


CARMIGNAC PROFIL REACTIF 50

Coordinated French mutual fund (FCP) Simplified prospectus

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CARMIGNAC PROFIL REACTIF 50 SIMPLIFIED PROSPECTUS

Coordinated French mutual fund (FCP)

SECTION A - STATUTORY

OVERVIEW

- ISIN code: FR0010149203
- Name: CARMIGNAC PROFIL REACTIF 50
- Legal structure: French mutual fund (*fonds commun de placement – FCP*)
- Sub-funds/feeder fund: no
- Management company: CARMIGNAC GESTION
- Accounting delegated to: CACEIS Fastnet
- Intended lifetime: this Fund was initially created on 2 January 2002 for a period of 99 years
- Custodian: CACEIS Bank
- Centralisation of subscription and redemption requests: CACEIS BANK
- Statutory auditors: Cabinet Patrice VIZZAVONA and KPMG AUDIT
- Promoter: CARMIGNAC GESTION

INFORMATION ON INVESTMENTS AND MANAGEMENT

■ CLASSIFICATION

Balanced

■ Fund of Funds

over 50% of the net assets

■ INVESTMENT OBJECTIVE

The Fund is managed on a discretionary basis with an active asset allocation policy and is invested in international stocks. The Fund's objective is to achieve positive performance on an annual basis with a risk profile comparable to that of its performance indicator, which comprises 50% MSCI AC World Free index, converted into euro, + 50% Citigroup WGBI All Maturities EUR index. The Fund aims to keep volatility below the annual volatility of its performance indicator.

■ PERFORMANCE INDICATOR:

The Fund's performance indicator is the following composite index: 50% MSCI AC World Free index, converted into euro, + 50% Citigroup WGBI All Maturities EUR index.

This composite index does not strictly define the investment universe but allows the investor to assess the performance and risk profile that they can expect when investing in the Fund. The market risk of the Fund is comparable to that of its performance indicator.

Description of the MSCI AC World Free index: the performance indicator for the equity component is the Morgan Stanley Capital Investment All Countries World Free index, converted into euro. It is calculated ex-dividend in dollars by Morgan Stanley (Bloomberg code: MSEUACWF) and converted into euro. This index includes around 2,402 stocks representing international companies (data at 30 September 2004).

Description of the Citigroup WGBI All Maturities EUR index: the performance indicator of the bond component is the Citigroup WGBI All Maturities EUR index. It is calculated ex-dividend in euro by Citigroup (Bloomberg code: SBWGEU). This index includes around 654 securities representing international bond issuers (data at 30 September 2004).

■ INVESTMENT STRATEGY

The investment policy takes into account the principle of risk spreading by means of the diversification of investments.

The Fund is a fund of funds invested primarily in UCITS managed by CARMIGNAC GESTION. The average investment in units or shares of UCITS and the allocation between the different asset classes shall depend on market conditions and portfolio diversification opportunities, and shall be determined on a discretionary basis by the management company. Subject to the regulatory investment limits, investments in UCITS shall account for between 50% and 100% of the net assets.

The Fund shall regularly invest in UCITS specialised in the emerging markets.

The Fund may invest in external UCITS when the desired allocation cannot be achieved exclusively through investment in UCITS managed by CARMIGNAC GESTION.

Stock selection is based on detailed financial analysis, meetings organised by companies, visits to these companies and daily news. Depending on the situation, the criteria used for stock selection are the value of the assets, return, growth and quality of the management, in particular.

Up to 50% of the net assets of the FCP may be invested in and/or exposed to equity UCITS or equities and other securities giving or capable of giving, directly or indirectly, access to capital or to voting rights, traded on eurozone and/or international markets, including a potentially significant portion in the emerging countries (without, however, exceeding 25% of the net assets).

In order for the manager to diversify the portfolio, the assets of the FCP may be invested in, inter alia, eurozone and/or international fixed rate bonds, transferable debt securities, variable rate bonds and inflation-linked bonds, including a potentially significant portion in the emerging countries (without, however, exceeding 25% of the net assets).

The Fund intends to invest between 50% and 100% of its net assets in UCITS managed by CARMIGNAC GESTION.

The manager may invest in futures and options traded on eurozone and/or international regulated or over-the-counter markets.

The maximum commitment of these derivative transactions shall be limited to the total value of the Fund's assets at any time.

The manager may invest in eurozone and/or international convertible bonds including those of the emerging countries, without, however, exceeding 25% of the net assets.

