

# EXPAT NEW EUROPE PROPERTIES

2 NOVEMBER 2009

## 1. GENERAL INFORMATION

### Quotation and statistics

Current indicators and quotations	
Net asset value (BGN)	467,576.14
Outstanding shares	475.1279
Beginning of the public offering	16 June 2008
Issue price (according to the amount) – if you invest now in the fund	
Up to BGN 100,000	BGN 993.9469
Between BGN 100,000.01 and 500,000	BGN 989.0263
Between BGN 500,000.01 and 2,000,000	BGN 986.0740
Above BGN 2,000,000	BGN 984.1058
Redemption price (according to the period) – if you withdraw your investment from the fund	
Up to 12 months	BGN 974.2647
From 12 to 24 months	BGN 979.1853
Over 24 months	BGN 984.1058
Yield (%)	
Since the beginning of the public offering (not on an annual basis)	-1.16%
Since the beginning of the year	+1.17%
Average monthly return (after six months from the IPO)	0.00%
Highest monthly profit	1.02%
Highest monthly loss	-1.48%

Source: Expat Asset Management

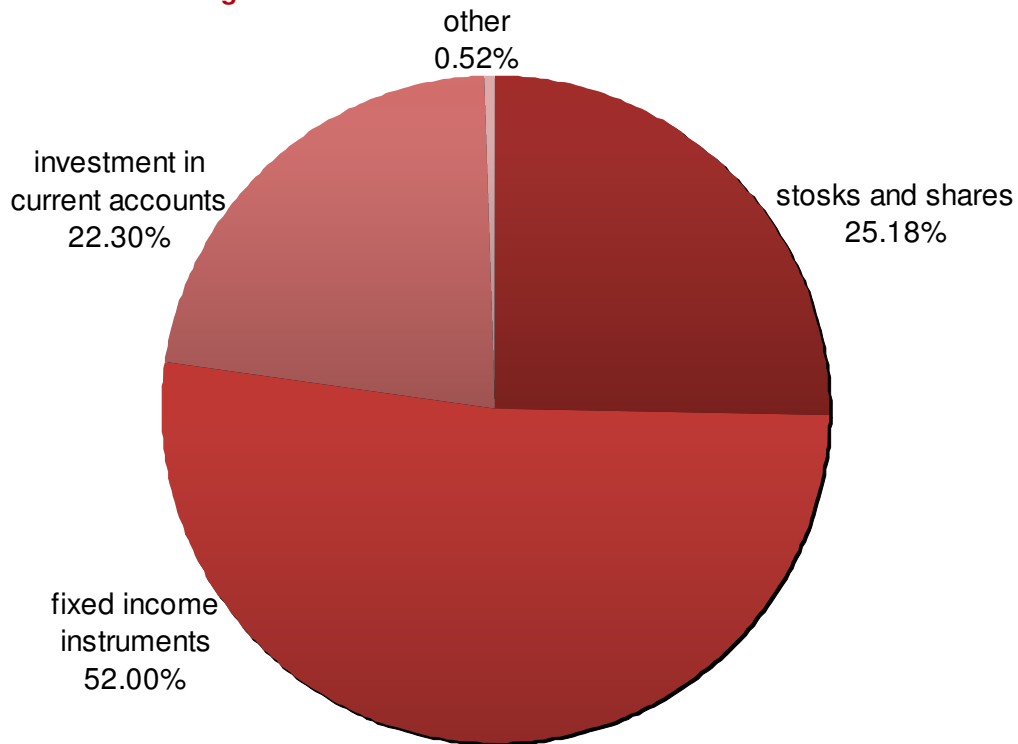
### COMMENT

The mutual fund **Expat New Europe Properties** is suitable for investors who would like to have exposure to the Bulgarian and East European real estate markets through collective investment schemes. In “good years”, profits could be significant. Our team is doing everything necessary to decrease the risk through skilful management in times of market crisis such as during the last two years. Despite the crisis, our funds keep their quotations very close to their starting levels, which we consider success. We advise our clients to combine the investments in this fund with investments in other funds of ours, in order to additionally decrease the risk. A big advantage of mutual funds such as this one is that the clients can draw out or deposit their money every day, as well as liquidate the entire investment, if they decide to do so.

