

Raiffeisen-Infrastructure-Equities

Annual fund report

Financial year 2010-2011

Note:

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

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Report for the financial year from 1 August 2010 to 31 July 2011

The fund offers investors the opportunity of benefiting from the huge expansion in global infrastructure, focusing in particular on investments in the emerging markets. Economies require infrastructure for continued economic growth. The fund mainly invests in developed markets such as the USA, Europe and Japan as well as emerging markets such as Brazil, Russia, India and China, but also has holdings in smaller, upcoming markets such as Mexico, Argentina, South Africa, South Korea and Malaysia etc. The fund is therefore suitable for investors seeking to exploit the opportunities for strong returns from equities investments and accepting the possibility of strong price fluctuations (equities and currencies).

General fund information

Tranche	Launch date	ISIN
ISIN income-distributing (R) (A)	5/8/2008	AT0000A09ZJ4
ISIN income-retaining (R) (T)	5/8/2008	AT0000A09ZK2
ISIN full income-retaining (outside Austria) (R) (V)	5/8/2008	AT0000A09ZL0
ISIN full income-retaining (outside Austria) (I) (V)	1/2/2011	AT0000A0LQ69
ISIN savings fund income-retaining (R) (T)	5/8/2008	AT0000A09ZX5

Fund characteristics

Fund currency:	EUR
Financial year:	1 August – 31 July
Distribution/payment/reinvestment date:	15 October
EU directive compliance:	EU directive-compliant (public fund investing pursuant to § 20 of the Austrian Investment Fund Act)
Fund type:	Target fund (up to 10 % subfunds)
Target group:	Public fund
Custodian bank:	Raiffeisen Bank International AG ¹
Asset management company:	Raiffeisen Kapitalanlage-Gesellschaft m. b. H. Schwarzenbergplatz 3, A-1010 Vienna Tel. +43 1 71170-0, Fax +43 1 71170-1092 www.rcm.at Companies register number: 83517 w
Fund management:	Raiffeisen Kapitalanlage-Gesellschaft m. b. H.
Auditor:	KPMG Austria GmbH

¹ On 10 October 2010 Raiffeisen Bank International AG assumed the commercial customer business previously handled by Raiffeisen Zentralbank Österreich AG (including its custodian bank function) by way of universal succession.

Specific fund information during the financial year

Change of custodian bank: to 9 October 2010: Raiffeisen Zentralbank Österreich AG

Legal notice

The current version of the published prospectus (excluding special funds) – plus any amendments since its initial publication – is available to potential investors at www.rcm.at.

All data and information has been compiled and checked with the greatest care. No liability or guarantee can be assumed for the recentness, correctness and completeness of the information provided. We consider the sources used to be reliable. The software used performs calculations on the basis of more than the two decimal places displayed. Minor discrepancies cannot be ruled out due to further calculations using published results.

The value of a unit is calculated by dividing the entire value of the investment fund inclusive of its income by the number of units. The total value of the investment fund is calculated on the basis of the current market prices of the securities, money market instruments and subscription rights in the fund plus the value of the fund's financial investments, cash holdings, credit balances, receivables and other rights net of its payables. That value will be calculated by the custodian bank.

The net assets are calculated in accordance with the following principles:

- a) In principle, the value of assets quoted or traded on a stock market or on another regulated market will be determined on the basis of the most recently available price.
- b) Where an asset is not quoted or traded on a stock market or another regulated market or where the price for an asset quoted or traded on a stock market or another regulated market does not appropriately reflect its actual market value, the prices provided by reliable data providers or, alternatively, market prices for equivalent securities or other recognized valuation methods shall be used.

Dear unit holder,

Raiffeisen Kapitalanlage-Gesellschaft m. b. H. is pleased to present its annual fund report for Raiffeisen-Infrastructure-Equities for the financial year from 1 August 2010 to 31 July 2011.

Fund details in EUR

	31/7/2010	31/7/2011
Fund assets	11,308,742.38	12,664,596.80
Net asset value/unit (R) (A)	117.34	120.91
Issue price/unit (R) (A)	122.03	125.75
Net asset value/unit (R) (T)	117.34	121.69
Issue price/unit (R) (T)	122.03	126.56
Net asset value/unit (R) (V)	117.34	122.07
Issue price/unit (R) (V)	122.03	126.95
Net asset value/unit (I) (V)	-	122.71
Issue price/unit (I) (V)	-	127.62

	15/10/2010	17/10/2011
Distribution/unit (R) (A)	1.17	1.21
Outpayment/unit (R) (T)	0.41	0.46
Reinvestment/unit (R) (T)	13.12	8.21
Reinvestment/unit (R) (V)	13.55	8.67
Reinvestment/unit (I) (V)	-	5.07

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

Units in circulation

	(R) A	(R) T	(R) V	(I) V
Units in circulation on 31/7/2010	2,150.807	84,815.676	9,406.009	-
Sales	1,478.669	34,500.487	18,083.211	10.000
Repurchases	- 1,074.906	- 39,860.635	- 5,491.749	0.000
Units in circulation	2,554.570	79,455.528	21,997.471	10.000
Total units in circulation on 31/7/2011				104,017.569

Fund details in EUR for last 3 financial years

The performance calculation assumes wholesale reinvestment of distributed/paid-out amounts at their net asset value on the distribution/payment date. Pursuant to the terms of the 2007 Austrian Securities Supervision Act, no indication is provided for a performance of less than twelve months. We apologize for any inconvenience.

Distributing units (R)	31/7/2009	31/7/2010	31/7/2011
Total fund assets	4,040,831.17	11,308,742.38	12,664,596.80
Net asset value/unit	101.23	117.34	120.91
Distribution	0.00	1.17	1.21
Performance as %	-	15.91	4.03

Reinvested units (R)	31/7/2009	31/7/2010	31/7/2011
Total fund assets	4,040,831.17	11,308,742.38	12,664,596.80
Net asset value/unit	101.23	117.34	121.69
Amount used for reinvestment	0.00	13.12	8.21
Outpayment as per § 13 (3) InvFG	0.00	0.41	0.46
Performance as %	-	15.91	4.03

Fully reinvested units (R)	31/7/2009	31/7/2010	31/7/2011
Total fund assets	4,040,831.17	11,308,742.38	12,664,596.80
Net asset value/unit	101.23	117.34	122.07
Amount used for full reinvestment	0.00	13.55	8.67
Performance as %	-	15.91	4.03

Fully reinvested units (I)	31/7/2011
Total fund assets	12,664,596.80
Net asset value/unit	122.71
Amount used for full reinvestment	5.07
Performance as %	-

The performance is calculated by Raiffeisen Kapitalanlage-Gesellschaft m. b. H. using the method developed by OeKB (Österreichische Kontrollbank AG), on the basis of data supplied by the custodian bank (where outpayment of the redemption price is suspended, with use of indicative values). Individual costs such as the subscription and redemption fees, other fees, commission and other charges are not included in the performance calculation. They would lead to a reduced performance. Past results do not permit any inferences as to the future performance of an investment fund. Note for investors whose domestic currencies differ from the fund's currency: We would like to point out that the yield may rise or fall due to currency fluctuations.

