

ESPA STOCK VIENNA

Mutual fund pursuant to InvFG

Annual Report 2010/11

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The Austrian Investment Fund Act (Investmentfondsgesetz [InvFG]) 2011 has been in effect since 1 September 2011. Some of the provisions and legal references in the annual report still refer to the InvFG 1993.

This also applies to the fund terms and conditions, which were approved on the basis of the legal conditions valid at the time of authorisation.

General Information about the Investment Firm

The company	ERSTE-SPARINVEST Kapitalanlagegesellschaft m. b. H. Habsburgergasse 1a, A-1010 Vienna Telephone: +43 05 0100-19881, Fax: +43 05 0100-17102
Nominal capital	EUR 4.50 million
Shareholders	Erste Asset Management GmbH (81.42%) DekaBank Deutsche Girozentrale (2.87%) Kärntner Sparkasse Aktiengesellschaft (2.87%) NÖ-Sparkassen Beteiligungsgesellschaft m. b. H. (1.37%) Salzburger Sparkasse Bank Aktiengesellschaft (2.87%) Sieben Tiroler Sparkassen Beteiligungsgesellschaft m. b. H. (2.87%) Steiermärkische Bank und Sparkassen Aktiengesellschaft (5.73%)
Supervisory Board	Wolfgang TRAINDL, Mag. (Chairman) Gerhard FABISCH, Mag. Dr. (Deputy Chairman) Wilhelm SCHULTZE, DI (Deputy Chairman) Christian AICHINGER, Dr. Alois HOCHEGGER, Mag. (until 23.2.2011) Michael MALZER, Mag. Dr. (until 23.2.2011) Birte QUITT, Dipl. BW. (FH) (from 24.2.2011) Franz RATZ Gabriele SEMMELROCK-WERZER (from 24.2.2011) Reinhard WALTTL, Mag. Appointed by the Works Council: Regina HABERHAUER, Mag. (FH) Dieter KERSCHBAUM, Mag. Gerhard RAMBERGER, Mag. Herbert STEINDORFER
Managing directors	Heinz BEDNAR, Mag. Harald GASSER, Mag. Franz GSCHIEGL, Dr.
Prokuristen (proxies)	Achim ARNHOF, Mag. (from 24.2.2011) Winfried BUCHBAUER, Mag. Harald EGGER, Mag. Oskar ENTMAYR Dietmar JAROSCH, Dr. Günther MANDL Christian SCHÖN Paul A. SEVERIN, Mag. Jürgen SINGER, Mag.
State commissioners	Erwin GRUBER Michael MANHARD, HR Dr.
Auditor	ERNST & YOUNG WIRTSCHAFTSPRÜFUNGSGESELLSCHAFT MBH
Custodian bank	Erste Group Bank AG

Dear Shareholder,

We are pleased to present you the following annual report for the ESPA STOCK VIENNA mutual fund pursuant to InvFG for the period from 16 November 2010 to 15 November 2011.

Development of the Fund

Austrian equity market

The Austrian equity market contracted in the reporting period. The ATX Prime Index closed the year 28% lower than at the beginning of the year, a massive slide. At the end of the first six months of the financial year, the index was nearly 5% higher than at the beginning of the reporting period. However, the market began to decline significantly in the second half of the year.

Like the Austrian equity market, the stock exchanges in Central and Eastern Europe also posted negative performance. The Czech CTX Index, for example, fell by slightly less than 28%, the Hungarian HTX Index shed more than 33% and the Polish PTX Index lost nearly 24% (in EUR terms).

A closer look at the development of the market over the past 12 months reveals a number of upward and downward movements. Between the start of the financial year and the end of November, the ATX Prime Index fell by nearly 4%. Then an upward movement set in that lasted until the middle of February. The index gained more than 15% and hit its high for the reporting period on 14 February 2011, at 1449 points. In the five months that followed, the ATX Prime Index moved sideways within this range. At the beginning of August, however, it then suffered a massive price loss in line with the international equity markets. The index dropped in value by roughly 28% from the beginning of August to the beginning of October and hit its low for the reporting period of 908 points on 4 October 2011. The Vienna Stock Exchange had temporarily recovered over 13% by the end of October, but by the end of the reporting period, it had lost the majority of this gain again. In mid-November, the ATX Prime Index closed just 2.5% above the lows from the beginning of October.

An analysis of the performance of individual stocks in the past 12 months also reflects the negative overall conditions for the most part. Of the 20 stocks currently included in the ATX, 16 reported a price loss and just 4 a price gain. The biggest price gains were achieved by Lenzing (+29.9%), Schoeller Bleckmann (+14.4%) and Strabag (+13.1%). The greatest losses were reported by Raiffeisen Bank International (-57.2%), Erste Group Bank (-57.0%) and RHI (-42.3%).

Investment policy

ESPA STOCK VIENNA's investment approach is based on active fund management, with the core investments being oriented towards the ATX Prime Index.

In addition to investing in stocks, derivative stock and index instruments, option certificates and sub-funds may also be held to facilitate the efficient management of positions, liquidity, risk and leverage.

Transactions were also conducted with derivative financial instruments in the reporting period.

Method of Calculating Overall Risk

Method of calculating overall risk:		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:		-

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

Asset Allocation

	15 November 2011		15 November 2010	
	EUR millions	%	EUR millions	%
Equities denominated in EUR	43.7	66.11	72.2	68.53
Investment certificates denominated in EUR	4.3	6.49	4.2	3.98
Securities	48.0	72.60	76.4	72.51
Financial futures	- 10.7	- 16.25	3.6	3.37
Cash in banks	28.7	43.34	25.3	23.99
Interest entitlements	0.3	0.39	0.1	0.13
Other deferred items	- 0.1	- 0.08	-	-
Fund assets	66.2	100.00	105.4	100.00

Comparative Overview (in EUR)

Financial year	Fund assets	Value change in per cent 1)
2005/06	254,857,088.14	+ 28.59 2)
2006/07	186,176,440.38	+ 2.61
2007/08	55,278,854.28	- 63.22
2008/09	102,872,070.84	+ 45.39 2)
2009/10	105,412,617.42	+ 4.39
2010/11	66,165,385.25	- 28.40 2)

Financial year	Dividend shares		Non-dividend shares			KESt-exempt non-dividend shares	
	Calculated value per share	Dividend disbursement	Calculated value per share	Reinvested earnings	Payment in accordance with § 58 paragraph 2 InvFG	Calculated value per share	Reinvested KESt-exempt earnings
2005/06	205.99	5.30	223.70	2.77	2.99	227.58	5.86
2006/07	206.38	5.50	226.72	3.69	2.35	233.52	6.22
2007/08	73.44	2.80	82.33	2.94	0.20	85.88	3.27
2008/09	102.61	4.20	119.40	4.75	0.14	124.85	5.11
2009/10	102.47	2.60	124.49	3.15	0.01	130.33	3.31
2010/11	71.64	2.60	89.16	87.94	0.07	93.35	91.62

1) Assuming the reinvestment of all paid dividends at their nominal value on the day of disbursement.

