Urban Edge Properties
Form 10-K
February 16, 2017
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549
FORM 10-K
x ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the annual period ended December 31, 2016
OR
o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from __________to__________
Commission File Number: 001-36523 (Urban Edge Properties)
Commission File Number: 333-212951-01 (Urban Edge Properties LP)
URBAN EDGE PROPERTIES
URBAN EDGE PROPERTIES LP
(Exact name of Registrant as specified in its charter)

Maryland (Urban Edge Properties)	47-6311266
Delaware (Urban Edge Properties LP)	36-4791544
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)
888 Seventh Avenue, New York, New York	10019
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number including area code: (212) 956 2556
Securities registered pursuant to Section 12(b) of the Act:
Urban Edge Properties

Title of Each Class	Name of Each Exchange on Which Registered
Common Shares, $.01 par value per share	New York Stock Exchange

Urban Edge Properties LP

Title of Each Class	Name of Each Exchange on Which Registered
None	N/A

Securities registered pursuant to Section 12(g) of the Act:
Urban Edge Properties: None Urban Edge Properties LP: Units of Partnership Interest

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Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.
Urban Edge Properties YES x NO o Urban Edge Properties LP YES o NO x
Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.
Urban Edge Properties YES o NO x Urban Edge Properties LP YES o NO x
Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Urban Edge Properties YES x NO o Urban Edge Properties LP YES x NO o
Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).
Urban Edge Properties YES x NO o Urban Edge Properties LP YES x NO o

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Urban Edge Properties o Urban Edge Properties LP o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Urban Edge Properties:

Large Accelerated Filer x	Accelerated Filer o	Non-Accelerated Filer o	Smaller Reporting Company o

Urban Edge Properties LP:

Large Accelerated Filer o	Accelerated Filer o	Non-Accelerated Filer x	Smaller Reporting Company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Urban Edge Properties YES o NO x Urban Edge Properties LP YES o NO x

As of June 30, 2016, the last business day of the Registrant's most recently completed second fiscal quarter, the aggregate market value of the Common Stock held by nonaffiliates of the Registrant was approximately $3.0 billion based upon the last reported sale price of $29.86 per share on the New York Stock Exchange on such date.

As of January 31, 2017, Urban Edge Properties had 99,749,917 common shares outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Part III incorporates by reference information from certain portions of the Urban Edge Properties' definite proxy statement for the 2017 annual meeting of shareholders to be filed with the Securities and Exchange Commission within 120 days after the close of the fiscal year.

EXPLANATORY NOTE

This report combines the annual reports on Form 10-K for the period ended December 31, 2016 of Urban Edge Properties and Urban Edge Properties LP. Unless stated otherwise or the context otherwise requires, references to "UE" and "Urban Edge" mean Urban Edge Properties, a Maryland real estate investment trust ("REIT"), and references to "UELP" and the "Operating Partnership" mean Urban Edge Properties LP, a Delaware limited partnership. References to the "Company," "we," "us" and "our" mean collectively UE, UELP and those entities/subsidiaries consolidated by UE. UELP is the entity through which we conduct substantially all of our business and own, either directly or through subsidiaries, substantially all of our assets. UE is the sole general partner and also a limited partner of UELP. As the sole general partner of UELP, UE has exclusive control of UELP's day-to-day management.

As of December 31, 2016, UE owned an approximate 94.0% ownership interest in UELP. The remaining approximate 6.0% interest is owned by limited partners. The other limited partners of UELP are Vornado Realty L.P. (owning approximately 5.4% of the ownership interest of UELP), and members of management and our Board of Trustees. Under the limited partnership agreement of UELP, unitholders may present their common units of UELP for redemption at any time (subject to restrictions agreed upon at the time of issuance of the units that may restrict such right for a period of time). Upon presentation of a common unit for redemption, UELP must redeem the unit for cash equal to the then value of a share of UE's common shares, as defined by the limited partnership agreement. In lieu of cash redemption by UELP, however, UE may elect in its sole discretion to acquire any common units so tendered by issuing common shares of UE in exchange for the common units. If UE so elects, its common shares will be exchanged for common units on a one-for-one basis. This one-for-one exchange ratio is subject to specified adjustments to prevent dilution. UE generally expects that it will elect to issue its common shares in connection with each such presentation for redemption rather than having UELP pay cash. With each such exchange or redemption, UE's percentage ownership in UELP will increase. In addition, whenever UE issues common shares other than to acquire common units of UELP, UE must contribute any net proceeds it receives to UELP and UELP must issue to UE an equivalent number of common units of UELP. This structure is commonly referred to as an umbrella partnership REIT, or UPREIT.

The Company believes that combining the annual reports on Form 10-K of UE and UELP into this single report provides the following benefits:

- enhances investors' understanding of UE and UELP by enabling investors to view the business as a whole in the same manner as management views and operates the business;
- eliminates duplicative disclosure and provides a more streamlined and readable presentation because a substantial portion of the disclosure applies to both UE and UELP; and
- creates time and cost efficiencies throughout the preparation of one combined report instead of two separate reports.

The Company believes it is important to understand the few differences between UE and UELP in the context of how UE and UELP operate as a consolidated company. The financial results of UELP are consolidated into the financial statements of UE. UE does not have any other significant assets, liabilities or operations, other than its investment in UELP, nor does it have employees of its own. UELP, not UE, generally executes all significant business relationships other than transactions involving the securities of UE. UELP holds substantially all of the assets of UE. UELP conducts the operations of the business and is structured as a partnership with no publicly traded equity. Except for the net proceeds from equity offerings by UE, which are contributed to the capital of UELP in exchange for common units of partnership in UELP, as applicable, UELP generates all remaining capital required by the Company's business. These sources may include working capital, net cash provided by operating activities, borrowings under the revolving credit facility, the issuance of secured and unsecured debt and equity securities and proceeds received from the disposition of certain properties.

Shareholders' equity, partners' capital and noncontrolling interests are the main areas of difference between the consolidated financial statements of UE and UELP. The limited partners of UELP are accounted for as partners' capital in UELP's financial statements and as noncontrolling interests in UE's financial statements. The noncontrolling interests in UELP's financial statements include the interests of unaffiliated partners in consolidated entities. The noncontrolling interests in UE's financial statements include the same noncontrolling interests at UELP's level and limited partners of UELP. The differences between shareholders' equity and partners' capital result from differences in

the equity issued at UE and UELP levels.
To help investors better understand the key differences between UE and UELP, certain information for UE and UELP in this report has been separated, as set forth below: Part II, Item 8. Financial Statements which includes specific disclosures for UE and UELP, and Note 15, Equity and Noncontrolling Interests, Note 17, Earnings Per Share and Unit and Note 18 thereto, Quarterly Financial Data.

This report also includes separate Part II, Item 9A. Controls and Procedures sections and separate Exhibits 31 and 32 certifications for each of UE and UELP in order to establish that the requisite certifications have been made and that UE and UELP are compliant with Rule 13a-15 or Rule 15d-15 of the Securities Exchange Act of 1934 and 18 U.S.C. §1350.

URBAN EDGE PROPERTIES AND URBAN EDGE PROPERTIES LP
ANNUAL REPORT ON FORM 10-K
YEAR ENDED DECEMBER 31, 2016

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PART I

ITEM 1. BUSINESS
The Company

Urban Edge Properties ("UE" or the "Company") (NYSE: UE) is a Maryland real estate investment trust focused on managing, developing, redeveloping, and acquiring retail real estate in urban communities, primarily in the New York metropolitan region. Urban Edge Properties LP ("UELP" or the "Operating Partnership") is a Delaware limited partnership formed to serve as UE's majority-owned partnership subsidiary and to own, through affiliates, all of our real estate properties and other assets. UE and UELP were created to own the majority of Vornado Realty Trust's ("Vornado") (NYSE: VNO) former shopping center business. As of December 31, 2016, the Company's portfolio consisted of 79 shopping centers, three malls and a warehouse park adjacent to one of its centers totaling 14.8 million square feet with an occupancy rate of 97.2%.

Prior to the separation, the portfolio is referred to as "UE Businesses." On January 15, 2015, pursuant to a separation and distribution agreement between UE and Vornado (the "Separation Agreement"), the interests in certain properties held by Vornado's operating partnership, Vornado Realty L.P. ("VRLP"), were contributed or otherwise transferred to UE in exchange for 100% of our outstanding common shares. Following that contribution, VRLP distributed 100% of our outstanding common shares to Vornado and the other common limited partners of VRLP, pro rata with respect to their ownership of common limited partnership units in VRLP. Vornado then distributed all of the UE common shares it had received from VRLP to Vornado common shareholders on a pro rata basis. As a result, VRLP common limited partners and Vornado common shareholders all received common shares of UE in the spin-off at a ratio of one common share of UE to every two VRLP common units and every two common shares of Vornado.

Substantially concurrently with such distribution, the interests in certain properties held by VRLP, including interests in entities holding properties, were contributed or otherwise transferred to UELP in exchange for approximately 5.4% of UELP's outstanding common limited partnership interests in the Operating Partnership ("OP Units").

As part of the separation transaction, Vornado capitalized UE with $225 million of cash and agreed to provide transition services to UE including human resources, information technology, risk management, public reporting and tax services for up to two years pursuant to a transition services agreement between UE and Vornado (the "Transition Services Agreement"). On June 28, 2016, the Company executed an amendment to the Transition Services Agreement, extending Vornado's provision of information technology, risk management services and the portion of human resources service related to health and benefits through July 31, 2018, unless terminated earlier. The fees charged to us by Vornado for these transition services approximate the actual cost incurred by Vornado in providing such transition services to us. Pursuant to the Transition Services Agreement, UE provides leasing, property management and development services to Vornado for certain of Vornado's shopping center properties for which we receive management and other fees believed to be at a market rate.

We review operating and financial information for each property on an individual basis and, therefore, each property represents an individual operating segment. We aggregate all of our properties into one reportable segment due to their similarities with regard to the nature and economics of the properties, tenants and operational process.

Unless the context otherwise requires, "we", "us" and "our" refer to UE after giving effect to the transfer of assets and liabilities from Vornado as well as to UE Businesses prior to the date of completion of the separation.

The Company elected to be taxed as a REIT under sections 856-860 of the Internal Revenue Code of 1986, as amended, commencing with the filing of its 2015 tax return. Under those sections, a REIT which distributes at least 90% of its REIT taxable income as a dividend to its shareholders each year and which meets certain other conditions will not be taxed on that portion of its taxable income which is distributed to its shareholders. Prior to the separation from Vornado, UE Businesses historically operated under Vornado's REIT structure. As Vornado operates as a REIT and distributes 100% of taxable income, no provision for federal income taxes was made in the accompanying consolidated and combined financial statements for periods prior to the separation. If we fail to qualify as a REIT for any taxable year, we will be subject to federal income taxes at regular corporate rates (including any alternative minimum tax) and may not be able to qualify as a REIT for the four subsequent taxable years. Our two Puerto Rico malls are subject to a 29% non-resident withholding tax which is included in income tax expense in the consolidated and combined statements of income.

Company Strategies

Our goal is to be the leading owner of retail real estate in and on the edges of major urban markets, principally in the New York metropolitan region. We believe urban markets offer attractive investment opportunities resulting from a unique interplay of demographic, supply/demand and redevelopment/development trends. To achieve this goal, our primary strategies include:

Maximizing the value of existing properties through proactive management. We intend to maximize the value of each of our assets through a comprehensive, proactive management strategy encompassing: continuous asset evaluation for highest-and-best-use; efficient and cost-conscious day-to-day operations that minimize retailer operating expense and preserve property quality; and thoughtful leasing. Leasing is a critical value-creation function and includes the following:

- Monitoring retailer sales, merchandising, store operations, timeliness of payments, overall financial condition and related factors;
- Being constantly aware of each asset's competitive positioning and making physical improvements or adjusting merchandising if circumstances warrant;
- Continuously canvassing trade areas to identify unique operators that can distinguish a property and enhance its offerings;
- Maintaining regular contact with the brokerage community to stay abreast of new merchants, potential relocations, new supply and overall trade area dynamics;
- Conducting regular portfolio reviews with key tenants;
- Building and nurturing broad and deep relationships with retailer decision-makers;
- Focusing on spaces with below-market leases that might be recaptured;
- Understanding the potential impact of options, exclusives, co-tenancy and other restrictive lease provisions; and
- Optimizing required capital investment in every transaction.

Actively investing. We intend to redevelop existing properties, to selectively develop new shopping centers and to acquire properties in targeted markets. Each investment must meet our standards for risk-adjusted return and for overall quality compared to our existing portfolio.

Investment considerations include:

- Geography: Our primary focus is on the New York metropolitan area and the Washington DC to Boston corridor.
- Product: We generally target retail properties that serve local communities with necessity and convenience-oriented retailers. We also seek large shopping centers (with a grocer where possible) in our targeted markets where significant density and supply constraints provide attractive market rent dynamics.
- Tenancy: We consider tenant mix, sales performance and related occupancy cost, lease term, lease provisions and other factors. Our current tenant base comprises a diverse group of merchants including department stores, grocers, category killers, discounters, entertainment offerings, health clubs, DIY stores, in-line specialty shops, restaurants and other food and beverage vendors and service providers. We believe that this diversification provides stability to our cash flows as no specific retail category constitutes more than 20% of our portfolio's annual base rental revenue and no one retailer contributed more than 7% of our annual base rental revenue in 2016.
- Rent: We consider existing rents relative to market rents. Additionally, we target submarkets that have potential for market rent growth as evidenced by strong retailer performance.
- Competition and Barriers-to-Entry: We seek assets in underserved, high barrier-to-entry markets in densely populated, affluent trade areas. We believe that retail properties located in such markets present more attractive risk-return profile relative to other markets. We intend to invest in our existing core markets, and, over time, may expand into new markets that have similar characteristics.
- Access and Visibility: We seek assets with convenient access and good visibility.
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Physical Condition: We seek assets in good physical condition taking into account aesthetic, functional, structural and environmental considerations.

Constantly evaluating our portfolio and, where appropriate, engaging in selective dispositions. We intend to regularly evaluate the prospects for each property and, where appropriate, to dispose of those properties that do not meet our investment criteria. We intend to reinvest a large part of the proceeds from any dispositions into redevelopment, development and acquisitions, or we may use such proceeds to reduce outstanding debt.

Maintaining capital discipline. We intend to keep our balance sheet flexible and capable of supporting growth. We expect to generate increasing levels of cash from internally generated funds and to have substantial borrowing capacity under our existing line of credit and from potential secured debt financing on our existing assets.

Significant Tenants

None of our tenants accounted for more than 10% of total revenues in any of the years ended December 31, 2016, 2015 and 2014. As of December 31, 2016, The Home Depot was our largest tenant and accounted for approximately $20.2 million, or 6.2% of our total revenue.

Employees

Our headquarters are located at 888 Seventh Avenue, New York, NY 10019. As of December 31, 2016, we had 114 employees and believe that our relationships with our employees are good.

Available Information

Copies of our Annual Report on Form 10 K, Quarterly Reports on Form 10 Q, Current Reports on Form 8 K, and amendments to those reports, as well as Reports on Forms 3, 4 and 5 regarding officers, trustees or 10% beneficial owners of us, filed or furnished pursuant to Section 13(a), 15(d) or 16(a) of the Securities Exchange Act of 1934, are available free of charge through our website (www.uedge.com) as soon as reasonably practicable after they are electronically filed with, or furnished to, the Securities and Exchange Commission. Also available on our website are copies of our Audit Committee Charter, Compensation Committee Charter, Corporate Governance and Nominating Committee Charter, Code of Business Conduct and Ethics and Corporate Governance Guidelines. In the event of any changes to these charters or the code or guidelines, changed copies will also be made available on our website. Copies of these documents are also available directly from us free of charge. Our website also includes other financial information, including certain non-GAAP financial measures, none of which is a part of this Annual Report on Form 10-K. Copies of our filings under the Securities Exchange Act of 1934 are also available free of charge from us, upon request.

ITEM 1A. RISK FACTORS

You should carefully consider the following risks and other material in this information statement in evaluating our company and our common shares. Any of the following risks could materially and adversely affect our business, results of operations and financial condition. These risks have been separated into four groups: (1) Risks Related to Our Business and Operations and to Our Status as a REIT, (2) Risks Related to the Separation, (3) Risks Related to Our Common Shares and (4) Our Declaration of Trust and Applicable Law May Hinder Any Attempt to Acquire us.

