Raiffeisen Capital Management

Raiffeisen Top Dividend Equities

(Original German name:
Raiffeisen-TopDividende-Aktien)

Annual fund report

Financial year 2013-2014

Note:

The audit opinion issued by KPMG Austria GmbH only applies for the full German-language version.

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Report for the financial year from 1 June 2013 to 31 May 2014

Raiffeisen Top Dividend Equities is an equity fund. Its investment goal is long-term capital growth subject to a higher level of risk. 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 Europe, focusing on equities with high dividend prospects. 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	1/7/2005	AT0000495288
ISIN income-retaining (R) (T)	EUR	EUR	1/7/2005	AT0000495296
ISIN full income-retaining (outside Austria) (R) (VTA)	EUR	EUR	5/12/2005	AT0000495304
ISIN full income-retaining (outside Austria) (I) (VTA)	EUR	EUR	1/3/2011	AT0000A0LST9
ISIN full income-retaining (Austria) (R) (VTI)	EUR	EUR	2/9/2013	AT0000A10TL1
ISIN savings fund income-distributing (R) (A)	EUR	EUR	1/7/2005	AT0000495312
ISIN savings fund income-retaining (R) (T)	EUR	EUR	1/7/2005	AT0000495320

Fund characteristics

Financial year:	1 June – 31 May
Distribution/payment/reinvestment date:	15 August
EU directive compliance:	EU directive-compliant jointly owned fund under the 2011 Austrian Investment Fund Act (InvFG), as amended
Max. management fee for the fund:	R tranche: 1.50 % I tranche: 0.75 %
Custodian bank:	Raiffeisen Bank International AG
Management company:	Raiffeisen Kapitalanlage-Gesellschaft m.b.H. Schwarzenbergplatz 3, A-1010 Vienna Tel. +43 1 71170-0, Fax +43 1 71170-1092 www.rcm.at Companies register number: 83517 w
Fund management:	Raiffeisen Kapitalanlage-Gesellschaft m.b.H.
Auditor:	KPMG Austria GmbH

Legal notice

All data and information has been compiled and checked with the greatest care. No liability or guarantee can be assumed for the recentness, correctness and completeness of the information provided. We consider the sources used to be reliable. 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) In principle, the value of assets quoted or traded on a stock market or on another regulated market will be determined 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 valuation methods shall be used.

Dear unitholder,

Raiffeisen Kapitalanlage-Gesellschaft m.b.H. is pleased to present its annual fund report for Raiffeisen Top Dividend Equities for the financial year from 1 June 2013 to 31 May 2014.

Fund details

	31/5/2013	31/5/2014
Fund assets in EUR	85,258,139.95	111,367,162.18
Net asset value/unit (R) (A) EUR	91.51	107.71
Issue price/unit (R) (A) EUR	95.17	112.02
Net asset value/unit (R) (T) EUR	109.73	131.95
Issue price/unit (R) (T) EUR	114.12	137.23
Net asset value/unit (R) (VTA) EUR	114.31	137.83
Issue price/unit (R) (VTA) EUR	118.88	143.34
Net asset value/unit (I) (VTA) EUR	235.43	286.07
Issue price/unit (I) (VTA) EUR	244.85	297.51
Net asset value/unit (R) (VTI) EUR	-	137.75
Issue price/unit (R) (VTI) EUR	-	143.26

	16/8/2013	18/8/2014
Distribution/unit (R) (A) EUR	2.28	2.25
Outpayment/unit (R) (T) EUR	0.33	0.4372
Reinvestment/unit (R) (T) EUR	5.68	11.4621
Reinvestment/unit (R) (VTA) EUR	6.27	12.3894
Reinvestment/unit (I) (VTA) EUR	13.44	27.6281
Reinvestment/unit (R) (VTI) EUR	-	11.4102

The distribution will occur free-of-charge at the fund's paying agents. Payment will be made by the custodian banks.

Units in circulation

	AT0000495288 (R) A	AT0000495296 (R) T	AT0000495304 (R) VTA	AT0000A0LST9 (I) VTA
Units in circulation on 31/5/2013	118,895.960	637,120.123	39,010.213	10.000
Sales	30,315.029	180,759.403	43,336.165	932.698
Repurchases	- 13,772.873	- 224,576.813	- 21,625.342	- 10.000
Units in circulation	135,438.116	593,302.713	60,721.036	932.698

	AT0000A10TL1 (R) VTI
Units in circulation on 31/5/2013	-
Sales	111,694.996
Repurchases	- 40,162.660
Units in circulation	71,532.336
Total units in circulation on 31/5/2014	**861,926.899**

Fund details for last 3 financial years

	31/5/2012	31/5/2013	31/5/2014
Total fund assets	65,060,993.58	85,258,139.95	111,367,162.18
Net asset value/distributing units (R) (AT0000495288) in EUR	73.16	91.51	107.71
Net asset value/reinvested units (R) (AT0000495296) in EUR	85.62	109.73	131.95
Net asset value/fully reinvested units (R) (AT0000495304) in EUR	88.78	114.31	137.83
Net asset value/fully reinvested units (I) (AT0000A0LST9) in EUR	181.09	235.43	286.07
Net asset value/fully reinvested units (R) (AT0000A10TL1) in EUR	-	-	137.75

Development of the fund assets and income statement

Performance in financial year (fund performance)

Distributing units (R) (AT0000495288)	
Net asset value per unit at start of financial year in EUR	91.51
Distribution on 16/8/2013 (net asset value: EUR 91.61) of EUR 2.28, corresponds to 0.0249 units	
Net asset value per unit at end of financial year in EUR	107.71
Total value incl. units purchased through distribution (1.0249 x 107.71)	110.39
Net income/net reduction per unit	18.88
Performance of one unit during the financial year as %	**20.63**

Reinvested units (R) (AT0000495296)	
Net asset value per unit at start of financial year in EUR	109.73
Outpayment on 16/8/2013 (net asset value: EUR 112.22) of EUR 0.33, corresponds to 0.0029 units	
Net asset value per unit at end of financial year in EUR	131.95
Total value incl. units purchased through outpayment (1.0029 x 131.95)	132.33
Net income/net reduction per unit	22.60
Performance of one unit during the financial year as %	**20.60**

Fully reinvested units (R) (AT0000495304)	
Net asset value per unit at start of financial year in EUR	114.31
Net asset value per unit at end of financial year in EUR	137.83
Net income/net reduction per unit	23.52
Performance of one unit during the financial year as %	**20.58**

Fully reinvested units (I) (AT0000A0LST9)	
Net asset value per unit at start of financial year in EUR	235.43
Net asset value per unit at end of financial year in EUR	286.07
Net income/net reduction per unit	50.64
Performance of one unit during the financial year as %	**21.51**

Fully reinvested units (R) (AT0000A10TL1)	
Net asset value/unit at launch of tranche (2/9/2013) in EUR	115.72
Net asset value per unit at end of financial year in EUR	137.75
Net income/net reduction per unit	22.03
Performance of one unit from launch of tranche (2/9/2013) up to the end of the financial year in %	**19.04**

The performance is calculated assuming wholesale reinvestment of distributed/paid-out amounts at their net asset value on the distribution/payment date.

