

YOU INVEST solid

Jointly owned fund pursuant to the InvFG

Annual Report 2018

Contents

General Information about the Investment Firm	2
Development of the Fund	7
Method of Calculating the Global Exposure.....	8
Asset Allocation.....	8
Comparative Overview	9
Disbursement/Payment.....	10
Income Statement and Changes in Fund Assets	11
1. Value Development over the Accounting Year (Fund Performance)	11
2. Fund Result.....	12
3. Changes in Fund Assets.....	13
Statement of Assets and Liabilities as of 31 December 2018	14
Audit Report.....	20
Fund Rules.....	23
Annex to the Fund Rules	26

General Information about the Investment Firm

The company	Erste Asset Management GmbH Am Belvedere 1, A-1100 Vienna Telephone: +43 05 0100-19777, Fax: +43 05 0100-919777
Registered capital	EUR 2.50 million
Shareholders	Erste Group Bank AG (64.67%) VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe (0.76%) Erste Bank der österreichischen Sparkassen AG (22.17%) DekaBank Deutsche Girozentrale, Frankfurt (1.65 %) NÖ-Sparkassen Beteiligungsgesellschaft m. b. H. (0.76%) Salzburger Sparkasse Bank Aktiengesellschaft (1.65%) Sieben Tiroler Sparkassen Beteiligungsgesellschaft m. b. H. (1.65%) Steiermärkische Bank und Sparkassen Aktiengesellschaft (3.30%) „Die Kärntner“ Trust-Vermögensverwaltungsgesellschaft m. b. H. & Co KG (1.65%) Tiroler Sparkasse Bankaktiengesellschaft Innsbruck (1.74 %)
Supervisory Board	Rudolf SAGMEISTER (Chairman) Thomas SCHAUFLEDER (Deputy Chairman) Ingo BLEIER Harald GASSER Gerhard GRABNER Oswald HUBER Radovan JELASITY Robert LASSHOFFER Martin SIMHANDL Appointed by the Works Council: Martin CEC Regina HABERHAUER (until 31 January 2018) Heinrich Hubert REINER Peter RIEDERER Nicole WEINHENGST (from 1 February 2018) Manfred ZOUREK
Managing directors	Heinz BEDNAR Winfried BUCHBAUER Peter KARL (from 1 March 2018) Christian SCHÖN (until 28 February 2018) Wolfgang TRANDL (from 1 March 2018)
Prokuristen (proxies)	Karl FREUDENSCHUSS Manfred LENTNER Günther MANDL Gerold PERMOSER Magdalena REISCHL
State commissioners	Caroline HABERFELLNER Philipp VISKI-HANKA
Auditor	Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H.
Depository bank	Erste Group Bank AG

**Remuneration paid to employees of Erste Asset Management GmbH in EUR
(2017 financial year of Erste Asset Management GmbH)**

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	83
Number of risk bearers as of 31.12.17	45
Fixed remuneration	6,255,431
Variable remuneration (bonuses)	1,931,863
Total employee remuneration	8,187,294
Thereof remuneration for managing directors	668,440
Thereof remuneration for managers and risk bearers	160,215
Thereof remuneration for risk bearers with control functions	409,883
Thereof remuneration for other risk bearers	4,136,628
Thereof remuneration for employees in the same income bracket as managers and risk bearers due to the amount of their total remuneration	0
Total remuneration for risk bearers	5,375,166

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 individual 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 annual gross 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 individual 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 annual gross 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 payment of performance-based remuneration components is subject to a minimum profitability level for the Management Company and to performance targets.

Sixty per cent of the performance-based remuneration components are paid immediately; 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 units in an investment fund that is administered by the Management Company, equivalent holdings or instruments linked to units, 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, Harald Gasser (remuneration expert), 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.

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 accounting year.

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

Total employee remuneration 15,056,315

Thereof remuneration for managing directors 1,540,398

Thereof remuneration for managers and risk bearers 918,143

Thereof remuneration for risk bearers with control functions* 1,111,224

Thereof remuneration for other risk bearers 5,430,036

Thereof remuneration for employees in the same income bracket as managers and risk bearers due to the amount of their total remuneration 0

Total remuneration for risk bearers 8,999,801

* 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 individual 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 annual gross 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 individual 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 annual gross 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 per cent of the performance-based remuneration components are paid immediately; 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 units in an investment fund that is administered by the Management Company, equivalent holdings or instruments linked to units, 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.

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 accounting year.

Dear Unit-holder,

We are pleased to present you the following report for the YOU INVEST solid jointly owned fund pursuant to the InvFG for the financial year from 1 January 2018 to 31 December 2018.

