

LO FUNDS - CONVERTIBLE BOND, SYST. HDG, (CHF) S

FUND FACTS

Domicile	Luxembourg/SICAV
Fund inception date	4 December 2002
Currency of Fund	EUR
Currency of share class	CHF Hedged
Registered in	AT, CH, DE, ES, FR, GB, LI, LU, NL
Fund manager	N. Barazal, J. Hémar, A. Gernath, G. Mazzoni
Net assets (all classes)	CHF 5.52 bn
Number of positions	159
Liquidity (sub./red.)	Daily
Min. investment	To be defined
Management fee	0.00%
Distribution fee	0.00%
Performance fee	0.00%
TER max (31 March 2016)	0.08%

RISK AND REWARD PROFILE

1	2	3	4	5	6	7
Low						High

CODES

Class A

ISIN	LU0699843552
Bloomberg	LCSHCSA LX
Telekurs	14156519
NAV	CHF 29.96

FISCAL INFORMATION

EUSD	In Scope
UKRFS	No
DE InvStG	Not transparent

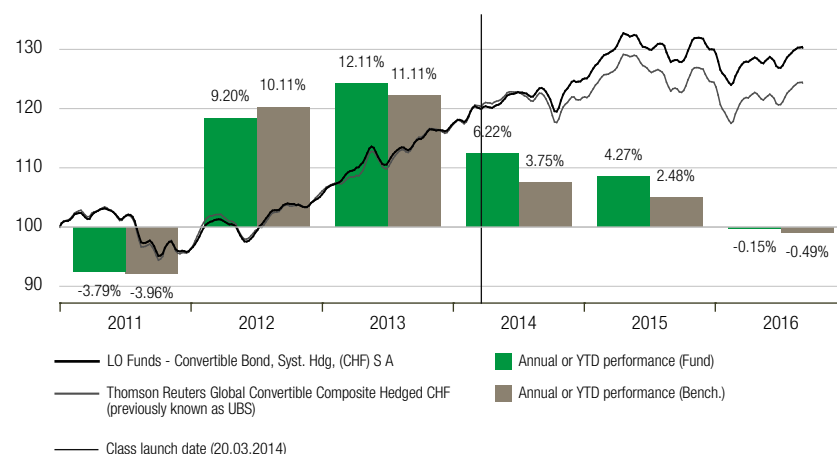
RATINGS

Morningstar Rating	★★★★★
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HIGHLIGHTS

LO Funds - Convertible Bond is an actively managed long-only global convertible bond strategy launched in December 2002. It invests mainly in global convertible bonds with a balanced profile. It seeks to deliver asymmetrical performance over the medium to long-term, profiting from equity market upturns while benefiting from the downside protection of a fixed income structure with a fraction of the volatility of equities. The investment approach is based on in-depth fundamental and technical research and combines 'top-down' economic analysis with 'bottom-up' stock selection. Two final hurdles include a minimum issue size of USD 150 mn (for liquidity purposes) and a minimum credit rating of B- (reflecting the search for an investment grade quality for the portfolio).

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

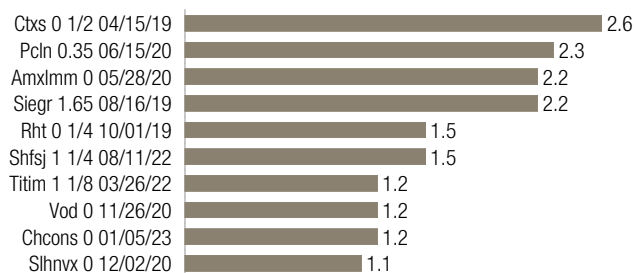


Benchmark composite (calculated by LOIM) of 2 Thomson Reuters Convertible Indices: 2/3 Thomson Reuters Global Focus hedged and 1/3 Thomson Reuters Global Focus IG hedged, previously known as UBS.

