

WESTERN ASSET CORPORATE BOND FUND

Investment overview

Seeks to maximize total return via a primarily investment-grade corporate bond portfolio

Uses the global breadth of Western Asset's investment platform, fundamental value-oriented investment philosophy and a process that combines top down macro economic views with bottom up fundamental research

Total return focused investors seeking a high quality corporate bond portfolio may find this fund appropriate

Morningstar Rating™

Overall Rating as of December 31, 2017



Class C



Class C1

As of 12/31/17, Class C and C1 shares rated 4 and 3 stars, respectively, among 177 Corporate Bond funds, based upon risk-adjusted returns derived from a weighted average of the performance figures associated with 3-, 5- and 10-year (if applicable) Morningstar Ratings metrics.†

Average annual total returns & fund expenses[^] (%) as of Dec. 31, 2017

	Without sales charges					With maximum sales charges					Expenses		30-day SEC yield	Inception date
	1-Yr	3-Yr	5-Yr	10-Yr	Inception	1-Yr	3-Yr	5-Yr	10-Yr	Inception	Gross	Net		
Class A	7.20	4.71	4.47	5.57	6.50	2.66	3.20	3.56	5.11	6.32	0.96	0.95	2.66	11/06/92
Class C	6.42	4.00	3.73	—	4.03	5.42	4.00	3.73	—	4.03	1.66	1.66	2.09	08/01/12
Class I	7.54	5.03	4.78	5.95	5.94	7.54	5.03	4.78	5.95	5.94	0.61	0.61	3.08	02/07/96
Benchmark	6.18	3.63	3.23	5.42	—	6.18	3.63	3.23	5.42	—				

Cumulative total returns (%) as of Dec. 31, 2017 (without sales charges)

	3 Mo	YTD	2017	2016	2015	2014	2013	2012	2011	2010	2009
Class A	1.17	7.20	7.20	7.99	-0.82	8.14	0.20	14.50	5.19	11.53	33.80
Class C	0.98	6.42	6.42	7.28	-1.47	7.27	-0.50	—	—	—	—
Class I	1.16	7.54	7.54	8.35	-0.58	8.49	0.51	14.90	5.62	11.82	34.59
Benchmark	1.05	6.18	6.18	5.63	-0.77	7.49	-2.01	9.39	8.35	8.47	16.04

Performance shown represents past performance and is no guarantee of future results. Current performance may be higher or lower than the performance shown. Investment return and principal value will fluctuate so shares, when redeemed, may be worth more or less than the original cost. Class A shares have a maximum front-end sales charge of 4.25%. Class C shares have a one-year CDSC of 1.0%. If sales charges were included, performance shown would be lower. Total returns assume the reinvestment of all distributions at net asset value and the deduction of all Fund expenses. Total return figures are based on the NAV per share applied to shareholder subscriptions and redemptions, which may differ from the NAV per share disclosed in Fund shareholder reports.

Performance would have been lower if fees had not been waived in various periods. Absent reimbursements and/or fee waivers, the Fund's 30-day SEC yield for Classes A, C and I would have been 2.66%, 2.09%, and 3.03%. YTD is calculated from January 1 of the reporting year. All classes of shares may not be available to all investors or through all distribution channels. For the most recent month-end information, please visit www.leggmasonfunds.com.

[^] Gross expenses are the Fund's total annual operating expenses for the share class(es) shown. Net expenses for Class(es) A, C, C1, I & P reflect contractual fee waivers and/or reimbursements, where these reductions reduce the Fund's gross expenses, which cannot be terminated prior to Dec 31, 2019 without Board consent.

