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Global access to more than 6,000 hedge funds

Oppenheim KAG launches two funds of hedge funds / OP Hedge Multi Strategies aim for positive and stable annual income

29 July 2004

Cologne – Oppenheim Kapitalanlagegesellschaft (KAG) is launching two funds of hedge funds under German law. The OP Hedge Multi Strategies and OP Hedge Multi Strategies Plus funds are approved for immediate public distribution in Germany. Independent investment firm Attica-LJH, based in Naples/USA and London, was chosen to select the target single hedge funds. Oppenheim KAG is working together with this hedge fund specialist in order to guarantee access to the global market. The Bank determines investment policy and risk profile itself and reviews both on an ongoing basis. The funds shall be distributed in Germany by Oppenheim Prumerica and Sal. Oppenheim.

“Our funds of hedge funds aim to generate positive returns year after year, largely irrespective of equity and bond market

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performance”, maintains Dr. Bernd Borgmeier, Speaker of the Board of Directors of Oppenheim KAG. “They are suited to the current market environment, dominated as it is by geopolitical risks and anxiety about inflation”.

The ultimate aim of both funds of hedge funds is to avoid losses. In addition, the fund management team for the OP Hedge Multi Strategies is expecting average annual returns of between 7% and 9% over a three-year period. The targeted returns for the OP Hedge Multi Strategies Plus lie between 8% and 11%. Earnings development is expected to go hand-in-hand with a modest fluctuation in value. This means that the volatility of the OP Hedge Multi Strategies should come to less than 5%, with the volatility of the OP Hedge Multi Strategies Plus expected to remain below the 7% mark. This combination of targeted returns and fluctuation range is particularly attractive.

A stable portfolio can be composed in line with these objectives thanks to the broad range of more than 6,000 target single hedge funds. As an experienced fund of funds manager, Attica LJH possesses the expertise to select the most promising funds for the investment strategies as part of a structured process, and thereby generate the targeted returns. This expertise is backed up by the proven experience and performance of the company, which has been operating as a fund of funds manager since 1992. “Selecting and combining hedge funds requires in-depth knowledge of the sector”, explains Klaus-Wilhelm Hornberg,

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responsible for hedge funds at Oppenheim KAG. “In Attica LJH, we have found a first-class partner which has been in the business for over ten years, maintaining good relations with hedge fund managers and demonstrating consistently successful investments over an extensive period”.

The investment process is based on a comprehensive quantitative and qualitative analysis of the funds, both at the fund selection stage and during the entire investment phase. Attica LJH filters around 150 from more than 6,000 hedge funds as part of a multi-stage selection process. 15 to 30 hedge funds from this target list form the portfolios of OP Hedge Multi Strategies and OP Hedge Multi Strategies Plus. Both funds of hedge funds are denominated in Euros. The currency risks stemming from US Dollar funds, for example, are hedged on an ongoing basis.

“As an asset manager independent of the group, we are not obliged to fall back on internal funds”, says Dr. Bernd Borgmeier. “Our fund of hedge funds management operates independently, and can seek out the best of all the available hedge funds. This a key factor in successfully generating stable yields in the long term”.

Oppenheim KAG recommends OP Hedge Multi Strategies primarily for investors who want to add a stable income component to their portfolio. OP Hedge Multi Strategies Plus is

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mainly suitable for investors who wish to generate returns at equity level, but are looking for investments that involve considerably lower price fluctuations.

OP Hedge Multi Strategies – German Securities Code Number (Wertpapierkennnummer – WKN) 120 729 – and OP Hedge Multi Strategies Plus (WKN: 120 730) are both offered at an initial subscription price of €52.50 per share, incl. 5% front-end load. The management fee for each fund amounts to 2% per annum, and a performance fee is charged for both. This fee comes to 10%, calculated on the portion of the yield that exceeds the three-month Euribor rate and the most recent high of the fund assets in question.

Oppenheim KAG would be happy to answer any queries you may have:

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