

AIG EUROPE SMALL COMPANIES FUND

31 January 2010

OBJECTIVE

AIG Europe Small Companies Fund ('the Fund') seeks to achieve capital growth by investing in small companies, whose assets, products, or operations are based in Europe and whose capitalisation at the time of purchase is less than EUR 2 billion.

FUND FACTS

Domicile & Type	Ireland / Sub-fund of UCITS III Umbrella Open-ended Unit Trust
Inception Date of Class	7 Apr 2006
Inception Date of Predecessor Class	3 Apr 2001 *
Benchmark	HSBC Smaller Europe (Inc UK) (EUR)
Base Currency	USD
Class	A1
Class Currency	EUR
Minimum Investment	EUR 1,000
Management Fee	1.30%
Listing & Dealing	Unlisted / Daily
Distribution Policy	Income and capital gains may be distributed
ISIN Number	IE0030412666
Portfolio Manager(s)	Chantal Brennan / Anna Lundén / Camilla Macun
Investment Manager(s)	AIG Investments Europe Ltd.
Legal Manager	AIG Investments Fund Management Ltd.
Authorised for Public Distribution In	Austria, Belgium, Finland, France, Germany, Hong Kong, Luxembourg, Netherlands, Sweden, Taiwan (ROC), United Kingdom
Regulated By	Financial Regulator in Ireland

*Refer to footnotes

COMMENTARY

Market Review

- European smaller companies made a good start to the year, significantly outperforming large caps, as investors remained optimistic on the prospects for further recovery in 2010.
- Headwinds later in the month included continuing concerns on the state of Greek and Spanish public finances, and fears that state curbs on Chinese growth may dampen the ongoing economic recovery.

- During the month we acquired a position in UK listed personnel recruitment company Robert Walters which we expect to be a beneficiary of improving market conditions and internal cost-cutting. We also took a position in French IT consulting business Sopra Group which is a good quality company well positioned to benefit from a late cycle recovery in spending in its home market and overseas.

Outlook

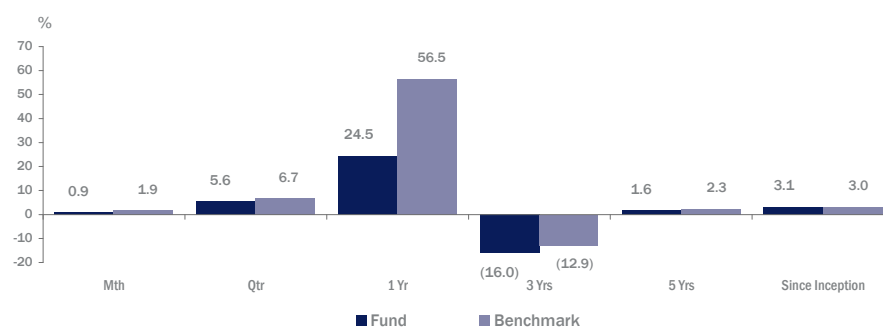
Fund Activity

- Stock selection and an underweight position in financials had a positive impact on Fund performance during the month, as did stock selection in industrials and healthcare. However stock selection in the consumer discretionary and IT sectors had a negative impact on performance.

- The coming months are expected to confirm investors' hopes of a further economic and equity market recovery.
- The approaching Q1 company reporting season will hopefully provide evidence that companies are seeing a return to top line growth as corporate confidence improves and re-stocking takes place.

PERFORMANCE

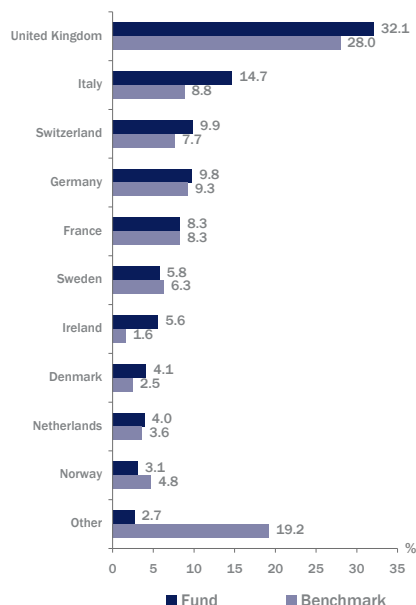
For periods ending 31 January 2010



Calendar Year	Fund %	Benchmark %	Difference %
2010 YTD	0.9	1.9	(1.0)
2009	28.8	54.2	(25.4)
2008	(52.0)	(52.7)	0.7
2007	(1.0)	(7.7)	6.7
2006	30.9	29.8	1.1

Fund: AIG Europe Small Companies Fund Class 'A1' Units
 Benchmark: HSBC Smaller Europe (Inc UK) (EUR)
 Indicative gross performance before fees and all charges. 1, 3, 5 Yrs and since inception returns are annualised. Past performance is not indicative of future results. Refer to footnotes.

