



# Annual Report

September 30, 2018

Loomis Sayles Investment Grade Bond Fund

Loomis Sayles Strategic Income Fund

## Table of Contents

Portfolio Review	1
Portfolio of Investments	18
Financial Statements	45
Notes to Financial Statements	59

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# About us

Natixis Investment Managers serves financial professionals and their clients worldwide with more insightful ways to build portfolios. Powered by the expertise of more than 20 specialized investment managers, we apply Active Thinking<sup>SM</sup> to deliver proactive solutions to help investors pursue better outcomes in all markets.

Natixis ranks among the world's largest asset management firms<sup>1</sup> with \$999.5 billion assets under management.<sup>2</sup> The diverse expertise of our high-conviction investment managers, each with its own unique process and culture, offers access to multi-dimensional and unconventional thinking across equities, fixed income, sustainable and alternative investments.

## The Natixis Funds Family

### Alternatives

- ASG Global Alternatives Fund
- ASG Managed Futures Strategy Fund
- Loomis Sayles Strategic Alpha Fund

### ESG Investing

- Mirova Global Green Bond Fund
- Mirova Global Sustainable Equity Fund
- Natixis Sustainable Future 2015 Fund<sup>SM</sup>
- Natixis Sustainable Future 2020 Fund<sup>SM</sup>
- Natixis Sustainable Future 2025 Fund<sup>SM</sup>
- Natixis Sustainable Future 2030 Fund<sup>SM</sup>
- Natixis Sustainable Future 2035 Fund<sup>SM</sup>
- Natixis Sustainable Future 2040 Fund<sup>SM</sup>
- Natixis Sustainable Future 2045 Fund<sup>SM</sup>
- Natixis Sustainable Future 2050 Fund<sup>SM</sup>
- Natixis Sustainable Future 2055 Fund<sup>SM</sup>
- Natixis Sustainable Future 2060 Fund<sup>SM</sup>

### Taxable Fixed-Income

- Loomis Sayles Core Plus Bond Fund
- Loomis Sayles High Income Fund
- Loomis Sayles Intermediate Duration Bond Fund
- Loomis Sayles Investment Grade Bond Fund
- Loomis Sayles Limited Term Government and Agency Fund
- Loomis Sayles Senior Floating Rate and Fixed Income Fund
- Loomis Sayles Strategic Income Fund

### Municipal Fixed-Income

- McDonnell Intermediate Municipal Bond Fund

### Global Equity

- Loomis Sayles Global Growth Fund

### Hedged Equity

- Gateway Fund
- Gateway Equity Call Premium Fund

### Non-U.S. Equity

- Natixis Oakmark International Fund

### U.S. Equity

- AEW Real Estate Fund
- ASG Tactical U.S. Market Fund
- Loomis Sayles Growth Fund<sup>3</sup>
- Natixis Oakmark Fund
- Natixis U.S. Equity Opportunities Fund
- Vaughan Nelson Select Fund
- Vaughan Nelson Small Cap Value Fund<sup>4</sup>
- Vaughan Nelson Value Opportunity Fund

### Multi-Asset

- ASG Dynamic Allocation Fund
- Loomis Sayles Global Allocation Fund
- Loomis Sayles Multi-Asset Income Fund

<sup>1</sup> Cerulli Quantitative Update: Global Markets 2018 ranked Natixis Investment Managers as the 16th largest asset manager in the world based on assets under management as of December 31, 2017.<sup>2</sup> Net asset value as of September 30, 2018. Assets under management (AUM) may include assets for which non-regulatory AUM services are provided. Non-regulatory AUM includes assets which do not fall within the U.S. Securities and Exchange Commission's definition of "regulatory AUM" in Form ADV, Part 1.<sup>3</sup> The Loomis Sayles Growth Fund is subject to a "soft close." See the Fund's prospectus for additional information.<sup>4</sup> The Vaughan Nelson Small Cap Value Fund was closed to new investors on July 31, 2009. Natixis Distribution, L.P. is a limited purpose broker-dealer and the distributor of various registered investment companies for which advisory services are provided by affiliates of Natixis Investment Managers.

Natixis Distribution, L.P. is located at 888 Boylston Street, Suite 800, Boston, MA 02199-8197.

# Letter from the President

Dear Shareholder:

US stock markets posted strong gains for the 12 months ended September 30, 2018, but volatility returned toward the end of the period. US bond markets declined slightly as rates rose. The Federal Open Market Committee (the Fed) raised the federal funds rate four times during the period, to the current level of 2.00%-2.25%, and concerns about the future path of interest rates began to surface.

US investments outpaced their international peers, and global growth became less synchronized as the year progressed. International stocks posted only modest gains and emerging market equities were slightly negative. Global bonds also finished in negative territory.

## **US economy strong, but volatility is picking up**

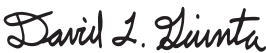
The pattern of steady growth continued, and the US remains in a full-employment economy. The unemployment rate ended the period at 3.7%, and inflation rose slightly. Equities enjoyed a boost from corporate tax cuts early in the calendar year, but a combination of factors including trade tariff discussions and geopolitical uncertainty prompted turbulence across global markets through the end of the period.

While the economic picture remains positive, the extraordinarily calm market environment that prevailed throughout 2017 may have run its course. We encourage you to work closely with your financial professional to keep your portfolio allocations aligned with your long-term goals and tolerance for risk.

## **Monitoring fund performance**

The enclosed report showcases your fund's performance for the 12 months ended September 30, 2018. For more current information, please visit our website, [im.natixis.com](http://im.natixis.com), where you'll find fund-specific information under the Products tab. You may also want to explore the Insights section to learn more about market trends and new investment ideas.

Sincerely,



David L. Giunta  
President

This page not part of shareholder report

# LOOMIS SAYLES INVESTMENT GRADE BOND FUND

## Managers

Matthew J. Eagan, CFA®

Daniel J. Fuss, CFA®, CIC

Brian P. Kennedy

Elaine M. Stokes

*Loomis, Sayles & Company, L.P.*

## Symbols

Class A      LIGRX

Class C      LGBCX

Class N      LGBNX

Class Y      LSIIX

Admin Class      LIGAX

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## Investment Goal

The Fund seeks high total investment return through a combination of current income and capital appreciation.

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## Market Conditions

Healthy economic indicators, including strong gross domestic product growth and low unemployment, characterized the 12 months ending September 30, 2018. Inflation was generally stable, trending close to the Federal Reserve's (Fed's) 2% target rate. Bolstered by these factors, the Fed met expectations and undertook a steady pace of rate increases. This contributed to US interest rates remaining well ahead of those of other developed economies, where monetary policies were more accommodative. Against this backdrop, ongoing US trade negotiations, particularly with China, and other geopolitical issues represented a developing risk.

US interest rates moved higher during the period, especially along the shorter end of the yield curve (a curve that shows the relationship among bond yields across the maturity spectrum). US Treasuries with maturities along the short end of the curve showed more modest losses than those with longer maturities, where declines were fairly steep.

Investment grade corporate bonds posted negative returns, though they outperformed Treasuries of similar duration (price sensitivity to interest rate changes). Spreads (the difference in yield between non-Treasury and Treasury securities of similar maturity) generally widened and the sector's relatively longer duration weighed on returns as yields rose.

High yield corporate bonds posted positive returns, supported by investor demand for income and relatively shorter duration. Notably, gains in the CCC-rated tier of the market made it the top-performing quality tier by a significant margin.

Despite some upward movement in yields, several developed economy government bond markets remained at a disadvantage relative to the United States from an income-generating perspective. The US dollar posted strong performance relative to other developed and emerging market currencies, particularly in the latter half of the period. US dollar strength minimized returns for emerging market debt investors.

## Performance Results

For the 12 months ended September 30, 2018, Class Y shares of the Loomis Sayles Investment Grade Bond Fund returned 0.43 %. The Fund outperformed its benchmark, the Bloomberg Barclays U.S. Government/Credit Bond Index, which returned -1.37%.

## Explanation of Fund Performance

The Fund's out-of-benchmark exposure to high yield corporate credit contributed positively to relative return, with basic industry, energy and finance holdings the strongest performers. A below-benchmark stance with respect to overall portfolio duration (and corresponding sensitivity to interest rate changes) had a positive impact on relative return in a rising rate environment. Finally, issuer selection within investment grade corporate credit added to performance, most notably within the banking, basic industry and communications segments.

On the downside, an allocation to non-US-dollar-denominated issues had a negative impact on relative performance. Holdings denominated in the New Zealand dollar and Canadian dollar were the worst performers within the sector.

## Outlook

Our key investment themes are centered on our outlook for steady growth and inflation conditions. While ongoing trade negotiations raise uncertainty about global growth and pose a risk to our outlook, indicators in the United States, including manufacturing activity, business and consumer sentiment, spending, and employment, remain positive for the US economy. This leads us to expect modest improvement in US GDP growth over the next year and relatively stable inflation. Treasury yields have been increasing, and we expect this trend to continue at a modest pace. For this reason, we think it is important to maintain less interest rate sensitivity in the portfolio.

Lower inventories and strong demand have pushed oil prices higher over the past year and raised expectations for higher inflation. We expect inflation to increase at a steady pace that keeps the Fed on its gradual track toward normalizing monetary policy.

We have shifted to a more defensive profile within the portfolio and are holding higher reserves in the form of cash and short-maturity US Treasury debt to maintain flexibility. However, we have maintained our exposure to investment grade and high yield corporate bonds. We believe the environment for risk assets should remain favorable and there is further upside in the credit sectors given the outlook for continued profit growth, earnings growth and the low probability of defaults or economic recession. As we remain in an extended late expansion phase of the credit cycle,<sup>1</sup> we continue to be highly selective with a keen focus on undervalued issues that have solid fundamentals.

We believe convertible bonds are still attractive in this late-cycle environment. We are very price sensitive in this sector, but believe it remains supported by strong corporate earnings and a positive US economic backdrop.

We believe the portfolio is well-positioned, with broad diversification, a lower risk profile and substantial liquidity built into its holdings. We are closely monitoring risk factors that

# LOOMIS SAYLES INVESTMENT GRADE BOND FUND

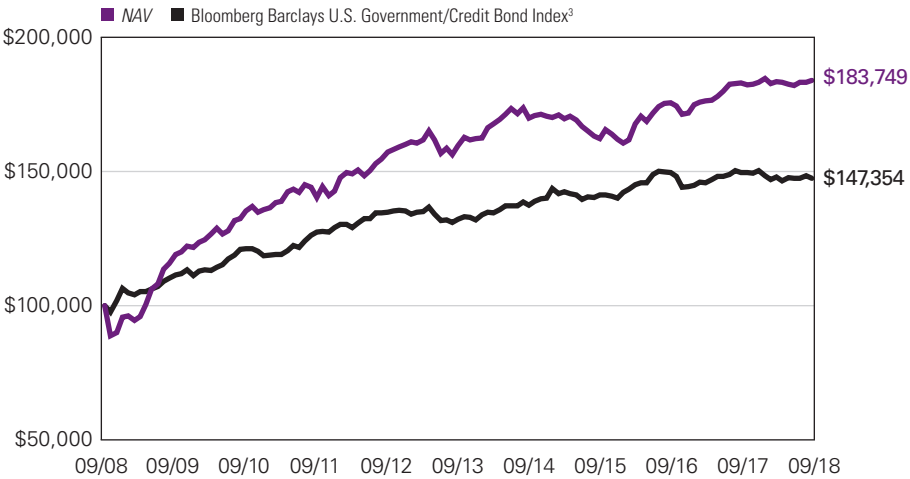
may introduce market volatility and intend to use any dislocation as a buying opportunity in areas with supportive fundamentals.

## Investment Changes

Effective November 1, 2018, the Fund's principal investment strategies will be amended and the Fund's fiscal year end will change from September 30 to December 31. The Fund will no longer invest in non-US-dollar-denominated bonds or equity securities, among other changes. These changes are intended to eliminate the volatility associated with currency and equity allocations and address the variability of the Fund's monthly ordinary income distributions. Additionally, Dan Fuss will no longer serve as a co-portfolio manager of the Fund. Matt Eagan, Brian Kennedy, and Elaine Stokes will continue to manage the Fund, representing over 50 years of combined investment experience.

<sup>1</sup> A credit cycle is a cyclical pattern that follows credit availability and corporate health.

## Hypothetical Growth of \$100,000 Investment in Class Y Shares<sup>4</sup> September 30, 2008 through September 30, 2018



## Average Annual Total Returns — September 30, 2018<sup>4</sup>

	1 Year	5 Years	10 Years	Life of Class N	Expense Ratios <sup>5</sup>	
					Gross	Net
Class Y (Inception 12/31/96)						
NAV	0.43%	2.85%	6.27%	—%	0.57%	0.53%
Class A (Inception 12/31/96)						
NAV	0.19	2.59	6.00	—	0.82	0.78
With 4.25% Maximum Sales Charge	-4.05	1.71	5.54	—		
Class C (Inception 9/12/03)						
NAV	-0.53	1.83	5.22	—	1.57	1.53
With CDSC <sup>2</sup>	-1.50	1.83	5.22	—		
Class N (Inception 2/1/13)						
NAV	0.50	2.96	—	2.44	0.48	0.48
Admin Class (Inception 2/1/10) <sup>1</sup>						
NAV	-0.07	2.35	5.73	—	1.03	1.03
Comparative Performance						
Bloomberg Barclays U.S. Government/Credit Bond Index <sup>3</sup>	-1.37	2.23	3.95	1.71		

**Performance data shown represents past performance and is no guarantee of, and not necessarily indicative of, future results. Total return and value will vary, and you may have a gain or loss when shares are sold. Current performance may be lower or higher than quoted.**

**For most recent month-end performance, visit [im.natixis.com](http://im.natixis.com).** Performance for other share classes will be greater or less than shown based on differences in fees and sales charges. You may not invest directly in an index. Performance for periods less than one year is cumulative, not annualized. Returns reflect changes in share price and reinvestment of dividends and capital gains, if any. The table(s) do not reflect taxes shareholders might owe on any fund distributions or when they redeem their shares.

- 1 Prior to the inception of Admin Class shares (2/1/10), performance is that of Class A shares, restated to reflect the higher net expenses of Admin Class shares.
- 2 Performance for Class C shares assumes a 1% contingent deferred sales charge (“CDSC”) applied when you sell shares within one year of purchase.
- 3 The Bloomberg Barclays U.S. Government/Credit Bond Index is the non-securitized component of the U.S. Aggregate Index and was the first macro index launched by Barclays Capital. The U.S. Government/Credit Bond Index includes Treasuries (i.e., public obligations of the U.S. Treasury that have remaining maturities of more than one year), government-related issues (i.e., agency, sovereign, supranational, and local authority debt), and corporates. The U.S. Government/Credit Bond Index was launched on January 1, 1979, with index history backfilled to 1973, and is a subset of the U.S. Aggregate Index.
- 4 Fund performance has been increased by fee waivers and/or expense reimbursements, if any, without which performance would have been lower.
- 5 Expense ratios are as shown in the Fund’s prospectus in effect as of the date of this report. The expense ratios for the current reporting period can be found in the Financial Highlights section of this report under Ratios to Average Net Assets. Net expenses reflect contractual expense caps set to expire on 1/31/20. When a Fund’s expenses are below the cap, gross and net expense ratios will be the same. See Note 5 of the Notes to Financial Statements for more information about the Fund’s expense caps.

# LOOMIS SAYLES STRATEGIC INCOME FUND

## Managers

Matthew J. Eagan, CFA®  
Daniel J. Fuss, CFA®, CIC  
Brian P. Kennedy  
Elaine M. Stokes  
*Loomis, Sayles & Company, L.P.*

## Symbols

Class A	NEFZX
Class C	NECZX
Class N	NEZNX
Class Y	NEZYY
Admin Class	NEZAX

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## Investment Goal

The Fund seeks high current income with a secondary objective of capital growth.

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## Market Conditions

Healthy economic indicators, including strong gross domestic product growth and low unemployment, characterized the 12 months ending September 30, 2018. Inflation was generally stable, trending close to the Federal Reserve's (Fed's) 2% target rate. Bolstered by these factors, the Fed met expectations and undertook a steady pace of rate increases. This contributed to US interest rates remaining well ahead of those of other developed economies, where monetary policies were more accommodative. Against this backdrop, ongoing US trade negotiations, particularly with China, and other geopolitical issues represented a developing risk.

US interest rates moved higher during the period, especially along the shorter end of the yield curve (a curve that shows the relationship among bond yields across the maturity spectrum). US Treasuries with maturities along the short end of the curve showed more modest losses than those with longer maturities, where declines were fairly steep.

Investment grade corporate bonds posted negative returns, though they outperformed Treasuries of similar duration (price sensitivity to interest rate changes). Spreads (the difference in yield between non-Treasury and Treasury securities of similar maturity) generally widened and the sector's relatively longer duration weighed on returns as yields rose.

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Despite some upward movement in yields, several developed economy government bond markets remained at a disadvantage relative to the United States from an income-generating perspective. The US dollar posted strong performance relative to other developed and emerging market currencies, particularly in the latter half of the period. US dollar strength minimized returns for emerging market debt investors.



## Performance Results

For the 12 months ended September 30, 2018, Class Y shares of the Loomis Sayles Strategic Income Fund returned 1.66%. The Fund outperformed its benchmark, the Bloomberg Barclays U.S. Aggregate Bond Index, which returned -1.22%.

## Explanation of Fund Performance

The Fund's allocation to high yield corporate credit contributed positively to performance relative to the benchmark, with consumer non-cyclical, electric and energy names bolstering return. A below-benchmark stance with respect to overall portfolio duration (and corresponding sensitivity to interest rate changes) also had a positive impact on relative return. Finally, exposure to convertible securities added to relative performance, with energy and insurance holdings the leading contributors.

On the downside, an allocation to non-US-dollar-denominated issues had a negative impact on relative performance. Holdings denominated in the New Zealand dollar and Brazilian real were the worst performers within the sector.

## Outlook

Our key investment themes are centered on our outlook for steady growth and inflation conditions. While going trade negotiations raise uncertainty about global growth and pose a risk to our outlook, indicators in the United States, including manufacturing activity, business and consumer sentiment, spending, and employment, remain positive for the US economy. This leads us to expect modest improvement in US GDP growth over the next year and relatively stable inflation. Treasury yields have been increasing, and we expect this trend to continue at a modest pace. For this reason, we think it is important to maintain less interest rate sensitivity in the portfolio.

Lower inventories and strong demand have pushed oil prices higher over the past year and raised expectations for higher inflation. We expect inflation to increase at a steady pace that keeps the Fed on its gradual track toward normalizing monetary policy.

We have shifted to a more defensive profile within the portfolio and are holding higher reserves in the form of cash and short-maturity US Treasury debt to maintain flexibility. However, we have maintained our exposure to investment grade and high yield corporate bonds. We believe the environment for risk assets should remain favorable and there is further upside in the credit sectors given the outlook for continued profit growth, earnings growth and the low probability of defaults or economic recession. As we remain in an extended late expansion phase of the credit cycle,<sup>1</sup> we continue to be highly selective with a keen focus on undervalued issues that have solid fundamentals.

Anticipated central bank action, election cycles, geopolitical risks and trade policy uncertainty have been shaping the risk profile of the global market. We remain highly selective about our non-US exposure and have generally maintained current allocations to selected developed market and emerging market sovereign and credit positions. We believe the US dollar is likely to be range bound or slightly stronger, which could keep the pressure on emerging market assets.

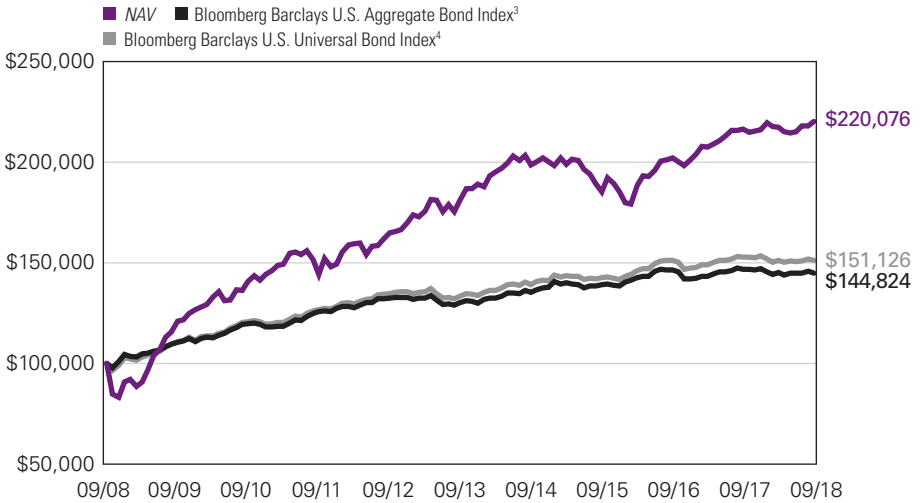
# LOOMIS SAYLES STRATEGIC INCOME FUND

We believe convertible bonds are still attractive in this late-cycle environment. We are very price sensitive in this sector, but believe it remains supported by strong corporate earnings and a positive US economic backdrop.

We believe the portfolio is well-positioned, with broad diversification, a lower risk profile and substantial liquidity built into its holdings. We are closely monitoring risk factors that may introduce market volatility and intend to use any dislocation as a buying opportunity in areas with supportive fundamentals.

<sup>1</sup> A credit cycle is a cyclical pattern that follows credit availability and corporate health.

## Hypothetical Growth of \$100,000 Investment in Class Y Shares<sup>5</sup> September 30, 2008 through September 30, 2018



## Average Annual Total Returns — September 30, 2018<sup>5</sup>

	1 Year	5 Years	10 Years	Life of Class N	Expense Ratios <sup>6</sup>	
					Gross	Net
Class Y (Inception 12/1/99) NAV	1.66%	3.99%	8.21%	—%	0.71%	0.71%
Class A (Inception 5/1/95) NAV	1.34	3.72	7.93	—	0.96	0.96
With 4.25% Maximum Sales Charge	-2.98	2.82	7.46	—		
Class C (Inception 5/1/95) NAV	0.60	2.94	7.13	—	1.71	1.71
With CDSC <sup>2</sup>	-0.37	2.94	7.13	—		
Class N (Inception 2/1/13) NAV	1.67	4.07	—	4.31	0.63	0.63
Admin Class (Inception 2/1/10) <sup>1</sup> NAV	1.09	3.47	7.65	—	1.19	1.19
<b>Comparative Performance</b>						
Bloomberg Barclays U.S. Aggregate Bond Index <sup>3</sup>	-1.22	2.16	3.77	1.71		
Bloomberg Barclays U.S. Universal Bond Index <sup>4</sup>	-1.00	2.53	4.22	2.06		

**Performance data shown represents past performance and is no guarantee of, and not necessarily indicative of, future results. Total return and value will vary, and you may have a gain or loss when shares are sold. Current performance may be lower or higher than quoted.**

**For most recent month-end performance, visit [im.natixis.com](http://im.natixis.com).** Performance for other share classes will be greater or less than shown based on differences in fees and sales charges. You may not invest directly in an index. Performance for periods less than one year is cumulative, not annualized. Returns reflect changes in share price and reinvestment of dividends and capital gains, if any. The table(s) do not reflect taxes shareholders might owe on any fund distributions or when they redeem their shares.

- 1 Prior to the inception of Admin Class shares (2/1/10), performance is that of Class A shares, restated to reflect the higher net expenses of Admin Class shares.
- 2 Class C share performance assumes a 1% CDSC applied when you sell shares within one year of purchase.
- 3 The Bloomberg Barclays U.S. Aggregate Bond Index is an unmanaged index that covers the U.S.-dollar-denominated, investment-grade, fixed-rate, taxable bond market of SEC-registered securities. The index includes bonds from the Treasury, government-related, corporate, mortgage-backed securities, asset-backed securities, and collateralized mortgage-backed securities sectors.
- 4 The Bloomberg Barclays U.S. Universal Bond Index represents the union of the U.S. Aggregate Index, the U.S. High-Yield Corporate Index, the 144A Index, the Eurodollar Index, the Emerging Markets Index, and the non-ERISA portion of the CMBS Index. Municipal debt, private placements, and non-dollar-denominated issues are excluded from the Universal Bond Index. The only constituent of the index that includes floating-rate debt is the Emerging Markets Index.
- 5 Fund performance has been increased by fee waivers and/or expense reimbursements, if any, without which performance would have been lower.
- 6 Expense ratios are as shown in the Fund's prospectus in effect as of the date of this report. The expense ratios for the current reporting period can be found in the Financial Highlights section of this report under Ratios to Average Net Assets. Net expenses reflect contractual expense caps set to expire on 1/31/19. When a Fund's expenses are below the cap, gross and net expense ratios will be the same. See Note 5 of the Notes to Financial Statements for more information about the Fund's expense caps.

## ADDITIONAL INFORMATION

The views expressed in this report reflect those of the portfolio managers as of the dates indicated. The managers' views are subject to change at any time without notice based on changes in market or other conditions. References to specific securities or industries should not be regarded as investment advice. Because the Funds are actively managed, there is no assurance that they will continue to invest in the securities or industries mentioned.

**All investing involves risk, including the risk of loss. There is no assurance that any investment will meet its performance objectives or that losses will be avoided.**

## ADDITIONAL INDEX INFORMATION

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## PROXY VOTING INFORMATION

A description of the Natixis Funds' proxy voting policies and procedures is available without charge, upon request, by calling Natixis Funds at 800-225-5478; on the Natixis Funds' website at [im.natixis.com](http://im.natixis.com); and on the Securities and Exchange Commission's ("SEC's") website at [www.sec.gov](http://www.sec.gov). Information regarding how the Natixis Funds voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available from the Natixis Funds' website and the SEC's website.

## QUARTERLY PORTFOLIO SCHEDULES

The Natixis Funds file complete schedules of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Funds' Forms N-Q are available on the SEC's website at [www.sec.gov](http://www.sec.gov) and may be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling 800-SEC-0330.

# UNDERSTANDING YOUR FUND'S EXPENSES

As a mutual fund shareholder, you incur different types of costs: transaction costs, including sales charges (loads) on purchases and contingent deferred sales charges on redemptions; and ongoing costs, including management fees, distribution fees (12b-1 fees) and/or service fees, and other fund expenses. Certain exemptions may apply. These costs are described in more detail in the Funds' prospectuses. The following examples are intended to help you understand the ongoing costs of investing in the Funds and help you compare these with the ongoing costs of investing in other mutual funds.

The first line in the table for each class of Fund shares shows the actual account values and actual Fund expenses you would have paid on a \$1,000 investment in the Fund from April 1, 2018 through September 30, 2018. To estimate the expenses you paid over the period, simply divide your account value by \$1,000 (for example \$8,600 account value divided by \$1,000 = 8.6) and multiply the result by the number in the Expenses Paid During Period column as shown below for your class.

The second line in the table for each class of Fund shares provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratios and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid on your investment for the period. You may use this information to compare the ongoing costs of investing in the Fund to other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown reflect ongoing costs only, and do not include any transaction costs, such as sales charges. Therefore, the second line in the table of each fund is useful in comparing ongoing costs only, and will not help you determine the relative costs of owning different funds. If transaction costs were included, total costs would be higher.

<b>LOOMIS SAYLES INVESTMENT GRADE BOND FUND</b>	<b>BEGINNING ACCOUNT VALUE 4/1/2018</b>	<b>ENDING ACCOUNT VALUE 9/30/2018</b>	<b>EXPENSES PAID DURING PERIOD* 4/1/2018 – 9/30/2018</b>
<b>Class A</b>			
Actual	\$1,000.00	\$1,000.10	\$3.96
Hypothetical (5% return before expenses)	\$1,000.00	\$1,021.11	\$4.00
<b>Class C</b>			
Actual	\$1,000.00	\$996.60	\$7.71
Hypothetical (5% return before expenses)	\$1,000.00	\$1,017.35	\$7.79
<b>Class N</b>			
Actual	\$1,000.00	\$1,001.50	\$2.36
Hypothetical (5% return before expenses)	\$1,000.00	\$1,022.71	\$2.38
<b>Class Y</b>			
Actual	\$1,000.00	\$1,002.10	\$2.71
Hypothetical (5% return before expenses)	\$1,000.00	\$1,022.36	\$2.74
<b>Admin Class</b>			
Actual	\$1,000.00	\$999.60	\$5.16
Hypothetical (5% return before expenses)	\$1,000.00	\$1,019.90	\$5.22

\* Expenses are equal to the Fund’s annualized expense ratio (after waiver/reimbursement): 0.79%, 1.54%, 0.47%, 0.54% and 1.03% for Class A, C, N, Y and Admin Class, respectively, multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half-year (183), divided by 365 (to reflect the half-year period).

