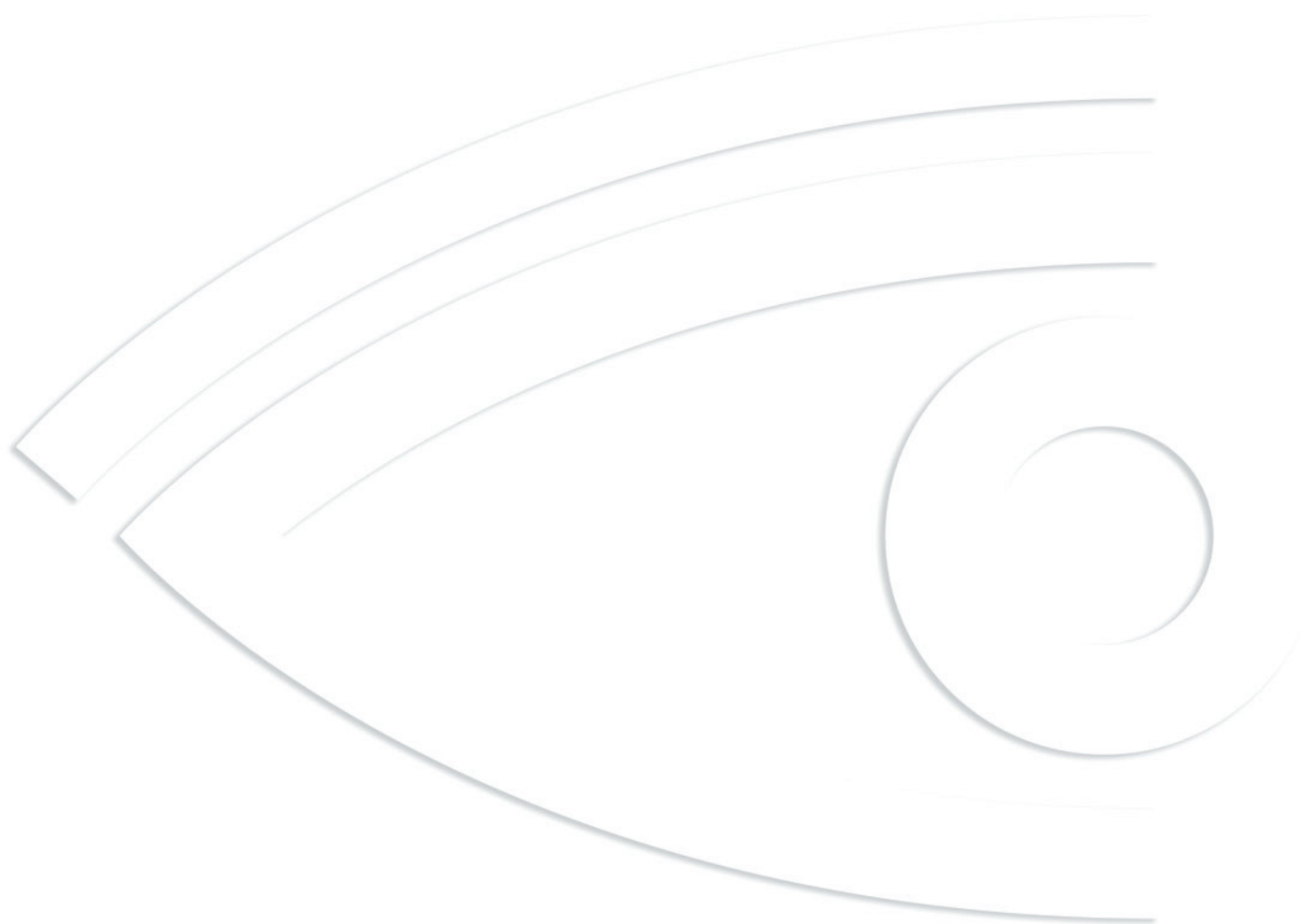


Financial Statements 2011





Look further ahead, towards tomorrow

Financial Statements 2011

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To the Board of Trustees of
La Collective de Prévoyance - Copré, Genève

Petit-Lancy, May 7, 2012

Translation of the French statutory auditors' report

As statutory auditors, we have audited for compliance with the legal provision the financial statements (balance sheet, operative account and notes), the management, the investments as well as the retirement accounts of La Collective de Prévoyance - Copré for the year ending December 31, 2011.


The financial statements, the management, the investments as well as the retirement accounts are the responsibility of the board of trustees. Our responsibility is to express an opinion on these matters based on our audit. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.

Our audit was conducted in accordance with Swiss Auditing Standards, which require that an audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement. We have examined on a test basis, evidence supporting the amounts and disclosures in the financial statements. We have also assessed the accounting processes and principles applied, the adherence to the investment rules, significant estimates made and the overall financial statement presentation. The audit of the management of the pension fund consists of an assessment of the adherence to the legal requirements and to the pension fund's own regulations regarding its organisation and administration, the contributions received and benefits paid and as well as the provisions concerning loyalty of the assets management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements, the management and the investments as well as the retirement accounts comply with Swiss law, the charter of foundation and regulations.

We recommend that the financial statements submitted to you be approved.

Ernst & Young Ltd



Blaise Wägli
Licensed audit expert
(Auditor in charge)



Ludovic Fiala
Licensed audit expert

Enclosure

- Financial statements (balance sheet, operative account and notes)

BALANCE SHEET	Index on attachment	31.12.2011 CHF	31.12.2010 CHF
ASSETS			
Investments		522'565'396.36	484'558'460.22
Liquidities	64	68'708'213.29	44'729'689.32
Forward exchange	65	41'249.00	1'111'315.00
Debitors	75	579'340.09	228'486.20
Bonds	64	121'754'908.30	110'788'372.18
Shares	64	91'612'298.08	99'876'820.17
Real estate	64	236'154'913.00	224'348'943.00
Claims of employer contributions	67	3'714'474.60	3'474'834.35
Accruals and deferrals, assets	76	1'452'037.29	1'905'305.60
Total assets		<u>524'017'433.65</u>	<u>486'463'765.82</u>
LIABILITIES			
Debts		97'106'876.13	115'180'449.39
Vested benefits and pensions		15'571'485.10	27'963'224.65
Banks / Insurances	78	0.00	487.45
Mortgage debts	79	80'000'000.00	86'000'000.00
Other debts		1'535'391.03	1'216'737.29
Accruals and deferrals, liabilities	77	1'900'413.94	1'943'396.84
Reserve of employer contributions without renunciation	67	3'436'376.10	3'866'230.10
Non-technical provisions		0.00	0.00
Disposable funds of affiliates	58	630'617.06	634'090.51
Pension insurance capital and technical provisions		420'923'196.75	362'316'817.85
Pension insurance capital active insured	52	341'128'756.85	303'283'118.25
Pension insurance capital pensioners	54	71'057'423.90	50'844'649.60
Technical provisions	56	8'737'016.00	8'189'050.00
Reserve for fluctuations in securities	63	19'953.67	2'522'781.13
Capital of the Foundation / Disposable funds / Overdraft		0.00	0.00
Situation at start of period		0.00	0.00
Surplus revenues / Surplus charges (-)		0.00	0.00
Total liabilities		<u>524'017'433.65</u>	<u>486'463'765.82</u>

