

# AIG SOUTHEAST ASIA SMALL COMPANIES FUND

31 January 2010

## OBJECTIVE

AIG Southeast Asia Small Companies Fund ('the Fund') seeks to achieve capital growth by investing in small to medium-sized companies whose assets, products or operations are based in South East Asia, with at least 50% of companies whose capitalisation at the time of purchase is less than USD 1.5 billion.

## FUND FACTS

<b>Domicile &amp; Type</b>	Ireland / Sub-fund of UCITS III Umbrella Open-ended Unit Trust
<b>Inception Date of Class</b>	19 Apr 2006
<b>Inception Date of Predecessor Class</b>	1 Sep 1994 *
<b>Benchmark</b>	S&P Pan Asia Ex-Japan Under USD1.5 Billion Index (see footnote)
<b>Base Currency</b>	USD
<b>Class</b>	Y
<b>Class Currency</b>	USD
<b>Minimum Investment</b>	USD 1 million
<b>Management Fee</b>	1.00% since 7 Apr 2006
<b>Listing &amp; Dealing</b>	Unlisted / Daily
<b>Distribution Policy</b>	Income and capital gains may be distributed
<b>ISIN Number</b>	IE0003895277
<b>Portfolio Manager(s)</b>	Elizabeth Soon / Peter Soo
<b>Investment Manager(s)</b>	AIG Global Investment Corporation (Asia) Ltd.
<b>Legal Manager</b>	AIG Investments Fund Management Ltd.
<b>Authorised for Public Distribution In</b>	Austria, Belgium, France, Germany, Hong Kong, Luxembourg, Netherlands, United Kingdom
<b>Regulated By</b>	Financial Regulator in Ireland
<b>S&amp;P Fund Rating</b>	AA

\*Refer to footnotes

## COMMENTARY

### Market Review

- All Asia ex Japan markets except Indonesia started 2010 with single digit monthly decline in January, as China and India both raised reserve requirements for banks to curb lending growth and dampen inflation.
- After the strong equity returns of 2009, markets saw some profit taking on concerns of potential tightening by central banks.

integrated IT service provider with 20% market share in China's retail IT segment. Earnings drivers include the rebound in IT spending and the extension of the rural subsidy program.

### Outlook

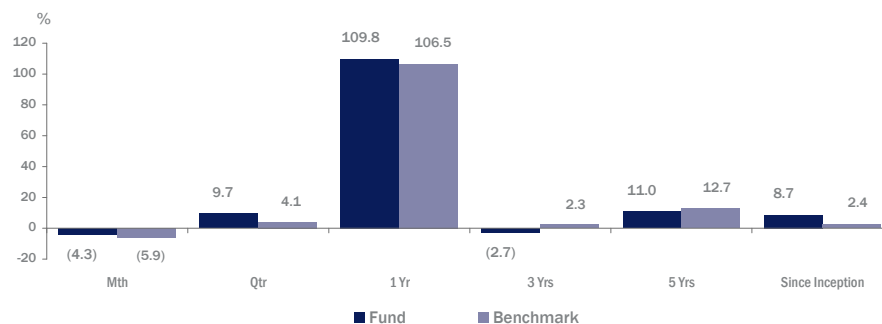
- We believe Asia is still in a secular bull market, but a short term correction is inevitable given the powerful rally in 2009. That said, valuations for Asian markets are near normalized levels, so investment opportunities still exist.
- We expect 2010 to be about stock selection and balancing risk/return as investors shift away from economic recovery to economic sustainability.

