Global Equity

2009 Third Quarter Report

Composite Performance (%) For Periods Ending September 30, 2009[1]

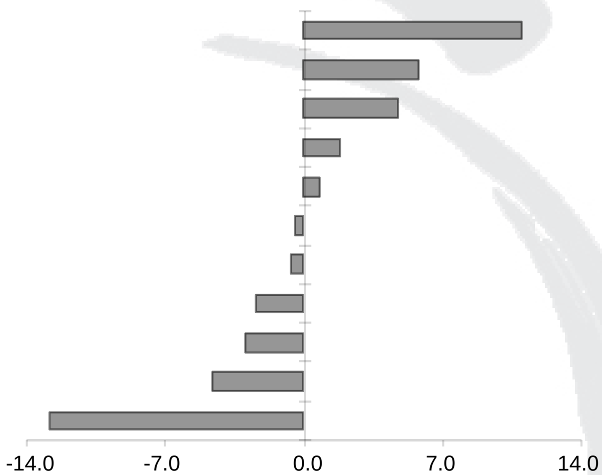
	3 Months	1 Year	3 Years[2]	5 Years[2]	10 Years[2]	Since Inception[2,3]	Volatility[4]
HL Global Equity (gross of fees)	17.70	7.79	2.34	9.39	5.63	9.47	14.42
HL Global Equity (net of fees)	17.61	7.40	1.85	8.86	5.02	8.72	14.34
MSCI All Country World Index[5]	17.99	0.53	-2.71	5.10	2.05	6.14	14.01
MSCI World Index	17.57	-1.64	-3.80	4.07	1.40	5.94	14.58

[1]The Composite performance returns shown are preliminary; [2]Annualized Returns; [3]Inception Date: November 30, 1989; [4]Annual Standard Deviation; [5]The Benchmark Index. Please read the above performance in conjunction with the footnotes on the back page of this report. Past performance does not guarantee future results.

Sector Exposure (%)

Sector	HL Glbl	MSCI ACW
Info Technology	22.8	11.8
Cons Staples	15.2	9.4
Health Care	13.8	9.1
Cons Discretionary	10.5	8.7
Cash	0.8	–
Materials	7.4	7.9
Industrials	9.3	10.0
Telecom Services	2.7	5.1
Energy	8.4	11.4
Utilities	0.0	4.6
Financials	9.1	22.0

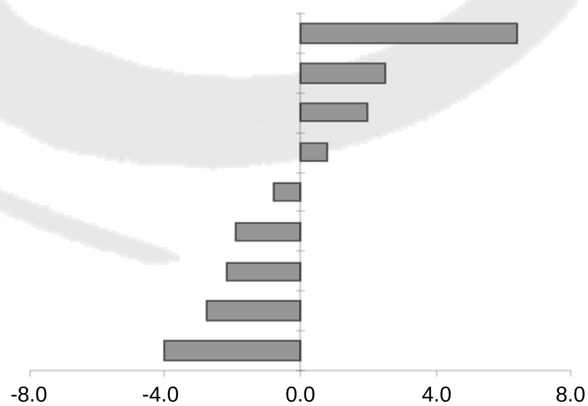
Over/Under The Benchmark



Geographical Exposure (%)

Region	HL Glbl	MSCI ACW
United States	48.2	41.8
Pacific ex-Japan	7.5	5.0
Other[1]	2.0	–
Cash	0.8	–
Europe ex-EMU	12.8	13.6
Japan	7.1	9.0
Canada	2.0	4.2
Emerging Markets	9.5	12.3
Europe EMU	10.1	14.1

Over/Under The Benchmark



[1]Includes countries outside the benchmark where some holdings are incorporated.

Market Review & Outlook

- Markets embrace risk again; Financials the top-performing sector.
- Tug of war between inflation and deflation forces.
- Top-line growth scarce and valuable.
- Cash flow generation still strong, and underpriced.
- M&A on the rise.

Portfolio Highlights

- Portfolio positioned for growth.
- Shift towards consumers pays off.
- Financials face uncertain future.

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Sector and region allocations are supplemental information only and complement the fully compliant Global Equity Composite GIPS Presentation.

