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Additional data specific to Polaris' global and international investments is available as follows:

For current global equity performance, **please click here**

For current international equity performance, **please click here**

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For current global equity performance commentary, **please click here**

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Information presented is supplemental to the annual disclosure presentation. For composite performance and a fully compliant presentation, go to: www.polariscapital.com/

	2009			Annualized as of June 30, 2009				
	YTD	**QII**	**QI**	**1 Yr**	**3 Yrs**	**5 Yrs**	**10 Yrs**	**15 Yrs**
Polaris Capital International Equity Composite	20.36%	33.47%	-9.82%	-31.69%	-10.21%	2.53%	7.48%	8.97%
Asset Class: Equities								
International								
MSCI EAFE Index, gross dividends reinvested	8.42%	25.85%	-13.85%	-30.96%	-7.51%	2.79%	1.56%	3.85%
Lipper International Mutual Funds	8.81%	24.54%	-12.68%	-31.97%	-7.93%	2.14%	1.66%	4.37%
Domestic Equities								
S&P 500	3.20%	15.99%	-11.03%	-26.15%	-8.23%	-2.26%	-2.24%	6.91%
Global Equities								
MSCI World Index, gross dividends reinvested	6.79%	21.05%	-11.78%	-29.01%	-7.48%	0.57%	-0.38%	5.19%
Lipper Global Mutual Funds	9.52%	20.67%	-9.32%	-28.09%	-7.26%	0.28%	0.52%	5.72%
Asset Class: Debt, Inflation								
U.S. Consumer Price Inflation	3.03%	1.83%	1.17%	-1.95%	2.04%	2.63%	2.63%	2.51%
Return on U.S. Treasury Bills held for 30 days	0.06%	0.03%	0.03%	0.42%	2.79%	2.87%	2.89%	3.52%
Barclay Aggregate Gov't/Corporate Bond Index	1.90%	1.78%	0.12%	6.05%	6.43%	5.01%	5.98%	6.59%

Past performance is not indicative of future results. Polaris Capital International Composite returns are reported gross of management fees.

Performance for the second quarter was quite satisfactory on an absolute and relative basis. The international portfolios had positive results in nine out of the ten sectors, as investors anticipated an economic recovery. We were especially pleased by the performance of the investments in materials, industrials and consumer discretionary sectors. Nevertheless, the investment management team will not be satisfied with overall performance until the 2007-2008 crisis returns have been recovered.

The second quarter's performance may reflect more rational market dynamics, a drastic contrast to erratic buying, selling and hysterical investor behavior of last year. Indeed, 2008 will go down in history as one of the world's best real life examples of behavioral finance, the study of how human psychology and biochemistry affect the ability of investors to make sound decisions when experiencing the emotions of greed and fear.

SECOND QUARTER 2009 PERFORMANCE ANALYSIS

During the second quarter, the performances of three sectors that were hard hit in 2008; industrials, consumer discretionary and materials, accounted for over fifty percent of this quarter's satisfactory performance. Additionally, firming energy prices stood behind strong performance of multiple energy holdings ranging from Thai Oil to Sasol Ltd. Even the defensive sectors of the portfolio (utilities and telecommunication) that preserved capital last year contributed this quarter, but to a lesser extent than the more investor-favored cyclical stocks.

In 2008, many investors indiscriminately sold companies, depressing company valuations regardless of fundamentals. During the crisis in the third and fourth quarters of 2008, Polaris stress tested the financial models of the portfolio's companies to determine if the panic selling could be justified based on any potential declines in the fundamentals of the companies. The stress tests resulted in a limited number of complete sales coupled with portfolio adjustments in late 2008 and early 2009. Importantly, our decision to retain companies with depressed valuations based on confidence in the business models, despite extremely poor stock price performance in 2008, formed the basis for outperformance in the second quarter.

Many of the portfolio's holdings have proven the validity of their business models, gaining strength in the second quarter as a result of cash generation and managing debt levels even in a difficult operating environment exacerbated by a severe credit crisis. Companies have rapidly restructured, suggesting that even a modest sales rebound will create a very positive effect on operating leverage, and consequently, cash flow.

