

LYXOR UCITS ETF EASTERN EUROPE (CENTREUR)

**rapport
annuel**

FONDS COMMUN DE PLACEMENT - FCP DE DROIT FRANÇAIS

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Management company	LYXOR INTERNATIONAL ASSET MANAGEMENT 17, cours Valmy – 92987 Paris La Défense Cedex.
Depository and Custodian	SOCIÉTÉ GÉNÉRALE 75886 Paris Cedex 18.
Underwriters	SOCIÉTÉ GÉNÉRALE 75886 Paris Cedex 18.
Auditors	PRICEWATERHOUSE COOPERS Audit 63, rue de Villiers - 92208 Neuilly-sur-Seine Cedex.

INFORMATION ON THE INVESTMENTS AND MANAGEMENT

Classification: Equities from countries of the European Community.

At least 60% of the MF is continuously exposed in one or several markets of equities issued in one or several European Union countries including any Euro zone markets.

The MF is index-based, of the UCITS ETF type.

Income determination and allocation terms:

UNITS C-EUR: Capitalisation of all the amounts available for distribution.

UNITS USD: The management company reserves the right to capitalise and/or distribute all or part of the amounts available for distribution, one or more times each year.

Management objective: The MF's management objective is to reproduce the evolution of the CECE EUR Net Total Return Index (see hereafter "Benchmark Indicator" section), whatever its evolution, while insofar as possible minimizing the tracking error between the MF's performances and those of the CECE EUR Net Total Return index.

The anticipated level of the ex-post tracking error under normal market conditions is 0.15%.

Benchmark indicator: The benchmark indicator is the CECE EUR Net Total Return Index (net dividends reinvested), listed in Euros (the "Benchmark Indicator").

The Benchmark Indicator is an index based on the weighting of each security according to market capitalisations.

This Benchmark Indicator is made up of equities selected from the indices negotiated for Eastern Europe, established and calculated by the Vienna Stock Exchange (Wiener Börse AG), i.e. currently 3 national indices: the Hungarian index (Hungarian Traded Index), the Czech index (Czech Traded Index) and the Polish index (Polish Traded Index). The Vienna Stock Exchange calculates one index in US dollars and one index in Euros. The objective of these indices is to reflect the performance of the largest market capitalisations in Eastern Europe. The Vienna Stock Exchange calculates and publishes the prices of these indices in real time. It owns all of the rights to these indices.

The monitored performance is that of the Benchmark Indicator closing prices.

An exhaustive description and the complete methodology for the construction of the Benchmark Indicator as well as information on the composition and relative weights of the Benchmark Indicator's components will be available at: <http://en.indices.cc/indices/details/ntec/composition/>

The Benchmark Indicator is calculated continuously throughout the trading day, from 9:00 am to 5:00 pm CET, using the Laspeyres formula in accordance with the Vienna stock exchange's methodology.

Calculation of the opening price, closing price and exchange rate:

The Benchmark Indicator's opening price is calculated daily at 9:00 am CET using the previous day's closing prices of the index components (prices published by Reuters). The euro exchange rates against the Hungarian forint, the Polish zloty and the Czech crown are published by Reuters and received by the Vienna stock exchange at 9:00 am CET.

The Benchmark Indicator's closing price is calculated daily at 5:00 pm CET, from the most recent available prices and the euro exchange rates against the Hungarian forint, Polish zloty and Czech crown, published by Reuters and received by the Vienna stock exchange at 5:00 pm CET. Equity prices sent after 5:00 pm CET are not used to calculate the following day's price.

The equity prices used to calculate the Benchmark Indicator are provided by the local stock exchanges and forwarded by Reuters to the Vienna stock exchange. The local stock exchanges are the Prague stock exchange for the Czech index, the Budapest stock exchange for the Hungarian index and the Warsaw stock exchange for the Polish index.

If equity trading is temporarily suspended by a local exchange, the most recent price that Reuters forwarded to the Vienna stock exchange is used to calculate the Benchmark Indicator. If no new price is calculated or forwarded by Reuters to the Vienna stock exchange on a given trading day, the most recent price received will be used to calculate the Benchmark Indicator.

The exchange rate used on a given trading day is the most recent rate quoted in the market and is the median rate between the bid and ask prices quoted simultaneously on the market and published by Reuters.

The Vienna stock exchange updates the exchange rates every two minutes. If no updated exchange rates are available it uses the most recent available rate to calculate the level of the Benchmark Indicator.

The Benchmark Indicator is quoted every trading day on the local stock exchange (Prague, Budapest and Warsaw stock exchanges). If an exchange is closed, the Benchmark Indicator is calculated using the rate on the open exchanges and the closing prices for the previous day and the current exchange rate for the closed index.

Information on the methodology used to calculate the Benchmark Indicator is available at:

<http://en.indices.cc/download/rules/>

Benchmark Indicator publication

Real-time Benchmark Indicator values are available via Reuters and Bloomberg.

Reuters code: .CECENTRE

Bloomberg code: CECENTRE

The Vienna Stock Exchange is responsible for calculating and disseminating the Benchmark Indicator. It is published from 9:00 am to 5:00 pm (Paris time).

Benchmark Indicator revisions

If an equity no longer meets the Benchmark Indicator selection criteria at the rebalancing date it is withdrawn from the Benchmark Indicator.

The Benchmark Indicator is rebalanced quarterly by the Benchmark Indicator committee, which is composed of representatives of the Vienna Stock Exchange, the OTOB (derivatives market), financial institutions that market products derived from the Benchmark Indicator, market experts, and members of the local exchanges.

The rebalancing frequency indicated above does not affect the cost of implementing the Investment Strategy.

The Vienna Stock Exchange's rules for index rebalancing and review are available at: <http://en.indices.cc/>.

Investment strategy:

1. Strategy employed

The MF will comply with the investment rules dictated by the European Directive no. 2009/65/EC dated 13 July 2009.

In pursuit of the greatest possible correlation with the performance of the Benchmark Indicator, the MF will be exposed to the Benchmark Indicator through an indirect replication method which means that the MF will have recourse to (i) the purchase of a basket of balance sheet assets (as defined below) and notably international equities, and (ii) a forward swap contract traded over-the-counter that will allow the MF to reach its management objective by transforming the exposure to its balance sheet assets into an exposure to the Benchmark Indicator.

The equities in the MF's assets will notably be equities that make up the Benchmark Indicator, as well as other international and Euro zone equities, from all economic sectors, listed on all markets, including the small capitalisation markets.

The aforementioned equities will be chosen on the basis of criteria:

- Of eligibility, in particular:
 - o Subordination to the main market indices or to the Benchmark Indicator,
 - o Liquidity (minimal thresholds applied to mean daily volumes of transactions and to the equity market capitalisation),
 - o Rating of the country of the issuer's head office (requirement of a minimal threshold in S&P rating or equivalent),
- Of diversification, in particular:
 - o Issuer (application of ratios applicable to the eligible assets of an UCITS, as specified in Art. R214-21 of the [French] Monetary and Financial Code),
 - o Geographical area,
 - o Sector.

The equities basket held may be adjusted on a daily basis so that its value be higher or equal to 100% of the net assets in most cases. Where necessary, the aim of this adjustment will be that the market value of future exchange contract described hereinafter be lower or equal to nil, what will lead to the neutralisation of the counterparty risk resulting from the exchange contract.

For more information on the abovementioned eligibility and diversification criteria, in particular the list of the eligible indices, investors can visit the following Internet site: www.lyxoretf.com.

Information relative to (i) the updated composition of the basket of the balance sheet assets held in the MF's portfolio and (ii) the market value of the future exchange operation entered into by the MF are available on the page dedicated to the MF on the Internet site www.lyxoretf.com. The update frequency and/or the update date of the aforesaid information is also indicated on the same page of the aforesaid Internet site.

As part of the management of its exposure, the MF may be exposed to the equities and debt securities of a single issuing entity, for up to 20% of its assets. This 20% limit will be checked on each rebalancing date of the Benchmark Indicator, in application of the Benchmark Indicator's calculation method that limits the exposure to each of components to 20%, and for which the calculation is carried out by the sponsor or the calculation agent of the Benchmark Indicator. This 20% limit can be increased to 35% for a single issuing entity, when this can be justified by exceptional market conditions, notably when certain securities have dominant positions and/or in case of strong volatility of a financial instrument or of the securities related to an economic sector represented within the Benchmark Indicator. This could notably be the case in the event of a public offering that affects one of the securities comprising the Benchmark Indicator, or in case of a significant restriction of liquidity that affects one or more financial instruments included within the composition of the Benchmark Indicator.

