



# ODIN Equity Mutual Funds | ODIN Eiendom

This prospectus describes equity fund managed by ODIN Forvaltning AS (ODIN Fund Management). Separate prospectuses have been prepared for ODIN's funds of funds and fixed interest funds, as well as for equity funds which are aimed at institutional unit holders.

## Investment mandate

The equity mutual fund are managed in accordance with the Norwegian Securities Funds Act and the funds' individual articles of association. The rules governing the funds' investments comply with the EU regulations (the UCITS Directives) and the fund is UCITS.

### ODIN Eiendom - established 24.08.2000

This is not an index fund and can only invest in companies that are listed or have their head office or origins in Sweden, Norway, Finland or Denmark and which are mainly involved in or with real estate.

When managing the abovementioned fund, at least 80% of the fund's total assets must be invested in equity instruments that comply with the fund's investment universe. Up to 10% of the fund's total assets may be invested in unlisted financial instruments that comply with the fund's investment universe.

The fund is normally fully invested in shares, but may have assets in the bank or investments in money-market instruments. According to its article of association, the fund may enter into derivatives contracts. The fund do not currently use derivatives. The fund distribute dividend to the funds' unit holders. ODIN Eiendom distributes its dividend on 15 June.

## Who is this fund suitable for?

This fund is suitable for unit holders who have an investment horizon of at least five years and who want to invest in Nordic companies that mainly deal in or with real estate.

## Goal

The respective funds' goal is to achieve a long-term rate of return that is better than the fund's benchmark.

### The benchmarks for the respective funds are as follows:

ODIN Eiendom      Carnegie Sweden Real Estate Index

## Investment strategy

All of ODIN's equity mutual funds are actively managed. ODIN's managers invest freely, within the mandates' frameworks, in what they believe are good, undervalued companies. The funds are not tracker funds – no emphasis is placed on the companies' size or weighting in the market indices.

Investment decisions are made on the basis of ODIN's own thorough company analyses, which are based on a number of different sources, including visits to the companies and conversations with the companies' management. ODIN's managers

look for first-rate, undervalued companies that have positive attitudes to such things as ethics.

In order to improve the companies' value creation and/or realise the values in the companies in which the funds are invested, ODIN's managers also exercise shareholder rights on behalf of the funds' unit holders.

## Risk

Investing in equity mutual funds always involves a certain risk. In this context risk means fluctuations in the fund's unit value over time (price volatility). We would point out that equity mutual funds are a long-term investment alternative and we recommend a minimum investment period of five years. A shorter investment horizon increases the risk of loss. An investment horizon of more than five years reduces the risk of loss.

ODIN Eiendom have high risk profiles because it is a sector fund. The fact that the fund is not an index fund means that a fund's performance may deviate from that of its benchmark.

There is no guarantee for amounts investment in equity mutual funds like there is for bank deposits of up to NOK 2 million in Norwegian banks pursuant to the Norwegian Act no. 75 of 6 December 1997, the Guarantee Schemes Act.

## Relative gain and relative loss

Risk targets past 5 years:	Relative gain	Relative loss
ODIN Eiendom	79%	66%

Updated 2010.06.30

Relative gains and relative losses show the fund's risk-adjusted yield, as a measurement of whether the unit holders are paid for the risk taken by the fund. As an active equity fund manager, it is natural to measure whether the fund does better than the market (the benchmark index) – when the market is rising and when the market is falling.

When the market is rising, the fund's yield is measured against the market's yield. A relative gain equal to 100 tells us that the fund is producing the same yield as the rising market. A value of more than 100, therefore, means that the fund is rising by more than the rising market.

The opposite of this is a relative loss, which says how much the fund is falling in value when the market is falling. A relative loss equal to 100 means that the fund is falling by the same as the market, while a relative loss of less than 100 means that the fund is falling by less than the falling market.

## Portfolio manager

Nils Petter Hollekim

## Performance

For information on a fund's historical performance, refer to the simplified prospectus. This can be ordered free of charge from ODIN Forvaltning AS.

