



Legg Mason Asian Enterprise Trust

Legg Mason Asian Bond Trust

Legg Mason Worldwide Enterprise Trust

Legg Mason Southeast Asia Special Situations Trust

Legg Mason Global Bond Trust

Semi-Annual Report

For the period ending 30 September 2007

Contents

Legg Mason Asian Enterprise Trust	7
Legg Mason Asian Bond Trust	29
Legg Mason Worldwide Enterprise Trust	49
Legg Mason Southeast Asia Special Situations Trust	67
Legg Mason Global Bond Trust	85

“The Central Provident Fund Board currently pays a legislated minimum interest rate of 2.5% on the Ordinary Account and a guaranteed minimum rate of 4% on the Special Account. CPF interest rate is based on the 12-month fixed deposit and month-end savings rates of the major local banks and it is revised quarterly.”

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Global Fixed Income Markets Review and Outlook

Semi-Annual Report for the period ending 30 September 2007

Market Review

The third quarter of the year was a strong one for government bonds around the globe. The transition of the subprime crisis into a more widespread money market and credit crisis forced market participants to revise downwards their rate and growth expectations for the US and, to a lesser degree, for Europe. Housing data continued to deteriorate in the US and business confidence moved slightly lower in Europe. The Federal Reserve cut the Fed funds rate by 0.5% on September 18th. Nevertheless, government bonds began to give back some of the gains of July and August as liquidity returned to financial markets and risk aversion declined. However, spreads between LIBOR and treasury bills remained close to their historical wide levels signalling continuing problems in the refinancing of short dated paper. The best performing markets during the month and the quarter were the US and the UK. The UK market benefited from increased concerns about the health of the financial system when Northern Rock, a mortgage originator, asked for help from the Bank of England as it struggled to secure financing in the inter-bank and securities markets.

Breakeven spreads on Treasury Inflation-Protected Security ("TIPS") widened in September as real yields fell more than nominal yields on expectations of easier monetary policy. All spread sectors improved in September, although to different degrees. High Yield and investment grade corporate bonds performed well while mortgage backed securities only improved marginally. European financials experienced further substantial spread widening in the first half of September as the Northern Rock crisis heightened anxiety on the state of European banks. Spreads came in sharply, however, after the Fed rate cut and finished the month unchanged to marginally tighter.

The divergence between growth and monetary policy expectations for the US and the rest of the world continue to influence the fate of the US Dollar. As a result, the Dollar depreciated against most major currencies during the quarter and the month. The main benefactors of the Dollar depreciation were the commodity currencies like the Canadian and Australian Dollar, but also the Euro. The Canadian Dollar reached parity for the first time since 1976 and the Euro reached all time highs. Speculation arose that a number of Middle Eastern economies affected by high levels of inflation were considering abandoning their Dollar pegs in favour of currency baskets. The Euro would be the main beneficiary of such a policy change.

Outlook and Strategy

Our outlook can best be described as cautiously optimistic. Liquidity conditions have improved over recent weeks but it is too early to sound the all clear just yet. Over time market forces will undoubtedly dissolve the mortgage-related dislocations, unlock the logjam and redistribute risk more efficiently. But this process will take time and although steps have been taken in the right direction the probability of setbacks remains high. All major central banks have responded to these difficulties. The US-Fed has cut its Fed Funds and discount rates. The European Central Bank ("ECB"), the Bank of England and the Bank of Japan have postponed rate hikes. All of them have injected liquidity into the inter-bank market. These moves are intended to facilitate the adjustment process in financial markets and shield the healthy sectors of the economy from negative spill-over. However, financial market reaction to these moves suggests that room for manoeuvre could be limited for the central bankers. In particular after the Fed rate cut, markets saw a strong rally in equities and commodities, the Treasury yield curve steepened, break-even inflation rates rose and the dollar declined. All of this was a clear reminder that the problems in housing and the financial industry unfolded against a backdrop of still too-high inflationary pressures and a strong global economy. Further easing could simply be too much of a good thing for other sectors of the global economy.

We continue to believe that inflation is broadly contained in the US and that prior to the rate cut the Fed had been moderately restrictive. However, the scope for additional rate cuts will still depend on the economic data in coming months. The credit crisis is bound to have a noticeable impact on the economy but we still believe the risk of recession is fairly limited. We see a good chance of another rate cut but do not forecast an extended easing cycle at this stage. We are moderately overweight in duration with a modest steepening bias but have reduced both positions slightly after the Fed move. Our expectation of a return to normality is mainly expressed through our sector strategies. US-Mortgage-backed securities and US High Yield corporate bonds are our preferred sectors and both should benefit from lower volatility, continued moderate growth and declining risk aversion. We have also increased our long position in the dollar, mainly versus the Euro, as we think the recent sell-off is overdone. A return to a large-scale reflation program, that would undermine the dollar further, is unlikely. The prospect of the US economy growing at a moderate and stable pace, but which is also somewhat below the global average, should even improve the structural underpinning of the US currency.

In Europe growth seems to have moderated but still looks solid, if no longer impressive. The ECB remains concerned about strong money and credit growth and slightly elevated inflation. However, as long as the unusual gap between the overnight rate and longer deposit maturities persists in money markets, and the ECB continues to add liquidity, further rate hikes are ruled out. Further out policy will remain data-dependant. It is our view that the economy should still do ok and that after an extended pause over the winter the ECB could reconsider its policy options in the spring of 2008, provided that credit markets have normalised by then. Our European duration position remains close to neutral. We continue to hold a substantial overweight to European banks, which have suffered in the recent crisis and which now trade at attractive spread levels.

As to UK monetary policy, we do believe that rates have peaked and that the Bank of England will soon begin to lower rates. We remain moderately bearish on the Pound Sterling.

Japan also appears to have hit a soft patch recently. However, looking into 2008 we still expect better performance from the economy and the Bank of Japan's tightening campaign to continue. We remain underweight Japanese duration but long the Japanese Yen.

Asian Fixed Income Markets Review and Outlook

Semi- Annual Report for the period ending 30 September 2007

Market Review

Driven mainly by a slightly stronger US Treasury market and an easing in concern over the effects of the US sub-prime issue following the 50 basis points cut in the US Fed Funds rate, the USD Asian bond market rose by 1.32% in September. The return of risk appetite resulted in the market outperforming US Treasuries. It was thus not surprising that the non-investment grade sector led the rise in the Asian USD market with a gain of 3.5% against a sub-par 0.4% rise in the investment grade sector. Asian local currency bond markets were also stronger, with the HSBC Asian Local Bond Index closing the month sharply higher by 2.72% in USD terms as local bonds and currencies gained.

Within the non-investment grade sector, the spreads of the sovereign and quasi-sovereign sectors tightened significantly, by 63 basis points and 51 basis points, respectively. Investors are less concerned over the fall-out from the US sub-prime markets on US lenders and global funds, especially since the US Federal Reserve seemed ready to prevent the problem from deepening and spreading into other sectors of the economy. The spread tightening was also aided by continued optimism in regional non-investment grade countries. In the Philippines, the government recorded in August a third straight month of surplus at PHP13.9 billion, the largest in a year and bringing the deficit for the year to August at PHP25.5 billion vs PHP41 billion in 1H'07. The target of PHP63 billion deficit therefore remained achievable with a strong chance of an outperformance. The balance of payments surplus widened further in August to an all-time month record of USD2.21 billion from USD1.34 billion in July. That, together with the strong inflows of remittances from Overseas Foreign Workers ("OFWs"), pushed the foreign reserves up by a huge 8.2% m/m in August to USD30.32 billion, yet another all-time record high and sufficient to cover 7.8 months of 2006 average imports of USD3.91 billion per month. In Indonesia, exports growth decelerated further in July to 10.5% from June (+11.4%) but remained supportive of a strong GDP growth of around 6%. Imports rebounded strongly by 15.4%. The trade surplus widened to USD3.6 billion from USD3.5 billion. Foreign reserves edged down slightly in August to USD51.43 billion from the record of USD51.88 billion in July, sufficient to cover 10.1 months of the country's 2006 average monthly import bill of US\$5.08 billion.

The Asian high grade sector recovered in September following the sub-prime and liquidity related weakness seen in July and August. The recovery started when major central banks globally injected liquidity into the market, which created stability, and this was further supported by the Fed cutting the discount rate to 5.25% and the Fed funds rate to 4.75%. The new issuance market opened up again in September, with ICICI (BBB-/Baa2) issuing a \$2 billion, 5 year bond. In China, Hutchison Whampoa tightened on rumours that they are to dispose of its Italian 3G operator, whilst leverage buyout rumour surrounded their main competitor, PCCW, causing spreads to widen early in the month, but these rumours were dismissed by the end of September and bonds tightened in again. In Korea, the main news was in the telco sector, with the government announcing a relaxation of price controls on the state owned market leader, SK Telecom. In Malaysia, Telekom Malaysia announced a restructuring, and plans to spin off its mobile operations. As a result, bonds were put on watch negative by both Moody's and S&P, and TelMal bonds widened about 20 basis points on the month. In Thailand, rumours that the Thai Government may sell its stake in IRPC to PTT, resulted in a 15 basis points widening of IRPC bonds, and talks of a merger between Rayong Refinery and Aromatics resulted in 6 basis points widening for Aromativ bonds.

September was a very strong month for Asian High Yield, and the Merrill Lynch Asian non-financial High Yield index returned 2.5%. Although this strength was enhanced by the Fed's decision to cut rates by 50 basis points, the rally had actually already started earlier in the month.

Newswise, it was an extremely quiet month. Adaro announced that they intend to buy four more mines, and are in the process of raising funds. However, under the terms of their indenture, they are unable to do this without tendering for the existing bonds, and as a result the bonds rallied. In the Chinese property sector, rumours of further measures taken by the Chinese government to control the property boom finally came to fruition at the end of the month, following reports that the Chinese property market grew by 8% in August. However, this does not appear to have had much of an impact on bond prices yet. Telekom Malaysia also announced that they are spinning off their wireless businesses in a restructuring. Telekom Malaysia own Excelcomindo and have a cross default provision with their bonds. Under the terms of Excelcomindo's indenture, they may have to seek a waiver from bondholders due to a change in the legal entity of the ownership. Several companies reported in September: in the Chinese property sector, Hopson were slightly below expectations, with earnings down 4%, whilst Agile and Greentown reported results that were in line. CITIC reported results with earnings up 14%, and Galaxy reported extremely strong results. In other news, Titan was downgraded from B2 to B3, on the back of the announcement that they were to acquire a shipyard from their controlling shareholder.

There were two new issues announced and priced in September. The \$2 billion ICICI 6.625%, 2012 bond, was well received with the book allegedly 3x oversubscribed. There was also a small \$90 million Chinese property deal – Hong Long Properties, which came with detachable warrants. No other issuance was announced. Asian high yield has rebounded off the lows seen last month. As long as the Fed continues to pre-empt negative news flow in the US market this should be sustainable, although it is unlikely the market will regain its previous tight levels in the near term.

In the local currency bond markets, performance was up in most countries as positive fundamentals and potential for interest rate easing in some countries provided impetus for the market to rise. Indonesia and the Philippines outperformed as expectations of interest rate easing following the US Fed Funds rate cut as well as stronger currencies provided fuel for the outperformance. A rise in their currencies also helped. The Singapore market also did well but mainly due to a stronger Singapore Dollar ("SGD") that was propelled by expectations that a stronger SGD is desired to help stave off a potential inflation threat as the economy grew much stronger than previously expected.

Outlook and Strategy

There is no change in our positive assessment that macroeconomic fundamentals in Asia would be supportive of the Asian USD bond markets, especially since concerns about the US sub-prime market appeared to have subsided. We remain overall overweight duration in the Asian USD sector and are likely to continue maintaining a sector spread position by being overweight duration the non-investment grade sector after the recent sell-off in this sector against an underweight in the investment grade sector. We will remain invested in both the high grade and high yield corporate bond market in our Asian portfolios as we continued to be constructive on selective Asian High Grade/ High Yield over the near to medium term. Fundamentals remain strong for corporates in Asia.

We continue with our structural view that most Asian currencies will continue to perform well under the influence of strong external balances and a sustained economic recovery. As such, we have not changed our view that fundamentals remain supportive of local currency markets. Our strategy continues to be one of diversifying our Asian currency exposure given the potential for volatility in some currencies. On local interest rates, we expect declining or stable inflation in most Southeast Asian countries to provide room for policy interest rates to remain unchanged or even decline further, especially if US interest rates were lowered. On a prospective total return basis, we continue to favour the high yield markets like Indonesia Rupiah ("IDR"), Philippines Peso ("PHP") and Indian Rupee ("INR").

Asian Equities Markets Review and Outlook

Semi-Annual Report for the period ending 30 September 2007

Market Review

Investors are celebrating the Federal Reserve's decision to cut the Fed Funds rate by 50 basis points, and markets are rallying in typical response. Large cap, quality names have risen sharply in most Asian markets. China and Indian stocks have predictably performed the best, being the twin principle engines of Asian growth. Asian currencies are stronger, adding further to the appeal of this asset class.

In the near term, the centre stage will be dominated by the ensuing debate over future Fed action and the extent to which the US economy is losing steam. Given that it has been a "V" shaped recovery, we expect the weeks ahead to remain highly volatile. This notwithstanding, China and the rest of Asia happily dances to its own tune off stage, and investors are applauding in standing ovation. It is now clear that Asian companies are little affected by the US sub prime woes. Importantly, the robustness of the Chinese economy asserts a strong pull on the rest of the region, relegating the importance of the debate about the US economy. China is itself becoming less dependent on US trade; the European Union is now China's most important export destination. The US contributed a mere 13.7% to China's export growth in the first half of this year. This pattern recurs in other Asian economies such as Taiwan, which have historically had a stronger dependence on the US.

The real performance kicker has come from China's Qualified Domestic Institutional Investors ("QDII") policy. The staggering amounts raised in maiden QDII fund launches mean valuation of Chinese shares listed in Hong Kong will be elevated. Even so, the valuation gap between the "A" and "H" shares remain large, and closure of the gap has been selective and modest. The QDII fever has spread to Singapore, and we are witnessing a replay of what has been happening to China shares listed in Hong Kong. The short term price moves have been explosive, and some giveback is inevitable. The opening of this floodgate has wider, positive implications for the region, and the list of approved QDII markets is growing.

Commodity related stocks have also had an explosive run in recent weeks. From minerals to metals, new price benchmarks are being set in response to supply bottlenecks as well as demand growth. Acquisitive interests are growing for the purpose of supply control. There are rumours that resource rich countries like Indonesia are planning to introduce export restrictions for coal. Demand anxiety and supply distortion all lend support to valuation. The demand perspective also reflects the strength of the global economy, once again rendering irrelevant the debate over the state of the US economy. It is the former that matters more to Asia rather than the latter per se.

Outlook & Strategy

Our portfolios have a modest mid cap, growth tilt in general, and have therefore lagged the explosive moves in large cap, interest sensitive stocks in the very near term. We do not consider any of this to be unusual, particular at this phase of a rebound, and in the aftermath of a major Fed action. Large caps have generally recouped most of the sub prime induced losses, making the catch up to come from small and mid caps inevitable. We have also increased our commodities exposure in the past month. This has added to our performance.

Legg Mason Asian Enterprise Trust

Legg Mason Asian Bond Trust

Legg Mason Worldwide Enterprise Trust

Legg Mason Southeast Asia Special Situations Trust

Legg Mason Global Bond Trust

Legg Mason Asian Enterprise Trust

Report to Unitholders

For the half year ended 30 September 2007

Investment Allocation as at 30 September 2007

By Country	Market Value in SGD	% of NAV
Bermuda	8,108,301	1.92
China	88,284,033	20.89
Hong Kong	80,024,658	18.94
Indonesia	6,482,418	1.53
Macau	3,394,264	0.80
Malaysia	1,629,395	0.39
Philippines	1,990,272	0.47
Singapore	39,130,780	9.25
South Korea	93,590,937	22.16
Taiwan	83,721,036	19.80
Portfolio of investments	406,356,094	96.15
Other net assets	16,278,011	3.85
Total	422,634,105	100.00

By Industry	Market Value in SGD	% of NAV
Bank	19,333,192	4.57
Building and construction	19,743,786	4.68
Cable and wire	4,279,833	1.01
Chemical	21,513,180	5.09
Computer and software	40,319,077	9.53
Consumer	14,826,421	3.51
Construction	4,187,258	0.99
E-commerce	8,108,301	1.92
Educational services	3,804,132	0.90
Electrical and electronic	43,908,452	10.39
Engineering and machinery	4,541,131	1.07
Finance	24,699,254	5.83
Industrial	12,086,950	2.86
Insurance	9,355,743	2.22
Investment	5,030,680	1.19
Iron & steel	9,696,879	2.30
Material	4,048,600	0.96
Manufacturing	10,593,359	2.51
Metal	12,974,750	3.07
Metal refining	4,167,386	0.99
Miscellaneous	9,624,038	2.28
Oil and gas	15,956,360	3.77
Real estate	31,739,990	7.52
Retail	4,427,372	1.05
Services	8,444,477	2.00

Legg Mason Asian Enterprise Trust

Report to Unitholders

For the half year ended 30 September 2007

By Industry (cont'd)

	Market Value in SGD	% of NAV
Telecommunication	19,682,975	4.66
Textiles	5,610,615	1.33
Tire and rubber	3,353,431	0.79
Transport	26,930,784	6.37
Wholesale	3,367,688	0.79
Portfolio of investments	406,356,094	96.15
Other net assets	16,278,011	3.85
Total	422,634,105	100.00

By Asset Class

	Market Value in SGD	% of NAV
Equities	406,356,094	96.15
Portfolio of investments	406,356,094	96.15
Other net assets	16,278,011	3.85
Total	422,634,105	100.00

Top 10 Holdings

Holdings as at 30 September 2007

	Market Value in SGD	% of NAV
China Mobile Limited	12,325,416	2.92
Firich Enterprises Co Limited	12,299,279	2.91
Samsung Electronics Co Limited	11,460,616	2.71
Hong Kong Exchanges and Clearing Limited	9,823,149	2.32
Cnooc Limited	9,650,223	2.28
Hyundai Development Co	8,742,629	2.07
Mediatek Inc	8,342,353	1.97
Hyundai Heavy Industries Co Limited	8,288,386	1.96
Jiutian Chemical Group Limited	8,151,000	1.93
China Lotsynergy Holdings Limited	8,108,301	1.92

Holdings as at 30 September 2006

	Market Value in SGD	% of NAV
Samsung Electronics Co Limited	13,252,537	6.25
High Tech Computer Corporation	5,692,060	2.68
Huabao International Holdings Limited	5,284,301	2.49
China Mobile Limited	5,204,093	2.45
Gallant Venture Limited	4,995,030	2.36
Au Optronics Corporation	4,709,146	2.22
Pxp Vietnam Fund Limited	4,483,018	2.11
Golden Hope Plantations	4,308,460	2.03
NHN Corporation	4,127,723	1.95
Petrochina Co Limited H Shares	3,826,065	1.81

Legg Mason Asian Enterprise Trust

Report to Unitholders

For the half year ended 30 September 2007

Exposure to Derivatives

	Market value in SGD	% of NAV
Spot foreign exchange contracts	(56,081)	0.01
Net gains/(losses) on contracts realised for the period 1 April 2007 to 30 September 2007	-	
Net gains/(losses) on outstanding contracts marked to market as at 30 September 2007	(56,081)	

Investment in other unit trust, mutual funds and collective investment schemes

Nil as at 30 September 2007

Borrowings

Nil as at 30 September 2007

Amount of Redemptions and Subscriptions

For the period 1 April 2007 to 30 September 2007

	SGD
Redemptions	\$122,443,422
Subscriptions	\$210,032,361

Related Party Transactions

For the period 1 April 2007 to 30 September 2007

Refer to Note 11 of the "Notes to the Financial Statements".

Performance

	Legg Mason Asian Enterprise Trust*	Benchmark
3-month	+9.81%	+15.25%
6-month	+33.63%	+34.17%
1-year	+65.39%	+50.75%
3-year	+32.48%	+30.36%
5-year	+28.06%	+26.90%
10-year	+11.28%	+8.07%
Since inception	+10.90%	+6.75%

* Average Annual Compounded Return for periods above one year, bid to bid with dividends reinvested

Benchmark : MSCI AC Far East ex Japan (\$\$)

The inception date was on 27 September 1995

Source : Legg Mason International Equities (Singapore) Pte Limited and Lipper

Legg Mason Asian Enterprise Trust

Report to Unitholders

For the half year ended 30 September 2007

Expense Ratio

For the period 1 October 2006 to 30 September 2007	1.78%
For the period 1 October 2005 to 30 September 2006	1.81%

The expense ratio was calculated in accordance with the Investment Management Association of Singapore's guidelines on the disclosure of expense ratios.

The expense ratio does not include (where applicable) brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads and tax deducted at source or arising out of income received.

