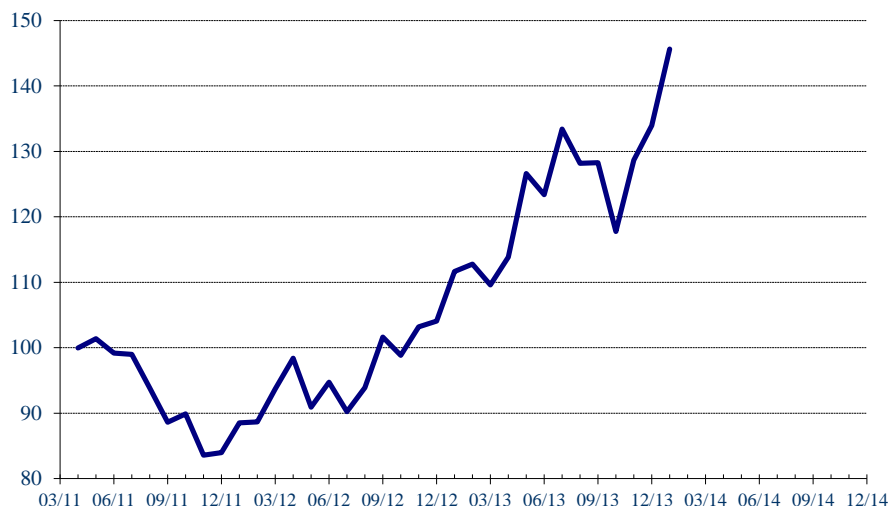


# LSP Life Sciences Fund

## Monthly Report January 2014

NAV per Share € 145.64



NAV of Fund	61,354,535
Number of Shares	421,262
Valuation Date	31/01/2014
Inception date:	27/04/2011
Currency:	Euro
Domicile:	The Netherlands
Legal Structure:	Dutch NV with variable capital
Listing:	Euronext Amsterdam
Euronext code:	LSP
ISIN Code:	NL0009756394
Bloomberg:	LSP NA

### Investment strategy

The Fund's primary investment objective is to achieve capital appreciation by investing in a diversified, yet concentrated portfolio of publicly listed life sciences companies (including biopharmaceutical-, specialist pharmaceutical-, medical device-, drug delivery-, vaccine- and diagnostic companies). The majority of the Fund's portfolio will consist of European companies listed on one of the (main) European stock exchanges, with a market capitalization of below € 1 billion at the time of investment.

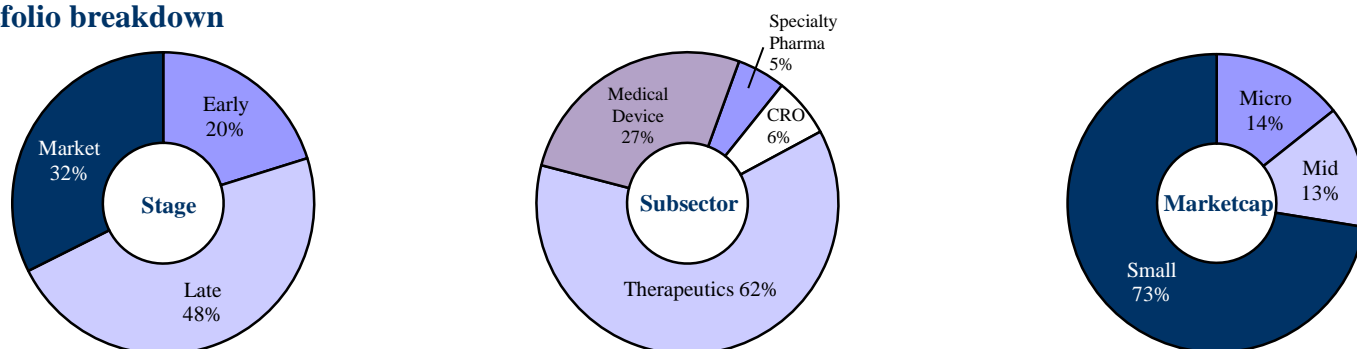
### Manager's comments

The Fund continued its rally of the past few months and had a strong start to the new year. A number of the fund's holdings saw their respective share prices move upwards. Inter alia, US based Neurocrine saw its shares jump upon announcement of very strong Phase II data for its product for the treatment of tardive dyskinesia, a debilitating side-effect of anti-psychotic medication. Such medication is typically given to patients suffering from diseases such as schizophrenia, bipolar disorder and depression. The company has a full agenda of expected clinical data points this year, including the read-out of multiple advanced trials for its lead product Elagolix. Another strong performer this month was French company Innate Pharma, a company focused on immunotherapeutics for the treatment of cancer. The concept of using a patient's own defence system to attack cancer has gained a lot of attention lately. Since our investment, the company has become increasingly visible to international investors and analysts, resulting in a significant run-up in its share price. GW Pharma, the UK company developing drugs based on its unique cannabinoid drug platform, also had a very strong performance and once again counted amongst the Funds best monthly performers.

### Top-5 performers

1. Neurocrine Bio. + 83.0%
2. Innate Pharma + 42.3%
3. GW Pharma. + 35.0%
4. Prosensa + 29.1%
5. Alcobra + 16.8%

### Portfolio breakdown



### Important information

LSP Advisory B.V. (as Fund Manager) and the LSP Life Sciences Fund N.V. (the Fund) have a license and are registered pursuant to the Dutch Act on Financial Supervision and are supervised by the Stichting Autoriteit Financiële Markten (Dutch Authority for the Financial Markets) and De Nederlandsche Bank N.V. (the Dutch Central Bank). This presentation is solely for information purposes and is not intended as advice in any way. The Fund Manager and the Fund cannot be held liable or responsible for the content of this presentation. Potential investors are advised to contact their investment- and fiscal advisor prior to taking an investment decision. There are risks involved in the investment. The value of the investment can fluctuate. Results achieved in the past offer no guarantee for the future. A Key Investor Information Document is also available for this product with information about the product, the costs and the risks involved. Read it before you invest in the product. The prospectus and the Key Investor Information Document of the LSP Life Sciences Fund can be downloaded via [www.lsplifesciencesfund.com](http://www.lsplifesciencesfund.com).

# LSP Life Sciences Fund

## Top-10 portfolio positions

<b>Company</b>	<b>Stage</b>	<b>Subsector</b>	<b>Marketcap</b>	<b>%</b>
AcelRX	Late	Medical Device	Small	12.0%
Lombard Medical	Late	Medical Device	Micro	9.8%
Neurocrine Biosciences	Late	Therapeutics	Small	8.1%
MorphoSys	Early	Therapeutics	Mid	7.9%
GW Pharmaceuticals	Market	Therapeutics	Small	6.8%
EVOTEC	Market	CRO	Small	6.3%
Innate Pharma	Early	Therapeutics	Small	6.1%
Ablynx	Early	Therapeutics	Small	5.9%
Basilea Pharmaceutica	Market	Therapeutics	Small	5.8%
Synergy Pharmaceuticals	Late	Therapeutics	Small	5.8%