

Newton Osprey Fund

Third quarter 2009

Fund information

Aim

To achieve capital growth over the long term through a portfolio that is predominantly invested in equities across a wide range of industries and countries.

Fund facts

| | |
|------------------|---|
| Fund structure | Unit Trust |
| Base currency | GBP |
| Benchmark | FTSE All Share, FTSE World ex UK & FTSE Govt All Stocks |
| Fund launch date | 17 September 2004 |
| Fund domicile | UK |
| Pay dates | Two business days before 30 June, 31 Dec |
| ISIN | GB0004765821 |
| SEDOL | 0476582 |

Fund data

| | |
|----------------------|--------|
| Fund size (millions) | GBP 13 |
| Volatility | 18.2 |
| Dividend yield | 2.8% |
| Sharpe ratio | 0.3 |
| Information ratio | 1.4 |

Fees and charges

| | |
|--------------------------|-------|
| Annual management charge | 1.0% |
| Total expense ratio | 1.08% |

All figures correct as at 30 September 2009

Risk and performance statistics sourced from Newton using 36 months of data (where applicable) to 30 September 2009

Focus on the latest quarter

Performance over three months

| | | | | | |
|---------------------------|--------------|----------------------|-------|---------------------|------|
| Newton Osprey Fund | 15.7% | | | | |
| FTSE All Share | 22.4% | FTSE W World (ex UK) | 21.7% | FTA Govt All Stocks | 3.1% |

Significant transactions

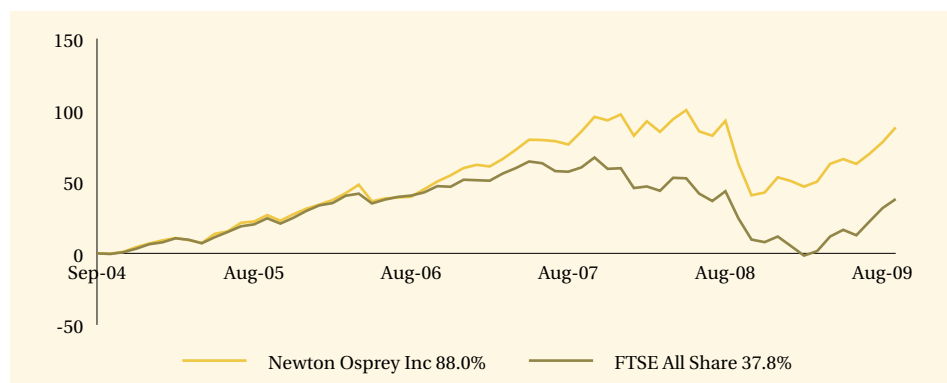
| Acquisitions |
|------------------------|
| Catlin Group Ltd. |
| Novartis AG |
| Sankyo Co. Ltd. |
| Halliburton Co. |
| Natura Cosméticos S.A. |

| Disposals |
|--------------------------------------|
| Millicom International Cellular S.A. |
| Carphone Warehouse Group PLC |
| Medtronic Inc. |

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



| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | YTD 2009 |
|--------------------|------|------|------|------|------|------|------|------|-------|----------|
| Newton Osprey Fund | - | - | - | - | - | 22.6 | 21.7 | 23.4 | -22.3 | 22.8 |
| FTSE All Share | - | - | - | - | - | 22.0 | 16.7 | 5.3 | -29.9 | 23.4 |

Discrete past performance - percentage change

| From | 30/09/04 | 30/09/05 | 30/09/06 | 30/09/07 | 30/09/08 |
|--------------------|----------|----------|----------|----------|----------|
| To | 30/09/05 | 30/09/06 | 30/09/07 | 30/09/08 | 30/09/09 |
| Newton Osprey Fund | 26.9% | 14.4% | 27.7% | -12.2% | 15.7% |

All performance sourced from: Lipper & Datastream, as at 30 September 2009. Calculation basis: Sterling, total return, bid to bid, without initial charges, net income reinvested, net of management fees.

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.

Developing Economies

Factors

The influence of the developing world on the global economy continues to grow, and developing economies ultimately are on a convergence course, in terms of demographics and consumption trends, with the industrialised world. This long-term secular trend will depend on the development of Western-style health and social security systems and will involve significant cyclical influences as well as frictions regarding trade policies.

Investments

Tele Norte Leste, Natura Cosmetics, Millicom, MTN

Energy Supply

Factors

Following decades of underinvestment in oil and gas infrastructure, surplus production and refining capacity is limited. Despite weak demand currently, forecast supply of energy implies a structurally higher real oil price. This has implications for the oil industry, infrastructure, and alternative energy sources as well as significant macro effects.

