

Risk Information

Past returns are no guarantee of future returns. The money invested in the fund may increase or decrease in value and it is not certain that you will get back all the capital you have invested. The fund's value can vary significantly due to the fund's structure and the management methods used by the management company. The fund's risk/reward indicator, which can be found in the fund's key investor information document, currently puts the fund in risk category 6, which means there is high risk of both increases and decreases in the net asset value. Category 1 does not mean that the fund is risk-free. Over time the fund may move to the right or left on the scale. This is because the indicator is based on past data, which is not a guarantee of future risk/reward. The key investor information document, prospectus and rules for the fund may be ordered from the management company or downloaded from www.lannebofonder.se.

The Fund's Investment Policy

Lannebo Småbolag Select is an actively managed equity fund (non-UCITS fund) which invests in small and medium sized enterprises listed in the Nordic region, particularly in Sweden. The fund invests in companies which have a market capitalisation amounting to no more than 1 percent of the total Swedish market capitalisation. At the end of the first half of the year, this meant a market capitalisation of around SEK 41 billion. The fund has more relaxed investment rules than an "ordinary" equity fund, which gives the fund manager more options.

Fund Manager's Comments

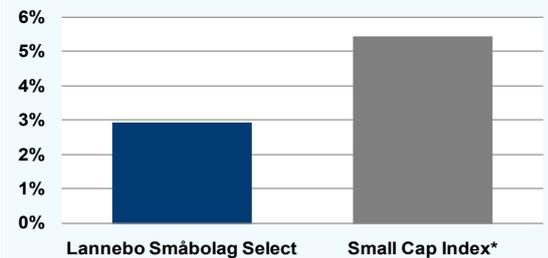
The stock market posted another positive month in September. Increased optimism about the economic activity was a contributing factor to the positive performance. In addition, the market's risk appetite has increased. Higher trading volumes and a greater interest in smaller listed companies are two signs of the increased risk willingness. Two strong years in a row for the stock market, together with low interest rates, have certainly contributed to the greater interest for equities. Lannebo Småbolag Select posted gains during the month, although not as large as the overall market.

In September, the fund's strongest holdings were NKT Holding and jewellery company Pandora, both listed on the Copenhagen Stock Exchange. NKT Holding's share rose in connection with the company's strong semi annual report in August. This price performance continued into September. Several other industrial companies recorded a positive price reaction thanks to the increased optimism regarding the overall business cycle. These included Systemair, Trelleborg and G&L Beijer. One of the few shares that had a negative price performance during the month was the ICA Gruppen. A contributory factor was the news from the Norwegian Competition Authority that it is continuing its enquiry into the distribution partnership between ICA Norway and NorgesGruppen. Over the last few years, ICA Norway has reported major losses and it is believed that the aforementioned partnership is necessary in order to turn the business around.

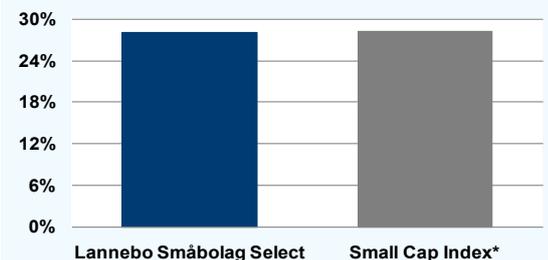
During the month, the fund invested in the Danish company Matas. The company is by far Denmark's leading retail chain for health and beauty products, such as perfume, make-up and skin care. Matas has almost 300 stores in Denmark, underlining the company's dominant position. We expect that Matas will demonstrate a stable earnings and dividend trend regardless of the economic situation. It is worth noting that the holding company of toy giant LEGO stepped in as a major owner of Matas in September. The fund has increased its holding in property companies Fabege and Wihlborgs. Although property shares have been rather stagnant on the stock market due to rising interest rates, we believe today's price levels are attractive, as we are not that worried about major hikes in interest rates in the near future. The holdings in construction company Peab and gaming company Betsson were disposed of. The holding in the engineering group Beijer-Alma was also reduced after a strong share performance in late summer.

Going forward, increased earnings is probably a necessity for the stock market to continue its upward journey. The majority of the listed companies will report their third quarter earnings over the next month and we will hopefully see signs that earnings are on the rise.

Performance for the Month



Performance Year-to-Date



Performance, %

	Lannebo Småbolag Select	Small Cap Index*
September 2013	+2.5 ¹ +2.9 ²	+5.4
Year-to-Date 2013	+23.1 ¹ +28.1 ²	+28.2
3 Years	+44.0	+41.8
5 Years	+129.8	+115.5
10 Years	+383.0	+312.6
Since Inception (31/10/2000)	+522.5	na
Average Annual Return	+27.3	+27.0
24 Months		

The unit price for Lannebo Småbolag Select is set after 16:00 but before the time when the price for the index is collected at 17:30. This can sometimes result in a comparison between the two being misleading.