Development of the fund assets and income statement in EUR

Performance in financial year (fund performance)

Distributing units (R)

Net asset value per unit at start of financial year	117.34
Distribution on 15/10/2010 (net asset value: EUR 118.16) of EUR 1.17, corresponds to 0.0099 units	
Net asset value per unit at end of financial year	120.91
Total value incl. units purchased through distribution (1.0099 x 120.91)	122.11
Net income/net reduction per unit	4.77

Reinvested units (R)

Net asset value per unit at start of financial year	117.34
Outpayment on 15/10/2010 (net asset value: EUR 118.92) of EUR 0.41, corresponds to 0.0034 units	
Net asset value per unit at end of financial year	121.69
Total value incl. units purchased through outpayment (1.0034 x 121.69)	122.10
Net income/net reduction per unit	4.76

Fully reinvested units (R)

Net asset value per unit at start of financial year	117.34
Net asset value per unit at end of financial year	122.07
Net income/net reduction per unit	4.73

Performance of one unit during the financial year as % **4.03**

Fully reinvested units (I) (from 1/2/2011)

Net asset value per unit at start of short financial year	131.20
Net asset value per unit at end of short financial year	122.71
Net income/net reduction per unit	- 8.49

Development of fund assets

Fund assets on 31/7/2010 (96,372.492 units)	11,308,742.38
Distribution on 15/10/2010 (EUR 1.17 x 2,707.807 distributing units (R))	- 3,168.13
Outpayment on 15/10/2010 (EUR 0.41 x 88,057.747 reinvested units (R))	- 36,103.68
Issuance of units	6,834,395.26
Redemption of units	- 5,920,292.35
Pro rata income adjustment	- 60,684.90
Overall fund result	541,708.22
Fund assets on 31/7/2011 (104,017.569 units)	12,664,596.80

Fund result in EUR

A. Realized fund result

Ordinary fund result

Income (excl. closing price)		
Interest income	1,153.66	
Interest expenses	- 481.90	
Dividend income (incl. dividend equivalent)	292,686.85	
Other income (incl. tax reclaim)	11,815.03	305,173.64
Expenses		
Management fees	- 252,104.04	
Custodian bank fees	- 11,731.82	
Auditing expenses	- 3,840.01	
Custodian fee	- 11,711.55	
Other fees	- 15,100.05	- 294,487.47
Ordinary fund result (excl. income adjustment)		10,686.17
Realized closing price		
Profits realized from securities	1,122,424.57	
Profits realized from derivative instruments	19,753.39	
Losses realized from securities	- 303,569.43	
Losses realized from derivative instruments	- 4,327.32	
Realized closing price (excl. income adjustment)		834,281.21
Realized fund result (excl. income adjustment)		844,967.38

B. Unrealized closing price

Change in unrealized closing price		- 363,944.06
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C. Income adjustment

Income adjustment for income during financial year	56,482.32	
Income adjustment during financial year for profit carryovers	4,202.58	60,684.90
Overall fund result		541,708.22

Appropriation of fund result in EUR

Distribution (EUR 1.21 x 2,554.570 distributing units (R))		3,091.03
Outpayment as per § 13 clause 3 InvFG (EUR 0.46 x 79,455.528 reinvested units (R))		36,549.54
Reinvested amount (R) (reinvestment)		652,347.80
Reinvested amount (R) (full reinvestment)		190,714.70
Reinvested amount (I) (full reinvestment)		50.66
Total		882,753.73
Realized fund result (incl. income adjustment)		905,652.28
Profit carryover from previous year	21,296.44	
Profit carryover into following period	44,194.99	- 22,898.55
Total		882,753.73

Capital market report

Events in the month of July seamlessly followed on from the various adverse factors which shaped the 1st half of the year. This included the political upheavals in several North African countries and the associated rise in the price of oil and the natural disaster in Japan and the resulting nuclear contamination. The public debt problem also continues to recurrently flare up and the Eurozone countries continue to diverge strongly in terms of their economic performance. German industry increased its output by an average of 10 % in the 1st half of the year while Spanish industry is stagnating. The economic situation in Portugal, Ireland and Greece is even worse. The USA has also reported disappointing economic data since June, and the publication of its 2nd-quarter GDP figures and the simultaneous adjustment of its growth data for the past few years have given rise to fears of a new recession. On the basis of the revised figures, economic output grew by just 0.4 % (quarterly, annualized) in the 1st quarter and by 1.3 % in the 2nd quarter. The growth rates already reported for the period from 2008 to 2010 also underwent a significant further downward adjustment. According to these new figures, the USA has not yet been able through its economic output to make up entirely for the collapse which it suffered due to the financial crisis. The outlook for the 2nd half of the year has also clouded over according to the key business climate index, the ISM. America's central bank has not been in any hurry to raise key interest rates in this context, but it still wound up quantitative easing II in June as planned. In contrast, the European Central Bank has already raised key interest rates twice this year by 25 basis points to the current 1.5 %. Some of the emerging markets are still struggling with higher inflation rates which are attributable to strong economic growth as well as high food and energy prices. Accordingly, the central banks of China, India and Brazil, for instance, have significantly tightened up their monetary policies through interest-rate hikes as well as higher minimum reserves. These countries have also allowed their currencies to appreciate against the US dollar. The latest figures thus indicate a weakening growth trend in these economies, too, which mainly reflects weakening export demand.

In Europe, fears of Greece's potential bankruptcy diminished in June as new funds were made available and a package reducing Greece's debt burden was issued. However, this quickly gave way to fears concerning Italy's situation and caused a new rise in yield markups within the Eurozone. In contrast, German Bund bonds were close to their most recent highs but American government bonds also recorded strong inflows and the US dollar gained significantly against the euro. The Swiss franc remains the quintessential crisis currency and has appreciated 11 % against the euro since the start of the year.

The stock markets performed well in the 1st half of the year – aside from the Fukushima-related crisis – but came under selloff pressure in late July. This was despite the fact the 2nd-quarter reporting season in the USA yielded better-than-expected results for 75 % of companies. The reporting season in Europe was also positive but only 50 % of its companies provided positive surprises.

Following an underperformance in the 1st quarter, from the 2nd quarter onwards the emerging markets stock markets roughly matched the developed stock markets' performance but recorded significantly stronger fluctuations in some cases.

Corporate bonds outperformed government bonds until the debt crisis once again flared up severely. However, in the past two months corporate bonds have been unable to match German government bonds' performance and risk premiums have risen.

Fund investment policy report

The fund invests in companies which may profit disproportionately from current and impending infrastructure measures implemented as a result of governments' economic stimulus packages.

Since many of these infrastructure projects are executed in the growth countries of South East Asia and Latin America, the fund is overweighted in these investment regions relative to a global equities index weighted according to market capitalization.

In accordance with national governments' internationally approved infrastructure expenditure, the developed stock markets accounted for approx. 70 % of the fund's holdings. The fund mainly focused here on European industrial stocks and technology stocks in the United States. The fund's largest positions on the cut-off date were the USA's Cisco, EMC and Dell, Spain's Indra Sistemas and France's Vinci. Industrial, technology and telecommunications firms were overweighted industries. The fund achieved further growth in the period under review.

In its equity selection the fund's management continues to emphasize favorable valuations, healthy balance sheets, trustworthy management teams, easily understandable products and a positive profit margin trend.

Restructuring of the fund is relatively limited due to its calm and circumspect investment style, which is oriented in accordance with a horizon of at least 3 years.

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

Makeup of fund assets in EUR

Securities	Market value	%
Structured products – index certificates:		
USD	228,391.61	1.80
Equities:		
USD	4,692,678.16	37.05
EUR	2,475,026.85	19.54
BRL	763,112.85	6.03
GBP	678,033.37	5.35
DKK	579,854.08	4.58
JPY	547,186.61	4.32
SEK	428,956.02	3.39
IDR	365,616.47	2.89
MYR	281,654.74	2.22
HKD	270,575.83	2.14
NOK	223,606.26	1.77
INR	208,371.14	1.64
ZAR	197,882.58	1.56
CZK	176,953.46	1.40
THB	167,916.64	1.33
PLN	153,065.25	1.21
CHF	146,304.91	1.15
PHP	114,246.19	0.90
Total equities	12,471,041.41	98.47
Subscription rights:		
EUR	0.02	0.00
Total securities	12,699,433.04	100.27
Bank liabilities		
Bank liabilities in fund currency	- 199,027.60	- 1.57
Bank balances in foreign currency	120,272.89	0.95
Total bank liabilities	- 78,754.71	- 0.62
Accruals and deferrals		
Interest claims (on securities and bank balances)	- 146.75	0.00
Dividends receivable	44,065.22	0.35
Total accruals and deferrals	43,918.47	0.35
Total fund assets	12,664,596.80	100.00

Portfolio of investments in EUR

Dates indicated for securities refer to the issue and redemption dates. An issuer's right of premature redemption (where applicable) is not specified. The securities marked with a "Y" have an open-ended maturity.

