



**Semi-annual report  
as at 31st March 2017**

# **KBC RENTA**

Investment Company with Variable Capital (SICAV)  
Luxembourg

R.C.S. Luxembourg B 23 669

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# KBC RENTA

## Organisation

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### Registered office

80 route d'Esch  
L-1470 LUXEMBOURG

### Board of Directors

#### *Chairman*

Wouter VANDEN EYNDE

Director of KBC Funds  
KBC ASSET MANAGEMENT N.V.  
2, avenue du Port  
B-1080 BRUSSELS

#### *Directors*

Frank JANSEN

Senior Fund Manager  
KBC ASSET MANAGEMENT S.A.  
4, rue du Fort Wallis  
L-2714 LUXEMBOURG

Karel DE CUYPER

Conducting Officer  
KBC ASSET MANAGEMENT S.A.  
4, rue du Fort Wallis  
L-2714 LUXEMBOURG

Jos LENAERTS

Senior Legal Advisor  
KBC ASSET MANAGEMENT S.A.  
4, rue du Fort Wallis  
L-2714 LUXEMBOURG

### Management Company/Alternative Investment Fund Manager

KBC ASSET MANAGEMENT S.A.  
4, rue du Fort Wallis  
L-2714 LUXEMBOURG

### Board of Directors of the Management Company

#### *Chairman*

Dirk MAMPAEY

President of the Executive Committee  
KBC ASSET MANAGEMENT N.V.  
2, avenue du Port  
B-1080 BRUSSELS

**Board of Directors of the Management Company (continued)**

*Directors*

|                   |  |
|-------------------|--|
| Ivo BAUWENS       | General Manager<br>KBC GROUP RE S.A.<br>4, rue du Fort Wallis<br>L-2714 LUXEMBOURG     |
| Jürgen VERSCHAEVE | Managing Director<br>KBC ASSET MANAGEMENT N.V.<br>2, avenue du Port<br>B-1080 BRUSSELS |

**Conducting officers of the Management Company**

Lazlo BELGRADO  
Karel DE CUYPER

**Central administration**

KBC ASSET MANAGEMENT S.A.  
4, rue du Fort Wallis  
L-2714 LUXEMBOURG

**Delegated central administration**

BROWN BROTHERS HARRIMAN (LUXEMBOURG) S.C.A.  
80 route d'Esch  
L-1470 LUXEMBOURG

**Investment managers for the following sub-funds:**

**KBC Renta Czechrenta**

CSOB ASSET MANAGEMENT A.S.  
Perlova 37115, 11000 Praha 1  
CZECH REPUBLIC

**KBC Renta Zlotyrenta**

KBC TFI S.A.  
Chmielna 85/87  
PL-00-805 WARSAW

**KBC Renta Forintrenta**

K & H BEFEKTETESI ALAPKEZELO Zrt.  
Vigado tér 1  
H-1051 BUDAPEST

## KBC RENTA

### Organisation (continued)

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#### **Socially responsible investment advisor for the following sub-funds:**

KBC Renta Decarenta  
KBC Renta Sekarenta  
KBC Renta Canarenta  
KBC Renta Sterlingrenta  
KBC Renta AUD-Renta  
KBC Renta NZD-Renta  
KBC Renta Nokrenta

KBC ASSET MANAGEMENT N.V.  
2, avenue du Port  
B-1080 BRUSSELS

#### **Depository and principal paying agent**

BROWN BROTHERS HARRIMAN (LUXEMBOURG) S.C.A.  
80 route d'Esch  
L-1470 LUXEMBOURG

#### ***Cabinet de révision agréé***

DELOITTE Audit  
*Société à responsabilité limitée*  
560, rue de Neudorf  
L-2220 LUXEMBOURG

