

AMG Europe

Report as of March 29, 2019

Review

After strong price gains in January and February, the stock markets experienced strong upward and downward movements in March in order to end the month almost unchanged. A prolongation of the low interest rate environment of the global central banks was offset by rather subdued macro data. In this environment, the AMG Europe Fund closed 1.2% lower, while the benchmark index gained 1.7%.

Eckert Ziegler posted a pleasing annual result for 2018 with a 22% increase in sales and a 39% increase in net income. The dividend will be raised by 50% to EUR 1.20. For 2019, the management expects a net profit of EUR 18 million, which is equivalent to a growth of 12%, despite the high comparative basis in 2018 with 39% profit growth. The disproportionately strong profit growth is the result of the ongoing shift in the product mix in favour of high-margin radiopharmaceutical products. With organic sales growth of 15.8% in fiscal year 2018, the IT specialist **Bechtle** was able to far outperform the market growth and thus further expand its market share. The acquisition of Immac WStore contributed a further EUR 166 million, or 15.7%, to sales. While the EBITDA margin was maintained, the EBT margin was slightly below the previous year due to the purchase price allocation for Immac WStore. For 2019, Bechtle expects revenue and EBIT growth of over 10%, including acquisitions, with a margin at least at the previous year's level (4.5%). Following the strong sales growth of recent years, **SAF Holland** plans to focus on profitability growth and cash generation. 2019 should be a year of transition. The new CEO Alexander Geis plans to achieve a significant EBIT margin improvement in North America by focusing on the secondary market (service and retrofitting), but at the same time the expansion of additional capacity in China is to be completed by the end of 2019. Overall, the aim is to increase the EBIT margin from 6.8% to 7-8%. **Cassiopea** has announced that the second "Safety" study for Winlevi acne cream has also been completed with positive results. The data set for submission to the US FDA is now complete. The product is expected to be launched in mid-2020 and has great potential as a proven acne ointment with no side effects. The second product, Breezula (hair loss), is expected to complete a Phase II trial in mid-year. The results of the Italian power producer **Enel** are in line with expectations with EBITDA growth of 4% to EUR 16.2 billion and net profit of 9% to EUR 4.1 billion. The main driver of this growth was the expansion of additional production capacity in the renewable energy sector by 3 GW to 43 GW and the expansion of the network. Profitability was also increased by reducing production costs. The targets for 2019-21 were also confirmed.

Facts

Domicile of Fund:	Switzerland
Fund Management Company:	LLB Swiss Investment Ltd, Zurich
Custodian Bank:	Frankfurter Bankgesellschaft, Zurich
Investment Manager:	AMG Fondsverwaltung AG, Zug +41 41 726 71 71, www.amg.ch
Launch date:	01.04.2007
ISIN:	CH0027940730 (A) / CH0048476664 (B) CH0297417534 (C)
Distributions:	Dividend & Capital Gain distributing (A + C) Dividend distributing only (B)
Subscription / Redemption:	Daily / no fees
Performance Fee:	none
Management Fee:	1.0% (A + C); 1.5% (B)
TER (31.12.2018):	1.27% (A); 1.77% (B); 1.26% (C)
Tax transparency:	Switzerland, Austria
Tax Status Germany:	Equity Fund within the meaning of the German investment tax law (InvStG) with part. release
Licensed for public distribution:	Switzerland, Germany

Breakdown by Currencies

EUR	82.7%	CHF	9.6%
DKK	5.0%	NOK	2.7%

Distributions

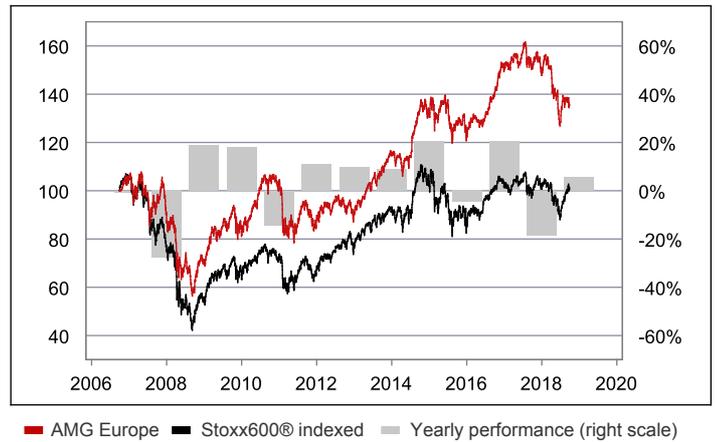
22.03.2010	Dividend	EUR 1.97
12.03.2013	Dividend	EUR 2.00
18.03.2015	Dividend	EUR 1.40

Key Figures

Net Asset Value (Tranche A):	EUR 128.54
Number of Shares Issued:	371'172
Net Asset Value (Tranche B):	EUR 123.21
Number of Shares Issued:	55'351
Net Asset Value (Tranche C, CHF-hedged):	CHF 137.26
Number of Shares Issued:	209'308
Total Net Asset Value:	EUR 80.2 Mio.

Performance - Tranche A (Distributions included)

	1 Month	3 Months	12 Months	3 Years*	5 Years*	since inception*
Fund	-1.2%	5.7%	-10.4%	1.8%	4.4%	2.6%
Stoxx600®	1.7%	12.3%	2.2%	4.0%	2.5%	0.1%
						*p.a.
	2019	2018	2017	2016	2015	since inception
Fund	5.7%	-18.6%	20.3%	-4.6%	20.6%	35.8%
Stoxx600®	12.3%	-13.2%	7.7%	-1.2%	6.8%	1.3%



Please find the detailed overview under www.amg.ch

Risk Ratios (rolling over the last 3 Years)

Volatility (p.a.):	9.6%
Sharpe Ratio (-0.41% Risk Free Rate):	0.26
Beta (vs. Stoxx600®):	0.64

Breakdown by Sectors

Health Care	22.8%
Industry	20.7%
Basic Materials	16.7%
Consumer Disc.	11.7%
Utilities	5.4%
Financials	5.3%
Consumer Staples	3.9%
Communication	3.0%
Technology	3.0%
Cash	7.5%

Exposure

Long Position:	92.4%
Hedge Position:	20.9%
Net Position:	71.5%
Absolut Position:	113.2%

Largest Positions