2. Balance sheet assets (excluding integrated derivatives)

The MF may hold, in compliance with the ratios contained in the regulation, international equities (from all economic sectors, listed on all markets).

The investment on Undertaking for Collective Investment in Transferable Securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the net assets of the MF. As part of these investments, the MF can subscribe to units or equities of UCITS by the management company, or a company with which it is linked. The manager will not invest in units or equities of AIF mentioned in article R214-13 of the [French] Monetary and Financial Code.

As part of the future optimisation of the MF's management, the manager reserves the right to use other instruments within the limits of the regulations in order to achieve the management objective.

3. Off-balance sheet assets (derivative instruments)

The MF will have recourse to index-linked swaps traded over-the-counter, exchanging the value of the equities in the MF's asset (or of any other financial instrument or asset held by the MF, where appropriate) against the value of the Benchmark Indicator.

As part of a future optimisation of the MF management, the manager reserves the right to use other instruments within the limits of the regulations, such as to reach the management objective, for example including future financial instruments other than index-linked swaps.

In compliance with its best execution policy, the management company considers that the Société Générale is the counterparty that generally makes it possible to obtain the best possible result with these future financial instruments. These future financial instruments (including index-linked swaps) can therefore be traded with the Société Générale, without prior open competition involving several counterparties.

The counterparty of the aforesaid future financial instruments (the "Counterparty") will have no discretionary power regarding the composition of the MF's investment portfolio, nor regarding the underlying assets of the future financial instruments.

4. Securities with integrated derivatives

None.

5. Deposits

Up to a maximum of 20% of its net assets, the MF can have recourse to deposits with credit institutions belonging to the same group as the depositary in order to optimise its cash management.

6. Cash borrowings

Up to a maximum of 10% of its net assets, the MF may temporarily have recourse to borrowings.

7. Temporary securities acquisition and sale operations

None. The manager will not have recourse to temporary securities acquisition and/or sale operations.

8. Financial guarantees

None. No financial guarantee will be granted/received by the MF within the framework of the implementation of its management objective.

Risk profile: The bearer's money will primarily be invested in financial instruments selected by the management company. These instruments will be subject to the vagaries of the markets.

Through the MF, the bearer is primarily exposed to the following risks:

Equity risk

An equity price can vary upward or downward, and it notably reflects the changing risks related to the issuing company or the economic situation of the corresponding market.

The equity markets are more volatile than the rate markets, in which it is possible, over a given period and with equal macroeconomic conditions, to estimate the incomes.

Capital loss risk

The invested capital is not guaranteed. The investor consequently runs the risk of capital loss. The entire or part of the invested amount may not be recovered, notably should the performance of the Benchmark Indicator be negative over the investment period.

Liquidity risk (primary market)

If, when the MF (or one of its counterparties for future financial instrument (“FFI”)) adjust its exposure, the markets related to this exposure are then limited, closed or subject to significant purchase / sale price discrepancies, the value and/or liquidity of the MF could be negatively affected. Should low volumes of exchanges result in an inability to carry out transactions linked to the replication of the Benchmark Indicator, this can also have consequences on the processes related to the subscription, conversion or redemption of units.

Liquidity risk on a place of listing

The MF’s equity price can deviate from its indicative net asset value. The liquidity of the MF’s units or equities on a place of listing can be affected by any suspension, that could notably be due to:

- i) Suspension or stoppage of the calculation of the Benchmark Indicator, and/or
- ii) Suspension of the market(s) of the underlyings used by the Benchmark Indicator, and/or
- iii) The impossibility for a given place of listing to obtain or calculate the MF’s indicative net asset value, and/or
- iv) A market maker’s violation of the rules applicable to this marketplace, and/or
- v) A failure of this marketplace’s IT or electronic systems.

Counterparty risk

The MF is exposed to the risk of bankruptcy, payment default or any other type of default of any counterparty with which it has entered into a contract or transaction. It is particularly exposed to the counterparty risk resulting from its use of future financial instrument (“FFI”) traded over-the-counter with Société Générale or with any other counterparty. In compliance with the UCITS regulations, the counterparty risk (whether this counterparty is the Société Générale or any other entity) cannot exceed 10% of the total value of the MF’s assets per counterparty.

In case of a Counterparty’s default, the contract relating to FFIs can be terminated early. The MF will then make every effort to achieve its management objective by signing, if relevant, another contract relating to FFIs with a third party counterparty, under the market conditions prevailing at the time of the occurrence of this event.

The realisation of this risk can notably have impacts on the MF’s ability to achieve its management objective, in particular the replication of the Benchmark Indicator.

When Société Générale is involved as a counterparty of the FFIs, conflicts of interest can arise between the MF’s Management Company and the FFI’s counterparty. The Management Company manages these conflict of interest risks by setting up procedures intended to identify and limit them, and to ensure their equitable resolution, if relevant.

Risk related to the exposure to Emerging markets

The MF’s exposure to emerging markets results in a greater risk of loss that would exist in the event of investments carried out within traditional developed markets. In particular, the operating and supervision rules in an emerging market may differ from the standards applicable to developed markets. The exposure to emerging markets notably results in: increased volatility of the markets, lower transaction volumes, the risk of economic and/or political instability, an unstable or uncertain fiscal and/or regulatory regime, risks of closing of the markets, of government restrictions on foreign investments, and interruption or restriction of the convertibility or transferability of any of the currencies comprising the Benchmark index.

Risk that the management objective may only be partially reached

Nothing guarantees that the management objective will be reached. Indeed, no asset or financial instrument will allow an automatic and continuous replication of the Benchmark Indicator, notably should one or more of the following risks arise:

- Risk related to the use of derivative instruments

In order to achieve its investment objective, the MF uses future financial instrument (“FFI”) traded over-the-counter, that can notably take the form of swap contracts that will allow it to obtain the performance of the Benchmark Indicator. These FFIs can result in a series of risks on the level of the FFIs that notably include: counterparty risk, event affecting the hedging, event affecting the Benchmark Indicator, risk related to the tax regime, risk related to the regulations, operational risk and liquidity risk.

These risks can directly affect a FFI and can result in the adjustment or early termination of the FFI transaction, which could affect the MF's net asset value.

- Risk related to a change of the tax regime

Any change to the tax legislation in any of the countries in which the MF is established, authorised for marketing or listed can affect the tax treatment of investors. In this case, the MF's manager assumes no liability relative to investors with regard to the payments having to be made to any competent tax authority.

- Risk related to a change of the tax regime affecting the underlyings

Any change of the tax legislation applicable to the MF's underlyings can affect the MF's tax treatment. Consequently, in case of divergence between the anticipated tax treatment and the one actually applied to the MF (and/or to its counterparty in the FFI), the MF's net asset value may be affected.

- Risk related to regulations

In case of change of the regulations in any country in which the MF is established, authorised for marketing or listed, the processes for the subscription, conversion and redemption of units may be affected.

- Risk related to the regulations applicable to the underlyings

In case of change of the regulations applicable to the MF's underlyings, the MF's net asset value can be affected, as can the processes for the subscription, conversion and redemption of units.

- Risk related to events affecting the Benchmark Indicator

In case of events affecting the Benchmark Indicator, the manager may, under the conditions and limits of the applicable legislation, have to suspend the subscription and redemption of MF units. The calculation of the MF's net asset value can also be affected.

If the event persists, the MF's manager will decide on measures having to be adopted, which can have an impact on the MF's net asset value.

"Events affecting the Benchmark Indicator" are understood to mean the following situations:

- i) The Benchmark Indicator is considered to be incorrect or not reflective of the market's actual evolution,
- ii) The Benchmark Indicator is definitively discontinued by its supplier,
- iii) The supplier of the index is incapable of providing the level or value of the said Benchmark Indicator,
- iv) The supplier of the index makes a significant change to the formula or calculation method of the Benchmark Indicator (other than a minor modification such as the adjustment of the underlyings used with this index or of the respective weightings between its various components), that cannot be effectively replicated by the MF at a reasonable cost,
- v) One or more components of the Benchmark Indicator becomes non-liquid, with the listing being suspended on an organised market, or components traded over-the-counter (such as bonds, for example) become non-liquid,
- vi) The Benchmark Indicator's components are impacted by transaction fees relative to the execution, delivery versus payment or specific fiscal constraints, without these fees being reflected in the Benchmark Indicator's performance.

