

RIC Japan Equity Fund

Performance Review

*Due to an Irish bank holiday on 31st October 2011, month end fund prices have been adjusted using the benchmark performance on that day.

	One Month %	Three Months %	Year to Date %	One Year % ¹	Three Years %	Five Years %	Ten Years %	Fifteen Years %	Since Inception % ²
RIC Japan Equity Fund (¥ Gross of Fees)	0.4	-8.5	-11.7	-1.2	0.9	-11.9	-0.4	0.1	1.9
RIC Japan Equity Fund (¥ Net of Class A Fees)	0.3	-8.8	-12.4	-2.3	-0.1	-12.8	-1.3	-0.9	0.9
Japanese Equity Fund Benchmark (¥) ³	0.4	-8.5	-13.5	-4.1	-2.6	-12.6	-1.9	-3.5	-1.6
Morningstar Median Manager (¥) ⁴	1.1	-9.3	-14.0	-4.2	-2.8	-14.2	-3.2	-3.7	-1.7
Quartile Ranking	4	2	2	2	2	2	1	1	1
Fund Size ¥ 61bn									

¹ Returns greater than one year are annualised.

² Inception date 30/06/1995

³ Prior to 1st January 2009, benchmark was gross of withholding tax, total return. Benchmark currently net of withholding tax.

⁴ Morningstar Offshore & International Equity Japan Universe

Market Performance

Overview

The Japanese equity market made only a modest gain in October, with the Topix closing the month just 0.4% higher. Early losses stemming from doubts about Greece's solvency soon gave way to gains as investors, buoyed by increasing hopes of a resolution to Europe's sovereign debt crisis and some better-than-expected US economic data, regained their appetite for risk and sparked a mild relief rally. Not surprisingly, it was Japan's exporters and financials, particularly those with European exposure, that were among the key beneficiaries of the rally. Also contributing to market returns over the period was the Bank of Japan's decision to sell the yen in an effort to weaken the currency and protect the country's export-oriented industries. At the sector level, telecommunication services, energy and information technology (IT) were among the best performers. Telecommunication services benefited early on from its more defensive qualities while energy and IT both gained on hopes of stronger global growth ahead. By contrast, utilities weakened; due in part to reports that the country's trade minister was set to review the framework for power rates.

Fund Performance

Performance History (1)



(1) Performance is quoted gross of management fees.

