
EUR	1,040	ARD Finance SA, 6.625%, due 9/15/2023	1,140	0.99	2,245	DISH DBS Corp, 5.000%, due 3/15/2023	2,307	2.01	2,000	Valeant Pharmaceuticals International Inc, 144A, 6.750%, due 8/15/2018	1,970	1.71
200	Coveris Holdings SA, 144A, 7.875%, due 11/1/2019	197	0.17	1,500	DISH DBS Corp, 5.875%, due 11/15/2024	1,597	1.39	150	Valeant Pharmaceuticals International Inc, 144A, 6.125%, due 4/15/2025	119	0.10	
		1,337	1.16	1,250	Dynegy Inc, 7.375%, due 11/1/2022	1,228	1.07	1,650	Valeant Pharmaceuticals International Inc, 6.125%, due 4/15/2025	1,314	1.14	
Netherlands — 0.30% (February 29, 2016: 0.00%)				420	Equinix Inc, 5.375%, due 4/1/2023	436	0.38	585	Vector Group Ltd, 144A, 6.125%, due 2/1/2025	603	0.52	
345	Constellium NV, 144A, 6.625%, due 3/1/2025	343	0.30	1,010	Frontier Communications Corp, 8.875%, due 9/15/2020	1,071	0.93	350	WR Grace & Co-Conn, 144A, 5.125%, due 10/1/2021	368	0.32	
New Zealand — 1.37% (February 29, 2016: 0.00%)				275	GEO Group Inc/The, 5.125%, due 4/1/2023	276	0.24			73,362	63.84	
1,515	Reynolds Group Issuer Inc / Reynolds Group Issuer LLC / Reynolds Group Issuer Lu, 144A, 5.125%, due 7/15/2023	1,570	1.37	1,000	GLP Capital LP / GLP Financing II Inc, 5.375%, due 4/15/2026	1,046	0.91	Total Corporate Bonds and Notes (Cost \$98,199)			86.94	
United Kingdom — 5.48% (February 29, 2016: 13.15%)				1,495	HCA Inc, 5.000%, due 3/15/2024	1,575	1.37					
GBP	300	Anglian Water Osprey Financing Plc, 5.000%, due 4/30/2023	395	0.34	1,330	HealthSouth Corp, 5.750%, due 11/1/2024	1,357	1.18				
GBP	250	Boparan Finance Plc, 5.250%, due 7/15/2019	316	0.27								
GBP	1,225	Boparan Finance Plc, 5.500%, due 7/15/2021	1,506	1.31								
	2,325	Fiat Chrysler Automobiles NV, 5.250%, due 4/15/2023	2,409	2.10								

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

The accompanying notes are an integral part of the Financial Statements

Legg Mason Brandywine Global High Yield Fund[^]

Portfolio of Investments as at February 28, 2017 – (continued)

Face Value (000's)	Value (000's) \$	% of Net Asset Value
Government Bonds and Notes — 1.70% (February 29, 2016: 3.88%)		
Argentina — 1.70% (February 29, 2016: 0.00%)		
830 Argentina Treasury Bill, zero coupon, due 4/17/2017	825	0.72
ARS 15,805 Argentine Bonos del Tesoro, 18.200%, due 10/3/2021	1,134	0.98
	1,959	1.70
Total Government Bonds and Notes (Cost \$1,917)	1,959	1.70
Loan Notes — 1.18% (February 29, 2016: 1.61%)		
382 Capsugel Holdings U.S. Inc, 4.000%, due 8/1/2018 *	384	0.34
890 Chesapeake Energy Corp, 8.500%, due 8/16/2021 *	967	0.84
Total Loan Notes (Cost \$1,287)	1,351	1.18

Face Value (000's)	Value (000's) \$	% of Net Asset Value
Collective Investment Schemes — 6.36% (February 29, 2016: 8.96%)		
7,313 Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	7,313	6.36
Total Collective Investment Schemes (Cost \$7,313)	7,313	6.36
Total Investments (Cost \$111,301)	113,111	98.42
Other Assets in Excess of Liabilities (February 29, 2016: 2.40%)	1,812	1.58
Total Net Assets	\$114,923	100.00

144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2017, these securities amounted to \$28,580,000 or 24.87% of net assets.

* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2017.

ABBREVIATIONS:

ARS	– Argentine Peso
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	90.60
Collective investment schemes	6.26
Financial derivative instruments	0.45
Other assets	2.69
Total Assets	100.00

Schedule of Credit Default Swaps

Counterparty	Reference Entity	Buy/Sell Protection	Expiration Date	Notional Amount (000's)	Value (000's)
Citi	Markit CDX.NA.HY, 5.000%	Sell	12/20/21	4,925	\$ 380
					\$ 380
Unrealised Appreciation of Credit Default Swaps (February 29, 2016 (000's): \$86)					380
Unrealised Depreciation of Credit Default Swaps (February 29, 2016 (000's): \$(34))					–
Net Appreciation of Credit Default Swaps (February 29, 2016 (000's): \$52)					\$ 380

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/Depreciation of Contracts (000's)
03/09/17	BNY Mellon	Buy GBP –	Sell CHF –	\$ –
03/09/17	BNY Mellon	Buy EUR –	Sell CHF –	–
03/09/17	BNY Mellon	Buy CAD 14	Sell CHF 11	–
03/09/17	BNY Mellon	Buy EUR –	Sell CHF –	–
03/09/17	BNY Mellon	Buy GBP 2	Sell EUR 3	–
03/09/17	BNY Mellon	Buy CAD 1,557	Sell EUR 1,108	(2)
03/09/17	BNY Mellon	Buy CAD 258	Sell GBP 158	(3)
03/09/17	BNY Mellon	Buy EUR 9	Sell GBP 8	–
03/09/17	BNY Mellon	Buy EUR 3	Sell GBP 2	–
03/09/17	BNY Mellon	Buy CAD 2	Sell SEK 14	–
03/09/17	BNY Mellon	Buy EUR –	Sell SEK 1	–
03/09/17	BNY Mellon	Buy GBP –	Sell SEK –	–
03/09/17	BNY Mellon	Buy EUR 376	Sell USD 405	(6)
03/09/17	BNY Mellon	Buy GBP 13	Sell USD 16	–
03/09/17	BNY Mellon	Buy CAD 8,820	Sell USD 6,778	(137)
03/09/17	BNY Mellon	Buy EUR 50	Sell USD 53	–
03/09/17	Citigroup	Buy USD 5,351	Sell GBP 4,210	126
03/09/17	JP Morgan Chase Bank	Buy GBP 1,480	Sell USD 1,881	(44)
03/09/17	Morgan Stanley	Buy GBP 915	Sell USD 1,128	7
05/10/17	Citigroup	Buy EUR 10,900	Sell USD 11,683	(97)
05/10/17	Morgan Stanley	Buy EUR 105	Sell USD 114	(2)
05/10/17	UBS	Buy USD 3,217	Sell EUR 3,015	12
05/10/17	UBS	Buy EUR 355	Sell USD 380	(3)
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$376)				145
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(315))				(294)
Net Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$61)				\$ (149)

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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 28, 2017

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 — 1.04% (February 29, 2016: 1.94%)				Government Bonds and Notes — 73.44% (February 29, 2016: 71.74%)				Norway — 1.94% (February 29, 2016: 0.00%)									
EUR	141	Bancaja 11 Fondo de Titulizacion de Activos 11, Class A2, 0.000%, due 4/27/2050 *	145	0.03	AUD	14,580	New South Wales Treasury Corp, Series 24, 5.000%, due 8/20/2024	12,889	2.55	9,742	Kommunalbanken AS, 144A, 1.300%, due 6/16/2020 *	9,807	1.94				
	21	CHL Mortgage Pass-Through Trust 2007-9, Series 2007 9, Class A13, 5.750%, due 7/25/2037	19	—	AUD	7,090	Queensland Treasury Corp, Series 22, 6.000%, due 7/21/2022	6,372	1.26	Poland — 1.94% (February 29, 2016: 2.23%)							
EUR	423	Fondo de Titulizacion de Activos UCI 17 17, Class A2, 0.000%, due 12/17/2049 *	352	0.07	AUD	9,270	Queensland Treasury Corp, Series 25, 144A, 4.750%, due 7/21/2025	8,022	1.59	PLN	16,450	Republic of Poland Government Bond, Series 1023, 4.000%, due 10/25/2023	4,192	0.83			
EUR	1,092	GC Pastor Hipotecario 5 FTA 5, Class A2, 0.000%, due 6/21/2046 *	903	0.18	AUD	9,625	Queensland Treasury Corp, Series 26, 144A, 3.250%, due 7/21/2026	7,436	1.47	PLN	23,405	Republic of Poland Government Bond, Series 0725, 3.250%, due 7/25/2025	5,614	1.11			
EUR	176	IM Pastor 4 FTA 4, Class A, 0.000%, due 3/22/2044 *	154	0.03				34,719	6.87				9,806	1.94			
EUR	3,500	Marche Mutui Srl 6, Class A2, 0.000%, due 1/27/2064 *	3,681	0.73	Brazil — 5.59% (February 29, 2016: 4.19%)				Portugal — 2.67% (February 29, 2016: 3.09%)								
Total Mortgage-Backed Securities (Cost \$5,978)				5,254	1.04	BRL	59,030	Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2025	18,789	3.72	EUR	10,625	Portugal Obrigacoes do Tesouro OT, 144A, 4.950%, due 10/25/2023	12,418	2.46		
Corporate Bonds and Notes — 16.61% (February 29, 2016: 19.33%)						BRL	29,985	Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2027	9,488	1.87	EUR	1,085	Portugal Obrigacoes do Tesouro OT, 144A, 2.875%, due 10/15/2025	1,080	0.21		
Australia — 0.29% (February 29, 2016: 0.75%)									28,277	5.59				13,498	2.67		
	1,455	Macquarie Bank Ltd, 144A, 1.662%, due 10/27/2017 *	1,460	0.29	Hungary — 3.75% (February 29, 2016: 4.15%)				South Africa — 5.15% (February 29, 2016: 3.07%)								
Netherlands — 1.04% (February 29, 2016: 3.07%)						HUF	540,000	Hungary Government Bond, Series 22/A, 7.000%, due 6/24/2022	2,301	0.46	ZAR	55,355	Republic of South Africa Government Bond, Series R208, 6.750%, due 3/31/2021	4,047	0.80		
	5,245	Nederlandse Waterschapsbank NV, 144A, 1.266%, due 2/14/2018 *	5,254	1.04	HUF	3,080,000	Hungary Government Bond, Series 23/A, 6.000%, due 11/24/2023	12,802	2.53	ZAR	180,215	Republic of South Africa Government Bond, Series R214, 6.500%, due 2/28/2041	9,805	1.94			
Supranational — 1.29% (February 29, 2016: 2.15%)						HUF	960,000	Hungary Government Bond, Series 25/B, 5.500%, due 6/24/2025	3,844	0.76	ZAR	175,295	Republic of South Africa Government Bond, Series 2048, 8.750%, due 2/28/2048	12,187	2.41		
	2,850	Corp Andina de Fomento, 1.589%, due 1/29/2018 *	2,851	0.56				18,947	3.75				26,039	5.15			
	3,690	Corp Andina de Fomento, 2.000%, due 5/10/2019	3,700	0.73	Indonesia — 4.42% (February 29, 2016: 4.55%)				South Korea — 1.62% (February 29, 2016: 1.69%)								
			6,551	1.29	IDR	21,400,000	Indonesia Treasury Bond, Series FR70, 8.375%, due 3/15/2024	1,685	0.33	4,230	Export-Import Bank of Korea, 144A, 1.634%, due 5/12/2017 *	4,230	0.84				
United States — 13.99% (February 29, 2016: 8.72%)						IDR	195,400,000	Indonesia Treasury Bond, Series FR71, 9.000%, due 3/15/2029	15,809	3.13	3,940	Export-Import Bank of Korea, 144A, 1.661%, due 8/14/2017 *	3,938	0.78			
	4,050	Apple Inc, 4.500%, due 2/23/2036	4,400	0.87	IDR	62,200,000	Indonesia Treasury Bond, Series FR67, 8.750%, due 2/15/2044	4,841	0.96				8,168	1.62			
	10,185	Apple Inc, 4.650%, due 2/23/2046	11,075	2.19				22,335	4.42	United Kingdom — 6.09% (February 29, 2016: 0.00%)							
	3,085	Citigroup Inc, 1.727%, due 4/27/2018 *	3,099	0.61	Malaysia — 3.77% (February 29, 2016: 3.66%)				United States — 15.59% (February 29, 2016: 16.17%)								
	3,730	Citigroup Inc, 1.800%, due 1/10/2020 *	3,747	0.74	MYR	27,030	Malaysia Government Bond, Series 0315, 3.659%, due 10/15/2020	6,093	1.20	1,740	Municipal Electric Authority of Georgia, 6.655%, due 4/1/2057	2,134	0.42				
	890	Dell Inc, 6.500%, due 4/15/2038	857	0.17	MYR	18,145	Malaysia Government Bond, Series 0314, 4.048%, due 9/30/2021	4,137	0.82	6,587	United States Treasury Floating Rate Note, 0.686%, due 10/31/2018 *	6,594	1.31				
	3,440	Ford Motor Credit Co LLC, 1.863%, due 6/15/2018 *	3,457	0.68	MYR	10,735	Malaysia Government Bond, Series 0416, 3.620%, due 11/30/2021	2,407	0.48	4,504	United States Treasury Floating Rate Note, 0.656%, due 1/31/2019 *	4,504	0.89				
	5,095	Ford Motor Credit Co LLC, 2.009%, due 1/9/2020 *	5,141	1.02	MYR	29,170	Malaysia Government Bond, Series 0313, 3.480%, due 3/15/2023	6,402	1.27	16,540	United States Treasury Note/Bond, 3.000%, due 11/15/2045	16,597	3.28				
	11,630	Goldman Sachs Group Inc/The, 2.139%, due 11/15/2018 *	11,770	2.33				19,039	3.77	49,971	United States Treasury Note/Bond, 2.875%, due 11/15/2046	49,001	9.69				
	740	Hess Corp, 7.875%, due 10/1/2029	910	0.18	Mexico — 11.80% (February 29, 2016: 13.21%)				Total Government Bonds and Notes (Cost \$401,259)								
	700	Hess Corp, 7.300%, due 8/15/2031	823	0.16	MXN	287,000	Mexican Bonos, Series M 20, 8.500%, due 5/31/2029	15,375	3.04				371,213	73.44			
	470	Hess Corp, 7.125%, due 3/15/2033	549	0.11	MXN	118,800	Mexican Bonos, Series M, 7.750%, due 11/23/2034	5,909	1.17	Collective Investment Schemes — 8.39% (February 29, 2016: 5.62%)							
	6,810	Hewlett Packard Enterprise Co, 6.350%, due 10/15/2045	7,111	1.41	MXN	301,800	Mexican Bonos, Series M 30, 8.500%, due 11/18/2038	16,073	3.18				42,433	Goldman Sachs US\$ Liquid Reserves Fund — Institutional Class	42,433	8.39	
	2,910	JPMorgan Chase Bank NA, 1.444%, due 9/21/2018 *	2,919	0.58				22,292	4.41	Total Collective Investment Schemes (Cost \$42,433)							
	670	Marathon Oil Corp, 6.800%, due 3/15/2032	768	0.15				59,649	11.80				42,433	8.39			
	1,020	Marathon Oil Corp, 6.600%, due 10/1/2037	1,174	0.23	New Zealand — 2.24% (February 29, 2016: 3.48%)				Total Investments (Cost \$531,418)								
	5,735	Morgan Stanley, 2.318%, due 4/25/2018 *	5,801	1.15	NZD	13,660	New Zealand Government Bond, Series 0423, 5.500%, due 4/15/2023	11,297	2.24				502,881	99.48			
	6,990	Wells Fargo & Co, 2.057%, due 7/26/2021 *	7,115	1.41						Other Assets in Excess of Liabilities (February 29, 2016: 1.37%)							
			70,716	13.99									2,618	0.52			
Total Corporate Bonds and Notes (Cost \$81,748)				83,981	16.61					Total Net Assets						\$505,499	100.00

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

The accompanying notes are an integral part of the Financial Statements

Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^]

Portfolio of Investments as at February 28, 2017 – (continued)

- Amounts designated as “–” are either \$0, less than \$1,000 or less than 1,000 shares.
- 144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2017, these securities amounted to \$53,645,000 or 10.62% of net assets.
- * Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2017.

ABBREVIATIONS:

AUD	– Australian Dollar
BRL	– Brazilian Real
EUR	– Euro
GBP	– British Pound
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	90.14
Collective investment schemes	8.31
Financial derivative instruments	0.43
Other assets	1.12
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)
03/06/17	HSBC	Buy	SEK 145,000	Sell	USD 15,777	\$ 292
03/07/17	HSBC	Buy	CLP 6,910,000	Sell	USD 10,482	141
03/09/17	BNY Mellon	Buy	NZD 3,928	Sell	AUD 3,754	(49)
03/09/17	BNY Mellon	Buy	EUR 83	Sell	AUD 117	(2)
03/09/17	BNY Mellon	Buy	USD 159	Sell	AUD 208	–
03/09/17	BNY Mellon	Buy	GBP 17	Sell	AUD 27	–
03/09/17	BNY Mellon	Buy	NZD 3	Sell	AUD 3	–
03/09/17	BNY Mellon	Buy	NZD 4,149	Sell	CAD 3,952	12
03/09/17	BNY Mellon	Buy	EUR 87	Sell	CAD 123	–
03/09/17	BNY Mellon	Buy	USD 168	Sell	CAD 218	3
03/09/17	BNY Mellon	Buy	GBP 18	Sell	CAD 29	–
03/09/17	BNY Mellon	Buy	USD 16	Sell	CHF 15	–
03/09/17	BNY Mellon	Buy	GBP 2	Sell	CHF 2	–
03/09/17	BNY Mellon	Buy	NZD 386	Sell	CHF 279	(1)
03/09/17	BNY Mellon	Buy	EUR 8	Sell	CHF 9	–
03/09/17	BNY Mellon	Buy	GBP 5	Sell	DKK 41	–
03/09/17	BNY Mellon	Buy	NZD 1,109	Sell	DKK 5,588	2
03/09/17	BNY Mellon	Buy	USD 45	Sell	DKK 309	1
03/09/17	BNY Mellon	Buy	EUR 23	Sell	DKK 174	–
03/09/17	BNY Mellon	Buy	NZD 1	Sell	DKK 4	–
03/09/17	BNY Mellon	Buy	USD 3,035	Sell	EUR 2,812	54
03/09/17	BNY Mellon	Buy	GBP 321	Sell	EUR 372	4
03/09/17	BNY Mellon	Buy	NZD 74,957	Sell	EUR 50,842	90
03/09/17	BNY Mellon	Buy	NZD 57	Sell	EUR 38	–
03/09/17	BNY Mellon	Buy	USD 548	Sell	GBP 439	3
03/09/17	BNY Mellon	Buy	NZD 10	Sell	GBP 6	–
03/09/17	BNY Mellon	Buy	EUR 286	Sell	GBP 247	(3)
03/09/17	BNY Mellon	Buy	NZD 13,546	Sell	GBP 7,937	(97)
03/09/17	BNY Mellon	Buy	GBP 227	Sell	JPY 31,820	(2)
03/09/17	BNY Mellon	Buy	USD 2,142	Sell	JPY 240,695	(1)
03/09/17	BNY Mellon	Buy	EUR 1,116	Sell	JPY 135,411	(23)
03/09/17	BNY Mellon	Buy	NZD 52,944	Sell	JPY 4,354,718	(654)
03/09/17	BNY Mellon	Buy	NZD 1	Sell	MXN 16	–
03/09/17	BNY Mellon	Buy	NZD 1,471	Sell	MXN 22,075	(38)
03/09/17	BNY Mellon	Buy	USD 60	Sell	MXN 1,220	(1)
03/09/17	BNY Mellon	Buy	EUR 31	Sell	MXN 686	(1)
03/09/17	BNY Mellon	Buy	GBP 6	Sell	MXN 161	–
03/09/17	BNY Mellon	Buy	GBP 4	Sell	MYR 20	–
03/09/17	BNY Mellon	Buy	NZD 845	Sell	MYR 2,741	(9)
03/09/17	BNY Mellon	Buy	USD 34	Sell	MYR 152	–
03/09/17	BNY Mellon	Buy	EUR 18	Sell	MYR 85	–
03/09/17	BNY Mellon	Buy	NZD 530	Sell	NOK 3,188	2
03/09/17	BNY Mellon	Buy	GBP 2	Sell	NOK 23	–
03/09/17	BNY Mellon	Buy	USD 21	Sell	NOK 176	1
03/09/17	BNY Mellon	Buy	EUR 11	Sell	NOK 99	–
03/09/17	BNY Mellon	Buy	GBP 5	Sell	PLN 26	–
03/09/17	BNY Mellon	Buy	USD 49	Sell	PLN 195	1
03/09/17	BNY Mellon	Buy	NZD 1,206	Sell	PLN 3,530	–
03/09/17	BNY Mellon	Buy	EUR 25	Sell	PLN 110	–
03/09/17	BNY Mellon	Buy	EUR 19	Sell	SEK 178	–
03/09/17	BNY Mellon	Buy	NZD 893	Sell	SEK 5,720	9
03/09/17	BNY Mellon	Buy	GBP 4	Sell	SEK 42	–
03/09/17	BNY Mellon	Buy	USD 36	Sell	SEK 316	1
03/09/17	BNY Mellon	Buy	EUR 15	Sell	SGD 23	–
03/09/17	BNY Mellon	Buy	NZD 724	Sell	SGD 746	(12)
03/09/17	BNY Mellon	Buy	GBP 3	Sell	SGD 5	–
03/09/17	BNY Mellon	Buy	USD 29	Sell	SGD 41	–

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

The accompanying notes are an integral part of the Financial Statements

Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^]

Portfolio of Investments as at February 28, 2017 – (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)
03/09/17	BNY Mellon	Buy	EUR 1,759	Sell	USD 1,898	\$ (34)
03/09/17	BNY Mellon	Buy	NZD 83,345	Sell	USD 60,992	(976)
03/09/17	BNY Mellon	Buy	GBP 357	Sell	USD 446	(3)
03/09/17	BNY Mellon	Buy	NZD 63	Sell	USD 45	–
03/09/17	BNY Mellon	Buy	EUR 21	Sell	ZAR 308	(1)
03/09/17	BNY Mellon	Buy	USD 41	Sell	ZAR 546	(1)
03/09/17	BNY Mellon	Buy	NZD 1,012	Sell	ZAR 9,896	(24)
03/09/17	BNY Mellon	Buy	NZD 1	Sell	ZAR 7	–
03/09/17	BNY Mellon	Buy	GBP 4	Sell	ZAR 72	–
03/09/17	Citigroup	Buy	USD 12,341	Sell	GBP 9,880	78
03/09/17	Citigroup	Buy	GBP 46,380	Sell	USD 58,952	(1,386)
03/15/17	Barclays Capital	Buy	USD 6,221	Sell	INR 417,000	(17)
03/15/17	Barclays Capital	Buy	INR 1,958,000	Sell	USD 28,580	713
03/15/17	BNY Mellon	Buy	USD –	Sell	GBP –	–
03/15/17	BNY Mellon	Buy	EUR 531	Sell	USD 568	(5)
03/15/17	BNY Mellon	Buy	GBP 1	Sell	USD 2	–
04/10/17	HSBC	Buy	USD 6,644	Sell	NOK 55,600	10
04/10/17	HSBC	Buy	NOK 141,200	Sell	USD 16,435	413
04/21/17	Morgan Stanley	Buy	USD 14,056	Sell	NZD 19,760	(154)
04/21/17	Morgan Stanley	Buy	NZD 4,210	Sell	USD 3,021	6
04/24/17	HSBC	Buy	USD 8,439	Sell	SEK 75,100	96
04/24/17	HSBC	Buy	SEK 207,900	Sell	USD 23,437	(340)
05/02/17	JP Morgan Chase Bank	Buy	USD 6,478	Sell	JPY 731,000	(47)
05/02/17	JP Morgan Chase Bank	Buy	JPY 3,431,000	Sell	USD 30,573	50
05/10/17	Citigroup	Buy	USD 21,050	Sell	EUR 19,640	174
05/10/17	Citigroup	Buy	EUR 4,180	Sell	USD 4,462	(20)
05/10/17	Morgan Stanley	Buy	USD 1,577	Sell	EUR 1,480	4
05/15/17	HSBC	Buy	NOK 120,300	Sell	USD 14,452	(94)
05/17/17	Morgan Stanley	Buy	AUD 14,910	Sell	USD 11,360	52
06/16/17	HSBC	Buy	CLP 9,550,000	Sell	USD 14,747	(155)
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$5,014)						2,212
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(2,894))						(4,150)
Net Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$2,120)						\$ (1,938)

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The accompanying notes are an integral part of the Financial Statements

Legg Mason Brandywine Global Sovereign Credit Fund[^]

Portfolio of Investments as at February 28, 2017

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			
Government Bonds and Notes — 94.85% (February 29, 2016: 89.52%)				MXN	2,488,000	Mexican Bonos, Series M 30, 8.500%, due 11/18/2038	132,503	5.18	54,110	United States Treasury Note/Bond, 2.500%, due 2/15/2045	49,069	1.92		
Australia — 3.58% (February 29, 2016: 3.63%)				MXN	2,046,000	Mexican Bonos, Series M, 7.750%, due 11/13/2042	100,841	3.95	255,245	United States Treasury Note/Bond, 2.875%, due 11/15/2046	250,290	9.79		
AUD	100,215	Queensland Treasury Corp, Series 24, 5.750%, due 7/22/2024	91,578	3.58			327,792	12.83			464,558	18.18		
Brazil — 4.88% (February 29, 2016: 4.49%)				New Zealand — 3.85% (February 29, 2016: 5.13%)				Total Government Bonds and Notes (Cost \$2,673,515)				2,424,151	94.85	
BRL	394,275	Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2027	124,752	4.88	NZD	118,945	New Zealand Government Bond, Series 0423, 5.500%, due 4/15/2023	98,369	3.85					
Colombia — 3.62% (February 29, 2016: 4.07%)				Poland — 4.40% (February 29, 2016: 5.07%)				Collective Investment Schemes — 3.38% (February 29, 2016: 8.16%)						
	93,205	Colombia Government International Bond, 5.000%, due 6/15/2045	92,646	3.62	PLN	468,795	Republic of Poland Government Bond, Series 0725, 3.250%, due 7/25/2025	112,447	4.40	86,333	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	86,333	3.38	
Hungary — 5.60% (February 29, 2016: 4.14%)				Portugal — 3.37% (February 29, 2016: 4.42%)				Total Collective Investment Schemes (Cost \$86,333)				86,333	3.38	
HUF	12,100,000	Hungary Government Bond, Series 22/A, 7.000%, due 6/24/2022	51,557	2.02	EUR	28,730	Portugal Obrigacoes do Tesouro OT, 144A, 4.950%, due 10/25/2023	33,577	1.31	Total Investments (Cost \$2,759,848)			2,510,484	98.23
HUF	8,640,000	Hungary Government Bond, Series 23/A, 6.000%, due 11/24/2023	35,911	1.40	EUR	18,240	Portugal Obrigacoes do Tesouro OT, 144A, 2.875%, due 10/15/2025	18,161	0.71	Other Assets in Excess of Liabilities (February 29, 2016: 2.32%)			45,155	1.77
HUF	13,905,000	Hungary Government Bond, Series 25/B, 5.500%, due 6/24/2025	55,687	2.18	EUR	34,975	Portugal Obrigacoes do Tesouro OT, 144A, 4.100%, due 4/15/2037	34,395	1.35	Total Net Assets			\$2,555,639	100.00
			143,155	5.60			86,133	3.37	144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2017, these securities amounted to \$86,133,000 or 3.37% of net assets.					
Indonesia — 6.85% (February 29, 2016: 6.85%)				South Africa — 6.26% (February 29, 2016: 1.97%)				* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2017.						
IDR	131,000,000	Indonesia Treasury Bond, Series FR70, 8.375%, due 3/15/2024	10,314	0.41	ZAR	1,538,050	Republic of South Africa Government Bond, Series R214, 6.500%, due 2/28/2041	83,679	3.27	ABBREVIATIONS:				
IDR	1,526,300,000	Indonesia Treasury Bond, Series FR71, 9.000%, due 3/15/2029	123,491	4.83	ZAR	1,098,420	Republic of South Africa Government Bond, Series 2048, 8.750%, due 2/28/2048	76,368	2.99	AUD	– Australian Dollar			
IDR	339,800,000	Indonesia Treasury Bond, Series FR68, 8.375%, due 3/15/2034	26,117	1.02				160,047	6.26	BRL	– Brazilian Real			
IDR	194,800,000	Indonesia Treasury Bond, Series FR67, 8.750%, due 2/15/2044	15,161	0.59	South Korea — 8.49% (February 29, 2016: 8.88%)					EUR	– Euro			
			175,083	6.85	KRW	107,100,000	Korea Treasury Bond, Series 1809, 5.750%, due 9/10/2018	100,637	3.94	GBP	– British Pound			
Malaysia — 6.63% (February 29, 2016: 5.44%)					KRW	119,380,000	Korea Treasury Bond, Series 2006, 5.000%, due 6/10/2020	116,425	4.55	HUF	– Hungarian Forint			
MYR	284,005	Malaysia Government Bond, Series 0315, 3.659%, due 10/15/2020	64,022	2.51				217,062	8.49	IDR	– Indonesian Rupiah			
MYR	37,130	Malaysia Government Bond, Series 0314, 4.048%, due 9/30/2021	8,465	0.33	Turkey — 2.58% (February 29, 2016: 0.00%)					KRW	– South Korean Won			
MYR	162,295	Malaysia Government Bond, Series 0416, 3.620%, due 11/30/2021	36,394	1.42		63,170	Turkey Government International Bond, 6.625%, due 2/17/2045	65,912	2.58	MXN	– Mexican Peso			
MYR	275,755	Malaysia Government Bond, Series 0313, 3.480%, due 3/15/2023	60,517	2.37	United Kingdom — 3.73% (February 29, 2016: 0.00%)					MYR	– Malaysian Ringgit			
			169,398	6.63	GBP	75,505	United Kingdom Gilt, 1.250%, due 7/22/2018	95,219	3.73	NZD	– New Zealand Dollar			
Mexico — 12.83% (February 29, 2016: 13.23%)				United States — 18.18% (February 29, 2016: 19.47%)				PLN – Polish Zloty						
MXN	1,312,000	Mexican Bonos, Series M 20, 8.500%, due 5/31/2029	70,284	2.75		132,420	United States Treasury Floating Rate Note, 0.686%, due 10/31/2018 *	132,553	5.19	ZAR	– South Africa Rand			
MXN	485,800	Mexican Bonos, Series M, 7.750%, due 11/23/2034	24,164	0.95		32,645	United States Treasury Floating Rate Note, 0.656%, due 1/31/2019 *	32,646	1.28	Analysis of Total Assets				
Transferable securities admitted to an official exchange listing or traded on a regulated market												94.38		
Collective investment schemes												3.36		
Financial derivative instruments												0.68		
Other assets												1.58		
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)
03/06/17	HSBC	Buy SEK	Sell USD	\$ 1,303
03/09/17	BNY Mellon	Buy EUR	Sell AUD	(4)
03/09/17	BNY Mellon	Buy GBP	Sell AUD	(139)
03/09/17	BNY Mellon	Buy EUR	Sell CAD	–
03/09/17	BNY Mellon	Buy GBP	Sell CAD	255
03/09/17	BNY Mellon	Buy GBP	Sell CHF	30
03/09/17	BNY Mellon	Buy EUR	Sell CHF	–
03/09/17	BNY Mellon	Buy GBP	Sell DKK	56
03/09/17	BNY Mellon	Buy EUR	Sell DKK	–
03/09/17	BNY Mellon	Buy GBP	Sell EUR	3,818
03/09/17	BNY Mellon	Buy EUR	Sell GBP	(11)

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The accompanying notes are an integral part of the Financial Statements

Legg Mason Brandywine Global Sovereign Credit Fund[^]

Portfolio of Investments as at February 28, 2017 – (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)
03/09/17	BNY Mellon	Buy	GBP	402	Sell	HKD	3,898	\$ (3)
03/09/17	BNY Mellon	Buy	EUR	5	Sell	HKD	42	–
03/09/17	BNY Mellon	Buy	GBP	201,098	Sell	JPY	28,242,348	(1,899)
03/09/17	BNY Mellon	Buy	EUR	2,503	Sell	JPY	303,651	(51)
03/09/17	BNY Mellon	Buy	GBP	2,011	Sell	NOK	20,627	35
03/09/17	BNY Mellon	Buy	EUR	25	Sell	NOK	222	–
03/09/17	BNY Mellon	Buy	EUR	23	Sell	NZD	33	–
03/09/17	BNY Mellon	Buy	GBP	1,809	Sell	NZD	3,089	21
03/09/17	BNY Mellon	Buy	EUR	43	Sell	SEK	402	1
03/09/17	BNY Mellon	Buy	GBP	3,419	Sell	SEK	37,415	96
03/09/17	BNY Mellon	Buy	GBP	3,016	Sell	SGD	5,310	(44)
03/09/17	BNY Mellon	Buy	EUR	38	Sell	SGD	57	(1)
03/09/17	BNY Mellon	Buy	GBP	201,098	Sell	USD	251,173	(1,579)
03/09/17	BNY Mellon	Buy	EUR	2,503	Sell	USD	2,702	(49)
03/09/17	Citigroup	Buy	GBP	148,920	Sell	USD	189,286	(4,452)
03/15/17	Barclays Capital	Buy	INR	7,832,000	Sell	USD	114,318	2,850
04/10/17	HSBC	Buy	NOK	643,500	Sell	USD	74,899	1,883
04/11/17	Citigroup	Buy	JPY	5,050,000	Sell	USD	43,588	1,447
04/19/17	HSBC	Buy	THB	781,000	Sell	USD	22,126	238
04/21/17	Morgan Stanley	Buy	USD	96,744	Sell	NZD	136,000	(1,060)
04/24/17	HSBC	Buy	SEK	801,900	Sell	USD	90,399	(1,312)
05/02/17	JP Morgan Chase Bank	Buy	JPY	8,373,000	Sell	USD	74,610	122
05/05/17	HSBC	Buy	COP	358,700,000	Sell	USD	121,297	73
05/08/17	UBS	Buy	BRL	212,300	Sell	USD	66,468	684
05/10/17	Citigroup	Buy	USD	225,645	Sell	EUR	210,530	1,867
05/12/17	HSBC	Buy	CLP	32,220,000	Sell	USD	47,631	1,705
05/15/17	HSBC	Buy	NOK	452,800	Sell	USD	54,396	(354)
05/16/17	HSBC	Buy	USD	95,821	Sell	SGD	136,100	(1,338)
05/16/17	JP Morgan Chase Bank	Buy	SGD	45,400	Sell	USD	32,294	116
05/17/17	Morgan Stanley	Buy	AUD	200,490	Sell	USD	152,753	695
06/02/17	JP Morgan Chase Bank	Buy	USD	32,294	Sell	TWD	987,200	45
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$27,476)								17,340
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(45,146))								(12,296)
Net Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(17,670))								\$ 5,044

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The accompanying notes are an integral part of the Financial Statements

Legg Mason Brandywine Global Income Optimiser Fund[^]

Portfolio of Investments as at February 28, 2017

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 — 1.66% (February 29, 2016: 8.89%)				1,630	Bank of America Corp, Series L, 2.250%, due 4/21/2020	1,632	1.88	750	Walt Disney Co/The, Series E, 4.125%, due 12/1/2041	778	0.90			
GBP	290	Auburn Securities 5 Plc 5, Class A2, 0.582%, due 12/1/2041 *	352	0.41	880	Bank of America Corp, 4.200%, due 8/26/2024	908	1.05	1,235	WR Grace & Co-Conn, 144A, 5.125%, due 10/1/2021	1,300	1.50		
	1,050	FREMF 2014-K717 Mortgage Trust, Series 2014 K717, Class B, 144A, 3.629%, due 11/25/2047 *	1,072	1.23	695	Boise Cascade Co, 144A, 5.625%, due 9/1/2024	711	0.82			45,076	52.01		
	15	JP Morgan Chase Commercial Mortgage Securities Trust 2007-LDP12, Series 2007 LD12, Class AM, 6.062%, due 2/15/2051 *	15	0.02	289	Capsugel SA, 144A, 7.000%, due 5/15/2019	290	0.33	Total Corporate Bonds and Notes (Cost \$58,146)			58,657	67.68	
Total Mortgage-Backed Securities (Cost \$1,506)				1,439	1.66	1,090	CF Industries Inc, 144A, 3.400%, due 12/1/2021	1,094	1.26	Government Bonds and Notes — 24.64% (February 29, 2016: 32.50%)				
Corporate Bonds and Notes — 67.68% (February 29, 2016: 52.15%)				320	CF Industries Inc, 4.950%, due 6/1/2043	275	0.32	Argentina — 2.96% (February 29, 2016: 0.00%)						
Belgium — 1.82% (February 29, 2016: 0.97%)				1,600	CIT Group Inc, 5.000%, due 8/15/2022	1,696	1.96	1,780	Argentina Treasury Bill, zero coupon, due 4/17/2017	1,770	2.04			
	1,435	Anheuser-Busch InBev Finance Inc, 4.900%, due 2/1/2046	1,575	1.82	1,035	Colorado Interstate Gas Co LLC / Colorado Interstate Issuing Corp, 144A, 4.150%, due 8/15/2026	1,011	1.17	ARS	11,035	Argentine Bonos del Tesoro, 18.200%, due 10/3/2021	792	0.92	
Brazil — 6.40% (February 29, 2016: 1.82%)				190	Crown Castle International Corp, 3.700%, due 6/15/2026	188	0.22				2,562	2.96		
	1,000	JBS Investments GmbH, 144A, 7.250%, due 4/3/2024	1,065	1.23	840	CSX Corp, 3.800%, due 11/1/2046	783	0.90	Mexico — 0.97% (February 29, 2016: 0.00%)					
	1,290	JBS Investments GmbH, 7.250%, due 4/3/2024	1,374	1.59	670	Diamond 1 Finance Corp / Diamond 2 Finance Corp, 144A, 6.020%, due 6/15/2026	737	0.85	MXN	17,004	Mexican Bonos, Series M, 7.750%, due 11/13/2042	838	0.97	
	1,625	Marfrig Holdings Europe BV, 8.000%, due 6/8/2023	1,704	1.97	1,225	DISH DBS Corp, 5.000%, due 3/15/2023	1,259	1.45	United States — 20.71% (February 29, 2016: 4.44%)					
	450	Petrobras Global Finance BV, 5.750%, due 1/20/2020	472	0.54	1,655	DuPont Fabros Technology LP, 5.625%, due 6/15/2023	1,723	1.99	4,955	United States Treasury Bill, zero coupon, due 3/2/2017	4,955	5.72		
	140	Petrobras Global Finance BV, 5.375%, due 1/27/2021	142	0.16	880	Equinix Inc, 5.375%, due 4/1/2023	913	1.05	13,000	United States Treasury Bill, zero coupon, due 3/16/2017	12,998	14.99		
	695	Petrobras Global Finance BV, 8.750%, due 5/23/2026	788	0.91	810	Express Scripts Holding Co, 4.500%, due 2/25/2026	841	0.97			17,953	20.71		
			5,545	6.40	1,910	Hexion Inc, 6.625%, due 4/15/2020	1,776	2.05	Total Government Bonds and Notes (Cost \$21,337)			21,353	24.64	
Ireland — 1.67% (February 29, 2016: 3.01%)				960	Iron Mountain Inc, 6.000%, due 8/15/2023	1,016	1.17	Loan Notes — 3.86% (February 29, 2016: 0.00%)						
EUR	400	Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 4.125%, due 5/15/2023	451	0.52	1,575	Johnson & Johnson, 3.700%, due 3/1/2046	1,583	1.83	588	Capsugel Holdings U.S. Inc, 4.000%, due 7/31/2021 *	590	0.68		
	955	Fly Leasing Ltd, 6.750%, due 12/15/2020	1,000	1.15	475	Kellogg Co, 3.250%, due 4/1/2026	467	0.54	630	Columbus McKinnon Corp/ NY, 0.000%, due 1/20/2024 *	635	0.73		
			1,451	1.67	1,540	Kraft Heinz Foods Co, 3.500%, due 6/6/2022	1,575	1.82	830	Energy Transfer Equity, 3.733%, due 1/30/2024 *	834	0.96		
Jamaica — 2.34% (February 29, 2016: 2.02%)					810	Kraft Heinz Foods Co, 4.375%, due 6/1/2046	762	0.88	1,280	Level 3 Financing Inc, 3.260%, due 2/17/2024 *	1,288	1.49		
	2,295	Digicel Group Ltd, 144A, 8.250%, due 9/30/2020	2,028	2.34	690	Lockheed Martin Corp, 3.550%, due 1/15/2026	706	0.81	Total Loan Notes (Cost \$3,319)			3,347	3.86	
Switzerland — 0.63% (February 29, 2016: 0.00%)				725	McDonald's Corp, 4.875%, due 12/9/2045	781	0.90	Collective Investment Schemes — 7.11% (February 29, 2016: 3.43%)						
	540	Roche Holdings Inc, 144A, 4.000%, due 11/28/2044	549	0.63	1,535	Morgan Stanley, Series 3NC2, 1.842%, due 2/14/2020 *	1,541	1.78	6,164	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	6,164	7.11		
United Kingdom — 2.81% (February 29, 2016: 6.83%)				805	NIKE Inc, 3.625%, due 5/1/2043	762	0.88	Total Collective Investment Schemes (Cost \$6,164)			6,164	7.11		
GBP	560	Boparan Finance Plc, 5.250%, due 7/15/2019	707	0.82	745	Norfolk Southern Corp, 4.450%, due 6/15/2045	790	0.91	Total Investments (Cost \$90,472)			90,960	104.95	
GBP	560	Boparan Finance Plc, 5.500%, due 7/15/2021	689	0.79	865	PepsiCo Inc, 3.450%, due 10/6/2046	791	0.91	Liabilities in Excess of Other Assets (February 29, 2016: 3.03%)				(4,290)	(4.95)
	275	Santander UK Plc, 1.407%, due 9/29/2017 *	275	0.32	730	Rackspace Hosting Inc, 144A, 8.625%, due 11/15/2024	769	0.89	Total Net Assets			\$86,670	100.00	
GBP	610	Virgin Media Secured Finance Plc, 4.875%, due 1/15/2027	762	0.88	760	SBA Communications Corp, 144A, 4.875%, due 9/1/2024	756	0.87	144A	Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2017, these securities amounted to \$15,100,000 or 17.41% of net assets.				
			2,433	2.81	440	Sealed Air Corp, 5.250%, due 4/1/2023	462	0.53	*	Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2017.				
United States — 52.01% (February 29, 2016: 30.27%)				755	Smithfield Foods Inc, 144A, 4.250%, due 2/1/2027	771	0.89	ABBREVIATIONS:						
	875	3M Co, 3.125%, due 9/19/2046	789	0.91	2,235	Sprint Corp, 7.250%, due 9/15/2021	2,436	2.81	ARS	– Argentine Peso				
	730	American Tower Corp, 2.250%, due 1/15/2022	702	0.81	690	T-Mobile USA Inc, 6.500%, due 1/15/2024	741	0.86	EUR	– Euro				
	1,075	American Tower Corp, 4.400%, due 2/15/2026	1,111	1.28	915	Universal Health Services Inc, 144A, 4.750%, due 8/1/2022	943	1.09	GBP	– British Pound				
	1,455	American Tower Corp, 3.125%, due 1/15/2027	1,359	1.57	830	Valeant Pharmaceuticals International Inc, 144A, 6.750%, due 8/15/2018	818	0.94	MXN	– Mexican Peso				
	770	AmeriGas Partners LP / AmeriGas Finance Corp, 5.625%, due 5/20/2024	797	0.92	1,575	Valeant Pharmaceuticals International Inc, 6.125%, due 4/15/2025	1,254	1.45	Analysis of Total Assets				% of Total Assets	
	540	Anadarko Petroleum Corp, 6.450%, due 9/15/2036	654	0.75	410	Vector Group Ltd, 144A, 6.125%, due 2/1/2025	422	0.49	Transferable securities admitted to an official exchange listing or traded on a regulated market			88.24		
	820	Antero Resources Corp, 5.375%, due 11/1/2021	839	0.97					Collective investment schemes			6.42		
	788	Antero Resources Corp, 144A, 5.000%, due 3/1/2025	764	0.88					Financial derivative instruments			0.44		
									Other assets			4.90		
									Total Assets			100.00		

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The accompanying notes are an integral part of the Financial Statements

Legg Mason Brandywine Global Income Optimiser Fund[^]

Portfolio of Investments as at February 28, 2017 – (continued)

Schedule of Credit Default Swaps

Counterparty	Reference Entity	Buy/Sell Protection	Expiration Date	Notional Amount (000's)	Value (000's)
Citi	Markit CDX.NA.HY, 5.000%	Sell	12/20/21	3,736	\$ 289
					\$ 289
Unrealised Appreciation of Credit Default Swaps (February 29, 2016 (000's): \$91)					289
Unrealised Depreciation of Credit Default Swaps (February 29, 2016 (000's): \$(55))					–
Net Appreciation of Credit Default Swaps (February 29, 2016 (000's): \$36)					\$ 289

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)		Sell Currency (000's)		Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/09/17	Citigroup	Buy	USD 3,584	Sell	GBP 2,820	\$ 84
03/09/17	Morgan Stanley	Buy	GBP 875	Sell	USD 1,079	7
03/15/17	BNY Mellon	Buy	USD 100	Sell	EUR 95	–
03/15/17	BNY Mellon	Buy	USD 23	Sell	EUR 22	–
03/15/17	BNY Mellon	Buy	USD 396	Sell	GBP 317	2
03/15/17	BNY Mellon	Buy	USD 41	Sell	SGD 58	–
03/15/17	BNY Mellon	Buy	SGD 2,448	Sell	USD 1,728	18
03/15/17	BNY Mellon	Buy	GBP 7,751	Sell	USD 9,700	(79)
03/15/17	BNY Mellon	Buy	EUR 25,839	Sell	USD 27,644	(246)
03/15/17	BNY Mellon	Buy	EUR 2,394	Sell	USD 2,532	6
03/15/17	BNY Mellon	Buy	SEK 340,299	Sell	USD 38,508	(778)
05/10/17	Citigroup	Buy	USD 911	Sell	EUR 850	8
05/10/17	UBS	Buy	EUR 440	Sell	USD 472	(5)
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$1,700)						125
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(1,993))						(1,108)
Net Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(293))						\$ (983)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Euro-OAT March 2017	(61)	\$ (9,690)	\$ 7
Total Market Value of Futures Contracts			\$ 7
Unrealised Appreciation of Futures Contracts (February 29, 2016 (000's): \$–)			7
Unrealised Depreciation of Futures Contracts (February 29, 2016 (000's): \$(34))			–
Net Appreciation of Futures Contracts (February 29, 2016 (000's): \$(34))			\$ 7

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Legg Mason Brandywine Global Credit Opportunities Fund[^]

Portfolio of Investments as at February 28, 2017

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 — 3.09% (February 29, 2016: 7.22%)									
1,065 Morgan Stanley Dean Witter Capital I Inc Trust 2003-NC1, Series 2003 NC1, Class M1, 2.353%, due 11/25/2032 *	1,029	1.71	530 FREMF 2017-K724 Mortgage Trust, Series 2017 K724, Class B, 144A, 3.504%, due 11/25/2023 *	506	0.84	915 Diamond 1 Finance Corp / Diamond 2 Finance Corp, 144A, 6.020%, due 6/15/2026	1,006	1.67	
939 SLM Student Loan Trust 2004-10, Series 2004 10, Class B, 1.408%, due 1/25/2040 *	834	1.38	378 Hipocat 8 FTA, Series HIPO 8, Class B, 0.000%, due 3/15/2038 *	321	0.53	1,425 Hexion Inc, 6.625%, due 4/15/2020	1,325	2.20	
Total Asset-Backed Securities (Cost \$1,856)									
	1,863	3.09	885 JPMBB Commercial Mortgage Securities Trust 2014-C21, Series 2014 C21, Class D, 144A, 4.660%, due 8/15/2047 *	731	1.21	735 Valeant Pharmaceuticals International, 6.375%, due 10/15/2020	669	1.11	
Mortgage-Backed Securities — 44.38% (February 29, 2016: 51.00%)									
GBP 908 Alba 2007-1 Plc, Series 2007 1, Class C, 0.661%, due 3/17/2039 *	975	1.62	440 JPMCC Re-REMIC Trust 2014-FRR1, Series 2014 FRR1, Class B707, 144A, 2.010%, due 1/27/2047	415	0.69	1,215 Valeant Pharmaceuticals International Inc, 144A, 6.750%, due 8/15/2018	1,197	1.99	
545 Commercial Mortgage Trust 2007-GG9, Series 2007 GG9, Class AJ, 5.505%, due 3/10/2039 *	528	0.88	1,597 Landmark Mortgage Securities No 2 Plc 2, Class BC, 0.284%, due 6/17/2039 *	1,396	2.32	705 Valeant Pharmaceuticals International Inc, 6.750%, due 8/15/2018	694	1.15	
500 Fannie Mae Connecticut Avenue Securities, Series 2014 C03, Class 2M2, 3.678%, due 7/25/2024 *	512	0.85	1,070 Morgan Stanley Bank of America Merrill Lynch Trust 2015-C22, Series 2015 C22, Class D, 144A, 4.242%, due 4/15/2048 *	889	1.48	6,550 10.88			
965 Fannie Mae Connecticut Avenue Securities, Series 2016 C04, Class 1M2, 5.028%, due 1/25/2029 *	1,016	1.69	2,708 Newgate Funding 2006-2, Series 2006 2, Class CB, 0.111%, due 12/1/2050 *	2,362	3.92	Total Corporate Bonds and Notes (Cost \$11,237)			
760 Fannie Mae Connecticut Avenue Securities, Series 2016 C06, Class 1M2, 5.028%, due 4/25/2029 *	798	1.32	828 RMAC Securities No 1 Plc, Series 2006 NS1X, Class B1C, 0.562%, due 6/12/2044 *	748	1.24	Government Bonds and Notes — 18.42% (February 29, 2016: 10.71%)			
39,629 Freddie Mac Multifamily Structured Pass Through Certificates K042, Class X1, 1.057%, due 12/25/2024 *	2,679	4.45	651 RMAC Securities No 1 Plc, Series 2006 NS2X, Class M2C, 0.112%, due 6/12/2044 *	616	1.02	Argentina — 3.40% (February 29, 2016: 0.00%)			
850 Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2015 DNA2, Class M3, 4.678%, due 12/25/2027 *	915	1.52	1,914 RMAC Securities No 1 Plc, Series 2006 NS4X, Class B1C, 0.532%, due 6/12/2044 *	1,655	2.75	1,315 Argentina Treasury Bill, zero coupon, due 4/17/2017	1,307	2.17	
1,555 Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2016 DNA1, Class M3, 6.328%, due 7/25/2028 *	1,765	2.93	760 Series RRX 2014-1 Trust, Series 2014 1A, Class A, 144A, 0.000%, due 8/26/2044	718	1.19	10,335 Argentine Bonos del Tesoro, 18.200%, due 10/3/2021	742	1.23	
1,395 Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2016 DNA2, Class M3, 5.428%, due 10/25/2028 *	1,502	2.49	116 TDA 24 FTA 24, Class A1, 0.000%, due 6/22/2040 *	118	0.20	2,049 3.40			
950 Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2016 DNA3, Class M3, 5.778%, due 12/25/2028 *	1,041	1.73	595 Wachovia Bank Commercial Mortgage Trust Series 2006-C27, Series 2006 C27, Class AJ, 5.825%, due 7/15/2045 *	601	1.00	Mexico — 0.99% (February 29, 2016: 0.00%)			
1,030 Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2016 HQA1, Class M3, 7.128%, due 9/25/2028 *	1,221	2.03	Total Mortgage-Backed Securities (Cost \$26,994)		26,725	44.38	MXN 12,123 Mexican Bonos, Series M, 7.750%, due 11/13/2042	598	0.99
865 Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2017 DNA1, Class B1, 5.729%, due 7/25/2029 *	872	1.45	Corporate Bonds and Notes — 19.31% (February 29, 2016: 0.00%)				United States — 14.03% (February 29, 2016: 2.98%)		
990 FREMF 2014-K717 Mortgage Trust, Series 2014 K717, Class C, 144A, 3.629%, due 11/25/2047 *	973	1.62	Brazil — 5.95% (February 29, 2016: 0.00%)				8,445 United States Treasury Bill, zero coupon, due 3/9/2017	8,444	14.03
410 FREMF 2015-K50 Mortgage Trust, Series 2015 K50, Class B, 144A, 3.779%, due 10/25/2048 *	406	0.67	640 Marfrig Holdings Europe BV, 144A, 8.000%, due 6/8/2023	671	1.11	Total Government Bonds and Notes (Cost \$11,076)			
445 FREMF 2015-K721 Mortgage Trust, Series 2015 K721, Class B, 144A, 3.565%, due 11/25/2047 *	446	0.74	1,255 Petrobras Global Finance BV, 5.750%, due 1/20/2020	1,316	2.19	Loan Notes — 11.11% (February 29, 2016: 0.00%)			
			410 Petrobras Global Finance BV, 5.375%, due 1/27/2021	415	0.69	2,353 Capsugel Holdings U.S. Inc, 4.000%, due 7/31/2021 *	2,360	3.92	
			1,040 Petrobras Global Finance BV, 8.750%, due 5/23/2026	1,180	1.96	1,475 Chesapeake Energy Corp, 8.500%, due 8/16/2021 *	1,603	2.66	
				3,582	5.95	610 Energy Transfer Equity, 3.733%, due 1/30/2024 *	613	1.02	
			Jamaica — 2.48% (February 29, 2016: 0.00%)			270 First Data Corp, 0.000%, due 1/12/2024 *	269	0.45	
			795 Digicel Group Ltd, 144A, 8.250%, due 9/30/2020	703	1.17	105 Ineos U.S. Finance LLC, 3.743%, due 3/31/2022 *	106	0.18	
			975 Digicel Group Ltd, 7.125%, due 4/1/2022	790	1.31	615 JBS USA Lux SA, 3.483%, due 10/30/2022 *	618	1.02	
				1,493	2.48	580 Rackspace Hosting Inc, 5.000%, due 1/13/2023 *	587	0.97	
			United States — 10.88% (February 29, 2016: 0.00%)			535 Sprint Communications Inc, 0.000%, due 2/29/2024 *	536	0.89	
			130 Chesapeake Energy Corp, 6.125%, due 2/15/2021	126	0.21	Total Loan Notes (Cost \$6,582)			
			1,450 Chesapeake Energy Corp, 144A, 8.000%, due 12/15/2022	1,533	2.55	Collective Investment Schemes — 9.01% (February 29, 2016: 9.01%)			
						5,425 Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	5,425	9.01	
						Total Collective Investment Schemes (Cost \$5,425)			
							5,425	9.01	
						Total Investments (Cost \$63,170)			
							63,421	105.32	
						Liabilities in Excess of Other Assets (February 29, 2016: 22.06%)			
							(3,205)	(5.32)	
						Total Net Assets			
							\$60,216	100.00	
						144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2017, these securities amounted to \$10,194,000 or 16.93% of net assets.			
						* Variable rate security. The interest rate shown reflects the rate in effect at February 28, 2017.			

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Legg Mason Brandywine Global Credit Opportunities Fund[^]

Portfolio of Investments as at February 28, 2017 – (continued)

ABBREVIATIONS:

REMIC	– Real Estate Mortgage Investment Conduit
ARS	– Argentine 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	81.27
Collective investment schemes	7.60
Financial derivative instruments	0.72
Other assets	10.41
Total Assets	100.00

Schedule of Credit Default Swaps

Counterparty	Reference Entity	Buy/Sell Protection	Expiration Date	Notional Amount (000's)	Value (000's)
Citi	Chesapeake Energy Corp, 5.000%	Sell	12/20/21	1,005	\$ (51)
Citi	Markit CDX.NA.HY, 5.000%	Sell	12/20/21	2,578	199
JP Morgan	Markit CMBX.NA.BB, 5.000%	Buy	5/11/63	1,110	243
Morgan Stanley	Chesapeake Energy Corp, 5.000%	Sell	12/20/21	805	(41)
Morgan Stanley	Markit CMBX.NA.BB, 5.000%	Sell	5/11/63	1,110	(242)
					\$ 108
Unrealised Appreciation of Credit Default Swaps (February 29, 2016 (000's): \$316)					442
Unrealised Depreciation of Credit Default Swaps (February 29, 2016 (000's): \$(68))					(334)
Net Appreciation of Credit Default Swaps (February 29, 2016 (000's): \$248)					\$ 108

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)		Sell Currency (000's)		Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/09/17	Citigroup	Buy	USD 943	Sell	GBP 775	\$ (19)
03/15/17	BNY Mellon	Buy	GBP 300	Sell	USD 375	(3)
03/15/17	BNY Mellon	Buy	EUR 5	Sell	USD 5	–
05/10/17	Citigroup	Buy	USD 6,977	Sell	EUR 6,510	58
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$1,497)						58
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(558))						(22)
Net Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$939)						\$ 36

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Euro-OAT March 2017	(46)	\$ (7,307)	\$ 14
Total Market Value of Futures Contracts			\$ 14
Unrealised Appreciation of Futures Contracts (February 29, 2016 (000's): \$8)			14
Unrealised Depreciation of Futures Contracts (February 29, 2016 (000's): \$(159))			–
Net Appreciation of Futures Contracts (February 29, 2016 (000's): \$(151))			\$ 14

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Legg Mason Brandywine Global Dynamic US Equity Fund[^]

Portfolio of Investments as at February 28, 2017

Shares (000's)	Value (000's) \$	% of Net Asset Value
Collective Investment Schemes — 1.80% (February 29, 2016: 0.82%)		
16 Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	16	0.74
– iShares Russell 1000 Value ETF	24	1.06
Total Collective Investment Schemes (Cost \$40)	40	1.80
Common Stock — 99.37% (February 29, 2016: 101.13%)		
Advertising — 0.62% (February 29, 2016: 1.61%)		
– Omnicom Group Inc	14	0.62
Aerospace & Defense — 10.34% (February 29, 2016: 11.90%)		
– Boeing Co/The	80	3.61
– Curtiss-Wright Corp	2	0.09
– General Dynamics Corp	8	0.38
– Lockheed Martin Corp	37	1.69
– Northrop Grumman Corp	46	2.11
– Spirit AeroSystems Holdings Inc 'A'	6	0.26
– United Technologies Corp	49	2.20
	228	10.34
Agriculture — 0.80% (February 29, 2016: 1.30%)		
– Archer-Daniels-Midland Co	18	0.80
Airlines — 2.52% (February 29, 2016: 2.60%)		
– American Airlines Group Inc	3	0.16
1 Delta Air Lines Inc	38	1.73
– United Continental Holdings Inc	14	0.63
	55	2.52
Apparel — 0.91% (February 29, 2016: 0.21%)		
– Carter's Inc	2	0.11
– Michael Kors Holdings Ltd	8	0.37
– VF Corp	10	0.43
	20	0.91
Auto Parts & Equipment — 0.95% (February 29, 2016: 2.11%)		
– BorgWarner Inc	6	0.25
– Lear Corp	15	0.70
	21	0.95
Banks — 9.24% (February 29, 2016: 2.62%)		
2 Bank of America Corp	38	1.71
– Bank of New York Mellon Corp/The	8	0.34
– Capital One Financial Corp	8	0.37
– Citizens Financial Group Inc	3	0.13
1 Fifth Third Bancorp	20	0.92
– Goldman Sachs Group Inc/The	15	0.66
– JPMorgan Chase & Co	34	1.55
1 Morgan Stanley	33	1.51
– PNC Financial Services Group Inc/The	12	0.53
1 Regions Financial Corp	13	0.60
– State Street Corp	9	0.39
– SunTrust Banks Inc	4	0.19
– Synovus Financial Corp	7	0.34
	204	9.24
Beverages — 0.52% (February 29, 2016: 0.34%)		
– Brown-Forman Corp	11	0.52
Biotechnology — 3.30% (February 29, 2016: 0.68%)		
1 Gilead Sciences Inc	73	3.30
Chemicals — 3.48% (February 29, 2016: 10.24%)		
– Albemarle Corp	12	0.56
– Huntsman Corp	4	0.17
1 LyondellBasell Industries NV	61	2.75
	77	3.48
Commercial Services — 2.70% (February 29, 2016: 0.46%)		
– Avis Budget Group Inc	2	0.08
– ManpowerGroup Inc	9	0.39
– S&P Global Inc	23	1.06
– United Rentals Inc	14	0.65
1 Western Union Co/The	11	0.52
	59	2.70
Computers — 3.98% (February 29, 2016: 4.94%)		
– Apple Inc	42	1.90
– Computer Sciences Corp	6	0.27
2 Hewlett Packard Enterprise Co	37	1.69

Shares (000's)	Value (000's) \$	% of Net Asset Value
– NCR Corp	–	0.01
– Teradata Corp	3	0.11
	88	3.98
Distribution & Wholesale — 0.80% (February 29, 2016: 0.33%)		
– WW Grainger Inc	18	0.80
Diversified Financial Services — 8.62% (February 29, 2016: 3.12%)		
1 American Express Co	89	4.05
– Ameriprise Financial Inc	36	1.64
1 Discover Financial Services	43	1.97
– E*TRADE Financial Corp	9	0.42
– Invesco Ltd	1	0.03
– LPL Financial Holdings Inc	3	0.11
1 Navient Corp	9	0.40
	190	8.62
Electrical Components & Equipment — 1.96% (February 29, 2016: 1.23%)		
1 Emerson Electric Co	43	1.96
Electronics — 1.48% (February 29, 2016: 0.00%)		
– Arrow Electronics Inc	–	0.01
1 Corning Inc	32	1.47
	32	1.48
Food — 1.68% (February 29, 2016: 3.26%)		
– Pilgrim's Pride Corp	6	0.29
– Tyson Foods Inc 'A'	24	1.08
– Whole Foods Market Inc	7	0.31
	37	1.68
Forest Products & Paper — 1.06% (February 29, 2016: 0.56%)		
– International Paper Co	23	1.06
Hand/Machine Tools — 0.16% (February 29, 2016: 0.70%)		
– Lincoln Electric Holdings Inc	4	0.16
Healthcare-Products — 1.66% (February 29, 2016: 0.00%)		
1 Baxter International Inc	37	1.66
Healthcare-Services — 1.04% (February 29, 2016: 3.15%)		
– DaVita Inc	10	0.44
– Quest Diagnostics Inc	13	0.60
	23	1.04
Home Builders — 0.05% (February 29, 2016: 0.00%)		
– PulteGroup Inc	1	0.05
Home Furnishings — 0.70% (February 29, 2016: 0.00%)		
– Leggett & Platt Inc	6	0.27
– Whirlpool Corp	9	0.43
	15	0.70
Household Products & Wares — 0.33% (February 29, 2016: 0.04%)		
– Avery Dennison Corp	7	0.33
Insurance — 5.31% (February 29, 2016: 10.12%)		
– Aon Plc	18	0.83
– Assurant Inc	8	0.37
– Assured Guaranty Ltd	4	0.17
– Primerica Inc	3	0.12
– RenaissanceRe Holdings Ltd	7	0.32
– Travelers Cos Inc/The	57	2.61
– Unum Group	15	0.66
– Validus Holdings Ltd	5	0.23
	117	5.31
Internet — 0.66% (February 29, 2016: 0.00%)		
– CDW Corp/DE	8	0.40
– eBay Inc	6	0.26
	14	0.66
Leisure Time — 1.89% (February 29, 2016: 0.54%)		
– Carnival Corp	26	1.19
– Harley-Davidson Inc	16	0.70
	42	1.89
Lodging — 0.62% (February 29, 2016: 0.52%)		
– Wyndham Worldwide Corp	14	0.62

Shares (000's)	Value (000's) \$	% of Net Asset Value
Machinery – Diversified — 2.69% (February 29, 2016: 1.31%)		
– Cummins Inc	23	1.06
– Deere & Co	18	0.80
– Nordson Corp	4	0.20
– Rockwell Automation Inc	7	0.31
– Wabtec Corp/DE	7	0.32
	59	2.69
Media — 4.89% (February 29, 2016: 6.42%)		
1 CBS Corp 'B'	39	1.76
– Discovery Communications Inc	3	0.14
– FactSet Research Systems Inc	1	0.04
1 Time Warner Inc	65	2.95
	108	4.89
Miscellaneous Manufacturing — 1.28% (February 29, 2016: 6.03%)		
– Eaton Corp Plc	24	1.08
– Parker-Hannifin Corp	4	0.20
	28	1.28
Office & Business Equipment — 0.05% (February 29, 2016: 0.13%)		
– Xerox Corp	1	0.05
Oil & Gas — 3.63% (February 29, 2016: 7.36%)		
– Chevron Corp	31	1.39
– ConocoPhillips	10	0.47
– Exxon Mobil Corp	39	1.77
	80	3.63
Packaging & Containers — 0.47% (February 29, 2016: 0.85%)		
– Packaging Corp of America	10	0.47
Pharmaceuticals — 2.90% (February 29, 2016: 0.00%)		
1 Express Scripts Holding Co	54	2.45
– Mallinckrodt Plc	5	0.24
– McKesson Corp	5	0.21
	64	2.90
Retail — 9.22% (February 29, 2016: 5.35%)		
– AutoNation Inc	5	0.20
– Bed Bath & Beyond Inc	9	0.43
– Best Buy Co Inc	13	0.60
– Copart Inc	2	0.08
– Darden Restaurants Inc	–	0.01
– Dollar General Corp	14	0.62
– Foot Locker Inc	4	0.18
– Kohl's Corp	5	0.21
– Macy's Inc	15	0.70
– Nordstrom Inc	10	0.46
– Penske Automotive Group Inc	3	0.13
– PVH Corp	4	0.20
– Signet Jewelers Ltd	3	0.12
1 Target Corp	41	1.87
1 Wal-Mart Stores Inc	73	3.33
– Wendy's Co/The	2	0.08
	203	9.22
Semiconductors — 5.14% (February 29, 2016: 5.33%)		
1 Applied Materials Inc	41	1.86
1 QUALCOMM Inc	72	3.28
	113	5.14
Transportation — 1.72% (February 29, 2016: 0.00%)		
– Expeditors International of Washington Inc	2	0.11
– Norfolk Southern Corp	20	0.91
– Union Pacific Corp	16	0.70
	38	1.72
Total Common Stock (Cost \$1,970)		2,189 99.37
Total Investments (Cost \$2,010)		2,229 101.17
Liabilities in Excess of Other Assets (February 29, 2016: (1.95%))		(25) (1.17)
Total Net Assets		\$2,204 100.00

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

ABBREVIATIONS:

ETF – Exchange Traded Fund

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

The accompanying notes are an integral part of the Financial Statements

Legg Mason Brandywine Global Dynamic US Equity Fund[^]

Portfolio of Investments as at February 28, 2017 – (continued)

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	97.81
Collective investment schemes	1.79
Other assets	0.40
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)
03/15/17	BNY Mellon	Buy	EUR	54	Sell	USD	57	\$ –
03/15/17	BNY Mellon	Buy	EUR	1,450	Sell	USD	1,551	(14)
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$1)								–
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(40))								(14)
Net Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(39))								\$ (14)

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The accompanying notes are an integral part of the Financial Statements

Legg Mason ClearBridge Value Fund

Portfolio of Investments as at February 28, 2017

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 — 94.87% (February 29, 2016: 94.49%)			82	Intercontinental Exchange Inc	4,672	1.45	163	Mylan NV	6,825	2.12					
Aerospace & Defense — 1.88% (February 29, 2016: 1.66%)			305	Synchrony Financial	11,067	3.43			22,758	7.06					
					28,368	8.80	Real Estate — 2.67% (February 29, 2016: 1.76%)								
34	Boeing Co/The	6,052	1.88	Electric — 6.79% (February 29, 2016: 6.81%)			311	Realogy Holdings Corp	8,617	2.67					
Airlines — 2.70% (February 29, 2016: 2.49%)			602	AES Corp/VA	6,932	2.15	Retail — 2.32% (February 29, 2016: 2.13%)								
117	United Continental Holdings Inc	8,701	2.70	599	Calpine Corp	7,012	2.17	100	Lowe's Cos Inc	7,471	2.32				
Apparel — 2.23% (February 29, 2016: 1.69%)			217	Exelon Corp	7,953	2.47	Semiconductors — 1.60% (February 29, 2016: 4.57%)								
143	Hanesbrands Inc	2,861	0.89			21,897	6.79	91	QUALCOMM Inc	5,157	1.60				
54	Ralph Lauren Corp 'A'	4,315	1.34	Environmental Control — 2.07% (February 29, 2016: 0.00%)			Software — 6.81% (February 29, 2016: 7.41%)								
		7,176	2.23	80	Stericycle Inc	6,661	2.07	175	Microsoft Corp	11,165	3.47				
Auto Manufacturers — 1.50% (February 29, 2016: 1.42%)			Healthcare-Services — 2.07% (February 29, 2016: 2.49%)			253	Oracle Corp	10,771	3.34						
73	PACCAR Inc	4,844	1.50	40	UnitedHealth Group Inc	6,669	2.07			21,936	6.81				
Auto Parts & Equipment — 1.69% (February 29, 2016: 0.00%)			Home Builders — 1.70% (February 29, 2016: 2.85%)			Telecommunications — 2.73% (February 29, 2016: 3.21%)									
81	Adient Plc	5,461	1.69	248	PulteGroup Inc	5,463	1.70	257	Cisco Systems Inc	8,790	2.73				
Banks — 7.44% (February 29, 2016: 6.21%)			Insurance — 4.06% (February 29, 2016: 2.76%)			Transportation — 1.63% (February 29, 2016: 1.64%)									
182	Citigroup Inc	10,905	3.38	94	Hartford Financial Services Group Inc/The	4,581	1.42	66	CH Robinson Worldwide Inc	5,270	1.63				
226	Wells Fargo & Co	13,072	4.06	162	MetLife Inc	8,496	2.64	Total Common Stock (Cost \$266,294)			305,745	94.87			
		23,977	7.44			13,077	4.06	Real Estate Investment Trusts — 1.84% (February 29, 2016: 2.10%)							
Biotechnology — 6.76% (February 29, 2016: 3.76%)			Internet — 7.87% (February 29, 2016: 6.28%)			16	Alphabet Inc	13,144	4.08	REITS — 1.84% (February 29, 2016: 2.10%)					
59	Alexion Pharmaceuticals Inc	7,771	2.41	10	Amazon.com Inc	8,594	2.67	249	American Homes 4 Rent 'A'	5,926	1.84				
20	Biogen Inc	5,729	1.78	79	Yahoo! Inc	3,628	1.12	Total Real Estate Investment Trusts (Cost \$4,231)			5,926	1.84			
67	Celgene Corp	8,288	2.57			25,366	7.87	Total Investments (Cost \$270,525)			311,671	96.71			
		21,788	6.76	Leisure Time — 1.21% (February 29, 2016: 0.00%)			77	Norwegian Cruise Line Holdings Ltd	3,889	1.21	Other Assets in Excess of Liabilities (February 29, 2016: 3.41%)			10,608	3.29
Building Materials — 1.93% (February 29, 2016: 0.00%)			Media — 1.25% (February 29, 2016: 1.13%)			61	CBS Corp 'B'	4,025	1.25	Total Net Assets			\$322,279	100.00	
148	Johnson Controls International plc	6,214	1.93	Oil & Gas — 4.29% (February 29, 2016: 3.34%)			120	Apache Corp	6,333	1.96	Analysis of Total Assets				
Coal — 1.24% (February 29, 2016: 0.97%)			Pharmaceuticals — 7.06% (February 29, 2016: 10.32%)			135	Cabot Oil & Gas Corp	2,955	0.92	Transferable securities admitted to an official exchange listing or traded on a regulated market			94.97		
257	CONSOL Energy Inc	4,005	1.24	105	Devon Energy Corp	4,538	1.41	Other assets			5.03				
Cosmetics & Personal Care — 2.57% (February 29, 2016: 1.95%)					13,826	4.29	Total Assets			100.00					
66	Colgate-Palmolive Co	4,783	1.48	43	Allergan Plc	10,564	3.28								
187	Coty Inc	3,504	1.09	95	Bristol-Myers Squibb Co	5,369	1.66								
		8,287	2.57												
Diversified Financial Services — 8.80% (February 29, 2016: 6.24%)															
60	Ameriprise Financial Inc	7,937	2.46												
66	Discover Financial Services	4,692	1.46												

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)			Sell Currency (000's)			Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/15/17	BNY Mellon	Buy	USD	9	Sell	SGD	12	\$ —
03/15/17	BNY Mellon	Buy	EUR	38	Sell	USD	41	(1)
03/15/17	BNY Mellon	Buy	SGD	627	Sell	USD	443	5
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(—))								5
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(5))								(1)
Net Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(5))								\$ 4

Legg Mason ClearBridge Growth Fund

Portfolio of Investments as at February 28, 2017

Shares (000's)	Value (000's) \$	% of Net Asset Value
Common Stock — 99.79% (February 29, 2016: 93.61%)		
Aerospace & Defense — 2.96% (February 29, 2016: 2.53%)		
2 Rockwell Collins Inc	152	2.96
Airlines — 1.34% (February 29, 2016: 2.77%)		
1 United Continental Holdings Inc	69	1.34
Apparel — 1.47% (February 29, 2016: 4.74%)		
1 NIKE Inc	75	1.47
Auto Parts & Equipment — 1.70% (February 29, 2016: 1.11%)		
1 Adient Plc	87	1.70
Banks — 4.70% (February 29, 2016: 0.00%)		
2 JPMorgan Chase & Co	141	2.76
– PNC Financial Services Group Inc/The	32	0.62
– Signature Bank/New York NY	68	1.32
	241	4.70
Beverages — 4.14% (February 29, 2016: 10.67%)		
3 Coca-Cola Co/The	124	2.42
1 PepsiCo Inc	89	1.72
	213	4.14
Biotechnology — 8.77% (February 29, 2016: 6.09%)		
1 Alexion Pharmaceuticals Inc	118	2.30
1 BioMarin Pharmaceutical Inc	74	1.45
1 Celgene Corp	124	2.41
1 Ultragenyx Pharmaceutical Inc	75	1.46
1 Vertex Pharmaceuticals Inc	59	1.15
	450	8.77
Building Materials — 2.05% (February 29, 2016: 0.00%)		
1 Lennox International Inc	105	2.05
Chemicals — 0.61% (February 29, 2016: 1.95%)		
1 Mosaic Co/The	31	0.61

Shares (000's)	Value (000's) \$	% of Net Asset Value
Commercial Services — 4.30% (February 29, 2016: 0.00%)		
3 IHS Markit Ltd	126	2.45
2 PayPal Holdings Inc	94	1.85
	220	4.30
Computers — 7.25% (February 29, 2016: 7.10%)		
3 Apple Inc	372	7.25
Cosmetics & Personal Care — 6.18% (February 29, 2016: 1.29%)		
3 Colgate-Palmolive Co	209	4.08
1 Estee Lauder Cos Inc/The 'A'	108	2.10
	317	6.18
Diversified Financial Services — 10.12% (February 29, 2016: 1.76%)		
1 Affiliated Managers Group Inc	134	2.62
1 American Express Co	72	1.40
2 Intercontinental Exchange Inc	106	2.06
3 Synchrony Financial	116	2.27
1 Visa Inc	91	1.77
	519	10.12
Healthcare-Products — 0.87% (February 29, 2016: 0.00%)		
1 DENTSPLY SIRONA Inc	45	0.87
Internet — 15.53% (February 29, 2016: 16.97%)		
– Alphabet Inc	197	3.85
– Alphabet Inc 'A'	198	3.86
– Amazon.com Inc	286	5.57
1 Facebook Inc 'A'	115	2.25
	796	15.53
Media — 3.44% (February 29, 2016: 4.03%)		
2 Walt Disney Co/The	176	3.44
Oil & Gas — 2.26% (February 29, 2016: 0.00%)		
1 Anadarko Petroleum Corp	65	1.26
1 EOG Resources Inc	51	1.00
	116	2.26

Shares (000's)	Value (000's) \$	% of Net Asset Value
Pharmaceuticals — 2.59% (February 29, 2016: 2.69%)		
– Allergan Plc	74	1.43
1 Merck & Co Inc	59	1.16
	133	2.59
Retail — 6.73% (February 29, 2016: 8.67%)		
– Chipotle Mexican Grill Inc 'A'	96	1.88
1 Lululemon Athletica Inc	67	1.30
3 Starbucks Corp	182	3.55
	345	6.73
Semiconductors — 0.82% (February 29, 2016: 0.00%)		
– Broadcom Ltd	42	0.82
Software — 10.55% (February 29, 2016: 10.37%)		
1 athenahealth Inc	91	1.77
5 Microsoft Corp	307	5.99
2 salesforce.com Inc	143	2.79
	541	10.55
Transportation — 1.41% (February 29, 2016: 0.00%)		
1 CSX Corp	72	1.41
Total Common Stock (Cost \$4,139)		5,117 99.79
Total Investments (Cost \$4,139)		5,117 99.79
Other Assets in Excess of Liabilities (February 29, 2016: 6.39%)		
	11	0.21
Total Net Assets		\$5,128 100.00
– Amounts designated as “–” are either \$0, less than \$1,000 or less than 1,000 shares.		
Analysis of Total Assets		% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market		96.17
Other assets		3.83
Total Assets		100.00

Legg Mason ClearBridge Global Equity Fund[^]

Portfolio of Investments as at February 28, 2017

Shares (000's)		Value (000's) \$	% of Net Asset Value
Common Stock — 95.23% (February 29, 2016: 98.62%)			
Australia — 3.37% (February 29, 2016: 1.00%)			
AUD 33	Coca-Cola Amatil Ltd	261	1.44
AUD 125	Incitec Pivot Ltd	353	1.93
		614	3.37
Austria — 2.67% (February 29, 2016: 1.87%)			
EUR 6	voestalpine AG	250	1.37
EUR 12	Wienerberger AG	237	1.30
		487	2.67
Brazil — 3.88% (February 29, 2016: 0.68%)			
BRL 28	Cielo SA	246	1.35
BRL 101	Duratrix SA	275	1.51
BRL 29	Grendene SA	187	1.02
		708	3.88
China — 4.27% (February 29, 2016: 6.60%)			
HKD 47	ANTA Sports Products Ltd	143	0.78
HKD 302	China Construction Bank Corp 'H'	249	1.37
HKD 567	Greatview Aseptic Packaging Co Ltd	281	1.54
HKD 48	TravelSky Technology Ltd 'H'	106	0.58
		779	4.27
Denmark — 1.09% (February 29, 2016: 0.67%)			
DKK —	AP Moller — Maersk A/S 'B'	198	1.09
France — 11.71% (February 29, 2016: 15.76%)			
EUR 10	AXA SA	232	1.27
EUR 6	BNP Paribas SA	348	1.91
EUR 7	Bouygues SA	276	1.52
EUR 2	Danone SA	161	0.89
EUR 19	Europcar Groupe SA, 144A	191	1.05
EUR 3	Safran SA	194	1.06
EUR 4	Schneider Electric SE	254	1.39
EUR 7	Tarkett SA	308	1.69
EUR 3	TOTAL SA	170	0.93
		2,134	11.71
Germany — 5.94% (February 29, 2016: 5.12%)			
EUR 4	BASF SE	345	1.90
EUR 3	Bayer AG	329	1.80
EUR 16	thyssenkrupp AG	408	2.24
		1,082	5.94
Hong Kong — 0.66% (February 29, 2016: 0.69%)			
HKD 515	Sitoy Group Holdings Ltd	120	0.66
Italy — 1.09% (February 29, 2016: 1.27%)			
EUR 37	Anima Holding SpA, 144A	199	1.09
Japan — 8.41% (February 29, 2016: 10.69%)			
JPY 4	Capcom Co Ltd	77	0.42
JPY 24	Chiba Bank Ltd/The	169	0.93
JPY 42	Daiwa Securities Group Inc	269	1.48
JPY 58	Hitachi Ltd	321	1.76
JPY 11	Honda Motor Co Ltd	341	1.87
JPY 11	Sony Corp	355	1.95
		1,532	8.41

Shares (000's)		Value (000's) \$	% of Net Asset Value
Netherlands — 1.90% (February 29, 2016: 2.98%)			
EUR 4	Akzo Nobel NV	300	1.64
EUR 17	Koninklijke KPN NV	47	0.26
		347	1.90
Norway — 0.62% (February 29, 2016: 2.18%)			
NOK 7	Marine Harvest ASA	114	0.62
Russia — 0.14% (February 29, 2016: 0.43%)			
6	Gazprom PJSC ADR	25	0.14
South Korea — 3.59% (February 29, 2016: 3.36%)			
KRW 2	KT Corp	65	0.36
KRW 1	POSCO	251	1.37
KRW —	Samsung Electronics Co Ltd	338	1.86
		654	3.59
Spain — 0.84% (February 29, 2016: 0.58%)			
EUR 12	Indra Sistemas SA	153	0.84
Sweden — 0.59% (February 29, 2016: 1.58%)			
SEK 6	Mekonomen AB	108	0.59
Switzerland — 3.26% (February 29, 2016: 3.52%)			
CHF 3	Adecco Group AG	205	1.13
CHF 14	Credit Suisse Group AG	212	1.16
CHF 2	Novartis AG	177	0.97
		594	3.26
United Kingdom — 15.36% (February 29, 2016: 13.38%)			
GBP 23	Amec Foster Wheeler Plc	127	0.70
GBP 111	Barclays Plc	313	1.72
GBP 29	BP Plc	165	0.90
GBP 11	Diageo Plc	315	1.73
GBP 111	G4S Plc	360	1.97
GBP 14	GlaxoSmithKline Plc	281	1.54
AUD 8	Rio Tinto Ltd	364	2.00
EUR 7	Royal Dutch Shell Plc 'A'	175	0.96
GBP 137	Shanks Group Plc	164	0.90
GBP 43	Standard Chartered Plc	385	2.11
GBP 3	Whitbread Plc	151	0.83
		2,800	15.36
United States — 25.84% (February 29, 2016: 22.67%)			
1	Accenture Plc 'A'	152	0.83
3	Alcoa Corp	97	0.54
3	Ambarella Inc	170	0.93
4	Apache Corp	220	1.21
8	Arconic Inc	241	1.32
7	AT&T Inc	294	1.61
18	Calpine Corp	212	1.17
4	Carnival Corp	202	1.11
6	Citigroup Inc	341	1.87
5	Citizens Financial Group Inc	202	1.11
—	Dell Technologies Inc Class V	18	0.10
12	DR Horton Inc	378	2.07
4	Emerson Electric Co	255	1.40
5	Exelon Corp	192	1.05
12	Freeport-McMoRan Inc	165	0.90
9	Greenlight Capital Re Ltd	194	1.06
5	Halliburton Co	262	1.44

Shares (000's)		Value (000's) \$	% of Net Asset Value
	1 International Business Machines Corp	216	1.18
	6 Invesco Ltd	184	1.01
	4 JPMorgan Chase & Co	357	1.96
	2 Merck & Co Inc	148	0.81
	5 Sensata Technologies Holding NV	211	1.16
		4,711	25.84
Total Common Stock (Cost \$16,488)		17,359	95.23
Real Estate Investment Trusts — 1.35% (February 29, 2016: 1.39%)			
France — 1.35% (February 29, 2016: 1.39%)			
EUR	3 ICADE	246	1.35
Total Real Estate Investment Trusts (Cost \$259)		246	1.35
Total Investments (Cost \$16,747)		17,605	96.58
Other Assets in Excess of Liabilities (February 29, 2016: 0.01%)		623	3.42
Total Net Assets		\$18,228	100.00
–	Amounts designated as “–” are either \$0, less than \$1,000 or less than 1,000 shares.		
144A	Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2017, these securities amounted to \$390,000 or 2.14% 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			95.33
Other assets			4.67
Total Assets			100.00

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

The accompanying notes are an integral part of the Financial Statements

Legg Mason ClearBridge Global Equity Income Fund[^]

Portfolio of Investments as at February 28, 2017

Shares (000's)		Value (000's) \$	% of Net Asset Value
Common Stock — 88.05% (February 29, 2016: 94.21%)			
Australia — 4.10% (February 29, 2016: 2.74%)			
AUD	7 Coca-Cola Amatil Ltd	51	1.11
AUD	28 Incitec Pivot Ltd	78	1.69
AUD	6 McMillan Shakespeare Ltd	60	1.30
		189	4.10
Brazil — 1.81% (February 29, 2016: 1.90%)			
BRL	12 Cyrela Brazil Realty SA Empreendimentos e Participacoes	50	1.08
BRL	12 Duratex SA	34	0.73
		84	1.81
Canada — 1.19% (February 29, 2016: 1.56%)			
CAD	1 IGM Financial Inc	23	0.50
CAD	2 Potash Corp of Saskatchewan Inc	32	0.69
		55	1.19
China — 8.54% (February 29, 2016: 8.57%)			
HKD	8 ANTA Sports Products Ltd	23	0.50
HKD	48 Belle International Holdings Ltd	33	0.71
HKD	111 China Construction Bank Corp 'H'	91	1.98
HKD	73 Far East Horizon Ltd	70	1.51
HKD	135 Greatview Aseptic Packaging Co Ltd	67	1.45
HKD	107 HOSA International Ltd	35	0.77
HKD	27 Shenzhen International Holdings Ltd	39	0.84
HKD	32 Zhejiang Expressway Co Ltd 'H'	36	0.78
		394	8.54
Denmark — 1.06% (February 29, 2016: 0.84%)			
DKK	— AP Moller — Maersk A/S 'B'	49	1.06
Finland — 1.70% (February 29, 2016: 2.28%)			
EUR	6 Kemira OYJ	79	1.70
France — 11.05% (February 29, 2016: 12.68%)			
EUR	2 AXA SA	55	1.20
EUR	2 BNP Paribas SA	110	2.37
EUR	2 Bouygues SA	74	1.60
EUR	1 Sanofi	81	1.76
EUR	1 Schneider Electric SE	52	1.11
EUR	1 TOTAL SA	73	1.59
EUR	4 Veolia Environnement SA	65	1.42
		510	11.05
Germany — 4.09% (February 29, 2016: 2.80%)			
EUR	— Allianz SE	59	1.28
EUR	1 BASF SE	90	1.96
EUR	1 publitv AG	40	0.85
		189	4.09
Hong Kong — 2.00% (February 29, 2016: 2.08%)			
HKD	6 ASM Pacific Technology Ltd	74	1.61
HKD	77 Sitoy Group Holdings Ltd	18	0.39
		92	2.00
Italy — 3.56% (February 29, 2016: 2.91%)			
EUR	7 Anima Holding SpA, 144A	36	0.79

Shares (000's)		Value (000's) \$	% of Net Asset Value
EUR	3 Azimut Holding SpA	45	0.96
EUR	4 MARR SpA	83	1.81
		164	3.56
Japan — 2.27% (February 29, 2016: 3.09%)			
JPY	2 NTT DOCOMO Inc	50	1.08
JPY	7 Shinko Plantech Co Ltd	55	1.19
		105	2.27
Netherlands — 1.94% (February 29, 2016: 1.88%)			
EUR	1 Akzo Nobel NV	55	1.19
EUR	1 Philips Lighting NV, 144A	34	0.75
		89	1.94
Singapore — 2.09% (February 29, 2016: 1.16%)			
SGD	90 Ascendas India Trust	70	1.52
SGD	74 CSE Global Ltd	26	0.57
		96	2.09
South Korea — 2.70% (February 29, 2016: 2.66%)			
	3 KT Corp ADR	55	1.20
	1 POSCO ADR	70	1.50
		125	2.70
Sweden — 2.25% (February 29, 2016: 4.15%)			
SEK	3 Mekonomen AB	49	1.05
SEK	2 Modern Times Group MTG AB	55	1.20
		104	2.25
Switzerland — 5.50% (February 29, 2016: 2.77%)			
CHF	1 Adecco Group AG	85	1.84
CHF	3 Credit Suisse Group AG	44	0.94
CHF	1 Novartis AG	76	1.66
CHF	3 UBS Group AG	49	1.06
		254	5.50
Taiwan — 1.11% (February 29, 2016: 0.00%)			
TWD	30 Lumax International Corp Ltd	51	1.11
United Kingdom — 20.02% (February 29, 2016: 24.05%)			
GBP	6 Amec Foster Wheeler Plc	31	0.67
GBP	5 Ashmore Group Plc	23	0.50
GBP	8 BP Plc	45	0.97
GBP	9 Card Factory Plc	29	0.64
GBP	18 Connect Group Plc	32	0.70
GBP	2 Diageo Plc	49	1.07
GBP	23 Elegant Hotels Group Plc	24	0.51
GBP	18 G4S Plc	58	1.25
GBP	5 GlaxoSmithKline Plc	112	2.42
GBP	29 Ladbrokes Coral Group Plc	45	0.97
GBP	5 Laird Plc	11	0.23
GBP	29 Man Group Plc	53	1.14
AUD	2 Rio Tinto Ltd	97	2.11
EUR	2 Royal Dutch Shell Plc 'A'	47	1.02
GBP	57 Shanks Group Plc	68	1.48
GBP	11 Standard Chartered Plc	102	2.22
GBP	9 Vesuvius Plc	51	1.11
GBP	1 Whitbread Plc	47	1.01
		924	20.02
United States — 11.07% (February 29, 2016: 9.27%)			
	1 AT&T Inc	54	1.16
	1 Eaton Corp Plc	61	1.33

Shares (000's)		Value (000's) \$	% of Net Asset Value
	2 Emerson Electric Co	112	2.44
	2 Exelon Corp	68	1.46
	1 Invesco Ltd	47	1.01
	1 Merck & Co Inc	63	1.37
	1 ONEOK Inc	51	1.11
	1 Wells Fargo & Co	55	1.19
		511	11.07
Total Common Stock (Cost \$3,967)		4,064	88.05
Real Estate Investment Trusts — 3.41% (February 29, 2016: 3.56%)			
France — 1.64% (February 29, 2016: 1.77%)			
EUR	1 ICADE	76	1.64
Ireland — 1.07% (February 29, 2016: 1.03%)			
SGD	39 Irish Residential Properties REIT Plc	49	1.07
Singapore — 0.70% (February 29, 2016: 0.00%)			
SGD	42 Mapletree Logistics Trust	32	0.70
Total Real Estate Investment Trusts (Cost \$163)		157	3.41
Total Investments (Cost \$4,130)		4,221	91.46
Other Assets in Excess of Liabilities (February 29, 2016: 2.22%)			
		394	8.54
Total Net Assets		\$4,615	100.00

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

144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2017, these securities amounted to \$70,000 or 1.54% of net assets.

ABBREVIATIONS:

ADR	— American Depositary Receipt
AUD	— Australian Dollar
BRL	— Brazilian Real
CAD	— Canadian Dollar
CHF	— Swiss Franc
DKK	— Danish Krone
EUR	— Euro
GBP	— British Pound
HKD	— Hong Kong Dollar
JPY	— Japanese Yen
SEK	— Swedish Krona
SGD	— Singapore Dollar
TWD	— Taiwanese Dollar

	% of Total Assets
Analysis of Total Assets	
Transferable securities admitted to an official exchange listing or traded on a regulated market	86.64
Other assets	13.36
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)
03/02/17	BNY Mellon	Buy	USD —	\$ —
03/15/17	BNY Mellon	Buy	USD —	—
03/15/17	BNY Mellon	Buy	EUR 1,523	(15)
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$1)				—
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(42))				(15)
Net Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(41))				\$ (15)

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

The accompanying notes are an integral part of the Financial Statements

Legg Mason ClearBridge US Appreciation Fund

Portfolio of Investments as at February 28, 2017

Shares (000's)	Value (000's) \$	% of Net Asset Value
Common Stock — 95.66% (February 29, 2016: 92.95%)		
Aerospace & Defense — 2.51% (February 29, 2016: 2.28%)		
30 Raytheon Co	4,548	1.69
20 United Technologies Corp	2,222	0.82
	6,770	2.51
Banks — 8.03% (February 29, 2016: 5.92%)		
85 Bank of America Corp	2,103	0.78
26 Bank of New York Mellon Corp/The	1,220	0.45
36 Citigroup Inc	2,128	0.79
93 JPMorgan Chase & Co	8,390	3.10
7 PNC Financial Services Group Inc/ The	952	0.35
56 US Bancorp	3,055	1.13
67 Wells Fargo & Co	3,873	1.43
	21,721	8.03
Beverages — 2.15% (February 29, 2016: 2.15%)		
67 Coca-Cola Co/The	2,814	1.04
27 PepsiCo Inc	2,996	1.11
	5,810	2.15
Biotechnology — 2.03% (February 29, 2016: 2.01%)		
18 Amgen Inc	3,211	1.19
5 BioMarin Pharmaceutical Inc	489	0.18
9 Celgene Corp	1,155	0.43
2 Regeneron Pharmaceuticals Inc	639	0.23
	5,494	2.03
Chemicals — 3.26% (February 29, 2016: 3.92%)		
28 El du Pont de Nemours & Co	2,180	0.81
65 PPG Industries Inc	6,624	2.45
	8,804	3.26
Commercial Services — 2.58% (February 29, 2016: 1.33%)		
40 Automatic Data Processing Inc	4,130	1.53
23 Ecolab Inc	2,847	1.05
	6,977	2.58
Computers — 4.12% (February 29, 2016: 3.65%)		
62 Apple Inc	8,516	3.15
15 International Business Machines Corp	2,620	0.97
	11,136	4.12
Cosmetics & Personal Care — 1.28% (February 29, 2016: 1.24%)		
38 Procter & Gamble Co/The	3,458	1.28
Diversified Financial Services — 2.97% (February 29, 2016: 3.13%)		
96 Synchrony Financial	3,466	1.28
52 Visa Inc	4,561	1.69
	8,027	2.97
Electric — 0.57% (February 29, 2016: 0.47%)		
15 Ameren Corp	833	0.31
5 NextEra Energy Inc	698	0.26
	1,531	0.57
Electronics — 1.81% (February 29, 2016: 1.80%)		
39 Honeywell International Inc	4,898	1.81

Shares (000's)	Value (000's) \$	% of Net Asset Value
Environmental Control — 1.04% (February 29, 2016: 0.78%)		
38 Waste Management Inc	2,819	1.04
Food — 1.36% (February 29, 2016: 1.50%)		
15 General Mills Inc	909	0.33
14 Kraft Heinz Co/The	1,266	0.47
34 Mondelez International Inc	1,505	0.56
	3,680	1.36
Gas — 0.31% (February 29, 2016: 0.20%)		
8 Sempra Energy	839	0.31
Healthcare – Products — 2.69% (February 29, 2016: 2.38%)		
9 Becton Dickinson and Co	1,700	0.63
34 Medtronic Plc	2,773	1.02
18 Thermo Fisher Scientific Inc	2,809	1.04
	7,282	2.69
Healthcare – Services — 3.52% (February 29, 2016: 2.81%)		
22 Aetna Inc	2,881	1.06
40 UnitedHealth Group Inc	6,641	2.46
	9,522	3.52
Home Builders — 0.28% (February 29, 2016: 0.00%)		
22 Toll Brothers Inc	758	0.28
Household Products & Wares — 1.08% (February 29, 2016: 1.20%)		
22 Kimberly-Clark Corp	2,921	1.08
Insurance — 5.91% (February 29, 2016: 6.70%)		
– Berkshire Hathaway Inc	7,970	2.95
27 MetLife Inc	1,413	0.52
54 Travelers Cos Inc/The	6,601	2.44
	15,984	5.91
Internet — 4.69% (February 29, 2016: 4.12%)		
5 Alphabet Inc	4,416	1.63
5 Alphabet Inc 'A'	4,017	1.49
31 Facebook Inc 'A'	4,242	1.57
	12,675	4.69
Media — 6.28% (February 29, 2016: 5.99%)		
297 Comcast Corp	11,111	4.11
53 Walt Disney Co/The	5,872	2.17
	16,983	6.28
Miscellaneous Manufacturing — 2.68% (February 29, 2016: 2.94%)		
18 3M Co	3,338	1.23
131 General Electric Co	3,917	1.45
	7,255	2.68
Oil & Gas — 4.48% (February 29, 2016: 4.39%)		
30 Anadarko Petroleum Corp	1,919	0.71
31 Chevron Corp	3,539	1.31
71 Exxon Mobil Corp	5,739	2.12
14 Occidental Petroleum Corp	907	0.34
	12,104	4.48
Oil & Gas Services — 0.92% (February 29, 2016: 1.22%)		
31 Schlumberger Ltd	2,489	0.92
Pharmaceuticals — 7.40% (February 29, 2016: 8.86%)		
42 Bristol-Myers Squibb Co	2,394	0.89
55 Johnson & Johnson	6,693	2.47

Shares (000's)	Value (000's) \$	% of Net Asset Value
88 Merck & Co Inc	5,790	2.14
107 Pfizer Inc	3,660	1.35
49 Roche Holding AG ADR	1,476	0.55
	20,013	7.40
Retail — 8.03% (February 29, 2016: 9.14%)		
48 CVS Health Corp	3,899	1.44
59 Home Depot Inc/The	8,609	3.18
14 McDonald's Corp	1,724	0.64
51 TJX Cos Inc/The	4,009	1.48
49 Wal-Mart Stores Inc	3,474	1.29
	21,715	8.03
Semiconductors — 1.09% (February 29, 2016: 0.91%)		
36 Intel Corp	1,312	0.49
21 Texas Instruments Inc	1,627	0.60
	2,939	1.09
Software — 7.68% (February 29, 2016: 6.90%)		
29 Adobe Systems Inc	3,438	1.27
178 Microsoft Corp	11,402	4.22
62 Oracle Corp	2,657	0.98
21 Red Hat Inc	1,768	0.65
16 SAP SE ADR	1,505	0.56
	20,770	7.68
Telecommunications — 3.58% (February 29, 2016: 3.54%)		
105 AT&T Inc	4,369	1.62
87 Cisco Systems Inc	2,960	1.09
47 Verizon Communications Inc	2,347	0.87
	9,676	3.58
Transportation — 1.33% (February 29, 2016: 1.24%)		
34 United Parcel Service Inc 'B'	3,599	1.33
Total Common Stock (Cost \$173,632)	258,649	95.66
Real Estate Investment Trusts — 1.35% (February 29, 2016: 1.41%)		
REITS — 1.35% (February 29, 2016: 1.41%)		
27 American Tower Corp	3,113	1.15
24 Forest City Realty Trust Inc	538	0.20
	3,651	1.35
Total Real Estate Investment Trusts (Cost \$2,453)	3,651	1.35
Total Investments (Cost \$176,085)	262,300	97.01
Other Assets in Excess of Liabilities (February 29, 2016: 5.64%)		
	8,076	2.99
Total Net Assets	\$270,376	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	96.32
Other assets	3.68
Total Assets	100.00

Legg Mason ClearBridge US Large Cap Growth Fund

Portfolio of Investments as at February 28, 2017

Shares (000's)	Value (000's) \$	% of Net Asset Value
Common Stock — 94.98% (February 29, 2016: 91.96%)		
Aerospace & Defense — 1.84% (February 29, 2016: 1.81%)		
91 Rockwell Collins Inc	8,741	1.84
Beverages — 3.78% (February 29, 2016: 4.10%)		
77 Anheuser-Busch InBev SA/NV ADR	8,406	1.77
228 Coca-Cola Co/The	9,552	2.01
	17,958	3.78
Biotechnology — 9.18% (February 29, 2016: 6.23%)		
67 Alexion Pharmaceuticals Inc	8,813	1.86
39 Biogen Inc	11,227	2.37
130 Celgene Corp	16,008	3.37
20 Regeneron Pharmaceuticals Inc	7,518	1.58
	43,566	9.18
Chemicals — 2.08% (February 29, 2016: 3.45%)		
87 Monsanto Co	9,883	2.08
Commercial Services — 3.56% (February 29, 2016: 1.86%)		
74 Ecolab Inc	9,234	1.95
183 PayPal Holdings Inc	7,667	1.61
	16,901	3.56
Computers — 2.85% (February 29, 2016: 2.04%)		
63 Apple Inc	8,660	1.83
130 Fortinet Inc	4,858	1.02
	13,518	2.85
Distribution & Wholesale — 1.52% (February 29, 2016: 1.68%)		
29 WW Grainger Inc	7,204	1.52
Diversified Financial Services — 9.93% (February 29, 2016: 9.41%)		
96 American Express Co	7,699	1.62
27 BlackRock Inc	10,409	2.19
208 Charles Schwab Corp/The	8,397	1.77
92 Nasdaq Inc	6,560	1.38
160 Visa Inc	14,092	2.97
	47,157	9.93

Shares (000's)	Value (000's) \$	% of Net Asset Value
Healthcare – Products — 3.81% (February 29, 2016: 1.93%)		
128 DENTSPLY SIRONA Inc	8,116	1.71
63 Thermo Fisher Scientific Inc	9,954	2.10
	18,070	3.81
Healthcare – Services — 2.78% (February 29, 2016: 4.34%)		
80 UnitedHealth Group Inc	13,220	2.78
Internet — 14.71% (February 29, 2016: 12.73%)		
17 Alphabet Inc	14,079	2.97
12 Alphabet Inc 'A'	10,197	2.15
27 Amazon.com Inc	22,512	4.74
133 eBay Inc	4,506	0.95
83 Facebook Inc 'A'	11,281	2.38
48 Palo Alto Networks Inc	7,235	1.52
	69,810	14.71
Media — 6.98% (February 29, 2016: 6.23%)		
362 Comcast Corp	13,546	2.86
242 Twenty-First Century Fox Inc	7,232	1.52
112 Walt Disney Co/The	12,337	2.60
	33,115	6.98
Miscellaneous Manufacturing — 1.53% (February 29, 2016: 3.09%)		
243 General Electric Co	7,242	1.53
Oil & Gas — 0.50% (February 29, 2016: 0.00%)		
13 Pioneer Natural Resources Co	2,351	0.50
Oil & Gas Services — 2.60% (February 29, 2016: 3.15%)		
154 Schlumberger Ltd	12,355	2.60
Pharmaceuticals — 4.14% (February 29, 2016: 5.97%)		
75 Johnson & Johnson	9,152	1.93
197 Zoetis Inc	10,494	2.21
	19,646	4.14
Retail — 7.29% (February 29, 2016: 7.62%)		
12 Chipotle Mexican Grill Inc 'A'	4,866	1.02
137 CVS Health Corp	11,068	2.33
84 Home Depot Inc/The	12,103	2.55
248 Yum China Holdings Inc	6,588	1.39
	34,625	7.29

Shares (000's)	Value (000's) \$	% of Net Asset Value
Semiconductors — 2.98% (February 29, 2016: 3.03%)		
97 Texas Instruments Inc	7,432	1.56
115 Xilinx Inc	6,736	1.42
	14,168	2.98
Software — 11.00% (February 29, 2016: 11.64%)		
81 Adobe Systems Inc	9,567	2.02
183 Akamai Technologies Inc	11,456	2.41
244 Microsoft Corp	15,581	3.28
105 Red Hat Inc	8,717	1.84
77 VMware Inc	6,890	1.45
	52,211	11.00
Transportation — 1.92% (February 29, 2016: 1.65%)		
86 United Parcel Service Inc 'B'	9,138	1.92
Total Common Stock (Cost \$373,280)	450,879	94.98
Total Investments (Cost \$373,280)	450,879	94.98
Other Assets in Excess of Liabilities (February 29, 2016: 8.04%)		
	23,836	5.02
Total Net Assets	\$474,715	100.00

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	94.31
Other assets	5.69
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)
03/15/17	BNY Mellon	Buy	EUR	496	Sell	USD	525	\$ 1
03/15/17	BNY Mellon	Buy	EUR	15,203	Sell	USD	16,265	(147)
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$—)								1
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(99))								(147)
Net Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(99))								\$ (146)

Legg Mason ClearBridge US Aggressive Growth Fund

Portfolio of Investments as at February 28, 2017

Shares (000's)	Value (000's) \$	% of Net Asset Value
Common Stock — 100.19% (February 29, 2016: 99.13%)		
Auto Parts & Equipment — 0.38% (February 29, 2016: 0.00%)		
140 Adient Plc	9,401	0.38
Biotechnology — 20.65% (February 29, 2016: 19.47%)		
50 Aduro Biotech Inc	563	0.02
843 Amgen Inc	148,893	6.06
651 Biogen Inc	187,970	7.66
326 Bioerativ Inc	16,960	0.69
234 ImmunoGen Inc	797	0.03
1,367 Ionis Pharmaceuticals Inc	68,042	2.77
191 Spark Therapeutics Inc	12,199	0.50
791 Vertex Pharmaceuticals Inc	71,645	2.92
	507,069	20.65
Building Materials — 3.78% (February 29, 2016: 0.00%)		
1,257 Cree Inc	34,118	1.39
1,400 Johnson Controls International plc	58,731	2.39
	92,849	3.78
Commercial Services — 0.00% (February 29, 2016: 0.00%)		
– Ascent Capital Group Inc	5	–
Computers — 6.15% (February 29, 2016: 8.08%)		
10 Engility Holdings Inc	320	0.02
2,009 Seagate Technology Plc	96,802	3.94
700 Western Digital Corp	53,816	2.19
	150,938	6.15
Diversified Financial Services — 0.05% (February 29, 2016: 0.04%)		
36 Cohen & Steers Inc	1,351	0.05
Electronics — 2.26% (February 29, 2016: 3.45%)		
744 TE Connectivity Ltd	55,441	2.26
Engineering & Construction — 2.05% (February 29, 2016: 3.27%)		
910 Fluor Corp	50,390	2.05
Entertainment — 2.08% (February 29, 2016: 1.07%)		
121 Dolby Laboratories Inc 'A'	5,913	0.24
525 Lions Gate Entertainment Corp	13,108	0.53
179 Madison Square Garden Co/The	32,121	1.31
	51,142	2.08
Healthcare – Products — 1.38% (February 29, 2016: 1.06%)		
414 Medtronic Plc	33,492	1.36
15 Wright Medical Group NV	430	0.02
	33,922	1.38
Healthcare – Services — 7.87% (February 29, 2016: 6.96%)		
1,169 UnitedHealth Group Inc	193,273	7.87
Internet — 1.45% (February 29, 2016: 1.71%)		
75 Facebook Inc 'A'	10,155	0.41
16 Liberty Expedia Holdings Inc	705	0.03
24 Liberty Ventures	1,071	0.05
1,500 Twitter Inc	23,655	0.96
	35,586	1.45
Iron/Steel — 0.76% (February 29, 2016: 0.45%)		
299 Nucor Corp	18,732	0.76

Shares (000's)	Value (000's) \$	% of Net Asset Value
Leisure Time — 0.01% (February 29, 2016: 0.01%)		
17 Liberty TripAdvisor Holdings Inc	226	0.01
Media — 18.31% (February 29, 2016: 14.91%)		
1,461 AMC Networks Inc	87,383	3.56
26 CBS Corp 'B'	1,741	0.07
3,654 Comcast Corp	136,750	5.57
2,705 Discovery Communications Inc	77,794	3.17
475 Discovery Communications Inc	13,332	0.54
373 Liberty Broadband Corp	31,392	1.28
490 Liberty Broadband Corp	42,107	1.71
21 Liberty Global Plc	737	0.03
63 Liberty Global Plc	2,201	0.09
11 Liberty Global Plc LiLAC	269	0.01
4 Liberty Global Plc LiLAC	88	–
29 Liberty Media Corp-Liberty Braves	639	0.03
58 Liberty Media Corp-Liberty Braves	1,276	0.05
73 Liberty Media Corp-Liberty Formula One	2,185	0.09
145 Liberty Media Corp-Liberty Formula One	4,455	0.18
290 Liberty Media Corp-Liberty SiriusXM	11,414	0.46
580 Liberty Media Corp-Liberty SiriusXM	22,597	0.92
537 MSG Networks Inc	11,712	0.48
22 Viacom Inc 'B'	939	0.04
32 World Wrestling Entertainment Inc 'A'	670	0.03
	449,681	18.31
Mining — 1.14% (February 29, 2016: 1.73%)		
2,088 Freeport-McMoRan Inc	27,980	1.14
Miscellaneous Manufacturing — 0.11% (February 29, 2016: 0.07%)		
45 Pentair Plc	2,597	0.11
Oil & Gas — 6.36% (February 29, 2016: 6.65%)		
1,784 Anadarko Petroleum Corp	115,321	4.70
1,122 Newfield Exploration Co	40,903	1.66
	156,224	6.36
Oil & Gas Services — 6.83% (February 29, 2016: 6.06%)		
715 Core Laboratories NV	81,786	3.33
1,109 National Oilwell Varco Inc	44,843	1.83
215 NOW Inc	4,112	0.17
6,528 Weatherford International Plc	36,948	1.50
	167,689	6.83
Pharmaceuticals — 6.27% (February 29, 2016: 8.22%)		
191 Agios Pharmaceuticals Inc	9,247	0.38
43 Alkermes Plc	2,452	0.10
547 Allergan Plc	133,884	5.45
8 Mallinckrodt Plc	439	0.02
100 ProQR Therapeutics NV	405	0.01
14 Teva Pharmaceutical Industries Ltd ADR	498	0.02
500 Valeant Pharmaceuticals International Inc	7,197	0.29
	154,122	6.27

Shares (000's)	Value (000's) \$	% of Net Asset Value
Retail — 0.13% (February 29, 2016: 0.14%)		
168 Liberty Interactive Corp QVC Group	3,175	0.13
Savings & Loans — 0.19% (February 29, 2016: 0.15%)		
54 Astoria Financial Corp	991	0.04
243 New York Community Bancorp Inc	3,711	0.15
	4,702	0.19
Semiconductors — 4.51% (February 29, 2016: 4.65%)		
511 Broadcom Ltd	107,709	4.39
83 Intel Corp	2,996	0.12
	110,705	4.51
Software — 6.79% (February 29, 2016: 10.73%)		
631 Autodesk Inc	54,420	2.22
641 Citrix Systems Inc	50,645	2.06
3,624 Nuance Communications Inc	61,714	2.51
	166,779	6.79
Telecommunications — 0.68% (February 29, 2016: 0.25%)		
25 ARRIS International Plc	640	0.03
140 AT&T Inc	5,865	0.24
110 LogMein Inc	10,114	0.41
	16,619	0.68
Total Common Stock (Cost \$2,252,800)		
	2,460,598	100.19
Right — 0.00% (February 29, 2016: 0.00%)		
Healthcare – Products — 0.00% (February 29, 2016: 0.00%)		
58 Wright Medical Group NV	87	–
	87	–
Total Right (Cost \$239)		
	2,460,685	100.19
Total Investments (Cost \$2,253,039)		
Liabilities in Excess of Other Assets (February 29, 2016: 0.87%)		
	(4,650)	(0.19)
Total Net Assets		
	\$2,456,035	100.00

– 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	99.46
Financial derivative instruments	0.01
Other assets	0.53
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)
03/01/17	BNY Mellon	Buy AUD 27	Sell USD 21	\$ –
03/02/17	BNY Mellon	Buy USD 24	Sell AUD 31	–
03/02/17	BNY Mellon	Buy AUD 59	Sell USD 46	–
03/03/17	BNY Mellon	Buy AUD 214	Sell USD 164	–
03/15/17	BNY Mellon	Buy USD 1,121	Sell AUD 1,462	3
03/15/17	BNY Mellon	Buy USD 626	Sell AUD 818	(2)
03/15/17	BNY Mellon	Buy USD 129	Sell EUR 121	–
03/15/17	BNY Mellon	Buy USD 454	Sell EUR 429	–
03/15/17	BNY Mellon	Buy USD 38	Sell GBP 30	–
03/15/17	BNY Mellon	Buy USD 25	Sell PLN 100	–
03/15/17	BNY Mellon	Buy USD 13	Sell SEK 120	–

The accompanying notes are an integral part of the Financial Statements

Legg Mason ClearBridge US Aggressive Growth Fund

Portfolio of Investments as at February 28, 2017 – (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)	
03/15/17	BNY Mellon	Buy	USD 30	Sell	SEK 275	\$	–
03/15/17	BNY Mellon	Buy	USD 56	Sell	SGD 78		–
03/15/17	BNY Mellon	Buy	SGD 6,377	Sell	USD 4,501		49
03/15/17	BNY Mellon	Buy	AUD 24,380	Sell	USD 18,556		131
03/15/17	BNY Mellon	Buy	CNH 262	Sell	USD 38		–
03/15/17	BNY Mellon	Buy	EUR 25,355	Sell	USD 27,125		(244)
03/15/17	BNY Mellon	Buy	AUD 170	Sell	USD 131		–
03/15/17	BNY Mellon	Buy	CHF 115	Sell	USD 116		(1)
03/15/17	BNY Mellon	Buy	EUR 330	Sell	USD 347		1
03/15/17	BNY Mellon	Buy	PLN 200	Sell	USD 49		–
03/15/17	BNY Mellon	Buy	SEK 2,239	Sell	USD 253		(6)
03/15/17	BNY Mellon	Buy	GBP 30,757	Sell	USD 38,496		(315)
03/15/17	BNY Mellon	Buy	PLN 2,585	Sell	USD 640		(5)
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$2,123)							184
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(4,020))							(573)
Net Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(1,897))							\$ (389)

The accompanying notes are an integral part of the Financial Statements

Portfolio of Investments as at February 28, 2017

Shares (000's)		Value (000's) \$	% of Net Asset Value
71	TriplePoint Venture Growth BDC Corp	923	1.36
		4,551	6.73
Miscellaneous Manufacturing — 1.26% (February 29, 2016: 1.77%)			
29	General Electric Co	850	1.26
Oil & Gas — 2.50% (February 29, 2016: 1.83%)			
93	VTI Energy Partners LP, MLP #	1,693	2.50
Pharmaceuticals — 7.76% (February 29, 2016: 8.91%)			
35	AstraZeneca Plc ADR	1,009	1.49
9	Bristol-Myers Squibb Co	522	0.77
8	GlaxoSmithKline Plc ADR	332	0.49
8	Johnson & Johnson	990	1.46
24	Merck & Co Inc	1,581	2.34
24	Pfizer Inc	819	1.21
		5,253	7.76
Pipelines — 6.87% (February 29, 2016: 1.96%)			
29	Enbridge Inc	1,194	1.76
35	Plains GP Holdings LP 'A'	1,148	1.70
23	Tallgrass Energy GP LP 'A'	666	0.98
17	Targa Resources Corp	932	1.38
25	Williams Cos Inc/The	709	1.05
		4,649	6.87
Semiconductors — 3.02% (February 29, 2016: 3.41%)			
15	Intel Corp	525	0.78
20	Maxim Integrated Products Inc	864	1.28
9	Microchip Technology Inc	652	0.96
		2,041	3.02
Software — 6.07% (February 29, 2016: 5.38%)			
35	Microsoft Corp	2,239	3.31
24	Oracle Corp	1,022	1.51
14	Paychex Inc	842	1.25
		4,103	6.07
Telecommunications — 5.71% (February 29, 2016: 6.43%)			
36	AT&T Inc	1,504	2.22
12	Cisco Systems Inc	410	0.61
28	Verizon Communications Inc	1,390	2.05
22	Vodafone Group Plc ADR	559	0.83
		3,863	5.71
Transportation — 7.71% (February 29, 2016: 4.32%)			
81	Dynagas LNG Partners LP, MLP #	1,323	1.96
65	Golar LNG Partners LP, MLP #	1,465	2.17
55	Hoegh LNG Partners LP, MLP #	1,058	1.56
62	KNOT Offshore Partners LP, MLP #	1,367	2.02
		5,213	7.71
Total Common Stock (Cost \$45,890)		47,773	70.62
Preferred Stock — 9.43% (February 29, 2016: 8.23%)			
Electric — 2.98% (February 29, 2016: 3.90%)			
22	Exelon Corp	1,096	1.62

Shares (000's)		Value (000's) \$	% of Net Asset Value
15	NextEra Energy Inc	915	1.36
		2,011	2.98
Oil & Gas — 2.42% (February 29, 2016: 1.16%)			
38	Anadarko Petroleum Corp	1,639	2.42
Pharmaceuticals — 4.03% (February 29, 2016: 2.23%)			
2	Allergan Plc, Series A	1,360	2.01
2	Teva Pharmaceutical Industries Ltd	1,365	2.02
		2,725	4.03
Total Preferred Stock (Cost \$6,587)		6,375	9.43
Real Estate Investment Trusts — 17.98% (February 29, 2016: 20.09%)			
REITS — 17.98% (February 29, 2016: 20.09%)			
40	AGNC Investment Corp	785	1.16
5	Alexandria Real Estate Equities Inc	651	0.96
9	American Tower Corp	951	1.41
72	Annaly Capital Management Inc	794	1.17
15	Apartment Investment & Management Co	698	1.03
3	AvalonBay Communities Inc	616	0.91
10	DuPont Fabros Technology Inc	536	0.79
9	EPR Properties	685	1.01
6	Equity Residential	378	0.56
20	Hospitality Properties Trust	624	0.92
9	Ramco-Gershenson Properties Trust	148	0.22
34	Retail Properties of America Inc	518	0.77
27	Senior Housing Properties Trust	545	0.81
6	Simon Property Group Inc	1,106	1.64
34	Spirit Realty Capital Inc	374	0.55
66	Starwood Property Trust Inc	1,509	2.23
37	Weyerhaeuser Co	1,248	1.84
		12,166	17.98
Total Real Estate Investment Trusts (Cost \$11,618)		12,166	17.98
Total Investments (Cost \$64,095)		66,314	98.03
Other Assets in Excess of Liabilities (February 29, 2016: 9.88%)		1,334	1.97
Total Net Assets		\$67,648	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			97.56
Financial derivative instruments			0.01
Other assets			2.43
Total Assets			100.00

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Legg Mason ClearBridge US Equity Sustainability Leaders Fund[^]

Portfolio of Investments as at February 28, 2017

Shares (000's)	Value (000's) \$	% of Net Asset Value
Common Stock — 98.89% (February 29, 2016: 96.96%)		
Apparel — 2.95% (February 29, 2016: 5.57%)		
1 NIKE Inc	76	2.95
Auto Parts & Equipment — 1.37% (February 29, 2016: 1.40%)		
– WABCO Holdings Inc	35	1.37
Banks — 5.19% (February 29, 2016: 6.31%)		
2 US Bancorp	133	5.19
Biotechnology — 3.86% (February 29, 2016: 4.10%)		
– Alexion Pharmaceuticals Inc	45	1.77
– Biogen Inc	54	2.09
	99	3.86
Building Materials — 2.23% (February 29, 2016: 2.46%)		
1 Trex Co Inc	57	2.23
Commercial Services — 6.45% (February 29, 2016: 3.13%)		
1 Automatic Data Processing Inc	79	3.06
1 Ecolab Inc	87	3.39
	166	6.45
Computers — 8.38% (February 29, 2016: 7.30%)		
1 Apple Inc	129	5.02
– Check Point Software Technologies Ltd	41	1.61
1 MAXIMUS Inc	45	1.75
	215	8.38
Cosmetics & Personal Care — 2.10% (February 29, 2016: 0.00%)		
1 Colgate-Palmolive Co	54	2.10
Distribution & Wholesale — 1.54% (February 29, 2016: 1.94%)		
– WW Grainger Inc	39	1.54
Diversified Financial Services — 7.94% (February 29, 2016: 5.15%)		
– BlackRock Inc	81	3.14
2 Charles Schwab Corp/The	66	2.58
1 Discover Financial Services	57	2.22
	204	7.94

Shares (000's)	Value (000's) \$	% of Net Asset Value
Electric — 3.97% (February 29, 2016: 5.31%)		
1 Brookfield Renewable Energy Partners LP/CA, MLP #	39	1.51
– NextEra Energy Inc	63	2.46
	102	3.97
Electrical Components & Equipment — 1.73% (February 29, 2016: 0.00%)		
– Acuity Brands Inc	44	1.73
Energy – Alternate Sources — 1.75% (February 29, 2016: 2.14%)		
2 Vestas Wind Systems A/S ADR	45	1.75
Food — 1.29% (February 29, 2016: 1.63%)		
1 Whole Foods Market Inc	33	1.29
Healthcare-Products — 4.17% (February 29, 2016: 0.00%)		
– Becton Dickinson and Co	54	2.10
1 Danaher Corp	53	2.07
	107	4.17
Healthcare-Services — 5.35% (February 29, 2016: 7.11%)		
1 MEDNAX Inc	46	1.79
1 UnitedHealth Group Inc	91	3.56
	137	5.35
Insurance — 2.08% (February 29, 2016: 0.00%)		
1 Hartford Financial Services Group Inc/The	54	2.08
Internet — 4.71% (February 29, 2016: 4.71%)		
– Alphabet Inc 'A'	121	4.71
Machinery – Diversified — 3.29% (February 29, 2016: 1.92%)		
– Rockwell Automation Inc	59	2.28
1 Xylem Inc/NY	26	1.01
	85	3.29
Media — 1.95% (February 29, 2016: 0.00%)		
– Walt Disney Co/The	50	1.95
Miscellaneous Manufacturing — 3.17% (February 29, 2016: 3.21%)		
– 3M Co	81	3.17

Shares (000's)	Value (000's) \$	% of Net Asset Value
Office Furnishings — 1.41% (February 29, 2016: 1.52%)		
1 Herman Miller Inc	36	1.41
Pharmaceuticals — 1.30% (February 29, 2016: 4.27%)		
– Shire Plc ADR	33	1.30
Retail — 12.19% (February 29, 2016: 14.65%)		
1 Costco Wholesale Corp	96	3.73
1 CVS Health Corp	73	2.83
1 Lowe's Cos Inc	92	3.58
1 Starbucks Corp	52	2.05
	313	12.19
Semiconductors — 1.98% (February 29, 2016: 2.00%)		
1 Intel Corp	51	1.98
Software — 6.54% (February 29, 2016: 7.69%)		
1 Autodesk Inc	61	2.39
2 Microsoft Corp	107	4.15
	168	6.54
Total Common Stock (Cost \$2,155)		2,538 98.89
Total Investments (Cost \$2,155)		2,538 98.89
Other Assets in Excess of Liabilities (February 29, 2016: 3.04%)		
	29	1.11
Total Net Assets		\$2,567 100.00

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

Master Limited Partnership.

ABBREVIATIONS:

ADR – American Depositary Receipt

	% of Total Assets
Analysis of Total Assets	
Transferable securities admitted to an official exchange listing or traded on a regulated market	96.76
Other assets	3.24
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)
03/15/17	BNY Mellon	Buy	EUR 15	Sell	USD 16	\$ –
03/15/17	BNY Mellon	Buy	EUR 408	Sell	USD 436	(4)
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$–)						–
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(11))						(4)
Net Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(11))						\$ (4)

[^] 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 28, 2017

Shares (000's)	Value (000's) \$	% of Net Asset Value
Collective Investment Schemes — 3.95% (February 29, 2016: 3.25%)		
12,224 Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	12,224	3.95
Total Collective Investment Schemes (Cost \$12,224)	12,224	3.95
Common Stock — 86.77% (February 29, 2016: 91.00%)		
Airlines — 14.16% (February 29, 2016: 16.25%)		
308 American Airlines Group Inc ≠	14,260	4.60
302 Delta Air Lines Inc ≠	15,069	4.87
196 United Continental Holdings Inc ≠	14,513	4.69
	43,842	14.16
Banks — 1.64% (February 29, 2016: 2.24%)		
131 Bank of America Corp	3,236	1.04
31 Citigroup Inc	1,854	0.60
	5,090	1.64
Biotechnology — 7.74% (February 29, 2016: 10.18%)		
46 Alexion Pharmaceuticals Inc	6,034	1.95
548 Intrexon Corp	12,194	3.94
902 ZIOPHARM Oncology Inc	5,727	1.85
	23,955	7.74
Chemicals — 5.24% (February 29, 2016: 3.04%)		
1,231 Platform Specialty Products Corp	16,235	5.24
Diversified Financial Services — 7.22% (February 29, 2016: 4.51%)		
207 Nationstar Mortgage Holdings Inc	3,755	1.21
569 OneMain Holdings Inc 'A'	15,938	5.15
148 PennyMac Financial Services Inc 'A'	2,647	0.86
	22,340	7.22

Shares (000's)	Value (000's) \$	% of Net Asset Value
Holding Companies – Diversified — 1.29% (February 29, 2016: 0.00%)		
382 GTY Technology Holdings Inc	3,989	1.29
Home Builders — 7.39% (February 29, 2016: 14.09%)		
277 Lennar Corp	13,495	4.36
212 PulteGroup Inc	4,674	1.51
152 Taylor Morrison Home Corp 'A'	3,069	0.99
137 TRI Pointe Group Inc	1,642	0.53
	22,880	7.39
Insurance — 7.77% (February 29, 2016: 6.17%)		
2,709 Genworth Financial Inc 'A'	11,079	3.58
1,219 MGIC Investment Corp	12,979	4.19
	24,058	7.77
Internet — 20.12% (February 29, 2016: 21.60%)		
19 Amazon.com Inc	16,428	5.31
1,342 Endurance International Group Holdings Inc	11,405	3.68
933 Pandora Media Inc	11,553	3.73
1,066 Quotient Technology Inc	12,679	4.09
319 Twitter Inc	5,037	1.63
138 Wayfair Inc	5,210	1.68
	62,312	20.12
Pharmaceuticals — 9.24% (February 29, 2016: 0.89%)		
29 Allergan Plc	7,216	2.33
637 Endo International Plc	8,692	2.80
6 Endo International Plc	85	0.03
879 Valeant Pharmaceuticals International Inc	12,633	4.08
	28,626	9.24
Retail — 4.11% (February 29, 2016: 0.00%)		
418 RH	12,736	4.11
Software — 0.85% (February 29, 2016: 0.00%)		
22 athenahealth Inc	2,642	0.85
Total Common Stock (Cost \$270,640)	268,705	86.77

Shares (000's)	Value (000's) \$	% of Net Asset Value
Warrant — 4.33% (February 29, 2016: 2.22%)		
Banks — 4.33% (February 29, 2016: 2.22%)		
274 JPMorgan Chase & Co	13,429	4.33
Total Warrant (Cost \$6,150)	13,429	4.33
Total Investments Excluding Options (Cost \$289,014)		
	294,358	95.05
Contracts (000's)		
	Value (000's) \$	% of Net Asset Value
Options — 2.99% (February 29, 2016: 5.18%)		
Purchased Options — 2.99% (February 29, 2016: 5.18%)		
2 Apple Inc January 2018 Call 95.00, due 1/19/2018	9,245	2.99
Total Options (Cost \$2,463)	9,245	2.99
Total Investments (Cost \$291,477)	303,603	98.04
Other Assets in Excess of Liabilities (February 29, 2016: (1.65%))		
	6,070	1.96
Total Net Assets	\$309,673	100.00

≠ Security (in whole or part) pledged as collateral for derivatives trading as at February 28, 2017.