The custodian bank calculates the unit value separately for each unit certificate class. Discrepancies may arise in the annual performance figures for individual unit certificate classes.

The performance is calculated by Raiffeisen Kapitalanlage-Gesellschaft m.b.H. using the method developed by OeKB (Österreichische Kontrollbank AG), on the basis of data supplied by the custodian bank (where outpayment of the redemption price is suspended, with use of indicative values). Some costs – the subscription fee (not exceeding 4.00 % of the invested amount) and any redemption fee (not exceeding 0.00 % of the sold amount) – are not included in the performance calculation. Where included in any calculation, they will accordingly result in a lower performance. Past results do not permit any reliable inferences as to the future performance of the fund.

Development of fund assets in EUR

Fund assets on 31/5/2013 (795,036.296 units)		**85,258,139.95**
Distribution on 16/8/2013 (EUR 2.28 x 121,465.515 distributing units (R) (AT0000495288))		- 276,941.37
Outpayment on 16/8/2013 (EUR 0.33 x 648,745.296 reinvested units (R) (AT0000495296))		- 214,085.95
Issuance of units	44,471,056.49	
Redemption of units	- 36,086,833.23	
Pro rata income adjustment	- 382,323.71	8,001,899.55
Overall fund result		**18,598,150.00**
Fund assets on 31/5/2014 (861,926.899 units)		**111,367,162.18**

Fund result in EUR

A. Realized fund result

Ordinary fund result		
Income (excl. closing price)		
Interest income	3,053.01	
Income from securities lending transactions	200,596.24	
Interest expenses	- 12,379.28	
Dividend income (incl. dividend equivalent)	3,644,749.19	**3,836,019.16**
Expenses		
Management fees	- 1,452,574.70	
Custodian bank fees	- 92,251.71	
Auditing expenses	- 5,520.00	
Tax consulting fees	- 2,400.00	
Custodian fee	- 38,596.14	
Statutory/publication expenses	- 11,091.76	**- 1,602,434.31**
Ordinary fund result (excl. income adjustment)		**2,233,584.85**
Realized closing price		
Profits realized from securities	7,778,346.49	
Profits realized from derivative instruments	1,145,457.32	
Losses realized from securities	- 946,637.95	
Losses realized from derivative instruments	- 577,801.06	
Realized closing price (excl. income adjustment)		**7,399,364.80**
Realized fund result (excl. income adjustment)		**9,632,949.65**

B. Unrealized closing price

Change in unrealized closing price		**8,582,876.64**

C. Income adjustment

Income adjustment for income during financial year	337,429.93	
Income adjustment during financial year for profit carryovers	44,893.78	**382,323.71**
Overall fund result		**18,598,150.00**

The result for the past accounting year includes explicitly reported transaction costs in the amount of EUR 310,939.22.

Appropriation of fund result in EUR

Distribution (EUR 2.25 x 135,438.116 distributing units (R) (AT0000495288))		304,735.76
Outpayment pursuant to § 58 (2) InvFG (EUR 0.4372 x 593,302.713 reinvested units (R) (AT0000495296))		259,391.95
Reinvested amount (R) (reinvestment (AT0000495296))		6,800,503.14
Reinvested amount (R) (full reinvestment (AT0000495304))		752,299.32
Reinvested amount (I) (full reinvestment (AT0000A0LST9))		25,768.72
Reinvested amount (R) (full reinvestment (AT0000A10TL1))		816,200.03
Total		**8,958,898.92**

Realized fund result (incl. income adjustment)		10,015,273.36
Profit carryover from previous year	322,671.94	
Profit carryover into following period	1,379,046.38	- 1,056,374.44
Total		**8,958,898.92**

Capital market report

The past year was highly positive for most asset classes, and the favorable trend generally continued in the first five months of 2014. The stock markets in the USA and the Eurozone in particular recorded growth rates mostly in the range of 5 to 10 %. To date in 2014, European equities have outperformed US equities, and this trend may continue over the long term. Japanese equities have fared less well. So far this year, they have fallen by almost 8 %. The emerging markets stock markets have once again realized a very mixed performance. Following a somewhat weak start to 2014, the MSCI Emerging Markets Index has now achieved slight growth. In overall terms, emerging markets equities have thus maintained their below-average performance trend. In 2013 they had already lost close to 30 % points by comparison with the developed markets. This trend was last seen in 1998. This weak performance strongly reflects the deterioration in the fundamental situation of many emerging markets. It will take time to rectify this, and only then will a new long-term upturn be possible.

Precious metals also had a very weak year in 2013. Following a decade of almost continuous price rises, the price of gold fell by approx. 30 %. It recovered slightly in the first five months of 2014. However, to date even the Ukraine crisis has not provided any significant upward momentum for gold.

To the surprise of most market participants, so far this year bonds have proved to be one of the strongest asset classes. A yield rise had been generally expected after the American central bank (the Fed) began to gradually reduce its bond purchasing activities at the start of the year. However, the opposite occurred. US government bonds realized strong gains, as did euro government bonds, both for the core countries and for the periphery. As part of this trend, prices of corporate bonds and high-yield securities also once again increased. The continuing decline of growth expectations for the global economy and the USA and the very clear positioning of the vast majority of market participants in the expectation of rising yields likely played a key role in this.

For the time being, the activities of the central banks and the probable economic trend remain the key direct factors influencing the financial markets. Most of the emerging markets are continuing to suffer a loss of economic momentum. Their growth differential in relation to the developed industrialized nations continues to decline, and China now accounts for almost all of this lead. However, a further growth slowdown is now increasingly apparent here. Of the industrialized nations, in 2014 the USA will likely once again realize the strongest levels of growth. However, this will presumably not be strong enough in order to prompt the US Fed to implement rapid interest-rate hikes. For the time being, Japan's central bank (the BoJ) has not held out the prospect of any new monetary measures. Yet in view of the disappointing economic policy of the Japanese premier, Shinzō Abe, sooner or later the bank will scarcely be able to avoid further huge easing of its monetary policy and once again weakening Japan's currency. Following years of recession, this year the Eurozone is predicted to return to positive territory with slight growth of around 1 %. It remains to be seen whether and how a further downturn in China will impact on Europe. This and the continuing strength of the euro has provoked action from the European Central Bank (ECB), especially since Eurozone inflation is continuing to fall and threatens to slip into deflationary territory. It intends to counter this with an interest-rate cut and penalty interest rates for banks, for the first time ever. The effectiveness of these measures for the real economy is doubtful, but they may nonetheless have a significant impact on the European financial markets and provide an additional boost for equities and bonds, at least temporarily. At any rate, the financial market environment for the next 12 months will remain challenging, even if the positive factors currently predominate.

