



Bellevue Funds (Lux)

BBENTREPRENEUR EUROPE

Share class B / CHF

Monthly News February 2010

BB ENTREPRENEUR EUROPE	Net Asset Value (NAV)	1 Month (February)	YTD	Since Launch (ITD)
As at 02/28/2010	156.39	-0.04%	-0.38%	25.11%

MARKET REVIEW

The big sell-off at the beginning of the month pushed several market sentiment indicators to panic levels but subsequently the DJ Euro Stoxx 600 staged an impressive recovery, rallying by more than 6%. The benchmark index nevertheless ended the month with a negative performance of -0.3% after markets fell back again during the final week of trading. February was overshadowed by the uncertainty regarding public finances in Greece and other EU countries, which also kept the Euro on the defensive against the dollar. Several countries – Ireland, Portugal and Spain to name a few – have to refinance considerable amounts of debt within the next months. Meanwhile the US central bank increased its discount rate from 0.5% to 0.75% in mid-February, a move that can be seen as a precursor to an increase in its key overnight lending rate. Not until the situation on credit markets showed signs of improvement with narrowing CDS spreads on Greece and the other EU countries mentioned were stock markets able to march into higher territory.

The Fund ended the month unchanged (+0.04%), which was 0.3% (EUR / B shares) better than the benchmark performance. The best performing sectors in the index were food manufacturers, insurance companies and industrials while car manufacturers, construction companies and oil stocks were the weakest. RHI, Svenska Cellulosa, Coca-Cola Hellenic Bottling and Campari were the largest contributors to the Fund's performance while Pirelli, Songa Offshore and Abengoa detracted most.

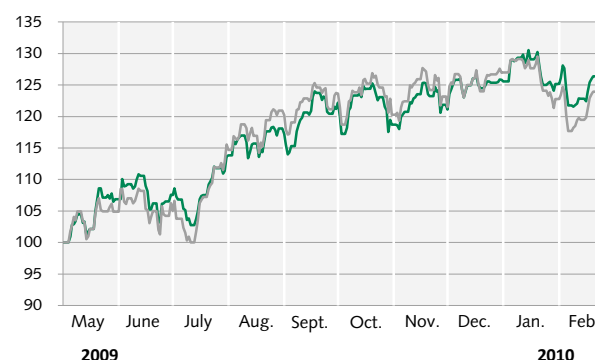
POSITIONING & OUTLOOK

A new position in Freenet already made a positive contribution to the Fund's performance. Freenet is playing an active role in the consolidation of Germany's mobile phone market and the resulting cost synergies make the stock look fundamentally inexpensive. The latest macroeconomic data show that clouds are gathering on the horizon again: In the USA consumer confidence fell from 56.5 to 46 and this news was followed by the first decline in a closely watched business confidence index in Europe since the depths of the recession in 2009. Our discussions with company executives also suggest that expectations of business activity across Europe in 2010 will most likely have to be scaled back a bit. The cyclicality of the portfolio was reduced after taking profits in Kazakhmys and Puma and by the stop loss triggered in Wacker Chemie. The Fund's cash allocation stands at 6.0% despite the new investments in Kudelski and Pirelli. We continue to concentrate on businesses in markets with structural growth and stable cash flows.

TOP 10 POSITIONS

Campari	5.7%
Andritz	5.3%
Rhi	4.5%
Fresenius Medical Care	4.3%
Coca Cola Hellenic B.	3.7%
Mayr-Melnhof	3.2%
Pirelli & Cie	3.0%
Sika	3.0%
WM Morrison Supermarkets	3.0%
Holcim	3.0%

PERFORMANCE (rebased in Fund currency)



■ BB ENTREPRENEUR EUROPE ■ DJ Stoxx 600

Source: Bloomberg, 02/28/2010

	YTD	1 month	1 year	3 years	ITD
Shares CHF (B)	-0.38%	-0.04%	n.a.	n.a.	25.11%
Benchmark	-4.26%	-0.96%	n.a.	n.a.	21.60%

KEY DATA

Beta	n.a.	Correlation	n.a.
Volatility p.a.	n.a.	Sharpe Ratio	n.a.
Tracking Error	n.a.	Information Ratio	n.a.
Jensen's Alpha	n.a.	No. of positions	39

Source: Bloomberg, 02/28/2010

BREAKDOWN BY SECTOR

Industrials	21.5%
Materials	18.2%
Consumer Staples	17.7%
Consumer Discretionary	12.2%
Energy	7.6%
Information Technology	4.6%
Dialysis	4.3%
Financials	2.7%
Pharma	2.2%
Telecomm. Services	1.9%
Health Care	1.1%
Cash	6.0%

