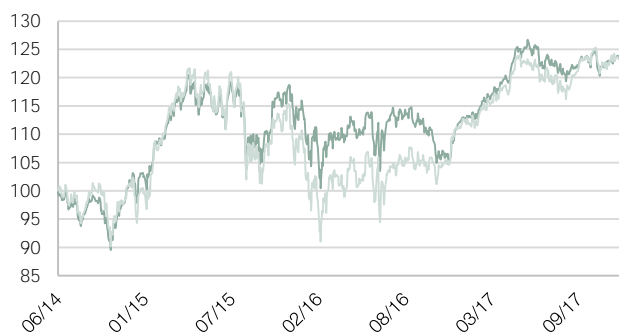


AAM European Equities is a UCITS fund regulated by the Autorité des Marchés Financiers. The fund aims to benefit from the growth of selected European companies while seeking to mitigate the risk of sharp fluctuations of the value of its portfolio. The portfolio managers favor companies with proven competitive advantage and robust business model that are less exposed to economic fluctuations than the market in general.

The fund implements a conviction-based investment strategy relying first and foremost on an extensive financial analysis. The purpose of this analysis is to build a robust, diversified portfolio of individually selected equities. In the stock-picking process, the portfolio managers review balance sheets and income statements, examine margins and financial ratios, and estimate each company's theoretical value in order to compare it with its market price. The portfolio managers also place substantial value on qualitative aspects such as business model, strategy, management team, competitive position and barriers to entry. Dividend policy is another significant factor. The fund's performance and volatility may be compared ex post to the Dow Jones Stoxx Europe 600 index (dividends reinvested). This index lists 600 large, mid- and small-cap companies spanning 18 European countries.

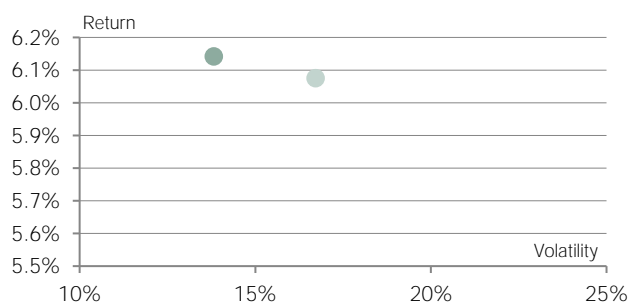
Cumulative Returns (I Class)



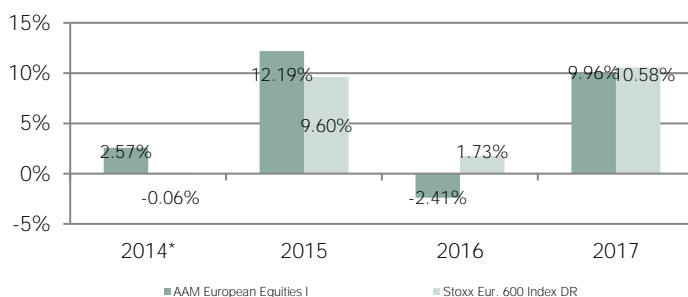
Performance 29/12/2017	I (EUR)	E1 (EUR)	Stoxx. Eur. 600 Index DR
NAV	123.49	120.58	123.21*
Monthly return	0.55%	0.49%	0.72%
YTD return	9.96%	9.23%	10.58%
Return since inception	23.49%	20.58%	23.21%
Annualized return since inception	6.14%	5.43%	6.07%
Annualized volatility since inception	13.82%	13.83%	16.72%
Inception date	15/06/2014	15/06/2014	-

*Rebased to 100 at inception date of the fund.

Annualized return / volatility since inception



Annual performance since inception



Past performance is not a guide to future performance. The performance shown does not take account of any commissions and costs charged when subscribing to and redeeming shares.

*Inception date at 16/06/2014

Monthly Comment

The fund (I class) returned +0.55% in December, bringing its YTD performance to 9.96% versus 10.58% for the Stoxx 600.

The US Senate's adoption of the tax reform as expected, the completion of the first steps of the Brexit process, and central bank meetings (status quo for the Bank of England and the European Central Bank, 25 bp rate hike to 1.5% for the Fed), had no major impact on the markets, ultimately dictated by fluctuations in the euro. Small & mid caps and the commodities sector ended up coming to the rescue in terms of performance on the European market; otherwise, the Stoxx 600 probably would have ended the month in the red.

