



# Grandeur Peak International Opportunities

DECEMBER 31, 2011

## AN EXPERIENCED & DISCIPLINED TEAM LOOKING FOR GREAT FOREIGN SMALL & MICRO CAP GROWTH COMPANIES

**OBJECTIVE:** Long-Term Growth of Capital

**UNIQUE OPPORTUNITY:** The universe of impressive yet underfollowed foreign small/micro cap companies is extensive and growing. We believe global small/micro caps will be one of the most interesting and rewarding investment opportunities of the next decade.

**STRATEGIC FOCUS:**

**Small and Micro Cap**

- Greater opportunity for growth
- More “undiscovered” companies
- Market typically less efficient

**High Quality**

- Financial Quality
- Business Model Quality
- Management Quality

**INVESTMENT FOCUS:**

**Best-In-Class Growth:** High quality companies that are steadily growing, have lots of headroom, and are not yet discovered

- Good business model with sustainable competitive advantage
- Strong financials & high quality management team
- Can achieve 15%+ annual earnings growth over the next 5+ years

**PORTFOLIO MANAGERS:**



**ROBERT GARDINER, CFA**

Mr. Gardiner is a renowned portfolio manager who has been managing micro/small cap portfolios since 1986, including the Wasatch Micro Cap Fund (WMICX) from 1995-2006 & the Wasatch Global Opportunities Fund (WAGOX) from 2008-2011.



**BLAKE WALKER**

Mr. Walker is a veteran international micro/small cap manager who has been investing alongside Mr. Gardiner since 2001. He ran the Wasatch International Opportunities Fund (WAIIX) from 2005-2011 & co-managed the Wasatch Global Opportunities Fund (WAGOX) from 2008-2011.

**INVESTOR CLASS**

Symbol: GPIOX  
CUSIP: 317609378  
Expense Ratio: **Gross 2.89%**  
Net 1.75%  
Min. Investment: \$2,000

**INSTITUTIONAL CLASS**

Symbol: GPIIX  
CUSIP: 317609352  
Expense Ratio: **Gross 2.64%**  
Net 1.50%  
Min. Investment: \$100,000

**EQUITY PORTFOLIO COMPOSITION**

**REGION**

Region	Grandeur Peak International Opportunities	Russell Global ex U.S. Small Cap Index
Europe	33%	26%
Asia (ex Japan)	29%	27%
Australia/New Zealand	10%	7%
No. America	9%	11%
Latin America	8%	4%
Japan	7%	21%
Middle East/Africa	4%	4%
<b>Total</b>	<b>100%</b>	<b>100%</b>

**TOP 7 COUNTRIES**

Country	Grandeur Peak International Opportunities	Russell Global ex U.S. Small Cap Index
China/Hong Kong	12%	6%
Australia	9%	6%
Canada	9%	11%
Britain	9%	9%
Brazil	8%	2%
Japan	7%	21%
Germany	7%	2%
<b>Total</b>	<b>61%</b>	<b>57%</b>

**AVERAGE ANNUALIZED TOTAL RETURNS (AS OF 12/31/11)**

	Qtr*	1Yr	3Yr	5Yr	Since Inception*
International Opportunities (INVESTOR CLASS)	n/a	n/a	n/a	n/a	-3.50%
International Opportunities (INSTITUTIONAL CLASS)	n/a	n/a	n/a	n/a	-3.50%
Russell Global ex U.S. Small Cap Index	n/a	n/a	n/a	n/a	-4.61%

\*The returns for the Quarter and Since Inception periods are not annualized. Inception: 10/17/11.

**SECTOR**

Sector	Grandeur Peak International Opportunities	Russell Global ex U.S. Small Cap Index
Technology	23%	11%
Consumer	23%	24%
Industrials	21%	19%
Health Care	12%	5%
Financials	11%	21%
Energy & Materials	10%	20%
<b>Total</b>	<b>100%</b>	<b>100%</b>

**MARKET CAP**

Market Cap	Grandeur Peak International Opportunities	Russell Global ex U.S. Small Cap Index
Micro (<\$500m)	42%	23%
Small (\$500m - \$2.5B)	52%	74%
Mid (\$2.5B - \$10B)	6%	3%
Large (\$10B+)	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>
Cash & Equivalents	8%	0%

This fund has limited operating history. Data shows past performance. Past performance is not indicative of future performance. For the most recent month-end performance data, visit [www.grandeurpeakglobal.com](http://www.grandeurpeakglobal.com). Investment returns and principal value will fluctuate, and shares may be worth more or less than their original cost. The Advisor may absorb certain fund expenses, leading to higher total shareholder returns. A 2% redemption fee will be deducted on Fund shares held 60 days or less. Performance data does not reflect this redemption fee or taxes.

Investing in small and micro cap funds will be more volatile and loss of principal could be greater than investing in large cap or more diversified funds. Investing in foreign securities entails special risks, such as currency fluctuations and political uncertainties, which are described in more detail in the prospectus. Investments in emerging markets are subject to the same risks as other foreign securities and may be subject to greater risks than investments in foreign countries with more established economies and securities markets.

