

# European High Yield Bond Fund

EUR I Accumulating Class Unhedged

29 April 2016

## FUND OBJECTIVE

To increase the value of your shares through a combination of growth and income from investments in European high yield bonds (debt securities).

High yield bonds have a lower credit rating because they carry a higher risk of not being paid back. High yield bonds typically offer a higher income to make them attractive to investors.

The fund invests primarily in high yield bonds issued by:

- European corporations
- Non-European corporations which conduct a majority of their activity in Europe.

## MANAGEMENT TEAM

**Andrew Wilmont**  
Portfolio Manager

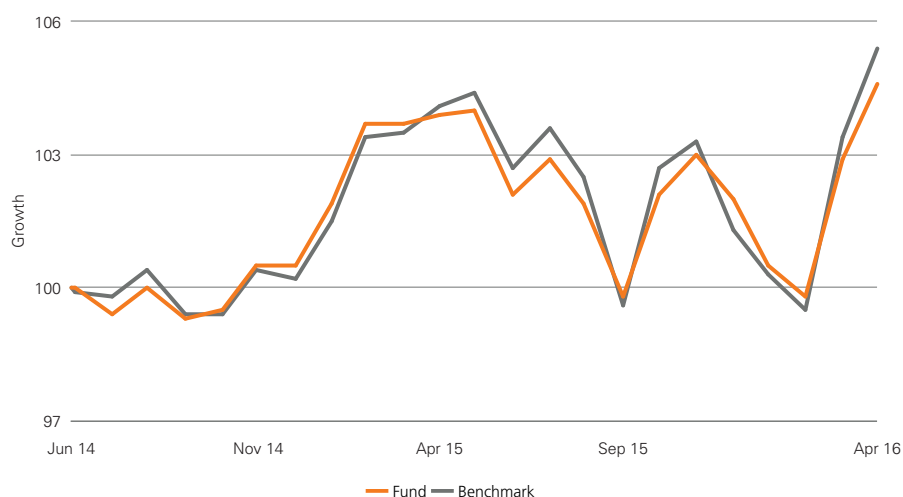
**Dan Doyle**  
Portfolio Manager

**Martin Rotheram**  
Portfolio Manager

## FUND FACTS

Inception Date	27 June 2014
Base Currency (Fund)	EUR
Base Currency (Share)	EUR
Fund AUM (EUR Mn)	30.95
NAV (class ccy)	10.46
Domicile	Ireland
Listing	Ireland
Vehicle	UCITS
Valuation	Daily
Settlement (subscription)	T+3
Trading Deadline	15:00 (Dublin time)
Regulator	Central Bank of Ireland
Management Fee	0.60%
TER	0.80%
Initial Sales Charge (Max)	0.00%
Bloomberg	NBEHYIE ID
ISIN	IE00BNH72V92
Morningstar Category™	EUR High Yield Bond
Benchmark	BofA Merrill Lynch European Currency Non-Financial High Yield 3% Constrained Index EUR (Hdg)

## CUMULATIVE PERFORMANCE



CUMULATIVE (%) <sup>1</sup>	1m	3m	YTD	1y	3y	5y	SI <sup>3</sup>
Fund	1.65	4.08	2.55	0.67	-	-	4.60
Benchmark	1.93	5.02	3.98	1.18	-	-	5.37

ANNUALISED (%) <sup>1</sup>	1y	3y	5y	SI <sup>3</sup>
Fund	0.67	-	-	2.47
Benchmark	1.18	-	-	2.89

CALENDAR (%) <sup>2</sup>	2011	2012	2013	2014	2015	2016
Fund	-	-	-	-	1.49	2.55
Benchmark	-	-	-	-	1.15	3.98

<sup>1</sup>Performance to latest month end. YTD - Year to Date, SI - Since Inception.

<sup>2</sup>Performance for the current calendar year is the year to date performance up to the reporting month end.

<sup>3</sup>Performance from 27 June 2014 to latest month end.

Fund performance is representative of EUR I Accumulating Class Unhedged and is net of fees.

**Past performance is not indicative of future results.**

## TOP 10 ISSUERS % (MV)

	Fund
ARD Finance Holdings SA	3.02
Virgin Media Inc	2.66
Telefonica Europe BV	2.14
GAZ Capital	1.92
Fiat Chrysler Automobiles	1.87
Casino Guichard Perrachon	1.81
Telenet Finance	1.79
Schaeffler AG	1.78
Casema Holdings	1.76
Tesco Plc	1.66

## CONTACT

Client Services: +44 (0)20 3214 9077\*

Email: funds\_cseurope@nb.com

Website: www.nb.com

\*Calls are recorded

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## TOP 5 COUNTRY ALLOCATIONS % (MV)

	Fund	Bmrk
United Kingdom	29.11	22.09
France	11.03	12.97
United States	9.50	5.70
Germany	7.92	14.44
Luxembourg	5.96	5.45

## DURATION DISTRIBUTION % (MV)

	Fund	Bmrk
< 0 Year	0.00	0.01
0 - 1 Year	18.13	10.49
1 - 2 Years	11.31	16.66
2 - 3 Years	13.83	18.09
3 - 4 Years	11.44	17.14
4 - 5 Years	15.72	14.80
5 - 6 Years	10.56	9.79
6 - 7 Years	7.87	6.81
7 - 8 Years	3.11	2.82
8 - 9 Years	4.73	2.09
9+ Years	3.29	1.31

