

Newton Osprey Fund

Second quarter 2010

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 14
Volatility	18.5
Dividend yield	3.5%
Sharpe ratio	0.0
Information ratio	1.1

Fees and charges

Annual management charge	1.0%
Total expense ratio	1.11%

All figures correct as at 30 June 2010

Risk and performance statistics sourced from Newton using 36 months of data (where applicable) to 30 June 2010

Focus on the latest quarter

Performance over three months

Newton Osprey Fund	-5.4%		
FTSE All Share	-11.8%	FTSE W World (ex UK)	-11.1%
		FTA Govt All Stocks	4.5%

Significant transactions

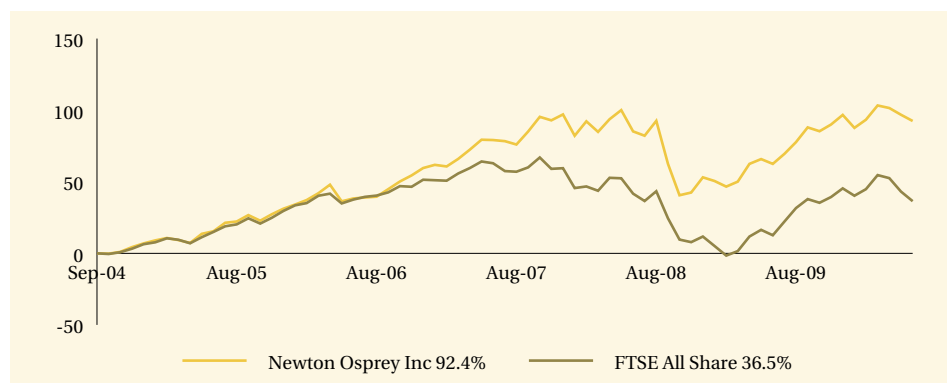
Acquisitions
Associated British Foods PLC
BHP Billiton PLC
GeoEye Inc.
Scottish & Southern Energy PLC
Noble Group Ltd

Disposals
Taiwan Mobile Co. Ltd
New World Development Co. Ltd
Sankyo Co. Ltd
Prudential PLC

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



	2001	2002	2003	2004	2005	2006	2007	2008	2009	YTD 2010
Newton Osprey Fund	-	-	-	-	22.6	21.7	23.4	-22.3	28.5	-2.2
FTSE All Share	-	-	-	-	22.0	16.7	5.3	-29.9	30.1	-6.1

Discrete past performance - percentage change

From	30/06/05	30/06/06	30/06/07	30/06/08	30/06/09
To	30/06/06	30/06/07	30/06/08	30/06/09	30/06/10
Newton Osprey Fund	20.0%	29.5%	3.4%	-12.3%	18.4%

All performance sourced from: Lipper & Datastream, as at 30 June 2010. 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 entail 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, MTN

Medical Technology

Factors

Increasingly ageing, affluent and active populations demand products and services that enhance and maintain lifestyles in addition to treating more serious medical conditions. New technologies, materials and services are continually improving the performance of existing products and procedures. Developing world demand for healthcare is rising and, in Western healthcare systems, a key challenge is to improve the efficiency of delivery by adding technology to currently archaic networks

Investments

Roche, Novartis, GlaxoSmithKline

Newton

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EC4V 4LA

Edinburgh

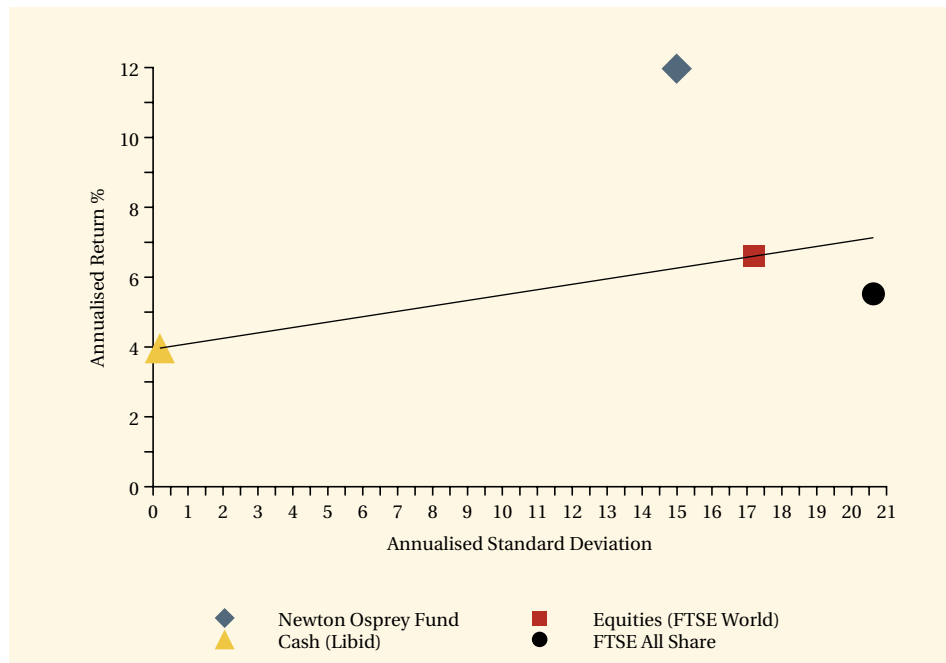
2 Festival Square, Edinburgh EH3 9SU

Leeds

1 Whitehall Riverside, Leeds LS1 4BN

Long-term performance - risk and reward

Fund return and volatility since launch

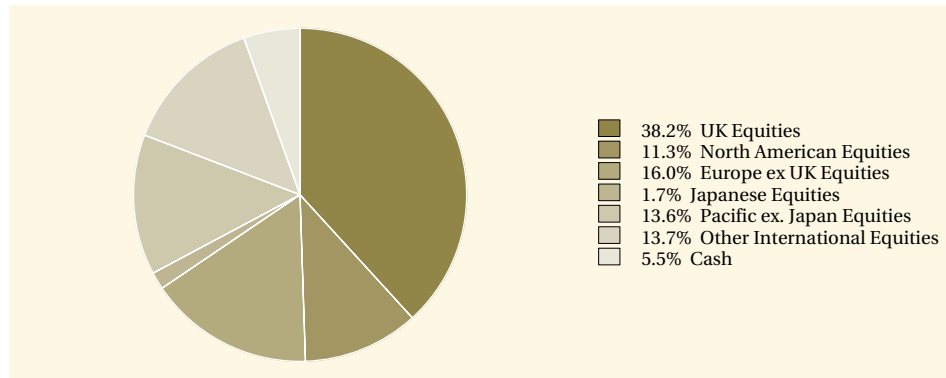


This chart shows both return and volatility. The Newton Osprey Fund has given a higher return than cash, world equities and the benchmark with lower volatility than that of the benchmark. The relaunch date of the fund was 17 September 2004.

Performance sourced from: Lipper, Datastream & Bloomberg, as at 30 June 2010. 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 June 2010.