Yacktman U.S. Equity Fund

Heptagon Yacktman US Equity Fund

The Heptagon Yacktman US Equity Fund (the "Fund), managed by Yacktman Asset Management ("Yacktman") was launched on December 14, 2010 and had AUM of USD 1,583m as of June, 30 2015.

In the second quarter of 2015, the Fund declined by -2.17% (I USD share class) while the S&P 500 Net Index rose 0.13%. Year-to-date, the Fund has declined by -5.86% compared to the market's modest rise of 0.92%. This year, the Russell 1000 Value, which is an index representative of Large Cap Value, has lagged the Russell 1000 Growth index by nearly 5% in the first half of the year. More than 30% of the Russell 1000 Value stocks are now more than 20% below their 52-week high. Yacktman thinks the underperformance is mostly attributable to the short-term race for growth over value that often happens towards the end of an aging and expensive bull market.

TOTAL RETURNS

As of June 30, 2015

	ANNUALIZED			
	1-Year	3-Year	5-Year	10-Year
Yacktman US Equity Fund (UCITS)*	**-0.5%**	**10.3%**	**-**	**-**
S&P 500© Net TR	*6.8%*	*16.6%*	-	-
The Yacktman Fund (YACKX)	**1.0%**	**12.1%**	**13.7%**	**9.9%**
S&P 500© Index	*7.4%*	*17.3%*	*17.3%*	*7.9%*

	CUMULATIVE			
	1-Year	3-Year	5-Year	10-Year
Yacktman US Equity Fund (UCITS)*	**-0.5%**	**34.4%**	**-**	**-**
S&P 500© Net TR	*6.8%*	*58.4%*	-	-
The Yacktman Fund (YACKX)	**1.0%**	**40.8%**	**90.2%**	**157.4%**
S&P 500© Index	*7.4%*	*61.3%*	*122.2%*	*113.7%*

Source: Bloomberg

Yacktman Asset Management LP – Sub advisor Q2 2015 Commentary

Underperformance Often Sets up Outperformance

We think our recent results have set us up for much better returns going forward. Some of our largest positions like Procter & Gamble (P&G) and 21st Century Fox (Fox) which have underperformed are much better deals today than they were at the beginning of the year. We increased our weighting in these stocks during the quarter, so we now have more exposure at lower prices, which we really like. The Fund is more concentrated than at the end of the first quarter with 38 positions.

Our favorite investments often lag late in expensive bull markets. The underperformance of our strategy in the late 1990's set us up to provide strong positive returns over the next three years, even as the market dropped nearly 50%. Similarly, underperformance from 2005-2007 prepared us to deliver solid results in 2008-2009 even as the market declined.

Yacktman U.S. Equity Fund

Underperformance Often Sets up Outperformance Cont.

In early July, investors have been reminded that stock market investing can be risky, as markets in China and Hong Kong have posted significant losses. In the United States we are now more than seven years into a bull market. What worked in the last few years may not work so well going forward. What has not been successful recently may significantly outperform in the future.

During the quarter we increased weightings in our two biggest positions, Procter & Gamble and 21st Century Fox. Both stocks are down for the quarter and the year and, in our opinion, offer even better opportunities than they did before. We think both securities suffer from the incredible short-term focus that seems to have overtaken the market again after a long run of appreciation. It happened in the late 1990's when **tech** stocks went crazy and in 2006-2007 when investors were piling into **energy** stocks.

Top Contributors

During the second quarter, top contributors included Microsoft, Comcast, and Anthem.

Microsoft's shares rebounded in the second quarter after declining in the first quarter. The price movement demonstrates the short-term orientation that has overtaken many stocks recently, as we did not think either quarter produced much to be either panicked or excited about. We continue to like the long-term prospects for significant cash flow generation the company has, and believe the new management team is executing well.

Comcast produced solid returns for the quarter. During the quarter, Comcast walked away from its proposed acquisition of Time Warner Cable due to regulatory issues. We think Comcast is well-positioned without Time Warner and will continue to deliver with solid execution.

Anthem (previously known as WellPoint) appreciated during the quarter. The stock was strong in large part because the healthcare sector has been in favor more generally.

Top Detractors

Some of our highest conviction long-term investments were out of favor during the quarter, including Twenty First Century Fox ("Fox"), Procter & Gamble ("P&G"), and Oracle. We think these investments **all** offer significant long-term value despite their recent unpopularity.

Fox remains one of our favorite holdings despite pulling back in the second quarter. Recently Fox announced a series of management changes, appointing James Murdoch as Chief Executive Officer of the company with Rupert Murdoch and Lachlan Murdoch being named Co-Executive Chairmen. James is a talented leader, who previously was Chief Executive Officer of BSkyB, and has been extensively involved in Fox's operations for nearly two decades. James takes the Chief Executive Officer title from his father, Rupert, who has been running this business for a remarkable 60+ years.

Top Detractors Cont.

Fox is extremely well-positioned for significant growth in earnings per share over the next several years. We think the company is getting little credit for several recent investments, including its strong market position in India, where the company has nearly ¼ of the television viewing audience. The business in India is running near break-even as costs are high in the short-term due to one-off expenses like World Cup cricket rights and the build-out of a mobile platform. Domestically, Fox is making investments to create new channels like Fox Sports 1 and turn around the Fox Broadcasting Company. The expenses associated with the investments will decline over time and we expect profit margins to rebound while the company achieves solid revenue growth and free cash flow.

Fox is in the "penalty box" now because the company is trading potentially higher current profits for far greater value in the future. This is exactly how we like to see our businesses managed. However, currently the stock market favors companies that maximizes profits today and penalizes those willing to invest for tomorrow. We think this sets Fox up for strong outperformance over time.

P&G was out of favor during the quarter as the company continued to sell off non-core businesses. Now that the divestitures are nearly complete, we think P&G will grow faster and manage costs more effectively than they have in recent years. We also expect positive leadership changes to be announced in coming quarters that will execute more effectively.

Oracle's shares declined after releasing weaker than expected results in June. We think Oracle sells at an attractive valuation and will continue to produce robust free cash flow and be disciplined capital allocators.

"It's waiting that helps you as an investor, and a lot of people just can't stand to wait."
Charlie Munger in 2014.

Some investors have expressed frustration with the recent soft performance. At times, and especially late in a bull market, our patient, objective approach seems to challenge some, because it looks like we are not doing enough. We want to assure investors that we are constantly working on investment ideas, both current and potential fund holdings. We are not simply waiting idly, we are waiting for the right price to act. Today, as many stocks have declined significantly from their highs, we have a longer list of potential new investments than we have had in years, and if we continue to see better valuations in some stocks, cash levels could quickly decline.

Conclusion

We remain extremely confident in our investment approach and its ability to outperform while managing risk over the long-term. We are more excited about the fund's positioning and valuation than when we started the year, and will continue to execute our long-term strategy which has served our patient long-term investors exceptionally well and, as always, be patient, objective, and diligent when managing your Yacktman US Equity Fund.

Sincerely,

Heptagon Capital and Yacktman Asset Management

Yacktman U.S. Equity Fund

Risk Warning

The Fund is subject to special risk considerations including geographic concentration risk, portfolio concentration risk and operational risk. The investment return and principal value of an investment will fluctuate so that the investor's shares, when redeemed, may be worth more or less than their original cost. Any investor should consider the investment objectives, risks and charges and expenses of the fund carefully before investing. Where an investment is denominated in a currency other than the investor's currency, changes in rates of exchange may have an adverse effect on the value, price of, or income derived from the investment.

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