



December 2011 and future outlook

2011 was a weak year for ODIN Global. On the relative side we underperformed in the sectors IT and Consumer Discretionary while Industrials and Consumer Staples were the relative winners in a difficult market sentiment for fundamental value investors such as ODIN. However, those of you who have been with us for 3 years have gotten more than 18 percent outperformance since 2009.

Actions

In 2011, we have used the current market weakness as an opportunity to buy and increase our positions in quality companies globally. Especially in US we continue to find big caps with solid market positions at attractive prices. In a weak economic environment it is possible to buy these companies at attractive prices. During 2011 we added positions in Oracle, Tenaris and 3M.

On the other hand we feel that Emerging Markets is a forgotten region. Two years ago the region was euphoric, but today one can hardly find any optimistic investors in this region. This despite continued strong growth drivers in these markets. Many countries have continued to grow at a rapid pace and we don't expect it to slow too much over the next decade. Growing middle class, lower interest rates, and lower inflation pressure are all indicators that this region again will see good economic growth. ODIN Global therefore has a 30 percent exposure to Emerging Markets. An example of a new such holding is the Brazilian utility company Cemig.

On the sell side, we sold our positions in Andritz, Transocean and Synthes as they reached our target prices in the first half of 2011. We also scaled off some positions in smaller companies due to size and the fact that large caps are attractive relative to small caps on the valuation side.

Contributions

2011 gave us notable gains in the industrial sector such as Norfolk Southern and Rolls Royce. On the consumer side we had a positive contribution from Coca Cola Femsa and the Irish ingredient company Kerry Group.

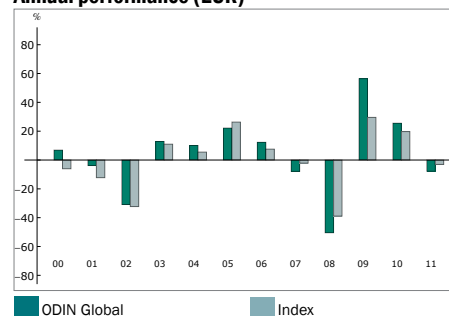
Our worst performing stocks in 2011 have been Norsk Hydro, Kingboard Chemicals and Whirlpool.

On the other hand, we had notable declines in the financial sector in Emerging Markets. We have over nine percent exposure to financials in Emerging Markets and despite much more solid balance sheets and healthy fundamental performance these stock prices have not been protected against market volatility.

Outlook

In 2012, we are looking forward to see increased focus from investors on fundamentals. 2011 was a year when politics took center stage and almost every stock-related move seemed to be tied to the latest headline coming from Europe. We believe the situation in Europe can be worked

Annual performance (EUR)



ODIN Global

Portfolio managers

Oddbjørn Dybvad og Vegard Søraunet

Benchmark index

MSCI World Net Index

Annual management fee:	2%
Established:	11/15/1999
Managed by ODIN since:	6/12/2007
Assets u. Man. (mill. EUR):	91

Performance per 12/31/2011

Last month	3,31%
Year to date	-7,78%
Last 12 months	-7,78%
Last 5 years	-3,75%
Last 10 years	-0,27%
Since inception	0,30%

5 largest sectors

Commercial Banks	9,69%
Beverages	8,82%
Energy Equipment & Services	7,38%
Road & Rail	7,31%
Food & Staples Retailing	6,61%
Other	60,18%

10 largest holdings

Norfolk Southern	7,31%
Coca-Cola Femsa	5,92%
Samsung Electronics Pref.	5,28%
Walgreen	4,34%
Kerry Group	4,08%
Tenaris ADR	3,97%
MTN Group	3,76%
Norsk Hydro	3,54%
Rolls-Royce Holdings	3,49%
CRH ADR.	3,47%
Other	54,83%

Fund commentary ODIN Global



out and there will likely be considerable reforms in European countries. We think the current noise are good opportunities to increase exposure to the equity market if you got a mid- to long term horizon.

About ODIN Global

ODIN Global freely invests, regardless of the industry, in limited liability companies throughout the world. The long-term aim of the fund is to give a higher return than the global equity market.

We would like to remind you that...

In this report ODIN has referred to sources that are regarded as reliable. ODIN can however not guarantee that the information derived from these sources is either accurate or complete. Statements made in this report reflect ODIN's market view when the report was produced.

Employees in ODIN are entitled to trade on own account in several financial instruments. This implies that employees in ODIN may hold securities in companies mentioned in this report as well as units in ODIN's funds. Employees' own account trading shall comply with ODIN's internal guidelines. These guidelines are prepared in accordance with the Norwegian Act on Securities Trading and business standards issued by the Norwegian Mutual Fund Association.

Past performance is no guarantee for future performance. Future performance will depend, among other things, on movements in the market, the manager's skills, the fund's level of risk and the subscription, management and redemption costs. The value of the fund may decline as a result of a general fall in share prices.

For further information please visit www.odinfundmanagement.com

About ODIN

ODIN is a boutique manager specializing in focused, bottom-up value investing. Our 20 years of experience in asset management have taught us valuable lessons.

Lesson 1: Focus on the horizon

In ODIN, we focus on fundamentals, basing our expectations on competitive advantages, product development, financial viability, leadership and strategic positioning of individual companies. These factors tend to be consistent across short term business cycles. Our confidence in the long term viability of our investments means that we are prepared to stay invested for a long time, and engage actively in corporate governance. Sound and sustainable value creation is a slow and steady process, not a get rich quick-scheme. But we find it is worth the wait.

Lesson 2: Think independently

Unlike passive investors, insights gained through thorough analysis enable us to form an independent view of the fundamental value of a company. This is key in order to identify companies where strong companies are available with compelling value propositions. And in our experience opportunities abound, especially in periods where fear and panic are driving the markets. Under such circumstances many investors fail to maintain focus on the fundamental value of individual companies.

Lesson 3: Stay on target

Strategy drift is an expression used to describe how some asset managers try to adjust their investment process according to what the market currently seems to favour. We do not adjust our philosophy to the latest fads or fashions in the investment industry. We are constantly on alert to avoid letting fear or greed cloud our judgment and steal our attention away from the fundamentals of individual companies.

