

BESTINVER HEDGE VALUE FUND, FIL

The value of the assets in an investment fund is, whatever its investment policy, subject to market fluctuations, meaning that both positive returns and losses are possible.

The simplified prospectus is a separable part of the full version, which contains the Management Regulations and more detailed information. The simplified prospectus must be provided prior to the signing of the contract agreement, along with the latest six-monthly report published. These documents, as well as the latest quarterly and annual reports, may be requested free of charge or consulted using data transmission media via the Management Company or the relevant marketing entities, as well as the records kept at the CNMV. For further clarification please contact these institutions.

GENERAL FACTS ABOUT THE FUND

Fund inception date: 20/09/2007

Date registered with the CNMV: 21/09/2007

Management Company: BESTINVER GESTION, S.A., S.G.I.I.C.

Management Group: BESTINVER

Custodian: SANTANDER INVESTMENT, S.A.

Custodian Group: SANTANDER

Auditor: KPMG AUDITORES S.L.

INVESTMENT POLICY

Fund and investor risk profile: High.

Class: Hedge Fund. INTERNATIONAL EQUITIES.

Indicative investment period: 5 years.

Management objective, investment policy and risks:

The Hedge Fund will invest over 75% of total exposure in equities and the remainder in government and / or private fixed income securities. Currency risk will vary from 0 to 100% of assets. Management performance will be benchmarked against the Madrid Stock Exchange General Index, the IGBM, (30%) and the MSCI World Index (70%).

The management objective is to achieve a satisfactory and sustained return by picking out assets that are undervalued by the market. With respect to equities, investment will be mainly in European issuers and markets and, to a lesser extent, in other OECD countries, with no particular preference for any specific country. Up to 10% of total exposure, however, may be invested in markets and / or issuers in emerging countries. There may be concentration in a certain geographical area or a sector depending on the manager's expectations. The investment policy of the Hedge Fund is similar to that of BESTINFOND, FI, which is also managed by Bestinver, although it differs from it, among other reasons, in that the Hedge Fund does not focus investment in the eurozone, it can take on greater currency risk and, given its status as a Hedge Fund, it can have greater portfolio concentration (up to 20% of total exposure in a single security; investment will be in at least 5 securities) and a reasonable level of financial leveraging (up to 100% of assets), which will mean that the Hedge Fund's exposure to the underlying assets can be raised to 200% of the fund's assets. In all circumstances the principles of liquidity, transparency and risk diversification will be observed.

Assets are chosen using fundamental analysis techniques after the philosophy of "value investing", whereby securities are sought which are undervalued by the market and which, besides the solidity and guarantee they offer, manage to produce a sustained and satisfactory yield, and the intention is to make the most of fluctuations in short-term market prices to invest on a long-term view. Investment will be in companies with high or low market capitalizations that have medium or long-term upside potential, there being no special preference for any sector and overweighting those stocks viewed as most attractive at any given time.

The portion not invested in equities will be put into fixed income from eurozone issuers (preferably governments) and issues with high credit ratings: at least A2 (S&P) or P2 (Moody's) or the equivalent in the long term. For non-rated issues the rating of the issuer will be taken into account. The average duration of the fixed income portfolio will be under 18 months.

Up to 5% of assets may be invested in financial pooled investment vehicles (either of the traditional type or Hedge Funds), regardless of whether or not these belong to the management company group, which have a proven track-record of profitability and where the policy is one of "value investing" in keeping with the way the Hedge Fund is managed.

No direct dealing in derivatives is engaged in, although this may be done indirectly (via pooled investment companies) in derivatives, whether traded or not on organized markets of this kind, for the purpose of hedging and investment.

The Hedge Fund may take on borrowings under financial collateral arrangements with the Prime Broker (PB) (Banco Santander, rating AA) or using bank credit facilities to pursue its investment policy or meet its temporary cash requirements up to a ceiling for such borrowings of 100% of assets. The market value of the collateral lent to the PB which entails the right of disposal may be up to 150% of the debt held by the Hedge fund with the PB, meaning that a default risk will be assumed of a maximum of 50% thereof.

Cautionary note on the significant risks attaching to the investments:

1. Market risk: equities, fixed interest (interest rate risk), currency, emerging markets. 2. Credit risk. 3. Liquidity risk. 4. Concentration risk (geographical, sector or in a single security). 5. Counterparty risk (with the Prime Broker). 6. Risk from investing in undervalued securities. 7. Risk from indirect investment (via PIVs) in derivatives, whether traded or not on organized derivative markets, for the purpose of hedging or investing. NAV could show high volatility as a result.

