

# **ESPA BOND EURO CORPORATE**

**Mutual fund pursuant to the InvFG**

Annual Report 2017/18

## Contents

<b>General Information about the Investment Firm .....</b>	<b>2</b>
<b>Development of the Fund .....</b>	<b>5</b>
<b>Method of Calculating Overall Risk .....</b>	<b>6</b>
<b>Asset Allocation .....</b>	<b>6</b>
<b>Comparative Overview .....</b>	<b>7</b>
<b>Disbursement/Payment .....</b>	<b>10</b>
<b>Income Statement and Changes in Fund Assets .....</b>	<b>11</b>
1. Value Development over the Financial Year (Fund Performance).....	11
2. Fund Result.....	14
3. Changes in Fund Assets.....	15
<b>Fund Portfolio as of 31 July 2018 .....</b>	<b>16</b>
<b>Auditor's Opinion .....</b>	<b>32</b>
<b>Fund Terms and Conditions.....</b>	<b>35</b>
Annex to the Fund Terms and Conditions .....	38

## General Information about the Investment Firm

<b>The company</b>	ERSTE-SPARINVEST Kapitalanlagegesellschaft m. b. H. Am Belvedere 1, A-1100 Vienna Telephone: +43 05 0100-19881, Fax: +43 05 0100-17102
<b>Nominal capital</b>	EUR 4.50 million
<b>Shareholders</b>	Erste Asset Management GmbH (roughly 79.09%) DekaBank Deutsche Girozentrale (roughly 2.78%) „Die Kärntner“ Trust-Vermögensverwaltungsgesellschaft m.b.H. & Co KG (roughly 2.78%) NÖ-Sparkassen Beteiligungsgesellschaft m. b. H. (roughly 1.27%) Salzburger Sparkasse Bank Aktiengesellschaft (roughly 2.78%) Sieben Tiroler Sparkassen Beteiligungsgesellschaft m. b. H. (roughly 2.78%) Steiermärkische Bank und Sparkassen Aktiengesellschaft (roughly 5.57%) Tiroler Sparkasse Bankaktiengesellschaft Innsbruck (roughly 2.94%)
<b>Supervisory Board</b>	Rudolf SAGMEISTER, Mag. (Chairman) (from 22 February 2018) Wolfgang TRAINDL, Mag. (Chairman until 21 February 2018) Gabriele SEMMELROCK-WERZER (Deputy Chairwoman, First Deputy) Franz-Nikolaus HÖRMANN, Mag. (Deputy Chairman, Second Deputy) Matthias BAUER Monika JUNG, Mag. MSc (from 22 February 2018) Josef PRESCHITZ Franz PRUCKNER, Dr. MBA Rupert RIEDER, Mag. Rudolf SAGMEISTER, Mag. (from 15 February 2018 to 21 February 2018) Thomas SCHAUFLER, Mag. (FH) Reinhard WALT, Mag. Appointed by the Works Council: Martin CECH Regina HABERHAUER Heinrich Hubert REINER, Ing. Peter RIEDERER Manfred ZOUREK
<b>Managing directors</b>	Heinz BEDNAR, Mag. Peter KARL, Mag. (from 1 March 2018) Günther MANDL Christian SCHÖN (until 28 February 2018) Wolfgang TRAINDL, Mag. (from 1 March 2018)
<b>Prokuristen (proxies)</b>	Achim ARNHOF, Mag. Winfried BUCHBAUER Karl FREUDENSCHUSS Dietmar JAROSCH, Dr. Manfred LENTNER Gerold PERMOSER Magdalena REISCHL, Mag. Jürgen SINGER, Mag.
<b>State commissioners</b>	Erwin GRUBER Michael MANHARD, HR Dr.
<b>Auditor</b>	Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H.
<b>Custodian bank</b>	Erste Group Bank AG

**Remuneration paid to employees of ERSTE-SPARINVEST KAG in EUR  
(financial year 2017 of ERSTE-SPARINVEST KAG)**

No investment success bonuses are paid, and no other amounts are paid directly from the investment funds.

Number of employees as of 31.12.17	148
Number of risk bearers as of 31.12.17	60
Fixed remuneration	11,990,882
Variable remuneration (bonuses)	3,065,433
<b>Total employee remuneration</b>	<b>15,056,315</b>
Thereof remuneration for managing directors	1,540,398
Thereof remuneration for managers and risk bearers	918,143
Thereof remuneration for risk bearers with controlling functions*	1,111,224
Thereof remuneration for other risk bearers	5,430,036
Thereof remuneration for employees at the same pay grade as managers and risk bearers due to the amount of their total remuneration	0
<b>Total remuneration for risk bearers</b>	<b>8,999,801</b>

\* Includes the Head of Compliance

**Principles governing performance-based remuneration components**

The Management Company has adopted remuneration principles to prevent possible conflicts of interest and to ensure compliance with the standard rules of conduct when awarding remuneration to relevant persons.

Fixed salary components make up a large enough share of the total remuneration of all employees of the Management Company that a variable remuneration policy can be applied on an individualised basis.

The total remuneration (fixed and variable components) is governed by the principle of balance and is linked to sustainability so that the acceptance of excessive risks is not rewarded. Therefore, the variable remuneration forms no more than a balanced portion of the total remuneration awarded to an employee.

The performance-based remuneration components serve the short-term and long-term interests of the Management Company and contribute to preventing risky behaviour. The performance-based remuneration components take into account the personal performance as well as the profitability of the Management Company.

The size of the bonus pool is calculated based on the bonus potential that can be applied to the different employee categories. Bonus potential is a percentage of the fixed gross annual remuneration. The bonus potential can be no more than 100% of the fixed annual gross remuneration. The bonus pool is adjusted depending on the success of the Management Company. The personal bonus is linked to personal performance. The total of personal bonuses is limited by the size of the bonus pool after deduction of penalties.

The performance-based payments are capped at 100% of the gross annual remuneration for all employees, including the material risk bearers (according to the definition in the remuneration policy) and managing directors of the Management Company.

The remuneration system is made up of three components:

- 1) Fixed remuneration
- 2) Variable remuneration
- 3) Fringe benefits

The bonus potential is based on the fixed annual gross remuneration. The target agreements concluded with the employees contain qualitative and/or quantitative objectives. The qualitative objectives must make up at least 25%. The payment of performance-based remuneration components is subject to a minimum profitability level for the Management Company and to performance targets.

Sixty percent of the performance-based remuneration components are paid directly; for employees who are involved directly in fund and portfolio management, 50% of this is paid immediately in cash and 50% is paid one year later in the form of non-cash instruments. The remaining 40% of the performance-based remuneration components are retained and paid out over a period of three years, with 50% of this also being paid in cash and 50% in the form of non-cash instruments for employees who are involved directly in fund and portfolio management. The non-cash instruments can consist of shares in an investment fund that is administered by the Management Company, equivalent holdings or instruments linked to shares, or equivalent non-cash instruments. Based on the principle of proportionality, the Management Company has set a materiality threshold below which there is no incentive to enter into inappropriate risks, for which reason there is no need to make delayed payment or payment in the form of a non-cash instrument. Other non-cash benefits are fringe benefits that are not associated with performance but with a specific position (e.g. company car) or that apply for all employees (e.g. holiday).

The Supervisory Board of the Management Company has set up a Remuneration Committee to ensure that the remuneration policy and its application are independently assessed. This committee consists of the following persons: Rudolf Sagmeister (remuneration expert), Franz-Nikolaus Hörmann, and Heinrich Hubert Reiner.

The complete remuneration policy of the Management Company can be viewed at [http://www.erste-am.at/de/private\\_anleger/wer-sind-wir/investmentprozess](http://www.erste-am.at/de/private_anleger/wer-sind-wir/investmentprozess).

The last audit of compliance with the requirements of the remuneration policy by the Supervisory Board on 29 November 2017 revealed no deviations. There were also no material findings during the last audit by the Internal Auditing department.

No material changes were made to the remuneration policy during the past financial year.

## Dear Shareholder,

We are pleased to present you the following annual report for the ESPA BOND EURO CORPORATE mutual fund pursuant to the InvFG for the period from 1 August 2017 to 31 July 2018.

## Development of the Fund

ESPA BOND EURO CORPORATE (ISIN AT0000724216) generated a negative performance of 0.17% in the reporting period (1 August 2017 to 31 July 2018).

Due to the ECB's corporate bond purchasing programme, more and more investment grade bonds were trading at negative yields and many investors are thus moving into higher-yielding bonds. In light of this, the risk in the fund was gradually increased through purchases of subordinated financial bonds and/or bonds with longer remaining terms to maturity because bonds with higher risk sensitivity also delivered better performance alongside the bank bonds.

In Europe, the election of Emmanuel Macron as French president also improved investor sentiment towards this country. His far-reaching reforms caused risk premiums on French corporate bonds to fall substantially and also raised risk appetite. This led to strong performance by higher-yielding corporate bonds. No changes were made to the portfolio in this phase.

The downside risks stemming from political developments increased in 2017, for example from the continued uncertainty about the United Kingdom's exit from the EU, extremely polarising elections in some key economic countries, budding trade protectionism, and sometimes surprising moves of the US administration. However, the markets were hardly shocked by this in 2017. Market sentiment was largely positive thanks to the "Trump effect", which was driven by the promised tax relief. But once it became clear in the summer that the US president would be unable to fulfil his campaign promises when or in the form that he had announced, this optimism faded again in the middle of the reporting period. Some reforms were finally initiated at the end of the year. This was also reflected in the fund's performance, as bonds with lower ratings did considerably better than those with high ratings within the investment grade segment. This is called "risk on" mode and was implemented in the fund, including maintaining the present positioning with an overweighting of subordinated bank bonds.

The market for oil producing companies also seems to be becoming increasingly difficult. Regardless of the assurance from the OPEC countries that they would cut their output so the price can return to more stable ground, the petroleum price fell further. Even with full stocks, countries inside and outside of the cartel are still producing at maximum capacity and are letting the price slide further. The fund was underweighted in energy issues at this time.

Once the European Central Bank decided at its council meeting to continue its purchase programme at a reduced volume as of the beginning of 2018 combined with an increase in the share of corporate bonds, some investors pulled out of riskier bonds. This caused increased volatility for spreads on corporate bonds. Capital inflows in this segment were invested cautiously, and a cash buffer was built up.

After the parliamentary elections in Italy in March 2018, many investors also lost their confidence in Italian companies and their bonds. The economic programme of the coalition partners, the Five Star Movement and La Lega Nord, is not exactly congruent with the idea of debt reduction and led to widening spreads on corporate bonds. The fund was unable to escape the general trend. However, opportunities were seized to continue reducing the allocation to Italian bank issues.

Consequently, no changes were made to the fund's strategy while maintaining an implicitly somewhat lower investment level. This pertains to a continuous analysis of inefficiencies and market distortions (such as the peripheral countries) and the continuous monitoring of the portfolio in terms of yield potential and degree of risk.

## Method of Calculating Overall Risk

Method of calculating overall risk:		Commitment approach
Reference assets used:		-
	Lowest value:	-
Value at risk:	Average value:	-
	Highest value:	-
Model used:		-
Leverage* when using the value-at-risk calculation method:		-
Leverage** according to § 4 of the 4 <sup>th</sup> Derivatives Risk Measurement and Reporting Regulation:		-

\* Total nominal values of derivative instruments without taking into account offsetting and hedging (item 8.5. Schedule B InvFG 2011).

\*\* Total derivative risk taking offsetting and hedging into account = total of the equivalent values of the underlying assets as a percentage of the fund assets.

## Asset Allocation

	31 July 2018		31 July 2017	
	EUR millions	%	EUR millions	%
Bonds denominated in EUR	583.3	94.00	763.8	94.55
Investment certificates denominated in EUR	6.2	1.00	7.8	0.97
Securities	589.5	95.00	771.6	95.52
Cash in banks	24.9	4.01	27.6	3.41
Interest entitlements	6.2	0.99	8.7	1.07
Other deferred items	- 0.0	- 0.00	- 0.0	- 0.00
<b>Fund assets</b>	<b>620.5</b>	<b>100.00</b>	<b>807.9</b>	<b>100.00</b>

## Comparative Overview

Financial year	Fund assets
2015/2016	852,034,928.53
2016/2017	807,853,509.87
2017/2018	620,508,562.86

General information about performance:

The performance of share classes with no outstanding shares at the end of the reporting period or no outstanding shares during the reporting period is generally based on the dividend-adjusted performance of the overall fund. In these cases, the performance is not reported below. When a share class is issued during the reporting period, the performance and reinvestment are calculated from the point in time that the share class is launched. Because of this and possible other fees and currency classes, the performance and reinvestment of this share class differ from those of comparable share classes. The performance is determined assuming the reinvestment of all paid dividends and amounts at their nominal value on the day of disbursement.

