

## PRESS RELEASE



Paris, 25 September 2013

# H2O Asset Management passes €3 billion mark in assets under management.

H2O AM, an asset management firm founded in 2010 by recognised international bond and global macro specialists in partnership with Natixis AM, is celebrating its third anniversary with excellent performances for all its funds. H2O AM plans to press on with its growth in France and on the international stage.

### Three years, three billion euros

In the last three years, H2O AM has remained true to its investment philosophy and style based on a strong conviction: diversification is a stable and robust source of performance over horizons adapted to the risk incurred. Its fund managers favour relative value strategies, making the most of market inefficiencies and adapting to new regulations.

H2O AM's fund range of eight UCITS is perfectly suited to the current environment. In an increasingly regulated environment, its funds achieve superior returns and are liquid and transparent, as reflected by their net performances: H2O MultiBonds (+34.57%)<sup>(1)</sup>, H2O MultiEquities (+61.7%)<sup>(2)</sup>, H2O Adagio (+12.27%)<sup>(3)</sup>. Lastly, H2O AM's entrepreneurial momentum enables its clients to enjoy a privileged relation with the investment team, comprised of 19 specialists of which seven fund managers who have been working together for more than ten years.

### Growth ambitions

Institutional clients form the basis of H2O AM's business model, with the main part of assets currently concentrated in Asia and Australia. Between now and 2015, the team is keen to grow in the French market and to enhance its presence with private banks, family offices and independent asset managers. To this end, H2O AM will continue to rely on the sales momentum of Natixis Global Asset Management's multi-affiliates model and its international distribution platform.

In addition to these ambitions, *"we must remain vigilant as to our size, as H2O AM's main objective will always be to seek performance for its clients"*, underlines CEO Bruno Crastes.

### The challenges of the future

H2O AM's experts are convinced that liquidity is set to contract under the twin effect of stricter regulations and the gradual withdrawal of central banks' support. Financial assets, notably bonds, may no longer achieve the performances seen in the last twenty years.

H2O AM's first response to this new environment will be to hold to a dynamic decision process, avoiding an excessive accumulation of assets under management. H2O AM believes another major challenge will be to limit directional risk-taking and focus more on relative value strategies. *"The upside of this new environment is that it creates a wealth of arbitrage opportunities, and our structure is flexible enough to lock them in"*, explains CIO Vincent Chailley.

(1) French FCP approved by the AMF / R share from 30/08/2010 to 30/08/2013

(2) French FCP approved by the AMF / R share from 30/08/2011 to 30/08/2013

(3) French FCP approved by the AMF / R share from 30/08/2010 to 30/08/2013

The figures provided relate to previous years and past performance is not necessarily a guide to future performance. Prior to any subscription, please refer to the KIID for more information on the fund's characteristics, risk/reward profile and fees.

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**H2O Asset Management** is a London-based entrepreneurial asset management firm co-founded by Bruno Crastes, the company's CEO, and Vincent Chailley, its CIO. An expert in bonds and international equities, H2O Asset Management serves institutional and corporate clients as well as individual investors, in France and around the world, who are interested in achieving high risk-adjusted returns with daily liquidity and full transparency. H2O Asset Management's team of 19 investment professionals, including seven senior fund managers and one senior analyst, are guided by an investment philosophy that stresses optimal value diversification at the portfolio level while setting out clear risk and liquidity objectives. H2O AM offers a comprehensive range of eight UCITS: H2O Adagio, H2O Moderato, H2O Allegro, H2O Vivace, H2O Patrimoine, H2O Tempo, H2O MultiBonds and H2O MultiEquities. Thanks to its alliance with Natixis Asset Management, H2O Asset Management is able to leverage the support of its partner's sales teams in France, and those of Natixis Global Asset Management abroad. H2O AM LLP is a limited liability partnership authorised and regulated in the United Kingdom by the Financial Conduct Authority (FCA) under the number 529105. Head office: 10 Old Burlington Street, London W1S 3AG. Source: H2O Asset Management as at 31/07/2013.

**Natixis Asset Management** With assets under management of €297.2 billion and 682 employees<sup>(1)</sup>, Natixis Asset Management ranks among the leading European asset managers. Natixis Asset Management offers its clients (institutional investors, companies, private banks, retail banks and other distribution networks) tailored, innovative and efficient solutions organised into 6 investment divisions: Fixed income, European equities, Investment and client solutions, Structured and volatility (developed by Seeyond<sup>(2)</sup>), Global emerging, and Responsible investing (developed by Mirova<sup>(2)</sup>). Natixis Asset Management's offer is distributed through the global distribution platform of Natixis Global Asset Management, which offers access to the expertise of more than twenty management companies in the United States, Asia and Europe.<sup>(3)</sup> Source: Natixis Asset Management – 31/03/2013.<sup>(4)</sup> Seeyond and Mirova are brands of Natixis Asset Management.

**Natixis Global Asset Management**, a wholly-owned subsidiary of Natixis, comprises management and distribution firms based in Europe, the United States and Asia. Assets under management totaled more than €602.5 billion worldwide. It employed more than 3,200 staff as of June 30, 2013.

**Natixis** is the corporate, investment and financial services arm of Groupe BPCE, the 2nd-largest banking group in France with 21% of total bank deposits and 36 million clients spread over two networks, Banque Populaire and Caisse d'Épargne. With around 22,000 employees, Natixis has a number of areas of expertise which are organized in three main business lines: Wholesale Banking, Investment Solutions and Specialized Financial Services. A global player, Natixis has its own client base of companies, financial institutions and institutional investors as well as the client base of individuals, professionals and small and medium-size businesses of Groupe BPCE's two retail banking networks. Listed on the Paris stock exchange, it has a solid financial base with a CET1 capital under Basel 3<sup>(1)</sup> of €12.4 billion, a Basel 3 CET1 Ratio<sup>(1)</sup> of 9.7% and quality long-term ratings (Standard & Poor's: A / Moody's: A2 / Fitch Ratings: A).<sup>(1)</sup> Pro forma of the sale of CCIs - Basel 3 impact will depend on final rules – Fully-loaded except on DTAs. Figures as at June 30, 2013

## **Appendices: biographies of Bruno Crastes and Vincent Chailley**

### **Bruno Crastes, CEO of H2O Asset Management**

**Bruno Crastes** started his career in 1989 as a bond portfolio manager on the fixed-income team of Indosuez Asset Management. He was appointed deputy head of the team in 1994. Following the creation of CAAM in 1997, he became head of global fixed-income management. He was promoted CIO of the London office of CAAM in November 2002, and CEO in April 2005. From 2007 to 2010, while actively managing international bond portfolios, he sat on the Executive Committee of CAAM (now Amundi) in charge of the United Kingdom, South-East Asia and Australia. A founding partner, he has been Chief Executive Officer of H2O Asset Management and manager of the H2O Multibonds fund since August 2010.

### **Vincent Chailley, Head of Financial Management of H2O Asset Management**

**Vincent Chailley** started his career in 1995 in the Research & Development team of the Capital Markets department of CPR (Compagnie Parisienne de Réescompte). In 1996, he joined CAAM, first as an analyst in the Strategy team and then as an investment manager with the Asset Allocation team. In July 1998, he transferred to the Global Fixed Income department and became an investment manager. From 2002 to 2010, he headed the Global Fixed Income and Absolute Performance team of the London branch of CAAM (then Amundi). He is a founding partner of H2O Asset Management and has been the Chief Operations Officer and manager of the H2O Adagio, H2O Moderato and H2O Patrimoine funds since August 2010.