

## Robeco Chinese Equities D EUR shares

Robeco Chinese Equities invests in leading listed Chinese stocks. The fund identifies attractive macro-economic themes and selects fundamentally sound companies. Both offshore (Hong Kong and US listed) and, to a limited extent, domestic Chinese stocks are selected.

### Performance

	Fund	Rel.
1 m	-4.91%	-0.86%
3 m	-4.85%	-0.53%
Ytd	-5.54%	2.39%
1 year	1.46%	6.59%
2 years*	10.95%	3.52%
3 years*	11.20%	3.83%
5 years*	14.24%	3.28%
10 years*	7.73%	1.44%
Start*	1.11%	-

\*Annualized

### Calendar Year Performances

	Fund	Rel.
2010	10.89%	0.46%
2009	71.72%	9.49%
2008	-46.80%	2.55%
2007	51.35%	8.19%
2006	62.86%	3.63%

### Fund price

30/06/11	EUR	52.72
High Ytd ( 12/01/11)	EUR	59.39
Low Ytd ( 21/06/11)	EUR	50.47

### Benchmark

MSCI China 10/40 (Net Return) (EUR)

### General facts

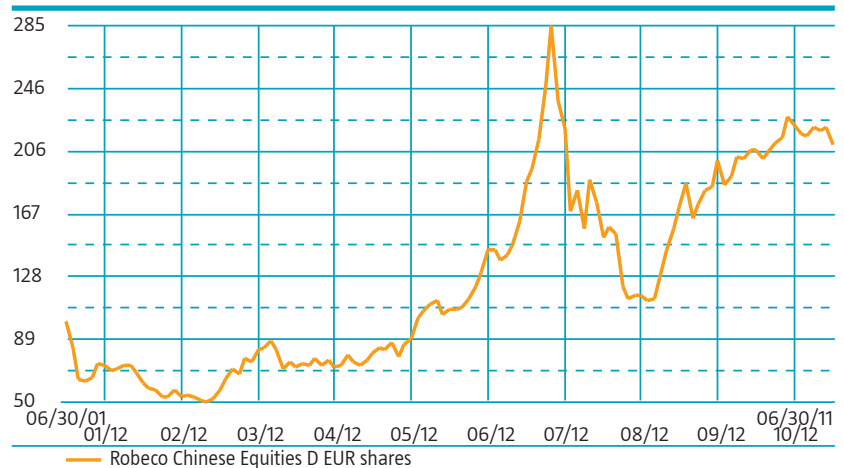
Morningstar (as of 30/06/11)	★★★★
Type of fund	Equities
Currency	EUR
Total Size of fund	EUR 621,625,633
Size of sub fund	EUR 500,204,096
Outstanding shares	9,538,598
1st quotation date	02/12/1997
Close financial year	30/06
Daily tradable	Yes
Dividend paid	No
Management Company	Robeco Luxembourg S.A.
Ex-ante tracking error limit	8.0%

### Fees

Management fee	1.50%
Service fee	0.12%
Subscription fee (max.)	5.00%
Redemption fee (max.)	0.00%
Total expense ratio	1.73%

### Performance

Indexed value - End of Month



### Performance

Based on transaction prices on the first business day of the month, the fund's return in June was -4.91%. Based on net asset value, the fund underperformed the benchmark by 0.86%. The only sector that registered positive performance was consumer discretionary (1.1%), while the worst-performing sectors were health care (-7.1%) and financials (-6.6%). It was a broad-based sell-off across the entire market, as investors worried about a US slowdown, a Chinese hard landing, high oil prices and the European sovereign debt crisis. The market rebounded when Premier Wen stated that inflation would be kept under control. Banks were under pressure due to concerns on local government debt default risks. Sector selection contributed 70 bps to the performance, mainly due to an overweight in consumer discretionary and underweight in financials. The fund lost performance mainly from its positions in consumer staples, financials, Internet, and telecom stocks.

### Market development

In June, the MSCI China 10/40 Index dropped 3.74% in USD terms, but fell 4.56% in EUR terms. The renminbi appreciated by 0.20% against the US dollar in June. We expect the Chinese currency to continue to appreciate steadily. Macroeconomic data released in June - exports (up by 19%), imports (22%), industrial production (13.3%) and retail sales (17.1%) - was in line with expectation. In addition, the PMI came in at 52.0, M2 expanded by 15.1% yoy, and CPI rose 5.5% yoy. The central bank continued to tighten, raising reserve requirements by 0.50%. Offshore investors worried about a potential hard-landing for the Chinese economy. The Chinese banking sector also dragged the market down, among concerns over the potential default risk of local government debts. A-share investors were less concerned and actually rose 0.68% due to expectations of peaking inflation.

