

**WHAT
WE
STAND FOR**

WE MANAGE YOUR MONEY
AS IF IT WAS OUR OWN



DJE KAPITAL AG (DJE) is among Germany's most experienced asset managers, with a passion for investing matched by few. A passion for observing markets. For monitoring and understanding trends. For analysing capital flows and the impact of monetary policies. For managing the money entrusted to us by our clients.

OUR PASSION for investing drives us. It drives our appetite for market knowledge, balanced with the prudent caution taught by decades of experience, guiding our decisions and our investing instincts – and giving us the confidence to react quickly to fast-changing developments.





» WHAT WE HAVE BEEN DOING FOR OVER 40 YEARS STANDS OUT FROM ALL OTHER ASSET MANAGERS «

DR. JENS EHRHARDT

Founder & Chief Executive Officer

When it comes to asset managers, it is the difficult market phases that separate the wheat from the chaff. Over its 40 years as an owner-managed investment boutique, DJE has proven time and again that it stands for stability and steady performance, particularly in tough markets.

How have we managed to achieve what others have not? Firstly, there is our unique and proprietary FMM investment methodology, which has evolved over these 40 years, and which we continue to relentlessly improve. FMM is the foundation of all our investment decisions, and we believe it is second to none.

Secondly, it is our people. With their knowledge and experience, with their continuity and their commitment, we know of no investment manager with staff more passionate than ours about serving clients and managing their money.

Despite all of the technology in today's fast-moving investing world, and all of the "science" of algorithmic investing, success continues to be determined by the ability to make sound investing decisions based on creative thought, and the willingness to constantly question and re-question these.

This is how we have succeeded for over 40 years: by monitoring the tides of the markets, and fearlessly swimming against them at the right moments. Because as the old investing adage goes, "the trend is your friend" – until it turns on you.

» WE DO OUR WORK MORE METICULOUSLY THAN OTHERS. AND MORE **INNOVATIVELY** «

DR. JAN EHRHARDT

Deputy CEO

Since its original founding, DJE has demonstrated again and again its extraordinary feel for the markets. And over these four decades, we have developed a unique and innovative methodology that allows us to systematically search through our investment universe for the opportunities that are, in our view, most promising.

Over these decades, we have developed and tested and relentlessly improved our **three-dimensional FMM analysis methodology**. More recently, we have migrated this time-tested methodology to an advanced, fully digital platform. Today, our proprietary FMM database contains thousands of different economic and market parameters which are updated and re-evaluated daily.

Needless to say, these include financials and “hard” data. But we also look at numerous other indicators, such as measures of market sentiment. And we rely upon face-to-face meetings with key companies to form our own picture of management, market environment and strategy.

Thus, we look at both the forest and the trees. We assess the “big picture” of the markets but also the fine details of each individual stock. We rely upon our own in-house research, which is highly innovative but also firmly based upon traditional, nuts-and-bolts analysis. It is the sum of the pieces that gives us confidence in our decisions.

Traditional investing in the digital age? We believe we have found the right balance, combining the investing approach which has served us and our clients so well for over 40 years, and our proven feel for the markets, with the power of today’s technology.





THE RIGHT STRATEGY FOR EVERY NEED

With our staff of approx. 125, we manage total assets of more than EUR 12 billion for a broad range of investors. DJE Kapital is one of the leading independent investment boutiques in the German-speaking world, providing not only its fund offerings but also professional **asset management** for institutional clients, **individual wealth management** for high-net-worth clients, and **online wealth management** for private investors.

OUR BUSINESS AREAS



DIFFERENT PRODUCT OFFERINGS, ONE INVESTMENT PHILOSOPHY

WHY FOLLOW THE HERD?

Our motto is: “Follow the trend – and do the opposite of what everyone else does.” At first glance, this might seem contradictory, but it isn't. It means that one follows the trend as long as the trend reflects the prevailing market winds. But the moment that key market signals begin to flash, the successful investors must be ready to move against the herd, selling even as lofty markets continue to tick higher, or buying up countercyclically as markets drop to new lows. Our proprietary FMM investment methodology provides us with the needed market insights, which we follow rigorously and unemotionally, taking our investment decisions according to the results of our analysis.

INDEPENDENT OF BENCHMARKS

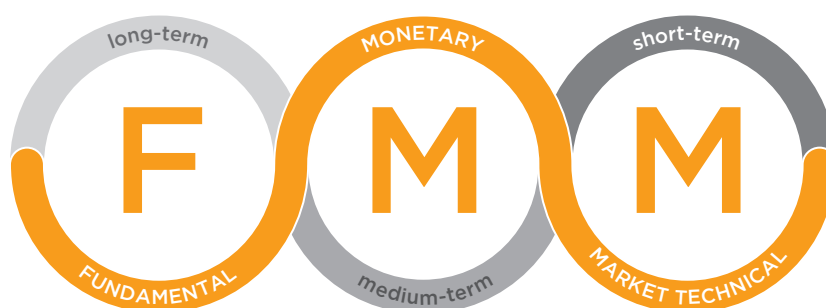
Through our unique FMM methodology, we are able to offer the benefits of active fund management based on our own in-house research along with timely, responsive investment decisions, particularly in changing markets.

