

NOTICE TO SHAREHOLDERS

Luxembourg, 23 January 2018

RE: AMENDMENTS TO THE “CARMIGNAC PORTFOLIO” PROSPECTUS

Dear Sir/Madam,

We would like to thank you for the trust you have placed in us. We are honoured to count you among the shareholders of “Carmignac Portfolio” (the “Fund”). We would like to hereby inform you of the following changes to the Fund prospectus dated DECEMBER 2017, as corrected on 16 January by a prospectus dated JANUARY 2018, as resolved by the Board of Directors after due consideration. These amendments entered into force on DECEMBER 2017, except if otherwise indicated below.

Please kindly note that this notice has been sent to all Shareholders of the Fund whereas you may be impacted only in case that you have chosen to invest in Shares of one or several Sub-Funds or Share Classes subject to any changes, as described below.

All capitalised terms used but not defined herein shall have the meaning ascribed to them in the prospectus.

1. CHANGES TO ALL SUB-FUNDS

- Inclusion of description that the Board of Directors may resolve to launch and close Share Classes without any immediate update of the prospectus. This modification is then reflected in a next update of the prospectus with a retroactive effect. An up-to-date list of Share Classes will be made available on Carmignac Website.
- Various form changes and improved descriptions.
- Introduction of a risk warning related to investments in the Chinese Interbank Bond Market via CIBM Directly Access (relevant to the Sub-Funds investing in Chinese domestic securities only).
- Inclusion of description on Research Payment Account and Socially Responsible Investment.

2. LIQUIDATION AND SWITCH OF SHARE CLASSES; CONVERSION OF A SHARE CLASS

Having demonstrated persistently low level of demand and due to their small amounts of assets that do not permit the management of assets in an efficient manner, the following “F” Share Classes denominated in GBP will be liquidated. The related Shares are exchanged to existing corresponding “W” Share Classes within each Sub-Fund.

Sub-Fund	Share Class to be switched	Share Class to be received
Carmignac Portfolio Commodities	F GBP acc Hdg (LU0553415323)	W GBP acc (LU0992629401)
Carmignac Portfolio Emerging Discovery	F GBP acc Hdg (LU0553407650)	W GBP acc (LU0992630086)
Carmignac Portfolio Emergents	F GBP acc Hdg (LU0992626647)	W GBP acc (LU0992626720)

The following “F” Share Class denominated in GBP will be converted into the corresponding “W” Share Class within the Sub-Fund, retaining its existing ISIN code.

Sub-Fund	Share Class before conversion	Share Class after conversion
Carmignac Portfolio Unconstrained Global Bond	F GBP Acc (LU0992630839)	W GBP acc (LU0992630839)

The investment policy, currency denomination, risks and fees do not differ between the Share Classes “F” and the Share Classes “W”, apart from currency hedging, minimum initial subscription amount and the absence of performance fee.

The relevant “F” Shares are automatically liquidated and switched, or respectively converted, into the new Shares on 26 February 2018, on the basis of the NAV dated 23 February 2018, in accordance with the terms and conditions set out in the prospectus.

The related Shareholders, who do not accept this amendment, may redeem their Shares free of charge within thirty (30) days following the publication of this notice.

3. CHANGES TO INVESTMENT MANAGEMENT, INVESTMENT STRATEGY AND/OR INVESTMENT LIMITS

3.1. Change of name, Investment Strategy, Reference Indicator, Risk Method and Performance Fees

CARMIGNAC PORTFOLIO EURO-PATRIMOINE

The Sub-Fund’s name, Investment strategy, Reference Indicator, Risk Method and Performance Fees will be modified. The Investment Manager, the categories of assets, and the fees remain the same, save for the performance fees.

The Sub-Fund will assume a long-short investment strategy, yet with a long equity bias and a fixed-income component. The Investment Manager will be able to expose the Sub-Fund to equity within the following limits: [-20%; 50%]. The fixed-income component is not modified from the earlier investment strategy.

The Sub-Fund is renamed CARMIGNAC PORTFOLIO LONG-SHORT EUROPEAN EQUITIES.

To reflect the change in the investment strategy, the Reference Indicator will be modified from “50% Euro Stoxx 50 NR (EUR) and 50% EONIA Capitalization Index 7 D” to “85% EONIA Capitalization Index 7 D and 15% Stoxx Europe 600 NR (EUR)”. The Risk method will be accordingly changed from relative VaR to absolute VaR. The Performance Fees are increased from 10% to 20% with the implementation of a High Watermark.

The main changes are summarized below:

	Before	After
Name	Carmignac Portfolio Euro-Patrimoine	Carmignac Portfolio Long-Short European Equities
Investment Strategy	<p>At least 50% of the Sub-Fund's net assets are invested in small, mid and large caps from the European Union, Switzerland, Iceland and Norway.</p> <p>Exposure of the Sub-Fund's net assets to equities will nevertheless be limited to 50%.</p> <p>Up to 50% of the Sub-Fund's net assets may also be invested in debt securities and money market instruments traded on European or foreign markets and offering the best upside potential or a way to reduce risk.</p>	<p>In order to achieve its investment objective, the Sub-Funds implements a long/short strategy. This strategy consists in building up a portfolio of both long and short positions on financial instruments eligible to the Sub-Fund's net assets.</p> <p>At least 50% of the Sub-Fund's net assets are invested in equities of small, mid and large capitalisation from the European Union, Switzerland, Iceland and Norway.</p> <p>The resulting net exposure of the Sub-Fund to equities may vary from -20% up to 50% of its net assets.</p> <p>Up to 50% of the Sub-Fund's net assets may also be invested in debt securities and money market instruments traded on European or foreign markets and offering the best upside potential or a way to reduce risk.</p>
Reference Indicator	50% Euro Stoxx 50 NR (EUR) and 50% EONIA Capitalization Index 7 D	85% EONIA Capitalization Index 7 D and 15% Stoxx Europe 600 NR (EUR)
Risk Method	Relative VaR	Absolute VaR
SRRI	4	4
Performance fees	10%	20% with a High Watermark, which is defined as the highest closing Net Asset Value recorded at the end of the financial year, over a period of three (3) years

The modifications above will only take effect on 26 February 2018.

