

# Semi-Annual Report

## SEB Concept Biotechnology

Status: April 30, 2011



**This Semi-Annual Report was compiled by:**

SEB Asset Management S.A.

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**Notice**

The sole legally binding basis for the purchase of units of the Fund described in this report is the latest valid prospectus with its terms of contract.

This Semi-Annual Report is a translation in English. In case of differences between the German version and the translation, the German version should be retained.

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# Organisation

<b>Promoter:</b>	SEB Asset Management S.A. 6a, circuit de la Foire Internationale L-1347 Luxembourg
<b>Management Company:</b>	SEB Asset Management S.A. 6a, circuit de la Foire Internationale L-1347 Luxembourg
<b>Board of Directors:</b>	<b>Chairperson:</b> Kjell Norling Global Head of International Sales SEB Wealth Management Stockholm  <b>Members:</b> Barbro Lilieholm Senior Legal Advisor SEB Wealth Management Stockholm  Marie Winberg Global Head of Product Management SEB Wealth Management Stockholm  Rudolf Kömen Head of SEB Asset Management S.A. Luxembourg
<b>Management:</b>	Rudolf Kömen, Luxembourg Matthias Müller, Luxembourg
<b>Custodian Bank:</b>	Skandinaviska Enskilda Banken S.A. 6a, circuit de la Foire Internationale L-1347 Luxembourg
<b>Central Administration (including Administration Registrar and Transfer Agent):</b>	Skandinaviska Enskilda Banken S.A. 6a, circuit de la Foire Internationale L-1347 Luxembourg
<b>Investment Manager:</b>	SEB Investment Management AB Sveavägen 8 S-106 40 Stockholm

**Independent Auditor of the Fund and the Management Company:**

PricewaterhouseCoopers S.à r.l.  
400, route d'Esch  
L-1471 Luxembourg

**Distributors and principal Paying Agents:**

**Paying Agent and Distributor in Luxembourg:**

Skandinaviska Enskilda Banken S.A.  
6a, circuit de la Foire Internationale  
L-1347 Luxembourg

**Paying and Information Agents:**

**in Germany**

SEB AG  
Ulmenstrasse 30  
D-60325 Frankfurt am Main  
and its branch offices in Germany

**In Sweden**

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S-106 40 Stockholm

**In Finland:**

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FIN-001 00 Helsinki

**Distributor in Germany**

SEB Investment GmbH  
Rotfeder-Ring 7  
D-60327 Frankfurt am Main

# General Information

SEB Concept Biotechnology (the "Fund") is a Luxembourg investment fund (Fonds Commun de Placement) and is governed by Part I of the Luxembourg Law of December 20, 2002 on Undertakings for Collective Investment (the "Law of 2002"). The Fund, which was established for an indefinite period on August 31, 2001 is managed by SEB Asset Management S.A. (the "Management Company"). The current Management Regulations were filed with the Trade and Companies Register in Luxembourg and notice of filing was published in Mémorial C, "Recueil des Sociétés et Associations" (hereinafter "Mémorial C") on January 7, 2011 and December 30, 2010. The Management Company was established on July 15, 1988 with subsequent publication of the Articles of Incorporation in the Mémorial C on August 16, 1988. The Articles of Association were last amended on December 2, 2005 and published on December 13, 2005.

The Management Company has delegated the role of Central Administration, including the role of Administrative Agent, Registrar and Transfer Agent – on its own responsibility, in its own control and at its own expense – to Skandinaviska Enskilda Banken S.A., a bank incorporated as a "Société Anonyme" (public limited company) under the laws of Luxembourg on March 30, 1973, for an unlimited duration, with its registered office at 6a, circuit de la Foire Internationale, L-1347 Luxembourg (the "Administrative Agent" and "Registrar and Transfer Agent").

In its capacity as Administrative Agent, Skandinaviska Enskilda Banken S.A. performs certain administrative duties related to the management of the Fund, including the Net Asset Value calculation per unit and the provision of accounting services for the Fund. In its capacity as Registrar and Transfer Agent, it is responsible for the execution of subscriptions and redemptions of units as well as for maintaining the unitholders' register.