The former management company, ERSTE-SPARINVEST Kapitalanlagegesellschaft m.b.H., was merged into Erste Asset Management GmbH effective 31 December 2017 and with entry of this merger in the trade register of Vienna Commercial Court on 3 November 2018. Erste Asset Management GmbH became the Management Company of YOU INVEST solid as of the effective date of the merger.

The companies managing the sub-funds contained in the fund that are not managed by the Investment Firm assessed management fees ranging between 0.00% and 2.15%. No front-end surcharges were charged for the purchase of the units in these funds.

Development of the Fund

Thanks to the positive economic conditions, global equities generated a solid plus overall in the first three quarters of 2018, though volatility was very high on the markets because of geopolitical and trade policy factors and a restrictive interest rate policy from the US Fed. The performance on the bond markets was virtually the exact opposite in this period. Especially secure US government and corporate bonds suffered from the rate hikes by the Fed and saw substantial losses. European government and corporate bonds were unable to entirely buck the trend headed by their US counterparts. Emerging market bonds suffered particularly significant losses, especially over the summer as Argentina and Turkey slid into a veritable financial crisis. Only US high yield bonds followed the stock market in terms of performance and also posted gains in the first nine months. A performance rotation occurred on the capital markets at the start of the fourth quarter. Fears of weakening global economic growth triggered by the situation in China and the persistent discussions about the US import tariff policy on goods from China as well as about the extent of further interest rate hikes in the USA triggered a correction on the equity markets that rapidly gained momentum starting in December. Global equities lost over 15% from their high in October to their low in December. High yield bonds also came under pressure and suffered noticeable losses. A flight into secure government bonds also began at the same time and was above all good for US and euro government bonds. Both segments even closed the year with a slight plus in their respective local currencies. All in all, 2018 saw high volatility on the capital markets and high losses for nearly all asset classes.

YOU INVEST solid is a fund-of-funds and invests in funds that primarily invest in one of the asset classes listed below. Because of the challenging conditions on the capital markets, a large share of the fund assets was invested in near-money-market funds and bank deposits. This allocation ranged between 25% and 30%. Units in bond funds investing in the USA were weighted at roughly 27.5% at the beginning of the period but were reduced to just 7.5% over the course of the year. Especially the holdings in US corporate bonds in all rating segments were reduced to zero together with the government bonds. The position in US mortgage bonds was kept stable at around 7.5%. Due to the better performance of bonds in the Eurozone, the capital released by these reductions was invested in corporate bonds and inflation-protected government bonds. As the year progressed, these categories together with Eurozone government bonds at a weighting of 10% represented a larger portion of the fund. International government bonds and Eastern European bonds in local currency (and also in hard currency starting in November) made up supplementary positions of around 2% to 3% each. The allocation to the equity markets ranged between 5% and 8%, though the developed markets were preferred within this segment. The investments were made through suitable sub-funds. The currency risk was hedged with forward exchange agreements for long periods. The fund saw a negative performance of 3.58% for the financial year.

Method of Calculating the Global Exposure

Method of calculating the global exposure:	Commitment approach
Reference assets used:	–
Value at risk:	–
Lowest value:	–
Average value:	–
Highest value:	–
Model used:	–
Leverage* when using the value-at-risk calculation method:	–
Leverage** according to § 4 of the 4 th 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 December 2018		31 December 2017	
	EUR millions	%	EUR millions	%
Investment certificates denominated in				
AUD	-	-	0.9	0.23
GBP	1.0	0.37	-	-
EUR	253.5	91.31	349.4	89.75
JPY	0.8	0.30	2.1	0.53
USD	19.5	7.03	34.0	8.72
Securities	274.9	99.02	386.3	99.23
Financial futures	-	-	0.0	0.00
Forward exchange agreements	- 0.3	- 0.13	0.6	0.16
Bank balances	3.1	1.11	2.4	0.62
Other deferred items	- 0.0	- 0.00	- 0.0	- 0.00
Fund assets	277.6	100.00	389.4	100.00

Comparative Overview

Accounting year	Fund assets
2016	414,435,191.86
2017	389,352,660.97
2018	277,584,687.09

General information about performance:

The performance of unit categories with no outstanding units at the end of the reporting period or no outstanding units 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 unit category is issued during the reporting period, the performance and reinvestment are calculated from the point in time that the unit category is launched. Because of this and possible other fees and currency classes, the performance and reinvestment of this unit category differ from those of comparable unit categories.

The performance is determined assuming the reinvestment of all paid dividends and amounts at their nominal value on the day of disbursement.

