

KEY FACTS

Portfolio Management Team: Scott Glasser, Michael Kagan

Fundamental Research Platform:

- A shared research platform, consisting of experienced analysts who support portfolio management
- Coverage for sector analysts includes the top 300-400 existing holdings and 100-150 opportunistic ideas

Experience:

- Senior Portfolio Manager Scott Glasser has 20 years of investment industry experience; has been a member of the Appreciation team since 1995
- Senior Portfolio Manager Michael Kagan has 26 years of investment industry experience

Benchmark: S&P 500 Index

Performance: The Institutional Appreciation Composite (gross of fees) has outperformed the S&P 500 Index over the 1-, 5-, 7- and 10-year average annual periods through December 31, 2011²

OBJECTIVE:

Seeks long-term appreciation of shareholders' capital³

PHILOSOPHY & STRATEGY

- The managers seek to provide long-term consistent and competitive risk-adjusted returns by balancing upside participation in good markets and trying to limit downside risk in difficult markets
- The managers invest in both growth and value stocks, primarily in large-cap, blue chip companies, with dominant market positions
- The managers use a disciplined valuation process that attempts to measure upside potential and downside exposure

INVESTMENT PROCESS

Step 1: Define the Investment Universe	Emphasize domestic large-capitalization stocks
Step 2: Evaluate Stocks Using Proprietary Discipline	Screen for high-quality companies with dominant market positions, proven management teams and superior balance sheets across all market sectors
Step 3: Select Securities and Construct Portfolio	Conduct fundamental research to identify companies with attractive growth characteristics relative to their valuation levels
Step 4: Review Holdings	Re-examine a current holding when valuation is realized, fundamentals deteriorate and/or cyclical shifts alter industry's attractiveness

PORTFOLIO CHARACTERISTICS & RISK STATISTICS^{1,2}

Characteristics	Representative Portfolio	S&P 500 Index
P/E Ratio (trailing 12 mos.)	14.1	13.9
P/E Ratio (forward 12 mos.)	12.7	12.7
Price/Book	3.2	3.1
EPS Growth Next 3-5 Years (%)	11.0	11.9
Weighted Median Market Cap (\$ bn)	66.2	51.2
Weighted Average Market Cap (\$ bn)	110.0	96.4
ROE	21.0	20.4
Dividend Yield	2.3	2.1

3 Year Risk Statistics*	Composite	S&P 500 Index
Standard Deviation (%)	16.47	18.97
Sharpe Ratio	0.81	0.79
Tracking Error (%)	2.97	--
R ²	0.99	--
Alpha (%)	0.46	--
Beta	0.86	--

* Performance is preliminary and subject to change.

TOP TEN HOLDINGS¹

Security	(%) of Total Representative Portfolio
Exxon Mobil Corp.	3.67
Travelers Cos. Inc.	3.14
Apple Inc.	2.94
Microsoft Corp.	2.68
Procter & Gamble Co.	2.36
Wal-Mart Stores Inc.	2.22
Walt Disney Co.	2.19
Comcast Corp. Cl A	2.04
Chevron Corp.	2.01
AT&T Inc.	1.98
Total	25.22
Total Number of Holdings	99

SECTOR WEIGHTINGS¹

Sector	Representative Portfolio (%)	S&P 500 Index (%)	Relative Weight (%)
Information Technology	19.1	19.0	0.0
Financials	13.2	13.6	-0.4
Consumer Staples	11.2	11.5	-0.3
Consumer Discretionary	10.9	10.7	0.2
Energy	10.9	12.3	-1.4
Health Care	10.8	11.9	-1.0
Industrials	10.1	10.7	-0.5
Materials	6.5	3.5	3.0
Telecommunication Services	3.0	3.0	0.1
Utilities	1.2	3.9	-2.6
Cash	2.9	0.0	2.9

¹ Source: FactSet. Representative portfolio characteristics, holdings, sector weightings, turnover and market capitalization are based on a representative portfolio and are subject to change at any time. Holdings, sector weightings, market capitalization, turnover and portfolio characteristics of individual client portfolios may differ, sometimes significantly, from those shown. Typically, an institutional separately managed portfolio may hold 80-100 holdings, which may differ from the representative portfolio shown in this presentation. This information does not constitute, and should not be construed as, investment advice or recommendations with respect to the securities and sectors listed.

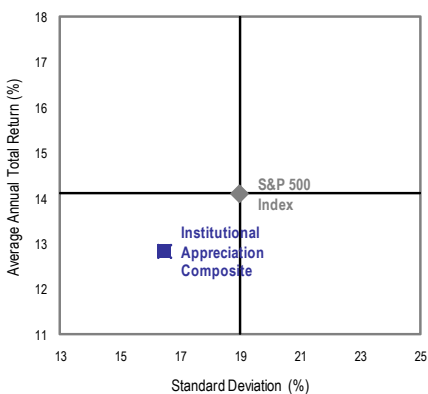
P/E ratios are weighted harmonic average. Price/Book is weighted average.

² Past performance is no guarantee of future results. Please see GIPS endnotes.

