

Raiffeisen European SmallCap

Semi-annual fund report
2011-2012

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Semi-annual report from 1 August 2011 to 31 January 2012

Raiffeisen European SmallCap is an equity fund whose investment goal is long-term capital growth subject to higher (short-term) risks. It mainly invests (at least 51 per cent of its fund assets) in equities or equity-equivalent securities issued by small cap companies which have a market capitalization (price (market price) multiplied by a company's total number of issued shares) of up to EUR 5 billion and which are headquartered or mainly active in Europe.

General fund information

Tranche	Launch date	ISIN
ISIN income-distributing (R) (A)	25/7/2003	AT0000638986
ISIN income-retaining (R) (T)	25/7/2003	AT0000638994
ISIN full income-retaining (outside Austria) (R) (VTA)	28/10/2003	AT0000639000
ISIN full income-retaining (outside Austria) (I) (VTA)	1/2/2011	AT0000A0LQ44
ISIN savings fund income-distributing (R) (A)	25/7/2003	AT0000639018
ISIN savings fund income-retaining (R) (T)	25/7/2003	AT0000639026

Fund characteristics

Fund currency:	EUR
Financial year:	1 August – 31 July
Distribution/payment/reinvestment date:	15 October
EU directive compliance:	EU directive-compliant investment fund pursuant to InvFG (UCITS)
Fund type:	Target fund (up to 10 % subfunds)
Max. management fee for the fund:	2.00 % (excluding any performance-related fee)
Target group:	Public fund
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 unit holder,

Raiffeisen Kapitalanlage-Gesellschaft m.b.H. is pleased to present its semi-annual fund report for Raiffeisen European SmallCap for the period from 1 August 2011 to 31 January 2012.

Fund details in EUR

	31/7/2011	31/1/2012
Fund assets	70,170,501.72	60,105,055.03
Net asset value/unit (R) (A)	162.56	142.01
Issue price/unit (R) (A)	170.69	149.11
Net asset value/unit (R) (T)	167.33	147.78
Issue price/unit (R) (T)	175.70	155.17
Net asset value/unit (R) (VTA)	171.65	151.76
Issue price/unit (R) (VTA)	180.23	159.35
Net asset value/unit (I) (VTA)	172.50	153.27
Issue price/unit (I) (VTA))	181.13	160.93

Units in circulation

	(R) A	(R) T	(R) VTA	(I) VTA
Units in circulation on 31/7/2011	32,623.732	281,867.763	103,099.930	10.000
Sales	1,166.906	11,513.682	5,804.085	0.000
Repurchases	- 2,175.757	- 16,779.575	- 11,810.083	0.000
Units in circulation	31,614.881	276,601.870	97,093.932	10.000
Total units in circulation on 31/1/2012				405,320.683

Fund investment policy report

In the past half year European small cap equities underwent a correction of almost 11 %. By comparison, the fund was subject to a correction of 10 %. This correction was due to rising uncertainty regarding sovereign debt in southern European countries such as Greece, Italy, Spain and Portugal. Financial equities were weak in this environment, as were commodities and industrial equities. At a regional level, Greece, Portugal and France were the weakest performers. The United Kingdom, Switzerland and the Netherlands were regional outperformers.

A variety of sectors provided the strongest positive contributions for the fund. These included the industrial, information, technology, telecoms, finance and consumer sectors. The industrial stock Vopak provided the largest positive contribution over the period. The fund's Micro Focus, Freenet, Gerry Weber, Hannover Rück and Green King positions also provided positive contributions. Its Mersen, Haulotte, K+S, Vallourec and USG People positions generated negative contributions.

