

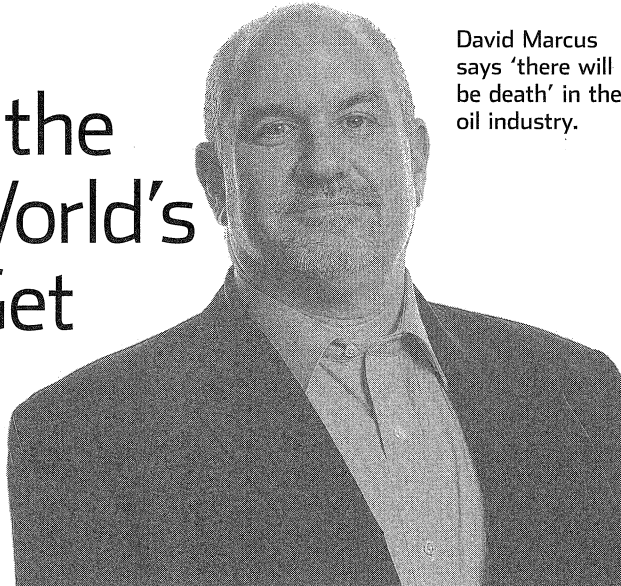
THE WALL STREET JOURNAL.

MONDAY, MARCH 7, 2016

© 2016 Dow Jones & Company, Inc. All Rights Reserved.

Q&A

Running to the Mayhem: World's Problems Get A Manager Going



David Marcus says 'there will be death' in the oil industry.

the market is trying to get through?

MR. MARCUS: Are there problems in the world? Yeah, but there are always problems. There are always issues. There's always a country, a sector, an industry that's completely out of favor and having problems. Like in China or oil stocks right now.

You can look at those things as problems or you can look at them as opportunities.

WSJ: *How can you tell the difference?*

MR. MARCUS: Well, take a look at something like oil, where things have been pretty extreme. There will be death in this industry, companies that die and companies that vanish. For us, we come in, pick over the carnage, look at who's surviving, but who are the survivors trading as if they won't come back, the companies with quality management that have been given up for dead? That's where the opportunity is.

WSJ: *So do you look at the headlines and laugh?*

MR. MARCUS: We laugh . . . sometimes we're crying, but they are tears of joy.

Look, there's a level of frustration because nobody likes to be down, but we are teeing it up for better outcomes going forward. Great investors have always taken advantage when others were selling. Sometimes it takes longer than other times to work out—and this might be one of those times—but it does work out.

Mr. Jaffe is a MarketWatch columnist.

(The following has been excerpted.)

BY CHUCK JAFFE

David Marcus likes his global markets R-rated.

The more gory the situation, the more exciting it is for the chief investment officer of Evermore Global Advisors—manager of the \$300 million Evermore Global Value fund (EVGBX)—to buy stocks around the world.

"It's bloody out there and tough out there, but this is exactly when you get great bargains and opportunities," says Mr. Marcus, whose focus on "special situations" means he doesn't just want cheap stocks, but rather those that are in a position to rebound through company breakups, spinoffs and restructurings.

Buying into a decline can leave an investor bloodied, waiting for those situations to bear fruit—and the style leads to feast-or-famine stretches. But Mr. Marcus is convinced that the strategy will pay off in time, again.

Here are excerpts from a recent interview:

WSJ: *Do these market conditions have you more excited or frustrated?*

MR. MARCUS: It's frustrating and exciting at the same time. Stocks that were cheap got cheaper and stocks that were not that cheap have gotten ridiculously cheap. We've initiated new positions and are adding to positions that were late-inning investments and now they are early again because of valuation. The frustrating part is that the payoff is pushed out further, but the exciting part is the great prices we are able to buy things at.

WSJ: *How do you find future profits amid market turmoil?*

MR. MARCUS: At the front end of any time of market carnage, investors are not discriminating. They throw everything out. They want

to run out of the market; no matter what's in their pockets—it could be gum wrappers or gold bars—they are getting rid of it.

And then, slowly, the rational thinking starts to come back, where they say "Geez, I threw out gold bars." They start coming back and you see certain stocks start to bounce and get more appropriately valued, while the junk continues to stay lower.

We're not quite at the point yet where investors realize that they have overdone it, but the valuations—the numbers—are giving us the chance to really take advantage of this, so that as investors slowly discriminate a little more between quality, value, junk and where things look the most opportune, we are well positioned.

WSJ: *So you're not worried about the obvious issues*

(over please)



EVERMORE
GLOBAL ADVISORS
INVEST LIKE OWNERSSM

Investors should carefully consider the investment objectives, risks, charges and expenses of the Fund before investing. This and other important information is contained in the Evermore Funds' statutory and summary prospectuses, which may be obtained by contacting your financial advisor, by calling Evermore Global Advisors at 866-EVERMORE or (866-383-7667) or on our website at www.evermoreglobal.com. Please read it carefully before investing.

Mutual fund investing involves risk. Principal loss is possible. The Fund invests in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods. These risks are greater for emerging markets. Investing in small and mid-sized companies involves additional risks such as limited liquidity and greater volatility. The Fund may make short sales of securities, which involves the risk that losses may exceed the original amount invested. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Investment in lower-rated, non-rated and distressed securities presents a greater risk of loss to principal and interest than higher-rated securities. Due to the focused portfolio, the fund may have more volatility and more risk than a fund that invests in a greater number of securities. Additional special risks relevant to our Fund involve derivatives and special situations. Please refer to the prospectus for further details.

Evermore Global Advisors, LLC is the advisor to the Evermore Global Value Fund which is distributed by Quasar Distributors, LLC.

Opinions expressed are those of the author or Funds and are subject to change, are not intended to be a forecast of future events, a guarantee of future results, nor investment advice.

Past performance is no guarantee of future results.