ISIN	SECURITY TITLE	VOLUME 29/7/2011	PURCHASES ADDITIONS IN PERIOD UNDER REVIEW	SALES DISPOSALS	PRICE	MARKET VALUE IN EUR	% SHARE OF FUND ASSETS
STRUCTURED PRODUCTS: INDEX CERTIFICATES IN US DOLLARS							
XS0518278485	HSBC BANK PALMS N13 58D	710,000	320,000		0.460000	228,391.61	1.80
EQUITIES IN BRAZILIAN REAL							
BRBRTOACNOR8	BRASIL TELECOM	42,800	9,800	10,000	15.190000	290,269.90	2.29
BRCLSCACNPB7	CELESC PFD B	14,000	23,000	9,000	39.700000	248,152.70	1.96
BRCNFBACNPR8	CONFAB INDUSTRIAL PFD	70,000	70,000	60,000	4.140000	129,389.44	1.02
BRGGBRACNPR8	GERDAU S.A. PFD	15,000	15,000		14.230000	95,300.81	0.76
EQUITIES IN SWISS FRANCS							
CH0012138605	ADECCO SA NAM.	3,446	500	752	48.740000	146,304.91	1.15
EQUITIES IN CZECH CROWNS							
CZ0005112300	CEZ AS INH.	5,000	5,000		855.800000	176,953.46	1.40
EQUITIES IN DANISH CROWNS							
DK0010244508	A.P.MOELL.-M.NAM B	38	38		40,480.000000	206,498.73	1.63
DK0010219153	ROCKWOOL INTL NAM.B	2,600	2,600		615.000000	214,655.36	1.70
DK0010268606	VESTAS WIND SYST. NAM.	10,200	12,000	1,800	115.900000	158,699.99	1.25
EQUITIES IN EURO							
LU0323134006	ARCELORMITTAL S.A. NOUV.	8,230	2,100	1,578	21.930000	180,483.90	1.42
IT0003506190	ATLANTIA S.P.A.	16,616	7,291	2,690	13.010000	216,174.16	1.71
IE0001827041	CRH PLC	14,149	8,400	5,451	13.640000	192,992.36	1.52
DE0005557508	DT.TELEKOM AG NA	19,980	6,600	6,402	10.700000	213,786.00	1.69
IT0003856405	FINMECCANICA	32,919	17,600	4,565	6.945000	228,622.46	1.81
FR0000133308	FRANCE TELECOM INH.	14,560	4,800	2,479	14.340000	208,790.40	1.65
GRS260333000	HELLENIC TELECOM. ORG. NAM.	33,033	13,100	5,222	5.830000	192,582.39	1.52
ES0118594417	INDRA SISTEMAS INH.	16,274	4,400	3,028	13.290000	216,281.46	1.71
FR0000120537	LAFARGE	5,620	2,400	943	37.680000	211,761.60	1.67
DE0005558662	Q-CELLS SE	14,052		3,066	1.210000	17,002.92	0.13
FR0000125007	ST GOBAIN	4,804	1,200	1,670	39.550000	189,998.20	1.50
FR0000125486	VINCI S.A. INH.	5,002	1,300	1,092	40.485000	202,505.97	1.60
AT0000831706	WIENERBERGER AKT.O.N.	17,883	3,600	3,117	11.410000	204,045.03	1.61
EQUITIES IN BRITISH POUNDS							
GB00B1XZS820	ANGLO AMERICAN	7,000	1,500	1,200	29.980000	239,661.97	1.89
GB00B08SNH34	NATIONAL GRID PLC NEW	31,599	8,000	6,022	6.040000	217,961.47	1.72
GB00B16GWD56	VODAFONE GRP	116,688	21,000	20,880	1.654000	220,409.93	1.74
EQUITIES IN HONG KONG DOLLARS							
HK0000049939	CN UNICOM(HK)LTD.	120,000	78,000		15.680000	168,858.62	1.34
CNE1000003J5	JIANGSU EXPRESSWAY	154,000			7.360000	101,717.21	0.80
EQUITIES IN INDONESIAN RUPEES							
ID1000106701	AKR CORPORINDO TBK	700,000			3,075.000000	177,150.13	1.40
ID1000108103	JASA MARGA TBK	330,000	150,000		3,900.000000	105,919.73	0.84
ID1000102502	PT XL AXIATA TBK	170,000	170,000		5,900.000000	82,546.61	0.65
EQUITIES IN INDIAN RUPEES							
INE372A01015	APAR INDUSTRIES LTD	28,000	28,000		228.600000	101,544.55	0.80
INE371D01029	GEODESIC LTD.	75,000	75,000		65.250000	77,636.18	0.61
INE306B01029	ICSA INDIA DEMAT.	20,000			92.000000	29,190.41	0.23
EQUITIES IN JAPANESE YEN							
JP3112000009	ASAHI GLASS	21,000	6,000	4,000	910.000000	171,769.10	1.36
JP3234400004	GAKUJO CO. LTD.	76,100	35,700	13,600	283.000000	193,577.76	1.53
JP3932820008	YASUDA WAREHOUSE	43,600	20,300	7,500	464.000000	181,839.75	1.43
EQUITIES IN MALAYSIAN RINGGIT							
MYL688800001	AXIATA GROUP BHD	51,500			5.120000	62,537.50	0.49
MYL727700006	DIALOG GROUP	200,000		160,000	2.710000	128,547.20	1.01
MYL534700009	TENAGA NASIONAL BHD	62,500	62,500		6.110000	90,570.04	0.72