Financial year	Fund type	ISIN	Currency	Calculated value per share	Disbursement/payment	Re-investment	Development in per cent
2015/2016	Dividend shares	AT0000724216	EUR	109.01	1.9000	-	5.37
2016/2017	Dividend shares	AT0000724216	EUR	106.73	1.3000	-	-0.36
2017/2018	Dividend shares	AT0000724216	EUR	105.25	1.3000	0.9350	-0.17

Financial year	Fund type	ISIN	Currency	Calculated value per share	Disbursement/payment	Re-investment	Development in per cent
2015/2016	Dividend shares	AT0000A1YRJ3	EUR	-	-	-	-
2016/2017	Dividend shares	AT0000A1YRJ3	EUR	-	-	-	-
2017/2018	Dividend shares	AT0000A1YRJ3	EUR	98.97	1.3000	0.0000	-1.03

Financial year	Fund type	ISIN	Currency	Calculated value per share	Disbursement/payment	Re-investment	Development in per cent
2015/2016	Dividend shares	AT0000A1YRK1	EUR	-	-	-	-
2016/2017	Dividend shares	AT0000A1YRK1	EUR	-	-	-	-
2017/2018	Dividend shares	AT0000A1YRK1	EUR	98.91	-	-	-

Financial year	Fund type	ISIN	Currency	Calculated value per share	Disbursement/payment	Re-investment	Development in per cent
2015/2016	Non-dividend shares	AT0000724224	EUR	171.74	1.4038	4.7900	5.37
2016/2017	Non-dividend shares	AT0000724224	EUR	169.73	0.8719	2.5503	-0.36
2017/2018	Non-dividend shares	AT0000724224	EUR	168.57	0.8762	2.7021	-0.17

Financial year	Fund type	ISIN	Currency	Calculated value per share	Disbursement/payment	Re-investment	Development in per cent
2015/2016	Non-dividend shares	AT0000A1YRL9	EUR	-	-	-	-
2016/2017	Non-dividend shares	AT0000A1YRL9	EUR	-	-	-	-
2017/2018	Non-dividend shares	AT0000A1YRL9	EUR	98.91	0.1758	0.5331	-1.09



ESPA BOND EURO CORPORATE

Financial year	Fund type	ISIN	Currency	Calculated value per share	Disbursement/ payment	Re-investment	Development in per cent
2015/2016	KESSt-exempt non-dividend shares	AT0000639414	CZK	5,247.73	-	188.7684	5.25
2016/2017	KESSt-exempt non-dividend shares	AT0000639414	CZK	5,038.61	-	101.4935	-3.98
2017/2018	KESSt-exempt non-dividend shares	AT0000639414	CZK	4,935.66	-	104.7756	-2.04

Financial year	Fund type	ISIN	Currency	Calculated value per share	Disbursement/ payment	Re-investment	Development in per cent
2015/2016	KESSt-exempt non-dividend shares	AT0000A1YRPO	CZK	-	-	-	-
2016/2017	KESSt-exempt non-dividend shares	AT0000A1YRPO	CZK	-	-	-	-
2017/2018	KESSt-exempt non-dividend shares	AT0000A1YRPO	CZK	2,533.58	-	-	-

Financial year	Fund type	ISIN	Currency	Calculated value per share	Disbursement/ payment	Re-investment	Development in per cent
2015/2016	KESSt-exempt non-dividend shares	AT0000658968	EUR	193.98	-	6.9786	5.37
2016/2017	KESSt-exempt non-dividend shares	AT0000658968	EUR	193.28	-	3.8908	-0.36
2017/2018	KESSt-exempt non-dividend shares	AT0000658968	EUR	192.94	-	4.0902	-0.18

Financial year	Fund type	ISIN	Currency	Calculated value per share	Disbursement/ payment	Re-investment	Development in per cent
2015/2016	KESSt-exempt non-dividend shares	AT0000A1YRM7	EUR	-	-	-	-
2016/2017	KESSt-exempt non-dividend shares	AT0000A1YRM7	EUR	-	-	-	-
2017/2018	KESSt-exempt non-dividend shares	AT0000A1YRM7	EUR	98.95	-	0.1787	-1.05

Financial year	Fund type	ISIN	Currency	Calculated value per share	Disbursement/ payment	Re-investment	Development in per cent
2015/2016	KES-st-exempt non-dividend shares	AT0000A1YRN5	EUR	-	-	-	-
2016/2017	KES-st-exempt non-dividend shares	AT0000A1YRN5	EUR	-	-	-	-
2017/2018	KES-st-exempt non-dividend shares	AT0000A1YRN5	EUR	99.02	-	1.5546	-0.98

Financial year	Fund type	ISIN	Currency	Calculated value per share	Disbursement/ payment	Re-investment	Development in per cent
2015/2016	KES-st-exempt non-dividend shares	AT0000A00GB0	HUF	60,332.63	-	2,167.7033	6.52
2016/2017	KES-st-exempt non-dividend shares	AT0000A00GB0	HUF	58,818.01	-	1,171.3364	-2.51
2017/2018	KES-st-exempt non-dividend shares	AT0000A00GB0	HUF	61,859.83	-	1,308.1649	5.17

Financial year	Fund type	ISIN	Currency	Calculated value per share	Disbursement/ payment	Re-investment	Development in per cent
2015/2016	KES-st-exempt non-dividend shares	AT0000A1YRQ8	HUF	-	-	-	-
2016/2017	KES-st-exempt non-dividend shares	AT0000A1YRQ8	HUF	-	-	-	-
2017/2018	KES-st-exempt non-dividend shares	AT0000A1YRQ8	HUF	31,758.92	-	-	-

## Disbursement/Payment

The following disbursement or payment will be made for the financial year from 1 August 2017 to 31 July 2018. The coupon-paying bank is obligated to withhold capital gains tax from this disbursement if the respective investor is not exempt from the payment of this tax.

The disbursement or payment will be effected on or after 1 October 2018 at

Erste Group Bank AG, Vienna,

and the respective bank managing the Shareholder's securities account.

Fund type	ISIN	Currency	Disbursement/ payment		KES <sup>t</sup> with option declaration	KES <sup>t</sup> w/o option declaration	Reinvestment
Dividend shares	AT0000724216	EUR	1.3000		0.5473	0.5473	0.9350
Dividend shares	AT0000A1YRJ3	EUR	1.3000		0.3319	0.3319	0.0000
Dividend shares	AT0000A1YRK1	EUR	-		-	-	-
Non-dividend shares	AT0000724224	EUR	0.8762		0.8762	0.8762	2.7021
Non-dividend shares	AT0000A1YRL9	EUR	0.1758		0.1758	0.1758	0.5331
KES <sup>t</sup> -exempt non- dividend shares	AT0000639414	CZK	-	*	-	-	104.7756
KES <sup>t</sup> -exempt non- dividend shares	AT0000A1YRP0	CZK	-	*	-	-	-
KES <sup>t</sup> -exempt non- dividend shares	AT0000658968	EUR	-	*	-	-	4.0902
KES <sup>t</sup> -exempt non- dividend shares	AT0000A1YRM7	EUR	-	*	-	-	0.1787
KES <sup>t</sup> -exempt non- dividend shares	AT0000A1YRN5	EUR	-	*	-	-	1.5546
KES <sup>t</sup> -exempt non- dividend shares	AT0000A00GB0	HUF	-	*	-	-	1,308.1649
KES <sup>t</sup> -exempt non- dividend shares	AT0000A1YRQ8	HUF	-	*	-	-	-

\* Pursuant to the penultimate sentence of § 58 (2) of the Austrian Investment Fund Act, no capital gains tax will be paid.

## Income Statement and Changes in Fund Assets

### 1. Value Development over the Financial Year (Fund Performance)

Calculation according to the OeKB method per share in the share currency not accounting for an issue premium

The performance of share classes with no outstanding shares at the end of the reporting period or no outstanding shares during the reporting period is generally based on the dividend-adjusted performance of the overall fund. In these cases, the “performance”, the “net earnings per share”, and the “total value including (notional) shares gained through disbursement/payment” are not reported in the following.

When a share class is issued during the reporting period, the performance is calculated from the point in time that the share class is launched. Because of this and possible other fees and currency classes, the performance of this share class differs from that of comparable share classes.

<b>AT0000724216 dividend shares EUR</b>	
Share value at the beginning of the reporting period (1,419,548.977 shares)	106.73
Disbursement/payment on 28.09.2017 (corresponds to roughly 0.0123 shares at a calculated value of 105.64)	1.3000
Share value at the end of the reporting period (1,147,978.091 shares)	105.25
Total value including (notional) shares gained through disbursement/payment	106.55
Net earnings per share	-0.18
<b>Value development of one share in the period</b>	<b>-0.17%</b>

<b>AT0000A1YRJ3 dividend shares EUR</b>	
Share value on issue date (0.000 shares)	100.00
Disbursement/payment	0.0000
Share value at the end of the reporting period (69,762.000 shares)	98.97
Total value including (notional) shares gained through disbursement/payment	98.97
Net earnings per share	-1.03
<b>Value development of one share in the period</b>	<b>-1.03%</b>

<b>AT0000A1YRK1 dividend shares EUR</b>	
Share value on issue date (0.000 shares)	100.00
Disbursement/payment	0.0000
Share value at the end of the reporting period (0.000 shares)	98.91
Total value including (notional) shares gained through disbursement/payment	-
Net earnings per share	-
<b>Value development of one share in the period</b>	<b>-</b>

<b>AT0000724224 non-dividend shares EUR</b>	
Share value at the beginning of the reporting period (2,339,359.985 shares)	169.73
Disbursement/payment on 28.09.2017 (corresponds to roughly 0.0052 shares at a calculated value of 169.20)	0.8719
Share value at the end of the reporting period (1,651,323.302 shares)	168.57
Total value including (notional) shares gained through disbursement/payment	169.44
Net earnings per share	-0.29
<b>Value development of one share in the period</b>	<b>-0.17%</b>

ESPA BOND EURO CORPORATE

<b>AT0000A1YRL9 non-dividend shares EUR</b>	
Share value on issue date (0.000 shares)	100.00
Disbursement/payment	0.0000
Share value at the end of the reporting period (410.000 shares)	98.91
Total value including (notional) shares gained through disbursement/payment	98.91
Net earnings per share	-1.09
<b>Value development of one share in the period</b>	<b>-1.09%</b>

<b>AT0000639414 KEST-exempt non-dividend shares CZK</b>	
Share value at the beginning of the reporting period (2,145.025 shares)	5,038.61
Disbursement/payment	0.0000
Share value at the end of the reporting period (7,589.567 shares)	4,935.66
Total value including (notional) shares gained through disbursement/payment	4,935.66
Net earnings per share	-102.95
<b>Value development of one share in the period</b>	<b>-2.04%</b>

<b>AT0000A1YRPO KEST-exempt non-dividend shares CZK</b>	
Share value on issue date (0.000 shares)	2,553.00
Disbursement/payment	0.0000
Share value at the end of the reporting period (0.000 shares)	2,533.58
Total value including (notional) shares gained through disbursement/payment	-
Net earnings per share	-
<b>Value development of one share in the period</b>	<b>-</b>

<b>AT0000658968 KEST-exempt non-dividend shares EUR</b>	
Share value at the beginning of the reporting period (1,339,146.314 shares)	193.28
Disbursement/payment	0.0000
Share value at the end of the reporting period (1,012,431.767 shares)	192.94
Total value including (notional) shares gained through disbursement/payment	192.94
Net earnings per share	-0.34
<b>Value development of one share in the period</b>	<b>-0.18%</b>

<b>AT0000A1YRM7 KEST-exempt non-dividend shares EUR</b>	
Share value on issue date (0.000 shares)	100.00
Disbursement/payment	0.0000
Share value at the end of the reporting period (2,022.000 shares)	98.95
Total value including (notional) shares gained through disbursement/payment	98.95
Net earnings per share	-1.05
<b>Value development of one share in the period</b>	<b>-1.05%</b>

<b>AT0000A1YRN5 KEST-exempt non-dividend shares EUR</b>	
Share value on issue date (0.000 shares)	100.00
Disbursement/payment	0.0000
Share value at the end of the reporting period (175,200.872 shares)	99.02
Total value including (notional) shares gained through disbursement/payment	99.02
Net earnings per share	-0.98
<b>Value development of one share in the period</b>	<b>-0.98%</b>

<b>AT0000A00GB0 KEST-exempt non-dividend shares HUF</b>	
Share value at the beginning of the reporting period (22.000 shares)	58,818.01
Disbursement/payment	0.0000
Share value at the end of the reporting period (22.000 shares)	61,859.83
Total value including (notional) shares gained through disbursement/payment	61,859.83
Net earnings per share	3,041.82
<b>Value development of one share in the period</b>	<b>5.17%</b>

<b>AT0000A1YRQ8 KEST-exempt non-dividend shares HUF</b>	
Share value on issue date (0.000 shares)	31,298.50
Disbursement/payment	0.0000
Share value at the end of the reporting period (0.000 shares)	31,758.92
Total value including (notional) shares gained through disbursement/payment	-
Net earnings per share	-
<b>Value development of one share in the period</b>	<b>-</b>

## 2. Fund Result

### a. Realised fund result

#### Ordinary fund result

##### Income (without profit or loss from price changes)

Interest income (excluding income adjustment)	16,006,610.26	
Dividend income	0.00	
Other income 8)	0.00	
Total income (without profit or loss from price changes)		16,006,610.26