Makeup of fund assets in EUR

Securities	Market value	%
Equities:		
EUR	51,099,975.40	85.02
GBP	2,081,833.75	3.46
CHF	1,371,200.80	2.29
NOK	1,366,630.51	2.27
SEK	1,189,980.88	1.98
Total equities	57,109,621.34	95.02
Subscription rights:		
EUR	49.00	0.00
Warrants:		
EUR	7,860.00	0.01
Real estate investment trusts:		
EUR	259,492.32	0.43
Total securities	57,377,022.66	95.46
Bank balances		
Bank balances in fund currency	2,846,268.56	4.73
Bank liabilities in foreign currency	- 13,996.25	- 0.02
Total bank balances	2,832,272.31	4.71
Accruals and deferrals		
Interest claims (on securities and bank balances)	846.27	0.00
Other items		
Various fees	- 105,086.21	- 0.17
Total fund assets	60,105,055.03	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	VOLUME 31/1/2012	PURCHASES ADDITIONS IN PERIOD UNDER REVIEW	SALES DISPOSALS	PRICE	MARKET VALUE IN EUR	% SHARE OF FUND ASSETS
EQUITIES IN SWISS FRANCS							
CH0038388911	SULZER NAM.	9,000			114.600000	856,502.24	1.43
CH0002088976	VALORA HLDG NA	3,000			206.600000	514,698.56	0.86
EQUITIES IN EURO							
NL0000852564	AALBERTS IND. NV	44,943			14.115000	634,370.45	1.06
DE0005408116	AAREAL BANK AG	40,600			16.840000	683,704.00	1.14
IT0001207098	ACEA S.P.A.	20,296		20,000	4.714000	95,675.34	0.16
AT0000603709	AGRANA BET.AG STAMM.O.N.	5,000			81.840000	409,200.00	0.68
EE3100034653	ARCO VARA AS	10,000			2.256000	22,560.00	0.04
NL0000334118	ASM INTL N.V.	30,000			25.470000	764,100.00	1.27
IT0003261069	ASTALDI S.P.A.	121,211			5.105000	618,782.16	1.03
AT0000969985	AT+S AUST. TECH.SYS.O.N.	52,277			9.000000	470,493.00	0.78
BE0974258874	BEKAERT P.S.	10,000		5,000	30.045000	300,450.00	0.50
AT00000BENE6	BENE INH. AKT. O.N.	125,400		30,000	1.235000	154,869.00	0.26
NL0000339703	BETER BED HLDG	28,000			16.065000	449,820.00	0.75
NL0000335578	BINCKBANK N.V.	83,750			8.418000	705,007.50	1.17
IT0001050910	BREMBO S.P.A.	57,000			8.170000	465,690.00	0.78
NL0000343432	BRUNEL INTL NV	17,000			26.990000	458,830.00	0.76
IT0001347308	BUZZI UNICEM	52,000			8.020000	417,040.00	0.69
FI0009013429	CARGOTEC CORP. B	17,000			27.280000	463,760.00	0.77
DE0005407100	CENIT AG O.N.	35,000			5.200000	182,000.00	0.30
IT0000080447	CIR ORD.	260,000			1.235000	321,100.00	0.53
ES0117160111	CORP. FIN. ALBA INH.	15,700			30.450000	478,065.00	0.80
IT0003849244	DAVIDE CAMPARI-MIL.	100,000			5.110000	511,000.00	0.85
NL00009294552	DELTA LLOYD N.V.	55,000			13.450000	739,750.00	1.23
DE0007480204	DEUTSCHE EUROSHOP AG O.N.	9,186			25.980000	238,652.28	0.40
GRS294003009	DUTY FREE SHOPS	78,668			6.500000	511,342.00	0.85
ES0112501012	EBRO FOODS NOM.	30,000			14.630000	438,900.00	0.73
GRS191213008	ELLAKTOR S.A.NAM.	118,824			1.310000	155,659.44	0.26
ES0130960018	ENAGAS INH.	24,000			15.040000	360,960.00	0.60
GRS359353000	EYDAP S.A. INH	48,495			3.020000	146,454.90	0.24
AT0000911805	FLUGHAFEN WIEN AKT. O.N.	10,500			28.000000	294,000.00	0.49
DE000A0222Z5	FREENET AG NA	150,000			10.300000	1,545,000.00	2.57
GRS346153000	FRIGOGLASS NA	47,437	9,488	1	3.840000	182,158.08	0.30
NL0000352565	FUGRO NV CVA NAM.	21,058			49.330000	1,038,791.14	1.73
ES0143416115	GAMESA CORP.TEC.I.	18,161			3.004000	54,555.64	0.09
GRS145003000	GEK TERNA S.A.	35,000			0.774000	27,090.00	0.04
IT0001480323	GEMINA S.P.A.	700,468			0.628000	439,893.90	0.73
DE0003304101	GERRY WEBER INTERNAT.O.N.	45,552			25.980000	1,183,440.96	1.97
IE00B00MZ448	GRAFTON GROUP PLC UTS	152,300			2.600000	395,980.00	0.65
GRS419003009	GREEK O.FOOTB.INH	47,400			7.300000	346,020.00	0.58
DE0005865901	GRENKELEASING AG O.N.	30,710			38.545000	1,183,716.95	1.97
FR0000072910	GROUPE STERIA SCA INH.	42,478			14.605000	620,391.19	1.03
ES0130625512	GRUPO EMP.ENCE INH.	128,500			1.895000	243,507.50	0.41
DE000A0S8488	HAMBURG.HAFEN U.LOG.A-SP	14,000			24.100000	337,400.00	0.56
DE0008402215	HANN.RUECKVER.AG NA O.N.	21,000			40.540000	851,340.00	1.42
FR0000066755	HAULOTTE GROUP INH.	22,627			6.900000	156,126.30	0.26
GRS395363005	HELLENIC EXCHANGES SA NAM	79,540			3.050000	242,597.00	0.40
IT0001250932	HERA S.P.A.	210,000			1.053000	221,130.00	0.37
FR0000120859	IMERYS SA INH.	18,240			42.390000	773,193.60	1.29
IT0001413837	IMMSI S.P.A.	464,000			0.608000	282,112.00	0.47
NL0006055329	IMTECH N.V.	63,230			23.255000	1,470,413.65	2.44
IT0000076197	INDESIT COMPANY	60,800			4.370000	265,696.00	0.44
DE000KSAG888	K+S AG NA O.N.	12,000	12,000		36.395000	436,740.00	0.73
NL0009432491	KON. VOPAK NV	33,862		5,000	40.315000	1,365,146.53	2.27
FI0009005870	KONECRANES OYJ O.N.	37,950			18.450000	700,177.50	1.17
NL0000337319	KONINK.BAM GP TOON.	100,064			3.350000	335,214.40	0.56
FR0000050353	LISI SA INH.	14,500			59.000000	855,500.00	1.42