RISKS RELATED TO OUR BUSINESS AND OPERATIONS AND TO OUR STATUS AS A REIT

Factors that may materially and adversely affect our business, results of operations and financial condition are summarized below. The risks and uncertainties described herein may not be the only ones we face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial, may also adversely affect our business. See “Forward-Looking Statements” contained herein.

The Value of and Income from Real Estate Investments Fluctuate Due to Various Factors.

We are subject to risks that affect the general retail environment.
Our properties are in the retail shopping center real estate market. This fact means that we are subject to factors that affect the retail environment generally, including the level of consumer spending and consumer confidence, unemployment rates, the threat of terrorism and increasing competition from discount retailers, outlet malls, retail websites and catalog companies. These factors could materially and adversely affect the financial condition of our retail tenants and the willingness of retailers to lease space in our shopping centers.

E-commerce may have an adverse impact on our tenants and our business.
E-commerce continues to gain in popularity and growth in internet sales is likely to continue in the future. E-commerce could result in a downturn in the business of some of our current tenants and could affect the way other current and future tenants lease space. For example, the migration towards e-commerce has led many omnichannel retailers to prune the number and size of their traditional “bricks and mortar” locations to increasingly rely on e-commerce and alternative distribution channels. Many tenants also permit merchandise purchased on their websites to be picked up at, or returned to, their physical store locations, which may have the effect of decreasing the reported amount of their in-store sales and the amount of rent we are able to collect from them (particularly with respect to those tenants who pay rent based on a percentage of their in-store sales). We cannot predict with certainty how growth in e-commerce will impact the demand for space at our properties or how much revenue will be generated at traditional store locations in the future. If we are unable to anticipate and respond promptly to trends in retailer and consumer behavior, our occupancy levels could be materially and adversely affected.

Retail real estate is a competitive business.
We compete with a large number of property owners and developers, some of which may be willing to accept lower returns on their investments. Given the number of store closings announced by a variety of department stores and fast fashion concepts, there is increased pressure on shopping center owners to seek a smaller number of top retailers. Other owners and developers may attempt to take tenants from our shopping centers by offering lower rents or other incentives to compel them to relocate.

We depend on leasing space to tenants on economically favorable terms and on collecting rent from tenants who ultimately may not be able to pay.
Our financial results depend significantly on leasing space in our properties to tenants on economically favorable terms. A majority of our income depends on the ability of our tenants to pay the full amount of rent and other charges due under their leases on a timely basis. Some of our leases provide for the payment, in addition to base rent, of additional rent above the base amount according to a specified percentage of the gross sales generated by the tenants and generally provide for reimbursement of real estate taxes and expenses of operating the property. Economic and/or competitive conditions may impact the success of our tenants’ retail operations and therefore the amount of rent and expense reimbursements we receive from our tenants. While demand for our retail spaces has been strong, there can be no assurance in our ability to maintain our occupancy levels on favorable terms. Any reduction in our tenants’ abilities to pay base rent, percentage rent or other charges on a timely basis will decrease our income, funds available to pay indebtedness and funds available for distribution to shareholders. If a tenant does not pay its rent, we might not be able to enforce our rights as landlord without delays and might incur substantial legal and other costs. During periods of economic adversity, there may be an increase in the number of tenants that cannot pay their rent and an increase in vacancy rates.

We may be unable to renew leases or relet space as leases expire.
When our tenants decide not to renew their leases upon their expiration, we may not be able to relet the space. Even if tenants do renew or we can relet the space, the terms of the renewal or reletting, taking into account among other things, the cost of improvements to the property and leasing commissions, may be less favorable than the terms in the expired leases. In addition, changes in space utilization by our tenants may impact our ability to renew or relet space without the need to incur substantial costs in renovating or redesigning the internal configuration of the relevant property. If we are unable to promptly renew the leases or relet the space at similar rates or if we incur substantial costs in renewing or reletting the space, our cash flow and ability to service debt obligations and pay dividends and distributions to security holders could be adversely affected.

Bankruptcy or insolvency of tenants may decrease our revenues, net income and available cash.
From time to time, some of our tenants have declared bankruptcy and other tenants may declare bankruptcy or become insolvent in the future. In the case of our shopping centers, the bankruptcy or insolvency of a major tenant could cause

us to have difficulty leasing the remainder of the affected property (see dependence on anchors and major tenants). Our leases generally do not contain restrictions designed to ensure the ongoing creditworthiness of our tenants. As a result, the bankruptcy or insolvency of a major tenant could result in a lower level of net income and funds available to pay our indebtedness or make distributions to shareholders.

We derive a significant portion of our revenues from four of our properties.
As of December 31, 2016, four of our properties in the aggregate generated in excess of 25% of our Net Operating Income (as such term is described in Part II. Item 7 of this Annual Report on Form 10-K) (The Outlets at Bergen Town Center and Tonnelle Commons in New Jersey and The Outlets at Montehiedra and Las Catalinas Mall in Puerto Rico). The occurrence of events that have a negative impact on one or more of these properties, such as an economic downturn affecting the surrounding area or a natural disaster that damages one or more of the properties, would have a much"> **18.2%**

Alba PLC, 2007-1 C (3 mo. GBP LIBOR + 0.290%)

0.623% 3/17/39 1,008,384 GBP 1,277,990 (b)(c)

Banc of America Commercial Mortgage Trust, 2017-BNK3 XA, IO

1.142% 2/15/50 44,681,731 3,236,164 (c)

Bancaja Fondo de Titulizacion de Activos, 10 C

0.171% 5/22/50 800,000 EUR 744,745 (b)(c)

Bancaja Fondo de Titulizacion de Activos, 2007 C

0.451% 11/25/36 2,637,016 EUR 3,026,699 (b)(c)

Bancaja Fondo de Titulizacion de Activos, 2007 D

2.172% 11/25/36 1,104,155 EUR 1,342,390 (b)(c)

Bancaja Fondo de Titulizacion de Activos, 2009-9 D

2.170% 9/25/43 800,000 EUR 873,384 (b)(c)

Bank, 2017-BNK4 XA, IO

1.453% 5/15/50 4,778,893 437,078 (c)

Federal Home Loan Mortgage Corp. (FHLMC) Multifamily Structured Pass Through Certificates, K057 X1, IO

1.193% 7/25/26 42,879,549 3,412,024 (c)

BrandywineGLOBAL Global Income Opportunities Fund Inc.

Security	Rate	Maturity Date	Face Amount	Value
Collateralized Mortgage Obligations [(a)] **continued**				
Federal Home Loan Mortgage Corp. (FHLMC) Structured Agency Credit Risk Debt Notes, 2015-DNA2 M3 (1 mo. USD LIBOR + 3.900%)	5.772%	12/25/27	800,000	$ 889,367 [(c)]
Federal Home Loan Mortgage Corp. (FHLMC) Structured Agency Credit Risk Debt Notes, 2015-HQA1 M3 (1 mo. USD LIBOR + 4.700%)	6.572%	3/25/28	1,210,000	1,399,570 [(c)]
Federal National Mortgage Association (FNMA) CAS, 2015-C02 2M2 (1 mo. USD LIBOR + 4.000%)	5.872%	5/25/25	1,006,965	1,086,993 [(c)]
Federal National Mortgage Association (FNMA) CAS, 2015-C03 1M2 (1 mo. USD LIBOR + 5.000%)	6.872%	7/25/25	633,644	723,396 [(c)]
Federal National Mortgage Association (FNMA) CAS, 2016-C01 2M2 (1 mo. USD LIBOR + 6.950%)	8.822%	8/25/28	1,000,000	1,196,703 [(c)]
Federal National Mortgage Association (FNMA) CAS, 2016-C03 1M2 (1 mo. USD LIBOR + 5.300%)	7.172%	10/25/28	1,800,000	2,126,079 [(c)]
Federal National Mortgage Association (FNMA) CAS, 2017-C01 1M2 (1 mo. USD LIBOR + 3.550%)	5.422%	7/25/29	448,000	490,272 [(c)]
FREMF Mortgage Trust, 2015-K720 C	3.389%	7/25/22	1,760,000	1,676,726 [(c)(d)]
FREMF Mortgage Trust, 2015-K721 C	3.565%	11/25/47	2,330,000	2,233,897 [(c)(d)]
GS Mortgage Securities Trust, 2013-GC10 XA, IO	1.549%	2/10/46	16,862,256	956,550 [(c)]
JPMorgan Chase Commercial Mortgage Securities Trust, 2014-FRR1 B707	2.010%	1/27/47	3,250,000	3,171,831 [(d)]
Newgate Funding PLC, 2006-3X CB	0.121%	12/1/50	748,049 EUR	798,578 [(b)(c)]
Paragon Mortgages PLC, 13X C1B	0.451%	1/15/39	6,000,000 EUR	6,904,809 [(b)(c)]
Paragon Mortgages PLC, 2011-X CB	0.571%	10/15/41	3,309,322 EUR	3,875,044 [(b)(c)]
RMAC Securities PLC, 2006-NS1X B1C	0.549%	6/12/44	1,434,044 EUR	1,679,213 [(b)(c)]
RMAC Securities PLC, 2006-NS4X M1A (3 mo. GBP LIBOR + 0.270%)	0.562%	6/12/44	849,827 GBP	1,113,212 [(b)(c)]
Rural Hipotecario Fondo De Titulizacion Hipotec, 2009 B (3 mo. Euribor + 0.320%, 0.000% Floor)	0.000%	2/17/50	2,442,791 EUR	2,627,052 [(b)(c)]
Santander Hipotecario, 2002 E	1.771%	1/18/49	4,000,000 EUR	3,871,507 [(b)(c)]
TDA Fondo de Titulizacion de Activos, 2024-A1 (3 mo. Euribor + 0.130%, 0.000% Floor)	0.000%	6/22/40	605,751 EUR	719,704 [(b)(c)]
WF-RBS Commercial Mortgage Trust, 2012-C6 XA, IO	2.089%	4/15/45	31,382,996	1,909,966 [(c)(d)]
WF-RBS Commercial Mortgage Trust, 2013-C15 XA, IO	0.484%	8/15/46	82,549,744	1,565,407 [(c)]
Total Collateralized Mortgage Obligations (Cost $53,067,606)				**55,366,350**
Corporate Bonds & Notes 44.6%				
Consumer Discretionary 7.5%				
Automobiles 0.7%				
Fiat Chrysler Automobiles NV, Senior Notes	5.250%	4/15/23	1,850,000	*1,926,313* [(e)]

See Notes to Financial Statements.

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Schedule of investments (unaudited) (cont d)

April 30, 2018

BrandywineGLOBAL Global Income Opportunities Fund Inc.

Security	Rate	Maturity Date	Face Amount	Value
Hotels, Restaurants & Leisure 1.1%				
International Game Technology PLC, Senior Secured Notes	6.500%	2/15/25	1,200,000	$ 1,285,500 (d)(e)
Rivers Pittsburgh Borrower LP/Rivers Pittsburgh Finance Corp., Senior Secured Notes	6.125%	8/15/21	2,105,000	2,036,587 (d)(e)
Total Hotels, Restaurants & Leisure				*3,322,087*
Media 4.9%				
Altice France SA, Senior Secured Bonds	6.000%	5/15/22	1,175,000	1,159,572 (d)
CCO Holdings LLC/CCO Holdings Capital Corp., Senior Notes	5.500%	5/1/26	2,315,000	2,259,903 (d)(e)
Clear Channel Worldwide Holdings Inc., Senior Notes	6.500%	11/15/22	1,030,000	1,055,750 (e)
CSC Holdings LLC, Senior Bonds	5.250%	6/1/24	1,130,000	1,061,494 (e)
DISH DBS Corp., Senior Notes	5.000%	3/15/23	915,000	796,050 (e)
Gray Television Inc., Senior Notes	5.125%	10/15/24	2,315,000	2,213,719 (d)(e)
Sinclair Television Group Inc., Senior Notes	5.625%	8/1/24	2,000,000	1,985,000 (d)(e)
Sinclair Television Group Inc., Senior Notes	5.875%	3/15/26	275,000	272,594 (d)(e)
Sirius XM Radio Inc., Senior Notes	6.000%	7/15/24	1,100,000	1,133,220 (d)(e)
Sirius XM Radio Inc., Senior Notes	5.375%	7/15/26	2,000,000	1,970,000 (d)(e)
Univision Communications Inc., Senior Secured Notes	5.125%	5/15/23	1,135,000	1,081,087 (d)(e)
Total Media				*14,988,389*
Textiles, Apparel & Luxury Goods 0.8%				
Hanesbrands Inc., Senior Notes	4.875%	5/15/26	378,000	364,770 (d)(e)
NIKE Inc., Senior Notes	3.625%	5/1/43	2,237,000	2,097,270 (e)
Total Textiles, Apparel & Luxury Goods				*2,462,040*
Total Consumer Discretionary				**22,698,829**
Consumer Staples 2.5%				
Food & Staples Retailing 0.5%				
Rite Aid Corp., Senior Notes	6.750%	6/15/21	1,530,000	*1,566,338* (e)
Food Products 1.6%				
JBS USA LLC/JBS USA Finance Inc., Senior Notes	5.750%	6/15/25	1,130,000	1,067,511 (d)(e)
Kraft Heinz Foods Co., Senior Notes	4.375%	6/1/46	1,000,000	903,192 (e)
MARB Bondco PLC, Senior Notes	7.000%	3/15/24	1,135,000	1,089,611 (d)(e)
Marfrig Holding Europe BV, Senior Notes	8.000%	6/8/23	740,000	751,100 (d)(e)
Minerva Luxembourg SA, Senior Notes	6.500%	9/20/26	1,025,000	972,469 (b)
Total Food Products				*4,783,883*
Tobacco 0.4%				
Vector Group Ltd., Senior Secured Notes	6.125%	2/1/25	1,184,000	*1,177,630* (d)(e)
Total Consumer Staples				**7,527,851**

See Notes to Financial Statements.

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BrandywineGLOBAL Global Income Opportunities Fund Inc.

Security	Rate	Maturity Date	Face Amount	Value
Energy 4.5%				
Energy Equipment & Services 0.4%				
Rowan Cos. Inc., Senior Notes	4.750%	1/15/24	1,584,000	$ *1,366,200* (e)
Oil, Gas & Consumable Fuels 4.1%				
Antero Resources Corp., Senior Notes	5.000%	3/1/25	760,000	760,950 (e)
Chesapeake Energy Corp., Secured Notes	8.000%	12/15/22	2,366,000	2,516,832 (d)(e)
Colorado Interstate Gas Co., LLC/Colorado Interstate Issuing Corp., Senior Notes	4.150%	8/15/26	2,000,000	1,938,030 (d)(e)
Energy Transfer Equity LP, Senior Secured Notes	5.500%	6/1/27	1,105,000	1,107,762 (e)
Murphy Oil Corp., Senior Notes	6.875%	8/15/24	1,490,000	1,581,262 (e)
Petrobras Global Finance BV, Senior Notes	5.750%	1/20/20	500,000	524,375 (e)
Petrobras Global Finance BV, Senior Notes	8.750%	5/23/26	1,515,000	1,777,474 (e)
Range Resources Corp., Senior Notes	5.000%	8/15/22	1,060,000	1,046,750 (e)
YPF Sociedad Anonima, Senior Notes	6.950%	7/21/27	1,135,000	1,119,394 (b)
Total Oil, Gas & Consumable Fuels				*12,372,829*
Total Energy				**13,739,029**
Financials 15.4%				
Banks 9.0%				
Banco do Brasil SA, Junior Subordinated Notes (9.000% to 6/18/24 then 10 year Treasury Constant Maturity Rate + 6.362%)	9.000%	6/18/24	2,080,000	2,206,672 (b)(c)(f)
Banco do Brasil SA, Senior Notes	4.625%	1/15/25	1,450,000	1,396,277 (d)(e)
Bank of America Corp., Subordinated Notes	7.750%	5/14/38	10,345,000	14,108,358 (e)
CIT Group Inc., Senior Notes	5.000%	8/15/22	170,000	174,250 (e)
CIT Group Inc., Senior Notes	5.000%	8/1/23	615,000	627,300 (e)
Wells Fargo & Co., Subordinated Notes	4.300%	7/22/27	9,000,000	8,905,622 (e)
Total Banks				*27,418,479*
Capital Markets 6.4%				
Goldman Sachs Group Inc., Senior Notes	3.625%	1/22/23	5,000,000	4,984,767 (e)
Goldman Sachs Group Inc., Subordinated Notes	6.750%	10/1/37	12,000,000	14,586,011 (e)
Total Capital Markets				*19,570,778*
Total Financials				**46,989,257**
Health Care 3.7%				
Health Care Providers & Services 3.4%				
DaVita Inc., Senior Notes	5.750%	8/15/22	1,500,000	1,537,500
DaVita Inc., Senior Notes	5.000%	5/1/25	3,760,000	3,572,752 (e)
Encompass Health Corp., Senior Notes	5.750%	11/1/24	2,160,000	2,205,900 (e)
HCA Inc., Senior Secured Notes	4.750%	5/1/23	395,000	398,914 (e)
HCA Inc., Senior Secured Notes	5.000%	3/15/24	1,064,000	1,078,630 (e)
Tenet Healthcare Corp., Senior Secured Bonds	4.375%	10/1/21	1,545,000	1,529,550 (e)
Total Health Care Providers & Services				*10,323,246*

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Schedule of investments (unaudited) (cont d)

April 30, 2018

BrandywineGLOBAL Global Income Opportunities Fund Inc.

