EQUAM Global Value Fund
Quarterly Report March 2016
We bought with courage when prices fell.

The beginning of 2016 has been one of the worst starts to the year on record, with the Eurostoxx 50 falling up to 29% from 52 week highs last April and 15% year to date.

We have taken advantage of this market weakness to invest in several companies that we had been analyzing for some time and to reinforce our investments in those companies of the portfolio most penalized by the market, increasing the investment level of the fund from 72% to 89%.

We are concentrating all our efforts on the analysis of European Small & Midcaps, where we believe there are very attractive opportunities.

Incometric Fund - EQUAM Global Value is a mutual fund managed with a value investing methodology. We intend to compound our capital through long-term investment in companies with solid businesses that we can acquire at a discount to their Intrinsic Value. We also seek to protect our capital investing only in situations where the risk of permanent capital loss is low. We do not aim to second-guess short term market movements but rather acquire interests in sound businesses at excellent prices.

The Fund has an unconstrained mandate that allows us to deploy capital in companies active in regions and sectors where we can find the best investment opportunities. However, we are currently focusing our idea generation efforts in the European Small & Mid Cap arena.

We, the General Partners have invested the majority of our net worth in the fund and our interests are entirely aligned with those of our partners and co-investors.

EQUAM Global Value is a UCITS IV vehicle and can be invested into throughout most leading financial intermediaries using AllFunds, Fundsettle and other platforms.

We bought with courage when prices fell.

We want to buy good businesses when others sell in panic.

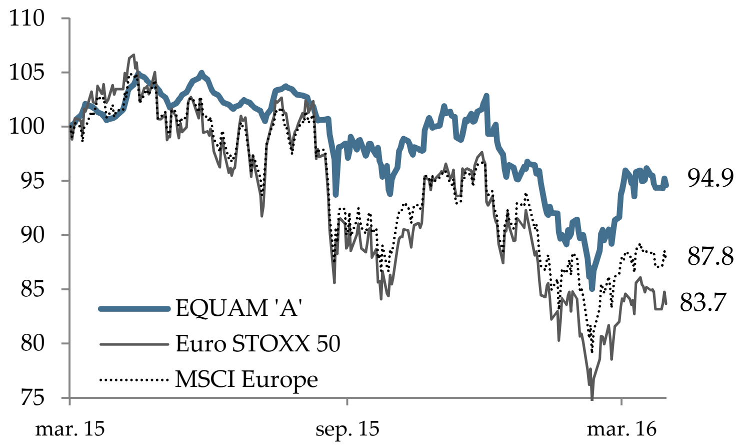
The beginning of the year has been one of the worst on record and most indices have posted significant falls.

We are constantly searching for opportunities to buy good business at very good prices so, for us, these panic situations are unique opportunities to invest. And that's what we have done. We have invested in several companies that we had been analyzing for some time when they began to trade at attractive valuations. At the end of last year we had invested 72% of the fund and finished the quarter at 89%.

We believe that both the quality of our businesses and the fact that we have acquired them at a time of extreme pessimism, have contributed to our good relative performance in the short term. Year to date the fund fell by 1.7%, which is 6.3 points better than the Eurostoxx 50 and 3.9 better than MSCI Europe. Since March 2015, the time when we had invested the majority of our fund, it has outperformed the Eurostoxx 50 by 12.8 points and the MSCI Europe by 7.1%, with a much lower volatility.

The performance of our fund should be judged after a longer period of 3 to 5 years, but this positive performance reinforces our resolve to apply our investment method with discipline and courage.

EQUAM & European indexes since March 2015 (base 100)



To buy when others are selling in a panic situation requires a strong conviction but offers the best returns over the long run. At EQUAM we believe that this conviction is only gained after a thorough understanding of the asset and the exclusion of certain investments that do not meet the safety standards that minimize risks. We want to buy good businesses when they are sold cheap.

Good investment opportunities occur only occasionally.

However, it is only occasionally that investments which meet all our criteria to minimize risks – a stable and predictable business, reasonable leverage, good management and low valuation – are available, so we normally have to compromise on something. The variable we are less inclined to compromising on is valuation, and that is why we found it difficult to invest the fund in 2015. The market is not as inefficient as we would like it to be, and good companies normally trade at prices near to their intrinsic value, (±15%).

The best buying opportunities, those in which good businesses can be bought at a relevant discount to our estimate of intrinsic value, are normally found either in panic situations (general or specific of a company or sector) or in neglected companies that have been forgotten by the investment community. When these circumstances arise and prices offer a sufficient discount, it is mandatory to act decidedly and take advantage of the opportunity.

