



WARBURG INVEST LUXEMBOURG

ANNUAL REPORT

as at March 31, 2012

WARBURG VALUE FUND



CONTENTS

	Page
Management and Administration	2
Report of the fund administration company	3
Statement of Net Assets as at March 31, 2012	5
Changes in Net Assets as at March 31, 2012	6
Key Figures	7
Calculation of Capitalization	8
Statement of Investments as at March 31, 2012	9
Fund Structure	14
Statement of operations for the year from April 1, 2011 to March 31, 2012	15
Closed Portfolio	17
Notes to the Annual Report as at March 31, 2012	19
Exchange Rates	20
Additional Information for Investors in Switzerland	21

**Notice: The German Version
of the audited Annual Report
is considered as the legal basis.**

No forecasts on the future development of the fund may be derived from the statements contained in this report. Fund shares are issued on the basis of the sales prospectus and administrative rules current from time to time, (where applicable) supplemented by the latest audited annual report as of the preceding March 31 and, furthermore, by the semi-annual report as of the preceding September 30 if published after the latest annual report.

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MANAGEMENT AND ADMINISTRATION

Fund Administration Company

WARBURG INVEST
LUXEMBOURG S.A.
2, Place Dargent
L-1413 Luxembourg

Board of Directors

Chairman:

Hans-Jürgen Schäfer
Managing Director
WARBURG INVEST
KAPITALANLAGE-
GESELLSCHAFT MBH,
Hamburg

Members:

Sabine Büchel
Administrateur-Délégué

Dr. Detlef Mertens
Administrateur-Délégué

Directors

Sabine Büchel
Dr. Detlef Mertens

Depository

M.M. Warburg & CO Luxembourg S.A.
2, Place Dargent
L-1413 Luxembourg

Central Administration Agent

WARBURG INVEST
LUXEMBOURG S.A.
2, Place Dargent
L-1413 Luxembourg

Legal Adviser

Arendt & Medernach
14, rue Erasme
L-1468 Luxembourg

Independent Auditors

BDO Audit S.A.
2, avenue Charles de Gaulle
L-1653 Luxembourg

Paying Agents

In Luxembourg (principal agent):

M.M. Warburg & CO Luxembourg S.A.
2, Place Dargent
L-1413 Luxembourg

Paying Agent and Information Office
in Germany:

M.M. Warburg & CO
Kommanditgesellschaft auf Aktien
Ferdinandstraße 75
D-20095 Hamburg

Paying Agent and Information Office
and Representation in Switzerland:

M.M. Warburg Bank (Schweiz) AG
Parkring 12
P.O. Box 1960
CH-8027 Zurich

Since April 12, 2011:

Paying Agent / Information office in
Austria

Erste Bank der österreichischen
Sparkassen AG
Graben 21
A-1010 Wien

Investment Manager

M.M. Warburg Bank (Schweiz) AG
Parkring 12
P.O. Box 1960
CH-8027 Zurich

REPORT OF THE FUND ADMINISTRATION COMPANY

Dear Investor,

We are happy to present you the annual report on the WARBURG VALUE FUND for the period starting April 1, 2011 to March 31, 2012.

Yours sincerely,

WARBURG INVEST LUXEMBOURG S.A.

The investment approach

(1) INVESTMENT STRATEGY

Diversified global all-cap long-only equity mandate. The strategy employs a classic Graham & Dodd value discipline, attempting to buy stocks which trade substantially below their estimated intrinsic value and hold them until the market price trades near it. Purchase and sale decisions are based on an analysis of the business, the industry and, most importantly, the valuation of the firm. Geographic and sector allocations are consequences of a pure bottom-up research process.

(2) PORTFOLIO STRATEGY

During 2nd quarter 2011 we established new portfolio positions in an Italian media group and a Japanese manufacturer of industrial rubber and plastics products. We also accumulated shares in various existing portfolio holdings whose prices have come down. Against these purchases we exited our position in preferred shares of Italian holding company Exor SpA, whose recent strong performance brought it closer to our estimate of fair value. The quarter was characterized by a number of significant M&A announcements affecting the fund. There were three takeover offers: 100 % of Timberwest Forest Corp. is sought by two Canadian institutional investors at CAD 6.16 per stapled unit; 100 % of the shares of Warner Music Group are set to be acquired by a privately held company at USD 8.25 per share; and a going-private tender for Edipresse S.A. at CHF 450 per bearer share was initiated by the family owner for the minority portion of the company it does not already own. Moreover, Tele Norte Leste Part. S.A. proposed to simplify its holding structure, to reduce the number of listed companies from three to one, and to change its corporate name to Oi S.A.

Equity market weakness across the board and the protracted problems with eurozone public finances in particular threw precious opportunities our way during the 3rd quarter: in Italy we bought two regional utilities, an integrated energy group, as well as an industrial engineering firm. We also acquired a new position in an Australian agribusiness. Furthermore, we accumulated shares in a variety of existing portfolio holdings whose prices have declined. To finance these purchases, we sold a total of nine positions which we still like in principle but where the discount to our estimate of intrinsic value appears to be less pronounced than in the situations mentioned above. The cash position remained on a very low level with 1 % of AuM.

In early December the WARBURG VALUE FUND was able to welcome a sizable, long-term oriented institutional investor among its new clients. We were able to digest and integrate the corresponding lump-sum inflow into the ongoing investment program within a reasonable time frame. While using some transitory positions (ETFs) to facilitate the implementation, there has been no change at all to the overall characteristics and strategy of the portfolio. We wholeheartedly embraced the responsibility to deploy fresh capital at rather depressed equity prices.

