Raiffeisen Capital Management

Raiffeisen Russia Equities

(Original German name: Raiffeisen-Russland-Aktien)

Semi-annual fund report

2015

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Semi-annual fund report from 1 July 2015 to 31 December 2015

Raiffeisen Russia Equities is an equity fund. Its investment goal is long-term capital growth subject to higher risks. The fund mainly invests (at least 51 % of its fund assets) in equities and equity-equivalent securities issued by companies which are headquartered or mainly active in Russia and other successor states of the USSR. The fund may also invest in other securities, in bonds and money market instruments issued by countries, supranational issuers and/or companies etc., in units in investment funds and in sight deposits and deposits at notice. The fund is actively managed and is not limited by means of a benchmark.

General fund information

Tranche	Fund currency	Tranche currency	Launch date	ISIN
ISIN income-distributing (R) (A)	EUR	EUR	5/5/2008	AT0000A07FQ5
ISIN income-retaining (R) (T)	EUR	EUR	5/5/2008	AT0000A07FR3
ISIN full income-retaining (outside Austria) (R) (VTA)	EUR	EUR	5/5/2008	AT0000A07FS1
ISIN full income-retaining (outside Austria) (R) (VTA)	EUR	GBP	3/6/2013	AT0000A10BF1
ISIN full income-retaining (outside Austria) (R) (VTA)	EUR	USD	3/6/2013	AT0000A10BG9
ISIN full income-retaining (outside Austria) (I) (VTA)	EUR	EUR	1/3/2011	AT0000A0LSR3

Fund characteristics

Financial year:	1 July – 30 June
Distribution/payment/reinvestment date:	15 September
Type of fund:	Investment fund pursuant to § 2 of the Austrian Investment Fund Act, InvFG (UCITS)
Effective management fee for the fund:	R tranche (EUR): 2.00 % R tranche (GBP): 2.00 % R tranche (USD): 2.00 % I tranche (EUR): 1.00 %
Custodian bank:	Raiffeisen Bank International AG
Management company:	Raiffeisen Kapitalanlage-Gesellschaft m.b.H. Mooslackengasse 12, A-1190 Vienna Tel. +43 1 71170-0 Fax +43 1 71170-761092 www.rcm.at Companies register number: 83517 w
Fund management:	Raiffeisen Kapitalanlage-Gesellschaft m.b.H.
Investment adviser:	SmallCap segment: OOO Raiffeisen Capital Asset Management, Moscow
Auditor:	KPMG Austria GmbH

Legal notice

The software used performs calculations on the basis of more than the two decimal places displayed. Minor discrepancies cannot be ruled out due to further calculations using published results.

The value of a unit is calculated by dividing the entire value of the investment fund inclusive of its income by the number of units. The total value of the investment fund is calculated on the basis of the current market prices of the securities, money market instruments and subscription rights in the fund plus the value of the fund's financial investments, cash holdings, credit balances, receivables and other rights net of its payables. That value will be calculated by the custodian bank.

The net assets are calculated in accordance with the following principles:

a) The value of assets quoted or traded on a stock exchange or other regulated market shall be determined, in principle, on the basis of the most recently available price.

b) Where an asset is not quoted or traded on a stock market or another regulated market or where the price for an asset quoted or traded on a stock market or another regulated market does not appropriately reflect its actual market value, the prices provided by reliable data providers or, alternatively, market prices for equivalent securities or other recognized market valuation methods shall be used.

Raiffeisen KAG uses the method developed by OeKB (Österreichische Kontrollbank AG) to calculate the fund's performance, on the basis of data provided by the custodian bank (where payment of the redemption price is suspended, using indicative values). Some costs – the subscription fee (not exceeding 5.00 % of the invested amount) and any redemption fee (not exceeding 0.00 % of the sold amount) – are not included in the performance calculation. Depending on their concrete value, they will reduce a performance accordingly. Past results do not permit any reliable inferences as to the future performance of the fund.

Dear unitholder,

Raiffeisen Kapitalanlage-Gesellschaft m.b.H. is pleased to present its semi-annual fund report for Raiffeisen Russia Equities for the period from 1 July 2015 to 31 December 2015.

