LOMBARD ODIER
INVESTMENT MANAGERS

LO FUNDS - EUROZONE SMALL & MID CAPS, (EUR) M

FUND FACTS

Domicile	Luxembourg/SICAV
Fund inception date	22 June 2006
Currency of Fund	EUR
Currency of share class	EUR
Registered in	BE, CH, ES, FR, GB, LI, LU, NL
Fund manager	X. Lagrandie, M. Leblanc
Net assets (all classes)	EUR 377.63 million
Number of positions	74
Liquidity (sub./red.)	Daily
Min. investment	EUR 3'000
Management fee	0.99%
Distribution fee	0.00%
Performance fee	0.00%
TER max (31 March 2016)	1.44%

RISK AND REWARD PROFILE

1	2	3	4	5	6	7

Low — High

CODES

	Class A	Class D
ISIN	LU0866421158	LU0866421232
Bloomberg	LESMEMA LX	LESMEMD LX
Telekurs	20284084	20284160
NAV	EUR 56.11	EUR 54.76

FISCAL INFORMATION

EUSD	In Scope - no tax
UKRFS	Yes
DE InvStG	Transparent
Last dividend paid (25.11.2015)	EUR 0.09

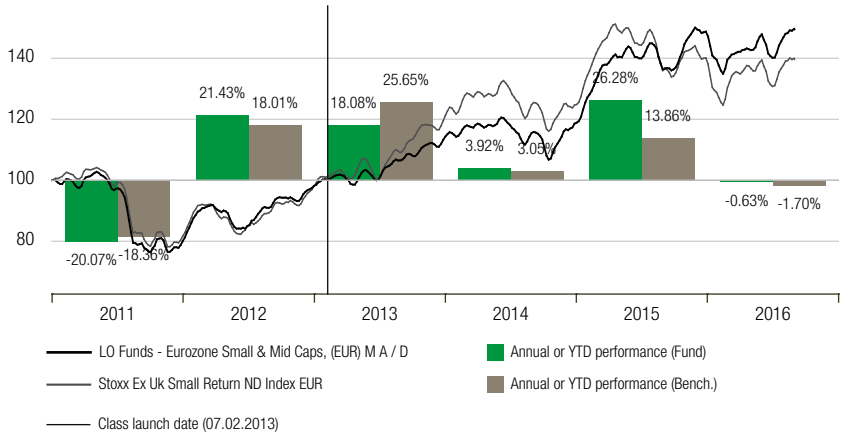
RATINGS

Morningstar Rating	★★★

HIGHLIGHTS

LO Funds - Eurozone Small & Mid Caps is a long-only European equity strategy launched in June 2003. It invests in Western Europe (excluding UK) companies with a market capitalisation above EUR 200m, selected for their potential to become regional or global industry leaders. It seeks to outperform the Stoxx Ex UK Small Return ND Index over the long-term. The investment approach focuses on three distinct themes (industry leaders, rising stars, investment opportunities), combined with a bottom-up proprietary research-intensive process. A screen of company financial fundamentals (e.g. margins, returns, free-cash flow generation, balance sheet quality…) provides an initial filter. Thereafter company meetings and industry contacts help assess factors such as strategy and management ability. Strict sell discipline is combined with low turnover.

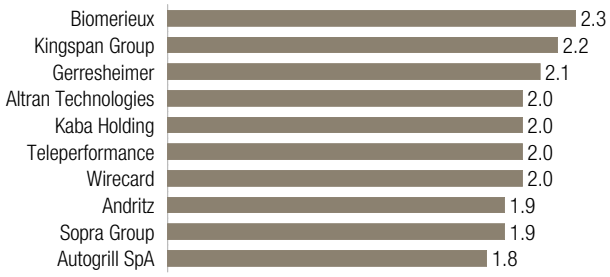
NET PERFORMANCE AND ANNUAL PERFORMANCE IN EUR Dec 31, 2010 - Aug 31, 2016



