



## DNCA INVEST MIURA

### Absolute Return European Equities

January 18

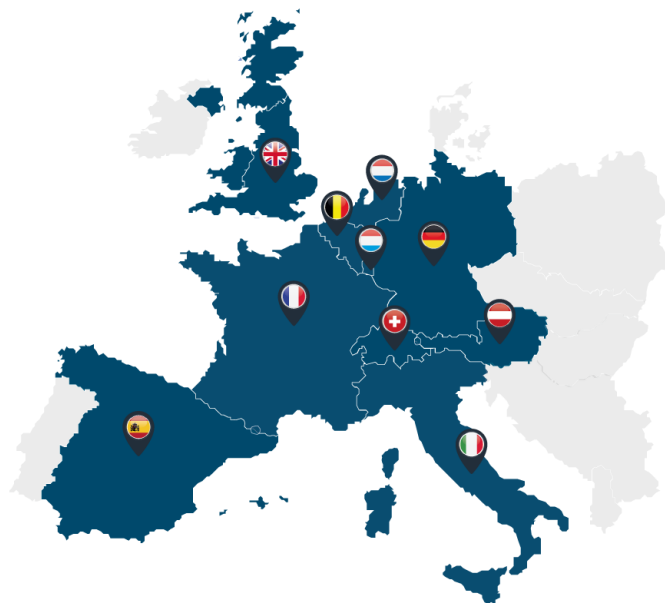
Please note that not all funds are registered in all jurisdictions and may not be available to all investors in a jurisdiction. Before investing, please carefully read the prospectus and KIID.

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# DNCA in a snapshot

- European “boutique” founded in 2000
- **Active** management approach, based on in depth **fundamental** analysis of companies
- Multi-channel distribution model primarily through **IFAs, retail and private banks**
- A well established company in Europe, with funds distributed in more than 10 countries



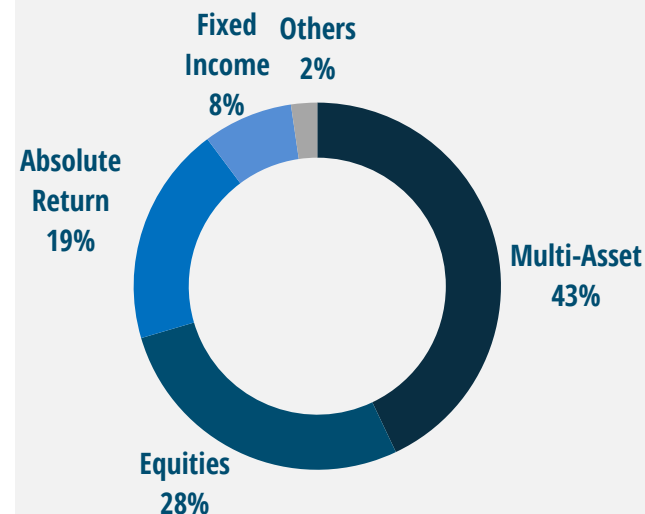
**€ 24,6 bn**  
of assets under management



**112 employees**  
of which 32 PMs & analysts



**29 funds**  
over 4 strategies



# Summary of DNCA's Absolute Return range

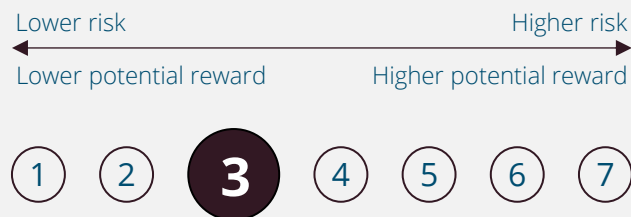
As of December 29, 2017

Funds (I share)	Strategy	Universe	AUM (€m)	Inception date	Annualized performance since inception	Annualized volatility since inception	Performance 2017
<b>DNCA Invest MIURA</b>	<i>Long-Short Market Neutral</i>	<i>European Equities</i>	<b>826</b>	<i>November 2009</i>	<b>3,54%</b>	<b>4,18%</b>	<b>1,26%</b>
<b>DNCA Invest MIURI</b>	<i>Long Covered Market Neutral</i>	<i>European Equities</i>	<b>2 633</b>	<i>December 2011</i>	<b>4,45%</b>	<b>3,47%</b>	<b>0,64%</b>
<b>DNCA Invest VELADOR</b>	<i>Long Covered 0-50% Equity</i>	<i>European Equities</i>	<b>1138</b>	<i>May 2015</i>	<b>3,74%</b>	<b>4,37%</b>	<b>5,18%</b>
<b>DNCA Invest VENASQUO</b>	<i>Long Covered 0-100% Equity</i>	<i>European Equities</i>	<b>62</b>	<i>December 2016</i>	<b>8,24%</b>	<b>4,91%</b>	<b>8,18%</b>

# Reasons to invest

## RISKS

- Credit risk
- Discretionary risk
- Risk relating to investments in derivative products
- Counterparty risk
- Risk of loss of capital



## ADVANTAGES

- Stock-picking at the heart of the model
  - Pillars: valuation and company knowledge
- A capital preservation approach
  - Objective of a positive performance every year and above EONIA
  - Objective of a lower volatility vs. Euro Stoxx 50
  - Low sensitivity of performance to market direction (equities, forex or fixed income)
- A potentially attractive fund within the current environment
  - Cash yields nothing
  - Bonds offer low returns and could be at risk under certain circumstances