This is why, the panic situation in January and February has led us to make a large number of investments in companies that we had analyzed in the past and that, due to the fall in prices, could be acquired at a good discount to our valuation.

Panic situations are good to invest, but it is always difficult to make the decision. While prices are falling nobody can call the bottom and until it is reached new investments generate temporary losses. We have to be ready to accept these losses to take advantage of low prices.

We cannot predict the future evolution macroeconomic variables…

In addition to this, the current macroeconomic situation, with extremely high leverage ratios around the world and a credit cycle entering a contractive phase in China, the world's second largest economy, make it even more difficult to assume risks. Nobody knows with certainty what will be the next chapter in the macro situation, and nobody can tell whether China will continue to decelerate or strong growth will resume soon. It is equally impossible to predict how the current leverage and interest rate situation will evolve in the future. We believe that interest rates are too low (even negative) for the current leverage situation, but abnormally low interest rates have prevailed for the last decades across the developed world and it may well be possible that this unbalanced situation continues for several years.

… but we can identify good business and wait until they are cheap.

Instead of focusing on the circumstances that have caused the panic and uncertainty and then trying to predict their future evolution, we are analyzing predictable businesses and trying to buy them when they are cheap. During the panic we have bought what we believe are excellent business at good prices.

We are focusing on European small & mid caps.

As we already said in our previous quarterly report, we have decided to focus our analysis on those mid-sized companies and sectors in which we have some previous experience or those which we can get to understand well, visiting their management teams and getting to know their economic environment. We are concentrating on the European small & mid cap arena, where we can now find very good opportunities and have good insight and experience. For this purpose, during the quarter we have devoted a large part of our time to meet with management teams from several European companies.

Investment report

With an aim to repositioning our portfolio in the European small & mid cap area, we have been reducing our exposure to investments outside Europe. During this first quarter we have sold some of our American investments, taking advantage of their good relative performance and despite the fact that they had not reached our intrinsic value estimate. We have sold our shares in eBay, Paypal, Oracle and Brookfield.

On the other hand, we have included in the portfolio a number of companies that we had been analyzing in the previous years but that only after the current market weakness could be bought at a sufficient discount.

Hunter Douglas is the world leader in window cover manufacturing.

We would like to highlight our new investment in Hunter Douglas, a Dutch listed company that is the world leader in the manufacturing and commercialization of window covers, an oligopolistic market with three large players. No analyst covers this company that has a market capitalization of around 1.5 bn€ and is 80% owned by a family. The fact that the company is listed in the Netherlands in Euros, but reports its accounts in US dollars, has an American name and its main market is the US, may contribute to the lack of attention paid by the market, which lead us to analyze it in detail.

The company's business is highly correlated with the residential cycle – essentially because people buy window covers when they move to a new house – so it suffered for some years after the 2008 financial crisis. The company made an effort to re-arrange its production facilities, reducing its fixed cost base while at the same time increasing its capacity. As a result of this restructuring process, the company has improved its margins and in 2015, with the same turnover achieved in 2011, it has doubled its operating profit.

The housing market has somehow improved from the bottom of the previous crisis, but we believe that there is still some potential to grow, especially in Europe.

In addition to the cyclical housing recovery, Hunter's dominant position gives it certain pricing power and can pass through cost increases, so we believe that both revenues and margins will continue to improve in the coming years.

Hunter has also demonstrated over the years its ability to create value through acquisitions. It usually acquires, in very reasonable terms, smaller fabricators that have a strong local presence, thus improving its competitive position in those markets and its capacity utilization at central factories. Last March, Hunter announced an agreement to buy Levelor, its main competitor in the US. We believe that this transaction, if approved, will improve the company's profitability thanks to cost synergies and the elimination of a relevant competitor.

