

TIGER FUND – TIGER VALUE FUND (FCP-SIF)

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FUND INFORMATION														
Launch date	12-Dec-08	Total Gross Exposure	86.9%	Total Long Exposure	68.8%									
AuM	€ 32.8 m	Total Net Exposure	50.7%	Total Short Exposure	18.1%									
Share Class A	NAV* € 1,682.70	WKN	A0Q5LH	ISIN	LU0400329677	Bloomberg	TIGERAA LX EQUITY	Reuters	LP68023199					
Share Class B	€ 1,786.22	WKN	A0RDZZ	ISIN	LU0400329750	Bloomberg	TIGERAB LX EQUITY	Reuters	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	68.3%	9.5%	1.52x	6.1%	6.6%									
Share Class B	78.6%	10.6%	1.65x	6.3%	7.1%									
POSITIONS														
Number of Positions		Weightings (% of Gross)												
Long Positions	39	Long	28.2%	Short	13.9%									
Short Positions	14	Top 5	44.3%	Top 10	18.6%									
Total No. Positions	53													
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%	-0.42%	-1.20%					
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%	-0.37%	-1.16%					
MARKET CAPITALISATION														
	Pos. No	%Gross	Net Exp	Long	Short									
Large (>€5bn)	7	19.5%	-5.7%	5.6%	-11.4%									
Mid (>€1bn)	11	25.6%	11.8%	17.0%	-5.3%									
Small - Mid (€0.5-€1bn)	6	8.1%	6.1%	6.6%	-0.5%									
Small (€50m-€500m)	23	40.1%	32.9%	33.9%	-1.0%									
Micro (<€50m)	6	6.6%	5.7%	5.7%	0.0%									
Total	53	100.0%	50.7%	68.8%	-18.1%									
DACH region > 90%														
SECTOR EXPOSURE														
	Pos. No	%Gross	Net Exp	Long	Short									
Technology	12	21.4%	14.1%	16.4%	-2.3%									
Media/Retail	10	15.4%	11.0%	12.2%	-1.2%									
Industrials/Materials	16	35.7%	22.3%	26.7%	-4.4%									
Financials/Real Estate	4	2.8%	1.4%	1.9%	-0.5%									
Auto/Transport	4	13.5%	3.4%	7.5%	-4.2%									
Energy/Renewables	4	4.8%	4.2%	4.2%	0.0%									
Healthcare	1	1.2%	-1.1%	0.0%	-1.1%									
DAX / MDAX	2	5.2%	-4.6%	0.0%	-4.6%									
Total	53	100.0%	50.7%	68.8%	-18.1%									
ASSET ALLOCATION														
	Pos. No	%Gross	Net Exp	Long	Short									
Equity	46	88.1%	49.5%	63.0%	-13.5%									
Fixed Income	5	6.7%	5.8%	5.8%	0.0%									
Future	1	1.4%	-1.2%	0.0%	-1.2%									
Option	1	3.9%	-3.4%	0.0%	-3.4%									
Total	53	100.0%	50.7%	68.8%	-18.1%									

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 – September 2014

o **Returns: -1.20% (class A)/-1.16% (class B)**

In September, the Tiger Value Fund had a negative net return of 1.20% for share class A and 1.16% for share class B, making a cumulative positive net return of +4.12%/+4.99% in the year-to-date and +68.3%/+78.6% since inception (share class A/B).

o **Commentary: continued re-positioning - longs with significant upside**

September was another volatile month for capital markets with a spike of the DAX to 9900 and the immediate collapse to 9400. Despite the fact that we had -17bp additional DAX option hedging costs for a potential stronger market sell-off, we managed to keep the hedging costs at -4bp. Overall our shorts and hedges contributed positively with +29bp as our single short book added +33bp. During September the adjusted net exposure range was between 30-45% and 44.9% at the end of the month (50.7% incl. 5.8% fixed income linked investments) similar to the level of the previous month end. The negative performance of the Tiger Value Fund was caused by stock specific issues as well as continued selling pressure in small & mid-caps which continued to suffer more than large caps. We also recognized additional selling pressure at stocks with large US and UK ownership due to the weakening European economy.