Security	Rate	Maturity Date	Face Amount	Value
Pharmaceuticals 0.3%				
Valeant Pharmaceuticals International Inc., Senior Notes	5.375%	3/15/20	1,095,000	$ 1,107,319 (d)(e)
Total Health Care				**11,430,565**
Industrials 1.4%				
Aerospace & Defense 0.4%				
Northrop Grumman Corp., Senior Notes	3.250%	8/1/23	1,236,000	1,220,325 (e)
Airlines 0.4%				
Air Canada, Senior Notes	7.750%	4/15/21	1,280,000	1,406,400 (d)(e)
Industrial Conglomerates 0.3%				
3M Co., Senior Notes	3.125%	9/19/46	1,000,000	863,126 (e)
Road & Rail 0.3%				
CSX Corp., Senior Notes	3.800%	11/1/46	1,000,000	904,063 (e)
Total Industrials				**4,393,914**
Information Technology 1.2%				
IT Services 0.3%				
First Data Corp., Senior Secured Notes	5.000%	1/15/24	1,035,000	1,046,644 (d)(e)
Software 0.5%				
Symantec Corp., Senior Notes	5.000%	4/15/25	1,555,000	1,566,014 (d)(e)
Technology Hardware, Storage & Peripherals 0.4%				
Dell International LLC/EMC Corp., Senior Secured Notes	6.020%	6/15/26	1,020,000	1,083,452 (d)(e)
Total Information Technology				**3,696,110**
Materials 3.1%				
Chemicals 1.6%				
CF Industries Inc., Senior Notes	4.950%	6/1/43	4,000,000	3,365,000 (e)
W.R. Grace & Co., Senior Notes	5.125%	10/1/21	1,380,000	1,421,110 (d)(e)
Total Chemicals				*4,786,110*
Containers & Packaging 0.9%				
Reynolds Group Issuer Inc./Reynolds Group Issuer LLC/Reynolds Group Issuer (Luxembourg) SA, Senior Secured Notes	5.125%	7/15/23	1,505,000	1,516,288 (d)(e)
Sealed Air Corp., Senior Notes	5.125%	12/1/24	1,150,000	1,173,000 (d)(e)
Total Containers & Packaging				*2,689,288*
Metals & Mining 0.3%				
Allegheny Technologies Inc., Senior Notes	5.950%	1/15/21	1,000,000	1,020,000 (e)
Paper & Forest Products 0.3%				
Boise Cascade Co., Senior Notes	5.625%	9/1/24	800,000	814,000 (d)(e)
Total Materials				**9,309,398**

See Notes to Financial Statements.

BrandywineGLOBAL Global Income Opportunities Fund Inc.

Security	Rate	Maturity Date	Face Amount	Value
Real Estate 2.6%				
Equity Real Estate Investment Trusts (REITs) 2.6%				
Equinix Inc., Senior Notes	5.375%	4/1/23	1,265,000	$ 1,306,112 (e)
GEO Group Inc., Senior Notes	5.125%	4/1/23	200,000	198,500 (e)
GEO Group Inc., Senior Notes	6.000%	4/15/26	610,000	604,083 (e)
Iron Mountain Inc., Senior Notes	6.000%	8/15/23	900,000	931,500 (e)
Iron Mountain Inc., Senior Notes	5.250%	3/15/28	1,135,000	1,073,994 (d)(e)
Iron Mountain U.S. Holdings Inc., Senior Notes	5.375%	6/1/26	870,000	843,900 (d)(e)
SBA Communications Corp., Senior Notes	4.875%	7/15/22	2,810,000	2,824,050 (e)
Total Real Estate				**7,782,139**
Telecommunication Services 1.5%				
Diversified Telecommunication Services 0.8%				
Digicel Group Ltd., Senior Notes	8.250%	9/30/20	2,670,000	2,396,325 (d)(e)
Hughes Satellite Systems Corp., Senior Notes	6.625%	8/1/26	200,000	199,000 (e)
Total Diversified Telecommunication Services				*2,595,325*
Wireless Telecommunication Services 0.7%				
Sprint Corp., Senior Notes	7.250%	9/15/21	2,000,000	*2,127,500* (e)
Total Telecommunication Services				**4,722,825**
Utilities 1.2%				
Gas Utilities 0.2%				
AmeriGas Partners LP/AmeriGas Finance Corp., Senior Notes	5.875%	8/20/26	625,000	*623,437* (e)
Independent Power and Renewable Electricity Producers 1.0%				
Dynegy Inc., Senior Notes	8.125%	1/30/26	475,000	522,500 (d)(e)
NRG Energy Inc., Senior Notes	6.625%	1/15/27	925,000	956,219 (e)
NRG Yield Operating LLC, Senior Notes	5.000%	9/15/26	1,480,000	1,446,700 (e)
Total Independent Power and Renewable Electricity Producers				*2,925,419*
Total Utilities				**3,548,856**
Total Corporate Bonds & Notes (Cost $131,633,199)				**135,838,773**
Senior Loans 0.3%				
Energy 0.3%				
Oil, Gas & Consumable Fuels 0.3%				
Chesapeake Energy Corp., Term Loan (3 mo. LIBOR + 7.500%) (Cost $845,586)	9.444%	8/23/21	835,000	**885,622** (c)(g)(h)
Total Investments before Short-Term Investments (Cost $390,081,831)				**380,611,215**
Short-Term Investments 20.3%				
Sovereign Bonds 3.6%				
Egypt 3.6%				
Arab Republic of Egypt Treasury Bills (Cost $11,043,209)	17.510-17.706%	7/3/18	200,000,000 EGP	**11,026,814** (i)

See Notes to Financial Statements.

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Schedule of investments (unaudited) (cont d)

April 30, 2018

BrandywineGLOBAL Global Income Opportunities Fund Inc.

Security	Rate	Maturity Date	Face Amount	Value
U.S. Treasury Notes 14.3%				
U.S. Treasury Notes				
(Cost $43,406,893)	1.872%	4/30/20	43,400,000	$ 43,406,887 (i)
			Shares	
Money Market Funds 2.4%				
State Street Institutional U.S. Government Money Market Fund, Premier Class				
(Cost $7,257,417)	1.648%		7,257,417	7,257,417
Total Short-Term Investments (Cost $61,707,519)				**61,691,118**
Total Investments 145.3% (Cost $451,789,350)				**442,302,333**
Mandatory Redeemable Preferred Stock, at Liquidation Value (16.4)%				(50,000,000)
Liabilities in Excess of Other Assets (28.9)%				(87,918,405)
Total Net Assets Applicable to Common Shareholders 100.0%				**$ 304,383,928**

Face amount denominated in U.S. dollars, unless otherwise noted.

(a) Collateralized mortgage obligations are secured by an underlying pool of mortgages or mortgage pass-through certificates that are structured to direct payments on underlying collateral to different series or classes of the obligations. The interest rate may change positively or inversely in relation to one or more interest rates, financial indices or other financial indicators and may be subject to an upper and/or lower limit.

(b) Security is exempt from registration under Regulation S of the Securities Act of 1933. Regulation S applies to securities offerings that are made outside of the United States and do not involve direct selling efforts in the United States. This security has been deemed liquid pursuant to guidelines approved by the Board of Directors.

(c) Variable rate security. Interest rate disclosed is as of the most recent information available. Certain variable rate securities are not based on a published reference rate and spread but are determined by the issuer or agent and are based on current market conditions. These securities do not indicate a reference rate and spread in their description above.

(d) Security is exempt from registration under Rule 144A of the Securities Act of 1933. This security may be resold in transactions that are exempt from registration, normally to qualified institutional buyers. This security has been deemed liquid pursuant to guidelines approved by the Board of Directors.

(e) All or a portion of this security is pledged as collateral pursuant to the loan agreement (See Note 5).

(f) Security has no maturity date. The date shown represents the next call date.

(g)

Senior loans may be considered restricted in that the Fund ordinarily is contractually obligated to receive approval from the agent bank and/or borrower prior to the disposition of a senior loan.

(h) Interest rates disclosed represent the effective rates on senior loans. Ranges in interest rates are attributable to multiple contracts under the same loan.

(i) Rate shown represents yield-to-maturity.

Abbreviations used in this schedule:

BRL	Brazilian Real
COP	Colombian Peso
EGP	Egyptian Pound
EUR	Euro
Euribor	Euro Interbank Offered Rate
GBP	British Pound

See Notes to Financial Statements.

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BrandywineGLOBAL Global Income Opportunities Fund Inc.

Abbreviations used in this schedule (cont d):

IDR	Indonesian Rupiah
INR	Indian Rupee
IO	Interest Only
LIBOR	London Interbank Offered Rate
MXN	Mexican Peso
TRY	Turkish Lira
ZAR	South African Rand
USD	United States Dollar

At April 30, 2018, the Fund had the following open futures contracts:

	Number of Contracts	Expiration Date	Notional Amount	Market Value	Unrealized Appreciation (Depreciation)
Contracts to Buy:					
U.S. Treasury Long-Term Bonds	166	6/18	$ 24,039,234	$ 23,878,062	$ (161,172)
U.S. Treasury Ultra Long-Term Bonds	174	6/18	26,722,573	27,339,750	617,177
					456,005
Contracts to Sell:					
E-Mini S&P 500 Index	104	6/18	13,636,736	13,764,400	(127,664)
U.S. Treasury 10-Year Notes	46	6/18	5,490,434	5,502,750	(12,316)
					(139,980)
Net unrealized appreciation on open futures contracts					**$ 316,025**

At April 30, 2018, the Fund had the following open forward foreign currency contracts:

Currency Purchased		Currency Sold		Counterparty	Settlement Date	Unrealized Appreciation (Depreciation)
BRL	32,600,000	USD	9,964,848	HSBC Bank USA, N.A.	5/8/18	$ (664,191)
USD	31,202,417	JPY	3,330,000,000	Citibank N.A.	5/11/18	724,048
USD	23,250,722	JPY	2,474,000,000	Goldman Sachs Group Inc.	5/11/18	607,032
JPY	7,090,000,000	USD	65,759,574	JPMorgan Chase & Co.	5/11/18	(867,189)
JPY	244,000,000	USD	2,306,585	Morgan Stanley & Co. Inc.	5/11/18	(73,335)
USD	13,941,436	JPY	1,530,000,000	National Australia Bank Ltd.	5/11/18	(62,139)
USD	1,017,383	EUR	830,000	Citibank N.A.	5/18/18	14,010
USD	2,318,323	EUR	1,870,000	HSBC Bank USA, N.A.	5/18/18	57,711
EUR	13,820,000	USD	17,185,792	JPMorgan Chase & Co.	5/18/18	(479,026)
EUR	7,370,000	USD	9,115,533	JPMorgan Chase & Co.	5/18/18	(206,064)
USD	45,090,942	EUR	36,260,000	JPMorgan Chase & Co.	5/18/18	1,256,836
USD	8,295,546	EUR	6,690,000	JPMorgan Chase & Co.	5/18/18	208,118
USD	7,089,216	EUR	5,740,000	JPMorgan Chase & Co.	5/18/18	150,226
EUR	910,000	USD	1,133,754	National Australia Bank Ltd.	5/18/18	(33,671)
CAD	17,850,000	USD	13,775,210	JPMorgan Chase & Co.	6/6/18	137,766

See Notes to Financial Statements.

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Schedule of investments (unaudited) (cont d)

April 30, 2018

BrandywineGLOBAL Global Income Opportunities Fund Inc.

Currency Purchased		Currency Sold		Counterparty	Settlement Date	Unrealized Appreciation (Depreciation)
USD	13,792,880	CAD	17,850,000	JPMorgan Chase & Co.	6/6/18	$ (120,096)
GBP	2,870,000	USD	4,002,574	Citibank N.A.	6/15/18	(43,273)
USD	5,034,596	GBP	3,610,000	Citibank N.A.	6/15/18	54,431
GBP	300,000	USD	422,906	HSBC Bank USA, N.A.	6/15/18	(9,042)
USD	1,564,299	GBP	1,110,000	HSBC Bank USA, N.A.	6/15/18	33,002
USD	1,357,490	GBP	970,000	HSBC Bank USA, N.A.	6/15/18	19,330
Total						**$ 704,484**

Abbreviations used in this table:

BRL	Brazilian Real
CAD	Canadian Dollar
EUR	Euro
GBP	British Pound
JPY	Japanese Yen
USD	United States Dollar

At April 30, 2018, the Fund had the following open swap contracts:

OTC CREDIT DEFAULT SWAPS ON CORPORATE ISSUES SELL PROTECTION[1]

Swap Counterparty (Reference Entity)	Notional Amount[2]	Termination Date	Implied Credit Spread at April 30, 2018[3]	Periodic Payments Received by the Fund	Market Value	Upfront Premiums Paid (Received)	Unrealized Appreciation (Depreciation)
Morgan Stanley & Co. Inc. (Dell Inc., 7.100%, due 4/15/28)	$ 815,000	6/20/22	1.83%	1.000% quarterly	$ (25,578)	$ (52,603)	$ 27,025
Morgan Stanley & Co. Inc. (Dell Inc., 7.100%, due 4/15/28)	1,210,000	6/20/22	1.83%	1.000% quarterly	(37,975)	(78,148)	40,173
Morgan Stanley & Co. Inc. (Dell Inc., 7.100%, due 4/15/28)	950,000	12/20/22	2.17%	1.000% quarterly	(46,361)	(38,034)	(8,327)
Total	**$ 2,975,000**				**$ (109,914)**	**$ (168,785)**	**$ 58,871**

CENTRALLY CLEARED CREDIT DEFAULT SWAPS ON CREDIT INDICES SELL PROTECTION[1]

Reference Entity	Notional Amount[2]	Termination Date	Periodic Payments Received by the Fund	Market Value[4]	Upfront Premiums Paid (Received)	Unrealized Appreciation
Markit CDX.NA.HY.29 Index	$ 22,120,000	12/20/22	5.000% quarterly	$ 1,609,717	$ 1,405,466	$ 204,251

See Notes to Financial Statements.

BrandywineGLOBAL Global Income Opportunities Fund Inc.

OTC CREDIT DEFAULT SWAPS ON SOVEREIGN ISSUES SELL PROTECTION[1]

Swap Counterparty (Reference Entity)	Notional Amount[2]	Termination Date	Implied Credit Spread at April 30, 2018[3]	Periodic Payments Received by the Fund	Market Value	Upfront Premiums Paid (Received)	Unrealized Appreciation (Depreciation)
Morgan Stanley & Co. Inc. (Federative Republic of Brazil, 4.250%, due 1/7/25)	$ 5,900,000	6/20/22	1.39%	1.000% quarterly	$ (89,316)	$ (321,018)	$ 231,702
Morgan Stanley & Co. Inc. (Republic of Argentina, 7.500%, due 04/22/26)	2,305,000	12/20/22	2.69%	5.000% quarterly	220,097	247,596	(27,499)
Morgan Stanley & Co. Inc. (Republic of Argentina, 7.500%, due 04/22/26)	1,020,000	12/20/22	2.69%	5.000% quarterly	97,397	108,053	(10,656)
Morgan Stanley & Co. Inc. (Republic of Argentina, 7.500%, due 4/22/26)	1,880,000	12/20/22	2.69%	5.000% quarterly	179,515	194,421	(14,906)
Total	**$ 11,105,000**				**$ 407,693**	**$ 229,052**	**$ 178,641**

1 If the Fund is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Fund will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.

