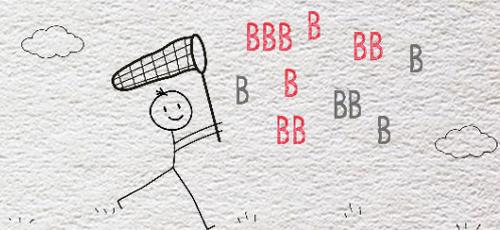


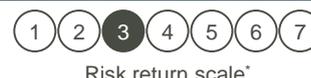
Oddo Haut Rendement 2023

Target-date high yield bond fund

OCTOBER 2017



Target-date bond fund investing in speculative high yield bonds and maturing in 2023¹



Fund launched in
DECEMBER 2016

€775m
under management

Fund strategy

- To actively manage a diversified portfolio of speculative high yield bonds (rated between BB+ and B- by S&P or an equivalent agency), mainly issued by European corporate issuers
- The management team has the flexibility to hedge the rate risk
- The fund may incur the following risks: a risk of loss of capital and a high credit (default) risk. The Fund's net asset value variation is not linear over time.

Target-date funds interest

- Credit risk decreases over time
- Lower interest-rate risk on speculative high-yield bonds, according to our analysis
- To benefit from current credit curve steepness and the expected "roll-down effect" over the next 2-3 years

Speculative High Yield Bonds

- The yield of a bond depends on the credit quality of the issuer. The riskier the credit quality, the higher the prospective yield
- Investors in high-yield bonds might be exposed to liquidity risk

Research capacity at the heart of our expertise

ODDO BHF Asset Management Credit Research

- Fundamental analysis: a team of 8 high yield analysts provides in-depth studies on issuers
- Regular contacts with issuers, access to a wide spectrum of independent research companies and external research

Rating scale (Rating agency and/or internal evaluation)



Four scenarios based on default rates and the macroeconomic environment

| | FAVOURABLE SCENARIO | MEDIAN SCENARIO | CAUTIOUS SCENARIO | UNFAVOURABLE SCENARIO |
|--|--|---|---|--|
| MACRO ENVIRONMENT IN EUROPE | No recession for 2 years. Spread tightening (-50bps in year 2) and "roll-down effect" (30bp p.a.) | No recession for 3 years. "Roll-down effect" (30bp p.a.) | No recession the first two years | Recession the first two years |
| PORTFOLIO DEFAULT RATE | 0% the first two years | 0% the first three years | In line with Moody's assumptions (i.e., a cumulative 22% ⁴ : Low (<2%): year 1 & 2 Reversion to the mean (~4% annually) thereafter | Very high the first three years (i.e., a cumulative 41% ⁵ : Year 1: 15% Year 2: 10% Year 3: 4%; then 3% / year |
| TARGET YIELD (CR-EUR) | +5.1% to +5.3% after fees annualised over 2 years | +4.1% to +4.3% after fees annualised over 3 years | +1.3% to +1.5% after fees annualised to maturity | -0.8% to -0.6% after fees annualised to maturity |
| WHAT TO DO IN THIS CASE? ³ | Take profits after two years | Take profits after three years | Remain invested until maturity and take advantage of a potentially attractive return. (Exit opportunities possible prior to maturity) | Offset some of the initial losses of capital while remaining invested until maturity |

Assumptions: fund's targeted portfolio net actuarial yield to maturity as of 20 October 2017: 2.8% excluding defaults; Recovery rate: 40%; Management fees: 1.2% (for CR-EUR retail units). Reinvestment at the portfolio's average actuarial yield. No rate change.

The investor's attention is drawn to the fact that the target returns stated above constitute neither a promised return, nor a commitment by ODDO BHF Asset Management, and to the risks that the fund incurs, particularly the risk of loss of capital, as well as credit risk and the risk of investing in speculative high-yield bonds.

¹The Fund may invest in bonds maturing no later than 1 July 2024; ²Synthetic risk and return indicator: for low risk, potential return is lower, and for high risk, potential return is higher. The risk profile is not constant, and may change over time; ³Depending on market conditions, the investment management company may liquidate or merge the fund; ⁴Moody's hypothesis: cumulative default over 7 years long term average over the 1983-2015 period for a 60%«B» and 40%«BB» portfolio; ⁵Moody's hypothesis: cumulative default over 7 years long term average over the 1983-2015 period for a 100% «CCC» portfolio
Source: ODDO BHF AM SAS; BofA Merrill Lynch; Bloomberg; Figures as of 20 October 2017.



