

LUXEMBOURG INVESTMENT FUND

Investment Company with Variable Capital
Registered under Part I of the Luxembourg law of December 20, 2002

September 2008

Simplified prospectus of the sub-fund LUXEMBOURG INVESTMENT FUND – U.S. Equity Plus

This simplified prospectus contains key information about the "LUXEMBOURG INVESTMENT FUND – U.S. Equity Plus" (the "Sub-Fund"), a sub-fund of the LUXEMBOURG INVESTMENT FUND (the "Company") a "multiple subfund" company incorporated on August 26, 2002. Should you need any further information before you invest, please consult the full prospectus of the Company. Within this full prospectus, the rights and duties of the investors are fully described. The full prospectus as well as the financial reports may be obtained free of charge at the registered office of the Company, of the Central Administration (see also "Local Agents"). For details about the Sub-Fund's holdings, please see the Company's most recent audited annual report or un-audited semi-annual report.

Investment objective and Investment policy

The objective of the Sub-fund is to provide investors with an opportunity to invest mainly in transferable securities listed or quoted in the United States of America and to provide a consistent performance in order to achieve a regular capital appreciation while giving ultimate consideration to capital security and portfolio liquidity. The Sub-fund's assets are invested according to the principle of risk diversification in equity securities listed on the New York Stock Exchange or on the NASDAQ and/ or in US government securities (T Bills).

The Sub-fund may hold liquidities on an ancillary basis (which may include on an ancillary basis units of US money market mutual funds providing daily liquidity). The part of the assets invested in units or shares of other collective investment undertakings may never exceed 10 % of the sub-fund's net assets.

The Sub-fund may enter into transactions relating to options on financial instruments for a purpose of efficient portfolio management in compliance with what is provided under "Financial Techniques and Instruments" of the full prospectus and in the interest of an orderly management of its assets. Due to their high volatility, options are exposed to greater risks than direct investments in securities.

The Category **A** Shares in USD: are denominated in USD, participate in the portfolio according to their entitlements.

The Category **B** Shares in €: are denominated in €, participate in the portfolio according to their entitlements and seek to benefit from a specific hedging complement under which the non-EUR portfolio assets attributable to it are intended to be hedged against the EUR on a roll-over monthly basis; the hedging costs are borne by the Category B.

The Category **C** Shares in USD: are denominated in USD, participate in the portfolio according to their entitlements.

The Category **D** Shares in €: are denominated in €, participate in the portfolio according to their entitlements and seek to benefit from a specific hedging complement under which the non-EUR portfolio assets attributable to it are intended to be hedged against the EUR on a roll-over monthly basis; the hedging costs are borne by the Category D.

The Category **E** Shares in USD: are denominated in USD, participate in the portfolio according to their entitlements.

The Category **F** Shares in €: are denominated in €, participate in the portfolio according to their entitlements and seek to benefit from a specific hedging complement under which the non-EUR portfolio assets attributable to it are intended to be hedged against the EUR on a roll-over monthly basis; the hedging costs are borne by the Category F.

Risk's profile

The risks associated with investments in equity (and equity-type) securities include significant fluctuations in market prices, adverse issuer or market information and the subordinate status of equity in relation to debt paper issued by the same company. Potential investors should also consider the risks attached to fluctuations in exchange rates, possible imposition of exchange controls and other restrictions.

Portfolio turnover

As per March 31, 2008: 1.916,36 %

VISA 2008/42620-3408-7-PS

L'apposition du visa ne peut en aucun cas servir
d'argument de publicité
Luxembourg, le 02/10/2008
Commission de Surveillance du Secteur Financier

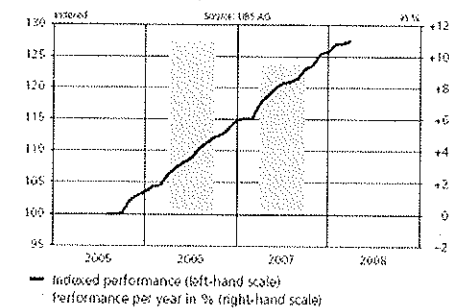


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Performance and ratio

Category A

Performance (USD-based)

