

## Fund Fact Sheet

30 June 2015

GBP Class I Inc  
 ISIN: IE00BQLDRR58



### NAV per Share

GBP Class I Inc £11.64

### Fund Particulars

Fund Size	£9.6m
Base Currency	GBP
Denominations	GBP / EUR / USD
Fund Structure	Open-ended UCITS
Domicile	Dublin
Listing	Irish Stock Exchange
Launch Date	29 September 2014
Management	Polar Capital LLP

### Index

3 Month GBP LIBOR

### Fund Manager



**Guy Rushton**  
**Fund Manager**

Guy has managed the Fund since launch, he joined Polar Capital in 2014 and has 8 years of industry experience.

## Fund Profile

### Investment Objective

The Fund aims to achieve a positive absolute return on a 12-month rolling basis<sup>1</sup> by investing predominantly in UK companies and, to a lesser degree, in European and global equities.

### Key Facts

- Seeks inflection points in corporate prospects
- All-cap bias
- Typically 40-60 stocks (long and short)
- No benchmark or tracking error constraints
- Fundamentally-driven analysis and stock selection

## Performance Since Launch

### GBP Class I Inc (%)



	1 m	3 m	YTD	1 yr	3 yrs	5 yrs	Ann.	Cum.
■ GBP Class I Inc	2.02	8.68	6.79	-	-	-	-	16.40

### Monthly Returns - GBP Class I Inc (%)<sup>2</sup>

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Return
2015	0.92	-4.18	1.61	1.68	4.78	2.02	-	-	-	-	-	-	6.79
2014									0.00	1.20	1.78	5.83	9.00

Source: Northern Trust International Fund Administration Services (Ireland) Ltd, monthly percentage growth, GBP, net of fees. The GBP Class I Inc was launched on 29 September 2014. The index performance figures are sourced from Bloomberg and are in GBP terms. Past performance is not indicative or a guarantee of future results.

### Risk / Return Since Inception

Best Month (%)	5.83
Worst Month (%)	-4.18
Positive Months (%)	88.89

### Awards & Ratings



1. Capital is at risk and there is no guarantee that a positive return will be delivered over any one or a number of twelve-month periods.

2. Please note the September 2014 performance figure is calculated from launch to 30 September 2014.

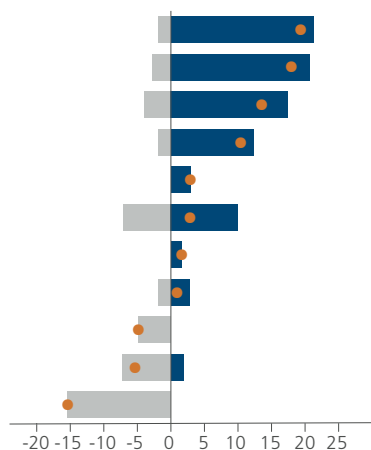
# Polar Capital Funds plc - UK Absolute Equity Fund

## Portfolio Exposure & Attribution

As at 30 June 2015

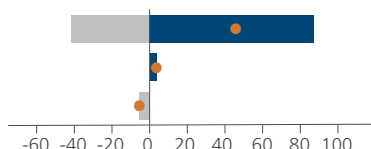
### Sector Exposure - Top Long & Short (%)

	Long	Short	Net
Healthcare	21.2	-1.9	19.4
Consumer Discretionary	20.7	-2.8	18.0
Financials	17.5	-3.9	13.6
Information Technology	12.3	-1.9	10.4
Telecommunication Services	2.9	0.0	2.9
Industrials	10.0	-7.1	2.9
Utilities	1.6	0.0	1.6
Energy	2.8	-1.8	1.0
Consumer Staples	0.0	-4.8	-4.8
Materials	1.8	-7.2	-5.3
Index Future	0.0	-15.4	-15.4



### Geographic Exposure - Top Long & Short (%)

	Long	Short	Net
UK	87.2	-41.4	45.8
US & Canada	3.7	0.0	3.7
Europe (ex UK)	0.0	-5.4	-5.4



### Performance Attribution - 1 Month (%)

Long Positions	-0.78
Short Positions	2.80

Performance attribution is calculated in GBP.

