



Investment Review

The Hereford/DSM Large Cap Fund NAV depreciated (2.1%) for the month of January compared to a (4.4%) depreciation for the Russell 1000 Growth index and a (3.6%) depreciation for the S&P500. The majority of the fund continues to be invested in the health care, technology, consumer, business services and financial services sectors.

At the end of January, the Fund was invested primarily in the health care, technology, consumer, business services, and financial services sectors, with a smaller weight in the materials sector.

During the month, the Fund exceeded its benchmark, on a gross-of-expense basis, by 236 basis points. This was primarily of the result of DSM's stock selections in health care but also a result of DSM's overweight in health care.

In January, the best performing positions in the portfolio were Genzyme, Varian Medical, Novo Nordisk and Dolby Labs. The worst performers in January were Google, Qualcomm, Apple Computer and NetApp (data storage systems).

Also in January, the Fund exited positions in St. Jude Medical and CVS Caremark. St. Jude, though a strong medical device company, is facing pricing pressure from one competitor which may take a number of quarters to run its course. CVS Caremark appears to have done a poor job in the Caremark (pharmacy benefit manager) side of their business, creating a headwind for overall company earnings.

The Fund initiated positions in Allergan (prescription and over-the-counter eye care, and the maker of Botox cosmetic and Botox therapeutic) and in Priceline (allows internet purchase of travel services at advantageous prices).

Key information

NAV A Shares (29/01/10): US\$ 72.83

Total Fund Size: US \$58.7 mil

Strategy Assets: US\$2,088.8 mil^(a)

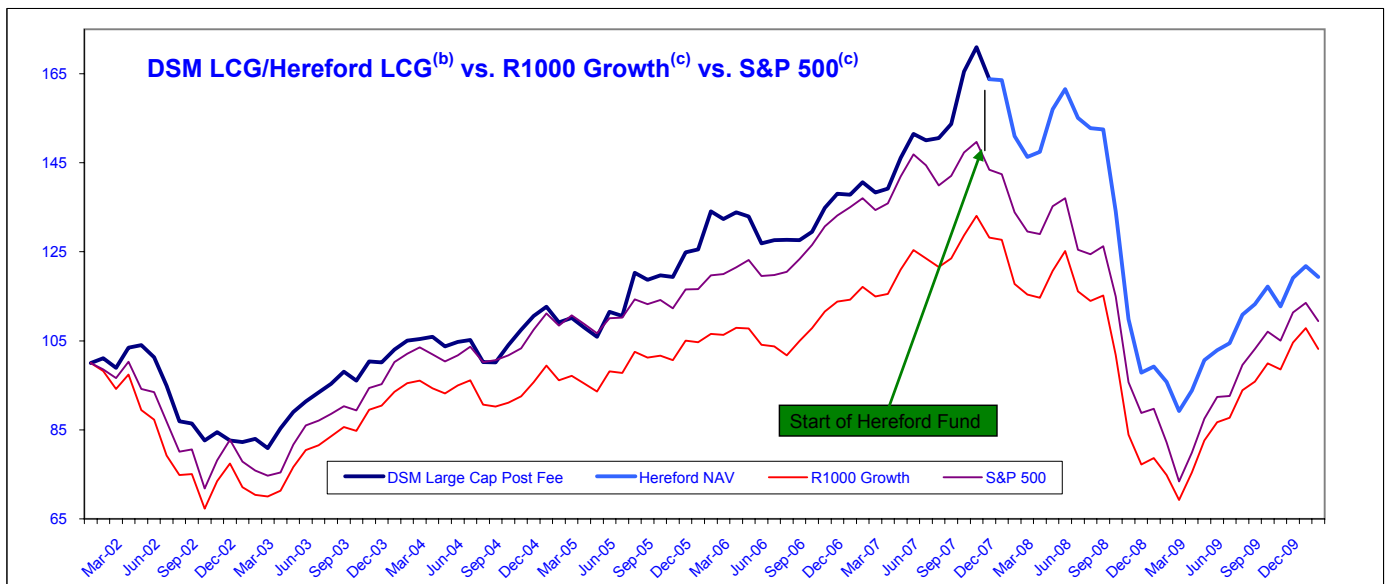
Fund Launch Date: 29-Nov-07

Monthly Performance (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Hereford Funds NAV	(2.1)												(2.1)
Russell 1000 ^(c)	(4.4)												(4.4)
S&P 500 ^(c)	(3.6)												(3.6)