Supplementary information on investments:

The Madrid Stock Exchange General Index (IGBM) is an index which comprises all the stocks which are listed on the Madrid Stock Exchange's Continuous Market. The MSCI World Index is a global index provided by Morgan Stanley Capital International and which features stocks

listed on markets in twenty-four developed countries. The management company may vary the weighting of the benchmark indices according to market conditions or changes in investment criteria. Should the benchmark basket be amended, unit-holders will be notified in the periodic reports.

Policy of investing in liquid assets and managing liquidity to address redemptions:

The fund invests part of its capital in liquid assets to provide for redemptions requested. The management company has also arranged mechanisms to meet such redemptions, such as an early warning system for certain of them and the option of borrowing through bank credit facilities to cater for any extraordinary cash requirements that might arise.

Although in general there are no plans for the fund to borrow using bank credit facilities, it can take this course of action: i) in the case of a need for resources to fund expected redemptions if it is not in the interest of the fund to sell off positions on the portfolio at the time, ii) to obtain a bridging loan for redemptions while new subscriptions are settled, and iii) to pursue the investment policy described above. Financial collateral arrangements are scheduled to be signed with the Prime Broker which entail the transfer of ownership or the granting of the right to use assets handed over by way of guarantee.

The fund has entered into a financial collateral arrangement with Banco Santander S.A. (rated AA by S&P and Fitch, and Aa2 by Moody's), which will be the fund's Prime Broker. This institution may however be replaced in the future by another subject to supervision in an OECD country with a high credit rating (at least A-). There is the possibility of Banco Santander S.A. disposing of the assets handed over by way of guarantee by the fund, in which case counterparty risk with the Prime Broker exists.

There is no guarantee of profits or against loss. Neither the fund nor the management company make any guarantee that the fund will produce positive returns or that the possibility exists of it making substantial losses.

Temporary situations where there is less portfolio risk are permitted, but this will not represent any change in the investment focus.

Details of the risks inherent to investments:

Market risk: high risk arising from the volatility of the markets in which investments are made: equities, fixed income (interest rate fluctuations) or currencies (exchange rate fluctuations). The Hedge Fund does however invest in short term fixed income, which is less interest rate sensitive.

Credit risk: as investments are in high quality issues, credit risk is low.

Concentration risk: there is no official diversification policy as regards sector, sub-sector, or geographical area. The Hedge Fund is highly concentrated, which may have an adverse effect on returns obtained. Concentration by geographical area, sector or security (ceiling of 20% of total exposure in a single stock).

Counterparty risk: borrowing transactions and collateral that entail the right of disposal in favour of the beneficiary will be formalised with the Prime Broker, for which reason the fund assumes high counterparty risk with a single entity.

With respect to such collateral, given that its market value may reach up to 150% of the Hedge Funds debt held with the PB, a default risk is thus being assumed of up to 50% thereof.

Liquidity risk: investments are made in stocks with a low capitalization, which could deprive investments of liquidity.

Emerging country risk: this could involve the risk of nationalizations or the expropriation of assets, which could increase at a given moment. Besides this, events of a political or social nature might affect the value of investments and make them more volatile.

Indirect derivative risk: due to the leveraging that derivatives entail these are particularly sensitive to price variations in the underlying asset and can multiply the portfolio's losses in value.

Other risks: investments are made in securities which the managers consider to be undervalued. There is no guarantee that these are genuinely undervalued or that, even if they are, their market price will perform as the managers expect.

The composition of the portfolio can be consulted in the regular reports

INFORMATION ON SUBSCRIPTION AND REDEMPTION PROCEDURE

Frequency of calculation of Net Asset Value: monthly.

Applicable Net Asset Value: The first calculation following the transaction application.

The applicable NAV will be monthly, will be for the last business day in each month and will be calculated and published within the five calendar days following the applicable NAV.

Subscriptions and redemptions will be monthly. The pay-out of redemptions will be made within the five business days following the applicable Net Asset Value.

Minimum commitment period: redemptions of holdings may not be requested during the first 12 months following subscription for them.

Thereafter redemption may be requested, the system for giving prior notice being respected in all cases.

Place where Net Asset Value is published: on the web-site of the Management Company, at www.bestinver.es.

Processing of subscription and redemption orders: Those orders entered after 14.00 hours or on a non business day will be processed together with those placed on the following business day. For such purposes a business day is understood to mean each day from Monday to Friday in the city of Madrid which does not fall on a holiday.

The Management Company will require prior notice of 10 calendar days with respect to the applicable NAV for redemptions of over 500,000 euros. Similarly, for any further redemptions requested in the 10 days following a redemption order, regardless of the amount in question, where the overall sum to be redeemed to a single holder is greater than or equal to 500,000 euros the Management Company will require prior notice of 10 days. For the purposes of calculating the figures for prior notice, the total for redemptions ordered by a single authorized representative will be taken into account.