2) The changes in the value of non-dividend and KESt-exempt non-dividend shares vary slightly from those of dividend shares because of rounding effects.

Disbursement/Payment

A dividend of EUR 2.60 per share was paid for the **dividend shares** for the financial year 2010/11 (2009/10: EUR 2.60), or a total of EUR 941,526.48 for 362,126 dividend shares.

The coupon-paying bank is obligated to withhold capital gains tax in the amount of EUR 0.05 per share if the respective investor is not exempt from the payment of this tax. This dividend payment will be effected and credited on Wednesday, 1 February 2012, at

Erste Group Bank AG, Vienna,

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

An amount of EUR 87.94 per share will be reinvested for the **non-dividend shares** for the financial year 2010/11, which represents a total of EUR 39,157,001.60 for 445,274 non-dividend shares.

Pursuant to § 58 paragraph 2 of the Austrian Investment Fund Act (InvFG), the applicable capital gains tax on the profit for the non-dividend shares in the amount of EUR 0.07 per share must be paid out. This amounts to a total of EUR 31,169.20 for 445,274 non-dividend shares. The banks managing the securities accounts will withhold this tax and submit it to the fiscal authorities unless the respective investor is exempt from the payment of this tax. This payment will also be effected on Wednesday, 1 February 2012.

Pursuant to the penultimate sentence of § 58 paragraph 2 of the Austrian Investment Fund Act, no capital gains tax will be paid for **KESSt-exempt non-dividend shares**. An amount of EUR 91.62 per share will be reinvested for the KESSt-exempt non-dividend shares for the financial year 2010/11, which represents a total of EUR 511,781.29 for 5,586 KESSt-exempt non-dividend shares.

Income Statement and Changes in Fund Assets

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

Calculated according to the OeKB method: per share in the fund currency (EUR) not including the issue premium	Dividend shares	Non-dividend shares	KEST-exempt non- dividend shares
Share value at the beginning of the reporting period	102.47	124.49	130.33
Disbursement on 01.02.2011 (corresponds to roughly 0.0242 shares) 1)	2.60		
Payment on 01.02.2011 (corresponds to roughly 0.0001 shares) 1)		0.01	
Share value at the end of the reporting period	71.64	89.16	93.35
Total value including (notional) shares gained through dividend disbursement/payment	73.37	89.17	93.35
Net earnings per share	- 29.10	- 35.32	- 36.98
Value development of one share in the period 2)	- 28.40 %	- 28.37 %	- 28.37 %

2. Fund Result

a. Realised fund result

Ordinary fund result

Income (without profit or loss from price changes)

Interest income (excluding income adjustment) 441,195.59

Dividend income 1,333,066.99

Other income 3) 54,209.02

Total income (without profit or loss from price changes) 1,828,471.60

Interest paid - 12,654.72

Expenses

Fees paid to Investment Firm - 1,517,042.67

Costs for the financial auditor 0.00

Publication costs - 13,846.10

Securities account fees - 7,636.12

Custodian bank fees - 121,282.52

Costs for the external consultant 0.00

Total expenses - 1,659,807.41

Compensation for management costs from sub-funds 4) 0.00

Ordinary fund result (excluding income adjustment) 156,009.47

Realised profit or loss from price changes 5) 6)

Realised gains 7) 8,953,972.91

Realised losses 8) - 3,441,875.62

Realised profit or loss from price changes (excluding income adjustment) 5,512,097.29

Realised fund result (excluding income adjustment) 5,668,106.76

Carryover: realised fund result (excluding income adjustment)		5,668,106.76
b. Unrealised profit or loss from price changes 5) 6)		
Changes in the unrealised profit or loss from price changes	-	32,689,238.28
Result for the reporting period	-	27,021,131.52
c. Income adjustment		
Income adjustment for income in the period	-	876,530.66
Income adjustment for profit carried forward from dividend shares	-	583,262.12
Overall fund result	-	28,480,924.30

3. Changes in Fund Assets

Fund assets at the beginning of the reporting period 9)		105,412,617.42
Disbursement/payment		
Disbursement (for dividend shares) on 01.02.2011	-	993,731.75
Payment (for non-dividend shares) on 01.02.2011	-	5,088.36
Issue and return of shares		- 9,767,487.76
Overall fund result		
(The fund result is shown in detail under 2)	-	28,480,924.30
Fund assets at the end of the reporting period 10)		66,165,385.25

4. Source of the Fund Result

Realised fund result	5,668,106.76
Income adjustment for income in the period	- 876,530.66
Income adjustment for profit carried forward from dividend shares	- 583,262.12
Profit carried forward from prior year	57,113,558.09
Costs and losses covered by fund assets	3,441,875.62
Distributable/retainable fund result	64,763,747.69

5. Use of the Fund Result

Disbursement on 01.02.2012 for 362,126 dividend shares at EUR 2.60 each	941,526.48
Payment on 01.02.2012 for 445,274 non-dividend shares at EUR 0.07 each	31,169.20
Reinvestment for 445,274 non-dividend shares at EUR 87.94 each	39,157,001.60
Reinvestment for 5,586 KEST-exempt non-dividend shares at EUR 91.62 each	511,781.29
Profit carried forward for dividend shares	24,122,269.12
Total use	64,763,747.69

- 1) Calculated value on 28.01.2011 (ex-date): One dividend share EUR 107.63, one non-dividend share EUR 133.95.
- 2) The changes in the value of non-dividend shares and KEST-exempt non-dividend shares vary slightly from those of dividend shares because of rounding effects.
- 3) The earnings reported under this item can be attributed entirely to lending fees from securities lending transactions.
- 4) Reimbursements (in the sense of commissions) paid by third parties are forwarded to the Investment Fund after deduction of any associated costs. Erste Bank der oesterreichischen Sparkassen AG receives 20% of the calculated commissions to cover administrative costs.
- 5) 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.
- 6) 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 -27,177,140.99.
- 7) Thereof profits from transactions with derivative financial instruments: EUR 4,544,967.00.
- 8) Thereof losses from transactions with derivative financial instruments: EUR -87,409.00.
- 9) Shares outstanding at the beginning of the reporting period: 391,679 dividend shares, 513,907 non-dividend shares and 9,998 KEST-exempt non-dividend shares.
- 10) Shares outstanding at the end of the reporting period: 362,126 dividend shares, 445,274 non-dividend shares and 5,586 KEST-exempt non-dividend shares.