# DNCA INVEST MIURA – Summary

- **A capital preservation approach**
  - Objective of a positive performance every year and above EONIA\*
  - Objective of a lower volatility vs. Euro Stoxx 50
  - Low sensitivity of performance to market direction (equities, forex or fixed income)
- **A stock-picking management**
  - Pillars: valuation and company knowledge
  - Stock-picking at the heart of the model
- **A potentially attractive fund within the current environment**
  - Cash yields nothing
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# A complementary and experienced management team



**Cyril  
Freu**

- Deputy CIO of DNCA Finance.
- Portfolio manager and head of Absolute Return fund range (Miura, Miuri, Velador, Venasquo).
- 20 years' experience, including 10 years as a portfolio manager, and eight years as a sell-side equity analyst. Voted best financial analyst across all sectors in 2005 in the Agefi Extel Focus France survey.
- With DNCA Finance for eight years, since 2009.
- Qualified member of the French Financial Analysts' Association (SFAF), holds a Master's degree from Paris IX Dauphine University and a post-graduate diploma in Finance from Sciences-Po Paris.



**Mathieu  
Picard**

- Co-portfolio manager of Absolute Return fund range (Miura, Miuri, Velador, Venasquo).
- 16 years' experience, including 10 years as a co-portfolio manager and three years as a sell-side equity analyst. Mathieu has worked alongside Cyril Freu since the beginning of his career, firstly in financial analysis and subsequently in portfolio management.
- With DNCA Finance for eight years, since 2009.
- Holds a Master's degree from Paris IX Dauphine University and a post-graduate diploma in Finance from Sciences-Po Paris.



**Boris  
Bourdet, CFA**

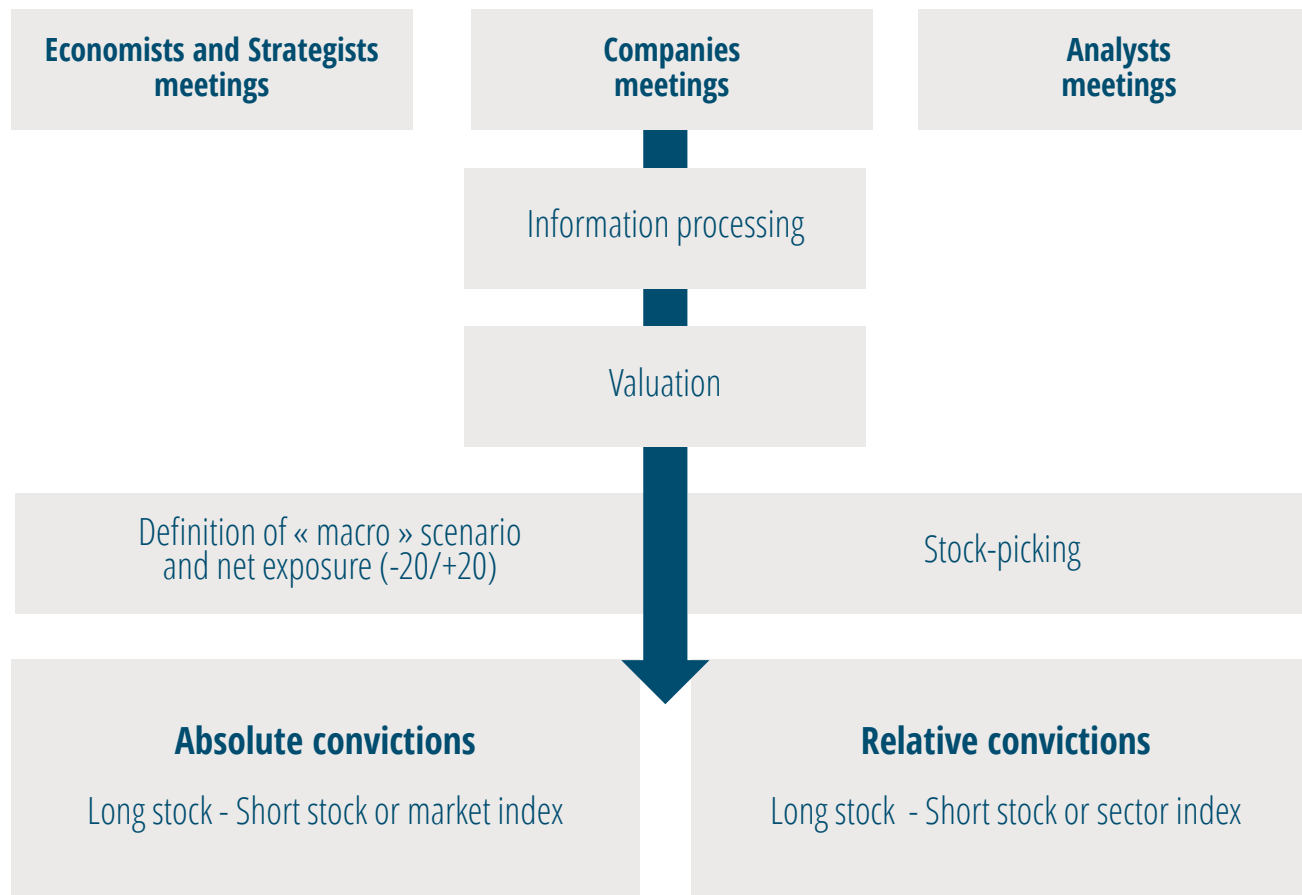
- Buy-side analyst for the Absolute Return fund range (Miura, Miuri, Velador, Venasquo).
- 15 years' experience in the industry.
- With DNCA Finance for six years, since 2011.
- Previous role as a sell-side equity analyst.
- CFA charterholder, and also holds degrees from Rouen business school (ESC) and Sciences-Po Aix.