Notwithstanding the above, whenever the necessary liquidity can be obtained to address requests for redemptions of over 500,000 euros received within the last 10 days of each month, and to ensure that there is no harm done to the interests of holders, these requests will be processed by applying the NAV for the month in progress. If within the month mentioned it should not prove possible to acquire the necessary liquidity, the applicable NAV would be the one for the following month.

In the case of transfers, the holder should be aware of the peculiarities applying to the regime for these compared to that for subscriptions and redemptions.

COMMERCIAL INFORMATION

Targeted investor segment: Professional and institutional investors.

Currency of denomination of units: Euros.

Minimum initial investment: 60,000 euros. For further subscriptions by existing holders the minimum additional investment will be 6,000 euros.

Minimum investment to be held: 60,000 euros.

In those cases where, as a result of a redemption order from a holder, the latter's position in the fund falls below the minimum investment to be held as established in the prospectus, the Management Company will put the repayment order on hold and will have to inform the holder of this circumstance as promptly as possible so as to take instruction in the matter.

Principal marketers: BESTINVER SOCIEDAD DE VALORES S.A. and those legally authorized entities with which a marketing agreement has been signed.

FEES AND EXPENSES

Fees applied	Percentage	Basis for calculation	Portions / periods
Fee (annual)	1.75%	Assets	
Applied directly to the fund	50%	Profits	On the excess of the Hedge Fund's annual yield relative to that of Bestinfond FI, provided that the Hedge Fund's return is over the Harmonized Index of Consumer Prices for the eurozone.
Custodian (annual)	0.1%	Assets	
Applied directly to the fund	0.02%	Assets	On that part of assets invested in foreign securities and in addition to the custody fee.
Redemption	5%	Amount redeemed	Holdings redeemed that are over one year old and less than two years old.

The management company will frame a system of allocating a hurdle fee based on results for the fund when the Net Asset Value of its units is greater than a NAV reached beforehand which has borne a results-based fee, and this will only be binding on the SGIC for three-year periods. The fund will, regardless of such fees, bear the following expenses: intermediation, settlement, CNMV charges, auditing fees and financial expenses on loans or overdrafts. The fund may also bear expenses arising from the investment research service included in the intermediation fee.

INFORMATION ON RETURN AND EXPENSES

Attached as an annex to this prospectus is the information included in the last six-monthly report published on the fund describing the historical performance of the unit yield and total expenses expressed as a percentage of average assets. Warning is made that historical trends in profitability are no indicator of future results.

FURTHER INFORMATION

This document includes the information required for the investor to be able to arrive at an informed opinion on the investment proposed. Read it carefully and, if necessary, seek professional advice. The information contained in this prospectus may be amended in the future. Any such amendments will be publicised in the legally established way and may, depending on circumstance, confer withdrawal rights upon the holder.

Positive verification and subsequent registration of the prospectus by the CNMV will not imply any recommendation to subscribe to the units to which it refers or any statement as to the solvency of the fund or the profitability or quality of the units offered.

Scheme for regular information

The Management Company or the Custodian must send each holder a statement of their position in the fund at least once a month. If there should be no activity in terms of subscriptions and redemptions in a certain period, the sending out of the position statement may be postponed until the following period, although sending the holder's position statement at the end of the financial year is mandatory. When the holder specifically requests this, said document may be sent to them using media employing data transmission.

The Management Company is to send holders successive annual and six-monthly reports at no charge, except if they expressly waive their right to this, as well as the quarterly reports to those who expressly ask for this. When holders do request this, these reports will be sent to them using media that employ data transmission.

Tax matters

Taxation of the returns obtained by holders will depend upon the tax law applying to their particular situation. In the event of any doubt, holders are recommended to seek professional advice. The returns gained by Investment Funds are liable for Corporate Income tax of 1%. Returns made by resident natural persons that arise from redemptions or transfers of holdings are treated as capital gains, which are subject to withholding of 19%, or else a capital loss. Returns obtained by resident natural persons that arise from redemptions or transfers will be added, for the purpose of Personal Income Tax (I.R.P.F.), to their savings tax base. The portion of the savings tax base which does not fall within the personal and family minimum referred to in the Personal Income Tax Act (Ley del IRPF) will be taxed at 19% for the first € 6,000 and 21% for the remainder in excess of this figure. All of this is without detriment to the tax regime envisaged under the prevailing rules and regulations that applies to transfers between Pooled Investment Vehicles. As regards the tax treatment for returns made by bodies corporate, non residents or under special regimes, the provisions of the rules and regulations enshrined in law are to apply.

