

The VAM Property Fund will be re-opened as from the beginning of January 2010.

This decision has been motivated by a couple of key factors:

1. The market appears now to have bottomed and certainly the UK commercial property market appears to have recovered quite sharply in the last couple of months and there is a growing demand for new subscriptions again.

The VAM Property Fund delivered a fourth consecutive month of positive performance during November with the GBP Class up 1.47% and the USD Class up 1.44%. The Fund outperformed both currency benchmarks during November with the Lipper Global – GBP Index delivering 1.25% and the MS Global Real Estate – USD Index delivering 0.91% (both listed benchmarks).

November's result further contributed to the Fund's recent positive performance and during the three month period to end November the Fund delivered 2.99% (GBP Class) which has been marginally outperformed by the listed Lipper Global – GBP Index which delivered 3.91%. The Fund has now delivered a positive monthly performance for five out of the past six months which again is in line with the broader stabilisation and recent initial recovery within the real estate universe and particularly so in the United Kingdom.

2. With our Investment Managers, Fleming Family and Partners, we are now actively working to re-position the Fund to take advantage of significant new opportunities and to move the Fund towards a more liquid portfolio profile which will enable us to convert it to daily dealing at some stage in the coming months.

With the upturn in the property market a number of the Fund's illiquid holdings are now funding buyers in the secondary market at premiums. This is a significant change from the position 3 months ago when these holdings were still trading at significant discounts.

3. The Fund has now increased the proportion of liquid assets. We are therefore in a position to meet redemptions. However if the flow of redemptions becomes excessive we will have to impose a gate.

We look forward to the Fund taking advantage of significant new opportunities in the months ahead and taking in new subscriptions to take advantage of the new opportunities.

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