

# TIGER FUND – TIGER VALUE FUND (FCP-SIF)

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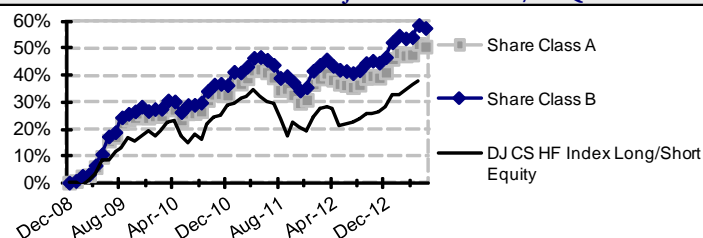
### FUND INFORMATION

Launch date	12-Dec-08	Total Gross Exposure	82.7%	Total Long Exposure	66.6%
AuM	€ 27.5 m	Total Net Exposure	50.5%	Total Short Exposure	16.1%
<b>NAV*</b>		<b>WKN</b>	<b>ISIN</b>	<b>Bloomberg</b>	<b>Reuters</b>
Share Class A	€ 1,504.01	A0Q5LH	LU0400329677	TIGERAA LX EQUITY	LP68023199
Share Class B	€ 1,572.82	A0RDZZ	LU0400329750	TIGERAB LX EQUITY	LP68023200

### NET PERFORMANCE METRICS (SINCE INCEPTION)

	Return	Sharpe Ratio***	Volatility (p.a.)
Share Class A	50.40%	1.46x	6.34%
Share Class B	57.28%	1.58x	6.56%

### FUND PERFORMANCE vs. DJ CS HF INDEX L/S EQUITY \*\*



### POSITIONS

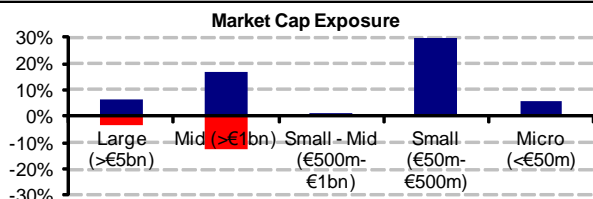
Number of Positions		Weightings (% of Gross)	
Long Positions	37	Long	Short
Short Positions	11	Top 5	28.6% 13.4%
Total No. Positions	48	Top 10	45.8% 19.0%

### MONTHLY NET RETURN

Share Class A	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2008	-	-	-	-	-	-	-	-	-	-	-	0.003%	0.003%
2009	0.56%	1.73%	0.46%	2.87%	3.60%	5.51%	1.21%	4.35%	1.05%	0.62%	1.26%	-1.29%	24.04%
2010	0.50%	0.06%	2.22%	-0.32%	-3.08%	2.04%	0.05%	0.58%	3.25%	1.62%	0.18%	-0.41%	6.75%
2011	3.43%	-0.21%	1.47%	2.14%	0.25%	-0.81%	-1.32%	-3.41%	0.45%	-1.72%	-2.24%	0.86%	-1.31%
2012	4.48%	1.51%	1.35%	-1.68%	-1.05%	-0.37%	-0.59%	0.69%	1.85%	0.57%	-0.53%	1.44%	7.79%
2013	3.57%	1.49%	-0.66%	0.24%	2.70%	-0.67%	-	-	-	-	-	-	6.77%
Share Class B	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2008	-	-	-	-	-	-	-	-	-	-	-	0.02%	0.02%
2009	0.62%	1.87%	0.52%	3.25%	3.90%	5.95%	1.34%	4.62%	1.08%	0.70%	1.38%	-1.26%	26.51%
2010	0.57%	0.10%	2.40%	-0.28%	-3.04%	2.08%	0.05%	0.62%	3.32%	1.80%	0.19%	-0.36%	7.57%
2011	3.62%	-0.18%	1.56%	2.27%	0.21%	-0.71%	-1.28%	-3.37%	0.49%	-1.68%	-2.20%	0.90%	-0.59%
2012	4.52%	1.55%	1.39%	-1.64%	-1.01%	-0.33%	-0.54%	0.73%	1.89%	0.61%	-0.49%	1.40%	8.23%
2013	3.78%	1.62%	-0.67%	0.30%	2.91%	-0.69%	-	-	-	-	-	-	7.38%

