

## CLEARBRIDGE APPRECIATION FUND

### Investment overview

Invests primarily in equity securities of U.S. companies. Typically focusing on medium and large cap companies, but may also invest in small cap companies

Seeks long-term capital appreciation potential in core equity holdings that strike a careful balance between reward and risk

Targets companies with effective management, superior earnings growth and strong or improving fundamentals

### Average annual total returns & fund expenses<sup>^</sup> (%) as of Jun. 30, 2018

|           | Without sales charges |       |       |       |           | With maximum sales charges |       |       |       |           | Expenses |      | Inception date |
|-----------|-----------------------|-------|-------|-------|-----------|----------------------------|-------|-------|-------|-----------|----------|------|----------------|
|           | 1-Yr                  | 3-Yr  | 5-Yr  | 10-Yr | Inception | 1-Yr                       | 3-Yr  | 5-Yr  | 10-Yr | Inception | Gross    | Net  |                |
| Class A   | 11.39                 | 9.78  | 11.12 | 8.80  | 10.32     | 5.00                       | 7.64  | 9.81  | 8.16  | 10.19     | 0.98     | 0.98 | 03/10/70       |
| Class C   | 10.61                 | 9.01  | 10.33 | 8.04  | 8.07      | 9.61                       | 9.01  | 10.33 | 8.04  | 8.07      | 1.69     | 1.69 | 02/04/93       |
| Class FI  | 11.34                 | 9.75  | 11.09 | —     | 12.73     | 11.34                      | 9.75  | 11.09 | —     | 12.73     | 1.03     | 1.03 | 12/19/08       |
| Class I   | 11.71                 | 10.10 | 11.45 | 9.13  | 8.95      | 11.71                      | 10.10 | 11.45 | 9.13  | 8.95      | 0.69     | 0.69 | 01/30/96       |
| Benchmark | 14.37                 | 11.93 | 13.42 | 10.17 | —         | 14.37                      | 11.93 | 13.42 | 10.17 | —         |          |      |                |

### Cumulative total returns (%) as of Jun. 30, 2018 (without sales charges)

|           | 3 Mo | YTD  | 2017  | 2016  | 2015 | 2014  | 2013  | 2012  | 2011 | 2010  | 2009  |
|-----------|------|------|-------|-------|------|-------|-------|-------|------|-------|-------|
| Class A   | 2.90 | 0.81 | 19.51 | 9.07  | 1.43 | 10.73 | 29.28 | 15.48 | 2.14 | 12.48 | 21.31 |
| Class C   | 2.74 | 0.48 | 18.66 | 8.24  | 0.77 | 9.96  | 28.31 | 14.73 | 1.37 | 11.79 | 20.48 |
| Class FI  | 2.88 | 0.80 | 19.46 | 9.05  | 1.46 | 10.69 | 29.20 | 15.62 | 2.17 | 12.41 | 21.22 |
| Class I   | 2.96 | 0.98 | 19.81 | 9.39  | 1.75 | 11.07 | 29.73 | 15.97 | 2.45 | 12.70 | 21.78 |
| Benchmark | 3.43 | 2.65 | 21.83 | 11.96 | 1.38 | 13.69 | 32.39 | 16.00 | 2.11 | 15.06 | 26.46 |

**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 CDSC of 1.0%. If sales charges were included, performance shown would be lower. Total returns assume the reinvestment of all distributions at net asset value and the deduction of all Fund expenses. Total return figures are based on the NAV per share applied to shareholder subscriptions and redemptions, which may differ from the NAV per share disclosed in Fund shareholder reports. Performance would have been lower if fees had not been waived in various periods. YTD is calculated from January 1 of the reporting year. All classes of shares may not be available to all investors or through all distribution channels. For the most recent month-end information, please visit [www.leggmasonfunds.com](http://www.leggmasonfunds.com).