OPERATING ACCOUNT	Index on attachment	2011	2010
		CHF	CHF
Contributions, ordinary inflows and other		50'687'946.20	50'722'135.85
Contributions of employees	74	18'449'239.60	16'850'401.30
Contributions of employers	74	26'570'155.00	26'773'281.80
Single premiums and buy-ins		4'529'165.65	6'633'301.80
Inflows in the reserve of employer contributions		1'032'214.30	384'175.80
Subsidies from the guarantee fund		107'171.65	80'975.15
Entry benefits		48'510'748.75	33'151'709.75
Vested benefit contributions	73	47'691'270.65	31'983'660.30
Reimbursement of advance payments for EPL (encouragement for home ownership) / divorce		819'478.10	1'168'049.45
		<hr/>	<hr/>
<i>Inflows coming from contributions and entry benefits</i>		99'198'694.95	83'873'845.60
Regulatory benefits		-10'966'688.40	-7'713'334.00
Old age pensions		-3'551'818.50	-3'159'621.65
Survivors' pensions		-345'160.90	-261'924.85
Disability pensions		-1'616'688.45	-1'252'168.70
Liberation service contributions		-1'050'195.95	-839'338.00
Capital benefits at retirement		-4'306'250.10	-2'197'661.80
Capital benefits in event of death and disability		-96'574.50	-2'619.00
Exit benefits		-36'031'387.80	-57'714'619.70
Vested benefits in event of exit		-31'815'492.55	-53'945'698.90
Advance payments for 'EPL / divorce		-4'215'895.25	-3'768'920.80
		<hr/>	<hr/>
<i>Expenses relating to benefits and advance payments</i>		-46'998'076.20	-65'427'953.70
Dissolution / Constitution of pension insurance capital, technical provisions,			
Disposable funds of companies, reserves of contributions		-58'168'776.30	-21'759'590.55
Dissolution / Constitution of pension insurance capital active insured	52	-35'295'300.90	-5'186'743.35
Dissolution / Constitution of pension insurance capital pensioners	54	-20'212'774.30	-8'596'050.40
Dissolution / Constitution of technical provisions	56	-547'966.00	-3'668'975.00
Remuneration of savings capital		-2'550'337.70	-6'468'275.45
Dissolution / Constitution of disposable funds of affiliates	58	3'473.45	1'490'566.05
Dissolution / Constitution of reserves of contributions	67	434'129.15	669'887.60
Revenue from insurance benefits		2'948'045.35	2'545'976.65
Insurance benefits		2'948'045.35	2'545'976.65
Insurance charges		-659'170.70	-644'741.85
Insurance premiums		-494'888.10	-458'548.60
Contributions to the guarantee fund		-164'282.60	-186'193.25
		<hr/>	<hr/>
<i>Net result of the insurance activity</i>		-3'679'282.90	-1'412'463.85

Net result of investments		5'060'074.17	7'750'371.93
Result liquidities	661	67'121.35	24'586.66
Result forward exchange	662	263'337.07	3'965'548.04
Result bonds	663	3'508'376.77	-2'140'228.76
Result shares	664	-11'810'435.72	2'195'396.36
Result real estate	665	16'158'671.61	7'114'656.37
Administration costs of investments	666	-2'893'934.43	-3'147'541.26
Interest on exit benefits		-227'214.63	-239'835.08
Interest on the reserve of employer contributions	67	-4'275.15	-19'851.80
Interest premiums paid in advance		-1'572.70	-2'358.60
Other revenues		65'628.89	7'708.46
Other costs		-18'886.57	-25'715.49
Administration costs		-3'930'361.05	-3'821'872.60
Administration costs	71	-2'307'560.20	-2'326'323.30
Marketing and advertising costs	72	-1'622'800.85	-1'495'549.30
		<hr/>	<hr/>
Surplus of revenues / charges (-) before constitution of the reserve for securities fluctuations		-2'502'827.46	2'498'028.45
		<hr/>	<hr/>
Constitution / Dissolution of the reserve for securities fluctuations	63	2'502'827.46	-2'498'028.45
		<hr/>	<hr/>
Surplus of revenues / Surplus of charges (-)		0.00	0.00
		<hr/> <hr/>	<hr/> <hr/>

ATTACHMENT

1 Bases and organisation

11 Legal form and purpose

La Collective de Prévoyance - Copré (hereinafter the Foundation), formally Columna Fondation communautaire for occupational pension insurance, was founded by the ex-Banque Populaire Suisse.

Its registered office is in Geneva. It is a collective semi-autonomous collective foundation, governed by articles 80 et seq of the Swiss Civil Code, by article 331 to 331^e of the Code of Obligations(CO), by the Federal Law on the Occupational Old-age, Survivors' and Disability Benefit Plan (LOB), by the relative Federal ordinances, by the Federal and Cantonal directives on pensions, and by its own by-laws and regulations.

The purpose of the Foundation is to provide for the staff of all affiliated companies against the economic consequences of old age, disability and death by guaranteeing benefits determined in accordance with the provisions of the pension regulations and plan.

12 LOB registration and guarantee fund

The Foundation fulfils the obligations of the LOB and is inscribed in the register of occupational pension insurance. It contributes to the LOB guarantee fund.

13 Indication of acts and regulations

Act of foundation	02.08.1974	
Pension insurance regulations	01.01.2010	
Organisation regulations	01.01.2007	
By-laws for affiliated companies	05.07.2005	
Regulations on actuarial liabilities	15.03.2012	came into force 31.12.2011
Regulations for investments	10.05.2010	
Amendment n° 1 to regulations for investments	15.03.2012	came into force 31.12.2011
Regulations for partial liquidation	01.01.2005	

14 (Joint) organ of management / Right to signature

The organs of the Foundation are the Assembly of Delegates, the Board of Trustees and the Management.

