



# Simplified Prospectus

## SEB Fund 5

A Luxembourg mutual investment fund investing in marketable transferable securities

**with its current Sub-Funds**

**SEB Bond Fund SEK**

**SEB Corporate Bond Fund EUR**

**SEB Corporate Bond Fund SEK**

**SEB Danish Mortgage Bond Fund**

**SEB Flexible Bond Fund SEK**

Undertaking for Collective Investment in Transferable Securities (hereafter the "Fund") under the Luxembourg law of 20 December 2002 (hereafter the "Law").

**July 2011**

This Simplified Prospectus provides general information on the Fund.

If you require further information before investing in the Fund, please consult the full sales prospectus dated December 2010 (the "Full Prospectus"), which lays down the rights and the obligations of the investors. Detailed information regarding the Fund's holdings is presented in its most recent annual and semi-annual reports.

These documents are available, free of charge, at the registered office of SEB Asset Management S.A. or at any local paying and information agent mentioned hereafter.

## Important information relating to the forthcoming change of the Central Administration

The following change will become effective as of the Transfer Date, i.e. the date when The Bank of New York Mellon (Luxembourg) S.A. will become Central Administration, as indicated hereafter:

- Valuation Day will be defined as any bank business day in Luxembourg except 24 December ("Bank Business Day"). Prior to the Transfer Date, the Valuation Day is being defined as a bank business day, both in Luxembourg and in Sweden.

## **General information**

### **Promoter:**

Skandinaviska Enskilda Banken AB (publ)  
Kungsträdgårdsgatan 8  
SE-106 40 Stockholm

### **Management Company:**

SEB Asset Management S.A.  
6a, Circuit de la Foire Internationale  
L-1347 Luxembourg  
incorporated on 15 July 1988

### **Central Administration (including Administrative, Registrar and Transfer Agent) and Paying Agent:**

#### Until end of August 2011

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

#### From September 2011 (the "Transfer Date")<sup>1</sup>

The Bank of New York Mellon (Luxembourg) S.A.  
2-4, rue Eugène Ruppert  
L-2453 Luxembourg

### **Custodian Bank:**

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

### **Approved Statutory Auditor of the Fund and the Management Company (hereafter the "Auditor"):**

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

### **Distributor in Luxembourg:**

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

### **Distributor and Principal Paying Agent in Sweden:**

Skandinaviska Enskilda Banken AB (publ)  
Kungsträdgårdsgatan 8  
SE-106 40 Stockholm

---

<sup>1</sup> Information on the precise Transfer Date will be available at [www.sebgroup.lu](http://www.sebgroup.lu)

**Supervisory Authority:**

Commission de Surveillance du Secteur Financier  
110, route d'Arlon  
L-2991 Luxembourg  
([www.cssf.lu](http://www.cssf.lu))

**Launch of the Fund:**

2 December 1987

**Legal structure:**

Umbrella Fund in the form of a Luxembourg mutual investment fund "*fonds commun de placement*"

**Financial year:**

1 January – 31 December

**Number of Sub-Funds:**

5

### **Objectives and investment policy**

The main objective of the Fund is to gain the greatest possible return observing a well balanced risk level. The Fund has long term investment horizons.

In order to achieve its main objective, the Fund's portfolio will be focused on gaining return from fixed interest securities. The Fund's portfolio will mainly include but not be limited to bonds and other debt instruments. Such transferable securities should be (a) admitted to or dealt in on regulated markets, (b) dealt in on another market in a Member State of the European Union, which is regulated, operates regularly and is open to the public, or (c) admitted to official listing on a stock exchange in a non-Member State of the European Union or dealt in on another market in a non-Member State of the European Union which is regulated, operates regularly and is recognised and open to the public. The Fund may also hold money market instruments. Furthermore, with a view to maintaining adequate liquidity, the Fund may, on an ancillary basis; hold liquid assets. The Fund may use derivatives. Their use needs not to be limited to hedging the Fund's assets; they may also be part of the investment strategy. Trading in derivatives is conducted within the confines of the investment limits and provides for the efficient management of the Fund's assets, while also regulating maturities and risks. The use of derivatives for a particular sub-fund is laid down in the respective section.

