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# FPM Funds

## Annual Report 2009

- FPM Funds Stockpicker Germany All Cap

Investment Company with Variable Capital Incorporated  
under Luxembourg Law

# **FPM Funds Stockpicker Germany All Cap**

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for the period from January 1, 2009, through December 31, 2009



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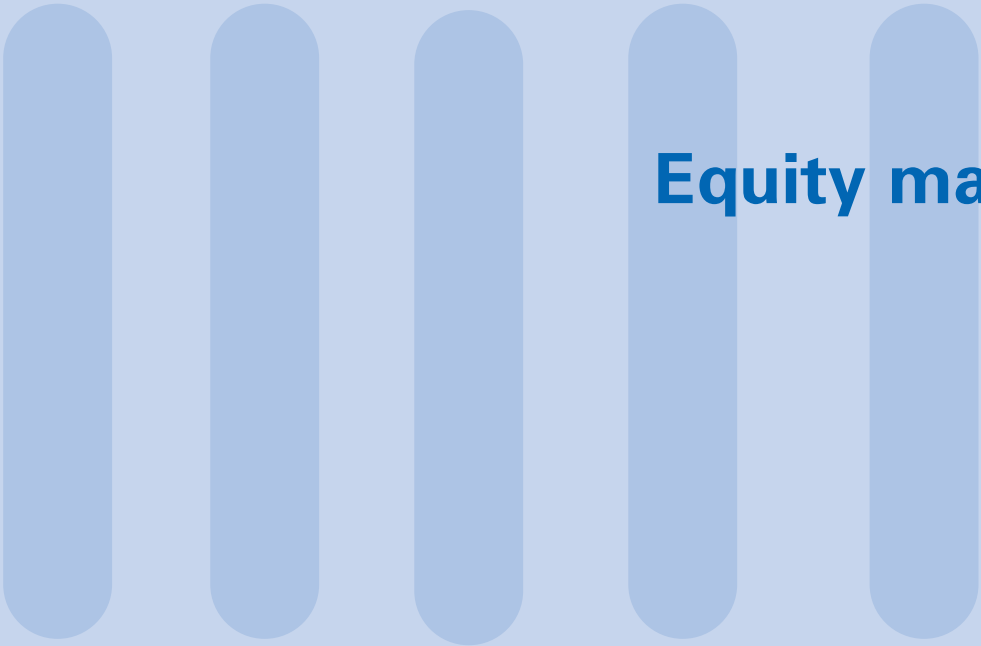
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**Equity markets**

# Equity markets in the fiscal year through December 31, 2009

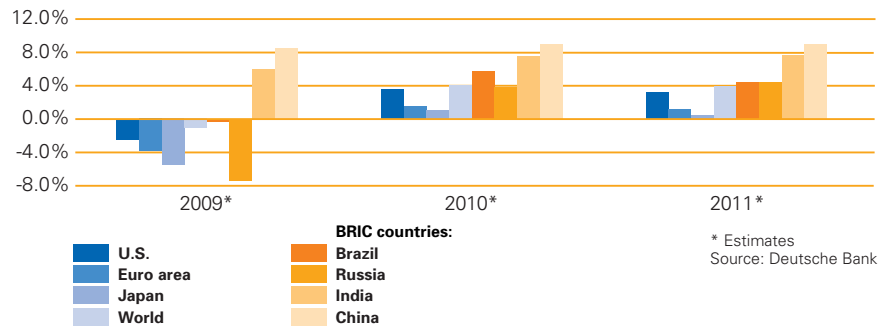
## Pronounced recovery in the international equity markets

In the fiscal year from the beginning of January through the end of December 2009, the world economy initially weakened drastically as a result of the financial crisis. Corporate earnings came under significant pressure, and prices in the global equity markets decreased considerably. During that phase, defensive stocks from the telecommunications, health care and utilities sectors performed above the market average. From the middle of March 2009, the mood brightened and prices recovered noticeably from the multi-year lows previously recorded. They were aided in particular by some leading economic indicators, which turned out to be more favorable than expected and fueled hope of an economic recovery. The comprehensive government stimulus packages and the expansive monetary policies pursued by the central banks both contributed to increased confidence. The strong upward trend was driven by financials and cyclical stocks, both of which were trading at especially low valuations until mid-March 2009. As a result, the extreme price declines from the beginning of the fiscal year were recouped, and additional significant price gains were also recorded. The MSCI World index posted a strong 29.8% gain in euro in the twelve months through the end of December 2009 (+31.7% in U.S. dollar terms).

