

# Seligman Smaller-Cap Value Fund

## FUND DESCRIPTION

### Asset Class

U.S. Stock

### Investment Category

Small Value

### Objective

Long-term capital appreciation

### Strategy

The Fund employs a bottom-up, fundamental investment process that seeks to invest in a concentrated portfolio of undervalued small-cap companies that the Fund's management believes will benefit from improving fundamentals and earnings acceleration.

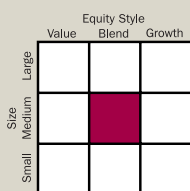
## PORTFOLIO MANAGEMENT

YEARS IN: FIRM IND.

**Neil Eigen** 13 42

**Richard Rosen** 13 28

## MORNINGSTAR STYLE BOX™



The Morningstar Style Box™ reveals a fund's investment strategy. For equity funds, the vertical axis shows the market capitalization of the stocks owned, and the horizontal axis shows investment style (value, blend, or growth). Information shown is based on the most recent data provided by Morningstar.

## FUND DETAILS

### Inception Date

Class A 4/25/1997

Class B 4/25/1997

Class C 5/27/1999

### Ticker

### CUSIP

Class A SSCVX 816356406

Class B SSCBX 816356505

Class C SVMCX 816356802

## TOTAL NET ASSETS

Fund Net Assets (\$M) 400.6

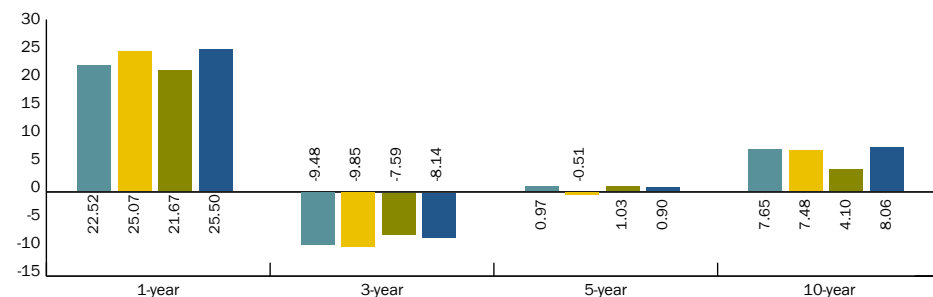
## FUND PERFORMANCE (%)

Without Sales Charges	1-year	3-year	5-year	10-year	Since Inception	Max Sales Charge	Maximum CDSC	* Expense Ratio Gross	** Expense Ratio Net
Class A	22.52	-9.48	0.97	7.65	6.79	-	-	1.83	1.33
Class B	21.62	-10.16	0.22	6.85	6.00	-	-	2.58	2.10
Class C	21.60	-10.13	0.24	6.86	5.93	-	-	2.58	2.09
With Sales Charges									
Class A	15.47	-11.24	-0.22	7.02	6.30	5.75	-	1.83	1.33
Class B	16.62	-10.90	-0.08	6.85	6.00	-	5.00	2.58	2.10
Class C	20.60	-10.13	0.24	6.86	5.93	-	1.00	2.58	2.09
Index 1	25.07	-9.85	-0.51	7.48	-	-	-	-	-
Index 2	21.67	-7.59	1.03	4.10	-	-	-	-	-
Index 3	25.50	-8.14	0.90	8.06	-	-	-	-	-

The performance information shown represents past performance and is not a guarantee of future results. The investment return and principal value of your investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance information shown. You may obtain performance information current to the most recent month-end by visiting [seligman.com](http://seligman.com)

\*Fund expense ratios are calculated based on the Fund's average net assets during the Fund's most recently completed fiscal year, and have not been adjusted for current asset levels. If adjusted for any decrease or increase in assets, expense ratios would be higher or lower, respectively, than the numbers shown above. The expense ratios include the effect of acquired fund fees and expenses, if any. Please see the Fund's prospectus for a complete list of operating expenses.

\*\*The investment manager and its affiliates have contractually agreed to waive certain fees and to absorb certain expenses of the Fund, as described in the Fund's prospectus, unless sooner terminated at the discretion of the Fund's board. Any amount waived will not be reimbursed. Net expense ratios reflect this fee waiver/expense cap. Fee waivers/expense caps would limit the impact that any decrease in assets would have on net expense ratios in the current fiscal year.



## CALENDAR YEAR RETURNS (%)

Class A without sales charges.