The main objective of SEB Concept Biotechnology's investment policy is to achieve a high long-term increase in value. To this end, the Fund invests worldwide predominantly in companies from the biotechnology sector.

At present, two unit classes are offered to investors:

- SEB Concept Biotechnology A (LU0385485148): capitalisation units
- SEB Concept Biotechnology B (LU0118405827): distribution units

"B" units may pay a dividend. "A" units will capitalise income, with the result that their value will exceed that of "B" units by the amount of the dividends paid on "B" units.

The Fund currency is the euro. The Net Asset Value per unit is calculated by the Management Company on each day which is a bank business day in both Luxembourg and Frankfurt am Main (hereinafter "Valuation Day"). As regards the sale of units in Germany, the issue and redemption prices of Fund units as well as any other information concerning the Fund, insofar as required by law, are published at [www.sebgroup.lu](http://www.sebgroup.lu) and in the "Börsenzeitung". In addition, the issue and redemption prices are published in each country of distribution in appropriate media.

Financial reports of the Fund are published annually and semi-annually. These reports as well as the Prospectus, the Management Regulations and all information concerning the Fund are available for the unitholders at the registered offices of the Management Company, the Custodian Bank or every Paying Agent.

# Management Report

**Dear Unitholder,**

With this report we want to provide you with an overview of the general economic environment, the development of the most important capital markets, our investment policy and the performance of our mutual Fund SEB Concept Biotechnology. This report covers the period November 1, 2010 to April 30, 2011.

We would like to thank you for your confidence and will do everything within our power to justify your decision of investing in our Fund.

## **Recovery with Headwind**

After growth eased in the second half of 2010, the global economy gathered momentum again at the start of the current year. However, political unrest in North Africa and the Middle East, accelerated inflation, the earthquake in Japan and the debt crisis in the euro zone brought renewed headwinds.

## **Emerging Markets Driving the Economy**

Once again, the strongest growth was recorded by the emerging markets, headed by China. Industrialised countries with a strong export focus, such as Germany and Sweden, have profited from this too. In contrast, economic momentum in countries with a high level of indebtedness remained modest. This resulted in a “two-speed” economy in the euro zone, divided between the southern periphery countries and the rest of the region. Growth in the US was surprisingly robust and fears voiced in autumn 2010 of pronounced economic weakness (a double dip) proved unfounded. Japan has entered a recession after the natural and nuclear reactor disaster.

## **Commodity Prices Cloud Price Environment**

The continued rise in commodity prices has further accelerated inflation too. The central banks’ inflation targets have now been exceeded in many countries. Although core inflation, i.e. excluding energy and food, which reflects the underlying trend in prices, is low in most industrialised countries, it has also undergone a sea-change in many instances.

## **Debt Crisis Causes Turbulence**

The sovereign debt crisis within the euro zone was the source of ongoing turbulence. Following Greece’s receipt of financial aid from the EU and the IMF in spring 2010, Ireland, too, availed itself in November of the specially created rescue facility, followed recently by Portugal. The European Central Bank (ECB) also involved itself in the rescue measures in spring 2010 for the purpose of keeping the banks stable, by – controversially – buying government bonds of the countries in question.

## **Monetary Policy**

The central banks in many countries reacted to the ongoing recovery and greater price pressure with (further) monetary policy tightening. The ECB was the first major central bank to change direction. Having postponed its planned exit from crisis policy several times owing to the debt crisis, it raised its key interest rate in April 2011. Monetary policy was eased again in the US and Japan, albeit for different reasons; concerns about a double dip in the US in November 2010, while the central bank in Japan was reacting to the earthquake in March 2011. With key rates already at “zero”, the economy was supplied directly with liquidity.

