



*for*

ZENIT **MULTIS**TRATEGY SICAV

SOCIÉTÉ D'INVESTISSEMENT À CAPITAL VARIABLE

LUXEMBOURG

**FLEX**

**ASSET ALLOCATION MONTHLY REPORT**

**MARCH 2008**

*This document was written in respect of the point n° 5 of the INVESTMENT MANAGEMENT AGREEMENT signed between Degroof Gestion Institutionnelle – Luxembourg (Management Company) and Zenit SGR SpA (Investment Manager).*

**Investments and reasons.**

Name of Company		Weight ipothesis	Reasons
<ul style="list-style-type: none"> <li>• Pierrel (a)</li> <li>• Kerself (a)</li> <li>• Cogeme (a)</li> <li>• Servizi Italia (a)</li> </ul>		5,0% - 10%	(a) Companies that have these capability: <ul style="list-style-type: none"> <li>☞ Quality management</li> <li>☞ Clear strategic vision</li> <li>☞ Solid competitive positioning</li> <li>☞ Entrance <i>barriers</i> for competitors</li> <li>☞ Good growth prospects</li> </ul> (b) Energy sector stocks close to important turning points.
<ul style="list-style-type: none"> <li>• Caleffi (a)</li> <li>• Nav. Montanari (a)</li> <li>• Bouty (a)</li> </ul>	<ul style="list-style-type: none"> <li>• Gentium (a)</li> <li>• Interoil (b)</li> <li>• Biancamano (a)</li> <li>• Carraro (a)</li> </ul>	2,0% - 5,0%	

**Pierrel: FY 2007 RESULTS** The company reported pro-forma results for 2007, including acquisitions made during the year. Sales came in at Eu39.8mn, EBITDA Eu-2.165mn, with the net financial position at Eu-20.3mn. Pierrel also announced that the order book closed the year at Eu43mn, of which Eu29mn in the CRO division and Eu14mn in CMO. The Board announced changes to the 2008 rights issue conditions – up to 5.356mn shares will be issued (4.12mn with warrants), rather than the previous maximum of 3mn.

**Kerself: FY 2007 RESULTS** Kerself closed 2007 with turnover of Eu91.8mn, +41.2% YoY thanks to internal growth and a larger consolidation base. EBITDA came to Eu10.8mn, +9.6% YoY, making up 11.8% of sales. EBIT came to Eu8.7mn, +8.4% YoY (9.5% of sales), while net profit came to Eu2.4mn, in line with the previous year. As at the end of 2007, debt came to Eu48mn, up on a YoY basis as a result of investments in the period. Results beat expectations at top line, but were lower in operational terms and for net profit. The difference to expectations (Eu2.1mn in EBITDA terms) is largely explained by a weaker trend at the pumps division while renewable energy performed in line with expectations. The latter figure is reflected in a higher than forecast level of minorities that has negatively affected net profit.

**Cogeme: FY 2007 RESULTS** Sales came to Eu30.6mn, up 25% YoY, EBITDA came to Eu10.4mn, +55.4%, EBIT was Eu6.7mn +52.8% YoY, Net profit came to Eu3.8mn, +109% YoY. The NFP came to Eu-19mn (Eu-1.0mn in 2006). Investments scheduled for 2008 were brought forward in both Romania and India. CAPEX relating to new production lines came to Eu22mn. Plants in India will be completed ahead of schedule, and should already be up and running in November 2008. The Board of Directors will also propose a buyback over the next 18 months of up to 10% of the capital.

**Servizi Italia: FY 2007 RESULTS** FY07 results were announced: sales Eu143.0mn (+5.8% YoY), EBITDA Eu41.8mn (+8.2% YoY), EBIT Eu15.2mn (+21% YoY), net profit Eu6.7mn (+56% YoY). Net financial position improved from Eu-37.1mn in 1H (post-IPO) to Eu-29.6mn. The company proposed a Eu0.16 per share dividend, for a 39% payout ratio and 3.1% yield, to be paid May 2nd. The business lines that grew most were those with the highest value added: surgical tool sterilization (Eu12mn) was up 58% and now represents 8.5% of total sales, while linen sterilization rose 10.3% and now makes up 7.3% of total revenue, while other cleaning activities rose 2.1%, but still represent 84% of the total with Eu120.4mn