Stimulus monies in the U.S. and China had a positive effect on materials and industrials, as infrastructure and construction projects boosted business and tightened the supply-demand balance in certain materials such as copper, iron ore, coal and methanol. Polaris favors the lowest cost materials producers, which benefit when prices decline causing high cost producers to shut production. Some of the portfolio's best performances this quarter included Methanex (one of the world's lowest cost methanol producers), BHP Billiton (iron ore, coal, copper) and Metorex (copper). In addition to China's raw materials purchases, other sources of stimulus appeared in the economy, ranging from lower energy costs, higher demand for construction services and materials, and lower interest rates – all of which served to benefit the portfolio's materials and industrials holdings.

Another materials holding that produced positive results was CRH, one of the largest providers of asphalt in the U.S., which is profiting from the many road paving and resurfacing projects under U.S. infrastructure spending. Smurfit Kappa was another strong performer during the quarter, as the Irish producer of cardboard boxes renegotiated its debt covenants and benefitted from substantial declines in their suppliers' prices.

The portfolio's industrial holdings outperformed the benchmark's industrial sector, and benefitted further from a larger overweight in this sector. The lead portfolio performer in the industrial sector was Trevi Finanziaria, an Italian company which builds foundations for buildings, engineering projects and oil drilling rigs, rebounded as a result of the increase in stimulus spending and the rise in oil prices.

Within the diverse consumer discretionary sector, U.K. homebuilders produced positive results as low interest rates resulted in more stable home prices and volumes. Home sales and prices held up, and volumes increased – a small market inflection with a positive impact on homebuilders. In addition, many of these companies have reinforced their financial strength to prepare for the resumption of the growth likely to occur in the U.K. housing sector. The investment team is aware that further financial restructuring may be needed among these companies although this is more than reflected in valuations.

Although the portfolios achieved positive returns across nearly all sectors, in comparison to the sector's benchmarks there were few areas of underperformance. Financials, information technology, telecommunication services and utilities underperformed benchmark sector returns but their low relative weightings limited the negative impact on the overall portfolio. Health Care was the only sector where we saw a slight negative return and it had little to no impact on the overall performance. The portfolios have one holding in this sector which was purchased late in the quarter.

SECOND QUARTER 2009 ASSET ALLOCATION

During the second quarter positions in BBVA (Banco Bilbao Vizcaya Argentaria) and Maruichi Steel were liquidated. Cash was redeployed into two new investments, Novartis and Infosys Technologies.

Novartis has a very large and important franchise in cardiovascular and oncology drugs. Despite the threat of generics to some of its branded drugs, the company has a promising pipeline. In addition, its Sandoz unit addresses the generic drug market including the high potential "biosimilars" market. The company has a "vision" to expand its eye care segment through an investment in Alcon, a leader in ophthalmology, while the consumer health segment sells OTC drugs and offers veterinary applications. A high percentage of recent sales are from drugs developed in the past two years, and the influence of the faster growing emerging markets is having a favorable influence on results. Selling at an unusually low price to maintenance cash flow, the addition of Novartis adds substantially to the diversification of the portfolio.

Infosys Technologies is an Indian company that is a well known leader in global information technology solutions for its clients. Essentially a provider of outsourced IT services to hundreds of companies both large and small throughout the world, Infosys' IT services deal with the entire range of issues that confront all large companies: conception, design, development, engineering, maintenance, integration, and operation. The company has enjoyed a very fast rate of earnings and cash flow growth, but the world wide economic crisis has temporarily slowed revenue and earnings. The company has significant exposure to the financial sector, a detriment that is being corrected with efforts to develop a more diversified customer base. An accompanying stock price decline has provided an excellent entry point to invest in a company that is very likely to benefit from the resumption of growth that is expected in 2010 and beyond.

By executing such buys and sells, we were able to improve the valuation profile of the portfolios and reduce exposure in some sectors that continue to show weakness under current market conditions. New investments provide further diversification relative to the portfolios weightings in materials, industrials and construction-related sectors. Preservation of capital remains a top priority in the current strategy. The portfolios remain underweight in the Europe and overweight in Scandinavian countries.

The following table shows the asset allocation of a representative portfolio as of June 30, 2009.

