



Global Value

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Fund Facts

Strategy	Value Equity
Risk	Medium
ISIN	LU0138501191
Share Class Currency	EUR
Fund Inception	14-Dec-2001
Fund Manager	Jens Moestrup Rasmussen
Benchmark	MSCI World
Morningstar Category	Global Large-Cap Value Equity



Performance

In the first quarter of 2011, Sparinvest Global Value lost 1.83%, impacted by the sharp decline in equity markets in March, when the fund lost 4.43%. The main drivers of this decline were the tragic events in Japan and the political unrest in the Middle East. The general equity market – as measured by the MSCI World Index – lost 0,93% in the first quarter of the year, meaning that Sparinvest Global Value is lagging around 1% behind the overall market.

Interestingly, during the first quarter value stocks overall – as measured by the MSCI World Value index (up 0.12%) – have outperformed growth stocks, as measured by the MSCI World Growth index (-1.96%). By contrast, in 2010 value stocks were relative underperformers overall, while our value funds outperformed significantly. This is a theme we have discussed in previous Letters to Shareholders.

Sparinvest Global Value & Index Returns, in %	Q1 2011	2010
Sparinvest Global Value	-1.83	26.36
MSCI World Index	-0.93	19.53
MSCI World Value Index	0.12	16.59
MSCI World Growth Index	-1.96	22.46
MSCI World Small Cap Index	0.42	34.89

MSCI World Index, MSCI World Value Index, MSCI World Growth and MSCI World Small Cap Index are all indices that contain a broad selection of companies from all over the world. All returns on investment are in EUR.

The main reason for the sharp decline in performance was, of course, the fact that the fund has a significant exposure to Japanese equities and, in the initial days after the tragic earthquake and tsunami, many saw steep price declines. However, the wider Japanese market, and our holdings there, recovered markedly during the last 14 days of the month. Over the quarter, the MSCI Japan index

lost 10%, and performance at our Japanese holdings was broadly in line with this.

In our current Letter to Shareholders we touch upon the different crises the world has seen over the last few years, and naturally discuss the situation in Japan in more depth. However, we stress that as long-term investors it is vital to avoid panic, remain calm, and continue to focus on facts and fundamental analysis of our holdings. We are rigorously monitoring our holdings in Japan, and are confident that the investment cases remain strong, with low valuations offering strong potential for the future.

In Europe, there were major differences in performance by region. Southern Europe, where we have relatively low exposure, experienced a small rebound after a weak 2010. In Germany, where we have a significant exposure, our holdings performed strongly compared to the wider market, while in the UK we saw some underperformance.

Our North American exposure continues to increase, mainly due to strong absolute and relative performance and is now close to 15%. A good example is Cabela's, a US retailer which we sold in January after only seven months in the portfolio, and which we discuss below.

On a sector basis, the energy sector was perhaps unsurprisingly the best performer, and our positions there saw strong outperformance versus the sector. Meanwhile, our consumer discretionary exposure fell relatively sharply, primarily due to Japanese exposure.

Regardless of the extraordinary events, we cannot be satisfied with the quarter's returns in either absolute or relative terms. However, when looking at the underlying fundamentals of our holdings, we see encouraging signs of a continued recovery from the global financial crisis. Intrinsic values are robust. Our focus remains on the generation of healthy absolute returns in the long term and we believe that our portfolio offers significant potential for the future.

Portfolio Composition

At the end of the quarter, the cash position was 4.5% of assets under management. The fund had 100 holdings and our ten largest positions accounted for 28.96% of the total.

Since we last wrote, we have made one new investment. We bought shares in Yamaha, a Japanese producer of musical instruments.

In general rebalancing of the portfolio, we made additional investments in some existing holdings and reduced others. We have now exited our position in Cabela's which is discussed below.

For further data on the fund, including complete portfolio holdings, performance and breakdowns by industry and geographical sector, please refer to the fund factsheet at the end of this document, or to our website.

Portfolio Valuation

Many factors generated strong performance for the fund in 2010, but as fund managers, what we find most encouraging is the considerable potential we see for future returns. Valuations remain compelling.

The holdings are amalgamated into one theoretical company, to give a rough indication of the valuation. This company has a price-to-book of just 1.04 times, compared to 2.17 times for the MSCI World index. The balance sheet is healthy, with net-debt-to-equity of only 23% (versus 46% for the MSCI World index) and intangibles-to-equity of just 17% (versus 52% for the index).