ISIN	SECURITY TITLE	VOLUME 29/7/2011	PURCHASES ADDITIONS IN PERIOD UNDER REVIEW	SALES DISPOSALS	PRICE	MARKET VALUE IN EUR	% SHARE OF FUND ASSETS
EQUITIES IN NORWEGIAN CROWNS							
NO0010063308	TELENOR ASA	19,100	4,800	3,666	90.550000	223,606.26	1.77
EQUITIES IN FILIPINO PESOS							
PHY2292T1026	ENERGY DEVELOPM.CORP.	1,015,000	1,015,000		6.790000	114,246.19	0.90
EQUITIES IN POLISH ZLOTY							
PLPGNIG00014	POLSKIE GO.NAF. A	43,000			4.330000	46,475.46	0.37
PLTAURN00011	TAURON POLSKA ENERGIA	66,000	66,000		6.470000	106,589.79	0.84
EQUITIES IN SWEDISH CROWNS							
SE0000108656	ERICSSON B (FRIA)	24,430	7,900	4,785	80.400000	216,595.21	1.71
SE0001852419	LINDAB AB	30,447	12,650	3,884	63.250000	212,360.81	1.68
EQUITIES IN THAI BAHT							
TH0465010R13	ELECTRIC.GEN.-NVDR-	20,000			95.000000	44,683.70	0.35
TH0554010R14	TOTAL ACC.COM -NVDR-	80,000	80,000	25,000	65.500000	123,232.94	0.98
EQUITIES IN US DOLLARS							
US15234Q2075	CENTRAIS EL.BR.EL. ADR	30,000	21,900		11.740000	246,293.71	1.94
US17275R1023	CISCO SYSTEMS	17,457	10,300	2,653	16.010000	195,445.15	1.54
US24702R1014	DELL INC.	19,590	5,800	6,747	16.560000	226,860.42	1.79
US2600031080	DOVER CORP.	5,121	1,200	986	60.410000	216,335.39	1.71
MHY2109Q1017	DRYSHIPS INC.	48,034	23,900	5,266	3.760000	126,299.19	1.00
RU000A0JNGA5	E.ON RUSSIYA JSC	1,500,000	1,500,000		0.097100	101,853.15	0.80
US2686481027	EMC CORP. (MASS.)	12,125	2,200	2,450	26.590000	225,457.17	1.78
US3737371050	GERDAU S.A. PFD ADR	35,600	35,600		9.210000	229,283.92	1.81
US37951Q2021	GLOBAL PORTS IN.GDR R.S 3	8,645	8,645		16.500000	99,750.00	0.79
US38259P5089	GOOGLE INC. A	483	170	82	610.940000	206,352.46	1.63
US4435102011	HUBBELL INC. B	4,960	600	951	60.410000	209,533.99	1.65
US4592001014	INTL BUS. MACH.	1,594	200	792	181.800000	202,649.79	1.60
US48203R1041	JUNIPER NETWORKS	9,628	2,100	1,643	23.790000	160,174.91	1.26
US5949181045	MICROSOFT	13,196	4,600	2,050	27.720000	255,799.38	2.02
US6074091090	MOBILNIYE TEL. ADR/2	3,300	1,500	1,700	18.690000	43,130.77	0.34
RU0007775219	MOBILNIYE TELESIST	11,400	4,000		8.500000	67,762.24	0.54
RU0009177331	MOSTOTREST	13,750	13,750		7.973900	76,672.12	0.61
US6703461052	NUCOR CORP.	7,224	2,900	1,445	38.920000	196,614.04	1.55
US68389X1054	ORACLE CORP.	9,491	1,200	1,809	30.665000	203,525.53	1.61
US7365088472	PORTLAND GEN.ELEC.CO. NEW	12,756	1,500	2,456	25.010000	223,096.20	1.76
US4662941057	RUSGIDRO OAO ADR 100	14,000			4.876000	47,737.06	0.38
US8843151023	THOMAS + BETTS	5,969	600	1,171	49.200000	205,366.99	1.62
US9032361076	URS CORP.	7,500	7,500		41.120000	215,664.34	1.70
US91912E1055	VALE S.A. ADR	13,200	13,200		32.890000	303,600.00	2.40
US92719A1060	VIMPELCOM LTD ADR 1/4	2,430		3,300	12.470000	21,190.28	0.17
US94106L1098	WASTE MANAGEMENT (DEL.)	8,513	3,300	1,487	32.680000	194,548.84	1.54
US9843321061	YAHOO INC.	20,304	4,300	3,492	13.500000	191,681.12	1.51
EQUITIES IN SOUTH AFRICAN RAND							
ZAE000132577	VODACOM GROUP PTY LTD	13,000			85.010000	115,272.00	0.91
ZAE000009932	WILSON BAYLY HOL.-OVCON	7,200			110.000000	82,610.58	0.65
TOTAL LICENSED SECURITIES ADMITTED TO TRADING ON THE OFFICIAL MARKET					EUR	12,699,433.02	100.27
SUBSCRIPTION RIGHTS IN EURO							
DE000A1E8HE9	Q-CELLS SE BZR WDL	17,118	34,236	17,118	0.000001	0.02	0.00
TOTAL LICENSED SECURITIES NOT ADMITTED TO TRADING ON THE OFFICIAL MARKET					EUR	0.02	0.00
TOTAL SECURITIES PORTFOLIO					EUR	12,699,433.04	100.27
BANK LIABILITIES							
EUR LIABILITIES		EUR	-199,027.60				
BALANCES IN OTHER EU CURRENCIES							
DKK		EUR	5,848.38				
BALANCES IN NON-EU CURRENCIES							
BRL		EUR	54,378.25				
HKD		EUR	64,397.48				
USD		EUR	-4,351.22		EUR	-78,754.71	-0.62

	CURRENCY	MARKET VALUE IN EUR	% SHARE OF FUND ASSETS
ACCRUALS AND DEFERRALS			
INTEREST CLAIMS	EUR	-146.75	
DIVIDENDS RECEIVABLE	EUR	44,065.22	0.35
TOTAL FUND ASSETS	EUR	12,664,596.80	100.00
NET ASSET VALUE PER UNIT			
TRANCHE R INCOME-DISTRIBUTING	EUR	120.91	
TRANCHE R INCOME-RETAINING	EUR	121.69	
TRANCHE R FULL INCOME-RETAINING	EUR	122.07	
TRANCHE I FULL INCOME-RETAINING	EUR	122.71	
UNITS IN CIRCULATION			
TRANCHE R INCOME-DISTRIBUTING	UNITS	2,554.570	
TRANCHE R INCOME-RETAINING	UNITS	79,455.528	
TRANCHE R FULL INCOME-RETAINING	UNITS	21,997.471	
TRANCHE I FULL INCOME-RETAINING	UNITS	10.000	

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

CZ0005112300	CEZ AS INH.	CZK	950
DE0005558662	Q-CELLS SE	EUR	4,000
PLPGNIG00014	POLSKIE GO.NAF. A	PLN	34,625
PLTAURN00011	TAURON POLSKA ENERGIA	PLN	35,050

EXCHANGE RATES

FOREIGN CURRENCY ASSETS WERE CONVERTED INTO EUR ON THE BASIS OF THE EXCHANGE RATES APPLICABLE ON 28/7/2011:

CURRENCY	UNIT	PRICE	
BRAZILIAN REAL	1 EUR =	2.239750	BRL
SWISS FRANC	1 EUR =	1.148000	CHF
CZECH CROWN	1 EUR =	24.181500	CZK
DANISH CROWN	1 EUR =	7.449150	DKK
BRITISH POUND	1 EUR =	0.875650	GBP
HONG KONG DOLLAR	1 EUR =	11.143050	HKD
INDONESIAN RUPEE	1 EUR =	12,150.711000	IDR
INDIAN RUPEE	1 EUR =	63.034400	INR
JAPANESE YEN	1 EUR =	111.254000	JPY
MALAYSIAN RINGGIT	1 EUR =	4.216350	MYR
NORWEGIAN CROWN	1 EUR =	7.734600	NOK
FILIPINO PESO	1 EUR =	60.324550	PHP
POLISH ZLOTY	1 EUR =	4.006200	PLN
SWEDISH CROWN	1 EUR =	9.068400	SEK
THAI BAHT	1 EUR =	42.521100	THB
US DOLLAR	1 EUR =	1.430000	USD
SOUTH AFRICAN RAND	1 EUR =	9.587150	ZAR

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

ISIN	SECURITY TITLE	PURCHASES ADDITIONS	SALES DISPOSALS
EQUITIES IN BRAZILIAN REAL			
BRELETACNOR6	CENTRAIS EL.BR.ELETRORBRAS		13,400
BRJSLGACNOR2	JSL S.A.	54,800	54,800
BRTNLPACNOR3	TELEMAR-TELE NORTE LESTE		5,800
BRTCSLACNORO	TIM PARTICIPACOES	47,200	47,200
BRVIVOACNPR8	VIVO PARTICIPACOES PFD		5,300
EQUITIES IN EURO			
LU0569974404	APERAM S.A.	361	361
NL0000235190	EUROP.AERON.DEF.+SP.EADS	2,600	12,631
FI0009005870	KONECRANES OYJ O.N.		7,986
DE0007236101	SIEMENS AG NA	500	2,515

