

## MARTIN CURRIE EUROPEAN FUND

### FUND INFORMATION

#### Fund manager



Dr Eric Woehrling



Pal Chidambaram

#### Benchmark

FTSE Europe ex UK index

#### Sector

IMA Europe ex UK

#### Launch date

6 May 1985

**Fund size** £18m

**Number of holdings** 39

**Number of countries** 10

#### Historic yield

A shares 0.8%  
B shares 1.4%

The historic yield reflects distributions declared over the past twelve months as a percentage of the mid-market unit price, as at the date shown. It does not include any preliminary charge and investors may be subject to tax on their distributions.

#### Annual management charge

A shares 1.50%  
B shares 0.75%

The annual management charge will be deducted from the subfund's income. If insufficient income is generated by the subfund to cover the manager's periodic charge, the balance will be deducted from the subfund's capital and to that extent will constrain capital growth.

### INVESTMENT APPROACH

We focus on delivering alpha, and have no bias to value or growth. Our high-conviction portfolio represents the best stock opportunities across Europe. We offer genuine active management with no 'hugging' of the index. We hold no underweight positions. If we don't like a stock we won't own it.

We identify change as the central dynamic behind stock price movement. Change occurs at a macro level, in the outlook for economies, interest rates and stockmarkets; and at a micro level, as drivers behind changes in stock prices. Within our European portfolios, we focus predominantly upon change at the micro level.

A hallmark of our approach is our willingness to challenge market consensus. Because of this high-conviction approach, returns can often deviate from the benchmark in the short-term. When we believe the market is wrong, we will act on our conviction.

The risks outlined overleaf relating to investment in overseas markets, smaller companies investment and investment in concentrated portfolios are particularly relevant to this fund and should be read in conjunction with all warnings and comments given in the full Prospectus.

### STANDARD PAST PERFORMANCE £

12 months to 30 June	2010	2009	2008	2007	2006
<b>Martin Currie (%)</b>	<b>13.1</b>	<b>(21.4)</b>	<b>(15.4)</b>	<b>30.0</b>	<b>28.8</b>
Sector average (%)	14.4	(20.1)	(9.7)	23.6	24.2
Benchmark (%)	15.9	(20.1)	(8.9)	25.9	24.0
Quartile	3rd	3rd	4th	1st	1st

### ADDITIONAL PAST PERFORMANCE £

Periods to 30 June 2010	One month	Three months	Year to date	Three years	Five years	Since launch
<b>Martin Currie (%)</b>	<b>(3.3)</b>	<b>(14.1)</b>	<b>(9.4)</b>	<b>(24.7)</b>	<b>26.1</b>	<b>954.9</b>
Sector average (%)	(3.7)	(13.6)	(10.2)	(17.5)	26.6	1267.6
Benchmark (%)	(3.0)	(14.4)	(11.0)	(15.6)	31.7	—
Quartile	2nd	3rd	2nd	4th	3rd	4th

### CALENDAR YEAR PERFORMANCE £

Year to 31 December	2009	2008	2007	2006	2005
<b>Martin Currie (%)</b>	<b>19.3</b>	<b>(28.8)</b>	<b>10.6</b>	<b>23.2</b>	<b>22.3</b>
Sector average (%)	19.4	(24.6)	12.6	18.5	24.9
Benchmark (%)	20.1	(24.0)	15.7	20.1	24.1

Source for all performance: Lipper Hindsight. Bid to bid basis with net income reinvested over periods shown. These figures do not include initial charges. If these were included, performance figures would be reduced. Performance of 'A' shares (retail class) in sterling. Past performance is not a guide to future returns.

**COUNTRY ALLOCATION**

	Fund	Benchmark*
Germany	29.6%	17.9%
France	19.5%	23.3%
Switzerland	16.9%	17.9%
Netherlands	6.1%	6.5%
Italy	6.0%	7.3%
Sweden	5.7%	6.5%
Denmark	4.6%	2.7%
Spain	4.2%	8.7%
Norway	3.0%	1.9%
Finland	—	2.2%
Belgium	—	2.2%
Portugal	—	0.8%
Austria	—	0.8%
Ireland	—	0.7%
Greece	—	0.6%
Other	1.9%	—
Cash	2.6%	—

\*FTSE Europe ex UK index.

**ACTIVE POSITIONS**

Five largest positive positions versus index*	Active
SMA Solar Technology	3.1%
Roche	3.0%
Swedish Match	2.9%
UniCredit	2.8%
Natixis	2.6%

Five largest negative positions versus index*	Active
Novartis	(2.7%)
Total	(2.6%)
Telefonica	(2.1%)
BNP Paribas	(1.4%)
BASF	(1.2%)

\*FTSE Europe ex UK index.

