

MARTIN CURRIE NORTH AMERICAN FUNDS



Tom Walker
Co-manager of the funds



David Forsyth
Co-manager of the funds

In June 2008 we launched the Martin Currie GF - North American Fund. The Luxembourg-domiciled Sicav mirrors our successful £649 million UK-domiciled North American Oeic. Both funds share the same proven stockpicking approach and are managed by our experienced and award-winning North American team.

OUTLOOK FOR NORTH AMERICA

- Extremely attractive equity valuations but macro uncertainty; hence market fluctuations.
- Macro data prompts worries of double dip; corporates still more positive.
- Economic data always decelerates in a recovery; trend still upwards.
- The inflation v deflation debate resurfaces as 10-year treasury yield falls sub 3%.
- Expect positive Q2 earnings season; early results suggest mixed share price reactions.

WHY MARTIN CURRIE FOR NORTH AMERICA?

- Highly-rated Oeic fund with strong long-term performance record.
- Actively managed Oeic and Sicav funds investing in North America.
- Stockpicking approach delivers a conviction portfolio of the best 40 stock ideas in North America.
- No underweight holdings at a stock level – if we don't like a company we won't own it.
- Seeking above average returns (index +2-3% per annum on a rolling three- to five-year basis) with a defined level of risk (4-6% per annum tracking error).
- Experienced and proven North American team – supported by a dedicated team of sector managers who are able to put North American stock opportunities in a global context.
- A flexible and pragmatic approach:
 - Returns driven by stock selection;
 - No bias to value or growth;
 - Focus on factors that have a proven impact on share price momentum - quality, value, growth and positive change; and
 - Fully-integrated investment process, employing fundamental company and sector research, with numerical screening.
- A dollar-hedged share class was launched on 3 September 2009*.



PERFORMANCE OF NORTH AMERICAN OEIC FUND

Martin Currie has a proven record of investing in North America and launched its first dedicated North American fund in 1983. Below we illustrate the Oeic fund's performance against the MSCI North America index and the IMA North America sector. The bottom-up process continues to prove its worth through consistent long-term outperformance.

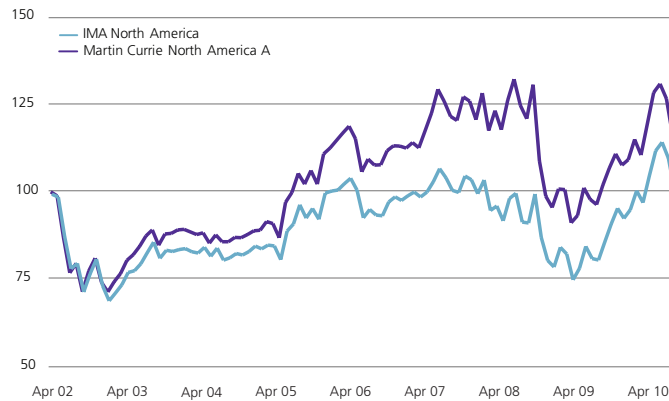
	Year to date %	Rolling three year performance to 30 June						Manager's tenure % p.a.†
		2010 % p.a.	2009 % p.a.	2008 % p.a.	2007 % p.a.	2006 % p.a.	2005 % p.a.	
Martin Currie North American %	0.9	(2.7)	(4.1)	7.6	12.7	8.9	4.6	1.8
IMA North America %	(0.2)	(1.3)	(5.3)	0.2	7.4	6.1	1.4	0.1
MSCI North America %	0.8	0.2	(3.8)	2.6	9.2	8.1	3.4	1.9
Quartile	1st	3rd	2nd	1st	1st	1st	1st	1st

Source: Lipper Hindsight. Bid-bid basis with net income reinvested to 30 June 2010. †30 April 2002. Performance for the unit trust has been used for periods prior to conversion (15 June 2002). All returns are sterling. Past performance is not a guide to future returns.

*The sterling-based share class hedges US\$ and C\$. The minimum investment for this share class is £1 million.

The chart below shows the performance of our North American Oeic fund compared to the IMA North America sector average.

Strong performance against peer group



Quartile ranking 12 months to 31 December								
2003	2004	2005	2006	2007	2008	2009	YTD 2010	Since manager's tenure
1st	4th	1st	2nd	1st	3rd	4th	1st	1st

Source: Lipper Hindsight, as at 30 June 2010. Returns are in sterling, bid to bid basis with net income reinvested over period shown. *30 April 2002. **19 November 2009. Past performance is not a guide to future returns.