Criteria for valuing assets in the portfolio: Those generally applying to Pooled Investment Vehicles.

Annual accounts: The closing date for the annual accounts is 31 December of the calendar year.

INFORMATION ON THE MANAGEMENT COMPANY AND RELATIONSHIP WITH THE CUSTODIAN

Inception date: 26/10/1988

Registration date and number: Entered on 26/01/1989 under number 103 in the appropriate register at the CNMV.

Registered address: JUAN DE MENA, 8, 1° DCHA. in MADRID, province of MADRID, post code 28014.

As is on record on the CNMV registers, the subscribed capital amounts to 330,556.66 euros.

Significant holdings of the management company may be consulted on the registers at the CNMV where it is entered.

Delegation of internal control and administrative functions of the Management Company:

The Management Company has delegated the following administrative functions for the type of Pooled Investment Vehicle referred to in this prospectus:

DELEGATED FUNCTIONS	ENTITY TO WHICH THIS IS ENTRUSTED
Legal and accounting services relating to management	SANTANDER BACK-OFFICES GLOBALES ESPECIALIZADOS, S.A. GESBAN SERVICIOS ADMINISTRATIVOS GLOBALES, SL
Valuation and determination of the Net Asset Value, including the applicable tax regime	GESBAN SERVICIOS ADMINISTRATIVOS GLOBALES, SL

The delegation of functions by the SGIIC (fund management company) will not place any limitation on its liability with regard to honouring the obligations laid down in the rules and regulations in connection with such activities.

Information on related party transactions:

The Management Company may carry out related party transactions on the Fund's account of the type envisaged in article 67 of the Collective Investment Schemes Act (LIIC). For this purpose the Management company has implemented procedures covered in its Internal Code of Conduct designed to avoid conflicts of interest and ensure that related party transactions are performed in the exclusive interest of the Fund and at prices or in conditions which are the same as or an improvement on those in the market. The regular reports will include information on any related party transactions made. In the case where the Management Company might have delegated any of its functions to a third party entity, the regular reports will include any related party transactions on the fund's account with said third party entity or other entities associated with it.

Information on the members of the Board of Directors

Position held	Name	Represented by	Date appointed
CHAIRMAN	JORGE VEGA-PENICHER LOPEZ		21/03/2006
DIRECTOR	JUAN GALLARDO CRUCES		28/04/2010
DIRECTOR	JORGE VEGA-PENICHER LOPEZ		20/03/2006
DIRECTOR	ANA PALACIO CARDENAS		29/06/2006
COMPANY SECRETARY	ANA PALACIO CARDENAS		20/06/2008

Other activities of Board Members: According to the CNMV registers, JORGE VEGA-PENICHET LOPEZ has business activities outside the company which are significant in relation to the latter.

The Management Company and the Custodian do not belong to the same business group according to the circumstances defined in art. 4 of the Securities Market Act.

DETAILS OF THE CUSTODIAN'S IDENTITY

Registration date and number: Entered on 06/06/1990 under number 42 on the relevant CNMV register.

Registered address: AV. DE CANTABRIA S/N CIUDAD GR. SANTANDER, BOADILLA DEL MONTE, province of MADRID, post code 28660

Primary activity: Credit institution

Other details of interest: The Custodian will not be liable for the safekeeping of those assets handed over and looked after by the financial intermediary.

OTHER PIVs MANAGED BY THE SAME MANAGEMENT COMPANY

Name	Type of PIV
BESTINFOND, FI	Investment Fund
BESTINVER BOLSA, FI	Investment Fund
BESTINVER INTERNACIONAL, FI	Investment Fund
BESTINVER MIXTO INTERNACIONAL, FI	Investment Fund
BESTINVER MIXTO, FI	Investment Fund
BESTINVER RENTA, FI	Investment Fund
BESTVALUE, FI	Investment Fund
BESTINVER BESTVALUE, SICAV S.A.	SICAV
BESTINVER VALUE INVESTOR SICAV, S.A.	SICAV
DIVALSA DE INVERSIONES, SICAV S.A.	SICAV
LINKER INVERSIONES, SICAV, S.A.	SICAV
RENTA INSULAR CANARIA, S.A., SICAV	SICAV
SOIXA, SICAV, S.A.	SICAV
SUMEQUE CAPITAL, SICAV, S.A.	SICAV
TEXRENTA INVERSIONES, SICAV, S.A.	SICAV

THOSE RESPONSIBLE FOR THE CONTENT OF THE PROSPECTUS

The Management company and the Custodian assume liability for the content of this prospectus and declare that in their opinion the details herein are truthful and that no fact has been omitted that might alter their scope.