

For professional clients only – not for distribution to retail clients.

## Fund Aim

The fund aims to provide long-term capital growth through investment primarily in Continental European equities.

### TOP 10 HOLDINGS

1.	Novartis	3.3%
2.	Bayer	3.2%
3.	Roche	3.1%
4.	Raiffeisen Bank	2.7%
5.	SpareBank 1 SMN	2.6%
6.	Valeo	2.3%
7.	FMC	2.3%
8.	ING Groep	2.0%
9.	Aurubis	2.0%
10.	Covestro	2.0%

### PERFORMANCE

	Class B EUR	STOXX Europe 600 ex UK
<b>3 months</b>	2.9%	2.0%
<b>6 months</b>	10.4%	8.7%
<b>12 months</b>	32.8%	21.2%
<b>Since launch (11 Sept. 2015)</b>	24.7%	14.3%

	Class B EUR	STOXX Europe 600 ex UK
<b>2017 YTD</b>	10.4%	8.7%
<b>2016</b>	8.6%	2.4%
<b>2015 (from 11 Sept.)</b>	4.0%	2.6%

## Commentary

In June the Comeragh European Growth Fund posted a return of -2.1%, outperforming the STOXX Europe 600 ex UK index, which fell 2.2%. As we reach the half-year mark, our year-to-date performance stands at 10.4%, a 1.7% outperformance of the benchmark.

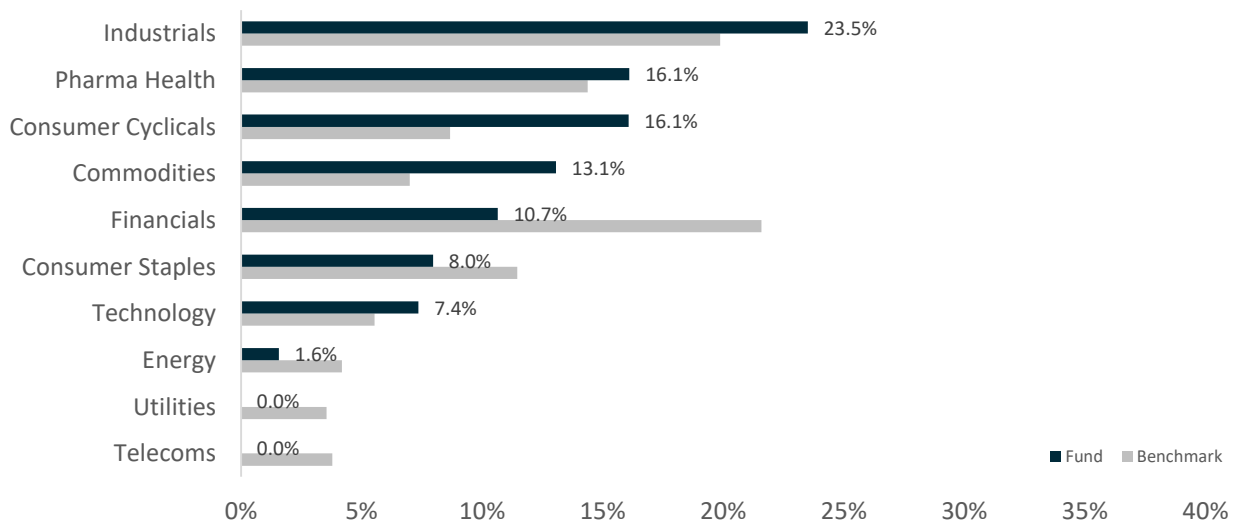
The market's streak of consecutive monthly rises (dating back to last October) was broken, and within this context we are pleased to have protected capital on the downside. Our alpha portfolio remains tilted in a pro-cyclical direction and it was encouraging that these stocks did not suffer unduly in the sell-off. Indeed our alpha portfolio actually outperformed our anchor portfolio (as well as the wider market) as defensive sectors, such as pharmaceuticals and consumer staples, lagged.

The two strongest performers this month were Lufthansa and Kongsberg Automotive. Lufthansa has been in the portfolio since inception and enjoyed strong earnings momentum of late. The summer booking season has gone well against a backdrop of robust European consumer demand, whilst positive signals are emerging from discussions with labour unions. Kongsberg Automotive is a more recent addition to the portfolio and offers a compelling self-help story. New management is planning a comprehensive restructuring program with the ultimate