2 The maximum potential amount the Fund could be required to pay as a seller of credit protection or receive as a buyer of credit protection if a credit event occurs as defined under the terms of that particular swap agreement.

3 Implied credit spreads, utilized in determining the market value of credit default swap agreements on corporate or sovereign issues as of period end, serve as an indicator of the current status of the payment/performance risk and represent the likelihood or risk of default for the credit derivative. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection and may include upfront payments required to be made to enter into the agreement. Wider credit spreads represent a deterioration of the referenced entity s credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement. A credit spread identified as Defaulted indicates a credit event has occurred for the referenced entity or obligation.

4 The quoted market prices and resulting values for credit default swap agreements on asset-backed securities and credit indices serve as an indicator of the current status of the payment/performance risk and represent the likelihood of an expected loss (or profit) for the credit derivative had the notional amount of the swap agreement been closed/sold as of the period end. Decreasing market values (sell protection) or increasing market values (buy protection) when compared to the notional amount of the swap, represent a deterioration of the referenced entity s credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

Percentage shown is an annual percentage rate.

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Schedule of investments (unaudited) (cont d)

April 30, 2018

BrandywineGLOBAL Global Income Opportunities Fund Inc.

Summary of Investments by Country**	
United States	32.9%
Brazil	12.9
Indonesia	8.0
Mexico	7.5
India	4.5
Colombia	4.3
South Africa	4.0
United Kingdom	4.0
Turkey	3.6
Spain	3.0
Jamaica	0.5
Canada	0.3
France	0.3
Argentina	0.3
Short-Term Investments	13.9
	100.0%

** As a percentage of total investments. Please note that the Fund holdings are as of April 30, 2018 and are subject to change.

See Notes to Financial Statements.

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Statement of assets and liabilities (unaudited)

April 30, 2018

Assets:	
Investments, at value (Cost $451,789,350)	$ 442,302,333
Foreign currency, at value (Cost $63,025)	61,438
Interest receivable	7,494,839
Unrealized appreciation on forward foreign currency contracts	3,262,510
Deposits with brokers for open futures contracts	2,370,374
Receivable from broker variation margin on centrally cleared swaps	1,600,522
Deposits with brokers for centrally cleared swap contracts	1,165,384
OTC swaps, at value (premiums paid $550,070)	497,009
Deposits with brokers for OTC derivatives	360,000
Receivable from broker variation margin on open futures contracts	317,010
Receivable for open OTC swap contracts	40,717
Prepaid expenses	27,756
Total Assets	***459,499,892***
Liabilities:	
Loan payable (Note 5)	100,000,000
Mandatory Redeemable Preferred Stock ($100,000 liquidation value per share; 500 shares issued and outstanding) (net of deferred offering costs of $329,695) (Note 6)	49,670,305
Unrealized depreciation on forward foreign currency contracts	2,558,026
Distributions payable to Common Shareholders	1,607,415
Distributions payable to Mandatory Redeemable Preferred Stockholders	348,748
Investment management fee payable	284,016
Accrued foreign capital gains tax	226,074
OTC swaps, at value (premiums received $489,803)	199,230
Interest payable	67,546
Directors fees payable	6,185
Accrued expenses	148,419
Total Liabilities	***155,115,964***
Total Net Assets Applicable to Common Shareholders	**$ 304,383,928**
Net Assets Applicable to Common Shareholders:	
Common stock par value ($0.001 par value; 20,989,795 shares issued and outstanding; 100,000,000 shares authorized)	$ 20,990
Paid-in capital in excess of par value	337,927,377
Overdistributed net investment income	(2,606,824)
Accumulated net realized loss on investments, futures contracts, swap contracts, forward foreign currency contracts and foreign currency transactions	(22,527,705)
Net unrealized depreciation on investments, futures contracts, swap contracts, forward foreign currency contracts and foreign currencies	(8,429,910)
Total Net Assets Applicable to Common Shareholders	**$ 304,383,928**
Common Shares Outstanding	20,989,795
Net Asset Value Per Common Share	$14.50

Net of accrued foreign capital gains tax of $226,074.

See Notes to Financial Statements.

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Statement of operations (unaudited)

For the Six Months Ended April 30, 2018

Investment Income:	
Interest	$ 14,656,103
Less: Foreign taxes withheld	(618,885)
Total Investment Income	***14,037,218***
Expenses:	
Investment management fee (Note 2)	1,994,170
Interest expense (Note 5)	1,232,481
Distributions to Mandatory Redeemable Preferred Stockholders (Notes 1 and 6)	830,120
Custody fees	91,220
Amortization of preferred stock offering costs (Note 6)	77,526
Transfer agent fees	40,671
Directors fees	38,758
Audit and tax fees	32,842
Legal fees	30,224
Fund accounting fees	21,251
Shareholder reports	14,132
Rating agency fees	8,927
Stock exchange listing fees	6,199
Insurance	2,782
Miscellaneous expenses	19,979
Total Expenses	***4,441,282***
Less: Expense reimbursements (Note 2)	(194,068)
Net Expenses	***4,247,214***
Net Investment Income	**9,790,004**
Realized and Unrealized Gain (Loss) on Investments, Futures Contracts, Swap Contracts, Forward Foreign Currency Contracts and Foreign Currency Transactions (Notes 1, 3 and 4):	
Net Realized Gain (Loss) From:	
Investment transactions	(3,246,867)
Futures contracts	(58,043)
Swap contracts	595,162
Forward foreign currency contracts	1,239,739
Foreign currency transactions	(271,098)
Net Realized Loss	***(1,741,107)***
Change in Net Unrealized Appreciation (Depreciation) From:	
Investments	(8,584,365)
Futures contracts	354,727
Swap contracts	126,226
Forward foreign currency contracts	2,297,869
Foreign currencies	33,971
Change in Net Unrealized Appreciation (Depreciation)	***(5,771,572)***
Net Loss on Investments, Futures Contracts, Swap Contracts, Forward Foreign Currency Contracts and Foreign Currency Transactions	**(7,512,679)**
Increase in Net Assets Applicable to Common Shareholders From Operations	**$ 2,277,325**

Net of change in accrued foreign capital gains tax of $26,544.

See Notes to Financial Statements.

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Statements of changes in net assets

For the Six Months Ended April 30, 2018 (unaudited) and the Year Ended October 31, 2017	2018	2017
Operations:		
Net investment income	$ 9,790,004	$ 21,778,017
Net realized loss	(1,741,107)	(41,318,129)
Change in net unrealized appreciation (depreciation)	(5,771,572)	38,452,117
Increase in Net Assets Applicable to Common Shareholders From Operations	***2,277,325***	***18,912,005***
Distributions to Common Shareholders From (Note 1):		
Net investment income	(9,917,678)	(1,890,777)
Return of capital		(20,778,202)
Decrease in Net Assets From Distributions to Common Shareholders	***(9,917,678)***	***(22,668,979)***
Decrease in Net Assets Applicable to Common Shareholders	***(7,640,353)***	***(3,756,974)***
Net Assets Applicable to Common Shareholders:		
Beginning of period	312,024,281	315,781,255
End of period*	**$ 304,383,928**	**$ 312,024,281**
*Includes overdistributed net investment income of:	$(2,606,824)	$(2,479,150)

See Notes to Financial Statements.

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Statement of cash flows (unaudited)

For the Six Months Ended April 30, 2018

Increase (Decrease) in Cash:	
Cash Provided (Used) by Operating Activities:	
Net increase in net assets applicable to common shareholders resulting from operations	$ 2,277,325
Adjustments to reconcile net increase in net assets resulting from operations to net cash provided (used) by operating activities:	
Purchases of portfolio securities	(108,892,862)
Sales of portfolio securities	151,507,857
Net purchases, sales and maturities of short-term investments	(13,575,870)
Net amortization of premium (accretion of discount)	(629,751)
Decrease in receivable for securities sold	3,718,498
Decrease in interest receivable	719,753
Increase in receivable from broker variation margin on open futures contracts	(317,010)
Increase in receivable to broker variation margin on centrally cleared swaps	(513,343)
Increase in prepaid expenses	(837)
Increase in receivable for open OTC swap contracts	(20,504)
Increase in deposits with brokers for open futures contracts	(2,209,557)
Decrease in deposits with brokers for OTC swap contracts	10,000
Decrease in deposits with brokers for centrally cleared swap contracts	507,385
Decrease in net premiums received for OTC swap contracts	(16,083)
Increase in net premiums paid for OTC swap contracts	(334,876)
Decrease in investment management fee payable	(76,427)
Decrease in Directors fees payable	(745)
Decrease in interest payable	(10,206)
Decrease in accrued expenses	(26,731)
Decrease in distributions payable to Mandatory Redeemable Preferred Stockholders	(6,880)
Decrease in payable to broker variation margin on open futures contracts	(38,683)
Net realized loss on investments	3,246,867
Change in net unrealized appreciation (depreciation) of investments, OTC swap contracts and forward foreign currency contracts	6,370,269
Net Cash Provided by Operating Activities*	***41,687,589***
Cash Flows From Financing Activities:	
Distributions paid on common stock	(10,201,040)
Decrease in foreign currency overdraft	(2,636)
Proceeds from loan facility borrowings	10,000,000
Repayment of loan facility borrowings	(41,500,000)
Decrease in preferred stock offering costs	77,525
Net Cash Used in Financing Activities	***(41,626,151)***
Net Increase in Cash	**61,438**
Cash at Beginning of Period	
Cash at End of Period	**$ 61,438**

* Included in operating expenses is cash of $1,242,687 paid for interest on borrowings.

See Notes to Financial Statements.

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Financial highlights

For a common share of capital stock outstanding throughout each year ended October 31, unless otherwise noted:	2018[1,2]	2017[1]	2016[1]	2015[1]	2014[1]	2013[1]
Net asset value, beginning of period	$14.87	$15.04	$15.08	$19.93	$19.76	$20.99
Income (loss) from operations:						
Net investment income	0.47	1.04	0.92	1.09	1.43	1.43
Net realized and unrealized gain (loss)	(0.37)	(0.13)	0.33	(4.04)	0.52	(1.23)
Total income (loss) from operations	***0.10***	***0.91***	***1.25***	***(2.95)***	***1.95***	***0.20***
Less distributions to common shareholders from:						
Net investment income	(0.47)[3]	(0.09)	(0.77)	(1.03)	(1.04)	(0.97)
Net realized gains				(0.87)	(0.74)	(0.46)
Return of capital		(0.99)	(0.53)			
Total distributions to common shareholders	***(0.47)***	***(1.08)***	***(1.30)***	***(1.90)***	***(1.78)***	***(1.43)***
Anti-dilutive impact of repurchase plan			0.01[4]			
Net asset value, end of period	$14.50	$14.87	$15.04	$15.08	$19.93	$19.76
Market price, end of period	$12.64	$13.00	$12.94	$12.56	$17.32	$17.40
Total return, based on NAV[5,6]	***0.65%***	***6.36%***	***9.18%***	***(15.64)%***	***10.39%***	***0.82%***
Total return, based on Market Price[7]	***0.86%***	***9.24%***	***14.53%***	***(17.68)%***	***10.24%***	***(3.41)%***
Net assets applicable to common shareholders, end of period (000s)	$304,384	$312,024	$315,781	$317,863	$420,100	$416,426
Ratios to average net assets:						
Gross expenses	2.86%[8]	2.76%	2.83%	2.45%	1.74%	1.71%
Net expenses	2.74[8,9]	2.76	2.83	2.45	1.74	1.71
Net investment income	6.31[8]	7.03	6.30	6.16	7.15	6.81
Portfolio turnover rate	**26%**	**78%**	**67%**	**25%**	**62%**	**108%**
Supplemental data:						
Loan Outstanding, End of Period (000s)	$100,000	$131,500	$132,300	$132,300	$132,300	$156,000
Asset Coverage Ratio for Loan Outstanding[10]	454%	375%	376%	378%	418%	367%
Asset Coverage, per $1,000 Principal Amount of Loan Outstanding[10]	$4,544	$3,753	$3,765	$3,781	$4,175[11]	$3,669[11]
Weighted Average Loan (000s)	$109,909	$121,606	$132,300	$132,300	$145,365	$148,547
Weighted Average Interest Rate on Loan	2.26%	1.67%	1.10%	0.84%	0.81%	0.85%
Mandatory Redeemable Preferred Stock at Liquidation Value, End of Period (000s)	$50,000	$50,000	$50,000	$50,000		
Asset Coverage Ratio for Mandatory Redeemable Preferred Stock[12]	303%	272%	273%	274%		
Asset Coverage, per $100,000 Liquidation Value per Share of Mandatory Redeemable Preferred Stock[12]	$302,923	$271,914	$273,221	$274,363		

See Notes to Financial Statements.

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Financial highlights (cont d)

[1] Per share amounts have been calculated using the average shares method.

[2] For the six months ended April 30, 2018 (unaudited).

[3] The actual source of the Fund s current fiscal year distributions may be from net investment income, return of capital or a combination of both. Shareholders will be informed of the tax characteristics of the distributions after the close of the fiscal year.

[4] The repurchase plan was completed at an average repurchase price of $13.41 for 86,958 shares and $1,165,853 for the year ended October 31, 2016.

[5] Performance figures may reflect compensating balance arrangements, fee waivers and/or expense reimbursements. In the absence of compensating balance arrangements, fee waivers and/or expense reimbursements, the total return would have been lower. Past performance is no guarantee of future results. Total returns for periods of less than one year are not annualized.

[6] The total return calculation assumes that distributions are reinvested at NAV. Past performance is no guarantee of future results. Total returns for periods of less than one year are not annualized.

[7] The total return calculation assumes that distributions are reinvested in accordance with the Fund s dividend reinvestment plan. Past performance is no guarantee of future results. Total returns for periods of less than one year are not annualized.

[8] Annualized.

[9] Reflects fee waivers and/or expense reimbursements.

[10] Represents value of net assets plus the loan outstanding and mandatory redeemable preferred stock at the end of the period divided by the loan outstanding at the end of the period.

[11] Added to conform to current period presentation.

[12] Represents value of net assets plus the loan outstanding and mandatory redeemable preferred stock at the end of the period divided by the loan and mandatory redeemable preferred stock outstanding at the end of the period.

See Notes to Financial Statements.

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Notes to financial statements (unaudited)

1. Organization and significant accounting policies

BrandywineGLOBAL Global Income Opportunities Fund Inc. (formerly Legg Mason BW Global Income Opportunities Fund Inc.) (the Fund) was incorporated in Maryland on October 27, 2010 and is registered as a non-diversified, closed-end management investment company under the Investment Company Act of 1940, as amended (the 1940 Act). The Fund s primary investment objective is to provide current income. As a secondary investment objective, the Fund will seek capital appreciation. There can be no assurance the Fund will achieve its investment objectives.

The Fund seeks to achieve its investment objectives by investing, under normal market conditions, at least 80% of its assets in global fixed income securities.

The following are significant accounting policies consistently followed by the Fund and are in conformity with U.S. generally accepted accounting principles (GAAP). Estimates and assumptions are required to be made regarding assets, liabilities and changes in net assets resulting from operations when financial statements are prepared. Changes in the economic environment, financial markets and any other parameters used in determining these estimates could cause actual results to differ. Subsequent events have been evaluated through the date the financial statements were issued.

