



February 2009 Investment Review

The Hereford/DSM Large Cap Fund depreciated (6.8)% for the month of February compared to a (7.5)% depreciation for the Russell 1000 Growth index and a (10.7)% depreciation for the S&P500. The majority of the fund is invested in the health care, information technology, and services sectors. The weighted average P/E of the portfolio is 13.4x, which we feel is attractive relative to our long-term estimated earnings growth of 18%.

Clearly the world faces a serious recession. Key statistics are worsening and in some cases accelerating - from housing prices and consumer spending to manufacturing indices and various leading indicators. These problems are worldwide. But despite the immediate evidence of the severity of the turndown, leading economists continue to see the first quarter in the United States as the most negative. Many believe that by the fourth quarter of 2009 the economy may possibly be "flat" as compared to the fourth quarter of 2008. In other words, despite the extraordinary contraction of leverage and ensuing tight credit, the general view is that the recession will bottom and then recover as have previous recessions.

None of this will unfold exactly as we or anyone else expects. Therefore, our job is to build a portfolio that generates revenue and earnings growth from businesses that we believe we understand and that we can forecast. Given the current state of the world economy, that job is more challenging than at other times. That said, clearly healthcare is a prudent place to invest. We have identified a number of specific companies whose businesses we believe are more "protected" from the current economic travails than others. In addition to our large (40% plus) health care weight, for sensible balance and diversity in the portfolio, we also have exposure to staple goods, business services, technology, financials and special situations.

During the month of February, we made a few changes to the portfolio. We initiated a position in St. Jude Medical (STJ). STJ is a leading manufacturer of implantable cardiac devices that has been steadily gaining share and has several fast-growing new products. We have also added to our positions in Google, Visa and Western Union. We have trimmed our positions in Automatic Data Processing and Amazon. We had also trimmed, and then added to our position in Novo Nordisk as price changes required.

Key information

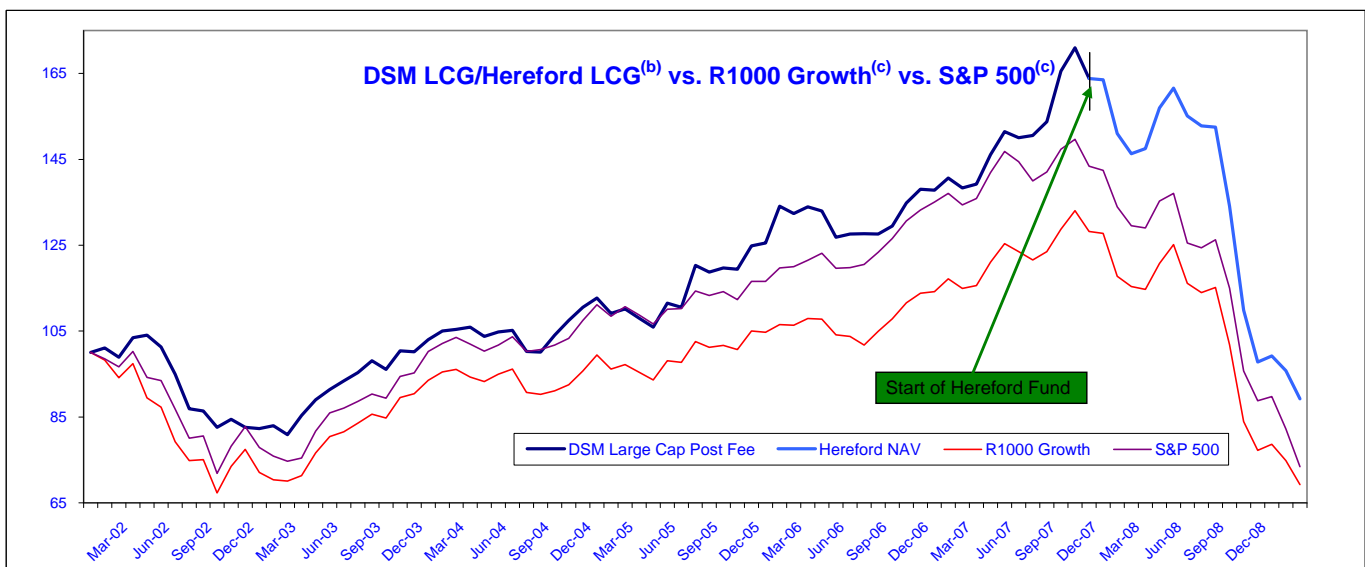
NAV A Shares (30/01/09): US\$54.47
 Total Fund Size: US \$36.1 mil
 Strategy Assets: US\$1,040.8 mil^(a)
 Fund Launch Date: 29-Nov-07

Monthly Performance (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Hereford Funds NAV	(3.5)	(6.8)											(10.1)
Russell 1000 ^(c)	(4.8)	(7.5)											(12.0)
S&P 500 ^(c)	(8.4)	(10.7)											(18.2)

Period Performance (%)

	YTD	2008	2007	2006	2005	2004	2003	2002	Since Inception 01/01/02	
									Cumulative	Annualised
DSM LCG/Hereford LCG Returns ^(b)	(10.1)	(39.3)	18.7	9.8	11.4	9.4	25.2	(17.7)	(10.8)	(1.6)
Russell 1000 ^(c)	(12.0)	(38.4)	11.8	9.1	5.3	6.3	29.7	(27.9)	(30.8)	(5.0)
S&P 500 ^(c)	(18.2)	(37.0)	5.5	15.8	4.9	10.9	28.7	(22.1)	(26.6)	(4.2)





Top Five Holdings

	% NAV	Sectoral Breakdown	% of Assets
Celgene	8.1%	Health Care	42.4%
Genzyme	7.1%	Information Technology	14.4%
Monsanto	6.4%	Services	10.6%
Google	5.2%	Financials	9.5%
C. R. Bard	4.0%	Consumer Staples	9.1%
		Materials	6.4%
		Consumer Discretionary	2.4%

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	15.4
ISIN	LU0327604228	Sharpe Ratio	n/a	-0.3	-0.5
Reuters	LP65102015	Information Ratio	n/a	0.4	
Sedol	B28TLX2	Tracking Error	n/a	8.1	
Valoren	3504726	Beta	n/a	0.8	
WKN	A0M58T	Alpha	n/a	2.0	

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 ^(e)	1.25%
Share Class B	0.25% + 20% performance fee on outperformance vs US T-Bill with HWM
Share Class C(d)	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) Share Class C is German tax registered from 4/1/08.
- (e) Share Class U: UK Distributor Status to the year ending 30th September 2008 - Pending

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