Turnover Ratio

For the period 1 October 2006 to 30 September 2007	66.28%
For the period 1 October 2005 to 30 September 2006	79.12%

The turnover ratio was calculated in accordance to the formulae stated in the "Code of Collective Investment Schemes"

The turnover ratio is calculated based on the lesser of purchases or sales of underlying investments of the Trust expressed as a percentage of daily average net asset value.

Other Material Information

With effect from July 2007, the Fund has changed from Bid-Offer to NAV-NAV pricing.

Soft Dollar Commission/Arrangements

The Investment Manager shall be entitled to and currently do receive and enter into soft dollar commissions or arrangements in respect of the Trust. The Investment Manager will comply with applicable regulatory and industry standards on soft dollar commissions or arrangements. The soft dollar commissions or arrangements include specific advice as to the advisability of dealing in, or as to the value of any investments, research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses, data and quotation services, computer hardware and software or any other information facilities to the extent that they are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis, and custodial services in relation to the investments managed for clients.

Soft dollar commissions or arrangements shall not include travel, accommodation, entertainment, general administrative goods and services, general office equipment or premises, membership fees, employees' salaries or direct money payments.

The Investment Manager will not accept or enter into soft dollar commissions or arrangements unless (a) such soft dollar commissions or arrangements would, in the opinion of the Investment Manager, assist the Investment Manager in its management of the relevant Fund, (b) the Investment Manager shall ensure at all times that transactions are executed on the best available terms taking into account the relevant market at the time for transactions of the kind and size concerned, and (c) no unnecessary trades are entered into in order to qualify for such soft dollar commissions or arrangements.

All goods and services acquired with the soft dollar commission were for the benefit of the Trust. The broker(s), who has executed trades for other funds managed by the Investment Manager, had executed the trades on best available terms and there was no churning of trades.

Statement of Total Return (Unaudited)

For the half year ended 30 September 2007

	Notes	30/9/2007 \$	30/9/2006 \$
Investment income			
Dividends		3,251,282	2,383,540
Interest income		55,342	25,060
Sundry income		-	-
		3,306,624	2,408,600
Less: Expenses			
Audit fee		7,412	5,700
Custody fees	11	102,612	89,660
Management fees	11	2,455,119	1,665,164
Trustee fees	11	123,510	85,877
Registration fees		19,873	15,105
Professional fees		10,139	17,218
Valuation fees		43,559	31,027
Other expenses		26,216	6,374
		2,788,440	1,916,125
Net investment income		518,184	492,475
Net gains or losses on value of investments			
Net realised gains on investments		41,894,136	19,263,033
Net change in fair value on investments		46,854,730	(20,024,073)
Net change in fair value on financial derivatives		(56,081)	-
Net foreign exchange losses		(354,740)	(387,234)
Net gains/(losses) on value of investments		88,338,045	(1,148,274)
Total return/(deficit) for the half year before income tax		88,856,229	(655,799)
Less: Income Tax	3	(545,148)	(320,399)
Total return/(deficit) for the half year		88,311,081	(976,198)

The accompanying notes form an integral part of these financial statements.

Balance Sheet (Unaudited)

As at 30 September 2007

	Notes	30/9/2007 \$	31/3/2007 \$
ASSETS			
Portfolio of investments		406,356,094	240,322,459
Cash and bank balances	5	25,485,294	6,176,749
Receivables	6	8,746,870	1,464,759
Sales awaiting settlement		4,555,047	-
Total assets		445,143,305	247,963,967
LIABILITIES			
Payables	7	11,513,749	1,229,882
Purchases awaiting settlement		10,939,370	-
Fair value of financial derivatives	8	56,081	-
Net assets attributable to unitholders	9	422,634,105	246,734,085
Total liabilities		445,143,305	247,963,967

The accompanying notes form an integral part of these financial statements.

Portfolio Statement (Unaudited)

As at 30 September 2007

	Holdings as at 30/9/2007	Fair value as at 30/9/2007 \$	Percentage of total net assets attributable to unitholders at 30/9/2007 %
By Geography - Quoted Equity Investments			
Bermuda			
China Lotsynergy Holdings Limited	48,220,000	8,108,301	1.92
China			
Aluminum Corp of China Ltd H Shares	978,000	4,167,386	0.99
China Blue Chemical Ltd H Shares	6,208,000	6,097,262	1.44
China Coal Energy Co Limited H Shares	1,748,000	7,698,965	1.82
China Cosco Holdings Co Limited H Shares	599,500	2,777,928	0.66
China Life Insurance Co Limited H Shares	669,000	5,695,001	1.35
China Merchants Bank Co Limited H Shares	443,500	2,885,564	0.68
China Molybdenum Co Limited H Shares	2,448,000	7,998,850	1.89
China Telecom Corp Limited H Shares	6,582,000	7,357,559	1.74
Foxconn International Holdings	536,000	2,176,425	0.52
Guangzhou Shipyard International Co Limited H Shares	742,000	7,138,770	1.69
Huadian Power International Corp H shares	6,478,000	6,152,014	1.46
Industrial And Commercial Bank of China H Shares	3,355,000	3,481,067	0.82
New Oriental Education & Technology Group	38,600	3,804,132	0.90
Parkson Retail Group Limited	331,000	4,427,372	1.05
Petrochina Co Limited H Shares	2,242,000	6,306,137	1.49
Sino-Ocean Land Holdings Limited	1,750,500	3,679,381	0.87
Yangzijiang Shipbuilding Holdings Limited	2,901,000	6,440,220	1.52
		88,284,033	20.89

The accompanying notes form an integral part of these financial statements.

Portfolio Statement (Unaudited)

As at 30 September 2007

	Holdings as at 30/9/2007	Fair value as at 30/9/2007 \$	Percentage of total net assets attributable to unitholders at 30/9/2007 %
By Geography - Quoted Equity Investments (continued)			
Hong Kong			
China Mobile Limited	507,500	12,325,416	2.92
China Resources Land Limited	622,000	1,923,043	0.46
China Velocity Group Limited	8,355,000	2,219,122	0.53
Cnooc Limited	3,867,000	9,650,223	2.28
Esprit Holdings Limited	72,000	1,699,102	0.40
Hong Kong Exchanges and Clearing Limited	216,000	9,823,149	2.32
Huabao International Holdings Limited	5,225,000	6,998,812	1.66
Ju Teng International Holdings Limited	4,440,000	2,630,054	0.62
Midland Holding Limited	954,000	1,531,256	0.36
New World Development Limited	1,848,000	7,592,074	1.80
Shougang Concord International Enterprise Limited	8,566,000	4,975,900	1.18
Sino Land Co Limited	1,884,000	6,933,574	1.64
Star Cruise Limited	12,122,000	7,827,609	1.85
Sun Hung Kai Properties Limited	87,000	2,169,451	0.51
Vodone Limited	3,910,000	1,725,873	0.41
		80,024,658	18.94
Indonesia			
Bumi Resources	7,880,500	4,541,131	1.07
Holcim Indonesia Tbk	10,583,500	1,941,287	0.46
		6,482,418	1.53
Macau			
AGTech Holdings Limited	17,246,000	3,394,264	0.80
Malaysia			
MEMS Technology Bhd	61,331,500	1,629,395	0.39
Philippines			
Metropolitan Bank & Trust Company	1,088,300	1,990,272	0.47

The accompanying notes form an integral part of these financial statements.

Portfolio Statement (Unaudited)

As at 30 September 2007

	Holdings as at 30/9/2007	Fair value as at 30/9/2007 \$	Percentage of total net assets attributable to unitholders at 30/9/2007 %
<u>By Geography - Quoted Equity Investments (continued)</u>			
Singapore			
Cosco Corporation (Singapore) Limited	1,330,000	7,913,500	1.87
DBS Group Holdings Limited	203,000	4,384,800	1.04
Gallant Venture Limited	4,057,000	5,030,680	1.19
Global Voice Group Limited	18,212,000	3,096,040	0.73
Jiutian Chemical Group Limited	12,540,000	8,151,000	1.93
Labroy Marine Limited	512,000	1,244,160	0.29
Singapore Exchange Limited	164,000	2,115,600	0.50
Straits Asia Resources Limited	2,612,000	4,048,600	0.96
Tat Hong Holdings Limited	1,311,000	3,146,400	0.74
		39,130,780	9.25
South Korea			
Doosan Heavy Industries & Construction Co Limited	26,695	4,187,258	0.99
GS Engineering & Construction Corporation	16,510	4,258,116	1.01
Hana Financial Holdings	31,550	2,208,277	0.52
Hana Tour Service Inc	18,648	2,782,873	0.66
Hyundai Development Co	63,260	8,742,629	2.07
Hyundai Engineering & Construction Co Limited	33,870	4,801,754	1.14
Hyundai Heavy Industries Co Limited	12,094	8,288,386	1.96
Hyundai Steel Co	17,197	2,153,492	0.51
Kookmin Bank	53,328	6,591,489	1.56
Korea Cottrell Co Limited	83,219	2,301,549	0.54
Kumho Industrial Co Limited	35,400	3,353,431	0.79
MNTech Co Limited	26,033	1,562,425	0.37
Neowiz Games Corporation	7,272	1,925,073	0.46
NHN Corporation	16,534	5,661,604	1.34
Posco	6,910	7,543,387	1.79
Samsung Electronics Co Limited	12,309	11,460,616	2.71
Samsung Techwin Co Limited	33,598	3,798,564	0.90
Seoul Semiconductor Co Limited	110,722	5,908,852	1.40
Shinhan Financial Group Co Limited	38,080	3,693,783	0.87
STX Pan Ocean Co Limited	354,190	1,416,206	0.34
Techno Semichem Co Limited	25,330	951,173	0.23
		93,590,937	22.16

The accompanying notes form an integral part of these financial statements.

Portfolio Statement (Unaudited)

As at 30 September 2007

	Holdings as at 30/9/2007	Fair value as at 30/9/2007 \$	Percentage of total net assets attributable to unitholders at 30/9/2007 %
<u>By Geography - Quoted Equity Investments (continued)</u>			
Taiwan			
Ability Enterprises Co Limited	72,287	221,288	0.05
Chicony Electronics Co Limited	1,026,245	3,342,305	0.79
Coretronic Corporation	1,339,507	3,058,656	0.72
Far Eastern Textile Limited	2,812,930	5,610,615	1.33
Firich Enterprises Co Limited	573,477	12,299,279	2.91
Foxconn Technology Co Limited	358,000	6,155,407	1.45
Highwealth Construction Corporation	3,192,300	5,692,089	1.35
Innolux Display Corporation	1,126,146	7,171,412	1.70
Mediatek Inc	311,910	8,342,353	1.97
Nan Ya Plastic Corporation	1,633,000	6,313,745	1.49
Pou Chen Corporation	1,814,341	2,690,410	0.64
Realtek Semiconductor Corporation	331,301	2,230,316	0.53
Shin Kong Financial Holdings Co Limited	2,656,101	3,660,742	0.87
Synnex Technology International Corporation	1,392,150	5,794,141	1.37
Wistron NeWeb Corporation	1,223,541	4,279,833	1.01
Yuanta Financial Holdings Co Limited	7,539,000	6,858,445	1.62
		83,721,036	19.80
Quoted Equity Investments		406,356,094	96.15
Portfolio of investments		406,356,094	96.15
Other net assets		16,278,011	3.85
Net assets attributable to unitholders		422,634,105	100.00

The accompanying notes form an integral part of these financial statements.

Portfolio Statement (Unaudited)

As at 30 September 2007

	Percentage of total net assets attributable to unitholders at 30/9/2007 %	Percentage of total net assets attributable to unitholders at 31/3/2007 %
By Geography (Summary)		
Quoted Equity Investments		
Bermuda	1.92	1.84
Cambodia	-	1.13
Cayman Islands	-	1.58
China	20.89	16.18
Hong Kong	18.94	11.87
Indonesia	1.53	1.83
Macau	0.80	1.07
Malaysia	0.39	7.10
Philippines	0.47	2.77
Singapore	9.25	11.52
South Korea	22.16	22.65
Taiwan	19.80	17.86
	<hr/>	<hr/>
Portfolio of investments	96.15	97.40
Other net assets	3.85	2.60
	<hr/>	<hr/>
Net assets attributable to unitholders	100.00	100.00
	<hr/>	<hr/>

The accompanying notes form an integral part of these financial statements.

Portfolio Statement (Unaudited)

As at 30 September 2007

By Industry	Fair value as at 30/9/2007 \$	Percentage of total net assets attributable to unitholders at 30/9/2007 %	Percentage of total net assets attributable to unitholders at 31/3/2007 %
Agriculture	-	-	0.54
Automotives and trucks	-	-	0.49
Bank	19,333,192	4.57	8.36
Building and construction	19,743,786	4.68	4.00
Cable and wire	4,279,833	1.01	-
Chemical	21,513,180	5.09	2.22
Computer and software	40,319,077	9.53	5.87
Consumer	14,826,421	3.51	3.42
Construction	4,187,258	0.99	-
Department store	-	-	0.68
Diversified resource	-	-	2.43
E-commerce	8,108,301	1.92	1.84
Educational services	3,804,132	0.90	0.96
Electrical and electronic	43,908,452	10.39	11.22
Electrical equipment	-	-	0.83
Engineering and machinery	4,541,131	1.07	-
Finance	24,699,254	5.83	5.07
Hotel	-	-	1.13
Industrial	12,086,950	2.86	2.27
Insurance	9,355,743	2.22	1.30
Internet service	-	-	0.65
Investment	5,030,680	1.19	2.44
Iron & steel	9,696,879	2.30	1.74
Machine tools	-	-	1.22
Material	4,048,600	0.96	-
Manufacturing	10,593,359	2.51	5.23
Metal	12,974,750	3.07	-
Metal refining	4,167,386	0.99	-
Miscellaneous	9,624,038	2.28	3.03
Oil and gas	15,956,360	3.77	3.19
Plantation	-	-	3.13
Real estate	31,739,990	7.52	4.97
Retail	4,427,372	1.05	2.62

The accompanying notes form an integral part of these financial statements.

Portfolio Statement (Unaudited)

As at 30 September 2007

	Fair value as at 30/9/2007 \$	Percentage of total net assets attributable to unitholders at 30/9/2007 %	Percentage of total net assets attributable to unitholders at 31/3/2007 %
By Industry			
Semiconductor	-	-	2.70
Services	8,444,477	2.00	2.37
Telecommunication	19,682,975	4.66	1.55
Textiles	5,610,615	1.33	0.95
Tire and rubber	3,353,431	0.79	-
Transport	26,930,784	6.37	3.50
Unit trust	-	-	1.58
Utility - water	-	-	1.99
Wholesale	3,367,688	0.79	1.91
	<hr/>		
Portfolio of investments	406,356,094	96.15	97.40
Other net assets	16,278,011	3.85	2.60
	<hr/>		
Net assets attributable to unitholders	422,634,105	100.00	100.00
	<hr/>		

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General

Legg Mason Asian Enterprise Trust (the "Fund") is an open-ended Unit Trust constituted pursuant to the Trust Deed dated 15 August 1995, as amended by various Supplemental Deeds between HSBC Institutional Trust Services (Singapore) Limited (the "Trustee") and Legg Mason Asset Management (Asia) Pte Ltd. A Supplemental Deed dated 28 September 2006 was entered to effect the change of investment manager from Legg Mason Asset Management (Asia) Pte Ltd to Legg Mason International Equities (Singapore) Pte Ltd (the "Manager"). The Trust Deed and subsequent Supplemental Deeds are governed by and construed in accordance with the laws of the Republic of Singapore.

The principal objective of the Fund relates to holding of certain authorised investments for long-term capital appreciation.

The Fund is approved under the Central Provident Fund Investment Scheme.

2. Significant accounting policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss and in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore.

The financial statements are expressed in Singapore dollars, which is the functional currency of the Fund.

(b) Income recognition

Dividend income is recorded gross in the financial statements in the accounting period which the security is quoted ex-dividend.

Interest income on deposits is recognised on a time proportion basis using the effective interest method.

(c) Foreign currency translation

Foreign currency monetary assets and liabilities are translated into Singapore dollars at the rates of exchange ruling at the date of balance sheet. Foreign currency transactions during the financial period are converted into Singapore dollars at the rates of exchange ruling on the transaction dates.

Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from translation of foreign currency monetary assets and liabilities at balance sheet date are taken to the Statement of Total Return.

(d) Financial assets at fair value through profit or loss

Investments are classified as financial assets at fair value through profit or loss.

(i) Initial recognition

Purchases of investments are recognised on the trade date. Investments are recorded at fair value on initial recognition.

(ii) Subsequent measurement

Investments are subsequently carried at fair value. Net changes in fair value on investments are included in the Statement of Total Return in the period which they arise. The resultant unrealised gains and losses are taken to the Statement of Total Return.

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

(iii) Derecognition

Investments are derecognised on the trade date of disposal. The resultant realised gains and losses on the sales of investments are computed on the basis of the difference between the weighted average cost and selling price net of transaction costs, and taken up in the Statement of Total Return.

(e) Basis of valuation of investments

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price for these investments held by the Fund is the current market quoted bid price.

(f) Derivative financial instruments

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques, including discounted cash flow models and option pricing models, as appropriate. All derivatives are carried as assets when their fair value is positive and as liabilities when fair values are negative.

The best evidence of the fair value of a derivative at fair value is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of the instrument is evidenced by comparison with other observable market transactions in the same instrument (i.e. without modification or packaging) or based on a valuation technique that whose variables include only data from observable markets.

3. Income Tax

	30/9/2007	30/9/2006
	\$	\$
Singapore income tax	10,589	12,056
Overseas income tax	534,559	308,343
	545,148	320,399

(a) The Fund is a designated unit trust and therefore, the following income is exempted from tax in accordance with Section 35(12) of the Income Tax Act:

- (i) gains or profits derived from Singapore or elsewhere from the disposal of securities and transactions in foreign exchange, futures, forwards, swaps and options relating to securities, financial indices, interest rates and currencies;
- (ii) interest (other than interest for which tax has been deducted under Section 45 of the Singapore Income Tax Act); and
- (iii) distribution from foreign unit trusts and dividends derived from outside Singapore and received in Singapore.

(b) The Singapore income tax represents tax deducted at source for Singapore sourced dividends. The foreign income tax represents tax deducted at source on dividends derived from outside Singapore and received in Singapore.

4. Distribution to unitholders

The Manager did not propose any distribution to unitholders for the financial period ended 30 September 2007 (30 September 2006: \$Nil)

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

5. Cash and bank balances

	30/9/2007	31/3/2007
	\$	\$
Cash and bank balances	25,485,294	6,176,749

6. Receivables

	30/9/2007	31/3/2007
	\$	\$
Amount due from unitholders	8,249,225	1,126,491
Dividend receivables	497,645	338,268
	8,746,870	1,464,759

The carrying amounts of receivables approximate their fair values.

7. Payables

	30/9/2007	31/3/2007
	\$	\$
Amount due to unitholders	10,801,097	885,882
Accrued management fee	438,355	292,022
Accrued trustee's fee	44,016	15,012
Amount due to the Manager	9,165	1,048
Other payable and accruals	221,116	35,918
	11,513,749	1,229,882

The carrying amounts of payables approximate their fair values.

8. Fair value of financial derivatives

The table below sets out the analysed notional contract amounts and fair value of spot foreign exchange contracts entered into with third parties. There were no outstanding spot foreign exchange contracts for the financial year ended 31 March 2007.

As at financial period end, commitments under spot foreign exchange contracts due for settlement within one month are as follows:

	Notional amount \$	Fair value assets \$	Fair value liabilities \$
30/9/2007			
Spot foreign exchange contracts	10,453,198	-	(56,081)

The spot foreign exchange contracts were undertaken for purpose of efficient portfolio management.

All financial derivatives are stated at fair values on the balance sheet.

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

9. Net assets attributable to unitholders

	30/9/2007 \$	31/3/2007 \$
At the beginning of the financial period/year	246,734,085	224,773,985
Operations		
Change in net assets attributable to unitholders resulting from operations	88,311,081	46,419,800
Unitholders' contributions/(withdrawals)		
Creation of units	210,032,361	36,538,438
Cancellation of units	(122,443,422)	(60,998,138)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	87,588,939	(24,459,700)
Total increase in net assets attributable to unitholders	175,900,020	21,960,100
At the end of the financial period/year	422,634,105	246,734,085
Units in issue (see Note 10)	128,729,990	100,696,327
Net assets attributable to unitholders per unit	3.28	2.45

10. Units in issue

	30/9/2007	31/3/2007
Units at beginning of the financial period/year	100,696,327	112,459,730
Units created	69,316,052	16,868,116
Units cancelled	(41,282,389)	(28,631,519)
Units at end of the financial period/year	128,729,990	100,696,327

11. Related party transactions

As at 30 September 2007, the Manager, Trustee and Custodian of the Fund are Legg Mason International Equities (Singapore) Pte Ltd, HSBC Institutional Trust Services (Singapore) Limited and HSBC respectively. The management fees, trustee fees, custody fees, registration fees and valuation fees paid or payable by the Fund are shown in the Statement of Total Return.