Analysis of Total Assets		% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market		90.10
Collective investment schemes		3.90
Financial derivative instruments		3.07
Other assets		2.93
Total Assets		100.00

Schedule of Equity Swaps

Counterparty	Reference Entity	Shares (000's)	Value (000's) \$
Credit Suisse First Boston	Bank of America Corp	416	(42)
Credit Suisse First Boston	GameStop Corp 'A'	287	(510)
Credit Suisse First Boston	PulteGroup Inc	377	166
Credit Suisse First Boston	Citigroup Inc	129	(95)
Credit Suisse First Boston	Gilead Sciences Inc	89	106
Credit Suisse First Boston	Seagate Technology Plc	138	104
			\$ (271)
Unrealised Appreciation of Equity Swaps (February 29, 2016 (000's): \$505)			376
Unrealised Depreciation of Equity Swaps (February 29, 2016 (000's): \$(63))			(647)
Net Depreciation of Equity Swaps (February 29, 2016 (000's): \$442)			\$ (271)

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/15/17	BNY Mellon	Buy USD 144	Sell EUR 136	\$ –
03/15/17	BNY Mellon	Buy USD 3	Sell EUR 3	–
03/15/17	BNY Mellon	Buy USD 10	Sell SEK 94	–
03/15/17	BNY Mellon	Buy USD 18	Sell SEK 162	–
03/15/17	BNY Mellon	Buy EUR 184	Sell USD 195	(1)
03/15/17	BNY Mellon	Buy PLN 367	Sell USD 91	(1)
03/15/17	BNY Mellon	Buy EUR 112	Sell USD 119	–
03/15/17	BNY Mellon	Buy SEK 1,314	Sell USD 148	(2)
03/15/17	BNY Mellon	Buy PLN 44	Sell USD 10	–
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$1)				–
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(10))				(4)
Net Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(9))				\$ (4)

The accompanying notes are an integral part of the Financial Statements

Legg Mason Royce US Small Cap Opportunity Fund

Portfolio of Investments as at February 28, 2017

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 — 7.06% (February 29, 2016: 4.39%)			Commercial Services — 3.78% (February 29, 2016: 2.47%)			Environmental Control — 0.59% (February 29, 2016: 0.73%)		
150 BlackRock Resources & Commodities Strategy Trust	1,284	0.12	199 Calgon Carbon Corp	2,808	0.27	93 Pure Cycle Corp	478	0.04
72,007 Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	72,007	6.94	517 Ferro Corp	7,235	0.70	555 TRC Cos Inc	5,689	0.55
Total Collective Investment Schemes (Cost \$73,260)	73,291	7.06	58 HB Fuller Co	2,844	0.27		6,167	0.59
Common Stock — 92.03% (February 29, 2016: 95.41%)			293 Huntsman Corp	6,622	0.64	Food — 0.64% (February 29, 2016: 1.04%)		
Advertising — 0.10% (February 29, 2016: 0.13%)			287 Intrepid Potash Inc	574	0.06	395 Inventure Foods Inc	2,207	0.21
457 Tremor Video Inc	1,010	0.10	237 Kraton Corp	6,461	0.62	158 SUPERVALU Inc	596	0.06
Aerospace & Defense — 2.32% (February 29, 2016: 2.56%)			231 Landec Corp	2,911	0.28	90 United Natural Foods Inc	3,874	0.37
270 Aerojet Rocketdyne Holdings Inc	5,235	0.50	175 Olin Corp	5,423	0.52		6,677	0.64
34 Curtiss-Wright Corp	3,287	0.32		39,083	3.77	Hand/Machine Tools — 0.33% (February 29, 2016: 0.52%)		
916 Kratos Defense & Security Solutions Inc	7,557	0.73	Computers — 4.19% (February 29, 2016: 4.47%)			330 Hardinge Inc	3,452	0.33
420 LMI Aerospace Inc	5,773	0.56	80 ABM Industries Inc	3,266	0.31	Healthcare – Products — 2.44% (February 29, 2016: 2.85%)		
33 Moog Inc 'A'	2,230	0.21	501 Albany Molecular Research Inc	7,506	0.72	714 Accuray Inc	3,677	0.35
	24,082	2.32	55 CAI International Inc	851	0.08	58 Analogic Corp	4,769	0.46
Agriculture — 0.36% (February 29, 2016: 0.56%)			385 Care.com Inc	3,928	0.38	224 AngioDynamics Inc	3,656	0.35
160 Tejon Ranch Co	3,690	0.36	208 Cross Country Healthcare Inc	3,220	0.31	316 CareDx Inc	664	0.06
Apparel — 0.75% (February 29, 2016: 0.67%)			332 Great Lakes Dredge & Dock Corp	1,445	0.14	147 Exactech Inc	3,575	0.35
170 Skechers U.S.A. Inc	4,364	0.42	123 Herc Holdings Inc	6,332	0.61	298 Invacare Corp	3,610	0.35
114 Unifi Inc	3,098	0.30	114 K12 Inc	2,027	0.20	237 Trinity Biotech Plc ADR	1,463	0.14
180 Vince Holding Corp	315	0.03	160 Korn/Ferry International	4,945	0.48	113 Varex Imaging Corp	3,917	0.38
	7,777	0.75	28 Team Inc	963	0.09		25,331	2.44
Auto Parts & Equipment — 3.28% (February 29, 2016: 1.58%)			102 Textainer Group Holdings Ltd	1,609	0.15	Healthcare – Services — 2.83% (February 29, 2016: 1.15%)		
198 American Axle & Manufacturing Holdings Inc	3,914	0.38	250 Travelport Worldwide Ltd	3,175	0.31	98 Acadia Healthcare Co Inc	4,361	0.42
455 Commercial Vehicle Group Inc	2,867	0.28		39,267	3.78	435 Brookdale Senior Living Inc	6,264	0.60
70 Cooper Tire & Rubber Co	2,831	0.27	Diversified Financial Services — 0.89% (February 29, 2016: 0.32%)			473 Community Health Systems Inc	4,610	0.45
325 Dana Inc	6,140	0.59	138 Cray Inc	2,879	0.28	488 Kindred Healthcare Inc	4,387	0.42
425 Meritor Inc	6,955	0.67	166 DMC Global Inc	2,475	0.24	223 Select Medical Holdings Corp	3,208	0.31
120 Modine Manufacturing Co	1,362	0.13	76 Echelon Corp	366	0.03	90 Surgery Partners Inc	2,025	0.20
627 Spartan Motors Inc	4,173	0.40	373 KEYW Holding Corp/The	3,702	0.36	155 Tivity Health Inc	4,480	0.43
189 Tower International Inc	5,213	0.50	93 Mentor Graphics Corp	3,434	0.33		29,335	2.83
578 Westport Fuel Systems Inc	607	0.06	205 Mercury Systems Inc	7,660	0.74	Home Builders — 2.86% (February 29, 2016: 3.77%)		
	34,062	3.28	324 Nimble Storage Inc	2,943	0.28	428 Beazer Homes USA Inc	5,225	0.50
Banks — 4.08% (February 29, 2016: 3.69%)			170 Radisys Corp	650	0.06	17 Installed Building Products Inc	803	0.08
155 BancorpSouth Inc	4,805	0.46	156 Stratasys Ltd	3,074	0.30	170 MI Homes Inc	4,012	0.39
43 BankUnited Inc	1,711	0.16	710 Unisys Corp	9,869	0.95	173 MDC Holdings Inc	5,041	0.49
245 Boston Private Financial Holdings Inc	4,214	0.41	207 Virtusa Corp	6,414	0.62	442 New Home Co Inc/The	4,620	0.44
163 CenterState Banks Inc	4,015	0.39		43,466	4.19	265 TRI Pointe Group Inc	3,164	0.30
135 Fidelity Southern Corp	3,182	0.31	Electric — 0.06% (February 29, 2016: 0.16%)			195 William Lyon Homes 'A'	3,594	0.35
90 Guaranty Bancorp	2,227	0.21	120 Ameresco Inc	606	0.06	98 Winnebago Industries Inc	3,237	0.31
42 Old Line Bancshares Inc	1,175	0.11		9,248	0.89		29,696	2.86
243 State Bank Financial Corp	6,588	0.63	Electrical Components & Equipment — 3.25% (February 29, 2016: 3.53%)			Home Furnishings — 0.11% (February 29, 2016: 0.68%)		
219 TriState Capital Holdings Inc	5,146	0.50	91 Advanced Energy Industries Inc	5,624	0.54	221 VOXX International Corp 'A'	1,094	0.11
302 Umpqua Holdings Corp	5,672	0.55	157 Encore Wire Corp	7,450	0.72	Household Products & Wares — 0.08% (February 29, 2016: 0.42%)		
89 Walker & Dunlop Inc	3,598	0.35	563 General Cable Corp	9,397	0.90	25 Central Garden & Pet Co	845	0.08
	42,333	4.08	140 Insteel Industries Inc	5,041	0.49	Insurance — 3.42% (February 29, 2016: 0.76%)		
Biotechnology — 0.49% (February 29, 2016: 0.32%)			205 Novanta Inc	4,982	0.48	136 Ambac Financial Group Inc	3,016	0.29
76 Cambrex Corp	4,288	0.41	201 Revolution Lighting Technologies Inc	1,248	0.12	125 Aspen Insurance Holdings Ltd	6,978	0.67
210 RTI Surgical Inc	788	0.08		33,742	3.25	80 Assured Guaranty Ltd	3,289	0.32
	5,076	0.49	Electronics — 4.73% (February 29, 2016: 5.41%)			210 Heritage Insurance Holdings Inc	3,100	0.30
Building Materials — 3.99% (February 29, 2016: 4.92%)			76 Applied Optoelectronics Inc	3,494	0.34	96 James River Group Holdings Ltd	4,119	0.40
21 Aspen Aerogels Inc	88	0.01	165 Ballantyne Strong Inc	1,070	0.10	665 MBIA Inc	6,863	0.66
170 Boise Cascade Co	4,594	0.44	153 Benchmark Electronics Inc	4,758	0.46	190 MGIC Investment Corp	2,024	0.20
243 Builders FirstSource Inc	3,139	0.30	228 Electro Scientific Industries Inc	1,520	0.15	170 NMI Holdings Inc	1,887	0.18
249 Cree Inc	6,752	0.65	79 Frequency Electronics Inc	877	0.08	225 Radian Group Inc	4,187	0.40
97 Griffon Corp	2,440	0.23	152 II-VI Inc	5,405	0.52		35,463	3.42
197 Louisiana-Pacific Corp	4,646	0.45	1,055 Kemet Corp	11,425	1.10	Internet — 1.72% (February 29, 2016: 1.42%)		
407 NCI Building Systems Inc	6,511	0.63	55 Knowles Corp	1,041	0.10	192 Boingo Wireless Inc	2,097	0.20
305 PGT Innovations Inc	3,066	0.30	170 Sanmina Corp	6,630	0.64	269 Leaf Group Ltd	2,108	0.20
179 Ply Gem Holdings Inc	3,118	0.30	332 TTM Technologies Inc	5,359	0.52	541 Limelight Networks Inc	1,216	0.12
230 Qualex Building Products Corp	4,496	0.43	475 Vishay Intertechnology Inc	7,531	0.72	100 Marin Software Inc	230	0.02
41 US Concrete Inc	2,568	0.25		49,110	4.73	99 Perficient Inc	1,791	0.17
	41,418	3.99	Engineering & Construction — 1.70% (February 29, 2016: 1.75%)			310 QuinStreet Inc	1,002	0.10
Chemicals — 3.77% (February 29, 2016: 5.26%)			303 Aegion Corp 'A'	6,889	0.67	127 RetailMeNot Inc	1,137	0.11
125 A Schulman Inc	4,205	0.41	580 Layne Christensen Co	5,539	0.53	69 Wayfair Inc	2,591	0.25
			132 MasTec Inc	5,181	0.50	297 Web.com Group Inc	5,709	0.55
				17,609	1.70		17,881	1.72
						Iron/Steel — 2.54% (February 29, 2016: 2.33%)		
						568 AK Steel Holding Corp	4,727	0.46
						445 Allegheny Technologies Inc	8,548	0.82
						151 Carpenter Technology Corp	6,111	0.59

The accompanying notes are an integral part of the Financial Statements

Legg Mason Royce US Small Cap Opportunity Fund

Portfolio of Investments as at February 28, 2017 – (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)								
Iron/Steel — (continued)								
331 Commercial Metals Co	6,988	0.67	170 DSW Inc	3,575	0.34	325 Navios Maritime Holdings Inc	549	0.05
	26,374	2.54	210 Guess? Inc	2,667	0.26	155 Scorpio Bulkers Inc	1,147	0.11
Lodging — 0.56% (February 29, 2016: 0.83%)			190 Ignite Restaurant Group Inc	82	0.01	493 Scorpio Tankers Inc	1,896	0.18
450 Belmond Ltd 'A'	5,822	0.56	160 JC Penney Co Inc	1,015	0.10	402 StealthGas Inc	1,769	0.17
Machinery – Construction & Mining — 0.75% (February 29, 2016: 1.45%)			186 Lumber Liquidators Holdings Inc	3,296	0.32		17,838	1.72
55 Astec Industries Inc	3,475	0.33	274 PCM Inc	7,359	0.71	Trucking & Leasing — 0.75% (February 29, 2016: 0.07%)		
71 Hyster-Yale Materials Handling Inc	4,309	0.42	81 Red Robin Gourmet Burgers Inc	3,708	0.36	222 Fortress Transportation & Infrastructure Investors LLC, MLP #	3,407	0.33
	7,784	0.75	120 RH	3,653	0.35	104 Greenbrier Cos Inc/The	4,373	0.42
Machinery – Diversified — 1.29% (February 29, 2016: 1.11%)			305 Ruby Tuesday Inc	579	0.06		7,780	0.75
98 Gencor Industries Inc	1,397	0.14	454 TravelCenters of America LLC	2,950	0.28	Total Common Stock (Cost \$859,424)		
151 Ichor Holdings Ltd	2,837	0.27	185 West Marine Inc	1,700	0.16		955,195	92.03
321 Intevac Inc	3,243	0.31		34,352	3.31	Real Estate Investment Trusts — 1.03% (February 29, 2016: 0.75%)		
197 NN Inc	3,961	0.38	Savings & Loans — 0.99% (February 29, 2016: 0.31%)			REITS — 1.03% (February 29, 2016: 0.75%)		
370 Power Solutions International Inc	1,964	0.19	179 BofI Holding Inc	5,636	0.54	230 Armada Hoffer Properties Inc	3,208	0.31
	13,402	1.29	138 Washington Federal Inc	4,658	0.45	30 BRT Realty Trust	258	0.02
Media — 0.78% (February 29, 2016: 1.14%)				10,294	0.99	360 DiamondRock Hospitality Co	3,913	0.38
288 Entravision Communications Corp	1,538	0.15	Semiconductors — 10.02% (February 29, 2016: 12.13%)			57 Mack-Cali Realty Corp	1,664	0.16
455 Houghton Mifflin Harcourt Co	5,024	0.48	159 Alpha & Omega Semiconductor Ltd	3,064	0.30	482 RAIT Financial Trust	1,620	0.16
137 McClatchy Co/The	1,528	0.15	189 Amtech Systems Inc	1,186	0.11		10,663	1.03
	8,090	0.78	50 Axcelis Technologies Inc	773	0.07	Total Real Estate Investment Trusts (Cost \$10,112)		
Metal Fabricate & Hardware — 3.68% (February 29, 2016: 4.43%)			269 AXT Inc	1,907	0.18		10,663	1.03
245 A. M. Castle & Co	135	0.01	486 Brooks Automation Inc	10,131	0.98	Total Investments (Cost \$942,796)		
185 Haynes International Inc	7,218	0.70	258 Cohu Inc	4,298	0.41		1,039,149	100.12
222 Mueller Industries Inc	9,264	0.89	430 Cypress Semiconductor Corp	5,706	0.55	Liabilities in Excess of Other Assets (February 29, 2016: (0.55%))		
585 Mueller Water Products Inc 'A'	7,248	0.70	235 EMCORE Corp	2,101	0.20		(1,211)	(0.12)
249 Northwest Pipe Co	4,362	0.42	551 Exar Corp	5,759	0.56	Total Net Assets		
100 Park-Ohio Holdings Corp	4,470	0.43	489 FormFactor Inc	5,209	0.50		\$1,037,938	100.00
263 TimkenSteel Corp	5,502	0.53	118 Inphi Corp	5,555	0.54	– Amounts designated as “–” are either \$0, less than \$1,000 or less than 1,000 shares.		
	38,199	3.68	528 IXYS Corp	6,519	0.63	# Master Limited Partnership.		
Mining — 0.93% (February 29, 2016: 1.34%)			395 Kopin Corp	1,394	0.13	ABBREVIATIONS:		
442 Century Aluminum Co	6,220	0.60	520 Kulicke & Soffa Industries Inc	10,651	1.03	ADR – American Depositary Receipt		
69 US Silica Holdings Inc	3,467	0.33	302 MaxLinear Inc	7,867	0.76			
	9,687	0.93	155 Microsemi Corp	8,032	0.77			
Miscellaneous Manufacturing — 0.55% (February 29, 2016: 0.64%)			256 Nanometrics Inc	6,954	0.67			
133 Federal Signal Corp	1,981	0.19	258 Rudolph Technologies Inc	5,552	0.54			
276 FreightCar America Inc	3,783	0.36	168 Sigma Designs Inc	983	0.09			
	5,764	0.55	291 Ultra Clean Holdings Inc	4,024	0.39			
Office Furnishings — 0.66% (February 29, 2016: 1.00%)			82 Veeco Instruments Inc	2,242	0.22			
362 Interface Inc 'A'	6,846	0.66	465 Xcerra Corp	4,064	0.39			
Oil & Gas — 2.17% (February 29, 2016: 0.55%)				103,971	10.02			
523 Bill Barrett Corp	2,879	0.28	Software — 1.72% (February 29, 2016: 1.77%)					
204 Matador Resources Co	4,912	0.47	656 Allscripts Healthcare Solutions Inc	7,996	0.77			
163 Patterson-UTI Energy Inc	4,488	0.43	452 Amber Road Inc	3,408	0.33			
166 PBF Energy Inc 'A'	4,053	0.39	239 Avid Technology Inc	1,345	0.13			
1,265 Pengrowth Energy Corp	1,480	0.14	160 Bazaarvoice Inc	712	0.07			
120 RSP Permian Inc	4,739	0.46	176 Bottomline Technologies de Inc	4,400	0.42			
	22,551	2.17		17,861	1.72			
Oil & Gas Services — 1.76% (February 29, 2016: 0.64%)			Storage & Warehousing — 0.37% (February 29, 2016: 0.70%)					
121 Basic Energy Services Inc	4,745	0.46	320 Wesco Aircraft Holdings Inc	3,872	0.37			
324 Helix Energy Solutions Group Inc	2,676	0.26	Telecommunications — 3.66% (February 29, 2016: 4.59%)					
258 Independence Contract Drilling Inc	1,532	0.15	383 A10 Networks Inc	3,620	0.35			
137 Matrix Service Co	2,227	0.21	200 ARRIS International Plc	5,153	0.50			
745 Newpark Resources Inc	5,736	0.55	70 Aviat Networks Inc	1,086	0.10			
445 Willbros Group Inc	1,335	0.13	288 Ciena Corp	7,573	0.73			
	18,251	1.76	403 Comtech Telecommunications Corp	4,602	0.44			
Pharmaceuticals — 0.95% (February 29, 2016: 0.48%)			372 Extreme Networks Inc	2,322	0.22			
150 Owens & Minor Inc	5,414	0.52	165 Harmonic Inc	891	0.09			
376 Sucampo Pharmaceuticals Inc 'A'	4,420	0.43	319 NeoPhotonics Corp	3,242	0.31			
	9,834	0.95	353 Oclaro Inc	3,002	0.29			
Retail — 3.31% (February 29, 2016: 5.29%)			162 Ooma Inc	1,640	0.16			
115 American Eagle Outfitters Inc	1,824	0.18	649 Windstream Holdings Inc	4,852	0.47			
9 bebe stores inc	57	–		37,983	3.66			
36 Caleres Inc	1,075	0.10	Textiles — 0.11% (February 29, 2016: 0.36%)					
85 Conn's Inc	812	0.08	316 Dixie Group Inc/The	1,120	0.11			
			Transportation — 1.72% (February 29, 2016: 1.67%)					
			120 Ardmore Shipping Corp	822	0.08			
			92 Atlas Air Worldwide Holdings Inc	5,235	0.51			
			397 Celadon Group Inc	3,199	0.31			
			210 Diana Shipping Inc	802	0.08			
			145 Dorian LPG Ltd	1,370	0.13			
			215 Gener8 Maritime Inc	1,049	0.10			

The accompanying notes are an integral part of the Financial Statements

Legg Mason Royce US Small Cap Opportunity Fund

Portfolio of Investments as at February 28, 2017 – (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)
03/02/17	BNY Mellon	Buy	AUD 25	Sell	USD 19	\$ –
03/03/17	BNY Mellon	Buy	AUD 86	Sell	USD 66	–
03/15/17	BNY Mellon	Buy	USD 881	Sell	AUD 1,152	(1)
03/15/17	BNY Mellon	Buy	USD 246	Sell	AUD 320	–
03/15/17	BNY Mellon	Buy	USD 1,153	Sell	EUR 1,089	(3)
03/15/17	BNY Mellon	Buy	USD 2,588	Sell	EUR 2,424	17
03/15/17	BNY Mellon	Buy	USD 27	Sell	SEK 244	–
03/15/17	BNY Mellon	Buy	USD 43	Sell	SEK 381	–
03/15/17	BNY Mellon	Buy	USD 370	Sell	SGD 522	(3)
03/15/17	BNY Mellon	Buy	AUD 10,734	Sell	USD 8,171	56
03/15/17	BNY Mellon	Buy	EUR 40,050	Sell	USD 42,814	(351)
03/15/17	BNY Mellon	Buy	CNH 7	Sell	USD 1	–
03/15/17	BNY Mellon	Buy	AUD 835	Sell	USD 641	(2)
03/15/17	BNY Mellon	Buy	EUR 5,251	Sell	USD 5,552	13
03/15/17	BNY Mellon	Buy	SGD 8,482	Sell	USD 5,989	67
03/15/17	BNY Mellon	Buy	SEK 6,007	Sell	USD 680	(13)
03/15/17	BNY Mellon	Buy	GBP 1,022	Sell	USD 1,279	(10)
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$141)						153
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(736))						(383)
Net Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(595))						\$ (230)

The accompanying notes are an integral part of the Financial Statements

Legg Mason Royce US Smaller Companies Fund

Portfolio of Investments as at February 28, 2017

Shares (000's)	Value (000's) \$	% of Net Asset Value
Collective Investment Schemes — 7.06% (February 29, 2016: 6.99%)		
16,243 Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	16,243	7.06
Total Collective Investment Schemes (Cost \$16,243)	16,243	7.06
Common Stock — 91.39% (February 29, 2016: 92.24%)		
Apparel — 0.85% (February 29, 2016: 1.73%)		
37 Deckers Outdoor Corp	1,956	0.85
Auto Parts & Equipment — 3.43% (February 29, 2016: 0.00%)		
149 Cooper Tire & Rubber Co	6,035	2.62
95 Supreme Industries Inc	1,859	0.81
	7,894	3.43
Biotechnology — 1.61% (February 29, 2016: 1.93%)		
19 Bio-Rad Laboratories Inc	3,702	1.61
Building Materials — 2.81% (February 29, 2016: 0.89%)		
91 Apogee Enterprises Inc	5,175	2.25
CAD 41 Stella-Jones Inc	1,279	0.56
	6,454	2.81
Chemicals — 2.77% (February 29, 2016: 3.10%)		
83 Minerals Technologies Inc	6,374	2.77
Commercial Services — 4.67% (February 29, 2016: 4.87%)		
31 AMN Healthcare Services Inc	1,255	0.54
11 ICF International Inc	473	0.21
111 Robert Half International Inc	5,331	2.32
52 TrueBlue Inc	1,349	0.59
65 Xperi Corp	2,334	1.01
	10,742	4.67
Computers — 1.36% (February 29, 2016: 1.72%)		
21 Mentor Graphics Corp	772	0.34
64 NetScout Systems Inc	2,350	1.02
	3,122	1.36
Cosmetics & Personal Care — 0.98% (February 29, 2016: 0.66%)		
65 Inter Parfums Inc	2,252	0.98
Diversified Financial Services — 11.49% (February 29, 2016: 9.25%)		
177 Artisan Partners Asset Management Inc 'A'	5,041	2.19
257 Federated Investors Inc	6,983	3.04
153 Houlihan Lokey Inc 'A'	4,808	2.09
156 Lazard Ltd 'A'	6,703	2.91
26 Virtus Investment Partners Inc	2,893	1.26
	26,428	11.49
Electrical Components & Equipment — 0.83% (February 29, 2016: 0.00%)		
53 Insteel Industries Inc	1,900	0.83
Electronics — 5.61% (February 29, 2016: 5.77%)		
21 FARO Technologies Inc	739	0.32
326 Gentex Corp	6,850	2.98
77 Methode Electronics Inc	3,214	1.40
70 Orbotech Ltd	2,108	0.91
	12,911	5.61

Shares (000's)	Value (000's) \$	% of Net Asset Value
Engineering & Construction — 1.50% (February 29, 2016: 0.00%)		
91 Comfort Systems USA Inc	3,456	1.50
Entertainment — 0.93% (February 29, 2016: 0.99%)		
44 Dolby Laboratories Inc 'A'	2,145	0.93
Food — 5.46% (February 29, 2016: 4.41%)		
102 Cal-Maine Foods Inc	3,874	1.68
86 Industrias Bachoco SAB de CV ADR	4,139	1.80
28 Sanderson Farms Inc	2,637	1.15
49 Tootsie Roll Industries Inc	1,914	0.83
	12,564	5.46
Healthcare – Products — 2.70% (February 29, 2016: 2.75%)		
58 Bio-Techne Corp	6,207	2.70
Home Builders — 1.48% (February 29, 2016: 2.85%)		
82 PICO Holdings Inc	1,129	0.49
21 Thor Industries Inc	2,273	0.99
	3,402	1.48
Home Furnishings — 0.51% (February 29, 2016: 0.00%)		
14 American Woodmark Corp	1,176	0.51
Insurance — 2.87% (February 29, 2016: 3.12%)		
CAD 231 Genworth MI Canada Inc	6,611	2.87
Iron/Steel — 0.75% (February 29, 2016: 1.21%)		
21 Reliance Steel & Aluminum Co	1,738	0.75
Leisure Time — 1.68% (February 29, 2016: 0.00%)		
16 LCI Industries	1,698	0.74
123 MCBC Holdings Inc	1,809	0.78
23 Nautilus Inc	367	0.16
	3,874	1.68
Machinery – Diversified — 1.07% (February 29, 2016: 2.11%)		
15 Cognex Corp	1,179	0.51
16 Wabtec Corp/DE	1,287	0.56
	2,466	1.07
Media — 0.71% (February 29, 2016: 2.38%)		
71 EW Scripps Co/The 'A'	1,642	0.71
Metal Fabricate & Hardware — 4.19% (February 29, 2016: 3.44%)		
59 CIRCOR International Inc	3,665	1.59
22 RBC Bearings Inc	2,081	0.91
25 Valmont Industries Inc	3,884	1.69
	9,630	4.19
Miscellaneous Manufacturing — 2.65% (February 29, 2016: 4.63%)		
44 Fabrinet	1,812	0.79
52 Federal Signal Corp	776	0.34
5 John Bean Technologies Corp	491	0.21
59 Lydall Inc	3,008	1.31
	6,087	2.65
Office Furnishings — 1.97% (February 29, 2016: 2.09%)		
284 Steelcase Inc	4,541	1.97
Oil & Gas Services — 5.10% (February 29, 2016: 3.95%)		
69 Oil States International Inc	2,536	1.10
CAD 364 Pason Systems Inc	4,962	2.16

Shares (000's)	Value (000's) \$	% of Net Asset Value
NOK 193 TGS Nopec Geophysical Co ASA	4,232	1.84
	11,730	5.10
Pharmaceuticals — 0.59% (February 29, 2016: 0.83%)		
DKK 83 Zealand Pharma A/S	1,349	0.59
Real Estate — 2.49% (February 29, 2016: 1.38%)		
209 Marcus & Millichap Inc	5,728	2.49
Retail — 6.85% (February 29, 2016: 8.10%)		
155 Buckle Inc/The	3,085	1.34
193 Caleres Inc	5,771	2.51
32 Genesco Inc	1,843	0.80
126 Movado Group Inc	3,045	1.32
17 MSC Industrial Direct Co Inc 'A'	1,678	0.73
33 Vera Bradley Inc	343	0.15
	15,765	6.85
Semiconductors — 4.82% (February 29, 2016: 7.41%)		
23 Cabot Microelectronics Corp	1,558	0.68
12 IPG Photonics Corp	1,473	0.64
39 MKS Instruments Inc	2,565	1.12
126 Nanometrics Inc	3,433	1.49
96 Rudolph Technologies Inc	2,057	0.89
	11,086	4.82
Software — 2.54% (February 29, 2016: 3.77%)		
72 j2 Global Inc	5,848	2.54
Textiles — 0.99% (February 29, 2016: 1.24%)		
17 UniFirst Corp/MA	2,269	0.99
Transportation — 2.02% (February 29, 2016: 3.91%)		
43 Landstar System Inc	3,703	1.61
19 Saia Inc	942	0.41
	4,645	2.02
Trucking & Leasing — 1.11% (February 29, 2016: 0.00%)		
61 Greenbrier Cos Inc/The	2,548	1.11
Total Common Stock (Cost \$188,386)	210,242	91.39
Total Investments (Cost \$204,629)	226,485	98.45
Other Assets in Excess of Liabilities (February 29, 2016: 0.77%)		
	3,561	1.55
Total Net Assets	\$230,046	100.00

ABBREVIATIONS:

ADR	– American Depositary Receipt
CAD	– Canadian Dollar
DKK	– Danish Krone
NOK	– Norwegian Krone

Analysis of Total Assets

	% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market	89.46
Collective investment schemes	6.91
Other assets	3.63
Total Assets	100.00

Schedule of Forward Foreign Currency Contracts

										Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Expiration Date	Counterparty	Buy Currency (000's)				Sell Currency (000's)				
03/15/17	BNY Mellon	Buy	USD	35	Sell	SEK	305	\$	–	
03/15/17	BNY Mellon	Buy	USD	17	Sell	SEK	152		–	
03/15/17	BNY Mellon	Buy	SEK	1,151	Sell	USD	130		(3)	
03/15/17	BNY Mellon	Buy	EUR	411	Sell	USD	441		(3)	
03/15/17	BNY Mellon	Buy	EUR	122	Sell	USD	129		1	
03/15/17	BNY Mellon	Buy	PLN	496	Sell	USD	123		(1)	
03/15/17	BNY Mellon	Buy	PLN	190	Sell	USD	47		–	
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$–)										1
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(4))										(7)
Net Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(4))										\$ (6)

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 28, 2017

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 — 96.52% (February 29, 2016: 96.51%)											
Belgium — 4.34% (February 29, 2016: 4.86%)											
26	Ageas	933	1.06	GBP 11	Royal Dutch Shell Plc	293	0.33	GBP 141	HSBC Holdings Plc	1,071	1.21
8	Anheuser-Busch InBev SA/NV	869	0.98			2,450	2.77	GBP 84	IG Group Holdings Plc	526	0.60
44	bpost SA	1,022	1.16	Norway — 1.35% (February 29, 2016: 0.89%)				GBP 26	Imperial Brands Plc	1,155	1.31
36	Proximus SADP	1,010	1.14	NOK 77	Telenor ASA	1,189	1.35	GBP 1,231	Lloyds Banking Group Plc	991	1.12
		3,834	4.34	Portugal — 1.01% (February 29, 2016: 1.11%)				GBP 95	National Grid Plc	1,091	1.24
Denmark — 1.98% (February 29, 2016: 1.98%)				306	EDP – Energias de Portugal SA	893	1.01	GBP 36	Persimmon Plc	867	0.98
DKK 36	Danske Bank A/S	1,142	1.29	Spain — 5.94% (February 29, 2016: 4.29%)				GBP 25	Rio Tinto Plc	958	1.08
DKK 19	Sydbank A/S	604	0.69	84	Abertis Infraestructuras SA	1,159	1.31	GBP 44	Royal Dutch Shell Plc 'A'	1,077	1.22
		1,746	1.98	45	Enagas SA	1,036	1.17	GBP 195	Royal Mail Plc	947	1.07
Finland — 5.00% (February 29, 2016: 3.41%)				53	Endesa SA	1,064	1.21	GBP 35	Severn Trent Plc	960	1.09
35	Elisa Oyj	1,088	1.23	50	Gas Natural SDG SA	909	1.03	GBP 133	Tate & Lyle Plc	1,162	1.32
28	Neste Oyj	925	1.05	63	Red Electrica Corp SA	1,077	1.22	GBP 79	United Utilities Group Plc	908	1.03
20	Orion Oyj	916	1.04			5,245	5.94	GBP 145	William Hill Plc	448	0.51
19	Sampo Oyj 'A'	813	0.92	Sweden — 8.71% (February 29, 2016: 6.30%)				GBP 319	Wm Morrison Supermarkets Plc	904	1.02
30	UPM-Kymmene OYJ	676	0.76	SEK 28	Electrolux AB	694	0.79	GBP 42	WPP Plc	939	1.06
		4,418	5.00	SEK 31	ICA Gruppen AB	949	1.07			23,553	26.67
France — 6.58% (February 29, 2016: 7.76%)				SEK 102	Nordea Bank AB	1,121	1.27	Total Common Stock (Cost €88,671)			
47	CNP Assurances	824	0.93	SEK 106	Skandinaviska Enskilda Banken AB	1,143	1.29			85,229	96.52
53	Eutelsat Communications SA	983	1.12	SEK 48	Swedbank AB 'A'	1,120	1.27	Preferred Stock — 1.05% (February 29, 2016: 0.00%)			
31	Neopost SA	892	1.01	SEK 37	Swedish Match AB	1,087	1.23	Germany — 1.05% (February 29, 2016: 0.00%)			
10	Safran SA	706	0.80	SEK 103	Telefonaktiebolaget LM Ericsson 'B'	634	0.72	8	Henkel AG & Co KGaA	931	1.05
15	Sanofi	1,186	1.34	SEK 249	Telia Co AB	944	1.07	Total Preferred Stock (Cost €860)			
36	SCOR SE	1,218	1.38			7,692	8.71			931	1.05
		5,809	6.58	Switzerland — 14.80% (February 29, 2016: 13.44%)				Real Estate Investment Trusts — 0.98% (February 29, 2016: 0.88%)			
Germany — 13.66% (February 29, 2016: 10.23%)				CHF 38	ABB Ltd	801	0.91	25	Klepierre	864	0.98
7	Allianz SE	1,173	1.33	CHF 7	Baloise Holding AG	915	1.04	Total Real Estate Investment Trusts (Cost €1,051)			
14	Axel Springer SE	697	0.79	CHF 6	Flughafen Zuerich AG	1,173	1.33			864	0.98
11	Bayer AG	1,143	1.29	CHF 1	Givaudan SA	1,051	1.19	Total Investments (Cost €90,582)			
41	Freenet AG	1,152	1.30	CHF 7	Kuehne + Nagel International AG	934	1.06			87,024	98.55
11	Hannover Rueck SE	1,174	1.33	CHF 17	Nestle SA	1,152	1.30	Other Assets in Excess of Liabilities (February 29, 2016: 2.61%)			
12	MAN SE	1,161	1.32	CHF 16	Novartis AG	1,215	1.38			1,277	1.45
6	Muenchener Rueckversicherungs-Gesellschaft AG in Muenchen	1,116	1.26	CHF 8	PSP Swiss Property AG	702	0.79	Total Net Assets			
29	ProSiebenSat.1 Media SE	1,080	1.22	CHF 5	Roche Holding AG	1,167	1.32			€88,301	100.00
9	Siemens AG	1,078	1.22	CHF 12	Swiss Prime Site AG	956	1.08	ABBREVIATIONS:			
34	Talanx AG	1,162	1.32	CHF 13	Swiss Re AG	1,066	1.21	CHF	–	Swiss Franc	
272	Telefonica Deutschland Holding AG	1,127	1.28	CHF 3	Swisscom AG	1,063	1.20	DKK	–	Danish Krone	
		12,063	13.66	CHF 3	Zurich Insurance Group AG	870	0.99	GBP	–	British Pound	
Italy — 1.27% (February 29, 2016: 1.16%)						13,065	14.80	NOK	–	Norwegian Krone	
298	Snam SpA	1,120	1.27	United Kingdom — 26.67% (February 29, 2016: 36.23%)				SEK	–	Swedish Krona	
Luxembourg — 2.44% (February 29, 2016: 2.41%)				GBP 35	Admiral Group Plc	756	0.86	Analysis of Total Assets			
16	RTL Group SA	1,134	1.29	GBP 19	AstraZeneca Plc	1,053	1.19	Transferable securities admitted to an official exchange listing or traded on a regulated market			
53	SES SA 'A'	1,018	1.15	GBP 125	BAE Systems Plc	920	1.04	Financial derivative instruments			
		2,152	2.44	GBP 64	Berendsen Plc	685	0.78	Other assets			
Netherlands — 2.77% (February 29, 2016: 1.86%)				GBP 196	BP Plc	1,043	1.18	Total Assets			
55	Koninklijke Ahold Delhaize NV	1,100	1.24	GBP 18	British American Tobacco Plc	1,060	1.20			100.00	
396	Koninklijke KPN NV	1,057	1.20	GBP 321	Centrica Plc	855	0.97				

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/15/17	BNY Mellon	Buy	AUD 288	€ (1)
03/15/17	BNY Mellon	Buy	AUD 255	–
03/15/17	BNY Mellon	Buy	CNH 19	–
03/15/17	BNY Mellon	Buy	EUR 135	–
03/15/17	BNY Mellon	Buy	EUR 1	–
03/15/17	BNY Mellon	Buy	EUR 25,790	234
03/15/17	BNY Mellon	Buy	EUR 280	6
03/15/17	BNY Mellon	Buy	EUR –	–
03/15/17	BNY Mellon	Buy	EUR 370	4
03/15/17	BNY Mellon	Buy	EUR 10,097	169
03/15/17	BNY Mellon	Buy	SGD –	–
03/15/17	BNY Mellon	Buy	SGD 2	–
03/15/17	BNY Mellon	Buy	USD 850	2
03/15/17	BNY Mellon	Buy	USD 904	(3)
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): €2,856)				415
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): €(295))				(4)
Net Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): €2,561)				€ 411

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 28, 2017

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 — 3.99% (February 29, 2016: 0.00%)				Indonesia — 3.48% (February 29, 2016: 3.33%)				Thailand — 5.00% (February 29, 2016: 2.55%)			
29	iShares MSCI All Country Asia ex Japan ETF	1,731	3.99	INR	10 Tata Consultancy Services Ltd	387	0.89	THB	67 Bangkok Bank PCL, NVDR	339	0.78
						1,882	4.34	THB	995 GFPT PCL, NVDR	438	1.01
Total Collective Investment Schemes (Cost \$1,722)				IDR	1,379 Adaro Energy Tbk PT	175	0.40	THB	181 Glow Energy PCL, NVDR	404	0.94
		1,731	3.99	IDR	170 Indo Tambangraya Megah Tbk PT	224	0.52	THB	95 Kasikornbank PCL, NVDR	520	1.20
Common Stock — 88.10% (February 29, 2016: 91.13%)				IDR	217 Matahari Department Store Tbk PT	221	0.51	THB	106 Siam Commercial Bank PCL/The, NVDR	465	1.07
Australia — 12.72% (February 29, 2016: 10.52%)				IDR	1,941 Telekomunikasi Indonesia Persero Tbk PT	557	1.28			2,166	5.00
AUD	44 Amcor Ltd/Australia	476	1.10	IDR	180 United Tractors Tbk PT	333	0.77	Total Common Stock (Cost \$35,384)			
AUD	118 Aurizon Holdings Ltd	464	1.07			1,510	3.48			38,199	88.10
AUD	23 Australia & New Zealand Banking Group Ltd	540	1.24	Malaysia — 1.99% (February 29, 2016: 5.91%)				Real Estate Investment Trusts — 6.34% (February 29, 2016: 8.54%)			
AUD	61 Bendigo & Adelaide Bank Ltd	575	1.33	MYR	135 Hong Leong Bank Bhd	412	0.95	Hong Kong — 0.74% (February 29, 2016: 0.59%)			
AUD	18 Caltex Australia Ltd	386	0.89	MYR	68 Public Bank Bhd	308	0.71	HKD	47 Link REIT	321	0.74
AUD	59 Coca-Cola Amatil Ltd	467	1.08	MYR	233 Unisem M Bhd	142	0.33	Singapore — 5.60% (February 29, 2016: 6.49%)			
AUD	6 Commonwealth Bank of Australia	406	0.94			862	1.99	SGD	264 CapitaLand Mall Trust	370	0.85
AUD	175 DUET Group	368	0.85	New Zealand — 4.30% (February 29, 2016: 3.67%)				HKD	263 Fortune Real Estate Investment Trust †	292	0.67
AUD	118 Harvey Norman Holdings Ltd	467	1.08	NZD	121 Contact Energy Ltd	427	0.98	SGD	136 Frasers Centrepoint Trust	194	0.45
AUD	8 Macquarie Group Ltd	534	1.23	NZD	331 Genesis Energy Ltd	500	1.15	SGD	415 Frasers Commercial Trust	375	0.87
AUD	100 Northern Star Resources Ltd	319	0.73	NZD	273 Meridian Energy Ltd	531	1.23	SGD	450 Mapletree Commercial Trust	482	1.11
AUD	31 Sonic Healthcare Ltd	512	1.18	NZD	79 Z Energy Ltd	409	0.94	SGD	336 Mapletree Industrial Trust	399	0.92
		5,514	12.72			1,867	4.30	SGD	412 Mapletree Logistics Trust	316	0.73
China — 17.43% (February 29, 2016: 15.21%)				Pakistan — 1.69% (February 29, 2016: 0.60%)						2,428	5.60
HKD	1,156 Agricultural Bank of China Ltd 'H'	533	1.23	PKR	264 Hub Power Co Ltd/The	330	0.76	Total Real Estate Investment Trusts (Cost \$2,798)			
HKD	133 ANTA Sports Products Ltd	402	0.93	PKR	25 Lucky Cement Ltd	208	0.48			2,749	6.34
HKD	465 Bank of China Ltd 'H'	235	0.54	PKR	90 MCB Bank Ltd	195	0.45	Total Investments (Cost \$39,904)			
HKD	1,297 China Construction Bank Corp 'H'	1,068	2.46			733	1.69	Other Assets in Excess of Liabilities (February 29, 2016: 0.33%)			
HKD	626 China Petroleum & Chemical Corp 'H'	485	1.12	Singapore — 1.87% (February 29, 2016: 5.32%)						682	1.57
HKD	188 China Vanke Co Ltd 'H'	472	1.09	SGD	56 SATS Ltd	200	0.46	Total Net Assets			
HKD	336 Guangdong Investment Ltd	458	1.06	SGD	80 Venture Corp Ltd	612	1.41			\$43,361	100.00
HKD	243 Huaneng Power International Inc 'H'	166	0.38			812	1.87	144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2017, these securities amounted to \$265,000 or 0.61% of net assets.			
HKD	1,401 Industrial & Commercial Bank of China Ltd 'H'	918	2.12	South Korea — 8.46% (February 29, 2016: 8.64%)				† Illiquid.			
HKD	330 Jiangsu Expressway Co Ltd 'H'	435	1.00	KRW	8 Dongbu Insurance Co Ltd	444	1.02	ABBREVIATIONS:			
HKD	648 Shenzhen Expressway Co Ltd 'H'	599	1.38	KRW	19 KB Insurance Co Ltd	449	1.03	ETF	– Exchange Traded Fund		
HKD	255 Sinopec Engineering Group Co Ltd 'H'	232	0.53	KRW	12 Korea Electric Power Corp	473	1.09	NVDR	– Non Voting Depositary Receipt		
HKD	10 Tencent Holdings Ltd	263	0.61	KRW	4 KT&G Corp	339	0.78	AUD	– Australian Dollar		
HKD	546 Yuexiu Transport Infrastructure Ltd	379	0.87	KRW	1 Samsung Electronics Co Ltd	1,485	3.43	HKD	– Hong Kong Dollar		
HKD	1,154 Yuzhou Properties Co Ltd	401	0.93	KRW	12 Shinhan Financial Group Co Ltd	480	1.11	IDR	– Indonesian Rupiah		
HKD	1,350 Zijin Mining Group Co Ltd 'H'	510	1.18			3,670	8.46	INR	– India Rupee		
		7,556	17.43	Taiwan — 18.19% (February 29, 2016: 18.31%)				KRW	– South Korean Won		
Hong Kong — 8.63% (February 29, 2016: 12.03%)				TWD	484 Asia Cement Corp	479	1.10	MYR	– Malaysian Ringgit		
HKD	150 BOC Hong Kong Holdings Ltd	593	1.37	TWD	218 Cheng Shin Rubber Industry Co Ltd	463	1.07	NZD	– New Zealand Dollar		
HKD	59 CLP Holdings Ltd	600	1.38	TWD	134 Far EasTone	302	0.70	PKR	– Pakistan Rupee		
HKD	303 HK Electric Investments & HK Electric Investments Ltd, 144A	265	0.61	TWD	151 Chin-Poon Industrial Co Ltd	322	0.74	SGD	– Singapore Dollar		
HKD	333 HKT Trust & HKT Ltd	444	1.02	TWD	134 Far EasTone Telecommunications Co Ltd	322	0.74	THB	– Thai Baht		
HKD	843 Hutchison Port Holdings Trust	320	0.74	TWD	573 First Financial Holding Co Ltd	338	0.78	TWD	– Taiwanese Dollar		
HKD	6 Jardine Matheson Holdings Ltd	354	0.82	TWD	417 Gigabyte Technology Co Ltd	581	1.34				
HKD	272 Lifestyle International Holdings Ltd	354	0.82	TWD	329 Hon Hai Precision Industry Co Ltd	956	2.21				
HKD	186 NWS Holdings Ltd	339	0.78	TWD	365 Lite-On Technology Corp	611	1.41				
HKD	775 PCCW Ltd	472	1.09	TWD	497 Mega Financial Holding Co Ltd	387	0.89				
		3,741	8.63	TWD	52 Phison Electronics Corp	457	1.05				
India — 4.34% (February 29, 2016: 3.63%)				TWD	51 President Chain Store Corp	374	0.86				
INR	82 Cairn India Ltd	351	0.81	TWD	368 Siliconware Precision Industries Co Ltd	580	1.34				
INR	27 HCL Technologies Ltd	343	0.79	TWD	87 Simplo Technology Co Ltd	283	0.65				
INR	53 Indian Oil Corp Ltd	303	0.70	TWD	221 Taiwan Semiconductor Manufacturing Co Ltd	1,356	3.13				
INR	33 Infosys Ltd	498	1.15	TWD	201 Vanguard International Semiconductor Corp	397	0.92				
						7,886	18.19				

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/15/17	BNY Mellon	Buy	AUD 20	\$ –
03/15/17	BNY Mellon	Buy	AUD 1	–
03/15/17	BNY Mellon	Buy	SGD –	–
03/15/17	BNY Mellon	Buy	USD 206	2
03/15/17	BNY Mellon	Buy	USD –	–

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 28, 2017 – (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								
03/15/17	BNY Mellon	Buy	PLN	6,292	Sell	USD	1,559		\$ (12)
03/15/17	BNY Mellon	Buy	SGD	49	Sell	USD	34		—
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$—)									2
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(1))									(12)
Net Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(1))									\$ (10)

The accompanying notes are an integral part of the Financial Statements

Legg Mason QS Emerging Markets Equity Fund

Portfolio of Investments as at February 28, 2017

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 — 96.17% (February 29, 2016: 96.51%)				HKD	14 China Medical System Holdings Ltd	23	0.18	HKD	1 Vipshop Holdings Ltd ADR	13	0.10
Brazil — 3.09% (February 29, 2016: 2.98%)				HKD	22 China Mengniu Dairy Co Ltd	43	0.34	HKD	37 Want Want China Holdings Ltd	24	0.19
BRL	7 Ambev SA	40	0.32	HKD	4 China Merchants Port Holdings Co Ltd	11	0.09	HKD	2 Zhuzhou CRRC Times Electric Co Ltd 'H'	8	0.06
BRL	1 Banco Bradesco SA	13	0.10	HKD	19 China Mobile Ltd	204	1.63	HKD	84 Zijin Mining Group Co Ltd 'H'	32	0.25
BRL	1 BRF SA	13	0.10	HKD	50 China National Building Material Co Ltd 'H'	36	0.29			2,087	16.62
BRL	5 CCR SA	28	0.22	HKD	4 China Overseas Land & Investment Ltd	12	0.10	Colombia — 0.60% (February 29, 2016: 1.35%)			
BRL	1 Centrais Eletricas Brasileiras SA	6	0.05	HKD	2 China Pacific Insurance Group Co Ltd 'H'	9	0.07	COP	6 Cementos Argos SA	24	0.19
BRL	2 Cia de Saneamento Basico do Estado de Sao Paulo	20	0.16	HKD	84 China Petroleum & Chemical Corp 'H'	65	0.52	COP	4 Grupo Argos SA/Colombia	30	0.24
BRL	8 Cielo SA	67	0.53	HKD	27 China Power International Development Ltd	10	0.08	COP	2 Grupo de Inversiones Suramericana SA	22	0.17
BRL	1 CPFL Energia SA	7	0.05	HKD	8 China Railway Construction Corp Ltd 'H'	11	0.08			76	0.60
BRL	4 Embraer SA	21	0.17	HKD	10 China Railway Group Ltd 'H'	9	0.07	Czech Republic — 0.88% (February 29, 2016: 0.95%)			
BRL	1 Equatorial Energia SA	10	0.08	HKD	14 China Resources Beer Holdings Co Ltd	32	0.25	CZK	3 CEZ AS	51	0.41
BRL	1 Fibria Celulose SA	5	0.04	HKD	6 China Resources Gas Group Ltd	18	0.15	CZK	1 Komerční banka as	45	0.36
BRL	2 Klabin SA	7	0.06	HKD	16 China Resources Power Holdings Co Ltd	29	0.23	CZK	4 Moneta Money Bank AS, 144A	14	0.11
BRL	7 Kroton Educacional SA	29	0.23	HKD	14 China Shenhua Energy Co Ltd 'H'	28	0.23			110	0.88
BRL	1 Localiza Rent a Car SA	7	0.06	HKD	8 China State Construction International Holdings Ltd	13	0.10	Egypt — 0.72% (February 29, 2016: 0.54%)			
BRL	4 Lojas Renner SA	30	0.24	HKD	46 China Telecom Corp Ltd 'H'	22	0.17	EGP	18 Commercial International Bank Egypt SAE	83	0.66
BRL	3 Petroleo Brasileiro SA	15	0.12	HKD	20 China Unicom Hong Kong Ltd	24	0.19	EGP	15 Talaat Moustafa Group	7	0.06
BRL	4 Rumo Logística Operadora Multimodal SA	11	0.09	HKD	15 CITIC Ltd	22	0.17			90	0.72
BRL	9 TIM Participacoes SA	28	0.22	HKD	49 CNOOC Ltd	58	0.46	Greece — 0.81% (February 29, 2016: 0.66%)			
BRL	1 Ultrapar Participacoes SA	13	0.10	HKD	13 CRRC Corp Ltd 'H'	13	0.10	EUR	1 FF Group	18	0.14
BRL	1 Vale SA	9	0.08	HKD	46 CSPC Pharmaceutical Group Ltd	56	0.45	EUR	2 JUMBO SA	34	0.27
BRL	2 WEG SA	9	0.07	HKD	1 Ctrip.com International Ltd ADR	43	0.34	EUR	6 OPAP SA	50	0.40
		388	3.09	HKD	10 Dongfeng Motor Group Co Ltd 'H'	12	0.09			102	0.81
Chile — 2.19% (February 29, 2016: 4.33%)				HKD	4 ENN Energy Holdings Ltd	19	0.15	Hong Kong — 0.97% (February 29, 2016: 0.80%)			
CLP	18 AES Gener SA	7	0.05	HKD	10 Fosun International Ltd	16	0.13	HKD	60 Alibaba Pictures Group Ltd	10	0.08
CLP	75 Banco de Chile	9	0.07	HKD	10 Geely Automobile Holdings Ltd	14	0.11	HKD	14 China Gas Holdings Ltd	21	0.17
CLP	– Banco de Credito e Inversiones	20	0.16	HKD	12 Great Wall Motor Co Ltd 'H'	14	0.11	HKD	19 Nine Dragons Paper Holdings Ltd	24	0.19
CLP	337 Banco Santander Chile	19	0.15	HKD	20 Guangdong Investment Ltd	27	0.22	HKD	51 Sino Biopharmaceutical Ltd	44	0.35
CLP	13 Cencosud SA	40	0.32	HKD	4 Guangzhou R&F Properties Co Ltd 'H'	5	0.04	HKD	24 Sun Art Retail Group Ltd	23	0.18
CLP	2 Cia Cervecerias Unidas SA	21	0.17	HKD	38 Hanergy Thin Film Power Group Ltd ∞	–	–			122	0.97
CLP	42 Colbun SA	8	0.07	HKD	6 Hengan International Group Co Ltd	51	0.41	Hungary — 0.55% (February 29, 2016: 0.70%)			
CLP	12 Empresas CMPC SA	26	0.21	HKD	30 Huaneng Power International Inc 'H'	20	0.16	HUF	2 OTP Bank Plc	69	0.55
CLP	117 Enel Americas SA	23	0.18	HKD	40 Huaneng Renewables Corp Ltd 'H'	14	0.11	India — 10.69% (February 29, 2016: 8.43%)			
CLP	116 Enel Chile SA	12	0.09	HKD	49 Industrial & Commercial Bank of China Ltd 'H'	32	0.25	INR	6 Adani Ports & Special Economic Zone Ltd	29	0.23
CLP	19 Enel Generacion Chile SA	13	0.10	HKD	2 JD.com Inc ADR	46	0.37	INR	6 Ambuja Cements Ltd	20	0.16
CLP	1,754 Itau CorpBanca	14	0.11	HKD	20 Jiangxi Copper Co Ltd 'H'	34	0.27	INR	– Apollo Hospitals Enterprise Ltd	9	0.07
CLP	8 SACI Falabella	63	0.51	HKD	12 Kunlun Energy Co Ltd	10	0.08	INR	10 Ashok Leyland Ltd	14	0.11
		275	2.19	HKD	12 Lenovo Group Ltd	7	0.06	INR	2 Asian Paints Ltd	30	0.24
China — 16.62% (February 29, 2016: 11.89%)				HKD	– New Oriental Education & Technology Group Inc ADR	19	0.15	INR	1 Aurobindo Pharma Ltd	12	0.09
HKD	13 3SBio Inc, 144A	16	0.13	HKD	70 PetroChina Co Ltd 'H'	53	0.42	INR	2 Axis Bank Ltd	14	0.11
HKD	1 Alibaba Group Holding Ltd ADR	62	0.49	HKD	4 Ping An Insurance Group Co of China Ltd 'H'	21	0.17	INR	– Bajaj Auto Ltd	20	0.16
HKD	26 Alibaba Health Information Technology Ltd	11	0.09	HKD	24 Shandong Weigao Group Medical Polymer Co Ltd 'H'	14	0.12	INR	1 Bharat Forge Ltd	12	0.10
HKD	66 Aluminum Corp of China Ltd 'H'	33	0.26	HKD	7 Shanghai Fosun Pharmaceutical Group Co Ltd 'H'	22	0.18	INR	5 Bharat Heavy Electricals Ltd	11	0.09
HKD	18 Anhui Conch Cement Co Ltd 'H'	61	0.49	HKD	9 Shanghai Pharmaceuticals Holding Co Ltd 'H'	23	0.19	INR	1 Bharat Petroleum Corp Ltd	11	0.09
HKD	4 ANTA Sports Products Ltd	12	0.10	HKD	2 Shenzhou International Group Holdings Ltd	12	0.10	INR	12 Bharti Airtel Ltd	67	0.53
HKD	12 AviChina Industry & Technology Co Ltd 'H'	9	0.07	HKD	54 Sinopec Shanghai Petrochemical Co Ltd 'H'	33	0.26	INR	8 Bharti Infratel Ltd	33	0.26
HKD	– Baidu Inc ADR	35	0.28	HKD	14 Sinopharm Group Co Ltd 'H'	63	0.50	INR	2 Cipla Ltd/India	16	0.13
HKD	53 Bank of China Ltd 'H'	27	0.21	HKD	– TAL Education Group ADR	9	0.07	INR	3 Coal India Ltd	16	0.12
HKD	3 Beijing Enterprises Holdings Ltd	13	0.10	HKD	3 Tencent Holdings Ltd	90	0.72	INR	1 Dabur India Ltd	6	0.05
HKD	26 Beijing Enterprises Water Group Ltd	19	0.15	HKD	14 Tingyi Cayman Islands Holding Corp	16	0.13	INR	1 Dr Reddy's Laboratories Ltd	22	0.17
HKD	19 Belle International Holdings Ltd	13	0.10	HKD	4 Tsingtao Brewery Co Ltd 'H'	18	0.15	INR	– Eicher Motors Ltd	35	0.28
HKD	10 Brilliance China Automotive Holdings Ltd	16	0.13					INR	6 GAIL India Ltd	44	0.35
HKD	3 BYD Co Ltd 'H'	18	0.14					INR	1 Glenmark Pharmaceuticals Ltd	10	0.08
HKD	69 CGN Power Co Ltd 'H', 144A	21	0.17					INR	– Godrej Consumer Products Ltd	12	0.10
HKD	14 China Communications Construction Co Ltd 'H'	18	0.14					INR	1 Havells India Ltd	7	0.06
HKD	5 China Conch Venture Holdings Ltd	10	0.08					INR	1 HCL Technologies Ltd	9	0.07
HKD	58 China Construction Bank Corp 'H'	48	0.38					INR	– Hero MotoCorp Ltd	15	0.12
HKD	8 China Everbright International Ltd	10	0.08					INR	7 Hindalco Industries Ltd	20	0.16
HKD	32 China Huishan Dairy Holdings Co Ltd	12	0.09					INR	1 Hindustan Petroleum Corp Ltd	7	0.06
HKD	6 China Life Insurance Co Ltd 'H'	18	0.15					INR	2 Hindustan Unilever Ltd	31	0.25
HKD	27 China Longyuan Power Group Corp Ltd 'H'	23	0.18					INR	3 Housing Development Finance Corp Ltd	66	0.52
								INR	3 ICICI Bank Ltd	11	0.09
								INR	20 Idea Cellular Ltd	36	0.28
								INR	1 Indiabulls Housing Finance Ltd	13	0.10

The accompanying notes are an integral part of the Financial Statements

Legg Mason QS Emerging Markets Equity Fund

Portfolio of Investments as at February 28, 2017 – (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 Infosys Ltd	40	0.32	MYR	23 Felda Global Ventures Holdings Bhd	10	0.08	PHP	92 Metro Pacific Investments Corp	12	0.10
INR	13 ITC Ltd	52	0.42	MYR	14 Gamuda Bhd	16	0.13	PHP	5 Metropolitan Bank & Trust Co	8	0.06
INR	7 JSW Steel Ltd	18	0.15	MYR	29 Genting Bhd	60	0.48	PHP	4 PLDT Inc	110	0.88
INR	2 Larsen & Toubro Ltd	43	0.34	MYR	39 Genting Malaysia Bhd	46	0.37	PHP	2 Security Bank Corp	7	0.05
INR	1 Lupin Ltd	18	0.15	MYR	5 Genting Plantations Bhd	12	0.10	PHP	2 SM Investments Corp	23	0.19
INR	1 Mahindra & Mahindra Ltd	20	0.15	MYR	5 Hong Leong Bank Bhd	15	0.12	PHP	51 SM Prime Holdings Inc	30	0.24
INR	3 Marico Ltd	11	0.09	MYR	28 UUM Corp Bhd	21	0.17			440	3.50
INR	– Maruti Suzuki India Ltd	24	0.19	MYR	29 IOI Corp Bhd	30	0.24	Poland — 3.79% (February 29, 2016: 3.29%)			
INR	– Nestle India Ltd	10	0.08	MYR	5 Kuala Lumpur Kepong Bhd	27	0.21	PLN	– Bank Pekao SA	15	0.12
INR	30 NTPC Ltd	74	0.59	MYR	14 Lafarge Malaysia Bhd	20	0.16	PLN	– Bank Zachodni WBK SA	21	0.17
INR	5 Oil & Natural Gas Corp Ltd	14	0.11	MYR	14 Malayan Banking Bhd	27	0.22	PLN	1 CCC SA	39	0.31
INR	– Piramal Enterprises Ltd	6	0.05	MYR	5 Malaysia Airports Holdings Bhd	8	0.06	PLN	6 Cyfrowy Polsat SA	32	0.25
INR	5 Reliance Industries Ltd	90	0.72	MYR	22 Maxis Bhd	31	0.24	PLN	1 Grupa Azoty SA	12	0.09
INR	– Shree Cement Ltd	21	0.16	MYR	10 MISC Bhd	17	0.13	PLN	1 Grupa Lotos SA	14	0.11
INR	1 Siemens Ltd	10	0.08	MYR	68 Petronas Chemicals Group Bhd	112	0.89	PLN	1 Jastrzebska Spolka Weglowa SA	9	0.08
INR	4 State Bank of India	17	0.14	MYR	10 Petronas Dagangan Bhd	55	0.44	PLN	1 KGHM Polska Miedz SA	37	0.30
INR	4 Sun Pharmaceutical Industries Ltd	39	0.31	MYR	4 Petronas Gas Bhd	20	0.16	PLN	– LPP SA	43	0.34
INR	1 Tata Consultancy Services Ltd	24	0.19	MYR	7 PPB Group Bhd	28	0.22	PLN	28 PGE Polska Grupa Energetyczna SA	82	0.65
INR	5 Tata Motors Ltd	33	0.26	MYR	10 Public Bank Bhd	43	0.34	PLN	3 Polski Koncern Naftowy ORLEN SA	73	0.59
INR	20 Tata Power Co Ltd/The	24	0.19	MYR	173 SapuraKencana Petroleum Bhd	74	0.59	PLN	16 Polskie Gornictwo Naftowe i Gazownictwo SA	25	0.20
INR	2 Tata Steel Ltd	13	0.10	MYR	18 Sime Darby Bhd	35	0.28	PLN	4 Powszechna Kasa Oszczednosci Bank Polski SA	37	0.29
INR	– UltraTech Cement Ltd	12	0.09	MYR	13 Telekom Malaysia Bhd	18	0.14	PLN	1 Powszechny Zaklad Ubezpieczen SA	13	0.11
INR	– United Spirits Ltd	8	0.06	MYR	28 Tenaga Nasional Bhd	86	0.68	PLN	2 Synthos SA	4	0.03
INR	3 UPL Ltd	27	0.22	MYR	10 UMW Holdings Bhd	12	0.10	PLN	26 Tauron Polska Energia SA	19	0.15
INR	4 Vedanta Ltd	17	0.14	MYR	13 Westports Holdings Bhd	11	0.09			475	3.79
INR	1 Wipro Ltd	7	0.06	MYR	43 YTL Corp Bhd	15	0.12	Russia — 2.35% (February 29, 2016: 4.09%)			
INR	2 Zee Entertainment Enterprises Ltd	12	0.10	MYR	21 YTL Power International Bhd	7	0.06			14	0.11
		1,342	10.69			1,002	7.98			14	0.11
Indonesia — 8.51% (February 29, 2016: 5.35%)				Mexico — 3.45% (February 29, 2016: 4.98%)						14	0.11
IDR	78 AKR Corporindo Tbk PT	37	0.29	MXN	13 Alfa SAB de CV	17	0.14			14	0.11
IDR	222 Astra International Tbk PT	136	1.09	MXN	106 America Movil SAB de CV	67	0.53			17	0.14
IDR	69 Bank Central Asia Tbk PT	80	0.64	MXN	39 Cemex SAB de CV	33	0.26			55	0.44
IDR	51 Bank Mandiri Persero Tbk PT	43	0.34	MXN	2 Coca-Cola Femsa SAB de CV	10	0.08			29	0.23
IDR	33 Bank Negara Indonesia Persero Tbk PT	15	0.12	MXN	1 El Puerto de Liverpool SAB de CV	8	0.06			45	0.36
IDR	62 Bank Rakyat Indonesia Persero Tbk PT	55	0.44	MXN	3 Fomento Economico Mexicano SAB de CV	22	0.17			10	0.08
IDR	56 Bumi Serpong Damai Tbk PT	8	0.06	MXN	2 Grupo Aeroportuario del Pacifico SAB de CV	14	0.11			14	0.11
IDR	107 Charoen Pokphand Indonesia Tbk PT	25	0.20	MXN	1 Grupo Aeroportuario del Sureste SAB de CV 'B'	17	0.14			49	0.39
IDR	6 Gudang Garam Tbk PT	31	0.24	MXN	3 Grupo Carso SAB de CV	11	0.09			10	0.08
IDR	106 Hanjaya Mandala Sampoerna Tbk PT	31	0.24	MXN	5 Grupo Financiero Banorte SAB de CV	22	0.18			17	0.13
IDR	63 Indocement Tunggal Prakarsa Tbk PT	72	0.57	MXN	9 Grupo Financiero Inbursa SAB de CV	13	0.10			7	0.06
IDR	37 Indofood CBP Sukses Makmur Tbk PT	23	0.18	MXN	6 Grupo Financiero Santander Mexico SAB de CV	8	0.07			14	0.11
IDR	42 Indofood Sukses Makmur Tbk PT	25	0.20	MXN	6 Grupo Mexico SAB de CV	19	0.15			17	0.13
IDR	94 Jasa Marga Persero Tbk PT	33	0.27	MXN	24 Grupo Televisa SAB	124	0.99			7	0.06
IDR	134 Lippo Karawaci Tbk PT	7	0.06	MXN	– Industrias Penoles SAB de CV	7	0.06			5	0.04
IDR	27 Matahari Department Store Tbk PT	27	0.22	MXN	6 Mexichem SAB de CV	13	0.10			18	0.14
IDR	81 Media Nusantara Citra Tbk PT	10	0.08	MXN	1 Promotora y Operadora de Infraestructura SAB de CV	13	0.10			2	0.02
IDR	132 Semen Indonesia Persero Tbk PT	95	0.76	MXN	8 Wal-Mart de Mexico SAB de CV	15	0.12			88	0.70
IDR	55 Summarecon Agung Tbk PT	6	0.04			433	3.45			79	0.63
IDR	95 Surya Citra Media Tbk PT	21	0.17	Peru — 0.99% (February 29, 2016: 1.54%)						26	0.20
IDR	569 Telekomunikasi Indonesia Persero Tbk PT	163	1.30			22	0.18			14	0.11
IDR	28 Tower Bersama Infrastructure Tbk PT	10	0.08		2 Cia de Minas Buenaventura SAA ADR	66	0.52			15	0.12
IDR	18 Unilever Indonesia Tbk PT	58	0.46		– Credicorp Ltd	37	0.29			22	0.17
IDR	228 Waskita Karya Persero Tbk PT	42	0.34		1 Southern Copper Corp	125	0.99			27	0.22
IDR	65 XL Axiata Tbk PT	15	0.12							26	0.21
		1,068	8.51							11	0.09
Malaysia — 7.98% (February 29, 2016: 9.71%)				Philippines — 3.50% (February 29, 2016: 2.30%)						767	6.11
MYR	11 AirAsia Bhd	7	0.05	PHP	20 Aboitiz Equity Ventures Inc	30	0.24				
MYR	27 Astro Malaysia Holdings Bhd	17	0.14	PHP	32 Alliance Global Group Inc	8	0.06				
MYR	30 Axiata Group Bhd	30	0.24	PHP	1 Ayala Corp	22	0.17				
MYR	13 Berjaya Sports Toto Bhd	9	0.07	PHP	42 Ayala Land Inc	29	0.23				
MYR	2 British American Tobacco Malaysia Bhd	22	0.17	PHP	4 Bank of the Philippine Islands	8	0.06				
MYR	7 CIMB Group Holdings Bhd	8	0.06	PHP	10 BDO Unibank Inc	23	0.18				
MYR	25 Dialog Group BHD	10	0.08	PHP	58 DMCI Holdings Inc	14	0.12				
MYR	38 DiGi.Com Bhd	43	0.35	PHP	1 Globe Telecom Inc	46	0.36				
				PHP	– GT Capital Holdings Inc	10	0.08				
				PHP	8 International Container Terminal Services Inc	12	0.10				
				PHP	31 JG Summit Holdings Inc	48	0.38				

The accompanying notes are an integral part of the Financial Statements

Legg Mason QS Emerging Markets Equity Fund

Portfolio of Investments as at February 28, 2017 – (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)											
South Korea — 6.35% (February 29, 2016: 6.68%)								Colombia — 0.41% (February 29, 2016: 0.39%)			
KRW	– Amorepacific Corp	22	0.17	TWD	46 Uni-President Enterprises Corp	82	0.65	COP	3 Bancolombia SA	31	0.25
KRW	– AMOREPACIFIC Group	12	0.09	TWD	34 Yuanta Financial Holding Co Ltd	14	0.11	COP	24 Grupo Aval Acciones y Valores SA	10	0.07
KRW	1 Celltrion Inc	68	0.54			644	5.13	COP	1 Grupo de Inversiones Suramericana SA	11	0.09
KRW	– CJ CheilJedang Corp	9	0.07	Thailand — 5.75% (February 29, 2016: 4.94%)						52	0.41
KRW	– E-MART Inc	16	0.13	THB	22 Advanced Info Service PCL ∞	105	0.83	South Korea — 0.12% (February 29, 2016: 0.13%)			
KRW	– GS Holdings Corp	5	0.04	THB	2 Bangkok Bank PCL	12	0.09	KRW	– Samsung Electronics Co Ltd	15	0.12
KRW	– Hana Financial Group Inc	13	0.10	THB	17 BEC World PCL ∞	7	0.06	Total Preferred Stock (Cost \$198)			
KRW	– Hanmi Pharm Co Ltd	19	0.15	THB	14 BEC World PCL, NVDR	6	0.05			291	2.32
KRW	– Hanmi Science Co Ltd	6	0.05	THB	11 Central Pattana PCL ∞	18	0.14	Real Estate Investment Trusts — 0.17% (February 29, 2016: 0.31%)			
KRW	– Hyundai Glovis Co Ltd	8	0.07	THB	32 Charoen Pokphand Foods PCL ∞	26	0.20	Mexico — 0.07% (February 29, 2016: 0.16%)			
KRW	– Hyundai Mobis Co Ltd	5	0.04	THB	65 CP ALL PCL ∞	111	0.88	MXN	7 Fibra Uno Administracion SA de CV	10	0.07
KRW	– Hyundai Motor Co	8	0.06	THB	128 Home Product Center PCL ∞	36	0.29	South Africa — 0.10% (February 29, 2016: 0.06%)			
KRW	– Kangwon Land Inc	10	0.08	THB	13 Indorama Ventures PCL ∞	13	0.11	ZAR	6 Growthpoint Properties Ltd	12	0.10
KRW	– KB Financial Group Inc	20	0.16	THB	10 Kasikornbank PCL	52	0.41	Total Real Estate Investment Trusts (Cost \$29)			
KRW	– Kia Motors Corp	12	0.10	THB	2 Kasikornbank PCL, NVDR	12	0.10			22	0.17
KRW	2 Korea Electric Power Corp	81	0.64	THB	25 Krung Thai Bank PCL ∞	14	0.11	Total Investments (Cost \$12,564)			
KRW	– Korea Gas Corp	11	0.09	THB	58 Minor International PCL ∞	56	0.45			12,386	98.66
KRW	– Korea Zinc Co Ltd	8	0.06	THB	6 PTT Exploration & Production PCL ∞	15	0.12	Other Assets in Excess of Liabilities (February 29, 2016: 0.59%)			
KRW	1 KT Corp	18	0.15	THB	17 PTT Global Chemical PCL ∞	34	0.27			168	1.34
KRW	– KT&G Corp	25	0.20	THB	4 PTT PCL ∞	40	0.32	Total Net Assets			
KRW	– LG Chem Ltd	12	0.09	THB	18 Robinson Department Store PCL ∞	31	0.25			\$12,554	100.00
KRW	– LG Corp	10	0.08	THB	2 Siam Cement PCL/The	35	0.28	– Amounts designated as “–” are either \$0, less than \$1,000 or less than 1,000 shares.			
KRW	– LG Household & Health Care Ltd	19	0.15	THB	10 Siam Commercial Bank PCL/The ∞	43	0.35	144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2017, these securities amounted to \$51,000 or 0.41% of net assets.			
KRW	3 LG Uplus Corp	29	0.23	THB	29 Thai Union Group PCL ∞	17	0.13	† Illiquid.			
KRW	– Lotte Chemical Corp	15	0.12	THB	215 True Corp PCL ∞	38	0.31	∞ Security is valued in good faith at fair value by or at the discretion of the Investment Manager.			
KRW	– NAVER Corp	14	0.11			721	5.75	ABBREVIATIONS:			
KRW	– Orion Corp/Republic of Korea	9	0.08	Turkey — 5.14% (February 29, 2016: 7.88%)				ADR – American Depositary Receipt			
KRW	– POSCO	23	0.19	TRY	11 Akbank TAS	27	0.21	GDR – Global Depositary Receipt			
KRW	– Samsung Biologics Co Ltd	25	0.20	TRY	3 Anadolu Efes Biracilik Ve Malt Sanayii AS	17	0.13	NVDR – Non Voting Depositary Receipt			
KRW	– Samsung C&T Corp	17	0.13	TRY	9 Arcelik AS	50	0.40	BRL – Brazilian Real			
KRW	– Samsung Electronics Co Ltd	46	0.37	TRY	4 BIM Birlesik Magazalar AS	53	0.42	CLP – Chilean Peso			
KRW	– Samsung Fire & Marine Insurance Co Ltd	14	0.12	TRY	1 Coca-Cola Icecek AS	10	0.08	COP – Colombia Peso			
KRW	– Samsung Life Insurance Co Ltd	16	0.12	TRY	14 Emlak Konut Gayrimenkul Yatirim Ortakligi AS	12	0.10	CZK – Czech Koruna			
KRW	1 Shinhan Financial Group Co Ltd	22	0.17	TRY	2 Ford Otomotiv Sanayi AS	21	0.17	EGP – Egyptian Pound			
KRW	– SK Holdings Co Ltd	12	0.10	TRY	6 Haci Omer Sabanci Holding AS	17	0.14	EUR – Euro			
KRW	– SK Innovation Co Ltd	34	0.27	TRY	14 KOC Holding AS	57	0.45	HKD – Hong Kong Dollar			
KRW	– SK Telecom Co Ltd	67	0.54	TRY	4 TAV Havalimanlari Holding AS	17	0.13	HUF – Hungarian Forint			
KRW	– S-Oil Corp	20	0.16	TRY	5 Tofas Turk Otomobil Fabrikasi AS	34	0.27	IDR – Indonesian Rupiah			
KRW	– Yuhan Corp	17	0.13	TRY	5 Tupras Turkiye Petrol Rafinerileri AS	108	0.86	INR – India Rupee			
		797	6.35	TRY	13 Turk Hava Yollari AO	20	0.16	KRW – South Korean Won			
Taiwan — 5.13% (February 29, 2016: 5.94%)				TRY	17 Turk Telekomunikasyon AS	28	0.22	MXN – Mexican Peso			
TWD	7 Cheng Shin Rubber Industry Co Ltd	15	0.12	TRY	27 Turkcell Iletisim Hizmetleri AS	89	0.71	MYR – Malaysian Ringgit			
TWD	35 China Airlines Ltd	11	0.09	TRY	12 Turkiye Garanti Bankasi AS	28	0.23	PHP – Philippine Peso			
TWD	37 China Development Financial Holding Corp	10	0.08	TRY	2 Turkiye Halk Bankasi AS	7	0.06	PLN – Polish Zloty			
TWD	25 China Steel Corp	21	0.17	TRY	8 Turkiye Is Bankasi	13	0.10	THB – Thai Baht			
TWD	18 Chunghwa Telecom Co Ltd	60	0.47	TRY	18 Turkiye Sise ve Cam Fabrikalari AS	20	0.16	TRY – Turkish Lira			
TWD	29 CTBC Financial Holding Co Ltd	17	0.14	TRY	3 Ulker Biskuvi Sanayi AS	17	0.14	TWD – Taiwanese Dollar			
TWD	18 E.Sun Financial Holding Co Ltd	11	0.09			645	5.14	ZAR – South Africa Rand			
TWD	1 Eclat Textile Co Ltd	10	0.08	Total Common Stock (Cost \$12,337)				12,073	96.17		
TWD	22 Eva Airways Corp	11	0.09	Preferred Stock — 2.32% (February 29, 2016: 2.54%)							
TWD	34 Far Eastern New Century Corp	31	0.24	Brazil — 1.45% (February 29, 2016: 1.40%)							
TWD	4 Far EasTone Telecommunications Co Ltd	10	0.08	BRL	1 Banco Bradesco SA	15	0.12				
TWD	17 First Financial Holding Co Ltd	10	0.08	BRL	1 Centrais Eletricas Brasileiras SA	7	0.05				
TWD	7 Formosa Chemicals & Fibre Corp	22	0.18	BRL	5 Cia Energetica de Minas Gerais	16	0.13				
TWD	18 Formosa Petrochemical Corp	63	0.50	BRL	2 Itau Unibanco Holding SA	30	0.24				
TWD	8 Formosa Plastics Corp	24	0.19	BRL	3 Lojas Americanas SA	16	0.13				
TWD	9 Fubon Financial Holding Co Ltd	15	0.12	BRL	6 Petroleo Brasileiro SA	29	0.23				
TWD	2 Hiwin Technologies Corp	14	0.11	BRL	3 Telefonica Brasil SA	47	0.37				
TWD	19 Mega Financial Holding Co Ltd	15	0.12	BRL	2 Vale SA	22	0.18				
TWD	10 Nan Ya Plastics Corp	24	0.19			182	1.45				
TWD	13 Pou Chen Corp	18	0.14	Chile — 0.34% (February 29, 2016: 0.57%)							
TWD	5 President Chain Store Corp	37	0.29	CLP	4 Embotelladora Andina SA	13	0.11	Analysis of Total Assets			
TWD	28 SinoPac Financial Holdings Co Ltd	8	0.07	CLP	1 Sociedad Quimica y Minera de Chile SA	29	0.23	Transferable securities admitted to an official exchange listing or traded on a regulated market			
TWD	7 Taiwan Mobile Co Ltd	24	0.20			42	0.34	Financial derivative instruments			
TWD	7 Taiwan Semiconductor Manufacturing Co Ltd	43	0.34					Other assets			
TWD	27 Teco Electric and Machinery Co Ltd	24	0.19					Total Assets			
								100.00			

Legg Mason QS Emerging Markets Equity Fund

Portfolio of Investments as at February 28, 2017 – *(continued)*

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Mini MSCI Emerging Markets Index March 2017	4	\$ 186	\$ 2
Total Market Value of Futures Contracts			\$ 2
Unrealised Appreciation of Futures Contracts (February 29, 2016 (000's): \$(6))			2
Unrealised Depreciation of Futures Contracts (February 29, 2016 (000's): \$(6))			–
Net Appreciation of Futures Contracts (February 29, 2016 (000's): \$(6))			\$ 2

The accompanying notes are an integral part of the Financial Statements

Legg Mason QS MV Global Equity Growth and Income Fund

Portfolio of Investments as at February 28, 2017

Shares (000's)		Value (000's) \$	% of Net Asset Value
Common Stock — 88.61% (February 29, 2016: 91.86%)			
Australia — 4.16% (February 29, 2016: 3.46%)			
AUD 11	Amcor Ltd/Australia	116	0.65
AUD 40	Aurizon Holdings Ltd	156	0.86
AUD 79	DUET Group	166	0.92
AUD 59	Qantas Airways Ltd	170	0.94
AUD 38	Telstra Corp Ltd	142	0.79
		750	4.16
Austria — 0.72% (February 29, 2016: 0.93%)			
EUR 4	Oesterreichische Post AG	129	0.72
Brazil — 0.60% (February 29, 2016: 0.95%)			
BRL 9	Engie Brasil Energia SA	108	0.60
Canada — 3.58% (February 29, 2016: 3.62%)			
CAD 3	BCE Inc	135	0.75
CAD 2	Canadian Imperial Bank of Commerce	158	0.88
CAD 4	Genworth MI Canada Inc	126	0.70
CAD 2	Rogers Communications Inc	67	0.37
CAD 3	Toronto-Dominion Bank/The	160	0.88
		646	3.58
China — 2.76% (February 29, 2016: 0.98%)			
HKD 78	Huaneng Power International Inc 'H'	53	0.30
HKD 315	Huishang Bank Corp Ltd 'H'	163	0.90
HKD 70	Jiangling Motors Corp Ltd	179	0.99
HKD 78	Jiangsu Expressway Co Ltd 'H'	103	0.57
		498	2.76
Denmark — 0.34% (February 29, 2016: 0.87%)			
DKK 3	Tryg A/S	62	0.34
Finland — 0.33% (February 29, 2016: 1.61%)			
EUR 4	Fortum OYJ	59	0.33
France — 0.78% (February 29, 2016: 1.36%)			
EUR 4	SCOR SE	141	0.78
Germany — 1.88% (February 29, 2016: 2.77%)			
EUR 3	Freenet AG	79	0.44
EUR 1	Muenchener Rueckversicherungs-Gesellschaft AG in Muenchen	132	0.73
EUR 4	Talanx AG	128	0.71
		339	1.88
Hong Kong — 5.81% (February 29, 2016: 8.59%)			
HKD 196	Chow Tai Fook Jewellery Group Ltd	179	0.99
HKD 14	CLP Holdings Ltd	142	0.79
HKD 148	HK Electric Investments & HK Electric Investments Ltd, 144A	129	0.72
HKD 128	HKT Trust & HKT Ltd	171	0.95
HKD 78	Lifestyle International Holdings Ltd	101	0.56
HKD 276	PCCW Ltd	168	0.93
HKD 5	VTech Holdings Ltd	60	0.33
HKD 26	Yue Yuen Industrial Holdings Ltd	97	0.54
		1,047	5.81
Israel — 2.16% (February 29, 2016: 1.13%)			
ILS 26	Bank Hapoalim BM	158	0.88
ILS 69	Bezeq The Israeli Telecommunication Corp Ltd	123	0.68
	3 Teva Pharmaceutical Industries Ltd ADR	108	0.60
		389	2.16
Italy — 1.17% (February 29, 2016: 2.06%)			
EUR 9	Assicurazioni Generali SpA	134	0.75
EUR 19	Snam SpA	76	0.42
		210	1.17
Japan — 2.07% (February 29, 2016: 0.00%)			
JPY 18	Aozora Bank Ltd	67	0.38
JPY 1	Daito Trust Construction Co Ltd	70	0.39
JPY 6	Itochu Techno-Solutions Corp	163	0.90
JPY 2	Nippon Telegraph & Telephone Corp	72	0.40
		372	2.07

Shares (000's)		Value (000's) \$	% of Net Asset Value
Malaysia — 1.49% (February 29, 2016: 2.59%)			
MYR 145	Astro Malaysia Holdings Bhd	93	0.52
MYR 8	British American Tobacco Malaysia Bhd	88	0.49
MYR 249	YTL Corp Bhd	87	0.48
		268	1.49
Mexico — 0.69% (February 29, 2016: 0.97%)			
MXN 65	Wal-Mart de Mexico SAB de CV	125	0.69
New Zealand — 7.22% (February 29, 2016: 9.17%)			
NZD 72	Air New Zealand Ltd	122	0.68
NZD 46	Contact Energy Ltd	162	0.90
NZD 22	Fletcher Building Ltd	156	0.86
NZD 98	Genesis Energy Ltd	148	0.82
NZD 82	Infratil Ltd	169	0.94
NZD 61	Mercury NZ Ltd	139	0.77
NZD 84	Meridian Energy Ltd	164	0.91
NZD 43	SKY Network Television Ltd	117	0.65
NZD 48	Spark New Zealand Ltd	124	0.69
		1,301	7.22
Russia — 0.95% (February 29, 2016: 1.15%)			
	19 Gazprom PJSC ADR	85	0.47
	8 MegaFon PJSC GDR	87	0.48
		172	0.95
Singapore — 3.45% (February 29, 2016: 4.76%)			
SGD 36	ComfortDelGro Corp Ltd	63	0.35
SGD 58	M1 Ltd/Singapore	86	0.48
SGD 36	SATS Ltd	130	0.72
SGD 34	Singapore Telecommunications Ltd	95	0.53
SGD 35	StarHub Ltd	72	0.40
SGD 23	Venture Corp Ltd	175	0.97
		621	3.45
South Africa — 3.20% (February 29, 2016: 3.75%)			
ZAR 10	Barclays Africa Group Ltd	120	0.67
ZAR 6	Liberty Holdings Ltd	51	0.28
ZAR 4	Nedbank Group Ltd	72	0.40
ZAR 5	Santam Ltd	96	0.53
ZAR 4	SPAR Group Ltd/The	58	0.32
ZAR 8	Standard Bank Group Ltd	84	0.47
ZAR 9	Vodacom Group Ltd	96	0.53
		577	3.20
South Korea — 1.44% (February 29, 2016: 0.00%)			
KRW 15	Tongyang Life Insurance Co Ltd	137	0.76
KRW 11	Woori Bank	123	0.68
		260	1.44
Spain — 1.86% (February 29, 2016: 1.92%)			
EUR 4	Enagas SA	110	0.61
EUR 7	Endesa SA	141	0.78
EUR 5	Red Electrica Corp SA	85	0.47
		336	1.86
Sweden — 2.59% (February 29, 2016: 2.89%)			
SEK 8	Axfood AB	118	0.66
SEK 7	Nordea Bank AB	80	0.44
SEK 6	Swedbank AB 'A'	154	0.85
SEK 11	Telefonaktiebolaget LM Ericsson 'B'	71	0.40
SEK 11	Telia Co AB	44	0.24
		467	2.59
Switzerland — 0.74% (February 29, 2016: 0.97%)			
CHF 1	Swiss Re AG	133	0.74
Taiwan — 7.48% (February 29, 2016: 5.95%)			
TWD 107	CTCI Corp	177	0.98
TWD 57	Far EasTone Telecommunications Co Ltd	137	0.76
TWD 108	Inventec Corp	81	0.45
TWD 172	King Yuan Electronics Co Ltd	161	0.89
TWD 99	Mega Financial Holding Co Ltd	77	0.43
TWD 35	Powertech Technology Inc	102	0.56
TWD 90	Radiant Opto-Electronics Corp	186	1.03
TWD 99	Siliconware Precision Industries Co Ltd	156	0.87
TWD 20	Simplo Technology Co Ltd	65	0.36
TWD 3	St Shine Optical Co Ltd	51	0.28
TWD 123	WPG Holdings Ltd	156	0.87
		1,349	7.48

Shares (000's)		Value (000's) \$	% of Net Asset Value
Turkey — 1.62% (February 29, 2016: 2.22%)			
TRY 74	Eregli Demir ve Celik Fabrikalari TAS	120	0.66
TRY 13	TAV Havalimanlari Holding AS	56	0.31
TRY 5	Turk Traktor ve Ziraat Makineleri AS		
		117	0.65
		293	1.62
United Kingdom — 8.97% (February 29, 2016: 11.22%)			
GBP 20	Barratt Developments Plc	126	0.70
GBP 12	Beazley Plc	67	0.37
GBP 1	Bellway Plc	44	0.24
GBP 19	BP Plc	104	0.58
GBP 35	Direct Line Insurance Group Plc	148	0.82
GBP 9	GlaxoSmithKline Plc	179	0.99
GBP 20	HSBC Holdings Plc	158	0.88
GBP 4	Imperial Brands Plc	172	0.95
GBP 8	National Grid Plc	101	0.56
GBP 4	Persimmon Plc	98	0.55
GBP 2	Rio Tinto Plc	95	0.53
GBP 17	Royal Mail Plc	87	0.48
GBP 6	SSE Plc	114	0.63
GBP 55	Taylor Wimpey Plc	123	0.69
		1,616	8.97
United States — 20.55% (February 29, 2016: 13.99%)			
	2 AbbVie Inc	153	0.85
	2 Altria Group Inc	183	1.02
	2 AmeriGas Partners LP, MLP #	93	0.52
	4 AT&T Inc	154	0.85
	2 B&G Foods Inc	78	0.43
	2 Brinker International Inc	104	0.58
	3 Cedar Fair LP, MLP #	175	0.97
	3 CenturyLink Inc	73	0.40
	2 Cisco Systems Inc	75	0.42
	4 CNA Financial Corp	160	0.89
	1 Consolidated Edison Inc	113	0.63
	2 CVS Health Corp	177	0.98
	1 Darden Restaurants Inc	105	0.58
	3 Dow Chemical Co/The	172	0.96
	1 Duke Energy Corp	123	0.68
	2 Emerson Electric Co	130	0.72
	1 Entergy Corp	80	0.44
	11 Ford Motor Co	135	0.75
	4 Gap Inc/The	92	0.51
	1 Gilead Sciences Inc	92	0.51
	– Kohl's Corp	16	0.09
	4 Kohl's Corp	162	0.90
	1 Lockheed Martin Corp	161	0.90
	– McDonald's Corp	62	0.34
	5 Pfizer Inc	182	1.01
	1 Procter & Gamble Co/The	76	0.42
	2 Southern Co/The	121	0.67
	3 Target Corp	152	0.84
	2 Valero Energy Corp	169	0.94
	3 Verizon Communications Inc	136	0.75
		3,704	20.55
Total Common Stock (Cost \$15,639)		15,972	88.61
Real Estate Investment Trusts — 7.28% (February 29, 2016: 6.75%)			
Australia — 0.40% (February 29, 2016: 0.00%)			
AUD 20	Stockland	72	0.40
Canada — 0.71% (February 29, 2016: 1.01%)			
CAD 7	H&R Real Estate Investment Trust	128	0.71
Singapore — 1.53% (February 29, 2016: 2.93%)			
SGD 50	CapitalLand Mall Trust	71	0.39
SGD 102	Mapletree Commercial Trust	109	0.60
SGD 126	Mapletree Logistics Trust	96	0.54
		276	1.53
United States — 4.64% (February 29, 2016: 2.81%)			
	5 Blackstone Mortgage Trust Inc 'A'	157	0.87
	1 Digital Realty Trust Inc	162	0.90
	2 DuPont Fabros Technology Inc	114	0.63
	21 MFA Financial Inc	171	0.95
	2 Omega Healthcare Investors Inc	73	0.40

The accompanying notes are an integral part of the Financial Statements

Legg Mason QS MV Global Equity Growth and Income Fund

Portfolio of Investments as at February 28, 2017 – (continued)

Shares (000's)	Value (000's) \$	% of Net Asset Value
Real Estate Investment Trusts — (continued)		
United States — (continued)		
7 Starwood Property Trust Inc	160	0.89
	837	4.64
Total Real Estate Investment Trusts (Cost \$1,179)	1,313	7.28
Total Investments (Cost \$16,818)	17,285	95.89
Other Assets in Excess of Liabilities (February 29, 2016: 1.03%)	740	4.11
Total Net Assets	\$18,025	100.00

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

144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2017, these securities amounted to \$129,000 or 0.72% of net assets.

Master Limited Partnership.

ABBREVIATIONS:

ADR	– American Depositary Receipt
GDR	– Global Depositary Receipt
AUD	– Australian Dollar
BRL	– Brazilian Real
CAD	– Canadian Dollar
CHF	– Swiss Franc
DKK	– Danish Krone
EUR	– Euro
GBP	– British Pound
HKD	– Hong Kong Dollar
ILS	– Israeli Shekel
JPY	– Japanese Yen
KRW	– South Korean Won
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	93.46
Financial derivative instruments	0.19
Other assets	6.35
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)
03/15/17	BNY Mellon	Buy	USD	147	Sell	AUD	191	\$ 1
03/15/17	BNY Mellon	Buy	USD	6	Sell	AUD	8	–
03/15/17	BNY Mellon	Buy	USD	–	Sell	SGD	–	–
03/15/17	BNY Mellon	Buy	SGD	3	Sell	USD	2	–
03/15/17	BNY Mellon	Buy	AUD	2,268	Sell	USD	1,727	11
03/15/17	BNY Mellon	Buy	AUD	452	Sell	USD	347	(1)
03/22/17	BNY Mellon	Buy	USD	1,303	Sell	GBP	1,045	5
03/22/17	Citigroup	Buy	USD	622	Sell	CAD	814	9
03/22/17	Northern Trust	Buy	USD	666	Sell	AUD	865	3
03/22/17	Northern Trust	Buy	USD	974	Sell	EUR	918	1
03/22/17	Northern Trust	Buy	USD	1,054	Sell	NZD	1,465	(1)
03/22/17	UBS	Buy	USD	699	Sell	SGD	993	(10)
03/22/17	UBS	Buy	USD	475	Sell	ZAR	6,197	5
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$64)								35
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$(16))								(12)
Net Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$48)								\$ 23

Legg Mason Martin Currie Australia Equity Income Fund

Portfolio of Investments as at February 28, 2017

Shares (000's)	Value (000's) \$	% of Net Asset Value
Common Stock — 86.24% (February 29, 2016: 80.19%)		
Advertising — 0.31% (February 29, 2016: 0.43%)		
3 WPP AUNZ Ltd	4	0.31
Banks — 19.41% (February 29, 2016: 14.84%)		
2 Australia & New Zealand Banking Group Ltd	63	5.20
1 Bendigo & Adelaide Bank Ltd	11	0.92
1 Commonwealth Bank of Australia	64	5.28
1 National Australia Bank Ltd	24	2.02
2 Westpac Banking Corp	72	5.99
	234	19.41
Beverages — 2.19% (February 29, 2016: 0.00%)		
3 Coca-Cola Amatil Ltd	26	2.19
Building Materials — 1.96% (February 29, 2016: 1.45%)		
4 Adelaide Brighton Ltd	24	1.96
Commercial Services — 2.51% (February 29, 2016: 1.24%)		
3 Transurban Group	30	2.51
Diversified Financial Services — 8.21% (February 29, 2016: 10.92%)		
1 ASX Ltd	30	2.52
3 Genworth Mortgage Insurance Australia Ltd	8	0.69
2 IOOF Holdings Ltd	22	1.78
– Macquarie Group Ltd	15	1.27
– Perpetual Ltd	14	1.13
2 Platinum Asset Management Ltd	10	0.82
	99	8.21
Electric — 9.24% (February 29, 2016: 13.12%)		
1 AGL Energy Ltd	25	2.03
17 AusNet Services	28	2.35
14 DUET Group	38	3.17
9 Spark Infrastructure Group	20	1.69
	111	9.24

Shares (000's)	Value (000's) \$	% of Net Asset Value
Engineering & Construction — 2.00% (February 29, 2016: 2.73%)		
4 Sydney Airport	24	2.00
Entertainment — 2.24% (February 29, 2016: 1.09%)		
7 Tatts Group Ltd	27	2.24
Food — 7.92% (February 29, 2016: 7.72%)		
2 Wesfarmers Ltd	73	6.05
1 Woolworths Ltd	22	1.87
	95	7.92
Holding Companies — Diversified — 1.10% (February 29, 2016: 1.37%)		
1 Seven Group Holdings Ltd	13	1.10
Insurance — 11.83% (February 29, 2016: 8.65%)		
10 AMP Ltd	49	4.07
11 Insurance Australia Group Ltd	65	5.36
3 Medibank Pvt Ltd	8	0.70
2 Suncorp Group Ltd	20	1.70
	142	11.83
Media — 1.72% (February 29, 2016: 3.26%)		
15 Fairfax Media Ltd	15	1.20
9 Seven West Media Ltd	6	0.52
	21	1.72
Mining — 1.24% (February 29, 2016: 0.41%)		
2 Iluka Resources Ltd	15	1.24
Miscellaneous Manufacturing — 0.50% (February 29, 2016: 1.08%)		
1 GUD Holdings Ltd	6	0.50
Oil & Gas — 1.29% (February 29, 2016: 1.23%)		
– Woodside Petroleum Ltd	15	1.29
Pipelines — 3.06% (February 29, 2016: 1.39%)		
4 APA Group	37	3.06
Retail — 3.70% (February 29, 2016: 3.99%)		
5 Harvey Norman Holdings Ltd	24	2.01
1 JB Hi-Fi Ltd	21	1.69
	45	3.70

Shares (000's)	Value (000's) \$	% of Net Asset Value
Telecommunications — 5.02% (February 29, 2016: 3.86%)		
13 Telstra Corp Ltd	60	5.02
Transportation — 0.79% (February 29, 2016: 0.00%)		
2 Aurizon Holdings Ltd	10	0.79
Total Common Stock (Cost \$1,006)		
	1,038	86.24
Real Estate Investment Trusts — 13.21% (February 29, 2016: 20.25%)		
REITS — 13.21% (February 29, 2016: 20.25%)		
1 BWP Trust	3	0.29
2 Charter Hall Retail REIT	9	0.74
2 Dexux Property Group	20	1.64
4 GPT Group/The	18	1.50
3 Scentre Group	14	1.17
3 Shopping Centres Australasia Property Group	8	0.65
6 Stockland	31	2.55
19 Vicinity Centres	56	4.67
	159	13.21
Total Real Estate Investment Trusts (Cost \$155)		
	159	13.21
Total Investments (Cost \$1,161)		
	1,197	99.45
Other Assets in Excess of Liabilities (February 29, 2016: (0.44%))		
	7	0.55
Total Net Assets		
	\$1,204	100.00

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

	% of Total Assets
Analysis of Total Assets	
Transferable securities admitted to an official exchange listing or traded on a regulated market	97.16
Other assets	2.84
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)
03/15/17	BNY Mellon	Buy	AUD 1	\$ –
Unrealised Appreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$–)				–
Unrealised Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$–)				–
Net Depreciation of Forward Foreign Currency Contracts (February 29, 2016 (000's): \$–)				\$ –

The accompanying notes are an integral part of the Financial Statements

Legg Mason Martin Currie Asia Long-Term Unconstrained Fund[^]

Portfolio of Investments as at February 28, 2017

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 — 99.00%				Indonesia — 1.64%				United States — 3.52%			
China — 13.42%				IDR 2,249	Matahari Department Store Tbk PT	2,302	1.64	HKD 1,625	Samsonite International SA	4,945	3.52
HKD 602	China Mobile Ltd	6,636	4.73	Malaysia — 3.74%				Total Common Stock (Cost \$122,010)			
HKD 882	ENN Energy Holdings Ltd	4,263	3.04	MYR 2,520	Genting Bhd	5,250	3.74	Total Investments (Cost \$122,010)			
HKD 297	Tencent Holdings Ltd	7,921	5.65	Singapore — 11.14%				Other Assets in Excess of Liabilities			
		18,820	13.42	SGD 2,982	Global Logistic Properties Ltd	5,670	4.04	Total Net Assets			
Hong Kong — 25.28%				SGD 1,628	Singapore Telecommunications Ltd	4,587	3.27	† Illiquid.			
HKD 1,074	Cafe de Coral Holdings Ltd †	3,570	2.55	SGD 349	United Overseas Bank Ltd	5,371	3.83	∞ Security is valued in good faith at fair value by or at the discretion of the Investment Manager.			
488	Dairy Farm International Holdings Ltd	4,158	2.96			15,628	11.14	ABBREVIATIONS:			
HKD 1,491	Hong Kong & China Gas Co Ltd	2,870	2.05	South Korea — 8.61%				ADR	— American Depositary Receipt		
76	Jardine Matheson Holdings Ltd	4,733	3.37	KRW 4	LG Household & Health Care Ltd	3,085	2.20	HKD	— Hong Kong Dollar		
HKD 1,564	Johnson Electric Holdings Ltd †	4,484	3.20	KRW 5	Samsung Electronics Co Ltd	8,996	6.41	IDR	— Indonesian Rupiah		
HKD 2,276	SJM Holdings Ltd	1,868	1.33			12,081	8.61	INR	— India Rupee		
HKD 891	Television Broadcasts Ltd †	3,895	2.78	Taiwan — 7.18%				KRW	— South Korean Won		
		35,457	25.28	TWD 1,635	Taiwan Semiconductor Manufacturing Co Ltd	10,067	7.18	MYR	— Malaysian Ringgit		
India — 15.62%				Thailand — 3.65%				SGD	— Singapore Dollar		
INR 119	Hero MotoCorp Ltd	5,609	4.00	THB 1,159	Siam Commercial Bank PCL/The ∞	5,115	3.65	THB	— Thai Baht		
397	Infosys Ltd ADR	6,043	4.31	United Kingdom — 5.20%				TWD	— Taiwanese Dollar		
INR 46	Maruti Suzuki India Ltd	4,082	2.91	HKD 907	HSBC Holdings Plc	7,302	5.20	Analysis of Total Assets			
INR 167	Tata Consultancy Services Ltd	6,171	4.40					Transferable securities admitted to an official exchange listing or traded on a regulated market			
		21,905	15.62					Other assets			
								Total Assets			
								97.64			
								2.36			
								100.00			

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

The accompanying notes are an integral part of the Financial Statements

Legg Mason Martin Currie Asia Pacific Fund[^]

Portfolio of Investments as at February 28, 2017

Shares (000's)		Value (000's) \$	% of Net Asset Value	Shares (000's)		Value (000's) \$	% of Net Asset Value	Shares (000's)		Value (000's) \$	% of Net Asset Value
Common Stock — 100.50%				India — 8.42%				Thailand — 2.02%			
Australia — 14.02%				INR 15	Dish TV India Ltd	22	0.87	THB 5	Kasikornbank PCL	28	1.13
AUD 7	Aurizon Holdings Ltd	26	1.04	INR 1	Hero MotoCorp Ltd	42	1.70	THB 11	PTT Global Chemical PCL	22	0.89
AUD 4	Coca-Cola Amatil Ltd	28	1.13	INR 4	Infosys Ltd	56	2.25			50	2.02
AUD 2	Commonwealth Bank of Australia	112	4.52	INR 12	IRB Infrastructure Developers Ltd	43	1.75	United Kingdom — 1.82%			
AUD 1	Macquarie Group Ltd	76	3.09	INR —	Maruti Suzuki India Ltd	26	1.07	HKD 6	HSBC Holdings Plc	45	1.82
AUD 23	Orora Ltd	53	2.13	INR 14	Welspun India Ltd	19	0.78	United States — 1.37%			
AUD 3	Woolworths Ltd	52	2.11			208	8.42	HKD 11	Samsonite International SA	34	1.37
		347	14.02	Indonesia — 1.80%				Total Common Stock (Cost \$2,144)			
China — 29.01%				IDR 22	Bank Rakyat Indonesia Persero Tbk PT	20	0.78			2,486	100.50
HKD 1	Alibaba Group Holding Ltd ADR	83	3.35	IDR 25	Matahari Department Store Tbk PT	25	1.02	Total Investments (Cost \$2,144)			
HKD 34	Beijing Capital International Airport Co Ltd 'H'	36	1.48			45	1.80	Liabilities in Excess of Other Assets			
HKD 112	China Construction Bank Corp 'H'	92	3.73	Malaysia — 1.49%						(13)	(0.50)
HKD 14	China Merchants Port Holdings Co Ltd	39	1.58	MYR 18	Genting Bhd	37	1.49	Total Net Assets			
HKD 7	China Mobile Ltd	72	2.90	Singapore — 7.21%						\$2,473	100.00
HKD 24	China Unicom Hong Kong Ltd	29	1.18	SGD 32	Global Logistic Properties Ltd	61	2.46	ABBREVIATIONS:			
HKD 37	CNOOC Ltd	44	1.77	HKD 33	IGG Inc	23	0.94	ADR	– American Depositary Receipt		
HKD 6	ENN Energy Holdings Ltd	29	1.17	SGD 13	Singapore Telecommunications Ltd	36	1.45	AUD	– Australian Dollar		
HKD 71	Industrial & Commercial Bank of China Ltd 'H'	47	1.88	SGD 4	United Overseas Bank Ltd	58	2.36	HKD	– Hong Kong Dollar		
HKD 72	Jiangnan Group Ltd	11	0.44			178	7.21	IDR	– Indonesian Rupiah		
HKD 32	Li Ning Co Ltd	21	0.85	South Korea — 16.06%				INR	– India Rupee		
HKD 14	Mintih Group Ltd	45	1.80	KRW —	Coway Co Ltd	32	1.29	KRW	– South Korean Won		
HKD 5	Tencent Holdings Ltd	139	5.61	KRW —	Hyundai Mobis Co Ltd	50	2.02	MYR	– Malaysian Ringgit		
HKD 28	Zhejiang Expressway Co Ltd 'H'	31	1.27	KRW —	Hyundai Steel Co	24	1.00	SGD	– Singapore Dollar		
		718	29.01	KRW —	LG Chem Ltd	58	2.34	THB	– Thai Baht		
Hong Kong — 8.05%				KRW —	LG Household & Health Care Ltd	46	1.85	TWD	– Taiwanese Dollar		
HKD 19	AIA Group Ltd	119	4.81	KRW —	Samsung Electronics Co Ltd	143	5.78				
HKD 54	NewOcean Energy Holdings Ltd	20	0.79	KRW 1	SK Hynix Inc	44	1.78	Analysis of Total Assets			
HKD 19	Sino Land Co Ltd	33	1.32			397	16.06	% of Total Assets			
HKD 20	SJM Holdings Ltd	16	0.66	Taiwan — 9.23%				Transferable securities admitted to an official			
HKD 21	Towngas China Co Ltd	11	0.47	TWD 82	E.Sun Financial Holding Co Ltd	50	2.02	exchange listing or traded on a regulated market			
		199	8.05	TWD 24	Primax Electronics Ltd	37	1.48	Other assets			
				TWD 23	Taiwan Semiconductor Manufacturing Co Ltd	141	5.73	Total Assets			
						228	9.23				

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

The accompanying notes are an integral part of the Financial Statements

Legg Mason Martin Currie European Absolute Alpha Fund[^]

Portfolio of Investments as at February 28, 2017

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 — 85.85%				Spain — 7.96%				Preferred Stock — 1.06%			
Denmark — 4.25%				1,138 Banco Santander SA				Germany — 1.06%			
DKK	2 AP Moller – Maersk A/S 'B'	3,664	1.59	3,789 Bankia SA		3,516	1.53	163 Schaeffler AG			
DKK	183 Novo Nordisk A/S	6,115	2.66	215 Industria de Diseno Textil SA		6,509	2.83	Total Preferred Stock (Cost €2,485)			
		9,779	4.25	221 Mediaset Espana Comunicacion SA		2,461	1.07	Time Deposits — 12.85%			
Finland — 2.28%				18,322				29,568 Sumitomo, (0.510)%, due 3/1/2017			
141	Nokian Renkaat OYJ	5,236	2.28	Sweden — 4.23%				Total Time Deposits (Cost €29,568)			
France — 15.66%				SEK 505 Trelleborg AB				Total Investments (Cost €222,057)			
202	Carrefour SA	4,561	1.98	Switzerland — 11.43%				Other Assets in Excess of Liabilities			
151	Cie de Saint-Gobain	6,822	2.96	CHF 59 Adecco Group AG				Total Net Assets			
88	Cie Generale des Etablissements Michelin	9,392	4.08	CHF 5 dormakaba Holding AG				144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2017, these securities amounted to €4,311,000 or 1.87% of net assets.			
45	Essilor International SA	4,824	2.10	CHF 6 Geberit AG							
69	Legrand SA	3,704	1.61	CHF 1 Sika AG							
160	Societe Generale SA	6,732	2.93	CHF 43 Swiss Re AG							
		36,035	15.66	CHF 15 Vontobel Holding AG							
Germany — 12.41%				GBP 123 Wizz Air Holdings Plc, 144A				ABBREVIATIONS:			
143	Aareal Bank AG	4,963	2.16	CHF 19 Zurich Insurance Group AG				CHF – Swiss Franc			
43	Allianz SE	7,032	3.06	26,284				DKK – Danish Krone			
86	BASF SE	7,529	3.27	Turkey — 2.47%				GBP – British Pound			
57	Innogy SE, 144A	1,917	0.83	TRY 416 BIM Birlesik Magazalar AS				HUF – Hungarian Forint			
47	Linde AG	7,118	3.09	United Kingdom — 16.40%				SEK – Swedish Krona			
		28,559	12.41	GBP 256 Ashtead Group Plc				TRY – Turkish Lira			
Hungary — 2.47%				GBP 2,684 Barclays Plc				Analysis of Total Assets			
HUF	204 OTP Bank Plc	5,691	2.47	GBP 509 Bovis Homes Group Plc				Transferable securities admitted to an official exchange listing or traded on a regulated market			
Ireland — 2.05%				GBP 30 DCC Plc				Deposits with credit institutions			
332	Ryanair Holdings Plc	4,724	2.05	GBP 1,284 DS Smith Plc				Financial derivative instruments			
Luxembourg — 1.17%				GBP 300 HSBC Holdings Plc				Other assets			
324	ArcelorMittal	2,689	1.17	GBP 420 Redrow Plc				Total Assets			
Netherlands — 3.07%				GBP 667 RPC Group Plc				100.00			
149	Aalberts Industries NV	4,762	2.07	Total Common Stock (Cost €190,004)							
42	Randstad Holding NV	2,300	1.00	197,506 85.85							
		7,062	3.07								

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/14/17	BNY Mellon	Buy	CHF	28,204
03/14/17	BNY Mellon	Buy	EUR	76,451
03/14/17	BNY Mellon	Buy	HUF	350
03/14/17	BNY Mellon	Buy	TRY	143
03/14/17	BNY Mellon	Buy	TRY	87
03/14/17	BNY Mellon	Buy	SEK	532
03/14/17	BNY Mellon	Buy	GBP	4,574
03/14/17	BNY Mellon	Buy	CHF	950
03/14/17	BNY Mellon	Buy	DKK	381
03/14/17	BNY Mellon	Buy	CHF	1,641
03/14/17	BNY Mellon	Buy	EUR	43,188
03/14/17	BNY Mellon	Buy	EUR	6,149
03/14/17	BNY Mellon	Buy	EUR	10,231
03/14/17	BNY Mellon	Buy	EUR	5,694
03/15/17	BNY Mellon	Buy	GBP	152
03/15/17	BNY Mellon	Buy	USD	708
03/15/17	BNY Mellon	Buy	NOK	28
03/15/17	BNY Mellon	Buy	NOK	2,192
03/15/17	BNY Mellon	Buy	USD	31,604
03/15/17	BNY Mellon	Buy	SEK	235,839
03/15/17	BNY Mellon	Buy	SGD	2
03/15/17	BNY Mellon	Buy	GBP	18,310
03/15/17	BNY Mellon	Buy	EUR	2,361
03/15/17	BNY Mellon	Buy	EUR	1,809
03/15/17	BNY Mellon	Buy	EUR	117
03/15/17	BNY Mellon	Buy	EUR	1,276
03/15/17	BNY Mellon	Buy	EUR	–
			CHF	28,204
			DKK	76,451
			EUR	350
			EUR	143
			EUR	87
			EUR	532
			EUR	4,574
			EUR	950
			EUR	381
			EUR	1,641
			GBP	36,733
			HUF	1,895,523
			SEK	96,947
			TRY	22,681
			EUR	178
			EUR	669
			EUR	3
			EUR	247
			EUR	29,560
			EUR	24,893
			EUR	1
			EUR	21,520
			GBP	2,013
			GBP	1,537
			NOK	1,033
			SEK	12,136
			SGD	–

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The accompanying notes are an integral part of the Financial Statements

Legg Mason Martin Currie European Absolute Alpha Fund[^]

Portfolio of Investments as at February 28, 2017 – (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)
03/15/17	BNY Mellon	Buy	EUR	978	Sell	USD	1,033	€ 4
03/15/17	BNY Mellon	Buy	EUR	155	Sell	USD	165	–
Unrealised Appreciation of Forward Foreign Currency Contracts								445
Unrealised Depreciation of Forward Foreign Currency Contracts								(585)
Net Depreciation of Forward Foreign Currency Contracts								€ (140)

Schedule of Contracts for Difference

	Contracts	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Aggreko Plc	(247,607)	€ (3,065)	€ 61
ANDRITZ AG	(48,518)	(2,402)	(271)
AstraZeneca Plc	(73,697)	(4,038)	(366)
Brenntag AG	(47,827)	(2,594)	(302)
Carillion Plc	(898,138)	(2,278)	323
CIE Automotive SA	237,674	4,286	386
CRH Plc	222,976	7,143	642
Deutsche Lufthansa AG	(88,949)	(1,232)	(206)
Distribuidora Internacional de Alimentacion SA	(765,033)	(4,001)	26
Fraport AG Frankfurt Airport Services Worldwide	(40,027)	(2,352)	(276)
InterContinental Hotels Group Plc	57,113	2,536	370
Merlin Properties Socimi SA	350,702	3,751	247
Neste Oyj	(97,304)	(3,278)	(129)
Next Plc	(96,462)	(4,362)	1,237
Novartis AG	(74,231)	(5,433)	(526)
Novozymes A/S	(142,588)	(5,166)	(591)
Pandora A/S	(30,727)	(3,307)	195
Pennon Group Plc	(235,221)	(2,367)	(212)
Publicis Groupe SA	(95,752)	(6,087)	76
Sanofi	(23,307)	(1,878)	(153)
Saras SpA	(619,827)	(1,062)	(78)
Shire Plc	110,269	6,334	(212)
SKF AB	(127,638)	(2,289)	3
Travis Perkins Plc	(286,194)	(5,162)	(435)
WPP Plc	(173,520)	(3,860)	(390)
Total Market Value of Contracts for Difference			€ (581)
Unrealised Appreciation of Contracts for Difference			3,566
Unrealised Depreciation of Contracts for Difference			(4,147)
Net Depreciation of Contracts for Difference			€ (581)

The counterparty for Contracts for Difference is UBS.

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The accompanying notes are an integral part of the Financial Statements

Legg Mason Martin Currie Global Resources Fund[^]

Portfolio of Investments as at February 28, 2017

Shares (000's)		Value (000's) \$	% of Net Asset Value	Shares (000's)		Value (000's) \$	% of Net Asset Value	Shares (000's)		Value (000's) \$	% of Net Asset Value		
Common Stock — 98.22%				South Korea — 2.26%									
Australia — 5.04%				KRW	2 LG Chem Ltd	398	2.26						
23 BHP Billiton Ltd ADR				888	5.04								
Canada — 6.84%				Switzerland — 5.85%									
SEK	107 Africa Oil Corp	201	1.14	CHF	– Givaudan SA	344	1.95						
CAD	27 First Quantum Minerals Ltd	281	1.60	GBP	171 Glencore Plc	687	3.90						
CAD	23 Suncor Energy Inc	723	4.10					1,031	5.85				
				United Kingdom — 7.64%									
				GBP	91 Cairn Energy Plc	252	1.43						
				GBP	9 Croda International Plc	404	2.29						
				GBP	32 RPC Group Plc	355	2.02						
				GBP	14 Weir Group Plc/The, Series Z	335	1.90						
								1,346	7.64				
China — 3.67%				United States — 47.30%									
HKD	245 CNOOC Ltd	290	1.64		8 Anadarko Petroleum Corp	520	2.95						
HKD	74 ENN Energy Holdings Ltd	358	2.03		7 CF Industries Holdings Inc	214	1.21						
					8 Chevron Corp	849	4.82						
					3 Concho Resources Inc	346	1.96						
					7 Crown Holdings Inc	352	2.00						
					5 Eastman Chemical Co	384	2.18						
					3 Ecolab Inc	371	2.11						
					7 EOG Resources Inc	636	3.61						
					7 Exxon Mobil Corp	530	3.01						
					15 Fairmount Santrol Holdings Inc	149	0.84						
					10 Halliburton Co	511	2.90						
					10 Hess Corp	532	3.02						
					3 International Flavors & Fragrances Inc	374	2.12						
					14 Noble Energy Inc	522	2.96						
					8 Occidental Petroleum Corp	530	3.01						
					4 Pioneer Natural Resources Co	653	3.71						
					3 PPG Industries Inc	289	1.64						
France — 2.83%													
EUR	10 TOTAL SA	499	2.83										
Germany — 2.14%													
EUR	6 Symrise AG	376	2.14										
India — 1.82%													
INR	21 Asian Paints Ltd	320	1.82										
Italy — 3.05%													
EUR	35 Eni SpA	537	3.05										
Japan — 1.85%													
JPY	14 Komatsu Ltd	326	1.85										
Netherlands — 6.09%													
GBP	40 Royal Dutch Shell Plc	1,074	6.09										
South Africa — 1.84%													
GBP	189 Petra Diamonds Ltd	324	1.84										

–		Amounts designated as “–” are either \$0, less than \$1,000 or less than 1,000 shares.	
ABBREVIATIONS:			
ADR	–	American Depositary Receipt	
CAD	–	Canadian Dollar	
CHF	–	Swiss Franc	
EUR	–	Euro	
GBP	–	British Pound	
HKD	–	Hong Kong Dollar	
INR	–	India Rupee	
JPY	–	Japanese Yen	
KRW	–	South Korean Won	
SEK	–	Swedish Krona	
Analysis of Total Assets			% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market			97.30
Other assets			2.70
Total Assets			100.00

Legg Mason Martin Currie Greater China Fund[^]

Portfolio of Investments as at February 28, 2017

Shares (000's)		Value (000's) \$	% of Net Asset Value
Common Stock — 97.38%			
Auto Manufacturers — 0.97%			
HKD 112	BAIC Motor Corp Ltd 'H', 144A	125	0.97
Auto Parts & Equipment — 3.44%			
HKD 64	Fuyao Glass Industry Group Co Ltd 'H', 144A	201	1.55
TWD 30	Hota Industrial Manufacturing Co Ltd	135	1.04
HKD 86	Nexteer Automotive Group Ltd	111	0.85
		447	3.44
Banks — 10.12%			
HKD 755	Bank of China Ltd 'H'	382	2.94
HKD 612	China Construction Bank Corp 'H'	504	3.88
HKD 655	Industrial & Commercial Bank of China Ltd 'H'	430	3.30
		1,316	10.12
Biotechnology — 1.70%			
1	China Biologic Products Inc	130	0.99
HKD 19	Shanghai Haohai Biological Technology Co Ltd 'H', 144A	92	0.71
		222	1.70
Commercial Services — 3.19%			
5	New Oriental Education & Technology Group Inc ADR	225	1.73
TWD –	Sparton International Inc	1	0.01
2	TAL Education Group ADR	189	1.45
		415	3.19
Computers — 2.47%			
TWD 21	Advantech Co Ltd	179	1.37
TWD 9	Ennoconn Corp	142	1.10
		321	2.47
Diversified Financial Services — 3.64%			
TWD 383	E.Sun Financial Holding Co Ltd	232	1.79
HKD 10	Hong Kong Exchanges & Clearing Ltd	241	1.85
		473	3.64
Electronics — 5.13%			
HKD 18	AAC Technologies Holdings Inc	184	1.42
TWD 18	Egis Technology Inc	154	1.19
TWD 112	Hon Hai Precision Industry Co Ltd	328	2.52
		666	5.13
Engineering & Construction — 2.30%			
HKD 207	Beijing Urban Construction Design & Development Group Co Ltd 'H', 144A	132	1.02

Shares (000's)		Value (000's) \$	% of Net Asset Value
HKD 102	China State Construction International Holdings Ltd	167	1.28
		299	2.30
Healthcare – Services — 0.93%			
HKD 98	China Resources Phoenix Healthcare Holdings Co Ltd	121	0.93
Holding Companies – Diversified — 2.07%			
HKD 22	CK Hutchison Holdings Ltd	270	2.07
Insurance — 8.45%			
HKD 104	AIA Group Ltd	656	5.05
HKD 145	China Life Insurance Co Ltd 'H'	442	3.40
		1,098	8.45
Internet — 20.84%			
8	Alibaba Group Holding Ltd ADR	849	6.53
1	Baidu Inc ADR	257	1.98
4	Ctrip.com International Ltd ADR	193	1.49
7	JD.com Inc ADR	219	1.68
HKD 40	Tencent Holdings Ltd	1,056	8.13
3	Weibo Corp ADR	134	1.03
		2,708	20.84
Lodging — 1.51%			
HKD 110	Wynn Macau Ltd	196	1.51
Miscellaneous Manufacturing — 3.72%			
TWD 2	Largan Precision Co Ltd	297	2.29
HKD 29	Sunny Optical Technology Group Co Ltd	187	1.43
		484	3.72
Oil & Gas — 2.47%			
HKD 271	CNOOC Ltd	321	2.47
Pharmaceuticals — 1.83%			
HKD 194	CSPC Pharmaceutical Group Ltd	237	1.83
Real Estate — 3.85%			
HKD 35	Cheung Kong Property Holdings Ltd	237	1.82
HKD 18	Sun Hung Kai Properties Ltd	263	2.03
		500	3.85
Semiconductors — 11.09%			
HKD 15	ASM Pacific Technology Ltd	188	1.45
1	Silicon Motion Technology Corp ADR	57	0.44
TWD 173	Taiwan Semiconductor Manufacturing Co Ltd	1,065	8.19

Shares (000's)		Value (000's) \$	% of Net Asset Value
TWD 31	Win Semiconductors Corp	131	1.01
		1,441	11.09
Software — 2.78%			
1	NetEase Inc ADR	362	2.78
Telecommunications — 4.41%			
HKD 52	China Mobile Ltd	574	4.41
Transportation — 0.47%			
HKD 11	Orient Overseas International Ltd	62	0.47
Total Common Stock (Cost \$10,471)			
		12,658	97.38
Real Estate Investment Trusts — 1.03%			
REITS — 1.03%			
HKD 20	Link REIT	134	1.03
Total Real Estate Investment Trusts (Cost \$111)			
		134	1.03
Right — 0.02%			
Auto Parts & Equipment — 0.02%			
TWD 2	Hota Industrial Manufacturing Co Ltd	2	0.02
Total Right (Cost \$–)			
		2	0.02
Total Investments (Cost \$10,582)			
		12,794	98.43
Other Assets in Excess of Liabilities			
		204	1.57
Total Net Assets			
		\$12,998	100.00

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

144A Securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may only be resold, in transactions exempt from registration, to qualified institutional buyers. As at February 28, 2017, these securities amounted to \$550,000 or 4.25% of net assets.

ABBREVIATIONS:

ADR – American Depositary Receipt
 HKD – Hong Kong Dollar
 TWD – Taiwanese Dollar

	% of Total Assets
Analysis of Total Assets	
Transferable securities admitted to an official exchange listing or traded on a regulated market	96.90
Other assets	3.10
Total Assets	100.00

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The accompanying notes are an integral part of the Financial Statements

Legg Mason Martin Currie Japan Absolute Alpha Fund[^]

Portfolio of Investments as at February 28, 2017

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 — 88.50%			Environmental Control — 2.60%			Semiconductors — 1.37%		
Airlines — 2.23%			18 Kurita Water Industries Ltd	47,973	1.36	17 Lasertec Corp	48,327	1.37
22 Japan Airlines Co Ltd	78,826	2.23	16 METAWATER Co Ltd	43,761	1.24	Software — 2.78%		
Auto Manufacturers — 5.91%				91,734	2.60	8 Oracle Corp Japan	54,309	1.54
48 Isuzu Motors Ltd	72,518	2.06	Home Builders — 0.65%			17 Transcosmos Inc	43,761	1.24
78 Mitsubishi Motors Corp	56,473	1.60	22 PanaHome Corp	22,982	0.65		98,070	2.78
17 Showa Aircraft Industry Co Ltd	19,487	0.55	Home Furnishings — 0.99%			Telecommunications — 7.12%		
14 Suzuki Motor Corp	60,137	1.70	11 Foster Electric Co Ltd	20,133	0.57	35 Hitachi Kokusai Electric Inc	89,251	2.53
	208,615	5.91	12 Panasonic Corp	14,786	0.42	33 NTT DOCOMO Inc	88,584	2.51
Auto Parts & Equipment — 3.40%				34,919	0.99	9 SoftBank Group Corp	73,575	2.08
10 Koito Manufacturing Co Ltd	56,706	1.60	Internet — 8.30%				251,410	7.12
12 Toyota Industries Corp	63,496	1.80	22 Digital Garage Inc	46,356	1.31	Total Common Stock (Cost ¥3,027,475)		
	120,202	3.40	29 Start Today Co Ltd	68,859	1.95		3,125,099	88.50
Banks — 6.02%			23 Trend Micro Inc/Japan	112,147	3.18	Real Estate Investment Trusts — 2.69%		
122 Mitsubishi UFJ Financial Group Inc	89,899	2.54	126 Yahoo Japan Corp	65,739	1.86	REITS — 2.69%		
196 Resona Holdings Inc	122,861	3.48		293,101	8.30	– Hoshino Resorts REIT Inc	44,783	1.27
	212,760	6.02	Leisure Time — 2.45%			1 Japan Hotel REIT Investment Corp	50,167	1.42
Building Materials — 1.75%			11 HIS Co Ltd	32,489	0.92		94,950	2.69
22 LIXIL Group Corp	61,650	1.75	18 Yamaha Corp	53,880	1.53	Total Real Estate Investment Trusts (Cost ¥98,236)		
Chemicals — 0.97%				86,369	2.45		94,950	2.69
32 Kanto Denka Kogyo Co Ltd	34,190	0.97	Lodging — 1.02%			Total Investments Excluding Options (Cost ¥3,125,711)		
Commercial Services — 2.57%			18 Resorttrust Inc	36,038	1.02		3,220,049	91.19
11 Secom Co Ltd	90,861	2.57	Machinery – Construction & Mining — 2.90%			Contracts (000's)		
Computers — 1.03%			62 Mitsubishi Electric Corp	102,568	2.90		Value (000's) ¥	% of Net Asset Value
17 NEC Networks & System Integration Corp	36,369	1.03	Machinery – Diversified — 2.32%			Options — 0.18%		
Distribution & Wholesale — 2.27%			10 Daiwa Industries Ltd	10,587	0.30	Purchased Options — 0.18%		
24 Nippon Gas Co Ltd	80,277	2.27	22 Ebara Corp	71,495	2.02	– Nikkei 225 January 2017 Put 18,500.00, due 5/12/2017	6,435	0.18
Diversified Financial Services — 1.15%				82,082	2.32	Total Options (Cost ¥5,463)		
114 Ichigo Inc	40,455	1.15	Metal Fabricate & Hardware — 0.53%				6,435	0.18
Electrical Components & Equipment — 1.39%			10 Tsubaki Nakashima Co Ltd	18,776	0.53	Total Investments (Cost ¥3,131,174)		
88 GS Yuasa Corp	45,313	1.28	Pharmaceuticals — 3.15%				3,226,484	91.37
1 Nakano Refrigerators Co Ltd	3,646	0.11	26 Santen Pharmaceutical Co Ltd	41,872	1.19	Other Assets in Excess of Liabilities		
	48,959	1.39	15 Ship Healthcare Holdings Inc	48,423	1.37		304,786	8.63
Electronics — 5.05%			2 Sosei Group Corp	20,957	0.59	Total Net Assets		
23 Fujitsu General Ltd	50,530	1.43		111,252	3.15		¥3,531,270	100.00
2 Keyence Corp	99,897	2.83	Private Equity — 2.45%			–		
22 Shinko Shoji Co Ltd	27,886	0.79	23 Jafco Co Ltd	86,390	2.45	Analysis of Total Assets		
	178,313	5.05	Real Estate — 2.55%			Transferable securities admitted to an official exchange listing or traded on a regulated market		
Engineering & Construction — 7.37%			47 Nomura Real Estate Holdings Inc	90,108	2.55	Financial derivative instruments		
9 SHO-BOND Holdings Co Ltd	41,316	1.17	Retail — 6.21%			Other assets		
83 Takuma Co Ltd	85,285	2.42	19 Baroque Japan Ltd	27,406	0.78	Total Assets		
58 Toshiba Plant Systems & Services Corp	92,147	2.61	11 Don Quijote Holdings Co Ltd	44,580	1.26		100.00	
51 Yumeshin Holdings Co Ltd	41,336	1.17	13 Nihon Chouzai Co Ltd	49,700	1.41			
	260,084	7.37	6 Nitori Holdings Co Ltd	74,625	2.11			
			11 Tsutsumi Jewelry Co Ltd	23,101	0.65			
				219,412	6.21			

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/15/17	BNY Mellon	Buy JPY 12,149	Sell EUR 102	¥ 39
03/15/17	BNY Mellon	Buy JPY 32,347	Sell EUR 273	(73)
03/15/17	BNY Mellon	Buy USD 237	Sell JPY 26,607	(35)
03/15/17	BNY Mellon	Buy SGD 2	Sell JPY 127	1
03/15/17	BNY Mellon	Buy GBP 807	Sell JPY 114,003	(1,207)
03/15/17	BNY Mellon	Buy EUR 28,998	Sell JPY 3,477,270	(26,758)
03/15/17	BNY Mellon	Buy JPY 2	Sell SGD –	–
03/15/17	BNY Mellon	Buy JPY 2,332	Sell USD 21	29
Unrealised Appreciation of Forward Foreign Currency Contracts				69
Unrealised Depreciation of Forward Foreign Currency Contracts				(28,073)
Net Depreciation of Forward Foreign Currency Contracts				¥ (28,004)

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

The accompanying notes are an integral part of the Financial Statements

Legg Mason Martin Currie Japan Absolute Alpha Fund[^]

Portfolio of Investments as at February 28, 2017 – (continued)

Schedule of Futures Contracts

	Nominal Value	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Japan 10 Year Bond (OSE) March 2017	(2)	¥(301,160)	¥ (701)
Total Market Value of Futures Contracts			¥ (701)
Unrealised Appreciation of Futures Contracts			–
Unrealised Depreciation of Futures Contracts			(701)
Net Depreciation of Futures Contracts			¥ (701)

Schedule of Contracts for Difference

	Contracts	Notional Value (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
Aeon Co Ltd	(31,100)	¥(52,118)	¥ (215)
Aeon Mall Co Ltd	(7,300)	(12,585)	89
Autobacs Seven Co Ltd	(19,700)	(35,022)	1,318
Calbee Inc	(6,600)	(25,140)	267
Canon Inc	(5,600)	(18,369)	(504)
Central Japan Railway Co	(1,800)	(33,073)	1,009
Colowide Co Ltd	(9,600)	(17,755)	5
Daito Trust Construction Co Ltd	(4,500)	(70,716)	1,836
Eisai Co Ltd	(4,800)	(30,237)	591
Hisamitsu Pharmaceutical Co Inc	(4,600)	(27,784)	(561)
Japan Display Inc	(64,000)	(17,784)	75
JFE Holdings Inc	(18,800)	(39,954)	(2,353)
Kagome Co Ltd	(10,200)	(29,431)	(2,767)
Kikkoman Corp	(9,000)	(30,467)	1,152
Mitsui Chemicals Inc	(33,000)	(18,838)	(446)
Mitsui OSK Lines Ltd	(127,000)	(47,088)	(5,530)
Modec Inc	(14,700)	(35,550)	(3,794)
Murata Manufacturing Co Ltd	(2,600)	(41,950)	(2,493)
Nikon Corp	(27,700)	(47,554)	(397)
Nippon Building Fund Inc	(84)	(52,764)	(956)
Nippon Paper Industries Co Ltd	(15,400)	(31,459)	689
Nippon Yusen KK	(129,000)	(31,970)	(862)
Nissin Foods Holdings Co Ltd	(4,100)	(25,787)	(728)
Nomura Real Estate Master Fund Inc	(310)	(52,175)	(882)
Seven Bank Ltd	(89,500)	(31,214)	1,354
Sharp Corp/Japan	(109,000)	(36,294)	(443)
Sumitomo Dainippon Pharma Co Ltd	(13,000)	(25,788)	(351)
Takeda Pharmaceutical Co Ltd	(5,000)	(26,105)	(484)
Tokyo Electric Power Co Holdings Inc	(76,900)	(33,212)	(5)
Yamato Holdings Co Ltd	(7,700)	(18,896)	(1,527)
Total Market Value of Contracts for Difference			¥ (16,913)
Unrealised Appreciation of Contracts for Difference			8,385
Unrealised Depreciation of Contracts for Difference			(25,298)
Net Depreciation of Contracts for Difference			¥ (16,913)

The counterparty for Contracts for Difference is UBS.

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The accompanying notes are an integral part of the Financial Statements

Legg Mason Martin Currie North American Fund[^]

Portfolio of Investments as at February 28, 2017

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 — 99.14%			1	Danaher Corp	111	2.26	Retail — 2.85%				
Auto Parts & Equipment — 2.04%					250	5.10	2	CVS Health Corp	140	2.85	
1	Delphi Automotive Plc	100	2.04	Healthcare – Services — 2.41%			Telecommunications — 2.70%				
Banks — 8.46%			1	HCA Holdings Inc	119	2.41	3	Verizon Communications Inc	132	2.70	
2	JPMorgan Chase & Co	177	3.60	Insurance — 2.67%			Transportation — 2.50%				
CAD 3	National Bank of Canada	115	2.35	2	American International Group Inc	131	2.67	1	United Parcel Service Inc 'B'	123	2.50
1	PNC Financial Services Group Inc/ The	123	2.51	Internet — 9.30%			Total Common Stock (Cost \$4,190)			4,864	99.14
		415	8.46	–	Alphabet Inc	133	2.71	Real Estate Investment Trusts — 2.83%			
Biotechnology — 2.48%			–	Alphabet Inc 'A'	144	2.94	REITS — 2.83%				
1	Celgene Corp	122	2.48	–	Amazon.com Inc	179	3.65	2	Crown Castle International Corp	139	2.83
Building Materials — 2.19%					456	9.30	Total Real Estate Investment Trusts (Cost \$137)			139	2.83
2	Fortune Brands Home & Security Inc	108	2.19	Machinery – Construction & Mining — 2.18%			Total Investments (Cost \$4,327)			5,003	101.97
Commercial Services — 5.69%			1	Caterpillar Inc	107	2.18	Liabilities in Excess of Other Assets			(97)	(1.97)
1	Automatic Data Processing Inc	113	2.30	Media — 6.50%			Total Net Assets			\$4,906	100.00
1	Ecolab Inc	99	2.02	1	Charter Communications Inc	180	3.67	–			Amounts designated as “–” are either \$0, less than \$1,000 or less than 1,000 shares.
2	Nielsen Holdings Plc	67	1.37	4	Comcast Corp	139	2.83	#			Master Limited Partnership.
		279	5.69			319	6.50				
Computers — 6.62%			Miscellaneous Manufacturing — 2.73%			2	Eaton Corp Plc	134	2.73	ABBREVIATIONS:	
2	Apple Inc	325	6.62	Oil & Gas — 8.94%						CAD	– Canadian Dollar
Cosmetics & Personal Care — 5.29%			1	Anadarko Petroleum Corp	87	1.79					% of Total Assets
1	Estee Lauder Cos Inc/The 'A'	91	1.86	1	Chevron Corp	131	2.67				
2	Procter & Gamble Co/The	168	3.43	1	EOG Resources Inc	108	2.20	Analysis of Total Assets			
		259	5.29	1	Pioneer Natural Resources Co	112	2.28	Transferable securities admitted to an official exchange listing or traded on a regulated market			98.83
Diversified Financial Services — 3.05%					438	8.94	Other assets			1.17	
2	Visa Inc	150	3.05	Pharmaceuticals — 9.76%			Total Assets			100.00	
Electric — 1.88%			2	AbbVie Inc	115	2.35					
2	WEC Energy Group Inc	92	1.88	1	AmerisourceBergen Corp 'A'	110	2.24				
Gas — 2.34%			2	Mylan NV	96	1.95					
1	Sempra Energy	115	2.34	5	Pfizer Inc	158	3.22				
Healthcare – Products — 5.10%					479	9.76					
1	Cooper Cos Inc/The	139	2.84	Private Equity — 1.46%							
				2	Blackstone Group LP/The, MLP #	71	1.46				

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

Master Limited Partnership.

ABBREVIATIONS:

CAD – Canadian Dollar

	% of Total Assets
Analysis of Total Assets	
Transferable securities admitted to an official exchange listing or traded on a regulated market	98.83
Other assets	1.17
Total Assets	100.00

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The accompanying notes are an integral part of the Financial Statements

Legg Mason Martin Currie Global Long-Term Unconstrained Fund[^]

Portfolio of Investments as at February 28, 2017

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 — 99.54%				Spain — 2.89%							
Australia — 4.54%				EUR 10 Industria de Diseno Textil SA				3 Praxair Inc			
AUD 21	Brambles Ltd	147	1.28					5 Starbucks Corp			
AUD 4	CSL Ltd	373	3.26								
		520	4.54								
Canada — 1.67%				Sweden — 2.01%							
CAD 3	Canadian National Railway Co	191	1.67	SEK 7 Atlas Copco AB							
China — 2.45%				Switzerland — 6.80%							
HKD 11	Tencent Holdings Ltd	280	2.45	CHF 1 Geberit AG				234 2.04			
Denmark — 4.58%				CHF 1 Roche Holding AG				265 2.32			
DKK 4	Coloplast A/S	261	2.27	CHF – SGS SA				279 2.44			
DKK 7	Novo Nordisk A/S	264	2.31					778 6.80			
		525	4.58	Taiwan — 2.64%							
France — 8.19%				TWD 49 Taiwan Semiconductor Manufacturing Co Ltd				302 2.64			
EUR 3	Essilor International SA	364	3.18	United Kingdom — 16.50%							
EUR 1	Hermes International	361	3.15	GBP 5 British American Tobacco Plc				342 2.98			
EUR 1	L'Oreal SA	213	1.86	GBP 7 Croda International Plc				294 2.56			
		938	8.19	GBP 18 Prudential Plc				354 3.10			
Hong Kong — 3.73%				GBP 3 Reckitt Benckiser Group Plc				317 2.77			
HKD 68	AIA Group Ltd	427	3.73	GBP 19 Sky Plc				231 2.02			
Ireland — 3.43%				EUR 7 Unilever NV				351 3.07			
EUR 5	Kerry Group Plc	392	3.43					1,889 16.50			
Israel — 2.77%				United States — 35.51%							
3	Check Point Software Technologies Ltd	317	2.77	2 3M Co				336 2.94			
Singapore — 1.83%				3 Accenture Plc 'A'				307 2.68			
SGD 74	Singapore Telecommunications Ltd	209	1.83	4 Apple Inc				520 4.54			
				5 Automatic Data Processing Inc				513 4.49			
				6 Cognizant Technology Solutions Corp				351 3.07			
				3 Mastercard Inc				343 2.99			
				4 Mead Johnson Nutrition Co				387 3.38			
				1 Mettler-Toledo International Inc				380 3.32			
				6 NIKE Inc				323 2.82			

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

ABBREVIATIONS:

AUD – Australian Dollar

CAD – Canadian Dollar

CHF – Swiss Franc

DKK – Danish Krone

EUR – Euro

GBP – British Pound

HKD – Hong Kong Dollar

SEK – Swedish Krona

SGD – Singapore Dollar

TWD – Taiwanese Dollar

Analysis of Total Assets		% of Total Assets
Transferable securities admitted to an official exchange listing or traded on a regulated market		99.33
Other assets		0.67
Total Assets		100.00

Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund[^]

Portfolio of Investments as at February 28, 2017

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 — 54.36%				Real Estate Investment Trusts — 43.55%				Thailand — 1.16%			
Australia — 16.59%				Australia — 10.79%				THB 47 CPN Retail Growth Leasehold Property Fund			
AUD	5	AGL Energy Ltd	88	3.88	AUD	7	GPT Group/The Trust	26	1.16		
AUD	4	APA Group	28	1.21	AUD	13	Mirvac Group	21	0.94		
AUD	47	AusNet Services	58	2.57	AUD	8	Scentre Group	27	1.17		
AUD	26	DUET Group	55	2.43	AUD	19	Stockland	71	3.10		
AUD	12	Sydney Airport	54	2.40	AUD	45	Vicinity Centres	100	4.42		
AUD	11	Transurban Group	93	4.10				245	10.79		
			376	16.59	Hong Kong — 11.80%				Total Real Estate Investment Trusts (Cost \$1,026)		
China — 6.67%				HKD	46	Fortune Real Estate Investment Trust	52	2.28		987	43.55
HKD	52	Beijing Capital International Airport Co Ltd 'H'	56	2.46	CNY	126	Hui Xian Real Estate Investment Trust	57	2.52		
HKD	70	Guangdong Investment Ltd	95	4.21	HKD	23	Link REIT	158	7.00		
			151	6.67				267	11.80		
Hong Kong — 13.27%				Malaysia — 1.87%				Total Investments (Cost \$2,236)			
HKD	15	CLP Holdings Ltd	152	6.73	MYR	65	IGB Real Estate Investment Trust	25	1.07		
HKD	31	HK Electric Investments & HK Electric Investments Ltd, 144A	27	1.18	MYR	46	Pavilion Real Estate Investment Trust	18	0.80		
HKD	23	MTR Corp Ltd	122	5.36				43	1.87		
			301	13.27	New Zealand — 3.01%				Other Assets in Excess of Liabilities		
Malaysia — 1.55%				NZD	24	Goodman Property Trust	22	0.95		47	2.09
MYR	4	Petronas Gas Bhd	17	0.75	NZD	27	Kiwi Property Group Ltd	28	1.25		
MYR	20	Westports Holdings Bhd	18	0.80	NZD	21	Precinct Properties New Zealand Ltd	18	0.81		
			35	1.55				68	3.01		
New Zealand — 10.86%				Singapore — 14.92%				Total Net Assets			
NZD	16	Contact Energy Ltd	55	2.42	SGD	26	CapitaLand Commercial Trust	29	1.29		
NZD	15	Genesis Energy Ltd	23	1.02	SGD	81	CapitaLand Mall Trust	114	5.04		
NZD	31	Mercury NZ Ltd	71	3.15	SGD	43	Frasers Centrepoint Trust	61	2.70		
NZD	50	Meridian Energy Ltd	97	4.27	SGD	91	Lippo Malls Indonesia Retail Trust	26	1.12		
			246	10.86	SGD	65	Mapletree Industrial Trust	77	3.41		
Philippines — 3.37%				SGD	45	SPH REIT	31	1.36			
PHP	13	Manila Electric Co	77	3.37				338	14.92		
Singapore — 1.11%				Thailand — 0.94%				Analysis of Total Assets			
SGD	32	Ascendas India Trust	25	1.11	THB	4	Electricity Generating PCL ∞	21	0.94		
Total Common Stock (Cost \$1,210)											% of Total Assets
			1,232	54.36							
										Transferable securities admitted to an official exchange listing or traded on a regulated market	97.11
										Other assets	2.89
										Total Assets	100.00

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The accompanying notes are an integral part of the Financial Statements

Legg Mason RARE Infrastructure Value Fund[^]

Portfolio of Investments as at February 28, 2017

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 — 88.63%				Luxembourg — 1.86%				Real Estate Investment Trusts — 7.26%			
Australia — 12.29%				Mexico — 2.52%				United States — 7.26%			
AUD 1,825	APA Group	11,172	5.24	205	SES SA 'A'	3,955	1.86	USD 75	American Tower Corp	8,121	3.81
AUD 3,781	AusNet Services	4,431	2.08	MXN 480	Infraestructura Energetica Nova SAB de CV	1,940	0.91	USD 83	Crown Castle International Corp	7,370	3.45
AUD 6,315	Spark Infrastructure Group	10,610	4.97	MXN 3,475	OHL Mexico SAB de CV	3,433	1.61			15,491	7.26
		26,213	12.29			5,373	2.52	Total Real Estate Investment Trusts (Cost €14,070)			
Brazil — 1.00%				Spain — 6.98%						15,491	7.26
BRL 319	Transmissora Alianca de Energia Eletrica SA	2,131	1.00	799	EDP Renovaveis SA	4,964	2.33	Total Investments (Cost €192,211)			
Canada — 4.16%				991	Iberdrola SA	6,208	2.91			204,484	95.89
CAD 223	Enbridge Inc	8,871	4.16	218	Red Electrica Corp SA	3,717	1.74	Other Assets in Excess of Liabilities			
Chile — 0.90%						14,889	6.98			8,766	4.11
CLP 3,758	Aguas Andinas SA	1,910	0.90	United Arab Emirates — 1.25%				Total Net Assets			
France — 8.04%				USD 133	DP World Ltd	2,665	1.25			€213,250	100.00
52	Aeroports de Paris	5,528	2.59	United Kingdom — 8.15%				ABBREVIATIONS:			
115	Eutelsat Communications SA	2,137	1.00	GBP 299	National Grid Plc	3,433	1.61	AUD	— Australian Dollar		
1,077	Groupe Eurotunnel SE	9,483	4.45	GBP 706	Pennon Group Plc	7,172	3.36	BRL	— Brazilian Real		
		17,148	8.04	GBP 591	United Utilities Group Plc	6,777	3.18	CAD	— Canadian Dollar		
Germany — 2.82%						17,382	8.15	CLP	— Chilean Peso		
102	Fraport AG Frankfurt Airport Services Worldwide	6,007	2.82	United States — 27.28%				GBP	— British Pound		
Italy — 3.21%				USD 34	American Electric Power Co Inc	2,125	1.00	JPY	— Japanese Yen		
310	Atlantia SpA	6,846	3.21	USD 142	CSX Corp	6,524	3.06	MXN	— Mexican Peso		
Japan — 8.17%				USD 78	Edison International	5,845	2.74	USD	— United States Dollar		
JPY 30	Central Japan Railway Co	4,674	2.19	USD 483	Kinder Morgan Inc/DE	9,722	4.56	Analysis of Total Assets			
JPY 88	East Japan Railway Co	7,481	3.51	USD 73	NextEra Energy Inc	9,082	4.26	Transferable securities admitted to an official exchange listing or traded on a regulated market			
JPY 136	Electric Power Development Co Ltd	3,012	1.41	USD 54	Norfolk Southern Corp	6,119	2.87	Financial derivative instruments			
JPY 525	Tokyo Gas Co Ltd	2,257	1.06	USD 78	PG&E Corp	4,909	2.30	Other assets			
		17,424	8.17	USD 113	Sempra Energy	11,749	5.51	Total Assets			
				USD 21	Union Pacific Corp	2,104	0.98			100.00	
						58,179	27.28				
				Total Common Stock (Cost €178,141)							
						188,993	88.63				

Schedule of Forward Foreign Currency Contracts

Expiration Date	Counterparty	Buy Currency (000's)	Sell Currency (000's)	Unrealised Appreciation/ (Depreciation) of Contracts (000's)
03/15/17	BNY Mellon	Buy GBP 16,886	Sell AUD 27,615	€ (192)
03/15/17	BNY Mellon	Buy GBP 1,317	Sell BRL 5,133	(8)
03/15/17	BNY Mellon	Buy GBP 5,629	Sell CAD 9,216	45
03/15/17	BNY Mellon	Buy GBP 1,192	Sell CLP 955,691	11
03/15/17	BNY Mellon	Buy GBP 35,788	Sell EUR 42,282	(378)
03/15/17	BNY Mellon	Buy MXN 3,409	Sell GBP 138	(2)
03/15/17	BNY Mellon	Buy EUR 1,340	Sell GBP 1,138	8
03/15/17	BNY Mellon	Buy GBP 10,943	Sell JPY 1,558,622	(281)
03/15/17	BNY Mellon	Buy GBP 3,400	Sell MXN 86,650	(77)
03/15/17	BNY Mellon	Buy GBP 46,868	Sell USD 58,740	(528)
Unrealised Appreciation of Forward Foreign Currency Contracts				64
Unrealised Depreciation of Forward Foreign Currency Contracts				(1,466)
Net Depreciation of Forward Foreign Currency Contracts				€ (1,402)

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Statement of Financial Position

(in 000's)	Legg Mason Western Asset US Money Market Fund		Legg Mason Western Asset US Core Bond Fund		Legg Mason Western Asset US Core Plus Bond Fund		Legg Mason Western Asset Euro Core Plus Bond Fund	
	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016
CURRENT ASSETS:								
Cash and cash equivalents (Note 8)	\$ —	\$ 1	\$ 584	\$ 2,316	\$ 2,780	\$ 1,230	€ 1,023	€ 2,738
Cash collateral (Note 8)	—	—	33	540	1,174	5,032	535	279
Amounts due from broker	—	—	—	23	—	141	10	19
Financial assets at fair value through profit or loss (Note 2):								
Investments	1,146,972	1,050,277	62,635	44,466	705,480	509,483	106,883	86,762
Pledged investments	—	—	—	—	—	—	—	—
Options	—	—	10	9	515	87	—	—
Swap contracts	—	—	245	—	4,135	5	—	—
Swaptions	—	—	—	—	—	—	—	—
Unrealised appreciation on forward foreign currency contracts	—	—	14	53	571	481	—	63
Unrealised appreciation on futures contracts	—	—	28	17	614	194	105	—
Unrealised appreciation on contracts for difference	—	—	—	—	—	—	—	—
Receivable for investments sold	—	—	—	1,445	29,059	9,344	9,373	—
Receivable for redeemable participating shares sold	1,501	—	251	53	794	1,257	—	—
Interest receivable	510	388	234	251	3,724	3,171	1,244	1,165
Dividend receivable	1	—	1	—	27	—	31	—
Management fees receivable	—	—	—	—	—	—	—	—
Other assets	81	107	4	4	57	45	7	10
Total Current Assets	1,149,065	1,050,773	64,039	49,177	748,930	530,470	119,211	91,036
CURRENT LIABILITIES:								
Cash overdraft	—	—	—	—	10	—	8	—
Amounts due to broker	—	—	2	—	176	—	—	—
Payable for investments purchased	—	4,998	7,697	3,448	92,962	31,436	6,077	—
Financial liabilities at fair value through profit or loss (Note 2):								
Options	—	—	27	6	370	52	—	—
Swap contracts	—	—	26	222	302	2,231	187	2
Swaptions	—	—	—	—	—	—	—	—
Unrealised depreciation on forward foreign currency contracts	—	—	7	33	1,161	550	21	138
Unrealised depreciation on futures contracts	—	—	41	84	1,396	566	83	87
Unrealised depreciation on contracts for difference	—	—	—	—	—	—	—	—
Distributions payable to holders of redeemable participating shares	334	22	13	7	31	24	—	—
Management fees payable (Note 4)	528	312	41	36	332	261	27	22
Performance fees payable (Note 4)	—	—	—	—	—	—	—	—
Administrator and depositary fees payable (Note 4)	67	65	3	3	40	28	7	6
Shareholder service fees payable (Note 4)	—	—	5	2	26	22	—	1
Payable for redeemable participating shares reacquired	63	—	258	—	744	585	—	—
Payable to shareholders	—	—	—	—	—	—	—	—
Interest payable	—	—	—	—	—	—	—	—
Dividend payable	—	—	—	—	—	—	—	—
Accrued expenses and other liabilities	239	386	53	44	150	116	61	47
Liabilities (excluding Net Assets attributable to Holders of Redeemable Participating Shares)	1,231	5,783	8,173	3,885	97,700	35,871	6,471	303
Total Net Assets attributable to Holders of Redeemable Participating Shares at fair value	\$ 1,147,834	\$ 1,044,990	\$ 55,866	\$ 45,292	\$ 651,230	\$ 494,599	€ 112,740	€ 90,733

(in 000's)	Legg Mason Western Asset Global High Yield Fund		Legg Mason Western Asset US Short-Term Government Fund		Legg Mason Western Asset US Adjustable Rate Fund		Legg Mason Western Asset Global Inflation Management Fund	
	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016
CURRENT ASSETS:								
Cash and cash equivalents (Note 8)	\$ 1,101	\$ 1,931	\$ 45	\$ 28	\$ —	\$ 173	\$ 550	\$ 41
Cash collateral (Note 8)	45	499	5	34	—	—	208	286
Amounts due from broker	—	—	—	—	—	—	6	—
Financial assets at fair value through profit or loss (Note 2):								
Investments	255,681	205,582	17,527	24,196	5,687	9,043	15,992	9,807
Pledged investments	—	—	—	—	—	—	—	—
Options	—	86	—	—	—	—	2	3
Swap contracts	—	23	—	—	—	—	—	—
Swaptions	—	—	—	—	—	—	—	—
Unrealised appreciation on forward foreign currency contracts	453	974	—	—	—	—	59	245
Unrealised appreciation on futures contracts	11	7	—	2	—	—	—	1
Unrealised appreciation on contracts for difference	—	—	—	—	—	—	—	—
Receivable for investments sold	2,362	1,394	—	323	—	—	52	—
Receivable for redeemable participating shares sold	253	101	17	—	—	—	—	—
Interest receivable	3,702	4,225	38	51	5	6	44	32
Dividend receivable	26	10	—	—	—	—	2	—
Management fees receivable	—	—	—	—	—	—	—	—
Other assets	17	31	1	3	1	1	1	1
Total Current Assets	263,651	214,863	17,633	24,637	5,693	9,223	16,916	10,416
CURRENT LIABILITIES:								
Cash overdraft	—	213	—	—	—	—	397	4
Amounts due to broker	—	1	—	4	—	—	—	4
Payable for investments purchased	1,569	1,225	—	942	—	—	—	—
Financial liabilities at fair value through profit or loss (Note 2):								
Options	6	—	—	—	—	—	3	1
Swap contracts	—	—	—	—	—	—	—	—
Swaptions	—	—	—	—	—	—	—	—
Unrealised depreciation on forward foreign currency contracts	81	319	—	—	—	—	25	50
Unrealised depreciation on futures contracts	—	23	—	—	—	—	43	88
Unrealised depreciation on contracts for difference	—	—	—	—	—	—	—	—
Distributions payable to holders of redeemable participating shares	74	72	—	1	—	—	—	—
Management fees payable (Note 4)	191	172	16	22	5	8	8	7
Performance fees payable (Note 4)	—	—	—	—	—	—	—	—
Administrator and depositary fees payable (Note 4)	15	12	1	1	1	1	1	—
Shareholder service fees payable (Note 4)	19	17	1	1	—	—	—	—
Payable for redeemable participating shares reacquired	629	2,421	—	—	—	—	—	—
Payable to shareholders	—	—	—	—	—	—	—	—
Interest payable	—	—	—	—	—	—	—	—
Dividend payable	—	—	—	—	—	—	—	—
Accrued expenses and other liabilities	131	157	53	44	44	38	51	42
Liabilities (excluding Net Assets attributable to Holders of Redeemable Participating Shares)	2,715	4,632	71	1,015	50	47	528	196
Total Net Assets attributable to Holders of Redeemable Participating Shares at fair value	\$ 260,936	\$ 210,231	\$ 17,562	\$ 23,622	\$ 5,643	\$ 9,176	\$ 16,388	\$ 10,220

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 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016
\$ 743	\$ 166	\$ 14,567	\$ 10,271	\$ 82	\$ 1,342	\$ 278	\$ 1,237	\$ 505	\$ 3,348
71	115	6,234	2,067	29	847	222	54	58	—
—	—	645	195	2	110	62	12	—	—
26,632	24,733	1,000,171	964,579	374,936	359,473	40,084	60,511	32,615	37,576
—	—	—	—	—	—	—	—	—	—
—	3	—	423	—	153	—	39	—	14
—	—	—	—	—	418	—	—	—	—
125	440	4,610	7,862	39	—	—	—	—	—
1	—	1,656	—	4	1	12	35	4	17
—	—	—	—	2	3	—	—	—	—
79	84	4,185	31,966	—	—	—	—	—	—
25	—	719	2,918	616	796	298	—	151	182
393	466	10,229	12,655	767	937	4	1	—	—
1	—	3	—	5,778	7,669	613	796	478	527
—	—	—	—	26	1	—	—	—	—
2	3	70	137	—	—	—	—	—	—
—	—	—	—	28	54	3	8	2	6
28,072	26,010	1,043,089	1,033,073	382,309	371,804	41,576	62,693	33,813	41,670
—	—	1	—	288	—	1	—	—	—
684	916	13,544	3,908	1,779	1,758	—	1,000	349	134
1	—	—	—	8	—	—	—	—	—
—	—	1,435	—	—	—	20	—	—	—
—	—	—	—	34	—	—	—	—	—
162	383	12,092	34,186	27	33	28	185	41	37
10	43	1,283	417	8	86	68	20	1	—
—	—	—	—	—	—	—	—	—	—
24	22	83	143	173	181	18	14	—	—
24	24	329	370	216	211	49	63	—	6
—	—	—	—	—	—	—	—	—	—
2	1	60	62	23	22	2	4	2	3
1	1	21	27	19	18	3	3	—	—
—	—	800	703	115	385	146	401	676	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
77	65	226	331	131	151	104	102	45	42
985	1,455	29,874	40,147	2,821	2,845	439	1,792	1,114	222
\$ 27,087	\$ 24,555	\$1,013,215	\$ 992,926	\$ 379,488	\$ 368,959	\$ 41,137	\$ 60,901	\$ 32,699	\$ 41,448
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^d		Legg Mason Western Asset UK£ Core Plus Bond Fund^	
As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016
\$ 1,315	\$ 11,806	\$ 45	\$ 145	\$ 4	\$ 22	\$ 158	\$ 322	£ —	£ 1
3,200	724	362	503	—	—	—	2,061	—	—
—	—	—	—	—	—	—	93	—	—
557,183	385,797	28,222	35,838	—	—	157	20,297	—	—
—	—	—	—	—	—	—	—	—	—
—	28	—	—	—	—	—	51	—	—
—	—	—	—	—	—	—	22	—	—
1,434	38	99	572	—	—	—	60	—	—
—	2,621	2	—	—	—	—	266	—	—
—	—	—	—	—	—	—	93	—	—
1,866	36	93	—	—	—	—	—	—	—
1,823	342	93	218	—	—	—	675	—	—
6,301	4,377	286	335	—	—	—	17	—	—
18	7	—	1	—	—	—	403	—	—
—	—	—	—	—	—	—	—	—	—
44	52	3	4	—	—	—	6	—	—
573,184	405,828	29,205	37,616	4	22	315	24,366	—	1
394	—	26	—	—	—	—	—	—	—
6	77	3	3	—	—	—	—	—	—
1,865	10,007	93	—	—	—	—	472	—	—
—	483	—	—	—	—	—	5	—	—
—	27	22	—	—	—	—	735	—	—
—	—	—	—	—	—	—	63	—	—
314	692	228	834	—	—	—	1,080	—	—
28	—	109	164	—	—	—	209	—	—
—	—	—	—	—	—	—	—	—	—
21	26	—	1	—	—	—	—	—	—
315	212	19	21	—	—	—	17	—	—
—	—	—	—	—	—	—	—	—	—
34	24	2	2	—	—	—	2	—	—
30	16	2	2	—	—	—	—	—	—
1,249	33	—	11	—	—	284	1,614	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
177	195	47	38	4	22	31	58	—	1
4,433	11,792	551	1,076	4	22	315	4,255	—	1
\$ 568,751	\$ 394,036	\$ 28,654	\$ 36,540	\$ —	\$ —	\$ —	\$ 20,111	£ —	£ —

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 UK£ Inflation-Linked Plus Fund [^]		Legg Mason Western Asset UK£ Long Duration Fund [^]		Legg Mason Western Asset Global Credit Fund	
	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016
(in 000's)								
CURRENT ASSETS:								
Cash and cash equivalents (Note 8)	\$ 1,131	\$ 422	£ –	£ 3	£ –	£ 3	\$ 176	\$ 89
Cash collateral (Note 8)	3,862	1,713	–	–	–	–	701	618
Amounts due from broker	202	–	–	–	–	–	–	21
Financial assets at fair value through profit or loss (Note 2):								
Investments	229,676	242,328	–	–	–	–	68,016	66,495
Pledged investments	–	–	–	–	–	–	–	–
Options	44	91	–	–	–	–	–	–
Swap contracts	–	–	–	–	–	–	–	232
Swaptions	–	–	–	–	–	–	–	–
Unrealised appreciation on forward foreign currency contracts	936	1,559	–	–	–	–	327	852
Unrealised appreciation on futures contracts	235	401	–	–	–	–	67	6
Unrealised appreciation on contracts for difference	–	–	–	–	–	–	–	–
Receivable for investments sold	973	5,249	–	–	–	–	12	425
Receivable for redeemable participating shares sold	59	7	–	–	–	–	–	–
Interest receivable	1,857	1,625	–	–	–	–	764	918
Dividend receivable	71	6	–	–	–	–	5	1
Management fees receivable	–	–	–	–	–	–	–	–
Other assets	20	17	–	–	–	–	5	9
Total Current Assets	239,066	253,418	–	3	–	3	70,073	69,666
CURRENT LIABILITIES:								
Cash overdraft	17	2,740	–	–	–	–	–	12
Amounts due to broker	–	139	–	–	–	–	8	–
Payable for investments purchased	17,397	22,522	–	–	–	–	10	420
Financial liabilities at fair value through profit or loss (Note 2):								
Options	243	81	–	–	–	–	–	–
Swap contracts	–	–	–	–	–	–	145	–
Swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	1,497	1,908	–	–	–	–	14	56
Unrealised depreciation on futures contracts	1,416	77	–	–	–	–	186	70
Unrealised depreciation on contracts for difference	–	–	–	–	–	–	–	–
Distributions payable to holders of redeemable participating shares	1	1	–	–	–	–	–	2
Management fees payable (Note 4)	71	70	–	–	–	–	2	3
Performance fees payable (Note 4)	–	–	–	–	–	–	–	–
Administrator and depositary fees payable (Note 4)	13	13	–	–	–	–	4	4
Shareholder service fees payable (Note 4)	–	1	–	–	–	–	–	–
Payable for redeemable participating shares reacquired	3,111	8	–	–	–	–	–	–
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	–	–	–	–	–	–
Dividend payable	–	–	–	–	–	–	–	–
Accrued expenses and other liabilities	77	59	–	3	–	3	47	42
Liabilities (excluding Net Assets attributable to Holders of Redeemable Participating Shares)	23,843	27,619	–	3	–	3	416	609
Total Net Assets attributable to Holders of Redeemable Participating Shares at fair value	\$ 215,223	\$ 225,799	£ –	£ –	£ –	£ –	\$ 69,657	\$ 69,057
	Legg Mason Western Asset Structured Opportunities Fund [^]		Legg Mason Western Asset US Mortgage-Backed Securities Fund [^]		Legg Mason Western Asset UK Investment Grade Credit Fund ^{^β}		Legg Mason Western Asset US Corporate Bond Fund ^{^β}	
	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016
(in 000's)								
CURRENT ASSETS:								
Cash and cash equivalents (Note 8)	\$ 1,321	\$ 12,604	\$ 133,486	\$ 59,261	£ 3,612	£ –	\$ 38	\$ –
Cash collateral (Note 8)	7,569	6,291	1,953	–	79	–	566	–
Amounts due from broker	–	–	194	–	–	–	53	–
Financial assets at fair value through profit or loss (Note 2):								
Investments	399,266	320,780	872,777	889,198	61,345	–	122,933	–
Pledged investments	–	–	–	–	–	–	–	–
Options	–	1,661	179	1,370	–	–	–	–
Swap contracts	–	–	–	–	–	–	–	–
Swaptions	–	54	–	25	–	–	–	–
Unrealised appreciation on forward foreign currency contracts	–	–	–	–	66	–	4	–
Unrealised appreciation on futures contracts	51	8	43	8	3	–	1	–
Unrealised appreciation on contracts for difference	–	–	–	–	–	–	–	–
Receivable for investments sold	–	1,727	110,613	370,076	–	–	1,386	–
Receivable for redeemable participating shares sold	–	–	–	–	–	–	–	–
Interest receivable	985	753	1,824	2,838	1,188	–	1,346	–
Dividend receivable	8	10	45	23	2	–	1	–
Management fees receivable	–	–	–	–	–	–	–	–
Other assets	30	–	62	–	–	–	–	–
Total Current Assets	409,230	343,888	1,121,176	1,322,799	66,295	–	126,328	–
CURRENT LIABILITIES:								
Cash overdraft	–	16,791	–	–	–	–	–	–
Amounts due to broker	–	–	–	25	–	–	–	–
Payable for investments purchased	3,038	–	334,979	535,981	300	–	3,298	–
Financial liabilities at fair value through profit or loss (Note 2):								
Options	–	478	92	466	–	–	–	–
Swap contracts	966	591	178	–	–	–	230	–
Swaptions	–	19	–	9	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	35	–	–	–	–	–	997	–
Unrealised depreciation on futures contracts	511	3	215	33	9	–	63	–
Unrealised depreciation on contracts for difference	–	–	–	–	–	–	–	–
Distributions payable to holders of redeemable participating shares	–	–	–	–	–	–	–	–
Management fees payable (Note 4)	15	–	–	–	–	–	–	–
Performance fees payable (Note 4)	–	–	–	–	–	–	–	–
Administrator and depositary fees payable (Note 4)	28	20	57	49	5	–	9	–
Shareholder service fees payable (Note 4)	–	–	–	–	–	–	–	–
Payable for redeemable participating shares reacquired	–	–	–	–	–	–	–	–
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	–	–	–	–	–	–
Dividend payable	–	–	–	–	–	–	–	–
Accrued expenses and other liabilities	72	34	79	45	21	–	29	–
Liabilities (excluding Net Assets attributable to Holders of Redeemable Participating Shares)	4,665	17,936	335,600	536,608	335	–	4,626	–
Total Net Assets attributable to Holders of Redeemable Participating Shares at fair value	\$ 404,565	\$ 325,952	\$ 785,576	\$ 786,191	£ 65,960	£ –	\$ 121,702	\$ –

