



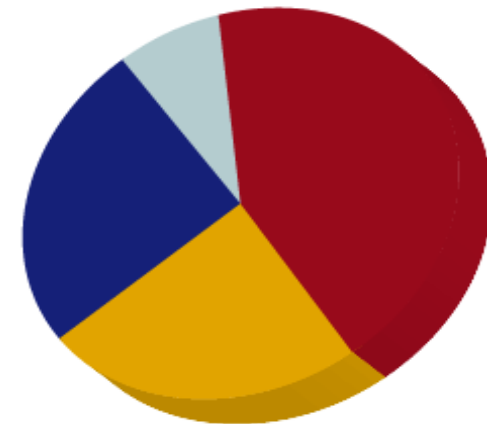
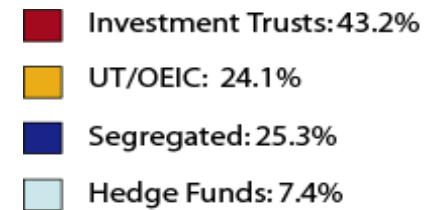
SVM Global Fund plc  
AGM 2009



## Key facts

- SVM is a privately owned investment boutique
- We manage segregated funds, investment trusts, OEICs and hedge funds on behalf of FTSE100 companies, European banks, private and institutional investors
- As research led stockpickers, we concentrate on running UK and European equity funds as well as specialist international funds
- All staff share in the success of the business

## SVM funds under management



SVM Global Fund is a global stockpicking fund of funds, exploiting opportunities to provide long-term growth

- Diversified international portfolio of specialist funds - selecting proven local managers with a pragmatic approach within their own geographical area.
- Managers incentivised for absolute performance and often stakeholders within their own fund.
- Using hedge funds and gearing, where appropriate. Benchmark FTSE World Index Total Return.
- Low basic fees but with performance incentives ensuring the managers and investors interests are aligned.

# SVM Global Fund: *Fund Managers since launch in 1991*



**Colin McLean**

Managing Director & Chief Investment Officer  
SVM Asset Management



**Donald Robertson**

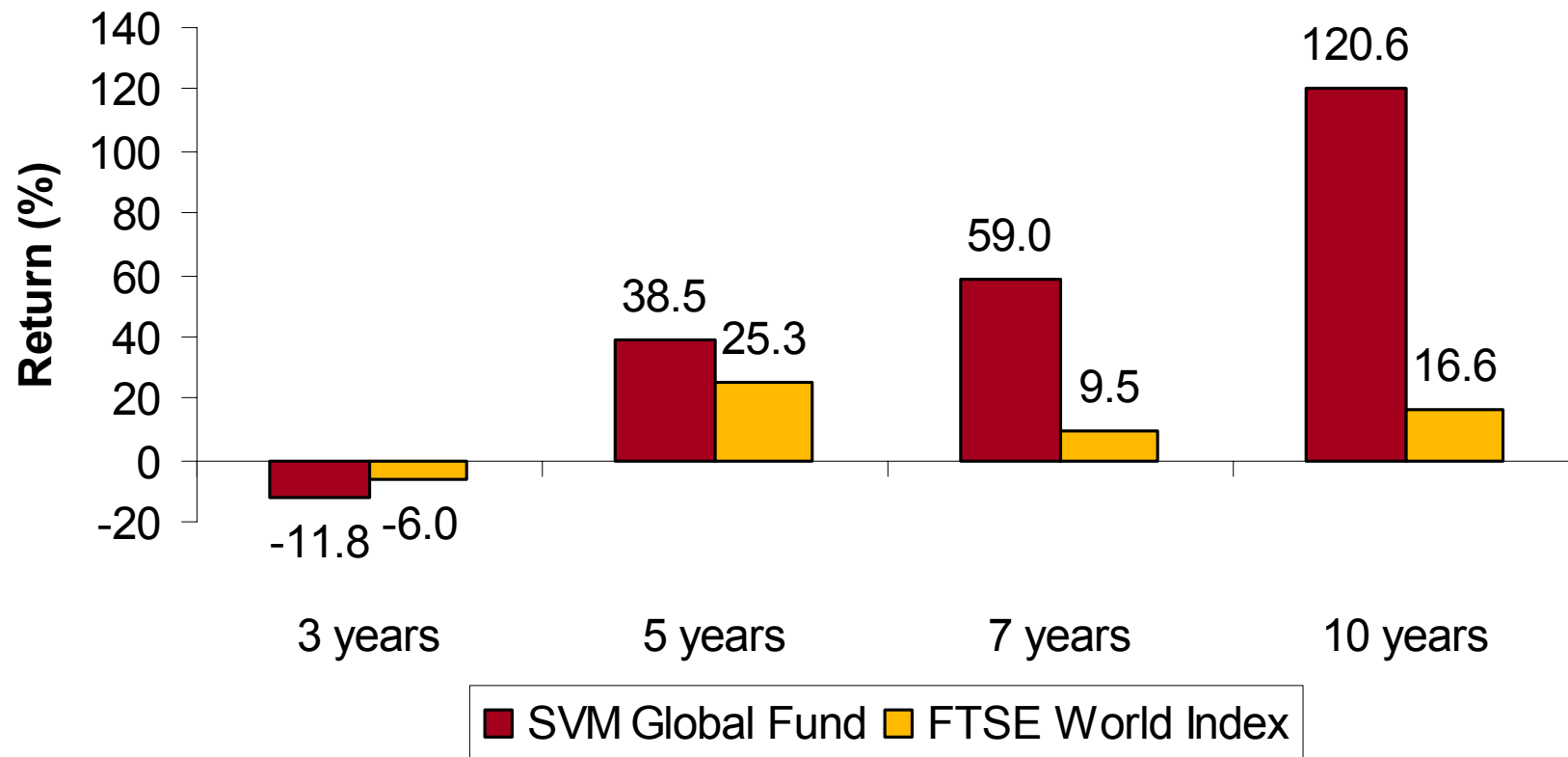
Finance Director & Investment Manager  
SVM Asset Management

