

# GS Europe CORE<sup>SM</sup> Equity Portfolio

For investors seeking long-term capital appreciation by investing primarily in the equity securities of companies domiciled in Europe using a variety of quantitative techniques.

Standard & Poor's  
Fund Research  
Rating  
**AAA**

Overall Morningstar  
Rating<sup>TM</sup>  
★★★★

0111

## Key Points

- The CORE<sup>SM</sup> process aims to generate results that are stable, explainable and repeatable.
- The process utilises two uncorrelated sources of potential excess return: bottom-up stock selection based on fundamental investment criteria and top-down tactical country and currency allocations. The Team use unique, proprietary, daily risk models to allocate risk to our best investment ideas and construct portfolios to minimise risk from sector bets, market timing, industry rotation, and style bias, while seeking to deliver consistent returns.

## Calendar Year Performance (%)<sup>(6)</sup>

	2006	2007	2008	2009	2010
Fund (EUR)	20.6	2.7	-45.0	31.1	9.9

Past performance is not indicative of future performance which may vary.

	2006	2007	2008	2009	2010
Index	19.6	2.7	-43.6	31.6	11.1
Morningstar Sector av.	18.5	0.6	-43.8	28.9	8.6
Morningstar Quartile	2	2	3	2	2

## Fund Data

No. of holdings	125
% in top 10	33
Turnover ratio (%)	62
Historical Volatility Portfolio - 3 yrs	20.07
R <sup>2</sup> - 3 yrs	0.98
Beta - 3 yrs	1.01
Excess returns - 3 yrs	-0.50
Historical Tracking error - 3 yrs	2.90

## Fund Facts

ISIN - Base Dist	LU0102219945
ISIN - Base Accum	LU0234681749
Bloomberg Ticker - Base Dist	GSCOREE
Bloomberg Ticker - Base Accum	GSECEBA
Distribution	December
Dealing and valuation	Daily
Reporting year end	30 November
Benchmark	MSCI Europe Index (NTR, Unhgd, EUR)
Fund manager	Quantitative Equity Team
Settlement	T + 3
EU Savings Directive	Not In Scope

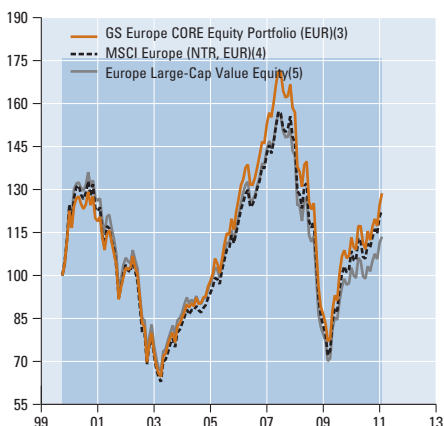
## Financial Information<sup>(1)</sup>

	EUR	EUR
Net Asset Value (NAV) <sup>(2)</sup>	10.73	10.65
Total Net Assets (m)		410

## Fund Characteristics

Currency - Base Dist	EUR
Currency - Base Accum	EUR
Inception Date - Base Dist	01-Oct-99
Inception Date - Base Accum	14-Nov-05
Fund Domicile	Luxembourg

## Performance (Indexed)

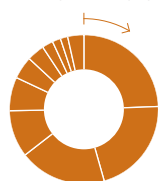


## Performance Summary (%)<sup>(6)</sup>

	Since Launch	1 Mth	3 Mths	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund (EUR) <sup>(3)</sup>	28.69	3.37	7.48	3.37	17.19	(2.29)	(0.44)	0.67
MSCI Europe (NTR, EUR) <sup>(4)</sup>	19.73	1.71	5.55	1.71	16.34	(1.78)	(0.11)	(0.29)
Europe Large-Cap Value Equity Sector av. <sup>(5)</sup>	7.11	1.92	5.49	1.92	13.66	(2.73)	(1.56)	(1.75)
Quartile Position in Sector <sup>(5)</sup>	1	1	1	1	1	2	2	1
Class Base Accumulation (EUR)	6.50	3.40	7.58	3.40	17.16	(2.27)	(0.41)	-

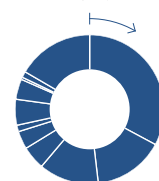
## Country Allocation (%)

GS Europe CORE Equity Portfolio



24.4%	UK
21.2%	France
18.9%	Germany
10.2%	Sweden
7.3%	Netherlands
4.9%	Belgium
3.8%	Spain
2.4%	Italy
1.8%	Austria
1.6%	Norway
3.5%	Other

MSCI Europe (gross)



