

Investment Philosophy

Harding Loevner utilizes a bottom-up approach for building a diversified portfolio of high-quality durable-growth companies that are well-managed, financially-strong and possess clear competitive advantages. We purchase shares at prices where we see value. We seek long-term relative outperformance with lower risk. Our investment process focuses on understanding the competitive structure of industries, since we believe this has a significant influence over the long-term durability of corporate margins and earnings growth.

Fund Facts

CUSIP	412295867
Inception Date	05/27/08
Minimum Investment ¹	\$100,000
Total Fund Assets	\$21.6 M
Sales Charge	None
Total # of Holdings	81
Net Expense Ratio ²	2.00%
Gross Expense Ratio	4.08%
Turnover (2 Yr. Average)	34%
Redemption Fee	2.00% first 90 days
Dividend Policy	Annual
NAV	\$6.62

Sector Exposure (%)

Sector	HLFMX	Benchmark ³
Cons Discretionary	7.7	0.8
Cons Staples	11.2	3.1
Energy	4.2	7.2
Financials	31.3	48.0
Health Care	5.1	1.2
Industrials	15.1	7.5
Info Technology	1.3	0.2
Materials	7.7	12.1
Telecom Services	7.2	16.4
Utilities	3.4	3.5
Cash	5.8	-

Geographical Exposure (%)

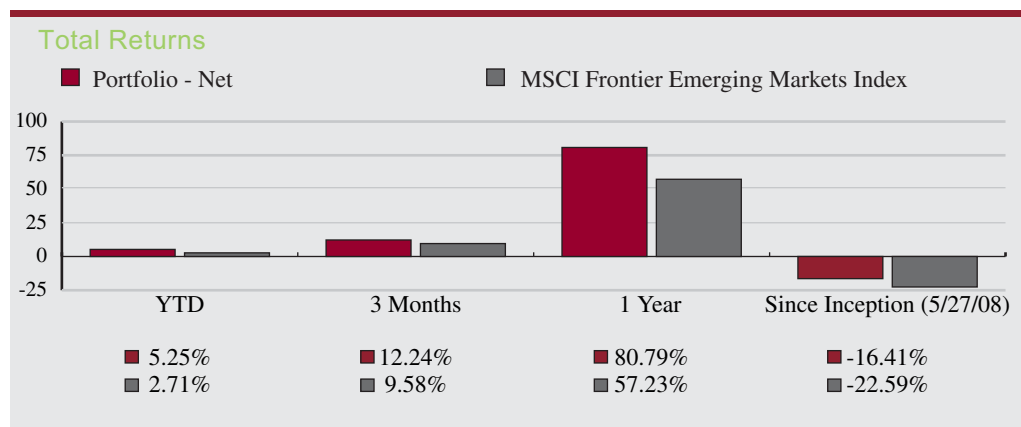
Region	HLFMX	Benchmark ³
Africa	30.0	19.1
Eastern Europe	12.1	6.4
Emerging Asia	13.9	12.9
Gulf States	15.8	32.2
Latin America	17.1	26.7
Middle East	2.7	2.7
Other ⁴	2.6	-
Cash	5.8	-

Investment Objective

The Frontier Emerging Markets Portfolio seeks long-term capital appreciation through investments in equity securities of companies based in frontier emerging markets.

Total Returns (%)

	Inception Date	Average Annualized Total Returns as of June 30, 2010		
		3 Months	1 Year	Since Inception
Frontier Emerging Markets Portfolio - Net	5/27/08	-6.23	23.41	-17.21
MSCI Frontier Emerging Markets Index		-6.28	11.47	-22.65



Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Portfolio may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling (877) 435-8105 or visiting www.hardingloevnerfunds.com. Performance data shown does not reflect the 2.00% redemption fee imposed on shares held 90 days or less; otherwise, total returns would be reduced.

Foreign investments involve additional risks, including greater volatility and political, economic, and currency risks and differences in accounting methods. Emerging markets countries involve greater risks, such as immature economic structures, national policies restricting investments by foreigners, and different legal systems. Such risks may be magnified with respect to securities of issuers in frontier emerging markets. The Portfolio can have significant concentration in a single industry, and investment opportunities in frontier markets may be concentrated in the banking industry. The Portfolio will be vulnerable to factors affecting an industry in which it is concentrated. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Investment in lower-rated and non-rated securities presents a greater risk of loss of principal and interest than higher-rated securities. Mutual fund investing involves risk. Principal loss is possible.

The MSCI Frontier Emerging Markets Index is a free float-adjusted market capitalization index designed to measure equity market performance in all countries from the MSCI Frontier Markets Index and the lower size spectrum of the MSCI Emerging Markets Index. The Index consists of 26 frontier markets and 5 emerging markets. The Index is net of foreign withholding taxes on dividends. You cannot invest directly in this Index.

All holdings and sector/region allocations are subject to review and adjustment in accordance with the Portfolio's investment strategy and may vary in the future, and should not be considered recommendations to buy or sell any security. The Portfolio is actively managed; therefore holdings may not be current.

Investment performance reflects fee waivers and in the absence of these waivers investment performance would be reduced.

