

Important Information Regarding Your Fund's Distribution

Western Asset Variable Rate Strategic Fund Inc. (GFY; CUSIP: 957667108)

June 26, 2009:

The Fund paid a regular monthly distribution of \$0.0560 per common share on June 26, 2009. Based on the Fund's fiscal year-to-date activity and subject to revision, the Fund currently estimates that approximately \$0.00931 per share of this distribution may be a return of capital. The balance of the distribution is derived from undistributed net investment income.

This information is being provided pursuant to Section 19(a) of the Investment Company Act of 1940, as amended, and should not be used for tax reporting purposes. In early 2010, after definitive information is available, the Fund will send shareholders a Form 1099-DIV specifying how the distributions paid by the Fund during calendar year 2009 have been characterized for purposes of reporting the distributions on a shareholder's tax returns.

Western Asset Variable Rate Strategic Fund Inc., a non-diversified closed-end investment management company, is advised by Legg Mason Partners Fund Advisor, LLC, a wholly owned subsidiary of Legg Mason, Inc., and is sub-advised by Western Asset Management Company, an affiliate of the advisor.