- Operational risk

In case of an operational failure within the management company or of one of its representatives, investors may incur delays in the processing of subscriptions, conversions and redemptions of the units, or other disturbances.

- Securities transaction risk

Should the issuer of a security underlying the index undertake an unanticipated review of a securities transaction ("ST"), that contradicts a prior and official announcement that had resulted in a valuation of the ST by the MF (and/or in a valuation of the ST by the MF's counterparty in a future financial instrument), the MF's net asset value may be affected, notably should the actual treatment of the ST by the MF differ from the ST's treatment in the methodology used by the Benchmark Indicator.

- Exchange risk linked to the Benchmark Indicator

The MF is exposed to an exchange risk to the extent that the underlying securities making up the Benchmark Indicator could be listed in a currency other than that of the Benchmark Indicator, or be derivatives of securities listed in a currency other than that of the Benchmark Indicator. Fluctuating exchange rates are then likely to negatively affect the Benchmark Indicator monitored by the MF.

Exchange risk linked to the USD unit class

The aforesaid unit class is exposed to an exchange risk given that it is listed in a currency other than that of the Benchmark Indicator. Consequently, the net asset value of the aforesaid unit class can decline despite an increase of the value of the Benchmark Indicator, as a result of exchange rate fluctuations.

Subscribers concerned and typical investor profile: The MF is open to any subscriber.

An investor subscribing to this MF wishes to obtain an exposure to the equity markets of Eastern Europe.

The amount that it is reasonable to invest in this MF depends on each investor's personal situation. To determine this amount, the investor must take into account his/her personal wealth and/or estate, cash requirements at the present and for five years, but also his/her desire to take risks or, on the contrary, to prefer a cautious investment. It is also highly recommended to sufficiently diversify one's investments so as to avoid an exposure only to this MF's risks.

Investors are therefore recommended to study their individual situations with their usual estate management advisers. The minimum recommended investment duration is greater than 3 years.

Indications on the tax regime: Investors should take note that the following information constitutes only a general summary of the tax regime applicable to an investment in a French MF, under the current French tax legislation. Investors are therefore requested to study their personal situations with their usual tax advisers.

France:

The MF can serve as the support for a life insurance contract listed in units of account.

1. On the level of the MF

In France, the co-ownership status of MFs means that they are automatically exempt from corporate tax; by nature, they therefore benefit from a certain degree of transparency. As such, the incomes collected and generated by the MF through its management are not taxable at the level of the MF itself.

Abroad (in countries in which the MF is invested), capital gains on the disposal of foreign transferable securities and foreign income received by the MF as part of its management may, if relevant, be subject to tax (generally in the form of a withholding tax). In certain limited cases, the foreign taxation can be reduced or cancelled in the presence of tax agreements that may be applicable.

2. On the level of the bearers of MF units

2.1 Bearers residing in France

The sums distributed by the MF to French residents as well as the capital gains or losses on transferable securities are subject to the applicable taxation.

Investors are invited to study their personal situations with their usual tax advisers.

2.2 Bearers not residing in France

Subject to any applicable tax agreements, the sums distributed by the MF may, in certain circumstances, be subject to a levy or withholding tax in France.

Moreover, the capital gains realised on the purchase/sale of the MF's units are generally tax exempt.

Bearers residing outside of France will be subject to the provisions of the tax legislation applicable in their country of residence.

For more details, the complete prospectus can be obtained by requesting it from the management company.

- *The net asset value is available from the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT. The UCITS complete prospectus and the latest annual and periodic documents are sent within one week of the bearer's written request, submitted to LYXOR INTERNATIONAL ASSET MANAGEMENT, 17, cours Valmy - 92800 Puteaux.*
- *Approval date by the AMF (French Financial Markets Authority): 8 July 2005.*
- *MF creation date: 21 July 2005.*

Activity report

The net asset value of the unit C-EUR of the LYXOR UCITS ETF EASTERN EUROPE (CECE NTR EUR) MF shows an evolution of -2.67%* over the fiscal year and stands at EUR 18.8978 on 31/10/2014, meaning a unit performance of 37.48% since inception.

The net asset value of the unit Class-USD shows an evolution of -10.30%* over the fiscal year and stands at USD 4.7443 on 31/10/2014, meaning a unit performance of 135.69% since inception.

The net asset value of the unit D-EUR, created during the fiscal year, shows an evolution of 5.81%* since the launch date (on 19/03/2014) and stands at EUR 103.9517 on 31/10/2014.

The fund replicates the performance of the CECENTRE index, listed in Euros (EUR), representative of Hungarian, Czech and Polish equity markets.

This index has shown an evolution in EUR of -2.28% over the fiscal year.

This gap between the annual performance of the UCITS and that of its Benchmark Index can be explained by the result of the various parameters listed below:

- The operating and management fees as well as the external management fees of the management company,
- The costs for accessing the local markets of the securities of the replicated indexing,
- The costs or gains related to the instruments used as part of the replication of the indexing.

Following a summary index-based management method, the replication of the index is ensured via an index-linked swap. This forward swap contract, traded over-the-counter using equities, bonds and other bond products and indices is used to transform the exposure to the securities in the MF's assets into an exposure to the CECENTRE index.

The fund's risk and yield profile has been classed as category 6 given its exposure to the Benchmark Index.

The parties agree to carry out a daily adjustment of the swap parameters, the objective of which is to reset its market value to zero, thereby cancelling the counterparty risk. The modification of the composition of the securities comprising the basket of assets must comply with the provisions defined for the modification of the basket's securities, agreed by the parties in compliance with the terms of the swap contract.

On 31/10/2014, the tracking error reached the level of 0.064% for the MF. The level of the target tracking error for the period was of 0.150%.

The discrepancy between the target tracking error and the actual tracking error was not significant which shows a compliance with the TE objective set at the beginning of the year.

The counterparty for the Index-Linked Swaps obtained by the fund is: Société Générale.

** The figures referring to past performance relate to past periods and are not a reliable indicator of future results.*

REGULATORY INFORMATION

Transfer commission *(not audited by the auditor)*

None.

Provisions for providing the investors with the various documents and reports relative to the management company's voting policy and its implementation.

The "voting policy" document, the report from the management company on the conditions whereby it exercised the voting rights of the UCITS that it manages and the information relative to the vote on each resolution can, pursuant to article 322-75, 322-76 and 322-77 of the Financial Markets Authority General Regulations, be consulted either on the management company's website or at its head office (upon request).

Overall risk of the UCITS

The management company's method for measuring the overall risk of the UCITS: the method chosen is the commitment method.

ESG criteria

In accordance with Article D. 533-16-1 of the [French] Monetary and Financial Code, subscribers are informed of the fact that the UCITS does not simultaneously take into account the social, environmental and governance quality criteria in its investment policy.

Auditor's report



**AUDITOR'S REPORT
ON THE ANNUAL ACCOUNTS
Fiscal year closing on 31 October 2014**

LYXOR UCITS ETF EASTERN EUROPE (CECE NTR EUR)
UCITS INCORPORATED IN THE FORM OF A MUTUAL FUND
Governed by the [French] Monetary and Financial Code

Management Company
LYXOR INTERNATIONAL ASSET MANAGEMENT
17, cours Valmy
92800 PUTEAUX

Ladies, Gentlemen,

As part of the mission entrusted to us by the fund management company's management bodies, we hereby present our report relative to the fiscal year closing on 31 October 2014 concerning:

- the verification of the annual accounts of UCITS incorporated in the form of a mutual fund LYXOR UCITS ETF EASTERN EUROPE (CECE NTR EUR), as they are attached to this report;
- the bases of our assessments;
- the specific verifications and information required by law.

The annual accounts have been closed under the responsibility of the fund management company. It is our duty to express an opinion on these accounts based on our audit.

1. OPINION ON THE ANNUAL ACCOUNTS

We have conducted our audit in accordance with the generally accepted auditing standards in France. These standards require that we apply the procedures necessary to obtain reasonable assurance that the annual financial statements do not include any significant misstatements. An audit involves verifying, by sampling and other selection methods, the elements underlying the amounts and information contained in the annual financial statements. It also involves assessing the implemented accounting principles, the significant estimates that have been used, and assessing the overall presentation of the financial statements. We feel that the collected evidence is sufficient and appropriate to form the basis of our opinion.