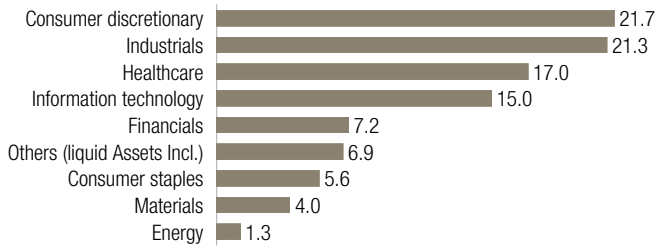
NET PERFORMANCE IN EUR	Cumulative Fund	Cumulative Bench.	Annualized Fund	Annualized Bench.
YTD	-0.63%	-1.70%	–	–
1 month	1.51%	0.94%	–	–
3 months	0.50%	-0.49%	–	–
1 year	8.72%	1.63%	–	–
3 years	42.66%	30.57%	12.51%	9.25%
5 years	79.53%	61.01%	12.36%	9.95%
Total return (since 13.06.2003)	303.40%	227.35%	11.09%	9.35%

STATISTICS 31.08.2011 - 31.08.2016	Fund	Bench.
Annualised volatility	12.28%	14.13%
Sharpe ratio	0.99	0.69
Maximum drawdown	-8.43%	-12.40%
Correlation		0.935
Tracking error		5.11%

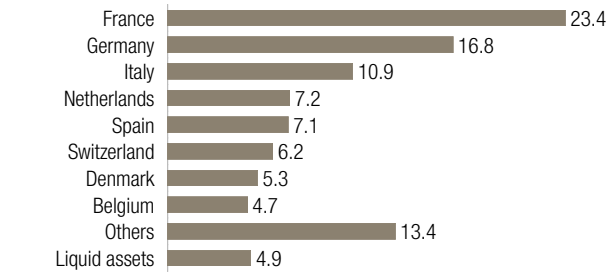
TOP 10 (IN %)



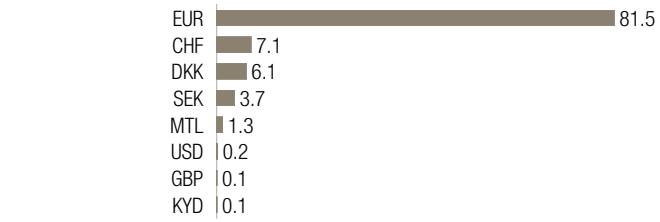
SECTORS (IN %)



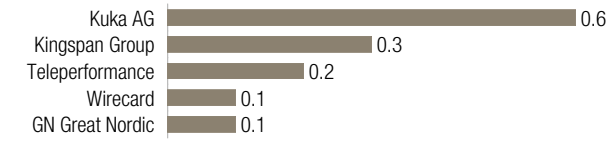
COUNTRIES (IN %)



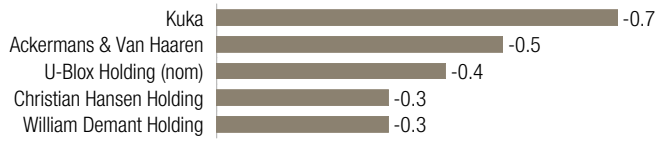
CURRENCIES (IN %)



INCREASED



REDUCED



MONTHLY RETURNS IN %

	2011		2012		2013		2014		2015		2016	
	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.
January	-2.1	0.6	8.3	7.5	2.8	4.1	-0.7	-0.3	6.7	6.9	-5.2	-7.0
February	2.2	1.6	5.4	4.9	2.0	2.3	4.1	7.3	6.2	7.2	-1.5	-0.5
March	-0.1	0.3	0.4	-1.4	-1.0	-1.4	0.4	-0.1	1.7	2.7	2.1	3.5
April	3.6	2.4	-0.9	-1.7	-1.1	2.1	-0.5	-0.6	1.5	0.5	-0.5	0.7
May	-1.4	-1.2	-6.7	-7.6	3.5	2.4	1.7	1.8	3.3	0.8	4.2	2.4
June	-3.5	-3.1	0.3	3.9	-3.5	-5.6	-2.5	-1.7	-3.7	-4.1	-5.6	-7.0
July	-5.6	-4.4	5.1	2.2	4.6	7.0	-3.0	-3.7	4.3	3.9	4.9	6.1
August	-10.5	-9.8	1.3	1.7	0.6	0.1	1.3	0.6	-4.8	-7.4	1.5	0.9
September	-8.4	-9.4	3.4	2.2	2.8	4.9	-1.1	-1.5	-1.5	-3.6		
October	6.7	7.2	0.3	1.7	3.5	5.5	-2.1	-1.7	6.8	7.2		
November	-2.0	-3.2	2.2	1.4	1.3	0.6	4.5	3.6	5.3	2.8		
December	0.3	0.2	1.2	2.6	1.4	1.7	2.1	-0.2	-1.2	-2.6		
Year	**-20.1**	**-18.4**	**21.4**	**18.0**	**18.1**	**25.6**	**3.9**	**3.0**	**26.3**	**13.9**	**-0.6**	**-1.7**

