

# **FPM Funds**

**Annual Report  
as at 31 December 2015**

Société d'Investissement à Capital Variable

R.C.S. Luxembourg B 80.070



## FPM Funds

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## FPM Funds

### Organisational structure

#### The Company

**FPM Funds**  
**R.C.S. Luxembourg B 80.070**  
15, rue de Flaxweiler, L - 6776 Grevenmacher

#### Board of Directors of the Company

##### *Chairman*

**Thomas F. Seppi**  
Member of the Management Board of  
FPM Frankfurt Performance Management AG, Frankfurt am Main

##### *Members*

**Klaus Täte**  
FPM Frankfurt Performance Management AG, Frankfurt am Main

**Dr. Marcus Göring**  
Lawyer, Frankfurt am Main

#### Management Company

**Universal-Investment-Luxembourg S.A.**  
**R.C.S. Luxembourg B 75.014**  
15, rue de Flaxweiler, L - 6776 Grevenmacher

#### Board of Directors of the Management Company

##### *Chairman of the Board of Directors*

**Bernd Vorbeck**  
Spokesman of the Management Board of  
Universal-Investment-Gesellschaft mbH, Frankfurt am Main

##### *Managing Directors*

**Alain Nati**  
Managing Director of  
Universal-Investment-Luxembourg S.A., Grevenmacher

**Stefan Rockel**  
Managing Director of  
Universal-Investment-Luxembourg S.A., Grevenmacher

##### *Members*

**Markus Neubauer**  
Managing Director of  
Universal-Investment-Gesellschaft mbH, Frankfurt am Main

#### Depository Bank, Paying Agent and Registrar and Transfer Agent

**State Street Bank Luxembourg S.C.A.**  
49, avenue John F. Kennedy, L - 1855 Luxembourg

#### Paying agent

*Austria*  
**Erste Bank der österreichischen Sparkassen AG**  
Graben 21, A - 1010 Vienna

*Switzerland*  
**Notensteinbank Privatbank AG**  
Bohl 17, CH - 9004 St. Gallen

#### Distributor

**FPM Frankfurt Performance Management AG**  
Freiherr-vom-Stein-Straße 11, D - 60323 Frankfurt am Main

#### Portfolio manager

**FPM Frankfurt Performance Management AG**  
Freiherr-vom-Stein-Straße 11, D - 60323 Frankfurt am Main

#### Auditor

**KPMG Luxembourg, Société coopérative**  
Cabinet de révision agréé  
39, avenue John F. Kennedy, L - 1855 Luxembourg

## FPM Funds

### Report of the Board of Directors

Dear Sir/Madam,

please find enclosed the annual report for the FPM Funds including its sub-funds FPM Funds Stockpicker Germany All Cap and FPM Funds Stockpicker Germany Small/Mid Cap. The report encompasses the period from 01 January 2015 to 31 December 2015.

FPM Funds (the "Company" or the "Fund") is a Luxembourg investment company with variable capital (*Société d'investissement à capital variable*, "SICAV") established on 10 January 2001 in the form of a stock corporation (*société anonyme*, "S.A."). As an undertaking for collective investment in transferable securities ("UCITS"), it is subject to Part I of the Luxembourg Law of 17 December 2010, as amended. The Company is structured as an umbrella fund, which offers investors the possibility of investing in a large number of sub-funds. The Company was established for an indefinite period.

As at 31 December 2015, the net fund assets and price performance of the Fund during the reporting period were as follows:

Unit class	ISIN	Fund assets in EUR	Price performance in %
FPM Funds Stockpicker Germany All Cap (C)	LU0124167924	80,669,389.76	9.95
FPM Funds Stockpicker Germany All Cap (I)	LU0850380873	55,080,484.23	11.90*
FPM Funds Stockpicker Germany Small/Mid Cap (C)	LU0207947044	42,944,895.62	24.19
FPM Funds Stockpicker Germany Small/Mid Cap (I)	LU1011670111	11,142,307.11	28.48*

\* Changes to the price/performance ratio, taking into account the following payment on the ex-dividend date of 06 March 2015 and the value date on 10 March 2015:

FPM Funds Stockpicker Germany All Cap (I)	EUR 52.73 per share
FPM Funds Stockpicker Germany Small/Mid Cap (I)	EUR 1.13 per share

### Techniques of efficient portfolio management (unaudited)

No techniques for efficient portfolio management were applied during the reporting period.

## FPM Funds

### Risk measures (unaudited)

#### General remarks

The calculation of the Value at Risk for the Fund was carried out using a historic simulation based on the individual securities. A one-year observation period, a confidence interval of 99% and a holding period of one day were chosen for the calculation.

The calculations comply with the regulatory requirements of the CSSF pursuant to the Law of 17 December 2010 and Circular no. 11/512.

#### Method of determining overall risk

The relative Value at Risk approach was used for monitoring overall risk during the period from 01 January 2015 to 31 December 2015. In the relative VaR approach, the VaR (99% confidence level, 1-day holding period, 1-year period under consideration) of the Fund may not exceed an amount equal to twice the VaR of a derivative-free reference asset. Here, in principle, the reference asset should approximate the investment policy of the Fund.

The following VAR values were determined for the sub-funds for the reporting period:

Sub-fund	Lowest VaR in %	Highest VaR in %	Average VaR in %
FPM Funds Stockpicker Germany All Cap	2.21	3.29	2.74
FPM Funds Stockpicker Germany Small/Mid Cap	2.16	3.12	2.60

The average leverage of the Fund during the reporting period was:

Sub-fund	Average leverage in %
FPM Funds Stockpicker Germany All Cap	100.00
FPM Funds Stockpicker Germany Small/Mid Cap	100.00

<sup>1</sup> Within the meaning of the ESMA guidelines ESMA/2012/832 DE

## FPM Funds

### Report of the Portfolio Manager

#### FPM Funds Stockpicker Germany All Cap

##### Investment objective and outcome for the reporting period

FPM Funds Stockpicker Germany All Cap focused on the entire German equity market. For this sub-fund particular importance was placed on low valuations in return for which decreased profit stability in companies was tolerated on average across the entire portfolio. Over the financial year to end-December 2015 the FPM Funds Stockpicker Germany All Cap (C) share class recorded a 9.95% rise in value per share on balance, while the FPM Funds Stockpicker Germany All Cap (I) share class recorded a rise of 11.90% per share.