In addition to related party information shown elsewhere in the financial statements, the following significant transactions took place during the financial period between the Fund and related parties at terms agreed between the parties concerned and within the provisions of the Trust Deed:

	30/9/2007 \$	30/9/2006 \$
Interest income received and receivable from a bank which is a related company of the Trustee	55,342	25,060
Interest expenses incurred with a bank which is a related company of the Trustee	3,398	-

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

12. Financial risk management

The Fund is exposed to market risk (includes price risk, currency risk, derivatives risk, credit risk and interest rate risk) and liquidity risk through the financial instruments it holds. The risk management policies employed by the Manager to manage and monitor these risks are discussed below.

(a) Market risk

Market risk is the risk of potential adverse change to the value of financial instruments because of changes in market conditions like interest rate movements and volatility in securities prices. The Manager manages its exposure to market risk through the use of risk management strategies and various analytical and monitoring techniques.

(b) Currency risk

The assets and income of the Fund may be denominated in a number of different currencies other than the Singapore Dollar and will thus be subjected to fluctuation in currency exchange rates and in certain cases, exchange control regulations.

The Manager makes forecasts of currency levels under different scenarios based on the Manager's analysis of fundamentals, technical and valuation factors that influence currency movements. These forecasts are compared with the costs of economically hedging non-SGD currencies. Non-SGD currency exposures are usually economically hedged when the expected impact of currency movements is adverse and more than outweighs the cost of hedging.

The table below summarise the currency profile of the assets and liabilities of the Fund.

	HKD \$	KRW \$	SGD \$	TWD \$	USD \$	Others \$	Total \$
As at 30/9/2007							
Assets							
Portfolio of investments	161,739,295	93,590,937	45,571,000	83,721,036	11,631,741	10,102,085	406,356,094
Cash and bank balances	1,204,953	42	19,037,500	5,153,351	88,477	971	25,485,294
Receivables	134,260	-	8,249,225	295,596	38,774	29,015	8,746,870
Sales awaiting settlement	2,694,768	1,860,279	-	-	-	-	4,555,047
Total assets	165,773,276	95,451,258	72,857,725	89,169,983	11,758,992	10,132,071	445,143,305
Liabilities							
Payables	-	-	11,505,010	-	8,739	-	11,513,749
Purchases awaiting settlement	10,939,370	-	-	-	-	-	10,939,370
Fair value of financial derivatives	50,306	-	-	-	5,775	-	56,081
Net assets attributable to unitholders	-	-	422,634,105	-	-	-	422,634,105
Total liabilities	10,989,676	-	434,139,115	-	14,514	-	445,143,305
Net balance sheet currency exposure	154,783,600	95,451,258	(361,281,390)	89,169,983	11,744,478	10,132,071	-

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

	HKD \$	KRW \$	MYR \$	SGD \$	TWD \$	Others \$	Total \$
As at 31/3/2007							
Assets							
Portfolio of investments	71,908,892	55,902,394	17,532,724	33,315,585	44,048,436	17,614,428	240,322,459
Cash and bank balances	10,670	-	-	2,863,410	1,625,912	1,676,757	6,176,749
Receivables	9,793	261,618	66,857	1,126,491	-	-	1,464,759
Total assets	71,929,355	56,164,012	17,599,581	37,305,486	45,674,348	19,291,185	247,963,967
Liabilities							
Payables	-	-	-	1,227,809	-	2,073	1,229,882
Net assets attributable to unitholders	-	-	-	246,734,085	-	-	246,734,085
Total liabilities	-	-	-	247,961,894	-	2,073	247,963,967
Net balance sheet currency exposure	71,929,355	56,164,012	17,599,581	(210,656,408)	45,674,348	19,289,112	-

In respect of investments in equity securities, the currency analysis above is based on the currencies in which the listed securities are denominated.

(c) Interest rate risk

The Fund's financial assets and liabilities are largely non-interest bearing. Hence, the Fund is not subjected to risk to fluctuations in the prevailing levels of market interest rates.

(d) Liquidity risk

Liquidity risk arises from not being able to fund redemptions or liquidate positions in a timely manner at a reasonable price. Liquidity risk exists when a particular investment is difficult to purchase or sell. These circumstances could prevent the Fund from promptly liquidating unfavourable positions and therefore resulting in losses to the Fund and corresponding decreases in the net asset value per unit. The Manager manages liquidity risk by investing primarily in marketable securities.

(e) Credit risk

Credit risk is the risk of loss when a counterparty fails to meet its payment obligation. To address credit risk, the Manager has in place a stringent credit risk management process, which entails evaluating and mitigating the counterparty's credit worthiness.

(f) Derivative risk

The Fund may, subject to applicable investment guidelines in the Code on Collective Investment Schemes and the Deeds from time to time invest in derivatives, which are financial contracts whose value depends on, or is derived from, the value of an underlying asset, reference rate or index. Such assets, rates and indices may include bonds, shares, interest rates, currency exchange rates, bond indices and stock indices.

The Manager does not intend to use derivatives transactions for speculation or leverage but may use them for efficient portfolio management and to hedge existing positions. The Manager will attempt to minimize the risks through careful selection of reputable counterparties and constant monitoring of the Fund's derivatives positions.

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

13. Secured credit facility

The Fund has a credit facility with HSBC at 30 September 2007.

Facility	Limit
Overdraft	\$1,500,000

The above credit facility is secured by way of a floating charge over all assets of the Fund and is not utilised at period end.

14. Financial ratios

	30/9/2007	30/9/2006
	%	%
Expense ratio ¹	1.78	1.81
Portfolio turnover ratio ²	66.28	79.12

1 Expense ratio is calculated in accordance with IMAS Guidelines for the Disclosure of Expenses Ratios, received on 25 May 2005. The expense ratio does not include (where applicable) brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The Fund does not pay any performance fees.

2 Portfolio turnover ratio is calculated in accordance with the formula stated in the "Code on Collective Investment Schemes".

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Legg Mason Asian Enterprise Trust

Legg Mason Asian Bond Trust

Legg Mason Worldwide Enterprise Trust

Legg Mason Southeast Asia Special Situations Trust

Legg Mason Global Bond Trust

Legg Mason Asian Bond Trust

Report to Unitholders

For the half year ended 30 September 2007

Investment Allocation as at 30 September 2007

By Country	Market Value in SGD	% of NAV
Canada	474,569	0.99
Cayman Islands	289,315	0.60
Hong Kong	2,087,263	4.35
India	1,874,529	3.91
Indonesia	6,127,730	12.78
Malaysia	5,651,545	11.78
Netherlands	1,086,608	2.27
Philippines	15,051,502	31.38
Singapore	2,594,334	5.41
South Korea	5,024,081	10.47
Supra-National	1,500,833	3.13
Thailand	2,770,913	5.78
United States of America	306,810	0.64
Vietnam	1,550,529	3.23
Portfolio of investments	46,390,291	96.72
Other net assets	1,572,407	3.28
Total	47,962,698	100.00

By Industry	Market Value in SGD	% of NAV
Bank	12,852,856	26.79
Diversified resource	513,457	1.07
Finance	1,410,910	2.94
Foods	304,505	0.63
Forestry	474,569	0.99
Government	22,904,032	47.76
Miscellaneous	4,019,895	8.38
Oil and gas	955,425	1.99
Real Estate	460,321	0.96
Retail	154,313	0.32
Telecommunication	1,673,529	3.50
Wholesale	666,479	1.39
Portfolio of investments	46,390,291	96.72
Other net assets	1,572,407	3.28
Total	47,962,698	100.00

Legg Mason Asian Bond Trust

Report to Unitholders

For the half year ended 30 September 2007

By Asset Class

	Market Value in SGD	% of NAV
Fixed Income securities	46,390,291	96.72
Portfolio of investments	46,390,291	96.72
Other net assets	1,572,407	3.28
Total	47,962,698	100.00

By Credit Rating *

	Market Value in SGD	% of NAV
AAA	1,500,833	3.13
A+	444,961	0.93
A	4,423,110	9.22
A-	4,765,880	9.94
A3	1,620,880	3.38
BBB+	590,897	1.23
BBB	350,906	0.73
BBB-	515,981	1.07
Baa1	1,888,108	3.94
Baa3	150,457	0.31
BB+	466,603	0.97
BB	2,943,967	6.13
BB-	18,110,667	37.77
B+	484,840	1.01
B	923,171	1.93
Ba2	1,874,529	3.91
B1	1,077,523	2.25
Unrated	4,256,978	8.87
Portfolio of investments	46,390,291	96.72
Other net assets	1,572,407	3.28
Total	47,962,698	100.00

*By Standard & Poors/Moodys unless otherwise stated.

Legg Mason Asian Bond Trust

Report to Unitholders

For the half year ended 30 September 2007

Top 10 Holdings

Holdings as at 30 September 2007

	Market Value in SGD	% of NAV
National Power Corporation 6.875% 02/11/2016	2,961,219	6.17
Republic of Philippines 7.75% 14/01/2031	2,703,596	5.64
Republic of Philippines 9.5% 02/02/2030	2,595,797	5.41
Republic of Philippines 10.625% 16/03/2025	1,925,815	4.02
Government of India 7.37% 16/04/2014	1,874,529	3.91
Republic of Indonesia 8.5% 12/10/2035	1,832,034	3.82
Government of Thailand Series 06-6 6.15% 07/07/2026	1,581,298	3.30
Socialist Republic of Vietnam 6.875% 15/01/2016	1,550,259	3.23
Sarawak International 5.5% 03/08/2015	1,533,820	3.20
Republic of Philippines Series 1042 9.125% 04/09/2016	1,510,574	3.15

Holdings as at 30 September 2006

	Market Value in SGD	% of NAV
Republic of Philippines 9.5% 02/02/2030	1,681,647	8.66
Republic of Philippines 10.625% 16/03/2025	953,624	4.91
Korea Development Bank 4.625% 16/09/2010	932,811	4.80
Republic of Philippines 8.875% 17/03/2015	907,266	4.67
Republic of Indonesia 8.5% 12/10/2035	864,485	4.45
Hutchison Whampoa International Limited 7.45% 24/11/2033	730,743	3.76
Thailand Government Bond Series 06-6 6.15% 07/07/2026	707,398	3.64
Republic of Philippines 8.25% 15/01/2014	699,341	3.60
Sarawak International 5.5% 03/08/2015	699,180	3.60
Export Import Bank China 4.875% 21/07/2015	614,726	3.17

Exposure to Derivatives

	Market value in SGD	% of NAV
Forward foreign exchange and futures contracts	914,817	1.91
Net gains/(losses) on contracts realised for the period 1 April 2007 to 30 September 2007	-	
Net gains/(losses) on outstanding contracts marked to market as at 30 September 2007	914,817	

Investment in other unit trust, mutual funds and collective investment schemes

Nil as at 30 September 2007

Borrowings

Nil as at 30 September 2007

Legg Mason Asian Bond Trust Report to Unitholders

For the half year ended 30 September 2007

Amount of Redemptions and Subscriptions

For the period 1 April 2007 to 30 September 2007

	SGD
Redemptions	\$5,693,415
Subscriptions	\$9,074,404

Related Party Transactions

For the period 1 April 2007 to 30 September 2007

Refer to Note 12 of the "Notes to the Financial Statements".

Performance

	Legg Mason Asian Bond Trust*	Benchmark
3-month	+0.80%	+1.72%
6-month	+0.26%	+0.59%
1-year	+4.99%	+4.60%
3-year	+4.20%	+5.17%
5-year	+4.84%	+5.68%
10-year	+1.32%	N/A
Since inception	+1.51%	N/A

* Average Annual Compounded Return for periods above one year, bid to bid with dividends reinvested

Benchmark : From Nov 06, benchmark is Customised JP Morgan Asian Credit Index, Sovereign & Quasi Sovereign, fully hedged into SGD. From Oct 02 to Oct 06, benchmark was JP Morgan Asian Credit Index - Sovereign and Quasi Sovereign (Hedged in S\$). Since Jan 99 to Sep 02, benchmark was JP Morgan Asian Credit Index Sovereign (Hedged in S\$).

The inception date was on 23 December 1996

Source : Legg Mason International Equities (Singapore) Pte Limited and Lipper

Expense Ratio

For the period 1 October 2006 to 30 September 2007	1.30%
For the period 1 October 2005 to 30 September 2006	1.54%

The expense ratio was calculated in accordance with the Investment Management Association of Singapore's guidelines on the disclosure of expense ratios.

The expense ratio does not include (where applicable) brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads and tax deducted at source or arising out of income received.

Legg Mason Asian Bond Trust

Report to Unitholders

For the half year ended 30 September 2007

Turnover Ratio

For the period 1 October 2006 to 30 September 2007	58.94%
For the period 1 October 2005 to 30 September 2006	62.95%

The turnover ratio was calculated in accordance to the formulae stated in the "Code of Collective Investment Schemes"

The turnover ratio is calculated based on the lesser of purchases or sales of underlying investments of the Trust expressed as a percentage of daily average net asset value.

Other Material Information

With effect from July 2007, the Fund has changed from Bid-Offer to NAV-NAV pricing.

Soft Dollar Commission/Arrangements

The Investment Manager did not receive any soft dollar commission or enter into any soft dollar arrangement in the management of the Trust.

Statement of Total Return (Unaudited)

For the half year ended 30 September 2007

	Notes	30/9/2007 \$	30/9/2006 \$
Investment income			
Dividends		344	116
Interest income		22,657	1,669
Sundry income		-	35
		23,001	1,820
Less: Expenses			
Audit fee		3,461	5,634
Custody fees	12	3,257	158
Management fees	12	255,590	100,343
Trustee fees	12	15,080	7,858
Registration fees		8,862	9,108
Professional fees		7,934	13,140
Valuation fees		9,479	5,017
Other expenses		9,736	1,423
		313,399	142,681
Net investment loss		(290,398)	(140,861)
Net gains or losses on value of investments			
Net realised gains on investments		1,015,053	295,400
Net change in fair value on investments		(1,017,674)	338,472
Net realised gains on financial derivatives		-	232,218
Net change in fair value on financial derivatives		914,817	(28,863)
Net foreign exchange losses		(664,054)	(14,694)
Net gains on value of investments		248,142	822,533
Total (deficit)/return for the half year before income tax		(42,256)	681,672
Less: Income Tax	3	(31,775)	(2,955)
Total (deficit)/return for the half year		(74,031)	678,717

The accompanying notes form an integral part of these financial statements.

Balance Sheet (Unaudited)

As at 30 September 2007

	Notes	30/9/2007 \$	31/3/2007 \$
ASSETS			
Portfolio of investments		46,390,291	42,699,377
Cash and bank balances	5	574,331	1,506,839
Margin accounts	6	113,193	-
Receivables	7	88,306	83,731
Fair value of financial derivatives	8	1,072,897	430,865
Total assets		48,239,018	44,720,812
LIABILITIES			
Payables	9	118,240	59,669
Fair value of financial derivatives	8	158,080	5,403
Net assets attributable to unitholders	10	47,962,698	44,655,740
Total liabilities		48,239,018	44,720,812

The accompanying notes form an integral part of these financial statements.

Portfolio Statement (Unaudited)

As at 30 September 2007

	Holdings as at 30/9/2007	Fair value as at 30/9/2007 \$	Percentage of total net assets attributable to unitholders at 30/9/2007 %
<u>By Geography - Quoted Investments</u>			
Canada			
Sino Forest Corporation 9.125% 17/08/2011	300,000	474,569	0.99
Cayman Islands			
CMHI Finance Cayman Inc 5.375% 09/03/2015	200,000	289,315	0.60
Guangdong Alliance Limited^	5,812	-	-
Hong Kong Property Co Limited^	5,812	-	-
		289,315	0.60
Hong Kong			
Agile Property Holdings Limited 9% 22/09/2013	300,000	460,321	0.96
GH Water Supply Holdings Limited^	2,208	-	-
Hutchison Whampoa International Limited 7.45% 24/11/2033	300,000	513,457	1.07
Li & Fung Limited 5.5% 16/05/2017	450,000	666,479	1.39
Parkson Retail Group Limited 7.875 14/11/2011	100,000	154,313	0.32
Wing Hang Bank Var Perp	200,000	292,693	0.61
		2,087,263	4.35
India			
Government of India 7.37% 16/04/2014	50,000,000	1,874,529	3.91
Indonesia			
Bank Danamon Indonesia Var 30/03/2014	200,000	311,128	0.65
BLT Finance Series 7.5% 15/05/2014	300,000	432,914	0.90
Indonesia Government Series FR42 10.25% 15/07/2027	6,300,000,000	1,077,523	2.25
Republic of Indonesia FR33 12.5% 15/03/2013	2,500,000,000	466,603	0.97
Republic of Indonesia 6.625% 17/02/2037	980,000	1,408,511	2.94
Republic of Indonesia 6.875% 09/03/2017	400,000	599,017	1.25
Republic of Indonesia 8.5% 12/10/2035	1,010,000	1,832,034	3.82
		6,127,730	12.78

^ There is no readily available market quotation as the shares are not traded on any Exchange. The Manager made certain estimates and assumptions to arrive at the fair value, after taking into account all relevant information. The actual proceeds that could be realised from the sale of these shares could be different from the estimated fair value.

The accompanying notes form an integral part of these financial statements.

Portfolio Statement (Unaudited)

As at 30 September 2007

	Holdings as at 30/9/2007	Fair value as at 30/9/2007 \$	Percentage of total net assets attributable to unitholders at 30/9/2007 %
<u>By Geography - Quoted Investments (continued)</u>			
Malaysia			
Eon Bank Var 21/01/2014	100,000	150,457	0.31
IOI Ventures 5.25% 16/03/2015	200,000	290,743	0.61
Government of Malaysia Series 5/06 3.718% 15/06/2012	3,000,000	1,328,187	2.77
Petroliam Nasional Berhad Series 7.625% 15/10/2026	300,000	546,353	1.14
Petronas Capital Limited 7.875% 22/05/2022	100,000	182,406	0.38
Public Bank Var 22/09/2014	200,000	300,154	0.62
Sarawak International 5.5% 03/08/2015	1,050,000	1,533,820	3.20
Silterra Capital 3.9% 06/06/2014	3,000,000	1,319,425	2.75
		5,651,545	11.78
Netherlands			
Adaro Finance B.V. 8.5% 08/12/2010	300,000	484,840	1.01
Excelcomindo Finance Co 7.125% 18/01/2013	400,000	601,768	1.26
		1,086,608	2.27
Philippines			
Land Bank of Philippines VAR 19/10/2016	100,000	153,678	0.32
National Power Corporation 6.875% 02/11/2016	2,000,000	2,961,219	6.17
National Power Corporation FRN 23/08/2011	200,000	325,099	0.68
Republic of Philippines 6.375% 15/01/2032	900,000	1,308,756	2.73
Republic of Philippines 7.75% 14/01/2031	1,620,000	2,703,596	5.64
Republic of Philippines 8% 15/01/2016	750,000	1,262,463	2.63
Republic of Philippines Series 1042 9.125% 04/09/2016	40,000,000	1,510,574	3.15
Republic of Philippines 9.5% 02/02/2030	1,320,000	2,595,797	5.41
Republic of Philippines 10.625% 16/03/2025	920,000	1,925,815	4.02
URC Philippines Limited 9% 06/02/2008	200,000	304,505	0.63
		15,051,502	31.38
Singapore			
DBS Bank Limited Var 16/05/2017	300,000	444,961	0.93
Standard Chartered Bank EMTN Var 30/01/2012	962,247	1,426,979	2.97
United Overseas Bank Limited Var 03/09/2019	500,000	722,394	1.51
		2,594,334	5.41

The accompanying notes form an integral part of these financial statements.

Portfolio Statement (Unaudited)

As at 30 September 2007

	Holdings as at 30/9/2007	Fair value as at 30/9/2007 \$	Percentage of total net assets attributable to unitholders at 30/9/2007 %
<u>By Geography - Quoted Investments (continued)</u>			
South Korea			
Export-Import Bank Korea 5.125% 16/03/2015	770,000	1,125,893	2.35
Export-Import Bank Korea Series 5.375% 04/10/2016	750,000	1,126,395	2.35
Korea Highway Corporation 5.125% 20/05/2015	200,000	295,217	0.61
Republic of Korea 5.125% 07/12/2016	750,000	1,114,445	2.32
National Agricultural Cooperative Federation EMTN Var 26/05/2015	400,000	600,971	1.25
SK Telecom Co Limited 6.625% 20/07/2007	300,000	459,718	0.96
Small Business Corporation 5.75% 14/09/2016	200,000	301,442	0.63
		5,024,081	10.47
Supra-National			
Asia Development Bank 5.23% 25/05/2012	45,000,000	1,500,833	3.13
Thailand			
Bangkok Bank Public Company 9.025% 15/03/2029	200,000	350,906	0.73
Government of Thailand Series 06-6 6.15% 07/07/2026	32,000,000	1,581,298	3.30
IRPC Public Company Limited EMTN 6.375% 25/05/2017	150,000	226,666	0.47
True Move Co Limited 10.75% 16/12/2013	400,000	612,043	1.28
		2,770,913	5.78
United States of America			
Southern Bank Var 30/06/2014	200,000	306,810	0.64
Vietnam			
Socialist Republic of Vietnam 6.875% 15/01/2016	1,000,000	1,550,259	3.23
		46,390,291	96.72
Quoted Investments			
		46,390,291	96.72
Portfolio of investments			
		1,572,407	3.28
Other net assets			
		47,962,698	100.00
Net assets attributable to unitholders			

The accompanying notes form an integral part of these financial statements.