## TOP 5 SECTOR ALLOCATIONS % (MV)

	Fund	Bmrk
Basic Industry	14.18	17.46
Media	13.66	8.74
Telecommunications	11.08	11.47
Retail	9.79	9.84
Automotive	9.15	9.65

## CREDIT QUALITY % (MV)

	Fund	Bmrk
BBB	0.00	0.00
BB	61.31	62.87
B	35.79	31.45
CCC	1.90	5.36
CC	0.00	0.11
C	0.00	0.13
D	0.00	0.07
Not rated	0.00	0.00
Cash Equivalents (%)	1.00	0.00

Credit quality ratings are based on the Bank of America ("BofA") Merrill Lynch Master High Yield Index composite ratings. The BofA Merrill Lynch composite ratings are updated once a month on the last calendar day of the month based on information available up to and including the third business day prior to the last business day of the month. The BofA Merrill Lynch composite rating algorithm is based on an average of the ratings of three agencies (to the extent rated). Generally the composite is based on an average of Moody's, S&P and Fitch. For holdings that are unrated by the BofA Merrill Lynch Index composite, credit quality ratings are based on S&P's rating. Holdings that are unrated by S&P may be assigned an equivalent rating by the investment manager. No NRSO has been involved with the calculation of credit quality and the ratings of underlying portfolio holdings should not be viewed as a rating of the portfolio itself. Portfolio holdings, underlying ratings of holdings and credit quality composition may change materially overtime.

## CHARACTERISTICS

	Fund	Bmrk
Weighted Average Maturity (years)	6.20	6.01
Portfolio Price	102.48	99.16
Weighted Average Yield to Worst (%)	4.39	4.88
Weighted Average Yield to Maturity (%)	4.91	4.99
OAS (bps)	423	474
Weighted Average Duration (years)	3.76	3.55
Weighted Average Current Yield (%)	5.40	5.41

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## I SHARE CLASS DATA

Share Class	Currency	Inception Date	ISIN	Bloomberg	VALOR	Minimum Investment
EUR I Accumulating Class Unhedged	EUR	27-06-2014	IE00BNH72V92	NBEHYIE ID	24790283	2,500,000
USD I Accumulating Class Hedged	USD	27-06-2014	IE00BNH73L69	NBEHYIU ID	24790288	2,500,000

Some share classes listed are subject to restrictions: please refer to the Fund's prospectus for further details.

## RISK CONSIDERATIONS

Fixed income securities are subject to the risk of an issuer's ability to meet principal and interest payments on the obligation (credit risk) and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (market risk). Fixed income securities are also exposed to the risk that their or their issuers' credit ratings may be downgraded, which can cause a significant drop in the value of such securities.

Lower rated or unrated (i.e. non-investment grade or high yield) securities are more likely to react to developments affecting market and credit risk than are more highly rated securities, which primarily react to movements in the general level of interest rates. Investors should carefully consider the relative risks of investing in high yield securities and understand that such securities generally are not meant for short-term investing.

Investors who subscribe in a currency other than the base currency of the Fund are exposed to currency risk. Fluctuations in these exchange rates may affect the return on investment.

## DISCLAIMER

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The sub-investment manager for the European High Yield Bond Fund is Neuberger Berman Investment Advisers LLC.

Neuberger Berman Investment Funds plc (the "Fund") is authorised by the Central Bank of Ireland (the "Central Bank") as an Undertaking for Collective Investment in Transferable Securities under the European Communities ("UCITS") Regulations 2011 (S.I. 352 of 2011) of Ireland, as amended.

The fund mentioned in this document may not be eligible for sale in some countries and it may not be suitable for all types of investor. Shares in the fund may not be offered or sold directly or indirectly into the United States or to U.S. Persons: for further information see the current prospectus. The Fund is registered in a number of countries: please see the latest Country Registration Matrix on [www.nb.com/europe/literature.html](http://www.nb.com/europe/literature.html)

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Past performance is not indicative of future results. For details of the investment risks, which may include but are not limited to liquidity, interest rate, credit and currency risk, see the current prospectus.

Please note that any dividends/interest which the Fund may receive may be subject to withholding tax. The benchmark does not take into account the effects of tax and the deduction is therefore not reflected in the benchmark return illustrated herein. The investment objective and performance benchmark is a target only and not a guarantee of the Fund performance. The index is unmanaged and cannot be invested in directly. Index returns assume reinvestment of dividends and capital gains and unlike fund returns do not reflect fees or expenses. Adverse movements in currency exchange rates can result in a decrease in return and a loss of capital. The investments of each portfolio may be fully hedged into the portfolio's base currency: this may reduce currency risks but may also expose the portfolio to other risks such as the default of a counterparty.

Monthly and weekly Distributing Classes will distribute out of income and may also pay out of capital which will be eroded; investors in these classes should be aware that the payment out of capital may have different tax implications from distributions of income and should seek tax advice. In respect of the C, C1, C2, E and B share classes a contingent deferred sales charge may be payable to the Investment Manager in line with the provisions of the Fund's prospectus.

Following a redemption request, the Fund will seek to make payments within 3 business days of the dealing day, otherwise redemption proceeds will be paid within 10 business days, unless dealing has been temporarily suspended in accordance with the Fund prospectus.

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