

## Reasons to Buy

BLACKROCK GLOBAL FUNDS (BGF)

### BGF European Growth Fund



**Fund manager**  
Michael Constantis

**Fund launch date**  
14.12.2002

**Fund size**  
€232.8m (as at 31.03.2011)

### Why this Fund?

The Fund has been awarded an AA rating by Standard & Poor's and an A Rating by OBSR. The Fund had also achieved a 'Superior' rating from Morningstar, who in the February 2011 report comment: 'Constantis is supported by a well-resourced team, the process is solid and comprehensive, and performance has been excellent under different market conditions.'

Michael Constantis is A-rated by Citywire\*.

\*This rating is based on risk-adjusted 3 year performance to end February 2011 and applies in Austria, France, Germany, Italy, Netherlands, Spain, Sweden and Switzerland

- ▶ **Strong Performance** – The Fund has consistently out-performed both its benchmark and the broader European peer group. On a cumulative basis over one year, five years and since launch the Fund has generated returns of 17.4%, 14.1% and 106.1% compared to the benchmark returns of 10.0%, 5.2% and 73.0%\* respectively. The Fund also ranks in the first quartile of the its peer group over one year, three years, five years and since launch. ^
- ▶ **Experienced Investment Team** – The BGF European Growth Fund is managed by BlackRock European Equity Style Diversified Team. This experienced and extensive team boasts 14 investment professionals with a total of over 140 years experience, managing over €12.5bn in the European Equity space†. The expertise and track record of the whole team is a key competitive advantage.
- ▶ **Disciplined Investment Approach** – The team employs a rigorous and disciplined bottom-up fundamental investment approach, which takes full advantage of BlackRock's world-class risk systems and has the ability to leverage ideas and knowledge from BlackRock's diversified investment base.

^ Source: Morningstar – to end March 2010.

\* Source: Morningstar, basis: NAV price with gross dividends reinvested, net of expenses in €. (as at 31.03.2011).

† As at 31.03.2011

### Why invest?

- ▶ Europe offers a fertile hunting ground for many world-leading franchises with exposure to the most attractive areas of global growth. Many of these companies are global industry leaders with strong management teams and quality earnings growth prospects.
- ▶ The team is positive on the outlook for European equities. Despite the region being sold down over recent peripheral issues, the corporate profit cycle remains healthy and earnings growth potential remains strong. Europe is currently underowned and offers attractive valuations relative to history.
- ▶ The team's philosophy is that over the medium term, companies that grow their earnings above market expectations, on attractive valuations, with good management, will deliver the best returns for clients. Historically, companies which have proven earnings growth have been on a substantial premium, but given recent conditions the market is no longer pricing in this premium. Growth stocks are at some of the most attractive valuations the team has seen them at in several years.
- ▶ Portfolio characteristics are well suited for these volatile and at times challenging market conditions. The Fund displays significant growth characteristics, which tends to lead towards companies that have an increasing return on capital and rising earnings profiles. The Fund is also slightly more exposed to mid-cap names where the growth potential is higher.

### Portfolio characteristics

|                            |       | Equity Fund |
|----------------------------|-------|-------------|
| Stockmarket Capitalisation | Large | 40-60*      |
|                            | Mid   |             |
|                            | Small |             |
| Style                      |       | Growth      |

\* number of stocks

The number of shares quoted for the Fund is indicative and actual numbers may fall outside of the range shown.

Benchmark: MSCI European Growth Net (Euro)

Base currency: €

## Did you know?

- ▶ It is a consensus view that emerging economies may offer significant GDP growth over the coming years. However, it's less widely known that Europe offers significantly higher exposure to emerging market growth than either the US or Japan, with over 20% of profits being generated from these markets. As a result, Europe presents a strong opportunity to invest in high quality, well-managed companies with exposure to significant earnings growth.

Source: BlackRock

## About BlackRock

BlackRock is one of the world's pre-eminent asset management firms and a premier provider of global investment management, risk management and advisory services to institutional, intermediary and individual investors around the world. BlackRock offers a range of solutions – from rigorous fundamental and quantitative active management approaches aimed at maximising outperformance to highly efficient indexing strategies designed to gain broad exposure to the world's capital markets. Our clients can access our investment solutions through a variety of product structures, including individual and institutional separate accounts, mutual funds and other pooled investment vehicles, and the industry-leading iShares® ETFs. This offering has been recognised in 2010 with over 180 first-placed industry awards received globally†.

BlackRock is a truly global firm that combines the benefits of worldwide reach with local service and relationships. We manage assets for clients in North and South America, Europe, Asia, Australia and the Middle East. The firm employs more than 8,500 professionals and maintains offices in 24 countries around the world.

The foundation of BlackRock's business is our belief that our clients' needs are of paramount importance. Our commitment to investment excellence is anchored in a shared culture that always places a client's interests first, from individual investors to the world's largest institutions. We act always as a fiduciary for our clients, never trading as a principal on our own behalf.

As of 31 March 2011, BlackRock's assets under management total US\$3.65 trillion (£2.28 trillion)\* across equity, fixed income, cash management, alternative investments, multi-asset and advisory strategies. Through BlackRock Solutions®, we offer risk management, strategic advisory and enterprise investment system services to a broad base of clients with portfolios totalling over US\$9.5 trillion.\*

\* Data as at 31 March 2011.

† This tally of awards is correct to 31 December 2010 and does not include iShares ETF products.

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