Because of our investment approach, and the flexibility which it demands in terms of investment allocation and selection, we are not tied to any particular index or benchmark. Our portfolio weightings of industries, geographical regions, or individual securities may therefore differ considerably from typical benchmarks. In contrast, benchmark-managed funds and passive investment products (such as ETFs) cannot take advantage of this flexibility. Moreover, our flexibility to hold cash positions may provide a significant tactical advantage, particularly in difficult market phases.

OUR THREE DIMENSIONS OF ANALYSIS: FMM

A METHODOLOGY FOR SUCCESS

Our FMM investment methodology, with its roots long ago in the doctoral thesis of Dr. Jens Ehrhardt, remains the heart and soul of our investment philosophy today. It is based upon the important insight that it is not only fundamental factors, such as overall market valuation and company analysis, which drive market prices influence price performance, but also monetary and internal market factors. The investment decisions which we take are firmly grounded in FMM, and it is the rigorous application of this time-tested methodology which has made our superb track record possible.



Business and economic fundamentals

We closely monitor not only the key financial figures of numerous companies but also economic data from the world's key economies.

Monetary environment

We keep a close watch on measures of market liquidity, such as money supply statistics, inflation, interest rates and bank lending. In this way we can assess the context and direction of market demand for equities.

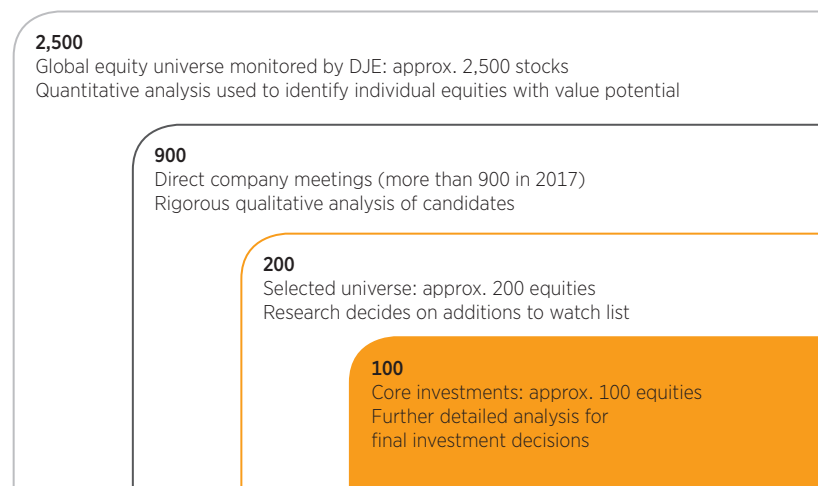
Market sentiment

It is a fact that investor emotions drive market trading. For this reason, we also play close attention to various measures of market sentiment, so that we can take timely action as sentiment turns.

IN-DEPTH COMPANY ANALYSIS

Using our FMM methodology, we are also able to observe and assess specific market opportunities involving specific companies. Our independent in-house research team is able to do its work free of any conflicts of interest, and free of any guidelines imposed by a parent company. Through a rigorous multi-stage selection process, we filter our universe of stocks on the basis of financial performance and long-term investment value. Only those stocks which meet these strict selection criteria make it to our final investment decision stage.

BOTTOM-UP STOCK SELECTION PROCESS



Source: DJE. For illustrative purposes only.

MORE THAN 900 COMPANY MEETINGS PER YEAR

Before investing in a company, we carefully consider management quality: Does the company's management have the requisite experience? Does it bring a proven track record, particularly in times of crisis? In assessing management quality, we visit our target companies and talk directly to the key managers. These candid conversations often yield an added bonus: new investment ideas, which may even be in different industries or markets.



The international financial markets are becoming ever more complex. Economic and political conditions may likewise change rapidly. As challenging as it may be, successful asset management requires a firm grasp of this environment, as a whole and as individual investment factors. From tens of thousands of potential companies and securities, the successful investment manager must be able to filter out the most promising opportunities.

It is for this reason that we made the decision long ago to rely upon our own in-house research, which has been the foundation of our success. We analyse quantitative and qualitative criteria – rigorously, consistently and systematically. Our research staff is well-trained and brings a lot of experience as well as a healthy dose of creativity. With

» WE KNOW MORE BECAUSE WE DO THE RESEARCH WORK OURSELVES «

FLORIAN BOHNET

Head of Research & Portfolio Management

their skills and expertise, our team is then able to apply our FMM methodology in order to consider the impact of important fundamental, monetary and market factors.