The portfolio has strong operating leverage, and earnings-based multiples point to the expanding bottom line we discussed above. The price-to-earnings ratio is 16.1 times for the previous fiscal year, but this drops to 12.9 times Bloomberg estimates for 2011 earnings, and 10.8 times for 2012 (compared with 11.9 times for the MSCI World). EV/EBITDA, which is a useful indicator of the price of companies relative to their raw earnings power, is just 4.8 times 2012 Bloomberg estimates, compared with 6.5 times for the MSCI World.

Sparinvest Global Value is a portfolio of deeply discounted companies, which offer solid asset backing combined with robust long-term earnings power. We are confident that this portfolio will generate healthy investment returns over the years to come.

Individual Positions

Cabela's

Reached target

Cabela's is a US retailer, headquartered in Nebraska but with stores across North America. It sells outdoor equipment and clothing, for activities such as hunting, fishing and camping. Its stores offer a variety of displays and talks to attract customers, and are designed to be a destination in themselves. Cabela's has also developed a strong direct sales business via both catalogues and the internet, which now accounts for around half of its revenues. In addition, the company operates a credit card business with over a million cardholders.

We invested in Cabela's in July 2010. Although Cabela's naturally felt some impact from the financial crisis, its earnings showed some resilience, and we were confident that the core earnings power of its store network and

brand image remained very much intact. Meanwhile, some competitors were struggling somewhat due to weak balance sheets, and Cabela's financial health put it in a strong competitive position. We were also impressed by the conservatively-managed credit card business: Cabela's have a cardholder base of notably high credit quality, and throughout the financial crisis it has displayed delinquency rates well below typical levels.

Valuations multiples were low, with the company trading at around one times book value, and a price-to-earnings ratio around 10 times. Whether looking at assets or earnings, and we saw an opportunity to buy quality, cheaply. After investment, the share price rose steadily towards our estimated intrinsic value. Perhaps Cabela's illustrates that investing is not always about clear catalysts pushing share prices up – it is often simply about well-run companies being mispriced, and gradually attaining their true worth. Having bought shares for USD 14.70 in July 2010, we sold our position at just over USD 24 in January 2011, giving a return in excess of 63%.

Jens Moestrup Rasmussen
Lead Portfolio Manager
11 april 2011

This Fund Update should be read together with the latest 'Letter to Shareholders', in which our Value Equities team offer their perspective on value investment and market developments.

Sparinvest Global Value available share classes	ISIN
EUR I	LU0258533180
EUR R	LU0138501191
EUR UKI	LU0258534071
EUR UKR	LU0259214707
GBP UKR	LU0258527455
USD I	LU0294897425
USD R	LU0298896787



Sparinvest is a signatory of UN PRI and member of Eursif and Dansif.

UN PRI is an international investor initiative sponsored by the UN and based on six principles for responsible investments. The aim is to help investors actively to incorporate environmental, social and governance issues into their investments.

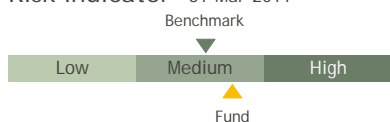
The mentioned sub-fund is part of Sparinvest SICAV, a Luxembourg-based, open-ended investment company. For further information we refer to the full and/or simplified prospectus and the current annual / semi-annual report of Sparinvest SICAV which can be obtained free of charge at the offices of Sparinvest or of appointed distributors/representatives together with the initial statutes of the funds and any subsequent changes to such statutes. Investments are only made on the basis of these documents. Past performance is no guarantee for future returns. Investors may not get back the full amount invested. Investments may be subject to foreign exchange risks. The investor bears a higher risk for investments into emerging markets. The indicated performance is calculated Net Asset Value to Net Asset Value in the fund's base currency, without consideration of subscription fees. For investors in Switzerland the funds' representative and paying agent is RBC Dexia Investor Services Bank S.A., Zurich Branch, Badenerstrasse 567, P.O. Box 101, CH-8066 Zurich. Published by Sparinvest, 28, Boulevard Royal, L-2449 Luxembourg. Sparinvest makes reservations for typos, calculation mistakes and other possible mistakes in the material.

