

Oriental Focus Fund



Investment Objective

The BDT Invest Oriental Focus Fund invests in Asian equity markets excluding Japan. The Fund is not managed against, nor constrained by, any index. The mandate is "long only" and the portfolio is subject to normal market risk. The fee structure, however, is designed to reward the investment manager for achieving absolute returns. Monies not invested in equities will generally be held in short term US Dollar or local currency accounts. US Dollar, Sterling and Euro denominated share classes are available. In May 2008 the Sterling share classes hedge was removed and in July 2009 the Euro share classes hedge was removed.

Portfolio Commentary

The Net Asset Value of the US Dollar B shares gained 11.7%, slightly ahead of the 11.3% gain in the MSCI Asia ex Japan Index as Asian markets joined the rally in global equity markets. While much focus has been made on the ASEAN "Mango" markets it was the strong performance of four Hong Kong listed stocks that drove the Fund's returns last month. HAECO, Ping An, Minth and First Pacific all recorded 20% plus gains over the month although admittedly First Pacific has the vast majority of its assets in Indonesia and the Philippines. Ignoring Swire's cheeky bid for HAECO in June has proven the correct course of action while Ping An returned from a long suspension (while it underwent a rather complicated merger of two banking units) and promptly played catch up. After a soft patch over the summer, the return of the Chinese car buyer spurred Minth and a number of other auto related stocks higher. We suspect this trend helped Johnson Electric burst back into life but it could also have been the appointment of ex-HKMA chief Joseph Yam to the board.

The main laggard in the portfolio was Samsung Life which reacted poorly to the Bank of Korea's pause in raising interest rates. A position in Siam City Cement was added post a favourable visit and another in Max India, an insurance and healthcare provider which seems to have been overly penalised of late due to the changing regulatory climate. The strong longer term prospects now look underappreciated. The invested position has risen to 92%.

Compound Annual Growth Rates since Inception

Dollar B class	16.5%
<i>11th October 2004- 30th September 2010</i>	
Sterling B class	20.8%
<i>11th October 2004- 30th September 2010</i>	
Euro B class	14.5%
<i>11th October 2004- 30th September 2010</i>	

Net Asset Value	A Class	B Class
Dollar Class	\$ 22.37	\$ 23.38
Sterling Class	£ 28.02	£ 29.14
Euro Class	€ 20.09	€ 21.10
Fund Size (million)	\$33.7	
Historic Yield	0.9%	0.9%

Dealing

Dealing Frequency	Daily	
Dealing cut off point	5pm (Dublin time)	
Valuation point	9am (following day)	
Min Investment	\$ 10,000	\$ 3mn
Subsequent	\$ 2,500	\$ 100,000

Fee and Charges

Annual Management Fee	1.5%	0.9%
Entry Charge	3.0%	0.0%
Exit Charge #	0.0%	3.0%
TER (1H 10) ^	2.78%	2.18%

^ (excluding performance fee and entry/exit charges)

waived except in exceptional circumstances

Performance Fee

10% of any gains in excess of 10%. Subject to high tide marks and/or CAGR since inception.

Broking Commissions

The Fund pays transaction commissions which range from 0.25% to 0.60%. BDT Invest has entered into commission sharing arrangements.

Activity

Activity levels are not "targeted". During the past twelve months turnover has been 43.2%.

Distributor Status

The Fund has received distributing fund status for the year ended Dec 31, 2009

Investment Manager (for enquiries)

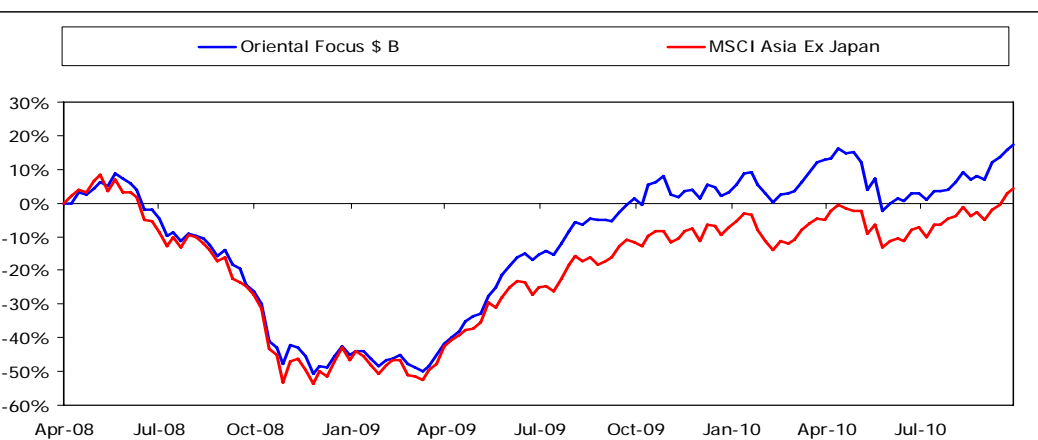
BDT Invest LLP
4th Floor, 52 Jermyn Street
London Telephone
SW1Y 6LX +44 (020) 7659 1300