Fund investment policy report

Raiffeisen Top Dividend Equities realized a return of 20.58 % (R tranche) in the financial year 2013-2014. Its performance was relatively even throughout the period. This performance was mainly attributable to the still very low interest rates level, which makes dividend equities highly attractive.
The fund continues to consist of a concentrated portfolio of around 55 stocks. The key stockpicking criterion is the long-term dividend history. The fund focuses on companies offering positive long-term dividend growth. Since October 2011, around one-quarter of the fund's assets have been managed by means of a quantitative minimum variance portfolio, which emphasizes the product's somewhat defensive character.

Discretionary segment:
In the past financial year, the fund newly purchased the Spanish construction group ACS, the German telecoms service provider Freenet, the retail firms Ahold, Marks & Spencer and W.M. Morrison, the British pharmaceuticals stock Glaxosmithkline, the Portuguese utility EDP, the British construction firm Persimmon, the Norwegian telecoms firm Telenor, the Swedish financial firm Swedbank and the Spanish insurer Mapfre.
On the other hand, the fund sold the German retail group Metro, the Dutch chemicals company DSM, the telecoms stock Vodafone, the Dutch cable company Ziggo, the Swedish investment firm Kinnevik, the Dutch real estate stock Unibail-Rodamco and the industrial firms Metso and BAE Systems.
As of the reporting date, the largest country weightings were the United Kingdom followed by France and Germany. Additional income was earned through securities lending transactions.

Quantitative segment:
The minimum variance segment's equity portfolio is determined quarterly on the basis of the discretionary segment's universe. Equities with low levels of volatility and low levels of correlation are selected. On the reporting date, financials (mainly insurance), healthcare and utilities accounted for the fund's strongest sector weightings.

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

Makeup of fund assets in EUR

Securities	Market value	%
Equities:		
EUR	58,584,499.61	52.60
GBP	32,749,895.00	29.41
CHF	7,691,043.92	6.91
SEK	4,217,696.38,	3.79
DKK	2,557,874.02	2.29
NOK	2,535,855.21	2.27
Total equities	**108,336,864.14**	**97.27**
Subscription rights:		
EUR	0.00	0.00
Participation certificates:		
CHF	1,630,408.06	1.46
Total securities	**109,967,272.20**	**98.73**
Derivative products		
Valuation of financial futures	211,350.00	0.19
Options	1,040.00	0.00
Total derivative products	**212,390.00**	**0.19**
Bank balances		
Bank balances in fund currency	787,339.45	0.71
Bank liabilities in foreign currency	- 201,054.54	- 0.17
Total bank balances	**586,284.91**	**0.54**
Accruals and deferrals		
Interest claims (on securities and bank balances)	- 1,221.75	0.00
Dividends receivable	602,436.82	0.54
Total accruals and deferrals	**601,215.07**	**0.54**
Total fund assets	**111,367,162.18**	**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 30/5/2014	PURCHASES ADDITIONS IN PERIOD UNDER REVIEW	SALES DISPOSALS IN PERIOD UNDER REVIEW	PRICE	MARKET VALUE IN EUR	% SHARE OF FUND ASSETS
EQUITIES IN EURO								
ES0167050915	ACS,ACT.CO.SER.INH.EO-,50	EUR	55,000	55,000		32.025000	1,761,375.00	1.58
NL0010672325	AHOLD, KON. EO-0.01	EUR	92,308	92,308		13.470000	1,243,388.76	1.12
DE0008404005	ALLIANZ SE VNA O.N.	EUR	11,400			124.600000	1,420,440.00	1.28
IT0003506190	ATLANTIA S.P.A. EO 1	EUR	155,450	76,300	8,000	20.090000	3,122,990.50	2.80
DE000BASF111	BASF SE NA O.N.	EUR	14,900			84.730000	1,262,477.00	1.13
FR0000131104	BNP PARIBAS INH. EO 2	EUR	25,000		10,000	52.650000	1,316,250.00	1.18
AT00BUWOG001	BUWOG AG INH.-AKT.O.N.	EUR	67,870	67,870		13.855000	940,338.85	0.85
DE0007100000	DAIMLER AG NA O.N.	EUR	21,000			69.650000	1,462,650.00	1.31
DE0005552004	DEUTSCHE POST AG NA O.N.	EUR	50,000	52,800	65,100	27.105000	1,355,250.00	1.22
DE0005557508	DT.TELEKOM AG NA	EUR	100,000	94,500	94,500	12.190000	1,219,000.00	1.09
PTEDP0AM0009	EDP-ENERGIAS PORTUG. EO 1	EUR	400,000	400,000		3.400000	1,360,000.00	1.22
IT0003132476	ENI S.P.A.	EUR	93,700	42,000		18.820000	1,763,434.00	1,58
FI0009007132	FORTUM OYJ EO 3,40	EUR	165,900	87,700	47,600	17.500000	2,903,250.00	2.61
DE000A0Z2ZZ5	FREENET AG NA	EUR	65,000	65,000		22.770000	1,480,050.00	1.33
GRS419003009	GREEK O.FOOTB.INH EO 0,30	EUR	239,200	99,200	17,000	12.600000	3,013,920.00	2.71
IT0003990402	GTECH S.P.A. NOM. EO 1	EUR	80,000	75,100	50,100	20.170000	1,613,600.00	1.45
AT0000809058	IMMOFINANZ AG	EUR	558,400	799,600	241,200	2.557000	1,427,828.80	1.28
FI0009000202	KESKO B	EUR	48,500	10,000	16,000	32.590000	1,580,615.00	1,42
NL0000009538	KONINKL. PHILIPS EO -,20	EUR	53,900			23.250000	1,253,175.00	1.13
FR0000130213	LAGARDERE NOM. EO 6.10	EUR	60,000	60,000		25.680000	1,540,800.00	1.38
ES0124244E34	MAPFRE S.A. NOM. EO-0.10	EUR	440,000	440,000		2.993000	1,316,920.00	1.18
FR0000133308	ORANGE INH. EO 4	EUR	140,000	50,000		12.375000	1,732,500.00	1.56
ES0173516115	REPSOL S.A. INH. EO 1	EUR	73,700			20.580000	1,516,746.00	1.36
GB00B03MLX29	ROYAL DUTCH SHELL A EO-07	EUR	170,200	86,000	3,400	28.996000	4,935,119.20	4.43
FI0009003305	SAMPO OYJ A	EUR	47,400			36.550000	1,732,470.00	1.56
FR0000120578	SANOFI SA INHABER EO 2	EUR	21,300	5,000		77.900000	1,659,270.00	1.49
FR0010411983	SCOR SE EO 7,8769723	EUR	106,400	56,400	50,200	25.675000	2,731,820.00	2.45
IT0003153415	SNAM S.P.A.	EUR	605,600	45,100	19,000	4.278000	2,590,756.80	2.33
FI0009005961	STORA ENSO OYJ R EO 1,70	EUR	169,600			7.675000	1,301,680.00	1.17
FR0000120271	TOTAL S.A. EO 2.50	EUR	27,970			51.720000	1,446,608.40	1.30
FR0000125486	VINCI S.A. INH. EO 2,50	EUR	29,910			54.430000	1,628,001.30	1.46
NL0000395903	WOLTERS KLUWER NAM. EO -12	EUR	135,000	70,000		21.865000	2,951,775.00	2.65
EQUITIES IN BRITISH POUNDS								
GB0009895292	ASTRAZENECA PLC DL-,25	GBP	80,300	67,200	11,900	42.880000	4,227,457.34	3.80
GB0000566504	BHP BILLITON DL-,50	GBP	60,000	15,000		19.405000	1,429,465.93	1.28
GB0030913577	BT GROUP PLC LS 0.05	GBP	386,400	63,400		3.970000	1,883,373.85	1.69
BMG196F11004	CATLIN GROUP LTD DL-,01	GBP	241,900	53,100	189,000	5.250000	1,559,208.10	1.40
GB00B033F229	CENTRICA LS-,061728395	GBP	1,073,600	314,900		3.363000	4,432,801.47	3.98
GB0005331532	COMPASS GROUP PLC LS-,10	GBP	101,300	23,600	63,600	10.020000	1,246,195.21	1.12
GB0009252882	GLAXOSMITHKLINE LS-,25	GBP	137,500	143,000	5,500	16.165000	2,728,898.10	2.45
GB00B0HZP136	GREENE KING PLC LS-,125	GBP	145,000	2,400	276,800	8.505000	1,514,088.40	1.36
GB0005405286	HSBC HLDGS PLC DL-,50	GBP	230,000	80,000		6.279000	1,773,075.51	1.59
GB00B09LSH68	INMARSAT PLC EO-,0005	GBP	168,600	168,600		7.215000	1,493,491.71	1.34
GB0031274896	MARKS SPENCER GRP LS-,25	GBP	230,000	230,000		4.428000	1,250,386.74	1.12
GB0006043169	MORRISON SUPERMKTS LS-,10	GBP	1,154,500	1,154,500		2.022000	2,866,051.57	2.57
GB0006825383	PERSIMMON PLC LS-,10	GBP	85,000	85,000		13.260000	1,383,793.74	1.24
GB0007099541	PRUDENTIAL PLC LS-,05	GBP	107,300			13.900000	1,831,147.94	1.64
GB00BKKMKR23	RSA INSURANCE GR. LS 1	GBP	529,655	529,655		4.814000	3,130,459.39	2.81
EQUITIES IN SWISS FRANCS								
CH0012005267	NOVARTIS NAM. SF 0,50	CHF	48,500	32,100	42,400	80.800000	3,211,078.33	2.88
CH0011075394	ZURICH INSUR.GR.NA.SF0,10	CHF	20,500	14,300	5,600	266.700000	4,479,965.59	4.02

