

Sub-fund of Petercam B Fund, sicav under Belgian law, launched in December 2002

Last update: 30/06/2008

Investment policy

Equities which meet certain ethical, economic, social and ecological criteria established by Ethibel, Europe

Investment strategy

Petercam Equities Europe Ethical invests in shares of European companies that belong to the investment universe drawn up by Ethibel and that meet certain ethical, economic, social and environmental criteria. In the stock selection process, we apply a bottom-up approach focusing on company fundamentals. The objective is to offer its shareholders an attractive risk-return ratio.

Investment profile

Risk (Scale of CBFA)

0	1	2	3	4	5	6
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Investment horizon

1 year	3 years	5 years	7 years
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Fund facts

Sub-fund size: 121.4 m EUR

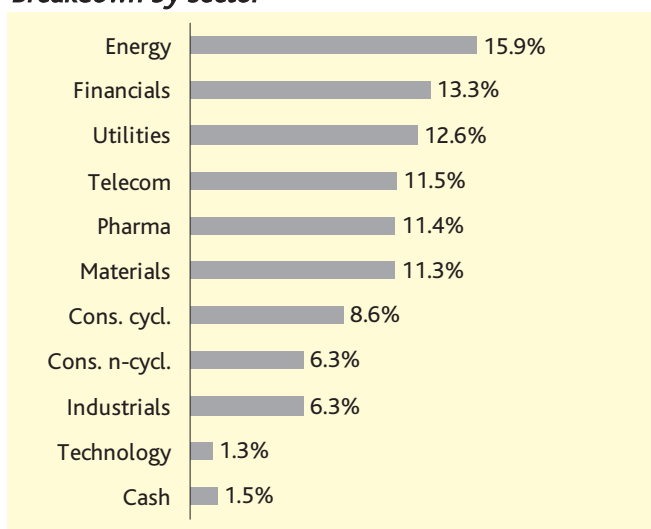
Net asset value

Accumulation share: 169.31 EUR

Income share: 155.65 EUR

Last gross dividend (28/03/08): 1.40 EUR

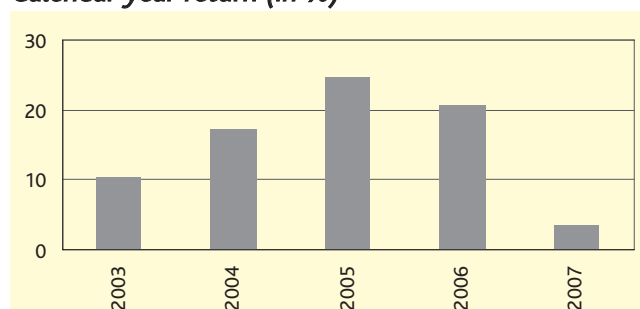
Breakdown by sector



Top 10 holdings

Holding	Sector	%
BG Group	Energy	5.7
ENI	Energy	5.7
Telefónica	Telecom	5.6
Fresenius	Pharma	4.5
Colruyt	Retailing	4.2
Gaz de France	Utilities	3.4
Oesterreich Elektr.	Utilities	3.2
ArcelorMittal	Materials	3.1
Allianz	Finance	2.8
Scottish & South. En.	Utilities	2.7

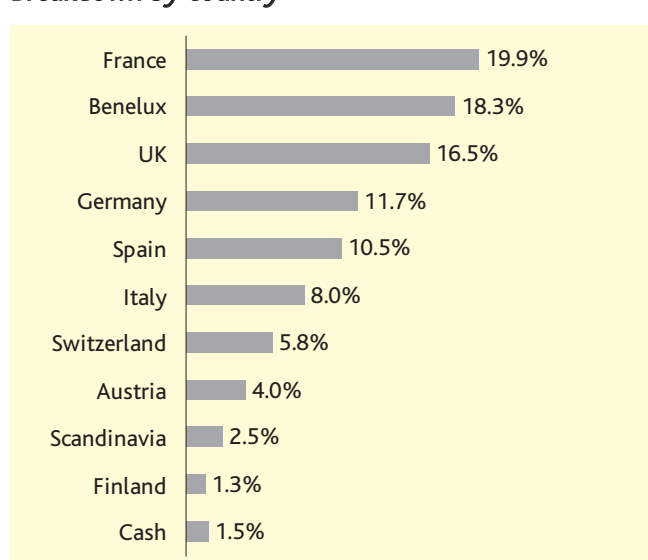
Calendar year return (in %)



Annualized return (in %)

	1 year	3 years	5 years	10 years	Begin
Pet. E. E. Ethical	-19.4	5.7	11.5	-	10.0

Breakdown by country



Manager's comments

The net asset value of the accumulation shares declined from EUR 172.58 to 169.31 in the second quarter. The financial sector remained heavily underweight in the portfolio. Within the sector, he focused on banks with a good geographical diversification (KBC, Santander), defensive activities such as retail banking (National Bank of Greece, Santander) or asset management (IntesaSanPaolo). The fund manager did not invest in the automobile sector and was also highly under-weighted in cyclical sectors which depend on European consumers. One of the major changes during the second quarter was the decrease of capital goods from over-weight to under-weight, through the (partial) sale of Norsk Hydro, Orkla and Vinci because of valuations and the difficult outlook for the European economy in the second semester. The fund manager increased the weighting of energy, primarily through oil majors such as ENI and BG Group.

In the coming months, the fund manager will continue to pursue the 'barbell' strategy. This implies that the portfolio is over-weighted in sectors which profit from commodities inflation: energy, materials, transportation and utilities and at the same time over-weighted in defensive sectors like telecom, food retail and pharmaceuticals.