

Latest grading issued July 2012

**Fund owner:** Keijser Capital Asset Management BV  
**Fund manager/adviser:** Keijser Capital Asset Management BV  
**Named portfolio manager/adviser(s):** Willem Burgers (since launch), Hilco Wiersma (since April 2007)  
**Contact group:** +31 20 531 21 21 or www.addvaluefund.nl

### Fund profile

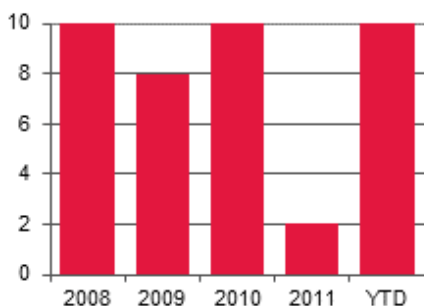
Launch date	February 2007
Manager location	Amsterdam
Sector	Europe - single countries
Peer group	Dutch equities
Fund benchmark	None
Fund size	€40.8m (1 June 2012)

### Review period 12 months to end-May 2012

**Daniel Vaughan, Analyst at S&P Capital IQ Fund Research, prepared and is responsible for this report; the Grading Committee is responsible for the grading.**

*The following report is based on information taken direct from the group either via interview or as a written document and augmented by information in the public domain. The sources of performance data are provided within the report. All opinions are our own.*

### Calendar-year decile ranks



*Decile ranking in discrete annual periods. First decile (highest returns) shown as rank 10, second decile as rank nine with tenth decile (lowest returns) as rank one.*

### Cumulative returns

	3 years	5 years
Fund share class	72.7%	7.6%
S&P Capital IQ peer median	20.6%	-38.5%
Index**	31.1%	-26.6%
Fund share class rank	2/23	1/23

\*\* S&P Netherlands BMI TR EUR

### Fund Research opinion (July 2012)

This product continues to be managed by the team at Keijser Capital Asset Management (KCAM), a wholly owned subsidiary of Keijser Capital. KCAM was established in 2007 when Willem Burgers and Hilco Wiersma both joined the group to manage this fund. This product remains the sole focus of this team and of the group. Since our last review, Karel Vogel, who joined the team as compliance and risk manager at inception has left and was replaced by Arnold Bon.

Burgers is the senior of the two fund managers, but the majority of decisions are taken jointly. Burgers is an experienced Dutch equity investor, having begun his career in 1980 and has worked on the sell-side as well as managing portfolios including the Kempen Orange fund, which focused on small-cap stocks. Wiersma previously worked as a derivatives broker, appropriate experience for this fund's small derivatives element.

The approach quickly narrows the investable universe down to just 40 stocks, so a team of two can comfortably cover the fund's research requirements, while Burgers' extensive experience means he knows these companies very well and he continues to have a lot of company contact.

The team has very clear criteria for buying into small- and mid-cap stocks in terms of required recurring revenues and earnings growth. They are looking for growth stocks where they have a different medium-term view to market consensus based on their knowledge of the business strategy. The managers focus on companies with proven management teams and a niche or market leading position.

The portfolio is concentrated with a maximum of 25 names (minimum of 10) and is built bottom-up without reference to any index. A very high level of cash (up to 75%) may be held, but this is not typically the case and the fund has been fully invested over the last 12 months. Since launch, higher-risk names in the building and construction industry have been avoided, as have financials. The turnover is very low - since our last review, just three holdings have been sold and one taken over, with no new additions to the portfolio. Liquidity is not a major problem, given the small fund size. The only open option position was a synthetic structure on Imtech after a severe price fall.

Performance since the fund's launch in 2007 has been strong against our Dutch equities peer group, helped by the style of management (secular earnings growth and earnings visibility) largely being in favour. The managers also made good use of cash in 2008, when they took liquidity to 25%. A more meaningful comparison is against small- and mid-cap indices, given the clear focus of this product on that area of the market. Against both the Amsterdam Small Cap and the Midkap indices, the fund has shown strong outperformance since launch. Outperformance of a composite of these indices attracts a performance fee of 10% with a high-water mark.

The experience of the team, its clear approach and the success achieved allow the fund to retain an S&P Capital IQ Gold grading.

## addvalue fund

### Management style

This fund invests in Dutch small- and mid-cap stocks with market capitalisations above €20m. The fund is not managed relative to any benchmark and aims to provide 10% a year returns over the longer term.

The investment universe of around 75 small- and mid-cap companies is reduced to around 40 that are deemed investable, based on balance sheet quality and corporate governance issues. Of these, the managers look to select the best in each sector, building a concentrated portfolio of 10-25 stocks with some level of diversification.

Individual positions are usually close to 5-10% at a full weighting. Liquidity is monitored, with 70% of the fund being deemed liquid by the team.

Stocks held should show a record of earnings growth and have proven management teams. Company contact is high, ranging from AGMs to one-to-one meetings. Niche players and market leaders are sought, with the team backing those where they have a clearly differentiated view and valuation is reasonable. A minimum of 70% of companies held must pay a dividend.

Cash may be raised as high as 75% to protect the fund. Small options positions may be taken occasionally to slightly increase exposure to individual names.

### Fund manager & team

The investment team at Keijser Capital Asset Management consists of just two fund managers, Willem Burgers and Hilco Wiersma. Burgers is the more senior, but the majority of decisions are made jointly. The team is solely focused on managing this fund.

Willem Burgers - started his career at Robeco in 1978 as a fixed interest analyst before moving to Dutch equities in 1980. After working on the sell-side, he started managing the (Kempen) Orange fund from 1990 to 2002. He worked in private equity and managed his own money until 2007, when he joined Keijser Capital Asset Management.