The accompanying notes are an integral part of the Financial Statements

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^	
As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016
€ 1,741	€ 1,666	\$ 107,266	\$ 64,686	\$ 6,179	\$ 241	\$ 11,194	\$ 34,080	\$ 603	\$ 306
—	—	240,094	426,105	—	—	600	4,571	1,946	95
—	—	—	21,318	—	—	1	—	2	—
94,786	83,887	4,031,559	3,601,313	133,024	75,265	162,361	143,840	88,134	4,598
—	—	—	—	—	—	—	—	—	—
—	—	9,596	12,196	218	43	205	101	3	2
—	—	151,234	6,015	—	—	1,820	17	—	—
—	—	—	1,598	—	—	—	593	—	—
1	186	21,927	52,550	775	323	374	903	336	45
—	—	33,735	15,247	—	—	353	317	38	5
—	—	—	—	—	—	—	—	—	—
—	—	68,543	309,452	—	—	952	—	90	—
2	—	51,520	7,241	—	10,000	—	—	—	—
1,484	1,410	32,929	52,759	2,390	1,436	1,679	1,769	682	29
2	2	907	—	45	14	8	6	11	—
—	1	—	—	—	—	4	—	—	8
7	10	314	454	12	249	12	—	3	—
98,023	87,162	4,749,624	4,570,934	142,643	87,571	179,563	186,197	91,848	5,088
1,420	—	21,555	15,256	—	—	298	8,257	30	—
—	—	2,147	—	—	—	—	1	—	—
—	—	71,617	308,568	—	9,714	3,265	703	64	—
—	—	—	—	—	—	—	—	—	—
—	—	17,954	23,127	26	25	77	152	14	—
—	—	44,985	154,234	—	—	888	739	—	—
—	—	—	—	—	—	—	535	—	—
244	66	59,736	99,681	903	266	2,017	8,668	354	106
—	—	72,412	86,592	—	—	276	551	953	32
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	4,004	3,734	54	21	—	—	15	—
—	—	—	—	—	—	—	—	—	—
6	5	260	242	9	4	12	11	5	—
—	—	271	240	—	—	—	—	—	—
—	—	33,461	24,756	—	—	—	—	4	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
47	43	297	393	41	17	43	25	29	15
1,717	114	328,699	716,823	1,033	10,047	6,876	19,642	1,468	153
€ 96,306	€ 87,048	\$4,420,925	\$3,854,111	\$ 141,610	\$ 77,524	\$ 172,687	\$ 166,555	\$ 90,380	\$ 4,935
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 Sovereign Credit Fund^	
As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016
\$ 1,897	\$ 1,019	\$ 2,505	\$ 742	\$ —	\$ 439	\$ 1,092	\$ 176	\$ 7,576	\$ 31,606
—	—	9,913	13,090	2	505	—	—	—	—
—	—	—	957	—	—	—	—	—	—
991,466	1,122,373	1,158,115	1,431,471	113,111	23,537	502,881	541,555	2,510,484	2,260,046
—	—	—	—	—	—	—	—	—	—
—	—	—	—	380	86	—	—	—	—
—	—	—	—	—	—	—	—	—	—
5,334	9,525	9,257	34,688	145	376	2,212	5,014	17,340	27,476
—	—	262	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
7,796	4,778	15	1	1,433	—	—	—	—	12,496
7,377	19,659	14	220	—	—	—	—	—	—
9,686	10,417	8,794	10,958	1,691	400	11	1,003	—	—
533	20	377	181	3	—	4,386	4,550	30,772	26,842
—	—	—	—	—	—	164	71	2,084	693
—	—	—	—	—	—	—	—	—	—
75	140	78	182	9	2	46	62	181	271
1,024,164	1,167,931	1,189,330	1,492,490	116,774	25,345	510,792	552,431	2,568,437	2,359,430
23	352	2	5	6	444	1	2	—	—
—	—	20	—	—	—	—	—	—	—
7,797	4,778	15	1	1,411	357	—	180	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	34	—	—	—	—
—	—	—	—	—	—	—	—	—	—
7,671	14,303	12,846	45,703	294	315	4,150	2,894	12,296	45,146
—	—	538	7,625	—	17	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	34	—	—	—	—	—
573	709	481	593	27	7	133	124	206	162
—	—	—	—	—	—	—	—	—	—
59	70	67	89	7	1	33	34	151	140
56	68	7	10	3	—	6	5	—	—
1,313	4,043	79	45,445	12	—	832	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
270	329	183	248	57	53	138	121	145	178
17,762	24,652	14,238	99,719	1,851	1,228	5,293	3,360	12,798	45,626
\$ 1,006,402	\$ 1,143,279	\$1,175,092	\$1,392,771	\$ 114,923	\$ 24,117	\$ 505,499	\$ 549,071	\$2,555,639	\$2,313,804

The accompanying notes are an integral part of the Financial Statements

Statement of Financial Position – (continued)

	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^	
	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016
(in 000's)								
CURRENT ASSETS:								
Cash and cash equivalents (Note 8)	\$ –	\$ 115	\$ 4,272	\$ 14,506	\$ –	\$ –	\$ 6	\$ 14
Cash collateral (Note 8)	146	1,213	586	2,253	–	–	–	–
Amounts due from broker	–	–	–	–	–	–	–	–
Financial assets at fair value through profit or loss (Note 2):								
Investments	90,960	37,379	63,421	66,454	2,229	1,920	–	–
Pledged investments	–	–	–	–	–	–	–	–
Options	–	–	–	–	–	–	–	–
Swap contracts	289	91	442	316	–	–	–	–
Swaptions	–	–	–	–	–	–	–	–
Unrealised appreciation on forward foreign currency contracts	125	1,700	58	1,497	–	1	–	–
Unrealised appreciation on futures contracts	7	–	14	8	–	–	–	–
Unrealised appreciation on contracts for difference	–	–	–	–	–	–	–	–
Receivable for investments sold	2,576	475	2,181	1,593	–	–	–	–
Receivable for redeemable participating shares sold	1,067	9	–	–	–	–	–	–
Interest receivable	922	514	385	308	–	–	–	–
Dividend receivable	2	–	3	1	4	5	–	8
Management fees receivable	–	–	–	–	4	13	–	–
Other assets	6	9	4	11	1	–	–	–
Total Current Assets	96,100	41,505	71,366	86,947	2,238	1,939	6	22
CURRENT LIABILITIES:								
Cash overdraft	4,075	–	47	–	–	–	–	–
Amounts due to broker	1	–	1	–	–	–	–	–
Payable for investments purchased	3,839	692	10,663	777	–	–	–	–
Financial liabilities at fair value through profit or loss (Note 2):								
Options	–	–	–	–	–	–	–	–
Swap contracts	–	55	334	68	–	–	–	–
Swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	1,108	1,993	22	558	14	40	–	–
Unrealised depreciation on futures contracts	–	34	–	159	–	–	–	–
Unrealised depreciation on contracts for difference	–	–	–	–	–	–	–	–
Distributions payable to holders of redeemable participating shares	–	–	–	–	–	–	–	–
Management fees payable (Note 4)	47	21	37	71	–	–	–	–
Performance fees payable (Note 4)	–	–	–	–	–	–	–	–
Administrator and depositary fees payable (Note 4)	6	4	4	5	–	–	–	–
Shareholder service fees payable (Note 4)	2	–	1	2	–	–	–	–
Payable for redeemable participating shares reacquired	275	98	3	–	–	–	–	–
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	–	–	–	–	–	1
Dividend payable	–	–	–	–	–	–	–	–
Accrued expenses and other liabilities	77	62	38	42	20	15	6	21
Liabilities (excluding Net Assets attributable to Holders of Redeemable Participating Shares)	9,430	2,959	11,150	1,682	34	55	6	22
Total Net Assets attributable to Holders of Redeemable Participating Shares at fair value	\$ 86,670	\$ 38,546	\$ 60,216	\$ 85,265	\$ 2,204	\$ 1,884	\$ –	\$ –

	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^	
	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016
(in 000's)								
CURRENT ASSETS:								
Cash and cash equivalents (Note 8)	\$ 23,580	\$ 22,346	\$ 3,403	\$ 56,938	\$ 1,014	\$ 6,664	\$ 65	\$ 51
Cash collateral (Note 8)	–	–	–	–	–	–	–	–
Amounts due from broker	–	–	–	–	–	–	–	–
Financial assets at fair value through profit or loss (Note 2):								
Investments	450,879	250,280	2,460,685	3,018,472	66,314	59,479	2,538	930
Pledged investments	–	–	–	–	–	–	–	–
Options	–	–	–	–	–	–	–	–
Swap contracts	–	–	–	–	–	–	–	–
Swaptions	–	–	–	–	–	–	–	–
Unrealised appreciation on forward foreign currency contracts	1	–	184	2,123	8	17	–	–
Unrealised appreciation on futures contracts	–	–	–	–	–	–	–	–
Unrealised appreciation on contracts for difference	–	–	–	–	–	–	–	–
Receivable for investments sold	320	256	4,343	163	100	57	5	–
Receivable for redeemable participating shares sold	2,909	964	3,825	2,478	286	–	–	–
Interest receivable	–	–	–	–	–	–	–	–
Dividend receivable	372	215	1,444	1,530	247	193	3	1
Management fees receivable	–	–	–	–	–	–	12	6
Other assets	28	18	160	488	4	9	–	–
Total Current Assets	478,089	274,079	2,474,044	3,082,192	67,973	66,419	2,623	988
CURRENT LIABILITIES:								
Cash overdraft	1	–	25	10,912	189	–	–	–
Amounts due to broker	–	–	–	–	–	–	–	–
Payable for investments purchased	1,507	256	4,344	162	–	–	26	–
Financial liabilities at fair value through profit or loss (Note 2):								
Options	–	–	–	–	–	–	–	–
Swap contracts	–	–	–	–	–	–	–	–
Swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	147	99	573	4,020	5	14	4	11
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on contracts for difference	–	–	–	–	–	–	–	–
Distributions payable to holders of redeemable participating shares	–	–	–	–	–	–	–	–
Management fees payable (Note 4)	407	252	1,728	2,401	45	56	–	–
Performance fees payable (Note 4)	–	–	–	–	–	–	–	–
Administrator and depositary fees payable (Note 4)	32	17	178	228	5	5	–	–
Shareholder service fees payable (Note 4)	86	50	288	418	4	5	–	–
Payable for redeemable participating shares reacquired	1,091	1,186	10,431	18,222	5	284	–	–
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	–	1	–	–	–	–
Dividend payable	–	–	–	–	–	–	–	–
Accrued expenses and other liabilities	103	66	442	800	72	54	26	18
Liabilities (excluding Net Assets attributable to Holders of Redeemable Participating Shares)	3,374	1,926	18,009	37,164	325	418	56	29
Total Net Assets attributable to Holders of Redeemable Participating Shares at fair value	\$ 474,715	\$ 272,153	\$2,456,035	\$3,045,028	\$ 67,648	\$ 66,001	\$ 2,567	\$ 959

The accompanying notes are an integral part of the Financial Statements

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	
As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016
\$ 9,215	\$ 10,411	\$ —	\$ 435	\$ 436	\$ 38	\$ 321	\$ 267	\$ 8,388	\$ 17,298
—	—	—	—	—	—	—	—	—	—
311,671	263,930	5,117	5,811	17,605	4,670	4,221	3,837	262,300	274,506
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
5	—	—	—	—	—	—	1	—	—
—	—	—	—	—	—	—	—	—	—
5,044	2,054	187	—	380	—	309	192	1,145	—
1,893	1	14	—	—	—	—	—	90	267
—	—	—	—	—	—	—	—	—	—
337	284	3	3	45	13	12	11	380	438
—	—	—	—	—	—	9	2	—	—
22	34	—	—	1	1	—	1	19	35
328,187	276,714	5,321	6,249	18,467	4,722	4,872	4,311	272,322	292,544
—	865	145	—	—	—	—	5	—	186
5,362	1,664	—	—	189	—	198	301	1,065	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
1	5	—	—	—	—	15	42	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
204	200	6	6	12	5	—	—	258	302
—	—	—	—	—	—	—	—	—	—
23	19	—	1	1	—	—	—	19	20
21	29	1	1	1	—	—	—	54	65
208	591	2	—	—	20	—	—	455	970
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
89	86	39	34	36	28	44	39	95	98
5,908	3,459	193	42	239	53	257	387	1,946	1,641
\$ 322,279	\$ 273,255	\$ 5,128	\$ 6,207	\$ 18,228	\$ 4,669	\$ 4,615	\$ 3,924	\$ 270,376	\$ 290,903
Legg Mason Opportunity Fund		Legg Mason Royce US Small Cap Opportunity Fund		Legg Mason Royce US Smaller Companies Fund		Legg Mason PCM US Equity Fund [^]		Legg Mason Pernal Global Absolute Fund [^]	
As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016
\$ 4,137	\$ 7	\$ 9,173	\$ 3	\$ 6,082	\$ 2,706	\$ 19	\$ 1	\$ 6	\$ 7
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
284,476	359,547	1,039,149	542,904	226,485	153,770	—	—	—	—
9,882	6,300	—	—	—	—	—	—	—	—
9,245	19,656	—	—	—	—	—	—	—	—
376	505	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	1	153	141	1	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
4,709	43	2,441	5,190	2,122	1,600	—	—	—	—
206	164	3,603	178	159	80	—	—	—	—
—	—	—	—	—	—	—	—	—	—
68	49	264	109	157	150	—	—	—	—
—	—	—	—	—	—	—	—	—	—
21	36	42	79	12	23	—	—	—	—
313,120	386,308	1,054,825	548,604	235,018	158,329	19	1	6	7
—	2,711	3,903	1,386	1,288	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
1,935	3,839	4,885	3,968	3,008	2,171	—	—	—	—
—	—	—	—	—	—	—	—	—	—
647	63	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
4	10	383	736	7	4	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
176	226	875	500	240	161	—	—	—	—
—	—	—	—	—	—	—	—	—	—
22	26	69	38	16	12	—	—	—	—
12	18	190	104	53	32	—	—	—	—
572	88	6,414	1,757	270	863	—	—	—	—
—	—	—	—	—	—	19	1	6	7
—	3	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
79	84	168	202	90	122	—	—	—	—
3,447	7,068	16,887	8,691	4,972	3,365	19	1	6	7
\$ 309,673	\$ 379,240	\$1,037,938	\$ 539,913	\$ 230,046	\$ 154,964	\$ —	\$ —	\$ —	\$ —

The accompanying notes are an integral part of the Financial Statements

Statement of Financial Position – (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	
	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016
(in 000's)								
CURRENT ASSETS:								
Cash and cash equivalents (Note 8)	€ 954	€ 687	\$ 659	\$ 225	\$ 18	\$ 17	\$ 221	\$ 87
Cash collateral (Note 8)	—	—	—	—	—	—	10	29
Amounts due from broker	—	—	—	—	—	—	—	—
Financial assets at fair value through profit or loss (Note 2):								
Investments	87,024	146,067	42,679	35,219	—	—	12,386	14,321
Pledged investments	—	—	—	—	—	—	—	—
Options	—	—	—	—	—	—	—	—
Swap contracts	—	—	—	—	—	—	—	—
Swaptions	—	—	—	—	—	—	—	—
Unrealised appreciation on forward foreign currency contracts	415	2,856	2	—	—	—	—	—
Unrealised appreciation on futures contracts	—	—	—	—	—	—	2	—
Unrealised appreciation on contracts for difference	—	—	—	—	—	—	—	—
Receivable for investments sold	295	153	2	—	—	—	—	—
Receivable for redeemable participating shares sold	3	626	1	4	—	—	—	—
Interest receivable	—	—	—	6	—	—	—	—
Dividend receivable	515	655	159	150	—	—	22	24
Management fees receivable	—	—	—	—	—	—	—	—
Other assets	7	18	3	5	—	—	1	2
Total Current Assets	89,213	151,062	43,505	35,609	18	17	12,642	14,463
CURRENT LIABILITIES:								
Cash overdraft	1	—	—	90	—	3	36	—
Amounts due to broker	—	—	—	—	—	—	—	—
Payable for investments purchased	295	153	1	—	—	—	—	—
Financial liabilities at fair value through profit or loss (Note 2):								
Options	—	—	—	—	—	—	—	—
Swap contracts	—	—	—	—	—	—	—	—
Swaptions	—	—	—	—	—	—	—	—
Unrealised depreciation on forward foreign currency contracts	4	295	12	1	—	—	—	—
Unrealised depreciation on futures contracts	—	—	—	—	—	—	—	6
Unrealised depreciation on contracts for difference	—	—	—	—	—	—	—	—
Distributions payable to holders of redeemable participating shares	—	—	—	—	—	—	—	—
Management fees payable (Note 4)	78	160	34	46	—	—	3	9
Performance fees payable (Note 4)	—	—	—	—	—	—	—	—
Administrator and depositary fees payable (Note 4)	7	11	3	3	—	—	1	1
Shareholder service fees payable (Note 4)	15	33	5	7	—	—	—	1
Payable for redeemable participating shares reacquired	414	371	30	78	—	—	—	—
Payable to shareholders	—	—	—	—	—	—	—	—
Interest payable	—	—	—	—	—	—	—	—
Dividend payable	—	—	—	—	—	—	—	—
Accrued expenses and other liabilities	98	64	59	49	18	14	48	41
Liabilities (excluding Net Assets attributable to Holders of Redeemable Participating Shares)	912	1,087	144	274	18	17	88	58
Total Net Assets attributable to Holders of Redeemable Participating Shares at fair value	€ 88,301	€ 149,975	\$ 43,361	\$ 35,335	\$ —	\$ —	\$ 12,554	\$ 14,405

The accompanying notes are an integral part of the Financial Statements

Legg Mason QS MV Global Equity Growth and Income Fund		Legg Mason Congruix Japan Equity Fund^		Legg Mason Martin Currie Australia Equity Income Fund		Legg Mason Martin Currie Asia Long-Term Unconstrained Fund^Ø		Legg Mason Martin Currie Asia Pacific Fund^Ø	
As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016
\$ 744	\$ 95	¥ 95,446	¥ 95,881	\$ 17	\$ 9	\$ 3,031	\$ –	\$ 22	\$ –
–	–	–	–	–	–	–	–	–	–
17,285	11,857	–	–	1,197	948	138,872	–	2,486	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
35	64	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
124	66	–	–	–	–	–	–	–	–
245	–	–	–	–	–	–	–	–	–
60	2	–	–	2	1	–	–	–	–
–	32	–	–	10	8	311	–	10	–
–	–	–	–	6	6	–	–	–	–
1	1	–	–	–	–	11	–	–	–
18,494	12,117	95,446	95,881	1,232	972	142,225	–	2,518	–
–	–	–	–	–	–	–	–	–	–
387	82	–	–	–	–	–	–	5	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
12	16	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
11	13	–	–	–	–	1,775	–	15	–
–	–	–	–	–	–	108	–	2	–
1	1	–	–	–	–	–	–	–	–
1	1	–	–	–	–	10	–	–	–
18	–	–	–	–	–	12	–	–	–
–	–	95,446	95,881	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
39	24	–	–	28	28	44	–	23	–
469	137	95,446	95,881	28	28	1,949	–	45	–
\$ 18,025	\$ 11,980	¥ –	¥ –	\$ 1,204	\$ 944	\$140,276	\$ –	\$ 2,473	\$ –

Statement of Financial Position – (continued)

	Legg Mason Martin Currie European Absolute Alpha Fund ^Δ		Legg Mason Martin Currie Global Resources Fund ^Δ		Legg Mason Martin Currie Greater China Fund ^Δ		Legg Mason Martin Currie Japan Absolute Alpha Fund ^Δ	
	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016
(in 000's)								
CURRENT ASSETS:								
Cash and cash equivalents (Note 8)	€ 1,068	€ –	\$ 124	\$ –	\$ 152	\$ –	¥ 249,522	¥ –
Cash collateral (Note 8)	3,261	–	–	–	–	–	117,811	–
Amounts due from broker	15	–	–	–	–	–	–	–
Financial assets at fair value through profit or loss (Note 2):								
Investments	229,501	–	17,307	–	12,794	–	3,220,049	–
Pledged investments	–	–	–	–	–	–	–	–
Options	–	–	–	–	–	–	6,435	–
Swap contracts	–	–	–	–	–	–	–	–
Swaptions	–	–	–	–	–	–	–	–
Unrealised appreciation on forward foreign currency contracts	445	–	–	–	–	–	69	–
Unrealised appreciation on futures contracts	–	–	–	–	–	–	–	–
Unrealised appreciation on contracts for difference	3,566	–	–	–	–	–	8,385	–
Receivable for investments sold	1,729	–	84	–	256	–	1,421	–
Receivable for redeemable participating shares sold	298	–	7	–	–	–	–	–
Interest receivable	–	–	–	–	–	–	–	–
Dividend receivable	260	–	264	–	–	–	2,355	–
Management fees receivable	–	–	–	–	–	–	–	–
Other assets	20	–	1	–	1	–	95	–
Total Current Assets	240,163	–	17,787	–	13,203	–	3,606,142	–
CURRENT LIABILITIES:								
Cash overdraft	632	–	–	–	–	–	–	–
Amounts due to broker	–	–	–	–	–	–	–	–
Payable for investments purchased	2,913	–	–	–	133	–	11,866	–
Financial liabilities at fair value through profit or loss (Note 2):								
Options	–	–	–	–	–	–	–	–
Swap contracts	–	–	–	–	–	–	–	–
Swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	585	–	1	–	–	–	28,073	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–	701	–
Unrealised depreciation on contracts for difference	4,147	–	–	–	–	–	25,298	–
Distributions payable to holders of redeemable participating shares	–	–	66	–	26	–	–	–
Management fees payable (Note 4)	287	–	17	–	15	–	2,194	–
Performance fees payable (Note 4)	–	–	–	–	–	–	11	–
Administrator and depositary fees payable (Note 4)	17	–	1	–	1	–	116	–
Shareholder service fees payable (Note 4)	40	–	2	–	2	–	327	–
Payable for redeemable participating shares reacquired	1,201	–	50	–	–	–	–	–
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	174	–	–	–	–	–	303	–
Dividend payable	46	–	–	–	–	–	2,092	–
Accrued expenses and other liabilities	72	–	29	–	28	–	3,891	–
Liabilities (excluding Net Assets attributable to Holders of Redeemable Participating Shares)	10,114	–	166	–	205	–	74,872	–
Total Net Assets attributable to Holders of Redeemable Participating Shares at fair value	€ 230,049	€ –	\$ 17,621	\$ –	\$ 12,998	\$ –	¥ 3,531,270	¥ –

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 QS MV European Equity Growth and Income Fund, Legg Mason Martin Currie European Absolute Alpha Fund^Δ and Legg Mason RARE Infrastructure Value Fund^Δ have been converted into US Dollars in the total figure for Legg Mason Global Funds Plc for the year ended February 28, 2017 using the USD/EUR rate of 0.9439.

The Yen figures for the Legg Mason Congruix Japan Equity Fund^Δ and Legg Mason Martin Currie Japan Absolute Alpha Fund^Δ have been converted into US Dollars in the total figure for Legg Mason Global Funds Plc for the year ended February 28, 2017 using the USD/JPY rate of 112.3450.

The British Pound figures for Legg Mason Western Asset UK Core Plus Bond Fund^Δ, Legg Mason Western Asset UK Inflation-Linked Plus Fund^Δ, Legg Mason Western Asset UK Long Duration Fund^Δ and Legg Mason Western Asset UK Investment Grade Credit Fund^Δ have been converted into US Dollars in the total figure for Legg Mason Global Funds Plc for the year ended February 28, 2017 using the USD/GBP rate of 0.8059.

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 28, 2017 using the USD/AUD rate of 1.3043.

δ Effective April 29, 2016 Legg Mason Western Asset Global Credit Absolute Return Fund^Δ ceased trading.

Ø Effective March 11, 2016 Legg Mason Martin Currie Asia Long-Term Unconstrained Fund^Δ, Legg Mason Martin Currie Asia Pacific Fund^Δ, Legg Mason Martin Currie European Absolute Alpha Fund^Δ, Legg Mason Martin Currie Global Resources Fund^Δ, Legg Mason Martin Currie Greater China Fund^Δ, Legg Mason Martin Currie Japan Absolute Alpha Fund^Δ and Legg Mason Martin Currie North American Fund^Δ commenced trading.

μ Effective June 28, 2016 Legg Mason Martin Currie Global Long-Term Unconstrained Fund^Δ and Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund^Δ commenced trading.

β Effective November 17, 2016 Legg Mason Western Asset UK Investment Grade Credit Fund^Δ and Legg Mason Western Asset US Corporate Bond Fund^Δ commenced trading.

α Effective December 9, 2016 Legg Mason RARE Infrastructure Value Fund^Δ commenced trading.

* Includes residual cash amounts of \$20,000 of Legg Mason Western Asset Global Inflation-Linked Fund^Δ and \$20,000 of Legg Mason Royce Smaller Companies Fund II^Δ, authorisation for which was revoked, at the request of the Company, by the Central Bank on February 1, 2017 and \$35,000 of Legg Mason ClearBridge US Fundamental Value Fund^Δ, authorisation for which was revoked, at the request of the Company, by the Central Bank on February 15, 2017.

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

On behalf of the Board

Fionnuala Doris
Director
June 22, 2017

Joseph Keane
Director

The accompanying notes are an integral part of the Financial Statements

Legg Mason Martin Currie North American Fund ^{^Ø}		Legg Mason Martin Currie Global Long-Term Unconstrained Fund ^{^μ}		Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund ^{^μ}		Legg Mason RARE Infrastructure Value Fund ^{^α}		Legg Mason Global Funds plc	
As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016	As at February 28, 2017	As at February 29, 2016*
\$ 54	\$ –	\$ 70	\$ –	\$ 59	\$ –	€ 10,327	€ –	\$ 396,068	\$ 378,764
–	–	–	–	–	–	–	–	284,757	469,549
–	–	–	–	–	–	–	–	1,194	22,891
5,003	–	11,394	–	2,219	–	204,484	–	21,973,957	19,819,499
–	–	–	–	–	–	–	–	9,882	6,300
–	–	–	–	–	–	–	–	20,074	35,985
–	–	–	–	–	–	–	–	158,921	7,761
–	–	–	–	–	–	–	–	39	2,330
–	–	–	–	–	–	64	–	67,987	153,218
–	–	–	–	–	–	–	–	37,237	18,938
–	–	–	–	–	–	–	–	3,852	–
–	–	–	–	–	–	4,705	–	273,973	762,304
–	–	–	–	–	–	461	–	80,342	48,800
4	–	6	–	7	–	–	–	137,793	154,278
1	–	–	–	–	–	544	–	10,014	4,981
–	–	–	–	–	–	–	–	34	34
–	–	1	–	–	–	–	–	1,545	2,641
5,062	–	11,471	–	2,285	–	220,585	–	23,457,669	21,888,273
–	–	–	–	–	–	1	–	34,943	60,234
–	–	–	–	–	–	–	–	2,364	254
101	–	–	–	–	–	4,972	–	616,663	957,546
–	–	–	–	–	–	–	–	18,821	24,876
–	–	–	–	–	–	–	–	50,376	159,001
–	–	–	–	–	–	–	–	34	626
–	–	1	–	–	–	1,466	–	121,993	265,520
–	–	–	–	–	–	–	–	79,662	96,994
–	–	–	–	–	–	–	–	4,619	–
–	–	–	–	–	–	721	–	3,452	516
5	–	3	–	–	–	137	–	12,467	11,633
–	–	–	–	–	–	–	–	–	–
–	–	1	–	–	–	13	–	1,420	1,313
–	–	–	–	–	–	–	–	1,266	1,203
21	–	–	–	–	–	–	–	65,332	104,966
–	–	–	–	–	–	–	–	874	861
–	–	–	–	–	–	–	–	187	5
–	–	–	–	–	–	–	–	67	–
29	–	20	–	19	–	25	–	5,253	5,558
156	–	25	–	19	–	7,335	–	1,019,793	1,691,106
\$ 4,906	\$ –	\$ 11,446	\$ –	\$ 2,266	\$ –	€ 213,250	€ –	\$22,437,876	\$20,197,167

The accompanying notes are an integral part of the Financial Statements

Statement of Financial Position – (continued)

	February 28, 2017			February 29, 2016			February 28, 2015		
	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	\$ 111,852	1,058	105.76	\$ 107,318	1,015	105.68	\$ 64,973	615	105.67
Class A US\$ Distributing (D)	1,025,424	1,025,166	1.00	933,234	932,978	1.00	983,299	983,053	1.00
Class A US\$ Distributing (M)	58	58	1.00	137	137	1.00	61	61	1.00
Class B US\$ Accumulating	487	5	102.56	836	8	102.54	1,048	10	102.53
Class B US\$ Distributing (D)	475	475	1.00	418	418	1.00	33	33	1.00
Class C US\$ Accumulating	7,372	72	102.04	214	2	102.02	596	6	102.01
Class C US\$ Distributing (D)	268	268	1.00	395	395	1.00	335	335	1.00
Class A (G) US\$ Accumulating	554	5	105.97	564	5	105.90	530	5	105.89
Class A (G) US\$ Distributing (D)	869	869	1.00	1,153	1,153	1.00	1,182	1,182	1.00
Class B (G) US\$ Accumulating	–	–	–	–	–	–	–	–	105.94
Class B (G) US\$ Distributing (D)	–	–	–	–	–	–	–	–	1.00
Class L (G) US\$ Distributing (D)	475	475	1.00	721	720	1.00	721	720	1.00
Legg Mason Western Asset US Core Bond Fund									
Class A US\$ Accumulating	\$ 18,630	144	129.29	\$ 22,280	176	126.52	\$ 18,364	145	126.22
Class A US\$ Distributing (D)	22,440	220	101.81	12,557	124	101.10	15,957	156	102.46
Class B US\$ Accumulating	254	2	125.51	249	2	123.12	12	–	123.13
Class B US\$ Distributing (D)	617	6	101.80	674	7	101.10	419	4	102.46
Class C US\$ Accumulating	1,884	15	122.90	1,320	11	120.86	695	6	121.18
Class C US\$ Distributing (D)	4,007	39	101.83	4,002	40	101.13	2,944	29	102.49
Class F US\$ Accumulating	5,519	48	114.34	941	8	111.33	5,073	46	110.56
Class F US\$ Distributing (D)	161	2	100.04	–	–	–	–	–	–
Class X US\$ Accumulating	28	–	100.26	–	–	–	–	–	–
Class X US\$ Distributing (D)	1	–	99.06	–	–	–	–	–	–
Premier Class US\$ Accumulating	206	2	103.24	1,000	10	100.28	–	–	–
Class GA US\$ Accumulating	1,818	14	125.98	1,908	16	122.98	2,349	19	122.44
Class GE US\$ Accumulating	301	2	121.15	361	3	118.99	362	3	119.17
Legg Mason Western Asset US Core Plus Bond Fund									
Class A US\$ Accumulating	\$ 136,145	942	144.54	\$ 134,054	960	139.63	\$ 48,443	342	141.65
Class A US\$ Distributing (D)	27,324	245	111.61	23,379	213	109.75	13,893	122	113.43
Class A US\$ Distributing (M) Plus	2,028	20	101.19	10	–	100.50	–	–	–
Class A AUD Distributing (M) (Hedged) Plus	38	–	101.44	10	–	100.52	–	–	–
Class B US\$ Accumulating	368	3	137.81	542	4	133.46	302	2	135.72
Class B US\$ Distributing (D)	404	4	111.43	463	4	109.57	448	4	113.25
Class C US\$ Accumulating	11,614	86	134.59	10,007	77	130.67	9,035	68	133.22
Class C US\$ Distributing (D)	6,511	58	112.39	7,352	67	110.51	6,051	53	114.22
Class E US\$ Accumulating	13,463	122	110.79	9,565	89	107.67	1,305	12	109.88
Class F US\$ Accumulating	82,183	748	109.87	63,734	605	105.35	43,928	414	106.07
Class X US\$ Accumulating	2,109	20	103.05	57	1	98.98	–	–	–
Premier Class US\$ Accumulating	355,780	2,735	130.11	236,041	1,897	124.44	195,448	1,564	124.98
Premier Class US\$ Distributing (M)	1,068	10	105.81	1,783	17	104.02	3,111	29	107.48
Premier Class Euro Accumulating (Hedged)	1,347	12	103.16	–	–	–	–	–	–
LM Class US\$ Accumulating	1,735	17	102.98	–	–	–	–	–	–
LM Class Euro Accumulating	2,569	22	110.47	–	–	–	–	–	–
LM Class GBP Accumulating (Hedged)	188	1	132.93	83	–	127.47	86	–	127.60
Class A (G) US\$ Accumulating	1,143	8	145.70	1,493	11	140.55	1,753	12	142.36
Class A (G) US\$ Distributing (D)	2,722	24	112.49	2,963	27	110.61	3,484	30	114.32
Class B (G) US\$ Distributing (D)	3	–	112.48	3	–	110.59	3	–	114.30
Class L (G) US\$ Accumulating	216	2	138.69	459	3	134.45	767	6	136.86
Class (G) US\$ Distributing (D)	2,272	20	112.47	2,601	24	110.60	2,953	26	114.31
Legg Mason Western Asset Euro Core Plus Bond Fund									
Class A US\$ Distributing (D)	€ 524	5	107.45	€ 759	7	111.80	€ 872	8	116.97
Class A Euro Distributing (D)	942	9	105.15	2,496	24	104.45	2,138	20	106.27
Class C US\$ Distributing (D)	373	4	108.87	379	4	111.52	566	5	117.18
Class F Euro Distributing (Q)	1	–	119.68	1	–	118.80	1	–	120.94
Class X Euro Distributing (D)	1	–	99.82	–	–	–	–	–	–
Premier Class Euro Accumulating	108,699	811	134.02	84,310	639	131.86	47,923	361	132.63
Class GA Euro Accumulating	1,422	11	125.84	1,770	14	124.49	2,071	16	125.90
Class GA Euro Distributing (A)	574	5	115.94	604	5	115.45	712	6	118.05
Class GE Euro Accumulating	204	2	121.02	414	3	120.44	654	5	122.54
Legg Mason Western Asset Short Duration High Income Bond Fund									
Class A US\$ Accumulating	\$ 7,190	52	137.44	\$ 4,401	38	115.40	\$ 2,766	21	130.37
Class A US\$ Distributing (D)	5,133	57	90.13	6,078	77	79.38	8,322	89	93.43
Class A US\$ Distributing (M)	43	–	95.25	29	–	83.87	317	3	98.65
Class A Euro Accumulating (Hedged)	122	1	133.06	125	1	113.63	414	3	129.37
Class A Euro Distributing (M) (Hedged)	–	–	–	–	–	–	94	1	126.54
Class B US\$ Accumulating	78	1	133.42	66	1	112.31	104	1	127.19
Class B US\$ Distributing (D)	168	2	90.12	207	3	79.37	750	8	93.42
Class C US\$ Accumulating	175	1	130.74	1,193	11	110.32	269	2	125.25
Class C US\$ Distributing (D)	4,801	53	90.10	2,771	35	79.36	3,418	37	93.40
Class A (G) US\$ Accumulating	1,243	9	136.61	1,448	13	114.86	1,996	15	129.84
Class A (G) US\$ Distributing (D)	6,345	69	91.74	6,592	82	80.80	8,175	86	95.10
Class B (G) US\$ Accumulating	–	–	–	–	–	110.55	3	–	124.92
Class B (G) US\$ Distributing (D)	4	–	91.86	4	–	80.90	14	–	95.21
Class L (G) US\$ Accumulating	896	7	130.12	773	7	109.96	879	7	124.92
Class L (G) US\$ Distributing (D)	889	10	91.77	868	11	80.83	1,095	12	95.13
Legg Mason Western Asset Global Multi Strategy Fund									
Class A US\$ Accumulating	\$ 45,953	308	149.28	\$ 30,906	239	129.33	\$ 41,783	296	141.14
Class A US\$ Distributing (D)	29,687	252	117.85	33,939	320	106.22	52,567	436	120.51
Class A US\$ Distributing (M)	8,009	80	99.94	7,877	87	90.07	17,290	169	102.18
Class A US\$ Distributing (M) Plus	1	–	101.88	–	–	–	–	–	–
Class A AUD Distributing (M) (Hedged) Plus	1	–	101.97	–	–	–	–	–	–
Class A Euro Accumulating (Hedged)	10,516	70	142.48	12,013	88	125.35	30,773	200	137.49
Class A Euro Distributing (M) (Hedged)	9,576	96	93.98	10,464	112	86.00	29,889	272	98.10
Class A Euro Distributing (M) (Hedged) Plus (e)	144	2	86.11	363	4	79.91	735	7	92.43
Class A GBP Distributing (M) (Hedged)	13,056	101	104.53	21,679	164	94.75	89,884	544	107.11
Class A SGD Distributing (M) (Hedged) Plus	2,165	2,813	1.08	1,205	1,719	0.99	1,697	2,063	1.12
Class B US\$ Accumulating	161	1	141.42	167	1	122.82	420	3	134.37
Class B US\$ Distributing (D)	1,707	14	117.87	2,394	23	106.23	4,628	38	120.53
Class C US\$ Accumulating	16,107	116	138.44	19,627	163	120.54	23,576	178	132.21
Class C US\$ Distributing (D)	35,618	302	117.85	73,376	691	106.23	118,750	985	120.52
Class E US\$ Accumulating	2,514	21	122.26	3,544	33	106.56	5,688	49	116.99
Class E US\$ Distributing (D)	1,979	20	98.16	2,564	29	88.47	4,174	42	100.37
Class E Euro Accumulating (Hedged)	1,585	14	109.52	1,179	11	96.92	3,141	26	106.91
Class E Euro Distributing (M) (Hedged)	30	–	95.84	28	–	87.71	172	2	100.05
Class F US\$ Accumulating	3,078	23	134.19	2,710	23	115.57	5,180	41	125.36
Class F US\$ Distributing (D)	2,808	29	98.15	1,682	19	88.46	3,706	37	100.36
Class F Euro Accumulating	–	–	–	–	–	–	2	–	155.29
Class X US\$ Distributing (D)	74	1	98.32	115	1	88.63	231	2	100.55
Class X GBP Distributing (D) (Hedged)	53	–	103.51	–	–	–	–	–	–
Premier Class US\$ Accumulating	10,989	69	160.28	357	3	137.69	1,787	12	148.98
Premier Class US\$ Distributing (D)	182	2	99.11	134	2	89.35	362	4	101.36
Premier Class US\$ Distributing (M)	37,514	307	122.15	20,545	187	110.07	23,781	190	124.87
Premier Class US\$ Distributing (M) Plus (e)	80,938	838	96.55	63,825	730	87.45	73,990	742	99.74
Premier Class CHF Accumulating (Hedged)	45,438	421	108.41	30,061	316	95.13	–	–	–

The accompanying notes are an integral part of the Financial Statements

Statement of Financial Position – (continued)

	February 28, 2017			February 29, 2016			February 28, 2015		
	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)									
Premier Class Euro Accumulating (Hedged)	\$ 3,881	27	135.46	\$ 3,268	25	118.17	\$ 60,582	421	128.55
Premier Class Euro Distributing (M) (Hedged)	35	—	90.78	47	1	83.08	522	5	94.79
Premier Class GBP Accumulating (Hedged)	212,202	1,339	127.72	236,750	1,541	110.41	267,278	1,451	119.27
Premier Class GBP Distributing (M) (Hedged)	21,316	170	100.79	25,314	199	91.39	38,443	240	103.73
Premier Class GBP Distributing (M) (Hedged) Plus (e)	81,614	725	90.77	20,943	182	82.58	28,860	199	94.06
Premier Class GBP Distributing (Q) (Hedged)	12,685	106	96.89	12,216	100	87.90	14,802	96	99.61
Premier Class JPY Accumulating (Hedged)	—	—	—	—	—	—	379	4	10,124.06
LM Class AUD Distributing (M) (Hedged)	88,094	1,019	112.80	44,176	615	100.63	81,912	935	112.17
LM Class GBP Accumulating (Hedged)	230,127	1,420	130.57	308,484	1,970	112.48	382,755	2,048	121.06
Premier Class PLN Accumulating (Hedged)	3,378	121	113.23	974	40	96.83	—	—	—
Legg Mason Western Asset US High Yield Fund									
Class A US\$ Accumulating	\$ 47,208	299	157.63	\$ 38,449	300	128.08	\$ 95,591	643	148.58
Class A US\$ Distributing (D)	67,036	841	79.72	64,598	940	68.73	108,468	1,283	84.53
Class A US\$ Distributing (M)	4,383	46	96.19	1,037	13	82.91	26,401	259	102.04
Class A US\$ Distributing (M) Plus	5,124	57	89.32	736	9	77.87	1,181	12	96.65
Class A Euro Distributing (M) (Hedged)	2,606	27	89.98	691	8	78.75	580	5	97.35
Class A HKD Distributing (M) Plus	293	25	92.28	256	25	80.61	1	—	99.78
Class A SGD Distributing (M) (Hedged) Plus	361	578	0.88	313	574	0.77	396	571	0.94
Class B US\$ Accumulating	435	3	157.92	615	5	128.64	1,093	7	149.60
Class B US\$ Distributing (D)	5,952	75	79.75	6,388	93	68.75	9,598	114	84.56
Class C US\$ Accumulating	6,546	42	154.25	6,506	52	125.97	13,621	93	146.86
Class C US\$ Distributing (D)	10,545	132	79.76	12,722	185	68.76	21,452	254	84.57
Class E US\$ Accumulating	6,132	42	146.49	8,646	72	119.75	17,115	122	139.75
Class E US\$ Distributing (D)	11,600	116	99.67	13,303	155	85.93	19,238	182	105.68
Class F Euro Accumulating (Hedged)	92	1	101.91	221	2	84.61	89	1	99.25
Class F US\$ Accumulating	2,716	19	140.03	1,562	14	113.10	777	6	130.41
Class F US\$ Distributing (D)	888	9	95.05	860	10	81.94	759	8	100.79
Class X US\$ Distributing (D)	1	—	107.86	—	—	—	—	—	—
Premier Class US\$ Accumulating	120,371	838	143.64	104,568	904	115.73	65,766	494	133.11
Premier Class US\$ Distributing (M) Plus (e)	15,055	166	90.94	2,179	28	78.83	30,103	308	97.61
Premier Class Euro Accumulating	—	—	—	6,637	64	95.42	11,626	97	106.56
LM Class US\$ Accumulating	3,664	24	149.73	20,353	169	120.10	49,461	360	137.53
LM Class US\$ Distributing (M)	60,094	683	87.98	70,145	925	75.81	94,920	1,017	93.32
LM Class GBP Accumulating (Hedged)	214	1	149.71	93	1	121.01	117	1	138.56
Class A (G) US\$ Accumulating	384	2	160.22	336	3	129.99	647	4	150.57
Class A (G) US\$ Distributing (D)	2,751	35	79.11	2,818	41	68.20	4,712	56	83.88
Class B (G) US\$ Accumulating	24	—	152.50	19	—	124.35	22	—	144.76
Class B (G) US\$ Distributing (D)	4	—	79.08	4	—	68.18	5	—	83.86
Class L (G) US\$ Accumulating	503	3	152.48	410	3	124.34	478	3	144.74
Class L (G) US\$ Distributing (D)	2,552	32	79.11	2,893	42	68.20	4,720	56	83.88
Class GF US\$ Accumulating	1,954	14	141.08	1,601	14	114.24	1,932	15	132.06
Legg Mason Western Asset Emerging Markets Total Return Bond Fund									
Class A US\$ Accumulating	\$ 7,853	49	161.23	\$ 17,748	124	142.63	\$ 24,956	167	149.13
Class A US\$ Distributing (D)	5,843	52	112.91	6,580	64	103.54	10,482	94	111.94
Class A US\$ Distributing (M)	3,627	36	102.14	3,185	34	93.61	7,072	70	101.25
Class A US\$ Distributing (M) Plus	6,067	72	84.07	2,868	37	78.26	3,266	38	86.06
Class A Euro Accumulating (Hedged)	136	1	133.30	737	6	119.99	997	7	126.19
Class A Euro Distributing (D) (Hedged)	744	8	85.29	709	8	79.43	802	8	86.26
Class A GBP Distributing (D) (Hedged)	49	—	101.52	58	—	93.63	169	1	101.07
Class A SGD Distributing (M) (Hedged) Plus	312	489	0.89	290	489	0.83	382	565	0.92
Class B US\$ Accumulating	114	1	154.40	102	1	136.93	119	1	143.53
Class B US\$ Distributing (D)	550	5	112.88	754	7	103.51	877	8	111.91
Class C US\$ Accumulating	509	3	150.12	412	3	133.47	443	3	140.25
Class C US\$ Distributing (D)	3,580	32	112.83	4,116	40	103.46	4,978	44	111.86
Class E US\$ Distributing (D)	1,560	16	96.47	1,587	18	88.46	2,176	23	95.64
Class E Euro Accumulating (Hedged)	—	—	—	—	—	—	87	1	96.81
Class E Euro Distributing (M) (Hedged)	29	—	95.40	62	1	88.81	227	2	96.46
Class F US\$ Accumulating	32	—	139.09	28	—	122.18	555	4	126.70
Class X US\$ Accumulating	1	—	107.94	—	—	—	—	—	—
Class X GBP Distributing (D) (Hedged)	199	2	98.79	289	2	91.09	269	2	98.34
Premier Class US\$ Accumulating	1,030	5	225.34	12,452	63	197.48	22,414	110	204.35
Premier Class Euro Accumulating (Hedged)	1,516	12	123.73	1,226	10	110.08	2,119	17	114.46
Premier Class GBP Distributing (D) (Hedged)	203	2	88.52	415	4	81.67	11,001	81	88.11
Class A (G) US\$ Accumulating	1,610	10	166.70	1,738	12	147.09	3,053	20	153.27
Class A (G) US\$ Distributing (D)	2,074	20	101.19	1,946	21	92.79	2,361	24	100.32
Class B (G) US\$ Accumulating	—	—	158.97	—	—	140.65	6	—	147.29
Class B (G) US\$ Distributing (D)	—	—	—	4	—	92.79	4	—	100.32
Class L (G) US\$ Accumulating	1,279	8	158.66	1,186	8	140.69	1,311	9	147.34
Class L (G) US\$ Distributing (D)	2,220	22	101.18	2,409	26	92.78	3,333	33	100.32
Legg Mason Western Asset Emerging Markets Corporate Bond Fund									
Class A US\$ Accumulating	\$ 108	1	101.34	\$ 11	—	90.18	\$ 2	—	94.71
Class A US\$ Distributing (M)	1	—	97.04	1	—	88.91	1	—	96.13
Premier Class US\$ Accumulating	—	—	—	14,570	134	108.65	35,687	316	112.83
LM Class US\$ Distributing (M)	32,590	335	97.15	26,866	302	88.97	47,257	491	96.19
Legg Mason Western Asset Global High Yield Fund									
Class A US\$ Accumulating	\$ 44,435	288	154.52	\$ 31,310	248	126.17	\$ 70,522	487	144.83
Class A US\$ Distributing (D)	26,551	342	77.66	27,595	412	66.98	46,386	570	81.37
Class A US\$ Distributing (M)	33,129	385	85.96	34,167	461	74.18	89,947	997	90.20
Class A US\$ Distributing (M) Plus	8,078	94	86.00	5,216	69	75.30	12,757	138	92.50
Class A AUD Distributing (M) (Hedged) Plus	28,640	358	104.25	20,018	307	91.47	41,126	469	112.25
Class A Euro Accumulating	—	—	—	21	—	95.66	—	—	—
Class A Euro Distributing (D) (Hedged)	2,230	24	88.53	361	4	77.51	1,316	12	94.54
Class A SGD Distributing (M) (Hedged) Plus	5,752	9,437	0.85	2,152	4,028	0.75	4,375	6,513	0.92
Class B US\$ Accumulating	453	3	153.64	350	3	125.77	989	7	144.73
Class B US\$ Distributing (D)	812	10	77.54	890	13	66.87	1,435	18	81.24
Class C US\$ Accumulating	1,532	10	150.91	2,069	17	123.84	3,761	26	142.87
Class C US\$ Distributing (D)	9,222	119	77.32	11,570	173	66.69	21,669	267	81.01
Class E US\$ Accumulating	2,471	18	139.01	3,030	27	114.21	7,573	57	131.89
Class E US\$ Distributing (D)	531	6	95.20	1,066	13	82.11	2,504	25	99.75
Class E Euro Accumulating (Hedged)	—	—	—	11	—	83.53	87	1	96.94
Class E Euro Distributing (M) (Hedged)	969	10	87.66	548	7	76.82	761	7	93.85
Class F US\$ Accumulating	279	2	134.40	488	4	109.00	1,753	14	124.24
Class F US\$ Distributing (D)	3,602	40	90.60	3,447	44	78.14	4,696	49	94.92
Class X US\$ Accumulating	129	1	110.14	104	1	89.39	248	2	101.97
Class X US\$ Distributing (D)	7	—	87.14	66	1	75.14	137	2	91.28
Class X GBP Distributing (D) (Hedged)	36	—	87.33	35	—	75.86	114	1	92.03
Premier Class US\$ Accumulating	2,447	14	175.44	13,884	98	141.94	24,879	154	161.39
Premier Class US\$ Distributing (M) Plus (e)	22,803	257	88.71	3,293	43	77.01	17,373	184	94.19
Premier Class Euro Accumulating (Hedged)	3,679	30	115.49	3,933	38	94.95	5,245	43	108.42
Premier Class GBP Distributing (D) (Hedged)	121	1	95.07	277	2	82.64	6,445	42	100.22
LM Class US\$ Accumulating	50,644	488	103.83	31,745	380	83.62	36,955	390	94.65
Class A (G) US\$ Accumulating	4,646	30	156.44	4,133	32	127.56	5,715	39	146.21

The accompanying notes are an integral part of the Financial Statements

Statement of Financial Position – (continued)

	February 28, 2017			February 29, 2016			February 28, 2015		
	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 High Yield Fund									
(continued)									
Class A (G) US\$ Distributing (D)	\$ 4,476	58	77.68	\$ 4,851	72	67.00	\$ 7,167	88	81.38
Class B (G) US\$ Accumulating	—	—	—	14	—	122.02	33	—	140.55
Class B (G) US\$ Distributing (D)	—	—	77.66	2	—	66.97	23	—	81.37
Class L (G) US\$ Accumulating	687	5	148.91	728	6	122.03	1,139	8	140.57
Class L (G) US\$ Distributing (D)	2,575	33	77.66	2,857	43	66.99	4,292	53	81.37
Legg Mason Western Asset US Short-Term Government Fund									
Class A US\$ Accumulating	\$ 6,671	59	112.71	\$ 12,752	113	112.94	\$ 16,926	149	113.41
Class A US\$ Distributing (D)	743	7	99.23	688	7	99.44	1,730	17	99.85
Class B US\$ Accumulating	39	—	106.88	126	1	107.36	225	2	108.07
Class B US\$ Distributing (D)	23	—	98.59	23	—	99.04	198	2	99.71
Class C US\$ Accumulating	2,410	23	104.23	577	5	104.97	664	6	105.93
Class C US\$ Distributing (D)	1,125	12	97.59	1,441	15	98.28	1,555	16	99.18
Class E US\$ Accumulating	—	—	—	62	1	99.97	—	—	—
Class A (G) US\$ Accumulating	884	8	113.02	1,360	12	113.26	1,476	13	113.66
Class A (G) US\$ Distributing (D)	4,211	42	99.25	4,938	50	99.56	6,050	61	99.94
Class B (G) US\$ Distributing (D)	—	—	—	3	—	98.39	3	—	99.28
Class L (G) US\$ Accumulating	84	1	107.56	86	1	108.33	170	2	109.25
Class L (G) US\$ Distributing (D)	1,372	14	97.71	1,566	16	98.41	1,624	16	99.25
Legg Mason Western Asset US Adjustable Rate Fund									
Class A US\$ Accumulating	\$ 2,677	27	98.58	\$ 5,536	56	98.54	\$ 4,170	42	99.61
Class B US\$ Distributing (D)	217	2	90.55	218	2	90.73	175	2	91.95
Class C US\$ Distributing (D)	421	5	88.65	589	7	89.05	728	8	90.47
Class A (G) US\$ Accumulating	384	4	97.67	536	5	97.96	2,336	24	99.19
Class A (G) US\$ Distributing (D)	1,225	13	91.50	1,412	15	91.77	1,674	18	92.94
Class L (G) US\$ Accumulating	301	3	93.00	305	3	93.74	318	3	95.40
Class L (G) US\$ Distributing (D)	418	5	88.09	580	7	88.80	757	8	90.37
Legg Mason Western Asset Global Inflation Management Fund									
Class A US\$ Accumulating	\$ 5,729	42	136.61	\$ 3,403	27	126.52	\$ 3,669	29	128.16
Class A US\$ Distributing (A)	6,952	57	121.67	3,761	33	112.69	3,252	28	114.15
Class B US\$ Accumulating	183	2	96.69	39	—	117.95	39	—	119.78
Class B US\$ Distributing (A)	11	—	124.75	10	—	115.82	10	—	117.61
Class C US\$ Accumulating	836	8	102.32	189	2	95.25	188	2	97.05
Class C US\$ Distributing (A)	1,727	15	118.90	1,606	15	110.67	1,850	16	112.67
Premier Class US\$ Distributing (A)	120	1	99.74	—	—	—	—	—	—
Class A (G) US\$ Accumulating	517	4	141.99	685	5	131.24	759	6	132.63
Class A (G) US\$ Distributing (A)	97	1	118.75	89	1	109.76	153	1	110.92
Class L (G) US\$ Accumulating	127	1	134.90	118	1	125.32	120	1	127.27
Class L (G) US\$ Distributing (A)	89	1	109.75	320	3	101.95	399	4	103.54
Legg Mason Western Asset Asian Opportunities Fund									
Class A US\$ Accumulating	\$ 55,569	399	139.38	\$ 51,706	387	133.63	\$ 85,530	607	140.88
Class A US\$ Distributing (D)	12,824	119	107.57	16,586	156	106.29	42,235	366	115.37
Class A US\$ Distributing (M)	32,295	326	99.10	12,299	126	97.90	27,877	262	106.25
Class A US\$ Distributing (M) Plus	67,474	829	81.43	5,310	65	81.74	3,713	41	90.18
Class A AUD Distributing (M) (Hedged) Plus	22,411	312	93.78	6,702	99	94.48	4,468	55	104.21
Class A CHF Accumulating (Hedged)	3,286	35	94.84	1,341	14	92.99	1,274	12	99.46
Class A CNH Distributing (M) (Hedged) Plus	11,730	883	91.06	613	44	90.66	832	53	98.68
Class A Euro Accumulating	2,172	10	207.25	1,887	9	193.54	5,716	26	198.27
Class A Euro Accumulating (Hedged)	8,062	75	101.81	4,092	38	99.33	6,473	55	105.38
Class A Euro Distributing (A)	1,204	9	122.30	710	6	117.66	1,343	10	124.52
Class A GBP Distributing (D) (Hedged)	329	3	92.29	451	4	91.91	831	5	99.61
Class A GBP Distributing (M)	639	4	124.94	856	6	110.02	930	6	107.66
Class A HKD Distributing (M) Plus	11,915	947	97.65	10	1	98.41	—	—	—
Class A SGD Accumulating (Hedged)	4,739	4,986	1.33	9,990	10,970	1.28	15,304	15,544	1.34
Class A SGD Distributing (M) (Hedged) Plus	962	1,545	0.87	1,978	3,157	0.88	6,112	8,625	0.97
Class A SGD Distributing (M) Plus	889	1,337	0.93	1,202	1,796	0.94	2,009	2,717	1.01
Class B US\$ Accumulating	688	5	136.32	989	8	131.03	1,552	11	138.48
Class B US\$ Distributing (D)	507	5	107.53	694	7	106.24	1,344	12	115.33
Class C US\$ Accumulating	5,139	39	133.06	7,292	57	128.21	11,744	86	135.85
Class C US\$ Distributing (D)	5,908	55	107.61	9,426	89	106.33	13,515	117	115.41
Class E US\$ Accumulating	988	9	115.45	2,037	18	111.36	4,111	35	118.10
Class E US\$ Distributing (D)	376	4	98.90	668	7	97.72	1,022	10	106.07
Class E Euro Accumulating (Hedged)	—	—	—	—	—	—	88	1	98.63
Class F US\$ Accumulating	2,856	23	124.71	4,699	39	119.09	14,532	116	125.06
Class F US\$ Distributing (D)	51	1	98.91	37	—	97.73	40	—	106.08
Class X US\$ Distributing (M)	10,475	110	95.26	1,411	15	94.10	—	—	—
Class X Euro Accumulating (Hedged)	—	—	—	—	—	—	1,361	12	104.35
Premier Class US\$ Accumulating	55,558	378	147.13	53,316	380	140.15	78,212	533	146.80
Premier Class US\$ Distributing (M)	9,058	107	85.05	9,451	112	84.02	18,174	199	91.19
Premier Class Euro Accumulating	90,477	612	139.66	65,086	462	129.56	89,080	603	131.92
Premier Class Euro Accumulating (Hedged)	5,337	46	110.06	979	8	106.60	1,541	12	112.35
Premier Class Euro Distributing (A)	83,320	727	108.21	53,920	476	104.10	55,320	448	110.25
Premier Class Euro Distributing (M)	10,027	84	113.08	7,807	66	108.73	8,473	66	114.72
Premier Class GBP Distributing (M)	113	1	120.01	410	3	105.29	159	1	103.29
LM Class US\$ Accumulating	51,373	335	153.58	60,081	413	145.42	89,422	591	151.41
Legg Mason Western Asset Global Blue Chip Bond Fund									
Class A US\$ Accumulating	\$ 1,545	13	119.00	\$ 1,837	16	116.61	\$ 7,516	64	116.97
Class A US\$ Distributing (M)	845	8	103.90	965	9	103.42	1,709	16	105.62
Class A Euro Accumulating (Hedged)	22	—	100.18	34	—	99.69	113	1	100.72
Class A GBP Accumulating (Hedged)	92	1	116.85	102	1	115.16	113	1	115.33
Class B US\$ Accumulating	512	5	101.83	1,151	12	100.03	—	—	—
Class B US\$ Distributing (M)	270	3	103.72	227	2	103.24	231	2	105.45
Class C US\$ Accumulating	4,187	37	114.53	1,882	17	112.78	1,967	17	113.68
Class C US\$ Distributing (M)	369	4	103.69	1,136	11	103.22	1,425	14	105.42
Class E US\$ Accumulating	5,864	54	108.46	7,293	68	106.91	450	4	107.87
Class E US\$ Distributing (D)	1,056	11	99.85	4,058	41	99.40	460	5	101.53
Class F US\$ Accumulating	70	1	116.81	64	1	114.00	1	—	113.88
Class X US\$ Distributing (M)	1	—	98.53	—	—	—	—	—	—
Premier Class US\$ Accumulating	1,292	10	125.51	1,257	10	122.19	4,783	39	121.75
Premier Class US\$ Distributing (M)	4,599	44	103.92	4,763	46	103.44	6,852	65	105.64
Premier Class Euro Accumulating (Hedged)	699	5	124.08	894	7	122.66	855	6	122.95
Premier Class Euro Distributing (M) (Hedged)	514	5	101.30	550	5	102.39	1,037	9	105.28
Premier Class GBP Accumulating (Hedged)	175	1	125.52	871	5	122.94	1,623	9	122.39
Premier Class GBP Distributing (M) (Hedged)	6,542	50	104.67	9,456	65	104.81	16,057	97	106.86
Legg Mason Western Asset Brazil Bond Fund^									
Class A US\$ Distributing (M)	\$ —	—	—	\$ —	—	—	\$ 187	3	61.39
LM Class US\$ Accumulating	—	—	—	—	—	—	33,387	326	102.38
Legg Mason Western Asset Global Credit Absolute Return Fund^									
Class A US\$ Accumulating	\$ —	—	—	\$ —	—	—	\$ 170	2	106.39
Class A US\$ Distributing (M)	—	—	—	52	1	85.90	6,280	61	102.62

The accompanying notes are an integral part of the Financial Statements

Statement of Financial Position – (continued)

	February 28, 2017			February 29, 2016			February 28, 2015		
	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^Δ (continued)									
Class A GBP Distributing (M) (Hedged)	\$ –	–	–	\$ 117	1	95.46	\$ 943	6	109.16
Class A (PF) US\$ Accumulating	–	–	–	109	1	95.70	656	6	109.26
Class A (PF) US\$ Distributing (M)	–	–	–	1	–	95.51	8	–	109.03
Class B US\$ Accumulating	–	–	–	–	–	–	1	–	107.09
Class B US\$ Distributing (M)	–	–	–	–	–	–	1	–	104.01
Class C US\$ Accumulating	–	–	–	–	–	–	1	–	104.94
Class C US\$ Distributing (M)	–	–	–	–	–	–	1	–	103.90
Class F US\$ Accumulating	–	–	–	–	–	–	1	–	108.99
Class F US\$ Distributing (M)	–	–	–	–	–	–	1	–	104.05
Class X GBP Distributing (M) (Hedged)	–	–	–	372	3	82.95	2,926	19	98.87
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
Premier Class GBP Distributing (M) (Hedged)	–	–	–	16,686	140	85.51	48,819	310	101.92
Premier (PF) Class US\$ Accumulating	–	–	–	1,302	13	99.37	2,949	26	112.71
Premier (PF) Class GBP Accumulating (Hedged)	–	–	–	1,301	9	100.62	1,621	9	113.99
Premier (PF) Class GBP Distributing (M) (Hedged)	–	–	–	72	1	89.42	20,300	123	106.50
Legg Mason Western Asset Global Core Plus Bond Fund^Δ									
Class A US\$ Distributing (A)	\$ 52	1	99.32	\$ 13	–	99.08	\$ –	–	–
Class A US\$ Distributing (D)	2,617	23	115.41	2,725	24	115.37	76	1	118.37
Class X US\$ Accumulating	178	2	102.05	203	2	100.15	176	2	101.07
Premier Class US\$ Accumulating	166,738	1,223	136.38	178,688	1,339	133.44	99,048	738	134.26
Premier Class Euro Accumulating (Hedged)	45,622	404	106.64	44,170	383	105.97	16,549	138	107.25
Premier Class JPY Accumulating (Hedged)	–	–	–	–	–	–	1,388	15	10,812.64
LM Class AUD Distributing (Q) (Hedged)	16	–	101.27	–	–	–	–	–	–
Legg Mason Western Asset Global Credit Fund									
Class A US\$ Accumulating	\$ 500	4	121.77	\$ 458	4	113.20	\$ 561	5	117.65
Class A US\$ Distributing (D)	612	6	108.10	2,097	20	102.63	2,531	23	109.26
Class A Euro Accumulating (Hedged)	678	5	118.29	1,023	8	111.72	1,339	10	116.87
Class X US\$ Distributing (D)	1	–	100.76	–	–	–	–	–	–
Premier Class US\$ Accumulating	765	6	122.10	833	7	112.55	858	7	115.99
LM Class US\$ Accumulating	67,101	494	135.92	64,646	518	124.85	94,818	740	128.21
Legg Mason Western Asset Euro High Yield Fund									
Class A Euro Distributing (D)	€ 228	2	104.38	€ 130	1	96.59	€ 31	–	104.12
LM Class Euro Accumulating	85,836	537	159.84	78,314	557	140.72	78,765	550	143.11
LM Class Euro Distributing (Q)	10,242	97	105.24	8,604	88	97.57	9,780	93	105.26
Legg Mason Western Asset Macro Opportunities Bond Fund^Δ									
Class A US\$ Accumulating	\$ 878,342	7,390	118.85	\$ 906,888	8,696	104.29	\$ 705,180	6,357	110.93
Class A US\$ Distributing (M) Plus (e)	197,876	1,989	99.49	122,586	1,351	90.71	57,627	570	101.15
Class A US\$ Distributing (S)	98,945	947	104.52	91,231	968	94.29	119,463	1,158	103.15
Class A AUD Distributing (M) (Hedged) Plus (e)	8,374	108	101.10	6,462	99	91.42	–	–	–
Class A CHF Accumulating (Hedged)	36,065	323	112.19	27,447	272	100.59	23,221	204	108.28
Class A CNH Accumulating (Hedged)	3,066	179	117.34	2,962	194	100.11	101	6	102.51
Class A CNH Distributing (M) (Hedged) Plus (e)	1,122	72	107.13	2,882	199	95.05	98	6	101.91
Class A Euro Accumulating (Hedged)	417,936	3,455	114.20	300,653	2,713	101.88	295,582	2,429	108.75
Class A Euro Distributing (A)	3,067	28	105.04	1,059	11	92.45	–	–	–
Class A Euro Distributing (S) (Hedged)	800	7	106.29	–	–	–	–	–	–
Class A GBP Accumulating	716	4	137.99	124	1	107.78	2	–	103.44
Class A GBP Accumulating (Hedged)	28,135	196	115.76	27,148	190	102.48	17,874	106	108.91
Class A GBP Distributing (M) (Hedged) Plus (e)	1,461	12	98.53	–	–	–	–	–	–
Class A SEK Accumulating (Hedged)	48,330	4,167	104.69	39,987	3,655	93.68	–	–	–
Class A SGD Accumulating (Hedged)	20,597	24,784	1.16	21,481	29,497	1.02	21,823	27,529	1.08
Class A SGD Distributing (M) (Hedged) Plus (e)	23,333	32,654	1.00	3,364	5,170	0.91	101	136	1.01
Class B US\$ Accumulating	1,565	14	108.45	1,241	13	95.40	629	6	101.91
Class C US\$ Accumulating	34,903	319	109.53	29,115	301	96.59	50,071	485	103.27
Class C US\$ Distributing (S)	8,898	86	103.43	9,717	104	93.31	6,917	68	102.07
Class E US\$ Accumulating	25,162	232	108.59	24,134	252	95.85	19,195	187	102.58
Class E US\$ Distributing (S)	3,670	36	103.14	1,769	19	93.06	300	3	101.78
Class E Euro Accumulating (Hedged)	4,246	38	105.59	3,790	37	94.80	2,720	24	101.81
Class F US\$ Accumulating	79,506	717	110.95	58,810	607	96.96	52,018	506	102.73
Class F US\$ Distributing (S)	16,141	152	105.90	4,297	45	95.53	495	5	104.21
Class X US\$ Accumulating	180,275	1,540	117.03	123,425	1,208	102.18	87,876	813	108.15
Class X US\$ Distributing (M) Plus (e)	5,725	56	102.59	436	5	93.07	–	–	–
Class X US\$ Distributing (S)	26,775	257	104.19	6,638	71	93.99	75	1	101.53
Class X CHF Accumulating (Hedged)	32,855	292	112.96	17,103	169	100.76	5,173	46	107.95
Class X Euro Accumulating	12,073	81	140.29	17,036	131	119.35	12,896	94	122.95
Class X Euro Accumulating (Hedged)	142,760	1,161	116.09	82,833	739	102.97	75,529	618	109.27
Class X Euro Distributing (A) (Hedged)	12,059	113	100.37	–	–	–	–	–	–
Class X Euro Distributing (M) (Hedged)	838	8	102.87	–	–	–	–	–	–
Class X GBP Accumulating	4,892	28	139.75	4,308	28	108.73	26	–	103.71
Class X GBP Accumulating (Hedged)	132,258	905	117.75	76,723	531	103.78	66,834	395	109.60
Class X GBP Distributing (M) (Hedged) Plus (e)	778	6	102.46	350	3	93.78	–	–	–
Class X SGD Accumulating (Hedged)	626	743	1.18	650	885	1.03	1,097	1,378	1.08
Premier Class US\$ Accumulating	290,004	2,390	121.36	334,731	3,164	105.80	227,997	2,039	111.81
Premier Class US\$ Distributing (S)	23,920	230	103.96	26,715	285	93.78	4,986	49	101.20
Premier Class AUD Distributing (S) (Hedged)	33,995	416	106.63	12,277	180	95.33	–	–	–
Premier Class CHF Accumulating (Hedged)	20,841	195	107.18	10,927	114	95.47	2,339	22	102.09
Premier Class CHF Distributing (S) (Hedged)	4,999	48	103.90	2,854	30	95.04	–	–	–
Premier Class Euro Accumulating	6,651	43	144.83	8,756	66	121.90	14,521	104	125.19
Premier Class Euro Accumulating (Hedged)	756,636	6,305	113.28	848,798	7,772	100.39	855,659	7,178	106.52
Premier Class Euro Distributing (A)	29,370	278	99.85	–	–	–	–	–	–
Premier Class Euro Distributing (S) (Hedged)	21,619	195	104.75	8,589	83	95.27	–	–	–
Premier Class GBP Accumulating (Hedged)	193,786	1,421	109.91	139,028	1,033	96.66	79,306	504	101.96
Premier Class GBP Distributing (M) (Hedged) Plus (e)	147,846	1,197	99.52	91,334	721	91.00	44,799	288	100.65
Premier Class JPY Accumulating (Hedged)	18,692	200	104.99.99	–	–	–	–	–	–
Premier Class SEK Accumulating (Hedged)	4,875	416	105.74	5,422	494	94.02	–	–	–
S Class US\$ Accumulating	35,697	290	122.93	37,906	355	106.75	100,081	891	112.36
S Class Euro Accumulating (Hedged)	254,329	1,990	120.65	292,604	2,526	106.50	328,451	2,610	112.43
LM Class US\$ Accumulating	377	3	110.04	–	–	–	–	–	–
LM Class AUD Distributing (S) (Hedged)	17	–	101.93	–	–	–	–	–	–
LM Class Euro Accumulating	1,970	16	118.01	–	–	–	–	–	–
Premier Class BRL Accumulating (Hedged)	81,131	2,052	123.01	17,521	718	97.99	–	–	–
Legg Mason Western Asset EM Local Currency Debt Fund^Δ									
Class A US\$ Distributing (D)	\$ 1	–	107.41	\$ 1	–	100.74	\$ –	–	–
Premier Class US\$ Accumulating	141,609	1,229	115.20	77,523	763	101.60	–	–	–
Legg Mason Western Asset Multi-Asset Credit Fund^Δ									
Class A US\$ Accumulating	\$ 23	–	102.19	\$ –	–	–	\$ –	–	–
Class A US\$ Distributing (M) Plus (e)	56	1	103.43	10	–	98.24	–	–	–
Class A Euro Accumulating (Hedged)	33	–	101.26	–	–	–	–	–	–
Class C US\$ Accumulating	1	–	102.22	–	–	–	–	–	–
Class E US\$ Accumulating	1	–	102.22	–	–	–	–	–	–
Class F US\$ Accumulating	1	–	102.68	–	–	–	–	–	–
Class X US\$ Distributing (M) Plus (e)	695	7	103.33	–	–	–	–	–	–

The accompanying notes are an integral part of the Financial Statements

Statement of Financial Position – (continued)

	February 28, 2017			February 29, 2016			February 28, 2015		
	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 Multi-Asset Credit Fund[^]									
(continued)									
Class X CHF Distributing (M) (Hedged)	\$ 3,492	35	100.44	\$ –	–	–	\$ –	–	–
Class X Euro Distributing (A) (Hedged) Plus (e)	2,171	20	100.45	–	–	–	–	–	–
LM Class GBP Accumulating (Hedged)	166,214	1,206	111.07	166,545	1,206	99.21	–	–	–
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund[^]									
Class A US\$ Distributing (M) Plus (e)	\$ 1,001	10	97.36	\$ 986	10	98.38	\$ –	–	–
Class A Euro Accumulating (Hedged)	960	9	98.43	986	9	98.56	–	–	–
Class A Euro Distributing (A) (Hedged)	960	9	98.26	987	9	98.56	–	–	–
Class X Euro Distributing (A) (Hedged)	11	–	98.94	–	–	–	–	–	–
Class X GBP Distributing (M) (Hedged) Plus (e)	92	1	97.82	–	–	–	–	–	–
Premier Class US\$ Accumulating	1,009	10	100.94	988	10	98.76	–	–	–
Premier Class Euro Accumulating (Hedged)	968	9	99.29	988	9	98.67	–	–	–
Premier Class JPY Accumulating (Hedged)	5,315	60	9,952.79	–	–	–	–	–	–
Premier Class JPY Distributing (S) (Hedged)	43,988	495	9,979.83	–	–	–	–	–	–
S Class US\$ Distributing (M) Plus (e)	626	6	99.80	–	–	–	–	–	–
S Class GBP Distributing (M) (Hedged) Plus (e)	5,370	43	99.73	–	–	–	–	–	–
LM Class US\$ Accumulating	30,080	298	101.11	–	–	–	–	–	–
Legg Mason Western Asset Structured Opportunities Fund[^]									
Premier Class US\$ Accumulating	\$ 37,553	346	108.41	\$ –	–	–	\$ –	–	–
Premier Class Euro Accumulating (Hedged)	1,547	14	107.08	–	–	–	–	–	–
LM Class US\$ Accumulating	365,465	3,337	109.52	325,952	3,337	97.68	–	–	–
Legg Mason Western Asset US Mortgage-Backed Securities Fund[^]									
Class A US\$ Distributing (M) Plus (e)	\$ 10	–	96.58	\$ 10	–	100.56	\$ –	–	–
LM Class US\$ Accumulating	785,566	7,788	100.87	786,181	7,788	100.95	–	–	–
Legg Mason Western Asset UK Investment Grade Credit Fund^{^β}									
Class A GBP Accumulating	£ 1	–	102.94	£ –	–	–	£ –	–	–
LM Class GBP Accumulating	65,959	640	103.06	–	–	–	–	–	–
Legg Mason Western Asset US Corporate Bond Fund^{^β}									
Class A US\$ Accumulating	\$ 1	–	102.26	\$ –	–	–	\$ –	–	–
LM Class GBP Accumulating (Hedged)	121,701	960	102.16	–	–	–	–	–	–
Legg Mason Brandywine Global Fixed Income Fund									
Class A US\$ Accumulating	\$ 53,718	379	141.70	\$ 195,851	1,430	136.93	\$ 272,217	1,832	148.57
Class A US\$ Distributing (M)	3,600	36	98.86	2,758	28	97.63	4,308	40	108.12
Class A US\$ Distributing (S)	87,603	720	121.63	87,464	728	120.18	138,335	1,041	132.89
Class A AUD Distributing (M) (Hedged) Plus	642	10	85.19	507	8	85.35	8	–	95.94
Class A Euro Accumulating (Hedged)	82,594	848	91.91	8,837	90	90.45	8,347	75	99.05
Class A Euro Accumulating (Hedged) (AH)	84,638	514	155.32	109,948	676	149.52	159,381	883	161.21
Class A Euro Distributing (A) (Hedged)	518	6	88.43	833	9	88.87	5,494	49	99.64
Class A Euro Distributing (S)	85	1	102.03	–	–	–	–	–	–
Class A Euro Distributing (S) (Hedged) (AH)	25,579	209	115.62	29,618	239	113.81	33,464	239	125.13
Class A GBP Accumulating	–	–	–	1	–	104.08	2	–	101.76
Class A GBP Distributing (M) (Hedged)	372	3	89.86	1	–	89.62	1	–	99.49
Class A GBP Distributing (S) (Hedged) (AH)	10,313	68	121.76	15,403	93	119.29	26,723	133	130.52
Class A SGD Accumulating	1,157	1,579	1.03	985	1,386	1.00	–	–	–
Class B US\$ Accumulating	429	3	130.31	446	4	126.24	819	6	137.31
Class B US\$ Distributing (S)	1,348	11	121.62	2,064	17	120.16	2,108	16	132.85
Class C US\$ Accumulating	2,643	21	127.43	3,814	31	123.75	6,810	50	134.94
Class C US\$ Distributing (S)	8,980	74	121.06	13,264	111	119.62	24,078	182	132.23
Class E US\$ Accumulating	8,352	85	97.78	9,113	96	95.05	14,693	142	103.75
Class E Euro Accumulating (Hedged) (AH)	6,394	53	113.96	11,057	92	110.35	34,183	255	119.72
Class F US\$ Accumulating	1,210	12	98.66	755	8	94.96	1,579	15	102.62
Class F US\$ Distributing (S)	200	2	89.75	597	7	88.67	1,303	13	98.07
Class R US\$ Distributing (S)	127	1	89.66	744	8	88.58	1,206	12	97.97
Class R GBP Distributing (S) (Hedged) (AH)	8,760	70	100.38	2,005	15	98.49	5,728	34	107.63
Class X US\$ Accumulating	3,173	32	98.44	2,310	24	94.64	1,135	11	102.18
Class X US\$ Distributing (S)	10,680	118	90.20	11,633	131	89.11	17,119	174	98.56
Class X Euro Accumulating (Hedged)	46,473	450	97.57	60,812	585	95.56	64,510	553	104.20
Class X Euro Accumulating (Hedged) (AH)	11	–	103.00	12	–	98.60	–	–	–
Class X Euro Distributing (S) (Hedged) (AH)	–	–	–	1	–	97.43	–	–	–
Class X GBP Accumulating	15,278	101	121.76	176	1	104.52	2	–	101.85
Class X GBP Accumulating (Hedged)	5,306	45	94.69	587	5	92.08	78	1	99.59
Class X GBP Accumulating (Hedged) (AH)	810	6	103.62	47	–	98.81	–	–	–
Class X GBP Distributing (S) (Hedged)	2,766	25	88.69	773	6	88.74	2,478	16	98.44
Class X GBP Distributing (S) (Hedged) (AH)	11,417	90	102.73	5,898	42	100.74	2,220	13	110.32
Premier Class US\$ Accumulating	126,600	1,116	113.49	127,483	1,170	108.96	211,402	1,800	117.46
Premier Class US\$ Distributing (S)	37,148	399	93.06	48,048	523	91.93	156,746	1,541	101.70
Premier Class CHF Accumulating (Hedged) (AH)	–	–	–	–	–	–	3,270	27	115.72
Premier Class Euro Accumulating	103,940	666	147.26	119,373	796	137.78	184,506	1,140	144.57
Premier Class Euro Accumulating (Hedged)	82,743	830	94.15	92,775	926	92.06	7,926	71	100.33
Premier Class Euro Accumulating (Hedged) (AH)	50,202	370	128.04	59,641	448	122.43	78,321	534	131.13
Premier Class Euro Distributing (S)	1,694	15	105.33	1,758	16	101.00	–	–	–
Premier Class GBP Distributing (M) (Hedged)	7,446	67	89.20	8,374	68	88.99	15,914	104	98.86
Premier Class GBP Distributing (S) (Hedged) (AH)	18,566	135	110.81	20,555	136	108.63	18,325	100	118.87
Premier Class JPY Accumulating (Hedged) (AH)	–	–	–	–	–	–	1,354	14	11,214.97
LM Class US\$ Accumulating	205	2	120.52	195	2	115.02	209	2	123.25
LM Class US\$ Accumulating (Hedged) (AH)	92,682	873	106.17	86,763	873	99.38	–	–	–
Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^]									
Class A US\$ Accumulating	\$ 36,675	326	112.50	\$ 56,469	528	106.93	\$ 89,346	772	115.81
Class A US\$ Distributing (A)	12,102	121	100.10	12,292	127	96.51	12,685	119	106.44
Class A Euro Accumulating (Hedged)	3,259	30	101.79	3,099	29	98.31	5,204	43	106.92
Class A SEK Accumulating (Hedged)	2,011	188	96.64	1,766	161	93.63	–	–	–
Class B US\$ Distributing (D)	107	1	99.86	182	2	96.57	405	4	106.02
Class C US\$ Accumulating	912	9	100.46	1,741	18	95.96	3,238	31	104.45
Class E US\$ Accumulating	450	4	100.14	849	9	95.75	2,104	20	104.33
Class E US\$ Distributing (A)	1,384	14	101.35	1,666	17	97.69	2,134	20	107.75
Class F US\$ Accumulating	12,581	124	101.58	20,802	216	96.17	34,674	334	103.74
Class F US\$ Distributing (A)	–	–	–	–	–	–	102	1	102.13
Class X GBP Accumulating (Hedged)	2,682	21	101.92	2,934	22	97.30	3,494	22	104.82
Class X GBP Distributing (M) (Hedged)	1,595	13	98.27	216	2	95.80	484	3	105.09
Premier Class US\$ Accumulating	168,793	1,617	104.39	175,323	1,778	98.62	172,305	1,623	106.17
Premier Class US\$ Distributing (A)	5,010	51	98.94	4,733	50	95.39	11,724	112	104.75
Premier Class CHF Accumulating (Hedged)	–	–	–	786	9	92.38	–	–	–
Premier Class Euro Accumulating (Hedged)	91,400	770	112.09	85,623	731	107.61	101,243	778	116.30
Premier Class Euro Distributing (A) (Hedged)	64,563	658	92.59	52,731	535	90.69	62,328	552	100.98
Premier Class GBP Distributing (M) (Hedged)	35,079	296	95.36	96,792	748	93.00	109,856	698	102.02
Premier Class SEK Accumulating (Hedged)	439	41	96.86	743	68	93.24	–	–	–
Premier Class SGD Accumulating (Hedged)	225,000	292,489	1.08	224,124	308,996	1.02	247,734	309,571	1.09

The accompanying notes are an integral part of the Financial Statements

Statement of Financial Position – (continued)

	February 28, 2017			February 29, 2016			February 28, 2015		
	Total NAV (000's)	No. Shares (000's)	NAV/Share:	Total NAV (000's)	No. Shares (000's)	NAV/Share:	Total NAV (000's)	No. Shares (000's)	NAV/Share:
Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^] (continued)									
LM Class US\$ Accumulating	\$ 356,407	3,392	105.07	\$ 268,948	2,734	98.39	\$ 123,817	1,180	104.97
LM Class AUD Accumulating (Hedged)	91,027	889	133.58	139,098	1,574	123.84	131,666	1,298	129.86
LM Class Euro Accumulating (Hedged)	15,062	126	112.63	219,637	1,871	107.93	11,073	86	115.61
LM Class GBP Accumulating (Hedged)	48,554	371	105.59	22,217	160	99.76	–	–	–
Legg Mason Brandywine Global High Yield Fund[^]									
Class A US\$ Accumulating	\$ 4,769	46	103.94	\$ –	–	–	\$ 438	4	107.50
Class A US\$ Distributing (D)	18,114	176	102.92	–	–	–	–	–	–
Class F US\$ Distributing (D)	1	–	102.90	–	–	–	–	–	–
Premier Class US\$ Accumulating	8,081	65	123.47	8,743	83	105.15	10,050	88	113.87
Premier Class Euro Accumulating (Hedged) (AH)	547	4	125.91	4,378	37	107.99	4,509	35	116.46
Premier Class GBP Accumulating (Hedged) (AH)	19	–	128.15	4,285	28	109.62	5,098	28	117.56
LM Class US\$ Accumulating	75,320	720	104.61	–	–	–	–	–	–
S Class CAD Accumulating (Hedged) (AH)	8,072	90	119.13	6,711	90	100.88	–	–	–
Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^]									
Class A US\$ Accumulating	\$ 28,920	260	111.44	\$ 27,773	262	105.95	\$ 46,844	404	115.87
Class A US\$ Distributing (M)	14,662	135	108.61	16,095	153	105.54	16,049	136	117.83
Class A Euro Accumulating (Hedged)	–	–	–	203	2	94.02	137	1	103.83
Class C US\$ Accumulating	684	7	104.63	783	8	99.97	1,160	11	109.87
Class E US\$ Accumulating	1,333	13	102.99	412	4	98.50	1,248	12	108.37
Class F US\$ Accumulating	1,322	14	95.27	685	8	90.22	2,552	26	98.27
Class F US\$ Distributing (M)	351	4	93.10	260	3	90.47	581	6	101.01
Class X US\$ Accumulating	1	–	98.98	–	–	–	–	–	–
Class X Euro Accumulating (Hedged)	565	5	98.63	601	6	95.00	1,046	9	104.40
Class X GBP Distributing (M) (Hedged) (AH)	–	–	–	1	–	96.39	–	–	–
Class X GBP Distributing (M) (Hedged)	2	–	90.46	1	–	88.78	2	–	99.35
Premier Class US\$ Accumulating	149,502	1,315	113.72	122,248	1,138	107.41	38,096	326	116.71
Premier Class US\$ Accumulating (Hedged) (AH)	9,878	94	105.36	1,956	20	97.74	–	–	–
Premier Class US\$ Distributing (M)	32	–	94.68	7,305	79	92.01	15,127	147	102.71
Premier Class Euro Accumulating (Hedged) (AH)	5,450	47	110.53	5,508	49	103.98	6,502	52	112.24
Premier Class GBP Accumulating (Hedged)	–	–	–	–	–	–	6,633	43	100.03
Premier Class GBP Distributing (M) (Hedged) (AH)	1,296	10	102.52	77	–	111.32	15,512	82	123.02
Premier Class NZD Accumulating (Hedged) (AH)	23,284	228	141.62	12,421	145	129.63	12,194	119	135.91
LM Class US\$ Accumulating	108,327	1,066	101.60	226,227	2,373	95.35	–	–	–
LM Class Euro Accumulating	7,137	62	108.33	–	–	–	–	–	–
LM Class NZD Accumulating (Hedged) (AH)	152,753	1,321	160.55	126,515	1,315	146.03	141,680	1,232	152.08
Legg Mason Brandywine Global Sovereign Credit Fund[^]									
Class A US\$ Accumulating	\$ 1	–	95.40	\$ –	–	–	\$ –	–	–
BW LM Class GBP Accumulating (Hedged) (AH)#	1,163,164	7,062	132.75	1,129,415	7,062	114.91	1,271,197	6,864	119.95
BW LM Class GBP Distributing (S) (Hedged) (AH)#	609,772	4,280	114.82	597,464	4,148	103.50	110,092	629	113.37
BW Premier Class Euro Accumulating (Hedged) (AH)#	27,051	253	101.13	–	–	–	–	–	–
BW Premier Class GBP Accumulating (Hedged) (AH)#	358,425	2,048	141.02	297,410	1,744	122.49	394,694	1,993	128.31
BW Premier Class GBP Distributing (S) (Hedged) (AH)#	397,223	2,781	115.11	289,514	2,004	103.80	252,794	1,441	113.67
BW Premier Class US\$ Accumulating#	1	–	111.53	1	–	104.69	1	–	117.16
Class X US\$ Accumulating	1	–	97.43	–	–	–	–	–	–
Premier Class US\$ Accumulating	1	–	95.82	–	–	–	–	–	–
Legg Mason Brandywine Global Income Optimiser Fund[^]									
Class A US\$ Accumulating	\$ 723	6	117.67	\$ 5	–	104.92	\$ 28	–	109.46
Class A US\$ Distributing (D)	–	–	–	–	–	–	1	–	101.18
Class A US\$ Distributing (M) Plus (e)	4,990	51	97.76	1,175	13	91.46	1,413	14	99.45
Class A Euro Accumulating (Hedged)	1,175	2	100.74	–	–	–	–	–	–
Class A Euro Distributing (A) (Hedged)	8,457	77	103.34	1	–	95.86	–	–	–
Class A Euro Distributing (M) (Hedged) Plus (e)	13,608	134	95.64	9,870	100	90.91	6,626	60	99.30
Class A GBP Distributing (M) (Hedged) Plus (e)	848	7	97.34	694	5	91.65	2,764	18	99.50
Class A SGD Distributing (M) (Hedged) Plus	1,711	2,272	1.06	35	49	0.99	–	–	–
Class C US\$ Accumulating	–	–	–	24	–	95.07	260	3	99.68
Class C US\$ Distributing (D)	31	–	102.81	28	–	94.67	30	–	101.43
Class X US\$ Distributing (D)	–	–	–	–	–	–	1,223	12	102.71
Class X US\$ Distributing (M) Plus (e)	1,720	17	99.02	2,604	28	92.08	2,650	27	99.52
Class X Euro Distributing (M) (Hedged) Plus (e)	1,299	13	97.31	2,011	20	91.97	1,853	17	99.88
Class X GBP Distributing (M) (Hedged) Plus (e)	8,415	68	99.31	12,620	98	92.95	12,775	82	100.31
Premier Class US\$ Distributing (M) Plus (e)	467	5	100.44	177	2	93.26	365	4	100.67
Premier Class Euro Accumulating (Hedged)	1,207	11	107.90	476	5	97.02	459	4	100.93
Premier Class Euro Distributing (M) (Hedged) Plus (e)	5,157	50	98.04	2,194	22	92.49	1,237	11	100.27
Premier Class GBP Distributing (M) (Hedged) Plus (e)	3	–	99.18	45	–	92.67	49	–	99.86
Premier Class SEK Accumulating (Hedged)	37,859	3,166	107.93	6,587	580	97.22	5,172	425	101.36
LM Class US\$ Accumulating	–	–	–	–	–	–	40,564	369	110.04
Legg Mason Brandywine Global Credit Opportunities Fund[^]									
Class A US\$ Accumulating	\$ 8,819	86	102.21	\$ 13,031	141	92.53	\$ 15,640	152	102.58
Class A Euro Accumulating (Hedged)	5	–	100.25	310	3	95.72	–	–	–
Class X GBP Distributing (M) (Hedged) Plus (e)	–	–	–	–	–	–	1,741	11	98.73
Premier Class US\$ Accumulating	34,525	332	103.99	39,119	418	93.55	5,202	50	103.03
Premier Class US\$ Distributing (A)	156	2	102.39	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)	373	3	101.34	379	3	91.65	464	3	100.90
Premier Class GBP Distributing (M) (Hedged)	–	–	–	6,879	54	91.93	–	–	–
S Class US\$ Accumulating	–	–	–	–	–	–	9,159	89	103.30
LM Class US\$ Accumulating	16,338	153	106.99	14,529	153	95.14	17,890	173	103.59
Legg Mason Brandywine Global Dynamic US Equity Fund[^]									
Class A US\$ Accumulating	\$ 56	1	111.87	\$ 47	1	93.88	\$ –	–	–
Premier Class US\$ Accumulating	566	5	113.11	470	5	94.02	–	–	–
S Class Euro Accumulating (Hedged)	1,582	13	111.93	1,367	13	94.14	–	–	–
Legg Mason Western Asset Brazil Equity Fund[^]									
Class A US\$ Distributing (A)	\$ –	–	–	\$ –	–	–	\$ 44	1	48.60
LM Class US\$ Accumulating	–	–	–	–	–	–	2,683	50	53.67
Legg Mason ClearBridge Value Fund									
Class A US\$ Accumulating	\$ 26,357	255	103.37	\$ 45,008	560	80.33	\$ 94,762	1,000	94.73
Class A US\$ Distributing (A)	36,836	188	196.41	45,037	295	152.64	70,211	390	179.98
Class A Euro Accumulating	3,825	29	123.72	2,942	29	93.62	4,877	41	107.33
Class A Euro Distributing (A) (Hedged)	41	–	109.86	33	–	86.70	23	–	102.39
Class A GBP Distributing (A)	28	–	149.77	21	–	103.77	59	–	110.10
Class A SGD Accumulating	3,279	5,108	0.90	3,495	7,002	0.70	5,839	9,919	0.80
Class A SGD Accumulating (Hedged)	439	358	1.72	839	881	1.34	4,189	3,630	1.57
Class B US\$ Accumulating	116	1	110.64	145	2	86.42	10	–	102.41
Class B US\$ Distributing (A)	59	–	184.12	61	–	143.80	346	2	170.39
Class C US\$ Accumulating	1,682	16	107.31	938	11	83.81	1,205	12	99.32
Class C US\$ Distributing (A)	3,650	20	182.66	3,607	25	142.66	5,109	30	169.06
Class E US\$ Accumulating	274	2	111.37	–	–	–	–	–	–
Class F US\$ Accumulating	115	1	198.91	2	–	153.42	2	–	179.54
Class F US\$ Distributing (A)	24	–	110.98	35	–	162.04	2	–	189.84

The accompanying notes are an integral part of the Financial Statements

Statement of Financial Position – (continued)

	February 28, 2017			February 29, 2016			February 28, 2015		
	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 Value Fund (continued)									
Class X US\$ Distributing (A)	\$ 2,112	15	138.77	\$ 1,634	15	107.20	\$ 1,974	16	125.56
Premier Class US\$ Accumulating	242,065	1,374	176.15	168,066	1,240	135.50	176,762	1,118	158.15
Premier Class US\$ Distributing (A)	74	1	124.08	285	3	95.87	449	4	112.18
Premier Class Euro Accumulating	1,277	8	153.59	1,087	9	115.07	1,162	8	130.56
Galleon Class	26	–	132.37	20	–	102.27	24	–	119.66
Legg Mason ClearBridge Growth Fund									
Class A US\$ Accumulating	\$ 1,013	9	108.51	\$ 1,228	13	91.08	\$ 1,823	17	104.24
Class A US\$ Distributing (A)	2,119	16	133.13	2,602	23	112.30	3,852	30	128.97
Class A Euro Accumulating	99	1	151.43	135	1	123.74	167	1	137.63
Class B US\$ Accumulating	–	–	–	–	–	–	8	–	98.82
Class B US\$ Distributing (A)	42	–	124.65	112	1	105.67	216	2	121.97
Class C US\$ Accumulating	62	1	91.02	81	1	76.79	93	1	88.32
Class C US\$ Distributing (A)	1,793	15	123.65	2,049	20	104.82	1,781	15	120.99
Legg Mason ClearBridge Global Equity Fund^A									
Class A US\$ Accumulating	\$ 1,435	14	101.77	\$ 1,817	22	83.81	\$ 1,878	18	103.20
Class A US\$ Distributing (A)	1,871	17	113.16	2,007	21	93.79	2,243	19	116.24
Class B US\$ Accumulating	–	–	–	–	–	–	26	–	101.62
Class C US\$ Accumulating	109	1	100.50	340	4	83.17	648	6	102.93
Class C US\$ Distributing (A)	288	3	110.67	505	6	91.69	198	2	113.53
Premier Class US\$ Accumulating	14,524	137	106.36	–	–	–	–	–	–
LM Class US\$ Accumulating	1	–	107.82	–	–	–	–	–	–
Legg Mason ClearBridge Global Equity Income Fund^A									
Class A US\$ Accumulating	\$ 604	6	98.75	\$ 508	6	83.18	\$ 571	6	97.74
Class A US\$ Distributing (M) Plus	27	–	98.94	24	–	85.87	10	–	103.97
Class A US\$ Distributing (M) Plus (e)	494	5	91.42	416	5	79.86	489	5	96.97
Class A US\$ Distributing (Q)	493	5	95.40	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)	415	4	96.21	348	4	82.76	483	4	97.69
Class A Euro Distributing (M) (Hedged) Plus (e)	401	4	88.99	354	4	79.42	423	4	96.90
Premier Class US\$ Distributing (M) Plus (e)	504	5	93.36	421	5	80.86	491	5	97.36
Premier Class Euro Accumulating (Hedged)	402	4	98.25	353	4	83.81	424	4	98.09
Premier Class Euro Distributing (M) (Hedged) Plus (e)	402	4	90.87	352	4	80.42	424	4	97.30
LM Class US\$ Accumulating	873	9	100.42	732	9	84.19	853	9	98.15
Legg Mason ClearBridge US Appreciation Fund									
Class A US\$ Accumulating	\$ 54,337	311	174.82	\$ 61,936	419	147.72	\$ 76,627	487	157.48
Class A US\$ Distributing (A)	32,519	186	174.68	64,781	439	147.60	71,560	455	157.36
Class A Euro Accumulating	23,250	91	241.75	20,287	94	198.93	42,677	185	206.20
Class B US\$ Accumulating	2,151	13	162.45	2,270	16	137.95	3,077	21	147.81
Class B US\$ Distributing (A)	1,358	8	166.39	1,508	11	141.30	1,981	13	151.39
Class C US\$ Accumulating	19,613	121	162.51	20,504	149	138.01	24,854	168	147.86
Class C US\$ Distributing (A)	34,900	210	166.39	34,326	243	141.30	36,891	244	151.39
Class E US\$ Accumulating	17,110	89	191.33	19,271	118	162.88	28,761	164	174.96
Class E US\$ Distributing (A)	1,716	9	191.43	2,272	14	162.98	2,946	17	175.06
Class F US\$ Accumulating	7,490	47	158.64	3,707	28	133.25	2,568	18	141.20
Class F US\$ Distributing (A)	2,726	13	213.40	2,359	13	179.81	1,704	9	191.04
Class X US\$ Distributing (A)	16,452	119	137.97	9,574	82	116.25	8,772	71	123.51
Class X Euro Accumulating	596	3	178.57	577	4	145.99	1,080	6	150.33
Premier Class US\$ Accumulating	10,242	48	213.86	8,867	50	178.97	20,403	108	188.94
Premier Class US\$ Distributing (A)	3,242	13	257.86	3,060	14	217.27	3,369	15	230.80
Premier Class Euro Accumulating	24,070	90	253.11	20,143	90	206.27	12,368	52	211.57
LM Class US\$ Accumulating	1,082	10	113.44	–	–	–	–	–	–
LM Class Euro Accumulating	3,691	29	121.78	–	–	–	–	–	–
Class A (G) US\$ Accumulating	5,279	29	179.95	6,016	40	151.53	7,601	47	160.98
Class B (G) US\$ Accumulating	13	–	171.26	11	–	144.94	36	–	154.77
Class L (G) US\$ Accumulating	3,918	23	171.32	5,147	36	144.99	6,127	40	154.80
Class GA US\$ Accumulating	3,342	18	182.31	3,065	20	153.77	4,831	30	163.64
Class GA Euro Accumulating	447	2	247.46	432	2	203.21	499	2	210.21
Class GA Euro Distributing (A)	594	2	246.63	549	2	202.59	684	3	209.64
Class GE US\$ Accumulating	192	1	174.66	202	1	148.43	505	3	159.14
Class GE Euro Accumulating	40	–	236.84	34	–	196.01	97	–	204.04
Class GP US\$ Accumulating	6	–	197.77	5	–	164.43	6	–	172.53
Legg Mason ClearBridge US Large Cap Growth Fund									
Class A US\$ Accumulating	\$148,752	702	211.78	\$ 80,220	456	175.87	\$ 41,737	230	181.16
Class A US\$ Distributing (A)	47,788	226	211.85	33,838	192	175.92	18,953	105	181.22
Class A Euro Accumulating	40,567	119	321.42	3,788	13	259.87	3,947	14	260.65
Class A Euro Accumulating (Hedged)	6,736	52	122.47	7,802	69	103.61	–	–	–
Class A Euro Distributing (A)	3	–	113.81	6	–	119.49	3	–	119.29
Class B US\$ Accumulating	655	3	198.61	910	5	165.75	972	6	171.62
Class B US\$ Distributing (A)	221	1	201.65	171	1	168.29	976	6	174.23
Class C US\$ Accumulating	12,637	64	198.68	17,643	106	165.81	9,850	57	171.67
Class C US\$ Distributing (A)	29,379	146	201.69	33,899	201	168.32	32,577	187	174.26
Class E US\$ Accumulating	12,943	108	119.41	3,791	38	99.90	–	–	–
Class E US\$ Distributing (A)	4,765	41	115.81	4,265	44	96.89	–	–	–
Class F US\$ Accumulating	37,869	339	111.73	–	–	–	–	–	–
Class F US\$ Distributing (A)	12,555	113	111.49	715	8	92.03	–	–	–
Class X US\$ Accumulating	14,647	117	124.91	4,351	42	103.08	–	–	–
Class X Euro Accumulating	359	3	113.91	–	–	–	–	–	–
Class X Euro Accumulating (Hedged)	5,410	48	107.21	–	–	–	–	–	–
Class X Euro Distributing (A) (Hedged)	4,848	40	114.40	–	–	–	–	–	–
Class X GBP Accumulating	179	1	135.43	1	–	99.66	–	–	–
Premier Class US\$ Accumulating	72,178	558	129.30	60,089	565	106.33	13,247	122	108.48
Premier Class Euro Accumulating	143	1	115.26	–	–	–	–	–	–
Premier Class Euro Accumulating (Hedged)	1	–	116.82	–	–	–	–	–	–
Premier Class GBP Accumulating	1,973	12	135.01	250	2	98.92	–	–	–
LM Class US\$ Accumulating	245	2	115.86	–	–	–	–	–	–
LM Class Euro Accumulating	870	7	124.36	–	–	–	–	–	–
Class A (G) US\$ Accumulating	8,652	40	217.48	8,789	49	179.96	10,382	56	184.74
Class B (G) US\$ Accumulating	7	–	207.01	6	–	172.18	49	–	177.61
Class L (G) US\$ Accumulating	8,252	40	207.02	8,836	51	172.17	9,534	54	177.62
Class GA US\$ Accumulating	1,835	7	259.95	2,564	12	215.48	2,820	13	221.57
Class GA Euro Accumulating	194	1	313.01	161	1	252.67	166	1	252.57
Class GA Euro Distributing (A)	–	–	–	–	–	–	10	–	253.56
Class GE US\$ Distributing (A)	43	–	247.60	36	–	206.78	37	–	214.23
Class GE Euro Accumulating	9	–	299.86	22	–	242.50	46	–	244.41
Legg Mason ClearBridge US Aggressive Growth Fund									
Class A US\$ Accumulating	\$472,346	2,568	183.93	\$749,904	5,109	146.79	\$1,248,459	6,967	179.19
Class A US\$ Distributing (A)	131,315	714	183.97	176,626	1,203	146.82	296,488	1,654	179.23
Class A AUD Accumulating (Hedged)	17,487	153	149.07	24,720	293	118.35	43,026	384	143.55
Class A CHF Accumulating (Hedged)	117	1	108.35	173	2	88.31	392	3	108.97
Class A CNH Accumulating (Hedged)	39	2	116.84	32	2	90.68	10	1	106.44
Class A Euro Accumulating	57,034	192	280.65	86,115	363	218.14	115,515	398	259.28
Class A Euro Accumulating (Hedged)	5,093	33	144.11	9,219	72	116.90	18,693	117	143.13
Class A Euro Distributing (A) (Hedged)	459	4	104.52	131	1	84.71	22	–	103.50
Class A GBP Accumulating	2,313	13	140.17	801	6	99.63	20	–	109.76

The accompanying notes are an integral part of the Financial Statements

Statement of Financial Position – (continued)

	February 28, 2017			February 29, 2016			February 28, 2015		
	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 A HKD Accumulating	\$ 219	15	110.38	\$ 1	–	88.81	\$ –	–	–
Class A SEK Accumulating (Hedged)	209	12	153.96	31	2	125.49	77	4	154.42
Class A SGD Accumulating (Hedged)	4,590	4,092	1.57	6,138	6,856	1.26	17,860	15,908	1.53
Class B US\$ Accumulating	5,186	28	182.66	5,939	41	146.51	9,882	55	179.74
Class B US\$ Distributing (A)	3,701	21	175.13	3,249	23	140.47	6,947	40	172.33
Class C US\$ Accumulating	24,219	133	182.71	31,789	217	146.54	39,563	220	179.79
Class C US\$ Distributing (A)	49,413	282	175.14	59,950	427	140.47	74,359	431	172.34
Class E US\$ Accumulating	39,660	216	183.59	60,826	412	147.62	85,030	468	181.56
Class E US\$ Distributing (A)	4,708	26	183.62	6,091	41	147.64	4,861	27	181.59
Class F Euro Accumulating (Hedged)	1,090	8	126.46	648	6	103.22	2,913	20	127.11
Class F US\$ Accumulating	50,788	254	199.69	110,796	699	158.42	193,820	1,008	192.23
Class F US\$ Distributing (A)	3,590	18	199.83	8,445	53	158.53	9,039	47	192.36
Class X US\$ Accumulating	61,072	427	142.93	67,149	593	113.33	166,635	1,212	137.45
Class X US\$ Distributing (A)	47,059	296	158.86	41,767	332	125.96	37,652	246	152.77
Class X Euro Accumulating	9,021	55	154.79	31,840	245	119.45	49,750	316	140.83
Class X Euro Accumulating (Hedged)	54	–	116.62	856	8	94.03	3,246	25	114.23
Class X GBP Accumulating	128,468	561	184.43	96,069	529	130.41	80,840	367	142.70
Premier Class US\$ Accumulating	832,505	3,560	233.86	978,128	5,293	184.79	1,494,283	6,691	223.33
Premier Class CHF Accumulating (Hedged)	–	–	–	2,168	26	81.77	–	–	–
Premier Class Euro Accumulating	17,450	64	258.67	34,571	159	199.34	68,278	260	234.22
Premier Class Euro Accumulating (Hedged)	20,507	162	119.65	28,721	275	96.13	83,920	645	116.32
Premier Class Euro Distributing (A)	1,955	8	245.90	4,981	24	189.57	3,248	13	223.24
Premier Class GBP Accumulating	428	3	99.70	–	–	–	–	–	–
Premier Class GBP Accumulating (Hedged)	38,985	267	117.61	3,148	24	94.30	1,586	9	114.13
Premier Class GBP Distributing (A)	378,506	1,344	226.98	367,034	1,648	160.00	329,104	1,223	174.35
LM Class US\$ Accumulating	330	3	121.52	–	–	–	–	–	–
LM Class Euro Accumulating	1,108	8	130.50	–	–	–	–	–	–
Class A (G) US\$ Accumulating	29,432	155	189.77	32,191	213	150.92	57,684	314	183.59
Class B (G) US\$ Accumulating	31	–	180.60	27	–	144.35	466	3	176.48
Class L (G) US\$ Accumulating	13,355	74	180.64	13,308	92	144.38	19,727	112	176.52
Class GA Euro Accumulating	1,355	4	291.99	1,097	4	226.42	1,717	6	268.14
Class GA Euro Distributing (A)	65	–	290.73	86	–	225.72	117	–	267.26
Class GE US\$ Accumulating	55	–	231.09	44	–	185.39	54	–	227.49
Class GE Euro Accumulating	48	–	279.06	42	–	218.04	81	–	260.19
Premier Class PLN Accumulating (Hedged)	675	24	113.45	177	8	89.69	–	–	–
Legg Mason ClearBridge Tactical Dividend Income Fund									
Class A US\$ Accumulating	\$ 17,351	160	108.20	\$ 16,583	184	89.92	\$ 3,951	36	111.20
Class A US\$ Distributing (A)	3,383	35	95.54	1,815	22	81.62	–	–	–
Class A US\$ Distributing (M) Plus	8,340	100	83.37	7,127	99	72.33	18,693	201	93.08
Class A US\$ Distributing (M) Plus (e)	29	–	94.11	26	–	81.72	334	3	105.61
Class A US\$ Distributing (Q)	337	4	93.26	240	3	79.63	–	–	–
Class A AUD Distributing (M) (Hedged) Plus	368	6	82.50	672	13	71.97	621	9	93.17
Class A CNH Distributing (M) (Hedged) Plus	689	55	85.68	2,258	201	73.56	5,447	367	93.41
Class A Euro Accumulating	169	2	100.95	189	2	81.73	–	–	–
Class A Euro Accumulating (Hedged)	10	–	93.69	9	–	79.18	1	–	98.25
Class A Euro Distributing (A) (Hedged)	1	–	91.71	1	–	79.66	1	–	100.80
Class A Euro Distributing (M) (Hedged) Plus (e)	479	5	85.63	308	4	75.63	347	3	98.09
Class A HKD Distributing (M) Plus	2,273	211	83.62	743	79	72.78	507	42	93.44
Class A SGD Distributing (M) (Hedged) Plus	193	323	0.84	54	103	0.73	172	251	0.93
Class B US\$ Accumulating	159	2	97.27	157	2	81.25	–	–	–
Class B US\$ Distributing (A)	154	2	95.12	212	3	81.25	–	–	–
Class B US\$ Distributing (Q)	–	–	–	11	–	78.79	183	2	99.96
Class C US\$ Accumulating	1,821	17	105.66	1,727	20	88.25	797	7	109.68
Class C US\$ Distributing (A)	985	10	95.12	1,343	17	81.25	–	–	–
Class C US\$ Distributing (Q)	523	6	86.57	785	11	73.94	1,083	12	93.80
Class F US\$ Accumulating	30,176	304	99.35	31,531	384	82.07	–	–	–
Class F Euro Accumulating	47	–	102.32	74	1	82.23	–	–	–
Class F Euro Distributing (A)	70	1	98.81	60	1	82.23	–	–	–
Class X US\$ Distributing (M) Plus (e)	31	–	95.91	27	–	82.77	–	–	–
Premier Class US\$ Distributing (M) Plus (e)	22	–	97.55	18	–	83.89	288	3	107.35
Premier Class Euro Accumulating (Hedged)	–	–	–	–	–	–	3,390	30	100.97
LM Class US\$ Accumulating	38	–	115.23	31	–	94.32	2,299	20	114.95
Legg Mason ClearBridge US Equity Sustainability Leaders Fund[^]									
Class A US\$ Distributing (A)	\$ 122	1	118.53	\$ 96	1	96.54	\$ –	–	–
Class A Euro Accumulating (Hedged)	111	1	116.62	94	1	96.52	–	–	–
Class X US\$ Distributing (A)	120	1	119.54	97	1	96.78	–	–	–
Class X Euro Accumulating (Hedged)	111	1	117.62	94	1	96.76	–	–	–
Class X GBP Accumulating	2	–	137.71	1	–	99.39	–	–	–
Premier Class US\$ Distributing (A)	1,637	14	119.94	194	2	96.92	–	–	–
Premier Class Euro Accumulating (Hedged)	224	2	118.20	189	2	96.90	–	–	–
Premier Class GBP Accumulating	240	1	146.46	194	1	105.34	–	–	–
Legg Mason Opportunity Fund									
Class A US\$ Accumulating	\$ 29,619	157	188.48	\$ 51,520	342	150.46	\$ 88,041	451	195.24
Class A US\$ Distributing (A)	5,616	16	360.00	7,432	26	287.37	15,467	41	372.90
Class A Euro Accumulating (Hedged)	162	1	107.30	275	3	87.05	75	1	112.73
Class A GBP Accumulating	–	–	–	24	–	101.06	2	–	118.19
Class A SEK Accumulating (Hedged)	116	8	136.37	32	2	111.35	43	2	145.23
Class X US\$ Accumulating	–	–	–	298	4	80.02	–	–	–
Class X GBP Accumulating	9,945	38	209.49	10,345	50	148.18	12,141	46	172.17
Premier Class US\$ Accumulating	247,110	1,281	192.92	266,154	1,746	152.43	130,585	667	195.78
Premier Class US\$ Distributing (A)	–	–	–	3,274	40	81.85	–	–	–
Premier Class GBP Distributing (A)	17,006	47	294.35	39,876	138	207.39	80,066	216	239.92
Premier Class PLN Accumulating (Hedged)	99	4	103.51	10	1	81.80	–	–	–
Legg Mason Royce US Small Cap Opportunity Fund									
Class A US\$ Accumulating	\$253,234	1,542	164.23	\$168,756	1,469	114.91	\$ 395,196	2,739	144.26
Class A US\$ Distributing (A)	130,437	262	498.78	81,050	232	348.99	143,457	327	438.12
Class A AUD Accumulating (Hedged)	7,629	71	139.80	6,273	90	97.48	15,642	165	121.18
Class A CNH Accumulating (Hedged)	1	–	105.60	65	5	86.14	10	1	104.44
Class A Euro Accumulating	25,973	121	203.13	6,645	44	138.42	19,507	103	168.99
Class A Euro Accumulating (Hedged)	27,338	184	140.22	7,353	68	99.56	4,006	29	125.29
Class A Euro Distributing (A) (Hedged)	1,422	13	107.20	–	–	–	–	–	–
Class A GBP Accumulating (Hedged)	1,241	9	112.74	335	3	80.18	567	4	100.66
Class A GBP Distributing (A)	2,246	9	208.94	1,257	7	130.20	2,719	12	147.41
Class A SEK Accumulating (Hedged)	587	37	143.00	35	3	102.18	31	2	129.42
Class A SGD Accumulating	11,238	9,332	1.69	4,564	5,418	1.18	12,095	11,430	1.44
Class A SGD Accumulating (Hedged)	5,597	4,768	1.64	6,048	7,365	1.15	13,300	12,570	1.44
Class B US\$ Accumulating	714	4	174.79	702	6	122.91	2,036	13	155.08
Class B US\$ Distributing (A)	248	1	467.86	315	1	328.99	567	1	415.10
Class C US\$ Accumulating	6,813	39	175.09	5,223	42	123.12	7,147	46	155.34
Class C US\$ Distributing (A)	8,734	19	464.42	9,065	28	326.57	18,130	44	412.04
Class E US\$ Accumulating	5,461	34	158.80	6,749	60	111.94	11,321	80	141.59
Class E US\$ Distributing (A)	1,059	7	158.77	918	8	111.93	1,177	8	141.57
Class F Euro Accumulating	1,089	5	215.29	407	3	147.72	1,248	6	181.72

The accompanying notes are an integral part of the Financial Statements

Statement of Financial Position – (continued)

	February 28, 2017			February 29, 2016			February 28, 2015		
	Total NAV (000's)	No. Shares (000's)	NAV/Share:	Total NAV (000's)	No. Shares (000's)	NAV/Share:	Total NAV (000's)	No. Shares (000's)	NAV/Share:
Legg Mason Royce US Small Cap Opportunity Fund									
(continued)									
Class E Euro Accumulating (Hedged)	\$ 1,301	10	117.08	\$ 6	–	83.80	\$ 46	–	106.32
Class F US\$ Accumulating	4,904	28	172.29	2,728	23	119.83	16,960	113	149.53
Class F US\$ Distributing (A)	406	2	172.47	1,296	11	119.95	1,776	12	149.69
Class R US\$ Accumulating	409	4	102.86	–	–	–	–	–	–
Class R Euro Accumulating	212	1	154.09	137	1	104.45	165	1	126.83
Class X US\$ Accumulating	111,623	737	151.41	10,913	104	105.15	22,869	175	131.01
Class X US\$ Distributing (A)	29,703	283	104.97	–	–	–	–	–	–
Class X Euro Accumulating (Hedged)	13,194	104	119.34	10,489	115	84.19	158	1	105.15
Class X GBP Accumulating	75,992	309	198.39	60,105	351	122.86	87,357	410	138.00
Class X GBP Distributing (A)	412	2	181.53	575	4	112.72	669	3	126.60
Premier Class US\$ Accumulating	224,410	1,148	195.54	119,680	884	135.33	261,813	1,558	168.03
Premier Class CHF Accumulating (Hedged)	–	–	–	–	–	–	193	2	102.06
Premier Class Euro Accumulating	3,333	12	267.39	7,921	40	180.43	2,547	10	217.80
Premier Class Euro Accumulating (Hedged)	253	2	126.33	154	2	88.77	1,935	17	103.67
Premier Class GBP Accumulating	80,725	352	185.03	20,149	127	114.11	25,609	130	127.77
Legg Mason Royce US Smaller Companies Fund									
Class A US\$ Accumulating	\$ 102,394	666	153.72	\$ 60,023	502	119.68	\$ 108,591	770	141.10
Class A US\$ Distributing (A)	48,687	187	260.53	28,606	141	202.86	46,110	193	239.16
Class A Euro Accumulating	6,714	25	254.17	3,542	17	192.74	22,810	92	221.05
Class A Euro Accumulating (Hedged)	507	4	122.71	125	1	97.18	666	5	114.76
Class A Euro Distributing (A)	19	–	180.25	7	–	137.18	17	–	155.25
Class A Euro Distributing (A) (Hedged)	49	–	107.22	–	–	–	–	–	–
Class A GBP Distributing (A)	85	–	248.35	85	–	172.33	109	–	183.17
Class A SEK Accumulating (Hedged)	76	5	127.57	4	–	101.43	4	–	120.50
Class B US\$ Accumulating	451	3	153.74	468	4	120.29	679	5	142.53
Class B US\$ Distributing (A)	182	1	244.27	347	2	191.18	626	3	226.53
Class C US\$ Accumulating	5,043	33	153.71	5,161	43	120.27	7,678	54	142.50
Class C US\$ Distributing (A)	6,758	28	243.10	7,808	41	190.23	14,472	64	225.40
Class E US\$ Accumulating	2,645	16	167.29	1,518	12	131.23	2,458	16	155.88
Class E US\$ Distributing (A)	424	3	167.26	715	5	131.21	869	6	155.86
Class E Euro Accumulating	1,127	6	169.76	7	–	129.76	23	–	150.26
Class F US\$ Accumulating	1,155	6	184.02	888	6	142.43	1,280	8	166.91
Class F US\$ Distributing (A)	184	1	197.41	138	1	152.80	446	2	179.06
Class R US\$ Accumulating	1,214	11	108.59	1,007	12	84.13	1,196	12	98.69
Class X US\$ Accumulating	10,935	83	132.01	6,851	67	102.03	11,056	93	119.38
Class X US\$ Distributing (A)	7,524	62	120.97	842	9	93.60	679	6	109.53
Premier Class US\$ Accumulating	3,642	19	196.06	3,195	21	150.99	17,499	99	176.06
Premier Class US\$ Distributing (A)	17,366	124	140.27	18,065	166	108.55	42,224	333	126.70
Premier Class GBP Distributing (A)	7,797	35	181.40	11,981	69	125.20	50,482	248	131.81
LM Class US\$ Accumulating	358	3	124.54	–	–	–	–	–	–
LM Class Euro Accumulating	1,145	8	133.78	–	–	–	3,498	15	202.82
Class A (G) US\$ Accumulating	1,424	9	166.54	1,733	13	128.90	2,343	16	151.05
Class L (G) US\$ Accumulating	1,971	12	158.44	1,817	15	123.24	2,352	16	145.16
Premier Class PLN Accumulating (Hedged)	170	6	120.75	31	1	93.00	–	–	–
Legg Mason QS MV European Equity Growth and Income Fund									
Class A US\$ Accumulating	€ 5,352	68	82.82	€ 6,119	84	79.17	€ 7,241	91	88.96
Class A US\$ Accumulating (Hedged)	8,827	81	115.31	28,603	294	105.68	23,218	224	116.04
Class A US\$ Distributing (A)	1,897	12	170.41	1,797	12	166.61	2,544	15	189.84
Class A US\$ Distributing (M) (Hedged) Plus	15,621	159	103.89	48,937	533	99.82	27,511	269	114.50
Class A US\$ Distributing (Q) (Hedged)	1	–	97.78	1	–	91.50	–	–	–
Class A AUD Distributing (M) (Hedged) Plus	10,022	135	102.56	16,028	246	99.32	3,672	46	114.46
Class A CNH Distributing (M) (Hedged) Plus	377	25	109.64	1,172	80	104.52	10	1	118.84
Class A Euro Accumulating	8,207	48	170.45	11,445	72	158.68	23,297	134	173.32
Class A Euro Distributing (A)	2,982	18	163.57	151	1	155.84	332	2	172.73
Class A Euro Distributing (M) Plus	1,029	10	103.66	1,855	18	100.56	1,166	10	114.72
Class A SGD Distributing (M) (Hedged) Plus	290	450	0.96	51	84	0.92	–	–	–
Class B US\$ Accumulating	883	12	78.48	905	13	75.33	1,581	21	85.02
Class B US\$ Distributing (A)	156	1	167.40	278	2	164.26	212	1	188.24
Class C US\$ Accumulating	1,650	22	80.13	2,014	28	77.00	2,216	29	86.90
Class C US\$ Distributing (A)	1,707	11	167.39	2,143	14	163.83	3,174	19	187.11
Class C US\$ Distributing (Q) (Hedged)	19	–	97.50	1	–	91.41	–	–	–
Class E US\$ Accumulating	12	–	91.33	43	1	86.78	1,249	14	101.24
Class E US\$ Accumulating (Hedged)	394	4	96.33	1,489	18	89.02	–	–	–
Class E US\$ Distributing (Q) (Hedged)	1	–	97.49	1	–	91.32	–	–	–
Class F US\$ Accumulating	982	10	99.36	–	–	–	–	–	–
Class F US\$ Distributing (Q) (Hedged)	1	–	97.77	1	–	91.61	–	–	–
Class X Euro Accumulating	1	–	106.43	–	–	–	–	–	–
Premier Class Euro Accumulating	72	1	119.51	35	–	110.13	907	8	119.05
LM Class US\$ Accumulating	378	4	102.31	–	–	–	–	–	–
LM Class Euro Accumulating	3,149	29	109.95	–	–	–	–	–	–
Class A (G) US\$ Accumulating	1,567	20	84.56	2,093	28	80.64	2,708	34	90.31
Class B (G) US\$ Accumulating	1	–	79.97	1	–	76.48	42	1	86.71
Class L (G) US\$ Accumulating	305	4	80.66	481	7	77.42	526	7	87.12
Class GA US\$ Accumulating	1,146	8	145.25	1,093	9	138.47	1,750	13	154.29
Class GA Euro Accumulating	21,085	121	173.58	23,035	143	161.14	32,129	183	175.52
Class GA Euro Distributing (A)	119	1	155.89	113	1	148.55	126	1	164.56
Class GE US\$ Accumulating	68	1	137.85	90	1	132.40	122	1	149.39
Legg Mason QS MV Asia Pacific Ex Japan Equity Growth and Income Fund									
Class A US\$ Accumulating	\$ 8,287	66	125.49	\$ 6,427	62	103.75	\$ 7,692	63	122.05
Class A US\$ Distributing (A)	6,199	27	231.30	12,875	66	195.58	20,165	87	232.77
Class A US\$ Distributing (M) Plus	443	5	96.78	35	–	83.55	10	–	102.69
Class A AUD Distributing (M) (Hedged) Plus	196	3	101.77	84	1	83.24	10	–	103.06
Class A Euro Accumulating	239	2	120.15	351	3	96.72	595	5	110.66
Class A HKD Distributing (M) Plus	11	1	96.73	9	1	83.66	11	1	102.52
Class A SGD Distributing (M) (Hedged) Plus	35	45	1.08	–	–	–	–	–	–
Class B US\$ Accumulating	67	1	88.60	93	1	73.61	153	2	87.03
Class B US\$ Distributing (A)	84	–	225.18	401	2	190.49	602	3	225.39
Class C US\$ Accumulating	213	2	88.57	181	2	73.60	190	2	87.01
Class C US\$ Distributing (A)	3,937	18	224.01	4,781	25	189.48	7,803	35	224.17
Class E US\$ Accumulating	31	–	123.05	25	–	102.62	30	–	121.71
Class E US\$ Distributing (A)	1	–	122.48	1	–	103.76	1	–	122.78
Class F US\$ Accumulating	582	5	108.99	1	–	89.76	1	–	105.00
Class F US\$ Distributing (A)	1	–	101.04	1	–	85.57	1	–	101.82
Class X US\$ Accumulating	1,658	14	121.61	263	3	99.83	–	–	–
Class X US\$ Distributing (A)	–	–	112.92	–	–	–	–	–	–
Premier Class US\$ Accumulating	9,802	93	105.67	–	–	–	–	–	–
Class GA US\$ Accumulating	9,193	73	126.19	9,026	87	104.29	12,145	99	122.49
Class GA Euro Accumulating	288	2	151.49	255	2	121.93	395	3	139.22
Class GA Euro Distributing (A)	28	–	144.54	24	–	119.19	39	–	137.67
Class GE US\$ Accumulating	477	4	120.18	397	4	100.07	502	4	118.42
Class GE Euro Accumulating	13	–	144.67	11	–	117.32	608	4	134.52
Premier Class PLN Accumulating (Hedged)	1,575	55	115.71	94	4	94.95	–	–	–

The accompanying notes are an integral part of the Financial Statements

Statement of Financial Position – (continued)

	February 28, 2017			February 29, 2016			February 28, 2015		
	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 QS Emerging Markets Equity Fund									
Class A US\$ Accumulating	\$ 547	8	67.31	\$ 3,592	63	57.23	\$ 4,685	65	72.41
Class A US\$ Distributing (A)	222	3	73.03	288	5	62.46	430	5	79.30
Class A Euro Accumulating	1	—	106.55	31	—	91.86	40	—	112.99
Class A GBP Distributing (A)	34	—	101.85	29	—	77.66	37	—	88.90
Class B US\$ Accumulating	62	1	71.59	54	1	61.29	73	1	78.07
Class B US\$ Distributing (A)	27	—	71.31	37	1	61.05	70	1	77.77
Class C US\$ Accumulating	85	1	71.60	600	10	61.31	1,229	16	78.10
Class C US\$ Distributing (A)	100	1	71.28	145	2	61.03	267	3	77.74
Class E US\$ Accumulating	159	2	81.60	136	2	70.03	399	4	89.44
Class F US\$ Accumulating	—	—	—	—	—	—	39	—	95.91
Class F US\$ Distributing (A)	—	—	—	1	—	77.33	1	—	98.15
Class X GBP Distributing (A)	1	—	124.17	—	—	—	—	—	—
Premier Class US\$ Accumulating	1	—	93.22	1	—	78.36	1	—	98.09
Premier Class Euro Accumulating	11,315	89	120.48	9,491	88	98.72	11,842	88	120.16
Legg Mason QS MV Global Equity Growth and Income Fund									
Class A US\$ Accumulating	\$ 2,342	16	150.25	\$ 3,166	23	134.82	\$ 3,377	23	144.91
Class A US\$ Distributing (A)	—	—	—	—	—	—	2	—	143.35
Class A US\$ Distributing (M) Plus	3,580	36	99.38	529	6	93.17	—	—	—
Class A AUD Distributing (M) (Hedged) Plus	1,951	26	98.64	9	—	93.11	—	—	—
Class A HKD Distributing (M) Plus	350	27	99.41	22	2	93.47	—	—	—
Class A SGD Distributing (M) (Hedged) Plus	2	3	1.04	—	—	—	—	—	—
Class X US\$ Accumulating	1,311	13	104.81	—	—	—	—	—	—
Class GA US\$ Accumulating	3,833	25	153.50	3,759	27	137.37	4,288	29	147.17
Class GA Euro Accumulating	3,800	17	207.69	3,607	18	181.02	4,354	21	188.52
Class GA Euro Distributing (A)	449	2	200.74	413	2	178.61	483	2	187.22
Class GE US\$ Accumulating	52	—	147.07	71	1	132.61	286	2	143.14
Class GE Euro Accumulating	355	2	198.79	404	2	174.54	674	3	183.24
Legg Mason Martin Currie Australia Equity Income Fund									
Class A AUD Distributing (M) Plus	\$ 85	1	100.92	\$ 5	—	90.23	\$ —	—	—
Class A HKD Distributing (M) (Hedged) Plus	1	—	101.04	—	—	—	—	—	—
LM Class AUD Accumulating	1,118	10	112.34	939	10	94.40	—	—	—
Legg Mason Martin Currie Asia Long-Term Unconstrained Fund[^]Ø									
Class A US\$ Accumulating	\$ 1	—	111.04	\$ —	—	—	\$ —	—	—
Class M Euro Distributing (A)	39,247	2,517	14.71	—	—	—	—	—	—
Class M GBP Distributing (A)	63,343	3,263	15.60	—	—	—	—	—	—
Class M US\$ Distributing (A)	37,683	3,112	12.11	—	—	—	—	—	—
Class E US\$ Accumulating	1	—	110.15	—	—	—	—	—	—
Class F US\$ Accumulating	1	—	111.43	—	—	—	—	—	—
Legg Mason Martin Currie Asia Pacific Fund[^]Ø									
Class A US\$ Distributing (A)	\$ 2,357	195	12.08	\$ —	—	—	\$ —	—	—
Class A Euro Distributing (A)	115	8	13.95	—	—	—	—	—	—
Class X US\$ Distributing (A)	1	—	117.32	—	—	—	—	—	—
Legg Mason Martin Currie European Absolute Alpha Fund[^]Ø									
Class A (PF) Euro Accumulating	€ 632	6	99.19	€ —	—	—	€ —	—	—
Class A (PF) Euro Distributing (A)	18,955	1,494	12.69	—	—	—	—	—	—
Class A (PF) GBP Distributing (A) (Hedged)	982	65	12.93	—	—	—	—	—	—
Class A (PF) NOK Distributing (A) (Hedged)	88	8	94.17	—	—	—	—	—	—
Class A (PF) SGD Accumulating (Hedged)	1	2	1.01	—	—	—	—	—	—
Class A (PF) US\$ Accumulating	1	—	93.56	—	—	—	—	—	—
Class A (PF) US\$ Accumulating (Hedged)	1	—	99.86	—	—	—	—	—	—
Class A (PF) US\$ Distributing (A) (Hedged)	14,818	1,170	13.43	—	—	—	—	—	—
Class E (PF) US\$ Accumulating	1	—	92.82	—	—	—	—	—	—
Class E (PF) US\$ Accumulating (Hedged)	1	—	99.06	—	—	—	—	—	—
Class M (PF) Euro Accumulating	31,308	315	99.28	—	—	—	—	—	—
Class M (PF) Euro Distributing (A)	108,613	8,336	13.03	—	—	—	—	—	—
Class M (PF) GBP Distributing (A) (Hedged)	16,557	1,067	13.23	—	—	—	—	—	—
Class M (PF) NOK Distributing (A) (Hedged)	46	4	95.64	—	—	—	—	—	—
Class M (PF) SEK Distributing (A) (Hedged)	23,446	2,310	97.07	—	—	—	—	—	—
Class M (PF) US\$ Distributing (A) (Hedged)	14,597	1,161	13.33	—	—	—	—	—	—
Class F (PF) US\$ Accumulating	1	—	93.93	—	—	—	—	—	—
Class F (PF) US\$ Accumulating (Hedged)	1	—	100.21	—	—	—	—	—	—
Legg Mason Martin Currie Global Resources Fund[^]Ø									
Class A US\$ Distributing (A)	\$ 9,105	467	19.50	\$ —	—	—	\$ —	—	—
Class A Euro Distributing (A)	140	17	7.77	—	—	—	—	—	—
Class A GBP Distributing (A)	2,459	127	15.56	—	—	—	—	—	—
Class X GBP Distributing (A)	5,740	398	11.60	—	—	—	—	—	—
Premier Class PLN Accumulating (Hedged)	177	7	108.35	—	—	—	—	—	—
Legg Mason Martin Currie Greater China Fund[^]Ø									
Class A US\$ Distributing (A)	\$ 12,993	529	24.54	\$ —	—	—	\$ —	—	—
Class A Euro Distributing (A)	4	1	7.79	—	—	—	—	—	—
Class X US\$ Distributing (A)	1	—	123.73	—	—	—	—	—	—
Legg Mason Martin Currie Japan Absolute Alpha Fund[^]Ø									
Class A (PF) Euro Accumulating (Hedged)	¥ 124	—	104.44	¥ —	—	—	¥ —	—	—
Class A (PF) Euro Distributing (A) (Hedged)	358,231	266	11.33	—	—	—	—	—	—
Class A (PF) GBP Distributing (A) (Hedged)	11,681	7	11.60	—	—	—	—	—	—
Class A (PF) SGD Accumulating (Hedged)	127	2	1.06	—	—	—	—	—	—
Class A (PF) US\$ Accumulating	117	—	104.43	—	—	—	—	—	—
Class A (PF) US\$ Accumulating (Hedged)	118	—	104.83	—	—	—	—	—	—
Class E (PF) US\$ Accumulating	117	—	103.87	—	—	—	—	—	—
Class E (PF) US\$ Accumulating (Hedged)	117	—	104.23	—	—	—	—	—	—
Class M (PF) Euro Distributing (A) (Hedged)	3,036,489	2,217	11.51	—	—	—	—	—	—
Class M (PF) GBP Distributing (A) (Hedged)	100,171	60	11.92	—	—	—	—	—	—
Class M (PF) US\$ Distributing (A) (Hedged)	23,742	18	11.84	—	—	—	—	—	—
Class F (PF) US\$ Accumulating	118	—	104.90	—	—	—	—	—	—
Class F (PF) US\$ Accumulating (Hedged)	118	—	105.31	—	—	—	—	—	—
Legg Mason Martin Currie North American Fund[^]Ø									
Class A US\$ Distributing (A)	\$ 2,726	207	13.19	\$ —	—	—	\$ —	—	—
Class A Euro Distributing (A)	509	38	12.67	—	—	—	—	—	—
Class A GBP Distributing (A)	1,669	127	10.60	—	—	—	—	—	—
Class X GBP Distributing (A)	2	—	131.76	—	—	—	—	—	—
Legg Mason Martin Currie Global Long-Term Unconstrained Fund[^]µ									
Class A US\$ Accumulating	\$ 137	1	109.42	\$ —	—	—	\$ —	—	—
Class A Euro Accumulating	137	1	114.00	—	—	—	—	—	—
Class X Euro Accumulating	165	1	114.58	—	—	—	—	—	—
Class X GBP Accumulating	389	3	117.19	—	—	—	—	—	—
Class X GBP Accumulating (Hedged)	148	1	109.22	—	—	—	—	—	—
Premier Class US\$ Accumulating	165	2	110.23	—	—	—	—	—	—
S Class GBP Accumulating	10,305	70	118.24	—	—	—	—	—	—

The accompanying notes are an integral part of the Financial Statements

Statement of Financial Position – (continued)

	February 28, 2017			February 29, 2016			February 28, 2015		
	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 Martin Currie Asia Pacific Ex Japan Real Income Fund^μ									
Class A US\$ Distributing (M) Plus (e)	\$ 385	4	98.40	\$ –	–	–	\$ –	–	–
Class A AUD Distributing (M) Plus	383	5	94.24	–	–	–	–	–	–
Class A Euro Distributing (M) Plus (e)	384	4	102.60	–	–	–	–	–	–
Class X US\$ Accumulating	362	4	101.69	–	–	–	–	–	–
S Class GBP Accumulating	376	3	109.69	–	–	–	–	–	–
S Class GBP Distributing (M) Plus (e)	376	3	106.63	–	–	–	–	–	–
Legg Mason RARE Infrastructure Value Fund^α									
Class A US\$ Distributing (Q)	€ 1	–	10.52	€–	–	–	€–	–	–
Class A Euro Accumulating	113	11	10.55	–	–	–	–	–	–
Class E US\$ Accumulating	1	–	10.50	–	–	–	–	–	–
Premier Class US\$ Accumulating	233	22	11.02	–	–	–	–	–	–
Premier Class Euro Accumulating	54,030	3,314	16.31	–	–	–	–	–	–
Premier Class GBP Accumulating	800	61	11.20	–	–	–	–	–	–
Premier Class GBP Distributing (A) (Hedged) (PH) Plus (e)	158,072	7,839	17.22	–	–	–	–	–	–

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.

ð Effective April 29, 2016 Legg Mason Western Asset Global Credit Absolute Return Fund^Δ ceased trading.

Ø Effective March 11, 2016 Legg Mason Martin Currie Asia Long-Term Unconstrained Fund^Δ, Legg Mason Martin Currie Asia Pacific Fund^Δ, Legg Mason Martin Currie European Absolute Alpha Fund^Δ, Legg Mason Martin Currie Global Resources Fund^Δ, Legg Mason Martin Currie Greater China Fund^Δ, Legg Mason Martin Currie Japan Absolute Alpha Fund^Δ and Legg Mason Martin Currie North American Fund^Δ commenced trading.

μ Effective June 28, 2016 Legg Mason Martin Currie Global Long-Term Unconstrained Fund^Δ and Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund^Δ commenced trading.

þ Effective November 17, 2016 Legg Mason Western Asset UK Investment Grade Credit Fund^Δ and Legg Mason Western Asset US Corporate Bond Fund^Δ commenced trading.

α Effective December 9, 2016 Legg Mason RARE Infrastructure Value Fund^Δ commenced trading.

Effective August 25, 2016, the following Share Classes of Legg Mason Brandywine Global Sovereign Credit Fund^Δ have changed their names from LM Class and Premier Class to BW LM Class and BW Premier Class respectively.

