# Institutional Information sheets

**Institutional investors only**
(not for onward distribution)

Morningstar Rating ★★★★★

Fund Manager
**Philip Dicken**
Since: 11 2005

## Fund facts

| | |
|---|---|
| Index: | HSBC Smaller European Companies |
| Fund size: | €727.71m |
| Launch date: | 21/11/2005 |
| Fund domicile: | United Kingdom |

## Share class & general

### Institutional I Acc EUR

| | |
|---|---|
| Period end NAV price: | 1.38 |
| Sedol: | B0PHJR5 |
| ISIN | GB00B0PHJR59 |
| Bloomberg: | TDNPS2A:LN Equity |
| Reuters: | -- |
| MEX ID: | ADESI |
| WKN: | A0HMGC |
| Valoren: | 2398780 |

### Institutional X Acc EUR

| | |
|---|---|
| Period end NAV price: | 0.87 |
| Sedol: | B1DD8Y2 |
| ISIN | GB00B1DD8Y28 |
| Bloomberg: | TESCRIX LN |
| Reuters: | -- |
| MEX ID: | ADPESM |
| WKN: | A0LGN3 |
| Valoren: | 2701897 |

**All information expressed in EUR**
[1]Since Inception

## Contact Details

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**Source: FactSet**

All data as at 31 Mar 12
**Institutional/OEIC**

threadneedle investments

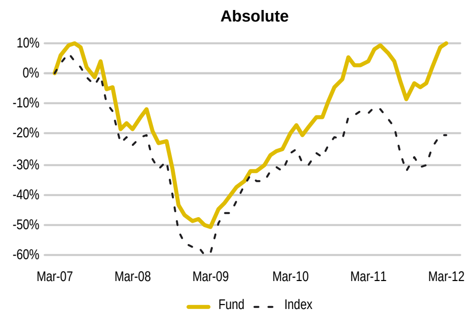
# Threadneedle Pan European Smaller Companies Fund

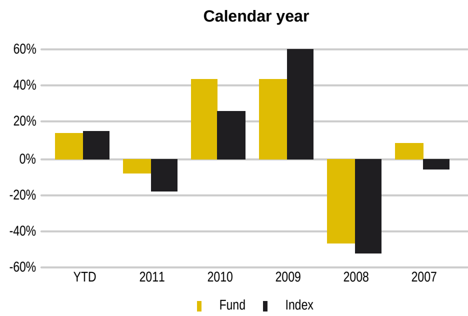
## Investment objective and policy

The Fund aims to achieve capital growth.

The Fund invests primarily in the equities of smaller companies domiciled in Continental Europe and the UK, or, with significant Continental European or UK operations. If desirable, the Manager may further invest in other securities (including fixed interest securities, other equities and money market securities).

## 5 year performance




## Fund performance

| | 1M % | 3M % | YTD % | 1Y % | 3Y % | 5Y % | SI[1] |
|---|---|---|---|---|---|---|---|
| **Fund (Gross)** | 1.5 | 13.9 | 13.9 | 5.8 | 30.6 | 1.9 | 11.2 |
| **Index (Gross)** | 0.0 | 14.5 | 14.5 | -7.8 | 24.9 | -4.4 | 2.8 |

Periods over one year are annualised

## Performance 12 months ending

| 31 Mar 08 | 31 Mar 09 | 31 Mar 10 | 31 Mar 11 | 31 Mar 12 |
|---|---|---|---|---|
| -18.5% | -39.5% | 62.6% | 29.4% | 5.8% |

All Performance returns shown above are gross of total expenses and are at fund level using global close authorised valuations based on in-house calculated transactions with cash flow at start of day.