Fund Portfolio as of 15 November 2011

(including changes in securities assets from 16 November 2010 to 15 November 2011)

Security designation	ISIN number	Purch./ additions	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets	
				Shares/nominal (nom. in 1,000, rounded)				
Publicly traded securities								
Equities denominated in EUR								
Issue country Austria								
AGRANA BET.AG BEARER	AT0000603709	lent*	0	0	9,600	80.710000	774,816.00	1.17
AMAG AUTRIA METALL BEARER	AT00000AMAG3		51,000	5,000	46,000	15.215000	699,890.00	1.06
ANDRITZ AG	AT0000730007	lent*	16,200	90,300	21,900	66.810000	1,463,139.00	2.21
AT+S AUSTR.T.+SYSTEMT.	AT0000969985		13,876	0	35,000	8.810000	308,350.00	0.47
BWT AG	AT0000737705		0	0	19,900	13.095000	260,590.50	0.39
CA IMMOB.BOND	AT0000641352	lent*	0	47,000	158,000	8.011000	1,265,738.00	1.91
CONWERT IMMOBILIEN INVEST	AT0000697750		11,000	93,000	136,000	9.484000	1,289,824.00	1.95
DO+CO REST.+CATER.	AT0000818802		13,500	1,000	12,500	29.900000	373,750.00	0.56
ERSTE GROUP BANK AG	AT0000652011	lent*	19,000	93,000	144,000	13.890000	2,000,160.00	3.02
EVN AG	AT0000741053	lent*	0	51,500	68,400	10.415000	712,386.00	1.08
FLUGHAFEN WIEN AG	AT0000911805	lent*	0	4,000	21,000	30.970000	650,370.00	0.98
IMMOFINANZ AG BEARER	AT0000809058		420,000	676,000	2,032,000	2.250000	4,572,000.00	6.91
INTERCELL AG BEARER	AT0000612601		30,000	30,000	108,000	1.847000	199,476.00	0.30
KAPSCH TRAFFICCOM AG	AT000KAPSCH9		5,240	0	14,500	50.100000	726,450.00	1.10
LENZING AG	AT0000644505	lent*	26,900	0	26,900	71.630000	1,926,847.00	2.91
MAYR-MELNHOF KARTON	AT0000938204	lent*	3,300	6,100	18,900	66.000000	1,247,400.00	1.89
AUSTRIA EL-WIRT.BEARER A	AT0000746409	lent*	29,648	72,648	135,000	21.090000	2,847,150.00	4.30
OESTERREICH. POST AG	AT0000APOST4	lent*	13,000	24,000	65,000	21.450000	1,394,250.00	2.11
OMV AG	AT0000743059		63,818	53,818	137,000	23.895000	3,273,615.00	4.95
PALFINGER AG	AT0000758305		0	3,000	39,000	13.810000	538,590.00	0.81
POLYTEC HLDG AG BEARER EO 1	AT0000A00XX9		25,000	0	25,000	6.706000	167,650.00	0.25
RAIFFEISEN INTL BK-HO.BEARER	AT0000606306	lent*	89,000	31,000	117,000	17.400000	2,035,800.00	3.08
RHI AG	AT0000676903	lent*	15,200	14,000	55,200	15.245000	841,524.00	1.27
ROSENBAUER INTL	AT0000922554		0	0	7,500	30.600000	229,500.00	0.35
S IMMO AG	AT0000652250		0	0	116,700	4.095000	477,886.50	0.72
SCHOELLER-BLECKMANN OILF.	AT0000946652	lent*	2,000	4,100	21,900	62.950000	1,378,605.00	2.08
SEMPERIT AG HLDG	AT0000785555		0	6,300	17,700	31.280000	553,656.00	0.84
STRABAG SE	AT000000STR1	lent*	0	25,200	63,800	21.995000	1,403,281.00	2.12
TELEKOM AUSTRIA AG	AT0000720008	lent*	15,000	136,000	193,000	8.170000	1,576,810.00	2.38
UNIQA VERSICHERUNGEN	AT0000821103		0	10,263	96,737	10.400000	1,006,064.80	1.52
VIENNA INSURANCE GRP BEARER	AT0000908504	lent*	6,000	27,000	126,000	26.735000	3,368,610.00	5.09
VOESTALPINE AG	AT0000937503	lent*	5,000	45,100	64,900	23.300000	1,512,170.00	2.29
WIENERBERGER	AT0000831706	lent*	8,000	58,000	227,000	7.639000	1,734,053.00	2.62
ZUMTOBEL AG BEARER A	AT0000837307	lent*	7,000	33,000	65,000	14.380000	934,700.00	1.41
						Total	43,745,101.80	66.11
						Total equities denominated in EUR	43,745,101.80	66.11
						Total publicly traded securities	43,745,101.80	66.11

Security designation	ISIN number	Purch./ additions	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
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Investment certificates**Investment certificates denominated in EUR****Issue country Austria**

ESPA CASH EURO A	AT0000724299	2,130	0	2,130	1,006.410000	2,143,653.30	3.24
ESPA CASH EURO T	AT0000724307	0	0	1,720	1,248.440000	2,147,316.80	3.25
Total						4,290,970.10	6.49
Total investment certificates denominated in EUR						4,290,970.10	6.49
Total investment certificates						4,290,970.10	6.49

Unlisted securities**Equities denominated in EUR****Issue country Austria**

IMMOFINANZ RECTIF.ENTIT.	AT0000A0GYS9	0	0	206,000	0.000000	0.00	0.00
Total						0.00	0.00
Total investment certificates denominated in EUR						0.00	0.00
Total unlisted securities						0.00	0.00

Unrealised result in EUR**Derivatives****Financial futures denominated in EUR****Issue country Austria**

ATX FIVE 03/12				2,150		-10,749,648.00	-16.25
Total						-10,749,648.00	-16.25
Total financial futures denominated in EUR						-10,749,648.00	-16.25
Total derivatives						-10,749,648.00	-16.25

Breakdown of fund assets

Securities		48,036,071.90	72.60
Financial futures		-10,749,648.00	-16.25
Cash in banks		28,675,406.08	43.34
Interest entitlements		258,941.67	0.39
Other deferred items		-55,386.40	-0.08
Fund assets		66,165,385.25	100.00