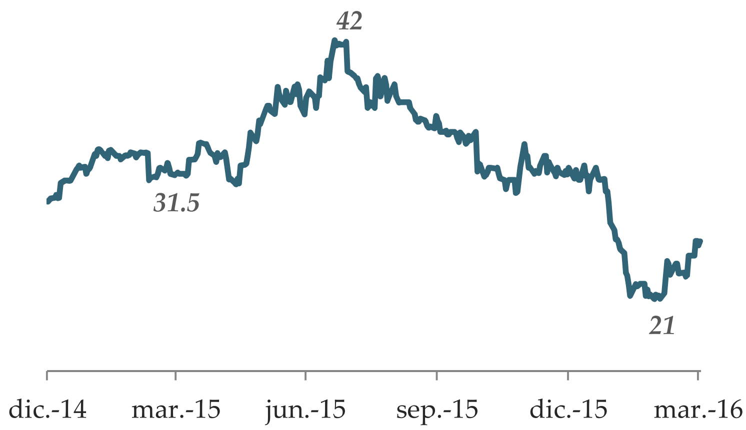
We were surprised when the announcement of this transaction and the presentation of a very good set of results for 2015 had no impact at all on the price of the shares. This apparent disconnection between the evolution of the business and that of its share price is another example of the behavior of neglected and under-researched stocks. We cannot know when the share prices will reflect the underlying value of this business, but we do believe that by buying a growing world leader with a strong balance sheet and good management team, at these valuation levels – FCFy over 10% and EV/EBIT below 7.5x – we are optimizing our potential returns while minimizing the risk of a permanent loss of our capital.

Cegedim shares have fallen by 50% after reporting the same ebitda as the previous year.

Cegedim is another of our investments that deserves a special comment. This company is devoted to the development and commercialization of software for the healthcare sector, including doctors, pharmacies and health insurance companies. We owned Cegedim at the beginning of last year, but sold it only seven months later, after it surged to our intrinsic value estimate.

In a new example of the irrational behavior of share prices and of the opportunities that occasionally appear in small, neglected companies, the share price of Cegedim has in recent months fallen by more than 50% from our selling price. This was in part due to the fact that one of its divisions is transitioning its business model to the cloud and its results have been temporarily depressed. Nevertheless, its operating income for 2015 has only fallen by 6% over the previous year, due to higher depreciation charges. We believe that this reduction in profit cannot justify a 50% reduction of the company's value when the medium and long term prospects are still good and the company has a leading position in a predictable business.

Cegedim share Price evolution in the last 15 months.



Additionally, Cegedim has greatly improved its financial and fiscal situation since we divested our shares in July. The sale of its CRM division has allowed the company to reduce and refinance its liabilities and it will reduce its financial expenses by 90% over the coming year. The sale also generated a tax deductible loss that will reduce its tax bill for several years to come.

As we explained, despite these positive developments, the share price has fallen again well below our intrinsic value estimate, so we have decided to include it again in the portfolio. The company is trading at an 8.3% FCFy (11% after adjusting for new financial costs and the transition to the cloud).

We have invested in several Spanish companies.

We also have to highlight our acquisition of several Spanish companies, which we bought not for our special focus on Spain, but because the greater fall in the Spanish prices offered better opportunities. To the global panic that affected the markets in general, Spain added its own local political uncertainty, compounding the slump and creating what we believe were excellent buying opportunities.

In January and February we bought shares in Acerinox, Abertis, Naturhouse, Applus and Técnicas Reunidas, all of them at times of great pessimism and distress, at very attractive valuations.

In mid-February we bought shares in Acerinox, a company we had owned in the past in our personal portfolios and which we know well, taking advantage of decade low prices. Stainless steel producers around the world are going through difficult times because China has invested heavily in the sector and has generated massive overcapacity. With the deceleration of demand in that country, local producers are trying to channel their production to the rest of the world, thus depressing prices. These circumstances have driven the share price of Acerinox to historically low levels, which we considered attractive considering that together with the negative issues there were also other more positive ones which may lead to some sort of recovery of the sector. Several western countries have decided to introduce anti-dumping measures to stop imports from China, and this will certainly improve the situation in Europe and the USA, regions in which local supply and demand are more properly balanced. European manufacturers have been much more disciplined than their Asian counterparts and have even closed some los making factories.

We bought Acerinox at a valuation which represents 50% of its replacement cost. We believe that a slight recovery in the prices of stainless, once the anti-dumping measures come to effect and the prices of nickel recover levels near its production cost, will also lead to a re-rating of the shares to levels around replacement cost.

We have also increased our exposure to some companies in our portfolio.

We have also maintained a disciplined approach in buying companies within our portfolio whose prices have fallen most in the quarter for temporary reasons. Very often, the best investment opportunities we can find are within our portfolio, when well known companies suffer large changes in their prices. We have increased our investment in Indra, TGS, Serco, Deutsche Pfandbiref, ING, Rolls-Royce, Mitie and Aryzta.