## Top 10 holdings

| | Sector | % |
|---|---|---|
| **Elekta AB** | Health Care | 2.1 |
| **Umicore S.A.** | Materials | 2.1 |
| **Bureau Veritas S.A.** | Industrials | 2.0 |
| **MTU Aero Engines Holding AG** | Industrials | 2.0 |
| **Kerry Group PLC** | Consumer Staples | 2.0 |
| **DSV A/S** | Industrials | 2.0 |
| **Brenntag AG** | Consumer Discretionary | 2.0 |
| **Fuchs Petrolub AG** | Energy | 2.0 |
| **Koninklijke Vopak N.V.** | Industrials | 1.9 |
| **Lenzing AG** | Consumer Discretionary | 1.9 |

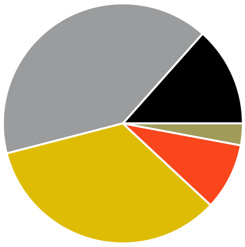
**Total number of stocks in portfolio:** 86 **Total Port % in top 10:** 20.1

## Financial ratios

| | Port | Index |
|---|---|---|
| **Price/Book value** | 2.67x | 1.19x |
| **Price/Earnings ratio** | 17.29x | 12.57x |
| **Return on Equity** | 21.42% | 11.99% |

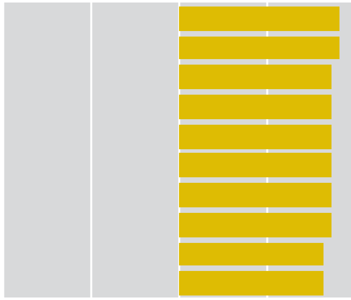
All financial ratios are based on the latest reported figures except where stated. Portfolio Characteristics and holdings are subject to change periodically and may not be representative of current characteristics. Price/Book values and Price/Earnings ratios are based on weighted harmonic average whilst the Return on Equity figure is calculated using weighted averages.

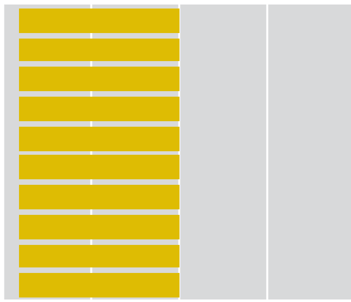
## Market cap split




## Top 10 overweight and underweight stock

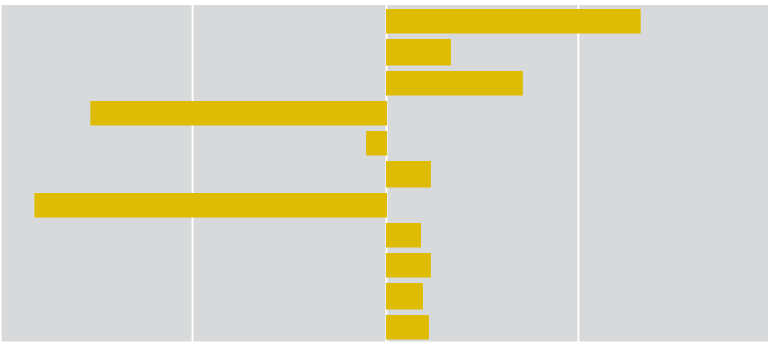
| **Overweight** | **Port %** | **Index %** | **Sector** | **Country** | **Deviation from Index** | **%** |
|---|---|---|---|---|---|---|
| Elekta AB | 2.1 | -- | Health Care | Sweden | | 2.1 |
| Umicore S.A. | 2.1 | -- | Materials | Belgium | | 2.1 |
| Bureau Veritas S.A. | 2.0 | -- | Industrials | France | | 2.0 |
| MTU Aero Engines Holding AG | 2.0 | -- | Industrials | Germany | | 2.0 |
| Kerry Group PLC | 2.0 | -- | Consumer Staples | Ireland | | 2.0 |
| DSV A/S | 2.0 | -- | Industrials | Denmark | | 2.0 |
| Brenntag AG | 2.0 | -- | Consumer Discretionary | Germany | | 2.0 |
| Fuchs Petrolub AG | 2.0 | -- | Energy | Germany | | 2.0 |
| Koninklijke Vopak N.V. | 1.9 | -- | Industrials | Netherlands | | 1.9 |
| IMI PLC | 1.9 | -- | Industrials | United Kingdom | | 1.9 |
| **Underweight** | | | | | | |
| Lottomatica S.p.A. | -- | 0.3 | Consumer Discretionary | Italy | | -0.3 |
| Eiffage S.A. | -- | 0.3 | Industrials | France | | -0.3 |
| Tod's S.p.A. | -- | 0.3 | Consumer Discretionary | Italy | | -0.3 |
| Mondi PLC | -- | 0.3 | Materials | United Kingdom | | -0.3 |
| Husqvarna AB | -- | 0.3 | Consumer Discretionary | Sweden | | -0.3 |
| Aegis Group PLC | -- | 0.3 | Consumer Discretionary | United Kingdom | | -0.3 |
| Mediolanum S.p.A. | -- | 0.3 | Financials | Italy | | -0.3 |
| Dufry AG | -- | 0.3 | Consumer Discretionary | Switzerland | | -0.3 |
| Euler Hermes S.A. | -- | 0.3 | Financials | France | | -0.3 |
| Prosegur S.A. Compania de Seguridad | -- | 0.3 | Industrials | Spain | | -0.3 |





