PROSPECTUS

Floatation report and Prospectus, dated 30 August 2005,

for the issue (1,150 shares) and reissue (50 shares)

of a maximum of 1,200 shares, each with a face value of € 5,000

at an issue price of € 25,000 (500%) in

GRAND CRU BELEGGINGSMAATSCHAPPIJ B.V.

A private company with limited liability

incorporated under Dutch law on 25 August 2005, established in Utrecht.

The shares participate fully in the results of the extended first financial year, running from the date of incorporation through 31 December 2006, and subsequent financial years.

This issue is presented by Wine Management B.V.

IMPORTANT INFORMATION

Potential investors in Grand Cru Beleggingsmaatschappij B.V. ('GRAND CRU') are explicitly notified that an investment in GRAND CRU involves financial risks. Potential investors are advised to read this prospectus carefully and to familiarise themselves with the entire contents of this prospectus and to consult their financial and legal advisors in regard to their own specific circumstances.

GRAND CRU states that insofar as it is or reasonably could be aware, the information in this Prospectus reflects the actual situation and that no information that would change the scope of this prospectus in any essential regard has been left out. GRAND CRU is solely responsible for the accuracy and completeness of the information provided in this Prospectus.

No one is authorised to provide information or statements on behalf of GRAND CRU for the purposes of this flotation apart from what is set out in this Prospectus or contrary to what is set out in this Prospectus. If any such information or statement is provided, it cannot be relied upon as having been provided/made by or on behalf of GRAND CRU. This Prospectus does not as such constitute an offer of any security or an invitation to make an offer for the purchase of any security other than the offered securities in GRAND CRU.

The issue of this Prospectus at any time or the sale to any person on the basis thereof do not under any circumstances entail that the information given in this Prospectus will continue to be correct at any time after the date of this prospectus. As soon as there are any grounds to do so, the essential information in this Prospectus will be updated.

The provision and distribution of this Prospectus and the offer of shares may be subject to legal restrictions in certain jurisdictions. GRAND CRU requests all who obtain a copy of this prospectus to inform themselves of and adhere to any such restrictions. GRAND CRU accepts no legal liability for any violation whatsoever of any such restriction, by any party whatsoever, regardless of whether that party is a potential buyer of shares or not.

United States of America

The shares are not and will not be registered under the Securities Act 1933 of the United States of America, as amended (the Securities Act) and may not be offered, sold, pledged, transferred in title or otherwise alienated or encumbered, whether directly or indirectly, in the United States of America, its territories and possessions, any state of the United States and the District of Columbia (the United States), unless such is effected in accordance with Regulation S of the Securities Act or pursuant to an exemption of the registration obligation comprised in that act. GRAND CRU will accept no subscriptions from persons either established in the United States or acting on the account of or for the benefit of any person in the United States.

United Kingdom

Neither this Prospectus nor any other document issued in relation to the floatation may be issued, forwarded or otherwise made available to any person in the United Kingdom, unless this person falls under the category described in Section 11(3) of the United Kingdom's Financial Services Act 1986 (Investment Advertisements) ('Exemptions') Order 1996 of the United Kingdom, or is a person to whom this document may be otherwise legally issued or forwarded.

Canada

The shares are not eligible for sale in Canada via a prospectus, and may not be offered or sold, directly or indirectly, in any province or territory of Canada, excepting insofar as allowed by virtue of relief from the applicable prospectus registration requirements and in accordance with the applicable securities legislation of the province or territory in question.

Japan

The shares are not and will not be registered under the Securities and Exchange Law of Japan and may not be offered or sold, directly or indirectly, in Japan or on the behalf of residents of Japan, excepting insofar as allowed by virtue of relief from the applicable prospectus registration requirements and in accordance with the applicable law of Japan.

This Prospectus is subject to the law of the Netherlands. This Prospectus is being released only in Dutch.

For all returns and expected returns indicated in this Prospectus, the value of GRAND CRU and thereby your investment in GRAND CRU may fluctuate. Past performance does not guarantee future results.

Financial Information Packet

For each investment fund, a prospectus and a financial supplement are available to provide information on this fund, the costs, and the risks. Please request this packet and read it before purchasing the product. The financial information packet is available at the office of GRAND CRU.

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DEFINITIONS

In this Prospectus, the following terms have the following meanings.
Definitions in the singular also apply to the plural, and vice versa.

SHARE:
Shares with a face value of € 5,000 each in the capital of Grand Cru Beleggingsmaatschappij B.V.

GENERAL MEETING OF SHAREHOLDERS:
The General Meeting of Shareholders of Grand Cru Beleggingsmaatschappij B.V.

PREMIUM:
After the initial issue and full payment of the shares of a face value of € 5,000, the shareholders will deposit a premium on the shares of € 5,000 annually, for the first time on 1 March 2007 and for the last time on 1 March 2010 (4 times).

MANAGEMENT BOARD:
The management board of Grand Cru Beleggingsmaatschappij B.V., being Wine Management B.V.

DISTRIBUTOR:
Banks and financial institutions providing for the placing of the shares in GRAND CRU in cooperation with the Issuer.

ISSUE:
The initial issue and subscription of shares as described in this Prospectus.

ISSUER:
Wine Management B.V.

FINE WINE MERCHANTS B.V.:
A wholly owned subsidiary of Wine Management B.V. dedicated to the import and distribution of wines not on the Wine List.

FUND/GRAND CRU:
Grand Cru Beleggingsmaatschappij B.V.

COMMITTED FUND ASSETS:
The capital committed by the shareholders at any time, in the amount of which they hold shares (maximum € 30,000,000).

PAID-UP FUND ASSETS:
The portion of the committed fund assets paid up by the shareholders at any given time.

CLOSING PRICE:
The price that arises from public auctions/wine auctions by means of connecting demand and supply in a public sale.

THE WINE FUND:
An investment fund founded in 2001 by W.J. van Dedem Beheer B.V. with the goal of achieving benefits from investments in top red Bordeaux wines.

INSTITUTIONAL INVESTOR:
Generic name for pension funds, insurance companies, investment funds, savings banks and investment vehicles of professional investors as defined in Section 1 of the Implementing Regulations under Section 14, Investment Institutions (Supervision) Act, 9 October 1990.

BUY LIST:
The list of wines to be purchased, compiled by the management board in advance by means of tasting selections.

TERM:
Thirteen years, specifically from September 2005 until 1 September 2018, after which any remaining portfolio will be sold or provided to the shareholders in the form of distribution of wines in the optimal manner for the shareholders, if possible within a period not exceeding two years.

PROSPECTUS:
Floatation report and prospectus, within the definition of the Investment Institutions (Supervision) Act, of Grand Cru Beleggingsmaatschappij B.V., used to refer to this document.

SUPERVISORY BOARD:
The Supervisory Board of Grand Cru Beleggingsmaatschappij B.V.

ARTICLES OF ASSOCIATION:
The Articles of Association of Grand Cru Beleggingsmaatschappij B.V.

WINE LIST:
The list composed of the Médocs classified in 1855, the Saint-Emilions classified in 1996, the Graves classified in 1959, the unofficially classified Pomerols and a limited selection of other red and white wines to be considered equivalent thereto, this last category with a maximum of 15% of the Committed Fund Assets.

WINE MANAGEMENT:
Wine Management B.V. is a private company established under Dutch law on 2 August, all shares of which are held (directly or indirectly) by the Management Board, namely Mr *mr.* W.J. Baron van Dedem, Mr D.P.J. Baardemans *RA* and Mr J.C.A. Sevenster.
Upon the incorporation of Grand Cru Beleggingsmaatschappij B.V., Wine Management concluded a management board contract with Grand Cru Beleggingsmaatschappij B.V., which contract regulates their mutual relationship, determines the tasks and responsibilities and establishes the remuneration of the management board. In addition to conducting the management of Grand Cru Beleggingsmaatschappij B.V., Wine Management also manages Fine Wine Merchants B.V., a wholly owned subsidiary of Wine Management B.V.