<b>LOOMIS SAYLES STRATEGIC INCOME FUND</b>	<b>BEGINNING ACCOUNT VALUE 4/1/2018</b>	<b>ENDING ACCOUNT VALUE 9/30/2018</b>	<b>EXPENSES PAID DURING PERIOD* 4/1/2018 – 9/30/2018</b>
<b>Class A</b>			
Actual	\$1,000.00	\$1,010.30	\$4.84
Hypothetical (5% return before expenses)	\$1,000.00	\$1,020.26	\$4.86
<b>Class C</b>			
Actual	\$1,000.00	\$1,006.80	\$8.60
Hypothetical (5% return before expenses)	\$1,000.00	\$1,016.50	\$8.64
<b>Class N</b>			
Actual	\$1,000.00	\$1,012.70	\$3.18
Hypothetical (5% return before expenses)	\$1,000.00	\$1,021.91	\$3.19
<b>Class Y</b>			
Actual	\$1,000.00	\$1,012.30	\$3.58
Hypothetical (5% return before expenses)	\$1,000.00	\$1,021.51	\$3.60
<b>Admin Class</b>			
Actual	\$1,000.00	\$1,009.10	\$6.09
Hypothetical (5% return before expenses)	\$1,000.00	\$1,019.00	\$6.12

\* Expenses are equal to the Fund’s annualized expense ratio: 0.96%, 1.71%, 0.63%, 0.71% and 1.21% for Class A, C, N, Y and Admin Class, respectively, multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half-year (183), divided by 365 (to reflect the half-year period).

## BOARD APPROVAL OF THE EXISTING ADVISORY AGREEMENTS

The Board of Trustees of the Trust (the “Board”), including the Independent Trustees, considers matters bearing on each Fund’s advisory agreement (collectively, the “Agreements”) at most of its meetings throughout the year. Each year, usually in the spring, the Contract Review Committee of the Board meets to review the Agreements to determine whether to recommend that the full Board approve the continuation of the Agreements, typically for an additional one-year period. After the Contract Review Committee has made its recommendation, the full Board, including the Independent Trustees, determines whether to approve the continuation of the Agreements.

In connection with these meetings, the Trustees receive materials that the Funds’ investment adviser (the “Adviser”) believes to be reasonably necessary for the Trustees to evaluate the Agreements. These materials generally include, among other items, (i) information on the investment performance of the Funds and the performance of peer groups of funds and the Funds’ performance benchmarks, (ii) information on the Funds’ advisory fees and other expenses, including information comparing the Funds’ advisory fees to the fees charged to institutional accounts with similar strategies managed by the Adviser, if any, and to those of peer groups of funds and information about any applicable expense caps and/or fee “breakpoints,” (iii) sales and redemption data in respect of the Funds, (iv) information about the profitability of the Agreements to the Adviser and (v) information obtained through the completion by the Adviser of a questionnaire distributed on behalf of the Trustees. The Board, including the Independent Trustees, also considers other matters such as (i) the Adviser’s financial results and financial condition, (ii) each Fund’s investment objective and strategies and the size, education and experience of the Adviser’s investment staff and its use of technology, external research and trading cost measurement tools, (iii) arrangements in respect of the distribution of the Funds’ shares and the related costs, (iv) the allocation of the Funds’ brokerage, if any, including, to the extent applicable, the use of “soft” commission dollars to pay for research and other similar services, (v) the resources devoted to, and the record of compliance with, the Funds’ investment policies and restrictions, policies on personal securities transactions and other compliance policies, (vi) the Adviser’s policies and procedures relating to, among other things, compliance, trading and best execution, proxy voting and valuation, (vii) information about amounts invested by the Funds’ portfolio managers in the Funds or in similar accounts that they manage and (viii) the general economic outlook with particular emphasis on the mutual fund industry. Throughout the process, the Trustees are afforded the opportunity to ask questions of and request additional materials from the Adviser.

In addition to the materials requested by the Trustees in connection with their annual consideration of the continuation of the Agreements, the Trustees receive materials in advance of each regular quarterly meeting of the Board that provide detailed information about the Funds’ investment performance and the fees charged to the Funds for advisory and other services. This information generally includes, among other things, an internal performance rating for each Fund based on agreed-upon criteria, graphs showing each Fund’s performance and expense differentials against each Fund’s peer group/category of



funds, performance ratings provided by a third-party, total return information for various periods, and third-party performance rankings for various periods comparing a Fund against similarly categorized funds. The portfolio management team for each Fund or other representatives of the Adviser make periodic presentations to the Contract Review Committee and/or the full Board, and Funds identified as presenting possible performance concerns may be subject to more frequent Board or Committee presentations and reviews. In addition, each quarter the Trustees are provided with detailed statistical information about each Fund's portfolio. The Trustees also receive periodic updates between meetings.

The Board most recently approved the continuation of the Agreements for a one year period at its meeting held in June 2018. In considering whether to approve the continuation of the Agreements, the Board, including the Independent Trustees, did not identify any single factor as determinative. Individual Trustees may have evaluated the information presented differently from one another, giving different weights to various factors. Matters considered by the Trustees, including the Independent Trustees, in connection with their approval of the Agreements included, but were not limited to, the factors listed below.

*The nature, extent and quality of the services provided to the Funds under the Agreements.* The Trustees considered the nature, extent and quality of the services provided by the Adviser and its affiliates to the Funds and the resources dedicated to the Funds by the Adviser and its affiliates.

The Trustees considered not only the advisory services provided by the Adviser to the Funds, but also the monitoring and oversight services provided by Natixis Advisors, L.P. ("Natixis Advisors"). They also considered the administrative and shareholder services provided by Natixis Advisors and its affiliates to the Funds.

For each Fund, the Trustees also considered the benefits to shareholders of investing in a mutual fund that is part of a family of funds that offers shareholders the right to exchange shares of one type of fund for shares of another type of fund, and provides a variety of fund and shareholder services.

After reviewing these and related factors, the Trustees concluded, within the context of their overall conclusions regarding each of the Agreements, that the nature, extent and quality of services provided supported the renewal of the Agreements.

*Investment performance of the Funds and the Adviser.* As noted above, the Trustees received information about the performance of the Funds over various time periods, including information that compared the performance of the Funds to the performance of peer groups and categories of funds and the Funds' respective performance benchmarks. In addition, the Trustees reviewed data prepared by an independent third party that analyzed the performance of the Funds using a variety of performance metrics, including metrics that measured the performance of the Funds on a risk adjusted basis.

The Board noted that, through December 31, 2017, each Fund's one-, three- and five-year performance stated as percentile rankings within categories selected by the independent third-party data provider was as follows (where the best performance would be in the first percentile of its category):

	<u>One-Year</u>	<u>Three-Year</u>	<u>Five-Year</u>
Loomis Sayles Investment Grade Bond Fund	3%	59%	24%
Loomis Sayles Strategic Income Fund	30%	97%	13%

In the case of each Fund that had performance that lagged that of a relevant category median as determined by the independent third party for certain (although not necessarily all) periods, the Board concluded that other factors relevant to performance supported renewal of the Agreements. These factors included one or more of the following: (1) that the underperformance was attributable, to a significant extent, to investment decisions (such as security selection or sector allocation) by the Adviser that were reasonable and consistent with the Fund's investment objective and policies; (2) that the Fund's more recent performance, although lagging in certain periods, had shown improvement relative to its category; and (3) that the Fund's performance, although lagging in certain periods, was stronger over the long term.

The Trustees also considered the Adviser's performance and reputation generally, the performance of the fund family generally, and the historical responsiveness of the Adviser to Trustee concerns about performance and the willingness of the Adviser to take steps intended to improve performance.

After reviewing these and related factors, the Trustees concluded, within the context of their overall conclusions regarding each of the Agreements, that the performance of the Funds and the Adviser and/or other relevant factors supported the renewal of the Agreements.

*The costs of the services to be provided and profits to be realized by the Adviser and its affiliates from their respective relationships with the Funds.* The Trustees considered the fees charged to the Funds for advisory and administrative services as well as the total expense levels of the Funds. This information included comparisons (provided both by management and by an independent third party) of the Funds' advisory fees and total expense levels to those of their peer groups and information about the advisory fees charged by the Adviser to comparable accounts (such as institutional separate accounts), as well as information about differences in such fees and the reasons for any such differences. In considering the fees charged to comparable accounts, the Trustees considered, among other things, management's representations about the differences between managing mutual funds as compared to other types of accounts, including the additional resources required to effectively manage mutual fund assets and the greater regulatory costs associated with the management of such assets. In evaluating each Fund's advisory fee, the Trustees also took into account the demands, complexity and quality of the investment management of such Fund, as well as the need for the Adviser to offer competitive compensation and the potential need to expend additional resources to the extent the Fund grows in size. The Trustees considered that over the past several years, management had made recommendations regarding reductions in advisory fee rates, implementation of advisory fee breakpoints and the institution of advisory fee waivers and expense caps for various

funds in the fund family. They noted that all of the Funds included have expense caps in place, and they considered the amounts reimbursed by the Adviser for the Loomis Sayles Investment Grade Bond Fund under its cap. The Trustees also considered that the current expenses for Loomis Sayles Strategic Income Fund were below its cap. The Trustees further noted that management had proposed to reduce the expense cap of the Loomis Sayles Investment Grade Bond Fund and that the Loomis Sayles Strategic Income Fund's total advisory fee rate was below the median of a peer group of funds.

The Trustees noted that the Loomis Sayles Investment Grade Bond Fund had an advisory fee rate that was above the median of a peer group of funds. In this regard, the Trustees considered the factors that management believed justified such relatively higher advisory fee rate, including: (1) that the advisory fee rate was only 1 basis point above the peer group median; and (2) that management had proposed to further reduce the expense cap of the Fund, which had also been reduced last year.

The Trustees also considered the compensation directly or indirectly received by the Adviser and its affiliates from their relationships with the Funds. The Trustees reviewed information provided by management as to the profitability of the Adviser's and its affiliates' relationships with the Funds, and information about the allocation of expenses used to calculate profitability. They also reviewed information provided by management about the effect of distribution costs and changes in asset levels on Adviser profitability, including information regarding resources spent on distribution activities. When reviewing profitability, the Trustees also considered information about court cases in which adviser compensation or profitability were issues, the performance of the Funds, the expense levels of the Funds, whether the Adviser had implemented breakpoints and/or expense caps with respect to such Funds and the overall profit margin of Natixis Investment Managers compared to that of certain other investment managers for which such data was available.

After reviewing these and related factors, the Trustees concluded, within the context of their overall conclusions regarding each of the Agreements, that the advisory fee charged to each of the Funds was fair and reasonable, and that the costs of these services generally and the related profitability of the Adviser and its affiliates in respect of their relationships with the Funds supported the renewal of the Agreements.

*Economies of Scale.* The Trustees considered the existence of any economies of scale in the provision of services by the Adviser and whether those economies are shared with the Funds through breakpoints in their investment advisory fees or other means, such as expense caps. The Trustees also discussed with management the factors considered with respect to the implementation of breakpoints in investment advisory fees or expense caps for certain funds. Management explained that a number of factors are taken into account in considering the possible implementation of breakpoints or an expense cap for a fund, including, among other things, factors such as a fund's assets, the projected growth of a fund, projected profitability and a fund's fees and performance. With respect to economies of scale, the Trustees noted that each of the Funds had breakpoints in its advisory fee and that each of the Funds was subject to an expense cap. The Trustees considered management's proposal to reduce the expense cap for Loomis Sayles Investment Grade Bond Fund, which had also been reduced last year. In considering these issues, the Trustees also took note of the costs of the services provided (both on an absolute and on a

relative basis) and the profitability to the Adviser and its affiliates of their relationships with the Funds, as discussed above.

After reviewing these and related factors, the Trustees concluded, within the context of their overall conclusions regarding each of the Agreements, that the extent to which economies of scale were shared with the Funds supported the renewal of the Agreements.

The Trustees also considered other factors, which included but were not limited to the following:

- The effect of recent market and economic events on the performance, asset levels and expense ratios of each Fund.
- Whether each Fund has operated in accordance with its investment objective and the Fund's record of compliance with its investment restrictions, and the compliance programs of the Funds and the Adviser. They also considered the compliance-related resources the Adviser and its affiliates were providing to the Funds.
- So-called "fallout benefits" to the Adviser, such as the engagement of affiliates of the Adviser to provide distribution and administrative services to the Funds, and the benefits of research made available to the Adviser by reason of brokerage commissions (if any) generated by the Funds' securities transactions. The Trustees also considered the benefits to the parent company of Natixis Advisors from the retention of the Adviser. The Trustees considered the possible conflicts of interest associated with these fallout and other benefits, and the reporting, disclosure and other processes in place to disclose and monitor such possible conflicts of interest.
- The Trustees' review and discussion of the Funds' advisory arrangements in prior years, and management's record of responding to Trustee concerns raised during the year and in prior years.

Based on their evaluation of all factors that they deemed to be material, including those factors described above, and assisted by the advice of independent counsel, the Trustees, including the Independent Trustees, concluded that each of the existing Agreements, with the further reduction in the expense cap for the Loomis Sayles Investment Grade Bond Fund described above, should be continued through June 30, 2019.

Portfolio of Investments – as of September 30, 2018  
Loomis Sayles Investment Grade Bond Fund

Principal Amount (₹)	Description	Value (₹)
<b>Bonds and Notes — 55.9% of Net Assets</b>		
<b>Non-Convertible Bonds — 54.1%</b>		
<b>ABS Other — 1.1%</b>		
\$ 51,362,940	FAN Engine Securitization Ltd., Series 2013-1A, Class 1A, 4.625%, 10/15/2043, 144A(a)(b)(c)	\$ 50,772,266
10,483,054	Trinity Rail Leasing LLC, Series 2010-1A, Class A, 5.194%, 10/16/2040, 144A	10,880,219
1,712,484	Trinity Rail Leasing LP, Series 2012-1A, Class A1, 2.266%, 1/15/2043, 144A	1,662,722
		63,315,207
<b>Aerospace &amp; Defense — 1.9%</b>		
1,865,000	Bombardier, Inc., 7.450%, 5/01/2034, 144A	1,890,383
1,455,000	Embraer Netherlands Finance BV, 5.400%, 2/01/2027	1,484,100
550,000	Leonardo U.S. Holdings, Inc., 6.250%, 1/15/2040, 144A	574,095
650,000	Leonardo U.S. Holdings, Inc., 7.375%, 7/15/2039	754,000
78,795,000	Textron, Inc., 5.950%, 9/21/2021	83,032,108
11,040,000	Textron, Inc., EMTN, 6.625%, 4/07/2020, (GBP)	15,380,173
		103,114,859
<b>Airlines — 1.6%</b>		
3,412,100	Air Canada Pass Through Trust, Series 2013-1, Class B, 5.375%, 11/15/2022, 144A	3,484,607
1,959,407	American Airlines Pass Through Certificates, Series 2016-3, Class B, 3.750%, 4/15/2027	1,891,572
735,000	American Airlines Pass Through Certificates, Series 2017-2, Class B, 3.700%, 4/15/2027	709,053
42,049,022	Continental Airlines Pass Through Certificates, Series 2007-1, Class A, 5.983%, 10/19/2023	44,276,779
1,511,770	Continental Airlines Pass Through Certificates, Series 2012-1, Class B, 6.250%, 10/11/2021	1,548,747
213,322	Continental Airlines Pass Through Trust, Series 1999-1, Class A, 6.545%, 8/02/2020	215,844
403,667	Continental Airlines Pass Through Trust, Series 2001-1, Class A-1, 6.703%, 12/15/2022	424,872
1,119,507	Delta Air Lines Pass Through Trust, Series 2007-1, Class A, 6.821%, 2/10/2024(a)	1,226,868
5,973,407	Delta Air Lines Pass Through Trust, Series 2007-1, Class B, 8.021%, 2/10/2024(a)	6,562,386
10,784,998	Delta Air Lines Pass Through Trust, Series 2009-1, Class A, 7.750%, 6/17/2021	11,247,566
14,605,319	UAL Pass Through Trust, Series 2007-1, Class A, 6.636%, 1/02/2024	15,280,815
1,061,219	Virgin Australia Pass Through Certificates, Series 2013-1A, 5.000%, 4/23/2025, 144A	1,082,253
		87,951,362
<b>Automotive — 0.6%</b>		
23,581,000	Cummins, Inc., 5.650%, 3/01/2098	25,136,167
5,274,000	Cummins, Inc., 6.750%, 2/15/2027	6,119,457
255,000	Ford Motor Co., 6.625%, 2/15/2028	269,211
240,000	Ford Motor Co., 7.500%, 8/01/2026	272,319

Portfolio of Investments – as of September 30, 2018  
Loomis Sayles Investment Grade Bond Fund – (continued)

Principal Amount (\$)	Description	Value (t)
<b>Automotive — continued</b>		
\$ 2,370,000	Goodyear Tire & Rubber Co. (The), 7.000%, 3/15/2028	\$ 2,464,800
		<u>34,261,954</u>
<b>Banking — 8.1%</b>		
1,468,000	Ally Financial, Inc., 8.000%, 11/01/2031	1,778,115
84,339,000	Bank of America Corp., 6.110%, 1/29/2037	96,994,042
49,304,000	Bank of America Corp., (fixed rate to 12/20/2027, variable rate thereafter), 3.419%, 12/20/2028	46,276,241
100,000	Bank of America Corp., MTN, 4.250%, 10/22/2026	98,854
25,627,000	Bank of America Corp., Series L, MTN, 4.183%, 11/25/2027	25,012,769
25,090,000	Bank of Nova Scotia (The), 2.130%, 6/15/2020, (CAD)	19,234,987
17,000,000	Citigroup, Inc., 3.500%, 5/15/2023	16,722,286
1,660,000	Citigroup, Inc., 4.500%, 1/14/2022	1,706,942
22,960,000	Citigroup, Inc., 5.130%, 11/12/2019, (NZD)	15,606,208
22,154,000	Deutsche Bank AG, (fixed rate to 12/01/2027, variable rate thereafter), 4.875%, 12/01/2032	19,684,937
6,645,000	Goldman Sachs Group, Inc. (The), GMTN, 5.375%, 3/15/2020	6,849,605
70,245,000	JPMorgan Chase & Co., 4.125%, 12/15/2026	69,727,490
36,745,000	JPMorgan Chase & Co., 4.250%, 11/02/2018, (NZD)	24,396,416
100,000	Keybank NA, 6.950%, 2/01/2028	119,084
3,725,000	Lloyds Banking Group PLC, 4.344%, 1/09/2048	3,238,136
1,375,000	Lloyds Banking Group PLC, 5.300%, 12/01/2045	1,391,549
1,845,000	Morgan Stanley, 4.350%, 9/08/2026	1,830,767
30,000,000	Morgan Stanley, 4.750%, 11/16/2018, (AUD)	21,750,164
5,900,000	Morgan Stanley, 5.750%, 1/25/2021	6,201,587
20,695,000	Morgan Stanley, MTN, 4.100%, 5/22/2023	20,823,114
38,206,000	Morgan Stanley, Series F, GMTN, 5.625%, 9/23/2019	39,156,439
8,638,000	National City Corp., 6.875%, 5/15/2019	8,860,485
		<u>447,460,217</u>
<b>Brokerage — 1.5%</b>		
50,270,000	Jefferies Group LLC, 5.125%, 1/20/2023	51,978,104
19,498,000	Jefferies Group LLC, 6.250%, 1/15/2036	19,721,804
8,760,000	Jefferies Group LLC, 6.450%, 6/08/2027	9,489,227
		<u>81,189,135</u>
<b>Building Materials — 0.6%</b>		
1,610,000	Masco Corp., 6.500%, 8/15/2032	1,764,582
3,110,000	Masco Corp., 7.125%, 3/15/2020	3,266,416
2,667,000	Masco Corp., 7.750%, 8/01/2029	3,163,516
23,975,000	Owens Corning, 7.000%, 12/01/2036	27,315,443
		<u>35,509,957</u>
<b>Cable Satellite — 0.7%</b>		
10,790,000	DISH DBS Corp., 5.000%, 3/15/2023	9,791,925
17,832,000	Shaw Communications, Inc., 5.650%, 10/01/2019, (CAD)	14,198,367
13,630,000	Time Warner Cable LLC, 4.125%, 2/15/2021	13,739,449
2,800,000	Time Warner Cable LLC, 4.500%, 9/15/2042	2,389,499
		<u>40,119,240</u>

Portfolio of Investments – as of September 30, 2018  
Loomis Sayles Investment Grade Bond Fund – (continued)

Principal Amount (\$)	Description	Value (t)
<b>Chemicals — 0.9%</b>		
\$ 654,000	Consolidated Energy Finance S.A., 6.500%, 5/15/2026, 144A	\$ 660,540
50,500,000	INVISTA Finance LLC, 4.250%, 10/15/2019, 144A	50,436,875
		51,097,415
<b>Construction Machinery — 0.1%</b>		
6,787,000	Toro Co. (The), 6.625%, 5/01/2037(b)(c)	7,719,993
<b>Consumer Products — 0.2%</b>		
7,458,000	Hasbro, Inc., 6.600%, 7/15/2028	8,451,253
<b>Diversified Manufacturing — 0.1%</b>		
5,305,000	General Electric Co., Series A, MTN, 3-month LIBOR + 0.300%, 2.639%, 5/13/2024(d)	5,072,588
<b>Electric — 1.6%</b>		
23,301,726	Alta Wind Holdings LLC, 7.000%, 6/30/2035, 144A	24,899,967
30,430,000	EDP Finance BV, 4.125%, 1/15/2020, 144A	30,584,584
4,491,000	Empresa Nacional de Electricidad S.A., 7.875%, 2/01/2027	5,427,220
13,025,000	Enel Finance International NV, 6.000%, 10/07/2039, 144A	14,166,093
9,007,000	Enel Finance International NV, 6.800%, 9/15/2037, 144A	10,406,934
3,523,869	Mackinaw Power LLC, 6.296%, 10/31/2023, 144A	3,622,335
		89,107,133
<b>Finance Companies — 4.3%</b>		
6,700,000	Antares Holdings LP, 6.000%, 8/15/2023, 144A	6,726,371
18,830,000	International Lease Finance Corp., 4.625%, 4/15/2021	19,211,472
62,425(††)	Navient Corp., 6.000%, 12/15/2043	1,388,072
3,885,000	Navient Corp., 6.750%, 6/15/2026	3,836,437
6,730,000	Navient Corp., MTN, 6.125%, 3/25/2024	6,730,000
90,196,000	Navient LLC, 5.500%, 1/25/2023	89,970,510
3,280,000	Navient LLC, MTN, 7.250%, 1/25/2022	3,460,400
22,116,000	Navient LLC, Series A, MTN, 5.625%, 8/01/2033	18,522,150
7,805,000	Quicken Loans, Inc., 5.250%, 1/15/2028, 144A	7,248,894
6,820,000	Quicken Loans, Inc., 5.750%, 5/01/2025, 144A	6,811,475
16,717,000	Springleaf Finance Corp., 5.250%, 12/15/2019	16,946,859
4,920,000	Springleaf Finance Corp., 6.875%, 3/15/2025	4,907,700
31,883,000	Springleaf Finance Corp., 7.750%, 10/01/2021	34,393,149
16,599,000	Springleaf Finance Corp., 8.250%, 10/01/2023	18,300,397
		238,453,886
<b>Gaming — 0.1%</b>		
3,260,000	International Game Technology PLC, 6.250%, 1/15/2027, 144A	3,300,424
<b>Government Owned – No Guarantee — 0.8%</b>		
3,720,000	Abu Dhabi National Energy Co. PJSC, 6.500%, 10/27/2036, 144A	4,451,054
12,575,000	Pertamina Persero PT, 6.450%, 5/30/2044, 144A	13,657,582
17,435,000	Petrobras Global Finance BV, 4.375%, 5/20/2023	16,559,763
11,555,000	Petrobras Global Finance BV, 5.625%, 5/20/2043	9,359,550
1,000,000	Telekom Malaysia Berhad, 7.875%, 8/01/2025, 144A	1,205,747
		45,233,696

Portfolio of Investments – as of September 30, 2018  
Loomis Sayles Investment Grade Bond Fund – (continued)

Principal Amount (\$)	Description	Value (t)
<b>Health Insurance — 0.0%</b>		
\$ 1,261,000	Cigna Corp., 7.875%, 5/15/2027	\$ 1,552,418
<b>Healthcare — 0.8%</b>		
7,692,000	Boston Scientific Corp., 6.000%, 1/15/2020	7,960,473
9,385,000	HCA, Inc., 4.500%, 2/15/2027	9,185,569
6,175,000	HCA, Inc., 5.375%, 9/01/2026	6,236,750
4,806,000	HCA, Inc., 7.050%, 12/01/2027	5,154,435
1,592,000	HCA, Inc., 7.500%, 11/06/2033	1,725,537
1,295,000	HCA, Inc., 7.690%, 6/15/2025	1,447,162
2,480,000	HCA, Inc., MTN, 7.580%, 9/15/2025	2,759,000
3,068,000	HCA, Inc., MTN, 7.750%, 7/15/2036	3,344,120
1,735,000	Tenet Healthcare Corp., 6.750%, 6/15/2023	1,728,494
4,785,000	Tenet Healthcare Corp., 6.875%, 11/15/2031	4,283,532
		43,825,072
<b>Home Construction — 0.2%</b>		
3,990,000	PulteGroup, Inc., 6.000%, 2/15/2035	3,760,575
3,567,000	PulteGroup, Inc., 6.375%, 5/15/2033	3,424,712
1,615,000	TRI Pointe Group, Inc./TRI Pointe Homes, Inc., 5.875%, 6/15/2024	1,602,888
		8,788,175
<b>Independent Energy — 1.3%</b>		
29,185,000	California Resources Corp., 8.000%, 12/15/2022, 144A	27,871,675
7,335,000	Continental Resources, Inc., 3.800%, 6/01/2024	7,193,155
9,787,000	EQT Corp., 8.125%, 6/01/2019	10,104,910
29,027,000	Noble Energy, Inc., 3.900%, 11/15/2024	28,505,950
400,000	QEP Resources, Inc., 5.250%, 5/01/2023	389,500
235,000	Vine Oil & Gas LP/Vine Oil & Gas Finance Corp., 8.750%, 4/15/2023, 144A	229,713
60,000	Whiting Petroleum Corp., 6.250%, 4/01/2023	62,109
		74,357,012
<b>Integrated Energy — 0.2%</b>		
7,700,000	Reliance Holdings USA, Inc., 5.400%, 2/14/2022, 144A	7,966,695
<b>Life Insurance — 2.0%</b>		
1,475,000	American International Group, Inc., 4.875%, 6/01/2022	1,537,020
600,000	AXA S.A., EMTN, (fixed rate to 10/16/2019, variable rate thereafter), 6.772%, (GBP)(e)	813,453
5,900,000	AXA S.A., EMTN, (fixed rate to 4/16/2020, variable rate thereafter), 5.250%, 4/16/2040, (EUR)	7,322,416
15,000,000	Global Atlantic Fin Co., 8.625%, 4/15/2021, 144A	16,588,199
9,063,000	Mutual of Omaha Insurance Co., 6.800%, 6/15/2036, 144A	11,287,736
26,914,000	National Life Insurance Co., 10.500%, 9/15/2039, 144A(b)(c)	42,965,771
6,440,000	NLV Financial Corp., 7.500%, 8/15/2033, 144A(b)(c)	7,819,262
2,872,000	Penn Mutual Life Insurance Co. (The), 6.650%, 6/15/2034, 144A	3,338,887
14,489,000	Penn Mutual Life Insurance Co. (The), 7.625%, 6/15/2040, 144A	19,081,022
		110,753,766
<b>Local Authorities — 0.5%</b>		
37,829,000	New South Wales Treasury Corp., 3.500%, 3/20/2019, (AUD)	27,541,162



Portfolio of Investments – as of September 30, 2018  
Loomis Sayles Investment Grade Bond Fund – (continued)

