

AIG EUROPE SMALL COMPANIES FUND

28 February 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 fell sharply at the beginning of February on sovereign debt concerns in Spain, Greece and Portugal. As the fourth quarter earnings season progressed generally in line with expectations the market recovered as investors sought attractive valuation opportunities.

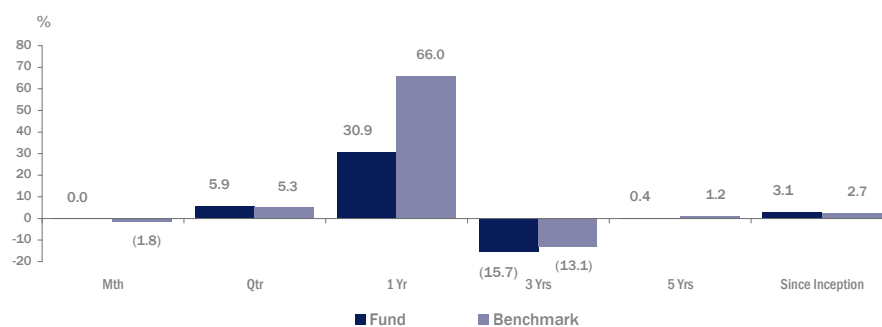
Fund Activity & Outlook

- Stock selection in several sectors contributed positively to performance, most notably consumer discretionary and materials. UK broadband provider Virgin Media was a key contributor to performance, rising by 14% over the month thanks to better than expected earnings. Danish logistics provider DSV contributed negatively with a 13% decline on concerns of margin pressure.

- We increased our exposure to the financial sector, adding to several existing positions and introducing Pohjola Bank for exposure to its profitable property and casualty insurance business and declining credit losses. UK industrial business Cookson was sold as it had reached our price target.
- Despite the market correction based on macro concerns, at a micro level we are able to find interesting investment opportunities in the small cap space which are trading at attractive multiples and have the capacity to surprise positively.

PERFORMANCE

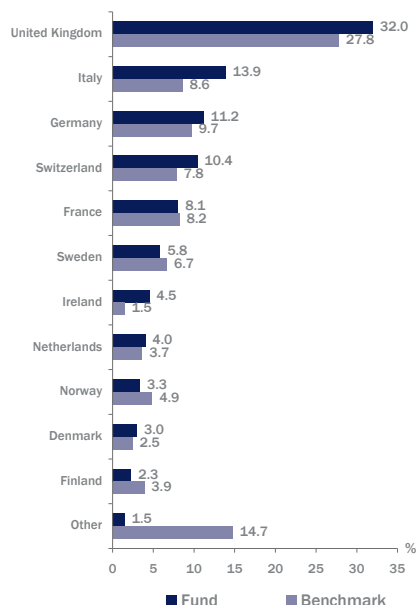
For periods ending 28 February 2010



Calendar Year	Fund %	Benchmark %	Difference %
2010 YTD	0.9	0.1	0.8
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



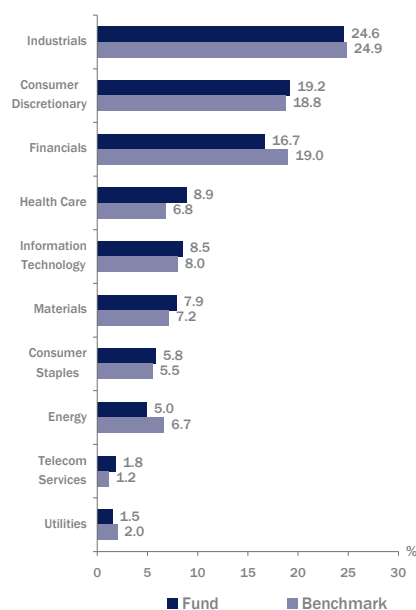
TOP 10 HOLDINGS

Company	%
Virgin Media Inc (GB)	3.4
Chemring Group (GB)	3.3
Autogrill SpA (IT)	3.2
DiaSorin SpA (IT)	3.2
Gruppo Editoriale L'Espresso SpA (IT)	3.1
Rheinmetall AG (DE)	3.1
Lancashire Holdings (UK)	3.1
Wirecard AG (DE)	3.0
DCC (IE)	3.0
Croda International (GB)	2.6
Total	31.0

FUND STATISTICS

Fund Size	USD 80,132,980
NAV per Unit	EUR 13.6962
Weighted Avg Mkt Cap (\$ M)	1,903
Number of Securities	56
Risk Free Rate	0.0
Sharpe Ratio (3yr)	(0.9)
Standard Deviation (3yr)	22.2
Information Ratio (3yr)	(0.2)
Tracking Error (3yr)	12.1
Alpha	(7.0)
Beta	0.8
R-Squared	78.9

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 28 Feb 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.