WTB:
Wet toezicht beleggingsinstellingen (Investment Institutions (Supervision) Act)

CORE INFORMATION

• GRAND CRU is an investment institution established under the law of the Netherlands, with its official registered office in Utrecht and with its place of business in Utrecht.
• GRAND CRU qualifies for the status of fiscal investment institution within the definition of Section 28 of the Corporation Tax Act 1969.
• GRAND CRU is an open-end investment institution as defined in the WTB.
• GRAND CRU will invest its assets primarily in a selected number of red Bordeaux wines. The Management Board will at all times make a selection from the Médocs classified in 1855, the Saint-Emilions classified in 1996, the Graves classified in 1959, the unofficially classified Pomerols and/or a limited selection of other red and white wines to be considered equivalent thereto, the latter with a maximum of 15% of the Committed Fund Assets (see Appendix II: the Wine List).
• Funds not invested in wine will be invested by GRAND CRU in interest-bearing euro cash products (such as deposits).
• GRAND CRU devotes itself to asset growth for the benefit of its shareholders. GRAND CRU expects that through the strict selection of the wines and the active management of the portfolio, the intrinsic value can rise by at least 15% annually. This expectation is realistic based on the returns achieved in the past, but nonetheless in no way offers security for the return of GRAND CRU. A further breakdown of the return forecast is included in the Financial Information Package.
• GRAND CRU endeavours to limit its shareholders' risks through careful analysis and selection, active management of the portfolio and the spread of the fund assets.
• GRAND CRU distinguishes three phases of its lifespan (build-up, consolidation and step-down/liquidation phase), and will, in principle, be liquidated as per 1 September 2018, making the term a period of thirteen years.
• During the step-down/liquidation phase (starting 1 September 2013), on an annual basis GRAND CRU will pay out the profits achieved from the sale of wines to the shareholders in cash, after deduction of costs and investment losses. In the years prior to that, within eight months after the end of the financial year, GRAND CRU will pay out to its shareholders an amount at least equal to the financial distribution obligation. Value changes on the investments may be added to the fiscal reinvestment reserve.
• During the step-down/liquidation phase (starting 1 September 2013), the shareholders will be given the opportunity to bestow the cash payments they receive on the purchase of wines held in stock by GRAND CRU.
For the purposes of this sale, after consultation with the Supervisory Board the Management Board will make offers by which for a period of 30 days the price will be equal to the most recent auction price plus the auction fees owed by GRAND CRU for its auctions.
• Wines still in the portfolio after 1 September 2018 will first be offered for sale to the shareholders by means of an internal auction, in which the minimum price will be equal to the highest most recent closing price plus the auction fees owed by GRAND CRU for its auctions. Wines not auctioned internally will be paid out to the shareholders as liquidation payment in cash (after external auction) or as such, in bottles, by which the price will be the highest most recent closing price earned at a reputable public auction will apply as the transfer price.
• GRAND CRU is an unlisted private limited liability company. The trade in its shares is subject to restrictions.
• GRAND CRU endeavours to conduct a maximum initial amount of 1,200 subscribed shares, each with a face value of € 5,000 with a premium of € 20,000 to be deposited thereon. This premium will be paid on the shares in four annual installments of € 5,000, the first on 1 March 2007 and the last on 1 March 2010.

• The minimum buy-in for Institutional Investors is € 1,000,000, initially a nominal amount of € 200,000 with four annual premium payments, each of € 200,000. The minimum buy-in for Private Investors is one share, of € 25,000, initially € 5,000 in share face value and with four annual premium payments, each of € 5,000. See 'Fund Assets, Capital and Shares.'

GENERAL INFORMATION

Legal structure

Grand Cru Beleggingsmaatschappij B.V. is a private company under the law of the Netherlands. The company was established by deed of 25 August 2005, executed before civil-law notary *mr.* K.H.J. Flink in Utrecht. The company is registered in the Trade Register of the Chamber of Commerce in Utrecht under file number 30205576.

The Articles of Association are attached to this Prospectus as Appendix IV and are an integral part of this Prospectus.

Address

Grand Cru Beleggingsmaatschappij B.V.
Office address: Biltstraat 106
3572 BJ Utrecht

030-2735655 (telephone)
030-2712843 (fax)
email: info@grandcrubv.nl
www.grandcrubv.nl

Mailing address:
Postbus 13150
3507 LD Utrecht

Management Board

Wine Management B.V.
The Management Board of Wine Management B.V. is composed of:
mr. W.J. Baron van Dedem,
D.P.J. Baardemans *RA*,
J.C.A. Sevenster

For an abbreviated curriculum vita of the Management Board members, see Appendix I of this Prospectus.

Wine Management B.V. also conducts the management of Fine Wine Merchants B.V.
As its address, the Management Board elects the office address of GRAND CRU.

Supervisory Board

The Supervisory Board will consist of three members and will be appointed by the General Meeting of Shareholders of Grand Cru Beleggingsmaatschappij B.V.

Upon incorporation of Grand Cru Beleggingsmaatschappij B.V.: Mr E. (Erik) P.J.M. Sauter (59) is appointed as Supervisory Director.
The address of the Supervisory Board is the office address of GRAND CRU.

Banking partner
F. van Lanschot Bankiers N.V.
Postbus 472
3700 AL Zeist
Bank account number: 26.02.98.670

Tax consultant
Clifford Chance Limited Liability Partnership
Droogbak 1a
1013 GE Amsterdam

Accountants

PricewaterhouseCoopers Accountants N.V.
Prins Bernhardplein 200
1097 JB Amsterdam

Deloitte Accountants B.V.
Postbus 826
8901 BP Leeuwarden

Civil-law notary
Hermans & Schuttevaer Notarissen
Maliebaan 81
3581 CG Utrecht

ARGUMENTS FOR AN INVESTMENT IN GRAND CRU

The investment environment for the private investor in the Netherlands has changed markedly in the last five years. The macro-economic conditions in the western world, the bursting of the 'internet bubble,' 9/11, and more than one major accounting scandal has all made it less attractive for investors to invest in shares of listed companies. As a result of the drop in the capital market interest rate, the returns on investments in interest-bearing products, such as bonds, has dropped sharply. This has created increasing demand for investments in ‘hard assets’ such as wine. GRAND CRU characterises itself as an ‘alternative investment’ less tied to macro-economic factors, sentiments and company performance of parties other than the financial markets, such as the stock exchanges. GRAND CRU invests directly in wine.
Year after year, wine consumption continues to go up, with shifts in volumes across the various continents, both in terms of country of origin and country of consumption. The worldwide demand for top wines from the Bordeaux region, however, is many times greater than the supply, so this permanent shortage means that prices generally go up as these wines get older (and more drinkable).

GRAND CRU purchases a mix of wines, exclusively of grand cru quality, and primarily produced in the Bordeaux region. These wines are delivered to GRAND CRU and, under its management, stored at optimal conditions and insured at current value. The wines are preferably purchased young and *en primeur* from French *négociants* (wine dealers), and paid in advance against the issue of bank guarantees. The wines purchased are physically delivered to GRAND CRU 12-24 months after purchase. After several years of aging, due to the increase in their value the wines can be sold by all normal distribution channels in the world, including the leading auction houses. During the build-up and consolidation phase, the sales revenue can be reinvested in wines; thereafter, in the step-down/liquidation phase, the funds are used to pay the shareholders. The return on investment target is at least 15% annually on the Paid-up fund Assets, calculated over the entire term.

Mr Van Dedem and Mr Sevenster have successfully gained experience in recent years in investing in premium quality red wine from the Bordeaux region, including in the Wine Fund, which has now concluded the purchasing phase, so that there can be no conflict of interest between GRAND CRU and the Wine Fund. GRAND CRU and the Wine Fund will not, under any circumstances, conclude transactions with each other.