##### Interest paid

- 106,261.95

##### Expenses

Fees paid to Investment Firm	- 4,188,831.23	
Costs for the financial auditor and tax consultation	- 9,526.00	
Publication costs	- 48,762.15	
Securities account fees	- 217,074.08	
Custodian bank fees	- 390,336.08	
Costs for the external consultant	0.00	
Total expenses		- 4,854,529.54
Compensation for management costs from sub-funds 1)		0.00

#### Ordinary fund result (excluding income adjustment)

**11,045,818.77**

#### Realised profit or loss from price changes 2) 3)

Realised gains 4)	8,205,030.65	
Realised losses 5)	- 4,184,802.64	

#### Realised profit or loss from price changes (excluding income adjustment)

**4,020,228.01**

#### Realised fund result (excluding income adjustment)

**15,066,046.78**

### b. Unrealised profit or loss from price changes 2) 3)

Changes in the unrealised profit or loss from price changes 7) - 15,552,425.77

#### Result for the reporting period 6)

**- 486,378.99**

### c. Income adjustment

Income adjustment for income in the period - 2,062,051.21

Income adjustment for profit carried forward from dividend shares - 4,029,950.53

#### Overall fund result

**- 6,578,380.73**

### **3. Changes in Fund Assets**

<b>Fund assets at the beginning of the reporting period</b>	<b>807,853,509.87</b>
<b>Disbursement/payment in the financial year</b>	<b>- 3,696,047.96</b>
<b>Issue and return of shares</b>	<b>- 177,070,518.32</b>
<b>Overall fund result</b>	
(The fund result is shown in detail under item 2.)	<b>- 6,578,380.73</b>
<b>Fund assets at the end of the reporting period</b>	<b><u>620,508,562.86</u></b>

- 1) Reimbursements (in the sense of commissions) paid by third parties are forwarded to the fund after deduction of any associated costs. Erste Bank der oesterreichischen Sparkassen AG receives 25% of the calculated commissions to cover administrative costs.
- 2) Realised profits and losses are not calculated precisely for the specific periods, which means that they, as is the case for the changes in the unrealised profit or loss, are not necessarily congruent with the changes in the value of the fund in the reporting year.
- 3) Total profit or loss from price changes without income adjustment (realised profit or loss from price changes, without income adjustment, plus changes in the unrealised profit or loss): EUR -11,532,197.76.
- 4) Thereof profits from transactions with derivative financial instruments: EUR 0.00.
- 5) Thereof losses from transactions with derivative financial instruments: EUR 0.00.
- 6) The result for the financial year includes explicitly reported transaction costs in the amount of EUR 2,902.85.
- 7) Thereof changes in unrealised gains EUR -14,026,084.35 and unrealised losses EUR -1,526,341.42.
- 8) The earnings reported under this item can be attributed to lending fees from securities lending transactions conducted with Erste Group Bank AG in the amount of EUR 0.00, to earnings from real estate funds in the amount of EUR 0.00, and to other earnings in the amount of EUR 0.00.



## Fund Portfolio as of 31 July 2018

(including changes in securities assets from 1 August 2017 to 31 July 2018)

Security designation	ISIN number	Interest rate	Purch./ additions	Sales/ disposals	Holding Shares/nominal (nom. in 1,000, rounded)	Price	Value in EUR	% share of fund assets
<b>Publicly traded securities</b>								
<b>Bonds denominated in EUR</b>								
<b>Issue country Denmark</b>								
DANFOSS 14/22 MTN	XS1152089345	1.375	0	0	1,000	102.900	1,029,000.02	0.17
DANSKE BK 16/23 MTN	XS1424730973	0.750	0	0	3,000	100.598	3,017,929.68	0.49
Total issue country Denmark							4,046,929.70	0.65
<b>Issue country Germany</b>								
BERLIN HYP AG IS109	DE000BHY0A56	1.250	0	0	3,000	102.837	3,085,113.36	0.50
Total issue country Germany							3,085,113.36	0.50
<b>Issue country Finland</b>								
CRH FIN.SER. 13/20 MTN	XS0981442931	2.750	0	0	1,850	105.230	1,946,758.44	0.31
CT.BK.SAV.BKS 15/20 MTN	XS1227609879	1.000	0	0	2,000	101.526	2,030,517.28	0.33
FORTUM OYJ 11/21 MTN	XS0629937409	4.000	0	0	1,000	110.394	1,103,937.99	0.18
Total issue country Finland							5,081,213.71	0.82
<b>Issue country Ireland</b>								
ALLIED IRISH 15/20 MTN	XS1202664386	1.375	0	0	2,000	102.149	2,042,980.04	0.33
BK OF IRELD 14/24 FLR MTN	XS1075963485	4.250	0	0	2,000	102.785	2,055,700.00	0.33
CLOVERIE 14/24 MTN	XS1109950755	1.750	0	0	5,000	105.426	5,271,284.10	0.85
CRH FINANCE DAC 16/28 MTN	XS1505896735	1.375	0	0	1,000	95.885	958,851.01	0.15
LUNAR FUNDING V 14/21 MTN	XS1051076922	1.875	0	0	2,750	105.180	2,892,450.00	0.47
PARTNERRE IRELD FIN.16/26	XS1489391109	1.250	0	3,000	2,000	95.788	1,915,763.70	0.31
Total issue country Ireland							15,137,028.85	2.44
<b>Issue country Italy</b>								
A2A 13/21 MTN	XS0951567030	4.375	0	0	1,000	109.947	1,099,471.21	0.18
A2A S.P.A. 12/19 MTN	XS0859920406	4.500	0	0	550	105.922	582,572.12	0.09
AUTOSTRADA IT. 13/21 MTN	XS0986174851	2.875	0	0	1,500	106.698	1,600,474.20	0.26
ENEL S.P.A. 14/75 FLR	XS1014997073	5.000	0	0	1,000	105.610	1,056,100.01	0.17
ENI S.P.A. 10/20 MTN	XS0521000975	4.000	0	0	1,000	107.347	1,073,467.79	0.17
ENI S.P.A. 12/20 MTN	XS0741137029	4.250	0	0	1,100	106.274	1,169,013.02	0.19
ENI S.P.A. 13/21 MTN	XS0996354956	2.625	0	0	250	107.471	268,676.97	0.04
ENI S.P.A. 15/26 MTN	XS1180451657	1.500	0	0	1,500	100.332	1,504,976.01	0.24
EXOR 14/24	XS1119021357	2.500	0	0	1,000	105.196	1,051,959.99	0.17

Security designation	ISIN number	Interest rate	Purch./ additions	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
Shares/nominal (nom. in 1,000, rounded)								
EXOR 15/22	XS1329671132	2.125	0	0	1,000	104.731	1,047,314.30	0.17
HERA 09/19	XS0471071133	4.500	0	0	500	105.723	528,613.02	0.09
HERA 13/28 MTN	XS0880764435	5.200	0	0	1,000	126.322	1,263,221.28	0.20
INTESA SAN. 10/20 MTN	XS0500187843	4.125	0	0	750	105.754	793,152.01	0.13
INTESA SAN. 13/23 MTN	XS0986194883	4.000	0	0	2,250	111.090	2,499,524.91	0.40
INTESA SAN. 14/22 MTN	XS1018032950	3.500	0	0	2,000	107.306	2,146,110.84	0.35
Total issue country Italy							17,684,647.68	2.85
<b>Issue country Luxembourg</b>								
GRAND CITY PROP.17/26 MTN	XS1654229373	1.375	2,200	0	2,200	96.120	2,114,629.48	0.34
Total issue country Luxembourg							2,114,629.48	0.34
<b>Issue country Netherlands</b>								
EDP FIN. 15/25 MTN	XS1222590488	2.000	0	0	4,000	103.435	4,137,413.32	0.67
ENEL FIN.INTL 16/26 MTN	XS1425966287	1.375	0	2,240	3,000	98.047	2,941,422.03	0.47
TEVA PH.F.NL.II 15/27	XS1211044075	1.875	0	0	1,200	86.087	1,033,040.14	0.17
TEVA PH.F.NL.II 16/28	XS1439749364	1.625	2,000	0	3,000	81.381	2,441,431.74	0.39
Total issue country Netherlands							10,553,307.23	1.70
<b>Issue country Austria</b>								
OMV AG 12/22 MTN	XS0834367863	2.625	0	0	800	109.226	873,807.74	0.14
OMV AG 13/19 MTN	XS0996734868	1.750	0	0	1,000	102.325	1,023,247.53	0.16
OMV AG 15-UND. FLR	XS1294342792	5.250	0	2,000	1,000	113.125	1,131,250.00	0.18
VERBUND AG 14/24	XS1140300663	1.500	0	0	100	104.456	104,455.80	0.02
VIENNA INS.GRP 13-43 FLR	AT0000A12GN0	5.500	0	0	1,300	115.750	1,504,754.26	0.24
VOLKSBANK WIEN 17-27 FLR	AT000B121967	2.750	7,000	2,000	5,000	98.695	4,934,750.00	0.80
Total issue country Austria							9,572,265.33	1.54
<b>Issue country Sweden</b>								
SKAND.ENS. 14/21 MTN	XS1033940740	2.000	0	0	200	105.024	210,047.16	0.03
SKAND.ENS. 16/21 MTN	XS1370669639	0.750	0	0	1,000	101.974	1,019,742.20	0.16
Total issue country Sweden							1,229,789.36	0.20
<b>Issue country Spain</b>								
BCO SANTANDER 16/26 MTN	XS1384064587	3.250	0	0	3,000	105.614	3,168,419.94	0.51
BCO SANTANDER 17/22 REGS	XS1557268221	1.375	0	0	3,500	102.393	3,583,738.90	0.58
CAIXABANK 17/24 MTN	XS1614722806	1.125	5,000	0	5,000	99.057	4,952,869.05	0.80
Total issue country Spain							11,705,027.89	1.89
<b>Issue country USA</b>								
LEHMAN BROTH.07/19FLR MTN	XS0287044969		0	0	1,250	0.000	0.00	0.00
Total issue country USA							0.00	0.00

## ESPA BOND EURO CORPORATE

Security designation	ISIN number	Interest rate	Purch./ additions Shares/nominal (nom. in 1,000, rounded)	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
<b>Issue country Cyprus</b>								
ATF NETHERLDS 16/24	XS1449707055	1.500	0	2,000	3,300	99.520	3,284,159.90	0.53
Total issue country Cyprus							3,284,159.90	0.53
Total bonds denominated in EUR							83,494,112.49	13.46
Total publicly traded securities							83,494,112.49	13.46
<b>Investment certificates</b>								
<b>Investment certificates denominated in EUR</b>								
<b>Issue country Austria</b>								
ESPA ALPHA 1 T	AT0000A03DF2		8,087	15,069	30,898	50.100	1,547,989.80	0.25
ESPA ALPHA 2 T	AT0000A05F50		18,000	35,271	62,840	74.270	4,667,126.80	0.75
Total issue country Austria							6,215,116.60	1.00
Total investment certificates denominated in EUR							6,215,116.60	1.00
Total investment certificates							6,215,116.60	1.00
<b>Securities admitted to organised markets</b>								
<b>Bonds denominated in EUR</b>								
<b>Issue country Australia</b>								
AURIZON NET.PTY.16/26 MTN	XS1418788599	3.125	3,000	0	3,000	108.931	3,267,940.53	0.53
BHP BILLITON FIN.12/24MTN	XS0787786440	3.000	0	0	1,000	112.529	1,125,286.41	0.18
BHP BILLITON FIN.15/79MTN	XS1309436910	5.625	0	0	3,000	119.630	3,588,899.91	0.58
NATL AUSTR. BK 10/20 MTN	XS0525146907	4.000	0	0	220	107.816	237,194.82	0.04
NATL AUSTR. BK 12/22 MTN	XS0813400305	2.750	0	0	2,000	109.075	2,181,492.46	0.35
NATL AUSTR. BK 16/26 MTN	XS1412417617	1.250	0	0	3,000	101.264	3,037,906.50	0.49
ORIGIN ENGY FIN.13/21REGS	XS0976223452	3.500	0	0	2,750	109.742	3,017,909.73	0.49
TELSTRA CORP. 10/20 MTN	XS0496546853	4.250	0	0	220	107.090	235,597.99	0.04
TELSTRA CORP. 12/22 MTN	XS0760187400	3.500	0	0	1,500	112.397	1,685,958.03	0.27
TELSTRA CORP. 16/26 MTN	XS1395057430	1.125	0	0	1,500	98.660	1,479,900.06	0.24
Total issue country Australia							19,858,086.44	3.20
<b>Issue country Belgium</b>								
AB INBEV 12/19 MTN	BE6243180666	2.000	0	0	2,000	102.772	2,055,446.78	0.33
AB INBEV 15/30 MTN	BE6276040431	1.500	0	3,000	2,000	98.107	1,962,142.18	0.32
AB INBEV 16/20 MTN	BE6285451454	0.625	0	0	2,000	101.106	2,022,121.74	0.33
AB INBEV 16/25 MTN	BE6285454482	1.500	0	0	1,000	104.119	1,041,189.19	0.17
AB INBEV 16/28 MTN	BE6285455497	2.000	0	0	2,000	105.008	2,100,167.38	0.34
AB INBEV 16/36 MTN	BE6285457519	2.750	0	0	2,000	105.725	2,114,501.64	0.34
BELFIUS BK 16-26	BE0002251206	3.125	2,700	2,700	3,000	105.062	3,151,846.17	0.51
EANDIS SYSTEM OP.13-23MTN	BE0002443183	2.875	0	0	700	111.390	779,729.99	0.13
KBC GROEP 16/23 MTN	BE0002266352	0.750	0	0	2,000	99.085	1,981,698.30	0.32
Total issue country Belgium							17,208,843.37	2.77