### **Risk factors**

Investing in the Fund units involves financial risks. These can involve risk associated with equity markets, bond markets, and foreign exchange markets such as changes in prices, interest rates and credit worthiness. Any of these risks may also occur along with other risks.

The value of investments may fall as well as rise and investors may get less back than they put in.

**Investors assume the risk of receiving a lesser amount than originally invested.**

**For more information on risk please refer to the Full Prospectus of the Fund.**

### **Profile of the typical investor**

Bond funds that invest in bonds and assimilated instruments are intended for investors who seek capital appreciation and are able to accept temporary decrease in value related to increasing market rates. As a consequence bond funds are suitable to investors who can afford to set aside the capital invested for at least three years. Short bond funds are intended for investors who seek capital appreciation and a low risk exposure and therefore are suitable to investors who can afford to set aside the capital invested for at least one year. Bond funds that hold assets denominated in other currencies than the base currency will be subject to currency risk, and therefore suitable to investors who can afford to set aside the capital invested for at least three years.

### **Unit classes**

The Management Company has decided to issue several classes of units, among which are capitalisation units (C units) and distribution units (D units). Dividends are paid annually. Capitalisation units are not entitled to a dividend payment and all income is reinvested.

### **Fees**

#### **Charges to be borne by the unitholder (% of the net asset value)**

Maximum allowed subscription fee	5%
Maximum allowed redemption fee	1%
Maximum redemption fee in order to prevent Late Trading and Market Timing	2%

Maximum conversion fee to cover costs and expenses:

Conversions are executed free of commission, but the Management Company may levy a fee to cover costs and expenses related to the conversion. The fee will in no event exceed 1% of the conversion amount or a maximum of USD 250 or its equivalent in another currency.

## **Tax rules**

The Fund is subject to Luxembourg legislation. Buyers of the Fund's units should inform themselves about the legislation and rules applicable to mergers, the purchase, holding and possible sale of units with regard to their residence and nationality.

In accordance with current legislation in Luxembourg neither the Fund nor the unitholders, except those whose domicile, residence or permanent establishment is Luxembourg, are subject to any tax on income, capital gains or wealth. The Fund's income may however be subject to withholding tax in the countries where the Fund's assets are invested. In such cases neither the Custodian Bank nor the Management Company is required to obtain tax certificates.

The net assets of the Fund are subject to a Luxembourg tax at an annual rate of 0.05% payable at the end of each quarter and calculated on the amount of the net assets of each Sub-Fund at the end of that quarter. Units of unit classes as defined in Article 129 Para. 2d of the Law (I institutional unit classes) are subject to a "taxe d'abonnement" of 0.01% p.a. The Management Company ensures that such institutional unit classes are only acquired by investors complying with rules set out in the aforementioned Article. The value of the assets represented by the Units held in other Luxembourg undertakings for collective investment already subject to a "taxe d'abonnement" is exempt from the payment of such tax.

Under the European Savings Directive, Member States of the European Union are required to provide the tax authorities of another Member State with details of payments of interest or other similar income paid by a Paying Agent within its jurisdiction to a natural person in that other Member State.

Austria and Luxembourg have during a transitional period opted for a withholding tax system instead of providing such information. From July 2008 until June 2011 the tax rate will be 20%, rising to 35% from 1 July 2011. The Management Company assesses whether the Sub-Funds are in or out of the scope of the Directive. Dividends distributed by a Sub-Fund will be in the scope if more than 15% of such Sub-Fund's assets are invested in debt claims. Proceeds realized by unitholders on redemption or sale of units in a Sub-Fund will be in scope if more than 40% of such Sub-Fund's assets are invested in debt claims.

## **Net Asset Value**

The Net Asset Value calculation is done each day which is a Valuation Day, as defined under "Important Information relating to the forthcoming change of the Central Administration" here before.

The Net Asset Value is announced on the website [www.sebgroup.lu](http://www.sebgroup.lu) under the rubric Asset Management. It is also available at the registered offices of the Management Company, the Custodian Bank and the Paying Agents.

## **Subscription, Redemption and Conversion of units**

Units are issued each Valuation Day.

