

Madrid, December 1999

Dear unit holder:

The returns obtained by our Equity Funds: Bestinfond, Bestinver Bolsa, and Bestinver Mixto, throughout 1999 are not as we, nor our unit holders, had hoped for this year. The excellent returns of the past are no consolation to those of you who have begun to invest in these funds in 1999. These funds could end the year with slightly negative returns and there is a reason for this: We believe our stock portfolio has very strong growth potential and upside potential. However, this potential has yet to be reflected in the share price. The market is currently concentrating on tech stocks: Telefónica, Terra, etc. We try to avoid these stocks which can cause your investment to lose nearly 70-80% (as happened 20 years ago with Telefónica).

Our first criterion is to maintain the value of your money in the long term even though some years we might see slight losses and we avoid speculation. We are fighting a different battle and we hope our newest unit holders will be patient enough to enjoy the long term benefits of this policy.

Now, as always, we are at your entire disposal to clarify any doubts you may have concerning our Funds or our investments, which are, also yours.

Yours sincerely,

Francisco García Paramés  
Investment Manager