Past performance is no guarantee of future performance. The future performance will depend on such things as movements in the market, the manager's skills, the fund's risk level and the costs of managing. The value of the fund may decline as a result of a fall in share prices. The fund's performance may vary during a year. The realised loss or gain on investing in fund units will therefore depend on the exact purchase and sale dates.

## Subscribing for (purchasing) units

Subscription takes place when a written notice including the necessary information on the subscription has been received by the management company, an amount equivalent to the subscription has been received and, if necessary, the proof of identity has been checked.

Units in ODIN Eiendom are subscribed for at the unit value first calculated after receipt of subscription (normally the same day).

The funds' basic currency is NOK. In addition to NOK, the funds accept payment from unit holders in foreign currencies. The funds convert payments in foreign currencies into NOK at the unit holder's expense and exchange rate risk.

A fund unit subscription order shall not be conditional or retracted. According to the Norwegian Act of 21 December 2000 relating to the duty to provide information and right to withdraw from contracts (cooling-off period), no cooling-off period applies to the purchase of mutual fund units.

The minimum subscription amount for a one-off purchases is NOK 1,000,000. A savings agreement can not be established.

A unit-holders' register is kept by the Norwegian Central Securities Depository (VPS). Confirmation of the number of subscribed for (purchased) units is sent to the unit holder by the VPS after approximately one week (does not apply to savings agreements). No unit certificate is issued, since the units are registered in the unit holder's VPS account. ODIN Forvaltning AS will create a VPS account for unit holders that do not have one.

## Nominee registration

Norwegian or foreign banks, securities enterprises, securities registers or management companies which, on behalf of their customers, wish to register as nominee in ODIN's unit holder register must obtain permission to do so from Finanstilsynet (the Financial Supervisory Authority of Norway). Information about the conditions for such permission can be found on the company's English website [www.odinfonder.com](http://www.odinfonder.com).

Fund	Account number (NOK)	ISIN
ODIN Eiendom	6003.06.67088	NO 0010062953

## Redeeming (selling) units

Redemption of units will take place by a request for redemption being received by the management company in a written notice that includes the necessary information.

A request for the redemption of units in ODIN Eiendom must have been received by the management company by 12 noon (GMT+1) in order for the first price calculations (normally the same day) after the redemption request was received to apply.

The notice may be sent in a letter, by fax or by an electronic service approved by ODIN Forvaltning AS. A redemption notice cannot be made conditional or retracted.

Confirmation of the redemption will be sent to unit holders by the Norwegian Central Securities Depository (VPS) after approximately one week. The management company normally pays the amount for the redeemed units into the bank account notified to it on the third banking day after the date when the unit price has been calculated. Payment for redeemed units is made in NOK. This amount may be converted into another currency in the receiving bank at the unit holder's expense and exchange rate risk.

Should a stock exchange be closed or there are other extraordinary circumstances, the management company may suspend the redemption rights with the consent of Finanstilsynet (the Financial Supervisory Authority of Norway).

## Transfers between funds

Transfers between funds comply with the normal redemption and subscription routines. A redemption in connection with a transfer is regarded as a sale for tax purposes.

## Costs

Costs of subscribing for and redeeming units:	0%
Costs debited to the fund:	
Management fee as a % of the total assets (incl. management, administration, distribution and fixed safe-custody charges, etc)	1.0%
+	
Other costs that are debited to the fund (apart from the fund's transaction-related costs, such as brokerage, variable safe-custody and bank charges)	0%
<b>TC Total cost as a percentage of the total assets</b>	<b>1.0%</b>

Otherwise, there may be other costs that are not paid through or imposed by ODIN Forvaltning AS, such as bank charges, etc.

## Calculation of the net asset value

The securities' market value is the basis for calculating the funds' value and performance. For securities whose market value is not known, the management company determines a value on an objective and consistent basis. The funds' net asset value is normally calculated at 4.30 pm Norwegian time (GMT+1) on each stock exchange day. The funds' net unit value is not calculated when markets in which a significant share of the funds' portfolios are invested are closed.

ODIN Forvaltning AS is not responsible for any loss or harm that its clients suffer in connection with the determination of the unit price and which is caused by circumstances outside the company's control, such as power cuts, strikes, errors in computer processing systems or telecommunications networks or errors committed by parties used by the company to fulfill its obligations under a contract.

