

INVESTMENT OBJECTIVE

The Sub-Fund seeks to outperform the following index: Stoxx Europe 600 Net Return, over the recommend investment term.

PORTFOLIO MANAGERS COMMENTS

The fund rose +2.38% in the month.

For the market, overall first-quarter sales growth of European companies fell short of expectations. However, earnings were considerably higher than forecast due to deep cost cuts by European companies. The main negative trends for European company earnings are now easing as: i) prices of raw materials such as oil seemed to have turned up, spurring the profits of the energy sector; ii) low inflation, which has dampened earnings, should rise in the second half; iii) exposure of European companies to emerging markets is becoming less of a drag.

June 23rd will be a big day for Europe as British voters will decide whether to continue with the EU family or begin lengthy divorce negotiations. Even if the effects for the financial markets and in particular the exchange rate will not be neutral, your fund's British holdings are largely international businesses with limited domestic UK exposure. One example is Smiths Group plc, whose new management team we met during the month. This conglomerate with health care, oil/ petrochemical, security and general industrial activities generates 95% of sales outside of the UK. The fundamental driver of value in the coming years will not relate to which side wins the Brexit / Bremain battle but whether management will succeed in reinvigorating and refocusing a disparate set of fundamentally strong assets currently operating well below their normal potential.

The top contributors to your fund's performance were French bank Societe Generale, Deutsche Boerse, British defence outsource Babcock International Swiss freight-forwarder Panalpina which continues its restructuring.

The main detractors were banks Unicredit & Commerzbank, agricultural machinery to trucks group CNH Industrial & German defence contractor / auto supplier Rheinmetall.

Text completed on June 3 2016.

Isaac CHEBAR - Don FITZGERALD - Maxime GENEVOIS

DATA AS OF 05/31/2016

	Fund	Index*
YTD performance	-2.06%	-3.17%
Performance 2015	17.26%	9.60%
5 years annualized performance	11.37%	7.39%
1 year volatility	18.58%	19.51%
3 years volatility	15.84%	16.21%
5 years volatility	15.85%	17.13%

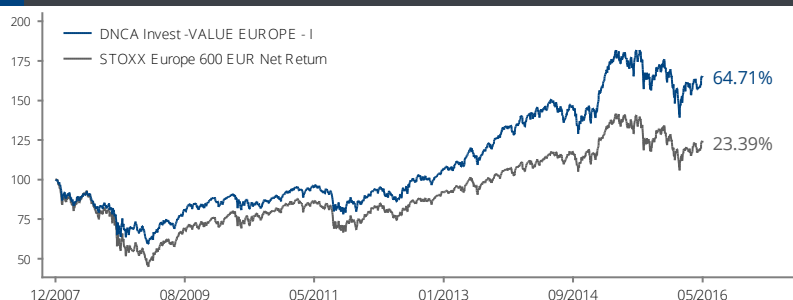
* STOXX Europe 600 EUR Net Return

Past performance is not a guarantee of future performance

MAIN CHARACTERISTICS AS OF 31/05/2016

NAV	€164.71	Net assets	€630 M
Net yield 2015	3.49%	ND/EBITDA 2015	1.4 x
Estimated PER 2016	15.6 x	EV/EBITDA 2016	7.2 x

PERFORMANCE SINCE 12/21/2007

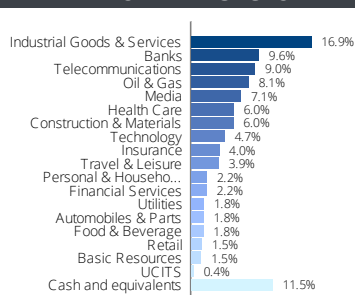


MAIN HOLDINGS

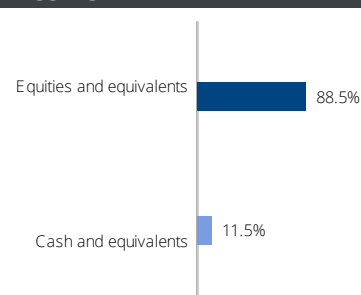
SOCIETE GENERALE	2.92%	FRANCE	25.7%
TF1	2.60%	ITALY	16.4%
CNH INDUSTRIAL NV	2.58%	UNITED KINGDOM	11.8%
KONINKLIJKE KPN	2.51%	GERMANY	10.3%
BABCOCK INTL	2.47%	THE NETHERLANDS	8.0%

MAIN COUNTRIES

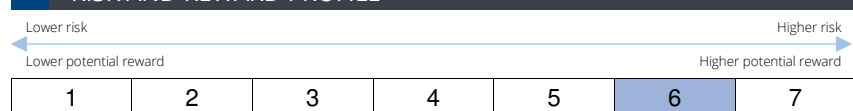
BREAKDOWN BY SECTOR



BY ASSETS



RISK AND REWARD PROFILE



PER (Price Earnings Ratio) is the ratio of market capitalisation to net earnings. It is a way of estimating how expensive a share is.
 Net debt is gross financial debt adjusted for the cash pile
 ND/EBITDA is the ratio between net debt and gross operating profit. It helps estimate a stock's financial leverage.
 EV/EBITDA is the ratio between enterprise value (market capitalisation + net debt) and gross operating profit. It helps estimate how expensive a share is.