

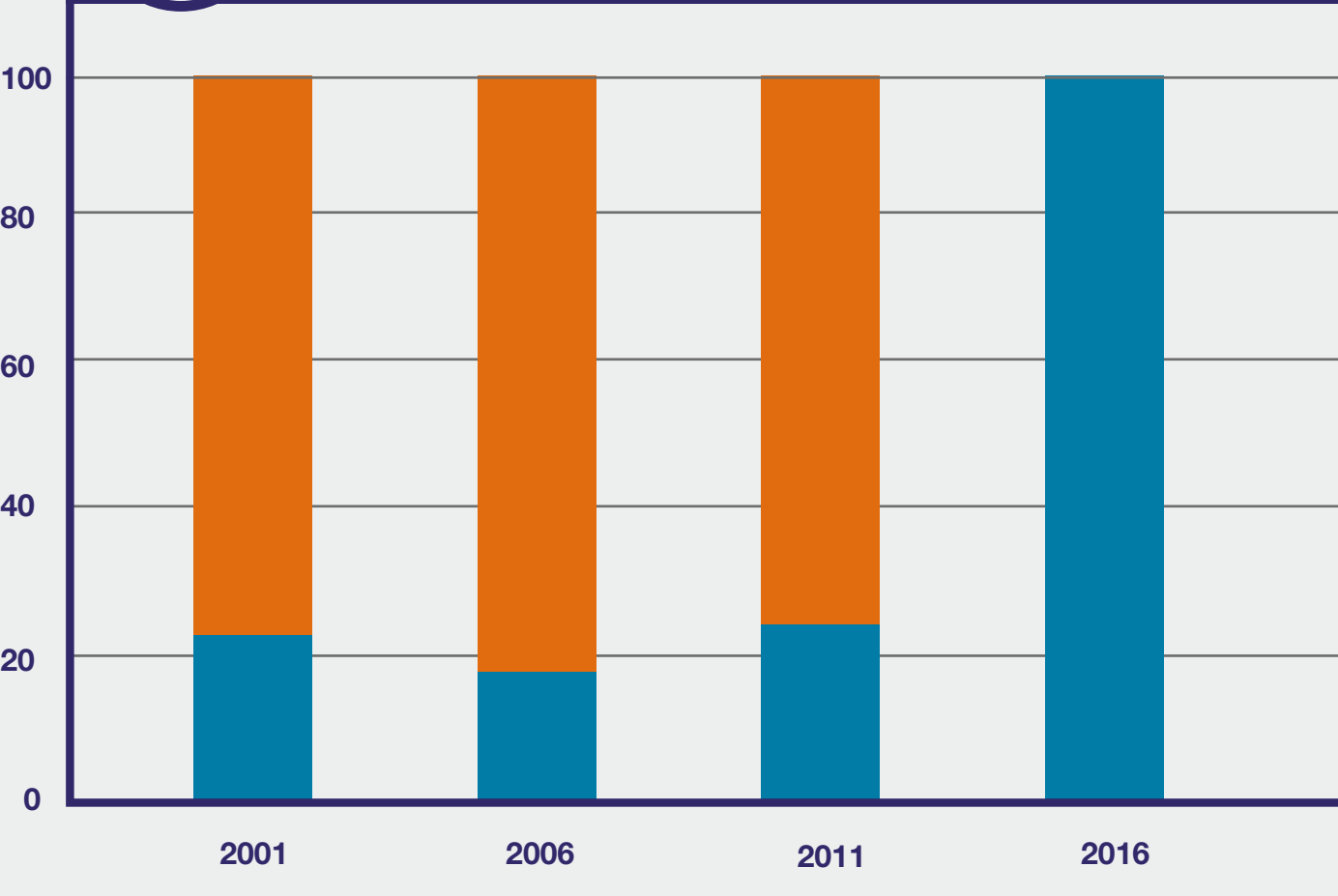
OUR FAVOURED TECH PICKS



The oil barons have been replaced by the whiz kids of Silicon Valley



TOP 5 PUBLICLY TRADED COMPANIES BY MARKET CAP



Oil majors and banks previously occupied the top spots in the chart but the combination of rising values in tech and the lower oil price mean that the top five are now all tech names.



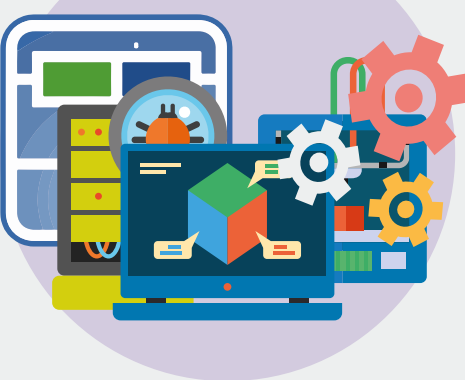
In today's increasingly digitalised and inter-connected world ("Internet of Things"), there are endless opportunities for these innovative companies to disrupt the norm and challenge traditional business models.