While the **U.S. equity market** was still heavily weighed down by the global financial and economic crisis at the beginning of 2009, more favorable economic data and better-than-expected corporate earnings subsequently provided for a friendlier sentiment in the U.S. equity markets

## Growth advantage of BRIC countries by international comparison

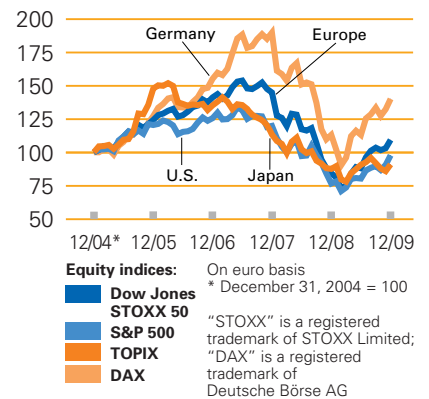
Economic growth compared to the previous year



during the reporting period. The banking sector in particular provided a pleasant surprise, with a number of institutions reporting quarterly results well in excess of market assessments. In the final months of 2009, numerous leading indicators pointed toward continued improvement in the economic situation. Many companies also saw relatively solid business development. For the full reporting year, the S&P 500 index recorded a gain of 29.6% in U.S. dollar terms (+27.7% in euro).

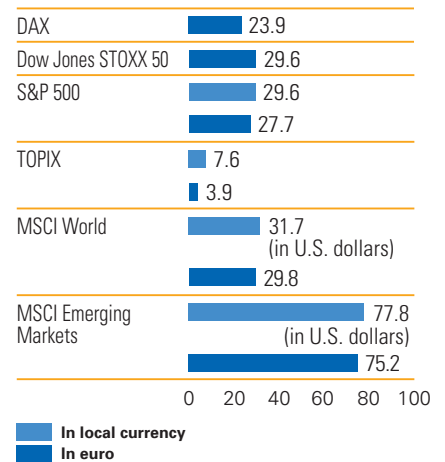
In the **European** equity markets, the increasing risk aversion of investors initially led to strong price declines as a result of the financial and economic crisis. To mitigate the consequences of a noticeable weakening of the real economy and to restore confidence in the financial system, the European governments had put together a comprehensive rescue package. In addition, the central banks injected liquidity into the financial system to a large extent. The first signs of a slowing of the economic downturn appeared in the spring of 2009, with prices in European stock markets improving. This was accompanied by a change in favorites. While investors previously preferred defensive stocks, the focus through the end of the reporting period shifted to financials

## Strong market movements over a five-year period



## International equity markets in the 2009 fiscal year

Performance in %



Equity indices:  
 Germany: DAX – Europe: Dow Jones STOXX 50 – U.S.: S&P 500 – Japan: TOPIX – worldwide: MSCI World – Emerging Markets: MSCI Emerging Markets

and equities whose performance was more strongly dependent on the economic outlook. The market recouped the major

price declines and showed a further positive upward trend as well. Overall, the 2009 fiscal year saw a pronounced market appreciation of 29.6%, as measured by the Dow Jones STOXX 50 index in euro.

**Japanese** equities were initially adversely affected by weak economic data in Japan and by disappointing corporate earnings. However, signs of a partial recovery in the export-oriented sectors subsequently led to rising stock market prices. Many market participants also hoped that the historic election victory of the DPJ over the LDP, which had been in power for more than 50 years, would benefit the Japanese economy. The new government was expected to support the Japanese economy, a factor that helped strengthen the yen against the U.S. dollar. However, interim fears of negative effects on exports and deflation concerns weighed on sentiment in the Japanese equity market, which over twelve months recorded an appreciation of 7.6% in local currency (+3.9% in euro), as measured by the TOPIX.

### Strong outperformance of emerging markets over MSCI World

The equity markets in the **emerging markets** managed to recover significantly at the first signs of economic stabilization from March 2009, and subsequently turned in a far better performance than the established markets. This was supported by fundamental factors, such as their advantage over the industrial countries in terms of economic growth, but also by structural changes including the increasing significance of domestic de-

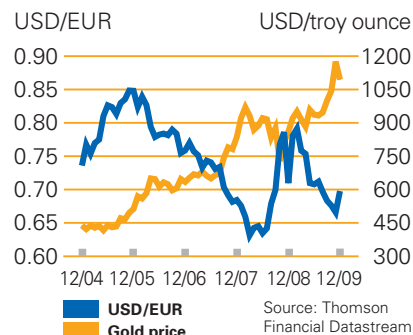
mand as well as improvements in productivity and efficiency. The MSCI Emerging Markets recorded a gain of 75.2% in euro terms in 2009. In **China**, the earnings outlook of industrial companies improved thanks to government capital spending, among other things. The stock market (Hang Seng China Enterprises) gained 60.9% in local currency (+58.5% in euro).

In **India**, the government implemented measures to encourage growth (high infrastructure investments), which benefited the entire equity market: the Bombay SE 30 Share Sensitive gained 60.0% in Indian rupee terms, which was an 82.7% gain in euro. The incipient economic recovery in **Brazil** facilitated increased profits and lower risk premiums for companies. Sectors geared to the domestic market demonstrated particularly strong earnings potential as they are the prime beneficiaries of the lowest real interest rates in decades. The Brazilian Bovespa index rose by 82.7% in Brazilian real which, thanks to the strength of that currency, bolstered by trends including the influx of foreign capital, corresponded to a gain of 146.7% in euro terms. Against the backdrop of a resumed upward trend in commodity prices, the equity market in **Russia** matched the positive performance of the equity markets in the emerging markets, respectively returning 134.5% in Russian roubles and 124.8% in euro.