Dividend shares outstanding	shares	362,126
Non-dividend shares outstanding	shares	445,274
KEST-exempt non-dividend shares outstanding	shares	5,586
Share value for dividend share	EUR	71.64
Share value for non-dividend share	EUR	89.16
Share value for KEST-exempt non-dividend share	EUR	93.35

ESPA STOCK VIENNA

* As of 15 November 2011, the securities marked with "lent" in the fund portfolio and the following securities were registered as lent in the following amounts and at the following fees in the securities lending system of Erste Group Bank AG:

Security designation	ISIN number	Lent	Fee
		amount	rate in %
		Shares/nominal (nom. in 1,000, rounded)	
AGRANA BET.AG BEARER	AT0000603709	1,000	0.50
ANDRITZ AG	AT0000730007	15,100	0.20
CA IMMOB.BOND	AT0000641352	5,000	0.20
ERSTE GROUP BANK AG	AT0000652011	45,000	0.20
EVN AG	AT0000741053	67,650	0.20
FLUGHAFEN WIEN AG	AT0000911805	1,600	0.20
LENZING AG	AT0000644505	25,000	0.20
MAYR-MELNHOF KARTON	AT0000938204	18,500	0.20
AUSTRIA EL-WIRT.BEARER A	AT0000746409	83,000	0.20
OESTERREICH. POST AG	AT0000APOST4	9,000	0.20
RAIFFEISEN INTL BK-HO.BEARER	AT0000606306	89,000	0.20
RHI AG	AT0000676903	38,200	0.20
SCHOELLER-BLECKMANN OILF.	AT0000946652	19,400	0.20
STRABAG SE	AT000000STR1	60,300	0.20
TELEKOM AUSTRIA AG	AT0000720008	35,000	0.20
VIENNA INSURANCE GRP BEARER	AT0000908504	112,000	0.20
VOESTALPINE AG	AT0000937503	64,000	0.20
WIENERBERGER	AT0000831706	185,200	0.20
ZUMTOBEL AG BEARER A	AT0000837307	59,550	0.20

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

Security designation	ISIN number	Purch./ additions Shares/nominal (nom. in 1,000, rounded)	Sales/ disposals
Publicly traded securities			
Equities denominated in GBP			
Issue country Gibraltar			
BWIN.PARTY D.EN.LS-.00015	GI000A0MV757	733,800	733,800
Equities denominated in EUR			
Issue country Gibraltar			
BWIN.PARTY D.EN.LS-.00015	GI000A0MV757	733,800	733,800
Issue country Austria			
BWIN INTERACTIVE ENTMT AG	AT0000767553	0	71,000
ESPA CASH EURO-PLUS T	AT0000812979	0	20,800
LENZING AG -INT.CERT.-	AT0000A0P1J6	5,000	5,000
BOEHLER-UDDEH.CLAIM	AT0000A0BKQ3	0	27,300
IMMOEAST AG ENT.-	AT0000A0GYT7	0	1,309,000
IMMOFINANZ AG -INT.CERT.-	AT0000A0NE79	2,288,000	2,288,000
OMV AG -INT.CERT.-	AT0000A0FA73	130,000	130,000
UNICREDIT BK AUST.-INT.CERT.-	AT0000A0AJ61	0	32,979
VERBUND AG -INT.CERT.-	AT0000A0LKN9	0	178,000

Vienna, November 2011

ERSTE-SPARINVEST
Kapitalanlagegesellschaft m.b.H.

Bednar

Gasser

Gschiegl

Unqualified Auditor's Opinion*

We have audited the attached annual report as of 15 November 2011 prepared by ERSTE-SPARINVEST Kapitalanlagegesellschaft m.b.H. for the fund under its management designated ESPA STOCK VIENNA, mutual fund pursuant to InvFG, for the financial year from 16 November 2010 to 15 November 2011, including the accounting records for the fund.

Management responsibility for the annual report, managing the fund assets and accounting

The legal representatives of the Management Company and the custodian bank are responsible for maintaining the fund's accounting records, valuing the fund assets, calculating withholding taxes, preparing the annual report and managing the fund assets, all in accordance with the provisions of the InvFG, the supplementary provisions in the fund terms and conditions, and the tax regulations. This responsibility includes: designing, implementing and maintaining an internal control system as needed for documenting and valuing the fund assets and for preparing the annual report in such a way that ensures that the report is free of material misstatements resulting from intentional or unintentional errors; the selection and application of suitable valuation methods; and the completion of estimates deemed appropriate in accordance with the prevailing conditions.

Auditor responsibility and description of the type and scope of the mandatory audit of the annual report

It is our responsibility to state an opinion on this report on the basis of our audit.

We conducted our audit in accordance with § 49 paragraph 5 InvFG 2011, in accordance with the legal requirements that apply in Austria, and in accordance with Austrian generally accepted accounting principles. These principles obligate us to follow the standards of our profession and to plan and conduct our audit in a way that enables us to ascertain with a reasonable degree of certainty whether or not the annual report is free of material misstatements.

An audit includes the completion of audit steps to obtain evidence of the amounts and other information disclosed in the annual report. These steps must be selected by the auditor at his or her own discretion and taking into account the auditor's expectations of the risk of material misstatements resulting from intentional or unintentional errors. In assessing this risk, the auditor considers the internal control system as it is relevant for the preparation of the annual report and the valuation of the fund assets so as to be able to select audit steps that are appropriate for the specific situation. An ascertainment of the effectiveness of the Management Company's or custodian bank's internal control system is not part of the audit. The audit also includes an assessment of the appropriateness of the applied valuation methods and material estimates made by management, as well as evaluating the overall presentation of the annual report.

We believe that we have collected sufficient and suitable evidence over the course of our audit, and that our audit provides a sufficient basis for our opinion.

Audit opinion

Our audit revealed no cause for objection. Based on the information obtained during the audit, we believe that the annual report as of 15 November 2011 for ESPA STOCK VIENNA, mutual fund pursuant to InvFG, complies with the legal requirements.

Statements regarding compliance with the Austrian Investment Fund Act and the fund terms and conditions

In accordance with § 49 paragraph 5 InvFG 2011, the audit must also include a determination of whether the provisions of the Austrian Investment Fund Act (Investmentfondsgesetz, InvFG) and the fund terms and conditions were complied with. We conducted our audit according to the aforementioned principles in such a way that we are able to form an opinion with sufficient certainty as to whether the provisions of the InvFG and the fund terms and conditions were complied with in general.

