

AIG EMERGING MARKETS BOND FUND

28 February 2010

OBJECTIVE

AIG Emerging Markets Bond Fund ('the Fund') seeks to achieve income and capital appreciation by investing in fixed income instruments issued primarily by governments, their agencies, local authorities and corporate entities in Latin America, Emerging Europe, Asia, the Middle East and Africa.

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	15 Apr 1994 *
Benchmark	JP Morgan Emerging Markets Bond Index+ (see footnote)
Base Currency	USD
Class	Y
Class Currency	USD
Minimum Investment	USD 1 million
Management Fee	0.75%
Listing & Dealing	Unlisted / Daily
Distribution Policy	Income and capital gains may be distributed
ISIN Number	IE0000376446
Portfolio Manager(s)	Rajeev Mittal / Anders Faergemann / Steve Cook
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, Italy, Luxembourg, Netherlands, Singapore, Spain, Sweden, Taiwan (ROC), United Kingdom
Regulated By	Financial Regulator in Ireland

*Refer to footnotes

COMMENTARY

Market Review

- The EMBI+ tightened 15 bps +292 over US Treasuries in a late rally as emerging markets shook off uncertainty from the Greek crisis after the EU stepped in to provide some verbal support for Greece.
- The lack of detail of any short term aid package for Greece meant the euro stayed under downward pressure.
- Ukraine tightened further in relief after PM Timoshenko, the loser in the run-off for the presidency, conceded victory to President-elect Yanukovich.

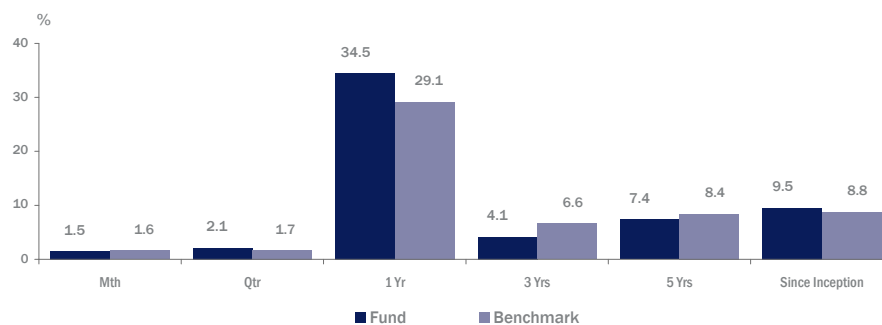
Fund Activity & Outlook

- The Fund clawed back some early losses in local currency markets to end the month only marginally lower than the benchmark. Positions in the Brazilian real and the Mexican peso contributed positively to performance, while the initial overweight in Argentina and the positions in corporate debt contributed negatively to performance.

- The Fund scaled back risk in the first part of February by reducing exposure to Argentina, Venezuela and Ukraine as well as taking off local currency positions in Hungary and Poland, opting instead to increase exposure to Brazil and Mexico in hard currency space.
- Emerging markets credit is still seeing a strong technical bid in spite of growing concerns about Greece. Ukraine has come out of the presidential election on a positive note and we expect focus in Argentina to return to the debt exchange soon, providing more positive momentum.
- The economic outlook for emerging markets is still providing cause for optimism and we expect countries in Asia and Latin America to benefit in particular, while there are more causes for concern surrounding the growth outlook for Europe given the on-going concerns about some of the euro zone members.

PERFORMANCE

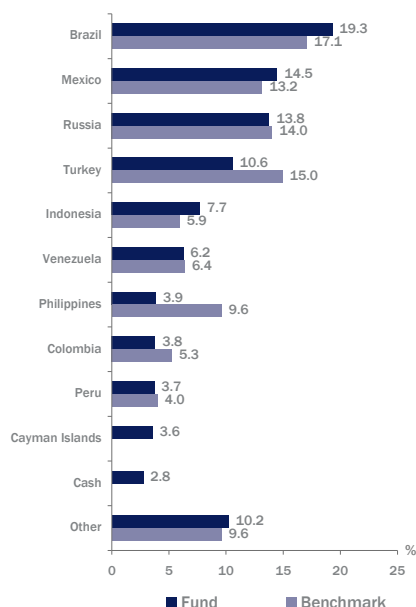
For periods ending 28 February 2010



Calendar Year	Fund %	Benchmark %	Difference %
2010 YTD	1.7	1.5	0.2
2009	29.3	25.9	3.4
2008	(16.5)	(9.7)	(6.8)
2007	3.8	6.5	(2.7)
2006	12.7	10.5	2.2

