

Press Release

London, 18th February. Embargoed until 9.30am.

Guinness Asset Management is closing the “early investor” share class on its Global Equity Income Fund to new investment

In December 2011, on the first anniversary of its Global Equity Income Fund, Guinness Asset Management launched an “early investor” (‘Z’) share class with an AMC of 0.25%, designed to attract early adopters and grow the Fund from its sub \$1 million size at that time.

Having grown the Fund up to \$120 million in size today, Guinness now intend to close the Z class to new investment on 30th April 2015, leaving investors just ten over weeks in which to secure an allocation. Any investments in the Z class (at 30th April) will retain the 0.25% AMC (0.74% OCF) in perpetuity, but the Z class will no longer be available for new investments, with one exception – the Z class will remain open for any investments from registered charities. *See Note 1.*

“We are pleased with the growth in the Fund’s size over the last three years”, says co-manager Ian Mortimer. “It’s well documented in the press that it’s getting harder for small fund groups to raise assets and get funds up to scale in popular, competitive sectors. So it’s encouraging to see our track record getting the recognition we think it deserves.”

The Fund has grown from \$26 million at the start of 2103 to \$120 million today, including inflows of \$16 million so far in 2015.

This growth comes on the back of strong performance in its peer group. Since launch in December 2010, the Fund is 3rd out of 20 funds in the IA Global Equity Income sector, and one of only four funds to have beaten the MSCI World Index. “Perhaps it’s no surprise that the bulk of income-oriented funds have underperformed in a market that’s up 50%, but it’s pleasing to be one of a small group of funds to have outperformed – testimony to our focus on both quality and value, as opposed to just high yield”, says co-manager Matthew Page.

The Fund’s performance is competitive shorter-term too: it’s 5th out of 33 over one year. *(Total return in GBP, Fund’s E class, all data to 16.02.15. See Note 3.)*

Managers Page and Mortimer apply a particularly rigorous stock screening approach in defining their investment universe. “To be considered for investment companies must deliver ten consecutive years of return-on-capital over 10%. That’s a big ask,” says Page. “With these criteria as our starting point we identify many well-known blue-chip companies, but we also find a broad spectrum of smaller companies that are outside of the traditional dividend-paying regions and sectors.”

“Yield isn’t our filter, and nor is it our primary objective. Quality and value are paramount, giving us the combination of steady capital and dividend growth that we aim to deliver,” says Mortimer. “We maintain a high conviction portfolio of around 35 equally-weighted stocks, with low turnover and no benchmark-driven constraints on sector and regional weightings.”

Past performance should not be taken as an indicator of future performance. The value of an investment and the income from it can fall as well as rise as a result of market and currency fluctuations; you may not get back the amount originally invested.

Chairman and founder Tim Guinness commented: “In light of RDR pricing, the move to OCFs etc, we are actively exploring the best fee structure for our ranges of global, sector and regional funds. We hope to finalise a competitive pricing proposition over the coming months and look forward to informing investors in the near future.”

ENDS

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NOTES

1. GBP share classes

Class	Currency	AMC	Max TER	Description	SEDOL
X	GBP	0.75%	1.24%	Standard post-RDR share class	B7LM575
Z	GBP	0.25%	0.74%	Early investor offer (closing to new investment on 30.04.15)	B754QH4

Other share classes are available in EUR and USD.

Guinness Asset Management are exploring the best future fee structure for our fund ranges, in order to continue providing actively-managed, high conviction funds that are competitively-priced.

The Z class will remain open for investments from registered charities.

2. Fund managers

Dr Ian Mortimer, CFA

Ian joined Guinness Asset Management in December 2006, and is co-manager of the Guinness Global Equity Income Fund and Guinness Global Innovators Fund.

Prior to joining Guinness, Ian completed a D.Phil. in experimental physics at Christ Church, University of Oxford, and graduated in 2006. Ian graduated from University College London with a First Class Honours Master's degree in Physics in 2003. He is a CFA Charterholder.

Matthew Page, CFA

Matthew joined Guinness Asset Management in 2005, and is the co-manager of the Guinness Global Equity Income Fund and Guinness Global Innovators Fund.