**Alexis  
Albert**

- Buy-side analyst for the Absolute Return fund range (Miura, Miuri, Velador, Venasquo).
- 14 years' experience in the industry mostly as a sell-side financial analyst in Paris and London (Barclays Capital, Nomura, Natixis...).
- Joined DNCA Finance in September 2017.
- Graduated from ESCP and holds a master degree in mechanical engineering from ENSIAME.

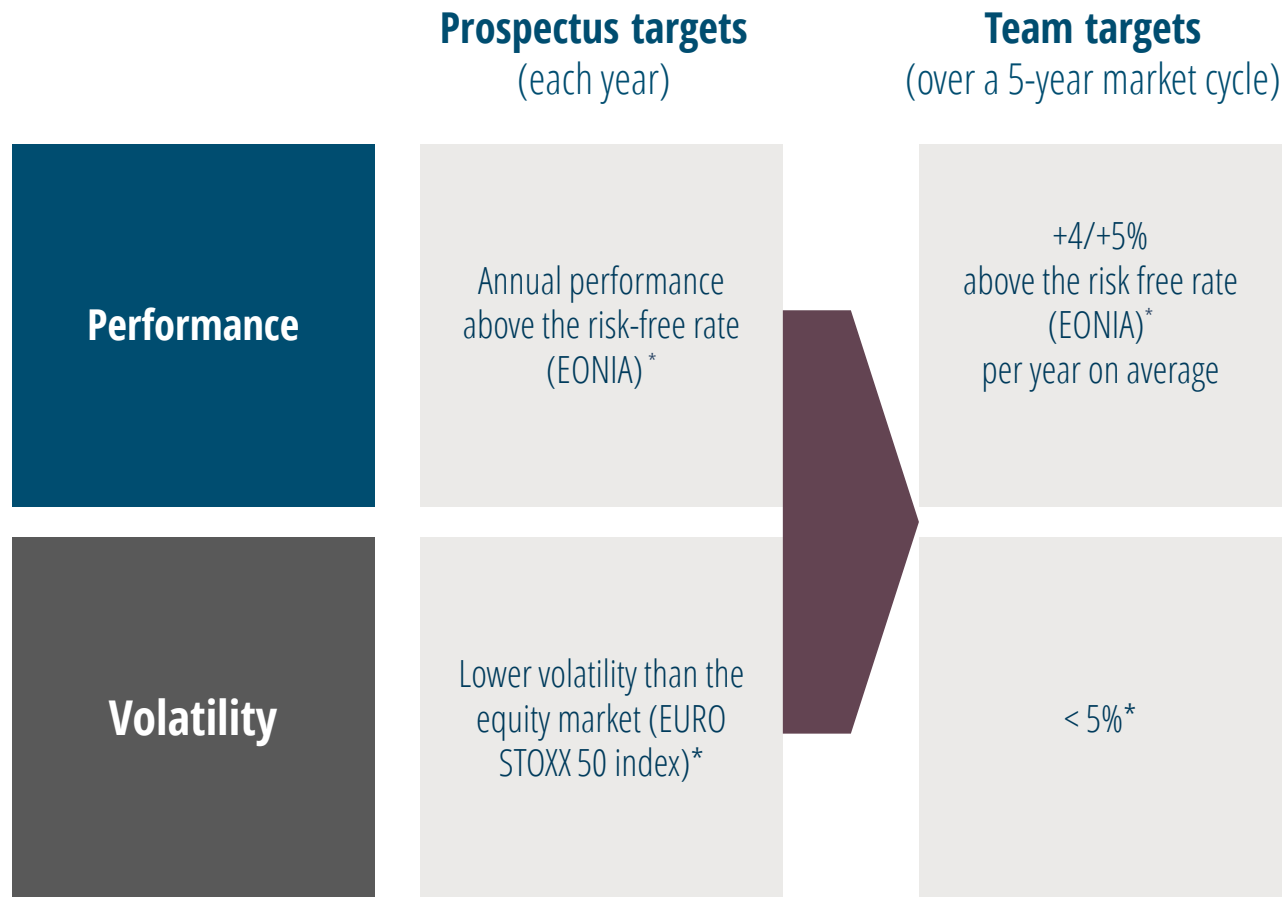
# Investment process – Stock-picking is key