Risks

The fund incurs the following risks in particular: risk of loss of capital, discretionary management risk, emerging market risk, interest-rate risk, credit risk, risk incurred from investing in high yield securities, risk from exposure to forward financial instruments, risk of liquidity of underlying assets, counterparty risk, portfolio concentration risk, risk associated with securities financing transactions and collateral management and, on an accessory basis, equity risk, risk incurred from investing in convertible bonds, small and midcap risk, and currency risk.

The investor is urged to view the Key Investor Information Document and the fund prospectus for a detailed view of the risks to which the fund is exposed.

Portfolio Managers*

Olivier Becker
ODDO BHF AM SAS
Lead Portfolio Manager
Senior Credit Portfolio Manager
17 years investment experience

Alain Krief
ODDO BHF AM SAS
Co-Lead Portfolio Manager
Head of Fixed Income ODDO BHF AM
25 years investment experience

* Current management team, liable to change

General Characteristics as at 20 October 2017

| | | |
|--------------------------------|---|--------------------------------|
| Investment objective | To achieve a net annualized return of more than 4% over a seven-year investment horizon, from the inception date (9/12/2016) to the maturity date (31/12/2023). The Fund seeks to benefit from the high actuarial yields on bonds of speculative corporate issuers rated between BB+ and B- or equivalent as assessed by the Management Company, and is therefore exposed to the risk of capital loss | |
| Subscription period | From 09/12/2016 until 12/01/2018 | |
| Inception date | 09/12/2016 | |
| Recommended investment horizon | Until maturity (31/12/2023) | |
| Fund maturity | Maturity set at 31 December 2023 | |
| AMF classification | International bonds and other debt securities | |
| Assets under management | €775m | |
| Unit classes | CR-EUR | DR-EUR |
| ISIN code | FR0013173416 | FR0013216280 |
| Currency | EUR | EUR |
| Income allocation | Capitalisation | Distribution |
| Minimum initial subscription | €100 | €100 |
| Subscription fee | 4% maximum, all taxes included | 4% maximum, all taxes included |
| Fixed management fees | 1.2% | 1.2% |
| Redemption fee | 1% redemption fee during the subscription period, none thereafter | |
| Outperformance fee | 10%, all tax included, of the outperformance beyond a 4% annualised fund return | |
| Transaction fees | Transaction fees, set out in the prospectus, may be deducted in addition to the fees shown in the table | |

Structure and technical information

| | |
|-----------------------------------|---|
| Legal status | French Fonds Commun de Placement (FCP) |
| Investment management company | ODDO BHF Asset Management SAS |
| Depository | ODDO BHF SCA |
| Subscription / redemption cut-off | Daily, at a then-unknown price, until 11:15 am (Paris time) |
| Frequency of valuation | Daily |

ODDO BHF AM is the asset management division of the Oddo Group. It is the common brand of two legally separate asset management companies: ODDO BHF AM SAS (France) and ODDO BHF AM GmbH (Germany).

This document has been drawn up by ODDO BHF ASSET MANAGEMENT SAS for market communication. Its communication to any investor is the responsibility of each promoter, distributor or advisor.

Potential investors are invited to consult an investment advisor before subscribing to the fund regulated by the Autorité des Marchés Financiers (AMF). The investor is informed that the fund presents a risk of capital loss, but also many risks linked to the financial instruments/strategies in the portfolio. In case of subscription, investors must consult the Key Investor Information Document (KIID) and the fund's prospectus in order to acquaint themselves with the detailed nature of any risks incurred. The value of the investment may vary both upwards and downwards and may not be returned in full. The investment must be made in accordance with investors' investment objectives, their investment horizon and their capacity to deal with the risk arising from the transaction. ODDO BHF ASSET MANAGEMENT SAS cannot be held responsible for any direct or indirect damages resulting from the use of this document or the information contained in it. This information is provided for indicative purposes and may be modified at any moment without prior notice. Investors are reminded that past performance is not a reliable indication of future returns and is not constant over time. Performance are presented net of fees except the potential subscription fee charged by the distributor and the local taxes. Any opinions presented in this document result from our market forecasts on the publication date. They are subject to change according to market conditions and ODDO BHF ASSET MANAGEMENT SAS shall not in any case be held contractually liable for them. The net asset values presented in this document are provided for indicative purposes only. Only the net asset value marked on the transaction statement and the securities account statement is authoritative. Subscriptions and redemptions of mutual funds are processed at an unknown asset value.

The Key Investor Information Document (French, German, English, Italian, Spanish, Portuguese, Swedish), and the prospectus (French, English) are available free of charge from ODDO BHF Asset Management SAS or at am.oddo-bhf.com or at authorized distributors. The annual and interim reports are available free of charge from ODDO BHF Asset Management SAS or on its internet site am.oddo-bhf.com

ODDO BHF Asset Management SAS (France)

Portfolio management company approved by the Autorité des Marchés Financiers under GP 99011.
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