

EDMOND DE ROTHSCHILD REAL ESTATE SICAV – SWISS



Gilamont, Vevey (63 apartments)

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 (since 22/12/16)
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 31.12.2016):	CHF 0.92

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 via capital gains. 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 DECEMBER 2016

Market price of shares: 131.70 Premium : 21.36%
Market capitalisation (CHFm) : 880.1 Premium to benchmark : 27.5%

2016 share performance



Annual performances (Dividend reinvested)

	2011*	2012	2013	2014	2015	2016**	Since inception***
ERRES SWISS	12.25%	-0.23%	-9.23%	16.54%	9.78%	11.63%	45.19%
INDICE SWIIT	3.61%	6.27%	-2.77%	14.99%	4.17%	6.85%	35.95%

* from 16.03.2011 to 31.12.2011

** from 31.12.2015 to 31.12.2016

*** from 16.03.2011 to 31.12.2016



KEY FIGURES FROM LAST

SEMESTRIAL REPORT (30.09.2016)

Total assets: CHF 1 087 753 711.79	TER Ref (NAV): 1.08%
Net assets: CHF 725 188 142.58	Investment yield: 1.51%
NAV / share: CHF 108.52	Distribution yield: 0.00%
Dividend: CHF 0.00	EBIT margin: 77.30%
Leverage: 30.86%	Loss on rents: 3.82%
TER Ref (GAV): 0.74%	

MANAGER'S COMMENT

PUBLICATION OF ERRES' H2 16 REPORT:

ERRES' unaudited semi-annual report to 30.09.2016 is now available for download from the website www.edr-realestatesicav.ch. It showed a 22% increase in revenues on the 30.09.2015 level. This was mainly driven by the completion of construction projects including the one in Gilamont (VD), as well as by new acquisitions and higher rental income from large buildings such as Mouille Galand and Meyrinoise in Geneva.

NEW CONSTRUCTION:

Buildings C and D in Malters (LU) are scheduled to be completed in late March 2017 and buildings A and B in late June 2017. The show flat has been ready since November 2016. Construction of 66 controlled-rent apartments in Meyrin (GE) is proceeding according to plan, with the first-floor slab and walls under way. Marketing of the ground-floor commercial space has started and is progressing very well, according to the planned schedule.

REDUCED VACANCY:

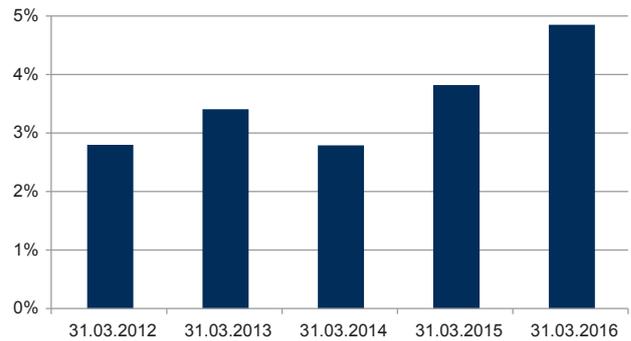
Special attention is being paid to reducing the vacancy rate. This has fallen from 4.26% to 3.82% in the past six months, mainly thanks to the rapid replacement of delinquent tenants and collaboration with local estate agents to promote the fund's newly constructed buildings and convert vacant office space into apartments.

DISCLAIMER :

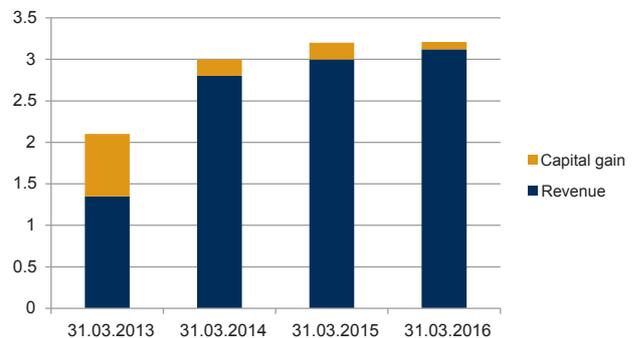
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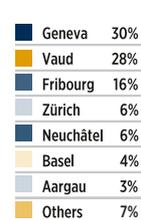
Annual investment yields



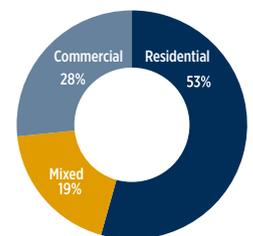
Annual distributions



Geographic breakdown at 31.12.2016



Sector breakdown at 31.12.2016



The main investment objective of each subfund shall be to preserve the substance of capital invested long term and to distribute appropriate income. To the extent possible the SICAV's Board of Directors and Investment Manager shall strive to pursue the specific investment strategy drawn up for each subfund as set out in the SICAV's Term Sheets relating to the investment regulations. The implementation of said strategies may nevertheless be subject to constraints and to regulatory and legal procedures such as the Swiss rules on purchasing property for residential purposes. No assurance can be given by the SICAV, the Board of Directors, the Fund Management Company or the Investment Manager that residential property contemplated for purchase by the SICAV will be confirmed by the relevant federal and/or cantonal authorities as not being subject to said constraints and procedures.

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