

DoubleLine Rising Rates Webcast Recap



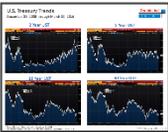
Originally aired on March 23, 2016

About this Webcast Recap

On March 23, 2016, Portfolio Managers Philip Barach, Mark Christensen, Su Fei Koo and Robert Cohen held a webcast discussing the DoubleLine Low Duration Bond Fund (DBLSX/DLSNX), the DoubleLine Low Duration Emerging Markets Fixed Income Fund (DBLLX/DLLEX) and the DoubleLine Floating Rate Fund (DBFRX/DLFRX) titled “DoubleLine Fund Offerings for a Rising Rate Environment.”

This recap is not intended to represent a complete transcript of the webcast. It is not intended as solicitation to buy or sell securities. If you are interested in hearing more of the portfolio managers’ views, please listen to the full version of this webcast on www.doublelinefunds.com under the blue “Events” tab. You can use the “Jump To” feature to navigate to each slide.

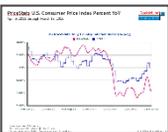
Slide # 10



Recap Market Overview

- U.S. Treasury (UST) market
 - 2-year UST peaked at the 1% level but has since come back exhibiting a lot of volatility.
 - The yield curve, as measured by the spread between the 2-year and 10-year U.S. Treasury (UST) yield, continued to flatten and is at the 40-year average.
- Why hike now?
 - The Federal Reserve (“Fed”) Futures forecasting just over 1 rate hike for the rest of 2016.
 - Low inflation
 - U.S. PriceStats Index is negative year-over-year (YoY).
 - U.S. breakevens between 2-year and 30-year tenors are all between 1.5% and 1.7%.
 - Commodity prices are still down near 15-year lows.
 - Wage growth
 - Average hourly earnings are up which may be the sole compelling data point to raise rates.

15



17



31



Low Duration Bond Fund (DBLSX/DLSNX)

- Allocation
 - Mortgage-Backed Securities (MBS): 15.6%
 - Comprised primarily of non-Agency MBS.
 - Corporate Credit: 11.0%
 - Average rating A, underweight Energy, Utilities and Financials, overweight Industrials.
 - Emerging Markets (EM): 18.4%
 - 100% U.S. Dollar (USD) denominated, high concentration in Latin American (LatAm) corporate credit.
 - Commercial MBS: 20.4%
 - Average duration 0.9.
 - Collateralized Loan Obligations (CLO): 19.9%
 - High quality, negative duration.

33



Rising Rates Webcast Recap

Originally aired March 23, 2016

Slide # **Recap continued**

- U.S. Government: 10.4%
 - This sleeve provides additional liquidity and performs well in a flight-to-quality environment.
- Cash: 4.2%
- Only 11.9% of portfolio is below investment grade. There are 510 CUSIPs in the portfolio.
- Duration of fund is 1.19 vs. 1.90 for the Merrill Lynch 1-3 year Treasury Index.

38 **Emerging Markets Fixed Income**



- Headwinds
 - Three C's:
 - China: 2016 GDP has not been downgraded from expectation of 6.3%. Ability to make reforms could put pressure on China, but China does have significant reserves and assets to combat the headwind.
 - Commodities: Prices of copper and other precious metals may be reaching a bottom but expect more volatility in oil/energy.
 - Central Bank Divergence: Fed is seeking to hike rates, a policy move that is vastly different from other Central Banks.
 - Idiosyncratic Risks
 - Brazil: Markets have responded positively on news of possible impeachment of President Rousseff. The team expects to see the Brazilian corruption scandals to wind down later this year.
 - Venezuela, Turkey and South Africa are still experiencing political turmoil and macroeconomic headwinds. The fund does not have any exposure to these countries.
 - Downgrades are expected to outpace upgrades during 2016.
- Outlook
 - Developed Market banks should remain accommodative with potential for slower but stable growth.

