

French Mutual Fund

TIKEHAU TAUX VARIABLES

ANNUAL ACCOUNTS

On 29 december 2017

Asset management Company : Tikehau Investment Management

Custodian : Caceis Bank

Statutory auditor : Ernst & Young Audit

CONTENTS

1. Informations about the Fund	3
2. Changes affecting the UCI	10
3. Management report	13
4. Regulatory informations	18
5. Statutory Auditor's certification	25
6. Annual financial statements	30

I. INFORMATIONS ABOUT THE FUND

- **LEGAL FORM**

Mutual Fund governed by French law.

- **CLASSIFICATION**

Bonds and other debt instruments denominated in euro.

- **PROCEDURES FOR THE DETERMINATION OF DISTRIBUTABLE INCOME**

The class shares A, A CHF, P, E, K1, K2 and F Fund's income is reinvested in full.

The D shares is the subject to distribution, as provided by the legal and regulatory provisions, including the possibility of distributing interim dividends during the year.

- **INVESTMENT OBJECTIVE**

The Fund seeks to achieve an annualised gross outperformance of the 3-month Euribor "EUR 3M" + 200 basis points (*quotations for this index can be found on the Internet, for example on www.banque-france.fr*) with an investment horizon of more than one year, net of management fees specific to each share class (i.e., an annualised net outperformance of the 3-month Euribor + 150 basis points for A, D and K1 shares, an annualised net outperformance of the 3-month Euribor + 100 basis points for P and K2 shares, and an annualised net outperformance of the 3-month Euribor + 180 basis points for the E share and an annualised net outperformance of the 3-month Euribor + 140 basis points for F share).

- **BENCHMARK INDEX**

Investors' attention is drawn to the fact that the portfolio's management approach (see below) will never consist in tracking the composition of a benchmark index. However, "EUR 3M" may be used as an ex post performance indicator.

Together with EONIA, EURIBOR is one of the main benchmark rates for the euro zone money market. It is the deposit account interest rate offered on the European market by top tier banks. The rate's name is derived from a contraction of Euro Interbank Offered Rate (EURIBOR). EURIBOR is determined based on a sample of 57 banks (including 51 European banks). The rates are published daily by the EBF at 11 a.m. The interest is calculated on an exact 360-day calculation basis. The rate applies two business days after it is set.

- **INVESTMENT STRATEGY**

a) Strategy used

This is a bond fund that will have exposure mainly to "Investment Grade" debt securities (with a rating above or equal to BBB- from Standard and Poor's/Fitch or Baa3 from Moody's), issued by entities in the private and public sectors, mainly in the euro zone and on which the interest rate risk will have been minimised by the use of floating-and variable-rate bonds regardless of maturity, bonds with short maturities, interest rate hedging instruments (interest rate swaps or futures contracts), and inflation-linked bonds. The rating applied by the portfolio management company will be the highest obtained from the rating agencies Standard and Poor's, Fitch and Moody's.

The Fund may also invest in derivatives, on a subsidiary basis, including credit derivatives (credit default swaps) on an ancillary basis, and the positions will be held with a medium-term view. Exposure to credit derivatives will be made in the limit of 10% of the net assets.

The aim is to receive the income generated by the portfolio, and to possibly optimize the income via overexposure. Derivatives may be used both for hedging and exposure purposes; the portfolio's global exposure can therefore be increased to 200%.

The Fund may also have exposure to "High Yield" securities (with a rating lower than BBB- from Standard and Poor's/Fitch or Baa3 from Moody's) or unrated securities: they may not represent more than 45% of the net assets of the Fund. Exposure in "High Yield", speculative securities, will be limited to 35% of the net assets of the Fund.

Interest-rate sensitivity range	Security issuers	Security geographical area	issuers'	Corresponding exposure range
Between -1 and 1	Private and public sector companies	Primarily in the euro zone		Up to 200%

The Fund's multi-investment nature is significant, as the managers wishes are to invest freely in the debt securities that they select via the most appropriate channels.

The portfolio will be sensitive to interest rates, and will not be subject to maturity constraints for each bond. This sensitivity will be actively managed, based on the manager's expectations, and will range between -1 and 1 overall. Sensitivity to credit spreads will be between -1 and 4.

As a result, the Fund's investment strategy will be based on two main factors:

- **The level of the yield curve**

- The Fund will minimise interest-rate risk by using floating-rate or interest-rate hedging instruments.

- **The general level of risk premiums, and their structure for borrowers**

- The premium represents the return on risk for the asset class. The Fund will be continually involved in the fluctuations in this premium.
- Managing the allocation between government bonds and private sector debt.

These components, along with the full array of debt instruments, will enable optimal management of the portfolio.

The issuing companies will be selected based on a high number of criteria, including:

- Size
- Operating margins
- Sector and positioning of the company
- Cash-flow stability
- Debt level
- Management's proficiency
- Company prospects and evolution of its markets.

b) Concerned financial instruments

Used assets, excluding derivatives:

- **Debt securities and money market instruments:** up to 200% of net assets.
 - The Fund will primarily invest in private or Government debt securities (bonds, bonds convertible into shares, subordinated bonds, transferable debt securities or any other type of debt), or in listed securities issued by securitisation vehicles such as units in Debt Securitisation Funds or equivalent vehicles.
 - The Fund may also have exposure to "High Yield" securities (with a rating lower than BBB- or equivalent) or unrated securities: they may not represent more than 45% of the net assets of the Fund. Exposure to "High Yield" securities will be limited to 35% of the net assets of the Fund.
 - The portfolio's sensitivity will be ranged between -1 and 1, but the Fund is not subject to any restrictions concerning the final maturity of the bonds in which it invests.
 - This asset class will account for most of the capital investments.
- **Units or shares of French or European UCITS and investment funds:** up to 10% of net assets. For purposes of diversification, the Fund may invest up to 10% of its net assets in :
 - units or shares of French or foreign UCITS compliant with Directive 2009/65/EC
 - units or shares of other French or foreign UCIs or foreign investment funds which meet the conditions laid down in Paragraphs 1 to 4 of Article R. 214-13 of the French Monetary and Financial Code.
- **Units or bonds issued by Mutual Fund Securitization:** The Fund may invest up to 10% of net assets in units or bonds of Mutual Fund Securitization/ Securitisation Companies managed by Tikehau Investment Management and for which the portfolio management company can perceive structuring and management charges.

- **Exposure to the equity markets:** up to 10% of net assets. The Fund may hold equities admitted to trading directly or when the debt securities held by the Fund are converted to or redeemed in equity capital. The Fund may invest in shares of companies of all market capitalisation and of all geographic regions. Moreover, the Fund may have exposure to the equity markets through investment in units or shares of UCITS.

Furthermore, the bonds and debt securitisation funds in which the Fund invests may be unlisted, within the regulatory maximum of 10% of net assets (other eligible assets). As a listing is not often a guarantee of liquidity on the bond market, we view it as a subcriterion.

Forward financial instruments:

Types of markets:

For purposes of hedging its assets and/or achieving its investment objective, the Fund may make use of financial contracts, traded on regulated markets (futures) or over the counter (options, swaps, etc.). In this respect, the asset manager may build an exposure to or a synthetic hedge on CDS indices, sectors or geographical regions. On this account, the Fund may take positions to hedge the portfolio against certain risks (interest rates, equity, credit, currency) or to obtain exposure (long or short) to these risks.

Risks in which the portfolio manager wishes to invest:

- Interest-rate risk
- Currency risk:
- Credit risk
- Equity risk

Nature of the transactions:

- Hedging
- Exposure

Nature of the instruments used:

- Interest rate options
- Forward contracts on interest rates and equity
- Options on bonds, equities, interest rates
- Interest rate hedging instruments (swaps, swaptions)
- Transactions in Credit Default Swaps (CDS) or via ITRAXX indices
- Currency swaps: The Fund's assets may also include a portion of assets in foreign currencies; currency swap transactions will be entered to hedge the currency risk. No significant currency risk will be taken by the Fund.
- Asset swaps: contracts that enable the delivery of a (conventional or convertible) bond to the counterparty via swapping the physical security against its nominal value and via arranging an interest-rate and/or currency swap with a margin (known as an asset swap).

Strategy for using derivatives:

- Hedge the portfolio against certain risks (interest rates, equity, credit, foreign exchange)
- Obtain exposure to interest rate risk and equity risk
- Build a synthetic exposure to assets and risks (interest rates, equity, credit)

The maturity of the contracts shall be consistent with the Fund's investment horizon.

The exposure to these financial instruments, markets, rates and/or to some of their parameters or components resulting from the use of financial contracts may not exceed 100% of net assets.

Credit derivatives will be used in the context of the Fund's management in cases, whenever the Fund requires an active credit risk management policy.

The use of credit derivatives will meet three fundamental requirements:

- Implementing directional strategies.

Alongside positions in underlying cash assets, credit derivatives will primarily be used in the following cases:

- There are no underlying cash assets for a given issuer.
- There are no underlying cash assets for the desired length of exposure to a given issuer.
- The relative value of the underlying cash assets and the derivatives justifies the investment.

- Implementing spread strategies between issuers, and credit curves for the same issuer, or arbitrage strategies between the same issuer's products (cash against derivatives).

The Fund may use OTC (index) options on liquid underlying assets that do not pose any valuation issues (vanilla options). The managers are not planning to use over-the-counter financial instruments that are actually very complex, and where the valuation may be uncertain or incomplete.

Furthermore, the Fund does not rule out investing from time to time in other instruments that enable exposure to some risks under better conditions than via the instruments described above.

Authorized counterparties

As part of OTC transactions, counterparties are financial institutions specialized in this type of transactions. Additional information on the counterparties to the transactions will appear in the Fund's annual report. These counterparties will have no discretionary power on the composition or the management of the Fund.

Management of financial guarantees

As part of operation on financial instruments OTC, some operations are covered by a collateralisation policy. This policy consists in performing margin calls in cash in the currency of the fund in order to cover the latent result of the operation according to triggers thresholds.

Contingent Convertible Bonds ("CoCos"):

The SICAV can invest in this type of instrument up to a 15% maximum of its net asset and suffer the specific risks tied to CoCos, described à the section 7 of the prospectus.

Deposits

The Fund may invest its excess cash in term deposit accounts. These deposits may amount to up to 100% of the Fund's assets.

Cash borrowing

The Fund may temporarily have recourse to borrowing species in particular to optimize the cash management of the Fund. This type of operation will nevertheless be used incidentally.

As security for the overdraft facility granted by the bank or depositary institution, the Fund provides a financial guarantee in the simplified form under the provisions of Articles L. 211-38 and following of the Monetary and Financial Code.

Temporary purchases and sales of securities

The Fund may temporarily dispose of financial instruments (securities lending, repurchase, etc.) up to 100% of its net assets.

The Fund may purchase financial instruments on a temporary basis (borrowing securities, and reverse repos, etc.) up to an amount equivalent to 10% of its net assets. This limit will be raised to 100% in the event of reverse repos in exchange for cash, on condition that the financial instruments that are the subject of the repo are not included in any disposal transaction, including temporary transactions or the granting of guarantees.

All revenues resulting from efficient portfolio management techniques, net of direct and indirect operating costs, are returned to the Fund.

Objective of temporary purchases and sales:

- Cash management;
- Optimisation of the Fund's revenues;
- Helping to generate leverage.

Authorized counterparties

As part of the securities lending transactions, counterparties are financial institutions specialized in this type of transactions. Additional information on the counterparties to transactions will appear in the Fund's annual report. These counterparties will have no discretionary power on the composition or the management of the Fund.

The selection of counterparties for OTC transactions on derivatives and securities lending is in line with a procedure known as “best selection”.

Management of financial guarantees:

As part of the realization of securities lending transactions, the Fund may receive financial assets as guarantees and aiming to reduce the exposure of the UCITS to counterparty risk.

In the event the financial guarantee is received in cash, it will either be:

- Placed on deposit with entities prescribed in Article 50, paragraph f) of the UCITS Directive;
- Invested in high quality government bonds;
- Used for repo transactions (reverse repurchase transactions), provided that such transactions are made with credit institutions subject to prudential supervision and that the fund can call at any time the total liquidity taking into account accrued interest;
- Invested in money market mutual funds in the short term (as defined in the ESMA guidelines for a common definition of European money market mutual funds).

Internal limits on benchmark entities and assets

The list of benchmark entities will be the same as that laid down in Article R. 214-14 3°) of the French Monetary and Financial Code for French UCITS.

The investment strategy requires monitoring the financial structure of all corporate issuers via an internal database, regardless of whether they are Investment Grade or Speculative Grade.

The companies will primarily belong to all sectors of the economy, and will mainly be located in OECD countries.

The Fund will mainly invest in the debt of sizeable companies (with revenues of over € 300 million) but will not rule out looking at smaller companies on an opportunistic basis, with a view to maximising the risk/return profile of the Fund while retaining a reasonable level of liquidity.

The use of derivative instruments may result in overexposure amounting to up to 200% of net assets.

Contracts amounting to financial guarantees

The Fund will offer a Bank or Financial Institution granting it an overdraft facility a guarantee in the simplified form provided for by Articles L. 211-38 et seqq. of the French Monetary and Financial Code

• RISK PROFILE:

Warning: *Your money will mainly be invested in financial instruments selected by the management company. These instruments will be subject to market trends and risk.*

Risk of capital loss: The Fund does not guarantee the capital invested. Investors may not recover the value of their initial investment.

Credit risk: The Fund may be fully exposed to credit risk on private and public issuers, via bonds or credit derivatives. In the event that their financial position deteriorates, or that they default, the value of the debt securities may fall and result in a decrease in the net asset value. Investments in high-yield securities with a low or inexistent rating may increase the credit risk.