One of the most decisive factors for meeting the intended return target is the degree to which GRAND CRU will succeed in maintaining access to the relatively closed wine market in the Bordeaux area and the ability to continue to be able to purchase the selected top wines in sufficient quantities.
The management board has many years of experience in the French wine market and has sufficient contacts and purchasing positions (allocations) with *négociants* in Bordeaux and elsewhere to ensure that the access to the high-demand top wines is assured. GRAND CRU is an attractive partner for the larger French wine merchants, due to its ample financial capacity, the continuous and multi-year purchasing demand and short decision-making lines.

Spreading of the vintages, the *châteaux* and the vendors reduces the risk for investors in GRAND CRU.

The management board (Wine Management B.V.) will devote itself to importing and offering for sale wines not on the wine list via its subsidiary Fine Wine Merchants B.V. (www.wijndomein.com), by which the shareholders of GRAND CRU will be granted an exclusive preferential right to purchase these wines at cost (including purchasing costs) plus a maximum margin of 15%.

There will never be transactions of any kind between GRAND CRU and Fine Wine Merchants, and until 1 September 2013 Fine Wine Merchants will refrain from importing and/or distributing wines on the Wine List, this in order to avoid any appearance of a conflict of interest.

The management board is supported by a Supervisory Board. The members are appointed by the General Meeting of Shareholders. Any supervisory director personally active in the wine market must not act in competition with the Fund in any way.

GRAND CRU qualifies for the status of fiscal investment institution. For Dutch private investors, an investment in GRAND CRU generally falls under 'Box III.'

GRAND CRU INVESTMENT POLICY

GENERAL

In order to best take advantage of the opportunities in the market for top wines, the initiators decided to establish an investment institution in wines, named GRAND CRU. For new entrants to the wine market, it is extremely difficult to get access to sufficient volumes of the very rare top wines. GRAND CRU can build on the outstanding contacts with primarily French vendors of top wines built up via the Wine Find, and this provides a certain degree of security on the options for purchasing the very rare, highest quality wines in sufficient numbers. GRAND CRU sets itself apart from other forms of investment in wine by virtue of the experience of its management board, the amount of the fund's assets, the physical presence and ownership of the wines in the portfolio and the option for shareholders to bestow a portion of the cash dividend they receive on the purchase of wines held in stock by GRAND CRU.

GRAND CRU devotes itself to asset growth for the benefit of its shareholders. The return development of the fund depends principally on the value development of the wines in the portfolio and the option to purchase these wines at attractive prices in sufficient volume and to be able to resell the wines at good prices after several years of storage under ideal conditions. With the contribution of the expertise of the management board and active management of the investment portfolio, GRAND CRU endeavours to achieve a return of at least 15% annually on the Paid-up Fund Assets, calculated over the entire term of the Fund.

THE WINE MARKET AND THE METHOD

Along with the selection process as described below under 'Selection,' the relationship with a number of French *négociants* is important for being able to buy the selected wines in sufficient volume. To maintain this the management board keeps continuous contacts with a group of approximately fifteen, mostly larger, *négociants* in Bordeaux and environs. In the *primeur campagne*, each châteaux comes to the market in turn at its own price and the wine is offered for sale via the *négociants.*

In good wine years, the top wine is sometimes completely sold out within an hour, which is why maintaining good contacts with the merchants is of major importance.

If a particular wine is purchased in one year, this entitles the purchaser in principle to purchase the same volume of the same wine the following year. This is referred to as 'allocation.' At this point the management board has large 'allocations' of many top Bordeaux wines. Purchasing is in the months of May and June, and, depending on the payment conditions, also paid in advance in that year. The major Bordeaux wines are bottled and delivered by the châteaux approximately two years after harvest.

The wines are transported using transport companies specialising in the transport of wines. The wine is insured against loss and theft during transport. The wine is stored by companies specialising in the storage of wine, and insured at current value against the risks of fire, loss, theft, breakage and water damage. The storage climate is ideal: a temperature ranging from 12 to 16 degrees Celsius at a relative humidity between 70 and 85%. The costs of transport, insurance and storage are borne by GRAND CRU.

Upon sale, the wines are delivered to the buyer directly from storage or, in the case of auctions, transferred to the auction house. Arrangements on the costs and fees are made with the larger and more specialised auction houses and wine auctioneers.

INVESTMENT POLICY

GRAND CRU invests in a mix of previously selected wines. The management board must make a choice from the wines on the Wine List (Appendix II) and/or a group of other, equivalent (exceptional) wines. The management will preferably purchase wines in the *primeur campagne* in the year of release of the wines. For the most part, the wines to be purchased will be purchased directly in France by the 'Selection' from the 'Wine List' as described hereinafter. If in any year, an insufficient volume of wine can be purchased at attractive prices, then the surplus liquidities will be invested in interest-bearing euro cash products with leading financial institutions. The surplus liquidities in any year will be used to the maximum extent possible on reinvestment in wine the following year.

SELECTION

The return to be ultimately earned is, to a large degree, determined by the selection in advance of the wines to be purchased and the opportunities to actually purchase these wines in sufficient volume at attractive prices. Each year, in spring, the management board will attend the tasting of the *Union des Grands Crus* in Bordeaux and will evaluate the wines/*primeurs* presented there. Additionally, a number of important châteaux are visited individually to test and evaluate the wine there with the owner and/or cellar masters. These are mainly the wines that have proven to increase in value considerably after years of aging, which are tested for well-known criteria such as colour, nose, fruit and tannin, and especially for storage and development potential. These spring tastings result in a shortlist of approximately 30-35 wines that are suitable for inclusion in the investment portfolio. After the conclusion of the *Union des Grands Crus* tasting, the tasting notes of the 'renowned tasters' are published.

The opinions of leading tasters such as James Suckling of *Wine Spectator*, Robert Parker of *Wine Advocate* and the independent Jancis Robinson all go into the Buy List of approximately 20-25 wines fixed by the management board. The ranking of the Buy List is determined by the historical track record of a wine's value development. This Buy List is notified to the merchants.

Through the ages, the wine market in Bordeaux has developed into a fairly closed circuit of *courtiers* and *négociants* on the one hand, and *château* owners on the other. In terms of choice of investment, the highest return can be earned by investing exclusively the wines of some ten generally recognised top châteaux. The market is such, however, that these ten wines can only be purchased if other wines are also purchased. GRAND CRU must purchase large volumes of other wines in order to gain, and keep, access to the top 10 wines. These other wines are also part of the prior selection (Buy List) and all of grand cru quality.

STRATEGY

The investment strategy is driven by the concept of 'rarity,' the imbalance between supply and demand that determines the value of wine. The amount of wine the Bordeaux region can produce is limited, and, as a result of climatological influences, may be more or less from year to year.

In contrast to many other wine countries, in France vintners are not permitted to use sprinklers in periods of drought or night frost.
The demand for Bordeaux wines of grand cru quality has exceeded the supply virtually every year since 1945. In only a few years (including 1971, 1972, 1974, 1997 and 2001) has the demand lagged behind the supply, sometimes due to a failed harvest, sometimes due to too high prices demanded by the producers. Currency developments can also be of influence on the demand for wine. In 2001, the American buyers purchasing in euros did not see the benefits of the 30% price drop in the wine (in relation to the outstanding previous year) due to the euros 30% rise against the dollar. So, in 2001 they purchased only very small amounts, resulting in large stocks of Bordeaux wines remaining unsold. The rarer a wine in a vintage is, the more attractive it is for inclusion in the investment portfolio of GRAND CRU.