The manager may invest from time to time in securities with embedded derivatives (warrants, credit link notes, EMTN, certificates indexed on the volatility of the equity markets) traded on regulated or over-the-counter eurozone and/or international markets. In all cases, the amounts invested in securities with embedded derivatives may not exceed 10% of the net assets.

The FCP may use deposits and cash borrowings to optimise its cash management.

The FCP may enter into securities lending transactions on a limited basis in order to optimise its income.

■ RISK PROFILE

The Fund shall invest in UCITS and financial instruments selected by the Management Company. These UCITS and financial instruments shall be subject to the evolution and fluctuations of the market.

The risk profile of the FCP is suitable for an investment horizon of over 3 years.

Like any financial investment, potential investors should be aware that the value of the Fund's assets is subject to the fluctuations of the international equity and bond markets and that it may vary substantially. Unitholders receive no guarantee that they will get back the invested capital.

The risk factors described below are not exhaustive. It is up to each investor to analyse the risk associated with such an investment and to form his/her own opinion independent of CARMIGNAC GESTION, where necessary seeking the opinion of any advisors specialised in such matters in order to ensure that this investment is appropriate in relation to his/her financial situation.

The discretionary management style is based on expectations regarding the performance of different markets (equities, bonds). There is a risk that the Fund might not be invested in the best-performing markets at all times.

Equity risk: the level of exposure to equity risk may vary from 0% to 50% of the net assets, part of which shall be exposed to international and emerging markets. The Fund is exposed to the European and international equity markets through investment predominantly in UCITS managed by CARMIGNAC GESTION and, where applicable, direct investment in financial instruments. The Fund is exposed to equity risk across geographical zones (Europe, international, the emerging countries) and capitalisation types (large, mid, small) as well as to convertible bond risk (similar to equity risk).

Investors are reminded that the operating and supervision conditions of the emerging markets may deviate from the standards prevailing on the large international markets.

Interest rate risk: up to 100% of the net assets of the Fund is exposed to the interest rate risk of the eurozone and international markets through investments in UCITS and/or direct investments in financial instruments. Investments in fixed rate bonds or other fixed income securities may record negative performances as a result of interest rate fluctuations.

Credit risk: the manager may invest in UCITS whose rating is below investment grade. The average rating of the bonds held directly by the Fund or through investments in

UCITS shall be at least investment grade (i.e. rated at least BBB-/Baa3 by the rating agencies Standard and Poor's and Moody's).

Currency risk: the FCP is exposed to currency risk through the purchase of securities and/or UCITS denominated in currencies other than the euro or indirectly through the purchase of UCITS denominated in euro whose underlying investments are not hedged against currency risk as well as through currency forward exchange contracts.

Cash: the markets in which the FCP participates may occasionally be subject to temporary illiquidity. These market distortions may have an impact on the pricing conditions under which the FCP might be caused to liquidate, initiate or modify its positions.

Risk of capital loss: the FCP does not guarantee or protect the capital invested.

SUBSCRIBERS AND INVESTOR PROFILE

All investors

The appropriate investment amount depends on your personal situation. To determine their level of investment, investors are invited to seek professional advice in order to diversify their investments and to determine the proportion of their financial portfolio or their assets to be invested in this FCP relative to, more specifically, the recommended investment period and exposure to the aforementioned risks, their personal assets, needs and own objectives.

The recommended investment period is 3 years.

INFORMATION ON EXPENSES, FEES AND TAXATION

SUBSCRIPTION AND REDEMPTION FEES

Subscription fees increase the subscription price paid by the investor, while redemption fees decrease the redemption price. The fees charged by the FCP serve to offset the costs incurred by the FCP to invest and disinvest investors' monies. Fees not paid to the FCP are attributed to the management company, the Fund promoter, etc.

Expenses payable by the investor, deducted at the time of subscriptions and redemptions	Basis	Rate
Maximum subscription fee payable to third parties	net asset value X number of units	Maximum 4%
Subscription fee payable to the Fund	net asset value X number of units	None
Redemption fee payable to third parties	net asset value X number of units	None
Redemption fee payable to the Fund	net asset value X number of units	None

OPERATING AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the FCP, except transaction costs. Transaction costs include intermediary fees (brokerage, stock market taxes, etc.) as well as transaction fees, if any, that may be charged by the custodian and the management company in particular. The following fees may be charged in addition to the management and administration fees:

- performance fees. These reward the management company if the FCP exceeds its objectives; They are therefore charged to the FCP;
- transaction fees charged to the FCP;
- a portion of the income from temporary purchases or sales of securities.