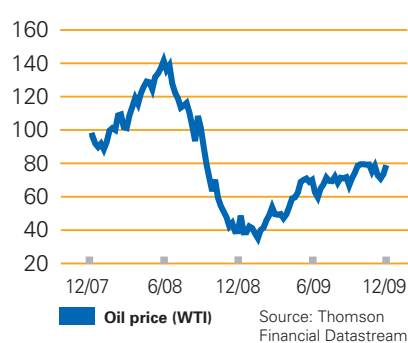
### Continued increase in the price of gold and recovery in demand for crude oil

While **gold** initially benefited from fears that the financial and economic crisis would worsen, the continued increase in

### Comparison of changes in the U.S. dollar exchange rate and the gold price



### Change in oil price since the end of 2007



the price of this precious metal, which at times traded at around 1,200 U.S. dollars per troy ounce, later became increasingly dependent on factors of economic and monetary policy. In view of the comprehensive measures taken by the central banks to increase the money supply and of the multibillion dollar economic stimulus programs, inflation concerns of market participants increased appreciably. The **price of oil**, which at times dipped below 40 U.S. dollars per barrel of WTI amid reduced demand and high inventory levels, began to rise again as the signs of economic recovery intensified and market sentiment began to improve. Later in the period, the oil price recovered very sharply from its lows, at times surpassing the 80 U.S. dollar mark.

# General information

**The fund described in this report is a sub-fund (hereinafter also referred to as investment fund) of a SICAV (Société d'Investissement à Capital Variable) incorporated under Luxembourg law.**

## Performance

The investment return, or performance, of a mutual fund investment is measured by the change in value of the fund's shares. The net asset values per share (= redemption prices) with the addition of intervening distributions, which are, for example, reinvested free of charge within the scope of investment accounts, are used as the basis for calculating the value. Past performance is not a guide to future results.

The corresponding benchmarks – if available – are also presented in the report. All financial data in this publication is **as of December 31, 2009**. The deadline for completing the text portions of the report was January 31, 2010.

## Sales prospectuses

Fund shares are purchased on the basis of the current simplified and full sales prospectuses and the by-laws of the SICAV, in combination with the latest audited annual report and any semiannual report that is more recent than the latest annual report.

## Issue and redemption prices

The current issue and redemption prices and all other information for shareholders may be requested at any time at the registered office of the management company and from the paying agents. In addition, the issue and redemption prices are published in every country of distribution through appropriate media (such as the Internet, electronic information systems, newspapers, etc.).

## Obligations for cross-border distribution

Included in the financial statements of this SICAV (Société d'Investissement à Capital Variable) is a report by the Réviseur d'Entreprises (the independent auditor's opinion). This report refers exclusively to the German version of the annual financial statements.

In the case of cross-border distribution, one of the obligations of the Company/SICAV is to also publish annual reports in at least one of the national languages of the relevant country of distribution or in another language authorized by the responsible authorities in the relevant country of distribution, if applicable, also in summary form on a sub-fund basis. The tax information contained in the annual reports for investors who are subject, without limitation, to taxation in the Federal Republic of Germany and specific information for investors in a different country of distribution have been omitted in the national or specific language versions. National or language versions must also be published for the semiannual reports to be produced for the first half of the fiscal year.

In the case of discrepancies between the German version of the report and any translation thereof, the German version shall be binding.



2009

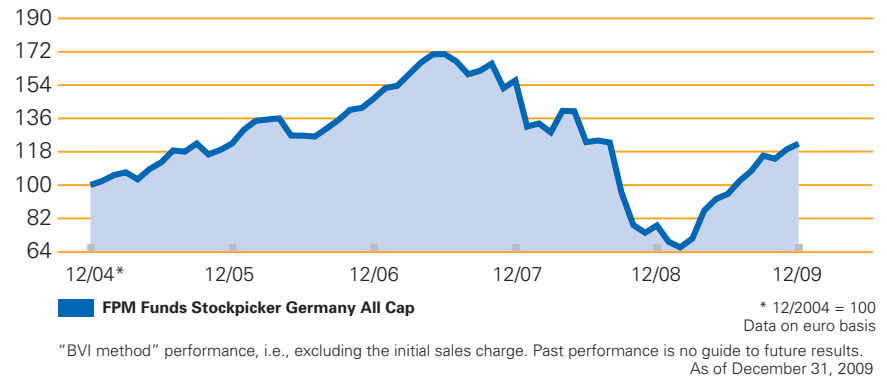
**Annual report**

# FPM Funds Stockpicker Germany All Cap

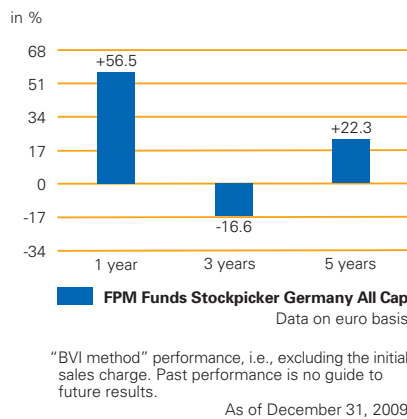
FPM Funds Stockpicker Germany All Cap focused on the entire German equity market. The sub-fund preferred companies with above-average earnings capacity and a comparably low dependency on general economic performance. As a result, in the twelve months through the end of December 2009, it achieved a solid appreciation of 56.5% per share (BVI method). Particularly stocks with low market capitalizations and a relatively stable business performance made a noticeable recovery from the strong price declines that resulted from the financial and economic crisis.