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/ payment	Re-investment	Development in per cent
2016	Dividend-bearing units	AT0000A11FD5	EUR	105.15	2.0000	-	2.33
2017	Dividend-bearing units	AT0000A11FD5	EUR	104.59	1.7000	-	1.40
2018	Dividend-bearing units	AT0000A11FD5	EUR	99.19	1.3000	0.0000	-3.58

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/ payment	Re-investment	Development in per cent
2016	Non-dividend-bearing units	AT0000A11FF0	EUR	108.80	0.1168	0.2905	2.32
2017	Non-dividend-bearing units	AT0000A11FF0	EUR	110.20	0.2946	1.2537	1.40
2018	Non-dividend-bearing units	AT0000A11FF0	EUR	105.97	0.0000	0.0000	-3.58

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/ payment	Re-investment	Development in per cent
2016	KESSt-exempt non-dividend-bearing units	AT0000A11FG8	EUR	109.96	-	0.4131	2.33
2017	KESSt-exempt non-dividend-bearing units	AT0000A11FG8	EUR	111.50	-	1.5683	1.40
2018	KESSt-exempt non-dividend-bearing units	AT0000A11FG8	EUR	107.51	-	0.0000	-3.58

Disbursement/Payment

The following disbursement or payment will be made for the accounting year from 1 January 2018 to 31 December 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 April 2019 at

Erste Group Bank AG, Vienna,

and the respective bank managing the Unit-holder's securities account.

Fund type	ISIN	Currency	Dividend disbursement/ payment		KESt with option declaration	KESt w/o option declaration	Reinvestment
Dividend-bearing units	AT0000A11FD5	EUR	1.3000		0.2235	0.2235	0.0000
Non-dividend- bearing units	AT0000A11FF0	EUR	0.0000		0.0000	0.0000	0.0000
KESt-exempt non- dividend-bearing units	AT0000A11FG8	EUR	-	*	-	-	0.0000

* 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 Accounting Year (Fund Performance)

Calculation according to the OeKB method per unit in the unit currency not accounting for an front-end surcharge

The performance of unit categories with no outstanding units at the end of the reporting period or no outstanding units 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 unit”, and the “total value including (notional) units gained through disbursement/payment” are not reported in the following.

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

AT0000A11FD5 dividend-bearing units EUR	
Unit value at the beginning of the reporting period (893,422.280 units)	104.59
Disbursement/payment on 28.03.2018 (corresponds to roughly 0.0167 units at a calculated value of 101.69)	1.7000
Unit value at the end of the reporting period (639,455.814 units)	99.19
Total value including (notional) units gained through dividend disbursement/payment	100.85
Net earnings per unit	-3.74
Value development of one unit in the period	-3.58%

AT0000A11FF0 non-dividend-bearing units EUR	
Unit value at the beginning of the reporting period (802,131.447 units)	110.20
Disbursement/payment on 28.03.2018 (corresponds to roughly 0.0027 units at a calculated value of 108.64)	0.2946
Unit value at the end of the reporting period (587,876.636 units)	105.97
Total value including (notional) units gained through dividend disbursement/payment	106.26
Net earnings per unit	-3.94
Value development of one unit in the period	-3.58%

AT0000A11FG8 KEST-exempt non-dividend-bearing units EUR	
Unit value at the beginning of the reporting period (1,860,968.662 units)	111.50
Disbursement/payment	0.0000
Unit value at the end of the reporting period (1,412,468.009 units)	107.51
Total value including (notional) units gained through dividend disbursement/payment	107.51
Net earnings per unit	-3.99
Value development of one unit in the period	-3.58%

2. Fund Result

a. Realised fund result

Ordinary fund result

Income (without profit or loss from price changes)

Interest income (excluding income adjustment)	2,823,556.51	
Dividend income	466,309.79	
Other income 8)	<u>2,607.38</u>	
Total income (without profit or loss from price changes)		3,292,473.68

Interest paid - 13,936.38

Expenses

Fees paid to Investment Firm	- 1,100,405.09	
Costs for the financial auditor and tax consultation	- 7,326.00	
Publication costs	- 13,408.65	
Securities account fees	- 80,682.02	
Depository bank fees	- 96,682.91	
Costs for the external consultant	<u>0.00</u>	
Total expenses		- 1,298,504.67
Compensation for management costs from sub-funds 1)		<u>31,017.00</u>

Ordinary fund result (excluding income adjustment) **2,011,049.63**

Realised profit or loss from price changes 2) 3)

Realised gains 4)	9,077,985.45	
Realised losses 5)	<u>- 13,000,862.69</u>	

Realised profit or loss from price changes (excluding income adjustment) **- 3,922,877.24**

Realised fund result (excluding income adjustment) **- 1,911,827.61**

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

Changes in the unrealised profit or loss from price changes 7) - 10,025,368.41

Result for the reporting period 6) **- 11,937,196.02**

c. Income adjustment

Income adjustment for income in the period	- 136,884.82	
Income adjustment for profit carried forward from dividend-bearing units	<u>- 206,412.99</u>	