On the other hand, we have reduced our exposure to Alstom, which launched a tender offer on its own shares. Alstom offered to buy around one third of its shares at 35€ per share, which was our target valuation at that time. We decided to tender all our shares, but after the pro-rata adjustments we could only sell 40% of our position. We maintain the remaining shares because the rail business of Alstom has good prospects and the company still trades at a discount to our estimate of value.

Regarding the reporting of results of our portfolio companies, it is worth saying that most of our companies have reported better than expected numbers. Only Aryzta, a company from which we expected some improvement in its cash flow generation, has reported worse than expected results, with organic growth in the US still in negative territory.

To this date, Mitie has not released its full year results, but has announced that its revenue will be below consensus and its share price has suffered significantly. We believe that long term prospects are good, so we bought more shares.

Regarding Stallergenes, our investment in the allergy immunotherapy sector, has finally received the authorization to re-open all its production lines, after fixing the software problem that led the French Health Authorities to close the factory. We have analyzed the impact of the factory's closure on the company's market share and cash levels and we believe the share price has fallen too much so we have decided to keep the shares.

Other portfolio highlights.

89% of the fund has already been invested.

As a result of the investments we have made during this first quarter the fund has increased its investment level from 72% to 89%. As we have already mentioned, the market slump of January and February was a very good opportunity to invest part of our cash.

Investments outside Europe represent just 14% of the fund, compared to 20% in the previous quarter. We have 38 companies in the portfolio. The fund's upside potential to our target prices is now 56%, compared to 46% last quarter, thanks to the greater investment level and the fact that we could buy shares at lower prices.

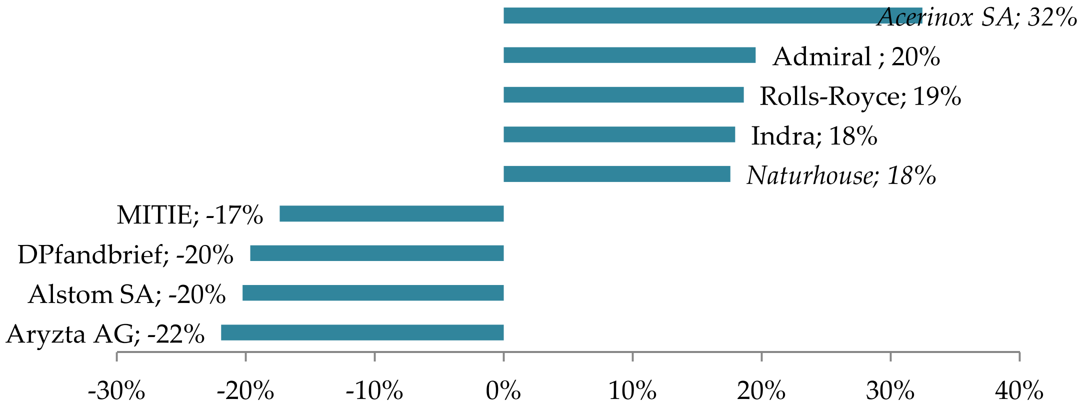
In February we hedged 25% of our Sterling exposure. Though we normally remain neutral regarding FX risks, our investment in the UK is relevant so we decided to hedge at least part of our FX, considering the possible risks from the EU membership referendum.

10 largest holdigs as of March 31, 2016

Company	weight
Hunter Douglas N.V.	4.2%
Hornbach-Baumarkt-AG	3.9%
Stallergenes Greer	3.9%
Indra Sistemas, S.A. Class A	3.5%
Aryzta AG	3.3%
MITIE Group PLC	3.3%
Chargeurs SA	3.3%
ING Groep NV Cert. of Shs	3.2%
Deutsche Pfandbriefbank AG	3.1%
Rolls-Royce Holdings plc	3.0%
Top 10	**34.7%**
Portfolio	**89.4%**
Cash	**10.6%**

Acerinox, Admiral, Rolls Royce and Indra have been the best performers this quarter. Mitie and Aryzta have had a bad performance due to the negative results they reported and Alstom discounts the takeover bid on own shares.