Major gains – with prices doubling in some cases – were recorded with equities that had previously been hurt badly by the weakness on the exchanges, although the companies' longer-term outlooks had not deteriorated significantly. Among these companies was Aareal Bank, which was included in the portfolio and rose sharply after securing refinancing. The portfolio also participated in the strong price gains by Wirecard, the Internet payment provider, after it turned out that the company's accounting procedures were correct. The position in the medical technology stock STRATEC Biomedical Systems was also advantageous; the company's improved economic outlook meant that it was back on track for strong growth. Among large-cap stocks, Deutsche Bank made an above-average contribution to performance. The financial institution was well positioned in the bond issues segment and profited from a large number of newly issued bonds as a result of the increased

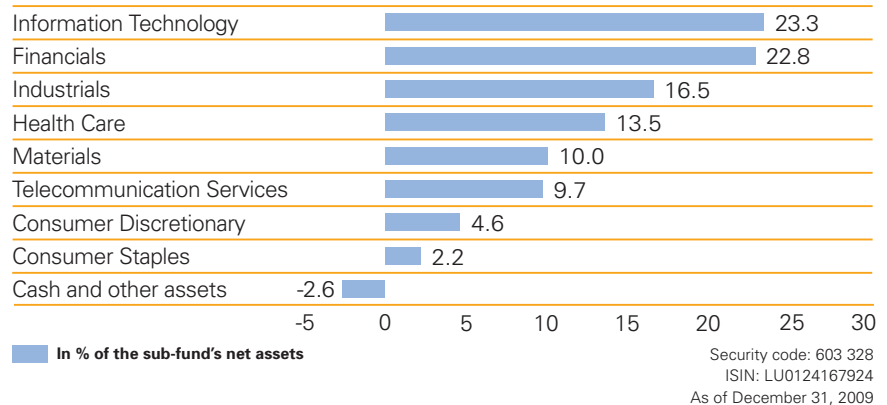
## FPM FUNDS STOCKPICKER GERMANY ALL CAP Longer-term performance



## FPM FUNDS STOCKPICKER GERMANY ALL CAP Performance at a glance



## FPM FUNDS STOCKPICKER GERMANY ALL CAP Broad diversification



capital requirements of companies. The fund sold positions which had been bought on the expectation of a settlement or held because of their high cash levels. The entire position in Continental

was sold, as were positions in human resources service provider Allgeier and in the media company Highlights Communication.

The format used for complete dates in securities descriptions in the investment portfolio is "day/month/year".