Overall fund result **- 12,280,493.83**

3. Changes in Fund Assets

Fund assets at the beginning of the reporting period	389,352,660.97
Disbursement/payment in the accounting year	- 1,570,235.95
Issue and redemption of units	- 97,917,244.10
Overall fund result	
(The fund result is shown in detail under item 2.)	- 12,280,493.83
Fund assets at the end of the reporting period	<u>277,584,687.09</u>

- 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 -13,948,245.65.
- 4) Thereof profits from transactions with derivative financial instruments: EUR 1,887,510.35.
- 5) Thereof losses from transactions with derivative financial instruments: EUR -2,870,641.69.
- 6) The result for the accounting year includes explicitly reported transaction costs in the amount of EUR 36,675.00.
- 7) Thereof changes in unrealised gains EUR -5,386,421.59 and unrealised losses EUR -4,638,946.82.
- 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 2,607.38.

Statement of Assets and Liabilities as of 31 December 2018

(including changes in securities assets from 1 January 2018 to 31 December 2018)

Security designation	ISIN number	Purch./ additions Units/nominal (nom. in 1,000, rounded)	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
Investment certificates							
Investment certificates denominated in GBP							
Issue country Great Britain							
THREADN.INVT.-UK INST.T 2	GB0001451615	781,943	225,892	556,051	1.672	1,035,691.99	0.37
Total issue country Great Britain						1,035,691.99	0.37
Total investment certificates denominated in GBP translated at a rate of 0.89757						1,035,691.99	0.37
Investment certificates denominated in EUR							
Issue country Germany							
ISH.S.EU.600 TEL.U.ETF A.	DE000A0H08R2	58,338	34,124	24,214	21.965	531,860.51	0.19
LBBW RS FLEX I	DE000A2DU032	3,245	800	2,445	86.570	211,663.65	0.08
Total issue country Germany						743,524.16	0.27
Issue country France							
H2O ADAGIO PART I(C)4DEC.	FR0010929794	5	0	5	71,849.490	359,247.45	0.13
Total issue country France						359,247.45	0.13
Issue country Ireland							
INRIS UCITS-R CFM D.I EO	IE00BSPL3L55	0	300	2,776	102.690	285,067.44	0.10
ISHSIII-C.EO CORP.B.EODIS	IE00B3F81R35	93,655	45,612	179,669	127.725	22,948,223.03	8.27
ISHSIV-E.MSCI USA VAL.FA.	IE00BD1F4M44	197,866	0	197,866	5.124	1,013,865.38	0.37
ISHSV-S+P500H.CA.SECT.DLA	IE00B43HR379	298,896	69,367	229,529	5.423	1,244,735.77	0.45
LYXOR EPSILON GL.TR.I EO	IE00B643RZ01	0	880	1,619	116.741	189,003.03	0.07
LYXOR/SANDLER US EQ.EBEO	IE00BD8GKX38	0	800	2,300	108.849	250,352.24	0.09
PASSIM STR.ERS.RISK P.SEO	IE00BD39H708	0	4,100	14,900	93.910	1,399,259.00	0.50
SSGA S.E.E.II-M.EU.CON.D.	IE00BKWQ0C77	5,285	0	5,285	99.800	527,443.00	0.19
SSGA S.E.E.II-M.EU.ENERGY	IE00BKWQ0F09	4,472	484	3,988	128.000	510,464.00	0.18
UBS(IRL)-EQ.OP. EQQPFACC	IE00B841P542	475	450	2,408	110.220	265,409.76	0.10
Total issue country Ireland						28,633,822.65	10.32
Issue country Luxembourg							
AB S.I.S.ABS.ALPH.P.IAEOH	LU0736560011	0	4,000	14,630	19.080	279,140.40	0.10
AGIF-A.EO INF-LKD BD WTEO	LU0988443767	3,017	4,540	15,153	1,095.470	16,599,656.91	5.98
B.S.F.-B.EO ABS.RET.I2 EO	LU0776931064	4,535	1,286	3,249	139.560	453,430.44	0.16
BLACKR.ST.A.D.E.A.R.I2EOH	LU1323999489	5,709	0	5,709	100.660	574,667.94	0.21
BLUEBAY-GL.SOV.OP.IEOPERF	LU1542977407	7,067	7,026	41	96.260	3,900.74	0.00