## Information to unit holders

Information on the unit value is normally published daily, via Oslo Børs Informasjon AS, in a number of Norwegian newspapers and can also be seen on our website, [www.odinfond.no](http://www.odinfond.no). Audited accounts containing an overview of the portfolio are produced at the end of each year. Unaudited accounts containing an overview of the portfolio are produced for the first half-year. The annual and half-year reports are sent to all unit holders. The annual and half-year reports can also be obtained from ODIN Forvaltning AS or from agents selling ODIN equity mutual funds. Each February, the Norwegian Central Securities Depository (VPS) sends unit holders an annual statement containing information for use when filling in their tax returns.

## Articles of Association

The funds are separate legal entities with independent articles of association that regulate their operations. These articles of association are approved by Finanstilsynet (the Financial Supervisory Authority of Norway). The articles of association are enclosed as an annex to the prospectus.

## Units in an equity mutual fund

An equity mutual fund is an independent asset created by capital contributions from an indeterminate number of legal persons in return for the issuance of units in the fund. The units are registered in the unit holder's name in the Norwegian Central Securities Depository (VPS).

A unit holder is not entitled to demand that the equity mutual fund be divided or dissolved. The management of a equity mutual fund is carried out by a management company which makes all the decisions regarding the fund. Apart from the amount they have contributed for their units, the unit holders are not responsible for the fund's obligations.

The unit holders in the equity mutual funds managed by ODIN Forvaltning AS elect one third of the Board's members. The elections take place at election meetings in accordance with rules stipulated in ODIN Forvaltning AS's articles of association. A management company may transfer the management to another management company pursuant to the consent of Finanstilsynet (the Financial Supervisory Authority of Norway). No such transfer can take place until three months after it has been notified to the unit holders in a letter or has been announced in at least five widely read newspapers and trade journals. With the consent of Finanstilsynet, a management company can decide that a equity mutual fund which the company manages is to be wound up.

## Private data

ODIN Forvaltning AS treats private data in accordance with the provisions of the (Norwegian) Personal Data Act and the (Norwegian) Securities Act and has a duty of confidentiality concerning information about others' business it is party to, unless otherwise expressly stipulated in Acts or regulations or the unitholder has granted permission to supply information that is subject to this obligation. Unitholders have the right to inspect the company's routines for handling private data and the information that is registered. Unitholders can demand that incorrect/unnecessary information be corrected or deleted.

## Tax rules

Only the basic tax rules for the countries in which the fund is marketed are stated below. This information does not comprise any tax advice. Please contact your local tax adviser for more information.

The rules and practice in the tax-law area are constantly developing and will change in the future.

ODIN Forvaltning AS may be obliged to provide information on the unit holders' investments in ODIN's securities funds to Norwegian or foreign authorities irrespective of a statutory duty of confidentiality.

### The fund:

The fund is basically exempt from paying tax on gains and is not entitled to a tax deduction for losses on the disposal of shares. In addition, the fund does not have to pay tax on dividends from companies covered by the tax exemption model. However, the fund is liable to pay tax on three per cent of the net tax-free gain and tax-free dividend. Net interest income, foreign-exchange gains, dividends from companies not covered by the tax exemption model and price gains on interest-bearing securities form part of the fund's taxable income (tax rate 28 per cent). Tax-deductible costs, which normally mainly consist of the fund's management fee, are deductible from the fund's taxable income.

The fund is exempt from paying wealth tax.

The fund pays dividend that is a basis for withholding tax for private investors.

### Investors liable to taxation in Norway:

#### Private investors

Gains in connection with the disposal of equity fund units form part of the ordinary income. Gains minus the dividend tax exemption are taxed at the rate of 28 per cent. Losses on disposal provide a 28 per cent tax deduction. The full value of the equity fund units as at 31 December is included when calculating the net assets for tax purposes. Dividend in excess of any unused dividend tax exemption is taxed at the rate of 28 per cent.

