

LSP Life Sciences Fund

Monthly Report October 2014

NAV per Share

€ 162.71

Performance

YTD	1 Month	3 Months	1 Year	2 Years	Since inception
21.5%	3.7%	12.3%	38.2%	64.6%	62.7%

NAV of Fund 61,014,178

Number of Shares 374,972

Valuation Date 31/10/2014

Top-5 performers

1. Prosensa	39.9%
2. Cempra	23.6%
3. AcelRX	20.8%
4. Neurocrine Biosciences	18.2%
5. Enanta Pharmaceuticals	8.7%

Inception date: 27/04/2011

Currency: Euro

Domicile: The Netherlands

Legal Structure: Dutch NV with variable capital

Listing: Euronext Amsterdam

Euronext code: LSP

ISIN Code: NL0009756394

Bloomberg: LSP NA

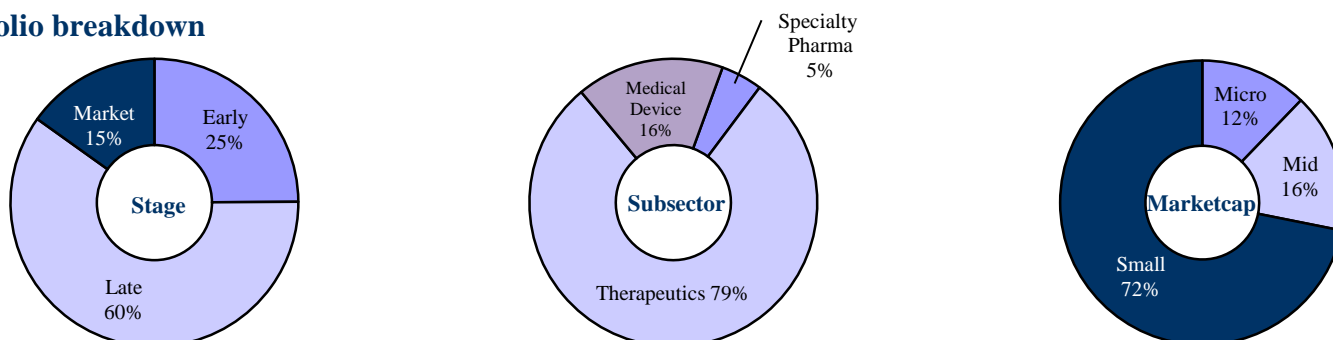
Investment strategy

The Fund's primary investment objective is to achieve capital appreciation by investing in a diversified, yet concentrated portfolio of publicly listed life sciences companies (including biopharmaceutical-, specialist pharmaceutical-, medical device-, drug delivery-, vaccine- and diagnostic companies). The majority of the Fund's portfolio will consist of European companies listed on one of the (main) European stock exchanges, with a market capitalization of below € 1 billion at the time of investment.

Manager's comments

For the overall equity markets, the month of October has been very bad. Not since late 2011 have we seen such volatility and negative returns impacting the broader markets. However, the Fund actually returned almost +4% during the month. This is a result of the highly concentrated nature of the Fund's portfolio and the uncorrelated nature of its holdings. In particular Prosensa, a leader in the development of treatments for Duchenne Muscular Dystrophy, has shown an impressive performance. The fact that during the month one of Prosensa's competitors issued a press release specifying that its own drug in development has run into a delay following recent feedback obtained from the FDA, has strengthened Prosensa's competitive position. During the month, a new investment opportunity was added to the portfolio; Cempra is a Nasdaq-listed US biotech company that was founded in 2006. The Company focuses on the development of innovative antibiotics for the treatment of bacterial infections. Given the dramatic increase in the emergence of bacteria that have become resistant to the current spectrum of available treatments, the need for new and better antibiotics has increased significantly in recent years.

Portfolio breakdown



Important information

LSP Advisory B.V. (as Fund Manager) and the LSP Life Sciences Fund N.V. (the Fund) have a license and are registered pursuant to the Dutch Act on Financial Supervision and are supervised by the Stichting Autoriteit Financiële Markten (Dutch Authority for the Financial Markets) and De Nederlandsche Bank N.V. (the Dutch Central Bank). This presentation is solely for information purposes and is not intended as advice in any way. The Fund Manager and the Fund cannot be held liable or responsible for the content of this presentation. Potential investors are advised to contact their investment- and fiscal advisor prior to taking an investment decision. There are risks involved in the investment. The value of the investment can fluctuate. Results achieved in the past offer no guarantee for the future. A Key Investor Information Document is also available for this product with information about the product, the costs and the risks involved. Read it before you invest in the product. The prospectus and the Key Investor Information Document of the LSP Life Sciences Fund can be downloaded via www.lspvc.com/funds/public.html

Portfolio breakdown

Company	Stage	Subsector	Marketcap	%
Prosensa	Late	Therapeutics	Small	10.5%
Auspex Pharmaceuticals	Late	Therapeutics	Small	8.9%
Innate Pharma	Early	Therapeutics	Small	8.5%
Enanta Pharmaceuticals	Late	Therapeutics	Small	8.4%
Lombard Medical	Late	Medical Device	Micro	7.5%
Neurocrine Biosciences	Late	Therapeutics	Small	7.3%
Ablynx	Early	Therapeutics	Small	6.9%
AcelRX	Late	Therapeutics	Small	6.3%
MorphoSys	Early	Therapeutics	Mid	6.2%
Genmab	Market	Therapeutics	Mid	5.7%
Sphere Medical	Market	Medical Device	Micro	5.3%
Cempra	Late	Therapeutics	Small	5.0%
Clinigen Group	Market	Specialty Pharma	Small	4.9%
PTC Therapeutics	Late	Therapeutics	Mid	4.8%
Collectis	Early	Therapeutics	Small	4.5%
NeoStem	Late	Therapeutics	Small	3.9%
Synergy Pharmaceuticals	Late	Therapeutics	Small	0.3%