

Long only fund of funds management, Fund of hedge funds management, and Structured Products

Investment Strategy 2010

Olivier Neau

Vice Chairman of the Executive Committee,
Chief Investment Officer
Edmond de Rothschild Investment Managers



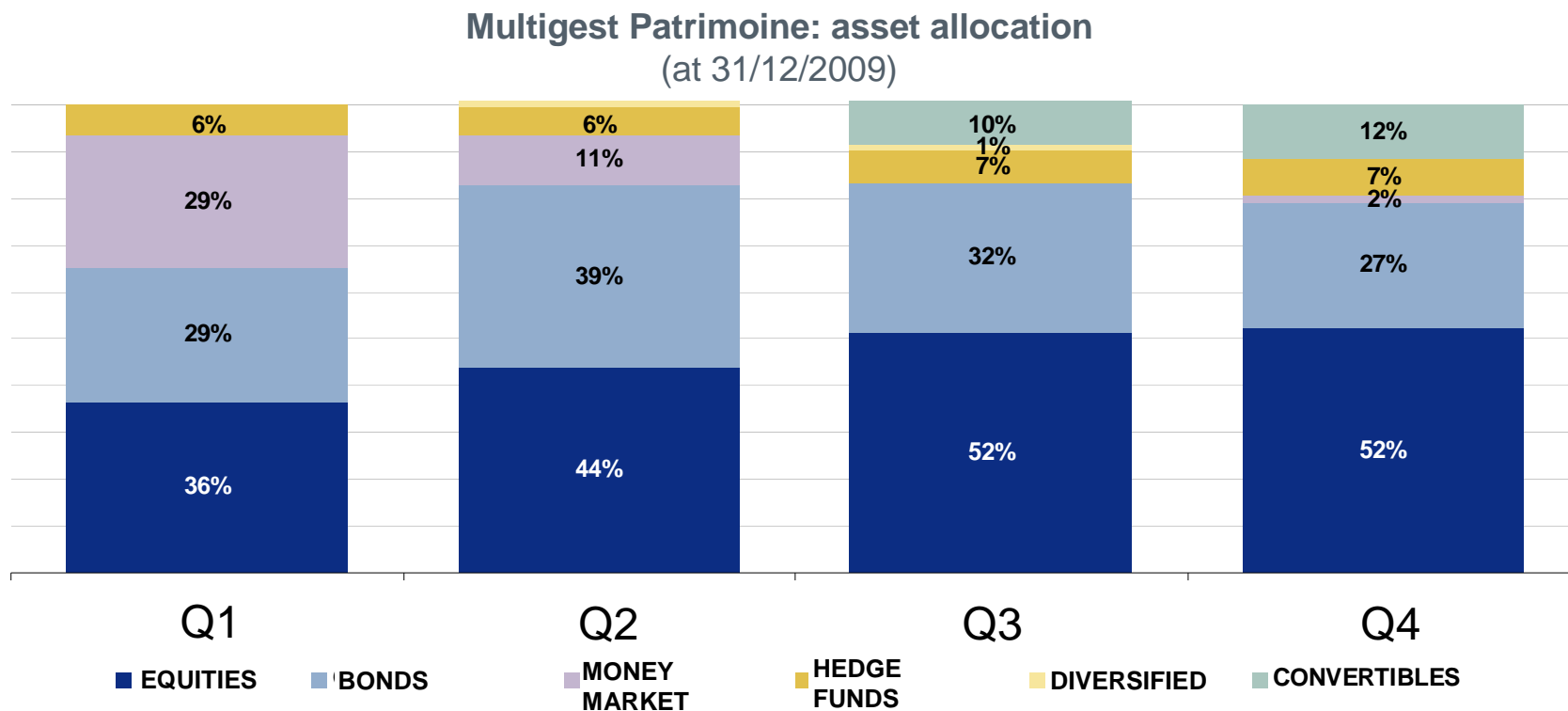
EDMOND DE ROTHSCHILD
INVESTMENT MANAGERS

Long only fund of funds management

Long only fund of funds management: Major asset allocation themes in 2009

Gradual increase in exposure to risky assets:

- 1st half: Investment Grade corporate bonds, followed by High Yield
- 2nd half: increased exposure to equities (especially US and emerging zone) and to convertibles with protection against market volatility



Source : Edmond de Rothschild Investment Managers. Average allocation per quarter at 31/12/2009.

Long only fund of funds management: *Performance in 2009*

	2009 Performance (at 31/12/2009)	1 year volatility	Europformance ranking
Multigest Rendement Benchmark index: TEC 10	11.17% 3.70%	3.11% 0.02%	1st decile
Multigest Patrimoine Benchmark index: 50% MSCI World + 50% Euro MTS 3-5 ans	17.39% 14.77%	7.46% 9.2%	2nd decile
Multigest Réactif Monde C Benchmark index: 80% MSCI World + 20% Euro MTS 3-5 ans	21.18% 20.16%	10.90% 14.86%	3rd decile
MSCI World (Eur)	23.63%	18.66%	---
Euro MTS 3-5 years (Eur)	5.46%	2.30%	---

Europformance Rankings Multigest Rendement: Defensive profile category; Multigest Patrimoine : Prudent profile category ; Multigest Réactif Monde : Balanced profile category