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

ISIN	SECURITY TITLE	CURRENCY	VOLUME 30/5/2014	PURCHASES ADDITIONS IN PERIOD UNDER REVIEW	SALES DISPOSALS IN PERIOD UNDER REVIEW	PRICE	MARKET VALUE IN EUR	% SHARE OF FUND ASSETS
EQUITIES IN NORWEGIAN CROWNS								
NO0010063308	TELENOR ASA NK 6	NOK	144,600	144,600		142.000000	2,535,855.21	2.27
EQUITIES IN SWEDISH CROWNS								
SE0000107419	INVESTOR B (FRIA) SK6,25	SEK	50,600			259.800000	1,455,148.02	1.31
SE0000108227	SKF AKTIEB.B(FRIA)SK0,625	SEK	70,000			168.600000	1,306,390.82	1.17
SE0000242455	SWEDBANK A	SEK	75,000	75,000		175.400000	1,456,157.54	1.31
EQUITIES IN DANISH CROWNS								
DK0060228559	TDC A/S NAM. DK 1	DKK	359,190	31,200	201,300	53.150000	2,557,874.02	2.29
SUBSCRIPTION RIGHTS IN EURO								
DE000A11Q182	DT.TELEKOM AG DIV.CASH	EUR	100,000	100,000			0.00	0.00
PARTICIPATION CERTIFICATES IN SWISS FRANCS								
CH0012032048	ROCHE HLDG AG GEN.	CHF	7,500	200	6,400	265.300000	1,630,408.06	1.46
TOTAL LICENSED SECURITIES ADMITTED TO TRADING ON THE OFFICIAL MARKET OR ANOTHER REGULATED MARKET							**109,967,272.20**	**98.73**
SUBSCRIPTION RIGHTS IN EURO								
NL0010730545	ROYAL DUTCH SHELL -ANR.A-	EUR	400	400			0.00	0.00
TOTAL LICENSED SECURITIES NOT ADMITTED TO TRADING ON THE OFFICIAL MARKET OR ANOTHER REGULATED MARKET							**0.00**	**0.00**
TOTAL SECURITIES PORTFOLIO							**109,967,272.20**	**98.73**
FINANCIAL FUTURES								
FESX20140620	DJ EURX E-STXX50 FUTURE20140620	EUR	12	12		3,239.000000	16,920.00	0.02
FESX20140620	DJ EURX E-STXX50 FUTURE20140620	EUR	3	3		3,239.000000	4,230.00	0.00
FESX20140620	DJ EURX E-STXX50 FUTURE20140620	EUR	1	1		3,239.000000	1,410.00	0.00
FESX20140620	DJ EURX E-STXX50 FUTURE20140620	EUR	63	63		3,239.000000	59,850.00	0.05
FESX20140620	DJ EURX E-STXX50 FUTURE20140620	EUR	14	14		3,239.000000	19,740.00	0.02
FESX20140620	DJ EURX E-STXX50 FUTURE20140620	EUR	18	18		3,239.000000	14,580.00	0.01
FESX20140620	DJ EURX E-STXX50 FUTURE20140620	EUR	42	42		3,239.000000	45,780.00	0.04
FESX20140620	DJ EURX E-STXX50 FUTURE20140620	EUR	5	79	74	3,239.000000	6,000.00	0.01
FESX20140620	DJ EURX E-STXX50 FUTURE20140620	EUR	42	42		3,239.000000	42,840.00	0.04
TOTAL FINANCIAL FUTURES [1]							**211,350.00**	**0.19**
SECURITIES OPTIONS								
OESX4F003450	DOW JONES EUROSTOXX50 OPTION CALL AS OF 20/6/2014	EUR	208	208		0.800000	1,664.00	0.00
OESX4R002650	DOW JONES EUROSTOXX50 OPTION PUT AS OF 20/6/2014	EUR	-104		104	0.600000	-624.00	0.00
TOTAL SECURITIES OPTIONS [2]							**1,040.00**	**0.00**
BANK BALANCES								
EUR BALANCES							787,339.45	0.71
LIABILITIES IN OTHER EU CURRENCIES								
GBP							184,328.62	0.17
NOK							-513,805.23	-0.46
SEK							120,565.69	0.11
BALANCES IN NON-EU CURRENCIES								
CHF							7,856.38	0.01
TOTAL BANK BALANCES							**586,284.91**	**0.54**

