

Focus on the role of Chinese companies in a global context

Inception Date
May 17th, 2004

Investment Style
Top-Down/Bottom-Up

Benchmark
H-shares

Tracking Error
N/A

Average Number of Holdings
40 - 60 issues

Investment Manager
DIAM International

Legal Classification
Luxembourg Mutual Fund

Legal Status
UCITS IV

NAV Calculation
Daily

Cut Off Time
2:00 PM Luxembourg

ISIN Code C1 class (\$)
LU0192479375

ISIN Code C2 class (€ Hedged)
LU0192479615

Annual Management Fees 2%

Maximum Performance Fees
10% High Water Mark

Initial Minimum Subscription
4%

Maximum Subscription Fees
1%

Maximum Redemption Fees
1%

Maximum Conversion Fees
1%

Countries of Distribution
Luxembourg, France, Switzerland, Germany, Austria and Spain

Minimum recommended investment period in years

1 2 3 4 5

Morningstar rating



1 Capturing China's dynamic growth

- Build an opinion on the direction of the equity markets as well as favorable sectors to either overweight or underweight based on:
 - > Policy changes in terms of fiscal and monetary regulations
 - > Various economic indicators
 - > Demographics
 - > Foreign economic and political situations
 - > Demand and supply of equities
 - > Industry data
 - > Bad debt situation of banks
 - > Real estate prices
- Invest at least 70% of its total assets in shares of companies established in or carrying out the bulk of their economic activity in China and quoted on the Hong Kong, Shanghai and Shenzhen stock exchanges. Up to 30% of the portfolio may be invested in companies which are not based in China, but the great majority of whose commercial activities are linked to that country.

Chinese stocks - 70%

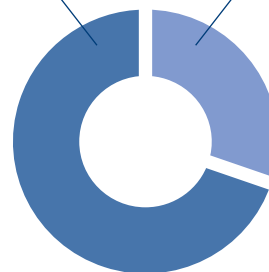
Domestic growth

- Economic growth in China
- Potential of revaluation
- Initial Public Offering

China related stocks - 30%

Opportunities from abroad

- Taiwan and Hong Kong
China as factory location
- Asian Countries
Chinese tourism
- European and US companies
China as a huge and important consumer market



2 In-depth stock selection



3 Key investment themes

Consumer

Domestic consumption remains strong as the government's key focus is to transform the structure of the whole economy

Healthcare

Re-rating on the healthcare sector will continue as the government has launched various reform measures, including a new rural cooperative medical system, trial run of privatizing some state owned hospitals and a long term goal to eliminate doctors receiving rebates from distributors

Banking

Household bank savings underleveraged, non-interest income is still tiny

Insurance

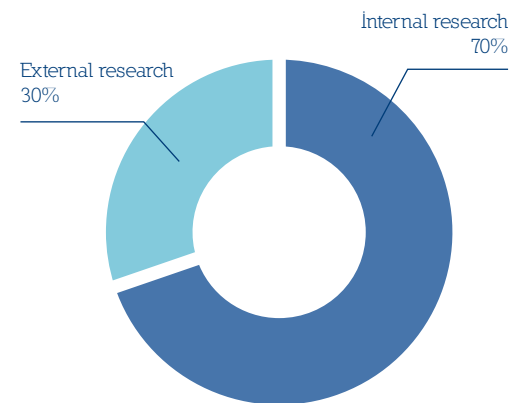
More room for penetration while some insurers look for quality business growth

Infrastructure

Urbanization, social housing program

4 Commitment to Asian equities

- DIAM* has a long history in the analysis of Asian stocks and makes significant investments in the research capabilities
- Financial commitment through the opening of Hong Kong in 2007 and Singapore in 2008 offices to gain proximity to all Asian and Pacific markets
- A large team is dedicated and focused exclusively on researching Asian equity products
- Intensive and detailed research based on meetings with the top management including visiting actual sites: factories, R&D centers, etc. Approximately 1000 company visits per year
- Deep market knowledge with experienced and stable portfolio managers
- Locally-based fund management allows access to all real time local and financial information in the local language



5 Strong local presence and area expertise



Mr. Nagai joined Dai-ichi Mutual Life Insurance Company (DMLI) in 1991 and transferred to Dai-ichi Life International (UK) Ltd. in 1993. In 1998, he joined Dai-ichi Life Asset Management (later merged to form DIAM). He assumed the position of head of Hong Kong Representative office when DIAM opened its representative office in May 2007. Mr. Nagai received a BA in Science and Engineering from Waseda University in 1991. Mr. Nagai is a Chartered Member of the Security Analyst Association of Japan (SAAJ) and has received an Investment Management Certificate (IMC).

*DIAM was established in 1999. The current shareholders are Dai-ichi Life Insurance Company Ltd and Mizuho Financial Group, who each own 50% of DIAM. Dai-ichi Life Insurance Company Ltd was established in 1902 as Japan's first mutual insurance company and currently the second largest life insurance company in Japan. Mizuho Financial Group was formed by the consolidation of IBJ, Dai-ichi Kangyo Bank and Fuji Bank in 2000.

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