##### Investment policy during the reporting period

Stocks of higher than average quality made a positive contribution to performance: growth companies such as Sixt, SAP or Nexus, which supplies software to hospitals, as well as companies with very stable results such as the mobile network operator freenet reported rises in price going well beyond profit performance. Companies with low valuations exhibiting solid profit trends also performed well. In contrast, the stock prices of companies which did not meet expectations fell steeply, even beyond what should have been reasonable allowing for the disappointments. This resulted in opportunities during 2015 and beyond. New positions were accordingly built up in the Fund. These featured the engineering company Heidelberger Druckmaschinen or Kontron, which supplies embedded computers. Company-specific reasons led to price losses for Porsche in connection with the VW scandal, at Biotest, where various projects did not bring the expected success, but also in the case of various automotive suppliers where higher than expected demand weighed on results – albeit temporarily as we now know.

A new entity in the Fund is the jewellery manufacturer and vendor, elumeo. Due to very low valuations, Lufthansa shares were purchased, as were Heidelberger Druckmaschinen and Kontron as already mentioned.

The previously reduced holdings in Biotest were divested following a sharp fall in prospects for the coming years. Porsche shares were converted into VW shares after the normal valuation discount fell considerably. Shares in Dialog were also sold as a result of the higher valuation. The Fund also sold its shares in W und W and in the railway supplier Schaltbau due to the availability of equivalent but more liquid alternatives.

#### FPM Funds Stockpicker Germany Small/Mid Cap

##### Investment objective and outcome for the reporting period

FPM Funds Stockpicker Germany Small/Mid Cap invested in shares of medium and smaller German companies. This sub-fund placed particular importance on low valuations in return for which it tolerated decreased profit stability among companies. During the financial year until the end of December 2015 the FPM Funds Stockpicker Germany Small/Mid Cap (C) share class recorded a 24.19% rise in value per share, whilst the FPM Funds Stockpicker Germany Small/Mid Cap (I) share class recorded a rise of 28.48% per share.

##### Investment policy during the reporting period

Whilst the portfolio performed very well during the first half-year due to overweighting in cyclical shares, it came under pressure during the summer as a result of growth concerns in China and the devaluation of the Chinese currency before a recovery towards the end of the year. Once again, shares providing good predictability of business performance were the investment class preferred by market participants. Because of the high valuations we further increased our underweighting in this market segment by reducing our investment in these shares during the year and increasing our weighting in companies, some of which were much penalised during the year as a result of reasons specific to the company or economic influences which slowed business development.

Süss Microtec, which supplies equipment and process solutions to the semiconductor industry, made the largest contribution to performance in the portfolio, profiting from the product investments of past years during the second half of the year and achieving the highest new orders in the company's history during Q4, thus surpassing the previous peak value reached in Q4/2000. Other very positive contributions to portfolio performance came from S&T, a supplier of IT services and security solutions for industrial applications and SmartGrid solutions, as well as Rheinmetall, where the improved order situation in the defence sector provided a boost. There were greater negative portfolio contributions from Leoni, which suffered operational problems when starting up new projects, or Klöckner, which suffered inventory write-downs owing to falling steel prices.

During the reporting period shares in Grenkeleasing, Jungheinrich, Nexus, Stabilus, United Internet and others were sold for valuation reasons. New to the sub-fund included shares in Elumeo, which sells handcrafted gemstone jewellery via TV programmes and the Internet, shares in Grammer, which supplies to the auto industry and manufactures seats for trucks and off-road vehicles, as well as the company Kontron, which manufactures embedded computers. We bought Lufthansa owing to its very low valuation and large-scale restructuring measures, moving the company towards more competitive cost structures.

## FPM Funds

### Notes on the statement of assets as at 31 December 2015

#### 1. Calculation of share value

The net asset value per sub-fund, per share and per share class, and the redemption price and issuing price of the shares are determined each valuation date, but not less than twice a month. The valuation dates for each sub-fund are stated in the relevant annex.

The net asset value of each sub-fund and that of the relevant share class are stated in the currency of the individual sub-fund mentioned in the relevant annex. The Company's reporting currency is the EUR, yet the net asset value is provided in the currency of the individual sub-fund as mentioned in the relevant annex. The net asset value is determined separately for each share of the sub-fund and for each share class on each valuation date by dividing the total net asset value for the sub-fund concerned and the share class concerned by the corresponding number of shares of the sub-fund and relevant share class outstanding.

The net asset value is determined by subtracting the total liabilities of the sub-fund or share class from the total assets of that sub-fund or share class; this is performed in conformity with the principles set out in the Company's articles of association and in further valuation rules that may be adopted by the Company's Board of Directors.

Investments are valued as follows:

- (1) The value of all cash or term money, bills of exchange, sight bills and of receivables, prepayments/deferred income, cash distributions and interest declared or accrued but not yet paid is valued at their full nominal value, unless it is unlikely that this value will be paid or received in full. In this case, the value is determined after setting up a provision considered appropriate in this case by the Company in order to reflect the actual value of these assets.
- (2) The value of all securities listed on an official securities exchange shall be determined at their latest available price. Where the securities are listed on more than one exchange, the Company's Board of Directors may freely choose the exchange that is to be treated as the primary exchange for this purpose.
- (3) Securities traded on a regulated market are valued similarly to listed securities.
- (4) Securities not listed on an official stock exchange or traded on a regulated market are valued by the Company in compliance with the valuation principles adopted by the Board of Directors at a price which shall not be lower than the bid price or higher than the offering price on the relevant valuation date.
- (5) Derivatives and repurchase agreements not listed on an official stock exchange or traded on a regulated market shall be valued by the Company in compliance with the valuation principles adopted by the Board of Directors on the basis of their marked-to-market price.
- (6) Term deposits shall be valued at fair value.
- (7) Tradable options and futures contracts which involve the Company and are traded on a stock exchange, a financial futures exchange or other type of exchange are valued with reference to the profit or loss that would arise were the contract to be closed out at or directly prior to the close of trading on the market concerned.

All securities or other assets whose valuation in conformity with the above paragraphs would not be possible, feasible or representative of their fair liquidation value shall be valued at the appropriate liquidation value as estimated in accordance with the procedures established with due diligence and in good faith by the Company's Board of Directors.

The amounts determined in accordance with the valuation principles shall be converted to the currency of the sub-fund's accounts at the relevant average exchange rates, based on the corresponding exchange rates specified by a bank or another first-class financial institution.

The Company's liabilities include:

- (1) all loans, bills of exchange and other amounts due;
- (2) all due and accrued administration costs, including (inter alia) the costs of its formation and registration with the regulatory authorities as well as legal and audit costs and expenses, the costs of mandatory disclosures, those of stock market listing, the sales prospectus, financial reports and other documents available to shareholders, costs of translations and generally all other expenses incurred for the administration of the Company;
- (3) all known due or not yet due liabilities, including all due contractual obligations for payment in money or physical assets, including the amount of all distributions declared by the Company which are not paid out until the date on which these distributions revert to the Company by virtue of legal provisions;

## FPM Funds

### Notes on the statement of assets as at 31 December 2015

(4) all appropriate provisions for taxes due on the date the net asset value is determined and other provisions authorised and approved by the Board of Directors; and

(5) all other liabilities of the Company to third parties, irrespective of their nature.