We certify that, in accordance with French accounting rules and principles, the annual financial statements are accurate and regular and present a fair picture of the operating profits and losses for the past fiscal year as well as the financial situation and assets of the UCITS created in the form of a mutual fund at the end of said fiscal year.

2. JUSTIFICATION OF THE ASSESSMENTS

In application of the provisions of article L.823-9 of the Commercial Code relative to the justification of our assessments, we bring the following information to your attention:

1. Over-the-counter financial contracts:

The over-the-counter financial contracts comprising the portfolio are assessed using the methods described in the note of the appendix relative to the accounting rules and methods. The prices are calculated by the counterparties of the contracts and approved by the management company in application of financial models.

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PricewaterhouseCoopers Audit, SA, 63, rue de Villiers, 92208 Neuilly-sur-Seine Cedex
T: +33 (0) 1 56 57 58 59, F: +33 (0) 1 56 57 58 60, www.pwc.fr

Société d'expertise comptable inscrite au tableau de l'ordre de Paris - Ile de France. Société de commissariat aux comptes membre de la compagnie régionale de Versailles. Société Anonyme au capital de 2 510 460 €. Siège social : 63, rue de Villiers 92200 Neuilly-sur-Seine. RCS Nanterre 672 006 483. TVA n° FR 76 672 006 483. Siret 672 006 483 00362. Code APE 6920 Z. Bureaux : Bordeaux, Grenoble, Lille, Lyon, Marseille, Metz, Nantes, Nice, Paris, Poitiers, Rennes, Rouen, Strasbourg, Toulouse.

The mathematical models used are based on external data and market assumptions. On the basis of the elements that led to the determination of the used assessments we assessed the approach implemented by the management company.

2. Other financial instruments of the portfolio:

The assessments we made concerned the appropriateness of the accounting principles and the reasonable nature of the significant estimates used.

The assessments so made are in line with our approach for the audit of the annual accounts taken as a whole and therefore contributed to the formation of our opinion as it is expressed in the first part of the report.

3. SPECIFIC INFORMATION AND AUDIT PROCEDURES

We have also conducted the auditing procedures required by law, in accordance with the applicable professional standards in France.

We have no observations to report regarding the truthfulness or consistency with the annual accounts of the information included in the annual report and in the reports sent to the shareholders concerning the situation and annual accounts.

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Neuilly sur Seine, date of the electronic signature

Document authenticated via electronic signature

The auditor
PricewaterhouseCoopers Audit

Marie-Christine Jetil

ANNUAL ACCOUNTS

BALANCE SHEET assets

	31.10.2014	31.10.2013
Currency	EUR	EUR
Net fixed assets	-	-
Deposits	-	-
Financial instruments	302 005 958,92	372 172 762,00
• EQUITIES AND SIMILAR SECURITIES		
Traded on a regulated or similar market	288 378 931,18	356 404 906,00
Not traded on a regulated or similar market	-	-
• BONDS AND SIMILAR SECURITIES		
Traded on a regulated or similar market	-	-
Not traded on a regulated or similar market	-	-
• DEBT SECURITIES		
Traded on a regulated or similar market		
<i>Negotiated debt securities</i>	-	-
<i>Other debt securities</i>	-	-
Not traded on a regulated or similar market	-	-
• COLLECTIVE INVESTMENT UNDERTAKINGS		
European co-ordinated UCITS and French UCITS of a general nature	13 257 462,00	15 767 856,00
UCITS reserved for certain investors – FCPR (venture capital mutual fund) – FCIMT (managed futures funds)	-	-
Listed SPVs and investment funds	-	-
Non-listed SPVs and investment funds	-	-
• TEMPORARY SECURITIES TRANSACTIONS		
Receivables representing securities under reverse repurchase agreements	-	-
Receivables representing loaned securities	-	-
Securities borrowed	-	-
Securities under repurchase agreements	-	-
Other temporary transactions	-	-
• FUTURE FINANCIAL INSTRUMENTS		
Operations on a regulated or similar market	-	-
Other operations	369 565,74	-
• OTHER FINANCIAL INSTRUMENTS	-	-
Receivables	4 085 341,22	7 691 320,47
Future foreign exchange operations	-	-
Other	4 085 341,22	7 691 320,47
Financial accounts	-	-
Liquidities	-	-
Total assets	306 091 300,14	379 864 082,47

BALANCE SHEET liabilities

	31.10.2014	31.10.2013
Currency	EUR	EUR
Shareholders' equities		
• Capital	318 973 332,74	356 654 939,64
• Non-distributed prior net capital gains and losses	-	-
• Carried forward	-	-
• Net capital gains and losses of the fiscal year	-24 627 006,44	13 641 344,84
• Profit and loss during the fiscal year	7 529 115,56	539 128,77
Total shareholders' equity <i>(amount representing the net assets)</i>	301 875 441,86	370 835 413,25
Financial instruments	-	1 195 459,98
• SALE OPERATIONS ON FINANCIAL INSTRUMENTS	-	-
• TEMPORARY SECURITIES TRANSACTIONS		
Debts representing securities under repurchase agreements	-	-
Debts representing borrowed securities	-	-
Other temporary transactions	-	-
• FUTURE FINANCIAL OPERATIONS		
Operations on a regulated or similar market	-	-
Other operations	-	1 195 459,98
Debts	4 215 858,28	7 833 209,24
Future foreign exchange operations	-	-
Other	4 215 858,28	7 833 209,24
Financial accounts	-	-
Bank loans and overdrafts	-	-
Loans	-	-
Total liabilities	306 091 300,14	379 864 082,47

Off-balance sheet commitments

	31.10.2014	31.10.2013
Currency	EUR	EUR
Hedging		
• Commitments on regulated or similar markets		
- Futures market	-	-
- Options market	-	-
- Credit derivatives	-	-
- Swaps	-	-
- Contracts for Differences (CFD)	-	-
• Over-the-counter commitments		
- Futures market	-	-
- Options market	-	-
- Credit derivatives	-	-
- Swaps	-	-
- Contracts for Differences (CFD)	-	-
• Other commitments		
- Futures market	-	-
- Options market	-	-
- Credit derivatives	-	-
- Swaps	-	-
- Contracts for Differences (CFD)	-	-
Other operations		
• Commitments on regulated or similar markets		
- Futures market	-	-
- Options market	-	-
- Credit derivatives	-	-
- Swaps	-	-
- Contracts for Differences (CFD)	-	-
• Over-the-counter commitments		
- Futures market	-	-
- Options market	-	-
- Credit derivatives	-	-
- Performance swaps	285 638 023,26	221 359 287,44
- Contracts for Differences (CFD)	-	-
• Other commitments		
- Futures market	-	-
- Options market	-	-
- Credit derivatives	-	-
- Swaps	-	-
- Contracts for Differences (CFD)	-	-

Profit and loss account

	31.10.2014	31.10.2013
Currency	EUR	EUR
Earnings on financial transactions		
• Earnings on deposits and financial accounts	-	-
• Earnings on equities and similar securities	2 188 005,92	1 984 364,58
• Earnings on bonds and similar securities	-	-
• Earnings on debt securities	7 928 799,61	-
• Earnings on temporary securities acquisitions and sales	-	-
• Earnings on future financial instruments	-	-
• Other financial products	-	-
Total (I)	10 116 805,53	1 984 364,58
Charges on financial operations		
• Charges on temporary securities acquisitions and sales	-	-
• Charges on future financial instruments	-	-
• Charges on financial debts	-238,97	-
• Other financial charges	-	-
Total (II)	-238,97	-
Profit and loss on financial operations (I - II)	10 116 566,56	1 984 364,58
Other earnings (III)	-	-
Management fees and depreciation charges (IV)	-1 599 148,00	-1 721 678,90
Net profit and loss of the fiscal year (L.214-9-17-1) (I - II + III - IV)	8 517 418,56	262 685,68
Adjustment of the fiscal year's incomes (V)	-648 203,00	276 443,09
Advances on profit and loss paid for the fiscal year (VI)	-340 100,00	-
Profit and loss (I - II + III - IV +/- V - VI):	7 529 115,56	539 128,77

1 Accounting rules and methods

The annual financial statements are presented for this financial year, in the form indicated in amended CRC Regulation n°2003-02, relative to the chart of accounts of UCITS. This regulation and its subsequent texts were repealed by Regulation n°2014-01 relative to the chart of accounts of variable capital collective investment undertakings, published on 15 October 2014. This text includes the new AIFM classification of CIUs, but does not modify the accounting principles applicable pursuant to the previous regulation. The new AIFM classification only relates to the terminology and distribution of the CIU heading on the asset side of the balance sheet, while the overall amount of the CIUs remains unchanged.

