

AIG BALANCED WORLD FUND

31 July 2009

OBJECTIVE

AIG Balanced World Fund ('the Fund') seeks to achieve capital appreciation by identifying new and changing worldwide economic and investment trends, through investment in equity, fixed income and short-term securities.

FUND FACTS

Domicile & Type	Ireland / Sub-fund of UCITS III Umbrella Open-ended Unit Trust
Inception Date of Class	7 Apr 2006
Inception Date of Predecessor Class	6 Nov 1991 *
Benchmark	40% Citigroup WorldBIG Non MBS/60% MSCI World DTR Net (see footnote)
Base Currency	USD
Class	Y
Class Currency	USD
Minimum Investment	USD 1 million
Management Fee	1.00% since 18 Oct 2001
Listing & Dealing	Unlisted / Daily
Distribution Policy	Income and capital gains may be distributed
ISIN Number	IE0007357332
Portfolio Manager(s)	Michael Kelly / Anthony King / Robin Thorn
Investment Manager(s)	AIG Global Investment Corp. & AIG Investments Europe Ltd. / AIG Investments Japan Co., Ltd.
Legal Manager	AIG Investments Fund Management Ltd.
Authorised for Public Distribution In	Taiwan (ROC), United Kingdom
Regulated By	Financial Regulator in Ireland
Morningstar Rating™	★★★

*Refer to footnotes

COMMENTARY

Market Review

- Global bond yields declined marginally in July. Credit spreads tightened as demand for corporate bonds remained very strong.
- Global equity markets rallied in July largely fueled by companies reporting better than expected second quarter earnings.

Fund Activity

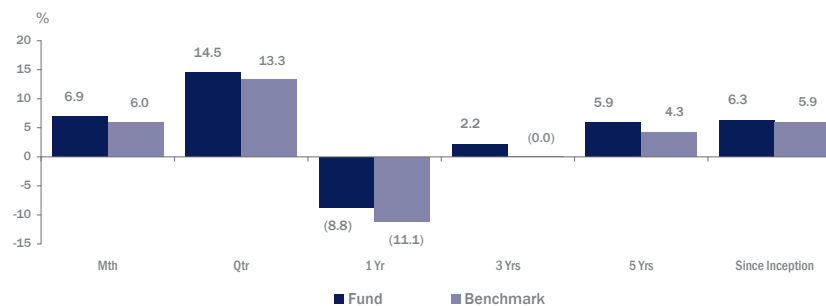
- In the fixed income portion of the Fund, our exposure to high quality corporate and agency bonds made a positive contribution to performance, primarily via the new issue market.
- The equity portion of the Fund benefited from positive stock selection in North America and Australia. European stocks were the biggest detractors.

Outlook

- Whilst we expect better economic performance from the third quarter, long term average growth and the inflation rate should remain subdued, supporting government bond prices.
- Evidence that the government stimulus packages is helping to ease the economic crisis, along with better than expected earnings, have provided investors with optimism that the worst of the recession is now behind us, though sentiment in equity markets will continue to be affected by the troubles that continue to plague the financial sector.

PERFORMANCE

For periods ending 31 July 2009

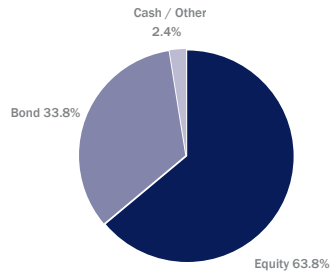


Calendar Year	Fund %	Benchmark %	Difference %
2009 YTD	12.9	10.6	2.3
2008	(22.3)	(24.3)	2.0
2007	12.6	9.7	2.9
2006	13.5	14.7	(1.2)
2005	5.8	3.2	2.6

Fund: AIG Balanced World Fund Class 'Y' Units
 Benchmark: 40% Citigroup WorldBIG Non MBS/60% MSCI World DTR Net (see footnote)
 Indicative gross performance before fees and all charges. 1, 3, 5 Yrs and since inception returns are annualised. Past performance is not indicative of future results. Refer to footnotes.