Security designation	ISIN number	Interest rate	Purch./ additions Shares/nominal (nom. in 1,000, rounded)	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
<b>Issue country Bermuda</b>								
BACARDI 13/23	XS0947658208	2.750	0	0	500	106.105	530,523.04	0.09
Total issue country Bermuda							530,523.04	0.09
<b>Issue country Cayman Islands</b>								
HUTCH.WH.E.F.12 12/22	XS0790011398	3.625	0	0	2,250	111.645	2,512,021.52	0.40
Total issue country Cayman Islands							2,512,021.52	0.40
<b>Issue country Denmark</b>								
ISS GLOBAL 14/24 MTN	XS1145526825	2.125	0	0	2,900	106.210	3,080,101.69	0.50
NYKREDIT 2021	DK0009511537	0.750	0	0	3,000	101.139	3,034,182.60	0.49
ORSTED 2013/3013 FLR	XS0943370543	6.250	0	0	3,000	117.075	3,512,249.91	0.57
Total issue country Denmark							9,626,534.20	1.55
<b>Issue country Germany</b>								
ALLIANZ SE MTN.13/UNL.	DE000A1YCQ29	4.750	2,400	2,400	3,000	114.837	3,445,098.51	0.56
COBA T2 SUB. 17/27	DE000CZ40LW5	4.000	0	0	1,108	106.641	1,181,582.94	0.19
COMMERZBANK 10/20 S.755	DE000CZ302M3	4.000	0	0	1,000	108.111	1,081,108.02	0.17
DAIMLER AG.MTN 13/20	DE000A1TNK86	2.000	0	0	2,000	103.366	2,067,328.04	0.33
DEUTSCHE POST MTN.16/21	XS1388661651	0.375	0	0	2,000	100.806	2,016,126.26	0.32
DT.BANK MTN 18/21	DE000DL19T18	0.375	3,000	0	3,000	98.637	2,959,102.71	0.48
DVB BANK MTN.16/23	XS1433231377	1.250	0	0	2,900	99.748	2,892,703.54	0.47
EUROGRID GMBH MTN.10/20	XS0551935769	3.875	0	0	750	108.319	812,395.48	0.13
EVONIK IND.17/77	DE000A2GSFF1	2.125	0	0	1,000	100.900	1,009,000.02	0.16
EWE ANL.09/21	DE000A0Z2A12	5.250	0	0	500	114.845	574,222.99	0.09
HEIDEL.CEMENT MTN 16/24	XS1425274484	2.250	0	0	2,000	106.253	2,125,056.00	0.34
INNOGY FINANCE MTN 03/33	XS0162513211	5.750	0	0	2,000	145.173	2,903,456.12	0.47
K+S AG BOND 12/22	DE000A1PGZ82	3.000	0	0	1,200	104.520	1,254,239.96	0.20
LBBW SMT IHS 15/25	XS1246732249	3.625	0	0	4,000	108.078	4,323,120.00	0.70
METRO MTN 15/25	XS1203941775	1.500	0	0	2,000	98.364	1,967,284.40	0.32
MUENCH.RUECK 12/42	XS0764278528	6.250	0	0	2,800	120.120	3,363,360.08	0.54
TALANX AG SUB.BOND 17/47	XS1729882024	2.250	6,200	3,200	3,000	91.362	2,740,867.77	0.44
VOLKSWAGEN LEASING 12/22	XS0823975585	2.375	0	0	3,000	106.417	3,192,504.03	0.51
Total issue country Germany							39,908,556.87	6.43
<b>Issue country Finland</b>								
OP YRITYSPANKKI 12/22 MTN	XS0750702507	5.750	0	0	750	117.737	883,027.27	0.14
OP YRITYSPANKKI 15/22 MTN	XS1196759010	0.750	0	0	3,000	101.520	3,045,590.97	0.49
Total issue country Finland							3,928,618.24	0.63
<b>Issue country France</b>								
APRR 14/20	FR0011693001	2.250	0	0	500	103.318	516,590.04	0.08
APRR 14/21	FR0012300820	1.125	0	0	1,900	102.370	1,945,025.55	0.31
APRR 14/25	FR0012300812	1.875	0	0	400	106.607	426,426.33	0.07
AUTOROUTES SUD FR. 10/20	FR0010883058	4.125	0	0	1,200	107.096	1,285,152.29	0.21

ESPA BOND EURO CORPORATE

Security designation	ISIN number	Interest rate	Purch./ additions	Sales/ disposals	Holding Shares/nominal (nom. in 1,000, rounded)	Price	Value in EUR	% share of fund assets
AUTOROUTES SUD FR. 14-24	FR0011694033	2.950	0	0	1,000	112.294	1,122,939.53	0.18
AXA 18/49 FLR MTN	XS1799611642	3.250	3,000	0	3,000	99.195	2,975,838.09	0.48
AXA S.A. 10/40 FLR MTN	XS0503665290	5.250	0	0	750	107.680	807,600.46	0.13
AXA S.A. 13/43 FLR MTN	XS0878743623	5.125	0	0	1,000	115.350	1,153,496.02	0.19
BANQUE POSTALE 16/28 MTN	FR0013181898	3.000	0	0	3,000	106.421	3,192,636.12	0.51
BNP PAR.CARDIF. 17/24	FR0013299641	1.000	5,000	0	5,000	95.379	4,768,935.80	0.77
BNP PARIBAS 12/22 MTN	XS0847433561	2.875	0	0	1,500	110.104	1,651,566.36	0.27
BNP PARIBAS 14/27 FLR MTN	XS1120649584	2.625	0	0	2,000	104.640	2,092,808.08	0.34
BNP PARIBAS 17/23 MTN	XS1547407830	1.125	0	0	3,000	100.457	3,013,703.16	0.49
BOUYGUES 05-20	FR0010212852	4.250	0	0	700	108.170	757,188.54	0.12
BOUYGUES 12/22	FR0011193515	4.500	0	0	200	114.388	228,776.40	0.04
BPCE 16/26 MTN	FR0013155009	2.875	0	0	3,000	105.298	3,158,932.56	0.51
BPCE S.A. 13/23	FR0011538222	4.625	0	0	3,000	115.352	3,460,554.66	0.56
BQUE F.C.MTL 13/19 MTN	XS0906403059	2.000	0	0	4,000	102.447	4,097,871.08	0.66
BQUE F.C.MTL 14/24 MTN	XS1069549761	3.000	0	0	2,000	106.911	2,138,220.06	0.34
CARMILA 15-23	FR0012967461	2.375	0	0	2,000	105.940	2,118,807.98	0.34
CARREFOUR 15/25 MTN	XS1179916017	1.250	0	0	1,000	100.186	1,001,861.57	0.16
COMP.DE ST.-GOBAIN 12/21	XS0791007734	3.625	0	0	1,500	109.921	1,648,811.99	0.27
COMP.DE ST.-GOBAIN 18/26	XS1793349926	1.125	4,500	0	4,500	98.227	4,420,200.83	0.71
CR.MUT.ARKEA 17/29 MTN	FR0013236544	3.500	3,000	0	4,500	101.848	4,583,142.81	0.74
CREDIT AGRI. 15/27	XS1204154410	2.625	0	0	1,000	103.210	1,032,095.79	0.17
CREDIT AGRI.LN 14/24 MTN	XS1069521083	2.375	0	0	3,000	108.960	3,268,805.91	0.53
CREDIT AGRI.LN 14/26 MTN	XS1028421383	3.125	0	0	5,000	115.083	5,754,169.85	0.93
CREDIT LOGEMENT 17-29	FR0013299468	1.350	3,000	0	3,000	96.422	2,892,672.03	0.47
DANONE 13/21 MTN	FR0011625409	2.250	0	0	1,000	106.501	1,065,011.52	0.17
DANONE S.A. 10/20 MTN	FR0010967216	3.600	0	0	750	108.453	813,395.63	0.13
EDENRED 15-25	FR0012599892	1.375	0	0	2,400	101.026	2,424,624.02	0.39
EL. FRANCE 08/20 MTN	XS0367001228	5.375	0	0	100	109.999	109,999.00	0.02
EL. FRANCE 10-40 MTN	FR0010961581	4.500	0	0	1,000	127.983	1,279,830.02	0.21
EL. FRANCE 13-21 MTN	FR0011637586	2.250	0	0	1,700	106.052	1,802,877.17	0.29
EL. FRANCE 16-26 MTN	FR0013213295	1.000	0	2,400	3,000	97.559	2,926,764.45	0.47
EL. FRANCE 2024 MTN	FR0010800540	4.625	0	0	1,200	122.140	1,465,682.38	0.24
ENGIE 12/23 MTN	FR0011261924	3.000	0	0	1,000	111.546	1,115,459.98	0.18
ENGIE 14/UND.FLR	FR0011942283	3.875	0	0	2,700	106.922	2,886,883.20	0.47
KLEPIERRE 15-23 MTN	FR0012674661	1.000	0	0	300	101.945	305,835.75	0.05
ORANGE 10/20 MTN	XS0500397905	3.875	0	0	220	106.585	234,486.12	0.04
ORANGE 10/22 MTN	XS0541453147	3.375	0	0	250	112.138	280,345.99	0.05
ORANGE 12/22 MTN	XS0794245018	3.000	0	0	1,000	110.305	1,103,053.97	0.18
ORANGE 13/24 MTN	FR0011560077	3.125	0	0	1,000	112.785	1,127,850.04	0.18
ORANGE 14/UND. FLR MTN	XS1028600473	4.250	0	0	2,200	105.375	2,318,250.00	0.37
ORANGE 16/25 MTN	XS1408317433	1.000	0	0	2,000	100.578	2,011,560.06	0.32
RCI BANQUE 15/20 MTN	FR0012596179	0.625	0	0	100	100.994	100,994.15	0.02
RCI BANQUE 17/22 MTN	FR0013230737	0.750	0	0	3,000	100.680	3,020,400.00	0.49
RENAULT 14/21 MTN	FR0011769090	3.125	0	0	1,000	107.477	1,074,766.08	0.17
RTE RE.TRAN.ELE.16-26 MTN	FR0013152899	1.000	0	0	1,000	99.039	990,388.03	0.16
SANOFI 15/25 MTN	FR0012969038	1.500	0	0	2,000	105.737	2,114,735.88	0.34
SCHNEIDER ELECTRIC 10/20	FR0010922534	3.625	0	0	2,000	107.128	2,142,563.78	0.35
SCHNEIDER ELECTRIC 13/21	FR0011561000	2.500	0	0	1,000	107.281	1,072,806.02	0.17
SOC GENERALE 13/23 MTN	XS0867612466	4.000	2,500	3,000	2,600	112.003	2,912,085.49	0.47
STE GENERALE 14/26FLR MTN	XS1110558407	2.500	0	0	3,000	103.805	3,114,161.91	0.50
SUEZ 09/19 MTN	FR0010745976	6.250	0	0	500	104.410	522,050.00	0.08

Security designation	ISIN number	Interest rate	Purch./ additions	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
			Shares/nominal (nom. in 1,000, rounded)					
SUEZ 15/25 MTN	FR0012949923	1.750	0	0	4,000	105.227	4,209,096.08	0.68
TDF INFRASTRUCT. 16/26	FR0013144201	2.500	0	0	1,500	102.669	1,540,031.21	0.25
TEREGA 11/21	FR0011075043	4.339	0	0	1,000	111.902	1,119,023.28	0.18
TOTAL CAP.INTL 16/23 MTN	XS1443997223	0.250	0	0	4,000	99.455	3,978,212.60	0.64
UNIBAIL-RODAMCO 16/26 MTN	XS1376614118	1.375	0	0	3,000	101.770	3,053,102.64	0.49
VEOLIA ENVIRONN.05/20 MTN	FR0010261396	4.375	0	0	200	110.170	220,339.60	0.04
VEOLIA ENVIRONN.12/27 MTN	FR0011224963	4.625	0	0	1,000	128.055	1,280,548.40	0.21
WENDEL S.A. 14/21	FR0011694496	3.750	0	0	200	107.715	215,430.00	0.03
WPP FINANCE 14/26 MTN	XS1112013666	2.250	1,000	0	1,000	103.622	1,036,215.97	0.17
Total issue country France							<u>122,503,690.31</u>	<u>19.74</u>

