

WESTERN ASSET MIDDLE MARKET INCOME FUND INC.

Investment overview

An opportunistic fixed income portfolio that invests primarily in securities of middle market companies.

Investments include below-investment-grade debt securities, including loans, issued by middle market companies. For investment purposes, "middle market" refers to companies with annual revenues of between \$100 million and \$1 billion at the time of investment by the Fund.

Seeks high income, with capital appreciation as a secondary investment objective.

Liquidity

This Fund is not publicly traded and is closed to new investors.

The Fund has an anticipated 8-year term, with termination expected on December 30, 2022. The Fund's term may be longer, depending on market conditions. If the Fund's board of directors determines that under then-current market conditions it is in the best interests of the Fund to do so, the Fund may extend the termination date for one year, to December 29, 2023, without a stockholder vote. The Fund's termination date can be further extended beyond December 29, 2023 by 75% of the directors and 75% of the outstanding voting securities of the Fund.

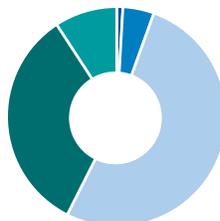
The Fund anticipates making quarterly tender offers, at the sole discretion of the Fund, for up to 2.5% (or 10% annually) of Managed Assets, beginning 18 months after offering, in 2016. No exchange listing or liquid secondary market is expected to exist.

Asset allocation (%) as of Dec. 31, 2020

Middle Market	75.8
Credit High Yield	16.5
Cash & Cash Equivalent	7.7

Credit quality allocation (%) as of Dec. 31, 2020

BBB	0.9
BB	4.6
B	52.0
CCC	33.4
Not Rated	9.2



Top middle market industries (%)

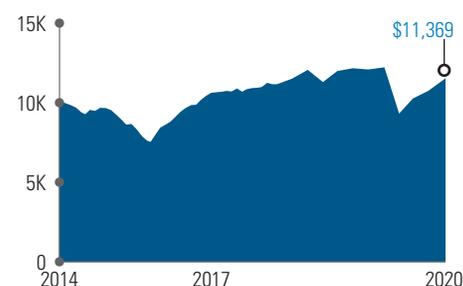
Consumer Cyclical	24.9	Capital Goods	4.3
Consumer Non Cyclical	14.0	Insurance	3.4
Energy	10.3	Communications	1.5
Technology	10.3	Industrial Other	0.6
Financial Other	6.3	Equity	0.2

¹ **Net Asset Value (NAV)** is total assets less total liabilities divided by the number of shares outstanding.

² Distribution rate is calculated by annualizing the most recent distribution amount paid, excluding special distributions, divided by the closing market price or NAV. As of 12/31/2020, the fund estimates that the distributions will be paid from: 100.00% investment income; 0.00% realized capital gains; and, 0.00% return of capital. The Distribution Rate is subject to change and is not a quotation of Fund performance. The Board of Directors may terminate or suspend the managed distribution policy at any time. Any such termination or suspension could have an adverse effect on the market price of the Fund's shares. A return of capital is not taxable and results in a reduction in the tax basis of a shareholder's investment. For more information about a distribution's composition refer to the Fund's distribution press release or, if applicable, the Section 19 notice located in the press release section of our website.

Growth of \$10,000 investment

NAV Total Return – Inception through Dec. 31, 2020



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 sold, may be worth more or less than the original cost. Returns based on NAV assume the reinvestment of all distributions at NAV. All returns include the deduction of management fees, operating expenses and all other fund expenses, and do not reflect the deduction of brokerage commissions or taxes that investors may pay on distributions or the sale of shares.

Fund Data as of Dec. 31, 2020

NAV Symbol	XWMFX
Inception Date	08/26/14
Net Asset Value (NAV) ¹	\$612.69
Distribution ²	\$7.7900
Distribution Rate (NAV) ²	5.1%
Distribution Frequency	Quarterly

Portfolio characteristics as of Dec. 31, 2020

Total Assets	\$122.3M
Loans	4.1%
Preferred Shares	0.0%
Reverse Repos	0.0%
Net Assets	\$117.3M
Weighted Average Life	3.0 yrs
Effective Duration	1.7 yrs

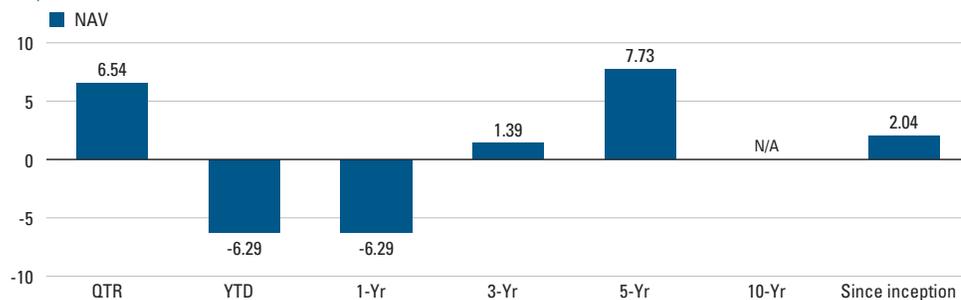
Any information, statement or opinion set forth herein is general in nature, is not directed to or based on the financial situation or needs of any particular investor, and does not constitute, and should not be construed as, investment advice, forecast of future events, a guarantee of future results, 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.