### **Mixed Trend on the Bond Markets**

During the reporting period, the bond markets showed a mixed trend in yields, whereby the market differentiated according to monetary policy and creditworthiness. The reversal in the ECB's course put upward pressure on yields in the euro zone. This had a greater impact on the short end of the maturity range than on the long end. Credit risks exacerbated the rise in yields in the peripheral countries affected by the debt crisis, which widened the yield differential relative to the core countries. Yields in the US, the UK and Japan tended more or less sideways against the backdrop of expansionary monetary policy and further easing.

### **Equity Markets Continue to Rise**

Equity markets continued to rise during the reporting period. Favourable economic data and company reports had a positive effect, while the combination of monetary and fiscal policy easing in the US towards the year-end acted more or less as a primer. The correction that followed in March in the wake of the natural disaster in Japan was made up again on many markets. During the reporting period, the US, with Germany a close second, posted the best performance among the leading equity markets. Even Japan performed positively despite plunging in March, while some euro zone peripheral countries posted a negative performance.

### **Currency Markets**

On a trade-weighted basis, the euro has remained largely unchanged during the reporting period. Initially, the common currency was affected by the debt crisis because of Ireland and depreciated against the major currencies. Anticipated interest rate rises by the ECB have supported the currency since early 2011. The Japanese yen reached new historical highs against the US dollar after the earthquake in March, leading to international intervention in favour of the yen.

### **Economic Recovery despite Headwind**

The global economy continues to recover. However, it will be slowed this year by the recent rise in commodity prices and inflation, monetary tightening in the high-growth countries and the natural disaster in Japan. With the recovery in the labour markets and capital investment, the upturn has nonetheless assumed self-supporting qualities. The emerging and developing countries will continue to show higher growth rates than most industrialised countries. By contrast, growth momentum will remain severely curbed in countries with a high level of indebtedness. Germany is serving as a driver of growth in the euro zone, with the periphery countries lagging behind.

### **Is Inflation about to Peak?**

The situation as regards inflation has brightened with the recent correction in some commodity prices. Inflation rates could fall slightly in 2012, should this trend continue. However, a sustained upturn and recovery of the financial system increase the risks for underlying inflation. This is especially true of those growth countries whose production capacities are increasingly being exhausted, while under-utilised capacities and high unemployment will keep inflationary pressure low in many industrialised countries. The passing on of commodity prices, possibly reinforced by currency depreciation, may also pose upside risks. Additionally, empty public coffers are also driving governments to push up prices.

### Outlook for Monetary Policy and the Financial Markets

The sustained upturn has made the risk/return relationship on the bond markets less attractive. Another rise in capital market rates is likely to be linked primarily to further monetary tightening. More moderate economic growth and inflation should lead to only a temporary delay. The ECB will generally take the lead as against with the US. In light of the debt crisis, investors will observe the progress in consolidation efforts “critically” and will continue to differentiate according to creditworthiness and issuer risk.

The outlook for the equity markets remains positive. Companies did their homework in the crisis and are financially sound. Additionally, the sustained upturn means positive earnings potential. Fundamental valuations on the equity markets should not be considered excessive either by historical standards or in comparison with alternative investments. The market trend has reached a certain degree of maturity so that increased volatility can be expected. For this reason, the selection of sectors and stocks remains a major criterion for success.

Luxembourg, June 2011  
**SEB Asset Management S.A.**



R. Kömen

M. Müller

Note: performances mentioned in this report are historical and are not indicative of future results.

