
Merrion Capital Investment Funds plc

(the “Company”)

An open-ended investment company with variable capital incorporated in Ireland with registered number 427248 established as an umbrella fund with segregated liability between sub-funds.

Merrion Growth Fund

(the “Fund”)

SUPPLEMENT TO PROSPECTUS

7 October 2008

The Merrion Growth Fund is a Fund of Merrion Capital Investment Funds plc, an investment company with variable capital established pursuant to the Regulations as an umbrella fund with segregated liability between Funds, in which different Funds may be created from time to time, with the prior approval of the Financial Regulator.

A description of Merrion Capital Investment Funds plc, its management and administration, taxation and risk factors is contained in the Prospectus.

This Supplement relates to the Merrion Growth Fund and forms part of the Prospectus. This Supplement must be read in the context of and together with the Prospectus. In particular, investors should read the risk factors set out in the Prospectus. The other current Funds of the Company are the Merrion Balanced Fund and the Merrion Irish Opportunities Fund.

The information contained in this Supplement should be read in the context of, and together with, the information contained in the Prospectus, and distribution of this Supplement is not authorised unless accompanied by or supplied in conjunction with a copy of the Prospectus.

An investment in the Fund should not constitute a substantial portion of an investor's portfolio and may not be appropriate for all investors.

The Directors of the Company, whose names appear on page III of the Prospectus, accept responsibility for the information contained in this Supplement. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Unless otherwise stated, all capitalised terms shall have the same meaning herein as in the Prospectus.

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DEFINITIONS

The following definitions apply throughout this Supplement unless the context requires otherwise:

“Closing Date”	means 19 October 2006;
“Financial Regulator”	means the Irish Financial Services Regulatory Authority or any successor thereto;
“Fund”	means the Merrion Growth Fund;
“Initial Offer”	means the initial offer of Shares in the Fund which commenced on 18 October 2006 and closed on the Closing Date;
“Investment Manager”	means Merrion Capital Investment Managers Limited;
“Minimum Holding”	means a minimum holding of €250,000 or such lesser amount as may be agreed by the Directors;
“Minimum Redemption”	means a minimum redemption of €1,000 or such lesser amount as may be agreed by the Directors;
“Minimum Subscription”	means a minimum subscription of €250,000 or such lesser amount as may be determined by the Directors in their absolute discretion in any particular case;
“Minimum Subsequent Subscription”	means the Minimum Subsequent Subscription of €1,000 or such lesser amount as may be agreed by the Directors;
“Prospectus”	means the prospectus of the Company dated 7 October 2008 and all relevant supplements and revisions thereto;
“Redemption Date”	means every Business Day;
“Shares”	means the Shares of the Fund;
“Share Classes”	means the classes of Shares of the Fund;
“Subscription Date”	means every Business Day;
“Supplement”	means this supplement;
“Valuation Date”	means every Business Day; and
“Valuation Point”	means 9.00 pm (Dublin time) on each Valuation Date.

The Fund

This Supplement is issued in connection with the offer of the Merrion Growth Fund. The Directors of the Company may create new classes of Shares in the Fund from time to time, provided that the creation of any such new class of Shares is notified and cleared in advance to the Financial Regulator. A separate pool of assets will not be maintained for each class of Shares.

The Fund is denominated in Euro.

Investment Objective

The Merrion Growth Fund enables investors to invest in a collective capital investment fund operating on the principle of risk-spreading. The investment objective of the Merrion Growth Fund is to capture the capital growth potential inherent in equity markets over the long term through investing in a range of transferable equity securities in global equity markets. The Investment Manager will apply prudent diversification criteria to the stock holdings and may hold bonds and cash as protection in uncertain markets.