### Fund Activity

- Notable Fund performance in January came from Trinity Ltd., Webjet Ltd., Abb Ltd. and PT United Tractors.
- During the month, we decreased the Fund's weightings to Australia, China and India, and increased its position in Digital China Holdings Ltd. The company is a leading

## PERFORMANCE

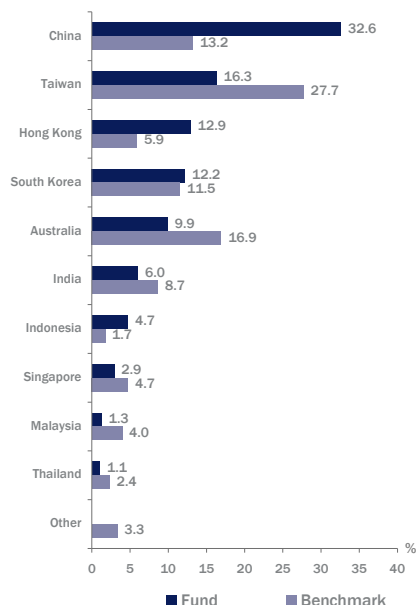
For periods ending 31 January 2010



Calendar Year	Fund %	Benchmark %	Difference %
2010 YTD	(4.3)	(5.9)	1.6
2009	104.6	103.6	1.0
2008	(59.1)	(60.3)	1.2
2007	16.1	40.2	(24.1)
2006	45.1	34.4	10.7

Fund: AIG Southeast Asia Small Companies Fund Class 'Y' Units  
 Benchmark: S&P Pan Asia Ex-Japan Under USD1.5 Billion Index (see footnote)  
 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



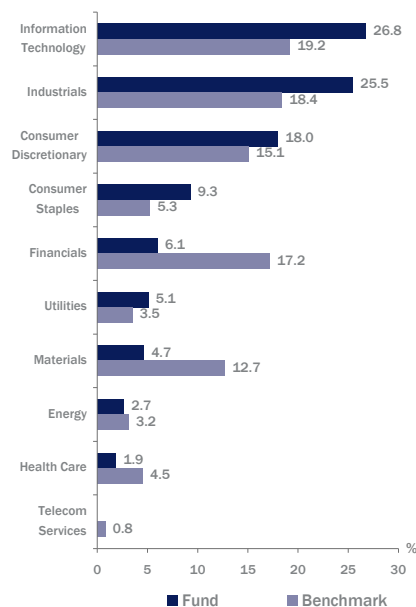
## TOP 10 HOLDINGS

Company	%
AAC Acoustic Tech Holdings (CN)	6.2
Trinity Ltd (HK)	4.4
China Gas Holdings (CN)	3.9
Chicony Electronics (TW)	3.8
China Mengniu Dairy Co (CN)	3.6
Simplo Technology (TW)	3.4
Zhuzhou CSR Times Electric Co Ltd (CN)	3.3
China Everbright International Ltd (CN)	3.2
Shenguan Holdings (CN)	3.2
Venture Corporation Ltd (SG)	3.0
<b>Total</b>	<b>38.0</b>

## FUND STATISTICS

Fund Size	USD 20,273,594
NAV per Unit	USD 259.4025
Weighted Avg Mkt Cap (\$ M)	2,342
Number of Securities	52
Risk Free Rate	0.0
Sharpe Ratio (3yr)	(0.1)
Standard Deviation (3yr)	38.9
Information Ratio (3yr)	(0.5)
Tracking Error (3yr)	9.4
Alpha	(4.5)
Beta	1.0
R-Squared	94.3

## SECTOR WEIGHTS



Fund: AIG Southeast Asia Small Companies Fund  
 Benchmark: S&P Pan Asia Ex-Japan Under USD1.5 Billion Index  
 (see footnote)  
 Asset allocations as at month end.

[www.aiginvestments.com](http://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 Southeast Asia Small Companies Fund: From inception to Dec 97, the benchmark was JF Asia Small Companies Index. From 1 Jan 98 to Dec 01, the benchmark was changed to the Citigroup Emerging Asia + Hong Kong & Singapore EMI Index. From 1 Jan 02 the benchmark was changed to S&P/Citigroup South East Asia + China Extended Market Total Return Index. From 1 Jul 08 the benchmark was changed to S&P Pan Asia ex-Japan Index Cap Range <US\$ 1.5B DTR Net. AIG Southeast Asia 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 Financial Regulator in Ireland. The Fund was formed as a successor fund to AIG Southeast Asia Small Companies Fund plc (the "Company") following a scheme of amalgamation with the Company and was launched on 7 April 2006. AIG Global Investment Corporation (Asia) 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 'Y' in U.S. Dollars 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.