¹Lower minimums available through selected fund distributors; ²Harding Loevner has voluntarily agreed to cap the total annual class operating expenses at 2.00% (on annualized basis) of the average daily net assets of the Institutional Class. This expense cap may be terminated at anytime; ³MSCI Frontier Emerging Markets Index; ⁴Other includes the countries outside the benchmark where some holdings that have operations and/or sales focused in frontier and small emerging markets are domiciled.

Frontier Emerging Markets Portfolio

June 30, 2010

Ticker: HLFMX



Ten Largest Holdings

	Sector	Country	% Assets
Bancolombia	Financials	Colombia	2.9
Credicorp	Financials	Peru	2.6
Equity Bank	Financials	Kenya	2.3
Safaricom	Telecom Services	Kenya	2.3
Jarir Marketing	Industrials	Saudi Arabia	2.2
Square Pharmaceuticals	Health Care	Bangladesh	2.1
Kuwait Investment Project	Financials	Kuwait	2.1
Cementos Argos	Materials	Colombia	2.0
Home Product Center	Consumer Discretionary	Thailand	2.0
Almarai	Consumer Staples	Saudi Arabia	2.0

Ten Largest Holdings **22.5**

Portfolio Characteristics

	HLFMX	Benchmark ¹		HLFMX	Benchmark ¹
Return on Assets	5.0%	3.4%	Avg Wtd Mkt Cap (mn)	\$3,850	\$7,933
Return on Equity	17.9%	14.7%	Price/Earnings	14.1	13.7
Debt/Equity Ratio	29.0%	29.5%	Price/Cash Flow	10.4	9.1
Profit Margin	14.7%	16.9%	Price/Book	1.9	1.7
5 Year ROE	19.2%	18.5%	Alpha ³	6.13	-
Std Dev of 5 Year ROE	4.4%	4.5%	Beta ³	1.12	1.00
Sales Growth ²	25.7%	23.9%	R-Squared ³	0.90	1.00
EPS Growth ²	5.0%	2.8%	Sharpe Ratio ³	-0.08	-0.14
CF Growth ²	11.1%	4.3%	Standard Deviation ³	33.48	28.18

¹MSCI Frontier Emerging Markets Index; ²Trailing five years, annualized; ³Trailing two years, annualized.
Source: Wilshire Atlas (Run Date July 8, 2010) Based on the Portfolio's underlying holdings.

Average Weighted Market Capitalization: the product of a security's price & the number of shares outstanding. Price/Earnings: the ratio of a firm's closing stock price & its trailing 12 months' earnings/share. Price/Cash Flow: the ratio of a firm's closing stock price & its fiscal year end cash flow/share. Price/Book: the ratio of a firm's closing stock price & its fiscal year end book value/share. Return on Equity: the net income divided by total common equity outstanding, expressed as a percent. Alpha: a measure of risk-adjusted return. Beta: a measure of the portfolio's sensitivity to the market. R-Squared: a measure of how well a portfolio tracks the market. Sharpe Ratio: the return over the risk free rate per unit of risk. Standard Deviation: the statistical measure of the degree to which an individual value in a probability distribution tends to vary from the mean of the distribution. Return on Assets: net income for past 12 months divided by total assets. Earnings Per Share: portion of a company's profit allocated to each outstanding share of common stock. Debt/Equity Ratio: total long-term debt divided by total shareholder's equity. Profit Margin: relationship of gross profits to net sales.

The Portfolio's investment objectives, risks, charges and expenses must be read and considered carefully before investing. The Prospectus contains this and other important information about the investment company. It may be obtained by calling toll free (877) 435-8105, or visiting www.hardingloevnerfunds.com.

While the Portfolio is "no load", management and other expenses still apply. Please refer to the Prospectus for further details.

The Portfolio is distributed by Quasar Distributors, LLC.

Investment Adviser

Former global managers for the Rockefeller family formed Harding Loevner LP, the Portfolio's adviser, in 1989. Its investment staff of 23 have an average of 19 years experience, and seven years of tenure. Harding Loevner manages \$7.1 billion for foundations, endowments, pension plans, family offices and individuals.

Portfolio Managers



Donald Elefson, CFA
Co-Lead Portfolio Manager
University of Washington, BA, 1983
Harding Loevner since 2008

Pradipta Chakraborty
BIRLA Institute of Technology & Science, BE, 1994
XLRI School of Management, MBA, 1998
University of Pennsylvania, The Wharton School, MBA, 2008
Harding Loevner since 2008

Rusty Johnson, CFA
Co-Lead Portfolio Manager
Washington & Lee University, BA, 1986
Harding Loevner since 1994

For More Information contact:

Harding, Loevner Funds, Inc.:
c/o Northern Trust
Attn: Funds Center C5S
801 South Canal Street
Chicago, IL 60607
Tel: (877) 435-8105
Email: hardingloevnerfunds@ntrs.com

Investment Adviser:
Harding Loevner LP
50 Division Street, Fourth Floor
Somerville, NJ 08876
Tel: (908) 218-7900
www.hardingloevner.com