Sector allocation (%) as of Dec. 31, 2017

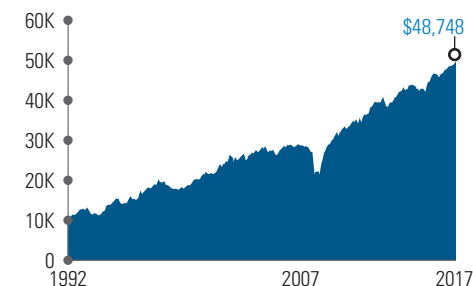
Investment Grade Corporate Bonds	73.8
Emerging Market	9.7
High Yield Corporate Bonds	4.9
Government	4.4
Cash & Other Securities	3.5
Mortgage-Backed Securities	1.6
Municipal	1.1
Asset-Backed Securities	0.9
Bank Loans	0.2

Top investment grade sectors (IG) (%) as of Dec. 31, 2017

Banking	21.2
Energy	9.8
Consumer Non Cyclical	8.5
Communications	5.9
Consumer Cyclical	4.6

Growth of \$10,000

Class A shares – Inception through Dec. 31, 2017
Excluding the effects of sales charges



Share class codes

	Symbol	CUSIP	Symbol	CUSIP
A	SIGAX	52469F317	FI	SIGFX
C	LWBOX	52468A814	I	SIGYX
C1	SBILX	52469F283	P	LCBPX

Benchmark (BM)

Bloomberg Barclays U.S. Credit

Statistics as of Dec. 31, 2017

Net assets	\$468.2M
30-day SEC yield – Class A	2.66%
Effective duration	7.1 yrs
Weighted average life	10.5 yrs

Any information, statement or opinion set forth herein is general in nature, is not directed to or based on the financial situation or needs of any particular investor, and does not constitute, and should not be construed as, investment advice, forecast of future events, a guarantee of future results, or a recommendation with respect to any particular security or investment strategy or type of retirement account. Investors seeking financial advice regarding the appropriateness of investing in any securities or investment strategies should consult their financial professional.

Percentages are based on total portfolio as of quarter-end and are subject to change at any time. For informational purposes only and not to be considered a recommendation to purchase or sell any security. Negative allocations and allocations in excess of 100% are primarily due to the Fund's unsettled trade activity.

WESTERN ASSET CORPORATE BOND FUND

Credit quality allocation (%) as of Dec. 31, 2017

AAA	7.0
AA	7.8
A	33.9
BBB	37.5
Below BBB	9.5
Not Rated	4.2

Risk statistics as of Dec. 31, 2017

Measures based on a trailing 10-year period
Class A shares

	Fund
Beta	1.49
R-squared	0.77
Sharpe ratio	0.59
Standard deviation(%)	9.40

Fund facts as of Dec. 31, 2017

Dividend frequency, if any	Daily, paid monthly
Morningstar category	Corporate Bond
	Corporate Debt Funds BBB-
Lipper category	Rated
Turnover (fiscal yr)	114%

Emerging Markets Debt (EMD) sectors (%) as of Dec. 31, 2017

Sovereign Debt External Currency	5.2
Corporates External Currency	3.9
Sovereign Debt Local Currency	0.5

Top currencies (%) as of Dec. 31, 2017

US Dollar	99.5
Argentine Peso	0.6

Portfolio management

Western Asset Management is one of the world's leading fixed-income managers. With a focus on long-term fundamental value investing that employs a top-down and bottom-up approach, the firm has nine offices around the globe and deep experience across the range of fixed-income sectors. Founded in 1971, Western Asset has been recognized for an approach emphasizing team management and intensive proprietary research, supported by robust risk management.

Legg Mason's unique structure provides you with access to this specialized expertise. We offer a powerful portfolio of solutions through our independent investment management firms.

What should I know before investing?

Fixed-income securities involve interest rate, credit, inflation, and reinvestment risks; and possible loss of principal. As interest rates rise, the value of fixed-income securities falls. High yield bonds are subject to greater price volatility, illiquidity, and possibility of default. Derivatives, such as options and futures, can be illiquid, may disproportionately increase losses, and have a potentially large impact on Fund performance. International investments are subject to special risks, including currency fluctuations and social, economic and political uncertainties, which could increase volatility.