# Schedule of Investments

## as at April 30, 2011

### SEB Concept Biotechnology

Description	Total holdings as at 30/04/11	Currency	Unit price	Market value in EUR	% of net assets
<b>Transferable securities admitted to an official stock exchange</b>					
<b>Shares</b>					
<b>France</b>					
Sanofi-Aventis Rights Issue	18,000	USD	2.490	30,236.79	0.08
<b>Total France</b>				<b>30,236.79</b>	<b>0.08</b>
<b>Ireland</b>					
Shire ADR	16,120	USD	92.040	1,000,934.27	2.63
Warner Chilcott	53,171	USD	24.050	862,688.12	2.27
<b>Total Ireland</b>				<b>1,863,622.39</b>	<b>4.90</b>
<b>Netherlands</b>					
Qiagen (New York)	51,482	USD	21.560	748,803.86	1.97
<b>Total Netherlands</b>				<b>748,803.86</b>	<b>1.97</b>
<b>United States of America</b>					
Akorn	95,767	USD	6.640	428,990.69	1.13
Alexion Pharmaceuticals	26,831	USD	97.070	1,757,056.79	4.62
Alkermes	10,747	USD	14.440	104,693.17	0.28
Alnylam Pharmaceuticals	13,002	USD	10.010	87,802.75	0.23
Amgen	64,030	USD	57.140	2,468,241.49	6.49
Ardea Biosciences	5,123	USD	28.290	97,773.51	0.26
Ariad Pharmaceutical	25,556	USD	8.500	146,546.58	0.39
Biogen Idec	27,732	USD	98.970	1,851,606.40	4.87
BioMarin Pharmaceuticals	16,390	USD	26.460	292,571.96	0.77
Biomimetic Therapeutics	18,108	USD	13.480	164,673.71	0.43
Cardiome Pharma	47,489	USD	5.200	166,594.35	0.44
Celera Corporation	21,015	USD	7.970	112,993.02	0.30
Celgene Corporation	42,189	USD	58.840	1,674,695.32	4.40
Cephalon	15,668	USD	76.630	809,983.73	2.13
Cubist Pharmaceuticals	31,639	USD	33.910	723,793.11	1.90
Dendreon Corporation	23,007	USD	42.270	656,079.02	1.73
Depomed	26,500	USD	8.760	156,607.98	0.41
Endo Pharmaceuticals	23,968	USD	41.840	676,530.50	1.78
Enzon	11,541	USD	11.390	88,681.10	0.23
Exelixis	18,221	USD	12.360	151,933.86	0.40
Gen-Probe	13,486	USD	79.610	724,293.67	1.90
Genomic Health	5,943	USD	27.700	111,057.88	0.29
Gilead Sciences	74,935	USD	39.350	1,989,268.29	5.23
Hi Tech Pharmacal	6,579	USD	27.520	122,144.02	0.32
Humane Genome Sciences	12,558	USD	29.600	250,770.30	0.66
Illumina	33,686	USD	71.470	1,624,191.14	4.27
Impax Laboratories	32,307	USD	27.660	602,854.79	1.59
Incyte Corporation	8,641	USD	18.710	109,069.09	0.29
Intermune	29,921	USD	45.450	917,432.04	2.41
Isis Pharmaceuticals	12,902	USD	9.290	80,860.54	0.21
Jazz Pharmaceuticals Inc	22,237	USD	32.180	482,754.29	1.27

