

July 2009 - Rhenman Healthcare Equity L/S

Monthly Update

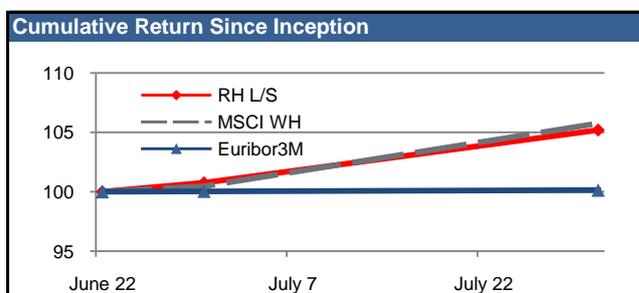
As of the end of July the fund is fully invested and above the long-term goal of an average net exposure of 30-80%. The first 30 days of trading have been characterized by a strong stock market and relatively good second quarter results (adjusted for currency) in the healthcare sector. The fund is up +5.2% since inception in the base currency (EUR). However, as a result of the SEK appreciating strongly vs. the EUR, the SEK share classes are roughly flat. In addition, the weaker USD vs. the EUR (approximately 1.5%) has been a restricting factor for the fund.

Bayer AG, Roche Holding, Teva Pharmaceutical, Alexion Pharmaceutical as well as Baxter International contributed positively to the fund's performance. Negative contributors were Gerresheimer AG, Centene Corp and Abbott Labs. The fund's 35 long holdings are mainly in large, multinational companies. One single holding is in a development stage company. The fund has two short holdings (i.e. negative exposure) at present. The fund has full exposure to all underlying currencies.

The US healthcare reform is somewhat delayed and important aspects are still undefined, especially in regard to its financing. Those parts of the reform that have already been defined are on the whole positive for the fund's companies. It is important that there will be no formal price regulation of medicines. Our forecast for the autumn is optimistic, not least because American companies are now gradually reaping the benefits of a weaker dollar, and there is less concern for negative implications of the upcoming healthcare reform.

Return	Rhenman Healthcare (EUR)	MSCI World Healthcare ¹ (EUR)	3 Month Euribor
2009 July	4.41%	5.28%	0.09%
Since Inception ²	5.19%	5.76%	0.13%
12M Rolling	-	-	-

1) Source: Bloomberg. 2) Fund Inception: June 22, 2009.



Risk	Rhenman Healthcare (EUR)	MSCI World Healthcare	MSCI World
Value at Risk, % ³	2.54	-	-
Standard deviation, %	-	-	-
Correlation	-	-	-
Sharpe Ratio	-	-	-
Beta	-	-	-
Jensens Alpha	-	-	-

3) The fund was positioned on July 31 for a large percentual net fund inflow on August 1.

Some fields are intentionally left blank as there are too few historical datapoints to be meaningful.

Exposure	Rhenman Healthcare (EUR)	Largest Long Positions (% of equity)
Long ³	126.4%	Biogen Idec Inc 5.0%
Short ³	4.7%	Baxter International Inc 4.8%
Gross ³	131.1%	CVS Caremark Corp 4.8%
Net ³	121.7%	Abbott Laboratories 4.7%
		Gilead Sciences Inc 4.7%
Net ⁴	93.2%	

4) Adjusted for net fund inflow.

Monthly Performance (IC1 EUR, since inception, net of fees), %

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2009						0.75	4.41						5.19

NAV (IC1 EUR)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2009						100.75	105.19					

NAV (RC1 SEK)

Year	Jan	Feb	Mar	Apr	Maj	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2009						99.74	99.92					

NAV (RC2 SEK)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2009						99.74	99.98					

Fund characteristics

- Target annual returns in excess of 15% (before fees) with a volatility below the stock market
- Long-term investment horizon but active trading around holdings
- Roughly equal allocation to small-, mid- and large-cap companies
- Typically 60–70 positions out of a 500 company universe
- Portfolio company size > USD 200 million
- Cash flow positive companies are predominant

Key Data

• Base currency:	EUR
• Subscription/redemption frequency:	Monthly (T-3)
• Share classes:	(R) Retail class / (I) Institutional class
• Minimum initial investment:	RC1 = SEK 250 000 RC2 = SEK 2 500 000 IC1 = EUR 250 000
• Minimum top-up investment:	No minimum
• Management fee:	RC1 = 2 %, RC2 = 1,5 %, IC1 = 1,5 %
• Benchmark:	Euribor 90D
• Performance fee (quarterly):	20 % (high water mark)
• Soft close:	EUR 500m
• Hard close:	EUR 1bn
• Dividends:	R = Only capitalization I = Capitalization + Distribution
• Legal Structure:	Open-ended FCP (Fonds Commun de Placement) under Part II of the Luxembourg Law on Investment Funds (20 Dec, 2002)
• Fund Management Company:	SEB Fund Services S.A.
• Fund Promotor (Sponsor):	SEB Fund Services S.A.
• Investment Manager:	Rhenman & Partners Asset Management AB
• Placement and Distribution Agent:	Rhenman & Partners Asset Management AB
• Custodian Bank and Paying Agent:	Skandinaviska Enskilda Banken S.A.
• Prime Broker:	Skandinaviska Enskilda Banken AB (publ)
• External Auditor:	PricewaterhouseCoopers (PwC)
• Swedish registration:	Registration process initiated
• ISIN:	RC1 = LU0417597712, RC2 = LU0417590817, IC1 = LU0417598108
• Bloomberg ticker:	RC1 = RHLSRC1 LX, RC2 = RHLSRC2 LX, IC1 = RHLEIC1 LX
• Lipper Reuters ticker:	RC1 = 68014067, RC2 = 68015239, IC1 = 65147588
• Telekurs ticker:	RC1 = 10239523, RC2 = 10239528, IC1 = 10034579

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