### MARKET CAPITALISATION

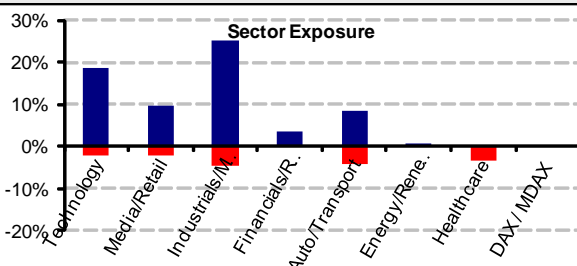
	Pos. No	%Gross	Net Exp	Long	Short
Large (>€5bn)	4	12.2%	3.2%	6.6%	-3.5%
Mid (>€1bn)	18	35.2%	3.8%	16.5%	-12.7%
Small - Mid (€500m-€1bn)	2	1.4%	1.2%	1.2%	0.0%
Small (€50m-€500m)	18	43.9%	36.3%	36.3%	0.0%
Micro (<€50m)	6	7.3%	6.0%	6.0%	0.0%
Total	48	100.0%	50.5%	66.6%	-16.1%



Geographic focus: DACH region (> 90%)

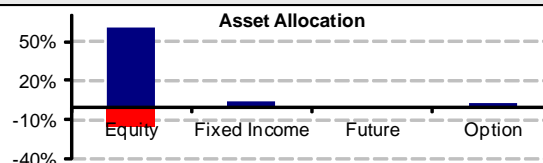
### SECTOR EXPOSURE

	Pos. No	%Gross	Net Exp	Long	Short
Technology	10	25.2%	16.7%	18.8%	-2.1%
Media/Retail	7	14.2%	7.8%	9.8%	-1.9%
Industrials/Materials	18	35.9%	20.4%	25.0%	-4.6%
Financials/Real Estate	4	4.6%	3.8%	3.8%	0.0%
Auto/Transport	6	15.2%	4.3%	8.4%	-4.2%
Energy/Renewables	1	1.0%	0.8%	0.8%	0.0%
Healthcare	2	4.0%	-3.3%	0.0%	-3.3%
DAX / MDAX					
Total	48	100.0%	50.5%	66.6%	-16.1%



### ASSET ALLOCATION

	Pos. No	%Gross	Net Exp	Long	Short
Equity	41	92.8%	44.5%	60.6%	-16.1%
Fixed Income	4	4.4%	3.6%	3.6%	0.0%
Future					
Option	3	2.8%	2.3%	2.3%	0.0%
Total	48	100.0%	50.5%	66.6%	-16.1%



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Source: TAM / EFA; \*NAV daily calc. by EFA; \*\*www.hedgeindex.com, Broad Indexes Long/Short Equity, performance since inception; \*\*\* TAM inhouse calculation

## **Tiger Value Fund – June 2013**

### **o Returns: -0.67% (class A)/-0.69% (class B)**

In June, the Tiger Value Fund had a negative net return of -0.67% for share class A and -0.69% for share class B, making a cumulative net return of +6.77%/+7.38% in the year-to-date and +50.40%/+57.28% since inception (share class A/B).

### **o Commentary: Tiger Value Fund less affected by market sell-off**

While the DAX fell 10% from its recent highs and 5% in June the Tiger Value Fund kept its volatility moderately low. In June we increased our net adjusted exposure from around 38% to 47% (50.5% incl. 3.6% fixed income linked investments) by the end of the month. We booked profits on our single short positions and added selectively new long and short positions. The Fund's daily volatility was unchanged at below 5% (90 days) and 6.3%/6.6% monthly volatility (class A and B); this compares to an average net return of around 10% p.a. resulting in a Sharpe ratio of 1.46x and 1.58x (Share class A and B).

In June, our key positive contributors were Francotyp-Postalia (+69bp), Axel Springer (+19bp), Elmos (+12bp) and RIB Software (+21bp). On the negative side various long positions such as Software AG (-29bp), Salzgitter (-26bp), bet-at-home (-32bp), Centrotec (-22bp) and Tipp24 (-30bp) suffered but we managed to buffer a significant part of our book losses via our hedging and single short positions. Overall our short positions contributed +85bp to the Fund performance.

