

HSBC GIF ASIA ex JAPAN EQUITY

March 2010

Fund Highlights

- ▶ **The fund offers investors access to the potentially exciting long-term investment opportunities that exist within Asian ex Japan stock markets**
- ▶ **Stock selection among larger and better established Asian companies forms the basis of this well-diversified portfolio**
- ▶ **It is managed through a process employing fundamental research and quantitative techniques and is implemented by one of the largest Asian equity teams available globally**

Investment Aim

The sub-fund seeks long-term capital growth by investing primarily in a well diversified portfolio of investments in equity and equity equivalent securities of companies which have their registered office in, and with an official listing on a major stock exchange or other Regulated Market of any Asian country (excluding Japan), as well as companies which carry out a greater part of their economic activities in the Asian region (excluding Japan).

Please refer to the Prospectus for the full Investment Objective of this fund.

Fund Statistics (26/02/2010)

| | |
|------------------------------------|--------|
| Fund size in millions (USD) | 683.62 |
| Portfolio Turnover * | 1.35 |
| Volatility ** | 29.12 |
| Tracking Error ** | 4.69 |
| Information Ratio ** | -0.76 |

Volatility measures the relative rate at which the price of a security moves up and down.

Tracking error measures the volatility of the difference between a portfolio's performance and the benchmark.

Information ratio represents the value added of the manager (excess return) divided by the tracking error

Fund Manager - Husan Pai

Investment Director, Asia ex Japan Equities, Halbis Capital Management (Hong Kong).

Husan Pai is Investment Director for Halbis Capital Management and has been working in the industry since 1987. Prior to joining HSBC in 2003, and moving to Halbis upon its establishment in 2005, Husan worked for Credit Agricole Asset Management as a director of investment, and for AIG Investment Corporation.



* Source: HSBC, calculation uses the lesser of sales and purchases over the past year.

** Source: HSBC, based on monthly returns over the past three years where available.

Performance in USD (% Change) *

| Rolling time period | 31/12/2008 - 31/12/2009 | 31/12/2007 - 31/12/2008 | 31/12/2006 - 31/12/2007 | 31/12/2005 - 31/12/2006 | 31/12/2004 - 31/12/2005 |
|-------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| HSBC GIF ASIA ex JAPAN EQUITY | 61.9 | -50.2 | 34.1 | 29.8 | 23.8 |

| Rolling time period | 1 month | 3 months | 6 months | 1 year | 3 years | 5 years | 2010 | 2009 | 2008 | 2007 |
|---------------------|---------|----------|----------|---------|---------|---------|---------|---------|--------|---------|
| Fund | 0.2 | -2.1 | 8.5 | 74.1 | 0.4 | 53.9 | -5.1 | 61.9 | -50.2 | 34.1 |
| Morningstar mean | 0.7 | -1.7 | 9.0 | 79.3 | 6.7 | 58.9 | -5.2 | 68.8 | -50.5 | 36.9 |
| Benchmark | 0.4 | -1.7 | 8.9 | 79.9 | 4.7 | 60.8 | -4.7 | 66.5 | -50.9 | 37.6 |
| Fund rank | 168/274 | 130/272 | 128/263 | 159/252 | 129/213 | 79/174 | 108/272 | 184/256 | 98/265 | 146/257 |
| Quartile rank | 3 | 2 | 2 | 3 | 3 | 2 | 2 | 3 | 2 | 3 |

*** The above performance figures refer to the past and are not a reliable indicator of future returns. The value of investments and any income from them, can go down as well as up. The above performance figures are calculated in USD, and changes in the rate of currency exchange may affect the value of your investment.**

