

# Semi-Annual Report 2008.

**Investment Fund under Luxembourg Law**

**Unaudited semi-annual report as of 30 June 2008**

Living Planet Fund

Living Planet Fund – Equity



# Unaudited semi-annual report as of 30 June 2008

<b>Table of contents</b>	<b>Page</b>	<b>ISIN</b>
Management and Administration	2	
Features of the Fund	4	
Living Planet Fund – Equity	5	A/ LU0169371266      B/ LU0169371779
Notes to the Financial Statements	11	

## **Sales restrictions**

Units of this Fund may not be offered, sold or distributed within the United States of America.

# Management and Administration

Semi-Annual Report as of 30 June 2008  
Living Planet Fund

## Management Company

Living Planet Fund Management Company S.A.,  
33A, avenue J.F. Kennedy,  
P.O. Box 91, L-2010 Luxembourg  
R.C.S. Luxembourg N° B 93 908

## Board of Directors

*André Hoffmann\**, Chairman of the Board  
Trustee, WWF – World Wide Fund for Nature, Gland  
Director, Roche Holding AG, Basel

*Eric G. Sarasin*, Member  
CEO of the Private & Institutional Clients  
Switzerland Division,  
Bank Sarasin & Cie AG, Basel

*Chiew Y. Chong*, Member  
Director, WWF – World Wide Fund for Nature, Gland

*Andreas Giel*, Member (until 11 February 2008)  
Associate Director, UBS Fund Services  
(Luxembourg) S.A., Luxembourg

*Michaela Imwinkelried*, Member (since 6 May 2008)  
Executive Director, UBS Fund Services  
(Luxembourg) S.A., Luxembourg

*Matteo Perrotta*, Member  
Executive Director, UBS AG, Basel and Zurich

*Dirk Spiegel*, Member  
Executive Director, UBS AG, Basel and Zurich

\* appointed Director and elected Chairman as representative of  
WWF – World Wide Fund For Nature

## Executive Board

*Jean-Paul Gennari*  
Managing Director, UBS Fund Services  
(Luxembourg) S.A., Luxembourg

*Aloyse Hemmen*  
Executive Director, UBS Fund Services  
(Luxembourg) S.A., Luxembourg

*Gilbert Schintgen*  
Executive Director, UBS Fund Services  
(Luxembourg) S.A., Luxembourg

## Portfolio Management

Bank Sarasin & Cie AG,  
Elisabethenstrasse 62, CH-4002 Basel

## Custodian Bank, main paying agent and sales agent

UBS (Luxembourg) S.A.,  
33A, avenue J.F. Kennedy,  
P.O. Box 2, L-2010 Luxembourg

## Administrative agent

UBS Fund Services (Luxembourg) S.A.,  
33A, avenue J.F. Kennedy,  
P.O. Box 91, L-2010 Luxembourg

## Independent Auditors of the Fund and the Management Company

PricewaterhouseCoopers S.à r.l.,  
Réviseur d'entreprises,  
400, route d'Esch, B.P. 1443, L-1014 Luxembourg

## Representative in France

*Representative in France*  
PhiTrust Finance S.A.,  
41, Rue Boissy d'Anglas, F-75008 Paris  
Tel. +33 1 5535 0755  
Fax +33 1 5535 0750  
E-mail: phitrust@phitrust.com  
Internet: www.phitrust.com

## Sale in Germany

*Paying and information agent*  
UBS Deutschland AG, Stephanstrasse 14–16,  
D-60313 Frankfurt am Main

## **Representative in Switzerland**

*Representative*

First Independent Fund Services,  
Klausstrasse 33, CH-8008 Zurich

*Paying Agent*

NPB New Private Bank Ltd.,  
Limmatquai 122, CH-8025 Zurich

## **Representative in the Republic of Austria**

*Representative in the Republic of Austria*

Erste Bank der oesterreichischen Sparkassen AG,  
Habsburgerstrasse 2, A-1010 Vienna

The sales prospectus and the simplified prospectuses, management regulations, annual and semi-annual reports as well as the portfolio movements of the investment fund mentioned in this publication are available free of charge at the sales agencies and at the registered office of the Management Company.