Principal Amount (#)	Description	Value (t)
<b>Local Authorities — continued</b>		
489,000	Province of Nova Scotia, 6.600%, 6/01/2027, (CAD)	\$ 480,716
		28,021,878
<b>Lodging — 1.0%</b>		
52,516,000	Choice Hotels International, Inc., 5.700%, 8/28/2020	54,616,640
<b>Media Entertainment — 0.4%</b>		
4,482,000	21st Century Fox America, Inc., 8.150%, 10/17/2036	6,537,251
358,000,000	Grupo Televisa SAB, EMTN, 7.250%, 5/14/2043, (MXN)	13,549,058
1,365,000	iHeartCommunications, Inc., 9.000%, 12/15/2019(f)	1,027,163
3,635,000	iHeartCommunications, Inc., 9.000%, 3/01/2021(f)	2,708,075
		23,821,547
<b>Metals &amp; Mining — 1.6%</b>		
1,689,997	1839688 Alberta ULC, PIK, 14.000%, 2/13/2020(a)(c)(f)(g)(h)	845
430,000	ArcelorMittal, 5.500%, 3/01/2021	446,213
47,920,000	ArcelorMittal, 6.750%, 3/01/2041	54,682,800
19,365,000	ArcelorMittal, 7.000%, 10/15/2039	22,508,955
4,612,000	United States Steel Corp., 6.650%, 6/01/2037	4,121,975
3,655,000	Vale Overseas Ltd., 6.875%, 11/21/2036	4,244,186
4,893,000	Worthington Industries, Inc., 6.500%, 4/15/2020	5,084,420
		91,089,394
<b>Midstream — 1.6%</b>		
650,000	DCP Midstream Operating LP, 6.450%, 11/03/2036, 144A	680,875
525,000	Energy Transfer Partners LP/Regency Energy Finance Corp., 4.500%, 11/01/2023	532,131
3,328,000	Florida Gas Transmission Co. LLC, 7.900%, 5/15/2019, 144A	3,427,071
14,300,000	IFM U.S. Colonial Pipeline 2 LLC, 6.450%, 5/01/2021, 144A	15,064,763
14,660,000	Kinder Morgan Energy Partners LP, 3.500%, 9/01/2023	14,334,212
3,105,000	Kinder Morgan Energy Partners LP, 5.300%, 9/15/2020	3,214,762
7,461,000	Kinder Morgan Energy Partners LP, 5.800%, 3/01/2021	7,841,803
85,000	NGPL PipeCo LLC, 7.768%, 12/15/2037, 144A	104,125
31,311,000	ONEOK Partners LP, 4.900%, 3/15/2025	32,499,418
1,404,000	Panhandle Eastern Pipe Line Co. LP, 8.125%, 6/01/2019	1,448,294
225,000	Plains All American Pipeline LP / PAA Finance Corp., 2.850%, 1/31/2023	213,789
8,405,000	Williams Cos., Inc., 3.350%, 8/15/2022	8,253,570
		87,614,813
<b>Mortgage Related — 0.0%</b>		
15,833	FHLMC, 5.000%, 12/01/2031	16,696
2,052	FNMA, 6.000%, 7/01/2029	2,257
		18,953
<b>Non-Agency Commercial Mortgage-Backed Securities — 1.0%</b>		
11,095,000	Commercial Mortgage Pass Through Certificates, Series 2014-LC15, Class A2, 2.840%, 4/10/2047	11,092,259
4,274,460	Commercial Mortgage Pass Through Certificates, Series 2014-UBS2, Class A2, 2.820%, 3/10/2047	4,273,070

Portfolio of Investments – as of September 30, 2018  
Loomis Sayles Investment Grade Bond Fund – (continued)

Principal Amount (\$)	Description	Value (t)
<b>Non-Agency Commercial Mortgage-Backed Securities — continued</b>		
\$ 6,737,114	Commercial Mortgage Pass Through Certificates, Series 2014-UBS4, Class A2, 2.963%, 8/10/2047	\$ 6,739,033
1,875,481	Institutional Mortgage Securities Canada, Inc., Series 2014-5A, Class A1, 2.003%, 7/12/2047, 144A, (CAD)	1,449,812
27,000,000	Institutional Mortgage Securities Canada, Inc., Series 2014-5A, Class A2, 2.616%, 7/12/2047, 144A, (CAD)	20,704,703
4,495,000	JP Morgan Chase Commercial Mortgage Securities Trust, Series 2014-C20, Class A2, 2.872%, 7/15/2047	4,492,253
1,943,111	Morgan Stanley Bank of America Merrill Lynch Trust, Series 2014-C14, Class A2, 2.916%, 2/15/2047	1,942,285
2,125,000	WFRBS Commercial Mortgage Trust, Series 2011-C3, Class D, 5.865%, 3/15/2044, 144A(i)	1,913,730
		<u>52,607,145</u>
<b>Oil Field Services — 0.1%</b>		
5,000,000	Nabors Industries, Inc., 5.100%, 9/15/2023	<u>4,768,750</u>
<b>Paper — 1.4%</b>		
363,000	Georgia-Pacific LLC, 7.750%, 11/15/2029	477,175
7,049,000	International Paper Co., 8.700%, 6/15/2038	9,751,485
5,270,000	WestRock MWV LLC, 7.550%, 3/01/2047(b)(c)	6,758,379
4,273,000	WestRock MWV LLC, 8.200%, 1/15/2030	5,548,949
26,007,000	Weyerhaeuser Co., 6.875%, 12/15/2033	31,715,830
7,374,000	Weyerhaeuser Co., 7.375%, 10/01/2019	7,681,677
13,539,000	Weyerhaeuser Co., 7.375%, 3/15/2032	17,123,700
		<u>79,057,195</u>
<b>Property &amp; Casualty Insurance — 0.2%</b>		
2,740,000	Fidelity National Financial, Inc., 5.500%, 9/01/2022	2,910,173
1,889,000	MBIA Insurance Corp., 3-month LIBOR + 11.260%, 13.599%, 1/15/2033, 144A(d)(j)	1,159,374
5,725,000	Nationstar Mortgage Holdings, Inc., 9.125%, 7/15/2026, 144A	5,996,937
2,212,000	XLIT Ltd., 6.250%, 5/15/2027	2,508,639
		<u>12,575,123</u>
<b>Railroads — 0.2%</b>		
9,787,000	Canadian Pacific Railway Co., 7.250%, 5/15/2019	<u>10,054,625</u>
<b>REITs – Health Care — 0.1%</b>		
5,972,000	Welltower, Inc., 6.500%, 3/15/2041	<u>7,112,130</u>
<b>REITs – Single Tenant — 0.2%</b>		
8,690,000	Realty Income Corp., 5.750%, 1/15/2021	<u>9,085,914</u>
<b>Retailers — 0.5%</b>		
1,255,000	Group 1 Automotive, Inc., 5.000%, 6/01/2022	1,248,725
5,979,000	J.C. Penney Corp., Inc., 6.375%, 10/15/2036	2,391,600
5,446,000	J.C. Penney Corp., Inc., 7.625%, 3/01/2097	2,069,480
10,467,000	Macy's Retail Holdings, Inc., 6.790%, 7/15/2027	11,245,440
8,064,000	Marks & Spencer PLC, 7.125%, 12/01/2037, 144A	8,639,781

Portfolio of Investments – as of September 30, 2018  
Loomis Sayles Investment Grade Bond Fund – (continued)

Principal Amount (\$)	Description	Value (t)
<b>Retailers — continued</b>		
\$ 3,755,000	PVH Corp., 7.750%, 11/15/2023	\$ 4,280,700
		<u>29,875,726</u>
<b>Supermarkets — 0.3%</b>		
4,510,000	Albertson's Cos. LLC/Safeway, Inc./New Albertson's, Inc./Albertson's LLC, 6.625%, 6/15/2024	4,335,237
1,120,000	Koninklijke Ahold Delhaize NV, 5.700%, 10/01/2040	1,217,921
6,765,000	New Albertsons LP, 7.450%, 8/01/2029	5,581,125
7,640,000	New Albertsons LP, 8.000%, 5/01/2031	6,494,000
1,054,000	New Albertsons LP, Series C, MTN, 6.625%, 6/01/2028	798,405
		<u>18,426,688</u>
<b>Supranational — 0.1%</b>		
9,640,000	European Investment Bank, MTN, 6.000%, 8/06/2020, (AUD)	7,430,054
<b>Technology — 0.4%</b>		
16,735,000	KLA-Tencor Corp., 5.650%, 11/01/2034	17,739,512
1,410,000	Samsung Electronics Co. Ltd., 7.700%, 10/01/2027, 144A	1,596,712
		<u>19,336,224</u>
<b>Treasuries — 11.9%</b>		
132,000,000	Canadian Government International Bond, 0.750%, 9/01/2020, (CAD)	99,412,101
61,795,000	Canadian Government International Bond, 1.750%, 9/01/2019, (CAD)	47,720,389
391,985,000	Iceland Government International Bond, 7.250%, 10/26/2022, (ISK)	3,218,835
1,195,394,000	Iceland Government International Bond, 8.750%, 2/26/2019, (ISK)	9,408,399
2,755,000(†††)	Mexican Fixed Rate Bonds, Series M, 7.750%, 5/29/2031, (MXN)	14,404,348
2,965,000(†††)	Mexican Fixed Rate Bonds, Series M-20, 7.500%, 6/03/2027, (MXN)	15,416,606
7,555,000(†††)	Mexican Fixed Rate Bonds, Series M-20, 8.000%, 12/07/2023, (MXN)	40,764,057
1,925,000(†††)	Mexican Fixed Rate Bonds, Series M-20, 8.500%, 5/31/2029, (MXN)	10,672,054
23,970,000(†††)	Mexican Fixed Rate Bonds, Series M-20, 10.000%, 12/05/2024, (MXN)	141,960,192
36,850,000	New Zealand Government Bond, 5.000%, 3/15/2019, (NZD)	24,791,753
290,574,000	Norway Government Bond, 3.750%, 5/25/2021, 144A, (NOK)	38,005,348
416,760,000	Norway Government Bond, 4.500%, 5/22/2019, 144A, (NOK)	52,405,736
43,590,000	Republic of Brazil, 8.500%, 1/05/2024, (BRL)	10,496,657
23,848,000	Republic of Brazil, 10.250%, 1/10/2028, (BRL)	6,192,963
150,000,000	U.S. Treasury Note, 1.250%, 6/30/2019	148,570,313
		<u>663,439,751</u>
<b>Wireless — 0.7%</b>		
559,910,000	America Movil SAB de CV, 6.450%, 12/05/2022, (MXN)	27,424,340
58,200,000	America Movil SAB de CV, 8.460%, 12/18/2036, (MXN)	2,721,368
6,373,000	Sprint Capital Corp., 6.875%, 11/15/2028	6,404,865
612,000	Sprint Capital Corp., 8.750%, 3/15/2032	688,500
1,609,000	Sprint Communications, Inc., 6.000%, 11/15/2022	1,641,180
985,000	Sprint Corp., 7.125%, 6/15/2024	1,021,938
		<u>39,902,191</u>
<b>Wirelines — 3.2%</b>		
61,415,000	AT&T, Inc., 4.300%, 2/15/2030, 144A	59,062,632
406,000	Bell Canada, Inc., MTN, 7.300%, 2/23/2032, (CAD)	412,221

See accompanying notes to financial statements.

Portfolio of Investments – as of September 30, 2018  
Loomis Sayles Investment Grade Bond Fund – (continued)

Principal Amount (\$)	Description	Value (t)
<b>Wirelines — continued</b>		
\$ 2,936,000	BellSouth Telecommunications LLC, 5.850%, 11/15/2045	\$ 2,940,932
4,990,000	CenturyLink, Inc., Series G, 6.875%, 1/15/2028	4,790,899
2,738,000	CenturyLink, Inc., Series P, 7.600%, 9/15/2039	2,443,665
2,710,000	CenturyLink, Inc., Series S, 6.450%, 6/15/2021	2,811,625
195,000	Cincinnati Bell Telephone Co. LLC, 6.300%, 12/01/2028	182,325
14,475,000	Embarq Corp., 7.995%, 6/01/2036	14,475,000
910,000	Frontier Communications Corp., 7.125%, 1/15/2023	643,825
265,000	Frontier Communications Corp., 7.875%, 1/15/2027	155,025
455,000	Frontier Communications Corp., 9.000%, 8/15/2031	288,925
2,755,000	Qwest Capital Funding, Inc., 6.875%, 7/15/2028	2,554,711
4,370,000	Qwest Capital Funding, Inc., 7.625%, 8/03/2021	4,517,444
2,694,000	Qwest Capital Funding, Inc., 7.750%, 2/15/2031	2,502,052
12,308,000	Qwest Corp., 6.875%, 9/15/2033	12,239,697
9,077,000	Qwest Corp., 7.250%, 9/15/2025	9,792,652
2,490,000	Telecom Italia Capital S.A., 6.000%, 9/30/2034	2,371,725
5,775,000	Telecom Italia Capital S.A., 6.375%, 11/15/2033	5,659,500
4,100,000	Telefonica Emisiones SAU, EMTN, 5.289%, 12/09/2022, (GBP)	6,016,273
9,100,000	Telefonica Emisiones SAU, EMTN, 5.375%, 2/02/2026, (GBP)	13,697,373
31,293,000	Verizon Communications, Inc., 4.329%, 9/21/2028, 144A	31,451,030
		<u>179,009,531</u>
	Total Non-Convertible Bonds (Identified Cost \$3,072,836,919)	<u>3,006,465,729</u>
<b>Convertible Bonds — 1.5%</b>		
<b>Cable Satellite — 0.2%</b>		
9,050,000	DISH Network Corp., 2.375%, 3/15/2024	8,021,323
6,190,000	DISH Network Corp., 3.375%, 8/15/2026	5,903,811
		<u>13,925,134</u>
<b>Finance Companies — 0.1%</b>		
3,905,000	Euronet Worldwide, Inc., 1.500%, 10/01/2044	5,437,986
<b>REITs – Mortgage — 0.2%</b>		
8,710,000	iStar, Inc., 3.125%, 9/15/2022, 144A	8,467,305
<b>Technology — 1.0%</b>		
46,000,000	Booking Holdings, Inc., 0.900%, 9/15/2021	54,576,608
337,678	Liberty Interactive LLC, 3.500%, 1/15/2031	438,766
		<u>55,015,374</u>
	Total Convertible Bonds (Identified Cost \$71,527,508)	<u>82,845,799</u>
<b>Municipals — 0.3%</b>		
<b>Illinois — 0.2%</b>		
9,150,000	State of Illinois, 5.100%, 6/01/2033	8,781,712

Portfolio of Investments – as of September 30, 2018  
Loomis Sayles Investment Grade Bond Fund – (continued)

Principal Amount (₹)	Description	Value (₹)
	<b>Michigan — 0.0%</b>	
\$ 1,660,000	Michigan Tobacco Settlement Finance Authority Taxable Turbo, Series A, 7.309%, 6/01/2034	\$ 1,681,630
	<b>Virginia — 0.1%</b>	
7,705,000	Virginia Tobacco Settlement Financing Corp., Series A-1, 6.706%, 6/01/2046	7,637,967
	Total Municipals (Identified Cost \$16,412,481)	18,101,309
	Total Bonds and Notes (Identified Cost \$3,160,776,908)	3,107,412,837

**Shares**

**Common Stocks — 0.7%**

	<b>Automobiles — 0.7%</b>	
4,063,816	Ford Motor Co. (Identified Cost \$34,826,997)	37,590,298

**Preferred Stocks — 0.1%**

	<b>Independent Energy — 0.1%</b>	
43,031	Chesapeake Energy Corp., 5.000% (Identified Cost \$3,673,619)	2,652,000

**Principal Amount (₹)**

**Short-Term Investments — 36.0%**

\$ 25,000,000	Federal Home Loan Bank Discount Notes, 1.955%, 10/10/2018(k)	24,986,800
106,313,572	Tri-Party Repurchase Agreement with Fixed Income Clearing Corporation, dated 9/28/2018 at 1.300% to be repurchased at \$106,325,089 on 10/01/2018 collateralized by \$61,345,000 Federal Home Loan Mortgage Corp., 3.750% due 3/27/2019 valued at \$61,745,828; \$47,065,000 Federal Home Loan Mortgage Corp., 1.250% due 10/02/2019 valued at \$46,696,387 including accrued interest (Note 2 of Notes to Financial Statements)	106,313,572
125,000,000	U.S. Treasury Bills, 1.969% - 1.985%, 11/01/2018(k)(l)	124,777,995
300,000,000	U.S. Treasury Bills, 1.995%, 11/08/2018(k)	299,344,500
25,000,000	U.S. Treasury Bills, 2.030%, 11/15/2018(k)	24,934,961
200,000,000	U.S. Treasury Bills, 2.060%, 11/29/2018(k)	199,304,292
267,820,000	U.S. Treasury Bills, 2.075%, 10/18/2018(k)	267,558,522
400,000,000	U.S. Treasury Bills, 2.080% - 2.086%, 12/06/2018(k)(l)	398,439,832
350,000,000	U.S. Treasury Bills, 2.118%, 12/20/2018(k)	348,344,304
32,180,000	U.S. Treasury Bills, 2.140%, 12/27/2018(k)	32,012,604

Portfolio of Investments – as of September 30, 2018  
Loomis Sayles Investment Grade Bond Fund – (continued)

Principal Amount (¢)	Description	Value (t)
<b>Short-Term Investments — (continued)</b>		
\$ 180,000,000	U.S. Treasury Bills, 2.160% - 2.200%, 04/25/2019(k)(l)	\$ 177,587,224
	Total Short-Term Investments (Identified Cost \$2,003,856,102)	<u>2,003,604,606</u>
	Total Investments — 92.7% (Identified Cost \$5,203,133,626)	5,151,259,741
	Other assets less liabilities — 7.3%	<u>407,315,550</u>
	Net Assets — 100.0%	<u>\$ 5,558,575,291</u>

- (¢) Principal Amount stated in U.S. dollars unless otherwise noted.
- (t) See Note 2 of Notes to Financial Statements.
- (††) Amount shown represents units. One unit represents a principal amount of 25.
- (†††) Amount shown represents units. One unit represents a principal amount of 100.
- (a) Level 3 security. Value has been determined using significant unobservable inputs. See Note 3 of Notes to Financial Statements.
- (b) Securities classified as fair valued pursuant to the Fund’s pricing policies and procedures. At September 30, 2018, the value of these securities amounted to \$116,035,671 or 2.1% of net assets. See Note 2 of Notes to Financial Statements.
- (c) Illiquid security. (Unaudited)
- (d) Variable rate security. Rate as of September 30, 2018 is disclosed.
- (e) Perpetual bond with no specified maturity date.
- (f) The issuer is in default with respect to interest and/or principal payments. Income is not being accrued.
- (g) Payment-in-kind security for which the issuer has the option at each interest payment date of making interest payments in cash or additional principal.
- (h) Fair valued by the Fund’s adviser. At September 30, 2018, the value of this security amounted to \$845 or less than 0.1% of net assets. See Note 2 of Notes to Financial Statements.
- (i) Variable rate security. The interest rate adjusts periodically based on; (i) changes in current interest rates and/or prepayments on underlying pools of assets, if applicable, (ii) reference to a base lending rate plus or minus a margin, and/or (iii) reference to a base lending rate adjusted by a multiplier and/or subject to certain floors or caps. Rate as of September 30, 2018 is disclosed.
- (j) Non-income producing security.
- (k) Interest rate represents discount rate at time of purchase; not a coupon rate.
- (l) The Fund’s investment in U.S. Government/Agency securities is comprised of various lots with differing discount rates. These separate investments, which have the same maturity date, have been aggregated for the purpose of presentation in the Portfolio of Investments.
- 144A All or a portion of these securities are exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At September 30, 2018, the value of Rule 144A holdings amounted to \$635,804,314 or 11.4% of net assets.
- ABS Asset-Backed Securities
- EMTN Euro Medium Term Note
- FHLMC Federal Home Loan Mortgage Corp.

# Portfolio of Investments – as of September 30, 2018

## Loomis Sayles Investment Grade Bond Fund – (continued)

FNMA	Federal National Mortgage Association
GMTN	Global Medium Term Note
LIBOR	London Interbank Offered Rate
MTN	Medium Term Note
PIK	Payment-in-Kind
PJSC	Private Joint-Stock Company
REITs	Real Estate Investment Trusts

AUD	Australian Dollar
BRL	Brazilian Real
CAD	Canadian Dollar
EUR	Euro
GBP	British Pound
ISK	Icelandic Krona
MXN	Mexican Peso
NOK	Norwegian Krone
NZD	New Zealand Dollar

### Industry Summary at September 30, 2018

Treasuries	11.9%
Banking	8.1
Finance Companies	4.4
Wirelines	3.2
Life Insurance	2.0
Other Investments, less than 2% each	27.1
Short-Term Investments	<u>36.0</u>
Total Investments	92.7
Other assets less liabilities	<u>7.3</u>
Net Assets	<u><u>100.0%</u></u>

### Currency Exposure Summary at September 30, 2018

United States Dollar	79.2%
Mexican Peso	4.8
Canadian Dollar	3.7
Other, less than 2% each	<u>5.0</u>
Total Investments	92.7
Other assets less liabilities	<u>7.3</u>
Net Assets	<u><u>100.0%</u></u>

Portfolio of Investments – as of September 30, 2018  
Loomis Sayles Strategic Income Fund

Principal Amount (₹)	Description	Value (₹)
<b>Bonds and Notes — 69.6% of Net Assets</b>		
<b>Non-Convertible Bonds — 63.7%</b>		
<b>ABS Other — 0.3%</b>		
\$ 22,378,976	GCA2014 Holdings Ltd., Series 2014-1, Class C, 6.000%, 1/05/2030, 144A(a)(b)(c)(d)	\$ 17,108,727
8,984,885	GCA2014 Holdings Ltd., Series 2014-1, Class D, 7.500%, 1/05/2030, 144A(a)(b)(c)(d)	3,571,492
42,000,000	GCA2014 Holdings Ltd., Series 2014-1, Class E, Zero Coupon, 1/05/2030, 144A(a)(b)(c)(d)(e)	—
9,440,756	Global Container Assets Ltd., Series 2015-1A, Class B, 4.500%, 2/05/2030, 144A(d)(f)	8,953,489
		29,633,708
<b>Aerospace &amp; Defense — 1.0%</b>		
620,000	Bombardier, Inc., 7.350%, 12/22/2026, 144A, (CAD)	492,645
10,225,000	Bombardier, Inc., 7.450%, 5/01/2034, 144A	10,364,162
3,145,000	Embraer Netherlands Finance BV, 5.400%, 2/01/2027	3,207,900
9,576,000	Leonardo U.S. Holdings, Inc., 6.250%, 1/15/2040, 144A	9,995,525
8,815,000	Leonardo U.S. Holdings, Inc., 7.375%, 7/15/2039, 144A	10,225,400
5,310,000	Textron Financial Corp., 3-month LIBOR + 1.735%, 4.049%, 2/15/2067, 144A(g)	4,632,975
24,513,000	TransDigm, Inc., 6.500%, 7/15/2024	25,113,568
17,765,000	TransDigm, Inc., 6.500%, 5/15/2025	18,098,094
		82,130,269
<b>Airlines — 2.8%</b>		
130,040,000	American Airlines Group, Inc., 5.500%, 10/01/2019, 144A	131,828,050
10,946,717	American Airlines Pass Through Certificates, Series 2013-1, Class A, 4.000%, 1/15/2027	10,886,401
1,959,407	American Airlines Pass Through Certificates, Series 2016-3, Class B, 3.750%, 4/15/2027	1,891,572
1,963,081	Continental Airlines Pass Through Certificates, Series 2012-1, Class B, 6.250%, 10/11/2021	2,011,098
1,936,054	Continental Airlines Pass Through Certificates, Series 2012-2, Class B, 5.500%, 4/29/2022	1,974,427
930	Continental Airlines Pass Through Trust, Series 1999-2, Class B, 7.566%, 9/15/2021	973
240,530	Continental Airlines Pass Through Trust, Series 2001-1, Class A-1, 6.703%, 12/15/2022	253,166
445,691	Northwest Airlines, Inc., Series 2002-1, Class G2, (MBIA Insured), 6.264%, 5/20/2023(a)	455,986
32,758,234	US Airways Pass Through Trust, Series 2011-1B, Class B, 9.750%, 4/22/2020	32,923,008
4,858,893	US Airways Pass Through Trust, Series 2012-1B, Class B, 8.000%, 4/01/2021	5,065,396
48,950,000	Virgin Australia Holdings Ltd., 8.500%, 11/15/2019, 144A	49,684,250
1,464,426	Virgin Australia Pass Through Certificates, Series 2013-1B, 6.000%, 4/23/2022, 144A	1,485,616
1,032,606	Virgin Australia Pass Through Certificates, Series 2013-1C, 7.125%, 10/23/2018, 144A	1,027,752
		239,487,695



Portfolio of Investments – as of September 30, 2018  
Loomis Sayles Strategic Income Fund – (continued)

Principal Amount (\$)	Description	Value (t)
<b>Automotive — 0.4%</b>		
\$ 1,210,000	Allison Transmission, Inc., 4.750%, 10/01/2027, 144A	\$ 1,141,938
1,220,000	Ford Motor Co., 6.625%, 2/15/2028	1,287,991
1,345,000	Ford Motor Co., 7.500%, 8/01/2026	1,526,120
4,795,000	Goodyear Tire & Rubber Co. (The), 4.875%, 3/15/2027	4,405,406
4,977,000	Goodyear Tire & Rubber Co. (The), 7.000%, 3/15/2028	5,176,080
26,055,000	Midas Intermediate Holdco II LLC/Midas Intermediate Holdco II Finance, Inc., 7.875%, 10/01/2022, 144A	23,058,675
		<u>36,596,210</u>
<b>Banking — 4.9%</b>		
6,000,000	Ally Financial, Inc., 8.000%, 11/01/2031	7,267,500
983,000	Bank of America Corp., (fixed rate to 12/20/2027, variable rate thereafter), 3.419%, 12/20/2028	922,634
265,000	Bank of America Corp., MTN, 4.250%, 10/22/2026	261,963
7,045,000	Bank of America Corp., Series L, MTN, 4.183%, 11/25/2027	6,876,145
10,000,000	Bank of Nova Scotia (The), 2.462%, 3/14/2019, (CAD)	7,754,268
36,445,000	Citigroup, Inc., 5.130%, 11/12/2019, (NZD)	24,772,136
3,450,000	Cooperatieve Rabobank UA, 3.950%, 11/09/2022	3,430,387
2,165,000	Deutsche Bank AG, (fixed rate to 12/01/2027, variable rate thereafter), 4.875%, 12/01/2032	1,923,711
25,000,000	Goldman Sachs Group, Inc. (The), 3.550%, 2/12/2021, (CAD)	19,549,026
19,245,000	Intesa Sanpaolo SpA, 5.017%, 6/26/2024, 144A	17,366,411
45,620,000	JPMorgan Chase & Co., 4.250%, 11/02/2018, (NZD)	30,288,869
36,195,000	Morgan Stanley, 4.350%, 9/08/2026	35,915,773
35,325,000	Morgan Stanley, 4.750%, 11/16/2018, (AUD)	25,610,818
185,000,000	Morgan Stanley, GMTN, 5.000%, 9/30/2021, (AUD)	141,107,912
46,735,000	Morgan Stanley, MTN, 4.100%, 5/22/2023	47,024,317
10,000,000	Morgan Stanley, MTN, 6.250%, 8/09/2026	11,241,373
53,095,000	Morgan Stanley, Series MPLE, 3.125%, 8/05/2021, (CAD)	41,122,368
		<u>422,435,611</u>
<b>Brokerage — 1.3%</b>		
3,325,000	Jefferies Finance LLC/JFIN Co-Issuer Corp., 6.875%, 4/15/2022, 144A	3,341,625
1,675,000	Jefferies Finance LLC/JFIN Co-Issuer Corp., 7.250%, 8/15/2024, 144A	1,624,750
22,540,000	Jefferies Finance LLC/JFIN Co-Issuer Corp., 7.500%, 4/15/2021, 144A	23,047,150
43,025,000	Jefferies Group LLC, 5.125%, 1/20/2023	44,486,929
20,010,000	Jefferies Group LLC, 6.250%, 1/15/2036	20,239,681
15,215,000	Jefferies Group LLC, 6.450%, 6/08/2027	16,481,574
		<u>109,221,709</u>
<b>Building Materials — 0.3%</b>		
5,565,000	American Woodmark Corp., 4.875%, 3/15/2026, 144A	5,314,575
1,859,000	Masco Corp., 6.500%, 8/15/2032	2,037,490
195,000	Masco Corp., 7.125%, 3/15/2020	204,807
1,226,000	Masco Corp., 7.750%, 8/01/2029	1,454,245
10,800,000	Owens Corning, 7.000%, 12/01/2036	12,304,767
		<u>21,315,884</u>

Portfolio of Investments – as of September 30, 2018  
Loomis Sayles Strategic Income Fund – (continued)