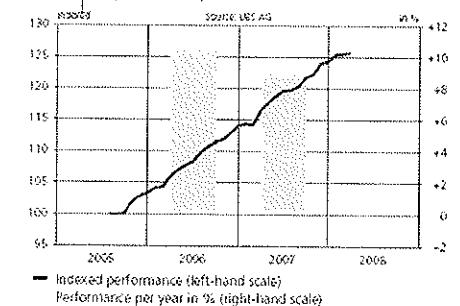


| in % | 2004 | 2005 | 2006 | 2007 | since 29.7.05 | Ø p.a. 2 years |
|------|------|------|------|------|---------------|----------------|
| USD | — | — | 10,9 | 9,5 | 27,5 | 9,5 |

These figures refer to the past. Past performance is not a reliable indicator of future results. The performance shown does not take account of any commissions and costs charged when subscribing to and redeeming units.

Category C

Performance (USD-based)

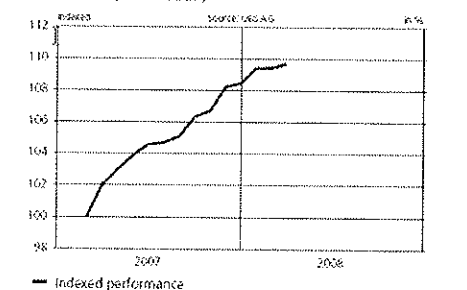


| in % | 2004 | 2005 | 2006 | 2007 | since 29.7.05 | Ø p.a. 2 years |
|------|------|------|------|------|---------------|----------------|
| USD | — | — | 10,4 | 8,9 | 25,8 | 9,0 |

These figures refer to the past. Past performance is not a reliable indicator of future results. The performance shown does not take account of any commissions and costs charged when subscribing to and redeeming units.

Category E

Performance (USD-based)



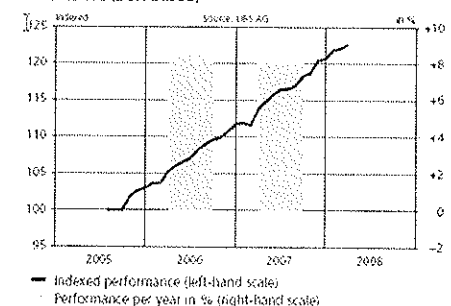
| in % | 2004 | 2005 | 2006 | 2007 | since 29.7.05 | Ø p.a. |
|------|------|------|------|------|---------------|--------|
| USD | — | — | — | — | 9,5 | — |

These figures refer to the past. Past performance is not a reliable indicator of future results. The performance shown does not take account of any commissions and costs charged when subscribing to and redeeming units.

Dated as per March 31, 2008

Category B

Performance (EUR-based)

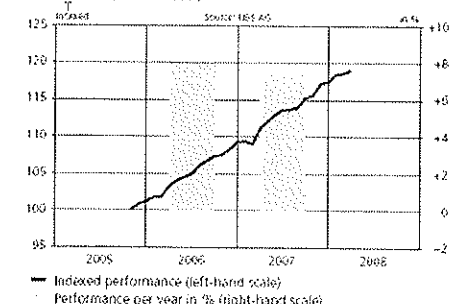


| in % | 2004 | 2005 | 2006 | 2007 | since 29.7.05 | Ø p.a. 2 years |
|------|------|------|------|------|---------------|----------------|
| EUR | — | — | 8,5 | 8,1 | 27,6 | 8,0 |

These figures refer to the past. Past performance is not a reliable indicator of future results. The performance shown does not take account of any commissions and costs charged when subscribing to and redeeming units.

Category D

Performance (EUR-based)

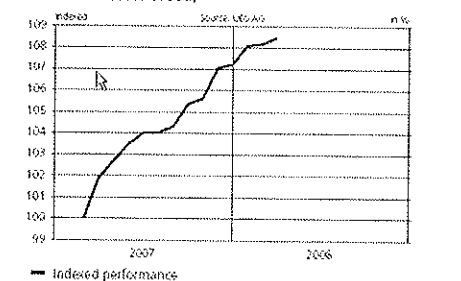


| in % | 2004 | 2005 | 2006 | 2007 | since 29.7.05 | Ø p.a. 2 years |
|------|------|------|------|------|---------------|----------------|
| EUR | — | — | 6,0 | 7,5 | 20,9 | 7,4 |

These figures refer to the past. Past performance is not a reliable indicator of future results. The performance shown does not take account of any commissions and costs charged when subscribing to and redeeming units.