(a) Investment valuation. The valuations for fixed income securities (which may include, but are not limited to, corporate, government, municipal, mortgage-backed, collateralized mortgage obligations and asset-backed securities) and certain derivative instruments are typically the prices supplied by independent third party pricing services, which may use market prices or broker/dealer quotations or a variety of valuation techniques and methodologies. The independent third party pricing services use inputs that are observable such as issuer details, interest rates, yield curves, prepayment speeds, credit risks/spreads, default rates and quoted prices for similar securities. Prior to December 1, 2017, short-term fixed income securities that would mature in 60 days or less were valued at amortized cost, unless it was determined that using this method would not reflect an investment s fair value. Investments in open-end funds are valued at the closing net asset value per share of each fund on the day of valuation. Futures contracts are valued daily at the settlement price established by the board of trade or exchange on which they are traded. Equity securities for which market quotations are available are valued at the last reported sales price or official closing price on the primary market or exchange on which they trade. When the Fund holds securities or other assets that are denominated in a foreign currency, the Fund will normally use the currency exchange rates as of 4:00 p.m. (Eastern Time). If independent third party pricing services are unable to supply prices for a portfolio investment, or if the prices supplied are deemed by the manager to be unreliable, the market price may be determined by the manager using quotations from one or more broker/dealers or at the transaction price if the security has recently been purchased and no value has yet been obtained from a pricing service or pricing broker. When reliable prices are not readily available, such as when the value of a security has been significantly affected by events after the close of the exchange or market on which the security is principally traded, but before

Notes to financial statements (unaudited) (cont d)

the Fund calculates its net asset value, the Fund values these securities as determined in accordance with procedures approved by the Fund s Board of Directors.

The Board of Directors is responsible for the valuation process and has delegated the supervision of the daily valuation process to the Legg Mason North Atlantic Fund Valuation Committee (the Valuation Committee). The Valuation Committee, pursuant to the policies adopted by the Board of Directors, is responsible for making fair value determinations, evaluating the effectiveness of the Fund s pricing policies, and reporting to the Board of Directors. When determining the reliability of third party pricing information for investments owned by the Fund, the Valuation Committee, among other things, conducts due diligence reviews of pricing vendors, monitors the daily change in prices and reviews transactions among market participants.

The Valuation Committee will consider pricing methodologies it deems relevant and appropriate when making fair value determinations. Examples of possible methodologies include, but are not limited to, multiple of earnings; discount from market of a similar freely traded security; discounted cash-flow analysis; book value or a multiple thereof; risk premium/yield analysis; yield to maturity; and/or fundamental investment analysis. The Valuation Committee will also consider factors it deems relevant and appropriate in light of the facts and circumstances. Examples of possible factors include, but are not limited to, the type of security; the issuer s financial statements; the purchase price of the security; the discount from market value of unrestricted securities of the same class at the time of purchase; analysts research and observations from financial institutions; information regarding any transactions or offers with respect to the security; the existence of merger proposals or tender offers affecting the security; the price and extent of public trading in similar securities of the issuer or comparable companies; and the existence of a shelf registration for restricted securities.

For each portfolio security that has been fair valued pursuant to the policies adopted by the Board of Directors, the fair value price is compared against the last available and next available market quotations. The Valuation Committee reviews the results of such back testing monthly and fair valuation occurrences are reported to the Board of Directors quarterly.

The Fund uses valuation techniques to measure fair value that are consistent with the market approach and/or income approach, depending on the type of security and the particular circumstance. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable securities. The income approach uses valuation techniques to discount estimated future cash flows to present value.

GAAP establishes a disclosure hierarchy that categorizes the inputs to valuation techniques used to value assets and liabilities at measurement date. These inputs are summarized in the three broad levels listed below:

Level 1 quoted prices in active markets for identical investments

Level 2 other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3 significant unobservable inputs (including the Fund s own assumptions in determining the fair value of investments)
The inputs or methodologies used to value securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used in valuing the Fund s assets and liabilities carried at fair value:

ASSETS

Description	Quoted Prices (Level 1)	Other Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Long-term investments :				
Sovereign bonds		$ 188,520,470		$ 188,520,470
Collateralized mortgage obligations		55,366,350		55,366,350
Corporate bonds & notes		135,838,773		135,838,773
Senior loans		885,622		885,622
Total long-term investments		380,611,215		380,611,215
Short-term investments :				
Sovereign bonds		11,026,814		11,026,814
U.S. Treasury notes		43,406,887		43,406,887
Money market funds	$ 7,257,417			7,257,417
Total short-term investments	7,257,417	54,433,701		61,691,118
Total investments	**$ 7,257,417**	**$ 435,044,916**		**$ 442,302,333**
Other financial instruments:				
Futures contracts	617,177			617,177
Forward foreign currency contracts		3,262,510		3,262,510
Centrally cleared credit default swaps on credit indices sell protection		204,251		204,251
OTC credit default swaps on sovereign issues sell protection		497,009		497,009
Total other financial instruments	**617,177**	**3,963,770**		**4,580,947**
Total	**$ 7,874,594**	**$ 439,008,686**		**$ 446,883,280**

LIABILITIES

Description	Quoted Prices (Level 1)	Other Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Other financial instruments:				
Futures contracts	$ 301,152			$ 301,152
Forward foreign currency contracts		$ 2,558,026		2,558,026
OTC credit default swaps on corporate issues sell protection		109,914		109,914
OTC credit default swaps on sovereign issues sell protection		89,316		89,316
Total	**$ 301,152**	**$ 2,757,256**		**$ 3,058,408**

See Schedule of Investments for additional detailed categorizations.

Value includes any premium paid or received with respect to swap contracts.

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Notes to financial statements (unaudited) (cont d)

(b) Futures contracts. The Fund uses futures contracts generally to gain exposure to, or hedge against, changes in interest rates or gain exposure to, or hedge against, changes in certain asset classes. A futures contract represents a commitment for the future purchase or sale of an asset at a specified price on a specified date.

Upon entering into a futures contract, the Fund is required to deposit cash or cash equivalents with a broker in an amount equal to a certain percentage of the contract amount. This is known as the initial margin and subsequent payments (variation margin) are made or received by the Fund each day, depending on the daily fluctuation in the value of the contract. For certain futures, including foreign denominated futures, variation margin is not settled daily, but is recorded as a net variation margin payable or receivable. The daily changes in contract value are recorded as unrealized gains or losses in the Statement of Operations and the Fund recognizes a realized gain or loss when the contract is closed.

Futures contracts involve, to varying degrees, risk of loss in excess of the amounts reflected in the financial statements. In addition, there is the risk that the Fund may not be able to enter into a closing transaction because of an illiquid secondary market.

(c) Forward foreign currency contracts. The Fund enters into a forward foreign currency contract to hedge against foreign currency exchange rate risk on its non-U.S. dollar denominated securities or to facilitate settlement of a foreign currency denominated portfolio transaction. A forward foreign currency contract is an agreement between two parties to buy and sell a currency at a set price with delivery and settlement at a future date. The contract is marked-to-market daily and the change in value is recorded by the Fund as an unrealized gain or loss. When a forward foreign currency contract is closed, through either delivery or offset by entering into another forward foreign currency contract, the Fund recognizes a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value of the contract at the time it is closed.

Non-deliverable forward foreign currency exchange contracts are settled with the counterparty in cash without the delivery of foreign currency.

Forward foreign currency contracts involve elements of market risk in excess of the amounts reflected on the Statement of Assets and Liabilities. The Fund bears the risk of an unfavorable change in the foreign exchange rate underlying the forward foreign currency contract. Risks may also arise upon entering into these contracts from the potential inability of the counterparties to meet the terms of their contracts.

(d) Swap agreements. The Fund invests in swaps for the purpose of managing its exposure to interest rate, credit or market risk, or for other purposes. The use of swaps involves risks that are different from those associated with other portfolio transactions. Swap agreements are privately negotiated in the over-the-counter market and may be entered into as a bilateral contract (OTC Swaps) or centrally cleared (Centrally Cleared Swaps). Unlike Centrally Cleared Swaps, the Fund has credit exposure to the counterparties of OTC Swaps.

In a Centrally Cleared Swap, immediately following execution of the swap, the swap agreement is submitted to a clearinghouse or central counterparty (the CCP) and the CCP becomes the ultimate counterparty of the swap agreement. The Fund is required to interface with the CCP through a broker, acting in an agency capacity. All payments are settled with the CCP through the broker. Upon entering into a Centrally Cleared Swap, the Fund is required to deposit initial margin with the broker in the form of cash or securities.

Swap contracts are marked-to-market daily and changes in value are recorded as unrealized appreciation (depreciation). The daily change in valuation of Centrally Cleared Swaps, if any, is recorded as a receivable or payable for variation margin on the Statement of Assets and Liabilities. Gains or losses are realized upon termination of the swap agreement. Collateral, in the form of restricted cash or securities, may be required to be held in segregated accounts with the Fund s custodian in compliance with the terms of the swap contracts. Securities posted as collateral for swap contracts are identified in the Schedule of Investments and restricted cash, if any, is identified on the Statement of Assets and Liabilities. Risks may exceed amounts recorded in the Statement of Assets and Liabilities. These risks include changes in the returns of the underlying instruments, failure of the counterparties to perform under the contracts terms, and the possible lack of liquidity with respect to the swap agreements.

OTC swap payments received or made at the beginning of the measurement period are reflected as a premium or deposit, respectively, on the Statement of Assets and Liabilities. These upfront payments are amortized over the life of the swap and are recognized as realized gain or loss in the Statement of Operations. Net periodic payments received or paid by the Fund are recognized as a realized gain or loss in the Statement of Operations.

The Fund s maximum exposure in the event of a defined credit event on a credit default swap to sell protection is the notional amount.

As of April 30, 2018, the total notional value of all credit default swaps to sell protection was $36,200,000. This amount would be offset by the value of the swap s reference entity, upfront premiums received on the swap and any amounts received from the settlement of a credit default swap where the Fund bought protection for the same referenced security/entity.

For average notional amounts of swaps held during the six months ended April 30, 2018, see Note 4.

Credit default swaps

The Fund enters into credit default swap (CDS) contracts for investment purposes, to manage its credit risk or to add leverage. CDS agreements involve one party making a stream of payments to another party in exchange for the right to receive a specified return in the event of a default by a third party, typically corporate or sovereign issuers, on a specified obligation, or in the event of a write-down, principal shortfall, interest shortfall or default of all or part of the referenced entities comprising a credit index. The Fund may use a CDS to provide protection against defaults of the issuers (i.e., to reduce risk where the Fund has exposure to an issuer) or to take an active long or short position with respect to

Notes to financial statements (unaudited) (cont d)

the likelihood of a particular issuer s default. As a seller of protection, the Fund generally receives an upfront payment or a stream of payments throughout the term of the swap provided that there is no credit event. If the Fund is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the maximum potential amount of future payments (undiscounted) that the Fund could be required to make under a credit default swap agreement would be an amount equal to the notional amount of the agreement. These amounts of potential payments will be partially offset by any recovery of values from the respective referenced obligations. As a seller of protection, the Fund effectively adds leverage to its portfolio because, in addition to its total net assets, the Fund is subject to investment exposure on the notional amount of the swap. As a buyer of protection, the Fund generally receives an amount up to the notional value of the swap if a credit event occurs.

Implied spreads are the theoretical prices a lender receives for credit default protection. When spreads rise, market perceived credit risk rises and when spreads fall, market perceived credit risk falls. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection and may include upfront payments required to enter into the agreement. Wider credit spreads and decreasing market values, when compared to the notional amount of the swap, represent a deterioration of the referenced entity s credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement. Credit spreads utilized in determining the period end market value of credit default swap agreements on corporate or sovereign issues are disclosed in the Schedule of Investments and serve as an indicator of the current status of the payment/performance risk and represent the likelihood or risk of default for credit derivatives. For credit default swap agreements on asset-backed securities and credit indices, the quoted market prices and resulting values, particularly in relation to the notional amount of the contract as well as the annual payment rate, serve as an indication of the current status of the payment/performance risk.

The Fund s maximum risk of loss from counterparty risk, as the protection buyer, is the fair value of the contract (this risk is mitigated by the posting of collateral by the counterparty to the Fund to cover the Fund s exposure to the counterparty). As the protection seller, the Fund s maximum risk is the notional amount of the contract. Credit default swaps are considered to have credit risk-related contingent features since they require payment by the protection seller to the protection buyer upon the occurrence of a defined credit event.

Entering into a CDS agreement involves, to varying degrees, elements of credit, market and documentation risk in excess of the related amounts recognized on the Statement of Assets and Liabilities. Such risks involve the possibility that there will be no liquid market for these agreements, that the counterparty to the agreement may default on its obligation to perform or disagree as to the meaning of the contractual terms in the agreement, and that there will be unfavorable changes in net interest rates.

(e) Stripped securities. The Fund may invest in Stripped Securities, a term used collectively for components, or strips, of fixed income securities. Stripped Securities can be

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principal only securities (PO), which are debt obligations that have been stripped of unmatured interest coupons, or interest only securities (IO), which are unmatured interest coupons that have been stripped from debt obligations. The market value of Stripped Securities will fluctuate in response to changes in economic conditions, rates of pre-payment, interest rates and the market s perception of the securities. However, fluctuations in response to interest rates may be greater in Stripped Securities than for debt obligations of comparable maturities that pay interest currently. The amount of fluctuation may increase with a longer period of maturity.

The yield to maturity on IO s is sensitive to the rate of principal repayments (including prepayments) on the related underlying debt obligation and principal payments may have a material effect on yield to maturity. If the underlying debt obligation experiences greater than anticipated prepayments of principal, the Fund may not fully recoup its initial investment in IO s.

(f) Foreign currency translation. Investment securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollar amounts based upon prevailing exchange rates on the date of valuation. Purchases and sales of investment securities and income and expense items denominated in foreign currencies are translated into U.S. dollar amounts based upon prevailing exchange rates on the respective dates of such transactions.

The Fund does not isolate that portion of the results of operations resulting from fluctuations in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held. Such fluctuations are included with the net realized and unrealized gain or loss on investments.

Net realized foreign exchange gains or losses arise from sales of foreign currencies, including gains and losses on forward foreign currency contracts, currency gains or losses realized between the trade and settlement dates on securities transactions, and the difference between the amounts of dividends, interest, and foreign withholding taxes recorded on the Fund s books and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the values of assets and liabilities, other than investments in securities, on the date of valuation, resulting from changes in exchange rates.

Foreign security and currency transactions may involve certain considerations and risks not typically associated with those of U.S. dollar denominated transactions as a result of, among other factors, the possibility of lower levels of governmental supervision and regulation of foreign securities markets and the possibility of political or economic instability.

(g) Loan participations. The Fund may invest in loans arranged through private negotiation between one or more financial institutions. The Fund s investment in any such loan may be in the form of a participation in or an assignment of the loan. In connection with purchasing participations, the Fund generally will have no right to enforce compliance by the borrower with the terms of the loan agreement related to the loan, or any rights of

Notes to financial statements (unaudited) (cont d)

off-set against the borrower and the Fund may not benefit directly from any collateral supporting the loan in which it has purchased the participation.

The Fund assumes the credit risk of the borrower, the lender that is selling the participation and any other persons interpositioned between the Fund and the borrower. In the event of the insolvency of the lender selling the participation, the Fund may be treated as a general creditor of the lender and may not benefit from any off-set between the lender and the borrower.

(h) Cash flow information. The Fund invests in securities and distributes dividends from net investment income and net realized gains, which are paid in cash and may be reinvested at the discretion of shareholders. These activities are reported in the Statement of Changes in Net Assets and additional information on cash receipts and cash payments are presented in the Statement of Cash Flows.

(i) Credit and market risk. The Fund invests in high-yield and emerging market instruments that are subject to certain credit and market risks. The yields of high-yield and emerging market debt obligations reflect, among other things, perceived credit and market risks. The Fund s investments in securities rated below investment grade typically involve risks not associated with higher rated securities including, among others, greater risk related to timely and ultimate payment of interest and principal, greater market price volatility and less liquid secondary market trading. The consequences of political, social, economic or diplomatic changes may have disruptive effects on the market prices of investments held by the Fund. The Fund s investments in non-U.S. dollar denominated securities may also result in foreign currency losses caused by devaluations and exchange rate fluctuations.

Investments in securities that are collateralized by real estate mortgages are subject to certain credit and liquidity risks. When market conditions result in an increase in default rates of the underlying mortgages and the foreclosure values of underlying real estate properties are materially below the outstanding amount of these underlying mortgages, collection of the full amount of accrued interest and principal on these investments may be doubtful. Such market conditions may significantly impair the value and liquidity of these investments and may result in a lack of correlation between their credit ratings and values.

