

Prusik Asian Equity Income Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

30 June 2011

Monthly Fund Fact Sheet

Investment Objective

To select a portfolio of equity investments in the Asia Pacific ex Japan region with above average dividend yields and which have the ability to grow their dividends over the time. The fund aims to out-perform the MSCI Asia Pacific ex-Japan index by 5-10% annually whilst growing its dividend over time.

Fund Facts

Fund Size (USD)	13.8m
Launch Date	31 December 2010
Fund Manager	Tom Naughton
Fund Structure	UCITS III
Domicile	Dublin
Currencies	USD (base), GBP, SGD

Performance (%)

	B USD	C GBP	D SGD
1 Month	-0.60	-0.53	-0.78
3 Month	5.95	5.65	5.61
Year to Date	4.19	4.42	1.79
Since Launch [†]	4.19	4.42	1.79

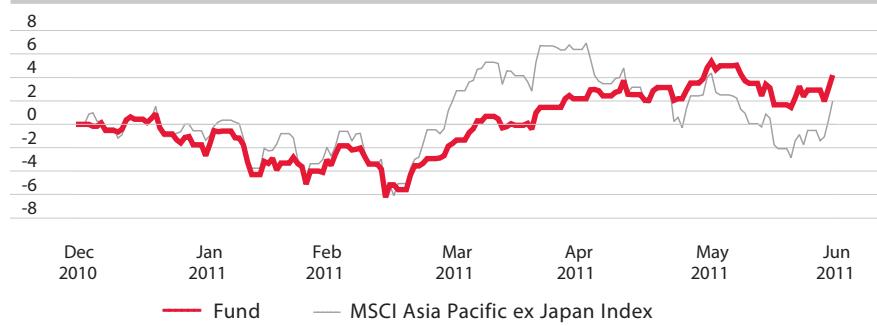
Source: Bloomberg.

[†]Launch Date: B: 31.12.10, C: 21.01.11, D: 04.01.11

Investment Process

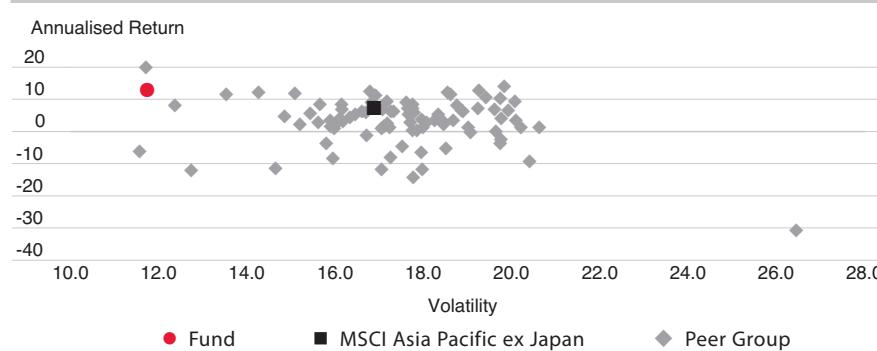
The process is both quantitative and qualitative with the latter dominating. The universe is screened for those high dividend stocks which have the greatest ability to sustain and grow their dividends over time. A particular emphasis is placed on identifying those companies with exceptional franchises, annuity like cash flows and pricing power which are trading at significant discounts to intrinsic value.

Fund Performance - Class B USD (%)



Source: Bloomberg. Total return net income reinvested. Since launch: 31.12.10

Risk Adjusted Performance - Class B USD (%)



Source: Bloomberg. Annualised return and 1 year volatility versus the peer group (open ended offshore Asia Pacific ex Japan Equity Index Fund), 31.12.10 to 30.06.11.

Fund Manager Commentary

The fund fell by 0.6% compared to a 1.9% fall in the market. The biggest contributors to returns were positions in Kangwon Land, Texwinca Holdings and Merida Industries. The biggest detractors were Test Research, Jiangsu Expressway and ARA Asset Management.

