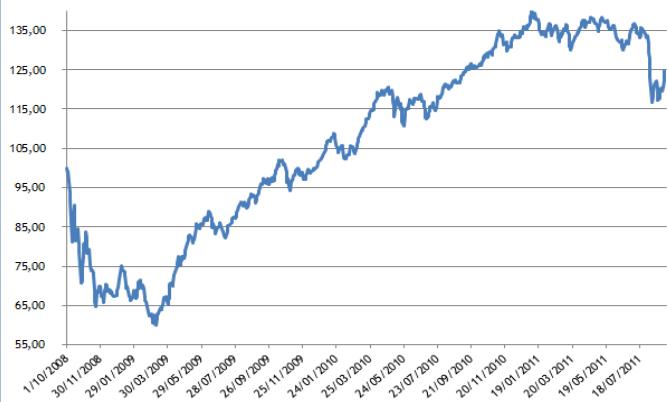


# Value Square Fund Equity World

Monthly Fact Sheet August 2011

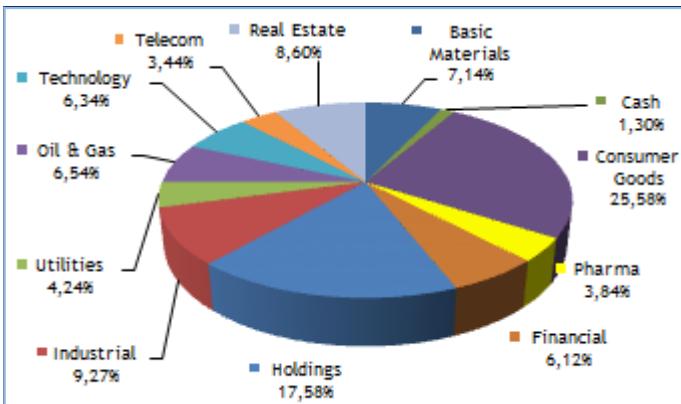
## NAV evolution



## Returns per year ending 31/12



## Sector Exposure



## Annualised return per 31/08/2011

	1 year	3 years	5 years	10 years	Since start
C-class	2,65 %				7,89 %
I-class	2,74 %				7,96 %

Past results are not indicative of future returns. The above mentioned returns do not take into account possible entry and exit fees and taxes.

## NAV

Class	Start	31/12/2008	31/12/2009	31/12/2010	31/08/2011
C	100	69,63	103,22	136,15	124,79
I		/	103,25	136,34	125,02

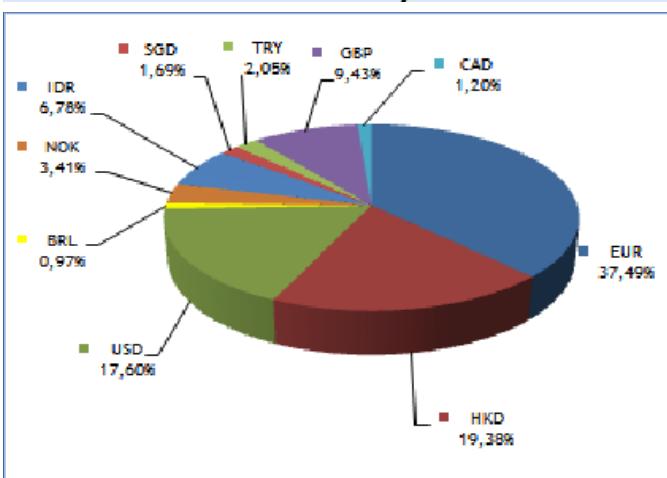
## 5 Important Positions

Caisse Rég. Crédit Agricole	6,12 %
Jardine Strategic	5,92 %
First Pacific	4,04 %
Anglo-Eastern Plantations	3,82 %
361 Degrees	3,61 %