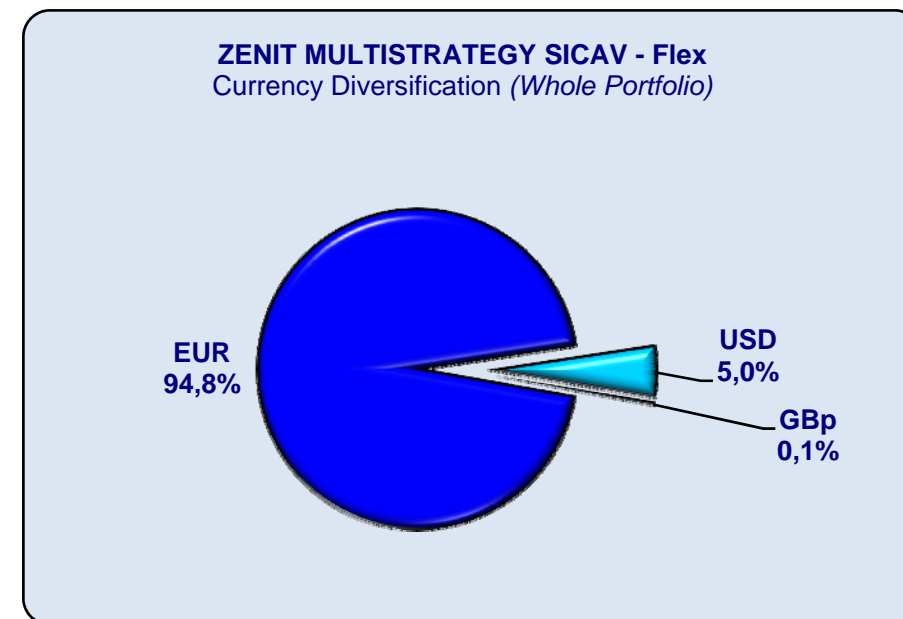
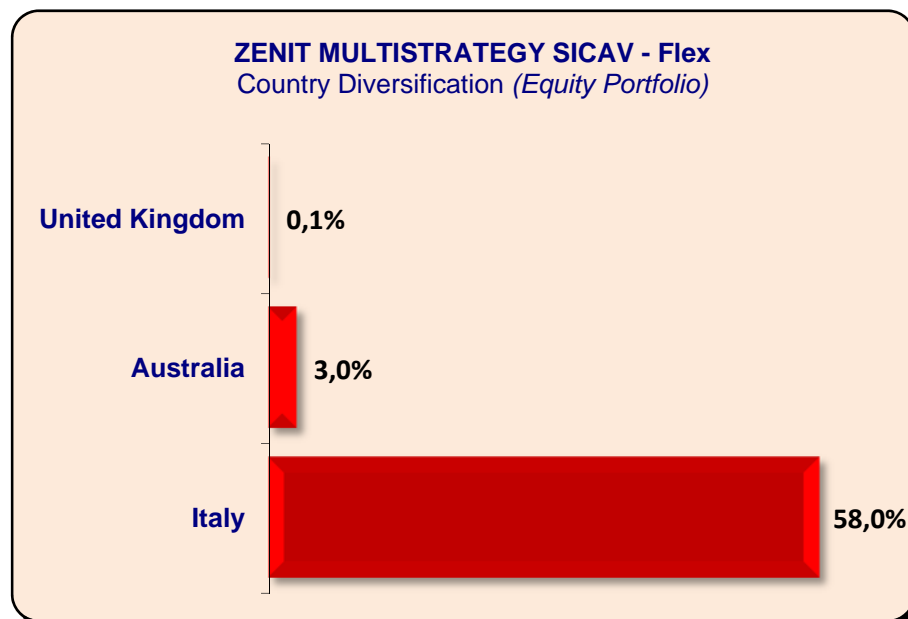
**Risk Measures, Geographical & Currency Breakdown.**

ZENIT MULTISTRATEGY SICAV Flex - EQUITY PORTFOLIO - 31/03/08	
% Equity in Portfolio	61,1%
Stock's Number in Portfolio	16
Stock Average BETA	0,64
V.A.R. on WHOLE PORTFOLIO at 95% 1 Month Horizon	4,54%
Bloomberg Recommendation Consensus	3,74
Volatility 30 Day	32,95
Volatility 90 Day	38,16
Volatility 360 Day	35,16
BE Estimate P/E Current Year	13,32
BE Estimate P/E Next Year	7,16
Price/Book Value	2,87

ZENIT MULTISTRATEGY SICAV Flex - BOND PORTF. & CASH <sup>[1]</sup> - 31/03/08	
% Cash in Portfolio	7,9%
% Government Bond in Portfolio	9,2%
% Corporate Bond in Portfolio	14,7%
Bond's Number in Portfolio	8
Modify Duration	1,61
Maturity	5,21
Volatility 90 Day	6,20
Moody's Rating	A2
Yield	6,97%
Coupon	4,79%
Mid Government Spread (bp)	307

Bloomberg Recommendation Consensus: Media dei rating delle azioni delle Società in portafoglio: 5 = BUY; 4 = OUTPERFORM; 3 = HOLD; 2 = UNDERPERFORM; 1 = SELL. Il rating è basato sui consigli degli analisti raccolti da Bloomberg.

