

# Global Core ex-Australia Equity Management

Third Quarter 2008

## Strategy Overview

### Key Facts

#### Assets Under Management

\$344 million

#### Benchmark

MSCI World ex-AUD Index

#### Inception

May 1998

#### Investment Vehicles

Separate Account, Commingled Vehicle

### Key Stats & Risk Management

Typical Holdings 160-190 stocks  
 Country Weights +/-2% vs. benchmark  
 Sector Weights +/-2% vs. benchmark  
 Industry Weights +/-3% vs. benchmark  
 Targeted Turnover 70-100%  
 Targeted Alpha 2-4%

### Team

William S. Patzer, CFA, leads a portfolio team which manages \$3.6 billion in total assets.

### Objective

Global Core Equity seeks to outperform the MSCI World ex-AUD Index or other customized global benchmark over a long-term investment horizon.

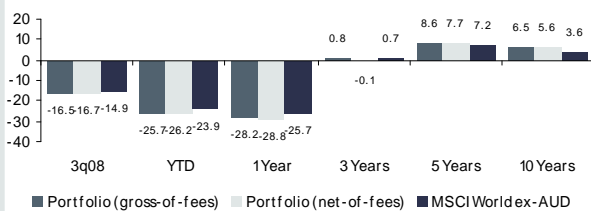
### Strategy Highlights

- The Global Core ex-Australia Equity Strategy is earnings focused, research driven and risk aware. Security selection is the cornerstone of the investment philosophy.
- The strategy uses a combination of fundamental and quantitative research techniques which are essential to identification of stocks exhibiting attractive valuation and improving momentum. Risk controls seek to reinforce the disciplined process, limit risk, maximize liquidity and provide diversification of securities and sectors.
- The collaborative team approach of US, non US and Core Research Analysts, is designed to maximize interaction among professionals with different areas of expertise and lead to decisions in which the best ideas are incorporated in the portfolio.

## Performance Review

### Annualized Performance Results

(% as of 9/30/08)



### Annual Composite Performance

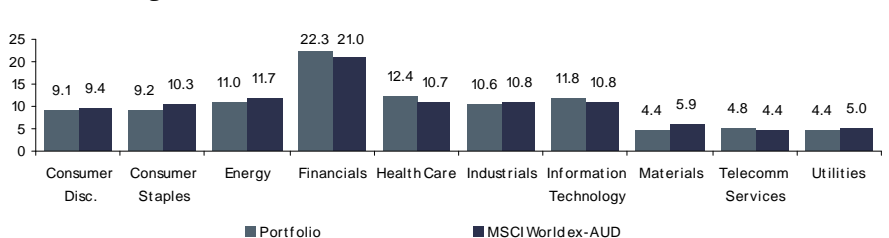
	2007	2006	2005	2004	2003	2002	2001	2000	1999	5/1/98 - 12/31/98
Gross-of-Fees Return (%)	8.1	23.8	12.8	17.6	35.5	-14.0	-8.5	6.4	6.4	-3.3
Net-of-Fees Return (%)	7.2	22.7	11.8	16.6	34.4	-14.7	-9.2	5.5	5.5	-3.9
MSCI World ex-AUD (%)	8.5	19.8	9.3	14.4	32.8	-20.2	-17.1	-13.2	25.0	7.8

## Quarterly Review

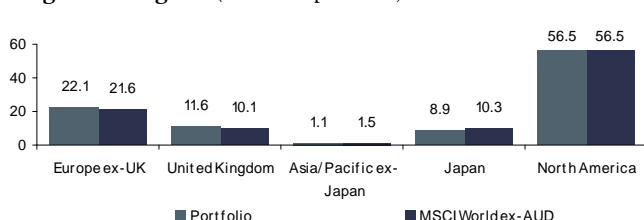
### Portfolio Characteristics

	Portfolio	Index
5 Yr. EPS Growth Rate	20.4%	18.5%
Price/Earnings Ratio	10.3x	11.1x
Price/Book Value Ratio	1.7x	1.7x
Price/Cash Flow	6.3x	6.9x
Wtd. Avg. Market Cap	\$59.2B	\$66.1B
Median Market Cap	\$16.4B	\$6.1B

### Sector Weights (as a % of portfolio)



### Region Weights (as a % of portfolio)



### Five Largest Active Weights

Holding Name	Country	Percent
ConocoPhillips	United States	1.8
Exxon Mobil	United States	0.0
Chevron	United States	2.0
Baxter International	United States	1.3
Sempra Energy	United States	1.1
<b>Total</b>		<b>6.2%</b>

All data is as of 9/30/08 unless otherwise noted. Not an offer to sell, or a solicitation of an offer to purchase, any securities. Past performance is not a guarantee for future performance. No investment strategy or risk management technique can guarantee returns or eliminate risk in any market environment. Please refer to the back page for other important disclosures.