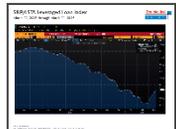


44 **DoubleLine Low Duration Emerging Markets Fixed Income Fund (DBLLX/DELNX)**



- Characteristics
 - Recent weakness in commodity prices and weakness in LatAm detracted from performance during 4th quarter. The recent rally has led to strong performance year-to-date (YTD).
 - 100% USD denominated, 78% investment grade.
 - Portfolio is well positioned for the potential rebound as risk sentiment firms.
 - Top regional exposure: LatAm and Caribbean (81% of portfolio).
 - Focus on strategic industries including: Banking, Oil & Gas, Transportation and Utilities
 - Increased: Retail
 - Decreased: Banking

48 **Leveraged Loan Market**



- Market technicals
 - Recent price action rebound feels like a bear market rally.
 - Performance is similar to that of 2015; the recent March rally could be short lived.
- Demand:
 - CLO issuance and fund flows are down drastically from prior quarters.
 - CLO formation is minimal this year and is at multi-year lows.
 - Prime fund flows are negative on a quarterly basis since 2013.



Rising Rates Webcast Recap

Originally aired March 23, 2016

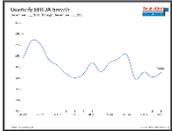
Slide # Recap continued

53



- Supply
 - New issue volume only \$27 billion YTD v. \$42 billion at this time last year; lack of new supply is providing some equilibrium.
- Loan Market Statistics
 - The Oil & Gas sector has been the major underperformer over the past 12 months.
 - High yield (HY), excluding Energy, yields are only 1% higher than Leveraged Loans. The recent compression in HY implies a value tilt toward loans.
- Fundamentals

63



- Total Debt-to-Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) (leverage) remained at similar levels over the past year.
- Quarterly EBITDA Growth near 7% seems artificially high, particularly since not all companies that have outstanding loans disclose EBITDA. If this is accurate, this might be supportive of a buy.

DoubleLine Floating Rate Fund (DBFRX/DLFRX)

- Characteristics
 - 96 issuers, current average market price of \$96.95
 - Higher quality posture of portfolio has “protected” the portfolio during the most recent down turn.
 - Top sectors: Business Equipment & Services (catch all for several categories) and Healthcare.

66

67

Rising Rates Webcast Recap

Originally aired March 23, 2016

Definitions

Below Investment Grade - A term indicating that a security is rated below investment grade. These securities are seen as having higher default risk or other adverse credit events, but typically pay higher yields than better quality bonds in order to make them attractive. They are less likely to pay back 100 cents on the dollar.

BofA Merrill Lynch 1-3 Year Treasury Index - An unmanaged index that tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one year and less than three years. It is not possible to invest directly in an unmanaged index.

Committee on Uniform Security Identification Procedures (CUSIP) – A nine-digit, alphanumeric code given to a security, including municipals, as an identifier.

Duration - A measure of the sensitivity of the price of a fixed income investment to a change in interest rates, expressed as a number of years.

Earnings before Interest Depreciation and Amortization (EBITDA) - Net income with interest, taxes, depreciation, and amortization added back to it. This measure can be used to analyze and compare profitability between companies and industries because it eliminates the effects of financing and accounting decisions.

Investment Grade - Indices rated AAA to BBB- (shown above) are considered to be investment grade. A bond is considered investment grade if its credit rating is BBB- or higher by Standard & Poor's or Baa3 by Moody's. The higher the rating, the more likely the bond is to pay back at par/\$100 cents on the dollar. AAA is considered the highest quality and the lowest degree of risk. They are considered to be stable and dependable.

Market price - The weighted average of the prices of the Fund's portfolio holdings. While a component of the fund's Net Asset Value, it should not be confused with the Fund's NAV.

US PriceStats Index – An index that measures inflation in 22 economies using daily online prices.

S&P 500® - The S&P 500 is a free-float capitalization-weighted index published since 1957 of the prices of 500 large-cap common stocks actively traded in the United States.

One cannot invest directly in an index.

Disclosures

The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The statutory and summary prospectus contain this and other important information about the investment company, and may be obtained by calling 1 (877) 354-6311 / 1 (877) DLine11, or visiting www.doublelinefunds.com. Read it carefully before investing.

Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Investments in Asset-Backed and Mortgage-Backed Securities include additional risks that investors should be aware of such as credit risk, prepayment risk, possible illiquidity and default, as well as increased susceptibility to adverse economic developments. The Fund invests in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods. These risks are greater for investments in emerging markets. Investments in lower-rated and non-rated securities present a greater risk of loss to principal and interest than higher-rated securities. In order to achieve its investment objectives, the Fund may use certain types of exchange traded funds or investment derivatives. Derivatives involve risks different from, in certain cases, greater than the risks presented by more traditional investments. ETF investments involve additional risks such as the market price trading at a discount to its net asset value, an active secondary trading market may not develop or be maintained, or trading may be halted by the exchange in which they trade, which may impact a fund's ability to sell its shares. These risks are fully disclosed in the prospectus. The fund may invest in securities related to real estate, which may decline in value as a result of factors affecting the real estate industry. Please refer to the prospectus for further details.