Category F

Performance (EUR-based)



| in % | 2004 | 2005 | 2006 | 2007 | since 29.7.05 | Ø p.a. |
|------|------|------|------|------|---------------|--------|
| EUR | — | — | — | — | 8,1 | — |

These figures refer to the past. Past performance is not a reliable indicator of future results. The performance shown does not take account of any commissions and costs charged when subscribing to and redeeming units.

Notice

When it will be applicable, the past performance will not be a guarantee for future trends. There is no guarantee that the investments will appreciate in value. The value of investments and the income derived therefrom may fall as well as rise and investors may not get back the amount invested. Future returns will depend on the development of the equity stock markets and on the success of the implementation of the Sub-Fund's investment policy (by the Portfolio Manager).

Profile of the typical investors

The Sub-fund is suitable for investors who consider investments in the Sub-Fund as a convenient way of participating in capital markets movements. The investor must be able to accept significant temporary losses, thus the Sub-Fund is suitable for investors who can afford to set aside the capital for 5 years. It is designed for the investment objective of building up capital.

Allocation of income

The Sub-fund will pursue an accumulation policy.

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| | |
|---|---|
| Sub-Fund expenses | <p>Management fee: 0.60 % p.a. for category A and B Shares, 1.10 % p.a. for category C and D Shares and 1.50 % for category E and F Shares</p> <p>Custodian and Administrative Agent fee: The Agent is entitled to charge commission in line with the scale of fees customarily applied at the financial centre of Luxembourg. Said commission shall be calculated and charged pro rata temporis at the end of the month on the basis of the average total net assets of the Sub-funds during the respective month and amounts to maximum 0.40 % per annum.</p> <p>Total Expense Ratio (TER) as per March 31, 2008:</p> <ul style="list-style-type: none"> Luxembourg Investment Fund - US Equity Plus A: 1.07 % Luxembourg Investment Fund - US Equity Plus B: 1.07 % Luxembourg Investment Fund - US Equity Plus C: 1.58 % Luxembourg Investment Fund - US Equity Plus D: 1.57 % Luxembourg Investment Fund - US Equity Plus E: 1.98 % Luxembourg Investment Fund - US Equity Plus F: 1.97 % |
| Taxation | <p>Apart from the management fee described under "Available Sub-funds" in the full prospectus each Sub-fund is subject to administrative charge and expenses due or accrued, including fees and expenses for the administrative agent, the custodian bank, legal and audit services, all taxes which are levied on the net assets and the income of each Sub-fund, particularly the "taxe d'abonnement", customary brokerage fees and commissions which are charged by other banks and brokers for securities transactions and similar transactions; costs for ordinary and extraordinary measures carried out in the interests of the shareholders, such as expert opinions and legal proceedings, etc.</p> <p>The Fund is subject to Luxembourg legislation. In conformity with current legislation in the Grand Duchy of Luxembourg, the Fund is not subject to any Luxembourg withholding, income, capital gains or wealth taxes. The Fund is, however, subject to the Grand Duchy of Luxembourg's "taxe d'abonnement" of 0.05 % p.a. on total net assets which is payable at the end of every quarter. This tax is calculated on the net assets of each subfund at the end of every quarter.</p> <p>Shareholders are advised that the law of 21 June 2005 (the "Law") has implemented into Luxembourg law, the Council Directive 2003/48/EC on the taxation of savings income in the form of interest payments (defined as Savings Directive). According to the Savings Directive, as from July 1, 2005 at the earliest, cross boarder payments of interest to individuals resident in another other Member State will be subject to a withholding tax system or an automatic disclosure of Information. Dividends distributed by a Subfund of the Fund will be subject to the Savings Directive if more than 15 % of the relevant Subfund's assets are invested in debt claims as defined in the Directive. Proceeds realised by shareholders on the disposal of shares will be subject to such reporting or withholding if more than 40 % (as of 1.1.2011: 25 %) of the relevant Subfund's assets are invested in such debt claims.</p> <p>Provided that the Subfund concerned is not subject to the Savings Directive or the shareholder is not concerned thereof, the shareholder is not subject to any capital gains, income, withholding, gift, estate, inheritance or other tax in Luxembourg except for investors domiciled, resident or having a permanent establishment in Luxembourg and except for certain former residents of Luxembourg owning more than ten per cent of the shares in the Fund.</p> |
| Net asset value publication | <p>The NAV per share can be obtained at the Administration Agent.</p> |
| How to purchase / repurchase /convert shares | <p>Subscriptions for the initial offer start on August 18, 2005 and end on August 29, 2005 at an initial subscription price per share of USD 1.000 per Category A, C and E USD Shares and EUR 1.000 per Category B, D and F € shares, with payment for good value August 31, 2005 at the latest.</p> <p>Subscription as well as redemption and conversion requests for the shares of the Sub-Fund will be dealt on the basis of the net asset value per share and will have to be sent to the Company, the Central Administration, the Custodian Bank or any appointed distributors.</p> <p>Cut-off time for subscription and redemption orders: orders must be received at the latest by 3:00 pm Luxembourg time (the "cut-off-time") five business days in Luxembourg preceding a Valuation Day (defined as any business day for the Central Administration) and shall be settled at the issue price calculated on that Valuation Day. In this context, "business day" refers to the normal bank business day (i.e. each day on which banks are open during normal hours) in Luxembourg, with the exception of individual, non-statutory rest days as well as days on which exchanges in the main countries in which the Sub-fund invests are closed or 50 % or more Sub-fund investments cannot be adequately valued. Non-statutory rest days are days on which individual banks and financial institutions are closed.</p> <p>The NAV per share is calculated as of the fifteenth day and the last business day of each month (each the "Valuation Day"). Should the fifteenth day of the month not be a business day in Luxembourg, the NAV is calculated on the next following business day.</p> <p>Minimum initial investment amount:</p> <ul style="list-style-type: none"> Shares of Category A and B: USD 250.000 or EUR 250.000 Shares of Category C and D: USD 1.000.000 or EUR 1.000.000 Shares of Category E and F: USD 100.000 or EUR 100.000 |