Francotyp-Postalia's share price continued to outperform after the share overhang was taken and new investors such as the Springer family from the media house Axel Springer joined as new investors. In addition, another supervisory board member as well as the Chief Sales Officer was replaced, another milestone of the re-organization of Francotyp. We are confident that the management is on track to improve the company's profitability towards 1 Euro per share until 2015 implying a PER of only 3x.

### **o Discussion: Tipp24 – a new area has begun; strong Q2 earnings ahead**

We continued to increase our position in Tipp24 AG (TIM GY: €44, MCap: €370m), a leading European lottery operator, since the beginning of the year after the German national lottery announced its plan to increase prices for the German lottery "6 out of 49" by 33% in May.

After our review of the lottery statistics in May and June, we are convinced that Tipp24 will show a strong set of numbers for Q2. In our opinion it will be a record quarter if we take out the one off costs for the restructuring of the catastrophe bond which was necessary to account for the larger lottery payouts for the German lottery "6 out of 49". In any case Tipp24 will most likely reach its full year guidance after H1 2013 and beat analyst estimates for H1 and the full year 2013.

In June, the Tipp24 AGM voted in favor of the relocation of Tipp24's headquarters from Hamburg to London in order to unwind its Swiss Stifting structure and to allow the company to pay out a high bonus dividend of 6-10 Euro (14-22% yield!) plus a sustainable regular dividend of around 3-4 Euro (another 10% yield!) and/or do share buy-back programs. We are surprised that the stock hasn't moved yet, given the positive news flow and its low valuation of < 3x normalized EV/EBIT 2013e. In our view, the diminishing regulatory uncertainty and dividends should finally result in a re-rating of the stock which will be supported by its strong growth momentum in UK as well as the US/Canada over the coming years.

o **Outlook: In the eye of the storm**

After a very substantial correction in most financial markets in late May and early June, the last few weeks have again brought relative calm to the financial markets. It seems the Federal Reserve as well as the ECB were stunned by the financial markets violent reaction to the mere suggestion that the FED might start reducing the size of their quantitative easing (QE) program. As a response to calm markets, the ECB introduced, for the first time, “forward guidance”, meaning they promised to keep their policy rate at present or lower levels for an extended period whereas normally the ECB never pre-commits to future interest rate moves. In addition, the FED chairman, Ben Bernanke, used the Q&A session at his speech at NBER last week to stress that “If financial conditions were to tighten to the extent that they jeopardized the achievement of our inflation and employment objectives, then we would have to push back against that.”. Clearly the recent rise in interest rates has made central bankers all over the world very worried about its effect on the fragile global economy especially in the light of the continued weak economic data out of China.

In our opinion we are currently in the relative calmness of the eye of the storm and over the coming weeks and months we are likely to yet again see increased volatility in the financial markets. This autumn will bring many exogenous events that may severely disrupt the current calmness including a renegotiation of the Portugal bail-out, corruption scandal in Spain that might cause the government to fall, another US debt ceiling debate, China hard landing, worsening Egypt/Syria violence and of course the German elections on September 22. As Chancellor Merkel has avoided making any hard decisions in regards to the Euro crisis ahead of the elections, we might see another flare up of the crisis after September 22<sup>nd</sup>.

In late May we tactically positioned the fund to benefit from the increased volatility with more hedges, more single shorts and overall lower exposure. In the middle of June we removed most of these hedges and shorts as the market became very oversold and added selectively to new long ideas. Nevertheless, we are prepared to once again position the fund very defensively as we expect this rally to fizzle out shortly.

Our view has not changed that there is a material underlying weakness in the global economy, not only in Europe. While this deterioration has so far mainly manifested itself in the basic materials and industrial sectors, we expect it to spread more generally in the coming months and don't expect this divergence to persist for long. As a result, we see significant opportunities in the coming months for our long/short approach as we expect this recent material share price dispersion between certain stocks to converge.

