

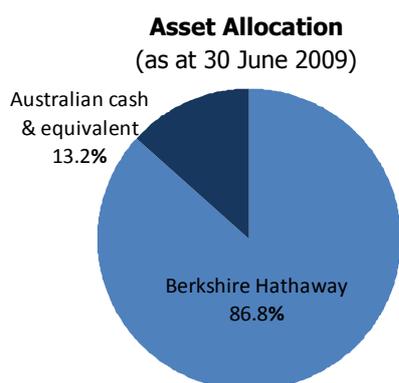


Performance Summary

The company's Net Asset Value decreased by 10.3% over the quarter largely due to a foreign exchange loss thanks to the \$0.12 gain in the Australian dollar versus the US dollar and despite the 3.8% appreciation of the portfolio's major holding, Berkshire Hathaway (BRK). The Global Masters share price appreciated 12.9% during the quarter ended 30 June 2009, out-performing the All Ords which appreciated 11.8% over the same period.

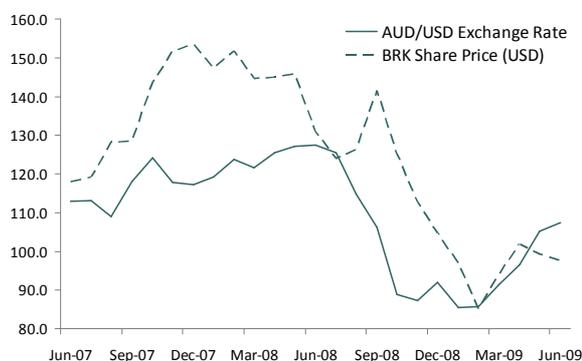
Investment Activity

The asset allocation of the portfolio changed over the quarter with a slight decrease from 14.3% to 13.2% in cash and equivalent.



The Berkshire Hathaway Annual General Meeting was held in May attracting over 35,000 shareholders to Omaha, USA. Chairman Warren Buffet discussed his pessimistic outlook for sectors of the US economy including housing - which he believes is yet to stabilise, retailing - which is likely to remain under pressure for some considerable time, and his aversion to US newspaper companies. He reiterated that the 20 per cent-plus returns Berkshire has previously been able to generate will be all but impossible in the future with the company aiming to outperform the S&P 500 by at least two percentage points going forward.

Berkshire Hathaway Share Price and AUD/USD Exchange Rate



Mr Buffet was also queried about a succession plan for the company given Buffet's and Munger's ages and its positions in derivatives. In terms of replacements, he said the Board was considering three candidates, all of whom currently work for Berkshire, for the CEO's position and four candidates for the Chief Investment Officer's role. He also defended Berkshire's holdings of put index options and credit default swaps saying Berkshire's positions would make money at the derivatives' maturity, the company was merely exploiting a mispricing opportunity.

In the January-to-March period, Berkshire, which runs close to 80 businesses, had its first quarterly loss since 2001, hurt by losses on derivative contracts, a big investment in the oil company ConocoPhillips and the weakening economy. In April its AAA rating were downgraded by Moody's and by Fitch (unchanged by Standard & Poors) but despite this news Buffet and Munger remain optimistic about the long term prospects for Berkshire.

Investment Performance

(in US dollar terms)

| | Quarter | 1 Year |
|---|---------|--------|
| Berkshire Hathaway A stock return for the June 2009 quarter | 3.8% | -25.5% |
| S&P 500 return for the June 2009 quarter | 15.2% | -28.2% |

Global Masters Fund Relative Performance History



Total Net Market Value of Assets

\$10,323,028 or 82.5 cents per share as at 30 June 2009