Assessment rules

The MF's assets are assessed in compliance with the applicable laws and regulations, and more particularly with the rules defined in regulation no. 2003-02 dated 2 October 2003 of the Accounting regulatory committee relative to the chart of accounts of UCITS (1st part).

The financial instruments traded on a regulated market are assessed at the closing price on the day of the calculation date of the net asset value. When these financial instruments are traded on several regulated markets at the same time, the chosen closing price is the one of the regulated market in which they are primarily traded.

However, in the absence of significant transactions on a regulated market, the following financial instruments are assessed using the following specific methods:

- Negotiable debt securities ("NDS") having a residual life upon acquisition that is less than or equal to 3 months are assessed with a straight-line extension over the residual lifespan of the difference between the acquisition value and the redemption value. The management company nevertheless reserves the possibility of assessing these securities at the actual value in case of particular sensitivity to market risks (rates, etc.). The chosen rate is that of the equivalent security issues allocated to the risk margin related to the issuer;
- NDS, of which the residual lifespan at acquisition is greater than 3 months but of which the residual lifespan on the net asset value closing date is equal to or less than 3 months, are assessed by means of a linear distribution, over the residual lifespan, of the difference between the last adopted current value and the reimbursement value. The management company nevertheless reserves the possibility of assessing these securities at the actual value in case of particular sensitivity to market risks (rates, etc.). The chosen rate is that of the equivalent security issues allocated to the risk margin related to the issuer;
- NDS, of which the residual lifespan on the net asset value closing date is greater than 3 months, are assessed at their current value. The chosen rate is that of the equivalent security issues allocated to the risk margin related to the issuer.
- Firm future financial instruments traded on organised markets are assessed at the clearing price on the day before the net asset value calculation date. Conditional future financial instruments traded on organised markets are assessed at the market value on the day before the net asset value calculation date. Over-the-counter firm or conditional future financial instruments are assessed at the price given by the financial instrument's counterparty. They are presented in the off-balance sheet on the basis of the nominal value defined in the contract.

In the event of the holding of an EMTN, it will be valued on the basis of a market price given by the financial instrument's counterparty.

The management company independently carries out a verification of this valuation.

Deposits are assessed at their nominal value, plus any related interest that has accrued.

Subscription warrants, cash certificates, promissory notes and mortgage notes are assessed at their probable negotiation value, under the management company's responsibility.

Temporary securities acquisitions and sales are assessed at the market price.

Units and equities in undertakings for collective investment in transferable securities operating under French law are assessed at the last net asset value known on the calculation date of the MF's net asset value.

- Units and equities of UCITS operating under foreign law are assessed at the last unit net asset value known on the calculation date of the MF's net asset value.

Financial instruments traded on a regulated market for which the price has not been determined or for which the price has been corrected are assessed at their probable negotiation value, under the management company's responsibility.

The exchange rates used for the assessment of financial instruments listed in a currency other than the MF's reference currency are the exchange rates published by the fixing WM Reuters the day of the MF's net asset value.

Posting method for the negotiation fees

The chosen method is that of included fees.

Posting method of incomes from fixed income securities

The chosen method is that of the coupon received.

Valuation methods for off-balance sheet commitments

Off-balance sheet operations are valued at the commitment value.

The commitment value for firm futures contracts is equal to the price (in the currency of the UCITS) multiplied by the number of contracts multiplied by the face value.

The commitment value for conditional operations is equal to the price of the underlying security (in the currency of the UCITS) multiplied by the number of contracts multiplied by the delta multiplied by the underlying face value.

The commitment value for the swap contracts is equal to the contract's nominal amount (in the currency of the UCITS).

Operation and management fees

These fees include all of the fees invoiced directly to the MF, except for the transaction fees. The transaction fees include intermediation fees (brokerage, stock exchange tax, etc.) and the transfer commission which, if relevant, may notably be collected by the depository and management company.

For this MF, the following fees can be added to the operation and management fees (see summary Table hereinafter):

- Outperformance commissions: these commissions reward the management company when the MF has exceeded its objectives and are invoiced to the MF;
- Transfer commissions invoiced to the MF.

For more details on the fees actually invoiced to the MF, refer to the Statistical Part of the Key Investor Information Document "KIID".

Fees invoiced to the UCITS	Basis	Schedule, rate
Operating and management fees and external management fees payable to the management company including tax ⁽¹⁾	Net assets	maximum 0.50%
Outperformance commissions	Net assets	None
Transactions commissions	Collection on each transaction	None

(1) including all fees excluding transaction fees, outperformance fees and fees related to investments in UCITS.

Accounting currency

The UCITS' accounting is carried out in Euro.

appendix

Indication of accountancy changes declared to each of the bearers individually

- Occurred change: None.
- Future change: None.

Indication of other changes declared to each of the bearers individually *(Not certified by the auditor)*

- Occurred change: None.
- Future change: None.

Indication and justification of the changes to estimates and application provisions

None.

Indication of the nature of the errors corrected during the fiscal year

None.

Indication of the rights and conditions attached to each category of units

UNITS C-EUR: Capitalisation of all the amounts available for distribution.

UNITS USD: The management company the right to capitalise and/or distribute all or part of the amounts available for distribution, one or more times each year.

CECE EUR Net Total Return Index (CECE[®] composite index in EUR) was developed and is calculated and published in real-time by the Vienna Stock Exchange. The complete index name and its abbreviations are protected as brands by intellectual property law. The description, regulation and composition of the index are available on the site of the Vienna Stock Exchange, at the address www.indices.cc. The authorisation to use the CECE EUR Net Total Return Index in relation with the present product was granted by means of a licence contract with the Vienna Stock Exchange.

2. Evolution of the net assets

Currency	31.10.2014 EUR	31.10.2013 EUR
Net assets at the start of the fiscal year	370 835 413,25	391 983 927,64
Subscriptions (including subscription commission acquired by the UCITS)	121 157 278,60	171 920 187,82
Redemptions (less the redemption commission acquired by the UCITS)	-174 793 030,60	-218 805 910,61
Capital gains generated on deposits and financial instruments	51 047 476,41	81 056 981,42
Capital losses generated on deposits and financial instruments	-28 244 828,33	-29 005 594,52
Capital gains generated on future financial instruments	570 453 695,59	682 714 637,16
Capital losses generated on future financial instruments	-593 479 706,82	-719 912 009,66
Transaction fees	-	-68 355,00
Exchange differentials	-155 113,50	-3 702 232,91
Changes to the estimate difference of the deposits and financial instruments:		
- <i>Estimate difference fiscal year N</i>	-24 688 087,02	16 999 677,73
- <i>Estimate difference fiscal year N-1</i>	13 462 983,06	38 151 070,08
- <i>Estimate difference fiscal year N-1</i>	38 151 070,08	21 151 392,35
Changes to the estimate difference of future financial instruments:		
- <i>Estimate difference fiscal year N</i>	1 565 025,72	-2 608 581,50
- <i>Estimate difference fiscal year N</i>	369 565,74	-1 195 459,98
- <i>Estimate difference fiscal year N-1</i>	-1 195 459,98	1 413 121,52
Previous fiscal year distribution of net capital gains and losses	-	-
Previous fiscal year distribution on profit and loss	-	-
Net profit and loss of the fiscal year before adjustment account	8 517 418,56	262 685,68
Advance(s) paid during the fiscal year on net capital gains and losses	-	-
Advance(s) paid during the fiscal year on profit and loss	-340 100,00	-
Other elements	-	-
Net assets at the end of the fiscal year	301 875 441,86	370 835 413,25

3. Information supplements

3.1 Financial instruments: breakdown by the instrument's legal or economic type

3.1.1 Breakdown of the "Bonds and similar securities" item by type of instrument

	Traded on a regulated or similar market	Not traded on a regulated or similar market
Index-linked bonds	-	-
Convertible bonds	-	-
Fixed-rate bonds	-	-
Variable-rate bonds	-	-
Zero-coupon bonds	-	-
Participating securities	-	-
Other instruments	-	-

