

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

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FUND INFORMATION													
Launch date	12-Dec-08	Total Gross Exposure	103.9%	Total Long Exposure	81.3%								
AuM	€ 33.2 m	Total Net Exposure	58.7%	Total Short Exposure	22.6%								
NAV*		WKN	ISIN	Bloomberg	Reuters								
Share Class A	€ 1,710.25	A0Q5LH	LU0400329677	TIGERAA LX EQUITY	LP68023199								
Share Class B	€ 1,813.94	A0RDZZ	LU0400329750	TIGERAB LX EQUITY	LP68023200								
NET PERFORMANCE METRICS						FUND PERFORMANCE vs. CS HF INDEX L/S EQUITY **							
	Return (since inception)	Return (p.a.)	Sharpe Ratio***	Volatility (p.a.)	Volatility (90 D)								
Share Class A	71.0%	10.1%	1.61x	6.1%	4.4%								
Share Class B	81.4%	11.3%	1.74x	6.4%	4.6%								
POSITIONS													
Number of Positions		Weightings (% of Gross)											
Long Positions	44	Long	Short										
Short Positions	12	Top 5	26.9%	18.0%									
Total No. Positions	56	Top 10	43.1%	21.2%									
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%	-1.72%	-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%	0.95%	0.07%	3.00%	2.66%	1.14%	-0.54%	14.73%
2014	1.88%	2.56%	0.63%	2.61%	0.63%	-0.34%	-2.19%						
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%	1.05%	0.11%	3.23%	2.87%	1.24%	-0.53%	16.15%
2014	2.04%	2.75%	0.71%	2.81%	0.70%	-0.32%	-2.15%						
MARKET CAPITALISATION													
	Pos. No	%Gross	Net Exp	Long	Short								
Large (>€5bn)	6	21.0%	-4.6%	8.6%	-13.2%								
Mid (>€1bn)	12	19.5%	5.3%	12.8%	-7.5%								
Small - Mid (€0.5-€1bn)	6	10.7%	11.1%	11.1%	0.0%								
Small (€50m-€500m)	26	43.2%	41.1%	43.0%	-1.9%								
Micro (<€50m)	6	5.6%	5.8%	5.8%	0.0%								
Total	56	100.0%	58.7%	81.3%	-22.6%								
DACH region > 90%													
SECTOR EXPOSURE													
	Pos. No	%Gross	Net Exp	Long	Short								
Technology	12	21.8%	18.6%	20.6%	-2.0%								
Media/Retail	13	16.3%	14.6%	15.8%	-1.1%								
Industrials/Materials	11	22.5%	18.9%	21.1%	-2.2%								
Financials/Real Estate	5	3.9%	4.1%	4.1%	0.0%								
Auto/Transport	6	17.5%	6.2%	12.2%	-6.0%								
Energy/Renewables	5	7.2%	7.5%	7.5%	0.0%								
Healthcare	2	1.5%	-1.5%	0.0%	-1.5%								
DAX / MDAX	2	9.3%	-9.7%	0.0%	-9.7%								
Total	56	100.0%	58.7%	81.3%	-22.6%								
ASSET ALLOCATION													
	Pos. No	%Gross	Net Exp	Long	Short								
Equity	43	80.5%	58.0%	70.8%	-12.8%								
Fixed Income	9	10.1%	10.5%	10.5%	0.0%								
Future	2	9.3%	-9.7%	0.0%	-9.7%								
Option	2	0.1%	-0.1%	0.0%	-0.1%								
Total	56	100.0%	58.7%	81.3%	-22.6%								

Source: TAM/EFA; \* NAV daily calc. by EFA; \*\* www.hedgeindex.com, Broad Indexes - CS Hedge Fund Index Long/Short Equity; \*\*\* TAM inhouse calculation

### Tiger Value Fund – July 2014

#### o **Returns: -2.19% (class A)/-2.15% (class B)**

In July, the Tiger Value Fund had a negative net return of 2.19% for share class A and 2.15% for share class B, making a cumulative positive net return of +5.82%/+6.62% in the year-to-date and +71.0%/+81.4% since inception (share class A/B).

#### o **Commentary: Tiger Value Fund suffered from stock specific issues**

Although the Tiger Value Fund was less affected by the market sell-off compared to most European equity indices such as the DAX (-4.3%) and MDAX (-6.1%) vs. -2.2% for the Tiger Value Fund we couldn't decouple from the overall market development due to some stock specific issues. The Tiger Value Fund had some long positions such as Braas Monier, PORR, Tomorrow Focus and Tipp24 which suffered significantly more than the overall market. With the exception of Braas which we have sold due to our stop loss rules and the company's poor visibility, we are even more positive on the other portfolio positions after the recent set back.

