

Legg Mason Batterymarch International Equity Trust

Fund performance

Growth of a \$10,000 investment

Class C shares – inception through June 30, 2010
 Excluding the effects of sales charges



Average annual total returns & fund expenses (%) as of June 30, 2010

	Without sales charges					With maximum sales charges					Expenses (Gross) ¹	Expenses (Net) ²	Inception date
	1-yr	3-yr	5-yr	10-yr	Since inception	1-yr	3-yr	5-yr	10-yr	Since inception			
Class A	2.69	–	–	–	10.15	-3.25	–	–	–	5.61	1.19	1.19	2/3/09
Class C	1.90	-18.04	-2.06	-0.54	2.52	0.90	-18.04	-2.06	-0.54	2.52	1.98	1.98	2/17/95
Class I	2.92	-17.18	-1.02	0.47	0.62	2.92	-17.18	-1.02	0.47	0.62	0.91	0.91	5/5/98
Class FI	2.53	-17.49	-1.39	–	5.63	2.53	-17.49	-1.39	–	5.63	1.28	1.28	5/16/03
MSCI EAFE Index	5.92	-13.38	0.88	0.16	–	5.92	-13.38	0.88	0.16	–			

Performance shown represents past performance and is no guarantee of future results. Current performance may be higher or lower than the performance shown. Investment return and principal value will fluctuate so shares, when redeemed, may be worth more or less than the original cost. Class A shares have a maximum front-end sales charge of 5.75%. Class C shares have a one-year contingent deferred sales charge (CDSC) of 1.0%. If sales charges were included, performance shown would be lower. Performance does not reflect a 2% redemption fee,

which is applied to shares of the Fund if shares are redeemed or exchanged within 60 days of purchase. Total returns assume the reinvestment of all distributions at net asset value and the deduction of all Fund expenses. Performance data does not reflect trade date adjustments made to the NAV at month-end. Performance would have been lower if fees had not been waived in various periods. For the most recent month-end information, please visit www.leggmason.com/individualinvestors.

Sector allocation³ (%)

Financials	22.3
Consumer Discretionary	11.6
Industrials	11.2
Materials	9.9
Consumer Staples	9.8
Health Care	8.0
Information Technology	7.3
Energy	7.2
Telecommunication Services	6.1
Utilities	5.0
Cash	1.5

Top countries³ (%)

Japan	25.1
United Kingdom	20.1
Germany	10.2
France	8.0
Switzerland	6.4
Australia	4.3
Netherlands	2.6
Canada	2.5
Italy	1.8
Belgium	1.8

Top 10 holdings³ (%)

Vodafone Group PLC	2.0
Novartis AG	1.6
Royal Dutch Shell PLC	1.6
BHP Billiton Ltd.	1.5
BP PLC	1.4
GlaxoSmithKline PLC	1.4
HSBC Holdings PLC	1.3
Honda Motor Co Ltd	1.2
Standard Chartered PLC	1.2
Siemens AG	1.2
Total	14.3

¹ Gross expenses are the Fund's total annual operating expenses for the share class(es) indicated as of the date of the Fund's most current prospectus and do not reflect fee waivers or reimbursements. These expenses include management fees, 12b-1 distribution and service fees and other expenses.

² Net expenses are the Fund's total annual operating expenses for the share classes indicated as of the date of the Fund's most current prospectus and would reflect voluntary fee waivers and/or

reimbursements, where these reductions reduce the Fund's gross expenses. These waivers and/or reimbursements may be reduced or terminated at any time.

³ Percentages are based on total portfolio as of quarter-end, are subject to change at any time and do not include trade date activity. For informational purposes only and not to be considered a recommendation to purchase or sell any security.

Symbols/CUSIPs by Class

A: LMEAX / 52465U847

C: LMGEX / 52465U201

I: LGIEX / 52465U409

FI: LGFEX / 52465D209

R: LMIRX / 52465U870

IS: LIESX / 52465U854

Goal

Maximum long-term total return

What we invest in

The Fund invests substantially all net assets in non-U.S. equity securities, with the United Kingdom, Europe (excluding the U.K.), and Japan as the three largest regions. The Fund may invest up to 35% of assets in securities of emerging-market issuers, with a focus on higher-quality, dominant companies that the advisor believes to have strong growth prospects and reasonable valuations.