A telling sign of market participants' indecisiveness with respect to the big macroeconomic and political issues of the moment is the concentration of trading activity and investment positioning in the largest and most liquid securities, while the market for mid- and smaller companies has gradually dried up. This mustn't necessarily mean though that the second line of stocks is doing worse; notably for example, since the Earthquake struck Japan in March 2011, small stocks as a group in that country have held up considerably better than the large ones. But what it does mean is that the overall market seems to have an extraordinarily big allocation bias towards large companies while the mid- and smaller market segments have been left to very few investors. For us, these are excellent conditions in which to scoop up inexpensive shares.

During the 1st quarter 2012 we disposed of substantially all transitory positions that were established in connection with the sizable cash inflow the Fund received towards the end of last year (see our 4Q11 report).

REPORT OF THE FUND ADMINISTRATION COMPANY

As planned, the proceeds of these sales were carefully and gradually invested in existing portfolio positions which take a little longer to build as we don't want to impact market prices. Cash was minimal at practically 0 % of AuM.

In the twelve months ended March 31, 2012, the net asset value of WARBURG VALUE FUND decreased 4.78 % (A-shares) respectively 4.30 % (B-shares). The C-shares climbed 9.72 % in the period Nov 9, 2011 (launch) to March 31, 2012 (performance calculated in accordance with BVI ("Bundesverband Investment und Asset Management e.V.")).

(3) SIGNIFICANT RISKS IN THE FISCAL YEAR UNDER REVIEW

Interest rate risks

The portfolio of the Fund, being an equities fund, is not materially exposed to interest rate risks. The proportion of stocks of finance business companies (exposed to interest rate risks) was minor in the period.

Currency risks

The entire investment process focuses on analyzing and selecting specific companies. While currency positions would result, e.g., only if currency-traded equities are selected, currency gains/losses may well be major sources of income over short periods. In the longer term, exchange rate swings are believed to counterbalance one another. As of fiscal year-end and in addition to the euro (16.7 %), the Fund's investments included 39.9 % traded in Japanese yen, 16.8 % in US dollar, 11.1 % in emerging nation currencies, 6.2 % in Swiss franc, and 9.3 % in other currencies.

Price risks

The Fund's long-term target is absolute return, with the primary emphasis on equities within an investment horizon of 5–10 years. The Fund is a pure equities-based product with volatility and drawdown features similar to equity instruments. It is generally fully invested.

Operational risks

The Company has taken due action in order to reasonably level down operational risks, which is periodically tested and checked by Internal Auditing and the statutory auditor.

Liquidity risks

The portfolio's broad diversification in combination with relatively small stakes and the Fund's internal investment guidelines (limiting the shareholding percentage of an investee's free float that may be acquired) ensure fairly small proportions of low-liquidity stakes within the Fund. It may safely be assumed that the Fund's portfolio securities can anytime be sold at a reasonable price. In the year under review, liquidity was not restricted or limited.

Credit, default or nonpayment risks

The Fund included no bonds. The credit, default or nonpayment risks attaching to equities are assessed when analyzing the issuer.

Sundry market price risks

Besides the above, no other market price risks existed.

(4) SIGNIFICANT EVENTS

With effect as of April 15th, 2011, the fund was admitted public distribution in Austria. As paying and information agent as well as tax representative acts

Erste Bank der österreichischen Sparkassen AG
Graben 21
A-1010 Wien

A new share class C with a share price of EUR 100 was launched on November 11th, 2011.

WARBURG VALUE FUND

STATEMENT OF NET ASSETS AS AT MARCH 31, 2012

	EUR	% Net Asset Value
Investment portfolio at market value (Cost: EUR 301,746,770.72)	314,547,698.15	100.92
Cash at bank	229,644.89	0.07
Dividend receivable	1,511,922.04	0.49
Receivable on subscriptions	54,804.54	0.02
Other assets	1,991.12	0.00
Total assets	316,346,060.74	101.50
Securities purchased payable	-120,616.73	-0.04
Bank overdraft	-578,803.21	-0.19
Interest payable on Current Account and Deposit	-4,339.84	0.00
Payable on redemptions	-1,275,249.72	-0.41
Other liabilities	-2,694,644.55	-0.86
Total liabilities	-4,673,654.05	-1.50
Total net assets	311,672,406.69	100.00
Units A		
Total net assets	EUR	81,025,455.18
Quantity of shares outstanding	Shares	442,048.821
NAV per share	EUR	183.30
Units B		
Total net assets	EUR	43,166,810.36
Quantity of shares outstanding	Shares	226,505.000
NAV per share	EUR	190.58
Units C		
Total net assets	EUR	187,480,141.15
Quantity of shares outstanding	Shares	1,708,774.000
NAV per share	EUR	109.72

The accompanying notes form an integral part of this annual report.

WARBURG VALUE FUND

CHANGES IN NET ASSETS AS AT MARCH 31, 2012

	EUR
Net asset value at the beginning of the period	110,644,475.08
Subscriptions	252,484,720.88
Redemptions	-58,864,712.54
Income Equalization	-690,722.60
Result for the period (incl. income equalization)	8,098,645.87
Net asset value at the end of the period	311,672,406.69
	Shares
Units A	
Number of shares at the beginning of the period	398,431.821
Subscriptions	224,645.000
Redemptions	-181,028.000
Number of shares at the end of the period	442,048.821
Units B	
Number of shares at the beginning of the period	170,453.000
Subscriptions	200,731.000
Redemptions	-144,679.000
Number of shares at the end of the period	226,505.000
Units C	
Number of shares at the beginning of the period	0,000
Subscriptions	1,708,874.000
Redemptions	-100.000
Number of shares at the end of the period	1,708,774.000

The accompanying notes form an integral part of this annual report.