**Investment portfolio  
and financial statements for  
the reporting period**

# Annual report FPM Funds Stockpicker Germany All Cap

## Investment portfolio – December 31, 2009

Description	Count/ currency (- / '000)	Quantity/ principal amount	Purchases/ additions in the reporting period	Sales/ disposals	Market price	Total market value in EUR	% of net assets
<b>Securities traded on an exchange</b>						<b>69 043 089.46</b>	<b>102.62</b>
<b>Equities</b>							
Aareal Bank	Count	471 851	175 851	424 000	EUR 13.1200	6 190 685.12	9.20
Air Berlin	Count	300 000	340 000	40 000	EUR 3.7500	1 125 000.00	1.67
Allianz SE	Count	32 500	39 000	27 500	EUR 87.7800	2 852 850.00	4.24
Bayer	Count	30 000	50 000	20 000	EUR 56.0300	1 680 900.00	2.50
Bertrandt	Count	71 706	9 206	73 300	EUR 22.0400	1 580 400.24	2.35
Deutsche Bank Reg.	Count	60 000	130 000	140 000	EUR 49.6700	2 980 200.00	4.43
Deutsche Postbank Reg.	Count	50 000	50 000	140 000	EUR 22.8800	1 144 000.00	1.70
Drillisch	Count	400 000	400 000		EUR 4.9500	1 980 000.00	2.94
Eckert & Ziegler Strahlen- und Medizintechnik	Count	203 627	203 627		EUR 17.3000	3 522 747.10	5.24
Freenet	Count	480 000	500 000	20 000	EUR 9.4500	4 536 000.00	6.74
GK Software	Count	15 000	15 000		EUR 35.0000	525 000.00	0.78
GoYellow Media	Count	100 000	100 000		EUR 5.4600	546 000.00	0.81
HeidelbergCement	Count	28 700	96 958	68 258	EUR 47.8200	1 372 434.00	2.04
Hochtief	Count	35 000	68 000	33 000	EUR 53.1600	1 860 600.00	2.77
Münchener Rückversicherungs-Gesellschaft Vink.Reg.	Count	20 000	10 000		EUR 108.9800	2 179 600.00	3.24
SAF Simulation, Analysis and Forecasting	Count	220 000		30 632	EUR 11.7600	2 587 200.00	3.85
Schaltbau Holding	Count	49 073	9 073		EUR 38.7000	1 899 125.10	2.82
Sixt Pref.	Count	147 500		2 500	EUR 16.8500	2 485 375.00	3.69
SMA Solar Technology	Count	15 000	37 000	22 000	EUR 92.5000	1 387 500.00	2.06
Smartrac	Count	100 000	100 000		EUR 14.9200	1 492 000.00	2.22
Software	Count	85 000	78 000	103 000	EUR 76.1600	6 473 600.00	9.62
Solar Millennium	Count	54 500	54 500		EUR 36.2000	1 972 900.00	2.93
Solon SE	Count	47 496	100 000	52 504	EUR 7.1900	341 496.24	0.51
STADA Arzneimittel Vink. Reg.	Count	60 000	105 000	45 000	EUR 24.2400	1 454 400.00	2.16
STO Pref.	Count	89 086	15 622	22 736	EUR 60.3100	5 372 776.66	7.99
STRATEC Biomedical Systems	Count	90 000	5 628	72 988	EUR 26.7700	2 409 300.00	3.58
Südzucker Ord.	Count	100 000	100 000		EUR 14.5600	1 456 000.00	2.16
Twintec	Count	180 000	66 088	86 088	EUR 8.6000	1 548 000.00	2.30
United Internet Reg.	Count	100 000	100 000		EUR 9.1900	919 000.00	1.37
Wirecard AG	Count	330 000	47 000	617 000	EUR 9.6000	3 168 000.00	4.71
<b>Total securities portfolio</b>						<b>69 043 089.46</b>	<b>102.62</b>
<b>Cash at bank</b>						<b>933 204.44</b>	<b>1.39</b>
<b>Demand deposits at Custodian</b>							
EUR deposits	EUR	931 942.76			% 100	931 942.76	1.39
Deposits in non-EU/EEA currencies							
Swiss franc	CHF	1 878.50			% 100	1 261.68	0.00
<b>Other assets</b>						<b>63.94</b>	<b>0.00</b>
Interest receivable	EUR	63.94			% 100	63.94	0.00
<b>Other liabilities</b>						<b>EUR -2 694 623.13</b>	<b>-4.01</b>
<b>Net assets</b>						<b>67 281 734.71</b>	<b>100.00</b>
Net asset value per share						178.11	
Number of shares outstanding						377 754.000	

Negligible rounding errors may have arisen due to the rounding of calculated percentages.

### Exchange rates (indirect quotes)

As of December 30, 2009

Swiss franc ..... CHF 1.488889 = EUR 1

## FPM Funds Stockpicker Germany All Cap

### Security prices and market rates

The fund's assets are valued on the basis of the last known prices/market rates.

The management fee/all-in fee rates in effect as of the reporting date for the investment fund units held in the securities portfolio are shown in parentheses. A plus sign means that a performance-based fee may also be charged. As the fund held units of other investment funds (target funds), further costs, charges and fees may have been incurred at the level of these individual target funds. No initial sales charges or redemption fees were paid during the period under review.

### Transactions completed during the reporting period that no longer appear in the investment portfolio

Purchases and sales of securities, investment fund units and promissory note loans (Schuldscheindarlehen); market classifications are as of the reporting date