FACTSHEET

ASSET ALLOCATION



Fund: AIG Balanced World Fund
Asset allocations as at month end.

TOP 10 HOLDINGS

Holdings	%
2.00% Japan (Govt Of) 20/Mar/2025 (JP)	2.2
0.80% Japan (Govt Of) 20/Mar/2013 (JP)	1.9
Apple Inc (US)	1.8
Sysco Corp (US)	1.8
Laboratory Corp of America Holdings (US)	1.8
Honeywell Intl Inc (US)	1.7
Constellation Brands Inc (US)	1.3
6.00% Greece (Rep Of) 19/Jul/2019 (GR)	1.3
Metlife Inc (US)	1.2
3.25% US Treasury 30/Jun/2016	1.3
Total	16.3

FUND STATISTICS

Fund Size	USD 67,266,085
NAV per Unit	USD 223.3370
Number of Securities	195
Risk Free Rate	0.0
Sharpe Ratio (3yr)	(0.1)
Standard Deviation (3yr)	14.5
Information Ratio (3yr)	1.0
Tracking Error (3yr)	2.3
Alpha	2.2
Beta	1.0
R-Squared	97.5

www.aiginvestments.com

All information as of 31 Jul 2009 unless noted otherwise. Portfolio Structure may vary over time. Holdings are subject to change. We are not soliciting or recommending any action based on this material. This document should be read in conjunction with the Prospectus (including defined terms) and is subject at all times to the terms and conditions as set out therein. AIG Balanced World Fund: From 01 January 1993 to 31 December 2003, the blended Index was composed of 50% JP Morgan Global Government Bond (USD) Index and 50% MSCI World DTR Net (USD) Index. From 01 January 2004, the benchmark was changed to 40% Citigroup WorldBIG Non MBS (USD) and 60% MSCI World DTR Net (USD) Index. AIG Balanced World Fund (the "Fund") is a sub-fund of AIG Global Funds, an Irish domiciled UCITS III umbrella fund, authorized and regulated by the Financial Regulator in Ireland. The Fund was formed as a successor fund to AIG Balanced World Fund plc (the "Company") following a scheme of amalgamation with the Company and was launched on 7 April 2006. AIG Global Investment Corp. ("AIGGIC") and AIG Investments Europe Ltd. are the Investment Managers to the Fund and also acted in this capacity for the Company. The performance presented herein is representative of Class 'Y' in U.S. Dollars of the Company up to 7 April 2006, and of the Fund from that date. The price of units and the income from them may fall as well as rise and investors may not get back the full amount originally invested. This document is intended for distribution only to existing and prospective investors for whom it is suitable and does not constitute an offer of units. Its general circulation may be restricted by law in certain jurisdictions. The Fund is not available for investment in the United States or to or for the account of U.S. Persons. AIG Investments Europe Limited is authorised and regulated by the Financial Services Authority ("FSA"). In the UK this communication is a financial promotion solely intended for professional clients as defined in the FSA Handbook and has been approved by AIG Investments Europe Limited. Copies of the Prospectus, the Simplified Prospectus and most recent financial statements may be obtained free of charge in Ireland from AIG Investments Fund Management Ltd., and in Germany from BHF-BANK AG, Bockenheimer Landstraße 10, 60323 Frankfurt. Morningstar Rating™ Source: Morningstar Essentials™. Copyright © 2009 Morningstar, Inc. All Rights Reserved. Morningstar Rating as of 31 Jul 2009, in the DOLLAR MODERATE BALANCED Morningstar Category. Unless otherwise noted, all information is sourced from AIG Investments internal data. AIG Investments comprises a group of international companies which provide investment advice and market asset management products and services to clients around the world. Services and products are provided by one or more affiliates of American International Group, Inc. ("AIG"). AIG Investments is a registered mark of AIG. Issued by: AIG Investments Fund Management Ltd, AIG Centre, North Wall Quay, Dublin 1, Ireland. Phone: 353-1-6720222. Facsimile: 353-1-6720267.