Best and worst performers this quarter [1]



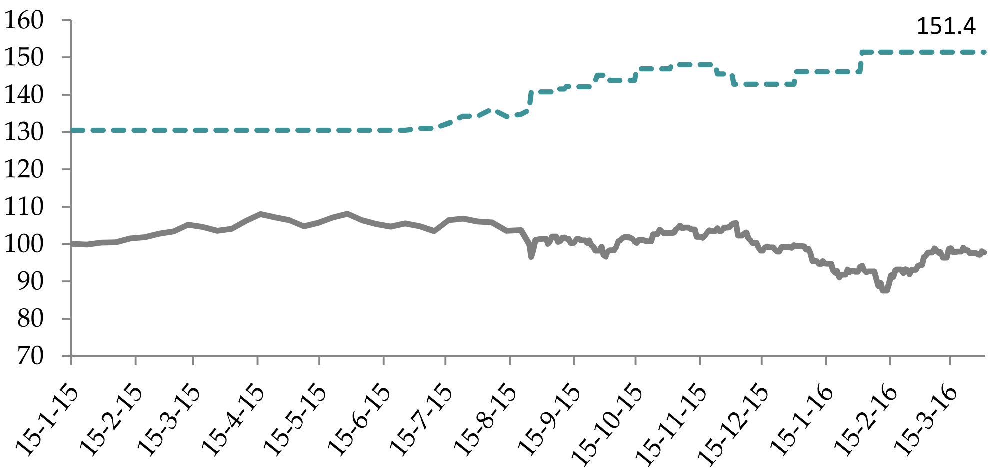
[1] Changes in share prices from 31/12/2015 to 31/3/2016, except for new investments, Acerinox and Natruhouse. For new investments price variations are calculated from average acquisition cost.

Appendix I: EQUAM portfolio 25 largest holdings.

Company	Country	Weight	Value Base Case
Hunter Douglas N.V.	Netherlands	4.2%	Dominant leader in oligopolistic market.
Hornbach-Baumarkt-AG	Germany	3.9%	Resilient compounder in repaired market
Stallergenes Greer	France	3.9%	Market leader in an oligopoly market
Indra Sistemas	Spain	3.5%	Restructuring defence and IT contractor
Aryzta AG	Switzerland	3.3%	Undervalued oligopolistic leader.
MITIE Group PLC	United Kingdom	3.3%	Undervalued compounder in fragmented market
Chargeurs SA	France	3.3%	Restructuring on track, cyclical recovery
ING Groep	Netherlands	3.2%	Restructured commercial bank
Deutsche Pfandbrief	Germany	3.1%	Recapitalized bank trading at deep discount to BV
Rolls-Royce	United Kingdom	3.0%	Sound oligopoly going through restructuring
Serco	United Kingdom	3.0%	Refocused contractor in restructuring, recently recapitalised
Meggitt	United Kingdom	2.9%	Undervalued compounder in low cycle
TGS Nopec	Norway	2.8%	Countercyclical niche oil services player
Berendsen plc	United Kingdom	2.7%	Leading position in a growing market
Cegedim SA	France	2.7%	Software for doctors and insurers, stable revenues
NRJ	France	2.6%	Deep SOPV undervaluation
Energy Assets Group PLC	United Kingdom	2.5%	High growth opportunities in a protected market
Orkla ASA	Norway	2.4%	Unwinding of holding into pure play consumer leader
Admiral	United Kingdom	2.3%	Undervalued leading UK insurance company.
Alstom SA	France	2.2%	Undervaluation post sale of energy division to GE
APPLUS	Spain	2.1%	Sound certification business
Acerinox SA	Spain	2.1%	Industry cost leader at the bottom of the cycle
Vetropack	Switzerland	2.0%	Low competition markets and net cash.
Abertis Infraestructuras SA	Spain	2.0%	Undervalued Toll Road operator
VeriSign, Inc.	United States	2.0%	Monopolistic registry of internet .com and .net addresses
Total top 25		**71%**	
Total portfolio		**89%**	
Liquidity		11%	
Total fund		**100%**	

Appendix II: Fund target price and evolution.

EQUAM evolution and Intrinsic value of the fund at our target prices



EQUAM returns vs index.

	EQUAM	MSCI Europe
1 Month	3.5%	1.6%
3 Months	-1.7%	-5.6%
6 Months	1.2%	-1.0%
1 year	-5.9%	-13.0%
Since Inception*	-2.3%	-2.8%

** January 15, 2015*

Bloomberg (Clase A)	EQUAMVA LX
ISIN Clase A	LU0933684101
ISIN Clase C	LU1274584488
ISIN Clase D	LU1274584991

Traspasable	SI, Nº CNMV: 587
Fees Class A	1% patrim y 8% beneficio
Fees Class C	1,50% s/ patrim.
Fees Class D	1,25% s/ patrim. (min 1 MEUR)

Asesor del fondo	Equam Capital
Sociedad Gestora	ADEPA (Lux)
Depositario	KBL (Lux)
Registro de accionistas	European Fund Admin.