Description	Count/ currency (- / '000)	Purchases/ additions	Sales/ disposals	Description	Count/ currency (- / '000)	Purchases/ additions	Sales/ disposals
<b>Securities traded on an exchange</b>				<b>Unlisted securities</b>			
<b>Equities</b>				<b>Equities</b>			
Allgeier Holding	Count		166 225	HeidelbergCement (DE000A0Z2Z21)	Count	18 700	18 700
Aurubis AG	Count	50 000	50 000	<b>Investment fund units</b>			
BASF	Count	15 000	15 000	<b>In-group fund units</b>			
Bauer	Count	20 000	20 000	DWS Institutional Money plus (0.160%+)	Count	510	510
Bayer (DE0005752000)	Count	70 000	70 000	<b>Derivatives (option premiums realized in opening transactions, or total opening transactions; in the case of warrants, purchases and sales are shown)</b>			
Beiersdorf	Count	20 000	20 000	Value ('000)			
Centrotherm Photovoltaics	Count	1 000	1 000	<b>Futures contracts</b>			
Commerzbank	Count	100 000	100 000	<b>Equity index futures</b>			
Continental	Count	100 000	100 000	Contracts purchased:		EUR	50 418
Continental (add. applied for sale)	Count		30 000	(Underlyings: DAX (performance index))			
CyBio	Count		258 750	Contracts sold:		EUR	370 496
Deutsche Börse Reg.	Count	25 000	25 000	(Underlyings: DAX (performance index))			
Deutsche Post Reg.	Count	150 000	150 000	<b>Equity index futures</b>			
DeutscheTelekom Reg.	Count	100 000	100 000	Contracts purchased:		EUR	50 418
Dialog Semiconductor	Count	75 000	75 000	(Underlyings: DAX (performance index))			
Draegerwerk Pref.	Count	40 000	40 000	Contracts sold:		EUR	370 496
E.ON Reg.	Count	30 000	30 000	(Underlyings: DAX (performance index))			
Freenet AG (DE000A0EAMM0)	Count	181 000	831 000	<b>Equity index futures</b>			
Fresenius SE	Count	30 000	30 000	Contracts purchased:		EUR	50 418
GdF Suez	Count	20 000	20 000	(Underlyings: DAX (performance index))			
GEA Group	Count	50 000	50 000	Contracts sold:		EUR	370 496
HCI Capital Reg.	Count		213 859	(Underlyings: DAX (performance index))			
Henkel Ord.	Count	50 000	50 000	<b>Equity index futures</b>			
Henkel Pref.	Count	25 000	25 000	Contracts purchased:		EUR	50 418
Highlight Communications	Count		350 000	(Underlyings: DAX (performance index))			
hotel.de	Count		147 686	Contracts sold:		EUR	370 496
Infinion Technologies Reg.	Count	300 000	300 000	(Underlyings: DAX (performance index))			
InVision Software	Count		112 829	<b>Equity index futures</b>			
IVG Immobilien	Count	225 000	395 000	Contracts purchased:		EUR	50 418
Klößner & Co.	Count		60 000	(Underlyings: DAX (performance index))			
MAN Ord.	Count	20 000	20 000	Contracts sold:		EUR	370 496
Metro Ord.	Count	10 000	10 000	(Underlyings: DAX (performance index))			
MorphoSys	Count	40 000	40 000	<b>Equity index futures</b>			
Porsche Automobil Holding Pref.	Count	45 000	45 000	Contracts purchased:		EUR	50 418
PUMA	Count	3 368	3 368	(Underlyings: DAX (performance index))			
Q-Cells	Count	35 000	35 000	Contracts sold:		EUR	370 496
Qiagen	Count	117 000	117 000	(Underlyings: DAX (performance index))			
QSC Reg.	Count	100 000	2 205 807	<b>Equity index futures</b>			
Rheinmetall Ord.	Count	10 000	10 000	Contracts purchased:		EUR	50 418
RWE Ord.	Count	10 000	10 000	(Underlyings: DAX (performance index))			
SAF Holland	Count		341 392	Contracts sold:		EUR	370 496
Salzgitter	Count	13 000	13 000	(Underlyings: DAX (performance index))			
SGL CARBON	Count	64 200	64 200	<b>Equity index futures</b>			
Siemens Reg.	Count	10 000	10 000	Contracts purchased:		EUR	50 418
SolarWorld	Count	125 000	125 000	(Underlyings: DAX (performance index))			
Volkswagen Pref.	Count	56 000	56 000	Contracts sold:		EUR	370 496

## FPM Funds Stockpicker Germany All Cap

### Statement of income and expenses

for the period from January 1, 2009, through December 31, 2009

Dividends	EUR	1 107 544.59
Interest from investments of liquid assets	EUR	12 774.53
Income from investment fund units	EUR	2 569.20
Income from securities lending	EUR	5 757.89
Income adjustment	EUR	155 454.94
<b>Total income</b>	<b>EUR</b>	<b>1 284 101.15</b>
Interest expense on borrowings	EUR	-1 039.45
Fee	EUR	-467 323.69
Performance-based fee from securities lending income	EUR	-2 878.95
Performance-based fee	EUR	-4 024 932.75
Taxe d'abonnement	EUR	-27 295.08
Reimbursed expenses	EUR	-140 241.39
<b>Total expenses</b>	<b>EUR</b>	<b>-4 663 711.31</b>
<b>Net investment income</b>	<b>EUR</b>	<b>-3 379 610.16</b>
Realized gains	EUR	9 737 973.15
Realized losses	EUR	-30 810 816.23

#### BVI total expense ratio (TER)

The total expense ratio was 0.95% p.a. The TER expresses total expenses and fees (excluding transaction costs) as a percentage of a fund's average net assets for a given fiscal year.

In addition, as it outperformed the defined benchmark, the fund incurred a performance-based fee for the fiscal year of 7.75% p.a. calculated on the fund's average net assets.

As well, the additional income from securities lending resulted in a performance-based fee of 0.006% p.a. calculated on the fund's average net assets.

### Statement of changes in net assets

2009

Net assets at the beginning of the fiscal year	EUR	52 841 792.36
Inflows from subscriptions:	EUR	32 560 222.72
Outflows from redemptions:	EUR	-40 764 142.41
Net inflows/outflows	EUR	-8 203 919.69
Income adjustment and reimbursed expenses	EUR	457 633.77
Net investment income	EUR	-3 379 610.16
Realized gains	EUR	9 737 973.15
Realized losses	EUR	-30 810 816.23
Net change in unrealized appreciation/depreciation	EUR	46 638 681.51
<b>Net assets at the end of the fiscal year</b>	<b>EUR</b>	<b>67 281 734.71</b>

### Changes in net assets and in the net asset value per share over the last three years

	Net assets at the end of the fiscal year EUR	Net asset value per share EUR
2009	67 281 734.71	178.11
2008	52 841 792.36	113.80
2007	235 741 119.07	227.82

