

February 2008

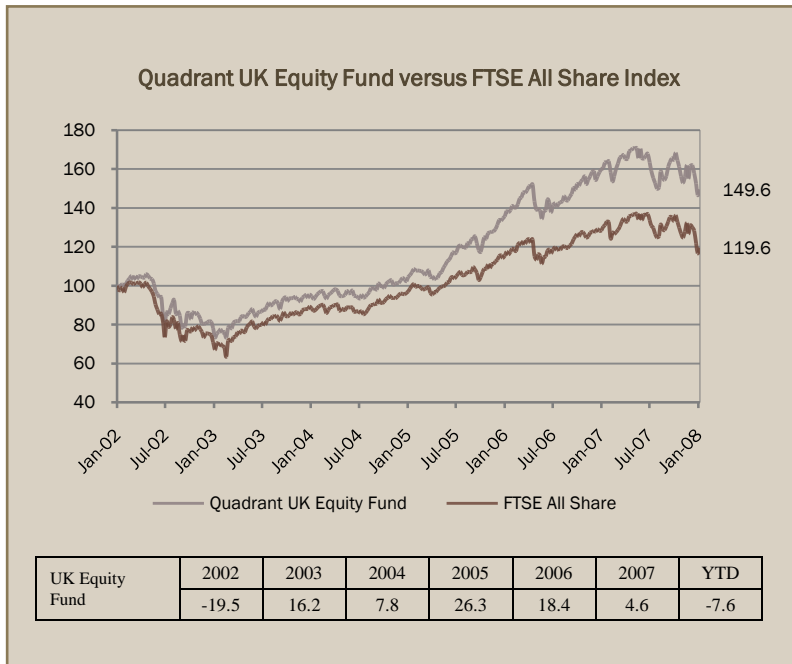
# Quadrant UK Equity Fund

The objective of the fund is to achieve capital growth over the long term by investing in a diversified portfolio of quoted UK equities.

## Fund Manager's Report

The UK equity market had one of its worst ever Januarys falling by 8.7% over the month. Falls were widespread with the FTSE 100 Index down by 8.9%, the FTSE Mid 250 Index down by 7.2% & the FTSE Small Cap. Index down by 8.6%. At a sector level, Financial Services (down 3.5%), were the best performer, followed by Chemicals (down 4.1%). The former benefited from a solid performance by real estate companies after several months of underperformance. Construction (down 14.5%) was the worst performing sector over the month driven by housing market weakness. Oil & Gas (down 13%) & Retail (down 11.1%) also underperformed. Best stock performers included Smith & Nephew, Experian, Hammerson, Xstrata, British Land & Scottish & Newcastle Major underperformers were Old Mutual, SAB Miller, Shire, Marks & Spencer, First Group & Amec. Markets rallied at month end in reaction to an emergency 75 basis cut from the US Federal Reserve Bank on 23 January, with a further 50 basis point cut at the early February monthly Fed meeting. Markets are still seeing profits downgrades & whilst Central Banks are reducing interest rates the credit crunch is still preventing any expansion in bank lending & is in fact preventing many good borrowers rolling over debts, or using debt to buy distressed assets, or making geared takeovers. Markets are massively volatile at present but stability will not return until the credit crunch moves nearer solution & the economic outlook becomes much clearer. The Fund is currently more defensive than normal with higher cash levels & emphasis on special situations being the order of the day.

## Fund Performance



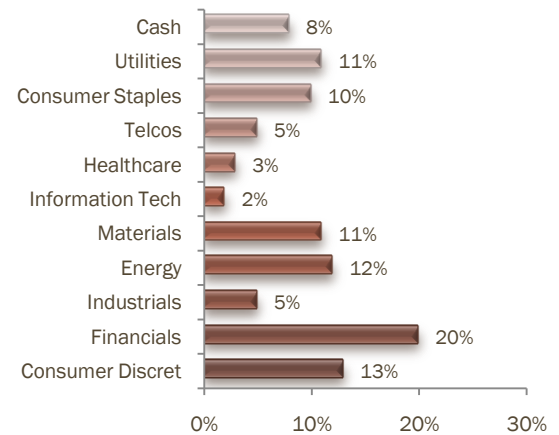
## Investment Style

The manager adopts an active investment style, which lies toward growth at a reasonable valuation and price. The balance of growth and value stocks is varied as the economic cycle changes and the fund invests in larger, mid and small cap stocks that meet the manager's criteria. The manager may invest in companies listed in the UK but who's business is international.

## Asset Mix

Equities	91.9%
Bonds	0.0%
Cash	8.1%

## Industrial Sectors



## Largest Holdings

BG Group	5.7%
Xstrata Plc	4.5%
Vodafone	4.5%
Friends Provident Plc	4.4%
BP Plc	4.3%
Lloyds TSB Group	4.2%
Rio Tinto	3.8%
Prudential Plc	3.5%
SIG Plc	3.5%
Davis Service Group Plc	3.4%
Other	50.1%
Cash	8.1%

## Summary Information

All data as at 11pm GMT:	29 January 2008
Bid Price:	£ 13.9927
Offer Price:	£ 14.9606
Base Currency:	Sterling
Pricing:	Wednesday
Date of Incorporation:	25 January 2002

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**Quadrant UK Equity Fund****The Quadrant Fund Range**

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The Quadrant range consists of the North American Equity, European Equity, UK Equity, Japan and Far Eastern, European Fixed Interest, and International Bond funds.

The Quadrant funds are sub-funds of Quadrant Managed International Funds PLC, an open-ended limited liability investment company incorporated in the Isle of Man.

**Background Information**

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The Manager of Quadrant Managed International Funds PLC is Quadrant International Management (IOM) Limited. Incorporated in the Isle of Man No. 69909C, PO Box 172, Douglas, Isle of Man, IM99 3PA. The Manager is the holder of an Investment Business License issued under section 3 of the Investment Business Act 1991 of the Isle of Man and is licensed by the Isle of Man Government Financial Supervision Commission. The investments are managed by King & Shaxson Asset Management Limited, authorised and regulated by the United Kingdom Financial Services Authority. Investors in the Company have the protection of the Isle of Man Authorised Collective Investment Scheme (Compensation) Regulations 1988 in the event of the Manager or the Trustee being unable to satisfy claims against them in respect of any civil liability incurred in connection with their business. Further information and a copy of the Funds' Scheme Particulars are available by telephoning +44 (0)20 7626 5450.

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