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 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016
(in 000's)								
INVESTMENT INCOME:								
Gross dividend income and bond interest (Note 2)	\$ 7,533	\$ 3,030	\$ 1,485	\$ 1,238	\$ 21,304	\$ 12,702	€ 1,373	€ 1,089
Interest (Note 2)	—	—	—	—	—	—	—	—
Equalisation (Note 2)	—	—	—	—	—	—	—	—
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	154	11	(667)	199	(112)	2,404	2,195	2,652
Net unrealised gain/(loss) on financial instruments held for trading	—	—	822	(824)	4,827	(14,458)	(1,645)	(3,112)
Total Investment Income/(Loss)	7,687	3,041	1,640	613	26,019	648	1,923	629
EXPENSES:								
Management fees (Note 4)	6,732	6,249	512	423	4,501	2,610	331	245
Performance fees (Note 4)	—	—	—	—	—	—	—	—
Administrator and depositary fees (Note 4)	858	784	41	33	506	292	74	51
Shareholder service fees (Note 4)	—	—	70	57	373	204	5	5
Legal fees	—	11	1	1	5	4	—	1
Audit fees	15	34	19	26	39	37	25	22
Printing fees	—	55	3	3	36	20	5	3
Dividend expense	—	—	—	—	—	—	—	—
Interest expense	—	—	—	—	—	—	—	—
Directors' fees and expenses (Note 4)	6	6	—	—	4	2	2	—
Other expenses	307	304	35	27	205	116	53	32
Total Expenses	7,918	7,443	681	570	5,669	3,285	495	359
Expense waivers and reimbursements/recoupment (Note 4)	(1,165)	(4,710)	(11)	(15)	(2)	—	(22)	(14)
Total Net Expenses	6,753	2,733	670	555	5,667	3,285	473	345
Net Profit/(Loss) before finance costs	934	308	970	58	20,352	(2,637)	1,450	284
FINANCE COSTS:								
Distributions to holders of redeemable participating shares (Note 5)	(850)	(290)	(319)	(251)	(770)	(657)	(8)	(15)
Profit/(Loss) for the financial year	84	18	651	(193)	19,582	(3,294)	1,442	269
Withholding taxes on dividends and other taxation	—	—	(5)	(3)	(109)	(56)	4	—
Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ 84	\$ 18	\$ 646	\$ (196)	\$ 19,473	\$ (3,350)	€ 1,446	€ 269

	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 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016
(in 000's)								
INVESTMENT INCOME:								
Gross dividend income and bond interest (Note 2)	\$ 16,940	\$ 22,505	\$ 311	\$ 373	\$ 58	\$ 53	\$ 145	\$ 112
Interest (Note 2)	—	—	—	—	—	—	—	—
Equalisation (Note 2)	—	(3)	—	—	—	—	13	2
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	(11,295)	(44,489)	198	(59)	(39)	(40)	567	(53)
Net unrealised gain/(loss) on financial instruments held for trading	46,352	(12,773)	(264)	(67)	84	13	151	(72)
Total Investment Income/(Loss)	51,997	(34,760)	245	247	103	26	876	(11)
EXPENSES:								
Management fees (Note 4)	2,345	3,293	257	298	83	102	102	121
Performance fees (Note 4)	—	—	—	—	—	—	—	—
Administrator and depositary fees (Note 4)	183	234	17	20	5	6	8	9
Shareholder service fees (Note 4)	231	325	22	27	6	8	13	15
Legal fees	—	3	—	—	—	—	—	—
Audit fees	32	40	28	19	28	18	33	21
Printing fees	8	17	1	1	—	—	—	1
Dividend expense	—	—	—	—	—	—	—	—
Interest expense	—	—	—	—	—	—	—	—
Directors' fees and expenses (Note 4)	1	2	—	—	—	—	—	—
Other expenses	127	128	22	21	12	16	17	16
Total Expenses	2,927	4,042	347	386	134	150	173	183
Expense waivers and reimbursements/recoupment (Note 4)	(12)	(1)	(24)	(15)	(21)	(17)	(45)	(33)
Total Net Expenses	2,915	4,041	323	371	113	133	128	150
Net Profit/(Loss) before finance costs	49,082	(38,801)	(78)	(124)	(10)	(107)	748	(161)
FINANCE COSTS:								
Distributions to holders of redeemable participating shares (Note 5)	(9,212)	(12,195)	(5)	(1)	—	—	—	—
Profit/(Loss) for the financial year	39,870	(50,996)	(83)	(125)	(10)	(107)	748	(161)
Withholding taxes on dividends and other taxation	(104)	(78)	—	—	—	—	1	(1)
Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ 39,766	\$ (51,074)	\$ (83)	\$ (125)	\$ (10)	\$ (107)	\$ 749	\$ (162)

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 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016
\$ 1,525	\$ 1,660	\$ 55,020	\$ 66,499	\$ 28,330	\$ 36,213	\$ 2,554	\$ 4,117	\$ 1,508	\$ 3,116
–	–	–	1	–	–	–	–	–	–
			4	1	(4)			(2)	
(640)	(1,587)	(120,469)	(84,684)	(22,776)	(38,264)	(778)	(3,196)	(1,910)	(7,198)
3,787	(3,172)	155,549	(152,158)	78,776	(60,747)	5,504	(3,440)	4,831	2,519
4,672	(3,099)	90,100	(170,338)	84,331	(62,802)	7,280	(2,519)	4,427	(1,563)
310	378	4,537	6,204	2,800	3,826	675	1,037	7	146
–	–	–	–	–	–	–	–	–	–
19	23	780	941	293	374	36	60	24	50
22	29	310	476	244	359	50	76	–	–
–	1	–	13	–	5	–	1	–	1
30	25	26	51	28	35	34	46	25	18
–	2	23	67	16	27	–	4	2	4
–	–	–	–	–	–	–	–	–	–
–	–	4	3	1	–	–	–	–	–
–	–	6	8	2	3	–	–	–	–
36	26	411	404	186	179	61	52	30	33
417	484	6,097	8,167	3,570	4,808	856	1,276	88	252
(12)	(8)	(5)	–	(5)	–	(21)	(17)	–	–
405	476	6,092	8,167	3,565	4,808	835	1,259	88	252
4,267	(3,575)	84,008	(178,505)	80,766	(67,610)	6,445	(3,778)	4,339	(1,815)
(762)	(758)	(17,121)	(21,598)	(11,651)	(16,131)	(964)	(1,294)	(1,355)	(1,835)
3,505	(4,333)	66,887	(200,103)	69,115	(83,741)	5,481	(5,072)	2,984	(3,650)
21	(2)	(594)	(763)	(110)	(80)	(4)	8	(13)	(2)
\$ 3,526	\$ (4,335)	\$ 66,293	\$ (200,866)	\$ 69,005	\$ (83,821)	\$ 5,477	\$ (5,064)	\$ 2,971	\$ (3,652)
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^ð		Legg Mason Western Asset UK£ Core Plus Bond Fund^	
for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016
\$ 23,272	\$ 23,113	\$ 1,004	\$ 1,108	\$ –	\$ 2,933	\$ 116	\$ 3,839	£ –	£ –
–	–	–	–	–	–	–	–	–	–
542	(2)	–	–	–	–	–	(2)	–	–
(13,003)	(39,492)	(820)	(231)	–	(17,783)	(3,086)	(6,133)	–	–
5,488	(7,744)	(65)	(1,826)	–	5,854	4,693	(7,004)	–	–
16,299	(24,125)	119	(949)	–	(8,996)	1,723	(9,300)	–	–
3,847	3,478	307	219	–	2	16	646	–	–
–	–	–	–	–	–	–	–	–	–
385	370	27	27	–	18	1	49	–	–
327	264	28	19	–	1	–	11	–	–
–	5	–	–	–	–	–	1	–	–
24	32	17	10	–	5	22	33	–	–
19	26	–	2	–	1	–	3	–	–
–	–	–	–	–	–	–	–	–	–
1	–	–	–	–	–	–	3	–	–
3	3	–	–	–	–	–	–	–	–
243	207	40	25	–	18	10	42	–	–
4,849	4,385	419	302	–	45	49	788	–	–
(59)	(59)	–	–	–	–	–	–	–	–
4,790	4,326	419	302	–	45	49	788	–	–
11,509	(28,451)	(300)	(1,251)	–	(9,041)	1,674	(10,088)	–	–
(8,181)	(5,331)	(357)	(525)	–	(22)	(82)	(2,560)	–	–
3,328	(33,782)	(657)	(1,776)	–	(9,063)	1,592	(12,648)	–	–
(1,376)	(1,006)	(3)	–	–	–	5	(35)	–	–
\$ 1,952	\$ (34,788)	\$ (660)	\$ (1,776)	\$ –	\$ (9,063)	\$ 1,597	\$ (12,683)	£ –	£ –

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 UK£ Inflation-Linked Plus Fund [^]		Legg Mason Western Asset UK£ Long Duration Fund [^]		Legg Mason Western Asset Global Credit Fund	
	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016
(in 000's)								
INVESTMENT INCOME:								
Gross dividend income and bond interest (Note 2)	\$ 6,887	\$ 3,947	£ –	£ –	£ –	£ –	\$ 2,563	\$ 3,526
Interest (Note 2)	2	–	–	–	–	–	–	–
Equalisation (Note 2)	–	–	–	–	–	–	–	–
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss:								
Net realised gain/(loss) on financial instruments held for trading	5,491	(2,379)	–	–	–	–	1,394	(185)
Net unrealised gain/(loss) on financial instruments held for trading	(8,457)	(1,498)	–	–	–	–	2,148	(5,782)
Total Investment Income/(Loss)	3,923	70	–	–	–	–	6,105	(2,441)
EXPENSES:								
Management fees (Note 4)	1,045	636	–	–	–	–	33	44
Performance fees (Note 4)	–	–	–	–	–	–	–	–
Administrator and depositary fees (Note 4)	197	120	–	–	–	–	54	70
Shareholder service fees (Note 4)	4	1	–	–	–	–	4	6
Legal fees	2	2	–	–	–	–	–	1
Audit fees	34	26	–	–	–	–	19	13
Printing fees	14	6	–	–	–	–	2	5
Dividend expense	–	–	–	–	–	–	–	–
Interest expense	–	2	–	–	–	–	–	–
Directors' fees and expenses (Note 4)	2	1	–	–	–	–	1	1
Other expenses	86	46	–	–	–	–	42	40
Total Expenses	1,384	840	–	–	–	–	155	180
Expense waivers and reimbursements/recoupment (Note 4)	(1)	–	–	–	–	–	–	–
Total Net Expenses	1,383	840	–	–	–	–	155	180
Net Profit/(Loss) before finance costs	2,540	(770)	–	–	–	–	5,950	(2,621)
FINANCE COSTS:								
Distributions to holders of redeemable participating shares (Note 5)	(35)	(4)	–	–	–	–	(33)	(53)
Profit/(Loss) for the financial year	2,505	(774)	–	–	–	–	5,917	(2,674)
Withholding taxes on dividends and other taxation	(30)	(39)	–	–	–	–	(14)	(13)
Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ 2,475	\$ (813)	£ –	£ –	£ –	£ –	\$ 5,903	\$ (2,687)

	Legg Mason Western Asset Structured Opportunities Fund [^]		Legg Mason Western Asset US Mortgage-Backed Securities Fund [^]		Legg Mason Western Asset UK Investment Grade Credit Fund ^{^β}		Legg Mason Western Asset US Corporate Bond Fund ^{^β}	
	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016
(in 000's)								
INVESTMENT INCOME:								
Gross dividend income and bond interest (Note 2)	\$ 23,370	\$ 1,215	\$ 21,984	\$ 2,845	£ 424	£ –	\$ 1,296	\$ –
Interest (Note 2)	–	–	–	–	–	–	–	–
Equalisation (Note 2)	–	–	–	–	–	–	–	–
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	8,223	(100)	(11,719)	1,904	(62)	–	812	–
Net unrealised gain/(loss) on financial instruments held for trading	9,725	(8,801)	(10,109)	2,787	1,634	–	407	–
Total Investment Income/(Loss)	41,318	(7,686)	156	7,536	1,996	–	2,515	–
EXPENSES:								
Management fees (Note 4)	99	–	–	–	–	–	–	–
Performance fees (Note 4)	–	–	–	–	–	–	–	–
Administrator and depositary fees (Note 4)	284	33	618	79	16	–	28	–
Shareholder service fees (Note 4)	–	–	–	–	–	–	–	–
Legal fees	4	1	8	2	–	–	–	–
Audit fees	21	15	21	13	13	–	17	–
Printing fees	22	3	39	8	1	–	2	–
Dividend expense	–	–	–	–	–	–	–	–
Interest expense	–	–	–	–	–	–	–	–
Directors' fees and expenses (Note 4)	2	–	5	–	–	–	–	–
Other expenses	59	13	80	22	7	–	11	–
Total Expenses	491	65	771	124	37	–	58	–
Expense waivers and reimbursements/recoupment (Note 4)	(1)	–	–	–	–	–	–	–
Total Net Expenses	490	65	771	124	37	–	58	–
Net Profit/(Loss) before finance costs	40,828	(7,751)	(615)	7,412	1,959	–	2,457	–
FINANCE COSTS:								
Distributions to holders of redeemable participating shares (Note 5)	–	–	–	–	–	–	–	–
Profit/(Loss) for the financial year	40,828	(7,751)	(615)	7,412	1,959	–	2,457	–
Withholding taxes on dividends and other taxation	–	–	–	–	–	–	(8)	–
Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ 40,828	\$ (7,751)	\$ (615)	\$ 7,412	£ 1,959	£ –	\$ 2,449	\$ –

The accompanying notes are an integral part of the Financial Statements

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^	
for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016
€ 4,749	€ 5,441	\$ 187,627	\$ 188,030	\$ 8,020	\$ 492	\$ 9,026	\$ 1,376	\$ 824	\$ 19
–	–	–	–	–	–	–	–	–	–
		167	41			1		72	
3,021	2,316	(294,882)	132,533	(686)	(147)	(22,446)	(4,740)	(1,189)	(21)
4,005	(9,178)	603,335	(599,924)	3,739	1,354	13,412	(10,909)	(1,712)	(53)
11,775	(1,421)	496,247	(279,320)	11,074	1,699	(7)	(14,273)	(2,005)	(55)
2	1	49,000	48,849	567	39	3	–	164	7
–	–	–	–	–	–	–	–	–	–
71	69	3,186	3,091	89	6	133	28	24	1
–	–	3,170	3,084	–	–	–	–	10	–
–	1	33	44	1	–	2	–	–	1
25	19	45	46	15	12	16	13	14	10
6	4	232	204	8	–	11	2	2	–
–	–	–	–	–	–	–	–	–	–
–	–	26	5	–	–	1	–	–	–
2	1	26	22	1	–	1	–	–	–
39	38	1,118	638	32	6	39	10	32	5
145	133	56,836	55,983	713	63	206	53	246	24
–	(1)	(19)	–	(1)	(12)	(4)	–	(25)	(15)
145	132	56,817	55,983	712	51	202	53	221	9
11,630	(1,553)	439,430	(335,303)	10,362	1,648	(209)	(14,326)	(2,226)	(64)
(492)	(525)	(16,593)	(13,231)	–	–	(1)	–	(211)	(3)
11,138	(2,078)	422,837	(348,534)	10,362	1,648	(210)	(14,326)	(2,437)	(67)
–	–	(6,756)	(6,542)	(344)	(75)	(37)	(3)	(18)	(1)
€ 11,138	€ (2,078)	\$ 416,081	\$ (355,076)	\$ 10,018	\$ 1,573	\$ (247)	\$ (14,329)	\$ (2,455)	\$ (68)
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 Sovereign Credit Fund^	
for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016
\$ 38,651	\$ 45,194	\$ 42,137	\$ 48,866	\$ 4,123	\$ 1,026	\$ 22,705	\$ 18,318	\$ 102,142	\$ 106,898
–	–	–	–	–	–	–	–	–	–
(16)	(1,341)	27	(91)	–	–	–	–	654	1,270
(16,933)	(81,511)	(69,404)	(50,818)	982	(1,917)	15,329	(14,269)	(114,444)	(175,097)
15,152	(83,526)	105,468	(138,533)	3,168	(721)	18,627	(49,073)	88,748	(262,509)
36,854	(121,184)	78,228	(140,576)	8,273	(1,612)	56,661	(45,024)	77,100	(329,438)
8,327	11,165	6,514	8,473	224	139	1,670	1,409	2,326	2,099
–	–	–	–	–	–	–	–	–	–
836	997	950	1,215	53	14	465	389	1,881	1,706
791	1,052	109	162	13	–	71	87	–	–
3	14	7	17	1	–	5	5	17	24
42	62	28	37	38	33	38	30	34	33
54	70	67	72	4	1	35	23	139	123
–	–	–	–	–	–	–	–	–	–
–	–	–	4	–	–	–	3	–	–
5	9	8	10	–	–	3	3	14	13
450	438	439	424	17	21	214	135	432	158
10,508	13,807	8,122	10,414	350	208	2,501	2,084	4,843	4,156
(6)	–	(3)	–	(15)	(33)	–	–	(6)	–
10,502	13,807	8,119	10,414	335	175	2,501	2,084	4,837	4,156
26,352	(134,991)	70,109	(150,990)	7,938	(1,787)	54,160	(47,108)	72,263	(333,594)
(6,036)	(9,153)	(2,561)	(4,284)	(413)	–	(497)	(632)	(35,918)	(27,881)
20,316	(144,144)	67,548	(155,274)	7,525	(1,787)	53,663	(47,740)	36,345	(361,475)
288	(94)	(1,282)	(1,146)	(20)	–	(673)	(392)	(4,483)	(4,798)
\$ 20,604	\$ (144,238)	\$ 66,266	\$ (156,420)	\$ 7,505	\$ (1,787)	\$ 52,990	\$ (48,132)	\$ 31,862	\$ (366,273)

The accompanying notes are an integral part of the Financial Statements

Statement of Comprehensive Income – (continued)

	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^	
	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016
(in 000's)								
INVESTMENT INCOME:								
Gross dividend income and bond interest (Note 2)	\$ 2,957	\$ 3,428	\$ 2,282	\$ 2,416	\$ 49	\$ 9	\$ –	\$ 70
Interest (Note 2)	–	–	–	–	–	–	–	–
Equalisation (Note 2)	141	–	(54)	–	–	–	–	–
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	(3,346)	(8,473)	113	(9,149)	(63)	31	–	(1,795)
Net unrealised gain/(loss) on financial instruments held for trading	1,675	(190)	5,234	(2,472)	357	(152)	–	621
Total Investment Income/(Loss)	1,427	(5,235)	7,575	(9,205)	343	(112)	–	(1,104)
EXPENSES:								
Management fees (Note 4)	564	363	669	935	6	2	–	–
Performance fees (Note 4)	–	–	–	–	–	–	–	–
Administrator and depositary fees (Note 4)	54	60	53	70	2	–	–	2
Shareholder service fees (Note 4)	53	51	14	24	–	–	–	–
Legal fees	1	1	1	1	–	–	–	–
Audit fees	29	42	6	17	13	10	–	8
Printing fees	3	4	4	4	–	–	–	–
Dividend expense	–	–	–	–	–	–	–	–
Interest expense	–	–	–	–	–	–	–	–
Directors' fees and expenses (Note 4)	–	–	–	1	–	–	–	–
Other expenses	72	46	37	19	10	4	–	15
Total Expenses	776	567	784	1,071	31	16	–	25
Expense waivers and reimbursements/recoupment (Note 4)	(55)	(25)	(15)	–	(22)	(14)	–	–
Total Net Expenses	721	542	769	1,071	9	2	–	25
Net Profit/(Loss) before finance costs	706	(5,777)	6,806	(10,276)	334	(114)	–	(1,129)
FINANCE COSTS:								
Distributions to holders of redeemable participating shares (Note 5)	(1,705)	(1,476)	(156)	(70)	–	–	–	(1)
Profit/(Loss) for the financial year	(999)	(7,253)	6,650	(10,346)	334	(114)	–	(1,130)
Withholding taxes on dividends and other taxation	(18)	(3)	(17)	–	(14)	(2)	–	(5)
Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ (1,017)	\$ (7,256)	\$ 6,633	\$ (10,346)	\$ 320	\$ (116)	\$ –	\$ (1,135)

	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^	
	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016
(in 000's)								
INVESTMENT INCOME:								
Gross dividend income and bond interest (Note 2)	\$ 4,402	\$ 2,222	\$ 27,837	\$ 44,368	\$ 3,685	\$ 4,660	\$ 30	\$ 6
Interest (Note 2)	–	–	–	–	–	–	–	–
Equalisation (Note 2)	–	–	(50)	4	(4)	(16)	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	11,174	10,030	76,545	310,772	(314)	(11,546)	2	(26)
Net unrealised gain/(loss) on financial instruments held for trading	54,854	(19,646)	543,826	(1,159,350)	10,904	(8,472)	395	(16)
Total Investment Income/(Loss)	70,430	(7,394)	648,158	(804,206)	14,271	(15,374)	428	(36)
EXPENSES:								
Management fees (Note 4)	4,238	2,342	25,005	43,102	772	968	13	3
Performance fees (Note 4)	–	–	–	–	–	–	–	–
Administrator and depositary fees (Note 4)	278	134	2,079	3,386	53	64	2	–
Shareholder service fees (Note 4)	839	467	4,276	7,611	121	156	2	1
Legal fees	3	2	10	48	1	1	–	–
Audit fees	28	26	37	52	27	41	13	10
Printing fees	21	9	120	237	4	4	–	–
Dividend expense	–	–	–	–	–	–	–	–
Interest expense	–	–	1	6	–	–	–	–
Directors' fees and expenses (Note 4)	2	1	14	28	–	–	–	–
Other expenses	127	60	1,020	1,305	81	43	21	8
Total Expenses	5,536	3,041	32,562	55,775	1,059	1,277	51	22
Expense waivers and reimbursements/recoupment (Note 4)	(11)	–	(7)	–	(63)	(33)	(33)	(18)
Total Net Expenses	5,525	3,041	32,555	55,775	996	1,244	18	4
Net Profit/(Loss) before finance costs	64,905	(10,435)	615,603	(859,981)	13,275	(16,618)	410	(40)
FINANCE COSTS:								
Distributions to holders of redeemable participating shares (Note 5)	–	–	(175)	–	(555)	(836)	–	–
Profit/(Loss) for the financial year	64,905	(10,435)	615,428	(859,981)	12,720	(17,454)	410	(40)
Withholding taxes on dividends and other taxation	(1,177)	(605)	(4,224)	(9,706)	(672)	(1,050)	(8)	(2)
Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ 63,728	\$ (11,040)	\$ 611,204	\$ (869,687)	\$ 12,048	\$ (18,504)	\$ 402	\$ (42)

The accompanying notes are an integral part of the Financial Statements

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	
for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016
\$ 4,934	\$ 5,396	\$ 61	\$ 71	\$ 240	\$ 147	\$ 177	\$ 176	\$ 5,629	\$ 6,439
—	—	—	—	(1)	4	—	—	2	3
15,757	33,521	660	315	(165)	(226)	(153)	(304)	27,257	20,364
60,726	(81,393)	413	(1,238)	1,793	(1,022)	726	(521)	19,856	(39,703)
81,417	(42,476)	1,134	(852)	1,867	(1,097)	750	(649)	52,744	(12,897)
2,629	3,138	80	101	101	79	42	44	3,445	4,222
233	245	5	6	8	4	3	4	212	242
317	500	20	26	15	19	8	9	723	914
1	3	—	—	—	—	—	—	1	3
23	18	21	16	20	13	7	25	29	25
13	17	—	—	1	—	—	—	11	17
—	—	—	—	—	—	—	—	—	—
2	2	—	—	—	—	—	—	1	2
122	107	13	14	13	13	51	18	119	106
3,340	4,030	139	163	158	128	111	100	4,541	5,531
(2)	—	(7)	(6)	(18)	(21)	(49)	(33)	(2)	—
3,338	4,030	132	157	140	107	62	67	4,539	5,531
78,079	(46,506)	1,002	(1,009)	1,727	(1,204)	688	(716)	48,205	(18,428)
(3)	(1)	—	—	(13)	(11)	(71)	(72)	(64)	(50)
78,076	(46,507)	1,002	(1,009)	1,714	(1,215)	617	(788)	48,141	(18,478)
(1,322)	(1,516)	(17)	(18)	(27)	(18)	(17)	(19)	(1,647)	(1,852)
\$ 76,754	\$ (48,023)	\$ 985	\$ (1,027)	\$ 1,687	\$ (1,233)	\$ 600	\$ (807)	\$ 46,494	\$ (20,330)
Legg Mason Opportunity Fund		Legg Mason Royce US Small Cap Opportunity Fund		Legg Mason Royce US Smaller Companies Fund		Legg Mason PCM US Equity Fund^		Legg Mason Permal Global Absolute Fund^	
for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016
\$ 2,196	\$ 2,030	\$ 5,872	\$ 6,654	\$ 3,423	\$ 4,257	\$ —	\$ —	\$ —	\$ —
—	—	1	—	(17)	(108)	—	—	—	—
19,905	(13,871)	(2,292)	47,262	8,324	6,329	—	—	—	—
55,485	(97,456)	235,850	(197,360)	37,336	(43,170)	—	—	—	—
77,586	(109,297)	239,431	(143,444)	49,066	(32,692)	—	—	—	—
2,526	2,931	7,916	9,487	2,511	3,047	—	—	—	—
256	266	535	595	145	184	—	—	—	—
201	351	1,688	1,967	519	558	—	—	—	—
2	4	—	8	—	2	—	—	—	—
25	17	26	10	16	25	—	—	—	—
16	19	35	42	—	13	—	—	—	—
—	—	—	—	—	—	—	—	—	—
2	2	4	8	—	—	—	—	—	—
116	104	232	4	1	1	—	—	—	—
3,144	3,694	10,436	265	77	96	—	—	—	—
(3)	—	—	—	(9)	—	—	—	—	—
3,141	3,694	10,436	12,386	3,260	3,926	—	—	—	—
74,445	(112,991)	228,995	(155,830)	45,806	(36,618)	—	—	—	—
—	—	—	—	(151)	(81)	—	—	—	—
74,445	(112,991)	228,995	(155,830)	45,655	(36,699)	—	—	—	—
(151)	(570)	(1,319)	(1,830)	(763)	(1,059)	—	—	—	—
\$ 74,294	\$ (113,561)	\$ 227,676	\$ (157,660)	\$ 44,892	\$ (37,758)	\$ —	\$ —	\$ —	\$ —

The accompanying notes are an integral part of the Financial Statements

Statement of Comprehensive Income – (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	
	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016
(in 000's)								
INVESTMENT INCOME:								
Gross dividend income and bond interest (Note 2)	€ 5,285	€ 7,190	\$ 1,704	\$ 2,232	\$ –	\$ –	\$ 373	\$ 488
Interest (Note 2)	–	–	–	–	–	–	–	1
Equalisation (Note 2)	34	(26)	(145)	(84)	–	–	–	–
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	(748)	13,882	(2,218)	231	–	–	(944)	(448)
Net unrealised gain/(loss) on financial instruments held for trading	6,547	(34,874)	8,438	(9,143)	–	–	3,158	(3,596)
Total Investment Income/(Loss)	11,118	(13,828)	7,779	(6,764)	–	–	2,587	(3,555)
EXPENSES:								
Management fees (Note 4)	1,474	2,308	544	735	–	–	123	184
Performance fees (Note 4)	–	–	–	–	–	–	–	–
Administrator and depositary fees (Note 4)	86	127	29	35	–	–	11	13
Shareholder service fees (Note 4)	278	465	81	116	–	–	10	21
Legal fees	–	2	–	1	–	–	–	–
Audit fees	32	32	27	24	–	–	28	25
Printing fees	6	9	–	2	–	–	1	1
Dividend expense	–	–	–	–	–	–	–	–
Interest expense	7	–	–	–	–	–	–	–
Directors' fees and expenses (Note 4)	3	1	–	–	–	–	–	–
Other expenses	113	56	51	33	–	–	24	22
Total Expenses	1,999	3,000	732	946	–	–	197	266
Expense waivers and reimbursements/recoupment (Note 4)	(22)	–	(22)	(6)	–	–	(40)	(31)
Total Net Expenses	1,977	3,000	710	940	–	–	157	235
Net Profit/(Loss) before finance costs	9,141	(16,828)	7,069	(7,704)	–	–	2,430	(3,790)
FINANCE COSTS:								
Distributions to holders of redeemable participating shares (Note 5)	(2,143)	(3,169)	(408)	(214)	–	–	(2)	(2)
Profit/(Loss) for the financial year	6,998	(19,997)	6,661	(7,918)	–	–	2,428	(3,792)
Withholding taxes on dividends and other taxation	(529)	(753)	(165)	(243)	–	–	(51)	(54)
Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	€ 6,469	€ (20,750)	\$ 6,496	\$ (8,161)	\$ –	\$ –	\$ 2,377	\$ (3,846)

The accompanying notes are an integral part of the Financial Statements

Legg Mason QS MV Global Equity Growth and Income Fund		Legg Mason Congruix Japan Equity Fund^		Legg Mason Martin Currie Australia Equity Income Fund		Legg Mason Martin Currie Asia Long-Term Unconstrained Fund^Ø		Legg Mason Martin Currie Asia Pacific Fund^Ø	
for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016
\$ 680	\$ 536	¥ –	¥ –	\$ 64	\$ 43	\$ 3,538	\$ –	\$ 65	\$ –
–	–	–	–	–	–	–	–	–	–
1	–	–	–	–	–	–	–	–	–
(156)	2,076	–	–	11	(2)	370	–	42	–
1,330	(3,160)	–	–	127	(91)	16,869	–	342	–
1,855	(548)	–	–	202	(50)	20,777	–	449	–
181	182	–	–	1	–	1,311	–	34	–
–	–	–	–	–	–	–	–	–	–
10	9	–	–	1	1	103	–	2	–
15	12	–	–	–	–	459	–	8	–
–	–	–	–	–	–	1	–	–	–
20	7	–	–	19	14	12	–	13	–
1	1	–	–	–	–	8	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	1	–	–	–
29	14	–	–	7	14	40	–	15	–
256	225	–	–	28	29	1,935	–	72	–
(12)	–	–	–	(21)	(25)	(368)	–	(28)	–
244	225	–	–	7	4	1,567	–	44	–
1,611	(773)	–	–	195	(54)	19,210	–	405	–
(90)	(6)	–	–	(5)	–	(1,775)	–	(15)	–
1,521	(779)	–	–	190	(54)	17,435	–	390	–
(96)	(89)	–	–	(1)	(2)	(137)	–	(5)	–
\$ 1,425	\$ (868)	¥ –	¥ –	\$ 189	\$ (56)	\$ 17,298	\$ –	\$ 385	\$ –

Statement of Comprehensive Income – (continued)

	Legg Mason Martin Currie European Absolute Alpha Fund ^Δ		Legg Mason Martin Currie Global Resources Fund ^Δ		Legg Mason Martin Currie Greater China Fund ^Δ		Legg Mason Martin Currie Japan Absolute Alpha Fund ^Δ	
	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016
(in 000's)								
INVESTMENT INCOME:								
Gross dividend income and bond interest (Note 2)	€ 4,084	€ –	\$ 413	\$ –	\$ 293	\$ –	¥ 21,434	¥ –
Interest (Note 2)	614	–	–	–	–	–	209	–
Equalisation (Note 2)	–	–	–	–	–	–	–	–
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss:								
Net realised gain/(loss) on financial instruments held for trading	(5,314)	–	549	–	492	–	(117,447)	–
Net unrealised gain/(loss) on financial instruments held for trading	6,720	–	2,083	–	2,213	–	49,691	–
Total Investment Income/(Loss)	6,104	–	3,045	–	2,998	–	(46,113)	–
EXPENSES:								
Management fees (Note 4)	3,979	–	217	–	176	–	21,865	–
Performance fees (Note 4)	–	–	–	–	–	–	11	–
Administrator and depositary fees (Note 4)	198	–	14	–	9	–	1,042	–
Shareholder service fees (Note 4)	883	–	61	–	41	–	4,652	–
Legal fees	3	–	–	–	–	–	14	–
Audit fees	12	–	12	–	13	–	1,484	–
Printing fees	16	–	1	–	1	–	83	–
Dividend expense	1,809	–	–	–	–	–	9,974	–
Interest expense	1,471	–	–	–	1	–	3,196	–
Directors' fees and expenses (Note 4)	1	–	–	–	–	–	4	–
Other expenses	70	–	21	–	17	–	2,733	–
Total Expenses	8,442	–	326	–	258	–	45,058	–
Expense waivers and reimbursements/recoupment (Note 4)	(421)	–	(57)	–	(29)	–	(4,654)	–
Total Net Expenses	8,021	–	269	–	229	–	40,404	–
Net Profit/(Loss) before finance costs	(1,917)	–	2,776	–	2,769	–	(86,517)	–
FINANCE COSTS:								
Distributions to holders of redeemable participating shares (Note 5)	–	–	(66)	–	(26)	–	–	–
Profit/(Loss) for the financial year	(1,917)	–	2,710	–	2,743	–	(86,517)	–
Withholding taxes on dividends and other taxation	(306)	–	(70)	–	(33)	–	(3,273)	–
Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	€ (2,223)	€ –	\$ 2,640	\$ –	\$ 2,710	\$ –	¥ (89,790)	¥ –

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 Western Asset Global Credit Absolute Return Fund^Δ which has 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, Legg Mason QS MV European Equity Growth and Income Fund, Legg Mason Martin Currie European Absolute Alpha Fund^Δ and Legg Mason RARE Infrastructure Value Fund^Δ have been converted into US Dollars in the total figure for Legg Mason Global Funds Plc for the year ended February 28, 2017 using the USD/EUR rate of 0.9081.

The Yen figures for Legg Mason Martin Currie Japan Absolute Alpha Fund^Δ have been converted into US Dollars in the total figure for Legg Mason Global Funds Plc for the year ended February 28, 2017 using the USD/JPY rate of 107.5269.

British Pound figures for Legg Mason Western Asset UK Investment Grade Credit Fund^Δ have been converted into US Dollars in the total figure for Legg Mason Global Funds Plc for the year ended February 28, 2017 using the USD/GBP rate of 0.7556.

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 28, 2017 using the USD/AUD rate of 1.3303.

Δ Effective April 29, 2016 Legg Mason Western Asset Global Credit Absolute Return Fund^Δ ceased trading.

Ø Effective March 11, 2016 Legg Mason Martin Currie Asia Long-Term Unconstrained Fund^Δ, Legg Mason Martin Currie Asia Pacific Fund^Δ, Legg Mason Martin Currie European Absolute Alpha Fund^Δ, Legg Mason Martin Currie Global Resources Fund^Δ, Legg Mason Martin Currie Greater China Fund^Δ, Legg Mason Martin Currie Japan Absolute Alpha Fund^Δ and Legg Mason Martin Currie North American Fund^Δ commenced trading.

μ Effective June 28, 2016 Legg Mason Martin Currie Global Long-Term Unconstrained Fund^Δ and Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund^Δ commenced trading.

β Effective November 17, 2016 Legg Mason Western Asset UK Investment Grade Credit Fund^Δ and Legg Mason Western Asset US Corporate Bond Fund^Δ commenced trading.

α Effective December 9, 2016 Legg Mason RARE Infrastructure Value Fund^Δ commenced trading.

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

* Includes the results of Legg Mason Royce Smaller Companies Fund II^Δ, which had its authorisation revoked, at the request of the Company, by the Central Bank on February 1, 2017, and the results of Legg Mason ClearBridge US Fundamental Value Fund^Δ, which had its authorisation revoked, at the request of the Company, by the Central Bank on February 15, 2017.

Legg Mason Martin Currie North American Fund ^{^Ø}		Legg Mason Martin Currie Global Long-Term Unconstrained Fund ^{^μ}		Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund ^{^μ}		Legg Mason RARE Infrastructure Value Fund ^{^α}		Legg Mason Global Funds plc	
for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016*
\$ 90	\$ –	\$ 95	\$ –	\$ 64	\$ –	€ 1,073	€ –	\$ 719,331	\$ 700,801
–	–	–	–	–	–	–	–	681	2
								1,372	(352)
20	–	253	–	6	–	(1,431)	–	(524,094)	408
676	–	746	–	(17)	–	10,863	–	2,235,972	(3,150,057)
786	–	1,094	–	53	–	10,505	–	2,433,262	(2,449,198)
67	–	33	–	14	–	391	–	157,226	176,789
4	–	6	–	1	–	–	–	–	–
16	–	2	–	3	–	36	–	16,632	16,643
–	–	–	–	–	–	–	–	16,687	19,620
12	–	13	–	13	–	1	–	114	235
–	–	1	–	–	–	8	–	1,423	1,315
–	–	–	–	–	–	2	–	1,021	1,139
–	–	–	–	–	–	–	–	2,085	–
–	–	–	–	–	–	–	–	1,692	34
17	–	7	–	6	–	15	–	126	126
116	–	62	–	37	–	453	–	7,490	6,039
(29)	–	(16)	–	(18)	–	(11)	–	(2,961)	(5,162)
87	–	46	–	19	–	442	–	201,535	216,778
699	–	1,048	–	34	–	10,063	–	2,231,727	(2,665,976)
–	–	–	–	(45)	–	(721)	–	(119,689)	(120,919)
699	–	1,048	–	(11)	–	9,342	–	2,112,038	(2,786,895)
(25)	–	(12)	–	(6)	–	(210)	–	(28,838)	(34,720)
\$ 674	\$ –	\$ 1,036	\$ –	\$ (17)	\$ –	€ 9,132	€ –	\$ 2,083,200	\$ (2,821,615)

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 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016
(000's)								
Net Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ 84	\$ 18	\$ 646	\$ (196)	\$ 19,473	\$ (3,350)	€ 1,446	€ 269
REDEEMABLE PARTICIPATING SHARE TRANSACTIONS								
Net proceeds from sales of shares	1,208,550	1,132,840	39,480	34,233	414,135	330,256	25,454	37,154
Net proceeds from reinvested distributions	533	263	299	213	608	438	3	8
Cost of shares reacquired	(1,106,323)	(1,140,909)	(29,851)	(35,133)	(277,585)	(163,755)	(4,896)	(1,635)
Increase/(Decrease) in Net Assets from Redeemable Participating Share transactions	102,760	(7,806)	9,928	(687)	137,158	166,939	20,561	35,527
Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	102,844	(7,788)	10,574	(883)	156,631	163,589	22,007	35,796
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES								
Beginning of year	1,044,990	1,052,778	45,292	46,175	494,599	331,010	90,733	54,937
Currency translation	—	—	—	—	—	—	—	—
End of year	\$ 1,147,834	\$ 1,044,990	\$ 55,866	\$ 45,292	\$ 651,230	\$ 494,599	€ 112,740	€ 90,733

	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 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016
(000's)								
Net Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ 39,766	\$ (51,074)	\$ (83)	\$ (125)	\$ (10)	\$ (107)	\$ 749	\$ (162)
REDEEMABLE PARTICIPATING SHARE TRANSACTIONS								
Net proceeds from sales of shares	251,654	216,109	6,934	8,579	306	4,967	9,396	4,013
Net proceeds from reinvested distributions	1,129	1,702	8	1	—	—	—	—
Cost of shares reacquired	(241,844)	(377,928)	(12,919)	(15,454)	(3,829)	(5,842)	(3,977)	(4,070)
Increase/(Decrease) in Net Assets from Redeemable Participating Share transactions	10,939	(160,117)	(5,977)	(6,874)	(3,523)	(875)	5,419	(57)
Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	50,705	(211,191)	(6,060)	(6,999)	(3,533)	(982)	6,168	(219)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES								
Beginning of year	210,231	421,422	23,622	30,621	9,176	10,158	10,220	10,439
Currency translation	—	—	—	—	—	—	—	—
End of year	\$ 260,936	\$ 210,231	\$ 17,562	\$ 23,622	\$ 5,643	\$ 9,176	\$ 16,388	\$ 10,220

	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 Global Credit Fund	
	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016
(000's)								
Net Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ 2,475	\$ (813)	£ —	£ —	£ —	£ —	\$ 5,903	\$ (2,687)
REDEEMABLE PARTICIPATING SHARE TRANSACTIONS								
Net proceeds from sales of shares	105,448	142,982	—	—	—	—	91	451
Net proceeds from reinvested distributions	—	—	—	—	—	—	22	27
Cost of shares reacquired	(118,499)	(33,607)	—	—	—	—	(5,416)	(28,841)
Increase/(Decrease) in Net Assets from Redeemable Participating Share transactions	(13,051)	109,375	—	—	—	—	(5,303)	(28,363)
Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	(10,576)	108,562	—	—	—	—	600	(31,050)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES								
Beginning of year	225,799	117,237	—	—	—	—	69,057	100,107
Currency translation	—	—	—	—	—	—	—	—
End of year	\$ 215,223	\$ 225,799	£ —	£ —	£ —	£ —	\$ 69,657	\$ 69,057

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 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016
\$ 3,526	\$ (4,335)	\$ 66,293	\$ (200,866)	\$ 69,005	\$ (83,821)	\$ 5,477	\$ (5,064)	\$ 2,971	\$ (3,652)
7,134	11,422	327,451	201,384	144,685	237,680	19,652	25,379	21,500	1,631
724	693	2,120	3,228	7,551	9,976	621	734	1,355	1,842
(8,852)	(11,841)	(375,575)	(420,559)	(210,712)	(375,745)	(45,514)	(63,607)	(34,575)	(41,320)
(994)	274	(46,004)	(215,947)	(58,476)	(128,089)	(25,241)	(37,494)	(11,720)	(37,847)
2,532	(4,061)	20,289	(416,813)	10,529	(211,910)	(19,764)	(42,558)	(8,749)	(41,499)
24,555	28,616	992,926	1,409,739	368,959	580,869	60,901	103,459	41,448	82,947
–	–	–	–	–	–	–	–	–	–
\$ 27,087	\$ 24,555	\$ 1,013,215	\$ 992,926	\$ 379,488	\$ 368,959	\$ 41,137	\$ 60,901	\$ 32,699	\$ 41,448
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^d		Legg Mason Western Asset UK£ Core Plus Bond Fund^	
for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016
\$ 1,952	\$ (34,788)	\$ (660)	\$ (1,776)	\$ –	\$ (9,063)	\$ 1,597	\$ (12,683)	£ –	£ –
383,843	116,630	14,603	16,381	–	199	1,278	10,049	–	–
476	584	41	27	–	–	–	–	–	–
(211,556)	(282,727)	(21,870)	(23,284)	–	(24,710)	(22,986)	(69,480)	–	–
172,763	(165,513)	(7,226)	(6,876)	–	(24,511)	(21,708)	(59,431)	–	–
174,715	(200,301)	(7,886)	(8,652)	–	(33,574)	(20,111)	(72,114)	–	–
394,036	594,337	36,540	45,192	–	33,574	20,111	92,225	–	–
–	–	–	–	–	–	–	–	–	–
\$ 568,751	\$ 394,036	\$ 28,654	\$ 36,540	\$ –	\$ –	\$ –	\$ 20,111	£ –	£ –
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^	
for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016
€ 11,138	€ (2,078)	\$ 416,081	\$ (355,076)	\$ 10,018	\$ 1,573	\$ (247)	\$ (14,329)	\$ (2,455)	\$ (68)
722	6,420	1,916,515	2,635,080	58,933	75,951	8,644	180,884	110,798	5,000
475	510	849	760	–	–	1	–	25	3
(3,077)	(6,380)	(1,766,631)	(1,707,715)	(4,865)	–	(2,266)	–	(22,923)	–
(1,880)	550	150,733	928,125	54,068	75,951	6,379	180,884	87,900	5,003
9,258	(1,528)	566,814	573,049	64,086	77,524	6,132	166,555	85,445	4,935
87,048	88,576	3,854,111	3,281,062	77,524	–	166,555	–	4,935	–
–	–	–	–	–	–	–	–	–	–
€ 96,306	€ 87,048	\$ 4,420,925	\$ 3,854,111	\$ 141,610	\$ 77,524	\$ 172,687	\$ 166,555	\$ 90,380	\$ 4,935

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 Structured Opportunities Fund [^]		Legg Mason Western Asset US Mortgage-Backed Securities Fund [^]		Legg Mason Western Asset UK Investment Grade Credit Fund ^{^β}		Legg Mason Western Asset US Corporate Bond Fund ^{^β}	
	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016
(000's)								
Net Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ 40,828	\$ (7,751)	\$ (615)	\$ 7,412	£ 1,959	£ –	\$ 2,449	\$ –
REDEEMABLE PARTICIPATING SHARE TRANSACTIONS								
Net proceeds from sales of shares	43,516	333,703	–	778,779	64,001	–	119,253	–
Net proceeds from reinvested distributions	–	–	–	–	–	–	–	–
Cost of shares reacquired	(5,731)	–	–	–	–	–	–	–
Increase/(Decrease) in Net Assets from Redeemable Participating Share transactions	37,785	333,703	–	778,779	64,001	–	119,253	–
Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	78,613	325,952	(615)	786,191	65,960	–	121,702	–
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES								
Beginning of year	325,952	–	786,191	–	–	–	–	–
Currency translation	–	–	–	–	–	–	–	–
End of year	\$ 404,565	\$ 325,952	\$ 785,576	\$ 786,191	£ 65,960	£ –	\$ 121,702	\$ –
	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 [^]	
	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016
(000's)								
Net Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ (1,017)	\$ (7,256)	\$ 6,633	\$ (10,346)	\$ 320	\$ (116)	\$ –	\$ (1,135)
REDEEMABLE PARTICIPATING SHARE TRANSACTIONS								
Net proceeds from sales of shares	71,396	22,563	4,641	83,290	–	2,000	–	4
Net proceeds from reinvested distributions	7	22	9	9	–	–	–	–
Cost of shares reacquired	(22,262)	(54,252)	(36,332)	(41,697)	–	–	–	(1,596)
Increase/(Decrease) in Net Assets from Redeemable Participating Share transactions	49,141	(31,667)	(31,682)	41,602	–	2,000	–	(1,592)
Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	48,124	(38,923)	(25,049)	31,256	320	1,884	–	(2,727)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES								
Beginning of year	38,546	77,469	85,265	54,009	1,884	–	–	2,727
Currency translation	–	–	–	–	–	–	–	–
End of year	\$ 86,670	\$ 38,546	\$ 60,216	\$ 85,265	\$ 2,204	\$ 1,884	\$ –	\$ –
	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 [^]	
	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016
(000's)								
Net Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	\$ 63,728	\$ (11,040)	\$ 611,204	\$ (869,687)	\$ 12,048	\$ (18,504)	\$ 402	\$ (42)
REDEEMABLE PARTICIPATING SHARE TRANSACTIONS								
Net proceeds from sales of shares	405,965	217,070	604,462	2,202,879	11,532	86,909	1,219	1,003
Net proceeds from reinvested distributions	–	–	197	195	73	7	–	–
Cost of shares reacquired	(267,131)	(79,183)	(1,804,856)	(2,853,723)	(22,006)	(40,525)	(13)	(2)
Increase/(Decrease) in Net Assets from Redeemable Participating Share transactions	138,834	137,887	(1,200,197)	(650,649)	(10,401)	46,391	1,206	1,001
Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	202,562	126,847	(588,993)	(1,520,336)	1,647	27,887	1,608	959
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES								
Beginning of year	272,153	145,306	3,045,028	4,565,364	66,001	38,114	959	–
Currency translation	–	–	–	–	–	–	–	–
End of year	\$ 474,715	\$ 272,153	\$ 2,456,035	\$ 3,045,028	\$ 67,648	\$ 66,001	\$ 2,567	\$ 959

The accompanying notes are an integral part of the Financial Statements

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 Sovereign Credit Fund^	
for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016
\$ 20,604	\$ (144,238)	\$ 66,266	\$ (156,420)	\$ 7,505	\$ (1,787)	\$ 52,990	\$ (48,132)	\$ 31,862	\$ (366,273)
409,912	715,810	243,641	826,585	97,475	8,203	76,204	409,525	209,973	1,332,958
887	1,133	563	864	5	2	594	473	—	—
(568,280)	(935,728)	(528,149)	(403,874)	(14,179)	(2,396)	(173,360)	(118,158)	—	(681,659)
(157,481)	(218,785)	(283,945)	423,575	83,301	5,809	(96,562)	291,840	209,973	651,299
(136,877)	(363,023)	(217,679)	267,155	90,806	4,022	(43,572)	243,708	241,835	285,026
1,143,279	1,506,302	1,392,771	1,125,616	24,117	20,095	549,071	305,363	2,313,804	2,028,778
—	—	—	—	—	—	—	—	—	—
\$ 1,006,402	\$ 1,143,279	\$ 1,175,092	\$ 1,392,771	\$ 114,923	\$ 24,117	\$ 505,499	\$ 549,071	\$ 2,555,639	\$ 2,313,804
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	
for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016
\$ 76,754	\$ (48,023)	\$ 985	\$ (1,027)	\$ 1,687	\$ (1,233)	\$ 600	\$ (807)	\$ 46,494	\$ (20,330)
68,195	62,044	510	2,184	15,051	2,968	49	94	45,519	55,867
40	7	—	—	9	10	42	39	2	—
(95,965)	(107,778)	(2,574)	(2,890)	(3,188)	(2,069)	—	(174)	(112,542)	(104,658)
(27,730)	(45,727)	(2,064)	(706)	11,872	909	91	(41)	(67,021)	(48,791)
49,024	(93,750)	(1,079)	(1,733)	13,559	(324)	691	(848)	(20,527)	(69,121)
273,255	367,005	6,207	7,940	4,669	4,993	3,924	4,772	290,903	360,024
—	—	—	—	—	—	—	—	—	—
\$ 322,279	\$ 273,255	\$ 5,128	\$ 6,207	\$ 18,228	\$ 4,669	\$ 4,615	\$ 3,924	\$ 270,376	\$ 290,903
Legg Mason Opportunity Fund		Legg Mason Royce US Small Cap Opportunity Fund		Legg Mason Royce US Smaller Companies Fund		Legg Mason PCM US Equity Fund^		Legg Mason Permal Global Absolute Fund^	
for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016
\$ 74,294	\$ (113,561)	\$ 227,676	\$ (157,660)	\$ 44,892	\$ (37,758)	\$ —	\$ —	\$ —	\$ —
34,887	355,709	754,464	261,152	98,916	29,276	—	—	—	—
386	68	—	—	—	—	—	—	—	—
(179,134)	(189,396)	(484,115)	(633,832)	(68,726)	(174,721)	—	—	—	—
(143,861)	166,381	270,349	(372,680)	30,190	(145,445)	—	—	—	—
(69,567)	52,820	498,025	(530,340)	75,082	(183,203)	—	—	—	—
379,240	326,420	539,913	1,070,253	154,964	338,167	—	—	—	—
—	—	—	—	—	—	—	—	—	—
\$ 309,673	\$ 379,240	\$ 1,037,938	\$ 539,913	\$ 230,046	\$ 154,964	\$ —	\$ —	\$ —	\$ —

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 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 ^Δ		Legg Mason QS Emerging Markets Equity Fund	
	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016
(000's)								
Net Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	€ 6,469	€ (20,750)	\$ 6,496	\$ (8,161)	\$ –	\$ –	\$ 2,377	\$ (3,846)
REDEEMABLE PARTICIPATING SHARE TRANSACTIONS								
Net proceeds from sales of shares	24,609	244,161	28,694	12,458	–	–	81	142
Net proceeds from reinvested distributions	–	–	208	111	–	–	2	1
Cost of shares reacquired	(92,752)	(209,169)	(27,372)	(20,026)	–	–	(4,311)	(1,005)
Increase/(Decrease) in Net Assets from Redeemable Participating Share transactions	(68,143)	34,992	1,530	(7,457)	–	–	(4,228)	(862)
Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	(61,674)	14,242	8,026	(15,618)	–	–	(1,851)	(4,708)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES								
Beginning of year	149,975	135,733	35,335	50,953	–	–	14,405	19,113
Currency translation	–	–	–	–	–	–	–	–
End of year	€ 88,301	€ 149,975	\$ 43,361	\$ 35,335	\$ –	\$ –	\$ 12,554	\$ 14,405

	Legg Mason Martin Currie European Absolute Alpha Fund ^Δ Ø		Legg Mason Martin Currie Global Resources Fund ^Δ Ø		Legg Mason Martin Currie Greater China Fund ^Δ Ø		Legg Mason Martin Currie Japan Absolute Alpha Fund ^Δ Ø	
	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016
(000's)								
Net Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	€ (2,223)	€ –	\$ 2,640	\$ –	\$ 2,710	\$ –	¥ (89,790)	¥ –
REDEEMABLE PARTICIPATING SHARE TRANSACTIONS								
Net proceeds from sales of shares	365,457	–	19,380	–	11,340	–	4,234,173	–
Net proceeds from reinvested distributions	–	–	–	–	–	–	–	–
Cost of shares reacquired	(133,185)	–	(4,399)	–	(1,052)	–	(613,113)	–
Increase/(Decrease) in Net Assets from Redeemable Participating Share transactions	232,272	–	14,981	–	10,288	–	3,621,060	–
Increase/(Decrease) in Net Assets attributable to Holders of Redeemable Participating Shares	230,049	–	17,621	–	12,998	–	3,531,270	–
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES								
Beginning of year	–	–	–	–	–	–	–	–
Currency translation	–	–	–	–	–	–	–	–
End of year	€ 230,049	€ –	\$ 17,621	\$ –	\$ 12,998	\$ –	¥ 3,531,270	¥ –

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, Legg Mason QS MV European Equity Growth and Income Fund, Legg Mason Martin Currie European Absolute Alpha Fund^Δ and Legg Mason RARE Infrastructure Value Fund^Δ have been converted into US Dollars in the total figure for Legg Mason Global Funds Plc as at February 28, 2017, using the Statement of Comprehensive Income USD/EUR FX rate of 0.9081 for the year ended February 28, 2017.

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, Legg Mason QS MV European Equity Growth and Income Fund and Legg Mason RARE Infrastructure Value Fund^Δ have been converted into US Dollars in the total figure using the Statement of Financial Position USD/EUR FX rate as at February 29, 2016 of 0.9192.

All Yen figures for Legg Mason Martin Currie Japan Absolute Alpha Fund^Δ have been converted into US Dollars in the total figure for Legg Mason Global Funds Plc as at February 28, 2017, using the Statement of Comprehensive Income USD/JPY FX rate of 107.5269 for the year ended February 28, 2017.

All British Pound figures for Legg Mason Western Asset UK Investment Grade Credit Fund^Δ have been converted into US Dollars in the total figure for Legg Mason Global Funds Plc as at February 28, 2017, using the Statement of Comprehensive Income USD/GBP FX rate of 0.7556 for the year ended February 28, 2017.

All AUD figures, except for the beginning of the year Net Assets attributable to Holders of Redeemable Participating Shares, 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 as at February 28, 2017, using the Statement of Comprehensive Income USD/AUD FX rate of 1.3303 for the year ended February 28, 2017.

The beginning of year Net Assets Attributable to Holders of Redeemable Participating Shares for the Legg Mason Martin Currie Australia Equity Income Fund have been converted into US Dollars in the total figure using the Statement of Financial Position USD/AUD FX rate as at February 29, 2016 of 1.4011.

δ Effective April 29, 2016 Legg Mason Western Asset Global Credit Absolute Return Fund^Δ ceased trading.

Ø Effective March 11, 2016 Legg Mason Martin Currie Asia Long-Term Unconstrained Fund^Δ, Legg Mason Martin Currie Asia Pacific Fund^Δ, Legg Mason Martin Currie European Absolute Alpha Fund^Δ, Legg Mason Martin Currie Global Resources Fund^Δ, Legg Mason Martin Currie Greater China Fund^Δ, Legg Mason Martin Currie Japan Absolute Alpha Fund^Δ and Legg Mason Martin Currie North American Fund^Δ commenced trading.

μ Effective June 28, 2016 Legg Mason Martin Currie Global Long-Term Unconstrained Fund^Δ and Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund^Δ commenced trading.

β Effective November 17, 2016 Legg Mason Western Asset UK Investment Grade Credit Fund^Δ and Legg Mason Western Asset US Corporate Bond Fund^Δ commenced trading.

α Effective December 9, 2016 Legg Mason RARE Infrastructure Value Fund^Δ commenced trading.

* Includes the results of Legg Mason Royce Smaller Companies Fund II^Δ, which had its authorisation revoked, at the request of the Company, by the Central Bank on February 1, 2017, and the results of Legg Mason ClearBridge US Fundamental Value Fund^Δ, which had its authorisation revoked, at the request of the Company, by the Central Bank on February 15, 2017.

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

The accompanying notes are an integral part of the Financial Statements

Legg Mason QS MV Global Equity Growth and Income Fund		Legg Mason Congruix Japan Equity Fund [^]		Legg Mason Martin Currie Australia Equity Income Fund		Legg Mason Martin Currie Asia Long-Term Unconstrained Fund [^] Ø		Legg Mason Martin Currie Asia Pacific Fund [^] Ø	
for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016
\$ 1,425	\$ (868)	¥ –	¥ –	\$ 189	\$ (56)	\$ 17,298	\$ –	\$ 385	\$ –
9,233	587	–	–	391	1,000	131,127	–	2,469	–
–	–	–	–	–	–	–	–	–	–
(4,613)	(1,203)	–	–	(320)	–	(8,149)	–	(381)	–
4,620	(616)	–	–	71	1,000	122,978	–	2,088	–
6,045	(1,484)	–	–	260	944	140,276	–	2,473	–
11,980	13,464	–	–	944	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
\$ 18,025	\$ 11,980	¥ –	¥ –	\$ 1,204	\$ 944	\$ 140,276	\$ –	\$ 2,473	\$ –
Legg Mason Martin Currie North American Fund [^] Ø		Legg Mason Martin Currie Global Long-Term Unconstrained Fund [^] µ		Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund [^] µ		Legg Mason RARE Infrastructure Value Fund [^] α		Legg Mason Global Funds plc	
for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016	for the year ended February 28, 2017	for the year ended February 29, 2016*
\$ 674	\$ –	\$ 1,036	\$ –	\$ (17)	\$ –	€ 9,132	€ –	\$ 2,083,200	\$ (2,821,615)
4,871	–	10,557	–	2,282	–	206,665	–	9,372,630	13,509,462
–	–	–	–	5	–	–	–	19,917	24,003
(639)	–	(147)	–	(4)	–	(2,547)	–	(9,201,638)	(11,599,268)
4,232	–	10,410	–	2,283	–	204,118	–	190,909	1,934,197
4,906	–	11,446	–	2,266	–	213,250	–	2,274,109	(887,418)
–	–	–	–	–	–	–	–	20,197,167	21,093,840
–	–	–	–	–	–	–	–	(33,400)	(9,255)
\$ 4,906	\$ –	\$ 11,446	\$ –	\$ 2,266	\$ –	€ 213,250	€ –	\$ 22,437,876	\$ 20,197,167

The accompanying notes are an integral part of the Financial Statements

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

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Legg Mason Western Asset US Money Market Fund		
Class A US\$ Accumulating		
Sold	1,586	2,060
Redeemed	(1,543)	(1,660)
Net Increase	43	400
Class A US\$ Distributing (D)		
Sold	1,048,127	914,912
Redeemed	(955,939)	(964,987)
Net Increase/(decrease)	92,188	(50,075)
Class A US\$ Distributing (M)		
Sold	85	960
Redeemed	(164)	(884)
Net (Decrease)/increase	(79)	76
Class B US\$ Accumulating		
Sold	3	6
Redeemed	(6)	(8)
Net Decrease	(3)	(2)
Class B US\$ Distributing (D)		
Sold	145	1,063
Redeemed	(88)	(678)
Net Increase	57	385
Class C US\$ Accumulating		
Sold	73	2
Redeemed	(3)	(6)
Net Increase/(decrease)	70	(4)
Class C US\$ Distributing (D)		
Sold	324	547
Redeemed	(451)	(487)
Net (Decrease)/increase	(127)	60
Class A (G) US\$ Accumulating		
Sold	4	1
Redeemed	(4)	(1)
Net Increase	–	–
Class A (G) US\$ Distributing (D)		
Sold	–	3
Redeemed	(284)	(32)
Net Decrease	(284)	(29)
Class L (G) US\$ Distributing (D)		
Sold	14	2
Redeemed	(259)	(2)
Net Decrease	(245)	–
Legg Mason Western Asset US Core Bond Fund		
Class A US\$ Accumulating		
Sold	120	178
Redeemed	(152)	(147)
Net (Decrease)/increase	(32)	31
Class A US\$ Distributing (D)		
Sold	218	80
Redeemed	(122)	(112)
Net Increase/(decrease)	96	(32)
Class B US\$ Accumulating		
Sold	1	4
Redeemed	(1)	(2)
Net Increase	–	2
Class B US\$ Distributing (D)		
Sold	–	7
Redeemed	(1)	(4)
Net (Decrease)/increase	(1)	3
Class C US\$ Accumulating		
Sold	9	9
Redeemed	(5)	(4)
Net Increase	4	5
Class C US\$ Distributing (D)		
Sold	49	16
Redeemed	(50)	(5)
Net (Decrease)/increase	(1)	11
Class F US\$ Accumulating		
Sold	44	33
Redeemed	(4)	(71)
Net Increase/(decrease)	40	(38)
Class F US\$ Distributing (D)		
Sold	2	–
Net Increase	2	–

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Premier Class US\$ Accumulating		
Sold	11	10
Redeemed	(19)	–
Net (Decrease)/increase	(8)	10
Class GA US\$ Accumulating		
Sold	3	8
Redeemed	(5)	(11)
Net Decrease	(2)	(3)
Class GE US\$ Accumulating		
Sold	2	2
Redeemed	(3)	(2)
Net Decrease	(1)	–
Legg Mason Western Asset US Core Plus Bond Fund		
Class A US\$ Accumulating		
Sold	852	878
Redeemed	(870)	(260)
Net (Decrease)/increase	(18)	618
Class A US\$ Distributing (D)		
Sold	110	170
Redeemed	(78)	(79)
Net Increase	32	91
Class A US\$ Distributing (M) Plus		
Sold	56	–
Redeemed	(36)	–
Net Increase	20	–
Class B US\$ Accumulating		
Sold	1	4
Redeemed	(2)	(2)
Net (Decrease)/increase	(1)	2
Class B US\$ Distributing (D)		
Sold	–	2
Redeemed	–	(2)
Net Increase	–	–
Class C US\$ Accumulating		
Sold	77	25
Redeemed	(68)	(16)
Net Increase	9	9
Class C US\$ Distributing (D)		
Sold	53	25
Redeemed	(62)	(11)
Net (Decrease)/increase	(9)	14
Class E US\$ Accumulating		
Sold	103	89
Redeemed	(70)	(12)
Net Increase	33	77
Class F US\$ Accumulating		
Sold	722	485
Redeemed	(579)	(294)
Net Increase	143	191
Class X US\$ Accumulating		
Sold	21	1
Redeemed	(2)	–
Net Increase	19	1
Premier Class US\$ Accumulating		
Sold	1,848	1,042
Redeemed	(1,010)	(709)
Net Increase	838	333
Premier Class US\$ Distributing (M)		
Sold	–	1
Redeemed	(7)	(13)
Net Decrease	(7)	(12)
Premier Class Euro Accumulating (Hedged)		
Sold	12	–
Net Increase	12	–
LM Class US\$ Accumulating		
Sold	31	–
Redeemed	(14)	–
Net Increase	17	–
LM Class Euro Accumulating		
Sold	27	–
Redeemed	(5)	–
Net Increase	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 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Legg Mason Western Asset US Core Plus Bond Fund – (continued)		
LM Class GBP Accumulating (Hedged)		
Sold	1	1
Redeemed	–	(1)
Net Increase	1	–
Class A (G) US\$ Accumulating		
Sold	5	1
Redeemed	(8)	(2)
Net Decrease	(3)	(1)
Class A (G) US\$ Distributing (D)		
Sold	3	2
Redeemed	(6)	(5)
Net Decrease	(3)	(3)
Class L (G) US\$ Accumulating		
Redeemed	(1)	(3)
Net Decrease	(1)	(3)
Class L (G) US\$ Distributing (D)		
Sold	2	1
Redeemed	(6)	(3)
Net Decrease	(4)	(2)
Legg Mason Western Asset Euro Core Plus Bond Fund		
Class A US\$ Distributing (D)		
Sold	38	2
Redeemed	(40)	(3)
Net Decrease	(2)	(1)
Class A Euro Distributing (D)		
Sold	10	11
Redeemed	(25)	(7)
Net (Decrease)/increase	(15)	4
Class C US\$ Distributing (D)		
Sold	–	1
Redeemed	–	(2)
Net Decrease	–	(1)
Premier Class Euro Accumulating		
Sold	172	278
Net Increase	172	278
Class GA Euro Accumulating		
Sold	1	4
Redeemed	(4)	(6)
Net Decrease	(3)	(2)
Class GA Euro Distributing (A)		
Sold	1	–
Redeemed	(1)	(1)
Net Decrease	–	(1)
Class GE Euro Accumulating		
Sold	–	1
Redeemed	(1)	(3)
Net Decrease	(1)	(2)
Legg Mason Western Asset Short Duration High Income Bond Fund		
Class A US\$ Accumulating		
Sold	22	77
Redeemed	(8)	(60)
Net Increase	14	17
Class A US\$ Distributing (D)		
Sold	12	20
Redeemed	(32)	(32)
Net Decrease	(20)	(12)
Class A US\$ Distributing (M)		
Redeemed	–	(3)
Net Decrease	–	(3)
Class A Euro Accumulating (Hedged)		
Sold	–	1
Redeemed	–	(3)
Net Decrease	–	(2)
Class A Euro Distributing (M) (Hedged)		
Redeemed	–	(1)
Net Decrease	–	(1)
Class B US\$ Distributing (D)		
Redeemed	(1)	(5)
Net Decrease	(1)	(5)

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Class C US\$ Accumulating		
Sold	2	9
Redeemed	(12)	–
Net (Decrease)/increase	(10)	9
Class C US\$ Distributing (D)		
Sold	50	10
Redeemed	(32)	(12)
Net Increase/(decrease)	18	(2)
Class A (G) US\$ Accumulating		
Redeemed	(4)	(2)
Net Decrease	(4)	(2)
Class A (G) US\$ Distributing (D)		
Sold	10	11
Redeemed	(23)	(15)
Net Decrease	(13)	(4)
Class L (G) US\$ Distributing (D)		
Sold	–	1
Redeemed	(1)	(2)
Net Decrease	(1)	(1)
Legg Mason Western Asset Global Multi Strategy Fund		
Class A US\$ Accumulating		
Sold	257	157
Redeemed	(188)	(214)
Net Increase/(decrease)	69	(57)
Class A US\$ Distributing (D)		
Sold	54	88
Redeemed	(122)	(204)
Net Decrease	(68)	(116)
Class A US\$ Distributing (M)		
Sold	177	28
Redeemed	(184)	(110)
Net Decrease	(7)	(82)
Class A Euro Accumulating (Hedged)		
Sold	61	61
Redeemed	(79)	(173)
Net Decrease	(18)	(112)
Class A Euro Distributing (M) (Hedged) Plus (e)		
Sold	–	5
Redeemed	(2)	(8)
Net Decrease	(2)	(3)
Class A Euro Distributing (M) (Hedged)		
Sold	54	119
Redeemed	(70)	(279)
Net Decrease	(16)	(160)
Class A GBP Distributing (M) (Hedged)		
Sold	11	165
Redeemed	(74)	(545)
Net Decrease	(63)	(380)
Class A SGD Distributing (M) (Hedged) Plus		
Sold	9,409	664
Redeemed	(8,315)	(1,008)
Net Increase/(decrease)	1,094	(344)
Class B US\$ Accumulating		
Redeemed	–	(2)
Net Decrease	–	(2)
Class B US\$ Distributing (D)		
Sold	1	3
Redeemed	(10)	(18)
Net Decrease	(9)	(15)
Class C US\$ Accumulating		
Sold	97	40
Redeemed	(144)	(55)
Net Decrease	(47)	(15)
Class C US\$ Distributing (D)		
Sold	129	73
Redeemed	(518)	(367)
Net Decrease	(389)	(294)
Class E US\$ Accumulating		
Sold	4	14
Redeemed	(16)	(30)
Net Decrease	(12)	(16)

The accompanying notes are an integral part of the Financial Statements

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

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Legg Mason Western Asset Global Multi Strategy Fund – (continued)		
Class E US\$ Distributing (D)		
Sold	6	6
Redeemed	(15)	(19)
Net Decrease	(9)	(13)
Class E Euro Accumulating (Hedged)		
Sold	11	19
Redeemed	(8)	(34)
Net Increase/(decrease)	3	(15)
Class E Euro Distributing (M) (Hedged)		
Redeemed	–	(2)
Net Decrease	–	(2)
Class F US\$ Accumulating		
Sold	10	2
Redeemed	(10)	(20)
Net Decrease	–	(18)
Class F US\$ Distributing (D)		
Sold	16	2
Redeemed	(6)	(20)
Net Increase/(decrease)	10	(18)
Class X US\$ Distributing (D)		
Sold	–	2
Redeemed	–	(3)
Net Decrease	–	(1)
Class X GBP Distributing (D) (Hedged)		
Sold	1	–
Redeemed	(1)	–
Net Increase	–	–
Premier Class US\$ Accumulating		
Sold	101	42
Redeemed	(35)	(51)
Net Increase/(decrease)	66	(9)
Premier Class US\$ Distributing (D)		
Sold	82	1
Redeemed	(82)	(3)
Net Decrease	–	(2)
Premier Class US\$ Distributing (M) Plus (e)		
Sold	137	66
Redeemed	(29)	(78)
Net Increase/(decrease)	108	(12)
Premier Class US\$ Distributing (M)		
Sold	123	6
Redeemed	(3)	(9)
Net Increase/(decrease)	120	(3)
Premier Class CHF Accumulating (Hedged)		
Sold	105	316
Net Increase	105	316
Premier Class Euro Accumulating (Hedged)		
Sold	15	22
Redeemed	(13)	(418)
Net Increase/(decrease)	2	(396)
Premier Class Euro Distributing (M) (Hedged)		
Sold	–	5
Redeemed	(1)	(9)
Net Decrease	(1)	(4)
Premier Class GBP Accumulating (Hedged)		
Sold	63	214
Redeemed	(265)	(124)
Net (Decrease)/increase	(202)	90
Premier Class GBP Distributing (M) (Hedged) Plus (e)		
Sold	697	–
Redeemed	(154)	(17)
Net Increase/(decrease)	543	(17)
Premier Class GBP Distributing (M) (Hedged)		
Sold	9	239
Redeemed	(38)	(280)
Net Decrease	(29)	(41)
Premier Class GBP Distributing (Q) (Hedged)		
Sold	6	5
Redeemed	–	(1)
Net Increase	6	4
Premier Class JPY Accumulating (Hedged)		
Sold	–	1
Redeemed	–	(5)
Net Decrease	–	(4)

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
LM Class AUD Distributing (M) (Hedged)		
Sold	561	336
Redeemed	(157)	(656)
Net Increase/(decrease)	404	(320)
LM Class GBP Accumulating (Hedged)		
Sold	276	61
Redeemed	(826)	(139)
Net Decrease	(550)	(78)
Premier Class PLN Accumulating (Hedged)		
Sold	203	78
Redeemed	(122)	(38)
Net Increase	81	40
Legg Mason Western Asset US High Yield Fund		
Class A US\$ Accumulating		
Sold	638	412
Redeemed	(639)	(755)
Net Decrease	(1)	(343)
Class A US\$ Distributing (D)		
Sold	323	378
Redeemed	(422)	(721)
Net Decrease	(99)	(343)
Class A US\$ Distributing (M) Plus		
Sold	74	377
Redeemed	(26)	(380)
Net Increase/(decrease)	48	(3)
Class A US\$ Distributing (M)		
Sold	100	15
Redeemed	(67)	(261)
Net Increase/(decrease)	33	(246)
Class A Euro Distributing (M) (Hedged)		
Sold	20	3
Redeemed	(1)	–
Net Increase	19	3
Class A HKD Distributing (M) Plus		
Sold	–	25
Net Increase	–	25
Class A SGD Distributing (M) (Hedged) Plus		
Sold	373	101
Redeemed	(369)	(98)
Net Increase	4	3
Class B US\$ Accumulating		
Sold	–	3
Redeemed	(2)	(5)
Net Decrease	(2)	(2)
Class B US\$ Distributing (D)		
Sold	19	31
Redeemed	(37)	(52)
Net Decrease	(18)	(21)
Class C US\$ Accumulating		
Sold	20	28
Redeemed	(30)	(69)
Net Decrease	(10)	(41)
Class C US\$ Distributing (D)		
Sold	35	70
Redeemed	(88)	(139)
Net Decrease	(53)	(69)
Class E US\$ Accumulating		
Sold	9	32
Redeemed	(39)	(82)
Net Decrease	(30)	(50)
Class E US\$ Distributing (D)		
Sold	26	86
Redeemed	(65)	(113)
Net Decrease	(39)	(27)
Class E Euro Accumulating (Hedged)		
Sold	–	2
Redeemed	(1)	(1)
Net (Decrease)/increase	(1)	1
Class F US\$ Accumulating		
Sold	9	20
Redeemed	(4)	(12)
Net Increase	5	8

The accompanying notes are an integral part of the Financial Statements

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

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Legg Mason Western Asset US High Yield Fund – (continued)		
Class F US\$ Distributing (D)		
Sold	3	13
Redeemed	(4)	(11)
Net (Decrease)/increase	(1)	2
Premier Class US\$ Accumulating		
Sold	69	727
Redeemed	(135)	(317)
Net (Decrease)/increase	(66)	410
Premier Class US\$ Distributing (M) Plus (e)		
Sold	166	288
Redeemed	(28)	(568)
Net Increase/(decrease)	138	(280)
Premier Class Euro Accumulating		
Sold	–	39
Redeemed	(64)	(72)
Net Decrease	(64)	(33)
LM Class US\$ Accumulating		
Redeemed	(145)	(191)
Net Decrease	(145)	(191)
LM Class US\$ Distributing (M)		
Sold	57	114
Redeemed	(299)	(206)
Net Decrease	(242)	(92)
LM Class GBP Accumulating (Hedged)		
Sold	1	1
Redeemed	(1)	(1)
Net Increase	–	–
Class A (G) US\$ Accumulating		
Redeemed	(1)	(1)
Net Decrease	(1)	(1)
Class A (G) US\$ Distributing (D)		
Sold	2	5
Redeemed	(8)	(20)
Net Decrease	(6)	(15)
Class L (G) US\$ Accumulating		
Sold	–	1
Redeemed	–	(1)
Net Increase	–	–
Class L (G) US\$ Distributing (D)		
Sold	3	6
Redeemed	(13)	(20)
Net Decrease	(10)	(14)
Class GF US\$ Accumulating		
Redeemed	–	(1)
Net Decrease	–	(1)
Legg Mason Western Asset Emerging Markets Total Return Bond Fund		
Class A US\$ Accumulating		
Sold	49	122
Redeemed	(124)	(165)
Net Decrease	(75)	(43)
Class A US\$ Distributing (D)		
Sold	11	15
Redeemed	(23)	(45)
Net Decrease	(12)	(30)
Class A US\$ Distributing (M) Plus		
Sold	52	36
Redeemed	(17)	(37)
Net Increase/(decrease)	35	(1)
Class A US\$ Distributing (M)		
Sold	74	20
Redeemed	(72)	(56)
Net Increase/(decrease)	2	(36)
Class A Euro Accumulating (Hedged)		
Sold	3	3
Redeemed	(8)	(4)
Net Decrease	(5)	(1)
Class A Euro Distributing (D) (Hedged)		
Sold	–	2
Redeemed	–	(2)
Net Increase	–	–
Class A GBP Distributing (D) (Hedged)		
Redeemed	–	(1)
Net Decrease	–	(1)

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Class A SGD Distributing (M) (Hedged) Plus		
Sold	220	45
Redeemed	(220)	(121)
Net Decrease	–	(76)
Class B US\$ Accumulating		
Sold	–	2
Redeemed	–	(2)
Net Increase	–	–
Class B US\$ Distributing (D)		
Sold	1	–
Redeemed	(3)	(1)
Net Decrease	(2)	(1)
Class C US\$ Accumulating		
Sold	1	–
Redeemed	(1)	–
Net Increase	–	–
Class C US\$ Distributing (D)		
Sold	4	5
Redeemed	(12)	(9)
Net Decrease	(8)	(4)
Class E US\$ Distributing (D)		
Sold	3	10
Redeemed	(5)	(15)
Net Decrease	(2)	(5)
Class E Euro Accumulating (Hedged)		
Redeemed	–	(1)
Net Decrease	–	(1)
Class E Euro Distributing (M) (Hedged)		
Redeemed	(1)	(1)
Net Decrease	(1)	(1)
Class F US\$ Accumulating		
Sold	–	4
Redeemed	–	(8)
Net Decrease	–	(4)
Class X GBP Distributing (D) (Hedged)		
Sold	1	2
Redeemed	(1)	(2)
Net Increase	–	–
Premier Class US\$ Accumulating		
Sold	1	16
Redeemed	(59)	(63)
Net Decrease	(58)	(47)
Premier Class Euro Accumulating (Hedged)		
Sold	6	5
Redeemed	(4)	(12)
Net Increase/(decrease)	2	(7)
Premier Class GBP Distributing (D) (Hedged)		
Sold	3	1
Redeemed	(5)	(78)
Net Decrease	(2)	(77)
Class A (G) US\$ Accumulating		
Sold	–	1
Redeemed	(2)	(9)
Net Decrease	(2)	(8)
Class A (G) US\$ Distributing (D)		
Sold	–	1
Redeemed	(1)	(4)
Net Decrease	(1)	(3)
Class L (G) US\$ Accumulating		
Sold	1	7
Redeemed	(1)	(8)
Net Decrease	–	(1)
Class L (G) US\$ Distributing (D)		
Sold	2	3
Redeemed	(6)	(10)
Net Decrease	(4)	(7)
Legg Mason Western Asset Emerging Markets Corporate Bond Fund		
Class A US\$ Accumulating		
Sold	2	–
Redeemed	(1)	–
Net Increase	1	–
Premier Class US\$ Accumulating		
Sold	–	14
Redeemed	(134)	(196)
Net Decrease	(134)	(182)

The accompanying notes are an integral part of the Financial Statements

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

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Legg Mason Western Asset Emerging Markets Corporate Bond Fund – (continued)		
LM Class US\$ Distributing (M)		
Sold	238	20
Redeemed	(205)	(209)
Net Increase/(decrease)	33	(189)
Legg Mason Western Asset Global High Yield Fund		
Class A US\$ Accumulating		
Sold	539	335
Redeemed	(499)	(574)
Net Increase/(decrease)	40	(239)
Class A US\$ Distributing (D)		
Sold	130	104
Redeemed	(200)	(262)
Net Decrease	(70)	(158)
Class A US\$ Distributing (M) Plus		
Sold	96	98
Redeemed	(71)	(167)
Net Increase/(decrease)	25	(69)
Class A US\$ Distributing (M)		
Sold	400	505
Redeemed	(476)	(1,041)
Net Decrease	(76)	(536)
Class A AUD Distributing (M) (Hedged) Plus		
Sold	716	616
Redeemed	(665)	(778)
Net Increase/(decrease)	51	(162)
Class A Euro Distributing (D) (Hedged)		
Sold	20	1
Redeemed	–	(9)
Net Increase/(decrease)	20	(8)
Class A SGD Distributing (M) (Hedged) Plus		
Sold	10,718	1,957
Redeemed	(5,309)	(4,442)
Net Increase/(decrease)	5,409	(2,485)
Class B US\$ Accumulating		
Sold	–	2
Redeemed	–	(6)
Net Decrease	–	(4)
Class B US\$ Distributing (D)		
Sold	2	1
Redeemed	(5)	(6)
Net Decrease	(3)	(5)
Class C US\$ Accumulating		
Sold	11	16
Redeemed	(18)	(25)
Net Decrease	(7)	(9)
Class C US\$ Distributing (D)		
Sold	36	24
Redeemed	(90)	(118)
Net Decrease	(54)	(94)
Class E US\$ Accumulating		
Sold	2	7
Redeemed	(11)	(37)
Net Decrease	(9)	(30)
Class E US\$ Distributing (D)		
Sold	1	5
Redeemed	(8)	(17)
Net Decrease	(7)	(12)
Class E Euro Accumulating (Hedged)		
Redeemed	–	(1)
Net Decrease	–	(1)
Class E Euro Distributing (M) (Hedged)		
Sold	4	1
Redeemed	(1)	(1)
Net Increase	3	–
Class F US\$ Accumulating		
Sold	1	5
Redeemed	(3)	(15)
Net Decrease	(2)	(10)
Class F US\$ Distributing (D)		
Sold	25	5
Redeemed	(29)	(10)
Net Decrease	(4)	(5)

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Class X US\$ Accumulating		
Sold	–	1
Redeemed	–	(2)
Net Decrease	–	(1)
Class X US\$ Distributing (D)		
Redeemed	(1)	(1)
Net Decrease	(1)	(1)
Class X GBP Distributing (D) (Hedged)		
Redeemed	–	(1)
Net Decrease	–	(1)
Premier Class US\$ Accumulating		
Sold	10	147
Redeemed	(94)	(203)
Net Decrease	(84)	(56)
Premier Class US\$ Distributing (M) Plus (e)		
Sold	513	414
Redeemed	(299)	(555)
Net Increase/(decrease)	214	(141)
Premier Class Euro Accumulating (Hedged)		
Sold	151	17
Redeemed	(159)	(22)
Net Decrease	(8)	(5)
Premier Class GBP Distributing (D) (Hedged)		
Sold	–	2
Redeemed	(1)	(42)
Net Decrease	(1)	(40)
LM Class US\$ Accumulating		
Sold	146	52
Redeemed	(38)	(62)
Net Increase/(decrease)	108	(10)
Class A (G) US\$ Accumulating		
Sold	1	–
Redeemed	(3)	(7)
Net Decrease	(2)	(7)
Class A (G) US\$ Distributing (D)		
Sold	7	7
Redeemed	(21)	(23)
Net Decrease	(14)	(16)
Class L (G) US\$ Accumulating		
Redeemed	(1)	(2)
Net Decrease	(1)	(2)
Class L (G) US\$ Distributing (D)		
Sold	10	6
Redeemed	(20)	(16)
Net Decrease	(10)	(10)
Legg Mason Western Asset US Short-Term Government Fund		
Class A US\$ Accumulating		
Sold	43	72
Redeemed	(97)	(108)
Net Decrease	(54)	(36)
Class A US\$ Distributing (D)		
Sold	2	20
Redeemed	(2)	(30)
Net Decrease	–	(10)
Class B US\$ Accumulating		
Sold	–	1
Redeemed	(1)	(2)
Net Decrease	(1)	(1)
Class B US\$ Distributing (D)		
Redeemed	–	(2)
Net Decrease	–	(2)
Class C US\$ Accumulating		
Sold	20	2
Redeemed	(2)	(3)
Net Increase/(decrease)	18	(1)
Class C US\$ Distributing (D)		
Sold	19	12
Redeemed	(22)	(13)
Net Decrease	(3)	(1)
Class E US\$ Accumulating		
Sold	–	1
Redeemed	(1)	–
Net (Decrease)/increase	(1)	1

The accompanying notes are an integral part of the Financial Statements

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

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Legg Mason Western Asset US Short-Term Government Fund – (continued)		
Class A (G) US\$ Accumulating		
Sold	3	–
Redeemed	(7)	(1)
Net Decrease	(4)	(1)
Class A (G) US\$ Distributing (D)		
Redeemed	(8)	(11)
Net Decrease	(8)	(11)
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	18	50
Redeemed	(47)	(36)
Net (Decrease)/increase	(29)	14
Class B US\$ Distributing (D)		
Sold	1	3
Redeemed	(1)	(3)
Net Increase	–	–
Class C US\$ Distributing (D)		
Sold	2	1
Redeemed	(4)	(2)
Net Decrease	(2)	(1)
Class A (G) US\$ Accumulating		
Redeemed	(1)	(19)
Net Decrease	(1)	(19)
Class A (G) US\$ Distributing (D)		
Sold	1	–
Redeemed	(3)	(3)
Net Decrease	(2)	(3)
Class L (G) US\$ Distributing (D)		
Redeemed	(2)	(1)
Net Decrease	(2)	(1)
Legg Mason Western Asset Global Inflation Management Fund		
Class A US\$ Accumulating		
Sold	27	14
Redeemed	(12)	(16)
Net Increase/(decrease)	15	(2)
Class A US\$ Distributing (A)		
Sold	42	24
Redeemed	(18)	(19)
Net Increase	24	5
Class B US\$ Accumulating		
Sold	2	–
Net Increase	2	–
Class C US\$ Accumulating		
Sold	7	–
Redeemed	(1)	–
Net Increase	6	–
Class C US\$ Distributing (A)		
Sold	3	2
Redeemed	(3)	(3)
Net Decrease	–	(1)
Premier Class US\$ Distributing (A)		
Sold	1	–
Net Increase	1	–
Class A (G) US\$ Accumulating		
Sold	5	–
Redeemed	(6)	(1)
Net Decrease	(1)	(1)
Class L (G) US\$ Distributing (A)		
Sold	1	–
Redeemed	(3)	(1)
Net Decrease	(2)	(1)

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Legg Mason Western Asset Asian Opportunities Fund		
Class A US\$ Accumulating		
Sold	252	255
Redeemed	(240)	(475)
Net Increase/(decrease)	12	(220)
Class A US\$ Distributing (D)		
Sold	25	43
Redeemed	(62)	(253)
Net Decrease	(37)	(210)
Class A US\$ Distributing (M) Plus		
Sold	1,143	80
Redeemed	(379)	(56)
Net Increase	764	24
Class A US\$ Distributing (M)		
Sold	492	47
Redeemed	(292)	(183)
Net Increase/(decrease)	200	(136)
Class A AUD Distributing (M) (Hedged) Plus		
Sold	413	82
Redeemed	(200)	(38)
Net Increase	213	44
Class A CHF Accumulating (Hedged)		
Sold	28	3
Redeemed	(7)	(1)
Net Increase	21	2
Class A CNH Distributing (M) (Hedged) Plus		
Sold	1,111	62
Redeemed	(272)	(71)
Net Increase/(decrease)	839	(9)
Class A Euro Accumulating (Hedged)		
Sold	158	14
Redeemed	(121)	(31)
Net Increase/(decrease)	37	(17)
Class A Euro Accumulating		
Sold	8	8
Redeemed	(7)	(25)
Net Increase/(decrease)	1	(17)
Class A Euro Distributing (A)		
Sold	6	2
Redeemed	(3)	(6)
Net Increase/(decrease)	3	(4)
Class A GBP Distributing (D) (Hedged)		
Sold	–	2
Redeemed	(1)	(3)
Net Decrease	(1)	(1)
Class A GBP Distributing (M)		
Sold	–	1
Redeemed	(2)	(1)
Net Decrease	(2)	–
Class A HKD Distributing (M) Plus		
Sold	1,577	1
Redeemed	(631)	–
Net Increase	946	1
Class A SGD Accumulating (Hedged)		
Sold	774	6,896
Redeemed	(6,758)	(11,470)
Net Decrease	(5,984)	(4,574)
Class A SGD Distributing (M) (Hedged) Plus		
Sold	6,054	1,411
Redeemed	(7,666)	(6,879)
Net Decrease	(1,612)	(5,468)
Class A SGD Distributing (M) Plus		
Sold	921	360
Redeemed	(1,380)	(1,281)
Net Decrease	(459)	(921)
Class B US\$ Accumulating		
Sold	–	1
Redeemed	(3)	(4)
Net Decrease	(3)	(3)
Class B US\$ Distributing (D)		
Sold	–	1
Redeemed	(2)	(6)
Net Decrease	(2)	(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 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Legg Mason Western Asset Asian Opportunities Fund – (continued)		
Class C US\$ Accumulating		
Sold	4	2
Redeemed	(22)	(31)
Net Decrease	(18)	(29)
Class C US\$ Distributing (D)		
Sold	2	8
Redeemed	(36)	(36)
Net Decrease	(34)	(28)
Class E US\$ Accumulating		
Sold	6	10
Redeemed	(15)	(27)
Net Decrease	(9)	(17)
Class E US\$ Distributing (D)		
Sold	1	5
Redeemed	(4)	(8)
Net Decrease	(3)	(3)
Class E Euro Accumulating (Hedged)		
Redeemed	–	(1)
Net Decrease	–	(1)
Class F US\$ Accumulating		
Sold	35	97
Redeemed	(51)	(174)
Net Decrease	(16)	(77)
Class F US\$ Distributing (D)		
Sold	1	–
Net Increase	1	–
Class X US\$ Distributing (M)		
Sold	110	15
Redeemed	(15)	–
Net Increase	95	15
Class X Euro Accumulating (Hedged)		
Sold	–	2
Redeemed	–	(14)
Net Decrease	–	(12)
Premier Class US\$ Accumulating		
Sold	260	264
Redeemed	(262)	(417)
Net Decrease	(2)	(153)
Premier Class US\$ Distributing (M)		
Sold	219	243
Redeemed	(224)	(330)
Net Decrease	(5)	(87)
Premier Class Euro Accumulating (Hedged)		
Sold	38	1
Redeemed	–	(5)
Net Increase/(decrease)	38	(4)
Premier Class Euro Accumulating		
Sold	152	41
Redeemed	(2)	(182)
Net Increase/(decrease)	150	(141)
Premier Class Euro Distributing (A)		
Sold	261	28
Redeemed	(10)	–
Net Increase	251	28
Premier Class Euro Distributing (M)		
Sold	18	–
Net Increase	18	–
Premier Class GBP Distributing (M)		
Sold	1	3
Redeemed	(3)	(1)
Net (Decrease)/increase	(2)	2
LM Class US\$ Accumulating		
Redeemed	(78)	(178)
Net Decrease	(78)	(178)
Legg Mason Western Asset Global Blue Chip Bond Fund		
Class A US\$ Accumulating		
Sold	20	21
Redeemed	(23)	(69)
Net Decrease	(3)	(48)
Class A US\$ Distributing (M)		
Sold	3	5
Redeemed	(4)	(12)
Net Decrease	(1)	(7)

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Class A Euro Accumulating (Hedged)		
Redeemed	–	(1)
Net Decrease	–	(1)
Class B US\$ Accumulating		
Sold	3	20
Redeemed	(10)	(8)
Net (Decrease)/increase	(7)	12
Class B US\$ Distributing (M)		
Sold	1	–
Net Increase	1	–
Class C US\$ Accumulating		
Sold	35	–
Redeemed	(15)	–
Net Increase	20	–
Class C US\$ Distributing (M)		
Redeemed	(7)	(3)
Net Decrease	(7)	(3)
Class E US\$ Accumulating		
Sold	61	70
Redeemed	(75)	(6)
Net (Decrease)/increase	(14)	64
Class E US\$ Distributing (D)		
Sold	22	37
Redeemed	(52)	(1)
Net (Decrease)/increase	(30)	36
Class F US\$ Accumulating		
Sold	1	1
Redeemed	(1)	–
Net Increase	–	1
Premier Class US\$ Accumulating		
Redeemed	–	(29)
Net Decrease	–	(29)
Premier Class US\$ Distributing (M)		
Redeemed	(2)	(19)
Net Decrease	(2)	(19)
Premier Class Euro Accumulating (Hedged)		
Sold	–	1
Redeemed	(2)	–
Net (Decrease)/increase	(2)	1
Premier Class Euro Distributing (M) (Hedged)		
Sold	2	–
Redeemed	(2)	(4)
Net Decrease	–	(4)
Premier Class GBP Accumulating (Hedged)		
Sold	1	–
Redeemed	(5)	(4)
Net Decrease	(4)	(4)
Premier Class GBP Distributing (M) (Hedged)		
Sold	9	6
Redeemed	(24)	(38)
Net Decrease	(15)	(32)
Legg Mason Western Asset Brazil Bond Fund^		
Class A US\$ Distributing (M)		
Sold	–	4
Redeemed	–	(7)
Net Decrease	–	(3)
LM Class US\$ Accumulating		
Redeemed	–	(326)
Net Decrease	–	(326)
Legg Mason Western Asset Global Credit Absolute Return Fund^8		
Class A US\$ Accumulating		
Redeemed	–	(2)
Net Decrease	–	(2)
Class A US\$ Distributing (M)		
Sold	–	25
Redeemed	(1)	(85)
Net Decrease	(1)	(60)
Class A GBP Distributing (M) (Hedged)		
Sold	–	5
Redeemed	(1)	(10)
Net Decrease	(1)	(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 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Legg Mason Western Asset Global Credit Absolute Return Fund[^] – (continued)		
Class A (PF) US\$ Accumulating		
Redeemed	(1)	(5)
Net Decrease	(1)	(5)
Class X GBP Distributing (M) (Hedged)		
Sold	1	3
Redeemed	(4)	(19)
Net Decrease	(3)	(16)
Premier Class Euro Accumulating (Hedged)		
Sold	7	24
Redeemed	(8)	(85)
Net Decrease	(1)	(61)
Premier Class GBP Distributing (M) (Hedged)		
Sold	1	37
Redeemed	(141)	(207)
Net Decrease	(140)	(170)
Premier (PF) Class US\$ Accumulating		
Redeemed	(13)	(13)
Net Decrease	(13)	(13)
Premier (PF) Class GBP Accumulating (Hedged)		
Redeemed	(9)	–
Net Decrease	(9)	–
Premier (PF) Class GBP Distributing (M) (Hedged)		
Sold	–	8
Redeemed	(1)	(130)
Net Decrease	(1)	(122)
LM Class US\$ Accumulating		
Sold	4	–
Redeemed	(4)	–
Net Increase	–	–
Legg Mason Western Asset Global Core Plus Bond Fund[^]		
Class A US\$ Distributing (A)		
Sold	1	–
Net Increase	1	–
Class A US\$ Distributing (D)		
Sold	1	23
Redeemed	(2)	–
Net (Decrease)/increase	(1)	23
Class X US\$ Accumulating		
Sold	–	2
Redeemed	–	(2)
Net Increase	–	–
Premier Class US\$ Accumulating		
Sold	1,015	788
Redeemed	(1,131)	(187)
Net (Decrease)/increase	(116)	601
Premier Class Euro Accumulating (Hedged)		
Sold	279	313
Redeemed	(258)	(68)
Net Increase	21	245
Premier Class JPY Accumulating (Hedged)		
Sold	–	4
Redeemed	–	(19)
Net Decrease	–	(15)
Legg Mason Western Asset Global Credit Fund		
Class A US\$ Accumulating		
Redeemed	–	(1)
Net Decrease	–	(1)
Class A US\$ Distributing (D)		
Sold	1	2
Redeemed	(15)	(5)
Net Decrease	(14)	(3)
Class A Euro Accumulating (Hedged)		
Sold	–	1
Redeemed	(3)	(3)
Net Decrease	(3)	(2)
Premier Class US\$ Accumulating		
Sold	7	–
Redeemed	(8)	–
Net Decrease	(1)	–

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
LM Class US\$ Accumulating		
Sold	–	1
Redeemed	(24)	(223)
Net Decrease	(24)	(222)
Legg Mason Western Asset Euro High Yield Fund		
Class A Euro Distributing (D)		
Sold	1	1
Net Increase	1	1
LM Class Euro Accumulating		
Sold	–	31
Redeemed	(20)	(24)
Net (Decrease)/increase	(20)	7
LM Class Euro Distributing (Q)		
Sold	13	26
Redeemed	(4)	(31)
Net Increase/(decrease)	9	(5)
Legg Mason Western Asset Macro Opportunities Bond Fund[^]		
Class A US\$ Accumulating		
Sold	3,262	6,354
Redeemed	(4,568)	(4,015)
Net (Decrease)/increase	(1,306)	2,339
Class A US\$ Distributing (M) Plus (e)		
Sold	1,092	1,429
Redeemed	(454)	(648)
Net Increase	638	781
Class A US\$ Distributing (S)		
Sold	276	436
Redeemed	(297)	(626)
Net Decrease	(21)	(190)
Class A AUD Distributing (M) (Hedged) Plus (e)		
Sold	44	118
Redeemed	(35)	(19)
Net Increase	9	99
Class A CHF Accumulating (Hedged)		
Sold	142	251
Redeemed	(91)	(183)
Net Increase	51	68
Class A CNH Accumulating (Hedged)		
Sold	–	212
Redeemed	(15)	(24)
Net (Decrease)/increase	(15)	188
Class A CNH Distributing (M) (Hedged) Plus (e)		
Sold	29	227
Redeemed	(156)	(34)
Net (Decrease)/increase	(127)	193
Class A Euro Accumulating (Hedged)		
Sold	2,037	2,080
Redeemed	(1,295)	(1,796)
Net Increase	742	284
Class A Euro Distributing (A)		
Sold	27	96
Redeemed	(10)	(85)
Net Increase	17	11
Class A Euro Distributing (S) (Hedged)		
Sold	8	–
Redeemed	(1)	–
Net Increase	7	–
Class A GBP Accumulating (Hedged)		
Sold	113	158
Redeemed	(107)	(74)
Net Increase	6	84
Class A GBP Accumulating		
Sold	3	1
Net Increase	3	1
Class A GBP Distributing (M) (Hedged) Plus (e)		
Sold	12	–
Net Increase	12	–
Class A SEK Accumulating (Hedged)		
Sold	1,662	4,615
Redeemed	(1,150)	(960)
Net Increase	512	3,655

The accompanying notes are an integral part of the Financial Statements

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

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Legg Mason Western Asset Macro Opportunities Bond Fund^ – (continued)		
Class A SGD Accumulating (Hedged)		
Sold	12,037	12,093
Redeemed	(16,750)	(10,125)
Net (Decrease)/increase	(4,713)	1,968
Class A SGD Distributing (M) (Hedged) Plus (e)		
Sold	31,077	5,837
Redeemed	(3,593)	(803)
Net Increase	27,484	5,034
Class B US\$ Accumulating		
Sold	3	7
Redeemed	(2)	–
Net Increase	1	7
Class C US\$ Accumulating		
Sold	178	252
Redeemed	(160)	(436)
Net Increase/(decrease)	18	(184)
Class C US\$ Distributing (S)		
Sold	63	74
Redeemed	(81)	(38)
Net (Decrease)/increase	(18)	36
Class E US\$ Accumulating		
Sold	97	260
Redeemed	(117)	(195)
Net (Decrease)/increase	(20)	65
Class E US\$ Distributing (S)		
Sold	23	18
Redeemed	(6)	(2)
Net Increase	17	16
Class E Euro Accumulating (Hedged)		
Sold	18	27
Redeemed	(17)	(14)
Net Increase	1	13
Class F US\$ Accumulating		
Sold	439	632
Redeemed	(329)	(531)
Net Increase	110	101
Class F US\$ Distributing (S)		
Sold	171	68
Redeemed	(64)	(28)
Net Increase	107	40
Class X US\$ Accumulating		
Sold	1,250	1,008
Redeemed	(918)	(613)
Net Increase	332	395
Class X US\$ Distributing (M) Plus (e)		
Sold	55	5
Redeemed	(4)	–
Net Increase	51	5
Class X US\$ Distributing (S)		
Sold	234	70
Redeemed	(48)	–
Net Increase	186	70
Class X CHF Accumulating (Hedged)		
Sold	168	164
Redeemed	(45)	(41)
Net Increase	123	123
Class X Euro Accumulating (Hedged)		
Sold	908	546
Redeemed	(486)	(425)
Net Increase	422	121
Class X Euro Accumulating		
Sold	64	107
Redeemed	(114)	(70)
Net (Decrease)/increase	(50)	37
Class X Euro Distributing (A) (Hedged)		
Sold	115	–
Redeemed	(2)	–
Net Increase	113	–
Class X Euro Distributing (M) (Hedged)		
Sold	8	–
Net Increase	8	–
Class X GBP Accumulating (Hedged)		
Sold	545	430
Redeemed	(171)	(294)
Net Increase	374	136

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Class X GBP Accumulating		
Sold	15	49
Redeemed	(15)	(21)
Net Increase	–	28
Class X GBP Distributing (M) (Hedged) Plus (e)		
Sold	3	3
Net Increase	3	3
Class X SGD Accumulating (Hedged)		
Sold	311	748
Redeemed	(453)	(1,241)
Net Decrease	(142)	(493)
Premier Class US\$ Accumulating		
Sold	2,208	2,928
Redeemed	(2,982)	(1,803)
Net (Decrease)/increase	(774)	1,125
Premier Class US\$ Distributing (S)		
Sold	122	269
Redeemed	(177)	(33)
Net (Decrease)/increase	(55)	236
Premier Class AUD Distributing (S) (Hedged)		
Sold	253	190
Redeemed	(17)	(10)
Net Increase	236	180
Premier Class CHF Accumulating (Hedged)		
Sold	111	141
Redeemed	(30)	(49)
Net Increase	81	92
Premier Class CHF Distributing (S) (Hedged)		
Sold	43	30
Redeemed	(25)	–
Net Increase	18	30
Premier Class Euro Accumulating (Hedged)		
Sold	3,411	4,527
Redeemed	(4,878)	(3,933)
Net (Decrease)/increase	(1,467)	594
Premier Class Euro Accumulating		
Sold	230	49
Redeemed	(253)	(87)
Net Decrease	(23)	(38)
Premier Class Euro Distributing (A)		
Sold	278	–
Net Increase	278	–
Premier Class Euro Distributing (S) (Hedged)		
Sold	144	89
Redeemed	(32)	(6)
Net Increase	112	83
Premier Class GBP Accumulating (Hedged)		
Sold	1,051	637
Redeemed	(663)	(108)
Net Increase	388	529
Premier Class GBP Distributing (M) (Hedged) Plus (e)		
Sold	708	501
Redeemed	(232)	(68)
Net Increase	476	433
Premier Class JPY Accumulating (Hedged)		
Sold	200	–
Net Increase	200	–
Premier Class SEK Accumulating (Hedged)		
Sold	694	1,523
Redeemed	(772)	(1,029)
Net (Decrease)/increase	(78)	494
S Class US\$ Accumulating		
Sold	351	20
Redeemed	(416)	(556)
Net Decrease	(65)	(536)
S Class Euro Accumulating (Hedged)		
Sold	1,229	467
Redeemed	(1,765)	(551)
Net Decrease	(536)	(84)
LM Class US\$ Accumulating		
Sold	6	–
Redeemed	(3)	–
Net Increase	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 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Legg Mason Western Asset Macro Opportunities Bond Fund[^] – (continued)		
LM Class Euro Accumulating		
Sold	20	–
Redeemed	(4)	–
Net Increase	16	–
Premier Class BRL Accumulating (Hedged)		
Sold	1,373	718
Redeemed	(39)	–
Net Increase	1,334	718
Legg Mason Western Asset EM Local Currency Debt Fund[^]		
Premier Class US\$ Accumulating		
Sold	503	763
Redeemed	(37)	–
Net Increase	466	763
LM Class US\$ Accumulating		
Sold	9	–
Redeemed	(9)	–
Net Increase	–	–
Legg Mason Western Asset Multi-Asset Credit Fund[^]		
Class A US\$ Distributing (M) Plus (e)		
Sold	1	–
Net Increase	1	–
Class X US\$ Distributing (M) Plus (e)		
Sold	7	–
Net Increase	7	–
Class X CHF Distributing (M) (Hedged)		
Sold	35	–
Net Increase	35	–
Class X Euro Distributing (M) (Hedged) Plus (e)		
Sold	20	–
Net Increase	20	–
S Class Euro Accumulating (Hedged)		
Sold	20	–
Redeemed	(20)	–
Net Increase	–	–
LM Class GBP Accumulating (Hedged)		
Sold	–	1,206
Net Increase	–	1,206
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund[^]		
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
Class X US\$ Distributing (M) Plus (e)		
Sold	7	–
Redeemed	(7)	–
Net Increase	–	–
Class X GBP Distributing (M) (Hedged) Plus (e)		
Sold	42	–
Redeemed	(41)	–
Net Increase	1	–
Premier Class US\$ Accumulating		
Sold	–	10
Net Increase	–	10
Premier Class Euro Accumulating (Hedged)		
Sold	–	9
Net Increase	–	9
Premier Class JPY Accumulating (Hedged)		
Sold	60	–
Net Increase	60	–
Premier Class JPY Distributing (M) Hedged Plus		
Sold	200	–
Redeemed	(200)	–
Net Increase	–	–

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Premier Class JPY Distributing (S) (Hedged)		
Sold	495	–
Net Increase	495	–
S Class US\$ Distributing (M) Plus (e)		
Sold	6	–
Net Increase	6	–
S Class GBP Distributing (M) (Hedged) Plus (e)		
Sold	43	–
Net Increase	43	–
LM Class US\$ Accumulating		
Sold	785	–
Redeemed	(487)	–
Net Increase	298	–
Legg Mason Western Asset Structured Opportunities Fund[^]		
Premier Class US\$ Accumulating		
Sold	416	–
Redeemed	(70)	–
Net Increase	346	–
Premier Class Euro Accumulating (Hedged)		
Sold	18	–
Redeemed	(4)	–
Net Increase	14	–
LM Class US\$ Accumulating		
Sold	–	3,337
Net Increase	–	3,337
Legg Mason Western Asset US Mortgage-Backed Securities Fund[^]		
LM Class US\$ Accumulating		
Sold	–	7,788
Net Increase	–	7,788
Legg Mason Western Asset UK Investment Grade Credit Fund^{^β}		
LM Class GBP Accumulating		
Sold	640	–
Net Increase	640	–
Legg Mason Western Asset US Corporate Bond Fund^{^β}		
LM Class GBP Accumulating (Hedged)		
Sold	960	–
Net Increase	960	–
Legg Mason Brandywine Global Fixed Income Fund		
Class A US\$ Accumulating		
Sold	167	765
Redeemed	(1,218)	(1,167)
Net Decrease	(1,051)	(402)
Class A US\$ Distributing (M)		
Sold	35	27
Redeemed	(27)	(39)
Net Increase/(decrease)	8	(12)
Class A US\$ Distributing (S)		
Sold	361	248
Redeemed	(369)	(561)
Net Decrease	(8)	(313)
Class A AUD Distributing (M) (Hedged) Plus		
Sold	26	37
Redeemed	(24)	(29)
Net Increase	2	8
Class A Euro Accumulating (Hedged) (AH)		
Sold	222	393
Redeemed	(384)	(600)
Net Decrease	(162)	(207)
Class A Euro Accumulating (Hedged)		
Sold	1,270	41
Redeemed	(512)	(26)
Net Increase	758	15
Class A Euro Distributing (A) (Hedged)		
Sold	3	6
Redeemed	(6)	(46)
Net Decrease	(3)	(40)

The accompanying notes are an integral part of the Financial Statements

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

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Legg Mason Brandywine Global Fixed Income Fund – (continued)		
Class A Euro Distributing (S) (Hedged) (AH)		
Sold	70	151
Redeemed	(100)	(151)
Net Decrease	(30)	–
Class A Euro Distributing (S)		
Sold	2	–
Redeemed	(1)	–
Net Increase	1	–
Class A GBP Distributing (M) (Hedged)		
Sold	3	–
Net Increase	3	–
Class A GBP Distributing (S) (Hedged) (AH)		
Sold	6	29
Redeemed	(31)	(69)
Net Decrease	(25)	(40)
Class A SGD Accumulating		
Sold	15,079	1,691
Redeemed	(14,886)	(305)
Net Increase	193	1,386
Class B US\$ Accumulating		
Redeemed	(1)	(2)
Net Decrease	(1)	(2)
Class B US\$ Distributing (S)		
Sold	2	6
Redeemed	(8)	(5)
Net (Decrease)/increase	(6)	1
Class C US\$ Accumulating		
Sold	1	5
Redeemed	(11)	(24)
Net Decrease	(10)	(19)
Class C US\$ Distributing (S)		
Sold	26	12
Redeemed	(63)	(83)
Net Decrease	(37)	(71)
Class E US\$ Accumulating		
Sold	17	44
Redeemed	(28)	(90)
Net Decrease	(11)	(46)
Class E Euro Accumulating (Hedged) (AH)		
Sold	2	51
Redeemed	(41)	(214)
Net Decrease	(39)	(163)
Class F US\$ Accumulating		
Sold	10	7
Redeemed	(6)	(14)
Net Increase/(decrease)	4	(7)
Class F US\$ Distributing (S)		
Sold	2	1
Redeemed	(7)	(7)
Net Decrease	(5)	(6)
Class R US\$ Distributing (S)		
Sold	–	1
Redeemed	(7)	(5)
Net Decrease	(7)	(4)
Class R GBP Distributing (S) (Hedged) (AH)		
Sold	60	10
Redeemed	(5)	(29)
Net Increase/(decrease)	55	(19)
Class X US\$ Accumulating		
Sold	40	27
Redeemed	(32)	(14)
Net Increase	8	13
Class X US\$ Distributing (S)		
Sold	26	173
Redeemed	(39)	(216)
Net Decrease	(13)	(43)
Class X Euro Accumulating (Hedged)		
Sold	5	109
Redeemed	(140)	(77)
Net (Decrease)/increase	(135)	32
Class X Euro Distributing (S) (Hedged) (AH)		
Sold	1	–
Redeemed	(1)	–
Net Increase	–	–

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Class X GBP Accumulating (Hedged) (AH)		
Sold	6	1
Redeemed	–	(1)
Net Increase	6	–
Class X GBP Accumulating (Hedged)		
Sold	61	7
Redeemed	(21)	(3)
Net Increase	40	4
Class X GBP Accumulating		
Sold	103	1
Redeemed	(3)	–
Net Increase	100	1
Class X GBP Distributing (S) (Hedged) (AH)		
Sold	97	46
Redeemed	(49)	(17)
Net Increase	48	29
Class X GBP Distributing (S) (Hedged)		
Sold	111	5
Redeemed	(92)	(15)
Net Increase/(decrease)	19	(10)
Premier Class US\$ Accumulating		
Sold	513	1,279
Redeemed	(567)	(1,909)
Net Decrease	(54)	(630)
Premier Class US\$ Distributing (S)		
Sold	120	295
Redeemed	(244)	(1,313)
Net Decrease	(124)	(1,018)
Premier Class CHF Accumulating (Hedged) (AH)		
Sold	–	14
Redeemed	–	(41)
Net Decrease	–	(27)
Premier Class Euro Accumulating (Hedged) (AH)		
Sold	93	316
Redeemed	(171)	(402)
Net Decrease	(78)	(86)
Premier Class Euro Accumulating (Hedged)		
Sold	108	935
Redeemed	(204)	(80)
Net (Decrease)/increase	(96)	855
Premier Class Euro Accumulating		
Sold	274	1,328
Redeemed	(404)	(1,672)
Net Decrease	(130)	(344)
Premier Class Euro Distributing (S)		
Sold	–	16
Redeemed	(1)	–
Net (Decrease)/increase	(1)	16
Premier Class GBP Distributing (M) (Hedged)		
Sold	19	22
Redeemed	(20)	(58)
Net Decrease	(1)	(36)
Premier Class GBP Distributing (S) (Hedged) (AH)		
Sold	27	67
Redeemed	(28)	(31)
Net (Decrease)/increase	(1)	36
Premier Class JPY Accumulating (Hedged) (AH)		
Sold	–	3
Redeemed	–	(17)
Net Decrease	–	(14)
LM Class US\$ Accumulating (Hedged) (AH)		
Sold	–	873
Net Increase	–	873

Legg Mason Brandywine Global Fixed Income Absolute Return Fund^A

Class A US\$ Accumulating		
Sold	185	244
Redeemed	(387)	(488)
Net Decrease	(202)	(244)
Class A US\$ Distributing (A)		
Sold	9	21
Redeemed	(15)	(13)
Net (Decrease)/increase	(6)	8

The accompanying notes are an integral part of the Financial Statements

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

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^] – (continued)		
Class A Euro Accumulating (Hedged)		
Sold	7	63
Redeemed	(6)	(77)
Net Increase/(decrease)	1	(14)
Class A SEK Accumulating (Hedged)		
Sold	248	488
Redeemed	(221)	(327)
Net Increase	27	161
Class B US\$ Distributing (D)		
Redeemed	(1)	(2)
Net Decrease	(1)	(2)
Class C US\$ Accumulating		
Sold	3	11
Redeemed	(12)	(24)
Net Decrease	(9)	(13)
Class E US\$ Accumulating		
Sold	1	7
Redeemed	(6)	(18)
Net Decrease	(5)	(11)
Class E US\$ Distributing (A)		
Sold	–	6
Redeemed	(3)	(9)
Net Decrease	(3)	(3)
Class F US\$ Accumulating		
Sold	13	319
Redeemed	(105)	(437)
Net Decrease	(92)	(118)
Class F US\$ Distributing (A)		
Redeemed	–	(1)
Net Decrease	–	(1)
Class X GBP Accumulating (Hedged)		
Redeemed	(1)	–
Net Decrease	(1)	–
Class X GBP Distributing (M) (Hedged)		
Sold	13	2
Redeemed	(2)	(3)
Net Increase/(decrease)	11	(1)
Premier Class US\$ Accumulating		
Sold	277	913
Redeemed	(438)	(758)
Net (Decrease)/increase	(161)	155
Premier Class US\$ Distributing (A)		
Sold	1	52
Redeemed	–	(114)
Net Increase/(decrease)	1	(62)
Premier Class CHF Accumulating (Hedged)		
Sold	–	28
Redeemed	(9)	(19)
Net (Decrease)/increase	(9)	9
Premier Class Euro Accumulating (Hedged)		
Sold	110	486
Redeemed	(71)	(533)
Net Increase/(decrease)	39	(47)
Premier Class Euro Distributing (A) (Hedged)		
Sold	167	9
Redeemed	(44)	(26)
Net Increase/(decrease)	123	(17)
Premier Class GBP Distributing (M) (Hedged)		
Sold	23	319
Redeemed	(475)	(269)
Net (Decrease)/increase	(452)	50
Premier Class SEK Accumulating (Hedged)		
Sold	–	149
Redeemed	(27)	(81)
Net (Decrease)/increase	(27)	68
Premier Class SGD Accumulating (Hedged)		
Sold	40,962	61,913
Redeemed	(57,469)	(62,488)
Net Decrease	(16,507)	(575)
LM Class US\$ Accumulating		
Sold	1,257	2,849
Redeemed	(599)	(1,295)
Net Increase	658	1,554

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
LM Class AUD Accumulating (Hedged)		
Sold	–	276
Redeemed	(685)	–
Net (Decrease)/increase	(685)	276
LM Class Euro Accumulating (Hedged)		
Sold	126	1,823
Redeemed	(1,871)	(38)
Net (Decrease)/increase	(1,745)	1,785
LM Class GBP Accumulating (Hedged)		
Sold	211	160
Net Increase	211	160
Legg Mason Brandywine Global High Yield Fund[^]		
Class A US\$ Accumulating		
Sold	48	1
Redeemed	(2)	(5)
Net Increase/(decrease)	46	(4)
Class A US\$ Distributing (D)		
Sold	202	–
Redeemed	(26)	–
Net Increase	176	–
Premier Class US\$ Accumulating		
Sold	46	53
Redeemed	(64)	(58)
Net Decrease	(18)	(5)
Premier Class Euro Accumulating (Hedged) (AH)		
Sold	7	2
Redeemed	(40)	–
Net (Decrease)/increase	(33)	2
Premier Class GBP Accumulating (Hedged) (AH)		
Redeemed	(28)	–
Net Decrease	(28)	–
LM Class US\$ Accumulating		
Sold	720	–
Net Increase	720	–
S Class CAD Accumulating (Hedged) (AH)		
Sold	–	90
Net Increase	–	90

Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^]		
Class A US\$ Accumulating		
Sold	46	93
Redeemed	(48)	(235)
Net Decrease	(2)	(142)
Class A US\$ Distributing (M)		
Sold	33	22
Redeemed	(51)	(5)
Net (Decrease)/increase	(18)	17
Class A Euro Accumulating (Hedged)		
Sold	–	1
Redeemed	(2)	–
Net (Decrease)/increase	(2)	1
Class C US\$ Accumulating		
Sold	2	4
Redeemed	(3)	(7)
Net Decrease	(1)	(3)
Class E US\$ Accumulating		
Sold	10	1
Redeemed	(1)	(9)
Net Increase/(decrease)	9	(8)
Class F US\$ Accumulating		
Sold	13	28
Redeemed	(7)	(46)
Net Increase/(decrease)	6	(18)
Class F US\$ Distributing (M)		
Sold	1	–
Redeemed	–	(3)
Net Increase/(decrease)	1	(3)
Class X Euro Accumulating (Hedged)		
Sold	5	–
Redeemed	(6)	(3)
Net Decrease	(1)	(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 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Legg Mason Brandywine Global Opportunistic Fixed Income Fund^ – (continued)		
Premier Class US\$ Accumulating (Hedged) (AH)		
Sold	76	40
Redeemed	(2)	(20)
Net Increase	74	20
Premier Class US\$ Accumulating		
Sold	293	1,584
Redeemed	(116)	(772)
Net Increase	177	812
Premier Class US\$ Distributing (M)		
Sold	21	–
Redeemed	(100)	(68)
Net Decrease	(79)	(68)
Premier Class Euro Accumulating (Hedged) (AH)		
Sold	2	1
Redeemed	(4)	(4)
Net Decrease	(2)	(3)
Premier Class GBP Accumulating (Hedged)		
Redeemed	–	(43)
Net Decrease	–	(43)
Premier Class GBP Distributing (M) (Hedged) (AH)		
Sold	10	1
Redeemed	–	(83)
Net Increase/(decrease)	10	(82)
Premier Class NZD Accumulating (Hedged) (AH)		
Sold	199	36
Redeemed	(116)	(10)
Net Increase	83	26
LM Class US\$ Accumulating		
Sold	26	2,383
Redeemed	(1,333)	(10)
Net (Decrease)/increase	(1,307)	2,373
LM Class Euro Accumulating		
Sold	76	–
Redeemed	(14)	–
Net Increase	62	–
LM Class NZD Accumulating (Hedged) (AH)		
Sold	41	101
Redeemed	(35)	(18)
Net Increase	6	83
Legg Mason Brandywine Global Sovereign Credit Fund^		
BW LM Class GBP Accumulating (Hedged) (AH)#		
Sold	–	3,450
Redeemed	–	(3,252)
Net Increase	–	198
BW LM Class GBP Distributing (S) (Hedged) (AH)#		
Sold	132	3,787
Redeemed	–	(268)
Net Increase	132	3,519
BW Premier Class Euro Accumulating (Hedged) (AH)#		
Sold	253	–
Net Increase	253	–
BW Premier Class GBP Accumulating (Hedged) (AH)#		
Sold	304	112
Redeemed	–	(361)
Net Increase/(decrease)	304	(249)
BW Premier Class GBP Distributing (S) (Hedged) (AH)#		
Sold	777	563
Net Increase	777	563
Legg Mason Brandywine Global Income Optimiser Fund^		
Class A US\$ Accumulating		
Sold	7	–
Redeemed	(1)	–
Net Increase	6	–
Class A US\$ Distributing (M) Plus (e)		
Sold	42	4
Redeemed	(4)	(5)
Net Increase/(decrease)	38	(1)
Class A Euro Accumulating (Hedged)		
Sold	2	–
Net Increase	2	–

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Class A Euro Distributing (A) (Hedged)		
Sold	79	–
Redeemed	(2)	–
Net Increase	77	–
Class A Euro Distributing (M) (Hedged) Plus (e)		
Sold	44	46
Redeemed	(10)	(6)
Net Increase	34	40
Class A GBP Distributing (M) (Hedged) Plus (e)		
Sold	3	3
Redeemed	(1)	(16)
Net Increase/(decrease)	2	(13)
Class A SGD Distributing (M) (Hedged) Plus		
Sold	11,087	49
Redeemed	(8,864)	–
Net Increase	2,223	49
Class C US\$ Accumulating		
Redeemed	–	(3)
Net Decrease	–	(3)
Class X US\$ Distributing (D)		
Sold	–	65
Redeemed	–	(77)
Net Decrease	–	(12)
Class X US\$ Distributing (M) Plus (e)		
Sold	8	6
Redeemed	(19)	(5)
Net (Decrease)/increase	(11)	1
Class X Euro Distributing (M) (Hedged) Plus (e)		
Sold	8	10
Redeemed	(15)	(7)
Net (Decrease)/increase	(7)	3
Class X GBP Distributing (M) (Hedged) Plus (e)		
Sold	62	53
Redeemed	(92)	(37)
Net (Decrease)/increase	(30)	16
Premier Class US\$ Distributing (M) Plus (e)		
Sold	3	1
Redeemed	–	(3)
Net Increase/(decrease)	3	(2)
Premier Class Euro Accumulating (Hedged)		
Sold	12	2
Redeemed	(6)	(1)
Net Increase	6	1
Premier Class Euro Distributing (M) (Hedged) Plus (e)		
Sold	53	27
Redeemed	(25)	(16)
Net Increase	28	11
Premier Class GBP Distributing (M) (Hedged) Plus (e)		
Sold	1	–
Redeemed	(1)	–
Net Increase	–	–
Premier Class SEK Accumulating (Hedged)		
Sold	2,987	168
Redeemed	(401)	(13)
Net Increase	2,586	155
LM Class US\$ Accumulating		
Redeemed	–	(369)
Net Decrease	–	(369)
Legg Mason Brandywine Global Credit Opportunities Fund^		
Class A US\$ Accumulating		
Sold	74	171
Redeemed	(129)	(182)
Net Decrease	(55)	(11)
Class A Euro Accumulating (Hedged)		
Sold	4	3
Redeemed	(7)	–
Net (Decrease)/increase	(3)	3
Class X GBP Distributing (M) (Hedged) Plus (e)		
Redeemed	–	(11)
Net Decrease	–	(11)
Premier Class US\$ Accumulating		
Sold	45	469
Redeemed	(131)	(101)
Net (Decrease)/increase	(86)	368

The accompanying notes are an integral part of the Financial Statements

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

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Legg Mason Brandywine Global Credit Opportunities Fund^ – (continued)		
Premier Class US\$ Distributing (A)		
Sold	–	102
Redeemed	(94)	(6)
Net (Decrease)/increase	(94)	96
Premier Class Euro Accumulating (Hedged)		
Sold	–	84
Redeemed	(21)	(98)
Net Decrease	(21)	(14)
Premier Class GBP Distributing (M) (Hedged)		
Sold	–	108
Redeemed	(54)	(54)
Net (Decrease)/increase	(54)	54
S Class US\$ Accumulating		
Sold	–	53
Redeemed	–	(142)
Net Decrease	–	(89)
LM Class US\$ Accumulating		
Redeemed	–	(20)
Net Decrease	–	(20)
Legg Mason Brandywine Global Dynamic US Equity Fund^		
Class A US\$ Accumulating		
Sold	–	1
Net Increase	–	1
Premier Class US\$ Accumulating		
Sold	–	5
Net Increase	–	5
S Class Euro Accumulating (Hedged)		
Sold	–	13
Net Increase	–	13
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	93	313
Redeemed	(398)	(753)
Net Decrease	(305)	(440)
Class A US\$ Distributing (A)		
Sold	42	36
Redeemed	(149)	(131)
Net Decrease	(107)	(95)
Class A Euro Accumulating		
Sold	6	6
Redeemed	(6)	(18)
Net Decrease	–	(12)
Class A GBP Distributing (A)		
Sold	–	1
Redeemed	–	(1)
Net Increase	–	–
Class A SGD Accumulating (Hedged)		
Sold	34	54
Redeemed	(557)	(2,803)
Net Decrease	(523)	(2,749)
Class A SGD Accumulating		
Sold	376	1,288
Redeemed	(2,270)	(4,205)
Net Decrease	(1,894)	(2,917)
Class B US\$ Accumulating		
Sold	1	2
Redeemed	(2)	–
Net (Decrease)/increase	(1)	2
Class B US\$ Distributing (A)		
Redeemed	–	(2)
Net Decrease	–	(2)

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Class C US\$ Accumulating		
Sold	11	3
Redeemed	(6)	(4)
Net Increase/(decrease)	5	(1)
Class C US\$ Distributing (A)		
Sold	2	5
Redeemed	(7)	(10)
Net Decrease	(5)	(5)
Class E US\$ Accumulating		
Sold	2	–
Net Increase	2	–
Class F US\$ Accumulating		
Sold	1	–
Net Increase	1	–
Class X US\$ Distributing (A)		
Sold	1	–
Redeemed	(1)	(1)
Net Decrease	–	(1)
Premier Class US\$ Accumulating		
Sold	358	1,087
Redeemed	(224)	(965)
Net Increase	134	122
Premier Class US\$ Distributing (A)		
Sold	2	–
Redeemed	(4)	(1)
Net Decrease	(2)	(1)
Premier Class Euro Accumulating		
Sold	–	6
Redeemed	(1)	(5)
Net (Decrease)/increase	(1)	1
Legg Mason ClearBridge Growth Fund		
Class A US\$ Accumulating		
Sold	–	3
Redeemed	(4)	(7)
Net Decrease	(4)	(4)
Class A US\$ Distributing (A)		
Sold	7	25
Redeemed	(14)	(32)
Net Decrease	(7)	(7)
Class B US\$ Distributing (A)		
Redeemed	(1)	(1)
Net Decrease	(1)	(1)
Class C US\$ Distributing (A)		
Sold	4	10
Redeemed	(9)	(5)
Net (Decrease)/increase	(5)	5
Legg Mason ClearBridge Global Equity Fund^		
Class A US\$ Accumulating		
Sold	6	14
Redeemed	(14)	(10)
Net (Decrease)/increase	(8)	4
Class A US\$ Distributing (A)		
Sold	1	10
Redeemed	(5)	(8)
Net (Decrease)/increase	(4)	2
Class C US\$ Accumulating		
Sold	–	1
Redeemed	(3)	(3)
Net Decrease	(3)	(2)
Class C US\$ Distributing (A)		
Sold	–	4
Redeemed	(3)	–
Net (Decrease)/increase	(3)	4
Premier Class US\$ Accumulating		
Sold	147	–
Redeemed	(10)	–
Net Increase	137	–
Legg Mason ClearBridge Global Equity Income Fund^		
Class A CNH Distributing (M) (Hedged) Plus		
Redeemed	–	(6)
Net Decrease	–	(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 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Legg Mason ClearBridge US Appreciation Fund		
Class A US\$ Accumulating		
Sold	93	134
Redeemed	(201)	(202)
Net Decrease	(108)	(68)
Class A US\$ Distributing (A)		
Sold	41	130
Redeemed	(294)	(146)
Net Decrease	(253)	(16)
Class A Euro Accumulating		
Sold	3	43
Redeemed	(6)	(134)
Net Decrease	(3)	(91)
Class B US\$ Accumulating		
Sold	3	4
Redeemed	(6)	(9)
Net Decrease	(3)	(5)
Class B US\$ Distributing (A)		
Sold	1	3
Redeemed	(4)	(5)
Net Decrease	(3)	(2)
Class C US\$ Accumulating		
Sold	19	42
Redeemed	(47)	(61)
Net Decrease	(28)	(19)
Class C US\$ Distributing (A)		
Sold	20	23
Redeemed	(53)	(24)
Net Decrease	(33)	(1)
Class E US\$ Accumulating		
Sold	40	48
Redeemed	(69)	(94)
Net Decrease	(29)	(46)
Class E US\$ Distributing (A)		
Sold	2	2
Redeemed	(7)	(5)
Net Decrease	(5)	(3)
Class F US\$ Accumulating		
Sold	31	23
Redeemed	(12)	(13)
Net Increase	19	10
Class F US\$ Distributing (A)		
Sold	7	9
Redeemed	(7)	(5)
Net Increase	–	4
Class X US\$ Distributing (A)		
Sold	58	27
Redeemed	(21)	(16)
Net Increase	37	11
Class X Euro Accumulating		
Sold	–	1
Redeemed	(1)	(3)
Net Decrease	(1)	(2)
Premier Class US\$ Accumulating		
Sold	42	3
Redeemed	(44)	(61)
Net Decrease	(2)	(58)
Premier Class US\$ Distributing (A)		
Redeemed	(1)	(1)
Net Decrease	(1)	(1)
Premier Class Euro Accumulating		
Sold	–	39
Redeemed	–	(1)
Net Increase	–	38
LM Class US\$ Accumulating		
Sold	19	–
Redeemed	(9)	–
Net Increase	10	–
LM Class Euro Accumulating		
Sold	37	–
Redeemed	(8)	–
Net Increase	29	–
Class A (G) US\$ Accumulating		
Sold	3	4
Redeemed	(14)	(11)
Net Decrease	(11)	(7)

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Class L (G) US\$ Accumulating		
Sold	–	3
Redeemed	(13)	(7)
Net Decrease	(13)	(4)
Class GA US\$ Accumulating		
Sold	1	3
Redeemed	(3)	(13)
Net Decrease	(2)	(10)
Class GA Euro Distributing (A)		
Redeemed	–	(1)
Net Decrease	–	(1)
Class GE US\$ Accumulating		
Sold	–	1
Redeemed	–	(3)
Net Decrease	–	(2)
Legg Mason ClearBridge US Large Cap Growth Fund		
Class A US\$ Accumulating		
Sold	774	489
Redeemed	(528)	(263)
Net Increase	246	226
Class A US\$ Distributing (A)		
Sold	155	143
Redeemed	(121)	(56)
Net Increase	34	87
Class A Euro Accumulating (Hedged)		
Sold	86	69
Redeemed	(103)	–
Net (Decrease)/increase	(17)	69
Class A Euro Accumulating		
Sold	140	26
Redeemed	(34)	(27)
Net Increase/(decrease)	106	(1)
Class B US\$ Accumulating		
Sold	–	1
Redeemed	(2)	(2)
Net Decrease	(2)	(1)
Class B US\$ Distributing (A)		
Redeemed	–	(5)
Net Decrease	–	(5)
Class C US\$ Accumulating		
Sold	57	97
Redeemed	(99)	(48)
Net (Decrease)/increase	(42)	49
Class C US\$ Distributing (A)		
Sold	119	34
Redeemed	(174)	(20)
Net (Decrease)/increase	(55)	14
Class E US\$ Accumulating		
Sold	151	39
Redeemed	(81)	(1)
Net Increase	70	38
Class E US\$ Distributing (A)		
Sold	63	51
Redeemed	(66)	(7)
Net (Decrease)/increase	(3)	44
Class F US\$ Accumulating		
Sold	369	–
Redeemed	(30)	–
Net Increase	339	–
Class F US\$ Distributing (A)		
Sold	174	8
Redeemed	(69)	–
Net Increase	105	8
Class X US\$ Accumulating		
Sold	127	42
Redeemed	(52)	–
Net Increase	75	42
Class X Euro Accumulating (Hedged)		
Sold	48	–
Net Increase	48	–
Class X Euro Accumulating		
Sold	3	–
Net Increase	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 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Legg Mason ClearBridge US Large Cap Growth Fund – (continued)		
Class X Euro Distributing (A) (Hedged)		
Sold	40	–
Net Increase	40	–
Class X GBP Accumulating		
Sold	1	–
Net Increase	1	–
Premier Class US\$ Accumulating		
Sold	598	546
Redeemed	(605)	(103)
Net (Decrease)/increase	(7)	443
Premier Class Euro Accumulating		
Sold	1	–
Net Increase	1	–
Premier Class GBP Accumulating		
Sold	13	3
Redeemed	(3)	(1)
Net Increase	10	2
LM Class US\$ Accumulating		
Sold	4	–
Redeemed	(2)	–
Net Increase	2	–
LM Class Euro Accumulating		
Sold	9	–
Redeemed	(2)	–
Net Increase	7	–
Class A (G) US\$ Accumulating		
Sold	1	4
Redeemed	(10)	(11)
Net Decrease	(9)	(7)
Class L (G) US\$ Accumulating		
Sold	4	1
Redeemed	(15)	(4)
Net Decrease	(11)	(3)
Class GA US\$ Accumulating		
Sold	–	2
Redeemed	(5)	(3)
Net Decrease	(5)	(1)
Legg Mason ClearBridge US Aggressive Growth Fund		
Class A US\$ Accumulating		
Sold	949	4,404
Redeemed	(3,490)	(6,262)
Net Decrease	(2,541)	(1,858)
Class A US\$ Distributing (A)		
Sold	158	747
Redeemed	(647)	(1,198)
Net Decrease	(489)	(451)
Class A AUD Accumulating (Hedged)		
Sold	82	437
Redeemed	(222)	(528)
Net Decrease	(140)	(91)
Class A CHF Accumulating (Hedged)		
Sold	1	–
Redeemed	(2)	(1)
Net Decrease	(1)	(1)
Class A CNH Accumulating (Hedged)		
Sold	–	7
Redeemed	–	(6)
Net Increase	–	1
Class A Euro Accumulating (Hedged)		
Sold	20	389
Redeemed	(59)	(434)
Net Decrease	(39)	(45)
Class A Euro Accumulating		
Sold	112	1,037
Redeemed	(283)	(1,072)
Net Decrease	(171)	(35)
Class A Euro Distributing (A) (Hedged)		
Sold	7	1
Redeemed	(4)	–
Net Increase	3	1

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Class A GBP Accumulating		
Sold	12	6
Redeemed	(5)	–
Net Increase	7	6
Class A HKD Accumulating		
Sold	45	–
Redeemed	(30)	–
Net Increase	15	–
Class A SEK Accumulating (Hedged)		
Sold	13	3
Redeemed	(3)	(5)
Net Increase/(decrease)	10	(2)
Class A SGD Accumulating (Hedged)		
Sold	3,054	9,606
Redeemed	(5,818)	(18,658)
Net Decrease	(2,764)	(9,052)
Class B US\$ Accumulating		
Sold	3	18
Redeemed	(16)	(32)
Net Decrease	(13)	(14)
Class B US\$ Distributing (A)		
Sold	5	10
Redeemed	(7)	(27)
Net Decrease	(2)	(17)
Class C US\$ Accumulating		
Sold	49	162
Redeemed	(133)	(165)
Net Decrease	(84)	(3)
Class C US\$ Distributing (A)		
Sold	56	114
Redeemed	(201)	(118)
Net Decrease	(145)	(4)
Class E US\$ Accumulating		
Sold	86	270
Redeemed	(282)	(326)
Net Decrease	(196)	(56)
Class E US\$ Distributing (A)		
Sold	3	23
Redeemed	(18)	(9)
Net (Decrease)/increase	(15)	14
Class E Euro Accumulating (Hedged)		
Sold	7	15
Redeemed	(5)	(29)
Net Increase/(decrease)	2	(14)
Class F US\$ Accumulating		
Sold	177	677
Redeemed	(622)	(986)
Net Decrease	(445)	(309)
Class F US\$ Distributing (A)		
Sold	14	43
Redeemed	(49)	(37)
Net (Decrease)/increase	(35)	6
Class X US\$ Accumulating		
Sold	430	1,216
Redeemed	(596)	(1,835)
Net Decrease	(166)	(619)
Class X US\$ Distributing (A)		
Sold	95	350
Redeemed	(131)	(264)
Net (Decrease)/increase	(36)	86
Class X Euro Accumulating (Hedged)		
Sold	1	10
Redeemed	(9)	(27)
Net Decrease	(8)	(17)
Class X Euro Accumulating		
Sold	41	130
Redeemed	(231)	(201)
Net Decrease	(190)	(71)
Class X GBP Accumulating		
Sold	315	413
Redeemed	(283)	(251)
Net Increase	32	162
Premier Class US\$ Accumulating		
Sold	1,102	3,473
Redeemed	(2,835)	(4,871)
Net Decrease	(1,733)	(1,398)

The accompanying notes are an integral part of the Financial Statements

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

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Legg Mason ClearBridge US Aggressive Growth Fund – (continued)		
Premier Class CHF Accumulating (Hedged)		
Sold	–	53
Redeemed	(26)	(27)
Net (Decrease)/increase	(26)	26
Premier Class Euro Accumulating (Hedged)		
Sold	15	175
Redeemed	(128)	(545)
Net Decrease	(113)	(370)
Premier Class Euro Accumulating		
Sold	31	256
Redeemed	(126)	(357)
Net Decrease	(95)	(101)
Premier Class Euro Distributing (A)		
Sold	11	28
Redeemed	(27)	(17)
Net (Decrease)/increase	(16)	11
Premier Class GBP Accumulating (Hedged)		
Sold	265	17
Redeemed	(22)	(2)
Net Increase	243	15
Premier Class GBP Accumulating		
Sold	3	–
Net Increase	3	–
Premier Class GBP Distributing (A)		
Sold	314	869
Redeemed	(618)	(444)
Net (Decrease)/increase	(304)	425
LM Class US\$ Accumulating		
Sold	6	–
Redeemed	(3)	–
Net Increase	3	–
LM Class Euro Accumulating		
Sold	11	–
Redeemed	(3)	–
Net Increase	8	–
Class A (G) US\$ Accumulating		
Sold	9	47
Redeemed	(67)	(148)
Net Decrease	(58)	(101)
Class B (G) US\$ Accumulating		
Redeemed	–	(3)
Net Decrease	–	(3)
Class L (G) US\$ Accumulating		
Sold	8	8
Redeemed	(26)	(28)
Net Decrease	(18)	(20)
Class GA Euro Accumulating		
Redeemed	–	(2)
Net Decrease	–	(2)
Premier Class PLN Accumulating (Hedged)		
Sold	43	9
Redeemed	(27)	(1)
Net Increase	16	8
Legg Mason ClearBridge Tactical Dividend Income Fund		
Class A US\$ Accumulating		
Sold	50	224
Redeemed	(74)	(76)
Net (Decrease)/increase	(24)	148
Class A US\$ Distributing (A)		
Sold	26	33
Redeemed	(13)	(11)
Net Increase	13	22
Class A US\$ Distributing (M) Plus (e)		
Redeemed	–	(3)
Net Decrease	–	(3)
Class A US\$ Distributing (M) Plus		
Sold	47	30
Redeemed	(46)	(132)
Net Increase/(decrease)	1	(102)
Class A US\$ Distributing (Q)		
Sold	1	3
Net Increase	1	3

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Class A AUD Distributing (M) (Hedged) Plus		
Sold	9	19
Redeemed	(16)	(15)
Net (Decrease)/increase	(7)	4
Class A CNH Distributing (M) (Hedged) Plus		
Sold	1	31
Redeemed	(147)	(197)
Net Decrease	(146)	(166)
Class A Euro Accumulating		
Sold	–	8
Redeemed	–	(6)
Net Increase	–	2
Class A Euro Distributing (M) (Hedged) Plus (e)		
Sold	2	1
Redeemed	(1)	–
Net Increase	1	1
Class A HKD Distributing (M) Plus		
Sold	265	93
Redeemed	(133)	(56)
Net Increase	132	37
Class A SGD Distributing (M) (Hedged) Plus		
Sold	475	250
Redeemed	(255)	(398)
Net Increase/(decrease)	220	(148)
Class B US\$ Accumulating		
Sold	–	4
Redeemed	–	(2)
Net Increase	–	2
Class B US\$ Distributing (A)		
Sold	1	5
Redeemed	(2)	(2)
Net (Decrease)/increase	(1)	3
Class B US\$ Distributing (Q)		
Redeemed	–	(2)
Net Decrease	–	(2)
Class C US\$ Accumulating		
Sold	–	26
Redeemed	(3)	(13)
Net (Decrease)/increase	(3)	13
Class C US\$ Distributing (A)		
Sold	–	25
Redeemed	(7)	(8)
Net (Decrease)/increase	(7)	17
Class C US\$ Distributing (Q)		
Sold	–	3
Redeemed	(5)	(4)
Net Decrease	(5)	(1)
Class F US\$ Accumulating		
Sold	20	526
Redeemed	(100)	(142)
Net (Decrease)/increase	(80)	384
Class F Euro Accumulating		
Sold	–	2
Redeemed	(1)	(1)
Net (Decrease)/increase	(1)	1
Class F Euro Distributing (A)		
Sold	–	1
Net Increase	–	1
Premier Class US\$ Distributing (M) Plus (e)		
Redeemed	–	(3)
Net Decrease	–	(3)
Premier Class Euro Accumulating (Hedged)		
Redeemed	–	(30)
Net Decrease	–	(30)
LM Class US\$ Accumulating		
Redeemed	–	(20)
Net Decrease	–	(20)
Legg Mason ClearBridge US Equity Sustainability Leaders Fund^		
Class A US\$ Distributing (A)		
Sold	–	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 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Legg Mason ClearBridge US Equity Sustainability Leaders Fund^ – (continued)		
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	12	2
Net Increase	12	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	121	341
Redeemed	(306)	(450)
Net Decrease	(185)	(109)
Class A US\$ Distributing (A)		
Sold	10	31
Redeemed	(20)	(46)
Net Decrease	(10)	(15)
Class A Euro Accumulating (Hedged)		
Sold	2	19
Redeemed	(4)	(17)
Net (Decrease)/increase	(2)	2
Class A GBP Accumulating		
Sold	–	1
Redeemed	–	(1)
Net Increase	–	–
Class A SEK Accumulating (Hedged)		
Sold	41	8
Redeemed	(35)	(8)
Net Increase	6	–
Class X US\$ Accumulating		
Sold	–	4
Redeemed	(4)	–
Net (Decrease)/increase	(4)	4
Class X GBP Accumulating		
Sold	14	21
Redeemed	(26)	(17)
Net (Decrease)/increase	(12)	4
Premier Class US\$ Accumulating		
Sold	204	1,415
Redeemed	(669)	(336)
Net (Decrease)/increase	(465)	1,079
Premier Class US\$ Distributing (A)		
Sold	2	40
Redeemed	(42)	–
Net (Decrease)/increase	(40)	40
Premier Class GBP Distributing (A)		
Sold	4	88
Redeemed	(95)	(166)
Net Decrease	(91)	(78)
Premier Class PLN Accumulating (Hedged)		
Sold	21	1
Redeemed	(18)	–
Net Increase	3	1
Legg Mason Royce US Small Cap Opportunity Fund		
Class A US\$ Accumulating		
Sold	1,413	770
Redeemed	(1,340)	(2,040)
Net Increase/(decrease)	73	(1,270)
Class A US\$ Distributing (A)		
Sold	178	66
Redeemed	(148)	(161)
Net Increase/(decrease)	30	(95)

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Class A AUD Accumulating (Hedged)		
Sold	128	41
Redeemed	(147)	(116)
Net Decrease	(19)	(75)
Class A CNH Accumulating (Hedged)		
Sold	–	10
Redeemed	(5)	(6)
Net (Decrease)/increase	(5)	4
Class A Euro Accumulating (Hedged)		
Sold	325	240
Redeemed	(209)	(201)
Net Increase	116	39
Class A Euro Accumulating		
Sold	133	39
Redeemed	(56)	(98)
Net Increase/(decrease)	77	(59)
Class A Euro Distributing (A) (Hedged)		
Sold	13	–
Net Increase	13	–
Class A GBP Accumulating (Hedged)		
Sold	6	–
Redeemed	–	(1)
Net Increase/(decrease)	6	(1)
Class A GBP Distributing (A)		
Sold	6	4
Redeemed	(4)	(9)
Net Increase/(decrease)	2	(5)
Class A SEK Accumulating (Hedged)		
Sold	88	9
Redeemed	(54)	(8)
Net Increase	34	1
Class A SGD Accumulating (Hedged)		
Sold	3,044	1,549
Redeemed	(5,641)	(6,754)
Net Decrease	(2,597)	(5,205)
Class A SGD Accumulating		
Sold	10,401	954
Redeemed	(6,487)	(6,966)
Net Increase/(decrease)	3,914	(6,012)
Class B US\$ Accumulating		
Sold	–	3
Redeemed	(2)	(10)
Net Decrease	(2)	(7)
Class B US\$ Distributing (A)		
Sold	–	1
Redeemed	–	(1)
Net Increase	–	–
Class C US\$ Accumulating		
Sold	21	46
Redeemed	(24)	(50)
Net Decrease	(3)	(4)
Class C US\$ Distributing (A)		
Sold	11	6
Redeemed	(20)	(22)
Net Decrease	(9)	(16)
Class E US\$ Accumulating		
Sold	10	18
Redeemed	(36)	(38)
Net Decrease	(26)	(20)
Class E US\$ Distributing (A)		
Sold	1	–
Redeemed	(2)	–
Net Decrease	(1)	–
Class E Euro Accumulating (Hedged)		
Sold	11	–
Redeemed	(1)	–
Net Increase	10	–
Class E Euro Accumulating		
Sold	5	1
Redeemed	(3)	(4)
Net Increase/(decrease)	2	(3)
Class F US\$ Accumulating		
Sold	22	52
Redeemed	(17)	(142)
Net Increase/(decrease)	5	(90)

The accompanying notes are an integral part of the Financial Statements

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

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Legg Mason Royce US Small Cap Opportunity Fund – (continued)		
Class F US\$ Distributing (A)		
Sold	7	4
Redeemed	(16)	(5)
Net Decrease	(9)	(1)
Class R US\$ Accumulating		
Sold	50	–
Redeemed	(46)	–
Net Increase	4	–
Class X US\$ Accumulating		
Sold	787	97
Redeemed	(154)	(168)
Net Increase/(decrease)	633	(71)
Class X US\$ Distributing (A)		
Sold	288	–
Redeemed	(5)	–
Net Increase	283	–
Class X Euro Accumulating (Hedged)		
Sold	256	114
Redeemed	(267)	–
Net (Decrease)/increase	(11)	114
Class X GBP Accumulating		
Sold	255	104
Redeemed	(297)	(163)
Net Decrease	(42)	(59)
Class X GBP Distributing (A)		
Sold	3	4
Redeemed	(5)	(3)
Net (Decrease)/increase	(2)	1
Premier Class US\$ Accumulating		
Sold	621	380
Redeemed	(357)	(1,054)
Net Increase/(decrease)	264	(674)
Premier Class CHF Accumulating (Hedged)		
Sold	–	1
Redeemed	–	(3)
Net Decrease	–	(2)
Premier Class Euro Accumulating (Hedged)		
Sold	1	27
Redeemed	(1)	(42)
Net Decrease	–	(15)
Premier Class Euro Accumulating		
Sold	56	40
Redeemed	(84)	(10)
Net (Decrease)/increase	(28)	30
Premier Class GBP Accumulating		
Sold	450	65
Redeemed	(225)	(68)
Net Increase/(decrease)	225	(3)
Legg Mason Royce US Smaller Companies Fund		
Class A US\$ Accumulating		
Sold	582	108
Redeemed	(418)	(376)
Net Increase/(decrease)	164	(268)
Class A US\$ Distributing (A)		
Sold	91	25
Redeemed	(45)	(77)
Net Increase/(decrease)	46	(52)
Class A Euro Accumulating (Hedged)		
Sold	4	26
Redeemed	(1)	(30)
Net Increase/(decrease)	3	(4)
Class A Euro Accumulating		
Sold	35	6
Redeemed	(27)	(81)
Net Increase/(decrease)	8	(75)
Class A Euro Distributing (A) (Hedged)		
Sold	1	–
Redeemed	(1)	–
Net Increase	–	–
Class A Euro Distributing (A)		
Sold	1	–
Redeemed	(1)	–
Net Increase	–	–

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Class A SEK Accumulating (Hedged)		
Sold	15	1
Redeemed	(10)	(1)
Net Increase	5	–
Class B US\$ Accumulating		
Sold	–	1
Redeemed	(1)	(2)
Net Decrease	(1)	(1)
Class B US\$ Distributing (A)		
Redeemed	(1)	(1)
Net Decrease	(1)	(1)
Class C US\$ Accumulating		
Sold	6	10
Redeemed	(16)	(21)
Net Decrease	(10)	(11)
Class C US\$ Distributing (A)		
Sold	9	5
Redeemed	(22)	(28)
Net Decrease	(13)	(23)
Class E US\$ Accumulating		
Sold	9	6
Redeemed	(5)	(10)
Net Increase/(decrease)	4	(4)
Class E US\$ Distributing (A)		
Redeemed	(2)	(1)
Net Decrease	(2)	(1)
Class E Euro Accumulating		
Sold	6	–
Net Increase	6	–
Class F US\$ Accumulating		
Sold	4	2
Redeemed	(4)	(4)
Net Decrease	–	(2)
Class F US\$ Distributing (A)		
Sold	1	–
Redeemed	(1)	(1)
Net Decrease	–	(1)
Class R US\$ Accumulating		
Sold	12	1
Redeemed	(13)	(1)
Net Decrease	(1)	–
Class X US\$ Accumulating		
Sold	50	14
Redeemed	(34)	(40)
Net Increase/(decrease)	16	(26)
Class X US\$ Distributing (A)		
Sold	53	12
Redeemed	–	(9)
Net Increase	53	3
Premier Class US\$ Accumulating		
Sold	4	7
Redeemed	(6)	(85)
Net Decrease	(2)	(78)
Premier Class US\$ Distributing (A)		
Sold	16	45
Redeemed	(58)	(212)
Net Decrease	(42)	(167)
Premier Class GBP Distributing (A)		
Sold	33	6
Redeemed	(67)	(185)
Net Decrease	(34)	(179)
LM Class US\$ Accumulating		
Sold	6	–
Redeemed	(3)	–
Net Increase	3	–
LM Class Euro Accumulating		
Sold	12	16
Redeemed	(4)	(31)
Net Increase/(decrease)	8	(15)
Class A (G) US\$ Accumulating		
Sold	1	–
Redeemed	(5)	(3)
Net Decrease	(4)	(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 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Legg Mason Royce US Smaller Companies Fund – (continued)		
Class L (G) US\$ Accumulating		
Sold	–	1
Redeemed	(3)	(2)
Net Decrease	(3)	(1)
Premier Class PLN Accumulating (Hedged)		
Sold	11	2
Redeemed	(6)	(1)
Net Increase	5	1
Legg Mason QS MV European Equity Growth and Income Fund		
Class A US\$ Accumulating (Hedged)		
Sold	18	723
Redeemed	(231)	(653)
Net (Decrease)/increase	(213)	70
Class A US\$ Accumulating		
Sold	31	62
Redeemed	(47)	(69)
Net Decrease	(16)	(7)
Class A US\$ Distributing (A)		
Sold	4	4
Redeemed	(4)	(7)
Net Decrease	–	(3)
Class A US\$ Distributing (M) (Hedged) Plus		
Sold	58	1,032
Redeemed	(432)	(768)
Net (Decrease)/increase	(374)	264
Class A US\$ Distributing (Q) (Hedged)		
Sold	5	–
Redeemed	(5)	–
Net Increase	–	–
Class A AUD Distributing (M) (Hedged) Plus		
Sold	79	407
Redeemed	(190)	(207)
Net (Decrease)/increase	(111)	200
Class A CNH Distributing (M) (Hedged) Plus		
Sold	20	84
Redeemed	(75)	(5)
Net (Decrease)/increase	(55)	79
Class A Euro Accumulating		
Sold	2	63
Redeemed	(26)	(125)
Net Decrease	(24)	(62)
Class A Euro Distributing (A)		
Sold	17	9
Redeemed	–	(10)
Net Increase/(decrease)	17	(1)
Class A Euro Distributing (M) Plus		
Sold	2	29
Redeemed	(10)	(21)
Net (Decrease)/increase	(8)	8
Class A SGD Distributing (M) (Hedged) Plus		
Sold	502	118
Redeemed	(136)	(34)
Net Increase	366	84
Class B US\$ Accumulating		
Sold	1	13
Redeemed	(2)	(21)
Net Decrease	(1)	(8)
Class B US\$ Distributing (A)		
Sold	–	1
Redeemed	(1)	–
Net (Decrease)/increase	(1)	1
Class C US\$ Accumulating		
Sold	5	17
Redeemed	(11)	(18)
Net Decrease	(6)	(1)
Class C US\$ Distributing (A)		
Sold	4	3
Redeemed	(7)	(8)
Net Decrease	(3)	(5)
Class C US\$ Distributing (Q) (Hedged)		
Sold	1	–
Redeemed	(1)	–
Net Increase	–	–

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Class E US\$ Accumulating (Hedged)		
Sold	10	24
Redeemed	(24)	(6)
Net (Decrease)/increase	(14)	18
Class E US\$ Accumulating		
Sold	–	2
Redeemed	(1)	(15)
Net Decrease	(1)	(13)
Class F US\$ Accumulating		
Sold	21	–
Redeemed	(11)	–
Net Increase	10	–
Premier Class Euro Accumulating		
Sold	1	–
Redeemed	–	(8)
Net Increase/(decrease)	1	(8)
LM Class US\$ Accumulating		
Sold	8	–
Redeemed	(4)	–
Net Increase	4	–
LM Class Euro Accumulating		
Sold	36	–
Redeemed	(7)	–
Net Increase	29	–
Class A (G) US\$ Accumulating		
Sold	1	1
Redeemed	(9)	(7)
Net Decrease	(8)	(6)
Class B (G) US\$ Accumulating		
Redeemed	–	(1)
Net Decrease	–	(1)
Class L (G) US\$ Accumulating		
Redeemed	(3)	–
Net Decrease	(3)	–
Class GA US\$ Accumulating		
Sold	1	1
Redeemed	(2)	(5)
Net Decrease	(1)	(4)
Class GA Euro Accumulating		
Sold	4	34
Redeemed	(26)	(74)
Net Decrease	(22)	(40)
Legg Mason QS MV Asia Pacific Ex Japan Equity Growth and Income Fund		
Class A US\$ Accumulating		
Sold	109	93
Redeemed	(105)	(94)
Net Increase/(decrease)	4	(1)
Class A US\$ Distributing (A)		
Sold	15	10
Redeemed	(54)	(31)
Net Decrease	(39)	(21)
Class A US\$ Distributing (M) Plus		
Sold	8	–
Redeemed	(3)	–
Net Increase	5	–
Class A AUD Distributing (M) (Hedged) Plus		
Sold	4	1
Redeemed	(2)	–
Net Increase	2	1
Class A Euro Accumulating		
Sold	–	4
Redeemed	(1)	(6)
Net Decrease	(1)	(2)
Class A SGD Distributing (M) (Hedged) Plus		
Sold	47	–
Redeemed	(2)	–
Net Increase	45	–
Class B US\$ Accumulating		
Redeemed	–	(1)
Net Decrease	–	(1)
Class B US\$ Distributing (A)		
Sold	–	1
Redeemed	(2)	(2)
Net Decrease	(2)	(1)

The accompanying notes are an integral part of the Financial Statements

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

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Legg Mason QS MV Asia Pacific Ex Japan Equity Growth and Income Fund – (continued)		
Class C US\$ Accumulating		
Sold	1	1
Redeemed	(1)	(1)
Net Increase	–	–
Class C US\$ Distributing (A)		
Sold	3	2
Redeemed	(10)	(12)
Net Decrease	(7)	(10)
Class F US\$ Accumulating		
Sold	5	–
Net Increase	5	–
Class X US\$ Accumulating		
Sold	11	3
Net Increase	11	3
Premier Class US\$ Accumulating		
Sold	108	–
Redeemed	(15)	–
Net Increase	93	–
Class GA US\$ Accumulating		
Sold	4	4
Redeemed	(18)	(16)
Net Decrease	(14)	(12)
Class GA Euro Accumulating		
Sold	–	1
Redeemed	–	(2)
Net Decrease	–	(1)
Class GE Euro Accumulating		
Redeemed	–	(4)
Net Decrease	–	(4)
Premier Class PLN Accumulating (Hedged)		
Sold	98	6
Redeemed	(47)	(2)
Net Increase	51	4
Legg Mason QS Emerging Markets Equity Fund		
Class A US\$ Accumulating		
Sold	1	3
Redeemed	(56)	(5)
Net Decrease	(55)	(2)
Class A US\$ Distributing (A)		
Sold	–	1
Redeemed	(2)	(1)
Net Decrease	(2)	–
Class B US\$ Distributing (A)		
Redeemed	(1)	–
Net Decrease	(1)	–
Class C US\$ Accumulating		
Sold	–	1
Redeemed	(9)	(7)
Net Decrease	(9)	(6)
Class C US\$ Distributing (A)		
Redeemed	(1)	(1)
Net Decrease	(1)	(1)
Class E US\$ Accumulating		
Redeemed	–	(2)
Net Decrease	–	(2)
Premier Class Euro Accumulating		
Sold	8	–
Redeemed	(7)	–
Net Increase	1	–
Legg Mason QS MV Global Equity Growth and Income Fund		
Class A US\$ Accumulating		
Sold	6	–
Redeemed	(13)	–
Net Decrease	(7)	–
Class A US\$ Distributing (M) Plus		
Sold	44	6
Redeemed	(14)	–
Net Increase	30	6
Class A AUD Distributing (M) (Hedged) Plus		
Sold	29	–
Redeemed	(3)	–
Net Increase	26	–

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Class A HKD Distributing (M) Plus		
Sold	57	2
Redeemed	(32)	–
Net Increase	25	2
Class A SGD Distributing (M) (Hedged) Plus		
Sold	3	–
Net Increase	3	–
Class X US\$ Accumulating		
Sold	13	–
Net Increase	13	–
Class GA US\$ Accumulating		
Sold	1	3
Redeemed	(3)	(5)
Net Decrease	(2)	(2)
Class GA Euro Accumulating		
Sold	1	3
Redeemed	(2)	(6)
Net Decrease	(1)	(3)
Class GE US\$ Accumulating		
Redeemed	(1)	(1)
Net Decrease	(1)	(1)
Class GE Euro Accumulating		
Sold	–	1
Redeemed	–	(2)
Net Decrease	–	(1)
Legg Mason Martin Currie Australia Equity Income Fund		
Class A AUD Distributing (M) Plus		
Sold	4	–
Redeemed	(3)	–
Net Increase	1	–
LM Class AUD Accumulating		
Sold	–	10
Net Increase	–	10
Legg Mason Martin Currie Asia Long-Term Unconstrained Fund^Ø		
Class M Euro Distributing (A)		
Sold	2,570	–
Redeemed	(53)	–
Net Increase	2,517	–
Class M GBP Distributing (A)		
Sold	3,439	–
Redeemed	(176)	–
Net Increase	3,263	–
Class M US\$ Distributing (A)		
Sold	3,763	–
Redeemed	(651)	–
Net Increase	3,112	–
Legg Mason Martin Currie Asia Pacific Fund^Ø		
Class A US\$ Distributing (A)		
Sold	327	–
Redeemed	(132)	–
Net Increase	195	–
Class A Euro Distributing (A)		
Sold	8	–
Net Increase	8	–
Legg Mason Martin Currie European Absolute Alpha Fund^Ø		
Class A (PF) Euro Accumulating		
Sold	23	–
Redeemed	(17)	–
Net Increase	6	–
Class A (PF) Euro Distributing (A)		
Sold	3,048	–
Redeemed	(1,554)	–
Net Increase	1,494	–
Class A (PF) GBP Distributing (A) (Hedged)		
Sold	73	–
Redeemed	(8)	–
Net Increase	65	–
Class A (PF) NOK Distributing (A) (Hedged)		
Sold	13	–
Redeemed	(5)	–
Net Increase	8	–

The accompanying notes are an integral part of the Financial Statements

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

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Legg Mason Martin Currie European Absolute Alpha Fund[^]Ø – (continued)		
Class A (PF) SGD Accumulating (Hedged)		
Sold	2	–
Net Increase	2	–
Class A (PF) US\$ Distributing (A) (Hedged)		
Sold	1,603	–
Redeemed	(433)	–
Net Increase	1,170	–
Class M (PF) Euro Accumulating		
Sold	315	–
Net Increase	315	–
Class M (PF) Euro Distributing (A)		
Sold	18,314	–
Redeemed	(9,978)	–
Net Increase	8,336	–
Class M (PF) GBP Distributing (A) (Hedged)		
Sold	3,645	–
Redeemed	(2,578)	–
Net Increase	1,067	–
Class M (PF) NOK Distributing (A) (Hedged)		
Sold	290	–
Redeemed	(286)	–
Net Increase	4	–
Class M (PF) SEK Distributing (A) (Hedged)		
Sold	3,154	–
Redeemed	(844)	–
Net Increase	2,310	–
Class M (PF) US\$ Distributing (A) (Hedged)		
Sold	2,611	–
Redeemed	(1,450)	–
Net Increase	1,161	–
Legg Mason Martin Currie Global Resources Fund[^]Ø		
Class A US\$ Distributing (A)		
Sold	958	–
Redeemed	(491)	–
Net Increase	467	–
Class A Euro Distributing (A)		
Sold	19	–
Redeemed	(2)	–
Net Increase	17	–
Class A GBP Distributing (A)		
Sold	173	–
Redeemed	(46)	–
Net Increase	127	–
Class X GBP Distributing (A)		
Sold	793	–
Redeemed	(395)	–
Net Increase	398	–
Premier Class PLN Accumulating (Hedged)		
Sold	13	–
Redeemed	(6)	–
Net Increase	7	–
Legg Mason Martin Currie Greater China Fund[^]Ø		
Class A US\$ Distributing (A)		
Sold	636	–
Redeemed	(107)	–
Net Increase	529	–
Class A Euro Distributing (A)		
Sold	1	–
Net Increase	1	–
Legg Mason Martin Currie Japan Absolute Alpha Fund[^]Ø		
Class A (PF) Euro Distributing (A) (Hedged)		
Sold	572	–
Redeemed	(306)	–
Net Increase	266	–
Class A (PF) GBP Distributing (A) (Hedged)		
Sold	9	–
Redeemed	(2)	–
Net Increase	7	–
Class A (PF) SGD Accumulating (Hedged)		
Sold	2	–
Net Increase	2	–

	For the year ended	
	February 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Class M (PF) Euro Distributing (A) (Hedged)		
Sold	2,488	–
Redeemed	(271)	–
Net Increase	2,217	–
Class M (PF) GBP Distributing (A) (Hedged)		
Sold	63	–
Redeemed	(3)	–
Net Increase	60	–
Class M (PF) US\$ Distributing (A) (Hedged)		
Sold	39	–
Redeemed	(21)	–
Net Increase	18	–
Legg Mason Martin Currie North American Fund[^]Ø		
Class A US\$ Distributing (A)		
Sold	251	–
Redeemed	(44)	–
Net Increase	207	–
Class A Euro Distributing (A)		
Sold	39	–
Redeemed	(1)	–
Net Increase	38	–
Class A GBP Distributing (A)		
Sold	143	–
Redeemed	(16)	–
Net Increase	127	–
Legg Mason Martin Currie Global Long-Term Unconstrained Fund[^]µ		
Class A US\$ Accumulating		
Sold	1	–
Net Increase	1	–
Class A Euro Accumulating		
Sold	1	–
Net Increase	1	–
Class X Euro Accumulating		
Sold	1	–
Net Increase	1	–
Class X GBP Accumulating (Hedged)		
Sold	1	–
Net Increase	1	–
Class X GBP Accumulating		
Sold	3	–
Net Increase	3	–
Premier Class US\$ Accumulating		
Sold	2	–
Net Increase	2	–
S Class GBP Accumulating		
Sold	71	–
Redeemed	(1)	–
Net Increase	70	–
Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund[^]µ		
Class A US\$ Distributing (M) Plus (e)		
Sold	4	–
Net Increase	4	–
Class A AUD Distributing (M) Plus		
Sold	5	–
Net Increase	5	–
Class A Euro Distributing (M) Plus (e)		
Sold	4	–
Net Increase	4	–
Class X US\$ Accumulating		
Sold	4	–
Net Increase	4	–
S Class GBP Accumulating		
Sold	3	–
Net Increase	3	–
S Class GBP Distributing (M) Plus (e)		
Sold	3	–
Net Increase	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 28, 2017 Shares (000's)	February 29, 2016 Shares (000's)
Legg Mason RARE Infrastructure Value Fund^α		
Class A Euro Accumulating		
Sold	11	–
Net Increase	11	–
Premier Class US\$ Accumulating		
Sold	26	–
Redeemed	(4)	–
Net Increase	22	–
Premier Class Euro Accumulating		
Sold	3,472	–
Redeemed	(158)	–
Net Increase	3,314	–
Premier Class GBP Accumulating		
Sold	61	–
Net Increase	61	–
Premier Class GBP Distributing (A) (Hedged) (PH) Plus (e)		
Sold	8,039	–
Redeemed	(200)	–
Net Increase	7,839	–

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

Only classes with transactions during the year are shown.