These changes modify the risk profile of this Sub-Fund and will be subject to Durable Medium notification in Germany.

3.2. Increase of expected leverage

In order to have the right tools to deal effectively with the challenges raised by the standardization of monetary policies introduced by central banks after the 2008 crisis that concerns in particular interest rate derivatives whose nominal size may be relatively large, independently of the underlying economic risk, the expected level of leverage is increased from 200% to 500 % for the Sub-Funds listed below. The risk profile and risk methodology of the Sub-Funds are not changed.

CARMIGNAC PORTFOLIO UNCONSTRAINED GLOBAL BOND
CARMIGNAC PORTFOLIO CAPITAL PLUS
CARMIGNAC PORTFOLIO EMERGING PATRIMOINE
CARMIGNAC PORTFOLIO PATRIMOINE
CARMIGNAC PORTFOLIO INVESTISSEMENT LATITUDE

The modification above will only take effect on 26 February 2018.

3.3. Increase of the maximum investment in Chinese domestic securities

Given the inclusion of Chinese domestic stocks (A-shares) and the increasing weight of Chinese domestic securities in Emerging Market indices, the maximum investment in the Chinese domestic securities is increased from 10% to 30% of the net assets for the Sub-Funds listed below.

CARMIGNAC PORTFOLIO EMERGING DISCOVERY
CARMIGNAC PORTFOLIO EMERGING PATRIMOINE
CARMIGNAC PORTFOLIO EMERGENTS

The modification above will only take effect on 26 February 2018.

3.4. Increase of the maximum exposure in credit derivatives

For hedging purpose essentially, the maximum exposure in credit derivatives is increased from 10% to 30% of the net assets for the Sub-Funds listed below:

CARMIGNAC PORTFOLIO PATRIMOINE
CARMIGNAC PORTFOLIO SECURITE
CARMIGNAC PORTFOLIO UNCONSTRAINED GLOBAL BOND
CARMIGNAC PORTFOLIO EMERGING PATRIMOINE

The modification above will only take effect on 26 February 2018.

The Shareholders who do not accept the amendments described in this Chapter 3 may redeem their Shares free of charge within thirty (30) days following the publication of this notice.

4. PARTIAL DELEGATION OF INVESTMENT MANAGEMENT

In order to optimally deploy the investment management competences within the Carmignac group, the delegation of investment management is amended for the following Sub-Fund:

CARMIGNAC PORTFOLIO INVESTISSEMENT LATITUDE

The investment management of the Sub-fund, which has been previously delegated (entirely) by the Management Company to Carmignac Gestion in Paris (France), will be partially delegated by the Management Company to Carmignac Gestion in Paris (France) and partially carried out by the Management Company through its London branch.

5. CONFIRMATION ON MINIMUM EQUITY INVESTMENT

In order to meet the requirements of the new German Tax regulations, the minimum investment in equity is confirmed as follows in terms of percentage of the net assets for the Sub-Funds listed below.

CARMIGNAC PORTFOLIO PATRIMOINE	25%
CARMIGNAC PORTFOLIO EMERGING PATRIMOINE	25%

6. REFERENCE TO SOCIALLY RESPONSIBLE INVESTMENT

In order to confirm the commitment to socially responsible investment approach, the investment strategy of the following Sub-funds is amended to include a reference to Socially Responsible Investment approach.

CARMIGNAC PORTFOLIO GRANDE EUROPE
CARMIGNAC PORTFOLIO EMERGENTS
CARMIGNAC PORTFOLIO EMERGING PATRIMOINE

7. REWORDING OF THE INVESTMENT POLICY

To provide more clarity and transparency and to better reflect the different investment strategies applied in the Sub-Funds, the language used to describe the investment policy of the following Sub-Funds is modernized and updated. The rewording does not entail changes to the investment policy.

CARMIGNAC PORTFOLIO EMERGENTS
CARMIGNAC PORTFOLIO EURO-ENTREPRENEURS
CARMIGNAC PORTFOLIO INVESTISSEMENT
CARMIGNAC PORTFOLIO PATRIMOINE
CARMIGNAC PORTFOLIO SECURITE
CARMIGNAC PORTFOLIO INVESTISSEMENT LATITUDE

8. CORRECTION OF THE PROSPECTUS

Correction to the prospectus dated DECEMBER 2017 (released on 2 January 2018) has been published in form of a new prospectus version dated JANUARY 2018 on 16 January 2018.

The Shareholders, who had invested in the sub-fund Carmignac Portfolio Patrimoine during the time period of 2 January 2018 and the publication of the corrected prospectus, may redeem their Shares free of charge within thirty (30) days following the publication of this notice.

A new version of the prospectus dated JANUARY 2018 and the Key Investor Information Documents of the renamed Sub-Fund in Section 3.1., are available free of charge, in French, English, German, Italian, Spanish, Chinese and Dutch at the registered office of the Fund, on the website www.carmignac.com and also :

In Switzerland, with the representative CACEIS (Switzerland) SA, Route de Signy, 35, CH-1260 Nyon. The Swiss Paying Agent is CACEIS Bank Luxembourg, succursale de Nyon / Suisse, Route de Signy 35, CH-1260 Nyon.

Yours faithfully,

Eric Helderlé
Director