	EAFE Weighting	Portfolio Weighting	Energy	Utilities	Materials	Industrials	Consumer Discretion'y	Consumer Staples	Health Care	Financials	Information Technology	Telecom. Services	Other	Cash
N. America	*0.00%*	2.62%	0.00%	0.00%	2.62%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.0
Japan	*24.13%*	15.98%	0.00%	3.49%	1.82%	3.41%	1.10%	4.24%	0.00%	0.00%	0.00%	1.92%	0.00%	0.0
Other Asia	*11.27%*	11.01%	2.10%	0.00%	2.88%	0.00%	0.00%	0.00%	0.00%	0.00%	3.90%	2.12%	0.00%	0.0
Europe	*59.35%*	49.24%	2.77%	0.00%	12.74%	9.01%	14.44%	2.95%	1.89%	5.43%	0.00%	0.00%	0.00%	0.0
Scandinavia	*5.26%*	17.10%	0.00%	0.00%	0.00%	10.00%	3.76%	0.00%	0.00%	3.34%	0.00%	0.00%	0.00%	0.0
Africa & S. America	*0.00%*	3.09%	2.53%	0.00%	0.56%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.0
Cash	*0.00%*	0.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.9
Industry Totals		100.00%	7.40%	3.49%	20.62%	22.42%	19.31%	7.19%	1.89%	8.77%	3.90%	4.04%	0.00%	0.9
Market Weighting	*100.00%*		*11.43%*	*5.01%*	*6.81%*	*10.30%*	*9.29%*	*10.46%*	*10.67%*	*19.68%*	*11.71%*	*4.65%*	*0.00%*	*0.0*

Information presented above is supplemental to the attached annual disclosure presentation.

INVESTMENT ENVIRONMENT AND STRATEGY

Polaris' investment strategy, which has been honed over the last 25 years, has outperformed its benchmark over the long term, but the investment team is not willing to rest on its laurels. The economy and more specifically unemployment may still worsen through the middle of next year, and a conservative outlook must be maintained. However, investors need to "fast forward" their projections by 12 months. Historically, the market has been a predictor of economic recovery, and usually begins performing well 6-12 months in advance of the economic bottom.

Cautiously optimistic that the markets are forecasting recovery, the investment team is mindful of the potential asset bubble created by artificially low interest rates promulgated by governments worldwide. There is little empirical evidence that massive government borrowing creates consumer price inflation; rather, imbalances in demand and supply of goods and services typically create price adjustments. However, there is considerable evidence that artificially low capital costs below inflation have created, and likely will create, asset price inflation. The portfolio's holdings in real assets (such as materials and industrials) should help investors benefit from asset price inflation and any potential devaluation of the U.S. dollar. The Polaris strategy does not invest based on variables such as inflation that are nearly impossible to forecast accurately. Rather, the firm's investment discipline is to search for companies that may generate strong and stable free cash flows, easily manage debt service and provide shareholders with sustainable returns in the form of cash payments, stock buybacks or growth in the value of the firm. In various economic scenarios, we believe the portfolio is well positioned, buying undervalued "tangible" assets (such as materials and industrials) and selling companies that reach valuation targets. When the markets normalize, we believe the portfolio should be well situated with admirably performing companies.

FOOTNOTES

The information presented is supplemental. It should not be considered as a recommendation to purchase or sell a particular security mentioned, may change at any time and may not represent current or future investments. References to individual securities throughout this document are intended to illustrate contributors to recent performance or market trends and to provide examples of thematic or security-specific catalysts identified by the investment team as part of its investment process. References to specific securities should not be viewed as representative of an entire portfolio, nor should the performance of any particular security be viewed as representative of the performance experienced by any other security or portfolio. Please refer to the annual disclosure presentation. Past performance is not indicative of future results.

The MSCI World and EAFE Indexes, gross dividends reinvested measures the performance of a diverse range of global stock markets in the United States, Canada, Europe, Australia, New Zealand and the Far East. The MSCI World and EAFE Indexes measure the performance of stock markets in these geographic areas including reinvestment of gross dividends. The S&P 500 Index is a broad-based, unmanaged measurement of changes in stock market conditions based on the average of 500 widely held common stocks. The Lipper averages are compiled by Lipper, Inc., an independent mutual fund research and rating service. Each Lipper average represents an index of quarterly results for all global or international funds as published in the Lipper Special Quarterly Summary Report. The Lipper averages are not investment products available for purchase.