3.1.2 Breakdown of the "Debt securities" item by legal or economic type

	Traded on a regulated or similar market	Not traded on a regulated or similar market
Treasury Bills	-	-
Commercial papers	-	-
Certificates of deposit	-	-
Medium-term notes (" <i>BMTN</i> ")	-	-
Other instruments	-	-

3.1.3 Breakdown of the "Sale operations on financial instruments" item by instrument type

	Securities under reverse repurchase agreement sold	Securities borrowed sold	Securities acquired with redemption right sold	Short sales
Equities	-	-	-	-
Bonds	-	-	-	-
Debt securities	-	-	-	-
Other investments	-	-	-	-

3.1.4 Breakdown of the off-balance sheet headings by market type (notably rates, equities)

	Rate	Equities	Exchange	Other
Hedging				
Commitments on regulated or similar markets	-	-	-	-
Over-the-counter commitments	-	-	-	-
Other commitments	-	-	-	-
Other operations				
Commitments on regulated or similar markets	-	-	-	-
Over-the-counter commitments	-	285 638 023,26	-	-
Other commitments	-	-	-	-

3.2 Breakdown by rate types of the asset, liability and off-balance sheet items

	Fixed rate	Variable rate	Revisable rate	Other
Assets				
Deposits	-	-	-	-
Bonds and similar securities	-	-	-	-
Debt securities	-	-	-	-
Temporary securities operations	-	-	-	-
Financial accounts	-	-	-	-
Liabilities				
Temporary securities operations	-	-	-	-
Financial accounts	-	-	-	-
Off-balance sheet				
Hedging	-	-	-	-
Other operations	-	-	-	-

3.3 Breakdown by residual maturity of the asset, liability and off-balance sheet items

	0-3 months	3 months - 1 year	1-3 years	3-5 years	>5 years
Assets					
Deposits	-	-	-	-	-
Bonds and similar securities	-	-	-	-	-
Debt securities	-	-	-	-	-
Temporary securities operations	-	-	-	-	-
Financial accounts	-	-	-	-	-
Liabilities					
Temporary securities operations	-	-	-	-	-
Financial accounts	-	-	-	-	-
Off-balance sheet					
Hedging	-	-	-	-	-
Other operations	-	285 638 023,26	-	-	-

3.4 Breakdown by listing or assessment currency of the asset, liability and off-balance sheet items

This breakdown is given for the main listing or assessment currencies, with the exception of the currency for the keeping of the accounts.

By main currency	USD	CHF	JPY	Other currencies
Assets				
Deposits	-	-	-	-
Equities and similar securities	14 818 164,02	10 668 625,25	2 642 965,00	-
Bonds and similar securities	-	-	-	-
Debt securities	-	-	-	-
Collective investment undertakings	-	-	-	-
Temporary securities operations	-	-	-	-
Future financial instruments on the asset side	-	-	-	-
Receivables	-	-	-	-
Financial accounts	-	-	-	-
Liabilities				
Sale operations on financial instruments	-	-	-	-
Temporary securities operations	-	-	-	-
Future financial instruments on the liability side	-	-	-	-
Debts	-	-	-	-
Financial accounts	-	-	-	-
Off-balance sheet				
Hedging	-	-	-	-
Other operations	-	-	-	-

3.5 Receivables and Debts: breakdown by type

Details of the elements comprising the “other receivables” and “other debts” items, notably breakdown of the future foreign exchange operations by type of operation (purchase/sale).

Receivables	4 085 341,22
Future currency exchange operations:	
Future purchases of currency	-
Total traded amount of future Sales of currencies	-
Other receivables:	
Deferred settlement sales	4 085 341,22
-	-
-	-
-	-
-	-
Other operations	-
Debts	4 215 858,28
Future currency exchange operations:	
Future sales of currencies	-
Total traded amount of future Purchases of currencies	-
Other debts:	
Payable accounts	4 085 341,22
Accrued expenses	130 517,06
-	-
-	-
-	-
Other operations	-

3.6 Shareholders' equity

Unit category issued/redeemed during the fiscal year:	Number of units	Subscriptions		Redemptions	
		Amount	Number of units	Amount	Amount
Unit USD / FR0010654095	-	-	-	-	-
Unit C-EUR / FR0010204073	5 348 500	101 212 794,60	9 519 000	174 793 030,60	
Unit D-EUR / FR0011656198	190 000	19 944 484,00	-	-	
Subscription / redemption commission by unit category:		Amount		Amount	
Unit USD / FR0010654095		-		-	
Unit C-EUR / FR0010204073		-		-	
Unit D-EUR / FR0011656198		-		-	
Retrocessions by unit category:		Amount		Amount	
Unit USD / FR0010654095		-		-	
Unit C-EUR / FR0010204073		-		-	
Unit D-EUR / FR0011656198		-		-	
Commissions acquired by the UCITS by unit category:		Amount		Amount	
Unit USD / FR0010654095		-		-	
Unit C-EUR / FR0010204073		-		-	
Unit D-EUR / FR0011656198		-		-	

3.7 Management fees

Operating and management fees (fixed fees) as % of the average net assets	%
Unit category:	
Unit USD / FR0010654095	0,50
Unit C-EUR / FR0010204073	0,50
Unit D-EUR / FR0011656198	0,50
Outperformance commissions (variable fees): amount of costs for the year	Amount
Unit category:	
Unit USD / FR0010654095	-
Unit C-EUR / FR0010204073	-
Unit D-EUR / FR0011656198	-
Retrocession of management fees:	
- Total amount of fees retroceded to the UCITS	-
- Breakdown by "target" UCITS:	
- UCITS 1	-
- UCITS 2	-
- UCITS 3	-
- UCITS 4	-

3.8 Commitments given and received

3.8.1 Description of guarantees received by the UCITS with indication of the capital guarantees	None
3.8.2 Description of the other commitments received and/or given	None

3.9 Other information

3.9.1 Current value of the financial instruments that are the subject of temporary acquisition:	
- Financial instruments sold under forward repurchase agreements	-
- Other temporary operations	-
3.9.2 Current value of the financial instruments comprising security deposits:	
Financial instruments received as guarantees and not included in the balance sheet:	
- equities	-
- bonds	-
- debt securities	-
- other financial instruments	-
Financial estimates given as guarantees and maintained in their original item:	
- equities	-
- bonds	-
- debt securities	-
- other financial instruments	-
3.9.3 Financial instruments held in the portfolio, issued by entities linked to the management company (fund) or to the financial managers (MF) and UCITS managed by these entities:	
- UCITS securities	13 257 462,00
- Swaps	369 565,74

3.10 Allocation of the profit and loss table (in the UCITS accounting currency)

Advances paid during the fiscal year

Date	Unit category	Overall amount	Unit amount	Total tax credits	Unit tax credits
09/07/14	-	340 100,00	1,79	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
Total advances		340 100,00	1,79	-	-

	31.10.2014	31.10.2013
Allocation of the profit/loss	EUR	EUR
Sums still to be allocated		
Carried forward	-	-
Profit and loss	7 529 115,56	539 128,77
Total	7 529 115,56	539 128,77

Unit USD / FR0010654095	31.10.2014	31.10.2013
Currency	EUR	EUR
Allocation		
Distribution	-	-
Carried forward for the fiscal year	-	-
Capitalisation	43 943,46	2 527,70
Total	43 943,46	2 527,70
Information relative to the units and resulting in a distribution right		
Number of units	-	-
Unit distribution	-	-
Tax credits linked to the allocation of the profit and loss	-	-

Unit C-EUR / FR0010204073	31.10.2014	31.10.2013
Currency	EUR	EUR
Allocation		
Distribution	-	-
Carried forward for the fiscal year	-	-
Capitalisation	7 282 207,22	536 601,07
Total	7 282 207,22	536 601,07
Information relative to the units and resulting in a distribution right		
Number of units	-	-
Unit distribution	-	-
Tax credits linked to the allocation of the profit and loss	-	-

Unit D-EUR / FR0011656198	31.10.2014	31.10.2013
Currency	EUR	EUR
Allocation		
Distribution	145 331,00	-
Carried forward for the fiscal year	-	-
Capitalisation	57 633,88	-
Total	202 964,88	-
Information relative to the units and resulting in a distribution right		
Number of units	190 000	-
Unit distribution	0,7649	-
Tax credits linked to the allocation of the profit and loss	-	-

