



Portfolio manager: Nils Petter Hollekim

ODIN Norden

The first six months ended with a decline of 14.5 per cent for ODIN Norden. The fund's reference index ended down 15.5 per cent during the same period.

With its exposure to energy, Norway was in an exceptional position during the first six months. Companies exposed to the oil services industry performed particularly well. In addition, Nordic companies in general, with activities in selected commodities, showed a positive trend. Banks, retailers and construction companies performed poorly in most cases.

Our Finnish steel companies were positive contributors to the fund's return for the first six months. We also experienced a repricing of the high technology company Saab. Like the Norwegian Kongsberg Group, the company's level of activity is high, and it is filling its order book at an impressive rate.

High bunker costs were a problem for the portfolio companies RCL and Stolt Nielsen, and this had a negative impact on their share prices. Both of these companies have, however, far greater underlying assets than their share prices indicate.

ODIN Norden still has a great deal of exposure to the Norwegian market. We have extra confidence in the portfolio companies in the oil services sector. In addition, we see signs of improvement in industrial shipping and logistics. In the rest of the Nordic region, we are maintaining our focus on selected companies in the workshop and engineering sector. The portfolio can report attractive key figures and is priced with a substantial discount in relation to the market.



Portfolio manager: Truls Haugen

ODIN Finland

The first six months ended with a decline of 12.2 per cent for ODIN Finland. The fund's reference index ended down 15 per cent during the same period.

The fund's performance throughout the period showed a pattern that was exhibited by most of the funds – a sharp decline in January that bottomed out on 22 January. Up until the middle of May the fund rebounded to positive territory, and then it declined throughout the month of June – reflecting again the general market trend.

The greatest positive contributors to the return for the period were the tyre manufacturer Nokian Tyres, the stainless steel manufacturer Outokumpu, and the construction company YIT. The upswing in Nokian Tyres was driven by the positive development in the company's operations in Russia. The upswing in Outokumpu was driven, by factors related to the ferrochrome market and possible mine expansions. For the construction company YIT, a good development in Russia compensated for an expected weakening of the Finnish housing construction market.

On the negative side we find the machine rental company Ramirent, which declined due to a general fear for the development of the construction industry and somewhat poorer first quarter figures than expected, the chemical manufacturer Kemira, which reported disappointing earnings, and the sporting equipment manufacturer, which issued a profit warning early in the period.

Key areas for the future will continue be our exposure to further growth in Eastern Europe, industrial companies with bulging order books and selected consumer companies.



Portfolio manager: Jarl Ulvin

ODIN Norge

The first six months ended with a decline of 11.6 per cent for ODIN Norge. The fund's reference index ended down 9.4 per cent during the same period.

The year started with significantly better performance than the fund's reference index during the stock market decline in January. ODIN Norge was well-positioned with more defensive shares. These managed quite well during the sharpest declines. Since March, however, this trend has reversed, and the fund is trailing the upswing in the index.

Orkla made a significant positive contribution to the return in the first six months. ODIN Norge did, however, not own the share when the company's share price fell sharply early this year. We invested subsequently in Orkla and benefited greatly from the upswing since it bottomed out.

The solar energy company REC also made a significant positive contribution in relation to index year to date. Shares in REC declined a great deal, at the same time as ODIN Norge did not own any of the shares.

We underestimated the tremendous inflation in food prices, and we sold our Yara position early this year. The Yara share price doubled subsequently, which resulted in the greatest negative contribution to the return for the year in relation to the index.

ODIN Norge is priced with a significant discount in relation to the fund's reference index. History shows that a portfolio consisting of undervalued companies gives a greater return over time. We believe that this will also be the case in the future. We have a great deal of confidence in the companies in ODIN Norge's portfolio.

Return per 2008-06-30 (NOK):

ODIN Norden	-14.5%	ODIN Finland	-12.2%	ODIN Norge	-11.6%
Benchmark	-15.5%	Benchmark	-15.0%	Benchmark	-9.4%



Portfolio manager: Nils Petter Hollekim

ODIN Sverige

The first six months ended with a decline of 13.9 per cent for ODIN Sverige. The fund's reference index ended down 16.8 per cent during the same period.

