

Press release
12 January 2011

Brandes Selects Sparinvest for Transatlantic 'Value Alliance' in Corporate Credit

Copenhagen and San Diego, California, 12 January 2011. Two of the world's leaders in value investing, Brandes Investment Partners, L.P. in the U.S., and Sparinvest Group in Denmark today announced that they have entered an agreement to manage jointly new global fixed-income value products focusing on corporate bonds across the rating spectrum.

The two firms' value bond teams have complementary strengths in the corporate credit asset class, and between them cover the two regions that comprise the substantial majority of the world's non-governmental debt. Brandes is a leader in value investing in the U.S., where corporate bonds are a well-supported and mature asset class. Sparinvest has pioneered its value bond strategy in Europe, and is recognized for the performance of its High Yield Value Bonds fund during a period of rapid growth in the credit markets.

Brandes was founded in 1974 by Charles Brandes who is a disciple of value pioneer Benjamin Graham. The alliance between Brandes and Sparinvest is an innovative approach made possible by the similarities between the two firms' value-driven fixed-income philosophy and investment processes. Mr. Brandes, the firm's Chairman, commented: *"The worldwide search for value underpins everything we do, and I'm delighted with this value bond alliance with Sparinvest, a firm that shares our philosophy and long-term perspective."*

Brandes plans to offer global fixed-income products in North America, using Sparinvest as a sub-advisor for non-North American corporate bonds (specifically European, Japanese and Emerging Market bonds). Sparinvest plans to offer global fixed-income products in Europe using Brandes as a sub-advisor for North American corporate bonds. It is envisaged that the first jointly-managed products will be introduced in the first quarter of 2011,



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with Sparinvest launching a fund product in Europe, and Brandes seeding a pooled fund in the United States.

At the signing of the alliance agreement today in San Diego, CA, Sparinvest CEO Per Noesgaard said:

"From the outset it has been clear that Sparinvest and Brandes have a lot in common, including a very similar investment philosophy. Both companies also recognize that quality bonds are often issued by companies that are under-researched and undervalued by the rest of the market. The new transatlantic alliance will result in a pooling of information and expertise which we believe will help us find the 'hidden gems' and create long-term value for our investors."

Brandes CEO Glenn Carlson added: *"This is an exciting step forward for our fixed income business. Our clients always have looked to us to identify and access global opportunities - our alliance with Sparinvest builds on these capabilities and offers our clients an even more competitive and differentiated global bond product."*

The alliance has an indefinite term, and does not call for either firm to invest capital in the other. FS Associates, Inc. assisted Brandes in identifying Sparinvest as a potential alliance partner (FS Associates is a strategic business consulting firm that advises money managers on cross-border business and marketing issues).

About Brandes:

Brandes Investment Partners® ("Brandes") is a leading U.S. investment advisory firm based in San Diego and managing equity and fixed-income assets for institutional and private clients worldwide. Since inception in 1974, Brandes has applied the value investing approach to security selection first pioneered by Benjamin Graham in the 1930's. Brandes is 100% employee-owned and has 479 employees worldwide. At end 2010, Brandes managed approximately \$47.8 billion of assets. More information at www.brandes.com.



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About Sparinvest:

Founded in 1968 in Denmark, and with pan-European operations in Luxembourg since 2001, Sparinvest is an international asset management company with authorization to distribute its products in 16 European nations. The group is known as a specialist in value investment - both for equity and bond funds. Sparinvest is owned by a broad range of Danish institutional shareholders who support the group's independence and prudent investment strategy, focused on providing competitive risk-adjusted long-term returns. As a natural step to further enhance its risk-focused approach, Sparinvest signed the United Nations Principles for Responsible Investment in 2009 and is working to integrate environmental, social and governance (ESG) risk factors into the investment process for all its actively-managed funds. At end 2010, Sparinvest managed €8.84 billion on behalf of private and institutional investors. More information at www.sparinvest.eu.

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