Source: MSCI and S&P. MSCI and S&P do not make any express or implied warranties or representations and shall have no liability whatsoever with respect to any GICS data contained herein.

1989 - 2009
YEARS

Performance Summary

The Global Equity Composite rose 17.7% in the third quarter, close to the 18.0% return of the MSCI All Country World Index. For the year to date, the Composite has risen 36.4%, ahead of the 29.3% return of the Index.

Market Review

Markets posted another strong rise in the third quarter, albeit not as strong as in the second quarter. Once again, the Financials sector led the market, with a 26% advance, paced by a 28% rise in Banks. However, this quarter the rally broadened out, so the dispersion of performance from best to worst industry groups was less extreme than last quarter. Materials and Industrials both rose by around 20%, reflecting a growing confidence that the economic cycle globally has stopped falling and is reversing course. Many believe that the US recession ended in the second quarter. Utilities and Health Care were the laggards, similar to second quarter. For the year to date, Materials and Information Technology have garnered the best returns, thanks to their resilience in the difficult first quarter, while Utilities and Health Care remain at the bottom of the performance tables.

Geographically, strong returns were spread broadly, with the notable exceptions of Japan and the US. The eurozone in Europe rose 26% in US dollars, and Australia led the Pacific ex-Japan region with a 33% gain. Japan, facing political turmoil, returned barely one-third the benchmark return, at 7% (and actually declined in yen terms). The UK stock market, still the largest in Europe, was held back by the weakness of the British pound. Central and Eastern European markets such as Poland, Hungary, Russia and Turkey helped emerging markets to edge developed market by a small margin, but China, which features so prominently in analyses of the global economic recovery, turned in a stock market return that was less than half the Index, at 8%. The US market lagged the Index once again, returning 16%.

Currency movements significantly affected investor returns, with the euro gaining 4% against the US dollar, the Japanese yen rising 7% and the Australian dollar gaining 9%. The British pound, as mentioned above, fell 3% against the US dollar, and 7% against the euro.

Materials and Industrials both rose, reflecting a growing confidence that the economic cycle globally has stopped falling and is reversing course.

Style also played a role, with value sub-indices leading growth sub-indices in all regions except Japan. Riskier market segments outperformed less risky ones, with emerging markets outperforming (most) developed markets, and small-cap stocks outperforming large-cap stocks. Stocks of companies with high leverage outperformed those with low leverage, as did stocks of companies with low return on assets versus those with high returns. To a large degree, this is a manifestation of the continued embrace by investors of Financials, attempting to profit from an eventual turn in the credit cycle.

Sector Performance (%) of the MSCI ACW Index

Sector	3Q 2009	Trailing 12 months
	USD	USD
Consumer Discretionary	18.3	4.8
Consumer Staples	13.9	1.3
Energy	12.9	-3.5
Financials	25.9	-6.2
Health Care	12.3	-0.5
Industrials	19.8	-2.3
Information Technology	18.3	10.2
Materials	21.4	9.2
Telecom Services	13.3	4.9
Utilities	11.3	-3.7

Market Performance (%)

Market	3Q 2009	Trailing 12 months
	USD	USD
Canada	18.5	1.0
Germany	23.2	-1.9
Japan	6.6	-0.3
United Kingdom	18.5	-1.4
United States	15.6	-6.8
Europe EMU	25.8	2.5
Europe ex-EMU	20.1	1.7
Pacific ex-Japan	27.4	23.8
Emerging Markets	21.0	19.4
MSCI ACW Index	18.0	0.5

Source: Wilshire Atlas; MSCI Barra (as of September 30, 2009)

Bold indicates companies held in the portfolio during the quarter. The portfolio is actively managed therefore holdings shown may not be current. Portfolio holdings should not be considered recommendations to buy or sell any security. It should not be assumed that investment in the security identified has been or will be profitable. To request a complete list of holdings for the past year, please contact Harding Loevner. A complete list of holdings at September 30, 2009 is available on page six of this report.