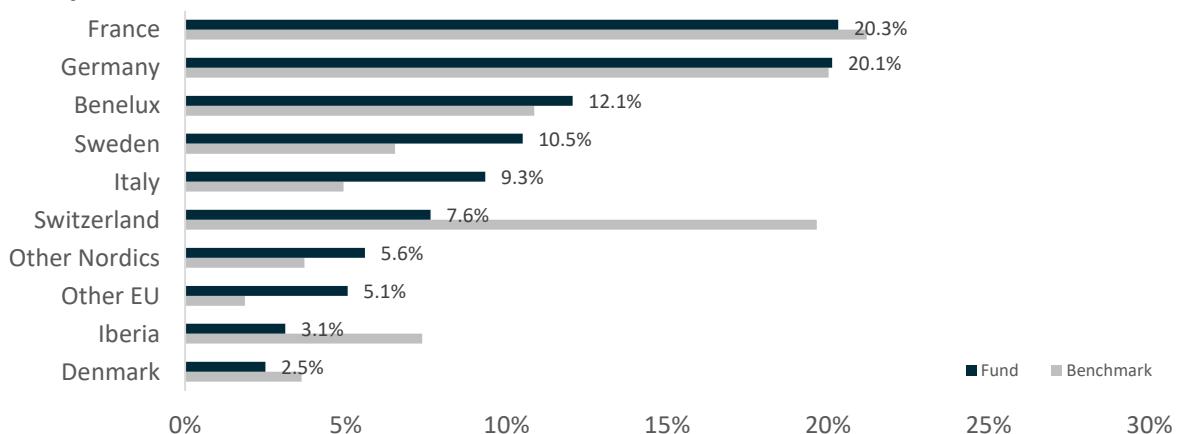
aim of doubling the EBIT margin (from 4% to 8%) by 2019, giving an over-proportionate rise in net profit as the group tax rate falls from the lofty 78% recorded in 2016 to the 25% level. Putting a fairly conservative 10x P/E multiple on putative 2019 earnings would give in excess of 120% upside. Management's ability to deliver doesn't appear to be being given much credit!

The macroeconomic picture looks more positive than at this time last year, when markets were reeling from the fallout surrounding Brexit. Fears that the UK's decision to leave the EU would trigger political contagion in Europe have not materialised, whilst the macroeconomic data coming out of the Eurozone has strengthened. The outlook remains very encouraging, with PMI indicators suggestive of a strong and broadening economic expansion taking hold not just in Germany, but in hitherto laggards France as well as the periphery.

## Sector Allocation



## Country Allocation



## Risk Overview

	FUND	INDEX
P/E	13.0	16.7
EV/EBITDA	6.5	9.2
Div Yield	2.7%	3.3%
ROE	17.1%	17.4%
3m EPS Revs	2.3%	2.5%
Net Debt / EBITDA	0.67	0.93
Sharpe Ratio	2.93	
Beta (3m)	0.97	

## Fund Facts

<b>Fund Status</b>	Sub-fund of a Dublin-domiciled UCITS ICAV, authorised and regulated by the Central Bank of Ireland. Recognised in the UK by the Financial Conduct Authority
<b>Sector</b>	Europe ex UK
<b>Benchmark Index</b>	STOXX Europe 600 ex UK
<b>Fund Size</b>	€78.0m
<b>Fund Launch Date</b>	11 <sup>th</sup> September 2015

Class	ISIN	SEDOL	Distribution Type	Annual Management Fee	Initial Minimum Subscription
Class A EUR	IE00BYN38431	BYN3843	Income	0.60%	€100,000
Class A GBP Hedged	IE00BYN38985	BYN3898	Income	0.60%	£100,000
Class B EUR	IE00BYN38M12	BYN38M1	Accumulation	0.60%	€100,000
Class B GBP Hedged	IE00BYN38Q59	BYN38Q5	Accumulation	0.60%	£100,000
Class C EUR	IE00BYN38Y34	BYN38Y3	Income	0.75%	€500
Class C GBP Hedged	IE00BYN39629	BYN3962	Income	0.75%	£500
Class D EUR	IE00BYN39B71	BYN39B7	Accumulation	0.75%	€500
Class D GBP Hedged	IE00BYN39C88	BYN39C8	Accumulation	0.75%	£500

## Further Information

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**Dealing:**

- Daily dealing (except Irish public holidays)
- 11.00 dealing cut-off (forward pricing)
- 17.00 valuation point
- CACEIS Ireland
  - + 353 (0)1 672 1631
  - One Custom House Plaza, IFSC, Dublin D01 C2C5, Ireland

### Risk Warning

The value of investments and the income from them can go down as well as up and investors may not receive back the original amount invested. Past performance is not an indicator of future performance. Exchange rates may cause the value of the underlying overseas investments to go down as well as up. Investment in smaller companies may involve a higher degree of risk as markets are usually more sensitive to price movements.

Please read the Risk Section of the Fund's Prospectus and Key Investor Information Document (KIID) for a fuller description of the risks prior to investing. Comeragh Capital LLP and its affiliates and/or their officers, partners and employees may own or have positions in the fund and/or any investment mentioned herein. The factsheet does not represent an invitation to invest in the Fund. Subscriptions must be made in conjunction with the KIID and Prospectus, copies of which can be obtained free of charge in English at [www.comeraghcapital.com](http://www.comeraghcapital.com). Comeragh Capital LLP acts as investment manager and promoter to Comeragh Funds ICAV.