ISIN	SECURITY TITLE	VOLUME 31/1/2012	PURCHASES ADDITIONS IN PERIOD UNDER REVIEW	SALES DISPOSALS	PRICE	MARKET VALUE IN EUR	% SHARE OF FUND ASSETS
EQUITIES IN EURO							
IT0004251689	MAIRE TECNIMONT SPA	50,000			0.762000	38,100.00	0.06
FR0000051070	MAUREL ET PROM INH.	45,000	15,000		12.445000	560,025.00	0.93
FR0011120914	MAUREL ET PROM NIG.	30,000	30,000		1.790000	53,700.00	0.09
FR0000039620	MERSEN S.A. INH.	23,852		7,000	25.605000	610,730.46	1.02
GRS426003000	MOTOR OIL (HELL.)	26,700			5.780000	154,326.00	0.26
DE000A0D9PT0	MTU AERO ENGINES NA O.N.	21,000		4,000	52.430000	1,101,030.00	1.83
DE0006452907	NEMETSCHEK AG O.N.	50,500			28.150000	1,421,575.00	2.37
FR0000044448	NEXANS INH.	20,934			46.535000	974,163.69	1.62
FI0009005318	NOKIAN RENKAAT OYJ	20,000			27.080000	541,600.00	0.90
NL0000375400	NUTRECO N.V.	24,975			53.630000	1,339,409.25	2.23
BE0003876936	NYRSTAR	59,500			6.949000	413,465.50	0.69
ES0142090317	OBRASCON INH.	30,000			20.240000	607,200.00	1.01
FI0009002422	OUTOKUMPU OY A	30,100			7.355000	221,385.50	0.37
AT0000758305	PALFINGER AKT.O.N.	8,800			16.535000	145,508.00	0.24
GRS014013007	PIRAEUS BANK	44,054			0.538000	23,701.05	0.04
FR0000124570	PLASTIC OMNIUM INH.	18,540			19.450000	360,603.00	0.60
FI0009003222	POHJOLA BK A	43,500			8.085000	351,697.50	0.59
AT0000APOST4	POST AG AKT.O.N.	10,000			24.765000	247,650.00	0.41
ES0175438235	PROSEGUR NOM.	26,900			34.880000	938,272.00	1.56
GRS434003000	PUBL.POWER GR.INH.	32,200			3.660000	117,852.00	0.20
DE0006969603	PUMA SE	1,760			237.150000	417,384.00	0.69
IT0003828271	RECORDATI SPA	58,948			6.010000	354,277.48	0.59
PTRELOAM0008	REN-REDES ENERGET.	70,000			2.072000	145,040.00	0.24
DE0007030009	RHEINMETALL AG	10,800			40.080000	432,864.00	0.72
AT0000676903	RHI AG AKTIEN O.N.	54,257			17.090000	927,252.13	1.54
DE0007042301	RHOEN-KLINIKUM O.N.	62,666			15.800000	990,122.80	1.65
NL0000360618	SBM OFFSHORE N.V.	25,537			12.550000	320,489.35	0.53
AT0000946652	SCHOELLER-BL.OIL	17,900		3,000	62.440000	1,117,676.00	1.86
PTSEMOAM0004	SEMAPA SGPS NAM.	81,433			5.230000	425,894.59	0.71
ES0178165017	TECNICAS REUNIDAS	8,000			27.740000	221,920.00	0.37
FR0000051807	TELEPERFORMANCE INH.	49,000			19.150000	938,350.00	1.56
BE0003555639	TESSENDERLO CHEM. P.S.	13,000			25.700000	334,100.00	0.56
GRS428003008	THES. WATER S.+S.	124,170			3.270000	406,035.90	0.68
GRS074083007	TITAN CEMENT NAM.	9,560			13.180000	126,000.80	0.21
GRS492003009	TT HELLENIC POSTBANK S.A.	47,400			0.690000	32,706.00	0.05
ES0132945017	TUBACEX INH.	130,000			2.135000	277,550.00	0.46
BE0003884047	UMICORE S.A. NEW	18,210			35.510000	646,637.10	1.07
NL0000389096	UNIT4	26,400			17.930000	473,352.00	0.79
NL0000354488	USG PEOPLE N.V.	72,485			6.520000	472,602.20	0.79
FR0000120354	VALLOUREC	12,432			50.870000	632,415.84	1.05
AT0000746409	VERBUND KAT.A O.N.	23,000			20.865000	479,895.00	0.80
FR0000031577	VIRBAC SA	7,500			106.800000	801,000.00	1.33
DE0007667107	VOSSLOH AG O.N.	3,810			77.390000	294,855.90	0.49
DE0007507501	WASHTEC AG O.N.	52,621			7.389000	388,816.57	0.65
DE000A0CAYB2	WINCOR NIXDORF O.N.	17,000			34.980000	594,660.00	0.99
NL0000395903	WOLTERS KLUWER NAM.	50,625			13.775000	697,359.38	1.16
FI0009800643	YIT OYJ	29,200			13.710000	400,332.00	0.67
AT0000837307	ZUMTOBEL AG AKT.O.N.	35,000			13.795000	482,825.00	0.80
EQUITIES IN BRITISH POUNDS							
GB0007365546	CARILLION PLC	50,667			3.110000	188,418.47	0.31
GB00B0H2P136	GREENE KING PLC	130,000			4.932000	766,662.68	1.28
GB00B5N0P849	JOHN WOOD GR.	70,000			6.470000	541,552.07	0.90
GB00B7786072	MICRO FOCUS I.	114,400	114,400		4.278000	585,200.53	0.97
EQUITIES IN NORWEGIAN CROWNS							
NO0010019649	EDB ERGOGROUP ASA	77,000		30,000	10.500000	105,668.32	0.17
NO0003078800	TGSNOP.GEOPHYSICAL	67,000			144.000000	1,260,962.19	2.10
EQUITIES IN SWEDISH CROWNS							
SE0000102378	BETSSON AB B	10,000			172.000000	193,932.83	0.32
SE0000163594	SECURITAS AB B FR.	140,000			63.100000	996,048.05	1.66
SUBSCRIPTION RIGHTS IN EURO							
BE0005644183	NYRSTAR NV	24,500			0.002000	49.00	0.00
WARRANTS IN EURO							
FR0010897082	ETABL.MAUREL+PROM BDS14	30,000			0.262000	7,860.00	0.01