#### Corporate investors (legal entities)

Companies that are covered by the tax exemption model are not liable to pay tax on gains on the disposal of equity fund units. Corresponding losses are not tax deductible. However, three per cent of the net tax-free gain and dividend is to be regarded as taxable. A net loss is not tax deductible in the year when it is made or by being carried forward to later years.

### Investors liable to taxation in Sweden:

#### Private investors

Capital gains on the redemption of fund units and distributions of dividend are taxed as investment income at the rate of 30 per cent. If withholding tax is imposed on distributions in Norway, this normally takes place by set off against the Swedish tax on the income.

Capital losses on listed fund units are fully deductible from taxable investment incomes from shares and other listed ownership rights apart from bond/money market funds (funds that only invest in Swedish receivables). Seventy per cent of any surplus loss may be deducted from other taxable investment incomes. An investor that thus has an overall negative investment income is entitled to a tax reduction, ie the tax is to be reduced by 30 per cent of the loss up to SEK 100 000 and by 21 per cent of the remaining loss.

### Corporate investors (legal entities)

Capital gains on the redemption of fund units and distributions of dividend are taxed at the rate of 26.3 per cent as incomes from business activity. Any capital losses are only deductible from taxable capital gains derived from so-called ownership rights. Capital losses that cannot be used in one year may be carried forward to subsequent tax years without limit of time.

Special rules apply to some categories of legal entities and to fund units that form part of an investor's inventory.

### PPA (The Swedish Pensions Agency)

Any gain made when swapping between funds in a premium pension account is not subject to income tax. When the pension is paid, it is taxed as personal income.

### **Investors liable to taxation in Finland:**

#### Private investors

Capital gains on the redemption of fund units are taxed as investment income at the rate of 28 per cent. Capital gains are

tax-free if the accumulated sales price for all disposals during the tax year, apart from those of household movables and equivalent personal assets or disposals that are tax-free according to the law, does not exceed €1,000. A corresponding capital loss is not tax deductible. Capital losses may only be deducted from capital gains in the same year or the next three years.

According to the Nordic tax treaty and internal Finnish legislation, the withholding tax that Norway imposes on the fund when dividend is distributed is to be set off against the capital tax to be paid on the distribution of dividend in Finland.

### Corporate investors (legal entities)

Capital gains are taxed at the rate of 26 per cent.

### **Investors liable to taxation in the UK:**

Information on the tax rules for investors that are liable to taxation in the UK is stated in a supplementary prospectus. This can be downloaded from [www.odinfundmanagement.com](http://www.odinfundmanagement.com)

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## Information on the management company

Name:	ODIN Forvaltning AS (ODIN Fund Management AS)
Organisation no.:	957 486 657
Date of incorporation:	12 February 1990
Approval:	The management company is under the supervision of Finanstilsynet (the Financial Supervisory Authority of Norway) and received official approval to operate a management company on 30 March 1990. On 5 February 2010, the management company was licensed to actively manage investors' portfolios of financial instruments on an individual basis and according to the investor's authorisation, as well as to provide advice on investments.
Share capital:	NOK 9.238.000 fully paid up
Shareholder:	SpareBank 1 Gruppen AS
Chair of the board:	CEO Kirsten Idebøen, SpareBank 1 Gruppen AS
Directors:	Executive vice president Tore Haarberg, SpareBank 1 Midt-Norge Chief Treasurer Elin Veimo, Fagforbundet Group managing director Private market Rolf Aarsheim, SpareBank 1 SR-Bank CEO/partner Anne Bruun-Olsen, DTZ Realkapital Eiendomsmegling AS (elected by the unit holders) Bachelor of Commerce Harald Elgaaen, Harald Elgaaen Rådgivning (elected by the unit holders)
CEO:	Leif Ola Rød
Deputy CEO:	Jarl Ulvin
Auditor:	PricewaterhouseCoopers AS, Dronning Eufemias gate 8, NO-0191 Oslo, state-authorized public accountant Magne Sem.
Closing of accounts:	The accounts are closed on 31 December
Salaries and remuneration:	The CEO received NOK 3.628.000 in fixed salary, bonus and other remuneration in 2009. The directors' fees for 2009 were NOK 500.000.
Branch office in Stockholm:	ODIN Fonder, Stureplan 13 S-111 45 Stockholm. Tel: +46 8 407 14 00, fax: +46 8 407 14 66
Subsidiary:	ODIN Rahastot, Södra Hesperigatan 10, FIN-00100 Helsingfors. Tel: +358 9 4735 5100, fax +358 9 4735 5101
Other mutual funds managed by ODIN Forvaltning AS:	<b>Equity funds:</b> ODIN Norge II, ODIN Sverige II, ODIN Norden II, ODIN Europa II, ODIN Finland II and ODIN Global II <b>Equity funds – funds of funds – sub-funds managed by Swedbank Robur Fonder AB:</b> ODIN Robur Øst Europa <b>Equity funds – funds of funds – sub-funds managed by Franklin Templeton:</b> ODIN Templeton Emerging Markets <b>Bond funds and money-market funds – management outsourced to Storebrand Kapitalforvaltning AS:</b> ODIN Kort Obligasjon, ODIN Obligasjon, SpareBank 1 Pengemarked, ODIN Pengemarked, ODIN Penningmarknad SEK and ODIN MoneyMarket EUR

