



ODDO IMMOBILIER

French Common Fund (FCP)

Annual Report at 29 December 2017

Management Company: Oddo BHF Asset Management SAS

Custodian: Oddo BHF SCA

Administration and Accounting delegated to: EFA

Statutory auditor: Mazars

Asset management company incorporated in the form of a *société par actions simplifiée* (simplified joint stock company) with share capital of EUR 7,500,000

Approved by the *Autorité des marchés financiers* under the number GP 99011 - RCS 340 902 857 Paris
12 boulevard de la Madeleine - 75440 Paris Cedex 09 France

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1. INFORMATION ON INVESTMENTS AND MANAGEMENT OF THE FUND

1.1 Classification

This fund is a “European Union equities” fund.

1.2 Investment objective

The fund’s investment objective is to outperform the FTSE EPRA/NAREIT Eurozone Capped Index Net TRI over a minimum investment period of 5 years by investing primarily in Euro Zone real estate companies.

This objective is based on the realisation of market assumptions determined by the Portfolio Management Company. There is no guarantee that the fund will meet its objective.

1.3 Tax regime

The Fund may be used for unit-linked life insurance policies.

This annual report does not purport to set out the tax implications for investors of subscribing, redeeming, holding or selling the Fund's units. These implications will vary, depending on the laws and practices that apply in the country of residence, domicile or incorporation of the unitholders and on their personal situations.

Depending on your tax status, your country of residence or the jurisdiction from which you invest in the Fund, any capital gains and income resulting from the holding of units of the Fund may be subject to taxation. We advise you to consult a tax advisor in relation to the potential consequences of purchasing, holding, selling or redeeming units of the Fund according to the laws of your country of tax residence, ordinary residence or domicile.

Neither the Management Company nor the promoters shall accept any responsibility whatsoever for any tax consequences that may arise for investors following a decision to purchase, hold, sell or redeem units of the Fund.

1.4 Regulatory information

- The Fund does not hold any financial instruments issued by companies linked to the Oddo BHF group.
- At the reporting date, the Fund held no units of UCITS managed by the management company.
- **Overall risk calculation method for the Fund:** the method chosen by Oddo BHF Asset Management to measure the overall risk to the Fund is the commitment approach.
- **Environmental, social and governance criteria:**
The Fund does not take the three criteria relating to compliance with environmental, social and governance (ESG) objectives into account simultaneously. Full information about ESG criteria can be accessed on the Oddo BHF Asset Management website at the following address: www.am.oddo-bhf.com.
- Within the framework of its risk management policy, the portfolio management company establishes, implements and maintains a risk management policy and procedures that are effective, appropriate and documented, thereby allowing risks associated with its activities, processes and systems to be identified.

For further information, please consult the KIID of this UCI, and particularly the “Risk and reward profile” section, or its full prospectus, which are available on request from the management company or on the website www.am.oddobhf.com.

- **Portion of income eligible for the 40% allowance under Article 158 of the French general tax code (Code Général des Impôts):**
 - Coupon amount per unit: EUR 108.73 for DI EUR units and EUR 13.04 for DR EUR units
 - Amount of income eligible for the 40% allowance: EUR 108.73 for DI EUR units and EUR 13.04 for DR EUR units

1.5 Code of ethics

- **Management of intermediaries**

The management company has implemented a policy for the selection and evaluation of intermediaries and counterparties. The evaluation criteria used are intermediary fees, quality of execution in view of market conditions, quality of investment advice, quality of research and analysis documents and quality of back-office execution. This policy may be consulted on the management company’s website at www.am.oddobhf.com.
- **Brokerage fees**

FCP unitholders can consult the document entitled “Report on brokerage fees” on the Management Company’s website, www.am.oddobhf.com.
- **Voting rights**

No voting rights are attributed to unitholders, decisions concerning the Fund being taken by the Management Company. The voting rights attached to the securities held by the Fund are exercised by the Management Company, which has the sole power to take decisions, pursuant to regulations in force. The Management Company’s voting policy may be consulted at its registered office or online at www.am.oddobhf.com, in accordance with article 314-100 of the AMF General Regulation.
- **Information on the remuneration policy**

Regulatory information on remuneration is appended to this report.

1.6 Information on the efficient investment techniques and derivatives used in the fund

NONE

1.7 Changes during the financial year

- Change of name of the management company on 22 May 2017: Oddo Meriten AM SAS became Oddo BHF AM SAS.

1.8 SFTR reporting

NONE

2. MANAGEMENT REPORT

2.1 Macroeconomic climate and equity market performances in 2017

In an economic environment of renewed growth, but with inflation still low and interest rates accommodative, 2017 saw listed property companies turn in excellent results, allowing them to make up for the underperformance of 2016. Their performance on the stock market exemplifies the robust operational performance of property companies operating in buoyant markets (e.g. the office, logistics, hotel and residential property markets in Germany), but which are also active in a market segment that raises some questions and even creates a lack of confidence on account of competition with the expanding internet business.

2.2 Transactions

M&A was a prominent theme in 2017 and activity picked up significantly at the end of the year; this was due to the acquisition of Sponda – in which the fund did not participate as it was not a shareholder – and of Eurosic by Gecina. The fund participated twice in the latter, by taking part in Gecina's capital increase and by participating in Eurosic's exchange offer. We took advantage of the increase in Icade following its acquisition of ANF to reduce our position. Inmobiliaria Colonial made a takeover bid for Axiare in November; this worked to the fund's advantage, as it had strengthened its position in Axiare throughout the year (and took profits from when the bid was announced). Elsewhere, as a result of the Spanish political crisis linked to Catalonia in the fourth quarter, we took profits on the property company with the most exposure: Inmobiliaria Colonial.

December was marked by a number of mergers and acquisitions, in particular the shopping centre segment, with UK company Hammerson making a bid for its rival Intu and Unibail moving to buy Westfield, an Australian property company whose shopping centres are the benchmark across the globe. German housing giant Vonovia also agreed to buy Buwog; this was another investment we strengthened in 2017.

In our investments for the Oddo Immobilier fund, we favoured key markets for office property, namely Spain (Axiare, Inmo. Colonial and Merlin) and France (Gecina, Foncière des Régions and Terreis). In addition, we focused on niche property companies through two new lines: UK property companies Segro (logistics) and Unite (student accommodation). We also increased our line in the Spanish hotel property company, Hispania.

In the German residential segment, we maintained our weighting to property companies with the most exposure to Berlin through ADO and Deutsche Wohnen. However, we added a new property company in the form of Tag Immobilien at the expense of Grand City, which we scaled back. Tag Immobilien is a German residential property company, which shows strong upside potential compared with its competitors as the valuation of its portfolio in medium-sized cities lags behind more dynamic cities. A rather pronounced drop in financing costs also worked in its favour. Thus, its earnings growth should exceed 10% over the next three years. It also has an attractive dividend yield of 4.6% vs its competitors.

Parallel to this, we added to investments in Grand City's parent company, Aroundtown, owing to reductions in Astria and TLG.

