

# EDMOND DE ROTHSCHILD REAL ESTATE SICAV – SWISS

MARCH 2018



Meyrin, Promenade des Artisans (GE)

## MAIN FEATURES

<b>Legal structure:</b>	SICAV
<b>Name of SICAV:</b>	Edmond de Rothschild Real Estate
<b>Name of subfund:</b>	Edmond de Rothschild Real Estate – Swiss
<b>Domicile of SICAV:</b>	Switzerland
<b>Asset class:</b>	Direct property holdings in Switzerland
<b>Currency:</b>	CHF
<b>Date launched:</b>	16.03.2011
<b>Financial year ends:</b>	31 March
<b>NAV calculated:</b>	Semi-annually
<b>Share subscriptions / redemptions:</b>	Traded on SIX Swiss Exchange
<b>Liquidity:</b>	Daily on the stockmarket
<b>ISIN:</b>	CH0124238004
<b>Telekurs code:</b>	12423800
<b>Ticker symbol:</b>	ERRES
<b>Benchmark:</b>	SXI Real Estate Funds (TR)
<b>Category of shares:</b>	A (distribution)
<b>Distribution:</b>	Annual
<b>Investment Manager:</b>	OROX Asset Management SA
<b>Executive Manager:</b>	CACEIS (Switzerland) SA
<b>Custodian:</b>	Banque Cantonale Vaudoise
<b>Auditor:</b>	KPMG S.A.
<b>Official notifications:</b>	in Le Temps and the FOSC
<b>Tax breaks:</b>	Exempt for Swiss private investors
<b>Tax value per share (at 31.12.2017):</b>	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 MARCH 2018

Market price of shares: 136.8

Premium: 20.7 %

Market capitalisation (CHFm): 1,045

Premium to benchmark: 24.7 %

## Change in market price



## Annual performances

	2011*	2012	2013	2014	2015	2016	2017	2018**	Since creation***
<b>ERRES SWISS</b>	12.25%	-0.23%	-9.23%	16.54%	9.78%	11.63%	10.50%	-3.80%	54.35%
<b>SWIIT INDICE</b>	3.61%	6.27%	-2.77%	14.99%	4.17%	6.85%	6.60%	-1.94%	42.11%

\* from 16.03.2011 to 31.12.2011

\*\* from 31.12.2016 to 31.03.2018

\*\*\* from 16.03.2011 to 31.03.2018

## KEY FIGURES FROM LAST QUARTERLY REPORT TO 30.09.2017

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

## MANAGER'S COMMENT

### TRANSACTIONS

No transactions were made in the first quarter of 2018.

### CONSTRUCTIONS

The building located at Promenade des Artisans in Meyrin (GE) has been delivered, as planned, in March 2018. The leasing of 66 multi-generational apartments is almost completed and the first tenants have already moved-in. We are finalising the negotiations with the tenants and prospects of the commercial ground floor to plan their premises and integrate them into the concept developed with the City of Meyrin. Concerning this project, we particularly favoured a social and sustainable approach with regular consultations with users, neighbours and municipal authorities. This building offers quality services and was designed to accommodate the elderly (accessibility for people with reduced mobility, automatic doors, special bathroom facilities, individual call systems, etc.). The apartments offer attractive rents controlled by the Housing Office.

The construction of the Vergers project in Meyrin (GE) started in June 2018. Work is proceeding on schedule. This project consists of the construction of a set of 4 buildings with Minergie standards, within the Eco-Neighbourhood "Les Vergers" in Meyrin and regrouping 104 apartments. The building itself will benefit from all the new techniques in terms of energy quality and sustainability. In addition, the building enjoys a very good location and accessibility thanks to the direct tram line to Cornavin station.

### 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 Suisse 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



\*vacancy rate estimated on 31.03.2018

### RENOVATIONS

The additional storey of the Biopôle IV building, in Epalinge (VD) is near completion. The rental demand is excellent and allows us to consider the development of surfaces. In particular, a co-working space dedicated to life sciences and digital health players has been developed with Biopôle SA.

We are undertaking a complete renovation on our site in Brugg (AG), an occupied site, of two residential buildings with 102 apartments. After a feasibility study carried out in 2016 and a call for tenders in 2017, we awarded the works that will start mid-2018. A consultation plan with the tenants has been put in place to ensure that the project runs smoothly. An optimal determination of rent levels was one of the challenges of the project in order to keep in line with reality of the current rental market. The renovation of the first building will start in June 2018 and the renovation of the second building is planned for February 2019. The overall renovation budget is around CHF 12.83 million.

This field activity demonstrates our desire to optimise the value and condition of buildings in order to contribute to the ERRES performance and ensure the satisfaction of our tenants.

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### CONTACT

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