Discretionary risk: The discretionary management style is based on anticipating changes in the various markets. There is a risk that the Fund may not be invested in the best-performing markets at all times.

Risk associated with futures commitments:

As the Fund may invest in financial futures up to a maximum exposure equivalent to 200% of net assets, the Fund's net asset value may therefore experience a steeper decline than the markets to which the Fund is exposed.

Operational risk: The systems or processes implemented to ensure the proper processing of transactions may fail.

Interest rate risk: Sensitivity to interest rates may vary depending on the fixed-rate securities held, and result in a decrease in the Fund's net asset value. Even though the Fund will retain a risk sensitivity of less than 1, there may still be a residual interest-rate risk.

Counterparty risk: The Fund may be required to enter into transactions with counterparties that for a certain period hold cash or assets. Counterparty risk can be generated by the use of derivatives or securities lending and borrowing. The Fund therefore carries the risk that the counterparty does not carry out the transactions instructed by the portfolio management company due to insolvency, bankruptcy of the counterparty among others, which may cause a decline in the net asset value. Managing this risk entails the process of choosing counterparties both for brokerage and OTC transactions.

Liquidity risk: Liquidity, particularly in OTC markets, is sometimes reduced. Especially in turbulent market conditions, the prices of portfolio securities may experience significant fluctuations. It can sometimes be difficult to unwind some positions on good terms for several consecutive days.

There can be no assurance that the liquidity of financial instruments and assets is always sufficient. Indeed, the Fund's assets may suffer from adverse market developments that may make it more difficult to adjust positions on good terms.

Currency risk: The Fund may be exposed to currency risk in the proportion to that part of the net assets invested outside the euro zone not hedged against this risk, which could lead to a decrease in its net asset value. For units denominated in a currency other than the euro, the currency risk linked to fluctuations in the euro versus the valuation currency is residual thanks to systematic hedging. This hedging may generate a performance differential between units in different currencies.

Equity risk: The Fund may be exposed to equity risk on an ancillary basis, which could lead to a decrease in its net asset value in case of decrease of this market.

Risk of conflict of interests: the fund can be invested in OPC managed by Tikehau IM or company connected or securities issued by these OPC. This situation can be source of conflicts of interests.

Specific risks linked to the investment in the contingent convertible bonds ("CoCos"):

Trigger level risk: trigger levels differ and determine exposure to conversion risk depending on the distance to the trigger level.

Coupon cancellation: Coupon payments are entirely discretionary and may be cancelled by the issuer at any point, for any reason, and for any length of time.

Yield/Valuation risk: investors have been drawn to the instrument as a result of the CoCos often attractive yield which may be viewed as a complexity premium.

Call extension risk: CoCos are issued as perpetual instruments, called at pre-determined levels only with the approval of the competent authority.

Capital structure inversion risks: contrary to classic capital hierarchy, CoCo investors may suffer a loss of capital when equity holders do not.

Liquidity risk: like the high-yield bond market, the liquidity of the CoCos can be significantly affected in turbulent market conditions.

- **GUARANTEE OR PROTECTION:**

The Fund offers no guarantee or protection.

- **TARGET INVESTORS AND INVESTOR PROFILE:**

The Fund's shares are not open to investors with the status of "U.S. Person" as defined in Regulation S of the SEC (Part 230-17 CFR230.903).

The Fund is not, and will not be, registered under the U.S. Investment Company Act of 1940. Any resale or transfer of shares in the United States of America or to a "U.S. Person" may constitute a violation of U.S. law and requires the prior written consent of the management company of the Fund. Those wishing to acquire or subscribe for shares must certify in writing that they are not "U.S. Persons".

The Fund's management company has the power to impose restrictions (i) on the holding of shares by a "U.S. Person" and thus enforce the compulsory redemption of shares held, or (ii) on the transfer of shares to a "U.S. Person". This power also extends to any person (a) who is shown to be directly or indirectly in violation of the laws and regulations of any country or government authority, or (b) who could, in the opinion of the Fund's management company, cause the Fund to suffer harm that it would not otherwise have undergone or suffered.

The offer of shares has not been authorised or rejected by the SEC, by the specialist commission of a U.S. state or any other U.S. regulatory authority, nor have those authorities pronounced on or sanctioned the merits of such offer, or the accuracy or adequacy of documents relating to this offer. Any statement to this effect is contrary to law.

Any holder of shares must immediately inform the Fund's management company in the event that they become a "U.S. Person". Any holder of shares becoming a U.S. person will not be allowed to acquire new shares and may be asked to dispose of their shares at any time for the benefit of people not having the status of "U.S. Person". The Fund's management company reserves the right compulsorily to redeem any shares held directly or indirectly by a "U.S. Person", or if the holding of shares by any person whatsoever is contrary to law or to the interests of the Fund.

The definition of "U.S. Person(s)" as defined in Regulation S of the SEC (Part 230-17 CFR230.903) is available at the following address:

<http://www.sec.gov/laws/secrulesregs.htm>

- **A and A CHF shares:** suitable for investors with a minimum initial subscription of 10,000 euro or 10,000 CHF.

- **KI shares:** suitable for investors with a minimum initial subscription of 100,000 euro.

- **E shares:** reserved exclusively for executive officers and employees (investing either directly, or through all companies under their control), shareholders, companies or invested funds under the control (i) of the management company or (ii) of any company directly or indirectly controlling the management company, the term "control" being used according to the meaning of Article L233-3 3-37 of the French Commercial Code.

- **P, K2 and F shares:** all investors.

- **D shares:** suitable for investors with a minimum initial subscription of 100,000 euro.

Profile of the typical investor:

This Fund is intended for all investors, especially those seeking a higher return than the 3-month Euribor while having exposure to the credit market, which generally undergoes less pronounced variations than the equity market.

The recommended investment horizon is 12 to 18 months.

The amount that is reasonable to invest in the Fund will depend on the personal circumstances of each share holder. To determine this, each holder should take into account their personal wealth, their current requirements over an investment horizon of at least 12 to 18 months, but also their willingness to take risks or opt instead for a prudent investment.

2. CHANGES AFFECTING THE UCI

CHANGES FOR THE FISCAL YEAR OR FOR THE FISCAL YEAR TO COME

06/02/2017: Addition of the specific ratio to the use of CoCos (maximum 15% of net assets).

26/10/2017: Creation of the F Unit. This Unit class was activated on December 8, 2017.

Tikehau Taux Variables – A CHF	29/12/2017
Actif net en CHF	14 969 550,69
Nombre de parts	146 792,628
Valeur liquidative unitaire en CHF	101,97
Performance sur l'exercice en %	+1,60%

Tikehau Taux Variables - E	29/12/2017
Actif net en EUR	10 625 169,27
Nombre de parts	80 097,353
Valeur liquidative unitaire en EUR	132,65
Performance sur l'exercice en %	+2,34%

Tikehau Taux Variables - P	29/12/2017
Actif net en EUR	205 952 076,41
Nombre de parts	1 686 363,703
Valeur liquidative unitaire en EUR	122,12
Performance sur l'exercice en %	+1,44%

Tikehau Taux Variables – KI	29/12/2017
Actif net en EUR	2 375 795,73
Nombre de parts	20 655
Valeur liquidative unitaire en EUR	115,02
Performance sur l'exercice en %	+1,94%

Tikehau Taux Variables – K2	29/12/2017
Actif net en EUR	213 010,16
Nombre de parts	1 900
Valeur liquidative unitaire en EUR	112,11
Performance sur l'exercice en %	+1,44%

Tikehau Taux Variables - F	29/12/2017
Actif net en EUR	66 377 531,21
Nombre de parts	663 342,379
Valeur liquidative unitaire en EUR	100,06
Performance sur l'exercice en %*	+0,06%

* La part F a été créée le 26 octobre 2017 et activée le 8 décembre 2017.

Tikehau Taux Variables - D	29/12/2017
Actif net en EUR	71 957 701,44
Nombre de parts	704 550
Valeur liquidative unitaire en EUR	102,13
Performance sur l'exercice en %	+2,00%

3. MANAGEMENT REPORT

INVESTMENT MANAGER'S REPORT

State of the financial markets of 2017

2017 will undoubtedly have been the least volatile year historically in comparison with the lowest levels ever achieved by many volatility measures across the majority of asset classes.

Three main themes will prevail in 2017. First, a firm and synchronized global growth. Of the 45 countries monitored by the OECD, 45 saw their GDP grow in 2017. Global trade has resumed, business order books have expanded and investment has returned. Manufacturing and industrial production increased, job creation accelerated, confidence indicators moved to historic highs, and this confidence translated into stronger consumer spending. For example, the OECD forecasts that the global economy will grow 3.5% in 2017 and 3.7% in 2018.

However, this strong growth did not translate into renewed inflation. This brings us to our second theme: inflation certainly rising (and accelerating) compared to the low points reached in 2015 but still below market expectations and a fortiori below the target of 2% set by the main Central Banks (FED, ECB, BoJ). In this context, the liquidity provided by the central banks remained close to the highest historical levels (third theme) which led to exceptional technical support for the majority of asset classes. In summary, in 2017, we have evolved in a sustained environment (i) fundamentally by strong growth and contained inflation and (ii) technically by the liquidity provided by the main central banks. For the markets, this almost optimal configuration resulted in positive performances for all asset classes. For example, the S&P 500 (+ 19.4%) ended the year with a positive monthly performance (which had never happened since the index was created), while reaching a new high history to more than 2660 points.

It should also be noted that in this context, and unlike in 2016, geopolitical risks have occupied a second place throughout the year, be it the Brexit negotiations, D. Trump, Middle East or the situation in North Korea.

But let's go back to the liquidity provided by the main central banks. If 2017 has been marked by an extraordinary level of monetary support, it will also have been the year of the hawkish turn in their communication. Indeed, even if inflation has remained continuously below their target of 2%, it would seem that its low point is indeed behind us and that the benefits associated with flexible monetary policies do not weigh heavily in the face of risks. That would present a galloping inflation if it came to materialize in 2018. The communication of central banks in December, where trust and prudence have been the two words, summarizes the situation. Confidence in growth but cautious about the trajectory of inflation. They opened the door for a slow but gradual reduction of their accommodative monetary policies in 2018. As expected, the ECB left its monetary policy unchanged after announcing last October its intention to reduce its monthly purchasing program from € 60Bn to € 30Bn from next January for a period of 9 months. We will also note that Mr. Draghi explained that his October statement, that there will be no abrupt end to purchases, should not be taken literally as a promise of a phasing out from next September. All output options are on the table. On the other side of the Atlantic, the Fed raised its key rates (to 1.25-1.50%) for the third time in 2017, increased the pace of decline in the size of its balance sheet (to \$ 20bn per month), and communicated on 3 rate increases in 2018. Finally, across the Channel, after having increased once its key rates in 2017, the BoE left its monetary policy unchanged but was forced to be more cautious about the economic situation through a dynamic in the labor market that seems to be running out of steam.

If the trajectory of inflation remains uncertain in 2018, however withdrawal of liquidity from central banks seems to be officially recorded.

Comments on management on 2017

Throughout 2017, the fund has remained faithful to its historical positioning by concentrating its investments on the short end of the curve. We have invested in the most optimal way the subscriptions of our investors (+ € 900M of collection over the year) by seeking to keep the maximum allocation allowed by the prospectus on the two main performance drivers (High Yield and Subordinated while maintaining sensitivity at a very low rate (less than 0.8 years on average over the year). Finally, even though the level of liquidity remained relatively high throughout the year around 15%, the latter were remunerated by short-term investments in negotiable debt securities or bonds recalled in order to generate additional returns.

Perspectives on 2018

For the year 2018, this same positioning remains in order to maximize the yield on the short part of the curve while having a very low interest rate sensitivity (which should evolve between 0 and 0.5 years) in a context of shrinkage of the liquidity provided by central banks and potential return of inflation to higher levels (which could have significant consequences on interest rates, especially in Europe). The liquidity level should oscillate around 15% in order to protect the capital of our investors against a possible correction but also in order to participate in the primary market which remains active especially on High Yield bonds with variable coupons. Finally, in this low interest rate environment, refinancing prospects remain numerous and will constitute investment opportunities for the fund, which will continue to generate porting while limiting drawdowns.

Performance of the accounting year and detail of outstandings

Tikehau Taux Variables - A	29/12/2017
Net Asset Value in EUR	1,444,576,771.08
Number of Units	11,341,701.498
NAV per Unit in EUR	127.36
Performance over the FY in %	+1.97%

Tikehau Taux Variables – A CHF	29/12/2017
Net Asset Value in CHF	14,969,550.69
Number of Units	146,792.628
NAV per Unit in CHF	101.97
Performance over the FY in %	+1.60%

Tikehau Taux Variables - E	29/12/2017
Net Asset Value in EUR	10,625,169.27
Number of Units	80,097.353
NAV per Unit in EUR	132.65
Performance over the FY in %	+2.34%

Tikehau Taux Variables - P	29/12/2017
Net Asset Value in EUR	205,952,076.41
Number of Units	1,686,363.703
NAV per Unit in EUR	122.12
Performance over the FY in %	+1.44%

Tikehau Taux Variables – K1	29/12/2017
Net Asset Value in EUR	2,375,795.73
Number of Units	20,655
NAV per Unit in EUR	115.02
Performance over the FY in %	+1.94%

Tikehau Taux Variables – K2	29/12/2017
Net Asset Value in EUR	213,010.16
Number of Units	1,900
NAV per Unit in EUR	112.11
Performance over the FY in %	+1.44%

Tikehau Taux Variables - F	29/12/2017
Net Asset Value in EUR	66,377,531.21
Number of Units	663,342.379
NAV per Unit in EUR	100.06
Performance over the FY in %*	+0.06%

* The F Units was created on October 26, 2017 and activated on December 8, 2017.