Performance Attribution

The portfolio's return was in line with that of the benchmark. While the continued strong performance of Financials hurt relative performance due to our light allocation to that sector, that drag was more than offset by strong relative performance from our holdings within the Consumer Discretionary sector, where we own more than a benchmark weight. The portfolio benefited from good stock selection in several industry groups, including Retailing (**Li & Fung**), Consumer Durables and Apparel (**Swatch**), Food & Staples Retailing (**Walgreen**), Health Care Equipment & Services (**Cochlear**), and Software & Services (**eBay**). Offsetting good stock selection were a few that lagged their industry groups, including Food, Beverage & Tobacco (**Bunge**), Energy (**Exxon Mobil**), Technology Hardware & Equipment (**Qualcomm**, **Keyence**), along with Materials (**Sigma-Aldrich**).

Viewed geographically, the portfolio garnered few benefits from its regional allocations, which anyway do not vary much from the benchmark, although there was a small benefit from the wider underweight of Japan, offset by wrong-footed weights in Europe and the US. Good stock selection helped results in the UK (**Standard Chartered**), Switzerland (Swatch), Hong Kong (Li & Fung) and Japan (**Canon**, **JSR**), but that was offset by lagging results in Emerging Markets (**Gazprom**, **Telekom Indonesia**, **Teva Pharmaceuticals**), and Singapore (**Olam International**).

Outlook

The Extinction of Equity has been averted by massive government intervention—with spending up, money creation up, and direct intervention and ownership up—and the market now seems to have priced that. What comes next? Fiscal and monetary stimulus must be withdrawn. Fiscal, because the debt taken on to produce it cannot continue to mount at the current pace, as there is no lender large enough. Monetary, because the inflationary consequences down the road (when "animal spirits" revive) are well known. We have no special insight as to when or how well governments may manage this process, or indeed, whether it is even possible to manage it well, given the magnitude of the stimulus. One can view those who see no outcome but an inflationary one set against those who fear the deflationary impact of the collapse of securitization and derivative forms of lending as bettors at a titanic tug-of-war contest, where the most recent data should give temporary advantage to one side or another, but that much of the action may be small movements over the center line before the final outcome is known. It is likely that before the final result of the government stimulus and its reversal is known, there might be stop/start, pessimism/optimism cycles that give adherents of one camp or the other a brief whiff of victory that may shortly be countered by evidence for the other camp. For us, such a vacillating environment should favor businesses with strong franchises, adept management, and strong financial positions that are finding and funding their own growth opportunities.

Companies that are growing, or, at least, those with growth track records over the past five years including last year, have been outperforming companies without such track records; those with revenue growth and cash flow growth, in particular, have performed well this year. We believe this reflects the fear that earnings growth will be more difficult to achieve in the future than it has been in the past, so investors are gravitating to companies with organic growth opportunities and the management and competitive structures to turn those opportunities into cash flows that can find their way into shareholder pockets.

One can view those who see no outcome but an inflationary one set against those who most fear deflation as bettors at a titanic tug-of-war contest, where much of the action may be small movements over the center line before the final outcome is known.

We have been impressed by the surprising resilience of the operating cash flows and free cash flow margins of our companies during this recession. As you would expect from our focus on quality, the portfolio owns a number of companies that are posting record or near-record operating margins, even though business conditions are very difficult and revenues for some are down sharply. Health Care companies feature prominently in our list of resiliency champions, but so do **LVMH**, the luxury goods maker, **Praxair**, the industrial gas supplier, and **Oracle**, the database software developer. Russell Napier of CLSA argues that the condition is much more widespread, using government tax reporting statistics to show that aggregate operating cash flows of companies—at least in the US—are at all time highs, reported earnings notwithstanding.[1] Management efforts to build more variable cost structures and to cut costs promptly as the recession hit have created very resilient operating profits. Importantly, those profits remain available at depressed prices on the stock market, and in spite of the market rise to date, we expect those companies to continue to attract buyers, either

[1]Russell Napier, "Phase Two – Credit Cycle Begins," CLSA *Solid Ground*, September 22, 2009.

of the portfolio variety, or the companies themselves through share buybacks, or competitors/predators.