(j) Foreign investment risks. The Fund s investments in foreign securities may involve risks not present in domestic investments. Since securities may be denominated in foreign currencies, may require settlement in foreign currencies or pay interest or dividends in foreign currencies, changes in the relationship of these foreign currencies to the U.S. dollar can significantly affect the value of the investments and earnings of the Fund. Foreign investments may also subject the Fund to foreign government exchange restrictions, expropriation, taxation or other political, social or economic developments, all of which affect the market and/or credit risk of the investments.

(k) Counterparty risk and credit-risk-related contingent features of derivative instruments. The Fund may invest in certain securities or engage in other transactions, where the Fund is exposed to counterparty credit risk in addition to broader market risks. The Fund may invest in securities of issuers, which may also be considered counterparties as trading partners in other transactions. This may increase the risk of loss in the event of default or bankruptcy by the counterparty or if the counterparty otherwise fails to meet its contractual obligations. The Fund s subadviser attempts to mitigate counterparty risk by (i) periodically assessing the creditworthiness of its trading partners, (ii) monitoring and/or limiting the amount of its net exposure to each individual counterparty based on its assessment and (iii) requiring collateral from the counterparty for certain transactions. Market events and changes in overall economic conditions may impact the assessment of such counterparty risk by the subadviser. In addition, declines in the values of underlying collateral received may expose the Fund to increased risk of loss.

With exchange traded and centrally cleared derivatives, there is less counterparty risk to the Fund since the exchange or clearinghouse, as counterparty to such instruments, guarantees against a possible default. The clearinghouse stands between the buyer and the seller of the contract; therefore, the credit risk is limited to failure of the clearinghouse. While offset rights may exist under applicable law, the Fund does not have a contractual right of offset against a clearing broker or clearinghouse in the event of a default of the clearing broker or clearinghouse.

The Fund has entered into master agreements, such as an International Swaps and Derivatives Association, Inc. Master Agreement (ISDA Master Agreement) or similar agreement, with certain of its derivative counterparties that govern over-the-counter derivatives and provide for general obligations, representations, agreements, collateral posting terms, netting provisions in the event of default or termination and credit related contingent features. The credit related contingent features include, but are not limited to, a percentage decrease in the Fund s net assets or NAV over a specified period of time. If these credit related contingent features were triggered, the derivatives counterparty could terminate the positions and demand payment or require additional collateral.

Under an ISDA Master Agreement, the Fund may, under certain circumstances, offset with the counterparty certain derivative financial instruments payables and/or receivables with collateral held and/or posted and create one single net payment. However, absent an event of default by the counterparty or a termination of the agreement, the terms of the ISDA Master Agreements do not result in an offset of reported amounts of financial assets and financial liabilities in the Statement of Assets and Liabilities across transactions between the Fund and the applicable counterparty. The enforceability of the right to offset may vary by jurisdiction.

Collateral requirements differ by type of derivative. Collateral or margin requirements are set by the broker or exchange clearinghouse for exchange traded derivatives while collateral terms are contract specific for over-the-counter traded derivatives. Cash collateral that has been pledged to cover obligations of the Fund under derivative contracts, if any, will be reported separately in the Statement of Assets and Liabilities. Securities pledged as collateral, if any, for the same purpose are noted in the Schedule of Investments.

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As of April 30, 2018, the Fund held forward foreign currency contracts and OTC Credit Default Swaps with credit related contingent features which had a liability position of $2,757,256. If a contingent feature in the master agreements would have been triggered, the Fund would have been required to pay this amount to its derivatives counterparties. As of April 30, 2018, the Fund had posted with its counterparties cash and/or securities as collateral to cover the net liability of these derivatives amounting to $360,000, which could be used to reduce the required payment.

(l) Security transactions and investment income. Security transactions are accounted for on a trade date basis. Interest income (including interest income from payment-in-kind securities), adjusted for amortization of premium and accretion of discount, is recorded on the accrual basis. Paydown gains and losses on mortgage- and asset-backed securities are recorded as adjustments to interest income. Dividend income is recorded on the ex-dividend date for dividends received in cash and/or securities. Foreign dividend income is recorded on the ex-dividend date or as soon as practicable after the Fund determines the existence of a dividend declaration after exercising reasonable due diligence. The cost of investments sold is determined by use of the specific identification method. To the extent any issuer defaults or a credit event occurs that impacts the issuer, the Fund may halt any additional interest income accruals and consider the realizability of interest accrued up to the date of default or credit event.

(m) Distributions to shareholders. Distributions to common shareholders from net investment income of the Fund, if any, are declared quarterly and paid on a monthly basis. The actual source of the Fund s monthly distributions may be from net investment income, return of capital or a combination of both. Common shareholders will be informed of the tax characteristics of the distributions after the close of the fiscal year. Distributions to common shareholders of net realized gains, if any, are declared at least annually. Pursuant to its Managed Distribution Policy, adopted by the Fund in August 2012, the Fund intends to make regular monthly distributions to common shareholders at a fixed rate per common share, which rate may be adjusted from time to time by the Fund s Board of Directors. Under the Fund s Managed Distribution Policy, if, for any monthly distribution, the value of the Fund s net investment income and net realized capital gain is less than the amount of the distribution, the difference will be distributed from the Fund s net assets (and may constitute a return of capital). The Board of Directors may modify, terminate or suspend the Managed Distribution Policy at any time, including when certain events would make part of the return of capital taxable to common shareholders. Any such modification, termination or suspension could have an adverse effect on the market price of the Fund s shares. Distributions to common shareholders of the Fund are recorded on the ex-dividend date and are determined in accordance with income tax regulations, which may differ from GAAP.

Distributions to holders of Mandatory Redeemable Preferred Stock (MRPS) are accrued on a daily basis as described in Note 6 and are treated as an operating expense as required by GAAP. For tax purposes, the payments made to the holders of the Fund s MRPS are treated as dividends or distributions. The character of distributions to MRPS holders made during the year may differ from their ultimate characterization for federal income tax purposes.

(n) Compensating balance arrangements. The Fund has an arrangement with its custodian bank whereby a portion of the custodian s fees is paid indirectly by credits earned on the Fund s cash on deposit with the bank.

(o) Federal and other taxes. It is the Fund s policy to comply with the federal income and excise tax requirements of the Internal Revenue Code of 1986 (the Code), as amended, applicable to regulated investment companies. Accordingly, the Fund intends to distribute its taxable income and net realized gains, if any, to shareholders in accordance with timing requirements imposed by the Code. Therefore, no federal or state income tax provision is required in the Fund s financial statements.

Management has analyzed the Fund s tax positions taken on income tax returns for all open tax years and has concluded that as of October 31, 2017, no provision for income tax is required in the Fund s financial statements. The Fund s federal and state income and federal excise tax returns for tax years for which the applicable statutes of limitations have not expired are subject to examination by the Internal Revenue Service and state departments of revenue.

Under the applicable foreign tax laws, a withholding tax may be imposed on interest, dividends and capital gains at various rates. Realized gains upon disposition of securities issued in or by certain foreign countries are subject to capital gains tax imposed by those countries. As of April 30, 2018, there were $226,074 of capital gains tax liabilities accrued on unrealized gains.

(p) Reclassification. GAAP requires that certain components of net assets be reclassified to reflect permanent differences between financial and tax reporting. These reclassifications have no effect on net assets or net asset value per share.

2. Investment management agreement and other transactions with affiliates

Legg Mason Partners Fund Advisor, LLC (LMPFA) is the Fund s investment manager. Brandywine Global Investment Management, LLC (Brandywine Global) is the Fund s subadviser. LMPFA and Brandywine Global are wholly-owned subsidiaries of Legg Mason, Inc. (Legg Mason).

LMPFA provides administrative and certain oversight services to the Fund. The Fund pays an investment management fee, calculated daily and paid monthly, at an annual rate of 0.85% of the Fund s average daily managed assets. Managed assets means net assets plus the amount of any borrowing and assets attributable to any preferred stock that may be outstanding. LMPFA delegates to Brandywine Global the day-to-day portfolio management of the Fund. For its services, LMPFA pays Brandywine Global monthly 70% of the net management fee it receives from the Fund.

During periods in which the Fund utilizes financial leverage, the fees paid to LMPFA will be higher than if the Fund did not utilize leverage because the fees are calculated as a percentage of the Fund s assets, including those investments purchased with leverage.

Effective December 1, 2017, LMPFA implemented a voluntary investment management fee waiver of 0.10% that will continue through November 30, 2018.

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Notes to financial statements (unaudited) (cont d)

During the six months ended April 30, 2018, fees waived and/or expenses reimbursed amounted to $194,068.

All officers and one Director of the Fund are employees of Legg Mason or its affiliates and do not receive compensation from the Fund.

3. Investments

During the six months ended April 30, 2018, the aggregate cost of purchases and proceeds from sales of investments (excluding short-term investments) and U.S. Government & Agency Obligations were as follows:

	Investments	U.S. Government & Agency Obligations
Purchases	$ 91,658,996	$ 17,233,866
Sales	82,153,451	69,354,406

At April 30, 2018, the aggregate cost of investments and the aggregate gross unrealized appreciation and depreciation of investments for federal income tax purposes were substantially as follows:

	Cost/Premiums Paid (Received)	Gross Unrealized Appreciation	Gross Unrealized Depreciation	Net Unrealized Appreciation (Depreciation)
Securities	$ 451,789,350	$ 10,047,923	$ (19,534,940)	$ (9,487,017)
Forward foreign currency contracts		3,262,510	(2,558,026)	704,484
Future contracts		617,177	(301,152)	316,025
Swap contracts	1,465,733	503,151	(61,388)	441,763

4. Derivative instruments and hedging activities

Below is a table, grouped by derivative type, that provides information about the fair value and the location of derivatives within the Statement of Assets and Liabilities at April 30, 2018.

	ASSET DERIVATIVES[1]			
	Interest Rate Risk	Foreign Exchange Risk	Credit Risk	Total
Futures contracts[2]	$ 617,177			$ 617,177
OTC swap contracts[3]			$ 497,009	497,009
Centrally cleared swap contracts[4]			204,251	204,251
Forward foreign currency contracts		$ 3,262,510		3,262,510
Total	**$ 617,177**	**$ 3,262,510**	**$ 701,260**	**$ 4,580,947**

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LIABILITY DERIVATIVES[1]

	Interest Rate Risk	Foreign Exchange Risk	Credit Risk	Equity Risk	Total
Futures contracts[2]	$ 173,488			$ 127,664	$ 301,152
OTC swap contracts[3]			$ 199,230		199,230
Forward foreign currency contracts		$ 2,558,026			2,558,026
Total	**$ 173,488**	**$ 2,558,026**	**$ 199,230**	**$ 127,664**	**$ 3,058,408**

[1] Generally, the balance sheet location for asset derivatives is receivables/net unrealized appreciation (depreciation) and for liability derivatives is payables/net unrealized appreciation (depreciation).

[2] Includes cumulative appreciation (depreciation) of futures contracts as reported in the Schedule of Investments. Only variation margin is reported within the receivables and/or payables on the Statement of Assets and Liabilities.

[3] Values include premiums paid (received) on swap contracts which are shown separately in the Statement of Assets and Liabilities.

[4] Includes cumulative appreciation (depreciation) of centrally cleared swap contracts as reported in the Schedule of Investments. Only variation margin is reported within the receivables and/or payables on the Statement of Assets and Liabilities.

The following tables provide information about the effect of derivatives and hedging activities on the Fund s Statement of Operations for the six months ended April 30, 2018. The first table provides additional detail about the amounts and sources of gains (losses) realized on derivatives during the period. The second table provides additional information about the change in unrealized appreciation (depreciation) resulting from the Fund s derivatives and hedging activities during the period.

AMOUNT OF REALIZED GAIN (LOSS) ON DERIVATIVES RECOGNIZED

	Interest Rate Risk	Foreign Exchange Risk	Credit Risk	Equity Risk	Total
Futures contracts	$ (499,447)			$ 441,404	$ (58,043)
Swap contracts			$ 595,162		595,162
Forward foreign currency contracts		$ 1,239,739			1,239,739
Total	**$ (499,447)**	**$ 1,239,739**	**$ 595,162**	**$ 441,404**	**$ 1,776,858**

CHANGE IN UNREALIZED APPRECIATION (DEPRECIATION) ON DERIVATIVES RECOGNIZED

	Interest Rate Risk	Foreign Exchange Risk	Credit Risk	Equity Risk	Total
Futures contracts	$ 482,391			$ (127,664)	$ 354,727
Swap contracts			$ 126,226		126,226
Forward foreign currency contracts		$ 2,297,869			2,297,869
Total	**$ 482,391**	**$ 2,297,869**	**$ 126,226**	**$ (127,664)**	**$ 2,778,822**

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Notes to financial statements (unaudited) (cont d)

During the six months ended April 30, 2018, the volume of derivative activity for the Fund was as follows:

	Average Market Value
Futures contracts (to buy)	$ 18,657,339
Futures contracts (to sell)	7,912,261
Forward foreign currency contracts (to buy)	147,372,202
Forward foreign currency contracts (to sell)	128,911,350
	Average Notional Balance
Credit default swap contracts (to sell protection)	$ 33,337,143

The following table presents the Fund s OTC derivative assets and liabilities by counterparty net of amounts available for offset under an ISDA Master Agreement and net of the related collateral pledged (received) by the Fund as of April 30, 2018.

Counterparty	Gross Assets Subject to Master Agreements[1]	Gross Liabilities Subject to Master Agreements[1]	Net Assets (Liabilities) Subject to Master Agreements	Collateral Pledged (Received)[2,3]	Net Amount[4,5]
Citibank N.A.	$ 792,489	$ (43,273)	$ 749,216		$ 749,216
Goldman Sachs Group Inc.	607,032		607,032		607,032
HSBC Bank USA, N.A.	110,043	(673,233)	(563,190)	$ 660,000	96,810
JPMorgan Chase & Co.	1,752,946	(1,672,375)	80,571		80,571
Morgan Stanley & Co. Inc.	497,009	(272,565)	224,444	(300,000)	(75,556)
National Australia Bank Ltd.		(95,810)	(95,810)		(95,810)
Total	**$ 3,759,519**	**$ (2,757,256)**	**$ 1,002,263**	**$ 360,000**	**$ 1,362,263**

1 Absent an event of default or early termination, derivative assets and liabilities are presented gross and not offset in the Statement of Assets and Liabilities.

2 Gross amounts are not offset in the Statement of Assets and Liabilities.

3 In some instances, the actual collateral received and/or pledged may be more than the amount shown here due to overcollateralization.

4 Represents the net amount receivable (payable) from (to) the counterparty in the event of default.

5 Net amount may also include forward foreign currency exchange contracts that are not required to be collateralized.

5. Loan

The Fund has a revolving credit agreement with Pershing LLC, which allows the Fund to borrow up to an aggregate amount of $200,000,000, subject to approval by Pershing LLC, and renews daily for a 180-day term unless notice to the contrary is given to the Fund. The interest on the loan is calculated at a variable rate based on the one-month LIBOR plus any applicable margin. To the extent of the borrowing outstanding, the Fund is required to maintain collateral in a special custody account at the Fund s custodian on behalf of the lender. The Fund s credit agreement contains customary covenants that, among other things, may limit the Fund s ability to pay distributions in certain circumstances, incur additional debt, change its fundamental investment policies and engage in certain transactions, including mergers and consolidations, and require asset coverage ratios in addition to those required by the 1940 Act. In addition, the credit agreement may be subject to early termination under certain conditions and may contain other provisions that could limit the Fund s ability to utilize borrowing under the agreement. Interest expense related to this loan for the six months ended April 30, 2018 was $1,232,481. For the six months ended April 30, 2018, the average daily loan balance was $109,908,840 and the weighted average interest rate was 2.26%. At April 30, 2018, the Fund had $100,000,000 of borrowings outstanding subject to the terms of this credit agreement.

6. Mandatory redeemable preferred stock

On February 18, 2015, the Fund completed a private placement of $50,000,000 fixed rate Mandatory Redeemable Preferred Stock (MRPS). Net proceeds from the offering were used to make new portfolio investments and for general corporate purposes. Offering costs incurred by the Fund in connection with the MRPS issuance are being amortized to expense over the respective life of each series of MRPS.

