

# Total Return Pacific

informed  
RCM<sup>®</sup>

3rd Quarter 2008

## Overview

The Total Return Pacific strategy aims to provide investors with a combination of above average income flow and capital growth through investment in debt, convertible bonds and high yielding securities of companies in the Asia Pacific region. To achieve this objective the strategy adopts a dynamic asset allocation approach with an aim of total return.

## 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

## Product Profile

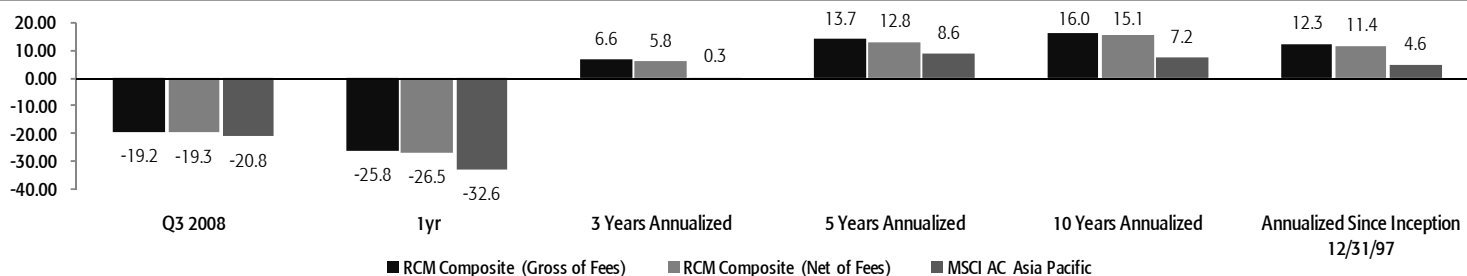
Number of accounts	2
Product assets	US\$517.4 million
Years managed	22
Benchmark	MSCI AC Asia Pacific

## Key Investment Professionals



**Stuart Winchester, CFA**  
Senior Portfolio Manager  
Joined RCM: 1992  
Investment Career Began: 1984

## Performance\*\*



All data as of September 30, 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 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.

# Total Return Pacific, 3rd Quarter 2008

## Representative Account† - Supplemental Information

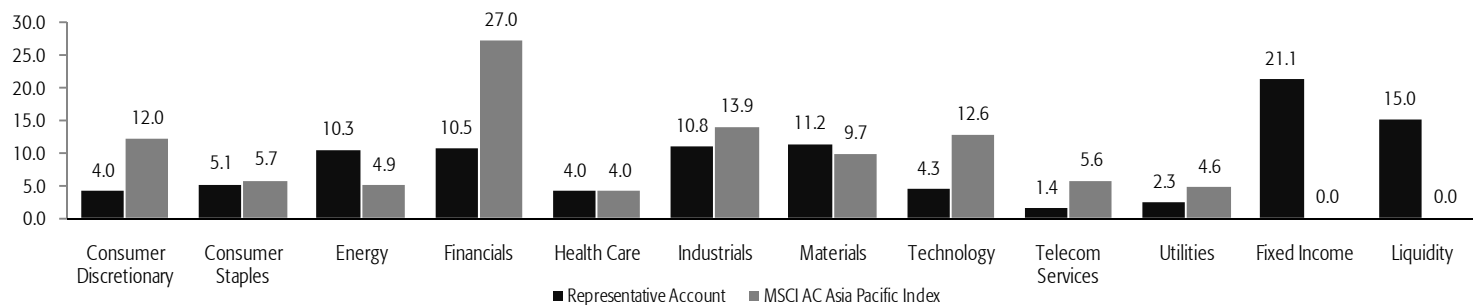
### Characteristics

Beta (Wtd Average)	0.83
P/E (Next 12 Mo. EPS)	10.7x
Earnings Growth (Next 3-5 yrs)	16.9%
P/E (Next 12 Mo.) to Growth (Next 3-5 yrs)	0.6x
Wgt'd Avg Market Cap	US\$19.2 billion
Number of Holdings	42

