

Mandatum Life SICAV-UCITS

European Small & Mid Cap Equity Fund

Monthly Review 28 February 2019

Fund Facts

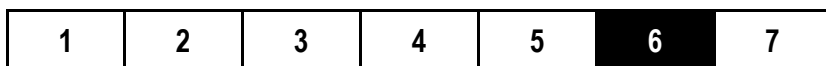
Name	Mandatum Life SICAV-UCITS European Small & Mid Cap Equity Fund
Inception Date	28.5.2015
Investment Manager	Mandatum Life
Base Currency	EUR
Benchmark Index	Stoxx Europe Small 200 NTR

Investment Strategy

Mandatum Life SICAV-UCITS European Small & Mid Cap Equity Fund offers the opportunity to invest diversely in European equity markets.

The fund aims to achieve capital appreciation in the long run by investing in shares and equity-related securities of European companies. A return in excess of the benchmark index is sought by investing in selected companies based on careful analysis. The benchmark index for the fund is the Stoxx Europe Small 200 NTR. The fund has discretion in its choices of investments within its investment objectives and policies.

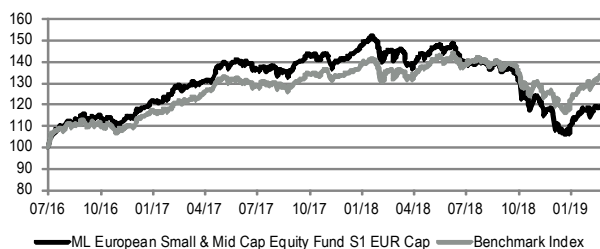
Risk and Reward Profile*



Lower risk → Higher risk
Typically lower return → Typically higher return

*The fund's risk category has been calculated using past performance of the fund's investment-policy-based portfolio.

Performance



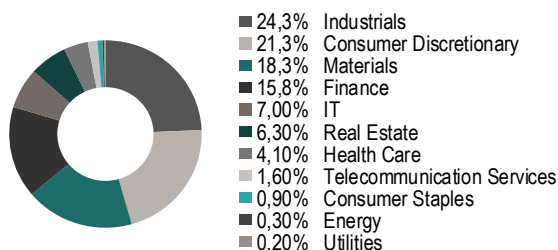
Top 10 Holdings

2,9%	Burford Capital Ltd	2,2%	Covestro Ag
2,7%	Jungheinrich Ag	2,1%	Medios Ag
2,4%	Aurelius Ag	2%	Aroundtown Property Holdings Plc
2,2%	Mayr Melnhof Karton Ag	2%	Arkema Sa
2,2%	Amundi Sa	2%	Stora Enso Oyj - R

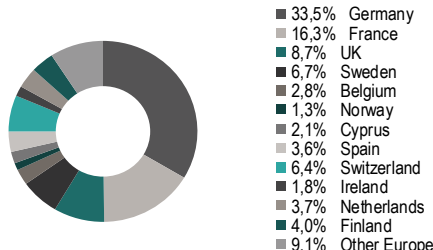
	Share class	Bloomberg Ticker	ISIN Code	1 mth	3 mths	6 mths	12 mths	2019	Since Inception	Inception Date
European Small & Mid Cap Equity Fund	S1 EUR Cap	MLESMAE LX Equity	LU1112755563	0,98 %	1,40 %	-14,71 %	-17,95 %	9,77 %	18,76 %	7.7.2016
	S3 EUR Cap	MLESMCE LX Equity	LU1112756371	1,05 %	1,63 %	-14,29 %	-17,12 %	9,93 %	3,30 %	28.5.2015
Benchmark Index	-	-	-	3,77 %	6,31 %	-4,81 %	-1,43 %	12,00 %	33,26 %	(7.7.2016)

Portfolio P/E	EPS Growth	Company Market Cap (EUR billion)	Dividend Yield	Fund AUM (EUR million)
13.3	7.8%	2.0	3.1%	163.2

Fund Composition



Sector Allocation



Geographic Allocation

Mandatum Life SICAV-UCITS

European Small & Mid Cap Equity Fund

Monthly Review 28 February 2019

Investment Manager's Review

European SMEs' stock prices rose in February. ML European Small & Mid Cap rose +0.98% while the benchmark index rose +3.77%. Since inception, the investment fund's return has been +18.76%.

After a strong January, the equity markets continued to rise in February. In February, the earnings season was at its busiest, which buffeted individual shares more than the markets as a whole. For example, the equities with the best return in the broad European stock indices rose close to +30%, while the biggest fallers declined by as much as -30%. Thus, the differences during a single month have been exceptionally large. The corresponding figures on the Helsinki Stock Exchange were +20% and -20%. At the same time, the differential between expensive and cheap stocks continued to widen and is turning out to be the largest ever. In a television interview, Warren Buffet stated that companies with a good outlook are priced to the max. At the same time, he pointed out that it is difficult to make megadeals but that there are plenty of good companies to be found and that purchases will continue (not full-scale buyouts). Our view of the market is currently the same. There is plenty to buy and we are satisfied with our current positions. We just have to sit back and wait. Stock prices seem to be driven more by momentum rather than fundamentals and valuation levels. The best-performing stocks in February included Barco, Dometic, Academedia and Amundi.

The largest sector weights in the investment fund are industrials and consumer discretionary. The largest country exposures are Germany and France. The ML European Small & Mid Cap investment fund has a median P/E of 13.3x, a dividend yield of +3.1% and an earnings-growth expectation of around +8%. The investment fund is made up of the stocks of around 65 companies, with the average company size being approximately EUR 2.0 billion. Many investors have been waiting for a course correction from the markets to increase their equity exposure. Over the past six years, all cases of market nervousness have provided excellent opportunities to increase small & mid cap exposure. We believe these companies will grow faster than large caps and offer investors a better return in the long run.

This fund review does not constitute a recommendation to subscribe for or redeem units in the fund. In compiling the fund review, every attempt has been made to ensure that the information contained in it is correct. However, Mandatum Life is not accountable for the correctness of the information.

The fund's past performance is no guarantee of future returns. The value of investments may increase or decrease and investors risk losing the assets they originally invested.

Mandatum Life Fund Management S.A.
Street address: 26-28 Rue Edward Steichen, L-2540 Luxembourg.
Business ID: B190624. www.mandatumlife.lu