Monthly Performance, %

Jan	Feb	Mar	Apr	May	Jun
+3.7 ¹	+6.1 ¹	-0.4 ¹	+1.1 ¹	+2.2 ¹	-1.0 ¹
+4.5 ²	+7.5 ²	-0.6 ²	+1.2 ²	+2.7 ²	-1.3 ²
Jul	Aug	Sep	Oct	Nov	Dec
+5.4 ¹	+1.6 ¹	+2.5 ¹			
+6.6 ²	+1.9 ²	+2.9 ²			

Key Figures

	Lannebo Småbolag Select	Small Cap Index*
Sharpe Ratio	2.0	1.7
Total Risk, %	12.2	14.4
Tracking Error	5.5	
Information Ratio	0.1	
Alpha	0.4	
Beta	0.8	

Major Changes

Net Purchases	Net Sales
Matas	Peab
Faberge	Betsson
Wihlborgs	Beijer Alma

Lannebo Småbolag Select

Swedish-registered Non-UCITS Fund (Special Fund)

Monthly Report September 2013

Major Holdings

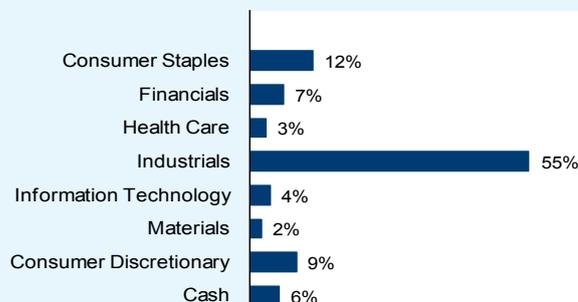
Name of Securities	Share of Net Assets (%)	
	30 Sep	31 Aug
OEM International B	6.1	5.8
Indutrade	6.0	5.9
Intrum Justitia	5.9	5.7
NIBE Industrier B	5.5	5.5
G&L Beijer B	4.8	4.6
ICA Gruppen	4.5	5.0
Wihlborgs	4.4	4.1
Hexpol B	4.0	4.7
Trelleborg B	4.0	3.8
Cloetta B	3.6	3.8
VBG Group B	3.4	3.5
Chr. Hansen	3.3	3.3
Tomra Systems	2.9	2.9
Pandora	2.9	2.5
NKT Holding	2.8	2.7
Lindab	2.8	2.8
Olvi A	2.7	2.8
Tieto EUR	2.7	2.7
Beijer Alma B	2.6	3.0
Cash	6.0	6.2

Total Number of Holdings	31	31
Ten Largest Holdings, % of Net Assets	48.8	48.9

Fund Facts

Strategy	Non-UCITS Fund, Small Caps, Nordic Region
Management Objectives	Good risk-adjusted return
Launch Date	31/10/2000
Unit Price, end of month, SEK	1,119.91
Fund Assets, end of month, SEK millions	1,916
Benchmark Index	Carnegie Small Cap Return Index
Bankgiro	5563-8004
ISIN	SE0000917205
Management Company	Lannebo Fonder AB
Fund Manager	Mats Gustafsson
Depository	SEB
Supervisory Authority	Swedish Financial Supervisory Authority
Auditor	Deloitte
Price Listing	Monthly (last banking day)
Fixed Fee	0.7%
Performance-based Fee	20% of any excess return
Subscription/Redemption	Two/five banking days respectively before the last banking day of the month
Return Threshold	30-day STIBOR, monthly on the first banking day of each month, plus three percentage points, currently 4.17%
Portfolio Turnover Ratio	0.4 (06/30/2013)

Allocation of Portfolio



Annual Performance, %

	Lannebo Småbolag Select	Small Cap Index*
2012	+11.0 ¹ +12.6 ²	+12.6
2011	-13.8 ¹ -13.8 ²	-13.2
2010	+37.2 ¹ +42.5 ²	+30.6
2009	+49.5 ¹ +60.9 ²	+68.9
2008	-35.7 ¹ -35.7 ²	-44.4

¹ Return after fixed and performance-based fees. For an investment made at the beginning of the year.

² Return after fixed and performance-based fees. For an investment made at the launch of the fund. In the event of a negative return, previously accrued performance-based fees are reversed.

Risk/reward profile according to the risk indicator in the fund's key investor information document



Explanations

Sharpe Ratio	A measure of the fund's return taking into account the total risk which the fund has had during the period. Calculated as the ratio between the fund's return minus the risk-free rate of return and the fund's total risk (standard deviation). The information is based on monthly data and relates to the latest 24 months.
Total Risk	Given as the standard deviation of variations in the total return of the fund or index. The information is based on monthly data and relates to the latest 24 months.
Tracking Error	A measure which describes how closely the performance of the fund tracks the performance of the benchmark index. Calculated as the standard deviation of the difference between the return on the fund and a benchmark index. The information is based on monthly data and relates to the latest 24 months.
Information Ratio	A measure of risk-adjusted return. This is measured as the active return divided by the portfolio's active risk. The information is based on monthly data and relates to the latest 24 months.
Alpha	Describes the effect of the portfolio manager's decisions on the return of the fund. A positive alpha value is the extra return which an investor receives for having taken greater risks than the market. The information is based on monthly data and relates to the latest 24 months.
Beta	Describes the sensitivity of the fund's value to changes in the market's value. The beta value reports how much the fund's value changes in percentage terms when the market's value changes by one percentage point. The information is based on monthly data and relates to the latest 24 months.