WARBURG VALUE FUND

KEY FIGURES

		03/31/2010	03/31/2011	03/31/2012
Total net assets	EUR	51,793,193.22	110,644,475.08	311,672,406.69
Units A				
Net assets at the end of the year	EUR	32,493,112.67	76,698,879.93	81,025,455.18
Quantity of shares outstanding	Shares	193,651.821	398,431.821	442,048.821
NAV per share	EUR	167.79	192.50	183.30
Units B				
Net assets at the end of the year	EUR	19,300,080.55	33,945,595.15	43,166,810.36
Quantity of shares outstanding	Shares	111,949.000	170,453.000	226,505.000
NAV per share	EUR	172.40	199.15	190.58
Units C				
Net assets at the end of the year	EUR	-	-	187,480,141.15
Quantity of shares outstanding	Shares	-	-	1,708,774.000
NAV per share	EUR	-	-	109.72

The accompanying notes form an integral part of this annual report.

WARBURG VALUE FUND

CALCULATION OF CAPITALIZATION (Units A)

	Ingesamt EUR	per share EUR
I. Calculation of Capitalization		
1. Net realized result	3,659,414.04	8.278
II. Available for Capitalization	3,659,414.04	8.278
III. Capitalization	3,659,414.04	8.278

CALCULATION OF CAPITALIZATION (Units B)

	Ingesamt EUR	per share EUR
I. Calculation of Capitalization		
1. Net realized result	2,150,308.63	9.493
II. Available for Capitalization	2,150,308.63	9.493
III. Capitalization	2,150,308.63	9.493

CALCULATION OF CAPITALIZATION (Units C)

	Ingesamt EUR	per share EUR
I. Calculation of Capitalization		
1. Net realized result	831,830.04	0.487
II. Available for Capitalization	831,830.04	0.487
III. Capitalization	831,830.04	0.487

The accompanying notes form an integral part of this annual report.

WARBURG VALUE FUND

STATEMENT OF INVESTMENTS AS AT MARCH 31, 2012

Description ISIN	Quantity/ Nominal	Purchases/Additions Sales/Disposals in the Period	Currency	Price	Market value in EUR	% Net Asset Value
LISTED SECURITIES					314,547,698.15	100.92
REITS					3,575,655.50	1.15
Advance Residence Investment Registered Shares o.N. JP3047160001	2,500	1,750 0	JPY	157,100.00	3,575,655.50	1.15
SHARES					310,962,457.73	99.77
Australian Agricultural Co.Ltd Registered Shares o.N. AU000000AAC9	3,000,000	3,000,000 0	AUD	1.31	3,048,709.26	0.98
Goodman Fielder Ltd. Registered Shares o.N. AU000000GFF8	9,990,000	8,490,000 0	AUD	0.69	5,367,830.86	1.72
Select Harvest Ltd. Registered Shares o.N. AU000000SHV6	2,000,000	1,400,000 0	AUD	1.57	2,445,197.21	0.78
Braskem S.A. Reg. Shs of Pfd Stock A o.N. BRBRKMACNPA4	600,000	600,000 0	BRL	14.52	3,577,088.89	1.15
Cia de Saneamento do Parana Registered Preferred Shs.o.N. BRSAAPRACNPR6	750,000	0 0	BRL	7.14	2,198,727.16	0.71
CIA Saneamento Minas Gerais Registered Shares o.N. BRCSMGACNOR5	130,000	130,000 0	BRL	41.70	2,225,826.32	0.71
Cia Tecidos Norte de Minas-Co. Reg. Preferred Shares o.N. BRCTNMACNPR6	1,982,800	1,460,200 0	BRL	4.28	3,484,452.47	1.12
Companhia Energetica do Ceara Reg.Preferred Shares A oN BRCOCEACNPA3	100,000	10,000 0	BRL	39.29	1,613,221.10	0.52
Fibria Celulose S.A. Registered Shares o.N. BRFIBRACNOR9	650,000	650,000 0	BRL	14.78	3,944,569.90	1.27
JBS S.A. Registered Shares o.N. BRJBSSACNOR8	1,500,000	900,000 0	BRL	7.80	4,803,941.70	1.54
Arctic Glacier Income Fund Reg. Trust Units o.N. CA0396751038	85,000	0 0	CAD	0.05	3,190.57	0.00
Sherritt International Corp. Reg. Shares o.N. CA8239011031	975,000	800,000 -25,000	CAD	5.47	4,003,791.15	1.28
Bucher Industries AG Namens-Aktien SF -,20 CH0002432174	25,000	16,500 0	CHF	190.10	3,944,147.06	1.27
Gategroup Holding AG Nam.-Aktien SF 5 CH0100185955	170,000	170,000 0	CHF	32.95	4,648,740.61	1.49
Holcim Ltd. Namens-Aktien SF 2 CH0012214059	32,000	10,000 0	CHF	57.55	1,528,362.17	0.49
OC Oerlikon Corporation AG Namens- Aktien SF 1 CH0000816824	750,000	475,000 0	CHF	8.00	4,979,459.73	1.60
Valora Holding AG Namens-Aktien SF 1 CH0002088976	25,000	19,500 0	CHF	205.70	4,267,811.94	1.37
A2A S.p.A. Azioni nom. EO 0,52 IT0001233417	4,500,000	4,000,000 -750,000	EUR	0.60	2,688,750.00	0.86

The accompanying notes form an integral part of this annual report.