Tikehau Taux Variables - D	29/12/2017
Net Asset Value in EUR	71,957,701.44
Number of Units	704,550
NAV per Unit in EUR	102.13
Performance over the FY in %	+2.00%

Past performance is no guarantee of future performance.

Movements in portfolio listing during the period

Securities	Movements (in amount)	
	Acquisitions	Transfers
AMUNDI CASH CORPORATE IC	108,367,263.84	113,804,509.82
GROUPAMA TRESORERIE I	84,417,571.16	86,651,404.12
NATIXIS TRESORERIE PLUS Part IC	88,751,893.61	68,802,385.88
SLF FRANCE MONEY MARKET EURO 3D	84,165,004.47	70,849,586.42
AMUNDI CASH INSTITUT SRI-IC	96,866,615.38	51,805,143.75
BNPP INSTICASH EUR INST CAPIT	60,266,999.94	35,499,709.35
NUME GROU 5.375% 15-05-22	29,827,141.04	29,212,897.28
RECTICEL ZCP 04-12-17	26,998,920.04	27,000,000.00
RECTICEL ZCP 02-11-17	26,998,837.55	27,000,000.00
RECTICEL SA ZCP 28-09-17	26,997,435.24	27,000,000.00

Regarding funds not governed by the SFTR

Over the course of the reporting period, the UCI was not involved in any transactions governed by the Securities Financing Transactions Regulation (SFTR).

• **EFFICIENT PORTFOLIO MANAGEMENT (EPM) TECHNIQUES AND FINANCIAL DERIVATIVE INSTRUMENTS**

a) Exposure obtained through the EPM techniques and Financial derivative instruments

- Exposure obtained through the EPM techniques and Financial derivative instruments :
 - **Securities lending :**
 - **Securities loan :**
 - **Reverse repurchase agreement :**
 - **Repurchase :**
- Underlying exposure reached through financial derivative instruments : **688,790,958.09**
 - **Forward transaction : 173,705,958.09**
 - **Future : 515,085,000.00**
 - **Options :**
 - **Swap :**

b) Identity of the counterparty(ies) to EPM techniques and Financial derivative instruments

Identity of the counterparty(ies) to EPM techniques	Financial derivative instruments (*)
	CACEIS BANK (FRANCE) GOLDMAN SACHS INTERNATIONAL LTD

(*) Excepted derivative listed.

c) Type and amount of collateral received by the UCITS to reduce counterparty risk

Types of financial instruments	Amount portfolio currency
EPM . Term Deposit . Equities . Bonds . UCITS . Cash (**) Total	 670,000.00
Financial derivative instruments . Term Deposit . Equities . Bonds . UCITS . Cash Total	

(**) The Cash account also includes liquidity resulting from repurchase deals.

d) Revenues and operational cost/fees from EPM

Revenues and operational cost/fees	Amount portfolio currency
. Revenues (***) . Other revenues Total revenues	 3,264.03 3,264.03
. Direct operational fees . Indirect operational fees . Other fees Total fees	 672.89 672.89

(***) Revenues received from loans, repurchase and reverse repurchase agreements.

4. REGULATORY INFORMATION

• REGULATORY REQUIREMENTS

Information relating to operations during the year and on the securities for which the Management Company is informed that his group has a particular interest

Net Asset Value in EUR	
Securities issued by the promoter group None	
Loans issued by the promoter group None	
UCITS issued by the promoter group FCT TE FARE 4 FLR 31 I 218	243 400.80

• INFORMATION ON EFFECTIVE PORTFOLIO MANAGEMENT TECHNIQUES

None.

• INVESTMENT ADVISOR

The Management Company has appointed Tikehau Investment Management Asia PTE LTD, portfolio Management Company authorised by the Monetary Authority of Singapore under License No. CMS100458-I, having its registered office at 12 Marina View, #23-06, Singapore (018961), as Investment Advisor of the Fund.

• SELECTION CRITERIA OF MARKET INTERMEDIARIES

The Broker Committee

As part of the management of the relation with its market intermediaries and counterparties, TIM equipped itself with a brokers Committee meeting, to be held as often as necessary, and at least once every year.

The Broker Committee is responsible for:

- Monitoring and updating the best selection policy;
- Limiting or even terminating a relation with an intermediary or counterparty.

Furthermore, the Committee takes note of newly developed relations since its last meeting.

Decisions of the Committee are recorded on a synthesis document that will be archived for at least 5 years.

The Committee is formed with the following associates:

- Directors of Tikehau Investment Management;
- Heads of management activities;
- Head of Middle Office;
- Compliance Officer.

Anybody who is deemed necessary for the Committee to make a decision may be invited.

On-boarding new market intermediary

The main criteria taken for intermediaries and counterparties selection are:

- Financial markets covered by the broker;
- The offered price compared to the offered liquidity;

- Fee percentage per transaction
- Average size of orders to be placed, if required
- Minimum fee per transaction, if required
- Financial soundness of the structure;
- Any other relevant criteria.

The portfolio manager willing to work with a new counterparty will send to the Middle Office (with copy to the Compliance Officer) the "**Error! Reference source not found.**" available in appendix, filled with his part of the information.

The Middle Office contacts the intermediary in order to collect supporting documents for the filing of a new relationship with an intermediary or counterparty. These include:

- Certificate of incorporation;
- Memorandum and articles of association;
- Proof of regulation;
- Authorized signatories list.

Once the file is complete, the Middle Office transfers it to the Compliance Officer for approval. Some restrictions or limitations to the relationship may be applied. In case of denial of approval, the Compliance Officer must give the reason for his decision. The Compliance Officer must sign the form and send it to the Directors of the Firm who will authorize the new relationship.

Once the form is signed by a member of the Tikehau IM board, the Middle Office liaises with the intermediary, in order to finalize the new relationship and requests for:

- its best execution policy,
- its terms and conditions
- the confirmation of Tikehau IM MiFID categorization as a "Professional client".

All documents are kept and archived by the Middle Office.

Conformément à la réglementation applicable, la politique d'exécution définie par Tikehau Investment Management vise à obtenir les meilleurs résultats possibles pour ses clients en considérant le prix, le coût, la rapidité, la probabilité d'exécution et de livraison, la nature des ordres ou toute autre considération liée à l'exécution.

Tikehau Investment Management n'est pas un membre du marché et, en tant que tel, n'exécute pas elle-même les ordres sur les marchés financiers. Tikehau Investment Management transmet les ordres aux intermédiaires agréés pour exécution sur les marchés. En conséquence, la société de gestion a mis en place une politique de sélection des intermédiaires de marché, dite « best selection ».

Tikehau Investment Management requière à ses intermédiaires de marché d'être catégorisée comme client professionnel au sens de la directive MIF afin qu'ils lui fournissent la « best execution » que la société de gestion doit à son tour fournir à ses propres clients.

• **REPORT ON INTERMEDIARY FEES**

When the order execution and investment decision support services and the intermediary fees for the prior financial year exceeded EUR 500,000, the Management Company draws up a document entitled "Report on intermediation fees", updated each year. This document is available on the website of Tikehau Investment Management:

<http://www.tikehaucapital.com/en/funds-and-portfolio/legal>

• **VOTING POLICY**

The voting policy of the Management Company for all UCI it manages is available in the head office of the Management Company and on the website of Tikehau Investment Management in accordance with Articles 314-100 to 314-102 of the "Règlement Général de l'Autorité des Marchés Financiers".

- **ENVIRONMENTAL, SOCIAL AND GOVERNANCE QUALITY CRITERIONS**

The Management Company does not account ESG information as an essential criterions in its investment strategy. However, the Management Company is attentive to these topics in its analyses when information is available.

1. Background of the ESG approach

In 2014, the Tikehau Capital Group signed the six Principles for Responsible Investment (the "UN PRI"). The responsible investment policy is formalized in a "Responsible Investor Charter" which makes governance one of the main axes of the analysis of environmental, social and governance (ESG) criteria.

Tikehau Taux Variables is subject to the provisions of Article 173 of the Energy Transition Act (LTE) of 17 August 2015 and is gradually putting in place elements enabling it to formalize its responsible investment approach.

Tikehau Taux Variables' investment strategy consists of actively and discretionarily managing a diversified portfolio of bonds issued by private or public issuers, as well as investment grade or high yield securities.

For each investment, the research and management teams carry out a thorough due diligence and focus on a constant round-trip between their top-down vision (directional market analysis) and their bottom-up vision (fundamental analysis of each issuer leading to a selection of securities to be held in the portfolio).

The ESG analysis of issuers depends on the availability of information (website, annual report, sustainable development report, press articles). The quality of information also varies greatly between large groups that have structured their Corporate Social Responsibility (CSR) strategy or smaller companies with limited extra-financial communication. During roadshows, research and management teams have direct access to issuer management and can also submit ESG questions and requests for information throughout the life of the bond. However, as with any lender, their influence over corporate social and environmental policy remains limited.

ESG analysis pre-investment and monitoring ESG performance

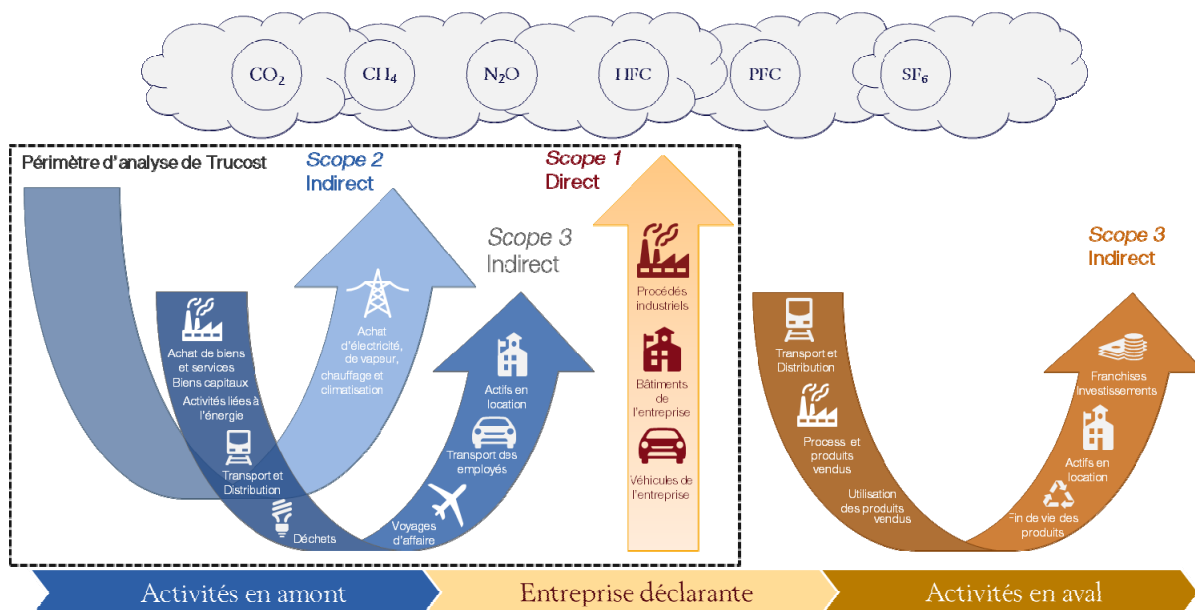
With the help of a leading specialist advisor, a working group has developed a rating scale for the non-financial risk of the issuers in which they wish to invest. As the tool is fully operational, it will be used systematically in 2018 in the process of analyzing new issuers. An annual update of the analysis grid on each issuer in the portfolio is planned to ensure follow-up.

2. Carbon footprint

The calculation of the carbon footprint aims to estimate the amount of greenhouse gas (GHG) or carbon emissions (measured in tons of CO2 equivalent) allocated to Tikehau Variable Rates. The proportion of carbon emissions allocated to the fund is calculated as follows:

$$\text{Empreinte carbone absolue}_{TTV} = \sum_{i=1}^{N_{\text{investissements}}} \text{émissions totales entreprise}_{i,TTV} \times \frac{\text{valeur marché}_{i,TTV}}{\text{valeur entreprise}_{i,TTV}}$$

The study carried out by Trucost, a leading environmental footprint expert, includes GHG in tonnes of CO2 equivalent (tCO2e) directly emitted by companies from their fixed or mobile installations ("scope 1") as well as emissions related to energy consumption to produce their goods and services ("scope 2"). Lastly, Trucost includes top tier providers to capture all expense items in the income statement and avoid a "scope 3" bias - direct suppliers.



Source : GHG Protocol

Tikehau Capital has chosen three methods to analyze the carbon footprint of Tikehau Variable Rates:

1. **Capital footprint:** allocated carbon footprint per million euros invested that captures the absolute impact of the portfolio per million euros invested

$$\text{Capital footprint}_{TTV} = \frac{\text{Absolute carbon footprint}_{TTV}}{\text{Assets under management}_{\text{basket "corporate" of TTV}}}$$

2. **Carbon intensity:** carbon footprint allocated per million euros of revenue held (total emissions held divided by the income allocated to the portfolio) which apprehends the effectiveness of the portfolio

$$2. \text{Carbon intensity}_{TTV} = \frac{\text{Absolute carbon footprint}_{TTV}}{\text{Total turnover}_{TTV}}$$

With:

$$\text{Total turnover}_{TTV} = \sum_{i=1}^{N_{\text{investments}}} \text{company turnover}_{i, \text{mv}} \times \frac{\text{market value}_{i, \text{mv}}}{\text{enterprise value}_{i, \text{mv}}}$$

3. **Weighted average intensity:** arithmetic mean of the carbon intensities (total emissions / total turnover) of portfolio companies weighted by their weight in the portfolio, which makes it possible to apprehend exposure to highly emitting companies

$$\text{Weighted average intensity}_{TTV} = \sum_{i=1}^{N_{\text{investments}}} \text{mv weight}_{i, \text{basket "corporate" of TTV}} \times \frac{\text{Total company emissions}_{i, \text{mv}}}{\text{Company turnover}_{i, \text{mv}}}$$

In each of the three methods, Tikehau Variable Rates outperforms the S & P 500® High Yield Corporate Bond Index, which is explained by low exposure to the most polluting sectors.

