

EDMOND DE ROTHSCHILD REAL ESTATE SICAV – SWISS

DECEMBER 2017



Meyrin, Vergers (GE)

MAIN FEATURES

Legal structure:	SICAV
Name of SICAV:	Edmond de Rothschild Real Estate
Name of subfund:	Edmond de Rothschild Real Estate – Swiss
Domicile of SICAV:	Switzerland
Asset class:	Direct property holdings in Switzerland
Currency:	CHF
Date launched:	16.03.2011
Financial year ends:	31 March
NAV calculated:	Semi-annually
Share subscriptions / redemptions:	Traded on SIX Swiss Exchange
Liquidity:	Daily on the stockmarket
ISIN:	CH0124238004
Telekurs code:	12423800
Ticker symbol:	ERRES
Benchmark:	SXI Real Estate Funds (TR)
Category of shares:	A (distribution)
Distribution:	Annual
Investment Manager:	OROX Asset Management SA
Executive Manager:	CACEIS (Switzerland) SA
Custodian:	Banque Cantonale Vaudoise
Auditor:	KPMG S.A.
Official notifications:	in Le Temps and the FOSC
Tax breaks:	Exempt for Swiss private investors
Tax value per share (at 31.12.2017):	CHF 2.93

Private investors domiciled in Switzerland are exempt from taxes on income and capital deriving from real estate business.

STRATEGY

Edmond de Rothschild Real Estate SICAV – Swiss ('ERRES') invests in property throughout Switzerland. The fund's investment strategy is geared towards generating steady rental income from its buildings, with the additional aim of creating added value. The portfolio mainly comprises residential properties, with the remainder made up of commercial space (chiefly offices). The value of individual properties generally ranges from CHF 5m to CHF 60m. To avoid concentrating risks, the portfolio is diversified across several cantons and property categories.

RETURNS TO 31 SEPTEMBER 2017

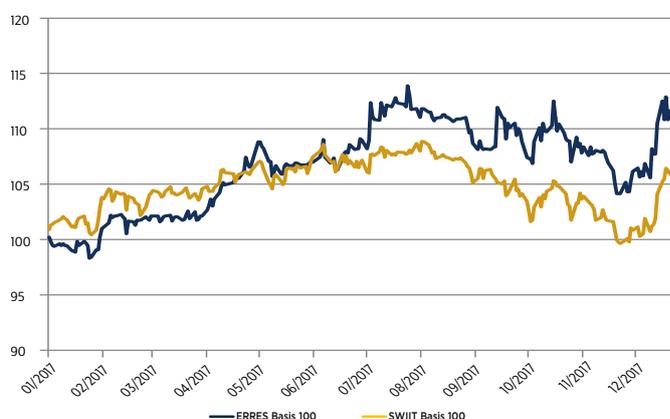
Market price of shares: 142.2

Premium: 27 %

Market capitalisation (CHFm): 1'086

Premium to benchmark: 28.2 %

Change in market price



Annual performances

	2011*	2012	2013	2014	2015	2016	2017**	Since inception***
ERRES SWISS	12.25%	-0.23%	-9.23%	16.54%	9.78%	11.63%	10.50%	60.44%
SWIIT INDEX	3.61%	6.27%	-2.77%	14.99%	4.17%	6.85%	6.60%	44.92%

* from 16.03.2011 to 31.12.2011

** from 31.12.2016 to 31.12.2017

*** from 16.03.2011 to 31.12.2017

KEY FIGURES FROM LAST ANNUAL REPORT TO 30.09.2017

Total assets: CHF 1 184 081 558.99	TER Ref (MV): 0.89%
Net assets: CHF 852 724 213.87	Investment yield: 1.94%
NAV / share: CHF 111.65	EBIT margin: 71.06%
Debt ratio: 26.79%	Loss on rents: 3.84%
TER Ref (GAV): 0.70%	

MANAGER'S COMMENT

TRANSACTIONS

The following properties, whose deeds were signed as part of the capital increase, entered the portfolio during the last quarter of 2017:

- ▶ Satigny (GE)
Industrial and administrative building with a single tenant (20-year lease)
- ▶ Meyrin Vergers (GE)
Construction of 104 rent-controlled apartments
- ▶ Rue du XXXI Décembre in Geneva (GE) Residential building consisting of 22 apartments

The two newly built residential buildings, consisting of 90 apartments, in Châtel Saint Denis (FR) will enter the portfolio in early February 2018 (following the delivery of the two buildings).

In addition, two non-strategic residential buildings in Vernier (GE) and Fribourg (FR) have been sold.

CONSTRUCTIONS/RENOVATIONS

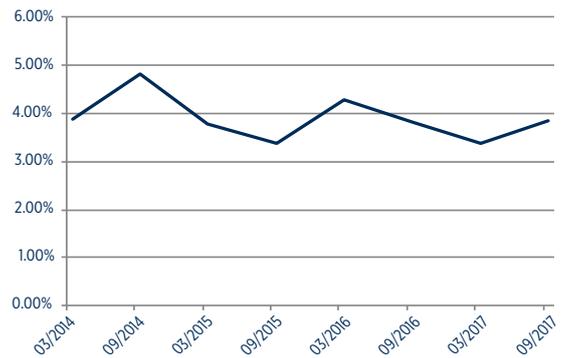
The additional storey of the Biopôle IV building, in Epalinge (VD) continues on schedule.

DISCLAIMER :

Edmond de Rothschild Real Estate SICAV (the «SICAV»), Geneva is an externally managed société d'investissement à capital variable incorporated in Switzerland in the «real estate» category, as defined in the Swiss Collective Investment Schemes Act (CISA). The SICAV has delegated administration, management and distribution to its Fund Management Company, CACEIS (Switzerland) SA, Nyon, which has in turn delegated the SICAV's investment management and the exclusive distribution of its shares to OROX Asset Management, in Geneva, which also has sub-distribution authority. OROX Asset Management SA has sub-delegated the distribution, in particular to Edmond de Rothschild Switzerland SA and Edmond de Rothschild Asset Management (Suisse) SA. Banque Cantonale Vaudoise, Lausanne is the SICAV's custodian. Subscriptions shall be valid only on the basis of the current prospectus including the investment regulations and articles of association, together with the simplified prospectus and the latest annual report (or semi-annual report if it is more recent). These documents may be obtained free of charge from the headquarters of the SICAV, Edmond de Rothschild (Suisse) SA, rue de Hesse 18, 1204 Geneva, from CACEIS (Switzerland) SA, Route de Signy 35, 1260 Nyon and from any sub-distributors.

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Rental losses



Past distributions



The construction of 66 rent-controlled apartments in Meyrin (GE) is also continuing on schedule. Delivery is scheduled for late March 2018 and commercialisation is in progress.

A VERY GOOD PERFORMANCE OF ERRES IN 2017

On the stock market, the ERRES share had a very good stock market performance in 2017 (+10.50%) and was the leading Swiss real estate fund over this period. The index, meanwhile, increased by 6.60% over the same period.

In addition, ERRES is performing better than the index regardless of the periods taken into account (since the creation of ERRES, five years, three years, one year).

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