# Features of the Fund

Semi-Annual Report as of 30 June 2008  
Living Planet Fund

Living Planet Fund offers investors a range of different subfunds “umbrella construction” which invest in accordance with the investment policy described in the prospectus. The prospectus contains specific details on each subfund and will be brought up to date on the inception of each new subfund.

Living Planet Fund is legally established as an open-ended investment fund under Luxembourg law under the legal form of a collective investment fund in accordance with Part I of the Luxembourg law relating to undertakings for collective investment enacted on 20 December 2002. The management regulations (“management regulations”) were deposited at the Commercial and Company Register of the District Court in Luxembourg on 9 July 2003 and are lodged with the registry of the district court and its publication in the Memorial (i.e. the Official Gazette) is made by means of a reference filing of this document with the registrar in accordance with the provisions of the law of 10 August 1915 concerning commercial companies, as amended. They were published in the Luxembourg “Mémorial” on 19 July 2003 and on 21 April 2004.

The management regulations may be changed in observance of the provisions of the relevant law. Each amendment shall be published in the “Mémorial” and, if necessary, in the official publications specified for the respective countries in which units of the Fund are sold. Such amendments become legally binding subsequent to their signature by the Custodian Bank and the Management Company. The consolidated version is deposited at the Commercial and Company Register of the District Court in Luxembourg for inspection.

The financial year of the Fund ends on the last day of December.

The Management Company issues two classes of units for the Living Planet Fund – Equity subfund (“subfund”):

- units of class “A”, and
- units of class “B”, which are reserved for institutional investors as defined from time to time by the supervisory authority in Luxembourg.

All units issued among each class will be exclusively issued in bearer form. The Management Company will not issue physical certificates. Fractions of units up to three decimal places will be issued, and fractions of units have rights to the net assets, to any dividend payments and will be booked to the securities custody account of the unitholder’s choice.

The Fund has no legal personality as an investment fund. The entire assets of each subfund are the undivided property of all investors who have equal rights in proportion to the number of units which they hold. These assets are separate from the assets of the Management Company. The securities and other assets of the Fund are managed by Living Planet Fund Management Company S.A. as in-house funds in the interest and for the account of the unitholders.

The management regulations give the Management Company the authority to establish different subfunds for the Fund as well as different classes of units with specific characteristics within these subfunds. The prospectus will be updated each time a new subfund or an additional class of units is issued. The Fund is not subject to restrictions with regard to the size of its net assets, the number of units, number of subfunds and duration.

With respect to the unitholders, each subfund is regarded as being separate from the others. The assets of a subfund can only be used to offset the liabilities which the subfund concerned has assumed.

The acquisition of units of the Fund implies acceptance of the management regulations by the unitholders.

There is no provision in the management regulations for a meeting of the unitholders.

Only the information contained in the sales prospectus and in any of the documents referred to therein shall be deemed to be valid.

The units of the Fund are listed on the Luxembourg Stock Exchange.

The issue and redemption of units of the Living Planet Fund are subject to the regulations prevailing in the country concerned.

The annual and semi-annual reports are available free of charge to unitholders from the Living Planet Fund Management Company or from the Custodian Bank. These documents can also be downloaded from the web site [www.livingplanetfund.com](http://www.livingplanetfund.com).

No subscription may be accepted on the basis of the financial reports. Subscriptions are accepted only on the basis of the current prospectus accompanied by the latest annual report and the latest semi-annual report if available.

# Living Planet Fund – Equity

Semi-Annual Report as of 30 June 2008

## Most important figures

Date	ISIN	30.6.2008	31.12.2007	31.12.2006
Net assets in EUR		27 143 310.47	31 909 772.77	25 578 904.14
<b>Class A</b>	<b>LU0169371266</b>			
Units outstanding		13 110.4530	10 658.4060	6 128.1730
Net asset value per unit in EUR		123.02	146.54	140.14
<b>Class B</b>	<b>LU0169371779</b>			
Units outstanding		20 326.4000	20 287.4000	17 324.4000
Net asset value per unit in EUR		1 256.03	1 495.90	1 426.89