For a subscription, redemption and/or conversion order to be executed on a Valuation Day, written instructions must reach the Transfer Agent before 15:30 (CET) on a Valuation Day; otherwise, the order will be executed on the next following Valuation Day.

In order to ensure a placement of orders in due time, earlier cut-off times may be applicable for orders placed with distributors (or/and any of their agents) in Luxembourg or abroad. The corresponding information may be obtained from the respective distributors (or/and any of its agents).

Payment for subscriptions which has to be made, by electronic transfer, in the base currency of the respective Sub-Fund, euro or Swedish krona must reach the Registrar and Transfer Agent within 5 Bank Business Days following the applicable Valuation Day. The Management Company may however accept payments in other major currencies. Any cost relating to the foreign exchange transaction will have to be borne by the unitholder.

Payment for redemption is made in the base currency of the Sub-Fund, euro, Swedish krona or any other major currencies as accepted by the Management Company, according to the choice of the unitholder, with a value date within ten Bank Business Days following the corresponding Valuation Day. Any cost relating to the foreign exchange transaction will have to be borne by the unitholder.

## SEB Bond Fund SEK

A Sub-Fund of SEB Fund 5

### Investment policy

The Portfolio of this Sub-Fund will mainly include bonds and other debt instruments as well as money market instruments denominated in Swedish krona (SEK). The Sub-Fund is not restricted to a specific category of debt instruments. The portfolio will have an average modified duration<sup>1)</sup> of between 2 – 8%. The Sub-Fund may use future contracts, options, swaps, credit default swaps and other derivatives as part of the investment strategy. The Sub-Fund may also use derivatives to hedge various investments, for risk management and to increase the Sub-Fund's income or gain. The underlying assets of the above mentioned derivatives consist of instruments as described under Article 4 Section A sub-paragraphs a) to g) of the Management Regulations (General Section) as well as financial indices, interest rates, foreign exchange rates.

Under no circumstances will the respective sub-fund be permitted to derogate from its investment policy by using the aforementioned derivatives.

**The Sub-Fund may invest up to 100% of its assets in different transferable securities and money market instruments issued or guaranteed by any Member State of the EU, its local authorities, or public international bodies of which one or more of such Member States are members, or by any other State of the OECD. The Sub-Fund can only make use of this provision if it holds securities and money market instruments from at least six different issues, and if securities from any one issue may not account for more than 30% of the Sub - Fund's total net assets.**

The Sub-Fund will not invest more than 10% of its net assets in units / shares of other UCITS or UCIs.

<sup>1)</sup> Modified duration follows the concept that interest rates and bond prices move in opposite directions. This formula is used to determine the effect a 100 basis point (1%) change in interest rates will have on the price of a bond.

By saying that a fund has modified duration of 1% means that an increase of 100 bp (1%) will have an effect of 1% on the bond price.

### Investment Manager

SEB Investment Management AB

### Risk Profile

This Sub-Fund faces the same risks as those normally associated with investment in debt instruments. Generally the risk level in fixed interest funds is lower than for equity funds. The average duration for the Sub-Fund is medium to long. The risk level is thereby higher than for short fixed interest funds but lower than for equity funds. The Sub-Fund invests in transferable securities issued by issuers which meet high rating requirements. The credit risk is therefore relatively low.

**For further description of risks involved for the Sub-Fund, please refer to the respective section in the Full Prospectus.**

### Charges and Portfolio turnover rate

#### Charges to be borne by the Sub-Fund

Maximum annual management fee 0.8%

This fee includes remuneration to the Custodian Bank and the Central Administration.

#### Ratios for the financial year ended 31 December 2010

TER (Total Expense Ratio) (including Performance Fee)

"C" 0.7%

"D" 0.7%

"HNWD" 0.4%

*(transaction and brokerage fees are not included)*

Portfolio turnover rate 41%

### Net Asset Value

The Net Asset Value per unit is expressed in Swedish krona (SEK).

### Issue of Classes and ISIN

The Management Company has decided to offer C (LU0030175755), D (LU0030175672) and HNWD (LU0455717420) units in this Sub-Fund.