	2009	2008	2007	2006	2005
Seligman Smaller-Cap Value Fund Cl A	36.40	-41.19	6.26	21.38	-3.08
Russell 2000 Value Index	20.57	-28.92	-9.77	23.48	4.70
Lipper Small Cap Core Funds Index	34.50	-35.59	1.92	13.02	7.56
Lipper Small Cap Value Funds Index	33.00	-32.82	-4.57	17.13	7.45

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NOT FDIC INSURED

MAY LOSE VALUE

NO BANK GUARANTEE



**PORTFOLIO STATISTICS**

	FUND	INDEX
Price-to-Earnings Ratio	14.18	10.92
Price-to-Book Ratio	1.44	1.06
Wtd. Avg Mkt Cap (\$B)	2.31	0.84
Number of Holdings	43	1,300
Fund Fiscal Year End	12/31/10	

**MARKET CAPITALIZATION (%)**

	FUND	INDEX
\$7.0 Billion & Above	6.23	0.00
\$1.0 Billion - \$7.0 Billion	71.83	37.51
\$0 - \$1.0 Billion	21.94	62.49

**RISK MEASURES**

(3-year period)

	FUND	INDEX
Standard Deviation	30.00	27.69
Sharpe Ratio	-0.31	-0.41
Beta	0.99	1.00
Alpha	2.66	0.00
R-Squared	0.85	1.00

**TOP HOLDINGS (%)**

As of June 30, 2010

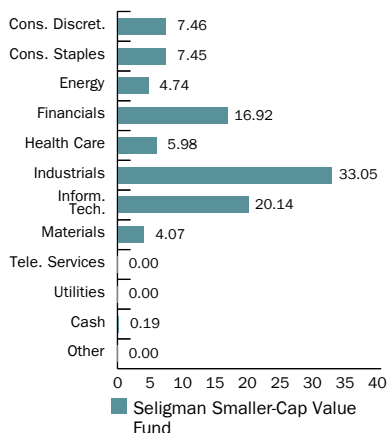
	FUND
1. Continental Airlines Cl B	3.98
2. Quest Software	3.47
3. F5 Networks	3.34
4. Herbalife	3.33
5. Texas Roadhouse, Inc.	3.12
6. Lincoln Natl	3.09
7. Delta Air Lines	3.08
8. Lawson Software	2.95
9. Endurance Specialty Holdings	2.94
10. Varian Semiconductor Equipment Associates	2.93

**COMPARATIVE INDEX**

Russell 2000 Value Index

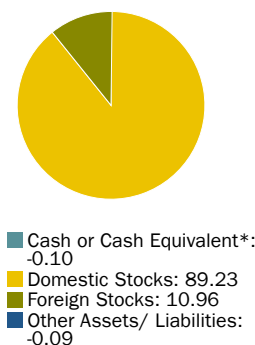
**SECTOR ALLOCATION (%)**

Subject to change.



**ASSET ALLOCATION (%)**

Subject to change.



\* Includes the effect of cash designated for the payment of securities that have been purchased by the Fund on a forward-commitment basis, if any.

**DEFINITIONS**

**Alpha**- measures the relationship between the Fund's performance and its beta over a three-year period. Alpha greater than 0.0 means an investment has performed better than the compared index given its level of risk. It can be viewed as a measure of the value added by the Fund manager.

**Beta**- measures an investment's volatility relative to a market index. The index is equivalent to 1.0. An investment with a beta greater than 1.0 has been more volatile than the index while an investment with a beta less than 1.0 has been less volatile.

**Price-to-Book Ratio**- is a stock's price divided by its book value, and may help determine if it is valued fairly.

**Price-to-Earnings Ratio**- is a stock's price divided by after-tax earnings over a trailing 12-month period, which serves as an indicator of value based on earnings.

**R-Squared**- measures how closely the Fund's performance matches (or doesn't match) the performance of its benchmark index.

**Sharpe Ratio**- divides an investment's return in excess of the 90-day Treasury bill by the investment's standard deviation to measure risk-adjusted performance.

**Standard Deviation**- measures an investment's historical volatility in performance.

It is not possible to invest directly in an index.

The Russell 2000 Value Index is an unmanaged list of small capitalization common stocks used to measure the performance of value-oriented small capitalization U.S. companies and is not necessarily similar to our Small Cap Value portfolios.

The Lipper Small Cap Core Funds Index includes the 30 largest small cap core funds tracked by Lipper Inc. The index's returns include net reinvested dividends. The Fund's performance is currently measured against this index for purposes of determining the performance incentive adjustment.

The Lipper Small Cap Value Funds Index includes the 30 largest small cap value funds tracked by Lipper Inc. The index's returns include net reinvested dividends. The Fund's performance is currently measured against this index for purposes of determining the performance incentive adjustment.

Holdings are shown in descending order of value and exclude short-term holdings and cash, if applicable. Fund holdings are as of the date given, are subject to change at any time, and are not recommendations to buy or sell any security.

**You should consider the investment objectives, risks, charges and expenses of a mutual fund carefully before investing. For a free prospectus, which contains this and other important information about the funds, call 1(800) 221-2450. Read the prospectus carefully before investing.**

Investments in small-capitalization companies involve greater risks and volatility than investments in larger, more established companies.

Seligman® mutual funds are distributed by Columbia Management Investment Distributors, Inc. (formerly known as RiverSource Fund Distributors, Inc.), member FINRA and managed by Columbia Management Investment Advisers, LLC (formerly known as RiverSource Investments, LLC). Seligman is an offering brand of Columbia Management Investment Advisers, LLC.

Not all products and all shares classes are available through all firms.