	Tikehau Taux Variables As of 29/12/2017			S&P Eurozone Investment Grade Corporate Bond Index
	Scope 1 & 2	Scope 3 – direct suppliers	Scope 1, 2 & scope 3 – direct suppliers	Scope 1, 2 & scope 3 – direct suppliers
Capital footprint (tCO ₂ e/€m)	113,5	47,5	161,0	220,3
Carbon intensity per million euros of turnover held (tCO ₂ e/€m)	103,6	43,3	147,0	368,7
Weighted average carbon intensity per million euros of turnover held (tCO ₂ e/€m)	65,2	38,4	103,6	352,7

• RISK MEASUREMENT AND THE CALCULATION OF GLOBAL EXPOSURE AND COUNTERPARTY RISK

The Management Company uses the commitment approach for the calculation of the Global Exposure of the SICAV.

• SWING PRICING

None.

• REMUNERATION CODE

Principles

The remuneration policy is set in accordance with the remuneration provisions contained in the Directive 2011/61/UE of European Parliament and of the Council of 8 June 2011 (the “AIFMD”) and the Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 (the “UCIT V”) applicable to fund managers sector.

As an asset manager subject to these Directives, Tikehau Investment Management must adopt and communicate appropriate internal procedures to ensure compliance with them as well as ensuring that a public disclosure is made.

The main rules are the following:

- the remuneration policy is
 - Consistent with and promotes sound and effective risk management and does not encourage risk-taking,
 - In line with the business strategy, objectives, values and interests of the Firm and the funds it manages,
 - Includes measures to avoid conflicts of interest;
- Staff engaged in control functions are compensated in accordance with the achievement of the objectives linked to their functions, independent of the performance of the business areas they control;
- Structural rules, which principally covers:
 - Scope of any performance basis for remuneration, which must include factors reflecting performance by the individual, the relevant ‘business unit’ and the Firm as a whole. The individual’s performance assessment must cover both financial and non-financial performance,
 - Fixed and variable components of total remuneration are appropriately balanced,
 - At least 50% of any bonus must consist of shares of cash units managed by the Firm,
 - At least 50% of any bonus must be deferred for at least 3-5 years. The Firm will implement a 3 years deferral,
 - Any bonus must be subject to retrospective adjustment for performance, both of the Firm and of the individual.

It is specified that any variable variation remuneration does not constitute an acquired right.

Breakdown of fixed and variable remuneration as of 31/12/2017

	Number of beneficiaries	Fixed remuneration (EUR)	Variable remuneration (EUR)	Carried Interests (EUR)	Total (EUR)
Total Tikehau IM staff	126	8,379,057	4,520,264	0	12,899,324
Identified staff	1	307,061	252,140	0	559,201

Source: Tikehau IM Human Resources

Arrangement

Remuneration Committee

The Firm has constituted a Remuneration Committee, whose members are non-executive: Antoine Flamarion (Chairman of the Supervisory Board of the Firm), Christian Parente (member of the Supervisory Board) and Christian de Labriffe (member of the Supervisory Board).

The Remuneration Committee at least annually reviews all aspects of remuneration including:

- Base salary, pension and benefits of employees (see Employees below);
- Annual performance related bonuses, both for the bonus pool definition (for recommendation to the Board) and for the individual allocations;
- Any other elements of remuneration packages that the Committee considers appropriate.

To support its deliberations, the Remuneration Committee receives from Compliance up to date guidance on regulatory requirements to be taken into account.

Identified staff

The process consisting on identifying the Identified staff is jointly conducted by Human resources department and the Compliance department and is submitted to Tikehau IM's remuneration committee. This list is reviewed on an annual basis.

At least, Identified staff covers the Directors, the risk takers (ie senior portfolio managers) and the control functions (Compliance Officer and Chief Risk Officer).

Proportionality

The Firm has taken into account the structure of the remuneration. For remunerations where:

- The percentage of the variable part of the remuneration is lower than 30% of the fixed component of the remuneration; or
- The amount of the variable component is less than 100k€, the requirements on variable remuneration in instruments, deferral, retention and ex-post incorporation of risk for variable remuneration will not be implemented.

For members of "Identified staff" and subject to attaining the minimum threshold to benefit from the variable remuneration, the applicable system is as follows:

- A significant percentage of the variable remuneration is being differed;
- The delay in receipt of benefits is of a minimum of three years;
- The differed part of the variable remuneration is not acquired to the employee until it is actually paid and may not be invoked by the employee before this payment.

Remuneration in financial instruments (cash units)

Three kinds of instruments can be used by the Firm to fulfil the regulatory requirements:

- Dedicated Fund : this fund, dedicated to the remuneration in financial instruments of identified staff, is a compound of the main funds representing the businesses of the Firm (private debt, real estate, credit, listed equities);
- Cash units: Tikehau IM will favor a scheme of "cash units" (variable remuneration in cash, locked and deferred), whose working will be in its principle identical to that of the Dedicated Fund. The evolution of the value of the cash units will be based on the evolution of the value of the underlying funds composing the Dedicated Fund.
- Firm equity shares.

Deferral

The acquisition and payment of the variable remuneration depends on the performance related to the Firm's results and individual criteria (such as proper risk management) as well as compliance with rules protecting the Firm from abnormal and significant risks, and presence condition.

Those conditions are defined precisely and in clear and comprehensible words during the payment of the remuneration.

As stated above, the procedure implemented provides a deferral period of three years with annual spacing, the variable remuneration being acquired over three years by third, at the end of each year (Y + 1, Y + 2, Y + 3).

When one condition of acquisition is not respected, the non-acquired part of the variable remuneration can then be reduced or not be awarded.

Lastly, it is specified that:

- Guaranteed variable remunerations are prohibited, unless the employee is hired outside the group. In that case, the guarantee is strictly limited to the first year.
- The use of individual hedging strategy or insurance in terms of remuneration or liability that would limit the extent of the risk contained in the provisions of remuneration to "Identified staff" is strictly prohibited.

As the deferral of 3 years impacts the global variable remuneration, cash and instruments vesting will be done according to the following: 50% of the variable remuneration in year Y, and 17% for each following year (Y+1, Y+2 and Y+3).

• **COMMISSIONS D'ARRANGEMENT**

The structuring of certain financing operations may, in accordance with the fund's regulations, lead to the collection by the Management Company of arrangement fees.

The arrangement fee is paid by the issuer to the arranger of the transaction and is calculated pro rata to the commitments.

Those fees are then equally divided between the fund which perceives 50% of them and the management company which keeps the remaining 50%.

Tikehau Taux Variables – Summary of arrangement fees collected over the last three years (in €)

None.

• **OTHER INFORMATION**

The Fund's regulations and the latest annual and periodic reports can be sent upon written request to:

TIKEHAU INVESTMENT MANAGEMENT

32 rue de Monceau,

75008 PARIS, FRANCE

E-mail: info@tikehauim.com

5. CERTIFICATE DRAFTED BY THE AUDITOR



TIKEHAU TAUX VARIABLES

Exercice clos le 29 décembre 2017

Rapport du commissaire aux comptes sur les comptes annuels

Aux Porteurs de Parts du FCP TIKEHAU TAUX VARIABLES,

Opinion

En exécution de la mission qui nous a été confiée par la société de gestion, nous avons effectué l'audit des comptes annuels de l'organisme de placement collectif TIKEHAU TAUX VARIABLES constitué sous forme de fonds commun de placement (FCP) relatifs à l'exercice clos le 29 décembre 2017, tels qu'ils sont joints au présent rapport.

Nous certifions que les comptes annuels sont, au regard des règles et principes comptables français, réguliers et sincères et donnent une image fidèle du résultat des opérations de l'exercice écoulé ainsi que de la situation financière et du patrimoine du FCP à la fin de cet exercice.

Fondement de l'opinion

■ Référentiel d'audit

Nous avons effectué notre audit selon les normes d'exercice professionnel applicables en France. Nous estimons que les éléments que nous avons collectés sont suffisants et appropriés pour fonder notre opinion.

Les responsabilités qui nous incombent en vertu de ces normes sont indiquées dans la partie « Responsabilités du commissaire aux comptes relatives à l'audit des comptes annuels » du présent rapport.

■ Indépendance

Nous avons réalisé notre mission d'audit dans le respect des règles d'indépendance qui nous sont applicables, sur la période du 1^{er} janvier 2017 à la date d'émission de notre rapport, et notamment nous n'avons pas fourni de services interdits par le Code de déontologie de la profession de commissaire aux comptes.

Justification des appréciations

En application des dispositions des articles L. 823-9 et R. 823-7 du Code de commerce relatives à la justification de nos appréciations, nous vous informons que les appréciations les plus importantes auxquelles nous avons procédé, selon notre jugement professionnel, ont porté sur le caractère approprié des principes comptables appliqués, notamment pour ce qui concerne les instruments financiers en portefeuille et sur la présentation d'ensemble des comptes, au regard du plan comptable des organismes de placement collectif à capital variable.

Les appréciations ainsi portées s'inscrivent dans le contexte de l'audit des comptes annuels pris dans leur ensemble et de la formation de notre opinion exprimée ci-avant. Nous n'exprimons pas d'opinion sur des éléments de ces comptes annuels pris isolément.

Vérification du rapport de gestion établi par la société de gestion

Nous avons également procédé, conformément aux normes d'exercice professionnel applicables en France, aux vérifications spécifiques prévues par la loi.

Nous n'avons pas d'observation à formuler sur la sincérité et la concordance avec les comptes annuels des informations données dans le rapport de gestion établi par la société de gestion.

Responsabilités de la société de gestion relatives aux comptes annuels

Il appartient à la société de gestion d'établir des comptes annuels présentant une image fidèle conformément aux règles et principes comptables français ainsi que de mettre en place le contrôle interne qu'elle estime nécessaire à l'établissement de comptes annuels ne comportant pas d'anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs.

Lors de l'établissement des comptes annuels, il incombe à la société de gestion d'évaluer la capacité du FCP à poursuivre son exploitation, de présenter dans ces comptes, le cas échéant, les informations nécessaires relatives à la continuité d'exploitation et d'appliquer la convention comptable de continuité d'exploitation, sauf s'il est prévu de liquider le FCP ou de cesser son activité.

Les comptes annuels ont été arrêtés par la société de gestion.

Responsabilités du commissaire aux comptes relatives à l'audit des comptes annuels

Il nous appartient d'établir un rapport sur les comptes annuels. Notre objectif est d'obtenir l'assurance raisonnable que les comptes annuels pris dans leur ensemble ne comportent pas d'anomalies significatives. L'assurance raisonnable correspond à un niveau élevé d'assurance, sans toutefois garantir qu'un audit réalisé conformément aux normes d'exercice professionnel permet de systématiquement détecter toute anomalie significative. Les anomalies peuvent provenir de fraudes ou résulter d'erreurs et sont considérées comme significatives lorsque l'on peut raisonnablement s'attendre à ce qu'elles puissent, prises individuellement ou en cumulé, influencer les décisions économiques que les utilisateurs des comptes prennent en se fondant sur ceux-ci.

Comme précisé par l'article L. 823-10-1 du Code de commerce, notre mission de certification des comptes ne consiste pas à garantir la viabilité ou la qualité de la gestion de votre FCP.

Dans le cadre d'un audit réalisé conformément aux normes d'exercice professionnel applicables en France, le commissaire aux comptes exerce son jugement professionnel tout au long de cet audit.

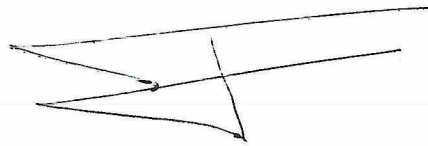
En outre :

- ▶ il identifie et évalue les risques que les comptes annuels comportent des anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs, définit et met en œuvre des procédures d'audit face à ces risques, et recueille des éléments qu'il estime suffisants et appropriés pour fonder son opinion. Le risque de non-détection d'une anomalie significative provenant d'une fraude est plus élevé que celui d'une anomalie significative résultant d'une erreur, car la fraude peut impliquer la collusion, la falsification, les omissions volontaires, les fausses déclarations ou le contournement du contrôle interne ;
- ▶ il prend connaissance du contrôle interne pertinent pour l'audit afin de définir des procédures d'audit appropriées en la circonstance, et non dans le but d'exprimer une opinion sur l'efficacité du contrôle interne ;
- ▶ il apprécie le caractère approprié des méthodes comptables retenues et le caractère raisonnable des estimations comptables faites par la société de gestion, ainsi que les informations les concernant fournies dans les comptes annuels ;
- ▶ il apprécie le caractère approprié de l'application par la société de gestion de la convention comptable de continuité d'exploitation et, selon les éléments collectés, l'existence ou non d'une incertitude significative liée à des événements ou à des circonstances susceptibles de mettre en cause la capacité du FCP à poursuivre son exploitation. Cette appréciation s'appuie sur les éléments collectés jusqu'à la date de son rapport, étant toutefois rappelé que des circonstances ou événements ultérieurs pourraient mettre en cause la continuité d'exploitation. S'il conclut à l'existence d'une incertitude significative, il attire l'attention des lecteurs de son rapport sur les informations fournies dans les comptes annuels au sujet de cette incertitude ou, si ces informations ne sont pas fournies ou ne sont pas pertinentes, il formule une certification avec réserve ou un refus de certifier ;

- il apprécie la présentation d'ensemble des comptes annuels et évalue si les comptes annuels reflètent les opérations et événements sous-jacents de manière à en donner une image fidèle.