- SVM Global Fund – Launched 1991
- Managed by Colin McLean & Donald Robertson since launch
- Substantial personal assets in the Fund.
- Low base fee with performance fee
- £10,000 invested at launch is now over £63,653.89 (dividends reinvested)

Since inception – annualised total return for the Fund (NAV) is **12.2%** compared to **6.7%** for FTSE World Index (benchmark) and **6.4%** for FTSE All-Share Index

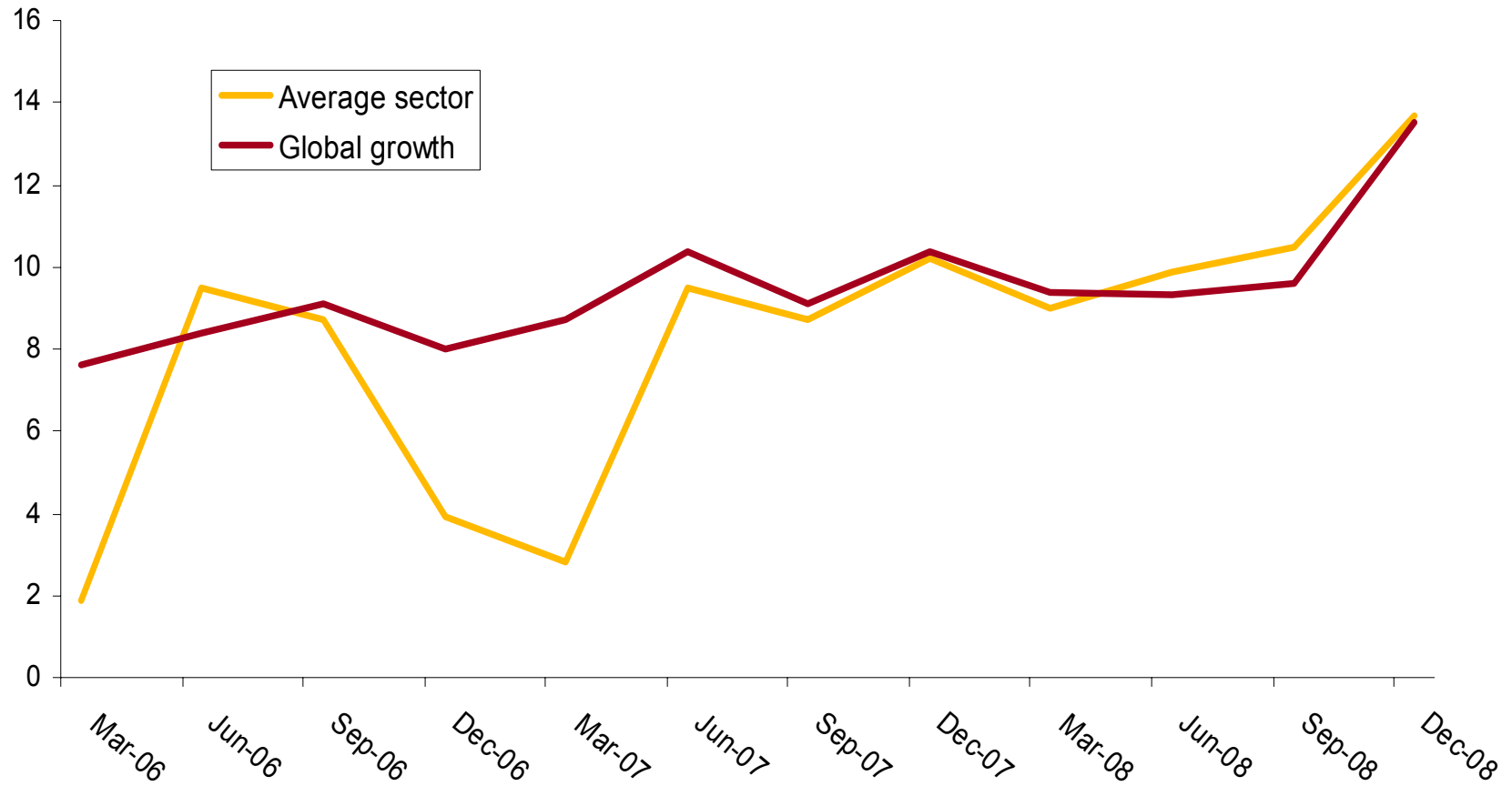
Source: Lipper Hindsight, capital return, to last quarter end 31.12.08