Security designation	ISIN number	Purch./ additions Units/nominal (nom. in 1,000, rounded)	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
BLUEBAY-GL.SOV.OP.QEOCERF	LU1542978124	7,035	1,706	5,329	94.710	504,709.59	0.18
CANDR.BDS-EM.MKTS VC.EO H	LU0616945100	6,190	0	6,190	1,360.160	8,419,390.40	3.03
CANDR.M.MKT.-EURO AAA V C	LU0354092115	22,500	0	22,500	1,065.180	23,966,086.65	8.63
DB PL.IV-SYS.ALP.I1C-E	LU0462954396	0	1,350	2,679	131.240	351,591.96	0.13
F.T.I.F.GL.C.S.IACCEOH1	LU1098665802	20,000	0	20,000	11.160	223,200.00	0.08
FID.FDS-ASI.SP.SIT.IACCEO	LU1357938338	66,901	22,829	44,072	14.050	619,211.60	0.22
MLIS-MW TOPS MKT NTR.BAEO	LU0333226826	0	683	2,359	136.470	321,932.73	0.12
PARV.-EQ.EU.SM.CAP C.I EO	LU0212179997	7,012	2,275	4,737	219.770	1,041,050.49	0.38
PICTET-EUROL.IND.NA.ISEO	LU0255980830	9,706	4,207	5,499	135.050	742,639.95	0.27
UNIEUROASPIRANT C	LU0111444385	6,241	42,867	127,545	44.090	5,623,459.05	2.03
Total issue country Luxembourg						59,724,068.85	21.52

Issue country Austria

ERST.BD DANUBIA EURR01TEO	AT0000812946	467	3,143	10,446	135.330	1,413,657.18	0.51
ESPA BD EU.CO. EOR01TEO	AT0000724224	57,265	26,002	113,443	165.800	18,808,849.40	6.78
ESPA BD EU.RE.EURD01TEO	AT0000A1Y9Y6	115,325	32,053	83,272	100.610	8,377,995.92	3.02
ESPA BD IN.-LI.EURR01TEO	AT0000619895	37,366	56,141	203,928	122.720	25,026,044.16	9.02
ESPA MORTGAGE EURR01TEO	AT0000700786	5,599	58,332	153,954	135.820	20,910,032.28	7.53
ESPA RESER.EO EOR01TEO	AT0000724307	2,500	30,452	27,648	1,249.170	34,537,052.16	12.44
ESPA STOCK JAP.EURR01 TEO	AT0000697073	7,281	15,976	8,758	94.090	824,040.22	0.30
T 1750 T	AT0000A04FZ3	10,000	39,397	115,031	104.490	12,019,589.19	4.33
T 1751	AT0000A0DEH1	0	12,820	71,891	110.820	7,966,960.62	2.87
T 1851 T	AT0000A0K2C4	806	18,454	46,868	119.440	5,597,913.92	2.02
T 1852 T	AT0000A0K2G5	838	18,430	49,066	115.570	5,670,557.62	2.04
T 1900 EURR01TEO	AT0000A1BTH1	76,961	33,889	146,600	94.640	13,874,224.00	5.00
XT BOND EUR T	AT0000A0K282	4,795	30,015	67,000	123.620	8,282,540.00	2.98
XT EUROPA EURO T	AT0000697065	571	2,312	462	1,523.380	703,801.56	0.25
Total issue country Austria						164,013,258.23	59.09
Total investment certificates denominated in EUR						253,473,921.34	91.31

Investment certificates denominated in JPY**Issue country Ireland**

NOMURA FDS-JAP.STR.V.I YN	IE00B3VTL690	4,768	11,414	5,712	18,183.662	828,133.47	0.30
Total issue country Ireland						828,133.47	0.30
Total investment certificates denominated in JPY translated at a rate of 125.42070						828,133.47	0.30

Investment certificates denominated in USD**Issue country Ireland**

AXA ROSEN.E.A.-US EN.I.A	IE0033609615	52,697	62,411	80,930	30.950	2,191,124.09	0.79
VERITAS FDS-ASIAN CACCDL	IE00BD065N65	4,046	1,263	2,783	398.895	971,111.07	0.35
Total issue country Ireland						3,162,235.16	1.14

