YEOMAN 3-RIGHTS VALUE ASIA FUND

(Co. Regn: 53979 C1 GBL; Fund Business Licence: C1/04/01282)

At 31 Mar 2008
NAV/Share:
S$175.48

Performance Figures for Month of Mar 2008

Mar 2008 **-6.63%**
Year-to-date 2008 **-6.63%**
Cumulative 10 yr 5 mo performance **+393.56%**
Implying a compounding rate of return of **+16.56% p.a.** over the 10 yr 5 mo period.
(Nett of all fees, with dividends re-invested and in SGD terms)

Equities/Cash Allocations

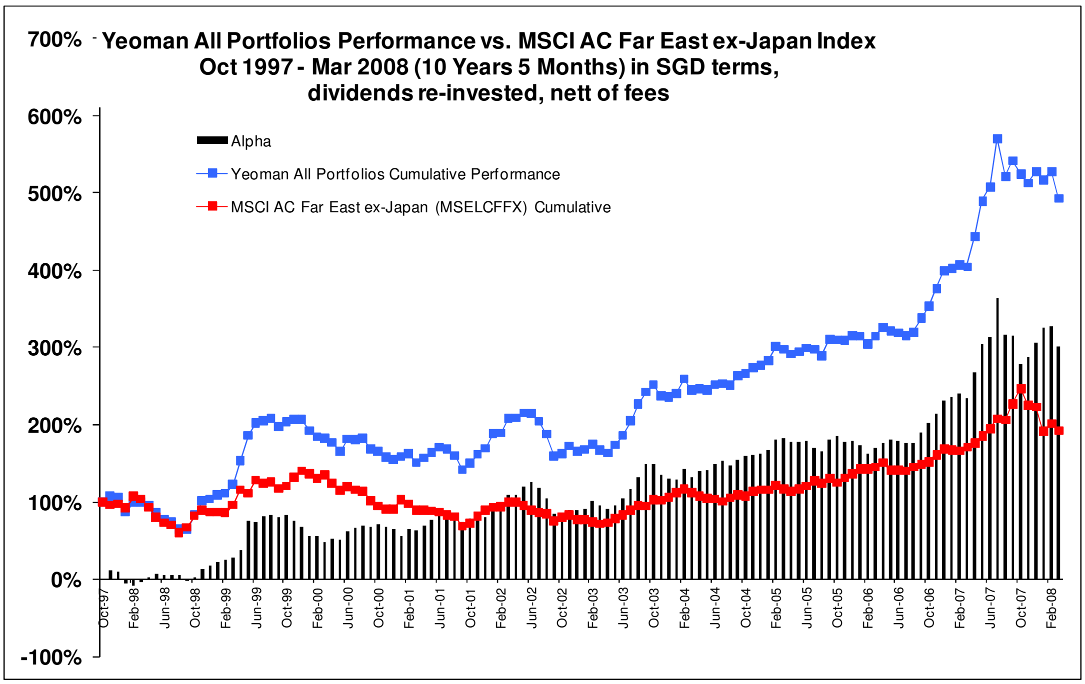
Equities 99.58%
Cash 0.42%

Country Allocations

Korea 27.56%
Hong Kong 27.03%
Singapore 20.07%
Malaysia 18.84%
Thailand 6.08%

Portfolio Valuations (trailing)

PE 12.93x
P/NTA 0.91x
Dividend Yield 4.19% p.a.
ROE 9.94% (1 yr)
11.63% (5 yrs average)
Wt. Ave. Mkt. Cap. S$219.22m



Yeoman All-Portfolios Performance 10yr 5mo ending 31/3/2008		
Period	Yeoman-All Performance	MSCI AC FE x Japan Performance
Oct 97 to Dec 97	6.60%	-2.90%
Jan 98 to Dec 98	-2.50%	-10.70%
Jan 99 to Dec 99	99.30%	61.40%
Jan 00 to Dec 00	-25.10%	-35.20%
Jan 01 to Dec 01	9.50%	-1.60%
Jan 02 to Dec 02	-2.60%	-14.50%
Jan 03 to Dec 03	42.90%	39.20%
Jan 04 to Dec 04	17.50%	8.80%
Jan 05 to Dec 05	13.60%	18.10%
Jan 06 to Dec 06	27.60%	23.50%
Jan 07 to Dec 07	32.28%	32.48%
YTD 08	-6.63%	-13.71%
Cumulative Performance from 10/97 to 3/08 (10Yr 5mo)	~~393.56%~~	~~92.45%~~
CAGR	16.56%	6.49%

Note: In SGD terms, nett of all fees, dividends re-invested and calculated according to CFA (AIMR) PPS standards.