*Source: Edmond de Rothschild Investment Managers/Europformance. Performance data at 31/12/2009, volatility calculated on 30/12/2009 on a weekly basis. Performance shown is net of management charges. Figures refer to previous years
Past performance and volatility is not a reliable indicator of future performance and volatility.*

Long only fund of funds management: *Asset allocation strategy for 2010*

Focus on:

- Fixed income markets through corporate and emerging market debts
- Very cautious stance on government bonds in developed countries
- Effort to balance defensive themes (convertible bonds) and dynamic approaches (small/mid caps)
- Options to hedge equity allocation against any surge in volatility

Fund of hedge funds management

2009: rapid return to normal conditions after an unprecedented hedge fund crisis

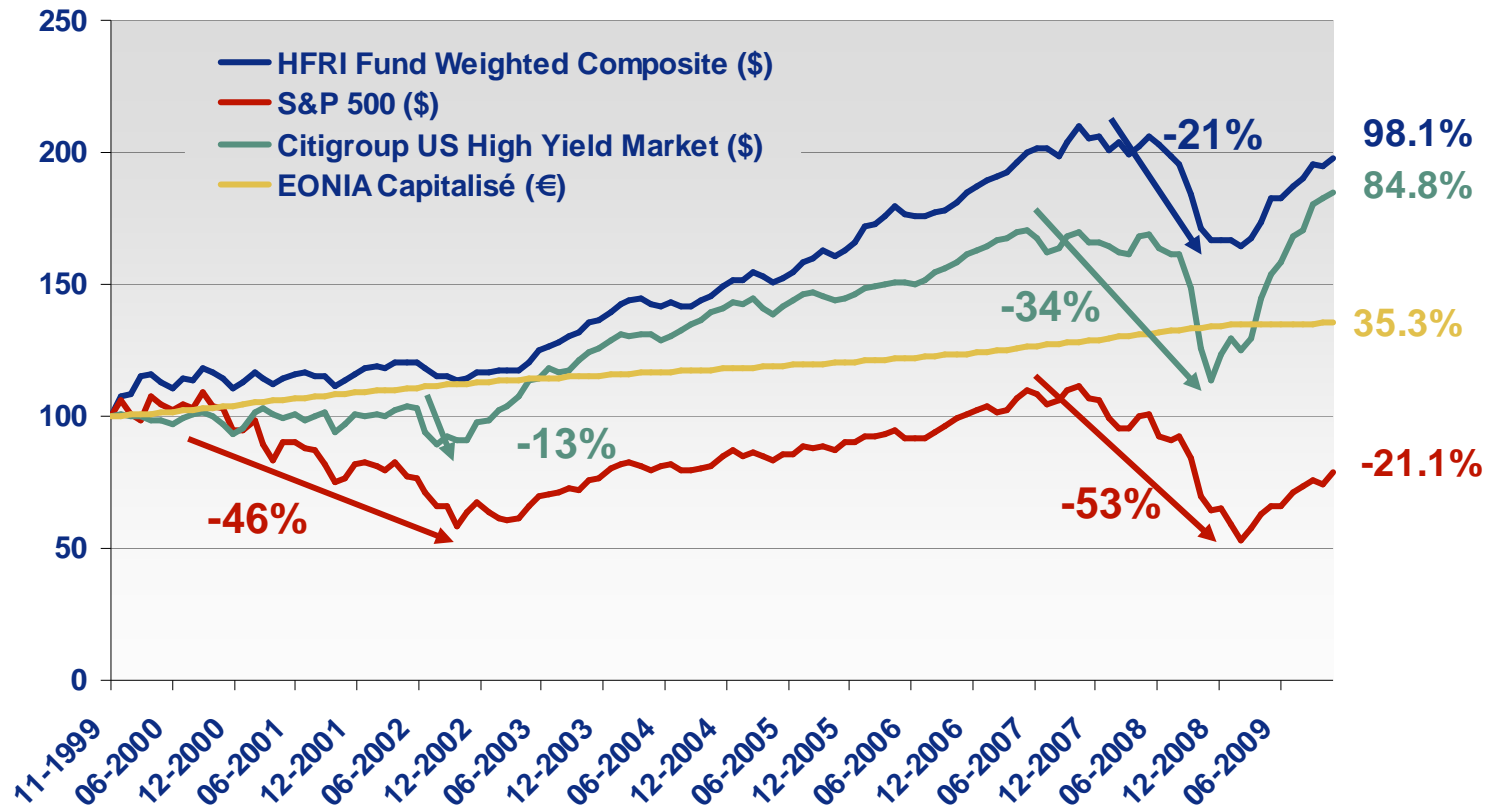
HFR indices: performance by strategy since inception (1990)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	YTD 2009*	
Directionnels	HFRI Macro	12,6%	46,7%	27,2%	53,3%	-4,3%	29,3%	9,3%	18,8%	6,2%	17,6%	2,0%	6,9%	7,4%	21,4%	4,6%	6,8%	8,2%	11,1%	4,8%	5,8%
	HFRI Systematic	13,5%	23,1%	7,7%	24,2%	3,5%	12,6%	13,5%	13,6%	24,8%	26,2%	11,8%	4,1%	-3,3%	15,4%	6,4%	14,4%	16,8%	10,3%	18,1%	1,1%