ð Effective April 29, 2016 Legg Mason Western Asset Global Credit Absolute Return Fund^α ceased trading.

Ø Effective March 11, 2016 Legg Mason Martin Currie Asia Long-Term Unconstrained Fund^α, Legg Mason Martin Currie Asia Pacific Fund^α, Legg Mason Martin Currie European Absolute Alpha Fund^α, Legg Mason Martin Currie Global Resources Fund^α, Legg Mason Martin Currie Greater China Fund^α, Legg Mason Martin Currie Japan Absolute Alpha Fund^α and Legg Mason Martin Currie North American Fund^α commenced trading.

μ Effective June 28, 2016 Legg Mason Martin Currie Global Long-Term Unconstrained Fund^α and Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund^α commenced trading.

β Effective November 17, 2016 Legg Mason Western Asset UK Investment Grade Credit Fund^α and Legg Mason Western Asset US Corporate Bond Fund^α commenced trading.

α Effective December 9, 2016 Legg Mason RARE Infrastructure Value Fund^α commenced trading.

Effective August 25, 2016, the following Share Classes of Legg Mason Brandywine Global Sovereign Credit Fund^α have changed their names from LM Class and Premier Class to BW LM Class and BW Premier Class respectively.

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

Notes to Financial Statements

1. General

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 sub-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. Investment objectives and investment policies for all active Funds are listed in the Directors' Report.

2. Significant Accounting Policies

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 28, 2017 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. These policies are consistent with the policies applied in the financial statements for the year ended February 29, 2016.

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 have 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.

(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 28, 2017 and February 29, 2016 are disclosed in Note 12.1 (d).

(d) 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.

(e) 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 28, 2017 and February 29, 2016 all amounts were deemed to be recoverable.

Dividends are reported in 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.

(f) 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 28, 2017 and February 29, 2016.

(g) 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 2(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.

Notes to Financial Statements – (continued)

2. Significant Accounting Policies – (continued)

(h) Lending of Securities

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

As at February 28, 2017 and February 29, 2016 no Funds were engaged in securities lending.

(i) 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 in the first dividend to which the shareholder was entitled in the same accounting period as that in which the shares are issued.

(j) 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.

(k) 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 Depositary on the settlement of purchases and sales of investments are disclosed within administrator and depositary 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.

(l) 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 QS MV European Equity Growth and Income Fund, Legg Mason Martin Currie European Absolute Alpha Fund[^] and Legg Mason RARE Infrastructure Value 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[^], Legg Mason Western Asset UK Long Duration Fund[^] and Legg Mason Western Asset UK Investment Grade Credit Fund[^] for which the functional currency is Sterling, Legg Mason Congruix Japan Equity Fund[^] and Legg Mason Martin Currie Japan Absolute Alpha 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.

(m) Forward and Spot Foreign Currency Contracts

A forward foreign currency 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 28, 2017, 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 contracts are included in cash in the Statement of Financial Position.

(n) Futures Contracts

Initial margin deposits are made upon entering into futures contracts and are generally made in cash. Futures contracts are fair valued based upon their quoted daily settlement prices. Changes in the value of open futures contracts are recognised as unrealised gains or losses on futures contracts until the contracts are terminated, at which time realised gains and losses are recognised as a realised gain or loss and included in net gain/(loss) on financial assets and financial liabilities at fair value through profit and loss in the 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 28, 2017 the futures contracts held are disclosed in the Portfolio of Investments.

(o) 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 28, 2017, the option contracts held are disclosed in the Portfolio of Investments.

(p) 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 28, 2017, swap instruments held are disclosed in the Portfolio of Investments.

Credit Default Swaps

Each Fixed Income Fund (as defined on page 13), 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

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

Notes to Financial Statements – (continued)

2. Significant Accounting Policies – (continued)

(p) Swap Instruments – (continued)

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 a Fund and third parties, which allow the Funds 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 Funds recognise 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 “Valuation Committee”). 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.

(q) Contracts for Difference

A contract for difference is an arrangement between two parties to exchange the difference between the opening price and closing price of a contract. In a long contract for difference contract, the counterparty agrees to pay the Fund the amount, if any, by which the notional amount of the contract would have increased in value had it been invested in the underlying security or securities, plus any dividends that would have been received on those stocks. In a short contract for difference contract, the counterparty agrees to pay the Fund the amount, if any, by which the notional amount of the contract would have decreased in value had it been invested in the underlying security or securities. The Fund must also pay the counterparty the value of any dividends that would have been received on those stocks.

As at February 28, 2017, Contracts for Difference held are disclosed in the Portfolio of Investments.

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

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

As at February 28, 2017, the securities traded on a TBA basis are disclosed in the Portfolio of Investments.

(s) Short-Term Investments

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

As at February 28, 2017, short-term investments held are disclosed in the Portfolio of Investments.

(t) Repurchase Agreements

Securities purchased under agreements to resell are fair valued at their face value and adjusted for any movements in foreign exchange rates. Interest rates vary for each repurchase agreement and are set at the initiation of the agreement. It is the Company's policy to take custody of securities purchased under repurchase agreements and to value the securities on a daily basis to protect the Company in the event the securities are not repurchased by the counterparty. The Company will generally obtain additional collateral if the market value of the underlying securities is less than the face value of the repurchase agreement plus any accrued interest. In the event of default on the obligation to repurchase, the Company has the right to liquidate the collateral and apply the proceeds in satisfaction of the obligation. In the event of default or bankruptcy by the counterparty to the agreement, realisation and/or retention of the collateral or proceeds may be subject to legal proceedings. Repurchase agreements have been used during the year for the purpose of efficient portfolio management. As at February 28, 2017 repurchase agreements were held by a number of the Funds as disclosed in the Portfolios of Investments.

(u) Exchange Traded Funds

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

(v) Shares in Collective Investment Schemes

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

(w) Swaptions

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

As at February 28, 2017, the swaptions held are disclosed in the Portfolio of Investments.

(x) Treasury Inflationary Index Obligations (TIPS)

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

As at February 28, 2017, 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.

Notes to Financial Statements – (continued)

2. Significant Accounting Policies – (continued)

(y) Credit Linked Notes – (continued)

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

As at February 28, 2017, 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 28, 2017, Loan Notes & Loan Participations held are disclosed in the Portfolio of Investments.

(aa) Master-Limited Partnership

Certain Funds may invest in master-limited partnerships (MLPs) by purchasing units issued to limited partners of the MLP that are publically traded on regulated markets. MLPs are limited partnerships or limited liability companies that typically derive income and gains from the exploration, development, storage, gathering, mining, production, processing, refining, transportation (including pipelines transporting gas, oil or products thereof) or marketing of any mineral or natural resources. MLPs generally have two classes of owners, the general partner and the limited partners. Limited partners own the remainder of the partnership, through ownership of common units, and have a limited role in the operations and management.

The fair value of an investment in MLP is determined in the same manner as for other securities. The changes in the fair value is recorded as an unrealised gain or loss.

As at February 28, 2017, MLPs held are disclosed in the Portfolio of Investments.

(ab) Interest income and interest expense

Interest income includes interest income on cash, cash equivalents, time deposits and margin cash. Interest expense includes interest expense on cash, cash equivalents, time deposits and margin cash. Interest income and interest expense are disclosed in the Statement of Comprehensive Income.

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, 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 repurchase agreements at the year end are disclosed in the Portfolio of Investments.

Repurchase agreements

A portion of each Fund's assets may be held in ancillary liquid assets. For efficient portfolio management purposes, each Fund may enter into repurchase agreements and reverse repurchase agreements.

The table below shows the revenue earned from repurchase agreements during the years ended February 28, 2017 and February 29, 2016:

Fund name	February 28, 2017 (000's)	February 29, 2016 (000's)
Legg Mason Western Asset US Core Bond Fund	\$17	\$7
Legg Mason Western Asset US Core Plus Bond Fund	\$249	\$31
Legg Mason Western Asset Global Multi Strategy Fund	\$7	\$5
Legg Mason Western Asset US High Yield Fund	\$30	\$3
Legg Mason Western Asset Emerging Markets Total Return Bond Fund	\$1	\$2

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

Stocklending transactions

Certain Funds may also utilise stocklending agreements for efficient portfolio management purposes as described above. In such transactions the Fund may temporarily transfer its securities to a borrower, with agreement by the borrower to return equivalent securities to the Fund at a pre-agreed time. In entering into such transactions the Fund will endeavour to increase the returns on its portfolio of securities by receiving a fee for making its securities available to the borrower. There was no stocklending on any of the Funds for the years ended February 28, 2017 and February 29, 2016.

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 and LMI Europe, 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 "Investment Management fees"). The Company shall also be responsible for the prompt payment or reimbursement to each 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. Pursuant to the Master Distribution Agreement between the Company and LMIS, LMIS shall be entitled to receive a distribution fee out of the assets of the relevant Fund for its services as the Distributor of the Funds (the "Distribution fees").

The Investment Management fees and Distribution fees are referred to collectively as the "Management fees". The maximum Management fee for each share class (expressed as a percentage of the relevant Fund's net asset value attributable to such class), at February 28, 2017, is as follows:

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

Notes to Financial Statements – (continued)

4. Operating Expenses and Other Related Party Transactions – (continued)

Fund Name	Maximum Management Fee	Fund Name	Maximum 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%
Legg Mason Western Asset Global Credit Absolute Return Fund[^]		LM Class	None
Class A	1.500%	Legg Mason Western Asset Structured Opportunities Fund[^]	
Class A (PF)	1.250%	Class F	1.200%
Class B	1.750%	Premier Class	0.600%
Class C	2.000%	LM Class	None
Class E	2.100%	Legg Mason Western Asset US Mortgage-Backed Securities Fund[^]	
Class F	1.250%	Each Class A Share Class	1.000%
Class F (PF)	1.000%	Each Class B Share Class	1.250%
Class R	1.100%	Each Class C Share Class	1.500%
Class X	1.000%	Each Class E Share Class	1.600%
Premier Class	1.000%	Each Class F Share Class	0.550%
Premier (PF) Class	0.750%	Each Class R Share Class	0.600%
LM Class	None	Each Class X Share Class	0.500%
Legg Mason Western Asset Global Core Plus Bond Fund[^]		Each Premier Share Class	0.300%
Class A	1.100%	Each LM Share Class	None
Class B	1.350%	Legg Mason Western Asset UK Investment Grade Credit Fund[^]	
Class C	1.600%	Fund [^]	
Class E	1.700%	Class A	0.800%
Class F	0.650%	Class R	0.500%
Class R	0.700%	Class X	0.400%
Class X	0.550%	Premier Class	0.300%
Premier Class	0.400%	S Class	0.200%
LM Class	None	LM Class	None
Legg Mason Western Asset Global Credit Fund		Legg Mason Western Asset US Corporate Bond Fund[^]	
Class A	1.050%	Class A	0.800%
Class B	1.300%	Class R	0.500%
Class C	1.550%	Class X	0.400%
Class E	1.650%	Premier Class	0.300%
Class F	0.600%	S Class	0.200%
Class R	0.650%	LM Class	None
Class X	0.525%	Legg Mason Brandywine Global Fixed Income Fund	
Premier Class	0.350%	Class A	1.100%
LM Class	None	Class B	1.350%
Legg Mason Western Asset Euro High Yield Fund		Class C	1.600%
Class A	1.150%	Class E	1.700%
Class B	1.400%	Class F	0.850%
Class C	1.650%	Class R	0.700%
Class E	1.750%	Class X	0.600%
Class F	0.700%	Premier Class	0.600%
Class R	0.750%	LM Class	None
Class X	0.575%	Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^]	
Premier Class	0.450%	Class A	1.350%
LM Class	None	Class B	1.600%
Legg Mason Western Asset Macro Opportunities Bond Fund[^]		Class C	1.850%
Each Class A Share Class	1.500%	Class E	1.950%
Each Class B Share Class	1.750%	Class F	1.100%
Each Class C Share Class	2.000%	Class R	0.950%
Each Class E Share Class	2.100%	Class X	0.900%
Each Class F Share Class	1.250%	Premier Class	0.900%
Each Class R Share Class	1.100%	LM Class	None
Each Class X Share Class	1.000%	Legg Mason Brandywine Global High Yield Fund[^]	
Each Class Premier Share Class	1.000%	Each Class A Share Class	1.100%
Each S Share Class	0.600%	Each Class F Share Class	0.750%
Each LM Share Class	None	Each Premier Share Class	0.550%
Legg Mason Western Asset EM Local Currency Debt Fund[^]		Each S Share Class	0.450%
Class A	1.200%	Each LM Share Class	None
Premier Class	0.500%	Each Class X Share Class	0.550%
LM Class	None	Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^]	
Legg Mason Western Asset Multi-Asset Credit Fund[^]		Class A	1.150%
Class A	1.250%	Class B	1.400%
Class B	1.500%	Class C	1.650%
Class C	1.750%	Class E	1.750%
Class E	1.850%	Class F	0.900%
Class F	0.800%	Class R	0.750%
Class R	0.750%	Class X	0.650%
Class X	0.625%	Premier Class	0.650%
Premier Class	0.600%	LM Class	None
S Class	0.400%		
LM 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 Management Fee	Fund Name	Maximum Management Fee
Legg Mason Brandywine Global Sovereign Credit Fund[^]		Legg Mason ClearBridge US Appreciation Fund	
Each Class A Share Class	1.600%	Class A	1.250%
Each Class B Share Class	1.850%	Class B	1.750%
Each Class C Share Class	2.100%	Class C	1.750%
Each Class E Share Class	2.350%	Class E	2.000%
Each Class F Share Class	1.350%	Class F	1.000%
Each Class R Share Class	0.900%	Class R	0.750%
Each Class X Share Class	0.800%	Class X	0.625%
Each BW Premier Share Class	0.350%	Premier Class	0.625%
Each Premier Share Class	0.800%	LM Class	None
Each BW LM Share Class	None	Class A (G)	1.250%
Each LM Share Class	None	Class B (G)	1.750%
		Class L (G)	1.750%
		Class GA	1.420%
		Class GE	2.170%
		Class GP	None
Legg Mason Brandywine Global Income Optimiser Fund[^]		Legg Mason ClearBridge US Large Cap Growth Fund	
Class A	1.250%	Class A	1.250%
Class B	1.500%	Class B	1.750%
Class C	1.750%	Class C	1.750%
Class E	1.850%	Class E	2.000%
Class F	0.875%	Class F	1.000%
Class R	0.850%	Class R	0.750%
Class X	0.650%	Class X	0.625%
Premier Class	0.650%	Premier Class	0.625%
LM Class	None	LM Class	None
		Class A (G)	1.250%
Legg Mason Brandywine Global Credit Opportunities Fund[^]		Class B (G)	1.750%
Each Class A Share Class	1.650%	Class L (G)	1.750%
Each Class B Share Class	1.900%	Class GA	1.420%
Each Class C Share Class	2.150%	Class GE	2.170%
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		
Legg Mason Brandywine Global Dynamic US Equity Fund[^]		Legg Mason ClearBridge US Aggressive Growth Fund	
Each Class A Share Class	1.200%	Class A	1.300%
Each Class E Share Class	1.950%	Class B	1.800%
Each Class F Share Class	0.950%	Class C	1.800%
Each Class R Share Class	0.700%	Class E	2.050%
Each Class X Share Class	0.600%	Class F	1.050%
Each Premier Share Class	0.600%	Class R	0.800%
Each S Share Class	0.500%	Class X	0.650%
Each LM Share Class	None	Premier Class	0.650%
		LM Class	None
		Class A (G)	1.300%
Legg Mason ClearBridge Value Fund		Class B (G)	1.800%
Class A	1.350%	Class L (G)	1.800%
Class B	1.850%	Class GA	1.420%
Class C	1.850%	Class GE	2.170%
Class E	2.100%		
Class F	1.100%		
Class R	0.850%		
Class X	0.675%		
Premier Class	0.675%		
LM Class	None		
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	S Class	0.400%
		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%
		Class E	2.100%
		Class F	1.100%
		Class R	0.850%
		Class X	0.675%
		Premier Class	0.675%
		LM Class	None
		Legg Mason Royce US Small Cap Opportunity Fund	
		Class A	1.500%
		Class B	2.000%
		Class C	2.000%
		Class E	2.250%
		Class F	1.250%
		Class R	1.000%
		Class X	0.750%
		Premier Class	0.750%
		LM 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 Management Fee	Fund Name	Maximum Management Fee
Legg Mason Royce US Smaller Companies Fund		Legg Mason Martin Currie Asia Pacific Fund[^]	
Class A	1.500%	Class A	1.500%
Class B	2.000%	Class B	2.000%
Class C	2.000%	Class C	2.000%
Class E	2.250%	Class E	2.250%
Class F	1.250%	Class F	1.250%
Class R	1.000%	Class R	1.000%
Class X	0.750%	Class X	0.750%
Premier Class	0.750%	Premier Class	0.750%
LM Class	None	LM Class	None
Class A (G)	1.250%		
Class L (G)	1.750%		
Legg Mason QS MV European Equity Growth and Income Fund		Legg Mason Martin Currie European Absolute Alpha Fund[^]	
Class A	1.350%	Class A (PF)	2.000%
Class B	1.850%	Class E (PF)	2.750%
Class C	1.850%	Class F (PF)	1.750%
Class E	2.100%	Class M (PF)	1.500%
Class F	1.100%	Class R (PF)	1.500%
Class R	0.850%	Premier Class (PF)	1.500%
Class X	0.675%	LM Class	None
Premier Class	0.675%		
S Class	0.500%	Legg Mason Martin Currie Global Resources Fund[^]	
LM Class	None	Class A	1.500%
Class A (G)	1.350%	Class B	2.000%
Class B (G)	1.850%	Class C	2.000%
Class L (G)	1.850%	Class E	2.250%
Class GA	1.420%	Class F	1.250%
Class GE	2.170%	Class R	1.000%
Class GP	0.850%	Class X	0.750%
		Premier Class	0.750%
Legg Mason QS MV Asia Pacific Ex Japan Equity Growth and Income Fund		LM Class	None
Class A	1.350%	Legg Mason Martin Currie Greater China Fund[^]	
Class B	1.850%	Class A	1.500%
Class C	1.850%	Class B	2.000%
Class E	2.100%	Class C	2.000%
Class F	1.100%	Class E	2.250%
Class R	0.850%	Class F	1.250%
Class X	0.675%	Class R	1.000%
Premier Class	0.675%	Class X	0.750%
S Class	0.500%	Premier Class	0.750%
LM Class	None	LM Class	None
Class GA	1.620%		
Class GE	2.370%	Legg Mason Martin Currie Japan Absolute Alpha Fund[^]	
Legg Mason QS Emerging Markets Equity Fund		Class A (PF)	2.000%
Class A	1.000%	Class E (PF)	2.750%
Class B	1.500%	Class F (PF)	1.750%
Class C	1.500%	Class M (PF)	1.500%
Class E	1.750%	Class R (PF)	1.500%
Class F	0.750%	Premier Class (PF)	1.500%
Class R	0.650%	LM Class	None
Class X	0.500%		
Premier Class	0.500%	Legg Mason Martin Currie North American Fund[^]	
S Class	0.400%	Class A	1.500%
LM Class	None	Class B	2.000%
Legg Mason QS MV Global Equity Growth and Income Fund		Class C	2.500%
Class A	1.350%	Class E	2.250%
Class B	1.850%	Class F	1.250%
Class C	1.850%	Class R	1.000%
Class E	2.100%	Class X	0.750%
Class F	1.100%	Premier Class	0.750%
Class R	0.850%	LM Class	None
Class X	0.675%		
Premier Class	0.675%	Legg Mason Martin Currie Global Long-Term Unconstrained Fund[^]	
S Class	0.500%	Class A	1.500%
LM Class	None	Class B	2.000%
Class GA	1.420%	Class C	2.000%
Class GE	2.170%	Class E	2.250%
		Class F	1.250%
Legg Mason Martin Currie Australia Equity Income Fund		Class R	1.000%
Class A	1.300%	Class X	0.750%
Class B	1.800%	Premier Class	0.750%
Class C	1.800%	S Class	0.650%
Class E	2.050%	LM Class	None
Class F	1.050%		
Class R	0.800%	Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund[^]	
Class X	0.650%	Class A	1.500%
Premier Class	0.650%	Class B	2.000%
S Class	0.600%	Class C	2.000%
LM Share	None	Class E	2.250%
		Class F	1.250%
Legg Mason Martin Currie Asia Long-Term Unconstrained Fund[^]		Class R	1.000%
Class A	1.500%	Class X	0.750%
Class B	2.000%	Premier Class	0.750%
Class C	2.000%	S Class	0.650%
Class E	2.250%	LM Class	None
Class F	1.250%		
Class M	1.000%	Legg Mason RARE Infrastructure Value Fund[^]	
Class R	1.000%	Each Class A Share Class	1.500%
Premier Class	0.750%	Each Class B Share Class	2.000%
LM Class	None	Each Class C Share Class	2.000%
		Each Class E Share Class	2.250%
		Each Class F Share Class	1.250%
		Each Class R Share Class	1.000%
		Each Class X Share Class	0.850%
		Each Premier Share Class	0.850%
		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)

In the tables above, the Management fees provided for each Fund apply to any of the share classes listed in the relevant column that are offered by the Fund. Not all share classes are offered by each Fund and not all share classes were in issue as at February 28, 2017. The Prospectus, as it may be amended or supplemented from time to time, indicates which share classes are offered by each Fund.

The Investment Manager of certain Funds has voluntarily agreed to waive a portion of its fees and/or reimburse each respective Fund for certain expenses so that the total expenses would not exceed certain voluntary expense limitations established for each respective Fund. The Investment Manager, at its discretion, may revise or discontinue the voluntary waivers and/or expense reimbursements at any time. For the years ended February 28, 2017 and February 29, 2016, the Investment Management fees waived and reimbursed were as follows:

Fund name	February 28, 2017 in (000's)		February 29, 2016 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	\$1,149	\$16	\$4,631	\$79
Legg Mason Western Asset US Core Plus Bond Fund	\$1	\$–	\$–	\$–
Legg Mason Western Asset Euro Core Plus Bond Fund	€22	€–	€14	€–
Legg Mason Western Asset Short Duration High Income Bond Fund	\$4	\$–	\$–	\$–
Legg Mason Western Asset Global Multi Strategy Fund	\$1	\$4	\$–	\$–
Legg Mason Western Asset US High Yield Fund	\$–	\$4	\$–	\$–
Legg Mason Western Asset Emerging Markets Total Return Bond Fund	\$4	\$–	\$–	\$–
Legg Mason Western Asset US Short-Term Government Fund	\$4	\$–	\$–	\$–
Legg Mason Western Asset US Adjustable Rate Fund	\$15	\$–	\$9	\$–
Legg Mason Western Asset Global Inflation Management Fund	\$29	\$3	\$18	\$–
Legg Mason Western Asset Asian Opportunities Fund	\$57	\$2	\$59	\$–
Legg Mason Western Asset Global Core Plus Bond Fund^	\$1	\$–	\$–	\$–
Legg Mason Western Asset Euro High Yield Fund	€–	€–	€–	€1
Legg Mason Western Asset Macro Opportunities Bond Fund^	\$6	\$8	\$–	\$–
Legg Mason Western Asset EM Local Currency Debt Fund^	\$1	\$–	\$10	\$2
Legg Mason Western Asset Multi-Asset Credit Fund^	\$–	\$4	\$–	\$–
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund^	\$9	\$12	\$5	\$9
Legg Mason Western Asset Structured Opportunities Fund^	\$–	\$1	\$–	\$–
Legg Mason Brandywine Global Fixed Income Fund	\$–	\$6	\$–	\$–
Legg Mason Brandywine Global Fixed Income Absolute Return Fund^	\$–	\$3	\$–	\$–
Legg Mason Brandywine Global High Yield Fund^	\$15	\$–	\$33	\$–
Legg Mason Brandywine Global Sovereign Credit Fund^	\$2	\$4	\$–	\$–
Legg Mason Brandywine Global Income Optimiser Fund^	\$25	\$3	\$9	\$1
Legg Mason Brandywine Global Credit Opportunities Fund^	\$7	\$7	\$–	\$–
Legg Mason Brandywine Global Dynamic US Equity Fund^	\$6	\$16	\$1	\$13
Legg Mason ClearBridge Value Fund	\$–	\$2	\$–	\$–
Legg Mason ClearBridge Growth Fund	\$2	\$–	\$1	\$–
Legg Mason ClearBridge Global Equity Fund^	\$8	\$–	\$2	\$–
Legg Mason ClearBridge Global Equity Income Fund^	\$21	\$20	\$21	\$3
Legg Mason ClearBridge US Large Cap Growth Fund	\$1	\$9	\$–	\$–
Legg Mason ClearBridge US Aggressive Growth Fund	\$–	\$5	\$–	\$–
Legg Mason ClearBridge Tactical Dividend Income Fund	\$26	\$10	\$15	\$–
Legg Mason ClearBridge US Equity Sustainability Leaders Fund^	\$11	\$20	\$3	\$14
Legg Mason Opportunity Fund	\$–	\$3	\$–	\$–
Legg Mason Royce US Smaller Companies Fund	\$–	\$1	\$–	\$–
Legg Mason QS MV European Equity Growth and Income Fund	€1	€12	€–	€–
Legg Mason QS MV Asia Pacific Ex Japan Equity Growth and Income Fund	\$–	\$8	\$–	\$–
Legg Mason QS Emerging Markets Equity Fund	\$35	\$–	\$23	\$–
Legg Mason QS MV Global Equity Growth and Income Fund	\$1	\$6	\$–	\$–
Legg Mason Martin Currie Australia Equity Income Fund	\$1	\$20	\$–	\$25
Legg Mason Martin Currie Asia Long-Term Unconstrained Fund^	\$6	\$2	\$–	\$–
Legg Mason Martin Currie Asia Pacific Fund^	\$16	\$4	\$–	\$–
Legg Mason Martin Currie European Absolute Alpha Fund^	€24	€–	€–	€–
Legg Mason Martin Currie Global Resources Fund^	\$9	\$1	\$–	\$–
Legg Mason Martin Currie Greater China Fund^	\$–	\$1	\$–	\$–
Legg Mason Martin Currie Japan Absolute Alpha Fund^	¥613	¥261	¥–	¥–
Legg Mason Martin Currie North American Fund^	\$13	\$–	\$–	\$–
Legg Mason Martin Currie Global Long-Term Unconstrained Fund^	\$14	\$–	\$–	\$–
Legg Mason RARE Currie Asia Pacific Ex Japan Real Income Fund^	\$10	\$5	\$–	\$–
Legg Mason RARE Infrastructure Value Fund^	€11	€–	€–	€–

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 fees.

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 an additional Distributor 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.

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 Global Credit Absolute Return Fund^ (ceased trading on April 29, 2016), Legg Mason Western Asset Global Core Plus Bond Fund^, Legg Mason Western Asset Global Credit Fund, Legg Mason Western Asset

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

Notes to Financial Statements – (continued)

4. Operating Expenses and Other Related Party Transactions – (continued)

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 Western Asset UK Investment Grade Credit Fund[^], Legg Mason Western Asset US Corporate Bond Fund[^], Legg Mason Brandywine Global Fixed Income Fund, Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^], Legg Mason Brandywine Global High Yield Fund[^], Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^], Legg Mason Brandywine Global Sovereign Credit 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 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 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 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, Legg Mason Martin Currie Australia Equity Income Fund, 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[^], Legg Mason Martin Currie North American Fund[^], Legg Mason Martin Currie Global Long-Term Unconstrained Fund[^], Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund[^] and Legg Mason RARE Infrastructure Value Fund (with the notable exception of Class X Share Class of the Legg Mason RARE Infrastructure Value Fund which attracts maximum shareholder services fees of 0.20 per cent, per annum, of the net asset value of that Share Class).

Shareholder service fees are payable on all classes except: Class F Share Classes, LM Share Classes, Premier Share Classes, Grandfathered Share Classes, Class GA Share Classes, Class GE Share Classes, Class GF Share Classes, Class GP Share Classes and Galileo Share Classes (each as defined in the Prospectus), and all share classes offered by Legg Mason Western Asset US Money Market Fund and Legg Mason Western Asset Structured Opportunities Fund[^].

During the years ended February 28, 2017 and February 29, 2016 the shareholder services fees waived were as follows:

Fund name	February 28, 2017 (000's)	February 29, 2016 (000's)
Legg Mason Western Asset US Core Bond Fund	\$11	\$15
Legg Mason Western Asset US Core Plus Bond Fund	\$1	\$–
Legg Mason Western Asset Short Duration High Income Bond Fund	\$8	\$8
Legg Mason Western Asset US High Yield Fund	\$1	\$–
Legg Mason Western Asset Emerging Markets Total Return Bond Fund	\$17	\$17
Legg Mason Western Asset Global High Yield Fund	\$12	\$1
Legg Mason Western Asset US Short-Term Government Fund	\$20	\$15
Legg Mason Western Asset US Adjustable Rate Fund	\$6	\$8
Legg Mason Western Asset Global Inflation Management Fund	\$13	\$15
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	\$5	\$–
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund [^]	\$4	\$1
Legg Mason Brandywine Global Income Optimiser Fund [^]	\$27	\$15
Legg Mason Brandywine Global Credit Opportunities Fund [^]	\$1	\$–
Legg Mason ClearBridge Growth Fund	\$5	\$5
Legg Mason ClearBridge Global Equity Fund [^]	\$10	\$19
Legg Mason ClearBridge Global Equity Income Fund [^]	\$8	\$9
Legg Mason ClearBridge US Appreciation Fund	\$2	\$–
Legg Mason ClearBridge US Large Cap Growth Fund	\$1	\$–
Legg Mason ClearBridge US Aggressive Growth Fund	\$2	\$–
Legg Mason ClearBridge Tactical Dividend Income Fund	\$27	\$18
Legg Mason ClearBridge US Equity Sustainability Leaders Fund [^]	\$2	\$1
Legg Mason Royce US Smaller Companies Fund	\$8	\$–
Legg Mason QS MV European Equity Growth and Income Fund	€9	€–
Legg Mason QS MV Asia Pacific Ex Japan Equity Growth and Income Fund	\$14	\$6
Legg Mason QS Emerging Markets Equity Fund	\$5	\$8
Legg Mason QS MV Global Equity Growth and Income Fund	\$5	\$–
Legg Mason Martin Currie Asia Long-Term Unconstrained Fund [^]	\$360	\$–
Legg Mason Martin Currie Asia Pacific Fund [^]	\$8	\$–
Legg Mason Martin Currie European Absolute Alpha Fund [^]	€397	€–
Legg Mason Martin Currie Global Resources Fund [^]	\$47	\$–
Legg Mason Martin Currie Greater China Fund [^]	\$28	\$–
Legg Mason Martin Currie Japan Absolute Alpha Fund [^]	¥3,780	¥–
Legg Mason Martin Currie North American Fund [^]	\$16	\$–
Legg Mason Martin Currie Global Long-Term Unconstrained Fund [^]	\$2	\$–
Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund [^]	\$3	\$–

Related Parties

Joseph LaRocque is a director of the Company. Robert Shearman (until his resignation on March 23, 2016), Jane Trust (from the date of her appointment on March 23, 2016) and Joseph Carrier (from the date of his appointment on November 18, 2016) are the directors and executives of certain affiliates of the Investment Managers.

As at February 28, 2017 and February 29, 2016, the Funds in the table below held investments in collective investment schemes which have appointed the same Investment Manager, or Sub-Investment Manager as the Fund, or have appointed a related party of that Investment Manager or Sub-Investment Manager.

Below is a table that shows the percentage ownership of such collective investment schemes held by the Company:

Fund	Underlying Collective Investment Scheme	February 28, 2017 Value (000's)	February 29, 2016 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)	0.07%	\$1,333
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	11.29%	\$3,802
Legg Mason Western Asset Euro Core Plus Bond Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.05%	€878
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)	0.00%	€–
Legg Mason Western Asset Global Multi Strategy Fund	Legg Mason China Funds – Western Asset China Bond, Class M	24.89%	\$11,600
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)	0.00%	\$–
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)	0.00%	\$–
Legg Mason Western Asset US High Yield Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.08%	\$1,553
Legg Mason Western Asset Global Inflation Management Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.08%	\$1,475
Legg Mason Western Asset Asian Opportunities Fund	Legg Mason China Funds – Western Asset China Bond, Class M	24.87%	\$11,590
Legg Mason Western Asset Asian Opportunities Fund	Legg Mason Western Asset Asian Bond Trust – Class A (SGD) Accumulating	18.34%	\$5,711
Legg Mason Western Asset Asian Opportunities Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	1.30%	\$25,480
Legg Mason Western Asset Global Blue Chip Bond Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.01%	\$250

[^] 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 28, 2017		February 29, 2016	
		%	Value (000's)	%	Value (000's)
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	4.75%	\$1,600	4.21%	\$1,412
Legg Mason Western Asset Global Core Plus Bond Fund [^]	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.29%	\$5,650	0.24%	\$5,626
Legg Mason Western Asset Global Credit Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.05%	\$1,059	0.09%	\$1,999
Legg Mason Western Asset Euro High Yield Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.09%	\$1,727	0.01%	\$162
Legg Mason Western Asset EM Local Currency Debt Fund [^]	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.00%	\$–	0.19%	\$4,568
Legg Mason Western Asset Multi-Asset Credit Strategy Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.00%	\$–	0.64%	\$14,956
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	1.98%	\$667	0.29%	\$98
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)	0.05%	\$938	0.01%	\$348
Legg Mason Western Asset Structured Opportunities Fund [^]	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.85%	\$16,613	1.25%	\$29,400
Legg Mason Western Asset US Mortgage-Backed Securities Fund [^]	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	3.63%	\$70,868	3.02%	\$70,819
Legg Mason Western Asset US Corporate Bond Fund [^]	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.10%	\$1,991	0.00%	\$–
Legg Mason Opportunity Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.63%	\$12,224	0.52%	\$12,309
Legg Mason Royce US Small Cap Opportunity Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	3.68%	€72,007	0.98%	€23,107
Legg Mason Royce US Smaller Companies Fund	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	0.83%	€16,243	0.46%	€10,840

Amounts designated as “–” are either less than \$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 28, 2017 and February 29, 2016 are detailed in the table below:

Fund name	February 28, 2017 (000's)	February 29, 2016 (000's)
Legg Mason Western Asset US Core Bond Fund	\$13	\$12
Legg Mason Western Asset US Core Plus Bond Fund	\$184	\$110
Legg Mason Western Asset Euro Core Plus Bond Fund	€2	€2
Legg Mason Western Asset Short Duration High Income Bond Fund	\$–	\$1
Legg Mason Western Asset Global Multi Strategy Fund	\$122	\$83
Legg Mason Western Asset US High Yield Fund	\$17	\$11
Legg Mason Western Asset Emerging Markets Total Return Bond Fund	\$2	\$–
Legg Mason Western Asset Global High Yield Fund	\$6	\$5
Legg Mason Western Asset US Short-Term Government Fund	\$–	\$1
Legg Mason Western Asset Global Inflation Management Fund	\$8	\$6
Legg Mason Western Asset Asian Opportunities Fund	\$40	\$30
Legg Mason Western Asset Global Blue Chip Bond Fund	\$2	\$2
Legg Mason Western Asset Global Credit Absolute Return Fund	\$–	\$210
Legg Mason Western Asset Global Core Plus Bond Fund [^]	\$66	\$51
Legg Mason Western Asset Global Credit Fund	\$6	\$6
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	\$9,206	\$8,119
Legg Mason Western Asset Multi-Asset Credit Fund [^]	\$121	\$66
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund [^]	\$8	\$–
Legg Mason Western Asset Structured Opportunities Fund [^]	\$23	\$48
Legg Mason Western Asset US Mortgage-Backed Securities Fund [^]	\$205	\$55
Legg Mason Western Asset US Corporate Bond Fund [^]	\$2	\$–
Legg Mason Brandywine Global Fixed Income Fund	\$–	\$335
Legg Mason Brandywine Global Fixed Income Absolute Return Fund [^]	\$33	\$363
Legg Mason Brandywine Global High Yield Fund [^]	\$4	\$–
Legg Mason Brandywine Global Opportunistic Fixed Income Fund [^]	\$–	\$83
Legg Mason Brandywine Global Sovereign Credit Fund [^]	\$15	\$55
Legg Mason Brandywine Global Income Optimiser Fund [^]	\$3	\$3
Legg Mason Brandywine Global Credit Opportunities Fund [^]	\$8	\$3
Legg Mason Brandywine Global Dynamic US Equity Fund [^]	\$2	\$–
Legg Mason Western Asset Brazil Equity Fund [^]	\$–	\$6
Legg Mason ClearBridge Value Fund	\$180	\$203
Legg Mason ClearBridge Growth Fund	\$2	\$3
Legg Mason ClearBridge Global Equity Fund [^]	\$30	\$8
Legg Mason ClearBridge Global Equity Income Fund [^]	\$7	\$9
Legg Mason ClearBridge US Appreciation Fund	\$38	\$47
Legg Mason ClearBridge US Fundamental Value Fund [^]	\$–	\$24
Legg Mason ClearBridge US Large Cap Growth Fund	\$80	\$60
Legg Mason ClearBridge US Aggressive Growth Fund	\$751	\$743
Legg Mason ClearBridge Tactical Dividend Income Fund	\$29	\$79
Legg Mason ClearBridge US Equity Sustainability Leaders Fund [^]	\$–	\$1
Legg Mason Opportunity Fund	\$599	\$948
Legg Mason Royce US Small Cap Opportunity Fund	\$1,575	\$1,471
Legg Mason Royce US Smaller Companies Fund	\$303	\$368
Legg Mason Royce Smaller Companies Fund II [^]	\$–	\$34
Legg Mason QS MV European Equity Growth and Income Fund	€60	€356
Legg Mason QS MV Asia Pacific ex Japan Equity Growth and Income Fund	\$55	\$57
Legg Mason QS Emerging Markets Equity Fund	\$16	\$22
Legg Mason QS MV Global Equity Growth and Income Fund	\$13	\$26
Legg Mason Martin Currie Australia Equity Income Fund	\$1	\$1
Legg Mason Martin Currie Asia Long-Term Unconstrained Fund [^]	€95	€–
Legg Mason Martin Currie Asia Pacific Fund [^]	\$3	\$–
Legg Mason Martin Currie European Absolute Alpha Fund [^]	€1,239	€–
Legg Mason Martin Currie Global Resources Fund [^]	\$23	\$–
Legg Mason Martin Currie Greater China Fund [^]	\$24	\$–

[^] 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 28, 2017 (000's)	February 29, 2016 (000's)
Legg Mason Martin Currie Japan Absolute Alpha Fund [^]	¥2,984	¥–
Legg Mason Martin Currie North American Fund [^]	\$3	\$–
Legg Mason Martin Currie Global Long-Term Unconstrained Fund [^]	\$24	\$–
Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund [^]	\$2	\$–
Legg Mason RARE Infrastructure Value Fund [^]	€65	€–

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 (Performance Fee Classes, as indicated by "(PF)" in the name of the share class).

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

For Legg Mason Western Asset Global Credit Absolute Return Fund[^] (up to the date when it ceased trading on April 29, 2016), for each PF Share Class, the Performance Fee was calculated and charged on a share-by-share basis so that each share was charged a Performance Fee depending on that particular share's performance. This method of calculation ensured that: (i) any Performance Fee paid to the Investment Manager was charged only to those shares which outperformed the Adjusted High Water Mark (as defined below); (ii) all shareholders within the same PF Share Class had the same amount of capital per share at risk in the Fund; and (iii) all shares of the same PF Share Class had the same net asset value per share.

For each PF Share Class of Legg Mason Western Asset Global Credit Absolute Return Fund[^] (up to the date when it ceased trading on April 29, 2016), the Performance Fee was normally 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 was to be the period commencing on the business day immediately following the dealing day on which the net asset value was 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 occurred (the "First Calculation Period"). For each Calculation Period for each PF Class Share, the Investment Manager was 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 exceeded the High Water Mark (as defined below) as at the end of the previous Calculation Period, as increased by the Hurdle, which was 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[^] was 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 of Legg Mason Western Asset Global Credit Absolute Return Fund[^] (up to the date when it ceased trading on April 29, 2016), if shares were subscribed for at a time when the Net Asset Value per Share of that PF Share Class was 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 was to be accounted for as an equalisation deficit ("Equalisation Deficit"). In these circumstances, the shareholder would 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 reduced 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 reduced the Equalisation Deficit, the Performance Fee was to 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 had 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 would have paid the Investment Manager, as a Performance Fee, the aggregate net asset value of the PF Class Shares so redeemed.

For each PF Share Class of Legg Mason Western Asset Global Credit Absolute Return Fund[^] (up to the date when it ceased trading on April 29, 2016), if shares were subscribed for at a time when the net asset value per share of that PF Share Class was greater than the Adjusted High Water Mark of that PF Share Class, the shareholder would have been 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 was payable to account for the fact that the Subscription Net Asset Value per share of that PF Share Class had 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 served as a credit against Performance Fees that might otherwise have been payable by the PF Share Class but that should not have been charged to the shareholder making the subscription because they had not benefited from favourable performance in relation to such shares. The Equalisation Credit was 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 was 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 was 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 would have been at risk in the Fund and would therefore appreciate or depreciate based on the performance of the PF Share Class subsequent to the issue of the relevant PF Class Shares but would have never exceeded the Maximum Equalisation Credit.

Legg Mason Martin Currie European Absolute Alpha Fund[^] and Legg Mason Martin Currie Japan Absolute Alpha Fund[^]

For Legg Mason Martin Currie European Absolute Alpha Fund[^] and Legg Mason Martin Currie Japan Absolute Alpha Fund[^], 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. For distributing share classes, for purposes of measuring the performance of the net asset value per share during a Calculation Period, any distributions paid during the period shall be added back in to the net asset value. For each PF Share Class, once payable in respect of a Calculation Period, a Performance Fee will not be affected by any losses experienced by the Funds or the PF Share Class in any subsequent Calculation Period. Any Performance Fee will be accrued on each dealing day and will normally be paid within 21 days of the end of the relevant Calculation Period, after verification by the Depositary. If the Investment Management Agreement is terminated before the last dealing day in any fiscal year, for each PF Share Class the Performance Fee in respect of the then-current Calculation Period will be calculated and paid as though the date of termination were the end of the Calculation Period. In the event that a shareholder redeems their PF Class Shares prior to the end of a Calculation Period, any accrued Performance Fee attributable to their shares will crystallise and be paid to the Investment Manager.

The High Water Mark with respect to each PF Share Class of Legg Mason Martin Currie European Absolute Alpha Fund[^] and Legg Mason Martin Currie Japan Absolute Alpha Fund[^] means the greater of: (i) the initial offer price per share; (ii) the highest net asset value per share in effect immediately after the end of any previous Calculation Period; and (iii) if the PF Share Class launched via a merger of a share class in another fund managed by the Sub-Investment Manager, the high water mark for such share class on the date of the merger as calculated according to the relevant offering document for such other fund.

Legg Mason Martin Currie European Absolute Alpha Fund[^] and Legg Mason Martin Currie Japan Absolute Alpha Fund[^] do not operate equalisation accounts for shareholders with respect to the performance fee accruals.

Performance fees accrued during the year ended February 28, 2017 are disclosed in the Statement of Comprehensive Income (February 29, 2016: Nil).

Administrator and Depositary Fees

BNY Mellon Trust Company (Ireland) Limited acts as Depositary and BNY Mellon Fund Services (Ireland) Designated Activity Company acts as Administrator to all Funds in the Company. For administration, accounting, shareholder, trustee and depositary services, they collectively receive from the Funds a fee of up to 0.15% of the net asset value of each Fund.

Directors' Remuneration

Directors' fees accrued over the years ended February 28, 2017 and February 29, 2016 were \$126,000 and \$126,000, respectively.

Auditors' Remuneration

Fees paid to the auditors, PricewaterhouseCoopers of €1,250,683 (excluding VAT), in respect of the financial year, relate to statutory audit of the financial statements of the Company, in addition to €211,825 (excluding VAT) paid in respect of non-audit services. For the year ended February 29, 2016 fees of €1,180,100 (excluding VAT) paid to the auditors related to the statutory audit of the financial statements of the Company, in addition to €235,075 (excluding VAT) paid in respect of non-audit services.

The out-of-pocket expenses paid to the auditors were €33,150 (excluding VAT) (February 29, 2016: €32,132 (excluding VAT)).

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

Notes to Financial Statements – (continued)

4. Operating Expenses and Other Related Party Transactions – (continued)

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 28, 2017	% Holding February 29, 2016
Legg Mason Western Asset US Money Market Fund	90.69	89.73
Legg Mason Western Asset US Core Bond Fund	–	29.24
Legg Mason Western Asset US Core Plus Bond Fund	23.30	30.01
Legg Mason Western Asset Euro Core Plus Bond Fund	95.78	91.70
Legg Mason Western Asset Emerging Markets Total Return Bond Fund	48.52	41.93
Legg Mason Western Asset Emerging Markets Corporate Bond Fund	20.87	30.74
Legg Mason Western Asset Emerging Markets Corporate Bond Fund	20.78	24.61
Legg Mason Western Asset Emerging Markets Corporate Bond Fund	–	24.54
Legg Mason Western Asset Global High Yield Fund	51.05	28.65
Legg Mason Western Asset US Adjustable Rate Fund	–	33.15
Legg Mason Western Asset Asian Opportunities Fund	–	28.51
Legg Mason Western Asset Global Blue Chip Bond Fund	29.46	29.98
Legg Mason Western Asset Global Credit Absolute Return Fund [^]	–	94.12
Legg Mason Western Asset Global Core Plus Bond Fund [^]	21.00	31.45
Legg Mason Western Asset Global Credit Fund	95.69	92.59
Legg Mason Western Asset Euro High Yield Fund	24.88	24.51
Legg Mason Western Asset Euro High Yield Fund	24.68	24.32
Legg Mason Western Asset Euro High Yield Fund	–	20.78
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	25.11	43.03
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	21.52	–
Legg Mason Western Asset EM Local Currency Debt Fund [^]	66.23	80.88
Legg Mason Western Asset EM Local Currency Debt Fund [^]	26.12	–
Legg Mason Western Asset Multi-Asset Credit Fund [^]	95.02	99.99
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund [^]	52.06	100.00
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund [^]	20.94	–
Legg Mason Western Asset Structured Opportunities Fund [^]	90.26	100.00
Legg Mason Western Asset US Mortgage-Backed Securities Fund [^]	100.00	100.00
Legg Mason Western Asset UK Investment Grade Credit Fund [^]	100.00	–
Legg Mason Western Asset US Corporate Bond Fund [^]	100.00	–
Legg Mason Brandywine Global Fixed Income Absolute Return Fund [^]	50.37	59.29
Legg Mason Brandywine Global Fixed Income Absolute Return Fund [^]	32.04	–
Legg Mason Brandywine Global High Yield Fund [^]	65.30	37.74
Legg Mason Brandywine Global High Yield Fund [^]	–	30.48
Legg Mason Brandywine Global Opportunistic Fixed Income Fund [^]	28.85	42.64
Legg Mason Brandywine Global Opportunistic Fixed Income Fund [^]	22.97	23.63
Legg Mason Brandywine Global Sovereign Credit Fund [^]	21.99	24.15
Legg Mason Brandywine Global Sovereign Credit Fund [^]	21.01	23.07
Legg Mason Brandywine Global Income Optimiser Fund [^]	39.13	45.34
Legg Mason Brandywine Global Income Optimiser Fund [^]	38.80	–
Legg Mason Brandywine Global Credit Opportunities Fund [^]	48.03	37.53
Legg Mason Brandywine Global Credit Opportunities Fund [^]	26.55	–
Legg Mason Brandywine Global Dynamic US Equity Fund [^]	100.00	100.00
Legg Mason ClearBridge Global Equity Fund [^]	79.91	24.71
Legg Mason ClearBridge Global Equity Income Fund [^]	96.48	96.84
Legg Mason ClearBridge Tactical Dividend Income Fund	22.74	20.87
Legg Mason ClearBridge US Equity Sustainability Leaders Fund [^]	53.45	100.00
Legg Mason ClearBridge US Equity Sustainability Leaders Fund [^]	40.91	–
Legg Mason Opportunity Fund	40.03	27.59
Legg Mason Opportunity Fund	23.17	–
Legg Mason Royce US Small Cap Opportunity Fund	35.67	36.47
Legg Mason QS MV European Equity Growth and Income Fund	34.47	38.90
Legg Mason QS MV Asia Pacific Ex Japan Equity Growth and Income Fund	22.45	–
Legg Mason QS Emerging Markets Equity Fund	76.56	46.99
Legg Mason QS Emerging Markets Equity Fund	–	29.09
Legg Mason QS MV Global Equity Growth and Income Fund	36.20	27.99
Legg Mason Martin Currie Australia Equity Income Fund	92.26	100.00
Legg Mason Martin Currie Asia Long-Term Unconstrained Fund [^]	34.58	–
Legg Mason Martin Currie Asia Long-Term Unconstrained Fund [^]	32.93	–
Legg Mason Martin Currie Asia Long-Term Unconstrained Fund [^]	28.10	–
Legg Mason Martin Currie Asia Pacific Fund [^]	46.87	–
Legg Mason Martin Currie Asia Pacific Fund [^]	44.67	–
Legg Mason Martin Currie Global Resources Fund [^]	28.30	–
Legg Mason Martin Currie Greater China Fund [^]	78.12	–
Legg Mason Martin Currie Japan Absolute Alpha Fund [^]	83.64	–
Legg Mason Martin Currie North American Fund [^]	21.12	–
Legg Mason Martin Currie Global Long-Term Unconstrained Fund [^]	88.61	–
Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund [^]	88.31	–
Legg Mason RARE Infrastructure Value Fund [^]	21.53	–

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 13), 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 13), 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 13), 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.

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

Notes to Financial Statements – (continued)

5. Distributions to Holders of Redeemable Participating Shares – (continued)

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:

	Fees and expenses charged to capital for the year ended	
	February 29, 2017 (000's)	February 29, 2016 (000's)
Legg Mason Western Asset Global Multi Strategy Fund – Class A Euro Distributing (M) (Hedged) Plus (e)	\$3	\$7
Legg Mason Western Asset Global Multi Strategy Fund – Premier Class US\$ Distributing (M) Plus (e)	\$389	\$363
Legg Mason Western Asset Global Multi Strategy Fund – Premier Class GBP Distributing (M) (Hedged) Plus (e)	\$230	\$135
Legg Mason Western Asset US High Yield Fund – Premier Class US\$ Distributing (M) Plus (e)	\$39	\$64
Legg Mason Western Asset Global High Yield Fund – Premier Class US\$ Distributing (M) Plus (e)	\$118	\$64
Legg Mason Western Asset Macro Opportunities Bond Fund [^] – Class A US\$ Distributing (M) Plus (e)	\$2,684	\$1,991
Legg Mason Western Asset Macro Opportunities Bond Fund [^] – Class A AUD Distributing (M) (Hedged) Plus (e)	\$141	\$64
Legg Mason Western Asset Macro Opportunities Bond Fund [^] – Class A CNH Distributing (M) (Hedged) Plus (e)	\$30	\$40
Legg Mason Western Asset Macro Opportunities Bond Fund [^] – Class A GBP Distributing (M) (Hedged) Plus (e)	\$10	\$–
Legg Mason Western Asset Macro Opportunities Bond Fund [^] – Class A SGD Distributing (M) (Hedged) Plus (e)	\$226	\$32
Legg Mason Western Asset Macro Opportunities Bond Fund [^] – Class X US\$ Distributing (M) Plus (e)	\$39	\$–
Legg Mason Western Asset Macro Opportunities Bond Fund [^] – Class X GBP Distributing (M) (Hedged) Plus (e)	\$6	\$2
Legg Mason Western Asset Macro Opportunities Bond Fund [^] – Premier Class GBP Distributing (M) (Hedged) Plus (e)	\$1,264	\$824
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund [^] – Class A US\$ Distributing (M) Plus (e)	\$15	\$2
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund [^] – Class X US\$ Distributing (M) Plus (e)	\$4	\$–
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund [^] – Class X GBP Distributing (M) (Hedged) Plus (e)	\$31	\$–
Legg Mason Brandywine Global Income Optimiser Fund [^] – Class A US\$ Distributing (M) Plus (e)	\$32	\$21
Legg Mason Brandywine Global Income Optimiser Fund [^] – Class A Euro Distributing (M) (Hedged) Plus (e)	\$178	\$143
Legg Mason Brandywine Global Income Optimiser Fund [^] – Class A GBP Distributing (M) (Hedged) Plus (e)	\$11	\$36
Legg Mason Brandywine Global Income Optimiser Fund [^] – Class X US\$ Distributing (M) Plus (e)	\$18	\$25
Legg Mason Brandywine Global Income Optimiser Fund [^] – Class X Euro Distributing (M) (Hedged) Plus (e)	\$15	\$18
Legg Mason Brandywine Global Income Optimiser Fund [^] – Class X GBP Distributing (M) (Hedged) Plus (e)	\$111	\$130
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)	\$29	\$18
Legg Mason ClearBridge Global Equity Income Fund [^] – Class A US\$ Distributing (M) Plus (e)	\$8	\$9
Legg Mason ClearBridge Global Equity Income Fund [^] – Class A Euro Distributing (M) (Hedged) Plus (e)	\$7	\$8
Legg Mason ClearBridge Global Equity Income Fund [^] – Premier Class US\$ Distributing (M) Plus (e)	\$4	\$5
Legg Mason ClearBridge Global Equity Income Fund [^] – Premier Class Euro Distributing (M) (Hedged) Plus (e)	\$4	\$4
Legg Mason ClearBridge Tactical Dividend Income Fund [^] – Class A US\$ Distributing (M) Plus (e)	\$–	\$1
Legg Mason ClearBridge Tactical Dividend Income Fund [^] – Class A Euro Distributing (M) (Hedged) Plus (e)	\$7	\$6
Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund [^] – Class A US\$ Distributing (M) Plus (e)	\$5	\$–
Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund [^] – Class A Euro Distributing (M) Plus (e)	\$5	\$–
Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund [^] – S Class GBP Distributing (M) Plus (e)	\$1	\$–
Legg Mason RARE Infrastructure Value Fund – Premier Class GBP Distributing (A) (Hedged) (PH) Plus (e)	€395	€–

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. Investors in the LM Share Classes may include clients of the Investment Managers, the Sub-Investment Managers or their affiliates, and the Investment Managers and/or Sub-Investment Managers may receive, directly or indirectly, compensation outside of the Funds from those investors with respect to the assets invested in the LM Share Classes. 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 Large Cap Growth Fund, Legg Mason ClearBridge US Aggressive Growth Fund, Legg Mason QS MV European Equity Growth and Income Fund, Legg Mason QS MV Asia Pacific Ex Japan Equity Growth and Income Fund and Legg Mason QS MV Global Equity Growth and Income Fund 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[^] (ceased trading on April 29, 2016), Legg Mason Martin Currie European Absolute Alpha Fund[^] and Legg Mason Martin Currie Japan Absolute Alpha Fund[^] offer 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.

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

Notes to Financial Statements

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.

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 are valued at their face value with interest accrued, where applicable. 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 28, 2017.

10. Soft Commission Arrangements

During the year ended February 28, 2017, Brandywine Global Investments Management, LLC ("Brandywine"), ClearBridge, LLC ("ClearBridge"), ClearBridge Investments, LLC ("ClearBridge Investments"), LMM, LLC ("LMM"), Royce & Associates, LP ("Royce"), Legg Mason Asset Management Australia Limited (t/a "Martin Currie Australia"), Martin Currie Investment Management Limited ("Martin Currie Investment Management"), Legg Mason Asset Management Singapore Pte. Limited ("Asset Management Singapore") and RARE Infrastructure Limited ("RARE") entered into soft commission arrangements with brokers in respect of which certain goods and services used to support the investment decision process were received. Brandywine, ClearBridge, ClearBridge Investments, LMM, Royce, Martin Currie Australia, Martin Currie Investment Management, Asset Management Singapore and RARE 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 Brandywine, ClearBridge, ClearBridge Investments, LMM, Royce, Martin Currie Australia, Martin Currie Investment Management, Asset Management Singapore and RARE 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 Brandywine, ClearBridge, ClearBridge Investments, LMM, Royce, Martin Currie Australia, Martin Currie Investment Management, Asset Management Singapore and RARE in carrying out their investment decision-making responsibilities in respect of the relevant Funds.

QS Investors, LLC ("QS Investors"), Western Asset Management Company, Western Asset Management Company Pte, Limited, Western Asset Management Company Pty, Limited, Western Asset Management Company Limited and Western Asset Management Company Distribuidora de Titulos e Valores Mobiliarios Limitada ("Western Asset") did not participate in any soft commission arrangements during the period for the Funds to which QS Investors and Western Asset 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, Australian Dollar, Euro and British Pound amounts for the respective Funds with U.S. Dollar, Australian Dollar, Euro and British Pound based currencies, respectively:

	Currency	Exchange rates as at February 28, 2017	Exchange rates as at February 29, 2016
USD Based Funds	Argentine Peso	15.4750	15.8000
	Australian Dollar	1.3043	1.4011
	Brazilian Real	3.1110	4.0156
	British Pound	0.8059	0.7185
	Canadian Dollar	1.3282	1.3530
	Chilean Peso	650.2550	696.8750
	Chinese Renminbi (CNH)	6.8547	6.5523
	Chinese Renminbi (CNY)	6.8688	—
	Colombian Peso	2,928.4000	3,290.9000
	Czech Koruna	25.5060	24.8803
	Danish Krone	7.0169	6.8569
	Egyptian Pound	15.8400	7.8301
	Euro	0.9439	0.9192
	Hong Kong Dollar	7.7629	7.7781
	Hungarian Forint	290.9006	285.0761
	Indian Rupee	66.7188	68.4250
	Indonesian Rupiah	13,336.0000	13,372.0000
	Israeli Shekel	3.6410	3.9023
	Japanese Yen	112.3450	112.7550
	Malaysian Ringgit	4.4400	4.2050
	Mexican Peso	20.0915	18.1300
	New Zealand Dollar	1.3883	1.5177
	Norwegian Krone	8.3835	8.7025
	Pakistan Rupee	104.8100	104.6650
	Peruvian Nuevo Sol	3.2645	3.5165
	Philippine Peso	50.2150	47.5500
	Polish Zloty	4.0657	3.9946
	Romanian Leu	4.2727	4.1046
	Russian Ruble	58.3400	75.3100
	Singapore Dollar	1.4014	1.4060
	South African Rand	13.1175	15.8680
	South Korean Won	1,130.7500	1,236.7000
	Swedish Krona	9.0266	8.5619
	Swiss Franc	1.0044	0.9985
	Taiwan Dollar	30.7235	33.2320
	Thai Baht	34.9055	35.6300
	Turkish Lira	3.6391	2.9652
AUD Based Funds	Currency	Exchange rates as at February 28, 2017	Exchange rates as at February 29, 2016
	United States Dollar	—	0.7138
EUR Based Funds	Currency	Exchange rates as at February 28, 2017	Exchange rates as at February 29, 2016
	Australian Dollar	1.3818	1.5241
	Brazilian Real	3.2958	—
	British Pound	0.8538	0.7816
	Canadian Dollar	1.4071	—
	Chilean Peso	688.8805	—

Notes to Financial Statements – (continued)

11. Exchange Rates – (continued)

	Exchange rates as at February 28, 2017	Exchange rates as at February 29, 2016
Currency		
Danish Krone	7.4337	7.4592
Hungarian Forint	308.1802	–
Japanese Yen	119.0184	122.6606
Mexican Peso	21.2849	–
Norwegian Krone	8.8815	9.4670
Polish Zloty	4.3072	–
Singapore Dollar	1.4846	–
South African Rand	13.8967	17.2620
Swedish Krona	9.5628	9.3140
Swiss Franc	1.0640	1.0862
Turkish Lira	3.8553	3.2256
United States Dollar	1.0594	1.0879
	Exchange rates as at February 28, 2017	Exchange rates as at February 29, 2016
GBP Based Funds		
Currency		
Euro	1.1713	–
Swedish Krona	11.2007	–
United States Dollar	1.2409	–

12. Risk Exposure and Risk Management

The Company has appointed Legg Mason Investments (Europe) Limited as Investment Manager for each of the Funds (with the exception of Legg Mason ClearBridge Value Fund) and ClearBridge, LLC (formerly Legg Mason Capital Management, LLC) as Investment Manager of Legg Mason ClearBridge Value Fund (together the "Investment Managers"). Legg Mason Investments (Europe) Limited ("LMIE") has made the decision to delegate all investment management activities to Sub-Investment Managers/Advisors (as at February 28, 2017 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 Titulos e Valores Mobiliários Limitada, Western Asset Management Company Pty Limited, Legg Mason Asset Management Australia Limited, Legg Mason Asset Management Singapore Pte. Limited, Martin Currie Investment Management Limited and RARE Infrastructure 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 Depositary 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 Depositary. 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[^] (up to the date when it ceased trading on April 29, 2016), 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[^], the Legg Mason Brandywine Global Credit Opportunities Fund[^], the Legg Mason Martin Currie European Absolute Alpha Fund[^] and the Legg Mason Martin Currie Japan Absolute Alpha Fund[^]) use the commitment approach. The Legg Mason Western Asset Global Credit Absolute Return Fund[^] (up to the date when it ceased trading on April 29, 2016), 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[^], the Legg Mason Brandywine Global Credit Opportunities Fund[^], the Legg Mason Martin Currie European Absolute Alpha Fund[^] and the Legg Mason Martin Currie Japan Absolute Alpha 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.

[^] 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)

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[^] (up to the date when it ceased trading on April 29, 2016), 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[^], the Legg Mason Brandywine Global Credit Opportunities Fund[^], the Legg Mason Martin Currie European Absolute Alpha Fund[^] and the Legg Mason Martin Currie Japan Absolute Alpha 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") calculates VaR at a 99% confidence level for a 1 day time horizon using an appropriate sample of historical data.

Brandywine Global Investment Management, LLC ("Brandywine") 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 28, 2017	As at February 29, 2016
Legg Mason Brandywine Global Fixed Income Absolute Return Fund [^]	0.57%	0.48%
Legg Mason Brandywine Global Income Optimiser Fund [^]	0.38%	0.52%
Legg Mason Brandywine Global Credit Opportunities Fund [^]	0.65%	0.49%

Where the Legg Mason Western Asset Global Credit Absolute Return Fund[^] (up to the date when it ceased trading on April 29, 2016), 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[^], the Legg Mason Brandywine Global Credit Opportunities Fund[^], the Legg Mason Martin Currie European Absolute Alpha Fund[^] and the Legg Mason Martin Currie Japan Absolute Alpha 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[^] (up to the date when it ceased trading on April 29, 2016), 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[^], the Legg Mason Brandywine Global Credit Opportunities Fund[^], the Legg Mason Martin Currie European Absolute Alpha Fund[^] and the Legg Mason Martin Currie Japan Absolute Alpha 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, for relevant Western Asset and Brandywine Funds, were as follows:

As at February 28, 2017

	Minimum	Average	Maximum
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	3.73%	4.57%	5.71%
Legg Mason Western Asset Multi-Asset Credit Fund [^]	2.24%	2.60%	2.96%
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund [^]	1.65%	2.14%	2.55%
Legg Mason Western Asset Structured Opportunities Fund [^]	1.62%	2.01%	2.64%
Legg Mason Brandywine Global Fixed Income Absolute Return Fund [^]	3.01%	3.73%	4.77%
Legg Mason Brandywine Global Income Optimiser Fund [^]	2.21%	3.31%	5.55%
Legg Mason Brandywine Global Credit Opportunities Fund [^]	2.58%	4.48%	7.25%

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%

Martin Currie Investment Management Limited calculates VaR based on a 10 business day holding period and a "one-tailed" 95% confidence interval. Legg Mason Martin Currie European Absolute Alpha Fund[^] and Legg Mason Martin Currie Japan Absolute Alpha Fund[^] are subject to an absolute VaR limit of 8.5% of the Fund's Net Asset Value. The lowest, average and highest utilisation of the VaR limit were as follows (data presented from the date of the merger into respective LMGF plc Funds, effective March 11, 2016):

As at February 28, 2017

	Minimum	Average	Maximum
Legg Mason Martin Currie European Absolute Alpha Fund [^]	1.70%	3.10%	5.40%
Legg Mason Martin Currie Japan Absolute Alpha Fund [^]	2.30%	4.20%	6.40%

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

Average levels of leverage employed were as follows:

Fund	As at February 28, 2017	As at February 29, 2016
Legg Mason Western Asset Global Credit Absolute Return Fund [^]	n/a	655.38%
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	721.12%	862.11%
Legg Mason Western Asset Multi-Asset Credit Fund [^]	221.76%	484.88%
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund [^]	133.70%	115.07%
Legg Mason Western Asset Structured Opportunities Fund [^]	11.26%	62.28%
Legg Mason Brandywine Global Fixed Income Absolute Return Fund [^]	129.24%	89.34%
Legg Mason Brandywine Global Income Optimiser Fund [^]	19.17%	91.34%
Legg Mason Brandywine Global Credit Opportunities Fund [^]	35.94%	97.80%
Legg Mason Martin Currie European Absolute Alpha Fund [^]	53.90%	n/a
Legg Mason Martin Currie Japan Absolute Alpha Fund [^]	37.20%	n/a

Stress testing is the examination of the potential effects on a Fund's financial condition of a set of specific changes in risk factors, relating to exceptional but possible events. The Investment Manager takes a conservative approach by applying stress tests that are beyond the range of reasonably likely occurrences. The Investment Manager expects (although there is no assurance) that if the Fund is able to withstand stress tests that are beyond the range of reasonably likely occurrences, that the Net Asset Value per share (or any particular class of share) of the Fund, would remain stable in the event of reasonable negative market events.

A scenario based stress test can be used to meet the sensitivity analysis requirement of FRS 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 28, 2017	(\$120,962)
As of February 29, 2016	(\$335,783)

[^] 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

Each Fund's market price risk is monitored, but not managed, relative to an index. The indices as at February 28, 2017 and February 29, 2016 are outlined below.

The following tables set out an index for each Fund, except the Legg Mason Western Asset Global Credit Absolute Return Fund[^] (ceased trading on April 29, 2016), 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[^], the Legg Mason Brandywine Global Credit Opportunities Fund[^], the Legg Mason Martin Currie European Absolute Alpha Fund[^] and the Legg Mason Martin Currie Japan Absolute Alpha 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 28, 2017:

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	Bloomberg Barclays U.S. Aggregate Bond Index	USD	3,400,383	(3,400,383)
Legg Mason Western Asset US Core Plus Bond Fund	Bloomberg Barclays U.S. Aggregate Bond Index	USD	40,579,718	(40,579,718)
Legg Mason Western Asset Euro Core Plus Bond Fund	Citigroup Euro Broad Investment Grade Bond Index	EUR	6,085,052	(6,085,052)
Legg Mason Western Asset Short Duration High Income Bond Fund	Bloomberg Barclays U.S. High Yield 1-5 Years Cash Pay 2% Constrained Index	USD	1,411,988	(1,411,988)
Legg Mason Western Asset Global Multi Strategy Fund	50% Bloomberg Barclays Global Aggregate Bond Index, 25% Bloomberg Barclays U.S. Corporate High Yield Bond Index 2% Issuer Capped, 25% JP Morgan EMBI Plus Index	USD	39,084,382	(39,084,382)
Legg Mason Western Asset US High Yield Fund	Bloomberg Barclays U.S. Corporate High Yield Bond Index 2% Issuer Capped	USD	19,213,692	(19,213,692)
Legg Mason Western Asset Emerging Markets Total Return Bond Fund	JP Morgan EMBI Global Index ***	USD	1,805,838	(1,805,838)
Legg Mason Western Asset Emerging Markets Corporate Bond Fund	JP Morgan Corporate Emerging Markets Bond Index – Broad Composite	USD	2,162,030	(2,162,030)
Legg Mason Western Asset Global High Yield Fund	Barclays Global High Yield Bond Hedged Index	USD	12,564,841	(12,564,841)
Legg Mason Western Asset US Short-Term Government Fund	Barclays 1-3 Year U.S. Government Index	USD	547,719	(547,719)
Legg Mason Western Asset US Adjustable Rate Fund	Citigroup 6 Month U.S. Treasury Bill Index	USD	(535,968)	535,968
Legg Mason Western Asset Global Inflation Management Fund	Bloomberg Barclays World Government Inflation-Linked All Maturities Index	USD	589,121	(589,121)
Legg Mason Western Asset Asian Opportunities Fund	Markit iBoxx ALBI Prior to May 1, 2016 HSBC Asian Local Bond Overall Index	USD	29,870,943	(29,870,943)
Legg Mason Western Asset Global Blue Chip Bond Fund	BofA Merrill Lynch U.S. Treasury 1-10 Years Index	USD	892,072	(892,072)
Legg Mason Western Asset Global Core Plus Bond Fund [^]	Bloomberg Barclays Global Aggregate Bond Index Currency Hedged to USD	USD	14,371,938	(14,371,938)
Legg Mason Western Asset Global Credit Fund	Bloomberg Barclays Global Aggregate Credit Index Currency Hedged to USD	USD	4,062,511	(4,062,511)
Legg Mason Western Asset Euro High Yield Fund	BofA Merrill Lynch European Currency High Yield (ex. Financials) 2% Constrained Index Currency Hedged to EURO	EUR	4,621,889	(4,621,889)
Legg Mason Western Asset EM Local Currency Debt Fund [^]	JP Morgan Emerging Markets Bond Global Diversified Index	USD	6,665,856	(6,665,856)
Legg Mason Western Asset US Mortgage-Backed Securities Fund [^]	Bloomberg Barclays U.S. Mortgage-Backed Securities Index	USD	43,965,243	(43,965,243)
Legg Mason Western Asset UK Investment Grade Credit Fund [^] **	BofA Merrill Lynch Sterling Non-Gilts Index	GBP	N/A	N/A
Legg Mason Western Asset US Corporate Bond Fund [^] **	Bloomberg Barclays U.S. Credit Index	USD	N/A	N/A
Legg Mason Brandywine Global Fixed Income Fund	Citigroup World Government Bond Index	USD	57,124,057	(57,124,057)
Legg Mason Brandywine Global High Yield Fund [^]	Bloomberg Barclays Global High Yield Bond Index	USD	5,026,726	(5,026,726)
Legg Mason Brandywine Global Opportunistic Fixed Income Fund [^]	Citigroup World Government Bond Index	USD	29,906,685	(29,906,685)
Legg Mason Brandywine Global Sovereign Credit Fund [^]	Citigroup World Government Bond Index	USD	152,370,939	(152,370,939)
Legg Mason Brandywine Global Dynamic US Equity Fund [^]	Russell 1000 Value Index	USD	106,980	(106,980)
Legg Mason ClearBridge Value Fund	S&P 500 Index	USD	21,913,230	(21,913,230)
Legg Mason ClearBridge Growth Fund	Russell 1000 Growth Index	USD	288,618	(288,618)
Legg Mason ClearBridge Global Equity Fund [^]	MSCI World Net Dividends Index	USD	978,062	(978,062)
Legg Mason ClearBridge Global Equity Income Fund [^]	MSCI World Net Dividends Index	USD	223,572	(223,572)
Legg Mason ClearBridge US Appreciation Fund	S&P 500 Index	USD	12,565,967	(12,565,967)
Legg Mason ClearBridge US Large Cap Growth Fund	Russell 1000 Growth Index	USD	18,705,775	(18,705,775)
Legg Mason ClearBridge US Aggressive Growth Fund	Russell 3000 Growth Index	USD	170,894,942	(170,894,942)
Legg Mason ClearBridge Tactical Dividend Income Fund	Dow Jones US Select Dividend Index	USD	3,272,845	(3,272,845)
Legg Mason ClearBridge US Equity Sustainability Leaders Fund [^]	Russell 3000 Index	USD	126,440	(126,440)
Legg Mason Opportunity Fund	S&P 500 Index	USD	25,812,069	(25,812,069)
Legg Mason Royce US Small Cap Opportunity Fund	Russell 2000 Index	USD	64,479,403	(64,479,403)
Legg Mason Royce US Smaller Companies Fund	Russell 2000 Index	USD	11,650,887	(11,650,887)
Legg Mason QS MV European Equity Growth and Income Fund	MSCI Europe Net Dividends Index	EUR	3,513,194	(3,513,194)
Legg Mason QS MV Asia Pacific Ex Japan Equity Growth and Income Fund	MSCI AC Asia Pacific ex Japan Net Dividends Index	USD	1,808,670	(1,808,670)
Legg Mason QS Emerging Markets Equity Fund	MSCI Emerging Markets Net Dividends Index	USD	641,356	(641,356)
Legg Mason QS MV Global Equity Growth and Income Fund	MSCI AC World Net Dividends Index	USD	844,435	(844,435)
Legg Mason Martin Currie Australia Equity Income Fund	S&P ASX 200 Accumulation Index ****	AUD	60,553	(60,553)
Legg Mason Martin Currie Asia Long-Term Unconstrained Fund [^] **	MSCI AC Asia Pacific ex Japan Net Dividends Index	USD	N/A	N/A
Legg Mason Martin Currie Asia Pacific Fund [^] **	MSCI AC Asia Pacific ex Japan Net Dividends Index	USD	N/A	N/A
Legg Mason Martin Currie Global Resources Fund [^] **	BLENDED INDEX – MSCI AC World Net Dividends Index – Energy (USD); MSCI AC World Net Dividends Index – Materials (USD); MSCI AC World Net Dividends Index – Marine (USD); MSCI AC World Net Dividends Index – Building Products (USD); MSCI AC World Net Dividends Index – Construction and Engineering (USD). Daily market cap weighted.	USD	N/A	N/A
Legg Mason Martin Currie Greater China Fund [^] **	MSCI Golden Dragon Net Dividends Index	USD	N/A	N/A
Legg Mason Martin Currie North American Fund [^] **	MSCI North America Net Dividends Index	USD	N/A	N/A
Legg Mason Martin Currie Global Long-Term Unconstrained Fund [^] **	MSCI AC World Net Dividends Index	USD	N/A	N/A
Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund [^] **	MSCI AC Asia Pacific ex Japan Net Dividends Index	USD	N/A	N/A
Legg Mason RARE Infrastructure Value Fund [^]	OECD G7 Consumer Price Index Plus 5.5% Per Annum (Currency Neutral)	EUR	(40,540,722)	40,540,722

* 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.

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:

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)
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.

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 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^, the Legg Mason Brandywine Global Credit Opportunities Fund^, the Legg Mason Martin Currie European Absolute Alpha Fund^ and the Legg Mason Martin Currie Japan Absolute Alpha 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, British Pound, Japanese Yen 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 28, 2017 and February 29, 2016.

Amounts represented below primarily are monetary assets and monetary liabilities except for investments in non-interest bearing securities, which include equities, which are non-monetary assets.

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

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

(b) Foreign Currency Risk – (continued)

As at February 28, 2017:

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	\$ 953,075	\$ 193,897	\$ –	\$ –	\$ –	\$ 862	\$ 1,147,834
Total	\$ 953,075	\$ 193,897	\$ –	\$ –	\$ –	\$ 862	\$ 1,147,834
Legg Mason Western Asset US Core Bond Fund							
Canadian Dollar	\$ –	\$ –	\$ –	\$ –	\$ –	\$ (1)	\$ (1)
Chinese Renminbi	134	–	–	(145)	–	3	(8)
Euro	–	–	–	(4)	–	6	2
United States Dollar	53,477	7,891	1,133	156	189	(6,973)	55,873
Total	\$ 53,611	\$ 7,891	\$ 1,133	\$ 7	\$ 189	\$ (6,965)	\$ 55,866
Legg Mason Western Asset US Core Plus Bond Fund							
Argentine Peso	\$ 1,658	\$ –	\$ –	\$ –	\$ –	\$ 110	\$ 1,768
Australian Dollar	–	–	–	39	–	(1)	38
Brazilian Real	6,279	–	–	967	–	71	7,317
British Pound	1,436	1,281	–	965	–	176	3,858
Canadian Dollar	–	–	–	6,420	–	–	6,420
Chinese Renminbi	–	–	–	(14,075)	–	–	(14,075)
Euro	–	–	–	342	(778)	2,078	1,642
Indian Rupee	–	–	–	4,665	–	–	4,665
Indonesian Rupiah	–	–	–	5,282	–	–	5,282
Japanese Yen	–	–	–	(22,953)	(17)	56	(22,914)
Malaysian Ringgit	–	–	–	–	–	25	25
Mexican Peso	14,829	–	–	(1,990)	–	1,164	14,003
Polish Zloty	–	–	–	–	–	305	305
Russian Ruble	5,628	–	–	–	–	424	6,052
Taiwan Dollar	–	–	–	(7,462)	–	–	(7,462)
United States Dollar	583,413	86,554	4,402	27,210	3,991	(61,264)	644,306
Total	\$ 613,243	\$ 87,835	\$ 4,402	\$ (590)	\$ 3,196	\$ (56,856)	\$ 651,230
Legg Mason Western Asset Euro Core Plus Bond Fund							
British Pound	€ –	€ –	€ –	€ –	€ –	€ 9	€ 9
Euro	92,535	11,039	–	1,512	(152)	5,925	110,859
Polish Zloty	–	–	–	–	–	4	4
Swedish Krona	1,531	–	–	203	–	36	1,770
United States Dollar	900	–	878	(1,736)	(13)	69	98
Total	€ 94,966	€ 11,039	€ 878	€ (21)	€ (165)	€ 6,043	€ 112,740
Legg Mason Western Asset Short Duration High Income Bond Fund							
Australian Dollar	\$ –	\$ 23	\$ –	\$ –	\$ –	\$ 4	\$ 27
British Pound	144	–	–	(53)	–	15	106
Colombian Peso	–	–	–	–	–	2	2
Euro	–	–	–	(637)	–	4	(633)
Polish Zloty	–	–	–	–	–	32	32
United States Dollar	20,784	5,236	445	653	(10)	445	27,553
Total	\$ 20,928	\$ 5,259	\$ 445	\$ (37)	\$ (10)	\$ 502	\$ 27,087
Legg Mason Western Asset Global Multi Strategy Fund							
Argentine Peso	\$ 8,936	\$ –	\$ –	\$ –	\$ –	\$ 701	\$ 9,637
Australian Dollar	–	–	–	86,436	21	2,303	88,760
Brazilian Real	59,345	–	–	(36,044)	–	1,178	24,479
British Pound	21,797	11,730	–	535,335	–	4,054	572,916
Canadian Dollar	257	–	903	–	–	10	1,170
Colombian Peso	70	–	–	–	–	13	83
Euro	7,413	18,722	26,818	(45,682)	1,324	1,601	10,196
Indian Rupee	–	–	–	26,104	–	–	26,104
Indonesian Rupiah	–	–	–	10,288	–	–	10,288
Japanese Yen	–	–	–	(24,501)	–	–	(24,501)
Mexican Peso	26,555	–	–	5,615	–	1,447	33,617
Polish Zloty	–	–	–	3,345	–	123	3,468
Russian Ruble	11,450	–	–	–	–	734	12,184
Singapore Dollar	–	–	–	(6,948)	–	(226)	(7,174)
South Korean Won	–	–	–	(33,425)	–	–	(33,425)
Swiss Franc	–	–	–	45,119	–	–	45,119
Turkish Lira	–	–	–	585	–	–	585
United States Dollar	600,775	153,253	52,147	(573,709)	(2,407)	9,650	239,709
Total	\$ 736,598	\$ 183,705	\$ 79,868	\$ (7,482)	\$ (1,062)	\$ 21,588	\$ 1,013,215

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, 2017: – (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 US High Yield Fund							
Australian Dollar	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 30	\$ 30
British Pound	–	–	–	214	–	–	214
Euro	–	–	–	2,673	–	–	2,673
Mexican Peso	–	–	–	–	–	52	52
Singapore Dollar	–	–	–	357	–	1	358
United States Dollar	329,513	24,322	21,101	(3,267)	(9)	4,501	376,161
Total	\$ 329,513	\$ 24,322	\$ 21,101	\$ (23)	\$ (9)	\$ 4,584	\$ 379,488
Legg Mason Western Asset Emerging Markets Total Return Bond Fund							
Argentine Peso	\$ 496	\$ –	\$ –	\$ 212	\$ –	\$ 38	\$ 746
Brazilian Real	252	–	–	–	–	3	255
British Pound	–	–	–	451	–	–	451
Euro	–	–	–	2,410	–	–	2,410
Indian Rupee	–	–	–	249	–	–	249
Indonesian Rupiah	738	–	–	–	–	22	760
Polish Zloty	–	–	–	(399)	–	–	(399)
Russian Ruble	496	–	–	–	–	3	499
Saudi Riyal	–	–	–	(872)	–	–	(872)
Singapore Dollar	–	–	–	308	–	1	309
United States Dollar	32,311	1,784	4,007	(2,375)	(88)	1,090	36,729
Total	\$ 34,293	\$ 1,784	\$ 4,007	\$ (16)	\$ (88)	\$ 1,157	\$ 41,137
Legg Mason Western Asset Emerging Markets Corporate Bond Fund							
Argentine Peso	\$ 161	\$ –	\$ –	\$ –	\$ –	\$ 11	\$ 172
Brazilian Real	642	–	–	(297)	–	9	354
Indonesian Rupiah	147	–	–	–	–	4	151
Mexican Peso	–	–	–	–	–	4	4
Russian Ruble	197	–	–	–	–	9	206
Saudi Riyal	–	–	–	(720)	–	–	(720)
Singapore Dollar	–	–	–	–	–	38	38
United States Dollar	30,142	1,326	–	980	(1)	47	32,494
Total	\$ 31,289	\$ 1,326	\$ –	\$ (37)	\$ (1)	\$ 122	\$ 32,699
Legg Mason Western Asset Global High Yield Fund							
Argentine Peso	\$ 1,283	\$ –	\$ –	\$ –	\$ –	\$ 118	\$ 1,401
Australian Dollar	–	–	–	28,389	–	6	28,395
Brazilian Real	1,274	–	–	–	–	76	1,350
British Pound	–	514	–	(31)	–	49	532
Canadian Dollar	–	–	983	–	–	1	984
Euro	–	559	19,392	(9,328)	–	282	10,905
Indonesian Rupiah	573	–	–	–	–	17	590
Mexican Peso	–	–	–	–	–	209	209
Russian Ruble	2,570	–	–	–	–	167	2,737
Singapore Dollar	–	–	–	5,750	–	(20)	5,730
Turkish Lira	–	–	–	–	–	4	4
United States Dollar	206,861	11,406	10,266	(24,408)	5	3,969	208,099
Total	\$ 212,561	\$ 12,479	\$ 30,641	\$ 372	\$ 5	\$ 4,878	\$ 260,936
Legg Mason Western Asset US Short-Term Government Fund							
United States Dollar	\$ 15,995	\$ 1,532	\$ –	\$ –	\$ –	\$ 35	\$ 17,562
Total	\$ 15,995	\$ 1,532	\$ –	\$ –	\$ –	\$ 35	\$ 17,562
Legg Mason Western Asset US Adjustable Rate Fund							
United States Dollar	\$ 350	\$ 5,243	\$ 94	\$ –	\$ –	\$ (44)	\$ 5,643
Total	\$ 350	\$ 5,243	\$ 94	\$ –	\$ –	\$ (44)	\$ 5,643
Legg Mason Western Asset Global Inflation Management Fund							
Australian Dollar	\$ 74	\$ –	\$ –	\$ (216)	\$ –	\$ 36	\$ (106)
British Pound	2,985	–	–	(3,068)	(6)	89	–
Canadian Dollar	212	–	–	(234)	–	12	(10)
Euro	3,796	–	–	(4,342)	(27)	209	(364)
Japanese Yen	135	–	–	(339)	(2)	36	(170)
New Zealand Dollar	171	–	–	(206)	–	20	(15)
Polish Zloty	241	–	–	(246)	–	5	–
Swedish Krona	–	–	–	230	–	3	233
United States Dollar	6,903	–	1,475	8,455	(9)	(4)	16,820
Total	\$ 14,517	\$ –	\$ 1,475	\$ 34	\$ (44)	\$ 406	\$ 16,388

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, 2017: – (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 Asian Opportunities Fund							
Australian Dollar	\$ –	\$ –	\$ –	\$ 21,761	\$ –	\$ 668	\$ 22,429
British Pound	–	–	–	327	–	–	327
Chinese Renminbi	44,644	–	–	11,623	–	801	57,068
Euro	–	–	–	13,335	–	(1,048)	12,287
Hong Kong Dollar	888	–	–	–	–	38	926
Indian Rupee	88,585	–	–	–	–	2,038	90,623
Indonesian Rupiah	80,141	–	–	–	–	1,536	81,677
Malaysian Ringgit	41,791	–	–	–	–	484	42,275
Philippine Peso	45,754	–	–	–	–	377	46,131
Singapore Dollar	31,755	711	5,711	5,669	–	457	44,303
South Korean Won	14,026	–	–	41,456	(28)	3,092	58,546
Swiss Franc	–	–	–	3,273	–	–	3,273
Taiwan Dollar	8,661	–	–	(14,589)	–	130	(5,798)
Thai Baht	16,485	–	–	14,314	–	126	30,925
United States Dollar	123,102	17,859	37,070	(96,049)	–	1,777	83,759
Total	\$ 495,832	\$ 18,570	\$ 42,781	\$ 1,120	\$ (28)	\$ 10,476	\$ 568,751
Legg Mason Western Asset Global Blue Chip Bond Fund							
British Pound	\$ 3,859	\$ –	\$ –	\$ 2,819	\$ (41)	\$ 42	\$ 6,679
Euro	4,201	–	–	(3,270)	(90)	355	1,196
United States Dollar	19,912	–	250	322	2	293	20,779
Total	\$ 27,972	\$ –	\$ 250	\$ (129)	\$ (129)	\$ 690	\$ 28,654
Legg Mason Western Asset Global Credit Absolute Return Fund^							
United States Dollar	\$ –	\$ –	\$ 157	\$ –	\$ –	\$ (157)	\$ –
Total	\$ –	\$ –	\$ 157	\$ –	\$ –	\$ (157)	\$ –
Legg Mason Western Asset Global Core Plus Bond Fund^							
Australian Dollar	\$ 86	\$ –	\$ –	\$ (4,744)	\$ 61	\$ 240	\$ (4,357)
Brazilian Real	3,508	–	–	(2,489)	–	74	1,093
British Pound	10,798	2,974	–	(11,700)	(29)	1,173	3,216
Canadian Dollar	6,247	–	–	(3,987)	–	35	2,295
Chinese Renminbi	–	–	–	(2,897)	–	–	(2,897)
Euro	27,274	1,568	–	6,870	(974)	2,507	37,245
Japanese Yen	13,222	–	–	(18,030)	13	99	(4,696)
Mexican Peso	10,873	–	–	(3,761)	–	209	7,321
Polish Zloty	12,645	–	–	(6,705)	–	304	6,244
South Korean Won	6,820	–	–	(12,305)	–	25	(5,460)
Turkish Lira	–	–	–	–	–	43	43
United States Dollar	124,260	2,107	7,294	59,187	(451)	(17,221)	175,176
Total	\$ 215,733	\$ 6,649	\$ 7,294	\$ (561)	\$ (1,380)	\$ (12,512)	\$ 215,223
Legg Mason Western Asset Global Credit Fund							
British Pound	\$ 7,447	\$ 894	\$ –	\$ (7,922)	\$ (102)	\$ 386	\$ 703
Euro	12,392	5,615	–	(18,552)	(119)	656	(8)
Japanese Yen	–	–	–	1	–	–	1
Polish Zloty	–	–	–	–	–	3	3
United States Dollar	38,221	2,388	1,059	26,786	(43)	547	68,958
Total	\$ 58,060	\$ 8,897	\$ 1,059	\$ 313	\$ (264)	\$ 1,592	\$ 69,657
Legg Mason Western Asset Euro High Yield Fund							
British Pound	€ 16,504	€ 2,080	€ –	€ (17,803)	€ –	€ 207	€ 988
Euro	66,404	8,071	–	18,681	–	1,554	94,710
United States Dollar	–	–	1,727	(1,121)	–	2	608
Total	€ 82,908	€ 10,151	€ 1,727	€ (243)	€ –	€ 1,763	€ 96,306

^ 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, 2017: – (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 Macro Opportunities Bond Fund[^]							
Argentine Peso	\$ 37,134	\$ –	\$ –	\$ 57,489	\$ –	\$ 2,879	\$ 97,502
Australian Dollar	–	–	–	(9,953)	861	4,820	(4,272)
Brazilian Real	73,262	–	–	50,728	14,271	997	139,258
British Pound	49,133	–	–	521,177	(5,440)	10,906	575,776
Canadian Dollar	–	–	–	105,701	(349)	2,491	107,843
Chinese Renminbi	62,873	–	–	(286,629)	–	5,970	(217,786)
Colombian Peso	–	–	–	28	–	–	28
Euro	267,064	–	–	948,735	(25,514)	87,527	1,277,812
Indian Rupee	151,928	–	–	32,540	–	4,975	189,443
Indonesian Rupiah	38,237	–	–	32,145	–	1,169	71,551
Japanese Yen	249,139	–	–	(442,625)	1,394	170	(191,922)
Mexican Peso	257,192	–	–	(106,405)	–	4,700	155,487
Philippine Peso	–	–	–	42,484	–	(1)	42,483
Polish Zloty	–	–	–	(955)	–	1,864	909
Russian Ruble	157,897	–	–	78,270	–	6,814	242,981
Singapore Dollar	–	–	–	44,370	–	(449)	43,921
South Korean Won	–	–	–	(156,722)	–	355	(156,367)
Swedish Krona	–	–	–	53,040	–	(7)	53,033
Swiss Franc	–	–	–	94,483	–	(15)	94,468
Taiwan Dollar	–	–	–	(43,250)	–	–	(43,250)
Turkish Lira	21,810	–	–	21,302	–	32	43,144
United States Dollar	2,098,155	562,227	5,508	(1,073,762)	73,991	232,764	1,898,883
Total	\$ 3,463,824	\$ 562,227	\$ 5,508	\$ (37,809)	\$ 59,214	\$ 367,961	\$ 4,420,925
Legg Mason Western Asset EM Local Currency Debt Fund[^]							
Argentine Peso	\$ 3,510	\$ –	\$ –	\$ 1,096	\$ –	\$ 265	\$ 4,871
Brazilian Real	25,117	–	–	(5,834)	–	180	19,463
Colombian Peso	11,716	–	–	786	–	578	13,080
Czech Koruna	–	–	–	1,412	–	–	1,412
Euro	–	–	–	(1,418)	–	–	(1,418)
Hungarian Forint	1,170	–	–	3,852	–	16	5,038
Indian Rupee	–	–	–	1,381	–	–	1,381
Indonesian Rupiah	16,074	–	–	–	–	355	16,429
Malaysian Ringgit	12,298	–	–	–	–	253	12,551
Mexican Peso	9,188	–	–	(271)	–	173	9,090
Peruvian Nuevo Sol	3,090	–	–	–	–	146	3,236
Philippine Peso	616	–	–	(2,795)	–	4	(2,175)
Polish Zloty	10,985	–	–	502	–	204	11,691
Romanian Leu	–	–	–	1,359	–	2	1,361
Russian Ruble	9,277	–	–	2,176	–	57	11,510
Saudi Riyal	–	–	–	(3,812)	–	–	(3,812)
South African Rand	9,450	–	–	2,472	–	693	12,615
Thai Baht	7,266	–	–	1,752	–	53	9,071
Turkish Lira	9,192	–	–	(591)	–	366	8,967
United States Dollar	4,075	–	–	(2,195)	192	5,177	7,249
Total	\$ 133,024	\$ –	\$ –	\$ (128)	\$ 192	\$ 8,522	\$ 141,610
Legg Mason Western Asset Multi-Asset Credit Fund[^]							
Argentine Peso	\$ 1,352	\$ –	\$ –	\$ 1,485	\$ –	\$ 103	\$ 2,940
Australian Dollar	–	–	–	(1,194)	–	348	(846)
Brazilian Real	1,903	–	–	(1,064)	–	26	865
British Pound	3,890	1,727	–	158,563	(74)	(376)	163,730
Canadian Dollar	–	–	–	(2,980)	(29)	44	(2,965)
Chinese Renminbi	–	–	–	(1,255)	–	–	(1,255)
Euro	1,021	–	–	714	(168)	539	2,106
Indian Rupee	–	–	–	3,160	–	–	3,160
Indonesian Rupiah	1,615	–	–	884	–	48	2,547
Japanese Yen	865	–	–	(4,209)	–	1	(3,343)
Mexican Peso	1,334	–	–	(1,638)	–	75	(229)
New Zealand Dollar	–	–	–	(359)	(181)	489	(51)
Russian Ruble	1,892	–	–	1,358	–	83	3,333
South Korean Won	–	–	–	(1,915)	–	–	(1,915)
Swedish Krona	–	–	–	–	–	54	54
Swiss Franc	–	–	–	3,480	–	–	3,480
Taiwan Dollar	–	–	–	(4,606)	–	–	(4,606)
United States Dollar	96,444	46,019	4,299	(152,067)	1,589	9,398	5,682
Total	\$ 110,316	\$ 47,746	\$ 4,299	\$ (1,643)	\$ 1,137	\$ 10,832	\$ 172,687

[^] 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, 2017: – (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 Total Return Investment Grade Bond Fund[^]							
Australian Dollar	\$ –	\$ –	\$ –	\$ (1,976)	\$ 19	\$ 82	\$ (1,875)
British Pound	1,769	540	–	3,347	(35)	501	6,122
Canadian Dollar	1,176	–	–	(303)	–	10	883
Chinese Renminbi	–	–	–	(2,079)	–	–	(2,079)
Euro	10,896	172	–	(14,010)	(782)	1,587	(2,137)
Japanese Yen	897	–	–	46,532	(4)	39	47,464
Mexican Peso	2,788	–	–	500	–	46	3,334
Polish Zloty	5,250	–	–	(1,995)	–	94	3,349
South African Rand	1,763	–	–	8	–	82	1,853
South Korean Won	2,364	–	–	(5,076)	–	9	(2,703)
United States Dollar	58,470	444	1,605	(24,966)	(124)	740	36,169
Total	\$ 85,373	\$ 1,156	\$ 1,605	\$ (18)	\$ (926)	\$ 3,190	\$ 90,380
Legg Mason Western Asset Structured Opportunities Fund[^]							
British Pound	\$ 1,224	\$ 4,873	\$ –	\$ (6,088)	\$ –	\$ 124	\$ 133
Euro	–	–	–	1,971	(966)	3	1,008
United States Dollar	38,961	337,595	16,613	4,082	(460)	6,633	403,424
Total	\$ 40,185	\$ 342,468	\$ 16,613	\$ (35)	\$ (1,426)	\$ 6,760	\$ 404,565
Legg Mason Western Asset US Mortgage-Backed Securities Fund[^]							
United States Dollar	\$ 740,655	\$ 61,254	\$ 70,868	\$ –	\$ (263)	\$ (86,938)	\$ 785,576
Total	\$ 740,655	\$ 61,254	\$ 70,868	\$ –	\$ (263)	\$ (86,938)	\$ 785,576
Legg Mason Western Asset UK Investment Grade Credit Fund[^]							
British Pound	£ 51,906	£ 5,702	£ –	£ 5,049	£ 3	£ 3,880	£ 66,540
Euro	1,065	–	–	(1,839)	–	114	(660)
Japanese Yen	–	–	–	(3)	–	–	(3)
Swedish Krona	1,093	–	–	(1,163)	–	47	(23)
United States Dollar	1,579	–	–	(1,978)	(9)	514	106
Total	£ 55,643	£ 5,702	£ –	£ 66	£ (6)	£ 4,555	£ 65,960
Legg Mason Western Asset US Corporate Bond Fund[^]							
Argentine Peso	\$ 479	\$ –	\$ –	\$ –	\$ –	\$ 52	\$ 531
British Pound	–	–	–	120,995	–	–	120,995
Euro	–	–	–	(828)	–	–	(828)
United States Dollar	116,654	3,809	1,991	(121,160)	(292)	2	1,004
Total	\$ 117,133	\$ 3,809	\$ 1,991	\$ (993)	\$ (292)	\$ 54	\$ 121,702
Legg Mason Brandywine Global Fixed Income Fund							
Australian Dollar	\$ 72,778	\$ –	\$ –	\$ 18,308	\$ –	\$ 211	\$ 91,297
Brazilian Real	58,165	–	–	–	–	791	58,956
British Pound	62,355	–	–	142,521	–	167	205,043
Canadian Dollar	–	–	–	(5,224)	–	–	(5,224)
Chilean Peso	–	–	–	52,227	–	–	52,227
Danish Krone	–	–	–	(1,400)	–	–	(1,400)
Euro	–	–	–	282,577	–	(6,709)	275,868
Hungarian Forint	37,525	–	–	–	–	1,213	38,738
Indian Rupee	–	–	–	48,800	–	–	48,800
Indonesian Rupiah	45,629	–	–	–	–	2,142	47,771
Japanese Yen	–	–	–	(18,267)	–	–	(18,267)
Malaysian Ringgit	40,384	–	–	(1,083)	–	614	39,915
Mexican Peso	123,413	–	–	(1,925)	–	2,024	123,512
New Zealand Dollar	23,516	–	–	(23,128)	–	424	812
Norwegian Krone	–	–	–	51,112	–	(1)	51,111
Polish Zloty	37,888	–	–	(1,523)	–	1,022	37,387
Singapore Dollar	–	–	–	(934)	–	36	(898)
South African Rand	54,115	–	–	(1,322)	–	276	53,069
Swedish Krona	–	–	–	63,896	–	–	63,896
Swiss Franc	–	–	–	(489)	–	–	(489)
United States Dollar	164,403	237,669	33,626	(606,483)	–	15,063	(155,722)
Total	\$ 720,171	\$ 237,669	\$ 33,626	\$ (2,337)	\$ –	\$ 17,273	\$ 1,006,402

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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, 2017: – (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 Absolute Return Fund[^]							
Australian Dollar	\$ 29,242	\$ –	\$ –	\$ 125,949	\$ –	\$ 134	\$ 155,325
Brazilian Real	65,354	–	–	–	–	888	66,242
British Pound	–	–	–	190,758	(529)	(3,873)	186,356
Chilean Peso	–	–	–	68,559	–	–	68,559
Euro	31,129	2,730	–	(68,321)	(4)	454	(34,012)
Hungarian Forint	43,970	–	–	–	–	771	44,741
Indian Rupee	–	–	–	56,639	–	–	56,639
Indonesian Rupiah	54,012	–	–	–	–	1,215	55,227
Japanese Yen	–	–	–	(85,968)	–	–	(85,968)
Malaysian Ringgit	46,488	–	–	–	–	687	47,175
Mexican Peso	144,458	–	–	–	–	2,368	146,826
New Zealand Dollar	20,803	–	–	(20,014)	–	376	1,165
Norwegian Krone	–	–	–	59,111	–	–	59,111
Polish Zloty	21,547	–	–	–	–	567	22,114
Singapore Dollar	–	–	–	150,121	–	(1)	150,120
South African Rand	60,843	–	–	–	–	251	61,094
Swedish Krona	–	–	–	79,475	–	(1)	79,474
Taiwan Dollar	–	–	–	(37,081)	–	–	(37,081)
United States Dollar	89,108	485,013	63,418	(522,817)	257	17,006	131,985
Total	\$ 606,954	\$ 487,743	\$ 63,418	\$ (3,589)	\$ (276)	\$ 20,842	\$ 1,175,092
Legg Mason Brandywine Global High Yield Fund[^]							
Argentine Peso	\$ 1,134	\$ –	\$ –	\$ –	\$ –	\$ 76	\$ 1,210
British Pound	4,462	–	–	(2,444)	–	31	2,049
Canadian Dollar	–	–	–	8,019	–	1	8,020
Euro	2,512	–	–	8,157	–	40	10,709
Swedish Krona	–	–	–	(2)	–	–	(2)
Swiss Franc	–	–	–	(11)	–	–	(11)
United States Dollar	92,706	4,984	7,313	(13,868)	380	1,433	92,948
Total	\$ 100,814	\$ 4,984	\$ 7,313	\$ (149)	\$ 380	\$ 1,581	\$ 114,923
Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^]							
Australian Dollar	\$ 34,719	\$ –	\$ –	\$ 8,262	\$ –	\$ 100	\$ 43,081
Brazilian Real	28,277	–	–	–	–	386	28,663
British Pound	30,802	–	–	35,804	–	40	66,646
Canadian Dollar	–	–	–	(3,255)	–	–	(3,255)
Chilean Peso	–	–	–	25,214	–	–	25,214
Danish Krone	–	–	–	(872)	–	–	(872)
Euro	13,498	5,235	–	(71,031)	–	206	(52,092)
Hungarian Forint	18,947	–	–	–	–	382	19,329
Indian Rupee	–	–	–	23,054	–	–	23,054
Indonesian Rupiah	22,335	–	–	–	–	549	22,884
Japanese Yen	–	–	–	(18,313)	–	1	(18,312)
Malaysian Ringgit	19,039	–	–	(675)	–	281	18,645
Mexican Peso	59,649	–	–	(1,201)	–	978	59,426
New Zealand Dollar	11,297	–	–	162,489	–	203	173,989
Norwegian Krone	–	–	–	24,156	–	–	24,156
Polish Zloty	9,806	–	–	(949)	–	227	9,084
Singapore Dollar	–	–	–	(582)	–	–	(582)
South African Rand	26,039	–	–	(824)	–	123	25,338
Swedish Krona	–	–	–	30,129	–	–	30,129
Swiss Franc	–	–	–	(305)	–	–	(305)
United States Dollar	99,118	81,687	42,433	(213,039)	–	1,080	11,279
Total	\$ 373,526	\$ 86,922	\$ 42,433	\$ (1,938)	\$ –	\$ 4,556	\$ 505,499

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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, 2017: – (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 Sovereign Credit Fund[^]							
Australian Dollar	\$ 91,578	\$ –	\$ –	\$ 135,144	\$ –	\$ 418	\$ 227,140
Brazilian Real	124,752	–	–	67,152	–	1,686	193,590
British Pound	95,219	–	–	1,089,623	–	122	1,184,964
Canadian Dollar	–	–	–	(19,168)	–	–	(19,168)
Chilean Peso	–	–	–	49,336	–	–	49,336
Colombian Peso	–	–	–	121,370	–	–	121,370
Danish Krone	–	–	–	(5,242)	–	–	(5,242)
Euro	86,133	–	–	(559,468)	–	2,064	(471,271)
Hong Kong Dollar	–	–	–	(508)	–	–	(508)
Hungarian Forint	143,155	–	–	–	–	4,269	147,424
Indian Rupee	–	–	–	117,168	–	–	117,168
Indonesian Rupiah	175,083	–	–	–	–	4,932	180,015
Japanese Yen	–	–	–	(134,432)	–	–	(134,432)
Malaysian Ringgit	169,398	–	–	–	–	2,350	171,748
Mexican Peso	327,792	–	–	–	–	5,384	333,176
New Zealand Dollar	98,369	–	–	(100,053)	–	1,774	90
Norwegian Krone	–	–	–	128,336	–	1	128,337
Polish Zloty	112,447	–	–	–	–	3,317	115,764
Singapore Dollar	–	–	–	(68,579)	–	–	(68,579)
South African Rand	160,047	–	–	–	–	42	160,089
South Korean Won	217,062	–	–	–	–	3,183	220,245
Swedish Krona	–	–	–	156,597	–	–	156,597
Swiss Franc	–	–	–	(4,510)	–	–	(4,510)
Taiwan Dollar	–	–	–	(32,249)	–	–	(32,249)
Thai Baht	–	–	–	22,364	–	–	22,364
United States Dollar	457,917	165,199	86,333	(957,837)	–	10,569	(237,819)
Total	\$ 2,258,952	\$ 165,199	\$ 86,333	\$ 5,044	\$ –	\$ 40,111	\$ 2,555,639
Legg Mason Brandywine Global Income Optimiser Fund[^]							
Argentine Peso	\$ 792	\$ –	\$ –	\$ –	\$ –	\$ 53	\$ 845
Brazilian Real	–	–	–	–	–	(2)	(2)
British Pound	2,158	352	–	6,813	–	217	9,540
Euro	451	–	–	29,375	7	(821)	29,012
Mexican Peso	838	–	–	–	–	14	852
Singapore Dollar	–	–	–	1,705	–	(85)	1,620
Swedish Krona	–	–	–	37,731	–	–	37,731
United States Dollar	73,955	6,250	6,164	(76,607)	289	(2,979)	7,072
Total	\$ 78,194	\$ 6,602	\$ 6,164	\$ (983)	\$ 296	\$ (3,603)	\$ 86,670
Legg Mason Brandywine Global Credit Opportunities Fund[^]							
Argentine Peso	742	–	–	–	–	49	791
British Pound	–	975	–	(589)	–	1	387
Euro	–	7,216	–	(6,915)	14	4	319
Mexican Peso	598	–	–	–	–	9	607
United States Dollar	22,509	25,956	5,425	7,540	108	(3,426)	58,112
Total	\$ 23,849	\$ 34,147	\$ 5,425	\$ 36	\$ 122	\$ (3,363)	\$ 60,216
Legg Mason Brandywine Global Dynamic US Equity Fund[^]							
Euro	\$ –	\$ –	\$ –	\$ 1,594	\$ –	\$ –	\$ 1,594
United States Dollar	–	–	2,229	(1,608)	–	(11)	610
Total	\$ –	\$ –	\$ 2,229	\$ (14)	\$ –	\$ (11)	\$ 2,204
Legg Mason ClearBridge Value Fund							
Euro	\$ –	\$ –	\$ –	\$ 40	\$ –	\$ (2)	\$ 38
Singapore Dollar	–	–	–	439	–	(30)	409
United States Dollar	–	–	311,671	(475)	–	10,636	321,832
Total	\$ –	\$ –	\$ 311,671	\$ 4	\$ –	\$ 10,604	\$ 322,279
Legg Mason ClearBridge Growth Fund							
United States Dollar	\$ –	\$ –	\$ 5,117	\$ –	\$ –	\$ 11	\$ 5,128
Total	\$ –	\$ –	\$ 5,117	\$ –	\$ –	\$ 11	\$ 5,128

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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, 2017: – (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 Global Equity Fund[^]							
Australian Dollar	\$	–	\$	–	\$	14	\$ 992
Brazilian Real	–	–	708	–	–	–	708
British Pound	–	–	2,261	–	–	10	2,271
Danish Krone	–	–	198	–	–	1	199
Euro	–	–	4,823	–	–	4	4,827
Hong Kong Dollar	–	–	899	–	–	–	899
Japanese Yen	–	–	1,532	–	–	–	1,532
Norwegian Krone	–	–	114	–	–	2	116
South Korean Won	–	–	654	–	–	8	662
Swedish Krona	–	–	108	–	–	–	108
Swiss Franc	–	–	594	–	–	–	594
United States Dollar	–	–	4,736	–	–	584	5,320
Total	\$	–	\$	–	\$	623	\$ 18,228
Legg Mason ClearBridge Global Equity Income Fund[^]							
Australian Dollar	\$	–	\$	–	\$	3	\$ 289
Brazilian Real	–	–	84	–	–	–	84
British Pound	–	–	780	–	–	3	783
Canadian Dollar	–	–	55	–	–	–	55
Danish Krone	–	–	49	–	–	1	50
Euro	–	–	1,203	1,614	–	4	2,821
Hong Kong Dollar	–	–	486	–	–	1	487
Japanese Yen	–	–	105	–	–	–	105
Singapore Dollar	–	–	128	–	–	1	129
Swedish Krona	–	–	104	–	–	–	104
Swiss Franc	–	–	254	–	–	–	254
Taiwan Dollar	–	–	51	–	–	–	51
United States Dollar	–	–	636	(1,629)	–	396	(597)
Total	\$	–	\$	(15)	\$	409	\$ 4,615
Legg Mason ClearBridge US Appreciation Fund							
Euro	\$	–	\$	–	\$	106	\$ 106
United States Dollar	–	–	262,300	–	–	7,970	270,270
Total	\$	–	\$	–	\$	8,076	\$ 270,376
Legg Mason ClearBridge US Large Cap Growth Fund							
Euro	\$	–	\$	–	\$	(320)	\$ 16,324
United States Dollar	–	–	450,879	(16,790)	–	24,302	458,391
Total	\$	–	\$	(146)	\$	23,982	\$ 474,715
Legg Mason ClearBridge US Aggressive Growth Fund							
Australian Dollar	\$	–	\$	–	\$	(36)	\$ 17,239
British Pound	–	–	–	38,143	–	206	38,349
Chinese Renminbi	–	–	–	38	–	–	38
Euro	–	–	–	26,646	–	(103)	26,543
Polish Zloty	–	–	–	660	–	–	660
Singapore Dollar	–	–	–	4,494	–	–	4,494
Swedish Krona	–	–	–	205	–	13	218
Swiss Franc	–	–	–	115	–	–	115
United States Dollar	–	–	2,460,685	(87,965)	–	(4,341)	2,368,379
Total	\$	–	\$	(389)	\$	(4,261)	\$ 2,456,035
Legg Mason ClearBridge Tactical Dividend Income Fund							
Australian Dollar	\$	–	\$	–	\$	–	\$ 369
Chinese Renminbi	–	–	–	672	–	–	672
Euro	–	–	–	480	–	–	480
Singapore Dollar	–	–	–	189	–	–	189
United States Dollar	–	–	66,314	(1,707)	–	1,331	65,938
Total	\$	–	\$	3	\$	1,331	\$ 67,648
Legg Mason ClearBridge US Equity Sustainability Leaders Fund[^]							
Euro	\$	–	\$	–	\$	–	\$ 448
United States Dollar	–	–	2,538	(452)	–	33	2,119
Total	\$	–	\$	(4)	\$	33	\$ 2,567

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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, 2017: – (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 Opportunity Fund							
British Pound	\$ –	\$ –	\$ –	\$ –	\$ –	\$ (19)	\$ (19)
Euro	–	–	–	166	–	(8)	158
Polish Zloty	–	–	–	101	–	(7)	94
Swedish Krona	–	–	–	117	–	11	128
United States Dollar	–	–	294,358	(388)	8,974	6,368	309,312
Total	\$ –	\$ –	\$ 294,358	\$ (4)	\$ 8,974	\$ 6,345	\$ 309,673
Legg Mason Royce US Small Cap Opportunity Fund							
Australian Dollar	\$ –	\$ –	\$ –	\$ 7,824	\$ –	\$ 105	\$ 7,929
British Pound	–	–	–	1,269	–	(383)	886
Chinese Renminbi	–	–	–	1	–	–	1
Euro	–	–	–	44,302	–	88	44,390
Singapore Dollar	–	–	–	5,681	–	531	6,212
Swedish Krona	–	–	–	597	–	27	624
United States Dollar	–	–	1,039,149	(59,904)	–	(1,349)	977,896
Total	\$ –	\$ –	\$ 1,039,149	\$ (230)	\$ –	\$ (981)	\$ 1,037,938
Legg Mason Royce US Smaller Companies Fund							
British Pound	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 68	\$ 68
Canadian Dollar	–	–	12,852	–	–	60	12,912
Danish Krone	–	–	1,349	–	–	–	1,349
Euro	–	–	–	566	–	(11)	555
Norwegian Krone	–	–	4,232	–	–	–	4,232
Polish Zloty	–	–	–	169	–	(15)	154
Swedish Krona	–	–	–	77	–	17	94
United States Dollar	–	–	208,052	(818)	–	3,448	210,682
Total	\$ –	\$ –	\$ 226,485	\$ (6)	\$ –	\$ 3,567	\$ 230,046
Legg Mason QS MV European Equity Growth and Income Fund							
Australian Dollar	€ –	€ –	€ –	€ 9,873	€ –	€ 90	€ 9,963
British Pound	–	–	22,769	–	–	104	22,873
Chinese Renminbi	–	–	–	371	–	–	371
Danish Krone	–	–	1,746	–	–	21	1,767
Euro	–	–	40,563	(34,627)	–	388	6,324
Norwegian Krone	–	–	1,189	–	–	–	1,189
Singapore Dollar	–	–	–	286	–	(1)	285
Swedish Krona	–	–	7,692	–	–	–	7,692
Swiss Franc	–	–	13,065	–	–	1	13,066
United States Dollar	–	–	–	24,508	–	263	24,771
Total	€ –	€ –	€ 87,024	€ 411	€ –	€ 866	€ 88,301
Legg Mason QS MV Asia Pacific Ex Japan Equity Growth and Income Fund							
Australian Dollar	\$ –	\$ –	\$ 5,514	\$ 192	\$ –	\$ 47	\$ 5,753
Hong Kong Dollar	–	–	11,236	–	–	26	11,262
Indian Rupee	–	–	1,882	–	–	–	1,882
Indonesian Rupiah	–	–	1,510	–	–	–	1,510
Malaysian Ringgit	–	–	862	–	–	5	867
New Zealand Dollar	–	–	1,867	–	–	9	1,876
Pakistan Rupee	–	–	733	–	–	–	733
Polish Zloty	–	–	–	1,547	–	–	1,547
Singapore Dollar	–	–	2,948	34	–	35	3,017
South Korean Won	–	–	3,670	–	–	81	3,751
Taiwan Dollar	–	–	7,886	–	–	–	7,886
Thai Baht	–	–	2,166	–	–	–	2,166
United States Dollar	–	–	2,405	(1,783)	–	489	1,111
Total	\$ –	\$ –	\$ 42,679	\$ (10)	\$ –	\$ 692	\$ 43,361

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, 2017: – (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 Emerging Markets Equity Fund							
Brazilian Real	\$ –	\$ –	\$ 570	\$ –	\$ –	\$ 4	\$ 574
Chilean Peso	–	–	317	–	–	1	318
Colombian Peso	–	–	128	–	–	(1)	127
Czech Koruna	–	–	110	–	–	2	112
Egyptian Pound	–	–	90	–	–	–	90
Euro	–	–	102	–	–	1	103
Hong Kong Dollar	–	–	1,982	–	–	1	1,983
Hungarian Forint	–	–	69	–	–	1	70
Indian Rupee	–	–	1,342	–	–	3	1,345
Indonesian Rupiah	–	–	1,068	–	–	–	1,068
Malaysian Ringgit	–	–	1,002	–	–	2	1,004
Mexican Peso	–	–	443	–	–	1	444
Philippine Peso	–	–	440	–	–	–	440
Polish Zloty	–	–	475	–	–	2	477
Russian Ruble	–	–	–	–	–	1	1
South African Rand	–	–	779	–	–	2	781
South Korean Won	–	–	812	–	–	15	827
Taiwan Dollar	–	–	644	–	–	–	644
Thai Baht	–	–	721	–	–	1	722
Turkish Lira	–	–	645	–	–	1	646
United States Dollar	–	–	647	–	2	129	778
Total	\$ –	\$ –	\$ 12,386	\$ –	\$ 2	\$ 166	\$ 12,554
Legg Mason QS MV Global Equity Growth and Income Fund							
Australian Dollar	\$ –	\$ –	\$ 822	\$ 1,269	\$ –	\$ 13	\$ 2,104
Brazilian Real	–	–	108	–	–	–	108
British Pound	–	–	1,616	(1,297)	–	12	331
Canadian Dollar	–	–	774	(613)	–	2	163
Danish Krone	–	–	62	–	–	3	65
Euro	–	–	1,214	(974)	–	23	263
Hong Kong Dollar	–	–	1,545	–	–	1	1,546
Israeli Shekel	–	–	281	–	–	–	281
Japanese Yen	–	–	372	–	–	1	373
Malaysian Ringgit	–	–	268	–	–	–	268
Mexican Peso	–	–	125	–	–	1	126
New Zealand Dollar	–	–	1,301	(1,055)	–	9	255
Singapore Dollar	–	–	897	(706)	–	4	195
South African Rand	–	–	577	(471)	–	1	107
South Korean Won	–	–	260	–	–	8	268
Swedish Krona	–	–	467	–	–	–	467
Swiss Franc	–	–	133	–	–	–	133
Taiwan Dollar	–	–	1,349	–	–	–	1,349
Turkish Lira	–	–	293	–	–	–	293
United States Dollar	–	–	4,821	3,870	–	639	9,330
Total	\$ –	\$ –	\$ 17,285	\$ 23	\$ –	\$ 717	\$ 18,025
Legg Mason Martin Currie Australia Equity Income Fund							
Australian Dollar	\$ –	\$ –	\$ 1,197	\$ (1)	\$ –	\$ 7	\$ 1,203
Hong Kong Dollar	–	–	–	1	–	–	1
Total	\$ –	\$ –	\$ 1,197	\$ –	\$ –	\$ 7	\$ 1,204
Legg Mason Martin Currie Asia Long-Term Unconstrained Fund[^]							
Hong Kong Dollar	\$ –	\$ –	\$ 57,633	\$ –	\$ –	\$ –	\$ 57,633
Indian Rupee	–	–	15,862	–	–	33	15,895
Indonesian Rupiah	–	–	2,302	–	–	–	2,302
Malaysian Ringgit	–	–	5,250	–	–	–	5,250
Singapore Dollar	–	–	15,628	–	–	–	15,628
South Korean Won	–	–	12,081	–	–	121	12,202
Taiwan Dollar	–	–	10,067	–	–	–	10,067
Thai Baht	–	–	5,115	–	–	–	5,115
United States Dollar	–	–	14,934	–	–	1,250	16,184
Total	\$ –	\$ –	\$ 138,872	\$ –	\$ –	\$ 1,404	\$ 140,276

[^] 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, 2017: – (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 Martin Currie Asia Pacific Fund[^]							
Australian Dollar	\$ –	\$ –	\$ 347	\$ –	\$ –	\$ 4	\$ 351
Hong Kong Dollar	–	–	936	–	–	–	936
Indian Rupee	–	–	208	–	–	–	208
Indonesian Rupiah	–	–	45	–	–	–	45
Malaysian Ringgit	–	–	37	–	–	–	37
Singapore Dollar	–	–	155	–	–	–	155
South Korean Won	–	–	397	–	–	5	402
Taiwan Dollar	–	–	228	–	–	–	228
Thai Baht	–	–	50	–	–	–	50
United States Dollar	–	–	83	–	–	(22)	61
Total	\$ –	\$ –	\$ 2,486	\$ –	\$ –	\$ (13)	\$ 2,473
Legg Mason Martin Currie European Absolute Alpha Fund[^]							
British Pound	€ –	€ –	€ 40,115	€ (21,069)	€ 376	€ 75	€ 19,497
Danish Krone	–	–	9,779	(9,904)	(396)	(82)	(603)
Euro	29,568	–	105,054	22,945	(38)	693	158,222
Hungarian Forint	–	–	5,691	(5,805)	–	–	(114)
Norwegian Krone	–	–	–	134	–	–	134
Singapore Dollar	–	–	–	1	–	–	1
Swedish Krona	–	–	9,730	13,783	3	374	23,890
Swiss Franc	–	–	23,890	(23,895)	(526)	(6)	(537)
Turkish Lira	–	–	5,674	(5,657)	–	–	17
United States Dollar	–	–	–	29,327	–	215	29,542
Total	€ 29,568	€ –	€ 199,933	€ (140)	€ (581)	€ 1,269	€ 230,049
Legg Mason Martin Currie Global Resources Fund[^]							
British Pound	\$ –	\$ –	\$ 3,431	\$ –	\$ –	\$ 19	\$ 3,450
Canadian Dollar	–	–	1,004	–	–	–	1,004
Euro	–	–	1,412	–	–	229	1,641
Hong Kong Dollar	–	–	648	–	–	(1)	647
Indian Rupee	–	–	320	–	–	–	320
Japanese Yen	–	–	326	–	–	–	326
Polish Zloty	–	–	–	178	–	–	178
South Korean Won	–	–	398	–	–	6	404
Swedish Krona	–	–	201	–	–	–	201
Swiss Franc	–	–	344	–	–	–	344
United States Dollar	–	–	9,223	(179)	–	62	9,106
Total	\$ –	\$ –	\$ 17,307	\$ (1)	\$ –	\$ 315	\$ 17,621
Legg Mason Martin Currie Greater China Fund[^]							
Hong Kong Dollar	\$ –	\$ –	\$ 7,513	\$ –	\$ –	\$ –	\$ 7,513
Taiwan Dollar	–	–	2,666	–	–	1	2,667
United States Dollar	–	–	2,615	–	–	203	2,818
Total	\$ –	\$ –	\$ 12,794	\$ –	\$ –	\$ 204	\$ 12,998
Legg Mason Martin Currie Japan Absolute Alpha Fund[^]							
British Pound	¥ –	¥ –	¥ –	¥ 112,796	¥ –	¥ –	¥ 112,796
Euro	–	–	–	3,405,982	–	–	3,405,982
Japanese Yen	–	–	3,220,049	(3,571,179)	(11,179)	350,405	(11,904)
Singapore Dollar	–	–	–	127	–	–	127
United States Dollar	–	–	–	24,270	–	(1)	24,269
Total	¥ –	¥ –	¥ 3,220,049	¥ (28,004)	¥ (11,179)	¥ 350,404	¥ 3,531,270
Legg Mason Martin Currie North American Fund[^]							
Canadian Dollar	\$ –	\$ –	\$ 115	\$ –	\$ –	\$ –	\$ 115
United States Dollar	–	–	4,888	–	–	(97)	4,791
Total	\$ –	\$ –	\$ 5,003	\$ –	\$ –	\$ (97)	\$ 4,906

[^] 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, 2017: – (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 Martin Currie Global Long-Term Unconstrained Fund[^]							
Australian Dollar	\$ –	\$ –	\$ 520	\$ –	\$ –	\$ –	\$ 520
British Pound	–	–	1,538	148	–	–	1,686
Canadian Dollar	–	–	191	–	–	–	191
Danish Krone	–	–	525	–	–	1	526
Euro	–	–	2,012	–	–	3	2,015
Hong Kong Dollar	–	–	707	–	–	–	707
Singapore Dollar	–	–	209	–	–	–	209
Swedish Krona	–	–	230	–	–	1	231
Swiss Franc	–	–	778	–	–	–	778
Taiwan Dollar	–	–	302	–	–	–	302
United States Dollar	–	–	4,382	(149)	–	48	4,281
Total	\$ –	\$ –	\$ 11,394	\$ (1)	\$ –	\$ 53	\$ 11,446

Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund[^]

Australian Dollar	\$ –	\$ –	\$ 621	\$ –	\$ –	\$ 6	\$ 627
Chinese Renminbi	–	–	57	–	–	–	57
Hong Kong Dollar	–	–	662	–	–	2	664
Malaysian Ringgit	–	–	78	–	–	1	79
New Zealand Dollar	–	–	314	–	–	1	315
Philippine Peso	–	–	77	–	–	(1)	76
Singapore Dollar	–	–	363	–	–	1	364
Thai Baht	–	–	47	–	–	1	48
United States Dollar	–	–	–	–	–	36	36
Total	\$ –	\$ –	\$ 2,219	\$ –	\$ –	\$ 47	\$ 2,266

Legg Mason RARE Infrastructure Value Fund[^]

Australian Dollar	€ –	€ –	€ 26,213	€ (19,963)	€ –	€ 232	€ 6,482
Brazilian Real	–	–	2,131	(1,550)	–	–	581
British Pound	–	–	17,382	141,382	–	2,869	161,633
Canadian Dollar	–	–	8,871	(6,546)	–	69	2,394
Chilean Peso	–	–	1,910	(1,385)	–	–	525
Euro	–	–	48,845	(40,941)	–	6,913	14,817
Japanese Yen	–	–	17,424	(13,095)	–	–	4,329
Mexican Peso	–	–	5,373	(3,899)	–	–	1,474
United States Dollar	–	–	76,335	(55,405)	–	85	21,015
Total	€ –	€ –	€ 204,484	€ (1,402)	€ –	€ 10,168	€ 213,250

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	–	–	(152)	–	1	(5)
Euro	–	–	–	(1,441)	(48)	98	(1,391)
Japanese Yen	–	–	–	(722)	–	–	(722)
United States Dollar	35,862	7,947	511	1,855	(238)	993	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	–	–	(1,592)	–	105	74
British Pound	1,653	–	–	(1,585)	–	48	116
Canadian Dollar	–	–	–	4,622	–	–	4,622
Chinese Renminbi	–	–	–	(7,381)	–	–	(7,381)
Euro	–	–	–	(12,358)	(189)	254	(12,293)
Japanese Yen	–	–	–	(6,898)	–	–	(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	–	–	–	(4,526)	–	–	(4,526)
United States Dollar	423,840	69,667	4,342	29,639	(2,374)	(13,144)	511,970
Total	\$ 435,474	\$ 69,667	\$ 4,342	\$ (69)	\$ (2,563)	\$ (12,252)	\$ 494,599

[^] 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 Euro Core Plus Bond Fund							
British Pound	€ 588	€ –	€ –	€ (701)	€ (1)	€ 64	€ (50)
Euro	78,140	5,076	–	3,786	(65)	3,858	90,795
Swedish Krona	1,357	–	–	(1,300)	–	31	88
United States Dollar	1,550	–	51	(1,860)	(23)	182	(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	–	–	(66)	–	13	110
Colombian Peso	–	–	–	–	–	1	1
Euro	–	–	–	(657)	–	9	(648)
Polish Zloty	–	–	–	–	–	8	8
United States Dollar	19,570	2,946	2,031	780	(40)	(233)	25,054
Total	\$ 19,733	\$ 2,969	\$ 2,031	\$ 57	\$ (40)	\$ (195)	\$ 24,555
Legg Mason Western Asset Global Multi Strategy Fund							
Australian Dollar	\$ –	\$ –	\$ –	\$ 45,217	\$ –	\$ 27	\$ 45,244
Brazilian Real	41,752	–	–	(28,389)	–	3,000	16,363
British Pound	30,762	22,472	–	558,011	–	5,945	617,190
Canadian Dollar	255	–	–	–	–	31	286
Colombian Peso	56	–	–	–	–	7	63
Euro	25,474	6,140	24,244	(61,293)	(183)	2,312	(3,306)
Indian Rupee	–	–	–	35,830	–	–	35,830
Japanese Yen	–	–	–	(25,196)	–	–	(25,196)
Malaysian Ringgit	–	–	–	–	–	876	876
Mexican Peso	32,599	–	–	4,879	–	449	37,927
Polish Zloty	–	–	–	963	–	156	1,119
Singapore Dollar	–	–	–	(7,851)	–	–	(7,851)
South Korean Won	–	–	–	(30,533)	–	–	(30,533)
Swiss Franc	–	–	–	30,491	–	–	30,491
Turkish Lira	–	–	–	717	–	20	737
United States Dollar	589,228	116,408	75,189	(549,170)	189	41,842	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	–	–	–	95	–	1	96
Euro	–	–	–	909	–	–	909
Mexican Peso	–	–	–	–	–	58	58
Singapore Dollar	–	–	–	309	–	–	309
United States Dollar	315,835	23,581	19,857	(1,345)	488	8,944	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	\$ –	\$ –	\$ –	\$ (1,120)	\$ –	\$ –	\$ (1,120)
British Pound	–	–	–	757	–	2	759
Chinese Renminbi	454	–	–	(457)	–	12	9
Euro	–	–	–	2,701	–	–	2,701
Indian Rupee	–	–	–	1,203	–	–	1,203
Malaysian Ringgit	–	–	–	(750)	–	(1)	(751)
Mexican Peso	1,142	–	–	(355)	–	83	870
Singapore Dollar	–	–	–	(962)	–	72	(890)
United States Dollar	52,109	1,854	4,952	(1,167)	19	353	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	\$ –	\$ –	\$ –	\$ (599)	\$ –	\$ –	\$ (599)
Indian Rupee	–	–	–	760	–	–	760
Mexican Peso	93	–	–	–	–	2	95
Singapore Dollar	–	–	–	(785)	–	38	(747)
United States Dollar	34,018	3,465	–	604	14	3,838	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	19,816	–	57	20,057
British Pound	3,303	862	–	(4,034)	–	53	184
Euro	4,447	–	20,546	(32,946)	–	216	(7,737)
Mexican Peso	160	–	–	–	–	4	164
Singapore Dollar	–	–	–	2,141	–	(3)	2,138
Turkish Lira	–	–	–	–	–	5	5
United States Dollar	156,095	14,167	5,818	15,678	93	3,537	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	\$ –	\$ –	\$ (69)	\$ –	\$ 2	\$ 3
Brazilian Real	111	–	–	–	–	5	116
British Pound	1,198	–	–	(1,289)	(3)	42	(52)
Canadian Dollar	225	–	–	(249)	–	23	(1)
Euro	3,600	–	–	(4,126)	(56)	176	(406)
Japanese Yen	–	–	–	(257)	(29)	47	(239)
New Zealand Dollar	420	–	–	(411)	–	10	19
Swedish Krona	–	–	–	137	–	3	140
United States Dollar	3,739	–	444	6,459	3	(5)	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	–	–	609	–	508	51,651
Euro	–	–	–	5,072	–	8	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	40,234	–	(6,915)	47,500
South Korean Won	–	–	–	38,988	2,604	984	42,576
Swiss Franc	–	–	–	1,342	–	–	1,342
Taiwan Dollar	11,285	–	–	(19,195)	–	173	(7,737)
Thai Baht	20,999	–	–	–	–	152	21,151
United States Dollar	81,184	11,562	29,823	(74,842)	(465)	7,735	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	\$ –	\$ –	\$ 5,437	\$ (13)	\$ 174	\$ 10,402
Euro	4,038	–	–	(2,852)	(150)	419	1,455
United States Dollar	23,723	–	3,273	(2,847)	(1)	535	24,683
Total	\$ 32,565	\$ –	\$ 3,273	\$ (262)	\$ (164)	\$ 1,128	\$ 36,540
Legg Mason Western Asset Global Credit Absolute Return Fund[^]							
Australian Dollar	\$ –	\$ –	\$ –	\$ 801	\$ 3	\$ 173	\$ 977
British Pound	1,461	389	–	18,000	5	428	20,283
Canadian Dollar	–	–	–	1,066	(6)	136	1,196
Euro	99	179	–	82	(15)	233	578
Japanese Yen	–	–	–	(13)	–	15	2
Russian Ruble	–	–	–	(53)	–	–	(53)
Swedish Krona	–	–	–	–	–	2	2
United States Dollar	15,337	1,440	1,392	(20,697)	(773)	427	(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	\$ –	\$ –	\$ (4,041)	\$ 137	\$ 249	\$ (3,573)
Brazilian Real	1,648	–	–	(1,947)	–	349	50
British Pound	10,749	1,278	–	(11,921)	(3)	(92)	11
Canadian Dollar	5,025	–	–	(3,018)	–	28	2,035
Chinese Renminbi	–	–	–	(3,028)	–	(1)	(3,029)
Euro	14,389	1,105	–	13,855	153	243	29,745
Indian Rupee	–	–	–	321	–	–	321
Japanese Yen	12,737	–	–	(18,508)	–	42	(5,729)
Mexican Peso	4,120	–	–	(1,298)	–	58	2,880
Polish Zloty	7,011	–	–	(2,889)	–	118	4,240
South Korean Won	–	–	–	(2,609)	–	–	(2,609)
Swedish Krona	–	–	–	98	–	–	98
Turkish Lira	–	–	–	–	–	53	53
United States Dollar	174,715	2,389	7,080	34,636	47	(17,561)	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	\$ –	\$ –	\$ (310)	\$ –	\$ 46	\$ 17
British Pound	10,475	1,629	–	(12,782)	(43)	703	(18)
Euro	9,789	3,640	–	(12,325)	230	(110)	1,224
Japanese Yen	–	–	–	(681)	–	–	(681)
Polish Zloty	–	–	–	–	–	3	3
United States Dollar	36,197	2,485	1,999	26,894	(19)	956	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	€ –	€ (24,577)	€ –	€ 1,671	€ 222
Euro	56,294	2,938	–	25,791	–	1,360	86,383
United States Dollar	474	891	162	(1,094)	–	10	443
Total	€ 77,852	€ 5,873	€ 162	€ 120	€ –	€ 3,041	€ 87,048
Legg Mason Western Asset Macro Opportunities Bond Fund[^]							
Australian Dollar	\$ –	\$ –	\$ –	\$ 13,628	\$ 2,011	\$ 4,894	\$ 20,533
Brazilian Real	119,306	–	–	(44,303)	(20,194)	8,241	63,050
British Pound	54,945	–	–	260,586	(327)	5,299	320,503
Canadian Dollar	–	–	–	28,649	–	(1)	28,648
Chinese Renminbi	78,576	–	–	(303,268)	–	3,127	(221,565)
Colombian Peso	–	–	–	16,200	–	–	16,200
Euro	216,286	–	–	1,062,506	(25,933)	82,886	1,335,745
Indian Rupee	132,080	–	–	(35,348)	–	4,956	101,688
Japanese Yen	–	–	–	(17,755)	(24,901)	36,676	(5,980)
Malaysian Ringgit	–	–	–	(14,715)	–	–	(14,715)
Mexican Peso	212,873	–	–	(112,967)	–	3,378	103,284
Polish Zloty	91,834	–	–	(59,638)	–	2,545	34,741
Russian Ruble	80,248	–	–	10,535	–	6,989	97,772
Singapore Dollar	–	–	–	(55,872)	–	–	(55,872)
South Korean Won	24,779	–	–	(144,619)	–	969	(118,871)
Swedish Krona	–	–	–	44,886	–	(13)	44,873
Swiss Franc	–	–	–	57,671	–	(299)	57,372
Turkish Lira	–	–	–	(22,077)	–	–	(22,077)
United States Dollar	1,981,706	603,202	5,478	(731,230)	(159,553)	369,179	2,068,782
Total	\$ 2,992,633	\$ 603,202	\$ 5,478	\$ (47,131)	\$ (228,897)	\$ 528,826	\$ 3,854,111
Legg Mason Western Asset EM Local Currency Debt Fund[^]							
Brazilian Real	\$ 9,654	\$ –	\$ –	\$ (3,671)	\$ –	\$ (1,574)	\$ 4,409
Colombian Peso	3,352	–	–	326	–	(276)	3,402
Euro	–	–	–	(923)	–	–	(923)
Hungarian Forint	4,979	–	–	(173)	–	(525)	4,281
Indonesian Rupiah	8,707	–	–	(991)	–	(922)	6,794
Malaysian Ringgit	6,061	–	–	560	–	(703)	5,918
Mexican Peso	7,137	–	–	746	–	(768)	7,115
Peruvian Nuevo Sol	1,119	–	–	174	–	(108)	1,185
Philippine Peso	1,189	–	–	(210)	–	5	984
Polish Zloty	6,128	–	–	2,309	–	(711)	7,726
Romanian Leu	2,699	–	–	285	–	(364)	2,620
Russian Ruble	3,570	–	–	854	–	(458)	3,966
Singapore Dollar	–	–	–	(755)	–	–	(755)
South African Rand	4,362	–	–	539	–	(367)	4,534
Thai Baht	4,443	–	–	1,034	–	(552)	4,925
Turkish Lira	7,297	–	–	–	–	(702)	6,595
United States Dollar	–	–	4,568	(47)	18	10,209	14,748
Total	\$ 70,697	\$ –	\$ 4,568	\$ 57	\$ 18	\$ 2,184	\$ 77,524

[^] 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 Multi-Asset Credit Fund[^]							
Australian Dollar	\$ –	\$ –	\$ –	\$ (359)	\$ 20	\$ 304	\$ (35)
Brazilian Real	–	–	–	(1,794)	–	–	(1,794)
British Pound	5,523	1,726	–	157,043	37	772	165,101
Canadian Dollar	–	–	–	2,417	(38)	697	3,076
Euro	3,316	–	–	(4,102)	(11)	554	(243)
Indian Rupee	–	–	–	3,496	–	–	3,496
Israeli Shekel	–	–	–	2,586	–	–	2,586
Japanese Yen	–	–	–	–	–	40	40
Singapore Dollar	–	–	–	(2,771)	–	–	(2,771)
South Korean Won	–	–	–	(4,270)	–	–	(4,270)
Taiwan Dollar	–	–	–	(2,684)	–	–	(2,684)
Turkish Lira	–	–	–	(3,626)	–	–	(3,626)
United States Dollar	95,007	23,312	14,956	(153,701)	(957)	29,062	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	\$ –	\$ –	\$ –	\$ (112)	\$ 3	\$ 12	\$ (97)
Brazilian Real	72	–	–	(65)	–	2	9
British Pound	34	–	–	(39)	–	5	–
Canadian Dollar	–	–	–	52	–	–	52
Chinese Renminbi	–	–	–	(249)	–	–	(249)
Euro	250	23	–	2,176	(31)	54	2,472
Indian Rupee	–	–	–	(48)	–	–	(48)
Japanese Yen	–	–	–	(211)	–	–	(211)
Mexican Peso	87	–	–	(1)	–	1	87
Polish Zloty	198	–	–	–	–	4	202
South Korean Won	–	–	–	(94)	–	–	(94)
United States Dollar	3,488	–	446	(1,470)	3	345	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
Legg Mason Brandywine Global Fixed Income Fund							
Australian Dollar	\$ 81,012	\$ –	\$ –	\$ (4,300)	\$ –	\$ 262	\$ 76,974
Brazilian Real	46,222	–	–	–	–	960	47,182
British Pound	–	–	–	32,739	–	99	32,838
Canadian Dollar	–	–	–	(5,504)	–	–	(5,504)
Chilean Peso	–	–	–	77,017	–	–	77,017
Danish Krone	–	–	–	(1,654)	–	–	(1,654)
Euro	53,825	–	–	302,567	–	(4,094)	352,298
Hungarian Forint	46,230	–	–	–	–	1,456	47,686
Indian Rupee	–	–	–	53,912	–	1	53,913
Indonesian Rupiah	52,423	–	–	–	–	2,549	54,972
Japanese Yen	–	–	–	(18,522)	–	–	(18,522)
Malaysian Ringgit	41,210	–	–	(1,267)	–	615	40,558
Mexican Peso	145,893	–	–	(2,595)	–	2,105	145,403
New Zealand Dollar	39,333	–	–	–	–	659	39,992
Norwegian Krone	–	–	–	31,854	–	–	31,854
Polish Zloty	46,567	–	–	(1,480)	–	302	45,389
Singapore Dollar	–	–	–	(967)	–	–	(967)
South African Rand	33,657	–	–	(1,118)	–	215	32,754
Swedish Krona	–	–	–	57,809	–	–	57,809
Swiss Franc	–	–	–	(760)	–	–	(760)
United States Dollar	175,504	268,293	92,204	(522,509)	–	20,555	34,047
Total	\$ 761,876	\$ 268,293	\$ 92,204	\$ (4,778)	\$ –	\$ 25,684	\$ 1,143,279

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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 Brandywine Global Fixed Income Absolute Return Fund[^]							
Australian Dollar	\$ 37,231	\$ –	\$ –	\$ 132,428	\$ –	\$ 189	\$ 169,848
Brazilian Real	61,320	–	–	–	–	1,288	62,608
British Pound	–	–	–	52,630	–	1	52,631
Chilean Peso	–	–	–	116,536	–	–	116,536
Euro	64,460	3,539	–	103,487	(6,867)	727	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	–	–	–	(142,715)	–	–	(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	–	–	–	42,055	–	–	42,055
Polish Zloty	32,808	–	–	–	–	555	33,363
Singapore Dollar	–	–	–	118,193	–	–	118,193
South African Rand	44,142	–	–	–	–	201	44,343
South Korean Won	–	–	–	(141,350)	–	–	(141,350)
Swedish Krona	–	–	–	79,921	–	–	79,921
Swiss Franc	–	–	–	784	–	1	785
United States Dollar	31,380	674,384	56,576	(443,533)	(758)	(30,172)	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	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 25	\$ 25
Brazilian Real	139	–	–	(114)	–	2	27
British Pound	2,369	234	–	1,152	–	32	3,787
Canadian Dollar	–	–	–	6,652	–	–	6,652
Euro	2,993	226	–	1,694	81	53	5,047
New Zealand Dollar	181	–	–	(161)	–	3	23
Swedish Krona	–	–	–	(3)	–	–	(3)
Swiss Franc	–	–	–	(38)	–	–	(38)
United States Dollar	14,845	389	2,161	(9,121)	(46)	369	8,597
Total	\$ 20,527	\$ 849	\$ 2,161	\$ 61	\$ 35	\$ 484	\$ 24,117
Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^]							
Australian Dollar	\$ 40,495	\$ –	\$ –	\$ (2,043)	\$ –	\$ 131	\$ 38,583
Brazilian Real	22,999	–	–	–	–	489	23,488
British Pound	–	–	–	(8,710)	–	–	(8,710)
Canadian Dollar	–	–	–	(2,343)	–	–	(2,343)
Chilean Peso	–	–	–	38,180	–	–	38,180
Danish Krone	–	–	–	(704)	–	–	(704)
Euro	43,760	10,608	–	(50,257)	–	343	4,454
Hungarian Forint	22,768	–	–	–	–	457	23,225
Indian Rupee	–	–	–	26,993	–	–	26,993
Indonesian Rupiah	24,993	–	–	–	–	676	25,669
Japanese Yen	–	–	–	(3,315)	–	(1)	(3,316)
Malaysian Ringgit	20,075	–	–	(539)	–	298	19,834
Mexican Peso	72,536	–	–	(1,105)	–	1,047	72,478
New Zealand Dollar	19,103	–	–	138,143	–	328	157,574
Norwegian Krone	–	–	–	15,902	–	–	15,902
Polish Zloty	12,246	–	–	(628)	–	183	11,801
Singapore Dollar	–	–	–	(412)	–	–	(412)
South African Rand	16,842	–	–	(476)	–	97	16,463
Swedish Krona	–	–	–	28,891	–	–	28,891
Swiss Franc	–	–	–	(323)	–	–	(323)
United States Dollar	103,328	100,961	30,841	(175,134)	–	1,348	61,344
Total	\$ 399,145	\$ 111,569	\$ 30,841	\$ 2,120	\$ –	\$ 5,396	\$ 549,071

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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 Brandywine Global Sovereign Credit Fund[^]							
Australian Dollar	\$ 84,003	\$ –	\$ –	\$ 65,450	\$ –	\$ 424	\$ 149,877
Brazilian Real	103,835	–	–	41,032	–	14,553	159,420
British Pound	–	–	–	834,888	–	–	834,888
Canadian Dollar	–	–	–	(16,913)	–	–	(16,913)
Chilean Peso	–	–	–	95,844	–	–	95,844
Colombian Peso	–	–	–	91,201	–	–	91,201
Danish Krone	–	–	–	(5,166)	–	–	(5,166)
Euro	165,468	–	–	(494,824)	–	2,880	(326,476)
Hong Kong Dollar	–	–	–	(483)	–	–	(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	–	–	–	(83,128)	–	–	(83,128)
Malaysian Ringgit	125,799	–	–	32,023	–	1,899	159,721
Mexican Peso	306,074	–	–	–	–	4,429	310,503
New Zealand Dollar	118,765	–	–	(2,142)	–	2,080	118,703
Norwegian Krone	–	–	–	66,020	–	–	66,020
Polish Zloty	117,203	–	–	–	–	1,695	118,898
Singapore Dollar	–	–	–	(101,169)	–	–	(101,169)
South African Rand	45,548	–	–	–	–	591	46,139
South Korean Won	205,513	–	–	(200,292)	–	2,970	8,191
Swedish Krona	–	–	–	118,392	–	–	118,392
Swiss Franc	–	–	–	(4,805)	–	–	(4,805)
United States Dollar	402,696	141,924	188,863	(556,261)	–	32,311	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	\$ –	\$ –	\$ (1,899)	\$ –	\$ 21	\$ 102
Brazilian Real	174	–	–	(176)	–	2	–
British Pound	6,058	870	–	6,215	–	177	13,320
Canadian Dollar	1,088	–	–	(2,118)	–	6	(1,024)
Euro	2,486	2,508	–	9,022	82	149	14,247
New Zealand Dollar	2,465	–	–	(2,384)	–	34	115
Singapore Dollar	–	–	–	(360)	–	–	(360)
South Korean Won	–	–	–	(391)	–	–	(391)
Swedish Krona	–	–	–	6,474	–	(1)	6,473
Taiwan Dollar	–	–	–	(404)	–	–	(404)
United States Dollar	17,323	1,105	1,322	(14,272)	(80)	1,070	6,468
Total	\$ 31,574	\$ 4,483	\$ 1,322	\$ (293)	\$ 2	\$ 1,458	\$ 38,546
Legg Mason Brandywine Global Credit Opportunities Fund[^]							
Australian Dollar	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 257	\$ 257
British Pound	5,169	880	–	1,262	8	95	7,414
Euro	–	31,343	–	(30,751)	300	1,792	2,684
New Zealand Dollar	1,423	–	–	(1,361)	–	21	83
United States Dollar	4,923	15,031	7,685	31,789	(211)	15,610	74,827
Total	\$ 11,515	\$ 47,254	\$ 7,685	\$ 939	\$ 97	\$ 17,775	\$ 85,265
Legg Mason Brandywine Global Dynamic US Equity Fund[^]							
Euro	\$ –	\$ –	\$ –	\$ 1,345	\$ –	\$ (1)	\$ 1,344
United States Dollar	–	–	1,920	(1,384)	–	4	540
Total	\$ –	\$ –	\$ 1,920	\$ (39)	\$ –	\$ 3	\$ 1,884
Legg Mason ClearBridge Value Fund							
Euro	\$ –	\$ –	\$ –	\$ 60	\$ –	\$ –	\$ 60
Singapore Dollar	–	–	–	837	–	12	849
United States Dollar	–	–	263,930	(902)	–	9,318	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

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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 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	1,388	–	3	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	(1,429)	–	117	(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	\$ –	\$ –	\$ –	\$ 7,834	\$ –	\$ (209)	\$ 7,625
United States Dollar	–	–	250,280	(7,933)	–	22,181	264,528
Total	\$ –	\$ –	\$ 250,280	\$ (99)	\$ –	\$ 21,972	\$ 272,153
Legg Mason ClearBridge US Aggressive Growth Fund							
Australian Dollar	\$ –	\$ –	\$ –	\$ 24,953	\$ –	\$ (71)	\$ 24,882
British Pound	–	–	–	2,988	–	(64)	2,924
Chinese Renminbi	–	–	–	32	–	–	32
Euro	–	–	–	41,742	–	46	41,788
Polish Zloty	–	–	–	168	–	(10)	158
Singapore Dollar	–	–	–	6,182	–	1	6,183
Swedish Krona	–	–	–	31	–	–	31
Swiss Franc	–	–	–	2,446	–	–	2,446
United States Dollar	–	–	3,018,472	(80,439)	–	28,551	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	(3,267)	–	6,516	62,728
Total	\$ –	\$ –	\$ 59,479	\$ 3	\$ –	\$ 6,519	\$ 66,001

[^] 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 ClearBridge US Equity Sustainability Leaders Fund[^]							
Euro	\$ –	\$ –	\$ –	\$ 370	\$ –	\$ –	\$ 370
United States Dollar	–	–	930	(381)	–	40	589
Total	\$ –	\$ –	\$ 930	\$ (11)	\$ –	\$ 40	\$ 959
Legg Mason Opportunity Fund							
British Pound	\$ –	\$ –	\$ 23	\$ 46	\$ –	\$ 47	\$ 116
Euro	–	–	–	270	–	1	271
Polish Zloty	–	–	–	10	–	–	10
Swedish Krona	–	–	–	31	–	–	31
United States Dollar	–	–	365,824	(366)	20,098	(6,744)	378,812
Total	\$ –	\$ –	\$ 365,847	\$ (9)	\$ 20,098	\$ (6,696)	\$ 379,240
Legg Mason Royce US Small Cap Opportunity Fund							
Australian Dollar	\$ –	\$ –	\$ –	\$ 6,302	\$ –	\$ (28)	\$ 6,274
British Pound	–	–	–	354	–	886	1,240
Canadian Dollar	–	–	781	–	–	(781)	–
Chinese Renminbi	–	–	–	64	–	–	64
Euro	–	–	–	17,981	–	–	17,981
Singapore Dollar	–	–	–	6,040	–	–	6,040
Swedish Krona	–	–	–	36	–	(1)	35
United States Dollar	–	–	542,123	(31,372)	–	(2,472)	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	–	–	–	123	–	(18)	105
Norwegian Krone	–	–	1,881	–	–	–	1,881
Polish Zloty	–	–	–	31	–	(1)	30
Swedish Krona	–	–	–	4	–	(1)	3
United States Dollar	–	–	140,148	(188)	–	3,733	143,693
Total	\$ –	\$ –	\$ 153,770	\$ (4)	\$ –	\$ 1,198	\$ 154,964
Legg Mason QS MV European Equity Growth and Income Fund							
Australian Dollar	€ –	€ –	€ –	€ 16,025	€ –	€ 30	€ 16,055
British Pound	–	–	55,143	–	–	247	55,390
Chinese Renminbi	–	–	–	1,167	–	(14)	1,153
Danish Krone	–	–	2,976	–	–	12	2,988
Euro	–	–	57,013	(93,188)	–	829	(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	–	–	–	78,506	–	207	78,713
Total	€ –	€ –	€ 146,067	€ 2,561	€ –	€ 1,347	€ 149,975
Legg Mason QS MV Asia Pacific Ex Japan Equity Growth and Income Fund							
Australian Dollar	\$ –	\$ –	\$ 4,232	\$ 83	\$ –	\$ 52	\$ 4,367
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	–	–	–	93	–	(4)	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	(177)	–	(77)	373
Total	\$ –	\$ –	\$ 35,219	\$ (1)	\$ –	\$ 117	\$ 35,335

[^] 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 QS Emerging Markets Equity Fund							
Brazilian Real	\$ –	\$ –	\$ 630	\$ –	\$ –	\$ 9	\$ 639
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	\$ –	\$ (6)	\$ 90	\$ 14,405
Legg Mason QS MV Global Equity Growth and Income Fund							
Australian Dollar	\$ –	\$ –	\$ 414	\$ (333)	\$ –	\$ 5	\$ 86
Brazilian Real	–	–	157	–	–	3	160
British Pound	–	–	1,441	(1,148)	–	12	305
Canadian Dollar	–	–	554	(443)	–	1	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	(856)	–	2	245
Singapore Dollar	–	–	921	(747)	–	5	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	3,939	–	38	6,128
Total	\$ –	\$ –	\$ 11,857	\$ 48	\$ –	\$ 75	\$ 11,980
Legg Mason Martin Currie Australia Equity Income Fund							
Australian Dollar	\$ –	\$ –	\$ 948	\$ –	\$ –	\$ (4)	\$ 944
Total	\$ –	\$ –	\$ 948	\$ –	\$ –	\$ (4)	\$ 944

The values noted above for other derivatives represent the unrealised appreciation/(depreciation) at year end. Certain Funds also have share classes issued in foreign currencies. The Sub-Investment Manager/Advisor may enter into forward currency contracts for investment or hedging purposes. Where the Sub-Investment Manager/Advisor has entered into the forward currency contracts to hedge the foreign currency share class, the net exposure above should be offset by the net assets of the foreign currency share class.

