

AIG JAPAN FOCUS EQUITY FUND

31 December 2009

OBJECTIVE

AIG Japan Focus Equity Fund ('the Fund') seeks to achieve capital growth by investing in a concentrated portfolio of high conviction companies whose assets, products or operations are based in Japan.

FUND FACTS

Domicile & Type	Ireland / Sub-fund of UCITS III Umbrella Open-ended Unit Trust
Inception Date of Class	12 Dec 2007
Inception Date of Predecessor Class	N/A
Benchmark	TOPIX Total Return Index
Base Currency	JPY
Class	Y3
Class Currency	JPY
Minimum Investment	JPY 125,000,000
Management Fee	1.00%
Listing & Dealing	Unlisted / Daily
Distribution Policy	Income and capital gains may be distributed
ISIN Number	IE00B2B3J488
Portfolio Manager(s)	Hiroshi Motoki / Hiroyuki Saito
Investment Manager(s)	AIG Investments Japan Co., Ltd.
Legal Manager	AIG Investments Fund Management Ltd.
Authorised for Public Distribution In	France, Germany, Luxembourg, Netherlands, United Kingdom
Regulated By	Financial Regulator in Ireland

COMMENTARY

Market Review

- Japanese stocks saw an upward trend in December as the market favoured persistently easy monetary policy. The Japanese yen turned to depreciate against the US dollar, which pushed up the shares of exporters such as auto and technology companies.
- The best performing sectors during the month were iron & steel, rubber products and electrical appliances. Meanwhile, the worst performers were banks, land transportation and electric power & gas.

- The Fund sold out of holdings such as House Foods, Tokai Rubber, NHK Spring and NTT and used the proceeds to purchase shares in Nitto Denko, JT, NOK and Toray.

Outlook

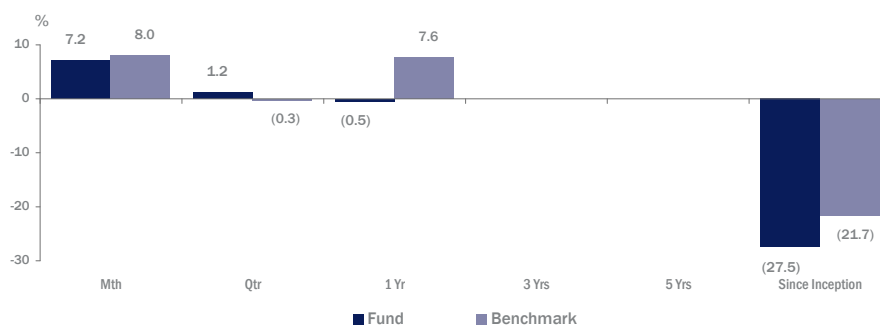
- Corporate earnings are bottoming out especially in global manufacturing firms due to improvements in sales and the effects of cost cutting. Although the outlook for the global economy remains mixed, upward earnings revisions will be positive for the market. We maintain an overweight in cyclical stocks.

Fund Activity

- Prominent holdings that contributed to Fund performance during the month include JCR Pharmaceuticals, Nissan Motor, Tokyo Electron, Tokyo Gas and NOK. V Technology, Arnest One, Nippon Fine Chemical and Uni Charm dragged on performance.

PERFORMANCE

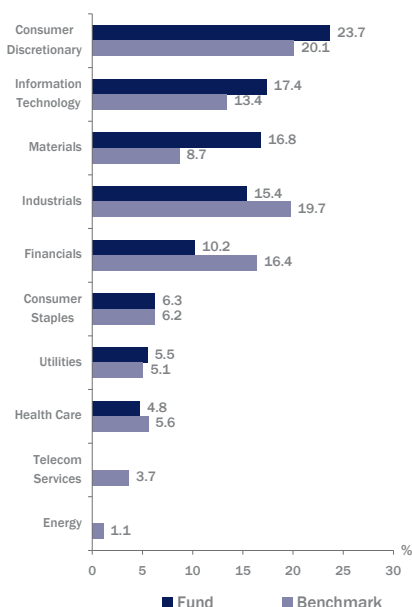
For periods ending 31 December 2009



Calendar Year	Fund %	Benchmark %	Difference %
2009 YTD	(0.5)	7.6	(8.1)
2008	(47.7)	(40.6)	(7.1)
2007	N/A	N/A	N/A
2006	N/A	N/A	N/A
2005	N/A	N/A	N/A

Fund: AIG Japan Focus Equity Fund Class 'Y3' Units
 Benchmark: TOPIX Total Return Index
 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.

SECTOR WEIGHTS



Fund: AIG Japan Focus Equity Fund
 Benchmark: TOPIX Total Return Index
 Asset allocations as at month end.

TOP 10 HOLDINGS

Mitsubishi UFJ Financial Group (JP)
Tokyo Gas Co (JP)
Nidec Corporation (JP)
Mitsubishi Corp (JP)
Toshiba Corp (JP)
East Japan Railway Co (JP)
Tokyo Electron (JP)
Nok Corp (JP)
Nissan Motor Co (JP)
Don Quijote (JP)

Total

%

43.8

FUND STATISTICS

Fund Size	JPY 1,787,353,584
NAV per Unit	JPY 750.8617
Weighted Avg Mkt Cap (\$ M)	16,170
Number of Securities	34
Risk Free Rate	0.0
Sharpe Ratio (3yr)	N/A
Standard Deviation (3yr)	N/A
Information Ratio (3yr)	N/A
Tracking Error (3yr)	N/A
Alpha	N/A
Beta	N/A
R-Squared	N/A

www.aiginvestments.com

All information as of 31 Dec 2009 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 Japan Focus Equity Fund (the "Fund") is a sub-fund of AIG Global Funds, an Irish domiciled UCITS III umbrella fund, authorized and regulated by the Financial Regulator in Ireland. The performance presented herein is representative of Class 'Y3' in YEN. 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.