Investment Policy

The Fund's investment objective will be achieved by investing in equities listed or traded on Recognised Markets, but may from time to time invest in cash deposits and bonds. Any such bonds will be of Investment Grade and shall include, but are not limited to, floating rate notes, fixed and variable rate securities, government bills and bonds issued by governments of EU Member States or OECD member states, corporations, financial institutions and multi-governmental institutions such as the World Bank and the European Investment Bank. All of the transferable securities to be acquired by the Fund will be listed or traded on Recognised Markets. In addition, the Fund may include in its portfolio cash deposits or other ancillary liquid assets, held in accordance with the UCITS Notices.

The equities to be acquired by the Fund will consist of shares issued by a range of companies operating in different geographical regions (including Europe, North America and Asia) and business sectors (including sectors such as financial, healthcare, consumer discretionary, consumer staples, energy, basic materials, telecommunications, utilities, technology, and industrials). The companies will vary in size in terms of market capitalisation.

Investment Restrictions

The Investment Manager will apply prudent diversification criteria to the stock holdings. The Fund may invest up to 10% of its Net Asset Value in recently issued equities which will be admitted to official listing on a Recognised Market within one year. In addition, the Fund may invest up to 10% of its Net Asset Value in the equities of unquoted companies.

Dividend Policy

It is currently not intended that the Fund will pay dividends or otherwise make distributions to Shareholders.

Risk Factors

Investors' attention is drawn to the risk factors set out in the Prospectus and to the following additional risk factors.

Shareholders should note that the management fees and expenses incurred by the Fund will as far as possible be deducted from the income of the Fund. If there is insufficient income, the balance will be charged to the capital of the Fund. This may have the effect of lowering the capital value of the Shareholder's investment.

Taxation

Any change in the Fund's tax status or in taxation legislation could affect the value of the investments held by the Fund and could affect the return to investors. Potential investors and Shareholders should note that the statements on taxation, which are set out herein are based on advice which has been received by the Directors regarding the law and practice in force in the relevant jurisdiction as at the date of this Supplement and the Prospectus. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment is made in the Fund will endure indefinitely. The attention of potential investors is drawn to the tax risk associated with investing in the Fund. See section headed "Taxation" on page 20 in the Prospectus.

Subscriptions

Offer

Shares may be subscribed for during the Initial Offer at a price of €1.00 in the case of Shares denominated in Euros. Monies subscribed for each class should be in the denominated currency of the relevant share class.

During the Initial Offer investors should complete the Application Form (available from the Administrator) and send it by post, delivery or fax (with the original form and supporting documentation in relation to money laundering checks to follow as soon as is possible) to the Administrator, to be received no later than 4.00pm (Dublin time) on the Closing Date. Subscription monies must be received by the Administrator, for the account of the Fund, by no later than 5.00pm (Dublin time), on the third Business Day after the relevant Subscription Date. If payment in full has not been received by the relevant times stipulated above, the application may be refused and the Shares provisionally allotted will be cancelled.

Following the relevant Closing Date, Shares will be available for subscription at the Net Asset Value on each Subscription Date. Applicants must subscribe the relevant Minimum Subscription (in the case of an applicant's first subscription into the Fund) or in the case of a Shareholder applying for further Shares, the Minimum Subsequent Subscription as set out herein.

The completed Application Form must be received by post, delivery or fax (with the original to follow as soon as is possible) by the Administrator no later than 4.00pm (Dublin time) on the relevant Subscription Date. Subscription monies must be received by the Administrator, for the account of the Fund, by no later than 5pm (Dublin time), on the third Business Day after the relevant Subscription Date. If payment in full has not been received by the relevant times stipulated above, the application may be refused and the Shares provisionally allotted will be cancelled.

Applications not received or incorrectly completed applications received by the Administrator by 4.00pm (Dublin time) on the relevant Subscription Date shall be held over and applied on the next following Subscription Date or until such time as a properly completed Application Form is received by the Administrator on the date on which it is processed.

The initial offer price for the Shares is €1.00. During the Initial Offer, investors in the Shares must subscribe for at least the Minimum Subscription amount.