# A simple European absolute return fund, with no leverage

- A fund focused on large and medium cap Western European companies
  - Large and Mid caps
  - European Economic Area and Switzerland
- A simple and transparent portfolio with no leverage
  - Cash equities investments only
  - No use of complex derivative products (put or call options,...)
  - No leverage, with a gross exposure limited to 200% of AUM\*
- A « market neutral » philosophy
  - A net exposure limited to +/-20% of the AUM
  - Performance driven by stock-picking and not by market direction
  - Stocks chosen for their ability to outperform either the equity market or their industry sector
- A concentrated portfolio based on intensive research and conviction
  - Investment process based on fundamentals
  - Company valuations at the heart of the investment decisions

# True capital preservation objectives



# Performance\* since inception (16/11/2009)

As of December 29, 2017

	Miura (I)	EURO STOXX 50**	EONIA***
Performance 2010	5,92%	-5,81%	0,44%
Performance 2011	-0,19%	-17,05%	0,88%
Performance 2012	4,59%	13,79%	0,23%
Performance 2013	7,74%	17,95%	0,09%
Performance 2014	3,53%	1,20%	0,09%
Performance 2015	5,06%	3,85%	-0,11%
Performance 2016	1,00%	0,70%	-0,32%
Performance 2017	1,26%	6,49%	-0,36%
<b>Cumulated performance since inception</b>	<b>32,50%</b>	<b>19,75%</b>	<b>1,00%</b>
<b>Annualized performance since inception</b>	<b>3,54%</b>	<b>2,25%</b>	<b>0,12%</b>
Volatility 12 months 2010	2,7%	23,9%	-
Volatility 12 months 2011	3,9%	29,0%	-
Volatility 12 months 2012	6,7%	20,8%	-
Volatility 12 months 2013	4,5%	16,5%	-
Volatility 12 months 2014	3,1%	17,1%	-
Volatility 12 months 2015	3,0%	23,3%	-
Volatility 12 months 2016	4,3%	21,2%	-
Volatility 12 months 2017	2,9%	10,4%	-
<b>Volatility since inception</b>	<b>4,2%</b>	<b>20,9%</b>	<b>-</b>

Past performance is no indication of future performance.

\* Net of any fees. \*\* Calculated since the fund inception date: 14 December 2011. \*\*\* Eonia is the reference index of Miura and the performance of the Euro Stoxx 50 is given for illustrative purpose only.

Source: DNCA Finance

# Monthly returns\* and « decorrelation »

As of December 29, 2017

%	DI Miura	Jan	Feb	March	April	May	June	July	August	Sept	Oct	Nov	Dec.	Global
2010	Miura (I)	0,32	0,62	0,31	0,54	-0,12	-0,66	1,35	0,62	1,26	1,46	-0,43	0,52	5,92
2011	Miura (I)	0,73	0,50	-0,23	0,16	0,55	0,93	-0,39	0,19	-1,79	1,79	-1,72	-0,84	-0,19
2012	Miura (I)	1,82	0,03	-1,44	0,20	-1,54	-0,60	-0,71	2,33	-0,84	1,96	0,80	2,63	4,59
2013	Miura (I)	0,93	-1,59	-1,67	1,47	2,30	-0,09	2,36	-0,06	2,13	1,83	-0,50	0,48	7,74
2014	Miura (I)	0,54	1,67	0,27	0,61	0,25	-1,23	0,01	-0,57	-1,36	0,75	1,19	1,40	3,53
2015	Miura (I)	0,51	1,74	0,36	1,87	0,11	-0,49	0,66	0,00	-0,24	-0,39	0,90	-0,05	5,06
2016	Miura (I)	-1,11	1,53	0,28	-0,54	0,32	-2,43	2,02	-0,22	0,95	-0,50	0,18	0,61	1,00
2017	Miura (I)	0,54	0,57	0,94	-0,41	0,22	0,14	0,13	-0,83	1,06	-1,99	1,02	-0,08	1,26

%	Index	Jan	Feb	March	April	May	June	July	August	Sept	Oct	Nov	Dec.	Global
2010	Euro Stoxx 50	-6,35	-1,74	7,43	-3,90	-7,33	-1,42	6,56	-4,35	4,76	3,53	-6,82	5,35	-5,81
	Eonia	0,03	0,03	0,03	0,03	0,03	0,03	0,04	0,04	0,04	0,06	0,05	0,04	0,44
2011	Euro Stoxx 50	5,76	2,01	-3,39	3,45	-4,96	-0,49	-6,24	-13,79	-5,32	9,43	-2,30	-0,60	-17,05
	Eonia	0,05	0,06	0,06	0,07	0,09	0,10	0,08	0,08	0,09	0,08	0,07	0,05	0,88
2012	Euro Stoxx 50	4,32	3,95	-1,39	-6,90	-8,13	6,88	2,69	4,94	0,56	2,01	2,86	2,36	13,79
	Eonia	0,03	0,03	0,03	0,03	0,03	0,03	0,02	0,01	0,01	0,01	0,01	0,01	0,23
2013	Euro Stoxx 50	2,54	-2,57	-0,36	3,35	2,13	-6,03	6,36	-1,69	6,31	6,04	0,61	0,72	17,95
	Eonia	0,01	0,01	0,01	0,01	0,01	0,01	0,01	0,01	0,01	0,01	0,01	0,01	0,09
2014	Euro Stoxx 50	-3,06	4,49	0,39	1,16	1,44	-0,50	-3,49	1,83	1,68	-3,49	4,42	-3,21	1,20
	Eonia	0,02	0,01	0,02	0,02	0,02	0,01	0,00	0,00	0,00	0,00	0,00	0,00	0,09
2015	Euro Stoxx 50	6,52	7,39	2,73	-2,21	-1,24	-4,10	5,15	-9,19	-5,17	10,24	2,58	-6,81	3,85
	Eonia	0,00	0,00	0,00	-0,01	-0,01	-0,01	-0,01	-0,01	-0,01	-0,01	-0,01	-0,02	-0,11
2016	Euro Stoxx 50	-6,81	-3,26	2,01	0,77	1,16	-6,49	4,40	1,08	-0,69	1,77	-0,12	7,83	0,70
	Eonia	-0,02	-0,02	-0,02	-0,03	-0,03	-0,03	-0,03	-0,03	-0,03	-0,03	-0,03	-0,03	-0,32
2017	Euro Stoxx 50	-1,82	2,75	5,46	1,68	-0,14	-3,17	0,23	-0,81	5,07	2,20	-2,83	-1,85	6,49
	Eonia	-0,03	-0,03	-0,03	-0,03	-0,03	-0,03	-0,03	-0,03	-0,03	-0,03	-0,03	-0,03	-0,36