### Expectation of Fund Manager



**Victoria Mio**  
Fund Manager since 01/05/07

On July 7, China's central bank announced an interest-rate hike of 25 bps in order to cope with inflation expectations. The market reacted positively as expectations suggest that the central bank rate hike cycle is now on hold. We believe that the Chinese economy will achieve a soft landing. We expect GDP to grow by 9% in 2011, and believe that rising inflation and currency appreciation are structural trends. A tightening bias is set to remain in place. However, the government may carry out targeted policy easing. We are becoming increasingly positive for Chinese equity markets.

### Top 10 largest positions

Our significant exposure in banks was due to attractive valuation. China Mobile is a relatively inexpensive way to play the consumer theme. The Internet industry is experiencing explosive growth, and China already has the world's largest number of internet users. Tencent Holdings is the industry leader. The fund also has exposure in the traditional and alternative energy sectors through oil giant CNOOC, China Petroleum & Chemical, PetroChina and China Shenhua. We also have exposure in the advertising sector through Focus Media.

### Top 10 largest positions

Holdings	Sector	%
Industrial and Commercial Bank of China Ltd	Financials	7.44
Tencent Holdings Ltd	Information Technology	5.47
CNOOC Ltd	Energy	5.18
China Mobile Ltd	Telecommunication Services	5.13
China Construction Bank-H	Financials	4.65
Petrochina	Energy	4.13
China Shenhua Energy Co Ltd	Energy	3.39
Focus Media Holdings-ADR	Consumer Discretionary	3.12
Agricultural Bank Of China	Financials	3.00
Ping An Insurance Group Co	Financials	2.92
<b>Total</b>		<b>44.43</b>

### Legal status

Legal status	Investment company with variable capital incorporated under Luxembourg law (SICAV)
Issue structure	Open-end
UCITS III	Yes
Umbrella fund	Forms part of the Robeco Capital Growth Funds SICAV umbrella
Share class	D
Registered in	Austria, Belgium, Chile, Finland, France, Germany, Hong Kong, Ireland, Italy, Luxembourg, Netherlands, Peru, Poland, Spain, Switzerland, Taiwan, United Kingdom

### Statistics

	3 years	5 years
Tracking error ex-post (%)	5.30	5.41
Information ratio	0.72	0.61
Sharpe ratio	0.51	0.48
Alpha (%)	3.86	3.28
Beta	0.95	0.96
Standard deviation	21.37	28.20
Excess return (%)	3.83	3.28
Max. monthly gain (%)	14.07	18.51
Max. monthly loss (%)	-14.56	-22.81
Turnover rate 30/06/2010	91.00	

### Currency policy

The fund is allowed to pursue an active currency policy to generate extra returns.

### Hit ratio

	3 years	5 years
Months outperformance	20	33
Hit ratio (%)	55.6	55.0
Months Bull market	22	38
Months outperformance Bull	13	20
Hit ratio Bull (%)	59.1	52.6
Months Bear market	14	22
Months outperformance Bear	7	13
Hit ratio Bear (%)	50.0	59.1

### Risk management

Active. Risk management systems continually monitor the portfolio's divergence from the benchmark. In this way, extreme positions are avoided.

### Dividend policy

The fund does not distribute dividend. The income earned by the fund is reflected in its share price. The fund's entire result is thus reflected in its share price development.

### Fund codes

ISIN	LU0187077309
Reuters	LP60025813
Bloomberg	ROCHINE LX
Datastream	29053H
Sedol	B049BJ8
WKN	AOCA01
Valoren	1812302

### Sector spread

The fund had an overall overweight in consumer discretionary and staples, information technology, and materials, and an underweight in financials, energy, telecom services, industrials, health care and utilities.