**Issue country Great Britain**

ANGLO AM. CAP. 12/22	XS0764637194	3.500	3,000	0	3,000	108.404	3,252,120.21	0.52
ANGLO AM. CAP. 14/23 MTN	XS1052677892	3.250	5,000	3,000	2,000	107.864	2,157,279.06	0.35
B.A.T. INTL FIN. 09/21MTN	XS0468425615	4.875	0	0	500	111.910	559,552.35	0.09
B.A.T. INTL FIN. 11/21MTN	XS0704178556	3.625	0	0	650	110.437	717,840.68	0.12
BARCLAYS 16/21 MTN	XS1385051112	1.875	0	0	4,000	103.862	4,154,491.88	0.67
BG ENERGY CAP.11/18 MTN	XS0706245163	3.000	0	0	500	100.940	504,700.00	0.08
BP CAPITAL MKTS 14/26 MTN	XS1040506898	2.972	3,000	0	3,000	113.481	3,404,416.59	0.55
CENTRICA 15/76 MTN FLR	XS1216020161	3.000	0	0	3,000	103.054	3,091,614.06	0.50
IMPER.BRANDS FIN.14/21MTN	XS1040508167	2.250	0	0	1,750	104.653	1,831,425.63	0.30
ITV 16/23	XS1525536840	2.000	4,000	0	4,000	103.294	4,131,754.76	0.67
LLOYDS BANK 10/20 MTN	XS0497187640	6.500	0	0	850	110.042	935,355.57	0.15
LLOYDS BKG GRP 18/28 FLR	XS1788982996	1.750	7,000	2,000	5,000	97.227	4,861,349.85	0.78
NATIONAL GRID 05/20 MTN	XS0213972614	4.375	0	0	200	106.930	213,860.00	0.03
NM PLC 09/19 MTN	XS0454984765	5.375	0	0	1,000	106.133	1,061,334.23	0.17
SKY PLC 14/23 MTN	XS1141969912	1.875	0	1,800	2,000	104.880	2,097,599.94	0.34
SKY PLC 15/25 MTN	XS1321424670	2.250	0	0	2,000	106.690	2,133,807.98	0.34
SMITHS GROUP 17/27 MTN	XS1570260460	2.000	3,000	0	3,000	100.756	3,022,679.91	0.49
STAND.CHAR. 14/21 MTN	XS1077631635	1.625	0	0	250	103.651	259,127.01	0.04
STAND.CHAR. 17/23 MTN FLR	XS1693281534	0.750	5,000	0	5,000	98.746	4,937,308.90	0.80
TESCO C.TR.SERV.14/19 MTN	XS1082970853	1.375	0	0	1,500	101.109	1,516,635.02	0.24
UNIT.UTIL.W. 05/20 MTN	XS0210237011	4.250	0	0	1,440	106.277	1,530,383.75	0.25
VODAFONE GRP 07/22 MTN	XS0304458051	5.375	0	2,000	2,000	119.059	2,381,172.02	0.38
VODAFONE GRP 14/20 MTN	XS1109802303	1.000	0	0	200	101.780	203,560.70	0.03
VODAFONE GRP 16/31 MTN	XS1463101680	1.600	0	0	3,000	93.744	2,812,313.22	0.45
Total issue country Great Britain							<u>51,771,683.32</u>	<u>8.34</u>

**Issue country Guernsey Islands**

CS GRP FD.(GG) FLR 15/22	XS1218287230	1.250	0	0	4,000	102.038	4,081,512.16	0.66
SUMMIT GERMANY 18/25 REGS	XS1757821688	2.000	2,000	0	2,000	94.162	1,883,243.86	0.30
Total issue country Guernsey Islands							<u>5,964,756.02</u>	<u>0.96</u>

**Issue country Ireland**

JOHNSON CONTR.INTL 17/23	XS1580476759	1.000	4,100	0	4,100	100.280	4,111,496.52	0.66
Total issue country Ireland							<u>4,111,496.52</u>	<u>0.66</u>

## ESPA BOND EURO CORPORATE

Security designation	ISIN number	Interest rate	Purch./ additions Shares/nominal (nom. in 1,000, rounded)	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
<b>Issue country Italy</b>								
ACEA S.P.A. 10/20	XS0495012428	4.500	0	0	300	106.988	320,964.68	0.05
TERNA R.E.N. 17/27 MTN	XS1652866002	1.375	5,000	0	5,000	95.481	4,774,052.05	0.77
Total issue country Italy							5,095,016.73	0.82
<b>Issue country Japan</b>								
SUMIT.MITSUI 15/22 MTN	XS1149938240	1.000	0	0	4,000	101.996	4,079,848.04	0.66
Total issue country Japan							4,079,848.04	0.66
<b>Issue country Jersey</b>								
UBS GROUP FDG 16/24	CH0341440334	1.500	0	0	5,000	102.122	5,106,124.90	0.82
Total issue country Jersey							5,106,124.90	0.82
<b>Issue country Luxembourg</b>								
ALLERGAN FNDG 17/29	XS1622621222	2.125	5,100	0	5,100	98.475	5,022,216.74	0.81
HOLCIM FIN.LUX. 17/29 MTN	XS1672151492	1.750	5,000	0	5,000	95.418	4,770,885.10	0.77
Total issue country Luxembourg							9,793,101.84	1.58
<b>Issue country Netherlands</b>								
ABB FIN.B.V. 16/23 MTN	XS1402941790	0.625	0	0	1,500	100.828	1,512,416.96	0.24
ABN AMRO BANK 12/22 MTN	XS0765299572	4.125	0	0	1,250	113.703	1,421,284.78	0.23
ABN AMRO BANK 15/20 MTN	XS1244060486	0.750	0	0	250	101.495	253,738.40	0.04
ABN AMRO BANK 16/28FLRMTN	XS1346254573	2.875	2,000	0	2,000	106.370	2,127,406.16	0.34
AEGON 14/44 MTN FLR	XS1061711575	4.000	0	0	3,000	107.086	3,212,589.33	0.52
ALLIANZ FIN. II 13/28 MTN	DE000A1HG1K6	3.000	0	2,000	1,000	117.730	1,177,302.17	0.19
ASR NL 15/45 FLR	XS1293505639	5.125	4,000	0	4,000	112.389	4,495,552.08	0.72
DAIMLER INTL FIN.18/25MTN	DE000A190NE4	1.000	5,000	0	5,000	97.993	4,899,648.30	0.79
DT. BAHN FIN. 15/30 MTN	XS1316420089	1.625	0	0	3,000	105.002	3,150,057.69	0.51
DT. POST FIN. 12/22 MTN	XS0795877454	2.950	0	0	1,500	110.457	1,656,854.10	0.27
DT.TELEK.INTL F.03/33 MTN	XS0161488498	7.500	0	0	600	167.878	1,007,269.22	0.16
DT.TELEK.INTL F.10/20 MTN	XS0494953820	4.250	0	0	220	107.010	235,422.44	0.04
DT.TELEK.INTL F.13/28 MTN	XS0875797515	3.250	0	0	2,000	115.799	2,315,980.08	0.37
DT.TELEK.INTL F.16/23 MTN	XS1382792197	0.625	0	0	2,500	100.585	2,514,615.05	0.41
FRESENIUS SE 14/24 REGS	XS1026109204	4.000	0	0	3,598	115.388	4,151,667.40	0.67
GAS NAT.FE.FI. 15/25 MTN	XS1170307414	1.375	0	0	1,000	101.932	1,019,320.83	0.16
GAS NAT.FE.FI.14/UND.FLR	XS1139494493	4.125	0	0	4,000	105.750	4,230,000.00	0.68
HEINEKEN 12/25 MTN	XS0811555183	2.875	0	0	2,000	112.197	2,243,943.94	0.36
HEINEKEN 16/26 MTN	XS1401174633	1.000	0	0	3,000	99.053	2,971,602.18	0.48
IBERDROLA INTL 13/21 MTN	XS0879869187	3.500	0	0	2,000	108.425	2,168,491.98	0.35
IBERDROLA INTL 13/22 MTN	XS0990109240	3.000	0	0	1,000	109.472	1,094,716.03	0.18
ING BK NV 15/20 MTN	XS1169586606	0.700	0	5,000	3,000	101.377	3,041,304.03	0.49
ING GROEP 17/22 MTN	XS1576220484	0.750	0	0	3,500	100.584	3,520,430.10	0.57
INNOGY FINANCE 13/20 MTN	XS0878010718	1.875	0	0	1,100	102.767	1,130,436.98	0.18
KON. KPN 09/24 MTN	XS0454773713	5.625	0	0	200	126.462	252,923.20	0.04

Security designation	ISIN number	Interest rate	Purch./ additions Shares/nominal (nom. in 1,000, rounded)	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
KON. KPN 10/20 MTN	XS0543354236	3.750	0	0	500	107.916	539,581.00	0.09
KONINKLIJKE DSM 14/24 MTN	XS1041772986	2.375	0	0	2,000	109.610	2,192,191.92	0.35
NN GROUP 14/UND. FLR	XS1028950290	4.500	0	0	2,000	106.500	2,130,000.00	0.34
NN GROUP 15/22 MTN	XS1204254715	1.000	0	0	2,000	102.003	2,040,068.66	0.33
NOM.EUR.FIN. 14/21 MTN	XS1136388425	1.500	0	0	1,000	103.530	1,035,301.28	0.17
RABOBK NEDERLD 07/22 MTN	XS0304159576	4.750	0	0	1,000	117.040	1,170,402.68	0.19
RABOBK NEDERLD 10/20 MTN	XS0478074924	4.125	0	0	220	106.153	233,537.22	0.04
RABOBK NEDERLD 13/23 MTN	XS0933540527	2.375	0	0	200	108.862	217,724.37	0.04
RABOBK NEDERLD 15/27 MTN	XS1180130939	1.375	0	0	3,600	103.852	3,738,686.47	0.60
REN FIN. 13/20 MTN 1	XS0982774399	4.750	0	0	850	109.896	934,116.03	0.15
REPSOL INTL F. 13/21 MTN	XS0975256685	3.625	0	0	3,000	110.825	3,324,746.70	0.54
SYNGENTA FINANCE 14/21MTN	XS1050454682	1.875	0	3,000	2,000	102.849	2,056,988.22	0.33
TELEFON. EUROPE 03/33 MTN	XS0162869076	5.875	0	0	2,500	141.548	3,538,700.10	0.57
VIVAT 17/24	XS1600704982	2.375	5,000	0	5,000	103.428	5,171,414.55	0.83
VOLKSWAGEN INTL 14/UNDFLR	XS1048428012	3.750	0	0	3,000	105.379	3,161,369.94	0.51
VOLKSWAGEN INTL 17/21	XS1586555606	0.500	0	0	1,500	100.457	1,506,855.02	0.24
VOLKSWAGEN INTL 17/23	XS1586555861	1.125	0	0	1,500	100.233	1,503,495.03	0.24
VOLKSWAGEN INTL 17/27	XS1586555945	1.875	1,000	1,500	1,000	99.765	997,651.98	0.16
VONOVIA FINANCE 15/23 MTN	DE000A18V146	2.250	0	0	4,000	106.080	4,243,196.72	0.68
VONOVIA FINANCE 16/26 MTN	DE000A182VT2	1.500	0	0	3,000	98.865	2,965,946.04	0.48
WOLTERS KLUWER 13/23	XS0907301260	2.875	0	0	600	110.840	665,037.60	0.11
Total issue country Netherlands							<u>99,171,984.96</u>	<u>15.98</u>
<b>Issue country Norway</b>								
EQUINOR ASA 16/36 MTN	XS1515222468	1.625	3,000	0	3,000	97.360	2,920,787.88	0.47
TELENOR ASA 10/20 MTN	XS0498175503	4.125	0	0	120	106.941	128,329.44	0.02
Total issue country Norway							<u>3,049,117.32</u>	<u>0.49</u>
<b>Issue country Austria</b>								
RAIF.BK INTL 13/18 MTN	XS0989620694	1.875	0	0	500	100.550	502,750.00	0.08
RAIF.BK INTL 13/23 MTN	XS0981632804	6.000	0	0	2,000	118.681	2,373,627.92	0.38
Total issue country Austria							<u>2,876,377.92</u>	<u>0.46</u>
<b>Issue country Sweden</b>								
MOELNLYCKE HLDG 14/22	XS1137512668	1.500	0	0	1,250	103.085	1,288,560.30	0.21
NORDEA BK 10/20 MTN	XS0520755488	4.000	0	0	200	107.786	215,572.80	0.03
SBAB BK 16/21 MTN	XS1392159825	0.500	0	4,000	2,000	100.957	2,019,143.98	0.33
SVENSK.HDLSB. 12/22 MTN	XS0819759571	2.625	0	0	1,000	109.043	1,090,432.89	0.18
TELIA COMPANY AB 11/20MTN	XS0592627003	4.250	0	0	2,100	106.557	2,237,692.82	0.36
TELIA COMPANY AB 12/24MTN	XS0746010908	3.625	0	0	750	115.002	862,516.48	0.14
Total issue country Sweden							<u>7,713,919.27</u>	<u>1.24</u>
<b>Issue country Switzerland</b>								
CRED.SUISSE GRP 17-25 FLR	CH0343366842	1.250	0	0	5,000	99.530	4,976,493.45	0.80
Total issue country Switzerland							<u>4,976,493.45</u>	<u>0.80</u>



