



# KEMPEN CAPITAL MANAGEMENT

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## PRESS RELEASE

### Semi-annual results Orange European Smallcap N.V. (-19.1%) and Orange European Midcap Fund N.V. (-14.3%)

The investment results of Orange European Smallcap Fund N.V. (OESF) and Orange European Midcap Fund N.V. (OEMF) over the first half of the financial year 2007/2008, over the period from 1 October 2007 to 31 March 2008, were as follows:

Taking into account the dividend paid of €0.46 in January 2008, OESF realised a total investment return of -19.1% based on net asset value. OESF invests in equity of listed small European companies.

Taking into account the dividend paid of €0.50 in January 2008, OEMF realised a total investment return of -14.3% based on the asset value. OEMF invests in equity of listed medium-sized European companies.

David Simons, Managing Director, Kempen Capital Management UK: “Last year around this time we cautioned against extrapolating historic returns and warned that stock market corrections were an inevitable part of equity investment. This proved to be a healthy warning as global equity markets have declined substantially as a result of the credit crisis and the fear of recession. As we anticipated the change in trend, we were able to steer the funds to outperformance versus the benchmarks, avoiding stocks of companies that have been hammered as a result of the fall-out caused by the credit crisis. That said, an absolute negative investment result was unavoidable as the declines were broad based. This however creates opportunity, as indiscriminate and sometimes forced selling as a result of deleveraging by some market participants has led to attractive valuations of some great businesses. We expect to start investing carefully when the time is right. This is determined on a stock-by-stock basis, not on market timing, as we do not consider ourselves capable of forecasting the direction of stock markets. Up until this day, stock markets have always recovered from corrections. The annualised return of OESF (12.7%) and OEMF (11.4%) since launch<sup>1</sup> shows the power of compounding, patiently sitting through intermediate market corrections.”

The semi-annual reports as at 31 March 2008 are expected to be available from the end of May 2008.

The key figures of OESF as at 31 March 2008 were as follows.

Net assets: €244.2m  
Number of outstanding shares: 9,364,979  
Net asset value per share: €26.07  
Market price per share: €26.17  
Dividend paid per share: €0.46 (January 2008)  
Total investment return<sup>2</sup>: -19.1%

The key figures of OEMF as at 31 March 2008 were as follows.

Net assets: €87.6m  
Number of outstanding shares: 4,115,821  
Net asset value per share: €21.28  
Market price per share: €21.27  
Dividend paid per share: €0.50 (January 2008)

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<sup>1</sup> OESF: October 1997; OEMF: November 1998

<sup>2</sup> Over the first half of the financial year 2007/2008, based on net asset value per share and inclusive of dividend paid.

Total investment return<sup>3)</sup>: -14.3%

<sup>3)</sup> Over the first half of the financial year 2007/2008, based on net asset value per share and inclusive of dividend paid.

Amsterdam, 9 May 2008

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Bloomberg:

OEMF: OREURMC NA

OESF: OESF NA

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