## Structure of the Securities Portfolio

Geographical Breakdown as a % of net assets	
Germany	15.80
United States	15.49
Switzerland	12.07
Canada	7.91
United Kingdom	7.00
Denmark	6.42
Austria	5.16
France	4.38
Japan	3.83
Sweden	3.22
Norway	2.83
Spain	2.53
India	2.03
Netherlands	1.81
Brazil	1.58
Australia	1.48
Portugal	0.98
Ireland	0.75
<b>Total</b>	<b>95.27</b>

Economic Breakdown as a % of net assets	
Energy & water supply	16.56
Pharmaceuticals, cosmetics & medical products	11.68
Petroleum	8.30
Building industry & materials	6.10
Electrical devices & components	5.60
Electronics & semiconductors	5.46
Banks & credit institutions	5.09
Traffic & transportation	4.57
Biotechnology	3.75
Miscellaneous services	3.70
Finance & holding companies	3.16
Food & soft drinks	3.01
Miscellaneous consumer goods	2.36
Computer hardware & network equipment providers	2.36
Internet, software & IT services	2.03
Insurance	1.68
Healthcare & social services	1.49
Packaging industry	1.40
Mechanical engineering & industrial equipment	1.30
Forestry, paper & pulp products	1.16
Miscellaneous unclassified companies	1.04
Lodging, catering & leisure	1.01
Environmental services & recycling	0.92
Retail trade, department stores	0.83
Rubber & tyres	0.71
<b>Total</b>	<b>95.27</b>

## Statement of Net Assets

	EUR
<b>Assets</b>	<b>30.6.2008</b>
Investments in securities, cost	29 130 837.50
Investments in securities, unrealized appreciation (depreciation)	-3 270 986.47
Total investments in securities (Note 1)	25 859 851.03
Cash at banks, deposits on demand and deposit accounts	773 319.19
Receivable on securities sales (Note 1)	866 963.31
Interest receivable on liquid assets	11 308.14
Receivable on dividends	29 575.83
Other receivables	280.29
<b>Total Assets</b>	<b>27 541 297.79</b>
<b>Liabilities</b>	
Payable on securities purchases (Note 1)	-354 969.12
Provisions for global service fee (Note 2)	-42 178.32
Provisions for taxe d'abonnement (Note 3)	-839.88
Total provisions	-43 018.20
<b>Total Liabilities</b>	<b>-397 987.32</b>
<b>Net assets at the end of the period</b>	<b>27 143 310.47</b>

## Statement of Operations

	EUR
<b>Income</b>	<b>1.1.2008–30.6.2008</b>
Interest on liquid assets	34 500.44
Dividends	330 036.60
Income on securities lending (Note 4)	16 208.79
<b>Total income</b>	<b>380 745.83</b>
<b>Expenses</b>	
Global service fee (Note 2)	-235 719.62
Taxe d'abonnement (Note 3)	-1 146.48
<b>Total expenses</b>	<b>-236 866.10</b>
<b>Net income (loss) on investments</b>	<b>143 879.73</b>
<b>Realized gain (loss) (Note 1)</b>	
Realized gain (loss) on market-priced securities without options	-408 381.59
Total realized gain (loss) on investments	-408 381.59
Realized gain (loss) on foreign exchange	-45 854.51
<b>Total realized gain (loss)</b>	<b>-454 236.10</b>
<b>Net realized gain (loss) of the period</b>	<b>-310 356.37</b>
<b>Changes in unrealized appreciation (depreciation) (Note 1)</b>	
Unrealized appreciation (depreciation) on market-priced securities without options	-4 807 082.73
<b>Total changes in unrealized appreciation (depreciation)</b>	<b>-4 807 082.73</b>
<b>Net increase (decrease) in net assets as a result of operations</b>	<b>-5 117 439.10</b>

## Statement of Changes in Net Assets

	<b>EUR</b>
	<b>1.1.2008–30.6.2008</b>
Net assets at the beginning of the period	31 909 772.77
Subscriptions	740 355.32
Redemptions	-389 378.52
Total net subscriptions (redemptions)	350 976.80
Net income (loss) on investments	143 879.73
Total realized gain (loss)	-454 236.10
Total changes in unrealized appreciation (depreciation)	-4 807 082.73
Net increase (decrease) in net assets as a result of operations	-5 117 439.10
<b>Net assets at the end of the period</b>	<b>27 143 310.47</b>