Fund details

	30/6/2015	31/12/2015
Fund assets in EUR	52,914,944.32	48,925,643.49
Net asset value/unit (R) (A) EUR	59.53	51.65
Issue price/unit (R) (A) EUR	62.51	54.23
Net asset value/unit (R) (T) EUR	63.57	56.96
Issue price/unit (R) (T) EUR	66.75	59.81
Net asset value/unit (R) (VTA) EUR	63.92	57.26
Issue price/unit (R) (VTA) EUR	67.12	60.12
Net asset value/unit (R) (VTA) GBP	52.94	49.36
Issue price/unit (R) (VTA) GBP	55.59	51.83
Net asset value/unit (R) (VTA) USD	89.95	78.82
Issue price/unit (R) (VTA) USD	94.45	82.76
Net asset value/unit (I) (VTA) EUR	66.94	60.28
Issue price/unit (I) (VTA) EUR	70.29	63.29

Units in circulation

	AT0000A07FQ5 (R) A	AT0000A07FR3 (R) T	AT0000A07FS1 (R) VTA
Units in circulation on 30/6/2015	40,121.167	582,059.445	200,415.501
Sales	13,579.938	48,538.812	46,376.331
Repurchases	- 1,841.317	- 53,062.192	- 23,614.167
Units in circulation	51,859.788	577,536.065	223,177.665

	AT0000A10BF1 (R) VTA	AT0000A10BG9 (R) VTA	AT0000A0LSR3 (I) VTA
Units in circulation on 30/6/2015	10.000	10.000	10,573.608
Sales	0.000	0.000	6,711.398
Repurchases	0.000	0.000	- 7,842.060
Units in circulation	10.000	10.000	9,442.946
Total units in circulation on 31/12/2015			**862,036.464**

Fund investment policy report

The past six months were extremely difficult for the Russian stock market. This was mainly attributable to the continuing fall in the price of oil, which resulted in a further strong devaluation of the ruble. On the other hand, the political situation remained relatively calm, even if the Ukraine crisis is still unresolved and sanctions remain in force. The fund continued to concentrate on high-dividend securities such as preferred shares in the oil sector with defensive qualities and also growth-oriented sectors such as retail which are particularly favorably valued by comparison with their own historical levels. Exporters which are benefiting from the country's weak currency, such as fertilizer producers, also remain attractive. Cash holdings also proved advantageous.

Securities lending transactions were entered into in order to generate additional income.

Makeup of fund assets in EUR

Securities	Market value	%
Equities:		
RUB	26,147,302.07	53.45
USD	20,203,428.83	41.28
Total securities	**46,350,730.90**	**94.73**
Bank balances		
Bank balances in fund currency	1,108,279.53	2.27
Bank balances in foreign currency	1,365,108.68	2.79
Total bank balances	**2,473,388.21**	**5.06**
Accruals and deferrals		
Interest claims (on securities and bank balances)	31.28	0.00
Dividends receivable	203,728.16	0.42
Total accruals and deferrals	**203,759.44**	**0.42**
Other items		
Various fees	- 102,235.06	- 0.21
Total fund assets	**48,925,643.49**	**100.00**

Portfolio of investments in EUR

Dates indicated for securities refer to the issue and redemption dates. An issuer's right of premature redemption (where applicable) is not specified. The securities marked with a "Y" have an open-ended maturity.