## Sector analysis - overweights and underweights

| | **Port %** | **Index %** | **Deviation from Index** | **%** |
|---|---|---|---|---|
| Industrials | 31.7 | 23.9 | | 7.8 |
| Materials | 10.8 | 8.8 | | 2.0 |
| Health Care | 10.6 | 6.4 | | 4.2 |
| Financials | 10.5 | 19.5 | | -9.0 |
| Information Technology | 7.8 | 8.4 | | -0.6 |
| Energy | 7.7 | 6.3 | | 1.3 |
| Consumer Discretionary | 7.6 | 18.3 | | -10.7 |
| Consumer Staples | 6.1 | 5.0 | | 1.1 |
| Telecommunication Services | 3.0 | 1.6 | | 1.4 |
| Utilities | 2.9 | 1.7 | | 1.1 |
| Cash | 1.3 | 0.0 | | 1.3 |

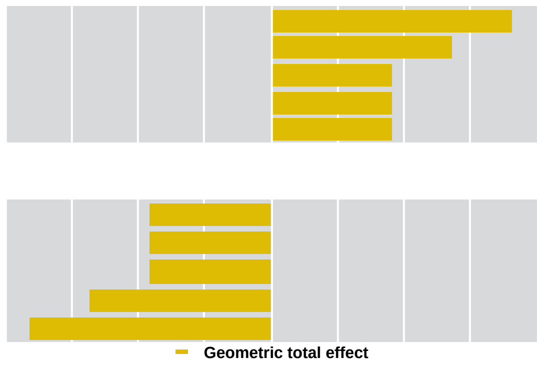


## Country analysis - overweights and underweights

| | **Port %** | **Index %** | **Deviation from Index** | **%** |
|---|---|---|---|---|
| United Kingdom | 24.8 | 28.6 | | -3.8 |
| Germany | 16.7 | 9.9 | | 6.8 |
| France | 16.1 | 9.0 | | 7.1 |
| Norway | 5.7 | 4.3 | | 1.4 |
| Sweden | 5.0 | 6.8 | | -1.8 |
| Austria | 4.3 | 2.1 | | 2.2 |
| Denmark | 4.2 | 2.6 | | 1.6 |
| Belgium | 4.2 | 3.2 | | 0.9 |
| Switzerland | 4.1 | 8.1 | | -4.0 |
| Ireland | 3.9 | 1.6 | | 2.3 |
| Other Country | 9.7 | 23.9 | | -14.2 |
| Cash | 1.3 | 0.0 | | 1.3 |