ISIN	SECURITY TITLE	VOLUME 31/1/2012	PURCHASES ADDITIONS	SALES DISPOSALS	PRICE	MARKET VALUE IN EUR	% SHARE OF FUND ASSETS
REAL ESTATE INVESTMENT TRUSTS IN EURO							
GRS491003000	EUROBANK PROP.REAL EST.I.	69,756		30,000	3.720000	259,492.32	0.43
TOTAL SECURITIES PORTFOLIO					EUR	57,377,022.66	95.46
BANK BALANCES							
EUR BALANCES		EUR	2,846,268.56				
LIABILITIES IN OTHER EU CURRENCIES							
NOK		EUR	-13,996.25		EUR	2,832,272.31	4.71
ACCRUALS AND DEFERRALS							
INTEREST CLAIMS					EUR	846.27	0.00
OTHER ITEMS							
VARIOUS FEES					EUR	-105,086.21	-0.17
TOTAL FUND ASSETS					EUR	60,105,055.03	100.00
NET ASSET VALUE PER UNIT							
TRANCHE R INCOME-DISTRIBUTING					EUR	142.01	
TRANCHE R INCOME-RETAINING					EUR	147.78	
TRANCHE R FULL INCOME-RETAINING					EUR	151.76	
TRANCHE I FULL INCOME-RETAINING					EUR	153.27	
UNITS IN CIRCULATION							
TRANCHE R INCOME-DISTRIBUTING					UNITS	31,614.881	
TRANCHE R INCOME-RETAINING					UNITS	276,601.870	
TRANCHE R FULL INCOME-RETAINING					UNITS	97,093.932	
TRANCHE I FULL INCOME-RETAINING					UNITS	10.000	

