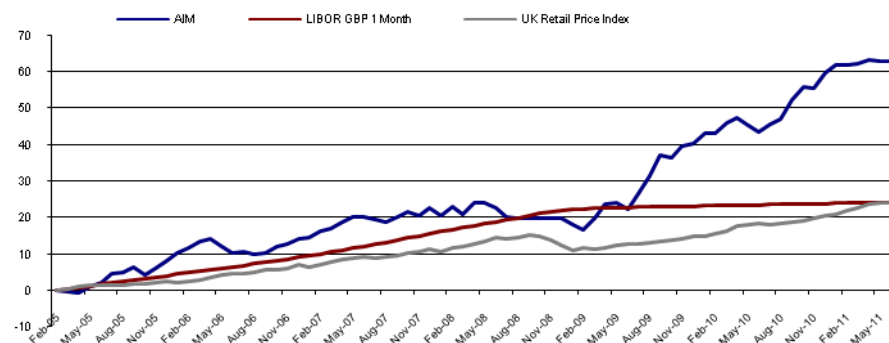


### Investment Objective

The DRR+ Fund targets Inflation plus 4% per annum over a market cycle with no more than a third of Equity volatility. This is in line with equity returns but with the risk associated with a global bond fund.

### Strategy Long-Term Total Return



Source: Lipper IM, a REUTERS company.

The period shows performance of the Armstrong team from February 2005. It includes Insight Diversified Target Return (DTR) Fund (Feb 2005 – Sep 2008) as well as the AIM Cautious Model Portfolio (Jan 2009 – Dec 2009) and IM Distinction Diversified Real Return (DRR) Fund (Jan 2010 – date).

### Strategy Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
<b>2011</b>	1.3	0.3	1.7	1.3	-0.7	0.0	-1.7						<b>2.7</b>
<b>2010</b>	2.2	2.9	2.1	0.8	-1.5	-1.8	1.7	0.9	3.7	2.2	-0.2	2.3	<b>16.1</b>
<b>2009</b>	-1.6	-1.2	2.8	3.0	0.5	-1.6	3.6	3.9	4.3	-0.5	2.3	0.4	<b>16.8</b>

Source: Lipper, a REUTERS company and AIM

Basis: Total return, 'net' of all management fees. The above performance is of the IM Distinction Diversified Real Return fund. Past performance is not a reliable indicator of future performance. The performance of a fund should be judged over the medium to long term.

### Fund Risk Analysis

Std/Dev	<b>6.4%</b>
Sharpe Ratio	<b>1.6</b>
Sortino Ratio	<b>1.6</b>
Max Drawdown	<b>-4.3</b>
Positive Months	<b>22/31</b>
Ave Monthly Return	<b>1.1%</b>

Source: Lipper, a REUTERS company.

All risk statistics are from the launch of the underlying DRR fund on 19<sup>th</sup> January 2010, and are based on daily data points. Standard Deviation is shown annualised. Bonds is FTSE A Br Gov All; Property is UK IPD Index; Equities is the FTSE All Share TR and Commodities is the S&P GSCI.

### Fund Annualised Returns

<b>DRR+ Strategy</b>	<b>12.2%</b>
Cash (3 month Libor)	<b>0.7%</b>
Bonds	<b>7.6%</b>
Property	<b>12.4%</b>
Equities	<b>8.4%</b>
Commodities	<b>9.9%</b>

### Reasons Why

Comprehensive growth solution  
Suitable for low to medium risk investors

Excellent liquidity - daily dealing / no redemption notice required

Multi asset strategy, ability to invest in all liquid asset classes for maximum diversification

Seeks value opportunities and takes advantage of both rising and falling prices

Delivers market leading risk-adjusted returns targeted to beat inflation + 4%

No leverage

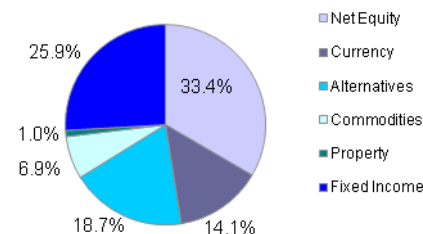
UK FSA regulated Investment Advisor

Third party administrators, custodians and auditors

One of the largest and longest standing teams globally (10 year track record)

Award winning Investment Advisers

### Asset Allocation



## Investment Policy

The fund seeks long term capital appreciation through a flexible asset allocation policy across all global liquid asset classes. The fund dynamically allocates across both traditional and alternative asset classes including; cash, fixed income, equity, real estate, commodities, listed private equity and currencies. The fund will also utilise a diverse range of strategies and access points to gain exposure to these asset classes including: derivative strategies, transferable securities, ETF's, investment trusts, funds and institutional structured products in order to meet its investment objective.