The company, which specialises in portfolio restructuring, is pursuing ongoing acquisition activity of offices in Germany and the Netherlands. In total, thanks to these acquisitions, its portfolio will have grown by 40% year-to-date (EUR 2.7 billion in investments with a gross return of 6.3%). Its outlook was once again revised upwards upon publication of its quarterly results. Rental income from its commercial property portfolio was up 5.8%, of which 3.4% was due to a rise in rents and 2.4% to an increase in the occupancy rate. The strength of its balance sheet means it can continue to invest as much as EUR 2 billion in acquisitions. We are waiting for it to be included in the indices in Q1 2018.

Portfolio restructuring is another theme that we have favoured in the Oddo Immobilier fund portfolio. At the very end of the year, we opened a position in Dutch property company NSI, which is restructuring its portfolio. Then, new management was appointed in summer 2016, who decided to implement a portfolio rotation strategy, selling retail properties whose performance was too varied and small cap offices located outside major cities in order to invest solely in offices in major cities in the Netherlands.

We are interested by the application of this strategy in a Dutch office market in full turnaround, with falling vacancy rates and rising rent prices.

Still focusing on this restructuring strategy, we overweighted Klépierre, which will continue to sell off its small and medium-sized shopping centres in order to purchase larger centres with leading positions in their catchment areas. Meanwhile, we underweighted shopping centre property companies by closing our positions in the German property company Deutsche Euroshop and Finnish property company Citycon, and by trimming our investments in Wereldhave and Mercialis.

We also made the decision to focus on property companies reporting the strongest growth with good development pipelines, such as Carmila, which we strengthened at the time of its capital increase. It is a subsidiary of Carrefour that holds a share of the Carrefour-anchored shopping centres and shopping arcades in France, Spain and Italy. One of the unique features of Carmila is its partnership with the Carrefour Group and their shared interests. This provides a strong foundation for future growth in rental income (+3.5% per year until 2020). It also has a particularly attractive dividend yield, at almost 6%.

However, Unibail's poor market performance and solid operational performance led us to increase investments in the stock over the summer. Ultimately, it took the first rumours of M&A in the United States in November to prompt an upturn in the share prices of these shopping centre property companies.

The main purchases/sales during the last financial year:

Portfolio	Stock	Purchase	Disposal	Currency
Oddo Immobilier	Vonovia SE		11,148,652.67	EUR
Oddo Immobilier	Unibail-Rodamco SE		9,916,954.46	EUR
Oddo Immobilier	Unibail-Rodamco SE	9,027,376.20		EUR
Oddo Immobilier	Gecina Reg		7,548,102.01	EUR
Oddo Immobilier	Deutsche Wohnen AG		7,435,813.78	EUR
Oddo Immobilier	TAG Immobilien AG	7,261,787.28		EUR
Oddo Immobilier	Gecina Reg	6,764,028.89		EUR
Oddo Immobilier	Wereldhave NV		5,942,743.03	EUR
Oddo Immobilier	LEG Immobilien AG Reg		5,592,127.89	EUR
Oddo Immobilier	Merlin Properties SOCIMI SA		5,552,744.45	EUR

2.3 Annual performance at 29/12/2017

Unit	Annual performance	Benchmark index
ODDO IMMOBILIER - CI-EUR UNITS	17.93%	+17.65%
ODDOIMMOBILIER - CN-EUR Units	17.93%	
ODDO IMMOBILIER - CR-EUR UNITS	16.91%	
ODDO IMMOBILIER - DR-EUR UNITS	16.91%	
ODDO IMMOBILIER - GC-EUR UNITS	17.93%	

Please note that past performance is not an indication of future results. Performance may vary over time.

2.4 Outlook for 2018

We are confident about the outlook for 2018 for three reasons:

- Awareness among investors that stricter monetary policies will gradually be adopted in Europe for an extended period of time, even though the risk premiums between government bond yields and returns on prime (i.e. the most expensive) real estate assets remain at a historically high level (e.g. in Germany: 270 bps for an office building generating 3.1% versus 0.4% for the German 10-year Bund).
- The sensitivity of property companies to economic growth prospects: most commercial lease agreements are linked to consumer price indices or composite indices that include growth factors (as in France). As such, any rise in economic growth and inflation constitutes a strong driver of property company revenue.
- The M&A theme should continue to be prominent and provide a further boost to stock prices in 2018.

3. ANNUAL FINANCIAL STATEMENTS OF THE FUND

Statutory auditor's report on the annual financial statements

Dear unitholders of ODDO Immobilier FCP,

Opinion

Following our appointment by the management company of the fund, we have audited the annual financial statements of the ODDO Immobilier FCP for the financial year ended 29 December 2017, which are appended to this report.

In our opinion, the annual financial statements give, in accordance with French accounting rules and principles, a true and fair view of the financial position and assets and liabilities of the fund and of the results of its operations at the end of the financial year.

Basis for the opinion

Audit framework

We have conducted our audit in accordance with professional standards applicable in France. We consider that the evidence gathered is pertinent and sufficient to serve as a basis for our opinion.

Our responsibilities in light of these standards are described in this report in the section entitled "Responsibilities of the statutory auditor in relation to auditing the annual financial statements".

Independence

We carried out our audit in accordance with the independence rules applicable to us, for the period from 31 December 2016 to the date on which our report was issued. In particular, we refrained from providing the services prohibited by the code of ethics of the statutory audit industry.

Justification of Evaluations

In accordance with the provisions of articles L.823-9 and R.823-7 of the French Commercial Code regarding the justification of our evaluations, we hereby inform you that our most important evaluations, in our professional opinion, were focused on the appropriateness of the accounting principles applied, on whether material estimates used were reasonable, and on whether all accounts were presented as per the accounting standards applicable to undertakings for collective investment with variable capital, particularly as regards financial instruments held in the portfolio.

The evaluations were made in the context of the audit of the annual financial statements, taken as a whole, and the formation of the opinion expressed herein. We have not expressed an opinion regarding individual items in the annual financial statements.

Verification of the management report and other documents sent to unitholders

We have also carried out the specific verifications required by law in accordance with the professional auditing standards applicable in France.

We have no comment as to the fair presentation and conformity with the annual financial statements of the information given in the management report and in the other documents sent to unitholders with respect to the financial position and annual financial statements.

Responsibilities of management and the corporate governance hierarchy in relation to the annual financial statements

The management is responsible for drawing up annual financial statements giving a fair view in accordance with French accounting rules and standards, as well as implementing the internal control system it deems necessary for the drafting of annual financial statements free of material misstatements, whether as a result of fraud or error.

When drawing up the annual financial statements, it is incumbent upon the management to evaluate the ability of the fund to continue its operations, to present in these financial statements, where applicable, the necessary information regarding continuity of operations and to apply the going concern accounting principle, unless there is a plan to wind up the fund or end its activities.

The annual financial statements were prepared by the management company of the fund.

Responsibilities of the statutory auditor in relation to auditing the annual financial statements

It is our responsibility to draft a report on the annual financial statements. Our objective is to obtain reasonable assurance that the annual financial statements, viewed in their entirety, are free of material misstatement. Reasonable assurance constitutes a high level of assurance, although not a guarantee, that an audit carried out in accordance with the standards of professional conduct allows for the systematic detection of material misstatements. Such misstatements may result from fraud or error and are considered to be material when it is reasonable to expect that they may, taken individually or collectively, influence economic decisions that readers of the financial statements may make based on them.