According to the information obtained during the audit, the provisions of the Austrian Investment Fund Act and the fund terms and conditions were complied with.

Statements regarding the report on activities in the reporting period

The descriptions included in the annual report by the management of the Management Company about the activities in the reporting period were examined critically by us, but were not subject to special audit steps according to the aforementioned principles. Therefore, our audit opinion is not based on this information. Overall, the descriptions regarding the reporting period are in line with the figures indicated in the annual report.

Vienna, 18 January 2012

ERNST & YOUNG
WIRTSCHAFTSPRÜFUNGSGESELLSCHAFT

Mag. Ernst Schönhuber
(Certified Public
Accountant)

Dr. Robert Wauschek
(Certified Public
Accountant)

* In the case of the publication or dissemination of the annual report with our auditor's opinion 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 STOCK VIENNA

Mutual fund pursuant to InvFG

General Terms and Conditions

governing the contractual relationship between the Shareholders and ERSTE-SPARINVEST KAG (hereinafter the "Investment Firm") for the mutual funds administered by the Investment Firm, which are only valid in combination with the Special Fund Terms and Conditions issued for each individual fund:

§ 1 Basic Terms

The Investment Firm is subject to the provisions of the 1993 Austrian Investment Fund Act as amended (hereinafter "InvFG").

§ 2 Fund Shares

1. Ownership in the assets held by the Investment Fund is divided into equal shares.

The number of shares is unlimited.

2. The partial ownership of the fund assets is evidenced by certificates having the characteristics of a security.

Fund shares may be issued as different classes of shares in accordance with the Special Fund Terms and Conditions.

The shares are depicted as global certificates (§ 24 Austrian Securities Deposit Act [Depotgesetz] as amended) and/or as effective individual shares.

3. Every purchaser of a share acquires proportionate ownership of all assets contained in the Investment Fund in accordance with the share of ownership assigned to the share. Every purchaser of a fraction of a global certificate acquires proportionate ownership of all assets contained in the Investment Fund in accordance with his fractional ownership of the global certificate.
4. The Investment Firm shall be permitted to split the shares in the fund with the approval of its Supervisory Board and issue additional share certificates to the Shareholders or replace the old share certificates with new ones when the Investment Firm deems that such a split would be in the interests of the Shareholders on the basis of the calculated share value (§ 6).

§ 3 Share Certificates and Global Certificates

1. The share certificates are bearer shares.
2. The global certificates bear the original signature of a managing director or a duly authorised employee of the custodian bank and the original or facsimile signature of two managing directors of the Investment Firm.
3. The individual share certificates bear the original signature of a managing director or a duly authorised employee of the custodian bank and the original or facsimile signature of two managing directors of the Investment Firm.

§ 4 Administration of the Investment Fund

1. The Investment Firm shall be authorised to dispose of the assets in the Investment Fund and to exercise the rights associated with ownership of these assets. In this, it shall act in its own name for the account of the Shareholders. It shall protect the interests of the Shareholders and the integrity of the market, shall exercise the prudence of an ordinary and conscientious businessman as defined by § 84 paragraph 1 Austrian Stock Corporation Act (Aktiengesetz), and shall comply with the provisions of the InvFG and the fund terms and conditions.

The Investment Firm shall be authorised to employ third parties in the management of the Investment Fund and shall be authorised to permit such third parties to dispose of the fund assets in the name of the Investment Firm or in their own name for the account of the Shareholders.

2. The Investment Firm shall not be permitted to grant loans or enter into guarantee commitments of any kind for the account of the Investment Fund.
3. Assets in the Investment Fund may not be pledged or subject to liens of any kind, provided as collateral or transferred to another party except in those cases explicitly permitted in the Special Fund Terms and Conditions.
4. The Investment Firm shall not be permitted to sell securities, money market instruments or other financial investments pursuant to § 20 InvFG that are not fund assets at the time of sale for the account of the Investment Fund.

§ 5 Custodian Bank

The custodian bank (§ 13) appointed pursuant to § 23 InvFG shall manage the deposit and other accounts of the Investment Fund and shall exercise all other functions specified for it in the InvFG and in the fund terms and conditions.

§ 6 Issue and Share Value

1. The custodian bank shall calculate the value (share value) of a single share for every class of share certificate and publish the issue and return price (§ 7) every time that a share is issued or returned, but in any case at least twice per month.

The value of a share shall be determined by dividing the total value of the Investment Fund including earnings by the number of shares. The custodian bank shall determine the total value of the Investment Fund on the basis of the prices of the securities and subscription rights contained in the Investment Fund plus the value of the money market instruments and financial investments, cash and cash equivalents, account balances, claims and other rights held by the Investment Fund, less any liabilities.

The prices of the securities shall be based on the last-known exchange or other set prices as per § 7 paragraph 1 InvFG.

2. The issue price shall be made up of the share value plus a premium per share to cover the costs incurred by the Investment Firm in issuing the share. The resulting price shall be rounded up. The amount of this premium and the rules for rounding are specified in the Special Fund Terms and Conditions (§ 23).
3. In accordance with § 18 InvFG in connection with § 10 paragraph 3 Austrian Capital Market Act (Kapitalmarktgesetz, KMG), the issue and return prices for every class of share certificate will be published in a business or daily newspaper that is published within Austria and has sufficient circulation and/or in electronic form on the web site of the issuing Investment Firm.

§ 7 Return

1. Upon request by the Shareholder, his shares shall be redeemed at the current return price. In this event, the share certificate, outstanding coupons and the renewal certificate shall also be collected if necessary.
2. The return price shall be the value of one share less a discount and/or rounded down as specified in the Special Fund Terms and Conditions (§ 23). The payment of the return price and the calculation and publication of the return price as specified in § 6 may be suspended temporarily when the Austrian Financial Market Authority is informed of this fact and a corresponding notice published as per § 10 and made dependent on the sale of assets in the Investment Fund and the receipt of the proceeds from the sale of assets by the Investment Firm under extraordinary conditions and when this is deemed necessary to protect justified Shareholder interests. Investors shall also be informed when the Investment Firm resumes accepting returned shares as specified in § 10.

This shall especially apply when the Investment Fund has invested 5% or more of its total value in assets whose valuations clearly do not correspond to their actual values as a result of political or economic conditions, and not only in individual cases.

