

Appian Equity Fund Fact Sheet

MARCH 2017

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.

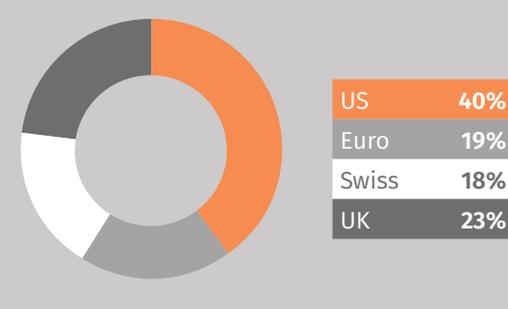
Performance of Appian Equity Fund



Appian Equity Fund Performance 3.4.2017

Period	2011	2012	2013	2014	2015	2016	Q1 2017
Fund Return	4.25%	7.42%	18.73%	10.70%	12.77%	5.32%	4.54%

Geographic Equity Distribution



Investment Team

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Key Features

- Focus on companies with strong balance sheets
- US, UK, Swiss and European stocks only
- Active stock selection
- No entry, exit or performance fees
- Lower volatility than global equity markets
- Sustainable long term returns
- Independent Trustee Custodian and Administrator

Appian Equity Fund Review, Quarter 1 2017

Global equity markets enjoyed a positive start to 2017 as they continued to be supported by positive economic data. The Appian Equity Fund was up 4.5% during the quarter.

The quarter highlighted that individual stock selection matters. The top performing stocks during the quarter only had one thing in common, they started with the letter "A". Antogfagata continued its momentum from the latter part of last year, rising 23% as a strengthening global economy looks set to bring tightness back into the copper market. Akzo Nobel was a new addition to the fund in February. It is a leading player in global decorative paints (brands such as Dulux and Crown) and performance coatings. It was added to the fund due to the quality of the underlying franchise and the fact it was trading at a considerable discount to its peers. One of those peers, US firm PPG also recognised this value opportunity and launched a takeover bid in March. This bid has driven the share price up over 20%. Ameriprise, a US financial planner was also a standout performer during the quarter, rising over 22% as it was buoyed by the Trump administrations vow to roll back financial deregulation. Whilst Ameriprise will be a beneficiary of this policy, the stock no longer represents a value opportunity, after rallying 50% since the US election. The position was sold in March.

Whilst individual stocks drove the positive performance during the quarter there were two themes, which detracted from performance. Firstly, Oil stocks were amongst the worst performers during the quarter with BP and Shell down 9% and 6% respectively. These stocks continue to offer value as they are realigning their businesses to make their businesses sustainable in a sub \$40 oil price world. US consumer stocks also experienced a poor start to the year with Kohls and Hanesbrands being dragged down by concerns over the impact on their businesses of a US border tax.

The fund added BMW during the quarter. BMW remains a highly profitable innovative company that is well positioned to face the challenges' that face the auto sector over the next decade. It is currently on a PE of 8 and offers a dividend yield of 3.5%. The company is also in a strong financial position with over €18bn of cash on its balance sheet.

The outlook for equities for the rest of year remains positive due to the strengthening global economy. However, there is a risk of greater levels of volatility as the year progresses. This will be managed through a relentless focus on the quality and valuation of our individual stocks.

Top 5 Equity Holdings 31.03.2017

Name	Country	Sector	%
Wells Fargo & Co	US	Financial Services	4.61%
Novartis	Swiss	Pharmaceuticals	3.88%
BP	UK	Energy	3.56%
Swiss Life Holding AG	Swiss	Financial Services	3.52%
J Sainsbury PLC	UK	Food & Staples Retailing	3.49%

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Fund Facts

LAUNCH DATE

May 2010

NAME

Appian Equity Fund

FUND SIZE

€32 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.