

Global Dividend

Philosophy

The Forward Management Global Dividend investment philosophy is based on the belief that by emphasizing higher-yielding stocks, the portfolio can participate in stock market advances and protect capital better than competing strategies during stock market declines.

Investment Process

The Forward Management Global Dividend Portfolio seeks to provide long-term capital appreciation and income by investing in dividend-paying companies, located all over the world. The portfolio invests primarily in common stocks and ADRs that regularly pay dividends. Investments are selected based on higher relative dividend yields, dividend growth potential and anticipated stock price appreciation. This globally-oriented portfolio is typically structured with 30 to 50 stocks diversified across seven to ten sectors. Geographically, the portfolio is diversified across eight or more countries, with the U.S. typically receiving the largest allocation.

Buy Process

- Screen for companies with an absolute dividend yield higher than the local market or the S&P 500
- Identify companies with an unusually high historical relative yield, this can be defined as being one standard deviation above its historical average
- Qualitatively review resulting universe to identify the most attractive candidates
- Determine weighting based upon perceived risk, and strength of the investment catalyst

Sell Discipline

A stock may be sold for any of the following reasons:

- A stock's historical relative yield becomes unusually low, this can be defined as being one standard deviation below its historical average
- A stock's yield declines to an unattractive level
- A company's cash flow no longer adequately covers the dividend
- Future stock price appreciation appears limited

Annualized Returns PERCENTAGE

	2Q 2010*	1YR	3YR	5YR	10YR	Since Inception†
Global Dividend - Gross	-12.14	9.31	-8.56	1.69	3.32	2.27
Global Dividend - Net‡	-12.64	8.19	-9.23	1.05	2.74	1.70
MSCI World	-12.67	10.20	-11.46	0.06	-1.02	0.11
Global Dividend - STANDARD DEVIATION			19.82	16.72	16.24	15.84
MSCI World - STANDARD DEVIATION			25.65	21.04	19.74	19.49

*Returns are preliminary.

†Inception 7/1/1999.

‡Net returns are calculated using a highest management fee of 2.00%, applied quarterly. Prior to March 31, 2010, net returns are calculated using a representative management fee of 0.65%, applied quarterly. Prior to August 1, 2008, net returns are calculated using a management fee 0.50%, applied quarterly.

Periods less than one year are not annualized. Please see important disclosures on reverse side.

Portfolio Characteristics

Shown as supplemental information. Please see important disclosure on reverse side.

Characteristics	Portfolio	MSCI World*
Number of Stocks:	46	1518
Dividend Yield:	3.7%	2.9%
Price-to-Earnings:	12.0	18.1
Price-to-Book:	3.0	2.8
Price-to-Cash Flow:	9.3	9.6
Weighted Mean Market Cap:	\$58.2B	\$59.7B

*Based on iShares MSCI World Index Fund Data

Source: Bloomberg

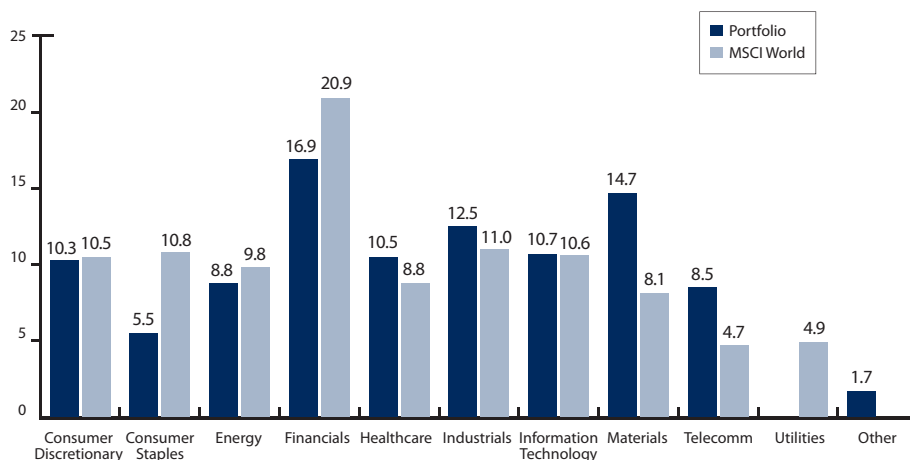
Top Ten Holdings PERCENTAGE

Portfolio holdings are subject to change at any time. Shown as supplemental information. Please see important disclosures on the reverse side.

Syngenta - SYT	4.6	City Telecom - CTEL	3.0
Vienna Insurance - VNGRY	3.4	Itaú Unibanco Banco - ITUB	2.9
Unilever PLC - UL	3.4	WPP PLC - WPPGY	2.6
McDonalds - MCD	3.1	Intel Corporation - INTC	2.4
NYSE Euronext - NYX	3.0	Roche Hldg - RHHBY	2.4

Sector Allocation PERCENTAGE

These allocations may or may not reflect the current or future holdings of the portfolio. Shown as supplemental information. Percentages may not add up 100% due to rounding.