Facebook grew from zero to almost 500bn market cap in a little over 10 years



Under the broad "Tech" heading, different sectors can be identified (software, semiconductors, hardware & equipment), each serving a different purpose and home to a diverse range of exciting businesses.



OUR CURRENT FAVOURED TECH PICKS

Coherent

(held in Kames Global Equity, Kames Global Sustainable Equity and Kames Global Equity Market Neutral, market cap £4.7bn):

Coherent (US based) designs and manufactures lasers for use in a variety of applications, including microelectronics. As a key supplier of lasers used in the manufacture of OLED displays, Coherent has reaped the rewards of smartphones, tablets and other devices which are adopting this technology. It is not in the MSCI ACWI index, and therefore demonstrates our ability to add value through bottom up research and taking active positions.



Disco Corporation

(held in Kames Global Sustainable and Kames Global Equity Market Neutral, market cap £5.3bn):

Japanese company which makes manufacturing equipment and precision processing tools for the semiconductor industry. It has been able to capitalise on the exponential growth in demand for semiconductors for microchips past few years as the applications for microchips have increased and consumers demand higher performance from these chips. Consequently, EPS has increased more than threefold over the past four years and the stock has been a strong performer for the funds YTD.



Keyence

(held in Kames Global Sustainable Equity, Kames Global Equity, market cap £49.4bn):

Japanese designer and manufacturer of innovative sensors, control systems and precision tools used to automate production processes. Another one to be buoyed by demand for its products from semiconductor makers and other companies using advanced manufacturing techniques.



Neil Goddin Head of Equity Quantitative Analysis

Kames Capital is a specialist investment management business. From Edinburgh and London the company manages £44.5billion (€50.6billion) on behalf of UK and international clients – including pension funds, government agencies, financial institutions, wealth managers, family offices and financial advisers. Kames Capital is a multi-award-winning investment manager, with expertise in fixed income, equities, property, multi-asset, absolute return and ethical investing. The company has over 320 employees (as at 30 June 2017).

FOR MORE INFORMATION, VISIT WWW.KAMESCAPITAL.COM

ADRIAN CAMMIDGE

Head of Investment Communications, Kames Capital

+44 (0)207 200 2510

adrian.cammidge@kamescapital.com

ROISIN HYNES

Communications Manager, Kames Capital

+44 (0)207 200 2549

roisin.hynes@kamescapital.com

- This document is for use by professional journalists. Its content is written for use in trade publications with a professional audience.
- Past performance is not a guide to future returns. Outcomes, including the payment of income, are not guaranteed.
- Opinions expressed represent our understanding of the current and historical positions of the market and are not an investment recommendation or advice. Any securities and related trading strategies referenced may or may not be held/used in any strategy/portfolio. Only Opinions and/or example trades/securities are only present for the purposes of promoting Kames Capital's investment management capabilities. Sources used, both internal and external, are deemed reliable by Kames Capital at the time of writing.
- All data is sourced to Kames Capital unless otherwise stated. The document is accurate at the time of writing but is subject to change without notice. Data attributed to a third party ("3rd Party Data") is proprietary to that third party and/or other suppliers (the "Data Owner") and is used by Kames Capital under licence. 3rd Party Data: (i) may not be copied or distributed; and (ii) is not warranted to be accurate, complete or timely. None of the Data Owner, Kames Capital or any other person connected to, or from whom Kames Capital sources, 3rd Party Data is liable for any losses or liabilities arising from use of 3rd Party Data.
- Kames Capital Investment Company (Ireland) plc (KCICI plc) is an umbrella type open-ended investment company with variable capital, registered in the Republic of Ireland (Company No. 442106) at 25-28 North Wall Quay, International Financial Services Centre, Dublin 1. Board of Directors: M Kirby and B Wright (both Ireland), A Bell (UK). KCICI plc is regulated by the Central Bank of Ireland.
- Kames Capital plc is the investment manager and promoter for KCICI plc. Kames Capital plc is authorised and regulated by the Financial Conduct Authority.
- Kames Capital is an Aegon Asset Management company and includes Kames Capital plc (Company Number SC113505) and Kames Capital Management Limited (Company Number SC212159). Both are registered in Scotland and have their registered office at Kames House, 3 Lochside Crescent, Edinburgh, EH12 9SA. Kames Capital plc is authorised and regulated by the Financial Conduct Authority (FCA reference no: 144267). Kames Capital plc provides segregated and retail funds and is the Authorised Corporate Director of Kames Capital ICVC, an Open Ended Investment Company. Kames Capital Management Limited is an appointed representative of Scottish Equitable plc (Company Number SC144517), an Aegon company, whose registered office is 1 Lochside Crescent, Edinburgh Park, Edinburgh, EH12 9SE (PRA/FCA reference no: 165548).