In the case of extensive redemption requests that a sub-fund cannot fulfil using cash and permissible borrowings, the Management Company may, subject to prior approval from the Depositary Bank, determine the share value based on the prices on the valuation date on which it actually makes the necessary sale of investment units.

The Management Company is not obliged to redeem more than 10% of the shares currently in circulation at this point on a valuation day. If the Company receives redemption requests on a valuation day for more than the stated number of shares, the Management Company is entitled to postpone the redemption of shares exceeding 10% of the shares in issue at this point until the fourth valuation day afterwards. These redemption requests should be given preferential treatment over applications received later. Redemption requests submitted on the same valuation date are treated equally.

#### 2. Exchange rates

No foreign currency positions were valued as of 31 December 2015.

#### 3. Management fee

This fee shall be calculated daily and paid out at the end of the month based on the average monthly sub-fund assets. It includes the fee for the Portfolio Manager. The Management Company receives an annual fee from the fund assets amounting to:

Sub-fund	Management fee
FPM Funds Stockpicker Germany All Cap (C)	up to 0.90% p.a.; currently not subject to Luxembourg value added tax.
FPM Funds Stockpicker Germany All Cap (I)	up to 0.70% p.a.; currently not subject to Luxembourg value added tax.
FPM Funds Stockpicker Germany Small/Mid Cap (C)	up to 1.25% p.a.; currently not subject to Luxembourg value added tax.
FPM Funds Stockpicker Germany Small/Mid Cap (I)	up to 0.90% p.a.; currently not subject to Luxembourg value added tax.

#### 4. Depositary fee

The Depositary Bank is entitled to a fee of EUR 18,000 p.a. for each sub-fund, payable out of the Company's assets.

The Depositary Bank is also entitled to the reimbursement of its appropriate cash outlays, expenses and the fees for correspondent banks from the assets of the sub-funds concerned.

#### 5. Performance fee

*For share class "C" of FPM Funds Stockpicker Germany All Cap and FPM Funds Stockpicker Germany Small/Mid Cap*

The Portfolio Manager may additionally be paid a performance-related fee from the assets of the sub-fund, provided the performance of the shares is higher than 4% per half-year (accounting period). The performance fee shall amount to up to 15% of the performance generated.

As a rule, the performance fee shall be calculated daily and settled half-yearly as of the reporting date. Provision for any performance fee earned shall be made in the sub-fund assets on a daily basis. If stock performance is below the 4% performance limit on the half-yearly reporting date, the provision made for the performance fee during the relevant half year shall be reversed correspondingly. If stock performance is above the 4% performance limit, the provision for the performance fee at the end of the financial half year may be withdrawn.



## FPM Funds

### Notes on the statement of assets as at 31 December 2015

The performance fee may only be withdrawn if the share value at the end of the reporting period exceeds the maximum share value (high water mark) achieved at the end of the ten previous reporting periods. The previous sentence shall not apply at the end of the first reporting period after this rule on costs comes into effect (01 January 2015); the previous sentence shall apply at the end of the second, third, fourth, fifth, sixth, seventh, eighth, ninth and tenth reporting periods after this rule on costs comes into effect on condition that the share value exceeds the maximum share value at the end of the one, two, three, four, five, six, seven, eight and/or nine previous reporting periods.

*For share class "I" of FPM Funds Stockpicker Germany All Cap and FPM Funds Stockpicker Germany Small/Mid Cap*

The Portfolio Manager shall additionally be paid a performance fee of 15% of the amount from the assets of the sub-fund in relation to share class I if the shares outperform the benchmark index (the CDAX Performance Index for FPM Funds Stockpicker Germany All Cap and the composite of MDAX (38%), SDAX (38%) and TecDAX (24%) for FPM Funds Stockpicker Germany Small/Mid Cap), from the start of each financial year until the end of that financial year (accounting period). An accounting period shall in principle end with the financial year of the sub-fund.

Underperformance against the benchmark from the previous five accounting periods must be recouped before a performance fee can be charged (provided the share class has not yet been in existence for five years). The performance fee may also be withdrawn if the share value at the end of the accounting period is lower than at the start of the accounting period (absolutely negative stock performance), i.e. if fund performance is higher than the benchmark index.

The performance fee for share class I is calculated daily and settled annually.

#### 6. Transaction costs

The following transaction costs were incurred in connection with the sale and purchase of shares in the Fund during the reporting period ending 31 December 2015:

Sub-fund	Total costs in EUR
FPM Funds Stockpicker Germany All Cap	245,500.32
FPM Funds Stockpicker Germany Small/Mid Cap	121,509.12

## FPM Funds

### Notes on the statement of assets as at 31 December 2015

#### 7. Portfolio Turnover Rate/TOR

The absolute number calculated for the portfolio turnover rate (TOR) represents the ratio between securities purchases and securities sales, cash inflows and outflows and the average net sub-fund assets for the aforementioned reporting period.

During the reporting period from 01 January 2015 until 31 December 2015:

Sub-fund	TOR in %
FPM Funds Stockpicker Germany All Cap	39.40%
FPM Funds Stockpicker Germany Small/Mid Cap	-0.81%
FPM Funds Ladon - European Value	130.92%

#### 8. Total Expense Ratio/TER

Sub-fund	TER in % excluding performance fee	TER in % including performance fee
FPM Funds Stockpicker Germany All Cap (C)	1.13%	3.20%
FPM Funds Stockpicker Germany All Cap (I)	0.90%	1.00%
FPM Funds Stockpicker Germany Small/Mid Cap (C)	1.73%	5.22%
FPM Funds Stockpicker Germany Small/Mid Cap (I)	1.42%	1.42%

#### 9. Taxation

The sub-fund assets are subject in the Grand Duchy of Luxembourg to a tax ("taxe d'abonnement") of currently 0.05% p.a. The taxe d'abonnement amounts to 0.01% p.a. for sub-funds or asset classes that are reserved for institutional investors. This taxe d'abonnement is payable quarterly on the net fund assets reported at the end of the quarter. The income of the Fund is not subject to taxation in Luxembourg. However, the income of the Fund may be subject to withholding tax in countries in which assets of the Fund are invested. In such cases, neither the Depository Bank nor the Management Company are obligated to collect tax certificates.