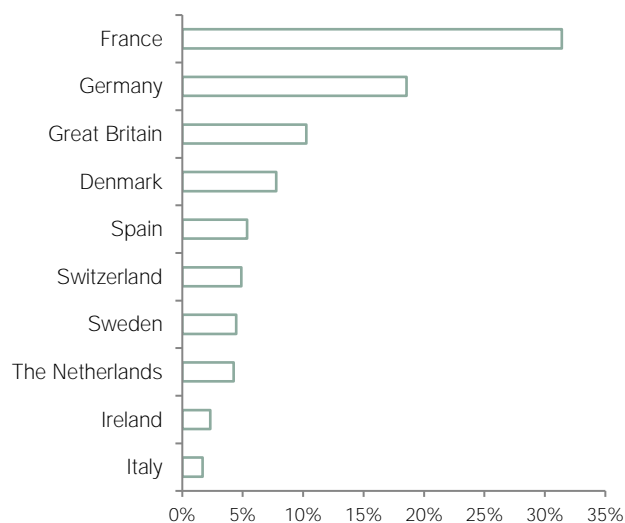
One of the main detractors from the fund's performance was Ryanair (-17%, 2.3% of the portfolio, performance contribution of -39 bp), plagued by threats of pilot strikes and a standoff with their union. Ryanair ultimately gave in and agreed to recognise pilot unions. Although this may end up increasing the cost of wages for Ryanair, we have not lost confidence in the company, which is leaps and bounds ahead of its rivals when it comes to cost management.

Positive contributors to performance this month included Rightmove (1.8% of the portfolio, contribution of 18 bp), which gained 11%, while Fresenius (2.4% of the portfolio, contribution of 17 bp) rebounded 8% after being oversold, in our view, following the announcement of lower-than-expected sales for the Akorn division.

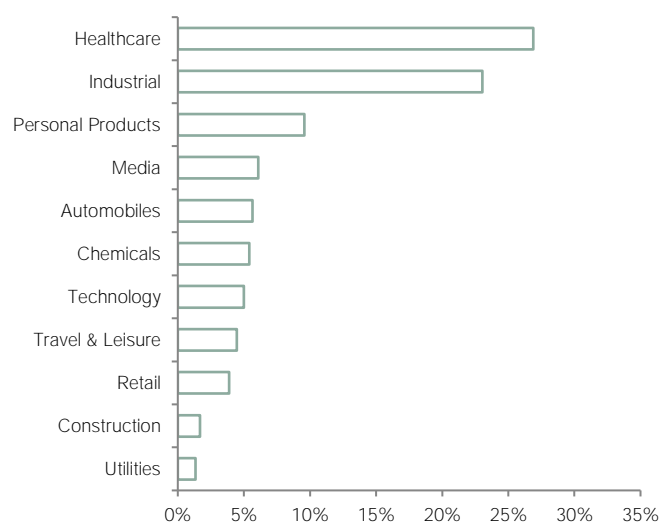
We set up a position in Kion (1.3% of the portfolio), the German leader in the manufacture and sales of warehouse equipment and intra-logistics systems. The company is benefiting from the structural shift towards Industry (and Intra-Logistics) 4.0: the take-off of e-commerce and adoption of the omni-channel distribution strategy has triggered strong demand for warehouse equipment, in a bid to meet fast delivery requirements, major inventory rotation and the fragmentation of logistics channels.

2017 turned out more than satisfactory for the fund, thanks to its relatively defensive stance and low exposure to the economic cycle, while cyclical stocks rallied on the back of the synchronised growth recovery. We will continue focusing on high-quality companies boasting structural growth, less exposure to the economic cycle and a long-term vision (ideally managed at least in part by a family shareholding structure), paving the way for outperformance at lower volatility for our investors.

Allocation by Geography



Allocation by Industry



Top 10

1	WIRECARD AG	4.15%
2	TELEPERFORMANCE	3.57%
3	L'OREAL	3.22%
4	PLASTIC OMNIUM	3.22%
5	CTS EVENTIM AG & CO KGAA	3.02%
6	ELIS SA	2.90%
7	INGENICO GROUP	2.89%
8	GRIFOLS SA - B	2.77%
9	ISS A/S	2.74%
10	ESSILOR INTERNATIONAL	2.73%

Key Financials

	AAM EE	Stoxx Eur. 600 Index DR
Beta	0.79	-
Ebit Margin	19.20%	12.23%
5-year EPS Growth Estimates	12.03%	5.00%
FCF Yield	4.92%	5.19%
Net Debt / EBITDA	0.32	3.55
Number of stocks	43	600

Source: Bloomberg, BPFS

Information on fund distribution both in and from Switzerland: The Fund's country of origin is France. The Fund Representative is ACOLIN Fund Services AG, Affolternstrasse 56, CH-8050 Zurich, and the Paying Agent is Banque Cantonale de Genève, 17, quai de l'Île, CH-1204 Geneva. The jurisdiction is Zurich. Regulatory documents and the annual and semi-annual report are available free of charge from the Representative. The Basic documents of the Fund such as the prospectus, the key investor information document (KIID), the fund's rules as well as the semi-annual and annual reports may be obtained free of charge at the office of the Swiss Representative.

Characteristics

Legal structure	French UCITS Fund
Inception	15 June 2014
Liquidity	Daily
Management fees	1.25% (I class with a min. 500'000 EUR investment) 2% (E1 class)
Entry / Exit fees	4% max. / 0%.
Performance fees	10% of the outperformance above 7% net annualized
Custodian	BNP Paribas Securities Services
Auditor	PricewaterhouseCoopers Audit

Codes

Class	ISIN	Bloomberg	Telekurs	WKN
I	FR0011911197	AAMEEQI FP	CH24678817	A12CG8
E1	FR0011911189	AAMEEE1 FP	CH24678815	A1160X