### Initial minimum investment amount

**The initial minimum investment amount in the HNWD unit class is the equivalent to 0.5 Mio Swedish krona (SEK). Overall for subsequent subscriptions in the below indicated unit classes no minimum is required.** For the avoidance of doubt the initial minimum investment amount is not applicable to subscriptions resulting from the merger.

**At the discretion of the Management Company this initial minimum investment amount may be waived in any particular case or generally.**

### Past performance

Unit classes	Performance					Average annual performance	
	2006	2007	2008	2009	2010	Last 3 years	Last 5 years
C LU0030175755	0.4%	1.5%	10.0%	3.2%	0.9%	4.7%	3.2%
D LU0030175672	0.4%	1.5%	10.0%	3.1%	0.9%	4.7%	3.2%
HNWC* LU0455717420	N/A	N/A	N/A	0.7%	1.3%	N/A	N/A

\* since launch on 23 October 2009, at NAV per share 8.9414 SEK

The table shows annual returns measured in SEK.

Where applicable the return has been calculated taking into account a supposed reinvestment of dividends. Inflation has not been taken into consideration, nor have fees or taxes.

**The historical performance of the Sub-Fund is not a guarantee of future returns.**

# SEB Corporate Bond Fund EUR

A Sub-Fund of SEB Fund 5

## Investment policy

The Portfolio of this Sub-Fund will mainly include bonds and other debt instruments as well as money market instruments of principally Europe. Emphasis will be placed on corporate bonds, but bonds issued by governments or municipalities may be held too. The issuers will have ratings from AAA to minimum BBB (Investment Grade). The portfolio will have an average modified duration<sup>1)</sup> of between 3 - 6%. The Sub-Fund may use future contracts, options, swaps, credit default swaps and other derivatives as part of the investment strategy. The Sub-Fund may also use derivatives to hedge various investments, for risk management and to increase the Sub-Fund's income or gain. The underlying assets of the above mentioned derivatives consist of instruments as described under Article 4 Section A sub-paragraphs a) to g) of the Management Regulations (General Section) as well as financial indices, interest rates, foreign exchange rates.

Under no circumstances will the respective sub-fund be permitted to derogate from its investment policy by using the aforementioned derivatives.

The currency exposure will to a large extent be hedged to euro, without this hedging being compulsory at all times.

**The Sub-Fund may invest up to 100% of its assets in different transferable securities and money market instruments issued or guaranteed by any Member State of the EU, its local authorities, or public international bodies of which one or more of such Member States are members, or by any other State of the OECD. The Sub-Fund can only make use of this provision if it holds securities and money market instruments from at least six different issues, and if securities from any one issue may not account for more than 30% of the Sub - Fund's total net assets.**

The Sub-Fund will not invest more than 10% of its net assets in units / shares of other UCITS or UCIs.

<sup>1)</sup> Modified duration follows the concept that interest rates and bond prices move in opposite directions. This formula is used to determine the effect a 100 basis point (1%) change in interest rates will have on the price of a bond.

By saying that a fund has modified duration of 1% means that an increase of 100 bp (1%) will have an effect of 1% on the bond price.

## Investment Manager

SEB Investment Management AB

## Risk Profile

This Sub-Fund faces the same risks as those normally associated with investment in debt instruments. Generally the risk level in fixed interest funds is lower than for equity funds. The Sub-Fund will invest in corporate debt instruments. This usually involves a higher risk of default of the issuer, than for investments in instruments issued by governments. The average duration for the Sub-Fund is medium to long. The risk level is thereby higher than for short fixed income funds but lower than for equity funds. The Sub-Fund invests in transferable securities issued by issuers which meet high rating requirements. The credit risk is therefore relatively low.

**For further description of risks involved for the Sub-Fund, please refer to the respective section in the Full Prospectus.**

## Charges and Portfolio turnover rate

### Charges to be borne by the Sub-Fund

Maximum annual management fee 1.1%

This fee includes remuneration to the Custodian Bank and the Central Administration.

**Ratios for the financial year ended 31<sup>st</sup> December 2010****TER** (Total Expense Ratio) (including Performance Fee)

C 1.1%

D 1.1%

*(transaction and brokerage fees are not included)***Portfolio turnover rate** 29%**Net Asset Value**

The Net Asset Value per unit is expressed in euro (EUR).

