

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 SOUTHEAST ASIA SPECIAL SITUATIONS TRUST (THE “TRUST”)

Product Type	Unit Trust	Inception Date	2 March 1998
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	1.66%
Name of Guarantor	N/A		

PRODUCT SUITABILITY

WHO IS THE PRODUCT SUITABLE FOR?

- The Trust 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 Section 8.1 on Page 5 and 8.4 on Pg 7 of the Prospectus for further information on product suitability.

KEY PRODUCT FEATURES

WHAT ARE YOU INVESTING IN?

You are investing in a unit trust constituted in Singapore that aims to achieve medium to long-term capital appreciation by investing at least 70% of the Trust in securities issued by companies that are incorporated, domiciled or listed, or have a significant economic interest, in South and South-East Asia countries.

The Trust is included under the CPF Investment Scheme-Ordinary Account for investment and is classified under the risk classification of “Higher Risk/Narrowly Focused (Asian Region Stocks)”.

Refer to Section 1 on Pg 1 and Section 7 and 8 on Pg 5 of the Prospectus for further information on features of the product.

Investment Strategy

- Emphasis on Asian “Special Situation” companies (those companies which have yet to gain the attention of the market). Examples can include corporate restructuring or re-engineering, management change, new product introduction or innovation, new business injections and changes in the regulatory and business environment.
- While the Trust may enter into foreign exchange transactions to manage the Trust’s currency exposure, in practice over the longer term, the Trust will generally maintain an unhedged strategy applying tactical, or shorter term currency hedges, only in extreme market conditions.

Refer to Section 8 on Pg 5 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"> • Borrowings may be effected on behalf of the Trust, of up to 10% of the Singapore Dollar equivalent of the Trust’s total net asset value. • Investments in any one corporation or body or issuer will be restricted to 10% of the total value of the Trust. • Besides equities, the Trust may also invest in bonds and other debt securities and cash. • Not more than 10% of the total value of the Trust will be invested in foreign unit trusts and mutual funds without the prior approval of the relevant authorities. • The Trust currently does not invest in derivatives (except for transferable securities embedding a financial derivative), engage in securities lending and/or carry out repurchase transactions although it is permitted to do so. The Trust may invest in derivative instruments from time to time for purposes of hedging and/or efficient portfolio management and may invest in transferable securities embedding a financial derivative from time to time for purposes of hedging, efficient portfolio management and/or optimising returns. • The Trust’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 5 on Pg 3 and 4 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>You should consider and satisfy yourself as to the risks of investing in “Special Situations” companies which may present greater opportunities for capital appreciation but may also involve greater risk than is normally associated with more stable and established companies.</p> <p>An investment in the Trust is meant to produce returns over the long term. 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 10 on Pg 9 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 market risk in South and South-East Asian markets. <ul style="list-style-type: none"> ○ Prices of securities held by the Trust may go up or down in response to changes in economic conditions, political conditions, interest rates in the South and South-East Asian markets that the Trust invests in and the market’s perception of securities which in turn may cause the price of Units to rise or fall. • You are exposed to currency risk. <ul style="list-style-type: none"> ○ The Trust’s assets and income will be denominated in a number of different currencies and thus fluctuations in foreign exchange rates may have an impact on the income and the valuation of the assets in the Trust. • You are exposed to debt securities risk. <ul style="list-style-type: none"> ○ Issuers of bonds and other debt securities held by the Trust may default on their obligations. • You are exposed to emerging markets risk. <ul style="list-style-type: none"> ○ The Trust may invest in emerging markets. Such investments may involve political, regulatory and repatriation risks, and risks associated with liquidity, relatively small market capitalisation, relatively higher price volatility, lower disclosure standards, susceptibility to financial shocks, and economic and social uncertainty. 	<p>Refer to Section 10 on Pg 9 of the Prospectus for further information on risks of the product.</p>