The most significant detractors (which burdened the fund performance by 250bp) were: Braas Monier (-20% since the IPO in June), Bet-at-home (-10%), Elmos Semiconductors (-5%), FACC (-15%), PORR (-17%), Tomorrow Focus (-16%) and Tipp24 (-40% since May). In Tipp24 we had already reduced our position after the 13% special dividend was paid in May. The Tipp24 share price suffered after a German newspaper suggested that a payment ban might shortly be introduced on Tipp24 which caused a 20% share price sell-off in just one day. After we have spoken to industry experts discussing the issue, we think it's extremely unlikely that a payment blocking for Tipp24 will ever be introduced. We believe that the recent share price decline is an excellent opportunity for an investment in Tipp24 as the company has significant operating leverage which should result into strong profit and FCF growth over the coming years. On cautious analyst consensus estimates, Tipp24 is currently trading on an EV/EBIT 2015e of just 4x which is a bargain in our view.

While we had no meaningful positive attributions from our long portfolio, our single short positions contributed positively with +75bp and our DAX and MDAX hedging positions added another +25bp in July.

Despite the negative performance in July the Tiger Value Fund (YTD 5.82%/6.62%) has significantly outperformed both its peers such as the CS Hedge Fund Index Long/Short Equity which was up only 2.89% (as of end June) and European equity markets such as the DAX and MDAX which are down -1.5% and -4.7% respectively since the beginning of the year. In July, the net adjusted exposure of the Fund was between 30% and 55% and closed the month at 48.3% (58.7% incl. 10.4% fixed income linked investments) as we built new core positions in Wincor Nixdorf AG and Software AG after their recent profit warnings and share price slumps of 30-40% from year highs. In our view both stocks offer good entry points with stable FCF yields of above 10%. We haven't finished building our positions yet as our positive catalysts are still 1-2 months out and the current market sell-off may offer even better entry points.

### o **Outlook: The straw that broke the camel's back**

As we have been warning for the last few months, negatives for the market have been piling up; increased supply from IPO's, weakening European economy, peaking/fading monetary policy, stagnant earnings growth and record high market valuations. These conditions had been in place for months but the increased geopolitical tensions in the Middle East (both Iraq and Israel/Palestine) as well as the continued crisis in Ukraine finally broke investor's confidence. The weak summer volumes probably also exacerbated the sell-off. The ZEW index (economic sentiment index for financial analysts in Germany) dropped to 8.6 from 27.1 in July, the lowest level since December 2012 and the steepest fall since June 2012. Clearly the EU and US sanctions against Russia are having the largest negative impact on Germany.

As is evident by our negative return for July, we did not escape this sell-off. Nevertheless, most of the negative performance in July was due to stock specific issues and not generally to the market weakness as previously discussed. Hence, while we remain cautious on the overall market and the European economy, we are very confident with our current portfolio and the very favorable asymmetric risk/reward it carries. Having said that, we have reduced or eliminated certain positions that we are less confident with and plan to further narrowing the portfolio in coming weeks. During the market sell-off we have also reduced some market hedges and other short positions (which benefitted from the sharp selloff) as the risk/reward in maintaining these positions became unfavorable. With the markets very oversold we expect a market bounce in the coming weeks and plan to re-initiate our hedges and selective short positions again at higher price levels.

In conclusion, we are probably in for a turbulent autumn and it will be critical to focus the TVF portfolio on our highest conviction ideas with great visibility and positive catalysts. But with higher market volatility new opportunities are likely to arise in the next few months. We will be prepared to fully benefit from this in the coming months which will give us a great platform for further outperformance in 2014 and beyond.

### ***The Tiger Value Fund Desk, 12<sup>th</sup> August 2014***



**Matthias Rutsch**



**Marc Schädler**



**Peter Irlblad**

### 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 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 20-30 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		

Investors: Sales documents may not be forwarded to investors other than those who meet the 'experienced investor' requirements under the Law of 2007.

### Fund Advisor Details and Service Providers

<b>Management Company</b>	Alceda Fund Management SA, Phone: +352 248 329-1
<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 43 443 71-00
<b>Prime Broker/Custodian</b>	SEB AB / SEB SA
<b>Administrator</b>	European Fund Administration SA
<b>Auditor</b>	PriceWaterhouseCoopers

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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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13 August 2014