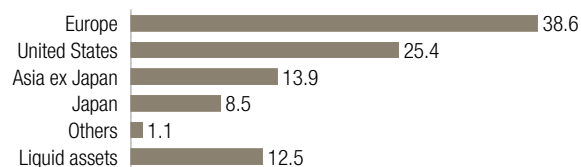
NET PERFORMANCE IN CHF	Cumulative		Annualized	
	Fund	Bench.	Fund	Bench.
YTD	-0.15%	-0.49%	—	—
1 month	0.62%	0.76%	—	—
3 months	0.97%	1.27%	—	—
1 year	1.47%	0.60%	—	—
3 years	15.86%	11.06%	5.00%	3.54%
5 years	32.72%	27.18%	5.80%	4.90%
Total return (since 06.12.1993)	199.63%	—	4.93%	—

STATISTICS 31.08.2011 - 31.08.2016		Fund	Bench.		
Annualised volatility		5.22%	6.05%	Modified Duration	Fund 3.16
Sharpe ratio		1.18	0.87	Yield to maturity	-1.81%
Maximum drawdown		-5.09%	-7.57%	Delta	44.20%
Correlation			0.973	Prime	33.00%
Tracking error			1.55%	Bond Floor	88-60

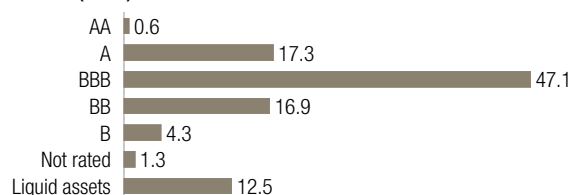
TOP 10 (IN %)



COUNTRIES (IN %)



CREDIT RATINGS (IN %)



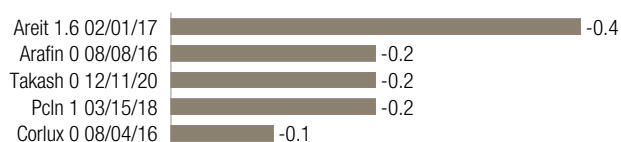
CURRENCIES (IN %)



INCREASED



REDUCED



MONTHLY RETURNS

IN %	2011		2012		2013		2014		2015		2016	
	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.
January	0.8	0.9	2.8	3.7	1.8	1.3	-0.1	-0.2	1.4	1.2	-3.2	-3.8
February	1.6	1.9	2.2	2.4	1.1	0.2	2.5	3.0	2.0	2.2	-0.7	-0.9
March	-0.3	-0.4	0.1	0.1	1.5	1.3	-0.1	0.2	0.5	0.2	2.2	2.7
April	1.4	1.2	-0.6	-0.9	1.6	1.7	0.0	0.1	1.7	2.0	-0.0	0.0
May	-0.5	-0.6	-3.1	-3.3	0.8	1.3	1.5	1.3	0.0	0.0	0.6	0.4
June	-1.0	-1.0	1.8	1.9	-1.5	-1.9	0.2	-0.1	-2.0	-2.1	-1.6	-1.7
July	-0.7	-1.2	2.4	1.2	1.7	2.3	-0.3	-0.8	1.1	0.3	2.0	2.2
August	-3.1	-3.1	1.0	1.3	-0.2	-0.2	1.1	0.7	-2.0	-2.2	0.6	0.8
September	-3.0	-3.6	1.0	1.0	2.0	2.6	-1.5	-2.0	-0.8	-1.2		
October	2.7	4.1	-0.1	0.4	1.7	1.6	1.0	0.6	3.5	3.8		
November	-1.6	-2.2	0.6	0.5	0.1	-0.2	1.7	1.3	0.2	-0.1		
December	-0.0	0.1	0.9	1.6	0.9	0.9	0.2	-0.4	-1.2	-1.4		
Year	-3.8	-4.0	9.2	10.1	12.1	11.1	6.2	3.8	4.3	2.5	-0.1	-0.5

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:

- Credit risk: A significant level of investment in debt securities or risky securities implies that the risk of, or actual, default may have a material impact on performance. The likelihood of this depends on the credit-worthiness of the issuers.
- 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

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 Ratio (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

internal systems, processes or controls, or from external events.

- Risks linked to the use of derivatives and financial techniques: Derivatives and other financial techniques used substantially to obtain, increase or reduce exposure to assets may be difficult to value, may generate leverage, and may not yield the anticipated results. All of this could be detrimental to fund performance.

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

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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Source of the figures: Unless otherwise stated, figures are prepared by LOIM.

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