

# Japanese Equity Fund – A Share Class

A sub-fund of Close Investments Global Funds Plc  
(formerly Close Finsbury Global Investment Funds Plc)

**Fund Adviser**  
Lindsell Train Limited



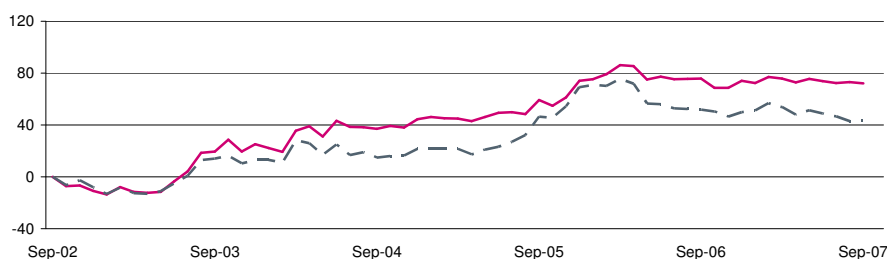
Michael Lindsell

## Investment Objective

To maximise total return over the longer term from a well-diversified portfolio of equities, (and, if considered appropriate, convertible securities) primarily quoted on stock markets in Japan.

## 5 Year Performance

**Fund:** Japanese Equity Fund A Share Class  
**Index:** Japan (TSE) First Section (TOPIX) (JPY)



Source: Lipper. Percentage Growth Capital Return, Gross Tax Default. Fund and Index performance has been rebased to sterling. Past performance is not a guide to future performance.

## Cumulative Year Performance

	Fund%	Index%
YTD	-1.1	-4.3
1 year	-2.1	-5.5
3 years	25.6	24.9
5 years	72.1	43.4

## Discrete Year Performance

	Fund%	Index%
2006	-0.1	-11.5
2005	20.6	39.3
2004	15.4	7.4
2003	40.5	23.3
2002	-10.5	-18.4

## Standardised Discrete Performance Information

Percentage Growth	Sept 02-Sept 03	Sept 03-Sept 04	Sept 04-Sept 05	Sept 05-Sept 06	Sept 06-Sept 07
12 Month Total Return	19.5	14.6	16.2	10.4	-2.1

Source: Cumulative, Discrete and Standardised Discrete performance all sourced from Lipper. Percentage Growth Total Return, Gross Tax Default. Fund and Index performance has been rebased to sterling. Past performance is not a guide to future performance.

## Investment Outlook

The Fund fell in value by 0.4% in a month when the market (TOPIX Index) advanced by 0.5%. The small change in the fund and the index disguised significant volatility that originated abroad, with the liquidity problems faced by financial institutions that relied heavily on funding from the wholesale financial markets. Japan was not immune. A small quoted consumer lender, Credia, applied for corporate rehabilitation (not bankruptcy, but akin to it if one is a shareholder) and Japan's largest bank, Mitsubishi UFJ, had to inject new capital into its consumer lending subsidiary, Mitsubishi UFJ Nicos. These events, together with the international concerns, focussed the spotlight on other non-bank lenders in Japan. This included the consumer lender, Takefuji, a long-standing holding in the Fund, and the credit card company, Credit Saison, a more recent purchase. With Credit Saison we continued to add to our position on weakness and now, following a big rally in the price in the last days of the month, have a 3.5% holding. Takefuji's price fell 27% and its weighting in the fund shrunk from 7% to 5.5%, despite us adding 23% to the overall position. We continue to be enthusiastic about the business but recognise that, while the company is transitioning to a lower maximum interest rate charged to customers, and while the full extent of claims of overpaid interest remain uncertain, the company is vulnerable to accusations of its (and the industry's) demise, however misinformed or tenuous. We take solace from our belief in the compelling economics of the business, the tangible 8% dividend yield and the confidence boosting actions such as the recently announced share buyback.

All and more of our underperformance this month can be attributed to Takefuji's price fall. On a more positive note Nintendo continues to perform well, rising by 11% in the month, near to its all time high. It is also pleasing that our recent purchase of some additional Osaka Securities Exchange has already yielded a 25% gain.

Figures sourced from Lipper. Figures quoted in Japanese Yen (local currency)

## Biography

Michael Lindsell is the Investment Adviser to the Japanese Equity Fund. Michael's career and interest in Japanese equities started over 20 years ago at Lazard Brothers. Successful roles as a Japanese equities fund manager and Head of Japanese equities followed at Scimitar Asset Management Hong Kong, Warburg Asset Management and GT Management's Tokyo office followed over the next 15 years. After being relocated to the UK in 1997, he was appointed head of the combined global product team following the acquisition of GT by INVESCO in 1998. 18 months later, Michael left to establish Lindsell Train Limited, together with Nick Train in 2000.

## Adviser Profile

Lindsell Train Limited, which is authorised and regulated by the Financial Services Authority, was formed in December 2000 by Michael Lindsell and Nick Train who worked together at GT Management from 1992 through to GT's takeover by INVESCO in 1998. Both Michael Lindsell and Nick Train went on to fulfil senior roles at INVESCO and M&G PLC respectively, where they continued to develop an in depth knowledge of investment processes and the worlds' stockmarkets. Their shared investment philosophy is to invest in durable businesses that are significantly under priced or less durable businesses that are valued by the market at a significant discount to their net balance sheet financial assets. This is achieved by choosing a concentrated portfolio of a small number of stocks with the intention of holding them for the medium to long term. They have £517m funds under management as at 30 April 2007.

