International Small Companies Portfolio

September 30, 2008

Investor Class

Ticker HLMSX

HARDING · LOEVNER®

Fundamental. Thinking. Worldwide.

Investment Philosophy

Harding Loevner utilizes a bottom up approach for building a diversified portfolio of high-quality growth stocks. It undertakes in-depth fundamental research to identify well-managed, financially strong companies that have sustainable competitive advantages that should allow them to grow profitably for long periods.

Fund Facts

CUSIP	412295883
Inception Date	03/26/07
Minimum Investment[1]	$25,000
Total Fund Assets	$3.61 M
Charge	None
Total # of Holdings	78
Net Expense Ratio^	1.75%
Gross Expense Ratio	9.94%
Turnover (1 Yr Average)	54%
Redemption Fee	*2.00% first 90 days*
Dividend Policy	Annual
NAV	$7.25

[1]Lower minimums available through selected fund distributors

^Harding Loevner has voluntarily agreed to cap the total annual fund operating expenses at 1.75% (on an annualized basis) of the average daily net assets of the Portfolio for an indefinite period.

Sector Weightings

Sector	*HLMSX*	*Benchmark**
Industrials	28.8%	21.3%
Health Care	14.8%	6.3%
Materials	13.5%	11.2%
Cons Discretionary	11.9%	15.2%
Info Technology	11.1%	9.3%
Cons Staples	9.9%	6.8%
Financials	6.4%	19.4%
Energy	0.0%	7.0%
Telecom Services	0.0%	0.9%
Utilities	0.0%	2.6%
Cash	3.6%	0.0%

Regional Weightings

Region	*HLMSX*	*Benchmark**
Europe EMU	25.3%	19.5%
Japan	18.8%	21.2%
Emerging Markets	18.7%	19.8%
Europe ex-EMU	17.0%	23.3%
Pacific ex-Japan	14.0%	8.2%
Canada	2.6%	8.0%
Cash	3.6%	0.0%

*MSCI All Country World ex-US Small Cap Index

Investment Objective

The International Small Companies Portfolio seeks long-term capital appreciation through investments in equity securities of small companies based outside the United States. Companies considered to be small are those with a market capitalization below $3 billion.

Total Returns

Average Annualized Total Returns
as of September 30, 2008

	Inception Date	3 month	1 year	Since Inception
International Small Companies Inv. Class - Net	03/26/07	-21.45%	-35.35%	-18.61%
International Small Companies Inv. Class - Gross		-21.10%	-34.21%	-17.13%
MSCI All Country World ex-US Small Cap Index		-25.28%	-37.29%	-22.39%

Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Portfolio may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling (877) 435-8105 or visiting www.hardingloevner.com. Performance data shown does not reflect the 2.00% redemption fee imposed on shares held less than 90 days. If it did, total returns would be reduced.

The Portfolio invests in foreign securities, which will involve greater volatility and political, economic, and currency risks, such as exposure to economies less diverse and mature than the U.S. or other more established foreign markets. Economic and political instability may cause larger price changes in emerging markets securities than other foreign securities. The portfolio invests in smaller companies which involve additional risks such as limited liquidity and greater volatility.

The MSCI All Country World ex-US Small Cap Index is a free-float market capitalization index that is designed to measure small cap developed and emerging market equity performance. The Index consists of 47 developed and emerging markets countries and targeting companies market capitalization range of USD 170 - 4,200 million in terms of the company's full market capitalization. You cannot invest directly in this Index.

All holdings and sector/region allocations are subject to review and adjustment in accordance with the Portfolio's investment strategy and may vary in the future, and should not be considered recommendations to buy or sell any security. The Portfolio is actively managed; therefore holdings may not be current.

Investment performance reflects fee waivers and in the absence of these waivers investment performance would be reduced.