The Assembly of Delegates is the supreme organ with equal representation under the terms of article 51 LOB. It is composed jointly of representatives of affiliated companies and representatives of the insured.

It meets when circumstances require it, but at a minimum once a year. The Assembly of Delegates appoints the members of the Board of Trustees and the auditing body. It votes approval of the accounts and the annual report, as well as the discharge to the Board of Trustees. It approves modifications of the by-laws and the pension regulations.

The Board of Trustees is composed of 6 members. As of 31 December 2011, it had the following composition:

	<u>Function</u>	<u>Duration of mandate/end</u>	<u>Representation</u>	<u>Authorisation signature</u>
Rancic Christina	Member, Chairman	4 years, 02.06.2013	affiliated companies	collective à 2
Fiechter Robert	Member, Vice-Chairman	4 years, 02.06.2013	affiliated companies	collective à 2
Grivel Jacques	Member	4 years, 02.06.2013	affiliated companies	collective à 2
Gordon Robin	Member	4 years, 24.05.2015	insured	collective à 2
Izzo Mario	Member	4 years, 02.06.2013	insured	collective à 2
Michel Pierre	Member	4 years, 02.06.2013	insured	collective à 2

Management is composed of the Chairman, Vice-Chairman and the Managing Director of the Foundation. It manages day-to-day business. As of 7 April 2010, Mr Marçal Decoppet has been employed by the Foundation as Managing Director.

15 Experts, auditing body, advisors and surveillance authority

Expert in occupational pension insurance :	Mr Christophe Steiger, Fractals SA, Lausanne
Experts :	Etude Des Gouttes & Associés, Geneva, complex death file Etude LHA, Geneva, complex disability file Etude Oberson law firm, Geneva, VAT taxation, parking file Hpr SA, Vevey, collective exemption file insured
Consulting physician :	Dr Jean-Pierre Boss, Lausanne
Auditing body :	Ernst & Young SA, Genève
Technical and accounting administration :	Hpr SA, Vevey
Depository of securities :	Credit Suisse AG, Zurich
Asset managers :	Aforge Capital Management SA, Geneva Credit Suisse AG, Zurich GFI Gestion de fortunes immobilières SA, Geneva IAM Independent Asset Management SA, Geneva Swiss & Global Asset Management AG, Zurich
Investment advisors :	Novarca Services AG, Pfäffikon, audit securities part (optimisation of costs), free of charge SPG Intercity Geneva SA, Genève, audit operations real estate part, free of charge
Administration of properties :	Euro-courtage Sàrl, Montreux Pro Logement SA, Echallens Régie du Rhône SA, Lancy
Surveillance authority :	Cantonal authority for surveillance of pension foundations and institutions in the Canton of Geneva, register number GE 1118

16 Affiliated employers

	2011	2010
Number at 1st January:	343	296
Entries:	77	71
Exits:	31	24
Number at 31 December:	<u>389</u>	<u>343</u>

2 Active members and pensioners

21 Active insured

	31.12.2011	31.12.2010
Total active insured	5'768	5'511

22 Beneficiaries of pensions

	31.12.2011	31.12.2010
Retired persons	172	141
Children of retired persons	3	1
Disabled	133	117
Children of disabled	71	55
Widows and widowers	23	17
Orphans	11	9
Total	413	340

including 218 beneficiaries whose pensions are fully reinsured.

3 Application of the purpose

31 Explanation of pension plans

In order to achieve its objective, the Foundation has established pension regulations common to all those affiliated. The pension plan proper to each affiliated company describes the insured benefits chosen by the company.

32 Financing, methods of financing

The financing of contributions varies from one affiliate to another and is defined in the pension plan proper to the affiliate.

33 Other information on the activity of pension plan insurance

In its meeting of 31 January 2012, the Board of Trustees decided to refrain from adjusting pensions to inflation for 1 January 2012.

Until 31 March 2003, the longevity risk was fully reinsured. Since 1st April 2003, the Foundation has itself insured this risk and to this end constitutes mathematical reserves for retired pensioners.

4 Principles of valuation and presentation of the accounts, permanence

41 Confirmation on the presentation of the accounts according to the Swiss GAAP RPC 26

The accounts of the Foundation have been established and presented in compliance with the standard Swiss GAAP RPC 26.

42 Accounting and valuation principles

Investments :	The valuation of securities is based on the market value at the date of the balance sheet or the last known NAV. Due to the accounting principle adopted (market value), the gains/losses resulting from the annual valuations to draw up the balance sheet are posted separately to avoid confusing them with the gains/losses on securities sold during the accounting period, which are operations requiring a cash flow
Foreign currencies :	Revenues and charges in foreign currencies are converted at the exchange rate of the day. Assets and liabilities in foreign currencies appear on the balance sheet at the end-of-year exchange rate (bank rate): USD 0.9351, EUR 1.213906, GBP 1.453239, JPY 1.215355, CAD 0.918319, AUD 0.958665, HKD 0.1204. Resulting exchange rate losses or gains are posted on the profit and loss account.
Properties :	These have been valued at their yield value, (dynamic rental status at 01.01.2012) capitalised at a rate of 6.25% (6.5% in 2010).
Other assets :	The valuation of other assets is done at nominal value.
Other liabilities :	The valuation of other liabilities is done at nominal value.

43 Modification of principles for accounting, valuation and presentation of the accounts

The discount rate used for the valuation of the properties is 6.25% at 31.12.2011, as against 6.5% at 31.12.2010. The financial impact financier is CHF 9'082'881.

This change was necessary due to the modification of the technical rate from 4% to 3.5%. In fact the discount rate is especially dependent on the technical rate (cf. figure 57 below). Nevertheless the Board of Trustees has decided not to reduce the discount rate from 6.5% to 6%, but rather to adopt an approach per property with a discount rate determined according to individual parameters, reflecting more accurately the composition of Copré's real estate portfolio. An in-depth study is underway, and in the meantime a rate of 6.25% has been chosen, representing a valuation that is more in line with the market..

No other modification of the principles for accounting, valuation and presentation of the accounts has occurred in 2011.

5 Cover of risks / Technical rules / Degree of cover

51 Nature of the cover of risks, reinsurance

Up to 31 December 2008, the risks related to death and disability were covered by a reinsurance contract with the Bâloise Life Insurance Company. The indexation of current pensions decided by the Board of Trustees is at the charge of the Foundation, which constitutes mathematical reserves to this end.