1 Price gains and losses as of cut-off date.

2 Price valuation as of cut-off date.

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		-1,221.75	0.00
DIVIDENDS RECEIVABLE		602,436.82	0.54
TOTAL ACCRUALS AND DEFERRALS		**601,215.07**	**0.54**
TOTAL FUND ASSETS		**111,367,162.18**	**100.00**
NET ASSET VALUE PER UNIT			
TRANCHE R INCOME-DISTRIBUTING	EUR		107.71
TRANCHE R INCOME-RETAINING	EUR		131.95
TRANCHE R FULL INCOME-RETAINING (OUTSIDE AUSTRIA)	EUR		137.83
TRANCHE I FULL INCOME-RETAINING (OUTSIDE AUSTRIA)	EUR		286.07
TRANCHE R FULL INCOME-RETAINING (AUSTRIA)	EUR		137.75
UNITS IN CIRCULATION			
TRANCHE R INCOME-DISTRIBUTING	UNITS		135,438.116
TRANCHE R INCOME-RETAINING	UNITS		593,302.713
TRANCHE R FULL INCOME-RETAINING (OUTSIDE AUSTRIA)	UNITS		60,721.036
TRANCHE I FULL INCOME-RETAINING (OUTSIDE AUSTRIA)	UNITS		932.698
TRANCHE R FULL INCOME-RETAINING (AUSTRIA)	UNITS		71,532.336

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

ISIN	SECURITY TITLE	CURRENCY	VOLUME 30/5/2014
FR0000131104	BNP PARIBAS INH. EO 2	EUR	25,000
FR0000133308	ORANGE INH. EO 4	EUR	140,000
FR0000120271	TOTAL S.A. EO 2.50	EUR	27,000

EXCHANGE RATES

FOREIGN CURRENCY ASSETS WERE CONVERTED INTO EUR ON THE BASIS OF THE EXCHANGE RATES APPLICABLE ON 28/5/2014

CURRENCY		UNIT		PRICE
SWISS FRANC	CHF	1 EUR	=	1.220400
DANISH CROWN	DKK	1 EUR	=	7.463600
BRITISH POUND	GBP	1 EUR	=	0.814500
NORWEGIAN CROWN	NOK	1 EUR	=	8.097150
SWEDISH CROWN	SEK	1 EUR	=	9.034050
US DOLLAR	USD	1 EUR	=	1.361550

FUTURES EXCHANGE KEY:

CODE	STOCK EXCHANGE
EUREX	EUROPEAN EXCHANGE

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 EURO				
NL0006033250	AHOLD, KON. EO-0.30	EUR	100,000	100,000
DE000KSAG888	K+S AG NA O.N.	EUR		31,000
NL0000009827	KONINKLIJKE DSM EO 1,50	EUR	15,200	39,900
DE0007257503	METRO AG ST O.N.	EUR		38,570
FI0009007835	METSO CORP.	EUR	20,000	50,000
FI4000074984	VALMET OYJ	EUR	50,000	50,000
NL0006294290	ZIGGO N.V. EO -,10	EUR	41,400	81,400

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

ISIN	SECURITY TITLE	CURRENCY	PURCHASES ADDITIONS	SALES DISPOSALS
EQUITIES IN BRITISH POUNDS				
GB0002634946	BAE SYSTEMS PLC LS-,025	GBP	100,200	340,200
GB0000961622	BALFOUR BEATTY PLC LS-,50	GBP		377,000
GB00B17BBQ50	INVESTEC PLC LS-,0002	GBP		212,000
GB00B3ZPBX05	RSA INSURANCE GR. 3/14	GBP	358,875	358,875
GB0006616899	RSA INSURANCE GR.LS -,275	GBP	803,275	2,581,975
GB00BH4HKS39	VODAFONE GROUP PLC	GBP	316,700	316,700
GB00B16GWD56	VODAFONE GRP DL-,11428571	GBP	29,200	1,023,800
EQUITIES IN NORWEGIAN CROWNS				
NO0003733800	ORKLA NK 1,25	NOK	34,600	375,200
EQUITIES IN SWEDISH CROWNS				
SE0000164626	INVEST.KINNEVIK B SK 0,10	SEK	1,600	119,500
SE0000112724	SVENSKA CELL.B FRIA SK10	SEK		70,200
EQUITIES IN US DOLLARS				
US92343V1044	VERIZON COMM. INC. DL-,10	USD	9,836	9,836
XC000A1XA0D7	VODAFONE GRP C	USD	374,000	374,000
SUBSCRIPTION RIGHTS IN EURO				
ES0667050944	ACS,ACT.CO.SER. -.ANR.-	EUR	55,000	55,000
DE000A1TNRX5	DT.TELEKOM AG DIV.CASH	EUR		100,000
NL0010449062	KONINKLIJKE DSM -ANR.-	EUR	24,700	24,700
ES0673516938	REPSOL S.A. -ANR.-	EUR	73,700	73,700
NL0010448890	ROYAL DUTCH SHELL -ANR.A-	EUR		100
NL0010449021	ROYAL DUTCH SHELL -ANR.A-	EUR	144,800	144,800
NL0010675070	ROYAL DUTCH SHELL -ANR.A-	EUR	63,000	63,000
FR0011470996	UNIBAIL-ROD.SE -ANR.-	EUR		5,700
SUBSCRIPTION RIGHTS IN BRITISH POUNDS				
GB00B3ZQF868	RSA INSURANCE GR. -ANR.-	GBP	826,687	826,687
REAL ESTATE INVESTMENT TRUSTS IN EURO				
FR0000124711	UNIBAIL-ROD.SE INH. EO 5	EUR		5,700
SECURITIES OPTIONS				
OESX3F003150	DOW JONES EUROSTOXX50 OPTION CALL AS OF 21/6/2013	EUR		150
OESX3I003150	DOW JONES EUROSTOXX50 OPTION CALL AS OF 20/9/2013	EUR	480	480
OESX3L003250	DOW JONES EUROSTOXX50 OPTION CALL AS OF 20/12/2013	EUR	400	400
OESX4C003400	DOW JONES EUROSTOXX50 OPTION CALL AS OF 21/3/2014	EUR	768	768
OESX3R002350	DOW JONES EUROSTOXX50 OPTION PUT AS OF 21/6/2013	EUR	75	
OESX3U002350	DOW JONES EUROSTOXX50 OPTION PUT AS OF 20/9/2013	EUR	120	120
OESX3X002450	DOW JONES EUROSTOXX50 OPTION PUT AS OF 20/12/2013	EUR	90	90
OESX4O002600	DOW JONES EUROSTOXX50 OPTION PUT AS OF 21/3/2014	EUR	192	192

Further information on securities lending transactions

1. Overall risk (exposure) (average security holdings lent during the reporting period versus average fund volume):

   3.28 %

   On the reporting date 31 May 2014 the following securities had been lent:

ISIN	SECURITY TITLE	CURRENCY	VOLUME 30/5/2014	MARKET VALUE (incl. any interest accrued) 30/5/2014
FR0000131104	BNP PARIBAS INH. EO 2	EUR	25,000	1,316,250.00
FR0000133308	ORANGE INH. EO 4	EUR	140,000	1,732,500.00
FR0000120271	TOTAL S.A. EO 2.50	EUR	27,000	1,396,440.00

2. Identity of the counterparties for securities lending transactions:

   Raiffeisen Bank International AG (as a recognized securities lending system within the meaning of § 84 InvFG)

3. Nature and value of eligible collateral received by the investment fund versus the counterparty risk:

   Under the securities lending agreement concluded between the management company and Raiffeisen Bank International AG, Raiffeisen Bank International AG is obliged to deliver collateral for the borrowed securities. Sight deposits (which are not used to purchase further assets and are thus held as deposits with the custodian bank), bonds, equities, convertible bonds and units in investment funds are permitted as collateral. Sight deposits do not undergo any valuation markdown, and the value of the collateral thus amounts to 100 % of the value of the lent securities. Other collateral (bonds, equities, convertible bonds and units in investment funds) are valued daily on the basis of a value-at-risk calculation. The maximum foreseeable loss for this other collateral is calculated over a period of three business days, with a probability of 99 % (confidence interval). The value determined plus a markup of 10 % represents the applicable valuation markdown. This valuation markdown will amount to at least 5 % of the value of this other collateral. Use of this valuation markdown will entail delivery of the necessary volume of additional collateral.