The following table sets out a sensitivity analysis in relation to foreign currency risk and its effect on the net asset value of the Funds where foreign currency risk is deemed significant. A snapshot of the underlying positions for all Funds was taken as at February 28, 2017 and February 29, 2016. 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.

		Impact on net asset value due to movement in foreign exchange rates* (Amount in Fund Base Currency)			
Fund	Currency	February 28, 2017		February 29, 2016	
		Positive 5%	Negative 5%	Positive 5%	Negative 5%
Legg Mason Western Asset Global Multi Strategy Fund	British Pound	30,153,474	(27,281,714)	32,483,684	(29,390,000)
Legg Mason Western Asset Global High Yield Fund	Australian Dollar	1,494,474	(1,352,143)	n/a	n/a
Legg Mason Western Asset Asian Opportunities Fund	Chinese Renminbi	3,003,579	(2,717,524)	2,718,474	(2,459,571)
	Indian Rupee	4,769,632	(4,315,381)	3,052,263	(2,761,571)
	Indonesian Rupiah	4,298,789	(3,889,381)	2,880,789	(2,606,429)
	Singapore Dollar	n/a	n/a	2,500,000	(2,261,905)
	South Korean Won	3,081,368	(2,787,905)	2,240,842	(2,027,429)
Legg Mason Western Asset Global Blue Chip Bond Fund	British Pound	351,526	(318,048)	547,474	(495,333)
Legg Mason Western Asset Global Credit Absolute Return Fund [^]	British Pound	n/a	n/a	1,067,526	(965,857)

[^] 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)

Fund	Currency	Impact on net asset value due to movement in foreign exchange rates* (Amount in Fund Base Currency)			
		February 28, 2017		February 29, 2016	
		Positive 5%	Negative 5%	Positive 5%	Negative 5%
Legg Mason Western Asset Global Core Plus Bond Fund [^]	Euro	1,960,263	(1,773,571)	1,565,526	(1,416,429)
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	British Pound	30,304,000	(27,417,905)	n/a	n/a
	Euro	67,253,263	(60,848,190)	70,302,368	(63,606,905)
Legg Mason Western Asset EM Local Currency Debt Fund [^]	Brazilian Real	1,024,368	(926,810)	n/a	n/a
	Indonesian Rupiah	8,175,000	(7,396,429)	n/a	n/a
Legg Mason Western Asset Multi-Asset Credit Fund [^]	British Pound	8,617,368	(7,796,667)	8,689,526	(7,861,952)
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund [^]	Euro	n/a	n/a	130,105	(117,714)
	Japanese Yen	2,498,105	(2,260,190)	n/a	n/a
Legg Mason Western Asset US Corporate Bond Fund [^]	British Pound	6,368,158	(5,761,667)	n/a	n/a
Legg Mason Brandywine Global Fixed Income Fund	British Pound	10,791,737	(9,763,952)	n/a	n/a
	Euro	14,519,368	(13,136,571)	18,542,000	(16,776,095)
	Mexican Peso	6,500,632	(5,881,524)	7,652,789	(6,923,952)
Legg Mason Brandywine Global Fixed Income Absolute Return Fund [^]	Australian Dollar	8,175,000	(7,396,429)	8,939,368	(8,088,000)
	British Pound	9,808,211	(8,874,095)	n/a	n/a
	Euro	n/a	n/a	8,702,421	(7,873,619)
	Japanese Yen	n/a	n/a	(7,511,316)	6,795,952
	Mexican Peso	7,727,684	(6,991,714)	10,243,632	(9,268,048)
	Singapore Dollar	7,901,053	(7,148,571)	n/a	n/a
	South Korean Won	n/a	n/a	(7,439,474)	6,730,952
Legg Mason Brandywine Global High Yield Fund [^]	British Pound	n/a	n/a	199,316	(180,333)
	Canadian Dollar	n/a	n/a	350,105	(316,762)
	Euro	n/a	n/a	265,632	(240,333)
Legg Mason Brandywine Global Opportunistic Fixed Income Fund [^]	British Pound	3,507,684	(3,173,619)	n/a	n/a
	Euro	(2,741,684)	2,480,571	n/a	n/a
	Mexican Peso	3,127,684	(2,829,810)	3,814,632	(3,451,333)
	New Zealand Dollar	9,157,316	(8,285,190)	8,293,368	(7,503,524)
Legg Mason Brandywine Global Sovereign Credit Fund [^]	British Pound	62,366,526	(56,426,857)	43,941,474	(39,756,571)
	Euro	(24,803,737)	22,441,476	(17,182,947)	15,546,476
	Mexican Peso	17,535,579	(15,865,524)	16,342,263	(14,785,857)
Legg Mason Brandywine Global Income Optimiser Fund [^]	British Pound	502,105	(454,286)	701,053	(634,286)
	Euro	1,526,947	(1,381,524)	749,842	(678,429)
	Swedish Krona	1,985,842	(1,796,714)	340,684	(308,238)
Legg Mason Brandywine Global Dynamic US Equity Fund [^]	Euro	83,895	(75,905)	70,737	(64,000)
Legg Mason ClearBridge Global Equity Fund [^]	British Pound	119,526	(108,143)	28,842	(26,095)
	Euro	254,053	(229,857)	77,368	(70,000)
	Japanese Yen	n/a	n/a	26,263	(23,762)
Legg Mason ClearBridge Global Equity Income Fund [^]	British Pound	41,211	(37,286)	46,895	(42,429)
	Euro	148,474	(134,333)	133,684	(120,952)
	Hong Kong Dollar	25,632	(23,190)	22,000	(19,905)
Legg Mason ClearBridge US Equity Sustainability Leaders Fund [^]	Euro	23,579	(21,333)	19,474	(17,619)
Legg Mason QS MV European Equity Growth and Income Fund	Australian Dollar	524,368	(474,429)	845,000	(764,524)
	British Pound	1,203,842	(1,089,190)	2,915,263	(2,637,619)
	Swiss Franc	687,684	(622,190)	1,062,474	(961,286)
	US Dollar	1,303,737	(1,179,571)	4,142,789	(3,748,238)
Legg Mason QS MV Asia Pacific Ex Japan Equity Growth and Income Fund	Australian Dollar	302,789	(273,952)	229,842	(207,952)
	Hong Kong Dollar	592,737	(536,286)	528,684	(478,333)
	Taiwan Dollar	415,053	(375,524)	340,579	(308,143)
Legg Mason QS Emerging Markets Equity Fund	Hong Kong Dollar	104,368	(94,429)	92,474	(83,667)
	Indian Rupee	70,789	(64,048)	n/a	n/a
Legg Mason QS MV Global Equity Growth and Income Fund	Australian Dollar	110,737	(100,190)	n/a	n/a
	Euro	n/a	n/a	72,316	(65,429)
Legg Mason Martin Currie Asia Long-Term Unconstrained Fund [^]	Hong Kong Dollar	3,033,316	(2,744,429)	n/a	n/a
	Indian Rupee	836,579	(756,905)	n/a	n/a
	Singapore Dollar	822,526	(744,190)	n/a	n/a
Legg Mason Martin Currie Asia Pacific Fund [^]	Australian Dollar	18,474	(16,714)	n/a	n/a
	Hong Kong Dollar	49,263	(44,571)	n/a	n/a
	South Korean Won	21,158	(19,143)	n/a	n/a
Legg Mason Martin Currie European Absolute Alpha Fund [^]	Swedish Krona	1,257,368	(1,137,619)	n/a	n/a
	US Dollar	1,554,842	(1,406,762)	n/a	n/a
Legg Mason Martin Currie Global Resources Fund [^]	British Pound	181,579	(164,286)	n/a	n/a
Legg Mason Martin Currie Greater China Fund [^]	Hong Kong Dollar	395,421	(357,762)	n/a	n/a
	Taiwan Dollar	140,368	(127,000)	n/a	n/a
Legg Mason Martin Currie Japan Absolute Alpha Fund [^]	Euro	179,262,211	(162,189,619)	n/a	n/a
Legg Mason Martin Currie Global Long-Term Unconstrained Fund [^]	British Pound	88,737	(80,286)	n/a	n/a
	Euro	106,053	(95,952)	n/a	n/a
Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund [^]	Australian Dollar	33,000	(29,857)	n/a	n/a
	Hong Kong Dollar	34,947	(31,619)	n/a	n/a
	New Zealand Dollar	16,579	(15,000)	n/a	n/a
	Singapore Dollar	19,158	(17,333)	n/a	n/a
Legg Mason RARE Infrastructure Value Fund [^]	British Pound	8,507,000	(7,696,810)	n/a	n/a

Analysis is shown where significant foreign currency exposure is held on the Fund. Significant exposure is deemed to be in excess of 10% of net assets. Movements in all foreign currency exchange rates will have a direct impact on the net asset value. The foreign currency exchange rates as at February 28, 2017 and February 29, 2016 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[^], 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

[^] 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)

Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^], the Legg Mason Brandywine Global Income Optimiser Fund[^], the Legg Mason Brandywine Global Credit Opportunities Fund[^], the Legg Mason Martin Currie European Absolute Alpha Fund[^] and the Legg Mason Martin Currie Japan Absolute Alpha Fund[^] has been incorporated into the calculation of the market risk (Note 12.1 above); therefore, a sensitivity analysis does not need to be presented.

(c) Interest Rate Risk

A sensitivity analysis 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 28, 2017 and February 29, 2016, all of the cash held by the Funds is held with the Depositary or other brokers and have the potential to yield interest income, the level of which will fluctuate according to the prevailing level of market interest rates.

The analysis of fixed, variable and non-interest bearing securities is disclosed in Note 12.1(b) above.

The weighted average yield and weighted average years to maturity of each Fund on its fixed rate instruments per currency as at February 28, 2017 and February 29, 2016 are as follows:

As at February 28, 2017

Currency	Weighted Average Yield	Weighted Average Years to Maturity
Legg Mason Western Asset US Money Market Fund		
US Dollar	0.31%	0.04
Legg Mason Western Asset US Core Bond Fund		
Chinese Renminbi	3.61%	8.76
US Dollar	3.28%	17.22
Legg Mason Western Asset US Core Plus Bond Fund		
Argentine Peso	16.38%	4.60
Brazilian Real	10.10%	4.76
British Pound	0.00%	3.76
Mexican Peso	7.66%	21.85
Russian Ruble	7.81%	9.82
US Dollar	3.63%	17.60
Legg Mason Western Asset Euro Core Plus Bond Fund		
Euro	2.39%	9.64
Swedish Krona	2.56%	22.10
US Dollar	4.41%	30.28
Legg Mason Western Asset Short Duration High Income Bond Fund		
British Pound	6.65%	0.92
US Dollar	5.98%	5.37
Legg Mason Western Asset Global Multi Strategy Fund		
Argentine Peso	18.27%	3.11
Brazilian Real	10.03%	4.20
British Pound	5.58%	14.53
Colombian Peso	8.44%	7.41
Euro	6.34%	5.13
Mexican Peso	7.32%	16.67
Russian Ruble	8.12%	9.94
US Dollar	4.87%	11.37
Legg Mason Western Asset US High Yield Fund		
US Dollar	6.72%	7.26
Legg Mason Western Asset Emerging Markets Total Return Bond Fund		
Argentine Peso	17.68%	3.75
Brazilian Real	10.09%	5.84
Indonesian Rupiah	8.16%	16.78
Russian Ruble	7.67%	10.90
US Dollar	5.93%	10.55
Legg Mason Western Asset Emerging Markets Corporate Bond Fund		
Argentine Peso	16.38%	4.60
Brazilian Real	10.02%	3.84
Indonesian Rupiah	7.88%	9.55
Russian Ruble	7.67%	10.90
US Dollar	5.40%	8.76
Legg Mason Western Asset Global High Yield Fund		
Argentine Peso	16.38%	4.60
Brazilian Real	10.09%	5.84
Euro	46.76%	0.08
Indonesian Rupiah	7.89%	9.81
Russian Ruble	7.90%	10.40
US Dollar	6.50%	8.14
Legg Mason Western Asset US Short-Term Government Fund		
US Dollar	1.32%	2.54
Legg Mason Western Asset US Adjustable Rate Fund		
US Dollar	1.13%	1.81

[^] 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 28, 2017 – (continued)

Currency	Weighted Average Yield	Weighted Average Years to Maturity
Legg Mason Western Asset Asian Opportunities Fund		
Chinese Renminbi	3.83%	5.92
Hong Kong Dollar	2.84%	2.95
Indian Rupee	7.56%	5.75
Indonesian Rupiah	8.07%	11.79
Malaysian Ringgit	4.18%	11.75
Philippine Peso	5.36%	15.01
Singapore Dollar	2.84%	18.19
South Korean Won	1.70%	19.55
Taiwan Dollar	1.76%	7.09
Thai Baht	3.51%	8.79
US Dollar	4.30%	10.06
Legg Mason Western Asset Global Blue Chip Bond Fund		
British Pound	2.44%	5.06
Euro	2.37%	6.47
US Dollar	3.34%	5.02
Legg Mason Western Asset Global Core Plus Bond Fund[^]		
Australian Dollar	6.45%	2.95
Brazilian Real	10.09%	5.84
British Pound	3.86%	14.03
Canadian Dollar	2.13%	8.26
Euro	2.43%	15.60
Japanese Yen	0.79%	13.94
Mexican Peso	7.82%	25.62
Polish Zloty	2.97%	8.86
South Korean Won	1.92%	9.28
US Dollar	3.44%	17.66
Legg Mason Western Asset Global Credit Fund		
British Pound	4.34%	12.57
Euro	2.16%	8.04
US Dollar	3.84%	11.77
Legg Mason Western Asset Euro High Yield Fund		
British Pound	5.95%	6.76
Euro	5.36%	6.12
Legg Mason Western Asset Macro Opportunities Bond Fund[^]		
Argentine Peso	17.92%	3.75
Brazilian Real	10.05%	4.68
British Pound	3.68%	9.08
Chinese Renminbi	7.38%	15.81
Euro	2.50%	14.66
Indian Rupee	7.86%	6.21
Indonesian Rupiah	8.16%	16.78
Mexican Peso	7.82%	25.42
Russian Ruble	8.12%	9.94
Turkish Lira	10.59%	8.96
US Dollar	3.84%	18.07
Legg Mason Western Asset EM Local Currency Debt Fund[^]		
Argentine Peso	17.59%	4.97
Brazilian Real	4.98%	3.97
Colombian Peso	7.13%	8.59
Hungarian Forint	4.96%	6.74
Indonesian Rupiah	7.67%	11.27
Malaysian Ringgit	3.93%	6.16
Mexican Peso	6.69%	7.62
Peruvian Sol	6.10%	9.66
Philippine Peso	5.23%	11.42
Polish Zloty	3.23%	5.19
Russian Ruble	7.59%	9.14
South African Rand	8.67%	17.65
Thai Baht	3.41%	6.76
Turkish Lira	8.95%	5.71
US Dollar	3.12%	21.54
Legg Mason Western Asset Multi-Asset Credit Fund[^]		
Argentine Peso	17.70%	3.74
Brazilian Real	10.02%	3.99
British Pound	6.00%	4.63
Euro	6.81%	4.74
Indonesian Rupiah	7.89%	9.81
Mexican Peso	7.94%	21.73
Russian Ruble	7.67%	10.90
US Dollar	4.67%	11.86

[^] 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, 2017 – (continued)

Currency	Weighted Average Yield	Weighted Average Years to Maturity
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund[^]		
British Pound	4.30%	10.41
Canadian Dollar	3.45%	2.74
Euro	2.19%	8.94
Mexican Peso	7.83%	25.72
Polish Zloty	3.22%	8.61
South African Rand	9.11%	24.02
South Korean Won	1.92%	9.28
US Dollar	3.09%	12.98
Legg Mason Western Asset Structured Opportunities Fund[^]		
British Pound	3.45%	29.41
US Dollar	5.12%	25.21
Legg Mason Western Asset US Mortgage-Backed Securities Fund[^]		
US Dollar	3.13%	26.81
Legg Mason Western Asset UK Investment Grade Credit Fund[^]		
British Pound	4.02%	12.25
Euro	2.25%	22.61
Swedish Krona	2.56%	22.10
US Dollar	3.73%	28.16
Legg Mason Western Asset US Corporate Bond Fund[^]		
Argentine Peso	21.90%	1.01
US Dollar	4.30%	12.03
Legg Mason Brandywine Global Fixed Income Fund		
Australian Dollar	4.20%	7.73
Brazilian Real	10.10%	7.02
British Pound	1.23%	1.39
Hungarian Forint	4.72%	8.32
Indonesian Rupiah	7.29%	2.36
Malaysian Ringgit	3.65%	4.76
Mexican Peso	7.87%	20.43
New Zealand Dollar	4.79%	6.13
Polish Zloty	3.59%	7.54
South African Rand	8.98%	23.76
US Dollar	2.53%	22.63
Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^]		
Australian Dollar	4.82%	7.40
Brazilian Real	10.13%	9.02
Euro	4.49%	6.66
Hungarian Forint	4.91%	7.10
Indonesian Rupiah	8.30%	16.48
Malaysian Ringgit	3.65%	4.79
Mexican Peso	7.87%	20.51
New Zealand Dollar	4.79%	6.13
Polish Zloty	3.33%	8.41
South African Rand	9.06%	24.60
US Dollar	3.01%	19.89
Legg Mason Brandywine Global High Yield Fund[^]		
Argentine Peso	16.39%	4.60
British Pound	5.27%	6.70
Euro	4.96%	8.37
US Dollar	6.23%	6.62
Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^]		
Australian Dollar	4.21%	7.72
Brazilian Real	10.12%	8.52
British Pound	1.23%	1.39
Euro	4.37%	6.82
Hungarian Forint	5.00%	6.89
Indonesian Rupiah	8.33%	14.91
Malaysian Ringgit	3.70%	4.79
Mexican Peso	7.87%	20.39
New Zealand Dollar	4.79%	6.13
Polish Zloty	3.56%	7.66
South African Rand	9.01%	24.20
US Dollar	3.56%	27.47

[^] 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, 2017 – (continued)

Currency	Weighted Average Yield	Weighted Average Years to Maturity
Legg Mason Brandywine Global Sovereign Credit Fund[^]		
Australian Dollar	4.82%	7.40
Brazilian Real	10.16%	9.85
British Pound	1.23%	1.39
Euro	4.16%	12.46
Hungarian Forint	5.12%	6.84
Indonesian Rupiah	8.30%	13.79
Malaysian Ringgit	3.64%	4.78
Mexican Peso	7.88%	20.64
New Zealand Dollar	4.79%	6.13
Polish Zloty	3.33%	8.41
South African Rand	9.34%	27.36
South Korean Won	4.94%	2.47
US Dollar	3.83%	29.01
Legg Mason Brandywine Global Income Optimiser Fund[^]		
Argentine Peso	16.39%	4.60
British Pound	5.17%	5.67
Euro	3.88%	6.21
Mexican Peso	7.83%	25.72
US Dollar	3.70%	7.71
Legg Mason Brandywine Global Credit Opportunities Fund[^]		
Argentine Peso	16.39%	4.60
Mexican Peso	7.83%	25.72
US Dollar	3.12%	8.48

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

[^] 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 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
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

[^] 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 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
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

[^] 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

In addition to the Committee, Legg Mason has established the Valuation Committee to oversee the implementation of the valuation policies and procedures adopted by the Board of Directors (the "Board"). The Valuation Committee, including the Chairperson, is comprised of no fewer than four members and no more than ten members. Representatives of Legg Mason Legal and Compliance will serve the Valuation Committee in an advisory capacity. The Valuation Committee meets on a monthly basis to review all securities which are manually priced, broker priced, matrix priced, fair valued, illiquid or stale. A Valuation Committee meeting, however, may be called at any time to consider any question or issue that falls under their procedures. Valuation Committee meetings can be in person, or via email or other writing.

Some Funds entered into derivative contracts during the year. The value of derivatives is based on certain underlying stocks or bonds, interest rates, currencies or indices and includes futures, options, options on futures and swap agreements. Derivatives may be hard to sell at an advantageous price or time and are sensitive to changes in the underlying security, interest rate, currency or index. Therefore, derivatives can be highly volatile and could result in a loss to the Fund. Refer to the respective Funds' Portfolio of Investments for details of other open derivative positions as at February 28, 2017.

Fair Value Estimation

In accordance with FRS 102, the Company has elected to apply 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.

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.

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 following 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. The fair value hierarchy has the following levels:

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.

The following table analyses under the fair value hierarchy the Funds' financial assets and financial liabilities measured at fair value at February 28, 2017:

	Legg Mason Western Asset US Money Market Fund as at February 28, 2017 (in 000's)	Legg Mason Western Asset US Core Bond Fund as at February 28, 2017 (in 000's)	Legg Mason Western Asset US Core Plus Bond Fund as at February 28, 2017 (in 000's)	Legg Mason Western Asset Euro Core Plus Bond Fund as at February 28, 2017 (in 000's)	Legg Mason Western Asset Short Duration High Income Bond Fund as at February 28, 2017 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	€ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	60	–	342
Derivative assets held for trading	–	38	730	105	1
Derivative liabilities held for trading	–	(68)	(1,755)	(83)	(10)
	–	(30)	(965)	22	333
Level 2					
Bonds and Notes	\$ 30,004	\$ 55,478	\$ 633,671	€ 106,005	\$ 25,556
Money Market Instruments	1,116,968	6,000	64,500	–	625
Equity Instruments	–	1,133	3,802	878	–
Derivative assets held for trading	–	259	5,105	–	125
Derivative liabilities held for trading	–	(33)	(1,474)	(208)	(162)
	1,146,972	62,837	705,604	106,675	26,144
Level 3					
Bonds and Notes	\$ –	\$ 24	\$ 3,447	€ –	\$ 6
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	103
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	(1)
	–	24	3,447	–	108
Total Investments	\$ 1,146,972	\$ 62,831	\$ 708,086	€ 106,697	\$ 26,585

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

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

	Legg Mason Western Asset Global Multi Strategy Fund as at February 28, 2017 (in 000's)	Legg Mason Western Asset US High Yield Fund as at February 28, 2017 (in 000's)	Legg Mason Western Asset Emerging Markets Total Return Bond Fund as at February 28, 2017 (in 000's)	Legg Mason Western Asset Emerging Markets Corporate Bond Fund as at February 28, 2017 (in 000's)	Legg Mason Western Asset Global High Yield Fund as at February 28, 2017 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	903	10,568	–	–	3,119
Derivative assets held for trading	1,656	2	–	–	11
Derivative liabilities held for trading	(1,283)	(8)	(68)	(1)	–
	1,276	10,562	(68)	(1)	3,130
Level 2					
Bonds and Notes	\$ 860,231	\$ 349,645	\$ 36,077	\$ 32,615	\$ 222,865
Money Market Instruments	60,028	3,000	–	–	–
Equity Instruments	78,077	5,537	4,007	–	23,662
Derivative assets held for trading	4,610	43	12	4	453
Derivative liabilities held for trading	(13,527)	(61)	(48)	(41)	(81)
	989,419	358,164	40,048	32,578	246,899
Level 3					
Bonds and Notes	\$ 44	\$ 1,190	\$ –	\$ –	\$ 2,175
Money Market Instruments	–	–	–	–	–
Equity Instruments	888	4,996	–	–	3,860
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	(8)	–	–	(6)
	932	6,178	–	–	6,029
Total Investments	\$ 991,627	\$ 374,904	\$ 39,980	\$ 32,577	\$ 256,058
	Legg Mason Western Asset US Short-Term Government Fund as at February 28, 2017 (in 000's)	Legg Mason Western Asset US Adjustable Rate Fund as at February 28, 2017 (in 000's)	Legg Mason Western Asset Global Inflation Management Fund as at February 28, 2017 (in 000's)	Legg Mason Western Asset Asian Opportunities Fund as at February 28, 2017 (in 000's)	Legg Mason Western Asset Global Blue Chip Bond Fund as at February 28, 2017 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative assets held for trading	–	–	2	–	2
Derivative liabilities held for trading	–	–	(46)	(28)	(109)
	–	–	(44)	(28)	(107)
Level 2					
Bonds and Notes	\$ 17,527	\$ 5,591	\$ 14,517	\$ 514,402	\$ 27,972
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	94	1,475	42,781	250
Derivative assets held for trading	–	–	59	1,434	99
Derivative liabilities held for trading	–	–	(25)	(314)	(250)
	17,527	5,685	16,026	558,303	28,071
Level 3					
Bonds and Notes	\$ –	\$ 2	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	2	–	–	–
Total Investments	\$ 17,527	\$ 5,687	\$ 15,982	\$ 558,275	\$ 27,964

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

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

	Legg Mason Western Asset Global Credit Absolute Return Fund [^] as at February 28, 2017 (in 000's)	Legg Mason Western Asset Global Core Plus Bond Fund [^] as at February 28, 2017 (in 000's)	Legg Mason Western Asset Global Credit Fund as at February 28, 2017 (in 000's)	Legg Mason Western Asset Euro High Yield Fund as at February 28, 2017 (in 000's)	Legg Mason Western Asset Macro Opportunities Bond Fund [^] as at February 28, 2017 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	€ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	44	–	–	5,508
Derivative assets held for trading	–	271	67	–	38,161
Derivative liabilities held for trading	–	(1,647)	(186)	–	(90,239)
	–	(1,332)	(119)	–	(46,570)
Level 2					
Bonds and Notes	\$ –	\$ 208,858	\$ 66,957	€ 91,302	\$ 4,015,960
Money Market Instruments	–	13,500	–	1,757	–
Equity Instruments	–	7,250	1,059	1,727	–
Derivative assets held for trading	–	944	327	1	178,331
Derivative liabilities held for trading	–	(1,509)	(159)	(244)	(104,848)
	–	229,043	68,184	94,543	4,089,443
Level 3					
Bonds and Notes	\$ –	\$ 24	\$ –	€ –	\$ 10,091
Money Market Instruments	–	–	–	–	–
Equity Instruments	157	–	–	–	–
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	157	24	–	–	10,091
Total Investments	\$ 157	\$ 227,735	\$ 68,065	€ 94,543	\$ 4,052,964
	Legg Mason Western Asset EM Local Currency Debt Fund [^] as at February 28, 2017 (in 000's)	Legg Mason Western Asset Multi-Asset Credit Fund [^] as at February 28, 2017 (in 000's)	Legg Mason Western Asset Global Total Return Investment Grade Bond Fund [^] as at February 28, 2017 (in 000's)	Legg Mason Western Asset Structured Opportunities Fund [^] as at February 28, 2017 (in 000's)	Legg Mason Western Asset US Mortgage-Backed Securities Fund [^] as at February 28, 2017 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	829	–	–	–
Derivative assets held for trading	–	493	38	51	222
Derivative liabilities held for trading	–	(351)	(962)	(511)	(307)
	–	971	(924)	(460)	(85)
Level 2					
Bonds and Notes	\$ 133,024	\$ 158,062	\$ 76,939	\$ 381,633	\$ 801,909
Money Market Instruments	–	–	9,590	–	–
Equity Instruments	–	3,470	1,605	16,613	70,868
Derivative assets held for trading	993	2,259	339	–	–
Derivative liabilities held for trading	(929)	(2,905)	(359)	(1,001)	(178)
	133,088	160,886	88,114	397,245	872,599
Level 3					
Bonds and Notes	\$ –	\$ –	\$ –	\$ 1,020	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	(2)	–	–	–
	–	(2)	–	1,020	–
Total Investments	\$ 133,088	\$ 161,855	\$ 87,190	\$ 397,805	\$ 872,514

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

Notes to Financial Statements – (continued)

12. Risk Exposure and Risk Management – (continued)

12.1 Market Risk – (continued)

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

	Legg Mason Western Asset UK Investment Grade Credit Fund [^] as at February 28, 2017 (in 000's)	Legg Mason Western Asset US Corporate Bond Fund [^] as at February 28, 2017 (in 000's)	Legg Mason Brandywine Global Fixed Income Fund as at February 28, 2017 (in 000's)	Legg Mason Brandywine Global Fixed Income Absolute Return Fund [^] as at February 28, 2017 (in 000's)	Legg Mason Brandywine Global High Yield Fund [^] as at February 28, 2017 (in 000's)
Level 1					
Bonds and Notes	£ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative assets held for trading	3	1	–	262	–
Derivative liabilities held for trading	(9)	(63)	–	(538)	–
	(6)	(62)	–	(276)	–
Level 2					
Bonds and Notes	£ 61,345	\$ 120,942	\$ 957,840	\$ 1,094,697	\$ 105,798
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	1,991	33,626	63,418	7,313
Derivative assets held for trading	66	4	5,334	9,257	525
Derivative liabilities held for trading	–	(1,227)	(7,671)	(12,846)	(294)
	61,411	121,710	989,129	1,154,526	113,342
Level 3					
Bonds and Notes	£ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	–	–	–	–
Total Investments	£ 61,405	\$ 121,648	\$ 989,129	\$ 1,154,250	\$ 113,342
	Legg Mason Brandywine Global Opportunistic Fixed Income Fund [^] as at February 28, 2017 (in 000's)	Legg Mason Brandywine Global Sovereign Credit Fund [^] as at February 28, 2017 (in 000's)	Legg Mason Brandywine Global Income Optimiser Fund [^] as at February 28, 2017 (in 000's)	Legg Mason Brandywine Global Credit Opportunities Fund [^] as at February 28, 2017 (in 000's)	Legg Mason Brandywine Global Dynamic US Equity Fund [^] as at February 28, 2017 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	2,213
Derivative assets held for trading	–	–	7	14	–
Derivative liabilities held for trading	–	–	–	–	–
	–	–	7	14	2,213
Level 2					
Bonds and Notes	\$ 460,448	\$ 2,424,151	\$ 84,796	\$ 57,996	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	42,433	86,333	6,164	5,425	16
Derivative assets held for trading	2,212	17,340	414	500	–
Derivative liabilities held for trading	(4,150)	(12,296)	(1,108)	(356)	(14)
	500,943	2,515,528	90,266	63,565	2
Level 3					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	–	–	–	–
Total Investments	\$ 500,943	\$ 2,515,528	\$ 90,273	\$ 63,579	\$ 2,215

[^] 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 Value Fund as at February 28, 2017 (in 000's)	Legg Mason ClearBridge Growth Fund as at February 28, 2017 (in 000's)	Legg Mason ClearBridge Global Equity Fund^ as at February 28, 2017 (in 000's)	Legg Mason ClearBridge Global Equity Income Fund^ as at February 28, 2017 (in 000's)	Legg Mason ClearBridge US Appreciation Fund as at February 28, 2017 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	305,745	5,117	17,359	4,064	258,649
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	305,745	5,117	17,359	4,064	258,649
Level 2					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	5,926	–	246	157	3,651
Derivative assets held for trading	5	–	–	–	–
Derivative liabilities held for trading	(1)	–	–	(15)	–
	5,930	–	246	142	3,651
Level 3					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	–	–	–	–
Total Investments	\$ 311,675	\$ 5,117	\$ 17,605	\$ 4,206	\$ 262,300

	Legg Mason ClearBridge US Large Cap Growth Fund as at February 28, 2017 (in 000's)	Legg Mason ClearBridge US Aggressive Growth Fund as at February 28, 2017 (in 000's)	Legg Mason ClearBridge Tactical Dividend Income Fund as at February 28, 2017 (in 000's)	Legg Mason ClearBridge US Equity Sustainability Leaders Fund^ as at February 28, 2017 (in 000's)	Legg Mason ClearBridge Opportunity Fund as at February 28, 2017 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	450,879	2,460,685	54,148	2,538	282,134
Derivative assets held for trading	–	–	–	–	9,245
Derivative liabilities held for trading	–	–	–	–	–
	450,879	2,460,685	54,148	2,538	291,379
Level 2					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	12,166	–	12,224
Derivative assets held for trading	1	184	8	–	376
Derivative liabilities held for trading	(147)	(573)	(5)	(4)	(651)
	(146)	(389)	12,169	(4)	11,949
Level 3					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	–	–	–	–
Total Investments	\$ 450,733	\$ 2,460,296	\$ 66,317	\$ 2,534	\$ 303,328

^ 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 Small Cap Opportunity Fund as at February 28, 2017 (in 000's)	Legg Mason Royce US Smaller Companies Fund as at February 28, 2017 (in 000's)	Legg Mason QS MV European Equity Growth and Income Fund as at February 28, 2017 (in 000's)	Legg Mason QS MV Asia Pacific Ex Japan Equity Growth and Income Fund as at February 28, 2017 (in 000's)	Legg Mason QS Emerging Markets Equity Fund as at February 28, 2017 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	€ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	955,195	210,242	86,160	39,930	12,364
Derivative assets held for trading	–	–	–	–	2
Derivative liabilities held for trading	–	–	–	–	–
	955,195	210,242	86,160	39,930	12,366
Level 2					
Bonds and Notes	\$ –	\$ –	€ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	83,954	16,243	864	2,749	22
Derivative assets held for trading	153	1	415	2	–
Derivative liabilities held for trading	(383)	(7)	(4)	(12)	–
	83,724	16,237	1,275	2,739	22
Level 3					
Bonds and Notes	\$ –	\$ –	€ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	–	–	–	–
Total Investments	\$ 1,038,919	\$ 226,479	€ 87,435	\$ 42,669	\$ 12,388
	Legg Mason QS MV Global Equity Growth and Income Fund as at February 28, 2017 (in 000's)	Legg Mason Martin Currie Australia Equity Income Fund as at February 28, 2017 (in 000's)	Legg Mason Martin Currie Asia Long-Term Unconstrained Fund [^] as at February 28, 2017 (in 000's)	Legg Mason Martin Currie Asia Pacific Fund [^] as at February 28, 2017 (in 000's)	Legg Mason Martin Currie European Absolute Alpha Fund [^] as at February 28, 2017 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	€ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	15,972	1,038	138,872	2,486	199,933
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	15,972	1,038	138,872	2,486	199,933
Level 2					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	€ –
Money Market Instruments	–	–	–	–	29,568
Equity Instruments	1,313	159	–	–	–
Derivative assets held for trading	35	–	–	–	4,011
Derivative liabilities held for trading	(12)	–	–	–	(4,732)
	1,336	159	–	–	28,847
Level 3					
Bonds and Notes	\$ –	\$ –	\$ –	\$ –	€ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	–	–	–	–
Total Investments	\$ 17,308	\$ 1,197	\$ 138,872	\$ 2,486	€ 228,780

[^] 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 Martin Currie Global Resources Fund [^] as at February 28, 2017 (in 000's)	Legg Mason Martin Currie Greater China Fund [^] as at February 28, 2017 (in 000's)	Legg Mason Martin Currie Japan Absolute Alpha Fund [^] as at February 28, 2017 (in 000's)	Legg Mason Martin Currie North American Fund [^] as at February 28, 2017 (in 000's)	Legg Mason Martin Currie Global Long-Term Unconstrained Fund [^] as at February 28, 2017 (in 000's)
Level 1					
Bonds and Notes	\$ –	\$ –	¥ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	17,307	12,660	3,125,099	4,864	11,394
Derivative assets held for trading	–	–	6,435	–	–
Derivative liabilities held for trading	–	–	(701)	–	–
	17,307	12,660	3,130,833	4,864	11,394
Level 2					
Bonds and Notes	\$ –	\$ –	¥ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	134	94,950	139	–
Derivative assets held for trading	–	–	8,454	–	–
Derivative liabilities held for trading	(1)	–	(53,371)	–	(1)
	(1)	134	50,033	139	(1)
Level 3					
Bonds and Notes	\$ –	\$ –	¥ –	\$ –	\$ –
Money Market Instruments	–	–	–	–	–
Equity Instruments	–	–	–	–	–
Derivative assets held for trading	–	–	–	–	–
Derivative liabilities held for trading	–	–	–	–	–
	–	–	–	–	–
Total Investments	\$ 17,306	\$ 12,794	¥ 3,180,866	\$ 5,003	\$ 11,393

	Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund [^] as at February 28, 2017 (in 000's)	Legg Mason RARE Infrastructure Value Fund [^] as at February 28, 2017 (in 000's)
Level 1		
Bonds and Notes	\$ –	€ –
Money Market Instruments	–	–
Equity Instruments	1,232	188,993
Derivative assets held for trading	–	–
Derivative liabilities held for trading	–	–
	1,232	188,993
Level 2		
Bonds and Notes	\$ –	€ –
Money Market Instruments	–	–
Equity Instruments	987	15,491
Derivative assets held for trading	–	64
Derivative liabilities held for trading	–	(1,466)
	987	14,089
Level 3		
Bonds and Notes	\$ –	€ –
Money Market Instruments	–	–
Equity Instruments	–	–
Derivative assets held for trading	–	–
Derivative liabilities held for trading	–	–
	–	–
Total Investments	\$ 2,219	€ 203,082

[^] 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	–
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

Securities which are fair valued by the Investment Manager at February 28, 2017 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 28, 2017 and February 29, 2016:

As at February 28, 2017	Single Broker Priced (in 000's)	Fair Valued by Valuation Committee (in 000's)
Legg Mason Western Asset US Core Bond Fund	–	\$24
Legg Mason Western Asset US Core Plus Bond Fund	–	\$2,955
Legg Mason Western Asset Short Duration High Income Bond Fund	–	\$109
Legg Mason Western Asset Global Multi Strategy Fund	–	\$932
Legg Mason Western Asset US High Yield Fund	–	\$4,996
Legg Mason Western Asset Global High Yield Fund	–	\$5,170
Legg Mason Western Asset US Adjustable Rate Fund	–	\$2
Legg Mason Western Asset Asian Opportunities Fund	–	\$13,696
Legg Mason Western Asset Global Credit Absolute Return Fund^	–	\$157

^ 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, 2017	Single Broker Priced (in 000's)	Fair Valued by Valuation Committee (in 000's)
Legg Mason Western Asset Global Core Plus Bond Fund [^]	–	\$24
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	–	\$10,091
Legg Mason QS Emerging Markets Equity Fund	–	\$604
Legg Mason Martin Currie Asia Long-Term Unconstrained Fund [^]	–	\$5,115
Legg Mason Martin Currie Asia Pacific Fund [^]	–	\$22
Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund [^]	–	\$21

For details of derivative assets and liabilities held for trading which were fair valued as at February 28, 2017, please refer to the Portfolios of Investments.

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

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 28, 2017 IDC adjusted pricing was applied to Legg Mason Brandywine Global Income Optimiser Fund[^], Legg Mason Brandywine Global Dynamic US Equity Fund[^], Legg Mason ClearBridge Value Fund, Legg Mason ClearBridge Growth Fund, Legg Mason ClearBridge Global Equity Fund[^], Legg Mason ClearBridge Global Equity Income Fund[^], Legg Mason ClearBridge US Appreciation Fund, Legg Mason ClearBridge US 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 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, Legg Mason Martin Currie Australia Equity Income Fund, Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund[^], and Legg Mason RARE Infrastructure Value Fund[^] (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).

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 28, 2017 and February 29, 2016 was as follows:

Fund	Broker	As at February 28, 2017 Market Value of Collateral 000's	As at February 29, 2016 Market Value of Collateral 000's
Legg Mason Western Asset US Core Plus Bond Fund	Goldman Sachs	\$271	–
Legg Mason Western Asset US High Yield Fund	Deutsche Bank	–	\$377
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	Barclays	–	\$244
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	BNP Paribas	–	\$532
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	Credit Suisse	–	\$599
Legg Mason Western Asset Macro Opportunities Bond Fund [^]	Merrill Lynch	\$14,638	–
Legg Mason Western Asset Multi-Asset Credit Fund [^]	Barclays	\$97	–
Legg Mason Western Asset Multi-Asset Credit Fund [^]	Merrill Lynch	\$203	–

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 Regulations.

[^] 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)

Until the expiry of the repurchase agreements, reverse repurchase agreements and the stock lending transactions, collateral obtained under such contracts or transactions:

- (i) must be marked to market daily;
- (ii) must equal or exceed, in value, at all times the value of the amount invested or securities loaned;
- (iii) must be transferred to the trustee, or its agent; and
- (iv) must be immediately available to the scheme, without recourse to the counterparty, in the event of a default by that entity.

Any non-cash collateral received by the Company cannot be sold or repledged; must be held at the credit risk of the counterparty; and must be issued by an entity independent of the counterparty.

Credit risk is addressed through diversified use of counterparties and issuers, and through minimum security ratings and average portfolio ratings. The Sub-Investment Managers may set portfolio limits and may invest based on internal parameters with mutually agreed limits set at a Fund's inception, including issue and issuer limitations, credit minimums, and an average credit quality, and the account is monitored on an ongoing basis to ensure it continues to meet these parameters. Rigorous independent analysis of all credit securities before purchase, including financial modeling, scenario analysis, and monitoring changes in risk profile may also be performed. Generally no more than 5% of the portfolio may be invested in any single corporate issuer at the time of purchase.

The Valuation Committee meets at least monthly and whenever the circumstances so require, to review and deliberate on valuation concerns including credit risk. The Sub-Investment Managers provide risk analysis to the Board and the Committee on a semi-annual basis.

Substantially all of the cash and securities held by the Funds are held via the Depositary. Bankruptcy or insolvency by the Depositary may cause the Funds' rights with respect to the cash held by the Depositary to be delayed or limited. The credit rating of the Depositary is highly rated by prominent rating agencies. If the credit quality or financial position of the Depositary 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 Depositary and amounts held by brokers as collateral are disclosed in Note 8.

If a Fund has posted collateral to a counterparty, in a counterparty insolvency, that Fund may have the right under trading agreements with the counterparty to recall such posted collateral. In practice, however, the Fund may seek to reduce any amounts owed to the counterparty to settle any open transactions by setting off the amounts owed against the posted collateral. If the Fund was due back any collateral after setting off against the amounts owed (e.g., the Fund's position was over collateralised), it is likely the Fund would have an unsecured claim against the counterparty in the insolvency proceeding for the excess amount due to it.

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.

The following table represents the market value of the securities which have been placed as collateral with brokers as at February 28, 2017 and February 29, 2016 in relation to derivative trading:

Fund	As at February 28, 2017						As at February 29, 2016					
	Market Value of Collateral			Market Value of Collateral			Market Value of Collateral			Market Value of Collateral		
	000's			000's			000's			000's		
Legg Mason Opportunity Fund	Credit Suisse						\$9,882			\$6,300		
As at February 28, 2017 and February 29, 2016, 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 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-17	Feb-16	Rating	Feb-17	Feb-16	Rating	Feb-17	Feb-16	Rating	Feb-17	Feb-16	
AAA	85.61%	83.78%	AAA	65.58%	59.40%	AAA	52.08%	53.04%	AAA	22.88%	20.47%	
AA	10.46%	10.81%	AA	6.60%	7.21%	AA	3.83%	3.24%	AA	19.82%	28.57%	
A	3.93%	5.41%	A	16.50%	19.28%	A	15.33%	16.12%	A	15.63%	16.03%	
			BBB	9.45%	11.44%	BBB	11.69%	10.34%	BBB	40.55%	33.16%	
			BB	0.51%	1.28%	BB	5.23%	5.07%	BB	1.12%	1.67%	
			B	0.55%	0.78%	B	4.78%	4.01%	Not Rated	–	0.10%	
			CCC	0.06%	0.47%	CCC & Below	3.63%	4.89%				
			Not Rated	0.75%	0.14%	Not Rated	3.43%	3.29%				
	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-17	Feb-16	Rating	Feb-17	Feb-16	Rating	Feb-17	Feb-16	Rating	Feb-17	Feb-16	
AAA	0.51%	–	AAA	13.18%	15.41%	A	0.73%	0.50%	AA	1.21%	4.48%	
BBB	10.83%	7.57%	AA	2.02%	1.73%	BBB	8.93%	8.72%	A	1.45%	7.56%	
BB	42.74%	48.47%	A	6.23%	8.37%	BB	41.39%	38.19%	BBB	54.92%	55.11%	
B	32.29%	27.98%	BBB	23.95%	27.69%	B	33.87%	37.81%	BB	23.35%	27.02%	
CCC & Below	12.82%	15.49%	BB	33.49%	25.62%	CCC & Below	10.06%	12.55%	B	15.28%	5.64%	
Not rated	0.81%	0.49%	B	14.27%	13.46%	Not Rated	5.02%	2.23%	CCC	–	0.19%	
			CCC & Below	3.80%	4.42%				Not Rated	3.79%	–	
			Not Rated	3.06%	3.30%							
	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-17	Feb-16	Rating	Feb-17	Feb-16	Rating	Feb-17	Feb-16	Rating	Feb-17	Feb-16	
AA	4.53%	6.67%	AAA	1.94%	1.48%	AAA	98.86%	99.20%	AAA	78.83%	67.78%	
A	14.96%	22.57%	A	0.01%	0.58%	A	1.11%	0.80%	AA	21.17%	30.67%	
BBB	43.66%	43.59%	BBB	16.24%	7.73%	Not Rated	0.03%	–	BB	–	1.55%	
BB	27.04%	24.42%	BB	45.47%	41.59%							
B	8.74%	1.76%	B	27.43%	30.65%							
CCC & Below	–	0.41%	CCC & Below	5.55%	14.35%							
Not Rated	1.07%	0.58%	Not Rated	3.36%	3.62%							
	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 Global Credit Absolute Return Fund^			
Rating	Feb-17	Feb-16	Rating	Feb-17	Feb-16	Rating	Feb-17	Feb-16	Rating	Feb-17	Feb-16	
AAA	57.08%	64.47%	AAA	3.07%	3.88%	AAA	5.72%	1.81%	AA	–	0.85%	
AA	27.89%	8.30%	AA	11.16%	20.59%	AA	26.99%	30.97%	A	–	10.38%	
BBB	2.60%	26.02%	A	16.61%	16.27%	A	64.69%	66.08%	BBB	–	30.22%	
BB	12.43%	1.20%	BBB	59.68%	49.21%	BBB	2.60%	1.14%	BB	–	21.64%	
Not Rated	–	0.01%	BB	3.29%	2.99%				B	–	20.47%	
			B	0.97%	0.69%				CCC	–	13.67%	
			Not Rated	5.22%	6.37%				Not Rated	–	2.77%	
	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 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 [^]		
Rating	Feb-17	Feb-16	Rating	Feb-17	Feb-16	Rating	Feb-17	Feb-16	Rating	Feb-17	Feb-16
AAA	33.91%	61.79%	AAA	11.83%	0.48%	BBB	6.29%	7.23%	AAA	16.72%	9.18%
AA	7.02%	1.01%	AA	7.79%	7.78%	BB	48.73%	31.52%	AA	3.42%	6.80%
A	32.84%	20.22%	A	40.73%	45.10%	B	37.72%	55.46%	A	20.71%	27.51%
BBB	20.71%	12.43%	BBB	38.07%	42.28%	CCC & Below	3.98%	3.51%	BBB	31.84%	31.59%
BB	4.69%	3.53%	BB	1.03%	3.23%	Not Rated	3.28%	2.28%	BB	16.23%	20.34%
B	0.83%	1.00%	Not Rated	0.55%	1.13%				B	6.70%	4.25%
CCC & Below	–	0.02%							CCC & Below	0.20%	0.33%
									Not Rated	4.18%	–
	100.00%	100.00%		100.00%	100.00%		100.00%	100.00%		100.00%	100.00%

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 [^]		
Rating	Feb-17	Feb-16	Rating	Feb-17	Feb-16	Rating	Feb-17	Feb-16	Rating	Feb-17	Feb-16
A	31.88%	34.89%	AAA	5.97%	6.74%	AAA	45.30%	47.21%	AAA	4.48%	6.01%
BBB	43.59%	51.45%	AA	1.34%	1.40%	AA	4.62%	–	AA	1.26%	2.94%
BB	18.85%	13.66%	A	9.19%	14.93%	A	24.56%	32.88%	A	0.49%	4.10%
B	5.68%	–	BBB	18.51%	15.01%	BBB	25.52%	18.14%	BBB	4.17%	11.96%
			BB	25.83%	24.31%	BB	–	1.77%	BB	10.26%	4.71%
			B	21.14%	20.41%				B	5.94%	10.36%
			CCC & Below	10.91%	12.62%				CCC & Below	40.99%	36.43%
			Not Rated	7.11%	4.58%				Not Rated	32.41%	23.49%
	100.00%	100.00%		100.00%	100.00%		100.00%	100.00%		100.00%	100.00%

Legg Mason Western Asset US Mortgage-Backed Securities Fund [^]			Legg Mason Western Asset UK Investment Grade Credit Fund [^]			Legg Mason Western Asset US Corporate Bond Fund [^]			Legg Mason Brandywine Global Fixed Income Fund		
Rating	Feb-17	Feb-16	Rating	Feb-17	Feb-16	Rating	Feb-17	Feb-16	Rating	Feb-17	Feb-16
AAA	99.99%	100.00%	AAA	11.86%	–	AAA	15.14%	–	AAA	40.84%	41.13%
Not Rated	0.01%	–	AA	9.73%	–	AA	7.02%	–	AA	22.22%	18.47%
			A	45.51%	–	A	29.57%	–	A	21.22%	22.81%
			BBB	32.23%	–	BBB	37.46%	–	BBB	9.63%	8.45%
			Not Rated	0.67%	–	BB	5.85%	–	BB	6.09%	9.14%
						B	4.96%	–			
	100.00%	100.00%		100.00%	–		100.00%	–		100.00%	100.00%

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 [^]		
Rating	Feb-17	Feb-16	Rating	Feb-17	Feb-16	Rating	Feb-17	Feb-16	Rating	Feb-17	Feb-16
AAA	23.83%	20.98%	AAA	–	0.69%	AAA	22.61%	23.36%	AAA	18.97%	29.30%
AA	8.64%	7.96%	AA	4.11%	5.50%	AA	21.75%	16.57%	AA	20.68%	17.70%
A	35.60%	35.29%	A	0.94%	–	A	25.59%	28.65%	A	25.31%	23.90%
BBB	22.04%	21.87%	BBB	1.35%	4.56%	BBB	20.43%	18.23%	BBB	23.61%	15.80%
BB	9.89%	13.90%	BB	33.08%	48.49%	BB	9.31%	12.62%	BB	11.43%	13.30%
B			B	47.80%	34.26%	B	0.23%	0.42%			
			CCC & Below	11.98%	6.50%	CC & Below	0.08%	0.15%			
			Not Rated	0.74%	–						
	100.00%	100.00%		100.00%	100.00%		100.00%	100.00%		100.00%	100.00%

Legg Mason Brandywine Global Income Optimiser Fund [^]			Legg Mason Brandywine Global Credit Opportunities Fund [^]		
Rating	Feb-17	Feb-16	Rating	Feb-17	Feb-16
AAA	7.66%	13.77%	AAA	4.65%	34.60%
AA	15.57%	21.36%	AA	14.48%	8.80%
A	10.59%	8.94%	A	2.10%	8.30%
BBB	20.94%	15.73%	BBB	17.55%	16.30%
BB	20.44%	16.46%	BB	11.04%	11.80%
B	12.12%	18.12%	B	30.89%	9.40%
CCC & Below	7.41%	4.91%	CCC & Below	10.33%	4.00%
Not Rated	5.27%	0.71%	Not Rated	8.96%	6.80%
	100.00%	100.00%		100.00%	100.00%

12.3 Liquidity Risk

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 – (continued)

Details of residual contractual maturities of financial liabilities for each Fund are outlined below:

Liabilities (in 000's)	Legg Mason Western Asset US Money Market Fund		Legg Mason Western Asset US Core Bond Fund		Legg Mason Western Asset US Core Plus Bond Fund		Legg Mason Western Asset Euro Core Plus Bond Fund	
	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016
Less than 1 Month								
Cash overdraft	\$ –	\$ –	\$ –	\$ –	\$ 10	\$ –	€ 8	€ –
Amounts due to broker	–	–	2	–	176	–	–	–
Payable for investments purchased	–	4,998	7,697	3,448	92,962	31,436	6,077	–
Options	–	–	8	6	76	52	–	–
Swap contracts	–	–	26	222	302	2,231	187	2
Swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	47	4	–	–
Unrealised depreciation on futures contracts	–	–	–	48	1,010	265	70	85
Unrealised depreciation on contracts for difference	–	–	–	–	–	–	–	–
Distributions payable to holders of redeemable participating shares	334	22	13	7	31	24	–	–
Management fees payable	528	312	41	36	332	261	27	22
Performance fees payable	–	–	–	–	–	–	–	–
Administrator and depositary fees payable	67	65	3	3	40	28	7	6
Shareholder service fees payable	–	–	5	2	26	22	–	1
Payable for redeemable participating shares reacquired	63	–	258	–	744	585	–	–
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	–	–	–	–	–	–
Dividend payable	–	–	–	–	–	–	–	–
Redeemable Participating Shares	1,147,834	1,044,990	55,866	45,292	651,230	494,599	112,740	90,733
1 – 3 months								
Options	–	–	19	–	294	–	–	–
Swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	7	33	1,114	546	21	138
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
3 months – 1 year								
Options	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	–	41	36	386	301	13	2
Accrued expenses and other liabilities	239	386	53	44	150	116	61	47
Total Financial Liabilities	\$ 1,149,065	\$ 1,050,773	\$ 64,039	\$ 49,177	\$ 748,930	\$ 530,470	€ 119,211	€ 91,036

Liabilities (in 000's)	Legg Mason Western Asset Global High Yield Fund		Legg Mason Western Asset US Short-Term Government Fund		Legg Mason Western Asset US Adjustable Rate Fund		Legg Mason Western Asset Global Inflation Management Fund	
	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016
Less than 1 Month								
Cash overdraft	\$ –	\$ 213	\$ –	\$ –	\$ –	\$ –	\$ 397	\$ 4
Amounts due to broker	–	1	–	4	–	–	–	4
Payable for investments purchased	1,569	1,225	–	942	–	–	–	–
Options	–	–	–	–	–	–	–	1
Swap contracts	–	–	–	–	–	–	–	–
Swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	75	291	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–	30	85
Unrealised depreciation on contracts for difference	–	–	–	–	–	–	–	–
Distributions payable to holders of redeemable participating shares	74	72	–	1	–	–	–	–
Management fees payable	191	172	16	22	5	8	8	7
Performance fees payable	–	–	–	–	–	–	–	–
Administrator and depositary fees payable	15	12	1	1	1	1	1	–
Shareholder service fees payable	19	17	1	1	–	–	–	–
Payable for redeemable participating shares reacquired	629	2,421	–	–	–	–	–	–
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	–	–	–	–	–	–
Dividend payable	–	–	–	–	–	–	–	–
Redeemable Participating Shares	260,936	210,231	17,562	23,622	5,643	9,176	16,388	10,220
1 – 3 months								
Options	–	–	–	–	–	–	3	–
Swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	6	28	–	–	–	–	25	50
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
3 months – 1 year								
Options	6	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	23	–	–	–	–	13	3
Accrued expenses and other liabilities	131	157	53	44	44	38	51	42
Total Financial Liabilities	\$ 263,651	\$ 214,863	\$ 17,633	\$ 24,637	\$ 5,693	\$ 9,223	\$ 16,916	\$ 10,416

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 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016
\$ –	\$ –	\$ 1	\$ –	\$ 288	\$ –	\$ 1	\$ –	\$ –	\$ –
684	916	13,544	3,908	1,779	1,758	–	1,000	349	134
–	–	–	–	–	–	–	–	–	–
–	–	1,435	–	–	–	20	–	–	–
1	4	11,407	30,797	27	33	26	156	36	–
–	42	11	183	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
24	22	83	143	173	181	18	14	–	–
24	24	329	370	216	211	49	63	–	6
–	–	–	–	–	–	–	–	–	–
2	1	60	62	23	22	2	4	2	3
1	1	21	27	19	18	3	3	–	–
–	–	800	703	115	385	146	401	676	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
27,087	24,555	1,013,215	992,926	379,488	368,959	41,137	60,901	32,699	41,448
–	–	–	–	–	–	–	–	–	–
161	379	685	3,389	34	–	–	29	–	20
–	–	–	–	–	–	–	–	–	–
1	–	–	–	8	–	–	–	–	–
–	–	–	–	–	–	2	–	5	17
10	1	1,272	234	8	86	68	20	1	–
77	65	226	331	131	151	104	102	45	42
\$ 28,072	\$ 26,010	\$ 1,043,089	\$ 1,033,073	\$ 382,309	\$ 371,804	\$ 41,576	\$ 62,693	\$ 33,813	\$ 41,670

Legg Mason Western Asset Asian Opportunities Fund		Legg Mason Western Asset Global Blue Chip Bond Fund		Legg Mason Western Asset Brazil Bond Fund [^]		Legg Mason Western Asset Global Credit Absolute Return Fund [^]		Legg Mason Western Asset UK£ Core Plus Bond Fund [^]	
as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016
\$ 394	\$ –	\$ 26	\$ –	\$ –	\$ –	\$ –	\$ –	£ –	£ –
6	77	3	3	–	–	–	–	–	–
1,865	10,007	93	–	–	–	–	472	–	–
–	483	–	–	–	–	–	5	–	–
–	27	22	–	–	–	–	735	–	–
–	–	–	–	–	–	–	–	–	–
314	289	67	543	–	–	–	1,046	–	–
28	–	68	150	–	–	–	155	–	–
–	–	–	–	–	–	–	–	–	–
21	26	–	1	–	–	–	–	–	–
315	212	19	21	–	–	–	17	–	–
–	–	–	–	–	–	–	–	–	–
34	24	2	2	–	–	–	2	–	–
30	16	2	2	–	–	–	–	–	–
1,249	33	–	11	–	–	284	1,614	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
568,751	394,036	28,654	36,540	–	–	–	20,111	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	63	–	–
–	109	161	291	–	–	–	34	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	294	–	–	–	–	–	–	–	–
–	–	41	14	–	–	–	54	–	–
177	195	47	38	4	22	31	58	–	1
\$ 573,184	\$ 405,828	\$ 29,205	\$ 37,616	\$ 4	\$ 22	\$ 315	\$ 24,366	£ –	£ 1

[^] 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 UK£ Inflation-Linked Plus Fund [^]		Legg Mason Western Asset UK£ Long Duration Fund [^]		Legg Mason Western Asset Global Credit Fund	
	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016
Liabilities (in 000's)								
Less than 1 Month								
Cash overdraft	\$ 17	\$ 2,740	£ –	£ –	£ –	£ –	\$ –	\$ 12
Amounts due to broker	–	139	–	–	–	–	8	–
Payable for investments purchased	17,397	22,522	–	–	–	–	10	420
Options	92	81	–	–	–	–	–	–
Swap contracts	–	–	–	–	–	–	145	–
Swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	1,163	1,251	–	–	–	–	6	36
Unrealised depreciation on futures contracts	1,011	53	–	–	–	–	36	2
Unrealised depreciation on contracts for difference	–	–	–	–	–	–	–	–
Distributions payable to holders of redeemable participating shares	1	1	–	–	–	–	–	2
Management fees payable	71	70	–	–	–	–	2	3
Performance fees payable	–	–	–	–	–	–	–	–
Administrator and depositary fees payable	13	13	–	–	–	13	4	4
Shareholder service fees payable	–	1	–	–	–	–	–	–
Payable for redeemable participating shares reacquired	3,111	8	–	–	–	–	–	–
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	–	–	–	–	–	–
Dividend payable	–	–	–	–	–	–	–	–
Redeemable Participating Shares	215,223	225,799	–	–	–	–	69,657	69,057
1 – 3 months								
Options	151	–	–	–	–	–	–	–
Swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	334	657	–	–	–	–	8	20
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
3 months – 1 year								
Options	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	405	24	–	–	–	–	150	68
Accrued expenses and other liabilities	77	59	–	3	–	3	47	42
Total Financial Liabilities	\$ 239,066	\$ 253,418	£ –	£ 3	£ –	£ 3	\$ 70,073	\$ 69,666

	Legg Mason Western Asset Structured Opportunities Fund [^]		Legg Mason Western Asset US Mortgage-Backed Securities Fund [^]		Legg Mason Western Asset UK Investment Grade Credit Fund [^]		Legg Mason Western Asset US Corporate Bond Fund [^]	
	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016
Liabilities (in 000's)								
Less than 1 Month								
Cash overdraft	\$ –	\$ 16,791	\$ –	\$ –	£ –	£ –	\$ –	\$ –
Amounts due to broker	–	–	–	25	–	–	–	–
Payable for investments purchased	3,038	–	334,979	535,981	300	–	3,298	–
Options	–	478	92	466	–	–	–	–
Swap contracts	966	591	178	–	–	–	230	–
Swaptions	–	19	–	9	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	16	–	–	–	–	–	997	–
Unrealised depreciation on futures contracts	–	–	3	–	–	–	–	–
Unrealised depreciation on contracts for difference	–	–	–	–	–	–	–	–
Distributions payable to holders of redeemable participating shares	–	–	–	–	–	–	–	–
Management fees payable	15	–	–	–	–	–	–	–
Performance fees payable	–	–	–	–	–	–	–	–
Administrator and depositary fees payable	28	20	57	49	5	–	9	–
Shareholder service fees payable	–	–	–	–	–	–	–	–
Payable for redeemable participating shares reacquired	–	–	–	–	–	–	–	–
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	–	–	–	–	–	–
Dividend payable	–	–	–	–	–	–	–	–
Redeemable Participating Shares	404,565	325,952	785,576	786,191	65,960	–	121,702	–
1 – 3 months								
Options	–	–	–	–	–	–	–	–
Swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	19	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
3 months – 1 year								
Options	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	511	3	212	33	9	–	63	–
Accrued expenses and other liabilities	72	34	79	45	21	–	29	–
Total Financial Liabilities	\$ 409,230	\$ 343,888	\$ 1,121,176	\$ 1,322,799	£ 66,295	£ –	\$ 126,328	\$ –

[^] 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 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 [^]	
as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016
€ 1,420	€ –	\$ 21,555	\$ 15,256	\$ –	\$ –	\$ 298	\$ 8,257	\$ 30	\$ –
–	–	2,147	–	–	–	–	1	–	–
–	–	71,617	308,568	–	9,714	3,265	703	64	–
–	–	15,594	19,739	–	25	3	23	9	–
–	–	44,985	154,234	–	–	888	739	–	–
–	–	–	–	–	–	–	535	–	–
–	–	22,302	69,608	724	24	1,359	7,725	320	87
–	–	48,306	65,346	–	–	237	69	783	31
–	–	–	–	–	–	–	–	–	–
–	–	4,004	3,734	54	21	–	–	15	–
–	–	–	–	–	–	–	–	–	–
6	5	260	242	9	4	12	11	5	–
–	–	271	240	–	–	–	–	–	–
–	–	33,461	24,756	–	–	–	–	4	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
96,306	87,048	4,420,925	3,854,111	141,610	77,524	172,687	166,555	90,380	4,935
–	–	2,360	2,897	26	–	52	–	5	–
–	–	–	–	–	–	–	–	–	–
244	66	37,434	30,073	149	242	658	943	34	19
–	–	92	–	–	–	–	2	–	–
–	–	–	491	–	–	22	129	–	–
–	–	–	–	30	–	–	–	–	–
–	–	24,014	21,246	–	–	39	480	170	1
47	43	297	393	41	17	43	25	29	15
€ 98,023	€ 87,162	\$ 4,749,624	\$ 4,570,934	\$ 142,643	\$ 87,571	\$ 179,563	\$ 186,197	\$ 91,848	\$ 5,088

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 Sovereign Credit Fund [^]	
as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016
\$ 23	\$ 352	\$ 2	\$ 5	\$ 6	\$ 444	\$ 1	\$ 2	\$ –	\$ –
–	–	20	–	–	–	–	–	–	–
7,797	4,778	15	1	1,411	357	–	180	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	34	–	–	–	–
–	–	–	–	–	–	–	–	–	–
6,791	13,215	4,960	45,399	192	297	3,340	2,863	8,232	41,328
–	–	4	6,867	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	34	–	–	–	–	–
573	709	481	593	27	7	133	124	206	162
–	–	–	–	–	–	–	–	–	–
59	70	67	89	7	1	33	34	151	140
56	68	7	10	3	–	6	5	–	–
1,313	4,043	79	45,445	12	–	832	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
1,006,402	1,143,279	1,175,092	1,392,771	114,923	24,117	505,499	549,071	2,555,639	2,313,804
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
880	1,049	7,158	304	102	18	655	18	4,064	3,818
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	39	728	–	–	–	155	13	–	–
–	–	534	758	–	17	–	–	–	–
270	329	183	248	57	53	138	121	145	178
\$ 1,024,164	\$ 1,167,931	\$ 1,189,330	\$ 1,492,490	\$ 116,774	\$ 25,345	\$ 510,792	\$ 552,431	\$ 2,568,437	\$ 2,359,430

[^] 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 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 [^]	
	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016
Liabilities (in 000's)								
Less than 1 Month								
Cash overdraft	\$ 4,075	\$ –	\$ 47	\$ –	\$ –	\$ –	\$ –	\$ –
Amounts due to broker	1	–	1	–	–	–	–	–
Payable for investments purchased	3,839	692	10,663	777	–	–	–	–
Options	–	–	–	–	–	–	–	–
Swaps contracts	–	55	334	68	–	–	–	–
Swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	1,103	1,728	22	448	14	40	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on contracts for difference	–	–	–	–	–	–	–	–
Distributions payable to holders of redeemable participating shares	–	–	–	–	–	–	–	–
Management fees payable	47	21	37	71	–	–	–	–
Performance fees payable	–	–	–	–	–	–	–	–
Administrator and depositary fees payable	6	4	4	5	–	–	–	–
Shareholder service fees payable	2	–	1	2	–	–	–	–
Payable for redeemable participating shares reacquired	275	98	3	–	–	–	–	–
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	–	–	–	–	–	1
Dividend payable	–	–	–	–	–	–	–	–
Redeemable Participating Shares	86,670	38,546	60,216	85,265	2,204	1,884	–	–
1 – 3 months								
Options	–	–	–	–	–	–	–	–
Swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	5	250	–	110	–	–	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
3 months – 1 year								
Options	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	15	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	34	–	159	–	–	–	–
Accrued expenses and other liabilities	77	62	38	42	20	15	6	21
Total Financial Liabilities	\$ 96,100	\$ 41,505	\$ 71,366	\$ 86,947	\$ 2,238	\$ 1,939	\$ 6	\$ 22

	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 [^]	
	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016
Liabilities (in 000's)								
Less than 1 Month								
Cash overdraft	\$ 1	\$ –	\$ 25	\$ 10,912	\$ 189	\$ –	\$ –	\$ –
Amounts due to broker	–	–	–	–	–	–	–	–
Payable for investments purchased	1,507	256	4,344	162	–	–	26	–
Options	–	–	–	–	–	–	–	–
Swap contracts	–	–	–	–	–	–	–	–
Swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	147	99	573	4,020	5	14	4	11
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on contracts for difference	–	–	–	–	–	–	–	–
Distributions payable to holders of redeemable participating shares	–	–	–	–	–	–	–	–
Management fees payable	407	252	1,728	2,401	45	56	–	–
Performance fees payable	–	–	–	–	–	–	–	–
Administrator and depositary fees payable	32	17	178	228	5	5	–	–
Shareholder service fees payable	86	50	288	418	4	5	–	–
Payable for redeemable participating shares reacquired	1,091	1,186	10,431	18,222	5	284	–	–
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	–	1	–	–	–	–
Dividend payable	–	–	–	–	–	–	–	–
Redeemable Participating Shares	474,715	272,153	2,456,035	3,045,028	67,648	66,001	2,567	959
1 – 3 months								
Options	–	–	–	–	–	–	–	–
Swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
3 months – 1 year								
Options	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
Accrued expenses and other liabilities	103	66	442	800	72	54	26	18
Total Financial Liabilities	\$ 478,089	\$ 274,079	\$ 2,474,044	\$ 3,082,192	\$ 67,973	\$ 66,419	\$ 2,623	\$ 988

[^] 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 Value Fund		Legg Mason ClearBridge Growth Fund		Legg Mason ClearBridge Global Equity Fund ^A		Legg Mason ClearBridge Global Equity Income Fund ^A		Legg Mason ClearBridge US Appreciation Fund	
as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016
\$ –	\$ 865	\$ 145	\$ –	\$ –	\$ –	\$ –	\$ 5	\$ –	\$ 186
5,362	1,664	–	–	189	–	198	301	1,065	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
1	5	–	–	–	–	15	42	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
204	200	6	6	12	5	–	–	258	302
–	–	–	–	–	–	–	–	–	–
23	19	–	1	1	–	–	–	19	20
21	29	1	1	1	–	–	–	54	65
208	591	2	–	–	20	–	–	455	970
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
322,279	273,255	5,128	6,207	18,228	4,669	4,615	3,924	270,376	290,903
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
89	86	39	34	36	28	44	39	95	98
\$ 328,187	\$ 276,714	\$ 5,321	\$ 6,249	\$ 18,467	\$ 4,722	\$ 4,872	\$ 4,311	\$ 272,322	\$ 292,544

Legg Mason Opportunity Fund		Legg Mason Royce US Small Cap Opportunity Fund		Legg Mason Royce US Smaller Companies Fund		Legg Mason PCM US Equity Fund ^A		Legg Mason Permal Global Absolute Fund ^A	
as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016
\$ –	\$ 2,711	\$ 3,903	\$ 1,386	\$ 1,288	\$ –	\$ –	\$ –	\$ –	\$ –
1,935	3,839	4,885	3,968	3,008	2,171	–	–	–	–
647	63	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
4	10	383	736	7	4	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
176	226	875	500	240	161	–	–	–	–
–	–	–	–	–	–	–	–	–	–
22	26	69	38	16	12	–	–	–	–
12	18	190	104	53	32	–	–	–	–
572	88	6,414	1,757	270	863	–	–	–	–
–	–	–	–	–	–	19	1	6	7
–	3	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
309,673	379,240	1,037,938	539,913	230,046	154,964	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
79	84	168	202	90	122	–	–	–	–
\$ 313,120	\$ 386,308	\$ 1,054,825	\$ 548,604	\$ 235,018	\$ 158,329	\$ 19	\$ 1	\$ 6	\$ 7

^A 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	
	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016
Liabilities (in 000's)								
Less than 1 Month								
Cash overdraft	€ 1	€ –	\$ –	\$ 90	\$ –	\$ 3	\$ 36	\$ –
Amounts due to broker	–	–	–	–	–	–	–	–
Payable for investments purchased	295	153	1	–	–	–	–	–
Options	–	–	–	–	–	–	–	–
Swap contracts	–	–	–	–	–	–	–	–
Swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	4	295	12	1	–	–	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	6
Unrealised depreciation on contracts for difference	–	–	–	–	–	–	–	–
Distributions payable to holders of redeemable participating shares	–	–	–	–	–	–	–	–
Management fees payable	78	160	34	46	–	–	3	9
Performance fees payable	–	–	–	–	–	–	–	–
Administrator and depositary fees payable	7	11	3	3	–	–	1	1
Shareholder service fees payable	15	33	5	7	–	–	–	1
Payable for redeemable participating shares reacquired	414	371	30	78	–	–	–	–
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	–	–	–	–	–	–	–	–
Dividend payable	–	–	–	–	–	–	–	–
Redeemable Participating Shares	88,301	149,975	43,361	35,335	–	–	12,554	14,405
1 – 3 months								
Options	–	–	–	–	–	–	–	–
Swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
3 months – 1 year								
Options	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
Accrued expenses and other liabilities	98	64	59	49	18	14	48	41
Total Financial Liabilities	€ 89,213	€ 151,062	\$ 43,505	\$ 35,609	\$ 18	\$ 17	\$ 12,642	\$ 14,463

	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 [^]	
	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016
Liabilities (in 000's)								
Less than 1 Month								
Cash overdraft	€ 632	€ –	\$ –	\$ –	\$ –	\$ –	¥ –	¥ –
Amounts due to broker	–	–	–	–	–	–	–	–
Payable for investments purchased	2,913	–	–	–	133	–	11,866	–
Options	–	–	–	–	–	–	–	–
Swap contracts	–	–	–	–	–	–	–	–
Swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	585	–	1	–	–	–	28,073	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–	701	–
Unrealised depreciation on contracts for difference	4,147	–	–	–	–	–	25,298	–
Distributions payable to holders of redeemable participating shares	–	–	66	–	26	–	–	–
Management fees payable	287	–	17	–	15	–	2,194	–
Performance fees payable	–	–	–	–	–	–	11	–
Administrator and depositary fees payable	17	–	1	–	1	–	116	–
Shareholder service fees payable	40	–	2	–	2	–	327	–
Payable for redeemable participating shares reacquired	1,201	–	50	–	–	–	–	–
Payable to shareholders	–	–	–	–	–	–	–	–
Interest payable	174	–	–	–	–	–	303	–
Dividend payable	46	–	–	–	–	–	2,092	–
Redeemable Participating Shares	230,049	–	17,621	–	12,998	–	3,531,270	–
1 – 3 months								
Options	–	–	–	–	–	–	–	–
Swaptions	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
3 months – 1 year								
Options	–	–	–	–	–	–	–	–
Unrealised depreciation on forward foreign currency contracts	–	–	–	–	–	–	–	–
Unrealised depreciation on futures contracts	–	–	–	–	–	–	–	–
Accrued expenses and other liabilities	72	–	29	–	28	–	3,891	–
Total Financial Liabilities	€ 240,163	€ –	\$ 17,787	\$ –	\$ 13,203	\$ –	¥ 3,606,142	¥ –

[^] 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 Global Equity Growth and Income Fund		Legg Mason Congruix Japan Equity Fund^		Legg Mason Martin Currie Australia Equity Income Fund		Legg Mason Martin Currie Asia Long-Term Unconstrained Fund^		Legg Mason Martin Currie Asia Pacific Fund^	
as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016
\$	\$	¥	¥	\$	\$	\$	\$	\$	\$
–	–	–	–	–	–	–	–	–	–
387	82	–	–	–	–	–	–	5	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
12	16	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
11	13	–	–	–	–	1,775	–	15	–
–	–	–	–	–	–	108	–	2	–
1	1	–	–	–	–	–	–	–	–
1	1	–	–	–	–	10	–	–	–
18	–	–	–	–	–	12	–	–	–
–	–	95,446	95,881	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
18,025	11,980	–	–	1,204	944	140,276	–	2,473	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
39	24	–	–	28	28	44	–	23	–
\$ 18,494	\$ 12,117	¥ 95,446	¥ 95,881	\$ 1,232	\$ 972	\$ 142,225	\$ –	\$ 2,518	\$ –

Legg Mason Martin Currie North American Fund^		Legg Mason Martin Currie Global Long-Term Unconstrained Fund^		Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund^		Legg Mason RARE Infrastructure Value Fund^		Legg Mason Global Funds plc	
as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016	as at February 28, 2017	as at February 29, 2016
\$	\$	\$	\$	\$	\$	€	€	\$	\$
–	–	–	–	–	–	1	–	34,943	60,234
–	–	–	–	–	–	–	–	2,364	254
101	–	–	–	–	–	4,972	–	616,663	957,546
–	–	–	–	–	–	–	–	15,874	21,359
–	–	–	–	–	–	–	–	50,376	159,001
–	–	–	–	–	–	–	–	–	563
–	–	1	–	–	–	1,466	–	67,133	222,491
–	–	–	–	–	–	–	–	51,607	73,395
–	–	–	–	–	–	–	–	4,619	–
–	–	–	–	–	–	721	–	3,452	516
5	–	3	–	–	–	137	–	12,467	11,633
–	–	–	–	–	–	–	–	–	–
–	–	1	–	–	–	13	–	1,420	1,313
–	–	–	–	–	–	–	–	1,266	1,203
21	–	–	–	–	–	–	–	65,332	104,966
–	–	–	–	–	–	–	–	874	861
–	–	–	–	–	–	–	–	187	5
4,906	–	11,446	–	2,266	–	213,250	–	67	–
–	–	–	–	–	–	–	–	22,437,876	20,197,167
–	–	–	–	–	–	–	–	2,910	2,897
–	–	–	–	–	–	–	–	34	63
–	–	–	–	–	–	–	–	53,940	42,651
–	–	–	–	–	–	–	–	92	2
–	–	–	–	–	–	–	–	37	620
–	–	–	–	–	–	–	–	920	378
–	–	–	–	–	–	–	–	27,963	23,597
29	–	20	–	19	–	25	–	5,253	5,558
\$ 5,062	\$ –	\$ 11,471	\$ –	\$ 2,285	\$ –	€ 220,585	€ –	\$23,457,668	\$21,888,273

^ 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 (2016: Nil) shares in Legg Mason Western Asset Emerging Markets Corporate Bond Fund at the year end. Transactions involving shares and the related gains, losses and distributions during the year were:

	Legg Mason Western Asset Emerging Markets Corporate Bond Fund		Total	
	For the year ended February 28, 2017 (in 000's)	For the year ended February 29, 2016 (in 000's)	For the year ended February 28, 2017 (in 000's)	For the year ended February 29, 2016 (in 000's)
Issue of shares	\$–	\$83	\$–	\$83
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	–	83
Cost	–	–	–	–
Fair value	–	–	–	–
Net unrealised gain/(loss) on financial assets at fair value through profit or loss	\$–	\$–	\$–	\$–

Legg Mason Western Asset Short Duration High Income Bond Fund

Legg Mason Western Asset Short Duration High Income Bond Fund held Nil (2016: Nil) shares in Legg Mason Western Asset Euro High Yield Fund at the year end. Transactions involving shares and the related gains, losses and distributions during the year were:

	Legg Mason Western Asset Euro High Yield Fund		Total	
	For the year ended February 28, 2017 (in 000's)	For the year ended February 29, 2016 (in 000's)	For the year ended February 28, 2017 (in 000's)	For the year ended February 29, 2016 (in 000's)
Issue of shares	\$–	\$71	\$–	\$71
Redemption of shares	–	(2,522)	–	(2,522)
Net realised loss on financial assets at fair value through profit or loss	–	(387)	–	(387)
Distributions received	–	70	–	70
Cost	–	–	–	–
Fair value	–	–	–	–
Net unrealised gain/(loss) on financial assets at fair value through profit or loss	\$–	\$–	\$–	\$–

Legg Mason Western Asset Global Multi Strategy Fund

Legg Mason Western Asset Global Multi Strategy Fund held 373,205 (2016: 503,069), 70,253 (2016: 107,358) and 158,366 (2016: 158,366) shares in Legg Mason Western Asset US High Yield Fund, Legg Mason Western Asset Emerging Markets Corporate Bond 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 Emerging Markets Corporate Bond Fund		Legg Mason Western Asset Euro High Yield Fund		Total	
	For the year ended February 28, 2017 (in 000's)	For the year ended February 29, 2016 (in 000's)	For the year ended February 28, 2017 (in 000's)	For the year ended February 29, 2016 (in 000's)	For the year ended February 28, 2017 (in 000's)	For the year ended February 29, 2016 (in 000's)	For the year ended February 28, 2017 (in 000's)	For the year ended February 29, 2016 (in 000's)
Issue of shares	\$2,361	\$3,504	\$310	\$718	\$–	\$–	\$2,671	\$4,222
Redemption of shares	(12,980)	(12,000)	(3,750)	(9,164)	–	–	(16,730)	(21,164)
Net realised loss on financial assets at fair value through profit or loss	(1,406)	(1,393)	(594)	(1,692)	–	–	(2,000)	(3,085)
Distributions received	2,361	3,504	310	718	–	–	2,671	4,222
Cost	35,261	47,286	7,330	11,364	25,676	25,676	68,267	84,326
Fair value	32,834	38,139	6,825	9,552	26,818	22,286	66,477	69,977
Net unrealised (loss)/gain on financial assets at fair value through profit or loss	\$(2,427)	\$(9,147)	\$(505)	\$(1,812)	\$1,142	\$(3,390)	\$(1,790)	\$(14,349)

Notes to Financial Statements – (continued)

13. Disclosure for Cross Investments by Funds within the Company – (continued)

Legg Mason Western Asset US High Yield Fund

Legg Mason Western Asset US High Yield Fund held 41,009 (2016: Nil) shares in Legg Mason Western Asset Emerging Markets Corporate Bond Fund at the year end. Transactions involving these shares and the related gains, losses and distributions during the year were:

	Legg Mason Western Asset Emerging Markets Corporate Bond Fund		Total	
	For the year ended February 28, 2017 (in 000's)	For the year ended February 29, 2016 (in 000's)	For the year ended February 28, 2017 (in 000's)	For the year ended February 29, 2016 (in 000's)
Issue of shares	\$3,979	\$–	\$3,979	\$–
Redemption of shares	–	–	–	–
Net realised gain/(loss) on financial assets at fair value through profit or loss	–	–	–	–
Distributions received	109	–	109	–
Cost	3,979	–	3,979	–
Fair value	3,984	–	3,984	–
Net unrealised gain on financial assets at fair value through profit or loss	\$5	\$–	\$5	\$–

Legg Mason Western Asset Emerging Markets Total Return Bond Fund

Legg Mason Western Asset Emerging Markets Total Return Bond Fund held 41,249 (2016: 55,654) shares in Legg Mason Western Asset Emerging Markets Corporate Bond Fund at the year end. Transactions involving these shares and the related gains, losses and distributions during the year were:

	Legg Mason Western Asset Emerging Markets Corporate Bond Fund		Total	
	For the year ended February 28, 2017 (in 000's)	For the year ended February 29, 2016 (in 000's)	For the year ended February 28, 2017 (in 000's)	For the year ended February 29, 2016 (in 000's)
Issue of shares	\$1,403	\$268	\$1,403	\$268
Redemption of shares	(2,814)	(1,550)	(2,814)	(1,550)
Net realised loss on financial assets at fair value through profit or loss	(172)	(88)	(172)	(88)
Distributions received	218	268	218	268
Cost	4,040	5,623	4,040	5,623
Fair value	4,007	4,952	4,007	4,952
Net unrealised loss on financial assets at fair value through profit or loss	\$(33)	\$(671)	\$(33)	\$(671)

Legg Mason Western Asset Emerging Markets Corporate Bond Fund

Legg Mason Western Asset Emerging Markets Corporate Bond Fund held Nil (2016: Nil) shares in Legg Mason Western Asset EM Local Currency Debt Fund[^] at the year end. Transactions involving these shares and the related gains, losses and distributions during the year were:

	Legg Mason Western Asset EM Local Currency Debt Fund [^]		Total	
	For the year ended February 28, 2017 (in 000's)	For the year ended February 29, 2016 (in 000's)	For the year ended February 28, 2017 (in 000's)	For the year ended February 29, 2016 (in 000's)
Issue of shares	\$933	\$–	\$933	\$–
Redemption of shares	(865)	–	(865)	–
Net realised loss on financial assets at fair value through profit or loss	(68)	–	(68)	–
Distributions received	–	–	–	–
Cost	–	–	–	–
Fair value	–	–	–	–
Net unrealised gain/(loss) on financial assets at fair value through profit or loss	\$–	\$–	\$–	\$–

Legg Mason Western Asset Global High Yield Fund

Legg Mason Western Asset Global High Yield Fund held 43,953 (2016: Nil) and 114,515 (2016: 134,214) shares in Legg Mason Western Asset Emerging Markets Corporate Bond 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 Emerging Markets Corporate Bond Fund		Legg Mason Western Asset Euro High Yield Fund		Total	
	For the year ended February 28, 2017 (in 000's)	For the year ended February 29, 2016 (in 000's)	For the year ended February 28, 2017 (in 000's)	For the year ended February 29, 2016 (in 000's)	For the year ended February 28, 2017 (in 000's)	For the year ended February 29, 2016 (in 000's)
Issue of shares	\$8,279	\$14	\$–	\$–	\$8,279	\$14
Redemption of shares	(4,094)	(1,247)	(3,313)	(3,719)	(7,407)	(4,966)
Net realised (loss)/gain on financial assets at fair value through profit or loss	(3)	(84)	97	(201)	94	(285)
Distributions received	101	14	–	–	101	14
Cost	4,182	–	18,697	21,913	22,879	21,913
Fair value	4,270	–	19,392	20,546	23,662	20,546
Net unrealised gain/(loss) on financial assets at fair value through profit or loss	\$88	\$–	\$695	\$(1,367)	\$783	\$(1,367)

[^] 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 – (continued)

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

Legg Mason Western Asset Global Core Plus Bond Fund[^] held Nil (2016: Nil) and Nil (2016: Nil) 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 shares and the related gains, losses and distributions during the year were:

	Legg Mason Western Asset US High Yield Fund		Legg Mason Western Asset Euro High Yield Fund		Total	
	For the year ended February 28, 2017 (in 000's)	For the year ended February 29, 2016 (in 000's)	For the year ended February 28, 2017 (in 000's)	For the year ended February 29, 2016 (in 000's)	For the year ended February 28, 2017 (in 000's)	For the year ended February 29, 2016 (in 000's)
Issue of shares	\$–	\$4	\$–	\$10	\$–	\$14
Redemption of shares	–	(760)	–	(755)	–	(1,515)
Net realised gain/(loss) on financial assets at fair value through profit or loss	–	6	–	(121)	–	(115)
Distributions received	–	4	–	10	–	14
Cost	–	–	–	–	–	–
Fair value	–	–	–	–	–	–
Net unrealised gain/(loss) on financial assets at fair value through profit or loss	\$–	\$–	\$–	\$–	\$–	\$–

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

Legg Mason Western Asset EM Local Currency Debt Fund[^] held Nil (2016: Nil) shares in Legg Mason Western Asset Emerging Markets Corporate Bond Fund at the year end. Transactions involving shares and the related gains, losses and distributions during the year were:

	Legg Mason Western Asset Emerging Markets Corporate Bond Fund		Total	
	For the year ended February 28, 2017 (in 000's)	For the year ended February 29, 2016 (in 000's)	For the year ended February 28, 2017 (in 000's)	For the year ended February 29, 2016 (in 000's)
Issue of shares	\$4,817	\$–	\$4,817	\$–
Redemption of shares	(5,052)	–	(5,052)	–
Net realised gain on financial assets at fair value through profit or loss	235	–	235	–
Distributions received	80	–	80	–
Cost	–	–	–	–
Fair value	–	–	–	–
Net unrealised gain/(loss) on financial assets at fair value through profit or loss	\$–	\$–	\$–	\$–

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

Legg Mason Western Asset Multi-Asset Credit Fund[^] held 35,718 (2016: Nil) shares in Legg Mason Western Asset Emerging Markets Corporate Bond Fund at the year end. Transactions involving these shares and the related gains, losses and distributions during the year were:

	Legg Mason Western Asset Emerging Markets Corporate Bond Fund		Total	
	For the year ended February 28, 2017 (in 000's)	For the year ended February 29, 2016 (in 000's)	For the year ended February 28, 2017 (in 000's)	For the year ended February 29, 2016 (in 000's)
Issue of shares	\$3,448	\$–	\$3,448	\$–
Redemption of shares	–	–	–	–
Net realised gain/(loss) on financial assets at fair value through profit or loss	–	–	–	–
Distributions received	88	–	88	–
Cost	3,448	–	3,448	–
Fair value	3,470	–	3,470	–
Net unrealised gain on financial assets at fair value through profit or loss	\$22	\$–	\$22	\$–

14. Significant 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 and Legg Mason Royce US Smaller Companies Fund.

On March 11, 2016, seven sub-funds of the Martin Currie Global Funds, a Luxembourg fund range, merged their net assets into the following Funds: the 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[^].

Effective March 11, 2016, Legg Mason Asset Management Singapore Pte. Limited has been added as a Sub Investment Manager of Legg Mason Martin Currie Asia Long-Term Unconstrained Fund[^] and Legg Mason Martin Currie Asia Pacific Fund[^].

The Legg Mason Western Asset Global Credit Absolute Return Fund ceased trading on April 29, 2016.

On June 22, 2016, an updated Specialist Prospectus was issued and noted by the Central Bank. Please see Note 16 for a list of most significant amendments.

A UCITS V compliant Depositary agreement between the Company and the Depositary was executed on June 22, 2016.

On June 24, 2016, four supplements to the Prospectus were issued and noted by the Central Bank. Please see Note 16 for a list of most significant amendments.

On June 28, 2016, Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund[^] and Legg Mason Martin Currie Global Long Term Unconstrained Fund[^] launched.

Effective July 1, 2016, BNY Mellon Investment Servicing (International) Limited merged with BNY Mellon Fund Services (Ireland) Designated Activity Company.

On August 24, 2016, an updated Main Prospectus was issued and noted by the Central Bank. Please see Note 16 for a list of most significant amendments.

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

Notes to Financial Statements – (continued)

14. Significant Events – (continued)

On August 25, 2016, an updated Specialist Prospectus and two supplements were issued and noted by the Central Bank. Please see Note 16 for a list of most significant amendments.

Effective November 15, 2016, the revised constitution was approved by a special resolution of shareholders.

On November 17, 2016, Legg Mason Western Asset UK Investment Grade Credit Fund[^] and Legg Mason Western Asset US Corporate Bond Fund[^] launched.

Effective November 18, 2016, Joseph Carrier was appointed to the Board of Directors.

On December 9, 2016, the RARE Investments Funds plc – RARE Infrastructure Value Fund was merged into Legg Mason Global Funds plc – Legg Mason RARE Infrastructure Value Fund[^].

On December 9, 2016, an updated Supplement Prospectus was issued by the Company and noted by the Central Bank.

On December 22, 2016, an updated Supplemental Prospectus to the Main Prospectus was issued by the Company and noted by the Central Bank.

On February 24, 2017, an updated Specialist Prospectus was issued by the Company and noted by the Central Bank.

On February 24, 2017, Legg Mason, Inc. sold its interest in LMM LLC, which acts as sub-investment manager for the Legg Mason Opportunity Fund, to William H. Miller III. Mr. Miller now owns or controls, directly or indirectly, 100% of LMM LLC, and LMM LLC is no longer affiliated with Legg Mason, Inc.

At the request of the Company, authorisation for Legg Mason Western Asset Global Inflation-Linked Fund[^], Legg Mason ClearBridge US Fundamental Value Fund[^], Legg Mason ClearBridge US Equity Income Fund[^], Legg Mason Royce Smaller Companies Fund II[^], Legg Mason Royce European Smaller Companies Fund[^] and Legg Mason Royce Global Smaller Companies Fund[^] was revoked by the Central Bank during the year ended February 28, 2017.

There were no other material events subsequent to the Statement of Financial Position date which require disclosure in the financial statements.

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 June 22, 2016, an updated Specialist Prospectus was issued by the Company and noted by the Central Bank. The most significant amendments included:

- Existing share classes were renamed and new share classes were created for the Legg Mason Brandywine Global Sovereign Credit Fund[^].
- Addition of a disclosure describing cash account arrangements that are being put in place for the Company and its Funds following the entry into force of the Irish Investor Money Regulations 2015.
- Addition of the South African Rand as share class currency for certain Funds.
- Decrease of the annual management fee for certain share classes of the Legg Mason Brandywine Global High Yield Fund[^] and addition of a new X share class.
- Change to the investment policies of the Legg Mason Brandywine Global Sovereign Credit Fund[^].
- Addition of a schedule showing sub-delegates appointed by The Bank of New York Mellon SA/NV or The Bank of New York Mellon to provide depository services.

On June 24, 2016, four supplements to the Main Prospectus were issued by the Company and noted by the Central Bank. The most significant amendments included:

- Addition of the following new Funds:
 - Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund[^],
 - Legg Mason Martin Currie European Select Absolute Alpha Fund,
 - Legg Mason Martin Currie Global Emerging Markets Fund, and
 - Legg Mason Martin Currie Global Long-Term Unconstrained Fund[^]

On August 24, 2016, an updated Main Prospectus was issued by the Company and noted by the Central Bank. The most significant amendments included:

- Changes to the investment policies of the following Funds:
 - Legg Mason Western Asset Asian Opportunities Fund,
 - Legg Mason Western Asset Emerging Markets Total Return Bond Fund,
 - Legg Mason Western Asset Global Multi Strategy Fund,
 - Legg Mason Western Asset Short Duration High Income Bond Fund,
 - Legg Mason Western Asset US High Yield Fund, and
 - Legg Mason QS MV Asia Pacific Ex Japan Equity Growth and Income Fund.
- Reduction of management fees for the following Funds:
 - Legg Mason QS MV Asia Pacific Ex Japan Equity Growth and Income Fund, and
 - Legg Mason QS MV Global Equity Growth and Income Fund.
- Addition of Legg Mason Asset Management Singapore Pte. as sub-investment manager of Legg Mason Martin Currie Asia Pacific Fund[^].
- Addition of Legg Mason Asset Management Singapore Pte. as sub-investment manager of Legg Mason Martin Currie Asia Long-Term Unconstrained Fund[^] and amendment to the "Business Day" definition for the Fund.
- Amendment of the "Business Day" definition for Legg Mason Martin Currie Greater China Fund[^].
- Amendments to reflect the new obligations regarding depository and remuneration set by the UCITS V directive.
- Amendments to the disclosure on OTC derivatives and collateral in the base prospectus to reflect changes to the Irish UCITS requirements.
- Amendments to reflect the fact that the Currency Administrator may receive fees at prevailing commercial rates where appointed to provide hedging administration services for particular Funds.
- Amendments to reflect that deferred redemption requests will not take priority over redemption requests received on the subsequent Dealing Day.
- Amendment to the tax section of the base prospectus to reflect changes to the EU Savings Directive and OECD Common Reporting Standard.
- Addition of a disclosure regarding the minimum viable size a Fund must reach within 24 months of its launch.
- Increases in the minimum amounts for initial and subsequent investments in Class M and Class M (PF) for each currencies in which these share classes are issued.
- Addition of a disclosure describing cash accounts arrangement that are being put in place for LMGF and its Funds following the entry into force of the Irish Investor Money Regulations 2015.
- Disclosure reflecting the delisting of the Company from the Irish Stock Exchange.

On August 25, 2016, an updated Specialist Prospectus was issued by the Company and noted by the Central Bank. The most significant amendments included:

- Addition of two new Funds for which RARE Infrastructure Limited will act as sub-investment manager:
 - Legg Mason RARE Emerging Markets Infrastructure Fund, and
 - Legg Mason RARE Infrastructure Value Fund.

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

Notes to Financial Statements – (continued)

16. Amendments to Prospectus – (continued)

- Addition of the following markets to the regulated markets listed in Schedule II:
 - Abu Dhabi Securities Exchange,
 - NASDAQ Dubai, and
 - Dubai Financial Market.

On December 9, 2016, an updated Supplement Prospectus was issued by the Company and noted by the Central Bank. The significant amendment included:

- Addition of the following Fund:
 - Legg Mason Brandywine Global High Yield BB-B Fund.

On December 22, 2016, an updated Supplemental Prospectus to the Main Prospectus was issued by the Company and noted by the Central Bank. The most significant amendments included:

- Changes to the investment policies of the following Funds:
 - Legg Mason Martin Currie Japan Absolute Alpha Fund, and
 - Legg Mason Western Asset EM Local Currency Debt Fund.
- Creation of a new S Class for the following Funds:
 - Legg Mason QS MV Global 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, and
 - Legg Mason QS MV European Equity Growth and Income Fund.
- Reduction of the Annual Management Fee for the following Fund:
 - Legg Mason QS Emerging Markets Equity Fund.
- Update of the Supplement Prospectus.

On February 24, 2017, an updated Specialist Prospectus was issued by the Company and noted by the Central Bank. The significant amendment included:

- Change of the name of Legg Mason Brandywine Global High Yield BB-B Fund to Legg Mason Brandywine Global Defensive High Yield Fund.

On March 10, 2017, an updated Supplement Prospectus for the Legg Mason Western Asset Structured Opportunities Fund was issued by the Company and noted by the Central Bank. The most significant updates included an introduction of Class F Accumulating, Class F Distributing, Class F Distributing Plus (e) and Class F Distributing Plus Share Classes, as well as Premier Class Distributing Plus (e) and Distributing Plus Share Classes and LM Class Distributing Plus (e) and Distributing Plus Share Classes.

On May 18, 2017, an updated Specialist Prospectus was issued by the Company and noted by the Central Bank. The purpose of the update was to add certain Canadian Dollar denominated share classes for the Legg Mason RARE Infrastructure Value Fund.

17. Subsequent Events

On March 10, 2017, an updated Supplement Prospectus for the Legg Mason Western Asset Structured Opportunities Fund was issued by the Company and noted by the Central Bank.

Effective March 23, 2017, Fionnuala Doris was appointed as an Independent Director to the Board of Directors.

On May 5, 2017, the Company proposed to shareholders of the Legg Mason Opportunity Fund a merger into Miller Opportunity Fund, a sub-fund of Primo UCITS Platform ICAV. A meeting of shareholders is scheduled for June 6, 2017 to consider the merger. If approved, the merger is scheduled to occur on June 23, 2017.

At the request of the Company, authorisation for Legg Mason Western Asset UK£ Limited Duration Fund, Legg Mason Western Asset Euro Absolute Return Bond Fund, Legg Mason Western Asset Euro Core Bond Fund, Legg Mason Western Asset Global Sovereign Fund, Legg Mason Western Asset Global Sovereign Total Return Fund, Legg Mason Western Asset US Limited Duration Fund was revoked by the Central Bank on May 9, 2017.

On May 18, 2017, an updated Specialist Prospectus was issued by the Company and noted by the Central Bank.

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 29, 2016. 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 29, 2016. Comparative information has been restated where necessary to comply with current year presentation.

19. Approval of the Annual Report and Audited Financial Statements

The Directors approved the Annual Report and Audited Financial Statements on June 22, 2017.

Supplemental Information – Total Expense Ratios (TER) (unaudited)

	Ratio of Total Operating Expenses in CU(1) to average Fund daily net assets in CU(1) For the period ended February 28, 2017**		Ratio of Total Operating Expenses in CU(1) to average Fund daily net assets in CU(1) For the period ended February 28, 2017**
Legg Mason Western Asset US Money Market Fund		Legg Mason Western Asset Global Multi Strategy Fund	
Class A US\$ Accumulating	0.62%	Class A US\$ Accumulating	1.37%
Class A US\$ Distributing (D)	0.60%	Class A US\$ Distributing (D)	1.37%
Class A US\$ Distributing (M)	0.62%	Class A US\$ Distributing (M)	1.37%
Class B US\$ Accumulating	0.64%	Class A US\$ Distributing (M) Plus	1.40%
Class B US\$ Distributing (D)	0.67%	Class A AUD Distributing (M) (Hedged) Plus	1.40%
Class C US\$ Accumulating	0.78%	Class A Euro Accumulating (Hedged)	1.37%
Class C US\$ Distributing (D)	0.64%	Class A Euro Distributing (M) (Hedged)	1.37%
Class A (G) US\$ Accumulating	0.61%	Class A Euro Distributing (M) (Hedged) Plus (e)	1.37%
Class A (G) US\$ Distributing (D)	0.61%	Class A GBP Distributing (M) (Hedged)	1.37%
Class L (G) US\$ Distributing (D)	0.60%	Class A SGD Distributing (M) (Hedged) Plus	1.38%
Legg Mason Western Asset US Core Bond Fund		Class B US\$ Accumulating	1.62%
Class A US\$ Accumulating	1.24%	Class B US\$ Distributing (D)	1.62%
Class A US\$ Distributing (D)	1.28%	Class C US\$ Accumulating	1.87%
Class B US\$ Accumulating	1.49%	Class C US\$ Distributing (D)	1.87%
Class B US\$ Distributing (D)	1.54%	Class E US\$ Accumulating	1.97%
Class C US\$ Accumulating	1.74%	Class E US\$ Distributing (D)	1.97%
Class C US\$ Distributing (D)	1.79%	Class E Euro Accumulating (Hedged)	1.97%
Class F US\$ Accumulating	0.72%	Class E Euro Distributing (M) (Hedged)	1.97%
Class F US\$ Distributing (D)	0.64%	Class F US\$ Accumulating	0.77%
Class X US\$ Accumulating	0.77%	Class F US\$ Distributing (D)	0.76%
Class X US\$ Distributing (D)	0.36%	Class X US\$ Distributing (D)	0.82%
Premier Class US\$ Accumulating	0.50%	Class X GBP Distributing (D) (Hedged)	0.71%
Class GA US\$ Accumulating	1.01%	Premier Class US\$ Accumulating	0.51%
Class GE US\$ Accumulating	1.61%	Premier Class US\$ Distributing (D)	0.54%
Legg Mason Western Asset US Core Plus Bond Fund		Premier Class US\$ Distributing (M)	0.51%
Class A US\$ Accumulating	1.42%	Premier Class US\$ Distributing (M) Plus (e)	0.52%
Class A US\$ Distributing (D)	1.42%	Premier Class CHF Accumulating (Hedged)	0.52%
Class A US\$ Distributing (M) Plus	1.42%	Premier Class Euro Accumulating (Hedged)	0.52%
Class A AUD Distributing (M) (Hedged) Plus	1.40%	Premier Class Euro Distributing (M) (Hedged)	0.52%
Class B US\$ Accumulating	1.67%	Premier Class GBP Accumulating (Hedged)	0.52%
Class B US\$ Distributing (D)	1.67%	Premier Class GBP Distributing (M) (Hedged)	0.52%
Class C US\$ Accumulating	1.92%	Premier Class GBP Distributing (M) (Hedged) Plus (e)	0.51%
Class C US\$ Distributing (D)	1.92%	Premier Class GBP Distributing (Q) (Hedged)	0.52%
Class E US\$ Accumulating	2.02%	LM Class AUD Distributing (M) (Hedged)	0.11%
Class F US\$ Accumulating	0.67%	LM Class GBP Accumulating (Hedged)	0.13%
Class X US\$ Accumulating	0.83%	Premier Class PLN Accumulating (Hedged)	0.51%
Premier Class US\$ Accumulating	0.42%	Legg Mason Western Asset US High Yield Fund	
Premier Class US\$ Distributing (M)	0.42%	Class A US\$ Accumulating	1.43%
Premier Class Euro Accumulating (Hedged)	0.39%	Class A US\$ Distributing (D)	1.43%
LM Class US\$ Accumulating	0.12%	Class A US\$ Distributing (M)	1.42%
LM Class Euro Accumulating	0.12%	Class A US\$ Distributing (M) Plus	1.40%
LM Class GBP Accumulating (Hedged)	0.12%	Class A Euro Distributing (M) (Hedged)	1.41%
Class A (G) US\$ Accumulating	1.27%	Class A HKD Distributing (M) Plus	1.43%
Class A (G) US\$ Distributing (D)	1.27%	Class A SGD Distributing (M) (Hedged) Plus	1.43%
Class B (G) US\$ Distributing (D)	1.75%	Class B US\$ Accumulating	1.69%
Class L (G) US\$ Accumulating	1.77%	Class B US\$ Distributing (D)	1.68%
Class L (G) US\$ Distributing (D)	1.77%	Class C US\$ Accumulating	1.93%
Legg Mason Western Asset Euro Core Plus Bond Fund		Class C US\$ Distributing (D)	1.93%
Class A US\$ Distributing (D)	1.32%	Class E US\$ Accumulating	2.03%
Class A Euro Distributing (D)	1.32%	Class E US\$ Distributing (D)	2.03%
Class C US\$ Distributing (D)	1.81%	Class E Euro Accumulating (Hedged)	2.04%
Class F Euro Distributing (Q)	0.53%	Class F US\$ Accumulating	0.83%
Class X Euro Distributing (D)	0.80%	Class F US\$ Distributing (D)	0.84%
Premier Class Euro Accumulating	0.44%	Class X US\$ Distributing (D)	0.77%
Class GA Euro Accumulating	0.98%	Premier Class US\$ Accumulating	0.59%
Class GA Euro Distributing (A)	0.98%	Premier Class US\$ Distributing (M) Plus (e)	0.57%
Class GE Euro Accumulating	1.59%	LM Class US\$ Accumulating	0.15%
Legg Mason Western Asset Short Duration High Income Bond Fund		LM Class US\$ Distributing (M)	0.13%
Class A US\$ Accumulating	1.40%	LM Class GBP Accumulating (Hedged)	0.13%
Class A US\$ Distributing (D)	1.58%	Class A (G) US\$ Accumulating	1.28%
Class A US\$ Distributing (M)	1.40%	Class A (G) US\$ Distributing (D)	1.29%
Class A Euro Accumulating (Hedged)	1.57%	Class B (G) US\$ Accumulating	1.79%
Class B US\$ Accumulating	1.65%	Class B (G) US\$ Distributing (D)	1.81%
Class B US\$ Distributing (D)	1.82%	Class L (G) US\$ Accumulating	1.78%
Class C US\$ Accumulating	1.90%	Class L (G) US\$ Distributing (D)	1.78%
Class C US\$ Distributing (D)	2.07%	Class GF US\$ Accumulating	1.08%
Class A (G) US\$ Accumulating	1.54%		
Class A (G) US\$ Distributing (D)	1.54%		
Class B (G) US\$ Distributing (D)	2.05%		
Class L (G) US\$ Accumulating	2.04%		
Class L (G) US\$ Distributing (D)	2.04%		

Supplemental Information – Total Expense Ratios (TER) (unaudited) – (continued)

	Ratio of Total Operating Expenses in CU(1) to average Fund daily net assets in CU(1) For the period ended February 28, 2017**		Ratio of Total Operating Expenses in CU(1) to average Fund daily net assets in CU(1) For the period ended February 28, 2017**
Legg Mason Western Asset Emerging Markets Total Return Bond Fund		Legg Mason Western Asset Global Inflation Management Fund	
Class A US\$ Accumulating	1.79%	Class A US\$ Accumulating	1.20%
Class A US\$ Distributing (D)	1.92%	Class A US\$ Distributing (A)	1.20%
Class A US\$ Distributing (M)	1.78%	Class B US\$ Accumulating	1.45%
Class A US\$ Distributing (M) Plus	1.90%	Class B US\$ Distributing (A)	1.45%
Class A Euro Accumulating (Hedged)	1.93%	Class C US\$ Accumulating	1.70%
Class A Euro Distributing (D) (Hedged)	1.92%	Class C US\$ Distributing (A)	1.70%
Class A GBP Distributing (D) (Hedged)	1.93%	Premier Class US\$ Distributing (A)	0.50%
Class A SGD Distributing (M) (Hedged) Plus	1.92%	Class A (G) US\$ Accumulating	1.00%
Class B US\$ Accumulating	2.03%	Class A (G) US\$ Distributing (A)	1.00%
Class B US\$ Distributing (D)	2.18%	Class L (G) US\$ Accumulating	1.50%
Class C US\$ Accumulating	2.28%	Class L (G) US\$ Distributing (A)	1.50%
Class C US\$ Distributing (D)	2.42%		
Class E US\$ Distributing (D)	2.52%	Legg Mason Western Asset Asian Opportunities Fund	
Class E Euro Distributing (M) (Hedged)	2.54%	Class A US\$ Accumulating	1.37%
Class F US\$ Accumulating	1.08%	Class A US\$ Distributing (D)	1.37%
Class X US\$ Accumulating	1.05%	Class A US\$ Distributing (M)	1.37%
Class X GBP Distributing (D) (Hedged)	1.18%	Class A US\$ Distributing (M) Plus	1.36%
Premier Class US\$ Accumulating	0.83%	Class A AUD Distributing (M) (Hedged) Plus	1.37%
Premier Class Euro Accumulating (Hedged)	0.83%	Class A CHF Accumulating (Hedged)	1.37%
Premier Class GBP Distributing (D) (Hedged)	0.84%	Class A CNH Distributing (M) (Hedged) Plus	1.36%
Class A (G) US\$ Accumulating	1.53%	Class A Euro Accumulating	1.37%
Class A (G) US\$ Distributing (D)	1.52%	Class A Euro Accumulating (Hedged)	1.37%
Class B (G) US\$ Accumulating	2.22%	Class A Euro Distributing (A)	1.37%
Class L (G) US\$ Accumulating	2.02%	Class A GBP Distributing (D) (Hedged)	1.37%
Class L (G) US\$ Distributing (D)	2.02%	Class A GBP Distributing (M)	1.37%
		Class A HKD Distributing (M) Plus	1.36%
Legg Mason Western Asset Emerging Markets Corporate Bond Fund		Class A SGD Accumulating (Hedged)	1.38%
Class A US\$ Accumulating	1.90%	Class A SGD Distributing (M) (Hedged) Plus	1.38%
Class A US\$ Distributing (M)	1.77%	Class A SGD Distributing (M) Plus	1.38%
LM Class US\$ Distributing (M)	0.26%	Class B US\$ Accumulating	1.62%
		Class B US\$ Distributing (D)	1.62%
Legg Mason Western Asset Global High Yield Fund		Class C US\$ Accumulating	1.87%
Class A US\$ Accumulating	1.53%	Class C US\$ Distributing (D)	1.87%
Class A US\$ Distributing (D)	1.53%	Class E US\$ Accumulating	1.98%
Class A US\$ Distributing (M)	1.55%	Class E US\$ Distributing (D)	1.98%
Class A US\$ Distributing (M) Plus	1.54%	Class F US\$ Accumulating	0.98%
Class A AUD Distributing (M) (Hedged) Plus	1.54%	Class F US\$ Distributing (D)	0.97%
Class A Euro Distributing (D) (Hedged)	1.49%	Class X US\$ Distributing (M)	0.86%
Class A SGD Distributing (M) (Hedged) Plus	1.53%	Premier Class US\$ Accumulating	0.72%
Class B US\$ Accumulating	1.78%	Premier Class US\$ Distributing (M)	0.73%
Class B US\$ Distributing (D)	1.78%	Premier Class Euro Accumulating	0.72%
Class C US\$ Accumulating	2.03%	Premier Class Euro Accumulating (Hedged)	0.71%
Class C US\$ Distributing (D)	2.03%	Premier Class Euro Distributing (A)	0.72%
Class E US\$ Accumulating	2.15%	Premier Class Euro Distributing (M)	0.72%
Class E US\$ Distributing (D)	2.15%	Premier Class GBP Distributing (M)	0.73%
Class E Euro Distributing (M) (Hedged)	2.13%	LM Class US\$ Accumulating	0.13%
Class F US\$ Accumulating	0.85%		
Class F US\$ Distributing (D)	0.85%	Legg Mason Western Asset Global Blue Chip Bond Fund	
Class X US\$ Accumulating	0.92%	Class A US\$ Accumulating	1.23%
Class X US\$ Distributing (D)	0.95%	Class A US\$ Distributing (M)	1.24%
Class X GBP Distributing (D) (Hedged)	0.92%	Class A Euro Accumulating (Hedged)	1.24%
Premier Class US\$ Accumulating	0.60%	Class A GBP Accumulating (Hedged)	1.23%
Premier Class US\$ Distributing (M) Plus (e)	0.60%	Class B US\$ Accumulating	1.48%
Premier Class Euro Accumulating (Hedged)	0.61%	Class B US\$ Distributing (M)	1.48%
Premier Class GBP Distributing (D) (Hedged)	0.61%	Class C US\$ Accumulating	1.74%
LM Class US\$ Accumulating	0.15%	Class C US\$ Distributing (M)	1.73%
Class A (G) US\$ Accumulating	1.40%	Class E US\$ Accumulating	1.83%
Class A (G) US\$ Distributing (D)	1.40%	Class E US\$ Distributing (D)	1.83%
Class B (G) US\$ Distributing (D)	1.60%	Class F US\$ Accumulating	0.84%
Class L (G) US\$ Accumulating	1.90%	Class X US\$ Distributing (M)	0.59%
Class L (G) US\$ Distributing (D)	1.90%	Premier Class US\$ Accumulating	0.59%
		Premier Class US\$ Distributing (M)	0.59%
Legg Mason Western Asset US Short-Term Government Fund		Premier Class Euro Accumulating (Hedged)	0.59%
Class A US\$ Accumulating	1.35%	Premier Class Euro Distributing (M) (Hedged)	0.59%
Class A US\$ Distributing (D)	1.35%	Premier Class GBP Accumulating (Hedged)	0.57%
Class B US\$ Accumulating	1.60%	Premier Class GBP Distributing (M) (Hedged)	0.59%
Class B US\$ Distributing (D)	1.60%		
Class C US\$ Accumulating	1.85%	Legg Mason Western Asset Global Core Plus Bond Fund^A	
Class C US\$ Distributing (D)	1.85%	Class A US\$ Distributing (A)	1.38%
Class A (G) US\$ Accumulating	1.36%	Class A US\$ Distributing (D)	1.38%
Class A (G) US\$ Distributing (D)	1.35%	Class X US\$ Accumulating	0.83%
Class B (G) US\$ Distributing (D)	1.85%	Premier Class US\$ Accumulating	0.53%
Class L (G) US\$ Accumulating	1.85%	Premier Class Euro Accumulating (Hedged)	0.53%
Class L (G) US\$ Distributing (D)	1.85%	LM Class AUD Distributing (Q) (Hedged)	0.14%
Legg Mason Western Asset US Adjustable Rate Fund		Legg Mason Western Asset Global Credit Fund	
Class A US\$ Accumulating	1.40%	Class A US\$ Accumulating	1.36%
Class B US\$ Distributing (D)	1.65%	Class A US\$ Distributing (D)	1.37%
Class C US\$ Distributing (D)	1.90%	Class A Euro Accumulating (Hedged)	1.37%
Class A (G) US\$ Accumulating	1.75%	Class X US\$ Distributing (D)	0.49%
Class A (G) US\$ Distributing (D)	1.74%	Premier Class US\$ Accumulating	0.52%
Class L (G) US\$ Accumulating	2.24%	LM Class US\$ Accumulating	0.17%
Class L (G) US\$ Distributing (D)	2.25%		
		Legg Mason Western Asset Euro High Yield Fund	
		Class A Euro Distributing (D)	1.45%
		LM Class Euro Accumulating	0.15%
		LM Class Euro Distributing (Q)	0.15%

Supplemental Information – Total Expense Ratios (TER) (unaudited) – (continued)

	Ratio of Total Operating Expenses in CU(1) to average Fund daily net assets in CU(1) For the period ended February 28, 2017**		Ratio of Total Operating Expenses in CU(1) to average Fund daily net assets in CU(1) For the period ended February 28, 2017**
Legg Mason Western Asset Macro Opportunities Bond Fund[^]		Legg Mason Western Asset Structured Opportunities Fund[^]	
Class A US\$ Accumulating	1.76%	Premier Class US\$ Accumulating	0.71%
Class A US\$ Distributing (M) Plus (e)	1.76%	Premier Class Euro Accumulating (Hedged)	0.70%
Class A US\$ Distributing (S)	1.76%	LM Class US\$ Accumulating	0.11%
Class A AUD Distributing (M) (Hedged) Plus (e)	1.76%		
Class A CHF Accumulating (Hedged)	1.76%	Legg Mason Western Asset US Mortgage-Backed Securities Fund[^]	
Class A CNH Accumulating (Hedged)	1.80%	Class A US\$ Distributing (M) Plus (e)	1.26%
Class A CNH Distributing (M) (Hedged) Plus (e)	1.85%	LM Class US\$ Accumulating	0.10%
Class A Euro Accumulating (Hedged)	1.76%		
Class A Euro Distributing (A)	1.76%	Legg Mason Western Asset UK Investment Grade Credit Fund[^]	
Class A Euro Distributing (S) (Hedged)	1.76%	Class A GBP Accumulating	1.10%
Class A GBP Accumulating	1.76%	LM Class GBP Accumulating	0.20%
Class A GBP Accumulating (Hedged)	1.76%		
Class A GBP Distributing (M) (Hedged) Plus (e)	1.76%	Legg Mason Western Asset US Corporate Bond Fund[^]	
Class A SEK Accumulating (Hedged)	1.76%	Class A US\$ Accumulating	1.10%
Class A SGD Accumulating (Hedged)	1.76%	LM Class GBP Accumulating (Hedged)	0.17%
Class A SGD Distributing (M) (Hedged) Plus (e)	1.77%		
Class B US\$ Accumulating	2.01%	Legg Mason Brandywine Global Fixed Income Fund	
Class C US\$ Accumulating	2.26%	Class A US\$ Accumulating	1.38%
Class C US\$ Distributing (S)	2.26%	Class A US\$ Distributing (M)	1.37%
Class E US\$ Accumulating	2.36%	Class A US\$ Distributing (S)	1.37%
Class E US\$ Distributing (S)	2.36%	Class A AUD Distributing (M) (Hedged) Plus	1.38%
Class E Euro Accumulating (Hedged)	2.36%	Class A Euro Accumulating (Hedged)	1.38%
Class F US\$ Accumulating	1.36%	Class A Euro Accumulating (Hedged) (AH)	1.37%
Class F US\$ Distributing (S)	1.36%	Class A Euro Distributing (A) (Hedged)	1.38%
Class X US\$ Accumulating	1.26%	Class A Euro Distributing (S)	1.34%
Class X US\$ Distributing (M) Plus (e)	1.26%	Class A Euro Distributing (S) (Hedged) (AH)	1.37%
Class X US\$ Distributing (S)	1.27%	Class A GBP Distributing (M) (Hedged)	1.36%
Class X CHF Accumulating (Hedged)	1.26%	Class A GBP Distributing (S) (Hedged) (AH)	1.37%
Class X Euro Accumulating	1.26%	Class A SGD Accumulating	1.38%
Class X Euro Accumulating (Hedged)	1.26%	Class B US\$ Accumulating	1.62%
Class X Euro Distributing (A) (Hedged)	1.26%	Class B US\$ Distributing (S)	1.62%
Class X Euro Distributing (M) (Hedged)	1.25%	Class C US\$ Accumulating	1.87%
Class X GBP Accumulating	1.26%	Class C US\$ Distributing (S)	1.87%
Class X GBP Accumulating (Hedged)	1.26%	Class E US\$ Accumulating	1.97%
Class X GBP Distributing (M) (Hedged) Plus (e)	1.26%	Class E Euro Accumulating (Hedged) (AH)	1.97%
Class X SGD Accumulating (Hedged)	1.26%	Class F US\$ Accumulating	0.97%
Premier Class US\$ Accumulating	1.11%	Class F US\$ Distributing (S)	0.98%
Premier Class US\$ Distributing (S)	1.11%	Class R US\$ Distributing (S)	0.98%
Premier Class AUD Distributing (S) (Hedged)	1.11%	Class R GBP Distributing (S) (Hedged) (AH)	0.95%
Premier Class CHF Accumulating (Hedged)	1.11%	Class X US\$ Accumulating	0.87%
Premier Class CHF Distributing (S) (Hedged)	1.11%	Class X US\$ Distributing (S)	0.88%
Premier Class Euro Accumulating	1.11%	Class X Euro Accumulating (Hedged)	0.88%
Premier Class Euro Accumulating (Hedged)	1.11%	Class X Euro Accumulating (Hedged) (AH)	0.86%
Premier Class Euro Distributing (A)	0.10%	Class X Euro Distributing (S) (Hedged) (AH)	0.87%
Premier Class Euro Distributing (S) (Hedged)	1.11%	Class X GBP Accumulating	0.82%
Premier Class GBP Accumulating (Hedged)	1.11%	Class X GBP Accumulating (Hedged)	0.87%
Premier Class GBP Distributing (M) (Hedged) Plus (e)	1.11%	Class X GBP Accumulating (Hedged) (AH)	0.85%
Premier Class JPY Accumulating (Hedged)	1.11%	Class X GBP Distributing (S) (Hedged)	0.88%
Premier Class SEK Accumulating (Hedged)	1.11%	Class X GBP Distributing (S) (Hedged) (AH)	0.87%
S Class US\$ Accumulating	0.71%	Premier Class US\$ Accumulating	0.73%
S Class Euro Accumulating (Hedged)	0.71%	Premier Class US\$ Distributing (S)	0.73%
LM Class US\$ Accumulating	0.11%	Premier Class Euro Accumulating	0.73%
LM Class AUD Distributing (S) (Hedged)	0.10%	Premier Class Euro Accumulating (Hedged)	0.73%
LM Class Euro Accumulating	0.11%	Premier Class Euro Accumulating (Hedged) (AH)	0.73%
Premier Class BRL Accumulating (Hedged)	1.11%	Premier Class Euro Distributing (S)	0.72%
		Premier Class GBP Distributing (M) (Hedged)	0.72%
		Premier Class GBP Distributing (S) (Hedged) (AH)	0.73%
		LM Class US\$ Accumulating	0.13%
		LM Class US\$ Accumulating (Hedged) (AH)	0.13%
Legg Mason Western Asset EM Local Currency Debt Fund[^]		Legg Mason Brandywine Global Fixed Income Absolute Return Fund[^]	
Class A US\$ Distributing (D)	1.50%	Class A US\$ Accumulating	1.62%
Premier Class US\$ Accumulating	0.63%	Class A US\$ Distributing (A)	1.62%
		Class A Euro Accumulating (Hedged)	1.62%
		Class A SEK Accumulating (Hedged)	1.69%
Legg Mason Western Asset Multi-Asset Credit Fund[^]		Class B US\$ Distributing (D)	1.87%
Class A US\$ Accumulating	1.55%	Class C US\$ Accumulating	2.12%
Class A US\$ Distributing (M) Plus (e)	1.50%	Class E US\$ Accumulating	2.22%
Class A Euro Accumulating (Hedged)	1.49%	Class E US\$ Distributing (A)	2.22%
Class C US\$ Accumulating	2.05%	Class F US\$ Accumulating	1.22%
Class E US\$ Accumulating	2.15%	Class X GBP Accumulating (Hedged)	1.17%
Class F US\$ Accumulating	0.95%	Class X GBP Distributing (M) (Hedged)	1.16%
Class X US\$ Distributing (M) Plus (e)	0.86%	Premier Class US\$ Accumulating	1.02%
Class X CHF Distributing (M) (Hedged)	0.87%	Premier Class US\$ Distributing (A)	1.02%
Class X Euro Distributing (M) (Hedged) Plus (e)	0.87%	Premier Class Euro Accumulating (Hedged)	1.02%
LM Class GBP Accumulating (Hedged)	0.12%	Premier Class Euro Distributing (A) (Hedged)	1.02%
		Premier Class GBP Distributing (M) (Hedged)	1.02%
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund[^]		Premier Class SEK Accumulating (Hedged)	1.02%
Class A US\$ Distributing (M) Plus (e)	1.50%	Premier Class SGD Accumulating (Hedged)	1.02%
Class A Euro Accumulating (Hedged)	1.50%	LM Class US\$ Accumulating	0.12%
Class A Euro Distributing (A) (Hedged)	1.50%	LM Class AUD Accumulating (Hedged)	0.12%
Class X Euro Distributing (A) (Hedged)	0.89%	LM Class Euro Accumulating (Hedged)	0.13%
Class X GBP Distributing (M) (Hedged) Plus (e)	0.93%	LM Class GBP Accumulating (Hedged)	0.12%
Premier Class US\$ Accumulating	0.75%		
Premier Class Euro Accumulating (Hedged)	0.75%		
Premier Class JPY Accumulating (Hedged)	0.75%		
Premier Class JPY Distributing (S) (Hedged)	0.73%		
S Class US\$ Distributing (M) Plus (e)	0.54%		
S Class GBP Distributing (M) (Hedged) Plus (e)	0.54%		
LM Class US\$ Accumulating	0.14%		

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

Supplemental Information – Total Expense Ratios (TER) (unaudited) – (continued)

	Ratio of Total Operating Expenses in CU(1) to average Fund daily net assets in CU(1) For the period ended February 28, 2017**	Ratio of Total Operating Expenses in CU(1) to average Fund daily net assets in CU(1) For the period ended February 28, 2017**
Legg Mason Brandywine Global High Yield Fund[^]		
Class A US\$ Accumulating	1.37%	
Class A US\$ Distributing (D)	1.39%	
Class F US\$ Distributing (D)	1.05%	
Premier Class US\$ Accumulating	0.78%	
Premier Class Euro Accumulating (Hedged) (AH)	0.84%	
Premier Class GBP Accumulating (Hedged) (AH)	0.88%	
LM Class US\$ Accumulating	0.13%	
S Class CAD Accumulating (Hedged) (AH)	0.63%	
Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^]		
Class A US\$ Accumulating	1.42%	
Class A US\$ Distributing (M)	1.42%	
Class C US\$ Accumulating	1.92%	
Class E US\$ Accumulating	2.02%	
Class F US\$ Accumulating	1.02%	
Class F US\$ Distributing (M)	1.02%	
Class X US\$ Accumulating	0.95%	
Class X Euro Accumulating (Hedged)	0.92%	
Class X GBP Distributing (M) (Hedged)	0.84%	
Premier Class US\$ Accumulating	0.77%	
Premier Class US\$ Accumulating (Hedged) (AH)	0.80%	
Premier Class US\$ Distributing (M)	0.78%	
Premier Class Euro Accumulating (Hedged) (AH)	0.77%	
Premier Class GBP Distributing (M) (Hedged) (AH)	0.77%	
Premier Class NZD Accumulating (Hedged) (AH)	0.77%	
LM Class US\$ Accumulating	0.13%	
LM Class Euro Accumulating	0.13%	
LM Class NZD Accumulating (Hedged) (AH)	0.12%	
Legg Mason Brandywine Global Sovereign Credit Fund[^]		
Class A US\$ Accumulating	1.65%	
BW LM Class GBP Accumulating (Hedged) (AH)	0.10%	
BW LM Class GBP Distributing (S) (Hedged) (AH)	0.10%	
BW Premier Class Euro Accumulating (Hedged) (AH)	0.45%	
BW Premier Class GBP Accumulating (Hedged) (AH)	0.45%	
BW Premier Class GBP Distributing (S) (Hedged) (AH)	0.45%	
BW Premier Class US\$ Accumulating	0.50%	
Class X US\$ Accumulating	1.10%	
Premier Class US\$ Accumulating	0.76%	
Legg Mason Brandywine Global Income Optimiser Fund[^]		
Class A US\$ Accumulating	1.55%	
Class A US\$ Distributing (M) Plus (e)	1.55%	
Class A Euro Accumulating (Hedged)	1.55%	
Class A Euro Distributing (A) (Hedged)	1.55%	
Class A Euro Distributing (M) (Hedged) Plus (e)	1.55%	
Class A GBP Distributing (M) (Hedged) Plus (e)	1.55%	
Class A SGD Distributing (M) (Hedged) Plus	1.55%	
Class C US\$ Distributing (D)	2.13%	
Class X US\$ Distributing (M) Plus (e)	0.95%	
Class X Euro Distributing (M) (Hedged) Plus (e)	0.95%	
Class X GBP Distributing (M) (Hedged) Plus (e)	0.95%	
Premier Class US\$ Distributing (M) Plus (e)	0.80%	
Premier Class Euro Accumulating (Hedged)	0.80%	
Premier Class Euro Distributing (M) (Hedged) Plus (e)	0.80%	
Premier Class GBP Distributing (M) (Hedged) Plus (e)	0.80%	
Premier Class SEK Accumulating (Hedged)	0.80%	
Legg Mason Brandywine Global Credit Opportunities Fund[^]		
Class A US\$ Accumulating	1.92%	
Class A Euro Accumulating (Hedged)	1.95%	
Premier Class US\$ Accumulating	1.27%	
Premier Class US\$ Distributing (A)	1.31%	
Premier Class GBP Accumulating (Hedged)	1.26%	
LM Class US\$ Accumulating	0.11%	
Legg Mason Brandywine Global Dynamic US Equity Fund[^]		
Class A US\$ Accumulating	1.70%	
Premier Class US\$ Accumulating	0.75%	
S Class Euro Accumulating (Hedged)	0.32%	
Legg Mason ClearBridge Value Fund		
Class A US\$ Accumulating	1.83%	
Class A US\$ Distributing (A)	1.83%	
Class A Euro Accumulating	1.83%	
Class A Euro Distributing (A) (Hedged)	1.83%	
Class A GBP Distributing (A)	1.83%	
Class A SGD Accumulating	1.83%	
Class A SGD Accumulating (Hedged)	1.83%	
Class B US\$ Accumulating	2.32%	
Class B US\$ Distributing (A)	2.33%	
Class C US\$ Accumulating	2.32%	
Class C US\$ Distributing (A)	2.33%	
Class E US\$ Accumulating	2.57%	
Class F US\$ Accumulating	1.17%	
Class F US\$ Distributing (A)	1.21%	
Class X US\$ Distributing (A)	1.15%	
Premier Class US\$ Accumulating	0.80%	
Premier Class US\$ Distributing (A)	0.81%	
Premier Class Euro Accumulating	0.81%	
Galleon Class	0.98%	
Legg Mason ClearBridge Growth Fund		
Class A US\$ Accumulating	1.70%	
Class A US\$ Distributing (A)	2.19%	
Class A Euro Accumulating	1.70%	
Class B US\$ Distributing (A)	2.74%	
Class C US\$ Accumulating	2.20%	
Class C US\$ Distributing (A)	2.70%	
Legg Mason ClearBridge Global Equity Fund[^]		
Class A US\$ Accumulating	1.85%	
Class A US\$ Distributing (A)	1.90%	
Class C US\$ Accumulating	2.35%	
Class C US\$ Distributing (A)	2.40%	
Premier Class US\$ Accumulating	0.95%	
LM Class US\$ Accumulating	0.15%	
Legg Mason ClearBridge Global Equity Income Fund[^]		
Class A US\$ Accumulating	1.75%	
Class A US\$ Distributing (M) Plus	1.76%	
Class A US\$ Distributing (M) Plus (e)	1.75%	
Class A US\$ Distributing (Q)	1.75%	
Class A Euro Accumulating (Hedged)	1.75%	
Class A Euro Distributing (M) (Hedged) Plus (e)	1.76%	
Premier Class US\$ Distributing (M) Plus (e)	0.90%	
Premier Class Euro Accumulating (Hedged)	0.91%	
Premier Class Euro Distributing (M) (Hedged) Plus (e)	0.91%	
LM Class US\$ Accumulating	1.28%	
Legg Mason ClearBridge US Appreciation Fund		
Class A US\$ Accumulating	1.73%	
Class A US\$ Distributing (A)	1.73%	
Class A Euro Accumulating	1.73%	
Class B US\$ Accumulating	2.23%	
Class B US\$ Distributing (A)	2.23%	
Class C US\$ Accumulating	2.23%	
Class C US\$ Distributing (A)	2.23%	
Class E US\$ Accumulating	2.48%	
Class E US\$ Distributing (A)	2.48%	
Class F US\$ Accumulating	1.13%	
Class F US\$ Distributing (A)	1.13%	
Class X US\$ Distributing (A)	1.11%	
Class X Euro Accumulating	1.11%	
Premier Class US\$ Accumulating	0.76%	
Premier Class US\$ Distributing (A)	0.76%	
Premier Class Euro Accumulating	0.76%	
LM Class US\$ Accumulating	0.14%	
LM Class Euro Accumulating	0.14%	
Class A (G) US\$ Accumulating	1.39%	
Class B (G) US\$ Accumulating	1.88%	
Class L (G) US\$ Accumulating	1.88%	
Class GA US\$ Accumulating	1.55%	
Class GA Euro Accumulating	1.55%	
Class GA Euro Distributing (A)	1.55%	
Class GE US\$ Accumulating	2.30%	
Class GE Euro Accumulating	2.30%	
Class GP US\$ Accumulating	0.12%	

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

Supplemental Information – Total Expense Ratios (TER) (unaudited) – (continued)

	Ratio of Total Operating Expenses in CU(1) to average Fund daily net assets in CU(1) For the period ended February 28, 2017**		Ratio of Total Operating Expenses in CU(1) to average Fund daily net assets in CU(1) For the period ended February 28, 2017**
Legg Mason ClearBridge US Large Cap Growth Fund		Legg Mason ClearBridge Tactical Dividend Income Fund	
Class A US\$ Accumulating	1.72%	Class A US\$ Accumulating	1.75%
Class A US\$ Distributing (A)	1.72%	Class A US\$ Distributing (A)	1.75%
Class A Euro Accumulating	1.72%	Class A US\$ Distributing (M) Plus	1.75%
Class A Euro Accumulating (Hedged)	1.73%	Class A US\$ Distributing (M) Plus (e)	1.75%
Class A Euro Distributing (A)	1.71%	Class A US\$ Distributing (Q)	1.81%
Class B US\$ Accumulating	2.22%	Class A AUD Distributing (M) (Hedged) Plus	1.75%
Class B US\$ Distributing (A)	2.22%	Class A CNH Distributing (M) (Hedged) Plus	1.75%
Class C US\$ Accumulating	2.22%	Class A Euro Accumulating	1.75%
Class C US\$ Distributing (A)	2.22%	Class A Euro Accumulating (Hedged)	1.75%
Class E US\$ Accumulating	2.47%	Class A Euro Distributing (A) (Hedged)	1.75%
Class E US\$ Distributing (A)	2.47%	Class A Euro Distributing (M) (Hedged) Plus (e)	1.75%
Class F US\$ Accumulating	1.12%	Class A HKD Distributing (M) Plus	1.75%
Class F US\$ Distributing (A)	1.12%	Class A SGD Distributing (M) (Hedged) Plus	1.75%
Class X US\$ Accumulating	1.10%	Class B US\$ Accumulating	2.25%
Class X Euro Accumulating	1.08%	Class B US\$ Distributing (A)	2.25%
Class X Euro Accumulating (Hedged)	1.08%	Class C US\$ Accumulating	2.25%
Class X Euro Distributing (A) (Hedged)	1.10%	Class C US\$ Distributing (A)	2.25%
Class X GBP Accumulating	1.10%	Class C US\$ Distributing (Q)	2.25%
Premier Class US\$ Accumulating	0.75%	Class F US\$ Accumulating	1.15%
Premier Class Euro Accumulating	0.74%	Class F Euro Accumulating	1.15%
Premier Class Euro Accumulating (Hedged)	0.78%	Class F Euro Distributing (A)	1.15%
Premier Class GBP Accumulating	0.75%	Class X US\$ Distributing (M) Plus (e)	1.13%
LM Class US\$ Accumulating	0.13%	Premier Class US\$ Distributing (M) Plus (e)	0.78%
LM Class Euro Accumulating	0.13%	LM Class US\$ Accumulating	0.23%
Class A (G) US\$ Accumulating	1.37%		
Class B (G) US\$ Accumulating	1.88%	Legg Mason ClearBridge US Equity Sustainability Leaders Fund[^]	
Class L (G) US\$ Accumulating	1.87%	Class A US\$ Distributing (A)	1.70%
Class GA US\$ Accumulating	1.54%	Class A Euro Accumulating (Hedged)	1.70%
Class GA Euro Accumulating	1.54%	Class X US\$ Distributing (A)	1.10%
Class GE US\$ Distributing (A)	2.29%	Class X Euro Accumulating (Hedged)	1.10%
Class GE Euro Accumulating	2.30%	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%
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)	1.76%	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 GBP Accumulating	1.15%
Class A Euro Accumulating (Hedged)	1.77%	Premier Class US\$ Accumulating	0.80%
Class A Euro Distributing (A) (Hedged)	1.75%	Premier Class GBP Distributing (A)	0.80%
Class A GBP Accumulating	1.76%	Premier Class PLN Accumulating (Hedged)	0.80%
Class A HKD Accumulating	1.72%		
Class A SEK Accumulating (Hedged)	1.73%	Legg Mason Royce US Small Cap Opportunity Fund	
Class A SGD Accumulating (Hedged)	1.77%	Class A US\$ Accumulating	1.97%
Class B US\$ Accumulating	2.27%	Class A US\$ Distributing (A)	1.97%
Class B US\$ Distributing (A)	2.27%	Class A AUD Accumulating (Hedged)	1.97%
Class C US\$ Accumulating	2.27%	Class A CNH Accumulating (Hedged)	1.74%
Class C US\$ Distributing (A)	2.27%	Class A Euro Accumulating	1.96%
Class E US\$ Accumulating	2.52%	Class A Euro Accumulating (Hedged)	1.96%
Class E US\$ Distributing (A)	2.52%	Class A Euro Distributing (A) (Hedged)	1.94%
Class E Euro Accumulating (Hedged)	2.50%	Class A GBP Accumulating (Hedged)	1.96%
Class F US\$ Accumulating	1.17%	Class A GBP Distributing (A)	1.97%
Class F US\$ Distributing (A)	1.18%	Class A SEK Accumulating (Hedged)	1.95%
Class X US\$ Accumulating	1.12%	Class A SGD Accumulating	1.96%
Class X US\$ Distributing (A)	1.12%	Class A SGD Accumulating (Hedged)	1.97%
Class X Euro Accumulating	1.13%	Class B US\$ Accumulating	2.47%
Class X Euro Accumulating (Hedged)	1.13%	Class B US\$ Distributing (A)	2.47%
Class X GBP Accumulating	1.12%	Class C US\$ Accumulating	2.47%
Premier Class US\$ Accumulating	0.77%	Class C US\$ Distributing (A)	2.47%
Premier Class Euro Accumulating	0.78%	Class E US\$ Accumulating	2.72%
Premier Class Euro Accumulating (Hedged)	0.77%	Class E US\$ Distributing (A)	2.72%
Premier Class Euro Distributing (A)	0.78%	Class E Euro Accumulating	2.71%
Premier Class GBP Accumulating	0.74%	Class E Euro Accumulating (Hedged)	2.70%
Premier Class GBP Accumulating (Hedged)	0.76%	Class F US\$ Accumulating	1.37%
Premier Class GBP Distributing (A)	0.77%	Class F US\$ Distributing (A)	1.38%
LM Class US\$ Accumulating	0.12%	Class R US\$ Accumulating	1.38%
LM Class Euro Accumulating	0.12%	Class R Euro Accumulating	1.47%
Class A (G) US\$ Accumulating	1.42%	Class X US\$ Accumulating	1.20%
Class B (G) US\$ Accumulating	1.92%	Class X US\$ Distributing (A)	1.18%
Class L (G) US\$ Accumulating	1.92%	Class X Euro Accumulating (Hedged)	1.22%
Class GA Euro Accumulating	1.54%	Class X GBP Accumulating	1.22%
Class GA Euro Distributing (A)	1.54%	Class X GBP Distributing (A)	1.22%
Class GE US\$ Accumulating	2.29%	Premier Class US\$ Accumulating	0.87%
Class GE Euro Accumulating	2.29%	Premier Class Euro Accumulating	0.88%
Premier Class PLN Accumulating (Hedged)	0.77%	Premier Class Euro Accumulating (Hedged)	0.87%
		Premier Class GBP Accumulating	0.87%