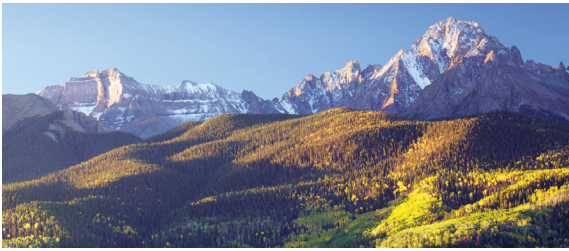
An investor should consider investment objectives, risks, charges, and expenses carefully before investing. To obtain a prospectus, containing this and other information, visit [www.grandeurpeakglobal.com](http://www.grandeurpeakglobal.com) or call 1-855-377-7325. Please read it carefully before investing.

An investor should consider investment objectives, risks, charges, and expenses carefully before investing. To obtain a prospectus, containing this and other information, visit [www.wasatchfunds.com](http://www.wasatchfunds.com) or call 1-800-551-1700. Please read it carefully before investing.



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### PORTFOLIO CHARACTERISTICS

	Grandeur Peak International Opportunities	Russell Global ex U.S. Small Cap Index
Est 3yr EPS Growth <sup>1</sup>	17.1%	n/a*
Trailing P/E <sup>2</sup>	16.5	18.8
Return on Assets <sup>3</sup>	12.7%	5.9%
Operating Margin <sup>4</sup>	20.8%	14.8%
Debt/Equity <sup>5</sup>	58%	76%
Weighted Avg Mkt Cap <sup>6</sup>	\$883 M	\$1,069 M
Number of Holdings	144	4,855
Portfolio Turnover <sup>7</sup>	7%	n/a

\*Too few analysts covering these stocks to compile a meaningful estimate.

### TOP TEN EQUITY HOLDINGS (as of 10/31/11)

Company	% of Portfolio	Country	Sector
L'Occitane International SA	2.3	Luxembourg	Consumer Discretionary
RPS Group PLC	2.2	Britain	Industrials
Vitasoy International Holdings, Ltd.	2.0	Hong Kong	Consumer Staples
China Medical System Holdings, Ltd.	1.9	China	Health Care
Banco Daycoval SA	1.9	Brazil	Financials
Wirecard AG	1.9	Germany	Information Technology
Melexis NV	1.8	Belgium	Information Technology
Tegma Gestao Logistica	1.6	Brazil	Industrials
Banco ABC Brasil SA	1.6	Brazil	Financials
Hy-Lok Corp.	1.6	South Korea	Industrials

**18.8 Total (as a % of net assets)**

Current and future holdings are subject to risks and may change at any time. References to specific securities should not be construed as a recommendation.

## WHY INVEST WITH GRANDEUR PEAK

IN A WORLD WHERE BUSINESS IS INCREASINGLY GLOBAL AND COUNTRY BOUNDARIES CONTINUE TO BLUR, WE BELIEVE THE BEST LONG-TERM INVESTMENT OPPORTUNITIES CAN BE FOUND BY INVESTORS WHO ARE FULLY CANVASSING THE WORLD AND CONSIDERING EACH COMPANY WITHIN ITS GLOBAL CONTEXT.

**EXPERIENCE:** Veteran portfolio managers with a strong team of analysts

**REPEATABLE INVESTMENT PROCESS:** Disciplined research approach that has been refined over the past 25 years

**GLOBAL PERSPECTIVE:** Analysts with a global view, giving us a better understanding of the playing field and the opportunities globally

**SMALL/MICRO CAP OPPORTUNITY:** We believe global small & micro cap companies are one of the most interesting investments for the next decade because these firms have the potential to deliver higher growth at a better value, but it takes experience to sift the wheat from the chaff from among the 30,000+ companies globally.

**NIMBLENESS:** A relatively small asset base under the guidance of an experienced team—critical in the small/micro cap space

The Russell Global ex U.S. Small Cap Index is an unmanaged index designed to measure the performance of small capitalization securities outside of the U.S. You cannot invest directly in these or any indices. <sup>1</sup>Estimated weighted average annual increase in Earnings Per Share (EPS) of the fund's holdings over the next 3 years. These returns are not guaranteed. Actual EPS growth may be higher or lower. <sup>2</sup>The trailing 12-month Price/Earnings (P/E) of the portfolio, calculated as a weighted harmonic average. <sup>3</sup>Weighted average Return on Assets (ROA) of the portfolio's holdings, calculated by dividing a company's annual returns by its total assets. <sup>4</sup>Operating Margin is a measurement of what proportion of a company's revenue is left over after paying for variable costs of production such as wages, raw materials, etc. It is calculated by dividing Operating Income by Net Sales. <sup>5</sup>Debt/Equity is a measure of a company's financial leverage. It is calculated by dividing its total liabilities by stockholders' equity. <sup>6</sup>The average market capitalization of companies held by the fund, weighted in proportion to their percentage of net assets in the fund. <sup>7</sup>A measure of annual trading activity in the fund's portfolio, expressed as a percentage of the fund's average total assets.

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