   At the end of the financial year, the collateral had the following makeup:

   Sight deposits: 0.00 %
   Bonds: 70.66 %
   Equities: 29.34 %
   Units in investment funds: 0.00 %

4. Fees, direct and indirect operating costs and income of the investment fund resulting from securities lending transactions during the accounting period:

   Income: EUR 200,596.24
   Costs: N/A

Further information on repurchase agreements

The fund did not enter into any repurchase agreements during the period under review.

Total return swaps and similar derivative instruments

A total return swap is a credit derivative instrument. Income and fluctuations in the value of the underlying financial instrument (underlying instrument or reference asset) are exchanged for fixed interest payments.

The fund did not enter into total return swaps or similar derivative instruments in the period under review.

Calculation method for overall risk

Calculation method for overall risk:	Simplified approach

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

Vienna, 10 September 2014

Raiffeisen Kapitalanlage-Gesellschaft m.b.H.

Mag. (FH) Dieter Aigner Mag. Michael Höllerer Mag. Rainer Schnabl

Audit opinion

We have audited the annual fund report including the accounting as of 31 May 2014 issued by Raiffeisen Kapitalanlage-Gesellschaft m. b. H., Vienna, for its fund Raiffeisen Top Dividend Equities, a jointly owned fund pursuant to the 2011 Austrian Investment Fund Act (InvFG), as amended, for the financial year from 1 June 2013 to 31 May 2014.

Responsibility of the statutory representatives for the annual fund report, management of the asset portfolio and the accounting

The statutory representatives of the management company/the custodian bank are responsible for the accounting, valuation of the asset portfolio, calculation of withholding taxes, preparation of the annual fund report and management of the asset portfolio in accordance with the provisions of the Austrian Investment Fund Act, the supplementary provisions in the fund regulations and the tax regulations. This responsibility includes the setup, execution and maintenance of an internal control system where this is significant for the registration and valuation of the fund and preparation of the annual fund report so that this report is free from significant factual misstatements resulting from intentional or unintentional errors; selection and application of suitable valuation methods; estimates which appear appropriate in view of applicable outline conditions.

Responsibility of the bank auditor and description of the type and scope of the statutory audit of the annual fund report

We are responsible for providing an audit opinion for this annual fund report on the basis of our audit.
We performed our audit pursuant to § 49 (5) of the Austrian Investment Fund Act whilst complying with the applicable Austrian statutory regulations and principles of proper balance-sheet auditing. These principles require our compliance with rules of professional conduct and our planning and execution of the audit so that we are able to form an opinion with a reasonable degree of certainty on whether the annual fund report is free from significant factual misstatements. An audit includes the performance of audit activities to obtain documentation of the figures and other disclosures in the annual fund report. The audit activities are chosen at the discretion of the bank auditor, with consideration of its assessment of the risk of significant factual misstatements due to intentional or unintentional errors. In performing the risk assessment, the bank auditor gives consideration to the internal control system where this is of significance for preparation of the annual fund report and valuation of the asset portfolio, so as to specify suitable audit activities with consideration of the applicable outline conditions. No audit opinion is provided on the effectiveness of the internal control measures implemented by the management company and the custodian bank, however. The audit also includes an assessment of the appropriateness of the valuation methods used and the key estimates made by the statutory representatives as well as an evaluation of the overall statement provided in the annual fund report.

In our opinion we have obtained sufficient and suitable documentation for our audit, so that it provides an adequate degree of certainty on which to base our judgment.

Audit outcome

Our audit has not met with any objections. On the basis of our audit findings, in our view the annual fund report as of 31 May 2014 for Raiffeisen Top Dividend Equities, a jointly owned fund pursuant to the 2011 Austrian Investment Fund Act (InvFG), as amended, complies with the statutory regulations.

Compliance with the Austrian Investment Fund Act and the fund regulations

Pursuant to § 49 (5) InvFG our audit includes an assessment of whether this annual fund report complies with the Austrian Federal Act on Investment Funds (Austrian Investment Fund Act) and the fund regulations. We have implemented our audit in accordance with the above principles, so that we are able to determine with a sufficient level of certainty whether this annual fund report complies with the provisions of the Austrian Investment Fund Act and the fund regulations.

According to our audit findings, the provisions of the Austrian Federal Act on Investment Funds (Austrian Investment Fund Act) and the fund regulations have been complied with.

Report on activities performed during the past financial year

We have undertaken a critical assessment of the disclosures provided by the management company's management in the annual fund report on its activities in the past financial year, but these were not subject to special audit activities in accordance with the above principles. Accordingly, our audit opinion does not include an evaluation of this information. In the context of the overall picture set out in this annual fund report, the disclosures concerning the financial year are consistent with the figures provided in the report.

Vienna, 10 September 2014

KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Rainer Hassler	pp. Rainer Pasching
Auditor	Auditor

Tax treatment

Please see our website www.rcm.at for detailed information on the fund's tax treatment, prepared on the basis of the audited annual fund report.

Fund regulations

Fund regulations pursuant to the Austrian Investment Fund Act 2011

The Austrian Financial Market Authority (FMA) has approved the fund regulations for the investment fund **Raiffeisen Top Dividend Equities**, a jointly owned fund pursuant to the Austrian Investment Fund Act (InvFG) 2011, as amended.

The investment fund is a fund complying with the Directive 85/611/EC and is managed by Raiffeisen Kapitalanlage-Gesellschaft m.b.H. (hereinafter: the "management company") which is headquartered in Vienna.

Article 1 Fund units

The fund units are embodied in unit certificates with the character of financial instruments which are issued to bearer.

The unit certificates shall be represented by global certificates for each unit class and – at the discretion of the management company – by actual securities.

Article 2 Custodian bank (custodian)

Raiffeisen Bank International AG, Vienna, is the investment fund's custodian bank (custodian).

The custodian bank (custodian), the regional Raiffeisen banks, Kathrein Privatbank Aktiengesellschaft, Vienna, and other payment offices referred to in the prospectus are the payment offices for unit certificates and the handover offices for income coupons (actual securities).