## Top 5 positive/negative security attribution (three months)

| Percent | Portfolio | | | Index | | Attri. |
|---|---|---|---|---|---|---|
| Security Name | Avg. Weight | Total Return | Contr. To Return | Avg. Weight | Total Return | Geo. Total Effect |
| **5 Highest** | | | | | | |
| Prysmian S.p.A. | 1.7 | 36.1 | 0.7 | -- | -- | 0.4 |
| Umicore S.A. | 2.0 | 29.6 | 0.6 | -- | -- | 0.3 |
| Brenntag AG | 1.9 | 27.8 | 0.5 | -- | -- | 0.2 |
| Ingenico S.A. | 1.7 | 30.3 | 0.5 | 0.2 | 30.1 | 0.2 |
| Konecranes Oyj | 1.3 | 41.3 | 0.4 | 0.2 | 42.2 | 0.2 |
| **5 Lowest** | | | | | | |
| Gerresheimer AG | 1.8 | 2.4 | 0.1 | 0.1 | 1.9 | -0.2 |
| Dignity PLC | 1.0 | -1.0 | 0.0 | 0.1 | -0.9 | -0.2 |
| Medica S.A. | 1.1 | -5.1 | -0.1 | 0.1 | -5.5 | -0.2 |
| Weir Group PLC | 1.2 | -13.0 | -0.1 | -- | -- | -0.3 |
| Eutelsat Communications | 1.6 | -8.1 | -0.1 | -- | -- | -0.4 |

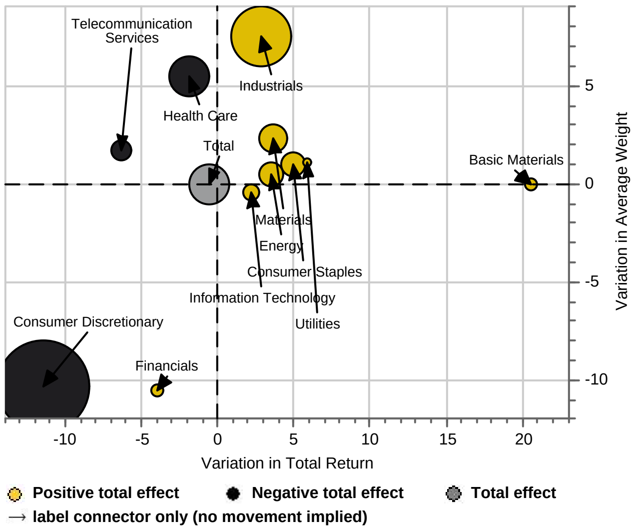



The chart analyses the five largest positive and negative contributors to the portfolio's performance from the perspective of individual stock holdings taken from the attribution report as measured by geometric total effect. The contribution to return, as shown in the accompanying table, is the absolute contribution to the portfolio's performance being the product of the period performance of the holding and its weighting in the portfolio. The geometric total effect is the contribution to the portfolio's performance of the actual stock holding compared with what it would have been had the stock weighting been exactly in line with the index weighting for that stock calculated in a geometric basis.

## Sector analysis - performance attribution (three months)

| Percent | Var. in Avg. Weight | Port. Total Return | Bench Total Return | Geometric Attribution Alloc. Effect | Selec. Effect | Total Effect |
|---|---|---|---|---|---|---|
| Industrials | 7.5 | 17.2 | 14.4 | 0.0 | 0.8 | 0.8 |
| Materials | 2.3 | 16.4 | 12.7 | 0.0 | 0.4 | 0.3 |
| Energy | 0.5 | 21.0 | 17.5 | 0.0 | 0.3 | 0.3 |
| Consumer Staples | 1.0 | 16.2 | 11.2 | 0.0 | 0.2 | 0.2 |
| Information Technology | -0.4 | 22.8 | 20.6 | 0.0 | 0.1 | 0.1 |
| Financials | -10.6 | 6.5 | 10.4 | 0.4 | -0.3 | 0.0 |
| Basic Materials | 0.0 | 20.6 | -- | 0.0 | -- | 0.0 |
| Utilities | 1.1 | 5.5 | -0.3 | -0.2 | 0.2 | 0.0 |
| Telecommunication Services | 1.7 | 7.1 | 13.4 | 0.0 | -0.2 | -0.2 |
| Health Care | 5.5 | 7.9 | 9.7 | -0.3 | -0.2 | -0.5 |
| Consumer Discretionary | -10.3 | 9.1 | 20.5 | -0.5 | -0.8 | -1.3 |
| **Total** | -- | 13.9 | 14.5 | -0.9 | 0.4 | -0.5 |

