

LSP Life Sciences Fund

Monthly Report December 2014

NAV per Share

€ 184.21

Performance

YTD	1 Month	3 Months	1 Year	2 Years	3 Years
37.5%	3.3%	17.4%	37.5%	77.0%	119.3%

NAV of Fund 70,175,004

Number of Shares 380,941

Valuation Date 31/12/2014

Top-5 performers

1. Cempra	63.4%
2. PTC Therapeutics	15.7%
3. Collectis	13.3%
4. Neurocrine Biosciences	12.1%
5. Enanta Pharmaceuticals	8.3%

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

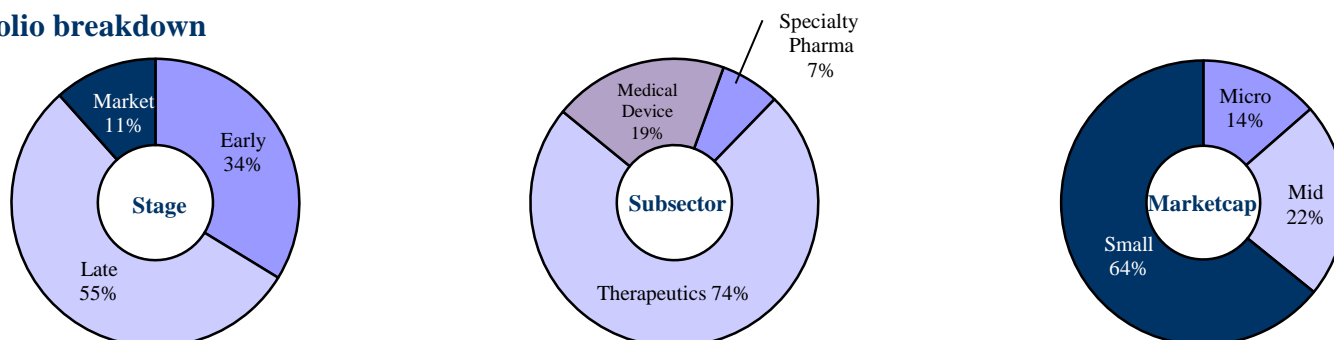
The Fund's primary investment objective is to achieve capital appreciation by investing in a diversified, yet concentrated portfolio of publicly listed life sciences companies (including biopharmaceutical-, specialist pharmaceutical-, medical device-, drug delivery-, vaccine- and diagnostic companies). 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 had yet another strong month in the year, with December closing up 3.3%. Thus, the Fund's full 2014 return reached 37.5%. The strongest performer in the month of December was Cempra. The company saw its share price increase in anticipation of key Phase III clinical data for its lead product, an antibiotic that targets the treatment of hospital acquired bacterial pneumonia. The Fund initiated its position in Cempra in October of 2014 and its share price has almost doubled since. Another recent addition to the portfolio, PTC Therapeutics, a company that inter alia focuses on the treatment of a rare muscle disease, also saw an increase in its share price. PTC's most advanced product targets the same rare disease as Prosensa which was recently acquired by Biomarin. This acquisition has fuelled investor interest in this therapeutic area. Furthermore, PTC announced in December it has started the filing process for approval in the US. Also in December, the FDA granted approval for Abbvie's product for the treatment of Hepatitis C. As the Fund's portfolio company Enanta originally developed one of the components of that product, it received a \$75 million milestone from Abbvie as a result of the approval. Enanta is entitled to receive significant royalties on that product going forward.

Once again, 2014 has proven to be an excellent year for the LSP Life Sciences Fund, which generated a return for the year of 37.5%. In 2015, we also expect significant news flow from our current portfolio companies as well as from new additions which will be made as the year progresses.

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.lspvc.com/funds/public.html

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Portfolio breakdown

Company	Stage	Subsector	Marketcap	%
Cempra	Late	Therapeutics	Small	10.0%
Enanta Pharmaceuticals	Late	Therapeutics	Small	8.1%
Ablynx	Early	Therapeutics	Small	6.8%
Innate Pharma	Early	Therapeutics	Small	6.8%
Lombard Medical	Late	Medical Device	Micro	6.3%
Collectis	Early	Therapeutics	Small	5.6%
PTC Therapeutics	Late	Therapeutics	Mid	5.5%
MorphoSys	Early	Therapeutics	Mid	5.5%
Neurocrine Biosciences	Late	Therapeutics	Mid	5.3%
Clinigen Group	Market	Specialty Pharma	Small	4.9%
AcelRX	Late	Medical Device	Small	4.4%
Sphere Medical	Market	Medical Device	Micro	3.6%
Synergy Pharmaceuticals	Late	Therapeutics	Small	0.3%