

# The best fixed income ideas come from being open to a world of opportunities

Combine the experience of a dedicated fixed income manager with the flexibility to exploit global opportunities across every fixed income sector and you get the Legg Mason Western Asset Global Multi Strategy Fund. It's time to change your thinking about fixed income, and take a look at a fund which offers:

- **Global opportunities:** Investors restricting themselves to domestic bonds could be missing out on some of the best opportunities available within the global fixed income universe.
- **Diversification:** Take on the return potential of the most attractive global bond markets – whilst dampening volatility – by investing in a wide range of fixed income sub-sectors, countries, industries and currencies.
- **Sector rotation:** Access sectors ranging from less risky developed market government bonds to more risky high yield corporate bonds or emerging market debt with the flexibility to invest in and rotate between those markets and sectors that offer the most attractive levels of risk and reward.
- **An Experienced Fixed Income Manager:** Western Asset has investment specialists in every major fixed income sector. Their skill and experience enables them to take advantage of changing bond valuations and to select those bond sectors where they see the greatest opportunity for capital growth and income generation.

**Divide and Conquer! The performance of global fixed income sectors varies according to market conditions and economic backdrop.**

The chart (below) shows the importance of holding a diversified portfolio, given that changing market conditions impact different market sectors. It also reveals how managers with the scope to invest in a wider set of sectors can take advantage of these changes and offer investors a degree of resilience in normal market conditions.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Highest Return	EMD (USD)	Mortgages	Global Govt Inflation Linked (USD)	Global High Yield (USD)	Global Govt Inflation Linked (USD)	EMD (USD)	Global High Yield (USD)	Global Govt Inflation Linked (USD)	Global Govt Bonds (USD)	Global High Yield (USD)
	Mortgages	EMD (USD)	Global Govt Bonds (USD)	EMD (USD)	Global High Yield (USD)	EMD Local	EMD (USD)	Global Govt Bonds (USD)	Mortgages	EMD (USD)
	0-3 month US Treasury Bills	Global Corporate (USD)	Global Govt Inflation Linked (USD)	Global Govt Inflation Linked (USD)	EMD (USD)	0-3mth US Treasury Bills	EMD Local	Global Corporate (USD)	0-3 month US Treasury Bills	EMD Local
	Global Govt Inflation Linked (USD)	0-3 month US Treasury Bills	EMD Local	Global Corporate (USD)	EMD Local	Mortgages	Global Corporate (USD)	Mortgages	EMD Local	Global Corporate (USD)
	Global Corporate (USD)	Global High Yield (USD)	EMD (USD)	Global Govt Bonds (USD)	Global Govt Bonds (USD)	Global High Yield (USD)	Global Govt Inflation Linked (USD)	EMD (USD)	Global Govt Inflation Linked (USD)	Global Govt Inflation Linked (USD)
	Global Govt Bonds (USD)	Global Govt Inflation Linked (USD)	Mortgages	EMD Local	Global Corporate (USD)	Global Govt Inflation Linked (USD)	Global Govt Bonds (USD)	EMD Local	Global Corporate (USD)	Mortgages
	Global High Yield (USD)	Global Govt Bonds (USD)	0-3mth US Treasury Bills	Mortgages	Mortgages	Global Corporate (USD)	Mortgages	0-3 month US Treasury Bills	EMD (USD)	Global Govt Bonds (USD)
Lowest Return	Not Available	Global High Yield (USD)	0-3 month US Treasury Bills	0-3 month US Treasury Bills	Global Govt Bonds (USD)	0-3mth US Treasury Bills	Global High Yield (USD)	0-3 month US Treasury Bills	0-3 month US Treasury Bills	0-3 month US Treasury Bills

Data as of 31 December 2009. Source: Bloomberg. 0-3mth US Treasury Bills: Merrill Lynch US Treasury Bills 0-3 Months, EMD Local: JP Morgan Global Bond Index Emerging Market Local Unhedged, EMD (USD): Merrill Lynch USD Emerging Market Sovereign Plus Index, Global Corporate (USD): Merrill Lynch Global Broad Market Corporate Index, Global Govt Bonds (USD): Merrill Lynch Global Government Bond Index, Global Govt Inflation Linked (USD): Merrill Lynch Global Governments, Inflation-Linked Index, Global High Yield (USD): Merrill Lynch Global High Yield Index, Mortgages: Merrill Lynch Mortgage Master Index.

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## Why the Legg Mason Western Asset Global Multi Strategy Fund?