<sup>^</sup> Gross expenses are the Fund's total annual operating expenses for the share class(es) shown. Net expenses for Class(es) A, C, FI, I, IS & R reflect contractual fee waivers and/or reimbursements, where these reductions reduce the Fund's gross expenses, which cannot be terminated prior to Dec 31, 2019 without Board consent.

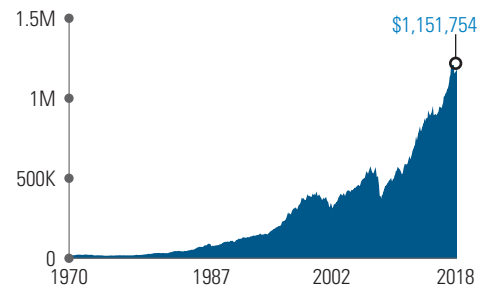
### Sector allocation (%) as of Jun. 30, 2018

|                            | Fund | Benchmark |
|----------------------------|------|-----------|
| Information Technology     | 26.1 | 26.0      |
| Health Care                | 15.2 | 14.1      |
| Financials                 | 14.9 | 13.8      |
| Consumer Discretionary     | 10.4 | 12.9      |
| Industrials                | 8.9  | 9.5       |
| Energy                     | 7.3  | 6.3       |
| Consumer Staples           | 6.0  | 7.0       |
| Materials                  | 5.1  | 2.6       |
| Telecommunication Services | 2.4  | 2.0       |
| Real Estate                | 1.4  | 2.9       |
| Utilities                  | 0.9  | 3.0       |
| Cash                       | 1.4  | —         |

INVESTMENT PRODUCTS: NOT FDIC INSURED • NO BANK GUARANTEE • MAY LOSE VALUE

### Growth of \$10,000

Class A shares - inception through Jun. 30, 2018  
Excluding the effects of sales charges



### Share class codes

|    | Symbol | CUSIP     |    | Symbol | CUSIP     |
|----|--------|-----------|----|--------|-----------|
| A  | SHAPX  | 52468E105 | IS | LMESX  | 52468E709 |
| C  | SAPCX  | 52468E303 | R  | LMPPX  | 52468E501 |
| FI | LMPIX  | 52468E600 |    |        |           |
| I  | SAPYX  | 52468E402 |    |        |           |

### Benchmark (BM)

S&P 500 Index

### Fund facts as of Jun. 30, 2018

|                            |                      |
|----------------------------|----------------------|
| Dividend frequency, if any | Annual               |
| Morningstar category       | Large Blend          |
| Lipper category            | Large-Cap Core Funds |
| Turnover (fiscal yr)       | 7%                   |

Any information, statement or opinion set forth herein is general in nature, is not directed to or based on the financial situation or needs of any particular investor, and does not constitute, and should not be construed as, investment advice, forecast of future events, a guarantee of future results, or a recommendation with respect to any particular security or investment strategy or type of retirement account. Investors seeking financial advice regarding the appropriateness of investing in any securities or investment strategies should consult their financial professional.

Sector allocation and top holdings percentages are based on total portfolio as of quarter-end and are subject to change at any time. For informational purposes only and not to be considered a recommendation to purchase or sell any security.

## CLEARBRIDGE APPRECIATION FUND

## Top 10 holdings (%) as of Jun. 30, 2018

|                        |     |
|------------------------|-----|
| Microsoft Corp         | 5.5 |
| Apple Inc              | 3.7 |
| Home Depot Inc/The     | 3.6 |
| Alphabet Inc           | 3.4 |
| JPMorgan Chase & Co    | 3.4 |
| UnitedHealth Group Inc | 3.3 |
| Berkshire Hathaway Inc | 3.0 |
| Comcast Corp           | 2.6 |
| Visa Inc               | 2.4 |
| Johnson & Johnson      | 2.3 |

## Statistics as of Jun. 30, 2018

|                      | Fund     | Benchmark |
|----------------------|----------|-----------|
| Net assets           | \$6.0B   | –         |
| Number of holdings   | 77       | 505       |
| Weighted average cap | \$234.7B | \$208.0B  |
| Weighted median cap  | \$163.4B | \$104.8B  |