32.8%	UK
15.3%	France
13.0%	Germany
5.1%	Sweden
3.9%	Netherlands
1.4%	Belgium
5.6%	Spain
4.4%	Italy
0.5%	Austria
1.3%	Norway
16.6%	Other

## Top 10 Holdings<sup>(7)</sup>

Security	%	Country	Activity
E.ON AG	4.2	Germany	Utilities
France Telecom SA	3.9	France	Telecommunication Services
Banco Santander SA	3.8	Spain	Financials
Koninklijke DSM NV	3.3	Netherlands	Materials
Nordea Bank AB	2.9	Sweden	Financials
Royal Dutch Shell PLC	2.9	UK	Energy
BP PLC	2.9	UK	Energy
HSBC Holdings PLC	2.9	UK	Financials
BNP Paribas	2.9	France	Financials
AstraZeneca PLC	2.7	UK	Health Care

Please see Additional Notes. All performance and holdings data as at 31-Jan-11.

<sup>(1)</sup> Please note that the Goldman Sachs Europe CORE Equity Portfolio currently operates with income equalisation. The current income equalisation figures for the Goldman Sachs Europe CORE Equity Portfolio are available on request from our Shareholder Services team on +44 20 7774 6366 (email: [ess@gs.com](mailto:ess@gs.com)). Investors may want to discuss with their tax adviser the impact, if any, of income equalisation on them. <sup>(2)</sup> The Net Asset Value represents the net assets of the Portfolio (ex-dividend) divided by the total number of shares. <sup>(3)</sup> Portfolio returns are shown net of applicable ongoing fees within the Portfolio, with dividends re-invested using the ex-dividend NAV. These returns are for comparison of performance against a specified index. As the investor may be liable to other fees, charges and taxes, they are not meant to provide a measure of actual return to investors. The performance data do not take account of the commissions and costs incurred on the issue and redemption of shares. <sup>(4)</sup> The MSCI Europe Index (net) is a net total return index. Net total return is a reflection of return to an investor, by reinvesting dividends after the deduction of withholding tax. The rate of withholding tax applied to the MSCI Europe Index (net) is consistent with the actual rate of withholding tax the Portfolio will incur on dividends received from foreign companies. <sup>(5)</sup> The Morningstar sector average figures are calculated using all open funds available in the universe at the indicated time period. The number of funds in a Morningstar sector varies over time as new funds are launched and funds close. Therefore the number of funds in a Morningstar sector at a portfolios launch may be less, or may be more, over shorter time periods. Source: Morningstar. © 2011 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. <sup>(6)</sup> The calendar year performance is annualised and in the Performance Summary - since launch, 1 month, 3 month and YTD are cumulative whereas 1 year, 3 year and 5 year are annualised. <sup>(7)</sup> Holdings are subject to change and should not be construed as research or investment advice.

Goldman  
Sachs

Asset  
Management

# GS Europe CORE<sup>SM</sup> Equity Portfolio

## Opportunities

- Provides access to securities of European companies via a UCITS III fund.
- Potential return through bottom-up security selection and top-down country/currency selection.
- Application of quantitative analysis of a large number of European stocks on a daily basis aiming to uncover and exploit sources of value.

## Risks

- Prices of the underlying assets in the fund determine the price of the fund's shares. These may fluctuate on a daily basis and can fall.
- The share price may at any time fall below the purchase price at which the customer acquired the share in the fund.
- Performance of financial products depends on the development of the capital markets. Capital markets react to actual general conditions as well as irrational factors (emotions, opinions and rumours).
- The fund invests in stocks which exposes the shareholder to market, sector as well as company-specific risk.
- The value of assets denominated in foreign currency may fluctuate due to currency fluctuation, which may reduce returns for the shareholder.
- By concentrating the invested capital on a few markets or assets the fund assets are particularly dependent on these few markets or assets.
- The usage of derivatives will result in counterparty credit risk. This means the danger of insolvency or illiquidity – a possible, temporary or definite inability to fulfil the obligation to pay interest and/or redeem. Derivatives are not subject to compulsory or voluntary deposit guarantees.

## Disclaimer

For complete information always refer to the latest funds' offering documentation, including but not limited to the funds' prospectus which contains the complete disclosure of risks applicable to an investment in the fund as well as the fund's formal investment objective.

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47 Boulevard Royal

L-2449

Luxembourg

#### Dublin domiciled Funds:

Fixed Income, Currency Funds and Cash Management Funds Principal Office:

c/o BNY Fund Services (Ireland) Limited

Guild House

Guild Street, IFSC

Dublin 1

Ireland

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Cash Management Funds domiciled in Dublin

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