For more details about the fees charged to the FCP, please refer to section B of the simplified prospectus.

Fees charged to the Fund	Basis	Rate
Management and administration fees, inclusive of tax (including all charges (other than transactions costs), performance fees and fees related to investments in UCITS or investment funds)	Net assets	Maximum 1% inclusive of tax
Performance fees	Net assets	If the performance since the beginning of the financial year is positive and exceeds 5% on an

		annual basis, a daily provision of 10% of this outperformance is applied. In the event that the level of this outperformance decreases, a daily amount corresponding to 10% of this underperformance is deducted from the provision accumulated since the beginning of the year. This provision is deducted annually from the last net asset value of the month of December by the management company.
Transaction fees charged by the management company	Per transaction	None

TAX REGIME

Depending on your tax status, any capital gains and income resulting from the ownership of units of the UCITS may be subject to tax. We advise you to obtain further information in this regard from the Fund promoter.

COMMERCIAL INFORMATION

SUBSCRIPTION AND REDEMPTION PROCEDURES

Subscription and redemption requests are centralised on each NAV calculation and publication day (D) before 18:00, and are executed on the next business day on the basis of the net asset value calculated using the closing price of D and published on D+1.

Subscription and redemption requests received by Carmignac Gestion before 18:00 are precentralised by Carmignac Gestion and executed under the same conditions as above.

In some countries, the subscription of shares may be carried out according to the specific procedures authorised by the regulatory authority of the country in question.

Subscriptions and redemptions resulting from a request transmitted after the cut-off time mentioned in the prospectus (late trading) are prohibited. Subscription and redemption requests received after 18:00 shall be treated as if they were received on the following NAV calculation and publication day.

INSTITUTION RESPONSIBLE FOR ENSURING COMPLIANCE WITH THE CENTRALISATION CUT-OFF TIME INDICATED IN THE PARAGRAPH ABOVE:

CACEIS Bank, 1-3 place Valhubert, 75013 Paris and CARMIGNAC GESTION, 24 place Vendôme, 75001 Paris.

Investors are reminded that requests transmitted to promoters other than the institutions indicated above must take into consideration the fact that the cut-off time for the centralisation of requests applies to said promoters vis-à-vis CACEIS Bank. Consequently, such promoters may apply their own cut-off time, which may be earlier than the cut-off time indicated above, in order to take into account the time required to transmit requests to CACEIS Bank.

FINANCIAL YEAR-END

Date of the last net asset value of the month of December

ALLOCATION OF INCOME

Accumulation fund Dividends are recorded on a cash basis.

DATE AND FREQUENCY OF NET ASSET VALUE CALCULATION

Daily;

The calendar used to determine the days on which the net asset value is published is the legal calendar of public holidays within the meaning of article L.222-1 of the *Code de Travail*, the French Labour Code.

PLACE AND METHODS OF PUBLICATION OR COMMUNICATION OF THE NET ASSET VALUE

Carmignac Gestion, Address: 24, place Vendôme, 75001 Paris. The net asset value is available 24 hours per day on the following number, +33 (0)1 42 61 62 00, and is displayed at the offices of Carmignac Gestion. The net asset value shall be published on the Carmignac Gestion website: www.carmignac-gestion.com

BASE CURRENCY OF THE UNITS OR SHARES

euro

■ CREATION DATE

The Fund was approved on 14 December 2001 by the *Autorité des Marchés Financiers* (the French Financial Markets Authority), formerly the *Commission des Opérations de Bourse* (the French Stock Exchange Commission). It was launched on 2 January 2002 for a period of 99 years (ninety-nine years).

■ INITIAL NET ASSET VALUE

The initial net asset value is EUR 100.

ADDITIONAL INFORMATION

■ PUBLICATION OF INFORMATION ABOUT THE FUND

The latest annual and semi-annual reports shall be sent to unitholders within one week upon written request to:

CARMIGNAC GESTION

24, place Vendôme

75001 PARIS

Email: carmignac@carmignac-gestion.com

The full prospectus is available on the website www.carmignac-gestion.com

Contact: Marketing and communications

Tel: +33 (0)1.42.86.53.35

Fax: +33 (0)1.42.86.52.10

Publication date of the prospectus: 01/03/2010

The AMF website (www.amf-france.org) contains additional information on the list of regulatory documents and all the provisions relating to investor protection.