**Issue of Classes and ISIN**

The Management Company has decided to offer C (LU0133008952) and D (LU0133010263) units in this Sub-Fund.

**Past performance**

Unit classes	Performance					Average annual performance	
	2006	2007	2008	2009	2010	Last 3 years	Last 5 years
C LU0133008952	-0.6%	-0.9%	-8.3%	17.3%	4.3%	4.4%	2.4%
D LU0133010263	-0.6%	-0.9%	-8.3%	17.0%	4.3%	4.3%	2.4%

The table shows annual returns measured in EUR. Where applicable the return has been calculated taking into account a supposed reinvestment of dividends. Inflation has not been taken into consideration, nor have fees or taxes.

**The historical performance of the Sub-Fund is not a guarantee of future returns.**

# SEB Corporate Bond Fund SEK

A Sub-Fund of SEB Fund 5

## Investment policy

The Portfolio of this Sub-Fund will include bonds and other debt instruments as well as money market instruments of any part of the world. Emphasis will be placed on corporate bonds, but mortgage and asset backed bonds as well as bonds issued by governments or municipalities may be held, too. The portfolio will have an average remaining Option Adjusted Duration (OAD) of between 3 - 6 years. The issuers or will have ratings from AAA to minimum BBB (Investment Grade). The Sub-Fund may use future contracts, options, swaps, credit default swaps and other derivatives as part of the investment strategy. The Sub-Fund may also use derivatives to hedge various investments, for risk management and to increase the Sub-Fund's income or gain. The underlying assets of the above mentioned derivatives consist of instruments as described under Article 4 Section A sub-paragraphs a) to g) of the Management Regulations (General Section) as well as financial indices, interest rates, foreign exchange rates.

Under no circumstances will the respective sub-fund be permitted to derogate from its investment policy by using the aforementioned derivatives.

The currency exposure will to a large extent be hedged to SEK, without this hedging being compulsory at all times.

**The Sub-Fund may invest up to 100% of its assets in different transferable securities and money market instruments issued or guaranteed by any Member State of the EU, its local authorities, or public international bodies of which one or more of such Member States are members, or by any other State of the OECD. The Sub-Fund can only make use of this provision if it holds securities and money market instruments from at least six different issues, and if securities from any one issue may not account for more than 30% of the Sub - Fund's total net assets.**

The Sub-Fund will not invest more than 10% of its net assets in units / shares of other UCITS or UCIs.

## Investment Manager

SEB Investment Management AB

## Risk Profile

This Sub-Fund faces the same risks as those normally associated with investment in debt instruments. Generally the risk level in fixed interest funds is lower than for equity funds. The Sub-Fund will invest in corporate debt instruments. This usually involves a higher risk of default of the issuer than for investments in instruments issued by governments. The average duration for the Sub-Fund is medium to long. The risk level is thereby higher than for short fixed interest funds but lower than for equity funds. The Sub-Fund invests in transferable securities issued by issuers which meet high rating requirements. The credit risk is therefore relatively low. For further descriptions of risks involved for the Sub-Fund, please refer to the respective section. **For further description of risks involved for the Sub-Fund, please refer to the respective section in the Full Prospectus.**

## Charges and Portfolio turnover rate

### Charges to be borne by the Sub-Fund

Maximum annual management fee 1.1%

This fee includes remuneration to the Custodian Bank and the Central Administration.

## Ratios for the financial year ended 31 December 2010

TER (Total Expense Ratio) (including performance fee)

C 1.1%

D 1.1%

*(transaction and brokerage fees are not included)*

Portfolio turnover rate 34%

**Net Asset Value**

The Net Asset Value per unit is expressed in Swedish krona (SEK).

**Issue of Classes and ISIN**

The Management Company has decided to offer C (LU0133012632) and D (LU0133012806) units in this Sub-Fund.

**Past performance**

Unit classes	Performance					Average annual performance	
	2006	2007	2008	2009	2010	Last 3 years	Last 5 years
C LU0133012632	-0.2%	0.2%	-11.8%	17.8%	6.6%	4.2%	2.5%
D LU0133012806	-0.2%	0.2%	-11.8%	17.3%	6.5%	4.0%	2.4%

The table shows annual returns measured in SEK. Where applicable the return has been calculated taking into account a supposed reinvestment of dividends. Inflation has not been taken into consideration, nor have fees or taxes.