	31.10.2014	31.10.2013
Allocation of the net capital gains and losses	EUR	EUR
Sums still to be allocated		
Non-distributed prior net capital gains and losses	-	-
Net capital gains and losses of the fiscal year	-24 627 006,44	13 641 344,84
Advances paid on net capital gains and losses of the fiscal year	-	-
Total	-24 627 006,44	13 641 344,84

Unit USD / FR0010654095	31.10.2014	31.10.2013
Currency	EUR	EUR
Allocation		
Distribution	-	-
Non-distributed net capital gains and losses	-	-
Capitalisation	-290 200,81	-171 883,81
Total	-290 200,81	-171 883,81
Information relative to the units and resulting in a distribution right		
Number of units	-	-
Unit distribution	-	-

Unit C-EUR / FR0010204073	31.10.2014	31.10.2013
Currency	EUR	EUR
Allocation		
Distribution	-	-
Non-distributed net capital gains and losses	-	-
Capitalisation	19 951 609,73	13 813 228,65
Total	19 951 609,73	13 813 228,65
Information relative to the units and resulting in a distribution right		
Number of units	-	-
Unit distribution	-	-

Unit D-EUR / FR0011656198	31.10.2014	Date n-1
Currency	EUR	EUR
Allocation		
Distribution	-	-
Non-distributed net capital gains and losses	-	-
Capitalisation	-44 288 415,36	-
Total	-44 288 415,36	-
Information relative to the units and resulting in a distribution right		
Number of units	-	-
Unit distribution	-	-

3.12 Table of the profit and loss and other characteristic elements of the MF during the last 5 fiscal years

UCITS creation date: 21 July 2005.

UCITS currency					
EUR	31.10.2014	31.10.2013	31.10.2012	31.10.2011	29.10.2010
Net assets	301 875 441,86	370 835 413,25	391 983 927,64	329 085 386,75	402 663 923,78

Unit USD / FR0010654095	Currency of the unit and of the net asset value: USD				
	31.10.2014	31.10.2013	31.10.2012	31.10.2011	29.10.2010
Number of outstanding units	446 884	446 884	446 884	993 000	2 000 000
Net asset value	4,7443	5,2892	4,6389	4,7154	5,8103
Unit distribution on net capital gains and losses (including advances)	-	-	-	-	-
Unit distribution (including advances)*	-	-	0,07	0,09	0,07
Unit tax credit transferred to holders (natural persons) ⁽¹⁾	-	-	-	-	-
Unit capitalisation*	-0,55	-0,37	0,11	0,00	0,08

* The amounts of the unit distribution, the unit capitalisation and the tax credits are indicated in the accounting currency of the UCITS. The unit capitalisation corresponds to the sum of result and the capital gains or losses on the number of outstanding units. This calculation method is applied from 1 January 2013.

⁽¹⁾ In pursuant to the Fiscal Instruction of 4 March 1993 from the Directorate General for taxes, the unit tax credit will be determined on the ex-dividend date by distribution of the total amount of the tax credits between the outstanding units on that date.

Unit C-EUR / FR0010204073	Currency of the unit and of the net asset value: EUR				
	31.10.2014	31.10.2013	31.10.2012	31.10.2011	29.10.2010
Number of outstanding units	14 839 377	19 009 877	21 850 525	19 269 525	18 847 525
Net asset value	18,8978	19,416	17,8661	16,9038	20,9206
Unit distribution on net capital gains and losses (including advances)	-	-	-	-	-
Unit distribution (including advances)*	-	-	0,39	0,45	0,39
Unit tax credit transferred to holders (natural persons) ⁽¹⁾	-	-	-	-	-
Unit capitalisation*	1,83	0,75	0,50	0,00	0,05

* The amounts of the unit distribution, the unit capitalisation and the tax credits are indicated in the accounting currency of the UCITS. The unit capitalisation corresponds to the sum of result and the capital gains or losses on the number of outstanding units. This calculation method is applied from 1 January 2013.

⁽¹⁾ In pursuant to the Fiscal Instruction of 4 March 1993 from the Directorate General for taxes, the unit tax credit will be determined on the ex-dividend date by distribution of the total amount of the tax credits between the outstanding units on that date.

Unit D-EUR / FR0011656198	Currency of the unit and of the net asset value: EUR				
	31.10.2014	31.10.2013	31.10.2012	31.10.2011	29.10.2010
Number of outstanding units	190 000	-	-	-	-
Net asset value	103,9517	-	-	-	-
Unit distribution on net capital gains and losses (including advances)	-	-	-	-	-
Unit distribution (including advances)*	2,55	-	-	-	-
Unit tax credit transferred to holders (natural persons) ⁽¹⁾	-	-	-	-	-
Unit capitalisation*	-232,79	-	-	-	-

* The amounts of the unit distribution, the unit capitalisation and the tax credits are indicated in the accounting currency of the UCITS. The unit capitalisation corresponds to the sum of result and the capital gains or losses on the number of outstanding units. This calculation method is applied from 1 January 2013.

⁽¹⁾ In pursuant to the Fiscal Instruction of 4 March 1993 from the Directorate General for taxes, the unit tax credit will be determined on the ex-dividend date by distribution of the total amount of the tax credits between the outstanding units on that date.

4. UCITS inventory

appendix

Security code	Name of the security	Security status	Quantity	Market value	Listing currency	% Net Assets
LYXOR UCITS ETF EASTERN EUROPE (CECE NTR EUR)						
<i>Transferable Securities</i>						
Equity						
JP3922400001	MOS FOOD SERVICE	OWN SPECIFIC	5 982,00	92 845,61	JPY	0,03
US7475251036	QUALCOMM INC	OWN SPECIFIC	25 464,00	1 595 641,02	USD	0,53
US5801351017	MC DONALD'S CORP	OWN SPECIFIC	32 582,00	2 437 473,75	USD	0,81
US4781601046	JOHNSON & JOHNSON	OWN SPECIFIC	20 641,00	1 775 630,12	USD	0,59
US3755581036	GILEAD SCIENCES INC	OWN SPECIFIC	5 966,00	533 316,31	USD	0,18
US0605051046	BANK OF AMERICA CORP	OWN SPECIFIC	242 811,00	3 325 594,03	USD	1,10
PTCTT0AM0001	CTT	OWN SPECIFIC	158 054,00	1 168 019,06	EUR	0,39
NL0010273215	ASML HOLDING N.V.	OWN SPECIFIC	71 832,00	5 707 052,40	EUR	1,89
NL0000303600	ING GROEP NV-CVA	OWN SPECIFIC	1 015 469,00	11 586 501,29	EUR	3,84
NL0000095388	ROYAL PHILIPS NV	OWN SPECIFIC	199 849,00	4 454 634,21	EUR	1,48
FR0010208488	GDF SUEZ	OWN SPECIFIC	35 002,00	677 463,71	EUR	0,22
FR0000133308	ORANGE	OWN SPECIFIC	51 313,00	652 444,80	EUR	0,22
FR0000127771	VIVENDI	OWN SPECIFIC	51 265,00	988 385,88	EUR	0,33
FR0000125486	VINCI SA	OWN SPECIFIC	50 000,00	2 273 750,00	EUR	0,75
FR0000121014	LVMH MOET HENNESSY LOUIS VUITTON	OWN SPECIFIC	50 000,00	6 767 500,00	EUR	2,24
FR0000120578	SANOFI	OWN SPECIFIC	84 283,00	6 208 285,78	EUR	2,06
FR0000120321	L'OREAL	OWN SPECIFIC	60 000,00	7 506 000,00	EUR	2,49
FR0000120271	TOTAL	OWN SPECIFIC	310 000,00	14 700 200,00	EUR	4,87
FR0000120172	CARREFOUR SA	OWN SPECIFIC	800 000,00	18 696 000,00	EUR	6,19
FR0000120073	AIR LIQUIDE	OWN SPECIFIC	70 000,00	6 737 500,00	EUR	2,23
ES0173516115	REPSOL	OWN SPECIFIC	372 041,00	6 627 910,42	EUR	2,20
ES0144580Y14	IBERDROLA SA	OWN SPECIFIC	2 602 355,00	14 679 884,56	EUR	4,86
ES0113900J37	BANCO SANTANDER SA	OWN SPECIFIC	1 558 169,00	10 950 811,73	EUR	3,63
ES0113211835	BANCO BILBAO VIZCAYA ARGENTA	OWN SPECIFIC	629 900,00	5 611 149,20	EUR	1,86
DE000ENAG999	E.ON SE	OWN SPECIFIC	854 957,00	11 738 559,61	EUR	3,89
DE000CBK1001	COMMERZBANK	OWN SPECIFIC	96 134,00	1 155 050,01	EUR	0,38
DE000BAY0017	BAYER AG	OWN SPECIFIC	106 667,00	12 101 371,15	EUR	4,01
DE000BAS1111	BASF SE	OWN SPECIFIC	228 992,00	16 084 398,08	EUR	5,33
DE0008430026	MUENCHENER RUECKVERSICHERUNGS AG-NOM	OWN SPECIFIC	76 875,00	12 057 843,75	EUR	3,99
DE0007236101	SIEMENS AG-NOM	OWN SPECIFIC	127 617,00	11 474 044,47	EUR	3,80
DE0007100000	DAIMLER	OWN SPECIFIC	232 018,00	14 392 076,54	EUR	4,77
DE0006047004	HEIDELBERGCEMENT AG	OWN SPECIFIC	16 465,00	894 378,80	EUR	0,30
DE0005557508	DEUTSCHE TELEKOM AG-NOM	OWN SPECIFIC	1 264 923,00	15 204 374,46	EUR	5,04
DE0005190003	BAYERISCHE MOTORENWERKE	OWN SPECIFIC	12 309,00	1 050 203,88	EUR	0,35
DE0005140008	DEUTSCHE BANK AG-NOM	OWN SPECIFIC	325 593,00	8 100 753,84	EUR	2,68
CH0014852781	SWISS LIFE HOLDING NOM	OWN SPECIFIC	10 250,00	1 873 450,26	CHF	0,62
CH0012138530	CREDIT SUISSE GROUP AG-NOM	OWN SPECIFIC	296 692,00	6 293 802,18	CHF	2,09

