HARDING LOEVNER FUNDS

Fundamental. Thinking. Worldwide.

International Equity Portfolio

Institutional Class

December 31, 2009

Ticker: HLMIX

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	412295107
Inception Date	05/11/94
Minimum Investment [1]	$100,000
Total Fund Assets	$325.4 M
Sales Charge	None
Total # of Holdings	51
Expense Ratio	0.96%
Turnover (3 Yr Average)	19%
Redemption Fee	*2.00% first 90 days*
Dividend Policy	Annual
NAV	$12.80

Sector Exposure (%)

Sector	*HLMIX*	*Benchmark* [2]
Cons Discretionary	13.2	8.4
Cons Staples	14.3	8.5
Energy	11.4	11.2
Financials	12.2	25.8
Health Care	11.4	6.4
Industrials	8.2	9.8
Info Technology	14.5	6.7
Materials	5.5	12.0
Telecom Services	6.0	6.2
Utilities	0.0	5.0
Cash	3.3	-

Geographical Exposure (%)

Region	*HLMIX*	*Benchmark* [2]
Canada	3.1	7.3
Emerging Markets	21.9	22.4
Europe EMU	23.1	23.5
Europe ex-EMU	24.2	23.6
Japan	14.3	14.5
Pacific ex-Japan	5.9	8.7
Other [3]	4.2	-
Cash	3.3	-

Investment Objective

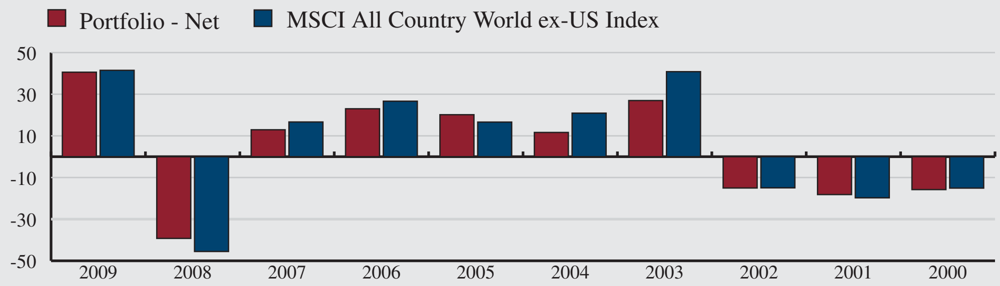
The International Equity Portfolio seeks long-term capital appreciation through investment in equity securities of companies based outside the United States.

Total Returns (%)

Average Annualized Total Returns as of December 31, 2009

	Inception Date	3 Months	1 Year	3 Years	5 Years	10 Years
International Equity Institutional Class - Net	05/11/94	6.30	40.57	-1.20	7.35	1.69
MSCI All Country World ex-US Index		3.74	41.47	-3.48	5.84	2.74
Lipper International Fund Index		2.56	35.28	-4.49	4.88	1.95

Calendar Year Returns



	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Portfolio - Net	40.57%	-39.24%	12.93%	23.01%	20.16%	11.64%	26.96%	-15.04%	-18.19%	-15.80%
MSCI All Country World ex-US Index	41.47%	-45.52%	16.67%	26.64%	16.62%	20.91%	40.83%	-14.96%	-19.75%	-15.09%

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.

The Portfolio invests in foreign securities, which will involve greater volatility and political, economic, and currency risks, such as exposure to economies less diverse and mature than the U.S. or other more established foreign markets. Economic and political instability may cause larger price changes in emerging markets securities than other foreign securities. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Investment by the Portfolio in lower-rated and non-rated securities presents a greater risk of loss to principal and interest than higher-rated securities.

The MSCI All Country World ex-US Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global developed and emerging markets, excluding the US. The Index consists of 44 developed and emerging market countries. The Index is net of foreign withholding taxes on dividends. The Lipper International Fund Index, an unmanaged index published by Lipper Analytical Services, Inc., includes 30 funds that are generally similar to the Fund, although some funds in the index may have somewhat different investment policies or objectives. You cannot invest directly in these Indices.

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.

[1]Lower minimums available through selected fund distributors; [2]MSCI All Country World ex-US Index; [3]Other includes countries outside the benchmark where some holdings are incorporated.

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Ten Largest Holdings

	Sector	Country	% Assets
Air Liquide	Materials	France	3.6
Nestlé	Consumer Staples	Switzerland	3.3
WPP	Consumer Discretionary	United Kingdom	3.2
Dassault Systemes	Information Technology	France	3.0
Allianz	Financials	Germany	2.8
China Resources Enterprises	Consumer Staples	China	2.8
Alcon	Health Care	Switzerland	2.6
Standard Chartered	Financials	United Kingdom	2.6
Wal-Mart de México	Consumer Staples	Mexico	2.6
Bunge	Consumer Staples	Bermuda	2.6
Ten Largest Holdings			**29.1**

Portfolio Characteristics

	HLMIX	Benchmark[1]		HLMIX	Benchmark[1]
Return on Assets	8.1%	3.8%	Avg Wtd Mkt Cap (mn)	$39,852	$46,579
Return on Equity	15.7%	13.8%	Price/Earnings	19.0	20.0
Debt/Equity Ratio	34.1%	44.4%	Price/Cash Flow	9.2	7.2
Profit Margin	12.4%	7.6%	Price/Book	2.3	1.7
5 Year ROE	16.4%	15.7%	Alpha[3]	2.82	-
Std Dev of 5 Year ROE	3.5%	4.0%	Beta[3]	0.95	1.00
Sales Growth[2]	12.9%	12.7%	R-Squared[3]	0.96	1.00
EPS Growth[2]	11.7%	10.7%	Sharpe Ratio[3]	0.00	-0.03
CF Growth[2]	11.7%	9.3%	Standard Deviation[3]	24.53	25.28

[1]MSCI All Country World ex-US Index; [2]Trailing five years, annualized; [3]Trailing three years, annualized.
Source: Wilshire Atlas (Run Date January 6, 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 18 years experience, and seven years of tenure. Independent and employee owned, Harding Loevner manages $6.7 billion for foundations, endowments, pension plans, family offices and individuals.

Portfolio Managers

Simon Hallett, CFA
Lead Portfolio Manager
Oxford University, BA, 1978, MA, 1992
30 Years investment experience
19 Years with Harding Loevner

Alexander Walsh, CFA
McGill University, BA, 1978
30 Years investment experience
15 Years with Harding Loevner

Ferrill Roll, CFA
Stanford University, BA, 1980
29 Years investment experience
13 Years with Harding Loevner

Peter Baughan, CFA
University of North Carolina, BA, 1983
26 Years investment experience
12 Years with Harding Loevner

For More Information contact:

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