## SVM Global Fund NAV Returns



Source: SVM to 31.12.08

# Widening discounts



Source: Cazenove

	<b>Year to 30/09/2008</b>	<b>Year to 30/09/2007</b>
Portfolio turnover	14%	24%
<b>4 year average holding period</b>		
Disposals	5	9
New investments	6	13
Part sales	12	12
Additions	8	12
<b>Investments unchanged</b>	<b>50</b>	<b>42</b>

***Low portfolio turnover – contrasts with typical FOF & FOHF style***

# Stockmarket Patterns Require new Approach

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- Strong correlations between major markets
- Increasing synchronisation of global economy
- High overseas content in major UK companies
- Themes in major markets the same most of the time

***Asset allocation no longer adds same value***

***Bottom-up fund/stock selection key***

## Conventional global generalists

- Asset allocation less clearly adding value
- Miss out on best managers running hedge only

## Funds of hedge funds

- Many performing poorly
- Miss out on best conventional long-only managers

## SVM Global Fund

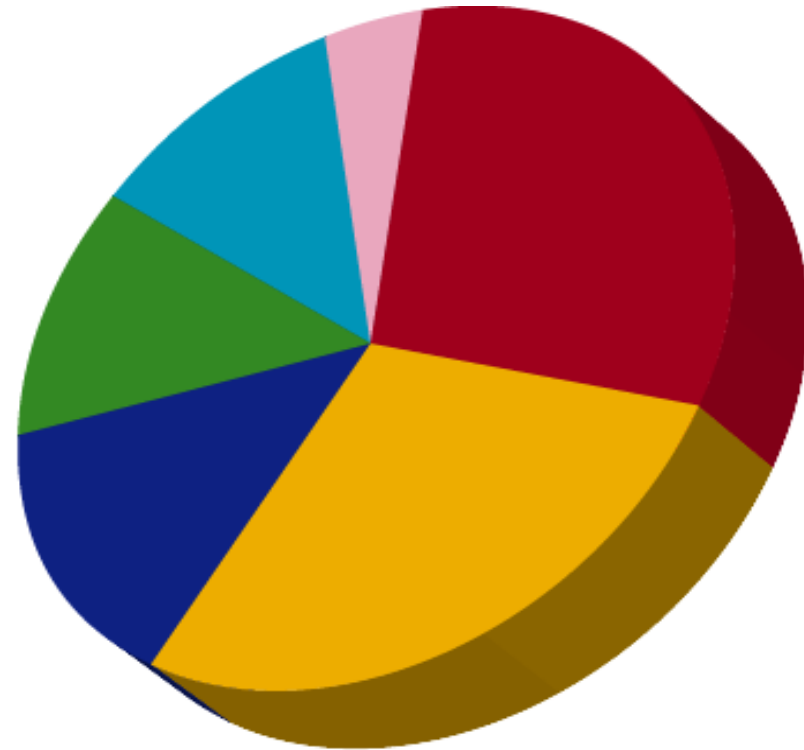
- Can pick best managers
- Recognises convergence of long and hedge approaches