As stipulated in article L.823-10-1 of the French Commercial Code, our certification of the financial statements does not constitute a guarantee of the viability or quality of the management of your fund.

As part of an audit carried out in accordance with the standards of professional conduct applicable in France, the statutory auditor shall exercise its professional judgement throughout this audit. Furthermore:

- It identifies and evaluates the risk that the annual financial statements may include material misstatement, whether resulting from fraud or error, defines and implements auditing procedures in response to these risks, and gathers the items it deems sufficient and appropriate as a basis for its opinion. The risk of material misstatement not being detected is considerably higher when it is the result of fraud rather than error, since fraud may involve collusion, falsification, voluntary omissions, false declarations or the circumvention of the internal control system;
- It assesses the internal control system that is relevant for the audit in order to define audit procedures that are appropriate in the circumstances, and not for the purpose of expressing an opinion on the internal control system;
- It evaluates the appropriateness of the accounting methods used and the reasonableness of the accounting estimates made by the management, as well as the related information in the annual financial statements;
- It evaluates the appropriateness of the management's application of the going concern accounting principle and, based on the information gathered, the existence or absence of significant uncertainty linked to events or circumstances likely to cast doubt on the fund's ability to continue its operations. This evaluation is based on the information gathered prior to the date of its report; however, it should be noted that subsequent circumstances or events may cast doubt on the continuity of its operations. If it concludes that significant uncertainty exists, it draws the attention of readers of its report to the information provided in the annual financial statements giving rise to this uncertainty or, if this information has not been provided or is not relevant, it certifies the annual financial statements with reservations or refuses to certify them;

**ODDO Immobilier
FCP**

*Financial year
ended
29 December 2017*

-
- It assesses the presentation of all of the annual financial statements and evaluates whether or not the annual financial statements depict the underlying operations and events fairly.

Courbevoie, 13 April 2018

Statutory Auditor

Mazars:

[signature]

Gilles DUNAND-ROUX

Balance sheet - assets AT 29/12/2017 IN EUR

	29/12/2017	30/12/2016
Net fixed assets	0.00	0.00
Deposits	0.00	0.00
Financial instruments	245,175,067.22	256,145,333.51
Equities and similar securities	245,175,067.22	256,145,333.51
Traded on a regulated or similar market	245,175,067.22	256,145,333.51
Not traded on a regulated or similar market	0.00	0.00
Bonds and similar securities	0.00	0.00
Traded on a regulated or similar market	0.00	0.00
Not traded on a regulated or similar market	0.00	0.00
Debt securities	0.00	0.00
Traded on a regulated or similar market	0.00	0.00
<i>Transferable debt securities</i>	0.00	0.00
<i>Other debt securities</i>	0.00	0.00
Not traded on a regulated or similar market	0.00	0.00
Undertakings for collective investment	0.00	0.00
Standard UCITS and AIFs aimed at non-professional investors and equivalent funds of other countries	0.00	0.00
Other Funds aimed at non-professional investors and equivalent funds of other European Union Member States	0.00	0.00
Standard professional investment funds and equivalent funds of other European Union Member States and listed securitisation funds	0.00	0.00
Other professional investment funds and equivalent funds of other European Union Member States and unlisted securitisation funds	0.00	0.00
Other non-European undertakings	0.00	0.00
Temporary transactions on securities	0.00	0.00
Receivables on securities received under a repurchase agreement (<i>pension</i>)	0.00	0.00
Receivables on securities lent	0.00	0.00
Securities borrowed	0.00	0.00
Securities transferred under a repurchase agreement (<i>pension</i>)	0.00	0.00
Other temporary transactions	0.00	0.00
Financial contracts		
Transactions on a regulated or similar market	0.00	0.00
Other transactions	0.00	0.00
Other financial instruments	0.00	0.00
Receivables	4,716,408.91	54,713.14
Currency forward exchange contracts	4,710,203.32	0.00
Other	6,205.59	54,713.14
Financial accounts	2,552,089.76	1,532,771.54
Cash	2,552,089.76	1,532,771.54
Total assets	252,443,565.89	257,732,818.19

Asset management company incorporated in the form of a *société par actions simplifiée* (simplified joint stock company) with share capital of EUR 7,500,000

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BALANCE SHEET - LIABILITIES AT 29/12/2017 IN EUR

	29/12/2017	30/12/2016
Equity capital		
Share capital	232,945,561.00	239,157,957.52
Previous undistributed net capital gains and losses (a)	530,824.45	1,140,153.63
Retained earnings (a)	137.83	87.02
Net capital gains and losses for the financial year (a, b)	9,887,382.04	13,339,961.29
Profit/loss for the financial year (a, b)	4,013,041.30	3,771,526.85
Total equity capital	247,376,946.62	257,409,686.31
<i>(= Amount corresponding to the net assets)</i>		
Financial instruments	0.00	0.00
Sales of financial instruments	0.00	0.00
Temporary transactions on securities	0.00	0.00
Payables on securities transferred under a repurchase agreement <i>(pension)</i>	0.00	0.00
Payables on securities borrowed	0.00	0.00
Other temporary transactions	0.00	0.00
Financial contracts	0.00	0.00
Transactions on a regulated or similar market	0.00	0.00
Other transactions	0.00	0.00
Payables	5,066,619.27	303,301.57
Currency forward exchange contracts	4,673,317.17	0.00
Other	393,302.10	303,301.57
Financial accounts	0.00	19,830.31
Short-term bank loans	0.00	19,830.31
Borrowings	0.00	0.00
Total liabilities	252,443,565.89	257,732,818.19

(a) Including equalisation accounts

(b) Less interim dividends paid for the financial year

OFF-BALANCE SHEET ITEMS AT 29/12/2017 IN EUR

	29/12/2017	30/12/2016
Hedging transactions		
Commitments on regulated or similar markets		
Total commitments on regulated or similar markets	0.00	0.00
OTC commitments		
Total OTC commitments	0.00	0.00
Other commitments		
Total other commitments	0.00	0.00
Total hedging transactions	0.00	0.00
Other transactions		
Commitments on regulated or similar markets		
Total commitments on regulated or similar markets	0.00	0.00
OTC commitments		
Total OTC commitments	0.00	0.00
Other commitments		
Total other commitments	0.00	0.00
Total other transactions	0.00	0.00

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INCOME STATEMENT AT 29/12/2017 IN EUR

	29/12/2017	30/12/2016
Income from financial transactions		
Income from deposits and financial accounts	0.00	0.00
Income from equities and similar securities	7,264,736.98	7,040,646.62
Income from bonds and similar securities	0.00	0.00
Income from debt securities	0.00	0.00
Income from temporary purchases and sales of securities	0.00	0.00
Income from financial contracts	0.00	0.00
Other financial income	40.94	-30.44
TOTAL (I)	7,264,777.92	7,040,616.18
Payables on financial transactions		
Payables on temporary purchases and sales of securities	0.00	0.00
Payables on financial contracts	0.00	0.00
Payables on financial debts	0.00	0.00
Other payables	0.00	0.00
TOTAL (II)	0.00	0.00
Income resulting from financial transactions (I - II)	7,264,777.92	7,040,616.18
Other income (III)	0.00	0.00
Management fees and depreciation allowance (IV)	3,433,668.49	3,435,988.62
Net income for the year (L. 214-17-1)(I - II + III - IV)	3,831,109.43	3,604,627.56
Income equalisation for the financial year (V)	181,931.87	166,899.29
Interim dividends paid from income for the financial year (VI)	0.00	0.00
Profit(loss) (I - II + III - IV +/- V - VI)	4,013,041.30	3,771,526.85

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APPENDICES

The Fund has complied with the accounting rules prescribed by the regulations in force and, in particular, with the accounting standards applicable to UCITS.

