

Client Update

UK OEIC

Investment objective

The Fund aims to achieve a total investment return consistent with income and long term capital growth. The Fund primarily invests in a broad selection of Asian securities issued by real estate investment trusts or companies that own, develop or manage real property. The Fund may also invest in Australian and New Zealand securities of a similar type.

Cumulative performance (% in GBP) to 31 Jul 2010

Period	3 mths	6 mths	1 yr	3 yrs	5 yrs	10 yrs	Since Launch
Fund return	-5.0	8.5	9.9	-22.4	-	-	-0.6
Benchmark return	-4.9	8.5	11.8	-5.6	-	-	15.3
Sector return	-1.9	5.9	19.1	-27.0	-	-	-26.2
Quartile rank	4	2	4	2	-	-	1

Annual performance (% in GBP) to 31 Jul 2010

Period	12 mths to 31/07/10	12 mths to 31/07/09	12 mths to 31/07/08	12 mths to 31/07/07	12 mths to 31/07/06
Fund return	9.9	-4.0	-26.5	-	-
Benchmark return	11.8	1.2	-16.6	-	-
Sector return	19.1	-23.3	-19.2	-	-
Quartile rank	4	1	4	-	-

Manager's comments

- Asian listed property markets rose in July as investor concerns eased about the outlook for the global economy.
- China Vanke (China: Residential) added to performance over the month as it reported an increase in sales volumes as a result of price cutting.
- On the negative side, Mitsubishi Estate (Japan: Office) underperformed as operations in its office portfolio deteriorated.
- We bought CapitaMalls Asia (Singapore: Retail) which had been a laggard despite strong operational performance in China and Singapore.
- We sold Nomura Real Estate Holdings in anticipation of weak quarterly results.
- We are cautious about Chinese developers as the government implements policies aimed at slowing growth of the residential market.
- In Singapore, our strategy remains to invest in those S-REITs with good management track records and investment grade portfolios.
- We remain cautious on many Hong Kong REITs given the generally poor quality of their management and corporate governance, but are positive on Hong Kong developers and landlords.

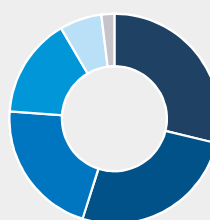
Fund information

Launch date	12/09/2006
Fund size (£m)	12
IMA sector	Property
Benchmark	UBS Asia Real Estate Index
Number of holdings	36
Fund manager	Andrew Nicholas
ISAable fund	Yes
Minimum investment	£1,000 lump sum / £50 per month
Charges	Initial 4.0%; Annual 1.5%
Share type	Accumulation & Income
Yield	3.50%
Research rating	S&P Fund Management: A

Ten largest holdings

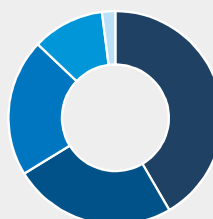
Stock name	%	Stock name	%
Sun Hung Kai Properties	8.9	Stockland	4.4
Westfield Group	8.6	Capitaland	4.4
Mitsubishi Estate	5.6	Henderson Land Development	4.0
Mitsui Fudosan	4.6	CFS Retail Property Trust	3.5
China Overseas Land	4.5	Japan Real Estate	3.4

Sector breakdown



Residential	28.8% (*24.9%)
Diversified	26.1% (*31.0%)
Retail	21.2% (*20.6%)
Office	15.4% (*19.3%)
Industrial	6.5% (*3.6%)
Hotels	0.0% (*0.5%)
Cash	2.0% (*0.0%)

Regional breakdown



Greater China	41.6% (*37.3%)
Australasia	24.7% (*23.9%)
Japan	20.8% (*26.0%)
South East Asia	10.9% (*12.8%)
Cash	2.0% (*0.0%)

* Index Allocation

How to contact us

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Important Information / Risk Factors:

Past performance is not a guide to future performance, and investment markets and conditions can change rapidly. If your fund invests in equity markets, it will be more volatile than an investment in cash or fixed deposits. The value of your investment may go down as well as up. There is no guarantee you will get back the amount invested. If your fund invests in overseas markets, currency movements may affect both the income received and the capital value of your investment. If it invests in the shares of small companies, in emerging markets, or in a single country or sector, it may be less liquid and more volatile than a broadly diversified fund investing in developed equity markets. This fund should be considered a long-term investment. You should read the fund's Prospectus before investing, including in particular the sections on the risk factors applicable to any investment. The views expressed herein should not be relied upon when making investment decisions.

Statistical sources: All performance data as at 31 July 2010: Source for fund - Lipper Ltd, net of fees, income reinvested net of tax; source for benchmark - RIMES, income reinvested gross of tax. All other portfolio details and non performance information (top 10 holdings, fund size, sector and country breakdown): First State's own records. Any research or analysis used in the preparation of this document has been procured by First State for its own use and should not be relied upon by others. Since launch performance figures have been calculated from 30 September 2006.

Further details: First State Asian Property Securities Fund is a sub-fund of First State Investments ICVC, an open-ended investment company. Copies of the Prospectus and Simplified Prospectus for the First State Investments ICVC are available free of charge by writing to: Client Services, First State Investments (UK) Limited, 23 St Andrew Square, Edinburgh, EH2 1BB, by telephoning 0800 587 4141 between 8am and 5pm Monday to Friday or by printing the documents out from the website www.firststate.co.uk. Issued by First State Investments (UK) Limited, authorised and regulated by the Financial Services Authority. A member of IMA. Registered number: 2294743. Registered address: 3rd Floor, 30 Cannon Street, London EC4M 6YQ.

Fortis Foreign Fund Services AG, Rennweg 57, Postfach, 8021 Zurich has been designated as the Swiss Representative and Fortis Banque (Suisse) S.A., Zurich Branch, Rennweg 57, Postfach, 8021 Zurich has been designated as the Swiss Paying Agent. The Prospectus, the articles of incorporation as well as the last annual and interim reports of the Company and the changes in the investment portfolio can be obtained free of charge at Fortis Foreign Fund Services AG.