Our approach

The Fund manager's primary focus is value added through stock selection, with a secondary focus on region and sector allocation. The manager uses a "bottom-up," quantitative stock-selection process for the developed markets portion of the Fund's portfolio. The cornerstone of this process is a proprietary model that ranks more than 1,600 stocks in the Fund's principal developed-market investable universe by relative attractiveness. Every day, the manager runs the model and re-balances the portfolio. Emerging-markets stock selection is normally ►

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made from an investable universe of approximately 1,000 liquid stocks, also ranked on a daily basis.

What should I know before investing?

Equity securities are subject to price fluctuation and possible loss of principal. International investments are subject to special risks including currency fluctuations, social, economic and political uncertainties, which could increase volatility. These risks are magnified in emerging markets. Potential active and frequent trading may result in higher transaction costs and increased investor liability.

Where can I find more information?

Online you'll find the most current performance data, commentary, prospectus and more information on each of our managers and products.

Before investing, carefully consider a fund's investment objectives, risks, charges and expenses. You can find this and other information in each prospectus which is available at www.leggmason.com/individualinvestors. Please read it carefully.

Meet your Batterymarch managers

Adam Petryk, CFA, and Charles Lovejoy, CFA, lead the team that manages your Fund, and have 14 years and 30 years of investment industry experience, respectively.

They're part of the investment team at Batterymarch, a pioneer in quantitative equity management. For over 40 years, Batterymarch has used innovative strategies to invest across the world's markets. Batterymarch offers investors a wide selection of core and specialized products using their proprietary investment approach.

Legg Mason's unique structure provides you with access to this specialized expertise. We offer a powerful portfolio of solutions through our independent investment management firms.



Charles Lovejoy



Adam Petryk

Portfolio statistics as of June 30, 2010

Net assets (in millions)	\$500.7	Measures below are based on a trailing 10-year period for Class C shares	
Number of issues	165		
Average market cap (in billions)	39.7	Beta	0.95
Median market cap (in billions)	27.0	R-squared	0.96
Turnover rate (fiscal yr %)	123.0	Sharpe ratio	-0.08
Dividend frequency	Annually, if any	Standard deviation	17.6%
Lipper category	International Large-Cap Core		

Year-to-date and calendar-year total returns (%) as of June 30, 2010

Without sales charges	YTD	2009	2008	2007	2006	2005	2004	2003	2002	2001
Class A	-13.86	-	-	-	-	-	-	-	-	-
Class C	-14.17	19.65	-45.95	8.27	26.39	19.11	20.86	39.82	-12.73	-19.03
Class I	-13.71	20.87	-45.38	9.40	27.70	20.38	22.06	41.32	-12.02	-18.19
Class FI	-13.92	20.35	-45.54	9.03	27.28	20.03	21.72	-	-	-
MSCI EAFE Index	-13.23	31.78	-43.38	11.17	26.34	13.54	20.25	38.59	-15.94	-21.44

Performance shown represents past performance and is no guarantee of future results. Current performance may be higher or lower than the performance shown. Investment return and principal value will fluctuate so shares, when redeemed, may be worth more or less than the original cost. If sales charges were included, performance shown would be lower. Year-to-date (YTD) returns are cumulative figures, are not annualized and are calculated from January 1 of the reporting year. All classes of shares may not be available to all investors or through all distribution channels.

What terms should I know?

Beta is a measure of a portfolio's volatility, or systematic risk, in comparison to the market as a whole. A beta below 1 indicates less volatility than the market; a higher beta indicates more volatility.

R-squared measures how closely a portfolio's performance correlates with that of its benchmark, thus representing how much of the portfolio's performance can be explained by the overall market or index. 1 indicates perfect correlation; 0 indicates no correlation.

Sharpe ratio refers to a risk-adjusted measure calculated using standard deviation and excess returns to determine reward per unit of risk. The higher the ratio, the greater the risk-adjusted performance.

Standard deviation indicates the percentage by which a fund's performance has varied from its average performance in any given month during the period indicated. The higher the standard deviation, the greater the range of performance, indicating greater volatility.

Turnover is a measure of the Fund's trading activity which represents the portion of the Fund's holdings that has changed over a year. There is no assurance that the Fund will maintain its current level of turnover.

The MSCI EAFE Index is an unmanaged index based on share prices of approximately 994 companies listed on stock exchanges around the world. Twenty-two countries are included in the portfolio. Please note that an investor cannot invest directly in an index.