Selected engineering and metal companies performed well during the first half of the year. The steel companies in particular were successful, driven by good growth in demand and subsequent rising prices. The portfolio companies SSAB and BE Group both benefited from this trend. In the engineering sector, it is the defence and security technology company SAAB in particular that made a positive contribution. After a difficult year last year, there has been a repricing of the company so far this year. SAAB is still priced at a substantial discount in relation to its competitors.

Of the portfolio companies that have performed poorer than the market, we can point out the hygiene and wood processing company SCA, Svenska Handelsbanken and the investment company Kinnevik.

So far we have only seen moderat downward adjustments of the companies' earning estimates – with the exception of retailers and banks. The decline in prices continued at the same time throughout the first half of 2008. In our opinion the stock market has already priced in significant reductions in the estimates in some cases. The announcement of the second quarter earnings may have a positive effect on the share prices.

The Swedish stock market is currently trading at a significant discount in relation to its historical average. ODIN Sverige's portfolio of quality companies is priced with an additional discount in relation to the general market.



Portfolio manager: Alexandra Morris

ODIN Europa

The first six months ended with a decline of 19.9 per cent for ODIN Europa. The fund's reference index ended down 17.8 per cent during the same period.

The Finnish company Outokumpu (stainless steel), Swedish company SAAB (defence and security technology), Italian company Astaldi (building and construction) and the Norwegian offshore companies in the portfolio made a positive contribution to the return in the first six months.

Sanofi-aventis (pharmaceuticals), Anglo Irish Bank and McInerney (housing construction) were the greatest negative contributors. The pharmaceutical industry in Europe performed very poorly in spite of the defensive nature of the industry and very attractive pricing. ODIN Europa has around 12 per cent of the fund's assets invested in the health sector. This has had a negative impact on the return.

It is obvious that the weak stock market performance we have seen over the last year is affecting financial market players. Many of them are sitting on the fence awaiting decisions to make major investments in shares. We also see that European shares have not been priced so low for many years – this in itself makes them very exciting investments.

We have a close, ongoing contact with the portfolio companies. In our opinion there are substantial values that are not reflected by the current share prices. The companies are solid and have good business models. Due to the discount and way the companies are managed, we feel confident that we will be able to deliver a good return for ODIN Europa over time.



Portfolio manager: Truls Haugen

ODIN Europa SMB

The first six months ended with a decline of 13.6 per cent for ODIN Europa SMB. The fund's reference index ended down 16.1 per cent during the same period.

The greatest positive contributors to the fund's return for the period were the German manufacturer of industrial and port cranes Demag Cranes, the Norwegian industrial conglomerate Bonheur, and the Italian construction company Astaldi.

Demag Cranes delivered good numbers for the fourth quarter of 2007 and first quarter of 2008. In addition, the company raised its earning estimates this year. The company has now shown that it has control over the production problems that weighed heavy on the company in 2007. Bonheur benefitted greatly from the share price performance of its subsidiary Fred Olsen Energy. The company pays high dividends to its shareholders, and it is priced at a high discount in relation to its underlying assets at the same time. The wind power, cruise and ferry traffic operations are not currently reflected in the price – these operations are in other words an added bonus. Astaldi is benefitting for its part from high road and railway investments. The company's order book is full for five years. This contributes to greater predictability.

Among the negative contributors we find the Finnish machine rental company Ramirent, the French manufacturer of lifting and earth moving equipment Haulotte, and the Irish housebuilder McInerney.

Energy and energy conservation, infrastructure and urbanisation are investment areas we believe will create a good return for the fund in the future.

Return per 2008-06-30 (NOK):

ODIN Sverige	-13.9%	ODIN Europa	-19.9%	ODIN Europa SMB	-13.6%
Benchmark	-16.8%	Benchmark	-17.8%	Benchmark	-16.1%



Manager: Oddbjørn Dybvad
Portfolio manager: Jarl Ulvin

ODIN Global

The first six months ended with a decline of 15.6 per cent for ODIN Global. The fund's reference index ended down 16.3 per cent during the same period.

