



INVESTMENT OBJECTIVE

The management objective is to seek a higher performance than that on the CAC 40 index over the recommended investment duration (5 years), dividends reinvested. To be able to achieve the management objective, the UCITS investment strategy is based on discretionary management via a stock-picking policy, which does not aim to duplicate the benchmark indicator.

PORTFOLIO MANAGERS COMMENTS

The results of the first round of voting in the French presidential elections met with a warm welcome from the markets: European and French indices hit their highest point of the year, and the CAC 40 made it back to levels last seen in April 2015. This rally on the European stockmarkets stands against a backdrop of vastly improving economic conditions in the euro area. The 1Q sales and/or earnings reporting season is getting off to a good start and figures bode well for the rest of the year.

Centifolia has gained 8.22% YTD compared with an 8.74% rally on the CAC 40 NR. The fund remains 99% invested in equities and its investment strategy is still based on the assumption that a pro-market candidate will win the French presidential election. We have not particularly altered the make-up of our portfolio to include more international stocks. Last month's investments were in EDF, Renault and Total, while we cut back some of our larger stock positions, i.e. Michelin, Nokia, Orange, STMicroelectronics and Thalès. Centifolia also continued to reduce its holdings on mid-caps (Cie des Alpes, Eiffage, Groupe Fnac and Sopra) and definitively wound down its ANF and Sequana investments.

With a 2017 P/E multiple of around 16x, the fund may look well valued. However, if we analyze the portfolio on the basis of EBITDA, we derive a multiple barely above 6x, which still remains very reasonable. The scenario of gradual reflation remains valid and should be set against a context of a reform-based and pro-European policy for France. This scenario would of course be very good news for a value-based approach like Centifolia's, but the country still needs to see a parliamentary majority and a stable government.

Text completed on April 28, 2017.

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DATA AS OF 04/28/2017

	Fund	Index*
YTD performance	8.22%	8.74%
Performance 2016	4.64%	7.67%
5 years annualized performance	13.79%	13.22%
1 year volatility	13.37%	14.46%
3 years volatility	16.19%	18.11%
5 years volatility	15.56%	16.91%

*CAC 40 NET RETURN

Past performance is not a guarantee of future performance

MAIN CHARACTERISTICS AS OF 28/04/2017

NAV	€358.26	Net assets	€1,749 M
Net yield 2016	2.73%	ND/EBITDA 2016	1.5 x
Estimated PER 2017	16.1 x	EV/EBITDA 2017	6.4 x

PERFORMANCE SINCE 10/04/2002



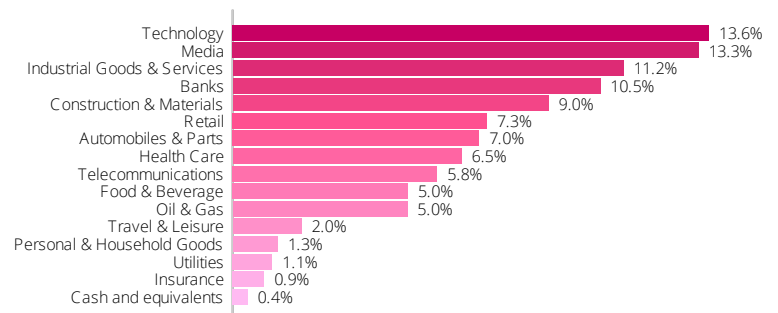
MAIN HOLDINGS

SANOFI	6.54%
ORANGE	5.85%
VINCI	5.36%
STMICROELECTRONICS	5.14%
THALES	4.86%

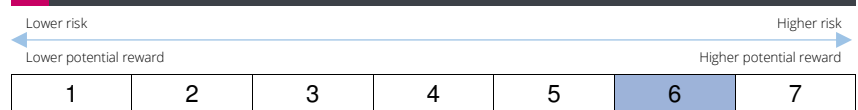
MAIN COUNTRIES

FRANCE	96.2%
FINLAND	3.3%

BREAKDOWN BY SECTOR



RISK AND REWARD PROFILE



The risk level of this fund is due to exposure to equity market

PER (Price Earnings Ratio) is the ratio of market capitalisation to net earnings. It is a way of estimating how expensive a share is.
 Net debt is gross financial debt adjusted for the cash pile
 ND/EBITDA is the ratio between net debt and gross operating profit. It helps estimate a stock's financial leverage.
 EV/EBITDA is the ratio between enterprise value (market capitalisation + net debt) and gross operating profit. It helps estimate how expensive a share is.