

Performance as at 30 JUNE 2011 in USD

	1 Month %	3 Months %	6 Months %	1 Year %	3 Years %	Inception p.a. %
TG TAAM Asia ex Japan Fund	-1.70	-1.90	-	-	-	-
MSCI AC Asia ex Japan	-2.27	0.09	-	-	-	-
Difference +/-	0.57	-1.81	-	-	-	-

All performance data is calculated on a NAV to NAV basis, net income reinvested. Past performance is not a reliable indicator of future performance. Date of inception is 01 Apr 2011.

Commentary

Impacted mostly by global issues, Asian stocks were lackluster in the June quarter. Be it concerns surrounding the significant EU sovereign risk issues, the US Federal Reserve ending stage 2 of its quantitative easing program or generally weaker global economic indicators. Within Asia, there were ongoing concerns regarding inflationary pressures and resulting monetary policy tightening measures, particularly in China (overstated in our view). The regional index in US Dollar terms was flat for the quarter. Reflecting weakness in the US Dollar, the index in local currency terms was lower by 1%.

For the quarter, the best performing markets were Malaysia, Philippines, Singapore and Taiwan with the worst performing being India, Thailand and China (India was the worst performing market in the region in the first half of 2011, reversing some of the over exuberance towards this market in 2010). At the sector level, consumer, both staples and discretionary, was by far the best performing. Defensive sectors, utilities and telecoms, also performed well. The materials and energy sectors, reflecting concerns about global growth and ongoing monetary tightening in emerging markets, were the worst performing. Technology stocks and financials also lagged over the quarter.

The fund was launched on April 1 2011 and lagged the index performance for the quarter. It should be noted this result is entirely due to the fund launching with a 100% cash position and the market rallying the first two weeks of April, as we invested the cash. If you exclude the first two weeks, the remainder of the quarter's relative performance was positive. The outperformance was driven by the country overweight and stock selection in Taiwan. We have long been positive in Taiwan stocks operating in industries benefiting from Taiwan's improved economic relationship with China (while being underweight the index heavy Taiwan technology sector). It is gratifying to note that this view has panned out and the Taiwanese portfolio performed strongly. Stock selection in Korea also added value, as did the country underweight in India. The zero weight to Indonesia continues to frustrate as this market continues to perform well, however we remain convinced now would be the exact wrong time to buy expensive Indonesian stocks. The portfolio will patiently remain at zero weight in Indonesia.

The fund remains overweight China and Taiwan, while underweight India, Singapore and Indonesia. We became bullish on China stocks over the second half of 2010 and our conviction remains high. This contrasts with the longer held Taiwan bullish view where we are now

reducing exposure. A number of our long held Taiwanese stocks have performed strongly with valuations now looking less attractive. Although we will remain overweight, some profit taking in Taiwan is prudent. In Korea, following an extensive recent research trip to Seoul, we have moved overweight. Two new Korean stocks have been added to the portfolio - Hyundai Greenfood (food caterer) and Fila Korea (branded sportswear). The Indian market has corrected nearly 10% from the start of the year. Although India continues to face some macro economic headwinds (such as inflation running at 9%), Indian stocks are no longer as expensive as they were and it is a market we could potentially add to in the second half of the year.

Some changes have been executed at the sector level, the most notable moving from underweight to overweight the consumer sector. Three Chinese consumer stocks (Tingyi is China's largest noodle manufacturer, China Mengniu is a dairy company and Gome Electrical is a consumer electronic retailer) were added to the portfolio. Consumer stocks were also added in Thailand and Taiwan. We have always been a believer in the long-term growth potential of the Asian consumer, however Asian consumer stocks had become overvalued in 2010. With most Asian consumer stocks having corrected in the first half 2011, valuations are now much more attractive, providing a buying opportunity. Exposure to financials was reduced (particularly the Chinese financials).

Looking ahead, we believe that Asian stocks are poised to move higher. We believe that earnings growth for the region is expected at around 12% over the next year, valuations are attractive at below their long-term average. Stock dividends are higher than their local domestic interest rates which is supportive. Crucial in this bullish view is inflation being contained and the monetary policy tightening cycle across Asia nearing an end, particularly in China which has tightened policy more aggressively than other markets in the region. Considering the attractive valuation level of most Chinese stocks, the fact that they have lagged the region for the past three years and the negative sentiment that has overhung Chinese macro in recent years, we think the next move upwards in Chinese stocks could potentially be quite powerful. To help fight the inflation battle, Asian currencies need to appreciate further. This will be a positive development for your fund.

Top 10 Holdings	%
iShares MSCI India Index Fund I	7.2
Industrial & Commercial Bank of China Ltd.	3.4
BOC Hong Kong (Holdings) Ltd.	3.1
China Life Insurance Co. Ltd. (Taiwan)	2.8
Kunlun Energy Co. Ltd.	2.8
Samsung Electronics Co. Ltd.	2.6
Korea Investment Holdings Co. Ltd.	2.6
BBMG Corp.	2.5
Oversea-Chinese Banking Corp. Ltd.	2.5
SI Corp. Korea	2.4
Total	31.9

Country Exposure	Fund %	Index %
China	29.2	24.2
Hong Kong	9.2	11.1
India	7.2	10.3
Indonesia	-	3.6
Korea	20.1	20.7
Malaysia	2.6	4.4
Philippines	0.9	0.8
Singapore	3.9	6.9
Taiwan	17.7	15.6
Thailand	3.3	2.4
Cash	5.9	-
Total	100	100

Sector Exposure	Fund %	Index %
Consumer Discretionary	12.4	9.4
Consumer Staples	7.8	4.8
Energy	4.8	8.1
Financials	34.3	30.7
Health Care	1.1	0.9
Industrials	18.1	11.4
Information Technology	10.4	17.0
Materials	3.6	8.7
Telecommunication Services	1.6	5.5
Utilities	-	3.5
Cash	5.9	-
Total	100	100

Fund Facts	30 JUNE 2011
Investment Objective	The investment objective of the Fund is to achieve capital growth and dividends, from a portfolio of Asia ex Japan securities.
Discretionary Asset Manager	Treasury Asia Asset Management Limited
Net Asset Value per share	USD9.81 (Class I)
Benchmark	MSCI AC Asia ex Japan Index
Management Fee	1.00% p.a. (Class I)
Performance Fee	10.00% of returns made in excess of the benchmark provided the return of the Fund is positive within a performance fee period.
Min. Investment	3,000,000 USD (Class I)
Distribution Policy	The Fund is an accumulating Fund and, therefore, it is not currently intended to distribute dividends to the shareholders.
ISIN	IE00B4MNK262 (Class I)
Publication of NAV	www.tginvestmentfunds.com

Important Information

While the information contained in this document has been prepared with all reasonable care, none of Treasury Asia Asset Management Limited, TG Investment Funds plc, or Treasury Group Investment Services Limited, the promoter of the Fund accept any liability or responsibility for errors, omissions or misstatements, however caused. This information is not personal advice. This information has been prepared without taking account of your objectives, financial situation or needs. Investors should be aware that past performance is not indicative of future performance. Returns can be volatile reflecting rises and falls in the value of underlying investments. The fact that shares in a particular company may have been mentioned should not be interpreted as a recommendation to buy, sell or hold that stock. Investors should review the prospectus and the simplified prospectus prior to any investment decisions. The Fund is authorised and supervised by the Irish Financial Services Regulatory Authority.