GEOGRAPHIC BREAKDOWN

Germany	17.5%
Switzerland	17.1%
Austria	13.0%
Italy	8.8%
Norway	7.6%
Denmark	7.3%
France	4.3%
Great Britain	3.8%
Greece	3.7%
Belgium	2.7%
Sweden	2.6%
Netherlands	2.1%
Others	3.4%
Cash	6.0%



Bellevue Funds (Lux)

BBENTREPRENEUR EUROPE

Share class B / CHF

Monthly News February 2010

INVESTMENT FOCUS

The Fund invests in listed owner-controlled companies in Europe where an entrepreneur or a founding family holds at least a stake of 20% of the company's voting rights, thereby exerting significant control and influence. The typical qualities of these companies – a focused business model, fast decision-making processes, sustainable business policies and a strong corporate culture – go hand in hand with efficient innovation, high product quality and strong customer loyalty. The corresponding impact on the share price is demonstrably positive. The Fund's Management Team offers a wealth of experience in this investment segment and has built up an extensive network with executives throughout the sector. It pursues a fundamental, bottom-up approach in identifying the most attractive founder-controlled companies while maintaining an investment portfolio of 30 to 40 stocks diversified by country and sub-sector.

INVESTMENT SUITABILITY

The Fund's investment objective is to generate attractive and competitive capital growth in the long term. It is therefore particularly suited to investors with an investment horizon of at least 5 years who want to enhance their portfolio diversification with investments in European founder-controlled companies. The Fund displays the typical risks associated with equity investments in Europe.

Risk

low



high

LEGAL INFORMATION

Legal form	Luxembourg UCITS III SICAV
Approved for distribution	Luxembourg, Germany, Switzerland, Austria
EU taxation of interest income	Out of scope

DISCLAIMER

This document is intended for information purposes only and does not constitute an offer or a recommendation to purchase and/or sell any particular fund unit or security. It is expressly not intended for persons who, due to their nationality or place of residence, are not permitted access to such information under local law. This information does not consider any specific investment objectives nor the fiscal and financial situation of its receiver. No liability is assumed for its correctness and accuracy. Every investment involves risk, especially with regard to fluctuations in value and return. Changes in rates of exchange may cause the value of this investment to fluctuate. Past performance is no indicator for the current or future performance. The performance data does not take into account possible commissions and fees charged for the issuance and redemption of units. Subscriptions are only valid on the basis of the current fund prospectus and the last annual and semi-annual reports (if available).

For further information you may contact as follows:

Switzerland: Bank am Bellevue Ltd., Seestrasse 16, CH-8700 Kusnacht or Bellevue Asset Management Ltd., Seestrasse 16, CH-8700 Kusnacht

Austria: Erste Bank der oesterreichischen Sparkassen Ltd., Graben 21, A-1010 Vienna

Germany: Bank Julius Baer Europe Ltd., An der Welle 1, P.O. box, D-60062 Frankfurt o. M.

FIVE REASONS TO INVEST

- **Founder and family-controlled companies think in generations, not quarters**
- **Their focus, sense of responsibility, strong identification with the company and personal financial commitment show a positive correlation to earnings and the share price performance**
- **The corporate culture is shaped by an entrepreneurial culture**
- **The Fund's Management Team has successfully invested in owner-managed companies for many years**
- **"Entrepreneurs for Entrepreneurs" – the Bellevue Group is itself an owner-managed company with a majority of shares held by the employees**

MANAGEMENT TEAM



Birgitte Olsen



Frank Rauber



Dr. Miroslav Zuzak

FUND FACTS

Investment Advisor	Bellevue Asset Management
Custodian Bank	RBC Dexia
Date of Launch	April 30, 2009
Year-end Closing	June 30
Volume	CHF 20.1 million
Benchmark	DJ Europe Stoxx 600
NAV Calculation	Daily "Forward Pricing"
Management Fee	1.60%
TER	n.a.
Max. Issue Fee	5%
ISIN Number	LU0415392082
Security Number	03882728
Bloomberg	BELBBBC LX Equity

KONTAKT

Bellevue Asset Management Ltd.

Seestrasse 16

CH-8700 Kusnacht

Phone: +41 44 267 67 00

Fax: +41 44 267 67 01

E-mail: info@bellevue.ch

www.bellevue.ch