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Supplemental Information – Total Expense Ratios (TER) (unaudited) – (continued)

	Ratio of Total Operating Expenses in CU(1) to average Fund daily net assets in CU(1) For the period ended February 28, 2017**		Ratio of Total Operating Expenses in CU(1) to average Fund daily net assets in CU(1) For the period ended February 28, 2017**
Legg Mason Royce US Smaller Companies Fund		Legg Mason QS MV Asia Pacific Ex Japan Equity Growth and Income Fund	
Class A US\$ Accumulating	1.96%	Class A US\$ Accumulating	1.92%
Class A US\$ Distributing (A)	1.97%	Class A US\$ Distributing (A)	2.03%
Class A Euro Accumulating	1.96%	Class A US\$ Distributing (M) Plus	1.93%
Class A Euro Accumulating (Hedged)	1.94%	Class A AUD Distributing (M) (Hedged) Plus	1.90%
Class A Euro Distributing (A)	1.96%	Class A Euro Accumulating	1.93%
Class A Euro Distributing (A) (Hedged)	1.90%	Class A HKD Distributing (M) Plus	2.02%
Class A GBP Distributing (A)	1.98%	Class A SGD Distributing (M) (Hedged) Plus	1.86%
Class A SEK Accumulating (Hedged)	1.92%	Class B US\$ Accumulating	2.42%
Class B US\$ Accumulating	2.47%	Class B US\$ Distributing (A)	2.59%
Class B US\$ Distributing (A)	2.49%	Class C US\$ Accumulating	2.42%
Class C US\$ Accumulating	2.47%	Class C US\$ Distributing (A)	2.55%
Class C US\$ Distributing (A)	2.48%	Class E US\$ Accumulating	2.79%
Class E US\$ Accumulating	2.72%	Class E US\$ Distributing (A)	2.71%
Class E US\$ Distributing (A)	2.74%	Class F US\$ Accumulating	1.31%
Class E Euro Accumulating	2.68%	Class F US\$ Distributing (A)	1.52%
Class F US\$ Accumulating	1.37%	Class X US\$ Accumulating	1.20%
Class F US\$ Distributing (A)	1.38%	Class X US\$ Distributing (A)	1.18%
Class R US\$ Accumulating	1.48%	Premier Class US\$ Accumulating	0.89%
Class X US\$ Accumulating	1.22%	Class GA US\$ Accumulating	1.89%
Class X US\$ Distributing (A)	1.21%	Class GA Euro Accumulating	1.89%
Premier Class US\$ Accumulating	0.88%	Class GA Euro Distributing (A)	1.89%
Premier Class US\$ Distributing (A)	0.88%	Class GE US\$ Accumulating	2.64%
Premier Class GBP Distributing (A)	0.89%	Class GE Euro Accumulating	2.64%
LM Class US\$ Accumulating	0.14%	Premier Class PLN Accumulating (Hedged)	0.93%
LM Class Euro Accumulating	0.13%		
Class A (G) US\$ Accumulating	1.38%	Legg Mason QS Emerging Markets Equity Fund	
Class L (G) US\$ Accumulating	1.88%	Class A US\$ Accumulating	1.97%
Premier Class PLN Accumulating (Hedged)	0.85%	Class A US\$ Distributing (A)	1.92%
		Class A Euro Accumulating	2.00%
Legg Mason QS MV European Equity Growth and Income Fund		Class A GBP Distributing (A)	1.91%
Class A US\$ Accumulating	1.85%	Class B US\$ Accumulating	2.64%
Class A US\$ Accumulating (Hedged)	1.90%	Class B US\$ Distributing (A)	2.68%
Class A US\$ Distributing (A)	1.91%	Class C US\$ Accumulating	2.72%
Class A US\$ Distributing (M) (Hedged) Plus	1.90%	Class C US\$ Distributing (A)	2.67%
Class A US\$ Distributing (Q) (Hedged)	1.85%	Class E US\$ Accumulating	2.89%
Class A AUD Distributing (M) (Hedged) Plus	1.88%	Class X GBP Distributing (A)	1.00%
Class A CNH Distributing (M) (Hedged) Plus	1.89%	Premier Class US\$ Accumulating	0.65%
Class A Euro Accumulating	1.90%	Premier Class Euro Accumulating	0.89%
Class A Euro Distributing (A)	1.92%		
Class A Euro Distributing (M) Plus	1.88%	Legg Mason QS MV Global Equity Growth and Income Fund	
Class A SGD Distributing (M) (Hedged) Plus	1.88%	Class A US\$ Accumulating	2.09%
Class B US\$ Accumulating	2.35%	Class A US\$ Distributing (M) Plus	1.88%
Class B US\$ Distributing (A)	2.40%	Class A AUD Distributing (M) (Hedged) Plus	1.87%
Class C US\$ Accumulating	2.35%	Class A HKD Distributing (M) Plus	1.86%
Class C US\$ Distributing (A)	2.40%	Class A SGD Distributing (M) (Hedged) Plus	1.82%
Class C US\$ Distributing (Q) (Hedged)	2.35%	Class X US\$ Accumulating	1.18%
Class E US\$ Accumulating	2.64%	Class GA US\$ Accumulating	1.83%
Class E US\$ Accumulating (Hedged)	2.63%	Class GA Euro Accumulating	1.83%
Class E US\$ Distributing (Q) (Hedged)	2.60%	Class GA Euro Distributing (A)	1.83%
Class F US\$ Accumulating	1.25%	Class GE US\$ Accumulating	2.58%
Class F US\$ Distributing (Q) (Hedged)	1.25%	Class GE Euro Accumulating	2.58%
Class X Euro Accumulating	1.18%		
Premier Class Euro Accumulating	0.89%	Legg Mason Martin Currie Australia Equity Income Fund	
LM Class US\$ Accumulating	0.21%	Class A AUD Distributing (M) Plus	1.80%
LM Class Euro Accumulating	0.22%	Class A HKD Distributing (M) (Hedged) Plus	1.80%
Class A (G) US\$ Accumulating	1.55%	LM Class AUD Accumulating	0.49%
Class B (G) US\$ Accumulating	1.94%		
Class L (G) US\$ Accumulating	2.05%	Legg Mason Martin Currie Asia Long-Term Unconstrained Fund[^]	
Class GA US\$ Accumulating	1.63%	Class A US\$ Accumulating	2.00%
Class GA Euro Accumulating	1.63%	Class M Euro Distributing (A)	1.20%
Class GA Euro Distributing (A)	1.63%	Class M GBP Distributing (A)	1.20%
Class GE US\$ Accumulating	2.37%	Class M US\$ Distributing (A)	1.20%
		Class E US\$ Accumulating	2.75%
		Class F US\$ Accumulating	1.40%
		Legg Mason Martin Currie Asia Pacific Fund[^]	
		Class A US\$ Distributing (A)	1.95%
		Class A Euro Distributing (A)	1.95%
		Class X US\$ Distributing (A)	1.25%
		Legg Mason Martin Currie European Absolute Alpha Fund[^]	
		Class A (PF) Euro Accumulating	2.47%
		Class A (PF) Euro Distributing (A)	2.30%
		Class A (PF) GBP Distributing (A) (Hedged)	2.30%
		Class A (PF) NOK Distributing (A) (Hedged)	2.30%
		Class A (PF) SGD Accumulating (Hedged)	2.50%
		Class A (PF) US\$ Accumulating	2.50%
		Class A (PF) US\$ Accumulating (Hedged)	2.50%
		Class A (PF) US\$ Distributing (A) (Hedged)	2.30%
		Class E (PF) US\$ Accumulating	3.25%
		Class E (PF) US\$ Accumulating (Hedged)	3.25%
		Class M (PF) Euro Accumulating	1.96%
		Class M (PF) Euro Distributing (A)	1.80%
		Class M (PF) GBP Distributing (A) (Hedged)	1.80%
		Class M (PF) NOK Distributing (A) (Hedged)	1.80%
		Class M (PF) SEK Distributing (A) (Hedged)	1.80%
		Class M (PF) US\$ Distributing (A) (Hedged)	1.80%
		Class F (PF) US\$ Accumulating	1.90%
		Class F (PF) US\$ Accumulating (Hedged)	1.90%

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Supplemental Information – Total Expense Ratios (TER) (unaudited) – (continued)

	Ratio of Total Operating Expenses in CU(1) to average Fund daily net assets in CU(1) For the period ended February 28, 2017**		Ratio of Total Operating Expenses in CU(1) to average Fund daily net assets in CU(1) For the period ended February 28, 2017**
Legg Mason Martin Currie Global Resources Fund[^]		Legg Mason Martin Currie Global Long-Term Unconstrained Fund[^]	
Class A US\$ Distributing (A)	1.70%	Class A US\$ Accumulating	2.00%
Class A Euro Distributing (A)	1.70%	Class A Euro Accumulating	2.00%
Class A GBP Distributing (A)	1.70%	Class X Euro Accumulating	1.25%
Class X GBP Distributing (A)	1.25%	Class X GBP Accumulating	1.25%
Premier Class PLN Accumulating (Hedged)	0.90%	Class X GBP Accumulating (Hedged)	1.25%
Legg Mason Martin Currie Greater China Fund[^]		Premier Class US\$ Accumulating	0.90%
Class A US\$ Distributing (A)	1.95%	S Class GBP Accumulating	0.55%
Class A Euro Distributing (A)	1.60%	Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund[^]	
Class X US\$ Distributing (A)	1.25%	Class A US\$ Distributing (M) Plus (e)	2.00%
Legg Mason Martin Currie Japan Absolute Alpha Fund[^]		Class A AUD Distributing (M) Plus	2.00%
Class A (PF) Euro Accumulating (Hedged)	2.50%	Class A Euro Distributing (M) Plus (e)	2.00%
Class A (PF) Euro Distributing (A) (Hedged)	2.45%	Class X US\$ Accumulating	1.25%
Class A (PF) GBP Distributing (A) (Hedged)	2.45%	S Class GBP Accumulating	0.55%
Class A (PF) SGD Accumulating (Hedged)	2.50%	S Class GBP Distributing (M) Plus (e)	0.55%
Class A (PF) US\$ Accumulating	2.50%	Legg Mason RARE Infrastructure Value Fund[^]	
Class A (PF) US\$ Accumulating (Hedged)	2.50%	Class A US\$ Distributing (Q)	2.00%
Class E (PF) US\$ Accumulating	3.25%	Class A Euro Accumulating	1.99%
Class E (PF) US\$ Accumulating (Hedged)	3.25%	Class E US\$ Accumulating	2.75%
Class M (PF) Euro Distributing (A) (Hedged)	1.90%	Premier Class US\$ Accumulating	0.99%
Class M (PF) GBP Distributing (A) (Hedged)	1.90%	Premier Class Euro Accumulating	0.99%
Class M (PF) US\$ Distributing (A) (Hedged)	1.90%	Premier Class GBP Accumulating	0.99%
Class F (PF) US\$ Accumulating	1.90%	Premier Class GBP Distributing (A) (Hedged) (PH) Plus (e)	0.99%
Class F (PF) US\$ Accumulating (Hedged)	1.90%		
Legg Mason Martin Currie North American Fund[^]			
Class A US\$ Distributing (A)	1.95%		
Class A Euro Distributing (A)	1.95%		
Class A GBP Distributing (A)	1.95%		
Class X GBP Distributing (A)	1.25%		

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

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Supplemental Information – Fund Performance Data (unaudited)

Fund	Share Class	Class CCY	Inception Date	Fiscal YTD 3/1/16-2/28/17	Calendar 1/1/16-12/31/16	3 Year Cumulative 1/1/14-12/31/16
Legg Mason Western Asset US Money Market Fund	Class A US\$ Accumulating	USD	5/8/2007	0.08%	0.02%	0.04%
	Class A US\$ Distributing (D)	USD	2/27/2004	0.08%	0.04%	0.10%
	Class A US\$ Distributing (M)	USD	7/29/2014	0.05%	0.03%	–
	Class B US\$ Accumulating	USD	11/15/2007	0.02%	0.01%	0.03%
	Class B US\$ Distributing (D)	USD	2/27/2004	0.02%	0.01%	0.04%
	Class C US\$ Accumulating	USD	11/15/2007	0.02%	0.01%	0.03%
	Class C US\$ Distributing (D)	USD	2/27/2004	0.03%	0.03%	0.09%
	Class A (G) US\$ Accumulating	USD	4/20/2007	0.07%	0.02%	0.05%
	Class A (G) US\$ Distributing (D)	USD	4/20/2007	0.07%	0.02%	0.04%
	Class L (G) US\$ Distributing (D)	USD	4/20/2007	0.07%	0.02%	0.04%
Legg Mason Western Asset US Core Bond Fund	Class A US\$ Accumulating	USD	5/9/2007	2.19%	2.48%	10.26%
	Class A US\$ Distributing (D)	USD	8/30/2002	2.15%	2.41%	10.02%
	Class B US\$ Accumulating	USD	11/15/2007	1.94%	2.23%	9.44%
	Class B US\$ Distributing (D)	USD	2/24/2004	1.88%	2.15%	9.19%
	Class C US\$ Accumulating	USD	11/15/2007	1.69%	1.98%	8.63%
	Class C US\$ Distributing (D)	USD	2/24/2004	1.63%	1.90%	8.38%
	Class F US\$ Accumulating	USD	8/9/2013	2.70%	2.99%	11.79%
	Premier Class US\$ Accumulating	USD	4/27/2015	2.95%	3.23%	–
	Class GA US\$ Accumulating	USD	8/27/2010	2.44%	2.70%	10.90%
	Class GE US\$ Accumulating	USD	8/27/2010	1.82%	2.09%	8.93%
Legg Mason Western Asset US Core Plus Bond Fund	Class A US\$ Accumulating	USD	4/20/2007	3.52%	2.80%	8.73%
	Class A US\$ Distributing (D)	USD	4/20/2007	3.50%	2.80%	8.78%
	Class A US\$ Distributing (M) Plus	USD	2/19/2016	3.52%	–	–
	Class A AUD Distributing (M) (Hedged) Plus	AUD	2/19/2016	4.61%	–	–
	Class B US\$ Accumulating	USD	11/15/2007	3.26%	2.55%	7.92%
	Class B US\$ Distributing (D)	USD	4/20/2007	3.24%	2.53%	7.94%
	Class C US\$ Accumulating	USD	11/15/2007	3.00%	2.29%	7.12%
	Class C US\$ Distributing (D)	USD	4/20/2007	2.99%	2.29%	7.15%
	Class E US\$ Accumulating	USD	2/3/2012	2.90%	2.18%	6.78%
	Class F US\$ Accumulating	USD	4/5/2013	4.29%	3.58%	11.19%
	Class X US\$ Accumulating	USD	3/20/2015	4.11%	3.40%	–
	Premier Class US\$ Accumulating	USD	9/14/2010	4.56%	3.83%	12.03%
	Premier Class US\$ Distributing (M)	USD	9/29/2011	4.55%	3.84%	12.04%
	LM Class GBP Accumulating (Hedged)	GBP	11/19/2010	4.28%	3.68%	13.04%
	Class A (G) US\$ Accumulating	USD	4/20/2007	3.66%	2.96%	9.22%
	Class A (G) US\$ Distributing (D)	USD	4/20/2007	3.66%	2.94%	9.22%
	Class B (G) US\$ Distributing (D)	USD	4/20/2007	3.17%	2.48%	7.68%
	Class L (G) US\$ Accumulating	USD	4/20/2007	3.15%	2.45%	7.59%
	Class L (G) US\$ Distributing (D)	USD	4/20/2007	3.13%	2.44%	7.61%
Legg Mason Western Asset Euro Core Plus Bond Fund	Class A US\$ Distributing (D)	USD	2/24/2004	(3.79)%	(2.30)%	(14.84)%
	Class A Euro Distributing (D)	EUR	9/30/2003	0.77%	2.92%	13.96%
	Class C US\$ Distributing (D)	USD	2/24/2004	(2.38)%	(0.98)%	(14.05)%
	Class F Euro Distributing (Q)	EUR	12/3/2010	1.68%	3.82%	16.94%
	Premier Class Euro Accumulating	EUR	12/3/2010	1.64%	3.81%	16.98%
	Class GA Euro Accumulating	EUR	8/27/2010	1.08%	3.25%	15.04%
	Class GA Euro Distributing (A)	EUR	8/27/2010	1.09%	3.24%	15.05%
	Class GE Euro Accumulating	EUR	8/27/2010	0.48%	2.63%	13.00%
Legg Mason Western Asset Short Duration High Income Bond Fund	Class A US\$ Accumulating	USD	5/9/2007	19.10%	12.48%	9.65%
	Class A US\$ Distributing (D)	USD	2/24/2004	18.82%	12.21%	9.00%
	Class A US\$ Distributing (M)	USD	1/8/2008	19.09%	12.48%	9.65%
	Class A Euro Accumulating (Hedged)	EUR	5/8/2008	17.10%	10.75%	6.97%
	Class B US\$ Accumulating	USD	11/15/2007	18.80%	12.20%	8.82%
	Class B US\$ Distributing (D)	USD	2/24/2004	18.52%	11.92%	8.16%
	Class C US\$ Accumulating	USD	11/15/2007	18.51%	11.92%	8.01%
	Class C US\$ Distributing (D)	USD	2/24/2004	18.24%	11.67%	7.39%
	Class A (G) US\$ Accumulating	USD	4/20/2007	18.94%	12.32%	9.28%
	Class A (G) US\$ Distributing (D)	USD	4/20/2007	18.87%	12.28%	9.18%
	Class B (G) US\$ Distributing (D)	USD	4/20/2007	18.29%	11.73%	7.53%
	Class L (G) US\$ Accumulating	USD	4/20/2007	18.33%	11.77%	7.65%
	Class L (G) US\$ Distributing (D)	USD	4/20/2007	18.29%	11.73%	7.55%
Legg Mason Western Asset Global Multi Strategy Fund	Class A US\$ Accumulating	USD	5/9/2007	15.43%	11.62%	7.96%
	Class A US\$ Distributing (D)	USD	8/30/2002	15.40%	11.57%	7.90%
	Class A US\$ Distributing (M)	USD	2/19/2008	15.42%	11.62%	7.96%
	Class A Euro Accumulating (Hedged)	EUR	2/12/2008	13.67%	10.06%	5.95%
	Class A Euro Distributing (M) (Hedged)	EUR	4/28/2008	13.67%	10.07%	5.91%
	Class A Euro Distributing (M) (Hedged) Plus (e)	EUR	4/2/2013	13.63%	10.04%	5.90%
	Class A GBP Distributing (M) (Hedged)	GBP	5/29/2008	14.76%	11.08%	8.12%
	Class A SGD Distributing (M) (Hedged) Plus	SGD	5/26/2009	15.33%	11.81%	8.80%
	Class B US\$ Accumulating	USD	11/15/2007	15.14%	11.34%	7.15%
	Class B US\$ Distributing (D)	USD	2/24/2004	15.12%	11.30%	7.09%
	Class C US\$ Accumulating	USD	11/15/2007	14.85%	11.06%	6.35%
	Class C US\$ Distributing (D)	USD	2/24/2004	14.81%	11.00%	6.29%
	Class E US\$ Accumulating	USD	1/21/2010	14.73%	10.95%	6.03%
	Class E US\$ Distributing (D)	USD	1/21/2010	14.71%	10.90%	5.96%
	Class E Euro Accumulating (Hedged)	EUR	5/19/2011	13.00%	9.41%	4.10%

Supplemental Information – Fund Performance Data (unaudited) – (continued)

Fund	Share Class	Class CCY	Inception Date	Fiscal YTD 3/1/16-2/28/17	Calendar 1/1/16-12/31/16	3 Year Cumulative 1/1/14-12/31/16
Legg Mason Western Asset US High Yield Fund	Class E Euro Distributing (M) (Hedged)	EUR	8/2/2013	12.99%	9.40%	4.05%
	Class F US\$ Accumulating	USD	2/4/2010	16.11%	12.29%	9.92%
	Class F US\$ Distributing (D)	USD	1/21/2010	16.10%	12.24%	9.82%
	Class X US\$ Distributing (D)	USD	7/3/2013	16.02%	12.16%	9.68%
	Premier Class US\$ Accumulating	USD	9/10/2008	16.41%	12.57%	10.75%
	Premier Class US\$ Distributing (D)	USD	4/18/2008	17.44%	13.54%	11.76%
	Premier Class US\$ Distributing (M)	USD	2/6/2009	16.41%	12.57%	10.75%
	Premier Class US\$ Distributing (M) Plus (e)	USD	11/14/2014	16.41%	12.57%	–
	Premier Class CHF Accumulating (Hedged)	CHF	10/27/2015	13.96%	10.35%	–
	Premier Class Euro Accumulating (Hedged)	EUR	12/17/2009	14.63%	10.99%	8.69%
	Premier Class Euro Distributing (M) (Hedged)	EUR	11/23/2012	14.62%	11.02%	8.61%
	Premier Class GBP Accumulating (Hedged)	GBP	12/3/2010	15.68%	11.95%	10.64%
	Premier Class GBP Distributing (M) (Hedged)	GBP	4/18/2008	15.69%	11.97%	10.43%
	Premier Class GBP Distributing (M) (Hedged) Plus (e)	GBP	2/5/2013	15.90%	12.19%	10.85%
	Premier Class GBP Distributing (Q) (Hedged)	GBP	12/3/2010	15.71%	11.97%	10.64%
	LM Class AUD Distributing (M) (Hedged)	AUD	12/3/2010	18.02%	14.32%	18.30%
	LM Class GBP Accumulating (Hedged)	GBP	12/3/2010	16.08%	12.35%	11.94%
	Premier Class PLN Accumulating (Hedged)	PLN	10/8/2015	16.94%	13.06%	–
	Class A US\$ Accumulating	USD	5/9/2007	23.07%	15.03%	5.05%
	Class A US\$ Distributing (D)	USD	2/27/2004	22.98%	14.97%	5.01%
	Class A US\$ Distributing (M)	USD	12/20/2010	23.05%	15.02%	5.05%
	Class A US\$ Distributing (M) Plus	USD	11/21/2012	23.08%	15.04%	5.08%
	Class A Euro Distributing (M) (Hedged)	EUR	12/19/2012	21.20%	13.51%	3.24%
	Class A HKD Distributing (M) Plus	HKD	12/1/2014	22.83%	15.10%	–
	Class A SGD Distributing (M) (Hedged) Plus	SGD	1/31/2013	23.04%	15.31%	5.84%
	Class B US\$ Accumulating	USD	11/15/2007	22.76%	14.75%	4.27%
	Class B US\$ Distributing (D)	USD	2/27/2004	22.69%	14.70%	4.23%
	Class C US\$ Accumulating	USD	11/15/2007	22.45%	14.47%	3.49%
	Class C US\$ Distributing (D)	USD	2/27/2004	22.38%	14.41%	3.42%
	Class E US\$ Accumulating	USD	1/21/2010	22.33%	14.35%	3.18%
	Class E US\$ Distributing (D)	USD	1/21/2010	22.26%	14.30%	3.14%
	Class E Euro Accumulating (Hedged)	EUR	10/28/2014	20.45%	12.79%	–
	Class F US\$ Accumulating	USD	1/4/2011	23.81%	15.72%	7.00%
	Class F US\$ Distributing (D)	USD	1/4/2011	23.71%	15.67%	6.98%
	Premier Class US\$ Accumulating	USD	11/8/2010	24.12%	16.01%	7.78%
	Premier Class US\$ Distributing (M) Plus (e)	USD	6/21/2013	24.11%	16.00%	7.76%
	LM Class US\$ Accumulating	USD	11/19/2010	24.67%	16.54%	9.24%
	LM Class US\$ Distributing (M)	USD	5/27/2008	24.68%	16.55%	9.25%
	LM Class GBP Accumulating (Hedged)	GBP	11/19/2010	23.72%	15.77%	8.83%
Legg Mason Western Asset Emerging Markets Total Return Bond Fund	Class A (G) US\$ Accumulating	USD	4/20/2007	23.26%	15.21%	5.53%
	Class A (G) US\$ Distributing (D)	USD	4/20/2007	23.17%	15.15%	5.46%
	Class B (G) US\$ Accumulating	USD	4/20/2007	22.64%	14.63%	3.95%
	Class B (G) US\$ Distributing (D)	USD	4/20/2007	22.52%	14.58%	3.84%
	Class L (G) US\$ Accumulating	USD	4/20/2007	22.63%	14.63%	3.95%
	Class L (G) US\$ Distributing (D)	USD	4/20/2007	22.56%	14.58%	3.89%
	Class GF US\$ Accumulating	USD	11/19/2010	23.49%	15.44%	6.17%
	Class A US\$ Accumulating	USD	5/4/2007	13.04%	9.96%	8.09%
	Class A US\$ Distributing (D)	USD	2/24/2004	12.82%	9.75%	7.84%
	Class A US\$ Distributing (M)	USD	1/3/2008	13.03%	9.96%	8.08%
	Class A US\$ Distributing (M) Plus	USD	11/21/2012	12.89%	9.80%	7.83%
	Class A Euro Accumulating (Hedged)	EUR	1/5/2010	11.09%	8.17%	5.81%
	Class A Euro Distributing (D) (Hedged)	EUR	12/19/2012	11.10%	8.21%	5.94%
	Class A GBP Distributing (D) (Hedged)	GBP	6/30/2010	12.18%	9.22%	7.89%
	Class A SGD Distributing (M) (Hedged) Plus	SGD	1/18/2011	12.69%	9.96%	6.56%
	Class B US\$ Accumulating	USD	11/15/2007	12.76%	9.69%	7.28%
	Class B US\$ Distributing (D)	USD	2/24/2004	12.54%	9.48%	7.06%
	Class C US\$ Accumulating	USD	11/15/2007	12.47%	9.42%	6.48%
	Class C US\$ Distributing (D)	USD	2/24/2004	12.27%	9.21%	6.23%
	Class E US\$ Distributing (D)	USD	1/4/2011	12.16%	9.11%	5.92%
	Class E Euro Distributing (M) (Hedged)	EUR	8/2/2013	10.47%	7.58%	4.07%
	Class F US\$ Accumulating	USD	4/20/2010	13.84%	10.73%	10.65%
	Class X GBP Distributing (D) (Hedged)	GBP	12/19/2013	13.02%	9.98%	10.20%
	Premier Class US\$ Accumulating	USD	12/16/2008	14.11%	11.00%	11.44%
	Premier Class Euro Accumulating (Hedged)	EUR	10/20/2011	12.40%	9.44%	9.30%
	Premier Class GBP Distributing (D) (Hedged)	GBP	2/19/2013	13.32%	10.32%	11.34%
	Class A (G) US\$ Accumulating	USD	4/20/2007	13.33%	10.24%	9.15%

Supplemental Information – Fund Performance Data (unaudited) – (continued)

Fund	Share Class	Class CCY	Inception Date	Fiscal YTD 3/1/16-2/28/17	Calendar 1/1/16-12/31/16	3 Year Cumulative 1/1/14-12/31/16
	Class A (G) US\$ Distributing (D)	USD	4/20/2007	13.27%	10.19%	9.15%
	Class B (G) US\$ Accumulating	USD	4/20/2007	13.03%	9.93%	7.69%
	Class L (G) US\$ Accumulating	USD	4/20/2007	12.77%	9.69%	7.51%
	Class L (G) US\$ Distributing (D)	USD	4/20/2007	12.71%	9.63%	7.52%
Legg Mason Western Asset Emerging Markets Corporate Bond Fund	Class A US\$ Accumulating	USD	3/4/2013	12.38%	8.60%	1.08%
	Class A US\$ Distributing (M)	USD	10/21/2011	12.65%	8.92%	2.11%
	LM Class US\$ Distributing (M)	USD	10/21/2011	14.26%	10.41%	6.36%
Legg Mason Western Asset Global High Yield Fund	Class A US\$ Accumulating	USD	4/20/2007	22.47%	14.53%	2.39%
	Class A US\$ Distributing (D)	USD	4/20/2007	22.38%	14.48%	2.37%
	Class A US\$ Distributing (M)	USD	1/30/2008	22.46%	14.51%	2.36%
	Class A US\$ Distributing (M) Plus (Hedged) Plus	USD	11/21/2012	22.45%	14.52%	2.37%
	Class A AUD Distributing (M) (Hedged) Plus	AUD	6/28/2010	23.65%	15.77%	8.06%
	Class A Euro Distributing (D) (Hedged)	EUR	9/25/2012	20.56%	12.94%	0.71%
	Class A SGD Distributing (M) (Hedged) Plus	SGD	1/18/2011	22.32%	14.65%	3.28%
	Class B US\$ Accumulating	USD	11/15/2007	22.16%	14.24%	1.63%
	Class B US\$ Distributing (D)	USD	4/20/2007	22.09%	14.21%	1.62%
	Class C US\$ Accumulating	USD	11/15/2007	21.86%	13.96%	0.87%
	Class C US\$ Distributing (D)	USD	4/20/2007	21.77%	13.92%	0.82%
	Class E US\$ Accumulating	USD	1/21/2010	21.71%	13.83%	0.54%
	Class E US\$ Distributing (D)	USD	1/21/2010	21.61%	13.76%	0.46%
	Class E Euro Distributing (M) (Hedged)	EUR	8/2/2013	19.88%	12.32%	(1.29)%
	Class F US\$ Accumulating	USD	1/4/2011	23.30%	15.31%	4.54%
	Class F US\$ Distributing (D)	USD	1/4/2011	23.20%	15.26%	4.54%
	Class X US\$ Accumulating	USD	4/1/2013	23.21%	15.23%	4.31%
	Class X US\$ Distributing (D)	USD	3/20/2013	23.06%	15.12%	4.23%
	Class X GBP Distributing (D) (Hedged)	GBP	1/15/2013	22.25%	14.51%	3.96%
	Premier Class US\$ Accumulating	USD	8/10/2009	23.60%	15.59%	5.33%
	Premier Class US\$ Distributing (M) Plus (e)	USD	6/21/2013	23.61%	15.60%	5.35%
	Premier Class Euro Accumulating (Hedged)	EUR	10/12/2012	21.63%	13.95%	3.36%
	Premier Class GBP Distributing (D) (Hedged)	GBP	8/12/2011	22.54%	14.81%	4.95%
	LM Class US\$ Accumulating	USD	7/1/2014	24.17%	16.13%	–
	Class A (G) US\$ Accumulating	USD	4/20/2007	22.64%	14.68%	2.83%
	Class A (G) US\$ Distributing (D)	USD	4/20/2007	22.54%	14.65%	2.80%
	Class B (G) US\$ Distributing (D)	USD	4/20/2007	23.37%	15.08%	2.21%
	Class L (G) US\$ Accumulating	USD	4/20/2007	22.03%	14.12%	1.30%
	Class L (G) US\$ Distributing (D)	USD	4/20/2007	21.93%	14.07%	1.26%
Legg Mason Western Asset US Short-Term Government Fund	Class A US\$ Accumulating	USD	4/20/2007	(0.20)%	(0.04)%	(0.75)%
	Class A US\$ Distributing (D)	USD	4/20/2007	(0.21)%	(0.04)%	(0.73)%
	Class B US\$ Accumulating	USD	11/15/2007	(0.45)%	(0.27)%	(1.47)%
	Class B US\$ Distributing (D)	USD	4/20/2007	(0.45)%	(0.29)%	(1.49)%
	Class C US\$ Accumulating	USD	11/15/2007	(0.70)%	(0.53)%	(2.22)%
	Class C US\$ Distributing (D)	USD	4/20/2007	(0.70)%	(0.54)%	(2.23)%
	Class A (G) US\$ Accumulating	USD	4/20/2007	(0.21)%	(0.05)%	(0.67)%
	Class A (G) US\$ Distributing (D)	USD	4/20/2007	(0.20)%	(0.05)%	(0.66)%
	Class L (G) US\$ Accumulating	USD	4/20/2007	(0.71)%	(0.55)%	(2.15)%
	Class L (G) US\$ Distributing (D)	USD	4/20/2007	(0.71)%	(0.54)%	(2.14)%
Legg Mason Western Asset US Adjustable Rate Fund	Class A US\$ Accumulating	USD	4/20/2007	0.04%	(0.03)%	(1.68)%
	Class B US\$ Distributing (D)	USD	4/20/2007	(0.20)%	(0.27)%	(2.42)%
	Class C US\$ Distributing (D)	USD	4/20/2007	(0.45)%	(0.53)%	(3.15)%
	Class A (G) US\$ Accumulating	USD	4/20/2007	(0.30)%	(0.37)%	(2.28)%
	Class A (G) US\$ Distributing (D)	USD	4/20/2007	(0.29)%	(0.37)%	(2.29)%
	Class L (G) US\$ Accumulating	USD	4/20/2007	(0.79)%	(0.86)%	(3.74)%
Legg Mason Western Asset Global Inflation Management Fund	Class L (G) US\$ Distributing (D)	USD	4/20/2007	(0.80)%	(0.87)%	(3.74)%
	Class A US\$ Accumulating	USD	4/20/2007	7.98%	9.17%	10.72%
	Class A US\$ Distributing (A)	USD	4/20/2007	7.97%	9.16%	10.72%
	Class B US\$ Distributing (A)	USD	4/20/2007	7.71%	8.90%	9.89%
	Class C US\$ Accumulating	USD	1/18/2012	7.42%	8.62%	8.54%
	Class C US\$ Distributing (A)	USD	4/20/2007	7.44%	8.62%	9.06%
	Class A (G) US\$ Accumulating	USD	4/20/2007	8.19%	9.38%	11.68%
	Class A (G) US\$ Distributing (A)	USD	4/20/2007	8.19%	9.38%	11.68%
	Class L (G) US\$ Accumulating	USD	4/20/2007	7.64%	8.84%	10.01%
	Class L (G) US\$ Distributing (A)	USD	4/20/2007	7.65%	8.84%	10.03%
Legg Mason Western Asset Asian Opportunities Fund	Class A US\$ Accumulating	USD	7/2/2008	4.30%	1.88%	0.18%
	Class A US\$ Distributing (D)	USD	7/2/2008	4.27%	1.86%	0.18%
	Class A US\$ Distributing (M)	USD	1/7/2010	4.30%	1.88%	0.18%
	Class A US\$ Distributing (M) Plus (Hedged) Plus	USD	11/21/2012	4.31%	1.88%	0.16%
	Class A AUD Distributing (M) (Hedged) Plus	AUD	9/28/2011	5.10%	2.78%	5.46%
	Class A CHF Accumulating (Hedged)	CHF	1/26/2015	1.99%	(0.26)%	–
	Class A CNH Distributing (M) (Hedged) Plus	CNH	6/20/2013	7.18%	4.49%	8.16%

Supplemental Information – Fund Performance Data (unaudited) – (continued)

Fund	Share Class	Class CCY	Inception Date	Fiscal YTD 3/1/16-2/28/17	Calendar 1/1/16-12/31/16	3 Year Cumulative 1/1/14-12/31/16
	Class A Euro Accumulating	EUR	7/2/2008	7.08%	5.19%	30.93%
	Class A Euro Accumulating (Hedged)	EUR	5/19/2011	2.50%	0.24%	(2.06)%
	Class A Euro Distributing (A)	EUR	4/1/2011	7.02%	5.15%	30.69%
	Class A GBP Distributing (D) (Hedged)	GBP	12/28/2011	3.46%	1.18%	(0.01)%
	Class A GBP Distributing (M)	GBP	7/22/2010	17.01%	21.89%	34.62%
	Class A HKD Distributing (M) Plus	HKD	10/27/2015	3.89%	1.75%	–
	Class A SGD Accumulating (Hedged)	SGD	5/19/2009	4.06%	1.82%	0.62%
	Class A SGD Distributing (M) (Hedged) Plus	SGD	1/18/2011	3.91%	1.71%	0.60%
	Class A SGD Distributing (M) Plus	SGD	8/4/2010	4.07%	4.11%	15.11%
	Class B US\$ Accumulating	USD	7/2/2008	4.04%	1.63%	(0.57)%
	Class B US\$ Distributing (D)	USD	7/2/2008	4.02%	1.60%	(0.56)%
	Class C US\$ Accumulating	USD	7/2/2008	3.78%	1.38%	(1.32)%
	Class C US\$ Distributing (D)	USD	7/2/2008	3.75%	1.36%	(1.30)%
	Class E US\$ Accumulating	USD	1/21/2010	3.67%	1.27%	(1.61)%
	Class E US\$ Distributing (D)	USD	1/21/2010	3.65%	1.25%	(1.61)%
	Class F US\$ Accumulating	USD	2/4/2010	4.72%	2.29%	1.38%
	Class F US\$ Distributing (D)	USD	1/21/2010	4.73%	2.32%	1.47%
	Class X US\$ Distributing (M)	USD	5/7/2015	4.83%	2.40%	–
	Premier Class US\$ Accumulating	USD	7/2/2008	4.98%	2.55%	2.15%
	Premier Class US\$ Distributing (M)	USD	1/10/2013	4.98%	2.54%	2.15%
	Premier Class Euro Accumulating	EUR	9/3/2010	7.80%	5.88%	33.34%
	Premier Class Euro Accumulating (Hedged)	EUR	3/10/2011	3.25%	0.98%	0.02%
	Premier Class Euro Distributing (A)	EUR	1/9/2013	7.73%	5.80%	33.41%
	Premier Class Euro Distributing (M)	EUR	9/8/2010	7.85%	5.92%	33.61%
	Premier Class GBP Distributing (M)	GBP	7/16/2010	18.20%	23.13%	37.46%
	LM Class US\$ Accumulating	USD	6/12/2008	5.61%	3.16%	4.01%
Legg Mason Western Asset Global Blue Chip Bond Fund	Class A US\$ Accumulating	USD	6/25/2009	2.05%	1.64%	3.15%
	Class A US\$ Distributing (M)	USD	6/2/2009	2.06%	1.65%	3.17%
	Class A Euro Accumulating (Hedged)	EUR	1/30/2014	0.49%	0.19%	–
	Class A GBP Accumulating (Hedged)	GBP	8/13/2009	1.47%	1.16%	3.14%
	Class B US\$ Accumulating	USD	7/29/2015	1.80%	1.39%	–
	Class B US\$ Distributing (M)	USD	6/25/2009	1.80%	1.38%	2.40%
	Class C US\$ Accumulating	USD	6/25/2009	1.55%	1.13%	1.64%
	Class C US\$ Distributing (M)	USD	6/25/2009	1.54%	1.13%	1.64%
	Class E US\$ Accumulating	USD	1/21/2010	1.45%	1.03%	1.44%
	Class E US\$ Distributing (D)	USD	1/21/2010	1.44%	1.04%	1.37%
	Class F US\$ Accumulating	USD	2/4/2010	2.46%	2.05%	4.57%
	Premier Class US\$ Accumulating	USD	6/2/2009	2.72%	2.30%	5.21%
	Premier Class US\$ Distributing (M)	USD	6/2/2009	2.72%	2.30%	5.21%
	Premier Class Euro Accumulating (Hedged)	EUR	6/2/2009	1.16%	0.86%	3.12%
	Premier Class Euro Distributing (M) (Hedged)	EUR	6/2/2009	1.16%	0.84%	3.03%
	Premier Class GBP Accumulating (Hedged)	GBP	6/2/2009	2.10%	1.80%	5.06%
	Premier Class GBP Distributing (M) (Hedged)	GBP	6/2/2009	2.11%	1.81%	5.20%
Legg Mason Western Asset Global Core Plus Bond Fund ^	Class A US\$ Distributing (A)	USD	3/5/2015	1.33%	1.68%	–
	Class A US\$ Distributing (D)	USD	12/3/2010	1.34%	1.72%	12.56%
	Class X US\$ Accumulating	USD	2/17/2015	1.90%	2.26%	–
	Premier Class US\$ Accumulating	USD	12/3/2010	2.20%	2.56%	15.42%
	Premier Class Euro Accumulating (Hedged)	EUR	6/27/2014	0.63%	1.10%	–
Legg Mason Western Asset Global Credit Fund	Class A US\$ Accumulating	USD	11/15/2011	7.57%	5.93%	9.38%
	Class A US\$ Distributing (D)	USD	11/19/2010	7.56%	5.94%	9.39%
	Class A Euro Accumulating (Hedged)	EUR	11/15/2011	5.88%	4.39%	7.10%
	Premier Class US\$ Accumulating	USD	4/24/2012	8.49%	6.83%	12.20%
	LM Class US\$ Accumulating	USD	1/27/2011	8.87%	7.21%	13.39%
Legg Mason Western Asset Euro High Yield Fund	Class A Euro Distributing (D)	EUR	12/3/2010	12.15%	8.20%	15.11%
	LM Class Euro Accumulating	EUR	12/3/2010	13.59%	9.60%	19.51%
	LM Class Euro Distributing (Q)	EUR	12/3/2010	13.59%	9.60%	19.52%
Legg Mason Western Asset Macro Opportunities Bond Fund ^	Class A US\$ Accumulating	USD	11/29/2013	13.96%	6.56%	15.13%
	Class A US\$ Distributing (M) Plus (e)	USD	8/1/2014	13.96%	6.56%	–
	Class A US\$ Distributing (S)	USD	4/8/2014	13.96%	6.56%	–
	Class A AUD Distributing (M) (Hedged) Plus (e)	AUD	2/27/2015	14.89%	7.54%	–
	Class A CHF Accumulating (Hedged)	CHF	2/14/2014	11.53%	4.45%	–
	Class A CNH Accumulating (Hedged)	CNH	9/19/2014	17.21%	9.41%	–
	Class A CNH Distributing (M) (Hedged) Plus (e)	CNH	12/3/2014	17.11%	9.36%	–
	Class A Euro Accumulating (Hedged)	EUR	2/14/2014	12.09%	5.00%	–
	Class A Euro Distributing (A)	EUR	4/7/2015	16.99%	9.99%	–
	Class A GBP Accumulating	GBP	12/23/2014	28.03%	27.86%	–
	Class A GBP Accumulating (Hedged)	GBP	2/14/2014	12.96%	5.65%	–
	Class A SEK Accumulating (Hedged)	SEK	5/15/2015	11.75%	4.67%	–
	Class A SGD Accumulating (Hedged)	SGD	3/10/2014	13.77%	6.57%	–
	Class A SGD Distributing (M) (Hedged) Plus (e)	SGD	12/3/2014	13.67%	6.57%	–

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Supplemental Information – Fund Performance Data (unaudited) – (continued)

Fund	Share Class	Class CCY	Inception Date	Fiscal YTD 3/1/16-2/28/17	Calendar 1/1/16-12/31/16	3 Year Cumulative 1/1/14-12/31/16
	Class B US\$ Accumulating	USD	9/15/2014	13.68%	6.30%	–
	Class C US\$ Accumulating	USD	5/5/2014	13.40%	6.04%	–
	Class C US\$ Distributing (S)	USD	7/15/2014	13.40%	6.04%	–
	Class E US\$ Accumulating	USD	5/13/2014	13.29%	5.93%	–
	Class E US\$ Distributing (S)	USD	7/28/2014	13.27%	5.93%	–
	Class E Euro Accumulating (Hedged)	EUR	8/25/2014	11.38%	4.36%	–
	Class F US\$ Accumulating	USD	6/18/2014	14.43%	7.00%	–
	Class F US\$ Distributing (S)	USD	10/16/2014	14.42%	6.99%	–
	Class X US\$ Accumulating	USD	3/5/2014	14.53%	7.10%	–
	Class X US\$ Distributing (M) Plus (e)	USD	10/26/2015	14.53%	7.09%	–
	Class X US\$ Distributing (S)	USD	2/3/2015	14.53%	7.10%	–
	Class X CHF Accumulating (Hedged)	CHF	3/5/2014	12.11%	5.02%	–
	Class X Euro Accumulating	EUR	7/29/2014	17.55%	10.49%	–
	Class X Euro Accumulating (Hedged)	EUR	2/14/2014	12.74%	5.67%	–
	Class X GBP Accumulating	GBP	12/23/2014	28.53%	28.16%	–
	Class X GBP Accumulating (Hedged)	GBP	2/14/2014	13.46%	6.15%	–
	Class X GBP Distributing (M) (Hedged) Plus (e)	GBP	10/20/2015	13.52%	6.24%	–
	Class X SGD Accumulating (Hedged)	SGD	3/10/2014	14.42%	7.16%	–
	Premier Class US\$ Accumulating	USD	11/29/2013	14.71%	7.26%	17.37%
	Premier Class US\$ Distributing (S)	USD	2/10/2015	14.70%	7.26%	–
	Premier Class AUD Distributing (S) (Hedged)	AUD	7/24/2015	15.60%	8.20%	–
	Premier Class CHF Accumulating (Hedged)	CHF	12/4/2014	12.27%	5.17%	–
	Premier Class CHF Distributing (S) (Hedged)	CHF	11/27/2015	12.24%	5.15%	–
	Premier Class Euro Accumulating	EUR	7/3/2014	18.81%	11.29%	–
	Premier Class Euro Accumulating (Hedged)	EUR	3/26/2014	12.84%	5.71%	–
	Premier Class Euro Distributing (S) (Hedged)	EUR	11/27/2015	12.88%	5.75%	–
	Premier Class GBP Accumulating (Hedged)	GBP	12/1/2014	13.71%	6.40%	–
	Premier Class GBP Distributing (M) (Hedged) Plus (e)	GBP	5/21/2014	13.64%	6.35%	–
	Premier Class SEK Accumulating (Hedged)	SEK	5/15/2015	12.47%	5.32%	–
	S Class US\$ Accumulating	USD	11/29/2013	15.16%	7.69%	18.79%
	S Class Euro Accumulating (Hedged)	EUR	11/29/2013	13.29%	6.12%	16.84%
	Premier Class BRL Accumulating (Hedged)	BRL	12/22/2015	25.53%	17.46%	–
Legg Mason Western Asset EM Local Currency Debt Fund ^	Class A US\$ Distributing (D)	USD	12/16/2015	12.64%	8.80%	–
	Premier Class US\$ Accumulating	USD	12/16/2015	13.39%	9.58%	–
Legg Mason Western Asset Multi-Asset Credit Fund ^	Class A US\$ Distributing (M) Plus (e)	USD	12/16/2015	11.08%	7.48%	–
	LM Class GBP Accumulating (Hedged)	GBP	12/16/2015	11.95%	8.40%	–
Legg Mason Western Asset Global Total Return Investment Grade Bond Fund ^	Class A US\$ Distributing (M) Plus (e)	USD	12/31/2015	1.44%	0.21%	–
	Class A Euro Accumulating (Hedged)	EUR	12/31/2015	(0.13)%	(1.19)%	–
	Class A Euro Distributing (A) (Hedged) Plus	EUR	12/31/2015	(0.13)%	(1.18)%	–
	Premier Class US\$ Accumulating	USD	12/31/2015	2.21%	0.96%	–
	Premier Class Euro Accumulating (Hedged)	EUR	12/31/2015	0.63%	(0.45)%	–
Legg Mason Western Asset Structured Opportunities Fund ^	LM Class US\$ Accumulating	USD	1/13/2016	12.12%	–	–
Legg Mason Western Asset US Mortgage-Backed Securities Fund ^	Class A US\$ Distributing (M) Plus (e)	USD	1/13/2016	(1.24)%	–	–
	LM Class US\$ Accumulating	USD	1/13/2016	(0.08)%	–	–
Legg Mason Brandywine Global Fixed Income Fund	Class A US\$ Accumulating	USD	5/9/2007	3.48%	2.55%	(4.07)%
	Class A US\$ Distributing (M)	USD	12/6/2010	3.49%	2.56%	(4.08)%
	Class A US\$ Distributing (S)	USD	10/1/2003	3.48%	2.56%	(4.07)%
	Class A AUD Distributing (M) (Hedged) Plus	AUD	7/28/2014	4.27%	3.36%	–
	Class A Euro Accumulating (Hedged)	EUR	2/19/2013	1.61%	0.78%	(6.68)%
	Class A Euro Accumulating (Hedged) (AH)	EUR	1/18/2008	3.88%	3.24%	9.99%
	Class A Euro Distributing (A) (Hedged)	EUR	6/7/2013	1.58%	0.73%	(6.76)%
	Class A Euro Distributing (S) (Hedged) (AH)	EUR	11/22/2010	3.88%	3.25%	9.98%
	Class A GBP Distributing (M) (Hedged)	GBP	11/14/2014	2.46%	1.60%	–
	Class A GBP Distributing (S) (Hedged) (AH)	GBP	2/7/2008	4.50%	3.84%	11.30%
	Class A SGD Accumulating	SGD	6/8/2015	2.70%	4.26%	–
	Class B US\$ Accumulating	USD	11/15/2007	3.22%	2.29%	(4.79)%
	Class B US\$ Distributing (S)	USD	2/24/2004	3.24%	2.31%	(4.78)%
	Class C US\$ Accumulating	USD	11/15/2007	2.97%	2.04%	(5.50)%
	Class C US\$ Distributing (S)	USD	2/24/2004	2.97%	2.04%	(5.50)%
	Class E US\$ Accumulating	USD	9/8/2011	2.87%	1.95%	(5.79)%
	Class E Euro Accumulating (Hedged) (AH)	EUR	7/13/2012	3.27%	2.65%	8.00%

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Supplemental Information – Fund Performance Data (unaudited) – (continued)

Fund	Share Class	Class CCY	Inception Date	Fiscal YTD 3/1/16-2/28/17	Calendar 1/1/16-12/31/16	3 Year Cumulative 1/1/14-12/31/16
Legg Mason Brandywine Global Fixed Income Absolute Return Fund ^	Class F US\$ Accumulating	USD	9/14/2012	3.90%	2.97%	(2.94)%
	Class F US\$ Distributing (S)	USD	10/4/2012	3.90%	2.97%	(2.92)%
	Class R US\$ Distributing (S)	USD	2/22/2013	3.90%	2.97%	(2.92)%
	Class R GBP Distributing (S) (Hedged) (AH)	GBP	5/2/2013	4.78%	4.24%	12.72%
	Class X US\$ Accumulating	USD	6/4/2013	4.02%	3.07%	(2.62)%
	Class X US\$ Distributing (S)	USD	3/26/2013	4.00%	3.07%	(2.62)%
	Class X Euro Accumulating (Hedged)	EUR	6/28/2013	2.10%	1.25%	(5.32)%
	Class X Euro Accumulating (Hedged) (AH)	EUR	8/19/2015	4.46%	3.81%	–
	Class X GBP Accumulating	GBP	12/23/2014	16.49%	23.14%	–
	Class X GBP Accumulating (Hedged)	GBP	10/10/2014	2.83%	2.01%	–
	Class X GBP Accumulating (Hedged) (AH)	GBP	8/19/2015	4.87%	4.05%	–
	Class X GBP Distributing (S) (Hedged)	GBP	2/25/2013	2.82%	1.98%	(3.65)%
	Class X GBP Distributing (S) (Hedged) (AH)	GBP	7/15/2014	4.94%	4.29%	–
	Premier Class US\$ Accumulating	USD	3/24/2011	4.16%	3.22%	(2.18)%
	Premier Class US\$ Distributing (S)	USD	2/24/2012	4.16%	3.22%	(2.18)%
	Premier Class Euro Accumulating	EUR	1/25/2011	6.88%	6.50%	27.49%
	Premier Class Euro Accumulating (Hedged)	EUR	1/30/2013	2.27%	1.42%	(4.92)%
	Premier Class Euro Accumulating (Hedged) (AH)	EUR	11/4/2011	4.58%	3.94%	12.21%
	Premier Class Euro Distributing (S)	EUR	11/3/2015	6.95%	6.56%	–
	Premier Class GBP Distributing (M) (Hedged)	GBP	10/10/2014	3.10%	2.29%	–
	Premier Class GBP Distributing (S) (Hedged) (AH)	GBP	8/14/2012	5.14%	4.49%	13.50%
	LM Class US\$ Accumulating	USD	8/24/2010	4.78%	3.84%	(0.45)%
	LM Class US\$ Accumulating (Hedged) (AH)	USD	11/25/2015	6.83%	6.03%	–
	Class A US\$ Accumulating	USD	4/3/2012	5.21%	3.25%	1.44%
	Class A US\$ Distributing (A)	USD	9/17/2013	5.20%	3.25%	1.43%
	Class A Euro Accumulating (Hedged)	EUR	6/18/2013	3.54%	1.70%	(0.36)%
	Class A SEK Accumulating (Hedged)	SEK	5/13/2015	3.21%	1.43%	–
	Class B US\$ Distributing (D)	USD	8/21/2013	4.92%	2.99%	0.68%
	Class C US\$ Accumulating	USD	7/17/2013	4.69%	2.74%	(0.07)%
	Class E US\$ Accumulating	USD	7/17/2013	4.58%	2.64%	(0.34)%
	Class E US\$ Distributing (A)	USD	8/27/2013	4.58%	2.64%	(0.37)%
	Class F US\$ Accumulating	USD	7/29/2014	5.63%	3.67%	–
	Class X GBP Accumulating (Hedged)	GBP	6/16/2014	4.75%	2.85%	–
	Class X GBP Distributing (M) (Hedged)	GBP	1/21/2014	4.77%	2.87%	–
	Premier Class US\$ Accumulating	USD	3/25/2013	5.85%	3.88%	3.29%
	Premier Class US\$ Distributing (A)	USD	5/13/2014	5.84%	3.87%	–
	Premier Class Euro Accumulating (Hedged)	EUR	7/2/2012	4.16%	2.33%	1.49%
	Premier Class Euro Distributing (A) (Hedged)	EUR	5/23/2013	4.16%	2.32%	1.48%
	Premier Class GBP Distributing (M) (Hedged)	GBP	3/25/2013	4.88%	3.00%	2.93%
	Premier Class SEK Accumulating (Hedged)	SEK	5/15/2015	3.88%	2.02%	–
	Premier Class SGD Accumulating (Hedged)	SGD	2/7/2014	5.69%	3.84%	–
	LM Class US\$ Accumulating	USD	6/12/2014	6.79%	4.81%	–
	LM Class AUD Accumulating (Hedged)	AUD	4/3/2012	7.86%	5.88%	12.12%
	LM Class Euro Accumulating (Hedged)	EUR	8/31/2012	4.35%	2.50%	3.57%
	LM Class GBP Accumulating (Hedged)	GBP	9/10/2015	5.84%	3.93%	–
Legg Mason Brandywine Global High Yield Fund ^	Premier Class US\$ Accumulating	USD	11/30/2012	17.42%	13.66%	9.20%
	Premier Class Euro Accumulating (Hedged) (AH)	EUR	11/30/2012	16.59%	13.33%	13.46%
	Premier Class GBP Accumulating (Hedged) (AH)	GBP	11/30/2012	16.90%	13.60%	14.53%
	S Class CAD Accumulating (Hedged) (AH)	CAD	2/23/2016	18.09%	–	–
Legg Mason Brandywine Global Opportunistic Fixed Income Fund ^	Class A US\$ Accumulating	USD	5/6/2011	5.18%	3.84%	(0.87)%
	Class A US\$ Distributing (M)	USD	6/25/2010	5.19%	3.84%	(0.87)%
	Class C US\$ Accumulating	USD	3/21/2012	4.66%	3.33%	(2.36)%
	Class E US\$ Accumulating	USD	2/17/2012	4.56%	3.21%	(2.67)%
	Class F US\$ Accumulating	USD	7/22/2014	5.60%	4.25%	–
	Class F US\$ Distributing (M)	USD	7/19/2013	5.61%	4.25%	0.28%
	Class X Euro Accumulating (Hedged)	EUR	6/11/2013	3.82%	2.55%	(2.13)%
	Class X GBP Distributing (M) (Hedged)	GBP	10/10/2014	4.80%	3.57%	–
	Premier Class US\$ Accumulating	USD	1/6/2012	5.87%	4.51%	1.07%
	Premier Class US\$ Accumulating (Hedged) (AH)	USD	6/16/2015	7.80%	6.62%	–
	Premier Class US\$ Distributing (M)	USD	4/26/2012	5.86%	4.51%	1.05%

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Supplemental Information – Fund Performance Data (unaudited) – (continued)

Fund	Share Class	Class CCY	Inception Date	Fiscal YTD 3/1/16-2/28/17	Calendar 1/1/16-12/31/16	3 Year Cumulative 1/1/14-12/31/16
Legg Mason Brandywine Global Sovereign Credit Fund ^	Premier Class Euro Accumulating (Hedged) (AH)	EUR	6/11/2014	6.30%	5.23%	–
	Premier Class NZD Accumulating (Hedged) (AH)	NZD	9/19/2012	9.25%	8.14%	26.58%
	LM Class US\$ Accumulating	USD	3/6/2015	6.55%	5.20%	–
	LM Class NZD Accumulating (Hedged) (AH)	NZD	1/13/2012	9.94%	8.84%	29.06%
Legg Mason Brandywine Global Income Optimiser Fund ^	BW LM Class GBP Accumulating (Hedged) (AH)	GBP	8/19/2013	15.53%	17.30%	29.68%
	BW LM Class GBP Distributing (S) (Hedged) (AH)	GBP	11/5/2013	15.51%	17.28%	29.71%
	BW Premier Class GBP Accumulating (Hedged) (AH)	GBP	5/9/2012	15.13%	16.90%	28.37%
	BW Premier Class GBP Distributing (S) (Hedged) (AH)	GBP	6/21/2012	15.06%	16.86%	28.32%
	BW Premier Class US\$ Accumulating	USD	5/9/2012	6.53%	3.92%	0.74%
Legg Mason Brandywine Global Credit Opportunities Fund ^	Class A US\$ Accumulating	USD	8/30/2013	12.15%	11.84%	10.88%
	Class A US\$ Distributing (M) Plus (e)	USD	6/3/2013	12.15%	11.85%	10.81%
	Class A Euro Distributing (A) (Hedged)	EUR	5/19/2015	10.53%	10.42%	–
	Class A Euro Distributing (M) (Hedged) Plus (e)	EUR	10/21/2013	10.39%	10.23%	8.61%
	Class A GBP Distributing (M) (Hedged) Plus (e)	GBP	10/24/2013	11.44%	11.26%	10.63%
	Class A SGD Distributing (M) (Hedged) Plus	SGD	10/21/2015	11.79%	11.58%	–
	Class C US\$ Distributing (D)	USD	2/4/2015	11.55%	11.08%	–
	Class X US\$ Distributing (M) Plus (e)	USD	1/21/2014	12.83%	12.52%	–
	Class X Euro Distributing (M) (Hedged) Plus (e)	EUR	12/23/2013	11.02%	10.85%	10.48%
	Class X GBP Distributing (M) (Hedged) Plus (e)	GBP	12/20/2013	12.11%	11.92%	12.61%
	Premier Class US\$ Distributing (M) Plus (e)	USD	6/3/2013	13.00%	12.68%	13.31%
	Premier Class Euro Accumulating (Hedged)	EUR	10/7/2014	11.21%	11.04%	–
	Premier Class Euro Distributing (M) (Hedged) Plus (e)	EUR	12/13/2013	11.23%	11.05%	11.10%
	Premier Class GBP Distributing (M) (Hedged) Plus (e)	GBP	10/23/2014	12.30%	12.10%	–
	Premier Class SEK Accumulating (Hedged)	SEK	10/22/2014	11.02%	10.82%	–
Legg Mason Brandywine Global Dynamic US Equity Fund ^	Class A US\$ Accumulating	USD	12/31/2015	19.16%	8.16%	–
	Premier Class US\$ Accumulating	USD	12/31/2015	20.30%	9.19%	–
	S Class Euro Accumulating (Hedged)	EUR	12/31/2015	18.90%	8.17%	–
Legg Mason ClearBridge Value Fund	Class A US\$ Accumulating	USD	4/24/2007	28.68%	11.07%	18.48%
	Class A US\$ Distributing (A)	USD	3/23/1998	28.68%	11.06%	18.49%
	Class A Euro Accumulating	EUR	6/12/2007	32.15%	14.68%	54.70%
	Class A Euro Distributing (A) (Hedged)	EUR	9/2/2014	26.71%	9.60%	–
	Class A GBP Distributing (A)	GBP	8/28/2014	44.33%	32.86%	–
	Class A SGD Accumulating	SGD	5/18/2007	28.21%	13.34%	35.77%
	Class A SGD Accumulating (Hedged)	SGD	9/10/2012	28.45%	11.03%	18.95%
	Class B US\$ Accumulating	USD	2/5/2015	28.03%	10.51%	–
	Class B US\$ Distributing (A)	USD	2/24/2004	28.04%	10.53%	16.74%
	Class C US\$ Accumulating	USD	11/15/2007	28.04%	10.52%	16.73%
	Class C US\$ Distributing (A)	USD	2/24/2004	28.04%	10.52%	16.73%
	Class F US\$ Accumulating	USD	1/21/2010	29.65%	11.92%	21.24%
	Class X US\$ Distributing (A)	USD	10/7/2013	29.55%	11.82%	21.03%
	Premier Class US\$ Accumulating	USD	7/1/2008	30.00%	12.21%	22.20%
	Premier Class US\$ Distributing (A)	USD	4/25/2014	30.00%	12.21%	–
	Premier Class Euro Accumulating	EUR	6/30/2014	33.48%	15.83%	–
	Galleon Class	USD	1/24/2000	29.77%	12.00%	21.54%
Legg Mason ClearBridge Growth Fund	Class A US\$ Accumulating	USD	5/9/2007	19.14%	(0.33)%	11.48%
	Class A US\$ Distributing (A)	USD	2/25/2004	18.55%	(0.87)%	9.94%
	Class A Euro Accumulating	EUR	11/8/2007	22.38%	2.93%	45.63%
	Class B US\$ Distributing (A)	USD	2/25/2004	17.96%	(1.36)%	8.32%
	Class C US\$ Accumulating	USD	11/15/2007	18.53%	(0.83)%	9.82%
	Class C US\$ Distributing (A)	USD	2/25/2004	17.96%	(1.37)%	8.31%
Legg Mason ClearBridge Global Equity Fund ^	Class A US\$ Accumulating	USD	5/9/2007	21.43%	5.48%	(6.88)%
	Class A US\$ Distributing (A)	USD	9/1/2006	21.37%	5.43%	(7.00)%
	Class C US\$ Accumulating	USD	11/15/2007	20.84%	4.96%	(8.25)%
	Class C US\$ Distributing (A)	USD	9/1/2006	20.77%	4.91%	(8.40)%

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Supplemental Information – Fund Performance Data (unaudited) – (continued)

Fund	Share Class	Class CCY	Inception Date	Fiscal YTD 3/1/16-2/28/17	Calendar 1/1/16-12/31/16	3 Year Cumulative 1/1/14-12/31/16
Legg Mason ClearBridge Global Equity Income Fund ^	Class A US\$ Accumulating	USD	9/15/2014	18.72%	3.33%	–
	Class A US\$ Distributing (M) Plus	USD	10/29/2014	18.73%	3.34%	–
	Class A US\$ Distributing (M) Plus (e)	USD	9/15/2014	18.72%	3.34%	–
	Class A US\$ Distributing (Q)	USD	9/15/2014	18.72%	3.35%	–
	Class A Euro Accumulating (Hedged)	EUR	9/15/2014	16.25%	1.42%	–
	Class A Euro Distributing (M) (Hedged) Plus (e)	EUR	9/15/2014	16.22%	1.40%	–
	Premier Class US\$ Distributing (M) Plus (e)	USD	9/15/2014	19.74%	4.22%	–
	Premier Class Euro Accumulating (Hedged)	EUR	9/15/2014	17.23%	2.29%	–
	Premier Class Euro Distributing (M) (Hedged) Plus (e)	EUR	9/15/2014	17.20%	2.26%	–
	LM Class US\$ Accumulating	USD	9/15/2014	19.28%	3.82%	–
Legg Mason ClearBridge US Appreciation Fund	Class A US\$ Accumulating	USD	4/20/2007	18.35%	7.88%	18.16%
	Class A US\$ Distributing (A)	USD	4/20/2007	18.35%	7.88%	18.17%
	Class A Euro Accumulating	EUR	6/3/2008	21.53%	11.38%	54.46%
	Class B US\$ Accumulating	USD	11/15/2007	17.76%	7.35%	16.40%
	Class B US\$ Distributing (A)	USD	4/20/2007	17.76%	7.35%	16.40%
	Class C US\$ Accumulating	USD	11/15/2007	17.75%	7.34%	16.41%
	Class C US\$ Distributing (A)	USD	4/20/2007	17.76%	7.35%	16.40%
	Class E US\$ Accumulating	USD	1/21/2010	17.47%	7.08%	15.53%
	Class E US\$ Distributing (A)	USD	1/21/2010	17.46%	7.08%	15.52%
	Class F US\$ Accumulating	USD	9/17/2012	19.05%	8.52%	20.30%
	Class F US\$ Distributing (A)	USD	2/4/2010	19.05%	8.52%	20.31%
	Class X US\$ Distributing (A)	USD	10/7/2013	19.08%	8.55%	20.39%
	Class X Euro Accumulating	EUR	10/7/2013	22.32%	12.07%	57.55%
	Premier Class US\$ Accumulating	USD	5/6/2010	19.49%	8.93%	21.67%
	Premier Class US\$ Distributing (A)	USD	4/9/2009	19.50%	8.93%	21.67%
	Premier Class Euro Accumulating	EUR	6/7/2010	22.71%	12.46%	59.07%
	Class A (G) US\$ Accumulating	USD	4/20/2007	18.76%	8.25%	19.40%
	Class B (G) US\$ Accumulating	USD	4/20/2007	18.16%	7.72%	17.61%
	Class L (G) US\$ Accumulating	USD	4/20/2007	18.16%	7.71%	17.62%
	Class GA US\$ Accumulating	USD	6/10/2011	18.56%	8.07%	18.80%
	Class GA Euro Accumulating	EUR	6/10/2011	21.78%	11.60%	55.41%
	Class GA Euro Distributing (A)	EUR	6/10/2011	21.74%	11.60%	55.24%
	Class GE US\$ Accumulating	USD	6/10/2011	17.67%	7.26%	16.15%
	Class GE Euro Accumulating	EUR	6/10/2011	20.83%	10.74%	52.10%
	Class GP US\$ Accumulating	USD	6/10/2011	20.28%	9.64%	23.98%
Legg Mason ClearBridge US Large Cap Growth Fund	Class A US\$ Accumulating	USD	4/20/2007	20.42%	6.34%	29.93%
	Class A US\$ Distributing (A)	USD	4/20/2007	20.42%	6.34%	29.93%
	Class A Euro Accumulating	EUR	8/27/2008	23.68%	9.79%	69.50%
	Class A Euro Accumulating (Hedged)	EUR	2/5/2016	18.20%	–	–
	Class B US\$ Accumulating	USD	11/15/2007	19.83%	5.81%	27.98%
	Class B US\$ Distributing (A)	USD	4/20/2007	19.82%	5.81%	28.00%
	Class C US\$ Accumulating	USD	11/15/2007	19.82%	5.81%	28.00%
	Class C US\$ Distributing (A)	USD	4/20/2007	19.83%	5.81%	27.99%
	Class E US\$ Accumulating	USD	1/14/2016	19.53%	–	–
	Class E US\$ Distributing (A)	USD	10/13/2015	19.53%	5.56%	–
	Class F US\$ Distributing (A)	USD	11/4/2015	21.15%	6.99%	–
	Class X US\$ Accumulating	USD	9/29/2015	21.18%	7.00%	–
	Class X GBP Accumulating	GBP	12/4/2015	35.89%	28.03%	–
	Premier Class US\$ Accumulating	USD	9/19/2014	21.60%	7.38%	–
	Premier Class GBP Accumulating	GBP	12/2/2015	36.48%	28.54%	–
	Class A (G) US\$ Accumulating	USD	4/20/2007	20.85%	6.71%	31.28%
	Class B (G) US\$ Accumulating	USD	4/20/2007	20.23%	6.18%	29.34%
	Class L (G) US\$ Accumulating	USD	4/20/2007	20.24%	6.18%	29.32%
	Class GA US\$ Accumulating	USD	8/27/2010	20.64%	6.53%	30.61%
	Class GA Euro Accumulating	EUR	8/27/2010	23.88%	9.98%	70.69%
	Class GE US\$ Distributing (A)	USD	8/27/2010	19.74%	5.74%	27.70%
	Class GE Euro Accumulating	EUR	8/27/2010	23.65%	9.79%	67.80%
Legg Mason ClearBridge US Aggressive Growth Fund	Class A US\$ Accumulating	USD	4/20/2007	25.30%	3.79%	11.77%
	Class A US\$ Distributing (A)	USD	4/20/2007	25.30%	3.79%	11.77%
	Class A AUD Accumulating (Hedged)	AUD	6/3/2013	25.96%	4.13%	16.20%
	Class A CHF Accumulating (Hedged)	CHF	10/23/2014	22.69%	1.80%	–
	Class A CNH Accumulating (Hedged)	CNH	11/14/2014	28.85%	6.93%	–
	Class A Euro Accumulating	EUR	9/7/2010	28.66%	7.11%	45.76%
	Class A Euro Accumulating (Hedged)	EUR	4/2/2013	23.28%	2.26%	9.73%
	Class A Euro Distributing (A) (Hedged)	EUR	8/28/2014	23.39%	2.43%	–
	Class A GBP Accumulating	GBP	9/29/2014	40.69%	24.34%	–
	Class A HKD Accumulating	HKD	10/27/2015	24.29%	3.18%	–
	Class A SEK Accumulating (Hedged)	SEK	1/31/2013	22.69%	1.73%	9.14%
	Class A SGD Accumulating (Hedged)	SGD	1/31/2013	24.86%	3.59%	12.02%
	Class B US\$ Accumulating	USD	11/15/2007	24.67%	3.27%	10.10%
	Class B US\$ Distributing (A)	USD	4/20/2007	24.67%	3.27%	10.10%
	Class C US\$ Accumulating	USD	11/15/2007	24.68%	3.27%	10.10%
	Class C US\$ Distributing (A)	USD	4/20/2007	24.68%	3.27%	10.10%
	Class E US\$ Accumulating	USD	1/4/2011	24.37%	3.00%	9.27%
	Class E US\$ Distributing (A)	USD	1/4/2011	24.37%	3.00%	9.27%

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Supplemental Information – Fund Performance Data (unaudited) – (continued)

Fund	Share Class	Class CCY	Inception Date	Fiscal YTD 3/1/16-2/28/17	Calendar 1/1/16-12/31/16	3 Year Cumulative 1/1/14-12/31/16
Legg Mason ClearBridge Tactical Dividend Income Fund	Class E Euro Accumulating (Hedged)	EUR	9/10/2013	22.52%	1.70%	7.72%
	Class F US\$ Accumulating	USD	1/4/2011	26.05%	4.41%	13.80%
	Class F US\$ Distributing (A)	USD	1/4/2011	26.05%	4.40%	13.80%
	Class X US\$ Accumulating	USD	5/17/2013	26.12%	4.45%	13.96%
	Class X US\$ Distributing (A)	USD	2/13/2013	26.12%	4.46%	13.96%
	Class X Euro Accumulating	EUR	1/21/2014	29.59%	7.92%	–
	Class X Euro Accumulating (Hedged)	EUR	2/19/2014	24.02%	2.95%	–
	Class X GBP Accumulating	GBP	4/24/2013	41.42%	24.90%	52.55%
	Premier Class US\$ Accumulating	USD	3/17/2010	26.55%	4.82%	15.17%
	Premier Class Euro Accumulating	EUR	12/14/2010	29.76%	8.07%	50.29%
	Premier Class Euro Accumulating (Hedged)	EUR	5/13/2014	24.47%	3.35%	–
	Premier Class Euro Distributing (A)	EUR	7/7/2011	29.77%	8.09%	48.94%
	Premier Class GBP Accumulating (Hedged)	GBP	4/22/2014	24.72%	3.35%	–
	Premier Class GBP Distributing (A)	GBP	12/13/2012	41.93%	25.36%	54.70%
	Class A (G) US\$ Accumulating	USD	4/20/2007	25.74%	4.14%	12.94%
	Class B (G) US\$ Accumulating	USD	4/20/2007	25.11%	3.62%	11.24%
	Class L (G) US\$ Accumulating	USD	4/20/2007	25.11%	3.62%	11.26%
	Class GA Euro Accumulating	EUR	8/27/2010	28.96%	7.39%	47.03%
	Class GA Euro Distributing (A)	EUR	8/27/2010	28.80%	7.32%	47.04%
	Class GE US\$ Accumulating	USD	8/27/2010	24.65%	3.24%	10.03%
	Class GE Euro Accumulating	EUR	8/27/2010	27.99%	6.57%	43.78%
	Premier Class PLN Accumulating (Hedged)	PLN	10/8/2015	26.49%	4.89%	–
	Class A US\$ Accumulating	USD	8/13/2013	20.33%	10.23%	(4.87)%
	Class A US\$ Distributing (A)	USD	3/27/2015	20.33%	10.23%	–
	Class A US\$ Distributing (M) Plus	USD	6/19/2014	20.34%	10.23%	–
	Class A US\$ Distributing (M) Plus (e)	USD	6/3/2013	20.34%	10.25%	(4.84)%
	Class A US\$ Distributing (Q)	USD	5/8/2015	20.26%	10.15%	–
	Class A AUD Distributing (M) (Hedged) Plus	AUD	6/25/2014	21.03%	10.87%	–
	Class A CNH Distributing (M) (Hedged) Plus	CNH	7/28/2014	23.70%	13.23%	–
	Class A Euro Accumulating	EUR	3/27/2015	23.52%	13.73%	–
	Class A Euro Accumulating (Hedged)	EUR	11/21/2014	18.33%	8.63%	–
	Class A Euro Distributing (A) (Hedged)	EUR	5/2/2014	18.67%	8.99%	–
	Class A Euro Distributing (M) (Hedged) Plus (e)	EUR	2/27/2014	18.32%	8.63%	–
	Class A HKD Distributing (M) Plus	HKD	7/28/2014	19.96%	10.21%	–
	Class A SGD Distributing (M) (Hedged) Plus	SGD	7/28/2014	19.89%	10.05%	–
	Class B US\$ Accumulating	USD	3/27/2015	19.72%	9.68%	–
	Class B US\$ Distributing (A)	USD	3/27/2015	19.72%	9.69%	–
	Class C US\$ Accumulating	USD	9/27/2013	19.73%	9.69%	(6.28)%
	Class C US\$ Distributing (A)	USD	3/27/2015	19.72%	9.69%	–
	Class C US\$ Distributing (Q)	USD	8/29/2014	19.72%	9.69%	–
	Class F US\$ Accumulating	USD	3/27/2015	21.06%	10.90%	–
	Class F Euro Accumulating	EUR	3/27/2015	24.43%	14.47%	–
	Class F Euro Distributing (A)	EUR	3/27/2015	24.30%	14.49%	–
	Class X US\$ Distributing (M) Plus (e)	USD	7/2/2015	21.08%	10.92%	–
	Premier Class US\$ Distributing (M) Plus (e)	USD	6/3/2013	21.50%	11.31%	(1.87)%
	LM Class US\$ Accumulating	USD	6/3/2013	22.17%	11.92%	(0.78)%
Legg Mason ClearBridge US Equity Sustainability Leaders Fund ^	Class A US\$ Distributing (A)	USD	9/30/2015	22.78%	8.16%	–
	Class A Euro Accumulating (Hedged)	EUR	9/30/2015	20.82%	6.75%	–
	Class X US\$ Distributing (A)	USD	9/30/2015	23.52%	8.81%	–
	Class X Euro Accumulating (Hedged)	EUR	9/30/2015	21.56%	7.38%	–
	Class X GBP Accumulating	GBP	12/22/2015	38.56%	30.18%	–
	Premier Class US\$ Distributing (A)	USD	9/30/2015	23.95%	9.20%	–
	Premier Class Euro Accumulating (Hedged)	EUR	9/30/2015	21.98%	7.77%	–
	Premier Class GBP Accumulating	GBP	9/30/2015	39.03%	30.62%	–
Legg Mason Opportunity Fund	Class A US\$ Accumulating	USD	2/22/2010	25.27%	(0.35)%	3.46%
	Class A US\$ Distributing (A)	USD	2/4/2009	25.27%	(0.34)%	3.47%
	Class A Euro Accumulating (Hedged)	EUR	1/17/2014	23.26%	(1.70)%	–
	Class A SEK Accumulating (Hedged)	SEK	6/3/2013	22.47%	(2.43)%	1.18%
	Class X GBP Accumulating	GBP	2/20/2013	41.38%	19.93%	41.79%
	Premier Class US\$ Accumulating	USD	3/19/2010	26.56%	0.68%	6.70%
	Premier Class GBP Distributing (A) (Hedged)	GBP	8/25/2009	41.93%	20.52%	43.45%
Legg Mason Royce US Small Cap Opportunity Fund	Premier Class PLN Accumulating (Hedged)	PLN	10/8/2015	26.54%	0.65%	–
	Class A US\$ Accumulating	USD	5/9/2007	42.92%	28.83%	8.66%
	Class A US\$ Distributing (A)	USD	11/8/2002	42.92%	28.83%	8.65%
	Class A AUD Accumulating (Hedged)	AUD	6/3/2013	43.41%	29.23%	13.31%
	Class A Euro Accumulating	EUR	7/12/2007	46.75%	32.99%	41.96%
	Class A Euro Accumulating (Hedged)	EUR	2/20/2013	40.84%	27.22%	6.80%

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Supplemental Information – Fund Performance Data (unaudited) – (continued)

Fund	Share Class	Class CCY	Inception Date	Fiscal YTD 3/1/16-2/28/17	Calendar 1/1/16-12/31/16	3 Year Cumulative 1/1/14-12/31/16
	Class A GBP Accumulating (Hedged)	GBP	12/20/2013	40.61%	26.91%	7.15%
	Class A GBP Distributing (A)	GBP	4/26/2011	60.48%	54.27%	46.11%
	Class A SEK Accumulating (Hedged)	SEK	1/31/2013	39.95%	26.38%	5.76%
	Class A SGD Accumulating	SGD	2/16/2011	42.45%	31.49%	24.52%
	Class A SGD Accumulating (Hedged)	SGD	9/10/2012	42.42%	28.50%	8.94%
	Class B US\$ Accumulating	USD	11/15/2007	42.21%	28.19%	7.04%
	Class B US\$ Distributing (A)	USD	2/24/2004	42.21%	28.19%	7.03%
	Class C US\$ Accumulating	USD	11/15/2007	42.21%	28.19%	7.04%
	Class C US\$ Distributing (A)	USD	2/24/2004	42.21%	28.19%	7.05%
	Class E US\$ Accumulating	USD	1/4/2011	41.86%	27.87%	6.23%
	Class E US\$ Distributing (A)	USD	1/4/2011	41.85%	27.87%	6.23%
	Class E Euro Accumulating	EUR	11/26/2010	45.74%	32.09%	39.03%
	Class E Euro Accumulating (Hedged)	EUR	9/23/2013	39.71%	26.25%	4.34%
	Class F US\$ Accumulating	USD	1/4/2011	43.78%	29.60%	10.63%
	Class F US\$ Distributing (A)	USD	1/4/2011	43.78%	29.61%	10.63%
	Class R Euro Accumulating	EUR	12/9/2013	47.53%	33.69%	44.17%
	Class X US\$ Accumulating	USD	2/25/2013	43.99%	29.80%	11.13%
	Class X Euro Accumulating (Hedged)	EUR	10/21/2013	41.75%	28.11%	9.18%
	Class X GBP Accumulating	GBP	1/18/2013	61.48%	55.25%	49.26%
	Class X GBP Distributing (A)	GBP	4/23/2013	61.05%	54.92%	48.90%
	Premier Class US\$ Accumulating	USD	4/27/2010	44.49%	30.25%	12.30%
	Premier Class Euro Accumulating	EUR	6/7/2010	48.20%	34.22%	46.98%
	Premier Class Euro Accumulating (Hedged)	EUR	8/31/2015	42.31%	28.57%	–
	Premier Class GBP Accumulating	GBP	2/15/2013	62.15%	55.85%	50.60%
Legg Mason Royce US Smaller Companies Fund	Class A US\$ Accumulating	USD	5/9/2007	28.44%	24.19%	7.76%
	Class A US\$ Distributing (A)	USD	3/1/2004	28.43%	24.19%	7.74%
	Class A Euro Accumulating	EUR	10/1/2008	31.87%	28.12%	40.70%
	Class A Euro Accumulating (Hedged)	EUR	6/5/2013	26.27%	22.41%	5.61%
	Class A Euro Distributing (A)	EUR	2/9/2011	31.40%	27.84%	43.03%
	Class A GBP Distributing (A)	GBP	11/5/2009	44.11%	48.58%	44.83%
	Class A SEK Accumulating (Hedged)	SEK	1/31/2013	25.77%	21.84%	5.27%
	Class B US\$ Accumulating	USD	11/15/2007	27.81%	23.58%	6.16%
	Class B US\$ Distributing (A)	USD	3/1/2004	27.77%	23.54%	6.12%
	Class C US\$ Accumulating	USD	11/15/2007	27.80%	23.58%	6.15%
	Class C US\$ Distributing (A)	USD	3/1/2004	27.79%	23.57%	6.14%
	Class E US\$ Accumulating	USD	1/21/2010	27.48%	23.26%	5.34%
	Class E US\$ Distributing (A)	USD	1/21/2010	27.48%	23.26%	5.34%
	Class E Euro Accumulating	EUR	4/11/2011	30.83%	27.16%	37.83%
	Class F US\$ Accumulating	USD	1/21/2010	29.20%	24.93%	9.73%
	Class F US\$ Distributing (A)	USD	2/4/2010	29.20%	24.93%	9.70%
	Class R US\$ Accumulating	USD	5/9/2014	29.07%	24.81%	–
	Class X US\$ Accumulating	USD	2/8/2013	29.38%	25.11%	10.20%
	Class X US\$ Distributing (A)	USD	10/7/2013	29.39%	25.11%	10.26%
	Premier Class US\$ Accumulating	USD	11/24/2009	29.85%	25.55%	11.37%
	Premier Class US\$ Distributing (A)	USD	2/18/2011	29.85%	25.55%	11.36%
	Premier Class GBP Distributing (A)	GBP	5/20/2011	45.59%	50.12%	49.46%
	Class A (G) US\$ Accumulating	USD	4/20/2007	29.20%	24.93%	9.71%
	Class L (G) US\$ Accumulating	USD	4/20/2007	28.56%	24.31%	8.07%
	Premier Class PLN Accumulating (Hedged)	PLN	10/8/2015	29.84%	25.52%	–
Legg Mason QS MV European Equity Growth and Income Fund	Class A US\$ Accumulating	USD	5/9/2007	4.61%	(4.90)%	(5.96)%
	Class A US\$ Accumulating (Hedged)	USD	9/30/2014	9.11%	(0.47)%	–
	Class A US\$ Distributing (A)	USD	2/24/2004	4.57%	(4.87)%	(5.72)%
	Class A US\$ Distributing (M) (Hedged) Plus	USD	9/30/2014	9.11%	(0.47)%	–
	Class A US\$ Distributing (Q) (Hedged)	USD	10/26/2015	9.10%	(0.54)%	–
	Class A AUD Distributing (M) (Hedged) Plus	AUD	9/30/2014	9.76%	(0.05)%	–
	Class A CNH Distributing (M) (Hedged) Plus	CNH	10/28/2014	12.33%	2.09%	–
	Class A Euro Accumulating	EUR	8/31/2010	7.42%	(1.80)%	23.07%
	Class A Euro Distributing (A)	EUR	8/30/2002	7.42%	(1.80)%	23.06%
	Class A Euro Distributing (M) Plus	EUR	9/30/2014	7.45%	(1.79)%	–
	Class A SGD Distributing (M) (Hedged) Plus	SGD	7/8/2015	8.74%	(0.65)%	–
	Class B US\$ Accumulating	USD	11/15/2007	4.18%	(5.30)%	(7.14)%
	Class B US\$ Distributing (A)	USD	2/24/2004	3.75%	(5.66)%	(8.13)%
	Class C US\$ Accumulating	USD	11/15/2007	4.06%	(5.42)%	(7.13)%
	Class C US\$ Distributing (A)	USD	2/24/2004	4.01%	(5.42)%	(7.53)%
	Class C US\$ Distributing (Q) (Hedged)	USD	10/26/2015	8.54%	(1.01)%	–
	Class E US\$ Accumulating	USD	9/22/2014	5.24%	(5.23)%	–
	Class E US\$ Accumulating (Hedged)	USD	4/30/2015	8.21%	(1.39)%	–
	Class E US\$ Distributing (Q) (Hedged)	USD	10/26/2015	8.31%	(1.27)%	–
	Class F US\$ Distributing (Q) (Hedged)	USD	10/26/2015	9.72%	0.08%	–
	Premier Class Euro Accumulating	EUR	5/9/2014	8.52%	(0.79)%	–
	Class A (G) US\$ Accumulating	USD	4/20/2007	4.86%	(4.64)%	(4.95)%
	Class B (G) US\$ Accumulating	USD	4/20/2007	4.56%	(4.91)%	(6.92)%
	Class L (G) US\$ Accumulating	USD	4/20/2007	4.18%	(5.28)%	(6.51)%
	Class GA US\$ Accumulating	USD	8/27/2010	4.90%	(4.62)%	(4.51)%

Supplemental Information – Fund Performance Data (unaudited) – (continued)

Fund	Share Class	Class CCY	Inception Date	Fiscal YTD 3/1/16-2/28/17	Calendar 1/1/16-12/31/16	3 Year Cumulative 1/1/14-12/31/16
	Class GA Euro Accumulating	EUR	8/27/2010	7.72%	(1.52)%	24.11%
	Class GA Euro Distributing (A)	EUR	8/27/2010	7.72%	(1.53)%	24.11%
	Class GE US\$ Accumulating	USD	8/27/2010	4.12%	(5.28)%	(7.02)%
Legg Mason QS MV Asia Pacific Ex Japan Equity Growth and Income Fund	Class A US\$ Accumulating	USD	5/9/2007	20.95%	8.45%	4.18%
	Class A US\$ Distributing (A)	USD	2/25/2004	20.87%	8.35%	3.96%
	Class A US\$ Distributing (M) Plus	USD	9/30/2014	20.83%	8.31%	–
	Class A Euro Accumulating	EUR	10/31/2007	24.22%	11.96%	36.09%
	Class A HKD Distributing (M) Plus	HKD	9/30/2014	20.61%	8.39%	–
	Class B US\$ Accumulating	USD	11/15/2007	20.36%	7.91%	2.63%
	Class B US\$ Distributing (A)	USD	2/25/2004	20.22%	7.77%	2.36%
	Class C US\$ Accumulating	USD	11/15/2007	20.34%	7.91%	2.63%
	Class C US\$ Distributing (A)	USD	2/25/2004	20.22%	7.77%	2.36%
	Class E US\$ Accumulating	USD	1/21/2010	19.91%	7.50%	1.61%
	Class E US\$ Distributing (A)	USD	1/21/2010	20.01%	7.55%	2.22%
	Class F US\$ Accumulating	USD	1/4/2011	21.42%	8.90%	5.74%
	Class F US\$ Distributing (A)	USD	1/4/2011	21.47%	8.88%	5.74%
	Class X US\$ Accumulating	USD	2/24/2016	21.82%	–	–
	Class GA US\$ Accumulating	USD	8/27/2010	21.00%	8.50%	4.57%
	Class GA Euro Accumulating	EUR	8/27/2010	24.24%	12.02%	36.71%
	Class GA Euro Distributing (A)	EUR	8/27/2010	24.25%	12.01%	36.84%
	Class GE US\$ Accumulating	USD	8/27/2010	20.10%	7.69%	2.25%
	Class GE Euro Accumulating	EUR	8/27/2010	23.31%	11.36%	34.07%
	Premier Class PLN Accumulating (Hedged)	PLN	10/8/2015	21.86%	9.36%	–
Legg Mason QS Emerging Markets Equity Fund	Class A US\$ Accumulating	USD	4/28/2008	17.61%	5.89%	(15.23)%
	Class A US\$ Distributing (A)	USD	7/2/2008	17.65%	5.89%	(15.22)%
	Class A Euro Accumulating	EUR	7/2/2008	15.99%	4.94%	6.35%
	Class A GBP Distributing (A)	GBP	4/30/2008	31.96%	26.68%	13.92%
	Class B US\$ Accumulating	USD	7/2/2008	16.81%	5.09%	(17.14)%
	Class B US\$ Distributing (A)	USD	7/2/2008	16.81%	5.08%	(17.14)%
	Class C US\$ Accumulating	USD	7/2/2008	16.78%	5.08%	(17.16)%
	Class C US\$ Distributing (A)	USD	7/2/2008	16.80%	5.08%	(17.15)%
	Class E US\$ Accumulating	USD	1/21/2010	16.52%	4.83%	(17.77)%
	Premier Class US\$ Accumulating	USD	9/29/2014	18.96%	7.14%	–
	Premier Class Euro Accumulating	EUR	7/2/2008	22.04%	10.48%	14.20%
Legg Mason QS MV Global Equity Growth and Income Fund	Class A US\$ Accumulating	USD	9/6/2012	11.44%	6.23%	13.60%
	Class A US\$ Distributing (M) Plus	USD	10/26/2015	11.63%	6.39%	–
	Class A AUD Distributing (M) (Hedged) Plus	AUD	10/26/2015	12.13%	6.85%	–
	Class A HKD Distributing (M) Plus	HKD	10/26/2015	11.31%	6.37%	–
	Class GA US\$ Accumulating	USD	6/10/2011	11.74%	6.56%	14.71%
	Class GA Euro Accumulating	EUR	6/10/2011	14.73%	10.01%	49.91%
	Class GA Euro Distributing (A)	EUR	6/10/2011	14.74%	10.01%	49.95%
	Class GE US\$ Accumulating	USD	6/10/2011	10.90%	5.77%	12.16%
	Class GE Euro Accumulating	EUR	6/10/2011	13.89%	9.19%	46.49%
Legg Mason Martin Currie Australia Equity Income Fund	Class A AUD Distributing (M) Plus	AUD	5/28/2015	17.46%	13.38%	–
	LM Class AUD Accumulating	AUD	5/28/2015	19.00%	14.86%	–

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's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Societe Generale, 0.410%, due 12/15/2026	46,498	Societe Generale, 0.000%, due 12/15/2026	46,500
General Electric Co, 0.570%, due 1/30/2017	45,984	General Electric Co, 0.000%, due 1/30/2017	45,986
Societe Generale, 0.660%, due 1/9/2017	45,896	Societe Generale, 0.000%, due 1/9/2017	45,900
Societe Generale, 0.410%, due 11/10/2016	44,999	Swedbank AB, 0.000%, due 11/28/2016	45,000
Societe Generale, 0.410%, due 12/7/2016	44,999	Swedbank AB, 0.000%, due 8/1/2016	45,000
Automatic Data Processing Inc, 0.640%, due 12/20/2016	44,999	Societe Generale, 0.000%, due 1/20/2017	45,000
Automatic Data Processing Inc, 0.640%, due 1/18/2017	44,999	Societe Generale, 0.000%, due 11/10/2016	45,000
Societe Generale, 0.660%, due 1/19/2017	44,999	Swedbank AB, 0.000%, due 10/27/2016	45,000
Societe Generale, 0.660%, due 1/20/2017	44,999	Swedbank AB, 0.000%, due 12/12/2016	45,000
Societe Generale, 0.660%, due 1/12/2017	44,999	Societe Generale, 0.000%, due 12/7/2016	45,000
Automatic Data Processing Inc, 0.380%, due 9/7/2016	44,999	Societe Generale, 0.000%, due 1/19/2017	45,000
Swedbank AB, 0.380%, due 11/28/2016	44,999	Societe Generale, 0.000%, due 1/12/2017	45,000
Automatic Data Processing Inc, 0.390%, due 12/7/2016	44,999	Automatic Data Processing Inc, 0.000%, due 12/7/2016	45,000
Swedbank AB, 0.390%, due 8/1/2016	44,999	Automatic Data Processing Inc, 0.000%, due 9/7/2016	45,000
Swedbank AB, 0.370%, due 10/27/2016	44,998	Automatic Data Processing Inc, 0.000%, due 12/20/2016	45,000
Swedbank AB, 0.380%, due 12/12/2016	44,998	Automatic Data Processing Inc, 0.000%, due 12/28/2016	45,000
Automatic Data Processing Inc, 0.000%, due 12/28/2016	44,997	Automatic Data Processing Inc, 0.000%, due 1/18/2017	45,000
Swedbank AB, 0.640%, due 2/16/2017	44,465	Swedbank AB, 0.000%, due 2/16/2017	44,500
General Electric Co, 0.570%, due 1/26/2017	44,089	General Electric Co, 0.000%, due 1/26/2017	44,090
Societe Generale, 0.660%, due 1/26/2017	43,999	Societe Generale, 0.000%, due 1/26/2017	44,000

Legg Mason Western Asset US Core Bond Fund

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	78,801	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	78,179
United States Treasury Note/Bond, 1.375%, due 5/31/2021	4,998	United States Treasury Note/Bond, 1.375%, due 5/31/2021	4,926
United States Treasury Note/Bond, 1.125%, due 6/30/2021	3,236	Fannie Mae Pool, 30 year, TBA, 3.000%	1,979
Fannie Mae Pool, 30 year, TBA, 3.000%	1,987	Fannie Mae Pool, 30 year, TBA, 3.000%	1,896
Fannie Mae Pool, 30 year, TBA, 3.500%	1,948	Fannie Mae Pool, 30 year, TBA, 3.000%	1,890
Fannie Mae Pool, 30 year, TBA, 3.000%	1,947	United States Treasury Note/Bond, 2.000%, due 11/30/2022	1,691
Fannie Mae Pool, 30 year, TBA, 3.000%	1,892	Fannie Mae Pool, 30 year, TBA, 3.500%	1,685
Fannie Mae Pool, 30 year, TBA, 3.500%	1,685	Fannie Mae Pool, 30 year, TBA, 3.000%	1,649
Fannie Mae Pool, 30 year, TBA, 3.000%	1,658	Fannie Mae Pool, 30 year, TBA, 3.000%	1,648
Fannie Mae Pool, 30 year, TBA, 3.000%	1,649	Freddie Mac Gold Pool, 30 year, TBA, 3.000%	1,485
United States Treasury Note/Bond, 1.375%, due 6/30/2023	1,598	United States Treasury Note/Bond, 2.500%, due 5/15/2046	1,456
United States Treasury Note/Bond, 1.875%, due 1/31/2022	1,582	United States Treasury Note/Bond, 1.625%, due 10/31/2023	1,444
Fannie Mae Pool, 30 year, TBA, 3.000%	1,578	Fannie Mae Pool, 30 year, TBA, 3.500%	1,440
United States Treasury Note/Bond, 2.500%, due 5/15/2046	1,566	Fannie Mae Pool, 30 year, TBA, 3.500%	1,436
Freddie Mac Gold Pool, 30 year, TBA, 3.000%	1,489	United States Treasury Note/Bond, 1.875%, due 1/31/2022	1,436
United States Treasury Note/Bond, 1.625%, due 10/31/2023	1,467	Fannie Mae Pool, 30 year, TBA, 3.500%	1,428
Fannie Mae Pool, 30 year, TBA, 3.500%	1,465	Ginnie Mae II Pool, 30 year, TBA, 3.500%	1,273
Fannie Mae Pool, 30 year, TBA, 3.500%	1,438	United States Treasury Note/Bond, 1.375%, due 6/30/2023	1,197
Fannie Mae Pool, 30 year, TBA, 3.500%	1,434	Ginnie Mae II Pool, 30 year, TBA, 3.500%	1,163
United States Treasury Note/Bond, 3.000%, due 11/15/2045	1,407	Fannie Mae Pool, 30 year, TBA, 3.500%	1,162

Legg Mason Western Asset US Core Plus Bond Fund

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Fannie Mae Pool, 30 year, TBA, 4.000%	30,183	Fannie Mae Pool, 30 year, TBA, 4.000%	30,004
Fannie Mae Pool, 30 year, TBA, 4.000%	29,994	Fannie Mae Pool, 30 year, TBA, 4.000%	28,159
Fannie Mae Pool, 30 year, TBA, 4.000%	28,127	Fannie Mae Pool, 30 year, TBA, 4.000%	28,084
Fannie Mae Pool, 30 year, TBA, 4.000%	28,062	Fannie Mae Pool, 30 year, TBA, 4.000%	28,076
Fannie Mae Pool, 30 year, TBA, 4.000%	28,051	Fannie Mae Pool, 30 year, TBA, 4.000%	28,076
Fannie Mae Pool, 30 year, TBA, 4.000%	28,050	Fannie Mae Pool, 30 year, TBA, 4.000%	28,063
Fannie Mae Pool, 30 year, TBA, 4.000%	28,042	United States Treasury Note/Bond, 1.375%, due 1/31/2021	27,918
Fannie Mae Pool, 30 year, TBA, 4.000%	27,954	Fannie Mae Pool, 30 year, TBA, 4.000%	27,606
Fannie Mae Pool, 30 year, TBA, 4.000%	27,572	Fannie Mae Pool, 30 year, TBA, 4.000%	27,572
Fannie Mae Pool, 30 year, TBA, 4.000%	27,537	Fannie Mae Pool, 30 year, TBA, 4.000%	27,465
United States Treasury Note/Bond, 3.000%, due 5/15/2045	23,866	United States Treasury Note/Bond, 1.125%, due 2/28/2021	25,738
Fannie Mae Pool, 15 year, TBA, 3.000%	23,503	Fannie Mae Pool, 30 year, TBA, 3.000%	23,508
Fannie Mae Pool, 30 year, TBA, 4.000%	21,441	Fannie Mae Pool, 30 year, TBA, 4.000%	21,456
Fannie Mae Pool, 30 year, TBA, 3.000%	21,259	Fannie Mae Pool, 30 year, TBA, 3.000%	21,185
United States Treasury Note/Bond, 2.500%, due 2/15/2046	21,144	Fannie Mae Pool, 30 year, TBA, 3.000%	20,557
Fannie Mae Pool, 30 year, TBA, 3.000%	21,111	Fannie Mae Pool, 30 year, TBA, 3.000%	20,493
United States Treasury Note/Bond, 1.625%, due 6/30/2020	20,596	United States Treasury Note/Bond, 2.500%, due 2/15/2046	20,151
Fannie Mae Pool, 30 year, TBA, 3.000%	20,517	United States Treasury Note/Bond, 1.625%, due 10/31/2023	19,318
United States Treasury Note/Bond, 1.625%, due 10/31/2023	19,774	United States Treasury Note/Bond, 1.875%, due 1/31/2022	18,805
United States Treasury Note/Bond, 1.875%, due 1/31/2022	18,769	Fannie Mae Pool, 30 year, TBA, 3.000%	18,438
Fannie Mae Pool, 30 year, TBA, 3.000%	18,558	United States Treasury Note/Bond, 1.375%, due 6/30/2023	18,013
United States Treasury Note/Bond, 1.375%, due 6/30/2023	18,528	United States Treasury Note/Bond, 3.000%, due 11/15/2045	16,527
United States Treasury Note/Bond, 2.500%, due 5/15/2046	18,274	United States Treasury Note/Bond, 2.500%, due 5/15/2046	16,510
United States Treasury Note/Bond, 1.375%, due 8/31/2023	17,126	Fannie Mae Pool, 30 year, TBA, 3.000%	16,496
Fannie Mae Pool, 30 year, TBA, 3.000%	16,451		

Statement of Major Portfolio Changes (unaudited) – (continued)

Legg Mason Western Asset Euro Core Plus Bond Fund

MAJOR PURCHASES	COST (in 000's) €	MAJOR SALES	PROCEEDS (in 000's) €
Bundesrepublik Deutschland, 0.500%, due 2/15/2026	25,034	Bundesrepublik Deutschland, 0.500%, due 2/15/2026	18,797
Italy Buoni Poliennali Del Tesoro, 4.500%, due 3/1/2024	19,354	Belgium Government Bond, Series 67, 3.000%, due 9/28/2019	12,483
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	12,010	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	11,177
Kingdom of Belgium Government Bond, Series 77, 144A, 1.000%, due 6/22/2026	11,155	Belgium Government Bond, Series 74, 0.800%, due 6/22/2025	7,427
Deutsche Bundesrepublik Inflation Linked Bond, Series I/L, 1.750%, due 4/15/2020	8,582	Belgium Government Bond, Series 68, 2.250%, due 6/22/2023	7,230
Belgium Government Bond, Series 74, 0.800%, due 6/22/2025	7,242	Italy Buoni Poliennali Del Tesoro, 1.500%, due 8/1/2019	6,988
Italy Buoni Poliennali Del Tesoro, 1.500%, due 8/1/2019	6,985	Spain Government Inflation-Linked Bond, 0.550%, due 11/30/2019	6,424
Spain Government Inflation-Linked Bond, 0.550%, due 11/30/2019	6,482	Belgium Government Bond, Series 77, 144A, 1.000%, due 6/22/2026	6,202
Spain Government Bond, 144A, 1.300%, due 10/31/2026	2,960	Bundesobligation, Series 171, 0.000%, due 4/17/2020	5,591
French Republic Government Bond OAT, 0.250%, due 11/25/2026	2,869	Italy Buoni Poliennali Del Tesoro, 4.500%, due 3/1/2024	4,085
French Republic Government Bond OAT, 3.250%, due 5/25/2045	2,803	Bundesrepublik Deutschland, 1.000%, due 8/15/2024	3,725
French Republic Government Bond OAT, 0.500%, due 5/25/2026	2,435	Spain Government Bond, 144A, 3.800%, due 4/30/2024	2,999
Netherlands Government Bond, 144A, 0.500%, due 7/15/2026	2,351	Netherlands Government Bond, 144A, 1.750%, due 7/15/2023	2,582
Deutsche Bundesrepublik Inflation Linked Bond, Series I/L, 0.100%, due 4/15/2023	2,170	French Republic Government Bond OAT, 0.500%, due 5/25/2026	2,399
Italy Buoni Poliennali Del Tesoro, 144A, 3.250%, due 9/1/2046	1,782	Netherlands Government Bond, 144A, 0.500%, due 7/15/2026	2,318
Bundesrepublik Deutschland, 3.250%, due 7/4/2042	1,477	Italy Buoni Poliennali Del Tesoro, 144A, 3.250%, due 9/1/2046	2,021
Skandinaviska Enskilda Banken AB, 0.271%, due 5/26/2020	1,407	Deutsche Bundesrepublik Inflation Linked Bond, Series I/L, 0.500%, due 4/15/2030	1,773
ASB Finance Ltd, 0.500%, due 6/17/2020	1,400	Bundesrepublik Deutschland, 3.250%, due 7/4/2042	1,404
Swedbank AB, 0.625%, due 1/4/2021	1,209	European Investment Bank, 4.125%, due 4/15/2024	1,218
Citigroup Inc, 0.500%, due 5/24/2021	1,100	French Republic Government Bond OAT, 3.250%, due 5/25/2045	1,196

Legg Mason Western Asset Short Duration High Income Bond Fund

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
AerCap Ireland Capital DAC / AerCap Global Aviation Trust, 4.625%, due 10/30/2020	374	Legg Mason Qualified Investor Funds (II) Plc – Legg Mason Western Asset Senior Loans Fund – LM Class US\$ Distributing (monthly)	2,151
Reynolds Group Issuer Inc / Reynolds Group Issuer LLC / Reynolds Group Issuer Lu, 4.523%, due 7/15/2021	347	AerCap Ireland Capital DAC / AerCap Global Aviation Trust, 4.625%, due 10/30/2020	374
Valeant Pharmaceuticals International Inc, 7.500%, due 7/15/2021	271	AerCap Ireland Capital DAC / AerCap Global Aviation Trust, 4.250%, due 7/1/2020	368
ArcelorMittal, 6.250%, due 3/1/2021	265	Activision Blizzard Inc, 5.625%, due 9/15/2021	366
Structured Adjustable Rate Mortgage Loan Trust, Series 2005 8XS, Class M1, 1.423%, due 4/25/2035	265	Schaeffler Holding Finance BV, 6.250%, due 11/15/2019	366
Vector Group Ltd 7.750%, due 02/15/2021	248	Bear Stearns Mortgage Funding Trust 2006-AR4, Series 2006 AR4, Class A1, 0.646%, due 12/25/2036	343
Anglo American Capital Plc, 4.125%, due 9/27/2022	247	Dole Food Co Inc, 7.250%, due 5/1/2019	301
Sprint Corp, 7.875%, due 9/15/2023	241	William Lyon Homes Inc, 8.500%, due 11/15/2020	261
Barclays Bank Plc, 7.625%, due 11/21/2022	225	ArcelorMittal, 6.250%, due 3/1/2021	256
ArcelorMittal, 6.125%, due 06/01/2018	219	Ancestry.com Holdings LLC, 9.625%, due 10/15/2018	253
FirstCash Inc, 6.750%, due 4/1/2021	211	CIT Group Inc, 5.375%, due 5/15/2020	253
Virgin Media Finance Plc, 6.375%, due 4/15/2023	211	Vector Group Ltd 7.75%, due, 02/15/2021	250
Royal Bank of Scotland Group Plc, 8.625%, Perpetual	210	Sprint Communications Inc, 7.000%, due 8/15/2020	245
Dollar Tree Inc, 5.250%, due 3/1/2020	207	Caesars Entertainment Resort Properties LLC / Caesars Entertainment Resort Prope, 8.000%, due 10/1/2020	237
Avolon TLB Borrower 1 Luxembourg Sarl, 0.000%, due 1/20/2022	203	Ally Financial Inc, 8.000%, due 11/1/2031	230
MPH Acquisition Holdings LLC, 4.000%, due 6/7/2023	201	ArcelorMittal, 6.125%, due 06/01/2018	230
Petco Animal Supplies Inc, 5.000%, due 1/26/2023	201	Ardagh Finance Holdings SA, 8.625%, due 6/15/2019	227
Adient Global Holdings Ltd, 4.875%, due 8/15/2026	200	L Brands Inc, 6.625%, due 4/1/2021	224
Alcoa Nederland Holding BV, 6.750%, due 9/30/2024	200	DS Services of America Inc, 10.000%, due 9/1/2021	223
Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 6.000%, due 2/15/2025	200	Dollar Tree Inc, 5.250%, due 3/1/2020	207
Argentine Republic Government International Bond, 6.875%, due 4/22/2021	200	Dollar Tree Inc, 5.250%, due 3/1/2020	207
Argentine Republic Government International Bond, 6.875%, due 4/22/2021	200	Numericable-SFR SA, 4.875%, due 5/15/2019	207
FAGE International SA/ FAGE USA Dairy Industry Inc, 5.625%, due 8/15/2026	200	Dufry Finance SCA, 5.500%, due 10/15/2020	206
Frontier Communications Corp, 8.875%, due 9/15/2020	200	Maple holdings Acquisition Corp, 5.250%, due 1/21/2023	206
IHO Verwaltungen GmbH, 4.125%, due 9/15/2021	200	FAGE International SA/ FAGE USA Dairy Industry Inc, 5.625%, due 8/15/2026	205
Numericable-SFR SA, 7.375%, due 5/1/2026	200	Constellation Brands Inc, 6.000%, due 5/1/2022	204
Park Aerospace Holdings Ltd, 5.250%, due 8/15/2022	200	Numericable-SFR SA, 7.375%, due 5/1/2026	202
SFR Group SA, 6.000%, due 5/15/2022	200	SoftBank Group Corp, 4.500%, due 4/15/2020	202
GMAC Capital Trust I, Series 2	196		

Legg Mason Western Asset Global Multi Strategy Fund

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
United States Treasury Note/Bond, 0.875%, due 7/15/2017	110,676	United States Treasury Note/Bond, 0.875%, due 7/15/2017	179,058
United States Treasury Note/Bond, 1.500%, due 12/31/2018	64,096	United States Treasury Note/Bond, 1.500%, due 12/31/2018	63,580
United States Treasury Note/Bond, 1.250%, due 10/31/2019	47,113	Italy Buoni Poliennali Del Tesoro, 4.500%, due 3/1/2024	21,016
Brazil Notas do Tesouro Nacional Serie F, Series NTN-F, 10.000%, due 1/1/2021	13,823	Brazil Letras do Tesouro Nacional, Series LTN, zero coupon, due 1/1/2019	19,385
United States Treasury Note/Bond, 1.875%, due 1/31/2022	10,899	Legg Mason Qualified Investor Funds (II) Plc – Legg Mason Western Asset Senior Loans Fund – LM Class US\$ Distributing (monthly)	15,831
Russian Federal Bond – OFZ, Series 6207, 8.150%, due 2/3/2027	10,221	Legg Mason Global Funds Plc – Western Asset US High Yield Fund – LM Class US\$ Distributing (M)	12,980
Petsmart Inc, 4.250%, due 3/10/2022	6,973	Colombia Government International Bond, 5.625%, due 2/26/2044	12,886
United States Treasury Note/Bond, 3.000%, due 11/15/2045	6,803	Electricite de France SA, 5.250%, Perpetual	9,822
Energy Future Intermediate Holding Co LLC / EFH Finance Inc, 4.250%, due 6/30/2017	6,740	Citigroup Inc, Series M, 6.300%, Perpetual	9,548
Kraft Heinz Foods Co, 5.200%, due 7/15/2045	6,584	Verizon Communications Inc, 6.550%, due 9/15/2043	7,493
United States Treasury Note/Bond, 2.250%, due 8/15/2046	6,075	Reynolds American Inc, 5.850%, due 8/15/2045	7,219
Allianz SE, 3.099%, due 7/6/2047	5,830	Brazilian Government International Bond, 4.250%, due 1/7/2025	7,061
Majapahit Holding BV, 7.750%, due 1/20/2020	5,400	Petsmart Inc, 4.250%, due 3/10/2022	7,008
United States Treasury Note/Bond, 1.625%, due 5/15/2026	5,251	Goldman Sachs Capital II, 4.000%, Perpetual	6,821
Royal Bank of Scotland Group Plc, 3.625%, due 3/25/2024	5,241		
Brazil Notas do Tesouro Nacional Serie F, Series NTN-F, 10.000%, due 1/1/2023	5,007		

Statement of Major Portfolio Changes (unaudited) – (continued)

Legg Mason Western Asset Global Multi Strategy Fund – (continued)

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Braskem America Finance Co, 7.125%, due 7/22/2041	4,870	Energy Future Intermediate Holding Co LLC / EFIH Finance Inc, 4.250%, due 12/19/2016	6,740
ABN AMRO Bank NV, 7.125%, due 7/6/2022	4,853	Southern Copper Corp, 3.875%, due 4/23/2025	6,714
Barrick North America Finance LLC, 5.750%, due 5/1/2043	4,838	Kraft Heinz Foods Co, 5.200%, due 7/15/2045	6,584
ING Groep NV, 6.875%, Perpetual	4,777	Pertamina Persero PT, 4.875%, due 5/3/2022	6,479
		JPMorgan Chase & Co, 3.375%, due 5/1/2023	5,977
		First Data Corp, 3.700%, due 3/24/2018	5,263

Legg Mason Western Asset US High Yield Fund

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	129,069	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	129,016
iShares iBoxx \$ High Yield Corporate Bond ETF	15,634	iShares iBoxx \$ High Yield Corporate Bond ETF	15,762
SPDR Bloomberg Barclays Short Term High Yield Bond ETF	7,537	Legg Mason Qualified Investor Funds (II) Plc – Legg Mason Western Asset Senior Loans Fund – LM Class US\$ Distributing (monthly)	10,213
Legg Mason Global Funds Plc – Western Asset Emerging Markets Corporate Bond Fund – LM Class US\$ Distributing (M)	3,979	Sprint Communications Inc, 11.500%, due 11/15/2021	4,345
SFR Group SA, 144A, 7.375%, due 5/1/2026	3,870	GMAC Capital Trust I, Series 2	3,711
Sprint Capital Corp, 7.875%, due 9/15/2023	2,655	Sprint Communications Inc, 7.000%, due 8/15/2020	3,056
Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 144A, 7.250%, due 5/15/2024	2,510	Citigroup Inc	2,997
Barclays Bank Plc, 7.625%, due 11/21/2022	2,481	HCA Inc, 5.375%, due 2/1/2025	2,930
DISH DBS Corp, 144A, 7.750%, due 7/1/2026	2,354	Century Intermediate Holding Co 2, 144A, 9.750%, due 2/15/2019	2,667
Charter Communications Operating LLC / Charter Communications Operating Capital, 144A, 4.908%, due 7/23/2025	2,276	Constellation Brands Inc, 4.750%, due 11/15/2024	2,652
MPH Acquisition Holdings LLC, 144A, 7.125%, due 6/1/2024	2,125	DS Services of America Inc, 144A, 10.000%, due 9/1/2021	2,382
Allison Transmission Inc, 144A, 5.000%, due 10/1/2024	2,019	MPLX LP, 4.875%, due 6/1/2025	2,370
Park Aerospace Holdings Ltd, 144A, 5.500%, due 2/15/2024	2,016	DISH DBS Corp, 144A, 7.750%, due 7/1/2026	2,357
Lloyds Banking Group Plc, 7.500%, Perpetual	2,015	Ashtead Capital Inc, 144A, 6.500%, due 7/15/2022	2,316
Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc, 144A, 6.000%, due 2/15/2025	1,931	DH Services Luxembourg Sarl, 144A, 7.750%, due 12/15/2020	2,293
Sprint Communications Inc, 7.000%, due 8/15/2020	1,900	FMG Resources August 2006 Pty Ltd, 144A, 9.750%, due 3/1/2022	2,190
Teck Resources Ltd, 8.000%, due 6/1/2021	1,880	Physiotherapy Associates Holding Inc	2,148
DISH DBS Corp, 144A, 7.750%, due 7/1/2026	1,863	NES Rentals Holdings Inc, 144A, 7.875%, due 5/1/2018	2,113
Jack Cooper Holdings Corp, 9.250%, due 6/1/2020	1,824	Jack Cooper Holdings Corp, 10.250%, due 6/1/2020	2,050
Magnum Hunter Resources Corp	1,791	Citigroup Inc, Series P, 5.950%, Perpetual	2,033

Legg Mason Western Asset Emerging Markets Total Return Bond Fund

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Legg Mason Global Funds Plc – Western Asset Emerging Markets Corporate Bond Fund – LM Class US\$ Distributing (M)	1,403	Legg Mason Global Funds Plc – Western Asset Emerging Markets Corporate Bond Fund – LM Class US\$ Distributing (M)	2,814
Petroleos Mexicanos, 5.125%, due 3/15/2023	1,259	Hungary Government International Bond, 5.750%, due 11/22/2023	1,698
Shimao Property Holdings Ltd, 8.375%, due 2/10/2022	1,065	Turkey Government International Bond, 5.750%, due 3/22/2024	1,458
Russian Federal Bond – OFZ, Series 6212, 7.050%, due 1/19/2028	887	Sinopec Group Overseas Development 2014 Ltd, 144A, 4.375%, due 4/10/2024	1,321
Magyar Export-Import Bank Zrt, 4.000%, due 1/30/2020	863	Petroleos Mexicanos, 5.125%, due 3/15/2023	1,264
Indonesia Treasury Bond, Series FR68, 8.375%, due 3/15/2034	776	Ecuador Government International Bond, 144A, 10.500%, due 3/24/2020	1,204
Russian Agricultural Bank OJSC Via RSHB Capital SA, 8.500%, due 10/16/2023	755	Russian Foreign Bond – Eurobond, 144A, 4.875%, due 9/16/2023	1,073
Provincia de Buenos Aires/Argentina, 9.950%, due 6/9/2021	691	Philippine Government International Bond, 3.700%, due 3/1/2041	1,059
Argentine Republic Government International Bond, 144A, 7.500%, due 4/22/2026	660	Corp Nacional del Cobre de Chile, 3.000%, due 7/17/2022	984
Argentine Republic Government International Bond, 7.500%, due 4/22/2026	660	Republic of Poland Government International Bond, 4.000%, due 1/22/2024	907
Ghana Government International Bond, 10.750%, due 10/14/2030	658	Russian Agricultural Bank OJSC Via RSHB Capital SA, 7.750%, due 5/29/2018	866
Abu Dhabi Government International Bond, 144A, 3.125%, due 5/3/2026	648	Magyar Export-Import Bank Zrt, 144A, 4.000%, due 1/30/2020	863
Ecuador Government International Bond, 10.750%, due 3/28/2022	617	Majapahit Holding BV, 7.750%, due 1/20/2020	836
TC Ziraat Bankasi AS, 144A, 4.750%, due 4/29/2021	598	Indonesia Government International Bond, 144A, 5.875%, due 1/15/2024	805
Petron Corp, 7.500%, Perpetual	518	Country Garden Holdings Co Ltd, 7.500%, due 3/9/2020	794
Sri Lanka Government International Bond, 5.875%, due 7/25/2022	509	Costa Rica Government International Bond, 144A, 7.000%, due 4/4/2044	748
Republic of Armenia International Bond, 6.000%, due 9/30/2020	502	Petroleum Co of Trinidad & Tobago Ltd, 9.750%, due 8/14/2019	676
Israel Government International Bond, 2.875%, due 3/16/2026	497	Russian Foreign Bond – Eurobond, 5.625%, due 4/4/2042	675
Kenya Government International Bond, 5.875%, due 6/24/2019	492	Lukoil International Finance BV, 144A, 6.125%, due 11/9/2020	668
Argentine Republic Government International Bond, 144A, 6.875%, due 4/22/2021	490	Argentine Republic Government International Bond, 144A, 7.500%, due 4/22/2026	660
Pelabuhan Indonesia III Persero PT, 4.875%, due 10/1/2024	486	Ghana Government International Bond, 144A, 10.750%, due 10/14/2030	658
Southern Copper Corp, 5.250%, due 11/8/2042	482	Abu Dhabi Government International Bond, 144A, 3.125%, due 5/3/2026	653
Mexico City Airport Trust, 5.500%, due 10/31/2046	476	Colombia Government International Bond, 5.625%, due 2/26/2044	650
Perusahaan Listrik Negara PT, 5.250%, due 10/24/2042	469	Russian Foreign Bond – Eurobond, 7.500%, due 3/31/2030	632
Ecopetrol SA, 5.875%, due 9/18/2023	467	TC Ziraat Bankasi AS, 144A, 4.750%, due 4/29/2021	594
Petroleos Mexicanos, 5.625%, due 1/23/2046	457	Petrobras Global Finance BV, 5.375%, due 1/27/2021	592
Petroleos Mexicanos, 5.500%, due 6/27/2044	455	Export Credit Bank of Turkey, 144A, 5.875%, due 4/24/2019	585
Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2023	450		
Jordan Government International Bond, 5.750%, due 1/31/2027	408		
Ecuador Government International Bond, 9.650%, due 12/13/2026	407		
Ecuador Government International Bond, 144A, 10.750%, due 3/28/2022	400		

Legg Mason Western Asset Emerging Markets Corporate Bond Fund

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Hutchison Whampoa International 14 Ltd, 3.625%, due 10/31/2024	1,152	Bank of China Ltd, 5.000%, due 11/13/2024	1,401
Legg Mason Global Funds Plc – Western Asset EM Local Currency Debt Fund	933	Hutchison Whampoa International 14 Ltd, 3.625%, due 10/31/2024	1,134
Ecopetrol SA, 5.875%, due 5/28/2045	921	CNOOC Finance 2012 Ltd, 3.875%, due 5/2/2022	983
Petroleos Mexicanos, 5.125%, due 3/15/2023	876	Petrobras Global Finance BV, 5.755%, due 1/27/2021	908

Statement of Major Portfolio Changes (unaudited) – (continued)

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

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Petrobras Global Finance BV, 6.250%, due 3/17/2024	735	Petroleos Mexicanos, 5.125%, due 3/15/2023	879
Petron Corp, 7.500%, perpetual	655	Legg Mason Global Funds Plc – Western Asset EM Local Currency Debt Fund	865
Rosneft Finance SA, 7.875%, due 3/13/2018	645	Petron Corp, 7.500%, perpetual	664
Petrobras Global Finance BV, 7.375%, due 1/17/2027	600	Itau Unibanco Holding SA/Cayman Island, 2.850%, due 5/26/2018	658
YPF SA, 8.500%, due 3/23/2021	599	Ecopetrol SA, 5.875%, due 5/28/2045	657
Digicel Ltd, 144A, 6.750%, due 3/1/2023	596	Reliance Holding USA Inc, 5.400%, due 2/14/2022	654
Brazil Notas do Tesouro Nacional Serie F, Series NTN, 10.000%, due 1/1/2021	593	Country Garden Holdings Co Ltd, 7.500%, due 3/9/2020	646
CNOOC Finance 2012 Ltd, 3.875%, due 5/2/2022	580	Rosneft Finance SA, 7.875%, due 3/13/2018	634
YPF SA, 144A, 8.500%, due 3/23/2021	574	Digicel Ltd, 144A, 6.750%, due 3/1/2023	607
Reliance Holding USA Inc, 5.400%, due 2/14/2022	570	Hutchison Whampoa International 11 Ltd, 4.625%, due 1/13/2022	607
Petrobras Global Finance BV, 6.850%, due 6/5/2115	555	Ooredoo International Finance Ltd, 4.750%, due 2/16/2021	593
Kia Motors Corp, 144A, 3.250%, due 4/21/2026	510	Shimao Property Holdings Ltd, 6.625%, due 1/14/2020	592
ICICI Bank Ltd, 3.500%, due 3/18/2020	507	YPF SA, 144A, 8.500%, due 3/23/2021	577
Argentine Republic Government International Bond, 144A, 7.500%, due 4/22/2026	506	Korea Gas Corp, 3.500%, due 7/21/2025	569
Raizen Fuels Finance SA, 5.300%, due 1/20/2027	500	JBS Investments GmbH, 7.750%, due 10/28/2020	566
Minerva Luxembourg SA, 7.750%, due 1/31/2023	451	Sberbank of Russia Via SB Capital SA, 5.500%, due 2/26/2024	556
Southern Copper Corp, 7.500%, due 7/27/2035	444	Goodman HK Finance, 4.375%, due 6/19/2024	541
JBS Investments GmbH, 7.750%, due 10/28/2020	431	Vale SA, 5.625%, due 9/11/2042	540
		Petrobras Global Finance BV, 6.850%, due 6/5/2115	537
		Grupo Idesa SA de CV, 7.875%, due 12/18/2020	534
		Argentine Republic Government International Bond, 144A, 7.500%, due 4/22/2026	532
		Bank of East Asia Ltd/The, 4.250%, due 11/20/2024	528
		Kia Motors Corp, 144A, 3.250%, due 4/21/2026	525
		Hutchison Whampoa International 12 II Ltd, 2.000%, due 8/11/2017	521
		Puma International Financing SA, 6.750%, due 2/1/2021	509
		ICICI Bank Ltd, 3.500%, due 3/18/2020	509
		Evrz Group SA, 6.750%, due 4/27/2018	504

Legg Mason Western Asset Global High Yield Fund

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
United States Treasury Note/Bond, 1.375%, due 9/30/2020	24,113	United States Treasury Note/Bond, 1.375%, due 9/30/2020	26,406
United States Treasury Note/Bond, 1.625%, due 5/15/2026	16,187	United States Treasury Note/Bond, 1.625%, due 5/15/2026	16,001
United States Treasury Note/Bond, 1.125%, due 6/30/2021	13,765	United States Treasury Note/Bond, 1.125%, due 6/30/2021	13,701
United States Treasury Note/Bond, 1.125%, due 8/31/2021	12,273	United States Treasury Note/Bond, 1.125%, due 8/31/2021	9,916
Legg Mason Global Funds Plc – Western Asset Emerging Markets Corporate Bond Fund – LM Class US\$ Distributing (M)	8,279	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	7,364
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	7,364	United States Treasury Note/Bond, 0.875%, due 11/30/2017	6,018
United States Treasury Note/Bond, 1.125%, due 9/30/2021	6,766	United States Treasury Note/Bond, 1.375%, due 4/30/2021	5,646
Turkey Government International Bond, 4.250%, due 4/14/2026	6,668	United States Treasury Note/Bond, 1.500%, due 8/15/2026	5,368
United States Treasury Note/Bond, 0.875%, due 11/30/2017	6,012	United States Treasury Note/Bond, 1.125%, due 9/30/2021	5,310
United States Treasury Note/Bond, 1.375%, due 4/30/2021	5,645	Legg Mason Global Funds Plc – Western Asset Emerging Markets Corporate Bond Fund – LM Class US\$ Distributing (M)	4,094
United States Treasury Note/Bond, 1.500%, due 8/15/2026	5,405	Legg Mason Global Funds Plc – Western Asset Euro High Yield Fund LM Class Euro (Accumulating)	3,314
Russian Foreign Bond – Eurobond, 144A, 4.875%, due 9/16/2023	3,635	Physiotherapy Associates Holding Inc	3,208
Charter Communications Operating LLC / Charter Communications Operating Capital, 4.908%, due 7/23/2025	3,545	United States Treasury Note/Bond, 1.375%, due 10/31/2020	2,472
Telecom Italia SpA/Milano, 144A, 5.303%, due 5/30/2024	2,984	United States Treasury Note/Bond, 2.000%, due 11/15/2026	2,418
Provincia de Buenos Aires/Argentina, 144A, 7.875%, due 6/15/2027	2,874	Charter Communications Operating LLC / Charter Communications Operating Capital, 144A, 4.908%, due 7/23/2025	2,293
Petrobras Global Finance BV, 6.875%, due 1/20/2040	2,742	Boats Investments Netherlands BV PIK, 11.000%, due 3/31/2017	2,291
SFR Group SA, 144A, 7.375%, due 5/1/2026	2,592	Sprint Corp, 7.250%, due 9/15/2021	2,199
JPMorgan Chase & Co, Series R, 6.000%, Perpetual	2,513	Mexican Bonos, Series M, 6.500%, due 6/9/2022	2,061
United States Treasury Note/Bond, 1.375%, due 10/31/2020	2,471	Charter Communications Operating LLC / Charter Communications Operating Capital, 144A, 4.908%, due 7/23/2025	2,012
Boats Investments Netherlands BV PIK, 11.000%, due 3/31/2017	2,426	United States Treasury Note/Bond, 1.375%, due 1/31/2021	1,966

Legg Mason Western Asset US Short-Term Government Fund

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
United States Treasury Note/Bond, 1.000%, due 8/31/2019	2,237	United States Treasury Note/Bond, 0.625%, due 8/31/2017	4,650
United States Treasury Note/Bond, 1.125%, due 1/15/2019	2,012	United States Treasury Note/Bond, 0.875%, due 10/15/2017	3,006
United States Treasury Note/Bond, 0.750%, due 8/31/2018	1,999	United States Treasury Note/Bond, 0.750%, due 10/31/2017	2,250
United States Treasury Note/Bond, 0.875%, due 3/31/2018	1,918	United States Treasury Note/Bond, 0.750%, due 8/31/2018	1,996
United States Treasury Bill, zero coupon, due 3/9/2017	1,631	United States Treasury Note/Bond, 0.875%, due 3/31/2018	1,910
United States Treasury Note/Bond, 1.000%, due 9/15/2018	1,508	United States Treasury Bill, zero coupon, due 3/9/2017	1,632
United States Treasury Note/Bond, 1.500%, due 8/31/2018	1,495	United States Treasury Note/Bond, 0.625%, due 9/30/2017	1,249
United States Treasury Note/Bond, 0.750%, due 10/31/2018	1,493	United States Treasury Note/Bond, 0.500%, due 7/31/2017	1,248
Federal Home Loan Bank Discount Notes, zero coupon, due 11/2/2016	1,175	Federal Home Loan Bank Discount Notes, zero coupon, due 11/2/2016	1,175
Federal Home Loan Bank Discount Notes, zero coupon, due 10/28/2016	1,153	Federal Home Loan Bank Discount Notes, zero coupon, due 10/28/2016	1,153
United States Treasury Note/Bond, 0.875%, due 1/15/2018	999	United States Treasury Note/Bond, 0.875%, due 1/15/2018	1,001
United States Treasury Note/Bond, 0.875%, due 9/15/2019	999	United States Treasury Note/Bond, 0.625%, due 11/30/2017	999
United States Treasury Note/Bond, 0.750%, due 4/30/2018	998	Freddie Mac Discount Notes, zero coupon, due 4/8/2016	650
United States Treasury Note/Bond, 1.000%, due 11/15/2019	992	Federal Home Loan Bank Discount Notes, zero coupon, due 5/12/2016	630
Freddie Mac Discount Notes, zero coupon, due 4/8/2016	650	Federal Home Loan Bank Discount Notes, zero coupon, due 2/12/2016	600
Federal Home Loan Bank Discount Notes, zero coupon, due 5/12/2016	630	United States Treasury Note/Bond, 0.625%, due 6/30/2017	580
Federal Home Loan Bank Discount Notes, zero coupon, due 2/12/2016	600	Federal Home Loan Bank Discount Notes, zero coupon, due 11/9/2016	459
Federal Home Loan Bank Discount Notes, zero coupon, due 11/9/2016	459	United States Treasury Bill, zero coupon, due 4/7/2016	429
United States Treasury Bill, zero coupon, due 4/7/2016	429	Ginnie Mae II Pool, 30 year, TBA, 3.500%	424
Ginnie Mae II Pool, 30 year, TBA, 3.500%	424	Ginnie Mae II Pool, 30 year, TBA, 3.500%	423
Ginnie Mae II Pool, 30 year, TBA, 3.500%	423		
Freddie Mac Gold Pool, 15 year, TBA, 2.500%	413		

Statement of Major Portfolio Changes (unaudited) – (continued)

Legg Mason Western Asset US Adjustable Rate Fund

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	1,797	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	1,704
Federal Home Loan Banks, zero coupon, due 5/23/2016	828	United States Treasury Floating Rate Note, 0.788%, due 1/31/2018	1,052
United States Treasury Floating Rate Note, 0.706%, due 4/30/2018	775	Federal National Mortgage Association, 0.501%, due 8/15/2016	1,000
Federal Home Loan Banks, zero coupon, due 5/27/2016	701	Federal Home Loan Banks, zero coupon, due 5/23/2016	828
Federal Farm Credit Banks, 0.802%, due 1/17/2018	500	Federal Home Loan Banks, zero coupon, due 5/27/2016	701
Federal Home Loan Banks, zero coupon, due 5/20/2016	475	United States Treasury Floating Rate Note, 0.995%, due 10/31/2017	545
United States Treasury Floating Rate Note, 0.690%, due 7/31/2018	450	Federal Home Loan Banks, zero coupon, due 5/20/2016	475
Federal Home Loan Banks, zero coupon, due 10/5/2016	355	Federal Home Loan Banks, zero coupon, due 10/5/2016	355
Federal Home Loan Banks, zero coupon, due 5/9/2016	350	Federal Farm Credit Banks, Series 1, 0.548%, due 9/12/2016	350
Federal Home Loan Banks, zero coupon, due 4/15/2016	350	Federal Home Loan Banks, zero coupon, due 5/9/2016	350
Federal Home Loan Banks, zero coupon, due 3/15/2016	336	Federal Home Loan Banks, zero coupon, due 4/15/2016	350
Federal Home Loan Banks, zero coupon, due 9/26/2016	305	Federal Home Loan Banks, zero coupon, due 3/15/2016	336
Federal Home Loan Banks, zero coupon, due 5/26/2016	303	Federal Home Loan Banks, zero coupon, due 9/26/2016	305
Federal Home Loan Banks, zero coupon, due 3/10/2016	302	Structured Asset Investment Loan Trust 2003-BC1, 1.662%, due 1/25/2033	303
Federal Home Loan Banks, zero coupon, due 10/18/2016	300	Federal Home Loan Banks, zero coupon, due 5/26/2016	303
Federal Home Loan Banks, 0.796%, due 11/28/2017	275	Federal Home Loan Banks, zero coupon, due 3/10/2016	302
Federal Home Loan Banks, zero coupon, due 8/29/2016	275	Federal Home Loan Banks, zero coupon, due 10/18/2016	300
Federal Home Loan Banks, zero coupon, due 10/18/2016	275	Federal Home Loan Banks, zero coupon, due 5/13/2016	275
Federal Farm Credit Banks, 0.829%, due 11/1/2018	250	Federal Home Loan Banks, zero coupon, due 8/29/2016	275
Berkshire Hathaway Finance Corp, 1.653%, due 3/15/2019	250	Federal Farm Credit Banks, 0.510%, due 8/26/2016	275
Federal Home Loan Banks, zero coupon, due 9/26/2016	237	Federal Home Loan Banks, zero coupon, due 3/18/2016	260
Federal Home Loan Banks, zero coupon, due 11/1/2016	225	Federal Farm Credit Banks, 0.460%, due 4/18/2016	250
Federal Home Loan Banks, zero coupon, due 12/9/2016	225	Berkshire Hathaway Finance Corp, 1.026%, due 1/10/2017	250
Federal Home Loan Bank Discount Notes, zero coupon, due 3/3/2017	225	Cooperatieve Rabobank UA/NY, 1.013%, due 3/18/2016	250
Federal Home Loan Banks, zero coupon, due 1/5/2017	225	Svenska Handelsbanken AB, 1.020%, due 3/21/2016	250
Federal Home Loan Banks, zero coupon, due 7/26/2016	218	Federal Home Loan Banks, zero coupon, due 3/14/2016	241
Freddie Mac Discount Notes, zero coupon, due 10/31/2016	200	Federal Home Loan Banks, zero coupon, due 4/26/2016	237
Federal Home Loan Banks, zero coupon, due 7/25/2016	200	Federal Home Loan Banks, zero coupon, due 11/1/2016	225
Federal Home Loan Banks, 0.829%, due 3/1/2018	200	Federal Home Loan Banks, zero coupon, due 12/9/2016	225
United States Treasury Bill, zero coupon, due 9/1/2016	200	Federal Home Loan Banks, zero coupon, due 1/5/2017	225
Federal Home Loan Banks, zero coupon, due 11/2/2016	200	General Electric Co, 5.400%, due 2/15/2017	220
United States Treasury Floating Rate Note, 0.656%, due 1/31/2019	200	Federal Home Loan Banks, zero coupon, due 7/26/2016	218
Federal Home Loan Banks, zero coupon, due 4/1/2016	190	Freddie Mac Discount Notes, zero coupon, due 10/31/2016	200
Federal Home Loan Banks, zero coupon, due 6/9/2016	185	Federal Home Loan Banks, zero coupon, due 7/25/2016	200
Freddie Mac Discount Notes, zero coupon, due 10/28/2016	180	Royal Bank of Canada, 1.117%, due 9/9/2016	200
Federal Home Loan Banks, zero coupon, due 10/25/2016	175	Federal Home Loan Banks, zero coupon, due 11/2/2016	200
United States Treasury Floating Rate Note, 0.788%, due 1/31/2018	165	United States Treasury Bill, zero coupon, due 9/1/2016	200
Fannie Mae Discount Notes, zero coupon, due 8/17/2016	160		

Legg Mason Western Asset Global Inflation Management Fund

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	7,375	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	6,344
Italy Buoni Poliennali Del Tesoro, Series CPI, 3.100%, due 9/15/2026	1,853	Italy Buoni Poliennali Del Tesoro, Series CPI, 2.550%, due 9/15/2041	852
United States Treasury Inflation Indexed Bonds, 0.125%, due 4/15/2018	1,448	Italy Buoni Poliennali Del Tesoro, Series CPI, 3.100%, due 9/15/2026	832
United States Treasury Inflation Indexed Bonds, 0.375%, due 7/15/2025	1,363	Italy Buoni Poliennali Del Tesoro, Series CPI, 144A, 2.350%, due 9/15/2024	790
United States Treasury Inflation Indexed Bonds, 0.125%, due 4/15/2020	1,013	Spain Government Inflation Linked Bond, 144A, 1.800%, due 11/30/2024	771
United Kingdom Gilt Inflation Linked, Series 3MO, 0.125%, due 3/22/2026	820	United States Treasury Inflation Indexed Bonds, 0.625%, due 1/15/2024	726
United States Treasury Inflation Indexed Bonds, 0.125%, due 4/15/2021	774	United States Treasury Inflation Indexed Bonds, 0.375%, due 7/15/2023	600
Deutsche Bundesrepublik Inflation Linked Bond, Series I/L, 1.750%, due 4/15/2020	768	United Kingdom Gilt Inflation Linked, Series 3MO, 0.625%, due 11/22/2042	464
United Kingdom Gilt Inflation Linked, Series 3MO, 0.125%, due 11/22/2019	690	French Republic Government Bond OAT, Series OATe, 1.800%, due 7/25/2040	463
United Kingdom Gilt Inflation Linked, Series 3MO, 0.125%, due 3/22/2068	661	French Republic Government Bond OAT, Series OATe, 1.850%, due 7/25/2027	441
French Republic Government Bond OAT, Series OATe, 0.250%, due 7/25/2024	655	French Republic Government Bond OAT, Series OATe, 1.100%, due 7/25/2022	426
French Republic Government Bond OAT, Series OATe, 1.100%, due 7/25/2022	598	United Kingdom Gilt Inflation Linked, Series 3MO, 0.125%, due 3/22/2058	311
Republic of Poland Government Bond, Series 0726, 2.500%, due 7/25/2026	532	United States Treasury Inflation Indexed Bonds, 0.625%, due 1/15/2026	309
Italy Buoni Poliennali Del Tesoro, Series CPI, 1.700%, due 9/15/2018	412	New Zealand Government Bond, Series 0930, 3.000%, due 9/20/2030	295
United States Treasury Inflation Indexed Bonds, 1.625%, due 1/15/2018	391	Republic of Poland Government Bond, Series 0726, 2.500%, due 7/25/2026	284
French Republic Government Bond OAT, Series OATe, 1.850%, due 7/25/2027	371	United Kingdom Gilt Inflation Linked, Series 3MO, 0.125%, due 3/22/2068	275
United Kingdom Gilt Inflation Linked, Series 3MO, 0.125%, due 11/22/2036	334	United States Treasury Inflation Indexed Bonds, 0.250%, due 1/15/2025	260
United Kingdom Gilt Inflation Linked, Series 3MO, 0.500%, due 3/22/2050	260	Brazil Notas do Tesouro Nacional Serie B, Series NTN-B, 6.000%, due 8/15/2050	172
French Republic Government Bond OAT, Series OATe, 0.100%, due 7/25/2047	165	French Republic Government Bond OAT, Series OATe, 0.100%, due 7/25/2047	162
French Republic Government Bond OAT, Series OATi, 2.100%, due 7/25/2023	143	Deutsche Bundesrepublik Inflation Linked Bond, Series I/L, 0.500%, due 4/15/2030	155

Legg Mason Western Asset Asian Opportunities Fund

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	259,190	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	251,432
Malaysia Government Bond, Series 0411, 4.232%, due 6/30/2031	25,535	Malaysia Government Bond, Series 0313, 3.480%, due 3/15/2023	24,014
India Government Bond, Series SPB, 8.240%, due 2/15/2027	15,917	Indonesia Treasury Bond, Series FR54, 9.500%, due 7/15/2031	9,707
Korea Treasury Bond, Series 3609, 1.500%, due 9/10/2036	15,912	Indonesia Government International Bond, 4.125%, due 1/15/2025	6,460
Pelabuhan Indonesia II PT, 5.375%, due 5/5/2045	15,273	Astra Sedaya Finance PT, Series OB, 7.750%, due 6/27/2016	4,172
Indonesia Treasury Bond, Series FR56, 8.375%, due 9/15/2026	13,815	Longfor Properties Co Ltd, 6.875%, due 10/18/2019	4,138
India Government Bond, 8.150%, due 11/24/2026	13,719	Thailand Government Bond, 3.850%, due 12/12/2025	4,051
Indonesia Treasury Bond, Series FR70, 8.375%, due 3/15/2024	12,253	HPHT Finance 15 Ltd, 2.875%, due 3/17/2020	3,942
Malaysia Government Bond, Series 0115, 3.955%, due 9/15/2025	11,119	Bank of East Asia Ltd/The, 4.250%, due 11/20/2024	3,782
Foxconn Far East Ltd, 3.000%, due 9/23/2026	9,987	Industrial & Commercial Bank of China Ltd/Singapore, 3.500%, due 9/23/2016	3,742
Indonesia Treasury Bond, Series FR54, 9.500%, due 7/15/2031	9,707	China Government Bond, 3.310%, due 11/30/2025	3,730
Malaysia Government Bond, Series 0313, 3.480%, due 3/15/2023	8,307	India Government Bond, 8.070%, due 7/3/2017	3,618
HKT Capital No 4 Ltd, 3.000%, due 7/14/2026	7,848	Indonesia Treasury Bond, Series FR70, 8.375%, due 3/15/2024	3,503

Statement of Major Portfolio Changes (unaudited) – (continued)

Legg Mason Western Asset Asian Opportunities Fund – (continued)

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Philippine Government International Bond, 6.250%, due 1/14/2036	7,666	Global Logistic Properties Ltd, 3.375%, due 5/11/2016	3,446
Mapletree Commercial Trust Treasury Co Pte Ltd, 3.110%, due 8/24/2026	7,444	Perusahaan Penerbit SBSN Indonesia III, 3.300%, due 11/21/2022	3,430
Singapore Government Bond, 2.750%, due 3/1/2046	7,219	Bank Rakyat Indonesia Persero Tbk PT, 2.950%, due 3/28/2018	3,421
Chinalco Capital Holdings Ltd, 4.000%, due 8/25/2021	6,801	Hyundai Capital Services Inc, 2.875% due 3/16/2021	3,302
Indonesia Treasury Bond, Series FR73, 8.750%, due 5/15/2031	6,541	Taiwan Government Bond, Series 98-6, 1.375%, due 9/9/2019	3,158
Philippine Government International Bond, 3.900%, due 11/26/2022	6,280	Rail Transit International Investment Co Ltd, 2.875%, due 5/13/2021	3,019
UPL Corp Ltd, 3.250%, due 10/13/2021	5,997	Sri Lanka Government International Bond, 6.850%, due 11/3/2025	3,011

Legg Mason Western Asset Global Blue Chip Bond Fund

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	17,497	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	20,521
United States Treasury Note/Bond, 1.125%, due 2/28/2021	2,097	United States Treasury Note/Bond, 1.125%, due 2/28/2021	2,117
GE Capital International Funding Co Unlimited Co, 2.342%, due 11/15/2020	882	GE Capital International Funding Co, 2.342%, due 11/15/2020	882
United States Treasury Note/Bond, 1.875%, due 1/31/2022	730	United States Treasury Note/Bond, 1.625%, due 2/15/2026	725
United States Treasury Note/Bond, 1.625%, due 2/15/2026	707	Wachovia Corp, 5.750%, due 2/1/2018	697
UBS Group Funding Jersey Ltd, 3.000%, due 4/15/2021	400	Royal Bank of Scotland Plc/The, 5.625%, due 8/24/2020	645
BAT International Finance Plc, 1.750%, due 7/5/2021	399	International Business Machines Corp, 2.900%, due 11/1/2021	574
Swedbank AB, 2.650%, due 3/10/2021	370	Gilead Sciences Inc, 3.650%, due 3/1/2026	515
Swedbank AB, 144A, 2.650%, due 3/10/2021	370	Baker Hughes Inc, 7.500%, due 11/15/2018	497
Credit Agricole SA/London, 1.250%, due 4/14/2026	341	DNB Bank ASA, 4.375%, due 2/24/2021	409
United States Treasury Note/Bond, 2.000%, due 11/15/2026	300	Commonwealth Bank of Australia, 2.250%, due 12/7/2018	376
Barclays Plc, 1.875%, due 3/23/2021	280	Swedbank AB, 144A, 2.650%, due 3/10/2021	370
Rolls-Royce Plc, 3.375%, due 6/18/2026	277	General Electric Co, 4.625%, due 1/7/2021	356
BP Capital Markets Plc, 3.506%, due 3/17/2025	275	Unilever Plc, 2.000%, due 12/19/2018	353
HSBC Holdings Plc, 2.500%, due 3/15/2027	208	OP Corporate Bank plc, 2.500%, due 5/20/2022	353
Caterpillar Financial Services Corp, 1.931%, due 10/1/2021	202	United Technologies Corp, 6.125%, due 2/1/2019	351
ConocoPhillips Co, 4.200%, due 3/15/2021	150	Anheuser-Busch InBev Finance Inc, 3.650%, due 2/1/2026	334
Exxon Mobil Corp, 3.043%, due 3/1/2026	130	Medtronic Inc, 3.500%, due 3/15/2025	322
Unibail-Rodamco SE, 1.375%, due 3/9/2026	107	GE Capital International Funding Co Unlimited Co, 2.342%, due 11/15/2020	319
United States Treasury Note/Bond, 1.500%, due 8/15/2026	49	Engie SA, 1.625%, due 10/10/2017	290

