

Western Asset Euro Government Liquidity Fund

Class D Shares

ISIN: IE00B3L8X592
 Ticker: CILFGLD
 Sedol Code: B3L8X59
 Inception: 20 Mar 09

Investment Objective

To seek to maintain capital preservation and liquidity while generating returns by investing in high quality money market and short term debt issued by governments of EU member states and issuers explicitly guaranteed by such governments, maintaining a stable net asset value of €1 per share.

Investment Structure

Euro denominated, diversified open-end fund.

Client Suitability

The profile of a typical investor in the Fund is an Institutional investor seeking liquidity, preservation of capital and returns in line with the Euro money markets.



Fund Performance

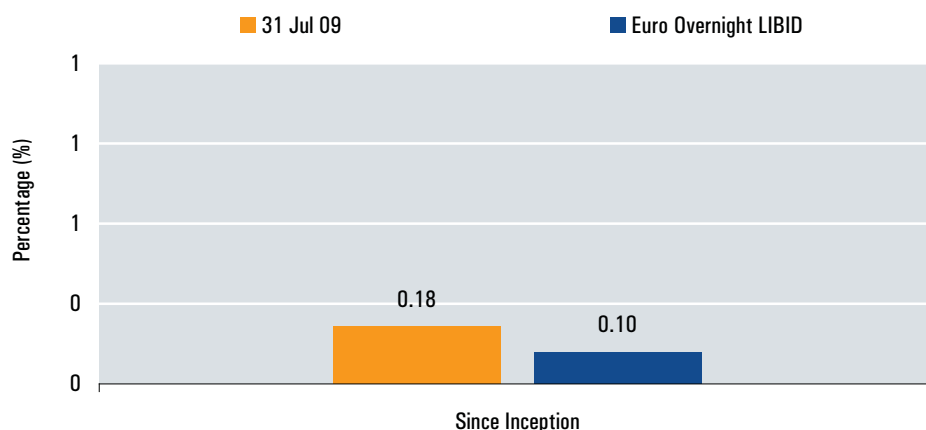
Month End Current 7 Day Yield* **0.47%**

Jul 09	Jun 09	May 09
0.47%	0.77%	0.86%

Month End Current 30 Day Yield* **0.53%**

Jul 09	Jun 09	May 09
0.53%	0.82%	0.98%

Average Annual Total Returns*



Commentary

- Eurozone economic data continued the recent trend of improving, the Eurostat unemployment Eurozone (seasonally adjusted) figures showed a decline in the unemployment rate from 9.5% to 9.4% in June, beating expectations of 9.7%.
- The eurozone CPI estimate for July fell to -0.6% on the year.
- The ECB met and left policy rate unchanged, the Covered Bond purchase program started on July 6th
- Three month Euribor fell 23bps to 0.86%, the OIS/LIBOR spread tightened 5bps to 45bps. At the end of the month, the market was pricing that the base rate would increase 25bps by Q1 2010
- The fund continued to perform well, at the end of the month, the portfolio had a weighted average life of 24 days. We will continue to invest in highly rated securities, focusing in short maturities

Minimum Investment

€3,750,000

Total Net Assets†

€ 67.5 (mm)

Weighted Average Maturity

58 days

Weighted Maximum Average Maturity

60 days

Fund Cut-Off Time

10:00am GMT

Advisor Profile

Western Asset Management Company Limited (EUR and GBP), Western Asset Management Company (USD).

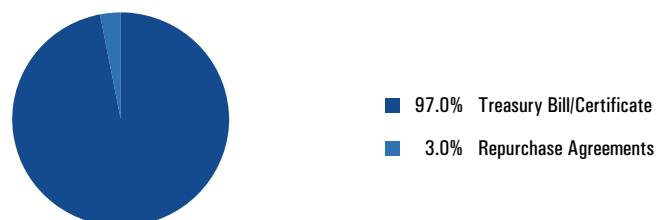


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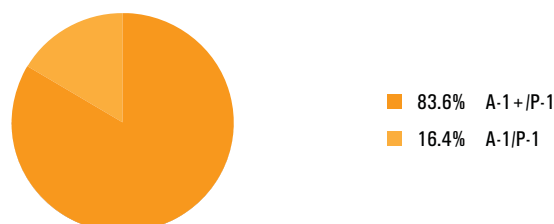
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Portfolio Composition†



Credit Quality Breakdown



Investment Team

Western Asset manages portfolios on a team basis.

The team is comprised of dedicated investment professionals in London and New York, focusing on liquidity and cash investments. Western is recognized as one of the largest managers of offshore funds with a highly experienced investment team.

Permissible Investments

Investments may be made in money market instruments and fixed income securities including:

- High quality money market and short term debt (fixed and floating rate) issued by governments of EU member states and issuers explicitly guaranteed by such governments
- Repurchase agreements fully backed by high quality European Government debt

Minimum Credit Quality

Minimum A1/P1 according to Moody's Investor Services Limited or equivalent

*Annualised returns calculated on a 365 day basis †Total Fund Assets (includes D and P share classes) ‡All statistics as of 30/06/09
 The Western Asset Euro Liquidity Fund is a sub-fund of Western Asset Liquidity Funds plc (the Company), a UCITS registered umbrella fund constituted as a company with variable share capital and limited liability under the laws of Ireland. Return information presented above is stated in euro and is calculated using returns after all fund operating expenses. All figures represent past performance and are not a guarantee of the future results.

There can be no assurance that the Fund will achieve its investment objective. It should be appreciated that the value of Shares may go down as well as up. Investing in the Fund involves investment risks, including possible loss of the amount invested. Past performance is not indicative of future performance. Returns will fluctuate with changing market conditions and exchange rates. Investing in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. The Fund may employ certain derivative instruments for efficient portfolio management or investment purposes, the use of these instruments involves special risks. For a complete description of the Fund's risk factors, please refer to the Prospectus. The prospectus is available upon request from your Western Asset contact.

This document is for informational purposes only and should not be construed as a solicitation of any offer to sell the products mentioned in it. This information is intended to supplement information provided in the Prospectus for the Fund, and must be preceded or accompanied thereby. Information contained in this document is obtained from sources believed to be reliable, but no guarantee can be made of its accuracy.

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