From 1st January 2009 the Foundation opted for a reinsurance contract of the 'stop-loss' type concluded with the Zurich Life Insurance Company. This reinsurance is completed by an 'excess of loss' contract with Elips Life AG. From this date the Foundation has therefore constituted the mathematical reserves and provision for risk fluctuations required for this new situation.

These two contracts were terminated on 31.12.2011, and replaced as of 1st January 2012 by a single contract concluded with PKRück (stop-loss plus).

The Foundation itself insures the risk of longevity and to this end constitutes mathematical reserves for pensioners, a provision for longevity and a provision for improvement of the conversion rate.

52 Evolution and remuneration of savings assets

	31.12.2011	31.12.2010
	CHF	CHF
Balance at 1st January of retirement insurance capital for active insured	303'283'118.25	291'628'099.45
Retroactive allocations/dissolutions	1'917'464.80	-54'641.75
Savings contributions	34'593'347.20	33'254'824.30
Other contributions and buy-in contributions	3'832'508.15	6'633'301.80
Vested benefits paid in	45'779'876.65	31'270'276.45
Distribution of disposable funds	788'837.85	1'113'091.55
Reimbursement of payments for EPL / divorce	819'478.10	1'168'049.45
Vested benefits in event of exit	-33'488'411.45	-53'292'245.45
Payments for EPL / divorce	-4'215'895.25	-3'768'920.80
Dissolution due to retirements, death and disability	-14'809'537.20	-11'179'208.70
Remuneration of pension insurance capital	2'550'337.70	6'468'275.45
Allocation to exit benefits	77'632.05	42'216.50
Total pension insurance capital of active insured	<u>341'128'756.85</u>	<u>303'283'118.25</u>

Technical rules

For insured who are still active on 31.12.2011 and for the reference period from 01.01 to 31.12.2011, the interest allocated on the savings accounts of the active insured, of the insured unable to work and of the disabled has been calculated on the prescribed assets at a rate of 0.75 % (as against 2.25 % in 2010).

In view of the difficult markets in 2011, the Board has decided to favour the stabilisation of the balance sheet so as to not reduce the degree of cover.

For insured who exited during 2011, the interest allocated until the exit date has been calculated at the LOB rate.

53 Total of old-age assets as per the LOB

	31.12.2011	31.12.2010
	CHF	CHF
Old-age assets as per LOB (pilot accounts)	160'880'765.25	141'207'062.85
LOB minimum interest rate set by the Federal Council	2,00 %	2,00 %

54 Evolution and remuneration of pension insurance capital of pensioners**A - Evolution and remuneration of pension insurance capital of disabled**

Balance at 1st January of pension insurance capital	10'411'989.60	8'897'478.45
Transfer of freed-up capital	331'452.00	1'258'045.90
Savings contributions	642'075.35	480'344.30
Vested benefits paid in	961'390.00	114'885.50
Distribution of disposable funds	0.00	20'158.20
Remuneration of pension insurance capital	83'610.65	214'705.60
Dissolution savings capital	-322'669.70	-573'628.35
Total pension insurance capital of disabled insured	12'107'847.90	10'411'989.60

B - Evolution of cover capital for pensioners

Balance of cover capital at 1st January	40'432'660.00	33'351'120.75
Capital contributions	1'437'896.80	598'498.35
Modification related to changes in calculation bases*	5'348'741.00	0.00
Modification related to new status of insured at 31 December	11'730'278.20	6'483'040.90
Total cover capital for pensioners	58'949'576.00	40'432'660.00

Total pension insurance capital pensioners (A+B)	71'057'423.90	50'844'649.60
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55 Results of the last actuarial valuation

The last actuarial valuation was carried out on the basis of the financial statements as of 31 December 2011. The conclusions are as follows:

- at 31.12.2011, except for 11 affiliated companies, there was no overdraft in the sense of the legal provisions;
- the Foundation's commitments are fully covered;
- the reserve for securities fluctuations has, however, to be reconstituted.

Given this situation, we recommend:

- crediting in 2012 the legal minimum interest, i.e. 1,5%, calculated on the minimum LOB, to exiting insured;
- not adjusting pensions beyond the adjustments required by the LOB.

Eleven affiliated companies have a degree of cover of between 94.1% and 100%. For these, there will be no interest credited to their accounts until their degree of cover again reaches 100%. Additional remedial measures are reserved in the event that the absence of interest does not make it possible to come up to 100% within a reasonable period of time (5 years).

56 Technical bases and other significant assumptions on the actuarial level

A - Provision for longevity	31.12.2011	31.12.2010
	CHF	CHF
Balance of the longevity provision at 1st January	1'949'350.00	1'485'875.00
Modification related to changes in the calculation bases*	-2'655'830.00	0.00
Modification related to the new status of the insured at 31 December	998'696.00	463'475.00
Total of the provision for longevity	292'216.00	1'949'350.00
B - Provision for improvement of the conversion rate		
Balance provision for improvement of the conversion rate at 1st January	1'955'700.00	1'534'200.00
Modification related to changes in the calculation bases*	2'693'700.00	0.00
Modification related to the new status of the insured at 31 December	-246'600.00	421'500.00
Total provision for improvement of the conversion rate	4'402'800.00	1'955'700.00
C - Provision for fluctuation of risks		
Balance provision for fluctuation of risks at 1st January	4'284'000.00	1'500'000.00
Modification related to changes in the calculation bases*	679'000.00	0.00
Modification related to the new status of the insured at 31 December	-921'000.00	2'784'000.00
Total provision for fluctuation of risks	4'042'000.00	4'284'000.00
Total of technical provisions (A+B+C)	8'737'016.00	8'189'050.00

*The calculation of the mathematical reserves of pensioners is made as from 31 December 2011 on the basis of the LOB 2010 table, with a technical interest rate of 3.5%, in place of the EVK 2000 table, with a technical interest rate of 4%, used hitherto.

The provision for longevity serves to finance the increase in the pension insurance capital of pension beneficiaries due to a change of the actuarial tables. It corresponds to a rate of 0.5% per annum since the establishment of the technical bases used, i.e. 4.5% accumulated up to now. This rate is applied on the pension obligations of the pension beneficiaries, less the obligations for child and orphan pensions.