General Information

Fund Address:
10 Frere Felix De Valois Street,
Port Louis, Mauritius

Manager:
Yeoman Capital Management Pte Ltd
11 Unity Street #02-13, Robertson Walk, Singapore 237995
(Co. Regn. 199902308Z)

Tel: +65-67373922
Fax: +65-67376780
Email: cio@yeomancap.com

Website:
www.yeomancap.com

Total Value of Fund:
$78,456,466.82

Total Number of Shares:
447,088.79

Management Fee:
1% p.a.

Performance Fee:
15% High Water Mark

Sales Charge:
2.5% of NAV (payable to Distributor if applicable)

Manager Subscr Charge:
S$2,500 (one-time fixed sum payable to Manager)

Fund Subscription Charge:
1% of NAV (payable to Fund)

Fund Redemption Charge:
1.5% of NAV (payable to Fund)

Subscription frequency:
Monthly

Redemption frequency:
Quarterly

Investment Horizon Recommended:
3-5 years or more

Minimum Investment:
S$250,000

Custodian:
British and Malayan Trustees Ltd, Deutsche Bank

Auditor:
KPMG

Manager's Report at end 1Q 08

Absolute Performance

Measured at 31/3/08, the key numbers are:

For month of March 2008, we were down **-6.63%**
For 1Q 08, we were down **-6.63%**
For the 1 year ending 31/3/08, we were up **+21.81%**
For the 2 years ending 31/3/08, up **+56.61%**
For the 3 years ending 31/3/08, up **+65.67%**
For the 10 years 5 months ending 31/3/08 on all-funds composite basis, we were up **+393.56%** which implies a **CAGR of +16.56% p.a**. for the period (very long term).

[Note: The above figures are presented on nett of all fees basis, in SGD with dividends reinvested].

Relative Performance

The regional MSCI AC FE ex Japan Index (Ticker: MSELCFFX) produced the following movements over the short and long term to end 31/3/08.

March 2008 -4.46%
YTD 1Q 08 -13.71%
10 years 5 months to 31/3/08 +92.45%

Setting our actual performance as numerator and the market figures as denominator, we calculate that over 1Q 08, we outperformed the Market by a factor of **2.07x** and over the last decade of 10 years 5 months we outperformed by **4.26x**.

Portfolio Comment

We have found the above pattern to be the case over the last decade where in weak markets we fall but fall less and in up markets we go up also but go up more than the indices so in either direction we have out-performance. If you wish to verify this "pogo stick" effect for yourself (the compress and uncoil dynamics over the market cycles), you may download the monthly performance data in Excel format from our website (use this link) and run your own analytics:

http://www.yeomancap.com/images/Excel_Table_Perf_Dec_07.xls

Even as these seemingly erratic jiggles take place over the long term, we find that we not only get big out-performance on relative terms but also absolute performance which means that clients and shareholders make real money. This might suggest that more than mere randomness is at work here.

Investment Actions

As the torrent of bad news emanating from the US and elsewhere rose in volume and frequency over the past quarter we ignored it all and we went about our usual business.

We made no sell actions except for one. On the back of a General Offer for our shares in Sincere Watch Ltd, we heeded the advice of the directors of the company and of the Independent Financial Advisor and sold our entire holdings in the market at a price range of between S$2.20 and S$2.52. The cost of the stock in our fund is $0.803 recorded at Fund start date of 19/1/05 but in actual fact all of the original shareholders of our Fund purchased the stock back in 2002/3 at cost of between 20 to 30 cts (nett of dividends and ex splits). So in the 5-6 years that we have held the stock a 10 bagger has materialized.

In the aftermath of the Malaysia General Elections, the market there also saw some weakness which gave us further opportunity to add to the counters that we had earlier identified, studied and found to be suitable for inclusion in the Fund.

As we move into 2Q 08, we do not know how long the stream of bad news on the economic and financial markets front will continue but we do not think this issue to be relevant for us and we certainly will not just sit on our hands and allow our eyes to glaze over.

<u>The "Prudent Man" Rule</u>

How did the CDO sub-prime and related mess come about? I suspect that it was because financial markets players have either not heard of or applied the "prudent man" rule (see article from The Economist dated 27/3/08, attached). The article speaks volumes to us at Yeoman and does strike a very warm chord of resonance indeed. We certainly endeavour to be that prudent man.