Long Short Actions	HFRI Emerging Markets	-3,4%	45,4%	24,4%	79,2%	3,4%	0,7%	27,1%	16,6%	-33,0%	55,9%	-10,7%	10,4%	3,7%	39,4%	18,4%	21,0%	24,3%	24,9%	-37,3%	38,0%
	HFRI Equity Hedge	14,4%	40,1%	21,3%	27,9%	2,6%	31,0%	21,8%	23,4%	16,0%	44,2%	9,1%	0,4%	-4,7%	20,5%	7,7%	10,6%	11,7%	10,5%	-26,7%	22,2%
	HFRI Equity Market Neutral	15,5%	15,6%	8,7%	11,1%	2,7%	16,3%	14,2%	13,6%	8,3%	7,1%	14,6%	6,7%	1,0%	2,4%	4,1%	6,2%	7,3%	5,3%	-5,9%	1,2%
	HFRI Short Bias	36,2%	-17,0%	10,0%	-7,5%	18,5%	-17,1%	-4,0%	3,9%	-0,5%	-24,4%	34,6%	9,0%	29,2%	-21,8%	-3,8%	7,3%	-2,6%	4,7%	28,4%	-20,1%
	HFRI Event-Driven	-0,5%	27,4%	19,5%	28,2%	6,0%	25,1%	24,8%	21,2%	1,7%	24,3%	6,7%	12,2%	-4,3%	25,3%	15,0%	7,3%	15,3%	6,6%	-21,8%	22,1%
Arbitrage / Multi strategies	HFRI Merger Arbitrage	0,4%	17,9%	7,9%	20,2%	8,9%	17,9%	16,6%	16,4%	7,2%	14,3%	18,0%	2,8%	-0,9%	7,5%	4,1%	6,2%	14,2%	7,1%	-5,4%	10,4%
	HFRI Distressed	6,4%	35,7%	25,2%	32,5%	3,8%	19,7%	20,8%	15,4%	-4,2%	16,9%	2,8%	13,3%	5,3%	29,6%	18,9%	8,3%	15,9%	5,1%	-25,2%	25,1%
	HFRI Relative Value	13,4%	14,1%	22,3%	27,1%	4,0%	15,7%	14,5%	15,9%	2,8%	14,7%	13,4%	8,9%	5,4%	9,7%	5,6%	6,0%	12,4%	8,9%	-18,0%	23,4%
	HFRI Convertible Arbitrage	2,2%	17,6%	16,3%	15,2%	-3,7%	19,9%	14,6%	12,7%	7,8%	14,4%	14,5%	13,4%	9,1%	9,9%	1,2%	-1,9%	12,2%	5,3%	-33,7%	55,8%
	HFRI Multi-Strategy	6,5%	27,4%	18,5%	16,7%	7,6%	12,4%	14,8%	11,9%	-2,0%	11,0%	3,4%	10,4%	6,5%	11,5%	8,2%	5,7%	9,0%	1,8%	-19,9%	22,1%