***The Tiger Value Fund Desk, 15<sup>th</sup> July 2013***



**Matthias Rutsch**



**Marc Schädler**



**Peter Irblad**

### Objectives

The objective is to identify undervalued companies with external catalysts and/or initiate pro-active measures to create shareholder value. The fund aims for a 5 year return of 10-15% p.a. with strong focus on capital preservation.

### Investment Strategy

The Investment Advisor is a fundamental long-short equity stock-picker. The fund seeks undervalued small and midcap companies where a number of issues, which in our opinion can be improved, are sub-optimizing the company's public market value. For each position we perform a detailed research process including a 360 degree research approach and 10 point scoring system.

The managers foresee a direct dialog with the company as well as with other shareholders to support management to initiate value creating measures. Their partner network i.e. other shareholders, consultants, sector experts, media etc. will help to impact positive change.

The fund intends to engage in 15-30 long investments with a target net long exposure of around 50%. The geographic focus is likely to be Germany, Switzerland and Austria.

Fund Information		Fee Structure and Risk Management	
Currency	EUR	Admin/Custodian Fee	Up to 0.49%
Legal Entity	FCP-SIF	Advisory (Mgmt) Fee	
Fund Domicile	Luxembourg	Share Class A	2.0%
Fund Structure	Open-ended multi-class	Share Class B	1.5%
Style mandate	Long/Short and Active Value	Performance Fee	
Investment Minimum		Share Class A	20%
Share Class A	€ 125,000	Share Class B	15%
Share Class B	€ 5,000,000	Hurdle Rate	None
Sub. Frequency	Monthly	High Water Mark	Yes
Red. Frequency	Monthly	Eligible Investors	See Issue Document
Redemption Notice		Leverage	Maximum 200% of NAV
Share Class A	3 months	Fund Benchmark	DJ CS HF Index L/S Equity
Share Class B	6 months		

### Fund Advisor Details and Service Providers

<b>Investment Advisor</b>	Tiger Asset Management GmbH
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<b>Sub-Advisor</b>	PHZ Privat- und Handelsbank Zürich AG
Contact	Phone: +41 (0)43 443 71 00
<b>Management Company</b>	Alceda Fund Management SA
<b>Prime Broker/Custodian</b>	SEB AB / SEB SA
<b>Administrator</b>	European Fund Administration SA
<b>Auditor</b>	PriceWaterhouseCoopers

# Newsletter June 2013

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Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied, is made regarding future performance. The price, value of and income from any of the securities or financial instruments held by the Fund can rise and fall as well. Investments held by the Fund may have a high level of volatility. High volatility investments may experience sudden and large falls in their value causing losses when that investment is realized. Income yields from investments may fluctuate and, in consequence, initial capital paid to make the investment may be used as part of that income yield. Some investments may not be readily realizable and it may be difficult to sell or realize those investments. Similarly it may prove difficult for you to obtain reliable information about the value, or risks, to which such an investment is exposed.

Statements that are predictive in nature, that depend upon or refer to future events or conditions or that include words such as "expects," "anticipates," "intends," "plans," "believes," "estimates," "thinks," and similar expressions are forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause our actual results and performance to be materially different from any future results or performance expressed or implied by these forward-looking statements. These factors include, among other things, those matters discussed as "Risk Factors," in the Issue Document of the Fund, as well as (1) general economic and business conditions; (2) new governmental regulations and changes in, or the failure to comply with existing governmental regulation, (3) legislative proposals that impact our industry or the way we do business, (4) competition, and (5) our ability to attract and retain qualified personnel.

Although we believe that these statements are based upon reasonable assumptions, we can give no assurance that our goals will be achieved. Given these uncertainties, prospective investors are cautioned not to place undue reliance on these forward-looking statements. We assume no obligation to update or revise any forward-looking statements contained on this document or provide reasons why actual results may differ. The investment objectives and methods summarized herein represent the current intentions of the Investment Advisor. Depending on conditions and trends in the securities markets and the economy in general, we may pursue any objectives, employ any investment techniques or purchase any type of security that we consider appropriate and in the best interest of the funds, whether or not described herein. The discussion herein includes and is based upon numerous assumptions and opinions of the Investment Advisor concerning world financial markets and other matters, the accuracy of which cannot be assured. There can be no assurance that the investment strategy of the Fund will achieve profitable results for the Fund.

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15 July 2013