§ 8 Accounting

1. The Investment Firm shall publish an annual report pursuant to § 12 InvFG within four months after the end of the Investment Fund's financial year.
2. The Investment Firm shall publish a semi-annual report pursuant to § 12 InvFG within two months after the end of the first six months of the Investment Fund's financial year.
3. The annual report and the semi-annual report shall be made available for viewing at the offices of the Investment Firm and at the custodian bank.

§ 9 Forfeiture of Earnings

Shareholder entitlements to the payment of their proportionate earnings shall expire after five years. After the lapse of this period, the earnings shall be treated as earnings generated by the Investment Fund.

§ 10 Publication

All notices pertaining to the share certificates, except for the notices pertaining to the calculated share values under § 6, are governed by § 10 paragraph 3 and paragraph 4 of the Austrian Capital Market Act (Kapitalmarktgesetz, KMG). The notices may be published

- by full printing in *Amtsblatt zur Wiener Zeitung*, or
- by making a sufficient number of copies of the notice available at the Investment Firm and the payment offices free of charge and printing the date of publication and the locations where the notice can be obtained in *Amtsblatt zur Wiener Zeitung*, or
- in electronic form on the web site of the issuing Investment Firm pursuant to § 10 paragraph 3 item 3 KMG.

The notice pursuant to § 10 paragraph 4 KMG shall be published in *Amtsblatt zur Wiener Zeitung* or in another newspaper that is distributed throughout Austria.

For changes to the prospectus pursuant to § 6 paragraph 2 InvFG, notice according to § 10 paragraph 4 KMG may also be made in electronic form only on the web site of the issuing Investment Firm.

§ 11 Amendment of the Fund Terms and Conditions

The Investment Firm shall be authorised to amend the fund terms and conditions with the approval of the Supervisory Board and the

approval of the custodian bank. The amendments must also be approved by the Austrian Financial Market Authority. The amendments must be published. Such amendments shall take effect on the date indicated in the published notice, but in any case no earlier than three months after publication.

§ 12 Termination and Liquidation

1. The Investment Firm shall be authorised to terminate the administration of the Investment Fund after obtaining approval from the Financial Market Authority with a period of notice of at least six months (§ 14 paragraph 1 InvFG), or immediately upon publication of a corresponding public notice (§ 10) if the fund assets fall below EUR 1,150,000 (§ 14 paragraph 2 InvFG). The termination of the fund pursuant to § 14 paragraph 2 InvFG is not permitted during the period of notice for termination pursuant to § 14 paragraph 1 InvFG.
2. If the Investment Firm loses its right to administer the Investment Fund, the administration or liquidation of the fund shall be handled in accordance with the provisions of the InvFG.

§ 12a Merger or Transfer of Fund Assets

The Investment Firm shall, in compliance with § 3 paragraph 2 and § 14 paragraph 4 InvFG, be authorised to merge the assets of the Investment Fund with the assets of other investment funds, to transfer the assets of the Investment Fund to another investment fund, or to incorporate assets from other investment funds into the portfolio of the Investment Fund.

Special Fund Terms and Conditions

for ESPA STOCK VIENNA, mutual fund pursuant to § 20 InvFG (the “Investment Fund” in the following).

The Investment Fund is compliant with Directive 85/611/EEC.

§ 13 Custodian Bank

The custodian bank is Erste Group Bank AG, Vienna.

§ 14 Payment and Submission Offices, Share Certificates

1. The payment and submission office for the share certificates and coupons is Erste Group Bank AG, Vienna.
2. The Investment Fund features three different share classes and the corresponding certificates: dividend shares, non-dividend shares with capital gains tax withholding and non-dividend shares without capital gains tax withholding, with certificates being issued for one share each and also for fractional shares. A fractional share can be one tenth (0.10), one hundredth (0.01) or one thousandth (0.001) of a share certificate.

Non-dividend shares without capital gains tax deduction are not sold in Austria.

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

3. As the share certificates are depicted in global certificates, the dividend payments according to § 26 and the payouts according to § 27 are made by the bank managing the Shareholder's securities account.

§ 15 Investment Instruments and Principles

1. The Investment Firm shall be authorised as defined by §§ 4, 20 and 21 InvFG and §§ 16ff of the fund terms and conditions to purchase all types of securities, money market instruments and other liquid financial investments for the Investment Fund, provided that the principle of risk diversification is maintained and no justified Shareholder interests are violated.
2. The fund assets are invested according to the following investment policy principles:
 - a) in asset selection, equities from
 - issuers domiciled in Austria, and
 - issuers that are traded on the Vienna Stock Exchange play a major role.

The fund may purchase shares in companies with small market capitalisations or mid-sized market capitalisations as well as shares in large, strong and important companies that are internationally known (blue chips). There are no limitations with regard to the economic sector in which the issuer is active.

In addition to investing in equities, the fund may also invest in money market instruments that are denominated in euros.

The fund may also invest in euro-denominated bonds to a very limited extent.

- b) in order to demarcate the investment universe (in part), shares in investment funds according to § 17 of these fund terms and conditions, regardless of the country in which the respective management company is domiciled, may make up no more than 10%

of the fund assets of ESPA STOCK VIENNA.

- c) investments in assets according to § 18 of these fund terms and conditions may play a major role.
- d) the Investment Firm reserves the right to invest in other assets as per item 1 to a limited extent in addition to those specified in letters a) through c).
- e) derivative instruments in accordance with § 19 and § 19a of these fund terms and conditions (including swaps and OTC derivatives) may be purchased for risk mitigation (hedging) purposes and also for speculative purposes. Derivatives may play a major role relative to the total net value of the fund assets, both for hedging and non-hedging purposes.

Within the framework of the hedging concept, the Investment Firm reserves the right, among other things, to hedge against price losses on the fund's equities positions using appropriate strategies as dictated by the prevailing market conditions (especially through futures contracts on stock indices).

Depending on the Investment Firm's assessment of market conditions, derivative financial instruments may also be used as part of the investment strategy, particularly for the purposes of governing leverage, controlling earnings or substituting securities.

- 3. If securities and money market instruments containing an embedded derivative are purchased for the Investment Fund, the Investment Firm must take this into account in compliance with §§ 19 and 19a. Investments in index-based derivatives are not taken into account in the investment limits in § 20 paragraph 3 items 5, 6, 7 and 8d InvFG.
- 4. The Investment Fund may purchase equities 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 amounting to a maximum of 10% of the Investment Fund assets.

§ 15a Securities and Money Market Instruments

Securities are

- a) equities and other equivalent securities,
- b) bonds and other debt that is evidenced by certificates,
- c) all other fungible financial instruments (such as stock rights) that entitle the holder to purchase financial instruments as defined by InvFG by means of subscription or exchange, with the exception of the techniques and instruments specified in § 21 InvFG.