The annual financial statements are drawn up in accordance with the provisions of ANC Regulation 2014-01 repealing CRC Regulation 2003-02 and its subsequent amendments.

The accounting currency is the euro.

ASSET VALUATION AND ACCOUNTING RULES

Asset valuation rules:

The calculation of the net asset value per unit is subject to the following valuation rules:

Financial instruments and transferable securities traded on regulated markets are valued at their market price using the following principles:

- The valuation is based on the last official market price.

The market price used depends on the market on which the instrument is listed:

European markets: Last market price on the net asset value calculation day

Asian markets: Last market price on the net asset value calculation day

North and South American markets: Last market price on the net asset value calculation day

The prices used are collected from financial information providers: Fininfo or Bloomberg. In the event that no price is available for a security, the last known price is used.

However, the following instruments are valued using the following specific valuation methods:

- financial instruments that are not traded on a regulated market are valued under the Management Company's responsibility at their foreseeable sale prices.
In particular, transferable debt securities and similar securities that are not traded in large volumes are valued by means of an actuarial method; the reference rate used is that applied to issues of equivalent securities plus or minus, where applicable, a differential reflecting the issuer's specific characteristics. Nevertheless, transferable debt securities with low sensitivity and a residual maturity of less than or equal to three months may be valued using the straight-line method.
- contracts (futures, options or swap transactions concluded on over-the-counter markets) are valued at their market value or at a value estimated according to the terms and conditions determined by the Management Company. The method for valuing off-balance sheet commitments consists in valuing futures contracts at their market price and in converting options into the equivalent value of the underlying.

The prices used for the valuation of futures or options are consistent with those of the underlying securities. They may vary depending on where they are listed:

European markets: Settlement price on the NAV calculation day, if different from the last price.

Asian markets: Last market price on the NAV calculation day, if different from the last price.

North and South American markets: Last market price on the NAV calculation day, if different from the last price.

In the event that no price is available for a future or option contract, the last known price is used.

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Securities subject to a temporary acquisition or sale agreement are valued in accordance with the regulations in force. Securities received under repurchase agreements are recorded on their acquisition date under the heading "Receivables on securities received under a repurchase agreement (*pension*)" at the value fixed in the contract by the counterparty of the liquidity account concerned. For as long as they are held they are recognised at that value plus the accrued interest from the securities in custody.

Securities transferred under repurchase agreements are withdrawn from their account on the date of the transaction and the corresponding receivable is booked under the heading "Securities transferred under a repurchase agreement (*pension*)"; they are valued at their market value. The debt represented by securities transferred under repurchase agreements is recorded under the heading "Payables on securities transferred under a repurchase agreement (*pension*)" by the counterparty of the liquidity account concerned. It is maintained at the value determined in the contract plus any accrued interest on the debt.

- Other instruments: Units or shares of UCITS are valued at their last known net asset value.
- Financial instruments whose prices have not been determined on the valuation day or whose prices have been adjusted are valued under the Management Company's responsibility at their foreseeable sale prices. These valuations and their justification are communicated to the statutory auditor at the time of the audit.

Accounting methods:

Income accounting:

The interest on bonds and debt securities is calculated using the accrued interest method.

Transaction cost accounting:

Transactions are recorded excluding fees

Allocation of income and net capital gains and losses:

Distributable income	CR-EUR, CI-EUR, CN-EUR and GC-EUR units Accumulation units	DR-EUR and DI-EUR units Distribution units
Net income allocation	Accumulation	Distributed in full, or partly carried forward by decision of the management company
Allocation of net realised capital gains or losses	Accumulation	Distributed in full, or partly carried forward by decision of the management company/accumulated

Frequency of distributions:

- Accumulation units: no distribution
- Distribution units: the portion of distributable income paid out annually is decided by the Management Company. Distributable income is paid out within five months of the financial year end.

INFORMATION ON FEES, EXPENSES AND TAXATION

Fees and expenses

Subscription and redemption fees:

Subscription fees increase the subscription price paid by the investor, while redemption fees decrease the redemption price. The fees charged by the Fund serve to offset the costs incurred by the Fund to invest and disinvest investors' monies. Fees not paid to the Fund are paid to the Management Company, the promoter, etc.

Fees payable by the investor on subscriptions and redemptions	Basis	Rate CR-EUR, CI-EUR, CN-EUR, DR-EUR, DI-EUR and GC-EUR units
Subscription fee not payable to the Fund	NAV per unit x number of units	Maximum 4% inclusive of tax
Subscription fee payable to the Fund	NAV per unit x number of units	None
Redemption fee not payable to the Fund	NAV per unit x number of units	None
Redemption fee payable to the Fund	NAV per unit x number of units	None

Fees charged to the Fund	Basis	Rate CR-EUR, CI-EUR, CN-EUR, DR-EUR, DI-EUR and GC-EUR units
Management and administration fees (statutory auditor, custodian, distributors, lawyers)	Net assets excluding UCITS	CR-EUR and DR-EUR units: Maximum 1.80% inclusive of tax
		CI-EUR, DI-EUR, CN-EUR and GC-EUR units: Maximum 0.90% inclusive of tax
Performance fee	Net assets	- CR-EUR and DR-EUR units: A maximum of 20% of the Fund's outperformance relative to the benchmark index (FTSE EPRA/NAREIT Euro zone Capped Index Net TRI) provided that the Fund's performance is positive. - CI-EUR, DI-EUR, CN-EUR and GC-EUR units: A maximum of 10% of the Fund's outperformance relative to the benchmark index (FTSE EPRA/NAREIT Eurozone Capped Index Net TRI) provided that the Fund's performance is positive (*).
Transaction fees charged by service providers: - Custodian: 100 %	Payable on each transaction	Equities: depending on the markets, with a maximum of 0.50% inclusive of tax and a minimum of EUR 7.50 exclusive of tax for French equities or EUR 50 exclusive of tax for foreign equities Bonds: 0.03% inclusive of tax with a minimum of EUR 7.50 exclusive of tax Money market instruments and derivatives: None

(*) Performance fee: a variable fee based on a comparison between the performance of the unit and that of the benchmark index over the Fund's reference period.

The Fund's performance is determined on the basis of its book value after taking into account fixed management fees and before deduction of the performance fee.

