

Appian Small Companies Opportunities Fund

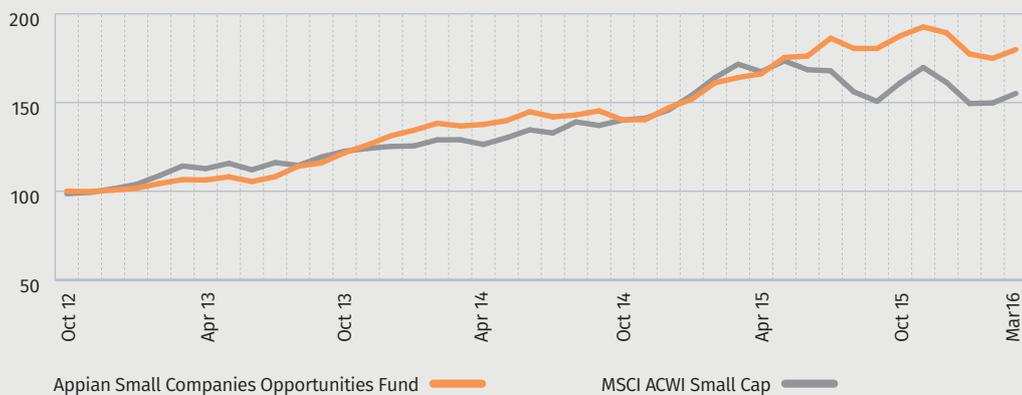
Fact Sheet

MARCH 2016

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.

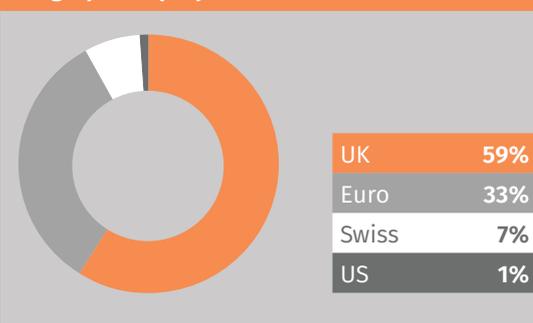
Performance of Appian Small Companies Opportunities Fund



Appian Small Companies Opportunities Fund Performance 31.03.2016

Period	2012	2013	2014	2015	Q1 2016
Fund Return	0.61%	30.50%	12.04%	28.75%	-5.00%

Geographic Equity Distribution



Investment Team

Patrick J Lawless

John Mattimoe

Frank O'Brien

Eugene Kiernan

Lisa Neary

Key Features

- Concentrated stock selection
- We meet and engage with management
- No entry, exit or performance fees
- Typically invest in lowly geared companies
- All stocks are publicly quoted
- Independent Trustee Custodian and Administrator

Appian Small Companies Opportunities Fund Comment for Q1 2016

Turbulent equity markets marked a tough start to 2016 for the Appian Small Companies Opportunities Fund ('ASCOF') which fell by 5.0% over the first quarter. This decline was marginally less than the decline in international equities (in euro terms) in quarter 1.

At the turn of the year, concerns over the health of the Chinese economy set financial markets off to a negative start to 2016. In addition, volatile commodity prices and political concerns continued to feature.

However, markets recouped some ground in the second half of the quarter. This was mainly due to positive developments in the policies of the European Central Bank in the Eurozone and the Federal Reserve in the US in March. The euro strengthened against other major currencies over quarter 1, but this was a negative, when translating the value of the Fund's non-euro assets, particularly the sterling value of the UK holdings.

While most of the Fund's holdings struggled to hold their value against this backdrop, a number of the stocks owned made positive progress. Following a successful initial public offering last year, shares in Hostelworld (the online booking platform) rose by 10% in quarter 1 as its credible growth strategy continued to win favour among investors. Somero Enterprises Inc., gained over 25% as the producer of specialist concrete levelling equipment posted strong results for 2016 and flagged an improved outlook for the coming year. Meanwhile the announcement of a possible takeover approach at the end of the quarter drove a near 30% rise in sports marketing company, TLA Worldwide.

The latter development is encouraging given that 2015 was a particular busy year for mergers & acquisitions activity amongst stocks owned by the ASCOF. The Fund was not fully invested in equities entering 2016, as we had not re-invested all the proceeds received from the companies taken over during 2015. This helped mitigate some of the impact of the falling equity markets, but more importantly it allowed us to add to many of our existing holdings at more attractive levels and to introduce new stocks to the Fund. During quarter 1 we started to build positions in three new names: I-RES REIT plc, the Irish residential property REIT; Ciner Resources LP, a US producer of niche chemical stock (trona ore mining and soda ash production); and Utilitywise plc., a UK energy consultancy business.

While volatility may remain a feature in equity markets in the near term, we continue to work to position the ASCOF in high quality companies at attractive valuations to build a credible platform for delivering positive returns over the longer term.

Top 5 Equity Holdings 31.03.2016			
Name	Country	Sector	%
Powerflute	UK	Packaging	5.23%
Jungheinrich	Eurozone	Machinery	4.67%
Playtech	UK	Technology	4.52%
Micro Focus	UK	Software	3.60%
Swisslife Holdings	Swiss	Financial Services	3.53%

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Fund Facts

LAUNCH DATE

October 2012

NAME

Appian Small Companies Opportunities Fund

FUND SIZE

€34 million

PRICING FREQUENCY

Monthly

PRICING BASIS

Single Price

ANNUAL MANAGEMENT CHARGE

1.5% p.a.

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.