



# Augustus Capital AM

since 1994

**LIERDE**

creating value

August 2020

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# 1. HISTORY

FAMILY INVESTMENT VEHICLE

ACTIVE DISTRIBUTION



**TOTAL RETURN 1.355,2% (14% annual return)**



## 2. DESCRIPTION

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- Well-diversified portfolio: 50-60 high quality companies
- Average position 2%-3%
- Target price is established ex-ante

**ACTIVELY MANAGED  
SINCE 1994**



- Investment exposure: min. 80% - max. 100%
- Global with European bias
- Proximity to companies

- Without index benchmark
- No size restriction
- Own valuation models based on Return on Capital Employed



### 3. AFTER 26 YEARS... What makes LIERDE different?

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# TRACK-RECORD



*“It’s easier to look back than to look into the future.”*

WARREN BUFFETT



# 3.1. TRACK-RECORD: 26 years beating the indices



26 years with the same strategy  
reinforces the investment model

Lower risk vs. market



FROM INCEPTION	LIERDE	STOXX 600 NR*
Beta	0.83	
Volatility	17.6%	19.1%
12 MONTHS	LIERDE	STOXX 600 NR*
Beta	0.88	
Volatility	25.0%	26.9%



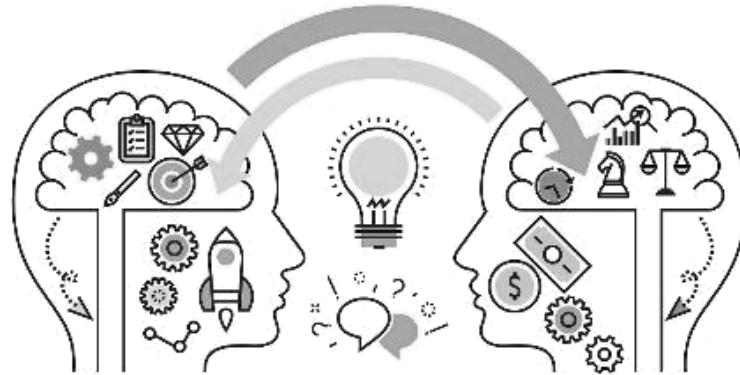
Only 5 years with negative returns  
over -5%!!!

## HISTORICAL RETURNS

YEAR	LIERDE	STOXX 600 NR*	Difference
1994	28.6%	-0.3%	28.8%
1995	-2.7%	17.2%	-19.9%
1996	44.3%	24.8%	19.5%
1997	79.5%	41.2%	38.3%
1998	40.2%	21.1%	19.1%
1999	21.0%	38.2%	-17.2%
2000	-4.6%	-3.8%	-0.7%
2001	3.7%	-15.6%	19.3%
2002	-26.3%	-30.4%	4.1%
2003	34.5%	15.9%	18.6%
2004	3.2%	12.2%	-9.0%
2005	42.3%	26.7%	15.6%
2006	27.2%	20.8%	6.4%
2007	8.7%	2.4%	6.4%
2008	-42.1%	-43.8%	1.6%
2009	45.7%	32.4%	13.3%
2010	10.7%	11.6%	-0.9%
2011	-15.8%	-8.6%	-7.2%
2012	16.4%	18.2%	-1.7%
2013	27.4%	20.8%	6.6%
2014	-0.1%	7.2%	-7.3%
2015	18.6%	6.8%	11.8%
2016	4.2%	1.7%	2.5%
2017	18.2%	10.6%	7.6%
2018	-20.8%	-10.8%	-10.0%
2019	16.3%	26.8%	-10.5%
YTD2020	-15.3%	-13.0%	-2.3%
Total return	1355.2%	459.5%	895.7%
Average	13.9%	8.9%	5.0%



# METHOD



*“Growth and Value are not opposed to each other.*

*Growth is an input to the calculation of value.”*

**BILL MILLER, CIO Legg Mason Capital Management**

## 3.2. METHOD



*“We invest in businesses that generate value on a sustainable basis, that are able to grow and are well managed.”*

1

### GOOD BUSINESSES

*“The ideal business is one that earns very high returns on capital and that keeps using lots of capital at those high returns. That becomes a **COMPOUNDING MACHINE**.”*  
WARREN BUFFETT

2

### GOOD MANAGERS

*“The **TEAM** with the best players wins.”*  
JACK WELCH, CEO  
General Electric (1981-2001)

3

### CAPACITY TO GROW

*“We prefer businesses with exposure to **STRUCTURAL TRENDS**.”*  
AUGUSTUS CAPITAL AM