Security designation	ISIN number	Purch./ additions Units/nominal (nom. in 1,000, rounded)	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
Issue country Luxembourg							
ASHMORE-E.M.L.C.BD IACCDL	LU0880945901	119,605	4,563	115,042	83.450	8,398,071.03	3.03
F.T.I.F.-FRANK.MENA IA DL	LU0352133093	65,003	0	65,003	7.210	409,982.62	0.15
G.SACHS-US CO.E.RA.IACCDL	LU1280280568	273,238	86,805	186,433	13.360	2,178,843.44	0.78
PICTET-USA INDEX I DL	LU0188798671	6,656	10,272	9,745	228.010	1,943,714.69	0.70
PROSPERITY CM-RUS.P.IPDL	LU1539557519	1,367	13,313	3,807	85.430	284,505.10	0.10
SISF EMERG.ASIA IZ CAP.DL	LU1188199936	30,742	8,560	22,182	45.217	877,397.40	0.32
Total issue country Luxembourg						14,092,514.28	5.08
Issue country Austria							
XT USA USD A	AT0000697081	525	2,028	1,168	2,210.580	2,258,633.99	0.81
Total issue country Austria						2,258,633.99	0.81
Total investment certificates denominated in USD translated at a rate of 1.14315						19,513,383.43	7.03
Total investment certificates						274,851,130.23	99.02
Forward exchange agreements						Unrealised result in EUR	
Forward exchange agreements denominated in EUR							
Issue country Austria							
FXF SPEST EUR/GBP 23.01.2019	FXF_TAX_3443145			2,420,149		38,679.11	0.01
FXF SPEST EUR/GBP 23.01.2019	FXF_TAX_3443237			-2,435,858		-54,392.66	-0.02
FXF SPEST EUR/GBP 23.01.2019	FXF_TAX_3443512			2,485,943		36,557.94	0.01
FXF SPEST EUR/GBP 23.01.2019	FXF_TAX_3443762			-550,469		-16,059.67	-0.01
FXF SPEST EUR/JPY 23.01.2019	FXF_TAX_3443073			1,998,111		-76,086.45	-0.03
FXF SPEST EUR/JPY 23.01.2019	FXF_TAX_3443250			-123,152		4,392.78	0.00
FXF SPEST EUR/JPY 23.01.2019	FXF_TAX_3443533			-70,133		1,610.79	0.00
FXF SPEST EUR/USD 23.01.2019	FXF_TAX_3443112			12,138,112		-140,484.46	-0.05
FXF SPEST EUR/USD 23.01.2019	FXF_TAX_3443281			-519,127		10,094.08	0.00
FXF SPEST EUR/USD 23.01.2019	FXF_TAX_3443523			-6,004,658		21,098.93	0.01
FXF SPEST EUR/USD 23.01.2019	FXF_TAX_3443786			146,307		1,340.22	0.00
FXF SPEST EUR/USD 24.01.2019	FXF_TAX_3443179			15,461,625		-169,184.55	-0.06
FXF SPEST EUR/USD 24.01.2019	FXF_TAX_3443800			-793,187		-7,284.83	-0.00
Total issue country Austria						-349,718.77	-0.13
Total forward exchange agreements denominated in EUR						-349,718.77	-0.13
Total forward exchange agreements						-349,718.77	-0.13

Breakdown of fund assets

Transferable securities	274,851,130.23	99.02
Forward exchange agreements	-349,718.77	- 0.13
Bank balances	3,086,671.18	1.11
Other deferred items	-3,395.55	- 0.00
Fund assets	277,584,687.09	100.00

Dividend-bearing units outstanding	AT0000A11FD5	units	639,455.814
Value of dividend-bearing unit	AT0000A11FD5	EUR	99.19
Non-dividend-bearing units outstanding	AT0000A11FF0	units	587,876.636
Value of non-dividend-bearing unit	AT0000A11FF0	EUR	105.97
KEST-exempt non-dividend-bearing units outstanding	AT0000A11FG8	units	1,412,468.009
Value of KEST-exempt non-dividend-bearing unit	AT0000A11FG8	EUR	107.51

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

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 were 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 were 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 transferable securities in the reporting period not listed in the fund portfolio

Security designation	ISIN number	Purch./ additions Units/nominal (nom. in 1,000, rounded)	Sales/ disposals
Investment certificates			
Investment certificates denominated in AUD			
Issue country Luxembourg			
CANDR.EQ.L-AUSTRALIA INHI	LU0133348622	0	483
SSGA LUX-AUSTR.I.EQ. I	LU1159240107	0	51,368
Investment certificates denominated in EUR			
Issue country Germany			
IS.S.E.600 HEA.C.U.ETF A.	DE000A0Q4R36	8,197	8,197
Issue country France			
UBAM C.-UBAM CON.EO 10-40	FR0010644674	0	170
Issue country Ireland			
GAM ST.-GLBL RATES IACC	IE00B59P9M57	0	44,958
SSGA S.E.E.II-M.EU.CON.S.	IE00BKWQ0D84	7,236	7,236
SSGA S.E.E.II-M.EURO.FIN.	IE00BKWQ0G16	24,770	24,770
SSGA S.E.E.II-S.US.CON.S.	IE00BWBXM385	33,674	33,674
Issue country Luxembourg			
BGF-E.M.L.CURR.B.F.D2 EO	LU0329592702	0	439,115
BGF-E.M.L.CURR.B.F.I2 EO	LU1559746307	413,252	413,252
BL.STR.-B.E.A.R.STR.A2 EO	LU0411704413	0	4,760
DPAM L-BDS.EM SUST.FCEO	LU0907928062	68,994	68,994
DWS CON.KALDEMORGEN FC	LU0599947271	0	5,384
JPM-SY.ALPHA JPMSA CAEO	LU0406668342	0	3,044
NN(L)-US CREDIT ICEOHI	LU0803997666	160	791
PICTET-EUROPE IND.NAM.IEO	LU0188800162	0	7,295
SISF-EUR.AL.ABS.RTN CAEO	LU0995125985	0	7,297
SSGA LUX-ST.S.EO IND.EQ.I	LU1159236337	0	117,570
Issue country Austria			
ESPA BD EU.RENT EURR01TEO	AT0000812854	700	78,386
ESPA BD USA CO.EURD01TEO	AT0000A1Y364	448,537	448,537