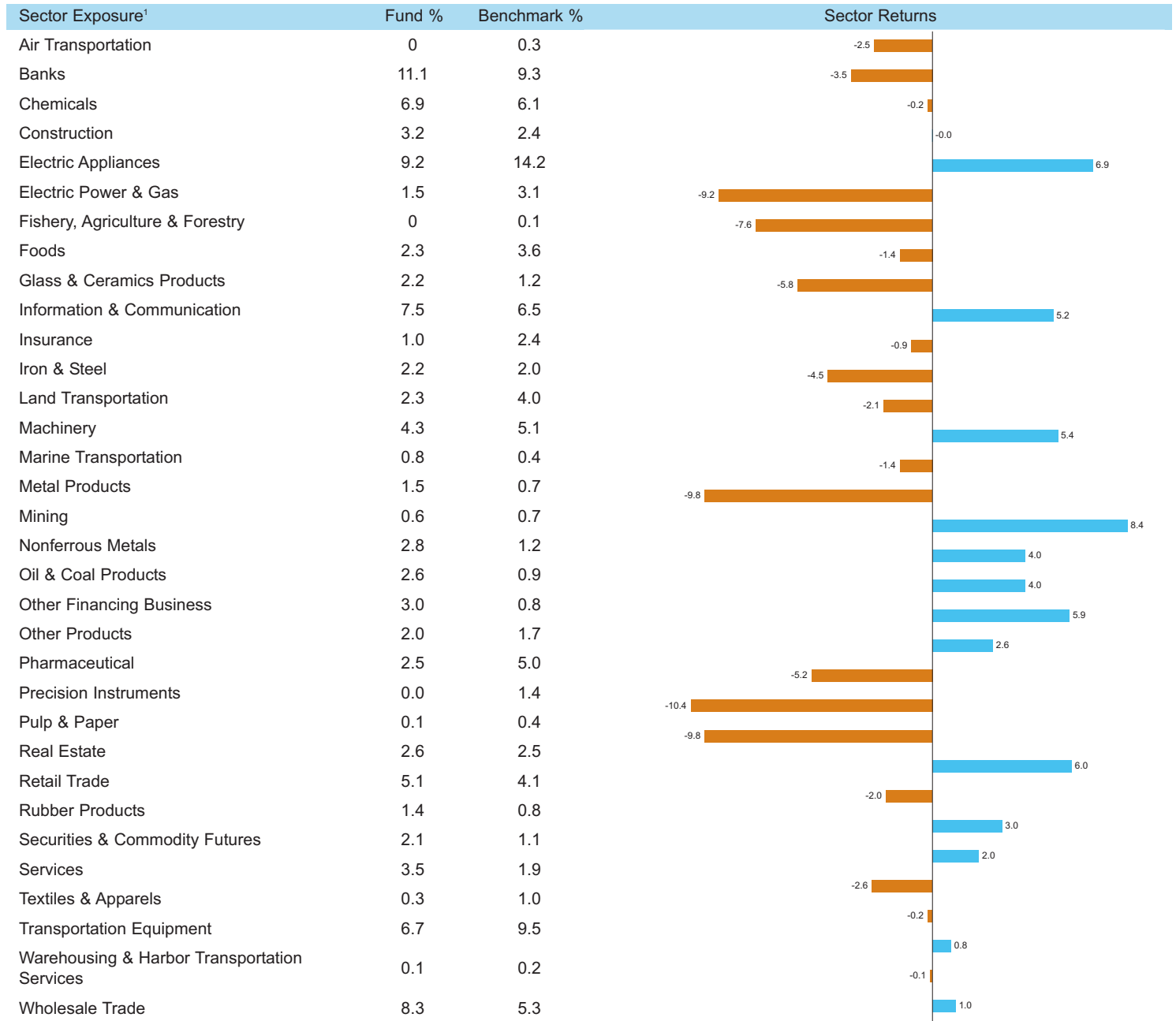
Key Drivers

The Fund performed in line with the benchmark over the period. At the sector level, strong stock selection within financials and an underweight exposure to utilities was offset by poor stock selection within industrials and consumer discretionary. In terms of individual stocks, an overweight holding to Orix, which gained on optimism European leaders will soon solve the region's debt issues, contributed the most to performance. Meanwhile, an underweight holding in Fanuc, which rose strongly on the improved global growth outlook, was a key detractor from overall returns.