ISIN	SECURITY TITLE	PURCHASES ADDITIONS	SALES DISPOSALS
EQUITIES IN HONG KONG DOLLARS			
CNE1000002F5	CHINA CMNCTS CONSTR.H		80,000
CNE1000002G3	CHINA CMNCTS SRVCS H		376,000
HK0941009539	CHINA MOBILE LTD.	22,000	40,000
CNE100000437	SHANGHAI ELECT.GRP H		112,000
EQUITIES IN HUNGARIAN FORINT			
HU0000073507	MAGYAR TELEK.T.NA A	10,000	25,000
EQUITIES IN INDONESIAN RUPEES			
ID1000111602	PERUSAHAAN GAS N.		230,000
EQUITIES IN INDIAN RUPEES			
INE877F01012	PTC INDIA LTD DEMAT.IR 10		27,000
EQUITIES IN SOUTH KOREAN WON			
KR7036460004	KOREA GAS CORP.		880
KR7032640005	LG UPLUS CORP.		6,434
EQUITIES IN MALAYSIAN RINGGIT			
MYL50520O0005	PLUS EXPRESSWAYS		83,000
EQUITIES IN POLISH ZLOTY			
PLENEA000013	ENEA S.A.		9,000
PLGTC0000037	GLOBE TRADE CENTRE		5,000
PLTLKPL00017	TPSA - TELEKOMUN. P.		15,000
EQUITIES IN THAI BAHT			
TH0961010R11	THAI TAP W.SUP.-NVDR-		500,000
EQUITIES IN US DOLLARS			
US10553M1018	BRASIL TELEC. PFD ADR 3		15,000
US1512908898	CEMEX SAB.CPO SP.ADR/10	25,000	25,000
RU0009101158	DAL.KOM.ELEKTR.		20,000
US2780581029	EATON CORP.	5,168	8,316
RU000A0JPNN9	FED.SET.KO.E.ENER.		2,100,000
US6976602077	PAMPA ENERGIA SA GDR S/25	39,000	39,000
US8792461068	TELEMAR-TELE NOR.L.PFDADR		2,500
US88706P1066	TIM PARTICIPACOES PFD ADR	9,000	9,000
US92855S2005	VIVO PARTICI. PFD ADR NEW	10,000	10,000
RU000A0JNG55	VTORAYA GENER.K.O.R.E.RL		1,000,000
EQUITIES IN TURKISH LIRA			
TRETTLK00013	TURK TELEKOMUNIKASY.		4,300
EQUITIES IN FILIPINO PESOS			
PHY2292S1043	ENERGY DEVELOPM.CORP.	400,000	1,015,000
SUBSCRIPTION RIGHTS IN BRAZILIAN REAL			
BRTCSLD10OR6	TIM PARTICIPACOES -ANR.-	39	39
SUBSCRIPTION RIGHTS IN EURO			
DE000A1EWXC0	Q-CELLS SE BZR	34,236	34,236
DANISH CROWN SECURITIES OPTIONS ON FINANCIAL FUTURES			
0VWS1F000240	VESTAS WIND SYSTEMS STOC CALL AS OF 17/6/2011	77	77

ISIN	SECURITY TITLE	PURCHASES ADDITIONS	SALES DISPOSALS
HONG KONG DOLLAR SECURITIES OPTIONS ON FINANCIAL FUTURES			
0CCC0J000725	CHINA COMM.CONS.CALL 28/10/10 7.25	80	80
0CHT0K000085	CHINA MOBILE HONGK CALL 29/11/2010 85.00	80	80
0CHT0V000775	CHINA MOBILE HONGK PUT 29/10/10 77.50	40	40
0CHT0S000725	CHINA MOBILE HONGK. PUT 29/07/10 72.50	20	20
0CHU0V000105	CHINA UNICOM PUT 28/10/2010 10.50	25	25
0CHU0V000011	CHINA UNICOM PUT 28/10/2010 11.00	10	10

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

Vienna, 14 October 2011

Raiffeisen Kapitalanlage-Gesellschaft m. b. H.


 Dr. Mathias Bauer


 Mag. (FH) Dieter Aigner


 Mag. Gerhard Aigner

Audit opinion

Unqualified audit opinion

We have audited the annual fund report including the accounting as of 31 July 2011 issued by Raiffeisen Kapitalanlage-Gesellschaft m. b. H., Vienna, for its fund Raiffeisen-Infrastructure-Equities, a jointly owned fund as per § 20 of the Austrian Investment Fund Act, for the financial year from 1 August 2010 to 31 July 2011. The annual fund report was prepared on the basis of the legal situation applicable as of the balance-sheet date pursuant to the 1993 Austrian Investment Fund Act (InvFG), as amended.

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

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

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

We are responsible for providing an audit opinion for this annual fund report on the basis of our audit.

We performed our audit pursuant to § 49 para. 5 of the Austrian Investment Fund Act whilst complying with the applicable Austrian statutory regulations and principles of proper balance-sheet auditing. These principles require our compliance with rules of professional conduct and our planning and execution of the audit so that we are able to form an opinion with a reasonable degree of certainty on whether the annual fund report is free from significant factual misstatements.

An audit includes the performance of audit activities to obtain documentation of the figures and other disclosures in the annual fund report. The audit activities are chosen at the discretion of the bank auditor, with consideration of its assessment of the risk of significant factual misstatements due to intentional or unintentional errors. In performing the risk assessment, the bank auditor gives consideration to the internal control system where this is of significance for preparation of the annual fund report and valuation of the asset portfolio, so as to specify suitable audit activities with consideration of the applicable outline conditions. No audit opinion is provided on the effectiveness of the internal control measures implemented by the management company and the custodian bank, however. The audit also includes an assessment of the appropriateness of the valuation methods used and the key estimates made by the statutory representatives as well as an evaluation of the overall statement provided in the annual fund report.

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

Audit outcome

Our audit has not met with any objections. On the basis of our audit findings, in our view the annual fund report as of 31 July 2011 for Raiffeisen-Infrastructure-Equities, a jointly owned fund as per § 20 of the Austrian Investment Fund Act, complies with the statutory regulations.

Compliance with the Austrian Investment Fund Act and the fund regulations

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

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

Report on activities performed during the past financial year

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

Vienna, 14 October 2011

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Wilhelm Kovsca
Auditor

pp. Franz Frauwallner
Auditor

Tax treatment

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

Fund regulations

governing the legal relationship between the unit holders and Raiffeisen Kapitalanlage-Gesellschaft m.b.H., Vienna (hereafter: "the asset management company") for the investment fund managed by the asset management company; these regulations shall apply in conjunction with the special fund regulations for the relevant investment fund.

§ 1 Basic situation

The asset management company is subject to the currently applicable version of the 1993 Austrian Investment Fund Act ("InvFG").

§ 2 Fund units

1. Co-ownership of the assets of the investment fund is subdivided into equal fund units for each unit certificate class. There is no limit to the number of fund units.
2. The fund units are embodied in unit certificates with the character of financial instruments. In accordance with the special fund regulations, pursuant to § 5 para. 7 InvFG the unit certificates may be issued in multiple certificate classes (unit classes, tranches), particularly in respect of the appropriation of income, the subscription fee, the redemption fee, the currency of the unit value, the management fee or a combination of these items. The unit certificates shall be represented by global certificates (§ 24 of the currently applicable version of the Austrian Safe Custody of Securities Act) and/or by actual securities for each unit certificate class.
3. Each purchaser of a unit certificate in a given class shall acquire co-ownership aliquot of all of the fund's assets in the amount of his or her share of the investment fund units documented in the certificate. Each purchaser of a share of a global certificate shall acquire co-ownership aliquot of all of the investment fund's assets in the amount of his or her share of the fund units documented in the certificate.
4. With the consent of its supervisory board, the asset management company may split the fund units and issue additional unit certificates to the unit holders or exchange the old unit certificates for new ones if a unit split is deemed to be in the interests of the co-owners given the calculated value of the units (§ 6).

§ 3 Unit certificates and global certificates

1. Unit certificates are issued to bearer.
2. The global certificates shall bear the actual signatures of an executive or an authorized employee of the custodian bank and the actual or duplicate signatures of two executives of the asset management company.
3. The actual securities shall bear the actual signature of an executive or an authorized employee of the custodian bank and the actual or duplicate signatures of two executives of the asset management company.

§ 4 Management of the investment fund

1. The asset management company shall be entitled to dispose of the assets of the investment fund and to exercise the rights associated with these assets. The company shall act on its own behalf for account of the unit holders. In these activities the asset management company shall safeguard the unit holders' interests and the integrity of the market, use the care and diligence of an orderly businessman within the meaning of § 84 para. 1 of the Austrian Companies Act and observe the provisions of the Austrian Investment Fund Act as well as the fund regulations.
 The asset management company may involve third parties in the management of the investment fund and cede to these third parties the right to dispose of the assets on behalf of the asset management company or on their own behalf and for account of the unit holders.
2. The asset management company may not grant money loans or enter into any liabilities under a surety or guarantee agreement for account of an investment fund.
3. Other than in the cases stipulated in the special fund regulations, assets of the investment fund may not be not be pledged or otherwise encumbered or given in security or assigned.
 § 4 para. 2 InvFG does not preclude the investment fund's grant of collateral in connection with derivative products pursuant to § 21 InvFG 1993, irrespective of whether such collateral is granted in the form of sight deposits, money market instruments or securities.
4. The asset management company may not for account of an investment fund sell any securities, money market instruments or other financial investments as per § 20 InvFG which do not form part of the fund assets at the time of the transaction.