The provision for improvement of the conversion rate is constituted in order to maintain the conversion rate as stable as possible over time. It is fixed on the basis of an estimation of the possible retirement cases during the following five years, considering 75% of the additional pension insurance capital required to cover the difference between the pension effectively provided at the conversion rate determined by the Foundation and a pension based on the conversion rate in line with the technical bases used. This approach is based on the estimation that 25% of retirement benefits are taken in the form of capital.

The significant increase in the provision for improvement of conversion rates in 2011 is explained by the fact that the actuarial conversion rate decreased following the modification of the technical bases. The difference between the pension provided and that which would be paid if the actuarial conversion rate were applied is thus higher, and its financing requires a higher provision.

The provision for fluctuation of risks has been constituted so as to enable the Foundation to deal with insurance cases not covered by the 'stop loss' and 'excess of loss' insurances, in order to cover two consecutive years of a high level of claims with a probability of 97.5%.

57 Modification of the technical bases and assumptions

As from 31 December 2011, the technical bases of the Foundation have been modified. The table used from this date is LOB 2010 in place of the EVK 2000 table.

In the light of the technical directive of the Swiss Chamber of Consulting Actuaries and the trend observed in this respect, the Board of Trustees has decided to reduce the technical rate from 4% to 3.5% so as to strengthen the reserves.

58 Affiliates' disposable funds

	31.12.2011	31.12.2010
Balance of affiliates' disposable funds at 1st January	634'090.51	2'124'656.56
Constitution of affiliates' disposable funds	803'829.15	80'975.15
Dissolution of affiliates' disposable funds	-807'302.60	-1'571'541.20
Total disposable funds of affiliates	<u>630'617.06</u>	<u>634'090.51</u>

59 Degree of cover as per article 44 OPP2

	31.12.2011	31.12.2010
	CHF	CHF
Pension insurance capital and technical provisions required	<u>420'923'196.75</u>	<u>362'316'817.85</u>
Pension insurance capital and technical provisions	420'923'196.75	362'316'817.85
Reserve for securities fluctuations	19'953.67	2'522'781.13
Foundation capital, disposable funds	0.00	0.00
Assets available to cover statutory obligations	<u>420'943'150.42</u>	<u>364'839'598.98</u>
Degree of cover (assets available in relation to capital committed)	<u>100.00%</u>	<u>100.70%</u>

This degree of cover is applicable to all affiliated companies, with the exception of:

- affiliates benefiting from disposable funds, for whom the degree of cover is higher;
- 11 affiliates that joined in 2011 from the 'Fondation collective Genesia', with a degree of cover of 90%. This will be supplemented by the result of the partial liquidation of that Foundation which is under way. The estimated degree of cover of that Foundation is 94.1%.

6 Explanations relating to investments and net income from investments

61 Organisation of the investment activities, investment regulations

The assets of the Foundation are placed with Credit Suisse. The mandates for managing the securities portfolio are entrusted to IAM Independent Asset Management SA, Swiss & Global Asset Management AG (formerly Julius Baer), Aforge Capital Management SA and Credit Suisse AG.

The investment regulations of the Foundation were updated on 10.05.2010 and are available for consultation on the web site.

62 Utilisation of extensions (art. 50, para. 4 OPP2)

In the context of the updating of the investment regulations, the Foundation has made use of the freedom afforded by the law to extend the possibilities for investment. The investment areas concerned are detailed in attachment 2 of the investment regulations. The necessary measures have been taken to ensure that the proper attention is paid to the choice, management and control of investments. The Board of Trustees has made certain in particular that the objectives of the pension insurance are attained, especially by adopting a management strategy that takes into account the assets and liabilities as well as the structure and foreseeable future evolution of the number of insured. A congruence analysis of assets and liabilities was carried out in 2009.

63 Objectives and calculation of the reserve for fluctuations in securities

	31.12.2011	31.12.2010
	CHF	CHF
Balance at 1st January of the securities fluctuation reserve	2'522'781.13	24'752.68
Increase/decrease due to the operating result	-2'502'827.46	2'498'028.45
Reserve for securities fluctuations on balance sheet	19'953.67	2'522'781.13
Target value of the reserve for securities fluctuations (absolute value)	43'008'261.00	43'008'261.00
Insufficiency of the reserve for securities fluctuations	-42'988'307.33	-40'485'479.87

To calculate its reserve for fluctuations of securities, the Board of Trustees has opted for a mixed technique consisting of simulating jointly and over the long term the evolution of the assets held by the Foundation. This multiple simulation makes it possible to highlight a large number of possible evolutions of the Foundation's assets. The most unfavourable scenarios are discarded, in view of their high degree of improbability. From the remaining subset the scenario involving the broadest loss is extracted. The amount corresponding to this loss is the Value-at Risk (VaR).

The theoretical predictive validity of this amount is a function of the number of simulated scenarios discarded [0.5%]. This size is expressed as its complement to one [100%], in this case 99.5% [100%-0.5%].

As an additional precaution, the Board of Trustees has taken care to consider a scenario even more risky than that highlighted by VaR at 99.5%, by resorting to the correlative metric designated in the literature under the terms of Expected Shortfall (ES) or, alternatively, of Expected Tail Loss (ETL). This latter number is obtained by applying the average of the extreme values previously discarded as highly improbable.

On 31 January 2012 the Board of Trustees decided, in the interests of economy and in view of the fact that the strategy has not changed, not to have the target value of the securities fluctuation reserve recalculated, as the reserve constituted at 31.12.2011 is a long way from its objective.

64 Presentation of investments by category**641 Structure of investments**

Presentation of investments by category, as per investment regulations:

	31.12.2011	Effective split in %	31.12.2010	Effective split in %	Strategy	Margins
	CHF		CHF			
Liquidities (CC / CT / PI. fid.)	68'708'213	13.11%	44'729'689	9.19%	0%	0%-40%
Bonds in CHF	82'360'978	15.72%	65'695'353	13.50%	31.5%	18.9%-44.1%
Bonds in foreign currencies	39'393'930	7.52%	45'093'019	9.27%	10.5%	6.3%-14.7%
Total fixed revenue (ex cash)	121'754'908	23.24%	110'788'372	22.77%	42%	25.2%-58.8%
Shares and investment funds in shares in CHF	60'953'628	11.63%	76'433'143	15.71%	10.5%	6.3%-14.7%
Shares and investment funds in shares in foreign currencies	30'658'670	5.85%	23'443'678	4.82%	17.5%	10.5%-24.5%
Total shares	91'612'298	17.48%	99'876'821	20.53%	28%	16.8%-39.2%
Real estate	236'154'913	45.06%	224'348'943	46.13%	30%	18%-50%
Investments with the employer	3'714'475	0.71%	3'474'834	0.71%		
Other claims CHF	2'072'626	0.40%	3'245'107	0.67%		
Total assets	524'017'433	100.00%	486'463'766	100.00%		

Global limits, as per investment regulations :

	31.12.2011	Effective split in %	31.12.2010	Effective split in %	Strategy	Margins
	CHF		CHF			
Company shares or investment funds invested in commodities (shares)	3'702'530	0.71%	8'915'349	1.83%	5%	0%-5%
Company shares or investment funds invested on emerging markets	12'262'046	2.34%	14'628'514	3.00%	5%	0%-7.5%
Total exposure in foreign currency, net of exchange cover	54'558'394	10.41%	37'952'240	7.80%		0%-40%

The Board of Trustees is aware that the minimum margins of bonds in CHF and shares in foreign currencies have not been respected for the third consecutive year, and considers that this temporary situation is due to the economic conditions of the markets.