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\*Net of any fees.

Eonia is the reference index of Miura and the performance of the Euro Stoxx 50 is given for illustrative purpose only.

Source: DNCA Finance

# Market perception and net exposure

As of December 29, 2017

- **Economic environment**
  - A better economic environment
  - Political breakthrough in the eurozone
  - Interest rates are likely to pick up
- **Valuation**
  - Valuations are starting to be expensive
  - Paying attention to P/E contraction if interest rates increase
  - EPS evolution will be key
- ➡ **Adjusted net exposure of DNCA INVEST MIURA: 2%**

# Investment strategy – Guidelines

As of December 29, 2017

- Exposure to companies that may surprise with improving results.
- Exposure to the new « digital » cycle
- Exposure to domestic Europe
- Paying attention to interest rates increase

⇒ Gross exposure of DNCA INVESTMIURA: **154%**

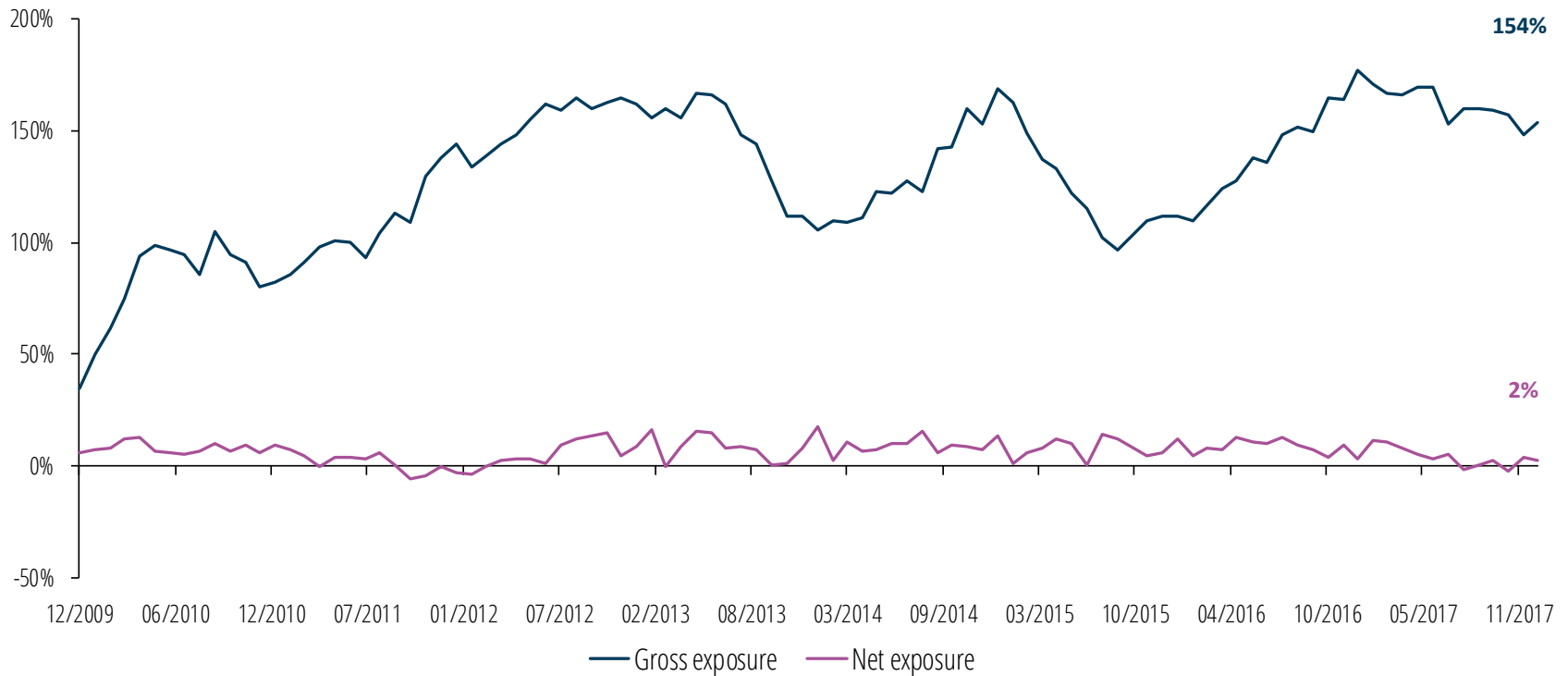
# Investment strategy – Examples of holdings