Portfolio Statement (Unaudited)

As at 30 September 2007

	Percentage of total net assets attributable to unitholders at 30/9/2007 %	Percentage of total net assets attributable to unitholders at 31/3/2007 %
By Geography (Summary)		
Quoted Investments		
Canada	0.99	1.11
Cayman Islands	0.60	2.08
China	-	1.68
Hong Kong	4.35	4.18
India	3.91	7.88
Indonesia	12.78	11.93
Malaysia	11.78	9.95
Netherlands	2.27	1.40
Philippines	31.38	31.17
Singapore	5.41	5.02
South Korea	10.47	13.40
Supra-National	3.13	-
Thailand	5.78	1.44
United States of America	0.64	0.70
Vietnam	3.23	3.68
	<hr/>	
Portfolio of investments	96.72	95.62
Other net assets	3.28	4.38
	<hr/>	
Net assets attributable to unitholders	100.00	100.00
	<hr/>	

The accompanying notes form an integral part of these financial statements.

Portfolio Statement (Unaudited)

As at 30 September 2007

	Fair value as at 30/9/2007 \$	Percentage of total net assets attributable to unitholders at 30/9/2007 %	Percentage of total net assets attributable to unitholders at 31/3/2007 %
By Industry			
Bank	12,852,856	26.79	19.30
Diversified resource	513,457	1.07	2.41
Electronic	-	-	1.42
Finance	1,410,910	2.94	2.83
Foods	304,505	0.63	0.71
Forestry	474,569	0.99	1.11
Government	22,904,032	47.76	52.96
Miscellaneous	4,019,895	8.38	7.83
Oil and gas	955,425	1.99	1.70
Real estate	460,321	0.96	1.41
Retail	154,313	0.32	1.10
Telecommunication	1,673,529	3.50	2.84
Wholesale	666,479	1.39	-
Portfolio of investments	46,390,291	96.72	95.62
Other net assets	1,572,407	3.28	4.38
Net assets attributable to unitholders	47,962,698	100.00	100.00

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General

Legg Mason Asian Bond Trust (the "Fund") is an open-ended Unit Trust constituted pursuant to the Trust Deed dated 26 November 1996, as amended by various Supplemental Deeds between HSBC Institutional Trust Services (Singapore) Limited (the "Trustee") and Legg Mason Asset Management (Asia) Pte Ltd. A Supplemental Deed dated 28 September 2006 was entered to effect the change of investment manager from Legg Mason Asset Management (Asia) Pte Ltd to Legg Mason International Equities (Singapore) Pte Ltd (the "Manager"). The Trust Deed and subsequent Supplemental Deeds are governed by and construed in accordance with the laws of the Republic of Singapore.

The principal objective of the Fund relates to holding of certain authorised investments for long-term capital appreciation.

2. Significant accounting policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss and in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore.

The financial statements are expressed in Singapore dollars, which is the functional currency of the Fund.

(b) Income recognition

Interest income on deposits is recognised on a time proportion basis using the effective interest method.

(c) Foreign currency translation

Foreign currency monetary assets and liabilities are translated into Singapore dollars at the rates of exchange ruling at the date of balance sheet. Foreign currency transactions during the financial period are converted into Singapore dollars at the rates of exchange ruling on the transaction dates.

Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from translation of foreign currency monetary assets and liabilities at balance sheet date are taken to the Statement of Total Return.

(d) Financial assets at fair value through profit or loss

Investments are classified as financial assets at fair value through profit or loss.

(i) Initial recognition

Purchases of investments are recognised on the trade date. Investments are recorded at fair value on initial recognition.

(ii) Subsequent measurement

Investments are subsequently carried at fair value. Net changes in fair value on investments are included in the Statement of Total Return in the period which they arise. The resultant unrealised gains and losses are taken to the Statement of Total Return.

(iii) Derecognition

Investments are derecognised on the trade date of disposal. The resultant realised gains and losses on the sales of investments are computed on the basis of the difference between the weighted average cost and selling price net of transaction costs, and taken up in the Statement of Total Return.

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

(e) Basis of valuation of investments

The fair value of financial instruments traded in an active market is based on quoted market prices at the balance sheet date. The quoted market price for the investments held by the Fund is the current market quoted bid price or dealer's quote as applicable. Accrued interest is included in the fair value of the fixed income instruments.

(f) Derivative financial instruments

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques, including discounted cash flow models and option pricing models, as appropriate. All derivatives are carried as assets when their fair value is positive and as liabilities when fair values are negative.

The best evidence of the fair value of a derivative at fair value is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of the instrument is evidenced by comparison with other observable market transactions in the same instrument (i.e. without modification or packaging) or based on a valuation technique that whose variables include only data from observable markets.

3. Income Tax

	30/9/2007 \$	30/9/2006 \$
Overseas income tax	31,775	2,955

The Fund is a designated unit trust and therefore, the following income is exempted from tax in accordance with Section 35(12) of the Income Tax Act:

- (a) gains or profits derived from Singapore or elsewhere from the disposal of securities and transactions in foreign exchange, futures, forwards, swaps and options relating to securities, financial indices, interest rates and currencies;
- (b) interest (other than interest for which tax has been deducted under Section 45 of the Income Tax Act); and
- (c) distribution from foreign unit trusts and dividends derived from outside Singapore and received in Singapore.

4. Distribution to unitholders

The Manager did not propose any distribution to unitholders for the financial period ended 30 September 2007 (30 September 2006: \$Nil)

5. Cash and bank balances

	30/9/2007 \$	31/3/2007 \$
Cash and bank balances	574,331	240,614
Fixed deposit	-	1,266,225
	574,331	1,506,839

As at 31 March 2007, the fixed deposits are placed with a bank which is a related company of the Trustee.

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

The fixed deposits have the following average maturity from the end of the financial period/year:

	30/9/2007 days	31/3/2007 days
Singapore dollar	-	3
United States dollar	-	3

The fixed deposits have the following weighted average effective interest rates:

	30/9/2007 %	31/3/2007 %
Singapore dollar	-	2.35
United States dollar	-	5.08

6. Margin accounts

	30/9/2007 \$	31/3/2007 \$
Margin accounts	113,193	-

Margin accounts represent the margin deposit amounts held with brokers.

7. Receivables

	30/9/2007 \$	31/3/2007 \$
Amount due from unitholders	88,306	83,427
Interest receivable	-	304
	88,306	83,731

The carrying amounts of receivables approximate their fair values.

8. Fair value of financial derivatives

The table below sets out the analysed notional contract amounts and fair value of forward foreign exchange and futures contracts entered into with third parties.

As at financial period/year end, commitments under forward foreign exchange and futures contracts due for settlement within 8 months (31 March 2007: 3 months) are as follows:

	Notional amount \$	Fair value assets \$	Fair value liabilities \$
30/9/2007			
Forward foreign exchange contracts	54,739,041	1,072,897	(133,749)
Futures contracts	5,217,595	-	(24,331)
31/3/2007			
Forward foreign exchange contracts	39,288,550	430,865	(5,403)

The forward foreign exchange and futures contracts were undertaken for purpose of efficient portfolio management.

All financial derivatives are stated at fair values on the balance sheet.

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

9. Payables

	30/9/2007	31/3/2007
	\$	\$
Amount due to unitholders	58,079	6,981
Accrued management fee	36,833	36,599
Accrued trustee's fee	7,145	2,241
Other payable and accruals	16,183	13,848
	118,240	59,669

The carrying amounts of payables approximate their fair values.

10. Net assets attributable to unitholders

	30/9/2007	31/3/2007
	\$	\$
At the beginning of the financial period/year	44,655,740	19,171,012
Operations		
Change in net assets attributable to unitholders resulting from operations	(74,031)	1,873,092
Unitholders' contributions/(withdrawals)		
Creation of units	9,074,404	25,380,633
Cancellation of units	(5,693,415)	(1,768,997)
Change in net assets attributable to unitholders resulting from net creation of units	3,380,989	23,611,636
Total increase in net assets attributable to unitholders	3,306,958	25,484,728
At the end of the financial period/year	47,962,698	44,655,740
Units in issue (see Note 11)	42,230,583	39,299,558
Net assets attributable to unitholders per unit	1.14	1.14

11. Units in issue

	30/9/2007	31/3/2007
Units at beginning of the financial period/year	39,299,558	18,310,336
Units created	7,957,339	22,581,770
Units cancelled	(5,026,314)	(1,592,548)
Units at end of the financial period/year	42,230,583	39,299,558

12. Related party transactions

As at 30 September 2007, the Manager, Trustee and Custodian of the Fund are Legg Mason International Equities (Singapore) Pte Ltd, HSBC Institutional Trust Services (Singapore) Limited and HSBC respectively. The management fees, trustee fees, custody fees, registration fees and valuation fees paid or payable by the Fund are shown in the Statement of Total Return.

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

In addition to related party information shown elsewhere in the financial statements, the following significant transactions took place during the financial period between the Fund and related parties at terms agreed between the parties concerned and within the provisions of the Trust Deed:

	30/9/2007	30/9/2006
	\$	\$
Interest income received and receivable from a bank which is a related company of the Trustee	22,657	1,669
Interest expenses incurred with a bank which is a related company of the Trustee	151	-

13. Financial risk management

The Fund is exposed to market risk (includes price risk, currency risk, derivatives risk, credit risk and interest rate risk) and liquidity risk through the financial instruments it holds. The risk management policies employed by the Manager to manage and monitor these risks are discussed below.

(a) Market risk

Market risk is the risk of potential adverse change to the value of financial instruments because of changes in market conditions like interest rate movements and volatility in securities prices. The Manager manages its exposure to market risk through the use of risk management strategies and various analytical and monitoring techniques.

(b) Currency risk

The assets and income of the Fund may be denominated in a number of different currencies other than the Singapore Dollar and will thus be subjected to fluctuation in currency exchange rates and in certain cases, exchange control regulations.

The Manager makes forecasts of currency levels under different scenarios based on the Manager's analysis of fundamentals, technical and valuation factors that influence currency movements. These forecasts are compared with the costs of economically hedging non-SGD currencies. Non-SGD currency exposures are usually economically hedged when the expected impact of currency movements is adverse and more than outweighs the cost of hedging.

The table below summarise the currency profile of the assets and liabilities of the Fund.

	INR	MYR	PHP	SGD	USD	Others	Total
	\$	\$	\$	\$	\$	\$	\$
As at 30/9/2007							
Assets							
Portfolio of investments	1,874,529	2,647,612	3,011,407	-	35,731,319	3,125,424	46,390,291
Cash and bank balances	68,639	-	-	458,296	47,396	-	574,331
Margin accounts	-	-	-	-	7,422	105,771	113,193
Receivables	-	-	-	88,306	-	-	88,306
Fair value of financial derivatives	-	-	-	994,213	-	78,684	1,072,897
Total assets	1,943,168	2,647,612	3,011,407	1,540,815	35,786,137	3,309,879	48,239,018
Liabilities							
Payables	-	-	-	117,498	742	-	118,240
Fair value of financial derivatives	-	-	-	-	131,645	26,435	158,080
Net assets attributable to unitholders	-	-	-	47,962,698	-	-	47,962,698
Total liabilities	-	-	-	48,080,196	132,387	26,435	48,239,018
Net balance sheet currency exposure	1,943,168	2,647,612	3,011,407	(46,539,381)	35,653,750	3,283,444	-

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

	IDR \$	INR \$	PHP \$	SGD \$	USD \$	Others \$	Total \$
As at 31/3/2007							
Assets							
Portfolio of investments	1,578,044	1,742,814	1,481,475	-	35,386,931	2,510,113	42,699,377
Cash and bank balances	23,615	70	-	448,072	1,005,395	29,687	1,506,839
Receivables	-	-	-	83,472	259	-	83,731
Fair value of financial derivatives	-	-	-	430,865	-	-	430,865
Total assets	1,601,659	1,742,884	1,481,475	962,409	36,392,585	2,539,800	44,720,812
Liabilities							
Payables	-	-	-	50,562	9,107	-	59,669
Fair value of financial derivatives	-	-	-	-	5,403	-	5,403
Net assets attributable to unitholders	-	-	-	44,655,740	-	-	44,655,740
Total liabilities	-	-	-	44,706,302	14,510	-	44,720,812
Net balance sheet currency exposure	1,601,659	1,742,884	1,481,475	(43,743,893)	36,378,075	2,539,800	-

In respect of investments in fixed income securities, the currency analysis above is based on the currencies in which the listed securities are denominated.

(c) Interest rate risk

The table below summarises the repricing profile of the Fund's assets and liabilities based on the earlier of the next contractual interest repricing date and the maturity date.

	Up to 1 year \$	1 - 5 years \$	Over 5 years \$	Non-interest bearing \$	Total \$
As at 30/9/2007					
Assets					
Portfolio of investments	304,505	5,694,820	40,390,966	-	46,390,291
Cash and bank balances	574,331	-	-	-	574,331
Margin accounts	113,193	-	-	-	113,193
Receivables	-	-	-	88,306	88,306
Fair value of financial derivatives	-	-	-	1,072,897	1,072,897
Total assets	992,029	5,694,820	40,390,966	1,161,203	48,239,018
Liabilities					
Payables	-	-	-	118,240	118,240
Fair value of financial derivatives	-	-	-	158,080	158,080
Net assets attributable to unitholders	-	-	-	47,962,698	47,962,698
Total liabilities	-	-	-	48,239,018	48,239,018
Total interest sensitive gap	992,029	5,694,820	40,390,966	(47,077,815)	-
As at 31/3/2007					
Assets					
Portfolio of investments	613,352	7,338,685	34,747,340	-	42,699,377
Cash and bank balances	1,506,839	-	-	-	1,506,839
Receivables	-	-	-	83,731	83,731
Fair value of financial derivatives	-	-	-	430,865	430,865
Total assets	2,120,191	7,338,685	34,747,340	514,596	44,720,812
Liabilities					
Payables	-	-	-	59,669	59,669
Fair value of financial derivatives	-	-	-	5,403	5,403
Net assets attributable to unitholders	-	-	-	44,655,740	44,655,740
Total liabilities	-	-	-	44,720,812	44,720,812
Total interest sensitive gap	2,120,191	7,338,685	34,747,340	(44,206,216)	-

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

(d) Liquidity risk

Liquidity risk arises from not being able to fund redemptions or liquidate positions in a timely manner at a reasonable price. Liquidity risk exists when a particular investment is difficult to purchase or sell. These circumstances could prevent the Fund from promptly liquidating unfavourable positions and therefore resulting in losses to the Fund and corresponding decreases in the net asset value per unit. The Manager manages liquidity risk by investing primarily in marketable securities.

(e) Credit risk

Credit risk is the risk of loss when a counterparty fails to meet its payment obligation. To address credit risk, the Manager has in place a stringent credit risk management process, which entails evaluating and mitigating the counterparty's credit worthiness.

(f) Derivative risk

The Fund may, subject to applicable investment guidelines in the Code on Collective Investment Schemes and the Deeds from time to time invest in derivatives, which are financial contracts whose value depends on, or is derived from, the value of an underlying asset, reference rate or index. Such assets, rates and indices may include bonds, shares, interest rates, currency exchange rates, bond indices and stock indices.

The Manager does not intend to use derivatives transactions for speculation or leverage but may use them for efficient portfolio management and to hedge existing positions. The Manager will attempt to minimize the risks through careful selection of reputable counterparties and constant monitoring of the Fund's derivatives positions.

14. Secured credit facility

The Fund has a credit facility with HSBC at 30 September 2007.

<u>Facility</u>	<u>Limit</u>
Overdraft	\$250,000

The above credit facility is secured by way of a floating charge over all assets of the Fund and is not utilised at period end.

15. Financial ratios

	30/9/2007	30/9/2006
	%	%
Expense ratio ¹	1.30	1.54
Portfolio turnover ratio ²	58.94	62.95

1 Expense ratio is calculated in accordance with IMAS Guidelines for the Disclosure of Expenses Ratios, received on 25 May 2005. The expense ratio does not include (where applicable) brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The Fund does not pay any performance fees.

2 Portfolio turnover ratio is calculated in accordance with the formula stated in the "Code on Collective Investment Schemes". The prior year's comparative has been amended to conform with the current year's computation which is in accordance with the "Code on Collective Investment schemes".

Legg Mason Asian Enterprise Trust

Legg Mason Asian Bond Trust

Legg Mason Worldwide Enterprise Trust

Legg Mason Southeast Asia Special Situations Trust

Legg Mason Global Bond Trust

Legg Mason Worldwide Enterprise Trust

Report to Unitholders

For the half year ended 30 September 2007

Investment Allocation as at 30 September 2007

By Country	Market Value in SGD	% of NAV
Great Britain	192,018	6.60
Japan	471,888	16.21
Luxembourg	126,198	4.33
Switzerland	75,275	2.59
Taiwan	44,164	1.52
United States of America	1,583,211	54.38
Portfolio of investments	2,492,754	85.63
Other net assets	418,435	14.37
Total	2,911,189	100.00

By Industry	Market Value in SGD	% of NAV
Automotives and trucks	69,696	2.39
Bank	293,548	10.09
Computer and software	256,021	8.80
Diversified resource	102,234	3.51
Electrical and electronic	188,175	6.47
Finance	36,861	1.27
Food and beverage	165,389	5.68
Insurance	84,255	2.89
Insurance - Life	64,487	2.21
Medical - drugs	144,151	4.96
Metal	263,566	9.05
Mining	59,319	2.04
Oil and gas	339,890	11.67
Pharmaceutical	81,167	2.79
Real estate	82,086	2.82
Retail	59,197	2.03
Telecommunication	95,303	3.27
Tobacco	63,245	2.17
Transport	44,164	1.52
Portfolio of investments	2,492,754	85.63
Other net assets	418,435	14.37
Total	2,911,189	100.00

Legg Mason Worldwide Enterprise Trust

Report to Unitholders

For the half year ended 30 September 2007

By Asset Class	Market Value in SGD	% of NAV
Equities	2,492,754	85.63
Portfolio of investments	2,492,754	85.63
Other net assets	418,435	14.37
Total	2,911,189	100.00

Top 10 Holdings

Holdings as at 30 September 2007	Market Value in SGD	% of NAV
Chevron Corporation	130,580	4.49
Arcelormittal	126,198	4.33
Intel Corporation	116,430	4.00
Exxon Mobil Corporation	112,595	3.86
Hewlett-Packard Co	108,370	3.72
Citigroup Inc	102,234	3.51
BP PLC	96,715	3.32
Nippon Steel Corporation	95,715	3.29
Cable & Wireless PLC	95,303	3.28
International Business Machines Corporation	91,281	3.13

Holdings as at 30 September 2006	Market Value in SGD	% of NAV
OC Oerlikon Corporation	165,584	3.84
Citigroup Inc	116,280	2.70
Canon Marketing Japan Inc	114,077	2.65
Toyota Motor Corporation	111,968	2.60
Home Depot Inc	106,904	2.48
Loews Corporation-Carolina Group	105,964	2.46
Intel Corporation	98,974	2.30
BP PLC	97,187	2.25
Chevron Corporation	96,690	2.24
American International Group	88,178	2.05

Exposure to Derivatives

Nil as at 30 September 2007 -

Investment in other unit trust, mutual funds and collective investment schemes

Nil as at 30 September 2007

Legg Mason Worldwide Enterprise Trust

Report to Unitholders

For the half year ended 30 September 2007

Borrowings

Nil as at 30 September 2007

Amount of Redemptions and Subscriptions

For the period 1 April 2007 to 30 September 2007

	SGD
Redemptions	\$966,061
Subscriptions	\$455,847

Related Party Transactions

For the period 1 April 2007 to 30 September 2007

Refer to Note 10 of the "Notes to the Financial Statements".

Performance

	Legg Mason Worldwide Enterprise Trust*	Benchmark
3-month	-2.99%	+0.52%
6-month	+2.92%	+8.77%
1-year	+8.66%	+16.58%
3-year	+11.21%	+15.22%
5-year	+11.52%	+16.74%
10-year	N/A	N/A
Since inception	+2.65%	+4.56%

* Average Annual Compounded Return for periods above one year, bid to bid with dividends reinvested

Benchmark : MSCI AC World Index (S\$)

The inception date was on 7 October 1997

Source : Legg Mason International Equities (Singapore) Pte Limited and Lipper

Expense Ratio

For the period 1 October 2006 to 30 September 2007	3.71%
For the period 1 October 2005 to 30 September 2006	3.18%

The expense ratio was calculated in accordance with the Investment Management Association of Singapore's guidelines on the disclosure of expense ratios.