## Our Approach

- Identify exceptional investment managers
- Skill is key – regardless of asset class, style
- Genuine edge, evidenced by achievements
- Look for managers with uncommon insights
- Diversify at Global Fund level, not via regional funds
- Too many focus on style / fit / asset class/box ticking
- Ensure fees and incentives are aligned with investors' interests

## Portfolio Breakdown

- Hedge: 31.8%
- Specialist: 29.8%
- Property: 15.8%
- Resources: 12.3%
- Private Equity: 11.7%
- Others :4.6%



Source: SVM to 31.12.08

# Investment Themes



<b>Hedge</b>	<b>31.8%</b>
1. Horseman Global Fund	6.5%
2. DH Russia Arbitrage	5.0%
3. LIM China Opps	2.9%
4. Cadogan Alternative Fund	2.7%
Others	14.7%
Low correlation	
Expert managers	
Single country funds	

<b>Specialist</b>	<b>29.8%</b>
1. Firebird Republics Fund	2.8%
2. Amber Trust	2.5%
3. Value Partners China	2.2%
4. Prosperity Voskhod Fund	2.0%
Others	20.2%
Defensive in weak markets	
Absolute returns	
Defined investment strategies	

<b>Property</b>		<b>15.8%</b>
1.	Jupiter Adria	4.2%
2.	Japan Opportunities Fund	2.9%
3.	Ceiba Investments	2.8%
4.	Dolphin Capital Investors	1.1%
	Others	5.0%
Attractive yields		
Supply/demand imbalances		
Concentration on non-UK assets		

<b>Resources</b>		<b>12.3%</b>
1.	Firebird New Russia Fund	2.4%
2.	BlackRock World Mining	2.2%
3.	JP Morgan Russian	1.6%
4.	Zouk Solar Opportunities	1.5%
	Others	4.6%
Long term cycle		
Continuing demand & limited supply		
Recent price falls ultimately helpful		

<b>Private Equity</b>	<b>11.7%</b>
1. Eurovestech	5.2%
2. Baring Vostok Investments	2.5%
3. JP Morgan Private Equity	1.6%
4. LMS Capital	1.2%
Others	1.1%
Defensive in weak markets	
Mature portfolio – in realisation mode	
Experienced managers	