## 2. CURRENT PORTFOLIO STRUCTURE

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### Portfolio structure according to fund assets



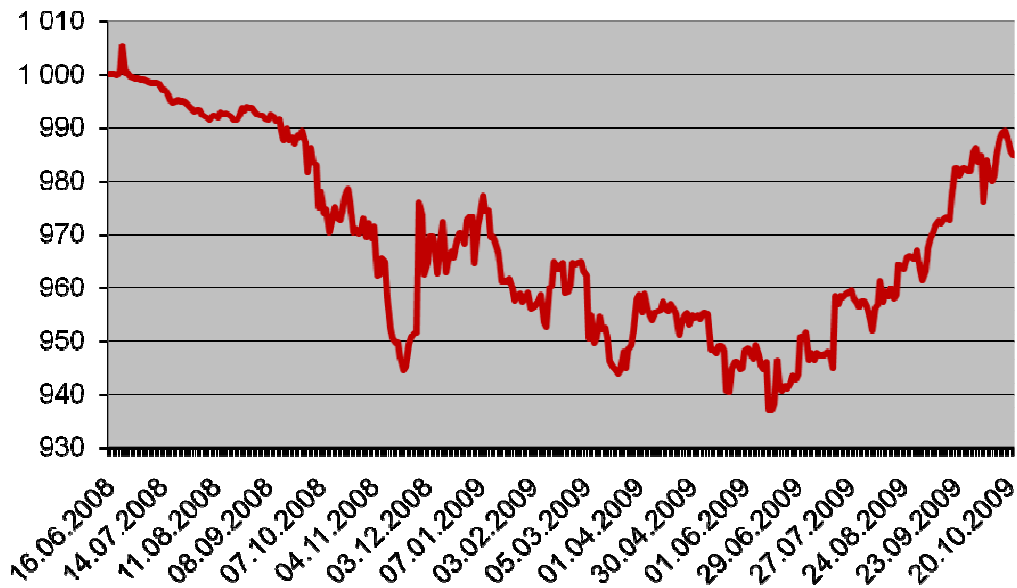
Source: Expat Asset Management

### COMMENT

Our current strategy for the mutual fund **Expat New Europe Properties** is to invest minimum amounts in stocks, because we are not optimistic about the short-term direction of the financial and the real estate markets. We intend to decrease the share of cash in current accounts and to increase bank deposits, fixed-income instruments and higher-yield instruments with repurchase agreements. In the mid-term, we plan to invest part of the funds in new highly undervalued, according to our opinion, stocks. We expect to end the year with higher results than the current year-to-date return.

### 3. NET ASSET VALUE PER SHARE

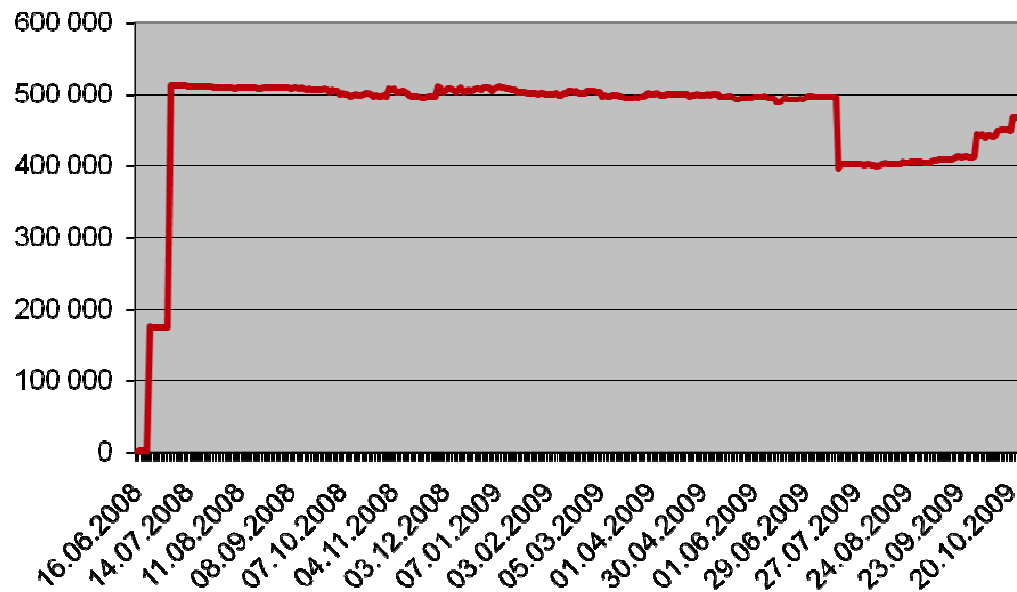
#### Net asset value per share (BGN per share)