# FPM Funds SICAV – December 31, 2009

Portfolio composition (in euro)				
	FPM Funds SICAV	FPM Funds Stockpicker Germany All Cap	FPM Funds Stockpicker Germany Small/Mid Cap	FPM Funds Stockpicker Germany Large Cap
Securities portfolio	97 924 910.15	69 043 089.46	21 266 170.69	7 615 650.00
Cash at bank	1 626 899.65	933 204.44	–	693 695.21
Other assets	1 901.58	63.94	–	1 837.64
Loan liabilities	- 282 621.96	–	- 282 621.96	–
Other liabilities	- 3 699 315.64	- 2 694 623.13	- 744 035.39	- 260 657.12
<b>= Net assets</b>	<b>95 571 773.78</b>	<b>67 281 734.71</b>	<b>20 239 513.34</b>	<b>8 050 525.73</b>

Statement of income and expenses (in euro)				
	FPM Funds SICAV	FPM Funds Stockpicker Germany All Cap	FPM Funds Stockpicker Germany Small/Mid Cap	FPM Funds Stockpicker Germany Large Cap
Dividends	1 654 813.12	1 107 544.59	381 172.58	166 095.95
Interest from investments of liquid assets	20 418.53	12 774.53	3 802.02	3 841.98
Income from investment fund units	20 001.20	2 569.20	–	17 432.00
Income from securities lending	5 757.89	5 757.89	–	–
Income adjustment	122 744.99	155 454.94	- 14 651.60	- 18 058.35
<b>= Total income</b>	<b>1 823 735.73</b>	<b>1 284 101.15</b>	<b>370 323.00</b>	<b>169 311.58</b>
Interest expense on borrowings	- 1 523.43	- 1 039.45	- 483.98	–
Fee	- 747 437.17	- 467 323.69	- 214 122.87	- 65 990.61
Performance-based fee from securities lending income	- 2 878.95	- 2 878.95	–	–
Performance-based fee	- 5 457 454.17	- 4 024 932.75	- 1 106 758.16	- 325 763.26
Taxe d'abonnement	- 39 607.69	- 27 295.08	- 8 863.76	- 3 448.85
Reimbursed expenses	- 37 746.66	- 140 241.39	75 889.19	26 605.54
<b>= Total expenses</b>	<b>- 6 286 648.07</b>	<b>- 4 663 711.31</b>	<b>- 1 254 339.58</b>	<b>- 368 597.18</b>
<b>= Net investment income</b>	<b>- 4 462 912.34</b>	<b>- 3 379 610.16</b>	<b>- 884 016.58</b>	<b>- 199 285.60</b>

Statement of changes in net assets (in euro)				
	FPM Funds SICAV	FPM Funds Stockpicker Germany All Cap	FPM Funds Stockpicker Germany Small/Mid Cap	FPM Funds Stockpicker Germany Large Cap
Net assets at the beginning of the fiscal year	74 410 277.01	52 841 792.36	14 171 446.60	7 397 038.05
Net inflows/outflows	- 9 964 956.15	- 8 203 919.69	- 547 164.99	- 1 213 871.47
Income adjustment and reimbursed expenses	209 121.89	457 633.77	- 76 261.69	- 172 250.19
Net investment income	- 4 462 912.34	- 3 379 610.16	- 884 016.58	- 199 285.60
Realized gains	10 912 886.82	9 737 973.15	419 882.67	755 031.00
Realized losses	- 34 121 776.67	- 30 810 816.23	- 1 180 071.67	- 2 130 888.77
Net change in unrealized appreciation/depreciation	58 589 133.22	46 638 681.51	8 335 699.00	3 614 752.71
<b>= Net assets at the end of the fiscal year</b>	<b>95 571 773.78</b>	<b>67 281 734.71</b>	<b>20 239 513.34</b>	<b>8 050 525.73</b>

Three-year performance (in euro)				
	FPM Funds SICAV	FPM Funds Stockpicker Germany All Cap	FPM Funds Stockpicker Germany Small/Mid Cap	FPM Funds Stockpicker Germany Large Cap
Net assets at the end of the fiscal year				
2009	95 571 773.78	67 281 734.71	20 239 513.34	8 050 525.73
2008	74 410 277.01	52 841 792.36	14 171 446.60	7 397 038.05
2007	292 880 158.53	235 741 119.07	39 227 940.34	17 911 099.12
Net asset value per share at the end of the fiscal year				
2009		178.11	116.38	108.47
2008		113.80	80.46	84.05
2007		227.82	143.51	136.31

# Report of the Réviseur d'Entreprises

KPMG issued an unqualified audit opinion for the full annual report. The translation of the report of the Réviseur d'Entreprises (the independent auditor's opinion) is as follows:

To the shareholders of FPM Funds SICAV.

We have audited the accompanying financial statements of FPM Funds SICAV (the "SICAV") and its sub-funds, which comprise the statement of assets and liabilities including the securities portfolio as of December 31, 2009, and the statements of income and expenses and the statements of changes in net assets for the year then ended, as well as a summary of significant accounting policies and other explanatory notes.