Principal Amount (\$)	Description	Value (t)
<b>Cable Satellite — 1.3%</b>		
\$ 850,000	CCO Holdings LLC/CCO Holdings Capital Corp., 5.125%, 5/01/2023, 144A	\$ 851,318
975,000	CCO Holdings LLC/CCO Holdings Capital Corp., 5.375%, 5/01/2025, 144A	967,687
3,315,000	CCO Holdings LLC/CCO Holdings Capital Corp., 5.750%, 1/15/2024	3,368,869
4,360,000	CCO Holdings LLC/CCO Holdings Capital Corp., 5.875%, 5/01/2027, 144A	4,321,850
17,880,000	CSC Holdings LLC, 5.375%, 2/01/2028, 144A	17,030,700
17,679,000	DISH DBS Corp., 5.875%, 11/15/2024	15,844,804
25,270,000	Shaw Communications, Inc., 5.650%, 10/01/2019, (CAD)	20,120,723
4,835,000	Time Warner Cable LLC, 4.500%, 9/15/2042	4,126,153
135,000	Time Warner Cable LLC, 5.875%, 11/15/2040	136,298
11,275,000	Videotron Ltd., 5.625%, 6/15/2025, 144A, (CAD)	9,016,246
7,000,000	Virgin Media Finance PLC, 6.000%, 10/15/2024, 144A	7,004,760
20,300,000	VTR Finance BV, 6.875%, 1/15/2024, 144A	20,655,250
5,165,000	Ziggo BV, 5.500%, 1/15/2027, 144A	4,846,061
		108,290,719
<b>Chemicals — 2.0%</b>		
19,810,000	Aruba Investments, Inc., 8.750%, 2/15/2023, 144A	20,602,400
3,416,000	Chemours Co. (The), 6.625%, 5/15/2023	3,568,319
18,254,000	Consolidated Energy Finance S.A., 6.500%, 5/15/2026, 144A	18,436,540
26,164,000	Hexion, Inc., 7.875%, 2/15/2023(d)(f)	20,931,200
8,757,000	Hexion, Inc., 9.200%, 3/15/2021(d)(f)	7,093,170
16,660,000	Hexion, Inc./Hexion Nova Scotia Finance ULC, 9.000%, 11/15/2020	13,841,628
90,205,000	INVISTA Finance LLC, 4.250%, 10/15/2019, 144A	90,092,244
885,000	TPC Group, Inc., 8.750%, 12/15/2020, 144A	882,787
		175,448,288
<b>Construction Machinery — 0.1%</b>		
1,310,000	United Rentals North America, Inc., 4.875%, 1/15/2028	1,228,125
5,105,000	United Rentals North America, Inc., 5.750%, 11/15/2024	5,252,024
		6,480,149
<b>Consumer Cyclical Services — 0.1%</b>		
5,500,000	ServiceMaster Co. LLC (The), 7.450%, 8/15/2027	5,781,875
<b>Consumer Products — 0.1%</b>		
11,880,000	Avon Products, Inc., 8.950%, 3/15/2043	10,632,600
<b>Electric — 1.0%</b>		
5,093,000	AES Corp. (The), 4.875%, 5/15/2023	5,137,564
9,371,000	AES Corp. (The), 5.500%, 4/15/2025	9,597,591
31,888,312	Alta Wind Holdings LLC, 7.000%, 6/30/2035, 144A	34,075,497
29,959,000	EDP Finance BV, 4.125%, 1/15/2020, 144A	30,111,192
3,570,000	Empresa Nacional de Electricidad S.A., 7.875%, 2/01/2027	4,314,222
5,991,000	Vistra Energy Corp., 7.625%, 11/01/2024	6,447,814
		89,683,880
<b>Finance Companies — 3.4%</b>		
9,075,000	iStar, Inc., 5.000%, 7/01/2019	9,090,201
2,260,000	Navient Corp., 5.875%, 10/25/2024	2,214,800
109,950(††)	Navient Corp., 6.000%, 12/15/2043	2,444,830

Portfolio of Investments – as of September 30, 2018  
Loomis Sayles Strategic Income Fund – (continued)

Principal Amount (\$)	Description	Value (t)
<b>Finance Companies — continued</b>		
\$ 30,265,000	Navient Corp., MTN, 6.125%, 3/25/2024	\$ 30,265,000
22,945,000	Navient LLC, 5.500%, 1/25/2023	22,887,638
7,780,000	Navient LLC, MTN, 5.500%, 1/15/2019	7,818,900
6,490,000	Navient LLC, MTN, 7.250%, 1/25/2022	6,846,950
50,910,000	Navient LLC, Series A, MTN, 5.625%, 8/01/2033	42,637,125
45,875,000	Springleaf Finance Corp., 5.250%, 12/15/2019	46,505,781
23,115,000	Springleaf Finance Corp., 6.875%, 3/15/2025	23,057,212
4,075,000	Springleaf Finance Corp., 7.125%, 3/15/2026	4,054,625
26,970,000	Springleaf Finance Corp., 7.750%, 10/01/2021	29,093,348
55,015,000	Springleaf Finance Corp., 8.250%, 10/01/2023	60,654,037
		<hr/> 287,570,447
<b>Gaming — 0.1%</b>		
5,475,000	International Game Technology PLC, 6.250%, 1/15/2027, 144A	5,542,890
<b>Government Owned – No Guarantee — 0.8%</b>		
22,160,000	Pertamina Persero PT, 6.450%, 5/30/2044, 144A	24,067,754
21,145,000	Petrobras Global Finance BV, 4.375%, 5/20/2023	20,083,521
30,955,000	Petrobras Global Finance BV, 5.625%, 5/20/2043	25,073,550
		<hr/> 69,224,825
<b>Healthcare — 3.2%</b>		
40,686,000	HCA, Inc., 5.875%, 5/01/2023	42,923,730
14,620,000	HCA, Inc., 7.050%, 12/01/2027	15,679,950
20,447,000	HCA, Inc., 7.500%, 12/15/2023	22,491,700
24,215,000	HCA, Inc., 7.500%, 11/06/2033	26,246,154
14,056,000	HCA, Inc., 7.690%, 6/15/2025	15,707,580
32,745,000	HCA, Inc., 8.360%, 4/15/2024	37,247,437
10,815,000	HCA, Inc., MTN, 7.580%, 9/15/2025	12,031,688
9,492,000	HCA, Inc., MTN, 7.750%, 7/15/2036	10,346,280
955,000	Tenet Healthcare Corp., 4.375%, 10/01/2021	950,865
18,365,000	Tenet Healthcare Corp., 5.125%, 5/01/2025	18,089,525
37,980,000	Tenet Healthcare Corp., 6.750%, 6/15/2023	37,837,575
35,329,000	Tenet Healthcare Corp., 6.875%, 11/15/2031	31,626,521
1,015,000	Tenet Healthcare Corp., 7.500%, 1/01/2022, 144A	1,059,406
990,000	Tenet Healthcare Corp., 8.125%, 4/01/2022	1,043,262
		<hr/> 273,281,673
<b>Home Construction — 0.9%</b>		
151,000	Beazer Homes USA, Inc., 7.250%, 2/01/2023	148,735
13,360,000	K. Hovnanian Enterprises, Inc., 5.000%, 11/01/2021	11,935,423
47,260,000	PulteGroup, Inc., 6.000%, 2/15/2035	44,542,550
13,190,000	PulteGroup, Inc., 6.375%, 5/15/2033	12,663,851
10,305,000	TRI Pointe Group, Inc./TRI Pointe Homes, Inc., 4.375%, 6/15/2019	10,356,525
195,000	TRI Pointe Group, Inc./TRI Pointe Homes, Inc., 5.875%, 6/15/2024	193,538
		<hr/> 79,840,622
<b>Independent Energy — 4.3%</b>		
595,000	Anadarko Petroleum Corp., 3.450%, 7/15/2024	572,757
540,000	Anadarko Petroleum Corp., 4.500%, 7/15/2044	494,602

See accompanying notes to financial statements.

Portfolio of Investments – as of September 30, 2018  
Loomis Sayles Strategic Income Fund – (continued)

Principal Amount (\$)	Description	Value (t)
<b>Independent Energy — continued</b>		
\$ 4,810,000	Antero Resources Corp., 5.625%, 6/01/2023	\$ 4,924,237
18,736,000	Ascent Resources Utica Holdings LLC/ARU Finance Corp., 10.000%, 4/01/2022, 144A	21,078,000
8,145,000	Baytex Energy Corp., 5.125%, 6/01/2021, 144A	8,022,825
8,225,000	Baytex Energy Corp., 5.625%, 6/01/2024, 144A	7,854,875
17,375,000	Bellatrix Exploration Ltd., 8.500%, 5/15/2020, 144A(d)(f)	10,642,187
8,645,000	California Resources Corp., 5.500%, 9/15/2021	7,962,909
1,188,000	California Resources Corp., 6.000%, 11/15/2024	1,009,800
50,620,000	California Resources Corp., 8.000%, 12/15/2022, 144A	48,342,100
1,310,000	Chesapeake Energy Corp., 4.875%, 4/15/2022	1,272,338
55,000	Chesapeake Energy Corp., 6.875%, 11/15/2020	57,613
21,335,000	Chesapeake Energy Corp., 8.000%, 1/15/2025	22,001,719
39,020,000	Chesapeake Energy Corp., 8.000%, 6/15/2027	39,800,400
15,215,000	Continental Resources, Inc., 3.800%, 6/01/2024	14,920,771
5,450,000	Continental Resources, Inc., 4.500%, 4/15/2023	5,545,931
440,000	Continental Resources, Inc., 5.000%, 9/15/2022	446,380
19,290,000	Eclipse Resources Corp., 8.875%, 7/15/2023	19,627,575
1,567,000	Halcon Resources Corp., 6.750%, 2/15/2025	1,504,320
15,580,000	Lonestar Resources America, Inc., 11.250%, 1/01/2023, 144A	17,099,050
180,000	MEG Energy Corp., 6.375%, 1/30/2023, 144A	163,800
12,740,000	MEG Energy Corp., 7.000%, 3/31/2024, 144A	11,625,250
1,065,000	Oasis Petroleum, Inc., 6.875%, 1/15/2023	1,083,638
7,170,000	Pan American Energy LLC/Argentine Branch, 7.875%, 5/07/2021, 144A	7,296,909
2,055,000	QEP Resources, Inc., 5.250%, 5/01/2023	2,001,056
18,400,000	Rex Energy Corp., 8.000%, 10/01/2020(h)	4,968,000
17,908,000	Sanchez Energy Corp., 6.125%, 1/15/2023	10,207,560
9,520,000	Sanchez Energy Corp., 7.750%, 6/15/2021	6,664,000
8,241,000	SM Energy Co., 5.000%, 1/15/2024	8,024,674
15,904,000	SM Energy Co., 6.125%, 11/15/2022	16,381,120
1,110,000	Southwestern Energy Co., 6.200%, 1/23/2025	1,101,675
14,955,000	Vine Oil & Gas LP/Vine Oil & Gas Finance Corp., 8.750%, 4/15/2023, 144A	14,618,512
19,960,000	Whiting Petroleum Corp., 5.750%, 3/15/2021	20,459,000
3,550,000	Whiting Petroleum Corp., 6.250%, 4/01/2023	3,674,782
21,785,000	Whiting Petroleum Corp., 6.625%, 1/15/2026	22,656,400
		364,106,765
<b>Life Insurance — 0.7%</b>		
15,000,000	Global Atlantic Fin Co., 8.625%, 4/15/2021, 144A	16,588,199
20,000,000	National Life Insurance Co., 10.500%, 9/15/2039, 144A(d)(f)	31,928,194
8,920,000	NLV Financial Corp., 7.500%, 8/15/2033, 144A(d)(f)	10,830,407
		59,346,800
<b>Local Authorities — 0.8%</b>		
95,480,000	New South Wales Treasury Corp., 4.000%, 4/08/2021, (AUD)	72,043,034
<b>Media Entertainment — 1.2%</b>		
1,000,000	Clear Channel Worldwide Holdings, Inc., Series B, 7.625%, 3/15/2020	1,002,500
111,590,000	Grupo Televisa SAB, EMTN, 7.250%, 5/14/2043, (MXN)	4,223,295
16,770,000	iHeartCommunications, Inc., 9.000%, 12/15/2019(h)	12,619,425

Portfolio of Investments – as of September 30, 2018  
Loomis Sayles Strategic Income Fund – (continued)

Principal Amount (\$)	Description	Value (t)
<b>Media Entertainment — continued</b>		
\$ 47,480,000	iHeartCommunications, Inc., 9.000%, 3/01/2021(h)	\$ 35,372,600
33,370,000	iHeartCommunications, Inc., 9.000%, 9/15/2022(h)	25,152,637
7,180,000	Outfront Media Capital LLC/Outfront Media Capital Corp., 5.250%, 2/15/2022	7,269,750
17,950,000	Outfront Media Capital LLC/Outfront Media Capital Corp., 5.875%, 3/15/2025	18,129,500
		<u>103,769,707</u>
<b>Metals &amp; Mining — 1.1%</b>		
8,202,122	1839688 Alberta ULC, PIK, 14.000%, 2/13/2020(a)(b)(d)(h)(i)	4,101
2,000,000	AK Steel Corp., 7.625%, 10/01/2021	2,037,500
25,271,000	ArcelorMittal, 6.750%, 3/01/2041	28,837,418
8,705,000	Barrick North America Finance LLC, 5.750%, 5/01/2043	9,664,273
12,315,000	First Quantum Minerals Ltd., 7.250%, 5/15/2022, 144A	12,053,306
1,810,000	First Quantum Minerals Ltd., 7.500%, 4/01/2025, 144A	1,717,238
16,135,000	Russel Metals, Inc., 6.000%, 4/19/2022, 144A, (CAD)	12,647,921
11,719,000	United States Steel Corp., 6.650%, 6/01/2037	10,473,856
2,655,000	United States Steel Corp., 7.375%, 4/01/2020	2,777,794
10,000,000	Worthington Industries, Inc., 6.500%, 4/15/2020	10,391,212
		<u>90,604,619</u>
<b>Midstream — 0.5%</b>		
8,935,000	IFM U.S. Colonial Pipeline 2 LLC, 6.450%, 5/01/2021, 144A	9,412,843
13,667,000	NGL Energy Partners LP/NGL Energy Finance Corp., 6.125%, 3/01/2025	12,812,813
882,000	NGL Energy Partners LP/NGL Energy Finance Corp., 6.875%, 10/15/2021	898,493
8,125,000	NGL Energy Partners LP/NGL Energy Finance Corp., 7.500%, 11/01/2023	8,125,000
505,000	NGPL PipeCo LLC, 7.768%, 12/15/2037, 144A	618,625
11,820,000	Summit Midstream Partners LP, Series A, (fixed rate to 12/15/2022, variable rate thereafter), 9.500%(j)	11,738,915
		<u>43,606,689</u>
<b>Non-Agency Commercial Mortgage-Backed Securities — 0.1%</b>		
2,317,295	GS Mortgage Securities Trust, Series 2007-GG10, Class AM, 5.977%, 8/10/2045(k)	2,347,852
3,442,205	Institutional Mortgage Securities Canada, Inc., Series 2014-5A, Class A1, 2.003%, 7/12/2047, 144A, (CAD)	2,660,943
		<u>5,008,795</u>
<b>Oil Field Services — 2.6%</b>		
11,165,000	EnSCO PLC, 7.750%, 2/01/2026	11,081,263
7,120,000	Global Marine, Inc., 7.000%, 6/01/2028	7,155,600
12,610,000	Noble Holding International Ltd., 7.750%, 1/15/2024	12,515,425
19,385,000	Noble Holding International Ltd., 7.875%, 2/01/2026, 144A	20,111,937
18,385,000	Pioneer Energy Services Corp., 6.125%, 3/15/2022	16,151,958
12,020,000	Precision Drilling Corp., 5.250%, 11/15/2024	11,527,180
474,543	Precision Drilling Corp., 6.500%, 12/15/2021	481,661
2,080,000	Shelf Drilling Holdings Ltd., 8.250%, 2/15/2025, 144A	2,145,000
75,824,250	Transocean Proteus Ltd., 6.250%, 12/01/2024, 144A	77,151,174
39,300,000	Transocean, Inc., 5.800%, 10/15/2022	39,152,625
28,580,000	Transocean, Inc., 6.800%, 3/15/2038	24,721,700
		<u>222,195,523</u>

Portfolio of Investments – as of September 30, 2018  
Loomis Sayles Strategic Income Fund – (continued)

Principal Amount (\$)	Description	Value (t)
<b>Paper — 0.5%</b>		
\$ 15,225,000	Georgia-Pacific LLC, 7.750%, 11/15/2029	\$ 20,013,757
4,865,000	WestRock MWV LLC, 7.950%, 2/15/2031	6,281,614
8,750,000	WestRock MWV LLC, 8.200%, 1/15/2030	11,362,814
2,840,000	Weyerhaeuser Co., 6.950%, 10/01/2027	3,330,036
		40,988,221
<b>Property &amp; Casualty Insurance — 0.6%</b>		
12,510,000	MBIA Insurance Corp., 3-month LIBOR + 11.260%, 13.599%, 1/15/2033, 144A(e)(g)	7,678,013
25,465,000	Nationstar Mortgage Holdings, Inc., 9.125%, 7/15/2026, 144A	26,674,587
17,870,000	XL Group PLC, 3-month LIBOR + 2.458%, 4.797%(g)(j)	17,613,119
		51,965,719
<b>Retailers — 0.7%</b>		
3,325,000	Dillard's, Inc., 7.000%, 12/01/2028	3,487,160
1,500,000	Dillard's, Inc., 7.750%, 7/15/2026	1,655,955
5,110,000	Foot Locker, Inc., 8.500%, 1/15/2022	5,761,525
7,000	J.C. Penney Corp., Inc., 5.650%, 6/01/2020	6,265
27,224,000	J.C. Penney Corp., Inc., 6.375%, 10/15/2036	10,889,600
2,510,000	J.C. Penney Corp., Inc., 7.625%, 3/01/2097	953,800
12,275,000	Macy's Retail Holdings, Inc., 6.790%, 7/15/2027	13,187,903
6,365,000	Marks & Spencer PLC, 7.125%, 12/01/2037, 144A	6,819,470
17,163,000	TRU Taj LLC/TRU Taj Finance, Inc., 11.000%, 1/22/2019, 144A	17,578,344
		60,340,022
<b>Supermarkets — 1.9%</b>		
11,495,000	Albertson's Cos. LLC/Safeway, Inc./New Albertson's, Inc./Albertson's LLC, 5.750%, 3/15/2025	10,345,500
9,465,000	Albertson's Cos. LLC/Safeway, Inc./New Albertson's, Inc./Albertson's LLC, 6.625%, 6/15/2024	9,098,231
87,475,000	New Albertsons LP, 7.450%, 8/01/2029	72,166,875
25,595,000	New Albertsons LP, 7.750%, 6/15/2026	22,324,983
28,915,000	New Albertsons LP, 8.000%, 5/01/2031	24,577,750
9,390,000	New Albertsons LP, 8.700%, 5/01/2030	8,286,675
18,387,000	New Albertsons LP, Series C, MTN, 6.625%, 6/01/2028	13,928,153
2,290,000	Safeway, Inc., 7.250%, 2/01/2031	2,181,225
		162,909,392
<b>Technology — 1.1%</b>		
4,537,000	Advanced Micro Devices, Inc., 7.000%, 7/01/2024	4,786,535
17,060,000	Amkor Technology, Inc., 6.375%, 10/01/2022	17,361,962
56,340,000	KLA-Tencor Corp., 4.650%, 11/01/2024	57,731,788
15,170,000	KLA-Tencor Corp., 5.650%, 11/01/2034	16,080,573
150,000	Samsung Electronics Co. Ltd., 7.700%, 10/01/2027, 144A	169,863
		96,130,721
<b>Transportation Services — 0.1%</b>		
10,503,000	APL Ltd., 8.000%, 1/15/2024(d)(f)	9,452,700

Portfolio of Investments – as of September 30, 2018  
Loomis Sayles Strategic Income Fund – (continued)

Principal Amount (#)	Description	Value (t)
<b>Treasuries — 18.4%</b>		
312,000,000	Canadian Government International Bond, 0.750%, 9/01/2020, (CAD)	\$ 234,974,056
80,645,000	Canadian Government International Bond, 1.750%, 9/01/2019, (CAD)	62,277,058
1,010,000	Hellenic Republic Government Bond, Series PSI, (Step to 3.650% on 2/24/2020), 3.000%, 2/24/2024, (EUR)(I)	1,162,209
1,100,000	Hellenic Republic Government Bond, Series PSI, (Step to 3.650% on 2/24/2020), 3.000%, 2/24/2035, (EUR)(I)	1,099,147
4,000,000	Hellenic Republic Government Bond, Series PSI, (Step to 3.650% on 2/24/2020), 3.000%, 2/24/2036, (EUR)(I)	3,947,934
4,455,000	Hellenic Republic Government Bond, Series PSI, (Step to 3.650% on 2/24/2020), 3.000%, 2/24/2037, (EUR)(I)	4,359,257
5,820,000	Hellenic Republic Government Bond, Series PSI, (Step to 3.650% on 2/24/2020), 3.000%, 2/24/2038, (EUR)(I)	5,641,769
4,000,000	Hellenic Republic Government Bond, Series PSI, (Step to 3.650% on 2/24/2020), 3.000%, 2/24/2039, (EUR)(I)	3,872,178
4,680,000	Hellenic Republic Government Bond, Series PSI, (Step to 3.650% on 2/24/2020), 3.000%, 2/24/2040, (EUR)(I)	4,513,859
5,970,000	Hellenic Republic Government Bond, Series PSI, (Step to 3.650% on 2/24/2020), 3.000%, 2/24/2041, (EUR)(I)	5,767,012
4,000,000	Hellenic Republic Government Bond, Series PSI, (Step to 3.650% on 2/24/2020), 3.000%, 2/24/2042, (EUR)(I)	3,874,843
1,605,660,000	Iceland Government International Bond, 7.250%, 10/26/2022, (ISK)	13,185,082
4,496,156,000	Iceland Government International Bond, 8.750%, 2/26/2019, (ISK)	35,387,188
10,000,000(†††)	Mexican Fixed Rate Bonds, Series M, 5.750%, 3/05/2026, (MXN)	47,130,491
9,930,439(†††)	Mexican Fixed Rate Bonds, Series M, 6.500%, 6/10/2021, (MXN)	51,444,705
4,250,000(†††)	Mexican Fixed Rate Bonds, Series M, 7.750%, 5/29/2031, (MXN)	22,220,864
7,740,000(†††)	Mexican Fixed Rate Bonds, Series M-20, 7.500%, 6/03/2027, (MXN)	40,244,360
27,224,481(†††)	Mexican Fixed Rate Bonds, Series M-20, 8.000%, 12/07/2023, (MXN)	146,893,489
3,035,000(†††)	Mexican Fixed Rate Bonds, Series M-20, 8.500%, 5/31/2029, (MXN)	16,825,810
21,700,000(†††)	Mexican Fixed Rate Bonds, Series M-20, 10.000%, 12/05/2024, (MXN)	128,516,319
252,700,000	New Zealand Government Bond, 5.000%, 3/15/2019, (NZD)	170,010,199
175,365,000	New Zealand Government Bond, 6.000%, 5/15/2021, (NZD)	128,738,536
458,725,000	Norway Government Bond, 3.750%, 5/25/2021, 144A, (NOK)	59,998,496
658,049,000	Norway Government Bond, 4.500%, 5/22/2019, 144A, (NOK)	82,746,766
162,850,000	Republic of Brazil, 8.500%, 1/05/2024, (BRL)	39,214,972
55,925,000	Republic of Brazil, 10.250%, 1/10/2028, (BRL)	14,522,872
250,000,000	U.S. Treasury Note, 1.000%, 11/30/2018	249,523,303
		<u>1,578,092,774</u>
<b>Wireless — 1.3%</b>		
293,000,000	America Movil SAB de CV, 6.450%, 12/05/2022, (MXN)	14,351,113
134,600,000	America Movil SAB de CV, 8.460%, 12/18/2036, (MXN)	6,293,748
49,955,000	Sprint Capital Corp., 6.875%, 11/15/2028	50,204,775
6,260,000	Sprint Capital Corp., 8.750%, 3/15/2032	7,042,500
21,052,000	Sprint Communications, Inc., 6.000%, 11/15/2022	21,473,040
8,200,000	Sprint Corp., 7.125%, 6/15/2024	8,507,500
4,727,000	Sprint Corp., 7.250%, 9/15/2021	4,998,802
		<u>112,871,478</u>

See accompanying notes to financial statements.

Portfolio of Investments – as of September 30, 2018  
Loomis Sayles Strategic Income Fund – (continued)

Principal Amount (\$)	Description	Value (t)
<b>Wirelines — 3.8%</b>		
4,370,000	Bell Canada, Inc., MTN, 6.550%, 5/01/2029, 144A, (CAD)	\$ 4,096,091
7,545,000	Bell Canada, Inc., Series M-17, 6.100%, 3/16/2035, (CAD)	7,068,987
1,240,000	CenturyLink, Inc., 5.625%, 4/01/2025	1,212,472
7,410,000	CenturyLink, Inc., Series G, 6.875%, 1/15/2028	7,114,341
1,800,000	CenturyLink, Inc., Series P, 7.600%, 9/15/2039	1,606,500
28,385,000	CenturyLink, Inc., Series S, 6.450%, 6/15/2021	29,449,437
7,940,000	CenturyLink, Inc., Series W, 6.750%, 12/01/2023	8,247,675
350,000	Cincinnati Bell Telephone Co. LLC, 6.300%, 12/01/2028	327,250
3,620,000	Cincinnati Bell, Inc., 7.000%, 7/15/2024, 144A	3,321,350
22,335,000	Cincinnati Bell, Inc., 8.000%, 10/15/2025, 144A	20,827,387
8,581,000	Consolidated Communications, Inc., 6.500%, 10/01/2022	8,109,045
3,200,000	Embarq Corp., 7.995%, 6/01/2036	3,200,000
18,725,000	Frontier Communications Corp., 6.875%, 1/15/2025	11,381,617
38,336,000	Frontier Communications Corp., 7.875%, 1/15/2027	22,426,560
25,745,000	Level 3 Parent LLC, 5.750%, 12/01/2022	26,039,780
42,460,000	Qwest Capital Funding, Inc., 6.875%, 7/15/2028	39,373,158
12,463,000	Qwest Capital Funding, Inc., 7.625%, 8/03/2021	12,883,502
25,945,000	Qwest Capital Funding, Inc., 7.750%, 2/15/2031	24,096,419
26,401,000	Qwest Corp., 6.875%, 9/15/2033	26,254,488
30,646,000	Telecom Italia Capital S.A., 6.000%, 9/30/2034	29,190,315
16,440,000	Telecom Italia Capital S.A., 6.375%, 11/15/2033	16,111,200
14,223,000	Verizon Communications, Inc., 4.329%, 9/21/2028, 144A	14,294,826
6,309,000	Windstream Services LLC/Windstream Finance Corp., 9.000%, 6/30/2025, 144A	4,873,703
8,865,000	Windstream Services LLC/Windstream Finance Corp., 10.500%, 6/30/2024, 144A	7,535,250
		<u>329,041,353</u>
	Total Non-Convertible Bonds (Identified Cost \$5,919,807,058)	<u>5,455,073,366</u>
<b>Convertible Bonds — 4.3%</b>		
<b>Building Materials — 0.2%</b>		
16,682,000	KB Home, 1.375%, 2/01/2019	16,929,377
<b>Cable Satellite — 1.7%</b>		
14,660,000	DISH Network Corp., 2.375%, 3/15/2024	12,993,656
138,515,000	DISH Network Corp., 3.375%, 8/15/2026	132,110,898
		<u>145,104,554</u>
<b>Chemicals — 0.1%</b>		
4,135,000	RPM International, Inc., 2.250%, 12/15/2020	5,091,012
<b>Healthcare — 0.1%</b>		
8,835,000	Evolent Health, Inc., 2.000%, 12/01/2021	11,868,206
<b>Independent Energy — 0.4%</b>		
31,000,000	Chesapeake Energy Corp., 5.500%, 9/15/2026	30,620,157
6,625,000	Whiting Petroleum Corp., 1.250%, 4/01/2020	6,353,713
		<u>36,973,870</u>



Portfolio of Investments – as of September 30, 2018  
Loomis Sayles Strategic Income Fund – (continued)

Principal Amount (\$)	Description	Value (t)
	<b>Leisure — 0.3%</b>	
\$ 27,795,000	Rovi Corp., 0.500%, 3/01/2020	\$ 26,213,743
	<b>Midstream — 0.1%</b>	
10,955,000	SM Energy Co., 1.500%, 7/01/2021	11,991,255
	<b>Pharmaceuticals — 0.0%</b>	
1,655,000	BioMarin Pharmaceutical, Inc., 1.500%, 10/15/2020	1,985,343
	<b>REITs – Mortgage — 0.2%</b>	
14,245,000	iStar, Inc., 3.125%, 9/15/2022, 144A	13,848,077
	<b>Technology — 1.2%</b>	
10,415,000	Booking Holdings, Inc., 0.900%, 9/15/2021	12,356,856
5,009,424	Liberty Interactive LLC, 3.500%, 1/15/2031	6,509,055
23,990,000	Nuance Communications, Inc., 1.000%, 12/15/2035	22,642,481
11,265,000	Nuance Communications, Inc., 1.250%, 4/01/2025	11,634,267
39,710,000	Nuance Communications, Inc., 1.500%, 11/01/2035	40,235,006
5,205,000	Western Digital Corp., 1.500%, 2/01/2024, 144A	4,816,556
		98,194,221
	Total Convertible Bonds (Identified Cost \$365,365,365)	368,199,658
	<b>Municipals — 1.6%</b>	
	<b>District of Columbia — 0.1%</b>	
3,850,000	Metropolitan Washington Airports Authority, Series D, 8.000%, 10/01/2047	5,206,971
	<b>Illinois — 0.2%</b>	
17,570,000	State of Illinois, 5.100%, 6/01/2033	16,862,808
	<b>Michigan — 0.1%</b>	
8,930,000	Michigan Tobacco Settlement Finance Authority Taxable Turbo, Series A, 7.309%, 6/01/2034	9,046,358
	<b>Puerto Rico — 0.4%</b>	
63,900,000	Commonwealth of Puerto Rico, GO, Refunding, Series A, 8.000%, 7/01/2035(h)	36,982,125
	<b>Virginia — 0.8%</b>	
69,695,000	Virginia Tobacco Settlement Financing Corp., Series A-1, 6.706%, 6/01/2046	69,088,653
	Total Municipals (Identified Cost \$150,510,547)	137,186,915
	Total Bonds and Notes (Identified Cost \$6,435,682,970)	5,960,459,939
	<b>Loan Participations — 0.1%</b>	
	<b>ABS Other — 0.1%</b>	
8,736,971	Rise Ltd., Series 2014-1, Class B, 6.500%, 2/15/2039 (a)(k) (Identified Cost \$8,802,498)	8,343,807