Interested parties should obtain information about laws and regulations applicable to the purchase, possession and redemption of shares, as well as seek advice, if appropriate.

#### 10. Publications

The issue and redemption prices are available from the registered office of the Management Company and all paying agents at any time. The Management Company ensures that in countries where the shares of the Fund are publicly sold, the issue and redemption prices are published appropriately. Issue and redemption prices in the Federal Republic of Germany are published online at [www.universal-investment.lu](http://www.universal-investment.lu). Notices to shareholders are published in the electronic *Bundesanzeiger*.

#### 11. Changes to the securities holdings

The changes to the securities holdings in the reporting period can be obtained free of charge at the registered office of the Management Company, via the Depository Bank and via any paying agent.

## FPM Funds

### Consolidated statement of assets as at 31/12/2015

The consolidated composition of the net fund assets and the consolidated development of the net fund assets consist of the sum of all sub-funds.

	EUR	in %
<b>Assets</b>		
Portfolio assets	184,138,549.07	97.00
Bank deposits	6,180,893.71	3.26
Dividend entitlements	84,000.00	0.04
Withholding tax claims	10,342.73	0.01
Interest	0.00	0.00
<b>Total assets</b>	<b>190,413,785.51</b>	<b>100.30</b>
<b>Liabilities</b>		
Management fee	-142,554.73	-0.08
Depositary fee	-12,000.00	-0.01
Depositary costs	-6,237.90	-0.00
Asset management fee	-314,263.11	-0.17
Auditing costs	-27,000.00	-0.01
Interest payable	-1,334.75	0.00
Other costs	-73,318.30	-0.04
<b>Total liabilities</b>	<b>-576,708.79</b>	<b>-0.30</b>
<b>Net fund assets</b>	<b>189,837,076.72</b>	<b>100.00</b>

<sup>(1)</sup> Minor rounding differences may arise due to rounding of the share percentages during calculation.

## FPM Funds

### Consolidated income and expenditure statement (incl. income equalisation) for the period from 01/01/2015 to 31/12/2015

			<b>Total</b>
<b>I. Income</b>			
- Dividends		EUR	3,657,118.90
- Interest from liquid investments *)		EUR	-6,051.98
<b>Total revenues</b>		<b>EUR</b>	<b>3,651,066.92</b>
<b>II. Expenditure</b>			
- Management fee		EUR	-1,816,283.99
- Depository fee		EUR	-70,486.20
- Custodian fees		EUR	-19,601.06
- Performance fees		EUR	-3,516,406.89
- Auditing and publication costs		EUR	-98,397.99
- Taxe d'abonnement		EUR	-73,235.96
- Registrar and Transfer Agent		EUR	-136,003.76
- Legal and consultancy costs		EUR	-2,014.12
- Foreign withholding tax		EUR	-881,006.91
- Expenditure equalisation		EUR	895,126.10
- Other expenditure		EUR	-154,798.38
<b>Total costs</b>		<b>EUR</b>	<b>-5,873,109.16</b>
<b>III. Ordinary net income</b>		<b>EUR</b>	<b>-2,222,042.24</b>
<b>IV. Sale transactions</b>			
1. Realised profits from		EUR	37,418,034.48
- Securities transactions	EUR	37,418,034.48	
2. Realised losses from		EUR	-3,180,891.67
- Securities transactions	EUR	-3,180,545.20	
- Currencies	EUR	-346.47	
<b>Realised profit/loss</b>		<b>EUR</b>	<b>34,237,142.81</b>
<b>V. Net change in unrealised gains/losses from</b>			
- Securities transactions	EUR	-7,021,216.97	
<b>Net change in unrealised profit</b>		<b>EUR</b>	<b>-7,021,216.97</b>
<b>VI. Result for the reporting period</b>		<b>EUR</b>	<b>24,993,883.60</b>

\*) "Interest from liquid investments" includes negative credit interest of EUR 6,051.98.

## FPM Funds

### Movements in fund assets

2015

<b>I. Value of fund assets at the beginning of the reporting period</b>			<b>EUR</b>	<b>194,775,349.41</b>
1. Distribution for the previous year/tax deductions for the previous year			EUR	-155,396.71
2. Interim distributions			EUR	0.00
3. Inflow/outflow of funds (net)			EUR	-30,439,144.60
(a) Inflows from sale of unit certificates	EUR	64,144,910.55		
(b) Outflows from redemption of unit certificates	EUR	-94,584,055.15		
4. Income equalisation/expenditure equalisation			EUR	662,385.02
5. Result for the reporting period			EUR	24,993,883.60
<b>II. Value of fund assets at the end of the reporting period</b>			<b>EUR</b>	<b>189,837,076.72</b>

## FPM Funds Stockpicker Germany All Cap

### Balance sheet as at 31/12/2015

Investment focuses	Current value in EUR	% of fund's assets
<b>I. Assets</b>	<b>135,959,595.58</b>	<b>100.15</b>
1. Shares	131,831,517.52	97.11
2. Bank deposits	4,048,323.99	2.98
3. Other assets	79,754.07	0.06
<b>II. Liabilities</b>	<b>-209,721.59</b>	<b>-0.15</b>
<b>III. Fund assets</b>	<b>135,749,873.99</b>	<b>100.00</b> <sup>(1)</sup>

<sup>(1)</sup> Minor rounding differences may arise due to rounding of the share percentages during calculation.