## Basic Facts and Figures

Compartment of	Value Square Fund— UCITS under Belgian law
Risk(scale BEAMA):	0 - 1 - 2 - 3 - 4 - 5 - 6
Start date:	1/10/2008
Currency:	EUR
ISIN-code C-shares:	BE0948331591
ISIN-code I-shares	BE0948332607 (only for institutional investors)
Size of the fund:	91,87 million EUR
Investment horizon:	minimum 5 years is recommended
Entry fee:	maximum 3% (negotiable)
Exit fee:	0,5 % for benefit of fund
Taxation:	Exit not subject to Ecofin/Belgian tax ICB
Stock exchange duty:	0% entry, 0,5% exit (max. 750 €)
Management fee:	1 % on annual basis
Performance fee:	10 % on the excess return above 6% /year
Subscription/Redemption:	Daily before 11 A.M.
Settlement date:	Trade date + 3 working days (in Belgium)
Distributors:	Value Square, Binck Bank, ...
Financial agent:	RBC Dexia Investor Services, Brussels
Share px publication:	De Tijd, De Standaard
Authorised in:	Belgium, the Netherlands

## Currency



# Value Square Fund Equity World

Prospectus and (simplified) prospectus, as well as the most recent (semi-)annual reports can be obtained without costs at Value Square, Derbystraat 319, 9051 Gent, Tel.: +32 9 241 57 57, [info@value-square.be](mailto:info@value-square.be)

## Investment Strategy

The assets of this fund are predominantly invested in shares of listed companies with no geographical limitation and in any securities giving access to the capital of these companies. The shares are selected on the basis of fundamental analysis and a bottom-up approach with the emphasis on the principles of value investing. The aim of the fund is to achieve as high a return as possible in absolute terms rather than the improvement of stock market indices and simultaneously limit risks. In circumstances where the manager estimates the downward risks higher than the potential return, the portion invested in shares can be reduced in favour of investments in liquidities and money market instruments. The fund will at all times invest at least 50% in shares. **Volatility can be high, due to the composition of the portfolio.**

## Comments by the Portfolio Managers: Patrick Millecam and Nic Van Broekhoven

### Monthly Fact Sheet - August 2011

What should have been a relaxed summer month filled with half year results became a rollercoaster stock-market ride that we have not seen since the financial crisis between October 2008 and March 2009. Many European politicians had to abruptly cut-off their holidays, return home and try to calm the financial markets. Worldwide markets made intra-day movements between 6-8% and many shares fluctuated 20-30% from their low- to high price during the same trading session. Some companies are now trading very close to the levels they saw in March 2009. Especially bank stocks were hit hard. Banks are hit hardest because the worldwide problem remains the same: too much debt at virtually every Western government. Banks and insurance companies have historically invested large sums of cash in government issued bonds. Due to continued deficit spending in countries such as Greece, Portugal and Ireland bond prices have collapsed and the market is demanding higher risk premiums. The CDS-spreads for large EU countries like France, Italy and Spain has been going up sharply. The market is telling European politicians they have to get their household in order, which in the long term, is not a bad thing. Angela Merkel is playing hardball as they don't want to issue an unlimited amount of money to governments who still don't understand the principle of a balanced budget. Once in a while we hear politicians arguing that today is not a good time to cut the deficit as this will be negative for economic growth. One has to wonder if for any politician there is ever a good time to balance the budget. Italy was pushed by the ECB to include in its constitution that in the future it will be forbidden to run deficits. Spain has followed suit. Belgium is still in denial but hopefully every country in Europe will follow this route. Living within your means becomes reality? Let's hope so. Companies have long understood it is better to have a good balance sheet. The government will now have to cut spending and this will result in low growth in Europe and the United States for a long time. Therefore we remain convinced emerging economies will relatively do better as they have less debt and better demographics.

Last month we decreased our cash position from 8,7% to 1,3%. We were actively buying in August increasing our stakes in Winsway Coking Coal, 361 Degrees, GDF Suez, Nyrstar, Melexis and Velcan Energy.

The Value Square Fund Equity World increased by 2,65% over the last 12 months. The MSCI World Index declined by 1,3%. The Eurostoxx 50 declined by 12% over the same period.