Global Dividend

Risk Management

The Forward Management Global Dividend Portfolio is structured with a defensive bias and actively targets 20% lower volatility, measured by standard deviation and beta, than the MSCI World Index. This defensive portfolio strives to protect capital better than other like strategies in times of market weakness and to provide smoother performance over full-market cycles.

Annual Returns

	Global Dividend Gross %	Global Dividend Net* %	MSCI World %
2009	22.57	21.81	30.00
2008	-32.81	-33.23	-40.71
2007	11.78	11.24	9.04
2006	22.32	21.74	20.07
2005	8.81	8.28	9.49
2004	8.39	7.86	14.71
2003	24.46	23.87	33.11
2002	-11.91	-12.36	-19.89
2001	-3.44	-3.93	-16.81
2000	1.11	0.60	-13.19
1999**	-0.01	-0.26	15.03

*Net returns are calculated using a highest management fee of 2.00%, applied quarterly. Prior to March 31, 2010, net returns are calculated using a representative management fee of 0.65%, applied quarterly. Prior to August 1, 2008, net returns are calculated using a management fee of 0.50%, applied quarterly.

**Inception Date - 7/1/1999

Portfolio Management

LEAD MANAGERS	Title / Years of Experience
David Ruff, CFA	Portfolio Manager / 23
Randall Coleman, CFA	Portfolio Manager / 18
Bruce Brewington	Portfolio Manager / 18

INVESTMENT TEAM	
Jim O'Donnell, CFA	Chief Investment Ofcr / 23
Michael McGowan	Portfolio Manager / 24
Aaron Visse, CFA	Portfolio Manager / 11
Ian Goltra	Senior Analyst / 23
James Clary, CFA	Senior Analyst / 17
Matt Feldmann, CFA	Senior Analyst / 9
Fabian Garces	Analyst / 3

Risk/Analysis[†]

	Alpha	Beta	Upside Capture	Downside Capture	Tracking Error
3 Year	-0.27	0.76	82.50	83.30	7.48
5 Year	1.32	0.77	86.20	81.10	6.19
10 Year	3.95	0.77	90.80	69.50	7.37
Since Inception*	2.03	0.74	83.10	74.00	8.10

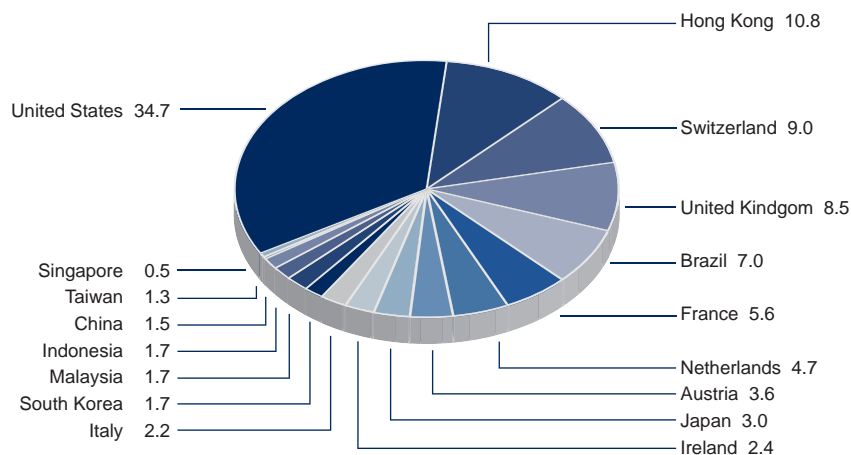
*Inception Date - 7/1/1999

†Shown as supplemental information. Please see important disclosures below. Information/statistics in each of these sections is current as of 6/30/10.

Source: Data is obtained from Zephyr Analysis. Gross statistics are measured against the MSCI World Index.

Global Allocation* PERCENTAGE

By Domicile



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The **Global Dividend Composite** seeks to provide long-term capital appreciation and income by investing in dividend-paying companies, located all over the world. The portfolio invests primarily in common stocks and ADRs that regularly pay dividends. The portfolio typically holds 30-50 stocks diversified across 7-10 sectors. For comparison purposes the composite's benchmark is the MSCI World Index. The MSCI World Index is a free float-adjusted market capitalization index that is designed to measure global developed market equity performance.

Forward Management, LLC ("Forward") is an independent registered investment adviser. Forward claims compliance with the Global Investment Performance Standards (GIPS®). Please contact Matt Feldmann (415-216-3142) at Forward to request a fully compliant presentation and/or list and description of all firm composites.

Performance results for the Global Dividend Composite are preliminary for the second quarter of 2010.

Results are based on fully discretionary accounts under management in this style. The U.S. Dollar is the currency used to express performance.

Gross returns are shown as supplemental information and are stated gross of all fees and transaction costs. Net returns are reduced by the highest applicable wrap/bundled fees, applied quarterly.

Returns include the reinvestment of all income. Leverage or derivatives are not used. Past performance is not indicative of future results.

Performance presented prior to August 1, 2008, occurred while the lead Portfolio Managers were affiliated with a prior firm and the lead Portfolio Managers were the only individuals responsible for selecting the securities to buy and sell. Forward acquired the assets and lead Portfolio Managers from Berkeley Capital Management LLC. Such performance should not be interpreted as the actual historical performance of Forward.