§ 5 Custodian bank

The custodian bank (§ 13) appointed as per § 23 of the Austrian Investment Fund Act shall administer the cash accounts and securities accounts of the investment fund and exercise all other functions transferred to it in accordance with the Austrian Investment Fund Act and the fund regulations.

§ 6 Issuance and unit value

1. Whenever units are issued or redeemed, but at least twice a month the custodian bank shall calculate the value of a unit (unit value) for each unit certificate class and publish the issue and redemption prices (§ 7).

The value of a unit in a given unit certificate class is calculated by dividing the value of the unit certificate class by the number of units issued in this unit certificate class.

At the first-time issuance of units of a given unit certificate class, their value will be calculated on the basis of the value determined for the overall investment fund.

Subsequently, the value of a unit certificate class will be calculated on the basis of the total pro rata net assets which are held by the investment fund and calculated for this unit certificate class.

The total value of the investment fund is calculated on the basis of the current market prices and the fund's securities and subscription rights plus the value of the investment fund's money market instruments and financial investments, cash holdings, credit balances, receivables and other rights net of its liabilities. This value shall be calculated by the custodian bank.

The market prices shall be calculated pursuant to § 7 (1) InvFG on the basis of the most recent stock exchange quotations and/or fixings.

2. The issue price shall be the unit value plus a markup for each unit to cover the issuing costs of the asset management company. The resulting price shall be rounded up. The amount of this markup or rounding-up is indicated in the special fund regulations (§ 23).

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

Please see the prospectuses for further details.

3. Pursuant to § 18 InvFG in connection with § 10 para. 3 of the Austrian Capital Market Act, the issue price and the redemption price shall be published electronically for each unit certificate class on the Internet website of the issuing asset management company (www.rcm.at).

§ 7 Redemption

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

2. The redemption price shall be calculated on the basis of the value of a unit less any markdown and/or a rounding-off where this is stipulated in the special fund regulations (§ 23).

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

Please see the prospectuses for further details.

If extraordinary circumstances exist that make it seem necessary – whilst taking into consideration the unit holders' legitimate interests – distributions at the redemption price and the calculation and publication of the redemption price as per § 6 may be temporarily suspended and made subject to the sale of investment fund assets and receipt of the proceeds from their sale if the Austrian Financial Market Authority is simultaneously notified and a relevant publication is made pursuant to § 10. Investors shall also be notified of the recommencement of redemption of unit certificates pursuant to § 10.

This shall in particular be the case if 5 per cent or more of the investment fund's assets have been invested in assets whose market value manifestly and not just in individual cases fails to correspond to their fair value due to the current political or economic situation.

§ 8 Accounting

1. The asset management company shall publish an annual fund report in accordance with § 12 of the Austrian Investment Fund Act within four months of the expiry of the investment fund's accounting year.
2. The asset management company shall publish a semi-annual fund report in accordance with § 12 of the Austrian Investment Fund Act within two months of the expiry of the first six months of the investment fund's accounting year.
3. The annual and semi-annual fund reports shall be made available for inspection at the offices of the asset management company and the custodian bank and published on the website of the asset management company (www.rcm.at).

§ 9 Withdrawal period for income shares

Unit holders' entitlement to the distribution of income shares shall become time-barred after five years. After this period, such income shares shall be treated as income of the investment fund.

§ 10 Publication

§10 para. 3 and para 4 of the Austrian Capital Market Act shall apply in respect of all publications concerning the unit certificates except for the notice of the values calculated pursuant to § 6.

Publications shall occur either through the printing in full of such documents in the "Amtsblatt zur Wiener Zeitung" (Official Gazette) or else by making available free-of-charge a sufficient number of copies of this publication at the offices of the asset management company and the payment offices and announcing in the "Amtsblatt zur Wiener Zeitung" (Official Gazette) the date of publication and offices where this public announcement may be obtained or, pursuant to § 10 para. 3 item 3 of the Austrian Capital Market Act in electronic form on the website of the issuing asset management company.

Notifications pursuant to § 10 para. 4 of the Austrian Capital Market Act shall be made in the "Amtsblatt zur Wiener Zeitung" (Official Gazette) or in a newspaper circulated throughout Austria.

For prospectus changes pursuant to § 6 para. 2 InvFG, the notification pursuant to § 10 para. 4 of the Austrian Capital Market Act may merely be provided in electronic form on the website of the issuing asset management company.

§ 11 Amendment to the Fund Regulations

With the consent of its supervisory board and the custodian bank, the asset management company may amend the fund regulations.

Such amendment shall also require the approval of the Austrian Financial Market Authority. Such amendment shall be published. It shall come into force on the date indicated in the public announcement, but not earlier than three months since the public announcement.

§ 12 Termination and liquidation

1. The asset management company may terminate (§ 14 para. 2 InvFG) its management of the investment fund by providing a public announcement (§ 10) after obtaining the consent of the Austrian Financial Market Authority and whilst observing a notice period of at least six months (§ 14 para. 1 InvFG) or, if the fund assets are less than EUR 1,150,000, without observing a notice period. A termination pursuant to § 14 para. 2 InvFG shall not be permissible during a termination pursuant to § 14 para. 1 InvFG.
2. In case of the expiry of the right of the asset management company to manage the investment fund, this fund shall be managed or wound up in accordance with the relevant provisions of the Austrian Investment Fund Act.

§ 12a Merger or transfer of fund assets

Whilst observing § 3 para. 2 and § 14 para. 4 of the Austrian Investment Fund Act, the asset management company may merge the fund assets of the investment fund with fund assets of other investment funds or transfer the fund assets of the investment fund to fund assets of other investment funds or incorporate fund assets of other investment funds into the fund assets of the investment fund.

Special fund regulations

for Raiffeisen-Infrastructure-Equities, a jointly owned fund as per § 20 of the Austrian Investment Fund Act (hereafter: “the investment fund”).

The investment fund complies with Directive 85/611/EEC.

§ 13 Custodian bank

The custodian bank is Raiffeisen Bank International Aktiengesellschaft*, Vienna (registered office).

§ 14 Payment and handover offices, unit certificates, unit certificate classes

1. The payment and handover offices for the unit certificates and the income coupons are Raiffeisen Bank International Aktiengesellschaft*, Vienna, the regional Raiffeisen banks and Kathrein & Co Privatgeschäftsbank Aktiengesellschaft, Vienna.
2. Unit certificates may be issued for the investment fund with a variety of different characteristics, particularly with regard to the appropriation of income, the subscription fee, the redemption fee, the currency of the unit value, the management fee or a combination of these items.

The asset management company may decide to establish new unit certificate classes or to issue units in a given unit certificate class. Income-distributing unit certificates, income-retaining unit certificates with capital gains tax deducted and income-retaining unit certificates without capital gains tax deducted may be issued for the investment fund.

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

Investment instruments may only be acquired uniformly for the entire investment fund, not for an individual unit certificate class or for a group of unit certificate classes.

However, this does not apply for currency hedge transactions. These transactions may only be entered into in relation to a single currency class. Expenses and income resulting from a currency hedge transaction shall exclusively be allocated to the relevant currency class.

In particular, forward exchange transactions, currency futures, currency options and currency swaps shall be permitted as currency hedge transactions.

Please see the prospectuses for further details.

3. Income-retaining unit certificates without deducted capital gains tax (foreign tranche) may only be sold outside Austria. The unit certificates shall be represented by global certificates and – at the discretion of the asset management company – by actual securities.
4. Where the unit certificates are represented by global certificates, the distributions as per § 26 and the outpayments as per § 27 shall be accredited by the unit holder’s custodian bank.

§ 15 Investment instruments and principles

1. In accordance with §§ 4, 20 and 21 of the Austrian Investment Fund Act and §§ 16ff of the fund regulations, all types of securities, money market instruments and other liquid financial investments may be purchased for the investment fund if the principle of risk spreading is thereby taken into account and the legitimate interests of the unit holders are not violated.
2. The investment fund’s various assets shall be selected in accordance with the following investment principles:

– Securities (including securities with embedded derivative instruments)

The investment fund mainly invests in equities and equity-equivalent securities issued by companies which are headquartered or mainly active in emerging markets in Asia, Latin America, Africa, Europe, the Middle East as well as North America, Europe and the developed countries of the Pacific region and which are active in the industry, technology, telecommunications, utilities, energy, healthcare and other sectors for the development and maintenance of infrastructure. The investment fund also invests in straight bonds and in convertible and warrant bonds.

