

GASPAL GESTION

December 2010



Words of the chairman

***Gaspal Gestion**, is an entrepreneurial asset management firm, which benefits from the know-how of its experienced fund managers and from the strengths of an international financial group, Quilvest.*

***Gaspal Gestion** has an independant and transparent asset management strategy, focused on performance and risk monitoring, aiming at delivering assymetrical performance in order to benefit from the rise of stock markets while being partially protected against a fall, thanks to an appropriate asset allocation. We only invest in listed financial instruments.*

To enlarge our investment universe, we also select specialized regulated funds (by sector, by geographic area...), the management process of which has the same level of transparency. We are concerned with the liquidity and the diversification of the portfolios.

Our ambition : building a first rate track record over a long period, in a transparent and efficient fashion.

Christian Ginolhac



Company presentation

Gaspal Gestion is a French asset management company, licensed by the AMF, with expertise in wealth management and fund management for both individual or institutional investors.

The company is currently owned by the founders and by Quilvest Banque Privée which took a 34% stake during the autumn 2006, in order to consolidate close relationships between our two companies.

Gaspal Gestion strives to meet its clients needs and provide them the most adapted solutions, both in wealth management and fund management. The offer of wealth management and of funds is structured regarding the best allocation and asset classes which are the most adapted to its clients and its market analysis. Beyond, instruments and funds managed by the team of fund managers, Gaspal Gestion also selects funds managed by other fund management firms to complement its investment opportunities.