The US train company Norfolk Southern has been one of the best contributors so far this year. There is an increasing focus on the environmental aspects of transport. The transport of people and goods on rails is significantly more fuel efficient and cost effective than other means of transport such as air, lorries and cars. This bodes well for the future of the sector and the company.

The drilling company Pride is another important contributor. An important driver for the company is the oil companies' increasing exploration budgets. An increasing share of the company's earnings are generated by deep-water activities.

Oil prices have risen sharply over the last year. This increase is, however, not reflected to the same degree in the prices of oil products such as petrol and diesel. This has general resulted in pressure on the oil refinery margins. Among the fund's weakest contributors this year we find the US oil refinery Valero Energy.

Major mood swings on the stock markets give ODIN opportunities to purchase companies with share prices that have fallen sharply. We believe that there also will be many profitable opportunities in the future. Like ODIN's other funds, we invest in companies with solid balance sheets and strong cash flows.

ODIN Global is currently priced at 9.5 times next year's earnings. This is a significant discount in relation to the global stock markets, which are priced at twelve times next year's earnings.



Manager: Vegard Søråunet
Portfolio manager: Jarl Ulvin

ODIN Global SMB

The first six months ended with a decline of 16.9 per cent for ODIN Global SMB. The fund's reference index ended down 14.7 per cent during the same period.

Major portfolio companies, such as the port and industrial crane manufacturer Demag Cranes, the defence company Kongsberg Group, and the energy conglomerate Bonheur, have all made a positive contribution to the fund's return in the first six months. The aforementioned companies have each individually accounted for over five per cent of the fund's overall investments.

On the negative side, the airlines Air Berlin and SkyWest were hit very hard by the high oil prices. We have sold Air Berlin due to disappointing operating results and integration problems in connection with the acquisition of companies.

The Hong Kong listed PYI Corporation, which operates in China, is another weak contributor. The holding company, which develops and manages infrastructure projects, is currently trading at a significant discount in relation to the underlying assets.

We have made use of the unrest in the market to adapt and streamline the SME portfolio to the megatrends we have particularly great confidence in. ODIN Global SMB currently owns a number of exciting companies with good products and good management. The fund also has exciting geographic exposure with respect to where sales and earnings are generated.

During the last calendar year we have visited around 90 per cent of the portfolio companies to listen to their assessments of the future. The feedback we received makes us confident that we will be able to deliver a good return for the fund in the future.



Portfolio manager: Lars Mohagen

ODIN Maritim

The first six months ended with a decline of 13.4 per cent for ODIN Maritim. The fund's reference index ended up 0.9 per cent during the same period.

High share price volatility and uncertain macroeconomic developments marked the first half of 2008. In some cases there has also been tremendous fluctuation in the rate levels for the underlying shipping markets. Ship values on the other hand have been stable and increasing in some cases.

Newbuild prices continued to show a rising trend with higher prices for factor inputs such as steel and machines. In spite of the greater perceived uncertainty about the future, many shipping companies continued to order new vessels – now with delivery as far ahead as 2011.

In the stock markets the greater uncertainty concerning the macroeconomy and subsequent future rate levels has resulted in lower share prices for many companies. This applies in particular to small companies with poor liquidity in segments that are more "complex" than tankers and bulk carriers.

As a consequence of the aforementioned uncertainty and falling prices, we are finding a number of companies that are emerging as very attractively priced in relation to the underlying assets and future key figures. Patient investors should benefit from this.

We believe that the stock market is too pessimistic in its pricing of many companies. We see a good potential for the repricing of these companies.

Return per 2008-06-30 (NOK):

ODIN Global	-15.6%	ODIN Global SMB	-16.9%	ODIN Maritim	-13.4%
Benchmark	-16.3%	Benchmark	-14.7%	Benchmark	0,9%



Portfolio manager: Lars Mohagen

ODIN Offshore

The first six months ended with a decline of 2.2 per cent for ODIN Offshore. The fund's reference index ended up 8.5 per cent during the same period.

