

Pictet – Timber

Simplified Prospectus (April 2010)

Important information

This prospectus contains essential information relating to the Pictet – Timber compartment (the “Compartment”). For more detailed information, please refer to the most recent version of the full current Pictet (the “Fund”) prospectus. The full prospectus, as well as the latest annual and semi-annual reports, may be obtained free of charge from the Fund or the Custodian Bank.

1. Legal structure

Pictet (the “Fund”) is an open-ended investment company (SICAV) with multiple compartments incorporated under Luxembourg law, in accordance with the provisions of Part I of the Law of 20 December 2002 governing undertakings for collective investment. The Fund was incorporated for an indefinite period on 20 September 1991 under the name of Pictet Umbrella Fund. Its Articles of Association were last amended by notarial act dated 9 April 2010. The Fund has designated Pictet Funds (Europe) S.A. (the “Management Company”) to act as management company in compliance with section 13 of the Law of 20 December 2002.

2. Investment policy and objectives

This Compartment applies a strategy for capital growth by investing at least two-thirds of its total assets / wealth in shares or any other securities related to shares issued by companies active in the financing, planting, and management of forests and wooded areas and/or in the processing, production and distribution of wood for construction and other services and products derived from wood contained in the silviculture value chain.

This Compartment will hold a diversified portfolio that will be composed, within the limits of the investment restrictions, of securities of listed companies. These securities may principally be ordinary shares, preferred shares, convertible bonds and, to a lesser extent, warrants and options.

The investment universe is not limited to a precise geographic region.

In addition, the Compartment may also invest up to 10% of its net assets in UCIs.

Investments in debt instruments as defined by the European Directive 2003/48/EC will not exceed 15%.

The Compartment may also invest in structured products, such as bonds or other transferable securities whose returns are linked to the performance of an index, transferable securities or a basket of transferable securities, or an undertaking for collective investment, for example.

The Compartment may use derivative techniques and instruments for the purpose of efficient management within the limits defined in the investment restrictions.

3. Risk profile of the Compartment

The Compartment is subject to risks inherent in any investment, such as the following:

- risks specific to a given market
- variations in exchange rates
- variations in interest rates.

Invested capital may fluctuate downwards as well as upwards, and investors may not recuperate the entire value of the capital initially invested.

Investors should be aware that the acquisition of derivative instruments involves certain risks that could have a negative effect on the performance of the compartment. In addition, due to their volatility, warrants present an above-average economic risk.

For further information regarding the risks associated with the investment policy, please refer to the full prospectus.

Low risk Lower than average risk Average risk Higher than average risk High risk



4. Typical investor profile

The compartment is an investment vehicle for investors:

- who wish to invest in securities of companies worldwide active in the silviculture value chain;
- who are willing to bear significant variations in market value and thus have a low aversion to risk.

5. Types of shares

Type of share	Activated	ISIN code	Initial min.	Base currency	Subscription and redemption currencies	Dividend distribution	Fees (max%) *		
							Management	Service Bank	Custodian
I USD (1)	✓	LU0340557262	1 million	USD	USD	–	1.20%	0.45%	0.30%
P USD	✓	LU0340557775	–	USD	USD	–	2.40%	0.45%	0.30%
P dy USD	✓	LU0340558237	–	USD	USD	✓	2.40%	0.45%	0.30%
R USD	✓	LU0340558583	–	USD	USD	–	2.90%	0.45%	0.30%
Z USD (2)	✓	LU0434580600	–	USD	USD	–	0%	0.45%	0.30%
I EUR (1)	✓	LU0340558823	(4)	EUR	EUR	–	1.20%	0.45%	0.30%
P EUR	✓	LU0340559557	–	EUR	EUR	–	2.40%	0.45%	0.30%
P dy EUR	–	LU0434580519	–	EUR	EUR	✓	2.40%	0.45%	0.30%
R EUR	✓	LU0340559805	–	EUR	EUR	–	2.90%	0.45%	0.30%
I dy GBP (1)	✓	LU0448837087	(4)	GBP	GBP	✓	1.20%	0.45%	0.30%
P dy GBP	✓	LU0340560480	–	GBP	GBP	✓	2.40%	0.45%	0.30%
HI EUR (1) (3)	–	LU0434580865	(4)	EUR	EUR	–	1.20%	0.50%	0.30%
HP EUR (3)	✓	LU0372507243	–	EUR	EUR	–	2.40%	0.50%	0.30%
HR EUR (3)	✓	LU0434580436	–	EUR	EUR	–	2.90%	0.50%	0.30%

* Per year of the average net assets attributable to this type of share.