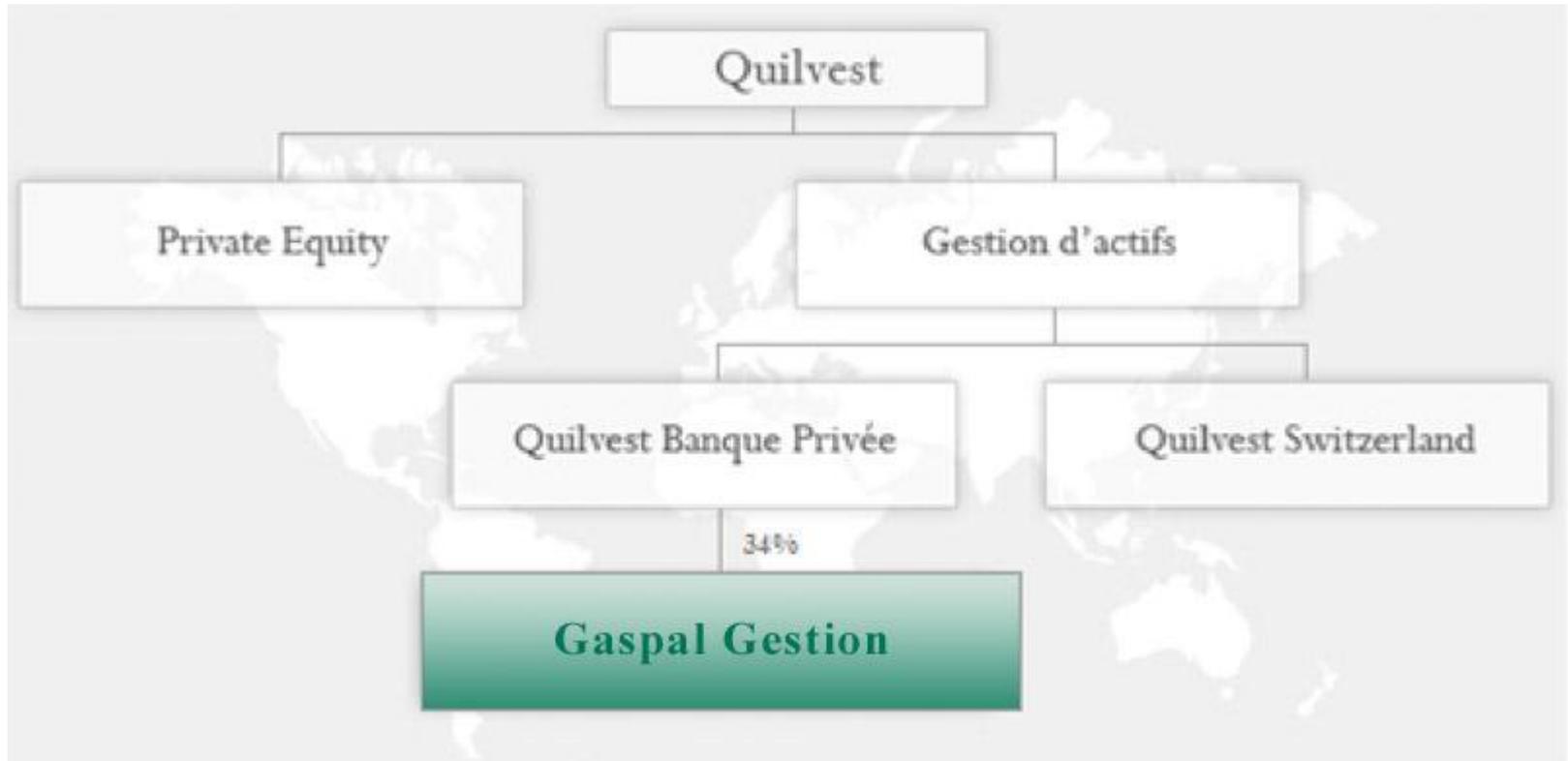
Quilvest group

Quilvest, listed on the Luxembourg Stock Exchange, is a global institution with a long history and two core businesses: wealth management and private equity. For more than 100 years and six generations it has served one family, the heirs of Otto Peter Bemberg, on three continents – the Americas, Europe and Asia. Over this period, Quilvest has multiplied the wealth of its shareholders many times and has consistently achieved double-digit absolute returns.

Quilvest's success in preserving and growing the wealth of its family shareholders prompted the Group to share its experience and expertise with other high net worth families and individuals. The Group's close to 300 professionals and eight offices now serve both the family shareholders and third-party clients across all the main global investment markets: the United States, Western Europe, Latin America, the Middle East and Asia. Today, the Group manages approximately \$12 billion on behalf of its shareholders and clients.



Quilvest group



Key dates

- 1998 : Philippe Lemaitre , who manages a portfolio for an institutional investor, founded Lemaitre Gestion, licensed by the COB (n°98-31)
- 2003 : Christian Ginolhac, former Directeur General of Banque Vernes, founded Gaspal Finance, an investment advisory firm, in association with Quilvest Banque Privée. Launch of the funds: Gal Dyn, Gal Val and Gal Valeurs (feeder fund).
- 2003 : Joel Guérard and Daniel Huguel , two senior fund managers, joined Lemaitre Gestion, which became HGL Gestion. Launch of the fund HGL Convertibles (GAL Convertibles)
- 2004: Launch of the fund Euroval Plus
- 2006 : Gaspal Finance and HGL Gestion merge to create Gaspal Gestion. Quilvest Banque Privée takes a 34% stake in Gaspal Gestion
- 2007 : GAL Val Fund is granted by LIPPER the « best fund of its category over 3 years » award
- 2008 : Marie Laurence Cagnon, former bond manager with various institutional investors, joins Gaspal Gestion
- 2008 : Gaspal Gestion participates on the week-end television show « la bourse en actions » on LCI
- 2008: Launch of the fund Valeurs Croissance Rendement
- 2009 : Gal Valeurs fund is granted by LIPPER the « best fund of its category over 5 years » award
- 2010 : GAL Valeurs fund is granted by LIPPER the « best fund of its category over 5 years » award



Management process

Our management process is based on the conviction that long term performance is obtained by benefiting from bull markets as well as striving to preserve capital in bear markets.

Our management process follows two steps

1) Macroeconomic analysis

The macroeconomic analysis is essential to our management decisions: For our asset allocation committee, it enables us to update our macroeconomical scenario and to choose the optimal asset allocation of our different portfolios. This allows us to detect investment opportunities by asset class, by geographic area and by sector. More generally, the market environment from which we build our expectations is the key to determine the level of risk of our portfolios, the modified duration of fixed income instruments, or the exposure to equity markets.



Management process

2) Fundamental analysis of investment products

Our management process is based on a independent fundamental analysis of equities, bonds, or and related financial products.

For individual stocks selection (mostly european equities), after having identified the sectors which seem to be the most promising, we analyse the selected companies in order to assess with objectivity their fundamental value. If we identify a misspricing, we try to identify which events or catalysts can make the stock price revert to normal.

We are looking for market opportunities in order to set up a position at an attractive price. Once our target price is reached, we conduct further analysis to determine if we have to keep, reduce or sell our position. During all our analysis, we seek to understand the business model of the companies we invest in, by meeting the management, and doing a strategic review of their activities and their strategies.