## FPM Funds Stockpicker Germany All Cap

### Statement of assets as at 31/12/2015

Statement of assets	ISIN	Unit or Units or % of 1,000	Holding 31.12.2015	Currency	Rate	Market value in EUR	% of fund assets
<b>Portfolio positions</b>				<b>EUR</b>		<b>131,831,517.52</b>	<b>97.11</b>
<b>Securities trade on the stock exchange</b>				<b>EUR</b>		<b>131,831,517.52</b>	<b>97.11</b>
<b>Shares</b>				<b>EUR</b>		<b>131,831,517.52</b>	<b>97.11</b>
Adler Modemärkte AG Inhaber-Aktien o.N.	DE000A1H8MU2	STK	48,800	EUR	10.100	492,880.00	0.36
Allianz SE vink.Namens-Aktien o.N.	DE0008404005	STK	45,000	EUR	163.550	7,359,750.00	5.42
Bauer AG (Schrobenhausen) Inhaber-Aktien o.N.	DE0005168108	STK	82,489	EUR	17.400	1,435,308.60	1.06
Commerzbank AG Inhaber-Aktien o.N.	DE000CBK1001	STK	600,000	EUR	9.572	5,743,200.00	4.23
Daimler AG Namens-Aktien o.N.	DE0007100000	STK	70,000	EUR	77.580	5,430,600.00	4.00
Deutsche Bank AG Namens-Aktien o.N.	DE0005140008	STK	323,333	EUR	22.525	7,283,075.82	5.37
Deutsche Lufthansa AG vink.Namens-Aktien o.N.	DE0008232125	STK	500,000	EUR	14.565	7,282,500.00	5.36
DEUTZ AG Inhaber-Aktien o.N.	DE0006305006	STK	300,000	EUR	3.691	1,107,300.00	0.82
Drägerwerk AG & Co. KGaA Inhaber-Stammaktien o.N.	DE0005550602	STK	56,122	EUR	60.310	3,384,717.82	2.49
Drägerwerk AG & Co. KGaA Inhaber-Vorzugsakt.o.St.o.N.	DE0005550636	STK	31,816	EUR	68.610	2,182,895.76	1.61
Elmos Semiconductor AG Inhaber-Aktien o.N.	DE0005677108	STK	196,130	EUR	16.000	3,138,080.00	2.31
elumeo SE Inhaber-Aktien o.N.	DE000A11Q059	STK	330,000	EUR	25.000	8,250,000.00	6.08
Evonik Industries AG Namens-Aktien o.N.	DE000EVNK013	STK	139,200	EUR	30.615	4,261,608.00	3.14
freenet AG Namens-Aktien o.N.	DE000A0Z2ZZ5	STK	170,000	EUR	31.315	5,323,550.00	3.92
Fresenius Medical Care KGaA Inhaber-Aktien o.N.	DE0005785802	STK	25,000	EUR	77.730	1,943,250.00	1.43
GRAMMER AG Inhaber-Aktien o.N.	DE0005895403	STK	170,000	EUR	27.315	4,643,550.00	3.42
Heidelberger Druckmaschinen AG Inhaber-Aktien o.N.	DE0007314007	STK	2,000,000	EUR	2.270	4,540,000.00	3.34
Klöckner & Co SE Namens-Aktien o.N.	DE000KC01000	STK	200,000	EUR	8.045	1,609,000.00	1.19
Kontron AG Inhaber-Aktien o.N.	DE0006053952	STK	900,000	EUR	3.015	2,713,500.00	2.00
METRO AG Inhaber-Stammaktien o.N.	DE0007257503	STK	100,000	EUR	29.560	2,956,000.00	2.18
Nexus AG Inhaber-Aktien o.N.	DE0005220909	STK	231,800	EUR	18.990	4,401,882.00	3.24
Rheinmetall AG Inhaber-Aktien o.N.	DE0007030009	STK	81,574	EUR	61.480	5,015,169.52	3.69
SAP SE Inhaber-Aktien o.N.	DE0007164600	STK	100,000	EUR	73.380	7,338,000.00	5.41
SHW AG Inhaber-Aktien o.N.	DE000A1JBPV9	STK	90,000	EUR	26.910	2,421,900.00	1.78
Sixt SE Inhaber-Vorzugsakt. o.St.o.N.	DE0007231334	STK	200,000	EUR	38.000	7,600,000.00	5.60
Software AG Inhaber-Aktien o.N.	DE0003304002	STK	60,000	EUR	26.420	1,585,200.00	1.17
Talanx AG Namens-Aktien o.N.	DE000TLX1005	STK	200,000	EUR	28.545	5,709,000.00	4.21
Volkswagen AG Vorzugsaktien o.St. o.N.	DE0007664039	STK	60,000	EUR	133.750	8,025,000.00	5.91
Vossloh AG Inhaber-Aktien o.N.	DE0007667107	STK	80,000	EUR	59.520	4,761,600.00	3.51
Zeal Network SE Registered Shares EO 1	GB00BHD66J44	STK	100,000	EUR	38.930	3,893,000.00	2.87
<b>Total securities</b>				<b>EUR</b>		<b>131,831,517.52</b>	<b>97.11</b>

## FPM Funds Stockpicker Germany All Cap

### Statement of assets as at 31/12/2015

Statement of assets	ISIN	Unit or Units or % of 1,000	Holding 31.12.2015	Currency	Rate	Market value in EUR	% of fund assets
<b>Bank deposits, non-securitised money market instruments and money market funds</b>				<b>EUR</b>		<b>4,048,323.99</b>	<b>2.98</b>
<b>Bank deposits</b>				<b>EUR</b>		<b>4,048,323.99</b>	<b>2.98</b>
Deposits at State Street Bank S.C.A. Luxembourg							
Deposits in currency fund			4,048,323.99	EUR		4,048,323.99	2.98
<b>Other assets</b>				<b>EUR</b>		<b>79,754.07</b>	<b>0.06</b>
Dividend entitlements			70,000.00	EUR		70,000.00	0.05
Withholding tax claims			9,754.07	EUR		9,754.07	0.01
<b>Liabilities</b>				<b>EUR</b>		<b>-209,721.59</b>	<b>-0.15</b>
Interest payable			-1,142.22	EUR		-1,142.22	0.00
Management fee			-90,282.77	EUR		-90,282.77	-0.07
Depository fee			-6,000.00	EUR		-6,000.00	0.00
Depository costs			-4,502.42	EUR		-4,502.42	0.00
Asset management fee			-51,145.67	EUR		-51,145.67	-0.04
Auditing costs			-16,000.00	EUR		-16,000.00	-0.01
Other liabilities			-40,648.51	EUR		-40,648.51	-0.03
<b>Fund assets</b>				<b>EUR</b>		<b>135,749,873.99</b>	<b>100.00 (1)</b>
<b>FPM Funds Stockpicker Germany All Cap (C)</b>							
Share value				EUR		330.92	
Issuing price				EUR		344.16	
Redemption price				EUR		330.92	
Number of shares				STK		243,771.772	
<b>FPM Funds Stockpicker Germany All Cap (I)</b>							
Share value				EUR		16,228.78	
Issuing price				EUR		16,228.78	
Redemption price				EUR		16,228.78	
Number of shares				STK		3,394.000	

#### Footnotes:

(1) Minor rounding differences may arise due to rounding of the share percentages during calculation.