## SEB Concept Biotechnology

Description	Total holdings as at 30/04/11	Currency	Unit price	Market value in EUR	% of net assets
Lexicon Pharmaceutical	60,207	USD	1.690	68,643.21	0.18
Life Technologies Corporation USD	27,039	USD	55.960	1,020,780.21	2.68
Luminex Corp	7,397	USD	19.550	97,558.76	0.26
Maxygen	34,100	USD	5.150	118,474.67	0.31
Medicines Company	25,405	USD	16.000	274,222.50	0.72
Momenta Pharmaceuticals	8,225	USD	19.370	107,480.44	0.28
Mylan Lab	90,685	USD	25.010	1,530,076.20	4.02
Myriad Genetics	10,846	USD	21.430	156,803.47	0.41
NABI	38,073	USD	5.800	148,973.49	0.39
Obagi Medical Products	16,973	USD	12.900	147,710.79	0.39
Onyx Pharmaceuticals	10,602	USD	37.420	267,642.75	0.70
Optimer Pharmaceuticals	11,714	USD	12.750	100,757.94	0.26
PDL BioPharma	21,558	USD	6.400	93,079.13	0.24
Perrigo	26,721	USD	90.430	1,630,155.93	4.29
Pharmaset	17,855	USD	101.300	1,220,206.15	3.21
Progenics	32,100	USD	7.360	159,384.74	0.42
QLT	30,751	USD	8.150	169,075.53	0.44
Questcor Pharmaceuticals	43,982	USD	20.640	612,418.89	1.61
Regeneron Pharmaceuticals	21,041	USD	64.610	917,128.16	2.41
Salix Pharmaceuticals	4,292	USD	38.340	111,013.48	0.29
Sequenom	17,564	USD	7.070	83,773.51	0.22
Spectrum Pharmaceuticals	57,200	USD	10.360	399,778.74	1.05
Targacept	4,995	USD	24.230	81,649.36	0.21
Techne Corporation	10,981	USD	76.940	569,977.85	1.50
Teva Pharmaceutical ADR	50,548	USD	46.130	1,573,081.93	4.14
Theravance	3,212	USD	28.700	62,190.11	0.16
United Therapeutics Corporation	9,878	USD	67.660	450,884.10	1.19
Vertex Pharmaceuticals	38,635	USD	55.540	1,447,607.09	3.81
Vical	74,900	USD	3.750	189,485.94	0.50
Viropharma	37,344	USD	19.860	500,338.57	1.32
Vivus	2,869	USD	7.710	14,922.74	0.04
<b>Total United States of America</b>				<b>33,957,821.47</b>	<b>89.31</b>
<b>Total shares</b>		<b>EUR</b>		<b>36,600,484.51</b>	<b>96.26</b>
<b>Investment Funds</b>					
<b>Index funds</b>					
<b>United States of America</b>					
iShares Nasdaq Biotechnology Index Fund	14,799	USD	108.950	1,087,736.03	2.86
<b>Total United States of America</b>				<b>1,087,736.03</b>	<b>2.86</b>
<b>Total Index Funds</b>		<b>EUR</b>		<b>1,087,736.03</b>	<b>2.86</b>
<b>Total Investment Funds</b>		<b>EUR</b>		<b>1,087,736.03</b>	<b>2.86</b>
<b>Total transferable securities admitted to an official stock exchange</b>		<b>EUR</b>		<b>37,688,220.54</b>	<b>99.12</b>
<b>Total portfolio</b>		<b>EUR</b>		<b>37,688,220.54</b>	<b>99.12</b>

## SEB Concept Biotechnology

Description	Total holdings as at 30/04/11	Currency	Unit price	Market value in EUR	% of net assets
<b>Other assets</b>					
Interest receivable on banks				0.88	0.00
Receivables on sale of securities				898,603.56	2.36
Receivables on subscriptions				173,027.01	0.46
Receivables on foreign exchange				111,429.43	0.29
<b>Total other assets</b>		<b>EUR</b>		<b>1,183,060.88</b>	<b>3.11</b>
<b>Other liabilities</b>					
Bank overdraft				-347,913.32	-0.91
Payables on foreign exchange				-111,429.47	-0.29
Payables on redemptions				-123,612.32	-0.33
Payables on sales of securities				-215,927.55	-0.57
Management fee, custody fee, taxe d'abonnement				-47,789.50	-0.13
Other liabilities				-225.00	0.00
<b>Total other liabilities</b>		<b>EUR</b>		<b>-846,897.16</b>	<b>-2.23</b>
<b>Total net assets as at April 30, 2011</b>		<b>EUR</b>		<b>38,024,384.26</b>	<b>100.00</b>

A list of changes in the asset held during the year under review is available free of charge from SEB Asset Management S.A.

The accompanying notes are an integral part of these financial statements.