**The historical performance of the Sub-Fund is not a guarantee of future returns.**

# SEB Danish Mortgage Bond Fund

A Sub-Fund of SEB Fund 5

## Investment Policy

The Portfolio of this Sub-Fund will mainly include Danish mortgage bonds and Danish government bonds, where mortgage bonds will form the major part. These debt securities are admitted **(i)** to trading on an official market in a member state of the European Union or **(ii)** included in an organised market in a member state of the European Union that is recognised and open to the public and operates regularly or **(iii)** whose admission to an official market of a stock exchange in the European Union or whose inclusion in an organised market in a member state of the European Union is to be applied for in accordance with the terms of issue, provided that such admission or inclusion occurs within one year of issue.

On an ancillary basis, the Sub-Fund may also invest in:

- Debt securities from issuers domiciled in a member state of the European Union, if the debt securities have the same characteristics in terms of admission to, or listing on an official market as the Danish mortgage bonds and Danish government bonds mentioned here before;
- Debt securities and securities evidencing other creditor rights from issuers domiciled in a member state of the European Union, if there is a public guarantee for the redemption of the instrument or if a deposit protection fund operated by the banking industry assumes responsibility for the redemption of the instrument or if a special cover pool has been established by law;
- Public sector registered debt securities from the European Economic area. The signatory states to the Agreement on the European Economic Area and Switzerland shall be considered equivalent to the member states of the European Union.

**The Sub-Fund may invest up to 100% of its assets in different transferable securities and money market instruments issued or guaranteed by any Member State of the EU, its local authorities, or public international bodies of which one or more of such Member States are members, or by any other State of the OECD. The Sub-Fund can only make use of this provision if it holds securities and money market instruments from at least six different issues, and if securities from any one issue may not account for more than 30% of the Sub - Fund's total net assets.**

Bank deposits may be held at a credit institution domiciled in a member state of the European Union or in another signatory state to the Agreement on the European Economic Area or in Switzerland, if a deposit protection fund operated by the banking industry assumes responsibility for the guarantee.

Considering the foregoing, the Management Company shall only acquire assets for the Sub-Fund that are denominated in Danish crowns, euro, Swiss francs, or a currency of a member state of the European Union, or another signatory state to the Agreement on the European Economic Area. Assets that are not denominated in euro shall only be acquired in connection with a hedge transaction.

Only for hedging purposes and in the interest of the unitholders, the Sub-Fund may use:

- future contracts
- options or warrants if there is a linear relationship between the value of the option and the positive or negative difference between the exercise price and the market value of the underlying at the time the option is exercised, and the value of the option becomes zero if the plus/minus sign for the difference is reversed;
- swaps such as interest rate swaps, foreign currency swaps or cross-currency swaps and credit default swaps.

The underlying assets of the above mentioned derivatives consist of instruments as described under Article 4 Section A sub-paragraphs a) to g) of the Management Regulations (General Section) as well as financial indices, interest rates, foreign exchange rates or foreign currencies.

Under no circumstances will the Sub-Fund be permitted to derogate from its investment policy by using the aforementioned derivatives.

The Sub-Fund is not allowed to invest in equities, equity related securities and units and/or shares of other UCIs or UCITS.

### **Investment Manager**

Skandinaviska Enskilda Banken A/S

### **Risk Profile**

This Sub-Fund faces the same risks as those normally associated with investment in debt instruments. Generally the risk level in fixed interest funds is lower than for equity funds.

The Sub-Fund invests in transferable securities issued by issuers which meet high rating requirements. The credit risk is therefore relatively low.

For further descriptions of risks involved for the Sub-Fund, please refer to the respective section in the Full prospectus.

### **Charges and Portfolio turnover rate**

#### **Charges to be borne by the Sub-Fund**

The annual Management Fee amounts to the hereafter determined percentage rates of the net assets for the below indicated unit classes:

For ID unit classes	0.30%
For C unit classes	0.75%

The Management Fee is payable at the end of each month and based on the daily average net assets of the unit classes calculated for the relevant month.