## FPM Funds Stockpicker Germany All Cap

### Income and expenditure statement (incl. income equalisation) for the period from 01/01/2015 to 31/12/2015

			Total
<b>I. Income</b>			
- Dividends		EUR	2,765,521.95
- Interest from liquid investments *)		EUR	-4,381.09
<b>Total revenues</b>		<b>EUR</b>	<b>2,761,140.86</b>
<b>II. Expenditure</b>			
- Management fee		EUR	-1,250,673.09
- Depositary fee		EUR	-40,555.18
- Custodian fees		EUR	-14,864.00
- Performance fees		EUR	-2,112,652.91
- Auditing and publication costs		EUR	-51,651.98
- Taxe d'abonnement		EUR	-52,600.27
- Registrar and Transfer Agent		EUR	-83,241.25
- Legal and consultancy costs		EUR	-1,007.06
- Foreign withholding tax		EUR	-660,776.03
- Expenditure equalisation		EUR	871,963.49
- Other expenditure		EUR	-81,778.99
<b>Total costs</b>		<b>EUR</b>	<b>-3,477,837.27</b>
<b>III. Ordinary net income</b>		<b>EUR</b>	<b>-716,696.41</b>
<b>IV. Sale transactions</b>			
1. Realised profits from		EUR	24,109,928.90
- Securities transactions	EUR	24,109,928.90	
2. Realised losses from		EUR	-2,024,107.75
- Securities transactions	EUR	-2,023,935.43	
- Currencies	EUR	-172.32	
<b>Realised profit/loss</b>		<b>EUR</b>	<b>22,085,821.15</b>
<b>V. Net change in unrealised gains/losses from</b>			
- Securities transactions	EUR	-7,403,963.08	
<b>Net change in unrealised profit</b>		<b>EUR</b>	<b>-7,403,963.08</b>
<b>VI. Result for the reporting period</b>		<b>EUR</b>	<b>13,965,161.66</b>

\*) "Interest from liquid investments" includes negative credit interest of EUR 4,381.09.

## FPM Funds Stockpicker Germany All Cap

### Movements in fund assets

2015

<b>I. Value of fund assets at the beginning of the reporting period</b>			EUR	<b>151,654,162.58</b>
1. Distribution for the previous year/tax deductions for the previous year			EUR	-151,124.18
2. Interim distributions			EUR	0.00
3. Inflow/outflow of funds (net)			EUR	-31,484,563.84
(a) Inflows from sale of shares	EUR	29,193,008.38		
(b) Outflows from redemption of shares	EUR	-60,677,572.22		
4. Income equalisation/expenditure equalisation			EUR	1,766,237.77
5. Result for the reporting period			EUR	13,965,161.66
<b>II. Value of fund assets at the end of the reporting period</b>			EUR	<b>135,749,873.99</b>

## FPM Funds Stockpicker Germany All Cap

### FPM Funds Stockpicker Germany All Cap (C) Comparative overview of the previous three financial years

Financial year		Shares outstanding as at End of financial year		Fund assets as at End of financial year		Share value as at End of financial year
2013	No. of unit:	442,477.467	EUR	128,852,908.85	EUR	291.21
2014	No. of unit:	360,893.506	EUR	108,619,895.07	EUR	300.97
2015	No. of unit:	243,771.772	EUR	80,669,389.76	EUR	330.92

#### Performance of shares outstanding during the reporting period

##### Shares outstanding at the start of the reporting period

Shares issued

Shares redeemed

##### Shares outstanding at the end of the reporting period

#### Units

**360,893.506**

49,973.011

-167,094.745

**243,771.772**

## FPM Funds Stockpicker Germany All Cap

### FPM Funds Stockpicker Germany All Cap (I) Comparative overview of the previous three financial years

Financial year		Shares outstanding as at End of financial year		Fund assets as at End of financial year		Share value as at End of financial year
2013	No. of unit:	3,300.000	EUR	45,889,753.65	EUR	13,905.99
2014	No. of unit:	2,958.000	EUR	43,034,267.51	EUR	14,548.43
2015	No. of unit:	3,394.000	EUR	55,080,484.23	EUR	16,228.78

#### Performance of shares outstanding during the reporting period

	Units
<b>Shares outstanding at the start of the reporting period</b>	<b>2,958.000</b>
Shares issued	771.000
Shares redeemed	-335.000
<b>Shares outstanding at the end of the reporting period</b>	<b>3,394.000</b>

## FPM Funds Stockpicker Germany Small/Mid Cap

### Balance sheet as at 31/12/2015

Investment focuses	Current value in EUR	% of fund's assets
<b>I. Assets</b>	<b>54,454,189.93</b>	<b>100.68</b>
1. Shares	52,307,031.55	96.71
2. Bank deposits	2,132,569.72	3.94
3. Other assets	14,588.66	0.03
<b>II. Liabilities</b>	<b>-366,987.20</b>	<b>-0.68</b>
<b>III. Fund assets</b>	<b>54,087,202.73</b>	<b>100.00</b> <sup>(1)</sup>

<sup>(1)</sup> Minor rounding differences may arise due to rounding of the share percentages during calculation.