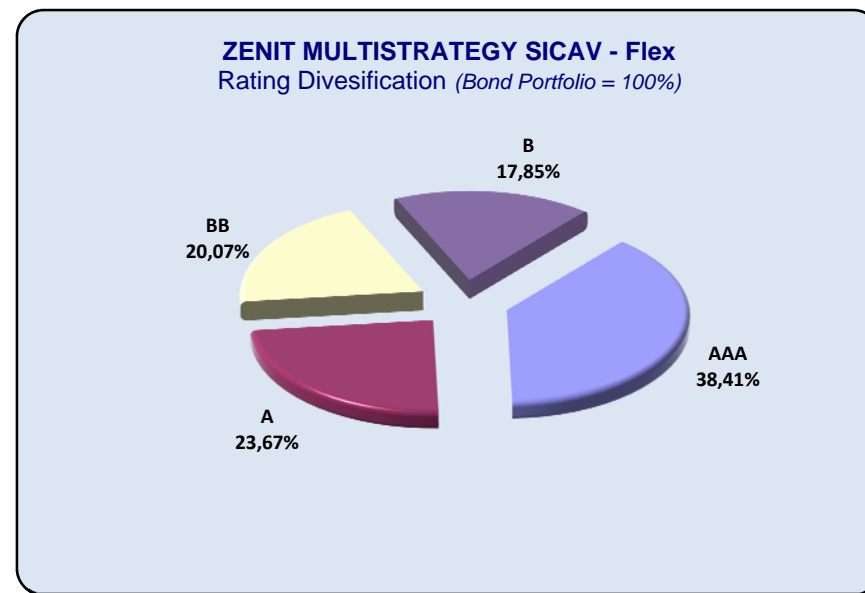
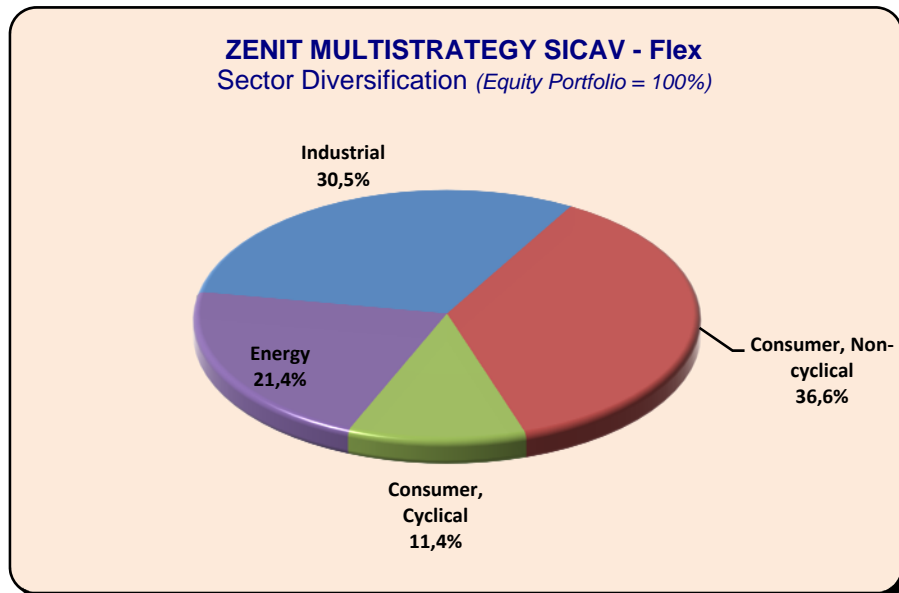
<sup>[1]</sup> Cash position is valued with AAA rating and 3,10% yearly yield