## Development of the outstanding units

	<b>1.1.2008–30.6.2008</b>
<b>Class</b>	<b>A</b>
Number of units outstanding at the beginning of the period	10 658.4060
Number of units issued	3 246.3230
Number of units redeemed	-794.2760
<b>Number of units outstanding at the end of the period</b>	<b>13 110.4530</b>
<b>Class</b>	<b>B</b>
Number of units outstanding at the beginning of the period	20 287.4000
Number of units issued	254.0000
Number of units redeemed	-215.0000
<b>Number of units outstanding at the end of the period</b>	<b>20 326.4000</b>

## Statement of Investments in Securities and other Net Assets as of 30 June 2008

Description	Quantity/ Nominal	Valuation in EUR Unrealized gain (loss) on Futures/ Options/Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
-------------	----------------------	---	----------------------------

### Transferable securities and money market instruments listed on an official stock exchange

#### Bearer shares

<b>Australia</b>			
AUD WESTPAC BKG CORP NPV	33 000.00	401 998.67	1.48
<b>Total Australia</b>		<b>401 998.67</b>	<b>1.48</b>
<b>Austria</b>			
EUR BWT AG(BENCKISER W NPV	9 500.00	248 710.00	0.92
EUR INTERCELL AG NPV (BR)	11 000.00	345 400.00	1.27
EUR MAYR-MELNHOF KARTO NPV	6 350.00	380 936.50	1.40
EUR OEST ELEKTRIZITATS CLASS'A'NPV	7 500.00	426 900.00	1.57
<b>Total Austria</b>		<b>1 401 946.50</b>	<b>5.16</b>
<b>Brazil</b>			
BRL NATURA COSMETICOS COM NPV	23 000.00	151 441.85	0.56
<b>Total Brazil</b>		<b>151 441.85</b>	<b>0.56</b>
<b>Canada</b>			
CAD CANADIAN HYDRO DEVELOPERS INC COM	140 000.00	468 571.83	1.73
CAD CANADIAN PAC RY LTD COM	14 000.00	592 940.42	2.19
CAD ENCANA CORP COM	10 000.00	584 056.95	2.15
CAD STANTEC INC COM NPV	17 300.00	283 449.67	1.04
USD SUNOPTA INC COM	66 000.00	217 409.79	0.80
<b>Total Canada</b>		<b>2 146 428.66</b>	<b>7.91</b>
<b>Denmark</b>			
DKK NOVO-NORDISK AS SERB	17 000.00	706 643.93	2.60
DKK ROCKWOOL INTL SER'B'DKK10	2 500.00	204 149.03	0.75
DKK VESTAS WIND SYSTEM DKK1	10 000.00	831 345.80	3.07
<b>Total Denmark</b>		<b>1 742 138.76</b>	<b>6.42</b>
<b>France</b>			
EUR ESSILOR INTL EURO.18	15 000.00	582 600.00	2.15
EUR VEOLIA ENVIRONNEME EUR5	17 000.00	605 710.00	2.23
<b>Total France</b>		<b>1 188 310.00</b>	<b>4.38</b>
<b>Germany</b>			
EUR FUCHS PETROLUB AG NPV	4 000.00	251 080.00	0.93
EUR MASTERFLEX AG NPV	14 000.00	193 900.00	0.71
EUR Q-CELLS AG NPV	12 000.00	774 480.00	2.85
EUR RATIONAL AG NPV	3 200.00	409 920.00	1.51
EUR RHOEN-KLINIKUM AG ORD NPV	20 000.00	403 400.00	1.49
EUR ROTH & RAU AG NPV (BR)	3 000.00	414 000.00	1.53
EUR SOLARWORLD AG NPV	30 000.00	908 100.00	3.34
EUR VOSSLOH AG ORD NPV	3 500.00	289 800.00	1.07
<b>Total Germany</b>		<b>3 644 680.00</b>	<b>13.43</b>
<b>Ireland</b>			
EUR KINGSPAN GROUP ORD EURO.13(DUBLIN LISTING)	33 000.00	203 511.00	0.75
<b>Total Ireland</b>		<b>203 511.00</b>	<b>0.75</b>
<b>Japan</b>			
JPY CANON INC NPV	12 000.00	392 297.32	1.45
JPY EAST JAPAN RAILWAY NPV	125.00	647 392.37	2.38
<b>Total Japan</b>		<b>1 039 689.69</b>	<b>3.83</b>
<b>Netherlands</b>			
EUR SNS REAAL GROEP NV EUR1.63	39 750.00	490 117.50	1.81
<b>Total Netherlands</b>		<b>490 117.50</b>	<b>1.81</b>
<b>Norway</b>			
NOK RENEWABLE ENERGY NOK1	25 000.00	411 215.71	1.52
NOK STATOILHYDRO ASA NOK2.50	15 050.00	356 137.11	1.31
<b>Total Norway</b>		<b>767 352.82</b>	<b>2.83</b>
<b>Spain</b>			
EUR GAMESA CORP TECN0 EUR0.17	22 000.00	686 840.00	2.53
<b>Total Spain</b>		<b>686 840.00</b>	<b>2.53</b>
<b>Sweden</b>			
SEK GETINGE AB SER'B'NPV	15 937.00	248 030.74	0.91
SEK SKANSKA AB SER'B'NPV	34 000.00	310 314.40	1.14
SEK SVENSKA CELLULOSA SER'B'NPV	35 000.00	314 825.09	1.17
<b>Total Sweden</b>		<b>873 170.23</b>	<b>3.22</b>