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Ten Largest Holdings

	Industry	Country	% Assets
Synergy Healthcare	Health Care	United Kingdom	1.9%
Bradken	Industrials	Australia	1.7%
Boiron	Health Care	France	1.7%
Rathbone Brothers	Financials	United Kingdom	1.7%
Vic Tokai	Info Technology	Japan	1.7%
United Plantations	Cons Staples	Malaysia	1.6%
Pigeon	Cons Staples	Japan	1.6%
Lintec	Materials	Japan	1.6%
Gerresheimer	Health Care	Germany	1.5%
Sanford	Cons Staples	New Zealand	1.5%
Ten Largest Holdings			**16.7%**

Portfolio Characteristics

	HLMSX	Benchmark*		HLMSX	Benchmark*
Return on Assets	6.8%	5.0%	Avg Wtd Mkt Cap (mn)	$480	$1,080
Return on Equity[2]	14.8%	12.7%	Price/Earnings	10.1	11.9
Debt/Equity Ratio	7.9%	27.7%	Price/Cash Flow	6.9	7.6
Profit Margin	8.4%	7.2%	Price/Book	1.3	1.1
5 Year ROE	13.0%	10.5%	Alpha[4]	-6.29	0.00
Std Dev of 5 Year ROE	3.1%	4.2%	Beta[4]	0.80	1.00
Sales Growth[3]	13.9%	11.6%	R-Squared[4]	0.97	1.00
EPS Growth[3]	8.0%	9.1%	Sharpe Ratio[4]	-0.66	-0.57
CF Growth[3]	5.7%	6.1%	Standard Deviation[4]	18.86	23.11

*MSCI All Country World ex-US Small Cap Index; [2] Trailing one year; [3] Trailing five years, annualized; [4] Trailing one year.
Source: Wilshire Atlas (Run Date October 7, 2008) Based on the Portfolio's underlying holdings.

Average Weighted Market Capitalization: the product of a security's price & the number of shares outstanding. Price/Earnings: the ratio of a firm's closing stock price & its trailing 12 months' earnings/share. Price/Cash Flow: the ratio of a firm's closing stock price & its fiscal year end cash flow/share. Price/Book: the ratio of a firm's closing stock price & its fiscal year end book value/share. Return on Equity: the net income divided by total common equity outstanding, expressed as a percent. Alpha: a measure of risk-adjusted return. Beta: a measure of the portfolio's sensitivity to the market. R-Squared: a measure of how well a portfolio tracks the market. Sharpe Ratio: the return over the risk free rate per unit of risk. Standard Deviation: the statistical measure of the degree to which an individual value in a probability distribution tends to vary from the mean of the distribution. Return on Assets: net income for past 12 months divided by total assets. Earnings Per Share: portion of a company's profit allocated to each outstanding share of common stock. Debt/Equity Ratio: total long-term debt divided by total shareholder's equity. Profit Margin: relationship of gross profits to net sales.

The Portfolio's investment objectives, risks, charges and expenses must be considered carefully before investing. The Prospectus contains this and other important information about the investment company. It may be obtained by calling toll free (877) 435-8105, or visiting www.hardingloevner.com. Please read it carefully before investing.

While the Portfolio is "no load", management and other expenses still apply. Please refer to the Prospectus for further details.

The Portfolio is distributed by Quasar Distributors, LLC. 10/2008

Investment Adviser

Former global managers for the Rockefeller family formed Harding Loevner LLC, the Portfolio's adviser, in 1989. Its investment staff of 21 have an average of 18 years experience, and six years of tenure. Independent and employee owned, Harding Loevner manages $6 billion for foundations, endowments, pension plans, family office and individuals.

Portfolio Manager

Josephine Lewis
Portfolio Manager
Tulane University, BSM, 1997
University of Maryland, MBA, 2006
2 Years with firm
7 Years total investment experience

Robert Cresci
Lead Portfolio Manager
Boston College, BA, 1985
Fordham University, MBA, 1992
1 Year with firm
22 Years total investment experience

For More Information contact:

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