	below -15%		between +2% and +8%
	between -15% and -8%		between +8% and +15%
	between -8% and -2%		above 15%
	between -2% and +2%		

Source: Hedge Fund Research. Data in USD. * 2009 performance at 30/11/2009. To be coherent with the rest of the table, the colour code used for this column reflects annualised performance in 2009. Gains accruing to clients may be increased or reduced by exchange rate fluctuations. Figures refer to previous years. Past performance is not a reliable indicator of future returns. Performance indicators in the hedge fund universe which are given for information purposes may be biased (selection bias or survivorship bias) and thus may not exactly reflect the performance posted by all the funds in this universe.

Hedge funds : long term outperformance

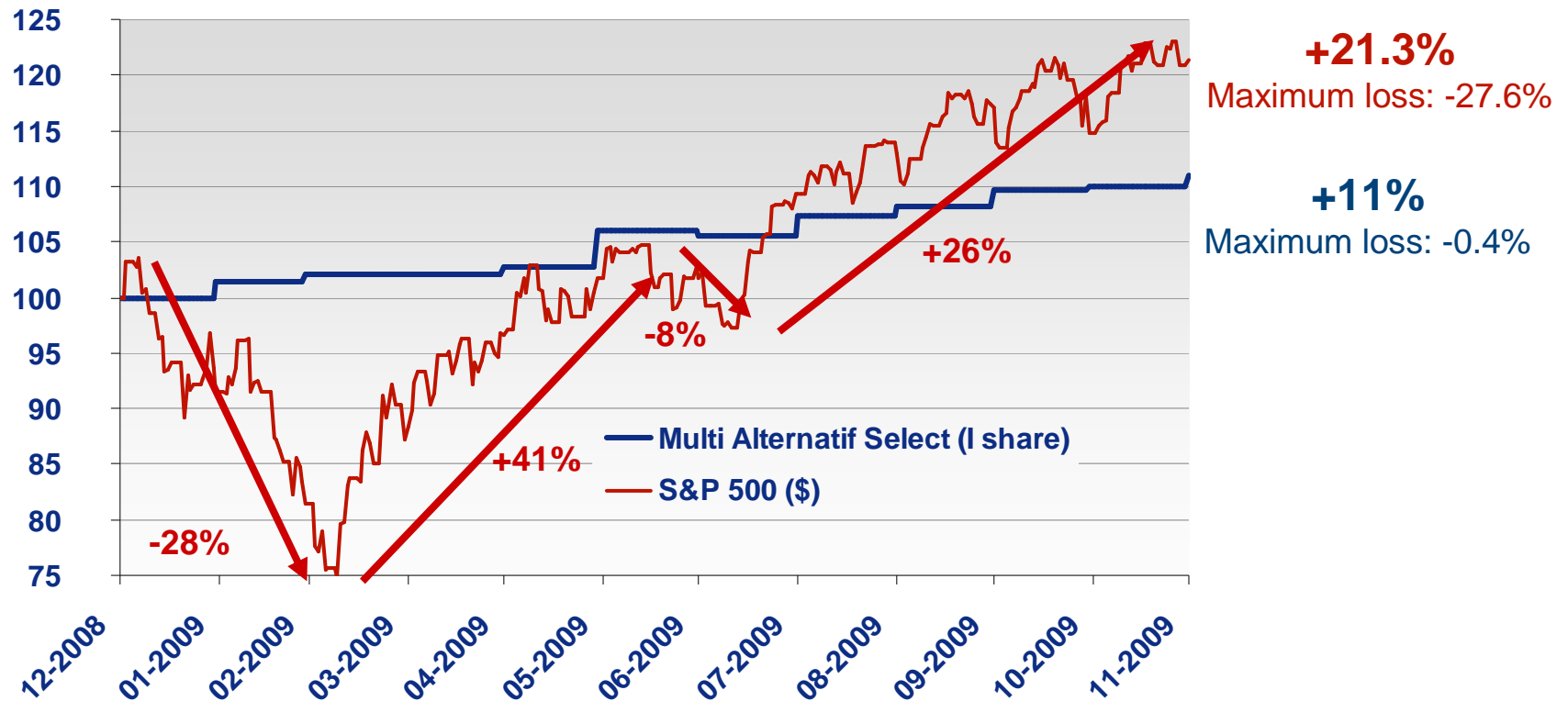


Hedge Funds outperforms traditional asset classes over the long term and confirms its ability to cushion downside

* Figures at 30/11/2009. Source : Bloomberg. Data in USD. Gains accruing to clients may be increased or reduced by exchange rate fluctuations. Performance shown is net of management charges. Figures refer to previous years. Past performance is not a reliable indicator of future returns. Performance indicators in the hedge fund universe which are given for information purposes may be biased (selection bias or survivorship bias) and thus may not exactly reflect the performance posted by all the funds in this universe.

2009: regular performance despite roller coaster markets

Multi Alternatif Select (fund of hedge funds, multi-strategies)
vs. S&P 500 since 31/12/2008



Multi Alternatif Select was launched on 21/03/2003. Figures at 30/11/2009. Source : Bloomberg. Data in EUR. Performance shown is net of management charges. Figures refer to previous years. Past performance is not a reliable indicator of future returns. The S&P 500 index, which represents the US equity market, is given for information purposes. Investors are reminded that the benchmark index for Multi Alternatif Select is the EONIA capitalised index

Industry has been cleaned up and better operating practice adopted

- Independent administrator : independent valuations and asset reconciliation
- Independent custodians and prudent management of cash and counterparty risk
- Conflicts of interest : closing down of any affiliated broker-dealers (eg: Moore)
- Improvement in liquidity and end to excessive lock ups
- Improved transparency
- Moves towards more regulation

*Trend towards institutionalisation continues.
Fund managers have met investor demands*

Move towards hedge fund segmentation based on their liquidity risk

- liquid

→ Illiquid strategies are now reserved to hedge funds with restrictive redemption conditions (a half way house to private equity).

→ Most hedge funds with monthly or quarterly redemption dates have adjusted their portfolios and put an end to excessive behaviour in illiquid strategies (activism, small caps...)

+ liquid

→ A new fund manager category is emerging in highly liquid strategies with daily or weekly dealing under the UCITS III format (coordinated funds)

Hedge fund industry has emerged from the liquidity crisis with a more transparent and segmented offer

Hedge funds and the UCITS format

Context:

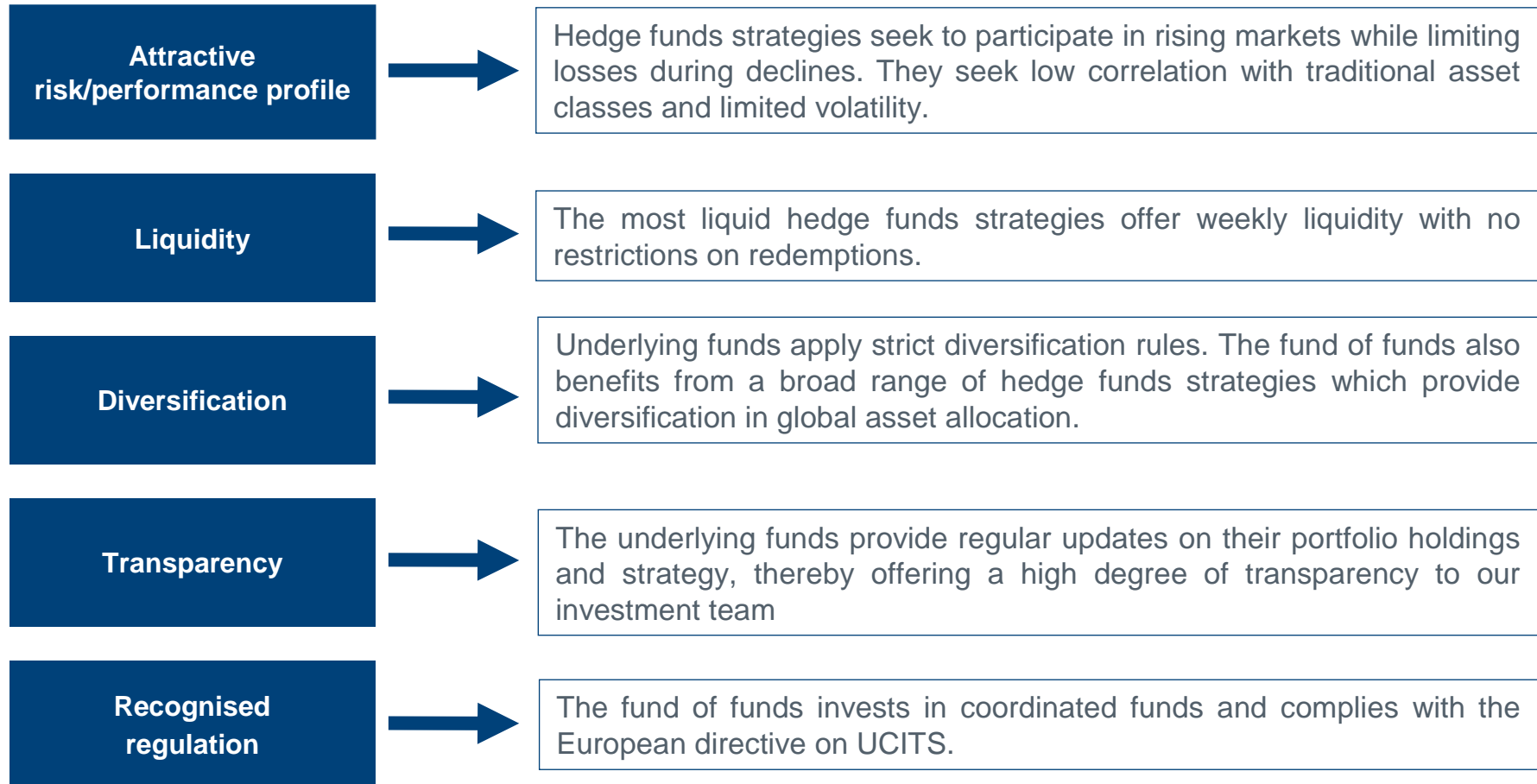
- Investors want more liquidity, simplicity and diversification.
- More and more hedge funds are launching onshore funds that comply with the European UCITS Directive.

Investment Universe:

- UCITS-compliant funds are very varied, ranging from long only management to replicated hedge funds management.
- Around 200 UCITS hedge funds funds so far identified by EdRIM Gestion, of which twenty eligible for investment
- UCITS universe exclusions: strategies which are highly concentrated and/or somewhat illiquid (eg distressed investments, direct financing etc)

Hedge fund industry is opening up to investors previously deterred by exclusively offshore hedge funds

A new opportunity: funds of UCITS III hedge funds



EdRIM Gestion, building on its experience as a hedge fund selector and manager of funds of hedge funds, wants to be part of this dynamic trend

Structured products

Structured products

Today's challenges

- **Security:** designing alternatives to euro fixed rate products
- **Returns:** generating returns in developed markets which are still convalescing
- **Opportunities:** finding secured vehicles to invest in emerging or volatile markets

Security:

Alternatives to euro funds

More and more of an issue in banking/insurance networks (solvency, interests of distributors)

Example:

- **Performance effect:** receive 70% of the DJ Eurostoxx 50 's gains after 8 years

- **Floor effect:** any negative reading is immediately replaced by 0.

- **Ratchet effect:** if average performance in a year is equal to or above +40%, investors receive at maturity the maximum between
 - 70% of the index's overall average performance (with no cap),
 - a fixed gain of 40%.

- **Security:** Capital guaranteed at maturity in all cases

Returns:

Generating cash flow on developed market indices

Our Double Top range:

- A product family that distributes annual returns based on the year-end level of an equity index even when equity markets have suffered moderate declines.
- These products may be redeemed early if the index breaks through a pre-defined level. The capital is, however, at risk at maturity if the index falls significantly

Our expanding offer:

- **Memory effect** : recovering coupons that have not been paid out
- **One Touch effect** : the coupon is payable if the condition is met on one occasion in the year (not necessarily at year end)
Maximising chances of accruing coupons
- **Chrono effect** : The payable coupon is increased for each day that the market trades above a pre-defined level
To get rid of digital effects « yes / no »

Our range is always adapting and improving

Opportunities:

Safeguarding investments on volatile markets

Energy, commodities and emerging countries represent long term investment opportunities. **BUT** investors have short term constraints.

The following offers have been developed to meet specific client needs:

- **Early Exit :** As a solution to unexpected setbacks, the capital may be redeemed early if the underlying falls significantly in the first six months of the investment. This enables the investor to reallocate his capital.

- **Multiclick :** Multi management expertise and an 80% reloadable annual guarantee of the previous year's NAV. This takes exposure to underlying to a similar level to the initial level. This mechanism allows investors to benefit from market rises even after setbacks.