Hilco Wiersma - started in the investment industry in 1997 as a derivatives broker at Sem van Berkel before becoming a private client manager at AFS Group. He joined Keijser Capital Asset Management in 2007.



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### Investment style

	Value	Blend	Growth
Large-cap			
Mid-cap			
Small-cap			

### Portfolio characteristics (1 June 2012)

No. of holdings	14
% in top 10	87
Turnover ratio (%)	6.8

Source: Keijser Capital Asset Management BV

### Risk characteristics

	3 years	5 years
Worst month (%)	-15.6	-15.6
Volatility	21.0	23.8
Correlation vs index	0.8	0.8
Beta vs index	1.0	1.0

### Calendar-year performance

	2008		2009		2010		2011		Year to 31/05/2012	
	%	Rank	%	Rank	%	Rank	%	Rank	%	Rank
Fund share class	-43.1	1/23	55.6	6/23	51.2	1/23	-21.0	19/23	17.5	1/24
Index**	-45.5		42.4		10.8		-11.0		0.0	
Median	-50.2		40.2		10.3		-12.4		-3.7	

\*\* S&P Netherlands BMI TR EUR

Fund benchmark: None

Share class screened: NL0009388743 (Ord)

Performance Data Source - © 2012 Lipper inc. All rights reserved. All statistical data on this report has been run to 31/05/2012 on NAV to NAV basis, with gross income reinvested, in EUR and including the effect of fees and expenses.

## Grading Process

To qualify for an interview and potential grading, a fund must have a minimum two-year performance track record (three years for funds-of-hedge-funds). New funds, funds with less than two years' performance record and specialist funds can be analysed and included providing independent verifiable performance data is supplied.

The starting point for a grading is an initial quantitative screen based on performance data obtained from Lipper Inc or elsewhere. For long-only funds, discrete annual performance comparisons are made, as opposed to cumulative returns over a three-year period. Relative performance of funds within each sector is ranked by decile.

This quantitative screen captures approximately the top 20% of funds in each sector, depending on the size of the sector. For funds-of-hedge-funds the screen is based on the fund's risk/reward objective.

For more information on the fund grading process please visit our website at [www.funds-info.standardandpoors.com](http://www.funds-info.standardandpoors.com).

## Symbols and Definitions

### Active funds

#### Grading bands for long-only funds

**Platinum** The fund demonstrates the highest standards of quality in its sector based on its investment process and management's consistency of performance as compared to funds with similar objectives.

**Gold** The fund demonstrates very high standards of quality in its sector based on its investment process and management's consistency of performance as compared to funds with similar objectives.

**Silver** The fund demonstrates high standards of quality in its sector based on its investment process and management's consistency of performance as compared to funds with similar objectives.

#### Grading bands for Fund-of-hedge-funds / Absolute return / Specialist funds

**Platinum** The fund demonstrates the highest standards of quality based on its investment process, risk awareness and consistency of performance relative to its own objectives.

**Gold** The fund demonstrates very high standards of quality based on its investment process, risk awareness and consistency of performance relative to its own objectives.

**Silver** The fund demonstrates high standards of quality based on its investment process, risk awareness and consistency of performance relative to its own objectives.

#### Grading bands for Ucits III flexible beta funds

**Platinum** The fund demonstrates the highest standards of quality based on its investment process, risk awareness and consistency relative to its own objectives and relative to comparable flexible beta funds.

**Gold** The fund demonstrates very high standards of quality based on its investment process, risk awareness and consistency relative to its own objectives and relative to comparable flexible beta funds.

**Silver** The fund demonstrates high standards of quality based on its investment process, risk awareness and consistency relative to its own objectives and relative to comparable flexible beta funds.

### Bond gradings

**V** Bond fund volatility gradings of V1 to V6 reflect S&P Capital IQ's current opinion of a fund's sensitivity to changing market conditions. A volatility grading evaluates a fund's sensitivity to interest rate movement, credit risk, investment diversification or concentration, liquidity, leverage and other factors. For the V1 to V4 categories, risk is considered relative to a portfolio composed of government securities denominated in the base currency of the fund.

### Absolute return gradings

**N** The N grading is S&P Capital IQ's indication of a fund's potential capital stability in normal markets. It is a qualitative grading but is based on annualised weekly downside deviation. N1 is the most stable, and N9 the least stable grading.

Continued on next page

## Symbols and Definitions (continued)

### Passive funds

Platinum	The fund demonstrates the highest standards of quality based on its investment process, risk management and consistency of performance as compared to its benchmark index and other passive funds with a similar benchmark.
Gold	The fund demonstrates very high standards of quality based on its investment process, risk management and consistency of performance as compared to its benchmark index and other passive funds with a similar benchmark.
Silver	The fund demonstrates high standards of quality in its sector based on its investment process, risk management and consistency of performance as compared to its benchmark index and other passive funds with a similar benchmark.

### Applicable to both active and passive funds

Bronze	A previously graded fund where a newly appointed fund manager or team does not yet have the required 12 months' relevant investment management experience to achieve a Silver grading or higher.
Grading On Hold	A grading is placed On Hold when a significant change occurs at the fund manager or fund management team level and S&P Capital IQ has not yet had the opportunity to evaluate the impact on the qualitative appraisal.
Grading Removed	A previously graded fund is classified Grading Removed when a significant change occurs at the fund manager or fund management team level sufficient for the fund to no longer meet the standards to achieve a grading.
LTG recognition	A long-term grading (LTG) denotes a fund that has achieved an S&P Capital IQ fund grading at Platinum, Gold or Silver level in each of the last five or 10 consecutive years.

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