The expense ratio does not include (where applicable) brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads and tax deducted at source or arising out of income received.

Legg Mason Worldwide Enterprise Trust

Report to Unitholders

For the half year ended 30 September 2007

Turnover Ratio

For the period 1 October 2006 to 30 September 2007	28.03%
For the period 1 October 2005 to 30 September 2006	0.08%

The turnover ratio was calculated in accordance to the formulae stated in the "Code of Collective Investment Schemes"

The turnover ratio is calculated based on the lesser of purchases or sales of underlying investments of the Trust expressed as a percentage of daily average net asset value.

Other Material Information

With effect from July 2007, the Fund has changed from Bid-Offer to NAV-NAV pricing.

Soft Dollar Commission/Arrangements

The Investment Manager shall be entitled to and currently do receive and enter into soft dollar commissions or arrangements in respect of the Trust. The Investment Manager will comply with applicable regulatory and industry standards on soft dollar commissions or arrangements. The soft dollar commissions or arrangements include specific advice as to the advisability of dealing in, or as to the value of any investments, research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses, data and quotation services, computer hardware and software or any other information facilities to the extent that they are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis, and custodial services in relation to the investments managed for clients.

Soft dollar commissions or arrangements shall not include travel, accommodation, entertainment, general administrative goods and services, general office equipment or premises, membership fees, employees' salaries or direct money payments.

The Investment Manager will not accept or enter into soft dollar commissions or arrangements unless (a) such soft dollar commissions or arrangements would, in the opinion of the Investment Manager, assist the Investment Manager in its management of the relevant Fund, (b) the Investment Manager shall ensure at all times that transactions are executed on the best available terms taking into account the relevant market at the time for transactions of the kind and size concerned, and (c) no unnecessary trades are entered into in order to qualify for such soft dollar commissions or arrangements.

All goods and services acquired with the soft dollar commission were for the benefit of the Trust. The broker(s), who has executed trades for other funds managed by the Investment Manager, had executed the trades on best available terms and there was no churning of trades.

Statement of Total Return (Unaudited)

For the half year ended 30 September 2007

	Notes	30/9/2007 \$	30/9/2006 \$
Investment income			
Dividends		34,460	60,246
Interest income		450	100
		34,910	60,346
Less: Expenses			
Audit fee		3,430	5,594
Custody fees	10	1,105	1,670
Management fees	10	29,292	41,980
Trustee fees	10	7,820	7,858
Registration fees		7,798	9,252
Professional fees		9,532	12,692
Valuation fees		825	1,199
Other expenses		3,690	1,251
		63,492	81,496
Net investment loss		(28,582)	(21,150)
Net gains or losses on value of investments			
Net realised gains on investments		342,111	292,947
Net change in fair value on investments		(161,011)	(193,864)
Net foreign exchange losses		(7,926)	(2,246)
Net gains on value of investments		173,174	96,837
Total return for the half year before income tax		144,592	75,687
Less: Income Tax	3	(39,186)	(11,352)
Total return for the half year		105,406	64,335

The accompanying notes form an integral part of these financial statements.

Balance Sheet (Unaudited)

As at 30 September 2007

	Notes	30/9/2007 \$	31/3/2007 \$
ASSETS			
Portfolio of investments		2,492,754	3,196,965
Cash and bank balances	5	512,759	132,342
Receivables	6	6,255	8,672
Total assets		3,011,768	3,337,979
LIABILITIES			
Payables	7	100,579	21,982
Net assets attributable to unitholders	8	2,911,189	3,315,997
Total liabilities		3,011,768	3,337,979

The accompanying notes form an integral part of these financial statements.

Portfolio Statement (Unaudited)

As at 30 September 2007

	Holdings as at 30/9/2007	Fair value as at 30/9/2007 \$	Percentage of total net assets attributable to unitholders at 30/9/2007 %
<u>By Geography - Quoted Equity Investments</u>			
Great Britain			
BP PLC	5,640	96,715	3.32
Cable & Wireless PLC	17,154	95,303	3.28
		192,018	6.60
Japan			
Casio Computer Co Limited	2,300	48,862	1.68
Hiroshima Bank Limited	7,000	56,466	1.94
Mitsui Fudosan Co Limited	2,000	82,086	2.82
Nippon Mining Holdings Inc	4,000	59,319	2.04
Nippon Steel Corporation	9,000	95,715	3.29
Oki Electric Industry Co Limited	9,000	22,883	0.78
Sanyo Shinpan Finance Co Limited	800	36,861	1.27
Toyota Motor Corporation	800	69,696	2.39
		471,888	16.21
Luxembourg			
Arcelormittal	1,080	126,198	4.33
Switzerland			
Novartis AG	922	75,275	2.59
Taiwan			
EVA Airways Corporation	81,249	44,164	1.52

The accompanying notes form an integral part of these financial statements.

Portfolio Statement (Unaudited)

As at 30 September 2007

	Holdings as at 30/9/2007	Fair value as at 30/9/2007 \$	Percentage of total net assets attributable to unitholders at 30/9/2007 %
By Geography - Quoted Equity Investments (continued)			
United States of America			
Alcoa Inc	718	41,653	1.43
American International Group	839	84,255	2.89
Bank of America Corporation	426	31,783	1.09
Chevron Corporation	940	130,580	4.49
Citigroup Inc	1,476	102,234	3.51
Coca-Cola Co	359	30,621	1.05
Exxon Mobil Corporation	820	112,595	3.87
Hewlett-Packard Co	1,468	108,370	3.72
Intel Corporation	3,033	116,430	4.00
International Business Machines Corporation	522	91,281	3.13
Johnson & Johnson	833	81,167	2.79
JPMorgan Chase & Co	979	66,531	2.28
Loews Corporation-Carolina Group	519	63,245	2.17
Metlife Inc	623	64,487	2.22
Microsoft Corporation	1,289	56,370	1.94
Pepsi Bottling Group Inc	1,077	59,426	2.04
PepsiAmericas Inc	1,566	75,342	2.59
Pfizer Inc	1,900	68,876	2.37
Wachovia Corporation	901	66,928	2.30
Wal-Mart Stores Inc	914	59,197	2.03
Wells Fargo & Co	1,364	71,840	2.47
		1,583,211	54.38
Hong Kong			
Far East Pharmaceutical Technology Company Limited [^]	348,000	-	-
Quoted Equity Investments		2,492,754	85.63
Portfolio of investments		2,492,754	85.63
Other net assets		418,435	14.37
Net assets attributable to unitholders		2,911,189	100.00

[^] There is no readily available market quotation as the trading shares of Far East Pharmaceutical Technology Co Ltd, on the Stock Exchange of Hong Kong Limited, were suspended as at 17 June 2004. The Managers made certain estimates and assumptions to arrive at the fair value, after taking into account all relevant information. The actual proceeds that could be realised from the sale of these shares could be different from the estimated fair value.

The accompanying notes form an integral part of these financial statements.

Portfolio Statement (Unaudited)

As at 30 September 2007

	Percentage of total net assets attributable to unitholders at 30/9/2007 %	Percentage of total net assets attributable to unitholders at 31/3/2007 %
By Geography (Summary)		
Quoted Equity Investments		
Australia	-	3.20
Finland	-	1.34
Germany	-	4.50
Great Britain	6.60	11.65
Japan	16.21	15.26
Luxembourg	4.33	-
Netherlands	-	2.62
Switzerland	2.59	2.40
Taiwan	1.52	1.51
United States of America	54.38	53.93
	<hr/>	<hr/>
Portfolio of investments	85.63	96.41
Other net assets	14.37	3.59
Net assets attributable to unitholders	100.00	100.00
	<hr/>	<hr/>

The accompanying notes form an integral part of these financial statements.

Portfolio Statement (Unaudited)

As at 30 September 2007

	Fair value as at 30/9/2007 \$	Percentage of total net assets attributable to unitholders at 30/9/2007 %	Percentage of total net assets attributable to unitholders at 31/3/2007 %
By Industry			
Automotives and trucks	69,696	2.39	2.34
Bank	293,548	10.09	11.74
Building and construction	-	-	4.31
Computer and software	256,021	8.80	6.59
Diversified resource	102,234	3.51	3.47
Electrical and electronic	188,175	6.47	7.78
Finance	36,861	1.27	0.93
Food and beverage	165,389	5.68	3.96
Hotel	-	-	0.40
Insurance	84,255	2.89	4.44
Insurance - Life	64,487	2.21	3.33
Manufacturing	-	-	1.34
Medical - drugs	144,151	4.96	6.64
Metal	263,566	9.05	6.62
Mining	59,319	2.04	1.57
Oil and gas	339,890	11.67	8.80
Pharmaceutical	81,167	2.79	2.30
Public utility	-	-	2.49
Real estate	82,086	2.82	2.68
Retail	59,197	2.03	5.09
Telecommunication	95,303	3.27	3.91
Tobacco	63,245	2.17	4.17
Transport	44,164	1.52	1.51
Portfolio of investments	2,492,754	85.63	96.41
Other net assets	418,435	14.37	3.59
Net assets attributable to unitholders	2,911,189	100.00	100.00

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General

Legg Mason Worldwide Enterprise Trust (the "Fund") is an open-ended Unit Trust constituted pursuant to the Trust Deed dated 12 August 1997, as amended by various Supplemental Deeds between HSBC Institutional Trust Services (Singapore) Limited (the "Trustee") and Legg Mason Asset Management (Asia) Pte Ltd. A Supplemental Deed dated 28 September 2006 was entered to effect the change of investment manager from Legg Mason Asset Management (Asia) Pte Ltd to Legg Mason International Equities (Singapore) Pte Ltd (the "Manager"). The Trust Deed and subsequent Supplemental Deeds are governed by and construed in accordance with the laws of the Republic of Singapore.

The principal objective of the Fund relates to holding of certain authorised investments for long-term capital appreciation.

The Fund is approved under the Central Provident Fund Investment Scheme.

2. Significant accounting policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss and in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore.

The financial statements are expressed in Singapore dollars, which is the functional currency of the Fund.

(b) Income recognition

Dividend income is recorded gross in the financial statements in the accounting period which the security is quoted ex-dividend.

Interest income on deposits is recognised on a time proportion basis using the effective interest method.

(c) Foreign currency translation

Foreign currency monetary assets and liabilities are translated into Singapore dollars at the rates of exchange ruling at the date of balance sheet. Foreign currency transactions during the financial period are converted into Singapore dollars at the rates of exchange ruling on the transaction dates.

Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from translation of foreign currency monetary assets and liabilities at balance sheet date are taken to the Statement of Total Return.

(d) Financial assets at fair value through profit or loss

Investments are classified as financial assets at fair value through profit or loss.

(i) Initial recognition

Purchases of investments are recognised on the trade date. Investments are recorded at fair value on initial recognition.

(ii) Subsequent measurement

Investments are subsequently carried at fair value. Net changes in fair value on investments are included in the Statement of Total Return in the period which they arise. The resultant unrealised gains and losses are taken to the Statement of Total Return.

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

(iii) Derecognition

Investments are derecognised on the trade date of disposal. The resultant realised gains and losses on the sales of investments are computed on the basis of the difference between the weighted average cost and selling price net of transaction costs, and taken up in the Statement of Total Return.

(e) Basis of valuation of investments

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price for these investments held by the Fund is the current market quoted bid price.

(f) Derivative financial instruments

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques, including discounted cash flow models and option pricing models, as appropriate. All derivatives are carried as assets when their fair value is positive and as liabilities when fair values are negative.

The best evidence of the fair value of a derivative at fair value is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of the instrument is evidenced by comparison with other observable market transactions in the same instrument (i.e. without modification or packaging) or based on a valuation technique that whose variables include only data from observable markets.

3. Income Tax

	30/9/2007 \$	30/9/2006 \$
Overseas income tax	<u>39,186</u>	<u>11,352</u>

(a) The Fund is a designated unit trust and therefore, the following income is exempted from tax in accordance with Section 35(12) of the Income Tax Act:

- (i) gains or profits derived from Singapore or elsewhere from the disposal of securities and transactions in foreign exchange, futures, forwards, swaps and options relating to securities, financial indices, interest rates and currencies;
- (ii) interest (other than interest for which tax has been deducted under Section 45 of the Singapore Income Tax Act); and
- (iii) distribution from foreign unit trusts and dividends derived from outside Singapore and received in Singapore.

(b) The foreign income tax represents tax deducted at source on dividends derived from outside Singapore and received in Singapore.

4. Distribution to unitholders

The Manager did not propose any distribution to unitholders for the financial period ended 30 September 2007 (30 September 2006: \$Nil)

5. Cash and bank balances

	30/9/2007 \$	31/3/2007 \$
Cash and bank balances	<u>512,759</u>	<u>132,342</u>

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

6. Receivables

	30/9/2007	31/3/2007
	\$	\$
Amount due from unitholders	3,222	-
Dividend receivables	3,033	8,672
	6,255	8,672

The carrying amounts of receivables approximate their fair values.

7. Payables

	30/9/2007	31/3/2007
	\$	\$
Amount due to unitholders	83,099	8,495
Accrued management fee	3,960	4,778
Accrued trustee's fee	2,425	1,233
Other payable and accruals	11,095	7,476
	100,579	21,982

The carrying amounts of payables approximate their fair values.

8. Net assets attributable to unitholders

	30/9/2007	31/3/2007
	\$	\$
At the beginning of the financial period/year	3,315,997	5,131,178
Operations		
Change in net assets attributable to unitholders resulting from operations	105,406	294,530
Unitholders' contributions/(withdrawals)		
Creation of units	455,847	138,043
Cancellation of units	(966,061)	(2,247,754)
Change in net assets attributable to unitholders resulting from net cancellation of units	(510,214)	(2,109,711)
Total decrease in net assets attributable to unitholders	(404,808)	(1,815,181)
At the end of the financial period/year	2,911,189	3,315,997
Units in issue (see Note 9)	2,363,322	2,768,960
Net assets attributable to unitholders per unit	1.23	1.20

9. Units in issue

	30/9/2007	31/3/2007
Units at beginning of the financial period/year	2,768,960	4,604,631
Units created	362,048	117,851
Units cancelled	(767,686)	(1,953,522)
Units at end of the financial period/year	2,363,322	2,768,960

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

10. Related party transactions

As at 30 September 2007, the Manager, Trustee and Custodian of the Fund are Legg Mason International Equities (Singapore) Pte Ltd, HSBC Institutional Trust Services (Singapore) Limited and HSBC respectively. The management fees, trustee fees, custody fees, registration fees and valuation fees paid or payable by the Fund are shown in the Statement of Total Return.

In addition to related party information shown elsewhere in the financial statements, the following significant transactions took place during the financial period between the Fund and related parties at terms agreed between the parties concerned and within the provisions of the Trust Deed:

	30/9/2007	30/9/2006
	\$	\$
Interest income received and receivable from a bank which is a related company of the Trustee	450	100

11. Financial risk management

The Fund is exposed to market risk (includes price risk, currency risk, derivatives risk, credit risk and interest rate risk) and liquidity risk through the financial instruments it holds. The risk management policies employed by the Manager to manage and monitor these risks are discussed below.

(a) Market risk

Market risk is the risk of potential adverse change to the value of financial instruments because of changes in market conditions like interest rate movements and volatility in securities prices. The Manager manages its exposure to market risk through the use of risk management strategies and various analytical and monitoring techniques.

(b) Currency risk

The assets and income of the Fund may be denominated in a number of different currencies other than the Singapore Dollar and will thus be subjected to fluctuation in currency exchange rates and in certain cases, exchange control regulations.

The Manager makes forecasts of currency levels under different scenarios based on the Manager's analysis of fundamentals, technical and valuation factors that influence currency movements. These forecasts are compared with the costs of economically hedging non-SGD currencies. Non-SGD currency exposures are usually economically hedged when the expected impact of currency movements is adverse and more than outweighs the cost of hedging.

The table below summarise the currency profile of the assets and liabilities of the Fund.

	EUR \$	GBP \$	JPY \$	SGD \$	USD \$	Others \$	Total \$
As at 30/9/2007							
Assets							
Portfolio of investments	126,198	192,018	471,888	-	1,583,211	119,439	2,492,754
Cash and bank balances	507	962	3,801	208,570	298,026	893	512,759
Receivables	-	-	1,914	3,222	1,119	-	6,255
Total assets	126,705	192,980	477,603	211,792	1,882,356	120,332	3,011,768
Liabilities							
Payables	-	-	-	100,579	-	-	100,579
Net assets attributable to unitholders	-	-	-	2,911,189	-	-	2,911,189
Total liabilities	-	-	-	3,011,768	-	-	3,011,768
Net balance sheet currency exposure	126,705	192,980	477,603	(2,799,976)	1,882,356	120,332	-

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

	EUR \$	GBP \$	JPY \$	SGD \$	USD \$	Others \$	Total \$
As at 31/3/2007							
Assets							
Portfolio of investments	280,166	386,177	506,213	-	1,788,523	235,886	3,196,965
Cash and bank balances	368	3,021	646	28,812	5,543	93,952	132,342
Receivables	-	-	3,466	-	3,234	1,972	8,672
Total assets	280,534	389,198	510,325	28,812	1,797,300	331,810	3,337,979
Liabilities							
Payables	-	-	-	21,921	-	61	21,982
Net assets attributable to unitholders	-	-	-	3,315,997	-	-	3,315,997
Total liabilities	-	-	-	3,337,918	-	61	3,337,979
Net balance sheet currency exposure	280,534	389,198	510,325	(3,309,106)	1,797,300	331,749	-

In respect of investments in equity securities, the currency analysis above is based on the currencies in which the listed securities are denominated.

(c) Interest rate risk

The Fund's financial assets and liabilities are largely non-interest bearing. Hence, the Fund is not subjected to risk to fluctuations in the prevailing levels of market interest rates.

(d) Liquidity risk

Liquidity risk arises from not being able to fund redemptions or liquidate positions in a timely manner at a reasonable price. Liquidity risk exists when a particular investment is difficult to purchase or sell. These circumstances could prevent the Fund from promptly liquidating unfavourable positions and therefore resulting in losses to the Fund and corresponding decreases in the net asset value per unit. The Manager manages liquidity risk by investing primarily in marketable securities.

(e) Credit risk

Credit risk is the risk of loss when a counterparty fails to meet its payment obligation. To address credit risk, the Manager has in place a stringent credit risk management process, which entails evaluating and mitigating the counterparty's credit worthiness.

(f) Derivative risk

The Fund may, subject to applicable investment guidelines in the Code on Collective Investment Schemes and the Deeds from time to time invest in derivatives, which are financial contracts whose value depends on, or is derived from, the value of an underlying asset, reference rate or index. Such assets, rates and indices may include bonds, shares, interest rates, currency exchange rates, bond indices and stock indices.

The Manager does not intend to use derivatives transactions for speculation or leverage but may use them for efficient portfolio management and to hedge existing positions. The Manager will attempt to minimize the risks through careful selection of reputable counterparties and constant monitoring of the Fund's derivatives positions.

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

12. Secured credit facility

The Fund has a credit facility with HSBC at 30 September 2007.

Facility	Limit
Overdraft	\$300,000

The above credit facility is secured by way of a floating charge over all assets of the Fund and is not utilised at period end.

13. Financial ratios

	30/9/2007	30/9/2006
	%	%
Expense ratio ¹	3.71	3.18
Portfolio turnover ratio ²	28.03	0.08

1 Expense ratio is calculated in accordance with IMAS Guidelines for the Disclosure of Expenses Ratios, received on 25 May 2005. The expense ratio does not include (where applicable) brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The Fund does not pay any performance fees.

2 Portfolio turnover ratio is calculated in accordance with the formula stated in the "Code on Collective Investment Schemes".