### Top 5 Long Positions (%)

Regus	5.6
Mothercare	5.0
EMIS Group	4.4
Aldermore Group	4.3
JD Sports Fashion	4.2

**Total** **23.5**

**Total Number of Positions** **52**

Long	32
Short	20

### Market Capitalisation Exposure (%)

Large (>£3bn)	30.5
Medium (£500m to £3bn)	49.4
Small (<£500m)	20.1

### Capital Structure (%)

Long	90.9
Short	-46.8
Gross	137.7
Net	44.1

## Share Class Information

### Codes & Fees

Share Class	Bloomberg	ISIN	SEDOL	Annual Fee
GBP Class R Inc	PUKAERS ID	IE00BQLDRN11	BQLDRN1	1.50%
USD Class R Inc	PUKAERU ID	IE00BQLDRP35	BQLDRP3	1.50%
USD Class R Inc (Hedged)	PUKARHU ID	IE00BQLDS161	BQLDS16	1.50%
EUR Class R Inc	PUKAERE ID	IE00BQLDRQ42	BQLDRQ4	1.50%
EUR Class R Inc (Hedged)	PUKARHE ID	IE00BQLDS054	BQLDS05	1.50%
GBP Class I Inc	PUKAEIS ID	IE00BQLDRR58	BQLDRR5	1.00%
USD Class I Inc	PUKAEIU ID	IE00BQLDRS65	BQLDRS6	1.00%
USD Class I Inc (Hedged)	PUKAIHU ID	IE00BQLDRY26	BQLDRY2	1.00%
EUR Class I Inc	PUKAEIE ID	IE00BQLDRT72	BQLDRT7	1.00%
EUR Class I Inc (Hedged)	PUKAIHE ID	IE00BQLDRZ33	BQLDRZ3	1.00%

**Performance Fee** 20.00% (subject to a hurdle rate and High Water Mark).

### Dealing & Administrator Details

Northern Trust International Fund  
Administration Services (Ireland) Ltd

**Telephone** +353 1 434 5007

**Fax** +353 1 542 2889

**Dealing** Daily

**Cut-off** 11:59.59 Dublin time

Note: Totals may not sum due to rounding. It should not be assumed that recommendations made in future will be profitable or will equal performance of the securities in this document. A list of all recommendations made since the launch of the fund is available upon request.

## Fund Managers Comments

As at 30 June 2015

The Fund rose +2.02% (1 GBP share class) in June, on a gross basis the long book cost -0.78% and the short book contributed 2.80%. The FTSE All Share Index (ASX) fell 6% during this period. The key drivers of the short book were short positions in a financial services company (+0.29%), an internet retailer (-0.23%), a European medtech company (+0.23%), a support services company (+0.23%) and index futures (+1.2%). On the long book the key positives were: Aldermore, a UK 'challenger' bank, which rose 16% (+0.66%); First Derivatives, which rose following a positive trading update (+0.45%); and JD Sports (+0.45%). The key long book losing positions were Foxtons (-0.46%) which gave back some of their post-election gains and so we sold the position, and Betfair (-0.32%), where we continue to reduce our position following the 100% rise in the shares this year.

The Fund initiated a position in clothing company SuperGroup in May, and continued to add to the shares in June. At our initial entry point the shares traded at a 6.5% 2016 FCF yield and 17x P/E (consensus), but we see potential for significant upgrades through 2016 as consensus FY15E like-for-like (LFL) sales growth of 3% looks potentially too low especially given Q4'2014 LFL sales accelerated to +13%. Former Co-operative Group boss Euan Sutherland joined as CEO in October 2014, replacing founder Julian Dunkerton, who is moving to a more product-focused role. We believe this management change could potentially be quite positive for SuperGroup, with the strategy presentation in March 2015 highlighting new growth areas such as geographic expansion (US and China) and product expansion (jeans and sportswear), as well as improving existing operations, particularly product buying (increased direct sourcing, more efficient product ordering), which should benefit gross margins and at least offset FX headwinds.

Elsewhere, we reduced overall risk given Greek uncertainty (and no insight into the likely outcome) ending the period with a gross of 137% and a net of +4% (beta adjusted) and added to our industrial commodity short positions as Chinese demand worsened. In addition, the USD correction and emerging markets rally (both of which contributed to the rebound in commodities in Q2) looked to have ended, suggesting a re-emergence of pressure on commodities is likely as the negative structural drivers (oversupply, demand decreasing, deflation in cost curves) remain deeply embedded. We also re-established a position in IAG following the 15% fall in the shares since we sold the position in April.

**Guy Rushton**

7 July 2015

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# Polar Capital Funds plc - UK Absolute Equity Fund

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