(1) I shares. Reserved for institutional investors

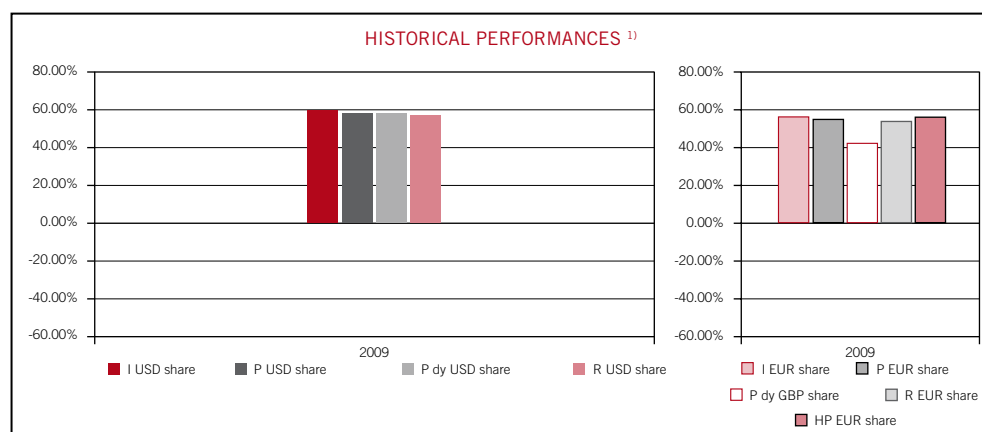
(2) Z shares: Reserved for institutional investors who have concluded a specific remuneration agreement with Pictet & Cie, Geneva, or any other entity of the Pictet Group.

(3) Hedged shares: shares intended to significantly hedge the exchange risk in relation to a given currency.

(4) USD 1,000,000 converted to EUR or GBP on the day of the NAV calculation.

6. Historical performance

The Compartment was activated on 30 September 2008.



1) after accounting for distributions made.

I dy GBP shares were activated on 10 September 2009.

Z USD shares were activated on 19 February 2010.

Past performance is not an indicator of present or future performance.

The performance data do not include commissions and fees received on the issue or redemption of shares.

7. Net asset value, subscriptions and redemptions

Frequency of net asset value ("NAV") calculations	Each banking day and the first calendar day of the month, unless the first of the month is a Saturday or Sunday
Consolidation currency	USD
Deadline for placing subscription and redemption orders	3 pm on the last banking day preceding the applicable NAV calculation date
Payment value date	Within 3 banking days following the applicable NAV
Publication of the net asset value	It is published at the registered offices of the Management Company on each valuation day and on the Pictet Funds S.A. website: www.pictetfunds.com

8. Compartment fees and charges

- Fees payable directly by the investor**

Intermediaries may deduct the following maximum commissions from Compartment shares:

Type of share (1)	Front-end load	Back-end load	Conversion
I	Max 5%	Max 1%	Max 2%
P	Max 5%	Max 1%	Max 2%
R	Max 5%	Max 3%	Max 2%
Z	Max 5%	Max 1%	Max 2%

(1) And any corresponding shares.

In addition, when the Fund is distributed abroad, the regulations in force in some jurisdictions may require the presence of a local Paying Agent. In this case, investors domiciled in these jurisdictions may be required to bear the fees and commissions levied by the local Paying Agents.

In accordance with market practices and based on the requirements of local distributors, the Distributor may deem it necessary to establish minimum subscription levels for shares in the Compartment, limit conversions between share classes and, while remaining within the limits imposed by the prospectus, apply a specific policy for subscription, redemption and conversion fees levied on behalf of local distributors.

- **Fees payable by the Compartment:**

In addition to the fees described in point 5 above, the Compartment will also pay brokerage commissions and fees, the tax d'abonnement (subscription tax), legal and auditing fees and any other fees owed by the Compartment.

9. Tax status

The Compartment is subject to Luxembourg tax legislation. Purchasers of shares in the Compartment should refer to the Fund's full prospectus and are responsible for ensuring that they are duly informed of the relevant legislation and regulations applicable to the acquisition, holding and sale of shares, in light of their residence and nationality.

In accordance with legislation in force in Luxembourg, the Compartment is not liable to any Luxembourg tax whatsoever, withheld at source or otherwise, on capital gains or income. However, the net assets of the Compartment are subject to tax at an annual rate of 0.05%, payable at the end of each quarter and calculated on the basis of the Compartment's net assets at the end of each quarter. This tax will be reduced to 0.01% for assets relating to shares reserved for institutional investors.

10. Miscellaneous

Prospectuses, annual reports, semi-annual reports and other information concerning the Fund may be obtained from:

Pictet & Cie (Europe) S.A.
1, Boulevard Royal, L-2449 Luxembourg
Tel: +352 467 171-1, Fax: +352 220 229

11. Other information

Management Company Pictet Funds (Europe) S.A. 3 Boulevard Royal, L-2449 Luxembourg	Fund Auditors Deloitte S.A. 560 rue de Neudorf, L-2220 Luxembourg
Custodian Bank Pictet & Cie (Europe) S.A. 1 Boulevard Royal, L-2449 Luxembourg	Legal Adviser Elvinger, Hoss & Prussen 2, Place Winston Churchill, B.P. 425, L-2014 Luxembourg
Transfer Agent, Administrative Agent and Paying Agent Pictet & Cie (Europe) S.A. 1 Boulevard Royal, L-2449 Luxembourg	Supervisory Authority CSSF - Supervisory Authority of the Finance Industry 110 Route d'Arlon, L-2991 Luxembourg
Promoter Pictet & Cie (Europe) S.A. 1, Boulevard Royal, L-2449 Luxembourg	Distributor Any legal entity of the Pictet group held directly or indirectly by Pictet & Cie, Geneva and authorized to exercise such functions.
Managers Pictet Asset Management S.A., Geneva Pictet Asset Management Limited, London	