

## April 2013 - Rhenman Healthcare Equity L/S

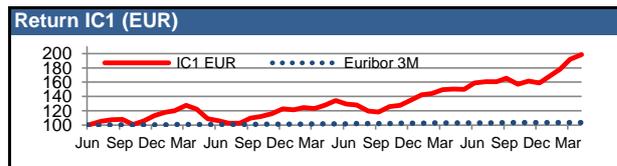
### Monthly Update

The US equity market continued to rise in the month of April, but a significant depreciation of the USD meant that global equity markets remained flat, counted in the Fund's base currency (EUR). Healthcare performed slightly better with a one per cent increase. The Fund did somewhat better, with an increase of just over three percent. The market is currently very concerned about a further slowdown in the global economy. In almost all parts of the world, this is considered to be a key threat to equity market performance. A debate on the theoretical basis and empirical evidence official austerity policies has broken out in several countries, not least in the U.S., France and Italy. Japan has initiated a huge increase in money supply to bring about both higher inflation and inflation expectations. The world is in a gradual reorientation where it is becoming increasingly clear for the markets that central banks are trying to push up the price of risk assets and increase inflation expectations, while at the same time many governments are now increasingly skeptical about further belt-tightening both in terms of public expenditures and private consumption. Equity markets are gearing up for a leap and may rise very sharply when financial market participants see that overall demand is picking up and that employment markets are improving. This should be considered as the main scenario for the second half of the year. We see signs of this scenario for example in the all-time-highs in several markets, such as the U.S. and Germany.

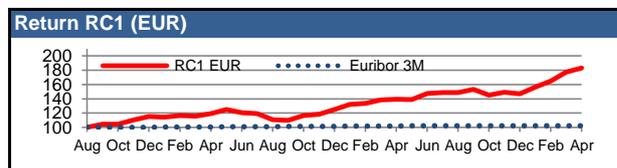
Such a development could create a different situation for the Fund which has hitherto benefited from the mediocre growth in the global economy. It is possible that the large pharmaceutical companies may be perceived as too defensive in stronger equity markets, especially if cyclical companies start outperforming. Another phenomenon that could occur is a sector rotation from biotechnology towards technology companies. The Fund's main scenario is to significantly reduce net exposure in the summer (traditionally a volatile time in equity markets) after a strong performance during the winter and spring. We believe, however, in further increases in the autumn as the fundamentals for the healthcare industry are, in our opinion, the strongest they have been in the past twenty years while valuations are still below historical averages. The reporting season has not been particularly strong, but fortunately equity markets have been very forgiving. One reason is that, due to an early Easter, the number of trading days was lower in the first quarter; something that will be corrected in the second quarter. Another reason is despite generally weak topline these have generally been offset by low costs, including taxation, thus net results are mostly in line with expectations. Finally, it can be noted that the weak yen has affected global companies negatively.

Alkermes, Acadia and Alexion contributed the most to the Fund's positive development. Dyax, Incyte and Edwards Lifesciences contributed most negatively. Alexion announced a strong result and now looks to have moved into a new positive development phase. We are pleased that the new indication aHUS (an extremely rare autoimmune disease) looks to be at least as large as the first indication PNH (another very rare autoimmune disease), and also that many other indications seem to be going through clinical trials faster than expected. Acadia has come a long way in the development of a new CNS drug in an indication where no effective treatments are available. Dyax's first quarter sales of its main drug Kalbitor were much weaker than expected. Finally, Edwards Lifesciences reported significantly lower growth for its new minimally-invasive aortic valve, perhaps because the operation methods are new and complicated and therefore not all hospitals are able to profitably introduce them without higher reimbursement rates from the CMS (Centers for Medicare & Medicaid Services).

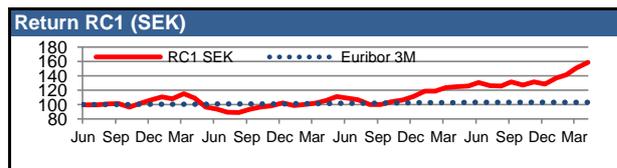
Return IC1 (EUR)		
	Rhenman Healthcare Equity L/S IC1 (EUR)	3 Month Euribor (EUR)
April	3.39%	0.02%
YTD	24.85%	0.07%
Since Inception (June 22, 2009)	98.41%	3.46%



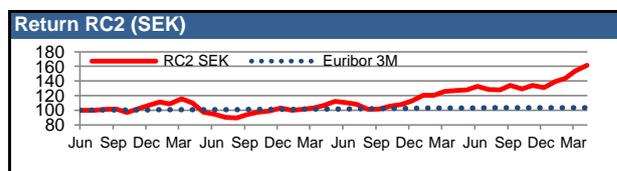
Return RC1 (EUR)		
	Rhenman Healthcare Equity L/S RC1 (EUR)	3 Month Euribor (EUR)
April	3.35%	0.02%
YTD	24.71%	0.07%
Since Inception (August 31, 2010)	83.22%	2.47%



Return RC1 (SEK)		
	Rhenman Healthcare Equity L/S RC1 (SEK)	3 Month Euribor (EUR)
April	5.23%	0.02%
YTD	23.52%	0.07%
Since Inception (June 22, 2009)	58.78%	3.46%



Return RC2 (SEK)		
	Rhenman Healthcare Equity L/S RC2 (SEK)	3 Month Euribor (EUR)
April	5.27%	0.02%
YTD	23.52%	0.07%
Since Inception (June 22, 2009)	61.57%	3.46%