Description	Quantity/ Nominal	Valuation in EUR Unrealized gain (loss) on Futures/ Options/Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
<b>Switzerland</b>			
CHF SYNTHES INC CHF0.001	2 500.00	219 334.43	0.81
<b>Total Switzerland</b>		<b>219 334.43</b>	<b>0.81</b>
<b>United Kingdom</b>			
GBP AVIVA ORD GBPO.25	72 000.00	455 642.10	1.68
GBP BG GROUP ORD GBPO.10	36 000.00	594 335.55	2.18
GBP HALMA ORD GBPO.10	110 000.00	295 955.16	1.09
GBP HSBC HLDGS ORD USD0.50(UK REG)	50 000.00	489 942.83	1.81
GBP TEG GROUP PLC ORD GBPO.05	75 000.00	63 946.78	0.24
<b>Total United Kingdom</b>		<b>1 899 822.42</b>	<b>7.00</b>
<b>United States</b>			
USD BAXTER INTL INC COM	11 000.00	446 409.19	1.64
USD GILEAD SCIENCES INC COM	20 000.00	672 146.23	2.46
USD INTERNATIONAL BUSINESS MACHS COM	8 500.00	639 462.41	2.36
USD ITRON INC COM	7 000.00	436 958.52	1.61
USD LIFE TIME FITNESS INC COM	15 000.00	281 330.33	1.04
USD MILLER HERMAN INC COM	8 700.00	137 439.62	0.51
USD NALCO HOLDING COMPANY COM	27 000.00	362 444.86	1.34
USD STARBUCKS CORP COM	27 500.00	274 729.46	1.01
USD STRAYER ED INC COM	1 400.00	185 775.13	0.68
USD TEXAS INSTRS INC COM	20 000.00	357 462.47	1.32
USD UNITED NAT FOODS INC COM	15 000.00	185 459.05	0.68
USD WHOLE FOODS MKT INC COM	15 000.00	225 540.29	0.83
<b>Total United States</b>		<b>4 205 157.56</b>	<b>15.48</b>
<b>Total Bearer shares</b>		<b>21 061 940.09</b>	<b>77.60</b>
<b>Participation certificates</b>			
<b>Switzerland</b>			
CHF LINDT & SPRUENGLI PTG CERT CHF10	360.00	632 804.74	2.33
<b>Total Switzerland</b>		<b>632 804.74</b>	<b>2.33</b>
<b>Total Participation certificates</b>		<b>632 804.74</b>	<b>2.33</b>
<b>Preference shares</b>			
<b>Germany</b>			
EUR DRAEGERWERK KGAA NON-VTG PRF NPV	5 400.00	191 052.00	0.70
EUR HENKEL AG&CO. KGAA NON-VTG PRF NPV	18 000.00	455 580.00	1.68
<b>Total Germany</b>		<b>646 632.00</b>	<b>2.38</b>
<b>Total Preference shares</b>		<b>646 632.00</b>	<b>2.38</b>
<b>Registered shares</b>			
<b>Portugal</b>			
EUR EDP ENERGIAS PORTU EUR1(REGD)	80 000.00	265 200.00	0.98
<b>Total Portugal</b>		<b>265 200.00</b>	<b>0.98</b>
<b>Switzerland</b>			
CHF ABB LTD CHF2.50(REGD)	38 000.00	688 086.99	2.53
CHF GEBERIT CHF0.10(REGD) (POST SUBD)	5 500.00	515 778.61	1.90
CHF SCHULTHESS GROUP CHF0.2 (REGD)(POST SUBD)	5 000.00	185 998.09	0.69
CHF SGS SA CHF1(REGD)	450.00	409 943.52	1.51
CHF SONOVA HOLDING AG	7 500.00	395 830.10	1.46
CHF STRAUMANN HLDG CHF0.1(REGD)	1 500.00	228 805.68	0.84
<b>Total Switzerland</b>		<b>2 424 442.99</b>	<b>8.93</b>
<b>Total Registered shares</b>		<b>2 689 642.99</b>	<b>9.91</b>
<b>Depository receipts</b>			
<b>Brazil</b>			
USD BANCO ITAU HLDG FINANCIERA S A SP ADR 500 PFD	21 500.00	277 150.84	1.02
<b>Total Brazil</b>		<b>277 150.84</b>	<b>1.02</b>
<b>India</b>			
USD INFOSYS TECHNOLOGIES LTD SPONSORED ADR	20 000.00	551 680.37	2.03
<b>Total India</b>		<b>551 680.37</b>	<b>2.03</b>
<b>Total Depository receipts</b>		<b>828 831.21</b>	<b>3.05</b>
<b>Total Transferable securities and money market instruments listed on an official stock exchange</b>		<b>25 859 851.03</b>	<b>95.27</b>
<b>Total investments in securities</b>		<b>25 859 851.03</b>	<b>95.27</b>

