

Prepared on: 30/09/2011

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Prospectus¹.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

LEGG MASON WESTERN ASSET FUNDS – LEGG MASON WESTERN ASSET SINGAPORE OPPORTUNITIES TRUST (THE “SUB-FUND”)

Product Type	Unit Trust	Inception Date	31 December 2007 (Class A Units)
Manager	Western Asset Management Company Pte. Ltd.	Custodian	HSBC Institutional Trust Services (Singapore) Limited
Trustee	HSBC Institutional Trust Services (Singapore) Limited	Dealing Frequency	Every Business Day
Capital Guaranteed	No	Expense Ratio for the financial year ended 31 March 2011	1.74% (Class A Units)
Name of Guarantor	N/A		

PRODUCT SUITABILITY

WHO IS THE PRODUCT SUITABLE FOR?

- The Sub-Fund is only suitable for investors who:
 - seek to achieve medium to long term capital appreciation;
 - are able to tolerate a degree of volatility of an equity fund.

Investors should consult their financial advisers if in doubt whether this product is suitable for them.

Further Information
Refer to Appendix 2 on Page 39 of the Prospectus for further information on product suitability.

KEY PRODUCT FEATURES

WHAT ARE YOU INVESTING IN?

You are investing in a Sub-Fund constituted in Singapore as an open-ended umbrella unit trust. The Sub-Fund aims to achieve medium to long term capital appreciation by investing primarily in securities issued by companies connected to Singapore through incorporation, domicile, listing or other economic interest.

The Sub-Fund is included under the CPF Investment Scheme-Ordinary Account for investment and is classified under the risk classification of “Higher Risk-Narrowly Focused – Country-Singapore”.

Refer to Section 1 on Pg 1 and Appendix 2 on Pg 39 of the Prospectus for further information on features of the product.

Investment Strategy

- Systematic, thematic approach in information gathering and analysis to capture periodic market mis-pricing when investing in large-cap stocks.
- More internal research resources are devoted to seek out and analyse mid-cap and small-cap stocks where opportunities for significant securities mis-pricing are more abundant.

Refer to Appendix 2 on Pg 39 of the Prospectus for further information on the investment strategy of the product.

¹ The Prospectus is available for collection at 1 George Street, #23-02, Singapore 049145 during normal business hours or accessible at www.leggmason.com.sg

<ul style="list-style-type: none"> • The Sub-Fund may invest in short-term debt securities issued or guaranteed by national governments located globally; short-term corporate debt securities, commercial paper, certificates of deposits, bankers acceptances, mortgage-backed and asset-backed securities. • The Sub-Fund will only invest in debt securities rated at least Investment Grade by a NRSRO. • The Sub-Fund may hold cash reserves for anticipated securities purchases, redemptions or temporarily during periods when the Sub-Manager believes prevailing market conditions call for a defensive posture. • The Sub-Fund may invest in derivative instruments, but only for efficient portfolio management and hedging purposes. • The Sub-Fund’s net asset value may have higher volatility characteristics as a result of its portfolio management style. 	
Parties Involved	
<p>WHO ARE YOU INVESTING WITH?</p> <ul style="list-style-type: none"> • The Manager is Western Asset Management Company Pte. Ltd.. • The Sub-Manager is Havenport Asset Management Pte. Ltd.. • The Trustee/ Custodian is HSBC Institutional Trust Services (Singapore) Limited. • The Principal Distributor is Legg Mason Asset Management Singapore Pte. Limited. 	<p>Refer to the Directory Page and Sections 2 to 4 on Pgs 7 and 8 of the Prospectus for further information on the role and responsibilities of these entities.</p>
KEY RISKS	
<p>WHAT ARE THE KEY RISKS OF THIS INVESTMENT?</p> <p>An investment in the Sub-Fund is generally designed to produce returns over the long term and is not suitable for short-term speculation. You should not expect to obtain short-term gains from such investments.</p> <p>The value of the product and its dividends or coupons may rise or fall. These risk factors may cause you to lose some or all of your investment.</p>	<p>Refer to Section 8 on Pgs 11 and 13 of the Prospectus for further information on risks of the product.</p>
Market and Credit Risks	
<ul style="list-style-type: none"> • You are exposed to general risks that the Sub-Fund’s investment may be subject to. <ul style="list-style-type: none"> ○ The Sub-Fund’s investment may be subject to interest rate, currency, liquidity, sovereign, credit, exchange control and derivatives risk. • You are exposed to market risk. <ul style="list-style-type: none"> ○ The value of investments may go up and down due to changing economic (such as growth, inflation or policy changes), political or market conditions in the market(s) that the Sub-Fund may invest in, or due to an issuer’s individual situation. • You are exposed to currency risk. <ul style="list-style-type: none"> ○ Assets may be denominated in currencies other than the base currency of the Sub-Fund. The Sub-Fund may be exposed to currency risk due to fluctuations in the exchange rate between such other currencies and the base currency of the Sub-Fund. 	
Liquidity Risks	
<ul style="list-style-type: none"> • The Sub-Fund is not listed and you can only redeem on Dealing Days. <ul style="list-style-type: none"> ○ There is no secondary market for the Sub-Fund. All redemption requests should be made to the relevant approved agent or distributor through whom Units in the Sub-Fund were purchased. 	<p>Refer to Section 11 on Pg 20 and Section 15 on Pg 24 of the Prospectus for further information on risks of the product.</p>