ISIN	SECURITY TITLE	CURRENCY	VOLUME 30/12/2015	PURCHASES ADDITIONS IN PERIOD UNDER REVIEW	SALES DISPOSALS IN PERIOD UNDER REVIEW	PRICE	MARKET VALUE IN EUR	% SHARE OF FUND ASSETS
EQUITIES IN US DOLLARS								
US29760G1031	ETALON GROUP GDR REGS 1	USD	570,800			1.680000	879,281.13	1.80
US3682872078	GAZPROM ADR SP./2 RL 5L 5	USD	564,550	19,300		3.773500	1,953,355.42	3.99
US36829G1076	GAZPROM NEFT ADR5/RL-0016	USD	38,708	21,929		10.700000	379,768.57	0.78
US1641452032	GRUP.CHERKIZOVO GDR S	USD	34,900			9.620000	307,847.06	0.63
US46627J3023	JSC HALYK BK GDRS/40 KT15	USD	52,300		50,000	4.950000	237,378.51	0.48
US48666V2043	KAZMUNAIGAS GDRS KT 250	USD	21,335			7.210000	141,046.53	0.29
US52634T2006	LENTA LTD GDR S 1/2	USD	283,500	233,500		6.830000	1,775,449.29	3.63
US69343P1057	LUKOIL SP.ADR RL-,025	USD	78,500	80,900	2,400	32.580000	2,345,066.94	4.79
US5603172082	MAIL.RU GROUP GDR REG S	USD	55,500	14,000		22.050000	1,122,111.68	2.29
US55279C2008	MD MED.GROUP INV.GDR REGS	USD	72,000			5.250000	346,598.20	0.71
US58517T2096	MEGAFON PJSC RL -,10	USD	84,667	84,667		11.600000	900,547.59	1.84
US55315J1025	MMC NOR.NICK.PJSC ADR RL1	USD	156,700	160,700	4,000	12.700000	1,824,766.18	3.73
US6074091090	MOBILE TELESYSTEMS ADR/2	USD	53,400			6.220000	304,555.29	0.62
US6698881090	NOVATEK GDR RG.S/10 RL-,1	USD	5,100	2,600		83.050000	388,368.79	0.79
US71922G2093	PHOSAGRO OFSC S.GDR REGS	USD	174,700		43,000	12.750000	2,042,384.93	4.17
US7496552057	ROS AGRO PLC GDR REG S 1	USD	25,000	25,000		13.700000	314,047.31	0.64
US8181503025	SEVERSTAL GDR S OCT2006 1	USD	147,200			8.530000	1,151,307.54	2.35
US8688612048	SURGUTNEFTEGAZ ADR/10	USD	241,100			4.759000	1,052,076.75	2.15
US8766292051	TATNEFT PJSC ADR REG.S 6	USD	11,800	11,800		26.970000	291,808.18	0.60
US98387E2054	X 5 RETAIL G.GDR REGS 1/4	USD	143,400	17,200		18.600000	2,445,662.94	5.00
EQUITIES IN RUSSIAN RUBLES								
RU0009028674	ACRON RL 5	RUB	15,100			3,764.000000	722,586.78	1.48
RU000A0DQZE3	AKTSION.FIN.KORP. SISTEMA	RUB	3,621,000			17.700000	814,826.68	1.66
RU0007252813	AKTSION.KOM.ALROSA RL0,50	RUB	2,022,979	220,000	461,900	55.000000	1,414,547.43	2.89
RU0009100945	BANK ST.-PETERSB.REG RL 1	RUB	280,000	80,000		43.900000	156,273.74	0.32
RU0007976957	BASHNEFT RL 1	RUB	34,433	31,433		1,978.000000	865,893.74	1.77
RU0007976965	BASHNEFT PFD RL 1	RUB	32,051	3,700	28,549	1,716.000000	699,233.65	1.43
RU000A0JP7H1	DIXY GROUP PJSC RL -,01	RUB	157,500			304.300000	609,320.74	1.24
RU000A0JNGA5	E.ON RUSSIYA JSC	RUB	46,127,600			3.200000	1,876,611.13	3.84
RU000A0JPFP0	LSR GROUP PAO RL -,25	RUB	28,905			667.500000	245,294.43	0.50
RU000A0JKQU8	MAGNIT PAO RL-,01	RUB	30,200	7,000	200	10,972.000000	4,212,657.89	8.61
RU0007775219	MOBIL'NIYE TELESIST RL-10	RUB	515,900	125,600		211.500000	1,387,200.86	2.84
RU000A0JR4A1	MOSCOW EXCH.MICEX-RTS RL1	RUB	1,089,460		1,140,900	93.620000	1,296,711.54	2.65
RU000A0DKVS5	NOVATEK RL 0,10	RUB	259,100		7,200	599.500000	1,974,786.05	4.04
RU0009062467	OAO GAZPROM NEF. RL-,0016	RUB	142,400	142,400		153.200000	277,352.58	0.57
RU0009046700	ROSTELEKOM PFD RL 0,0025	RUB	240,000	240,000		67.100000	204,737.41	0.42
RU0009029540	SBERBANK OF RU. RL 2	RUB	3,618,800	404,600		101.820000	4,684,477.14	9.57
RU0008926258	SURGUTNEFTEGAZ RL 1	RUB	245,200			34.550000	107,704.03	0.22
RU0009029524	SURGUTNEFTEGAZ VZ	RUB	2,888,150			44.050000	1,617,443.46	3.31
RU0009033591	TATNEFT PJSC RL 1	RUB	383,600			322.650000	1,573,525.26	3.22
RU0006944147	TATNEFT PJSC PFD RL 1	RUB	571,285			193.600000	1,406,117.53	2.87
TOTAL SECURITIES PORTFOLIO							**46,350,730.90**	**94.73**
BANK BALANCES								
EUR BALANCES							1,108,279.53	2.27
BALANCES IN OTHER EU CURRENCIES								
GBP							26.22	0.00
BALANCES IN NON-EU CURRENCIES								
USD							1,365,082.46	2.79
TOTAL BANK BALANCES							**2,473,388.21**	**5.06**

Any discrepancies in terms of % shares of the fund assets result from rounding-off.