Where can I find more information?

You'll find the most current performance data, commentary, prospectus and more information on each of our managers and products at www.leggmasonfunds.com.

[†] Morningstar proprietary ratings are as of December 31, 2017 and are subject to change every month. Current monthly ratings can be found at leggmason.com. A 4- or 5-star rating does not necessarily imply that a fund achieved positive results for the period. For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. Mutual funds and exchange traded funds are considered a single population for comparative purposes. Ratings do not account for the effects of sales charges. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. Class C and C1 shares of the Fund were rated against 177, 146, and 84 Corporate Bond funds over the 3-, 5- and 10-year periods, respectively. With respect to these funds, Class C and C1 shares of the Fund received Morningstar Ratings of 4, 4, and n/a; 4, 4, and 2 stars for the 3-, 5- and 10-year periods, respectively. Ratings shown are for the highest and lowest rated share classes only, when available. Other share classes have different expense structures and performance characteristics. Classes have a common portfolio.

Credit quality is a measure of a bond issuer's ability to repay interest and principal in a timely manner. The credit ratings shown are based on each portfolio security's rating as provided by Standard and Poor's, Moody's Investors Service and/or Fitch Ratings, Ltd. and typically range from AAA (highest) to D (lowest), or an equivalent and/or similar rating. For this purpose, if two or more of the agencies have assigned differing ratings to a security, the highest rating is used. Securities that are unrated by all three agencies are reflected as such. The credit quality of the investments in the Fund's portfolio does not apply to the stability or safety of the Fund. These ratings are updated monthly and may change over time. **Please note, the Fund itself has not been rated by an independent rating agency.**

Beta measures the sensitivity of an investment to the movement of its benchmark. A beta higher than 1.0 indicates the investment has been more volatile than the benchmark and a beta of less than 1.0 indicates that the investment has been less volatile than the benchmark. **R-squared** measures the strength of the linear relationship between the Fund and its benchmark. R Squared at 1 implies perfect linear relationship and zero implies no relationship exists. **Sharpe ratio** refers to a risk-adjusted measure calculated using standard deviation and excess returns to determine reward per unit of risk. The higher the ratio, the greater the risk-adjusted performance. **Standard deviation** indicates the percentage by which a fund's performance has varied from its average performance in any given month during the period indicated. The higher the standard deviation, the greater the range of performance, indicating greater volatility. **Turnover** is a measure of the Fund's trading activity which represents the portion of the Fund's holdings that has changed over a year. There is no assurance that the Fund will maintain its current level of turnover.

Effective Duration is a duration calculation for bonds with embedded options. Effective duration takes into account that expected cash flows will fluctuate as interest rates change. **Duration** measures the sensitivity of price (the value of principal) of a fixed-income investment to a change in interest rates. The higher the duration number, the more sensitive a fixed-income investment will be to interest rate changes.

The **30-day SEC yield**, calculated pursuant to the standard SEC formula, is based on a Fund's investments over an annualized trailing 30-day period and not on the distributions paid by the Fund, which may differ.

Investment-Grade Bonds are those rated Aaa, Aa, A and Baa by Moody's Investors Service and AAA, AA, A and BBB by Standard & Poor's Ratings Service, or that have an equivalent rating by a nationally recognized statistical rating organization or are determined by the manager to be of equivalent quality.

The **Bloomberg Barclays U.S. Credit Index** is an index composed of corporate and non-corporate debt issues that are investment grade (rated Baa3/BBB- or higher). Investors cannot invest directly in an index and unmanaged index returns do not reflect any fees, expenses or sales charges.

Tapering of the Federal Reserve Board's quantitative easing program and a general rise in interest rates may lead to increased portfolio volatility.

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Before investing, carefully consider a Fund's investment objectives, risks, charges and expenses. You can find this and other information in each prospectus, or summary prospectus, if available, which is available at www.leggmasonfunds.com. Please read it carefully.