

# Newsletter September 2011

## TIGER FUND - Tiger Value Fund (FCP-SIF)

TIGER FUND - Tiger Value Fund (FCP-SIF)													
Fund Information													
Launch date	12. Dez 08	Total Gross Exposure	44.2%	Total Long Exposure	35.7%								
AuM	€ 20,992,597	Total Net Exposure	27.2%	Total Short Exposure	8.5%								
Share Class A	NAV* € 1,348.56	WKN	ISIN	Bloomberg	Reuters								
Share Class B	€ 1,394.77	AQQLH	LU0400329677	TIGERAA LX EQUITY	LP68023199								
		AORDZZ	LU0400329750	TIGERAB LX EQUITY	LP68023200								
Net Performance				Fund Performance vs. DJ CS HF Index L/S Equity since inception									
	Since inception	YTD	Sharpe Ratio**										
Share Class A	34.86%	1.84%	0.94x										
Share Class B	39.48%	2.46%	1.08x										
Positions													
Number of Positions		Weightings (% of Gross)											
Long Positions	23	Long	Short										
Short Positions	9	Top 5	39.1%	16.6%									
Total No. Positions	32	Top 10	59.6%	19.2%									
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%	-	-	-	1.84%
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%	-	-	-	2.46%
Market Capitalisation													
	Pos. No	%Gross	Net Exp	Long	Short								
Large (>€5bn)	6	19.1%	-2.3%	3.1%	-5.4%								
Mid (>€1bn)	12	27.7%	6.1%	9.2%	-3.1%								
Small - Mid (€500m-€1bn)	2	9.4%	4.2%	4.2%	0.0%								
Small (€50m-€500m)	7	19.5%	8.6%	8.6%	0.0%								
Micro (<€50m)	5	24.2%	10.7%	10.7%	0.0%								
Total	32	100.0%	27.2%	35.7%	-8.5%								
Geographic focus: DACH region (> 90%)													
Sector Exposure													
	Pos. No	%Gross	Net Exp	Long	Short								
IT	8	25.4%	10.6%	10.9%	-0.3%								
Media/Retail	5	9.2%	0.8%	2.5%	-1.6%								
Industrials/Materials	9	29.9%	10.3%	11.8%	-1.4%								
Financials	2	7.3%	3.2%	3.2%	0.0%								
Auto/Transport	2	3.9%	1.7%	1.7%	0.0%								
Energy/Renewables	1	0.0%	0.0%	0.0%	0.0%								
Healthcare	3	14.4%	4.9%	5.6%	-0.7%								
Future	2	9.9%	-4.4%	0.0%	-4.4%								
Total	32	100.0%	27.2%	35.7%	-8.5%								
Asset Allocation													
	Pos. No	%Gross	Net Exp	Long	Short								
Equity	27	82.7%	28.4%	32.5%	-4.1%								
Fixed Income	2	7.3%	3.2%	3.2%	0.0%								
Future	2	9.9%	-4.4%	0.0%	-4.4%								
Option	1	0.0%	0.0%	0.0%	0.0%								
Total	32	100.0%	27.2%	35.7%	-8.5%								
Tiger Asset Management GmbH - Neuer Wall 35 - D-20354 Hamburg - Germany phone +49 40 226 32 35 12 - fax +49 40 226 32 35 17 - matthias.rutsch@tiger-am.com													
Source: Tiger Asset Management/ EFA; * NAV daily calc. by EFA; **hedgefund.net													

# Newsletter September 2011

## TIGER FUND - Tiger Value Fund (FCP-SIF)

---

### Tiger Value Fund – September 2011

#### ○ **Returns: +0.45% (class A)/+0.49% (class B)**

In September the Tiger Value Fund had a positive net return of 0.45% for share class A and 0.49% for share class B, making a cumulative positive net return of +1.84%/ +2.46% in the year-to-date and +34.86% / +39.48% since inception (share class A/B).

#### ○ **Commentary: Positive month despite declining equity markets**

While equity markets and all major hedge fund indices such as our benchmark the DJ CS Hedge fund Index Long/Short Equity (-5.54%) have been down, the Tiger Value Fund was up 0.45% and 0.49% in September. Also for the year to date the Tiger Value Fund is up +1.84% and +2.46% (class A and B) despite falling indices this year (e.g. DAX: -18%, MDAX: -15%, TecDax: -20% as of 30 Sept).

With our Sharpe Ratio of 1.08x (class B) and 0.94x (class A) we are ranked under the top 10% hedge funds out of 1,636 long/short equity hedge funds worldwide at [www.hedgefund.net](http://www.hedgefund.net).

In September our largest attributers were BWIN.PARTY, bet-at-home and Francotyp-Postalia adding +135bp to the Fund's performance. BWIN.PARTY and bet-at-home appreciated after the new Schleswig-Holstein online gambling law was passed mid September and Francotyp rallied from depressed levels of around 3x adj. PER 2011. Our largest detractors were Rheinmetall and Vtion Wireless which cost the Fund -46bp.