The same applies to the minimum margin of the total fixed revenue (bonds).

Control of limits as per art. 55 OPP2 :

	31.12.2011	Effective split in %	31.12.2010	Effective split in %	Limits OPP2
	CHF		CHF		
Swiss property deeds and liens	10'442'250	1.99%	9'564'836	1.97%	50%
Shares	91'612'298	17.48%	99'876'821	20.53%	50%
Real estate	236'154'913	45.06%	224'348'943	46.13%	30%
Total exposure in foreign currency, net of exchange cover	54'558'394	10.41%	37'952'240	7.80%	30%

Art. 54 para. 1 OPP2 authorises the investment of 10% of the assets with one debtor. Based on the experience gained in 2007-8, a period during which one noted the possible rapid degradation of the quality of debtors reputed to be very solvent, The Foundation decided to be more restrictive and only authorise such investments up to a limit of 5%. The situation with respect to the liquidities placed with Credit Suisse, representing 13.1% of the assets at the end of December, was only temporary. In fact Aforge Capital Management SA, which was liquid to a level of CHF 33.5 million end December for tactical reasons, reduced its share to CHF 12 million at the end of March. The Foundation's current cash flow has also been reduced by CHF 21 million from January to April 2012 following reinvestments in the securities portfolio and by CHF 10 million at the end of April 2012 to reimburse a mortgage becoming due.

The decision taken in 2008 by the Board of Trustees to increase the tactical allocation of real estate assets to about 47% had the following objectives: to increase the investments in a category of assets that is stable compared to the volatility of the financial markets at the time; to ensure recurring revenue higher than that of traditional fixed income securities; and to optimize the amount of the reserve for securities fluctuations thanks to a lower average volatility of the global assets. This tactical allocation is intended to diminish progressively, in line with the inflow of premiums and contributions from vested benefits triggered potentially by new affiliations.

Although it constitutes a homogenous whole, La Levratte is composed of seven individually assignable plots. The investment regulations specify that investment in a single real estate object may not exceed 10% of assets less loans. All the objects in the portfolio respect this limit.

The mortgage debt of CHF 80 million represents about 34% of the real estate assets (statutory authorisation: 50%) and about 15% of total assets. The average interest paid is 2.94% for an average period of 4.96 years. The spread of due dates is presented under point 79.

642 List of properties held

Property	Estimation at 31.12.2011	Estimation at 31.12.2010
Bussigny, Lausanne 8	4'856'640	4'535'077
Corsier, Ch. Neuf 1-3	4'120'704	3'942'886
Crans, Pas de l'Ours 4	2'654'784	2'552'677
Genève, Cavour 17	6'970'752	6'685'108
Genève, Contamines 1	11'105'760	10'636'043
Genève, Palettes 23	9'686'752	9'173'538
Lausanne, Ale 8	4'881'216	4'601'169
Lausanne, Echallens 80	3'193'920	2'806'708
Le Mont, Lausanne 33	7'554'816	7'131'258
Meyrin, Livron 21	7'448'448	7'021'662
Meyrin, Livron 23	6'226'560	5'980'185
Montreux, Alpes 38-58	23'556'688	22'194'462
Neuchâtel, Grand-Rue 1a	3'488'640	3'345'600
Nyon, Levratte 8-38	94'164'609	90'093'601
Paudex, Bernadaz 3	3'176'256	2'875'385
Penthaz, Cossonay 1-7	6'990'272	6'635'815
Petit-Saconnex, Lamartine 22	6'719'040	6'446'446
Petit-Saconnex, Lamartine 24	11'678'976	11'061'969
Petit-Saconnex, Lamartine 24 ter	4'739'520	4'442'769
Yverdon, Cheminet 31-39	12'940'560	12'186'585
Total	236'154'913	224'348'943

643 Explanations on the management of the properties

Due to the size of the real estate holdings, the Board of Trustees has adopted a policy for real estate management and a system of control of real state activities, and has renegotiated the contracts with GFI Gestion de Fortune Immobilière SA. The system of control guarantees respect of the prudential rules and, in particular, of the rules applicable to conflicts of interest.

In 2011, the Board of Trustees mandated SPG Intercity Geneva SA, a professional real estate company, to carry out an audit of the management of the real estate.

In the context of their auditing mandate, our auditors Ernst & Young verify the respect of the system of control of real estate activities set up by the Board of Trustees for activities delegated to GFI Gestion de Fortune Immobilière SA.

65 Derivate financial instruments current (open)

At 31 December 2011, several forward exchange operations are open, the details of which appear below.

Currency	Nominal	Average buying rate	Rate at 31.12.2011	Gain/loss (-) at 31.12.2011
USD	7'493'000	0.9234	0.939233	-118'639
EUR	7'807'000	1.237	1.21616	162'699
				44'060

At 31 December 2010, several forward exchange operations were open, the details of which appear below.