The table below summarizes the key terms of each series of the MRPS at April 30, 2018.

Series	Term Redemption Date	Rate	Shares	Liquidation Preference Per Share	Aggregate Liquidation Value	Estimated Fair Value
Series A	2/18/2020	3.29%	400	$ 100,000	$ 40,000,000	$ 39,176,284
Series B	2/18/2022	3.58%	100	$ 100,000	$ 10,000,000	$ 9,630,823
					$ 50,000,000	**$ 48,807,107**

The MRPS are not listed on any exchange or automated quotation system. The estimated fair value of the MRPS was calculated, for disclosure purposes, based on estimated market yields and credit spreads for comparable instruments with similar maturity, terms and structure. The MRPS are categorized as Level 3 within the fair value hierarchy.

Holders of MRPS are entitled to receive quarterly cumulative cash dividends payable on the first business day following each quarterly dividend date (February 15, May 15, August 15 and November 15). In the event of a rating downgrade of any series of the MRPS below A by Fitch Ratings Inc., the applicable dividend rate will increase, according to a predetermined schedule, by 0.5% to 4.0%.

The MRPS rank senior to the Fund s outstanding common stock and on parity with any other preferred stock. The Fund may, at its option, redeem the MRPS, in whole or in part, at the liquidation preference amount plus all accumulated but unpaid dividends plus the make-whole amount equal to the discounted value of the remaining scheduled payments. If the Fund fails to maintain a total leverage (debt and preferred stock) asset coverage ratio of at least 225% or is in default of specified rating agency requirements, the MRPS are subject to mandatory redemption under certain provisions.

The Fund may not declare dividends or make other distributions on shares of its common stock unless the Fund has declared and paid full cumulative dividends on the MRPS, due on

Notes to financial statements (unaudited) (cont d)

or prior to the date of the common stock dividend or distribution, and meets the MRPS asset coverage and rating agency requirements.

The holders of the MRPS have one vote per share and vote together with the holders of common stock of the Fund as a single class except on matters affecting only the holders of MRPS or the holders of common stock. Pursuant to the 1940 Act, holders of the MRPS have the right to elect two Directors of the Fund, voting separately as a class.

MRPS issued and outstanding remained constant during the six months ended April 30, 2018.

7. Distributions subsequent to April 30, 2018

The following distributions have been declared by the Fund s Board of Directors and are payable subsequent to the period end of this report:

Record Date	Payable Date	Amount
04/20/18	05/01/18	$ 0.0765
05/25/18	06/01/18	$ 0.0765
06/22/18	07/02/18	$ 0.0765
07/20/18	08/01/18	$ 0.0765
08/24/18	09/04/18	$ 0.0765

8. Stock repurchase program

On November 16, 2015, the Fund announced that the Fund s Board of Directors (the Board) had authorized the Fund to repurchase in the open market up to approximately 10% of the Fund s outstanding common stock when the Fund s shares are trading at a discount to net asset value. The Board has directed management of the Fund to repurchase shares of common stock at such times and in such amounts as management reasonably believes may enhance stockholder value. The Fund is under no obligation to purchase shares at any specific discount levels or in any specific amounts. During the six months ended April 30, 2018, the Fund did not repurchase any shares.

9. Deferred capital losses

As of October 31, 2017, the Fund had deferred capital losses of $21,868,588, which have no expiration date, that will be available to offset future taxable capital gains.

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Board approval of management and subadvisory agreement (unaudited)

Background

The Investment Company Act of 1940, as amended (the 1940 Act), requires that the Board of Directors (the Board) of Legg Mason BW Global Opportunities Fund Inc. (the Fund), including a majority of its members who are not considered to be interested persons under the 1940 Act (the Independent Directors) voting separately, approve on an annual basis the continuation of the investment management contract (the Management Agreement) with the Fund s manager, Legg Mason Partners Fund Advisor, LLC (the Manager), and the sub-advisory agreement (the Sub-Advisory Agreement) with the Manager s affiliate, Brandywine Global Investment Management, LLC (Brandywine), the Fund s sub-adviser. At a meeting (the Contract Renewal Meeting) held in-person on November 8 and 9, 2017, the Board, including the Independent Directors, considered and approved the continuation of each of the Management Agreement and the Sub-Advisory Agreement for an additional one-year term. To assist in its consideration of the renewals of the Management Agreement and the Sub-Advisory Agreement, the Board received and considered a variety of information (together with the information provided at the Contract Renewal Meeting, the Contract Renewal Information) about the Manager and Brandywine, as well as the management and sub-advisory arrangements for the Fund and the other closed-end funds in the same complex under the Board s supervision (the Legg Mason Closed-end Funds), certain portions of which are discussed below. A presentation made by the Manager and Brandywine to the Board at the Contract Renewal Meeting in connection with its evaluations of the Management Agreement and the Sub-Advisory Agreement encompassed the Fund and other Legg Mason Closed-end Funds. In addition to the Contract Renewal Information, the Board received performance and other information throughout the year related to the respective services rendered by the Manager and Brandywine to the Fund. The Board s evaluation took into account the information received throughout the year and also reflected the knowledge and familiarity gained as members of the Boards of the Fund and other Legg Mason Closed-end Funds with respect to the services provided to the Fund by the Manager and Brandywine.

At a meeting held by conference call on November 2, 2017, the Independent Directors in preparation for the Contract Renewal Meeting met in a private session with their independent counsel to review Contract Renewal Information in respect of the Legg Mason Closed-end Funds, including the Fund, received to date. No representatives of the Manager or Western Asset participated in this meeting. The discussion below reflects all of these reviews.

The Manager provides the Fund with investment advisory and administrative services pursuant to the Management Agreement and Brandywine provides the Fund with certain investment sub-advisory services pursuant to the Sub-Advisory Agreement. The discussion below covers both the advisory and administrative functions being rendered by the Manager, each such function being encompassed by the Management Agreement, and the investment sub-advisory functions being rendered by Brandywine.

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Board approval of management and subadvisory agreement (unaudited) (cont d)

Board approval of management agreement and sub-advisory agreement

In its deliberations regarding renewal of the Management Agreement and the Sub-Advisory Agreement, the Board, including the Independent Directors, considered the factors below.

Nature, extent and quality of the services under the management agreement and sub-advisory agreement

The Board received and considered Contract Renewal Information regarding the nature, extent, and quality of services provided to the Fund by the Manager and Brandywine under the Management Agreement and the Sub-Advisory Agreement, respectively, during the past year. The Board also reviewed Contract Renewal Information regarding the Fund s compliance policies and procedures established pursuant to the 1940 Act.

The Board reviewed the qualifications, backgrounds, and responsibilities of the Fund s senior personnel and the portfolio management team primarily responsible for the day-to-day portfolio management of the Fund. The Board also considered, based on its knowledge of the Manager and its affiliates, the Contract Renewal Information and the Board s discussions with the Manager and Brandywine at the Contract Renewal Meeting, the general reputation and investment performance records of the Manager, Brandywine and their affiliates and the financial resources available to the corporate parent of the Manager and Brandywine, Legg Mason, Inc. (Legg Mason), to support their activities in respect of the Fund and the other Legg Mason Closed-end Funds.

The Board reviewed the responsibilities of the Manager and Brandywine under the Management Agreement and the Sub-Advisory Agreement, respectively, including the Manager s coordination and oversight of the services provided to the Fund by Brandywine and others. The Management Agreement permits the Manager to delegate certain of its responsibilities, including its investment advisory duties thereunder, provided that the Manager, in each case, will supervise the activities of the delegee. Pursuant to this provision of the Management Agreement, the Manager does not provide day-to-day portfolio management services to the Fund. Rather, portfolio management services for the Fund are provided by Brandywine pursuant to the Sub-Advisory Agreement.

In reaching its determinations regarding continuation of the Management Agreement and the Sub-Advisory Agreement, the Board took into account that Fund shareholders, in pursuing their investment goals and objectives, likely purchased their shares based upon the reputation and the investment style, philosophy and strategy of the Manager and Brandywine, as well as the resources available to the Manager and Brandywine.

The Board concluded that, overall, the nature, extent, and quality of the management and other services provided to the Fund under the Management Agreement and the Sub-Advisory Agreement have been satisfactory under the circumstances.

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Fund performance

The Board received and considered information regarding Fund performance, including information and analyses (the Broadridge Performance Information) for the Fund, as well as for a group of funds (the Performance Universe) selected by Broadridge Financial Solutions, Inc. (Broadridge), an independent provider of investment company data. The Board was provided with a description of the methodology Broadridge used to determine the similarity of the Fund with the funds included in the Performance Universe. The Performance Universe included the Fund and all leveraged global income closed-end funds, as classified by Broadridge, regardless of asset size. The Performance Universe consisted of twelve funds, including the Fund, for each of the 1- and 3-year periods ended June 30, 2017 and eleven funds for the 5-year period ended such date. The Board noted that it had received and discussed with the Manager and Brandywine information throughout the year at periodic intervals comparing the Fund s performance against its benchmark and its peer funds as selected by Broadridge.

The Broadridge Performance Information comparing the Fund s performance to that of the Performance Universe based on net asset value per share showed, among other things, that the Fund s performance was ranked eleventh among the funds in the Performance Universe for the 1-year period ended June 30, 2017 (first being best in these performance rankings) ; twelfth (last) among the funds in the Performance Universe for the 3-year period ended such date; and eighth among the Performance Universe funds for the 5-year period ended such date. The Fund s performance was worse than the Performance Universe median for each of the 1-, 3- and 5-year periods ended June 30, 2017. The Board noted that the small number of funds in the Performance Universe and Brandywine s distinctive investment approach and strategies made meaningful performance comparisons difficult. In addition to the Fund s performance relative to the Performance Universe, the Board considered the Fund s performance in absolute terms and the Fund s performance relative to its benchmark for each of the 1-, 3-, and 5-year periods ended June 30, 2017. On a net asset value basis, the Fund outperformed its benchmark for each of the 1- and 5- year periods but underperformed its benchmark for the 3-year period.

The Board considered that at the Contract Renewal Meeting the Manager agreed to a voluntary Management Fee Waiver of 0.05% (the Waiver) that will extend through November 30, 2018.

Based on the reviews and discussions of Fund performance and considering other relevant factors, including those noted above, the Board concluded, under the circumstances, that continuation of the Management Agreement and the Sub-Advisory Agreement for an additional one-year period would be consistent with the interests of the Fund and its shareholders.

Management fees and expense ratios

The Board reviewed and considered the management fee (the Management Fee) payable by the Fund to the Manager under the Management Agreement and the sub-advisory fee

Board approval of management and subadvisory agreement (unaudited) (cont d)

(the Sub-Advisory Fee) payable to Brandywine under the Sub-Advisory Agreement in light of the nature, extent and overall quality of the management, investment advisory and other services provided by the Manager and Brandywine. The Board noted that the Sub-Advisory Fee is paid by the Manager, not the Fund, and, accordingly, that the retention of Brandywine does not increase the fees or expenses otherwise incurred by the Fund s shareholders.

Additionally, the Board received and considered information and analyses prepared by Broadridge (the Broadridge Expense Information) comparing the Management Fee and the Fund s overall expenses with those of funds in an expense group (the Expense Group) selected and provided by Broadridge. The comparison was based upon the constituent funds latest fiscal years. The Expense Group consisted of the Fund and five other leveraged global income closed-end funds, as classified by Broadridge. The six funds in the Expense Universe had average net common share assets ranging from $185.7 million to $1.434 billion. Two of the other Expense Group Funs were larger than the Fund and three were smaller.

The Board took into account the Manager s agreement at the Contract Renewal Meeting to implement the Waiver.

The Broadridge Expense Information, comparing the Management Fee as well as the Fund s actual total expenses to the Fund s Expense Group, showed, among other things, that the Management Fee on a contractual basis was ranked third among the funds in the Expense Universe (first being lowest and, therefore, best in these expense component rankings). The Fund s actual Management Fee (i.e., giving effect to any voluntary fee waivers implemented by the Manager with respect to the Fund and by the managers of the other Expense Universe funds) was ranked fourth among the funds in the Expense Group whether compared on a common share assets only basis or when compared on the basis of common share assets and leveraged assets. The Fund s actual total expenses ranked sixth among the funds in the Expense Group whether compared on the basis of common share assets only or on the basis of common share assets and leveraged assets. The Fund s Contractual Manage Fee was better (i.e., lower) than the Expense Group median for that expense component but each of the Fund s other expense components was worse (i.e., higher) than the Expense Group median for that expense component. The Board noted that widely varying investment strategies among the Expense Group Funds and the small number and varying sizes of funds comprising the Expense Group made meaningful expense comparisons difficult. The Manager noted that distributions to its outstanding mandatory redeemable preferred shareholders, excise taxes, and interest expense on the Fund s long-term debt contributed to its total expenses.

The Board also reviewed Contract Renewal Information regarding fees charged by the Manager to other U.S. clients investing primarily in an asset class similar to that of the Fund, including, where applicable, institutional and separate accounts. The Board was advised that the fees paid by such institutional, separate account and other clients (collectively, institutional clients) generally are lower, and may be significantly lower, than the Management Fee. The Contract Renewal Information discussed the significant differences in scope of services provided to the Fund and to institutional clients. Among other things, institutional clients have fewer compliance, administration and other needs than the Fund and the Fund is subject not only to heightened regulatory requirements relative to institutional clients but also to requirements for listing on the New York Stock Exchange. The Contract Renewal Information noted further that the Fund is provided with administrative services, office facilities, Fund officers (including the Fund s chief executive, chief financial and chief compliance officers), and that the Manager coordinates and oversees the provision of services to the Fund by other fund service providers. The Contract Renewal Information included information regarding management fees paid by open-end mutual funds in the same complex (the Legg Mason Open-end Funds) and such information indicated that the management fees paid by the Legg Mason Closed-end Funds generally were higher than those paid by the Legg Mason Open-end Funds. The Manager, in response to an inquiry from the Board as to the reasons for the fee differential, provided information as to differences between the services provided to the Fund and the other Legg Mason Closed-end Funds and the services provided to the Legg Mason Open-end Funds. The Board considered the fee comparisons in light of the different services provided in managing these other types of clients and funds.

Taking all of the above into consideration, the Board determined that the Management Fee and the Sub-Advisory Fee were reasonable in light of the nature, extent and overall quality of the management, investment advisory and other services provided to the Fund under the Management Agreement and the Sub-Advisory Agreement.

Manager profitability

The Board, as part of the Contract Renewal Information, received an analysis of the profitability to the Manager and its affiliates in providing services to the Fund for the Manager s fiscal years ended March 31, 2017 and March 31, 2016. The Board also received profitability information with respect to the Legg Mason fund complex as a whole. In addition, the Board received Contract Renewal Information with respect to the Manager s revenue and cost allocation methodologies used in preparing such profitability data. The profitability to Brandywine was not considered to be a material factor in the Board s considerations since the Sub-Advisory Fee is paid by the Manager, not the Fund. The profitability analysis presented to the Board as part of the Contract Renewal Information indicated that profitability to the Manager had increased by 6 percent during the period covered by the analysis but remained at a level that the Board did not consider to be excessive in light of judicial guidance and the nature, extent and overall quality of the investment advisory and other services provided to the Fund. The Board noted that the Manager agreed at the Contract Renewal meeting to implement the Waiver and that the Manager s profitability may be reduced by the Waiver while it is in effect.

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Board approval of management and subadvisory agreement (unaudited) (cont d)

Economies of scale

The Board received and discussed Contract Renewal Information concerning whether the Manager realizes economies of scale if the Fund s assets grow. The Board noted that because the Fund is a closed-end fund with no current plans to seek additional assets beyond maintaining its dividend reinvestment plan, any significant growth in its assets generally will occur through appreciation in the value of the Fund s investment portfolio, rather than sales of additional shares in the Fund. The Board determined that the Management Fee structure, which incorporates no breakpoints reducing the Management Fee at specified increased asset levels, was appropriate under present circumstances.

Other benefits to the manager and Brandywine

The Board considered other benefits received by the Manager, Brandywine and their affiliates as a result of their relationship with the Fund and did not regard such benefits as excessive.