Paris-La Défense, le 13 avril 2018

Le Commissaire aux Comptes
ERNST & YOUNG et Autres



David Koestner

6. ANNUAL ACCOUNTS STATEMENTS

• BALANCE SHEET *in EUR*

ASSETS

	12/29/17	12/30/16
Fixed Assets, net		
Deposits		
Financial instruments	1,784,231,258.51	843,729,599.37
Equities and similar securities		
Traded in a regulated market or equivalent		
Not traded in a regulated market or equivalent		
Bonds and similar securities	1,591,403,684.25	676,714,758.45
Traded in a regulated market or equivalent	1,591,403,684.25	671,936,570.30
Not traded in a regulated market or equivalent		4,778,188.15
Credit instruments	22,000,776.17	83,996,314.25
Traded in a regulated market or equivalent	22,000,776.17	83,996,314.25
Negotiable credit instruments (Notes)	22,000,776.17	83,996,314.25
Other credit instruments		
Not traded in a regulated market or equivalent		
Collective investment undertakings	170,038,288.09	83,018,526.67
General-purpose UCITS and alternative investment funds intended for non-professionals and equivalents in other countries	169,794,887.29	82,692,509.96
Other Funds intended for non-professionals and equivalents in other EU Member States		
General-purpose professional funds and equivalents in other EU Member States and listed securitisation entities		
Other professional investment funds and equivalents in other EU Member States and listed securitisation agencies	243,400.80	326,016.71
Other non-European entities		
Temporary transactions in securities		
Credits for securities held under sell-back deals		
Credits for loaned securities		
Borrowed securities		
Securities sold under buy-back deals		
Other temporary transactions		
Hedges	788,510.00	
Hedges in a regulated market or equivalent	788,510.00	
Other hedges		
Other financial instruments		
Receivables	202,794,818.88	93,835,187.54
Forward currency transactions	173,705,958.09	44,379,074.92
Other	29,088,860.79	49,456,112.62
Financial accounts	36,736,728.75	37,677,858.82
Cash and cash equivalents	36,736,728.75	37,677,858.82
Total assets	2,023,762,806.14	975,242,645.73

LIABILITIES

	12/29/17	12/30/16
Shareholders' funds		
Capital	1,774,975,562.47	873,254,051.67
Allocation Report of distributed items (a)		
Brought forward (a)	5,751.97	
Allocation Report of distributed items on Net Income (a,b)	-34,676,917.66	-23,958,449.34
Result (a,b)	74,566,506.18	32,144,869.71
Total net shareholders' funds (net assets)	1,814,870,902.96	881,440,472.04
Financial instruments	788,510.00	
Transfers of financial instruments		
Temporary transactions in securities		
Sums owed for securities sold under buy-back deals		
Sums owed for borrowed securities		
Other temporary transactions		
Hedges	788,510.00	
Hedges in a regulated market or equivalent	788,510.00	
Other hedges		
Payables	207,993,228.44	93,798,557.45
Forward currency transactions	173,068,416.43	44,100,899.25
Other	34,924,812.01	49,697,658.20
Financial accounts	110,164.74	3,616.24
Short-term credit	110,164.74	3,616.24
Loans received		
Total liabilities	2,023,762,806.14	975,242,645.73

(a) Including adjustment

(b) Decreased interim distribution paid during the business year

- **OFF-BALANCE SHEET** *in EUR*

	12/29/17	12/30/16
Hedges		
Contracts in regulated markets or similar		
Contracts intendeds		
XEUR FGBS SCH 0318	515,085,000.00	
OTC contracts		
Other commitments		
Other operations		
Contracts in regulated markets or similar		
OTC contracts		
Other commitments		

• **INCOME STATEMENT in EUR**

	12/29/17	12/30/16
Revenues from financial operations		
Revenues from deposits and financial accounts	561.40	3,157.64
Revenues from equities and similar securities	717,651.00	
Revenues from bonds and similar securities	65,915,274.57	32,805,973.28
Revenues from credit instruments	101,845.25	55,911.54
Revenues from temporary acquisition and disposal of securities	3,264.03	132.79
Revenues from hedges		
Other financial revenues	49,496.94	18,616.43
Total (1)	66,788,093.19	32,883,791.68
Charges on financial operations		
Charges on temporary acquisition and disposal of securities	672.89	220.97
Charges on hedges		
Charges on financial debts	17,743.29	12,329.51
Other financial charges		
Total (2)	18,416.18	12,550.48
Net income from financial operations (1 - 2)	66,769,677.01	32,871,241.20
Other income (3)		
Management fees and depreciation provisions (4)	8,325,135.07	4,866,178.32
Net income of the business year (L.214-17-1) (1-2+3-4)	58,444,541.94	28,005,062.88
Revenue adjustment (5)	16,121,964.24	4,139,806.83
Interim Distribution on Net Income paid during the business year (6)		
Net profit (1 - 2 + 3 - 4 + 5 + 6)	74,566,506.18	32,144,869.71

NOTES TO THE ANNUAL ACCOUNTS

RULES AND ACCOUNTING METHODS

- The annual accounts are presented as provided by the ANC Regulation 2014-01 repealing Regulation CRC 2003-02 as amended.
-
- General accounting principles apply, viz:
- fair picture, comparability, ongoing business,
- proper practice & trustworthiness,
- prudence,
- no unreported change in methods from one period to the next.

Revenues from fixed-yield securities are recognized on the basis of interest actually received.

Acquisitions and disposals of securities are recognized exclusive of costs.

The accounting currency of the portfolio is the EURO.

The accounting period reported on is 12 months.

-

Asset valuation rules:

-

- Financial instruments are initially recognized at historic cost and carried on the Balance Sheet at their current value: this is their latest known market value or, in the absence of a market, is determined by any external means or by recourse to financial models.

-

- Differences between the securities' current values determined as above and their original historic cost are recognized in the accounts as "differences on estimation".

-

- Securities denominated in a currency other than that of the portfolio are valued in accordance with the above principle and then converted into the currency of the portfolio at the exchange rate obtained on the valuation date.

Deposit:

Deposits maturing in three months or sooner are valued according to the linear method.

Equities, bonds and other securities traded in a regulated market or equivalent:

- When calculating the NAV, the equities and other securities traded in a regulated market or equivalent are valued based on the day's closing market price.

-

Bonds and similar securities are valued at the closing price notified by various financial service providers. Interest accrued on bonds and similar securities is calculated up to the date of asset valuation.

Equities, bonds and other securities not traded in a regulated market or equivalent:

Securities not traded in a regulated market are valued by the Fund Manager using methods based on net equity and yield, taking into account the prices retained in significant recent transactions..

Negotiable credit instruments (Notes):

Negotiable credit instruments which are not actively traded in significant amounts are actuarially valued on the basis of a reference rate as specified below, plus any enhancement to represent the issuer's intrinsic characteristics:

Notes maturing in one year's time or less: euro interbank offered rate (Euribor);

Notes maturing in more than one year's time: the prevailing rate on medium-term interest-bearing Treasury notes (BTAN) or, for the longest Notes, on near-term fungible Treasury bonds (OAT);

Negotiable credit instruments maturing in three months or sooner may be valued according to the linear method.

French Treasury notes are valued using the market rate published daily by the Banque de France.

UCITS held:

UCITS units or shares are valued at the latest known NAV.

Temporary transactions in securities:

Securities held under sell-back deals are carried in Assets under “credits for securities held under sell-back deals” at the amount provided for in the contract, plus accrued interest receivable.

Securities sold under buy-back deals are booked to the buying portfolio at their current value. The corresponding debt is booked to the selling portfolio at the value set in the contract plus accrued interest payable.

Loaned securities are valued at their current value and carried in Assets under “credits for loaned securities” at their current value plus accrued interest receivable.

Borrowed securities are carried in Assets under “borrowed securities” at the amount provided for in the contract, and in Liabilities under “debts for borrowed securities” at the amount provided for in the contract plus accrued interest payable.

Hedges:

Hedges traded in a regulated market or equivalent:

Hedge instruments traded in regulated markets are valued at the day's settlement price.

Hedges not trades in a regulated market or equivalent:

Swaps:

- Rate swaps and/or forward currency transactions are valued at their market value according to the price calculated by discounting future interest streams at market interest (and/or exchange) rates. This price is adjusted for default risk.
-
- Index swaps are valued actuarially on the basis of a reference rate provided by the counterparty.
-
- Other swaps are valued at their market value or are estimated as specified by the Fund Manager.

Off-Balance Sheet Commitments:

- Firm hedging contracts are stated among “Off-Balance Sheet Commitments” at their market value at the rate used in the portfolio.
- Conditional hedges are converted into their underlying equivalents.
- Swap commitments are stated at their nominal value or at an equivalent amount, where there is no nominal value.

Management fees:

Management fees are calculated on the nominal capital on each valuation.

- These fees are imputed to the fund's Income Statement.
- Management fees are paid in full to the Fund Manager, which bears all the fund's operating costs.
- The management fees do not include dealing costs.
- The percentage of nominal capital charged is:
- Unit A :0.50%
- Unit P: 1.00%
- Unit K1:0.50%
- Unit K2: 1.00%

- Unit E: 0.20%
- UNIT A CHF : 0.50%
- Unit D: 0.50%
- Unit F: From 2017/12/07 0.60%

Performance fees

These fees correspond to 10% of the Fund's performance above an annual level, net of all costs, in excess of:

- 3M EURIBOR + 150 basis points for the A, A CHF, K1 and D shares.
- 3M EURIBOR + 100 basis points for the P, K2 and F shares.
- 3M EURIBOR + 140 basis points for the E shares.

The amount of variable expenses will be deducted and provisioned when calculating each net asset value. In the event that the Fund underperforms compared with the last net asset value calculated, the provision will be adjusted via a provision write-back. Provision write-backs are capped at the level of additions to provisions. Where shares are redeemed during the financial year, the variable performance fee that corresponds to these shares accrues to the management company, if such a fee exists. The benchmark period for calculating the performance fees is the Fund's financial year.

Allocation of net profit:

The net profit (loss) for the period is the total of interest, arrears, premiums, allotments and dividends, plus income on ready cash, minus management fees and financial dealing costs. Latent or realised capital gains or losses are not counted as revenue; nor are subscription/redemption fees.

- The amounts available for distribution are the net profit for the period, plus any sums brought forward, plus or minus the balance of any revenue adjustment accounts relating to the financial period in question.

Gains and losses:

The net realised gains (deducted from management fees and realised losses) from the financial year will increase the same type of net realized gains from earlier financial years, if the fund hasn't distributed or accumulated its gains and will also increase or reduce the equalization accounts for realised gains.

Appropriation methods for the distributable amounts:

Distributable amounts	Unit:
Allocation of the net income	Accumulation and/ or distribution and / or carry forward a decision taken by the management
Allocation of the net realized gains and losses	Accumulation and/ or distribution and / or carry forward a decision taken by the management

• **CHANGES IN NET ASSETS in EUR**

	12/29/17	12/30/16
Net assets in start of period	881,440,472.04	770,604,199.95
Subscriptions (including subscription fees received by the fund)	1,707,987,531.79	573,972,725.64
Redemptions (net of redemption fees received by the fund)	-797,304,995.53	-474,692,965.89
Capital gains realised on deposits and financial instruments	3,027,922.19	2,357,436.67
Capital losses realised on deposits and financial instruments	-25,902,962.71	-22,517,627.54
Capital gains realised on hedges	7,382,180.07	5,918,265.04
Capital losses realised on hedges	-9,478,221.88	-7,221,595.41
Dealing costs	-168,356.83	-134,930.71
Exchange gains/losses	-5,290,641.16	-1,215,253.59
Changes in difference on estimation (deposits and financial instruments)	-6,016,766.00	6,336,655.00
Difference on estimation, period N	-10,934,615.60	-4,917,849.60
Difference on estimation, period N-I	4,917,849.60	11,254,504.60
Changes in difference on estimation (hedges)	788,510.00	28,500.00
Difference on estimation, period N	788,510.00	
Difference on estimation, period N-I		28,500.00
Net Capital gains and losses Accumulated from Previous business year		
Distribution on Net Capital Gains and Losses from previous business year	-38,310.96	
Net profit for the period, before adjustment prepayments	58,444,541.94	28,005,062.88
Allocation Report of distributed items on Net Income		
Interim Distribution on Net Income paid during the business year		
Other items		
Net assets in end of period	1,814,870,902.96	881,440,472.04

• **BREAKDOWN OF FINANCIAL INSTRUMENTS BY LEGAL OR COMMERCIAL TYPE**

	Amount	%
Assets		
Bonds and similar securities		
Bonds and similar securities		
Convertible bonds traded on a regulated or similar market	1,291,299.38	0.07
Fixed-rate bonds traded on a regulated or similar market	1,090,174,736.88	60.07
Floating-rate bonds traded on regulated markets	476,768,273.35	26.27
mortgages negotiated on a regulated or assimilated market	23,169,374.64	1.28
TOTAL Bonds and similar securities	1,591,403,684.25	87.69
Credit instruments		
Certificate of deposit	22,000,776.17	1.21
Credit instruments		
TOTAL Credit instruments	22,000,776.17	1.21
Liabilities		
Transactions involving transfer of financial instruments		
Equities and similar securities		
TOTAL Transactions involving transfer of financial instruments		
Off-balance sheet		
Hedges		
Equities		
Rate	515,085,000.00	28.38
TOTAL Hedges	515,085,000.00	28.38
Other operations		
Equities		
TOTAL Other operations		

• **BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS, BY TYPE**

	Fixed rate	%	Variable rate	%	Rate subject to review	%	Other	%
Assets								
Deposits								
Bonds and similar securities	1,090,174,736.88	60.07			501,228,947.37	27.62		
Credit instruments	22,000,776.17	1.21						
Temporary transactions in securities								
Financial accounts							36,736,728.75	2.02
Liabilities								
Temporary transactions in securities								
Financial accounts							110,164.74	0.01
Off-balance sheet								
Hedges							515,085,000.00	28.38
Other operations								

• **BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS, BY TIME TO MATURITY**

	< 3 Months	%	[3 Months - 1 Year]	%	[1 - 3 Years]	%	[3 - 5 Years]	%	> 5 Years	%
Assets										
Deposits										
Bonds and similar securities	34,400,736.42	1.90	113,483,054.45	6.25	328,843,206.81	18.12	314,361,846.13	17.32	800,314,840.44	44.10
Credit instruments	22,000,776.17	1.21								
Temporary transactions in securities										
Financial accounts	36,736,728.75	2.02								
Liabilities										
Temporary transactions in securities										
Financial accounts	110,164.74	0.01								
Off-balance sheet										
Hedges					515,085,000.00	28.38				
Other operations										

All hedges are shown in terms of time to maturity of the underlying securities.