Prior to joining Guinness, Matthew joined Goldman Sachs on the graduate scheme in 2004 working in Foreign Exchange and Fixed Income. Matthew graduated from New College, University of Oxford, with a Master's Degree in Physics. He is a CFA Charterholder.

3. Guinness Global Equity Income Fund - performance

Total return to date (16.02.2015), in GBP

	Year-to-date	1 year	3 years	Launch
Guinness Global Equity Income	3.9	18.5	48.0	56.7
MSCI World Index	4.1	17.8	49.3	52.1
IA Global Equity Income sector average	3.8	12.9	40.3	43.3
Position in sector	16 th / 34	5 th / 33	5 th / 25	3 rd / 20

Discrete annual returns in GBP

	2010	2011	2012	2013	2014
Guinness Global Equity Income	n/a*	2.7	5.5	26.3	10.1
MSCI World Index	15.3	-4.8	10.7	24.3	11.5
IA Global Equity Income sector average	14.3	-2.1	9.7	20.4	6.7

*Fund launch date: 31.10.2010.

Source: Financial Express, total return, in GBP. Fund returns calculated on E Class (0.75% AMC, 1.24% OCF).

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Table 3: IA Global Equity Income sector (Source: Financial Express)

IA Global Equity Income sector		16/02/2015	
% total return in GBP, data as at:			
Year to date		1 year	3 years
MSCI World Index	4.12	17.83	49.29
From launch (31.12.10)	52.05		
Thesis The TM Overstone UCITS Equity Income	7.44	Schroder Global Equity Income	71.31
CF Canlife Global Equity Income	6.87	Sarasin Global Higher Dividend	52.65
Artemis Global Income	5.94	Artemis Global Income	50.39
Saracen Global Income & Growth	5.62	Aviva Inv Global Equity Income	49.94
Threadneedle Global Equity Income	5.10	Guinness Global Equity Income	47.26
Aviva Inv Global Equity Income	4.97	Fidelity Global Dividend	47.81
Pimco GIS Global Dividend	4.92	Thesis The TM Overstone UCITS Equity Income	46.50
Sarasin Global Higher Dividend	4.79	Stan Life Inv Global Equity Income	46.46
Old Mutual Global Equity Income	4.76	Sarasin Global Higher Dividend (Sterling Hk)	45.91
Invesco Perp Global Equity Income	4.65	Old Mutual Newton Global Higher Income	45.30
Schroder Global Equity Income	4.62	Thesis The TM Overstone UCITS Equity Inco	45.23
Newton Global Higher Income	4.26	Fidelity Global Enhanced Income	44.94
Henderson Global Equity Income	4.24	BlackRock Global Income	40.29
Old Mutual Newton Global Higher Income	4.13	Jupiter Global Equity Income	39.39
Baillie Gifford Global Income	3.99	Baillie Gifford Global Income	39.21
Guinness Global Equity Income	3.93	IA Global Equity Income sector	37.43
IA Global Equity Income sector	3.79	Premier Global Utilities Income	36.47
Sarasin Global Higher Dividend (Sterling Hk)	3.79	Henderson Global Equity Income	35.68
Lazard Global Equity Income	3.73	CF Canlife Global Equity Income	32.88
Aberdeen World Equity Income	3.69	SJP Global Equity Income	32.82
SJP Global Equity Income	3.61	JPM Global Equity Income	32.57
Legg Mason Global Equity Income	3.60	Invesco Perp Global Equity Income	31.86
BlackRock Global Income	3.37	Saracen Global Income & Growth	31.33
Stan Life Inv Global Equity Income	3.35	Neptune Global Income	25.87
Neptune Global Income	3.34	Stan Life Inv Global Equity Income	20.17
Martin Currie Global Equity Income	3.07	Lazard Global Equity Income	19.34
UBS Global Enhanced Equity Income	2.95	Threadneedle Global Equity Income	13.06
Liontrust Global Income	2.93	Aberdeen World Equity Income	
Fidelity Global Dividend	2.57	Martin Currie Global Equity Income	
Pictet High Dividend Selection	2.52	M&G Global Dividend	
Jupiter Global Equity Income	2.45	Pictet High Dividend Selection	
Fidelity Global Enhanced Income	2.31	Liontrust Global Income	
JPM Global Equity Income	2.13	Legg Mason Global Equity Income	
Veritas Global Equity Income	1.66	Old Mutual Global Equity Income	
M&G Global Dividend	1.46	Veritas Global Equity Income	
Premier Global Utilities Income	-2.15		

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4. Guinness Asset Management Ltd

Guinness Asset Management provides a range of long-only actively managed funds to individual and institutional investors. Founded in 2003, Guinness is independent and is wholly owned by its employees.