EXCHANGE RATES

FOREIGN CURRENCY ASSETS WERE CONVERTED INTO EUR ON THE BASIS OF THE EXCHANGE RATES APPLICABLE ON 30/1/2012:

CURRENCY	UNIT	PRICE
SWISS FRANC	1 EUR =	1.204200 CHF
BRITISH POUND	1 EUR =	0.836300 GBP
NORWEGIAN CROWN	1 EUR =	7.651300 NOK
SWEDISH CROWN	1 EUR =	8.869050 SEK

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

ISIN	SECURITY TITLE	PURCHASES ADDITIONS	SALES DISPOSALS
EQUITIES IN SWISS FRANCS			
CH0100837282	KARDEX NAM.		3,422
EQUITIES IN EURO			
IT0003261697	AZIMUT HLDG S.P.A.		31,158
PTIPR0AM0000	IMPRESA SGPS SA NOM.		75,000
DE0007162000	K+S AG O.N.		12,000
EQUITIES IN BRITISH POUNDS			
GB00B079W581	MICRO FOCUS INTERNATIONAL		130,000
EQUITIES IN NORWEGIAN CROWNS			
NO0010227036	CAMILLO EITZEN + CO.		74,250
EQUITIES IN EURO			
DE000A1KRMM9	DEMAG CRANES AG Z.VERK.		18,000
DE000A1KRPA7	TOGNUM AG Z.VERK.		29,992

Raiffeisen Kapitalanlage-Gesellschaft m.b.H. complies with the quality standards of the Association of Austrian Investment Companies (*Vereinigung Österreichischer Investmentgesellschaften, VÖIG*).

Vienna, 5 March 2012

Raiffeisen Kapitalanlage-Gesellschaft m. b. H.


 Dr. Mathias Bauer


 Mag. (FH) Dieter Aigner


 Mag. Gerhard Aigner