The criteria in § 1a paragraph 3 InvFG must be met for an instrument to be considered a security.

Securities also include the following pursuant to § 1a paragraph 4 InvFG:

- 1. Shares in closed funds in the form of an investment company or investment fund,
- 2. Shares in closed funds in contractual form,
- 3. Financial instruments pursuant to § 1a paragraph 4 item 3 InvFG.

Money market instruments are instruments that are customarily traded on the money market, that are liquid, whose value can be determined exactly at any time, and that meet the requirements of § 1a paragraph 5 to 7 InvFG.

§ 16 Exchanges and Organised Markets

- 1. Securities and money market instruments may only be purchased for the Investment Fund when they
 - are listed or traded on a regulated market pursuant to § 2 item 37 of the Austrian Banking Act (BWG), or
 - are traded on another recognised, regulated securities market in a Member State that is open to the public and that is functioning properly, or
 - are officially listed on one of the non-Member State exchanges listed in the Annex, or
 - are traded on another recognised, regulated securities market in a non-Member State as listed in the Annex that is open to the public and that is functioning properly, or
 - when the issue terms include the obligation to apply for public listing or admission for trading on one of the above-named exchanges or admission for trading on one of the above-mentioned other markets, and approval is granted by no later than one year after the issue of the security.
- 2. Freely transferable money market instruments that are not traded on a regulated market and that are customarily traded on the money market, that are liquid and whose value can be determined exactly at any time, for which sufficient information is available, including information that allows the suitably accurate assessment of the credit risks associated with an investment in the instrument, may be

purchased for the Investment Fund if the instrument or the issuer itself is subject to the legal deposit and investor protection regulations and the instrument

- was issued or is guaranteed by a national, regional or municipal political entity or the central bank of a Member State, the European Central Bank, the European Union, or the European Investment Bank, a non-Member State, or, if it is a federal state, a member state of the federation, or an international organisation with public sector character and of which at least one Member State is a member, or
 - was issued by a company whose securities are traded on one of the regulated markets listed under item 1, with the exception of new issues, or
 - was issued or is guaranteed by an institution that is subject to supervisory regulations according to the criteria set forth in Community law, or that was issued or is guaranteed by an institution that is subject to and complies with supervisory regulations that in the opinion of the Financial Market Authority are at least as strict as those laid down in Community law, or
 - was issued by another party belonging to a category approved by the Financial Market Authority, provided that equivalent investor protection regulations apply to investments in these instruments, and provided that the issuer is either a business entity with capital stock of at least EUR 10 million that prepares and publishes its annual financial statements in accordance with the regulations of Directive 78/660/EEC, or is another legal entity that is responsible for finance management in a group of one or more listed companies, or is a legal entity that finances the collateralisation of debt in company or contractual form by using a line of credit granted by a bank that meets the criteria listed in item 2, sub-item 3.
3. A total of 10% of the fund assets may be invested in securities and money market instruments not meeting the requirements of items 1 and 2.

§ 17 Shares in Investment Funds

1. Shares in investment funds (investment funds and open investment companies) pursuant to § 20 paragraph 3 item 8b InvFG that fulfil the requirements of Directive 85/611/EEC (UCITS) may together with the investment funds specified in the following item 2 make up no more than 10% of the Investment Fund assets in total, provided that the target funds themselves do not invest more than 10% of their fund assets in shares of other investment funds.
2. Shares in investment funds pursuant to § 20 paragraph 3 item 8c InvFG which do not meet the requirements of Directive 85/611/EEC (UCITS) and whose sole purpose is

- to invest money contributed by a group of investors for their joint account in securities and other liquid financial investments under the principles of risk diversification, and
- whose shares can be redeemed or paid out directly or indirectly from the assets of the investment fund upon request by the shareholder,

may make up a maximum of 10% of the Investment Fund assets in total together with the investment funds described in the previous item 1, provided that

- a) these target funds do not invest more than 10% of their fund assets in shares in other investment funds, and
- b) these are approved under legal regulations that place them under regulatory supervision that in the opinion of the Financial Market Authority is equivalent to that proscribed by Community law and there is sufficient certainty of collaboration between the authorities, and
- c) the protection afforded to the Shareholders is equivalent to that afforded to shareholders of investment funds that meet the requirements of Directive 85/611/EEC (UCITS), and that are in particular equivalent to the requirements of Directive 85/611/EEC in terms of regulations for the separate management of special assets, the acceptance of loans, the granting of loans, and the short selling of securities and money market instruments, and
- d) semi-annual and annual reports are published on the activities of the fund, and these reports provide a clear picture of the assets, liabilities, earnings and transactions in the reporting period.

The criteria specified in § 3 of the Information and Equivalency Determination Ordinance (Informationen- und Gleichwertigkeitsfestlegungsverordnung [IG-FestV]) as amended must be applied to assess the equivalency of the protection afforded to the Shareholder pursuant to c).

3. The Investment Firm may also purchase for the Investment Fund shares in other investment funds that are directly or indirectly administered by the Investment Firm or by a firm that is associated with the Investment Firm by way of joint administration or control or through a direct or indirect material equity interest.
4. The Investment Fund may hold shares in any single fund up to an amount of 10% of the Investment Fund assets.

§ 18 Demand Deposits or Callable Deposits

1. The Investment Fund may hold bank deposits in the form of demand deposits or callable deposits for a maximum term of 12 months.

No minimum or maximum limits apply to bank deposits.

2. The provisions in item 1 are general in nature. The Investment Fund may purchase assets outlined in item 1 in accordance with the investment principles in § 15.

§ 19 Derivative Financial Instruments

1. Derivative financial instruments, including equivalent instruments settled in cash, may be purchased for the Investment Fund when they are traded on one of the regulated markets specified in § 16, and when the underlying instruments are instruments as defined in § 15a or financial indices, interest rates, exchange rates or currencies in which the Investment Fund is permitted to invest according to its investment principles (§ 15). This also includes instruments designed to transfer the credit risk of one of the above-mentioned instruments.
2. The overall risk associated with the derivative instruments may not exceed the total net value of the Investment Fund assets. In calculating the risk, the fair values of the underlying instruments, the default risk, future market fluctuations, and the time available to liquidate the positions must be taken into account.
3. The Investment Fund may hold derivative financial instruments within the limits specified by § 20 paragraph 3 items 5, 6, 7, 8a and 8d InvFG as part of its investment strategy, provided that the overall risk of the underlying instruments does not exceed these investment limits.
4. The provisions in items 1 to 3 are general in nature. The Investment Fund may purchase financial instruments outlined in item 1 in accordance with the investment principles in § 15.