Already, there is a nascent revival of merger and acquisition activity, which is likely to be sustained after the drought of the last two years, which saw the debt-financed acquisition activity of private equity and other leveraged buyers disappear. This next wave is likely to be strategic buyers, companies with strong businesses, strong cash flows, and strong managements. This quarter saw several portfolio companies exhibit just such behavior. **Abbott Labs**, the US hospital supply and pharmaceutical company, announced that it may buy the pharmaceutical business of Solvay, paying over $6 billion in cash. The acquisition should improve the economics from drugs the two companies have already jointly developed, but it also should buy Abbott entry into the rapidly growing market for vaccine discovery. **Qiagen**, the German/Dutch molecular diagnostics company, announced the acquisition of DxS, which has developed methods for testing patients for the efficacy of proposed therapies where the presence or absence of a single gene can lead to drastically different outcomes. Li & Fung, the Hong Kong consumer products sourcing services company, announced that in addition to acquiring the apparel sourcing operations of Talbots, the US specialty retailer, it is in negotiations to buy/provide the supply chains of five separate European and American retailers, historically a highly accretive type of acquisition for them.

Ours is not overwhelmingly a defensive portfolio.... Only in Financials does our sector allocation bias have a "defensive" cast to it.

Portfolio Structure

Some may express surprise that our portfolio, composed of the stocks of high-quality, growing companies, has more or less kept up with the benchmark in such a strong market environment that has turned in favor of the levered, the volatile, and the profit-impaired. Let us hasten to point out that ours is not overwhelmingly a defensive portfolio. Although we do (as we long have) carry more weight than the benchmark in such non-cyclical sectors as Consumer Staples and Health Care, we own zero Utilities and only half the market weight in Telecom Services. The difference for us is that sustainable growth has been far easier to find in the former two sectors than in the latter two, highly-regulated sectors. But equally, we have found attractive growth prospects in companies in more cyclical industries, including chemicals, technology hardware, software, capital goods, media, retailing and consumer durables and apparel. Indeed, our large weight in the Information Technology sector, roughly double the benchmark weight, far exceeds the net exposure to the afore-mentioned non-cyclical sectors. Only in Financials, where clearly we have eschewed large exposure to the credit cycle (and, more specifically, the anticipation of its recovery), does our sector allocation bias have a "defensive" cast to it.

Since third quarter last year, we have made incremental, yet sustained, steps to re-orient the portfolio more toward resilient, even resurgent, consumer demand globally, a shift that has delivered welcome results this quarter.

One portfolio action we've taken over the last year or so has delivered welcome results this quarter. We have made incremental, yet sustained, steps to re-orient the portfolio more toward resilient, even resurgent, consumer demand globally, both in our holdings of more cyclical consumer-oriented companies, and in more consumer-facing technology companies. Fifteen months ago, the portfolio carried just half the benchmark weight in Consumer Discretionary companies (as the index purveyors describe the sector that includes autos, media, apparel, white goods, brown goods, and retailers.)

We began adding to that sector with the purchase of luxury handbag maker **Coach** and cruise ship operator Carnival (since sold due to its asymmetric exposure to the H1N1 flu epidemic). Since then, we have added new holdings each quarter, including office supply retailer **Staples**, luxury watchmaker Swatch, and advertising company **WPP**, so that our total weight now exceeds that of the benchmark by almost a quarter. That shift, begun in the third quarter last year, has been meaningful: since the end of September last year, the Consumer Discretionary sector has been one of the three best performing sectors. In addition, the companies we own in the sector, with a decided bias towards the growing importance of consumers in developing countries, have outperformed the global sector sub-index, both in the latest quarter and over the year. This good stock selection is one of the key contributors to our relative performance in an environment that doesn't necessarily favor our style. True to our philosophy and process, these are merely a group of high-quality, growing companies, bought at attractive prices when the market was obsessed by short-term considerations instead of longer-term growth prospects.