Following the Initial Offer, investors in the Shares, in the case of an initial subscription into the Fund, must subscribe for at least the Minimum Subscription amount and existing Shareholders will be required to subscribe for at least the Minimum Subsequent Subscription amount.

The Directors may, in their absolute discretion, charge a subscription fee, payable to the Investment Manager, of up to 4 per cent. of the gross cash amount subscribed. Redemption requests in respect of the Shares for amounts less than the Minimum Redemption will be refused.

Redemptions

Shares will be redeemable at the option of the Shareholder on each Redemption Date except in the circumstances described herein and in the Prospectus. Following the relevant Closing Date, Shares may be redeemed at the Net Asset Value on each Redemption Date. Requests for redemption may be made by post, delivery or fax (with the original to follow as soon as is possible) to the Administrator so

as to be received by no later than 4.00pm (Dublin time) on the relevant Redemption Date on which the Shares are to be redeemed. Shares will be redeemed at the Net Asset Value as calculated on the relevant Redemption Date.

Redemption requests not received by this time shall be held over and applied on the next following Redemption Date. Redemption requests for less than the Minimum Redemption will be refused. A request for a partial redemption of Shares will be refused, or the holding may be redeemed in its entirety, if, as a result of such partial redemption, the aggregate Net Asset Value of the Shares maintained by the Shareholder would be less than the Minimum Holding specified in the relevant section herein.

Settlement for redemptions will normally be made by telegraphic transfer or other form of bank transfer to the bank account of the Shareholder specified in the Application Form (at the Shareholder's risk) three Business Days from receipt by the Administrator of the correct repurchase documentation and in any event within ten days of the Redemption Date on which the redemption request has been processed. No payments to third parties will be effected.

Redemption proceeds will not be remitted until the Administrator has received the original of the redemption request. In addition, if an original redemption request including payment details has not been received prior to the date on which the redemption proceeds are to be paid, payment will be delayed. Redemption proceeds will not be paid where an original application form has not been previously received from the investor. No redemption payment may be made from that holding until the original Application Form has been received from the Shareholder and all documentation required by the Administrator including any documents in connection with anti-money laundering procedures have been received.

As set out in the Prospectus, the Directors also reserve the right to the compulsory redemption of all Shares of any class held by a Shareholder if the aggregate Net Asset Value of the Shares of that class held by the Shareholder is less than the Minimum Holding specified herein. Prior to any compulsory redemption of such class of Shares, the Administrator will notify the Shareholders in writing and allow such Shareholder thirty days to purchase additional Shares of such class to meet this minimum requirement.

Investment Management and Distribution Fees

Investors' attention is drawn to the Fees and Expenses Section in the Prospectus.

In respect of investment management services and distribution services provided to the Fund, the Company shall pay to the Investment Manager and Distributor an aggregate fee not exceeding 1.5% of Net Asset Value of the Fund.

Establishment Expenses

The expenses incurred in connection with the establishment of the Company are as set out in the section headed Fees and Expenses in the Prospectus and will be equally apportioned between the Initial Funds on the Closing Date. Any Funds of the Company which may be established at a later date may, at the absolute discretion of the Directors, be allocated such portion of the formation expenses of the Company as the Directors consider to be fair in the circumstances.

Miscellaneous

As at the date hereof:

- (i) none of the Directors, their spouses or any connected person has any interest in the share capital of the Company or any options in respect of such capital;
- (ii) none of the Directors or any connected person has any interest, beneficial or non-beneficial, in the share capital of the Company or any options in respect of such capital; and

- (iii) the Fund does not have any loan capital (including term loans) outstanding or created but un-issued, or any outstanding mortgages, charges, debentures or other borrowings or indebtedness in the nature of borrowings, including bank overdrafts liabilities under acceptance (other than normal trade bills) or acceptance credits, obligations under finance leases, hire purchase commitments, guarantees or other material contingent liabilities.