

CARMIGNAC Euro-Entrepreneurs



J. Cvetanovski
Fund manager

A pan-European 100% stockpicking small and mid cap fund

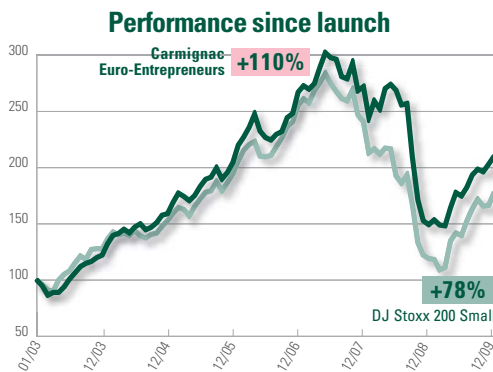
Carmignac Euro-Entrepreneurs is a pan-European stock-picking equity fund, at least 75% of which is invested in small and mid caps in member states of the European Union.



**Lipper Fund Awards
France 2009**



Overall Morningstar Rating™



Performance at 31/12/09

	1 year	3 years	5 years
Fund	+40.75%	-21.35%	+31.77%
Indicator	+49.13%	-30.42%	+16.24%
Quartile	3	1	1

Assets at 31/12/09

Carmignac Euro-Entrepreneurs
Net Assets: **202 M€**

Active management

Rigorous stock analysis underpins the management of Carmignac Euro-Entrepreneurs. The result is strong geographical and sector diversification, with active search for opportunities all over Europe. The Fund invests in undervalued companies managed by an excellent, established management team generating high cash flows.

Conviction-based management

Our management philosophy is based on a long-term entrepreneurial approach to investment, to take full advantage of company growth without being influenced by short-term market fluctuations. With this perspective, our management team focuses on exploring new horizons and growth areas throughout Europe.

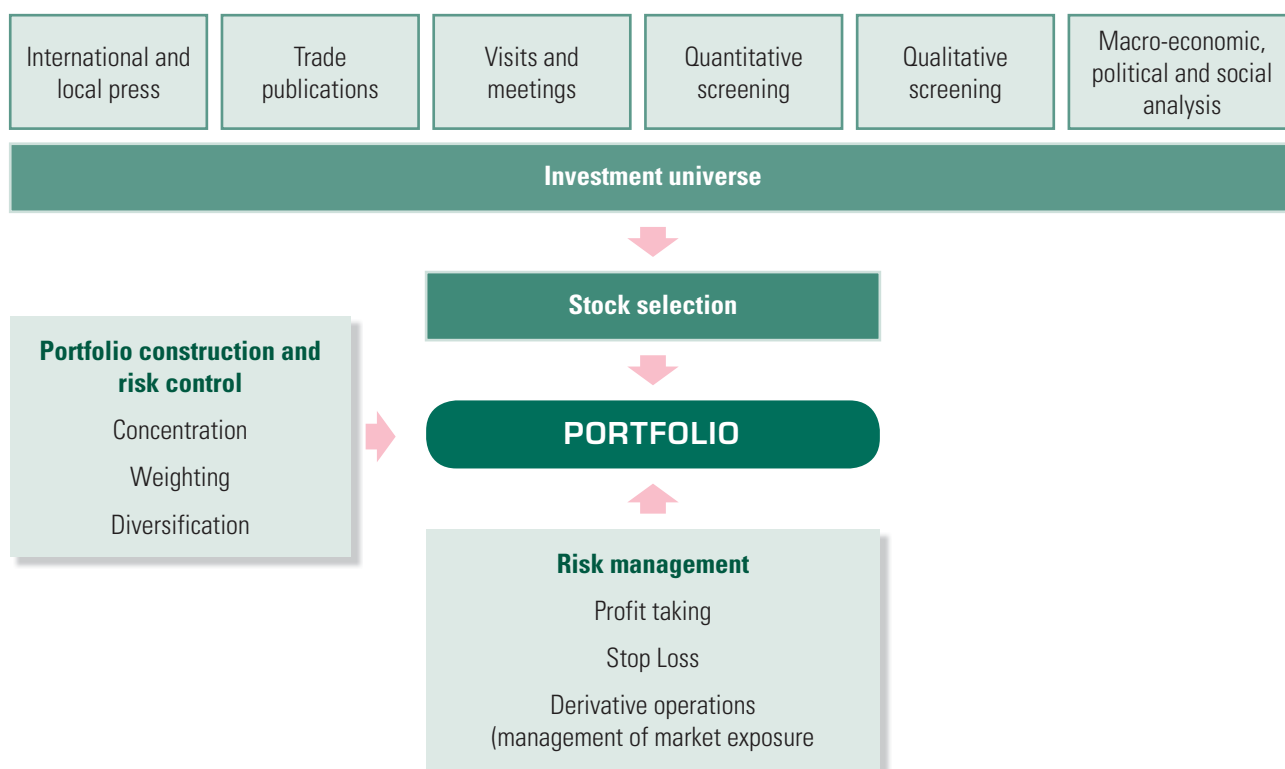
Growth discoverers

The quality and competence of the management of the companies we have selected is the key factor in our investment decisions. The directors must be intimately involved in the company and, if possible, have a direct equity stake. The many visits we make to the various companies and countries in which we invest allows us to meet regularly with their management teams and consult with their economic, political and financial decision-makers. This real grass-roots expertise, combined with strong local presence, lies at the core of our investment approach.

An experienced team

Jordan Cvetanovski has been managing the Fund since 2005. He relies on the analyses supplied by the entire European management team: David Loggia (Head of European management), François Escoffier and François-Joseph Furry.

Investment process



Portfolio construction

- Stock diversification within the same sector or within the same region.
- Weightings are between 1% and 3% depending on the risk / return ratio in order to balance the portfolio.
- At least 75% of the portfolio is invested in European equities (ie companies based in the European Union).

Portfolio and risk management

Liquidity is monitored within the portfolio and across all European management positions.

Active risk management:

- Equity risk is managed by hedging in falling markets to protect investments.
- Most hedging instruments are stock index and foreign currency futures.

Fund characteristics

- Launch date: 01/10/98 (transformed on 01/01/03)
- Legal form: FCP (French mutual fund)
- Bloomberg code: CARFNOM FP
- ISIN code: FR0010149112
- Currency: EUR
- Distribution policy: Capitalisation
- Reference indicator: DJ Stoxx 200 Small
- Fixed management fees: 1.5%
- Performance fee: 20% of the outperformance of the Fund relative to its performance indicator in the case of a positive performance
- Front-end load: 4%
- The Fund has no capital protection
- Recommended minimum investment horizon: 5 years

Annual performance table

	2009	2008	2007	2006	2005	2004	2003
Carmignac Euro-Entrepreneurs	+40.75%	-45.1%	+1.9%	+30.6%	+28.7%	+30.1%	+22.2%
DJ Stoxx 200 Small	+49.13%	-50.5%	-5.7%	+31.2%	+27.3%	+19.6%	+27.8%