§ 19a OTC Derivatives

1. The Investment Fund may purchase derivative financial instruments that are not traded on an exchange (OTC derivatives) provided that
 - a) the underlying instruments are among those described in § 19 item 1,
 - b) the counterparties are banks subject to supervision and from a category approved by ordinances enacted by the Financial Market Authority,
 - c) the OTC derivatives are subject to reliable and transparent daily valuation and can be sold, liquidated, or settled by means of an offsetting transaction at a reasonable fair value at any time at the initiative of the Investment Fund,
 - d) they are held within the limits specified in § 20 paragraph 3 items 5, 6, 7, 8a and 8d InvFG and the overall risk of the underlying instruments does not exceed these investment limits.
2. The default risk for OTC derivative transactions by the Investment Fund may not exceed the following levels:
 - a) 10% of the Investment Fund assets when the counterparty is a bank,
 - b) otherwise 5% of the fund assets.
3. The provisions in items 1 and 2 are general in nature. The Investment Fund may purchase financial instruments outlined in item 1 in accordance with the investment principles in § 15.

§ 19b Value at Risk

Does not apply.

§ 20 Loans

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

§ 21 Repurchase Agreements

The Investment Firm is authorised within the investment limits laid down in the InvFG to purchase assets for the account of the Investment Fund containing an obligation on the part of the seller to purchase the assets back at a specific time in the future and at a specific price.

§ 22 Securities Lending

The Investment Firm is authorised within the investment limits laid down in the InvFG to sell securities up to an amount of 30% of the total Investment Fund assets to another party through a recognised securities lending system for a limited time under the condition that the third party is obligated to return the securities after an agreed period of time.

§ 23 Issue and Return Procedure

The share value shall be calculated in EUR in accordance with § 6.

The issue premium to cover the costs incurred by the Investment Firm in issuing the share shall be 3.0%; the resulting amount will be rounded up to the next cent to determine the final issue price. The return price is the share value.

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

§ 24 Financial Year

The financial year of the Investment Fund is from 16 November to 15 November of the following calendar year.

§25 Administration Fee, Compensation for Expenses

The Investment Firm shall receive a monthly fee for its management activities amounting to up to 0.15% of the fund assets as calculated using the month-end values.

The Investment Firm shall also be entitled to compensation for all expenses incurred in the administration of the Investment Fund, especially costs for mandatory publications, custodial fees, fees charged by the custodian bank, auditing and consulting costs, and costs for the preparation of period-end financial statements.

If the Investment Firm exercises its right pursuant to § 3 (3) InvFG, monthly remuneration for the services of an external fund manager or advisor may also be deducted from the fund assets, but this remuneration together with the monthly remuneration to which the Investment Firm is entitled may not exceed 0.18% of the fund assets at the end of the respective month.

§ 26 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 Investment Firm. Dividends may also be paid at the discretion of the Investment Firm from earnings generated by the sale of Investment Fund assets, including subscription rights. Fund assets may be paid out. The fund assets may not fall below EUR 1,150,000 after dividend payments in any case. The amounts shall be paid to the holders of dividend shares on or after 1 February of the following financial year, against collection of a coupon if necessary. The remaining amount shall be carried forward.

An amount calculated in accordance with § 13 sentence 3 InvFG must also be paid out on or after 1 February to cover the capital gains tax assessed by the tax authorities on the dividend-equivalent earnings from the Investment Fund shares.

§ 27 Use of Earnings for Non-Dividend Shares with Capital Gains Tax Withholding (non-dividend tranche)

The earnings generated by the Investment Fund during the financial year less all costs will not be paid out. Unless the preconditions specified in § 13 InvFG for the exemption of payment apply to all Shareholders, an amount calculated in accordance with § 13 sentence 3 InvFG must also be paid out on or after 1 February of the following financial year to cover the capital gains tax assessed by the tax authorities on the dividend-equivalent earnings from the Investment Fund shares.

§ 27a Use of Earnings for Non-Dividend Shares without Capital Gains Tax Withholding (KESt-exempt non-dividend foreign tranche)

The earnings generated by the Investment Fund during the financial year less all costs will not be paid out. No payment pursuant to § 13 sentence 3 InvFG will be made.

The Investment Firm shall provide suitable proof to 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.

§ 28 Liquidation

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

Annex to the Special Fund Terms and Conditions

List of exchanges with official trading and organised markets

(As of July 2008)

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

According to Article 16 of Directive 93/22/EEC (Investment Services Directive), 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 web site 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://www.fma.gv.at/cms/site//attachments/2/0/2/CH0230/CMS1140105592256/listegeregmaerkte.pdf> *)

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

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

1.2.1	Finland:	OMX Nordic Exchange Helsinki
1.2.2	Sweden:	OMX Nordic Exchange Stockholm AB
1.2.3	Luxembourg:	Euro MTF Luxembourg

1.3. Recognised markets in the EU according to § 20 paragraph 3 item 1 lit. b InvFG:

1.3.1	Great Britain:	London Stock Exchange Alternative Investment Market (AIM)
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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	Switzerland:	SWX Swiss Exchange
2.4	Serbia and Montenegro:	Belgrade
2.5	Turkey:	Istanbul (only "National Market" on the stock market)
2.6	Russia:	Moscow (RTS Stock Exchange)

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	Korea:	Seoul
3.13	Malaysia:	Kuala Lumpur
3.14	Mexico:	Mexico City
3.15	New Zealand:	Wellington, Christchurch/Invercargill, Auckland
3.16	Philippines:	Manila
3.17	Singapore:	Singapore Stock Exchange
3.18	South Africa:	Johannesburg
3.19	Taiwan:	Taipei
3.20	Thailand:	Bangkok
3.21	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
3.22	Venezuela:	Caracas
3.23	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 Securities Market Association (ISMA), 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 counterequity 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 Futures Exchange
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:	Singapore International Monetary Exchange
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, New York Futures Exchange, Pacific Stock Exchange, Philadelphia Stock Exchange, New York Stock Exchange, Boston Options Exchange (BOX)

*) The link can be changed by the Austrian Financial Market Authority (FMA) at any time. You can find the current link on the web site of the FMA: www.fma.gv.at, Anbieter, "Informationen zu Anbietern am österreichischen Finanzmarkt", Börse, Übersicht, Downloads, Verzeichnis der Geregeltten Märkte.

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