Management process

Our selection of fixed income securities (mostly european issuers), is based on an allocation by type of securities adapted to the macroeconomic environment , in adequation with our market expectations. The allocation is segmented by kind of fixed income products (commercial paper, bonds, convertible bonds, fixed rate bonds, floating rate bonds, indexed bonds, senior or subordinated). This allocation is then implemented in order to benefit from market movements and yield curve deformation. The issuer is selected depending of its credit risk (solvency study) and the value of its debt regarding both its intrinsec value and the value against its peers. The modified duration of fixed income assets is based on this « bottom-up » approach. Afterwards, it is controlled and can be adjusted, depending on our anticipations on the yield curve.

Investments can also be realized through specialized funds, notably for asset classes (equity and bonds) we do not manage directly, such as equity and bond markets outside Europe, complex strategies (arbitrage, forex or volatility) and high yield bonds and emerging market debt. Fund picking is based on both quantitative criteria (assessment of performance, risk, fees...) and qualitative (quality of the asset management company, know-how of the management team, liquidity of the fund...). Beyond classical tools of quantitative analysis, we take advantage of our fund managers experience, and their knowledge of asset management companies and fund managers responsible for the selected funds.





Our values



Service, Independence & Performance

Service

Our company is dedicated to serving our clients needs. Their satisfaction and the preservation of their interests are our first motivation. We strive to provide them with relevant advice and products which are both efficient and suited to their needs.

Independence

Our opinion on financial markets and on specific investment instruments is the result of our own anticipations and convictions through the combination of skills and experience. Our shareholder structure is key to our independence: combining experienced fund managers and an international asset management family group issued from an industrial success story.

Performance

The goal of our management process is to provide long term capital appreciation, combined with a reasonable level of risk, and a strict adherence to the highest standards of ethics. The quality and the experience of our fund managers warrant for our expertise and our commitment to success. Our asset management is responsive and flexible, in order to meet our clients expectations and the evolution of financial markets.



The team

Christian Ginolhac

Chairman and Fund Manager

Engineer of Ecole Centrale Paris and MBA (Columbia University)

Former Directeur Général of the Banque Vernes

Member of SFAF and AGPP

Over 30 years of experience in asset management

Philippe Lemaitre

Deputy CEO and Fund manager - Compliance officer

MBA (University of San Francisco)

Previously in charge of an institutional portfolio

Over 20 years of experience in asset management

Marie Laurence Cagnon

Head of Investments - Fund of fund selection - Fund manager

M.A. in computer sciences & statistics

Graduated from l'IFTA (Fédération Internationale des Analystes Techniques)

Over 15 years of experience in asset management



The team

Jean-Yves Fustier
Financial Analyst

Master of Science in Management at ESSEC

1 year of experience in financial analysis of european stocks in London and in Paris

Françoise Delaunay

Certificat de spécialisation de conseil en gestion de patrimoine (CESB)

Over 20 years of experience in the business

Michaël Yatime
Middle Office

Master of Science in corporate finance at Nice business school

Sarah Le Blan
Assistant





Our funds



GAL DYN: a flexible monetary fund

Gal Dyn is a monetary fund with an average maturity below 6 months and modified duration below 0,50%. It mainly invests in short term fixed income instruments (maturity below 2 years): monetary market and corporate bonds mainly « Investment Grade » (at least a BBB- rating), directly or through other third party funds.

The fund can invest in alternative strategies through third party funds licensed by the AMF. In order to benefit from market opportunities, the fund can invest 5% maximum of its assets in high yield bonds.

Performance targeted: annual return above EONIA + 1%. Targeted horizon of investment: 6 months to 1 year.



GAL CONVERTIBLES

Convertible bonds (or assimilated) fund euro area

The fund actively invests in a diversified portfolio of securities mainly composed of convertibles bonds (or assimilated) of euro zone issuers. Stocks, warrants or call options associated with fixed income instruments can replace convertible bonds in order to create « assimilated » convertible bonds for companies that have not issued convertible bonds. The part of these assimilated convertible bonds cannot exceed 40% of the portfolio.

Performance targeted: performance above the Exane ECI Euro Index. Targeted horizon of investment: 3 to 5 years.



GAL VAL

Diversified fund, flexible strategy

GAL VAL is a diversified fund with a long term conservative approach, aiming at delivering asymmetrical performance to benefit from the rise of stock markets while being partially protected against a fall. It adopts a dynamic strategic allocation between stocks, fixed income instruments, or arbitrage strategies, in an international investment universe.

We adopt a « top-down » approach for the strategic and tactical allocation. We adopt a « bottom-up » approach for stock picking (individual stock or debt instrument) and fund selection. The asset allocation is flexible: the exposure to equity markets can vary between 0% and 95%.