Investments

Total, Petrobras, Dragon Oil, Halliburton

Newton

Enquiries
Telephone: 0800 917 6594
www.newton.co.uk

London

160 Queen Victoria Street, London
EC4V 4LA

Edinburgh

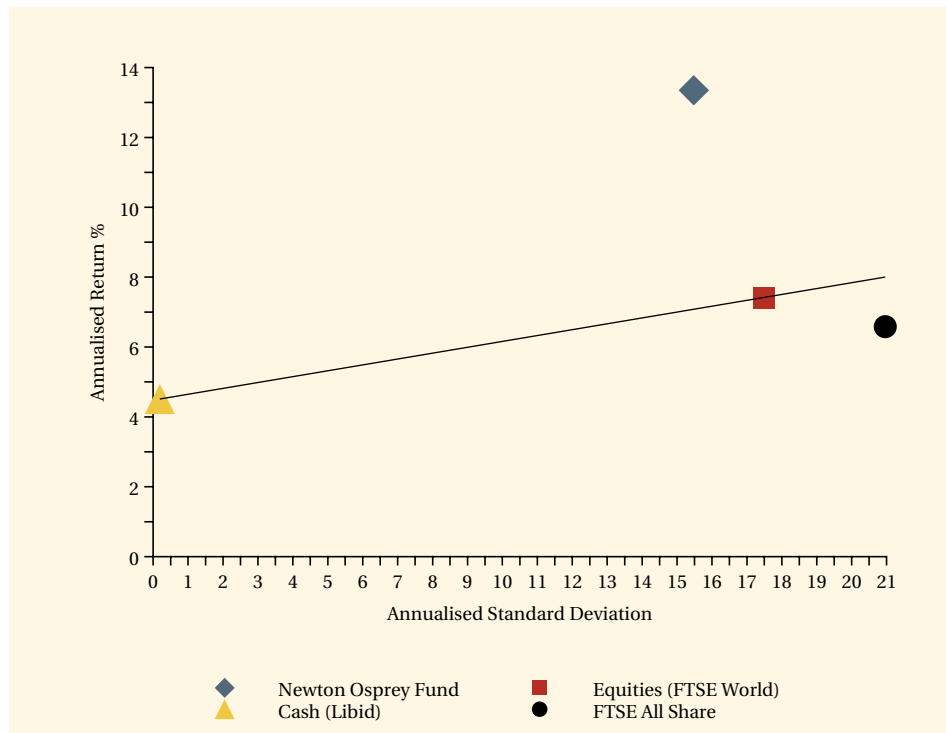
2 Festival Square, Edinburgh EH3 9SU

Leeds

1 Whitehall Riverside, Leeds LS1 4BN

Long-term performance - risk and reward

Fund return and volatility since launch

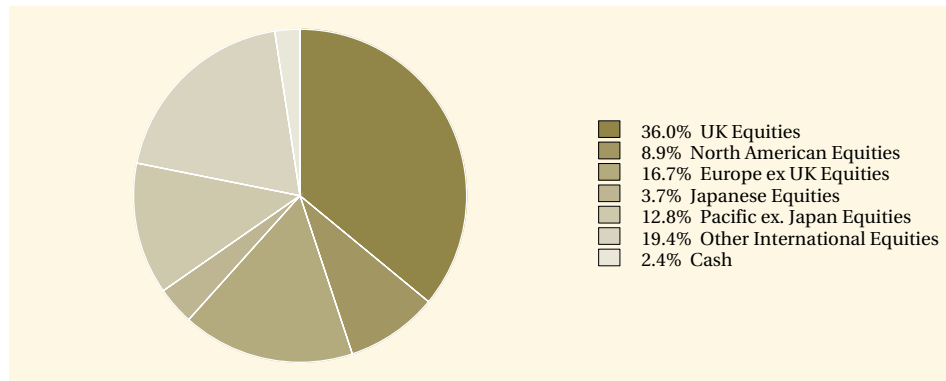


This chart shows both return and volatility. The Newton Osprey Fund has given a higher return than world equities with lower volatility. The relaunch date of the fund was 17 September 2004.

Performance sourced from: Lipper & Datastream, as at 30 September 2009. Calculation basis: Sterling, total return, bid to bid, without initial charges, net income reinvested, net of management fees.

Fund analysis

Breakdown as % of total market value



Source: Newton as at 30 September 2009.