Source: Expat Asset Management

### 4. NET ASSET VALUE OF THE FUND

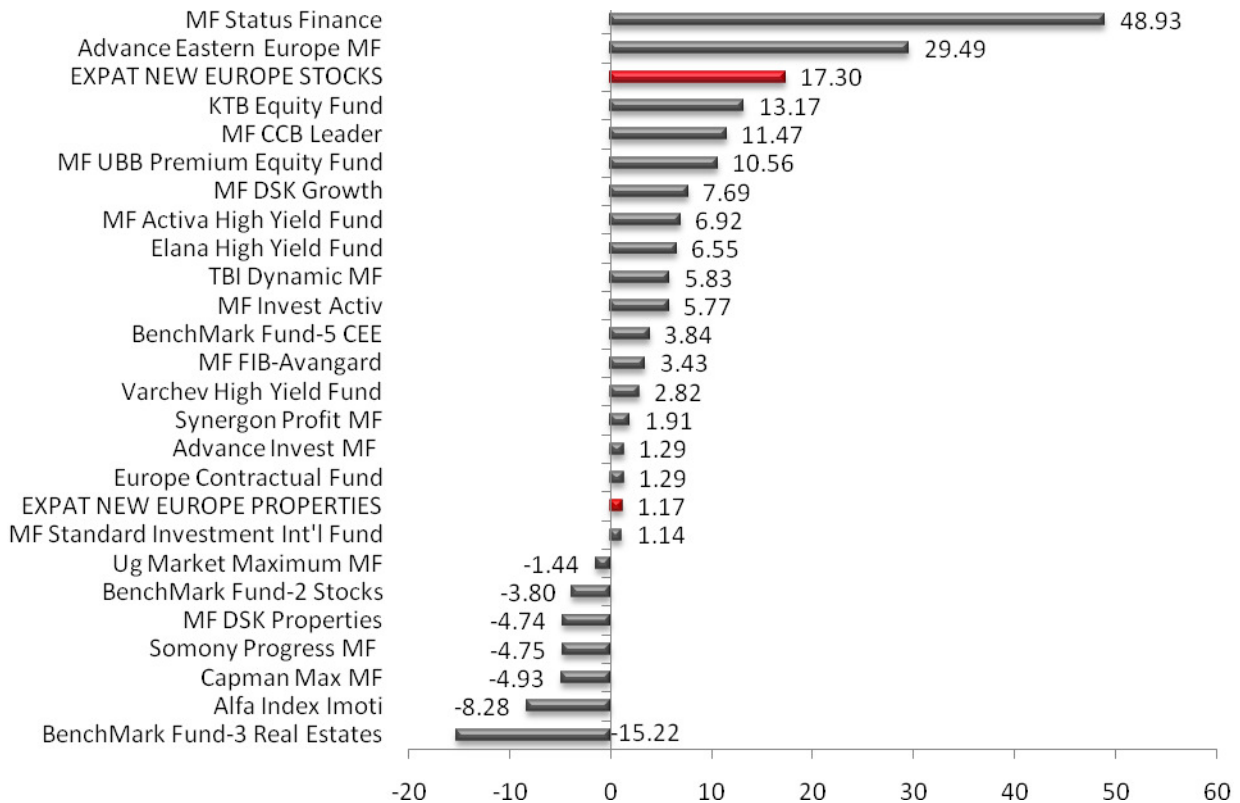
#### Net asset value (BGN) – all the assets of the fund



Source: Expat Asset Management

## 5. COMPARATIVE PERFORMANCE OF THE FUND

### Performance of selected funds, January – October 2009, %



Source: Expat Asset Management, Bulgarian Association of Asset Management Companies

Note: There are about 100 funds in Bulgaria. In this chart we have selected some of the biggest and most popular funds. We have not selected only funds which could be considered favourable for our comparison.

### COMMENT

As it can be seen from the chart, the return of mutual fund **Expat New Europe Properties** for 2009, although “above zero”, is not very high, because the whole asset category – real estate – has a tough year. Yet, our fund has a positive year in contrast to most of the instruments related to real estate. In addition, the upper charts show that this fund has very low volatility (movements up and down), and even in its lowest point it had fallen about 6% from its maximum, which makes it a good defensive instrument. We expect the share of highly undervalued, according to our opinion, REIT stocks to increase in the future.

## 6. CONTACTS

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## 7. RISK DISCLOSURE

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