Description	Quantity/ Nominal	Valuation in EUR Unrealized gain (loss) on Futures/ Options/Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
Cash at banks, deposits on demand and deposit accounts and other liquid assets		773 319.19	2.85
Other assets and liabilities		510 140.25	1.88
<b>Total net assets</b>		<b>27 143 310.47</b>	<b>100.00</b>

# Notes to the Financial Statements

Semi-Annual Report as of 30 June 2008  
Living Planet Fund

## Note 1 – Summary of significant accounting policies

### a) Calculation of the net asset value

The net asset value and the issue and redemption price per unit of any subfund or of any class of units are expressed in the reference currency of the subfund or class concerned and are calculated every working day by dividing the overall net assets of the subfund or class of units by the number of units in circulation in this subfund or class.

Where subfunds have various classes or series of units, the net asset value of a unit must be calculated per class or series. To this end, the net assets of the subfund attributable to that class or series are divided by the total units of that subfund in circulation or managed separately.

### b) Valuation principles

- Based on the net acquisition price and by keeping the calculated investment return constant, the value of money market instruments, having a residual maturity which does not exceed 12 months, is successively adjusted to the redemption price thereof. In the event of material changes in market conditions, the valuation basis is adjusted on the new market yields.
- Debt securities are valued at the last known price (i.e. closing prices or if such do not reflect reasonable market value in the opinion of the Board of Directors the last available prices at the time of valuation), if they are listed on an official stock exchange. If the same security is listed on several stock exchanges, the last known price on the stock exchange that represents the major market for this security will apply.
- Debt securities and other securities are valued at the last known price on this market, if they are not listed on an official stock exchange, but traded on another regulated market, which is recognized, open to the public and operating regularly.
- Time deposits with an original maturity exceeding 30 days can be valued at their respective rate of return, provided the corresponding agreement between the credit institution holding the time deposits and the Fund stipulates that these time deposits may be called at any time and that, if called for repayment, their cash value corresponds to this rate of return.

