

New Star Global Emerging Markets Fund

Irish authorised OEIC
at 31 December 2007

www.newstaram.com



Fund manager



Brian Coffey

Fund statistics

All information in this factsheet refers to the US\$ retail share class. The retail £ share class is currently closed to new investors.

NAV (per share)

US\$ class US\$21.94

£ class* £22.81

*£ share class hedged against the US\$

Fund size US\$9.7m

Equity market capitalisation

Large (>US\$5bn) 77.8%

Mid (>US\$1bn & <US\$5bn) 17.6%

Small (<US\$1bn) 4.6%

Fund at a glance

Fund aim

Long-term capital growth principally through investments in companies in emerging markets, typically in Eastern Europe, Latin America and Asia.

Investment style

- Top-down approach, focus on markets likely to deliver superior growth as a consequence of economic reform and foreign investment;
- Stock selection in close co-operation with New Star's regional specialists;
- Portfolio of between 80 and 100 companies for geographical diversification.

Launch date 16.08.2002

Base currency US dollar

Minimum investment and holding US\$5,000 or £3,500

Management fee 1.75% per annum

Subscription fee up to 5.25%

Redemption/switching fees Nil

Valuations Daily

Subscriptions/redemptions Daily

NAV Publications FT, Morningstar, www.newstaram.com

ISIN USD IE0031946878

GBP IE0031947173

Bloomberg NSGLOB ID

Sedol 3194687

Valor 1657147

Registration UK, Ireland, France, Spain, Italy, Switzerland, Netherlands, Denmark, Sweden, Finland, Hong Kong, Singapore†

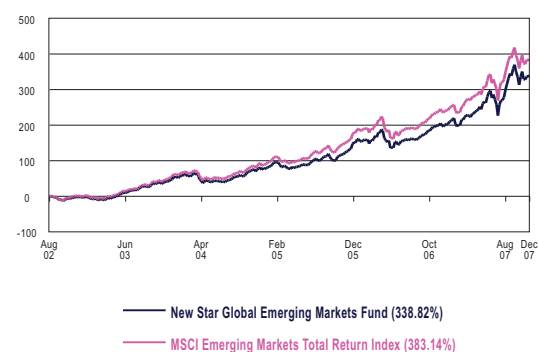
†recognised

International Investment Services

Phone: +353 1 475 8000

Email: dublin@newstaram.com

Performance since launch (%)



Performance overview (%)

	December 2007	Year to date	1 year	3 years	Since Launch
US\$ class	0.68	43.74	43.74	142.20	338.82
£ class	0.89	43.08	43.08	141.92	356.11
MSCI Emerging Markets TR Index (US\$)	0.36	39.78	39.78	149.34	383.14

	2006	2005	2004	2003
US\$ class	30.47	29.15	23.95	52.42
£ class	28.21	31.88	26.17	54.57
MSCI Emerging Markets TR Index (US\$)	32.60	34.50	26.00	56.30

Risk characteristics

	Alpha	Beta	Tracking error*	Correlation	Sharpe ratio*	Standard deviation (%)*
New Star Global Emerging Markets (US\$)	-0.15	1.01	3.31	0.98	1.60	18.26
MSCI Emerging Markets TR Index (US\$)	0.00	1.00	-	1.00	1.76	17.81

*Annualised figures

Peer group analysis

	December 2007	Year to date	1 year	3 years	Since Launch
Position in sector	96/163	17/155	17/155	40/124	45/97
Quartile ranking	3rd	1st	1st	2nd	2nd

Sector: Equity Global Emerging Markets

Top 10 holdings (%)

PETROL BRASILEIROS	5.58
GAZPROM	5.52
CIA VALE RIO DOCE	5.16
CHINA MOBILE	3.52
RELIANCE COMMUNICATIONS	2.71
LUKOIL	2.55
REXCAPITAL	2.45
CNOOC	2.31
SAMSUNG FIRE & MARINE	2.03
SAMSUNG ELECTRONICS	1.93

Total holdings 91

Sector breakdown (%)

FINANCIALS	26.66
ENERGY	22.14
MATERIALS	9.25
INDUSTRIALS	9.05
TELECOMMUNICATIONS	8.70
CONSUMER DISCRETIONARY	8.20
INFORMATION TECHNOLOGY	8.15
CONSUMER STAPLES	3.47
UTILITIES	0.57

Country breakdown (%)

HONG KONG/CHINA	19.60
BRAZIL	18.57
RUSSIA	12.85
KOREA	12.42
INDIA	7.87
TAIWAN	6.18
SOUTH AFRICA	4.27
INDONESIA	3.88
MEXICO	2.93
MALAYSIA	2.81
OTHERS	4.81

Cash 3.81%

Fund management commentary

The MSCI Emerging Markets Total Return Index gained 0.36% in dollar terms in December, taking the full-year rise to 39.78%.

Having risen strongly through most of 2007, Chinese equities fell 4.45% in December after Beijing moved to slow economic growth with the aim of keeping inflationary pressures under control. India, Russia and Brazil, however, gained 7.55%, 4.51% and 2.93% respectively in December.

Russia benefited from strong energy prices and Dmitri Medvedev's uneventful selection to succeed Vladimir Putin. In Brazil, Petrobras, the state-controlled oil company, released positive news about its new oil field, sending the shares up 19.39%. Petrobras is the biggest holding in the New Star Global Emerging Markets Fund.

Political risks did, however, increase in South Africa and Pakistan. South Africa is economically the more significant. Pakistan has the more

worrisome global implications due to the assassination of Benazir Bhutto, which showed the risks associated with the country's nuclear weapons. In South Africa, Jacob Zuma toppled President Mbeki as leader of the ruling African National Congress. Zuma would normally expect to become president but corruption charges have been resurrected against him, increasing political tensions. South Africa fell 3.92% so the fund's relative lack of exposure contributed positively to relative performance.

Despite increased political risks in these countries, the prospects for emerging markets in 2008 are positive. The near-term outlook is clouded by fears of a significant global economic growth slowdown but the underlying prospects for many emerging market economies remain sound, boosted by high prices for oil and other commodities.

Past performance is not necessarily a guide to future performance. This document is for professional advisers, professional investors and financial institutions only and is not to be relied upon by private investors. Data source: © 2007 Morningstar, Inc. All Rights Reserved, performance data in fund's base currency, net of fees, gross income reinvested. Source for ex-post risk characteristics, MAS RPU. Source for market capitalisation, Style Research. All data since inception. The value of the investments in the fund may fall as well as rise as a result of market or exchange rate movements. Full details of the fund including risk factors can be found in the prospectus; this and the simplified prospectus are available upon request via the contact details above. For your protection, calls may be recorded and monitored. The manager of the fund is New Star Investment Funds (Ireland) Limited. The fund custodian is State Street Custodial Services (Ireland) Limited. New Star Global Investment Funds Plc is authorised by the Irish Financial Services Regulatory Authority (Irish Financial Regulator). The fund has been registered for distribution in Spain with the CNMV under number 407. This document has not been verified or approved by any relevant supervisory authority in the jurisdictions where the fund is registered. Issued by: New Star Asset Management (Bermuda) Ltd.