# Statement of Net Assets as at April 30, 2011

SEB Concept Biotechnology

	EUR
<hr/>	
<b>Assets</b>	
Portfolio at cost	31,729,507.85
Unrealised appreciation / depreciation	5,958,712.69
<b>Portfolio at market value (note 1)</b>	<b>37,688,220.54</b>
Other assets	1,183,060.88
<b>Total assets</b>	<b>38,871,281.42</b>
<b>Liabilities</b>	
Bank overdraft	-347,913.32
Other liabilities	-498,983.84
<b>Total liabilities</b>	<b>-846,897.16</b>
<hr/>	
<b>Total net assets as at April 30, 2011</b>	<b>38,024,384.26</b>
"A" units outstanding as at April 30, 2011	454,737.9090
"B" units outstanding as at April 30, 2011	721,494.4270
Net Asset Value per "A" unit as at April 30, 2011	32.33
Net Asset Value per "B" unit as at April 30, 2011	32.33

The accompanying notes are an integral part of these financial statements.

# Statistical Information as at April 30, 2011

SEB Concept Biotechnology

EUR

<b>Number of "A" units outstanding</b>	
as at April 30, 2011	454,737.9090
as at October 31, 2010	914,451.5420
as at October 31, 2009	374,521.9810
<b>Number of "B" units outstanding</b>	
as at April 30, 2011	721,494.4270
as at October 31, 2010	776,805.9700
as at October 31, 2009	1,336,592.0770
<b>Total net assets</b>	
as at April 30, 2011	38,024,384.26
as at October 31, 2010	49,647,489.72
as at October 31, 2009	37,779,774.37
<b>Net Asset Value per "A" unit</b>	
as at April 30, 2011	32.33
as at October 31, 2010	29.36
as at October 31, 2009	22.08
<b>Net Asset Value per "B" unit</b>	
as at April 30, 2011	32.33
as at October 31, 2010	29.35
as at October 31, 2009	22.08
<b>Performance in % per "A" unit*)</b>	
as at April 30, 2011	10.1
as at October 31, 2010	33.0
as at October 31, 2009	-16.4
<b>Performance in % per "B" unit*)</b>	
as at April 30, 2011	10.2
as at October 31, 2010	32.9
as at October 31, 2009	-16.4

\*) Basis: unit value (redemption price), income reinvested at no cost (calculated according to methods of the BVI Bundesverband Deutscher Investment-Gesellschaften e.V.)

The accompanying notes are an integral part of these financial statements.

# History of the Fund

Date	Net assets in EURm	Subscription price per unit in EUR	Redemption price per unit in EUR	Index of Net Asset Values*)	Income distribution per unit in EUR
<b>SEB Concept Biotechnology</b>					
16/10/2000	Inception	47.25	45.00	100.00	-
31/10/2001	25.5	32.51	30.96	68.80	-
31/10/2002	14.3	19.10	18.19	40.42	-
31/10/2003	15.3	20.35	19.38	43.07	-
31/10/2004	12.8	19.25	18.33	40.73	-
31/10/2005	17.6	24.30	23.14	51.42	-
31/10/2006	16.1	28.14	26.80	59.56	0.0150
31/10/2007	18.7	31.59	30.09	66.90	0.0159
18/09/2008	Initial issue of "A" units - A -	28.72	27.35	100.00	Income is capitalised
31/10/2008	1.2 - A -	27.72	26.40	96.53	-
	30.2 - B -	27.72	26.40	58.73	0.0042
31/10/2009	29.5 - A -	23.18	22.08	80.73	-
	8.3 - B -	23.18	22.08	49.13	0.0000
31/10/2010	26.8 - A -	30.83	29.36	107.35	-
	22.8 - B -	30.82	29.35	65.30	0.0000
30/04/2011	14.7 - A -	33.95	32.33	118.21	-
	23.3 - B -	33.95	32.33	71.93	-

\*) Basis: unit value (redemption price), income reinvested at no cost (calculated according to methods of the BVI Bundesverband Deutscher Investment-Gesellschaften e.V.)

The accompanying notes are an integral part of these financial statements.

# Notes to the Semi-Annual Report as at April 30, 2011

## Note 1 - Investments in Securities

The financial statements are presented in accordance with Luxembourg regulations relating to Undertakings for Collective Investment.

