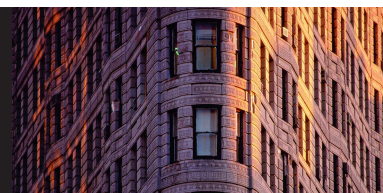


# Newton Offshore Strategy Fund Global Equity

Fourth quarter 2008



## Fund information

### Aim

To achieve capital growth over the long term from a portfolio invested in global equities, across a wide range of industries and countries.

### Fund facts

Fund structure	OEIC
Base currency	GBP
Benchmark	FTSE W World*
Fund launch date	03 April 1998
Fund domicile	Jersey
Pay dates	28 Feb, 31 Aug
ISIN	GB0000570407
SEDOL	0057040

### Fund data

Fund size (millions)	GBP 23
Volatility	18.1
Dividend yield	2.3%
Sharpe ratio	-0.4
Information ratio	0.0

### Fees and charges

Annual management charge	1.0%
Total expense ratio	1.10%

All figures correct as at 31 December 2008

Risk and performance statistics sourced from Newton using 36 months of data to 31 December 2008

## Focus on the latest quarter

### Performance over three months

NOSF Global Equity	-5.3%
FTSE W World	-3.2%

### Significant transactions

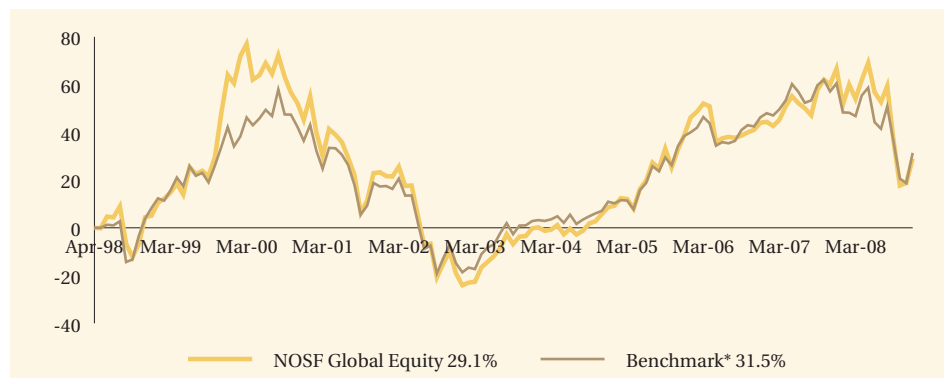
Aquisitions
L3 Communications Inc
Smucker (JM) Co
XTO Energy Inc
Kroger Co
Newcrest Mining Ltd

Disposals
Anadarko Petroleum Corp
Symphony Eurostoxx50 Autocall '1' N-Vtg Prf USD (29/08/2013)
Ericsson (LM) (Telefon)
Bunzl PLC
Deutsche Boerse AG

Note: Portfolio holdings are subject to change at any time without notice and should not be construed as investment recommendations.

## Long-term performance

### Performance since launch



	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
NOSF Global Equity	56.1	-11.5	-15.1	-34.3	23.3	8.9	27.9	3.6	15.8	-22.5
Benchmark*	31.2	-4.0	-14.0	-27.4	20.7	7.8	24.9	5.6	9.7	-18.1

### Discrete past performance - percentage change

From	31/12/03	31/12/04	31/12/05	31/12/06	31/12/07
To	31/12/04	31/12/05	31/12/06	31/12/07	31/12/08
NOSF Global Equity	8.9%	27.9%	3.6%	15.8%	-22.5%

Performance sourced from: Lipper & Datastream, as at 31 December 2008. Calculation basis: Sterling, total return, bid to bid, without initial charges, gross income reinvested, net of management fees.

\* The benchmark to 30 June 2008 was FTSE W World ex UK.

### Risk factors

This is a financial promotion and is not intended as investment advice. Past performance is not a guide to future returns. The value of investments and the income from them can fall as well as rise and investors may not get back the original amount invested. The value of overseas securities will be influenced by fluctuations in exchange rates. If the portfolio invests in sub-investment grade bonds that typically have a low credit rating these carry a high degree of default risk, which can affect the capital value of your investment. If the portfolio has exposure to hedge funds, gold, private equity and property via publicly quoted transferable securities, there are additional risks associated with these sectors.

