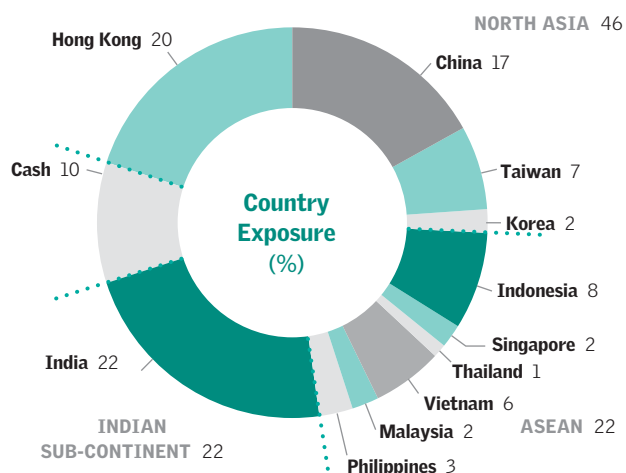
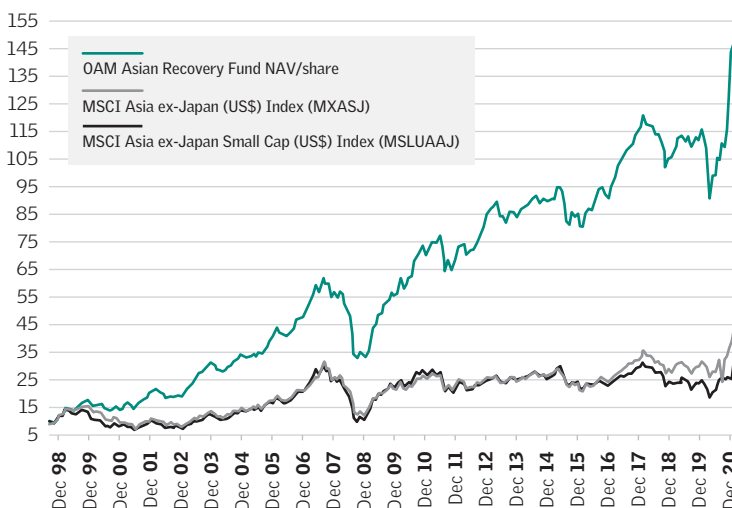


Investment Advisor	Overseas Asset Management (Cayman) Ltd.
Bloomberg Symbol	OAMASRI KY
Investment Manager	Desmond Kinch, CFA
Legal Domicile	Cayman Islands
Auditor	KPMG
Annualised return since inception	Fund 12.9% Benchmark 6.7%
Largest peak-to-trough decline	Fund -47.1% Benchmark -62.8%
Size of Fund	US\$330 million
Launch Date & Price	31 December 1998 at US\$10.00/share
Valuation/look-through basis - P/E (20 EPS)	19.2x
Dividend Yield	2.4%
Cash in Fund	7.1% (10% on a look-through basis)
YTD Return	3.6%



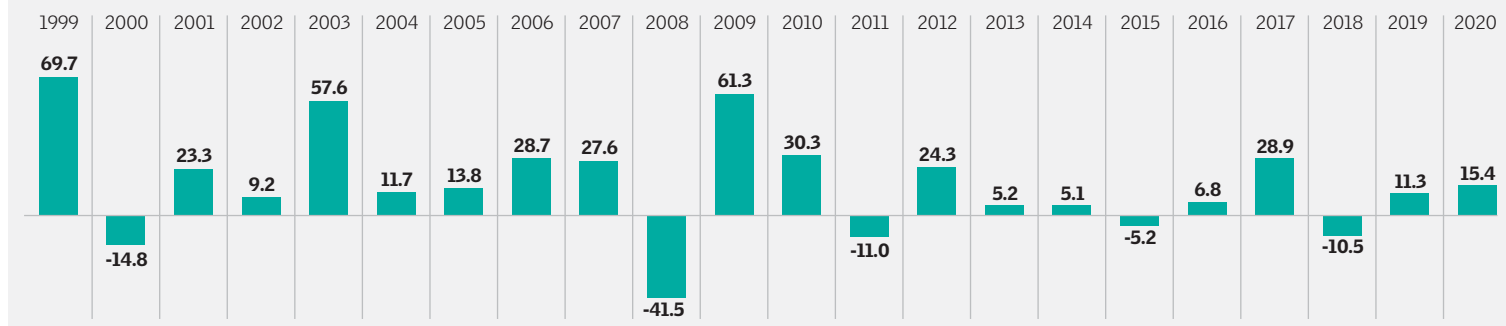
Performance Since Launch (US\$)



Investment Objective

The Fund's objective is to provide its shareholders with risk-adjusted returns which exceed the MSCI Asia free ex-Japan (US\$). It invests principally in other funds that are managed by boutique fund managers in Asia ex-Japan that have worked in the region for several years, have in-depth knowledge of companies in the region, employ a bottom-up, value investing style, and generally have limited assets under management. The Fund's underlying holdings have a bias towards small and medium capitalization equities and companies serving the burgeoning Asian consumer sector. The benchmark figures used for comparison do not include dividends. We estimate that if dividends, net of withholding taxes, are included in the benchmark returns, the benchmark returns would increase by around 2.5 percentage points per annum. The performance of the Fund does not include fees charged in clients' segregated accounts, which are the higher of 1% of assets or 10% of any gains above the high-water mark.

Year-by-Year Return Since Launch (%)



Investment Advisor Commentary

The Fund's NAV/share increased by 3.6% compared to a 2.4% increase by the benchmark during the quarter. It was noteworthy that the Fund's three deepest value investments had the largest increases in value during the period. Swire Pacific B share price increased by 26% but still traded at a 74% discount to NAV. COSCO Shipping International's share price increased by 14%, but still traded at less than half intrinsic value and a 35% discount to its net cash. The single biggest contributor in dollar terms was our investment in a deep value Asian small cap fund whose NAV/share increased by 19.5% in the quarter. The average P/E of its holdings is still only 7.5 and average dividend yield is nearly 5%, while the average ROE of the portfolio companies is 18%. Value seems to be coming back into vogue, and these examples show how much we think this move has to run.

Overseas Asset Management (Cayman) Ltd

P0 Box 597, 2nd Floor, The Pavilion
Cricket Square, Elgin Avenue
George Town, Grand Cayman KY1-1107
Cayman Islands

T +1 345 949 8787 | F +1 345 949 7760
info@oam.com.ky | oam.com.ky