Portfolio of Investments – as of September 30, 2018  
Loomis Sayles Strategic Income Fund – (continued)

Principal Amount (\$)	Description	Value (t)
<b>Senior Loans — 1.1%</b>		
<b>Chemicals — 0.4%</b>		
\$ 31,355,000	Houghton International, Inc., New 2nd Lien Term Loan, 1-month LIBOR + 8.500%, 10.742%, 12/20/2020(g)	\$ 31,315,806
<b>Construction Machinery — 0.4%</b>		
21,276,992	Onsite Rental Group Pty Ltd., Notes, 6.100%, 10/26/2023, 144A(c)(d)(f)	16,383,284
15,562,263	Onsite Rental Group Pty Ltd., Term Loan B, 1-month LIBOR + 4.500%, 6.716%, 10/26/2022(g)	15,251,017
		<u>31,634,301</u>
<b>Financial Other — 0.2%</b>		
12,682,801	DBRS Ltd., Term Loan, 3-month LIBOR + 5.250%, 7.563%, 3/04/2022(g)	12,698,654
<b>Natural Gas — 0.0%</b>		
1,531,886	Southcross Holdings Borrower LP, Exit Term Loan B, 5.500% PIK, 3.500% Cash, 4/13/2023(m)	1,424,654
<b>Oil Field Services — 0.0%</b>		
2,858,066	Petroleum Geo-Services ASA, New Term Loan B, 3-month LIBOR + 2.500%, 4.886%, 3/19/2021(g)	2,759,835
<b>Retailers — 0.0%</b>		
2,614,748	Toys “R” Us Property Co. I LLC, New Term Loan B, 1-month LIBOR + 5.000%, 7.242%, 8/21/2019(g)(h)	2,244,316
<b>Technology — 0.1%</b>		
9,507,380	IQOR U.S., Inc., 2nd Lien Term Loan, 3-month LIBOR + 8.750%, 11.087%, 4/01/2022(g)	7,244,624
<b>Transportation Services — 0.0%</b>		
2,918,811	OSG Bulk Ships, Inc., OBS Term Loan, 3-month LIBOR + 4.250%, 6.770%, 8/05/2019(g)	2,887,813
	Total Senior Loans (Identified Cost \$100,408,252)	<u>92,210,003</u>
<b>Shares</b>		
<b>Common Stocks — 5.3%</b>		
<b>Aerospace &amp; Defense — 0.4%</b>		
1,423,650	Arconic, Inc.	31,334,536
<b>Diversified Telecommunication Services — 0.0%</b>		
145,667	Cincinnati Bell, Inc.(e)	2,323,389
<b>Media — 0.0%</b>		
303,043	Dex Media, Inc.(c)(e)	3,181,952
<b>Oil, Gas &amp; Consumable Fuels — 0.2%</b>		
1,514	Southcross Holdings LP, Class A(c)(e)	340,650
1,514	Southcross Holdings Group LLC(c)(e)	—
225,503	Paragon Offshore Ltd., Litigation Units, Class B(c)(e)	8,738,241
156,902	Paragon Offshore Ltd., Litigation Units, Class A(c)(e)	126,777
5,886	Frontera Energy Corp.(e)	83,210
846,398	Chesapeake Energy Corp.(e)	3,800,327
		<u>13,089,205</u>

Portfolio of Investments – as of September 30, 2018  
Loomis Sayles Strategic Income Fund – (continued)

Shares	Description	Value (t)
	<b>Pharmaceuticals — 4.7%</b>	
6,514,190	Bristol-Myers Squibb Co.	\$ 404,400,915
	<b>Specialty Retail — 0.0%</b>	
11,662,687	Onsite Rental Group Pty Ltd.(a)(b)(c)(d)(e)	—
	Total Common Stocks (Identified Cost \$248,231,757)	454,329,997
	<b>Preferred Stocks — 1.8%</b>	
	<b>Convertible Preferred Stocks — 1.7%</b>	
	<b>Banking — 0.3%</b>	
19,062	Bank of America Corp., Series L, 7.250%	24,670,994
	<b>Communications — 0.0%</b>	
10,483	Cincinnati Bell, Inc., Series B, 6.750%	513,772
	<b>Energy — 0.1%</b>	
242,297	El Paso Energy Capital Trust I, 4.750%	11,385,536
	<b>Independent Energy — 0.5%</b>	
172,972	Chesapeake Energy Corp., 4.500%	9,323,191
231,033	Chesapeake Energy Corp., 5.000%	14,238,564
32,522	Chesapeake Energy Corp., Series A, 5.750%, 144A	19,475,035
		43,036,790
	<b>Midstream — 0.5%</b>	
18,957	Chesapeake Energy Corp., 5.750%	11,351,954
43,178	Chesapeake Energy Corp., 5.750%, 144A	27,162,852
6,017	Chesapeake Energy Corp., 5.750%	3,785,235
		42,300,041
	<b>REITs – Health Care — 0.1%</b>	
116,700	Welltower, Inc., Series I, 6.500%	7,062,684
	<b>REITs – Mortgage — 0.2%</b>	
325,207	iStar, Inc., Series J, 4.500%	15,437,576
	Total Convertible Preferred Stocks (Identified Cost \$165,100,758)	144,407,393
	<b>Non-Convertible Preferred Stocks — 0.1%</b>	
	<b>Finance Companies — 0.0%</b>	
10,425	iStar, Inc., Series G, 7.650%	253,432
	<b>Home Construction — 0.0%</b>	
208,246	Hovnanian Enterprises, Inc., 7.625%(e)	1,145,353
	<b>REITs – Office Property — 0.0%</b>	
1,596	Highwoods Realty LP, Series A, 8.625%	1,915,200

Portfolio of Investments – as of September 30, 2018  
Loomis Sayles Strategic Income Fund – (continued)

Shares	Description	Value (t)
	<b>REITs – Warehouse/Industrials — 0.1%</b>	
116,192	ProLogis, Inc., Series Q, 8.540%	\$ 7,436,288
	Total Non-Convertible Preferred Stocks (Identified Cost \$8,540,569)	10,750,273
	Total Preferred Stocks (Identified Cost \$173,641,327)	155,157,666

**Closed-End Investment Companies — 0.0%**

170,282	NexPoint Strategic Opportunities Fund (Identified Cost \$10,230,310)	3,814,317
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**Principal  
Amount (‡)**

**Short-Term Investments — 17.3%**

\$ 124,969,685	Tri-Party Repurchase Agreement with Fixed Income Clearing Corporation, dated 9/28/2018 at 1.300% to be repurchased at \$124,983,223 on 10/01/2018 collateralized by \$128,080,000 U.S. Treasury Bond, 3.125% due 8/15/2044 valued at \$127,208,031; \$275,000 U.S. Treasury Note, 2.000% due 10/31/2022 valued at \$267,265 including accrued interest (Note 2 of Notes to Financial Statements)	124,969,685
300,000,000	U.S. Treasury Bills, 1.980% - 1.985%, 11/01/2018(n)(o)	299,467,188
208,000,000	U.S. Treasury Bills, 1.995%, 11/08/2018(n)	207,545,520
400,000,000	U.S. Treasury Bills, 2.030% - 2.047%, 11/15/2018(n)(o)	398,959,376
100,000,000	U.S. Treasury Bills, 2.060%, 11/29/2018(n)	99,652,146
89,275,000	U.S. Treasury Bills, 2.075%, 10/18/2018(n)	89,187,839
80,000,000	U.S. Treasury Bills, 2.081% - 2.086%, 12/06/2018(n)(o)	79,687,966
25,000,000	U.S. Treasury Bills, 2.118%, 12/20/2018(n)	24,881,736
10,725,000	U.S. Treasury Bills, 2.140%, 12/27/2018(n)	10,669,210
150,000,000	U.S. Treasury Bills, 2.160% - 2.200%, 4/25/2019(n)(o)	147,989,354
	Total Short-Term Investments (Identified Cost \$1,483,233,210)	1,483,010,020
	Total Investments — 95.2% (Identified Cost \$8,460,230,324)	8,157,325,749
	Other assets less liabilities — 4.8%	410,518,873
	Net Assets — 100.0%	\$ 8,567,844,622

- (‡) Principal Amount stated in U.S. dollars unless otherwise noted.  
(t) See Note 2 of Notes to Financial Statements.  
(††) Amount shown represents units. One unit represents a principal amount of 25.  
(†††) Amount shown represents units. One unit represents a principal amount of 100.  
(a) Level 3 security. Value has been determined using significant unobservable inputs. See Note 3 of Notes to Financial Statements.  
(b) Fair valued by the Fund's adviser. At September 30, 2018, the value of these securities amounted to \$20,684,320 or 0.2% of net assets. See Note 2 of Notes to Financial Statements.

## Portfolio of Investments – as of September 30, 2018

### Loomis Sayles Strategic Income Fund – (continued)

- (c) Securities subject to restriction on resale. At September 30, 2018, the restricted securities held by the Fund are as follows:

	Acquisition Date	Acquisition Cost	Value	% of Net Assets
Dex Media, Inc.	August 12, 2016	\$ 1,476,220	\$ 3,181,952	Less than 0.1%
GCA2014 Holdings Ltd., Series 2014-1, Class C	December 18, 2014	21,396,647	17,108,727	0.2%
GCA2014 Holdings Ltd., Series 2014-1, Class D	December 18, 2014	8,494,926	3,571,492	Less than 0.1%
GCA2014 Holdings Ltd., Series 2014-1, Class E	December 18, 2014	32,732,982	—	—
Onsite Rental Group Pty Ltd., Notes	October 26, 2017	15,666,497	16,383,284	0.2%
Onsite Rental Group Pty Ltd.	October 26, 2017	—	—	—
Paragon Offshore Ltd., Litigation Units Class A	July 18, 2017	1,167,146	126,777	Less than 0.1%
Paragon Offshore Ltd., Litigation Units Class B	July 18, 2017	22,768,653	8,738,241	0.1%
Southcross Holdings Group LLC	April 29, 2016	—	—	—
Southcross Holdings LP, Class A	April 29, 2016	2,215,133	340,650	Less than 0.1%

- (d) Illiquid security. (Unaudited)
- (e) Non-income producing security.
- (f) Securities classified as fair valued pursuant to the Fund's pricing policies and procedures. At September 30, 2018, the value of these securities amounted to \$116,214,631 or 1.4% of net assets. See Note 2 of Notes to Financial Statements.
- (g) Variable rate security. Rate as of September 30, 2018 is disclosed.
- (h) The issuer is in default with respect to interest and/or principal payments. Income is not being accrued.
- (i) Payment-in-kind security for which the issuer has the option at each interest payment date of making interest payments in cash or additional principal.
- (j) Perpetual bond with no specified maturity date.
- (k) Variable rate security. The interest rate adjusts periodically based on; (i) changes in current interest rates and/or prepayments on underlying pools of assets, if applicable, (ii) reference to a base lending rate plus or minus a margin, and/or (iii) reference to a base lending rate adjusted by a multiplier and/or subject to certain floors or caps. Rate as of September 30, 2018 is disclosed.
- (l) Coupon rate is a fixed rate for an initial period then resets at a specified date and rate.
- (m) Payment-in-kind security for which the issuer has the option at each interest payment date of making interest payments in cash or additional principal. For the period ended September 30, 2018, interest payments were made in cash and principal.
- (n) Interest rate represents discount rate at time of purchase; not a coupon rate.
- (o) The Fund's investment in U.S. Government/Agency securities is comprised of various lots with differing discount rates. These separate investments, which have the same maturity date, have been aggregated for the purpose of presentation in the Portfolio of Investments.

144A All or a portion of these securities are exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At September 30, 2018, the value of Rule 144A holdings amounted to \$1,296,739,034 or 15.1% of net assets.

ABS	Asset-Backed Securities
EMTN	Euro Medium Term Note
GMTN	Global Medium Term Note
GO	General Obligation
LIBOR	London Interbank Offered Rate

## Portfolio of Investments – as of September 30, 2018

### Loomis Sayles Strategic Income Fund – (continued)

MBIA	Municipal Bond Investors Assurance Corp.
MTN	Medium Term Note
PIK	Payment-in-Kind
REITs	Real Estate Investment Trusts

AUD	Australian Dollar
BRL	Brazilian Real
CAD	Canadian Dollar
EUR	Euro
ISK	Icelandic Krona
MXN	Mexican Peso
NOK	Norwegian Krone
NZD	New Zealand Dollar

### Industry Summary at September 30, 2018

Treasuries	18.4%
Banking	5.2
Independent Energy	5.2
Pharmaceuticals	4.7
Wirelines	3.8
Finance Companies	3.4
Healthcare	3.3
Cable Satellite	3.0
Airlines	2.8
Oil Field Services	2.6
Chemicals	2.5
Technology	2.4
Other Investments, less than 2% each	20.6
Short-Term Investments	17.3
Total Investments	95.2
Other assets less liabilities	4.8
Net Assets	100.0%

### Currency Exposure Summary at September 30, 2018

United States Dollar	74.5%
Mexican Peso	5.6
Canadian Dollar	4.9
New Zealand Dollar	4.2
Australian Dollar	2.7
Other, less than 2% each	3.3
Total Investments	95.2
Other assets less liabilities	4.8
Net Assets	100.0%

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# Statements of Assets and Liabilities

September 30, 2018

	<u>Investment Grade Bond Fund</u>	<u>Strategic Income Fund</u>
<b>ASSETS</b>		
Investments at cost	\$5,203,133,626	\$8,460,230,324
Net unrealized depreciation	(51,873,885)	(302,904,575)
Investments at value	5,151,259,741	8,157,325,749
Cash	10	—
Foreign currency at value (identified cost \$46,611 and \$43,217, respectively)	56,426	43,619
Receivable for Fund shares sold	10,809,496	11,644,039
Receivable for securities sold	363,336,542	311,864,792
Dividends and interest receivable	44,865,535	112,740,960
Tax reclaims receivable	—	926,106
Prepaid expenses (Note 8)	6,226	9,281
<b>TOTAL ASSETS</b>	<u>5,570,333,976</u>	<u>8,594,554,546</u>
<b>LIABILITIES</b>		
Payable for securities purchased	1,363,902	1,428,285
Payable for Fund shares redeemed	7,315,775	11,424,083
Payable to custodian bank (Note 7)	—	7,666,023
Management fees payable (Note 5)	1,709,008	3,965,681
Deferred Trustees' fees (Note 5)	752,029	1,341,883
Administrative fees payable (Note 5)	199,407	308,271
Payable to distributor (Note 5d)	45,879	85,632
Other accounts payable and accrued expenses	372,685	490,066
<b>TOTAL LIABILITIES</b>	<u>11,758,685</u>	<u>26,709,924</u>
<b>NET ASSETS</b>	<u>\$5,558,575,291</u>	<u>\$8,567,844,622</u>
<b>NET ASSETS CONSIST OF:</b>		
Paid-in capital	\$5,621,673,484	\$8,913,607,644
Accumulated loss	(63,098,193)	(345,763,022)
<b>NET ASSETS</b>	<u>\$5,558,575,291</u>	<u>\$8,567,844,622</u>



# Statements of Assets and Liabilities (continued)

September 30, 2018

	Investment Grade Bond Fund	Strategic Income Fund
<b>COMPUTATION OF NET ASSET VALUE AND OFFERING PRICE:</b>		
<b>Class A shares:</b>		
Net assets	\$ 777,390,942	\$1,986,300,178
Shares of beneficial interest	70,791,620	138,005,516
Net asset value and redemption price per share	\$ 10.98	\$ 14.39
Offering price per share (100/95.75 of net asset value) (Note 1)	\$ 11.47	\$ 15.03
<b>Class C shares: (redemption price per share is equal to net asset value less any applicable contingent deferred sales charge) (Note 1)</b>		
Net assets	\$ 412,788,060	\$1,153,852,571
Shares of beneficial interest	38,015,198	79,451,461
Net asset value and offering price per share	\$ 10.86	\$ 14.52
<b>Class N shares:</b>		
Net assets	\$1,251,189,264	\$ 176,455,900
Shares of beneficial interest	113,924,091	12,272,775
Net asset value, offering and redemption price per share	\$ 10.98	\$ 14.38
<b>Class Y shares:</b>		
Net assets	\$3,001,906,314	\$5,118,015,616
Shares of beneficial interest	273,173,957	355,984,348
Net asset value, offering and redemption price per share	\$ 10.99	\$ 14.38
<b>Admin Class shares:</b>		
Net assets	\$ 115,300,711	\$ 133,220,357
Shares of beneficial interest	10,526,363	9,288,294
Net asset value, offering and redemption price per share	\$ 10.95	\$ 14.34

# Statements of Operations

For the Year Ended September 30, 2018

	<b>Investment Grade Bond Fund</b>	<b>Strategic Income Fund</b>
<b>INVESTMENT INCOME</b>		
Interest	\$ 208,583,162	\$ 394,395,051
Dividends	3,275,378	25,705,582
	<u>211,858,540</u>	<u>420,100,633</u>
Expenses		
Management fees (Note 5)	24,064,905	52,154,306
Service and distribution fees (Note 5)	7,990,970	23,046,569
Administrative fees (Note 5)	2,648,877	4,086,855
Trustees' fees and expenses (Note 5)	233,306	367,930
Transfer agent fees and expenses (Notes 5 and 6)	4,648,637	7,446,568
Audit and tax services fees	63,525	64,127
Custodian fees and expenses	267,227	458,679
Legal fees	122,938	187,305
Registration fees	258,232	247,887
Shareholder reporting expenses	714,099	752,767
Miscellaneous expenses (Note 8)	159,795	259,883
Total expenses	<u>41,172,511</u>	<u>89,072,876</u>
Less waiver and/or expense reimbursement (Note 5)	(1,270,386)	—
Net expenses	<u>39,902,125</u>	<u>89,072,876</u>
Net investment income	<u>171,956,415</u>	<u>331,027,757</u>
<b>NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS AND FOREIGN CURRENCY TRANSACTIONS</b>		
Net realized gain (loss) on:		
Investments	(64,668,766)	5,557,331
Foreign currency transactions (Note 2c)	(4,121,375)	(3,416,189)
Net change in unrealized appreciation (depreciation) on:		
Investments	(88,563,612)	(220,658,716)
Foreign currency translations (Note 2c)	193,101	59,675
Net realized and unrealized loss on investments and foreign currency transactions	<u>(157,160,652)</u>	<u>(218,457,899)</u>
<b>NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS</b>	<u>\$ 14,795,763</u>	<u>\$ 112,569,858</u>

# Statements of Changes in Net Assets

	<b>Investment Grade Bond Fund</b>		<b>Strategic Income Fund</b>	
	<b>Year Ended September 30, 2018</b>	<b>Year Ended September 30, 2017</b>	<b>Year Ended September 30, 2018</b>	<b>Year Ended September 30, 2017</b>
<b>FROM OPERATIONS:</b>				
Net investment income	\$ 171,956,415	\$ 205,406,044	\$ 331,027,757	\$ 398,140,452
Net realized gain (loss) on investments and foreign currency transactions	(68,790,141)	116,825,138	2,141,142	129,390,356
Net change in unrealized appreciation (depreciation) on investments and foreign currency translations	(88,370,511)	(91,129,640)	(220,599,041)	172,652,000
Net increase in net assets resulting from operations	<u>14,795,763</u>	<u>231,101,542</u>	<u>112,569,858</u>	<u>700,182,808</u>
<b>FROM DISTRIBUTIONS TO SHAREHOLDERS:</b>				
Class A	(26,935,957)	(60,689,574)(a)	(83,233,392)	(129,973,495)(a)
Class C	(15,654,049)	(48,818,614)(a)	(65,182,313)	(147,784,447)(a)
Class N	(41,987,053)	(22,304,558)(a)	(7,465,601)	(8,302,607)(a)
Class Y	(111,284,265)	(262,616,392)(a)	(249,028,627)	(319,830,876)(a)
Admin Class	(778,851)	(1,844,361)(a)	(5,735,653)	(7,820,574)(a)
Total distributions	<u>(196,640,175)</u>	<u>(396,273,499)</u>	<u>(410,645,586)</u>	<u>(613,711,999)</u>
<b>NET DECREASE IN NET ASSETS FROM CAPITAL SHARE TRANSACTIONS (NOTE 11)</b>				
Net decrease in net assets	<u>(716,004,172)</u>	<u>(511,007,715)</u>	<u>(1,667,652,345)</u>	<u>(1,337,148,023)</u>
<b>NET ASSETS</b>				
Beginning of the year	<u>6,274,579,463</u>	<u>6,785,587,178</u>	<u>10,235,496,967</u>	<u>11,572,644,990</u>
End of the year	<u>\$5,558,575,291</u>	<u>\$6,274,579,463</u>	<u>\$ 8,567,844,622</u>	<u>\$10,235,496,967</u>

(a) See Note 2e of Notes to Financial Statements.

# Financial Highlights

For a share outstanding throughout each period.

	<b>Investment Grade Bond Fund—Class A</b>				
	<b>Year Ended September 30, 2018</b>	<b>Year Ended September 30, 2017</b>	<b>Year Ended September 30, 2016</b>	<b>Year Ended September 30, 2015</b>	<b>Year Ended September 30, 2014</b>
Net asset value, beginning of the period	\$ 11.30	\$ 11.59	\$ 11.10	\$ 12.11	\$ 12.22
<b>INCOME (LOSS) FROM INVESTMENT OPERATIONS:</b>					
Net investment income(a)	0.30	0.36	0.39	0.40	0.46
Net realized and unrealized gain (loss)	(0.28)	0.05	0.48	(0.95)	0.26
Total from Investment Operations	0.02	0.41	0.87	(0.55)	0.72
<b>LESS DISTRIBUTIONS FROM:</b>					
Net investment income	(0.21)	(0.26)	(0.23)	(0.34)	(0.51)
Net realized capital gains	(0.13)	(0.44)	(0.15)	(0.12)	(0.32)
Total Distributions	(0.34)	(0.70)	(0.38)	(0.46)	(0.83)
Net asset value, end of the period	\$ 10.98	\$ 11.30	\$ 11.59	\$ 11.10	\$ 12.11
Total return(b)	0.19%(c)	3.88%	8.06%	(4.72)%	6.04%
<b>RATIOS TO AVERAGE NET ASSETS:</b>					
Net assets, end of the period (000's)	\$777,391	\$902,955	\$1,130,260	\$1,628,216	\$1,932,847
Net expenses	0.80%(d)(f)	0.82%(e)	0.85%	0.83%	0.83%
Gross expenses	0.82%	0.82%	0.85%	0.83%	0.83%
Net investment income	2.73%	3.23%	3.49%	3.38%	3.75%
Portfolio turnover rate	3%	10%	11%	23%	19%

(a) Per share net investment income has been calculated using the average shares outstanding during the period.

(b) A sales charge for Class A shares is not reflected in total return calculations.

(c) Had certain expenses not been waived/reimbursed during the period, total returns would have been lower.

(d) Effective July 1, 2018, the expense limit decreased to 0.78%.

(e) Effective July 1, 2017, the expense limit decreased to 0.80%.

(f) The investment adviser agreed to waive its fees and/or reimburse a portion of the Fund's expenses during the period. Without this waiver/reimbursement, expenses would have been higher.

# Financial Highlights (continued)

For a share outstanding throughout each period.

	Investment Grade Bond Fund—Class C				
	Year Ended September 30, 2018	Year Ended September 30, 2017	Year Ended September 30, 2016	Year Ended September 30, 2015	Year Ended September 30, 2014
Net asset value, beginning of the period	\$ 11.19	\$ 11.48	\$ 11.00	\$ 12.00	\$ 12.11
<b>INCOME (LOSS) FROM INVESTMENT OPERATIONS:</b>					
Net investment income(a)	0.22	0.27	0.30	0.31	0.36
Net realized and unrealized gain (loss)	(0.28)	0.06	0.47	(0.94)	0.27
Total from Investment Operations	(0.06)	0.33	0.77	(0.63)	0.63
<b>LESS DISTRIBUTIONS FROM:</b>					
Net investment income	(0.14)	(0.18)	(0.14)	(0.25)	(0.42)
Net realized capital gains	(0.13)	(0.44)	(0.15)	(0.12)	(0.32)
Total Distributions	(0.27)	(0.62)	(0.29)	(0.37)	(0.74)
Net asset value, end of the period	\$ 10.86	\$ 11.19	\$ 11.48	\$ 11.00	\$ 12.00
Total return(b)	(0.53)% (c)	3.12%	7.18%	(5.40)%	5.29%
<b>RATIOS TO AVERAGE NET ASSETS:</b>					
Net assets, end of the period (000's)	\$412,788	\$689,798	\$1,001,522	\$1,219,687	\$1,524,806
Net expenses	1.55%(d)(e)	1.57%(f)	1.60%	1.58%	1.58%
Gross expenses	1.57%	1.57%	1.60%	1.58%	1.58%
Net investment income	1.96%	2.49%	2.74%	2.63%	3.00%
Portfolio turnover rate	3%	10%	11%	23%	19%

(a) Per share net investment income has been calculated using the average shares outstanding during the period.

(b) A contingent deferred sales charge for Class C shares is not reflected in total return calculations.

(c) Had certain expenses not been waived/reimbursed during the period, total returns would have been lower.

(d) The investment adviser agreed to waive its fees and/or reimburse a portion of the Fund's expenses during the period. Without this waiver/reimbursement, expenses would have been higher.

(e) Effective July 1, 2018, the expense limit decreased to 1.53%.

(f) Effective July 1, 2017, the expense limit decreased to 1.55%.

# Financial Highlights (continued)

For a share outstanding throughout each period.

	<b>Investment Grade Bond Fund—Class N</b>				
	<b>Year Ended September 30, 2018</b>	<b>Year Ended September 30, 2017</b>	<b>Year Ended September 30, 2016</b>	<b>Year Ended September 30, 2015</b>	<b>Year Ended September 30, 2014</b>
Net asset value, beginning of the period	\$ 11.30	\$ 11.58	\$ 11.11	\$ 12.11	\$12.22
<b>INCOME (LOSS) FROM INVESTMENT OPERATIONS:</b>					
Net investment income(a)	0.34	0.39	0.43	0.44	0.50
Net realized and unrealized gain (loss)	(0.28)	0.07	0.47	(0.93)	0.26
Total from Investment Operations	0.06	0.46	0.90	(0.49)	0.76
<b>LESS DISTRIBUTIONS FROM:</b>					
Net investment income	(0.25)	(0.30)	(0.28)	(0.39)	(0.55)
Net realized capital gains	(0.13)	(0.44)	(0.15)	(0.12)	(0.32)
Total Distributions	(0.38)	(0.74)	(0.43)	(0.51)	(0.87)
Net asset value, end of the period	\$ 10.98	\$ 11.30	\$ 11.58	\$ 11.11	\$12.11
Total return	0.50%	4.34%	8.31%	(4.28)%	6.41%
<b>RATIOS TO AVERAGE NET ASSETS:</b>					
Net assets, end of the period (000's)	\$1,251,189	\$1,203,169	\$47,343	\$21,851	\$6,101
Net expenses	0.47%(b)	0.48%(c)	0.47%	0.47%	0.47%(d)
Gross expenses	0.47%	0.48%	0.47%	0.47%	0.47%(d)
Net investment income	3.05%	3.51%	3.88%	3.78%	4.07%
Portfolio turnover rate	3%	10%	11%	23%	19%

(a) Per share net investment income has been calculated using the average shares outstanding during the period.

(b) Effective July 1, 2018, the expense limit decreased to 0.48%.

(c) Effective July 1, 2017, the expense limit decreased to 0.50%.

(d) Includes fee/expense recovery of less than 0.01%.

# Financial Highlights (continued)

For a share outstanding throughout each period.

	Investment Grade Bond Fund—Class Y				
	Year Ended September 30, 2018	Year Ended September 30, 2017	Year Ended September 30, 2016	Year Ended September 30, 2015	Year Ended September 30, 2014
Net asset value, beginning of the period	\$ 11.31	\$ 11.59	\$ 11.11	\$ 12.12	\$ 12.23
<b>INCOME (LOSS) FROM INVESTMENT OPERATIONS:</b>					
Net investment income(a)	0.33	0.39	0.42	0.43	0.49
Net realized and unrealized gain (loss)	(0.28)	0.06	0.47	(0.95)	0.26
Total from Investment Operations	0.05	0.45	0.89	(0.52)	0.75
<b>LESS DISTRIBUTIONS FROM:</b>					
Net investment income	(0.24)	(0.29)	(0.26)	(0.37)	(0.54)
Net realized capital gains	(0.13)	(0.44)	(0.15)	(0.12)	(0.32)
Total Distributions	(0.37)	(0.73)	(0.41)	(0.49)	(0.86)
Net asset value, end of the period	\$ 10.99	\$ 11.31	\$ 11.59	\$ 11.11	\$ 12.12
Total return	0.43%(b)	4.24%	8.25%	(4.47)%	6.30%
<b>RATIOS TO AVERAGE NET ASSETS:</b>					
Net assets, end of the period (000's)	\$3,001,906	\$3,453,137	\$4,571,167	\$6,081,536	\$6,911,938
Net expenses	0.55%(c)(d)	0.57%(e)	0.60%	0.58%	0.59%
Gross expenses	0.57%	0.57%	0.60%	0.58%	0.59%
Net investment income	2.98%	3.48%	3.74%	3.63%	3.99%
Portfolio turnover rate	3%	10%	11%	23%	19%

(a) Per share net investment income has been calculated using the average shares outstanding during the period.