Source: Morningstar, bid to bid, gross income reinvested. Performance information is up to 26/02/2010. Morningstar Sector used Offshore and International Funds, Eq Asia Pacific ex Japan. Benchmark source: Datastream. From the inception of the fund to 31/10/08, the benchmark of the fund was the MSCI AC Far East Free Ex Japan Index. From 01/11/08 onwards the benchmark is the MSCI AC Asia ex-Japan Index. The change will ensure that the fund's performance is measured against a benchmark more suited to the fund's strategy. Please note quartile rank is a term widely used in financial services to denote performance of a fund within its sector. For example a ranking of 1 denotes a Fund in the top 25% of its peer group sector, with a ranking of 4 denoting a fund in the bottom 25% of its peer group sector. Total return, sector median performance and ranks - Data Source - © Copyright 2010 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

Fund details

- ▶ **Annual charge** 1.50%
- ▶ **Maximum initial charge** 5.54%
- ▶ **Dealing** daily by 10:00am (CET)
- ▶ **Valuation** daily at 5:00pm (CET)
- ▶ **Minimum initial investment** (USD) 5,000 *
- ▶ **Financial year end** 31st March
- ▶ **Benchmark** MSCI Asia ex-Japan **
- ▶ **Management Company** HSBC Investment Funds (Luxembourg) S.A.
- ▶ **Investment Advisor** Halbis Capital Management (Hong-Kong) Limited
- ▶ **Dividends** annual (July)
- ▶ **Regular savings scheme** not available
- ▶ **Start date** 21/11/1986 ^
- ▶ **Launch price** (in USD) 18
- ▶ **ISIN code** LU0043850808
- ▶ **Total number of holdings** 122

* or equivalent. ^ Performance prior to 01/04/93 relates to the Wardley South East Asia Trust (HK) from which this fund was formed. Prior to 25/11/02 the fund was called Asian Equity. ** Source: MSCI. The MSCI information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used to create any financial instruments or products or any indices. The MSCI information is provided on an 'as is' basis and the user of this information assumes the entire risk of any use it may make or permit to be made of this information. Neither MSCI, any of its affiliates or any other person involved in or related to compiling, computing or creating the MSCI information (collectively, the 'MSCI Parties') makes any express or implied warranties or representations with respect to such information or the results to be obtained by the use thereof, and the MSCI Parties hereby expressly disclaim all warranties (including, without limitation, all warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential or any other damages (including, without limitation, lost profits) even if notified of, or if it might otherwise have anticipated, the possibility of such damages.

Top 10 holdings (26/02/2010)

| Stock | Weight | Industry Sector |
|----------------------------------|---------------|-----------------------------|
| 1 Samsung Electronics | 4.01% | Technology Hardware & Equip |
| 2 China Mobile (HK) Ltd | 3.11% | Mobile Telecommunications |
| 3 Taiwan Semicondu | 1.75% | Technology Hardware & Equip |
| 4 China Life Insurance Co (2628) | 1.71% | Life Insurance |
| 5 Posco | 1.65% | Industrial Metals |
| 6 CNOOC Ltd (883) (China) | 1.60% | Oil & Gas Producers |
| 7 China Construction Bank (939) | 1.56% | Banks |
| 8 BOC Hong Kong Ho | 1.55% | Banks |
| 9 PT United Tractors | 1.51% | Industrial Engineering |
| 10 Hon Hai Precision Ltd | 1.48% | Technology Hardware & Equip |
| | 19.93% | |

Portfolio composition (26/02/2010)

| Country | Fund | Benchmark |
|-------------|----------------|----------------|
| China | 27.22% | 26.27% |
| South Korea | 20.32% | 18.69% |
| Taiwan | 16.72% | 16.01% |
| India | 11.43% | 11.21% |
| Hong Kong | 8.87% | 11.15% |
| Singapore | 5.16% | 6.90% |
| Indonesia | 3.17% | 2.88% |
| Thailand | 2.87% | 2.07% |
| Malaysia | 2.02% | 4.17% |
| Others | 0.21% | 0.65% |
| Cash | 2.02% | 0.00% |
| | 100.00% | 100.00% |

Contact

Further information about HSBC Global Asset Management, details of our individual funds performance and prices can be found at www.assetmanagement.hsbc.com

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Alternatively, contact your local sales and client services representatives.

To place a deal, please contact:

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