For investors to be successful in the long term, they cannot simply follow the herd; they must make independent investment decisions based upon their convictions. With this in mind, we give our research team a lot of freedom to propose new investment ideas – free from parent company influence, and with only one interest in mind: that of the client.

RESEARCH WITH A PERSONAL TOUCH

Our research team covers more than 900 companies per year, including face-to-face contacts with company management. Through this direct interaction, preferably at company premises, we are able to gain a deeper understanding of the company and its strategy, its strengths and weaknesses, and its market and business environment.

» OUR PHILOSOPHY IN WEALTH MANAGEMENT IS SIMPLE: OUR CLIENTS SHOULD BE SATISFIED «

PETRA RUFFINI

Client Advisor, Wealth Management

We treat the money which we manage as if it was our own. We are keenly aware of the trust which you, as our client, have placed in us, and our central guiding objective is to protect and increase your wealth.

We tailor our wealth management services to your individual needs. In an initial joint discussion, we agree upon the investment objectives and parameters which reflect your personal circumstances. Whatever we decide together with you, our investment approach always emphasizes capital preservation, and you, as our client, can always count upon the experience, expertise and continuity of our team, along with its independence from outside influences.

As a founding member of the German Association of Independent Asset Managers (VuV), DJE is strongly committed to the principle of making investment decisions solely in the interests of our clients. Through our independence, our reliability and the proven quality of our work, we have laid a sound long-term foundation for investment performance. This is likewise reflected in the awards and recognition which we regularly receive, year after year.

We offer the following services:

- Individual wealth management for high-net-worth clients (EUR 500,000 or more)
- Solidvest online wealth management for private clients (EUR 25,000 or more)





» OUR INSTITUTIONAL BUSINESS IN THREE WORDS: MADE TO MEASURE «

DR. ULRICH KAFFARNIK

Member of the Executive Board

As an institutional investor, you have clear expectations: the best possible returns balanced against preservation of invested capital, with liquidity ensured at all times.

For many years DJE has been an attractive partner to our institutional clients seeking tailored solutions. Our active asset management approach and investment methodology adjust portfolio allocations quickly with changing market conditions, thereby allowing us to deliver an impressive record of consistent returns with low volatility, year after year. Through our independent in-house research, we are able to detect and act on market trends at an early stage. Moreover, our flexible portfolio management is able to accommodate a wide range of investment guidelines and parameters.

Whether you're looking for a sub-manager or an advisor, a white-label fund or full asset management services for your institution, DJE is a professional asset manager which can meet your specific needs. Your expectations are clear, and we are committed to help you achieve them.

Our offerings for institutional clients cover a broad range, including:

- Institutional asset management
- Advisory mandates
- Restricted institutional funds (Spezialfonds) tailored to exact requirements
- White-label funds
- Special fund share classes for institutional clients

» IN MANAGING OUR FUNDS, 'GOOD' IS NEVER GOOD ENOUGH «

STEFAN BREINTNER

Deputy Head of Research & Portfolio Management

DJE's proprietary FMM methodology forms the basis for our entire fund range – and in fact, it provided the name for the Germany's first bank-independent asset management fund, the FMM Fund. Since the launch of this first publicly offered fund in 1987, our fund family has steadily grown to the 25 or so retail funds which we currently offer, which have been recognised with numerous awards and star-ratings from independent fund rating agencies. Our funds invest in the most important and attractive markets around the globe, including global, regional and theme-driven equity strategies, bond funds and money market funds, and mixed or “balanced” funds providing flexible allocations to different asset classes.





Solidvest is DJE's online wealth management service for private clients. Through Solidvest, you can enjoy the benefits of professional wealth management with an initial investment of as low as EUR 25,000. The digitized investment process is straightforward: depending on your individual risk appetite and investment horizon, you can design your own target portfolio, with stock and bond weightings appropriate to you.

» WITH **SOLIDVEST**, YOU CAN
BE A CLIENT OF ONE OF
GERMANY'S BEST INDEPENDENT
ASSET MANAGERS – STARTING
FROM JUST EUR 25,000«

MICHAEL-PHILIP MÜLLER
Co-Head of Solidvest

KLAUS PFALLER
Head of Solidvest

Our team of experts will then take it from there, selecting individual stocks for you and actively managing your investment portfolio, adjusting it regularly according to market conditions. Through your online account access, you can view your account holdings and investment activity at any time, in as much detail as you want. Solidvest combines the benefits of online technology with the experience and expertise of DJE, one of Germany's top independent wealth managers.