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Minimum additional subscriptions:

Shares of Category A and B: USD 100.000 or EUR 100.000

Shares of Category C and D: USD 100.000 or EUR 100.000

Shares of Category E and F: USD 100.000 or EUR 100.000

Minimum holding:

Shares of Category A and B: USD 100.000 or EUR 100.000

Shares of Category C and D: USD 100.000 or EUR 100.000

Shares of Category E and F: USD 100.000 or EUR 100.000

Subscription fee: Maximum 2 % of the Net Asset Value per share

Subscription fee for shares of Category A and B: 3 % of the Net Asset Value per share

Redemption fee: Maximum 2 % of the Net Asset Value per share

Conversion fee: none

Payment of the subscription proceeds must be received by the Custodian of the Fund at the latest 3 business days in Luxembourg after the Valuation Day.

Payment of the redemption proceeds for Fund shares is effected under normal circumstances within 10 business days after the Valuation Day.

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|---|---|--|
| Additional important information | Legal structure: | Sub-fund of the LUXEMBOURG INVESTMENT FUND, a Luxembourg-based investment company with variable capital under Part I of the Luxembourg Law of December 20, 2002. |
| | Company: | LUXEMBOURG INVESTMENT FUND |
| | Sponsor: | UBS AG |
| | Management Company and Portfolio Manager: | UBS Third Party Management Company S.A., Luxembourg |
| | Investment Advisers: | Reliance Management (Gibraltar), Ltd., Gibraltar |
| | Distributor: | M & B Capital Advisers, Sociedad de Valores, S.A., Spain |
| | Supervisory Authority: | Commission for the Supervision of the Financial Sector, Luxembourg |
| | Custodian Bank: | UBS (Luxembourg) S.A., Luxembourg |
| | Auditor: | Ernst & Young, Luxembourg |
| | Launch date of the Sub-Fund: | August 18, 2005. |
| | Total Net Assets of the Sub-Fund: | USD 637.881.576,90 as of March 31 st , 2008 EUR 404.631.657,80 as per March 31, 2008 |
| | ISIN-Code: | Shares of Category A: LU0225433936 USD Shares Shares of Category B: LU0225434231 € Shares Shares of Category C: LU0225434405 USD Shares Shares of Category D: LU0225434587 € Shares Shares of Category E: LU0225434660 USD Shares Shares of Category F: LU0225434744 € Shares |
| Further Information | For any further information, please contact | |
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