## ESPA BOND EURO CORPORATE

Security designation	ISIN number	Interest rate	Purch./ additions	Sales/ disposals	Holding Shares/nominal (nom. in 1,000, rounded)	Price	Value in EUR	% share of fund assets
<b>Issue country Spain</b>								
BBVA SA 14/19 MTN	XS1016720853	2.375	0	0	900	101.160	910,440.00	0.15
CRITERIA CAIXA 15/22 MTN	ES0205045000	1.625	0	0	3,500	101.756	3,561,469.49	0.57
ENAGAS FINANC. 14/22	XS1052843908	2.500	0	0	3,200	108.296	3,465,471.94	0.56
ENAGAS FINANC. 16/28	XS1403388694	1.375	0	0	1,000	99.310	993,099.98	0.16
FFC AQUALIA SA 17/27	XS1627343186	2.629	5,000	0	5,000	100.382	5,019,096.00	0.81
TELEFONICA EM. 09/19 MTN	XS0462999573	4.693	0	0	200	105.970	211,940.80	0.03
TELEFONICA EM. 12/20 MTN	XS0842214818	4.710	0	0	1,000	106.988	1,069,881.97	0.17
TELEFONICA EM. 13/21 MTN	XS0907289978	3.961	0	0	800	110.358	882,865.60	0.14
TELEFONICA EM. 16/22 MTN	XS1394777665	0.750	0	0	3,500	101.216	3,542,574.00	0.57
Total issue country Spain							19,656,839.78	3.17
<b>Issue country USA</b>								
AT + T 14/22	XS1144086110	1.450	0	0	2,750	103.094	2,835,073.92	0.46
AT + T 15/35	XS1196380031	2.450	0	0	5,700	92.769	5,287,832.83	0.85
BANK AMERI. 14/21 MTN	XS1107731702	1.375	0	0	1,000	103.542	1,035,420.00	0.17
BANK AMERI. 14/24 MTN	XS1079726334	2.375	0	0	3,000	107.499	3,224,975.97	0.52
BECTON,DICKINS. 16/22	XS1531345376	1.000	0	6,000	2,000	100.129	2,002,584.08	0.32
BECTON,DICKINS. 16/26	XS1531347661	1.900	0	3,000	2,000	99.778	1,995,556.04	0.32
BMW US CAP 15/22 MTN	DE000A1ZZ010	0.625	0	0	3,000	101.407	3,042,221.16	0.49
BOOKING HLDGS 15/27	XS1196503137	1.800	0	0	4,000	102.010	4,080,391.56	0.66
CITIGROUP INC 14/21 MTN	XS1128148845	1.375	0	0	300	103.351	310,052.99	0.05
DISCOVERY COMM. 15/27	XS1117298247	1.900	0	0	3,400	98.129	3,336,399.67	0.54
GOLDM.S.GRP 06/21	XS0270347304	4.750	0	0	1,000	112.490	1,124,895.32	0.18
GOLDM.S.GRP 13/20 MTN	XS0963375232	2.625	0	0	200	105.191	210,381.56	0.03
GOLDM.S.GRP 14/26 MTN	XS1074144871	2.875	0	0	1,000	108.683	1,086,834.49	0.18
INTL BUS. MACH. 12/19	XS0856023147	1.375	0	0	1,150	101.900	1,171,848.97	0.19
INTL BUS. MACH. 16/21	XS1375841159	0.500	0	0	2,000	101.163	2,023,267.98	0.33
JOHNSON + JOHNSON 07/19	XS0329522246	4.750	0	0	500	106.340	531,697.50	0.09
JPMORGAN CHASE 10/20 MTN	XS0543758246	3.875	0	0	3,000	108.293	3,248,776.47	0.52
JPMORGAN CHASE 12/22 MTN	XS0820547825	2.750	0	0	500	109.060	545,298.01	0.09
JPMORGAN CHASE 13/21 MTN	XS0984367077	2.625	0	0	200	106.774	213,547.90	0.03
MCDONALDS CORP. 16/23 MTN	XS1403264374	1.000	0	0	1,000	101.249	1,012,489.47	0.16
MCDONALDS CORP. 16/28 MTN	XS1403264291	1.750	0	0	1,000	102.580	1,025,803.38	0.17
MORGAN STANLEY 10/20 MTN	XS0531922465	5.375	0	0	1,000	110.703	1,107,032.01	0.18
MORGAN STANLEY 14/23 MTN	XS1115208107	1.875	0	0	2,750	104.712	2,879,585.39	0.46
PHILIP MORRIS INTL 12/24	XS0787527349	2.875	0	0	750	110.754	830,657.10	0.13
THERMO FISH.SCI. 16/24	XS1405775708	0.750	0	0	1,000	98.760	987,595.98	0.16
TOYOTA MOTOR CRED13/20MTN	XS0954684972	1.800	0	0	3,000	103.684	3,110,514.00	0.50
VERIZON COMM 14/31	XS1146286205	2.625	0	0	2,000	105.376	2,107,528.08	0.34
WALGREENS BO. A. 14/26	XS1138360166	2.125	0	0	5,000	102.144	5,107,215.90	0.82
WELLS FARGO 12/22 MTN	XS0817639924	2.625	0	0	1,250	108.315	1,353,939.54	0.22
WELLS FARGO 14/21 MTN	XS1130067140	1.125	0	0	300	102.611	307,832.70	0.05
WELLS FARGO 14/24 MTN	XS1074382893	2.125	0	0	3,000	106.384	3,191,517.78	0.51
Total issue country USA							60,328,767.75	9.72
Total bonds denominated in EUR							499,772,401.81	80.54
Total securities admitted to organised markets							499,772,401.81	80.54

**Breakdown of fund assets**

Securities			589,481,630.90	95.00
Cash in banks			24,869,974.48	4.01
Interest entitlements			6,166,329.09	0.99
Other deferred items			-9,371.61	- 0.00
<b>Fund assets</b>			<b>620,508,562.86</b>	<b>100.00</b>

Dividend shares outstanding	AT0000724216	shares	1,147,978.091
Share value for dividend share	AT0000724216	EUR	105.25
Dividend shares outstanding	AT0000A1YRJ3	shares	69,762.000
Share value for dividend share	AT0000A1YRJ3	EUR	98.97
Dividend shares outstanding	AT0000A1YRK1	shares	0.000
Share value for dividend share	AT0000A1YRK1	EUR	98.91
Non-dividend shares outstanding	AT0000724224	shares	1,651,323.302
Share value for non-dividend share	AT0000724224	EUR	168.57
Non-dividend shares outstanding	AT0000A1YRL9	shares	410.000
Share value for non-dividend share	AT0000A1YRL9	EUR	98.91
KEST-exempt non-dividend shares outstanding	AT0000658968	shares	1,012,431.767
Share value for KEST-exempt non-dividend share	AT0000658968	EUR	192.94
KEST-exempt non-dividend shares outstanding	AT0000639414	shares	7,589.567
Share value for KEST-exempt non-dividend share	AT0000639414	CZK	4,935.66
KEST-exempt non-dividend shares outstanding	AT0000A00GB0	shares	22.000
KEST-exempt non-dividend shares outstanding	AT0000A00GB0	HUF	61,859.83
KEST-exempt non-dividend shares outstanding	AT0000A1YRM7	shares	2,022.000
Share value for KEST-exempt non-dividend share	AT0000A1YRM7	EUR	98.95
KEST-exempt non-dividend shares outstanding	AT0000A1YRN5	shares	175,200.872
Share value for KEST-exempt non-dividend share	AT0000A1YRN5	EUR	99.02
KEST-exempt non-dividend shares outstanding	AT0000A1YRP0	shares	0.000
Share value for KEST-exempt non-dividend share	AT0000A1YRP0	CZK	2,533.58
KEST-exempt non-dividend shares outstanding	AT0000A1YRQ8	shares	0.000
Share value for KEST-exempt non-dividend share	AT0000A1YRQ8	HUF	31,758.92

The fund is permitted to engage in securities lending agreements pursuant to Regulation (EU) No. 2015/2365 (Regulation on Transparency of Securities Financing Transactions and of Reuse) according to the fund terms and conditions. No securities lending transactions took place during the reporting period.

The fund is not permitted to engage in repurchase agreements pursuant to Regulation (EU) No. 2015/2365 (Regulation on Transparency of Securities Financing Transactions and of Reuse). For this reason, repurchase agreements are not employed.

The fund is not permitted to engage in total return swaps pursuant to Regulation (EU) No. 2015/2365 (Regulation on Transparency of Securities Financing Transactions and of Reuse). For this reason, total return swaps are not employed.

**Explanation on disclosure pursuant to the Delegated Regulation (EU) No. 2016/2251 supplementing Regulation (EU) No. 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories with regard to regulatory technical standards for risk-mitigation techniques for OTC derivative contracts not cleared by a central counterparty:**

All OTC derivatives are traded through Erste Group Bank AG.

Collateral in the form of cash or bonds is pledged to Erste Group Bank AG in the amount of the negative exposure of the derivatives.

EUR-denominated government bonds from the Republic of Austria and/or the Federal Republic of Germany are pledged by Erste Group Bank AG to the fund in the amount of the positive exposure of the derivatives. A one-time discount of 4% is agreed with the counterparty for this collateral. Collateral that would require a higher discount pursuant to Annex II to the Delegated Regulation (EU) No. 2016/2251 is not accepted.

**Investor note:**

**The values of assets in illiquid markets may deviate from their actual selling prices.**

**Purchases and sales of securities in the reporting period not listed in the fund portfolio**

<b>Security designation</b>	<b>ISIN number</b>	<b>Interest rate</b>	<b>Purch./ additions</b>	<b>Sales/ disposals</b>
<b>Shares/nominal (nom. in 1,000, rounded)</b>				
<b>Publicly traded securities</b>				
<b>Bonds denominated in EUR</b>				
<b>Issue country Belgium</b>				
AB INBEV 10/18 MTN	BE6000782712	4.000	0	700
<b>Issue country Germany</b>				
DT.PFBR.BANK MTN.35224	DE000A1X26E7	2.250	0	3,000
<b>Issue country France</b>				
ORANGE 08/18 MTN	XS0365094811	5.625	0	350
SCHNEIDER ELECTRIC 11/18	FR0011075183	3.750	0	300
WENDEL S.A. 11/18	FR0011036979	6.750	0	1,000

<b>Security designation</b>	<b>ISIN number</b>	<b>Interest rate</b>	<b>Purch./ additions</b>	<b>Sales/ disposals</b>
<b>Shares/nominal (nom. in 1,000, rounded)</b>				
<b>Issue country Great Britain</b>				
NATIONAL GRID 03/18 MTN	XS0170798325	5.000	0	650
VODAFONE GRP 03/18 MTN	XS0169888558	5.000	0	400
<b>Issue country Ireland</b>				
BK OF IRELD 14/19 MTN	XS1014670233	3.250	0	1,000
BK OF IRELD 15/20 MTN	XS1198677897	1.250	0	2,300
<b>Issue country Italy</b>				
ACEA S.P.A. 13/18	XS0970840095	3.750	0	1,000
ATLANTIA 12-18	IT0004869985	3.625	0	2,000
AUTOSTRADE IT. 12/19 MTN	XS0744125302	4.500	0	1,000
ENI S.P.A. 14/29 MTN	XS1023703090	3.625	0	2,500
GENERALI 09/24 MTN	XS0452314536	5.125	0	2,000
GENERALI 12/42 FLR MTN	XS0863907522	7.750	0	1,000
INTESA SAN. 12/19 MTN	XS0842828120	4.375	0	2,000
INTESA SAN. 15/20 MTN	XS1168003900	1.125	0	3,000
MEDIOBCA 14/19 MTN	XS1046272420	2.250	0	2,000
MEDIOBCA 17/20 MTN	XS1551000364	0.750	0	3,000
SNAM 12/22 MTN	XS0829190585	5.250	0	750
TERNA R.E.N. 12/18 MTN	XS0843310748	2.875	0	1,000
TERNA R.E.N. 15/22 MTN	XS1178105851	0.875	0	2,300
UNICREDIT 12/18 MTN	XS0863482336	3.375	0	1,500
<b>Issue country Luxembourg</b>				
CNHIndustr.Fin.Eur.14/19	XS1046851025	2.750	0	1,000
<b>Issue country Netherlands</b>				
EDP FIN. 13/21 MTN	XS0995380580	4.125	0	3,000
FIAT CHRYSL.AUTO.16/24MTN	XS1388625425	3.750	0	3,000
SHELL INTL FIN. 09/18 MTN	XS0428147093	4.375	0	400
TEVA PH.F.NL.II 15/23	XS1211040917	1.250	0	3,300
TEVA PH.F.NL.II 16/20	XS1439749109	0.375	0	1,000
TEVA PH.F.NL.II 16/24	XS1439749281	1.125	0	2,000
<b>Issue country Austria</b>				
UNICR.BK AUS. 13/19 MTN	XS0996755350	2.500	0	3,000
<b>Issue country Spain</b>				
BCO SANTANDER 15/25 MTN	XS1201001572	2.500	0	1,200