GRAND CRU actually influences this scarcity in a positive way, by taking a portion of these already rare wines out of the market and not selling them immediately to merchants or the consumer, but storing them for a period of five to ten years and thereafter gradually releasing them in small volumes on the merchant/consumer market. Another important aspect of the value development of wine is that certain wines of a given vintage, as a result of consumption, will be increasingly less available to the consumer seeking this wine, and thus this wine becomes rarer and rarer. Consumer behaviour also has its effect on value development. Annual per capita wine consumption is increasing in Europe, Asia and the United States, so that the relative portion of wines produced in France is decreasing. The demand for the most renowned Bordeaux wines always remains greater than the supply, even while there are sometimes large fluctuations across the continents. The management board of GRAND CRU will continuously follow the market, and especially the price fluctuations, in the United States and the leading wine countries in Europe and Asia. Experiences gained in the past show that the greatest relative (in terms of time) value increases take place in the first eight years after a wine becomes available. Periodically, the management board will evaluate the wines in the portfolio and sell them at the value increase it predicts, to the best of its ability, for the near future. These wines in portfolio that, in the opinion of the management board, can at any point not (or no longer) be expected to increase in value or have increased so much in value that the optimal return can be achieved are eligible for sale, even if this is before the start of the step-down/liquidation phase.

RESTRICTIONS

Along with investment criteria, GRAND CRU also maintains the following investment restrictions:

• Investment is virtually exclusively in the wines on the Wine List.
• GRAND CRU endeavours to invest at least 90% of the Paid-up Fund Assets in red Bordeaux wines of grand cru quality.
• Investment may also be in wines not appearing on the Wine List. The amount of these investments may not, however, be greater than 15% of the Committed Fund Assets.
• Any surplus liquidities (more than € 100,000) will be invested in euro cash products with leading financial institutions.
• No interest in excess of 10% of the Committed Fund Assets will be taken in a *premier grand cru* of the same vintage of a single château or in excess of 5% of the Committed Fund Assets in any other wine.
• In the step-down/liquidation phase (after 1 September 2013), GRAND CRU is no longer permitted to purchase wines for investment purposes.

• For temporary financing purposes, GRAND CRU can take loans up to a maximum of 20% of the financial book value of the investments for the pre-financing of wines to be purchased and/or for the financing of any purchase by GRAND CRU of its own shares.
• When using the wine futures market (Paris), no open positions will be taken.
• As security for the fulfilment of the delivery obligation of French merchants, all invoices with a value of more than € 10,000 (ten thousand euro) will be covered by means of bank guarantees to be furnished for that purpose (‘Performance Bonds') by the bank of the vendor in question. For all other vendors, annual credit information will be collected from leading institutions such as Graydon.
• In order to be able to meet the purchasing obligations of GRAND CRU for its own shares at any time, either 5% of the Paid-up Fund Assets will be retained in liquid assets or the equivalent value will be blocked under the credit facility of 20% of the financial book value of the investments.

DISINVESTMENT POLICY

Analysis of the value development of the top red Bordeaux wines in the vintages 1950-1998 shows that the value development of these top wines occurs fastest in the first eight years after release. After that, the value does increase, but not as quickly as in the first eight years. The record prices achieved in wine auctions are nearly always individual bottles of very old and outstanding wines. These wines are then primarily bought by collectors. It is well known, for example, that an older bottle of Château d'Yquem, a very valuable Sauternes with a very small production, often changes hands many times at higher and higher prices, very rarely ever actually being drunk.

The management board regularly evaluates the portfolio for sale potential. If in the opinion of the management board, a particular wine has increased sufficiently in value, or the expected value increase is insufficient, it may be eligible for sale. The sale of wines from the portfolio takes place during the buildup and consolidation phase (until 1 September 2013) to third parties determined by the management board. In the step-down/liquidation phase (after 1 September 2013), the management board, in consultation with the Supervisory Board, may make offers to the shareholders, for a maximum period of 30 days after the last reputable wine auction held, for the sale of wines from the portfolio at closing prices of reputable wine auctions plus the auction fees owed by GRAND CRU. At the conclusion of the step-down/liquidation phase (after 1 September 2018), wines still in stock at that time will first be offered for sale to the shareholders by means of an internal auction, in which the reserve price will be equal to the highest most recent closing price at a reputable public auction. Wines not auctioned internally will be paid out to the shareholders as liquidation payment in cash (after external auction) or in wine, by which highest most recent closing price earned at a reputable public auction plus the auction fees owed by GRAND CRU will apply as the transfer price.

This investment/disinvestment policy will only be changed after the shareholders are given the opportunity to give their opinions on the proposed change. The investment policy may only be revised by a qualified two-thirds majority of the shareholders, at the proposal of the management board and with the consent of the Supervisory Board.

TERM

GRAND CRU has three phases: a buildup phase, a consolidation phase and a step-down/liquidation phase. In the buildup phase (up to 1 September 2010), GRAND CRU will, if possible, devote all available liquidities to the acquisition of interesting investments in the wines to be selected from the Wine List each year.

In the consolidation phase, from 1 September 2010 until 1 September 2013, GRAND CRU will, depending on the market and price conditions, make decisions on the purchase, retention or sale of wines in the portfolio. If further liquidities are still available in not yet invested funds from the Committed Fund Assets and/or revenues from sales, then up until 1 September 2013 the Management Board may still resolve to invest these in wines.

In the step-down/liquidation phase, from 1 September 2013 until 1 September 2018, GRAND CRU will break down the portfolio via the sale of the wines and pay the revenues, in cash or in wine, to the shareholders. No further wine will be purchased in this period.

RISK PROFILE

There are certain risks attached to an investment in GRAND CRU. Although GRAND CRU's investment model has been selected in order to limit these risks to the extent possible, the following risks can be identified:

• Wine is a natural product with a shelf life that is not unlimited. GRAND CRU's investment portfolio will be spread over a selection of wines, virtually all of which will be from the previously determined Wine List. The wines on the Wine List originate from producers (châteaux) that annually (under a vintage) produce (and can produce) only a limited number of hectoliters of wine. The number of hectoliters of wine per producer and the quality of the wine are strongly dependent on external factors, of which weather conditions are of decisive significance.
• Inherent to the selection of the wines to be purchased each year is the risk that the wrong choices may be made. As a rule, GRAND CRU endeavours to limit this risk by having the management board taste and evaluate virtually all the wines in advance. Additionally, the risks are limited by the management board adhering to the previously established investment criteria in the selection of the wines. Finally, the evaluations of the most pre-eminent wine tasters and wine writers are taken account in the selection process.
• The future value development of the investment portfolio of GRAND CRU is influenced on the one hand by the quality and production quantity of the wines, and on the other by macro-economic factors, consumer behaviour and currency developments. Global shifts in production potential, volumes and quality of wine from the traditional wine countries in Europe to Australia, America and South Africa can also affect the value development. A careful and balanced spread of the portfolio decreases the return risk on the investment, but is no guarantee for a positive value development of the GRAND CRU share.
• The wines are sold by the producers in the year after production, while the wine is still ripening in vats. To the maximum extent possible, GRAND CRU will use the first sales period, the *primeur campagne*, to purchase wines and, according to custom, make payment in advance. Delivery of the wines purchased takes place 12-24 months after the *primeur campagne*. There is a risk that vendors may not meet their delivery obligation, and that the amount paid in advance may have to be reclaimed. To assure the delivery of the wines paid in advance or the repayment in the event of non-delivery, for invoices in excess of € 10,000 bank guarantees ('Performance Bonds') in the amount of the invoice are obtained from the banks of the French merchants. For all other merchants, credit information is collected annually.
• The wines in the portfolio are stored under climatologically optimal conditions. These wines are insured at current value against loss, fire, theft and water damage. The wines are also insured at current value against these risks during transport to and from the wine storage.

