

Media Release

23 May 2018

Lonsec continues to “Highly Recommend” Legg Mason Western Asset Australian Bond Fund

For the fifth consecutive year research house Lonsec has given the Legg Mason Western Asset Australian Bond Fund the top rating of “highly recommended”.

In its latest Product Review report, Lonsec says this rating indicates a “a very strong conviction that the financial product can generate risk-adjusted returns in line with relevant objectives. It is considered a preferred entry point to this asset class.”

The Lonsec Report identifies the Fund’s strengths as its investment team, headed by the “highly capable” Portfolio Manager Anthony Kirkham, as well as its access to the team’s global peers’ expertise. “We have a high regard for the stable investment team led by Anthony Kirkham and Western Asset’s global resources, which the team can efficiently leverage off.

“We also view the Manager’s thorough research and portfolio construction process and its commitment to improving portfolio and risk management systems as a strength of the offering. Whilst the Fund has delivered better risk-adjusted returns relative to peers, Lonsec notes that its alpha generation continues to be skewed towards sector allocation and credit selection.”

The Fund is an Australian bond product managed against the Bloomberg AusBond Composite 0+ Year Index. Typically, it invests in Australian dollar denominated debt securities paying fixed or floating rate coupons issued by governments, supranational bodies and Australian and foreign corporates.

Legg Mason Managing Director, Australia and New Zealand, Andy Sowerby, welcomes the Lonsec rating “as compelling evidence the Western Asset Australian investment team remains ahead of the curve with this Fund.

“Anthony and the team has consistently delivered on their objectives and this, allied to the strength of the team and the robust investment process, is why the Fund has achieved a ‘highly recommended’ rating for five consecutive years.”

For Western Asset Management this award completes a clean sweep of all the major domestic fixed income awards in Australia over the past 12 months, with the firm having won the Money Management/Lonsec Australian Fixed Income award, the Professional Planner/Zenith Australian Fixed Income Manager of the Year in late 2017 and Morningstar Australia’s Fund Manager of the Year 2018: Fixed Interest Category, Australia in March 2018.

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About Legg Mason

Guided by a mission of Investing to Improve Lives™, Legg Mason helps investors globally achieve better financial outcomes by expanding choice across investment strategies, vehicles and investor access through independent investment managers with diverse expertise in equity, fixed income, alternative and liquidity investments. Legg Mason's assets under management are AUD \$982 billion as at 31 March 2018. To learn more, visit leggmason.com.au

Legg Mason provides a global platform and centralised business and distribution support for its nine affiliated fund managers that include: Brandywine Global, Clarion Partners, ClearBridge, EnTrustPermal, Martin Currie, RARE Infrastructure, Royce & Associates, QS Investors and Western Asset. Each affiliate operates independently under its own brand and investment process and is considered an industry expert in its asset class.

Australia Facts:

- Legg Mason's Australian business was established in 1954
- Funds under management in Australia are A\$56 billion as at 31 March 2018 (Source: Rainmaker Data. Consists of AUM in funds managed in Australia for both Australian and offshore clients)
- Legg Mason Australia was awarded the Money Management/Lonsec Fund Manager of the Year in both 2015 and 2017.

About Western Asset Management

Western Asset is one of the world's leading dedicated fixed income managers. From offices in Pasadena, Hong Kong, London, Melbourne, New York, São Paulo, Singapore, Tokyo and Dubai, the company provides investment solutions for a wide variety of global clients, across a diverse range of mandates. Western Asset's long performance track record and global presence has positioned the company to continue its commitment to excellence in fixed income investment management and client service. With a focus on long-term fundamental value investing that employs a top-down and bottom-up approach, the firm has experience across the full range of fixed income sectors.

- Established 1971
- Head office Pasadena, USA
- Funds managed Update A\$561 billion as at 31 March 2018

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