- Any cash in hand or on deposit, notes payable on demand, bills and accounts receivable, prepaid expenses, cash dividends, interests declared or accrued as aforesaid and not yet received shall be valued at their full nominal value, unless in any case the same is unlikely to be paid or received in full, in which case the Board of Directors may value these assets with a discount he may consider appropriate to reflect the true value thereof. Liquid funds are valued at their nominal value plus any accrued interest.
- The value of swaps is calculated by the counterpart to the swap transactions, according to a method based on market value and recognised by the Board.
- Securities and other investments listed on a stock exchange are valued at the last known price. If the same security or investment is quoted on several stock exchanges, the last known price on the stock exchange that represents the major market for this security will apply. In the case of securities and other investments where the trade on the stock market is thin but which are traded between securities dealers on a secondary market using usual market price formation methods, the Fund can use the prices on this secondary market as the basis for their valuation of these securities and investments. Securities and other investments that are not listed on a stock exchange, but which are traded on another regulated market which is recognized, open to the public and operating regularly, are valued at the last known price on this market.
- Units of UCITS authorised according to Directive 85/611/EEC and/or other assimilated UCI will be valued at the last known net asset value for such shares or units as of the relevant Valuation Day.

The Management Company is authorized to apply other generally recognized and auditable valuation criteria in order to achieve an appropriate valuation of the net assets if, due to extraordinary circumstances, a valuation in accordance with the above-mentioned regulations proves to be unfeasible or inaccurate.

In the case of extraordinary circumstances, additional valuations, which will affect the prices of the units to be subsequently issued or redeemed, may be carried out within one day.

### c) Net realized gain (loss) on sales of securities

The realized gains or losses on the sales of securities are calculated on the basis of the average cost of the securities sold.

*d) Valuation of forward foreign exchange contracts*

The unrealized gain (loss) of outstanding forward foreign exchange contracts is valued on the basis of the forward exchange rates prevailing at valuation date.

*e) Valuation of financial futures contracts*

Financial futures contracts are valued based on the latest available published price applicable on the valuation date. Realized gains and losses and the changes in unrealized gains and losses are recorded in the statement of operations. The realized gains and losses are calculated in accordance with the FIFO method, i.e. the first contracts acquired are regarded as the first to be sold.

*f) Conversion of foreign currencies*

Bank accounts, other net assets and the valuation of the investments in securities held denominated in currencies other than the reference currency of the different subfunds are converted at the mid closing spot rates on the valuation date. Income and expenses denominated in currencies other than the currency of the different subfunds are converted at the mid closing spot rates at payment date. Gain or loss on foreign exchange is included in the statement of operations.

The cost of securities denominated in currencies other than the reference currency of the different subfunds is converted at the mid closing spot rate prevailing on the day of acquisition.

*g) Accounting of securities' portfolio transactions*

The securities' portfolio transactions are accounted for the bank business day following the transaction dates.

*h) Receivable on securities sales,*

*Payable on securities purchases*

The account "Receivables on securities sales" can also include receivables from foreign currency transactions. The account "Payables on securities purchases" can also include payables from foreign currency transactions.

*i) Income recognition*

Dividends, net of withholding taxes, are recognized as income on the date upon which the relevant securities are first listed as "ex-dividend". Interest income is accrued on a daily basis.

**Note 2 – Global service fee**

The Fund pays a monthly "global service fee" calculated on the average net asset value of the subfund as shown in the table below:

Living Planet Fund	Global service fee
– Equity A	2.04% p.a
– Equity B	1.56% p.a

This global service fee is used to pay the Management Company, the Administrative Agent, the Custodian Bank, the Portfolio Managers and the Distributors.

It also covers all the costs incurred by the Fund and the subfunds relating to the establishment expenses, the auditor, notary, printing, translation and publication fees with the exception of the following:

- All taxes which are levied on the assets and the income of the Fund, particularly the "taxe d'abonnement",
- customary brokerage fees and commissions which are charged by other banks and brokers for securities transactions and similar transactions, and
- costs for extraordinary measures carried out in the interests of unitholders, particularly arranging expert opinions and dealing with legal proceedings, etc.

The Management Fee may be used in part to pay remunerations (trailer fees) for distribution activities concerning the Funds and asset managers.

In addition, reimbursements may be made to institutional investors, which, from a commercial perspective, hold units of the Funds for third parties.

All costs which can be allocated accurately to individual subfunds will be charged to these subfunds. If costs pertain to several or all subfunds, however, these costs will be charged to the subfunds concerned in proportion to their relative net asset values.

