

# Artisan Partners Investment Forum 2024

International Value Team

# Investment Philosophy

We focus on identifying high-quality, undervalued businesses that offer the potential for superior risk/reward outcomes

Value Investing

Long-Term  
Investment Horizon

Risk Management

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Undervalued Companies

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Quality Businesses

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Financial Strength

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Shareholder-Oriented Management

# Investment Process—Idea Generation

INVESTMENT UNIVERSE: Non-US equities of all market caps

## Qualitative Screen

- Prejudicial org structures
- Inadequate laws
- Inadequate accounting disclosures
- Regulatory immaturity

## Quantitative Screen

- Low P/E, P/B
- Low EV/Normal EBIT
- Dividend yield
- Stock down
- Money losers
- Earnings growth
- Cash-flow generators

## Keyword Search

- Profit warning
- Spin-off
- Restructuring
- Disenfranchised shareholders

## Knowing Our Markets

- Cheap companies
- Out-of-favor businesses
- Good companies richly priced

### Work List

Primary Data, Valuation, Proprietary Research

- Analyze financial reports and documents
- Review business trends and profitability
- Form opinion on management ability
- Market share and FCF sustainability
- Competitor and customer checks
- Long-term DCF modeling

Estimate of Intrinsic Value

# Hypothetical Growth of \$10,000 in the Artisan International Value Strategy Since Inception

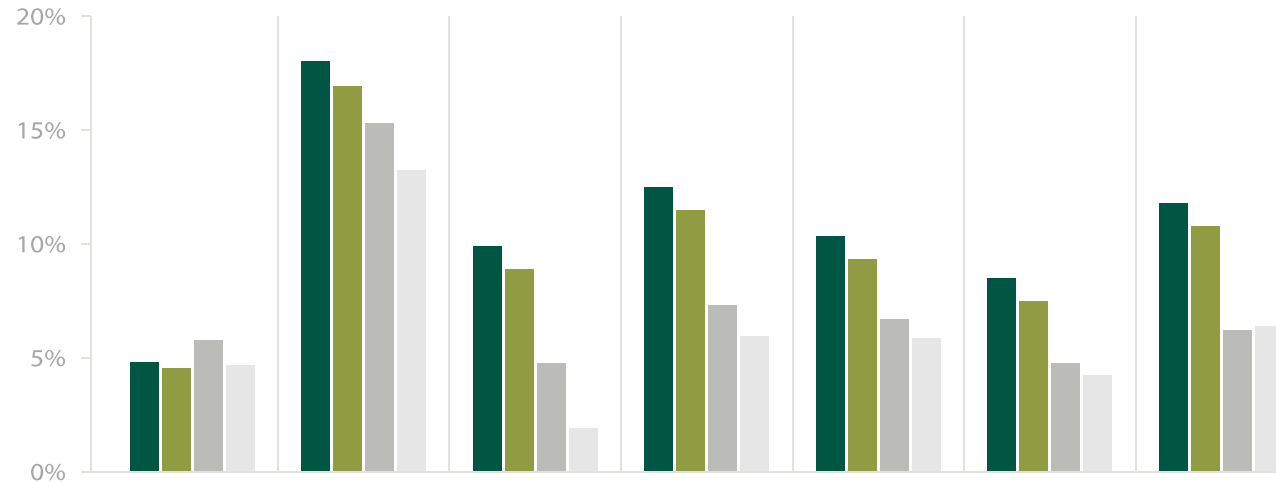


Source: eVestment/MSCI/S&P. As of 31 Dec 2023. Growth of \$10,000 assumes that all dividend and capital gain distributions were reinvested. It does not take into account sales charges or the effect of taxes. The Artisan Strategy characteristics relate to that of an investment composite or a representative account managed within a composite, and hypothetical returns are net of fees. **Results are not indicative of future performance.**

# Top 10 Holdings

Company	Description and Investment Thesis	% of total portfolio
<b>Samsung Electronics Co Ltd</b> (Korea)	A leader in smartphones, semiconductors and other electronic components. We believe Samsung's global scale and vertically integrated business model provide it with a competitive advantage.	6.3
<b>Arch Capital Group Ltd</b> (United States*)	A Bermuda-based company that writes insurance and reinsurance on a worldwide basis. We are attracted to Arch's strong management team and disciplined underwriting track record.	4.7
<b>Danone SA</b> (France)	Danone is a diversified French food company focused on dairy, baby nutrition and water. We are attracted to its world-class collection of assets and strong balance sheet. Danone's recently refreshed board and management should help close its margin gap relative to peers.	4.2
<b>UBS Group AG</b> (Switzerland)	The world's largest wealth manager, the leading retail bank in Switzerland, a global asset manager and a leading global investment bank. UBS is one of the best capitalized banks in the world, and we believe it has significant growth and capital return opportunities.	4.2
<b>Unilever PLC</b> (United Kingdom)	A global consumer goods powerhouse with brands such as Ben & Jerry's, Dove and Hellman's. We are attracted to its portfolio of super brands, high revenue generation and strong market positions. We believe better capital allocation, better management, increased focus and better board supervision could unlock its underlying value.	3.9
<b>Novartis AG</b> (Switzerland)	Novartis is one of the world's largest pharmaceutical companies. It has a diversified business model and a strong R&D pipeline that we believe will contribute to future growth.	3.8
<b>ABB Ltd</b> (Switzerland)	ABB is an industrial conglomerate that manufactures electronic products and equipment. We are attracted to ABB's strong balance sheet and believe it has potential to improve margins.	3.8
<b>HCL Technologies Ltd</b> (India)	India-based IT consultant operating in three main areas: infrastructure outsourcing, research and development (R&D) services and software. The company fits our profile of a good business with high returns and the ability to grow, a strong balance sheet, high insider ownership and a good management track record.	3.4
<b>Safran SA</b> (France)	Safran is a designer and manufacturer of aircraft, defense and communication equipment and technologies. We are attracted to its business quality and believe its shares will eventually recover as air travel demand normalizes.	3.1
<b>RELX PLC</b> (United Kingdom)	A leading publisher and professional information provider. We are attracted to RELX's strong competitive positions and its subscription-based business model, which offers a recurring source of revenue and solid cash flow generation.	2.9
<b>Total</b>		<b>40.4%</b>

# Investment Results—Average Annual Total Returns (USD)



(%) as of 31 Mar 2024

	YTD	1 Yr	3 Yr	5 Yr	7 Yr	10 Yr	Inception
■ Artisan International Value Composite: Gross	4.80	18.02	9.91	12.50	10.33	8.50	11.81
■ Artisan International Value Composite: Net	4.56	16.94	8.90	11.47	9.32	7.50	10.77
■ MSCI EAFE Index	5.78	15.32	4.78	7.32	6.69	4.79	6.22
■ MSCI All Country World ex USA Index	4.69	13.26	1.93	5.96	5.87	4.25	6.37

Source: Artisan Partners/MSCI. Past performance does not guarantee and is not a reliable indicator of future results. Gross- and net-of-fees performance shown for the Composite. Current performance may be lower or higher than that shown. Returns for periods less than one year are not annualized. Composite inception: 1 Jul 2002..

The background features a complex, abstract geometric pattern. It consists of various overlapping shapes, including triangles, rectangles, and curved forms, in shades of blue, green, and yellow. The colors are layered, creating a sense of depth and movement. The overall effect is modern and dynamic.

Questions?

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