- **Currencies:** Short term guaranteed capital products indexed on emerging currencies

Our performance in 2009

Quantitative management

	Annual Performance	1 year volatility	Launch date
QUADRIM 4 I Low volatility absolute return fund	1.99 %	0.68%	14/05/2007
QUADRIM 8 I Flexible fund combining directional strategies and absolute return	---	---	07/12/2009

Funds of hedge funds

	Annual Performance	1 year volatility	Launch date
MULTI ALTERNATIF SELECT I Dynamic multi-style fund. Portfolio focused on our strongest convictions.	10.94 % ⁽¹⁾	4.92%	21/03/2003
MULTI ALTERNATIF EXPLORER M Thematic fund, energy and commodities in particular: energy, mines & metals, utilities and agriculture.	6.26 % ⁽¹⁾	4.68%	14/09/2004
MULTI ALTERNATIF EQUILIBRE USD I Defensive multi style fund. Allocation balanced between directional and non-directional strategies	14.06 % ⁽¹⁾	6.39%	12/10/2005
MULTI ALTERNATIF ARBITRAGE I Predominantly non-directional arbitrage fund. Largely non-cyclical arbitrage strategies	12.44 % ⁽¹⁾	5.83%	28/12/2007
MULTI ALTERNATIF EMERGING WORLD I Emerging market fund. Main strategies : Long Short, Global Macro, Event Driven, Multi strategies.	7.94 % ⁽¹⁾	5.29%	31/07/2008
MULTI ALTERNATIF EQUITY I Predominantly European equity fund. Main strategies : Long Short, Event Driven, Equity Multi strategies..	5.80 % ⁽¹⁾	3.84%	18/12/2006

Source : Edmond de Rothschild Investment Managers. Data at 31/12/2009. Volatility calculated weekly (Europereformance) for quantitative management funds and monthly for funds of hedge funds. Performance shown is net of management fees. Figures refer to full years . Past performance is not a reliable indicator of future returns . (1) Estimated valuation at 31/12/2009

Our performance in 2009

Fixed income and credit

	Annual Performance	1 year volatility	Launch date
SAINT-HONORE SIGNATURES COURT TERME C Short term credit fund	9.15 %	1.58%	07/01/1999
SAINT-HONORE SIGNATURES C Investment Grade credit fund	15.89 %	2.83%	24/06/1982
SAINT-HONORE SIGNATURES PLUS C High Yield credit fund	46.74 %	10.25%	14/02/1997
SAINT-HONORE BOND ALLOCATION C Multi strategy bond fund	11.90 %	3.45%	30/12/2004
MILLESIMA 2015 C Fixed maturity credit fund	---	---	14/09/2009

Long only funds of funds

	Annual Performance	1 year volatility	Launch date
MULTIGEST RENDEMENT C Equity exposure 5%-35% - Managers picked for their ability to generate regular performance.	11.17 %	3.11%	15/11/2000
MULTIGEST PATRIMOINE Equity exposure 25%-75% - Benefit from equity market upside while protecting the capital against downside	17.39 %	7.46%	15/11/2000
MULTIGEST REACTIF MONDE C Equity exposure 60%-100% - Dynamic and opportunistic management with bold bets	21.18 %	10.90%	15/11/2000
MULTIGEST AMERIQUE USD I Equity exposure 60%-100% - Ideal way to benefit from the variety of strategies and investment styles in US funds	25.48 %	16.49%	10/11/2003
MULTIGEST SELECTION CREDIT I Credit exposure 60%-100% - Bond fund seeking to gain from discounts on the corporate bond market	---	---	16/01/2009
GEO-ENERGIES I Equity exposure 60%-100% - Top specialists in commodities, energy and natural resources	38.14 %	23.12%	20/12/2004
MULTIGEST EMERGENTS I Equity exposure 60%-100% - Top specialists in buoyant emerging markets and themes/sectors that most benefit .	62.51 %	19.68%	18/12/2007

Source : Edmond de Rothschild Investment Managers. Data at 31/12/2009. Volatility calculated weekly (Europerformance). Performance shown is net of management fees. Figures refer to full years. Past performance is not a reliable indicator of future returns. (†) Estimated valuation at 31/12/2009

Appendices

Investment Strategy 2010



EDMOND DE ROTHSCHILD
INVESTMENT MANAGERS

6 areas of expertise

Investment Strategy 2010



EDMOND DE ROTHSCHILD
INVESTMENT MANAGERS

Asset structuring and structured management

Structured products: an asset class in its own right

- A complement to traditional asset classes
- Dual benefits: preserving private or institutional wealth while benefiting from attractive upside potential

Innovative tailored investment solutions

- Expertise in asset structuring that builds on innovation and seeks sustainable performance.
- Numerous underlyings available: traditional funds, hedge funds, market indices, equity baskets, commodities

A multi-layered offer

- EMTN structuring.
- Formula funds or funds managed as portfolio insurance
- Possible structuring of dynamic investment universes: allocation decided or managed by our partners or clients.