#### Sector spread + deviation benchmark

Financials	26.9 %	-8.4 %
Energy	17.0 %	-1.6 %
Consumer Discretionary	15.0 %	9.0 %
Information Technology	11.3 %	5.1 %
Telecommunication Services	9.4 %	-1.9 %
Consumer Staples	7.0 %	1.6 %
Materials	6.1 %	-0.7 %
Industrials	2.8 %	-4.8 %
Liquidity	2.4 %	2.4 %
Utilities	1.1 %	-0.8 %
Other	1.0 %	1.0 %
Health Care	0.0 %	-0.9 %

### Regional spread

Robeco Chinese Equities mainly invests in China-related shares listed outside China, such as H-shares (Hong Kong-listed Chinese stocks) and red chips. Additionally, the fund has a 5.0% exposure to Chinese domestic stocks (A-shares) - although this could run to as much as 10% - and a 6.6% exposure to US-listed Chinese stocks. There is a cash position of 2.3%.

#### Regional spread + deviation benchmark

China	94.2 %	-5.8 %
Hong Kong	3.5 %	3.5 %
Liquidity	2.4 %	2.4 %
Other Countries	-0.1 %	-0.1 %

### Currency spread

Most offshore Chinese equities are denominated in Hong Kong dollars (HKD), but we also have a 5.0% position in renminbi due to our A-share investments. Currently we have no currency hedging in place.

#### Currency spread + deviation benchmark

Hong Kong Dollar	85.9 %	-13.5 %
US Dollar	6.6 %	6.0 %
Yuan Renminbi	5.0 %	5.0 %
Liquidity	2.4 %	2.4 %
Euro	0.2 %	0.2 %
Other	-0.1 %	-0.1 %

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### Investment policy

Robeco Chinese Equities invests in leading listed Chinese (related) companies. The return of the country fund reflects the market development in the relevant country. The portfolio is actively managed. Exchange-rate changes are reflected in the fund's price development. Risk management is fully embedded in the investment process to ensure that the fund's positions remain within set limits at all times. The fund is normally fully invested.

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### Fund Manager's CV

Ms. Mio is the Lead Portfolio Manager of Robeco Chinese Equities. She is a Senior Portfolio Manager and a member of the Asia-Pacific team. Her Mandarin and Cantonese language skills, Certified Public Accountant in the USA and Financial Risk Manager are very beneficial to accomplishing this task. Prior to joining Robeco in 2006, Victoria worked for seven years in the U.S.A. and five years in China and held senior positions in several financial institutions including JPMorgan Chase & Co, Asterion Capital LLC, and Banco Nacional Ultramarino SA. She started her career in the financial services industry in 1992. Victoria Mio obtained an MBA in Finance from the Wharton School of University of Pennsylvania in the USA as well as a Bachelor's degree in Accounting and Finance from the University of Macau in China. Ms. Mio is a CFA charterholder.

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### Fiscal product treatment

The fund is established in Luxembourg and is subject to the Luxembourg tax laws and regulations. The fund is not liable to pay any corporation, income, dividend or capital gains tax in Luxembourg. The fund is subject to an annual subscription tax ('tax d'abonnement') in Luxembourg, which amounts to 0,05% of the net asset value of the fund. This tax is included in the net asset value of the fund. The fund can in principle use the Luxembourg treaty network to partially recover any withholding tax on its income.

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### Fiscal treatment of investor

For private investors residing in the Netherlands real interest and dividend income or capital gains received on their investments are not relevant for tax purposes. Participating units held by private investors who are taxpayers in the Netherlands belong in Box 3. As of 1 January 2001, investors pay a net 1.2% investment-yield tax per year on their average net assets above their tax-free allowance. Investors residing outside the Netherlands are subject to their respective national tax regime applying to foreign investment funds. We advise individual investors to consult their financial or tax adviser about the tax consequences of an investment in this fund in their specific circumstances before deciding to invest in the fund.

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### Morningstar

Morningstar proprietary ratings on funds registered for sale in Europe reflect historical risk-adjusted performance. The ratings are subject to change every month. The calculation for the Morningstar ratings on funds registered for sale in Europe is motivated by the expected utility theory. The top 10% of the funds in a category receive five stars, the next 22.5% receive four stars, the next 35% receive three stars, the next 22.5% receive two stars and the bottom 10% receive one star. The fund was rated exclusively against funds registered for sale in Europe. All copyrights relating to the Morningstar Rating are held by Morningstar. For more information on Morningstar, please refer to [www.morningstar.com](http://www.morningstar.com)

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