

CLEARBRIDGE INTERNATIONAL VALUE FUND

Investment overview

Employs an active approach to invest in multi-cap, non-U.S. companies, in both developed and emerging market countries

Seeks geographical diversification by region and country

Uses both quantitative and bottom-up fundamental analysis to identify undervalued companies

Average annual total returns & fund expenses^A (%) as of Mar. 31, 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 | 12.26 | 5.16 | 5.72 | 3.04 | 5.81 | 5.80 | 3.09 | 4.47 | 2.43 | 5.61 | 1.42 | 1.25 | 02/18/86 |
| Class C | 11.37 | 4.37 | 4.94 | 2.30 | 3.55 | 10.37 | 4.37 | 4.94 | 2.30 | 3.55 | 2.17 | 2.00 | 01/04/93 |
| Class I | 12.60 | 5.54 | 6.12 | 3.24 | 2.37 | 12.60 | 5.54 | 6.12 | 3.24 | 2.37 | 0.99 | 0.90 | 12/29/06 |
| Class IS | 12.65 | 5.63 | 6.21 | — | 4.41 | 12.65 | 5.63 | 6.21 | — | 4.41 | 0.87 | 0.80 | 08/04/08 |
| Class R | 11.90 | 4.88 | — | — | 2.28 | 11.90 | 4.88 | — | — | 2.28 | 1.61 | 1.50 | 01/31/14 |
| Benchmark | 16.53 | 6.18 | 5.89 | 2.70 | — | 16.53 | 6.18 | 5.89 | 2.70 | — | | | |

Cumulative total returns (%) as of Mar. 31, 2018 (without sales charges)

| | 3 Mo | YTD | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
|-----------|-------|-------|-------|------|-------|--------|-------|-------|--------|-------|-------|
| Class A | -1.78 | -1.78 | 23.24 | 3.30 | -3.68 | -9.87 | 23.62 | 23.16 | -11.96 | 11.27 | 30.78 |
| Class C | -2.06 | -2.06 | 22.40 | 2.50 | -4.38 | -10.51 | 22.60 | 22.44 | -12.61 | 10.97 | 29.40 |
| Class I | -1.72 | -1.72 | 23.68 | 3.71 | -3.28 | -9.46 | 23.92 | 23.67 | -11.55 | 11.18 | 31.30 |
| Class IS | -1.69 | -1.69 | 23.75 | 3.83 | -3.19 | -9.43 | 24.17 | 23.81 | -11.47 | 11.25 | 31.38 |
| Class R | -1.88 | -1.88 | 22.91 | 3.05 | -3.84 | — | — | — | — | — | — |
| Benchmark | -1.18 | -1.18 | 27.19 | 4.50 | -5.66 | -3.87 | 15.29 | 16.83 | -13.71 | 11.15 | 41.45 |

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.

Sector allocation (%) as of Mar. 31, 2018

| | Fund | Benchmark |
|----------------------------|------|-----------|
| Financials | 26.6 | 23.1 |
| Materials | 15.2 | 8.0 |
| Consumer Discretionary | 13.9 | 11.4 |
| Industrials | 12.7 | 11.8 |
| Health Care | 7.3 | 7.7 |
| Information Technology | 6.9 | 11.8 |
| Energy | 5.9 | 6.7 |
| Consumer Staples | 3.1 | 9.4 |
| Telecommunication Services | 1.5 | 3.9 |
| Real Estate | 1.0 | 3.2 |
| Utilities | 0.0 | 3.0 |
| Cash | 5.9 | 0.0 |

Top countries (%) as of Mar. 31, 2018

| | Fund | Benchmark |
|----------------|------|-----------|
| United Kingdom | 14.3 | 11.8 |
| France | 10.5 | 7.4 |
| Japan | 9.9 | 16.8 |
| China | 8.6 | 7.6 |
| Germany | 8.5 | 6.6 |
| Switzerland | 7.7 | 5.3 |
| Netherlands | 4.4 | 2.5 |
| Australia | 4.2 | 4.5 |
| United States | 3.9 | 0.0 |
| Italy | 3.8 | 1.7 |

Morningstar Rating™

Overall Rating as of March 31, 2018



Class A



Class C

As of 03/31/18, Class A and C shares rated 4 and 3 stars, respectively, among 265 Foreign Large Value funds, based upon risk-adjusted returns derived from a weighted average of the performance figures associated with 3-, 5- and 10-year (if applicable) Morningstar Ratings metrics.[†]

Growth of \$10,000

Class A shares – Inception through Mar. 31, 2018
Excluding the effects of sales charges



Share class codes

| | Symbol | CUSIP | Symbol | CUSIP | |
|----|--------|-----------|--------|-------|-----------|
| A | SBIEX | 52469X607 | I | SBIYX | 52469X888 |
| C | SBICX | 52469X805 | IS | LSIUX | 52469X870 |
| FI | LIOFX | 52471R218 | R | LIORX | 52471R515 |

Benchmark (BM)

MSCI All-Country World Index ex US

^AGross expenses are the Fund's total annual operating expenses for the share class(es) shown. Net expenses for Class(es) A, C, 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.