Rising Rates Webcast Recap

Originally aired March 23, 2016

Important Information Regarding This Report

This report was prepared as a private communication and was not intended for public circulation. Clients or prospects may authorize distribution to their consultants or other agents.

Issue selection processes and tools illustrated throughout this presentation are samples and may be modified periodically. Such charts are not the only tools used by the investment teams, are extremely sophisticated, may not always produce the intended results and are not intended for use by non-professionals.

DoubleLine has no obligation to provide revised assessments in the event of changed circumstances. While we have gathered this information from sources believed to be reliable, DoubleLine cannot guarantee the accuracy of the information provided. Securities discussed are not recommendations and are presented as examples of issue selection or portfolio management processes. They have been picked for comparison or illustration purposes only. No security presented within is either offered for sale or purchase. DoubleLine reserves the right to change its investment perspective and outlook without notice as market conditions dictate or as additional information becomes available.

Important Information Regarding Risk Factors

Investment strategies may not achieve the desired results due to implementation lag, other timing factors, portfolio management decision-making, economic or market conditions or other unanticipated factors. The views and forecasts expressed in this material are as of the date indicated, are subject to change without notice, may not come to pass and do not represent a recommendation or offer of any particular security, strategy, or investment. Past performance is no guarantee of future results.

Important Information Regarding DoubleLine

In preparing the client reports (and in managing the portfolios), DoubleLine and its vendors price separate account portfolio securities using various sources, including independent pricing services and fair value processes such as benchmarking.

To receive a complimentary copy of DoubleLine's current Form ADV Part II (which contains important additional disclosure information), a copy of the DoubleLine's proxy voting policies and procedures, or to obtain additional information on DoubleLine's proxy voting decisions, please contact DoubleLine's Client Services.

Important Information Regarding DoubleLine's Investment Style

DoubleLine seeks to maximize investment results consistent with our interpretation of client guidelines and investment mandate. While DoubleLine seeks to maximize returns for our clients consistent with guidelines, DoubleLine cannot guarantee that DoubleLine will outperform a client's specified benchmark or the market. Additionally, the nature of portfolio diversification implies that certain holdings and sectors in a client's portfolio may be rising in price while others are falling; or, that some issues and sectors are outperforming while others are underperforming. Such out or underperformance can be the result of many factors, such as but not limited to duration/interest rate exposure, yield curve exposure, bond sector exposure, or news or rumors specific to a single name.

DoubleLine is an active manager and will adjust the composition of client's portfolios consistent with our investment team's judgment concerning market conditions and any particular sector or security. The construction of DoubleLine portfolios may differ substantially from the construction of any of a variety of bond market indices. As such, a DoubleLine portfolio has the potential to underperform or outperform a bond market index. Since markets can remain inefficiently priced for long periods, DoubleLine's performance is properly assessed over a full multi-year market cycle.

Important Information Regarding Client Responsibilities

Clients are requested to carefully review all portfolio holdings and strategies, including by comparing the custodial statement to any statements received from DoubleLine. Clients should promptly inform DoubleLine of any potential or perceived policy or guideline inconsistencies. In particular, DoubleLine understands that guideline enabling language is subject to interpretation and DoubleLine strongly encourages clients to express any contrasting interpretation as soon as practical. Clients are also requested to notify DoubleLine of any updates to Client's organization, such as (but not limited to) adding affiliates (including broker dealer affiliates), issuing additional securities, name changes, mergers or other alterations to Client's legal structure.

Credit distribution is determined from the highest available credit rating from any Nationally Recognized Statistical Rating Organization (S&P, Moody's and Fitch).

Diversification does not assure a profit or protect against a loss in a declining market.

Fund holdings and allocations are subject to change at any time and should not be considered a recommendation to buy or sell any security.

Past performance is no guarantee of future results.

Opinions expressed are subject to change at any time, are not a guarantee and should not be considered investment advice.

The DoubleLine Funds are distributed by Quasar Distributors, LLC.

DoubleLine® is a registered trademark of DoubleLine Capital LP.

© 2016 DoubleLine Capital LP