Markets continued to be weak for most of June and were down as much as 6.5% at one point as fears over Greece continued to test the market's patience. However, a (temporary?) resolution to this issue led to risk appetite improving and markets recovered much of their losses in the final week of the month.

One sector that was badly hit during the month was the China toll road sector which is a key investment theme for PAEIF. On the 14th June, The Chinese State Council made a series of statements regarding the improvement of logistics in the country and announced a study to investigate whether tariffs should be cut for some roads. This caused a sharp sell-off in the toll road sector with Jiangsu Expressway being particularly badly hit. Having spoken to a number of analysts and investors in toll roads it was clear that there was some confusion as to what the actual statement meant but a careful reading of the policies indicated that not only were these comments only applicable to illegal toll roads (many roads are continuing to charge tolls after their concession has ended) but also that any tariff cut would likely be accompanied by an increase in the concession period. We took advantage of the fears to increase our holding in Jiangsu Expressway at a dividend yield of almost 8.0% - higher than during the 2008 crisis period.

All data as at 30.06.11. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asian Equity Income Fund



Top 5 Holdings (%)

Jiangsu Express	4.8
Anhui Expressway	4.7
Sunway Real Estate Investment	4.3
KT&G	4.3
Texwinca Holdings	4.2
Total Number of Holdings	33

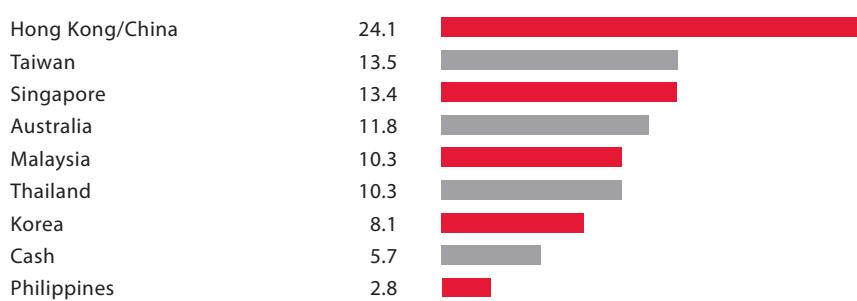
Portfolio Financial Ratios

Price/Book Value	2.8x
Price/Earnings Ratio	14.2x
Predicted Price/Earnings Ratio	11.7x
Return on Equity (%)	21.7
Historic Dividend Yield (%)	4.3
Predicted Dividend Yield (%)	5.7

Thematic Breakdown (%)



Geographical Breakdown (%)



All data as at 30.06.11. Source: Prusik Investment Management LLP, unless otherwise stated.

Management Fees

Annual Management Fee
1.0% p.a. Paid monthly in arrears

Performance Fee
Class 1: None

Dealing

Dealing Line	+353 1 603 6490
Administrator	Brown Brothers Harriman (Dublin)
Dealing Frequency	Weekly, Friday
Min. Initial Subscription	USD 10,000
Min. Subsequent Subscription	USD 5,000
Subscription Notice	2 business days
Redemption Notice	2 business days

Share Class Details

Class 1 [†]			Sedol	ISIN	Month-end NAV
A USD	Unhedged	Non distributing	B4MK5Q6	IE00B4MK5Q67	107.19
B USD	Unhedged	Distributing	B4QVD94	IE00B4QVD949	104.19
C GBP	Hedged	Distributing	B4Q6DB1	IE00B4Q6DB12	104.42
D SGD	Hedged	Distributing	B4NFJT1	IE00B4NFJT16	101.79

[†]Class 1 will remain open to investors until the fund reaches USD50m. It will then soft close (to new investors) remaining open for current investors until the fund is USD100m. A new share class (Class 2) will be launched when Class 1 is approximately USD50m. This will carry a 1% AMC with a 10% performance fee, relative to the index.

Dividend Dates

Ex. Dividend: Interim 1 January, Final 1 July

Distribution: Interim end February, Final 31 August

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