

Investment Review

The Hereford/DSM US Large Cap Growth Sub-Fund depreciated 0.59% for the month of September compared to a 1.30% return for the Russell 1000 Growth Index and a 2.06% return for the S&P 500 both including dividends. At the end of September, the Sub-Fund was invested primarily in the technology, health care and consumer discretionary sectors, with smaller weights in the financials, consumer staples and industrials sectors.

For the month, the Sub-Fund trailed the benchmark by approximately 71 bps. This was primarily the result of the Manager's selections in the health care and consumer discretionary sectors. The Manager's selections in the financials sector as well as the slight overweight in financials versus the benchmark benefitted performance. In September, the positions that contributed the most to the portfolio's return were Charles Schwab, Tencent Holdings, Abbott Laboratories, Wynn Resorts and Alphabet. The positions that contributed the least in the month were Regeneron Pharmaceuticals, Norwegian Cruise Line Holdings, Allergan, Royal Caribbean Cruises and Adobe Systems.

Manager's Commentary

The strong earnings growth in 2016, which comfortably exceeded 20% on a weighted average basis, has been followed by 30% earnings growth over the first half of 2017. Despite some weakness in September, the Manager believes that the strength of earnings continues to drive performance. With portfolio earnings expected to grow at a high-teens rate through 2020, and the portfolio valued at approximately 22.3x 2018 earnings based on the Manager's calculations, the Manager believes the portfolio is attractively priced.

The Manager continues to expect an extended, slow-growth global economic cycle driven by low inflation and low interest rates. With a multi-year outlook of stable 3% global growth, the Manager believes that this will prove to be a longer, albeit slower, global growth cycle than the majority of previous growth periods. The Manager maintains its long-standing opinion that global equity markets will continue to generate a total return over the coming years in the 5% to 9% range driven by steady global economic growth, low inflation which causes interest rates to remain moderate, reasonable valuations (given a low inflation world) and strong corporate earnings. If President Trump moves forward with pro-growth income tax cuts, corporate tax reform, eased regulatory restrictions, repatriation of capital trapped abroad and pragmatic energy policies, the Manager believes US economic growth may improve thereby providing a boost to global growth.

In the Manager's opinion, DSM Capital is identifying predictable quality-growth companies better than at any point in its nearly sixteen-year history. The portfolio remains focused on unique businesses characterized by strong balance sheets and significant free cash flow. Granted, although several well-publicized macro and geopolitical risks remain of concern to investors, the positive scenario of moderate global inflation, low interest rates, an extended-steady/slow global economic growth cycle, growing global corporate earnings, normal global market valuations given a low-inflation world and an improving and increasingly stable global financial system, as well as the possibility of US tax reform, continues to form the foundation of an upwardly driven global equity market.

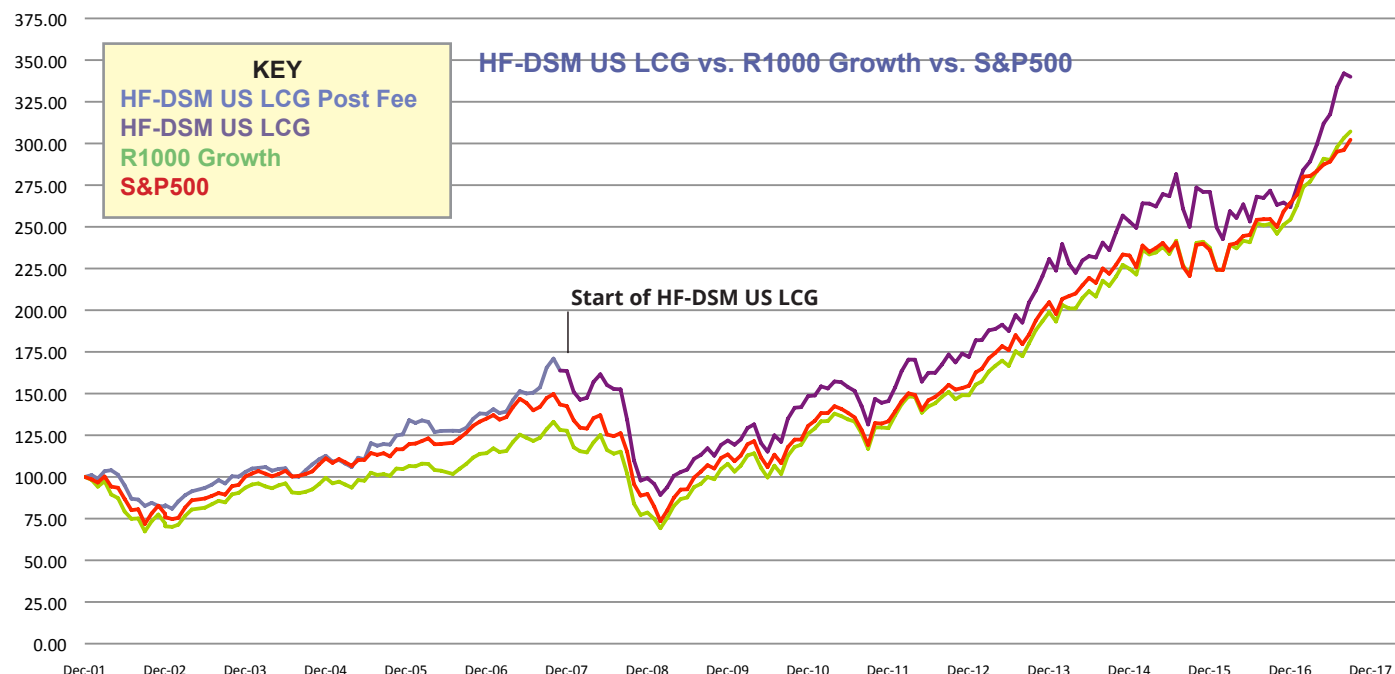
Key Information

NAV A Shares (30/09/17) US\$ 207.6
Total Fund Size (all share classes) US\$ 95.3m