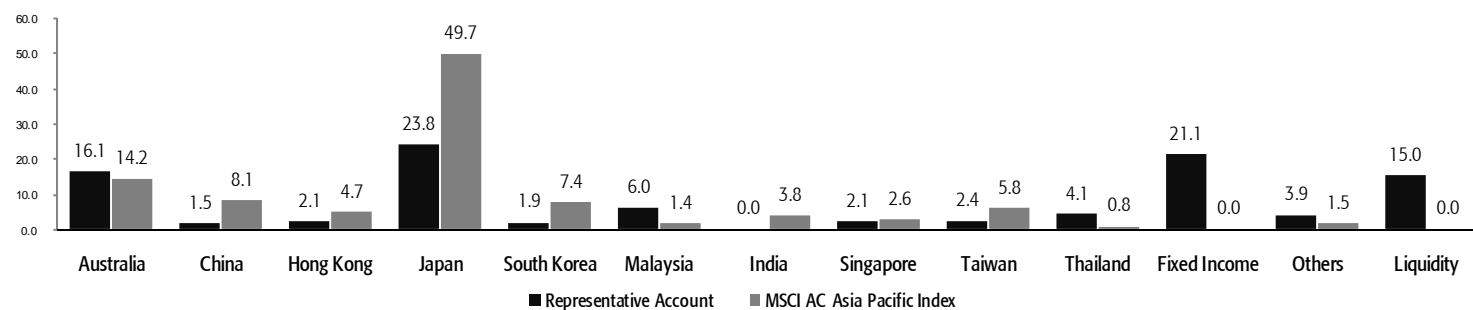
### Top Ten Holdings

Inpex Holdings Inc	5.4%
Newcrest Mining	3.7%
Mizuho Financial Group	3.4%
Mitsui Fudosan	2.9%
Petronas Capital Ltd	2.9%
BHP Billiton Ltd	2.6%
Goodman Fielder	2.6%
IOI Corp	2.5%
CSL Limited	2.5%
PTT Exploration & Production	2.4%

### Sector Composition (% of Portfolio and Benchmark)



### Regional Allocation (% of Portfolio and Benchmark)



† 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 complements the GIPS® compliant composite presentation on the following page.

# Total Return Pacific, 3rd Quarter 2008

## Performance Composite Statistics

RCM Total Return Pacific 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 (US\$ M)**
2007	20.22	19.36	14.26	5.74	0.93	2	N/A <sup>♦</sup>	788	136,621
2006	13.12	12.28	16.48	3.51	-0.96	2	N/A <sup>♦</sup>	859	121,985
2005	36.59	35.52	23.36	5.99	2.21	1	N/A <sup>♦</sup>	367	103,491
2004	18.64	17.72	18.25	5.84	0.03	1	N/A <sup>♦</sup>	333	122,917
2003	54.91	53.71	40.38	6.97	2.06	1	N/A <sup>♦</sup>	138	115,755
2002	4.24	3.41	-8.62	9.92	1.30	1	N/A <sup>♦</sup>	37	102,937
2001	-16.80	-17.47	-20.93	7.24	0.57	1	N/A <sup>♦</sup>	36	135,984
2000	-24.21	-24.83	-28.44*	16.71	0.25	1	N/A <sup>♦</sup>	49	4,751
1999	123.29	121.62	58.29*	24.44	2.66	1	N/A <sup>♦</sup>	47	4,761
1998	-8.35	-9.09	2.56*	19.79	-0.55	1	N/A <sup>♦</sup>	5	3,222

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. RCM Capital presents the Total Return Pacific strategy in the United States. RCM has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®). 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 Total Return Pacific equity and fixed income portfolios managed by RCM AP with a dynamic asset allocation approach. The portfolios within this composite aim to provide investors with a combination of above average income flow and capital growth through investment in debt, convertible bonds and high yielding securities of companies in the Asia Pacific region. The reference benchmark for the portfolios is MSCI AC Asia Pacific Index. However, each of the portfolios is being managed more as a total return fund. The reference benchmark applied to the composite is MSCI AC (All Country) Asia Pacific Index 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 Index consisted of the following 14 emerging and developed market countries: Australia, China, Hong Kong, India, Indonesia, Japan, 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. Performance results and valuation presented are in US dollars.

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.

\* Index returns before 2001 are presented gross of reinvested dividends.

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

\*\* Total firm assets were revised in September 2008 to reflect the actual discretionary and non-discretionary assets managed by the Firm.