(b) Had certain expenses not been waived/reimbursed during the period, total returns would have been lower.

(c) The investment adviser agreed to waive its fees and/or reimburse a portion of the Fund's expenses during the period. Without this waiver/reimbursement, expenses would have been higher.

(d) Effective July 1, 2018, the expense limit decreased to 0.53%.

(e) Effective July 1, 2017, the expense limit decreased to 0.55%.

# Financial Highlights (continued)

For a share outstanding throughout each period.

## Investment Grade Bond Fund—Admin Class

	Year Ended September 30, 2018	Year Ended September 30, 2017	Year Ended September 30, 2016	Year Ended September 30, 2015	Year Ended September 30, 2014
Net asset value, beginning of the period	\$ 11.28	\$ 11.56	\$ 11.08	\$ 12.09	\$ 12.20
<b>INCOME (LOSS) FROM INVESTMENT OPERATIONS:</b>					
Net investment income(a)	0.28	0.34	0.37	0.37	0.43
Net realized and unrealized gain (loss)	(0.28)	0.06	0.47	(0.95)	0.26
Total from Investment Operations	0.00(b)	0.40	0.84	(0.58)	0.69
<b>LESS DISTRIBUTIONS FROM:</b>					
Net investment income	(0.20)	(0.24)	(0.21)	(0.31)	(0.48)
Net realized capital gains	(0.13)	(0.44)	(0.15)	(0.12)	(0.32)
Total Distributions	(0.33)	(0.68)	(0.36)	(0.43)	(0.80)
Net asset value, end of the period	\$ 10.95	\$ 11.28	\$ 11.56	\$ 11.08	\$ 12.09
Total return	(0.07)%(c)	3.76%(c)	7.73%	(4.95)%	5.79%
<b>RATIOS TO AVERAGE NET ASSETS:</b>					
Net assets, end of the period (000's)	\$115,301	\$25,521	\$35,294	\$37,355	\$25,585
Net expenses	1.02%(d)(e)(f)	1.02%(f)(g)(h)	1.07%(i)	1.08%	1.09%
Gross expenses	1.05%(d)	1.03%(g)	1.07%(i)	1.08%	1.09%
Net investment income	2.56%	3.03%	3.27%	3.14%	3.49%
Portfolio turnover rate	3%	10%	11%	23%	19%

(a) Per share net investment income has been calculated using the average shares outstanding during the period.

(b) Amount rounds to less than \$0.01 per share.

(c) Had certain expenses not been waived/reimbursed during the period, total returns would have been lower.

(d) Includes refund of prior year service fee of 0.02%. See Note 5b of Notes to Financial Statements.

(e) Effective July 1, 2018, the expense limit decreased to 1.03%.

(f) The investment adviser agreed to waive its fees and/or reimburse a portion of the Fund's expenses during the period. Without this waiver/reimbursement, expenses would have been higher.

(g) Includes refund of prior year service fee of 0.05%.

(h) Effective July 1, 2017, the expense limit decreased to 1.05%.

(i) Includes refund of prior year service fee of 0.03%.



# Financial Highlights (continued)

For a share outstanding throughout each period.

	Strategic Income Fund—Class A				
	Year Ended September 30, 2018	Year Ended September 30, 2017	Year Ended September 30, 2016	Year Ended September 30, 2015	Year Ended September 30, 2014
Net asset value, beginning of the period	\$ 14.84	\$ 14.70	\$ 14.70	\$ 16.75	\$ 15.93
<b>INCOME (LOSS) FROM INVESTMENT OPERATIONS:</b>					
Net investment income(a)	0.52	0.56	0.57	0.64	0.58
Net realized and unrealized gain (loss)	(0.33)	0.42	0.61	(1.74)	0.90
Total from Investment Operations	0.19	0.98	1.18	(1.10)	1.48
<b>LESS DISTRIBUTIONS FROM:</b>					
Net investment income	(0.57)	(0.52)	(0.36)	(0.57)	(0.62)
Net realized capital gains	(0.07)	(0.32)	(0.82)	(0.38)	(0.04)
Total Distributions	(0.64)	(0.84)	(1.18)	(0.95)	(0.66)
Net asset value, end of the period	\$ 14.39	\$ 14.84	\$ 14.70	\$ 14.70	\$ 16.75
Total return(b)	1.34%	7.01%	8.72%	(6.88)%	9.34%
<b>RATIOS TO AVERAGE NET ASSETS:</b>					
Net assets, end of the period (000's)	\$1,986,300	\$1,999,385	\$2,514,770	\$3,318,262	\$4,408,257
Net expenses	0.96%	0.96%	0.96%	0.94%	0.94%
Gross expenses	0.96%	0.96%	0.96%	0.94%	0.94%
Net investment income	3.57%	3.82%	4.01%	3.95%	3.44%
Portfolio turnover rate	6%	11%	17%	23%	26%

(a) Per share net investment income has been calculated using the average shares outstanding during the period.

(b) A sales charge for Class A shares is not reflected in total return calculations.

# Financial Highlights (continued)

For a share outstanding throughout each period.

	Strategic Income Fund—Class C				
	Year Ended September 30, 2018	Year Ended September 30, 2017	Year Ended September 30, 2016	Year Ended September 30, 2015	Year Ended September 30, 2014
Net asset value, beginning of the period	\$ 14.97	\$ 14.81	\$ 14.80	\$ 16.85	\$ 16.03
<b>INCOME (LOSS) FROM INVESTMENT OPERATIONS:</b>					
Net investment income(a)	0.41	0.45	0.47	0.52	0.45
Net realized and unrealized gain (loss)	(0.33)	0.44	0.61	(1.74)	0.90
Total from Investment Operations	0.08	0.89	1.08	(1.22)	1.35
<b>LESS DISTRIBUTIONS FROM:</b>					
Net investment income	(0.46)	(0.41)	(0.25)	(0.45)	(0.49)
Net realized capital gains	(0.07)	(0.32)	(0.82)	(0.38)	(0.04)
Total Distributions	(0.53)	(0.73)	(1.07)	(0.83)	(0.53)
Net asset value, end of the period	\$ 14.52	\$ 14.97	\$ 14.81	\$ 14.80	\$ 16.85
Total return(b)	0.60%	6.20%	7.91%	(7.60)%	8.54%
<b>RATIOS TO AVERAGE NET ASSETS:</b>					
Net assets, end of the period (000's)	\$1,153,853	\$2,248,939	\$3,433,204	\$4,295,139	\$5,390,222
Net expenses	1.71%	1.71%	1.71%	1.69%	1.69%
Gross expenses	1.71%	1.71%	1.71%	1.69%	1.69%
Net investment income	2.79%	3.08%	3.26%	3.20%	2.68%
Portfolio turnover rate	6%	11%	17%	23%	26%

(a) Per share net investment income has been calculated using the average shares outstanding during the period.

(b) A contingent deferred sales charge for Class C shares is not reflected in total return calculations.

# Financial Highlights (continued)

For a share outstanding throughout each period.

	Strategic Income Fund—Class N				
	Year Ended September 30, 2018	Year Ended September 30, 2017	Year Ended September 30, 2016	Year Ended September 30, 2015	Year Ended September 30, 2014
Net asset value, beginning of the period	\$ 14.83	\$ 14.69	\$ 14.69	\$ 16.73	\$ 15.92
<b>INCOME (LOSS) FROM INVESTMENT OPERATIONS:</b>					
Net investment income(a)	0.56	0.60	0.61	0.69	0.61
Net realized and unrealized gain (loss)	(0.32)	0.43	0.62	(1.73)	0.91
Total from Investment Operations	0.24	1.03	1.23	(1.04)	1.52
<b>LESS DISTRIBUTIONS FROM:</b>					
Net investment income	(0.62)	(0.57)	(0.41)	(0.62)	(0.67)
Net realized capital gains	(0.07)	(0.32)	(0.82)	(0.38)	(0.04)
Total Distributions	(0.69)	(0.89)	(1.23)	(1.00)	(0.71)
Net asset value, end of the period	\$ 14.38	\$ 14.83	\$ 14.69	\$ 14.69	\$ 16.73
Total return	1.67%	7.38%	9.09%	(6.58)%	9.70%
<b>RATIOS TO AVERAGE NET ASSETS:</b>					
Net assets, end of the period (000's)	\$176,456	\$141,695	\$130,637	\$83,405	\$57,752
Net expenses	0.63%	0.63%	0.63%	0.62%	0.62%
Gross expenses	0.63%	0.63%	0.63%	0.62%	0.62%
Net investment income	3.91%	4.13%	4.34%	4.33%	3.62%
Portfolio turnover rate	6%	11%	17%	23%	26%

(a) Per share net investment income has been calculated using the average shares outstanding during the period.

# Financial Highlights (continued)

For a share outstanding throughout each period.

	Strategic Income Fund—Class Y				
	Year Ended September 30, 2018	Year Ended September 30, 2017	Year Ended September 30, 2016	Year Ended September 30, 2015	Year Ended September 30, 2014
Net asset value, beginning of the period	\$ 14.83	\$ 14.69	\$ 14.69	\$ 16.73	\$ 15.92
<b>INCOME (LOSS) FROM INVESTMENT OPERATIONS:</b>					
Net investment income(a)	0.55	0.59	0.61	0.68	0.61
Net realized and unrealized gain (loss)	(0.32)	0.43	0.61	(1.73)	0.90
Total from Investment Operations	0.23	1.02	1.22	(1.05)	1.51
<b>LESS DISTRIBUTIONS FROM:</b>					
Net investment income	(0.61)	(0.56)	(0.40)	(0.61)	(0.66)
Net realized capital gains	(0.07)	(0.32)	(0.82)	(0.38)	(0.04)
Total Distributions	(0.68)	(0.88)	(1.22)	(0.99)	(0.70)
Net asset value, end of the period	\$ 14.38	\$ 14.83	\$ 14.69	\$ 14.69	\$ 16.73
Total return	1.66%	7.22%	9.00%	(6.65)%	9.63%
<b>RATIOS TO AVERAGE NET ASSETS:</b>					
Net assets, end of the period (000's)	\$5,118,016	\$5,702,607	\$5,350,759	\$7,018,369	\$8,747,384
Net expenses	0.71%	0.71%	0.71%	0.69%	0.69%
Gross expenses	0.71%	0.71%	0.71%	0.69%	0.69%
Net investment income	3.82%	4.04%	4.26%	4.21%	3.65%
Portfolio turnover rate	6%	11%	17%	23%	26%

(a) Per share net investment income has been calculated using the average shares outstanding during the period.

# Financial Highlights (continued)

For a share outstanding throughout each period.

	Strategic Income Fund—Admin Class				
	Year Ended September 30, 2018	Year Ended September 30, 2017	Year Ended September 30, 2016	Year Ended September 30, 2015	Year Ended September 30, 2014
Net asset value, beginning of the period	\$ 14.79	\$ 14.65	\$ 14.66	\$ 16.70	\$ 15.89
<b>INCOME (LOSS) FROM INVESTMENT OPERATIONS:</b>					
Net investment income(a)	0.48	0.52	0.53	0.60	0.53
Net realized and unrealized gain (loss)	(0.33)	0.43	0.61	(1.73)	0.90
Total from Investment Operations	0.15	0.95	1.14	(1.13)	1.43
<b>LESS DISTRIBUTIONS FROM:</b>					
Net investment income	(0.53)	(0.49)	(0.33)	(0.53)	(0.58)
Net realized capital gains	(0.07)	(0.32)	(0.82)	(0.38)	(0.04)
Total Distributions	(0.60)	(0.81)	(1.15)	(0.91)	(0.62)
Net asset value, end of the period	\$ 14.34	\$ 14.79	\$ 14.65	\$ 14.66	\$ 16.70
Total return	1.09%	6.79%	8.42%	(7.13)%	9.12%
<b>RATIOS TO AVERAGE NET ASSETS:</b>					
Net assets, end of the period (000's)	\$133,220	\$142,871	\$143,275	\$141,844	\$139,423
Net expenses	1.20%(b)	1.19%(c)	1.20%(d)	1.19%	1.19%
Gross expenses	1.20%(b)	1.19%(c)	1.20%(d)	1.19%	1.19%
Net investment income	3.33%	3.57%	3.76%	3.73%	3.15%
Portfolio turnover rate	6%	11%	17%	23%	26%

(a) Per share net investment income has been calculated using the average shares outstanding during the period.

(b) Includes refund of prior year service fee of 0.01%. See Note 5b of Notes to Financial Statements.

(c) Includes refund of prior year service fee of 0.02%.

(d) Includes refund of prior year service fee of 0.01%.

# Notes to Financial Statements

September 30, 2018

**1. Organization.** Loomis Sayles Funds II (the “Trust”) is organized as a Massachusetts business trust. The Trust is registered under the Investment Company Act of 1940, as amended (the “1940 Act”) as an open-end management investment company. The Declaration of Trust permits the Board of Trustees to authorize the issuance of an unlimited number of shares of the Trust in multiple series. The financial statements for certain funds of the Trust are presented in separate reports. The following funds (individually, a “Fund” and collectively, the “Funds”) are included in this report:

Loomis Sayles Investment Grade Bond Fund (the “Investment Grade Bond Fund”)  
Loomis Sayles Strategic Income Fund (the “Strategic Income Fund”)

Each Fund is a diversified investment company.

Each Fund offers Class A, Class C, Class N, Class Y and Admin Class shares.

Class A shares are sold with a maximum front-end sales charge of 4.25%. Class C shares do not pay a front-end sales charge, pay higher Rule 12b-1 fees than Class A shares for ten years (at which point they automatically convert to Class A shares) and may be subject to a contingent deferred sales charge (“CDSC”) of 1.00% if those shares are redeemed within one year of acquisition, except for reinvested distributions. Class N and Class Y shares do not pay a front-end sales charge, a CDSC or Rule 12b-1 fees. Class N shares are offered with an initial minimum investment of \$1,000,000. Class Y shares are offered with an initial minimum investment of \$100,000. Certain categories of investors are exempted from the minimum investment amounts for Class N and Class Y as outlined in the relevant Funds’ prospectus. Admin Class shares do not pay a front-end sales charge or a CDSC, but do pay a Rule 12b-1 fee. Admin Class shares are offered exclusively through intermediaries.

Most expenses can be directly attributed to a Fund. Expenses which cannot be directly attributed to a Fund are generally apportioned based on the relative net assets of each of the funds in Natixis Funds Trust I, Natixis Funds Trust II, Natixis Funds Trust IV, and Gateway Trust (“Natixis Funds Trusts”), Loomis Sayles Funds I and Loomis Sayles Funds II (“Loomis Sayles Funds Trusts”) and Natixis ETF Trust. Expenses of a Fund are borne *pro rata* by the holders of each class of shares, except that each class bears expenses unique to that class (such as the Rule 12b-1 fees applicable to Class A, Class C and Admin Class), and transfer agent fees are borne collectively for Class A, Class C, Class Y, and Admin Class and individually for Class N. In addition, each class votes as a class only with respect to its own Rule 12b-1 Plan. Shares of each class would receive their *pro rata* share of the net assets of the Fund if the Fund were liquidated. The Trustees approve separate distributions from net investment income on each class of shares.

**2. Significant Accounting Policies.** The following is a summary of significant accounting policies consistently followed by each Fund in the preparation of its financial statements. The Funds’ financial statements follow the accounting and

# Notes to Financial Statements (continued)

September 30, 2018

reporting guidelines provided for investment companies and are prepared in accordance with accounting principles generally accepted in the United States of America which require the use of management estimates that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates. Management has evaluated the events and transactions subsequent to year-end through the date the financial statements were issued and has determined that there were no material events that would require disclosure in the Funds' financial statements.

**a. Valuation.** Fund securities and other investments are valued at market value based on market quotations obtained or determined by independent pricing services recommended by the adviser and approved by the Board of Trustees. Fund securities and other investments for which market quotations are not readily available are valued at fair value as determined in good faith by the adviser pursuant to procedures approved by the Board of Trustees, as described below. Market value is determined as follows:

Debt securities and unlisted preferred equity securities are valued based on evaluated bids furnished to the Fund by an independent pricing service, or bid prices obtained from broker-dealers. Senior loans are valued at bid prices supplied by an independent pricing service, if available. Listed equity securities (including shares of closed-end investment companies and exchange-traded funds) are valued at the last sale price quoted on the exchange where they are traded most extensively or, if there is no reported sale during the day, the closing bid quotation as reported by an independent pricing service. Securities traded on the NASDAQ Global Select Market, NASDAQ Global Market and NASDAQ Capital Market are valued at the NASDAQ Official Closing Price ("NOCP"), or if lacking an NOCP, at the most recent bid quotations on the applicable NASDAQ Market. Unlisted equity securities (except unlisted preferred equity securities) are valued at the last sale price quoted in the market where they are traded most extensively or, if there is no reported sale during the day, the closing bid quotation as reported by an independent pricing service. If there is no last sale price or closing bid quotation available, unlisted equity securities will be valued using evaluated bids furnished by an independent pricing service, if available. In some foreign markets, an official close price and a last sale price may be available from the foreign exchange or market. In those cases, the official close price is used. Broker-dealer bid prices may be used to value debt and unlisted equity securities and senior loans where an independent pricing service is unable to price a security or where an independent pricing service does not provide a reliable price for the security. Forward foreign currency contracts are valued utilizing interpolated rates determined based on information provided by an independent pricing service.

Fund securities and other investments for which market quotations are not readily available are valued at fair value as determined in good faith by the adviser pursuant to

# Notes to Financial Statements (continued)

September 30, 2018

procedures approved by the Board of Trustees. The Fund may also value securities and other investments at fair value in other circumstances such as when extraordinary events occur after the close of a foreign market but prior to the close of the New York Stock Exchange. This may include situations relating to a single issuer (such as a declaration of bankruptcy or a delisting of the issuer's security from the primary market on which it has traded) as well as events affecting the securities markets in general (such as market disruptions or closings and significant fluctuations in U.S. and/or foreign markets). When fair valuing its securities or other investments, the Fund may, among other things, use modeling tools or other processes that may take into account factors such as securities or other market activity and/or significant events that occur after the close of the foreign market and before the time the Fund's net asset value ("NAV") is calculated. Fair value pricing may require subjective determinations about the value of a security, and fair values used to determine a Fund's NAV may differ from quoted or published prices, or from prices that are used by others, for the same securities. In addition, the use of fair value pricing may not always result in adjustments to the prices of securities held by the Fund.

Illiquid securities for which market quotations are readily available and have been evaluated by the adviser are considered and classified as fair valued securities pursuant to the Fund's pricing policies and procedures.

As of September 30, 2018, securities of the Funds were fair valued as follows:

<u>Fund</u>	<u>Securities classified as fair valued</u>	<u>Percentage of Net Assets</u>	<u>Securities fair valued by the Fund's adviser</u>	<u>Percentage of Net Assets</u>
Investment Grade Bond Fund	\$116,035,671	2.1%	\$ 845	Less than 0.1%
Strategic Income Fund	116,214,631	1.4%	20,684,320	0.2%

**b. Investment Transactions and Related Investment Income.** Investment transactions are accounted for on a trade date plus one day basis for daily NAV calculation. However, for financial reporting purposes, investment transactions are reported on trade date. Dividend income is recorded on ex-dividend date, or in the case of certain foreign securities, as soon as a Fund is notified, and interest income is recorded on an accrual basis. Interest income is increased by the accretion of discount and decreased by the amortization of premium, if applicable. Distributions received from investments in securities that represent a return of capital or capital gain are recorded as a reduction of cost of investments or as a realized gain, respectively. In determining net gain or loss on securities sold, the cost of securities has been determined on an identified cost basis. Investment income, non-class specific expenses and realized and unrealized gains and losses are allocated on a *pro rata* basis to each class based on the relative net assets of each class to the total net assets of the Fund.



# Notes to Financial Statements (continued)

September 30, 2018

**c. Foreign Currency Translation.** The books and records of the Funds are maintained in U.S. dollars. The values of securities, currencies and other assets and liabilities denominated in currencies other than U.S. dollars are translated into U.S. dollars based upon foreign exchange rates prevailing at the end of the period. Purchases and sales of investment securities, income and expenses are translated into U.S. dollars on the respective dates of such transactions.

Net realized foreign exchange gains or losses arise from sales of foreign currency, changes in exchange rates 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 or losses arise from changes in the value of assets and liabilities, other than investment securities, as of the end of the fiscal period, resulting from changes in exchange rates. Net realized foreign exchange gains or losses and the net change in unrealized foreign exchange gains or losses are disclosed in the Statements of Operations. For federal income tax purposes, net realized foreign exchange gains or losses are characterized as ordinary income and may, if the Funds have net losses, reduce the amount of income available to be distributed by the Funds.

The values of investment securities are presented at the foreign exchange rates prevailing at the end of the period for financial reporting purposes. Net realized and unrealized gains or losses on investments reported in the Statements of Operations reflect gains or losses resulting from changes in exchange rates and fluctuations which arise due to changes in market prices of investment securities. For federal income tax purposes, a portion of the net realized gain or loss on investments arising from changes in exchange rates, which is reflected in the Statements of Operations, may be characterized as ordinary income and may, if the Funds have net losses, reduce the amount of income available to be distributed by the Funds.

During the year ended September 30, 2018, the amount of income available to be distributed has been reduced by the following amounts as a result of losses arising from changes in exchange rates:

Investment Grade Bond Fund	\$120,034,497
Strategic Income Fund	\$ 46,611,188

The Funds may use foreign currency exchange contracts to facilitate transactions in foreign-denominated investments. Losses may arise from changes in the value of the foreign currency or if the counterparties do not perform under the contracts' terms.

**d. Forward Foreign Currency Contracts.** The Funds may enter into forward foreign currency contracts, including forward foreign cross currency contracts, to acquire exposure to foreign currencies or to hedge the Funds' investments against currency fluctuation. A contract can also be used to offset a previous contract. These contracts

# Notes to Financial Statements (continued)

September 30, 2018

involve market risk in excess of the unrealized gain or loss reflected in the Funds' Statements of Assets and Liabilities. The U.S. dollar value of the currencies a Fund has committed to buy or sell represents the aggregate exposure to each currency a Fund has acquired or hedged through currency contracts outstanding at period end. Gains or losses are recorded for financial statement purposes as unrealized until settlement date. Contracts are traded over-the-counter directly with a counterparty. Risks may arise upon entering into these contracts from the potential inability of counterparties to meet the terms of their contracts and from unanticipated movements in the value of a foreign currency relative to the U.S. dollar. Certain contracts may require the movement of cash and/or securities as collateral for the Funds' or counterparty's net obligations under the contracts.

No forward foreign currency contracts were held by the Funds during the year ended September 30, 2018.

**e. New Disclosure Requirements.** In accordance with new reporting requirements pursuant to Regulation S-X of the Securities and Exchange Commission, presentation of certain amounts on the Statements of Changes in Net Assets, for the year ended September 30, 2017, have been conformed to meet the new disclosure requirements. These adjustments include Distributions to Shareholders; where the prior disclosure separately stated distributions from net investment income and distributions from net realized capital gains for each share class of the Fund, they are now combined into a single line item for each respective share class. In addition, disclosure of Undistributed Net Investment Income has been removed from the Statements of Changes in Net Assets.

The following is a summary of the previously disclosed amounts, as reported at September 30, 2017:

## Investment Grade Bond Fund

### FROM DISTRIBUTIONS TO SHAREHOLDERS:

Net investment income

Class A	\$ (22,698,039)
Class C	(13,586,835)
Class N	(19,578,968)
Class Y	(95,925,578)
Admin Class	(642,265)

Net realized capital gains

Class A	(37,991,535)
Class C	(35,231,779)
Class N	(2,725,590)
Class Y	(166,690,814)
Admin Class	(1,202,096)

Total distributions

\$ (396,273,499)

**UNDISTRIBUTED NET INVESTMENT INCOME**

\$ 60,682,395

# Notes to Financial Statements (continued)

September 30, 2018

## Strategic Income Fund

### FROM DISTRIBUTIONS TO SHAREHOLDERS:

Net investment income	
Class A	\$ (78,875,422)
Class C	(78,726,042)
Class N	(5,305,880)
Class Y	(205,067,266)
Admin Class	(4,720,753)
Net realized capital gains	
Class A	(51,098,073)
Class C	(69,058,405)
Class N	(2,996,727)
Class Y	(114,763,610)
Admin Class	(3,099,821)
Total distributions	<u>\$(613,711,999)</u>
<b>UNDISTRIBUTED NET INVESTMENT INCOME</b>	<u><b>\$ 28,981,152</b></u>

**f. Federal and Foreign Income Taxes.** The Trust treats each Fund as a separate entity for federal income tax purposes. Each Fund intends to meet the requirements of the Internal Revenue Code of 1986, as amended, applicable to regulated investment companies, and to distribute to its shareholders substantially all of its net investment income and any net realized capital gains at least annually. Management has performed an analysis of each Fund's tax positions for the open tax years as of September 30, 2018 and has concluded that no provisions for income tax are required. The Funds' federal tax returns for the prior three fiscal years remain subject to examination by the Internal Revenue Service. Management is not aware of any events that are reasonably possible to occur in the next twelve months that would result in the amounts of any unrecognized tax benefits significantly increasing or decreasing for the Funds. However, management's conclusions regarding tax positions taken may be subject to review and adjustment at a later date based on factors including, but not limited to, new tax laws and accounting regulations and interpretations thereof.

A Fund may be subject to foreign withholding taxes on investment income and taxes on capital gains on investments that are accrued and paid based upon the Fund's understanding of the tax rules and regulations that exist in the countries in which the Fund invests. Foreign withholding taxes on dividend and interest income are reflected on the Statements of Operations as a reduction of investment income, net of amounts eligible to be reclaimed. Dividends and interest receivable on the Statements of Assets and Liabilities are net of foreign withholding taxes. Foreign withholding taxes where reclaims have been or will be filed are reflected on the Statements of Assets and Liabilities as tax reclaims receivable. Capital gains taxes paid are included in net realized gain (loss) on investments in the Statements of Operations. Accrued but unpaid capital gains taxes are reflected as foreign taxes payable on the Statements of Assets and Liabilities, if applicable, and reduce unrealized gains on investments. In the event that realized gains on investments are subsequently offset by realized losses,

# Notes to Financial Statements (continued)

September 30, 2018

taxes paid on realized gains may be returned to a Fund. Such amounts, if applicable, are reflected as foreign tax rebates receivable on the Statements of Assets and Liabilities and are recorded as a realized gain when received.

**g. Dividends and Distributions to Shareholders.** Dividends and distributions are recorded on ex-dividend date. The timing and characterization of certain income and capital gain distributions are determined in accordance with federal tax regulations, which may differ from accounting principles generally accepted in the United States of America. Permanent differences are primarily due to differing treatments for book and tax purposes of items such as distribution redesignations, defaulted and/or non-income producing securities, foreign currency gains and losses, premium amortization, convertible bonds, paydown gains and losses, partnership basis adjustments, contingent payment debt instruments, and capital gain and return of capital distributions received. Permanent book and tax basis differences relating to shareholder distributions will result in reclassifications to capital accounts reported on the Statements of Assets and Liabilities. Temporary differences between book and tax distributable earnings are primarily due to corporate actions, deferred Trustees' fees, wash sales, premium amortization, return of capital distributions received, trust preferred securities, defaulted and/or non-income producing securities, contingent payment debt instruments, partnership basis adjustments and convertible bonds. Amounts of income and capital gain available to be distributed on a tax basis are determined annually, and at other times during the Funds' fiscal year as may be necessary to avoid knowingly declaring and paying a return of capital distribution. Distributions from net investment income and net realized short-term capital gains are reported as distributed from ordinary income for tax purposes.

The tax characterization of distributions is determined on an annual basis. The tax character of distributions paid to shareholders during the years ended September 30, 2018 and 2017 were as follows:

Fund	2018 Distributions Paid From:		
	Ordinary Income	Long-Term Capital Gains	Total
Investment Grade Bond Fund	\$126,989,994	\$ 69,650,181	\$196,640,175
Strategic Income Fund	365,189,758	45,455,828	410,645,586
Fund	2017 Distributions Paid From:		
	Ordinary Income	Long-Term Capital Gains	Total
Investment Grade Bond Fund	\$158,093,971	\$238,179,528	\$396,273,499
Strategic Income Fund	372,695,363	241,016,636	613,711,999

# Notes to Financial Statements (continued)

September 30, 2018

For the year ended September 30, 2017 differences between amounts previously reported and now disclosed in Note 2e of the Notes to Financial Statements are primarily attributable to different book and tax treatment for short-term capital gains.