## ESPA BOND EURO CORPORATE

<b>Security designation</b>	<b>ISIN number</b>	<b>Interest rate</b>	<b>Purch./ additions</b>	<b>Sales/ disposals</b>
			<b>Shares/nominal (nom. in 1,000, rounded)</b>	
<b>Issue country USA</b>				
CITIGROUP INC. 04/19 MTN	XS0197646218	5.000	0	2,250
GOLDM.S.GRP 08/18 MTN	XS0361975443	6.375	0	250
METROP.L.GL FDG I 15/22	XS1170137746	0.875	0	4,000
<b>Securities admitted to organised markets</b>				
<b>Bonds denominated in EUR</b>				
<b>Issue country Australia</b>				
COMMONW.BK AUSTR.17/29FLR	XS1692332684	1.936	5,700	5,700
<b>Issue country Belgium</b>				
AB INBEV 16/22 MTN	BE6285452460	0.875	0	2,000
KBC GROEP 15/27 MTN	BE0002485606	1.875	0	1,800
<b>Issue country Cayman Islands</b>				
CK HUTCH.FIN.(16) 16/28	XS1391086987	2.000	0	4,000
<b>Issue country Denmark</b>				
CARLSBERG BREW. 10/17 MTN	XS0548805299	3.375	0	250
<b>Issue country Germany</b>				
DT.BANK MTN 17/22	DE000DL19TA6	1.500	0	4,000
DVB BANK MTN.12/17	XS0822316765	2.500	0	1,500
DVB BANK MTN.14/19	XS1135782628	0.875	0	2,000
HEIDEL.CEMENT MTN 16/23	XS1387174375	2.250	0	3,000
INFINEON TECH. BONDS 15/22	XS1191116174	1.500	0	1,000
K+S AG ANL.13/18	XS0997941199	3.125	0	3,000
LBBW SUB.MTN 16/26	DE000LB1B2E5	2.875	0	3,000
<b>Issue country Finland</b>				
TEOLLIS.VOIMA OYJ14/21MTN	XS1043513529	2.500	0	5,000
<b>Issue country France</b>				
ALSTOM S.A. 10/18	FR0010948240	3.625	0	1,500
ARKEMA 15/25 MTN	FR0012452191	1.500	0	2,000
AXA 16/47 FLR MTN	XS1346228577	3.375	6,000	6,000
BANQUE POSTALE 14/26 FLR	FR0011855865	2.750	0	2,800
BNP PARIBAS 07/17 MTN	XS0320303943	5.431	0	1,000

<b>Security designation</b>	<b>ISIN number</b>	<b>Interest rate</b>	<b>Purch./ additions Shares/nominal (nom. in 1,000, rounded)</b>	<b>Sales/ disposals</b>
BNP PARIBAS 12/19 MTN	XS0819738492	2.500	0	5,500
BQUE F.C.MTL 16/19 MTN	XS1379128215	0.250	0	5,000
CR.MUT.ARKEA 15/23 MTN	FR0012467520	1.000	0	3,700
CR.MUT.ARKEA 16/26 MTN	FR0013173028	3.250	0	1,500
CREDIT AGR.LN 08/18 MTN	XS0343877451	5.971	0	1,000
EL. FRANCE 13/UND.FLR MTN	FR0011401736	4.250	0	3,000
ITALCEM.FIN. 10/20 MTN	XS0496716282	5.375	0	3,800
ITALCEM.FIN. 13/18 MTN	XS0893201433	6.125	0	250
PEUGEOT 13/18 MTN	FR0011439975	7.375	0	489
RCI BANQUE 13/18 MTN	XS0905797113	2.875	0	800
STE GENERALE 17/22FLR MTN	XS1586146851	0.526	0	1,500
TOTAL 16/UND.	XS1413581205	3.875	0	2,000
UNIBAIL-RODAMCO 16/27 MTN	XS1401196958	1.125	0	1,000
VINCI S.A. 12/20 MTN	FR0011225127	3.375	0	1,000
WENDEL S.A. 05/17	XS0224749100	4.375	0	1,300
<b>Issue country Great Britain</b>				
BP CAPITAL MKTS 13/21 MTN	XS0972165681	2.517	0	3,000
BP CAPITAL MKTS 15/27 MTN	XS1190974011	1.573	0	835
HSBC HLDGS 09/19 MTN	XS0433028254	6.000	0	1,920
HSBC HLDGS 16/24 MTN	XS1485597329	0.875	0	5,000
NM PLC 10/20 MTN	XS0496481200	5.500	0	2,000
SANTANDER UK 13/18 MTN	XS0873691884	1.750	0	500
SKY PLC 14/26 MTN	XS1109741329	2.500	0	3,000
STAND. CHART. BK 07/17MTN	XS0323411016	5.875	0	1,000
STAND.CHAR. 12/19 MTN	XS0732522965	4.125	0	2,000
VODAFONE GRP 17/27 MTN	XS1652855815	1.500	0	4,000
<b>Issue country Ireland</b>				
GE CAP.EURO.FUND. 07/27	XS0288429532	4.625	0	3,000
GE CAP.EURO.FUND.13/23MTN	XS0874840845	2.625	0	3,000
<b>Issue country Iceland</b>				
ARION BANK 15/18 MTN	XS1199968303	3.125	0	1,500
LANDSBANKINN 15/18 MTN	XS1308312658	3.000	0	2,000
<b>Issue country Italy</b>				
ENI S.P.A. 16/24 MTN	XS1493322355	0.625	0	3,000
ENI S.P.A. 16/28 MTN	XS1493328477	1.125	0	3,000
TELECOM ITALIA 17/27 MTN	XS1698218523	2.375	5,000	5,000
<b>Issue country Mexico</b>				
AMERICA MOVIL 12/21	XS0802174044	3.000	0	300

## ESPA BOND EURO CORPORATE

Security designation	ISIN number	Interest rate	Purch./ additions Shares/nominal (nom. in 1,000, rounded)	Sales/ disposals
<b>Issue country Netherlands</b>				
ABN AMRO BANK 11/21 MTN	XS0619548216	6.375	0	3,000
ABN AMRO BANK 12/22 MTN	XS0802995166	7.125	0	3,000
AKZO NOBEL 11/18 MTN	XS0719962986	4.000	0	3,000
ALLIANZ FIN. II 09/19 MTN	DE000A1AKHB8	4.750	0	750
DT.TELEK.INTL F.13/21 MTN	XS0875796541	2.125	0	200
DT.TELEK.INTL F.16/28 MTN	XS1382791975	1.500	0	750
GAS NAT.FE.FI. 13/21 MTN	XS0981438582	3.500	0	1,000
GAS NAT.FE.FI. 13/22 MTN	XS0914400246	3.875	0	200
HDLBGCEM.FIN.LU.NTS 10/20	XS0478803355	7.500	0	3,000
HEINEKEN 12/19 MTN	XS0758419658	2.500	0	2,500
MADRILENA FIN. 13/18 MTN	XS0969350999	3.779	0	1,000
RABOBK NEDERLD 10/20 MTN	XS0557252417	3.750	0	6,100
SHELL INTL FIN. 14/22 MTN	XS1135276332	1.000	0	4,000
SIEMENS FINANC. 08/18 MTN	XS0369461644	5.625	0	350
TENNET HOLDING 11/18 MTN	XS0593606550	3.875	0	250
VOLKSWAGEN INTL 14/UNDFLR	XS1048428442	4.625	3,000	3,000
VOLKSWAGEN INTL 15/30 MTN	XS1167667283	1.625	0	3,800
VOLKSWAGEN INTL17/UND.FLR	XS1629774230	3.875	3,000	3,000
<b>Issue country Norway</b>				
STATKRAFT 07/17 MTN	XS0292873683	4.625	0	750
<b>Issue country Austria</b>				
ERSTE GP BNK AG 12/22 MTN	XS0840062979	7.125	0	2,250
<b>Issue country Switzerland</b>				
CS AG LDN 16/23 MTN	XS1428769738	1.000	0	3,000
<b>Issue country Spain</b>				
BBVA SEN.F.UNIP.13/18 MTN	XS0872702112	3.750	0	1,000
<b>Issue country USA</b>				
AT + T 14/29	XS1144088165	2.600	0	2,500
BERKSHIRE HATHAWAY 15/23	XS1200670955	0.750	0	2,000
BERKSHIRE HATHAWAY 16/20	XS1380333929	0.500	0	2,000
GENERAL ELECT. 05/35 MTN	XS0229567440	4.125	0	3,300
GENL EL. 17/22	XS1612542669	0.375	3,000	3,000
VERIZON COMM 14/24	XS1146282634	1.625	0	2,750

<b>Security designation</b>	<b>ISIN number</b>	<b>Interest rate</b>	<b>Purch./ additions Shares/nominal (nom. in 1,000, rounded)</b>	<b>Sales/ disposals</b>
<b>Unlisted securities</b>				
<b>Bonds denominated in EUR</b>				
<b>Issue country Germany</b>				
DAIMLER AG.MTN 12/18	DE000A1PGQY7	2.125	0	450
<b>Issue country Finland</b>				
OP YRITYSPANKKI 13/18 MTN	XS0931144009	1.250	0	300
<b>Issue country Great Britain</b>				
IMPER.BRANDS FIN.11/18MTN	XS0645669200	4.500	0	900
<b>Issue country Luxembourg</b>				
CIBA SP.CH.FIN.LUX. 03/18	XS0170386998	4.875	0	1,000
GPN CAPITAL 13/18 MTN	XS0922296883	2.933	0	200
<b>Issue country Mexico</b>				
AMERICA MOVIL 14/18	XS1074479384	1.000	0	2,000
<b>Issue country Netherlands</b>				
BMW FIN. NV 12/18 MTN	XS0860596575	1.500	0	400
LANXESS AG 11/18 MTN	XS0629645531	4.125	0	400
NOM.EUR.FIN. 13/18 MTN	XS0937887379	1.875	0	1,000
VOLKSWAGEN INTL 15/18 FLR	XS1167637294		5,000	5,000
<b>Issue country Austria</b>				
OMV AG 11-UND.	XS0629626663		0	750
<b>Issue country Sweden</b>				
SBAB BANK 13/18 MTN	XS0920218079	1.375	0	400

Vienna, 17 September 2018

ERSTE-SPARINVEST Kapitalanlagegesellschaft m.b.H.  
Electronically signed

Inspection information:  
Note:

The electronic signatures in this document can be inspected at [www.signaturpruefung.gv.at](http://www.signaturpruefung.gv.at).  
This document was signed with two qualified electronic signatures. A qualified electronic signature fulfils the legal requirements of a hand-written signature, and in particular the requirements of the written form as defined in § 886 ABGB (§ 4 [1] Austrian Signature Act [Signaturgesetz]).



## **Auditor's Opinion\***

### **Statement on the annual report**

#### **Audit opinion**

We have audited the annual report prepared by ERSTE-SPARINVEST Kapitalanlagegesellschaft m.b.H., Vienna, for the fund under its management

ESPA BOND EURO CORPORATE  
mutual fund pursuant to the InvFG,

consisting of the fund portfolio as of 31 July 2018, the income statement for the financial year ending on this date, and the other information specified in Annex I Scheme B of the Austrian Investment Fund Act 2011 (InvFG 2011).

Based on the findings of our audit, we believe that the annual report satisfies the legal requirements and provides a true and fair view of the assets and financial position as of 31 July 2018 and of the earnings position of the fund for the financial year ending on this date in accordance with Austrian commercial law and the provisions of the InvFG 2011.

#### **Basis for the audit opinion**

We conducted our audit in accordance with § 49 (5) InvFG 2011 and in accordance with the Austrian principles of good auditing. These principles require the application of the International Standards on Auditing (ISA). Our responsibilities under these regulations and standards are described in the section "Responsibilities of the auditor in auditing the annual report" of our opinion. We are independent from the company as specified by the Austrian commercial and industry regulations and fulfilled our other professional obligations in accordance with these requirements. We feel that the audit evidence that we obtained is sufficient and suitable to serve as a basis for our audit opinion.

#### **Management and supervisory board responsibilities relating to the annual report**

The legal representatives are responsible for preparing the annual report and for ensuring that this report provides a true and fair view of the assets and financial and earnings position of the fund in accordance with Austrian commercial law and the provisions of the InvFG 2011. The legal representatives are also responsible for implementing the internal controls that they deem necessary to facilitate the preparation of an annual report that is free from material misstatements due to error or fraud.

The supervisory board is responsible for monitoring the accounting process of the company as it applies to the fund under its management.

### **Responsibilities of the auditor in auditing the annual report**

Our goals are to ascertain with sufficient certainty whether the annual report contains material misstatements due to error or fraud and to issue a statement that includes our audit opinion. Sufficient certainty is a high degree of certainty but no guarantee that an audit conducted in accordance with the Austrian standards on good auditing, which require the application of the ISA, will always discover material misstatements that may be present. Misstatements can result from fraud or errors and are considered to be material when it can be reasonably expected that individual misstatements or a combination of misstatements can influence economic decisions made by readers on the basis of this annual report.

As part of an audit conducted in accordance with the Austrian standards on good auditing, which require the application of the ISA, we exercise professional judgement and maintain professional scepticism during the entire audit process.