While our DAX and MDAX Future hedge cost -36bp our single shorts attributed +41bp. We booked our profits on most of our single shorts after the catalysts materialized.

#### ○ **Discussion: Celesio AG – stable cash flows and catalysts**

Celesio (CLS GY, Eur 11) is among the top three pharmaceutical distribution (Germany, France, UK ~65% of wholesale revenues) and retailing companies in Europe. CLS operates > 2,200 pharmacies with UK (Lloyds) accounting for 63% and Norway for 15% of pharmacy revenues.

We have met management twice over the last two months and had intense discussions on goodwill write-offs, the uncertain regulatory environments in Germany, UK and France and believe that this defensive stock has now finally reached the next inflection point after five years of organic earnings decline.

CLSs share price lost around 50% from its year highs and does not reflect a) the earnings rebound in 2012 and 2013 as a number of costs in 2011 should prove to be one-offs, b) the new management team headed by the CEO Markus Pinger should restore investors confidence presenting its new strategy as of mid November, c) potential announcement of a cost cutting program and d) recovery of the OTC business in UK. In addition the company is an M&A target but the 56% shareholder Haniel & Cie. will certainly not sell on these depressed share price levels.

On our figures CLS is trading 50% below its long-term average multiples at a trough PER2012 of 8x and PER2013 of 6x, Price-to-Book of 0.7x and a FCF Yield of ~15%. Given the company's stable recurring cash flows, various positive catalysts including the potential takeover, the company's valuation looks undemanding.

# Newsletter September 2011

## TIGER FUND - Tiger Value Fund (FCP-SIF)

---

### o **Outlook: Will the equity market recovery continue?**

After the strong market sell-off over recent months and the investor pessimism peaked early October equity markets recovered sharply recently. This may continue as most of the rebound was driven by short/future covering and institutions might feel pressured to re-enter the market. But the problems are not solved: European politicians have not found a clear response to their debt problems yet and a global recession in 2012 becomes more likely as long as the uncertainty on Europe remains.

We expect European equity markets to continue to stay highly volatile and be driven by the European debt crisis/ macro data. We are likely to keep the Fund at low exposure levels and focus on catalyst driven long and short candidates with sufficient trading volumes.

We are very pleased with our subscriptions which lifted the Tiger Value Fund assets to Eur 21m. Our next subscription deadline for the Tiger Value Fund is 24 October 2011, 5pm.

If you require further information or have any questions regarding the fund, how to invest in the fund or anything else please feel free to contact us via phone at +49(0)402263235-12 or e-mail at [matthias.rutsch@tiger-am.com](mailto:matthias.rutsch@tiger-am.com).

***The Tiger Value Fund Desk, 17<sup>th</sup> October 2011.***



**Matthias Rutsch**



**Marc Schädler**

# Newsletter September 2011

## TIGER FUND - Tiger Value Fund (FCP-SIF)

---

### 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 Value Activist	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	Highwater 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; Neuer Wall 35; D-20354 Hamburg
<b>Contact</b>	Matthias Rutsch, +49 40 226 32 35 12, <a href="mailto:matthias.rutsch@tiger-am.com">matthias.rutsch@tiger-am.com</a>
<b>Sub-Advisor</b>	PHZ Privat- und Handelsbank Zürich AG
<b>Management Company</b>	Alceda Fund Management SA
<b>Prime Broker</b>	SEB AB
<b>Administrator</b>	European Fund Administration SA
<b>Custodian</b>	SEB SA
<b>Auditor</b>	PriceWaterhouseCoopers

# Newsletter September 2011

## TIGER FUND - Tiger Value Fund (FCP-SIF)

---

**Disclaimer:** This report is provided to you for information purposes only and is not to be used or construed as an offer to buy or sell shares of the Fund, which may only be sold pursuant to the Issue Document of the Fund, a copy of which may be obtained from Tiger Asset Management GmbH ("Investment Advisor") or Alceda ("Management Company"). The Management Company will not treat recipients of this report as its customers by virtue of their receiving this report. Due to individual client objectives, this report should not be construed as advice designed to meet the particular investment needs of any investor and this report is not to be relied upon in substitution for the exercise of independent judgment.

Information and opinions presented in this report have been obtained or derived from sources believed by the Investment Advisor to be reliable, but the Investment Advisor makes no representation as to their accuracy or completeness. Information, opinions, and estimates contained in this report reflect a judgment at its original date of publication by the Investment Advisor and are subject to change without notice. The Investment Advisor accepts no liability for loss arising from the use of the material presented in this report.

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.

The information in this report is confidential and the copyright in this presentation belongs to Tiger Asset Management GmbH and must not be copied, reproduced or distributed to others at any time except where analysis of the information by certain employees and advisers of the recipient is necessary to evaluate the investment opportunity offered to the recipient in the report in which case the information may be disclosed to those employees and advisers, but only on the condition that the recipient has first procured that they have agreed to treat such information as confidential and not to disclose it to third parties.

17 October 2011