LYXOR UCITS ETF EASTERN EUROPE (CECE NTR EUR)

Security code	Name of the security	Security status	Quantity	Market value	Listing currency	% Net Assets
CH0011075394	ZURICH INSURANCE GROUP AG	OWN SPECIFIC	1 501,00	361 877,69	CHF	0,12
CH0008742519	SWISSCOM N	OWN SPECIFIC	3 884,00	1 824 676,37	CHF	0,60
US23331A1097	DR HORTON INC	OWN SPECIFIC	221 684,00	4 032 387,55	USD	1,34
PTZ0NDAM0006	NOS SGPS SA	OWN SPECIFIC	880 689,00	4 027 436,53	EUR	1,33
JP3582600007	TOKYO TATEMONO	OWN SPECIFIC	241 915,00	1 627 620,21	JPY	0,54
JP3496400007	KDDI CORP	OWN SPECIFIC	12 089,00	621 851,51	JPY	0,21
JP3414000004	SEIKAGAKU CORP	OWN SPECIFIC	23 591,00	300 647,67	JPY	0,10
FR0000120354	VALLUREC	OWN SPECIFIC	35 752,00	1 047 533,60	EUR	0,35
ES0127797019	EDP RENOVAVEIS	OWN SPECIFIC	455 619,00	2 361 928,90	EUR	0,78
ES0113790226	BANCO POPULAR ESPANOL S.A.	OWN SPECIFIC	1 419 065,00	6 479 450,79	EUR	2,15
ES0113307021	BANKIA SA	OWN SPECIFIC	870 528,00	1 242 243,46	EUR	0,41
DE0008404005	ALLIANZ SE-NOM	OWN SPECIFIC	117 080,00	14 834 036,00	EUR	4,91
CH0024608827	PARTNERS GROUP HOLDING N	OWN SPECIFIC	877,00	186 003,86	CHF	0,06
CH0012453913	TEMENOS GROUP AG-NOM	OWN SPECIFIC	1 955,00	54 393,37	CHF	0,02
CH0008038389	SWISS PRIME SITE	OWN SPECIFIC	1 226,00	74 321,52	CHF	0,03
US92839U2069	VISTEON CORP-W/I	OWN SPECIFIC	14 919,00	1 118 121,24	USD	0,37
Total Equity				288 378 931,18		95,53
UCITS						
FR0010989699	EUROPEAN COVERED EQUITY HOLDINGS	OWN SPECIFIC	13 100,00	13 257 462,00	EUR	4,39
Total UCITS				13 257 462,00		4,39
Total Transferable Securities				301 636 393,18		99,93
Performance swap						
SWAP00116742	ELS-LYXOR ETF EASTER	OWN SPECIFIC	265 038 692,91	280 865 484,57	EUR	93,04
SWAP00083209	ELS-LYXOR ETF EASTER	OWN SPECIFIC	1 599 330,35	1 700 407,33	EUR	0,56
SWAP00116619	Lyxor ETF Eastern Eu	OWN SPECIFIC	285 638 023,26	-301 636 393,16	EUR	-99,92
SWAP03326373	LYXOR UCITS ETF EAST	OWN SPECIFIC	19 000 000,00	19 440 067,00	EUR	6,44
Total Performance swap				369 565,74		0,12
Liquidities						
AT BANK OR PENDING						
	Payable on swap	OWN SPECIFIC		4 085 341,22	EUR	-1,35
	EUR securities deiered sales	OWN SPECIFIC		4 085 341,22	EUR	1,35
Total AT BANK OR PENDING						
MANAGEMENT FEES						
	PtComGesA dtn	OWN SPECIFIC		-130 517,06	EUR	-0,04
Total MANAGEMENT FEES				-130 517,06		-0,04
Total Liquidities				-130 517,06		-0,04
Total LYXOR UCITS ETF EASTERN EUROPE (CECE NTR EUR)				301 875 441,86		100,00

**APPENDIX TO THE REPORT
intended for Swiss subscribers**

This appendix makes the annual report with the FINMA requirements for the marketing in Switzerland. **It has not been certified by the accountants.**

Country of origin of the Fund

France.

Representative of the Swiss Fund

Société Générale, Paris, Zurich Branch, has been authorised by the FINMA as the Fund's representative in Switzerland while also assuming the payment service. The prospectus, articles of association, annual and semi-annual reports of the Fund, the KIIDs as well as the list of purchases and sales made by the Fund during the fiscal year can be obtained on request and at no cost from the representative's head office in Switzerland, Société Générale, Paris, Zurich Branch, Talacker 50, PO Box 1928, 8021 Zurich.

Calculation of the Total Expense Ratio and of the PTR

Annual closing of the fund: 31/10/2014

UCITS management commission: 0.50 % including tax

Average fortune of the fund for the period (from 01/11/13 to 31/10/14): 319 956 549.10

excerpt of the profit and loss statement

Expenses in thousands of euros	Annual report 31/10/2013	Half-yearly report 30/04/2014	Annual report 31/10/2014
UCITS management commission	1 721 678.90	806 512.94	1 599 148.00
Performance dependency remuneration	0.00	0.00	0.00
Depository bank commission	0.00	0.00	0.00
Other charges	0.00	0.00	0.00
Taxes	0.00	0.00	0.00
Total operating expenses	1 721 678.90	806 512.94	1 599 148.00

TER including bonus depending on the performance

$1599148.00/319956549.10*100$

TER **0.50** %

Calculation of the PTR (Portfolio Turnover Rate) from 01/11/13 to 31/10/14:

PTR **659.40** %

Purchases and sales of securities 2 405 737 425.02
Issues and redemptions of fund units 295 950 309.20
Net average fortune 319 956 549.10

LYXOR UCITS ETF EASTERN EUROPE (CECE NTR EUR)
Fiscal year closing on 31/10/2014

Performance of the fund

The performances of the Fund's units calculated in compliance with the principles of the Swiss Fund Association are given below:

	Annual performance from 31/10/2013 to 31/10/2014	Annual performance from 31/10/2012 to 31/10/2013	Annual performance from 31/10/2011 to 31/10/2012
<i>LYXOR UCITS ETF EASTERN EUROPE (CECE NTR EUR)</i>			
Unit C-EUR	-2.67%	+8.68%	+5.69%
Unit USD	-10.30%	+14.02%	-1.62%
D-EUR (launch date 19/03/2014)	+5.81%	-	-
CECE EUR Net Total Return			
Unit C-EUR	-2.28%	+9.04%	+9.40%
Unit USD	-2.28%	+9.04%	+9.40%
D-EUR (launch date 19/03/2014)	-2.28%	-	-

Past performances are no indicator of future performances. The performances indicated here do not take into account the impact of possible subscription and redemption commissions and costs of Fund units.