#### **In addition:**

- We identify and assess the risks of material misstatements in the annual report due to error or fraud, plan audit steps in response to these risks, perform the planned audit steps, and collect audit evidence that is sufficient and suitable to form a basis for our audit opinion. The risk that a material misstatement resulting from fraud will remain undiscovered is greater than for misstatements resulting from error because fraudulent activity can include collusion, the falsification of documents, intentional incomplete or misleading representations, and the circumvention of internal controls.
- We familiarise ourselves with the internal control systems that are relevant for the audit to plan audit steps that are appropriate under the specific circumstances, but not so as to state an opinion on the effectiveness of the company's internal control system.
- We assess the appropriateness of the accounting methods applied by the legal representatives and the reasonableness of the estimates made by the legal representatives in the accounts and of the associated information.
- We assess the overall presentation, the structure, and the content of the annual report including the figures as well as whether the annual report depicts the underlying transactions and events in a manner that provides a true and fair view.
- We discuss the planned scope and scheduling of the audit and any material audit findings, including material defects that we discover in the internal control system during our audit, with the supervisory board, among other issues.

**Other information**

The legal representatives are responsible for the other information. The other information includes all information in the annual report except for the fund portfolio, the income statement, the other information specified in Annex I Scheme B of the InvFG 2011, and the auditor's opinion.

Our audit opinion does not cover this other information, and we provide no assurance whatsoever for this other information.

In connection with our audit of the annual report, it is our responsibility to read this other information and to consider whether there are material discrepancies between the other information and the annual report or the information gathered by us during our audit, or if this other information appears materially incorrect in some other manner. If we come to the conclusion on the basis of our audit steps that the other information is materially incorrect, we are obligated to report this. We have nothing to report in this regard.

Vienna, 17 September 2018

**Ernst & Young**

Wirtschaftsprüfungsgesellschaft m.b.H.

**Mag. Andrea Stippl**  
(Certified Public  
Accountant)

**ppa MMag. Roland Unterweger**  
(Certified Public Accountant)

\* In the case of the publication or dissemination of the annual report in a form that deviates from the confirmed (unabridged German) version (e.g. an abridged version or translation), reference may not be made to the auditor's opinion or our audit without our approval.

# Fund Terms and Conditions for ESPA BOND EURO CORPORATE

## Mutual fund pursuant to the InvFG

The Fund Terms and Conditions for ESPA BOND EURO CORPORATE, mutual fund pursuant to the Austrian Investment Fund Act (Investmentfondsgesetz; InvFG) 2011 as amended, were approved by the Austrian Financial Market Authority (FMA).

The Fund is an undertaking for the collective investment of transferable securities (UCITS) and is managed by ERSTE-SPARINVEST Kapitalanlagegesellschaft m.b.H. (the "Management Company" in the following), which is domiciled in Vienna.

### Article 1 Fund Shares

The partial ownership of the fund assets is evidenced by certificates having the characteristics of a bearer share.

The share certificates are depicted in global certificates for each share class. For this reason, individual share certificates cannot be issued.

### Article 2 Custodian Bank (Depositary Bank)

The custodian bank (depositary bank) appointed for the Fund is Erste Group Bank AG, Vienna.

The payment offices for share certificates are the custodian bank (depositary bank) or other payment offices mentioned in the prospectus.

### Article 3 Investment Instruments and Principles

The following assets may be selected for the Fund in accordance with the InvFG.

The Fund invests primarily, in other words at least 51% of its assets, in EUR-denominated corporate bonds from issuers that are either domiciled in Europe or whose business activities focus predominantly on Europe; the bonds must be in the investment grade (or other comparable) segment in terms of ratings assigned by recognised rating agencies.

These bonds must be purchased directly, in other words not indirectly or directly through investment funds or through derivatives. There are no limitations with regard to the economic sector in which the issuer is active.

The fund assets are invested in the following investment instruments in accordance with the investment focus described above.

a) Securities

Securities (including securities with embedded derivative financial instruments) comprise at least 51% of the fund assets.

b) Money market instruments

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

c) Securities and money market instruments

Securities and money market instruments may only be purchased for the Fund when they meet the criteria regarding listing or trading on a regulated market or a securities exchange pursuant to the InvFG.

Securities and money market instruments that do not meet the criteria described in the previous paragraph may comprise up to 10% of the fund assets in total.

d) Shares in investment funds

Shares in investment funds (UCITS, UCI) may each comprise up to 10% of the fund assets and may comprise up to 10% in aggregate total, provided that the target funds themselves (UCITS or UCI) do not invest more than 10% of their fund assets in shares of other investment funds.

e) Derivative financial instruments

Derivative financial instruments can be used for hedging purposes and as part of the investment strategy, and may comprise up to 49% of the fund assets.

f) Risk measurement method(s) of the fund

The Fund applies the following risk measurement methods: Commitment approach

The commitment value is determined according to § 3 of the 4th FMA Regulation on Risk Calculation and Reporting of Derivative Instruments (4. Derivate-Risikoberechnungs- und MeldeV) as amended.

g) Demand deposits or callable deposits

Demand deposits and callable deposits with a maximum term of 12 months may comprise up to 49% of the fund assets.

There are no minimum deposit requirements.

However, in the course of the restructuring of the fund portfolio and/or in the case of the justified expectation of impending losses experienced by securities, the Fund can hold a lower proportion of securities and a higher proportion of demand deposits or callable deposits with a maximum term of 12 months.

h) Acceptance of short-term loans

The Management Company may accept short-term loans for the account of the Fund up to an amount of 10% of the total fund assets.

i) Repurchase agreements

Does not apply.

j) Securities lending

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

Investment instruments may only be purchased for the entire Fund and not for individual share classes or groups of share classes.

This does not apply to currency hedging transactions, however. Such transactions can also be concluded solely for a single share class. Expenses and income resulting from currency hedging transactions shall be allocated solely to the respective share class.

### **Article 4 Issue and Return Procedure**

The share value shall be calculated in the currency of the respective share class.

The share value is calculated at the same time as the issue and return price.

#### **Issue of shares and issue premium**

The issue price will be calculated and shares issued on every exchange trading day.

The issue price shall be made up of the share value plus a premium per share amounting to up to 3.5% to cover the costs incurred by the Management Company in issuing the share, rounded up to the next equivalent sub-unit of the currency unit specified for the respective share class in the prospectus.

The Management Company shall be entitled to apply a sliding issue premium scale at its own discretion.

There is no limit on the issue of shares in principle. However, the Management Company reserves the right to temporarily or permanently suspend the issue of share certificates.

#### **Return of shares and return fee**

The return price will be calculated and shares redeemed on every exchange trading day.

The return price is the share value rounded down to the next equivalent sub-unit of the currency unit specified for the respective share class in the prospectus. No return fee will be charged.

Upon request by the Shareholder, his shares shall be redeemed at the current return price in return for the share certificate.

### **Article 5 Financial Year**

The financial year of the Fund is from 1 August to 31 July.

## **Article 6**

### **Share Classes and Use of Earnings**

The Fund features three different share classes and the corresponding certificates: dividend shares and non-dividend shares with capital gains tax withholding as well as non-dividend shares without capital gains tax withholding, with certificates being issued for one share each and also for fractional shares.

Various share classes may be issued for this Fund. The creation of share classes and the issue of shares of a specific class shall be decided at the discretion of the Management Company.

#### **Use of earnings for dividend shares**

The earnings generated during the financial year (interest and dividends) less all costs can be distributed as deemed appropriate by the Management Company. Dividend disbursement may be suspended taking the interests of the Shareholders into account. Dividends may also be paid at the discretion of the Management Company from earnings generated by the sale of fund assets, including subscription rights. Fund assets may be paid out in the form of dividends and interim dividends.

The fund assets may in no case be reduced below the legal limit for the cancellation of the Fund through the payment of dividends.

The amounts shall be paid to the holders of dividend shares on or after 1 October of the following financial year. The remaining amount shall be carried forward.

An amount calculated in accordance with the InvFG must also be paid out on or after 1 October to cover the capital gains tax assessed by the tax authorities on the dividend-equivalent earnings from the fund shares unless the Management Company provides suitable proof from the banks managing the corresponding securities accounts that the share certificates can only be held by Shareholders who are not subject to Austrian personal or corporate income tax or who meet the conditions for exemption from capital gains tax according to § 94 of the Austrian Income Tax Act (Einkommensteuergesetz) at the time of payment.

#### **Use of earnings for non-dividend shares with capital gains tax withholding**

The earnings generated by the Fund during the financial year less all costs will not be paid out. In the case of non-dividend shares, an amount calculated in accordance with the InvFG must be paid out on or after 1 October to cover the capital gains tax assessed by the tax authorities on the dividend-equivalent earnings from the fund shares unless the Management Company provides suitable proof from the banks managing the corresponding securities accounts that the share certificates can only be held by Shareholders who are not subject to Austrian personal or corporate income tax or who meet the conditions for exemption from capital gains tax according to § 94 of the Austrian Income Tax Act (Einkommensteuergesetz) at the time of payment.

#### **Use of earnings for non-dividend shares without capital gains tax withholding (KESt-exempt non-dividend domestic and foreign share class)**

The earnings generated by the Fund during the financial year less all costs will not be paid out. No payment pursuant to the InvFG will be made. The reference date for the exemption from KESt payment for the profit for the year for the purposes of the InvFG shall be 1 October of the following financial year.

The Management Company shall provide suitable proof from the banks managing the corresponding securities accounts that the share certificates could only be held by Shareholders who are not subject to Austrian personal or corporate income tax or who met the conditions for exemption from capital gains tax according to § 94 of the Austrian Income Tax Act (Einkommensteuergesetz) at the time of payment.

If these requirements are not met at the time of payment, the amount calculated pursuant to the InvFG must be paid out by the bank managing the respective securities account in the form of an account credit.

## **Article 7**

### **Management Fee, Compensation for Expenses, Liquidation Fee**

The Management Company shall receive an annual fee for its administrative activities amounting to up to 0.6% of the fund assets, which shall be accrued on a daily basis and calculated using the month-end values adjusted for the accrued fees.

The Management Company shall be entitled to compensation for all expenses incurred in the administration of the Fund.

The Management Company shall be entitled to apply a sliding management fee scale at its own discretion.

The costs for the introduction of new share classes for existing investment funds shall be assessed against the share price of the new share classes.

The custodian bank shall receive a fee in the amount of 0.5% of the fund assets upon liquidation.

Further information and details about this Fund can be found in the prospectus.

## **Annex to the Fund Terms and Conditions**

### **List of exchanges with official trading and organised markets (As of October 2014)**

#### **1. Exchanges with official trading and organised markets in the Member States of the EEA**

Every Member State must maintain a current list of the authorised markets within its territory. This list must be submitted to the other Member States and the Commission.

According to this provision, the Commission is required to publish a list of the regulated markets registered with it by the Member States once per year.

Because of lower entry barriers and specialisation in different trading segments, the list of "regulated markets" is subject to significant changes. For this reason, the Commission will publish an up-to-date version of the list on its official website in addition to the annual publication of a list in the Official Journal of the European Union.

#### **1.1. The currently valid list of regulated markets can be found at**

[http://mifiddatabase.esma.europa.eu/Index.aspx?sectionlinks\\_id=23&language=0&pageName=REGULATED\\_MARKETS&Display&subsection\\_id=0](http://mifiddatabase.esma.europa.eu/Index.aspx?sectionlinks_id=23&language=0&pageName=REGULATED_MARKETS&Display&subsection_id=0) \*)

under "Verzeichnis der Geregeltten Märkte (pdf)" (List of Regulated Markets).

#### **1.2. The following exchanges are included in the list of regulated markets:**

1.2.1 Luxembourg: Euro MTF Luxembourg

#### **1.3. Recognised markets in the EEA according to § 67 (2) 2 InvFG:**

Markets in the EEA that have been classified as recognised markets by the respective supervisory authorities.

#### **2. Exchanges in European countries outside of the EEA**

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

#### **3. Exchanges in non-European countries**

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
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. Organised markets in countries outside 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 (under the regulation of an authority such as the SEC, FINRA, etc.)  |

**5. 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 Brasileira 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.<br>New York, Pacific Stock Exchange, Philadelphia Stock Exchange, New York Stock Exchange, Boston Options Exchange (BOX) |

\*) To open the list, click "view all".

[The list can be found on the FMA's website by going to: <https://www.fma.gv.at/de/unternehmen/boerse-wertpapierhandel/boerse.html> – scroll down – link to "Liste der geregelten Märkte (MiFID Database; ESMA)" – "view all"]



**Note regarding the data used**

The sections Income Statement and Changes in Fund Assets, Fund Portfolio, and Tax Treatment in this annual report were prepared on the basis of data from the custodian bank for the Fund.

**The data and information provided by the custodian bank were collected with the greatest possible care and were checked solely for plausibility.**

Unless indicated otherwise, source: ERSTE-SPARINVEST Kapitalanlagegesellschaft m.b.H. Our languages of communication are German and English. Both the full prospectus and the simplified prospectus as well as the Key Investor Information (and any applicable changes to these documents) were published in Amtsblatt zur Wiener Zeitung in accordance with the provisions of the InvFG 2011 in the currently amended version and are available for free at the domicile of the Investment Firm and at the head office of the custodian bank. The exact date of the most recent publication, the languages in which the simplified prospectus and the Key Investor Information are available, and any additional locations where the documents can be obtained can be viewed on the website [www.erste-am.at](http://www.erste-am.at).

[www.erste-am.com](http://www.erste-am.com)

[www.erste-am.at](http://www.erste-am.at)