## **Responsibility of the Board of Directors of the SICAV for the Financial Statements**

The Board of Directors of the SICAV is responsible for the preparation and presentation of these financial statements as a reflection of the true circumstances in accordance with Luxembourg legal and regulatory requirements relating to the preparation of financial statements. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and presentation of financial statements as a reflection of the true circumstances that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

## **Responsibility of the Réviseur d'Entreprises**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted by the Institut des Réviseurs d'Entreprises. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing audit procedures to obtain audit evidence about the valuations and disclosures in the financial statements. The audit procedures selected depend on the judgment of the réviseur d'entreprises, including the assessment of the risks of material misstatement of the annual report, whether due to fraud or error. In making those risk assessments, the réviseur d'entreprises considers the internal control relevant to the entity's preparation and presentation of the financial statements as a reflection of the true circumstances in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing a judgment on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board of directors of the SICAV, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Audit Opinion**

In our opinion, the accompanying financial statements give a true and fair view of the financial position of FPM Funds SICAV and its sub-funds as of December 31, 2009, and of the results of its operations and changes in its net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of financial statements.

## **Miscellaneous**

Supplementary information included in the annual report has been reviewed in the context of our mandate but has not been subject to specific audit procedures carried out in accordance with the standards described above. Consequently, we express no opinion on such information. However, we have no observation to make concerning such information in the context of the financial statements taken as a whole.

Luxembourg, March 15, 2010

KPMG Audit S.à r.l.  
Réviseurs d'Entreprises

Harald Thönes



### Investment Company

FPM Funds SICAV  
2, Boulevard Konrad Adenauer  
L-1115 Luxembourg  
RC B 80 070

### Board of Directors of the Investment Company

Doris Marx  
Chairwoman  
Member of the Management of  
DWS Investment S.A.,  
Luxembourg

Michael Koschatzki (since January 1, 2010)  
DWS Investment GmbH,  
Frankfurt/Main

Manfred Piontke  
Executive Member of the Board of Directors  
Member of the Management Board of  
FPM Frankfurt Performance Management AG,  
Frankfurt/Main

Thomas Seppi  
Member of the Management Board of  
FPM Frankfurt Performance Management AG,  
Frankfurt/Main

Jochen Wiesbach (until December 31, 2009)  
Managing Director of DWS Investment GmbH,  
Frankfurt/Main  
Member of the Board of Directors of  
DWS Investment S.A.,  
Luxembourg

### Management

Manfred Piontke  
Member of the Management Board of  
FPM Frankfurt Performance Management AG,  
Frankfurt/Main

### Management Company

DWS Investment S.A.  
2, Boulevard Konrad Adenauer  
L-1115 Luxembourg  
Capital stock as of December 31, 2009:  
EUR 230.5 million

### Board of Directors of the Management Company

Klaus Kaldemorgen (since July 1, 2009)  
Chairman  
Managing Director of DWS Investment GmbH,  
Frankfurt/Main

Ernst Wilhelm Contzen  
Executive Member of the Board of Directors  
of the Deutsche Bank Luxembourg S.A.,  
Luxembourg

Heinz-Wilhelm Fesser (since March 1, 2009)  
Luxembourg

Frank Kuhnke (since May 1, 2009)  
London

Klaus-Michael Vogel  
Executive Member of the Board of Directors of  
DWS Investment S.A., Luxembourg  
Executive Member of the Board of Directors of  
Deutsche Bank Luxembourg S.A., Luxembourg

Jochen Wiesbach  
Managing Director of DWS Investment GmbH,  
Frankfurt/Main

Dr. Stephan Kunze (until June 30, 2009)  
Frankfurt/Main

### Management Company Management

Klaus-Michael Vogel  
Executive Member of the Board of Directors of  
DWS Investment S.A., Luxembourg  
Executive Member of the Board of Directors of  
Deutsche Bank Luxembourg S.A., Luxembourg

Manfred Bauer (since April 1, 2009)  
DWS Investment S.A., Luxembourg

Doris Marx  
DWS Investment S.A., Luxembourg

Ralf Rauch (since May 1, 2009)  
DWS Investment S.A., Luxembourg

Günter Graw (until March 31, 2009)  
DWS Investment S.A., Luxembourg

### Auditor

KPMG Audit S.à r.l.  
9, Allée Scheffer  
L-2520 Luxembourg

### Custodian

State Street Bank Luxembourg S.A.  
49, Avenue J.F. Kennedy  
L-1855 Luxembourg

### Fund Managers

until September 7, 2009:  
DWS Finanz-Service GmbH  
Mainzer Landstraße 178-190  
D-60327 Frankfurt/Main

since September 8, 2009:  
DWS Investment GmbH  
Mainzer Landstraße 178-190  
D-60327 Frankfurt/Main

### Investment Advisor

FPM Frankfurt Performance  
Management AG  
Freiherr-vom-Stein-Straße 11  
D-60323 Frankfurt/Main

### Sales, Information and Paying Agent

LUXEMBOURG  
Deutsche Bank Luxembourg S.A.  
2, Boulevard Konrad Adenauer  
L-1115 Luxembourg

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