WARBURG VALUE FUND

STATEMENT OF INVESTMENTS AS AT MARCH 31, 2012

Description ISIN	Quantity/ Nominal	Purchases/Additions Sales/Disposals in the Period	Currency	Price	Market value in EUR	% Net Asset Value
Cofide -Cia Fin. Benedetti SpA Azioni nom. EO 0,50 IT0000070786	6,500,000	4,500,000 0	EUR	0.53	3,441,750.00	1.10
ENI S.p.A. Azioni nom. EO 1 IT0003132476	200,000	250,000 -50,000	EUR	17.44	3,488,000.00	1.12
Flughafen Wien AG Inhaber-Aktien o.N. AT0000911805	120,000	120,000 0	EUR	29.15	3,498,000.00	1.12
Hera S.p.A. Azioni nom. EO 1 IT0001250932	3,500,000	3,500,000 0	EUR	1.05	3,685,500.00	1.18
IMMSI S.p.A. Azioni nom. EO 0,52 IT0001413837	6,500,000	4,750,000 0	EUR	0.60	3,929,250.00	1.26
Iren S.p.A. Azioni nom. EO 1 IT0003027817	5,000,000	5,000,000 0	EUR	0.66	3,290,000.00	1.06
Italmobiliare S.p.A. Azioni Port.Risp.N.- Cnv.EO2,60 IT0000074614	250,000	250,000 0	EUR	10.73	2,682,500.00	0.86
KSB AG Inhaber-Vorzugsakt.o.St.o.N. DE0006292030	8,000	6,000 0	EUR	448.00	3,584,000.00	1.15
Maire Tecnimont S.p.A. Azioni nom. o.N. IT0004251689	3,000,000	3,000,000 0	EUR	0.63	1,887,000.00	0.61
Mediaset S.p.A. Azioni nom. EO 0,52 IT0001063210	1,650,000	1,650,000 0	EUR	2.02	3,339,600.00	1.07
Mondadori Editore S.p.A., Arn. Azioni nom. EO 0,26 IT0001469383	2,500,000	2,000,000 0	EUR	1.30	3,250,000.00	1.04
Nexans S.A. Actions Port. EO 1 FR0000044448	100,000	100,000 0	EUR	49.78	4,978,000.00	1.60
SBM Offshore N.V. Aandelen op naam EO -,25 NL0000360618	240,000	185,000 -10,000	EUR	15.09	3,620,400.00	1.16
Telecom Italia S.p.A. Azioni Port.Risp.Non Cnv.EO-55 IT0003497176	6,000,000	5,750,000 -1,250,000	EUR	0.74	4,431,000.00	1.42
Vivendi S.A. Actions Port. EO 5,5 FR0000127771	270,000	235,000 -15,000	EUR	13.63	3,680,100.00	1.18
Keller Group PLC Registered Shares LS - ,10 GB0004866223	1,150,000	975,000 0	GBP	4.46	6,141,144.74	1.97
Dredging Corp. of India Ltd. Reg. Shares (demater.) IR 10 INE506A01018	350,000	130,000 0	INR	276.15	1,413,957.81	0.45
Essel Propack Ltd. Reg. Shs (Dematerialized) IR 2 INE255A01020	5,540,785	3,440,785 0	INR	27.90	2,261,511.82	0.73
Finolex Industries Ltd. Registered Shares IR 10 INE183A01016	2,789,880	1,689,880 0	INR	49.60	2,024,373.11	0.65
Indian Oil Corp. Reg. Shares (demater.) IR 10 INE242A01010	750,000	450,000 0	INR	260.90	2,862,587.04	0.92
Kirloskar Brothers Ltd. Reg. Shares New IR 2 INE732A01036	707,507	616,707 0	INR	126.00	1,304,141.29	0.42
Tamilnadu Newspr.a.Papers Ltd. Reg. Shares (demater.) IR 10 INE107A01015	2,182,949	1,382,949 0	INR	95.95	3,064,163.45	0.98