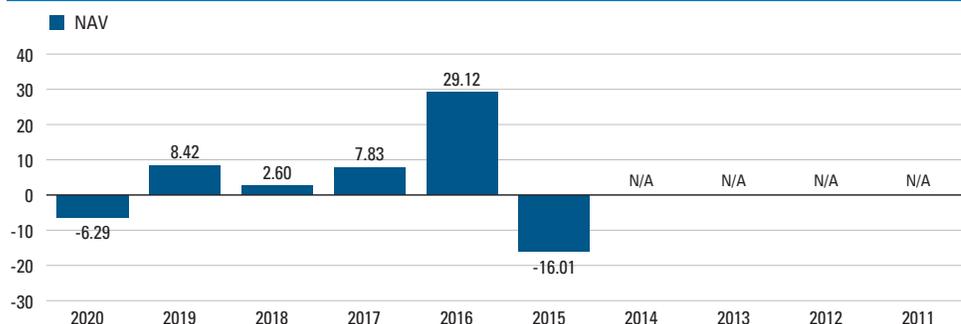
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Average annual total returns (%) as of Dec. 31, 2020

Inception date 08/26/14



Calendar-year total returns (%)



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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.

Weighted Average Life (WAL) is the weighted average of the life of the securities held in a fund or portfolio and can be used as a measure of sensitivity to changes in liquidity and/or credit risk. Generally, the higher the value, the greater the sensitivity. However, unlike Weighted Average Maturity, WAL does not include interest rate resets in its calculation. Funds that employ leverage calculate Weighted Average Life based off of Gross Assets.

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. Please note, duration measures the sensitivity of price (the value of principal) of a fixed-income investment to a change in interest rates. Funds that employ leverage calculate effective duration based off of Net Assets.

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, when two or more of the agencies have assigned differing ratings to a security, the lowest 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.**

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What should I know before investing?

An investment in the Fund involves a high degree of risk. The Fund should be considered an illiquid investment. The Fund does not intend to apply for an exchange listing, and it is highly unlikely that a secondary market will exist for the purchase and sale of the Fund's Common Stock. You could lose some or all of your investment. An investment in the Fund is not appropriate for all investors and is not intended to be a complete investment program. The Fund is designed as a long-term investment for investors who are prepared to hold the Fund's Common Stock until the expiration of its term, and is not a trading vehicle. All investments are subject to risk, including possible loss of principal. Fixed income securities are subject to numerous risks, including but not limited to: credit, inflation, income, prepayment and interest rates risks. As interest rates rise, the value of fixed income securities falls. Middle market companies have additional risks due to their limited operating histories, limited financial resources, less predictable operating results, narrower product lines and other factors. High yield bonds ("junk bonds") are subject to higher credit risk and a greater risk of default. The Fund may invest all or a portion of its Managed Assets in illiquid securities. The Fund may make significant investments in securities for which there are no observable market prices; the prices of which must be estimated by the investment manager. Investments in foreign securities involve risks, including the possibility of losses due to changes in currency exchange rates and negative developments in the political, economic or regulatory structure of specific countries or regions. These risks are greater in emerging markets. Leverage may result in greater volatility of net asset value (NAV) of common shares and increases a shareholder's risk of loss. Derivative instruments can be illiquid, may disproportionately increase losses and have a potentially large impact on Fund performance.

Distributions are not guaranteed and are subject to change.

Where can I find more information?

For more information, including current performance, Semi/Annual Reports, and Section 19 Notices, please visit www.lmcef.com or call 888-777-0102.

The Closed-End Funds are not sold or distributed by Legg Mason Investor Services, LLC ("LMIS") or any affiliate of Legg Mason, Inc. Unlike open-end funds, shares are not continually offered. Like other public companies, closed-end funds have a one-time initial public offering. Share prices will fluctuate with market conditions and, at the time of sale, may be worth more or less than your original investment. Investment return and net asset value will fluctuate with changes in market conditions. The Funds are subject to investment risks, including the possible loss of principal invested. Note that unlike other closed-end funds, Western Asset Middle Market Income Fund is not publicly traded and is closed to new investors. For more information, please call Investor Relations: 888-777-0102, or consult the fund's website at www.lmcef.com.



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