The tables below summarise the distribution of quartile rankings over the calendar quarters since Tom Walker began managing the North American Oeic fund and the 'all-weather' credentials of the fund. The team have generally outperformed the IMA North America sector during periods of rising markets, while protecting the downside in periods when the market fell. This illustrates the degree to which the fund's performance has been generated in a steady and consistent way.

Distribution of quartile rankings over calendar quarters since 30 April 2002 to 30 June 2010

	Number	Percentage
1st quartile	15	45%
2nd quartile	7	21%
3rd quartile	4	12%
4th quartile	7	21%

Bull and bear capture relative to the sector average: performance in calendar quarters when MSCI North America index rose and fell

	Outperformed index	
When market rose	12/20	60%
When market fell	9/13	67%

Source: Lipper Hindsight. Bid-bid basis with net income reinvested to 30 June 2010. †30 April 2002. Performance for the unit trust has been used for periods prior to conversion (15 June 2002). All returns are sterling. Past performance is not a guide to future returns.

MARTIN CURRIE - A SPECIALIST INVESTOR IN NORTH AMERICA

Both funds are 'AA'-rated by OBSR. Following the latest ratings meeting, OBSR commented:

"The lead manager, Tom Walker, is an experienced investor in the US market and also in global equities. As well as his own experience, he is able to draw upon Martin Currie's sector manager team and also the internal proprietary stock ranking tool to help with the monitoring and generation of new ideas. Whilst this is a reasonably concentrated fund, in constructing the portfolio the manager is very risk aware, both in terms of stock selection and in terms of his assessment of the broader macro backdrop. He is assisted in this by a separate investment risk team. We have built our conviction in the proposition over time and we believe it merits an OBSR AA Fund Rating."

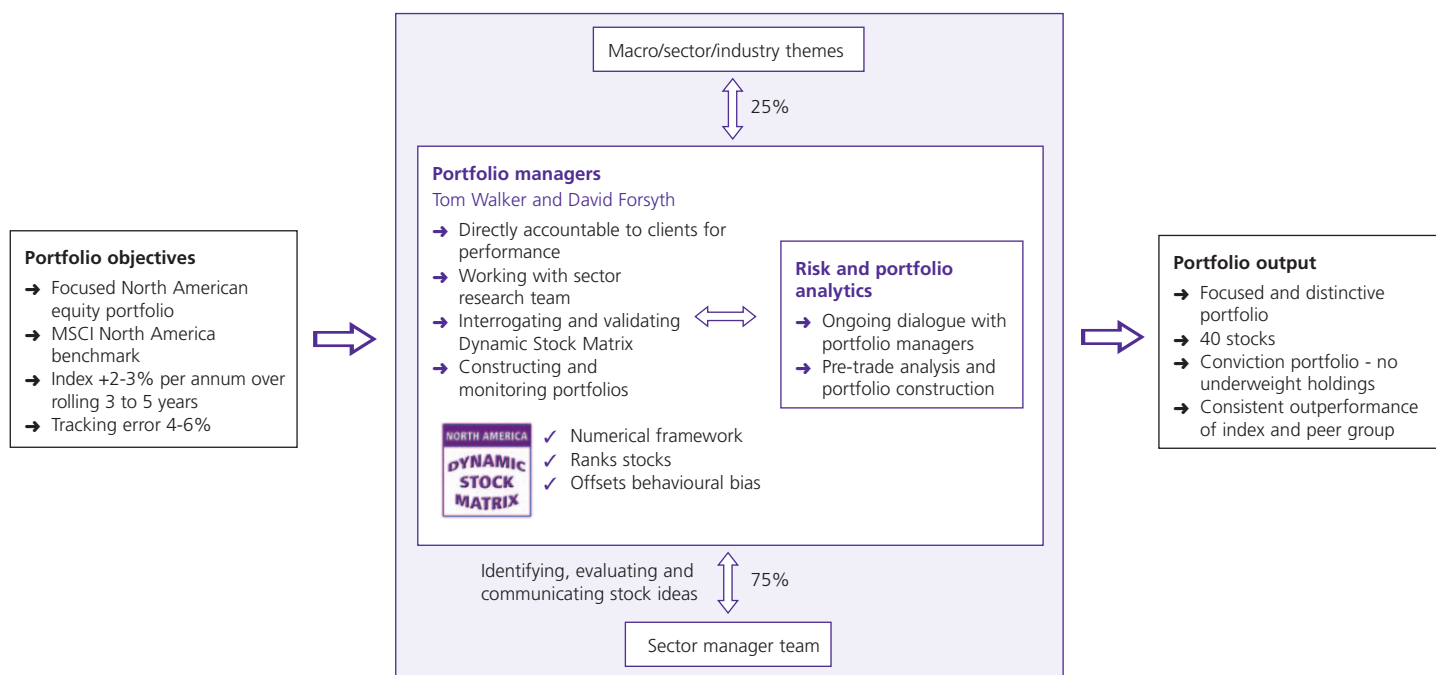
- Martin Currie North American fund has been selected by Citywire as one of their 150 best ideas.
- Superior Morningstar rating awarded to both the Martin Currie North American Oeic and Martin Currie North American Sicav funds.