We remain skeptical, however, of the Financials sector. Quite apart from our qualitative distaste for the leverage and the low returns, we confess to finding few medium-term attractions in the sector in developed economies. While the specifics continue to be argued over, the thrust of political, and therefore regulatory, reaction to the crisis is clear: the financial industry may be much more constrained in its profit seeking in the future than it was in the past, by higher capital requirements, by greater liquidity regulation, and by consumer and taxpayer protection laws (via deposit insurance, for example). Meanwhile, the appetite for borrowing on the part of individuals in developed economies has been altered, perhaps for a generation. Together, we think that spells yet more dilution of existing shareholders and slow growth, for some time to come. Our preference has been for financial service companies operating within emerging markets, but the stocks of many good franchises have climbed into the priciest zone of our valuation measures, leaving us cautious. We have, however, made an addition in the sector with the purchase of M&A boutique advisory firm, **Greenhill**, which has used the turmoil created by the financial crisis to dramatically increase its number of rainmaker directors who are charged with bringing in clients and thus M&A revenues. These new hires, coming without the fancy pay packages of the past, should enable the company to more than double its earnings as the number of strategic deals revives over the next couple of years. Apart from that, we're content to stand aside.

Global Equity Holdings (as of September 30, 2009)

Sector/Company/Description	Country	End Wt. (%)
Consumer Discretionary		
Coach - Luxury accessories & apparel	US	2.3
Li & Fung - Trading & logistics	Hong Kong	2.6
LVMH Moët Hennessy - Luxury goods	France	1.1
Staples - Office supply retailer	US	2.4
Swatch Group - Watch manufacturer	Switzerland	1.3
WPP - Advertising & marketing services	UK	1.0
Consumer Staples		
Bunge - Agricultural commodity processor	Bermuda	2.1
Colgate Palmolive - Household products	US	1.7
L'Oréal - Personal care products	France	2.2
Nestlé - Food & beverage	Switzerland	1.1
Olam International - Agricultural products	Singapore	3.5
Procter & Gamble - Consumer goods company	US	1.8
Walgreen - Retail drugstore	US	3.0
Energy		
EnCana - Natural gas producer	Canada	2.0
Exxon Mobil - Integrated oil company	US	1.4
Gazprom - Natural gas producer	Russia	2.1
Sasol - Alternative fuels	South Africa	1.0
Schlumberger - Petroleum industry services	US	1.9
Financials		
Charles Schwab - Financial services provider	US	1.3
Erste Group Bank - Money center retail banking	Austria	1.0
Greenhill - M&A boutique advisory firm	US	1.0
JPMorgan Chase - Commercial & invest. bank	US	1.5
Standard Chartered - Commercial bank	UK	2.2
Wells Fargo - Commercial bank	US	2.1
Health Care		
Abbott Labs - Health care & pharma products	US	1.6
Cochlear - Hearing implants	Australia	1.4
Fresenius - Provider of renal equipment & care	Germany	1.0
Genzyme - Biotech	US	1.7
Medco Health Solutions - Pharmacy benefits	US	1.0
Novartis - Life sciences	Switzerland	1.1
Novo Nordisk - Biotechnology	Denmark	1.0
Qiagen - Biotech & instrumentation	Germany	0.9
So-Net M3 - Medical information services	Japan	0.9
Sonova Holding - Hearing-aid manufacturer	Switzerland	1.4
Synthes - Orthopedic products	Switzerland	0.7
Teva Pharmaceuticals - Pharma manufacturing	Israel	1.1

Global Equity Holdings (as of September 30, 2009)

