

EQUITY FUNDS AT A GLANCE

Hidden global market leaders



FOCUS I: A large number of companies are available for selection in the small and mid caps segment. Over 90% of European companies are small- and medium-sized, with a high proportion of their shares often held by their managers and founders.

FOCUS II: Smaller companies receive significantly less attention from external analysts. However, this segment is home to numerous hidden fast-growing global market leaders (known as hidden champions).

FOCUS III: In the long term, small and mid caps perform considerably better than large caps. The relative performance (PR) of the MSCI Europe Small Cap corresponds to 236% (compared with the MSCI Europe Large Cap, measured from 01.01.1997 to 31.12.2019).



PETER KRAUS
Head of Small Cap Equities

SMALL AND MID CAPS IN EUROPE – STRONG MOMENTUM OVERSHADOWED BY MARKET GIANTS:

% of the number of listed European shares:



% of market capitalisation:



Micro Caps	Small Caps II	Small Caps I	Mid Caps	Large Caps
(\leq EUR 500 million)	(EUR 500 million – EUR 1 billion)	(EUR 1–5 billion)	(EUR 5–10 billion)	($>$ EUR 10 billion)
80.9% of companies	5.2% of companies	8.4% of companies	2.5% of companies	3.1% of companies
3.2% of market cap	2.6% of market cap	13.5% of market cap	11.5% of market cap	69.1% of market cap

BERENBERG EUROPEAN SMALL CAP

European small caps (market capitalisation below EUR 5 billion)

- Small cap approach (70–90 stocks)
- MSCI Europe Small Cap benchmark
- Fund size of EUR 316.7 million

+29.4%
active alpha since launch

(Share class M; 12-month active alpha: 20.0% 05/19-05/20, 5.5% 05/18-05/19, 2.9% 10/17-05/18)

BERENBERG EUROPEAN MICRO CAP

European micro caps (market capitalisation below EUR 1 billion)

- Micro cap approach (90–120 stocks)
- MSCI Europe Micro Cap benchmark
- Fund size of EUR 453.8 million

+24.8%
active alpha since launch

(Share class M; 12-month active alpha: 13.4% 05/19-05/20, 2.7% 05/18-05/19, 8.7% 10/17-05/18)



FUND AWARD 2019



Peter Kraus, CFA, has been Head of Small Cap Equities at Berenberg since October 2017. He began his career in 2000 as an equity analyst for a corporate finance consultancy in Munich, before working at Deka Investment and Allianz Global Investors. He is known for his stock picking skills, which he has successfully demonstrated over many years, especially in European micro cap products.

Peter Kraus is personally invested in the funds he manages.

Read more:

www.berenberg.de/fund-disclosure

Investment performance and the performance of a fund manager can be assessed on the basis of relative performance ("alpha"). This refers to the performance of the fund compared with the benchmark. Active fund management aims to identify the most promising companies in a defined market field, to increase their involvement in the fund and thus to achieve a better performance than standard benchmarks (e.g. indices and competitors). Please note that performance may deviate both positively and negatively from the benchmark. Past performance is not a reliable indicator of future performance. Source: Berenberg, management company; reporting as at 31.05.2020.

THE BERENBERG EQUITY FUND MANAGEMENT INVESTMENT APPROACH

Consistently active

We focus unwaveringly on investing in companies with a long-term horizon in mind. All of our investments are based on comprehensive analyses and close interaction with members of these companies' top management. We are twelve portfolio managers with longstanding experience in equities managing eight funds.

STRINGENT PHILOSOPHY

- Active management approach independent of benchmark indices
- Disciplined buy-and-hold approach
- Adherence with ESG and sustainability standards

BERENBERG EQUITY EXPERTISE

- Proven expertise in companies of all market caps
- Tried-and-tested "growth/quality" investment concept
- Excellent performance results and highly experienced team
- Concentrated portfolios



INVESTMENT FOCUS

- High-quality companies with + high organic growth rates
- + robust balance sheets
- + outstanding profitability
- + strong competitive position
- Long-term structural growth drivers

Asset Management by Berenberg
BECAUSE WE'VE BEEN HERE SINCE SHARES HAVE.



BERENBERG
 PARTNERSHIP SINCE 1590

BERENBERG EUROPEAN SMALL CAP

WKN: A2DVQD (Retail)
 A2DVQE (Institutional)

BERENBERG EUROPEAN MICRO CAP

WKN: A2DVQA (Retail)
 A2DVQB (Institutional)

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 Date: May 2020



European Equities

MATTHIAS BORN
 Fund Manager



Small and Micro Cap Equities

PETER KRAUS
 Fund Manager



German Equities

ANDREAS STROBL
 Fund Manager



ESG Equities

BERND DEEKEN
 Fund Manager



Global Equities

MARTIN HERMANN
 Fund Manager

OPPORTUNITIES

- Potential for high returns on equity in the long term
- Above-average growth equity performance at times
- Possibility of additional returns through single-stock analyses and active management

RISKS

- Equity is highly susceptible to fluctuations, possibility of losses from exchange rate fluctuation
- Shares in funds may fall below the price at which the customer purchased the share
- Possibility of below-average growth equity performance at times
- No guarantee that single-stock analyses and active management will be successful