

Legg Mason US Smaller Companies Fund

Sterling hedged share classes are available for this Fund



Fund Details

Investment Objective:

The objective of this Fund is to achieve capital growth, principally through investment in securities of smaller US companies.

Key Investment Risks:*

Smaller companies risk
Single region risk
Currency risk

Fund Inception Date:

29.03.2004

Performance Inception Date:

29.03.2004

Benchmark:

Russell 2000 Index

Morningstar Sector:

UK Registered Investment Funds, (IMA) Nth American Smaller Cos

Total Net Assets:

187.40m GBP

Month End NAV (Class A Acc. GBP):

2.05 GBP

ISIN/SEDOL Numbers (Class A Acc. GBP):

GB0034100932 / 3410093

Annual Management Charge (Class A Acc. GBP):

1.50% p.a.

Number of Holdings:

93

Percentage of Top Ten Holdings:

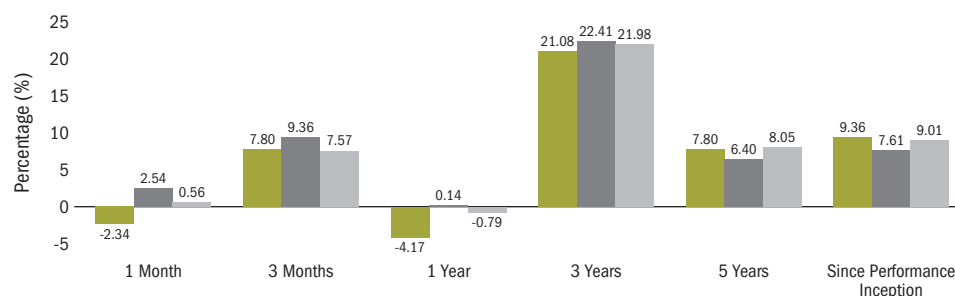
17.63%

Market Cap Exposure (in Millions):

| | |
|-----------------------------|--------|
| More Than £2,500 | 14.68% |
| £1,000-£2,500 | 48.09% |
| £500-£1,000 | 17.68% |
| Less Than £500 | 11.46% |
| Cash & Cash Equivalents | 8.09% |
| Weighted Average Market Cap | £1,471 |

Annualised Fund Performance (GBP)

- Legg Mason US Smaller Companies Fund - Class A Acc.
- Russell 2000 Index
- UK Registered Investment Funds, (IMA) Nth American Smaller Cos



Performance History (GBP)

| Calendar Year Performance | YTD | 2011 | 2010 | 2009 | 2008 |
|---|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| Class A Acc. | 7.80% | -6.73% | 28.47% | 29.20% | -13.17% |
| Russell 2000 Index | 9.36% | -3.46% | 30.84% | 13.23% | -8.33% |
| Morningstar Sector | 7.57% | -4.10% | 31.88% | 26.31% | -16.17% |
| Rolling 12 Month Performance to End of Current Quarter | 31.03.2010 31.03.2011 | 31.03.2009 31.03.2010 | 31.03.2008 31.03.2009 | 31.03.2007 31.03.2008 | 31.03.2006 31.03.2007 |
| Class A Acc. | -4.17% | 19.61% | 54.81% | -15.59% | -2.78% |
| Russell 2000 Index | 0.14% | 19.04% | 53.80% | -13.34% | -14.15% |
| Morningstar Sector | -0.79% | 19.67% | 53.23% | -11.78% | -6.78% |

Source for performance figures: Copyright © 2012, Morningstar, Inc. All Rights Reserved. NAV to NAV with net income reinvested without initial charges but reflecting annual management fees. Performance greater than one year is annualised. For more information, visit www.morningstar.co.uk.

Past performance is no guide to future returns and may not be repeated.