In addition to the Management Fee, the Management Company is entitled to receive a performance fee, payable out of the assets attributable to the relevant unit class.

The performance fee will be calculated, accrued and crystallised on each Valuation Day in the respective unit classes as described below and will be paid out monthly in arrears.

The performance fee in a particular unit class of the Sub-Fund will be calculated by taking the number of units in the unit class times the performance fee rate, 20%, times any positive excess performance per unit recorded on that day.

The Sub-Fund uses to 75% Nykredit Danish Mortgage Bond Index and to 25% Effas Danish Government > 1 year as index when calculating excess performance.

The definitions and calculations are as follows:

The calculation of the performance fee takes place on the basis of the number of units of the relevant class as of the relevant Valuation Day calculated before any subscriptions and redemptions with trade date equal to the Valuation Day.

$$\text{Performance fee} = 20\% \times \text{MAX} ( 0, \text{BaseNAV}_{(t)} - \text{Hurdle Value}_{(t)} )$$

where

<i>Base NAV<sub>(t)</sub></i>	Base Net Asset Value per unit of the relevant unit class on the Valuation Day <sub>(t)</sub> , is calculated after deduction of the management fee but prior to the deduction of any performance fee and any distributions or corporate actions on the relevant Valuation Day.
<i>Hurdle Value<sub>(t)</sub></i>	Hurdle Value is Hurdle NAV * [ $\text{Index}_{(t)} / \text{Index}_{(t \text{ Hurdle NAV})}$ ]
<i>Hurdle NAV</i>	The Net Asset Value per unit previously achieved (in the relevant unit class) when a performance fee was accrued and crystallised (Hurdle NAV); or the Net Asset Value at inception if no performance fee has been accrued and crystallised or, where the Management Company decides to start calculation of performance fee at a later date, the start date for calculation of performance fee. The Hurdle NAV is adjusted to reflect distributions and other corporate actions in the unit class.
<i>Index<sub>(t)</sub></i>	to 75% Nykredit Danish Mortgage Bond Index and to 25% Effas Danish Government > 1 year on the current Valuation Day <sub>(t)</sub>
<i>Index<sub>(tHurdle NAV)</sub></i>	to 75% Nykredit Danish Mortgage Bond Index and to 25% Effas Danish Government > 1 year, on the Valuation Day when the most recent (current) Hurdle NAV was achieved.

### Net Asset Value

The net asset value per unit is expressed in euro (EUR).

### Ratios for the financial year ended 31 December 2010

**TER** (Total Expense Ratio) (including Performance Fee)

C units 0.5%

ID units 0.9%

*(transaction and brokerage fees are not included)*

**Portfolio turnover rate** 95%

### Net Asset Value

The Net Asset Value per unit is expressed in euro (EUR).

### Issue of Classes and ISIN

The Management Company has decided to offer the following unit classes in the Sub-Fund:

ID (EUR) (LU0337316045)

ID (SEK) (LU0337316128)

C (EUR) (LU0337316391)

C (SEK) (LU0337316474)

ID (EUR) (LU0337316045)

ID (SEK) (LU0337316128)

The class C (SEK) will be launched at a later stage.

The ID unit classes are designated for institutional investors only. "Institutional investors" are investors within the meaning of Article 129 of the law of 20 December 2002 on undertakings for collective investment, as amended.

### Cut-off Time / Order Processing

Notwithstanding the general rules laid down in the section "Cut-off Time" of the full prospectus, orders placed at the Registrar and Transfer Agent before 15:30 (CET) on a Valuation Day (Order date) will be processed on the basis of the Net Asset Value calculated for the Order date. Calculation of the net asset value is performed on the Valuation Day immediately following the Order date. Orders received after 15:30 (CET) on an Order date will be considered as orders being placed on the next Order date before 15:30 (CET).