### Note 3 – Taxe d’abonnement

Under the terms of the relevant provisions of the legislation of the Grand Duchy of Luxembourg and according to administrative practice, the assets of the Fund are not subject to any Luxembourg withholding, income, capital gains or wealth taxes. However, the Fund’s assets are subject to a so-called “taxe d’abonnement” (subscription tax) of 0.05% p.a. on its total net assets. The “taxe d’abonnement” is payable quarterly and is calculated on the basis of the Fund’s net assets at the end of the quarter concerned. If any subfund or any class of unit of a subfund is reserved to institutional investors, the “taxe d’abonnement” is reduced to 0.01% p.a. on total net assets of that specific subfund or class.

The “taxe d’abonnement” is waived for that part of the Fund assets invested in units or shares of other undertakings for collective investment that have already paid the “taxe d’abonnement” in accordance with the statutory provisions of Luxembourg law.

### Note 4 – Securities Lending

The Fund may also lend portions of its securities portfolio to third parties. In general, lendings may only be effected via recognized clearing houses such as Clearstream International or Euroclear, or through the intermediary of prime financial institutions that specialize in such activities and in the modus specified by them. Such transactions may not be entered into for longer than 30 days, however. If the loan exceeds 50% of the securities portfolio of the corresponding subfund, it may only be effected on condition that termination of the loan contract is possible immediately.

The market value of the securities lent on 30 June 2008 was:

Living Planet Fund	Securities Lending
– Equity	15 790 865.57 EUR

### Note 5 – Income distribution

In accordance with the management regulations, once the annual accounts are closed, the Management Company will decide whether and to what extent distributions are to be paid out by each subfund and particularly by each class of units. The payment of distributions must not result in the net assets of the Fund falling below the minimum amount of assets prescribed by law. If a distribution is made, payment will be effected no later than four months after the end of the financial year.

The Management Company is authorized to pay interim dividends and to suspend the payment of distributions.

Distributions are made upon submission of the relevant coupons. The method of payment is determined by the Management Company.

### Note 6 – Soft commission arrangements

During the period from 1 January 2008 until 30 June 2008, no “soft commission arrangements” were entered into on behalf of Living Planet Fund and “soft dollar commissions” amount to nil.

### Note 7 – Total Expense Ratio (TER)

This ratio was calculated in accordance with the Swiss Funds Association’s (SFA) “Guidelines on the calculation and disclosure of the TER and PTR” dated 25 January 2006 and expresses the sum of all costs and commissions charged on an ongoing basis to the net assets (operating expenses) taken retrospectively as a percentage of the net assets.

TER for the last 12 months:

Living Planet Fund	Total Expense Ratio (TER)
– Equity A	1.68%
– Equity B	1.64%

Transaction costs and any other costs incurred in connection with currency hedging are not included in the TER.

### Note 8 – Portfolio Turnover Rate (PTR)

This ratio was calculated in accordance with the Swiss Funds Association's (SFA) "Guidelines on the calculation and disclosure of the TER and PTR" dated 25 January 2006. The PTR is considered an indicator of the relevance of the additional costs incurred when buying and selling investments. It shows how many security transactions occurred as a result of voluntary investment shifts in relation to the average net assets. Transactions that resulted from uncontrollable subscriptions and redemptions are not included in this rate.

PTR for the last 12 months:

Living Planet Fund	Portfolio Turnover Rate (PTR)
– Equity	235.01%

### Note 9 – Applicable law, place of performance and authoritative language

The Luxembourg District Court is the place of performance for all legal disputes between the unitholders, the Management Company, the Administrative Agent and the Custodian Bank. Luxembourg law applies. However, in matters concerning the claims of investors from other countries, the Management Company and/or the Custodian Bank can elect to make themselves and the Fund subject to the jurisdiction of the countries in which the units of the Fund were bought and sold.

The English version of these financial statements is the authoritative version. However, in the case of units sold to investors from the other countries in which units of the Fund can be bought and sold, the Management Company and the Custodian Bank may recognize approved translations (i.e. approved by the Management Company and the Custodian Bank) into the languages concerned as binding upon themselves and the Fund.