

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.	ING Groep	3.4%
2.	Raiffeisen Bank	3.4%
3.	Novartis	3.2%
4.	Bayer	3.0%
5.	Societe Generale	2.8%
6.	SpareBank 1 SMN	2.7%
7.	Italiaonline	2.4%
8.	FMC	2.1%
9.	Enel	2.1%
10.	Komplett Bank	2.0%

### PERFORMANCE

	Class B EUR	STOXX Europe 600 ex UK
3 months	-1.6%	-2.8%
6 months	6.1%	5.4%
12 months	23.4%	14.8%
Since launch (11 Sept. 2015)	25.3%	13.6%

	Class B EUR	STOXX Europe 600 ex UK
2017 YTD	11.0%	8.1%
2016	8.6%	2.4%
2015 (from 11 Sept.)	4.0%	2.6%

## Commentary

In August the Comeragh European fund rose 0.4%, a 0.8% outperformance of the STOXX Europe 600 ex UK Index, which returned -0.4%.

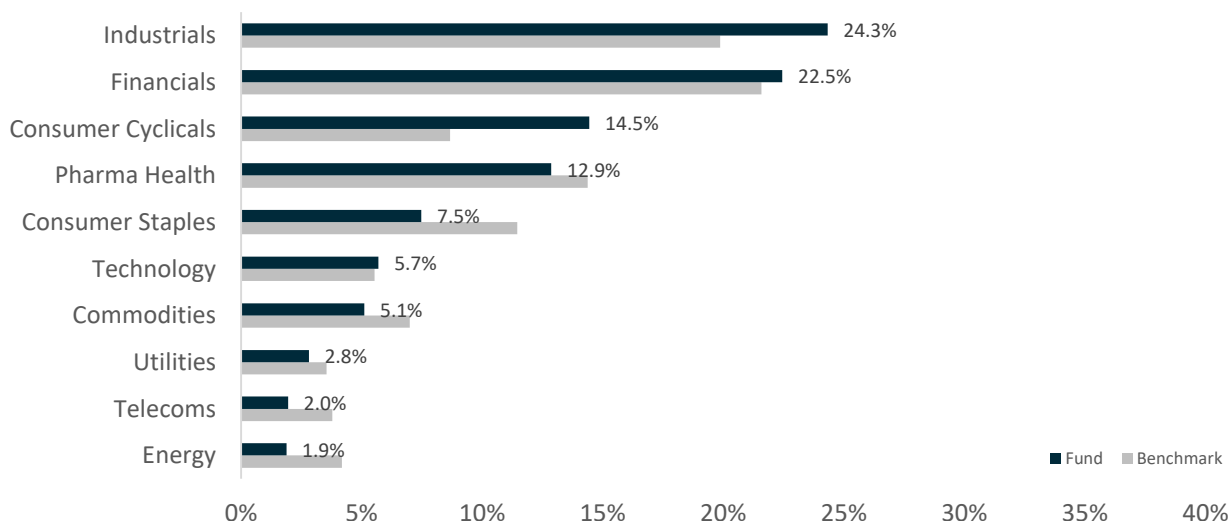
The best performing stock this month has been DNO, the Norwegian listed oil company whose main operating asset is the Tawke oilfield in Kurdistan. In order to settle an outstanding receivable (the late payment of which was depressing sentiment and valuation), the Kurdistan Regional Government has awarded DNO a 20% increase in the Tawke stake, taking ownership from 55% to 75%. Additionally, DNO will receive 3% of gross license revenues from the government over a period of five years. The shares climbed by more than 30% over the month but continue to exhibit a double digit free cash flow yield (post expansion capex) with net cash on the balance sheet, a valuation indicative of a still elevated political risk premium.

We would like to highlight the greatest source of intra-market outperformance this month: our positioning within financials. We are slightly overweight the sector but own relatively few large-cap “bellwether” stocks. Instead, we hold a range of niche franchises from across the geographic and market cap spectrum – for instance Van Lanschot (Dutch private bank), Norwegian Finans and Komplett (Norwegian consumer finance banks), Raiffeisen (Austrian retail bank), Nordjyske (Danish retail bank) and Sparebank 1 SMN (Norwegian

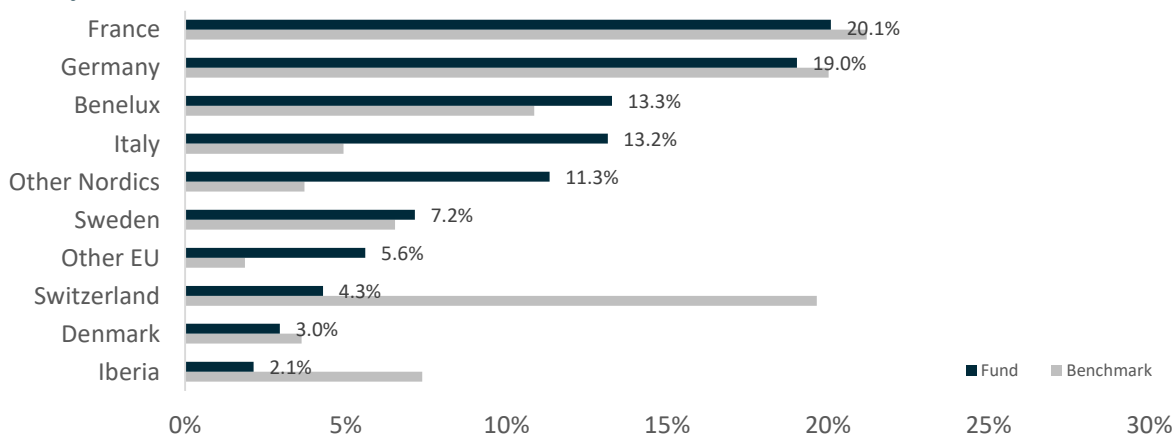
retail bank). All of these stocks have delivered strong positive performance in spite of a negative monthly return for the overall sector. This is a great example of how the Comeragh screening process allows us to identify undervalued, focused franchises with improving profitability that remain largely uncovered by the sell side.

These diverse financial companies are unified by a common theme: domestic exposure. This reflects the way in which the Comeragh European Growth Fund is positioned as a whole, with our largest overweight position in Consumer Cyclical. It is our belief that the resurgent Eurozone economy now differentiates itself from the more "late-cycle" characteristics of Anglo-Saxon world, the US in particular, with domestic European stocks set to enjoy profit growth and market leadership. Going forward, we will be looking to capitalise further in Consumer Cyclical – and in such a large and diverse sector, we are fortunate that there is no shortage of compelling opportunities!

## Sector Allocation



## Country Allocation



## Risk Overview

	FUND	INDEX
P/E	12.3	16.3
EV/EBITDA	5.5	9.0
Div Yield	3.0%	3.4%
ROE	14.9%	16.9%
3m EPS Revs	4.1%	0.8%
Net Debt / EBITDA	0.68	0.94
Sharpe Ratio	2.22	
Beta (3m)	0.86	

## 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>	€77.9m
<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.