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Once the Fund records a positive performance that exceeds that of its benchmark index in a given reference period, a provision of a maximum of 20% of this outperformance is established upon each NAV calculation. In the event the Fund underperforms its benchmark index between two net asset values, any previously accumulated provision shall be reduced accordingly. The amounts deducted from the provision cannot exceed the amount previously accumulated.

This variable fee will only be definitively transferred to the Management Company at the end of the reference period and only if, over the reference period, the Fund's performance is positive and exceeds that of its benchmark index. It is deducted from the last NAV calculation of the financial year and paid annually to the Management Company, provided that on that date the reference period is at least equal to one year. A detailed description of the method used to calculate the performance fee may be obtained from the Management Company.

1. CHANGES IN THE NET ASSETS AT 29/12/2017 IN EUR

	29/12/2017	30/12/2016
Net assets at the beginning of the financial year	257,409,686.31	215,009,979.11
Subscriptions (including subscription fees paid to the Fund)	62,212,563.34	179,233,968.29
Redemptions (after deduction of the redemption fees paid to the Fund)	-105,483,607.45	-137,276,221.29
Realised gains on deposits and financial instruments	13,724,899.56	16,571,360.36
Realised losses on deposits and financial instruments	-2,170,692.95	-2,332,649.29
Realised gains on financial contracts	11,872.01	393,893.02
Realised losses on financial contracts	-116,596.94	-117,751.48
Transaction costs	-1,393,833.54	-1,651,369.09
Foreign exchange differences	-163,864.64	-18,255.65
Changes in the valuation differential of deposits and financial instruments	21,590,205.63	-14,410,449.66
<i>Valuation differential in year N:</i>	45,973,524.17	24,383,318.54
<i>Valuation differential in year N-1:</i>	24,383,318.54	38,793,768.20
Changes in the valuation differential of forward financial instruments	36,886.15	-72,390.45
<i>Valuation differential in year N:</i>	36,886.15	0.00
<i>Valuation differential in year N-1:</i>	0.00	72,390.45
Distribution in previous year from net capital gains and losses	-1,850,718.32	-1,460,240.28
Dividends paid in the previous financial year from income	-260,961.97	-64,814.84
Net profit/loss for the financial year prior to the income equalisation account	3,831,109.43	3,604,627.56
Interim dividend(s) paid for the financial year from net capital gains and losses	0.00	0.00
Interim dividend(s) paid for the financial year from income	0.00	0.00
Other items (1)	0.00	0.00
Net assets at the end of the financial year	247,376,946.62	257,409,686.31

(1) The UCITS will provide a detailed explanation of this line (contributions from mergers, payments received under capital and/or performance guarantees)

2. FURTHER INFORMATION

2.1 BREAKDOWN BY LEGAL OR ECONOMIC NATURE OF THE FINANCIAL INSTRUMENTS

Name of securities	Amount	%
Assets		
Bonds and similar securities		
Total bonds and similar securities	0.00	0.00
Debt securities		
Total debt securities	0.00	0.00
Total assets	0.00	0.00
Liabilities		
Sales of financial instruments		
Total sales of financial instruments	0.00	0.00
Total liabilities	0.00	0.00
Off-balance sheet		
Hedging transactions		
Total hedging transactions	0.00	0.00
Other transactions		
Total other transactions	0.00	0.00
Total off-balance sheet	0.00	0.00

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2.2 BREAKDOWN BY TYPE OF INTEREST RATES FOR ASSETS, LIABILITIES AND OFF-BALANCE SHEET ITEMS

	Fixed rate	%	Variable rate	%	Adjustable rate	%	Other	%
Assets								
Deposits								
Bonds and similar securities								
Debt securities								
Temporary transactions on securities								
Financial accounts							2,552,089.76	1.03
Liabilities								
Temporary transactions on securities								
Financial accounts								
Off-balance sheet								
Hedging transactions								
Other transactions								

2.3 BREAKDOWN BY RESIDUAL MATURITY OF ASSETS, LIABILITIES AND OFF-BALANCE SHEET ITEMS

	< 3 months	%]3 months - 1 year]	%]1 - 3 years]	%]3 - 5 years]	%	> 5 years	%
Assets										
Deposits										
Bonds and similar securities										
Debt securities										
Temporary transactions on securities										
Financial accounts	2,552,089.76	1.03								
Liabilities										
Temporary transactions on securities										
Financial accounts										
Off-balance sheet										
Hedging transactions										
Other transactions										

2.4 BREAKDOWN BY LISTING OR VALUATION CURRENCY OF ASSETS, LIABILITIES AND OFF-BALANCE SHEET ITEMS

	Currency 1 GBP	% GBP	Currency 2 SEK	% SEK	Currency 3 NOK	% NOK	Currency N	%
Assets								
Deposits								
Equities and similar securities	4,926,094.44	1.99						
Bonds and similar securities								
Debt securities								
UCIs								
Temporary transactions on securities								
Financial contracts								
Receivables								
Financial accounts	8,085.90	0.00	53.75	0.00				
Liabilities								
Sales of financial instruments								
Temporary transactions on securities								
Financial contracts								
Payables	4,673,317.17	1.89						
Financial accounts								
Off-balance sheet								
Hedging transactions								
Other transactions								

2.5 RECEIVABLES AND PAYABLES: BREAKDOWN BY TYPE

Type	29/12/2017
Forward transactions	4,710,203.32
Coupons and dividends	6,205.59
Total receivables	4,716,408.91
Forward transactions	4,673,317.17
Other debts and receivables	83,468.95
Provn for external charges	309,833.15
Total debts	5,066,619.27
Total debts and receivables	-350,210.36

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2.6 EQUITY CAPITAL

2.6.1 Number of securities issued or redeemed

	In units	As amount
C1	CR-EUR UNITS	
Units subscribed during year	13,154.762	22,425,613.65
Units redeemed during year	-17,653.907	-29,724,178.66
Subscriptions/redemptions (net)	-4,499.145	-7,298,565.01

	In units	As amount
C2	CI-EUR UNITS	
Units subscribed during year	86.553	16,365,175.39
Units redeemed during year	-69.713	-12,547,282.53
Subscriptions/redemptions (net)	16.840	3,817,892.86

	In units	As amount
C3	CN-EUR UNITS	
Units subscribed during year	3,976.215	8,201,301.74
Units redeemed during year	-28,365.673	-55,086,762.32
Subscriptions/redemptions (net)	-24,389.458	-46,885,460.58

	In units	As amount
C4	GC-EUR UNITS	
Units subscribed during year	45,481.668	6,489,145.40
Units redeemed during year	-28,268.040	-3,963,032.83
Subscriptions/redemptions (net)	17,213.628	2,526,112.57

	In units	As amount
D1	DR-EUR UNITS	
Units subscribed during year	6,785.859	5,980,227.16
Units redeemed during year	-4,661.455	-4,162,351.11
Subscriptions/redemptions (net)	2,124.404	1,817,876.05

	In units	As amount
D2	DI-EUR UNITS	
Units subscribed during year	27.511	2,751,100.00
Units redeemed during year	0.000	0.00
Subscriptions/redemptions (net)	27.511	2,751,100.00

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2.6.2 Subscription and/or redemption fees