Morningstar
Qualitative Rating



How the team interacts



What we look for in a stock

Any stock idea, whether generated by the portfolio managers, the sector managers or by the Dynamic Stock Matrix (DSM) will be subject to rigorous bottom-up analysis using an analytical framework based on the four key factors: quality; value; growth and positive change.

<p>Quality</p> <ul style="list-style-type: none"> → Industry position and product strategy → Vision and execution → Management → Quality of accounts → Franchise value 	<p>Value</p> <ul style="list-style-type: none"> → Cashflow multiples, PER, EV/EBITDA → Return on investment/cost of capital → Return on equity, price to book
<p>Growth</p> <ul style="list-style-type: none"> → Earnings upside/downside or surprise → Solid sustainable earnings and cashflow → Comparison of prospects to consensus expectations 	<p>Positive change</p> <ul style="list-style-type: none"> → Management → Product/regulatory → Earnings revision/momentum → Restructuring

We use this analytical framework to identify mis-priced assets with improving or deteriorating fundamentals. Our research process identifies stock candidates for the portfolio which can then be evaluated on a consistent basis.

Buy disciplines

Tom Walker and David Forsyth have final say on the portfolio. Their decisions whether to select a stock and the size of the position will reflect:

- Their level of conviction;
- The expected rate of return;
- The existence of a clear 'catalyst' to unlock value; and
- The effect of the stock on the overall portfolio sector and style disciplines.

Sell disciplines

A consequence of running relatively short 'conviction' portfolios is that each position is continually under review against opportunities elsewhere. Sell indicators include:

- A stock achieves its target rating/price;
- An event, news or meeting with management changes our view;
- A more compelling opportunity is available; and
- A shift in the risk profile of the portfolio, requiring a change to the underlying holdings.

THE PRODUCT

Primary capitalisation	Large-cap with selected mid-cap opportunities
Primary style emphasis	Core - no structural bias to value or growth
Benchmark	MSCI North America index
Performance target	Index +2% to 3% per annum over rolling three to five years
Forecast tracking error range	4-6% per annum
Number of stocks	40
Sector ranges	+/- 10% around the index
Stock conviction ranges	Max of index +3%. No underweight holdings

Oeic fund codes	A shares	B shares	H shares
Bloomberg equity ticker	MTCNTHI LN	MTCNTHB LN	MTCNTHH LN
MexID	SUNAA	SUNAB	SUMCNT
Sedol	3156074	3156085	B3VFF87
ISIN number	GB0031560740	GB0031560856	GB00B3VFF878

Sicav fund codes	US\$ share class	€ share class	£ share class
Bloomberg equity ticker	MCNOAUS LX	MCNAOAEU LX	MCNOAME LX
Valoren	431889	4307124	4307129
WKN	911358	AOQ4M8	AOQ4M7
MexID	OPNAS	OPNA	OPNAEU
Sedol	B39TVF0	B39TVG1	B39TV94
ISIN number	LU0174482694	LU0365751071	LU0365750347

	Fund type	Fund size*	Launch date	OBSR rating
Martin Currie North American Fund	Oeic	£649m	1 September 1983	AA
Martin Currie GF - North American Fund	Sicav	US\$86m	9 June 2008	AA

*Source: Martin Currie Investment Management Ltd as at 30 June 2010.

MANAGER AND TEAM

Tom Walker and David Forsyth have ultimate responsibility for our North American portfolios. Tom has 22 years' investment experience and has been manager of the North American Oeic fund since 30 April 2002. David Forsyth, who has nine years' investment experience, became co-manager of the fund in June 2007.

The team works closely with our experienced sector research team. We believe that themes and ideas emerge more clearly with dedicated sector research. The experience and talent of the individuals means that our sector managers represent an extremely high quality resource for our portfolio managers.