Fixed income and credit management

Efficiency in three different markets

- Money markets.
- Government bonds
- Corporate bonds

In-depth grasp of the investment universe

- Active in all yield curve compartments with analytical expertise of a broad spectrum of issuers on credit markets.
- Dual analyst/fund manager competence from each team member ensures a deeper understanding of the investment universe

Unparalleled conviction management

- A robust investment process based on stock picking
- In-depth analysis of issuer balance sheets and operational risk.
- The ability to anticipate so as to assess issuer quality over and beyond simple rating criteria

Asset allocation and quantitative management

Investment management that blends convictions and modelling techniques

- Active, discretionary management that leaves the manager free to adapt the portfolio to his market vision and to changes in the investment environment.
- Numerous quantitative decision-making tools developed in partnership with the research and development team allow markets to be analysed in depth.

An approach based on triple diversification

- Asset classes
- Strategies.
- Geographical zones

Liquidity and reactivity are central to our investment process

Investing essentially with derivatives for:

- Pure, transparent strategies that respect the fund managers' convictions.
- Enhanced reactivity linked to the liquidity of the chosen instruments.

Long only fund of funds management

Privileged access to specialists in each market segment

- Permanent access to cutting edge investment techniques and to the most talented investment teams.
- No strong constraints on amount of capital to be invested.

An investment process based on two sources of added value

- Asset allocation
- Fund manager selection

Both sources are implemented by an experienced investment team with complementary profiles.

An offer that embraces all asset classes and investment styles

- Funds of diversified funds range
- Funds of thematic funds: Credit, Emerging countries, Energy and Commodities , North American equities, *PEA* (French equity savings scheme).

Fund of hedge funds management

Selecting and combining the best talent in the hedge funds universe

Investment philosophy based on:

- Selecting funds with a strong track record of absolute performance in all market environments thanks to their flexible and talented managers.
- Eliminating risky funds through rigorous due diligence which identifies both financial and operational risk.
- Establishing a long term partnership with the managers selected. This ensures privileged access to information and allows us to invest in funds that are often closed to new subscriptions.

Edmond de Rothschild: a trail-blazing group

- 1969: first fund of hedge funds launched
- More than 100 professionals dedicated to fund of hedge funds management in Paris, London and Geneva and EUR 8bn under management.

A fund range with different investment profiles

- Funds of hedge funds multi strategy (diversified or opportunistic).
- Funds of Specialised hedge funds: Relative Value Arbitrage, Energy and Natural Resources, Equity Strategies, Emerging countries, Trading.

Hedge funds management

Access to hedge funds management in a regulated environment

- Investing within the AMF's regulatory framework without impeding potential performance.
- An investment solution to complement our institutional offer.

Seeking undervaluation within the European universe

- Aiming at positive performance with controlled volatility in all market configurations
- Freedom to invest in 3 major asset classes: equities, volatility, credit.

A multi strategy approach harnessing three types of expertise

- Macro expertise from the asset allocation and quantitative management division
- The recognised quality of our Event Driven management
- Our proven expertise in credit.

Our investment offer

Fixed income and credit management

RFS Monétrezor	Mod. Duration: :[0 – 0.25]	Eonia	Invests exclusively in government bonds with maturities of less than 3 months
Saint-Honoré Sécurité	Mod. Duration: :[0 – 0.25]	Eonia	Invests in public and private debt with maturities of less than 3 months and a minimum A1 rating
Saint-Honoré Monécourt	Mod. Duration: : [0 – 0.25]	Eonia	Invests in public and private debt with maturities of less than 3 months and a minimum A3 rating
Saint-Honoré Capital	Mod. Duration: : [1 - 8]	Bar. Cap. € Agg. Tres. 5-7	Invests essentially in European government debt with sensitivity between 1 and 8
Saint-Honoré Obligations LT	Mod. Duration: : [5-20]	Bar. Cap. € Agg. Tres. 10+	Invests essentially in European government debt with sensitivity between 5 and 20
Saint-Honoré International Bonds	Mod. Duration: : [0 - 8]	JPM Gov Bond in €	Invests in OECD countries and benefits from strong currency moves against the euro
Saint-Honoré Signatures CT	Mod. Duration: : [0 ; 3]	Eonia	Invests in euro-denominated short term investment grade corporate issues
Saint-Honoré Signatures	Mod. Duration: : [0 ; 8]	Bar. Cap. € Agg. Corp	Invests in euro-denominated investment grade corporate issues of all maturities
Saint-Honoré Signatures Plus	Mod. Duration: : [0 ; 8]	ML € HY cons. excl Sub.	Invests essentially in euro-denominated high yield corporate issues
Saint-Honoré Bond Allocation	Mod. Duration: : [-2 ; 8]	50% Bar Cap € Agg Corp + 50 % Bar Cap € Agg Tres	Dynamic and opportunistic management across all fixed income and credit markets
Saint-Honoré Emerging Bonds	Mod. Duration: : [1 ;12]	JPM € EMBI Global Index	Invests in government and corporate emerging market debt

Our investment offer

Asset allocation and quantitative management

QUADRIM 4*	Volatility : [0 ; 4]	Eonia	All purpose investment vehicle seeking positive returns with controlled volatility
QUADRIM 8	Volatility : [0 ; 8]	-	All purpose investment vehicle seeking 6% annualised returns with annual volatility capped at 8%

Hedge Fund management

RFS Active Strategies	Average vol: 7%/year	-	Multi strategy hedge fund seeking 8-10% returns pa with Global Macro, Credit and Event Driven strategies
-----------------------	----------------------	---	--