### Investments

- a) Transferable securities and money market instruments, which are officially listed on the stock exchange, are valued at the last available price;
- b) Transferable securities and money market instruments, which are not officially listed on a stock exchange, but which are traded on another regulated market are valued at a price no lower than the bid price and no higher than the ask price at the time of the valuation and at which the Management Company considers to be an appropriate market price;
- c) Transferable securities and money market instruments quoted or traded on several stock exchanges are valued on the basis of the last available price of the principal market for the transferable securities or money market instruments in question, unless these prices are not representative.
- d) In the event that such prices are not in line with market condition, or for securities and money market instruments other than those covered in a), b) and c) above for which there are no fixed prices, these securities and money market instruments, as well as other assets, will be valued at the current market value as determined in good faith by the Management Company, following generally accepted valuation principles verifiable by Independent Auditors.
- e) Financial instruments which are not traded on the futures exchanges but on a regulated market are valued at their settlement value, as stipulated by the Management Company in accordance with generally accepted principles, taking into consideration the principles of proper accounting, the customary practices in line with the market, and the interests of the Unitholders, provided that the above-mentioned principles correspond with generally accepted valuation regulations which can be verified by the Independent Auditors.
- f) Liquid assets are valued at their nominal value plus accrued interest.

In case extraordinary circumstances occur, which make it impossible or even wrong to carry out the valuation according to above mentioned criteria, the Management Company is authorised for a certain period of time, to accept other rules for valuation that are generally accepted and determined in good faith, and can be verified by the Independent Auditors in order to achieve an appropriate valuation of the net assets.

Results on sales of securities are determined by the average cost method.

### Currency Translation

All assets denominated in a different currency to the respective Fund's currency are converted into this respective Fund's currency at the last available average exchange rate. Gains or losses on currency transactions are added or deducted as appropriate.

Separate accounts are maintained for each Fund in the currency in which the Net Asset Value of the units to which it relates is expressed (the accounting currency). The cost prices of securities whose purchase price is not expressed in euro is calculated on the basis of the corresponding exchange rate on the date of purchase.

Assets and Liabilities, expressed in a currency other than the accounting currency, are translated on the basis of exchange rates ruling at the balance sheet date.

As at April 30, 2011, the daily rates of these securities are translated using the following exchange rates:

1 GBP	=	1.123052 EUR	1 USD	=	0.674627 EUR
1 SEK	=	0.112007 EUR			

### **Income**

Interest is recognised on an accrual basis. Dividends are recorded on the ex-dividend date.

### **Note 2 - Management Fee**

In remuneration of its services, the Management Company receives a commission at an annual rate of 1.5%, based on the average net assets calculated daily. The fee is paid at the end of each month.

### **Note 3 - Custody Fee**

The Custodian Bank receives a commission at an annual rate of 0.032% of the assets of the Fund held in the form of securities. The fee is paid monthly and based on the assets under custody as per month's end.

### **Note 4 - Taxes**

Within the territory of the Grand Duchy of Luxembourg the Fund is subject to a "taxe d'abonnement" of 0.05% per annum, payable quarterly, on the basis of the Fund's net assets as of the end of each calendar quarter. The Fund pays no taxes on any assets invested in other Undertakings for Collective Investment that are already subject to the "taxe d'abonnement".

No refund is paid on withholding tax applied in the countries of origin on any interest or dividends earned on the assets.

### **Note 5 - Changes in Portfolio Composition**

A list of changes in the portfolio composition during the reporting period which are not listed in the Schedule of Investments is available free of charge from SEB Asset Management S.A. and from all German Paying Agents.

## Note 6 – Subsequent events

### **Outsourcing of the Central Administration to The Bank of New York Mellon (Luxembourg) S.A.**

The Management Company will delegate the Central Administration, including the administrative, registrar, paying and transfer agent functions - under its continued responsibility and control - at its own expenses to The Bank of New York Mellon (Luxembourg) S.A., 2-4, rue Eugene Ruppert, L-2453 Luxembourg. This company was incorporated in Luxembourg as a "société anonyme" on 15 December 1998 and is an indirect wholly-owned subsidiary of The Bank of New York Mellon Corporation. It is registered with the Luxembourg Trade and Companies' Register under Corporate Identity Number B 67654.