COUNTRY ALLOCATION



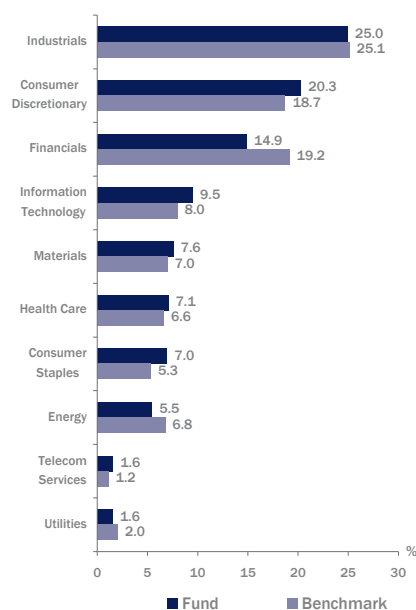
TOP 10 HOLDINGS

Company	%
Chemring Group (GB)	3.3
DiaSorin SpA (IT)	3.3
Azimut Hldg SpA (IT)	3.1
DCC (IE)	3.1
Autogrill SpA (IT)	3.1
Rheinmetall AG (DE)	3.1
Wirecard AG (DE)	3.0
Gruppo Editoriale L'Espresso SpA (IT)	3.0
Virgin Media Inc (GB)	2.9
Croda International (GB)	2.5
Total	30.4

FUND STATISTICS

Fund Size	USD 82,321,722
NAV per Unit	EUR 13.7158
Weighted Avg Mkt Cap (\$ M)	1,879
Number of Securities	56
Risk Free Rate	0.0
Sharpe Ratio (3yr)	(0.9)
Standard Deviation (3yr)	22.2
Information Ratio (3yr)	(0.3)
Tracking Error (3yr)	12.0
Alpha	(7.5)
Beta	0.8
R-Squared	79.1

SECTOR WEIGHTS



Fund: AIG Europe Small Companies Fund
 Benchmark: HSBC Smaller Europe (Inc UK) (EUR)
 Asset allocations as at month end.

www.aiginvestments.com

All information as of 31 Jan 2010 unless noted otherwise. Portfolio Structure may vary over time. Holdings are subject to change. We are not soliciting or recommending any action based on this material. This document should be read in conjunction with the Prospectus (including defined terms) and is subject at all times to the terms and conditions as set out therein. AIG Europe Small Companies Fund (the "Fund") is a sub-fund of AIG Global Funds, an Irish domiciled UCITS III umbrella fund, authorized and regulated by the the Financial Regulator in Ireland. The Fund was formed as a successor fund to AIG Europe Small Companies Fund plc (the "Company") following a scheme of amalgamation with the Company and was launched on 7 April 2006. AIG Investment Europe Ltd. is the Investment Manager to the Fund and also acted in this capacity for the Company. The performance presented herein is representative of Class 'A1' in Euro of the Company up to 7 April 2006, and of the Fund from that date. The price of units and the income from them may fall as well as rise and investors may not get back the full amount originally invested. This document is intended for distribution only to existing and prospective investors for whom it is suitable and does not constitute an offer of units. Its general circulation may be restricted by law in certain jurisdictions. The Fund is not available for investment in the United States or to or for the account of U.S. Persons. AIG Investments Europe Limited is authorised and regulated by the Financial Services Authority ("FSA"). In the UK this communication is a financial promotion solely intended for professional clients as defined in the FSA Handbook and has been approved by AIG Investments Europe Limited. Copies of the Prospectus, the Simplified Prospectus and the most recent financial statements may be obtained free of charge in Ireland from AIG Investments Fund Management Ltd., and in Germany from BHF-BANK AG, Bockenheimer Landstraße 10, 60323 Frankfurt. Unless otherwise noted, all information is sourced from AIG Investments internal data. AIG Investments comprises a group of international companies which provide investment advice and market asset management products and services to clients around the world. Services and products are provided by one or more affiliates of American International Group, Inc. ("AIG"). AIG Investments is a registered mark of AIG. Issued by: AIG Investments Fund Management Ltd, 30 North Wall Quay, IFSC, Dublin 1, Ireland. Phone: 353-1-6720222. Facsimile: 353-1-6720267.

