



ACTIVATE YOUR FIXED INCOME

The BetaShares Legg Mason Australian Bond Fund (managed fund) (ASX: BNDS) is managed by Legg Mason's multi award-winning fixed income specialist Western Asset. BNDS is the first fixed income Active ETF available on the ASX and is designed to provide efficient access to an actively managed and broadly diversified portfolio of Australian fixed income securities.



Invests across the full fixed income spectrum

Maximises the investment opportunities from Australian fixed income by investing in government, semi government, supranational and corporate bonds and other fixed income securities.



Strong risk management focus

Disciplined portfolio construction maintains a key focus on managing interest rate risk by limiting duration to one year away from the benchmark. The exposures within the Fund have an average credit rating of AA as at November 2018.



Embraces bond market development

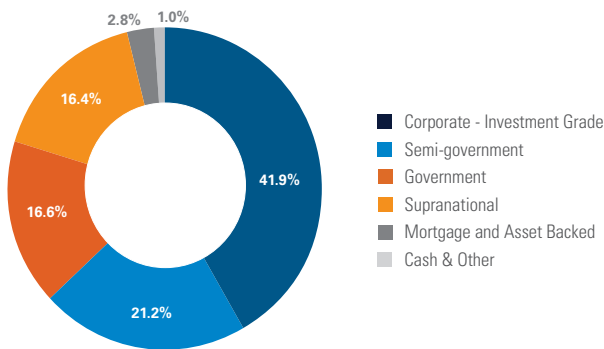
Australian credit markets have recently expanded thanks to long dated issues from many large corporations. BNDS actively invests in this deeper opportunity set aiming for diversification and greater portfolio returns.



Experienced team with award winning expertise

The Fund's investment team has won multiple awards in recent years¹ and has also managed the highly successful unlisted Legg Mason Western Asset Australian Bond Fund for more than 20 years using the same investment strategy as BNDS.

Unlisted Australian Bond Strategy - Sector allocation



Source: Legg Mason, 30 September 2018. BNDS commenced in November 2018. The sector exposure of the unlisted Legg Mason Western Asset Australian Bond Fund is shown above to illustrate how a comparable fund managed by Western Asset using the same strategy is positioned.

RESEARCH MATTERS IN FIXED INCOME

Success in fixed income is as much about risk management as it is about finding investment opportunities. Balancing the two objectives requires a significant research effort by on-the-ground analysts.

One way to distinguish fixed income managers is to compare the level of resources dedicated to analysing bond markets, economics and the creditworthiness of bond issuers. Western Asset has specialised and alternative credit research teams globally that few, if any, fixed income managers can match. The Western Asset team leverage global strength to enhance their Australian presence.

BNDS is managed by wholly owned Legg Mason investment affiliate Western Asset, one of the world's leading dedicated fixed income managers. Western Asset is recognised for an approach emphasising team collaboration and intensive proprietary research, supported by robust risk management.

There are risks associated with an investment in the Fund, including interest rate risk, credit risk and market risk. For more information on risks and other features of the Fund please see the Product Disclosure Statement.

The Fund can be bought and sold like any share using the **ASX code: BNDS**

www.betashares.com.au/leggmason4letters

¹ Professional Planner | Zenith Fund Award for Australian Fixed Income 2016, 2017 and 2018, Money Management | Lonsec Fund Manager of the Year, Australian Fixed Income (May 2018) and Morningstar Australia's Fund Manager of the Year 2018: Fixed Interest Category, Australia. BetaShares Capital Ltd (ABN 78 139 566 868 AFSL 341181) (BetaShares) is the issuer and responsible entity of the BetaShares Legg Mason Australian Bond Fund (managed fund) (ARSN 608 058 493) (Fund). BetaShares has appointed Legg Mason Asset Management Australia Ltd (ABN 76 004 835 849 AFSL 240827) (Legg Mason Australia) as investment manager for the Fund. Legg Mason Australia is part of the Global Legg Mason Inc. group. Western Asset is a division within Legg Mason Australia, provides the investment management services for the Fund. Any reference to 'Legg Mason Australia' or 'Western Asset' is a reference to Legg Mason Asset Management Australia Limited. Before making an investment decision you should read the Product Disclosure Statement (PDS) for the Fund carefully and consider, with or without the assistance of a financial advisor, whether such an investment is appropriate in light of your particular investment needs, objectives and financial circumstances. The PDS is available and can be obtained by contacting BetaShares on 1300 487 577 or Legg Mason Australia on 1800 679 541 or at www.betashares.com.au or www.leggmason.com.au. This information does not take into account the investment objectives, financial objectives or particular needs of any particular person. Neither BetaShares, Legg Mason Australia, nor any of their related parties guarantees any performance or the return of capital invested. Past performance is not necessarily indicative of future performance. Investments are subject to risks, including, but not limited to, possible delays in payments and loss of income or capital invested.