

## Overview

The Core Regional strategy aims to achieve long term capital growth principally through investment in the ordinary shares of companies listed in Asia Pacific ex Japan. To achieve this objective the strategy consists of diversified portfolios of (i) companies that are expected to re-rate as a result of the market not fully recognizing the growth potential of the business, and (ii) companies that will benefit from share price appreciation resulting from an earnings surprise.

## Investment Process

- Our philosophy and process aims to add value in three key areas, namely stock selection, portfolio construction, and implementation.
- Research coverage is shared between the country specialists and the regional sector analysts representing a subtle difference from the RCM global approach. Country specialists tend to cover those companies that relate to local factors more than any regional (or global) factor. Sector specialists cover the larger capitalized names and typically would compromise stocks that could be recommended for regional or global portfolios.
- The team's goal is to build integrated portfolios on a bottom-up basis, comprising the best companies in the region.
- Working in a team-oriented meritocracy, our investment professionals focus on constructing portfolios offering attractive risk-adjusted returns.

## The RCM Advantage

- Innovative dual research platform – producing bottom-up stock selection:
  - Fundamental research analysts specialize in their sector of expertise
  - Proprietary Grassroots<sup>SM</sup> Research\* network with 50,000 industry contacts and approximately 300 independent reporters and field force investigators
- Institutionalized investment culture / Consultative client relationships

## Performance\*\*



All data as of March 31, 2008, unless otherwise noted.

\* Grassroots<sup>SM</sup> Research is a division of RCM. Research data, used by Grassroots<sup>SM</sup> Research to generate recommendations, are received from reporters and field force investigators who work as independent contractors for broker-dealers. These broker-dealers supply research to RCM and certain of its affiliates in connection with brokerage services that is paid for by commissions generated by orders executed on behalf of RCM's clients.

\*\* Past performance is no guarantee of future results. Individual account performance will vary. Gross returns were calculated on a total return basis, including all dividends and interest, accrued income, realized and unrealized gains or losses, and are net of all brokerage commissions and execution costs, and do not give effect to investment advisory fees which would reduce such returns. Net returns, where appropriate, were calculated on a total return basis, including all dividends and interest, accrued income, realized and unrealized gains or losses, and are net of all brokerage commissions, execution cost, and investment advisory fees. Currency hedging may be effected as a normal part of the discretionary fund management where it is considered beneficial in order to minimize exposures to fluctuations in exchange rates prevailing between the different country currencies and the portfolio base currency. Composite returns include any benefits or costs of such currency hedging transactions. The dispersion of annual returns is measured by the standard deviation across equal-weighted account returns represented within the composite for the full year. Additional information regarding policies for calculating and reporting returns and a complete list and description of all of the firm's composites are available upon request. Unless otherwise noted, index returns are presented as total returns, which reflect both price performance and income from dividend payments, if any, but do not reflect fees, brokerage commissions or other expenses of investing.

## Product Profile

Number of accounts	1
Product assets	US\$194 million
Years managed	9
Benchmark	MSCI AC Asia Pacific Ex-Japan

## Key Investment Professionals



### Raymond Chan, CFA

Chief Investment Officer Asia Pacific

Joined RCM: 1998

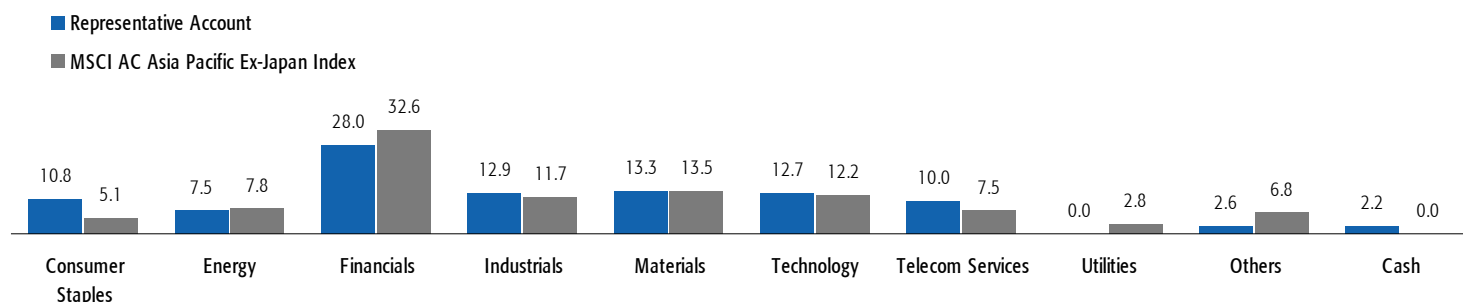
Investment Career Began: 1990

**Representative Account Characteristics<sup>†</sup> - Supplemental Information**

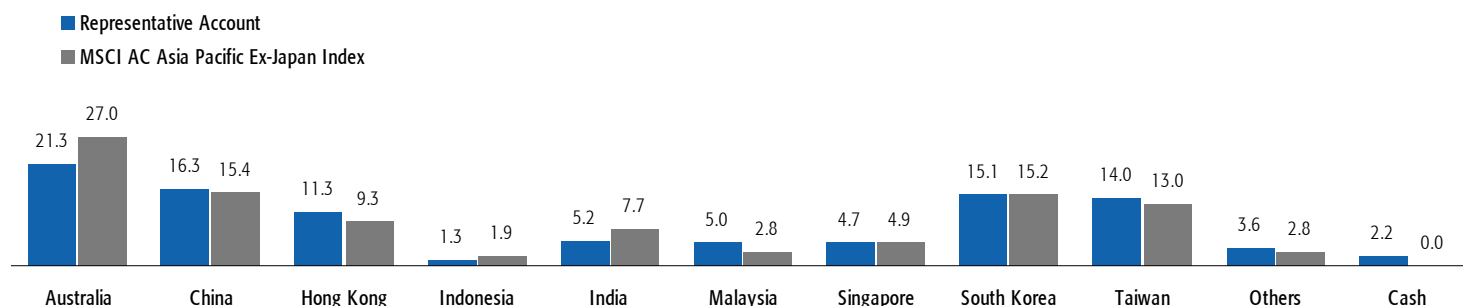
Beta	0.96
P/E (Next 12 Mo. EPS)	15.1x
Earnings Growth (Next 3-5 yrs)	18.4%
P/E (Next 12 Mo.) to Growth (Next 3-5 yrs)	0.8x
Wgtd Avg Market Cap	US\$39.7 billion
Number of Holdings	66