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Legg Mason Asian Enterprise Trust

Legg Mason Asian Bond Trust

Legg Mason Worldwide Enterprise Trust

Legg Mason Southeast Asia Special Situations Trust

Legg Mason Global Bond Trust

Legg Mason Southeast Asia Special Situations Trust

Report to Unitholders

For the half year ended 30 September 2007

Investment Allocation as at 30 September 2007

By Country	Market Value in SGD	% of NAV
Cayman Islands	8,538,798	1.36
China	43,630,000	6.95
Hong Kong	35,450,587	5.65
Indonesia	73,692,514	11.75
Israel	3,235,965	0.52
Malaysia	120,080,847	19.15
Philippines	33,219,569	5.29
Singapore	226,348,964	36.09
South Korea	13,771,360	2.20
Thailand	57,960,239	9.24
Portfolio of investments	615,928,843	98.20
Other net assets	11,287,629	1.80
Total	627,216,472	100.00

By Industry	Market Value in SGD	% of NAV
Agriculture	6,929,900	1.10
Bank	34,906,264	5.57
Building and construction	28,023,185	4.46
Chemical	9,045,067	1.44
Computer and software	8,657,250	1.38
Consumer	36,106,197	5.76
Diversified resource	52,383,377	8.35
Electrical and electronic	7,118,950	1.14
Electrical equipment	8,664,000	1.38
Engineering and machinery	42,846,018	6.83
Entertainment	25,093,848	4.00
Finance	53,009,704	8.46
Food	10,853,540	1.73
Material	25,106,900	4.00
Manufacturing	5,470,335	0.88
Metal	13,073,626	2.09
Mining	15,450,181	2.46
Miscellaneous	1,291,500	0.21
Oil and gas	33,733,768	5.38
Plastic	2,263,000	0.36
Real estate	45,220,018	7.21
Rubber	12,347,280	1.97
Services	21,880,803	3.48
Shipping	13,771,360	2.20

Legg Mason Southeast Asia Special Situations Trust

Report to Unitholders

For the half year ended 30 September 2007

By Industry (cont'd)

	Market Value in SGD	% of NAV
Transport	70,350,634	11.21
Unit trust	8,538,798	1.36
Warehousing	20,637,340	3.29
Wholesale	3,156,000	0.50
Portfolio of investments	615,928,843	98.20
Other net assets	11,287,629	1.80
Total	627,216,472	100.00

By Asset Class

	Market Value in SGD	% of NAV
Equities	615,928,843	98.20
Portfolio of investments	615,928,843	98.20
Other net assets	11,287,629	1.80
Total	627,216,472	100.00

Top 10 Holdings

Holdings as at 30 September 2007

	Market Value in SGD	% of NAV
Star Cruises Limited	30,983,047	4.94
Yangzijiang ShipBuilding Holdings Limited	30,314,100	4.83
UEM World Bhd	26,799,041	4.27
Straits Asia Resources Limited	25,106,900	4.00
Genting Bhd	20,816,716	3.32
Bursa Malaysia Bhd	20,751,886	3.31
CWT Limited	20,637,340	3.29
Bumi Resources	20,444,741	3.26
Singapore Exchange Limited	20,111,100	3.21
Cosco Corporation (Singapore) Limited	19,385,100	3.09

Holdings as at 30 September 2006

	Market Value in SGD	% of NAV
Gallant Venture Limited	2,449,620	5.62
Telekomunikasi Indonesia Tbk PT	1,732,710	3.98
Ezra Holdings Pte Limited	1,714,284	3.93
Bank Danamon Indonesia	1,515,399	3.48
Aqua-Terra Supply Co Limited	1,408,965	3.23
Ellipsiz Limited	1,380,200	3.17
Indosat Tbk PT	1,367,735	3.14
Keppel Land Limited	1,363,440	3.13
UEM World Bhd	1,314,733	3.02
GMG Global Limited	1,257,235	2.89

Legg Mason Southeast Asia Special Situations Trust

Report to Unitholders

For the half year ended 30 September 2007

Exposure to Derivatives

	Market value in SGD	% of NAV
Spot foreign exchange contracts	(93,988)	0.01
Net gains/(losses) on contracts realised for the period 1 April 2007 to 30 September 2007	-	
Net gains/(losses) on outstanding contracts marked to market as at 30 September 2007	(93,988)	

Investment in other unit trust, mutual funds and collective investment schemes

	Market value in SGD	% of NAV
PXP Vietnam Fund Limited	8,538,798	1.36

Borrowings

Nil as at 30 September 2007

Amount of Redemptions and Subscriptions

For the period 1 April 2007 to 30 September 2007

	SGD
Redemptions	\$293,083,275
Subscriptions	\$733,522,258

Related Party Transactions

For the period 1 April 2007 to 30 September 2007

Refer to Note 11 of the "Notes to the Financial Statements".

Performance

	Legg Mason Southeast Asia Special Situations Trust*	Benchmark
3-month	-3.37%	+8.02%
6-month	+17.22%	+21.20%
1-year	+66.75%	+52.21%
3-year	+32.49%	+28.86%
5-year	+30.03%	+26.87%
10-year	N/A	N/A
Since inception	+17.22%	+6.64%

* Average Annual Compounded Return for periods above one year, bid to bid with dividends reinvested

Benchmark : MSCI AC Far East ex Japan, ex China, ex Hong Kong, ex Taiwan, ex Korea (S\$)

The inception date was on 2 March 1998

Source : Legg Mason International Equities (Singapore) Pte Limited and Lipper

Legg Mason Southeast Asia Special Situations Trust

Report to Unitholders

For the half year ended 30 September 2007

Expense Ratio

For the period 1 October 2006 to 30 September 2007	1.55%
For the period 1 October 2005 to 30 September 2006	1.70%

The expense ratio was calculated in accordance with the Investment Management Association of Singapore's guidelines on the disclosure of expense ratios.

The expense ratio does not include (where applicable) brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads and tax deducted at source or arising out of income received.

Turnover Ratio

For the period 1 October 2006 to 30 September 2007	58.03%
For the period 1 October 2005 to 30 September 2006	70.51%

The turnover ratio was calculated in accordance to the formulae stated in the "Code of Collective Investment Schemes"

The turnover ratio is calculated based on the lesser of purchases or sales of underlying investments of the Trust expressed as a percentage of daily average net asset value.

Other Material Information

With effect from July 2007, the Fund has changed from Bid-Offer to NAV-NAV pricing.
As at 1 September 2007, the management fee has been raised from 1.25% p.a. to 1.5% p.a.

Soft Dollar Commission/Arrangements

The Investment Manager shall be entitled to and currently do receive and enter into soft dollar commissions or arrangements in respect of the Trust. The Investment Manager will comply with applicable regulatory and industry standards on soft dollar commissions or arrangements. The soft dollar commissions or arrangements include specific advice as to the advisability of dealing in, or as to the value of any investments, research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses, data and quotation services, computer hardware and software or any other information facilities to the extent that they are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis, and custodial services in relation to the investments managed for clients.

Soft dollar commissions or arrangements shall not include travel, accommodation, entertainment, general administrative goods and services, general office equipment or premises, membership fees, employees' salaries or direct money payments.

The Investment Manager will not accept or enter into soft dollar commissions or arrangements unless (a) such soft dollar commissions or arrangements would, in the opinion of the Investment Manager, assist the Investment Manager in its management of the relevant Fund, (b) the Investment Manager shall ensure at all times that transactions are executed on the best available terms taking into account the relevant market at the time for transactions of the kind and size concerned, and (c) no unnecessary trades are entered into in order to qualify for such soft dollar commissions or arrangements.

All goods and services acquired with the soft dollar commission were for the benefit of the Trust. The broker(s), who has executed trades for other funds managed by the Investment Manager, had executed the trades on best available terms and there was no churning of trades.

Statement of Total Return (Unaudited)

For the half year ended 30 September 2007

	Notes	30/9/2007 \$	30/9/2006 \$
Investment income			
Dividends		4,648,251	587,959
Interest income		230,420	4,780
Sundry income		-	-
		4,878,671	592,739
Less: Expenses			
Audit fee		4,473	5,555
Custody fees	11	83,702	10,273
Management fees	11	2,683,739	264,732
Trustee fees	11	154,280	18,503
Registration fees		50,363	15,233
Professional fees		11,137	16,251
Valuation fees		53,816	8,569
Other expenses		46,778	4,122
		3,088,288	343,238
Net investment income		1,790,383	249,501
Net gains or losses on value of investments			
Net realised gains on investments		10,116,339	2,146,947
Net change in fair value on investments		29,364,165	(869,807)
Net change in fair value on financial derivatives		(93,988)	(49)
Net foreign exchange losses		(3,744,636)	(133,389)
Net gains on value of investments		35,641,880	1,143,702
Total return for the half year before income tax		37,432,263	1,393,203
Less: Income Tax	3	(606,810)	(69,266)
Total return for the half year		36,825,453	1,323,937

The accompanying notes form an integral part of these financial statements.

Balance Sheet (Unaudited)

As at 30 September 2007

	Notes	30/9/2007 \$	31/3/2007 \$
ASSETS			
Portfolio of investments		615,928,843	134,220,388
Cash and bank balances	5	58,900,389	16,683,577
Receivables	6	16,273,922	9,324,577
Sales awaiting settlement		9,167,579	-
Fair value of financial derivatives	7	-	909
Total assets		700,270,733	160,229,451
LIABILITIES			
Payables	8	30,167,021	4,243,770
Purchases awaiting settlement		42,793,252	6,032,812
Fair value of financial derivatives	7	93,988	833
Net assets attributable to unitholders	9	627,216,472	149,952,036
Total liabilities		700,270,733	160,229,451

The accompanying notes form an integral part of these financial statements.

Portfolio Statement (Unaudited)

As at 30 September 2007

	Holdings as at 30/9/2007	Fair value as at 30/9/2007 \$	Percentage of total net assets attributable to unitholders at 30/9/2007 %
<u>By Geography - Quoted Equity Investments</u>			
Cayman Islands			
PXP Vietnam Fund Limited	597,317	8,538,798	1.36
China			
China Xlx Fertiliser Limited	5,290,000	6,929,900	1.10
Synear Food Holdings Limited	3,100,000	6,386,000	1.02
Yangzijiang ShipBuilding Holdings Limited	13,655,000	30,314,100	4.83
		43,630,000	6.95
Hong Kong			
Pacific Andes Holdings Limited	5,802,000	4,467,540	0.71
Star Cruises Limited	47,981,000	30,983,047	4.94
		35,450,587	5.65
Indonesia			
Bank Mandiri	21,822,000	12,397,796	1.98
Bank Rakyat Indonesia	6,780,500	7,209,164	1.15
Bumi Resources	35,479,000	20,444,741	3.26
Ciputra Development	43,771,000	6,536,665	1.04
Holcim Indonesia Tbk	81,208,000	14,895,640	2.37
PT Bhakti Investama Tbk	50,155,300	7,815,737	1.25
Semen Gresik (Persero) Tbk	5,106,000	4,392,771	0.70
		73,692,514	11.75
Israel			
Sarin Technologies Limited	5,017,000	3,235,965	0.52
Malaysia			
Bursa Malaysia Bhd	4,370,200	20,751,886	3.31
Dreamgate Corporation Bhd	16,782,900	4,277,132	0.68
Genting Bhd	5,935,900	20,816,716	3.32
Hexagon Holdings Bhd	2,425,400	5,240,767	0.84

The accompanying notes form an integral part of these financial statements.

Portfolio Statement (Unaudited)

As at 30 September 2007

	Holdings as at 30/9/2007	Fair value as at 30/9/2007 \$	Percentage of total net assets attributable to unitholders at 30/9/2007 %
<u>By Geography - Quoted Equity Investments (continued)</u>			
Malaysia			
Kencana Petroleum	7,512,800	8,051,313	1.28
Mems Technology Bhd	13,700,000	3,640,660	0.58
Multi-Purpose Holdings Bhd	3,970,200	3,147,846	0.50
Mycom Bhd	10,500,000	5,123,150	0.82
Saag Consolidated (M) Bhd	1,235,000	3,524,017	0.56
Sapuracrest Petroleum Bhd	8,138,100	6,558,802	1.05
SP Setia Bhd	1,296,800	4,943,230	0.79
Tradewinds Corporation Bhd	12,344,600	7,206,287	1.15
UEM World Bhd	15,077,500	26,799,041	4.27
		120,080,847	19.15
Philippines			
Ayala Corporation	234,000	4,202,263	0.67
Filinvest Land Inc	96,788,278	5,485,574	0.87
Gma Holdings Inc	18,435,500	5,649,483	0.90
Megaworld Corporation	38,482,143	4,374,709	0.70
Metropolitan Bank & Trust Company	2,247,800	4,110,754	0.66
Security Bank Corporation	2,268,100	5,605,242	0.89
Southeast Asia Cement Holdings	94,316,000	3,791,544	0.60
		33,219,569	5.29
Singapore			
Advance SCT Limited	8,500,000	7,905,000	1.26
Advance SCT Limited Warrants 19/08/2010	2,550,000	752,250	0.12
Armstrong Industrial Corporation Limited	28,062,000	12,347,280	1.97
Ascendas India	7,502,000	11,027,940	1.76
Asti Holdings Limited	15,123,000	3,478,290	0.56
Beyonics Technology Limited	11,136,000	5,122,560	0.82
Broadway Industrial Group Limited	3,100,000	2,263,000	0.36
Cosco Corporation (Singapore) Limited	3,258,000	19,385,100	3.09
CWT Limited	15,401,000	20,637,340	3.29
Ezion Holdings Limited	4,790,000	8,909,400	1.42
Ezra Holdings Pte Limited	568,200	3,608,070	0.58
Goodpack Limited	2,577,000	5,360,160	0.85
Goodpack Limited Warrants 16/07/2009	322,125	243,204	0.04

The accompanying notes form an integral part of these financial statements.

Portfolio Statement (Unaudited)

As at 30 September 2007

	Holdings as at 30/9/2007	Fair value as at 30/9/2007 \$	Percentage of total net assets attributable to unitholders at 30/9/2007 %
By Geography - Quoted Equity Investments (continued)			
Singapore			
Hiap Seng Engineering Limited	7,000,000	6,090,000	0.97
Hi-P International Limited	3,147,000	2,234,370	0.36
Indofood Agri Resources Limited	8,376,000	10,637,520	1.70
Lottvision Limited	16,427,000	5,913,720	0.94
Lottvision Limited Warrants 17/04/2008	6,150,000	1,291,500	0.21
SC Global Developments Limited	1,392,000	8,004,000	1.28
See Hup Seng Limited	11,464,000	10,317,600	1.64
Sing Holdings Limited	9,885,000	10,181,550	1.62
Singapore Exchange Limited	1,559,000	20,111,100	3.21
SMB United Limited	22,800,000	8,664,000	1.38
Straits Asia Resources Limited	16,198,000	25,106,900	4.00
Tat Hong Holdings Limited	1,315,000	3,156,000	0.50
Tiong Woon Corporation Holding Limited	10,400,000	11,440,000	1.82
Yong Nam Holdings Limited	5,271,000	2,161,110	0.34
		226,348,964	36.09
South Korea			
STX Pan Ocean Co Limited	4,148,000	13,771,360	2.20
Thailand			
Bangkok Bank Public Company Limited Foreign	1,121,000	5,583,308	0.89
Banpu Public Company Limited NVDR	1,025,100	15,450,181	2.46
PTT Chemical Public Company Limited Foreign	1,631,600	9,045,067	1.44
PTT Public Company Limited Foreign	514,300	7,439,626	1.19
Tata Steel Thailand Public Company Limited NVDR	109,276,800	7,951,066	1.27
Thai Oil Public Company Limited Foreign	2,256,400	8,160,010	1.30
Thanachart Capital Public Company Limited Foreign	6,369,400	4,330,981	0.69
		57,960,239	9.24
Quoted Equity Investments		615,928,843	98.20
Portfolio of investments		615,928,843	98.20
Other net assets		11,287,629	1.80
Net assets attributable to unitholders		627,216,472	100.00

The accompanying notes form an integral part of these financial statements.

Portfolio Statement (Unaudited)

As at 30 September 2007

	Percentage of total net assets attributable to unitholders at 30/9/2007 %	Percentage of total net assets attributable to unitholders at 31/3/2007 %
<u>By Geography (Summary)</u>		
Quoted Equity Investments		
Cayman Islands	1.36	4.03
China	6.95	1.27
Great Britain	-	2.57
Hong Kong	5.65	2.28
Indonesia	11.75	7.04
Israel	0.52	0.29
Malaysia	19.15	22.85
Philippines	5.29	8.59
Singapore	36.09	35.53
South Korea	2.20	-
Thailand	9.24	5.06
	<hr/>	<hr/>
Portfolio of investments	98.20	89.51
Other net assets	1.80	10.49
	<hr/>	<hr/>
Net assets attributable to unitholders	100.00	100.00
	<hr/>	<hr/>

The accompanying notes form an integral part of these financial statements.

Portfolio Statement (Unaudited)

As at 30 September 2007

	Fair value as at 30/9/2007 \$	Percentage of total net assets attributable to unitholders at 30/9/2007 %	Percentage of total net assets attributable to unitholders at 31/3/2007 %
By Industry			
Agriculture	6,929,900	1.10	2.47
Bank	34,906,264	5.57	8.03
Building and construction	28,023,185	4.46	4.85
Chemical	9,045,067	1.44	-
Commerce	-	-	0.57
Computer and software	8,657,250	1.38	1.40
Consumer	36,106,197	5.76	1.91
Diversified resource	52,383,377	8.35	4.47
Educational services	-	-	1.89
Electrical and electronic	7,118,950	1.14	3.45
Electrical equipment	8,664,000	1.38	-
Engineering and machinery	42,846,018	6.83	7.59
Entertainment	25,093,848	4.00	1.56
Finance	53,009,704	8.46	4.87
Food	10,853,540	1.73	2.35
Investment	-	-	3.03
Machine tools	-	-	2.60
Machinery	-	-	1.61
Material	25,106,900	4.00	-
Manufacturing	5,470,335	0.88	1.13
Media	-	-	0.46
Metal	13,073,626	2.09	1.04
Mining	15,450,181	2.46	1.45
Miscellaneous	1,291,500	0.21	1.09
Oil and gas	33,733,768	5.38	0.70
Plantation	-	-	1.80
Plastic	2,263,000	0.36	1.76
Real estate	45,220,018	7.21	10.30
Retail	-	-	3.40
Rubber	12,347,280	1.97	-
Semiconductor	-	-	0.73
Services	21,880,803	3.48	-
Shipping	13,771,360	2.20	-
Telecommunication	-	-	0.28
Transport	70,350,634	11.21	5.95
Unit trust	8,538,798	1.36	4.03
Utility - water	-	-	1.27
Warehousing	20,637,340	3.29	-
Wholesale	3,156,000	0.50	0.75
Portfolio of investments	615,928,843	98.20	89.51
Other net assets	11,287,629	1.80	10.49
Net assets attributable to unitholders	627,216,472	100.00	100.00

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General

Legg Mason Southeast Asia Special Situations Trust ("the Fund") is an open-ended Unit Trust constituted pursuant to the Trust Deed dated 14 January 1998, as amended by various Supplemental Deeds between HSBC Institutional Trust Services (Singapore) Limited (the "Trustee") and Legg Mason Asset Management (Asia) Pte Ltd. A Supplemental Deed dated 28 September 2006 was entered to effect the change of investment manager from Legg Mason Asset Management (Asia) Pte Ltd to Legg Mason International Equities (Singapore) Pte Ltd (the "Manager"). The Trust Deed and subsequent Supplemental Deeds are governed by and construed in accordance with the laws of the Republic of Singapore.

The principal objective of the Fund relates to holding of certain authorised investments for long-term capital appreciation.

The Fund is approved under the Central Provident Fund Investment Scheme.

2. Significant accounting policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss and in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore.

The financial statements are expressed in Singapore dollars, which is the functional currency of the Fund.

(b) Income recognition

Dividend income is recorded gross in the financial statements in the accounting period which the security is quoted ex-dividend.

Interest income on deposits is recognised on a time proportion basis using the effective interest method.

(c) Foreign currency translation

Foreign currency monetary assets and liabilities are translated into Singapore dollars at the rates of exchange ruling at the date of balance sheet. Foreign currency transactions during the financial period are converted into Singapore dollars at the rates of exchange ruling on the transaction dates.

Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from translation of foreign currency monetary assets and liabilities at balance sheet date are taken to the Statement of Total Return.

(d) Financial assets at fair value through profit or loss

Investments are classified as financial assets at fair value through profit or loss.

(i) Initial recognition

Purchases of investments are recognised on the trade date. Investments are recorded at fair value on initial recognition.

(ii) Subsequent measurement

Investments are subsequently carried at fair value. Net changes in fair value on investments are included in the Statement of Total Return in the period which they arise. The resultant unrealised gains and losses are taken to the Statement of Total Return.

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

(iii) Derecognition

Investments are derecognised on the trade date of disposal. The resultant realised gains and losses on the sales of investments are computed on the basis of the difference between the weighted average cost and selling price net of transaction costs, and taken up in the Statement of Total Return.

(e) Basis of valuation of investments

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price for these investments held by the Fund is the current market quoted bid price.

(f) Derivative financial instruments

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques, including discounted cash flow models and option pricing models, as appropriate. All derivatives are carried as assets when their fair value is positive and as liabilities when fair values are negative.

The best evidence of the fair value of a derivative at fair value is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of the instrument is evidenced by comparison with other observable market transactions in the same instrument (i.e. without modification or packaging) or based on a valuation technique that whose variables include only data from observable markets.

3. Income Tax

	30/9/2007 \$	30/9/2006 \$
Singapore income tax	154,557	3,570
Overseas income tax	452,253	65,696
	606,810	69,266

(a) The Fund is a designated unit trust and therefore, the following income is exempted from tax in accordance with Section 35(12) of the Income Tax Act:

(i) gains or profits derived from Singapore or elsewhere from the disposal of securities and transactions in foreign exchange, futures, forwards, swaps and options relating to securities, financial indices, interest rates and currencies;

(ii) interest (other than interest for which tax has been deducted under Section 45 of the Singapore Income Tax Act); and

(iii) distribution from foreign unit trusts and dividends derived from outside Singapore and received in Singapore.