Our best performance attributor was Mühlhan (+40bp), an industrial services company, which rallied 20% after the company won a major US contract and increased its guidance for 2014. We believe the company is also well on track to achieve its long term EBIT margin target of 6% (vs 3.3% for 2014). Based on management targets Mühlhan is still trading at a fairly low EBIT multiple of 5x (vs 10x EBIT 14), undemanding for a mid-single digit growing business with a potential FCF Yield of > 15%. On the negative side BMW Pfd (-50bp) suffered in-line with the auto sector (partly hedged) and Tipp24 (-70bp) destroyed investor confidence by reporting a false jackpot and profit warning. Although we have to admit that the company communication policy is not great, investors are overlooking that Tipp24 is now trading on just 3-4x EBIT 2015 and a dividend yield of 5.5-8.0%, not giving any credits for the company's strong underlying customer and EBIT growth. Based on our assumptions the company will at least add Eur 10-20m in EBIT p.a. over the next years despite continued higher marketing spending. The stock has more than 100% upside to its year highs and should start to perform again once we see the expected positive news flow.

In September we have been at six corporate conferences and met with 66 companies discussing current business environment and strategies. The key take away from auto, industrial and chemical companies was that businesses have deteriorated since Q2, with no significant pick-up expected in H2; North America and China running well but expected to slow in 2015; South America and Russia the worst; Italy and France declining while rest of Europe doing okay. We just finished our company meeting notes last week and started to dig deeper doing more research on some new ideas. We already have identified various potential profit warnings as well as companies with positive catalysts for H2 2014 and continued to re-position the Fund by scaling into new ideas such as Bilfinger (three profit warnings in a row; 100% upside to year high), Aurubis (profits from strong US\$ and growing copper volumes; 30% upside to year high), Wincor Nixdorf (strong Q4; positive outlook 2015; higher dividend in Jan 2015; 50% upside to year high) and Software AG (stable FCFs; strong Q4; 50% upside to year high). We believe that at our new stock picks the market is overly pessimistic pricing in negative scenarios overlooking potential positive catalysts which will materialize over the next months. We expect strong profit contributions from our new stock picks and existing positions over the next two quarters. Taking the combined target prices of our Fund positions the Tiger Value Fund has 58% upside vs. 10-15% downside.

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o **Outlook: Dark clouds gathering**

Volatility in the financial markets continued in September and early October. While this was expected (see previous newsletters) and we had increased our hedges and short exposure, we could still not compensate for the weakness in our core portfolio as many of our small/midcap stocks were disproportionately hit.

The European economy is still looking very weak with German factory orders falling -5.7% (m/m) in August and German manufacturing PMI dropped below the critical 50 level in September to 49.9 pointing to a continued slowdown in the near term. Furthermore, outside of Europe global growth is also faltering with industrial production growth in China slumping to a 6-year low of 6.9% in August. Other emerging markets are also experiencing similar slowdowns making it increasingly difficult for Europe to export its way to recovery. While we are not generally exposed to the cyclical sectors, a global slowdown will lead to outflows from equities and will thus impact the risk premium and many of our stocks indirectly making this a key concern for us.

One recent bright spot has been the continued slide in the value of the Euro which, at 1.26, is now down 10% from its May high of close to 1.40 versus the US dollar. No doubt this will improve competitiveness of many European exporters. We have positioned the fund to benefit from the Euro weakness with several of our positions with having significant USD revenue exposure.

At the recent ECB meeting, president Draghi outlined the details of their latest monetary stimulus plan which entails a covered and ABS bond buying plan as well as a new target lending scheme (TLTRO). While the ambition is to kick start bank lending especially to SMEs and grow the ECB's balance sheet back to €3tr, we are doubtful over the effectiveness of this plan as the key problem is not a lack of credit supply but the lack of demand for credit.

As we write this the DAX is back to the critical 9000 level. While we expect a further sell-off in the markets in the coming months, many stocks and sectors are looking extremely oversold so a bounce here into year-end would not be unexpected. Hence, we are tactically positive on the European markets in the very short-term. Nevertheless, 2015 will be a very challenging year for the global economy and risk markets in general so we will be looking to take down the risk level of the fund in the coming months. As always we plan to be fully prepared to benefit from this increased volatility and expect it to give us a great platform for further outperformance in 2015 and beyond.

The Tiger Value Fund Desk, 8th October 2014



Matthias Rutsch



Marc Schädler



Peter Irlblad

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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

Management Company	Alceda Fund Management SA, Phone: +352 248 329-1
Investment Advisor	Tiger Asset Management GmbH
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Sub-Advisor	PHZ Privat- und Handelsbank Zürich AG
Contact	Phone: +41 43 443 71-00
Prime Broker/Custodian	SEB AB / SEB SA
Administrator	European Fund Administration SA
Auditor	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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09 October 2014