IC1 (EUR) NAV per share													
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
2009						100.75	105.19	107.47	107.83	100.99	105.70	113.28	
2010	117.91	119.94	127.53	122.31	108.73	106.40	102.84	102.63	109.95	112.16	116.17	122.73	
2011	121.53	124.28	123.35	127.79	134.24	129.26	128.19	119.36	118.28	125.67	127.48	134.59	
2012	142.42	143.99	149.51	150.29	150.07	159.07	160.74	160.74	165.47	156.93	161.34	158.92	
2013	168.92	178.11	191.91	198.41									
IC1 (EUR) Performance %, net of fees													
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2009						0.75	4.41	2.17	0.33	-6.34	4.66	7.17	+13.28
2010	4.09	1.72	6.33	-4.09	-11.10	-2.14	-3.35	-0.20	7.13	2.01	3.58	5.65	+8.34
2011	-0.98	2.26	-0.75	3.60	5.05	-3.71	-0.83	-6.89	-0.90	6.25	1.44	5.58	+9.66
2012	5.82	1.10	3.83	0.52	-0.15	6.00	1.05	0.00	2.94	-5.16	2.81	-1.50	+18.08
2013	6.29	5.44	7.75	3.39									+24.85
RC1 (SEK) NAV per share													
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
2009						99.74	99.92	101.00	101.51	96.72	101.85	106.75	
2010	110.70	108.05	115.09	109.18	96.69	93.87	89.69	88.93	93.37	96.59	98.29	102.16	
2011	98.91	100.22	101.80	105.28	111.04	109.04	107.03	100.09	100.29	104.24	106.42	111.05	
2012	118.78	118.87	123.79	125.05	125.79	130.61	126.17	125.85	131.65	127.25	131.60	128.55	
2013	136.76	141.24	150.89	158.78									
RC1 (SEK) Performance %, net of fees													
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2009						-0.26	0.18	1.08	0.50	-4.72	5.30	4.81	+6.75
2010	3.70	-2.39	6.52	-5.14	-11.44	-2.92	-4.45	-0.85	4.99	3.45	1.76	3.94	-4.30
2011	-3.18	1.32	1.58	3.42	5.47	-1.80	-1.84	-6.48	0.20	3.94	2.09	4.35	+8.70
2012	6.96	0.08	4.14	1.02	0.59	3.83	-3.40	-0.25	4.61	-3.34	3.42	-2.32	+15.76
2013	6.39	3.28	6.83	5.23									+23.52
RC2 (SEK) NAV per share													
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
2009						99.74	99.98	101.12	101.68	96.94	102.10	107.07	
2010	111.07	108.57	115.69	109.78	97.28	94.47	90.31	89.58	94.10	97.38	99.14	103.08	
2011	99.84	101.20	102.84	106.40	112.28	110.30	108.32	101.33	101.58	105.64	107.89	112.63	
2012	120.30	120.44	125.51	126.83	127.66	132.58	128.13	127.86	133.77	129.36	133.84	130.80	
2013	139.17	143.74	153.48	161.57									
RC2 (SEK) Performance %, net of fees													
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2009						-0.26	0.24	1.14	0.55	-4.66	5.32	4.87	+7.07
2010	3.74	-2.25	6.56	-5.11	-11.39	-2.89	-4.40	-0.81	5.05	3.49	1.81	3.97	-3.73
2011	-3.14	1.36	1.62	3.46	5.53	-1.76	-1.80	-6.45	0.25	4.00	2.13	4.39	+9.26
2012	6.81	0.12	4.21	1.05	0.65	3.85	-3.36	-0.21	4.62	-3.30	3.46	-2.27	+16.13
2013	6.40	3.28	6.78	5.27									+23.52
Risk (IC1)			Exposure <sup>4</sup>					Largest Long Positions					
Value at Risk, % <sup>1</sup>			1.9	Long			142%			Alexion			
Standard deviation, % <sup>2,3</sup>			14.5	Short			18%			Ariad			
Sharpe ratio <sup>2,3</sup>			2.01	Gross			160%			Roche			
				Net			125%			Alkermes			
										Novo Nordisk			

1) For holdings on April 30. 2) Last 12 months.

3) Standard deviation and Sharpe ratio are annualized.

4) The exposure is adjusted for fund inflow at month end.

Currency Exposure (% of equity > 5%)					
USD	68%	EUR	9%	CHF	6%

## Fund characteristics

- Target annual net returns in excess of 12% 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 60–80 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:	IC1 = EUR 250 000 RC1 = EUR 2 500, SEK 500 RC2 = SEK 2 500 000
• Minimum top-up investment:	No minimum
• Management fee:	IC1 = 1.5 %, RC1 = 2%, RC2 = 1.5 %
• Hurdle rate:	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:	Yes (since November 5, 2009)
• ISIN:	IC1 (EUR) = LU0417598108, RC1 (EUR) = LU0417597555 RC1 (SEK) = LU0417597712, RC2 (SEK) = LU0417598017
• Bloomberg ticker:	IC1 (EUR) = RHLIC1 LX, RC1 (EUR) = RHLERC1 LX RC1 (SEK) = RHLSRC1 LX, RC2 (SEK) = RHLSRC2 LX
• Lipper Reuters ticker:	IC1 (EUR) = 65147588, RC1 (EUR) = 65147589 RC1 (SEK) = 68014067, RC2 (SEK) = 68015239
• Telekurs ticker:	IC1 (EUR) = 10034579, RC1 (EUR) = 10034567 RC1 (SEK) = 10239523, RC2 (SEK) = 10239528

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