Distributions paid to shareholders from net investment income and net realized capital gains, based on accounting principles generally accepted in the United States of America, are consolidated and reported on the Statements of Changes in Net Assets as Distributions to Shareholders. Distributions paid to shareholders from net investment income and net realized capital gains expressed in per-share amounts, based on accounting principles generally accepted in the United States of America, are separately stated and reported within the Financial Highlights.

As of September 30, 2018, the components of distributable earnings on a tax basis were as follows:

	Investment Grade Bond Fund	Strategic Income Fund
Undistributed ordinary income	\$ 559,022	\$ 12,798,460
Undistributed long-term capital gains	<u>26,482,210</u>	<u>34,578,731</u>
Total undistributed earnings	<u>27,041,232</u>	<u>47,377,191</u>
Unrealized depreciation	<u>(87,081,062)</u>	<u>(360,598,689)</u>
Total accumulated losses	<u>\$ (60,039,830)</u>	<u>\$ (313,221,498)</u>

As of September 30, 2018, unrealized appreciation (depreciation) as a component of distributable earnings was as follows:

	Investment Grade Bond Fund	Strategic Income Fund
Unrealized appreciation (depreciation) Investments	\$ 114,863,448	\$ 102,198,245
Foreign currency translations	<u>(201,944,510)</u>	<u>(462,796,934)</u>
Total unrealized depreciation	<u>\$ (87,081,062)</u>	<u>\$ (360,598,689)</u>

As of September 30, 2018, the cost of investments and unrealized appreciation (depreciation) on a federal tax basis were as follows:

	Investment Grade Bond Fund	Strategic Income Fund
Federal tax cost	\$5,240,724,476	\$8,526,267,833
Gross tax appreciation	\$ 236,522,892	\$ 502,804,118
Gross tax depreciation	<u>(325,987,627)</u>	<u>(871,746,202)</u>
Net tax depreciation	<u>\$ (89,464,735)</u>	<u>\$ (368,942,084)</u>

# Notes to Financial Statements (continued)

September 30, 2018

Differences between these amounts and those reported in the components of distributable earnings are primarily attributable to foreign currency mark-to-market.

**h. Loan Participations.** Each Fund may invest in loans to corporate, governmental or other borrowers. The Funds' investments in loans may be in the form of participations in loans or assignments of all or a portion of loans. A loan is often administered by a bank or other financial institution that acts as agent for all holders. The agent administers the terms of the loan, as specified in the loan agreement. When investing in a loan participation, (i) a Fund has the right to receive payments of principal, interest and any fees to which it is entitled only from the party from whom the Fund has purchased the participation and only upon receipt by that party of payments from the borrower and (ii) a Fund generally has no right to enforce compliance by the borrower with the terms of the loan agreement or to vote on matters arising under the loan agreement. Thus, a Fund may be subject to credit risk both of the party from whom it purchased the loan participation and the borrower and the Fund may have minimal control over the terms of any loan modification. When a Fund purchases assignments from lenders, it acquires direct rights against the borrower on the loan. Loan agreements and participations outstanding at the end of the period, if any, are listed in each applicable Fund's Schedule of Investments.

**i. Repurchase Agreements.** Each Fund may enter into repurchase agreements, under the terms of a Master Repurchase Agreement, under which each Fund acquires securities as collateral and agrees to resell the securities at an agreed upon time and at an agreed upon price. It is each Fund's policy that the market value of the collateral for repurchase agreements be at least equal to 102% of the repurchase price, including interest. Certain repurchase agreements are tri-party arrangements whereby the collateral is held in a segregated account for the benefit of the Fund and on behalf of the counterparty. Repurchase agreements could involve certain risks in the event of default or insolvency of the counterparty, including possible delays or restrictions upon a Fund's ability to dispose of the underlying securities. As of September 30, 2018, each Fund, as applicable, had investments in repurchase agreements for which the value of the related collateral exceeded the value of the repurchase agreement. The gross value of repurchase agreements is included in the Statements of Assets and Liabilities for financial reporting purposes.

**j. Securities Lending.** The Funds have entered into an agreement with State Street Bank and Trust Company ("State Street Bank"), as agent of the Funds, to lend securities to certain designated borrowers. The loans are collateralized with cash or securities in an amount equal to at least 105% or 102% of the market value (including accrued interest) of the loaned international or domestic securities, respectively, when the loan is initiated. Thereafter, the value of the collateral must remain at least 102% of the market value (including accrued interest) of loaned securities for U.S. equities and U.S. corporate debt; at least 105% of the market value (including accrued interest) of loaned securities for non-U.S. equities; and at least 100% of the market value (including

# Notes to Financial Statements (continued)

September 30, 2018

accrued interest) of loaned securities for U.S. Government securities, sovereign debt issued by non-U.S. Governments and non-U.S. corporate debt. In the event that the market value of the collateral falls below the required percentages described above, the borrower will deliver additional collateral on the next business day. As with other extensions of credit, the Funds may bear the risk of loss with respect to the investment of the collateral. The Funds invest cash collateral in short-term investments, a portion of the income from which is remitted to the borrowers and the remainder allocated between the Funds and State Street Bank as lending agent.

For the year ended September 30, 2018, neither Fund had loaned securities under this agreement.

**k. Indemnifications.** Under the Trust's organizational documents, its officers and Trustees are indemnified against certain liabilities arising out of the performance of their duties to the Funds. Additionally, in the normal course of business, the Funds enter into contracts with service providers that contain general indemnification clauses. The Funds' maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Funds that have not yet occurred. However, based on experience, the Funds expect the risk of loss to be remote.

**3. Fair Value Measurements.** In accordance with accounting standards related to fair value measurements and disclosures, the Funds have categorized the inputs utilized in determining the value of each Fund's assets or liabilities. These inputs are summarized in the three broad levels listed below:

- Level 1 – quoted prices in active markets for identical assets or liabilities;
- Level 2 – prices determined using other significant inputs that are observable either directly, or indirectly through corroboration with observable market data (which could include quoted prices for similar assets or liabilities, interest rates, credit risk, etc.); and
- Level 3 – prices determined using significant unobservable inputs when quoted prices or observable inputs are unavailable such as when there is little or no market activity for an asset or liability (unobservable inputs reflect each Fund's own assumptions in determining the fair value of assets or liabilities and would be based on the best information available).

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The Funds' pricing policies and procedures are recommended by the adviser and approved by the Board of Trustees. Debt securities are valued based on evaluated bids furnished to the Funds by an independent pricing service. Broker-dealer bid prices may be used if an independent pricing service either is unable to price a security or does not provide a reliable price for a security. Broker-dealer bid prices for which the Funds do not have knowledge of the inputs used by the broker-dealer are categorized in

# Notes to Financial Statements (continued)

September 30, 2018

Level 3. All security prices, including those obtained from an independent pricing service and broker-dealer bid prices, are reviewed on a daily basis by the adviser, subject to oversight by Fund management and the Board of Trustees. If the adviser, in good faith, believes that the price provided by an independent pricing service is unreliable, broker-dealer bid prices may be used until the price provided by the independent pricing service is considered to be reliable. Reliability of all security prices, including those obtained from an independent pricing service and broker-dealer bid prices, is tested in a variety of ways, including comparison to recent transaction prices and daily fluctuations, amongst other validation procedures in place. Securities for which market quotations are not readily available are valued at fair value as determined in good faith by the Funds' adviser pursuant to procedures approved by the Board of Trustees. Fair valued securities may be categorized in Level 3.

The following is a summary of the inputs used to value the Funds' investments as of September 30, 2018, at value:

## Investment Grade Bond Fund

### Asset Valuation Inputs

Description	Level 1	Level 2	Level 3	Total
Bonds and Notes				
Non-Convertible Bonds				
ABS Other	\$ —	\$ 12,542,941	\$50,772,266(b)	\$ 63,315,207
Airlines	—	80,162,108	7,789,254(b)	87,951,362
Finance Companies	1,388,072	237,065,814	—	238,453,886
Metals & Mining	—	91,088,549	845(c)	91,089,394
All Other				
Non-Convertible Bonds(a)	—	2,525,655,880	—	2,525,655,880
Total Non-Convertible Bonds	1,388,072	2,946,515,292	58,562,365	3,006,465,729
Convertible Bonds(a)	—	82,845,799	—	82,845,799
Municipals(a)	—	18,101,309	—	18,101,309
Total Bonds and Notes	1,388,072	3,047,462,400	58,562,365	3,107,412,837
Common Stocks(a)	37,590,298	—	—	37,590,298
Preferred Stocks(a)	—	2,652,000	—	2,652,000
Short-Term Investments	—	2,003,604,606	—	2,003,604,606
Total	<u>\$38,978,370</u>	<u>\$5,053,719,006</u>	<u>\$58,562,365</u>	<u>\$5,151,259,741</u>

(a) Details of the major categories of the Fund's investments are reflected within the Portfolio of Investments.

(b) Valued using broker-dealer bid prices.

(c) Fair valued by the Fund's adviser.



# Notes to Financial Statements (continued)

September 30, 2018

## Strategic Income Fund

### Asset Valuation Inputs

Description	Level 1	Level 2	Level 3	Total
<b>Bonds and Notes</b>				
Non-Convertible Bonds				
ABS Other	\$ —	\$ 8,953,489	\$20,680,219(b)(c)	\$ 29,633,708
Airlines	—	239,031,709	455,986(d)	239,487,695
Finance Companies	2,444,830	285,125,617	—	287,570,447
Metals & Mining	—	90,600,518	4,101(e)	90,604,619
All Other Non-Convertible Bonds(a)	—	4,807,776,897	—	4,807,776,897
<b>Total Non-Convertible Bonds</b>	<b>2,444,830</b>	<b>5,431,488,230</b>	<b>21,140,306</b>	<b>5,455,073,366</b>
Convertible Bonds(a)	—	368,199,658	—	368,199,658
Municipals(a)	—	137,186,915	—	137,186,915
<b>Total Bonds and Notes</b>	<b>2,444,830</b>	<b>5,936,874,803</b>	<b>21,140,306</b>	<b>5,960,459,939</b>
Loan Participations(a)	—	—	8,343,807(d)	8,343,807
Senior Loans(a)	—	92,210,003	—	92,210,003
<b>Common Stocks</b>				
Media	—	3,181,952	—	3,181,952
Oil, Gas & Consumable Fuels	3,883,537	9,205,668	—	13,089,205
Specialty Retail	—	—	—(c)	—
All Other Common Stocks(a)	438,058,840	—	—	438,058,840
<b>Total Common Stocks</b>	<b>441,942,377</b>	<b>12,387,620</b>	<b>—</b>	<b>454,329,997</b>
<b>Preferred Stocks</b>				
Convertible Preferred Stocks				
Independent Energy	9,323,191	33,713,599	—	43,036,790
Midstream	—	42,300,041	—	42,300,041
REITs – Mortgage	—	15,437,576	—	15,437,576
All Other Convertible Preferred Stocks(a)	43,632,986	—	—	43,632,986
<b>Total Convertible Preferred Stocks</b>	<b>52,956,177</b>	<b>91,451,216</b>	<b>—</b>	<b>144,407,393</b>
Non-Convertible Preferred Stocks				
REITs – Office Property	—	1,915,200	—	1,915,200
REITs – Warehouse/ Industrials	—	7,436,288	—	7,436,288
All Other Non-Convertible Preferred Stocks(a)	1,398,785	—	—	1,398,785
<b>Total Non-Convertible Preferred Stocks</b>	<b>1,398,785</b>	<b>9,351,488</b>	<b>—</b>	<b>10,750,273</b>
<b>Total Preferred Stocks</b>	<b>54,354,962</b>	<b>100,802,704</b>	<b>—</b>	<b>155,157,666</b>

# Notes to Financial Statements (continued)

September 30, 2018

## Strategic Income Fund (continued)

### Asset Valuation Inputs (continued)

Description	Level 1	Level 2	Level 3	Total
Closed-End Investment Companies	\$ 3,814,317	\$ —	\$ —	\$ 3,814,317
Short-Term Investments	—	1,483,010,020	—	1,483,010,020
Total	<u>\$502,556,486</u>	<u>\$7,625,285,150</u>	<u>\$29,484,113</u>	<u>\$8,157,325,749</u>

- (a) Details of the major categories of the Fund's investments are reflected within the Portfolio of Investments.
- (b) Fair valued by the Fund's adviser (\$3,571,492) or fair valued by the Fund's adviser using broker-dealer bid prices for which the inputs are unobservable to the Fund (\$17,108,727).
- (c) Includes a security fair valued at zero using Level 3 inputs.
- (d) Valued using broker-dealer bid prices.
- (e) Fair valued by the Fund's adviser.

The following is a reconciliation of Level 3 investments for which significant unobservable inputs were used to determine fair value as of September 30, 2017 and/or September 30, 2018:

## Investment Grade Bond Fund

### Asset Valuation Inputs

Investments in Securities	Balance as of September 30, 2017	Accrued Discounts (Premiums)	Realized Gain (Loss)	Change in Unrealized Appreciation (Depreciation)	Purchases
Bonds and Notes					
Non-Convertible Bonds					
ABS Other	\$52,564,401	\$ —	\$26,515	\$ (5,666)	\$ —
Airlines	—	10,001	9,839	(501,456)	—
Metals & Mining	676	13,647	—	(13,478)	—
Total	<u>\$52,565,077</u>	<u>\$23,648</u>	<u>\$36,354</u>	<u>\$(520,600)</u>	<u>\$ —</u>

# Notes to Financial Statements (continued)

September 30, 2018

## Investment Grade Bond Fund (continued)

### Asset Valuation Inputs (continued)

<u>Investments in Securities</u>	<u>Sales</u>	<u>Transfers into Level 3</u>	<u>Transfers out of Level 3</u>	<u>Balance as of September 30, 2018</u>	<u>Change in Unrealized Appreciation (Depreciation) from Investments Still Held at September 30, 2018</u>
<b>Bonds and Notes</b>					
<b>Non-Convertible Bonds</b>					
ABS Other	\$(1,812,984)	\$ —	\$ —	\$50,772,266	\$ —
Airlines	(1,212,873)	9,483,743	—	7,789,254	(501,456)
Metals & Mining	—	—	—	845	(13,478)
<b>Total</b>	<u><u>\$(3,025,857)</u></u>	<u><u>\$9,483,743</u></u>	<u><u>\$ —</u></u>	<u><u>\$58,562,365</u></u>	<u><u>\$(514,934)</u></u>

Debt securities valued at \$9,483,743 were transferred from Level 2 to Level 3 during the period ended September 30, 2018. At September 30, 2017, these securities were valued on the basis of evaluated bids furnished to the Fund by an independent pricing service in accordance with the Fund's valuation policies. At September 30, 2018, these securities were valued using broker-dealer bid prices based on inputs unobservable to the Fund as an independent pricing service did not provide a reliable price for the securities.

All transfers are recognized as of the beginning of the reporting period.

# Notes to Financial Statements (continued)

September 30, 2018

## Strategic Income Fund

### Asset Valuation Inputs

Investments in Securities	Balance as of September 30, 2017	Accrued Discounts (Premiums)	Realized Gain (Loss)	Change in Unrealized Appreciation (Depreciation)	Purchases
<b>Bonds and Notes</b>					
<b>Non-Convertible Bonds</b>					
ABS Other	\$16,947,329(a)	\$ —	\$ —	\$ 1,785,527	\$1,947,363
Airlines	923	—	2,269	(22,847)	—
Chemicals	18,072,420	—	—	—	—
Metals & Mining	3,281	66,810	—	(65,990)	—
Retailers	24,046,500	—	—	—	—
<b>Loan Participations</b>					
ABS Other	10,742,735	—	(14,643)	(431,968)	—
<b>Senior Loans</b>					
Consumer Cyclical Services	7,518,416	—	(5,407)	835,380	809,081
<b>Common Stocks</b>					
Media	1,757,649	—	—	—	—
Oil, Gas & Consumable Fuels	7,921,777(a)	—	(22,293,519)	26,629,418	—
Specialty Retail	—	—	—	—	—
<b>Total</b>	<u>\$87,011,030</u>	<u>\$66,810</u>	<u>\$(22,311,300)</u>	<u>\$28,729,520</u>	<u>\$2,756,444</u>

# Notes to Financial Statements (continued)

September 30, 2018

## Strategic Income Fund (continued)

### Asset Valuation Inputs (continued)

				Balance as of	Change in Unrealized Appreciation (Depreciation) from Investments Still Held at
<u>Investments in Securities</u>	<u>Sales</u>	<u>Transfers into Level 3</u>	<u>Transfers out of Level 3</u>	<u>September 30, 2018</u>	<u>September 30, 2018</u>
Bonds and Notes					
Non-Convertible					
Bonds					
ABS Other	\$ —	\$ —	\$ —	\$20,680,219	\$1,785,527
Airlines	(29,284)	505,848	(923)	455,986	(22,847)
Chemicals	—	—	(18,072,420)	—	—
Metals & Mining	—	—	—	4,101	(65,990)
Retailers	—	—	(24,046,500)	—	—
Loan Participations					
ABS Other	(1,952,317)	—	—	8,343,807	(436,849)
Senior Loans					
Consumer Cyclical Services	(9,157,470)	—	—	—	—
Common Stocks					
Media	—	—	(1,757,649)	—	—
Oil, Gas & Consumable Fuels	(6,885,524)	—	(5,372,152)(a)	—	—
Specialty Retail	—	—	—	—(a)	—
<b>Total</b>	<b><u>\$(18,024,595)</u></b>	<b><u>\$505,848</u></b>	<b><u>\$(49,249,644)</u></b>	<b><u>\$29,484,113</u></b>	<b><u>\$1,259,841</u></b>

(a) Includes a security fair valued at zero using Level 3 inputs.

A debt security valued at \$505,848 was transferred from Level 2 to Level 3 during the period ended September 30, 2018. At September 30, 2017, this security was valued on the basis of evaluated bids furnished to the Fund by an independent pricing service in accordance with the Fund's valuation policies. At September 30, 2018, this security was valued using broker-dealer bid prices based on inputs unobservable to the Fund as an independent pricing service did not provide a reliable price for the security.

# Notes to Financial Statements (continued)

September 30, 2018

A debt security valued at \$923 was transferred from Level 3 to Level 2 during the period ended September 30, 2018. At September 30, 2017, this security was valued using broker-dealer bid prices based on inputs unobservable to the Fund as an independent pricing service did not provide a reliable price for the security. At September 30, 2018, this security was valued on the basis of evaluated bids furnished to the Fund by an independent pricing service in accordance with the Fund's valuation policies.

Debt securities valued at \$18,072,420 were transferred from Level 3 to Level 2 during the period ended September 30, 2018. At September 30, 2017, these securities were valued at fair value as determined in good faith by the Fund's investment adviser as an independent pricing service did not provide a reliable price for the securities. At September 30, 2018, these securities were valued on the basis of evaluated bids furnished to the Fund by an independent pricing service in accordance with the Fund's valuation policies.

A debt security valued at \$24,046,500 was transferred from Level 3 to Level 2 during the period ended September 30, 2018. At September 30, 2017, this security was valued using broker-dealer bid prices based on inputs unobservable to the Fund as an independent pricing service was unable to price the security. At September 30, 2018, this security was valued on the basis of evaluated bids furnished to the Fund by an independent pricing service in accordance with the Fund's valuation policies.

Common stocks valued at \$7,129,801 were transferred from Level 3 to Level 2 during the period ended September 30, 2018. At September 30, 2017, these securities were valued at fair value as determined in good faith by the Fund's adviser using broker-dealer bid prices for which the inputs are unobservable to the Fund. At September 30, 2018, these securities were valued on the basis of closing bid quotations furnished to the Fund by an independent pricing service in accordance with the Fund's valuation policies.

All transfers are recognized as of the beginning of the reporting period.

**4. Purchases and Sales of Securities.** For the year ended September 30, 2018, purchases and sales of securities (excluding short-term investments and including paydowns) were as follows:

Fund	U.S. Government/ Agency Securities		Other Securities	
	Purchases	Sales	Purchases	Sales
Investment Grade Bond Fund	\$ —	\$829,990,954	\$134,824,998	\$1,061,927,393
Strategic Income Fund	—	250,000,000	438,908,021	1,097,100,423

# Notes to Financial Statements (continued)

September 30, 2018

## 5. Management Fees and Other Transactions with Affiliates.

**a. Management Fees.** Loomis, Sayles & Company, L.P. (“Loomis Sayles”) serves as investment adviser to each Fund. Under the terms of the management agreements, each Fund pays a management fee at the following annual rates, calculated daily and payable monthly, based on each Fund’s average daily net assets:

Fund	Percentage of Average Daily Net Assets				
	First \$200 million	Next \$1.8 billion	Next \$13 billion	Next \$10 billion	Over \$25 billion
Investment Grade					
Bond Fund	0.40%	0.40%	0.40%	0.38%	0.38%
Strategic Income Fund	0.65%	0.60%	0.55%	0.54%	0.53%

Loomis Sayles has given binding undertakings to the Funds to waive management fees and/or reimburse certain expenses to limit the Funds’ operating expenses, exclusive of acquired fund fees and expenses, brokerage expenses, interest expense, taxes, organizational and extraordinary expenses such as litigation and indemnification expenses. These undertakings are in effect until January 31, 2019, except for Investment Grade Bond Fund which are in effect until January 31, 2020 may be terminated before then only with the consent of the Funds’ Board of Trustees and are reevaluated on an annual basis. Management fees payable, as reflected on the Statements of Assets and Liabilities, is net of waivers and/or expense reimbursements, if any, pursuant to these undertakings. Waivers/reimbursements that exceed management fees payable are reflected on the Statements of Assets and Liabilities as receivable from investment adviser.

For the year ended September 30, 2018 the expense limits as a percentage of average daily net assets under the expense limitation agreements were as follows:

Fund	Expense Limit as a Percentage of Average Daily Net Assets				
	Class A	Class C	Class N	Class Y	Admin Class
Investment Grade Bond Fund	0.78%	1.53%	0.48%	0.53%	1.03%
Strategic Income Fund	1.25%	2.00%	0.95%	1.00%	1.50%

Prior to July 1, 2018, the expense limits as a percentage of average daily net assets under the expense limitation agreements for Investment Grade Bond Fund were as follows:

Fund	Expense Limit as a Percentage of Average Daily Net Assets				
	Class A	Class C	Class N	Class Y	Admin Class
Investment Grade Bond Fund	0.80%	1.55%	0.50%	0.55%	1.05%

# Notes to Financial Statements (continued)

September 30, 2018

Loomis Sayles shall be permitted to recover expenses borne under the expense limitation agreements (whether through waiver of management fees or otherwise) on a class by class basis in later periods to the extent the annual operating expenses of a class fall below a class' expense limits, provided, however, that a class is not obligated to pay such waived/reimbursed fees or expenses more than one year after the end of the fiscal year in which the fees or expenses were waived/reimbursed.

For the year ended September 30, 2018, the management fees for each Fund were as follows:

<u>Fund</u>	<u>Gross Management Fees</u>	<u>Percentage of Average Daily Net Assets</u>
Investment Grade Bond Fund	\$24,064,905	0.40%
Strategic Income Fund	52,154,306	0.56%

For the year ended September 30, 2018, class-specific expenses have been reimbursed as follows:

<u>Fund</u>	<u>Reimbursement<sup>1</sup></u>					<u>Total</u>
	<u>Class A</u>	<u>Class C</u>	<u>Class N</u>	<u>Class Y</u>	<u>Admin Class</u>	
Investment Grade Bond Fund	\$228,064	\$152,404	\$ —	\$878,186	\$11,732	\$1,270,386

<sup>1</sup> Waiver/expense reimbursements are subject to possible recovery until September 30, 2019.

No expenses were recovered for either Fund during the year ended September 30, 2018 under the terms of the expense limitation agreements.

Certain officers and employees of Loomis Sayles are also officers or Trustees of the Trust. Loomis Sayles' general partner is indirectly owned by Natixis Investment Managers, L.P. ("Natixis"), which is part of Natixis Investment Managers, an international asset management group based in Paris, France.

**b. Service and Distribution Fees.** Natixis Distribution, L.P. ("Natixis Distribution"), which is a wholly-owned subsidiary of Natixis, has entered into a distribution agreement with the Trust. Pursuant to this agreement, Natixis Distribution serves as principal underwriter of the Funds of the Trust.

Pursuant to Rule 12b-1 under the 1940 Act, the Trust has adopted a Service Plan relating to each Fund's Class A shares (the "Class A Plans"), a Distribution and Service Plan relating to each Fund's Class C shares (the "Class C Plans"), and a Distribution Plan relating to each Fund's Admin Class shares (the "Admin Class Plans").

Under the Class A Plans, each Fund pays Natixis Distribution a monthly service fee at an annual rate not to exceed 0.25% of the average daily net assets attributable to the



# Notes to Financial Statements (continued)

September 30, 2018

Fund's Class A shares, as reimbursement for expenses incurred by Natixis Distribution in providing personal services to investors in Class A shares and/or the maintenance of shareholder accounts.

Under the Class C Plans, each Fund pays Natixis Distribution a monthly service fee at an annual rate not to exceed 0.25% of the average daily net assets attributable to the Fund's Class C shares, as compensation for services provided by Natixis Distribution in providing personal services to investors in Class C shares and/or the maintenance of shareholder accounts.

Also under the Class C Plans, each Fund pays Natixis Distribution a monthly distribution fee at an annual rate of 0.75% of the average daily net assets attributable to the Funds' Class C shares, as compensation for services provided by Natixis Distribution in connection with the marketing or sale of Class C shares.

Under the Admin Class Plans, each Fund pays Natixis Distribution a monthly distribution fee at an annual rate not to exceed 0.25% of the average daily net assets attributable to the Fund's Admin Class shares, as compensation for services provided by Natixis Distribution in connection with the marketing or sale of Admin Class shares or for payments made by Natixis Distribution to securities dealers or other financial intermediaries as commissions, asset-based sales charges or other compensation with respect to the sale of Admin Class shares, or for providing personal services to investors and/or the maintenance of shareholder accounts.

In addition, the Admin Class shares of the Funds may pay Natixis Distribution an administrative service fee, at an annual rate not to exceed 0.25% of the average daily net assets attributable to Admin Class shares. These fees are subsequently paid to securities dealers or financial intermediaries for providing personal services and/or account maintenance for their customers who hold such shares.

For the year ended September 30, 2018, the service and distribution fees for each Fund were as follows:

Fund	Service Fees			Distribution Fees	
	Class A	Class C	Admin Class	Class C	Admin Class
Investment Grade					
Bond Fund	\$2,162,593	\$1,409,469	\$ 91,090	\$ 4,228,408	\$ 99,410
Strategic Income					
Fund	4,737,552	4,409,727	325,673	13,229,181	344,436

For the year ended September 30, 2018, Natixis Distribution refunded Investment Grade Bond Fund \$8,320 and Strategic Income Fund \$18,763 of prior year Admin Class service fees paid to Natixis Distribution in excess of amounts subsequently paid to securities dealers or financial intermediaries. Service and distribution fees on the Statements of Operations have been reduced by these amounts.

# Notes to Financial Statements (continued)

September 30, 2018

**c. Administrative Fees.** Natixis Advisors, L.P. (“Natixis Advisors”) provides certain administrative services for the Funds and contracts with State Street Bank to serve as sub-administrator. Natixis Advisors is a wholly-owned subsidiary of Natixis. Pursuant to an agreement among Natixis Funds Trusts, Loomis Sayles Funds Trusts, Natixis ETF Trust and Natixis Advisors, each Fund pays Natixis Advisors monthly its *pro rata* portion of fees equal to an annual rate of 0.0575% of the first \$15 billion of the average daily net assets of the Natixis Funds Trusts, Loomis Sayles Funds Trusts and Natixis ETF Trust, 0.0500% of the next \$15 billion, 0.0400% of the next \$30 billion, 0.0275% of the next \$30 billion and 0.0225% of such assets in excess of \$90 billion, subject to an annual aggregate minimum fee for the Natixis Funds Trusts, Loomis Sayles Funds Trusts and Natixis ETF Trust of \$10 million, which is reevaluated on an annual basis.

Prior to July 1, 2018, each Fund paid Natixis Advisors monthly its *pro rata* portion of fees equal to an annual rate of 0.0575% of the first \$15 billion of the average daily net assets of the Natixis Funds Trusts, Loomis Sayles Funds Trusts and Natixis ETF Trust, 0.0500% of the next \$15 billion, 0.0400% of the next \$30 billion, 0.0350% of the next \$30 billion and 0.0325% of such assets in excess of \$90 billion, subject to an annual aggregate minimum fee for the Natixis Funds Trusts, Loomis Sayles Funds Trusts and Natixis ETF Trust of \$10 million, which was reevaluated on an annual basis.