## Marketing and distribution

The funds are marketed and distributed in Norway, Sweden, Finland, the Netherlands and United Kingdom in accordance with the EU regulations (the UCITS Directives). ODIN Eiendom is not distributed in the Netherlands.

The information in this prospectus is only meant for investors located in the countries where the securities are registered for sale and marketing. The funds cannot be marketed or distributed directly or indirectly to investors falling under the jurisdiction of the USA. This applies, for example, to investors residing in or with tax obligations in the USA. Requests for subscriptions from such investors will be rejected.

Agents for ODIN's equity mutual funds receive commission from ODIN Forvaltning AS.

## Disputes

Attempts shall be made to resolve any dispute that arises between a unit holder and the management company in accordance with Norwegian law and with Oslo District Court as the proper legal venue. ODIN's equity mutual funds are covered by the dispute resolution scheme run by the Norwegian Financial Services Complaints board - [www.finansklagenemnda.no](http://www.finansklagenemnda.no).

The prerequisite for a complaint from a unit holder being dealt with by the Norwegian Financial Services Complaints board is that the complainant has raised this matter in writing in advance with ODIN Forvaltning AS, att: CEO, without any agreement being reached. Complaints to the Norwegian Financial Services Complaints board must be in writing, and the procedure is free of charge.

## Custodian bank

Name: Handelsbanken  
Address: Rådhusgata 27  
0113 OSLO  
Organisation no.: 971 171 324  
Main activity: Banking

This document, together with the articles of association, comprises the funds' complete prospectus. Simplified prospectuses have also been prepared for ODIN's equity funds. The funds' prospectuses, articles of association and annual and half-year reports can be ordered free of charge from ODIN Forvaltning AS, Postboks 1771 Vika, NO-0122 Oslo, tel +47 22 01 02 04, fax +47 22 01 02 01, e-mail: [kundeservice@odinfond.no](mailto:kundeservice@odinfond.no), or are available in English at [www.odinfundmanagement.com](http://www.odinfundmanagement.com). The annual and half-year reports and full and simplified prospectuses for the equity funds discussed here are available in Norwegian, Swedish, Finnish and English.

The Board of ODIN Forvaltning AS confirms that the information presented is, to the best of its knowledge, in accordance with the facts and that there are no omissions of such a nature that they may change the meaning of the prospectuses.

This prospectus is valid as from 1 September 2010.

## The Board of Directors of ODIN Forvaltning AS

Kirsten Idebøen  
Chairman of the Board  
sig.

Harald Elgaaen  
sig.

Tore Haarberg  
sig.

Anne Bruun-Olsen  
sig.

Elin Veimo  
sig.

Rolf Aarsheim  
sig.

This prospectus was originally prepared in Norwegian. This is an unofficial translated version and no liability is assumed for any errors or ambiguities that may have arisen in connection with the translation. The original version of this prospectus is available in Norwegian.

Annex: Simplified prospectus  
Articles of Association