* * * * * *

In light of all of the foregoing and other relevant factors, the Board determined, under the circumstances, that continuation of the Management Agreement and the Sub-Advisory Agreement would be consistent with the interests of the Fund and its shareholders and unanimously voted to continue each Agreement for a period of one additional year. No single factor reviewed by the Board was identified by the Board as the principal factor in determining whether to approve continuation of the Management Agreement and the Sub-Advisory Agreement, and each Board member may have attributed different weights to the various factors. The Independent Directors were advised by separate independent legal counsel throughout the process. Prior to the Contract Renewal Meeting, the Board received a memorandum prepared by the Manager discussing its responsibilities in connection with the proposed continuation of the Management Agreement and the Sub-Advisory Agreement as part of the Contract Renewal Information and the Independent Directors separately received a memorandum discussing such responsibilities from their independent counsel. Prior to voting, the Independent Directors also discussed the proposed continuation of the Management Agreement and the Sub-Advisory Agreement in private sessions with their independent legal counsel at which no representatives of the Manager or Brandywine were present.

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Additional shareholder information (unaudited)

Results of annual meeting of shareholders

The Annual Meeting of Shareholders of BrandywineGLOBAL Global Income Opportunities Fund Inc. was held on February 23, 2018, for the purpose of considering and voting upon the election of Directors. The following table provides information concerning the matter voted upon at the Meeting:

Election of directors

Nominees	Common Shares and Preferred Shares, voting together, Voted for Election	Common Shares and Preferred Shares, voting together, Withheld
Robert D. Agdern	17,458,760	344,653
Eileen A. Kamerick	17,446,269	357,144
Riordan Roett	17,452,777	350,636

At April 30, 2018, in addition to Robert D. Agdern, Eileen A. Kamerick and Riordan Roett, the other Directors of the Fund were as follows:

Carol L. Colman

Daniel P. Cronin

Paolo M. Cucchi

Leslie H. Gelb

William R. Hutchinson

Jane Trust

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Dividend reinvestment plan (unaudited)

On December 15, 2016, the Fund announced that the Board of Directors has authorized changes to the Fund s Dividend Reinvestment Plan (the Plan) with respect to dividend reinvestment determinations and transaction fees for Plan participants selling their shares. A copy of the revised Plan is included below.

Effective July 1, 2017, the Fund uses the dividend payment date to determine if new shares are issued or shares are purchased in the open market for Plan participants reinvesting their distributions. If on the payment date the closing market price (plus $0.03 per share commission) is at or above the net asset value (NAV), the Fund will issue new shares of common stock. Newly issued shares of common stock will be issued at a price equal to the greater of (a) the NAV per share on the date prior to issuance or (b) 95% of the closing market price per share. If the closing market price (plus $0.03 per share commission) is lower than the NAV per share on the payment date, the Plan Agent will receive the distribution in cash and purchase common stock in the open market. In addition, effective July 1, 2017, fees paid by Plan participants to sell Fund shares decreased, with Plan participants paying a $5.00 transaction fee plus a $0.05 per share commission upon a sale of shares held pursuant to the Plan.

Revised dividend reinvestment plan:

Unless you elect to receive distributions in cash (i.e., opt-out), all dividends, including any capital gain dividends and return of capital distributions, on your Common Stock will be automatically reinvested by Computershare Trust Company, N.A., as agent for the stockholders (the Plan Agent), in additional shares of Common Stock under the Fund s Dividend Reinvestment Plan (the Plan). You may elect not to participate in the Plan by contacting the Plan Agent. If you do not participate, you will receive all cash distributions paid by check mailed directly to you by Computershare Trust Company, N.A., as dividend paying agent.

If you participate in the Plan, the number of shares of Common Stock you will receive will be determined as follows:

(1) If the market price of the Common Stock (plus $0.03 per share commission) on the payment date (or, if the payment date is not a NYSE trading day, the immediately preceding trading day) is equal to or exceeds the net asset value per share of the Common Stock at the close of trading on the NYSE on the payment date, the Fund will issue new Common Stock at a price equal to the greater of (a) the net asset value per share at the close of trading on the NYSE on the payment date or (b) 95% of the market price per share of the Common Stock on the payment date.

(2) If the net asset value per share of the Common Stock exceeds the market price of the Common Stock (plus $0.03 per share commission) at the close of trading on the NYSE on the payment date, the Plan Agent will receive the dividend or distribution in cash and will buy Common Stock in the open market, on the NYSE or elsewhere, for your account as soon as practicable commencing on the trading day following the payment date and terminating no later than the earlier of (a) 30 days after the

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dividend or distribution payment date, or (b) the payment date for the next succeeding dividend or distribution to be made to the stockholders; except when necessary to comply with applicable provisions of the federal securities laws. If during this period: (i) the market price (plus $0.03 per share commission) rises so that it equals or exceeds the net asset value per share of the Common Stock at the close of trading on the NYSE on the payment date before the Plan Agent has completed the open market purchases or (ii) if the Plan Agent is unable to invest the full amount eligible to be reinvested in open market purchases, the Plan Agent will cease purchasing Common Stock in the open market and the Fund shall issue the remaining Common Stock at a price per share equal to the greater of (a) the net asset value per share at the close of trading on the NYSE on the day prior to the issuance of shares for reinvestment or (b) 95% of the then current market price per share.

Common Stock in your account will be held by the Plan Agent in non-certificated form. Any proxy you receive will include all shares of Common Stock you have received under the Plan. You may withdraw from the Plan (i.e., opt-out) by notifying the Plan Agent in writing at 462 South 4th Street, Suite 1600, Louisville, KY 40202 or by calling the Plan Agent at 1-888-888-0151. Such withdrawal will be effective immediately if notice is received by the Plan Agent not less than ten business days prior to any dividend or distribution record date; otherwise such withdrawal will be effective as soon as practicable after the Plan Agent s investment of the most recently declared dividend or distribution on the Common Stock.

Plan participants who sell their shares will be charged a service charge (currently $5.00 per transaction) and the Plan Agent is authorized to deduct brokerage charges actually incurred from the proceeds (currently $0.05 per share commission). There is no service charge for reinvestment of your dividends or distributions in Common Stock. However, all participants will pay a pro rata share of brokerage commissions incurred by the Plan Agent when it makes open market purchases. Because all dividends and distributions will be automatically reinvested in additional shares of Common Stock, this allows you to add to your investment through dollar cost averaging, which may lower the average cost of your Common Stock over time. Dollar cost averaging is a technique for lowering the average cost per share over time if the Fund s net asset value declines. While dollar cost averaging has definite advantages, it cannot assure profit or protect against loss in declining markets.

Automatically reinvesting dividends and distributions does not mean that you do not have to pay income taxes due upon receiving dividends and distributions. Investors will be subject to income tax on amounts reinvested under the Plan.

The Fund reserves the right to amend or terminate the Plan if, in the judgment of the Board of Directors, the change is warranted. The Plan may be terminated, amended or supplemented by the Fund upon notice in writing mailed to stockholders at least 30 days prior to the record date for the payment of any dividend or distribution by the Fund for which the termination or amendment is to be effective. Upon any termination, you will be sent cash for any fractional share of Common Stock in your account. You may elect to notify the Plan Agent in advance of such termination to have the Plan Agent sell part or all of your Common

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Dividend reinvestment plan (unaudited) (cont d)

Stock on your behalf. Additional information about the Plan and your account may be obtained from the Plan Agent at 462 South 4th Street, Suite 1600, Louisville, KY 40202 or by calling the Plan Agent at 1-888-888-0151.

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BrandywineGLOBAL Global Income Opportunities Fund Inc.

Directors

Robert D, Agdern

Carol L. Colman

Daniel P. Cronin

Paolo M. Cucchi

Leslie H. Gelb

William R. Hutchinson

Eileen A. Kamerick

Riordan Roett

Jane Trust

Chairman

Officers

Jane Trust

President

and Chief Executive Officer

Richard F. Sennett

Principal Financial Officer

Todd F. Kuehl

Chief Compliance Officer

Jenna Bailey

Identity Theft Prevention Officer

Robert I. Frenkel

Secretary and Chief Legal Officer

Thomas Mandia

Assistant Secretary

Jennifer S. Berg*

Treasurer

Jeanne M. Kelly

Senior Vice President

* Effective January 1, 2018, Ms. Berg became Treasurer.

BrandywineGLOBAL Global Income Opportunities Fund Inc.

620 Eighth Avenue

49th Floor

New York, NY 10018

Investment manager

Legg Mason Partners Fund Advisor, LLC

Subadviser

Brandywine Global Investment

Management, LLC

Custodian

The Bank of New York Mellon (BNY)**

Transfer agent

Computershare Inc.

462 South 4th Street,

Suite 1600

Louisville, KY 40202

** Effective June 11, 2018, BNY became custodian.

Independent registered public accounting firm

PricewaterhouseCoopers LLP

Baltimore, MD

Legal counsel

Simpson Thacher & Bartlett LLP

425 Lexington Avenue

New York, NY 10017

New York Stock Exchange Symbol

BWG

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Legg Mason Funds Privacy and Security Notice

Your Privacy and the Security of Your Personal Information is Very Important to the Legg Mason Funds

This Privacy and Security Notice (the Privacy Notice) addresses the Legg Mason Funds privacy and data protection practices with respect to nonpublic personal information the Funds receive. The Legg Mason Funds include any funds sold by the Funds distributor, Legg Mason Investor Services, LLC, as well as Legg Mason-sponsored closed-end funds and certain closed-end funds managed or sub-advised by Legg Mason or its affiliates. The provisions of this Privacy Notice apply to your information both while you are a shareholder and after you are no longer invested with the Funds.

The Type of Nonpublic Personal Information the Funds Collect About You

The Funds collect and maintain nonpublic personal information about you in connection with your shareholder account. Such information may include, but is not limited to:

- Personal information included on applications or other forms;
- Account balances, transactions, and mutual fund holdings and positions;
- Online account access user IDs, passwords, security challenge question responses; and
- Information received from consumer reporting agencies regarding credit history and creditworthiness (such as the amount of an individual s total debt, payment history, etc.).

How the Funds Use Nonpublic Personal Information About You

The Funds do not sell or share your nonpublic personal information with third parties or with affiliates for their marketing purposes, or with other financial institutions or affiliates for joint marketing purposes, unless you have authorized the Funds to do so. The Funds do not disclose any nonpublic personal information about you except as may be required to perform transactions or services you have authorized or as permitted or required by law. The Funds may disclose information about you to:

- Employees, agents, and affiliates on a need to know basis to enable the Funds to conduct ordinary business or comply with obligations to government regulators;
- Service providers, including the Funds affiliates, who assist the Funds as part of the ordinary course of business (such as printing, mailing services, or processing or servicing your account with us) or otherwise perform services on the Funds behalf, including companies that may perform marketing services solely for the Funds;
- The Funds representatives such as legal counsel, accountants and auditors; and
- Fiduciaries or representatives acting on your behalf, such as an IRA custodian or trustee of a grantor trust.

NOT PART OF THE SEMI-ANNUAL REPORT

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Legg Mason Funds Privacy and Security Notice (cont d)

Except as otherwise permitted by applicable law, companies acting on the Funds behalf are contractually obligated to keep nonpublic personal information the Funds provide to them confidential and to use the information the Funds share only to provide the services the Funds ask them to perform.

The Funds may disclose nonpublic personal information about you when necessary to enforce their rights or protect against fraud, or as permitted or required by applicable law, such as in connection with a law enforcement or regulatory request, subpoena, or similar legal process. In the event of a corporate action or in the event a Fund service provider changes, the Funds may be required to disclose your nonpublic personal information to third parties. While it is the Funds practice to obtain protections for disclosed information in these types of transactions, the Funds cannot guarantee their privacy policy will remain unchanged.

Keeping You Informed of the Funds Privacy and Security Practices

The Funds will notify you annually of their privacy policy as required by federal law. While the Funds reserve the right to modify this policy at any time they will notify you promptly if this privacy policy changes.

The Funds Security Practices

The Funds maintain appropriate physical, electronic and procedural safeguards designed to guard your nonpublic personal information. The Funds internal data security policies restrict access to your nonpublic personal information to authorized employees, who may use your nonpublic personal information for Fund business purposes only.

Although the Funds strive to protect your nonpublic personal information, they cannot ensure or warrant the security of any information you provide or transmit to them, and you do so at your own risk. In the event of a breach of the confidentiality or security of your nonpublic personal information, the Funds will attempt to notify you as necessary so you can take appropriate protective steps. If you have consented to the Funds using electronic communications or electronic delivery of statements, they may notify you under such circumstances using the most current email address you have on record with them.

In order for the Funds to provide effective service to you, keeping your account information accurate is very important. If you believe that your account information is incomplete, not accurate or not current, or if you have questions about the Funds privacy practices, write the Funds using the contact information on your account statements, email the Funds by clicking on the Contact Us section of the Funds website at www.lmef.com, or contact the Fund at 1-888-777-0102.

NOT PART OF THE SEMI-ANNUAL REPORT

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BrandywineGLOBAL Global Income Opportunities Fund Inc.

BrandywineGLOBAL Global Income Opportunities Fund Inc.

620 Eighth Avenue

49th Floor

New York, NY 10018

Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940, as amended, that from time to time the Fund may purchase, at market prices, shares of its stock.

The Fund files its complete schedule of portfolio holdings with the Securities and Exchange Commission (SEC) for the first and third quarters of each fiscal year on Form N-Q. The Fund s Forms N-Q are available on the SEC website at www.sec.gov. The Fund s Forms N-Q may be reviewed and copied at the SEC Public Reference Room in Washington, D.C., and information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330. To obtain information on Form N-Q from the Fund, shareholders can call 1-888-777-0102.

Information on how the Fund voted proxies relating to portfolio securities during the prior 12-month period ended June 30th of each year and a description of the policies and procedures that the Fund uses to determine how to vote proxies related to portfolio transactions are available (1) without charge, upon request, by calling 1-888-777-0102, (2) at www.lmcef.com and (3) on the SEC s website at www.sec.gov.

This report is transmitted to the shareholders of BrandywineGLOBAL Global Income Opportunities Fund Inc. for their information. This is not a prospectus, circular or representation intended for use in the purchase of shares of the Fund or any securities mentioned in this report.

Computershare Inc.

462 South 4th Street, Suite 1600

Louisville, KY 40202

LMFX014702 6/18 SR18-3349

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ITEM 2. CODE OF ETHICS.
Not applicable.

ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.
Not applicable.

ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.
Not applicable.

ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS.
Not applicable.

ITEM 6. SCHEDULE OF INVESTMENTS.
Included herein under Item 1.

ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES.
Not applicable.

ITEM 8. INVESTMENT PROFESSIONALS OF CLOSED-END MANAGEMENT INVESTMENT COMPANIES.
Not applicable.

ITEM 9. PURCHASES OF EQUITY SECURITIES BY CLOSED-END MANAGEMENT INVESTMENT COMPANY AND AFFILIATED PURCHASERS.
Not applicable.

ITEM 10. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.
Not applicable.

ITEM 11. CONTROLS AND PROCEDURES.

(a) The registrant s principal executive officer and principal financial officer have concluded that the registrant s disclosure controls and procedures (as defined in Rule 30a- 3(c) under the Investment Company Act of 1940, as amended (the 1940 Act)) are effective as of a date within 90 days of the filing date of this report that includes the disclosure required by this paragraph, based on their evaluation of the disclosure controls and procedures required by Rule 30a-3(b) under the 1940 Act and 15d-15(b) under the Securities Exchange Act of 1934.

(b) There were no changes in the registrant s internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the second fiscal quarter of the period covered by this report that have materially affected, or are likely to materially affect the registrant s internal control over financial reporting.

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ITEM 12. EXHIBITS.
(a) (1) Not applicable.

Exhibit 99.CODE ETH

(a) (2) Certifications pursuant to section 302 of the Sarbanes-Oxley Act of 2002 attached hereto.

Exhibit 99.CERT

(b) Certifications pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 attached hereto.

Exhibit 99.906CERT

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this Report to be signed on its behalf by the undersigned, there unto duly authorized.

BrandywineGLOBAL - Global Income Opportunities Fund Inc.

By: /s/ Jane Trust
Jane Trust
Chief Executive Officer

Date: June 27, 2018

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Jane Trust
Jane Trust
Chief Executive Officer

Date: June 27, 2018

By: /s/ Richard F. Sennett
Richard F. Sennett
Principal Financial Officer

Date: June 27, 2018