Past performance is not a guide to future performance. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units, performance is presented net of fees. The NAV of fund units and official prices of benchmarks are used for performance comparison purposes. Source of the figures: Lombard Odier. Please see important information at the end of this document.1

PARTICULAR RISKS

The following risks may be materially relevant but may not always be adequately captured by the synthetic risk indicator and may cause additional loss:
- Liquidity risk: Where a significant level of investment is made in financial instruments that may under certain circumstances have a relatively low level of liquidity, there is a material risk that the fund will not be able to transact at advantageous times or prices. This could reduce the fund's returns.
- Operational risk and risks related to asset safekeeping: In specific circumstances, there may be a material risk of loss resulting from human error, inadequate or failed internal systems, processes or controls, or from external events.
- Concentration risk: To the extent that the fund's investments are concentrated in a particular country, market, industry, sector or asset class, the fund may be susceptible to loss due to adverse occurrences affecting that country, market, industry, sector or asset class.

For more details about risk, see section 5 “Risk Factors” of the prospectus.

GLOSSARY

Credit Ratings: The credit ratings breakdown mentioned for convertible funds is a blend of ratings performed internally as well as ratings provided by external sources.
Risk and Reward Profile: This indicator (SRRI) represents the annualized historical volatility of the Sub-Fund over a 5-year period. Where there are less than 5 years worth of data, missing returns are simulated using an appropriate benchmark. The SRRI may change over time and should not be used as an indicator of future risk or returns. Even the lowest risk classification does not imply that the Sub-Fund is risk-free or that capital is necessarily guaranteed or protected.
Total Expense Ration (TER): The total fees involved in managing and operating a fund. The TER included the annual management fee and other charges, for example legal, admin, and audit costs (source: annual audited reports or semi annual non audited reports)
Volatility: A statistical measure of the fluctuations of a security's price. It can also be used to describe fluctuations in a particular market. High volatility is an indication of higher risk.
Sharpe Ratio: A measure of risk-adjusted performance. The higher the ratio, the better riskadjusted performance has been.
Drawdown: A draw down is usually quoted as the percentage between the peak and trough of an investment during a specific period. It can help to compare an investment's possible reward to its risk.
Correlation: Correlation is a measure of how securities or asset classes move in relation to each other. Highly correlated investments tend to move up and down together while investments with low correlation tend to perform in different ways in different market conditions, providing investors with diversification benefits. Correlation is measured between 1 (perfect correlation) and -1 (perfect opposite correlation). A correlation coefficient of 0 suggests there is no correlation.
Tracking Error: A measure of how closely an investment portfolio follows the index against which it is benchmarked.
Bond Floor: The lowest value that convertible bonds can fall to, given the present value of the remaining future cash flows and principal repayment. The bond floor is the value at which the convertible option becomes worthless because the underlying stock price has fallen substantially below the conversion value.
Delta: The ratio comparing the change in the price of the underlying asset to the corresponding change in the price of a derivative.
Premium: If a fixed-income security (bond) is purchased at a premium, existing interest rates are lower than the coupon rate. Investors pay a premium for an investment that will return an amount greater than existing interest rates.
Yield to Maturity: The rate of return anticipated on a bond if it is held until the maturity date.
Coupon: The interest rate stated on a bond when it's issued.
Modified Duration: This formula is used to determine the effect that a 100-basis-point (1%) change in interest rates will have on the price of a bond.
Average Duration: The average modified duration of the portfolio expressed in years.
Expected Loss: Annual average expected loss to the portfolio expressed in percent.
Attachment Point: The modelled probability of a negative portfolio return in any given year.

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