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, top countries 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.

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Top 10 holdings (%) as of Mar. 31, 2018

| | |
|---------------------------|-------------|
| Banco Santander SA | 2.5 |
| Honda Motor Co. Ltd. | 2.3 |
| China Construction Bank H | 2.2 |
| BNP Paribas | 2.1 |
| Hitachi Ltd | 2.0 |
| Novartis AG Reg | 2.0 |
| Rio Tinto Ltd. | 2.0 |
| BP PLC | 2.0 |
| UBS Group AG | 1.8 |
| ThyssenKrupp AG | 1.7 |
| Total | 20.5 |

Fund facts as of Mar. 31, 2018

| | |
|----------------------------|-------------------------------|
| Dividend frequency, if any | Annual |
| Morningstar category | Foreign Large Value |
| Lipper category | International Multi-Cap Value |
| Turnover (fiscal yr) | 23% |

Statistics as of Mar. 31, 2018

| | Fund | Benchmark |
|----------------------|----------|-----------|
| Net assets | \$348.8M | — |
| Number of holdings | 78 | 1865 |
| Weighted average cap | \$49.8B | \$69.3B |
| Weighted median cap | \$32.0B | \$36.1B |

Risk statistics as of Mar. 31, 2018

Measures based on Class A. Benchmark = MSCI All-Country World Index ex US.

| | 1-Yr | | 3-Yr | | 5-Yr | | 10-Yr | |
|------------------------|-------|-----------|-------|-----------|-------|-----------|-------|-----------|
| | Fund | Benchmark | Fund | Benchmark | Fund | Benchmark | Fund | Benchmark |
| Beta | 1.16 | 1.00 | 0.96 | 1.00 | 0.95 | 1.00 | 0.94 | 1.00 |
| R-squared | 0.94 | 1.00 | 0.91 | 1.00 | 0.88 | 1.00 | 0.93 | 1.00 |
| Sharpe ratio | 1.01 | 1.60 | 0.42 | 0.50 | 0.50 | 0.51 | 0.24 | 0.22 |
| Standard deviation (%) | 11.04 | 9.18 | 12.54 | 12.47 | 11.98 | 11.88 | 18.37 | 18.79 |
| Alpha | -5.86 | 0.00 | -0.73 | 0.00 | 0.17 | 0.00 | 0.49 | 0.00 |
| Information ratio | -1.38 | — | -0.28 | — | -0.04 | — | 0.07 | — |
| Tracking error | 3.10 | 0.00 | 3.73 | 0.00 | 4.15 | 0.00 | 5.03 | 0.00 |

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 **MSCI All-Country World Index ex US** (MSCI ACWI Index ex US) is a market capitalization weighted index designed to measure the equity market performance of developed and emerging markets. Investors cannot invest directly in an index and unmanaged index returns do not reflect any fees, expenses or sales charges.

Active share is a measure of the percentage of stock holdings in a manager's portfolio that differs from the benchmark index.

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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. Please read it carefully.

*Morningstar proprietary ratings are as of March 31, 2018 and are subject to change every month. Current monthly ratings can be found at leggmason.com. A 4- or 5-star rating does not necessarily imply that a fund achieved positive results for the period. For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. Mutual funds and exchange traded funds are considered a single population for comparative purposes. Ratings do not account for the effects of sales charges. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. Class A and C shares of the Fund were rated against 265, 216, and 140 Foreign Large Value funds over the 3-, 5- and 10-year periods, respectively. With respect to these funds, Class A and C shares of the Fund received Morningstar Ratings of 3, 3, and 4; 3, 2, and 3 stars for the 3-, 5- and 10-year periods, respectively. Ratings shown are for the highest and lowest rated share classes only, when available. Other share classes have different expense structures and performance characteristics. Classes have a common portfolio.

Portfolio management

Your Fund is managed by a team including Paul D. Ehrlichman (industry since 1984), Sean M. Bogda (industry since 1992), Safa R. Muhtaseb (industry since 1985) and Grace Su (industry since 2001).

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. 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. To the extent the fund invests in fixed income, these securities are subject to various risks, including but not limited to, credit, inflation, income, prepayment and interest rates risks. As interest rates rise, the value of fixed-income securities falls. Active management does not ensure gains or protect against market declines.

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.