(b) The Singapore income tax represents tax deducted at source for Singapore sourced dividends. The foreign income tax represents tax deducted at source on dividends derived from outside Singapore and received in Singapore.

4. Distribution to unitholders

The Manager did not propose any distribution to unitholders for the financial period ended 30 September 2007 (30 September 2006: \$Nil)

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

5. Cash and bank balances

	30/9/2007	31/3/2007
	\$	\$
Cash and bank balances	28,856,546	12,176,669
Fixed deposit	30,043,843	4,506,908
	58,900,389	16,683,577

The fixed deposit placed with a bank which is a related company of the Trustee as at the balance sheet date has an average maturity of 1 day (31 March 2007: 3 days) from the end of the financial period/year with a weighted average effective interest rate of 1.95% (31 March 2007: 2.64%) per annum.

6. Receivables

	30/9/2007	31/3/2007
	\$	\$
Amount due from unitholders	15,609,230	9,272,844
Dividend receivables	661,482	51,407
Interest receivable	3,210	326
	16,273,922	9,324,577

The carrying amounts of receivables approximate their fair values.

7. Fair value of financial derivatives

The table below sets out the analysed notional contract amounts and fair value of spot foreign exchange contracts entered into with third parties.

As at financial period/year end, commitments under spot foreign exchange contracts due for settlement within one month are as follows:

	Notional amount \$	Fair value assets \$	Fair value liabilities \$
30/9/2007			
Spot foreign exchange contracts	29,421,215	-	(93,988)
31/3/2007			
Spot foreign exchange contracts	2,665,504	909	(833)

The spot foreign exchange contracts were undertaken for purpose of efficient portfolio management.

All financial derivatives are stated at fair values on the balance sheet.

8. Payables

	30/9/2007	31/3/2007
	\$	\$
Amount due to unitholders	21,562,910	2,706,664
Accrued management fee	666,943	124,261
Accrued trustee's fee	66,257	7,867
Amount due to the Manager	49,888	34,172
Other payable and accruals	7,821,023	1,370,806
	30,167,021	4,243,770

The carrying amounts of payables approximate their fair values.

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

9. Net assets attributable to unitholders

	30/9/2007	31/3/2007
	\$	\$
At the beginning of the financial period/year	149,952,036	38,250,472
Operations		
Change in net assets attributable to unitholders resulting from operations	36,825,453	26,185,092
Unitholders' contributions/(withdrawals)		
Creation of units	733,522,258	122,044,190
Cancellation of units	(293,083,275)	(36,527,718)
Change in net assets attributable to unitholders resulting from net creation of units	440,438,983	85,516,472
Total increase in net assets attributable to unitholders	477,264,436	111,701,564
At the end of the financial period/year	627,216,472	149,952,036
Units in issue (see Note 10)	289,233,492	81,558,836
Net assets attributable to unitholders per unit	2.17	1.84

10. Units in issue

	30/9/2007	31/3/2007
Units at beginning of the financial period/year	81,558,836	30,330,103
Units created	346,158,116	74,720,124
Units cancelled	(138,483,460)	(23,491,391)
Units at end of the financial period/year	289,233,492	81,558,836

11. Related party transactions

As at 30 September 2007, the Manager, Trustee and Custodian of the Fund are Legg Mason International Equities (Singapore) Pte Ltd, HSBC Institutional Trust Services (Singapore) Limited and HSBC respectively. The management fees, trustee fees, custody fees, registration fees and valuation fees paid or payable by the Fund are shown in the Statement of Total Return.

In addition to related party information shown elsewhere in the financial statements, the following significant transactions took place during the financial period between the Fund and related parties at terms agreed between the parties concerned and within the provisions of the Trust Deed:

	30/9/2007	30/9/2006
	\$	\$
Interest income received and receivable from a bank which is a related company of the Trustee	196,803	4,780
Interest expenses incurred with a bank which is a related company of the Trustee	7	28

12. Financial risk management

The Fund is exposed to market risk (includes price risk, currency risk, derivatives risk, credit risk and interest rate risk) and liquidity risk through the financial instruments it holds. The risk management policies employed by the Manager to manage and monitor these risks are discussed below.

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

(a) Market risk

Market risk is the risk of potential adverse change to the value of financial instruments because of changes in market conditions like interest rate movements and volatility in securities prices. The Manager manages its exposure to market risk through the use of risk management strategies and various analytical and monitoring techniques.

(b) Currency risk

The assets and income of the Fund may be denominated in a number of different currencies other than the Singapore Dollar and will thus be subjected to fluctuation in currency exchange rates and in certain cases, exchange control regulations.

The Manager makes forecasts of currency levels under different scenarios based on the Manager's analysis of fundamentals, technical and valuation factors that influence currency movements. These forecasts are compared with the costs of economically hedging non-SGD currencies. Non-SGD currency exposures are usually economically hedged when the expected impact of currency movements is adverse and more than outweighs the cost of hedging.

The table below summarise the currency profile of the assets and liabilities of the Fund.

	IDR \$	MYR \$	SGD \$	THB \$	Others \$	Total \$
As at 30/9/2007						
Assets						
Portfolio of investments	73,692,514	120,080,847	291,453,829	57,960,239	72,741,414	615,928,843
Cash and bank balances	-	-	48,934,150	6,286,449	3,679,790	58,900,389
Receivables	-	50,969	15,692,341	328,757	201,855	16,273,922
Sales awaiting settlement	9,167,579	-	-	-	-	9,167,579
Total assets	82,860,093	120,131,816	356,080,320	64,575,445	76,623,059	700,270,733
Liabilities						
Payables	-	-	30,158,729	-	8,292	30,167,021
Purchases awaiting settlement	23,593,503	437,210	12,970,367	5,792,172	-	42,793,252
Fair value of financial derivatives	50,967	321	-	-	42,700	93,988
Net assets attributable to unitholders	-	-	627,216,472	-	-	627,216,472
Total liabilities	23,644,470	437,531	670,345,568	5,792,172	50,992	700,270,733
Net balance sheet currency exposure	59,215,623	119,694,285	(314,265,248)	58,783,273	76,572,067	-
	IDR \$	MYR \$	PHP \$	SGD \$	Others \$	Total \$
As at 31/3/2007						
Assets						
Portfolio of investments	10,554,873	33,185,605	12,879,672	62,929,565	14,670,673	134,220,388
Cash and bank balances	-	-	353	15,261,649	1,421,575	16,683,577
Receivables	-	20,153	-	9,273,170	31,254	9,324,577
Fair value of financial derivatives	-	-	-	-	909	909
Total assets	10,554,873	33,205,758	12,880,025	87,464,384	16,124,411	160,229,451
Liabilities						
Payables	-	-	-	4,238,191	5,579	4,243,770
Purchases awaiting settlement	1,973,194	-	735,452	3,324,166	-	6,032,812
Fair value of financial derivatives	-	-	833	-	-	833
Net assets attributable to unitholders	-	-	-	149,952,036	-	149,952,036
Total liabilities	1,973,194	-	736,285	157,514,393	5,579	160,229,451
Net balance sheet currency exposure	8,581,679	33,205,758	12,143,740	(70,050,009)	16,118,832	-

In respect of investments in equity securities, the currency analysis above is based on the currencies in which the listed securities are denominated.

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

(c) Interest rate risk

The Fund's financial assets and liabilities are largely non-interest bearing. Hence, the Fund is not subjected to risk to fluctuations in the prevailing levels of market interest rates.

(d) Liquidity risk

Liquidity risk arises from not being able to fund redemptions or liquidate positions in a timely manner at a reasonable price. Liquidity risk exists when a particular investment is difficult to purchase or sell. These circumstances could prevent the Fund from promptly liquidating unfavourable positions and therefore resulting in losses to the Fund and corresponding decreases in the net asset value per unit. The Manager manages liquidity risk by investing primarily in marketable securities.

(e) Credit risk

Credit risk is the risk of loss when a counterparty fails to meet its payment obligation. To address credit risk, the Manager has in place a stringent credit risk management process, which entails evaluating and mitigating the counterparty's credit worthiness.

(f) Derivative risk

The Fund may, subject to applicable investment guidelines in the Code on Collective Investment Schemes and the Deeds from time to time invest in derivatives, which are financial contracts whose value depends on, or is derived from, the value of an underlying asset, reference rate or index. Such assets, rates and indices may include bonds, shares, interest rates, currency exchange rates, bond indices and stock indices.

The Manager does not intend to use derivatives transactions for speculation or leverage but may use them for efficient portfolio management and to hedge existing positions. The Manager will attempt to minimize the risks through careful selection of reputable counterparties and constant monitoring of the Fund's derivatives positions.

13. Secured credit facility

The Fund has a credit facility with HSBC at 30 September 2007.

<u>Facility</u>	<u>Limit</u>
Overdraft	\$1,000,000

The above credit facility is secured by way of a floating charge over all assets of the Fund and is not utilised at period end.

14. Financial ratios

	30/9/2007	30/9/2006
	%	%
Expense ratio ¹	1.55	1.70
Portfolio turnover ratio ²	58.03	70.51

1 Expense ratio is calculated in accordance with IMAS Guidelines for the Disclosure of Expenses Ratios, received on 25 May 2005. The expense ratio does not include (where applicable) brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The Fund does not pay any performance fees.

2 Portfolio turnover ratio is calculated in accordance with the formula stated in the "Code on Collective Investment Schemes".

Legg Mason Asian Enterprise Trust

Legg Mason Asian Bond Trust

Legg Mason Worldwide Enterprise Trust

Legg Mason Southeast Asia Special Situations Trust

Legg Mason Global Bond Trust

Legg Mason Global Bond Trust

Report to Unitholders

For the half year ended 30 September 2007

Investment Allocation as at 30 September 2007

By Country	Market Value in SGD	% of NAV
Australia	2,272,952	0.75
Belgium	14,673,588	4.84
Canada	3,991,324	1.32
Denmark	6,455,995	2.13
France	32,029,497	10.57
Germany	76,069,896	25.11
Great Britain	42,000,089	13.86
Netherlands	20,324,208	6.71
Norway	4,031,419	1.33
Singapore	448,277	0.15
Supra-National	426,557	0.14
Sweden	4,939,303	1.63
United States of America	107,905,221	35.61
Portfolio of investments	315,568,326	104.15
Other net assets	(12,568,765)	(4.15)
Total	302,999,561	100.00

By Industry	Market Value in SGD	% of NAV
Bank	7,049,387	2.32
Electronic	1,576,684	0.52
Finance	17,978,201	5.94
Government	239,315,472	78.99
Miscellaneous	49,222,025	16.24
Utilities	426,557	0.14
Portfolio of investments	315,568,326	104.15
Other net assets	(12,568,765)	(4.15)
Total	302,999,561	100.00

By Asset Class	Market Value in SGD	% of NAV
Fixed Income securities	315,568,326	104.15
Portfolio of investments	315,568,326	104.15
Other net assets	(12,568,765)	(4.15)
Total	302,999,561	100.00

Legg Mason Global Bond Trust

Report to Unitholders

For the half year ended 30 September 2007

By Credit Rating *	Market Value in SGD	% of NAV
AAA	290,392,177	95.83
Aaa	7,955,879	2.63
AA+	14,673,588	4.84
AA	2,546,682	0.84
Portfolio of investments	315,568,326	104.15
Other net assets	(12,568,765)	(4.15)
	302,999,561	100.00

*By Standard & Poors/Moodys unless otherwise stated.

Top 10 Holdings

Holdings as at 30 September 2007	Market Value in SGD	% of NAV
Bundesrepublik Deutschland Series 04 3.75% 04/01/2015	28,664,054	9.44
UK Treasury 4.75% 07/06/2010	27,713,553	9.15
FNMA 30Yr Nov FWD 01/11/2037	24,399,951	8.05
US Treasury Note 3.875% 15/09/2010	19,749,404	6.52
Government of Netherlands 4% 15/01/2037	18,177,541	6.00
Bundesobligation Series 141 4.25% 15/02/2008	16,256,318	5.36
Bundesobligation Series 143 3.5% 10/10/2008	14,803,003	4.89
Kingdom of Belgium Series 28 5.75% 28/03/2008	14,673,588	4.84
Government of France Oat 4% 25/10/2013	12,084,090	3.99
US Treasury Note 4.5% 15/11/2015	11,521,410	3.80

Holdings as at 30 September 2006	Market Value in SGD	% of NAV
UK Treasury 4.75% 07/06/2010	40,278,876	16.23
Bundesrepublik Deutschland Series 3.75% 04/01/2015	32,988,322	13.29
US Treasury Note 4.75% 31/03/2011	21,978,859	8.86
US Treasury Note 3.875% 15/09/2010	20,673,057	8.33
US Treasury Note 4% 15/02/2015	9,999,637	4.03
Government of France Btan 3.75% 12/01/2007	9,461,687	3.81
Bundesrepublik Deutschland Series 4% 04/07/2016	8,991,207	3.62
Government of France Oat 4.75% 25/04/2035	7,863,859	3.17
US Treasury Note 4% 15/03/2010	7,343,062	2.96
US Treasury N/B 3.75% 15/05/2008	6,779,183	2.73

Legg Mason Global Bond Trust

Report to Unitholders

For the half year ended 30 September 2007

Exposure to Derivatives

	Market value in SGD	% of NAV
Forward foreign exchange and futures contracts	59,074	0.02
Net gains/(losses) on contracts realised for the period 1 April 2007 to 30 September 2007	(462,131)	
Net gains/(losses) on outstanding contracts marked to market as at 30 September 2007	59,074	

Investment in other unit trust, mutual funds and collective investment schemes

Nil as at 30 September 2007

Borrowings

Nil as at 30 September 2007

Amount of Redemptions and Subscriptions

For the period 1 April 2007 to 30 September 2007

	SGD
Redemptions	\$46,873,116
Subscriptions	\$60,886,072

Related Party Transactions

For the period 1 April 2007 to 30 September 2007

Refer to Note 12 of the "Notes to the Financial Statements".

Performance

	Legg Mason Global Bond Trust*	Benchmark
3-month	+2.78%	+3.40%
6-month	+2.68%	+3.99%
1-year	+1.33%	+3.36%
3-year	+1.56%	+2.29%
5-year	+3.47%	+4.41%
10-year	N/A	N/A
Since inception	+1.90%	+4.66%

* Average Annual Compounded Return for periods above one year, bid to bid with dividends reinvested

Benchmark : Citigroup World Government Bond Index (S\$) ex Japan

The inception date was on 2 November 1998

Source : Legg Mason International Equities (Singapore) Pte Limited and Lipper

Legg Mason Global Bond Trust

Report to Unitholders

For the half year ended 30 September 2007

Expense Ratio

For the period 1 October 2006 to 30 September 2007	0.90%
For the period 1 October 2005 to 30 September 2006	0.91%

The expense ratio was calculated in accordance with the Investment Management Association of Singapore's guidelines on the disclosure of expense ratios.

The expense ratio does not include (where applicable) brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads and tax deducted at source or arising out of income received.

Turnover Ratio

For the period 1 October 2006 to 30 September 2007	132.78%
For the period 1 October 2005 to 30 September 2006	111.58%

The turnover ratio was calculated in accordance to the formulae stated in the "Code of Collective Investment Schemes"

The turnover ratio is calculated based on the lesser of purchases or sales of underlying investments of the Trust expressed as a percentage of daily average net asset value.

Other Material Information

With effect from July 2007, the Fund has changed from Bid-Offer to NAV-NAV pricing.

Soft Dollar Commission/Arrangements

The Investment Manager did not receive any soft dollar commission or enter into any soft dollar arrangement in the management of the Trust.

Statement of Total Return (Unaudited)

For the half year ended 30 September 2007

	Notes	30/9/2007 \$	30/9/2006 \$
Investment income			
Interest income		310,300	62,679
Sundry income		-	14,541
		310,300	77,220
Less: Expenses			
Audit fee		7,250	5,600
Custody fees	12	2,849	2,775
Management fees	12	1,145,880	924,662
Trustee fees	12	77,870	64,263
Registration fees		15,017	15,430
Professional fees		9,174	16,650
Valuation fees		40,890	34,096
Other expenses		24,931	11,683
		1,323,861	1,075,159
Net investment loss		(1,013,561)	(997,939)
Net gains or losses on value of investments			
Net realised gains/(losses) on investments		2,826,900	(2,051,583)
Net change in fair value on investments		6,698,862	10,189,759
Net realised (losses)/gains on financial derivatives		(462,131)	232,587
Net change in fair value on financial derivatives		59,074	(142,961)
Net foreign exchange gains		186,390	656,962
Net gains on value of investments		9,309,095	8,884,764
Total return for the half year before income tax		8,295,534	7,886,825
Less: Income Tax	3	-	-
Total return for the half year		8,295,534	7,886,825

The accompanying notes form an integral part of these financial statements.

Balance Sheet (Unaudited)

As at 30 September 2007

	Notes	30/9/2007 \$	31/3/2007 \$
ASSETS			
Portfolio of investments		315,568,326	295,011,172
Cash and bank balances	5	35,138,907	19,290,459
Margin accounts	6	509,867	-
Receivables	7	1,093,557	1,055,176
Sales awaiting settlement		29,167,361	4,738,417
Fair value of financial derivatives	8	1,747,419	1,548,681
Total assets		383,225,437	321,643,905
LIABILITIES			
Payables	9	1,015,904	905,597
Purchases awaiting settlement		77,521,626	39,280,683
Fair value of financial derivatives	8	1,688,346	766,554
Net assets attributable to unitholders	10	302,999,561	280,691,071
Total liabilities		383,225,437	321,643,905

The accompanying notes form an integral part of these financial statements.

Portfolio Statement (Unaudited)

As at 30 September 2007

	Holdings as at 30/9/2007	Fair value as at 30/9/2007 \$	Percentage of total net assets attributable to unitholders at 30/9/2007 %
<u>By Geography - Quoted Investments</u>			
Australia			
Queensland Treasury Corporation Series 11G 6% 14/06/2011	1,740,000	2,272,952	0.75
Belgium			
Kingdom of Belgium Series 28 5.75% 28/03/2008	6,710,000	14,673,588	4.84
Canada			
Government of Canada 5% 01/06/2014	630,000	996,507	0.33
Government of Canada 5.5% 01/06/2010	300,000	471,255	0.16
Government of Canada 6% 01/06/2011	1,010,000	1,630,197	0.54
Government of Canada Series WL43 5.75% 01/06/2029	500,000	893,365	0.29
		3,991,324	1.32
Denmark			
Kingdom of Denmark 6% 15/11/2011	4,400,000	1,391,147	0.46
Kingdom of Denmark 7% 15/11/2007	2,250,000	677,763	0.22
Nordea Kredit Realkredit Series Ann 4% 01/10/2038	6,184,084	1,603,156	0.53
Nykredit Series Ann 4% 01/10/2038	11,049,695	2,783,929	0.92
		6,455,995	2.13
France			
Government of France Btan 3% 12/01/2011	2,570,000	5,349,433	1.76
Government of France Oat 4% 25/10/2013	5,600,000	12,084,090	3.99
Government of France Oat 3.75% 25/04/2017	1,880,000	3,824,762	1.26
Government of France Oat 5.75% 25/10/2032	390,000	994,919	0.33
Government of France Oat 4.75% 25/04/2035	4,490,000	9,776,293	3.23
		32,029,497	10.57
Germany			
Bundesobligation Series 141 4.25% 15/02/2008	7,500,000	16,256,318	5.36
Bundesobligation Series 143 3.5% 10/10/2008	6,820,000	14,803,003	4.89
Bundesrepublik Deutschland Series 0303 4.25% 04/01/2014	2,360,000	5,137,195	1.70
Bundesrepublik Deutschland Series 04 3.75% 04/01/2015	13,650,000	28,664,054	9.46

The accompanying notes form an integral part of these financial statements.

Portfolio Statement (Unaudited)

As at 30 September 2007

	Holdings as at 30/9/2007	Fair value as at 30/9/2007 \$	Percentage of total net assets attributable to unitholders at 30/9/2007 %
<u>By Geography - Quoted Investments (continued)</u>			
Germany			
Bundesrepublik Deutschland Series 06 4% 04/07/2016	1,570,000	3,270,475	1.08
Bundesrepublik Deutschland Series 0301 4.75% 04/07/2034	1,350,000	2,937,184	0.97
Bundesrepublik Deutschland Series 05 4% 04/01/2037	1,730,000	3,409,239	1.13
Deutsche Postbank 5.5% 17/02/2009	150,000	232,647	0.08
Hypothesenbank in Essen Series 502 5.25% 22/01/2008	150,000	328,402	0.11
Hypothesenbank in Essen 5.25% 17/01/2011	150,000	335,691	0.11
Kredit Fuer Wiederaufbau 5% 04/07/2011	200,000	436,867	0.14
Landwirtsch Rentenbank MTN 6% 15/09/2009	200,000	258,821	0.08
		76,069,896	25.11
Great Britain			
UK Treasury 4.75% 07/06/2010	9,080,000	27,713,553	9.15
UK Treasury 6.25% 25/11/2010	200,000	639,536	0.21
UK Treasury 5% 07/09/2014	3,000,000	9,070,420	2.99
UK Treasury 4.75% 07/09/2015	330,000	982,874	0.33
UK Treasury 8% 07/06/2021	510,000	2,039,379	0.67
UK Treasury 4.25% 07/06/2032	540,000	1,554,327	0.51
		42,000,089	13.86
Netherlands			
Bank Nederlandse GEM 4.25% 05/01/2009	850,000	1,847,540	0.61
Government of Netherlands 4% 15/01/2037	9,320,000	18,177,541	6.00
Rabobank Nederland EMTN 5.5% 17/09/2008	200,000	299,127	0.10
		20,324,208	6.71
Norway			
Norwegian Government 5% 15/05/2015	9,490,000	2,662,685	0.88
Norwegian Government 4.25% 19/05/2017	5,200,000	1,368,734	0.45
		4,031,419	1.33
Singapore			
SP Powerassets Limited Series 5% 22/10/2013	300,000	448,277	0.15

The accompanying notes form an integral part of these financial statements.