Legg Mason Western Asset Global Credit Absolute Return Fund^

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
United States Treasury Bill, zero coupon, due 4/28/2016	560	Physiotherapy Associates Holding Inc	1,417
United States Treasury Bill, zero coupon, due 5/5/2016	560	Sprint Communications Inc, 11.500%, due 11/15/2021	708
United States Treasury Bill, zero coupon, due 5/19/2016	560	Co-operative Group Holdings 2011 Ltd, 7.500%, due 7/8/2026	574
United States Treasury Bill, zero coupon, due 5/26/2016	560	Teachers Insurance & Annuity Association of America, 144A, 6.850%, due 12/16/2039	573
United States Treasury Bill, zero coupon, due 4/21/2016	555	United States Treasury Bill, zero coupon, due 4/28/2016	560
United States Treasury Bill, zero coupon, due 5/12/2016	555	United States Treasury Bill, zero coupon, due 5/5/2016	560
Magnum Hunter Resources Corp	483	United States Treasury Bill, zero coupon, due 5/19/2016	560
Lehman Escrow Receipt, zero coupon, Perpetual	202	United States Treasury Bill, zero coupon, due 5/26/2016	560
Physiotherapy Associates Holding Inc	143	United States Treasury Bill, zero coupon, due 4/21/2016	555
TMX Finance LLC / TitleMax Finance Corp, 8.500%, due 9/15/2018	48	United States Treasury Bill, zero coupon, due 5/12/2016	555
		BioScrip Inc, 8.875%, due 2/15/2021	493
		Magnum Hunter Resources Corp	477
		Ecopetrol SA, 5.875%, due 9/18/2023	457
		Pactiv LLC, 8.375%, due 4/15/2027	455
		Reynolds American Inc, 5.850%, due 8/15/2045	453
		Interface Master Holdings Inc, 144A, 12.500%, due 8/1/2018	439
		KKR Group Finance Co III LLC, 144A, 5.125%, due 6/1/2044	426
		Miran Mid-Atlantic Series C Pass Through Trust, Series C, 10.060%, due 12/30/2028	376
		MPLX LP, 4.875%, due 6/1/2025	367
		Pension Insurance Corp Plc, 6.500%, due 7/3/2024	362
		Verizon Communications Inc, 6.550%, due 9/15/2043	362
		Petroleos Mexicanos, 6.375%, due 1/23/2045	360
		DJO Finco Inc / DJO Finance LLC / DJO Finance Corp, 144A, 8.125%, due 6/15/2021	323
		CBC Ammo LLC / CBC FinCo Inc, 144A, 7.250%, due 11/15/2021	311
		Kelda Finance No 3 Plc, 5.750%, due 2/17/2020	299
		BUPA Finance Plc, 5.000%, due 4/25/2023	295
		Constellation Brands Inc, 4.750%, due 12/1/2025	293
		Valeant Pharmaceuticals International Inc, 144A, 7.500%, due 7/15/2021	290
		Lehman Escrow Receipt, zero coupon, Perpetual	275
		Century Intermediate Holding Co 2, 144A, 9.750%, due 2/15/2019	274
		Rockies Express Pipeline LLC, 144A, 7.500%, due 7/15/2038	270
		DPx Holdings BV, 144A, 7.500%, due 2/1/2022	259
		Summit Midstream Holdings LLC / Summit Midstream Finance Corp, 5.500%, due 8/15/2022	253
		Santander UK Group Holdings Plc, 144A, 5.625%, due 9/15/2045	253

Legg Mason Western Asset Global Core Plus Bond Fund^

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	162,683	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	162,659
United States Treasury Note/Bond, 1.375%, due 4/30/2021	19,234	United States Treasury Note/Bond, 1.125%, due 2/28/2021	19,817
Italy Buoni Poliennali Del Tesoro, 2.000%, due 12/1/2025	11,934	United States Treasury Note/Bond, 1.375%, due 1/31/2021	18,143

Statement of Major Portfolio Changes (unaudited) – (continued)

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

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
United States Treasury Note/Bond, 1.500%, due 12/31/2018	10,179	United States Treasury Note/Bond, 1.500%, due 12/31/2018	14,166
Mexican Bonos, Series M, 7.750%, due 11/13/2042	9,771	United States Treasury Note/Bond, 1.375%, due 4/30/2021	11,115
Ginnie Mae II Pool, 30 year, TBA, 3.500%	8,257	United States Treasury Note/Bond, 1.625%, due 7/31/2020	10,515
United States Treasury Note/Bond, 1.125%, due 2/28/2021	8,075	United States Treasury Note/Bond, 1.750%, due 3/31/2022	10,281
United States Treasury Note/Bond, 1.375%, due 1/31/2021	8,064	United States Treasury Note/Bond, 0.625%, due 8/15/2016	9,110
United States Treasury Note/Bond, 1.625%, due 7/31/2020	8,059	Ginnie Mae II Pool, 30 year, TBA, 3.500%	8,274
Republic of Poland Government Bond, Series 0726, 2.500%, due 7/25/2026	7,788	Ginnie Mae II Pool, 30 year, TBA, 4.000%	7,251
Ginnie Mae II Pool, 30 year, TBA, 4.000%	7,251	United States Treasury Note/Bond, 1.250%, due 1/31/2019	6,653
Japanese Government CPI Linked Bond, Series 21, 0.100%, due 3/10/2026	7,109	United States Treasury Note/Bond, 1.625%, due 2/15/2026	5,063
Korea Treasury Bond, Series 2606, 1.875%, due 6/10/2026	6,641	United States Treasury Note/Bond, 2.000%, due 10/31/2021	4,947
Ginnie Mae II Pool, 30 year, TBA, 3.500%	5,608	United States Treasury Note/Bond, 1.750%, due 9/30/2022	4,789
Ginnie Mae II Pool, 30 year, TBA, 3.500%	4,668	Ginnie Mae II Pool, 30 year, TBA, 3.500%	4,673
Ginnie Mae II Pool, 30 year, TBA, 3.500%	4,667	Ginnie Mae II Pool, 30 year, TBA, 3.500%	4,673
Ginnie Mae II Pool, 30 year, TBA, 3.500%	4,659	Ginnie Mae II Pool, 30 year, TBA, 3.500%	4,659
Ginnie Mae II Pool, 30 year, TBA, 3.500%	4,655	Ginnie Mae II Pool, 30 year, TBA, 3.500%	4,654
Ginnie Mae II Pool, 30 year, TBA, 3.500%	4,649	Fannie Mae Pool, 15 year, TBA, 3.000%	4,620
Fannie Mae Pool, 15 year, TBA, 3.000%	4,614	Fannie Mae Pool, 15 year, TBA, 3.000%	4,618

Legg Mason Western Asset Global Credit Fund

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	21,602	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	22,542
United States Treasury Note/Bond, 2.000%, due 11/15/2026	2,960	GE Capital International Funding Co, 2.342%, due 11/15/2020	716
United States Treasury Note/Bond, 1.375%, due 1/31/2021	2,885	United States Treasury Note/Bond, 1.625%, due 2/15/2026	710
United States Treasury Note/Bond, 3.000%, due 11/15/2045	844	Abbott Laboratories, 3.750%, due 11/30/2026	684
United States Treasury Note/Bond, 1.625%, due 2/15/2026	709	Electricite de France SA, 5.250%, Perpetual	640
Bank of Montreal, 2.100%, due 12/12/2019	690	ABP Finance Plc, 6.250%, due 12/14/2026	566
Abbott Laboratories, 3.750%, due 11/30/2026	685	BAE Systems Holdings Inc, 4.750%, due 10/7/2044	564
United States Treasury Note/Bond, 2.250%, due 8/15/2046	602	Verizon Communications Inc, 6.550%, due 9/15/2043	543
BAE Systems Holdings Inc, 4.750%, due 10/7/2044	532	BAE Systems Holdings Inc, 144A, 4.750%, due 10/7/2044	532
Vonovia Finance BV, 1.250%, due 12/6/2024	527	Koninklijke KPN NV, 5.625%, due 9/30/2024	518
Lloyds Bank Plc, 12.000%, Perpetual	522	HBOS Plc, 144A, 6.750%, due 5/21/2018	518
HBOS Plc, 6.750%, due 5/21/2018	518	CVS Health Corp, 5.125%, due 7/20/2045	516
Glencore Finance Europe SA, 1.875%, due 9/13/2023	517	Humana Inc, 4.950%, due 10/1/2044	513
Schlumberger Holdings Corp, 4.000%, due 12/21/2025	510	Great Rolling Stock Co Ltd/The, 6.500%, due 4/5/2031	510
International Lease Finance Corp, 5.875%, due 8/15/2022	503	Schlumberger Holdings Corp, 144A, 4.000%, due 12/21/2025	510
Deutsche Telekom International Finance BV, 2.820%, due 1/19/2022	500	Barrick North America Finance LLC, 4.400%, due 5/30/2021	500
Time Warner Cable LLC, 7.300%, due 7/1/2038	498	GE Capital International Funding Co, 4.418%, due 11/15/2035	490
American Express Credit Corp, 0.625%, due 11/22/2021	490	Petroleos Mexicanos, 4.250%, due 1/15/2025	488
GE Capital International Funding Co Unlimited Co, 4.418%, due 11/15/2035	490	Petroleos Mexicanos, 4.250%, due 1/15/2025	464
Petroleos Mexicanos, 4.250%, due 1/15/2025	488	Bank of America Corp, 7.625%, due 6/1/2019	462

Legg Mason Western Asset Euro High Yield Fund

MAJOR PURCHASES	COST (in 000's) €	MAJOR SALES	PROCEEDS (in 000's) €
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	2,141	Boats Investments Netherlands BV, 11.000%, due 3/31/2017	1,920
Boats Investments Netherlands BV PIK, 11.000%, due 3/31/2017	2,032	UPC Holding BV, 6.375%, due 9/15/2022	1,909
ARD Finance SA, 6.625%, due 9/15/2023	1,976	HeidelbergCement Finance Luxembourg SA, 7.500%, due 4/3/2020	1,655
Ziggo Secured Finance BV, 4.250%, due 1/15/2027	1,886	ZF North America Capital Inc, 2.250%, due 4/26/2019	1,655
Adient Global Holdings Ltd, 3.500%, due 8/15/2024	1,617	AA Bond Co Ltd, 5.500%, due 7/31/2022	1,600
biSoho SAS, 5.875%, due 5/1/2023	1,576	Ardagh Finance Holdings SA, 8.375%, due 6/15/2019	1,563
eircom Finance DAC, 4.500%, due 5/31/2022	1,495	LGE HoldCo VI BV, 7.125%, due 5/15/2024	1,529
Lecta SA, 6.500%, due 8/1/2023	1,463	Thomas Cook Group Plc, 7.750%, due 6/22/2017	1,513
AA Bond Co Ltd, 5.500%, due 7/31/2022	1,424	Petrobras Global Finance BV 2.750%, due 1/15/2018	1,487
Telecom Italia SpA/Milano, 3.625%, due 5/25/2026	1,410	XPO Logistics Inc, 5.750%, due 6/15/2021	1,389
Hanesbrands Finance Luxembourg SCA, 3.500%, due 6/15/2024	1,350	Oberthur Technologies Holding SAS, 9.250%, due 4/30/2020	1,350
Telefonica Europe BV, 5.875%, Perpetual	1,328	R&R Ice Cream Plc, 4.750%, due 5/15/2020	1,341
William Hill Plc, 4.875%, due 9/7/2023	1,292	Unilabs Subholding AB, 8.500%, due 7/15/2018	1,281
Pizzaexpress Financing 2 Plc, 6.625%, due 8/1/2021	1,197	Astaldi SpA, 7.125%, due 12/1/2020	1,275
Jerrold Finco Plc, 6.125%, due 1/15/2024	1,175	SGD Group SAS, 5.625%, due 5/15/2019	1,265
R&R Ice Cream Plc, 4.750%, due 5/15/2020	1,141	Fiat Chrysler Finance Europe, 6.750%, due 10/14/2019	1,158
Ladbrokes Group Finance Plc, 5.125%, due 9/8/2023	1,108	William Hill Plc, 4.875%, due 9/7/2023	1,147
Synlab Unsecured Bondco Plc, 8.250%, due 7/1/2023	1,058	Douglas GmbH, 6.250%, due 7/15/2022	1,088
THOM Europe SAS, 7.375%, due 7/15/2019	1,045	Crown European Holdings SA, 4.000%, due 7/15/2022	1,081
Quintiles IMS Inc, 3.500%, due 10/15/2024	1,000	HeidelbergCement AG, 2.250%, due 6/3/2024	1,075
Quintiles IMS Inc, 3.250%, due 3/15/2025	1,000	SIG Combibloc Holdings SCA, 7.750%, due 2/15/2023	1,054
PVH Corp, 3.625%, due 7/15/2024	1,000	Cirsa Funding Luxembourg SA, 5.750%, due 5/15/2021	1,035
Mobilux Finance SAS, 5.500%, due 11/15/2024	1,000	Electricite de France SA, 5.625%, Perpetual	985
Spectrum Brands Inc, 4.000%, due 10/1/2026	1,000	Garfunkelux Holdco 3 SA, 7.500%, due 8/1/2022	945
Axalta Coating Systems LLC, 4.250%, due 8/15/2024	1,000	Autodis SA, 6.500%, due 2/1/2019	932
Telecom Italia SpA/Milano, 3.000%, due 9/30/2025	998	Telecom Italia SpA, 6.375%, due 6/24/2019	930
Buzzi Unicem SpA, 2.125%, due 4/28/2023	994	Labeyrie Fine Foods SAS, 5.625%, due 3/15/2021	922
Cirsa Funding Luxembourg SA, 5.750%, due 5/15/2021	992	Eco-Bat Finance Plc, 7.750%, due 2/15/2017	910
HeidelbergCement AG, 2.250%, due 6/3/2024	990	Virgin Media Secured Finance Plc, 5.500%, due 1/15/2021	875
IHO Verwaltungen GmbH, 3.750%, due 9/15/2026	984	Schaeffler Holding Finance BV, 6.875%, due 8/15/2018	822
CMA CGM SA, 7.750%, due 1/15/2021	963	LKQ Italia Bondco SPA, 3.875% due 4/1/2024	812
Eurofins Scientific SE, 4.875%, Perpetual	945	Inovyn Finance Plc, 10.625%, due 2/1/2017	800
Altice Financing SA, 5.250%, due 2/15/2023	937	Onorato Armatori SPA, 7.750%, due 2/15/2023	664
Centrica Plc, 3.000%, due 4/10/2076	936	Chesapeake Energy Corp, 6.250%, due 1/15/2017	661
		Boparan Finance Plc, 5.500%, due 7/15/2021	624

Statement of Major Portfolio Changes (unaudited) – (continued)

Legg Mason Western Asset Euro High Yield Fund – (continued)

MAJOR PURCHASES	COST (in 000's) €	MAJOR SALES	PROCEEDS (in 000's) €
Fiat Chrysler Finance Europe, 4.750%, due 7/15/2022	922	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	615
Cott Corp, 5.500%, due 7/1/2024	900	Newell Brands Inc, 3.750%, due 10/1/2021	562
Codere Finance 2 Luxembourg SA, 6.750%, due 11/1/2021	900	Deutsche Raststaetten Gruppe IV GmbH, 6.750%, due 12/30/2020	560
CeramTec Group GmbH, 8.250%, due 8/15/2021	894	HomeVi SAS, 6.875%, due 8/15/2021	517
LKQ Italia Bondco SPA, 3.875% due 4/1/2024	780		
Gestamp Funding Luxembourg SA, 3.500%, due 5/15/2023	760		
IDH Finance Plc, 6.250%, due 8/15/2022	736		
SoftBank Group Corp, 4.750%, due 7/30/2025	723		
Monitchem HoldCo 2 SA, 6.875%, due 6/15/2022	722		
Repsol International Finance BV, 4.500%, due 3/25/2075	704		
Solvay Finance SA, 5.118%, Perpetual	694		
Leonardo SpA, 4.875%, due 3/24/2025	684		
Samvardhana Motherson Automotive Systems Group BV, 4.125%, due 7/15/2021	623		
Belden Inc, 4.125%, due 10/15/2026	620		

Legg Mason Western Asset Macro Opportunities Bond Fund^

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
United States Treasury Note/Bond, 1.375%, due 5/31/2021	545,734	United States Treasury Note/Bond, 1.125%, due 2/28/2021	707,890
United States Treasury Note/Bond, 0.625%, due 6/30/2018	537,928	United States Treasury Note/Bond, 1.375%, due 5/31/2021	546,668
United States Treasury Note/Bond, 2.500%, due 5/15/2046	306,131	United States Treasury Note/Bond, 0.625%, due 6/30/2018	537,620
United States Treasury Note/Bond, 1.125%, due 2/28/2021	298,430	United States Treasury Note/Bond, 3.000%, due 5/15/2045	359,726
United States Treasury Note/Bond, 1.125%, due 6/30/2021	273,640	United States Treasury Note/Bond, 2.500%, due 5/15/2046	304,424
United States Treasury Note/Bond, 1.000%, due 10/15/2019	263,311	United States Treasury Note/Bond, 1.500%, due 2/28/2023	290,032
United States Treasury Note/Bond, 1.625%, due 5/15/2026	255,553	United States Treasury Note/Bond, 1.125%, due 6/30/2021	273,205
United States Treasury Note/Bond, 2.000%, due 12/31/2021	254,533	United States Treasury Note/Bond, 1.000%, due 10/15/2021	263,660
United States Treasury Note/Bond, 3.000%, due 11/15/2045	245,852	United States Treasury Note/Bond, 2.000%, due 12/31/2021	255,818
United States Treasury Note/Bond, 1.625%, due 10/31/2023	228,154	United States Treasury Note/Bond, 1.625%, due 5/15/2026	255,641
United States Treasury Note/Bond, 1.125%, due 8/31/2021	216,630	United States Treasury Note/Bond, 1.625%, due 10/31/2023	222,508
Mexican Bonos, Series M, 7.750%, due 11/13/2042	207,065	United States Treasury Note/Bond, 3.000%, due 11/15/2045	222,251
United States Treasury Note/Bond, 2.125%, due 2/29/2024	204,047	United States Treasury Note/Bond, 1.125%, due 8/31/2021	216,161
Italy Buoni Poliennali Del Tesoro, 2.000%, due 12/1/2025	199,975	United States Treasury Note/Bond, 1.375%, due 6/30/2023	189,607
United States Treasury Note/Bond, 2.875%, due 11/15/2046	189,332	United States Treasury Note/Bond, 2.500%, due 2/15/2046	186,760
United States Treasury Note/Bond, 1.375%, due 6/30/2023	187,285	United States Treasury Note/Bond, 1.625%, due 4/30/2023	156,019
United States Treasury Note/Bond, 2.500%, due 2/15/2046	186,977	United States Treasury Note/Bond, 2.250%, due 2/15/2027	124,424
United States Treasury Note/Bond, 3.000%, due 5/15/2045	175,162	Italy Buoni Poliennali Del Tesoro, 5.000%, due 9/1/2040	123,127
United States Treasury Note/Bond, 1.625%, due 4/30/2023	155,837	United States Treasury Note/Bond, 2.000%, due 11/15/2026	120,354
United States Treasury Note/Bond, 2.500%, due 2/15/2027	148,059	United States Treasury Note/Bond, 1.625%, due 2/15/2026	115,966
United States Treasury Note/Bond, 2.250%, due 8/15/2046	146,720	United States Treasury Note/Bond, 1.250%, due 7/31/2023	113,909
United States Treasury Note/Bond, 2.000%, due 11/15/2026	127,442	Brazil Notas do Tesouro Nacional Serie F, Series NTNFF, 10.000%, due 1/1/2017	105,202
United States Treasury Note/Bond, 1.875%, due 2/28/2022	126,088	United States Treasury Note/Bond, 2.250%, due 12/31/2023	102,456
United States Treasury Note/Bond, 1.625%, due 2/15/2026	116,493	United States Treasury Inflation Indexed Bonds, 1.000%, due 2/15/2046	99,733
Japanese Government CPI Linked Bond, Series 21, 0.100%, due 3/10/2026	114,700	United States Treasury Note/Bond, 2.250%, due 8/15/2046	98,533
United States Treasury Note/Bond, 1.250%, due 7/31/2023	113,764	Verizon Communications Inc, 6.550%, due 9/15/2043	96,636
United States Treasury Note/Bond, 2.250%, due 12/31/2023	102,246	United States Treasury Note/Bond, 2.875%, due 11/15/2046	85,744
Japanese Government CPI Linked Bond, Series 18, 0.100%, due 3/10/2024	100,658		
United States Treasury Inflation Indexed Bonds, 1.000%, due 2/15/2046	85,439		
United States Treasury Note/Bond, 3.000%, due 2/15/2047	76,185		

Legg Mason Western Asset EM Local Currency Debt Fund^

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	14,824	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	19,392
Brazil Notas do Tesouro Nacional Serie F, Series NTNFF, 10.000%, due 1/1/2025	6,606	United States Treasury Bill, zero coupon, due 8/17/2017	5,811
Indonesia Treasury Bond, Series FR56, 8.375%, due 9/15/2026	6,100	Legg Mason Global Funds Plc – Western Asset Emerging Markets Corporate Bond Fund	5,052
United States Treasury Bill, zero coupon, due 8/17/2017	5,808	Turkey Government Bond, Series 5YR, 9.000%, due 3/8/2017	4,576
Brazil Letras do Tesouro Nacional, Series LTN, zero coupon, due 1/1/2019	4,888	Romania Government Bond, Series 10Y, 4.750%, due 2/24/2025	4,003
Legg Mason Global Funds Plc – Western Asset Emerging Markets Corporate Bond Fund	4,817	Hungary Government Bond, Series 19/A, 6.500%, due 6/24/2019	3,730
Turkey Government Bond, 8.800%, due 9/27/2023	4,214	South Africa Government Bond, Series 2023, 7.750%, due 2/28/2023	3,560
Colombian TES, Series B, 7.500%, due 8/26/2026	4,137	Mexican Bonos, Series M, 7.750%, due 11/13/2042	2,516
Turkey Government Bond, 7.100%, due 3/8/2023	3,836	Brazil Notas do Tesouro Nacional Serie F, Series NTNFF, 10.000%, due 1/1/2027	2,453
Republic of Poland Government Bond, Series 0421, 2.000%, due 4/25/2021	3,823	Indonesia Treasury Bond, Series FR61, 7.000%, due 5/15/2022	2,242
Malaysia Government Bond, Series 0511, 3.580%, due 9/28/2018	3,715	Hungary Government Bond, Series 23/A, 6.000%, due 11/24/2023	2,211
Russian Federal Bond – OFZ, Series 6212, 7.050%, due 1/19/2028	3,644	Mexican Bonos, Series M, 6.500%, due 6/9/2022	1,875
Mexican Bonos, Series M, 6.500%, due 6/9/2022	3,320	Petroleos Mexicanos, 5.125%, due 3/15/2023	1,846
Thailand Government Bond, 3.625%, due 6/16/2023	3,139	Brazil Notas do Tesouro Nacional Serie F, Series NTNFF, 10.000%, due 1/1/2025	1,834
Republic of South Africa Government Bond, Series R209, 6.250%, due 3/31/2036	3,067	Malaysia Government Bond, Series 0111, 4.160%, due 7/15/2021	1,765
Malaysia Government Bond, Series 0411, 4.232%, due 6/30/2031	3,065	Turkey Government Bond, 8.800%, due 9/27/2023	1,676
Mexican Bonos, Series M, 5.750%, due 3/5/2026	2,976	Malaysia Government Bond, Series 0115, 3.955%, due 9/15/2025	1,656
Hungary Government Bond, Series 23/A, 6.000%, due 11/24/2023	2,539	South Africa Government Bond, Series R214, 6.500%, due 2/28/2041	1,438
Colombian TES, Series B, 7.750%, due 9/18/2030	2,471	Indonesia Treasury Bond, Series FR56, 8.375%, due 9/15/2026	1,394
Republic of South Africa Government Bond, Series R214, 6.500%, due 2/28/2041	2,440	Philippine Government International Bond, 4.950%, due 1/15/2021	1,274
Malaysia Government Bond, Series 0316, 3.900%, due 11/30/2026	2,402	Colombian TES, Series B, 7.000%, due 5/4/2022	1,053
Indonesia Treasury Bond, Series FR72, 8.250%, due 5/15/2036	2,304	Argentine Republic Government International Bond, 6.875%, due 4/22/2021	876
Colombian TES, Series B, 7.000%, due 5/4/2022	2,206		
Republic of South Africa Government Bond, Series R213, 7.000%, due 2/28/2031	2,008		

Statement of Major Portfolio Changes (unaudited) – (continued)

Legg Mason Western Asset EM Local Currency Debt Fund[^] – (continued)

MAJOR PURCHASES	COST (in 000's) \$
Romania Government Bond, Series 10Y, 4.750%, due 2/24/2025	2,000
Indonesia Treasury Bond, Series FR61, 7.000%, due 5/15/2022	1,848
Petroleos Mexicanos, 5.125%, due 3/15/2023	1,839
Turkey Government Bond, 7.400%, due 2/5/2020	1,668
Republic of South Africa Government Bond, Series 2023, 7.750%, due 2/28/2023	1,665
Malaysia Government Bond, Series 0111, 4.160%, due 7/15/2021	1,649
Mexican Bonos, Series M, 7.750%, due 11/13/2042	1,561
Peru Government Bond, 6.350%, due 8/12/2028	1,529
Republic of Poland Government Bond, Series 0422, 2.250%, due 4/25/2022	1,447

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

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
United States Treasury Note/Bond, 0.750%, due 3/15/2017	15,023	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	21,062
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	6,106	United States Treasury Note/Bond, 0.750%, due 3/15/2017	9,005
Freddie Mac Discount Notes, zero coupon, due 3/27/2017	4,491	United States Treasury Note/Bond, 1.125%, due 2/28/2021	8,848
Legg Mason Global Funds Plc – Western Asset Emerging Markets Corporate Bond Fund – LM Class US\$ Distributing (M)	3,448	Freddie Mac Discount Notes, zero coupon, due 3/27/2017	4,491
United States Treasury Note/Bond, 2.125%, due 11/30/2023	2,446	Republic of Poland Government International Bond, 4.000%, due 1/22/2024	2,385
WaMu Asset-Backed Certificates WaMu Series 2007-HE4 Trust, Series 2007 HE4, Class 1A, 0.948%, due 7/25/2047	2,059	Argentina Bonar Bonds, Series X, 7.000%, due 4/17/2017	1,966
Argentine Republic Government International Bond, 144A, 7.125%, due 7/6/2036	1,990	GS Mortgage Securities Trust 2007-GG10, Series 2007 GG10, Class AJ, 5.988%, due 8/10/2045	1,733
Russian Federal Bond – OFZ, Series 6212, 7.050%, due 1/19/2028	1,724	Fannie Mae Connecticut Avenue Securities, Series 2014 C03, Class 2M2, 3.424%, due 7/25/2024	1,544
GS Mortgage Securities Trust 2007-GG10, Series 2007 GG10, Class AJ, 5.988%, due 8/10/2045	1,722	Fannie Mae Connecticut Avenue Securities, Series 2014 C02, Class 2M2, 3.124%, due 5/25/2024	1,543
Indonesia Treasury Bond, Series FR56, 8.375%, due 9/15/2026	1,670	United States Treasury Note/Bond, 1.625%, due 2/15/2026	1,268
Mexican Bonos, Series M 30, 8.500%, due 11/18/2038	1,640	Banc of America Funding Corp, Series 2015 R3, Class 5A2, 144A, 0.733%, due 6/29/2037	1,261
Brazil Notas do Tesouro Nacional Serie F, Series NTNf, 10.000%, due 1/1/2021	1,460	JPMorgan Chase & Co, 4.250%, due 10/1/2027	1,232
United States Treasury Note/Bond, 2.500%, due 5/15/2046	1,383	United States Treasury Note/Bond, 2.500%, due 5/15/2046	1,221
CSMC Series 2016-NYRM, Series 2016, Class MZB, 144A, 7.169%, due 9/12/2017	1,310	L Brands Inc, 5.625%, due 10/15/2023	1,058
United States Treasury Note/Bond, 1.625%, due 2/15/2026	1,219	Wachovia Bank Commercial Mortgage Trust Series 2006-C27, Series 2006 C27, Class AJ, 5.825%, due 7/15/2045	1,037
Banc of America Funding Corp, Series 2015 R3, Class 5A2, 144A, 0.733%, due 6/29/2037	1,197	National Collegiate Student Loan Trust 2006-1, Series 2006 1, Class A5, 0.874%, due 3/25/2033	910
Williams Cos Inc/The, 8.750%, due 3/15/2032	1,123	Quicken Loans Inc, 144A, 5.750%, due 5/1/2025	897
Hanesbrands Inc, 144A, 4.875%, due 5/15/2026	1,073	DH Services Luxembourg Sarl, 144A, 7.750%, due 12/15/2020	885
Argentine Bonos del Tesoro, 18.200%, due 10/3/2021	1,020	Earnest Student Loan Program 2016-A LLC, Series 2016 A, Class B, 144A, 2.500%, due 1/25/2039	871
Sprint Communications Inc, 11.500%, due 11/15/2021	1,020	Oasis Petroleum Inc, 6.500%, due 11/1/2021	858

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

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	16,310	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	15,720
United States Treasury Note/Bond, 1.750%, due 3/31/2022	8,691	United States Treasury Note/Bond, 1.500%, due 12/31/2018	3,721
United States Treasury Note/Bond, 1.500%, due 12/31/2018	8,195	United States Treasury Inflation Indexed Bonds, 0.250%, due 1/15/2025	3,565
Italy Buoni Poliennali Del Tesoro, 2.000%, due 12/1/2025	7,693	United States Treasury Note/Bond, 0.875%, due 7/15/2017	2,252
United States Treasury Note/Bond, 8.000%, due 11/15/2021	4,371	Italy Buoni Poliennali Del Tesoro, 1.450%, due 9/15/2022	1,576
Republic of Poland Government Bond, Series 0725, 3.250%, due 7/25/2025	4,115	United States Treasury Note/Bond, 8.000%, due 11/15/2021	824
United States Treasury Inflation Indexed Bonds, 0.250%, due 1/15/2025	3,600	United States Treasury Note/Bond, 0.750%, due 1/31/2018	800
Italy Buoni Poliennali Del Tesoro, 1.450%, due 9/15/2022	3,398	United States Treasury Inflation Indexed Bonds, 0.125%, due 4/15/2021	495
Mexican Bonos, Series M, 7.750%, due 11/13/2042	2,887	McDonald's Corp, 4.875%, due 12/9/2045	377
United States Treasury Note/Bond, 2.500%, due 2/15/2045	2,722	Reynolds American Inc, 5.850%, due 8/15/2045	331
United States Treasury Note/Bond, 2.750%, due 11/15/2023	2,370	AT&T Inc, 3.400%, due 5/15/2025	268
United States Treasury Note/Bond, 2.500%, due 5/15/2046	2,354	Italy Buoni Poliennali Del Tesoro, 3.750%, due 5/1/2021	259
Korea Treasury Bond, Series 2606, 1.875%, due 6/10/2026	2,302	Canadian Imperial Bank of Commerce, 1.230%, due 2/24/2017	250
United States Treasury Note/Bond, 3.000%, due 5/15/2045	2,045	BNP Paribas (New York), 1.250%, due 2/24/2017	250
United States Treasury Note/Bond, 2.875%, due 8/15/2045	1,832	Bank of Nova Scotia, 1.230%, due 2/23/2017	250
Ecopetrol SA, 5.375%, due 6/26/2026	1,827	Sumitomo Mitsui Bank, 1.250%, due 2/24/2017	250
Republic of South Africa Government Bond, Series R214, 6.500%, due 2/28/2041	1,669	Toronto Dominion Bank, 1.210%, due 2/23/2017	250
United States Treasury Note/Bond, 0.875%, due 7/15/2017	1,152	United States Treasury Inflation Indexed Bonds, 0.375%, due 7/15/2023	201
Credit Suisse Group Funding Guernsey Ltd, 4.875%, due 5/15/2045	1,120	ABP Finance Plc, 6.250%, due 12/14/2026	190
Republic of Poland Government Bond, Series 0726, 2.500%, due 7/25/2026	1,051	Brown-Forman Corp, 4.500%, due 7/15/2045	168

Legg Mason Western Asset Structured Opportunities Fund[^]

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	115,708	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	128,496
Fannie Mae Connecticut Avenue Securities, Series 2016 C04, Class 1M2, 4.774%, due 1/25/2029	13,066	MASTR Adjustable Rate Mortgages Trust 2006-OA2, Series 2006 OA2, Class 1A1, 1.289%, due 12/25/2046	14,428
CSMC Series 2016-NYRM, Series 2016, Class MZB, 144A, 7.169%, due 9/12/2017	12,700	Fannie Mae Connecticut Avenue Securities, Series 2016 C04, Class 1M2, 4.774%, due 1/25/2029	13,303
Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2016 DNA2, Class M3, 5.174%, due 10/25/2028	11,223	Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2016 DNA2, Class M3, 5.174%, due 10/25/2028	11,386
CGBAM Commercial Mortgage Trust 2016-IMC, Series 2016 IMC, Class E, 144A, 8.172%, due 11/15/2021	9,650	Fannie Mae Connecticut Avenue Securities, Series 2014 C03, Class 1M2, 3.524%, due 7/25/2024	10,028

Statement of Major Portfolio Changes (unaudited) – (continued)

Legg Mason Western Asset Structured Opportunities Fund[^] – (continued)

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Towd Point Mortgage Funding 2016-Granite1 Plc, Series 2016 GR1A, Class F, 144A, 3.360%, due 7/20/2046	5,302	Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2014 HQ1, Class M3, 4.624%, due 8/25/2024	10,006
Ginnie Mae II Pool, 3.500%, due 9/20/2045	4,931	WaMu Mortgage Pass-Through Certificates Series 2006-AR13 Trust, Series 2006 AR13, Class 1A, 1.202%, due 10/25/2046	8,194
Ginnie Mae II Pool, 30 year, TBA, 3.500%	4,882	RBSSP Resecuritization Trust 2010-2, Series 2010 2, Class 11A2, 144A, 2.700%, due 7/26/2045	5,892
Fannie Mae Connecticut Avenue Securities, Series 2016 C04, Class 1B, 11.028%, due 1/25/2029	4,813	GSMP5 Mortgage Loan Trust 2005-RP3, Series 2005 RP3, Class 1AF, 144A, 0.786%, due 9/25/2035	5,270
HarborView Mortgage Loan Trust 2007-7, Series 2007 7, Class 2A1B, 1.524%, due 10/25/2037	4,509	Nomura Resecuritization Trust 2015-SR, Series 2015 SR, Class 4A1, 144A, 0.562%, due 7/26/2037	5,040
BAMLL Re-REMIC Trust 2016-RRGG10, Series 2016 GG10, Class AJA, 144A, 5.865%, due 7/10/2017	4,170	Ginnie Mae II Pool, 3.500%, due 9/20/2045	4,928
Structured Adjustable Rate Mortgage Loan Trust, Series 2005 8XS, Class M1, 1.423%, due 4/25/2035	4,097	Adjustable Rate Mortgage Trust 2004-2, Series 2004 2, Class 7M1, 1.596%, due 2/25/2035	4,925
Alternative Loan Trust 2007-23CB, Series 2007 23CB, Class A8, 25.287%, due 9/25/2037	3,891	Ginnie Mae II Pool, 30 year, TBA, 3.500%	4,882
InSite Issuer LLC, Series 2016 1A, Class C, 144A, 6.414%, due 11/15/2046	3,850	Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2014 DN3, Class M3, 4.436%, due 8/25/2024	4,634
CSMC Series 2014-11R, Series 2014 11R, Class 9A2, 144A, 0.896%, due 10/27/2036	3,773	HarborView Mortgage Loan Trust 2007-7, Series 2007 7, Class 2A1B, 1.524%, due 10/25/2037	4,597
Sprint Spectrum Co LLC / Sprint Spectrum Co II LLC / Sprint Spectrum Co III LLC, 144A, 3.360%, due 3/20/2023	3,720	Structured Asset Securities Corp Mortgage Loan Trust 2007-WF2, 2.774%, due 8/25/2037	4,296
Structured Asset Securities Corp Mortgage Loan Trust 2007-WF2, 2.774%, due 8/25/2037	3,686	Home Equity Asset Trust 2005-7, Series 2005 7, Class M2, 0.994%, due 1/25/2036	3,919
Alternative Loan Trust 2006-19CB, Series 2006 19CB, Class A20, 32.530%, due 8/25/2036	3,657	Structured Asset Securities Corp Mortgage Loan Trust 2006-WF2, 0.814%, due 7/25/2036	3,870
Fannie Mae Connecticut Avenue Securities, Series 2017 C01, Class 1B1, 144A, 6.528%, due 7/25/2029	3,619	Sprint Spectrum Co LLC / Sprint Spectrum Co II LLC / Sprint Spectrum Co III LLC, 144A, 3.360%, due 3/20/2023	3,735
New Century Home Equity Loan Trust Series 2005-D, Series 2005 D, Class M2, 1.248%, due 2/25/2036	3,573	GSAMP Trust 2005-WMC3, Series 2005 WMC3, Class A2C, 0.854%, due 12/25/2035	3,538

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

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Freddie Mac Gold Pool, 30 year, TBA, 3.000%	221,087	Freddie Mac Gold Pool, 30 year, TBA, 3.000%	220,900
Freddie Mac Gold Pool, 30 year, TBA, 3.000%	182,342	Freddie Mac Gold Pool, 30 year, TBA, 3.000%	182,342
Ginnie Mae II Pool, 30 year, TBA, 3.500%	170,762	Ginnie Mae II Pool, 30 year, TBA, 3.500%	170,797
Ginnie Mae II Pool, 30 year, TBA, 3.500%	161,737	Ginnie Mae II Pool, 30 year, TBA, 4.000%	161,737
Ginnie Mae II Pool, 30 year, TBA, 3.500%	159,016	Ginnie Mae II Pool, 30 year, TBA, 3.500%	158,785
Fannie Mae Pool, 15 year, TBA, 2.500%	136,962	Fannie Mae Pool, 15 year, TBA, 2.500%	136,857
Ginnie Mae II Pool, 30 year, TBA, 3.500%	125,898	Ginnie Mae II Pool, 30 year, TBA, 3.000%	118,103
Fannie Mae Pool, 30 year, TBA, 4.000%	118,213	Fannie Mae Pool, 30 year, TBA, 4.000%	117,905
Ginnie Mae II Pool, 30 year, TBA, 3.000%	118,036	Freddie Mac Gold Pool, 30 year, TBA, 3.000%	115,073
Freddie Mac Gold Pool, 30 year, TBA, 3.000%	114,788	Fannie Mae Pool, 30 year, TBA, 3.500%	114,501
Fannie Mae Pool, 30 year, TBA, 3.500%	114,578	Ginnie Mae II Pool, 30 year, TBA, 3.500%	110,871
Ginnie Mae II Pool, 30 year, TBA, 3.500%	110,919	Fannie Mae Pool, 30 year, TBA, 3.500%	106,460
Fannie Mae Pool, 30 year, TBA, 3.500%	106,504	Fannie Mae Pool, 30 year, TBA, 3.000%	104,596
Fannie Mae Pool, 30 year, TBA, 3.000%	104,596	Ginnie Mae II Pool, 30 year, TBA, 3.000%	104,233
Ginnie Mae II Pool, 30 year, TBA, 3.000%	104,380	Ginnie Mae II Pool, 30 year, TBA, 4.000%	103,669
Freddie Mac Gold Pool, 30 year, TBA, 4.000%	102,721	Freddie Mac Gold Pool, 30 year, TBA, 4.000%	103,087
Ginnie Mae II Pool, 30 year, TBA, 3.000%	101,424	Freddie Mac Gold Pool, 30 year, TBA, 4.000%	102,760
Ginnie Mae II Pool, 30 year, TBA, 3.500%	96,994	Ginnie Mae II Pool, 30 year, TBA, 3.000%	101,400
Fannie Mae Pool, 30 year, TBA, 4.000%	96,813	Ginnie Mae II Pool, 30 year, TBA, 3.500%	97,010
Fannie Mae Pool, 30 year, TBA, 4.000%	94,626	Fannie Mae Pool, 30 year, TBA, 4.000%	96,831
		Fannie Mae Pool, 30 year, TBA, 4.000%	94,608
		Freddie Mac Gold Pool, 30 year, TBA, 3.000%	94,381

Legg Mason Western Asset UK Investment Grade Credit Fund[^]

MAJOR PURCHASES	COST (in 000's) £	MAJOR SALES	PROCEEDS (in 000's) £
European Investment Bank, 3.875%, due 6/8/2037	1,735	United Kingdom Gilt, 4.250%, due 12/7/2027	606
United Kingdom Gilt, 3.750%, due 7/22/2052	1,381	Scotland Gas Networks Plc, 4.750%, due 2/21/2017	528
European Investment Bank, 5.375%, due 6/7/2021	1,325	Thames Water Utilities Cayman Finance Ltd, 7.241%, due 4/9/2058	375
Sweden Government Bond, Series 1053, 3.500%, due 3/30/2039	1,094	Standard Chartered Plc, 5.125%, due 6/6/2034	360
Svenska Handelsbanken AB, 2.375%, due 1/18/2022	960	Svenska Handelsbanken AB, 2.375%, due 1/18/2022	333
GE Capital UK Funding Unlimited Co, 5.875%, due 11/4/2020	955	BP Capital Markets Plc, 4.325%, due 12/10/2018	272
BP Capital Markets Plc, 2.030%, due 2/14/2025	850	Cooperatieve Rabobank UA, Series 2541, 4.000%, due 9/19/2022	157
HSBC Holdings Plc, 7.000%, due 4/7/2038	809	TP ICAP Plc, 5.250%, due 1/26/2024	131
Enel Finance International NV, 5.750%, due 9/14/2040	791	PepsiCo Inc, 2.500%, due 11/1/2022	128
Electricite de France SA, 5.500%, due 10/17/2041	767	Altria Group Inc, 3.875%, due 9/16/2046	73
AT&T Inc, 4.250%, due 6/1/2043	757	Telereal Secured Finance Plc, 4.010%, due 12/10/2031	7
GlaxoSmithKline Capital Plc, 4.250%, due 12/18/2045	740	Dignity Finance Plc, Series A, 3.546%, due 12/31/2034	6
Barclays Plc, 3.250%, due 2/12/2027	739	Unique Pub Finance Co Plc/The, Series A4, 5.659%, due 6/30/2027	3
Lloyds Bank Plc, 6.500%, due 9/17/2040	698	Mitchells & Butlers Finance Plc, Series B1, 5.965%, due 12/15/2023	3
Bundesrepublik Deutschland, 3.250%, due 7/4/2042	680	Mitchells & Butlers Finance Plc, Series B2, 6.013%, due 12/15/2028	2
Daimler AG, 1.500%, due 1/13/2022	648	Greene King Finance Plc, Series A2, 5.318%, due 9/15/2031	2
Lloyds Bank Plc, 7.625%, due 4/22/2025	646		
CPUK Finance Ltd, 3.588%, due 8/28/2025	645		
Cooperatieve Rabobank UA, 4.625%, due 5/23/2029	639		
Wells Fargo & Co, 4.875%, due 11/29/2035	637		

Statement of Major Portfolio Changes (unaudited) – (continued)

Legg Mason Western Asset US Corporate Bond Fund[^]

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	34,686	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	32,695
United States Treasury Note/Bond, 1.000%, due 10/15/2019	17,446	United States Treasury Note/Bond, 1.000%, due 10/15/2019	10,701
United States Treasury Note/Bond, 1.250%, due 10/31/2021	10,701	United States Treasury Note/Bond, 1.250%, due 10/31/2021	10,166
United States Treasury Note/Bond, 2.250%, due 8/15/2046	8,307	United States Treasury Note/Bond, 2.250%, due 8/15/2046	5,957
United States Treasury Note/Bond, 2.000%, due 11/15/2026	6,891	United States Treasury Note/Bond, 2.000%, due 11/15/2026	5,167
United States Treasury Note/Bond, 3.000%, due 11/15/2045	3,709	United States Treasury Note/Bond, 3.000%, due 11/15/2045	3,667
Barclays Bank Plc, 7.625%, due 11/21/2022	2,220	Barclays Bank Plc, 7.625%, due 11/21/2022	1,199
United States Treasury Note/Bond, 2.250%, due 2/15/2027	2,162	Glencore Funding LLC, 144A, 2.875%, due 4/16/2020	991
Argentine Republic Government International Bond, 144A, 6.875%, due 1/26/2027	1,705	Credit Suisse Group Funding Guernsey Ltd, 4.875%, due 5/15/2045	926
International Lease Finance Corp, 8.625%, due 1/15/2022	1,606	Lloyds Banking Group Plc, 7.500%, Perpetual	857
General Electric Co, 6.875%, due 1/10/2039	1,530	Argentine Republic Government International Bond, 144A, 6.875%, due 1/26/2027	837
Anheuser-Busch InBev Finance Inc, 3.650%, due 2/1/2026	1,524	EnLink Midstream Partners LP, 4.850%, due 7/15/2026	786
Citigroup Inc, 8.125%, due 7/15/2039	1,489	Citigroup Inc, 4.450%, due 9/29/2027	783
Morgan Stanley, 2.125%, due 4/25/2018	1,428	HSBC Holdings Plc, 4.300%, due 3/8/2026	775
Lloyds Banking Group Plc, 7.500%, Perpetual	1,301	Ecuador Government International Bond, 144A, 10.750%, due 3/28/2022	764
Sprint Spectrum Co LLC / Sprint Spectrum Co II LLC / Sprint Spectrum Co III LLC, 144A, 3.360%, due 9/20/2021	1,239	Cooperatieve Rabobank UA, 3.750%, due 7/21/2026	678
Argentine Republic Government International Bond, 144A, 7.500%, due 4/22/2026	1,238	Nationwide Building Society, 144A, 4.000%, due 9/14/2026	575
American Express Co, 7.000%, due 3/19/2018	1,221	Transcontinental Gas Pipe Line Co LLC, 144A, 7.850%, due 2/1/2026	570
Provincia de Buenos Aires/Argentina, 144A, 9.125%, due 3/16/2024	1,168	Apple Inc, 3.350%, due 2/9/2027	514
Goldman Sachs Group Inc/The, 2.300%, due 12/13/2019	1,109	Reynolds American Inc, 5.850%, due 8/15/2045	513

Legg Mason Brandywine Global Fixed Income Fund

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	525,359	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	583,937
United States Treasury Floating Rate Note, 0.656%, due 1/31/2019	135,096	United States Treasury Note/Bond, 2.500%, due 2/15/2045	132,998
United States Treasury Note/Bond, 2.875%, due 11/15/2046	101,115	United States Treasury Floating Rate Note, 0.402%, due 7/31/2017	97,625
United States Treasury Floating Rate Note, 0.607%, due 1/31/2018	91,803	United States Treasury Floating Rate Note, 0.607%, due 1/31/2018	91,841
United States Treasury Floating Rate Note, 0.525%, due 4/30/2018	89,474	United States Treasury Floating Rate Note, 0.525%, due 4/30/2018	89,563
United Kingdom Gilt, 1.250%, due 7/22/2018	81,252	Kommunalbanken AS, 144A, 0.879%, due 5/2/2017	61,119
United States Treasury Floating Rate Note, 0.402%, due 7/31/2017	52,349	Italy Buoni Poliennali Del Tesoro, 5.000%, due 8/1/2039	55,413
United States Treasury Floating Rate Note, 0.424%, due 7/31/2018	46,535	United States Treasury Floating Rate Note, 0.424%, due 7/31/2018	46,567
United States Treasury Floating Rate Note, 0.676%, due 10/31/2018	44,247	United States Treasury Floating Rate Note, 0.676%, due 10/31/2018	44,258
European Investment Bank, 1.000%, due 8/17/2017	30,493	Kommunalbanken AS, 144A, 1.020%, due 3/27/2017	32,877
Republic of South Africa Government Bond, Series 2048, 8.750%, due 2/28/2048	17,185	Dexia Credit Local SA/New York NY, 144A, 1.065%, due 1/11/2017	29,120
Mexican Bonos, Series M, 7.750%, due 11/23/2034	9,814	United States Treasury Note/Bond, 2.875%, due 5/15/2043	21,466
Corp Andina de Fomento, 2.000%, due 5/10/2019	9,204	New Zealand Government Bond, Series 0521, 6.000%, due 5/15/2021	13,206
Mexican Bonos, Series M, 7.750%, due 11/13/2042	7,747	Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2023	12,495
Kommunalbanken AS, 144A, 1.300%, due 6/16/2020	7,469	Mexican Bonos, Series M, 7.750%, due 11/13/2042	9,043
Mexican Bonos, Series M 30, 8.500%, due 11/18/2038	5,441	European Investment Bank, 144A, 7.200%, due 7/9/2019	8,916
Malaysia Government Bond, Series 0314, 4.048%, due 9/30/2021	4,442	United Kingdom Gilt, 1.250%, due 7/22/2018	8,395
Malaysia Government Bond, Series 0416, 3.620%, due 11/30/2021	3,726	Hungary Government Bond, Series 25/B, 5.500%, due 6/24/2025	6,861
		Mexican Bonos, Series M 20, 8.500%, due 5/31/2029	5,998
		Republic of Poland Government Bond, Series 1023, 4.000%, due 10/25/2023	5,762

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

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	689,835	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	682,992
United States Treasury Floating Rate Note, 0.690%, due 7/31/2018	204,104	United States Treasury Floating Rate Note, 0.904%, due 7/31/2017	286,147
United States Treasury Note/Bond, 2.875%, due 11/15/2046	68,359	United States Treasury Floating Rate Note, 0.509%, due 7/31/2018	100,005
United States Treasury Floating Rate Note, 0.656%, due 1/31/2019	45,029	United States Treasury Floating Rate Note, 0.525%, due 4/30/2018	39,132
United States Treasury Floating Rate Note, 0.525%, due 4/30/2018	39,104	Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2025	37,027
United States Treasury Floating Rate Note, 0.686%, due 10/31/2018	36,744	Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2023	29,078
Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2027	28,555	New Zealand Government Bond, Series 0521, 6.000%, due 5/15/2021	28,686
Republic of South Africa Government Bond, Series 2048, 8.750%, due 2/28/2048	23,115	Ford Motor Credit Co LLC, Series 00, 1.459%, due 1/17/2017	27,639
Mexican Bonos, Series M, 7.750%, due 11/23/2034	21,148	Indonesia Treasury Bond, Series FR71, 9.000%, due 3/15/2029	23,370
Wells Fargo & Co, 2.057%, due 7/26/2021	20,812	Deutsche Bank AG/London, 1.512%, due 2/13/2017	22,672
Dexia Credit Local SA/New York NY, 144A, 1.142%, due 6/5/2018	15,050	Mexican Bonos, Series M, 7.750%, due 11/13/2042	20,287
Santander UK Plc, 1.407%, due 9/29/2017	13,440	Italy Buoni Poliennali Del Tesoro, 5.000%, due 8/1/2039	19,659
United States Treasury Floating Rate Note, 0.607%, due 1/31/2018	11,845	Hungary Government Bond, Series 23/A, 6.000%, due 11/24/2023	19,251
Corp Andina de Fomento, 2.000%, due 5/10/2019	11,783	Malaysia Government Bond, Series 0315, 3.659%, due 10/15/2020	16,692
Mexican Bonos, Series M 30, 8.500%, due 11/18/2038	11,377	Portugal Obrigacoes do Tesouro OT, 144A, 4.950%, due 10/25/2023	15,527
Bank Nederlandse Gemeenten NV, 144A, 1.093%, due 7/14/2017	9,733	Citigroup Inc, 1.374%, due 3/10/2017	15,288
Mexican Bonos, Series M, 7.750%, due 11/13/2042	9,478	Queensland Treasury Corp, Series 24, 5.750%, due 7/22/2024	13,578
European Investment Bank, 144A, 1.079%, due 10/9/2018	8,255	Abbey National Treasury Services Plc/United Kingdom, 1.040%, due 9/29/2017	13,440
Ford Motor Credit Co LLC, 2.009%, due 1/9/2020	7,557	Mexican Bonos, Series M 30, 8.500%, due 11/18/2038	13,375
JPMorgan Chase Bank NA, 1.444%, due 9/21/2018	7,472	Barclays Bank Plc, 1.374%, due 12/9/2016	12,696

Legg Mason Brandywine Global High Yield Fund[^]

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	54,021	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	48,533
Petrobras Global Finance BV, 8.750%, due 5/23/2026	3,482	Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2027	3,079
Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2027	3,100	Brazilian Government International Bond, 5.000%, due 1/27/2045	2,286
Hexion Inc, 6.625%, due 4/15/2020	2,953	Infoblox Inc, zero coupon, due 11/04/2023	2,190
Rackspace Hosting Inc, 144A, 8.625%, due 11/15/2024	2,659	Telecom Italia Capital SA, 6.375%, due 11/15/2033	2,005

Statement of Major Portfolio Changes (unaudited) – (continued)

Legg Mason Brandywine Global High Yield Fund[^] – (continued)

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Chesapeake Energy Corp, 144A, 8.000%, due 12/15/2022	2,598	Indonesia Government International Bond, 6.625%, due 2/17/2037	1,904
Fannie Mae Connecticut Avenue Securities, Series 2016 C02, Class 1M2, 6.778%, due 9/25/2028	2,589	AES Corp/VA, 7.375%, due 7/1/2021	1,562
Digicel Group Ltd, 8.250%, due 9/30/2020	2,404	Ineos Finance Plc, 4.000%, due 5/1/2023	1,512
Brazilian Government International Bond, 5.000%, due 1/27/2045	2,384	Vector Group Ltd, 7.750%, due 2/15/2021	1,428
DaVita Inc, 5.000%, due 5/1/2025	2,151	CIT Group Inc, 144A, 5.500%, due 2/15/2019	1,393
Infoblox Inc, zero coupon, due 11/04/2023	2,151	Petrobras Global Finance BV, 8.750%, due 5/23/2026	1,388
Air Canada, 144A, 7.750%, due 4/15/2021	2,129	VeriSign Inc, 4.625%, due 5/1/2023	1,339
CF Industries Inc, 4.950%, due 6/1/2043	2,120	Argentine Republic Government International Bond, 144A, 7.500%, due 4/22/2026	1,327
Argentine Bonos del Tesoro, 18.200%, due 10/3/2021	2,024	Banco do Brasil, 9.000%, Perpetual	1,170
Valeant Pharmaceuticals International Inc, 144A, 6.750%, due 8/15/2018	2,007	Wind Acquisition Finance SA, 7.375%, due 4/23/2021	1,035
Fiat Chrysler Automobiles NV, 5.250%, due 4/15/2023	1,958	SFR Group SA, 6.000%, due 5/15/2022	1,028
Indonesia Government International Bond, 6.625%, due 2/17/2037	1,945	First Data Corp, 3.750%, due 3/24/2021	1,011
Sprint Corp, 7.125%, due 6/15/2024	1,883	Hexion Inc, 6.625%, due 4/15/2020	974
Murphy Oil Corp, 6.875%, due 8/15/2024	1,856	Argentine Bonos del Tesoro, 18.200%, due 10/3/2021	971
Fly Leasing Ltd, 6.750%, due 12/15/2020	1,845	Australia Government Bond, 3.750%, due 4/21/2037	942

Legg Mason Brandywine Global Opportunistic Fixed Income Fund[^]

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	287,892	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	276,301
United States Treasury Floating Rate Note, 0.509%, due 7/31/2018	79,593	United States Treasury Floating Rate Note, 0.509%, due 7/31/2018	79,664
United States Treasury Note/Bond, 2.875%, due 11/15/2046	61,919	United States Treasury Note/Bond, 2.500%, due 2/15/2045	65,407
United Kingdom Gilt, 1.250%, due 7/22/2018	42,729	Italy Buoni Poliennali Del Tesoro, 5.000%, due 8/1/2039	27,559
United States Treasury Floating Rate Note, 0.607%, due 1/31/2018	26,600	United States Treasury Floating Rate Note, 0.607%, due 1/31/2018	26,612
United States Treasury Floating Rate Note, 0.686%, due 10/31/2018	17,620	Dexia Credit Local SA/New York NY, 144A, 1.036%, due 6/5/2018	15,050
Republic of South Africa Government Bond, Series 2048, 8.750%, due 2/28/2048	10,390	United States Treasury Note/Bond, 2.875%, due 11/15/2046	13,153
Kommunalbanken AS, 144A, 1.300%, due 6/16/2020	9,798	United States Treasury Floating Rate Note, 0.686%, due 10/31/2018	11,040
Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2027	8,958	United States Treasury Note/Bond, 2.875%, due 5/15/2043	10,147
Wells Fargo & Co, 2.057%, due 7/26/2021	8,939	Bank Nederlandse Gemeenten NV, 144A, 0.743%, due 7/14/2017	9,733
Mexican Bonos, Series M, 7.750%, due 11/23/2034	7,492	Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2025	9,347
United States Treasury Note/Bond, 3.000%, due 11/15/2045	7,413	European Investment Bank, 144A, 0.735%, due 10/9/2018	8,255
United States Treasury Floating Rate Note, 0.904%, due 7/31/2017	7,340	Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2023	7,733
Hewlett Packard Enterprise Co, 6.350%, due 10/15/2045	6,720	United States Treasury Floating Rate Note, 0.904%, due 7/31/2017	7,347
Hewlett Packard Enterprise Co, 144A, 6.350%, due 10/15/2045	6,717	ABN AMRO Bank NV, 144A, 1.543%, due 10/28/2016	6,850
Ford Motor Credit Co LLC, 2.009%, due 1/9/2020	6,475	Hewlett Packard Enterprise Co, 144A, 6.350%, due 10/15/2045	6,720
Apple Inc, 4.650%, due 2/23/2046	5,914	United Kingdom Gilt, 1.250%, due 7/22/2018	6,633
United States Treasury Floating Rate Note, 0.656%, due 1/31/2019	5,726	New Zealand Government Bond, Series 0423, 5.500%, due 4/15/2023	6,511
Mexican Bonos, Series M, 7.750%, due 11/13/2042	5,406	Deutsche Bank AG/London, 1.512%, due 2/13/2017	6,283
Mexican Bonos, Series M 30, 8.500%, due 11/18/2038	5,350	Indonesia Treasury Bond, Series FR71, 9.000%, due 3/15/2029	5,997

Legg Mason Brandywine Global Sovereign Credit Fund[^]

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	1,050,413	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	1,152,943
United States Treasury Floating Rate Note, 0.509%, due 7/31/2018	309,074	United States Treasury Floating Rate Note, 0.509%, due 7/31/2018	309,292
United States Treasury Note/Bond, 2.875%, due 11/15/2046	248,930	United States Treasury Note/Bond, 2.500%, due 2/15/2045	256,794
United States Treasury Floating Rate Note, 0.686%, due 10/31/2018	144,402	United States Treasury Floating Rate Note, 0.402%, due 7/31/2017	235,417
Republic of Poland Government Bond, Series 0725, 3.250%, due 7/25/2025	122,430	Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2023	124,242
United Kingdom Gilt, 1.250%, due 7/22/2018	112,741	Poland Government Bond, Series 1020, 5.250%, due 10/25/2020	116,575
Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2027	110,378	United States Treasury Floating Rate Note, 0.525%, due 4/30/2018	100,530
United States Treasury Floating Rate Note, 0.525%, due 4/30/2018	100,444	Italy Buoni Poliennali Del Tesoro, 5.000%, due 8/1/2039	65,324
United States Treasury Floating Rate Note, 0.402%, due 7/31/2017	93,227	Hungary Government Bond, Series 20/A, 7.500%, due 11/12/2020	36,459
Turkey Government International Bond, 6.625%, due 2/17/2045	69,529	United States Treasury Floating Rate Note, 0.607%, due 1/31/2018	36,195
Republic of South Africa Government Bond, Series 2048, 8.750%, due 2/28/2048	57,851	New Zealand Government Bond, Series 0423, 5.500%, due 4/15/2023	28,470
Hungary Government Bond, Series 25/B, 5.500%, due 6/24/2025	56,217	Colombia Government International Bond, 5.000%, due 6/15/2045	24,675
Mexican Bonos, Series M, 7.750%, due 11/13/2042	50,699	Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2027	23,189
Republic of South Africa Government Bond, Series R214, 6.500%, due 2/28/2041	42,951	Portugal Obrigacoes do Tesouro OT, 144A, 3.850%, due 4/15/2021	22,026
Malaysia Government Bond, Series 0416, 3.620%, due 11/30/2021	40,688	United States Treasury Note/Bond, 2.875%, due 5/15/2043	14,478
Hungary Government Bond, Series 23/A, 6.000%, due 11/24/2023	36,633	United States Treasury Floating Rate Note, 0.686%, due 10/31/2018	11,958
United States Treasury Floating Rate Note, 0.607%, due 1/31/2018	36,173	Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2025	5,704
United States Treasury Floating Rate Note, 0.656%, due 1/31/2019	32,651	Mexican Bonos, Series M 20, 8.500%, due 5/31/2029	4,826
Mexican Bonos, Series M 30, 8.500%, due 11/18/2038	26,717	Korea Treasury Bond, Series 1809, 5.750%, due 9/10/2018	4,805
Mexican Bonos, Series M, 7.750%, due 11/23/2034	24,055	Mexican Bonos, Series M 30, 8.500%, due 11/18/2038	4,797

Legg Mason Brandywine Global Income Optimiser Fund[^]

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	65,839	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	60,248
United States Treasury Bill, zero coupon, due 12/15/2016	24,995	United States Treasury Bill, zero coupon, due 12/15/2016	24,998
United States Treasury Bill, zero coupon, due 2/2/2017	16,398	United States Treasury Bill, zero coupon, due 2/2/2017	16,405
United States Treasury Bill, zero coupon, due 3/16/2017	12,994	United States Treasury Bill, zero coupon, due 11/3/2016	12,720
United States Treasury Bill, zero coupon, due 11/3/2016	12,719	United Kingdom Gilt, 3.500%, due 1/22/2045	11,057
United Kingdom Gilt, 3.500%, due 1/22/2045	9,160	New Zealand Government Bond, Series 427, 4.500%, due 4/15/2027	7,388
United States Treasury Bill, zero coupon, due 11/10/2016	6,799	United States Treasury Bill, zero coupon, due 11/10/2016	6,800
New Zealand Government Bond, Series 427, 4.500%, due 4/15/2027	5,254	United States Treasury Bill, zero coupon, due 10/6/2016	4,395
United States Treasury Bill, zero coupon, due 3/2/2017	4,954	United Kingdom Gilt, 5.000%, due 3/7/2025	4,203
United States Treasury Bill, zero coupon, due 10/6/2016	4,395	United States Treasury Bill, zero coupon, due 10/13/2016	3,310
United States Treasury Bill, zero coupon, due 10/13/2016	3,310	Indonesia Government International Bond, 6.625%, due 2/17/2037	3,127

Statement of Major Portfolio Changes (unaudited) – (continued)

Legg Mason Brandywine Global Income Optimiser Fund[^] – (continued)

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Indonesia Government International Bond, 6.625%, due 2/17/2037	3,141	Australia Government Bond, 3.750%, due 4/21/2037	3,080
Australia Government Bond, 3.750%, due 4/21/2037	3,108	Canadian Government Bond, 2.250%, due 6/1/2025	3,046
Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2027	2,272	Brazil Notas do Tesouro Nacional Serie F, Series NTN F, 10.000%, due 1/1/2027	2,330
Anheuser-Busch InBev Finance Inc, 4.900%, due 2/1/2046	1,919	Australia Government Bond, Series 138, 3.250%, due 4/21/2029	2,287
Canadian Government Bond, 2.250%, due 6/1/2025	1,917	United States Treasury Note/Bond, 2.000%, due 2/15/2025	2,061
Argentine Bonos del Tesoro, 18.200%, due 10/3/2021	1,769	Australia Government Bond, Series 137, 2.750%, due 4/21/2024	2,030
Argentina Treasury Bill, zero coupon, due 4/17/2017	1,769	United States Treasury Note/Bond, 3.000%, due 5/15/2045	1,970
DuPont Fabros Technology LP, 5.625%, due 6/15/2023	1,721	Wind Acquisition Finance SA, 144A, 7.375%, due 4/23/2021	1,775
Marfrig Holdings Europe BV, 8.000%, due 6/8/2023	1,703	Telecom Italia Capital SA, 6.375%, due 11/15/2033	1,697

Legg Mason Brandywine Global Credit Opportunities Fund[^]

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	59,274	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	61,534
United States Treasury Bill, zero coupon, due 11/03/2016	10,609	United States Treasury Bill, zero coupon, due 11/03/2016	10,610
United States Treasury Bill, zero coupon, due 10/20/2016	8,544	United States Treasury Bill, zero coupon, due 10/20/2016	8,545
United States Treasury Bill, zero coupon, due 3/9/2017	8,444	United States Treasury Bill, zero coupon, due 10/06/2016	4,925
United States Treasury Bill, zero coupon, due 10/06/2016	4,925	TDA CAM 7 FTA 7, Class A2, 0.000%, due 2/26/2049	4,788
Brazil Notas do Tesouro Nacional Serie F, 10.000%, due 1/1/2025	4,077	TDA CAM 5 FTA 5, Class A, 0.000%, due 10/26/2043	4,591
United States Treasury Bill, zero coupon, due 12/15/2016	3,864	United Kingdom Gilt, 5.000%, due 3/7/2025	4,342
United States Treasury Bill, zero coupon, due 9/22/2016	3,579	Brazil Notas do Tesouro Nacional Serie F, 10.000%, due 1/1/2025	3,991
Exxon Mobil Corp, 3.043%, due 3/1/2026	3,570	United States Treasury Bill, zero coupon, due 12/15/2016	3,864
Fondo de Titulizacion de Activos UCI 16, zero coupon, perpetual	3,465	Fondo de Titulizacion de Activos UCI 16, zero coupon, perpetual	3,596
Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2016 HQA4, Class M2, 2.2817%, due 4/25/2029	3,000	Exxon Mobil Corp, 3.043%, due 3/1/2026	3,593
Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2016 HQA1, Class M3, 7.128%, due 9/25/2028	2,879	United States Treasury Bill, zero coupon, due 9/22/2016	3,580
Freddie Mac Multifamily Structured Pass Through Certificates K042, Class X1, 1.057%, due 12/25/2024	2,823	LSTAR Securities Investment Ltd 2015-7, Series 2015 7, Class A, 144A, 2.523%, due 7/1/2020	3,432
United States Treasury Bill, zero coupon, due 11/17/2016	2,800	New Zealand Government Bond, Series 0427, 4.500%, due 4/15/2027	3,314
FREMF 2016-K54 Mortgage Trust, 4.051%, due 2/25/2026	2,697	Citigroup Commercial Mortgage Trust 2007-C6, Series 2007 C6, Class AJFX, 144A, 5.714%, due 7/10/2017	3,156
Capsugel Holdings U.S. Inc, 4.000%, due 7/31/2021	2,394	FREMF 2016-K54 Mortgage Trust, 4.051%, due 2/25/2026	3,028
VanEck Vectors Oil Service ETF	2,159	Freddie Mac Structured Agency Credit Risk Debt Notes, Series 2016 HQA4, Class M2, 2.2817%, due 4/25/2029	3,000
Petrobras Global Finance BV, 8.750%, due 5/23/2026	2,085	United States Treasury Bill, zero coupon, due 11/17/2016	2,800
Indonesia Government International Bond, 6.625%, due 2/17/2037	2,061	Kildare Securities Ltd, Series 2007 1, Class A3, 0.084%, due 12/10/2043	2,710
IM Pastor 3 FTH, zero coupon, 3/22/2043	1,997	Magellan Mortgages No4 Plc 4, Class A, 0.138%, due 7/20/2059	2,655
		TDA CAM 4 FTA 4, Class B, 0.109%, due 6/26/2039	2,646
		Lusitano Mortgages No6 Ltd 6, Class A, 0.072%, due 3/15/2060	2,603
		VOLT XXXIII LLC, Series 2015 NPL5, Class A2, 144A, 4.250%, due 3/25/2055	2,383
		VanEck Vectors Oil Services ETF	2,186

Legg Mason Brandywine Global Dynamic US Equity Fund[^]

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	244	Goldman Sachs US\$ Liquid Reserves Fund – Institutional Class	243
Gilead Sciences Inc	102	Mondelez International Inc	86
Wal-Mart Stores Inc	88	Apple Inc	85
iShares Russell 1000 Value ETF	86	Dow Chemical Co/The	81
American Express Co	77	Biogen Inc	77
Express Scripts Holding Co	63	3M Co	69
Biogen Inc	62	Lockheed Martin Corp	65
Cisco Systems Inc	60	General Motors Co	64
Time Warner Inc	55	iShares Russell 1000 Value ETF	64
Lockheed Martin Corp	50	Cisco Systems Inc	62
Exxon Mobil Corp	42	Phillips 66	60
Hewlett Packard Enterprise Co	39	Texas Instruments Inc	53
eBay Inc	36	General Dynamics Corp	50
Bank of America Corp	35	Valero Energy Corp	49
Mondelez International Inc	35	Anthem Inc	45
Baxter International Inc	34	El du Pont de Nemours & Co	44
Chevron Corp	32	Aflac Inc	43
Morgan Stanley	32	Allstate Corp/The	42
Applied Materials Inc	30	Twenty-First Century Fox Inc	42
Corning Inc	28	PPL Corp	38
Tyson Foods Inc 'A'	26	Archer-Daniels-Midland Co	35
		Delphi Automotive Plc	33
		Thomson Reuters Corp	33
		eBay Inc	33
		Illinois Tool Works Inc	31
		JPMorgan Chase & Co	26
		Omnicom Group Inc	26
		QUALCOMM Inc	25
		Hartford Financial Services Group Inc/The	25

Legg Mason ClearBridge Value Fund

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Alphabet Inc	11,797	Merck & Co Inc	11,201
Allergan Plc	10,341	NXP Semiconductors NV	10,250
MetLife Inc	8,329	American International Group Inc	9,001
Bristol-Myers Squibb Co	8,167	Albemarle Corp	8,200

Statement of Major Portfolio Changes (unaudited) – (continued)

Legg Mason ClearBridge Value Fund – (continued)

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Celgene Corp	7,184	Steel Dynamics Inc	7,403
Mylan NV	6,931	EMC Corp/MA	6,851
Stericycle Inc	6,553	Express Scripts Holding Co	6,741
Johnson Controls International plc	6,521	Rockwell Automation Inc	6,519
Exelon Corp	5,530	Yahoo! Inc	5,978
Intercontinental Exchange Inc	4,741	AbbVie Inc	5,312
Realogy Holdings Corp	4,539	LyondellBasell Industries NV	4,914
Alexion Pharmaceuticals Inc	4,403	Perrigo Co Plc	4,735
Hartford Financial Services Group Inc/The	3,907	Devon Energy Corp	4,520
Adient Plc	3,760	United Rentals Inc	4,311
Coty Inc	3,528	PulteGroup Inc	4,120
Mosaic Co/The	3,175	Discover Financial Services	4,098
Norwegian Cruise Line Holdings Ltd	3,052	Mosaic Co/The	3,803
Cabot Oil & Gas Corp	3,036	American Homes 4 Rent 'A'	3,388
Hanesbrands Inc	3,007	AES Corp/VA	3,111
Synchrony Financial	2,879	Jazz Pharmaceuticals Plc	3,090
Wells Fargo & Co	2,768	eBay Inc	3,043
Apache Corp	1,990	Biogen Inc	2,935
Biogen Inc	1,737	Bristol-Myers Squibb Co	2,563
Lowe's Cos Inc	1,523	Microsoft Corp	2,450
		Cisco Systems Inc	2,419
		UnitedHealth Group Inc	2,324
		Apache Corp	2,246
		Citigroup Inc	2,062
		Amazon.com Inc	1,973
		Synchrony Financial	1,965
		Calpine Corp	1,949

Legg Mason ClearBridge Growth Fund

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Microsoft Corp	162	Lowe's Cos Inc	224
Colgate-Palmolive Co	152	Schlumberger Ltd	221
Allergan Plc	145	Apple Inc	212
JPMorgan Chase & Co	139	Bristol-Myers Squibb Co	166
Intercontinental Exchange Inc	120	International Flavors & Fragrances Inc	159
Estee Lauder Cos Inc/The 'A'	114	Coca-Cola Co/The	158
IHS Markit Ltd	113	Tesla Motors Inc	157
American Express Co	112	Boston Beer Co Inc/The	150
Schlumberger Ltd	111	Amazon.com Inc	148
Lennox International Inc	102	Mettler-Toledo International Inc	147
Synchrony Financial	100	Facebook Inc 'A'	144
PayPal Holdings Inc	90	Brown-Forman Corp	134
Chipotle Mexican Grill Inc 'A'	90	Red Hat Inc	128
PepsiCo Inc	88	United Continental Holdings Inc	127
Adient Plc	82	Veeva Systems Inc 'A'	126
Visa Inc	80	Diageo Plc ADR	123
Albemarle Corp	80	Sinclair Broadcast Group Inc 'A'	119
Anadarko Petroleum Corp	70	Mobileye NV	111
Citigroup Inc	65	ICON Plc	109
CSX Corp	64	Ralph Lauren Corp 'A'	105
Merck & Co Inc	56	NIKE Inc	103
EOG Resources Inc	55	Aetna Inc	101
Signature Bank/New York NY	52	Workday Inc 'A'	100
Boston Beer Co Inc/The	50	Albemarle Corp	90
Ultrasenyx Pharmaceutical Inc	49	Starbucks Corp	85
Broadcom Ltd	41	Blue Buffalo Pet Products Inc	83
DENTSPLY SIRONA Inc	40	Las Vegas Sands Corp	81
Mosaic Co/The	33	Twitter Inc	71
ICON Plc	33	American Express Co	70
PNC Financial Services Group Inc/The	32	ServiceNow Inc	69
Sinclair Broadcast Group Inc 'A'	28	Universal Display Corp	68
		Citigroup Inc	66
		Allergan Plc	63
		FireEye Inc	63
		JPMorgan Chase & Co	53
		Colgate-Palmolive Co	45

Legg Mason ClearBridge Global Equity Fund^

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Honda Motor Co Ltd	333	HeidelbergCement AG	224
thyssenkrupp AG	310	Encana Corp	213
BASF SE	306	TDK Corp	184
Standard Chartered Plc	293	CIFI Holdings Group Co Ltd	175
DR Horton Inc	292	Sumitomo Mitsui Financial Group Inc	164
G4S Plc	289	LIXIL Group Corp	142
Rio Tinto Ltd	288	BP Plc	135
Bayer AG	278	TOTAL SA	127
Sony Corp	277	Accenture Plc 'A'	109
BNP Paribas SA	262	Nestle SA	97

Statement of Major Portfolio Changes (unaudited) – (continued)

Legg Mason ClearBridge Global Equity Fund^ – (continued)

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Hitachi Ltd	256	Halliburton Co	90
Coca-Cola Amatil Ltd	252	Unilever NV	83
Calpine Corp	248	Teva Pharmaceutical Industries Ltd ADR	71
Cielo SA	247	Kyocera Corp	66
Duratex SA	245	EMC Corp	62
Diageo Plc	232	Deutsche Telekom AG	61
Royal Dutch Shell Plc 'A'	229	Fabrinet	60
Incitec Pivot Ltd	228	Royal Dutch Shell Plc 'A'	60
Akzo Nobel NV	223	Rexel SA	57
GlaxoSmithKline Plc	218	Sanofi	53
Halliburton Co	218	Allianz SE	51
Amec Foster Wheeler Plc	218	Orkla ASA	50
Greatview Aseptic Packaging Co Ltd	213	CVS Health Corp	50
Accenture Plc 'A'	213	Japan Airlines Co Ltd	50
AT&T Inc	212	Vodafone Group Plc	49
Freeport-McMoRan Inc	207	Apache Corp	49
Sensata Technologies Holding NV	207	Amgen Inc	48
Citigroup Inc	207	MetLife Inc	48
Barclays Plc	206	Telefonaktiebolaget LM Ericsson	42
Greenlight Capital Re Ltd	205	Saft Groupe SA	42
International Business Machines Corp	202	Amec Foster Wheeler Plc	41
JPMorgan Chase & Co	202	Sony Corp	38
Schneider Electric SE	201	Kesko OYJ	37
Apache Corp	200	Laird Plc	35
Tarkett SA	198	Koninklijke KPN NV	35
Encana Corp	197	Baoxin Auto Group Ltd	35
TOTAL SA	195	Engie SA	35
ICADE	193		
Credit Suisse Group AG	191		
BP Plc	189		
Daiwa Securities Group Inc	184		
Samsung Electronics Co Ltd	182		
Novartis AG	179		
Invesco Ltd	177		
Bouygues SA	171		
voestalpine AG	169		
Whitbread Plc	169		
Emerson Electric Co	166		
HeidelbergCement AG	164		
Alcoa Inc	160		
AXA SA	156		
Sitoy Group Holdings Ltd	154		
POSCO	151		
Wienerberger AG	148		

Legg Mason ClearBridge Global Equity Income Fund^

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Novartis AG	76	Norsk Hydro ASA	108
Rio Tinto Ltd	73	Unilever NV	91
BASF SE	70	CRH Plc	90
Whitbread Plc	53	Imperial Brands Plc	78
Amec Foster Wheeler Plc	52	Petrofac Ltd	76
Gaztransport Et Technigaz SA	50	Deutsche Telekom AG	71
Royal Dutch Shell Plc 'A'	50	RPC Group Plc	69
Coca-Cola Amatil Ltd	49	Orkla ASA	68
Lumax International Corp Ltd	47	Vodafone Group Plc	67
Ladbroke's Coral Group Plc	46	BP Plc	59
Invesco Ltd	45	ONEOK Inc	57
UBS Group AG	44	Sulzer AG	56
Gamestop Corp 'A'	44	Selvaag Bolig ASA	52
Man Group Plc	44	Kesko OYJ	52
Vesuvius Plc	43	Microsoft Corp	51
Wells Fargo & Co	43	Gaztransport Et Technigaz SA	51
Credit Suisse Group AG	43	Ocean Yield ASA	48
Azimut Holding SpA	43	Tethys Oil AB	42
TOTAL SA	35	Skanska AB	42
publity AG	34	Engie SA	41
Philips Lighting NV, 144A	34	TOTAL SA	40
Mapletree Logistics Trust	33	Pason Systems Inc	40
Kemira OYJ	30	CIFI Holdings Group Co Ltd	39
Card Factory Plc	29	McBride Plc	39
CSE Global Ltd	25	Grendene SA	37
Elegant Hotels Group Plc	24	Mitie Group Plc	37
Shenzhen International Holdings Ltd	23	Gamestop Corp 'A'	36
Ashmore Group Plc	23	Pacific Online Ltd	34
IGM Financial Inc	22	Koninklijke KPN NV	30
Sanofi	18	Premier Farnell Plc	28
		POSCO ADR	27
		NewRiver REIT Plc	27
		Nihon House Holdings Co Ltd	24
		Laird Plc	22

Statement of Major Portfolio Changes (unaudited) – (continued)

Legg Mason ClearBridge US Appreciation Fund

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Bank of America Corp	1,579	Travelers Cos Inc/The	3,465
El du Pont de Nemours & Co	1,222	Home Depot Inc/The	2,444
Schlumberger Ltd	1,043	Microsoft Corp	2,280
PNC Financial Services Group Inc/The	959	Comcast Corp 'A'	2,223
International Business Machines Corp	837	Walt Disney Co/The	2,179
Ameren Corp	812	EMC Corp/MA	1,920
Facebook Inc 'A'	804	MetLife Inc	1,844
NextEra Energy Inc	671	CVS Health Corp	1,770
Toll Brothers Inc	668	PPG Industries Inc	1,727
US Bancorp	638	Berkshire Hathaway Inc	1,711
Regeneron Pharmaceuticals Inc	610	Apple Inc	1,633
Autoliv Inc	512	Pfizer Inc	1,541
Aetna Inc	449	Visa Inc	1,541
Becton Dickinson and Co	391	Schlumberger Ltd	1,488
United Parcel Service Inc 'B'	331	JPMorgan Chase & Co	1,458
PepsiCo Inc	319	UnitedHealth Group Inc	1,458
Comcast Corp	313	General Electric Co	1,447
Oracle Corp	276	Cardinal Health Inc	1,435
Anadarko Petroleum Corp	271	Citigroup Inc	1,419
Sempra Energy	255	Eversource Energy	1,413
JPMorgan Chase & Co	245	Exxon Mobil Corp	1,397
Microsoft Corp	238	Johnson & Johnson	1,395
Apple Inc	228	Synchrony Financial	1,390
Berkshire Hathaway Inc	215	Amgen Inc	1,361
PPG Industries Inc	208	BB&T Corp	1,304
UnitedHealth Group Inc	198	Wells Fargo & Co	1,287
Waste Management Inc	191	Roche Holding AG ADR	1,097
Merck & Co Inc	168	Merck & Co Inc	1,032
Bank of New York Mellon Corp/The	159	Facebook Inc 'A'	960
Automatic Data Processing Inc	158	SAP SE ADR	951
		TJX Cos Inc/The	908
		Honeywell International Inc	890
		Express Scripts Holding Co	878
		AbbVie Inc	874
		AT&T Inc	851
		Raytheon Co	825
		Ecolab Inc	808
		Occidental Petroleum Corp	785
		Alphabet Inc	776

Legg Mason ClearBridge US Large Cap Growth Fund

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Schlumberger Ltd	10,620	Schlumberger Ltd	7,438
DENTSPLY SIRONA Inc	7,605	Aetna Inc	7,073
Celgene Corp	7,383	LinkedIn Corp 'A'	5,607
Amazon.com Inc	6,912	Bristol-Myers Squibb Co	5,598
Alexion Pharmaceuticals Inc	6,386	Yum! Brands Inc	4,509
Palo Alto Networks Inc	6,289	Eaton Corp Plc	4,363
Regeneron Pharmaceuticals Inc	5,526	Citrix Systems Inc	3,338
Alphabet Inc	5,436	Akamai Technologies Inc	1,720
Walt Disney Co/The	5,280	VMware Inc	1,716
Biogen Inc	5,215	Apple Inc	1,680
Microsoft Corp	5,119	Charles Schwab Corp/The	1,392
Yum China Holdings Inc	4,759	Texas Instruments Inc	1,168
CVS Health Corp	4,733	Zoetis Inc	950
Visa Inc	4,667	Amazon.com Inc	726
Akamai Technologies Inc	4,618	Bioerativ Inc	713
United Parcel Service Inc 'B'	4,567	Cameron International Corp	642
Chipotle Mexican Grill Inc 'A'	4,408	Home Depot Inc/The	641
Fortinet Inc	4,254	CVS Health Corp	513
Monsanto Co	4,177	Microsoft Corp	489
Anheuser-Busch InBev SA/NV ADR	4,102	Comcast Corp 'A'	466
Coca-Cola Co/The	3,888		
Comcast Corp	3,803		
UnitedHealth Group Inc	3,640		
Thermo Fisher Scientific Inc	3,612		
Zoetis Inc	3,600		
Home Depot Inc/The	3,427		
Rockwell Collins Inc	3,330		
Ecolab Inc	3,318		
Twenty-First Century Fox Inc	3,313		
Charles Schwab Corp/The	3,308		
Facebook Inc 'A'	3,179		
BlackRock Inc	3,055		
Alphabet Inc 'A'	2,977		
Johnson & Johnson	2,667		
Adobe Systems Inc	2,595		
Apple Inc	2,595		
Red Hat Inc	2,468		
Pioneer Natural Resources Co	2,367		

Statement of Major Portfolio Changes (unaudited) – (continued)

Legg Mason ClearBridge US Large Cap Growth Fund – (continued)

MAJOR PURCHASES	COST (in 000's) \$
Texas Instruments Inc	2,335
General Electric Co	2,310
PayPal Holdings Inc	2,270
WW Grainger Inc	2,110
American Express Co	2,070

Legg Mason ClearBridge US Aggressive Growth Fund

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Western Digital Corp	18,285	SanDisk Corp	125,062
Twitter Inc	4,507	Autodesk Inc	122,722
		Anadarko Petroleum Corp	102,551
		Amgen Inc	90,963
		Citrix Systems Inc	87,530
		UnitedHealth Group Inc	83,360
		Fluor Corp	65,432
		Newfield Exploration Co	62,010
		Freeport-McMoRan Inc	60,462
		Seagate Technology Plc	58,557
		Biogen Inc	57,182
		Comcast Corp 'A'	53,127
		Allergan Plc	38,392
		Broadcom Ltd	38,067
		Core Laboratories NV	30,700
		Facebook Inc 'A'	23,807
		Ionis Pharmaceuticals Inc	22,797
		Vertex Pharmaceuticals Inc	18,827
		Discovery Communications Inc 'A'	15,991
		Starz	13,923

Legg Mason ClearBridge Tactical Dividend Income Fund

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Teva Pharmaceutical Industries Ltd	1,367	Kimberly-Clark Corp	940
International Business Machines Corp	1,279	Apple Inc	870
Dow Chemical Co/The	1,063	Dominion Resources Inc/VA, Series A	798
MetLife Inc	1,028	American Tower Corp, Series A	795
Oracle Corp	954	Bristol-Myers Squibb Co	787
Targa Resources Corp	839	Seagate Technology Plc	723
Tallgrass Energy GP LP 'A'	818	Intel Corp	665
Williams Cos Inc/The	722	Regal Entertainment Group 'A'	618
AstraZeneca Plc ADR	714	Microsoft Corp	603
VTI Energy Partners LP, MLP	691	Liberty Property Trust	603
Ares Capital Corp	509	Paychex Inc	579
CME Group Inc	476	TCP Capital Corp	536
Anadarko Petroleum Corp	474	Procter & Gamble Co/The	535
Plains GP Holdings LP 'A'	441	Merck & Co Inc	525
Golar LNG Partners LP, MLP	358	EPR Properties	524
Hoegh LNG Partners LP, MLP	312	Golub Capital BDC Inc	520
KNOT Offshore Partners LP, MLP	311	Pfizer Inc	496
American Tower Corp	303	Inland Real Estate Corp	456
Simon Property Group Inc	192	General Electric Co	439
Macquarie Infrastructure Corp	190	Annaly Capital Management Inc	429
National CineMedia Inc	180	AT&T Inc	420
Bristol-Myers Squibb Co	162	Johnson & Johnson	362
Kilroy Realty Corp	159	CenterPoint Energy Inc	339
		Microchip Technology Inc	336
		Tallgrass Energy GP LP 'A'	332
		Brookfield Infrastructure Partners LP, MLP	301
		Starwood Property Trust Inc	272
		National CineMedia Inc	270
		KNOT Offshore Partners LP, MLP	263
		PPL Corp	254
		Macquarie Infrastructure Corp	234
		DCT Industrial Trust Inc	231
		GlaxoSmithKline Plc ADR	218
		Emerson Electric Co	208
		Verizon Communications Inc	200
		FS Investment Corp	192
		AGNC Investment Corp	190

Legg Mason ClearBridge US Equity Sustainability Leaders Fund^

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Lowe's Cos Inc	55	Mentor Graphics Corp	50
Alphabet Inc 'A'	55	Centene Corp	41
US Bancorp	54	Roche Holding AG ADR	27
Apple Inc	50	Trex Co Inc	27
Colgate-Palmolive Co	50	NextEra Energy Inc	26
NextEra Energy Inc	50	Citizens Financial Group Inc	17
Acuity Brands Inc	50	Autodesk Inc	10

Statement of Major Portfolio Changes (unaudited) – (continued)

Legg Mason ClearBridge US Equity Sustainability Leaders Fund^ – (continued)

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Danaher Corp	50	Under Armour Inc 'A'	9
CVS Health Corp	49	WW Grainger Inc	9
Costco Wholesale Corp	48	Under Armour Inc	9
Becton Dickinson and Co	48	Vestas Wind Systems A/S ADR	6
Microsoft Corp	47	Bioverativ Inc	5
Hartford Financial Services Group Inc/The	47	US Bancorp	4
Ecolab Inc	46	BlackRock Inc	4
Walt Disney Co/The	45	Microsoft Corp	4
UnitedHealth Group Inc	44	Apple Inc	4
Discover Financial Services	44	Costco Wholesale Corp	3
3M Co	42	UnitedHealth Group Inc	3
NIKE Inc	40	Automatic Data Processing Inc	3
BlackRock Inc	39	Lowe's Cos Inc	3
Automatic Data Processing Inc	39		
Starbucks Corp	29		
Trex Co Inc	29		
Centene Corp	27		
Xylem Inc/NY	26		
MEDNAX Inc	26		
Alexion Pharmaceuticals Inc	25		
Intel Corp	25		
Biogen Inc	25		
Vestas Wind Systems A/S ADR	24		
Autodesk Inc	24		
Rockwell Automation Inc	24		
WW Grainger Inc	24		
Charles Schwab Corp/The	23		
Brookfield Renewable Energy Partners LP/CA	22		
MAXIMUS Inc	22		
Herman Miller Inc	20		
Whole Foods Market Inc	19		
Shire Plc ADR	19		
Check Point Software Technologies Ltd	19		
WABCO Holdings Inc	16		
Mentor Graphics Corp	16		

Legg Mason Opportunity Fund

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	142,638	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	142,723
Valeant Pharmaceuticals International Inc	21,023	NXP Semiconductors NV	18,078
Endo International Plc	16,223	PulteGroup Inc	13,771
Restoration Hardware Holdings Inc	10,082	Gilead Sciences Inc	11,158
OneMain Holdings Inc 'A'	9,601	Amazon.com Inc	10,740
Amazon.com Inc	9,076	Citigroup Inc	10,263
Allergan Plc	6,124	KB Home	9,667
Alexion Pharmaceuticals Inc	5,908	Apple Inc	9,067
Wayfair Inc	5,613	Fiat Chrysler Automobiles NV	8,536
Bank of America Corp	4,515	United Continental Holdings Inc	8,377
GTY Technology Holdings Inc	3,923	Alibaba Group Holding Ltd ADR	8,280
RH	3,686	Cigna Corp	8,268
Endurance International Group Holdings Inc	2,940	Delta Air Lines Inc	8,175
athenahealth Inc	2,609	JPMorgan Chase & Co	8,147
Citigroup Inc	1,881	JD.com Inc ADR	7,094
Genworth Financial Inc 'A'	635	Groupon Inc 'A'	7,093
Intrexon Corp	552	American Airlines Group Inc	7,067
ZIOPHARM Oncology Inc	154	Radian Group Inc	6,673
		Taylor Morrison Home Corp 'A'	6,280
		Seagate Technology Plc	6,218
		Nationstar Mortgage Holdings Inc	5,964
		MGIC Investment Corp	5,503
		Lennar Corp	5,289
		TRI Pointe Group Inc	4,026
		Platform Specialty Products Corp	3,870
		Pandora Media Inc	3,754

Legg Mason Royce US Small Cap Opportunity Fund

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	215,370	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	166,470
Aspen Insurance Holdings Ltd	14,714	Aspen Insurance Holdings Ltd	8,532
Travelport Worldwide Ltd	8,437	Travelport Worldwide Ltd	6,343
Brookdale Senior Living Inc	6,794	Intersil Corp 'A'	6,131
Ciena Corp	5,941	Belmond Ltd 'A'	5,924
Stratasys Ltd	5,896	Silicon Graphics International Corp	5,378
Belmond Ltd 'A'	5,719	Astec Industries Inc	5,299
Cree Inc	5,655	Iridium Communications Inc	4,802
Web.com Group Inc	5,623	US Concrete Inc	4,632
Herc Holdings Inc	5,327	Kraton Performance Polymers Inc	4,467

Statement of Major Portfolio Changes (unaudited) – (continued)

Legg Mason Royce US Small Cap Opportunity Fund – (continued)

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Owens & Minor Inc	5,047	Krispy Kreme Doughnuts Inc	4,157
Virtusa Corp	4,901	Scorpio Tankers Inc	4,098
Analogic Corp	4,885	Elizabeth Arden Inc	4,048
Restoration Hardware Holdings Inc	4,808	SunEdison Semiconductor Ltd	4,044
Basic Energy Services Inc	4,612	StealthGas Inc	4,043
Sucampo Pharmaceuticals Inc 'A'	4,607	OraSure Technologies Inc	3,934
Meritor Inc	4,532	Advanced Energy Industries Inc	3,898
DSW Inc	4,449	Albany International Corp	3,697
Scorpio Tankers Inc	4,413	MaxLinear Inc	3,399
RSP Permian Inc	4,340	Datalink Corp	3,339

Legg Mason Royce US Smaller Companies Fund

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	24,154	Western Asset Liquidity Funds Plc – Western Asset US Dollar Liquidity Fund Class WA (Distributing)	18,751
Lazard Ltd 'A'	9,806	Lazard Ltd 'A'	9,319
Caleres Inc	6,189	Saia Inc	6,525
Cooper Tire & Rubber Co	6,103	Mentor Graphics Corp	5,328
Apogee Enterprises Inc	4,794	Thor Industries Inc	4,666
Federated Investors Inc	4,792	MKS Instruments Inc	4,167
Houlihan Lokey Inc 'A'	4,176	Deckers Outdoor Corp	4,045
Robert Half International Inc	4,047	Virtus Investment Partners Inc	3,926
UniFirst Corp/MA	3,621	TrueBlue Inc	3,792
j2 Global Inc	3,488	UniFirst Corp/MA	3,740
Marcus & Millichap Inc	3,463	Ritchie Bros Auctioneers Inc	3,623
Cal-Maine Foods Inc	3,443	Aceto Corp	3,407
Artisan Partners Asset Management Inc 'A'	3,402	Fabrinet	3,240
Deckers Outdoor Corp	3,384	Federal Signal Corp	3,094
Minerals Technologies Inc	3,200	EW Scripps Co/The 'A'	2,842
Bio-Techne Corp	3,136	Monotype Imaging Holdings Inc	2,819
Virtus Investment Partners Inc	3,088	Nanometrics Inc	2,607
Comfort Systems USA Inc	3,033	Genworth MI Canada Inc	2,548
Aceto Corp	2,718	Genesco Inc	2,299
Orbotech Ltd	2,673	Minerals Technologies Inc	2,292
Greenbrier Cos Inc/The	2,626	Bio-Techne Corp	2,243
Buckle Inc/The	2,490	AVG Technologies NV	2,090
TrueBlue Inc	2,480	Federated Investors Inc	2,064
Fabrinet	2,365	CIRCOR International Inc	2,057
Steelcase Inc	2,329	Steelcase Inc	1,944
Rudolph Technologies Inc	2,315	Buckle Inc/The	1,911
NetScout Systems Inc	2,307	John Bean Technologies Corp	1,845
Lydall Inc	2,284	Columbus McKinnon Corp/NY	1,817
Landstar System Inc	2,277	Helmerich & Payne Inc	1,801
Genworth MI Canada Inc	2,276	Cal-Maine Foods Inc	1,693
TGS Nopec Geophysical Co ASA	2,232	Methode Electronics Inc	1,667
Gentex Corp	2,216	j2 Global Inc	1,655
Pason Systems Inc	2,121	Rofin-Sinar Technologies Inc	1,631
Movado Group Inc	2,099	Cabot Microelectronics Corp	1,600
RBC Bearings Inc	2,023		
Methode Electronics Inc	1,971		
Insteel Industries Inc	1,916		
Industrias Bachoco SAB de CV ADR	1,891		

Legg Mason QS MV European Equity Growth and Income Fund

MAJOR PURCHASES	COST (in 000's) €	MAJOR SALES	PROCEEDS (in 000's) €
ICA Gruppen AB	1,150	STMicroelectronics NV	1,819
ProSiebenSat.1 Media SE	1,135	SSE Plc	1,705
Koninklijke KPN NV	1,086	Svenska Handelsbanken AB	1,689
Skandinaviska Enskilda Banken AB	1,082	Reckitt Benckiser Group Plc	1,674
Neste Oyj	1,080	Rexel SA	1,668
Bayer AG	1,071	Rexam Plc	1,663
STMicroelectronics NV	1,050	Fortum OYJ	1,623
Red Electrica Corporacion SA	1,020	Telenet Group Holding NV	1,564
Persimmon Plc	1,014	Hiscox Ltd	1,488
Kuehne + Nagel International AG	864	TDC A/S	1,481
Henkel AG & Co KGaA	860	Syngenta AG	1,477
Baloise Holding AG	853	CNP Assurances	1,426
Safran SA	674	Sky Plc	1,416
UPM-Kymmene OYJ	674	ABB Ltd	1,392
Electrolux AB	670	Engie SA	1,358
Telefonaktiebolaget LM Ericsson 'B'	646	Meggitt Plc	1,342
easyJet Plc	583	Berkeley Group Holdings Plc	1,236
Telefonica Deutschland Holding AG	564	BT Group Plc	1,199
Sydbank A/S	471	Tele2 AB	1,183
Red Electrica Corp SA	281	UBS Group AG	1,157
Snam SpA	217	Siemens AG	1,152
Tate & Lyle Plc	200	Next Plc	1,128
		Wm Morrison Supermarkets Plc	1,096
		PSP Swiss Property AG	1,089

Statement of Major Portfolio Changes (unaudited) – (continued)

Legg Mason QS MV European Equity Growth and Income Fund – (continued)

MAJOR SALES	PROCEEDS (in 000's) €
Danske Bank A/S	1,054
Zurich Insurance Group AG	1,051
BHP Billiton Plc	1,040
Swedbank AB 'A'	1,019
Orion Oyj	1,000
Talanx AG	987
British American Tobacco Plc	978
Tate & Lyle Plc	973
Inmarsat Plc	960
Axel Springer SE	944
WPP Plc	934
easyJet Plc	922
Legal & General Group Plc	920
Casino Guichard Perrachon SA	915
Royal Dutch Shell Plc	886
IG Group Holdings Plc	877
Anheuser-Busch InBev SA/NV	857
EDP – Energias de Portugal SA	818
BP Plc	816

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

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
iShares MSCI All Country Asia ex Japan ETF	5,128	iShares MSCI All Country Asia ex Japan ETF	3,375
iShares Asia/Pacific Dividend ETF	1,730	iShares Asia/Pacific Dividend ETF	1,695
Samsung Electronics Co Ltd	683	China Merchants Bank Co Ltd 'H'	560
Macquarie Group Ltd	526	Coway Co Ltd	542
Shinhan Financial Group Co Ltd	486	King Yuan Electronics Co Ltd	482
Kasikornbank PCL, NVDR	485	SATS Ltd	447
Harvey Norman Holdings Ltd	482	Indofood Sukses Makmur Tbk PT	446
China Petroleum & Chemical Corp 'H'	477	Yue Yuen Industrial Holdings Ltd	446
Siam Commercial Bank PCL/The, NVDR	477	Dexus Property Group	443
Zijin Mining Group Co Ltd 'H'	476	Delta Electronics Thailand PCL, NVDR	420
Jiangsu Expressway Co Ltd 'H'	464	Globe Telecom Inc	420
Hong Leong Bank Bhd	427	Bank of China Ltd 'H'	387
Phison Electronics Corp	424	VTech Holdings Ltd	361
Caltex Australia Ltd	420	Woodside Petroleum Ltd	361
Glow Energy PCL, NVDR	418	Asustek Computer Inc	355
Z Energy Ltd	416	Anhui Expressway Co Ltd 'H'	351
StarHub Ltd	373	Sydney Airport	349
DUET Group	345	Wesfarmers Ltd	336
Public Bank Bhd	338	Mercury NZ Ltd	323
Northern Star Resources Ltd	334	Singapore Telecommunications Ltd	322
Bangkok Bank PCL, NVDR	330	Malayan Banking Bhd	320
Taiwan Semiconductor Manufacturing Co Ltd	323	Tenaga Nasional Bhd	320
Matahari Department Store Tbk PT	309	Swire Pacific Ltd 'A'	317
Asia Cement Corp	259	StarHub Ltd	315
Indian Oil Corp Ltd	252	Wipro Ltd	312
		Li & Fung Ltd	302
		Woolworths Ltd	292
		Taiwan Cement Corp	283
		Kia Motors Corp	281
		China Steel Corp	273
		Tabcorp Holdings Ltd	268
		Fortune Real Estate Investment Trust	260
		Inventec Corp	254
		Telekom Malaysia Bhd	246
		Samsung Life Insurance Co Ltd	244
		Jasmine International PCL, NVDR	238
		China Construction Bank Corp 'H'	236

Legg Mason QS Emerging Markets Equity Fund

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Telekomunikasi Indonesia Persero Tbk PT	101	Credicorp Ltd	133
Astra International Tbk PT	91	Bid Corp Ltd	111
Bidvest Group Ltd/The	87	Ecopetrol SA	110
China Mobile Ltd	73	SACI Falabella	105
Formosa Petrochemical Corp	66	Perusahaan Gas Negara Persero Tbk	100
JD.com Inc ADR	64	Sberbank of Russia	98
Waskita Karya Persero Tbk PT	58	Bidvest Group Ltd/The	85
Advanced Info Service PCL	56	Sasol Ltd	80
Bank Central Asia Tbk PT	53	PTT PCL	70
Grupo Televisa SAB	50	Cencosud SA	68
Globe Telecom Inc	48	China Mobile Ltd	66
Philippine Long Distance Telephone Co	48	Empresas CMPC SA	66
PGE Polska Grupa Energetyczna SA	45	Sociedad Quimica y Minera de Chile SA	66
PLDT Inc	45	MMC Norilsk Nickel PJSC ADR	64
JG Summit Holdings Inc	42	Tupras Turkiye Petrol Rafinerileri AS	63
Semen Indonesia Persero Tbk PT	41	Magnit PJSC GDR	62
Bank Rakyat Indonesia Persero Tbk PT	40	OTP Bank Plc	60

Statement of Major Portfolio Changes (unaudited) – (continued)

Legg Mason QS Emerging Markets Equity Fund – (continued)

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Unilever Indonesia Tbk PT	40	Mobile TeleSystems PJSC ADR	59
Bid' Corp Ltd	38	Siam Cement PCL/The	59
Exxaro Resources Ltd	36	United Tractors Tbk PT	56
PTT Global Chemical PCL	36		
Indocement Tunggal Prakarsa Tbk PT	35		
Bank Mandiri Persero Tbk PT	34		
Robinson Department Store PCL	34		
Sinopharm Group Co Ltd 'H'	33		
China Railway Construction Corp Ltd 'H'	33		
Ctrip.com International Ltd ADR	32		
Matahari Department Store Tbk PT	32		
Aboitiz Equity Ventures Inc	31		

Legg Mason QS MV Global Equity Growth and Income Fund

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
MegaFon PJSC GDR	212	MegaFon PJSC GDR	202
GlaxoSmithKline Plc	182	Kimberly-Clark de Mexico SAB de CV	139
Target Corp	177	Australia & New Zealand Banking Group Ltd	135
Kohl's Corp	176	Wesfarmers Ltd	128
Jiangling Motors Corp Ltd	175	Potash Corp of Saskatchewan Inc	122
CVS Health Corp	173	Trade Me Group Ltd	122
MFA Financial Inc	172	BOC Hong Kong Holdings Ltd	118
Valero Energy Corp	167	Kesko OYJ	113
CTCI Corp	164	Oversea-Chinese Banking Corp Ltd	111
Radiant Opto-Electronics Corp	160	Legal & General Group Plc	110
DUET Group	157	Rexel SA	109
Itochu Techno-Solutions Corp	154	Royal Dutch Shell Plc	102
AbbVie Inc	153	Navigator Co SA/The	101
Starwood Property Trust Inc	152	DuPont Fabros Technology Inc	101
Lockheed Martin Corp	151	Li & Fung Ltd	95
Cedar Fair LP, MLP	151	Rio Tinto Plc	94
Chow Tai Fook Jewellery Group Ltd	149	Berkeley Group Holdings Plc	89
Blackstone Mortgage Trust Inc 'A'	148	Turk Telekomunikasyon AS	87
Turk Traktor ve Ziraat Makinaleri AS	148	Next Plc	84
WPG Holdings Ltd	146	Cia Energetica de Minas Gerais	80
HSBC Holdings Plc	146	MTN Group Ltd	80
Barratt Developments Plc	146	Huaku Development Co Ltd	69
Wal-Mart de Mexico SAB de CV	144	Ascendas Real Estate Investment Trust	67
Canadian Imperial Bank of Commerce	143	HCP Inc	66
Qantas Airways Ltd	142	Pegatron Corp	65
Tongyang Life Insurance Co Ltd	139	Bellway Plc	63
Aurizon Holdings Ltd	135	St Shine Optical Co Ltd	61
CNA Financial Corp	131	Telia Co AB	59
Teva Pharmaceutical Industries Ltd ADR	131	Tryg A/S	55
Bank Hapoalim BM	128	Eregli Demir ve Celik Fabrikalari TAS	52
Axfood AB	128	Komerčni banka as	52
Genworth MI Canada Inc	112	Engie Brasil Energia SA	52
Persimmon Plc	107	Fortum OYJ	51
Jiangsu Expressway Co Ltd 'H'	106	Swire Pacific Ltd 'A'	50
Brinker International Inc	104	Snam SpA	49
Darden Restaurants Inc	99	Toronto-Dominion Bank/The	48
Woori Bank	97	Freenet AG	44
Gilead Sciences Inc	94	H&R Real Estate Investment Trust	41
Santam Ltd	90		
Huishang Bank Corp Ltd 'H'	90		
B&G Foods Inc	86		
Toronto-Dominion Bank/The	85		

Legg Mason Martin Currie Australia Equity Income Fund

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
AMP Ltd	57	DUET Group	33
Commonwealth Bank of Australia	45	Scentre Group	30
Telstra Corp Ltd	40	JB Hi-Fi Ltd	30
Coca-Cola Amatil Ltd	32	Dexus Property Group	23
APA Group	30	IOOF Holdings Ltd	22
Wesfarmers Ltd	30	Insurance Australia Group Ltd	20
Australia & New Zealand Banking Group Ltd	26	Woolworths Ltd	19
Harvey Norman Holdings Ltd	23	AusNet Services	19
Stockland	22	Commonwealth Bank of Australia	16
Transurban Group	22	Pacific Brands Ltd	15
Westpac Banking Corp	21	ASX Ltd	15
Tatts Group Ltd	21	Fairfax Media Ltd	15
Insurance Australia Group Ltd	20	Vicinity Centres	15
Macquarie Group Ltd	19	Suncorp Group Ltd	14
Vicinity Centres	19	Charter Hall Retail	14
Sydney Airport	18	Australia & New Zealand Banking Group Ltd	13
Dexus Property Group	14	Sydney Airport	12
Iluka Resources Ltd	14	Seven Group Holdings Ltd	11
Adelaide Brighton Ltd	13	GUD Holdings Ltd	10

Statement of Major Portfolio Changes (unaudited) – (continued)

Legg Mason Martin Currie Australia Equity Income Fund – (continued)

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
AGL Energy Ltd	12	Telstra Corp Ltd	10
Platinum Asset Management Ltd	10	Bendigo & Adelaide Bank Ltd	9
Aurizon Holdings Ltd	10	Westpac Banking Corp	8
Fairfax Media Ltd	9	National Australia Bank Ltd	8
Suncorp Group Ltd	9	AGL Energy Ltd	8
Medibank Pvt Ltd	8	APA Group	7
AusNet Services	8	AMP Ltd	7
Genworth Mortgage Insurance Australia Ltd	7	Genworth Mortgage Insurance Australia Ltd	7
Perpetual Ltd	7	Platinum Asset Management Ltd	7
Woodside Petroleum Ltd	6	UGL Ltd	7
		Coca-Cola Amatil Ltd	6
		Tatts Group Ltd	6
		Perpetual Ltd	6
		Woodside Petroleum Ltd	6
		Seven West Media Ltd	5
		GPT Group/The	5

Legg Mason Martin Currie Asia Long-Term Unconstrained Fund^

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
AIA Group Ltd	9,639	Maruti Suzuki India Ltd	1,938
Taiwan Semiconductor Manufacturing Co Ltd	8,849	Tsingtao Brewery Co Ltd 'H'	1,643
Infosys Ltd ADR	7,998	British American Tobacco Malaysia Bhd	1,412
China Mobile Ltd	7,232	M1 Ltd/Singapore	1,226
Tata Consultancy Services Ltd	6,428	AIA Group Ltd	1,085
Samsung Electronics Co Ltd	6,306	Hero MotoCorp Ltd	972
Tencent Holdings Ltd	6,249	Infosys Ltd ADR	901
HSBC Holdings Plc	5,963	Taiwan Semiconductor Manufacturing Co Ltd	896
Hero MotoCorp Ltd	5,867	Samsung Electronics Co Ltd	688
Samsonite International SA	5,748	China Mobile Ltd	651
Genting Bhd	5,597	Samsonite International SA	618
Johnson Electric Holdings Ltd	5,068	Tata Consultancy Services Ltd	553
United Overseas Bank Ltd	4,934	Cafe de Coral Holdings Ltd	505
Siam Commercial Bank PCL/The	4,896	Tencent Holdings Ltd	291
Singapore Telecommunications Ltd	4,666	HSBC Holdings Plc	253
ENN Energy Holdings Ltd	4,657	United Overseas Bank Ltd	205
Jardine Matheson Holdings Ltd	4,315	Siam Commercial Bank PCL/The	199
Global Logistic Properties Ltd	4,224	Singapore Telecommunications Ltd	195
Maruti Suzuki India Ltd	3,872	ENN Energy Holdings Ltd	194
Television Broadcasts Ltd	3,624	Genting Bhd	191
Cafe de Coral Holdings Ltd	3,586	Jardine Matheson Holdings Ltd	189
Dairy Farm International Holdings Ltd	3,030	Johnson Electric Holdings Ltd	174
LG Household & Health Care Ltd	2,872		
Matahari Department Store Tbk PT	2,609		
Hong Kong & China Gas Co Ltd	2,551		
British American Tobacco Malaysia Bhd	1,907		
Tsingtao Brewery Co Ltd 'H'	1,781		
SJM Holdings Ltd	1,558		

Legg Mason Martin Currie Asia Pacific Fund^

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
AIA Group Ltd	126	AirAsia Bhd	61
Samsung Electronics Co Ltd	119	Star Entertainment Grp Ltd/The	48
Taiwan Semiconductor Manufacturing Co Ltd	118	BHP Billiton Ltd	36
Tencent Holdings Ltd	117	Samsung Electronics Co Ltd	35
Commonwealth Bank of Australia	117	Hyundai Motor Co	32
China Construction Bank Corp 'H'	85	Asciano Ltd	27
China Mobile Ltd	83	Dongfeng Motor Group Co Ltd	24
Infosys Ltd	74	AIA Group Ltd	22
Macquarie Group Ltd	68	Simplo Technology Co Ltd	18
LG Chem Ltd	68	Tencent Holdings Ltd	18
United Overseas Bank Ltd	64	Hyundai Mobis Co Ltd	16
Alibaba Group Holding Ltd ADR	64	China Construction Bank Corp 'H'	16
Hyundai Mobis Co Ltd	63	Orora Ltd	16
Orora Ltd	57	Commonwealth Bank of Australia	16
Woolworths Ltd	53	Bank Rakyat Indonesia Persero Tbk PT	14
Global Logistic Properties Ltd	52	SK Hynix Inc	14
CNOOC Ltd	52	Samsonite International SA	13
LG Household & Health Care Ltd	51	United Overseas Bank Ltd	12
Star Entertainment Grp Ltd/The	50	Genting Bhd	12
Genting Bhd	50	Maruti Suzuki India Ltd	12
IRB Infrastructure Developers Ltd	48	Infosys Ltd	11
Samsonite International SA	48	China Mobile Ltd	11
Industrial & Commercial Bank of China Ltd 'H'	47	PTT Global Chemical PCL	11
E.Sun Financial Holding Co Ltd	46	Mint Group Ltd	10
China Merchants Port Holdings Co Ltd	45	LG Chem Ltd	10
Hero MotoCorp Ltd	44	ENN Energy Holdings Ltd	10
HSBC Holdings Plc	44	Macquarie Group Ltd	10
SK Hynix Inc	44	LG Household & Health Care Ltd	10
Singapore Telecommunications Ltd	41	Sino Land Co Ltd	10

Statement of Major Portfolio Changes (unaudited) – (continued)

Legg Mason Martin Currie Asia Pacific Fund^ – (continued)

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
ENN Energy Holdings Ltd	40	Industrial & Commercial Bank of China Ltd 'H'	9
Beijing Capital International Airport Co Ltd 'H'	40	Global Logistic Properties Ltd	9
AirAsia Bhd	39	Kasikornbank PCL	9
BHP Billiton Ltd	37	CNOOC Ltd	8
Sino Land Co Ltd	37	HSBC Holdings Plc	8
China Unicom Hong Kong Ltd	35	Woolworths Ltd	7
Kasikornbank PCL	35	China Unicom Hong Kong Ltd	7
Primax Electronics Ltd	34		
Zhejiang Expressway Co Ltd 'H'	34		
Minth Group Ltd	34		
Bank Rakyat Indonesia Persero Tbk PT	32		
Coway Co Ltd	31		
Hyundai Motor Co	31		
Matahari Department Store Tbk PT	29		
PTT Global Chemical PCL	28		

Legg Mason Martin Currie European Absolute Alpha Fund^

MAJOR PURCHASES	COST (in 000's) €	MAJOR SALES	PROCEEDS (in 000's) €
Atlantia SpA	15,605	Klepierre	15,586
Assa Abloy AB	14,704	Atlantia SpA	15,573
Klepierre	14,702	Assa Abloy AB	14,487
Danone SA	13,556	Danone SA	14,261
Sika AG	12,318	Straumann Holding AG	11,431
Cie Generale des Etablissements Michelin	12,198	Air Liquide SA	11,375
Aareal Bank AG	11,746	Sika AG	11,060
Geberit AG	11,564	Chr Hansen Holding A/S	9,607
Air Liquide SA	10,548	Geberit AG	9,579
Chr Hansen Holding A/S	10,162	Autoliv Inc	8,032
Straumann Holding AG	10,054	Cie Financiere Richemont SA	7,346
Trelleborg AB	9,845	Symrise AG	7,183
Allianz SE	9,679	Weir Group Plc/The	6,904
BIM Birlesik Magazalar AS	9,087	Atlas Copco AB	6,855
Societe Generale SA	9,007	Sandvik AB	6,753
Autoliv Inc	8,823	HSBC Holdings Plc	6,693
Barclays Plc	8,645	Nestle SA	6,493
Cie de Saint-Gobain	8,414	Aareal Bank AG	6,488
HSBC Holdings Plc	8,344	Hexagon AB	5,748
Industria de Diseno Textil SA	7,935	Unilever NV	5,690
AP Moller – Maersk A/S 'B'	7,864	Adecco Group AG	4,913
Adecco Group AG	7,697	Deutsche EuroShop AG	4,524
Linde AG	7,458	DONG Energy A/S, 144A	4,432
Symrise AG	7,140	AP Moller – Maersk A/S 'B'	4,423
Banco Santander SA	7,031	dormakaba Holding AG	3,971
BASF SE	6,983	HeidelbergCement Finance Luxembourg SA	3,864
Nestle SA	6,881	Cie Generale des Etablissements Michelin	3,439
Cie Financiere Richemont SA	6,635	Societe Generale SA	3,010
Atlas Copco AB	6,569	Allianz SE	2,799
Sandvik AB	6,475	Infineon Technologies AG	2,671
Weir Group Plc/The	6,433		
RPC Group Plc	6,365		
DS Smith Plc	6,182		
Novo Nordisk A/S	6,073		
dormakaba Holding AG	6,040		
Unilever NV	5,788		
Aalberts Industries NV	5,761		
Hexagon AB	5,477		
Carrefour SA	5,475		
OTP Bank Plc	5,285		
Ryanair Holdings Plc	4,970		
Nokian Renkaat OYJ	4,959		
Bovis Homes Group Plc	4,928		
Essilor International SA	4,900		
Zurich Insurance Group AG	4,724		
Deutsche EuroShop AG	4,596		
Ashtead Group Plc	4,396		
DONG Energy A/S, 144A	4,297		

Legg Mason Martin Currie Global Resources Fund^

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Royal Dutch Shell Plc	1,284	International Paper Co	578
TOTAL SA	973	TOTAL SA	539
Occidental Petroleum Corp	787	Kinder Morgan Inc/DE	509
Exxon Mobil Corp	764	Albemarle Corp	489
BHP Billiton Ltd ADR	742	Asian Paints Ltd	341
Chevron Corp	742	Royal Dutch Shell Plc	332
Hess Corp	689	SSE Plc	328
Eni SpA	665	PPG Industries Inc	303
Noble Energy Inc	662	Clariant AG	261
Suncor Energy Inc	639	LafargeHolcim Ltd	261

Statement of Major Portfolio Changes (unaudited) – (continued)

Legg Mason Martin Currie Global Resources Fund[^] – (continued)

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
PPG Industries Inc	609	International Flavors & Fragrances Inc	256
Pioneer Natural Resources Co	578	Crown Holdings Inc	256
Asian Paints Ltd	576	Exxon Mobil Corp	247
International Paper Co	550	Occidental Petroleum Corp	235
International Flavors & Fragrances Inc	549	Valero Energy Corp	232
Eastman Chemical Co	548	Noble Energy Inc	230
Crown Holdings Inc	543	Eastman Chemical Co	221
EOG Resources Inc	528	Hess Corp	186
Glencore Plc	521	Memorial Resource Development Corp	180
Halliburton Co	495	Glencore Plc	171
Givaudan SA	462	Rio Tinto Plc	167
ENN Energy Holdings Ltd	434	Eni SpA	149
Kinder Morgan Inc/DE	429	Cairn Energy Plc	136
Symrise AG	415	Iluka Resources Ltd	122
Ecolab Inc	411	Givaudan SA	110
Anadarko Petroleum Corp	405	Aker Solutions ASA	109
Cairn Energy Plc	387	Ecolab Inc	97
Croda International Plc	384	Anadarko Petroleum Corp	92
Concho Resources Inc	367	Halliburton Co	85
RPC Group Plc	356	Tesla Inc	84
LG Chem Ltd	354	First Quantum Minerals Ltd	78
Tesla Inc	349		
SSE Plc	344		
Albemarle Corp	321		
Komatsu Ltd	306		
Weir Group Plc/The, Series Z	298		
CNOOC Ltd	296		
Petra Diamonds Ltd	290		
US Silica Holdings Inc	276		
Valero Energy Corp	270		
Clariant AG	265		
LafargeHolcim Ltd	258		

Legg Mason Martin Currie Greater China Fund[^]

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Taiwan Semiconductor Manufacturing Co Ltd	1,122	Baidu Inc ADR	354
Tencent Holdings Ltd	817	Taiwan Semiconductor Manufacturing Co Ltd	305
AIA Group Ltd	710	Sunny Optical Technology Group Co Ltd	242
Baidu Inc ADR	630	Win Semiconductors Corp	225
Alibaba Group Holding Ltd ADR	628	Ctrip.com International Ltd ADR	224
China Mobile Ltd	589	China Maple Leaf Educational Systems Ltd	221
Industrial & Commercial Bank of China Ltd 'H'	503	Virscend Education Co Ltd, 144A	204
CK Hutchison Holdings Ltd	438	Link REIT	204
China Life Insurance Co Ltd 'H'	392	Sporton International Inc	195
China Construction Bank Corp 'H'	392	Advantech Co Ltd	170
CNOOC Ltd	390	Industrial & Commercial Bank of China Ltd 'H'	165
Ctrip.com International Ltd ADR	382	Yageo Corp	157
Hon Hai Precision Industry Co Ltd	363	AIA Group Ltd	153
Bank of China Ltd 'H'	351	CK Hutchison Holdings Ltd	148
Advantech Co Ltd	325	Huadian Fuxin Energy Corp 'H'	138
Hong Kong Exchanges & Clearing Ltd	319	JD.com Inc ADR	138
JD.com Inc ADR	315	Makalot Industrial Co Ltd	128
NetEase Inc ADR	296	Kingsoft Corp Ltd	124
E.Sun Financial Holding Co Ltd	295	China Minsheng Banking 'H'	122
Win Semiconductors Corp	283	China Travel International Investment Hong Kong Ltd	112
Link REIT	277	KWG Property Holding Ltd	111
Sun Hung Kai Properties Ltd	277	Silicon Motion Technology Corp ADR	104
China State Construction International Holdings Ltd	247	Shenzhen International Holdings Ltd	103
Cheung Kong Property Holdings Ltd	245	E.Sun Financial Holding Co Ltd	102
Largan Precision Co Ltd	234	Kingdee International Software Group Co Ltd	99
New Oriental Education & Technology Group Inc ADR	220	China State Construction International Holdings Ltd	93
TAL Education Group ADR	207	Egis Technology Inc	91
Sporton International Inc	204	New Oriental Education & Technology Group Inc ADR	88
Sunny Optical Technology Group Co Ltd	203	TAL Education Group ADR	86
China Maple Leaf Educational Systems Ltd	188	Hon Hai Precision Industry Co Ltd	84
Fuyao Glass Industry Group Co Ltd 'H', 144A	179	Hong Kong Exchanges & Clearing Ltd	80
ASM Pacific Technology Ltd	174	Tencent Holdings Ltd	77
Wynn Macau Ltd	172	Orient Overseas International Ltd	76
AAC Technologies Holdings Inc	171	AAC Technologies Holdings Inc	75
China Biologic Products Inc	171	CNOOC Ltd	68
CSPC Pharmaceutical Group Ltd	170	BeiGene Ltd	64
Yageo Corp	166	Sun Hung Kai Properties Ltd	62
Egis Technology Inc	164	NetEase Inc ADR	59
Makalot Industrial Co Ltd	160		

Legg Mason Martin Currie Japan Absolute Alpha Fund[^]

MAJOR PURCHASES	COST (in 000's) ¥	MAJOR SALES	PROCEEDS (in 000's) ¥
Resona Holdings Inc	126,966	Hitachi Ltd	44,238
Trend Micro Inc/Japan	119,583	METAWATER Co Ltd	37,008

Statement of Major Portfolio Changes (unaudited) – (continued)

Legg Mason Martin Currie Japan Absolute Alpha Fund^ – (continued)

MAJOR PURCHASES	COST (in 000's) ¥	MAJOR SALES	PROCEEDS (in 000's) ¥
Secom Co Ltd	117,828	Rakuten Inc	36,929
Toshiba Plant Systems & Services Corp	110,613	Outsourcing Inc	29,947
Mitsubishi Electric Corp	108,984	Suzuki Motor Corp	29,474
Keyence Corp	102,670	Goldcrest Co Ltd	28,353
NTT DOCOMO Inc	100,164	Shimamura Co Ltd	28,216
Takuma Co Ltd	92,832	Nissan Chemical Industries Ltd	25,317
Nomura Real Estate Holdings Inc	92,596	Toshiba Plant Systems & Services Corp	24,815
Mitsubishi UFJ Financial Group Inc	92,114	LIXIL Group Corp	23,955
Jafco Co Ltd	91,742	Hoshino Resorts REIT Inc	23,386
Hitachi Kokusai Electric Inc	85,153	Secom Co Ltd	23,368
Nippon Gas Co Ltd	84,064	USS Co Ltd	22,579
Japan Airlines Co Ltd	81,766	Mitsui Fudosan Co Ltd	21,245
Isuzu Motors Ltd	81,579	Rohm Co Ltd	20,789
LIXIL Group Corp	81,077	Taihei Dengyo Kaisha Ltd	20,002
Suzuki Motor Corp	79,821	Renesas Electronics Corp	19,617
METAWATER Co Ltd	79,623	Showa Shell Sekiyu KK	19,408
Nitori Holdings Co Ltd	78,901	Transcosmos Inc	19,361
SoftBank Group Corp	73,980	Resona Holdings Inc	19,175
Yahoo Japan Corp	73,016	Nitori Holdings Co Ltd	18,094
Ebara Corp	72,624	Bunka Shutter Co Ltd	17,967
Hoshino Resorts REIT Inc	72,187	Aeon Delight Co Ltd	17,643
Start Today Co Ltd	67,049	Industrial & Infrastructure Fund Investment Corp	15,632
Toyota Industries Corp	65,536	NEC Networks & System Integration Corp	15,505
Yamaha Corp	63,274	Ichigo Inc	15,389
Transcosmos Inc	61,359	United Arrows Ltd	15,161
Japan Hotel REIT Investment Corp	60,743	Sony Financial Holdings Inc	15,009
Ichigo Inc	59,460	Hitachi Kokusai Electric Inc	14,912
Oracle Corp Japan	59,433	Keyence Corp	14,775
Digital Garage Inc	57,944	SCSK Corp	13,258
Koito Manufacturing Co Ltd	56,496	Digital Garage Inc	12,349
Ship Healthcare Holdings Inc	55,910	NTT DOCOMO Inc	12,267
Nihon Chouzai Co Ltd	54,818	Nippon Gas Co Ltd	12,197
Mitsubishi Motors Corp	54,745	Mitsubishi Electric Corp	11,924
Resorttrust Inc	52,441	Takamatsu Construction Group Co Ltd	11,194
Kurita Water Industries Ltd	52,283	Trend Micro Inc/Japan	10,861
Don Quijote Holdings Co Ltd	50,748	Isuzu Motors Ltd	10,740
Fujitsu General Ltd	49,907	Resorttrust Inc	9,762
NEC Networks & System Integration Corp	48,731		
Lasertec Corp	46,728		
Santen Pharmaceutical Co Ltd	46,566		
SHO-BOND Holdings Co Ltd	44,416		
GS Yuasa Corp	44,350		
Yumeshin Holdings Co Ltd	42,385		
Hitachi Ltd	40,759		

Legg Mason Martin Currie North American Fund^

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Apple Inc	272	Microsoft Corp	184
CVS Health Corp	198	Oracle Corp	127
Procter & Gamble Co/The	194	Fifth Third Bancorp	123
Microsoft Corp	187	Cognizant Technology Solutions Corp	104
JPMorgan Chase & Co	175	JPMorgan Chase & Co	70
Verizon Communications Inc	175	Tempur Sealy International Inc	67
Comcast Corp	162	Macy's Inc	66
Amazon.com Inc	158	L Brands Inc	64
Pfizer Inc	153	Kinder Morgan Inc	63
Crown Castle International Corp	146	Comcast Corp	58
United Parcel Service Inc 'B'	146	PNC Financial Services Group Inc/The	54
AbbVie Inc	144	AbbVie Inc	42
Danaher Corp	141	Procter & Gamble Co/The	42
Visa Inc	139	WEC Energy Group Inc	42
American International Group Inc	133	Nielsen Holdings Plc	40
WEC Energy Group Inc	130	Verizon Communications Inc	36
Oracle Corp	127	Fortive Corp	33
Alphabet Inc 'A'	126	United Parcel Service Inc 'B'	32
PNC Financial Services Group Inc/The	125	American International Group Inc	31
Eaton Corp Plc	122	Apple Inc	30
AmerisourceBergen Corp 'A'	121	CVS Health Corp	27
Nielsen Holdings Plc	121	Danaher Corp	27
Cooper Cos Inc/The	120	Twitter Inc	26
Mylan NV	119	AmerisourceBergen Corp 'A'	17
Cognizant Technology Solutions Corp	116	Automatic Data Processing Inc	17
Alphabet Inc	114	Pfizer Inc	17
Automatic Data Processing Inc	112	Cooper Cos Inc/The	16
Chevron Corp	110		
Former Charter Communications, Parent Inc 'A'	109		
Fortune Brands Home & Security Inc	105		
HCA Holdings Inc	105		
Sempra Energy	104		
Pioneer Natural Resources Co	102		

Statement of Major Portfolio Changes (unaudited) – (continued)

Legg Mason Martin Currie North American Fund[^] – (continued)

MAJOR PURCHASES	COST (in 000's) \$
Celgene Corp	100
Ecolab Inc	100
Estee Lauder Cos Inc/The 'A'	97
Delphi Automotive Plc	96
Fifth Third Bancorp	93
National Bank of Canada	89
Caterpillar Inc	87
Macy's Inc	86
Tempur Sealy International Inc	83
EOG Resources Inc	79
L Brands Inc	73
Blackstone Group LP/The, MLP	69
Anadarko Petroleum Corp	64

Legg Mason Martin Currie Global Long-Term Unconstrained Fund[^]

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Apple Inc	437	ARM Holdings Plc	425
Automatic Data Processing Inc	436	Linear Technology Corp	276
Kerry Group Plc	415	China Mobile Ltd	197
Essilor International SA	412	Atlas Copco AB	163
AIA Group Ltd	391	Check Point Software Technologies Ltd	135
Novo Nordisk A/S	381	Taiwan Semiconductor Manufacturing Co Ltd	107
Taiwan Semiconductor Manufacturing Co Ltd	372	Apple Inc	105
Mead Johnson Nutrition Co	366	Mastercard Inc	32
Check Point Software Technologies Ltd	363	SGS SA	31
Industria de Diseno Textil SA	345		
CSL Ltd	334		
British American Tobacco Plc	331		
Unilever NV	329		
Cognizant Technology Solutions Corp	328		
Reckitt Benckiser Group Plc	328		
SGS SA	322		
3M Co	318		
Mastercard Inc	307		
Hermes International	303		
Praxair Inc	302		
NIKE Inc	300		
Atlas Copco AB	298		
Prudential Plc	294		
Mettler-Toledo International Inc	284		
Accenture Plc 'A'	284		
Tencent Holdings Ltd	279		
Roche Holding AG	276		
Coloplast A/S	266		
Croda International Plc	266		
ARM Holdings Plc	265		
Starbucks Corp	262		
Singapore Telecommunications Ltd	223		
L'Oreal SA	212		
Linear Technology Corp	211		
Sky Plc	206		
Geberit AG	199		
China Mobile Ltd	197		
Brambles Ltd	185		
Canadian National Railway Co	183		

Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund[^]

MAJOR PURCHASES	COST (in 000's) \$	MAJOR SALES	PROCEEDS (in 000's) \$
Link REIT	162	Ratchaburi Electricity Generating Holding PCL	40
CLP Holdings Ltd	150	AusNet Services	37
CapitaLand Mall Trust	129	AGL Energy Ltd	26
Transurban Group	120	Transurban Group	26
MTR Corp Ltd	116	Investa Office Fund	22
Vicinity Centres	107	GPT Group/The	16
Guangdong Investment Ltd	99	Link REIT	4
Meridian Energy Ltd	91	Lippo Malls Indonesia Retail Trust	1
AGL Energy Ltd	91	Mapletree Industrial Trust	–
AusNet Services	91		
Manila Electric Co	87		
Mapletree Industrial Trust	83		
Stockland	66		
Mercury NZ Ltd	66		
Fraser's Centrepoint Trust	65		
Hui Xian Real Estate Investment Trust	63		
Sydney Airport	57		
Contact Energy Ltd	56		
Beijing Capital International Airport Co Ltd 'H'	55		

– Amounts designated as “–” are less than \$1,000.

Statement of Major Portfolio Changes (unaudited) – (continued)

Legg Mason Martin Currie Asia Pacific Ex Japan Real Income Fund[^] – (continued)

MAJOR PURCHASES	COST (in 000's) \$
Fortune Real Estate Investment Trust	55
DUET Group	48
GPT Group/The	42
Ratchaburi Electricity Generating Holding PCL	41
SPH REIT	31
Kiwi Property Group Ltd	29
CapitaLand Commercial Trust	28
Scentre Group	28
HK Electric Investments & HK Electric Investments Ltd, 144A	28
APA Group	28
CPN Retail Growth Leasehold Property Fund	27
IGB Real Estate Investment Trust	26
Lippo Malls Indonesia Retail Trust	24

Legg Mason RARE Infrastructure Value Fund[^]

MAJOR PURCHASES	COST (in 000's) €	MAJOR SALES	PROCEEDS (in 000's) €
Sempra Energy	10,688	Ameren Corp	4,693
APA Group	10,599	Aguas Andinas SA	2,288
Spark Infrastructure Group	10,242	DP World Ltd	2,212
Kinder Morgan Inc/DE	9,682	Norfolk Southern Corp	1,692
Groupe Eurotunnel SE	9,258	Union Pacific Corp	1,141
Enbridge Inc	8,937	Fraport AG Frankfurt Airport Services Worldwide	679
NextEra Energy Inc	8,119	APA Group	223
American Tower Corp	7,314		
Norfolk Southern Corp	7,146		
East Japan Railway Co	7,110		
Crown Castle International Corp	6,756		
Pennon Group Plc	6,750		
Atlantia SpA	6,677		
United Utilities Group Plc	6,295		
Fraport AG Frankfurt Airport Services Worldwide	6,245		
Iberdrola SA	5,638		
Edison International	5,155		
CSX Corp	5,038		
Aeroports de Paris	4,848		
EDP Renovaveis SA	4,737		
Central Japan Railway Co	4,613		
Aguas Andinas SA	4,611		
Ameren Corp	4,496		
DP World Ltd	4,462		
PG&E Corp	4,394		
SES SA 'A'	4,068		
AusNet Services	3,921		
Red Electrica Corp SA	3,740		
OHL Mexico SAB de CV	3,332		
National Grid Plc	3,289		
Electric Power Development Co Ltd	3,226		
Union Pacific Corp	3,156		
Tokyo Gas Co Ltd	2,197		
American Electric Power Co Inc	2,127		
Eutelsat Communications SA	2,062		

UCITS V Remuneration Policy (unaudited)

REMUNERATION POLICY

Legg Mason Global Funds plc (the "Company")

1. Remuneration Policy

1.1 Introduction and Purpose

The Company has adopted this remuneration policy in order to meet the requirements of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended (the "UCITS Regulations") in a way and to the extent that is appropriate to the Company's size, internal organisation and the nature, scope and complexity of its activities. This policy has been adopted on an interim basis pending finalisation of ESMA's Guidelines on Sound Remuneration Policies under the UCITS V Directive and AIFMD (the "ESMA Remuneration Guidelines").

The purpose of this policy is to describe the remuneration principles and practices within the Company. Such principles and practices are designed:

- (a) to be consistent with, and promote, sound and effective risk management;
- (b) to be in line with the business strategy, objectives, values and interests of the Company;
- (c) not to encourage excessive risk-taking as compared to the investment policy of the relevant funds of the Company (each, a "Fund");
- (d) to provide a framework for remuneration to attract, motivate and retain staff (including directors) to which the policy applies in order to achieve the objectives of the Company; and
- (e) to ensure that any relevant conflicts of interest can be managed appropriately at all times.

1.2 Application

This policy applies to staff whose professional activities have a material impact on the risk profile of the Company or of the Funds and so covers: (i) senior management; (ii) risk takers¹; (iii) control functions²; and (iv) any employees receiving total remuneration that takes them into the same remuneration bracket³ as senior management and risk takers, whose professional activities have a material impact on the risk profile of the Company. The Company currently does not have any employees – the only personnel are the Company's management body (i.e., the board of directors) (each, a "Director" and collectively, the "Board"). All members of the Board are non-executive Directors. Certain of the Directors are affiliated with the investment manager of the Funds (the "Investment Manager"). This policy applies both to the Directors who receive remuneration – namely, those Directors who are not affiliated with the Investment Manager (the "Independent Directors") – and the Directors who do not receive remuneration in light of their affiliation with the Investment Manager.

1.3 Governance

UCITS management companies and self-managed investment companies that are significant in terms of their size or of the size of the funds they manage, their internal organisation and the nature, the scope and the complexity of their activities are required to establish a remuneration committee. In view of the non-complex nature of the Company's internal structure and its activities, it is not considered necessary for the Company to establish a remuneration committee. In particular, the Company has taken account of the following circumstances prevailing as of the date of this document:

- the assets under management of the Company;
- the number of directors on the Board;
- the Company has no employees; and
- the Company does not act as an alternative investment fund manager under Directive 2011/61/EU ("AIFMD") or provide the services mentioned under Article 6(3) of the UCITS Directive.

Accordingly, the Company is considered to be a non-complex, self-managed investment company. The Board is responsible for the remuneration policy of the Company and for determining the remuneration of the directors of the Company. The Board is comprised of non-executive directors only. The Board has adopted this policy and periodically reviews (at least annually) the general principles of this policy and is responsible for, and oversees, its implementation in line with the UCITS Regulations. The Board considers that its members have appropriate expertise in risk management and remuneration to perform this review. Where a periodic review reveals that the remuneration system does not operate as intended or prescribed, the Board shall ensure that a timely remedial plan is put in place.

1.4 Alignment of remuneration and risk-taking

(a) Fixed Salary

The Independent Directors receive a fixed annual fee which is competitive and based on the individual Director's powers, tasks, expertise and responsibilities including, without limitation:

- (i) Nature and complexity of the funds;
- (ii) demands of fulfilling regulatory obligations; and
- (iii) designated person functions.

Each Director's performance is subject to annual review by the Board.

(b) Variable Salary

The Directors receive fixed remuneration only. It is not considered appropriate that the Directors receive variable remuneration from the Company. The following pay-out process rules in the UCITS Regulations applicable to variable remuneration do not apply to the remuneration paid to staff of the Company:

- variable remuneration in instruments;

¹ The Remuneration Guidelines refer in this context to "staff responsible for heading the investment management, administration, marketing, human resources" and "staff members, whose professional activities – either individually or collectively, as members of a group (e.g. a unit or part of a department) – can exert material influence on the management company's risk profile or on a UCITS it manages, including persons capable of entering into contracts/positions and taking decisions that materially affect the risk positions of the management company or of a UCITS it manages. Such staff can include, for instance, sales persons, individual traders and specific trading desks."

² "Control functions" refers to staff (other than senior management) responsible for risk management, compliance, internal audit and similar functions within a management company.

³ "Remuneration bracket" refers to the range of the total remuneration of each of the staff members in the senior manager and risk taker categories – from the highest paid to the lowest paid in these categories.

UCITS V Remuneration Policy (unaudited) – (continued)

1. Remuneration Policy – (continued)

1.4 Alignment of remuneration and risk-taking – (continued)

(b) *Variable Salary – (continued)*

- retention;
- deferral;
- ex post incorporation of risk for variable remuneration.

Following an assessment by the Company of each of the pay-out process rules in the UCITS V Directive and taking account of the Company's specific circumstances, the approach set out here is considered to be appropriate to Company's size, internal organisation and the nature, scope and complexity of its activities as noted in Section 1.3.

(c) *Expenses*

The Independent Directors will be reimbursed all reasonable, validly incurred, duly authorised and documented business expenses.

(d) *Other Benefits*

The Company does not propose to provide benefits to the Directors other than those referred to in this policy.

(e) *Pension*

The Directors are not entitled to pension contributions or other benefits from the Company in respect of their role as Directors.

(f) *Notice of termination and severance pay*

The maximum notice period in any Director's letter of engagement shall be determined by the relevant letter of engagement. Subject to the terms of that engagement letter, a Director's fee will continue to be paid during the relevant notice period. No severance payments are made.

(g) *Conflicts of Interest*

To the extent that the Company in the future retains any staff engaged in control functions (i.e., staff (other than senior management) responsible for risk management, compliance, internal audit and similar functions), in order to address any conflict of interest such staff shall be compensated in accordance with the achievement of the objectives linked to their control functions, independent of the performance of the business area to which the control functions relate. A Director of the Company is also the Compliance Officer of the Company. However, in light of the Compliance Officer's affiliation with the Investment Manager, the Compliance Officer does not receive a fee for this role either.

A Director may undertake external activities with or without compensation and/or inducements that might lead to a conflict of interest with the Company or the Funds provided the conflict of interest is considered and disclosed in accordance with the terms of the Director's letter of appointment and the UCITS Regulations.

Any staff that may be engaged by the Company are required to undertake not to use personal hedging strategies or remuneration- and liability-related insurance to undermine the risk alignment effects embedded in their remuneration arrangements subject to this policy.

The Company has also adopted a connected party transaction policy in accordance with the requirements of the Central Bank.

2. Deviation from the Policy

The Board may deviate from this policy. However, in such a case, the relevant payments must comply with the UCITS Regulations and the ESMA Guidelines (to the extent applicable) and in addition, the Board shall approve any payments made and shall document the deviation and the rationale for it.

Appendix: Securities Financing Transactions Regulation (SFT) (unaudited)

The following tables detail the gross aggregate notional value for Repurchase Agreements, Total Return Swaps, Equity Swaps and Contracts for Difference as well as the absolute fair value as a proportion of each Fund's net asset value, analysed by counterparty, as at February 28, 2017:

Repurchase Agreements

Counterparty	Country of Incorporation	Gross Aggregate Notional Value ('000) \$	Absolute Fair Value ('000) \$	% of Net Asset Value
Legg Mason Western Asset US Core Bond Fund				
Deutsche Bank	Germany	1,900	1,900	3.40
Goldman Sachs & Co	United States	4,100	4,100	7.34
		6,000	6,000	10.74
Legg Mason Western Asset US Core Plus Bond Fund				
Merrill Lynch	United States	14,500	14,500	2.22
RBS Securities Inc	United States	50,000	50,000	7.68
		64,500	64,500	9.90
Legg Mason Western Asset US High Yield Fund				
Merrill Lynch	United States	3,000	3,000	0.79
		3,000	3,000	0.79

Total Return Swaps

Counterparty	Country of Incorporation	Gross Aggregate Notional Value ('000) \$	Absolute Fair Value ('000) \$	% of Net Asset Value
Legg Mason Western Asset Asian Opportunities Fund				
Citigroup	United States	3,928	3,928	0.70
JP Morgan Chase Bank	United States	4,057	4,057	0.71
		7,985	7,985	1.41
Legg Mason Western Asset Structured Opportunities Fund[^]				
Credit Suisse First Boston	Switzerland	35,693	966	0.24
		35,693	966	0.24
Legg Mason Western Asset US Mortgage-Backed Securities Fund[^]				
Barclays Capital	United Kingdom	68,800	178	0.02
		68,800	178	0.02

Equity Swaps

Counterparty	Country of Incorporation	Gross Aggregate Notional Value ('000) \$	Absolute Fair Value ('000) \$	% of Net Asset Value
Legg Mason Opportunity Fund				
Credit Suisse First Boston	Switzerland	46,166	1,023	0.33
		46,166	1,023	0.33

Contracts for Difference

Legg Mason Martin Currie European Absolute Alpha Fund[^]

Counterparty	Country of Incorporation	Gross Aggregate Notional Value ('000) €	Absolute Fair Value ('000) €	% of Net Asset Value
UBS	Switzerland	90,263	7,713	3.35
		90,263	7,713	3.35

Legg Mason Martin Currie Japan Absolute Alpha Fund[^]

Counterparty	Country of Incorporation	Gross Aggregate Notional Value ('000) ¥	Absolute Fair Value ('000) ¥	% of Net Asset Value
UBS	Switzerland	997,079	33,683	0.95
		997,079	33,683	0.95

The following table lists the ten largest collateral issuers based on the value of non-cash collateral received and currency of non-cash collateral received as at February 28, 2017:

Collateral Issuer	Collateral Issuer	Currency	Aggregate value of collateral held ('000's)
Legg Mason Western Asset US Core Bond Fund	Fannie Mae	US Dollar	\$4,180
	United States	US Dollar	\$1,940
Legg Mason Western Asset US Core Plus Bond Fund	United States	US Dollar	\$65,386
Legg Mason Western Asset US High Yield Fund	United States	US Dollar	\$3,050

The following table provides an analysis of the type and quality of non-cash collateral received as at February 28, 2017:

Fund	Type of collateral	Quality of collateral	Aggregate value of collateral held ('000's)
Legg Mason Western Asset US Core Bond Fund	Corporate Bonds and Notes	Investment Grade	\$4,180
	Government Bonds and Notes	Investment Grade	\$1,940
Legg Mason Western Asset US Core Plus Bond Fund	Government Bonds and Notes	Investment Grade	\$65,386
Legg Mason Western Asset US High Yield Fund	Government Bonds and Notes	Investment Grade	\$3,050

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

Appendix: Securities Financing Transactions Regulation (SFTR) (unaudited) – (continued)

The below maturity tenor analysis has been based on the contractual maturity date of the Repurchase Agreements, Total Return Swaps, Equity Swaps and Contracts for Difference and the associated collateral received/provided as at February 28, 2017.

Fund	Type of derivative/collateral	Less than 1 day (000's)	1 day to 1 week (000's)	1 week to 1 month (000's)	1 month to 3 months (000's)	3 months to 1 year (000's)	Above 1 year (000's)	Open maturity (000's)	Total (000's)
Legg Mason Western Asset US Core Bond Fund	Repurchase Agreements	–	\$6,000	–	–	–	–	–	\$6,000
	Non-cash collateral received	–	–	–	–	–	\$6,120	–	\$6,120
Legg Mason Western Asset US Core Plus Bond Fund	Repurchase Agreements	–	\$64,500	–	–	–	–	–	\$64,500
	Non-cash collateral received	–	–	–	–	–	\$65,386	–	\$65,386
Legg Mason Western Asset US High Yield Fund	Repurchase Agreements	–	\$3,000	–	–	–	–	–	\$3,000
	Non-cash collateral received	–	–	–	–	–	\$3,050	–	\$3,050
Legg Mason Western Asset Asian Opportunities Fund	Total Return Swaps	–	–	–	–	–	\$7,985	–	\$7,985
Legg Mason Western Asset Structured Opportunities Fund^	Total Return Swaps	–	–	–	–	–	\$(966)	–	\$(966)
	Cash collateral provided	\$(5,640)	–	–	–	–	–	–	\$(5,640)
Legg Mason Western Asset US Mortgage-Backed Securities Fund^	Total Return Swaps	–	–	\$(178)	–	–	–	–	\$(178)
	Cash collateral provided	\$(500)	–	–	–	–	–	–	\$(500)
Legg Mason Opportunity Fund	Equity Swaps	–	–	–	–	–	\$(271)	–	\$(271)
	Non-cash collateral provided	–	–	–	–	–	–	\$(9,882)	\$(9,882)
Legg Mason Martin Currie European Absolute Alpha Fund^	Contracts for Difference	–	–	–	–	–	–	€(581)	€(581)
	Cash collateral provided	€(3,261)	–	–	–	–	–	–	€(3,261)
Legg Mason Martin Currie Japan Absolute Alpha Fund^	Contracts for Difference	–	–	–	–	–	–	¥(16,913)	¥(16,913)
	Cash collateral provided	¥(72,248)	–	–	–	–	–	–	¥(72,248)

Repurchase Agreements are settled on a bilateral basis. Collateral received in respect of open Repurchase Agreements as at February 28, 2017 are held with the Depositary in segregated accounts in the name of each Fund. Collateral received is not reused.

Total Return Swaps, Equity Swaps and Contracts for Difference are settled on a bilateral basis. Collateral provided to Counterparties in respect to open Total Return Swaps positions as at February 28, 2017 are held by the Counterparties in pooled accounts. Collateral provided to the Counterparty in respect to open Contracts for Difference positions as at February 28, 2017 are held by the Counterparty in segregated accounts. Collateral provided to the Counterparty in respect to open Equity Swaps positions as at February 28, 2017 are held by the Depositary in a segregated account for the benefit of the Counterparty.

All costs and returns on Repurchase Agreements, Total Return Swaps, Equity Swaps and Contracts for Difference accrue to the Funds in full.

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

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