Liquidity Risks									
<ul style="list-style-type: none"> • The Trust is not listed and you can only redeem on Dealing Days. <ul style="list-style-type: none"> ○ There is no secondary market for the Trust. All redemption requests should be made to the relevant approved agent or distributor through whom Units in the Trust were purchased. • 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. 	<p>Refer to Section 13 on Pg 14 and Section 15 on Pg 17 of the Prospectus for further information on risks of the product.</p>								
Product-Specific Risks									
<ul style="list-style-type: none"> • You are exposed to derivatives risk. <ul style="list-style-type: none"> ○ The Trust may invest in derivatives for purposes of hedging and/or efficient portfolio management and may invest in transferable securities embedding a financial derivative for purposes of hedging, efficient portfolio management and/or optimising returns. Derivatives involve risks different from, and, in some cases, greater than, the risks presented by more traditional securities investments. The value of derivative instruments is subject to market risks and may fall in value as rapidly as it may rise and it may not always be possible to dispose of such instruments during such fall in value. 	<p>Refer to Section 10 on Pg 9 of the Prospectus for further information on risks of the product.</p>								
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" style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td style="background-color: #e0e0e0; width: 30%;">Preliminary Charge</td> <td> <ul style="list-style-type: none"> ○ Currently 5% for cash and SRS investment ○ Currently 3% for CPF investment (Maximum 5%) </td> </tr> <tr> <td style="background-color: #e0e0e0;">Realisation Charge</td> <td> <ul style="list-style-type: none"> ○ Currently NIL (maximum 2%) </td> </tr> </tbody> </table> <p><u>Payable by the Sub-Fund from invested proceeds</u></p> <ul style="list-style-type: none"> • The Trust will pay the following fees and charges to the Manager and Trustee: <table border="1" style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td style="background-color: #e0e0e0; width: 30%;">Annual Management Fee</td> <td> <ul style="list-style-type: none"> ○ 1.5% p.a. (maximum 1.5% p.a.) </td> </tr> <tr> <td style="background-color: #e0e0e0;">Annual Trustee Fee</td> <td> <ul style="list-style-type: none"> ○ 0.125% p.a. on 1st S\$10 million. 0.075% p.a. on balance of S\$10 million and above. Maximum 0.25% p.a. subject always to a minimum of S\$15,000 p.a. </td> </tr> </tbody> </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 2%) 	Annual Management Fee	<ul style="list-style-type: none"> ○ 1.5% p.a. (maximum 1.5% p.a.) 	Annual Trustee Fee	<ul style="list-style-type: none"> ○ 0.125% p.a. on 1st S\$10 million. 0.075% p.a. on balance of S\$10 million and above. Maximum 0.25% p.a. subject always to a minimum of S\$15,000 p.a. 	<p>Refer to Section 9 on Pg 8 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 Trust is published on each day on the Principal Distributor’s website at http://www.leggmason.com.sg, The Business Times, Teletext and Bloomberg, and once a week in The Straits Times (only CPFIS included funds are listed). The actual net asset value is normally published two (2) Business Days after the relevant Dealing Day.</p>	<p>Refer to Section 14 on Pg 16 and Section 13 on Pg 14 of the Prospectus for further information on valuation and exiting from the product.</p>								

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

- You can exit the Trust 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 first-time investor, you can exit the Trust without incurring the preliminary charge stated above, by submitting a cancellation request 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 the investor at the time of the subscription or purchase.
- The minimum holding is 1,000 Units or the number of Units which were or would have been purchased for S\$1,000 at the prevailing issue price at the time of your initial subscription. The minimum realisation amount is 100 Units.
- 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 Trust.
- Your 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 realisation price multiplied by the number of Units sold, less any charges. An example is as follows:

Realisation price	X	Number of Units sold	=	Gross Realisation Proceeds
S\$0.950	X	1,100	=	S\$950
Gross Realisation Proceeds	-	Realisation Charge	=	Net Realisation Proceeds
S\$950	-	S\$0.00	=	S\$950

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 a gazetted public holiday) on which commercial banks are open for business in Singapore.

Dealing Day: In connection with the issuance and realisation of Units, means every Business Day or such Business Day or Business Days at such intervals as the Managers may from time to time determine provided that reasonable notice of any such determination shall be given by the Managers to all holders at such time and in such manner as the Trustee may approve.