• There are presently many options for selling the wines taken into the portfolio after a period of several years. Both the standard food and beverage distribution channels and specialised auction houses are potential future buyers. Although there are currently no indications to the contrary, it is not certain whether these buyers will continue to be interested and available in the coming years.
• The tax legislation and the interpretation/application thereof in relation to GRAND CRU and/or its investments may change over the course of the term. There is no guarantee that any changes in legislation and regulations will not effect the results of GRAND CRU, either directly or indirectly.
• The shares cannot be traded on any market or stock exchange.
• An investment in GRAND CRU is a long-term investment in an open-end investment institution as defined in the WTB. GRAND CRU has a term of 13 years, until 1 September 2018. Due to the nature of the investments, the investors in GRAND CRU may be expected to remain shareholders for the entire period. Despite this, participants will, in principle, be allowed to deal in their shares prematurely. The Articles of Association contain restrictions on the marketability of shares.
• The administration of the portfolio and the conduct of the management over GRAND CRU are in the hands of Wine Management B.V. The success of GRAND CRU is to a large degree dependent on the quality of the management board. There is no guarantee that persons currently on the management board will continue to be employed by GRAND CRU for the entire term.
There is a possibility that a difference of opinion may arise between the management board and the General Meeting of Shareholders of GRAND CRU and/or the General Meeting of Shareholders of Wine Management B.V. that may lead to the dismissal of the management board or of persons from the current management board. This may result in persons on the current management board being dismissed from their positions. The General Meeting of Shareholders is authorised to suspend or dismiss the management board.
• Returns generated by GRAND CRU may be insufficient to compensate the investors adequately for the investment and financial risks they bear. Shareholders may lose all or part of their investment in GRAND CRU. Changing internal and external circumstances may cause GRAND CRU to develop in ways not currently predictable.
• Wines held by GRAND CRU in portfolio are physically held by GRAND CRU. There is a chance that upon liquidation at the end of the term, wines not sold externally will be physically delivered to the shareholders pursuant to the Disinvestment policy described above.
• For all returns and expected returns indicated in this Prospectus, the value of GRAND CRU, and thereby an investment in GRAND CRU, may fluctuate. Past performance does not guarantee future results. When deciding whether to participate in GRAND CRU, everyone must take careful note of these considerations and potential risks.

FUND ASSETS, CAPITAL AND SHARES

The authorised capital of GRAND CRU is currently a nominal value of € 500,000 and is divided into 100 shares, each with a face value of € 5,000. The shares are registered shares, and no share certificates will be issued. Upon incorporation, 50 shares are subscribed by Wine Management B.V. GRAND CRU will maintain a Register of Shareholders as referred to in Article 11 of the Articles of Association.

After filing with the Trade Register of the Chamber of Commerce of a management board resolution to this effect, the authorised capital of GRAND CRU will be increased to € 6,000,000, divided into 1,200 shares, each with a face value of € 5,000.

For the floatation, a maximum of 1,150 (one thousand one hundred and fifty) shares in GRAND CRU will be issued and 50 (fifty) shares, currently held by Wine Management, will be the object of a reissue. These shares are also registered shares, and no share certificates will be issued. The shareholders will be registered in the Register of Shareholders.

Upon the initial subscription of the shares in GRAND CRU, the face value of € 5,000 per share must be fully paid, under the obligation of the shareholder to pay a premium on the share of € 5,000 in each of the four years thereafter. The four premium payments are due in the years 2007, 2008, 2009 and 2010, always on 1 March of the year in question. As per 1 March 2010, a total of € 25,000 will have been paid on each share.
In the event of late payment of the premium due, penalty interest of 1% per month will be incurred, with a portion of a month being counted as a whole month.

In the event of transmission or transfer of a share on which the premium has not yet been fully paid, the obligation to pay the mandatory premium transfers to the acquirer of the share. The original shareholder, however, remains liable to GRAND CRU until the entire payment obligation of € 25,000 per share is paid. If the complete initial offering of 1,200 shares in GRAND CRU is subscribed, the maximum Committed Fund Assets will be a total of € 30 million.

For the details on the rights of the shares, see the Articles of Association.

MARKETABILITY OF SHARES

GRAND CRU is a private limited liability company with an 'open-end' structure. The shares in GRAND CRU are not listed or marketable on any exchange, and after the initial issue the purchase and sale of shares is subject to the restrictions in the Articles of Association.

The purchase and sale of shares requires the permission of the management board, unless the intended acquirer of the shares is one of the acquirers to whom shares can be freely transferred. Generally, shares can only be freely transferred to shareholders, the spouse/registered partner, direct relations by blood/marriage, relations by blood and marriage in the collateral line to the second remove and to GRAND CRU itself. For further details on the restrictions in the Articles of Association on purchase and sale or other transfer of the shares, and the formalities to be observed, see Articles 16 through 19 of the Articles of Association.

There are also requirements on the quality of shareholders/potential shareholders, in particular, in regard to GRAND CRU's retaining the status of fiscal investment institution. For these requirements see Article 4 of the Articles of Association.

If desired, the management board is able to mediate on a 'best effort' basis in the purchase and sale of Shares.

ISSUE AND INTAKE OF SHARES

The issuer is authorised to issue/re-issue a maximum of 1,200 (one thousand two hundred) shares in GRAND CRU. Upon the issue/re-issue offer, the issuer will charge the shareholder a subscription fee in the amount of 2% on the Committed Fund Assets committed by the shareholder. The issuer will use this 2% subscription fee to pay the notarial costs for the shareholders in relation to this issue/re-issue offer and any fees to Distributors.

GRAND CRU can only resolve for a subsequent issue of shares or a re-issue of previously purchased shares in the period until 1 March 2008 by management board resolution with the approval of the Supervisory Board and in observance of the provisions of Article 5 of the Articles of Association. In the period between 1 March 2008 and 1 September 2010, such a resolution for subsequent or secondary issue may only be taken if, along with the management board and the Supervisory board, the General Meeting of Shareholders also consents thereto with a qualified majority of two-thirds.

Subsequent or secondary share issue will take place on the basis of the calculated intrinsic value of the share as per the last valuation date, thus as per 30 June or 31 December of any year.

Upon issue, GRAND CRU will charge a mark-up of 5% of the Intrinsic Value of the share (including any capital duty incurred). This 5% mark-up will accrue to GRAND CRU. The costs of the formalities of the share issue (in particular, the notarial deed) will be borne by the buyer.

GRAND CRU undertakes the obligation to purchase offered shares if no other buyers can be found within the system of share purchase provided in the Articles of Association. Purchase of shares will be on the basis of the calculated intrinsic value of the share as per the last valuation date, thus as per 30 June or 31 December of any year. For the purchase, GRAND CRU will apply a markdown of 10% of the Intrinsic Value of the share (including any capital duty incurred). This 10% markdown will be for the benefit of GRAND CRU. The costs of the formalities of the share purchase (in particular, the notarial deed) will be borne by the seller.

Purchase will nonetheless not take place if:
a) at any time the Intrinsic Value of the total of the not yet settled offers exceeds € 250,000, or
b) if the Intrinsic Value of all historically purchased shares (calculated from the date of the successive purchases) exceeds 5% of the Committed Fund Assets minus the shares already re-issued.

In the situation under (a), the management board will determine the purchasing policy in consultation with the Supervisory Board. This condition is included for the protection of the shareholders (or the majority thereof).

GRAND CRU will not issue, reissue or purchase shares if such would be in violation of any statutory provision, or if the management board and the Supervisory Board share the opinion that such a transaction would compromise the interests of the existing shareholders (or a majority thereof).

BASES FOR VALUATION

The Intrinsic Value of the shares is calculated twice per year, on 30 June and 31 December. In calculating the Intrinsic Value of GRAND CRU in euro, the wine and other assets and liabilities will, as a rule, be valued as follows:
• the investments in wine will be valuated at the last known auction prices (closing price minus auction fees borne by GRAND CRU) or, if this price is not known, at the average of the offer and selling price, or if this also unknown, at the integral cost price;
• claims and debts will be valuated at their face value;
• other assets and liabilities are valuated by the management board at their current value in observance of the generally accepted valuation methods applicable thereto.

Assets and liabilities in currencies other than euro are converted to euro at the exchange rate applicable on the date of valuation.

The Intrinsic Value per share will be determined by dividing the intrinsic assets of GRAND CRU (including the net result up to that moment) by the number of shares outstanding on the date of valuation.