Top Ten Holdings (%)

| | | | |
|---------------------------------|------|---------------------------------|------|
| Reliance Steel & Aluminum | 2.33 | Pan American Silver Corporation | 1.64 |
| The Warnaco Group | 2.14 | Rofin-Sinar Technologies, Inc. | 1.63 |
| Allied Nevada Gold Corporation | 1.76 | Teledyne Technologies Inc. | 1.62 |
| Ashmore Group PLC | 1.73 | GrafTech International Ltd. | 1.58 |
| Federated Investors, Inc. Cl. B | 1.71 | Intrepid Potash, Inc. | 1.49 |

Sector Breakdown (%)

| | | | |
|------------------------|-------|-------------------------|------|
| Industrials | 22.53 | Energy | 7.59 |
| Information Technology | 17.27 | Healthcare | 4.19 |
| Materials | 15.38 | Consumer Staples | 1.65 |
| Financials | 12.21 | Cash & Cash Equivalents | 7.09 |
| Consumer Discretionary | 12.09 | | |

Geographical Breakdown (%)

| | | | |
|----------------|-------|-------------------------|------|
| United States | 75.47 | Germany | 0.85 |
| Canada | 9.70 | Bahamas | 0.61 |
| Bermuda | 3.02 | Mexico | 0.36 |
| United Kingdom | 1.73 | Cash & Cash Equivalents | 7.09 |
| Ireland | 1.17 | | |

Legg Mason

US Smaller Companies Fund

Investment Advisor

Royce & Associates have used for more than 35 years, a value approach to managing small and micro-cap stocks.

Through careful analysis, Royce invests in companies that are trading significantly below the investment team's assessment of their current worth.

Investment Risk

This document does not constitute an invitation to invest. The value of investments and the income from them can go down as well as up and investors may not get back the amounts originally invested. The value of investments and the income from them can be affected by changes in interest rates, in exchange rates, general market conditions, political, social and economic developments and other variable factors.

Smaller companies risk: This Fund may acquire shares in companies with relatively small market capitalisations, including securities that are not listed or traded on Regulated Markets. These securities may increase the risk profile of the Fund.

Single region risk: This Fund invests in companies concentrated predominantly within a single region and as a result the Fund carries more risk than other funds that diversify across multiple regions.

Currency risk: Fluctuations in exchange rates between the currency of the underlying securities and the Fund's base currency may affect the value of an investment and any income derived from it. Please refer to the Simplified Prospectus and Prospectus documentation, which describe the full objective and risk factors associated with this Fund.

Definitions

Standard & Poor's Fund Management Rating: Funds rated in the Platinum, Gold, Silver and Bronze categories demonstrate to Standard & Poor's an ability to provide above average volatility adjusted returns over a long term period (relative to funds in the same sector) along with a strong ability to adhere to a consistent investment process. The differentiation in the rating categories is based on quantitative factors along with Standard & Poor's assessment of the investment process and management. The rating is based on an evaluation of qualitative (management, investment process, and organisation) and quantitative (historic performance, portfolio construction, and volatility) factors, which contribute to long-term performance. The rating does not address the market, credit or counterparty risk of a fund, nor a fund's suitability as a counterparty or obligor. For more information, visit www.funds.standardandpoors.com.

OBSR Fund Rating: Old Broad Street Research (OBSR) provides Fund Ratings as an independent mark of quality. Based on a proven research process where qualitative research is supported by quantitative analysis, OBSR Ratings are evidence that they believe a fund is, for its type, consistently producing the returns it set out to deliver, and is likely to continue to meet its investment objectives over the long-term. The ratings range from A to AAA. These ratings are designed to be an independent mark of quality but also a clear indication of OBSR's conviction in a manager's ability to meet or exceed a fund's objectives compared to other funds of a similar type. For more information, visit www.obsrfundratings.co.uk.

Morningstar Sector: The IMA sector within the UK Registered Investment Fund class is a category that seeks to provide the optimum balance of like for like UK-domiciled investments for the publication in media and web portals.

Important Information

This is a sub-fund of Legg Mason Funds ICVC, an umbrella fund established as an investment company with variable capital, and is authorised in the UK by the Financial Services Authority as an undertaking for collective investment in transferable securities.

This sub-fund is offered solely to non-US investors under the terms and conditions of the Fund's current prospectus - please refer to the Simplified Prospectus and Prospectus documentation, which describe the full objective and risk factors associated with this sub-fund. Before investing you should carefully read the Prospectus. Copies of prospectuses, simplified prospectus, semi-annual and annual reports, if published, may be obtained at: Legg Mason Global Asset Management, PO Box 10649, Chelmsford, CM99 2BD.

This information does not constitute any investment advice or investment recommendations. Please consult a financial advisor before making any investment decisions. The analysis of this document is based on historic data, collected by Legg Mason Investments (Europe) Ltd. sourced from Legg Mason and Morningstar Inc. for its own use; the data is communicated for information purposes only.