## Newton's themes

Newton is a global thematic stock picking company. Our style is team oriented and relies on effective communication between all of our investment personnel. Two of our themes are listed below, along with examples of individual holdings.

### Earth Matters

#### Factors

Environmental issues have moved to centre stage in the minds of the public and policy makers. Current growth trends in the developing world suggest significant additional stress on resources and the environment.

#### Investments

Acciona, Bayer, K&S, Syngenta

### All Change

#### Factors

The previously benign period of stable growth, low inflation, and easy credit, which allowed private sector debt and financial leverage to grow to unsustainable levels (as described in a previous theme, "Becalmed") has come to an end. When assessing investments we assume that access to credit will remain difficult, which favours companies with limited financing requirements and argues against exposure to highly-indebted customers.

#### Investments

Centrica, GlaxoSmithKline, Microsoft, Nestle, Novartis, Reynolds American, Wyeth

## Newton

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Email: privateclients@newton.co.uk  
www.newton.co.uk/pim

#### London

160 Queen Victoria Street, London  
EC4V 4LA

#### Edinburgh

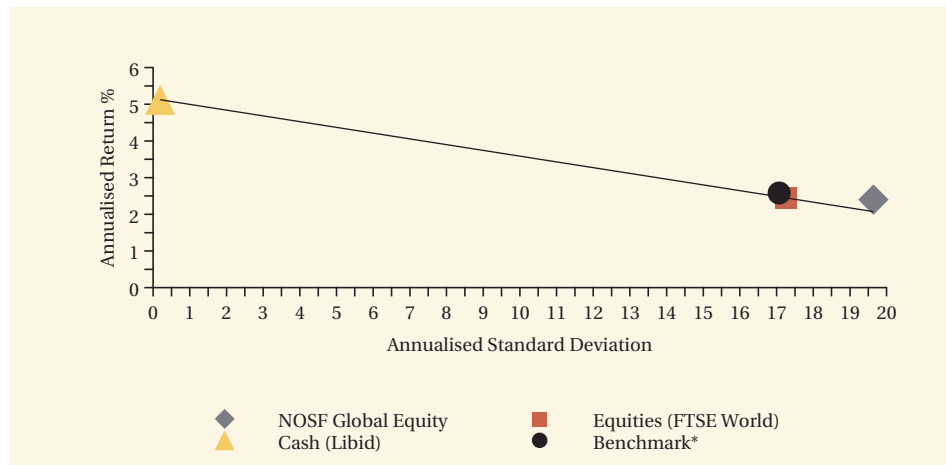
2 Festival Square, Edinburgh EH3 9SU

#### Leeds

1 Whitehall Riverside, Leeds LS1 4BN

## Long-term performance - risk and reward

### Fund return and volatility since launch



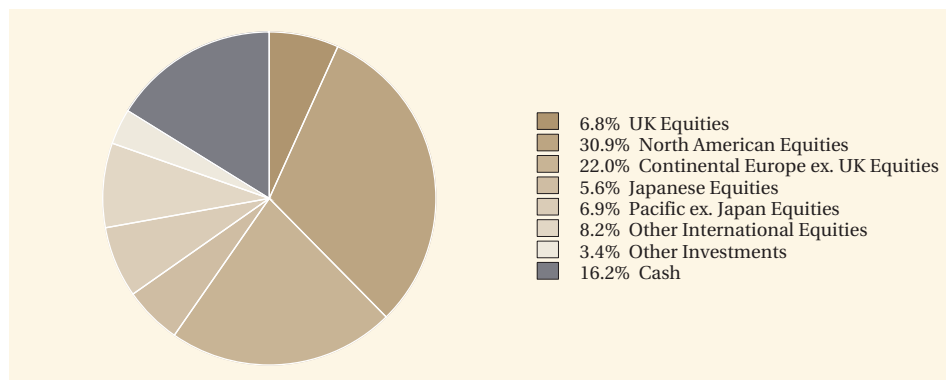
This chart shows both return and volatility. The NOSF Global Equity Fund has given a slightly lower return than the benchmark with higher volatility. The launch date of the fund was 3 April 1998.

Performance sourced from: Lipper & Datastream, as at 31 December 2008. Calculation basis: Sterling, total return, bid to bid, without initial charges, gross income reinvested, net of management fees.

\* The benchmark to 30 June 2008 was FTSE W World ex UK.

### Fund analysis

#### Breakdown as % of total market value



Source: Newton as at 31 December 2008.