- **Flexibility** to span the entire fixed income spectrum to uncover fixed income opportunities across a wide range of bonds
- **Enhanced return potential** by actively rotating between and within major global fixed income sectors as situations change. The manager has the freedom to maximise total returns with its flexible, free ranging approach
- **Minimises volatility of returns**, in normal market conditions, by offering greater diversification across global fixed income sectors
- **Target gross distribution yield** of 5-8% per annum, paid monthly
- **Wide risk spectrum**, from safer developed market government bonds to high yield corporate and emerging market bonds.

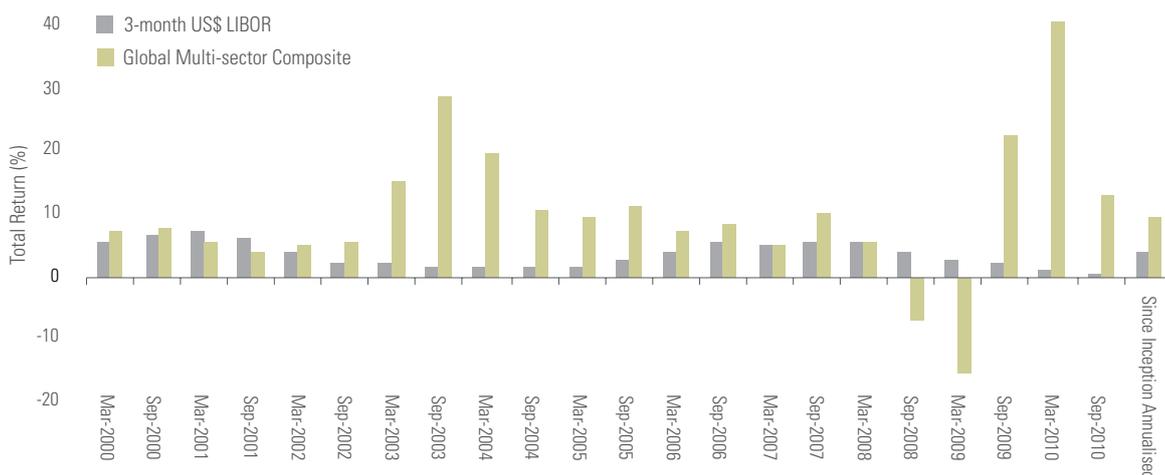
## Consistent performance and long-term track record

Western Asset's global multi-sector strategy, launched in 1996, has delivered robust returns to investors over the last decade, producing positive absolute returns and outperforming cash for much of the last decade (measured on a monthly rolling one-year basis) – as illustrated in the chart below.

### The value of a global multi sector approach over the long term

Performance is shown in US dollars, on a monthly rolling one-year basis, and reflects Western Asset's long-term track record in this strategy.

- **Absolute returns** on a 12-month rolling basis since inception of strategy in 1996 **93% of the time**.



Source: Western Asset as of 30 September 2010. Performance shown is gross of investment management fees in USD. Please see Performance Disclosure for more information.

### Key Facts

as at 30 September 2010

<b>Currency</b>	US Dollars
<b>Benchmark</b>	50% Barclays Capital Global Aggregate Index; 25% Barclays Capital U.S. Corporate High Yield - 2% Issuer Capped Index; 25% JP Morgan EMBI+ Index
<b>Distribution Frequency</b>	Monthly
<b>Minimum Investment</b>	US\$1,000 or equivalent

## Why Western Asset?

Western Asset, with over \$469.4bn in assets under management and offices in eight countries around the globe, is one of the world's leading fixed income managers. For 39 years it has concentrated exclusively on the active management of fixed income portfolios. Western Asset is a wholly owned subsidiary of Legg Mason, Inc.

Western Asset employs its vast experience and global reach to take a highly innovative and diversified approach to managing fixed income.

Western Asset utilises a value-oriented investment approach that is supported by a team of 126 fixed income specialists in every major market sector. This includes an extensive and experienced global credit research team

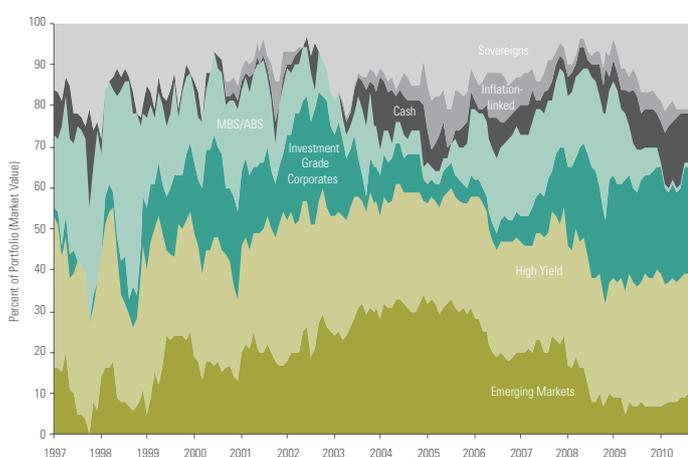
analysing companies issuing both investment grade and non-investment grade bonds.