Manager Review

Manager	Approach / Process	Excess Return	Russell Analysis
Alliance Bernstein	Value	2.7%	Alliance Bernstein outperformed over the month. Contributing to the manager's performance was strong stock selection within the financials and consumer-related sectors. At the individual stock level, overweight holdings in Orix Corp. and Sharp Corp. were among the main contributors to returns. Orix gained on news that European leaders had taken steps to ease the region's debt crisis while Sharp, Japan's largest producer of liquid-crystal displays, rose after its latest operating profit forecast beat analysts' expectations.
JPMorgan	Market - Oriented	1.6%	JP Morgan Focus outperformed over the month. A zero exposure to utilities and strong stock selection within the consumer-related sectors were among the key contributors to overall performance. At the individual stock level, overweight holdings in Orix Corp. and Mitsubishi Materials contributed the most to returns. Orix benefited from increasing hopes of a resolution to Europe's debt woes while Mitsubishi Materials gained on news it expects an 18% jump in second-half production.
Lazard	Neutral to slightly below average valuation, low momentum.	-0.8%	Contrarian manager Lazard underperformed the benchmark over the month. Among the key detractors from performance were overweight holdings in JS Group, Olympus Corp. and Miraca Holdings. JS Group fell after missing its net income forecast for the six months ended 30 September while Olympus tumbled 50% amid increasing controversy surrounding the advisory fee paid as part of the company's takeover of medical equipment maker Gyrus. Miraca's share price fell in the wake of its acquisition of US company Caris Life Sciences' Anatomic Pathology business.
RIS	Deep Value	0.2%	The Deep Value ISP outperformed the benchmark over the month, due in part to an underweight exposure to the health care sector and strong stock selection within financials. At the individual stock level, overweight holdings in Sony Corp. and Nippon Telegraph & Telephone Corp. were among the main contributors to returns. Sony gained on news it will buy Ericsson's 50% stake in Sony Ericsson while Nippon Telegraph & Telephone rose to a 52-week high following the launch of several new mobile phone devices.
Zebra	Value	-3.9%	Quant-driven, value manager Zebra Capital underperformed over the month. Poor stock selection within the consumer discretionary, IT and industrials sectors weighed the most on returns. At the individual stock level, an overweight holding in Taisho Pharmaceutical and an underweight exposure to Fanuc Corp. hurt performance. Taisho Pharmaceutical fell after the company cut its net income forecast to 30 September by almost 20% while Fanuc, Japan's number one maker of controls used to run machine tools, gained on expectations of improved global growth.
CouplandCardiff	Growth / Momentum	0.3%	Coupland Cardiff outperformed over the month. Contributing to the manager's outperformance were zero exposures to the poor-performing health care and utilities sectors, as well as strong stock selection within the telecommunication services space. In terms of stocks, overweight holdings in Softbank and GMO Internet were among the key contributors to returns. Softbank, Japan's third-largest mobile phone carrier, benefited from stronger net income in the first-half, while GMO gained on positive broker sentiment.
Sumitomo Trust & Banking	Growth style with GARP bias	0.6%	Sumitomo Trust & Banking outperformed over the period. Strong stock selection within the financials sector contributed positively to the manager's performance, including an overweight holding in Orix Corp. An out-of-benchmark holding in CyberAgent and the decision not to hold Olympus were also beneficial. CyberAgent, an online advertising agency, rose after its earnings for the full year to 30 September impressed analysts while Olympus struggled in the wake of alleged wrongdoing during its takeover of Gyrus.

Fund Analysis



¹ Sector Weights may not sum to 100% due to rounding.

Fund Statistics

Manager Weights	Characteristics	Fund	Benchmark
 <ul style="list-style-type: none"> ■ Alliance Bernstein: 20.0% ■ JPMorgan: 12.0% ■ Lazard: 18.0% ■ RIS: 10.0% ■ Zebra: 15.0% ■ CouplandCardiff: 10.0% ■ Sumitomo Trust & Banking: 15.0% 	Sector Deviation	6.54	--
	Market Cap Weighted Nlog	-0.12	--
	Price/Earnings (excl negative earnings)	10.73	12.77
	Dividend Yield	2.41	2.51
	Price to Book	0.85	0.92
	EPS Growth (1 Year)	28.23	28.51
	Tracking Error	Fund	Average Manager
One Year	1.1	4.4	
Three Years	3.5	5.3	
Five Years	3.4	5.8	

Top Ten Holdings

Company Name	Fund %	Benchmark %	Country	Sector
Mitsubishi UFJ Financial Group, Inc.	3.3	2.5	Japan	Banks
Nippon Telegraph & Telephone Corp.	2.5	1.4	Japan	Information & Communication
Toyota Motor Corp.	2.4	3.3	Japan	Transportation Equipment
Mitsubishi Corp.	2.1	1.2	Japan	Wholesale Trade
Mitsui & Co., Ltd.	2.0	1.0	Japan	Wholesale Trade
SUMITOMO MITSUI GR	1.7	1.6	Japan	Banks
ORIX Corp.	1.7	0.4	Japan	Other Financing Business
MTSUI TRST HLDGS	1.5	0.5	Japan	Banks
Canon, Inc.	1.4	2.1	Japan	Electric Appliances
JX HOLDINGS INC	1.4	0.5	Japan	Oil & Coal Products

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