For the year ended September 30, 2018, the administrative fees for each Fund were as follows:

<u>Fund</u>	<u>Administrative Fees</u>
Investment Grade Bond Fund	\$2,648,877
Strategic Income Fund	4,086,855

**d. Sub-Transfer Agent Fees.** Natixis Distribution has entered into agreements, which include servicing agreements, with financial intermediaries that provide recordkeeping, processing, shareholder communications and other services to customers of the intermediaries that hold positions in the Funds and has agreed to compensate the intermediaries for providing those services. Intermediaries transact with the Funds primarily through the use of omnibus accounts on behalf of their customers who hold positions in the Funds. These services would have been provided by the Funds’ transfer agent and other service providers if the shareholders’ accounts were maintained directly at the Funds’ transfer agent. Accordingly, the Funds have agreed to reimburse Natixis Distribution for all or a portion of the servicing fees paid to these intermediaries. The reimbursement amounts (sub-transfer agent fees) paid to Natixis Distribution are subject to a current per-account equivalent fee limit approved by the Funds’ Board of Trustees, which is based on fees for similar services paid to the Funds’ transfer agent and other service providers. Class N shares do not bear such expenses.

# Notes to Financial Statements (continued)

September 30, 2018

For the year ended September 30, 2018, the sub-transfer agent fees (which are reflected in transfer agent fees and expenses in the Statements of Operations) for each Fund were as follows:

<u>Fund</u>	<u>Sub-Transfer Agent Fees</u>
Investment Grade Bond Fund	\$4,420,691
Strategic Income Fund	6,954,311

As of September 30, 2018, the Funds owe Natixis Distribution the following reimbursements for sub-transfer agent fees (which are reflected in the Statements of Assets and Liabilities as payable to distributor):

<u>Fund</u>	<u>Reimbursements of Sub-Transfer Agent Fees</u>
Investment Grade Bond Fund	\$45,879
Strategic Income Fund	85,632

Sub-transfer agent fees attributable to Class A, Class C, Class Y, and Admin Class are allocated on a *pro rata* basis to each class based on the relative net assets of each class to the total net assets of those classes.

**e. Commissions.** Commissions (including CDSCs) on Fund shares retained by Natixis Distribution during the year ended September 30, 2018, were as follows:

<u>Fund</u>	<u>Commissions</u>
Investment Grade Bond Fund	\$42,900
Strategic Income Fund	79,041

**f. Trustees Fees and Expenses.** The Trust does not pay any compensation directly to its officers or Trustees who are directors, officers or employees of Natixis Advisors, Natixis Distribution, Natixis or their affiliates. The Chairperson of the Board of Trustees receives a retainer fee at the annual rate of \$340,000. The Chairperson does not receive any meeting attendance fees for Board of Trustees meetings or committee meetings that he attends. Each Independent Trustee (other than the Chairperson) receives, in the aggregate, a retainer fee at the annual rate of \$170,000. Each Independent Trustee also receives a meeting attendance fee of \$10,000 for each meeting of the Board of Trustees that he or she attends in person and \$5,000 for each meeting of the Board of Trustees that he or she attends telephonically. In addition, the chairperson of the Contract Review Committee and the chairperson of the Audit Committee each receive an additional retainer fee at the annual rate of \$20,000. The chairperson of the Governance Committee receives an additional retainer fee at the annual rate of \$12,000. Each Contract Review Committee member is compensated \$6,000 for each Committee meeting that he or she attends in person and \$3,000 for each meeting that he or she

# Notes to Financial Statements (continued)

September 30, 2018

attends telephonically. Each Audit Committee member is compensated \$6,000 for each Committee meeting that he or she attends in person and \$3,000 for each meeting that he or she attends telephonically. These fees are allocated among the funds in the Natixis Funds Trusts, Loomis Sayles Funds Trusts and Natixis ETF Trust based on a formula that takes into account, among other factors, the relative net assets of each fund. Trustees are reimbursed for travel expenses in connection with attendance at meetings.

Prior to January 1, 2018, the Chairperson of the Board received a retainer fee at the annual rate of \$325,000 and each Independent Trustee (other than the Chairperson) received, in the aggregate, a retainer fee at the annual rate of \$155,000, the chairperson of the Contract Review Committee and Audit Committee each received an additional retainer fee at the annual rate of \$17,500 and the chairperson of the Governance Committee received an additional retainer fee at the annual rate of \$10,000. All other Trustee fees remained unchanged.

A deferred compensation plan (the "Plan") is available to the Trustees on a voluntary basis. Deferred amounts remain in the Funds until distributed in accordance with the provisions of the Plan. The value of a participating Trustee's deferral account is based on theoretical investments of deferred amounts, on the normal payment dates, in certain funds of the Natixis Funds Trusts, Loomis Sayles Funds Trusts and Natixis ETF Trust as designated by the participating Trustees. Changes in the value of participants' deferral accounts are allocated *pro rata* among the funds in the Natixis Funds Trusts, Loomis Sayles Funds Trusts and Natixis ETF Trust, and are normally reflected as Trustees' fees and expenses in the Statements of Operations. The portions of the accrued obligations allocated to the Funds under the Plan are reflected as Deferred Trustees' fees in the Statements of Assets and Liabilities.

**g. Affiliated Ownership.** As of September 30, 2018, Loomis Sayles Employees' Profit Sharing Retirement Plan held shares of the Investment Grade Bond Fund representing 0.11% of the Fund's net assets.

Investment activities of affiliated shareholders could have material impacts on the Fund.

**6. Class-Specific Transfer Agent Fees and Expenses.** Transfer agent fees and expenses attributable to Class A, Class C, Class Y and Admin Class are allocated on a *pro rata* basis to each class based on the relative net assets of each class to the total net assets of those classes. Transfer agent fees and expenses attributable to Class N are allocated to Class N.

# Notes to Financial Statements (continued)

September 30, 2018

For the year ended September 30, 2018, the Funds incurred the following class-specific transfer agent fees and expenses (including sub-transfer agent fees, where applicable):

Fund	Transfer Agent Fees and Expenses				
	Class A	Class C	Class N	Class Y	Admin Class
Investment Grade Bond Fund	\$ 840,943	\$ 557,690	\$3,203	\$3,209,405	\$ 37,396
Strategic Income Fund	1,548,869	1,436,184	1,978	4,347,028	112,509

**7. Payable to Custodian Bank.** The Funds' custodian bank, State Street Bank, provides overdraft protection to the Funds in the event of a cash shortfall. Cash overdrafts bear interest at a rate per annum equal to the Federal Funds rate plus 2.00%. At September 30, 2018, the Strategic Income Fund had a payable of \$7,666,023 to the custodian bank for an inadvertent overdraft due to a security sale transaction not settling as expected.

**8. Line of Credit.** Effective April 12, 2018, each Fund, together with certain other funds of Natixis Funds Trusts, Loomis Sayles Funds Trusts and Natixis ETF Trust, entered into a \$400,000,000 committed unsecured line of credit provided by State Street Bank. Any one Fund may borrow up to \$350,000,000 under the line of credit agreement (as long as all borrowings by all Funds in the aggregate do not exceed the \$400,000,000 limit at any time), subject to each Fund's investment restrictions and its contractual obligations under the line of credit. Interest is charged to the Funds based upon the terms set forth in the agreement. In addition, a commitment fee of 0.15% per annum, payable at the end of each calendar quarter, is accrued and apportioned among the participating funds based on their average daily unused portion of the line of credit. The Funds paid an arrangement fee, an upfront fee, and other fees in connection with the new line of credit agreement, which are being amortized over a period of 364 days and are reflected as miscellaneous expenses on the Statements of Operations. The unamortized balance is reflected as prepaid expenses on the Statements of Assets and Liabilities.

Prior to April 12, 2018, each Fund, together with certain other funds of Natixis Funds Trusts and Loomis Sayles Funds Trusts, entered into a 364-day, \$400,000,000 syndicated, committed, unsecured line of credit with Citibank, N.A. to be used for temporary or emergency purposes only. Any one Fund was able borrow up to the full \$400,000,000 under the line of credit (as long as all borrowings by all Funds in the aggregate did not exceed the \$400,000,000 limit at any time), subject to each Fund's investment restrictions and its contractual obligations under the line of credit. Interest was charged to the Funds at a rate equal to the greater of the eurodollar or the federal funds rate plus 1.00%. In addition, a commitment fee of 0.15% per annum, payable on the last business day of each month, was accrued and apportioned among the participating funds based on their average daily unused portion of the line of credit.

# Notes to Financial Statements (continued)

September 30, 2018

For the year ended September 30, 2018, neither Fund had borrowings under this agreement.

**9. Concentration of Risk.** Each Fund's investments in foreign securities are subject to foreign currency fluctuations, higher volatility than U.S. securities, varying degrees of regulation and limited liquidity. Greater political, economic, credit and information risks are also associated with foreign securities.

**10. Concentration of Ownership.** From time to time, a Fund may have a concentration of one or more accounts constituting a significant percentage of shares outstanding. Investment activities by holders of such accounts could have material impacts on the Funds. As of September 30, 2018, based on management's evaluation of the shareholder account base, the Investment Grade Bond Fund had accounts representing controlling ownership of more than 5% of the Fund's total outstanding shares. The number of such accounts, based on accounts that represent more than 5% of an individual class of shares, and the aggregate percentage of net assets represented by such holdings were as follows:

<u>Number of 5% Account Holders</u>	<u>Percentage of Ownership</u>
2	24.05%

Omnibus shareholder accounts for which Natixis Advisors understands that the intermediary has discretion over the underlying shareholder accounts or investment models where a shareholder account may be invested for a non-discretionary customer are included in the table above. For other omnibus accounts, the Fund does not have information on the individual shareholder accounts underlying the omnibus accounts; therefore, there could be other 5% shareholders in addition to those disclosed in the table above.

# Notes to Financial Statements (continued)

September 30, 2018

**11. Capital Shares.** Each Fund may issue an unlimited number of shares of beneficial interest, without par value. Transactions in capital shares were as follows:

<b>Investment Grade Bond Fund</b>	<b>Year Ended September 30, 2018</b>		<b>Year Ended September 30, 2017</b>	
	<b>Shares</b>	<b>Amount</b>	<b>Shares</b>	<b>Amount</b>
<b>Class A</b>				
Issued from the sale of shares	26,350,729	\$ 290,166,021	19,528,126	\$ 217,152,190
Issued in connection with the reinvestment of distributions	1,939,385	21,405,938	4,610,265	50,116,925
Redeemed	(37,379,900)	(411,498,034)	(41,811,856)	(466,635,041)
Net change	(9,089,786)	\$ (99,926,075)	(17,673,465)	\$ (199,365,926)
<b>Class C</b>				
Issued from the sale of shares	2,011,124	\$ 22,000,351	3,086,119	\$ 33,663,672
Issued in connection with the reinvestment of distributions	1,080,461	11,807,321	3,067,848	32,931,990
Redeemed	(26,695,866)	(290,792,159)	(31,785,356)	(350,114,834)
Net change	(23,604,281)	\$ (256,984,487)	(25,631,389)	\$ (283,519,172)
<b>Class N</b>				
Issued from the sale of shares	47,337,549	\$ 520,862,751	113,062,434	\$ 1,236,685,568
Issued in connection with the reinvestment of distributions	3,799,061	41,897,623	2,009,435	22,234,080
Redeemed	(43,651,422)	(478,691,782)	(12,720,056)	(141,192,418)
Net change	7,485,188	\$ 84,068,592	102,351,813	\$ 1,117,727,230
<b>Class Y</b>				
Issued from the sale of shares	83,609,222	\$ 923,226,055	96,437,874	\$ 1,075,867,439
Issued in connection with the reinvestment of distributions	8,916,183	98,436,771	21,650,224	235,495,402
Redeemed	(124,671,025)	(1,373,103,002)	(207,134,566)	(2,283,144,056)
Net change	(32,145,620)	\$ (351,440,176)	(89,046,468)	\$ (971,781,215)
<b>Admin Class</b>				
Issued from the sale of shares	9,244,822	\$ 100,929,159	658,125	\$ 7,267,683
Issued in connection with the reinvestment of distributions	37,178	408,621	74,152	803,727
Redeemed	(1,018,175)	(11,215,394)	(1,522,308)	(16,968,085)
Net change	8,263,825	\$ 90,122,386	(790,031)	\$ (8,896,675)
Increase (decrease) from capital share transactions	(49,090,674)	\$ (534,159,760)	(30,789,540)	\$ (345,835,758)

# Notes to Financial Statements (continued)

September 30, 2018

## 11. Capital Shares (continued).

<b>Strategic Income Fund</b>	<b>Year Ended</b>		<b>Year Ended</b>	
	<b>September 30, 2018</b>		<b>September 30, 2017</b>	
	<b>Shares</b>	<b>Amount</b>	<b>Shares</b>	<b>Amount</b>
<b>Class A</b>				
Issued from the sale of shares	51,625,278	\$ 738,924,261	34,163,244	\$ 498,076,337
Issued in connection with the reinvestment of distributions	4,060,455	58,682,435	6,886,842	98,525,119
Redeemed	(52,391,158)	(758,110,873)	(77,412,456)	(1,124,169,037)
Net change	<u>3,294,575</u>	<u>\$ 39,495,823</u>	<u>(36,362,370)</u>	<u>\$ (527,567,581)</u>
<b>Class C</b>				
Issued from the sale of shares	2,803,621	\$ 41,029,278	6,318,531	\$ 91,629,894
Issued in connection with the reinvestment of distributions	3,309,104	48,333,624	6,434,294	92,620,761
Redeemed	(76,940,917)	(1,116,045,348)	(94,279,847)	(1,380,990,323)
Net change	<u>(70,828,192)</u>	<u>\$(1,026,682,446)</u>	<u>(81,527,022)</u>	<u>\$(1,196,739,668)</u>
<b>Class N</b>				
Issued from the sale of shares	4,812,920	\$ 69,711,732	4,399,351	\$ 63,538,392
Issued in connection with the reinvestment of distributions	485,081	6,999,401	548,523	7,855,589
Redeemed	(2,582,475)	(37,282,778)	(4,286,131)	(61,729,981)
Net change	<u>2,715,526</u>	<u>\$ 39,428,355</u>	<u>661,743</u>	<u>\$ 9,664,000</u>
<b>Class Y</b>				
Issued from the sale of shares	77,541,895	\$ 1,122,643,031	122,181,068	\$ 1,771,665,978
Issued in connection with the reinvestment of distributions	12,318,919	177,879,588	16,052,646	229,905,077
Redeemed	(118,518,308)	(1,716,975,666)	(117,951,245)	(1,708,750,729)
Net change	<u>(28,657,494)</u>	<u>\$ (416,453,047)</u>	<u>20,282,469</u>	<u>\$ 292,820,326</u>
<b>Admin Class</b>				
Issued from the sale of shares	1,110,070	\$ 16,029,203	1,318,704	\$ 19,155,611
Issued in connection with the reinvestment of distributions	336,388	4,845,855	441,805	6,304,627
Redeemed	(1,818,549)	(26,240,360)	(1,879,607)	(27,256,147)
Net change	<u>(372,091)</u>	<u>\$ (5,365,302)</u>	<u>(119,098)</u>	<u>\$ (1,795,909)</u>
Increase (decrease) from capital share transactions	<u>(93,847,676)</u>	<u>\$(1,369,576,617)</u>	<u>(97,064,278)</u>	<u>\$(1,423,618,832)</u>

**12. Subsequent Event.** On October 5, 2018, the Board of Trustees approved a change to the fiscal year end of Investment Grade Bond Fund from September 30 to December 31.



# Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Loomis Sayles Funds II and Shareholders of Loomis Sayles Strategic Income Fund and Loomis Sayles Investment Grade Bond Fund:

## Opinions on the Financial Statements

We have audited the accompanying statements of assets and liabilities, including the portfolios of investments, of Loomis Sayles Strategic Income Fund and Loomis Sayles Investment Grade Bond Fund (two of the funds constituting Loomis Sayles Funds II, hereafter collectively referred to as the “Funds”) as of September 30, 2018, the related statements of operations for the year ended September 30, 2018, the statements of changes in net assets for each of the two years in the period ended September 30, 2018, including the related notes, and the financial highlights for each of the five years in the period ended September 30, 2018 (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of each of the Funds as of September 30, 2018, the results of each of their operations for the year then ended, the changes in each of their net assets for each of the two years in the period ended September 30, 2018 and each of the financial highlights for each of the five years in the period ended September 30, 2018 in conformity with accounting principles generally accepted in the United States of America.

## Basis for Opinions

These financial statements are the responsibility of the Funds’ management. Our responsibility is to express an opinion on the Funds’ financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Funds in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of

# Report of Independent Registered Public Accounting Firm

September 30, 2018 by correspondence with the custodian, and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinions.

PricewaterhouseCoopers LLP  
Boston, Massachusetts  
November 20, 2018

We have served as the auditor of one or more investment companies in the Natixis Investment Company Complex since at least 1995. We have not determined the specific year we began serving as auditor.

## 2018 U.S. Tax Distribution Information to Shareholders (Unaudited)

**Corporate Dividends Received Deduction.** For the fiscal year ended September 30, 2018, a percentage of dividends distributed by the Funds listed below qualify for the dividends received deduction for corporate shareholders. These percentages are as follows:

<u>Fund</u>	<u>Qualifying Percentage</u>
Investment Grade Bond Fund	6.14%
Strategic Income Fund	8.39%

**Capital Gains Distributions.** Pursuant to Internal Revenue Section 852(b), the following Funds paid distributions, which have been designated as capital gains distributions for the fiscal year ended September 30, 2018, unless subsequently determined to be different.

<u>Fund</u>	<u>Amount</u>
Investment Grade Bond Fund	\$69,650,181
Strategic Income Fund	45,455,828

**Qualified Dividend Income.** For the fiscal year ended September 30, 2018, the Funds below will designate up to the maximum amount allowable pursuant to the Internal Revenue Code as qualified dividend income eligible for reduced tax rates. These lower rates range from 0% to 20% depending on an individual's tax bracket. If the Funds pay a distribution during calendar year 2018, complete information will be reported in conjunction with Form 1099-DIV.

<u>Fund</u>
Investment Grade Bond Fund
Strategic Income Fund

# Trustee and Officer Information

The tables below provide certain information regarding the trustees and officers of Loomis Sayles Funds II (the “Trust”). Unless otherwise indicated, the address of all persons below is 888 Boylston Street, Suite 800, Boston, MA 02199-8197. The Funds’ Statement of Additional Information includes additional information about the trustees of the Trust and is available by calling Natixis Funds at 800-225-5478.

Name and Year of Birth	Position(s) Held with the Trust, Length of Time Served and Term of Office <sup>1</sup>	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen <sup>2</sup> and Other Directorships Held During Past 5 Years	Experience, Qualifications, Attributes, Skills for Board Membership
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## INDEPENDENT TRUSTEES

Kenneth A. Drucker (1945)	Chairperson of the Board of Trustees since January 2017 Trustee since 2008 <i>Ex Officio</i> member of Audit Committee, Contract Review Committee and Governance Committee	Retired	51 None	Significant experience on the Board and on the boards of other business organizations (including at investment companies); executive experience (including as treasurer of an aerospace, automotive, and metal manufacturing corporation)
Edmond J. English (1953)	Trustee since 2013 Audit Committee Member and Governance Committee Member	Executive Chairman; formerly, Chief Executive Officer of Bob’s Discount Furniture (retail)	51 Director, Burlington Stores, Inc. (retail)	Significant experience on the Board and significant experience on the boards of other business organizations (including retail companies and a bank); executive experience (including at a retail company)

# Trustee and Officer Information

Name and Year of Birth	Position(s) Held with the Trust, Length of Time Served and Term of Office <sup>1</sup>	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen <sup>2</sup> and Other Directorships Held During Past 5 Years	Experience, Qualifications, Attributes, Skills for Board Membership
<b><u>INDEPENDENT TRUSTEES</u></b> continued				
Richard A. Goglia (1951)	Trustee since 2015 Audit Committee Member	Retired; formerly Vice President and Treasurer of Raytheon Company (defense)	51 None	Experience on the Board and executive experience (including his role as vice president and treasurer of a defense company and experience at a financial services company)
Wendell J. Knox (1948)	Trustee since 2009 Contract Review Committee Member and Governance Committee Member	Director of Abt Associates Inc. (research and consulting)	51 Director, Eastern Bank (bank); Director, The Hanover Insurance Group (property and casualty insurance)	Significant experience on the Board and on the boards of other business organizations (including at a bank and at a property and casualty insurance firm); executive experience (including roles as president and chief executive officer of a research and consulting company)

# Trustee and Officer Information

Name and Year of Birth	Position(s) Held with the Trust, Length of Time Served and Term of Office <sup>1</sup>	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen <sup>2</sup> and Other Directorships Held During Past 5 Years	Experience, Qualifications, Attributes, Skills for Board Membership
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**INDEPENDENT TRUSTEES**  
continued

<b>Martin T. Meehan</b> (1956)	Trustee since 2012 Audit Committee Member	President, University of Massachusetts; formerly, Chancellor and faculty member, University of Massachusetts Lowell	51 None	Significant experience on the Board and on the boards of other business organizations; experience as President of the University of Massachusetts; government experience (including as a member of the U.S. House of Representatives); academic experience
<b>Maureen B. Mitchell</b> (1951)	Trustee since 2017 Contract Review Committee Member	Retired; formerly President, Global Sales and Marketing, GE Asset Management, Inc. (financial services)	51 Director, Sterling Bancorp (Bank)	Experience on the Board and on the boards of other business organizations; financial services industry and executive experience (including role as president of global sales and marketing at a financial services company)

# Trustee and Officer Information

Name and Year of Birth	Position(s) Held with the Trust, Length of Time Served and Term of Office <sup>1</sup>	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen <sup>2</sup> and Other Directorships Held During Past 5 Years	Experience, Qualifications, Attributes, Skills for Board Membership
<b><u>INDEPENDENT TRUSTEES</u></b> continued				
James P. Palermo (1955)	Trustee since 2016 Contract Review Committee Member	Founding Partner, Breton Capital Management, LLC (private equity); Partner, STEP Partners, LLC (private equity); formerly, Chief Executive Officer of Global Client Management of The Bank of New York Mellon Corporation	51 Director, FutureFuel Corp. (Chemicals and Biofuels)	Experience on the Board and on the boards of other business organizations; financial services industry and executive experience (including roles as chief executive officer of client management and asset servicing for a banking and financial services company)
Erik R. Sirri (1958)	Trustee since 2009 Chairperson of the Audit Committee	Professor of Finance at Babson College	51 None	Significant experience on the Board; experience as Director of the Division of Trading and Markets at the Securities and Exchange Commission; academic experience; training as an economist
Peter J. Smail (1952)	Trustee since 2009 Chairperson of the Contract Review Committee and Governance Committee Member	Retired	51 None	Significant experience on the Board; mutual fund industry and executive experience (including roles as president and chief executive officer for an investment adviser)

# Trustee and Officer Information

Name and Year of Birth	Position(s) Held with the Trust, Length of Time Served and Term of Office <sup>1</sup>	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen <sup>2</sup> and Other Directorships Held During Past 5 Years	Experience, Qualifications, Attributes, Skills for Board Membership
<b><u>INDEPENDENT TRUSTEES</u></b> continued				
Cynthia L. Walker (1956)	Trustee since 2005 Chairperson of the Governance Committee and Audit Committee Member	Deputy Dean for Finance and Administration, Yale University School of Medicine	51 None	Significant experience on the Board; executive experience in a variety of academic organizations (including roles as dean for finance and administration)

## **INTERESTED TRUSTEES**

Kevin P. Charleston <sup>3</sup> (1965) One Financial Center Boston, MA 02111	Trustee since 2015	President, Chief Executive Officer and Chairman of the Board of Directors; formerly, Chief Financial Officer, Loomis, Sayles & Company, L.P.	51 None	Experience on the Board; continuing service as President, Chief Executive Officer and Chairman of the Board of Directors of Loomis, Sayles & Company, L.P.
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# Trustee and Officer Information

Name and Year of Birth	Position(s) Held with the Trust, Length of Time Served and Term of Office <sup>1</sup>	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen <sup>2</sup> and Other Directorships Held During Past 5 Years	Experience, Qualifications, Attributes, Skills for Board Membership
David L. Giunta <sup>4</sup> (1965)	Trustee since 2011 President of Loomis Sayles Funds II since 2008; Chief Executive Officer of Loomis Sayles Funds II since 2015	President and Chief Executive Officer, Natixis Advisors, L.P., Natixis Distribution, L.P., Natixis Distribution Corporation and Chairman of the Board of Natixis Distribution Corporation	51 None	Significant experience on the Board; experience as President and Chief Executive Officer, Natixis Advisors, L.P., Natixis Distribution, L.P., Natixis Distribution Corporation and Chairman of the Board of Natixis Distribution Corporation

## INTERESTED TRUSTEES

continued

- <sup>1</sup> Each trustee serves until retirement, resignation or removal from the Board. The current retirement age is 75. The position of Chairperson of the Board is appointed for a three-year term.
- <sup>2</sup> The trustees of the Trust serve as trustees of a fund complex that includes all series of the Natixis Funds Trust I, Natixis Funds Trust II, Natixis Funds Trust IV, Gateway Trust, Loomis Sayles Funds I, Loomis Sayles Funds II and Natixis ETF Trust (collectively, the “Fund Complex”).
- <sup>3</sup> Mr. Charleston is deemed an “interested person” of the Trust because he holds the following positions with an affiliated person of the Trust: President, Chief Executive Officer and Chairman of the Board of Directors of Loomis, Sayles & Company, L.P.
- <sup>4</sup> Mr. Giunta is deemed an “interested person” of the Trust because he holds the following positions with an affiliated person of the Trust: President and Chief Executive Officer, Natixis Advisors, L.P., Natixis Distribution, L.P., Natixis Distribution Corporation and Chairman of the Board of Natixis Distribution Corporation.

# Trustee and Officer Information

<u>Name and Year of Birth</u>	<u>Position(s) Held with the Trust</u>	<u>Term of Office<sup>1</sup> and Length of Time Served</u>	<u>Principal Occupation(s) During Past 5 Years<sup>2</sup></u>
<b><u>OFFICERS OF THE TRUST</u></b>			
<b>Daniel J. Fuss</b> (1933) One Financial Center Boston, MA 02111	Executive Vice President	Since June 2003	Vice Chairman and Director, Loomis, Sayles & Company, L.P.
<b>Russell L. Kane</b> (1969)	Secretary, Clerk and Chief Legal Officer	Since July 2016	Executive Vice President, General Counsel, Secretary and Clerk, Natixis Distribution Corporation, Natixis Advisors, L.P. and Natixis Distribution, L.P.; formerly, Chief Compliance Officer for Mutual Funds, Senior Vice President, Deputy General Counsel, Assistant Secretary and Assistant Clerk, Natixis Distribution Corporation, Natixis Advisors, L.P. and Natixis Distribution, L.P.
<b>Michael C. Kardok</b> (1959)	Treasurer, Principal Financial and Accounting Officer	Since October 2004	Senior Vice President, Natixis Advisors, L.P. and Natixis Distribution, L.P.

# Trustee and Officer Information

<u>Name and Year of Birth</u>	<u>Position(s) Held with the Trust</u>	<u>Term of Office<sup>1</sup> and Length of Time Served</u>	<u>Principal Occupation(s) During Past 5 Years<sup>2</sup></u>
<b>Rosa Licea-Mailloux</b> (1976)	Chief Compliance Officer, Assistant Secretary and Anti-Money Laundering Officer	Since July 2016	Senior Vice President, Deputy General Counsel, Assistant Secretary and Assistant Clerk, Natixis Distribution Corporation, Natixis Advisors, L.P. and Natixis Distribution, L.P.; formerly, Associate General Counsel, Natixis Distribution, L.P.

**OFFICERS OF THE TRUST**  
**continued**

- <sup>1</sup> Each officer of the Trust serves for an indefinite term in accordance with the Trust's current by-laws until the date his or her successor is elected and qualified, or until he or she sooner dies, retires, is removed or becomes disqualified.
- <sup>2</sup> Each person listed above, except as noted, holds the same position(s) with the Fund Complex. Previous positions during the past five years with Natixis Distribution, L.P., Natixis Advisors, L.P. or Loomis, Sayles & Company, L.P. are omitted, if not materially different from an officer's current position with such entity.

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> To learn more about Natixis Funds products and services:

Visit: [im.natixis.com](http://im.natixis.com) Call: 800-225-5478

**Before investing, consider the fund's investment objectives, risks, charges, and expenses. Visit [im.natixis.com](http://im.natixis.com) or call 800-225-5478 for a prospectus or summary prospectus containing this and other information. Read it carefully.**

#### Contact us by mail:

If you wish to communicate with the Funds' Board of Trustees, you may do so by writing to:

**Secretary of the Funds Natixis Advisors, L.P.**  
888 Boylston Street, Suite 800  
Boston, MA 02199-8197

The correspondence must (a) be signed by the shareholder; (b) include the shareholder's name and address; and (c) identify the fund(s), account number, share class, and number of shares held in that fund, as of a recent date.

#### Or by e-mail:

[secretaryofthefunds@natixis.com](mailto:secretaryofthefunds@natixis.com)  
(Communications regarding recommendations for Trustee candidates may not be submitted by e-mail.)

**Please note:** Unlike written correspondence, e-mail is not secure. Please do NOT include your account number, Social Security number, PIN, or any other non-public personal information in an e-mail communication because this information may be viewed by others.