This simplified prospectus must be made available to subscribers prior to subscription.

■ PUBLICATION OF INFORMATION CONCERNING THE VOTING POLICY OF THE MANAGEMENT COMPANY AND ITS IMPLEMENTATION

The "voting policy" document, the management company's report on the conditions under which it has exercised the voting rights of the UCITS that it manages and information concerning the vote on each resolution may be consulted at its registered office :

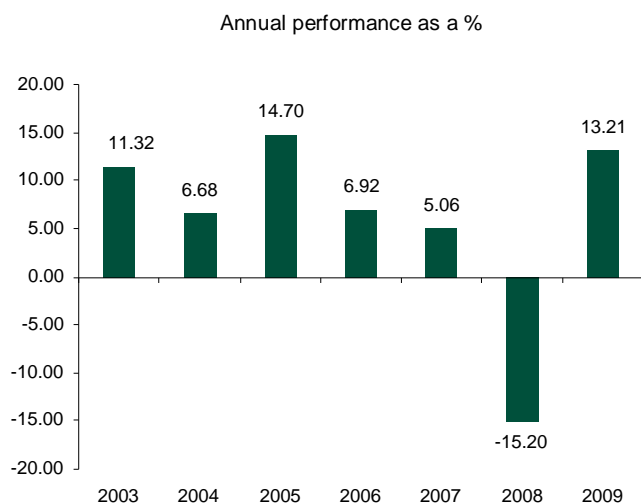
Carmignac Gestion, 24, Place Vendôme, 75001 Paris

E-mail:

carmignac@carmignac-gestion.com

SECTION B - STATISTICS

Fund performance at 31.12.2009 in EUR



C units:

FR0010149203

Annualised performance in EUR	1 year	3 years	5 years
UCITS	13.21%	0.29%	4.34%
Composite performance indicator: 50% MSCI AC World Free Index + 50% Citigroup WGBI All Maturities	13.39%	-0.24%	3.04%

The Fund's performance is calculated with net dividends reinvested. That of the performance indicator, however, does not take distributed income into account.

*Past performance is not an indication of future performance.
Performance may vary over time.*

Performance calculations are provided in the Fund's nominal currency.

Comments:

Fees charged to and information concerning transactions of the Fund over the last financial year ended 31.12.2009

Fees charged to the Fund

Management and administration fees	1.00%
Cost of investing in other UCITS or investment funds	2.51%
Costs arising from the purchase of UCITS and investment funds*	2.51%
Trailer fees negotiated by the management company of the investing UCITS	n/a
Other fees charged to the Fund	1.00%
Performance fees	1.00%
Transaction fees	n/a
Total charged to the Fund	4.51%

(*) This rate is calculated on the basis of actual published rates or, failing that, on the basis of maximum rates indicated in the full prospectus of the target funds.

Management and administration fees

These fees include all fees directly charged to the Fund except transaction costs and performance fees, if any. Transaction costs include intermediary expenses (brokerage, stock market taxes, etc.) and transaction fees (see below). Management and administration fees in particular include fees for financial management, administration and accounting, and depositary, custody and auditing fees.

Cost arising from the purchase of UCITS and/or investment funds

Certain UCITS invest in other UCITS or in foreign investment funds (target UCITS). Buying and holding a target UCITS (or an investment fund) causes the investing UCITS to bear two types of cost:

- subscription/redemption fees. However, the portion of these fees payable to the target UCITS is allocated to the transaction costs and so is not counted here.
- fees charged directly to the target UCITS, which constitute indirect costs for the investing UCITS.

In certain cases the investing UCITS can negotiate trailer fees, i.e. a rebate of some of these fees. These rebates serve to reduce the total fees that the investing UCITS actually pays.

Information concerning transactions

Transactions between the management company on behalf of the UCITS it manages and associated companies (market intermediaries) represented the following percentages of the total transactions in all asset classes for this financial year:

Asset class	Transactions
EQUITIES	None
BONDS	None

Other fees charged to the Fund

Other fees may be charged to the Fund. Specifically:

- performance fees. These reward the management company if the Fund exceeds its objectives;
- transaction fees. Transaction fees are fees charged to the Fund on each transaction carried out in the portfolio. Details of these fees are given in the full prospectus. They accrue to the management company under the terms laid out in Section A of the simplified prospectus.

Investors should note that these other expenses are liable to fluctuate substantially from year to year and that the figures shown here are those recorded during the previous financial year.