

Simplicity.

Fund Fact Sheet **Simplicity Balans**

A Swedish registered UCITS fund

The fund and the company

Simplicity AB is an independent asset management company based in Varberg, Sweden. The company received its licence to conduct asset management operations from the Swedish Financial Supervisory Authority on 2 September 2002. Simplicity's business focus is the management of securities funds using its proprietary Simplicity™ investment model. The investment model's strength and strategy are based on every transaction carried out by the fund being statistically justified. The Simplicity Balans fund was launched on 29 May 2009 and is linked to the Swedish premium pension system (PPM).

Target group and financial objectives

The fund's target group is investors who see long-term investment potential in equities in the Nordic countries, India, Africa, Asia and Eastern Europe but the fund can, during periods, leave geographic regions on the stock market or the stock market as a whole. The financial objectives are to generate positive returns and to outperform the MSCI TR Net World benchmark index. There is, however, no requirement or ambition to ensure correlation between the fund's performance and the benchmark.

Investment strategy

The fund invests in strict accordance with the Simplicity™ investment model, which uses quantitative models to provide statistical justification for each transaction. Holdings consist of equities listed in the Nordic countries, India, Africa, Asia and Eastern Europe but can during periods leave geographic regions on the stock market or the stock market as a whole to reduce its risk and invest in Swedish money market instruments. The fund invests in equities, mutual funds and equity-related securities. Derivative instruments may be used to achieve effective asset management and to protect the value of the fund's assets.

Risk level

The risk level will vary over time depending on how large proportion of the fund's holdings are invested in shares. At long term market declines the fund will leave the stock market as a whole which means a lower risk or a risk similar to a money market fund. When the fund has all its holdings in shares the risk is similar to the risk in a global equity fund with holdings in 40 countries all over the world, with focus on emerging markets. For detailed information about risks regarding saving in funds, please see the information brochure.

Charges and management fees

Simplicity deducts from the fund an annual fixed management fee equivalent to 1.9% of the value of assets under management. This fee is drawn daily at 1/365 of 1.9% of total fund value. Additional charges are levied to cover fees payable to the depositary (SEB), the Swedish Financial Supervisory Authority and the company's auditors. Total expense ratio (TER) 2009 was 2.0%. Costs except TER (i.e. commission for buying and selling securities) was 0.1% during 2009. This variable cost, which is affected by the turnover rate in the fund, is not included in TER. The turnover rate for 2009 was 3.2. Some third parties have, according to agreements, right to a part of the fixed management fee. For investments in other funds than those managed by Simplicity; the annual management fee of the underlying funds and fund companies in which investments are made is limited to 1.5%. For more information on agreement on fee sharing, see the information brochure.

General information

Fund managers: Ulf Ingemarson, Hans Bergqvist
Supervisory authority: Swedish Financial Supervisory Authority
Depositary: SEB
Company auditor: Michael Lindengren, Öhrlings PricewaterhouseCoopers AB
Price information: The fund price (NAV) can be followed on a daily basis on the company's website at www.simplicity.se. The fund price is also quoted on teletext and in Swedish daily newspapers.
Information material: The fund brochure, half-year report and annual report are available for download at www.simplicity.se. Printed copies of these publications are available free on request.
Complaints manager: Ulf Ingemarson (CEO) is in charge of any complaints.
Telephone: +46 340 21 95 00.

Taxes and dividend

The fund pays an annual dividend in April on condition that it has earned taxable income. The dividend is reinvested in the fund. Securities funds

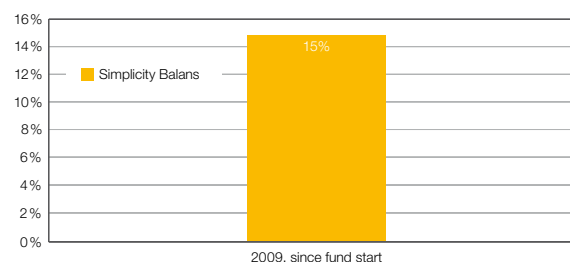
are exempt from tax on capital gains for Swedish and foreign equities and equity-related securities but are tax-liable for dividend and interest income. Since the funds are exempt from capital gains tax, they are taxed at a standardised income rate of 1.5% of the market value of equities and securities under management at the start of the year. The fund is entitled to deduct management and administration costs and any approved dividend. The fund is subject to an income tax rate of 30%. A general explanation of individual tax rules for fund investors is provided in the information brochure. The company advises investors to seek expert assistance on specific tax matters.

Buying and selling of fund units

The lowest investment is SEK 100. The minimum monthly deposit for monthly savers is SEK 100. The company buys and sells fund units on a daily basis. Sales (i.e. purchases by fund holders) are executed on the same business day, provided the money has reached the fund's account by 8 am on the day of purchase. Redemption orders should be sent to the fund company by post or fax and should be signed by the account holder. Redemptions are executed on the same business day, provided the redemption order is received by 8 am. Confirmations of unit transactions are sent to fund holders by post. Please see the information brochure and the fund's regulations for detailed information on trading in units. It is also possible to contact us on phone: +46 340 21 95 00.

Fund performance

Current prices, key data and latest performance reports can be found on www.simplicity.se. The chart below shows the past performance in Swedish kronor (SEK) of the fund since fund start (29 May, 2009). The performance is calculated with dividend reinvested.



FUND FACT

Launch date	29 May 2009
Managers	Ulf Ingemarson, Hans Bergqvist
ISIN	SE0002870006
Country of registration	Sweden
Currency quotation	Swedish krona
Benchmark index	MSCI TR Net World Index
Price quotation/trading	Daily
Dividend	Yes, reinvested
Subscription fee	0%
Redemption fee	0%
Management fee	1.9%
Fees to depositary, supervisory authority and auditors 2009	0.1%
Total expense ratio (TER) 2009	2.0%
Minimum deposit	SEK 100
Monthly deposit	Yes
Depositary	SEB
SEB bank account no. (IBAN)	SE42 5000 0000 0585 1106 7744
SWIFT	ESSESESS
PPM fund number	191494
Risk level	Medium

The money you invest in investment funds may increase and decrease in value. There is no guarantee that an investment in the fund will not lead to a loss. Past performance is no guarantee of future returns. Investing in mutual funds should be regarded as a long-term undertaking that offers you potentially higher returns than traditional saving in fixed income securities.