– Money market instruments

Money market instruments may account for up to 49 per cent of the investment fund’s assets.

* On 10 October 2010 Raiffeisen Bank International AG assumed the commercial customer business previously handled by Raiffeisen Zentralbank Österreich Aktiengesellschaft (including its custodian bank and paying agent functions) by way of universal succession.

- **Units in investment funds**
In accordance with § 17 of the fund regulations, units may be purchased in other investment funds for the investment fund up to an amount of 10 per cent of the fund assets.
 - **Sight deposits or deposits at notice**
In principle, up to 49 per cent of the investment fund's assets may consist of sight deposits or deposits at notice with notice periods not exceeding 12 months. However, the investment fund may contain a larger proportion of sight deposits or deposits at notice with notice periods not exceeding 12 months during fund portfolio restructuring or in order to lessen the effect of potential falls in prices for securities. No minimum bank balance is required.
 - **Derivative instruments (including swaps and other OTC derivatives)**
As part of the investment scheme, derivative instruments are used to safeguard income, as a replacement for securities or to increase income. The overall risk for derivative instruments which are not held for hedging purposes is limited to 60 per cent of the overall net value of the fund assets.
3. If securities and money market instruments purchased for the investment fund have derivatives embedded in them, the asset management company shall take this into consideration with regard to its compliance with §§ 19 and 19a. Investments made by an investment fund in index-based derivatives shall not be taken into consideration in respect of the investment limits set out in § 20 para. 3 items 5, 6, 7 and 8d of the Austrian Investment Fund Act.
 4. Not fully paid-in equities or money market instruments and subscription rights for such instruments or other not fully paid-in financial instruments may only be purchased up to an amount of 10 per cent of the fund assets.
 5. Securities or money market instruments issued or guaranteed by a member state including its units of government, by a third country or by international organizations established under public law of which one or more member states are members may exceed 35 per cent of the fund assets if the fund assets are invested in at least six different issues, with an investment in any single issue not exceeding 30 per cent of the fund assets.

§ 15a Securities and money market instruments

Securities are

- a) Equities and other, equity-equivalent securities,
- b) Bonds and other securitized debt instruments,
- c) All other marketable financial instruments (e.g. subscription rights) which grant an entitlement to purchase financial instruments within the meaning of InvFG by means of subscription or exchange, with the exception of the techniques and instruments specified in § 21 InvFG.

The criteria laid down in § 1a para. 3 InvFG must be fulfilled in order to qualify as a security.

Within the meaning of § 1a para. 4 InvFG securities also include

1. units in closed funds in the form of an investment company or an investment fund,
2. units in closed funds in contractual form,
3. financial instruments in accordance with § 1a para. 4 item 3 InvFG.

Money market instruments are instruments normally traded on the money market which are liquid, whose value may be precisely determined at any time and which fulfill the requirements pursuant to § 1a para. 5 to 7 InvFG.

§ 16 Stock exchanges and organized markets

1. Securities and money market instruments may be purchased if they are
 - quoted or traded on a regulated market pursuant to § 2 item 37 of the Austrian Banking Act or
 - traded on another recognized and regulated securities market in a member state which is open to the public and operates regularly or
 - officially listed by a third country stock exchange listed in the Appendix or
 - traded on another recognized and regulated third country securities market which is open to the public and operates regularly and is listed in the Appendix or
 - their terms and conditions of issue include the obligation to apply for a license for official listing or for trading on one of the above-mentioned stock exchanges or for trading on one of the other above-mentioned markets and this license is granted within one year of the start of the issue of these securities.
2. Money market instruments which are not traded on a regulated market and which are freely transferable, are normally traded on a money market, are liquid and whose value may be determined precisely at any time and for which appropriate information is available – including information enabling an appropriate valuation of the credit risks associated with investing in such instruments – may be purchased for the investment fund if the issue itself or the issuer itself is subject to the provisions concerning protection of deposits and investors and these are either
 - issued or guaranteed by a central, regional or local unit of government or by the central bank of a member state, the European Central Bank, the European Union or the European Investment Bank, a third country or – for federal states – a member state of a federation or by an international institution established under public law of which at least one member state is a member or

- issued by firms whose securities are traded on the regulated markets indicated in item 1 – excluding new issues – or
 - issued or guaranteed by an institution which is subject to supervision in accordance with the criteria stipulated in Community law or issued or guaranteed by an institution which is subject to and complies with supervisory regulations which in the opinion of the Austrian Financial Market Authority are at least as stringent as those set out in Community law or
 - issued by other issuers belonging to a category licensed by the Austrian Financial Market Authority, where investor protection provisions apply for investments in these instruments which are equivalent to those set out in items a to c and where the issuer is either a company with shareholders' equity of at least EUR 10 m. which prepares and publishes its annual financial statements in accordance with the provisions set out in Directive 78/660/EEC or a legal entity which, within a business group comprising one or more stock exchange-listed companies, is responsible for the financing of this group or a legal entity which, in business, corporate or contractual form, is due to finance its securitization of liabilities through a credit line granted by a bank; such credit line must be guaranteed by a financial institution which itself fulfills the criteria specified in item 2 sec. 3.
3. Overall, up to 10 per cent of the fund assets may be invested in securities and money market instruments which do not comply with the conditions set out in items 1 and 2.

§ 17 Units in investment funds

1. Units in investment funds (= investment funds and open-end investment companies) which comply with the provisions set out in Directive 85/611/EEC (UCITS) may be purchased where these funds do not invest more than 10 per cent of their assets in units in other investment funds.
2. Units in investment funds which do not comply with the provisions set out in Directive 85/611/EEC (UCI) and whose exclusive purpose is
 - for joint account and in accordance with the principle of risk spreading to invest publicly procured monies in securities and other liquid financial investments and
 - whose units are, at the request of the unit holders, repurchased or redeemed at the direct or indirect expense of the assets of the investment fund

may be purchased for up to 10 per cent of the fund assets in total where

- a) these funds do not invest more than 10 per cent of the fund assets in units in other investment funds and
- b) they are licensed in accordance with legal provisions which make them subject to supervision which in the opinion of the Austrian Financial Market Authority is equivalent to supervision under Community law and there is an adequate guarantee of cooperation between the authorities and
- c) the level of protection afforded the unit holders is equivalent to the level of protection afforded the unit holders in investment funds which comply with the provisions set out in Directive 85/611/EEC (UCITS) and, in particular, the provisions concerning separate safekeeping of the portfolio of assets, the take-up of loans, the extensions of loans and uncovered sales of securities and money market instruments are equivalent to the requirements set out in Directive 85/611/EEC and
- d) the relevant business activity is the subject of annual and semi-annual reports which enable a judgment to be made as to the relevant assets and liabilities, income and transactions during the period under review.

The criteria stated in § 3 of the Austrian Information and Equivalency Determination Ordinance (IG-FestV), as amended, shall be consulted for evaluation of the equivalency of the level of protection for unit holders within the meaning of item c).

3. Units may also be purchased for the investment fund in investment funds which are directly or indirectly managed by the same asset management company or by a company with which the asset management company is affiliated through joint management or subordination or a substantial direct or indirect investment.
4. Units in investment funds in accordance with § 17 item 1 in connection with § 17 item 2 of the fund regulations may be purchased for up to 10 per cent of the fund assets overall.

§ 18 Sight deposits or deposits at notice

Bank balances in the form of sight deposits or deposits at notice with notice periods not exceeding 12 months may be held for the investment fund. No minimum bank balance is required. Bank balances may not exceed 49 per cent of the fund assets. However, the investment fund may contain a larger proportion of bank balances during fund portfolio restructuring or in order to lessen the effect of potential falls in security prices.