Security designation	ISIN number	Purch./ additions Units/nominal (nom. in 1,000, rounded)	Sales/ disposals
ESPA BD USA CO.EURR01TEO	AT0000675772	0	304,731
ESPA BD USA H.Y.EURR01TEO	AT0000637491	1,221	64,413

Investment certificates denominated in USD**Issue country Luxembourg**

JPM-US TECHNOLOGY C	LU0129496690	18,589	18,589
JPM-US.R.E.I.EQ. IADL	LU0590396015	0	14,653
MSI-LATIN AMER.EQ. NAM.I	LU0052627634	9,178	9,178
PAR.-EQ.USA GR.I CAP	LU0823435044	4,202	4,202
PICTET-DL GOV.BDS I	LU0128489514	1,335	36,730

Vienna, 1 March 2019

Erste Asset Management GmbH
Electronically signed

Inspection information:
Note:

The electronic signatures in this document can be inspected at 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]).

Audit Report*

Statement on the annual report

Audit opinion

We have audited the annual report prepared by Erste Asset Management GmbH, Vienna, for the fund under its management

YOU INVEST solid
Jointly owned fund pursuant to the InvFG

consisting of the fund portfolio as of 31 December 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 December 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 audit report. 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 an audit report 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 statement of assets and liabilities, the income statement, the other information specified in Annex I Schedule B of the InvFG 2011, and the audit report.

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, 1 March 2019

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 audit report or our audit without our approval.

Fund Rules for YOU INVEST solid

Jointly owned fund pursuant to the InvFG

The Fund Rules for YOU INVEST solid, jointly owned fund pursuant to the Austrian Investment Fund Act (Investmentfondsgesetz; InvFG) 2011 as amended, were approved by the Austrian Financial Market Authority (FMA).

The Fund conforms with the guidelines for segregated assets and is managed by ERSTE-SPARINVEST Kapitalanlagegesellschaft m.b.H. (the "Management Company" in the following), which has its registered office in Vienna.

Article 1 Fund Units

The joint ownership of the fund assets is evidenced by certificates having the characteristics of a bearer unit.

The unit certificates are depicted in global certificates. For this reason, individual unit certificates cannot be issued.

Article 2 Depositary Bank (Depositary)

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

The payment offices for unit certificates are the depositary bank (depositary) and any other payment offices named in the prospectus.

Article 3 Investment Instruments and Principles

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

YOU INVEST solid seeks to generate stable capital growth with a low level of volatility (solid).

The Fund invests predominantly, in other words at least 66% of its assets, in units in investment funds that, according to their rules, predominantly purchase bonds, equities, or comparable assets or that are categorised as a bond or equity fund or as comparable to a bond or equity fund by at least one internationally recognised organisation (such as its classification according to Bloomberg, Datastream, software-systems.at Börsensoftware & Datenbankservice GmbH, etc.), regardless of the country in which the respective management company is registered.

There are no geographical restrictions with regard to the registered offices of the issuers of the securities in the Fund or regarding the economic sectors in which these issuers are active.

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

a) Transferable securities

Transferable securities (including securities with embedded derivative financial instruments) may comprise up to 34% of the fund assets.

b) Money market instruments

Money market instruments may comprise up to 34% of the fund assets.

c) Transferable securities and money market instruments

The Fund may purchase transferable securities and money market instruments that are not fully paid up as well as subscription rights for these types of instruments and other financial instruments that are not fully paid up.

Transferable 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.

Transferable 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) Units in investment funds

Units in investment funds (UCITS, UCI) may comprise up to 20% of the fund assets per individual issue and may comprise up to 100% in aggregate total, provided that the target funds themselves (UCITS or UCI) do not invest more than 10% of their fund assets in units of other investment funds. Units in UCIs may make up no more than 30% of the fund assets.

