



HARDING · LOEVNER[®]

July 23, 2008

Dear Clients,

Affiliated Managers Group, Inc. (“AMG”) announced today that it is acquiring an interest in Harding Loevner equivalent to 60% of our equity. AMG is a NYSE-traded holding company with stakes in a diverse group of over twenty boutique money management firms. Each of these “affiliates” operates autonomously, and their respective managements retain substantial ownership in their firms. Among them are such highly-regarded firms as Third Avenue, Tweedy Browne and Friess Associates (Brandywine Funds).

This is obviously important news for Harding Loevner, its clients, employees, and shareholders, so we are writing to share with you our thinking behind the decision to enter into this relationship with AMG.

In the short run, the structure of the transaction provides a good measure of liquidity and opportunity for personal financial diversification for our 48 employee-owners, while preserving our culture of widespread equity participation. For the long run, it assures the continued stability of Harding Loevner that we and our clients have enjoyed in the past and value so highly.

Harding Loevner’s leadership team is committed to remaining in place for the next decade or beyond. David Loevner will remain as CEO and Simon Hallett as CIO. All other investment and managerial staff will also be just as they are now. Long-term employment contracts are in place for us and for other members of our Board, representing the most senior investment and management resources of Harding Loevner. These individuals, along with a number of other senior employees, will retain significant equity stakes even beyond the terms of those contracts. Further, we are putting in place a new equity-linked incentive plan that will extend the benefits of ownership throughout the company, consistent with our past practice.

Likewise, nothing will change for you, our clients. We retain our autonomy and our day-to-day operations will continue as they are. Importantly, the legal terms of our agreement with AMG guarantee the continuity and independence of our investment team and their investment process. We will continue to have the resources and the managerial authority necessary to re-invest in the human and other capital required to enable Harding Loevner to serve you successfully in coming years.

We believe that this transaction will enable us to maintain our focus on providing first-class investment products to our clients, and our standards of transparency and integrity with respect to those clients. For our colleagues, we can maintain our strong commitment to providing a place where thoughtful people can thrive, enjoy stimulating careers, and participate in the firm's success. In particular, the transaction enhances the opportunities for professional growth and reward for the younger generation at Harding Loevner by establishing a financial framework that will allow them eventually to acquire ownership interests from the founders and other longtime employees.

HARDING LOEVNER LLC

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But note it is very much the long run about which we are talking! Even the oldest of us are still young, in good health, loving what we do and enthusiastic about working for our clients for the foreseeable future. On the other hand, thinking about generational change well ahead of time means that the eventual transition of ownership to the next generation of the firm's leaders can be carried out in a way consistent with Harding Loevner's history of thoughtful, incremental change, ensuring continuity for our clients.

Of paramount importance to us when considering potential partners was to ensure that our firm would retain, through successive generations of colleagues, its essential character, including a focus on the interests of our clients. AMG's philosophy and proven record in this regard gave us the assurance that this would be the case.

Our new partner values highly the preservation of its affiliates' independence. AMG also values highly the preservation of equity ownership by employees of its affiliates. They are supportive of our efforts to put in place creative methods to incent and reward our employees now, and an effective program to increase ownership by the next generation of professionals over time. Both AMG and we strongly believe the opportunity for ownership has been a key element in attracting and retaining talented people in the past, and will be a key element in the future.

AMG has a long history of successful association with firms whose records and culture we admire, and is itself a firm whose own reputation and conduct are such that we can be proud of the association.

In summary then, this is a big step for Harding Loevner, but one that we believe ensures the continuity of our firm's team and culture for many years to come. In order for any transaction to be successful, the interests of all stakeholders—clients, employees, shareholders and the acquirer—have to be aligned. We believe that our choice of partner and the structure of this transaction accomplish this goal.

We look forward to discussing this development with you, and to serving you in the years to come.

Sincerely,

David R. Loevner
Chief Executive Officer

Simon Hallett
Chief Investment Officer