Fund: AIG Emerging Markets Bond Fund Class 'Y' Units
 Benchmark: JP Morgan Emerging Markets Bond 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



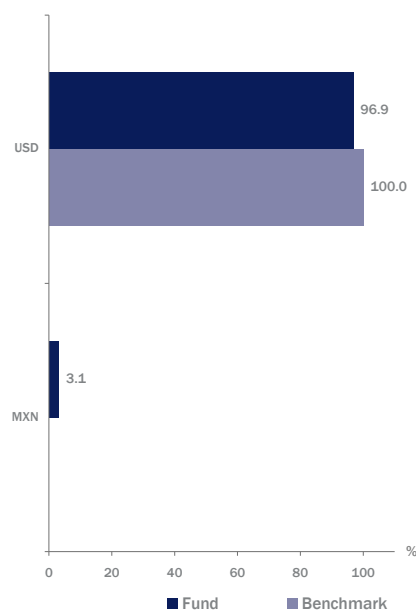
TOP 10 HOLDINGS

Percentage	Instrument	%
7.50%	Russia Rep 31/Mar/2030 (RU)	11.1
11.00%	Brazil (Fed Rep) 17/Aug/2040 (BR)	4.9
6.75%	United Mexican Sts 27/Sep/2034 (MX)	3.1
7.75%	United Mexican Sts 14/Dec/2017 (MX)	2.6
5.875%	Brazil (Fed Rep) 15/Jan/2019 (BR)	2.5
6.625%	Indonesia (Rep Of) 17/Feb/2037 (ID)	2.4
8.00%	Brazil (Fed Rep) 15/Jan/2018 (BR)	2.3
9.25%	Venezuela (Rep Of) 15/Sep/2027 (VE)	2.1
11.625%	Indonesia (Rep Of) 04/Mar/2019 (ID)	2.1
11.875%	Turkey (Rep Of) 15/Jan/2030 (TR)	2.0
Total		35.1

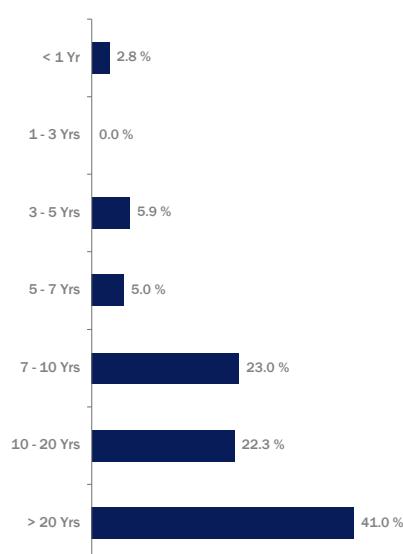
FUND STATISTICS

Fund Size	USD 125,788,995
NAV per Unit	USD 179.7391
Number of Securities	85
Average Coupon (%)	7.7
Average Duration	7.3
Average Yield to Maturity	6.8
Standard Deviation (3yr)	16.6
Information Ratio (3yr)	(0.5)
Tracking Error (3yr)	5.0
Alpha	(3.5)
Beta	1.4
R-Squared	98.0

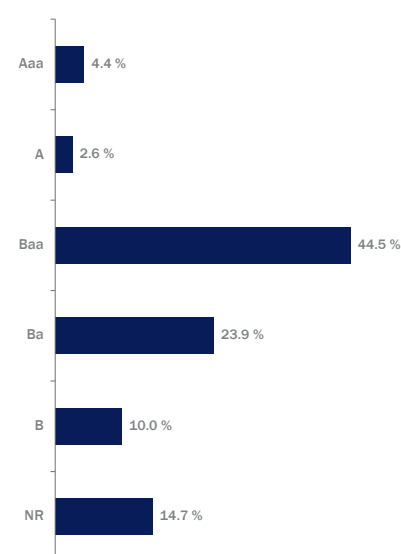
CURRENCY ALLOCATION



MATURITY PROFILE



PORTFOLIO QUALITY



Fund: AIG Emerging Markets Bond Fund
 Benchmark: JP Morgan Emerging Markets Bond Index+ (see footnote)
 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 Emerging Markets Bond Fund: From inception to 1 Jan 1998, the benchmark was the USD 1 mth Libor. From 1 Jan 1998, the benchmark was changed to the JP Morgan Emerging Markets Bond Index+(USD). AIG Emerging Market Bond 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 Emerging Markets Bond Fund plc (the "Company") following a scheme of amalgamation with the Company and was launched on 7 April 2006. AIG Investments 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 '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.