	As amount
C1 CR-EUR UNITS	
Subscription and/or redemption fees received	9,883.35
Subscription fees received	9,883.35
Redemption fees received	0.00
Subscription and/or redemption fees paid to third parties	9,883.35
Subscription fees paid to third parties	9,883.35
Redemption fees paid to third parties	0.00
Subscription and/or redemption fees retained	0.00
Subscription fees retained	0.00
Redemption fees retained	0.00

	As amount
C2 CI-EUR UNITS	
Subscription and/or redemption fees received	0.00
Subscription fees received	0.00
Redemption fees received	0.00
Subscription and/or redemption fees paid to third parties	0.00
Subscription fees paid to third parties	0.00
Redemption fees paid to third parties	0.00
Subscription and/or redemption fees retained	0.00
Subscription fees retained	0.00
Redemption fees retained	0.00

	As amount
C3 CN-EUR UNITS	
Subscription and/or redemption fees received	0.00
Subscription fees received	0.00
Redemption fees received	0.00
Subscription and/or redemption fees paid to third parties	0.00
Subscription fees paid to third parties	0.00
Redemption fees paid to third parties	0.00
Subscription and/or redemption fees retained	0.00
Subscription fees retained	0.00
Redemption fees retained	0.00

	As amount
C4 GC-EUR UNITS	
Subscription and/or redemption fees received	0.00
Subscription fees received	0.00
Redemption fees received	0.00
Subscription and/or redemption fees paid to third parties	0.00
Subscription fees paid to third parties	0.00
Redemption fees paid to third parties	0.00
Subscription and/or redemption fees retained	0.00
Subscription fees retained	0.00
Redemption fees retained	0.00

	As amount
D1 DR-EUR UNITS	
Subscription and/or redemption fees received	2,690.12
Subscription fees received	2,690.12
Redemption fees received	0.00
Subscription and/or redemption fees paid to third parties	2,690.12
Subscription fees paid to third parties	2,690.12
Redemption fees paid to third parties	0.00
Subscription and/or redemption fees retained	0.00
Subscription fees retained	0.00
Redemption fees retained	0.00

	As amount
D2 DI-EUR UNITS	
Subscription and/or redemption fees received	0.00
Subscription fees received	0.00
Redemption fees received	0.00
Subscription and/or redemption fees paid to third parties	0.00
Subscription fees paid to third parties	0.00
Redemption fees paid to third parties	0.00
Subscription and/or redemption fees retained	0.00
Subscription fees retained	0.00
Redemption fees retained	0.00

2.6.3 Management fees

	29/12/2017
C1 CR-EUR UNITS	
Percentage of fixed management fees	1.80
(Fixed) management and administration fees	2,266,353.99
(Variable) performance fee	2,429.24
Management fees paid to third parties	0.00

	29/12/2017
C2 CI-EUR UNITS	
Percentage of fixed management fees	0.90
(Fixed) management and administration fees	447,546.64
(Variable) performance fee	13,654.50
Management fees paid to third parties	0.00

	29/12/2017
C3 CN-EUR UNITS	
Percentage of fixed management fees	0.90
(Fixed) management and administration fees	189,235.30
(Variable) performance fee	3,703.95
Management fees paid to third parties	0.00

	29/12/2017
C4 GC-EUR UNITS	
Percentage of fixed management fees	0.90
(Fixed) management and administration fees	57,879.09
(Variable) performance fee	1,046.82
Management fees paid to third parties	0.00

	29/12/2017
D1 DR-EUR UNITS	
Percentage of fixed management fees	1.80
(Fixed) management and administration fees	445,572.84
(Variable) performance fee	260.02
Management fees paid to third parties	0.00

	29/12/2017
D2 DI-EUR UNITS	
Percentage of fixed management fees	0.90
(Fixed) management and administration fees	5,986.10
(Variable) performance fee	0.00
Management fees paid to third parties	0.00

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2.7 COMMITMENTS RECEIVED AND GIVEN

2.7.1 GUARANTEES RECEIVED BY THE UCITS:

None

2.7.2 OTHER COMMITMENTS RECEIVED AND/OR GIVEN:

None

2.8 OTHER INFORMATION

2.8.1 Current values of financial instruments subject to a temporary purchase transaction

	29/12/2017
Securities acquired under repurchase options	0.00
Securities acquired under a repurchase agreement	0.00
Securities borrowed	0.00

2.8.2 Current values of financial instruments serving as guarantee deposits

	29/12/2017
Financial instruments used as a guarantee and kept as original entry	0.00
Financial instruments received as a guarantee and not recorded on the balance sheet	0.00

2.8.3 Group financial instruments held in the portfolio

None

2.9 DISTRIBUTABLE INCOME ALLOCATION TABLE

	Interim dividends paid for the financial year					
	Date	Unit	Amount total	Amount per unit	Tax credits total	Tax credits per unit
Total interim dividends			0	0	0	0

	Interim payments from net capital gains or losses for the financial year				
	Date	Unit code	Unit name	Total amount	Amount per unit
Total interim dividends				0	0

Table showing the allocation of distributable income from profit (6)	29/12/2017	30/12/2016
Amounts to be allocated		
Retained earnings	137.83	87.02
Profit/loss	4,013,041.30	3,771,526.85
Total	4,013,179.13	3,771,613.87

	29/12/2017	30/12/2016
C1 CR-EUR UNITS		
Appropriation		
Distribution	0.00	0.00
Retained earnings for the financial year	0.00	0.00
Accumulation	1,879,381.87	1,345,743.65
Total	1,879,381.87	1,345,743.65

	29/12/2017	30/12/2016
C2 CI-EUR UNITS		
Appropriation		
Distribution	0.00	0.00
Retained earnings for the financial year	0.00	0.00
Accumulation	1,289,011.97	929,042.39
Total	1,289,011.97	929,042.39

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	29/12/2017	30/12/2016
C3 CN-EUR UNITS		
Appropriation		
Distribution	0.00	0.00
Retained earnings for the financial year	0.00	0.00
Accumulation	270,814.89	1,124,499.43
Total	270,814.89	1,124,499.43

	29/12/2017	30/12/2016
C4 GC-EUR UNITS		
Appropriation		
Distribution	0.00	0.00
Retained earnings for the financial year	0.00	0.00
Accumulation	191,142.15	101,917.14
Total	191,142.15	101,917.14

	30/12/2017	30/12/2016
D1 DR-EUR UNITS		
Appropriation		
Distribution	379,799.55	270,283.30
Retained earnings for the financial year	37.42	127.96
Accumulation	0.00	0.00
Total	379,836.97	270,411.26
Information on shares or units eligible to receive dividends		
Number of shares or units	29,125.733	27,001.329
Dividend per unit	13.04	10.01
Tax credits related to income distribution		

	30/12/2017	
D2 DI-EUR UNITS		
Appropriation		
Distribution	2,991.27	
Retained earnings for the financial year	0.01	
Accumulation	0.00	
Total	2,991.28	
Information on shares or units eligible to receive dividends		
Number of shares or units	27.511	
Dividend per unit	108.73	
Tax credits related to income distribution		