Tom and David also consult regularly with the regional specialists in Martin Currie's global investment team. Most large US companies compete internationally, and our single location in Edinburgh makes it easier for the team to draw on the knowledge of our experienced portfolio managers covering the UK, Europe and Asia.

A DISTINCTIVE INVESTMENT APPROACH

Our investment philosophy

We identify change as the central dynamic behind stock price movement. We recognise that change occurs at both the company level (management changes, product strategies, acquisitions etc.) and at a macro level (legislative changes, economic prospects, sector dynamics etc.). It is determining the impact of these changes that leads to superior investment performance.

Our investment process allows us to identify, evaluate and exploit change at an early stage.

Our style

- Bottom-up process (75%) drives portfolio construction:
 - Fundamental research – identifying and quantifying change factors; and
 - Priority rankings – an assessment of change factors.
- Macro/ sector/ industry themes (25%) from portfolio managers, sector managers and global perspective

Our process consistently challenges market consensus and emphasises four factors: quality, value, growth and positive change.

IN SUMMARY: OUR COMPETITIVE ADVANTAGES

- We can deliver a conviction portfolio of the best 40 stock ideas in North America – we offer genuine active management with no underweight holdings.
- We have a fully-integrated approach combining bottom-up stockpicking with a top-down perspective.
- As 'The Big Boutique' we have a size advantage - we are large enough to command all the necessary information such as data feeds, broker research and access to the best analysts. But we are also small enough to act decisively and quickly. This allows us to run concentrated portfolios where the pursuit of superior returns is the main goal.
- We have an experienced and high-quality team; we employ decision-makers, not pure analysts and favour judgement over knowledge. Our experienced sector research team are able to put North American stock opportunities in a global context.
- Our investment process focuses on the factors that have a proven impact on share price performance – quality, value, growth and positive change.
- We have ownership and accountability at every stage of our investment process, from sector research and the input of the regional teams to the ranking of stocks by the portfolio managers. This prioritisation is essential to a true 'advocacy' process.

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Investors in the Netherlands

Investors in the Netherlands should note the following:

- (a) Martin Currie Global Funds is a UCITS collective investment scheme registered in the Netherlands with the Netherlands Authority for Financial Markets in Amsterdam.
- (b) The value of your investments may fluctuate as a result of the investment policy.
- (c) The Prospectus of Martin Currie Global Funds is available from www.martincurrie.com;
- (d) Please also see the Simplified Prospectuses of Martin Currie Global Funds.

Investors in Norway

Investors in Norway should note that the Prospectus of Martin Currie Global Funds is available from www.martincurrie.com.

Investors in Sweden

Investors in Sweden should note the following:

- (a) The Prospectus of Martin Currie Global Funds is available from Skandinaviska Enskilda Banken AB, Sergels Torg 2, SE-106 40 Stockholm, Sweden;
- (b) Past performance is no guarantee of a particular return in the future. The money invested in a fund can increase or decrease in value, and it is not certain that the whole of your invested capital will be repaid.

Investors in Switzerland

Investors in Switzerland should note the following:

The funds are available for distribution in Switzerland and are registered with the Swiss Federal Banking Commission.

Investors in Ireland

Investors in Ireland should note the following:

- (a) The value of investments can go down as well as up. Any return on investments will necessarily be variable.
- (b) Neither past experience nor the current situation are necessarily accurate guides to the future.
- (c) Certain returns printed herein may be based upon assumptions relating to tax. Tax rates may be revised from time to time which will in turn cause returns to change.
- (d) The Prospectus of Martin Currie Global Funds is available from www.martincurrie.com and also from Dolmen Butler Briscoe of 4 Earlsfort Terrace, Dublin 2, Ireland.

Investors in Germany

Investors in Germany should note the following:

The Prospectus of Martin Currie Global Funds is available free of costs at the German Paying and Information Agent, Joh. Berenberg, Gossler & Co. KG, Neur Jungfernstieg 20, 20354 Hamburg.

Investors in Hong Kong

Investors in Hong Kong should note the following:

This document has not been reviewed by any regulatory authority in Hong Kong and must not be passed on to any person other than to whom the document is addressed. This document is for private circulation only.

Important information

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

The information has been issued and approved by Martin Currie Investment Management Ltd, the investment manager for the funds, and does not in any way constitute investment advice. Investments can only be made in accordance with the terms and conditions outlined in the Simplified Prospectus or if appropriate the Key Features document available at the time of investing. Past performance is not a guide to future returns. 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.

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

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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 number may be recorded.