Currency	Nominal	Average buying rate	Rate at 31.12.2010	Gain/loss (-) at 31.12.2010
USD	6'025'000	0.986575	0.93137	332'609
EUR	14'575'000	1.302698	1.24927	778'706
				1'111'315

66 Explanations on the net results of the investments	2011	2010
	CHF	CHF
661 Liquidities	67'121.35	24'586.66
- Interest on various current accounts	67'121.35	24'562.66
- Profits on sales money market investments	0.00	24.00
662 Forward exchange	263'337.07	3'965'548.04
- Exchange differences realised	1'333'403.07	3'223'859.04
- Losses on forward exchange operations	-1'070'066.00	0.00
- Gains on forward exchange operations	0.00	741'689.00
663 Total bonds	3'508'376.77	-2'140'228.76
6630 Bonds	3'443'438.22	-2'063'895.98
- Income on interest on Swiss bonds	1'096'120.73	1'289'416.02
- Income from interest on foreign bonds in CHF	641'795.16	702'786.61
- Income from interest on foreign bonds in foreign currencies	970'829.31	1'087'885.47
- Income from investment funds Swiss bonds	388'725.47	183'157.60
- Income from investment funds foreign bonds in CHF	55'582.55	0.00
- Income from investment funds foreign bonds in foreign currencies	168'504.96	0.00
- Losses on sales	-947'492.56	-412'468.43
- Profits on sales	1'252'625.40	442'883.27
- Exchange differences realised	-1'457'317.44	-7'196'049.02
- Losses	-607'052.29	-1'632'228.28
- Gains	1'881'116.93	3'470'720.78
6631 Company shares/investment funds emerging markets	64'938.55	-76'332.78
- Exchange differences realised	194'113.60	-105'988.22
- Losses on sales	-44'689.02	0.00
- Profits on sales	6'916.40	0.00
- Losses	-91'402.43	-2'636.13
- Gains	0.00	32'291.57
664 Total shares	-11'810'435.72	2'195'396.36
6640 Shares	-6'101'332.59	354'277.76
- Dividends from Swiss shares	762'466.35	395'213.70
- Dividends from foreign shares in foreign currencies	154'304.41	68'108.99
- Dividends from investment funds Swiss shares	319'565.33	379'682.07
- Dividends from investment funds foreign shares in CHF	435'453.18	643'626.95
- Losses on sales	-5'921'333.19	-222'454.21
- Profits on sales	253'841.02	1'034'942.75
- Exchange differences realised	-59'581.62	-1'780'201.31
- Losses	-3'447'188.62	-5'516'356.15
- Gains	1'401'140.55	5'351'714.97
6641 Company shares/investment funds commodities	-2'697'207.95	1'320'714.25
- Revenues	2'989.10	3'313.50
- Losses on sales	-1'256'813.50	0.00
- Profits on sales	0.00	230'052.55
- Losses	-1'443'383.55	-975'720.20
- Gains	0.00	2'063'068.40
6642 Company shares/investment funds emerging markets	-3'011'895.18	520'404.35
- Revenues	69'175.05	37'393.03
- Losses on sales	-1'340'506.76	-37'305.70
- Profits on sales	0.00	118'014.79
- Exchange differences realised	-32'852.36	-688'600.48
- Losses	-1'707'711.11	-382'063.01
- Gains	0.00	1'472'965.72

665 Real estate	16'158'671.61	7'114'656.37
- Real estate charges	-3'183'347.57	-3'113'362.60
- Real estate revenues	14'763'223.08	14'223'683.00
- Losses	-3'312'346.55	-2'533'289.48
- Gains resulting from the modification of the capitalisation rate	9'082'881.00	0.00
- Gains	1'201'061.65	1'085'625.45
- Mortgage interest	-2'392'800.00	-2'548'000.00
666 Administration costs for investments	-2'893'934.43	-3'147'541.26
6661 Administration costs for securities investments	-1'279'653.68	-1'517'843.18
Costs on securities transactions	-221'928.01	-339'816.31
Costs on current accounts	-28'896.75	-42'708.76
Costs for asset management by Aforge Capital Management	-214'440.97	-166'485.52
Costs for asset management by Credit Suisse	-56'658.20	0.00
Costs for asset management by E.I.M. SA	0.00	-116'073.84
Costs for asset management by IAM Independent Asset Management SA	-487'095.80	-551'473.25
Costs for asset management by Swiss&Global Asset Management AG	-246'166.55	-278'614.20
Costs for bookkeeping of Credit Suisse securities	-24'467.40	-22'671.30
6662 Administration costs for real estate investments	-1'614'280.75	-1'629'698.08
Fees for financial, rental and administrative management	-318'389.00	-304'348.25
Fees for technical management	-216'326.15	-215'114.00
Fees for technical management GFI	-99'598.95	-89'913.72
Fees for dynamic management of the GFI portfolio	-707'215.06	-645'883.17
Fees for steering of construction work GFI	-265'916.20	-340'718.12
Final fees GFI previous year	-6'835.39	-33'720.82

667 Performance of investments

According to the depository of the securities, the performance realised over the whole of the investments during the 2011 period is 1.01%.

67 Explanation of investments with employers and of reserves of employer contributions

	31.12.2011	31.12.2010
	CHF	CHF
Claims of employer contributions, gross	3'731'374.60	3'490'084.35
Provision for losses on employer claims	-16'900.00	-15'250.00
Claims of employer contributions, net	3'714'474.60	3'474'834.35
Balance of the reserve of employer contributions at 1st January	3'866'230.10	4'516'265.90
Increase	1'032'214.30	384'175.80
Decrease	-1'466'343.45	-1'054'063.40
Interest	4'275.15	19'851.80
Total reserve of employer contributions	3'436'376.10	3'866'230.10

The term "claims of employer contributions" is understood as the current account of each company affiliated to the Foundation. It is to be noted that 95% of these contributions were paid up during the first quarter of 2012. Contributions still outstanding are the object of regular follow-up.

7 Explanations relating to other items on the balance sheet and operating statement**71 Explanation of the item 'administration costs'**

	31.12.2011	31.12.2010
	CHF	CHF
Operating costs	-413'400.85	-380'884.25
Cantonal surveillance authority	-4'300.00	-4'900.00
Management fees administration	-1'596'943.00	-1'495'467.35
Fees of the expert	-30'375.00	-17'216.00
Auditing fees	-94'434.00	-102'022.00
Fees for various mandates	-168'107.35	-325'833.70
Total administration costs	-2'307'560.20	-2'326'323.30

Management costs invoiced to affiliates

Management costs invoiced to affiliates	1'489'695.45	1'334'828.30
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72 Explanation of the item 'marketing and advertising costs'

	31.12.2011	31.12.2010
	CHF	CHF
Miscellaneous advertising expenses	-370'272.35	-377'237.45
Commission fees	-639'961.50	-580'348.25
Commercialisation expenses	-612'567.00	-537'963.60
Total marketing and advertising costs	-1'622'800.85	-1'495'549.30

Containing expenses for advertising/marketing, commissions and commercialisation, This heading covers in fact the costs for 'customer acquisition'.

