

JOLIMONT VALUE FUND

Jolimont Value Fund €

OBJECTIVES

The Jolimont Value Fund is a balanced Mutual Fund. It is designed for the long term investor, who wishes to accumulate capital-appreciation and income with a low degree of volatility. The Fund is aimed to produce absolute returns.

INVESTMENT POLICY

The objective of the "Jolimont Value Fund (EURO)" is to achieve a long term above average capital appreciation by investing in a diversified portfolio of stocks and bonds. The return should comfortably beat inflation. For Equity investments, the Fund Manager focuses on well financed companies, which are less susceptible to cyclical swings and have products with good or even high profitability, whenever they are available at attractive prices. They tend to stay with their investments for several years and participate in their growth. Very often the Fund Manager acquires these companies when they suffer temporary setbacks or when they are unpopular for one reason or another. Bonds are being purchased for attractive yields at acceptable quality. In most cases, they are below investment grade. The Fund Manager carefully looks at the capacity of the debtor to pay interest and principal. Often the debtor is an emerging country, but also corporate bonds are being purchased. The Fund does not employ leverage. Derivative instruments which entail substantially higher risks, will not enter into the investment strategy. Diversification will be observed at all time.

COMMENTARY

A few thoughts on Medtronic:

Investors are thought to be rational and only act after having gone through an in depth analysis. There are times when we wonder whether this is the case.

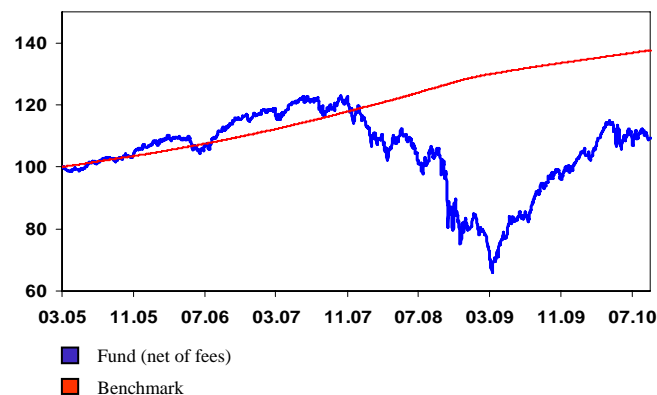
Take the reaction to the earnings announcements of Medtronic. The company is one of the major MedTech firms in the world and a leader in defibrillators, stents, spine surgery, treatment of diabetes and neuromodulation (pain control). Earnings per share grew from \$2.92 in 2009 to \$3.21 in 2010. The stock crashed by 10% to \$32.

Today the Price-Earnings Ratio is 9 times, the earnings yield for April 2011 is 10.7% and the free cash flow yield even 12%. As shareholder these earnings belong to me, even though they are only partially paid out as dividend. Dividend yield is 2.8%. Earnings growth is expected to average 6-8% over the next few years. It is slightly lower than in years past, but still considerable. As an investor I have to compare this to what I get for riskless investments like cash and treasuries. Cash yields only about 0.25%, 10 year treasuries approximately 2%. Despite these huge differences in favour of stocks like Medtronic or Johnson & Johnson, most investors prefer to keep cash or invest in treasury bonds. It's unlikely they truly believe that these stocks will yield less than treasuries over the long term, but they are afraid of further market declines. They look at the investment world not objectively, but with a rear view mirror. Since these stocks have declined over the last few years the thinking goes, they will continue to decline over the coming months. So let's sell and stay in cash or treasuries, which lately have done well. This could become a costly mistake.

NAV as of 31.08.2010

EUR 102.08

HISTORICAL PERFORMANCE (%)



PERFORMANCE (%)

	August	YTD	2009
Fund (net of fees)	-1.334	6.41	25.96
Benchmark	0.319	2.48	4.30

ADDITIONAL DATA

Fund size (million) :	EUR 7.2
Performance since inception (cumulated) :	9.26 %
Total expense ratio including performance fee :	1.82 %
Total expense ratio without performance fee :	1.82 %

CONTACTS

SIF Swiss Investment Funds SA
 Quai du Seujet, 26
 CH 1211 Geneva 2 - Switzerland
 Tel. + 41 22 918 73 88
 Fax + 41 22 918 73 89
 e-mail: info@swiss-if.ch
 Internet: www.swiss-if.ch

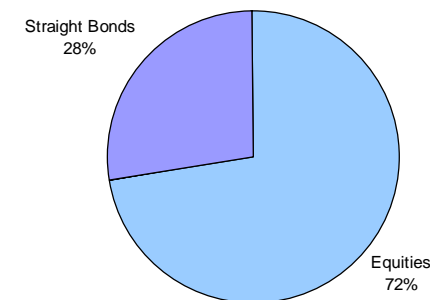
EFG Bank
 Quai du Seujet, 24
 CH 1211 Geneva 2 - Switzerland
 Tel. +41 22 918 72 29
 Fax +41 22 918 73 28
 Internet: www.efgbank.com

Fund Manager

KRAEMER, SCHWAB & CO, AG
 Lauriedstrasse 7
 CH - 6304 Zug
 Tel. + 41 41 726 50 50
 Fax + 41 41 726 50 49
 e-mail: info@kraemerschwab.com
 Internet: www.kraemerschwab.com

MUTUAL FUND INCORPORATED IN SWITZERLAND KRAEMER, SCHWAB & CO, AG

ASSET ALLOCATION (%)



MAJOR HOLDINGS

Berkshire Hathaway -A-	6.4 %
TUI 8.625% 2013	6.1 %
Cemex 4.75% 2014	5.4 %
Cie Suisse de Reassurances SA	4.5 %
Allied Irish Banks 12.5% 2019	4.4 %
Hannover Rueckversicherung	3.9 %
Allied Irish Banks 10.75% 2017	3.5 %
Nestlé	3.5 %
Glaxosmithkline Plc	3.5 %
Heineken Holding NV	3.4 %
Muenchener Rueckversicherung	3.1 %

47.70 %

Total

FUND DATA

Fund Domicile
Switzerland
Fund Manager
Kraemer, Schwab & CO, AG
Custody Bank
EFG Bank
Fund Currency
EUR
Benchmark
LIBOR EUR plus 300 basis points
Valoren N°
2053958
ISIN
CH0020539588
Inception date
01.03.2005
Subscription / Redemption
Daily
Last Dividend
15.06.2010 EUR 1.27

Reports

Annual / Semi-annual

Fees

Subscription max. 2.00%
Effectively no subscription fee is charged to the investors
 Management max. 1.20%
 Custody 0.30%

UE Savings Tax status

Tax on Distributions

Publications

Newspaper Le Temps,
 Neue Zuercher Zeitung
 Reuters 60098775
 Bloomberg JOLIVAE SW
 Telekurs 2053958
 www.jolimontvaluefund.com

Auditors

PriceWaterhouseCoopers, Geneva

The prospectus, the current semi-annual and annual reports can be obtained free of charge from SIF Swiss Investment Funds SA Geneva. This document is not a solicitation to subscribe to any of the Funds described herein and is by way of information only. Subscriptions are valid only if made on the basis of the current prospectus and the most recent annual report for the relevant fund. Past performance is not necessarily a guide to future performance. Commissions and fees charged, when shares are issued or redeemed, are not included in the performance calculation.