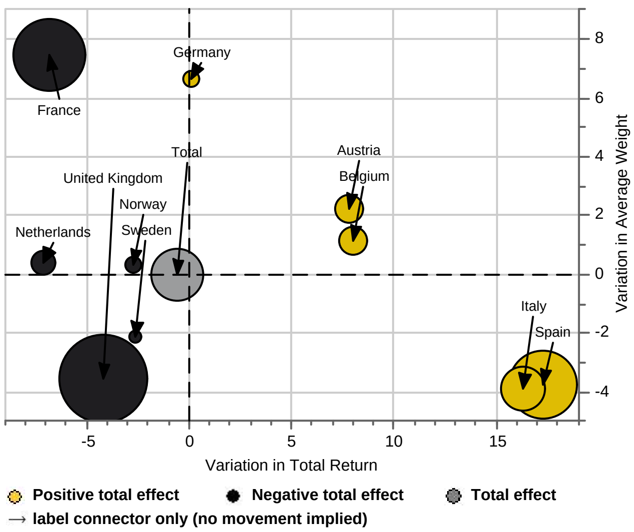
Attribution calculation methodologies may result in rounding differences of total effects versus geometric total portfolio returns




## Country analysis - performance attribution (three months)

| Percent | Var. in Avg. Weight | Port. Total Return | Bench. Total Return | Geometric Attribution Alloc. Effect | Selec. Effect | Total Effect |
|---|---|---|---|---|---|---|
| **Top 5** | | | | | | |
| Spain | -3.8 | 16.6 | -0.7 | 0.5 | 0.2 | 0.7 |
| Italy | -3.9 | 30.1 | 13.8 | 0.0 | 0.4 | 0.5 |
| Belgium | 1.2 | 18.7 | 10.7 | 0.0 | 0.3 | 0.2 |
| Austria | 2.2 | 19.8 | 12.0 | -0.1 | 0.3 | 0.2 |
| Germany | 6.6 | 15.7 | 15.5 | 0.1 | 0.0 | 0.1 |
| **Bottom 5** | | | | | | |
| Sweden | -2.1 | 8.3 | 10.9 | 0.1 | -0.1 | 0.0 |
| Norway | 0.3 | 14.2 | 16.8 | 0.0 | -0.1 | -0.1 |
| Netherlands | 0.4 | 10.7 | 17.8 | 0.0 | -0.2 | -0.2 |
| France | 7.5 | 11.3 | 18.1 | 0.3 | -1.0 | -0.8 |
| United Kingdom | -3.6 | 12.7 | 16.8 | -0.1 | -0.9 | -1.0 |
| **Total** | 0.0 | 13.9 | 14.5 | 0.7 | -1.2 | -0.5 |

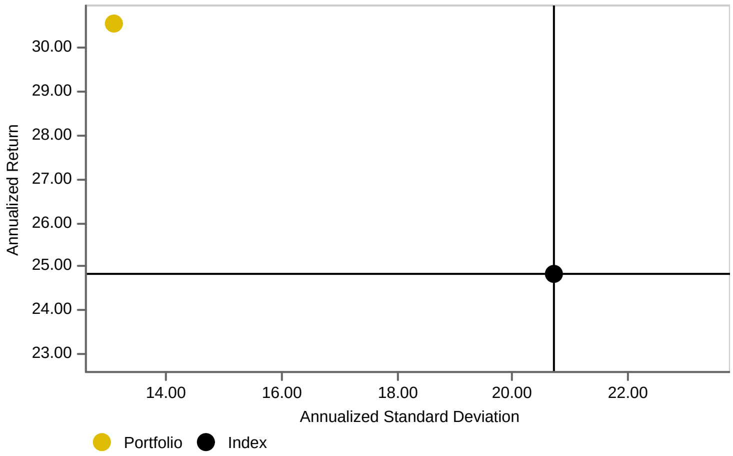
Attribution calculation methodologies may result in rounding differences of total effects versus geometric total portfolio returns