Information on the precise Transfer Date of the Fund within 2011 will be available on the SEB internet.

# Notes on the Taxation of Interim Profits in the Federal Republic of Germany

In the Federal Republic of Germany, following the entry into force of the "Tax Abuse and Technical Corrections Act" on January 1, 1994 so-called interim profits are added to taxable capital income and subject to capital gains tax (interest discount tax). Interim profits comprise the interest and interest claims, contained in the redemption price and paid in favour of the German investor on the sale of unit certificates, that have accrued during the current financial year of the Fund, plus any income from the previous financial year that has not yet been paid out.

In the Federal Republic of Germany, these interim profits are considered for tax purposes to have been received by the German investor on the sale or redemption of Fund units, and are thus subject to interest discount tax. For German investors, this payment is merely an advance tax payment which can be offset against the investor's final income tax liability.

Every day that the stock exchange is open, SEB Asset Management S.A. publishes the level of the interim profits and the associated redemption prices for each Fund managed for it in the Federal Republic of Germany.

On the purchase of Fund units, the paid interim profit is placed in the accrued interest pot of the credit institution holding the securities account. On the sale of the Fund units, interest discount tax is levied on the interim profit contained in the redemption price at a rate of 30% and forwarded anonymously to the tax office. If an accrued interest pot is in place, no interest discount tax is withheld up to this amount. As long as an exemption application is presented on time, no interest discount tax is withheld up to the amount of the exemption. If a valid exemption certificate is presented, no tax will be deducted in this case, either.

Where interest discount tax has been deducted from interim profits of a German investor in the Federal Republic of Germany, the investor may recoup or offset the tax already paid when submitting an income tax assessment. The investor may treat the paid interim profits as negative income from capital assets in the income tax declaration.

With the entry into force of the new investment tax laws, the concept of interim profits was abolished from January 1, 2004. During 2004, the sale of Fund units during the year was no longer liable to interest discount tax.

With effect from January 1, 2005 the government reintroduced the taxation of interim profits. The legislative framework that was applicable until 2003 has been restored. However, for 2005 it should be noted that the calculation of the interim profit on January 1, 2005 starts at a value of EUR 0.

## Notes to the “EU Savings Tax Directive”

On June 3, 2003 the Council of the European Union passed Council Directive 2003/48/EC on the taxation of saving credits in the form of interest payments. In accordance with this Directive, Member States of the European Union (“Member States”) are required to provide the tax authorities of other Member States with detailed information regarding payments of interest or similar capital gains made by a person who is a resident of its jurisdiction to a person who is a resident of the other Member State, with individual Member States (Austria, Belgium and Luxembourg) being entitled during a transition period to opt for a withholding tax system in respect of such payments. From July 2005 until June 2008 the withholding tax rate on interest was 15%, and from July 2008 until June 2011 the withholding tax is 20% rising to 35% from July 1, 2011 onwards, unless the affected person requests/instructs the Paying Agent expressly to participate in the information exchange system of the Directive.

Income distributed by a Fund is subject to the Savings Tax Directive (the “Directive”) if more than 15% of the net assets are invested in interest-bearing securities as defined in the Directive. Interest income realised on unit redemptions is also subject to the Savings Tax Directive if more than 40% of the relevant Fund's net assets is invested in interest-bearing securities as defined by the Directive. From January 1, 2011 the threshold was reduced from 40% to 25%.

The proportion of interest-bearing securities has been determined on the basis of an asset test. The calculation of the average percentage of interest-bearing securities at these two sample dates produced the following result:

SEB Concept Biotechnology:	0.46%
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Therefore, the Fund SEB Concept Biotechnology is excluded from the Directive for the period from January 1, 2011 to February 28, 2012.

