

## KEY INFORMATION FOR INVESTORS

This document contains the key information on this fund that investors should be aware of. The information is not intended for promotional or commercial purposes. This information is required by law to help investors understand the nature of the fund and the associated risks of investing in it.

**CLASS M** share in the fund **MAGALLANES IBERIAN EQUITY FI** (ISIN code: ES0159201013)

**Fund registration no. with the Spanish CNMV:** 4840

**Fund Manager:** MAGALLANES VALUE INVESTORS, S.A., SGIIC (Group: MAGALLANES VALUE INVESTORS)

### Investment objectives and policy

**The fund belongs to the category:** Investment fund. EURO EQUITIES.

**Management target:** The management tracks returns on the basis of 80% Ibex-35 and 20% PSI-20.

**Investment policy:** At least 75% of total exposure will be invested in equities. Spanish and Portuguese issuers will account for at least 75% of exposure to equities. The remaining exposure to equities may be invested in issuers from other OECD countries. Issuers may be high, medium, or low capitalisation companies. The fund will invest in companies showing mid- to long-term upturn potential.

The remaining 25% of the total exposure will be invested in the fixed-income securities of public or private issuers (including liquid deposits and money market instruments, whether or not listed). Issuers will mainly be from eurozone countries, without ruling out other OECD nations. Private fixed income will not include securitisations. The credit rating of fixed-income issues must, at all times, match or exceed that of the Kingdom of Spain. If an issue has no rating, the issuer's rating will be relied on instead. The average duration of the fixed-income portfolio will range from 0 to 18 months.

Exposure to currency risk may not exceed 30%.

Signature fund, managed by Ivan Martin Arangué and closely linked to manager performance. Replacement of the manager would entail a change of investment policy and approach to risk control.

More than 35% of fund capital may be invested in the securities of an EU Member State, an Autonomous Region of Spain, a local public entity, the international bodies of which Spain is a member, and any state whose solvency rating is not lower than Spain's own. This is an accumulation-based investment, meaning the returns obtained are reinvested. Fund members may subscribe and redeem their shares daily.

**If you wish to subscribe or redeem shares,** the applicable net asset value (NAV) will be taken on the day your application is made. However, orders placed after 13:00 or on non-business days will be processed along with the orders for the immediately following business day. Fund promoters may establish cut-off times before 13:00.

**Important note:** The fund may not be suited to investors looking to withdraw their money within five years.

**Target investor group:** All investors that do not meet the eligibility requirements for the other classes.

### Risk profile and remuneration

<-- Potentially lower returns      Potentially higher returns -->      Category "1" does not mean that the investment is  
<-- Less risk      Greater risk -->      risk-free.

1	2	3	4	5	6	7
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The above information indicates the fund's risk level and is calculated on the basis of simulated data, which may not necessarily provide a reliable indication of the fund's future risk profile. Please also note that there is no guarantee the above category will always remain the same as it may vary over time.

**Why this category?** Due to high exposure to equities and currency risk.

### Expenses

The following expenses are to meet the cost of operating the fund, including marketing and distribution costs. These expenses limit the growth potential of the investment.

Expenses charged to the fund during the year	
Current expenses	<a href="http://www.cnmv.es/Portal/Consultas/IIC/RentHistGastosIIC.aspx?Tipo=FI&amp;Numero=4840&amp;NC=0&amp;NP=2">http://www.cnmv.es/Portal/Consultas/IIC/RentHistGastosIIC.aspx?Tipo=FI&amp;Numero=4840&amp;NC=0&amp;NP=2</a>

More detailed information can be found in the prospectus available from the Fund Manager's website or from the Spanish CNMV.

Fee on results for previous year: <http://www.cnmv.es/Portal/Consultas/IIC/RentHistGastosIIC.aspx?Tipo=FI&Numero=4840&NC=0&NP=2>

### Historical returns

<http://www.cnmv.es/Portal/Consultas/IIC/RentHistGastosIIC.aspx?Tipo=FI&Numero=4840&NC=0&NP=2>

### Practical information

**The fund depository is** SANTANDER SECURITIES SERVICES, S.A. (Group: SANTANDER)

**Tax treatment:** Returns obtained by fund members will be taxed in accordance with applicable tax law based on their personal situation. Returns on investment funds are taxed at 1% under corporate income tax.

**Further information:** This document must be furnished along with the most recently published half-yearly report before any units are subscribed. These documents and the fund prospectus, which contains the management regulations and the latest quarterly and annual report, may be requested free of charge from the Fund Manager or the fund promoters and may be viewed online. They may also be obtained from the Spanish CNMV (only available in Spanish). The net asset value (NAV) of the fund can be viewed in the Official Gazette of the Spanish Stock Exchange (*Boletín Oficial de la Bolsa de Madrid*).

The Fund Manager and the depository will only be liable for the statements contained in this document when these prove misleading, inaccurate, or inconsistent with the corresponding parts of the fund prospectus.

This fund was authorised in Spain on 09/01/2015 and is subject to CNMV oversight.