We believe in: in-house research; intelligent screening for prioritisation of research; well-designed investment processes; concentrated, high conviction portfolios; low turnover; and the avoidance of benchmark constraints.

We have a variety of specialisms in global sector funds, Asian regional and country funds and global growth and global dividend funds.

The Guinness equity funds are in a Dublin OEIC and sit alongside a range of similar SEC-registered funds offered to US investors by our US sister company, Guinness Atkinson Asset Management Inc.

We also offer an EIS service investing in UK-based renewable energy projects and AIM-listed companies.

Guinness is purely focused on investment management. Our in-house global economic and industry research allows us to take an independent view and not be led by the market. Our size and specialist nature also means we have the ability to act quickly and efficiently to any market movements.

We believe that funds achieve the best returns for investors by applying:

1. intelligent screening for prioritisation of in-house research;
2. well-designed investment processes and disciplines;
3. concentrated high conviction portfolios;
4. low turnover portfolios with no benchmark-led constraints.

At heart Guinness Asset Management is a value, or growth at reasonable value, investor. We combine strategic sector-selection with a fundamental screening process to identify specific value-driven stock opportunities.

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Important information

Issued by Guinness Asset Management Limited, authorised and regulated by the Financial Conduct Authority.

This report is primarily designed to inform you about Guinness Global Equity Income Fund. It is provided for information only and all the information contained in it is believed to be reliable but may be inaccurate or incomplete; any opinions stated are honestly held at the time of writing, but are not guaranteed. The contents of the document should not therefore be relied upon. It should not be taken as a recommendation to make an investment in the Fund or to buy or sell individual securities, nor does it constitute an offer for sale.

Risk

The Guinness Global Equity Income Fund is an equity fund. Investors should be willing and able to assume the risks of equity investing. The value of an investment and the income from it can fall as well as rise as a result of market and currency movement, and you may not get back the amount originally invested. Details on the risk factors are included in the Fund's documentation, available on our website.

Documentation

The documentation needed to make an investment, including the Prospectus, the Key Investor Information Document (KIID) and the Application Form, is available from the website www.guinnessfunds.com, or free of charge from:-

- the Manager: Capita Financial Managers (Ireland) Limited, 2 Grand Canal Square, Grand Canal Harbour, Dublin 2, Ireland; or,
- the Promoter and Investment Manager: Guinness Asset Management Ltd, 14 Queen Anne's Gate, London SW1H 9AA.

Residency

In countries where the Fund is not registered for sale or in any other circumstances where its distribution is not authorised or is unlawful, the Fund should not be distributed to resident Retail Clients.

NOTE: GUINNESS GLOBAL INNOVATORS FUND IS NOT FOR SALE TO U.S. PERSONS.

Structure & regulation

The Fund is a sub-fund of Guinness Asset Management Funds PLC (the "Company"), an open-ended umbrella-type investment company, incorporated in Ireland and authorised and supervised by the Central Bank of Ireland, which operates under EU legislation. The Fund has been approved by the Financial Conduct Authority for sale in the UK. If you are in any doubt about the suitability of investing in this Fund, please consult your investment or other professional adviser.

Switzerland

The prospectus and KIID for Switzerland, the articles of association, and the annual and semi-annual reports can be obtained free of charge from the representative in Switzerland, Carnegie Fund Services S.A., 11, rue du Général-Dufour, 1204 Geneva, Switzerland, Tel. +41 22 705 11 77, www.carnegie-fund-services.ch. The paying agent is Banque Cantonale de Genève, 17 Quai de l'Île, 1204 Geneva, Switzerland.

Telephone calls may be recorded and monitored.

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