

Peer Group:

US Mainstream Equities

Fund Manager/Adviser:

Yvan de la Fressange (since launch)

Location:

Basel

Launch Date: November 1997

Fund Size (September 2008):

US\$87m

Group Contact No:

+41 61 205 7000

Website:

www.gutzwiller-funds.com

S&P ID Number: SA395129

Share class screened:

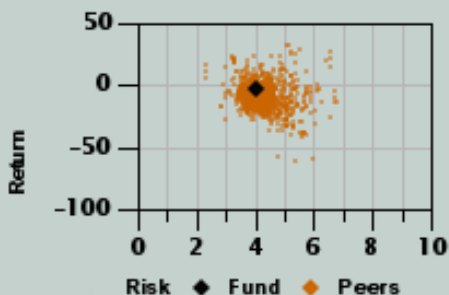
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INVESTMENT STYLE

	Value	Blend	Growth
Large-Cap			
Mid-Cap			
Small-Cap			

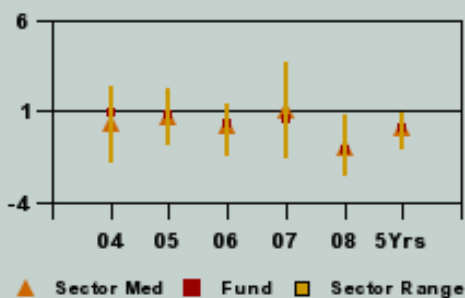
RISK RETURN (STD DEVIATION) OVER 5 YEARS



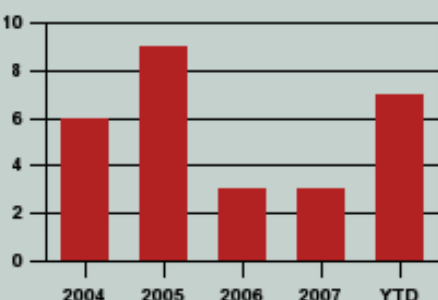
3 YEAR RISK CHARACTERISTICS

Maximum Drawdown (%)	Low	-19.5
Volatility	Medium	11.8
Correlation	High	0.9
Beta	High	1.1

SHARPE RATIO VS PEER GROUP



CALENDAR YEAR DECILE RANKS



Decile ranking in discrete annual periods. 1st decile shown as rank 10, 2nd decile as rank 9, etc. to 10th decile as Rank 1.

Please see page 2 for required research analyst certification disclosure.

Further information on S&P's fund coverage can be found at

www.funds.standardandpoors.com

All statistical data on this report has been run to 29/08/2008 on NAV to NAV basis, with gross income reinvested, in US Dollars.

STANDARD & POOR'S OPINION (NOVEMBER 2008)

This fund has been managed since launch by Yvan de la Fressange. It follows a long-term contrarian value style of investment, focusing on companies with strong financial ratios, good market share and a record of successful innovation. The manager works as an independent and is contracted to Gutzwiller Fonds Management AG to run just this fund, with the assistance of a dedicated analyst and support from the Gutzwiller team.

Compared with many American equity fund managers, the resources are relatively small, but are well suited to the focused style and concentration on stocks with good sell-side coverage. Added value comes from in-depth understanding of around 180-220 stocks, which are monitored for attractive relative value. Purchases and sales are gradual but,

while positions may be top sliced, care is taken not to sell too soon in momentum-driven markets.

De la Fressange spends around two-thirds of the year in the US, which helps him assess market sentiment, attend conferences and meet company management. François Boulte, his analyst, is based in Switzerland. He is focused on desk research to support the manager's view that risk control comes from in-depth knowledge of what is held.

In recent years the fund has become more concentrated as institutional investors withdrew money on asset allocation grounds. Assets under management are now mainly for stable long-term investors, leaving the portfolio positioned in attractively valued high-conviction ideas. Our regard for the manager and his process enable the fund to retain its S&P A rating.

FACT FILE

Group: Gutzwiller Fonds Management AG is the public fund investment division of E Gutzwiller & Cie, Banquiers, an independent Swiss private bank founded in 1886. The group currently has two funds that are offered to the public, but Gutzwiller TWO has three currency classes.

Team: Management of the fund is subcontracted to de la Fressange, an independent adviser who is exclusively responsible for stock selection and investment decisions. He is supported by an analyst.

Fund Manager: De la Fressange has 20 years' investment experience (all on North America

equities) and has managed this fund since its inception in November 1997.

Style: The fund is managed in a long-term contrarian, stockpicking manner, with little heed paid to any index. Historically it has had a bias to companies with attractively valued innovative products.

Performance: Over the five years to 29/08/2008 the fund has returned 36.1%, compared with 30.4% for the sector median and 39.7% for the index, ranking 350/1001.

FUND MANAGER & TEAM

Management of Gutzwiller ONE Fund is subcontracted to de la Fressange, an independent investment adviser who has specialised in managing private client accounts throughout the earlier stages of his career. In recent years, he has focused solely on providing asset management services to Gutzwiller Fonds Management AG.

Investment ideas and research are his responsibility as fund adviser. He is assisted by an analyst, François Boulte, with additional support from Luiz Filipe Pinto-Coelho who is based at E Gutzwiller & Cie, Banquiers. Gutzwiller Fonds Management AG plays an oversight role, focusing on in-house analysts maintaining an approved list of stocks and handling compliance issues.