We are also of the firm belief that to be prudent does not mean that you have to be a dog in terms of investment performance either as our own numbers above will attest. With a risk-averse investment process which value investing is and with the right people implementing the same, you can have performance and out-performance under all market conditions. For recap on what this process is about, please see link below (extracted from our Fund PPM):

http://www.yeomancap.com/images/RiskMgt-Yeoman_4pgs_-281004.pdf

Another reason for us to think and act prudently is because we are well aware that clients' money does not grow on trees. Once lost irretrievably through mindless speculation it is highly unlikely to come back.

With best wishes

Seng Chong, YEO
As Manager and Director of the Fund

Buttonwood

Requiem for a prudent man

Mar 27th 2008
From The Economist print edition

A fund manager's career has lessons for today's investors

IF THE recent credit boom has taught us anything, it is that investors can be persuaded to forget about the risks when the returns look attractive. Sure enough, they are now paying the price.

It is a lesson that Tony Dye, a fund manager who died on March 10th, understood only too well. In the late 1990s, he became widely known (and occasionally mocked) as the "Dr Doom" of the financial markets. It is true that one rarely came away from a conversation with Mr Dye feeling more cheerful about life. On occasions, indeed, he could sound rather paranoid, as when he talked about the "dark forces" that were propping up the stock market.

However, in Buttonwood's opinion, Mr Dye epitomised an old-fashioned model of fund management that should still be emulated. Most people criticise him for being too early; for forecasting the collapse of technology stocks in 1998 and missing out on the last two years of a great bull market. The merits of that criticism, however, depend on what attitude fund managers should take towards risk. Mr Dye used the analogy of being asked to board a train which you were convinced would crash at some stage in its ten-station journey. The optimal strategy may be to stay on board for five stops or so. But if your main concern is safety, you should not board at all.

The first collective fund managers, back in the 19th century, were accountants and solicitors who looked after their clients' money. They were well aware that should some of their investments go wrong, they would lose their hard-earned reputation for probity. So they were appropriately cautious.

The idea was expressed as the "prudent-man rule", after a Massachusetts judge suggested trustees should "observe how men of prudence, discretion and intelligence manage their own affairs, not in regard to speculation, but in regard to the permanent disposition of their funds, considering the probable income, as well as the probable safety of the capital to be invested." The rule has been adapted and revised many times since. But the essence should surely be this. Would a fund manager advise a relative or neighbour to own such an asset? If not, then he should not buy it on behalf of his client.

However, modern fund management interprets the concept in a different way. Managers are judged by their ability to beat the index appropriate to their market niche. If dotcom stocks are 20% of that index, it would be imprudent for the manager not to own any of them.

Risk becomes redefined as the danger of falling short of the benchmark, rather than the risk of losing the clients' money. Indeed, the main risk faces the manager himself—clients may move elsewhere, in search of a better-performing fund.

That is what happened to Mr Dye, whose firm Phillips & Drew lost clients to rivals at the height of the dotcom boom. He duly left his job just weeks before the bubble burst, in what turned out to be a classic sell signal for the market.

Indeed, the irony was that Mr Dye was proved right in the long run. Technology stocks were too high in the late 1990s and the Nasdaq is still less than half its 2000 peak. Those who bought either the London or New York share indices in 1998 earned a real annual return of just over 2% up to the end of 2007; safe Treasury bonds earned 3.7% over the same period.

Mr Dye's biggest quality was the courage of his convictions. His approach may not have delivered investors the very highest returns, but he was more concerned to avoid the lowest. In contrast, the modern approach is to follow the herd, requiring investors to buy tulips in 17th-century Holland because everyone else was doing so.

Mr Dye's example was not entirely in vain. Nowadays, fund managers are generally given more latitude to take “tracking risk”—to own portfolios that do not resemble the index. However, this freedom is normally granted in the hope of earning excess returns rather than with the aim of avoiding losses.

The pain suffered during the 2000-03 bear market in shares has also encouraged investors to diversify into alternative assets, such as hedge funds and commodities. You could see this as a sign of prudence, although it is worth noting that these asset classes also yield higher fees for the fund-management industry.

But the herd mentality is hard to overcome. When mortgage-backed securities were earning double-digit returns in 2005, fund managers who thought they were too risky were not generally lionised for their prudence. Instead, they were seen as old fogies who just didn't get it. Mr Dye has too few successors, but the clients are at least partly to blame