Sector/Company/Description	Country	End Wt. (%)
Industrials		
3M Company - Industrial technology	US	2.2
China Merchants - Container terminal operator	China	1.4
Emerson Electric - Electronics controls	US	2.8
Fanuc - Indust. robots & machine tools	Japan	0.9
RPS Group - Consulting	UK	0.8
Sime Darby - Conglomerate	Malaysia	1.2
Information Technology		
Adobe Systems - Business/mobile software	US	2.2
Canon - Image & information equipment	Japan	1.3
Cisco Systems - Internet networking	US	2.8
Dassault Systemes - CAD/CAM software	France	1.4
eBay - Internet shopping/trading marketplace	US	2.9
Ericsson - Telecom eqpt & services supplier	Sweden	1.0
Google - Internet search & multimedia	US	2.5
Keyence - Detection devices	Japan	2.3
Nintendo - Videogame developer	Japan	0.6
Oracle - Enterprise software developer	US	1.7
Qualcomm - CDMA wireless communications	US	1.2
SAP - Enterprise software	Germany	1.0
Yahoo - Internet search & multimedia	US	2.2
Materials		
Air Liquide - Industrial gas producer & distributor	France	1.6
JSR - Specialty chemicals	Japan	1.2
Praxair - Industrial gas producer & distributor	US	1.3
Rio Tinto - Diversified mining	UK	1.4
Sigma-Aldrich - Chemical developer & mfg	US	2.0
Telecom Services		
América Móvil - Cellular phone operator	Mexico	1.4
Telekom Indonesia - Fixed-line & mobile	Indonesia	1.3
Utilities		
No holdings		

Portfolio holdings are supplemental information only and complement the fully compliant Global Equity Composite GIPS Presentation. The portfolio end weight excludes cash. The portfolio is actively managed therefore holdings shown may not be current. Portfolio holdings should not be considered recommendations to buy or sell any security. It should not be assumed that investment in the security identified has been or will be profitable. To request a complete list of portfolio holdings for the past year contact Harding Loevner.

Last Quarter

Largest Contributors (%)

	Sector	Weight	Contribution
Li & Fung	DSCR	2.3	1.05
eBay	INFT	2.8	0.92
Walgreen	STPL	2.7	0.76
Cisco Systems	INFT	2.7	0.68
Emerson Electric	INDU	2.7	0.65

Largest Detractors (%)

	Sector	Weight	Contribution
Oracle	INFT	1.9	-0.05
Nintendo	INFT	0.6	-0.04
Exxon Mobil	ENER	1.6	-0.02
Greenhill	FINA	0.0	0.00
Qualcomm	INFT	1.4	0.00

Last 12 Months

Largest Contributors (%)

	Sector	Weight	Contribution
Olam International	STPL	2.7	1.62
eBay	INFT	2.0	1.24
Li & Fung	DSCR	2.1	1.19
Bunge	STPL	2.3	0.97
Adobe Systems	INFT	1.3	0.86

Largest Detractors (%)

	Sector	Weight	Contribution
Gazprom	ENER	2.2	-0.81
Nomura Holdings	FINA	0.7	-0.81
Electronic Arts	INFT	0.4	-0.78
Swiss Re	FINA	0.3	-0.66
Sumitomo Realty & Dev	FINA	0.7	-0.61

The portfolio holdings identified above do not represent all of the securities held in the portfolio. It should not be assumed that investment in the securities identified has been or will be profitable. The following information is available upon request: (1) information describing the methodology of the contribution data in the charts above; and (2) a list showing the weight and contribution of all holdings during the quarter and the last 12 months. Past performance does not guarantee future results. In the charts above, "weight" is the average percentage weight of the holding during the period, and "contribution" is the contribution to overall performance over the period. Quarterly data is not annualized.

Portfolio Characteristics[1]

	HL Global	MSCI ACW
Wtd Median Mkt Cap ($Mil)	$30,124	$30,648
Return on Assets	10.0	5.3
Return on Equity	17.8	15.5
Std Dev of 5 Year ROE	3.9	4.4
Debt/Equity	20.1	44.1
Profit Margin	14.5	8.9
Sales Growth[2]	16.0	12.4
Earnings Growth[2]	12.4	10.4
CF Growth[2]	13.9	10.6
Dividend Growth[2]	6.4	6.4

Portfolio Statistics

	HL Global	MSCI ACW
Avg Wtd Mkt Cap ($Mil)	$50,840	$56,586
Price/Earnings[3]	19.9	20.4
Price/Cash Flow[3]	12.2	8.7
Price/Book[3]	2.7	1.8
Dividend Yield[3]	1.5	2.5
Alpha[4]	4.82	–
Beta[4]	0.94	1.00
R-Squared[4]	0.97	1.00
Sharpe Ratio[4]	0.02	-0.04
Standard Deviation[4]	21.35	22.39

[1]Weighted median; [2]Trailing five years, annualized; [3]Harmonic mean; [4]Trailing three years, annualized.