**Top 10 Holdings, Sector & Rating Breakdown.**

ZENIT MULTISTRATEGY SICAV - Flex - Top 10 Stocks in Portfolio 31/03/2008		
Company Name	Sector	%
KERSELF SPA	Energy	9,8%
COGEME SET SPA	Industrial	9,7%
PIERREL SPA	Consumer, Non-cyclical	9,0%
SERVIZI ITALIA SPA	Consumer, Non-cyclical	8,9%
CARRARO SPA	Consumer, Cyclical	3,6%
CALEFFI SPA	Consumer, Cyclical	3,4%
BIANCAMANO SPA	Industrial	3,3%
INTEROIL CORP	Energy	3,0%
NAVIGAZIONE MONTANARI SPA	Industrial	2,6%
BOUTY HEALTHCARE SPA	Consumer, Non-cyclical	2,4%
<b>Total Weight Top 10 Stocks</b>		<b>55,7%</b>

ZENIT MULTISTRATEGY SICAV - Flex - Top 10 Bonds in Portfolio 31/03/2008		
Bond Description	Rating	%
BUONI POLIENNALI DEL TES	A	9,2%
LYXOR ETF EURO CASH EONIA	AAA	7,0%
AB BANKAS SNORAS	BB	3,5%
BCO HIPOTECARIO SA	B	2,4%
NXP BV/NXP FUNDING LLC	B	2,4%
ALCATEL-LUCENT	BB	2,3%
FCE BANK PLC	B	2,2%
LOTTOMATICA SPA	BB	2,0%
-	-	-
-	-	-
<b>Total Weight Top 10 Bonds</b>		<b>30,9%</b>

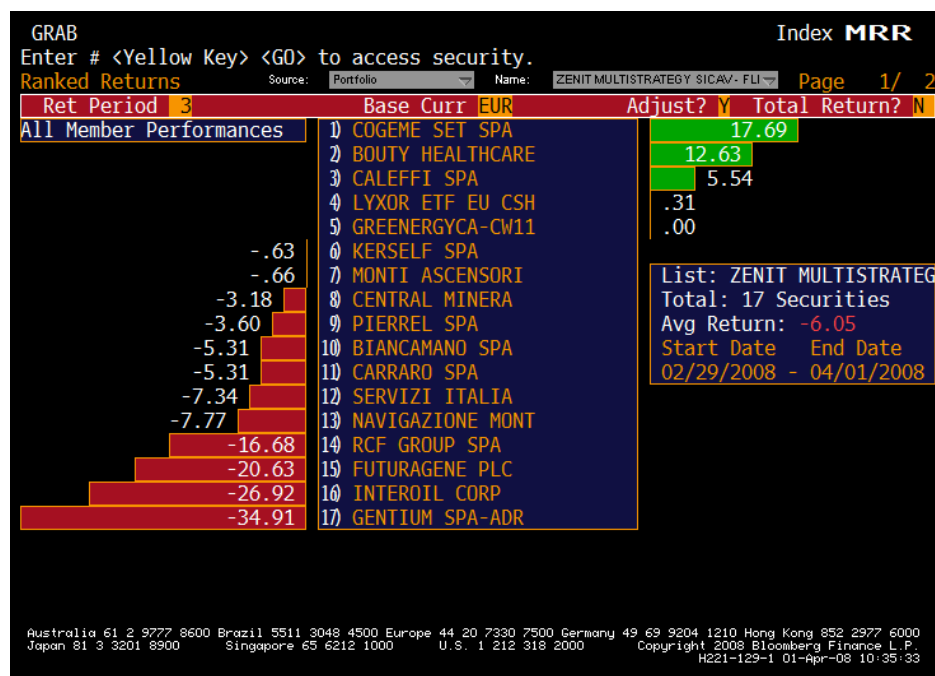


**Changes on Top 10 Holdings.**

EQUITY		BOND	
IN	OUT	IN	OUT
* Bouty Healthcare	* Monti Ascensori	*	*

- ✓ Bouty was never exit from the portfolio.
- ✓ Monti is under review and is been drastically reduced in weight. we have revised our expectations for the company downwards because of higher amortisation over the next two years.

**Comments and explanations about the performance.**



During the month of February 2008 the best stock in portfolio were **COGEME** (+17,69%) and **BOUTY** (+12,63%) and the worst performing members were **GENTIUM** (-34,91%) and **INTEROIL** (-26,92%).

Name	1 Month	YtD	From last Qtr
Zenit MultiStrategy SICAV – FLEX	-2,46%	-11,58%	-11,58%
MSCI World Free in €	-5,21%	-16,54%	-16,54%
S&P 500 in €	-4,58%	-16,90%	-16,90%
DJ Stoxx 50 €	-2,58%	-17,53%	-17,53%
NIKKEI 225 in €	-7,76%	-13,99%	-13,99%

- The fund's 30 days Historical Volatility was **10,73** at the 31<sup>th</sup> of March 2008 (HVG Bloomberg's Function) compared with **10,12** in the month of February 2008.