## Investment Policy

The Japanese Equity Fund is an actively managed fund investing in a select portfolio between 20 to 30 stocks. The investment style is bottom-up, where companies are screened to find good medium-term growth prospects, strong balance sheets and attractive valuations.



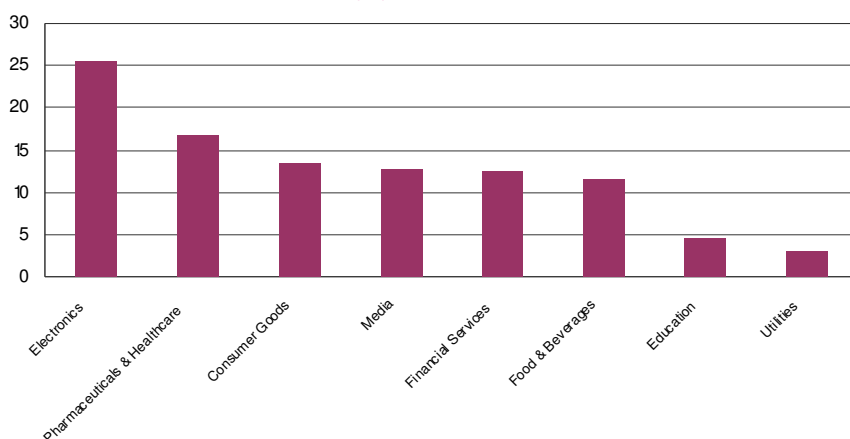
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### Ten Largest Holdings as at 30/09/2007 (%)

Name		Total
Nintendo	Media	9.8
Canon	Electronics	9.5
Kao	Consumer Goods	6.7
Astellas Pharma	Pharmaceuticals & Healthcare	6.4
Takefuji Corporation	Financial Services	5.7
Takeda Pharmaceutical	Pharmaceuticals & Healthcare	4.7
Meiko Network Japan	Education	4.3
Obic Business Consultants	Electronics	4.1
Aderans	Consumer Goods	3.9
Credit Saison	Financial Services	3.7
<b>Total</b>		<b>58.8</b>

Source: All portfolio information sourced from Close Investments Limited

### Sector Breakdown as at 30/09/2007 (%)



### Share Price Total Return on £100 (£)

YTD	98.9
1 year	97.9
3 years	125.6
5 years	172.1

Source: Close Investments Limited as at 30 September 2007

### Risk Warning

The information contained herein concerns a sub-fund of Close Investments Global Funds Plc (formerly Close Finsbury Global Investment Funds Plc), an open ended investment company domiciled in Ireland and a recognised collective investment scheme for the purposes of the UK Financial Services and Markets Act 2000, which is managed by Close Investments Limited. Any opinions on individual stocks are those of the Fund's Investment Adviser and no reliance should be placed on any such views. Any research in this document has been procured and may have been acted upon by Lindsell Train Limited for its own purposes. The results are being made available to you only incidentally. The views expressed herein do not constitute investment or any other advice and are subject to change. They do not necessarily reflect the views of any company in the Close Brothers Group or any part thereof and no assurances are made as to their accuracy. Past performance is not a guide to future performance. The value of investments and the income from them may fall as well as rise and is not guaranteed. An investor may not get back the original amount invested. Changes in the rates of exchange between currencies may cause the value of investments to fluctuate. There can be no assurance that the Fund's investment objective will be achieved and investment results may vary substantially over time. This document is for information purposes only and does not constitute an offer or invitation to purchase shares in the Fund and has not been prepared in connection with any such offer or invitation.

Issued by Close Investments Limited

October 2007

As at 30 September 2007

### Fast Facts

<b>Launch Date</b>	30/10/1998
<b>Benchmark</b>	Japan (TSE) First Section (TOPIX)
<b>Charges</b>	4.5% Initial
<b>Annual Management Charge</b>	1.5% Payable by the Fund
<b>Performance fee</b>	20% of the amount NAV growth has exceeded the growth in the benchmark (high watermark)

### Fund Characteristics

<b>Number of Holdings</b>	28
<b>Total Fund Value (Million)</b>	11.7GBP/2.7JPYbn 27.3GBP (A+B) 6.4JPY bn (A+B))
<b>Yield</b>	N/A
<b>Currency</b>	JPY
<b>Fund Type</b>	OEIC
<b>Price</b>	1.13GBP 265JPY
<b>Dealing</b>	Daily

### Codes

<b>Sedol</b>	0438418
<b>ISIN</b>	IE0004384180
<b>Bloomberg</b>	FINJEQI ID

### How to Invest

Available within an ISA, Savings Scheme, PEP

Minimum Investment      £1,000 Lump Sum  
   £100 Direct Debit  
   £100 Top-up

Investing for Children      £100 Lump Sum  
   £25 Direct Debit

Online dealing and account administration available for ISA, PEP and Savings Scheme via [www.closeinvestments.com](http://www.closeinvestments.com).

Available outside wrapper: Direct Dealing

Minimum Investment      £1,000 Lump Sum  
   £100 Top-up

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(Professional advisers only)  
By Fax: 00 353 1 670 2149  
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