Purchases

Company	Country	Sector
Greenhill	United States	FINA

Sales

Company	Country	Sector
Logitech	Switzerland	INFT
Roche Holding	Switzerland	HLTH

Portfolio attribution and statistics are supplemental information only and complement the fully compliant Global Equity Composite GIPS Presentation. The portfolio is actively managed therefore holdings shown may not be current. Portfolio holdings should not be considered recommendations to buy or sell any security. The complete list of holdings at September 30, 2009 is available on the previous page.

Source: Wilshire Atlas (Run Date: October 8, 2009); Harding Loevner Global Equity Composite; MSCI Barra.

Harding Loevner Global Equity Composite Performance (as of September 30, 2009)

	HL Glbl Equity (Gross)	HLGlbl Equity (Net)	MSCI ACW[1]	MSCI World	Internal Dispersion[2]	Number of Accounts	Composite Assets ($M)	Firm Assets ($M)
2009 YTD[3]	36.43%	36.13%	29.30%	25.55%	N.A.[4]	4	1,281	5,883
2008	-37.98%	-38.27%	-41.84%	-40.33%	N.M.[5]	3	118	3,266
2007	17.62%	16.92%	12.18%	9.57%	N.M.	3	124	6,356
2006	19.24%	18.59%	21.53%	20.65%	N.M.	2	102	4,720
2005	17.22%	16.79%	11.37%	10.02%	N.M.	2	85	2,562
2004	9.02%	8.36%	15.75%	15.25%	N.M.	2	82	1,524
2003	32.45%	31.97%	34.63%	33.76%	N.M.	3	127	1,357
2002	-19.37%	-19.83%	-18.98%	-19.54%	0.6%	6	118	1,082
2001	-14.87%	-15.54%	-15.91%	-16.52%	0.4%	7	152	1,154
2000	1.28%	0.13%	-13.94%	-12.92%	N.M.	5	108	1,392
1999	38.90%	38.16%	26.81%	25.34%	N.M.	4	96	1,423

[1]Benchmark Index; [2]Asset-weighted standard deviation (gross of fees); [3]The 2009 performance returns and assets shown are preliminary; [4]N.A.–Internal dispersion less than a 12-month period; [5]N.M.–Information is not statistically meaningful due to an insignificant number of portfolios in the Composite for the entire year.

Global Equity Composite contains fully discretionary US dollar-based global equity accounts and for comparison purposes is measured against the MSCI All Country World Index (gross of foreign withholding taxes). Returns include the effect of foreign currency exchange rates. The exchange rate source of the benchmark is Reuters. The exchange rate source of the Composite is Bloomberg. Additional information about the benchmark, including the percentage of composite assets invested in countries or regions not included in the benchmark, is available upon request.

The MSCI All Country World Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global developed and emerging markets. The Index consists of 45 developed and emerging market countries. The MSCI World Index is a free float-adjusted market capitalization index that is designed to measure global developed market equity performance. The Index consists of 23 developed market countries. You cannot invest directly in these Indices.

Harding Loevner LP has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®). Harding Loevner is GIPS compliant and is verified by Ashland Partners & Company, L.L.P. Harding Loevner has received firm-wide GIPS verification beginning November 1, 1989. The most recent verification was for the Quarter ending March 31, 2009.

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Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Composite performance is presented gross of foreign withholding taxes on dividends, interest income and capital gains. Past performance does not guarantee future results. Additional information regarding the policies for calculating and reporting returns is available upon request.

The US dollar is the currency used to express performance. Returns are presented both gross and net of management fees and include the reinvestment of all income. Actual returns will be reduced by investment advisory fees and other expenses that may be incurred in the management of the account. The standard fee schedule generally applied to separate global equity accounts is 1.00% annually of the market value of assets up to $20 million; 0.50% of amounts from $20 million to $100 million; negotiable for amounts over $100 million. Actual investment advisory fees incurred by clients may vary. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year.

The Global Equity Composite was created on November 30, 1989.

HARDING LOEVNER LP
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