

LEGG MASON INC
Form 8-K
October 25, 2005

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported)

October 25, 2005

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LEGG MASON, INC.

(Exact name of registrant as specified in its charter)

	401,719
	299,230
	34.3
Distribution and servicing	
	141,574
	118,983
	19.0
Communications and technology	
	28,497
	22,547

			26.4
Occupancy			15,209
			13,352
			13.9
Amortization of intangible assets			11,689
			10,274
			13.8
Litigation award settlement			(8,150
)			-
			n/m

Maryland	1-8529	52-1200960
██	██	██
(State or Other Jurisdiction of Incorporation)	(Commission File No.)	(IRS Employer Identification No.)

Other	34,720	36,352	(4.5)
		██████████	██████████
Total non-interest expenses	625,258	500,738	24.9
		██████████	██████████
		██████████	██████████
Operating income	278,816	222,105	25.5
		██████████	██████████

Other income (expense)

Interest income	21,704	7,293	197.6
Interest expense	(20,723)	(22,359)	(7.3)
Other	10,021	664	n/m

Total other income (expenses), net	11,002	(14,402)	176.4
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Income from continuing operations

before income tax provision	289,818	207,703	39.5
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Provision for income taxes	108,543	77,343	40.3
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Income from continuing operations	181,275	130,360	39.1
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Income from discontinued operations, net	52,536	47,716	10.1
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Net income	233,811	178,076	31.3
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n/m - Not meaningful

[continued on next page]

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LEGG MASON, INC. AND SUBSIDIARIES
 CONSOLIDATED STATEMENTS OF INCOME
 (Amounts in thousands, except per share amounts)
 (continued)

		For the Six Months Ended		Period to
		September	September	Period
		2005	2004	Change
Net income per common share:				
Basic				
	Income from continuing operations	\$ 1.64	\$ 1.28	28.1 %
	Income from discontinued operations	0.48	0.47	2.1
		<u>\$ 2.12</u>	<u>\$ 1.75</u>	21.1

100 Light Street, 21202
 Baltimore,
 Maryland

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

(410) 539-0000

Not Applicable

(Former name or former address if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR J40.14d-2(b))
- .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR J40.13e-4(c))

Item Results of Operations and Financial Condition.
2.02

On October 25, 2005 Legg Mason, Inc. announced its results of operations for the quarter and six months ended September 30, 2005. A copy of the related press release is attached hereto as Exhibit 99.

The information in this Form 8-K and the Exhibit attached hereto shall not be deemed "filed" for purposes of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

Item Financial Statements and Exhibits.
9.01

(c) Exhibits

Exhibit No.

Subject Matter

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

LEGG MASON, INC.

(Registrant)

N=3

HEIGHT=16>

Diluted

Income from continuing operations	\$ 1.49	1\$5	29.6
Income from discontinued operations	0.43	0.42	2.4
	<u>\$ 1.92</u>	<u>1\$7</u>	<u>22.3</u>

Weighted average number of common
shares outstanding:

Basic	110,250	11,754
Diluted	122,804	15,181

Book value per common share \$ 23.75 16\$9

n/m - Not meaningful

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LEGG MASON, INC. AND SUBSIDIARIES
 SELECTED FINANCIAL RESULTS OF DISCONTINUED OPERATIONS
 (Dollar amounts in thousands)

	Quarters Ended			Period to Period Change	
	September 2005	June 2005	September 2004	September 2005	September 2005
				Compared	Compared
	September 2005	June 2005	September 2004	to June 2005	to September 2004
Revenues:					
Private Client	\$ 211,893	\$ 205,098	\$ 177,216	3.3	19.6 %
Capital Markets	65,075	64,611	71,198	0.7	(8.6)
	276,968	269,709	248,414	2.7	11.5
Reclassification ⁽¹⁾	(48,015)	(47,039)	(41,151)	2.1	16.7
Discontinued Operations	\$ 228,953	\$ 222,670	\$ 207,263	2.8	10.5
Net Revenues:					
Private Client	\$ 189,868	\$ 187,323	\$ 171,151	1.4	10.9
Capital Markets	63,548	63,187	71,056	0.6	(10.6)
	253,416	250,510	242,207	1.2	4.6
Reclassification ⁽¹⁾	(48,015)	(47,039)	(41,151)	2.1	16.7

Date: October
 25, 2005

By:

/s/ Thomas P.
 Lemke

Thomas P. Lemke

Senior Vice
 President and
 General
 Counsel

LEGG MASON, INC.

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Subject Matter</u>
99	Press Release of Legg Mason, Inc. dated October 25, 2005