AIM's process identifies the most appropriate asset classes, regions and investment vehicles which represent the highest growth potential and the best value. AIM also identifies the most overvalued asset classes. As a result AIM's flexible approach creates the potential to profit from both rising and falling asset prices.

## Fund Manager Commentary

Most equity markets endured another difficult month with sovereign debt concerns once more unsettling investors. But while European leaders cobbled together what was another initially well-received bailout for Greece, attention soon switched to the US where an agreement could not be forged in Washington concerning the debt ceiling and reduction of the fiscal deficit. The FTSE 100 index fell 2.1% in sterling, total return terms, while gilts, as measured by the FTSE A British Govt All Stocks index rose 3.2%.

The Diversified Real Return Plus Fund fell 1.7% in sterling, total return terms during the month.

Performance was undermined by our Telecoms, Water and Utilities exposure, which suffered due to aversion to European equities and also due to some disappointing results. This was somewhat offset by strong returns from our gold, copper, agricultural commodity and inflation-linked bond positions.

We used the market weakness to top up some holdings which were disproportionately impacted by general risk aversion. These included European telecoms companies Telefonica and France Telecom, which both now yield more than 10%. We also bought more 2015 EuroStoxx 50 dividend futures, which now trade at 60% discount to consensus dividend forecasts.

## Heads of Investment Team



Dr Ana Armstrong is joint managing partner and head of Portfolio Strategy and Construction at Armstrong Investment Managers. Previously Ana spent 6 years at HBOS Plc as co-head of Insight Investment's \$2 billion Multi-Asset Group. Prior to joining Insight Ana worked at UBS Wealth Management as Director & Head of Portfolio Construction for the UBS Managed Accounts Program managing \$6 billion. Ana also worked at Fischer Francis as fixed income and futures trader. She began her career at Coutts as an investment analyst. Ana has a PhD in Quantitative Economics and an MBA from Imperial College in London.



Patrick Armstrong is joint managing partner and head of Investment Selection at Armstrong Investment Managers. Previously Patrick spent 6 years at HBOS Plc as co-head of Insight Investment's \$2 billion Multi-Asset Group. Prior to joining Insight Patrick worked at UBS Wealth Management as Director & Head of Manager Selection for the UBS Managed Accounts Program managing \$6 billion. Patrick also worked at Deutsche Bank Securities as an equity analyst, TD Securities as a derivatives analyst and began his career at Templeton management in Toronto. Patrick has an MBA from the Rotman School of Management, and is a Chartered Financial Analyst.

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## Fund Facts

**Domicile:**  
Mauritius

**Fund Scheme:**  
Open-ended Collective Investment Scheme

**Benchmark:**  
UK RPI

**Target Return:**  
Benchmark + 4% per annum over a market cycle

**Investment Manager:**  
Armstrong Investment Managers LLP

**Lead Fund Managers:**  
Dr. Ana Armstrong  
Patrick Armstrong

**Currency classes available:**  
USD / GBP / EUR

**Dealing Deadline:**  
Close of business each day

**Valuation:**  
Daily

**Independent Administrator:**  
Belvedere Management Ltd

**Independent Custodian:**  
The Mauritius Commercial Bank Ltd

**Annual Management Charge:**  
1.75%

**Performance Fee:**  
No

**ISIN Number:**  
USD Shares: MU0241S00382  
GBP Shares: MU0241S00390  
EUR Shares: MU0241S00408

**Minimum Investment**  
\$10,000 / £10,000 / €10,000

**Minimum Additional Investment**  
\$2,000 / £2,000 / €2,000