The result over any financial year will be determined by subtracting costs and expenditures to be ascribed to the reporting period from the investments and interest revenues to be ascribed to the reporting period.
In general, profits will be accounted at the time the profits are realised and losses will be accounted when they become foreseeable, and income and expenditures will be ascribed to the period to which they pertain.

The difference between the market value and the integral cost price of investments is included in the revaluation reserve as ‘unearned results on investment.’ The result earned on sales will, to the extent possible, be allocated to the reinvestment reserve, defined as ‘earned results on investment’ for tax purposes, in order to keep this result separate from the taxable result to the maximum possible extent.

The annual accounts of GRAND CRU will be drafted in accordance with the provisions for the annual accounts of investment institutions as set out in the Annual Accounts Models Decree.

COSTS AND FEES

For the activities it performs, the management board charges to GRAND CRU a management fee. This management fee is 2.5% of the Committed Fund Assets (excluding BTW (Dutch VAT)) annually. The management fee is calculated once per quarter and made payable on the first day of each quarter.

In addition, the management board is entitled to a success fee in the amount of 10% over the return on the shares in GRAND CRU, if and insofar as that return (simply on an annual basis) exceeds 15% of the Paid-up Fund Assets. This success fee is calculated annually in the manner described in Appendix III. As from the step-down/liquidation phase (after 1 September 2013), the management board may, after approval of the Supervisory Board, be paid a maximum of 50% of the success fee accrued up to then and included in the approved annual accounts.

Due to the nature of the investments, the other costs consist of excise duty costs, transportation, storage and custodianship of the wine with third parties, auction fees, bank guarantee costs and the insurance of the wine at current value. The costs charged by third parties, just as the costs of the external auditor and tax consultant, capital duty and the costs of meetings of shareholders will be accounted for at the expense of GRAND CRU and will be market-standard. Such third parties will not be ‘affiliated parties’ as defined in circular 8022 ‘Transparency of costs and close relationships,’ 7 December 2001.
As an indication of the amounts of the more unusual costs:
• excise duty is currently € 0.442 per 75 cl bottle
• costs of storage and custodianship are currently approximately € 0.20 per bottle per 12-month period
• transportation costs are currently € 0.50 per bottle (from France to the Netherlands)
• current insurance costs are approximately € 2.25 per € 1,000 value per 12-month period

• auction costs are currently approx. 10% of the closing price
• bank guarantee costs are currently 1% over the invoice value per 12 month

The costs associated with maintaining the permit from and supervision by the Financial Markets Authority (AFM) will be accounted for as expenses of GRAND CRU.
The members of the Supervisory Board will receive a fee borne by GRAND CRU, to be fixed annually, which is at present set at € 7,500 per year for the chairman and € 5,000 per year for the members.

All other costs not referred to above will be considered to be costs included in the management fee.
The one-time costs relating to the incorporation and initial share issue of Grand Cru Beleggingsmaatschappij B.V. will be borne by GRAND CRU, and consist of consulting fees, notarial fees, costs of application for the WTB permit, marketing costs and the like.
These costs are pre-financed by Wine Management B.V. and, after the issue, will be charged on to GRAND CRU. These costs of incorporation to be borne by GRAND CRU will be a maximum of € 250,000 (excluding BTW), and any amount in excess thereof will be at the expense and risk of Wine Management B.V. The one-time costs of incorporation will be deducted from the result of GRAND CRU over a period of five years.

The TER (Total Expense Ratio) and the total costs will be indicated and broken down in detail in each annual report.

TAX POSITION

Here follows a summary of the most important tax aspects relating to the purchase, holding and sale of the shares. This summary is not intended to be exhaustive. Due to its general nature, this summary must be read with the requisite degree of care, and potential investors are also advised to consult their own financial advisor on the tax consequences of their investment. Unless otherwise indicated, this summary pertains solely to Dutch tax laws as in effect on the date of publication of this Prospectus, and must be interpreted on the basis of precedent. Note that Dutch tax legislation and precedent may change after this date, and such changes may or may not have retroactive effect.

GRAND CRU qualifies for the status of fiscal investment institution as defined in Section 28 of the Corporation Tax Act 1969. The status of Fiscal Investment Institution entails that if and as long as certain conditions are met, GRAND CRU incurs corporation tax at a rate of 0%.

GRAND CRU has obtained tax consulting concerning its tax status for the application of Dutch corporation tax. The tax consultant has confirmed that in its opinion, GRAND CRU qualifies for the status of fiscal investment institution as defined in Section 28 of the Corporation Tax Act 1969. Assurance in advance on this point has not been obtained from the tax authorities.

One of the conditions is that the profit eligible for distribution must be paid out to the shareholders within eight months of the close of the financial year. The positive balance of the price results on the investments need not technically be paid out, but may, if possible, be added to the reinvestment reserve after deducting a proportionate share of the costs relating to the management of the investments. This proportionate share is determined on the basis of the relationship between the amount of the reinvestment reserve and the market value of the assets of GRAND CRU upon commencement of the financial year.

Other conditions relating to the status of Fiscal Investment Institution concern areas such as the number of shares that a shareholder may hold. The stake in GRAND CRU held by an individual shareholder may not be more than 24.99%. The management board will endeavour to the best of its ability to monitor these limits. For more details on this point, see Article 4 of the Articles of Association.

In regard to the dividends to be paid out by GRAND CRU, insofar as legally required GRAND CRU will withhold dividend tax at a rate of 25%.

If a foreign shareholder can claim a lower tax rate on dividends under a tax treaty concluded with the Netherlands, and the foreign shareholder notifies this to GRAND CRU in a timely manner, then GRAND CRU will withhold dividend tax at this lower rate.
The dividend tax will be withheld from the dividend and borne by the receiver.
Upon issue of shares by GRAND CRU, GRAND CRU will in principle be subject to capital duty.

Under the Income Tax Act 2001, the shares held by natural persons are subject to an imputed return on investment tax (the 'box III' tax), unless the shares are considered a 'substantial interest' (generally a holding of 5% or more) or must be considered company capital.

Imputed return on investment tax is a taxation of 30% on a fixed interest rate of 4% of the assets subject to the tax, which means effectively a tax of 1.2% on the assets. The asset amount subject to tax is the average of the balance of (as a rule) all possessions (insofar as falling under box III), minus debts, as per 1 January and 31 December, and taking any applicable exemptions. The actual income from the shares is then not taxed, and the costs relating to the shares are not deductible.

Shareholders residing or established in the Netherlands and subject to corporation tax will, in practice, be taxed at normal rates for the actual return from the shares, meaning both dividends and price results. In view of GRAND CRU's status as a Fiscal Investment Institution, the participation exemption will not apply to such shareholders.

Shareholders residing or established in the Netherlands may deduct or reclaim the dividend tax withheld by GRAND CRU on the dividends paid on their tax returns, or may reclaim the dividend tax by means of an independent request thereto.

In general, foreign shareholders can consider the dividend tax withheld by GRAND CRU as definitive assessment in the Netherlands. This may be otherwise if the shares must be deemed to belong to a Dutch 'permanent establishment' or be considered a substantial interest not being part of company capital (all this depending on the application of any potentially applicable tax treaty).

If the country of which the shareholder is a resident has concluded a tax treaty with the Netherlands, a portion (specifically, the amount in excess of the treaty percentage) of the Dutch dividend tax withheld can be reclaimed in the Netherlands. Depending on the national tax legislation of the country of which the shareholder is a resident, the remaining portion of the withheld dividend tax may be reclaimed in some cases.

DIVIDEND POLICY

In order to meet the requirements for the status of Fiscal Investment Institution, GRAND CRU must pay out the profit eligible for distribution to the shareholders within eight months of the close of the financial year. The dividend must, in principle, be distributed equally on the shares.

The amount of the dividend may vary from year to year, and can therefore even be zero in a given year. The Articles of Association do allow payment of non-monetary dividend.

