

EDMOND DE ROTHSCHILD REAL ESTATE SICAV – SWISS

SEPTEMBER 2017



Biopôle, Epalinges (VD)

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. 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 30 SEPTEMBER 2017

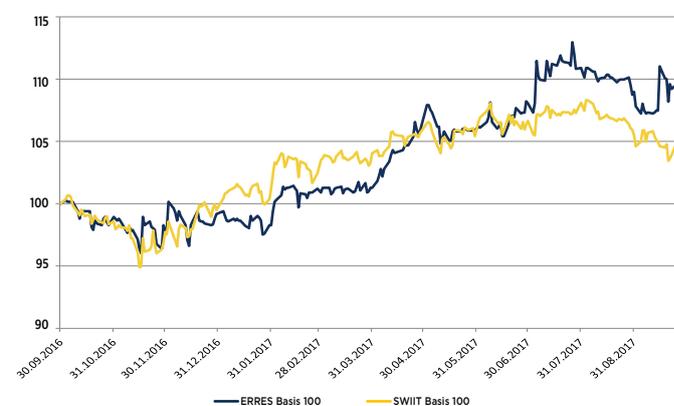
Market price of shares: 136.90

Premium: 22.96 %

Market capitalisation (CHFm): 1'045.5

Premium to benchmark: 27.6 %

Change in market price



Annual performances (dividend reinvested since inception, except in 2017)

	2011*	2012	2013	2014	2015	2016	2017**	Since inception***
ERRES SWISS	12.25%	-0.23%	-9.23%	16.54%	9.78%	11.63%	6.33%	54.38%
SWIIT INDEX	3.61%	6.27%	-2.77%	14.99%	4.17%	6.85%	4.16%	41.6%

* from 16.03.2011 to 31.12.2011

** from 30.12.2016 to 30.09.2017

*** from 16.03.2011 to 30.09.2017

KEY FIGURES FROM LAST ANNUAL REPORT TO 31.03.2017

Total assets: CHF 1 130 049 014.3	TER Ref (MV): 0.91%
Net assets: CHF 753 355 855.94	Investment yield: 5.41%
NAV / share: CHF 112.74	Distribution yield: 2.45%
Distribution: CHF 3.30	EBIT margin: 69.07%
Debt ratio: 30.22%	Loss on rents: 3.37%
TER Ref (GAV): 0.72%	

MANAGER'S COMMENT

A SUCCESSFUL CAPITAL INCREASE FOR EDMOND DE ROTHSCHILD REAL ESTATE SICAV

The capital increase operated by Edmond de Rothschild Real Estate SICAV (ERRES) from 4 to 15 September 2017 was a great success. The objective of 954,645 new shares was reached, demonstrating investors' confidence in the fund's management.

The new shares were paid up on 22 September 2017, bringing the total number of outstanding shares to 7,637,164.

The purpose of ERRES' capital increase was to continue growing the fund by selectively purchasing top-quality properties and making investments designed to add value to the fund's existing properties.

In accordance with previous undertakings, the CHF 109 million raised by the capital increase has been committed under three notarial deeds which have already been signed for:

- new residential complex in the Vevey/Montreux area
- a new commercial building with a 20-year lease in the Canton of Geneva
- a planned residential complex, also in the Canton of Geneva.

The balance of the amount raised by the capital increase will be used for current renovations on properties in the fund's portfolio and as part of a strategic debt-drawdown plan.

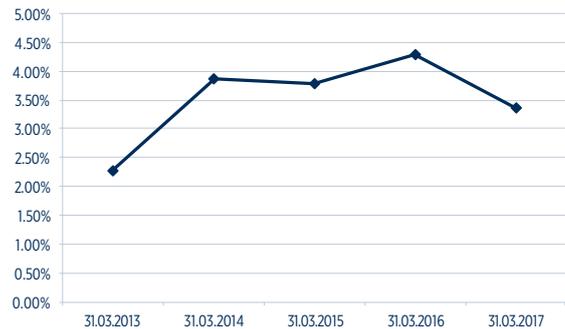
The management team of Orox Asset Management intends to continue expanding ERRES' portfolio in a sustainable manner and guarantees an attractive dividend for the fund's investors.

DISCLAIMER :

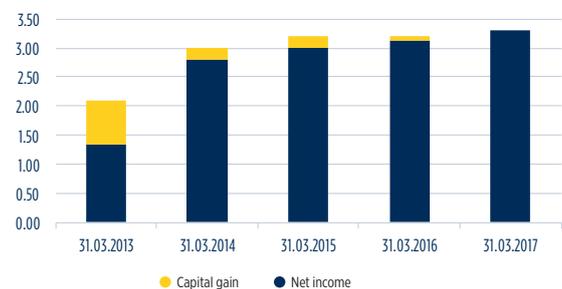
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Rental losses



Past distributions



CONSTRUCTION/RENOVATION PROJECTS

Work began in September to add a new storey to the Biopôle IV building in Epalinges (VD). This project will provide 1,787 m² of new rental space at a cost of CHF 8.7m. The building currently has 6,500 m² of rental space and is fully leased. All the tenants operate in the life sciences segment.

The last two buildings of the new construction project in Malters (LU) were delivered at end-June this year.

Construction on the 66 controlled-rent apartments in Meyrin (GE) is proceeding on schedule. Delivery is planned for end-March 2018.

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