Strategy Assets US\$ 5,158.4m^(a)
Fund Launch Date 29-Nov-07

Monthly Performance (%)													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
HF-DSM US LCG	4.7	3.7	1.8	3.5	4.2	1.8	5.1	2.5	(0.6)				29.8
Russell 1000 Growth ^(c)	3.4	4.2	1.2	2.3	2.6	-0.3	2.7	1.8	1.3				20.8
S&P 500 ^(c)	1.9	4.0	0.1	1.0	1.4	0.6	2.1	0.3	2.1				14.3

Period Performance (%)	YTD	2016	2015	2014	2013	2012	2011	2009	2009	2008	2007	2006	2005	Cumulative	Annualised
HF-DSM US LCG Returns ^(b)	29.8	(3.3)	7.0	9.7	34.1	18.2	(2.0)	21.9	22.8	(39.3)	18.7	9.8	11.4	240.0	7.95%
Russell 1000 Growth ^(c)	20.8	7.1	5.7	13.1	33.5	15.3	2.6	16.7	37.2	(38.4)	11.8	9.1	5.3	202.2	7.16%
S&P 500 ^(c)	14.3	12.0	1.4	13.7	32.4	16.0	2.1	15.1	26.5	(37.0)	5.5	15.8	4.9	207.2	7.27%



Top Ten Holdings

Adobe Systems	Regeneron Pharmaceuticals
Alibaba Group	Royal Caribbean Cruises
Alphabet (Cl. A)	Tencent Holdings
Facebook	Visa
Priceline Group	Zoetis

Sectoral Breakdown	% of Assets
Information Technology	48.3%
Health Care	19.7%
Consumer Discretionary	18.2%
Financials	5.8%
Consumer Staples	4.2%
Industrials	3.2%

Investment Objective

The investment objective of the HF-DSM US LCG is to provide capital appreciation principally through investments in US-based growing corporations with market capitalizations generally above US\$ 5 billion. These companies are chosen for their growth prospects, attractive returns, solid business fundamentals and intelligent management. The sub fund may, on an ancillary basis, invest in US-based companies with lower market capitalizations as well as in non-US based companies. The Compartment may invest in American Depositary Receipts and American Depositary Shares. The reference benchmark for this strategy is the Russell 1000 Growth Index.

Fund Codes	Since inception	HF-DSM US LCG	HF-DSM US LCG Composite	R1000 Growth
Bloomberg	Volatility	n/a	14.6	14.5
ISIN	Sharpe Ratio	n/a	0.5	0.4
Reuters	Information Ratio	n/a	0.1	
Sedol	Tracking Error	n/a	6.5	
	Beta	n/a	0.9	
WKN	Alpha	n/a	1.3	

Fund Details

Dealing Day	Daily
Dividends	None - income accumulated within the fund
Investment Manager	DSM Capital Partners LLC 116 Radio Circle Drive, Suite 200, Mount Kisco, NY 10549, USA
Management Company	EFG Fund Management S.A. 56, Grand-Rue, L-2013 Luxembourg
Custodian	EFG Bank (Luxembourg) S.A. 56, Grand-Rue, L-2013 Luxembourg
Legal Advisers	Elvinger, Hoss & Prussen 2 Place Winston Churchill, L-1340 Luxembourg
Auditor	Deloitte Audit S.à.r.l. 560 Rue de Neudorf, L-2220 Luxembourg

Order Transmission Information

Original Applications To:

European Fund Administration
Attn.: TA Operations and Shareholder
Services
2 rue d'Alsace
L-1122 Luxembourg

Subsequent Applications Only Via Facsimile:

European Fund Administration
Attn.: TA Operations & Shareholder
Services Fax: +352 4865 61 8002
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- This refers to the total assets invested in the reference strategy managed by the Investment Manager.
- Data and graph depict DSM Composite through November 2007 and Hereford Funds DSM US Large Cap Growth Fund Class A thereafter. Historical gross performance of DSM Large Cap Composite returns (the Reference Strategy) is net of modeled fee and expense typical of Hereford Funds DSM US Large Cap Growth Fund Class A (1.25% fee + 0.25% expense). Fund follows same strategy. Performance presentation incomplete without accompanying footnotes as shown at www.dsmcapital.com.
- Total return including dividends.
- The fund is registered with the BaFin for public distribution in Germany from 17/10/12, registered with the AFM for public distribution in the Netherlands and registered with the AMF for public distribution in France.
- Share Class U has been granted Reporting Status by HMRC as of October 1, 2010.
- Share Class D is German tax registered from October 1, 2010.

France - Centralizing Correspondent as defined by French Regulation:
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Annual Management Charge

Share Class A & U ^(e)	1.25%
Share Class D ^(f)	1.75%

Minimum Investment

Share Class A & U ^(e)	\$100,000 initial / \$10,000 subsequent
Share Class D	\$10,000 initial / \$1,000 subsequent

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