## Risk Analysis

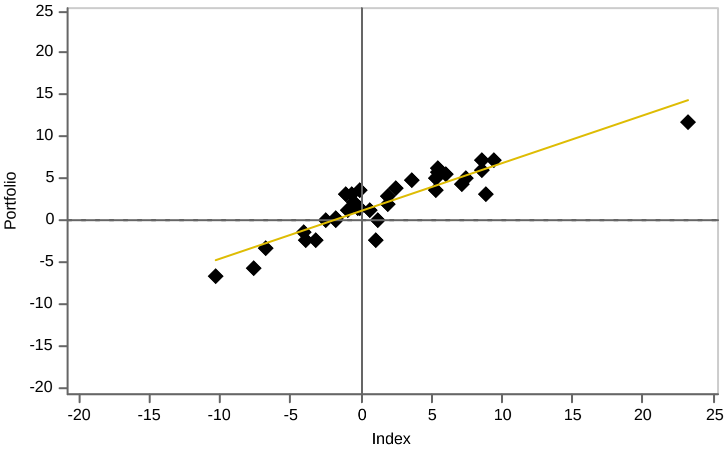
| | Port | Index |
|---|---|---|
| **Absolute Volatility** | 13.09% | 20.70% |
| **Relative Volatility** | 2.75 | -- |
| **Tracking Error** | 10.36% | -- |
| **Sharpe Ratio** | 2.25 | -- |
| **Information Ratio** | 0.55 | -- |
| **Beta** | 0.57 | -- |
| **Sortino Ratio** | 4.78 | -- |
| **Jensen Alpha** | 15.81% | -- |
| **Annualised Alpha** | 14.68% | -- |
| **Alpha** | 1.15% | -- |
| **Max Drawdown** | -16.22 | -23.24 |
| **$R^2$** | 82.60% | -- |

## Risk/return analysis (three years)




The risk ratios and risk return analysis shown above are based on month end performance data over a three year period.

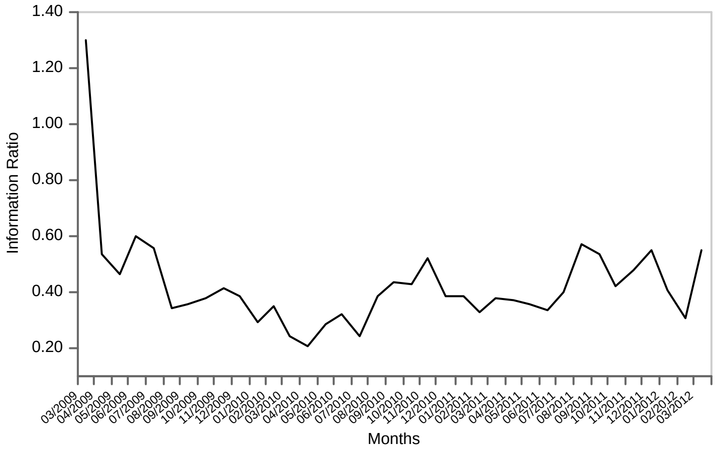
## Regression Line




The regression line is calculated from the last 36 months individual data points. Each point represents the relevant monthly return of the fund and the index's corresponding return. The returns are as follows:

y = 0.574572x + 1.147700 $R^2$ = 82.595451

## Information Ratio




The information ratio is based on rolling 36 months statistics.