		MARKET VALUE IN EUR	% SHARE OF FUND ASSETS
ACCRUALS AND DEFERRALS			
INTEREST CLAIMS		31.28	0.00
DIVIDENDS RECEIVABLE		203,728.16	0.42
TOTAL ACCRUALS AND DEFERRALS		**203,759.44**	**0.42**
OTHER ITEMS			
VARIOUS FEES		**-102,235.06**	**-0.21**
TOTAL FUND ASSETS		**48,925,643.49**	**100.00**
NET ASSET VALUE PER UNIT			
TRANCHE R INCOME-DISTRIBUTING	EUR		51.65
TRANCHE R INCOME-RETAINING	EUR		56.96
TRANCHE R FULL INCOME-RETAINING	EUR		57.26
TRANCHE R FULL INCOME-RETAINING	GBP		49.36
TRANCHE R FULL INCOME-RETAINING	USD		78.82
TRANCHE I FULL INCOME-RETAINING	EUR		60.28
UNITS IN CIRCULATION			
TRANCHE R INCOME-DISTRIBUTING	UNITS		51,859.788
TRANCHE R INCOME-RETAINING	UNITS		577,536.065
TRANCHE R FULL INCOME-RETAINING	UNITS		223,177.665
TRANCHE R FULL INCOME-RETAINING	UNITS		10.000
TRANCHE R FULL INCOME-RETAINING	UNITS		10.000
TRANCHE I FULL INCOME-RETAINING	UNITS		9,442.946

FROZEN SECURITIES FORMING PART OF THE PORTFOLIO OF INVESTMENTS (SECURITIES LENDING TRANSACTIONS)

ISIN	SECURITY TITLE	CURRENCY	VOLUME 30/12/2015
US1641452032	GRUP.CHERKIZOVO GDR S	USD	20,750
US52634T2006	LENTA LTD GDR S 1/2	USD	10,000

EXCHANGE RATES

FOREIGN CURRENCY ASSETS WERE CONVERTED INTO EUR ON THE BASIS OF THE EXCHANGE RATES APPLICABLE ON 29/12/2015

CURRENCY		UNIT	PRICE
BRITISH POUND	GBP	1 EUR =	0.737200
RUSSIAN RUBLE	RUB	1 EUR =	78.656850
US DOLLAR	USD	1 EUR =	1.090600

Any discrepancies in terms of % shares of the fund assets result from rounding-off.

SECURITIES PURCHASES AND SALES DURING THE PERIOD UNDER REVIEW NOT LISTED UNDER THE PORTFOLIO OF ASSETS:

ISIN	SECURITY TITLE	CURRENCY	PURCHASES ADDITIONS	SALES DISPOSALS
EQUITIES IN RUSSIAN RUBLES				
RU000A0JPGA0	M.VIDEO RL 10	RUB		81,730
RU000A0JPKH7	RUSHYDRO PAO RL 1	RUB		39,295,000
EQUITIES IN US DOLLARS				
US29843U2024	EURASIA DRILL.SP.GDR REGS	USD	26,000	96,300
US6778621044	LUKOIL SP.ADR RL-,025	USD		80,300
US46626D1081	MMC NOR.NICK.PAO ADR RL 1	USD		185,400
US6708312052	TATNEFT PJSC ADR REG.S 6	USD		14,100
NL0009805522	YANDEX N.V. CL.A DL -,01	USD	27,500	27,500

Raiffeisen Kapitalanlage-Gesellschaft m.b.H. complies with the code of conduct for the Austrian investment fund industry 2012.

Vienna, 11 February 2016

Raiffeisen Kapitalanlage-Gesellschaft m.b.H.

Mag. (FH) Dieter Aigner

Mag. Rainer Sonnabl

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