Performance targeted: performance above the benchmark (50% of MSCI World Index in euro + 50% of Euro MTS 3-5 years Index) with a low volatility (below 8%). Targeted horizon of investment: 3 to 5 years.



GAL Valeurs

Diversified fund, flexible strategy

GAL Valeurs is the feeder fund of Gal Val for individual investors



Valeurs Croissance Rendement

Equity fund, euro area, eligible for PEA (share C capitalization and share D dividend)
Valeurs Croissance Rendement is based on a « bottom-up » approach for individual stock selection. The fund selects companies with high dividend yield and stocks that offer a good potential of growth on a medium-long term horizon of their dividends.

Performance targeted: performance above Eurostoxx 50 Index and an attractive yield. Targeted horizon of investment: 3 to 5 years.



Euroval Plus

Equity fund « special situations », euro area, eligible for PEA

Euroval Plus is based on a « stock picking » approach of selection of individual stocks of mid and large capitalization which are undervalued, can be a potential M&A target (bid offer, minority stakeout...) or subject to an industrial or financial restructuring.

Performance targeted: performance above Eurostoxx 50 Index. Targeted horizon of investment: 3 to 5 years.



How to subscribe ?

- ✓ Through your bank
You have to give the ISIN code of the fund to your bank
- ✓ Through our custodian bank
CM-CIC Securities – Services OPCVM
Phone: +33 1 45 96 79 94
Fax: +33 1 45 96 77 23
- ✓ If you have any problem, do not hesitate to call Mrs Françoise Delaunay at Gaspal Gestion
Phone: +33 1 42 68 19 94
Fax: +33 1 45 50 14 05
Mail: fdelaunay@gaspalgestion.com



How to subscribe ?

Fund name	ISIN code	Bloomberg Ticker	Subscription conditions
GAL DYN (I)	FR0007082409 (I) FR0010842781 (P)	GGGALDN FP Equity	Subscriptions are centralized by our custodian bank every day before 11 am and are executed on the following NAV**
GAL CONVERTIBLES	FR0010028233	GGGALCN FP Equity	Subscriptions are centralized by our custodian bank every day before 11 am and are executed on the following NAV**
GAL VAL	FR0007082417	GGGLVAL FP Equity	Subscriptions are centralized by our custodian bank every day before 12 am and are executed on the following NAV**
GAL VALEURS	FR0007083597	GGGVALE FP Equity	Subscriptions are centralized by our custodian bank every day before 11 am and are executed on the following NAV**
VALEURS CROISSANCE RENDEMENT	FR0010602540 (C) FR0010607945 (D)	VALCRRC FP Equity VALCRRD FP Equity	Subscriptions are centralized by our custodian bank each Friday before 11 am and are executed on the following NAV*
EUROVAL PLUS	FR0010072678	GGEUVAL FP Equity	Subscriptions are centralized by our custodian bank every day before 11 am and are executed on the following NAV**

*The NAV is calculated each Friday at the closing price, except for holidays when it is calculated the following working day if the stocks exchanges of reference are open.

** The NAV is calculated every day at the closing price, except for holidays when it is calculated the following working day even if the stocks exchanges of reference are open.





Our clients



Individual investors

Gaspal Gestion dedicates the experience of its funds managers to individual investors for subject relevant to wealth analysis and definition of investment strategies.

This analysis, economical, patrimonial, fiscal or heritage... of the present and the future personal situation will define the investment strategies to be implemented.

Gaspal Gestion provides a service of wealth management and life insurance, associated with its panel of mutual funds.



Institutional investors

Gaspal Gestion wants to provide to « institutional investors », insurance company, asset management firm, banks, retirement funds, associations, large corporations, a personalized service of financial management, associated with its panel of mutual funds.

We are very concerned with all the aspects of the relationship notably the effectiveness and the transparency of information, the quality of the reporting, the implementation of adapted strategies of financial management, which can lead to the creation of personalized products.

This service is based on the experience of our fund managers and of the top management of Gaspal Gestion: some of them were previously in charge of financial management with an institutional investor.



Independant wealth management advisors

We have developed a wide and clear panel of funds in order to meet their clients needs: capital preservation and performance over a long term horizon.

We have developped privileged relationships with insurers and investment platforms and we often participate with them to presentations in order to explain you our philosophy of financial management and offering you the best investment solutions. Our commercial team is available and offers transparent and personalized reportings, to build a long term partnership.

We also offer the opportunity to create customized financial management mandate.



Our main life insurance partners