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Table showing the allocation of distributable income from net capital gains and losses (6)	Allocation of net capital gains and losses	
	29/12/2017	30/12/2016
Amounts to be allocated		
Previous undistributed net capital gains and losses	530,824.45	1,140,153.63
Net capital gains and losses for the financial year	9,887,382.04	13,339,961.29
Interim payments of net capital gains and losses for the financial year	0.00	0.00
Total	10,418,206.49	14,480,114.92

(6) To be filled in regardless of the distribution policy adopted by the UCITS

Table showing the allocation of distributable income from net capital gains and losses (6)	Allocation of net capital gains/losses	
	29/12/2017	30/12/2016
C1 CR-EUR UNITS		
Appropriation		
Distribution	0.00	0.00
Net capital gains and losses not distributed	0.00	0.00
Accumulation	5,482,161.01	6,403,457.92
Total	5,482,161.01	6,403,457.92

(6) To be filled in regardless of the distribution policy adopted by the UCITS

Table showing the allocation of distributable income from net capital gains and losses (6)	Allocation of net capital gains/losses	
	29/12/2017	30/12/2016
C2 CI-EUR UNITS		
Appropriation		
Distribution	0.00	0.00
Net capital gains and losses not distributed	0.00	0.00
Accumulation	2,385,403.64	2,452,930.48
Total	2,385,403.64	2,452,930.48

(6) To be filled in regardless of the distribution policy adopted by the UCITS

Table showing the allocation of distributable income from net capital gains and losses (6)	Allocation of net capital gains/losses	
	29/12/2017	30/12/2016
C3 CN-EUR UNITS		
Appropriation		
Distribution	0.00	0.00
Net capital gains and losses not distributed	0.00	0.00
Accumulation	501,189.31	2,946,480.33
Total	501,189.31	2,946,480.33

(6) To be filled in regardless of the distribution policy adopted by the UCITS

Table showing the allocation of distributable income from net capital gains and losses (6)	Allocation of net capital gains/losses	
	29/12/2017	30/12/2016
C4 GC-EUR UNITS		
Appropriation		
Distribution	0.00	0.00
Net capital gains and losses not distributed	0.00	0.00
Accumulation	353,727.58	268,315.25
Total	353,727.58	268,315.25

(6) To be filled in regardless of the distribution policy adopted by the UCITS

Table showing the allocation of distributable income from net capital gains and losses (6)	Allocation of net capital gains/losses	
	29/12/2017	30/12/2016
D1 DR-EUR UNITS		
Appropriation		
Distribution	1,277,163.39	1,916,824.34
Net capital gains and losses not distributed	410,875.12	492,106.60
Accumulation	0.00	0.00
Total	1,688,038.51	2,408,930.94
Information on shares or units eligible to receive dividends		
Number of shares or units	29,125.733	27,001.329
Dividend per unit	43.85	70.99

(6) To be filled in regardless of the distribution policy adopted by the UCITS

Table showing the allocation of distributable income from net capital gains and losses (6)	Allocation of net capital gains/losses	
	29/12/2017	30/12/2016
D2 DI-EUR UNITS		
Appropriation		
Distribution	7,686.29	
Net capital gains and losses not distributed	0.15	
Accumulation	0.00	
Total	7,686.44	
Information on shares or units eligible to receive dividends		
Number of shares or units	27.511	
Dividend per unit	279.39	

(6) To be filled in regardless of the distribution policy adopted by the UCITS

2.10 TABLE OF INCOME AND OTHER KEY FIGURES REGARDING THE ENTITY FOR THE PAST FIVE FINANCIAL YEARS

	2017	2016	2015	2014	2013
NET ASSETS	247,376,946.62	257,409,686.31	215,009,979.11	159,381,736.07	123,530,516.17
NUMBER OF CR-EUR UNITS	73,044.853	77,543.998	67,311.011	72,621.537	80,277.188
NUMBER OF CI-EUR UNITS	292.531	275.691	381.955	319.415	231.286
NUMBER OF CN-EUR UNITS	5,557.271	29,946.729	14,512.969	195.086	1.000
NUMBER OF GC-EUR UNITS	56,480.382	39,266.754	11,014.469	6,985.609	-
NUMBER OF DR-EUR UNITS	29,125.733	27,001.329	17,726.896	19,584.426	17,528.950
NUMBER OF DI-EUR UNITS	27.511				
CR-EUR NET ASSET VALUE	1,862.35	1,593.00	1,566.99	1,324.66	1,060.05
CI-EUR NET ASSET VALUE	203,326.73	172,414.79	168,118.31	140,948.56	111,680.65
CN-EUR NET ASSET VALUE	2,248.78	1,906.88	1,859.10	1,558.57	1,234.75
GC-EUR NET ASSET VALUE	156.16	132.42	129.12	108.25	-
DR-EUR NET ASSET VALUE	948.21	890.44	954.32	873.21	718.86
DI-EUR NET ASSET VALUE	106,408.69				
Accumulation per unit of CR-EUR income	25.72	17.35	4.79	12.95	32.72
Accumulation per unit of CI-EUR income	4,406.41	3,369.86	1,850.20	2,625.48	4,338.36
Accumulation per unit of CN-EUR income	48.73	37.54	20.56	28.51	48.01
Accumulation per unit of GC-EUR income	3.38	2.59	1.41	-0.11	-
Distribution per unit of DR-EUR income	13.04	10.01	3.40	8.55	22.14
Distribution per unit of DI-EUR income	108.73				
Tax credit per unit (1)			1.84		
Accumulated net capital gains or losses per CR-EUR unit	75.05	82.57	186.85	107.61	-0.85
Accumulated net capital gains or losses per CI-EUR unit	8,154.36	8,897.39	19,964.30	18,144.57	-42.06
Accumulated net capital gains or losses per CN-EUR unit	90.18	98.39	220.76	2,921.77	34.16
Accumulated net capital gains or losses per GC-EUR unit	6.26	6.83	15.33	3.08	-
Accumulated net capital gains or losses per DR-EUR unit	-	-	-	-	-1.20
Distributed net capital gains or losses per DR-EUR unit	43.85	70.99	76.60	66.77	-
Distributed net capital gains or losses per DI-EUR unit	279.39				