FOR THOSE WHO WANT TO KNOW SOME OF **THE FINER DETAILS**

OUR HISTORY

- 1974** | Dr. Jens Ehrhart completes his doctoral thesis on “The factors influencing stock market prices with particular consideration of monetary determinants”. He goes on to found his own asset management firm: “Dr. Jens Ehrhardt Vermögensverwaltung”.
- 1987** | Launch of Germany’s first asset manager fund for retail investors, the FMM Fund, serving as investment advisor in cooperation with Frankfurt Trust (now ODDO BHF Asset Management).
- 1995** | Launch of Astra Fund in cooperation with Franken Invest (now administered by DWS, with DJE Kapital AG continuing to serve as investment advisor).
- 2001** | Founding of Swiss subsidiary (Dr. Jens Ehrhardt Finanz AG) in Zurich.
- 2002** | Founding of fund subsidiary (DJE Investment S.A.) in Luxembourg.
- 2004** | Launch of Tri Style Fund as first multi-asset-class “super fund” registered for distribution in Germany, with Dr. Jens Ehrhardt Kapital AG as initiator and fund manager.
- 2005** | Awarded the top grade of “Summa cum laude” in a special report “Elite of the Asset Managers” in “Welt am Sonntag”, one of Germany’s most renowned Sunday newspapers.
- 2006** | Named “Fund Manager of the Year” by “Euro”, one of Germany’s leading financial magazines. Opening of branch office in Frankfurt.
- 2008** | Opening of branch office in Cologne.
- 2009** | Approval obtained to distribute core offering of DJE funds in Switzerland.
- 2010** | Executive Board of DJE Kapital AG is expanded to include three additional members, thereby establishing a strong, long-term foundation for the firm’s continued success as an independent, family-managed investment boutique.
- 2013** | The DJE – Dividende & Substanz fund, managed by Dr. Jan Ehrhardt, celebrates its ten-year anniversary.
- 2015** | Dr. Jan Ehrhardt, son of founder Dr. Jens Ehrhardt, is appointed by the Supervisory Board as Deputy CEO of DJE Kapital AG.
- 2017** | With its launch of Solidvest, DJE Kapital AG creates Germany’s first online wealth management service investing in individual securities.

FACTS AND FIGURES

- Total assets of more EUR 12 billion managed by a staff of approx. 125 (as of 30 November 2018)
- Roughly one fifth of total assets in DJE's Wealth Management business, with remaining four fifths managed in approx. 120 different DJE funds and fund tranches.
- Management of restricted institutional funds (Spezialfonds) for numerous renowned institutional investors, including banks, insurance companies, associations, religious institutions, and retirement funds.
- Proximity to clients throughout the German-speaking world, with headquarters in Pullach in the suburbs of Munich, a Luxembourg-based fund subsidiary, a Swiss subsidiary in Zurich, and branch offices in Cologne and Frankfurt.
- One of Germany's oldest and largest independent, non-bank-affiliated financial service providers.
- Superior long-term performance of funds over many years, with top rankings in various fund categories.
- Awards, star-ratings and other recognition from renowned independent fund rating agencies, fund research firms and business and financial media, year after year after year, attesting to DJE's long-time leading position in the asset management and fund management industry.

WE ARE ALWAYS AT YOUR SERVICE

In addition to our headquarters in Pullach, in the suburbs of Munich, we also have offices in Luxembourg, Zurich, Cologne and Frankfurt. We look forward to your visit.

OFFICE LOCATIONS

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Legal notice

The information contained within this document does not constitute investment advice but rather serves to generally describe the services offered by DJE Kapital AG. The information herein serves solely as background information and cannot replace the advice and explanation provided by a professional investment advisor, which is the responsibility of the recipient to obtain, nor is the information herein suitable or adequate to properly present the opportunities and risks of the specific products and services offered by DJE Group. All statements within this document have been made with care and to the best of our knowledge, and based upon the information available at the time of preparation. Despite the care taken in its preparation, there may be subsequent changes to data which are not reflected herein.

A decision to invest in a fund may only be taken upon the basis of the fund's current sales prospectus and key information document (KID), along with the most recent audited annual report and any subsequent interim reports, which are the sole legally binding documents upon the basis of which such an investment decision may be taken. The aforementioned documents may be obtained without cost from DJE Kapital AG, DJE Investment S.A. or DJE Finanz AG (as applicable), or in electronic form at www.dje.de. The sales documents for the FMM Fund may also be obtained without cost from ODDO BHF Asset Management (www.am.oddo-bhf.com).

Securities and other financial instruments are subject, among other factors, to price fluctuations and currency exposures which may increase or reduce investment returns. The risk of loss of invested capital cannot be excluded. Neither long-term experience nor awards and other public recognition are any guarantee of future investing success.

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Explanations of certain investment terminology may be found in our online glossary:
www.dje.de/DE_de/fonds/fondswissen/glossar