As of December 29, 2017

	Relative / Absolute	Defensive/ Qualitative Cyclical	Dividend	M&A	New Cycle	Europe
<b>Richemont</b>	R	D	✓	✓		✓
<b>Accor/Intercontinental</b>	R	CQ	✓	✓		✓
<b>Imperial Brands</b>	R	D	✓	✓	✓	✓
<b>Volkswagen</b>	R	CQ	✓	✓	✓	✓
<b>Schneider/Siemens</b>	A	CQ	✓	✓	✓	✓
<b>Bouygues</b>	A	D	✓	✓	✓	✓
<b>Atos/Capgemini</b>	A	CQ		✓	✓	✓
<b>Publicis/TF1</b>	A	D	✓	✓	✓	✓

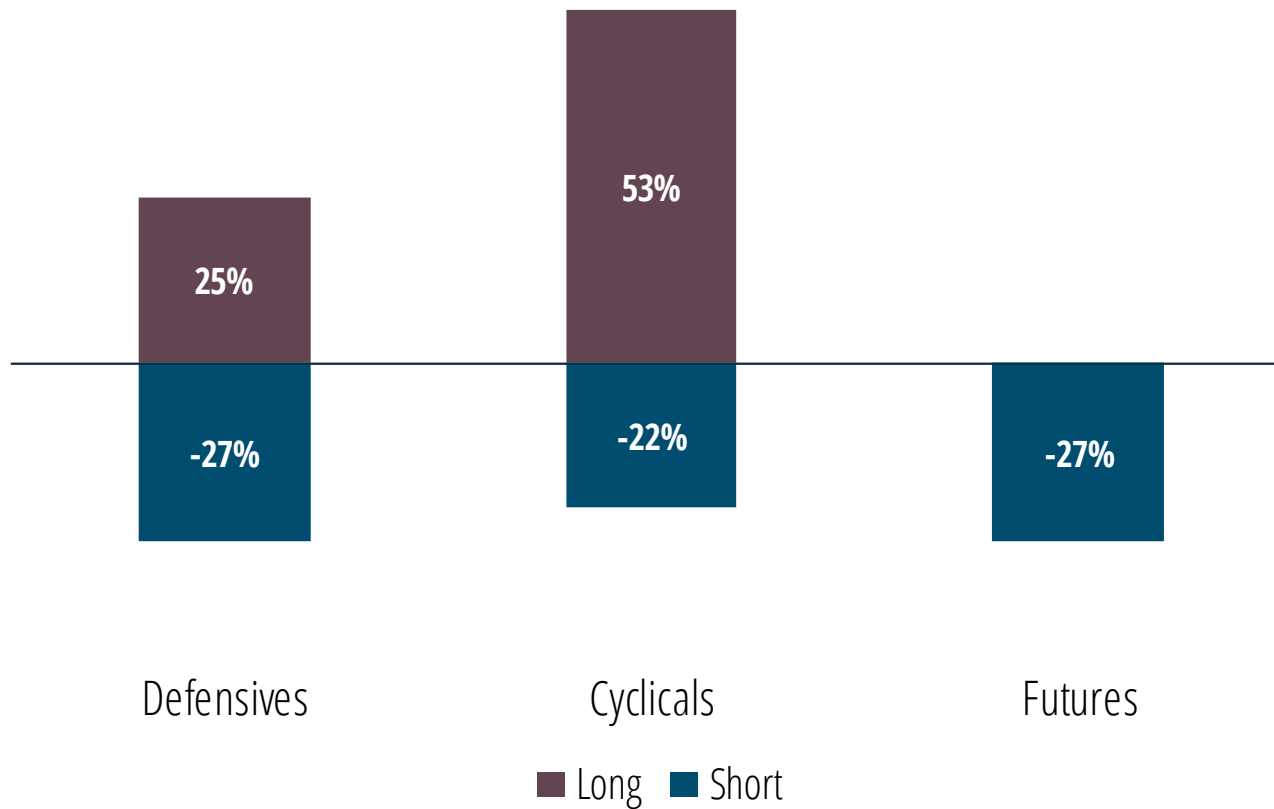
# Historical gross and net portfolio exposure