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 34% 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.

Please refer to the prospectus for detailed information.

g) Demand deposits or deposits with the right to be withdrawn

Demand deposits and deposits with the right to be withdrawn with a maximum term of 12 months may comprise up to 34% of the fund assets.

There are no minimum bank balance 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 units in investment funds, the Fund can hold a lower proportion of units in investment funds and a higher proportion of demand deposits or deposits with the right to be withdrawn 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

Does not apply.

Further information regarding article 3 can be found in the prospectus.

Article 4 Issue and redemption procedure

The unit value shall be calculated in EUR.

The unit value is calculated at the same time as the issue and redemption price.

Issue of units and front-end surcharge

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

The issue price shall be made up of the unit value plus a surcharge per unit amounting to up to 3.0% to cover the costs incurred by the Management Company in issuing the unit, rounded up to the next cent.

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

Redemption of units and back-end commission

The redemption price will be calculated and units redeemed on every exchange trading day.

The redemption price is the unit value rounded down to the next cent.

No back-end commission will be charged.

Upon request by the Unit-holder, his units shall be redeemed at the current redemption price in return for the unit certificate.

Article 5 Accounting Year

The accounting year of the Fund is identical to the calendar year.

Article 6

Unit Categories and Use of Earnings

The Fund features three different unit categories and the corresponding certificates: dividend-bearing units, non-dividend-bearing units with capital gains tax withholding, and non-dividend-bearing units without capital gains tax withholding, with certificates being issued for one unit each and also for fractional units.

Use of earnings for dividend-bearing units

The earnings generated during the accounting year (interest and dividends) less all costs can be distributed as deemed appropriate by the Management Company. Dividend disbursement may be suspended in the interests of the Unit-holders. Dividends may also be disbursed 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 fall below the legally stipulated minimum volume for termination as a result of dividend disbursements.

The amounts shall be paid to the holders of dividend-bearing units on or after 1 April of the following accounting 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 April to cover the capital gains tax assessed by the tax authorities on the dividend-equivalent earnings from the fund units unless the Management Company provides suitable proof from the banks managing the corresponding securities accounts that the unit certificates can only be held by Unit-holders 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-bearing units with capital gains tax withholding

The earnings generated by the Fund during the accounting year less all costs will not be paid out. In the case of non-dividend-bearing units, an amount calculated in accordance with the InvFG must be paid out on or after 1 April to cover the capital gains tax assessed by the tax authorities on the dividend-equivalent earnings from the fund units unless the Management Company provides suitable proof from the banks managing the corresponding securities accounts that the unit certificates can only be held by Unit-holders 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-bearing units without capital gains tax withholding (KESt-exempt non-dividend domestic and foreign unit category)

The earnings generated by the Fund during the accounting 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 April of the following accounting year.

The Management Company shall provide suitable proof from the banks managing the corresponding securities accounts that the unit certificates could only be held by Unit-holders 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 credit institution managing the respective securities account.

Article 7

Management Fee, Compensation for Expenses, Liquidation Fee

The Management Company shall receive an annual fee for its administrative activities of 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 depositary bank shall receive a fee in the amount of 0.5% of the fund assets upon liquidation of the Fund.

Further information can be found in the prospectus.

Annex to the Fund Rules

List of exchanges with official trading and organised markets (As of July 2012)

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://mifidatabase.esma.europa.eu/Index.aspx?sectionlinks_id=23&language=0&pageName=REGULATED_MARKETS_Display&subsection_id=0 *

under “Verzeichnis der Geregelten 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 competent supervisory authorities.

2. Exchanges in European countries outside of the EEA

2.1.	Bosnia and Herzegovina:	Sarajevo, Banja Luka
2.2.	Croatia:	Zagreb Stock Exchange
2.3.	Montenegro:	Podgorica
2.4.	Russia:	Moscow (RTS Stock Exchange) Moscow Interbank Currency Exchange (MICEX)
2.5.	Switzerland:	SWX Swiss Exchange
2.6.	Serbia:	Belgrade
2.7.	Turkey:	Istanbul (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:	Bombay
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 in the NASDAQ system, over the counter market (markets organised by NASD such as the over the counter equity market, municipal bond market, government securities market, corporate bonds and public direct participation programs), over the counter market for agency mortgage-backed securities

5. 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., 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: <http://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, Statement of Assets and Liabilities and Tax Treatment in this annual report were prepared on the basis of data from the depositary bank for the Fund.

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

Unless indicated otherwise, source: Erste Asset Management GmbH. 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 registered office of the Investment Firm and at the head office of the depositary 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.

www.erste-am.com

www.erste-am.at