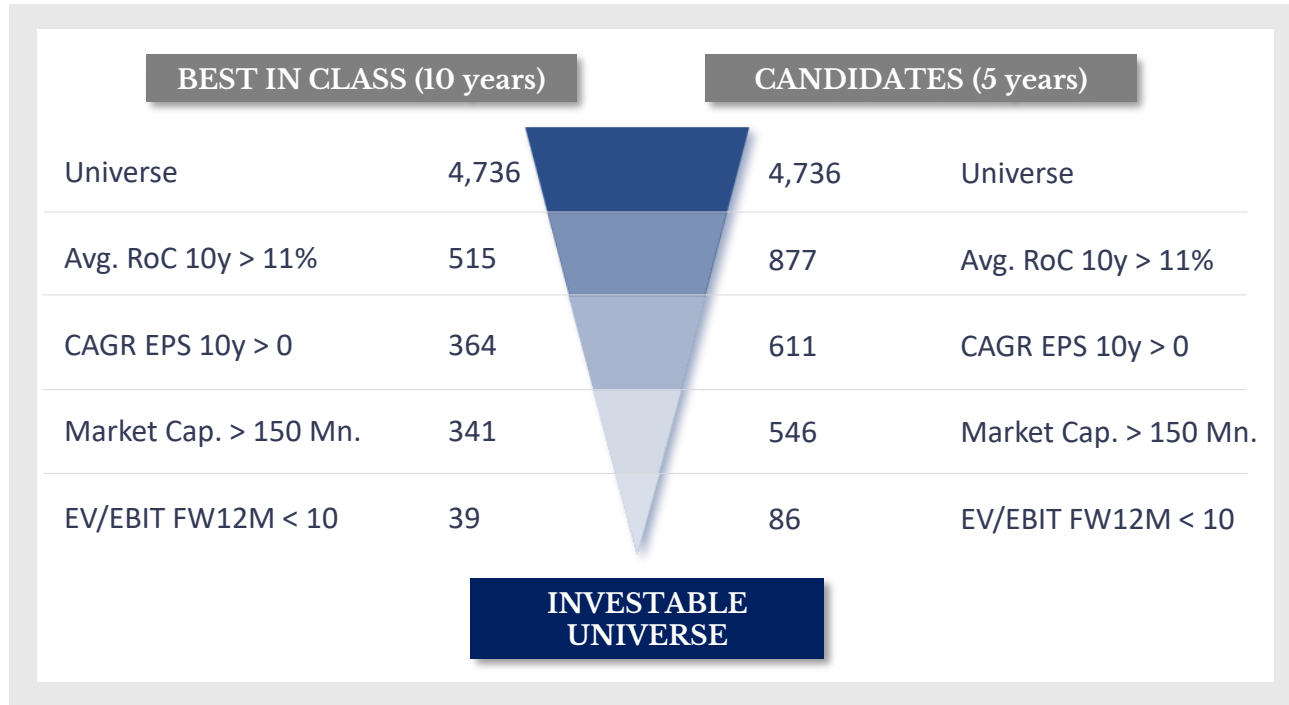
4

### GOOD PRICE

*“**BUYING CHEAP** is great, but buying good businesses cheap is even better.”*  
JOEL GREENBLATT



## 3.2. METHOD: Investment Universe



### IN-HOUSE SCREENINGS (bottom up)

- Best-in-class
- Value Creation

### SCREENINGS TO LOOK FOR MARKET INEFFICIENCIES

- Laggards
- Small becoming Big
- Under the Radar

**BE FOCUSED !!**



## 4. THE OUTCOME, a high quality portfolio ...

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Family origin or  
with a reference  
shareholder



Low leverage  
companies  
(net cash)



Companies with  
more than 10 years  
of track-record



## 4. ... with great capacity to CREATE VALUE ...

### POTENTIAL of LIERDE in 4 years\*

#### VALUE CREATION

**54,9%**  
(11,6% annualized)

- Depends on the business
- Recurrent

+

#### UNDERVALUATION

(re-rating)

**20,3%**

- Depends on the market
- One-off

Data up to 28/08/2020  
\*2020-2024, based on our RoCE's models



# 4. ... and HIGH POTENTIAL on the long-term.

	VALUE CREATION OF LIERDE VS MARKET PERFORMANCE OF LIERDE									
	2012	2013	2014	2015	2016	2017	2018	2019	2020e	2021e
Value Creation	14.9%	17.4%	19.6%	17.5%	13.7%	18.0%	11.4%	12.0%	7,7%	11,6%
Market Performance	16.4%	27.4%	-0.1%	18.6%	4.2%	18.2%	-20.8%	16.3%	YTD -15.3%	