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WARBURG VALUE FUND

STATEMENT OF INVESTMENTS AS AT MARCH 31, 2012

Description ISIN	Quantity/ Nominal	Purchases/Additions Sales/Disposals in the Period	Currency	Price	Market value in EUR	% Net Asset Value
Ariake Japan Co.Ltd. Registered Shares o.N. JP3125800007	200,000	120,000 -20,000	JPY	1,595.00	2,904,224.33	0.93
Asatsu-Dk Inc. Registered Shares o.N. JP3109800007	200,000	145,000 -15,000	JPY	2,379.00	4,331,755.28	1.39
Benesse Holdings Inc. Registered Shares o.N. JP3835620000	92,000	60,000 -18,000	JPY	4,125.00	3,455,025.49	1.11
Fujitec Co. Ltd. Registered Shares o.N. JP3818800009	750,000	425,000 -25,000	JPY	546.00	3,728,150.03	1.20
Hokkaido El.Power Co.Inc., The Registered Shares o.N. JP3850200001	400,000	400,000 0	JPY	1,215.00	4,424,617.63	1.42
Hokuto Corp. Registered Shares o.N. JP3843250006	200,000	132,500 -7,500	JPY	1,743.00	3,173,707.21	1.02
JX Holdings Inc. Registered Shares o.N. JP3386450005	950,000	770,000 -20,000	JPY	513.00	4,436,908.23	1.42
Mikuni Coca-Cola Bottlg Co.Ltd Registered Shares o.N. JP3883200002	500,000	275,000 0	JPY	707.00	3,218,317.55	1.03
Mitsubishi Chemical Hldgs Corp Registered Shares o.N. JP3897700005	1,000,000	812,000 -112,000	JPY	442.00	4,024,034.96	1.29
Mitsubishi Gas Chemical Co.Inc Registered Shares o.N. JP3896800004	285,000	285,000 0	JPY	553.00	1,434,859.80	0.46
Mitsubishi Heavy Industries Ltd JP3900000005	1,400,000	1,393,000 -493,000	JPY	401.00	5,111,070.65	1.64
Mitsubishi Logistics Corp. Registered Shares o.N. JP3902000003	400,000	275,000 -25,000	JPY	977.00	3,557,902.40	1.14
Mitsubishi Materials Corp. Registered Shares o.N. JP3903000002	1,900,000	2,092,000 -742,000	JPY	262.00	4,532,046.61	1.45
Mitsubishi Shokuhin Co.Ltd. Registered Shares o.N. JP3976000004	200,000	200,000 0	JPY	2,120.00	3,860,160.23	1.24
Nihon Yamamura Glass Co. Ltd. Registered Shares o.N. JP3752800007	2,000,000	1,400,000 0	JPY	202.00	3,678,077.20	1.18
Nikkiso Co. Ltd. Registered Shares o.N. JP3668000007	600,000	400,000 -50,000	JPY	867.00	4,735,979.61	1.52
Nippon Konpo Unyu Soko Co.Ltd. Registered Shares o.N. JP3709600005	450,000	315,000 -15,000	JPY	1,017.00	4,166,514.93	1.34
Nippon Valqua Industries Ltd. Registered Shares o.N. JP3744200001	2,000,000	2,050,000 -50,000	JPY	233.00	4,242,534.60	1.36
Okinawa Cellular Telephone Co. Registered Shares o.N. JP3194650002	2,000	1,200 0	JPY	169,800.00	3,091,769.85	0.99
Oracle Corp. Japan Registered Shares o.N. JP3689500001	125,000	90,000 -5,000	JPY	3,145.00	3,579,069.55	1.15
Rengo Co. Ltd. Registered Shares o.N. JP3981400009	600,000	425,000 -125,000	JPY	573.00	3,130,007.28	1.00
Shibuya Kogyo Co. Ltd. Registered Shares o.N. JP3356000004	400,000	270,000 0	JPY	925.00	3,368,536.05	1.08

The accompanying notes form an integral part of this annual report.

WARBURG VALUE FUND

STATEMENT OF INVESTMENTS AS AT MARCH 31, 2012

Description ISIN	Quantity/ Nominal	Purchases/Additions Sales/Disposals in the Period	Currency	Price	Market value in EUR	% Net Asset Value
ShinMaywa Industries Ltd. Registered Shares o.N. JP3384600007	1,400,000	1,500,000 -100,000	JPY	412.00	5,251,274.58	1.68
Showa Aircraft Industr.Co.Ltd. Registered Shares o.N. JP3368800003	405,000	405,000 0	JPY	546.00	2,013,201.02	0.65
Sparx Group Co. Ltd. Registered Shares o.N. JP3399900004	50,000	37,000 0	JPY	7,650.00	3,482,337.95	1.12
Starzen Co. Ltd. Registered Shares o.N. JP3399100001	1,400,000	900,000 0	JPY	256.00	3,262,927.90	1.05
Sumitomo Forestry Co. Ltd. Registered Shares o.N. JP3409800004	580,000	400,000 -70,000	JPY	747.00	3,944,464.68	1.27
Taisei Lamick Co. Ltd. Registered Shares o.N. JP3444900009	150,000	90,000 0	JPY	2,564.00	3,501,456.67	1.12
Toagosei Co. Ltd. Registered Shares o.N. JP3556400004	770,000	770,000 0	JPY	381.00	2,670,884.92	0.86
Tokyo Tomin Bank Ltd., The Registered Shares o.N. JP3587000005	400,000	270,000 0	JPY	998.00	3,634,377.28	1.17
Tokyu Corp. Registered Shares o.N. JP3574200006	930,000	700,000 -220,000	JPY	393.00	3,327,476.33	1.07
Toyota Industries Corp. Registered Shares o.N. JP3634600005	150,000	105,000 -10,000	JPY	2,496.00	3,408,594.32	1.09
Yushin Precision Equipe.Co.Ltd Registered Shares o.N. JP3944500002	225,000	160,000 -10,000	JPY	1,653.00	3,386,061.54	1.09
Investor, AB Namm-Aktier A (fria) SK 6,25 SE0000107401	250,000	150,000 0	SEK	141.10	3,987,632.97	1.28
Del Monte Pacific Ltd. Registered Shares o.N. VGG270541169	12,542,000	8,163,000 0	SGD	0.48	3,583,961.90	1.15
Brasil Foods S.A. Reg. Shs(Sp.ADRs)5000/o.N. US10552T1079	100,000	0 0	USD	20.62	1,543,124.41	0.50
Briggs & Stratton Corp. Registered Shares DL-,01 US1090431099	300,000	200,000 0	USD	17.92	4,023,199.25	1.29
Cresud S.A. Com.Ind.Fin.yAgro. Reg.Shs 1 Vote (Sp.ADRs)10/AP1 US2264061068	350,000	245,000 0	USD	12.54	3,284,565.02	1.05
Federal Signal Corp. Registered Shares DL 1 US3138551086	1,000,000	1,000,000 0	USD	5.55	4,153,414.41	1.33
Harte-Hanks Inc. Registered Shares DL 1 US4161961036	485,000	500,000 -15,000	USD	9.18	3,331,936.39	1.07
Horizon Lines Inc. Registered Shares CL.A DL-,01 US44044K3095	18,000	18,000 0	USD	5.76	77,590.27	0.02
International Paper Co. Registered Shares DL 1 US4601461035	150,000	90,000 0	USD	35.16	3,946,866.23	1.27
Natuzzi S.p.A. Azioni nom. (ADRs) EO 1 US63905A1016	1,106,968	606,968 0	USD	2.62	2,170,444.27	0.70

The accompanying notes form an integral part of this annual report.