# Global Core ex-Australia Equity Management

## Disclosure

Period	Gross-of-Fees Return (%)	Net-of-Fees Return (%)	MSCI World ex-Australia Return (%)	Number of Portfolios (#)	Standard Deviation (%)	Total Composite Assets (\$mm)	Total Firm Assets (\$mm)
5/1/98 - 12/31/98	-3.34	-3.89	7.83	2	N/M	\$80	\$22,314
1999	6.43	5.54	25.03	2	N/M	\$148	\$24,119
2000	6.41	5.52	-13.22	2	N/M	\$154	\$28,939
2001	-8.46	-9.24	-17.06	2	N/M	\$138	\$23,491
2002	-13.95	-14.68	-20.18	2	N/M	\$127	\$20,670
2003	35.53	34.41	32.78	2	N/M	\$224	\$34,300
2004	17.57	16.59	14.39	4	N/M	\$451	\$49,492
2005	12.77	11.83	9.34	5	N/M	\$680	\$59,997
2006	23.76	22.73	19.80	4	N/M	\$514	\$72,747
2007	8.10	7.19	8.50	4	N/M	\$640	\$53,308

N/M = not meaningful

### Compliance Statement

The Boston Company Asset Management, LLC claims compliance with the Global Investment Performance Standards (GIPS®).

### Definition of the Firm

The firm is defined as The Boston Company Asset Management, LLC (TBCAM), a registered investment adviser established in 1970 and wholly-owned indirect subsidiary of The Bank of New York Mellon Corporation. Effective January 1, 2008, The Boston Company Asset Management LLC includes the following subsidiary, The Boston Company Asset Management NY, LLC. This Composite may also include assets managed by TBCAM personnel serving as dual officers of affiliated companies other than wrap accounts managed in a dual officer capacity. As of December 31, 2007, total firm assets were \$53.3 billion of which \$24.3 billion represented assets managed in a dual officer capacity. Assets under management represent discretionary and non-discretionary assets and exclude assets over which TBCAM monitors under a safekeeping rule.

### Composite Description

The Global Core ex-Australia Equity Composite creation date is May 1, 1998. The Composite is composed of all fee-paying, discretionary accounts managed by TBCAM in this investment style. The Global Core ex-Australia Equity Composite represents a global equity strategy that primarily invests in core companies organized or doing business in the countries included in the benchmark. On August 6, 2007, the portfolio management team responsible for the strategy left TBCAM with the exception of one analyst. There was no significant change to the investment process and investment models used to manage the strategy. Prior to June 1, 2006, the Global Core ex-Australia Equity Composite was known as the Global Core Equity Composite.

The performance presented prior to July 1, 2003 occurred while the investment personnel were employed at an affiliated firm. No material change in investment personnel responsible for the investment process occurred on July 1, 2003 when the investment personnel were integrated into TBCAM. Returns include realized and unrealized gains and losses plus income. The performance of the Composite is expressed in U.S. dollars and is net of withholding taxes on dividends and interest income where applicable. Additional information regarding policies for calculating and reporting returns is available upon request.

### Benchmark

The Composite's benchmark is the MSCI World ex-Australia Index. The MSCI World ex-Australia index is net of withholding tax calculated at the maximum rate applicable to foreign non-resident institutional investors that do not benefit from double taxation treaties. The benchmark is used for comparative purposes only and is not covered by the Report of Independent Accountants. The MSCI World ex-Australia Index is a benchmark of global developed equity markets, excluding Australia.

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To receive a complete list and description of TBCAM composites and/or a presentation that adheres to the GIPS standards, please contact [marketing@tbcam.com](mailto:marketing@tbcam.com).

## Contact

For more information about our strategies please contact:

### Head of Institutional Distribution

Richard K. Watson  
[watson.rk@tbcam.com](mailto:watson.rk@tbcam.com)  
(617) 722-6903

### Director of Sales & Marketing

Michael P. Palermo  
[palermo.mp@tbcam.com](mailto:palermo.mp@tbcam.com)  
(617) 722-7548

### Director of Client & Consultant Relations

Daniel J. McCormack  
[mccormack.dj@tbcam.com](mailto:mccormack.dj@tbcam.com)  
(617) 722-7376

[www.thebostoncompany.com](http://www.thebostoncompany.com)

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ASSET MANAGEMENT, LLC