Period Performance (%)

	2010	2009	2008	2007	2006	2005	2004	2003	2002	Since Inception 01/01/02 Cumulative	Annualised
DSM LCG/Hereford LCG Returns ^(b)	(2.1)	22.8	(39.3)	18.7	9.8	11.4	9.4	25.2	(17.7)	19.3	2.2
Russell 1000 ^(c)	(4.4)	37.2	(38.4)	11.8	9.1	5.3	6.3	29.7	(27.9)	3.2	0.4
S&P 500 ^(c)	(3.6)	26.5	(37.0)	5.5	15.8	4.9	10.9	28.7	(22.1)	9.4	1.1





Top Ten Holdings

Apple Computer
 Celgene
 Cognizant Technology Solutions
 Dolby Laboratories
 Genzyme
 Google
 Monsanto
 Novo Nordisk A/S
 Stryker
 Varian Medical Systems

Sectoral Breakdown

% of Assets

Health Care 37.5%
 Information Technology 25.2%
 Services 10.4%
 Financials 9.7%
 Consumer Discretionary 4.7%
 Materials 4.5%
 Consumer Staples 4.5%

Investment Objective

The investment objective of the LCG sub fund is to provide capital appreciation principally through investments in US-based growing corporations with market capitalizations generally above 2 billion dollars. 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 Depository Receipts and American Depository Shares. The reference benchmark for this strategy is the Russell 1000 Growth Index.

Fund Codes (Share Class A)		Since Inception Risk Profile	Hereford DSM US LCG	DSM LCG Composite	R1000 Growth
Bloomberg	DSMUSLA LX	Volatility	n/a	14.6	15.9
ISIN	LU0327604228	Sharpe Ratio	n/a	0.0	-0.1
Reuters	LP65102015	Information Ratio	n/a	0.2	
Sedol	B28TLX2	Tracking Error	n/a	8.0	
Valoren	3504726	Beta	n/a	0.8	
WKN	A0M58T	Alpha	n/a	1.4	

Fund Details

Dealing Day Daily
 Dividends None - income accumulated within the fund
 Investment Manager DSM Capital Partners LLC, 320 East Main Street, Mount Kisco, NY 10549, USA
 Promoter VP Bank (Luxembourg) S.A., 26 Avenue de la Liberté, L-1930 Luxembourg
 Authorized Corporate Director VPB Finance S.A., 26 Avenue de la Liberté, L-1930 Luxembourg
 Custodian VP Bank (Luxembourg) S.A., 26 Avenue de la Liberté, L-1930 Luxembourg
 Legal Advisers Elvinger, Hoss & Prussen, 2 Place Winston Churchill, L-1340 Luxembourg
 Auditor Deloitte, 560 Rue de Neudorf, L-2220 Luxembourg

Annual Management Charge

Share Class A & U^(f) 1.25%
 Share Class B 0.25% + 20% performance fee on outperformance vs US T-Bill with HWM
 Share Class C^(e) 1% + 20% performance fee on outperformance vs US T-Bill with HWM
 Share Class D 1.75%

Minimum Investment

Share Class A&B \$100,000 initial / \$10,000 subsequent
 Share Class C&D \$10,000 initial / \$1,000 subsequent

Order Transmission Information

Original Applications To:

VPB Finance S.A.
 attn. Fund Operations / TA-HFF
 P.O. Box 923
 L-2019 Luxembourg
 or, for transmissions via courier service,
 26, avenue de la Liberté, L-1930 Luxembourg

Subsequent Applications Only Via Facsimile:

VPB Finance S.A.
 attn. Fund Operations / TA-HFF
 Fax : (+352) 404 770 283
 Tel: (+352) 404 770 260
 e-mail: luxfunds.info@vpbank.com

- (a) This refers to the total assets invested in the reference strategy managed by the Investment Manager.
 (b) 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
 (c) Total return including dividends.
 (d) The fund is registered with the AFM for public distribution in the Netherlands.
 (e) Share Class C is German tax registered from 4/1/08.
 (f) Share Class U has UK Distributor Status as approved by HMRC

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