### Past performance

Unit classes	Performance					Average annual performance	
	2006	2007	2008	2009	2010	Last 3 years	Last 5 years
C (EUR) LU0337316391	N/A	N/A	3.9*	5.4%	5.9%	5.1%	N/A
ID (EUR) LU0337316045	N/A	N/A	3.6*	5.0%	5.4%	4.7%	N/A
75% Nykredit Danish Mortgage Bond Index, 25% Effas All Danish Govt Bond Index	1.1%	1.3%	8.3%	6.2%	1.2%	5.2%	3.6%

\* since launch on 15 February 2008 at NAV per unit SEK/EUR

**The historical performance of the Sub-Fund is not a guarantee of future returns.**

# SEB Flexible Bond Fund SEK

A Sub-Fund of SEB Fund 5

## Investment policy

The Portfolio of this Sub-Fund will mainly include bonds and other debt instruments as well as money market instruments denominated in Swedish krona (SEK). The Sub-Fund is not restricted to a specific category of debt instruments. The Portfolio will have an average modified duration<sup>1)</sup> of maximum 8%. The Sub-Fund may use future contracts, options, swaps, credit default swaps and other derivatives as part of the investment strategy. The Sub-Fund may also use derivatives to hedge various investments, for risk management and to increase the Sub-Fund's income or gain. The underlying assets of the above mentioned derivatives consist of instruments as described under Article 4 Section A subparagraphs a) to g) of the Management Regulations (General Section) as well as financial indices, interest rates, foreign exchange rates.

Under no circumstances will the respective sub-fund be permitted to derogate from its investment policy by using the aforementioned derivatives.

**The Sub-Fund may invest up to 100% of its assets in different transferable securities and money market instruments issued or guaranteed by any Member State of the EU, its local authorities, or public international bodies of which one or more of such Member States are members, or by any other State of the OECD. The Sub-Fund can only make use of this provision if it holds securities and money market instruments from at least six different issues, and if securities from any one issue may not account for more than 30% of the Sub - Fund's total net assets.**

The Sub-Fund will not invest more than 10% of its net assets in units / shares of other UCITS or UCIs.

<sup>1)</sup> Modified duration follows the concept that interest rates and bond prices move in opposite directions. This formula is used to determine the effect a 100 basis point (1%) change in interest rates will have on the price of a bond.

By saying that a fund has modified duration of 1% means that an increase of 100 bp (1%) will have an effect of 1% on the bond price.

## Investment Manager

SEB Investment Management AB

## Risk Profile

This Sub-Fund faces the same risks as those normally associated with investments in debt instruments. Generally the risk level in fixed interest funds is lower than for equity funds. The average duration for the Sub-Fund will vary from short to long. This will increase the risk level compared to short fixed interest funds, but the risk will remain lower than for equity funds. The Sub-Fund invests in transferable securities issued by issuers which meet high rating requirements. The credit risk is therefore relatively low. **For further description of risks involved for the Sub-Fund, please refer to the respective section in the Full Prospectus.**

## Charges and Portfolio turnover rate

### Charges to be borne by the Sub-Fund

Maximum annual management fee 0.8%

This fee includes remuneration to the Custodian Bank and the Central Administration.

### Ratios for the financial year ended 31 December 2010

#### TER (Total Expense Ratio)

C units 0.7%

D units 0.8%

*(transaction and brokerage fees are not included)*

**Portfolio turnover rate** 198%

**Net Asset Value**

The Net Asset Value per unit is expressed in Swedish krona (SEK).

**Issue of Classes**

The Management Company has decided to offer C (LU0053967609) and D (LU0053968599) units in this Sub-Fund.

**Past performance**

Unit classes	Performance					Average annual performance	
	2006	2007	2008	2009	2010	Last 3 years	Last 5 years
C LU0053967609	1.1%	2.5%	5.7%	2.3%	-0.2%	<b>2.6%</b>	<b>2.3%</b>
D LU0053968599	1.1%	2.5%	5.7%	2.3%	-0.2%	<b>2.6%</b>	<b>2.3%</b>

The table shows annual returns measured in SEK.

Where applicable the return has been calculated taking into account a supposed reinvestment of dividends. Inflation has not been taken into consideration, nor have fees or taxes.

**The historical performance of the Sub-Fund is not a guarantee of future returns.**

*This Simplified Prospectus contains a summary of the key information on the Fund. For further information, please contact SEB Asset Management S.A., 6a, Circuit de la Foire Internationale, L-1347 Luxembourg, Phone: +352-26682-1, Fax: +352-26682-555*