Administrator (for dealing and admin)

HSBC Securities Services (Ireland) Limited
1 Grand Canal Square
Grand Canal Harbour
Dublin 2 Telephone
Ireland +353 (01) 635 6000

Regulatory Status

Listed on the Irish Stock Exchange, approved by the IFSRA, Authorised and Regulated by the FSA



Top Twenty Holdings		Country Weights		Sector Weights	
China Taiping Insurance	6.9%	China	13.2%	Financial	31.7%
Samsung Life Insurance co	6.0%	Hong Kong	23.5%	Industrial	17.1%
ITC Ltd	4.9%	Indonesia	6.3%	Consumer Disc	11.9%
Rexlot Holdings Ltd	4.4%	India	13.5%	Property	10.9%
First Pacific Co	4.1%	Korea	9.7%	Material	10.2%
Jasa Marga	3.6%	Malaysia	2.8%	Consumer Staple	8.8%
Minth Group	3.6%	Philippines	6.1%	Information Tech	1.7%
Metro Pacific	3.5%	Singapore	4.1%	Telecom	0.0%
Hong Kong Aircraft	3.4%	Thailand	4.6%	Health Care	0.0%
Johnson Electric Holdings	3.3%	Taiwan	8.5%	Energy	0.0%
Farglory Land	3.0%			Utility	0.0%
HDIL	2.9%				
Lafarge Cement	2.8%				
Ping An Insurance Group	2.7%				
Jardine Matheson	2.7%				
Holcim Indonesia	2.7%				
Ayala Land Inc	2.6%	% Invested	92.2%		
AMVIG Holdings Ltd	2.4%	Cash	7.8%		
Siam City Cement NVDR	2.4%	T-bills	0.0%		
Rojana Industries	2.3%				

30th September 2010	1 month	3 month	6 month	1 year	3 years	5 years	7 years
Oriental Focus Fund A \$	11.6%	18.1%	6.6%	19.3%	7.9%	93.8%	n/a
Oriental Focus Fund B \$	11.7%	18.3%	6.9%	20.0%	9.8%	100.8%	n/a
Oriental Focus Fund A £	8.5%	12.1%	1.5%	20.9%	34.3%	138.3%	n/a
Oriental Focus Fund B £	8.5%	12.2%	2.0%	21.6%	36.7%	145.6%	n/a
Oriental Focus Fund A €	3.7%	6.1%	5.2%	27.9%	1.4%	74.5%	n/a
Oriental Focus Fund B €	3.7%	6.2%	5.4%	28.6%	4.8%	83.1%	n/a
MSCI Asia ex Japan	11.3%	16.4%	10.7%	19.5%	-7.4%	82.8%	180.8%
MSCI EMF Asia	11.3%	15.8%	9.8%	18.7%	-9.0%	84.9%	188.4%

MSCI Indices (incl net dividends) stated in US\$. Fund returns stated in the class base currency.

Portfolio Statistics

Number of Holdings	32
Top Ten	43.51 %
Top Twenty	70.05 %
"5 and 40 rule"	12.83 %
Median market capitalisation	\$ 4.71 bn
Average weighted market capitalisation	\$ 10.16 bn
Average price earnings ratio (trailing)	15.73 x
Average price book ratio (last)	1.97 x
Average yield (historic)	2.36 %

source: bloomberg (using portfolio data as of 31st August 2010)

Oriental Focus Fund B \$	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Year
2008 (from 1st April)				5.3%	1.2%	-10.5%	-4.6%	-4.8%	-17.4%	-18.8%	-11.0%	8.0%	-44.2%
2009	-3.8%	-4.1%	9.9%	19.7%	21.0%	4.0%	11.3%	1.0%	5.2%	2.5%	1.2%	1.4%	90.2%
2010	-2.2%	0.5%	8.5%	-0.1%	-11.1%	1.7%	4.6%	1.3%	11.7%				14.1%