

Press Release
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Sparinvest Global Value Fund takes gold

During yesterday's award ceremony in Frankfurt, the rating agency Lipper awarded the title of 'best international equity fund within a five-year period' to the Sparinvest Global Value Fund. The Lipper Fund Award was awarded to Danish investment company Sparinvest, based in Luxembourg, as a result of its constant and risk-adjusted increase in value of 91.45 per cent in five years.

Luxembourg, 14.02.2007 - The gold medal has been taken by the Global Value Fund of Danish investment firm Sparinvest. The fund generated an overall constant and risk-adjusted value increase of 91.45 per cent in five years (31.12.2001 - 31.12.2006). As a result of this the Lipper rating agency handed over the Lipper Fund Award Germany 2007 to fund manager Jens E. Moestrup Rasmussen at yesterday's award ceremony in Frankfurt. The Sparinvest Global Value Fund was set up five years ago, on 14.12.2001 (WKN A0DQN4; ISIN: LU0138501191) and has a volume of EUR 868.27 million (as of 31 December 2006).

"The returns that our value team have generated show us that our investment strategy of continual investment in undervalued stocks with a mid-term returns horizon was and is the right decision," says Jan Stig Rasmussen, CEO of Sparinvest in Luxembourg. "Even more impressive is the fact that we took the decision to launch a global value fund in the European market against a backdrop of steadily rising financial markets. Value was not the order of the day, and all-out growth was considered the only genuine form of investment. Today we can see that a value strategy can be just as rewarding as growth in rising markets and we remain convinced that it's always the better strategy for turbulent markets.

Capital preservation takes priority over fantastic yields

The Danes' flagship UCITS fund invests worldwide in undervalued stocks, usually belonging to companies with low or medium market capitalisation. However, fund manager Jens E. Moestrup Rasmussen is keeping away from emerging markets due to unpredictable political risk.

The six-strong value team, headed by Rasmussen, checks out more than 20,000 companies every month. The portfolio only admits stocks of companies whose market price is at least 40 per cent below Sparinvest's calculation of their intrinsic value.

The team puts each company through its paces. "We analyse the substance of every stock in the same way as we would if we were looking to acquire the entire company. This enables us

to reduce the default risk to a minimum,” says Rasmussen. There are currently around 100 stocks in the fund’s portfolio. “We sell a stock as soon as it reaches the intrinsic value that we have calculated. We are, however, unable to predict when exactly this value will be reached. The average duration of stockholding is between 3 and 5 years.”

“For us, security comes ahead of fantastic yields. We concentrate on capital preservation,” explains Rasmussen. “We want to achieve positive earnings in the long term, in every market situation, without aligning ourselves to a benchmark. So risky investment manoeuvres are strictly taboo for us.” The turnover of the Global Value Fund only amounts to 10 to 20 per cent of the portfolio, compared with over 70 per cent in the case of conventional global investment funds. The benefit: low costs, which do not eat into earnings.

Key data of the Global Value Fund

Global Value (WKN A0DQN4; ISIN: LU0138501191) is a mirror fund of "Value Aktier", the biggest equity fund in Denmark, which Jens Moestrup Rasmussen has been managing since 1997. It is also one of three sub-funds that are authorised for sale in 13 European countries under the umbrella of Luxembourg-based Sparinvest SICAV.

The company

Sparinvest was founded by a group of savings banks in 1968 as the first mutual fund in Denmark. Since it was founded, the company has been owned by in excess of 90 shareholders including Danish banks, insurance companies and pension funds. Sparinvest’s Luxembourg subsidiary has been expanding European distribution since 2001.

Over 30 funds, designed for institutional and private investors, are currently managed by the Sparinvest Group. The total investment volume now amounts to more than EUR 16 billion.

Press inquiries:

Britta Wulff • public imaging • Agentur für Investor Relations and Public Relations GmbH
Goldbekplatz 3-5 • D-22303 Hamburg • www.publicimaging.de
Tel.: 040 / 40 19 99-27 • Fax: 040 / 40 19 99-10 • wulff@publicimaging.de