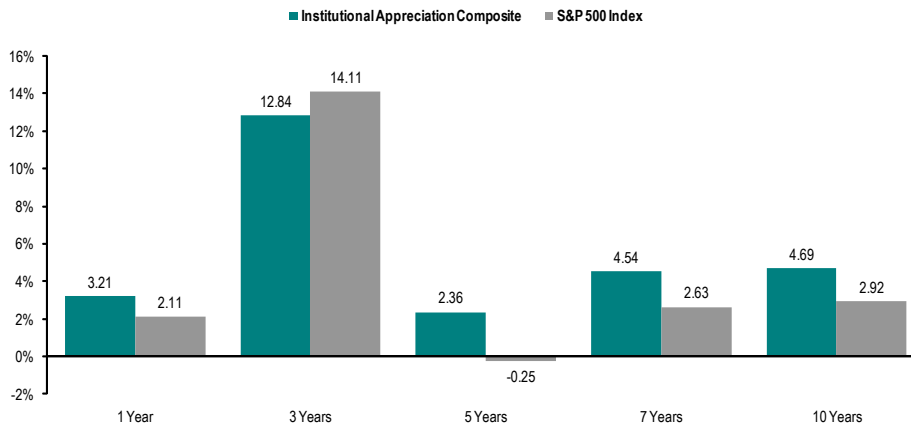
³ There is no guarantee that the Portfolio's objective will be met.

INSTITUTIONAL APPRECIATION COMPOSITE AVERAGE ANNUAL TOTAL RETURN (GROSS OF FEES)* As of December 31, 2011

RISK VS. REWARD: 3 - YEAR PERIOD



* Performance is preliminary and subject to change.



* Performance is preliminary and subject to change.

Performance source: Internal.
Benchmark source: Standard & Poor's. Past performance is no guarantee of future results.

Neither ClearBridge Advisors, LLC nor its information providers are responsible for any damages or losses arising from any use of this information.

ENDNOTES:

Institutional Appreciation

Annualized Returns:

	1 Year (ending 30-Sep-11)	3 Years (ending 30-Sep-11)	5 Years (ending 30-Sep-11)	10 Years (ending 30-Sep-11)
Net-of-fees	0.3%	1.4%	0.7%	3.7%
Gross-of-fees	0.9%	2.0%	1.4%	4.5%
S&P 500	1.1%	1.2%	-1.2%	2.8%

For purposes of compliance with GIPS, the "firm" is defined as ClearBridge Advisors, which encompasses all assets managed or advised on a discretionary or non-discretionary basis by ClearBridge Advisors, LLC and ClearBridge Asset Management Inc (collectively, "ClearBridge Advisors"). In June 2008, ClearBridge Advisors combined its separate institutional and retail firms to form a single GIPS firm, CBA. The two predecessor firms were "ClearBridge Advisors Institutional" and "ClearBridge Advisors Retail". ClearBridge Advisors Institutional ("CBA-Inst") encompassed ClearBridge Advisors' mutual fund and other collective investment vehicle businesses and separately managed accounts contracted directly with ClearBridge Advisors. ClearBridge Advisors Retail ("CBA-Retail") was created in 2008 and encompassed separately managed accounts for which ClearBridge Advisors served as sub-advisor under sponsored programs ("retail separately managed accounts"). CBA-Retail's claim of GIPS compliance is effective as of January 2006. In accordance with GIPS, CBA-Retail's historical performance returns prior to January 2006 are presented as non-compliant information. The ClearBridge Advisors entities are wholly-owned subsidiaries of Legg Mason, Inc. ("Legg Mason") and are not affiliated with Citigroup Inc. ("Citigroup").

For the institutional business only, CBA-Inst's predecessor "firm" for GIPS purposes was CAM Institutional ("CAM-NA"). CAM-NA encompassed assets managed by North America-based units of Citigroup Asset Management ("CAM"), the worldwide asset management business of Citigroup that was conducted through various subsidiaries of Citigroup on behalf of certain of its institutional, mutual fund and other collective investment vehicle clients. The CAM-NA "firm" definition was substantially similar to the "firm" definition of CBA-Inst. On December 1, 2005, Citigroup completed the sale of CAM, including CAM-NA, to Legg Mason. In connection with the transaction, ClearBridge Advisors became the manager of a significant portion of the institutional, mutual fund and other collective investment vehicle accounts, including most active equity accounts that were managed by CAM-NA up until the date of the Citigroup-Legg Mason transaction. Assets that were not transitioned to ClearBridge Advisors in connection with the transaction transitioned to other Legg Mason affiliates that were not part of CBA-Inst. Prior to January 2001, CAM maintained three separate AIMR (the predecessor to GIPS) firms. These firms were combined to form CAM-NA effective January 2001.

The linking of the historical track records of CBA, CBA-Inst., CAM-NA and CAM-NA's predecessor firms meets the portability requirements set forth by GIPS®.

The Institutional Appreciation Composite consists of fully discretionary accounts with an account minimum of US \$1 million (prior to June 08, the account minimum was \$25 million). All accounts within the composite are invested primarily in medium and large capitalization companies, but may also invest in small capitalization companies. The manager seeks investments among a strong core of growth and value stocks, consisting primarily of blue chip companies dominant in their industries. Total assets in the composite at quarter end are \$4,514.4 million. Results are calculated in U.S. dollars and reflect realized and unrealized gains and losses, including those derived from cash positions.

CBA claims compliance with the Global Investment Performance Standards (GIPS®).

To receive a complete list and description of CBA composites and/or a presentation that adheres to the GIPS standards, please contact ClearBridge Institutional Marketing.

ClearBridge Advisors, LLC

620 Eighth Ave., 48th Floor
New York, New York 10018
Phone: 1-800-691-6960

www.ClearBridgeAdvisors.com