

# AIG SOUTHEAST ASIA SMALL COMPANIES FUND

28 February 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>	28 Sep 2006
<b>Inception Date of Predecessor Class</b>	N/A
<b>Benchmark</b>	S&P Pan Asia Ex-Japan Under USD1.5 Billion Index (see footnote) (JPY)
<b>Base Currency</b>	USD
<b>Class</b>	Y3
<b>Class Currency</b>	JPY
<b>Minimum Investment</b>	JPY 125,000,000
<b>Management Fee</b>	1.00%
<b>Listing &amp; Dealing</b>	Unlisted / Daily
<b>Distribution Policy</b>	Income and capital gains may be distributed
<b>ISIN Number</b>	IE00B1D7YC43
<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

## COMMENTARY

### Market Review

- Asian equities usually perform poorly at the start of monetary tightening cycles. This has happened again so far in 2010, with the S&P Pan Asia ex Japan Small Cap index down by 6.01% YTD due to Euro zone worries, China monetary tightening and the US discount rate hike.

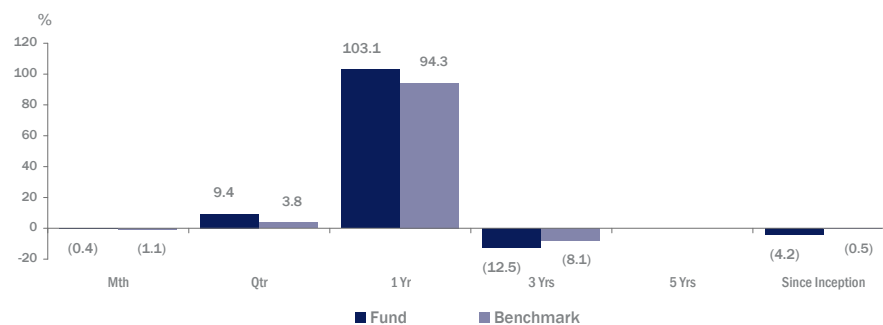
### Fund Activity & Outlook

- Trinity Ltd. contributed positively to the Fund's performance on China's strong consumption and retail sales growth while AAC Acoustic Technology Holdings Inc. detracted with currency risk being a near-term concern.

- During the month, the Fund decreased its weightings in Indonesia and Singapore while Australia, China and Hong Kong weightings were increased. The Fund also increased its position in Digital China Holdings on a pickup of corporate IT spending in 2010 and took profit on PT Bank Negara Indonesia.
- We reiterate our view that Asia is still in a secular bull market but a short term correction is inevitable. This quarter will be led by a slew of year end results announcements which we believe will be achieved on the high end of analysts' estimates.

## PERFORMANCE

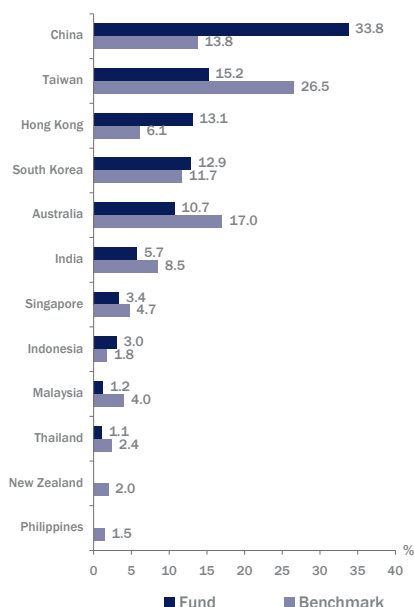
For periods ending 28 February 2010



Calendar Year	Fund %	Benchmark %	Difference %
2010 YTD	(6.8)	(8.9)	2.1
2009	109.2	108.1	1.1
2008	(67.1)	(68.0)	0.9
2007	9.3	32.0	(22.7)
2006	N/A	N/A	N/A

Fund: AIG Southeast Asia Small Companies Fund Class 'Y3' Units  
 Benchmark: S&P Pan Asia Ex-Japan Under USD1.5 Billion Index (see footnote) (JPY)  
 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



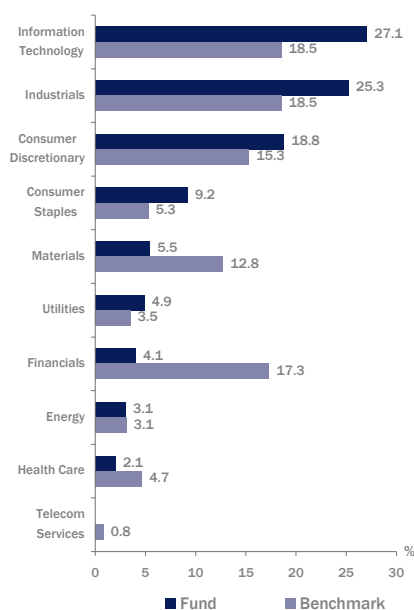
## TOP 10 HOLDINGS

Company	%
AAC Acoustic Tech Holdings (CN)	5.8
Trinity Ltd (HK)	5.0
China Gas Holdings (CN)	3.8
Chicony Electronics (TW)	3.6
Zhuzhou CSR Times Electric Co Ltd (CN)	3.5
Shenguan Holdings (CN)	3.4
China Mengniu Dairy Co (CN)	3.4
China Everbright International Ltd (CN)	3.3
Simplo Technology (TW)	3.1
Seek Limited (AU)	3.0
<b>Total</b>	<b>37.9</b>

## FUND STATISTICS

Fund Size	USD 20,508,001
NAV per Unit	JPY 1,227.2623
Weighted Avg Mkt Cap (\$ M)	2,239
Number of Securities	53
Risk Free Rate	0.0
Sharpe Ratio (3yr)	(0.3)
Standard Deviation (3yr)	42.3
Information Ratio (3yr)	(0.5)
Tracking Error (3yr)	8.8
Alpha	(4.3)
Beta	1.0
R-Squared	95.8

## SECTOR WEIGHTS



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

[www.aiginvestments.com](http://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 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 '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.