• **BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS, BY LISTING OR EVALUATION CURRENCY**

	CHF		USD		GBP		Others currencies	
	Amount	%	Amount	%	Amount	%	Amount	%
Assets								
Deposits								
Equities and similar securities								
Bonds and similar securities	8,588,599.75	0.47	47,704,452.00	2.63	100,238,100.75	5.52		
Credit instruments								
Mutual fund units								
Temporary transactions in securities								
Liabilities	13,633,815.52	0.75	1,131,885.44	0.06				
Financial accounts					0.94		2,366.68	
Liabilities								
Transactions involving transfer of financial instruments								
Temporary transactions in securities								
Debts	9,650,876.65	0.53	48,575,762.79	2.68	99,998,157.90	5.51		
Financial accounts	17,589.16		298.63					
Off-balance sheet								
Hedges								
Other operations								

- **RECEIVABLES AND PAYABLES: BREAKDOWN BY TYPE**

	Type	12/29/17
Receivables	Forward foreign exchange purchase	14,748,280.97
	Funds to be accepted on urgent sale of currencies	158,957,677.12
	Sales deferred settlement	17,419.99
	Subscription receivable	26,232,382.44
	Deposits	1,549,241.45
	Coupons and dividends in cash	1,289,816.91
Total receivables		202,794,818.88
Payables	Urgent sale of currency	158,214,879.42
	Forward foreign exchange sale	14,853,537.01
	Purchases deferred settlement	17,342.18
	Redemptions to be paid	32,952,874.61
	Management fees	810,633.32
	Variable management fees	473,961.90
	Collateral	670,000.00
Total of Payables		207,993,228.44

• **NUMBER OF UNITS ISSUED OR REDEEMED**

	Units	Value
Unit A CHF		
Units subscribed during the period	73,729.592	6,715,532.66
Units redeemed during the period	-33,768.694	-3,008,888.16
Net Subscriptions / Redemptions	39,960.898	3,706,644.50
Unit A		
Units subscribed during the period	9,804,794.784	1,239,817,424.53
Units redeemed during the period	-3,679,658.476	-466,177,903.07
Net Subscriptions / Redemptions	6,125,136.308	773,639,521.46
Unit D		
Units subscribed during the period	737,191.000	74,710,143.61
Units redeemed during the period	-82,641.000	-8,423,221.21
Net Subscriptions / Redemptions	654,550.000	66,286,922.40
Unit E		
Units subscribed during the period	135,208.943	17,787,981.52
Units redeemed during the period	-333,367.526	-43,912,378.10
Net Subscriptions / Redemptions	-198,158.583	-26,124,396.58
Unit P		
Units subscribed during the period	2,484,581.019	302,334,568.43
Units redeemed during the period	-2,260,749.361	-275,343,586.52
Net Subscriptions / Redemptions	223,831.658	26,990,981.91
Unit K1		
Units subscribed during the period	100.000	11,401.00
Units redeemed during the period	-1,315.000	-150,081.10
Net Subscriptions / Redemptions	-1,215.000	-138,680.10
Unit K2		
Units subscribed during the period	100.000	11,143.00
Units redeemed during the period	-100.000	-11,143.00
Net Subscriptions / Redemptions		
Unit F		
Units subscribed during the period	666,119.106	66,599,337.04
Units redeemed during the period	-2,776.727	-277,794.37
Net Subscriptions / Redemptions	663,342.379	66,321,542.67

• **SUBSCRIPTION AND/OR REDEMPTION FEES**

	Value
Unit A CHF	
Total of redemption fees received	
Total of subscription fees received	
Total of subscription and/or redemption fees received	
Unit A	
Total of redemption fees received	
Total of subscription fees received	
Total of subscription and/or redemption fees received	
Unit D	
Total of redemption fees received	
Total of subscription fees received	
Total of subscription and/or redemption fees received	
Unit E	
Total of redemption fees received	
Total of subscription fees received	
Total of subscription and/or redemption fees received	

- SUBSCRIPTION AND/OR REDEMPTION FEES**

	Value
Unit P	
Total of redemption fees received	
Total of subscription fees received	
Total of subscription and/or redemption fees received	
Unit K1	
Total of redemption fees received	
Total of subscription fees received	
Total of subscription and/or redemption fees received	
Unit K2	
Total of redemption fees received	
Total of subscription fees received	
Total of subscription and/or redemption fees received	
Unit F	
Total of redemption fees received	
Total of subscription fees received	
Total of subscription and/or redemption fees received	

- MANAGEMENT FEES**

	12/29/17
Unit A	
Underwriting commission	
Fixed management fees	5,231,446.77
Percentage set for fixed management fees	0.50
Variable management fees	450,294.68
Trailer fees	
Unit A CHF	
Underwriting commission	
Fixed management fees	59,367.61
Percentage set for fixed management fees	0.50
Variable management fees	5,873.37
Trailer fees	
Unit E	
Underwriting commission	
Fixed management fees	57,075.77
Percentage set for fixed management fees	0.20
Variable management fees	
Trailer fees	
Unit D	
Underwriting commission	
Fixed management fees	205,008.87
Percentage set for fixed management fees	0.50
Variable management fees	7,465.72
Trailer fees	
Unit P	
Underwriting commission	
Fixed management fees	2,128,858.40
Percentage set for fixed management fees	1.00
Variable management fees	142,243.31
Trailer fees	

- **MANAGEMENT FEES**

	12/29/17
Unit K1	
Underwriting commission	
Fixed management fees	12,095.55
Percentage set for fixed management fees	0.50
Variable management fees	2,169.09
Trailer fees	
Unit K2	
Underwriting commission	
Fixed management fees	2,113.47
Percentage set for fixed management fees	1.00
Variable management fees	179.12
Trailer fees	
Unit F	
Underwriting commission	
Fixed management fees	18,402.41
Percentage set for fixed management fees	0.60
Variable management fees	2,540.93
Trailer fees	

- **COMMITMENTS RECEIVED AND GIVEN**

- **STOCK MARKET VALUES OF TEMPORARILY ACQUIRED SECURITIES**

	12/29/17
Securities held under sell-back deals	
Borrowed securities	

- **STOCK MARKET VALUES OF PLEDGED SECURITIES**

	12/29/17
Financial instruments pledged but not reclassified	
Financial instruments received as pledges but not recognized in the Balance Sheet	

- **GROUP FINANCIAL INSTRUMENTS HELD BY THE FUND**

	Isin code	Name of security	12/29/17
Equities			
Bonds			
Notes			
UCITS			
Hedges			

• **TABLE OF ALLOCATION OF THE DISTRIBUTABLE SHARE OF THE SUMS CONCERNED TO PROFIT (LOSS)**

	12/29/17	12/30/16
Sums not yet allocated		
Brought forward	5,751.97	
Profit (loss)	74,566,506.18	32,144,869.71
Total	74,572,258.15	32,144,869.71

	12/29/17	12/30/16
Unit A		
Allocation		
Distribution		
Brought forward		
Capitalized	62,285,822.62	24,149,889.44
Total	62,285,822.62	24,149,889.44

	12/29/17	12/30/16
Unit A CHF		
Allocation		
Distribution		
Brought forward		
Capitalized	582,879.07	361,682.30
Total	582,879.07	361,682.30

	12/29/17	12/30/16
Unit E		
Allocation		
Distribution		
Brought forward		
Capitalized	494,865.50	1,471,064.74
Total	494,865.50	1,471,064.74

	12/29/17	12/30/16
Unit D		
Allocation		
Distribution	3,121,156.50	12,000.00
Brought forward	3,384.62	408.24
Capitalized		
Total	3,124,541.12	12,408.24
Details of units with dividend entitlement		
Number of units	704,550.000	50,000.000
Dividend per unit	4.43	0.24
Tax credits		
Tax credit attached to the distribution of income		

	12/29/17	12/30/16
Unit P		
Allocation		
Distribution		
Brought forward		
Capitalized	7,833,243.15	6,050,532.17
Total	7,833,243.15	6,050,532.17

	12/29/17	12/30/16
Unit KI		
Allocation		
Distribution		
Brought forward		
Capitalized	101,616.10	92,455.57
Total	101,616.10	92,455.57

	12/29/17	12/30/16
Unit K2		
Allocation		
Distribution		
Brought forward		
Capitalized	8,091.47	6,837.25
Total	8,091.47	6,837.25

	12/29/17	12/30/16
Unit F		
Allocation		
Distribution		
Brought forward		
Capitalized	141,199.12	
Total	141,199.12	

• **TABLE OF ALLOCATION OF THE DISTRIBUTABLE SHARE OF THE SUMS CONCERNED TO CAPITAL GAINS AND LOSSES**

	12/29/17	12/30/16
Sums not yet allocated		
Net Capital gains and losses Accumulated from Previous business year		
Net Capital gains and losses of the business year	-34,676,917.66	-23,958,449.34
Allocation Report of distributed items on Net Capital Gains and Losses		
Total	-34,676,917.66	-23,958,449.34

	12/29/17	12/30/16
Unit A		
Allocation		
Distribution		
Net capital gains and losses accumulated per share		
Capitalized	-27,605,094.84	-17,608,249.91
Total	-27,605,094.84	-17,608,249.91

	12/29/17	12/30/16
Unit A CHF		
Allocation		
Distribution		
Net capital gains and losses accumulated per share		
Capitalized	-1,341,022.16	-301,451.70
Total	-1,341,022.16	-301,451.70

	12/29/17	12/30/16
Unit D		
Allocation		
Distribution		
Net capital gains and losses accumulated per share		
Capitalized	-1,375,940.54	-24,483.17
Total	-1,375,940.54	-24,483.17

	12/29/17	12/30/16
Unit E		
Allocation		
Distribution		
Net capital gains and losses accumulated per share		
Capitalized	-202,724.72	-978,725.69
Total	-202,724.72	-978,725.69

	12/29/17	12/30/16
Unit P		
Allocation		
Distribution		
Net capital gains and losses accumulated per share		
Capitalized	-3,946,013.47	-4,972,734.91
Total	-3,946,013.47	-4,972,734.91

	12/29/17	12/30/16
Unit K1		
Allocation		
Distribution		
Net capital gains and losses accumulated per share		
Capitalized	-45,408.92	-67,080.83
Total	-45,408.92	-67,080.83

	12/29/17	12/30/16
Unit K2		
Allocation		
Distribution		
Net capital gains and losses accumulated per share		
Capitalized	-4,081.25	-5,723.13
Total	-4,081.25	-5,723.13

	12/29/17	12/30/16
Unit F		
Allocation		
Distribution		
Net capital gains and losses accumulated per share		
Capitalized	-156,631.76	
Total	-156,631.76	

• **TABLE OF PROFIT (LOSS) AND OTHER TYPICAL FEATURES OF THE FUND OVER THE PAST FIVE FINANCIAL PERIODS**

	12/31/13	12/31/14	12/31/15	12/30/16	12/29/17
Global Net Assets in EUR	215,941,492.80	429,439,301.76	770,604,199.95	881,440,472.04	1,814,870,902.96
Tikehau Taux Variables A					
Net assets in EUR	160,632,435.00	305,977,706.21	536,441,091.96	651,589,625.75	1,444,576,771.08
Number of shares/units	1,360,098.830	2,527,199.353	4,364,589.298	5,216,565.190	11,341,701.498
NAV per share/unit in EUR in	118.10	121.07	122.90	124.90	127.36
Net Capital Gains and Losses Accumulated per share in EUR	1.55	-0.77	-2.47	-3.37	-2.43
Net income Accumulated per share in EUR	4.18	5.66	5.18	4.62	5.49
Tikehau Taux Variables A CHF					
Net assets in CHF			4,296,718.82	10,722,610.42	14,969,550.69
Number of shares/units			43,230.000	106,831.730	146,792.628
NAV per share/unit in EUR in			99.39	100.36	101.97
Net Capital Gains and Losses Accumulated per share in EUR			-1.82	-2.82	-9.13
Net income Accumulated per share in EUR			1.54	3.38	3.97
Tikehau Taux Variables E					
Net assets in EUR	3,876,801.35	34,274,761.56	52,369,197.88	36,069,687.33	10,625,169.27
Number of shares/units	31,973.453	274,673.918	412,006.678	278,255.936	80,097.353
NAV per share/unit in EUR in	121.25	124.78	127.10	129.62	132.65
Net Capital Gains and Losses Accumulated per share in EUR	1.59	-0.79	-2.56	-3.51	-2.53
Net income Accumulated per share in EUR	5.01	6.30	5.79	5.28	6.17
Tikehau Taux Variables D					
Net assets in EUR				5,018,865.15	71,957,701.44
Number of shares/units				50,000.000	704,550.000
NAV per share/unit in EUR in				100.37	102.13
Net Capital Gains and Losses Accumulated per share in EUR				-0.48	-1.95
Distribution on Net Income per share in EUR				0.24	4.43
Unit brought forward in EUR on the result					
Tax credits per share/unit in EUR					*