**TOP 10 HOLDINGS**

(37.4% of total portfolio)	Fund	Benchmark*
Nestlé	6.6%	4.2%
Roche	5.4%	2.3%
UniCredit	3.8%	1.0%
Sanofi-Aventis	3.5%	1.4%
Siemens	3.4%	2.0%
Swedish Match	3.1%	0.1%
SMA Solar Technology	3.1%	—
Bayer	2.9%	1.1%
Zurich	2.9%	0.8%
Novo-Nordisk	2.8%	1.0%

\*FTSE Europe ex UK index.

**SECTOR ALLOCATION**

	Fund	Benchmark*
Consumer goods	24.4%	16.9%
Financials	23.6%	23.6%
Healthcare	13.8%	9.7%
Industrials	9.3%	13.6%
Basic materials	6.2%	7.4%
Technology	5.9%	3.7%
Oil & gas	5.1%	6.7%
Utilities	4.5%	6.6%
Telecommunications	2.6%	6.4%
Consumer services	1.9%	5.3%
Cash	2.6%	—

\*FTSE Europe ex UK index.

## DEALING

You can deal in shares from 9.00am to 5.00pm on each dealing day. The fund is valued at 12 noon. Orders received before 12 noon will be based on the price calculated at that day's valuation point. Orders received after 12 noon will be based on the price calculated at the next valuation point.

### Dealing

Tel: 0845 602 5016

Fax: 0870 888 3035

### Fund codes

Bloomberg equity ticker

MexID

Sedol

ISIN number

### A shares

MTCEURI LN

SUEA

3156018

GB0031560187

### Fund codes

Bloomberg equity ticker

MexID

Sedol

ISIN number

### B shares

MTCEURB LN

SUEB

3156029

GB0031560294

## IMPORTANT INFORMATION

The source for all information is Martin Currie Investment Management Ltd as at 30 June 2010 unless otherwise stated.

This information is issued and approved by Martin Currie Investment Management Ltd in its capacity as investment manager. It does not in any way constitute investment advice or an invitation or inducement to invest. Investments can only be made in accordance with the terms and conditions outlined in the Prospectus and the Simplified Prospectus. This document is for the recipient only and should not be given or sent to other parties.

All references to the European Fund relate to the Martin Currie Investment Funds - European Fund, a subfund of an Oeic. Martin Currie Investment Management Ltd is the investment manager of the Oeic. Oeics are corporate vehicles. An Oeic may have many 'subfunds'. You should be aware of the potential for cross-liability risk with Oeic investment. A creditor of the European Fund may look to all the assets of the Oeic for payment, regardless of the subfund in respect of which that creditor's debt has arisen. Assets may be re-allocated to and from any other subfunds if it is necessary to do so to satisfy any creditor proceeding against the Oeic.

### RISK FACTORS

Market and currency movements may cause the capital value of shares, and the income from them, to fall as well as rise and you may get back less than you invested when you decide to sell your shares.

The entire market of a particular asset class or geographical sector may fall, having a more pronounced effect on funds heavily or solely invested in that asset class or region.

Some funds have the ability to invest in unquoted companies and due to the nature of these investments the fund might not get back the full amount originally invested.

### Overseas markets

Funds investing in overseas securities are exposed to and can hold currencies other than sterling. As a result, exchange rate movements may cause the value of investments to decrease or increase.

### Smaller companies

Smaller companies may be riskier and their shares may be less liquid than larger companies, meaning that their share price may be more volatile.

### Concentrated portfolios

Funds may have a concentrated portfolio of assets. Lower diversification and active stock selection can result in greater than average investment in individual companies. Such concentration can give rise to more risk than where investments are spread over a large number of companies. Whilst this may increase the potential gains, this concentration of exposure and lack of diversification may also substantially increase the risk of loss to the fund.

**Martin Currie Investment Management Ltd**, registered in Scotland (no 66107) **Martin Currie Unit Trusts Ltd**, registered in Scotland (no 104896)

Registered office: Saltire Court, 20 Castle Terrace, Edinburgh EH1 2ES

Tel: 0808 100 2125 Fax: 0870 888 3035 [www.martincurrie.com](http://www.martincurrie.com)

Both companies are authorised and regulated by the Financial Services Authority and are members of the Investment Management Association.

Martin Currie Unit Trusts Ltd is the Authorised Corporate Director of an open-ended investment company (Oeic).

Please note that calls to the above numbers will be recorded.