	VALUE CREATION OF LIERDE VS INDICES									
	2012	2013	2014	2015	2016	2017	2018	2019	2020e	2021e
LIERDE	14.9%	17.4%	19.6%	17.5%	13.7%	18.0%	11.4%	12.0%	7,7%	11,6%
STOXX 600	5.2%	1.4%	14.6%	7.6%	5.4%	4.1%	4.7%	6.3%	7,8%	7,5%
EUROSTOXX 50	5.1%	-1.8%	9.7%	3.9%	2.3%	5.6%	1.9%	5.1%	6,9%	8,1%
S&P 500	11.0%	9.5%	3.8%	3.9%	5.9%	10.0%	5.3%	7.0%	8,6%	8,6%



$$\text{VALUE CREATION} = \text{BOOK VALUE INCREASE PER SHARE} + \text{DIVIDEND YIELD}$$

Data up to 28/08/2020



# 5. GENERAL INFORMATION

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<b>Inception Date</b>	31/05/1994
<b>AUM</b>	EUR 147 Mn.
<b>CNMV n° of Registration</b>	2467
<b>Liquidity</b>	Daily
<b>Fees</b>	Management fee 1.40% annual Depository fee 0.125% annual
<b>Asset Manager</b>	Augustus Capital AM
<b>Custodian</b>	Banco de Sabadell
<b>Auditor</b>	Deloitte
<b>Currency</b>	EUR
<b>ISIN Code</b>	ES0158457038
<b>Bloomberg Ticker</b>	LIE SM Equity

Data up to 28/08/2020

# 6. TEAM



**Juan Uguet de Resayre,  
FOUNDER & PORTFOLIO  
MANAGER**

Juan began his career in Beta Capital Fortis where he worked for 8 years. He held the position of Head of Analysis before being appointed CIO in 1998.

From 2000 – 2007, he worked as CIO at Ibercaja Gestión, managing over EUR9.500Mn AuM. Later, he joined BBVA & Partners, where he was Partner since 2007. During this period, Juan managed Augustus Equity Fund and Augustus Neutral Plus, Total Return.

Juan holds a bachelor's degree in Economics and Business Administration by the University of Zaragoza (Spain) and was awarded with a MBA Degree by the University of San Francisco (California).

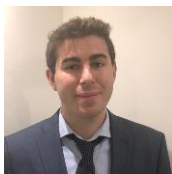


**Francisco Tajada,  
FUND MANAGER**

Before joining the Augustus Capital AM team, Francisco has been a partner in Preon Capital in Geneva, the single family office of Jari Ovaskainen, awarded by the European Business Angels Network as the business angel of the year in 2014. Preon Capital is also advising in liquid asset investments.

From 2011 to 2014 Francisco was a partner in ONEtoONE Corporate Finance, developing Investment Banking and M&A activities. From 2008 to 2011 he worked as buy-side analyst for Strategic Investment Advisors (Suisse) in Geneva. Previously Francisco worked as a Business Manager in Adidas Spain and as an independent strategic consultant and financial adviser.

Francisco holds a MSc degree in Mechanical Engineering from the University of Zaragoza and a MBA from IESE in Barcelona.



**Daniel Porte,  
ANALYST**

Prior to joining Augustus Capital AM, Daniel began his career as junior analyst at GAR Investment Advisors EAFI where he worked for 1 year.

Daniel holds a bachelor's degree in Economics and Business Administration from CEU Abad Oliba University of Barcelona.



**Marta Zárata,  
INVESTOR  
RELATIONS &  
BUSINESS  
DEVELOPMENT**

Marta began her career in BBVA, where she held several positions in the areas of Client Development & Strategy for Institutional Clients.

She holds a bachelor's degree in Law and Business Administration from the University of Zaragoza (Spain) and the Catholic University of Leuven (Belgium), and a Master's degree in Business Law by ICADE.).



**Alejandro Serrano,  
CFO & COO**

Alejandro began his career in PricewaterhouseCoopers in 2008. He specialized in auditing the Asset Management industry with national and international clients.

He holds a bachelor's degree in Law and in Business Administration from the University of Zaragoza and a Master in Auditing by Alcalá University.



**Alicia Casasús,  
INTERNAL AUDIT**

Prior to joining Augustus Capital AM, Alicia was part of the accounting department of Aramon. Previously, she worked in the financial department of Schindler. After graduating, she began her professional career as head of the accounting and administration department of several SMEs.

Alicia holds a bachelor's degree in Economics and a Master's degree in Finance and Accounting at the University of Zaragoza.