

MFM Techinvest Technology Fund

IMA Classification: Technology and Telecommunications	Share Price: 192.71p (at close 30 th December 2011)
Fund Objective: The aim of the MFM Techinvest Technology Fund is to provide capital growth and the accumulation of income through a globally invested portfolio of equities and bonds. Emphasis is placed on technology-based businesses worldwide. It is envisaged that up to 75% of the total fund value is normally invested in securities quoted on the London Stock Exchange, with the balance invested elsewhere, primarily North America.	Performance since launch (19 May 2003): Fund Share Price: 92.71% FTSE 100: 41.38% FTSE TechMARK All-Share: 133.92% AIM All-Share: 14.33%

Source: Bloomberg (Indices),
Morningstar (Fund, mid-to-mid)

Manager's Comment

The **MFM Techinvest Technology Fund** ended 2011 showing a total three-year gain of 116.6%, more than twelve percentage points ahead of its closest rival in the Technology & Telecoms IMA classification table. It also comfortably outperformed its Benchmark, the FTSE TechMARK All Share, over the same period (source: Bloomberg, MorningStar close 30th December 2011). We attribute this primarily to the strong performance of the Fund's US and Canadian-listed stocks, which make up around 56% of the total value.

For tech stocks in 2012, several themes including mobile internet and internet-based video could provide a boost to share prices. In addition, indications are that businesses are increasingly making application purchases that will be delivered as a "cloud" service. This could be the year that sees cloud computing ramp up significantly.

Investment Activity

Activity during the month included acquiring a holding in Escher, a Dublin-based provider of software to post office counters worldwide. The Company, which floated on London's AIM market in August, counts a 16% share of world's 195 national post offices.

In the US the Fund acquired a holding in Datalink, a provider of data centre solutions to large and medium-sized companies. The Company, which is growing strongly on the back of successful acquisitions, operates out of the Minneapolis – St. Paul area and has plenty of scope to expand into adjacent areas and beyond.

Fund Performance				
	Since Launch %*	3 years %	1 year %	6 months %
MFM Techinvest Technology Fund	92.71	116.60	(10.21)	(14.60)
FTSE 100	41.38	25.67	(5.55)	(6.28)
FTSE TechMARK All Share	133.92	54.98	3.44	(3.08)

Discrete Year Performance	Fund Performance %
01/01/2011 to 01/01/2012	(10.21)
01/01/2010 to 01/01/2011	43.21
01/01/2009 to 01/01/2010	68.45
01/01/2008 to 01/01/2009	(37.78)
01/01/2007 to 01/01/2008	(7.14)

Please remember that past performance is not a guide to the future. * Fund launched 19th May 2003. Source: Bloomberg (Indices), MorningStar (Fund, mid-to-mid). Data at close 30th December 2011.

Top 10 Holdings		Geographic Breakdown	
Miranda Technologies	5.6%	<p>Legend: UK & Ireland (blue), United States (maroon), Canada (yellow)</p>	
IDOX	3.6%		
blinkx	3.5%		
March Networks	2.5%		
Microgen	2.1%		
RuggedCom	2.1%		
Opnet Technologies	2.0%		
Apple	2.0%		
Saba Software	2.0%		
Mitek Systems	2.0%		

Source: Techinvest Limited. Data at close 30th December 2011.

Authorised Corporate Director	Marlborough Fund Managers Limited (Authorised and regulated by the Financial Services Authority) Head Office: Marlborough House, 59 Chorley New Road, Bolton, BL1 4QP. Telephone: +44 (0) 1204 380 060
Investment Manager	Techinvest Limited (Regulated by the Central Bank of Ireland) Merchants House, 27/30 Merchants Quay, Dublin 8, Ireland
Fund Size	£17.7m
Fund Launch	19 th May 2003
Minimum Investment	£1,000
Initial Charge	5%
Contact	Marlborough Fund Managers Ltd Marlborough House, 59 Chorley New Road, Bolton, BL1 4QP. Telephone: +44 (0) 1204 380 060 The Simplified Prospectus and Full Prospectus are available free of charge.

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The Fund is subject to an initial charge and consequently charges are not made uniformly throughout the period of investment. Changes in exchange rates between currencies may cause the value of investments to diminish or increase. The Fund invests in smaller companies and companies listed on AIM, which carry a higher degree of risk than larger companies. The shares of smaller companies may be less liquid and their performance more volatile over shorter time periods. The Fund focuses on a specific sector which can also lead to greater volatility.

Issued and approved by Techinvest Limited. Techinvest Ltd is regulated by the Central Bank of Ireland. The MFM Techinvest Technology Fund is authorised by the Financial Services Authority. The Fund is not authorised for sale in the Republic of Ireland. Techinvest is the Investment Manager of the Funds and is separately remunerated for its services.