

Client Update

UK OEIC

Investment Objective & Policy

The Fund aims to achieve long-term capital growth. The Fund will comprise investments in a diversified portfolio of companies of the Indian subcontinent. The Fund concentrates on securities that are listed, traded or dealt in on Regulated Markets in the Indian subcontinent and instruments issued by companies established, operating or having a predominant part of their economic activities in the Indian subcontinent and listed on other Regulated Markets.

Cumulative performance (% in GBP) to 30 Apr 2012

| Period | 3 mths | 6 mths | 1 yr | 3 yrs | 5 yrs | 10 yrs | Since Launch |
|--------------------|-------------|-------------|-------------|-------------|-------------|--------|--------------|
| Fund return | -3.7 | -4.9 | -9.7 | 86.5 | 82.6 | - | 87.2 |
| Benchmark return | -8.1 | -10.2 | -21.4 | 36.6 | 22.7 | - | 34.8 |
| Sector return | -1.8 | -0.4 | -9.7 | 39.2 | 15.7 | - | 27.7 |
| Quartile rank | 3 | 4 | 3 | 1 | 1 | - | 1 |

Annual performance (% in GBP) to 30 Apr 2012

| Period | 12 mths to 30/04/12 | 12 mths to 30/04/11 | 12 mths to 30/04/10 | 12 mths to 30/04/09 | 12 mths to 30/04/08 |
|--------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Fund return | -9.7 | 9.6 | 88.5 | -22.9 | 27.0 |
| Benchmark return | -21.4 | -2.4 | 78.1 | -31.4 | 30.8 |
| Sector return | -9.7 | 8.6 | 42.3 | -21.6 | 8.3 |
| Quartile rank | 3 | 2 | 1 | 2 | 1 |

Manager's comments

- The Indian market fell in April, underperforming regional markets.
- The central bank cut interest rates for the first time in a few years signalling that they are worried about growth.
- However, inflation remains high and the rate cuts were not warranted in our view.
- The Ministry of Finance directed state owned banks to cut interest rates immediately after the central bank's move, indicating that these banks are not run in the interest of shareholders in India.
- During the month we bought Kansai Nerolac Paints, a quality paint producer with a consistent track record and leading market share in auto paints.
- We also purchased Marico Bangladesh, as we believe management can build a solid consumer franchise in Bangladesh.
- There were no complete sales during the month.
- Due to the lack of transparency, we continue to tread cautiously on companies which depend or thrive on dealing with the government.
- Although most of our favourite stocks are fairly valued at present, we believe they offer good growth potential over the long-term.

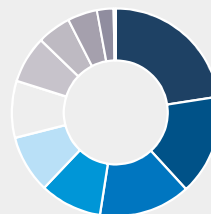
Fund information

| | |
|----------------------|---------------------------------|
| Launch date | 15/11/2006 |
| Fund size (€m) | 230 |
| IMA sector | Specialist |
| Benchmark | MSCI India Index |
| Number of holdings | 51 |
| Fund managers | David Gait / Sashi Reddy |
| ISAable fund | Yes |
| Minimum investment | £1,000 lump sum / £50 per month |
| Charges | Initial 4.0%; Annual 1.75% |
| Share type available | Accumulation |
| Research rating | Feri Trust: A OBSR: Bronze |

Ten largest holdings

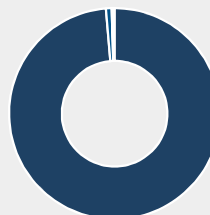
| Stock name | % | Stock name | % |
|--------------------------|-----|---------------------|-----|
| Marico | 7.2 | Idea Cellular | 3.9 |
| Hindustan Unilever | 5.6 | Dabur India | 3.9 |
| Tata Power Company | 4.6 | Kotak Mahindra Bank | 3.7 |
| Satyam Computer Services | 4.4 | EID Parry India | 3.3 |
| Glaxosmithkline Consumer | 4.0 | Wipro | 3.2 |

Sector breakdown



| | |
|------------------------|----------------|
| Consumer Staples | 22.6% (*8.6%) |
| Materials | 15.6% (*9.2%) |
| Information Technology | 14.3% (*15.8%) |
| Financials | 9.6% (*26.9%) |
| Health Care | 9.0% (*5.4%) |
| Industrials | 8.8% (*5.7%) |
| Telecom Services | 7.3% (*2.2%) |
| Consumer Discretionary | 5.3% (*9.4%) |
| Utilities | 4.6% (*4.9%) |
| Energy | 2.6% (*11.9%) |
| Cash | 0.3% (*0.0%) |

Country breakdown



| | |
|------------|-------|
| India | 98.7% |
| Sri Lanka | 0.8% |
| Bangladesh | 0.1% |
| Cash | 0.3% |

* Index Allocation

How to contact us

Client Services team: **0800 587 4141**

Dealing line: **0800 587 3388**

E-mail: enquiries@firststate.co.uk

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 for the First State Indian Subcontinent A Accumulation Shares as at 30 April 2012 : Source for fund - Lipper Ltd, net of fees, income reinvested net of tax; source for benchmark - RIMES, income reinvested net 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 November 2006.

Further details: First State Indian Subcontinent 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.

BNP Paribas Securities Services, Paris, succursale de Zurich, Selnaustrasse 16, 8002, Zürich has been designated as the Swiss Representative and 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 BNP Paribas Securities Services.

First State
Investments