As of December 29, 2017



# Gross exposure by stock profile in %

As of December 29, 2017



# Portfolio exposure

As of December 29, 2017

**Assets Under Management**

**826 M€**

## Main holdings of the portfolio

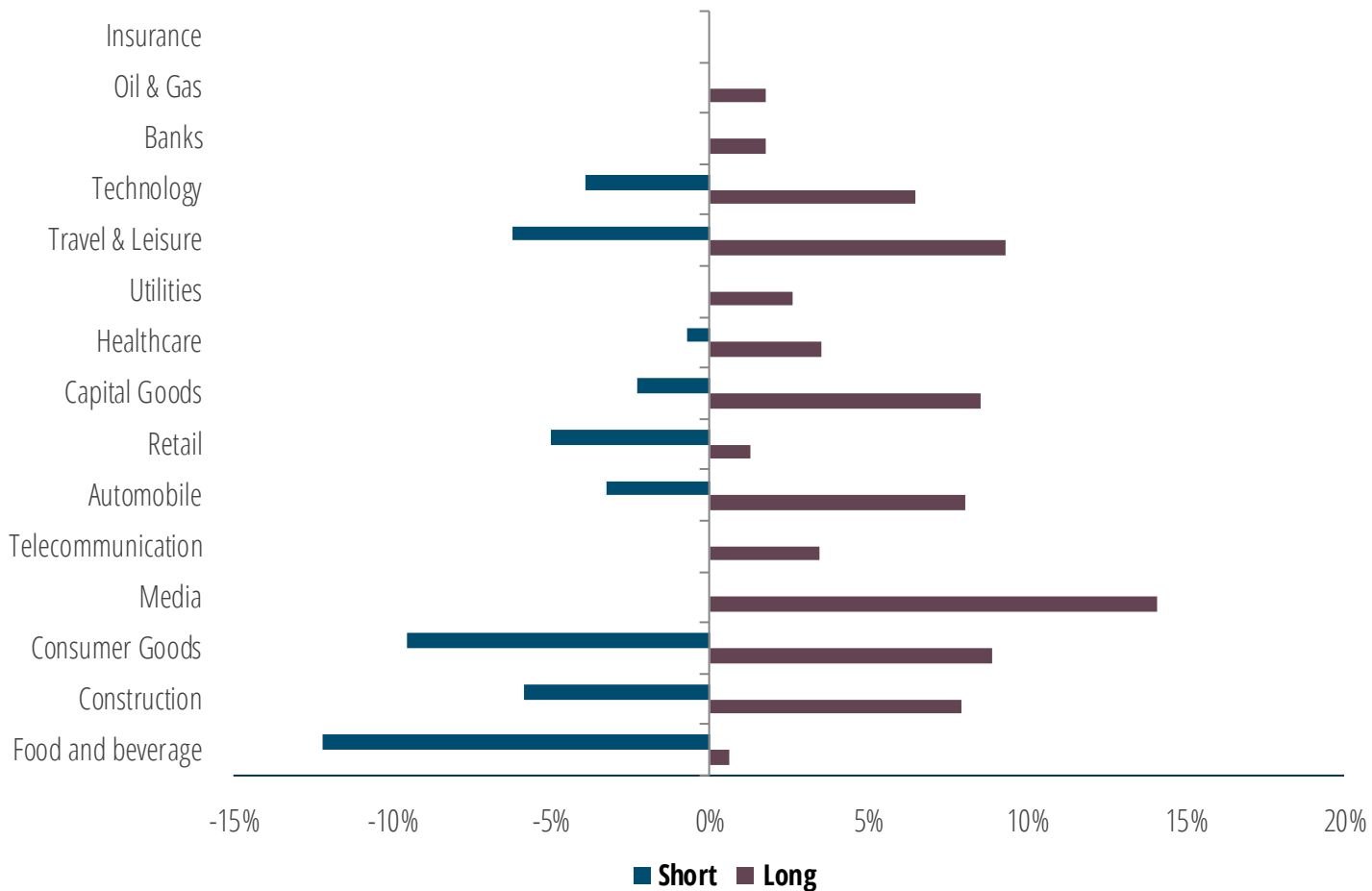
MAIN LONG POSITIONS		MAIN SHORT POSITIONS (Indices)	
PUBLICIS	4,6%	STOXX 600 FOOD & BEVERAGE	4,7%
BOUYGUES	4,2%	STOXX 600 CONSTRUCTION	4,4%
ACCOR	4,2%	STOXX 600 HPC	4,4%
IMPERIAL BRANDS	3,9%	TRAVEL & LEISURE STOCK	4,2%
SODEXO	3,7%	STOXX 600 TECHNO	3,9%

## Main characteristics

Gross exposure	154%	Number of long positions	42
Net exposure	2,4%	Volatility 12 months	2,9%
Adjusted net exposure	1,6%	Volatility 12 months EURO STOXX 50	10,4%

