

Appian Value Fund Fact Sheet

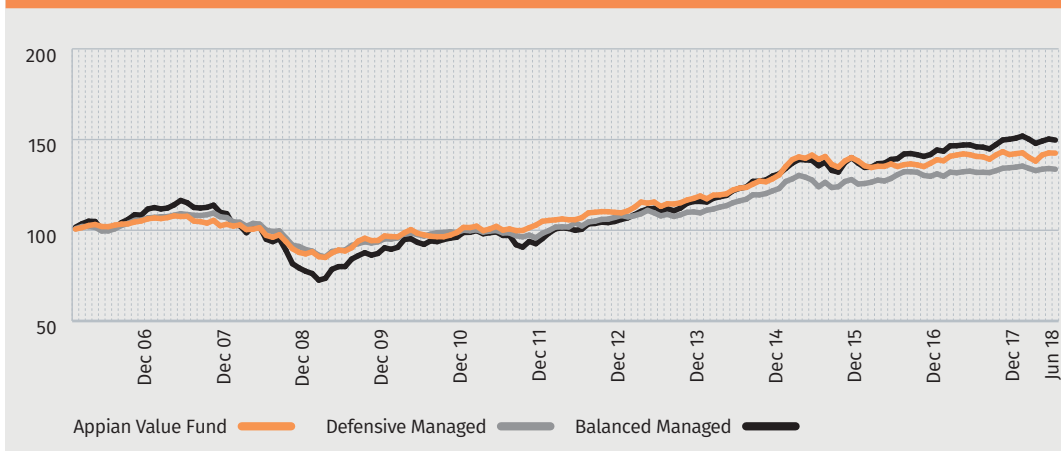


JUNE 2018

About Appian Asset Management

Appian is an independent Irish owned asset management company. Since our establishment in 2003 our investment philosophy has been to achieve solid investment growth with the minimum of risk and volatility. Our objective is to preserve and grow capital through value investing on a sustainable, risk adjusted basis. We ignore investment fashions and do not leverage any of our investments.

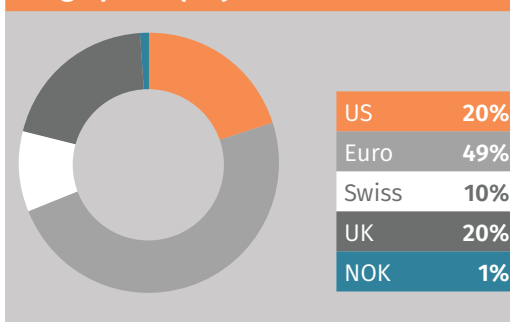
Performance of Appian Value Fund



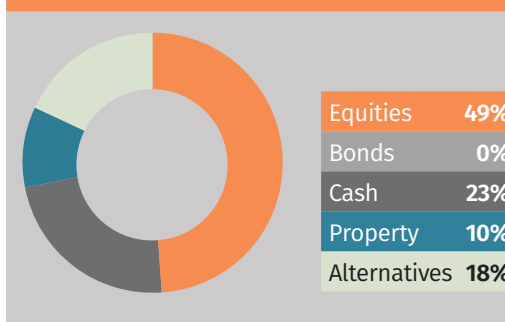
Appian Value Fund Performance 30.06.18

Period	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 YTD
Fund Return	-15.80%	11.40%	4.87%	3.30%	4.44%	8.49%	9.72%	5.94%	0.49%	2.39%	0.21%

Geographic Equity Distribution



Asset Allocation



Investment Team

Patrick J Lawless

Eugene Kiernan

John Mattimoe

Niall Dineen

Pat Kilduff

Key Features

- Multi-asset Fund
- Dynamic asset allocation
- Active stock selection
- No entry, exit or performance fees
- Low Volatility
- Sustainable Long Term Returns
- Independent Trustee Custodian and Administrator

Appian Value Fund Review, Quarter 2 2018

The Appian Value Fund had a strong second quarter rising by 3.2%, recouping the losses from the prior quarter, making for a positive return of 0.21% in the year to date. April and May, in both markets and currencies, were especially beneficial for the Fund. The performance in the 6 month period placed the Value Fund as one of the only two cautiously managed funds with positive returns in the period.

The economic backdrop for financial markets remains very constructive – solid growth and still low interest rates. Two issues which impacted on markets in the quarter were political uncertainty in Italy and a growing threat of a global trade war emanating from the US. Political risk in Italy was a key focus for markets in May and June. While at one point a general election seemed inevitable, a coalition was ultimately formed and a near term crisis averted. This impacted on both Italian assets and Eurozone markets in general. Global trade tensions are also escalating as the Trump administration imposes tariffs on a variety of goods and countries. To date market impact has been modest but the risk is that we see a broad escalation into a global trade war.

Our equity portfolios performed well in the quarter. One of our stand-out performers was Sainsbury in the UK. Improving sales and ahead of schedule synergies from the Argos acquisition were then topped off by the announcement of a proposed merger with ASDA. Sainsbury was up over 30% in the quarter. We also saw good performance from our holding in US pharmaceutical company Merck, where positive news flow on a key lung cancer drug moved the stock ahead. Performance from a recent purchase, Banco Santander, was disappointing in the quarter as European banks as a sector were out of favour, and in particular it was dragged down by its Brazilian exposure. We still view it as one of the top quality banks in Europe.

Elsewhere in the Fund, we continue to hold no bonds, viewing the asset class as poor value into a rising interest rate and inflation environment. Our performance in the quarter also reflects good returns from our property holdings in the Irish Property Unit Trust, which rose 2.5% in the quarter and a rise of 3.65% from the Appian Burlington Property Fund. Forestry continues to benefit the Fund - up over 1% in the quarter.

The Appian Value Fund remains very well diversified over a wide range of assets, including cash. A positive performance in the first half of the year is a solid outcome given the degree of market volatility and the concentration of equity returns in sectors such as technology, and stands in contrast to negative returns posted by many similar multi-asset funds.

Top 5 Equity Holdings 30.06.18

Name	Country	Sector	%
Royal Dutch Shell Plc	UK	Oil & Gas	2.58%
Novartis	Swiss	Pharmaceuticals	2.34%
Nestle	Swiss	Food	2.33%
Wells Fargo & Co	US	Financial Services	2.32%
Greencoat UK Wind Plc	UK	Utilities	2.13%

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Fund Facts

LAUNCH DATE

November 2005

NAME

Appian Value Fund

FUND SIZE

€175 million

PRICING FREQUENCY

Monthly

PRICING BASIS

Single Price

ANNUAL MANAGEMENT CHARGE

1.5% p.a.

RISK MEASURE

Target volatility 4%-8% on a rolling basis over the last two years

FUND CUSTODIAN

BNP Paribas Securities Services

STRUCTURE

Retail Investor Alternative Investment Fund

WARNING The value of your investment may go down as well as up. Past performance is not a reliable guide to future performance. These investments may be affected by changes in currency exchange rates. If you invest in this fund you may lose some or all your investment.

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