WARBURG VALUE FUND

STATEMENT OF INVESTMENTS AS AT MARCH 31, 2012

Description ISIN	Quantity/ Nominal	Purchases/Additions Sales/Disposals in the Period	Currency	Price	Market value in EUR	% Net Asset Value
New York Times Co. Re. Shares Class A DL -,10 US6501111073	600,000	420,000 0	USD	6.75	3,030,869.97	0.97
Owens-Illinois Inc. Registered Shares DL -,01 US6907684038	245,000	190,000 -5,000	USD	23.47	4,303,199.26	1.38
Seneca Foods Corp. Reg. Shares Class A DL -,25 US8170705011	200,000	140,000 0	USD	27.04	4,047,146.87	1.30
St. Joe Co. Registered Shares DL 100 US7901481009	300,000	300,000 0	USD	18.94	4,252,198.32	1.36
Tejon Ranch Co. Registered Shares DL- ,50 US8790801091	75,000	22,000 0	USD	29.12	1,634,424.69	0.52
Telemar-Tele Norte Leste Pa.SA Reg. Pfd Shs (Sp.ADRs) oN US8792461068	550,000	425,000 0	USD	11.53	4,791,019.53	1.54
Washington Post Co. Registered Shares Class B DL 1 US9396401088	15,000	11,500 0	USD	369.73	4,150,383.54	1.33
Wausau Paper Corp. Registered Shares o.N. US9433151019	550,000	295,000 -20,000	USD	9.60	3,951,356.41	1.27
WARRANTS					9,584.92	0.00
Cresud S.A. Com.Ind.Fin.yAgro. WTS 22.05.15 ARCRE5100093	232,870	0 0	USD	0.06	9,584.92	0.00
TOTAL INVESTMENTS AT MARKET VALUE					314,547,698.15	100.92

The accompanying notes form an integral part of this annual report.

WARBURG VALUE FUND

FUND STRUCTURE

Geographical classification of investments

%

Japan	39.68
United States of America	13.11
Italy	12.28
Brazil	9.06
Switzerland	6.22
India	4.15
Australia	3.48
France	2.78
Great Britain	1.97
Miscellaneous	8.19
	100.92

Economical classification of investments

%

Vehicles and machines	11.95
Holdings and finance companies	9.48
Electronics and electrical equipment	7.62
Chemicals	6.89
Pulp and Paper Industry	6.52
Transport	6.50
Steel and non-ferrous metals	6.15
Construction and building material	4.99
Food and Soft Drinks	4.73
Miscellaneous	36.09
	100.92

The accompanying notes form an integral part of this annual report.

WARBURG VALUE FUND

STATEMENT OF OPERATIONS FOR THE YEAR FROM APRIL 1, 2011 TO MARCH 31, 2012

	EUR
Bank interest	5,092.76
Dividends	4,188,347.06
Interest on bonds	34.72
Interest on Funds	9,206.13
Other income	315.50
Total income	4,202,996.17
Management fees	-2,959,185.64
Custodian fee	-157,793.53
Performance Fee	-1,238,457.22
Taxe d'abonnement	-108,634.40
Audit fee	-12,812.42
Printing and publications fee	-25,560.65
Bank interest	-6,013.78
Other charges	-229,036.52
Total charges	-4,737,494.16
Income Equalization	905,532.94
Net income	371,034.95
Realized profit / loss	6,485,328.10
Extraordinary Income Equalization	-214,810.34
Net realized result	6,641,552.71
Change in net unrealized profit/loss	1,457,093.16
Result for the period	8,098,645.87
Entity Transaction Costs	1,021,792.01

The accompanying notes form an integral part of this annual report.

WARBURG VALUE FUND

Ongoing Charges in % *

Units A	2.04
Units B	1.55
Units C	1.89

Performance Fee in %

Units A	0,00
Units B	0,00
Units C	0,86

Portfolio turnover rate

The portfolio turnover rate indicates the frequency with which a fund buys and sells securities. For the WARBURG VALUE FUND it is 14.69 % for the period from April 1, 2011 to March 31, 2012.

* The ongoing charges express the sum of all costs and fees (with the exception of transaction costs) incurred in a year as a percentage of the fund volume as at the reporting date.

The accompanying notes form an integral part of this annual report.

WARBURG VALUE FUND

CLOSED PORTFOLIO

Description ISIN / MgtFee	Quantity, Shares resp. Currency	Purchases / Additions	Sales / Disposals
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LISTED SECURITIES

CONVERTIBLE BONDS (UMT) PRIVATE ISSUER

9,0000% TimberWest Forest Corp. CD-Conv.Debts 2009(14) CA887147AD84	CAD	0	-37,737
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RIGHTS

Goodman Fielder Ltd. Anrechte AU00000GFFR7	AUD	1,250,000	-1,250,000
JBS S.A. Anrechte BRJBSSD03OR9	BRL	149,550	-149,550