Article 3 Investment instruments and principles

The following assets pursuant to InvFG may be selected for the investment fund.

The investment fund mainly invests in equities or equity-equivalent securities issued by companies which are headquartered or mainly active in Europe (i.e. more than 51 % of its fund assets are invested in the form of directly purchased individual securities which are not held directly or indirectly through investment funds or derivatives), focusing on equities with high dividend prospects.

The following investment instruments are purchased for the fund assets, while complying with the investment focus outlined above.

Securities

The fund may purchase securities (including securities with embedded derivative instruments) as permitted by law.

Money market instruments

Money market instruments may comprise **up to 49 %** of the fund assets.

Securities and money market instruments

Not fully paid-in securities or money market instruments and subscription rights for such instruments or other not fully paid-in financial instruments may only be purchased for up to **10 %** of the fund assets.

Securities and money market instruments may be purchased if they comply with the criteria concerning listing and trading on a regulated market or a securities exchange pursuant to InvFG.

Securities and money market instruments which do not fulfill the criteria laid down in the above paragraph may be purchased for up to 10 % of the fund assets in total.

Units in investment funds

Units in investment funds (UCITS, UCI) **may each amount to up to 10 %** of the fund assets – and **up to 10 % of the fund assets in total** – insofar as these UCITS or UCI do not for their part invest more than 10 % of their fund assets in units in other investment funds.

Derivative instruments

Derivative instruments may be used as part of the fund's investment strategy for **up to 20 %** of the fund assets and for hedging purposes.

Investment fund's risk measurement method

The investment fund applies the following risk measurement method:

Commitment approach

The commitment figure is calculated pursuant to the 3rd chapter of the 4th Austrian Derivatives Risk Calculation and Reporting Ordinance (*Derivate-Risikoberechnungs- und Meldeverordnung*), as amended.
The overall risk for derivative instruments which are not held for hedging purposes is limited to **20 %** of the overall net value of the fund assets.

Please refer to the prospectus for details and comments.

Sight deposits or deposits at notice

Sight deposits and deposits at notice with notice periods not exceeding 12 months may amount to **up to 25 %** of the fund assets. No minimum bank balance is required.

Within the framework of restructuring of the fund portfolio and/or a justified assumption of impending losses for securities, the investment fund may hold a lower proportion of securities and a higher proportion of sight deposits or deposits at notice with notice periods not exceeding 12 months.

Short-term loans

The management company may take up short-term loans of up to **10 %** of the fund assets for account of the investment fund.

Repos

Repurchase agreements may comprise **up to 100 %** of the fund assets.

Securities lending

Securities lending transactions may comprise **up to 30 %** of the fund assets.

Investment instruments may only be acquired uniformly for the entire investment fund, not for an individual unit class or for a group of unit classes.
However, this does not apply for currency hedge transactions. These transactions may only be entered into in relation to a single unit class. Expenses and income resulting from a currency hedge transaction shall exclusively be allocated to the relevant unit class.

Please refer to the prospectus for further details concerning Article 3.

Article 4 Issuance and redemption modalities

The unit value shall be calculated in EUR or the currency of the unit class.
Please refer to the prospectus for further details.

The value of units will be calculated on each day of stock market trading.

Issuance and subscription fee

Units will be issued on any banking day.

The issue price is the unit value plus a fee per unit of up to 4 % to cover the management company's issuing costs.

Unit issuance shall not in principle be subject to limitation; however, the management company reserves the right temporarily or entirely to discontinue its issuance of unit certificates.

The management company shall be entitled to introduce a graduated subscription fee.
Please refer to the prospectus for further details.

Redemption and redemption fee

Units will be redeemed on any banking day.

The redemption price is based on the value of a unit. No redemption fee will be charged.

At the request of a unit holder, its unit shall be redeemed out of the investment fund at the applicable redemption price, against surrender of the unit certificate, those income coupons which are not yet due and the renewal certificate.

Article 5 Accounting year

The investment fund's accounting year runs from June 1 to May 31.

Article 6 Unit classes and appropriation of income

Income-distributing unit certificates, income-retaining unit certificates with capital gains tax deducted and income-retaining unit certificates without capital gains tax deducted may be issued for the investment fund.

Various classes of unit certificates may be issued for this investment fund. The management company may decide to establish unit classes or to issue units in a given unit class. Please refer to the prospectus for further details.

Appropriation of income for income-distributing unit certificates (income distribution)

Once costs have been covered, the income received during the past accounting year (interest and dividends) may be distributed at the discretion of the management company. Distribution may be waived subject to due consideration of the unit holders' interests. The distribution of income from the sale of assets of the investment fund including subscription rights shall likewise be at the discretion of the management company. A distribution from the fund assets and interim distributions are also permissible.
The fund assets may not through distributions fall below the minimum volume for a termination which is stipulated by law.

From August 15 of the following accounting year the amounts are to be distributed to the holders of income-distributing unit certificates. Any remaining balances shall be carried forward to a new account.

In any case, from August 15 an amount calculated pursuant to InvFG shall be paid out, to be used where applicable to meet any capital gains tax commitments on the distribution-equivalent return on those unit certificates, unless the management company ensures through appropriate proof from the custodians that at the time of payout the unit certificates may only be held by unitholders who are either not subject to Austrian income or corporate income tax or who fulfill the requirements for an exemption pursuant to § 94 of the Austrian Income Tax Act or for a capital gains tax exemption.
Unit holders' entitlement to the distribution of income shares shall become time-barred after five years. After this period, such income shares shall be treated as income of the investment fund.

Appropriation of income in case of income-retaining unit certificates with capital gains tax deducted (income retention)

Income during the accounting year net of costs shall not be distributed. In case of income-retaining unit certificates, from August 15 an amount calculated pursuant to InvFG shall be paid out, to be used where applicable to meet any capital gains tax commitments on the distribution-equivalent return on those unit certificates, unless the management company ensures through appropriate proof from the custodians that at the time of payout the unit certificates are only held by unit holders who are either not subject to Austrian income or corporate income tax or who fulfill the requirements for an exemption pursuant to § 94 of the Austrian Income Tax Act or for a capital gains tax exemption.

Appropriation of income in case of income-retaining unit certificates without capital gains tax deducted (full income retention – domestic and foreign tranches)

Income during the accounting year net of costs shall not be distributed. No payment pursuant to InvFG will be made. August 15 of the following accounting year shall be the key date pursuant to InvFG in case of failure to pay capital gains tax on the annual income.
The management company shall ensure through appropriate proof from the custodians that at the time of payout the unit certificates may only be held by unit holders who are either not subject to Austrian income or corporate income tax or who fulfill the requirements for exemption as per § 94 of the Austrian Income Tax Act or for an exemption from capital gains tax.
If these preconditions have not been met as of the outpayment date, the amount calculated pursuant to InvFG shall be paid out by the custodian bank in the form of credit.

