

LEGG MASON INC  
Form 4  
October 13, 2004

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
SABELHAUS ROBERT G

(Last) (First) (Middle)

LEGG MASON INC, 100 LIGHT ST

(Street)

BALTIMORE, MD 21202

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
LEGG MASON INC [LM]

3. Date of Earliest Transaction (Month/Day/Year)  
09/24/2004

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)

Executive Vice President

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				(A) or (D) Price			
Common Stock				V	277,195.906 (1) (2)	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Amount or Number of Shares
Stock Options (Right to buy) <sup>(3)</sup>	\$ 20.49 <sup>(4)</sup>					07/23/1998 07/22/2006	Common Stock	14,638 <sup>(4)</sup>
Stock Options (Right to buy) <sup>(3)</sup>	\$ 23.87 <sup>(4)</sup>					07/27/1999 07/22/2007	Common Stock	6,000 <sup>(4)</sup>
Stock Options (Right to buy) <sup>(3)</sup>	\$ 35.27 <sup>(4)</sup>					07/25/2000 07/22/2008	Common Stock	27,000 <sup>(4)</sup>
Stock Options (Right to buy) <sup>(3)</sup>	\$ 32.69 <sup>(4)</sup>					07/24/2001 07/22/2009	Common Stock	24,000 <sup>(4)</sup>
Stock Options (Right to buy) <sup>(3)</sup>	\$ 26.31 <sup>(4)</sup>					07/23/2002 07/22/2010	Common Stock	18,000 <sup>(4)</sup>
Stock Options (Right to buy) <sup>(3)</sup>	\$ 46.39 <sup>(4)</sup>					07/22/2003 07/22/2011	Common Stock	6,000 <sup>(4)</sup>
Stock Options (Right to buy) <sup>(3)</sup>	\$ 52.07 <sup>(4)</sup>					07/20/2004 07/22/2012	Common Stock	4,001 <sup>(4)</sup>
Phantom Stock <sup>(5)</sup>	<sup>(6)</sup>					<sup>(5)</sup> <sup>(5)</sup>	Common Stock	47,373.99 <sup>(5)</sup>

## Reporting Owners

Reporting Owner Name / Address

Relationships

Reporting Owners

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Director 10% Owner Officer Other

SABELHAUS ROBERT G  
LEGG MASON INC  
100 LIGHT ST  
BALTIMORE, MD 21202

Executive Vice President

## Signatures

Thomas C. Merchant, Attorney-in-fact for Robert G.  
Sabelhaus

10/13/2004

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) On September 24, 2004, the common stock of Legg Mason, Inc. split 3-for-2, resulting in the reporting person's acquisition of 92,398 additional shares.
- (2) On September 24, 2004, the common stock of Legg Mason, Inc. split 3-for-2 resulting in the reporting person's acquisition of .302 additional shares in the Legg Mason, Inc. Employee Stock Purchase Plan.
- (3) Employee stock option cumulatively exercisable annually in 20% increments commencing on the exercisable date indicated.
- (4) The number of underlying shares and exercise price have been adjusted to give effect to a 3-for-2 stock split on September 24, 2004.
- (5) On September 24, 2004, the common stock of Legg Mason, Inc. split 3-for-2, resulting in the reporting person's acquisition of 15,791.33 additional Phantom Stock units pursuant to the Legg Mason Wood Walker, Incorporated Deferred Compensation Phantom Stock Plan.
- (6) 1-for-1

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.