The manager seeks to capitalise on inefficiencies in fixed income markets to add incremental value to investment portfolios. Western Asset's global multi-sector (GMS) team draws on the ideas and experience of the full global investment team.

Western's expertise in these sectors enables them to actively rotate between and within the different fixed income asset classes, and to take advantage of undervalued opportunities across global bond markets.

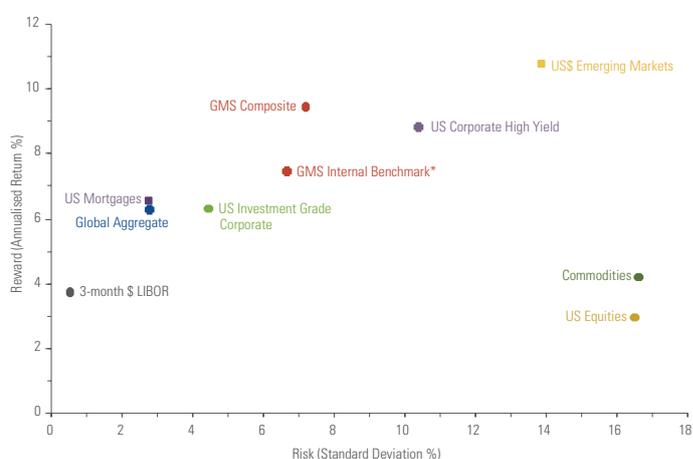
All information as of 30 September 2010.

### Western Asset's active asset allocation (to 30 September 2010)



The above chart illustrates how Western Asset actively rotates between different fixed income asset classes to take advantage of those sectors that offer the most attractive risk/reward profiles.

### Long-term track record of Investment Manager (to 30 September 2010)



The above chart shows Western Asset's long-term track record in managing their global multi-sector strategy. For much less risk than some equity and high yield strategies, the GMS strategy has offered higher levels of return since its inception on 31 October 1996. Indeed, for only a small amount of incremental risk, the GMS strategy has also offered higher return than investment grade corporates. Returns are in US dollars.

The Legg Mason Western Asset Global Multi Strategy Fund is a sub-fund of Legg Mason Global Funds plc, an umbrella fund with segregated liability between sub-funds, established as an open-ended investment company with variable capital and incorporated with limited liability under the laws of Ireland with registered number 278601. It qualifies and is authorised in Ireland by the Financial Regulator as an undertaking for collective investment in transferable securities and is a section 264 Scheme as recognised by the FSA.

The past performance of the Global Multi-sector composite has been used to demonstrate the longer term track record of the investment manager in managing the Legg Mason Western Asset Global Multi Strategy Fund. There are differences between the composite and the Legg Mason Western Asset Global Multi Strategy Fund, including differences in the base currency, the number of holdings, strategy, the amount of assets under management, cash flows, fees and expenses and applicable regulatory requirements, including investment and borrowing restrictions. The past performance of the composite is, therefore, not indicative of the future performance of the Legg Mason Western Asset Global Multi Strategy Fund. Past performance is not an indicator of future results and may not be repeated.

All information as at 30/09/10, unless otherwise stated. This document does not constitute an invitation to invest. You should be aware that stock market investments should normally be regarded as longer term investments and that they may not be suitable to everyone. Fluctuations in exchange rates can affect the value of the fund and the income from it. This fund may invest in emerging markets that may be less liquid and may have less reliable custody arrangements than mature markets and may involve a higher degree of risk. It may also invest in 'non-investment grade' bonds, which carry a higher degree of default risk than 'investment grade' bonds. The annual charges are levied against capital and while this will increase distributable income, it may constrain or erode capital growth.

This fund is offered solely to non-US investors under the terms and conditions of the fund's current prospectus - please refer to the Simplified Prospectus and Prospectus documentation, which describe the full risk factors associated with this fund. This information has been prepared from sources believed reliable but is not guaranteed by Legg Mason Investments and is not a complete summary or statement of all available data, nor is it considered an offer to buy or sell any securities that may be referred to. 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. Western Asset Management is affiliated with Legg Mason Investments through common control and ownership by Legg Mason, Inc.

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