## Risk statistics as of Jun. 30, 2018

Measures based on Class A. Benchmark = S&amp;P 500 Index.

|                        | 1-Yr  |           | 3-Yr  |           | 5-Yr  |           | 10-Yr |           |
|------------------------|-------|-----------|-------|-----------|-------|-----------|-------|-----------|
|                        | Fund  | Benchmark | Fund  | Benchmark | Fund  | Benchmark | Fund  | Benchmark |
| Beta                   | 1.03  | 1.00      | 0.95  | 1.00      | 0.97  | 1.00      | 0.88  | 1.00      |
| R-squared              | 0.98  | 1.00      | 0.97  | 1.00      | 0.98  | 1.00      | 0.98  | 1.00      |
| Sharpe ratio           | 1.10  | 1.46      | 0.94  | 1.10      | 1.11  | 1.30      | 0.69  | 0.71      |
| Standard deviation (%) | 8.97  | 8.60      | 9.80  | 10.16     | 9.56  | 9.81      | 12.99 | 14.71     |
| Alpha                  | -3.01 | 0.00      | -1.45 | 0.00      | -1.63 | 0.00      | -0.21 | 0.00      |
| Information ratio      | -2.44 | –         | -1.32 | –         | -1.68 | –         | -0.56 | –         |
| Tracking error         | 1.22  | 0.00      | 1.63  | 0.00      | 1.37  | 0.00      | 2.44  | 0.00      |

## Portfolio management

Scott Glasser (industry since 1991) and Michael Kagan (industry since 1985) are portfolio managers of your Fund.

ClearBridge Investments offers institutional and individual investors a variety of traditional and alternative equity strategies. With an investment heritage dating back over 50 years, ClearBridge offers distinctive manager insights and proprietary fundamental research.

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.

## What should I know before investing?

Equity securities are subject to price fluctuation and possible loss of principal. Small- and mid-cap stocks involve greater risks and volatility than large-cap stocks. Short selling is a speculative strategy. Unlike the possible loss on a security that is purchased, there is no limit on the amount of loss on an appreciating security that is sold short. International investments are subject to special risks, including currency fluctuations and social, economic and political uncertainties, which could increase volatility. These risks are magnified in emerging markets.

## Where can I find more information?

You'll find the most current performance data, commentary, prospectus and more information on each of our managers and products at [www.leggmasonfunds.com](http://www.leggmasonfunds.com).

**Beta** measures the sensitivity of an investment to the movement of its benchmark. A beta higher than 1.0 indicates the investment has been more volatile than the benchmark and a beta of less than 1.0 indicates that the investment has been less volatile than the benchmark. **R-squared** measures the strength of the linear relationship between the Fund and its benchmark. R Squared at 1 implies perfect linear relationship and zero implies no relationship exists. **Sharpe ratio** is a risk-adjusted measure, calculated using standard deviation and excess return to determine reward per unit of risk. The higher the sharpe ratio, the better the fund's historical risk-adjusted performance. **Standard deviation** measures the risk or volatility of an investment's return over a particular time period; the greater the number, the greater the risk. **Alpha** measures performance vs. a benchmark on a risk-adjusted basis. A positive alpha of 1.0 means the portfolio has outperformed its benchmark index by 1%. Correspondingly, a similar negative alpha would indicate an underperformance of 1%. **Tracking Error** is the dispersal of differences between the returns obtained by the Fund and the benchmark variation. **Information Ratio** is the ratio of annualized expected residual return to residual risk. **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 **S&P 500 Index** is a market capitalization-weighted index of 500 widely held common stocks. Investors cannot invest directly in an index and unmanaged index returns do not reflect any fees, expenses or sales charges.

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Before investing, carefully consider a Fund's investment objectives, risks, charges and expenses. You can find this and other information in each prospectus, or summary prospectus, if available, which is available at [www.leggmasonfunds.com](http://www.leggmasonfunds.com). Please read it carefully.

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