المجموعة المالية - هيرميس
EFG HERMES

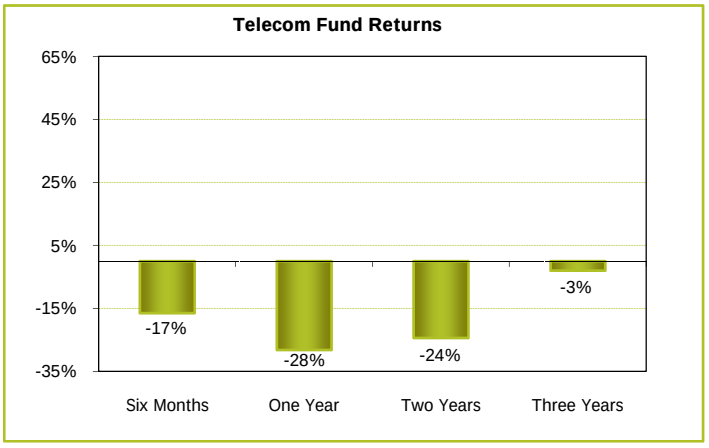
The EFG-Hermes Middle East & Africa Telecom Fund
March 31st, 2009

Fund Manager's Strategy & Outlook

As global markets rebounded in March, the EFG-Hermes Telecom Fund gained 5.2% to end the first quarter of 2009 on a positive note. On a YTD basis, the fund is down 3.3% versus declines of 9.2% and 6.5% for the MSCI Arabia and MSCI EMEA Telecom Indices, respectively. Investor sentiment turned bullish across global and regional markets as commodity prices rebounded and clarity was given on various stimulus packages. While the events of the last month were a small step towards recovery, the Investment Manager feels that volatility will continue to affect markets in the coming two quarters. Accordingly, the Fund will continue to be positioned in low correlation holdings with high dividend yields.

During the month, holdings in Kuwait, South Africa and Qatar contributed the bulk of returns. In Kuwait, the fund's positions in Zain and Wataniya Telecom (NMTC) contributed a large portion of the positive returns. Better than expected financial results from Zain, and the prospective end to political gridlock in Kuwait lifted share prices. In South Africa, the Fund's holding in MTN boosted returns as the company reported financial results that came ahead of expectations. Holdings in South Africa also benefitted from a strengthening of the local currency versus the dollar. Finally, Qatar Telecom reported strong results and announced a healthy dividend pay-out that gave investors a 10% yield.

While the quarter ended on a strong note, the Investment Manager remains cautious. In terms of the telecom sector, first quarter earnings should come in-line with expectations; the main concern is that other sectors may disappoint and consequently drag indices lower. During the coming period, the Investment Manager will be exploring opportunities in sub-Saharan Africa to increase diversification and maintain outperformance.



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Objective

Long-term capital appreciation through investing in listed and unlisted equities and equity-related securities of telecommunications, media, entertainment, information technology, internet and e-commerce companies and related infrastructure companies established or operating in the Middle East and Africa.

Fund Performance

Returns	Telecom Fund
Month to Date	5.2%
Year to Date	-3.1%
Six Months	-16.5%
One Year	-28.2%
Two Years	-24.4%
Three Years	-3.0%

Fund Information

NAV per share	USD 24.85
No. of Share Certificates	804,723
Launch Date	April, 2000
Listing	Dubai Financial Market
Structure	Open Ended
Management Fee	1.75%
Incentive Fee	15%
Benchmark	10% with a high watermark
Expense Ratio	2.6%
Minimum Subscription	USD 10,000
Subscription / Redemption	Monthly

Fund Identifiers

ISIN	BMG294021073
Sedol	0-415-433
Reuters Code	LCFR13, RSJA65, WDRIFMEA1
Bloomberg Ticker	EFGHTEL BH

Fund Characteristics

No. of Holdings	16
Wtd. Market Cap (mm)	USD 6,261
P/E Ratio 09	8.3x
Beta	0.29*
Sharpe Ratio	0.5
Standard Deviation	14.3%*

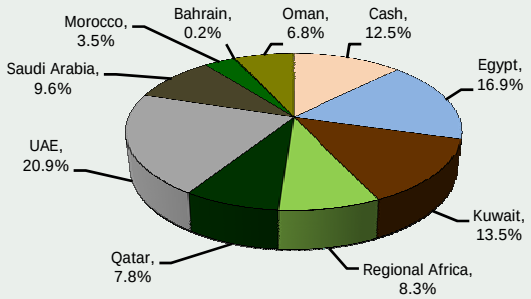
* Calculated against the MSCI EMEA Telecom Index

Top Holdings

Holding	Country*	% of NAV
Thuraya Telecom	UAE	16.1%
Telecom Egypt	Egypt	8.5%
Qatar Telecom	Qatar	7.8%
National Mobile Telecom	Kuwait	7.6%
Etihad Etisalat	Saudi Arabia	7.1%

* Country assigned by primary listing

Allocation by Country



This update does not constitute an offer of shares and should not be relied upon by any person acquiring or otherwise dealing in shares of the company. Subscription of shares in the company may only currently be made on the terms of the Placing Memorandum of the company. It should be noted that investment in the fund is only suitable for sophisticated investors who are aware of the risks of investing in The EFG-Hermes Telecom Fund Limited and should be regarded as long term. Please remember that past performance is not necessarily a guide to the future. Market and currency movements may cause the value of shares and the income from them to fluctuate and you may get back less than you invested when you decide to sell your share.