In view of the nature of the investments and the investment policy of GRAND CRU, dividend is not expected to be paid before the start of the step-down/liquidation phase, that is, after 1 September 2013.

During the step-down/liquidation phase (starting 1 September 2013), the shareholders will be given the opportunity to bestow the cash payments they receive on the purchase of wines held in stock by GRAND CRU. For the purposes of this sale, after consultation with the Supervisory Board the Management Board will make offers by which for a period of 30 days the price will be equal to the most recent closing price plus the auction fees owed by GRAND CRU for its auctions.

The nature and amount of the dividend, as well as the method of payment, will be notified to the shareholders in writing to the last known address of each of them as recorded in the Register of Shareholders of GRAND CRU.

FINANCIAL YEAR AND REPORTING

The financial year is concurrent with the calendar year, with the proviso that the first, extended, financial year runs from the date of incorporation through 31 December 2006.

Within four months after the close of a financial year, an annual report will be drafted and published. Along with the report of the management board and Supervisory Board, this annual report will include the annual accounts and other information, including the auditor's statement. In addition, within two months after the close of the second quarter the management board will publish a semi-annual report, which will at least include:

- calculation of the Intrinsic Value per share;
- an abbreviated balance sheet and profit and loss account;
- a report by the management board.

The annual report and the semi-annual report will be made available at the office of the management board, and will also be sent to the shareholders at the last known address for each of them as shown in the Register of Shareholders.

The General Meeting of Shareholders will be held each year in the period of May-June.

INVESTMENT INSTITUTIONS (SUPERVISION) ACT (WTB)

The *Wet toezicht beleggingsinstellingen (*WTB), or Investment Institutions (Supervision) Act, has been in force since 15 October 1990. The WTB contains provisions governing the supervision of investment institutions. In the interest of the investors, investment institutions must meet the requirements concerning expertise and trustworthiness of managing directors, financial guarantees, business operations and the provision of information to participants, the public, the Financial Markets Authority and De Nederlandsche Bank N.V. with regard to the supervision of conduct/discretion. GRAND CRU holds a permit under Section 5 of the WTB, and as such will conform to the requirements of the WTB.

The WTB permit in question was granted to GRAND CRU by the Financial Markets Authority on 30 August 2005.

Pursuant to the WTB, proposed changes in the conditions of CRAND CRU must be notified to the shareholders in writing to the last known address of each of them as recorded in the Register of Shareholders. If the changes reduce the rights or assurances of the shareholders or impose burdens on them, these changes only become effective three months after the Financial Markets Authority, as supervisory body, has consented to these changes.
During this period of three months, if desired the shareholders may cash in on their investment in GRAND CRU under the normal conditions. If the Fund resolves to request the Financial Markets Authority to revoke the WTB permit, the shareholders will be notified at the last known address for each of them.

At the time of publication of this Prospectus, GRAND CRU has at one major investor as defined in Section 1(f) of the Investment Institutions (Supervision) Decree: Wine Management B.V.

The latest information pertaining to major investors within the definition of the WTB is included in the Fund's annual report.

OTHER INFORMATION

As of now, for the purposes of the incorporation of GRAND CRU, the management board holds all shares in this company; the expectation is that upon this floatation these shares will be reissued.

The members of the management board and the Supervisory Board currently hold no shares in GRAND CRU. The members of the management board and the Supervisory Board are authorised to hold, buy and/or sell shares in GRAND CRU, so long as such is in observance of applicable legislation (in particular, section 46 of the Securities Transactions (Supervision) Act 1995).

Upon floatation, the members of the management board intend to purchase shareholding in their private capacity of no more than (in total) 5% of the share capital subscribed after floatation.

Current information on potential holdings in GRAND CRU of the management board and Supervisory Board (and the members of those boards) can be found in the annual reports of GRAND CRU.

As per the date of the release of this Prospectus, GRAND CRU is not involved in any litigation or arbitration, nor have any legal proceedings against GRAND CRU been announced that could have an adverse effect on the financial position of the Fund.

GRAND CRU employs no personnel.

The management board of GRAND CRU states that insofar as it has been able to determine, the information in this prospectus reflects the actual situation and that no information that would change the scope of this prospectus has been left out.

Doorn, 30 August 2005

The Management Board
Wine Management B.V.

AUDITOR’S REPORT

Instruction

We have taken cognisance of the 30 August 2005 Prospectus of Grand Cru Beleggingsmaatschappij B.V. in Utrecht with the aim of establishing whether this Prospectus contains minimally the information which, to the extent applicable, is required to be included therein pursuant to Appendix B to the Netherlands Decree on the Supervision of Investment Institutions. This Prospectus was drafted under the responsibility of the management board of the institution. It is our responsibility to provide an auditor’s statement as defined in Section 2.4 of Appendix B to the Netherlands Decree on the Supervision of Securities Institutions.

Activities

On the basis of the regulations on accounting audits in force in the Netherlands, our activities must be planned and conducted in a manner so as to provide assurance that this Prospectus contains minimally the information that, insofar as applicable, is required under Appendix B of the Netherlands Decree on the Supervision of Securities Institutions. Unless explicitly stated otherwise in this Prospectus, the information in this Prospectus has not been subjected to an audit. We are of the opinion that our activities form a sound basis for our opinion.

Opinion

In our opinion, this Prospectus at least contains the information which, to the extent applicable, is required pursuant to Appendix B to the Netherlands Decree on the Supervision of Investment Institutions.

Leeuwarden, 30 August 2005

Deloitte Accountants B.V.

APPENDIX I

CURRICULUM VITAE OF THE MEMBERS OF THE MANAGEMENT BOARD

Mr *mr.* W.J. (Willem) Baron van Dedem

Since completing his studies in Dutch law nearly 20 years ago, Mr Van Dedem (chairman) has been active in various financial institutions in the Netherlands, including ING N.V. and F. van Landschot N.V., holding a variety of management positions in those institutions. In addition, Mr Van Dedem is chairman of the board of the venture capital company Esse non Videri Investments B.V. and holds a number of other supervisory board and management positions. Mr Van Dedem was involved in the establishment of Darlin N.V., a venture capital company in listed funds, and was a supervisory director of that company for many years. In 2001, the Wine Fund was set up at his initiative. This was a private common fund for 90 investors who pooled a total of € 1,388,700 for investing in top Bordeaux wines. The Wine Fund is currently fully invested and is in the consolidation phase. Although the Wine Fund is not yet in the step-down phase, there are no signs that would indicate that the expected returns would not be achievable. The Wine Fund has a term of 13 years, and is expected to be liquidated in 2014. No further participations in the Wine Fund are being issued.

Mr D.P.J. (Niek) Baardemans, *RA*

After completing his HEAO-BE (School of Business Administration and Economics) studies in Utrecht, Mr Baardemans worked in accountancy for several years. In 1991, he moved on from Ernst & Young to the Utrechtse Participatiemaatschappij (UPM). In 1999, he decided to start on his own as a consultant in the area of corporate finance and financial consultancy. He is currently affiliated as a partner with Present Value Corporate Finance, a corporate finance consulting firm.

Mr J.C.A. (Christophe) Sevenster

In 1991, Mr Sevenster left law studies in Leiden in order to focus fully on wine. In 1994, he successfully earned the DUAD (Diplôme Universitaire d´Aptitude à la Dégustation des grands vins) at the Université de Bordeaux II, Faculté d'Oenologie. After internships at several châteaux in Bordeaux, Mr Sevenster worked in the European wine trade, primarily in Bordeaux and at the Wine Department of Christie's in Amsterdam.
Until 19 August 2005, Mr Sevenster worked at a Dutch office of a producer of Italian and Australian wines. Since 19 August 2005, Mr Sevenster has been employed as managing director of Fine Wine Merchants B.V. (www.WijnDomein.com). Mr Sevenster has been involved in the Wine Fund as a wine consultant from the very beginning. Along with a broad general knowledge of wine and ability and experience in tasting wines *en primeur*, Mr Sevenster has an extensive network of *négociants* in Bordeaux and wine merchants in Europe.