Description

Investment Concept: Value Equities

The fund invests in American, European, Australian, Japanese and other Asian equities. The fund may to a lesser extent invest in other securities. Stock selection is based on the value approach. After a thorough analysis of publicly available information, stocks having a market capitalisation considerably lower than the intrinsic value are selected. The fund typically has a wider margin of safety, and consequently a lower risk, than the general market. The fund is focused on preservation of capital.

Risk indicator - 31-Mar-2011



Basic Information

ISIN	LU0138501191
Bloomberg	SPAGLVL.LX
Share Class	EUR R
Fund Inception	14-Dec-2001
Share Class Currency	EUR
Income Type	Accumulating
Company name	Sparinvest S.A.
Domicile	Luxembourg
Share Class Inception	14-Dec-2001
Fund size (MN) - 31-Mar-2011	915.93 EUR
Manager	Sparinvest S.A.
Fund Manager	Jens Rasmussen
Fund Manager Start Date	14-Dec-2001
Benchmark ¹	MSCI World
Morningstar Category™ ²	Global Large-Cap Value Equity
Latest NAV - 31-Mar-2011	165.80 EUR
Subscription fee (up to)	3.00 %
Redemption fee (up to)	0.00 %
Management Fee	1.50 %
Total expense ratio - 31-Dec-2010	1.99 %

Returns - Month End, Mar-2011

Returns	Fund	Benchmark ¹	Difference
YTD	-1.83%	-0.93%	-0.90%
1 Month	-4.43%	-3.63%	-0.80%
3 Months	-1.83%	-0.93%	-0.90%
1 Year	11.84%	8.17%	3.67%
3 y ann.	0.78%	3.49%	-2.70%
5 y ann.	-2.14%	-1.12%	-1.02%

Risk 3 years - Month End, Mar-2011

Risk	Fund	Benchmark ¹	Morningstar ²
Volatility	21.00%	17.55%	18.19%
Sharpe R.	0.06	-	0.08
Info Ratio	-0.21	-	-

Morningstar Rating™ **★★★**

Performance - 31-Mar-2011

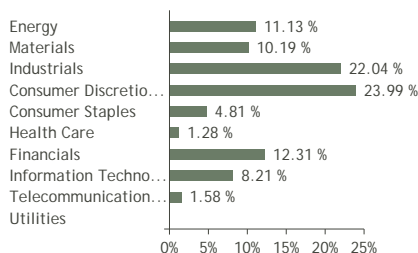


Returns	2007	2008	2009	2010	03-2011
Fund	-1.04%	-42.54%	23.11%	26.36%	-1.83%
Benchmark	-1.66%	-37.64%	25.94%	19.53%	-0.93%
Morningstar Category™	-3.11%	-37.78%	27.06%	15.45%	-1.02%

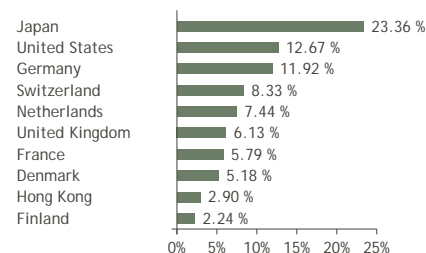
Asset Allocation

Holdings	Equities	Bonds	Other	Cash
100	95.5%	0.0%	0.0%	4.5%

Sector Breakdown



Top 10 Countries



Portfolio (Top 10) - 31-Mar-2011

Name	Sector	Type	Country	Weight
Frankfurt Airport Serv.Worldw.	Industrials	Equities	Germany	3.39%
A.P. Moeller - Maersk A/S B	Industrials	Equities	Denmark	3.31%
Hochtief A.G.	Industrials	Equities	Germany	3.30%
Ms&Ad Insurance Group Holdings	Financials	Equities	Japan	3.24%
Koninklijke Dsm Nv	Materials	Equities	Netherlands	3.01%
Hutchison Whamp/Hk0.25	Industrials	Equities	Hong Kong	2.90%
Roy.Philips Electr./Eur 0.2	Industrials	Equities	Netherlands	2.63%
J.Sainsbury Plc	Consumer Staples	Equities	United Kingd...	2.51%
Peugeot Sa	Consumer Discretionary	Equities	France	2.47%
Bqe.Cantonale Vaudoise /Nom.	Financials	Equities	Switzerland	2.20%

Notes:

The mentioned sub-fund is a part of Sparinvest SICAV, a Luxembourg-based, open-ended investment company.

Benchmark Comment

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