Appropriation of income in case of income-retaining unit certificates without capital gains tax deducted (full income retention – foreign tranche)

Income-retaining unit certificates without deducted capital gains tax shall only be sold outside Austria.
Income during the accounting year net of costs shall not be distributed. No payment pursuant to InvFG will be made.
The management company shall ensure through appropriate proof that at the time of payout the unit certificates may only be held by unit holders who are either not subject to Austrian income or corporate income tax or who fulfill the requirements for exemption pursuant to § 94 of the Austrian Income Tax Act or for an exemption from capital gains tax.

Article 7 Management fee, reimbursement of expenses, liquidation fee

The management company shall receive for its management activity an annual remuneration of up to **1.50 %** of the fund assets, calculated on the basis of the values at the end of each month.

The management company is entitled to reimbursement of all expenses associated with its management of the fund.

The management company shall be entitled to introduce a graduated management fee.

The costs arising at the introduction of new unit classes for existing asset portfolios shall be deducted from the unit prices of the new unit classes.

At the liquidation of the investment fund, the custodian bank shall receive remuneration amounting to **0.5 %** of the fund assets.

Please refer to the prospectus for further details.

Appendix

List of stock exchanges with official trading and organized markets

1. Stock exchanges with official trading and organized markets in the member states of the EEA

According to Article 16 of Directive 93/22/EEC (investment services in the securities field), each member state is obliged to maintain an up-to-date directory of its licensed markets. This directory is to be made available to the other member states and to the Commission.
According to this provision, the Commission is obliged to publish once a year a directory of the regulated markets of which it has received notice.
Due to decreasing restrictions and to trading segment specialization, the directory of "regulated markets" is undergoing great changes. In addition to the annual publication of a directory in the official gazette of the European Communities, the Commission will therefore provide an updated version on its official internet site.

1.1. The current directory of regulated markets is available at:

http://mifiddatabase.esma.europa.eu/Index.aspx?sectionlinks_id=23&language=0&pageName=REGULATED_MARKETS_Display&subsection_id=0[1]

1.2. The following stock exchanges are to be included in the directory of Regulated Markets:

1.2.1.	Luxembourg	Euro MTF Luxembourg

1.3. Recognized markets in the EU pursuant to § 67 (2) item 2 InvFG:

Markets in the EEA classified as recognized markets by the relevant supervisory authorities.

2. Stock exchanges in European states which are not members of the EEA

2.1.	Bosnia & Herzegovina:	Sarajevo, Banja Luka
2.2.	Croatia:	Zagreb Stock Exchange
2.3.	Montenegro:	Podgorica
2.4.	Russia:	Moscow (RTS Stock Exchange), Moscow Interbank Currency Exchange (MICEX)
2.5.	Switzerland:	SWX Swiss-Exchange
2.6.	Serbia:	Belgrade
2.7.	Turkey:	Istanbul (for stock market, "National Market" only)

3. Stock exchanges in non-European states

3.1.	Australia:	Sydney, Hobart, Melbourne, Perth
3.2.	Argentina:	Buenos Aires
3.3.	Brazil:	Rio de Janeiro, Sao Paulo
3.4.	Chile:	Santiago
3.5.	China:	Shanghai Stock Exchange, Shenzhen Stock Exchange
3.6.	Hong Kong:	Hong Kong Stock Exchange
3.7.	India:	Mumbai
3.8.	Indonesia:	Jakarta
3.9.	Israel:	Tel Aviv
3.10.	Japan:	Tokyo, Osaka, Nagoya, Kyoto, Fukuoka, Niigata, Sapporo, Hiroshima
3.11.	Canada:	Toronto, Vancouver, Montreal
3.12	Colombia:	Bolsa de Valores de Colombia
3.13.	Korea:	Korea Exchange (Seoul, Busan)
3.14.	Malaysia:	Kuala Lumpur, Bursa Malaysia Berhad
3.15.	Mexico:	Mexico City
3.16.	New Zealand:	Wellington, Christchurch/Invercargill, Auckland

[1] Click on "view all" to open the directory. The link may be modified by the Austrian Financial Market Authority (FMA) or by the *European Securities and Markets Authority (ESMA)*.
[You may access the directory as follows by way of the FMA's website:
http://www.fma.gv.at/de/unternehmen/boerse-wertpapierhandel/boerse.html - scroll down - link "List of Regulated Markets (MiFID Database; ESMA)" – "view all"]

3.17	Peru:	Bolsa de Valores de Lima
3.18.	Philippines:	Manila
3.19.	Singapore:	Singapore Stock Exchange
3.20.	South Africa:	Johannesburg
3.21.	Taiwan:	Taipei
3.22.	Thailand:	Bangkok
3.23.	USA:	New York, American Stock Exchange (AMEX), New York Stock Exchange (NYSE), Los Angeles/Pacific Stock Exchange, San Francisco/Pacific Stock Exchange, Philadelphia, Chicago, Boston, Cincinnati
3.24.	Venezuela:	Caracas
3.25.	United Arab Emirates:	Abu Dhabi Securities Exchange (ADX)

4. Organized markets in states which are not members of the European Community

4.1.	Japan:	Over the Counter Market
4.2.	Canada:	Over the Counter Market
4.3.	Korea:	Over the Counter Market
4.4.	Switzerland:	SWX-Swiss Exchange, BX Berne eXchange; Over the Counter Market of the members of the International Capital Market Association (ICMA), Zurich
4.5.	USA:	Over the Counter Market in the NASDAQ system, Over the Counter Market (markets organized by NASD such as Over-the-Counter Equity Market, Municipal Bond Market, Government Securities Market, Corporate Bonds and Public Direct Participation Programs) Over-the-Counter-Market for Agency Mortgage-Backed Securities

5. Stock exchanges with futures and options markets

5.1.	Argentina:	Bolsa de Comercio de Buenos Aires
5.2.	Australia:	Australian Options Market, Australian Securities Exchange (ASX)
5.3.	Brazil:	Bolsa Brasiliera de Futuros, Bolsa de Mercadorias & Futuros, Rio de Janeiro Stock Exchange, Sao Paulo Stock Exchange
5.4.	Hong Kong:	Hong Kong Futures Exchange Ltd.
5.5.	Japan:	Osaka Securities Exchange, Tokyo International Financial Futures Exchange, Tokyo Stock Exchange
5.6.	Canada:	Montreal Exchange, Toronto Futures Exchange
5.7.	Korea:	Korea Exchange (KRX)
5.8.	Mexico:	Mercado Mexicano de Derivados
5.9.	New Zealand:	New Zealand Futures & Options Exchange
5.10.	Philippines:	Manila International Futures Exchange
5.11.	Singapore:	The Singapore Exchange Limited (SGX)
5.12.	Slovakia:	RM-System Slovakia
5.13.	South Africa:	Johannesburg Stock Exchange (JSE), South African Futures Exchange (SAFEX)
5.14.	Switzerland:	EUREX
5.15.	Turkey:	TurkDEX
5.16.	USA:	American Stock Exchange, Chicago Board Options Exchange, Chicago, Board of Trade, Chicago Mercantile Exchange, Comex, FINEX, Mid America Commodity Exchange, ICE Future US Inc.New York, Pacific Stock Exchange, Philadelphia Stock Exchange, New York Stock Exchange, Boston Options Exchange (BOX)