SHARES

ABB Ltd CH0012221716	CHF	0	-65,000
Aronkasei Co. Ltd. Registered Shares o.N. JP3126700008	JPY	0	-300,000
Asahi Diamond Indl Co. Ltd. Registered Shares o.N. JP3114400009	JPY	0	-90,000
Barry Callebaut AG Namensaktien SF 24,20 CH0009002962	CHF	0	-2,250
Chiyoda Corp. (6366) Registered Shares o.N. JP3528600004	JPY	151,000	-151,000
East Japan Railway Co JP3783600004	JPY	27,000	-27,000
Edipresse S.A. Inhaber-Aktien SF 50 CH0003322598	CHF	373	-4,623
EXOR S.p.A. Azioni Nom. Priv. EO 1 IT0001353157	EUR	0	-75,000
Geberit AG Nam.-Akt. (Dispost.) SF -,10 CH0030170408	CHF	0	-7,000
Heineken Holding N.V. Aandelen aan toonder EO 1,60 NL0000008977	EUR	0	-32,500
Horizon Lines Inc. Registered Shares Cl.A DL-,01 US44044K1016	USD	0	-450,000
ITOCHU Corp. Registered Shares o.N. JP3143600009	JPY	165,000	-165,000
Kirin Holdings Co. Ltd. Registered Shares o.N. JP3258000003	JPY	137,000	-137,000
Korea Electric Power Corp. Reg. Shs (Sp.ADRs)/0,5 SW 5000 US5006311063	USD	25,000	-215,000
Marcopolo S.A. Reg. Pref. Shares o.N. BRPOMOACNPR7	BRL	0	-500,000
Marubeni Corp JP3877600001	JPY	272,000	-272,000
Mitsubishi Corp. Registered Shares o.N. JP3898400001	JPY	81,000	-81,000
Mitsubishi UFJ Finl Grp Inc. Registered Shares o.N. JP3902900004	JPY	379,000	-379,000
Nippon Telegraph & Telephone Corp JP3735400008	JPY	8,000	-53,000
Nippon Yusen K.K. (NYK Line) Registered Shares o.N. JP3753000003	JPY	693,000	-693,000

The accompanying notes form an integral part of this annual report.

WARBURG VALUE FUND

CLOSED PORTFOLIO

Description ISIN / MgtFee	Quantity, Shares resp. Currency	Purchases / Additions	Sales / Disposals
Pearson PLC GB0006776081	GBP	1,895	-86,895
Sumitomo Corp. Registered Shares o.N. JP3404600003	JPY	125,000	-125,000
TimberWest Forest Corp. R.St.T.Uts(1S+100Pfd+1Note)New CA8871471303	CAD	20,807	-424,270
Tokio Marine Holdings Inc. Registered Shares o.N. JP3910660004	JPY	75,000	-75,000
Tokyo El. Power Co. Inc., The Registered Shares o.N. JP3585800000	JPY	80,000	-200,000
TYCO International Ltd. Nam.-Aktien SF 6,70 CH0100383485	USD	0	-35,000
Valmont Industries Inc. Registered Shares DL 1 US9202531011	USD	0	-15,000
Warner Music Group Corp. Registered Shares DL -,001 US9345501046	USD	0	-250,000

Investmentfunds

Investmentfunds

db x-trackers EO STOXX 50 ETF LU0274211217 / 0.00 %	EUR	920,000	-920,000
Nikkei 225 Exchange Traded Fd JP3027650005 / 1.65 %	JPY	60,000	-60,000
SPDR S&P 500 ETF Trust US78462F1030 / 0.06 %	USD	22,500	-22,500

The accompanying notes form an integral part of this annual report.

WARBURG VALUE FUND

NOTES TO THE ANNUAL REPORT AS AT MARCH 31, 2012

General Information

The Fund represents a pool of special assets (securities and other qualifying assets) created under Luxembourg law in the form of a fonds commun de placement. The Fund was established in accordance with Part I of the Luxembourg Act of December 17, 2010, on UCITS (undertakings for collective investment in transferable securities) (the “Act 2010”) and meets the amended Directive of the EC Council of July 13, 2009 (2009/65/EG).

The Fund is administered by WARBURG INVEST LUXEMBOURG S.A. (the “Administration Company”).

Financial reporting

The financial report on the Fund has been prepared in conformity with Luxembourg’s UCITS rules and regulations.

Accounting and valuation methods

The accounting and measurement methods comply with the laws and regulations of Luxembourg. Besides that, the following essential valuation rules shall apply according to article 7 of the management regulations:

- Securities listed on an official exchange or traded on any other regulated market are measured at the market-cleared price last quoted/traded before the valuation date at the official exchange or other regulated market which usually represents the principal market for this securities category.
- If (i) assets are neither listed on an official exchange nor traded on any other regulated market, or (ii) the price determined for an asset which is listed on an official exchange or traded on any other regulated market does not appear to be representative of such asset’s fair value, then the asset’s net realizable value as determined prudently and in good faith will underlie asset pricing.
- Assets for which no active market exists are valued at their estimated current value based on indicative broker quotations or pricing models, however, which need not be derived from effective market transactions. In such cases it can generally not be ruled out that transactions might have been conducted on a higher or lower price basis.
- The cost of securities corresponds to the weighted average cost of all purchases of such securities. The cost of securities denominated in a currency other than euro has been translated at the historical foreign exchange rate (as of purchase date).
- Investment units are calculated with the latest established and available redemption price. If the redemption of the shares is suspended or no redemption price is calculated, the shares as well as all the other assets are calculated by the Administration Company in good faith on the basis of generally accepted valuation rules verifiable by auditors.
- The gain or loss realized from securities sold is determined on the basis of their average cost.
- Unrealized gains/losses resulting from portfolio measurement at the latest available market prices have also been recognized in net income.
- Cash and cash equivalents are carried at par or face value.
- The Administration Company’s and the depositary’s fees are prorated on the basis of the average net portfolio value determined market-daily, and calculated as of, and disbursed subsequent to, quarter-end. In addition, the Administration Company may be granted a performance fee.
- The tax on fund assets (“taxe d’abonnement” of 0.05 % annually) is determined quarterly on the total asset value as of the last market day of valuation and then paid over.

