

The investment objective of the PHILEAS EQUITY EUROPE is to outperform, on an equity horizon, its benchmark, the MSCI Europe net return index. The fund invests in European Union equities through discretionary stock picking.

ISIN : FR0012749927

Launch date : 15 october 2015

Structure: « European Union equities » fund - French FCP

Management team: Ludovic LABAL / Cyril BERTRAND

Benchmark: MSCI Europe NR

Custodian: CACEIS BANK

Administrator: CACEIS FA

Auditor: MAZARS

Fund dealing: daily

Eligible for french equity savings plan: yes

NAV: 116.79€

AUM: 9.9 M€

Management fees: 1.20% TTC

Performance fees: 15% TTC above MSCI Europe NR

Currency: EURO

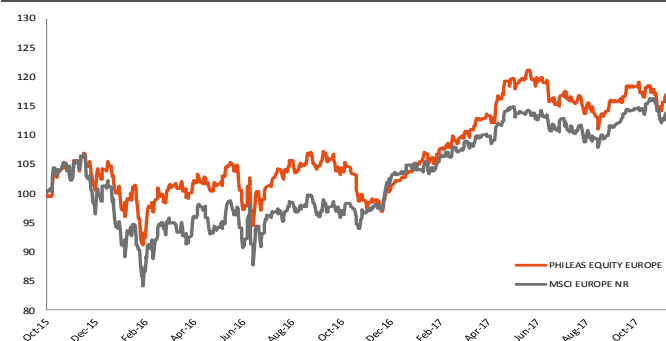
Performance review

In November, PHILEAS EQUITY EUROPE fell back 1.50% as its benchmark, MSCI Europe net return, fell back 2.08%.

- In Media, we reaped the benefits of good performance by French TV names TF1 and M6. We believe that private sector operators will benefit from French audiovisual regulatory shifts, with likely lifts or advertisers bans for food retail and cinema. Fresh taxation initiatives targeting internet giants would also support audiovisual production and no doubt ease the burden currently shouldered by the TV broadcasters.
- In Food Retail, Ahold's recovery accounts for the month's positive performance. The company's third-quarter earnings reassured investors on the competitive landscape in the United States.
- In the Consumer sector, following overdone corrections in Adidas and Maisons du Monde, we have added to both positions. In parallel, we closed out our remaining luxury goods positions, namely Richemont, which reached our target valuation, and Burberry, following the announcement of a lengthy and costly brand repositioning.
- In Services/IT, falls in Cap Gemini and Atos were detrimental. Given its higher potential for external growth, we decided to bolster our AtoS position at the expense of Cap Gemini.

We have rebuilt a position in SEB. Several factors are driving growth at the company, including a solid innovation strategy, strong presence in emerging markets (40% of revenues) especially in China, and a healthy online presence. Moreover, in the years ahead, SEB should benefit from synergies resulting from the German WMF acquisition, including broader distribution (65% of WMF's revenues are generated in Western Europe) and higher margins on WMF's consumer products (currently 3% versus 9% for SEB). This should propel earnings growth of over 10% per year and fuel another rerating.

Performance since inception



Performance (%)

	YTD	1 month	6 months	1 year	Annualized performance*
PHILEAS EQUITY EUROPE	13.62%	-1.50%	-2.39%	18.34%	7.56%
MSCI EUROPE NR	9.37%	-2.08%	-0.01%	15.76%	6.10%

* I share launched as of 10/15/2015

Top holdings

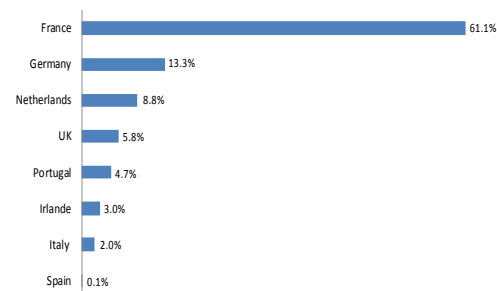
Holdings	%
Iliad	6.2%
Vivendi	6.1%
TF1	6.0%
Randstad	5.6%
Bouygues	5.6%
Number of holdings	29
Investment rate	98.87%

Risk indicators - 1-year data

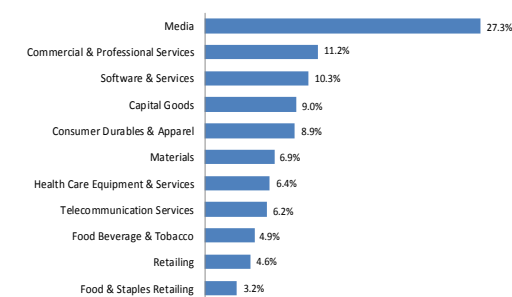
Volatility of the fund	9.21%
Volatility of the benchmark	8.52%
Tracking error	5.32%
Beta	0.89
Information ratio	0.48
Sharpe ratio	2.02

Source : Bloomberg

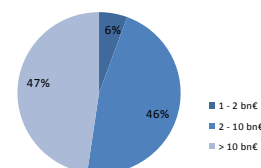
Portfolio exposure by country



Portfolio exposure by sector*



Portfolio exposure by market cap



Source: Phileas Asset Management, unless otherwise noted

*MSCI classification

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