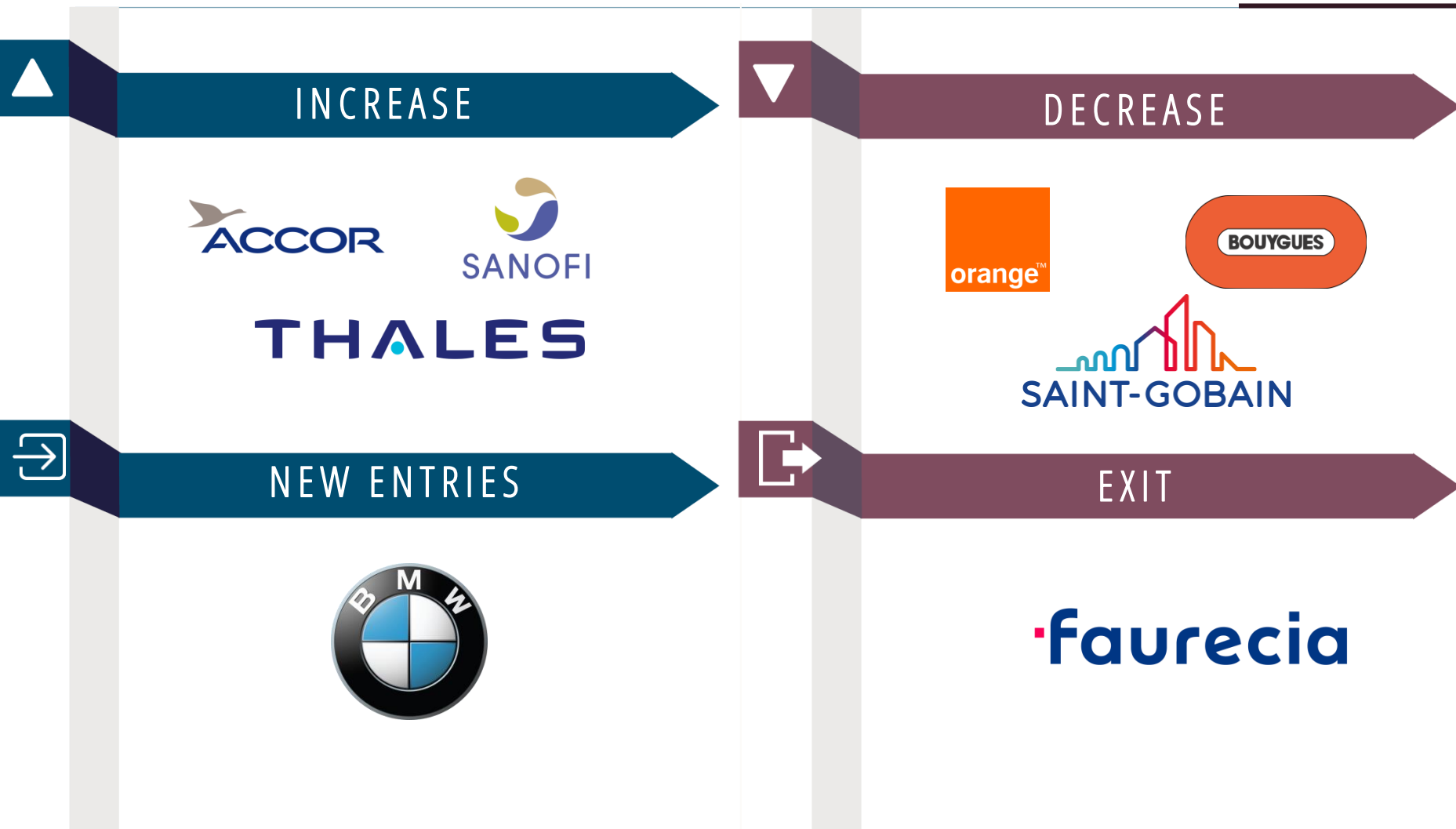
# Portfolio exposure by sectors and indexes

As of December 29, 2017



# Main movements over the month

As of December 29, 2017



# Main fund characteristics

## General

Fund Name	DNCA Invest Miura
Fund inception	11/16/2009
Investment manager	DNCA Finance
Management company	DNCA Finance Luxembourg
Portfolio manager	C. Freu, M. Picard, B. Bourdet, A. Albert
Legal structure and domicile	Sub-fund of the SICAV DNCA Invest
Custodian	BNP Paribas Securities Services Luxembourg Branch
Auditor	Deloitte Audit S.A.R.L - Luxembourg
Min. reco. Invest. Horizon	5 years
Registrations	FR, LU, CH, BE, DE, IT, AT, NL, ES

## Orders

Dealing frequency	Daily
Cutoff time	D at 12,00 a.m, Luxembourg Time
Settlement Date	D+2

## Profil

Investment zone	European Economic Area and Switzerland
Reference Index	EONIA
Classification	Absolute Return Fund
Risk indicator	3

## Share class, fees and minimums

Share class	A/D*	ISIN	Management fees	Entry fees	Redemption Fees	Minimum Investment	Ongoing charges**
I - EUR - Instit	A	LU0462973008	1,00%	3%	None	200 000 €	1,46%
A - EUR - Retail	A	LU0512124362	1,80%	3%	None	2 500 €	2,04%
B - EUR - Retail	A	LU0462973347	2,00%	3%	None	None	2,24%

## Performance fees

20% of the positive performance net of any fees above the index: EONIA Total Return Index

# Risk exposure

- **Risk relating to discretionary management:** there is a risk that the sub-fund does not invest in the most profitable stocks or funds at all times. The performance of the sub-fund may therefore fail to meet its investment-management objectives.
- **Counterparty risk:** counterparty risk results from over-the-counter transactions (futures contracts, repurchase or reverse-repo transactions and option agreements) underwritten by the same counterparty. The counterparty's bankruptcy or a downgrade in the counterparty's creditworthiness may cause a decrease in NAV.
- **Risk relating to investments in derivative products:** the use of derivative products may temporarily reduce any sharp moves in the NAV of the sub-fund if it is exposed to the opposite market trend.
- **Credit risk :** credit risk corresponds to the risk that an issuer is unable to honour its commitments.
- **This is not a capital guarantee fund**

# Disclaimer

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