WARBURG VALUE FUND

- Source taxes withheld in the country of origin for investment interest and dividend income are not refunded.
- An income adjustment is offset against the taxable income: this adjustment mirrors the net income for the period that is paid by the fund share buyer as part of the issue price and refunded to the fund share redeemer (seller) as part of the buying price.
- The fund's accounting currency is the Euro (EUR). The remaining Euro-in currencies (i.e., currencies of other member countries of the European Economic & Monetary Union) are translated into Euro at the officially fixed conversion rates. Any assets denominated in a currency other than a Euro-in currency are translated at the latest mean foreign exchange rates.

Exchange Rates

Currency		1 EUR =
Australian Dollars	AUD	1.284150
Brazilian Real	BRL	2.435500
British Pounds	GBP	0.834250
Canadian Dollars	CAD	1.332050
Indian Rupees	INR	68.356000
Japanese Yen	JPY	109.840000
Swedish Krona	SEK	8.846100
Swiss Francs	CHF	1.204950
Singapore Dollars	SGD	1.679750
US Dollars	USD	1.336250

Risk management

The management company uses a risk management procedure that allows the risks of the individual portfolio positions and their contribution to the overall risk profile of the portfolio of the managed Fund to be monitored at all times. In accordance with the Law of December 17, 2010 and the applicable regulatory requirements of the Commission de Surveillance du Secteur Financier ("CSSF"), the management company reports regularly to the CSSF on the risk management procedure it uses.

Determination of overall risk

The so-called commitment approach was used to determine the overall risk for this Fund. For the purpose of mitigating risk, the risk resulting from derivatives may not exceed the total net asset value of the Fund, taking into account netting and hedging effects.

Leverage effect

The average leverage effect for the Fund in the period from April 1, 2011 to March 31, 2012: 0.00 %

The management company calculates the amount of the Fund's leverage using the commitment approach.

Remarks

The Fund uses the commitment approach, taking into account netting and hedging effects, in order to measure the total risk of the Fund's derivative instruments, this risk may not exceed the total net value of the Fund portfolio. To achieve this, derivatives are converted into market value under the commitment approach or if necessary, into a fictitious value of the assets to which the derivative instrument relates (underlying).

WARBURG VALUE FUND

ADDITIONAL INFORMATION FOR INVESTORS IN SWITZERLAND

WARBURG VALUE FUND represents a pool of special assets (securities and other qualifying assets) created under Luxembourg law in the form of a fonds commun de placement.

The Representative of the Company in Switzerland and Paying Agent in Switzerland is

M.M. Warburg Bank (Schweiz) AG
Parkring 12
P.O. Box
CH-8027 Zurich

The place of performance and jurisdiction for all questions in connection with distribution in Switzerland and for all shareholders having acquired their shares through the Distributor as well as Paying Agent and Representative in Switzerland is Zurich.

The Articles of Association (Statutes) as well as the prospectus, the simplified prospectus, the annual report and semi-annual report of the Fund as well as all other documents mentioned in the prospectus can be obtained in Switzerland from the aforementioned Representative as well as the aforementioned Paying Agent or inspected there at no charge. Compulsory fund publications in Switzerland shall be made in the Swiss official Gazette of Commerce (Schweizerische Handelsamtsblatt - SHAB) and on the Swiss Fund Data AG electronic platform (www.swissfunddata.ch).

The issue and redemption prices of units as well as the net asset value with the note "excluding fees" are published together for each issue and redemption of units, or at least each Saturday, on the Swiss Fund Data AG electronic platform (www.swissfunddata.ch).

Fund performance:

Performance of WARBURG VALUE FUND				
In EUR	2012	2011	2010	2009
	January 1, 2012 - March 31, 2012			
Share class A in %	7.59	-14.49	32.40	50.46
Share class B in %	7.72	-14.06	33.34	51.20
Share class C in %	6.92	2.26	-	-
	(November 11, 2011 – December 30, 2011)			

Past results and profitability are no indication of current or future performance. The performance data don't include commissions and costs charged at the issue and redemption of shares.

Portfolio turnover rate:

The portfolio turnover rate indicates the frequency with which a fund buys and sells securities. For the WARBURG VALUE FUND it is 14.69 % for the period from April 1, 2011 to March 31, 2012.

Total expense ratio:

In the period from April 1, 2011 to March 31, 2012 the total expense ratio (TER), reflecting the ratio of total expenditures to average fund assets of a period, was 2.06 % for units A, 1.57 % for units B and 2.49 % for units C for the WARBURG VALUE FUND. The included Performance Fee for units C is 0.86 %.

WARBURG VALUE FUND

ADJUSTMENT OF INTERIM PROFITS

During the period from March 30, 2012 to April 3, 2012 the interim profit of our Company was overstated.

You will find the interim profit as originally determined and published, together with the correct interim profit in the attached list.

Warburg Value Fund unit class B

Valuation date	Erroneous interim profit EUR per unit	Correct interim profit EUR per unit
03/30/2012	0.00	-0.071822
04/02/2012	0.00	-0.072027

Warburg Value Fund unit class C

Valuation date	Erroneous interim profit EUR per unit	Correct interim profit EUR per unit
03/30/2012	0.00	-0.021984
04/02/2012	0.00	-0.022139
04/03/2012	0.00	-0.022139



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