

Client Update

Irish VCC

Investment Objective & Policy

The Fund aims to achieve long term capital appreciation. The Fund invests primarily in securities issued by companies with either assets in, or revenues derived from the People's Republic of China that are listed, traded or dealt in on Regulated Markets in China, Hong Kong, Taiwan, the US or in a member state of the OECD.

Cumulative performance (% in USD) to 31 Dec 2011

Period	3 mths	6 mths	1 yr	3 yrs	5 yrs	10 yrs	Since Launch
Fund return	4.9	-15.5	-14.7	88.9	53.1	676.1	774.7
Benchmark return	8.1	-19.1	-18.2	39.4	13.9	308.1	214.5

Annual performance (% in USD) to 31 Dec 2011

Period	12 mths to 31/12/11	12 mths to 31/12/10	12 mths to 31/12/09	12 mths to 31/12/08	12 mths to 31/12/07
Fund return	-14.7	13.1	95.9	-53.8	75.3
Benchmark return	-18.2	4.8	62.6	-50.8	66.2

Manager's comments

- Global markets were mixed in December, with the US edging higher while European markets closed the month down.
- Investors remained concerned about the eurozone's pace of progress in addressing the debt crisis, while gaining some confidence in the US.
- The MSCI China Index closed higher in December, led up by materials, financials and transport.
- China's underlying economy remains robust, although it has slowed from unsustainably high levels.
- Over the month we sold Boer Power as we were concerned about the competitive landscape and the company's ability to move up the value chain.
- We also sold Compal on worries about the company's comparative lack of expertise in servers and cloud computing, an important growth segment.
- We will maintain our bottom-up investment approach, favouring reasonably-valued companies that have shown good management execution and corporate governance standards.
- We will continue to monitor valuation risks in popular stocks.

Fund information

Launch date	17/08/1999
Fund size (US\$m)	3,762
Benchmark*	MSCI China Index

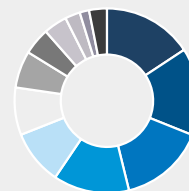
*The benchmark changed from MSCI Golden Dragon Index to the above on 01/06/2002

Number of holdings	64
Fund managers	Martin Lau / Xian Quanqiang
ISAable fund	No
Minimum investment	US\$1,500 lump sum / US\$1,000 subsequent
Charges	Initial 5.0%; Annual 2.0%
Share type	Accumulation & Income

Ten largest holdings

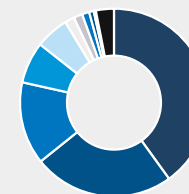
Stock name	%	Stock name	%
ENN Energy Holdings	5.6	China Merchants Bank	4.1
CNOOC	5.2	China Telecom	3.8
Yantai Changyu	4.8	China Construction Bank (h)	3.6
China Resources Power	4.5	China Resources Enterprise	3.2
China Oilfield Services	4.3	China Comm Services	3.1

Sector breakdown



- Financials: 15.7% (*34.9%)
- Consumer Staples: 15.4% (*6.0%)
- Utilities: 15.1% (*2.3%)
- Consumer Discretionary: 13.3% (*6.2%)
- Energy: 9.6% (*18.6%)
- Telecom Services: 8.3% (*13.8%)
- Information Technology: 6.5% (*5.6%)
- Industrials: 4.7% (*6.6%)
- Health Care: 4.1% (*0.8%)
- Materials: 2.6% (*5.2%)
- Multiple sectors: 1.6% (*0.0%)
- Cash: 3.1% (*0.0%)

Share class breakdown



- Red Chips: 40.0%
- China H Shares: 24.2%
- Hong Kong: 14.2%
- China B Shares: 7.2%
- US Listed: 5.7%
- China A Shares: 1.6%
- Japan listed: 1.5%
- Taiwan: 1.2%
- Shanghai - B: 0.8%
- Singapore: 0.4%
- Cash: 3.1%

*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 December 2011 : Source for fund - First State (using Barra Enterprise Performance), net of fees with income reinvested gross 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 17 August 1999.

Further details: First State China Growth Fund - Class I is a sub-fund of First State Global Umbrella Fund plc, an open-ended investment company with variable capital and with segregated liabilities between sub-funds, incorporated with limited liability under the laws of Ireland with registered number 288284 authorised in the Republic of Ireland. Copies of the Prospectus and Simplified Prospectus for the First State Global Umbrella Fund plc 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.