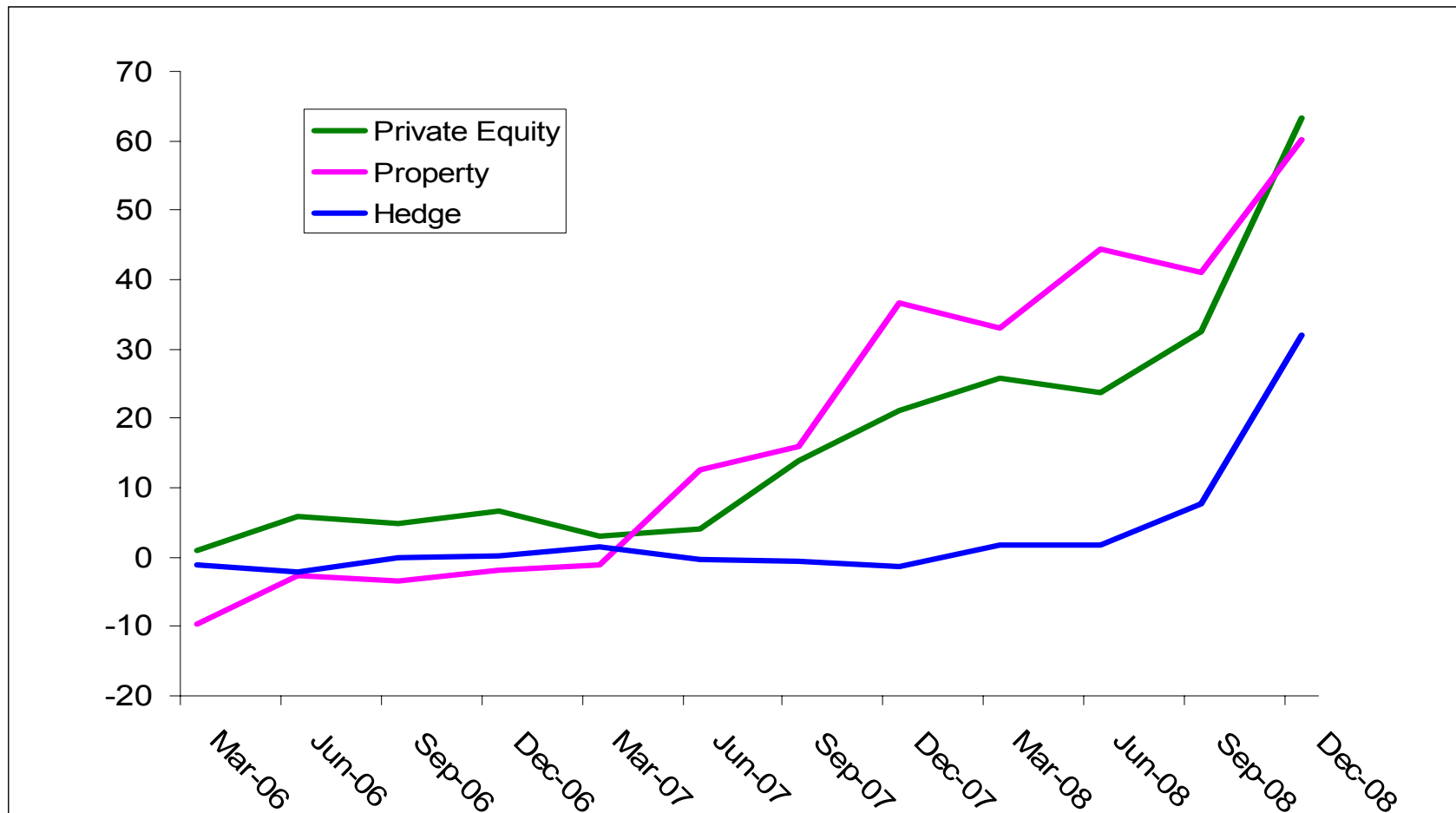
<b>Others</b>	<b>4.6%</b>
1. Jupiter European Opps	1.7%
2. Equity Partnership	1.0%
3. Black Rock Latin IT	1.0%
4. Jupiter Second Split	0.5%
Others	0.4%
Market exposure	
Aggressive asset allocation	
Corporate activity to extract value	

## The future

- Continuing global growth, albeit at slower rate
- Emphasis on higher growth areas globally
- Remain underweight in USA
- Sizeable discounts available in investment trust sector
- Offer private clients exposure to specialist funds
- Search for “true” diversification