• **TABLE OF PROFIT (LOSS) AND OTHER TYPICAL FEATURES OF THE FUND OVER THE PAST FIVE FINANCIAL PERIODS**

	12/31/13	12/31/14	12/31/15	12/30/16	12/29/17
Global Net Assets in EUR	215,941,492.80	429,439,301.76	770,604,199.95	881,440,472.04	1,814,870,902.96
Tikehau Taux Variables P					
Net assets in EUR	49,895,269.20	86,691,956.21	175,161,310.36	176,082,129.85	205,952,076.41
Number of shares/units	431,758.130	735,430.581	1,471,210.167	1,462,532.045	1,686,363.703
NAV per share/unit in EUR in	115.56	117.87	119.05	120.39	122.12
Net Capital Gains and Losses Accumulated per share in EUR	1.51	-0.75	-2.40	-3.40	-2.33
Net income Accumulated per share in EUR	3.53	4.94	4.43	4.13	4.64
Tikehau Taux Variables K1					
Net assets in EUR	1,526,377.52	2,289,358.45	2,473,565.53	2,467,730.49	2,375,795.73
Number of shares/units	14,300.000	20,925.000	22,280.000	21,870.000	20,655.000
NAV per share/unit in EUR in	106.73	109.40	111.02	112.83	115.02
Net Capital Gains and Losses Accumulated per share in EUR	1.40	-0.70	-2.23	-3.06	-2.19
Net income Accumulated per share in EUR	3.74	5.10	4.65	4.22	4.91
Tikehau Taux Variables K2					
Net assets in EUR	10,609.73	205,519.33	207,665.06	209,998.38	213,010.16
Number of shares/units	100.000	1,900.000	1,900.000	1,900.000	1,900.000
NAV per share/unit in EUR in	106.09	108.16	109.29	110.52	112.11
Net Capital Gains and Losses Accumulated per share in EUR	1.39	-0.69	-2.20	-3.01	-2.14
Net income Accumulated per share in EUR	3.22	4.48	4.12	3.59	4.25
Tikehau Taux Variables F					
Net assets in EUR					66,377,531.21
Number of shares/units					663,342.379
NAV per share/unit in EUR in					100.06
Net Capital Gains and Losses Accumulated per share in EUR					-0.23
Net income Accumulated per share in EUR					0.21

• **PORTFOLIO LISTING in EUR**

Name of security		Quantity	Market value	%
Bonds and similar securities				
Listed bonds and similar securities				
BELGIUM				
ANHEUSERBUSCH INBEV E3R+0.25% 19-10-18	EUR	6,650,000	6,665,926.75	0.37
FORTIS BK TV07-191272 CV	EUR	1,500,000	1,291,299.38	0.07
TOTAL BELGIUM			7,957,226.13	0.44
BRITISH VIRGIN ISLANDS				
PRIME BLOOM HOLDING LTD 7.5% 19-12-19	USD	3,000,000	2,520,586.28	0.14
TOTAL BRITISH VIRGIN ISLANDS			2,520,586.28	0.14
BULGARIA				
VIVACOM AD 6.625% 11/18	EUR	6,900,000	6,972,645.50	0.38
TOTAL BULGARIA			6,972,645.50	0.38
DENMARK				
NYKREDIT E3R+0.57% 02-06-22	EUR	10,000,000	10,075,408.33	0.56
NYKREDIT 0.875% 13-06-19	EUR	3,800,000	3,867,508.56	0.21
TOTAL DENMARK			13,942,916.89	0.77
EIRE				
ALLI IRIS BA 7.375% PERP EMTN	EUR	13,000,000	14,789,136.79	0.81
BANK IRELAND 10% 19/12/2022	EUR	10,000,000	14,185,345.89	0.78
CLOVERIE TV09-240739 EMTN	EUR	23,000,000	26,385,212.47	1.46
SMURFIT KAPPA ACQUISITIO	EUR	9,000,000	9,752,297.25	0.54
TOTAL EIRE			65,111,992.40	3.59
FRANCE				
AIR FRANCE-KLM 6.25% 18/01/2018	EUR	11,000,000	11,687,131.58	0.64
ALD SA E3R+0.43% 27-11-20 EMTN	EUR	10,000,000	10,059,288.06	0.55
ALD 0.75% 26-01-18 EMTN	EUR	6,500,000	6,549,643.08	0.36
AUTODIS E3R+4.375% 01-05-22	EUR	4,500,000	4,584,223.74	0.25
AXA SA 5.25%10-160440	EUR	25,000,000	28,674,248.29	1.58
BFCM TV PERP SUB	EUR	6,000,000	5,327,772.00	0.29
BPCE E3R+1.05% 09-03-22 EMTN	EUR	10,000,000	10,316,081.94	0.57
BPCE 12.5% 09-50 PERP	EUR	18,300,000	22,811,302.21	1.26
BURGER KING FRANCE SAS E3R+5.25% 01-05-23	EUR	10,119,000	10,472,127.98	0.58
CAPGEMINI E3R+0.85% 02-07-18	EUR	7,200,000	7,214,540.20	0.40
CNP ASSUR TV 2040	EUR	23,000,000	26,957,301.23	1.49
CRED AGRIC 7.875%09-PERP TSDI	EUR	25,000,000	28,871,799.66	1.59
CREDIT AGRICOLE 8.375%/ TV PERPETUAL	USD	650,000	600,990.77	0.03
CREDIT LOGEMENT EURIBOR 3 MOIS REV +1.15 31/12/2099	EUR	9,100,000	8,395,154.95	0.46
DANONE E3R+0.33% 14-01-20 EMTN	EUR	3,500,000	3,517,245.18	0.19
FRAN E3R+0.57% 28-06-21	EUR	16,000,000	16,088,402.67	0.89
GROUPAMA 7.875% 27/10/2039	EUR	25,000,000	28,797,280.82	1.59
GROUPE DANONE 0.167% 03-11-20	EUR	5,400,000	5,426,671.12	0.30
HAVAS 1.875% 08-12-20	EUR	2,600,000	2,706,471.60	0.15
HORI HOLD I S 7.25% 01-08-23	EUR	6,250,000	6,854,850.69	0.38
LAGARDERE 2.0% 19-09-19	EUR	11,800,000	12,167,017.99	0.67
LOXAM 7.0% 23-07-22	EUR	24,500,000	26,014,712.50	1.43
LVMH MOET HENNESSY ZCP 26-05-20	EUR	10,000,000	10,011,800.00	0.55

Name of security		Quantity	Market value	%
NATEXIS BP 1YR PERP	EUR	1,800,000	1,891,259.51	0.10
NEWCO GB SAS 8.0% 15-12-22	EUR	2,300,000	2,359,066.56	0.13
NOVA E3R+4.0% 30-06-20	EUR	10,350,000	10,467,636.09	0.58
NOVAFIVES 4.5% 30-06-21	EUR	9,100,000	9,514,641.50	0.52
PAPREC HOLDING 7.375% 01-04-23	EUR	11,400,000	12,449,395.33	0.69
PICARD GROUPE E3R+3.0% 30-11-23	EUR	2,500,000	2,514,654.18	0.14
RENA CRE 0.375% 10-07-19 EMTN	EUR	5,000,000	5,040,867.47	0.28
RENAULT CREDIT INTL BANQUE E3R+0.57% 04-11-24	EUR	10,400,000	10,475,988.76	0.58
RENAULT CREDIT INTL BANQUE E3R+0.65% 12-04-21	EUR	10,000,000	10,103,850.83	0.56
SOCIETE GENERALE TV PERPETL	EUR	23,000,000	27,170,101.64	1.50
STE EURIBOR 3 MOIS REV +0.75 31/03/2019	EUR	2,100,000	2,117,248.29	0.12
TOTAL FRANCE			388,210,768.42	21.40
GERMANY				
ADLER REAL ESTATE AG 1.5% 06-12-21	EUR	7,500,000	7,458,342.64	0.41
CAPITAL FUNDING GMBH E12R PERP	EUR	7,634,000	7,746,854.27	0.43
DAIM E3R+0.53% 12-01-19 EMTN	EUR	5,000,000	5,024,167.08	0.28
FRESENIUS BV 2.875% 15-07-20	EUR	13,900,000	15,044,757.67	0.83
HENK AG AND ZCP 13-09-18 EMTN	EUR	2,000,000	2,002,920.00	0.11
HTI FUNDING GMBH E12R+2.0% PERP	EUR	20,000,000	19,795,841.92	1.08
MUNICH RE 6% 05/41	EUR	11,200,000	13,636,315.29	0.75
SAP E3R+0.3% 20-11-18 EMTN	EUR	1,800,000	1,804,950.00	0.10
SAP SE E3R+0.3% 01-04-20 EMTN	EUR	1,400,000	1,409,189.87	0.08
SCHAEFFLER VERWALTUNG ZWEI GMBH 2.75% 15-09-21	EUR	3,600,000	3,717,186.00	0.20
VOLKSWAGEN BANK E3R+0.42% 15-06-21	EUR	5,000,000	5,011,348.06	0.28
TOTAL GERMANY			82,651,872.80	4.55
HONG KONG				
SHIM PROP 8.375% 10-02-22	USD	5,000,000	4,651,700.37	0.25
SHIMAO 8 1/8 01/22/21	USD	3,400,000	3,056,097.72	0.17
TOTAL HONG KONG			7,707,798.09	0.42
ICELAND				
ARION BANK 0.75% 29-06-20 EMTN	EUR	6,400,000	6,487,443.29	0.36
ARION 2.5% 26-04-19 EMTN	EUR	19,600,000	20,558,739.37	1.13
ISLA HF 1.75% 07-09-20	EUR	10,000,000	10,424,675.34	0.57
LAN 3.0% 19-10-18 EMTN	EUR	9,300,000	9,584,920.15	0.53
TOTAL ICELAND			47,055,778.15	2.59
ILIC TRACTS CAIMANES				
ANTON OILFIELD SERVICES GROUP 9.75% 05-12-20	USD	3,350,000	2,839,279.37	0.16
CHINA AOYUAN PROPERTY GROUP 10.875% 26-05-18	USD	15,000,000	12,994,238.22	0.71
CIFI HOLDINGS GROUP 7.75% 05-06-20	USD	3,000,000	2,642,158.00	0.15
EH CAR SERVICES LTD 7.5% 08-12-18	USD	8,000,000	6,873,806.35	0.37
MAOYE INTL HLDGS 7.0% 23-10-18	USD	4,400,000	3,744,494.78	0.21
POWERLONG REAL ESTATE 7.625% 26-11-18	USD	3,750,000	3,219,265.71	0.18
TOTAL ILIC TRACTS CAIMANES			32,313,242.43	1.78
INDIA				
JSW STEEL 4.75% 12-11-19	USD	2,800,000	2,384,206.92	0.13
TOTAL INDIA			2,384,206.92	0.13
ITALY				
ASSICURAZIONI GENERALI 10.125% 10/07/2042	EUR	7,000,000	10,023,890.21	0.55