73 Explanation of the item 'vested benefit contributions'

	31.12.2011	31.12.2010
	CHF	CHF
Vested benefit contributions active insured	45'232'369.80	31'136'077.65
Vested benefit contributions active insured received after their exit	59'614.05	134'198.80
Vested benefit contributions disabled insured	961'390.00	114'885.50
Contributions pensioners	1'437'896.80	598'498.35
Total of item 'vested benefit contributions'	47'691'270.65	31'983'660.30

74 Explanation of the item 'contributions'

	31.12.2011	31.12.2010
	CHF	CHF
Savings bonuses	35'241'983.40	33'760'743.50
Contributions to cover risks of disability and death	9'062'532.10	8'949'092.20
Contributions to the guarantee fund	152'434.90	140'694.45
Contributions for administrative expenses	1'489'695.45	1'334'828.30
Contributions for adjustment of pensions to inflation	539'092.20	492'388.05
Total of contributions gross	46'485'738.05	44'677'746.50
Dissolution reserves employer contributions	-1'466'343.45	-1'054'063.40
Total of contributions net	45'019'394.60	43'623'683.10
i.e:		
Contributions of staff	18'449'239.60	16'850'401.30
Contributions of employers	26'570'155.00	26'773'281.80

75 Explanation of the item 'debtors'

	31.12.2011	31.12.2010
	CHF	CHF
Current account reinsurance	228.35	296.35
Current account withholding tax	579'111.74	228'189.85
Total of item 'debtors'	579'340.09	228'486.20

76 Explanation of the item 'accruals and deferrals, assets'

	31.12.2011	31.12.2010
	CHF	CHF
Accrued interest	675'388.34	1'417'541.65
Buildings	0.00	101'893.50
Benefits to be received from the reinsurer	197'582.60	276'483.20
Vested benefits to be received	503'412.35	74'027.30
Invoices paid in advance	22'910.90	29'493.75
Miscellaneous	52'743.10	5'866.20
Total of item 'accruals and deferrals, assets'	1'452'037.29	1'905'305.60

77 Explanation of the item 'accruals and deferrals, liabilities'

	31.12.2011	31.12.2010
	CHF	CHF
Vested benefits received but not yet allocated	405'704.70	163'700.06
Various fees 4th quarter to be paid	319'430.24	347'711.03
Balance commission costs to be paid	344'476.55	304'653.40
Provisions for various buildings	50'000.00	376'000.00
Benefits received in advance from the reinsurer	764'749.80	736'021.95
Miscellaneous	16'052.65	15'310.40
Total of the item 'accruals and deferrals, liabilities'	1'900'413.94	1'943'396.84

78 Explanation of the item 'banks/insurances'

The amount at 31.12.2010 is composed of current account balances resulting from the asset management mandates.

79 Explanation of the item 'mortgage debts'

The details of the mortgage debts with Credit Suisse are as follows :

	Amount in CHF	Interest rate	Start of contract	Épiry
Fixed mortgage: tranche 1	6'000'000.00	3.60%	10.03.2004	10.03.2014
Fixed mortgage	10'000'000.00	3.60%	31.03.2007	30.03.2022
Fixed mortgage	4'000'000.00	3.50%	15.05.2007	15.05.2017
Fixed mortgage,deferred effects	10'000'000.00	1.90%	28.04.2009	28.04.2012
Fixed mortgage,deferred effects	15'000'000.00	2.65%	28.04.2009	28.04.2015
Fixed mortgage,deferred effects	15'000'000.00	2.85%	28.04.2009	28.04.2016
Fixed mortgage,deferred effects	10'000'000.00	3.05%	28.04.2009	28.04.2018
Fixed mortgage,deferred effects	<u>10'000'000.00</u>	3.20%	28.04.2009	28.04.2019
Total mortgages	80'000'000.00			

This is a global framework contract, guaranteed by the mortgage notes mentioned under item 91.

8 Requests by the surveillance authority

The financial statements at 31 December 2010 did not give rise to any particular remarks. The Foundation has acted on the various additional requests of the surveillance authority.

The Foundation has also sent to it the provisional announcement on the financial situation for the 2011 accounting period, concerning the occupational pension institutions subject to the LFLP (Federal Law on Vested Benefits).

9 Other information relating to the financial situation

91 Pledging of assets

The mortgage notes pledged for the mortgage loans are as follows:

Property	Note 1st level	Note 2nd level	Note 3rd level	Total
Bussigny, Lausanne 8	3'000'000			3'000'000
Corsier, Ch. Neuf 1-3	520'000	150'000		670'000
Geneva, Cavour 17	3'030'000			3'030'000
Geneva, Contamines 1	4'600'000			4'600'000
Genève, Palettes 23	5'600'000			5'600'000
Lausanne, Ale 8	1'900'000	800'000		2'700'000
Lausanne, Echallens 80	2'000'000			2'000'000
Le Mont, Lausanne 33	572'000	3'000'000		3'572'000
Meyrin, Livron 21	4'000'000			4'000'000
Meyrin, Livron 23	1'115'000	235'800		1'350'800
Montreux, Alpes 52	10'420'000			10'420'000
Neuchâtel, Grand-Rue 1a	1'800'000	450'000		2'250'000
Nyon, Levratte 8-38	60'000'000			60'000'000
Paudex, Bernadaz 3	2'000'000			2'000'000
Penthaz, Cossonay 1-7	4'000'000			4'000'000
Pt-Saconnex, Lamartine 22bis	1'800'000	1'500'000	2'500'000	5'800'000
Pt-Saconnex, Lamartine 24	5'350'000	250'000		5'600'000
Yverdon, Cheminet 31-39	3'000'000			3'000'000
Total	114'707'000	6'385'800	2'500'000	123'592'800

A Lombard credit contract of CHF 20'000'000.- has been opened with Credit Suisse, in the event of real estate acquisitions in future.

92 Overdraft

In 2011, the Foundation registered the arrival of 11 affiliates coming from the 'Fondation collective Genesis', with a degree of cover estimated at 94.1% (cf. item 59). The exact degree of cover of each affiliate will only be known upon completion of the procedure for partial liquidation of the 'Fondation collective Genesis'. The overdraft will be compensated by allocations of lesser interest on the accounts of the insured compared to the interest distributed on the accounts of the other insured by Copré. When the interest credited is less than the legal minimum, for example with zero interest, the legal interest on the LOB pilot accounts is nevertheless guaranteed.

If this measure were to prove unsatisfactory within a reasonable time, other stabilisation measures will be envisaged.

10 Events subsequent to the date of the balance sheet

None.



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