Top Ten Holdings	
BHP Billiton Ltd	5.0%
China Mobile Ltd	3.6%
Samsung Electronics	3.5%
CNOOC Ltd	3.1%
CSL Ltd	2.6%
Newcrest Mining	2.6%
Hopewell Hldgs	2.5%
China Construction Bank	2.4%
Taiwan Semiconductor	2.2%
IOI Corp	2.2%

**Sector Composition (% of Portfolio and Benchmark)<sup>†</sup> - Supplemental Information**



**Regional Allocation (% of Portfolio and Benchmark)<sup>†</sup> - Supplemental Information**



<sup>†</sup> The Representative Account information is for illustrative purposes only and reflects one account within the composite. Rounding may cause figures to vary from 100%. Portfolio holdings and sector composition are subject to change without notice and should not be considered a recommendation of any particular securities or investment strategy. The supplemental information above compliments the GIPS<sup>®</sup> compliant presentation on the following page.

**Performance Composite Statistics**

RCM Asia Pacific Ex-Japan Composite									
Period	Composite Gross Return (%)	Composite Net Return (%)	Benchmark (%)	Tracking Error (%)	Information Ratio	No. of Clients/Accounts	Composite Dispersion (%)	Period-End Total Assets (US \$ M)	Total Firm Assets (USD M)
2007	45.95	44.75	37.19	4.14	2.05	1	N/A*	270	168,131
2006	37.54	36.38	33.20	3.00	1.72	2	N/A*	310	164,876
2005	20.77	20.06	21.01	1.14	0.54	1	N/A*	111	147,527
2004	21.27	21.04	22.84	1.77	-0.53	3	N/A*	533	128,432
2003	55.99	55.30	47.72	2.75	3.02	3	N/A*	254	123,142
2002	-2.89	-3.28	-5.11	2.20	1.22	3	N/A*	82	111,780
2001	-9.49	-9.93	-2.40	3.70	-1.81	3	N/A*	23	141,056
2000	-30.66	-30.93	-29.97	9.78	-0.07	3	N/A*	25	82,483
1999	75.88	75.13	49.83	10.84	2.40	1	N/A*	35	84,715
1998	-7.42	-7.89	-4.42	15.94	-0.19	1	N/A*	40	64,825

\* Standard deviation is not considered statistically meaningful when there are fewer than five accounts in the composite during the period.

RCM (the "Firm") is a global investment advisory organization, consisting of separate affiliated firms, which operates under the brand name RCM. The affiliated firms that comprise the Firm include, among others, RCM Capital Management LLC ("RCM Capital"), an investment advisory firm registered with the Securities and Exchange Commission, which has been in operation since 1970, either directly or through its predecessors, and RCM Asia Pacific Ltd. ("RCM AP"), an investment advisory firm registered with the Securities and Exchange Commission, which has been in business since 1984, either directly or through its predecessors. RCM Capital presents the Asia Pacific Ex-Japan strategy in the United States. RCM has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®). For the periods ended December 31, 1998, 1999 and 2000, the composite presentation does not comply fully with GIPS, because RCM has not been able to confirm the total firm assets for those periods. To obtain a list and description of all of the Firm's composites, please call 415-954-5400 or write to RCM, Four Embarcadero Center, Suite 3000, San Francisco, CA 94111.

This composite was created in October 2003 and includes all fee-paying, discretionary Asian Pacific ex Japan equity (Core Regional) portfolios managed by RCM AP that invest in the ordinary shares of companies listed in the region of Asia Pacific ex Japan with the investment objective to achieve long-term capital growth. The benchmark applied to the composite is MSCI AC Asia Pacific ex Japan Index, which is a free float-adjusted market capitalization index that is designed to measure the equity market performance in the Asia Pacific region. As of 31 December 2006, the MSCI AC Asia Pacific ex Japan Index consisted of the following 13 emerging and developed market countries: Australia, China, Hong Kong, India, Indonesia, Korea, Malaysia, New Zealand, Pakistan, Philippines, Singapore, Taiwan, and Thailand. In contrast to the benchmark, the portfolios forming this composite do contain cash. Unless otherwise noted, index returns are presented as total returns, which reflect both price performance and income from dividend payments, if any, but do not reflect fees, brokerage commissions or other expenses of investing. The Portfolios within this composite may and do invest in non-benchmark securities. Unless otherwise shown in the composite table, no composites contain carve-outs from balanced portfolios. All data as of December 31, 2006, unless otherwise noted. Performance results and valuation presented are in US dollar.

Composite performance is net of any applicable withholding taxes on dividends, interests and capital gains. The standard management fee scale for segregated accounts for this product starts at 0.75% p.a. on the first US\$20 million and will be lower by tiers. Actual fees may vary depending on, among other things, the type of client (the fees for registered investment companies, for example, are generally significantly higher) and the amounts of assets under management. Advisory fees are described in Part II of RCM's and RCM AP's Form ADV.