After a particularly volatile start to the year, the oil service companies (measured by the US OSX index) recovered well. The rig companies have led this upswing, while seismic companies have lagged behind. The fund is trailing the reference index in the short term due to the fact that the US dollar weakened throughout the year and some of the Norwegian companies in the portfolio performed less well than the rest of the market.

Among the companies that made a positive contribution in the first half of the year, we find in particular the US rig companies Pride and Ensco, and the Norwegian companies Fred Olsen Energy and Seadrill.

As mentioned, the Norwegian companies have performed disappointingly so far this year – the smaller companies in particular. The market has focused especially on large liquid companies. Of the individual companies we have particular confidence in for the future, we would like to point out BW Offshore and Dof Subsea. These companies currently trade at a substantial discount in relation to their underlying assets.

It is still the case that most of the parameters used to assess the offshore sector are better than ever before. The rig rates and oil prices are at record levels, for example, and there is little available capacity for exploration and development activities.

We are seeing the contours of a long-term upswing cycle – which will offer many profitable investment opportunities in the future for patient investors who can withstand fluctuations.



Portfolio manager: Nils Petter Hollekim

ODIN Eiendom

The first six months ended with a decline of 7.2 per cent for ODIN Eiendom. The fund's reference index ended down 14.3 per cent during the same period.

The Nordic real estate market was turbulent throughout the first half of 2008. A higher interest rate level resulted in an upward adjustment of the investors' required rate of return. In addition, the banks are less eager to lend out money. All in all this contributed to lowering the prices in certain real estate segments.

Among the companies that made a significant positive contribution to the fund's return year to date, we find the Finnish real estate companies Technopolis and Citycon, as well as the Swedish real estate company Atrium. All of the companies are participating in real estate development projects.

Among the companies that made a negative contribution, we find the Norwegian companies Eiendomsspar and Northern Logistic Property. The latter company's registered address is in Oslo, but it owns primarily logistics properties in Sweden. The company NEAS, which offers property management services to building owners, also showed weak share price performance. The company has nevertheless a good long-term potential in our opinion.

We note that the uncertainty concerning the right price level for commercial property is starting to increase. Some potential players have a wait-and-see attitude due to the banks' behaviour and a healthy scepticism in general to future price increases.

In the future we will have extra focus on companies with solid balance sheets, i.e. companies with a low leveraging ratio and a good dividend capacity. We believe that such companies will give the unit holders in ODIN Eiendom the best return in the future.

This is how we invest

ODIN is an active manager that is free to invest in companies, independent of size or weight in a market index. We invest in companies that we believe have the characteristics necessary to become "tomorrow's winners".

Our job as a fund manager is to give the unit holders participation in the companies' value increase. At ODIN we understand the importance of making own independent investment choices.

Our investments are carried out on the basis of thorough company analyses in industries and markets that we know and understand – where we know what creates the results. We are long-term owners that tolerate short-term disturbance from the markets.

We prefer so-called value companies rather than growth companies. These are companies with a solid sales volume and good profit development that are underestimated in relation to the estimates for long-term profit development and booked values. That the companies actually earn money and have actual value implies that normally there are few potential castles in the sky among the value companies.

It is all well and good to read reports about different countries and political changes. To see it with one's own eyes provides even better knowledge and a deeper understanding. An important part of the job of ODIN's managers comprises travelling and visiting different markets and companies. In discussions with the companies' management we acquire more knowledge and an increased understanding of the culture in which they operate. Such knowledge comprises an important part of the total analysis we do on the companies in which we are considering investment.

In the short term the share markets are characterised by disturbance and irrational market price fluctuations. The share prices fluctuate more than the company values, something that provides opportunities for active managers. The fluctuations enable us to purchase shares at a price far below the true value and later sell them at the true value.

We believe that it is possible to discover good, underestimated companies, again and again – companies we believe will be "tomorrow's winners". Ever since ODIN was established we have followed the same investment philosophy. The philosophy combined with good management tools, has given the unit holders in ODIN's mutual fund high additional profits for many years. You can see the results in the return overview on next page.

Return per 2008-06-30 (NOK):

ODIN Offshore	-2.2%	ODIN Eiendom	-7.2%
Benchmark	8,5%	Benchmark	-14,3%