## FPM Funds Stockpicker Germany Small/Mid Cap

### Statement of assets as at 31/12/2015

Statement of assets	ISIN	Unit or Units or % of 1,000	Holding 31.12.2015	Currency	Rate	Market value in EUR	% of fund assets
<b>Portfolio positions</b>				<b>EUR</b>		<b>52,307,031.55</b>	<b>96.71</b>
<b>Securities trade on the stock exchange</b>				<b>EUR</b>		<b>51,941,231.55</b>	<b>96.03</b>
<b>Shares</b>				<b>EUR</b>		<b>51,941,231.55</b>	<b>96.03</b>
Aareal Bank AG Inhaber-Aktien o.N.	DE0005408116	STK	60,000	EUR	29.140	1,748,400.00	3.23
Aurubis AG Inhaber-Aktien o.N.	DE0006766504	STK	30,000	EUR	46.975	1,409,250.00	2.61
Bauer AG (Schrobenhausen) Inhaber-Aktien o.N.	DE0005168108	STK	70,000	EUR	17.400	1,218,000.00	2.25
CENTROTEC Sustainable AG Inhaber-Aktien o.N.	DE000A1JBPV9	STK	120,000	EUR	13.210	1,585,200.00	2.93
Deutsche Lufthansa AG vink.Namens-Aktien o.N.	DE0008232125	STK	190,000	EUR	14.565	2,767,350.00	5.12
DEUTZ AG Inhaber-Aktien o.N.	DE0006305006	STK	300,000	EUR	3.691	1,107,300.00	2.05
ElringKlinger AG Namens-Aktien o.N.	DE0007856023	STK	60,000	EUR	23.500	1,410,000.00	2.61
elumeo SE Inhaber-Aktien o.N.	DE000A11Q059	STK	145,000	EUR	25.000	3,625,000.00	6.70
GFK SE Inhaber-Aktien o.N.	DE0005875306	STK	60,000	EUR	30.895	1,853,700.00	3.43
GRAMMER AG Inhaber-Aktien o.N.	DE0005895403	STK	100,000	EUR	27.315	2,731,500.00	5.05
Hapag-Lloyd AG Namens-Aktien o.N.	DE000HLA475	STK	70,000	EUR	20.135	1,409,450.00	2.61
Heidelberger Druckmaschinen AG Inhaber-Aktien o.N.	DE0007314007	STK	1,000,000	EUR	2.270	2,270,000.00	4.20
Klöckner & Co SE Namens-Aktien o.N.	DE000KC01000	STK	400,000	EUR	8.045	3,218,000.00	5.95
Kontron AG Inhaber-Aktien o.N.	DE0006053952	STK	760,000	EUR	3.015	2,291,400.00	4.24
KROMI Logistik AG Inhaber-Aktien o.N.	DE000A0KFUJ5	STK	48,725	EUR	9.358	455,968.55	0.84
LEONI AG Namens-Aktien o.N.	DE0005408884	STK	65,000	EUR	36.445	2,368,925.00	4.38
MLP AG Inhaber-Aktien o.N.	DE0006569908	STK	200,000	EUR	3.670	734,000.00	1.36
PNE WIND AG Namens-Aktien o.N.	DE000A0JBPB2	STK	300,000	EUR	2.070	621,000.00	1.15
PSI AG Namens-Aktien o.N.	DE000A0Z1JH9	STK	60,000	EUR	12.900	774,000.00	1.43
Rheinmetall AG Inhaber-Aktien o.N.	DE0007030009	STK	30,000	EUR	61.480	1,844,400.00	3.41
S&T AG Inh.-Akt.(z.Reg.Mk.zugel.)o.N.	AT0000A0E9W5	STK	350,000	EUR	5.950	2,082,500.00	3.85
SAF HOLLAND S.A. Actions au Porteur EO-01	LU0307018795	STK	120,000	EUR	12.490	1,498,800.00	2.77
Salzgitter AG Inhaber-Aktien o.N.	DE0006202005	STK	30,000	EUR	22.725	681,750.00	1.26
SHW AG Inhaber-Aktien o.N.	DE000A1JBPV9	STK	55,000	EUR	26.910	1,480,050.00	2.74
Sixt SE Inhaber-Vorzugsakt. o.St.o.N.	DE0007231334	STK	51,426	EUR	38.000	1,954,188.00	3.61
Software AG Inhaber-Aktien o.N.	DE0003304002	STK	40,000	EUR	26.420	1,056,800.00	1.95
Süss MicroTec AG Namens-Aktien o.N.	DE000A1K0235	STK	450,000	EUR	8.345	3,755,250.00	6.94
TAKKT AG Inhaber-Aktien o.N.	DE0007446007	STK	90,000	EUR	18.445	1,660,050.00	3.07
Wacker Chemie AG Inhaber-Aktien o.N.	DE000WCH8881	STK	20,000	EUR	77.520	1,550,400.00	2.87
Zeal Network SE Registered Shares EO 1	GB00BHD66J44	STK	20,000	EUR	38.930	778,600.00	1.44

## FPM Funds Stockpicker Germany Small/Mid Cap

### Statement of assets as at 31/12/2015

Statement of assets	ISIN	Unit or Units or % of 1,000	Holding 31.12.2015	Currency	Rate	Market value in EUR	% of fund assets
<b>Securities permitted on or included in organised markets</b>				<b>EUR</b>		<b>365,800.00</b>	<b>0.68</b>
<b>Shares</b>				<b>EUR</b>		<b>365,800.00</b>	<b>0.68</b>
Deutsche Eff.-u.Wechs.-Bet. AG Inhaber-Aktien o.N.	DE0008041005	STK	200,000	EUR	1.829	365,800.00	0.68
<b>Total securities</b>				<b>EUR</b>		<b>52,307,031.55</b>	<b>96.71</b>
<b>Bank deposits, non-securitised money market instruments and money market funds</b>				<b>EUR</b>		<b>2,132,569.72</b>	<b>3.94</b>
<b>Bank deposits</b>				<b>EUR</b>		<b>2,132,569.72</b>	<b>3.94</b>
Deposits at State Street Bank S.C.A. Luxembourg							
Deposits in currency fund			2,132,569.72	EUR		2,132,569.72	3.94
<b>Other assets</b>				<b>EUR</b>		<b>14,588.66</b>	<b>0.03</b>
Dividend entitlements			14,000.00	EUR		14,000.00	0.03
Withholding tax claims			588.66	EUR		588.66	0.00
<b>Liabilities</b>				<b>EUR</b>		<b>-366,987.20</b>	<b>-0.68</b>
Interest payable			-192.53	EUR		-192.53	0.00
Management fee			-52,271.96	EUR		-52,271.96	-0.10
Depositary fee			-6,000.00	EUR		-6,000.00	-0.01
Depositary costs			-1,735.48	EUR		-1,735.48	0.00
Asset management fee			-263,117.44	EUR		-263,117.44	-0.49
Auditing costs			-11,000.00	EUR		-11,000.00	-0.02
Other liabilities			-32,669.79	EUR		-32,669.79	-0.06
<b>Fund assets</b>				<b>EUR</b>		<b>54,087,202.73</b>	<b>100.00 (1)</b>

## FPM Funds Stockpicker Germany Small/Mid Cap

### Statement of assets as at 31/12/2015

Statement of assets	ISIN	Unit or Units or % of 1,000	Holding 31.12.2015	Currency	Rate	Market value in EUR	% of fund assets
<b>FPM Funds Stockpicker Germany Small/Mid Cap (C)</b>							
Share value				EUR		285.20	
Issuing price				EUR		296.61	
Redemption price				EUR		285.20	
Number of shares				STK		150,580.503	
<b>FPM Funds Stockpicker Germany Small/Mid Cap (I)</b>							
Share value				EUR		1,180.95	
Issuing price				EUR		1,180.95	
Redemption price				EUR		1,180.95	
Number of shares				STK		9,435.000	

#### Footnotes:

(1) Minor rounding differences may arise due to rounding of the share percentages during calculation.