APPENDIX II

WINE LIST

OFFICIAL CLASSIFICATION, MEDOC 1855

Premiers grands crus classés
Château Lafite-Rothschild (Pauillac)
Château Margaux (Margaux)
Château Latour (Pauillac)
Château Haut-Brion (Graves)
Château Mouton-Rothschild (Pauillac)

Deuxièmes grands crus classés
Château Rauzan-Ségla (Margaux)
Château Rauzan-Gassies (Margaux)
Château Léoville-Las-Cases (Saint-Julien)
Château Léoville-Poyferré (Saint-Julien)
Château Léoville-Barton (Saint-Julien)
Château Durfort-Vivens (Margaux)
Château Gruaud-Larose (Saint-Julien)
Château Lascombes (Margaux)
Château Brane-Cantenac (Margaux)
Château Pichon-Longueville-Baron (Pauillac)
Château Pichon-Longueville, Comtesse de Lalande (Pauillac)
Château Ducru-Beaucaillou (Saint-Julien)
Château Cos d'Estournel (Saint-Estèphe)
Château Montrose (Saint-Estèphe)

Troisièmes grands crus classés
Château Kirwan (Margaux)
Château d'Issan (Margaux)
Château Lagrange (Saint-Julien)
Château Langoa-Barton (Saint-Julien)
Château Giscours (Margaux)
Château Malescot Saint-Exupéry (Margaux)
Château Boyd-Cantenac (Margaux)
Château Cantenac-Brown (Margaux)
Château Palmer (Margaux)
Château La Lagune (Haut-Médoc)
Château Desmirail (Margaux)
Château Calon-Ségur (Saint-Estèphe)
Château Ferrière (Margaux)
Château Marquis d'Alesme-Becker (Margaux)

Quatrièmes grands crus classés
Château Saint-Pierre (Saint-Julien)
Château Talbot (Saint-Julien)
Château Branaire-Ducru (Saint-Julien)
Château Duhart-Milon (Pauillac)

Château Pouget (Margaux)
Château La Tour-Carnet (Haut-Médoc)
Château Lafon-Rochet (Saint-Estèphe)
Château Beychevelle (Saint-Julien)
Château Prieuré-Lichine (Margaux)
Château Marquis-de-Terme (Margaux)

Cinquièmes grands crus classés
Château Pontet-Canet (Pauillac)
Château Batailley (Pauillac)
Château Haut-Batailley (Pauillac)
Château Grand-Puy-Lacoste (Pauillac)
Château Grand-Puy-Ducasse (Pauillac)
Château Lynch-Bages (Pauillac)
Château Lynch-Moussas (Pauillac)
Château Dauzac (Margaux)
Château d'Armailhac (Pauillac)
Château du Tertre (Margaux)
Château Haut-Bages-Libéral (Pauillac)
Château Pédesclaux (Pauillac)
Château Belgrave (Haut-Médoc)
Château de Camensac (Haut-Médoc)
Château Cos-Labory (Saint-Estèphe)
Château Clerc-Milon (Pauillac)
Château Croizet-Bages (Pauillac)
Château Cantemerle (Haut-Médoc)

OFFICIAL CLASSIFICATION, GRAVES 1959

Grands crus classés
Château Bouscaut
Château Haut-Bailly
Château Carbonnieux
Domaine de Chevalier
Château de Fieuzal
Château d'Olivier
Château Malartic-Lagravière
Château La Tour-Martillac
Château Smith-Haut-Lafitte
Château Haut-Brion
Château La Mission-Haut-Brion
Château Pape-Clément
Château La Tour-Haut-Brion

UNOFFICIAL CLASSIFICATION, POMEROL

Château Pétrus
Château La Conseillante
Château L'Evangile
Château Gazin

Château La Fleur-Pétrus
Château Lafleur
Château Latour à Pomerol
Château Petit-Village
Château Trotanoy
Vieux Château Certan

OFFICIAL CLASSIFICATION, SAINT EMILION 1996

Premiers grands crus classés A
Château Ausone
Château Cheval Blanc

Premiers grands crus classés B
Château L'Angelus
Château Beau-Séjour-Bécot
Château Beauséjour (Duffau-Lagarrosse)
Château Belair
Château Canon
Clos Fourtet
Château Figeac
Château La Gaffelière
Château Magdelaine
Château Pavie
Château Trottevieille

Grands crus classés (selectie)
Château L'Arrosée
Château Canon la Gaffelière
Château La Dominique
Château Larcis-Ducasse
Château Larmande
Château Soutard
Château Troplong-Mondot

APPENDIX III:

EXPLANATION OF MANAGEMENT FEE AND SUCCESS FEE

In this Prospectus, the management board is granted an annual management fee in the amount of 2.5% (excl. BTW) of the Committed Fund Assets and is given the prospect of a success fee in the amount of 10% over the return on the shares in GRAND CRU, if and insofar as that return (simply on an annual basis) exceeds 15% of the Paid-up Fund Assets.
This Appendix gives an explanation of the fees.

MANAGEMENT FEE:
To promote transparency of the costs, a choice was made to have the costs be borne by GRAND CRU to minimise them and include them explicitly in the Prospectus (see 'Costs and Fees'). Other extra costs (such as: financial administration, shareholder's register and administration, travel and accommodation costs, office and general expenses, wage costs, external consulting fees and the like) are included in the management fee.

Shareholders in GRAND CRU pay no 'custodial fees' or 'standing commission' on their shares held in GRAND CRU. Such costs of and fees for third parties are included in the management fee.

SUCCESS FEE:
The Success Fee is calculated annually, as follows:
1. first, the difference between the shareholders' equity of GRAND CRU on 1 January of a financial year and on 31 December of that same financial year is calculated. For the definition of the term 'shareholders' equity,' see the definition of 'Shareholders' Equity' in Model Q and Model R of the Annual Accounts Models Decree. For the shareholders' equity on 31 December of each year, the assets before the calculation and (if applicable) award of the Success Fee in that year.
2. the resulting difference is corrected if and insofar as in that year there were any repayments and/or deposits of capital/share capital.
3. additionally, the difference is increased by the dividends or other forms of profit distributions paid by GRAND CRU in the financial year, whether or not in fulfilment of the statutory distribution requirement as a fiscal investment institution.
4. from the asset difference paid in observance of points 1, 2 and 3, an amount equal to 15% of the average capital paid on the shares in that financial year is deducted. Repayments and deposits of capital/share capital over the course of the financial year are figured into this calculation pro rata.
5. From what remains after deduction of the base return specified in point 4, 10% is allocated to the Management Board as Success Fee.

PAYMENT OF THE SUCCESS FEE:
The Success Fee will not be paid to the management board until 1 September 2013 (step-down/liquidation phase). Each year, the Success Fee calculated will be adjusted to the balance sheet item 'Success Fee to be paid' to be placed on the balance sheet of GRAND CRU.

After 1 September 2013, each year the management board may, with approval of the Supervisory Board, be paid a maximum of 50% of the success fee accrued up to then and included in the approved annual accounts. Upon complete liquidation of GRAND CRU, the remaining, not yet paid Success Fee will be made payable after all liquidation payments to all shareholders are made.

If in any year, the calculation of the Success Fee comes out at a negative amount, the balance sheet item 'Success Fee to be paid' will be debited by that amount. If the balance sheet item 'Success Fee to be paid' exhibits a debt position of the management board to GRAND CRU (this is to be expected in the build-up phase), then this is included in the balance sheet as an undefined amount, and is not eligible from/payable by the management board.
This debt position will, however, be offset against any future Success Fees charged to the Management Board.

Payment can only be effected if and insofar as the balance sheet item 'Success Fee to be paid' exhibits a debt position of GRAND CRU to the management board on the approved annual accounts, and does so after 1 September 2013.
Any negative Success Fee in any reporting year will under no circumstances result in a claim on the part of GRAND CRU against the management board.