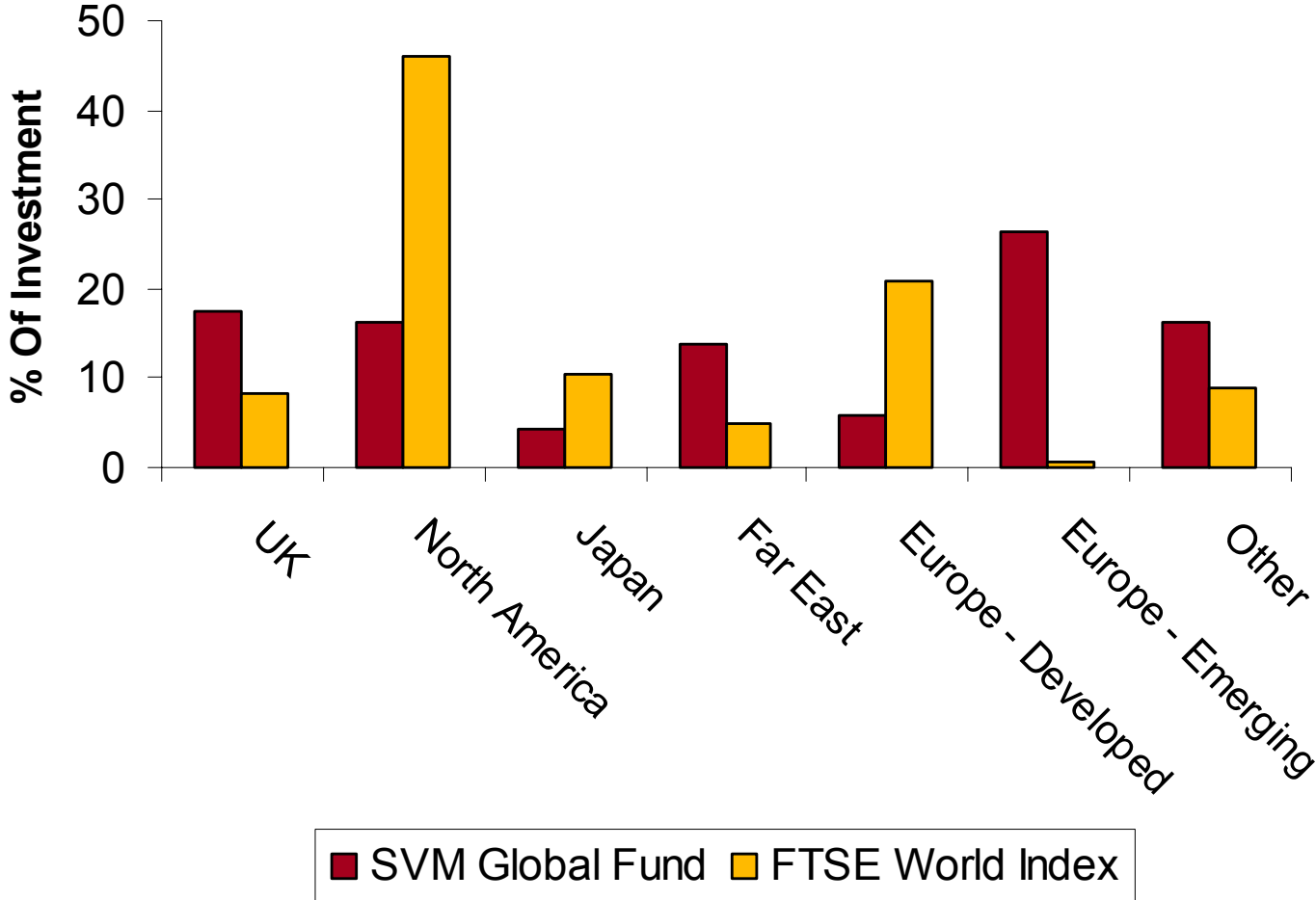
## Appendix

# Sector discounts – outstanding value



Source: Winterflood Securities

# SVM Global Fund – Geographical Analysis



Source; SVM to 31.12.08

# US Equity Market Relative to the Rest of the World



Source: Bloomberg

# Investment Warning



Please remember that past performance should not be seen as an indication of future performance. Stockmarkets and currency movements may cause the value of an investment to fall as well as rise and investors may not get back the amount originally invested. Where underlying investments are made in warrants their potential volatility may increase the risk to the value of the investment. Investment trusts can borrow money, which then can be used to make further investments. In a rising market, this gearing can enhance returns to shareholders. Correspondingly, if the market falls, losses may be greater. Hence, to produce a benefit to shareholders, the level of gearing needs to be carefully judged and monitored. SVM Asset Management has a holding in SVM Global Fund plc. The information in this presentation does not constitute or contain an offer or invitation for the sale or purchase of any shares in the Fund in any jurisdiction, is not intended to form the basis of any investment decision and does not constitute any recommendation by the Fund, its directors, agents or advisers.

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## Regulatory Status

SVM Asset Management is authorised and regulated by the Financial Services Authority

Percentage growth	31/12/2007	31/12/2006	31/12/2005	31/12/2004	31/12/2003
for each year	31/12/2008	31/12/2007	31/12/2006	31/12/2005	31/12/2004
to last quarter end					
SGF Share Price	-45.4	11.6	18.7	42.9	24.9
FTSE World Index (CR)	-20.6	7.0	4.2	21.7	6
Fund performance compared to Index	-24.9	+4.5	+14.5	+21.1	+18.9
SGF NAV	-37.3	15.8	20.0	33.2	15.7

Source:SVM/Lipper Hindsight, CR – capital return to 31.12.08