Name of security		Quantity	Market value	%
BANC POP 2.75% 20-03-20 EMTN	EUR	10,000,000	10,809,089.73	0.60
BANCA FARMAFACTORING E3R+1.45% 05-06-20	EUR	7,100,000	7,151,354.75	0.39
GUALA CLOSURES E3R+4.75% 15-11-21	EUR	5,150,000	5,205,003.50	0.29
INTE 5.0% 17-10-20	EUR	7,500,000	4,890,082.19	0.27
INTESA SAN TF/TV 20/06/2018	EUR	12,000,000	12,949,701.04	0.71
INTESA SANPAOLO 4%10-2018	EUR	1,000,000	1,041,741.99	0.06
INTESA SANPAOLO 8.375% 09-PERP	EUR	6,000,000	6,906,393.70	0.38
ISPVIT 5.35 18/09/2018	EUR	5,500,000	5,793,224.59	0.32
KEDRION GROUP SPA 3.0% 12-07-22	EUR	4,000,000	4,123,294.25	0.23
KEDRION GROUP SPA 4.625% 24/04/2019	EUR	11,000,000	11,812,734.25	0.65
UNICREDIT TF/TV PERP	EUR	2,700,000	3,318,035.36	0.18
UNICREDIT 5.75% 10/25	EUR	7,000,000	7,865,163.56	0.43
WIND TRE E3R+2.75% 20-01-24	EUR	17,100,000	16,917,025.54	0.94
TOTAL ITALY			108,806,734.66	6.00
LUXEMBURG				
ARENA LUXEMBOURG FINANCE SARL E3R+2.75% 01-11-23	EUR	4,200,000	4,253,644.50	0.23
AURI LUXE II 8.0% 15-01-23	EUR	27,400,000	29,650,453.33	1.64
DAKAR FINANCE 9.0% 15-11-20	EUR	6,500,000	1,769,174.90	0.10
EUROFINS SCIENTIFIC TF/TV 21/01/2049	EUR	22,500,000	26,748,228.08	1.48
EUROFINS 3.125% 26/11/2018	EUR	8,650,000	8,918,871.62	0.49
FIAT FINA 6.75% 14-10-19 EMTN	EUR	10,000,000	11,280,044.52	0.62
FIAT FINANCE TRADE 6.625% 15/03/2018	EUR	9,950,000	10,607,476.24	0.58
GARF HOLD 3 S 7.5% 01-08-22	EUR	17,000,000	18,397,513.33	1.01
GARFUNKELUX HOLDCO 3 E3R+3.5% 01-09-23	EUR	15,000,000	14,874,350.14	0.82
HANNOVER 5.75% 14/09/2040 - OBLIG TF/TV	EUR	6,600,000	7,651,916.59	0.42
JOHN DEERE CASH MANAGEMENT SA E3R+0.18% 15-09-20	EUR	7,000,000	7,035,525.00	0.39
LECTA E3R+6.375% 01-08-22	EUR	13,700,000	13,987,209.32	0.77
LSF9 BALT ISS 7.75% 15-09-22	EUR	19,393,000	17,288,430.91	0.95
PRIFII 2 3/4 10/23/18	EUR	4,600,000	4,729,028.42	0.26
TALANX FINANZ 8.3673% 15/06/2042	EUR	10,000,000	13,677,317.01	0.75
TRAFIGURA FUNDING 5.25% 29/11/18	EUR	8,870,000	9,242,222.87	0.51
UNICREDIT INTL 8.125% 10/12/49	EUR	1,204,000	1,414,578.12	0.08
TOTAL LUXEMBURG			201,525,984.90	11.10
NETHERLANDS				
ACHM HYP 0.875% 17-09-18 EMTN	EUR	5,000,000	5,051,945.21	0.28
ALLIANZ FIN II E3R+0.5% 07-12-20	EUR	7,500,000	7,606,387.50	0.42
ALLIANZ FI.TV I I-080741 EMTN	EUR	25,000,000	30,038,590.75	1.65
D E3R+0.35% 03-04-20 EMTN	EUR	5,000,000	5,030,375.00	0.28
DE VOLKSBANK NV 0.125% 28-09-20	EUR	6,800,000	6,808,582.90	0.38
FERRARI NV 0.25% 16-01-21	EUR	16,000,000	15,894,780.27	0.88
GENERAL MOTORS 0.85% 23/02/18 EMTN	EUR	2,100,000	2,118,726.39	0.12
ING GROEP NLD10A PERP SUB *EUR	EUR	8,000,000	7,042,205.05	0.39
INTERXION HOLD 6% 07/20	EUR	4,200,000	4,456,662.00	0.25
MYLAN NV E3R+0.87% 22-11-18	EUR	4,000,000	4,024,224.67	0.22
NIBC BA 2.25% 24-09-19 EMTN	EUR	14,450,000	15,065,368.10	0.83
NN GROUP NV 0.25% 01-06-20	EUR	6,700,000	6,743,780.83	0.37
PB INTERNATIONAL BV 7.625% 26-01-22	USD	2,375,000	2,177,627.51	0.12
RABOBANK NEDERLAND 6.875% 19/03/2020	EUR	10,000,000	12,061,432.88	0.66
SCHA FINA BV 2.5% 15-05-20	EUR	12,500,000	12,805,354.17	0.71

Name of security		Quantity	Market value	%
SCHAEFFLER FINANCE BV 3.5% 15/05/2022	EUR	5,000,000	5,118,283.33	0.28
SNS BA 3.75% 05-11-25 EMTN	EUR	7,000,000	7,633,861.51	0.42
SWIS REI 6.302% 31-12-49 EMTN	GBP	23,000,000	27,802,212.18	1.53
TIKEHAU CLO III BV E3R+0.87% 01-12-30	EUR	15,000,000	15,107,972.73	0.83
TIKEHAU E3R+0.6% 04-08-28	EUR	3,000,000	3,018,060.37	0.17
TIKEHAU 2X E3R+1.06% 07-12-29	EUR	5,000,000	5,043,341.54	0.28
UNITED GROUP BV E3R+4.375% 01-07-23	EUR	18,000,000	18,319,575.60	1.01
VOLKSWAGEN INTL FINANCE NV E3R+0.35% 30-03-19	EUR	8,000,000	8,017,943.33	0.44
VOLKSWAGEN INTL FINANCE NV 0.5% 30-03-21	EUR	5,000,000	5,060,184.59	0.28
TOTAL NETHERLANDS			232,047,478.41	12.80
NORWAY				
B2HOLDING A E3R+4.25% 14-11-22	EUR	5,100,000	5,174,066.24	0.28
SANTANDER CONSUMER BANK AS 0.375% 17-02-20	EUR	2,300,000	2,322,477.14	0.13
TOTAL NORWAY			7,496,543.38	0.41
SPAIN				
MASARIA INVESTMENTS SAU E3R+5.25% 15-09-24	EUR	10,000,000	10,105,633.51	0.56
TOTAL SPAIN			10,105,633.51	0.56
STOCKING STITCH				
LINC FINA LIM 6.875% 15-04-21	EUR	10,000,000	10,666,408.33	0.59
MERC B E6R+8.0% 30-05-21	EUR	7,500,000	7,650,015.48	0.42
MERCURY BONDCO 8.25% 30-05-21	EUR	8,000,000	8,392,620.00	0.46
TOTAL STOCKING STITCH			26,709,043.81	1.47
SWEDEN				
HOIS KRE 3.125% 07-12-19 EMTN	EUR	12,422,000	13,107,078.40	0.72
HOIST KREDIT AB 1.125% 04-10-21	EUR	12,000,000	11,999,817.53	0.66
INTRUM JUSTITIA AB E3R+2.625% 15-05-22	EUR	15,900,000	16,180,641.63	0.89
VOLVO TREASURY 2.375% 11/19	EUR	1,000,000	1,048,767.60	0.06
TOTAL SWEDEN			42,336,305.16	2.33
SWITZERLAND				
ROCHE KAPITALMARKT AG ZCP 23-09-18	CHF	10,000,000	8,588,599.75	0.47
TOTAL SWITZERLAND			8,588,599.75	0.47
UNITED KINGDOM				
ANACAP FIN EU SA E3R+5.0% 01-08-24	EUR	16,000,000	15,958,640.28	0.88
AVIVA TV08-220538 SUB EMTN	EUR	20,000,000	21,383,369.86	1.18
AVLN 0.1 12/13/18	EUR	5,000,000	5,015,487.67	0.28
BARCLAYS TF/TV PERPETUAL	GBP	20,000,000	28,214,373.95	1.55
COCACOLA EUROPEAN PARTNERS E3R+0.18% 16-11-21	EUR	8,500,000	8,548,407.50	0.47
EPHI HOLD II 8.25% 01-07-23	EUR	30,000,000	32,666,350.00	1.80
FCE BANK E3R+0.5% 26-08-20	EUR	3,000,000	3,018,887.25	0.17
FRIENDS LIFE GROUP 6.875% 29/11/2049	GBP	10,435,000	12,949,867.75	0.71
HBOS CAP 6.461% PERPETUAL	GBP	16,000,000	18,900,602.72	1.04
HSBC E3R+0.5% 05-10-23 EMTN	EUR	15,000,000	15,109,500.00	0.83
HTOGA 7 7/8 02/07/18	EUR	3,300,000	3,437,759.13	0.19
INEOS GROUP 5.375% 01-08-24	EUR	15,000,000	16,398,666.67	0.90
NATL EXPRESS GROUP E3R+0.4% 15-05-20	EUR	5,000,000	5,001,108.19	0.28
NEMEAN BONDCO PLC L3RGBP+6.5% 01-02-23	GBP	4,000,000	4,243,040.89	0.23
NWIDE 4 1/8 03/20/23	EUR	2,500,000	2,602,764.90	0.14
ROYAL BANK OF SCOTLAND GROUP E3R+2.33% PERP	EUR	8,000,000	7,918,743.33	0.44

Name of security		Quantity	Market value	%
VODAFONE E3R+0.95% 25-02-19 EMTN	EUR	10,000,000	10,113,182.50	0.56
TOTAL UNITED KINGDOM			211,480,752.59	11.65
USA				
BK AMERICA E3R+0.37% 21-09-21	EUR	6,600,000	6,615,706.72	0.36
CARLSON TRAVEL E3R+4.75% 15-06-23	EUR	10,000,000	9,843,369.50	0.54
CONT RU 0.5% 19-02-19 EMTN	EUR	5,200,000	5,261,236.05	0.29
DEUTSCHE BANK CAP 8% 15/05/2018	EUR	4,300,000	4,638,210.02	0.26
FEDEX E3R+0.55% 11-04-19	EUR	5,000,000	5,029,578.33	0.28
G E3R+1.0% 27-07-21 EMTN	EUR	2,850,000	2,923,668.70	0.16
GENERAL MOTORS FINANCIAL E3R+0.68% 10-05-21	EUR	9,600,000	9,709,886.40	0.54
GOLD SACH GR E3R+0.62% 26-09-23	EUR	15,000,000	15,088,298.75	0.83
GOLD SACH GR E3R+0.63% 09-09-22	EUR	6,000,000	6,058,199.17	0.33
M E3R+0.3% 26-08-19 EMTN	EUR	4,100,000	4,116,174.50	0.23
NATIONAL CAPITAL TRUST	GBP	6,940,000	8,128,003.26	0.45
WFC 0 01/31/22	EUR	6,000,000	6,053,672.67	0.33
3M E3R+0.23% 15-05-20 EMTN	EUR	2,000,000	2,011,570.00	0.11
TOTAL USA			85,477,574.07	4.71
Total listed bond and similar securities			1,591,403,684.25	87.69
Total bonds and similar securities			1,591,403,684.25	87.69
Credit instruments				
Credit instruments traded in a regulated market or equivalent				
BELGIUM				
RECTICEL ZCP 10-01-18	EUR	2,000,000	1,999,973.33	0.11
TOTAL BELGIUM			1,999,973.33	0.11
LUXEMBURG				
ARCELOR FINANCE ZCP 15-01-18	EUR	20,000,000	20,000,802.84	1.10
TOTAL LUXEMBURG			20,000,802.84	1.10
Total credit instruments traded on a regulated or similar market			22,000,776.17	1.21
Total credit instruments			22,000,776.17	1.21
Collective investment undertakings				
General-purpose UCITS and alternative investment funds intended for non-professionals and equivalents in other countries				
FRANCE				
AMUNDI CASH CORPORATE IC	EUR	138.001	32,380,335.73	1.78
AMUNDI CASH INSTITUT SRI-IC	EUR	205.122	45,031,181.11	2.49
ELLIPSIS SHORT TERM CRED-I	EUR	2,735	3,057,237.70	0.17
KARAKORAM ANNAPURNA I	EUR	19,600	2,007,236.00	0.11
NATIXIS TRESORERIE PLUS Part IC	EUR	368.237	38,234,217.10	2.11
SLF FRANCE MONEY MARKET EURO 3D	EUR	971.667	24,369,272.33	1.34
TOTAL FRANCE			145,079,479.97	8.00
LUXEMBURG				
BNPP INSTICASH EUR INST CAPIT	EUR	176,623.1505	24,715,407.32	1.36
TOTAL LUXEMBURG			24,715,407.32	1.36
TOTAL General-purpose UCITS and alternative investment funds intended for non-professionals and equivalents in other countries			169,794,887.29	9.36

Name of security		Quantity	Market value	%
Other funds for professionals and equivalents in other EU Member States and unlisted securitisation entities				
FRANCE				
FCT TE FARE 4 FLR 31-12-18	EUR	59,200	243,400.80	0.01
TOTAL FRANCE			243,400.80	0.01
Other funds for professionals and equivalents in other EU Member States and unlisted securitisation entities			243,400.80	0.01
Total collective investment undertakings			170,038,288.09	9.37
Hedges				
Urgent commitments closed				
Urgent commitments firm on regulated or assimilated market				
XEUR FGBS SCH 0318	EUR	-4,600	788,510.00	0.04
Total Firm urgent commitments on market reglemente			788,510.00	0.04
Total Firm urgent commitments			788,510.00	0.04
Total hedges			788,510.00	0.04
Margin call				
Appels marges C.A.I.	EUR	-788,510	-788,510.00	-0.04
Total margin call			-788,510.00	-0.04
Receivables			202,794,818.88	11.17
Debts			-207,993,228.44	-11.46
Financial accounts			36,626,564.01	2.02
Net assets			1,814,870,902.96	100.00

Tikehau Taux Variables KI	EUR	20,655.000	115.02
Tikehau Taux Variables P	EUR	1,686,363.703	122.12
Tikehau Taux Variables K2	EUR	1,900.000	112.11
Tikehau Taux Variables A	EUR	11,341,701.498	127.36
Tikehau Taux Variables E	EUR	80,097.353	132.65
Tikehau Taux Variables A CHF	CHF	146,792.628	101.97
Tikehau Taux Variables F	EUR	663,342.379	100.06
Tikehau Taux Variables D	EUR	704,550.000	102.13

- **ADDITIONAL INFORMATION CONCERNING THE FISCAL REGIME OF THE COUPON**

BREAKDOWN OF THE COUPON

	TOTAL NET INCOME	CURRENCY	UNIT NET INCOME	CURRENCY
Revenue qualifying for the withholding tax option	3,008,428.50	EUR	4.27	EUR
Shares entitling a deduction	21,136.50	EUR	0.03	EUR
Other revenue not entitling a deduction or withholding tax	77,500.50	EUR	0.11	EUR
Non-distributable and non-taxable income	14,091.00	EUR	0.02	EUR
Amount distributed on capital gains and losses				
TOTAL	3,121,156.50	EUR	4.43	EUR