*formerly RFS QUAD 4

Our investment offer

Diversified multi management

Defensive portfolio Investment horizon > 2 years	Multigest Rendement	Equities: 5%-35%	Cautious managers picked for their ability to generate regular performance.
Balanced portfolio Investment horizon > 3 years	Multigest Patrimoine	Equities: 25%-75%	Benefit from equity market upside while protecting the capital against downside
Dynamic portfolio Investment horizon > 2 years	Multigest Réactif Monde	Equities: 60%-100%	Dynamic and opportunistic management with bold bets for long term performance

Thematic multi management

portfolio «PEA eligible», Investment horizon > 5 years	Multigest PEA	Equities: 60%-100%	Diversified European stock portfolio
US equity portfolio Investment horizon > 5 years	Multigest Amérique USD	Equities: 60%-100%	Ideal way to benefit from the variety of strategies and investment styles in US funds
Emerging equity portfolio Investment horizon > 5 years	Multigest Emergents	Equities: 60%-100%	Access to top specialists in buoyant emerging markets and themes/sectors that most benefit
Commodities equity portfolio Investment horizon > 5 years	Géo-Energies	Equities: 60%-100%	Fund aiming to capture the long term performance of the natural resources cycle
Bonds funds portfolio Investment horizon > 3 years	Multigest Sélection Crédit	Bonds: 60%-100%	Fund aiming to capture the investment opportunities on fixed income and credit markets

Our investment offer

Multi strategies Funds of hedge funds

Balanced management	Multi Alternatif Equilibre Dollar/Euro	N° underlyings: around 30	Defensive multi style fund. Balanced allocation between non-directional and directional strategies
Opportunistic management	Multi Alternatif Select	N° underlyings: around 25	Dynamic multi style fund. Portfolio focused on our strongest convictions

Thematic Funds of hedge funds

Natural resources fund	Multi Alternatif Explorer M	N° underlyings: around 25	Energy and commodities fund. Seeks to gain from rises in: energy, mines & metals, utilities and agriculture.
Emerging fund	Multi Alternatif Emerging World	N° underlyings: around 25	Emerging markets fund. Main strategies: Long Short, Global Macro, Event Driven, Debt, Multi strategies.
Equity fund	Multi Alternatif Equity	N° underlyings: around 20	Predominantly European equity strategies. Main strategies : long short, event driven, Equity multi strategies
Trading fund	Multi Alternatif Trading	N° underlyings: around 30	Fund specialising in decorrelated strategies like: Global Macro, CTA, Commodity Trading, Equity Trading, Volatility Trading
Arbitrage fund	Multi Alternatif Arbitrage	N° underlyings: around 25	Predominantly non-directional arbitrage fund. Largely non-cyclical arbitrage strategies

Disclaimer

Edmond de Rothschild Investment Managers is the trade mark for the overall entity which comprises EdRIM Solutions and its asset management subsidiary EdRIM Gestion

Figures refer to previous years. Past performance, volatility, statistics and rankings are not a reliable indicator of future performance, volatility, statistics and rankings. Performance given is net of management charges. Performance indicated may differ from that described in Part B: calculations were not based on completed financial years.

This non-binding document is for information purposes. The data, comments and analysis in this bulletin reflect the opinion of EdRIM Gestion with respect to the markets and their trends, their regulation and tax treatment, on the basis of its own expertise, economic analysis and information currently known to it. They shall not under any circumstances be construed as comprising any sort of undertaking or guarantee whatsoever on the part of EdRIM Gestion.

The investment service is provided by EdRIM Gestion, an AMF-approved asset management company.

All potential investors should consult their service provider or advisor and exercise their own judgement independently of the Edmond de Rothschild Group on the risks inherent to each investment and its suitability to their own personal and financial circumstances. To this end, investors must acquaint themselves with the simplified prospectus for each fund which is approved by the French market authority (AMF), provided before any subscription and available at www.edrim.fr or from the head office of EdRIM Gestion. In compliance with article 314-76 of the AMF's general regulations, clients may request details on the remuneration associated with the marketing of the products herein. Data in this document is not binding nor has it been certified by the auditors. This document is for information only and is non-binding. Edmond de Rothschild Investment Managers shall in no way be held responsible for any decision based on this information. Funds of hedge funds of the French *ARIA 3* type are not subject to the same rules as UCITS that are open to all investors and may as a result be riskier. Only persons mentioned under the section "subscribers concerned" in the simplified prospectus may subscribe to shares in these funds. The subscription to, or acquisition of, shares in these funds either directly or through any third party, is reserved to investors listed in article 413-2 in the General Regulations of the French Financial Markets Authority (AMF). When subscribing for the first time, investors must state in writing that they have been duly forewarned.

Performance indicators in the hedge fund universe which are given for information purposes only may be biased (selection bias or survivorship bias) and thus may not exactly reflect the performance posted by all the funds in this universe.

EdRIM Gestion

47 rue du Faubourg Saint-Honoré – 75401 Paris Cedex 08

Tel: +33 (0)1 40 17 25 25 – Fax +33 (0)1 40 17 23 67

SAS à Directoire et Conseil de Surveillance au capital de 3.000.000 Euros

437 715 758 R.C.S. Paris - N° TVA FR86437715758

E-mail : EDRIM_Information@lcf.fr - www.edrim.fr