

# CB FONDER

## CB Fonder has decided to close *CB Hedge*

- The decision has been made to close *CB Hedge*, our long-short hedge fund
- All costs associated with the closing will be covered by CB Asset Management AB
- The fund has not met our expectations and we see increasingly comprehensive and costly regulations for similar structures going forward
- Onwards, all focus will be on our long-only funds *CB European Quality Fund* and *CB Save Earth Fund*

- We have made the decision to close the fund with our investors' best interest in mind. First and foremost, the return has not met our expectations. On top of that, new regulation will entail increased costs for the fund, which we do not see as justifiable given the fund's historical performance. We are of course not happy with this outcome, but we are convinced that this is the best long-term decision. Henceforth, we will have a 100% focus on our long-only management, which really is the foundation of our competence. Once again, it has been proven hard to combine long-only and long/short management, **says Alexander Jansson.**

- The fund was launched in the summer of 2007 after years of simulation in order to offer our clients the possibility to gain a market neutral exposure to the successful management of our long-only European fund, *CB European Quality Fund*. Our objective was a yearly return of 10-15% with a reasonable risk level. Nearly seven years later we must regrettably conclude that the fund has not met our expectations. It is of course unfortunate to have to conclude that we, as portfolio managers, have not succeeded and we feel for our investors who have not received the targeted return levels, **says Carl Bernadotte.**

**Our ambition is to have the fund liquidated at the NAV of 31 March 2014 and that payment of proceeds will be made on 9 April 2014.** The process is dependent on approval from the Luxembourg regulator, CSSF, which may affect the time schedule to some degree. However, the application for liquidation has already been filed with the CSSF. All trade in the fund (both the buying and selling of shares) has been stopped. There are only very liquid instruments in the fund, why the liquidation process will not be affected by the selling of assets. No redemption fees will be charged at liquidation or on payment of proceeds. All liquidation costs will be paid by CB Asset Management AB. The concerned ISIN are **LU0302609374** (EUR-class) and **LU0302609457** (SEK-class).

## For further information, please contact:

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## About *CB Hedge*

*CB Hedge* is a long/short equity fund with an objective to deliver an absolute return with a limited downside risk. The fund invests in the same stocks found in the investment universe used for our *European Equity Fund*, *CB European Quality Fund*, and has a short position in the European equity index, MSCI Europe. The fund has a net exposure of 0-20% and the gross exposure should not exceed 300%. The fund delivers a positive return when the stocks in the long leg have a better relative performance than MSCI Europe, our short leg.

## About *CB Asset Management*

*CB Asset Management AB* was founded in 1994 and is an independent investment management company acting under the supervision of the Swedish Financial Supervisory Authority. The company offers its management concept to private as well as institutional investors through three funds: *CB European Quality Fund*, *CB Hedge* and *CB Save Earth Fund*. The company motto is: active, ethical and long-term.

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