## FPM Funds Stockpicker Germany Small/Mid Cap

### Income and expenditure statement (incl. income equalisation) for the period from 01/01/2015 to 31/12/2015

			Total
<b>I. Income</b>			
- Dividends		EUR	891,596.95
- Interest from liquid investments *)		EUR	-1,670.89
<b>Total revenues</b>		<b>EUR</b>	<b>889,926.06</b>
<b>II. Expenditure</b>			
- Management fee		EUR	-565,610.90
- Depository fee		EUR	-29,931.02
- Custodian fees		EUR	-4,737.06
- Performance fees		EUR	-1,403,753.98
- Auditing and publication costs		EUR	-46,746.01
- Taxe d'abonnement		EUR	-20,635.69
- Registrar and Transfer Agent		EUR	-52,762.51
- Legal and consultancy costs		EUR	-1,007.06
- Foreign withholding tax		EUR	-220,230.88
- Expenditure equalisation		EUR	23,162.61
- Other expenditure		EUR	-73,019.39
<b>Total costs</b>		<b>EUR</b>	<b>-2,395,271.89</b>
<b>III. Ordinary net income</b>		<b>EUR</b>	<b>-1,505,345.83</b>
<b>IV. Sale transactions</b>			
1. Realised profits from		EUR	13,308,105.58
- Securities transactions	EUR	13,308,105.58	
2. Realised losses from		EUR	-1,156,783.92
- Securities transactions	EUR	-1,156,609.77	
- Currencies	EUR	-174.15	
<b>Realised profit/loss</b>		<b>EUR</b>	<b>12,151,321.66</b>
<b>V. Net change in unrealised gains/losses from</b>			
- Securities transactions	EUR	382,746.11	
<b>Net change in unrealised profit</b>		<b>EUR</b>	<b>382,746.11</b>
<b>VI. Result for the reporting period</b>		<b>EUR</b>	<b>11,028,721.94</b>

\*) "Interest from liquid investments" includes negative credit interest of EUR 1,670.89.

## FPM Funds Stockpicker Germany Small/Mid Cap

<b>Movements in fund assets</b>				<b>2015</b>
<b>I. Value of fund assets at the beginning of the reporting period</b>				<b>EUR 43,121,186.83</b>
1. Distribution for the previous year/tax deductions for the previous year			EUR	-4,272.53
2. Interim distributions			EUR	0.00
3. Inflow/outflow of funds (net)			EUR	1,045,419.24
(a) Inflows from sale of shares	EUR	34,951,902.17		
(b) Outflows from redemption of shares	EUR	-33,906,482.93		
4. Income equalisation/expenditure equalisation			EUR	-1,103,852.75
5. Result for the reporting period			EUR	11,028,721.94
<b>II. Value of fund assets at the end of the reporting period</b>				<b>EUR 54,087,202.73</b>

## FPM Funds Stockpicker Germany Small/Mid Cap

### FPM Funds Stockpicker Germany Small/Mid Cap (C) Comparative overview of the previous three financial years

Financial year		Shares outstanding as at End of financial year		Fund assets as at End of financial year		Unit value as at End of financial year
2013	No. of unit:	236,456.524	EUR	55,657,421.69	EUR	235.38
2014	No. of unit:	172,758.193	EUR	39,671,713.53	EUR	229.64
2015	No. of unit:	150,580.503	EUR	42,944,895.62	EUR	285.20

#### Performance of shares outstanding during the reporting period

##### Shares outstanding at the start of the reporting period

Shares issued

Shares redeemed

##### Shares outstanding at the end of the reporting period

#### Units

**172,758.193**

101,549.121

-123,726.811

**150,580.503**

## FPM Funds Stockpicker Germany Small/Mid Cap

### FPM Funds Stockpicker Germany Small/Mid Cap (I) Comparative overview of the previous three financial years

Financial year		Shares outstanding as at End of financial year		Fund assets as at End of financial year		Share value as at End of financial year
2014 *)	No. of unit:	3,749.000	EUR	3,449,473.30	EUR	920.10
2015	No. of unit:	9,435.000	EUR	11,142,307.11	EUR	1,180.95

\*) Launch date 22/04/2014

#### Performance of shares outstanding during the reporting period

	Units
<b>Shares outstanding at the start of the reporting period</b>	<b>3,749.000</b>
Shares issued	6,838.000
Shares redeemed	-1,152.000
<b>Shares outstanding at the end of the reporting period</b>	<b>9,435.000</b>

## FPM Funds

### Report of the Réviseur d'Entreprises agréé

To the shareholders in FPM Funds, SICAV

In compliance with the mandate issued to us by the Board of Directors of the SICAV on 22 October 2015, we have audited the attached annual financial statements for the FPM Funds SICAV and its sub-funds, which consist of the statement of net fund assets, the securities portfolio and other assets as at 31 December 2015, the income and expenditure statement and the performance of the net fund assets for the financial year ending on this date as well as a summary of important accounting methods and other explanatory information.

#### *Responsibility of the Board of Directors of the SICAV for the annual financial statements*

The Board of Directors of the SICAV is responsible for preparing and accurately presenting the entire annual report in accordance with the statutory provisions and regulations that are applicable in Luxembourg for preparing the annual report and for internal controls which it deems necessary in order to prepare the annual report which is free of material misstatements, irrespective of whether these result from irregularities or fraud.

#### *Responsibility of the Réviseur d'Entreprises agréé*

We are responsible for giving an audit opinion based on our audit of these annual financial statements. We conducted our audit in accordance with the international standards on auditing adopted for Luxembourg by the Commission de Surveillance du Secteur Financier. These standards require us to observe professional requirements and to plan and conduct the audit in such a way that we can determine, with an adequate degree of certainty, whether the annual financial statements are free of material misstatement.

An audit involves performing auditing procedures in order to issue an auditor's opinion on the valuations and information provided in the annual financial statements. The choice of audit activities is made at the discretion of the Réviseur d'Entreprises agréé, as is the evaluation of the risk that the annual financial statements contain materially inaccurate information as a result of inaccuracies or violations. Within the framework of this risk assessment, the Réviseur d'Entreprises agréé examines the internal control system set up for the preparation and correct presentation of the annual accounts. This is done in order to determine the appropriate auditing procedures for the circumstances and not, it should be noted, to provide an evaluation of the effectiveness of the internal control system.

An audit also includes an assessment of the appropriateness of the applied accounting principles and methods and the appropriateness of the estimates made by the Board of Directors of the SICAV, as well as an assessment of the overall presentation of the annual financial statements.

We feel that the audit evidence that we have requested is sufficient and suitable to serve as a basis for our audit opinion.

#### *Audit opinion*

According to our assessment, the annual accounts convey a realistic picture of the finances and assets of the FPM Funds SICAV, and its sub-funds as at 31 December 2015 as well as its profits and changes to net fund assets for the financial year ending on this date in accordance with the legal requirements and stipulations applicable in Luxembourg with regard to the preparation of annual accounts.

#### *Miscellaneous*

We have examined the supplementary information contained in the annual report as part of our mandate, although it did not form the subject of special audit activities under the principles described above. Consequently, the audit opinion does not apply to this information. We have no comments to make on any such information within the framework of the overall presentation of the annual financial statements.

Luxembourg, 15 March 2016

KPMG Luxembourg, Société coopérative  
Cabinet de révision agréé

J. Roth