Portfolio Statement (Unaudited)

As at 30 September 2007

	Holdings as at 30/9/2007	Fair value as at 30/9/2007 \$	Percentage of total net assets attributable to unitholders at 30/9/2007 %
By Geography - Quoted Investments (continued)			
Supra-National			
Nordic Investment Bank 4.125% 15/03/2011	200,000	426,557	0.14
Sweden			
Government of Sweden Series 1049 4.5% 12/08/2015	21,110,000	4,939,303	1.63
United States of America			
Bank of America 5.375% 15/08/2011	350,000	526,363	0.17
Citigroup Inc 3.5% 01/02/2008	1,000,000	1,484,062	0.49
Citigroup Inc 4.125% 22/02/2010	60,000	87,980	0.03
Fannie Mae 5.25% 15/01/2009	250,000	378,606	0.12
Federal Home Loan Mortgage Corp Gold 30Yr FRN 01/10/2037	3,200,000	4,536,479	1.50
FNMA 15Yr Oct FRN 01/10/2022	100,000	147,935	0.05
FNMA 30Yr Nov FWD 01/11/2036	5,000,000	7,083,610	2.34
FNMA 30Yr Oct FWD 01/10/2037	7,300,000	10,634,739	3.51
FNMA 30Yr Nov FWD 01/11/2037	16,500,000	24,399,951	8.05
Freddie Mac 4.125% 12/07/2010	286,000	424,987	0.14
General Elec Cap Corp MTNA 4.125% 01/09/2009	1,070,000	1,576,684	0.52
GNMA 30Yr Oct FWD 01/10/2037	1,100,000	1,642,590	0.54
US Treasury Bond 4.75% 15/02/2037	2,530,000	3,723,485	1.23
US Treasury N/B 3.75% 15/05/2008	2,930,000	4,397,926	1.45
US Treasury N/B 4.5% 31/03/2012	590,000	905,277	0.30
US Treasury N/B 4.5% 15/02/2036	2,190,000	3,097,144	1.02
US Treasury Note 3% 15/02/2008	400,000	593,546	0.20
US Treasury Note 3.875% 15/09/2010	13,350,000	19,749,404	6.52
US Treasury Note 4% 15/03/2010	4,700,000	6,985,468	2.31
US Treasury Note 4.5% 30/09/2011	2,610,000	4,007,575	1.32
US Treasury Note 4.5% 15/11/2015	7,630,000	11,521,410	3.80
		107,905,221	35.61
Quoted Investments		315,568,326	104.15
Portfolio of investments		315,568,326	104.15
Other net liabilities		(12,568,765)	(4.15)
Net assets attributable to unitholders		302,999,561	100.00

The accompanying notes form an integral part of these financial statements.

Portfolio Statement (Unaudited)

As at 30 September 2007

	Percentage of total net assets attributable to unitholders at 30/9/2007 %	Percentage of total net assets attributable to unitholders at 31/3/2007 %
<u>By Geography (Summary)</u>		
Quoted Investments		
Australia	0.75	0.82
Belgium	4.84	-
Canada	1.32	1.28
Denmark	2.13	2.26
France	10.57	18.01
Germany	25.11	32.51
Great Britain	13.86	13.88
Netherlands	6.71	7.18
Norway	1.33	0.50
Singapore	0.15	0.16
Supra-National	0.14	0.14
Sweden	1.63	1.99
United States of America	35.61	26.37
	<hr/>	
Portfolio of investments	104.15	105.10
Other net liabilities	(4.15)	(5.10)
	<hr/>	
Net assets attributable to unitholders	100.00	100.00
	<hr/>	

The accompanying notes form an integral part of these financial statements.

Portfolio Statement (Unaudited)

As at 30 September 2007

	Fair value as at 30/9/2007 \$	Percentage of total net assets attributable to unitholders at 30/9/2007 %	Percentage of total net assets attributable to unitholders at 31/3/2007 %
By Industry			
Bank	7,049,387	2.32	2.46
Electronic	1,576,684	0.52	0.57
Finance	17,978,201	5.94	6.08
Government	239,315,472	78.99	95.69
Investment	-	-	0.14
Miscellaneous	49,222,025	16.24	-
Utilities	426,557	0.14	0.16
<hr/>			
Portfolio of investments	315,568,326	104.15	105.10
Other net liabilities	(12,568,765)	(4.15)	(5.10)
<hr/>			
Net assets attributable to unitholders	302,999,561	100.00	100.00
<hr/>			

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General

Legg Mason Global Bond Trust (the "Fund") is an open-ended Unit Trust constituted pursuant to the Trust Deed dated 14 August 1998, as amended by various Supplemental Deeds between HSBC Institutional Trust Services (Singapore) Limited (the "Trustee") and Legg Mason Asset Management (Asia) Pte Ltd. A Supplemental Deed dated 28 September 2006 was entered to effect the change of investment manager from Legg Mason Asset Management (Asia) Pte Ltd to Legg Mason International Equities (Singapore) Pte Ltd (the "Manager"). The Trust Deed and subsequent Supplemental Deeds are governed by and construed in accordance with the laws of the Republic of Singapore.

The principal objective of the Fund relates to holding of certain authorised investments for long-term capital appreciation.

The Fund is approved under the Central Provident Fund Investment Scheme.

2. Significant accounting policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss and in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore.

The financial statements are expressed in Singapore dollars, which is the functional currency of the Fund.

(b) Income recognition

Interest income on deposits is recognised on a time proportion basis using the effective interest method.

(c) Foreign currency translation

Foreign currency monetary assets and liabilities are translated into Singapore dollars at the rates of exchange ruling at the date of balance sheet. Foreign currency transactions during the financial period are converted into Singapore dollars at the rates of exchange ruling on the transaction dates.

Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from translation of foreign currency monetary assets and liabilities at balance sheet date are taken to the Statement of Total Return.

(d) Financial assets at fair value through profit or loss

Investments are classified as financial assets at fair value through profit or loss.

(i) Initial recognition

Purchases of investments are recognised on the trade date. Investments are recorded at fair value on initial recognition.

(ii) Subsequent measurement

Investments are subsequently carried at fair value. Net changes in fair value on investments are included in the Statement of Total Return in the period which they arise. The resultant unrealised gains and losses are taken to the Statement of Total Return.

(iii) Derecognition

Investments are derecognised on the trade date of disposal. The resultant realised gains and losses on the sales of investments are computed on the basis of the difference between the weighted average cost and selling price net of transaction costs, and taken up in the Statement of Total Return.

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

(e) Basis of valuation of investments

The fair value of financial instruments traded in an active market is based on quoted market prices at the balance sheet date. The quoted market price for the investments held by the Fund is the current market quoted bid price or dealer's quote as applicable. Accrued interest is included in the fair value of the fixed income instruments.

(f) Derivative financial instruments

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques, including discounted cash flow models and option pricing models, as appropriate. All derivatives are carried as assets when their fair value is positive and as liabilities when fair values are negative.

The best evidence of the fair value of a derivative at fair value is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of the instrument is evidenced by comparison with other observable market transactions in the same instrument (i.e. without modification or packaging) or based on a valuation technique that whose variables include only data from observable markets.

3. Income Tax

	30/9/2007	30/9/2006
	\$	\$
Overseas income tax	-	-

The Fund is a designated unit trust and therefore, the following income is exempted from tax in accordance with Section 35(12) of the Income Tax Act:

- (a) gains or profits derived from Singapore or elsewhere from the disposal of securities and transactions in foreign exchange, futures, forwards, swaps and options relating to securities, financial indices, interest rates and currencies;
- (b) interest (other than interest for which tax has been deducted under Section 45 of the Income Tax Act); and
- (c) distribution from foreign unit trusts and dividends derived from outside Singapore and received in Singapore.

4. Distribution to unitholders

The Manager did not propose any distribution to unitholders for the financial period ended 30 September 2007 (30 September 2006: \$Nil)

5. Cash and bank balances

	30/9/2007	30/9/2006
	\$	\$
Cash and bank balances	4,696,011	19,290,459
Fixed deposit	30,442,896	-
	35,138,907	19,290,459

Included in fixed deposits is an amount of \$10,403,602 (31 March 2007: \$Nil) placed with a bank which is a related company of the Trustee.

The fixed deposits have the following average maturity from the end of the financial period/year:

	30/9/2007	31/3/2007
	days	days
Singapore dollar	1	-
United States dollar	1	-

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

The fixed deposits have the following weighted average effective interest rates:

	30/9/2007	31/3/2007
	%	%
Singapore dollar	2.30	-
United States dollar	4.71	-

6. Margin accounts

	30/9/2007	31/3/2007
	\$	\$
Margin accounts	509,867	-

Margin accounts represent the margin deposit amounts held with brokers.

7. Receivables

	30/9/2007	31/3/2007
	\$	\$
Amount due from unitholders	1,090,985	1,055,176
Interest receivable	2,572	-
	1,093,557	1,055,176

The carrying amounts of receivables approximate their fair values.

8. Fair value of financial derivatives

The table below sets out the analysed notional contract amounts and fair value of spot/forward foreign exchange and futures contracts entered into with third parties.

As at financial period/year end, commitments under spot/forward foreign exchange and futures contracts due for settlement within 3 months (31 March 2007: 2 months) are as follows:

	Notional amount \$	Fair value assets \$	Fair value liabilities \$
30/9/2007			
Forward foreign exchange contracts	182,931,801	1,747,419	(1,643,421)
Futures contracts	10,586,181	-	(44,925)
31/3/2007			
Foreign exchange contracts:			
Spot	8,084,873	911	-
Forward	229,237,730	1,547,770	(766,554)

The spot/forward foreign exchange and futures contracts were undertaken for purpose of efficient portfolio management.

All financial derivatives are stated at fair values on the balance sheet.

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

9. Payables

	30/9/2007	31/3/2007
	\$	\$
Amount due to unitholders	778,022	659,012
Accrued management fee	176,933	172,924
Accrued trustee's fee	25,490	11,939
Other payable and accruals	35,459	61,722
	1,015,904	905,597

The carrying amounts of payables approximate their fair values.

10. Net assets attributable to unitholders

	30/9/2007	31/3/2007
	\$	\$
At the beginning of the financial period/year	280,691,071	213,383,163
Operations		
Change in net assets attributable to unitholders resulting from operations	8,295,534	4,381,113
Unitholders' contributions/(withdrawals)		
Creation of units	60,886,072	104,678,184
Cancellation of units	(46,873,116)	(41,751,389)
Change in net assets attributable to unitholders resulting from net creation of units	14,012,956	62,926,795
Total increase in net assets attributable to unitholders	22,308,490	67,307,908
At the end of the financial period/year	302,999,561	280,691,071
Units in issue (see Note 11)	263,881,806	251,054,748
Net assets attributable to unitholders per unit	1.15	1.12

11. Units in issue

	30/9/2007	31/3/2007
Units at beginning of the financial period/year	251,054,748	194,601,099
Units created	54,089,815	93,930,760
Units cancelled	(41,262,757)	(37,477,111)
Units at end of the financial period/year	263,881,806	251,054,748

12. Related party transactions

As at 30 September 2007, the Manager, Trustee and Custodian of the Fund are Legg Mason International Equities (Singapore) Pte Ltd, HSBC Institutional Trust Services (Singapore) Limited and HSBC respectively. The management fees, trustee fees, custody fees, registration fees and valuation fees paid or payable by the Fund are shown in the Statement of Total Return.

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

In addition to related party information shown elsewhere in the financial statements, the following significant transactions took place during the financial period between the Fund and related parties at terms agreed between the parties concerned and within the provisions of the Trust Deed:

	30/9/2007	30/9/2006
	\$	\$
Interest income received and receivable from a bank which is a related company of the Trustee	271,006	58,904
Interest expenses incurred with a bank which is a related company of the Trustee	233	5,841

13. Financial risk management

The Fund is exposed to market risk (includes price risk, currency risk, derivatives risk, credit risk and interest rate risk) and liquidity risk through the financial instruments it holds. The risk management policies employed by the Manager to manage and monitor these risks are discussed below.

(a) Market risk

Market risk is the risk of potential adverse change to the value of financial instruments because of changes in market conditions like interest rate movements and volatility in securities prices. The Manager manages its exposure to market risk through the use of risk management strategies and various analytical and monitoring techniques.

(b) Currency risk

The assets and income of the Fund may be denominated in a number of different currencies other than the Singapore Dollar and will thus be subjected to fluctuation in currency exchange rates and in certain cases, exchange control regulations.

The Manager makes forecasts of currency levels under different scenarios based on the Manager's analysis of fundamentals, technical and valuation factors that influence currency movements. These forecasts are compared with the costs of economically hedging non-SGD currencies. Non-SGD currency exposures are usually economically hedged when the expected impact of currency movements is adverse and more than outweighs the cost of hedging.

The table below summarise the currency profile of the assets and liabilities of the Fund.

	DKK	EUR	GBP	SGD	USD	Others	Total
	\$	\$	\$	\$	\$	\$	\$
As at 30/9/2007							
Assets							
Portfolio of investments	6,455,995	142,733,151	42,000,089	-	108,885,272	15,493,819	315,568,326
Cash and bank balances	341,231	26,760	251,371	21,620,398	11,197,566	1,701,581	35,138,907
Margin deposits	-	430,602	-	-	79,265	-	509,867
Receivables	-	-	-	1,092,301	1,256	-	1,093,557
Sales awaiting settlement	24,076	-	-	-	29,143,285	-	29,167,361
Fair value of financial derivatives	-	590,970	-	622,454	-	533,995	1,747,419
Total assets	6,821,302	143,781,483	42,251,460	23,335,153	149,306,644	17,729,395	383,225,437
Liabilities							
Payables	-	-	-	1,014,954	950	-	1,015,904
Purchases awaiting settlement	-	-	-	-	77,521,626	-	77,521,626
Fair value of financial derivatives	-	33,166	-	756,115	878,136	20,929	1,688,346
Net assets attributable to unitholders	-	-	-	302,999,561	-	-	302,999,561
Total liabilities	-	33,166	-	304,770,630	78,400,712	20,929	383,225,437
Net balance sheet currency exposure	6,821,302	143,748,317	42,251,460	(281,435,477)	70,905,932	17,708,466	-

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

	DKK \$	EUR \$	GBP \$	SGD \$	USD \$	Others \$	Total \$
As at 31/3/2007							
Assets							
Portfolio of investments	6,314,604	161,578,733	38,969,162	-	75,064,381	13,084,292	295,011,172
Cash and bank balances	185,787	651,947	3,616,277	3,532,785	10,965,605	338,058	19,290,459
Receivables	-	-	-	1,055,176	-	-	1,055,176
Sales awaiting settlement	21,887	-	-	-	4,716,530	-	4,738,417
Fair value of financial derivatives	-	647,246	15,079	675,485	-	210,871	1,548,681
Total assets	6,522,278	162,877,926	42,600,518	5,263,446	90,746,516	13,633,221	321,643,905
Liabilities							
Payables	-	-	-	903,046	2,551	-	905,597
Purchases awaiting settlement	-	8,058,239	-	-	31,222,444	-	39,280,683
Fair value of financial derivatives	-	-	-	494,609	225,670	46,275	766,554
Net assets attributable to unitholders	-	-	-	280,691,071	-	-	280,691,071
Total liabilities	-	8,058,239	-	282,088,726	31,450,665	46,275	321,643,905
Net balance sheet currency exposure	6,522,278	154,819,687	42,600,518	(276,825,280)	59,295,851	13,586,946	-

In respect of investments in fixed income securities, the currency analysis above is based on the currencies in which the listed securities are denominated.

(c) Interest rate risk

The table below summarises the repricing profile of the Fund's assets and liabilities based on the earlier of the next contractual interest repricing date and the maturity date.

	Up to 1 year \$	1 - 5 years \$	Over 5 years \$	Non-interest bearing \$	Total \$
As at 30/9/2007					
Assets					
Portfolio of investments	38,710,732	92,451,543	184,406,051	-	315,568,326
Cash and bank balances	35,138,907	-	-	-	35,138,907
Margin accounts	509,867	-	-	-	509,867
Receivables	-	-	-	1,093,557	1,093,557
Sales awaiting settlement	-	-	-	29,167,361	29,167,361
Fair value of financial derivatives	-	-	-	1,747,419	1,747,419
Total assets	74,359,506	92,451,543	184,406,051	32,008,337	383,225,437
Liabilities					
Payables	-	-	-	1,015,904	1,015,904
Purchases awaiting settlement	-	-	-	77,521,626	77,521,626
Fair value of financial derivatives	-	-	-	1,688,346	1,688,346
Net assets attributable to unitholders	-	-	-	302,999,561	302,999,561
Total liabilities	-	-	-	383,225,437	383,225,437
Total interest sensitive gap	74,359,506	92,451,543	184,406,051	(351,217,100)	-

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

	Up to 1 year \$	1 - 5 years \$	Over 5 years \$	Non-interest bearing \$	Total \$
As at 31/3/2007					
Assets					
Portfolio of investments	18,487,006	91,394,783	185,129,383	-	295,011,172
Cash and bank balances	19,290,459	-	-	-	19,290,459
Receivables	-	-	-	1,055,176	1,055,176
Sales awaiting settlement	-	-	-	4,738,417	4,738,417
Fair value of financial derivatives	-	-	-	1,548,681	1,548,681
Total assets	37,777,465	91,394,783	185,129,383	7,342,274	321,643,905
Liabilities					
Payables	-	-	-	905,597	905,597
Purchases awaiting settlement	-	-	-	39,280,683	39,280,683
Fair value of financial derivatives	-	-	-	766,554	766,554
Net assets attributable to unitholders	-	-	-	280,691,071	280,691,071
Total liabilities	-	-	-	321,643,905	321,643,905
Total interest sensitive gap	37,777,465	91,394,783	185,129,383	(314,301,631)	-

(d) Liquidity risk

Liquidity risk arises from not being able to fund redemptions or liquidate positions in a timely manner at a reasonable price. Liquidity risk exists when a particular investment is difficult to purchase or sell. These circumstances could prevent the Fund from promptly liquidating unfavourable positions and therefore resulting in losses to the Fund and corresponding decreases in the net asset value per unit. The Manager manages liquidity risk by investing primarily in marketable securities.

(e) Credit risk

Credit risk is the risk of loss when a counterparty fails to meet its payment obligation. To address credit risk, the Manager has in place a stringent credit risk management process, which entails evaluating and mitigating the counterparty's credit worthiness.

(f) Derivative risk

The Fund may, subject to applicable investment guidelines in the Code on Collective Investment Schemes and the Deeds from time to time invest in derivatives, which are financial contracts whose value depends on, or is derived from, the value of an underlying asset, reference rate or index. Such assets, rates and indices may include bonds, shares, interest rates, currency exchange rates, bond indices and stock indices.

The Manager does not intend to use derivatives transactions for speculation or leverage but may use them for efficient portfolio management and to hedge existing positions. The Manager will attempt to minimize the risks through careful selection of reputable counterparties and constant monitoring of the Fund's derivatives positions.

14. Secured credit facility

The Fund has a credit facility with HSBC at 30 September 2007.

Facility	Limit
Overdraft	\$700,000

The above credit facility is secured by way of a floating charge over all assets of the Fund and is not utilised at period end.

Notes to the Financial Statements (Unaudited)

For the half year ended 30 September 2007

15. Financial ratios

	30/9/2007	30/9/2006
	%	%
Expense ratio ¹	0.90	0.91
Portfolio turnover ratio ²	132.78	111.58

1 Expense ratio is calculated in accordance with IMAS Guidelines for the Disclosure of Expenses Ratios, received on 25 May 2005. The expense ratio does not include (where applicable) brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The Fund does not pay any performance fees.

2 Portfolio turnover ratio is calculated in accordance with the formula stated in the "Code on Collective Investment Schemes". The prior year's comparative has been amended to conform with the current year's computation which is in accordance with the "Code on Collective Investment Schemes".