Yvan de la Fressange - began his investment career in 1988 with European American Securities in Paris, becoming an independent manager of private client portfolios in 1990. Since 1997, he has focused exclusively on the Gutzwiller ONE portfolio.

François Boulte - worked as a strategy consultant at Marketbridge, a US consultancy, before joining Gutzwiller Fonds Management AG in April 2007 as an analyst.

PORTFOLIO CHARACTERISTICS

No. of holdings	29
Turnover ratio (%)	N/A
% in top 10	56

TOP 10 HOLDINGS (01/09/08)

	%
Amgen	7.9
American Express	6.8
Bank of America	6.1
Boeing	6.0
Quest Diagnostics	5.6
Intel	5.1
International Business Machines	4.9
Gilead Sciences	4.7
Pfizer	4.6
Schlumberger	4.3

* In top 10 holdings a year ago

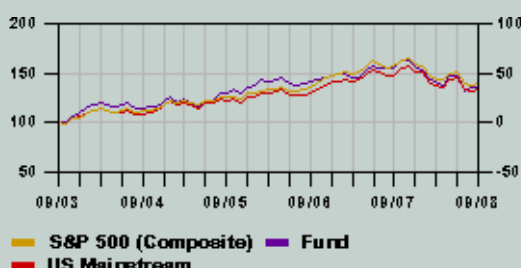
ALLOCATION BREAKDOWN (01/09/08)

	Fund %
Cash	3.0
Consumer discretionary	4.0
Consumer staples	0.0
Energy	16.0
Financials	18.0
Healthcare	26.0
Industrials	16.0
Information technology	16.0
Materials	0.0
Other	0.0
Telecoms	1.0
Utilities	0.0

PERFORMANCE STATISTICS

	3 Years	5 Years
Fund	4.1%	36.1%
Standard & Poor's Peer Median	7.3%	30.4%
Index**	11.4%	39.7%
Fund Rank	838/1269	350/1001
Standard Deviation	11.8	-
Relative Standard Deviation	1.0	-
Volatility Adjusted Ranking	834/1269	-

CUMULATIVE PERFORMANCE



GUTZWILLER ONE FUND

Peer Group: US Mainstream Equities



MANAGEMENT STYLE

• De la Fressange has a long-term, contrarian, value approach. The fund is created from the bottom-up without reference to any index, although the S&P 500 index is used for performance comparison. Position size is built on conviction in a portfolio of around 40 mainly large-cap stocks. The fund can also include a limited exposure to non-US listed companies.

• Stock selection criteria include an assessment of a company's earnings growth, free cashflow and valuation. This results in a relatively limited universe of around 180-220 companies that are actively followed by de la Fressange, Boule and Luiz Filipe Pinto-

Coelho. Companies bringing innovative products to market and with strong management and long-term growth potential are particularly favoured.

• Stocks are typically held for between five and 10 years and positions are built up gradually when valuations have reached historic lows or on short-term share price weakness. Sales are made gradually and turnover is low, below 10% a year.

• Cash normally ranges from zero to 10% but can be as high as 20%. Derivatives are not used.

PORTFOLIO REVIEW

The number of holdings fell in the last 12 months to 29, from 41 last year and 75 the year before. This was driven largely by redemptions and the opportunity was taken to reduce the tail of the portfolio and increase the position size in high-conviction stocks. Accordingly the top 10 concentration increased to 56%. Within this, profit was taken from long-term core holding IBM, when the stock stood on a high relative valuation.

Exposure to energy was lightened in the summer of 2008 when the oil price became

extended. Quest Diagnostics and Gilead Sciences were also reduced on valuation grounds.

No new stocks were introduced in the last year but around a dozen stocks were added to, including Boeing, liked for the potential for its new plane, Ford and General Electric, both of which fell heavily and were bought on attractive valuations. Finally, several financial stocks, including Citigroup and Bank of America, were added to on relative weakness.

PERFORMANCE ANALYSIS (SEPTEMBER 2008)

The fund cumulatively ranks in the second quartile of our peer group over five years. But increased relative volatility in a period when the value style has not worked well has seen three-year cumulative performance slip into the third quartile.

After strong relative performance in 2005, returns in both 2006 and 2007 were well below our sector median. In 2008 to September, relative performance improved because of good defensive stock selection in a market downturn.

In 2006 high dividend/low expectation stocks did well. While the fund's value style identified some of these, their lack of long-term prospects prevented large positions being built, resulting in considerable market underperformance.

In 2007 AT&T hurt, as the strength of competition was underestimated but underweighting financials helped. Avoiding stocks such as Lehman Brothers was a boon in the financial crisis of 2008 as was selling low conviction ideas to fund redemptions.

DISCRETE PERFORMANCE (CALENDAR YEARS)

	2004		2005		2006		2007		YTD 29/08/2008	
	%	Rank	%	Rank	%	Rank	%	Rank	%	Rank
Fund	9.4	462/1044	9.1	191/1189	8.3	1029/1321	2.3	1142/1547	-10.8	538/1696
Index**	10.9		4.9		15.8		5.5		-11.4	
Median	8.8		4.4		12.6		5.9		-12.2	

** S&P 500 (Composite)

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