§ 19 Derivatives

1. Derived financial instruments (derivatives) – including equivalent instruments which are settled in cash and traded on one of the regulated markets indicated in § 16 – may be purchased for the investment fund if the underlying instruments are instruments within the meaning of § 15a or financial indices, interest rates, exchange rates or currencies in which the investment fund is permitted to invest in accordance with its investment principles (§ 15). This also includes instruments for the transfer of the credit risk for the above-mentioned assets.
2. The overall risk associated with the derivatives may not exceed the overall net value of the fund assets. A calculation of this risk must take into consideration the market value of the underlying instruments, the default risk, future market fluctuations and the liquidity period for the positions.

3. The investment fund may purchase derivatives as part of its investment strategy within the limits stipulated in § 20 para. 3 items 5, 6, 7, 8a and 8d of the Austrian Investment Fund Act if the overall risk associated with the underlying instruments does not exceed these investment limits. The overall risk for derivative instruments which are not held for hedging purposes is limited to 60 per cent of the overall net value of the fund assets.

§ 19a OTC derivatives

1. Derived financial instruments which are not traded on a stock exchange (OTC derivatives) may be purchased for the investment fund if
 - a) the underlying instruments are in accordance with § 19 item 1,
 - b) the counterparties are supervised institutions belonging to categories licensed by the Austrian Financial Market Authority by regulation,
 - c) the OTC derivatives are subject to reliable and verifiable daily valuation and at the initiative of the investment fund may at any time and at an appropriate current market value be sold, liquidated or balanced through an offsetting transaction and
 - d) these instruments are invested within the limits stipulated in § 20 para. 3 items 5, 6, 7, 8a and 8d InvFG and the overall risk associated with the underlying instruments does not exceed these investment limits.
2. The default risk for investment fund transactions involving OTC derivatives may not exceed the following levels:
 - a) if the counterparty is a credit institution, 10 per cent of the fund assets,
 - b) otherwise 5 per cent of the fund assets.

§ 19b Value at risk

Not applicable.

§ 20 Borrowing

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

§ 21 Repos

Within the investment limits set out in the Austrian Investment Fund Act, the asset management company shall be permitted to purchase assets for account of the investment fund to be added to the fund's assets subject to an obligation on the seller to repurchase these assets at a predetermined time and for a predetermined price.

§ 22 Securities lending

Within the investment limits laid down by the Austrian Investment Fund Act, the asset management company shall be entitled to transfer to third parties securities up to the amount of 30 per cent of the fund's assets within the framework of an acknowledged securities lending system and for a limited period, subject to the proviso that the third party shall be obliged to re-transfer the transferred securities after a predetermined loan period.

§ 23 Issuance and redemption modalities

The unit value pursuant to § 6 shall be calculated in EUR or the currency of the unit certificate class.

The subscription fee to cover the company's issuing costs may not exceed 4 per cent.

For unit certificates of the investment fund sold outside Austria, to cover the issuing costs instead of the subscription fee a redemption fee of up to 4 per cent or a combination of a subscription fee and a redemption fee which may not exceed 4 per cent may be added to the calculated value.

The redemption price is based on the value of a unit.

Please see the prospectuses for further details.

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

§ 24 Accounting year

The investment fund's accounting year runs from August 1 through to July 31 of the following calendar year.

§ 25 Management fee, reimbursement of expenses

The asset management company shall receive for its management activity an annual remuneration of up to 2 per cent of the fund assets, calculated pro rata on the basis of the values at the end of each month.

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

Please see the prospectuses for further details.

The asset management company shall also be entitled to reimbursement for all expenses associated with its management of the fund, particularly costs associated with custodian bank fees, transaction costs, obligatory notices, custodian fees and auditing, consulting and fund report costs.

§ 26 Appropriation of income in case of income-distributing unit certificates

Once costs have been covered, the income received during the past accounting year (interest and dividends) may be distributed at the discretion of the asset management company. The distribution of income from the sale of assets of the investment fund including subscription rights shall likewise be at the discretion of the asset management company. A distribution from the fund assets is also permissible. In no case may the fund assets fall below EUR 1,150,000 through distributions. From October 15 of the following accounting year the amounts are to be distributed to the holders of income-distributing unit certificates, if appropriate against surrender of an income coupon. Any remaining balances shall be carried forward to a new account.

In any case, from October 15 an amount calculated in accordance with § 13 clause 3 InvFG shall be paid out, to be used where applicable to meet any capital gains tax commitments on the distribution-equivalent return on those unit certificates.

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

Income during the accounting year net of costs shall not be distributed. Instead, from October 15 an amount calculated in accordance with § 13 clause 3 InvFG shall be paid out on income-retaining fund unit certificates to be used where applicable to meet any capital gains tax commitments on the distribution-equivalent return on those unit certificates.

§ 27a Appropriation of income in case of income-retaining unit certificates without capital gains tax deducted (full income retention – domestic and foreign tranches)

Not applicable.

§ 27b Appropriation of income in case of income-retaining unit certificates without capital gains tax deducted (full income retention – foreign tranche)

Income during the accounting year net of costs shall not be distributed. No payout as per § 13 clause 3 InvFG shall occur.

The asset management company shall ensure through appropriate proof from the custodians that at the time of the payout the unit certificates may only be held by unit holders who are either not subject to Austrian income or corporate income tax or who fulfill the requirements for an exemption as per § 94 of the Austrian Income Tax Act.

§ 28 Liquidation

Of the net liquidation proceeds, the custodian bank shall receive remuneration amounting to 0.5 per cent of the fund assets.

Appendix to § 16

List of stock exchanges with official trading and organized markets

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

According to Article 16 of Directive 93/22/EEC (investment services in the securities field), each member state is obliged to maintain an up-to-date directory of its licensed markets. This directory is to be made available to the other member states and to the Commission. According to this provision, the Commission is obliged to publish once a year a directory of the regulated markets of which it has received notice.

Due to decreasing restrictions and to trading segment specialization, the directory of "regulated markets" is undergoing great changes. In addition to the annual publication of a directory in the official gazette of the European Communities, the Commission will therefore provide an updated version on its official internet site.

1.1 The current directory of regulated markets is available at:
http://www.fma.gv.at/cms/site/attachments/0/9/6/CH0236/CMS1230557514954/27072009-liste_geregelte_maerkte.pdf¹
in the "Verzeichnis der Geregelten Märkte (pdf)" ["Directory of Regulated Markets (pdf)"].

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

1.2.1 Luxembourg Euro MTF Luxembourg

1.3 Recognized markets in the EEA pursuant to § 20 para. 3 item 1 sec. b InvFG:
Markets in the EEA classified as recognized markets by the relevant supervisory authorities.

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

2.1	Bosnia & Herzegovina	Sarajevo, Banja Luka
2.2	Croatia	Zagreb Stock Exchange
2.3	Russia	Moscow (RTS Stock Exchange)
2.4	Switzerland	SWX Swiss Exchange
2.5	Serbia and Montenegro	Belgrade
2.6	Turkey	Istanbul (for Stock Market, "National Market" only)

¹ The link may be modified by the Austrian Financial Market Authority (FMA). Please see the FMA's website, www.fma.gv.at, for the current link, Providers, "Information on Providers within Austrian Financial Market", Stock Exchange, Overview, Downloads, Verzeichnis der Geregelten Märkte.

3. Stock exchanges in non-European states

3.1	Australia	Sydney, Hobart, Melbourne, Perth
3.2	Argentina	Buenos Aires
3.3	Brazil	Rio de Janeiro, Sao Paulo
3.4	Chile	Santiago
3.5	China	Shanghai Stock Exchange, Shenzhen Stock Exchange
3.6	Hong Kong	Hong Kong Stock Exchange
3.7	India	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	Korea Exchange (Seoul, Busan)
3.13	Malaysia	Bursa Malaysia Berhad
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. Organized markets in states which are not members of the European Community

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

5. Stock exchanges with futures and options markets

5.1	Argentina	Bolsa de Comercio de Buenos Aires
5.2	Australia	Australian Options Market, Australian Securities Exchange (ASX)
5.3	Brazil	Bolsa 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).