<ul style="list-style-type: none"> • You may not be able to redeem on a Dealing Day if a redemption limit is imposed. <ul style="list-style-type: none"> ○ There may be a 10% limit on the number of Units that can be redeemed on any Dealing Day. • You will not be able to redeem when redemption is suspended.. <ul style="list-style-type: none"> ○ Your right to redeem Units may be temporarily suspended under certain circumstances. 									
Product-Specific Risks									
<ul style="list-style-type: none"> • You are exposed to interest rate risk. <ul style="list-style-type: none"> ○ The Sub-Fund may invest in financial derivative instruments for hedging and efficient portfolio management purposes. The use of such derivatives involves certain special risks. Use of futures, options, warrants, forwards, swaps or swap options (if any) will involve increased risk. In some instances, the use of the above-mentioned instruments may have the effect of leveraging the Sub-Fund. Leveraging adds increased risks because losses may be out of proportion to the amount invested on the instrument. • You are exposed to small and mid-sized company risk. <ul style="list-style-type: none"> ○ The Sub-Fund may invest in securities of small and mid-sized companies. Investment in such securities usually involves higher risks. Prices of securities of small and mid-sized companies generally are more volatile than those of larger companies; securities of small and mid-sized companies generally are less liquid and are more likely to be adversely affected by poor economic or market conditions. 									
FEES AND CHARGES									
<p>WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?</p> <p><u>Payable directly by you</u></p> <ul style="list-style-type: none"> • You will need to pay the following fees and charges as a percentage of your gross investment sum: <table border="1" data-bbox="244 1279 1086 1464"> <tr> <td data-bbox="244 1279 624 1424">Preliminary Charge</td> <td data-bbox="624 1279 1086 1424"> <ul style="list-style-type: none"> ○ Currently 5% for cash and SRS investment ○ Currently 3% for CPF investment (Maximum 5%) </td> </tr> <tr> <td data-bbox="244 1424 624 1464">Realisation Charge</td> <td data-bbox="624 1424 1086 1464"> <ul style="list-style-type: none"> ○ Currently NIL (maximum 5%) </td> </tr> </table> <p><u>Payable by the Sub-Fund from invested proceeds</u></p> <ul style="list-style-type: none"> • The Sub-Fund will pay the following fees and charges to the Manager and Trustee: <table border="1" data-bbox="244 1585 1086 1794"> <tr> <td data-bbox="244 1585 624 1659">Annual Management Fee</td> <td data-bbox="624 1585 1086 1659"> <ul style="list-style-type: none"> ○ 1.5% p.a. (maximum 2.0% p.a.) for Class A Units </td> </tr> <tr> <td data-bbox="244 1659 624 1794">Annual Trustee Fee</td> <td data-bbox="624 1659 1086 1794"> <ul style="list-style-type: none"> ○ 0.1% p.a. of NAV for 1st S\$10 million, 0.05% p.a. of NAV on the balance (subject always to a minimum of S\$15,000 p.a.) </td> </tr> </table>	Preliminary Charge	<ul style="list-style-type: none"> ○ Currently 5% for cash and SRS investment ○ Currently 3% for CPF investment (Maximum 5%) 	Realisation Charge	<ul style="list-style-type: none"> ○ Currently NIL (maximum 5%) 	Annual Management Fee	<ul style="list-style-type: none"> ○ 1.5% p.a. (maximum 2.0% p.a.) for Class A Units 	Annual Trustee Fee	<ul style="list-style-type: none"> ○ 0.1% p.a. of NAV for 1st S\$10 million, 0.05% p.a. of NAV on the balance (subject always to a minimum of S\$15,000 p.a.) 	<p>Refer to Appendix 2 on Pg 40 of the Prospectus for further information on fees and charges.</p>
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VALUATIONS AND EXITING FROM THIS INVESTMENT									
<p>HOW OFTEN ARE VALUATIONS AVAILABLE?</p> <p>The indicative net asset value of the Sub-Fund is published on the Principal Distributor’s website at http://www.leggmason.com.sg, The Business Times, Teletext and Bloomberg and, (for Sub-Funds included under the CPF Investment Scheme) once a week in The Straits Times. The actual Net Asset Value will generally be published 2 Business Days after the relevant Dealing Day.</p>									

HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

- You can exit the Sub-Fund on any Dealing Day by submitting a realisation request form to the relevant approved agent or distributor through whom you purchased your Units.
- If you are a new subscriber, you can exit the Sub-Fund without incurring the preliminary charge stated above, by submitting a cancellation form to the relevant approved agent or distributor through whom you purchased your Units, within the cancellation period of 7 calendar days from date of your subscription. The cancellation proceeds payable in relation to the cancellation will be determined as the lower of the market value or the original subscription amount paid by you, as a new subscriber, at the time of the subscription or purchase.
- The minimum realisation amount is 1,000 Units. In the case of partial realisation, the minimum holding amount is the lower of 1,000 Units or the number of Units which at the current Issue Price may be purchased for S\$1,000.
- You will receive the realisation proceeds within 6 Business Days from the time the Principal Distributor receives and accepts your request to exit from the Sub-Fund.
- As Units are priced on a forward pricing basis, the realisation price of Units will not be available at the time of submission of a realisation request. Your exit/realisation price is determined as follows (please note approved agents and distributors may impose a different cut-off time):
 - If you submit the realisation order before 5pm on a Dealing Day, you will be paid a price based on the realisation price on that Dealing day.
 - If you submit the realisation order after 5pm, you will be paid a price based on the realisation price on the next relevant Dealing day.

• The realisation proceeds that you will receive will be the exit/realisation price multiplied by the number of Units sold, less any charges. An example is as follows:

Units held	X	Realisation price	=	Gross realisation amount
1,000	X	S\$1.100	=	S\$1,100
Gross realisation amount	-	Realisation Charge	=	Net Realisation Proceeds
S\$1,100	-	Nil	=	S\$1,100

* There is currently no realisation charge imposed

Refer to Section 14 on Pg 24, Section 9 on Pg 13 and Section 11 on Pg 20 of the Prospectus for further information on valuation and exiting from the product.

CONTACT INFORMATION

HOW DO YOU CONTACT US?

Through the Principal Distributor, Legg Mason Asset Management Singapore Pte. Limited.

Registration Number (UEN): 200007942R

Website: www.leggmason.com.sg, Tel: +65 6536 8000, Fax: +65 6317 8947

APPENDIX: GLOSSARY OF TERMS

All capitalized terms used in this Product Highlight Sheet and not otherwise defined herein have the meanings set forth in the Prospectus.

Business Day: Any day (other than a Saturday, Sunday or gazetted public holiday) which is a banking business day in Singapore or any other day as the Manager and the Trustee may agree in writing.

Dealing Day: Every Business Day, or such Business Day or Business Days at such intervals as the Manager may from time to time determine with the approval of the Trustee provided that reasonable notice of any such determination shall be given by the Manager to Holders at such time and in such manner as the Trustee may approve. If on any day which would otherwise be a Dealing Day in relation to the Units of any particular Sub-Fund, the Recognised Exchange on which Investments or other property comprised in, and having in aggregate values amounting to at least 50 per cent. of the Net Asset Value of that Sub-Fund (as at the immediately preceding Valuation Point) are quoted, listed or dealt in is not open for normal trading, the Manager may determine that that day shall not be a Dealing Day.

Investment Grade: Means securities rated BBB or higher by Standard & Poor's, Baa or higher by Moody's, BBB or higher by Fitch, those carrying a comparable rating issued by another NRSRO, or un-rated securities as determined by the Manager or (as the case may be) the Sub-Manager to be of comparable quality.

NRSRO: Nationally Recognised Statistical Rating Organisation (i.e. credit rating agencies registered with the U.S. Securities and Exchange Commission), including, but not limited to, Moody's, Standard & Poor's and Fitch.