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2.11 INVENTORY

Name of securities	Currency	Number or nominal qty	Market value	% Assets Net
BUWOG AG	EUR	365,314	10,502,777.50	4.25
TOTAL AUSTRIA			10,502,777.50	4.25
Warehouses De Pauw SICAFI	EUR	64,709	6,045,761.87	2.44
Aedifica SICAFI Dist	EUR	69,717	5,488,122.24	2.22
VGP SA	EUR	27,222	1,689,125.10	0.68
Xior Student Housing NV	EUR	27,728	1,081,114.72	0.44
Cofinimmo SICAFI	EUR	20,643	2,265,569.25	0.92
TOTAL BELGIUM			16,569,693.18	6.70
Deutsche Wohnen SE	EUR	606,925	22,128,485.50	8.94
TAG Immobilien AG	EUR	472,238	7,480,249.92	3.02
alstria office REIT-AG	EUR	133,296	1,719,518.40	0.70
LEG Immobilien AG Reg	EUR	105,994	10,100,168.26	4.08
Vonovia SE	EUR	431,347	17,853,452.33	7.22
TLG Immobilien AG Reg S 144A	EUR	56,472	1,250,572.44	0.51
TOTAL GERMANY			60,532,446.85	24.47
Hispania Acti Inmo SOCIMI SA	EUR	563,137	8,841,250.90	3.57
Merlin Properties SOCIMI SA	EUR	1,013,691	11,454,708.30	4.64
Axiare Patrimonio SOCIMI SA	EUR	202,650	3,732,813.00	1.51
Inmobiliaria Colonial SA	EUR	798,609	6,614,878.35	2.67
TOTAL SPAIN			30,643,650.55	12.39
Argan	EUR	19,467	781,016.04	0.32
Fonciere des Regions	EUR	116,711	11,026,855.28	4.46
Gecina Reg	EUR	113,671	17,493,966.90	7.07
Klepierre	EUR	525,059	19,251,288.24	7.78
Mercialys	EUR	100,689	1,857,208.61	0.75
Unibail-Rodamco SE	EUR	94,798	19,907,580.00	8.03
Icade SA	EUR	79,988	6,553,416.84	2.65
Altarea	EUR	16,623	3,459,246.30	1.40
Terreis	EUR	64,766	2,771,984.80	1.12
Carmila SAS	EUR	223,445	5,187,275.68	2.10
Société Foncière Lyonnaise SA	EUR	17,982	981,997.02	0.40
TOTAL FRANCE			89,271,835.71	36.08
Unite Group Plc	GBP	230,978	2,094,339.66	0.85
Segro Plc	GBP	428,289	2,831,754.78	1.14
TOTAL UK			4,926,094.44	1.99
Beni Stabili SpA	EUR	3,578,071	2,758,692.74	1.12
Coima Res SpA	EUR	256,131	2,301,337.04	0.93
TOTAL ITALY			5,060,029.78	2.05
Grand City Properties SA	EUR	172,542	3,390,450.30	1.37
ADO Properties SA	EUR	150,122	6,347,158.16	2.57
Aroundtown SA Bearer	EUR	1,213,450	7,785,495.20	3.14
TOTAL LUXEMBOURG			17,523,103.66	7.08
Wereldhave NV	EUR	48,892	1,955,680.00	0.79
Eurocommercial	EUR	146,547	5,321,121.57	2.15
NSI NV Bearer Dist	EUR	82,515	2,868,633.98	1.16
TOTAL NETHERLANDS			10,145,435.55	4.10
TOTAL Equities and similar securities traded on a regulated or similar market (except warrants and subscription certificates)			245,175,067.22	99.11

Asset management company incorporated in the form of a *société par actions simplifiée* (simplified joint stock company) with share capital of EUR 7,500,000

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Name of securities	Currency	Number or nominal qty	Market value	% Assets Net
TOTAL Equities and similar securities traded on a regulated market			245,175,067.22	99.11
TOTAL Equities and equivalent securities			245,175,067.22	99.11
TOTAL PORTFOLIO			245,175,067.22	99.11

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Appendix to the annual report: Report on remuneration in application of the UCITS V Directive

1- Quantitative information

	Fixed remuneration	Variable remuneration (*)	Number of beneficiaries (**)
Total amount of remuneration paid for the 2017 financial year	8,725,383	12,815,823	154

(*) Variable remuneration in respect of 2016 but paid in 2017

(**) Beneficiaries shall be understood as all OBAM employees having received remuneration in 2017 (Permanent contract/Temporary contract/Apprenticeship/Internship/Foreign offices)

	Senior managers	Number of beneficiaries	Members of staff with the ability to affect the risk profile of the funds	Number of beneficiaries
Aggregate amount of remuneration paid for the 2017 financial year (fixed and variable*)	766,053	9	14,941,152	34

(*) Variable remuneration in respect of 2016 but paid in 2017

2- Qualitative information

2.1 Financial and non-financial criteria of remuneration policies and practices

2.1.1 Fixed remuneration

Fixed remuneration is determined on a discretionary basis in line with the market. This allows us to meet our targets for the recruitment of qualified and operational staff.

2.1.2 Variable remuneration

Variable remuneration paid within the Management Company is determined on a largely discretionary basis. As such, once fairly accurate estimates of the results for the year are available (mid-November), a budget for variable remuneration is determined and the various managers – in association with the group HRD – are invited to propose an individual budget breakdown.

This process takes place after the appraisal meetings, in which managers can discuss the quality of each employee's professional performance with them for the year under way (in relation to previously established targets) and set targets for the next year. This appraisal has a highly objective component that addresses whether responsibilities have been met (quantitative targets, sales figures or how the management places in a specific ranking, performance fees generated by the fund managed), as well as a qualitative component (the employee's attitude during the year).

It should be noted that, as part of their variable remuneration, some managers may receive a portion of the performance fees received by OBAM SAS. However, the amount to be allocated to each manager is determined in line with the abovementioned process and there are no individualised contractual packages that regulate the distribution and payment of these performance fees.

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2.2 Information to manage the AIF's risk profile and measures adopted to avoid and manage conflicts of interest

The management company has decided not to make a provision for remuneration that is directly linked to the fund's performance. The Remuneration Policy consequently promotes the healthy and effective management of risk and does not encourage risk-taking that would run counter to the risk profiles, the regulations and governing documents of the AIFs.

2.3 Decision-making procedure for determining the remuneration policy

The Management Body of the remuneration policy is responsible for drawing up, approving and monitoring the remuneration policy. It must ensure that the remuneration policy encourages employees to take risks in line with the risks taken by the funds managed by the Management Company, the investors having placed their assets in these funds and the Management Company itself.

OBAM SAS has decided that the Management Body, within the meaning of the variable remuneration policy, will be composed of members of the Company's Management (currently composed of a Chair and a Deputy Managing Director). As such, the Management Body is responsible for ensuring the approval of and compliance with the variable remuneration policy of OBAM SAS. It is also responsible for ensuring the latter is implemented.

For the purposes of conducting any required auditing activities and making any adjustments, the Management Body shall meet at least once a year in order to review the remuneration policy of OBAM SAS and consider any changes that could be justified by regulatory developments or by an internal change at OBAM SAS.

As part of its analysis of the variable remuneration policy, the Management Body will be assisted by the Group's Human Resources department, which supports it in the implementation of the variable remuneration policy, as well as by the various Control and Audit teams of the Company and the Group.

The Management Body will be briefed by employees designated as being "risk takers" within the meaning of the regulations and practices of the Company and, more broadly, of the Group.

The ODDO BHF Group has decided to have only one Remuneration Committee, the supervisory responsibilities of which extend to both entities regulated by the CRD IV Directive and those falling under the AIFMD and UCITS V. Members of the Remuneration Committee are representatives of the Monitoring Body of ODDO BHF SCA, the parent company of OBAM SAS, and are therefore independent of the Management Company.

2.4 Changes to the remuneration policy made during the last financial year

No changes to the remuneration policy were apparent in the annual review of the remuneration policy provided for under points I.3 and I.4 of article 314-85-2 of the AMF General Regulation.