#### **Financial services and paying agents**

**in Austria**  
ERSTE BANK DER ÖSTERREICHISCHEN SPARKASSEN AG  
Graben 21  
A-1010 VIENNA

**in Belgium**  
CBC BANQUE S.A.  
5, Grand'Place  
B-1000 BRUSSELS

KBC BANK N.V.  
2, avenue du Port  
B-1080 BRUSSELS

**in Czech Republic**  
ČESKOSLOVENSKÁ OBCHODNÍ BANKA, A.S.  
Praha 5, Radlická 333/150  
CZ-15057 PRAGUE 5

**in France**  
CM-CIC Securities  
6, avenue de Provence  
F-75009 PARIS



**Financial services and paying agents (continued)**

**in Germany**

BREMER KREDITBANK AG  
Wachtstrasse 16  
D-28195 BREMEN

**in Luxembourg**

BROWN BROTHERS HARRIMAN (LUXEMBOURG) S.C.A.  
80 route d'Esch  
L-1470 LUXEMBOURG

BANQUE INTERNATIONALE À LUXEMBOURG S.A.  
69 route d'Esch  
L-1470 LUXEMBOURG  
(for the certificated bearer shares issued before 20th June 2016)

**in Slovakia**

ČESKOSLOVENSKÁ OBCHODNÍ BANKA, A.S.  
Laurinska 1  
815 63 BRATISLAVA

**Legal representatives**

**in Austria**

ERSTE BANK DER ÖESTERREICHISCHEN SPARKASSEN AG  
Graben 21  
A-1010 VIENNA

**in Belgium**

KBC ASSET MANAGEMENT N.V.  
2, avenue du Port  
B-1080 BRUSSELS

**in Czech Republic**

ČESKOSLOVENSKÁ OBCHODNÍ BANKA, A.S.  
Praha 5, Radlická 333/150  
CZ-15057 PRAGUE 5

**in Germany**

BREMER KREDITBANK AG  
Wachtstrasse 16  
D-28195 BREMEN

**in France**

CM-CIC SECURITIES  
6, avenue de Provence  
F-75009 PARIS

**in Slovakia**

KBC ASSET MANAGEMENT N.V.  
Pobočka zahraničnej správ.spol.  
Medená 22  
811 02 BRATISLAVA

# KBC RENTA

## General information

KBC RENTA (hereafter the "SICAV") is a Luxembourg *Société d'Investissement à Capital Variable* ("SICAV") established in Luxembourg on 6th January 1986 for an unlimited period. The SICAV is governed by Part I of the amended Law of 17th December 2010 relating to Undertakings for Collective Investment in Transferable Securities and to the Council Directive 2009/65/EC as amended.

Under the terms of the contract that took effect on 1 May 2006, the SICAV appointed KBC Asset Management SA to be its Management Company within the meaning of Chapter 15 of the amended Law of 17 December 2010.

The articles of incorporation of the SICAV were published in the *"Mémorial C, Recueil des Sociétés et Associations"* and have been filed with the *"Registre de Commerce et des Sociétés de Luxembourg"*, where copies are available. The SICAV is registered under number B -23669.

### Distribution policy

Within each sub-fund of the SICAV, all shares issued are either distribution shares (category A) or capitalisation shares (category B). Within each category of shares, some sub-categories of shares can be created, characterized by their currency, their fees or by any other characteristic.

Distribution shares entitle their holder to a dividend, whereas the shares of the results attributable to capitalisation shares are not paid out but are accumulated.

The sub-category "Institutional B shares sub-category" of capitalisation type is dedicated to the investment vehicles promoted by the KBC group.

The sub-category "Classic Shares sub-category" of distribution type is dedicated to the investment vehicles promoted by the KBC group.

The latest annual reports including audited financial statements and semi-annual reports, the complete prospectus, the KIID and the articles of incorporation may be obtained free of charge from the SICAV's registered office, from the institutions responsible for providing financial services, from the paying agents and from the legal representatives.

The following sub-funds are currently active:

|                                 |        |
|---------------------------------|--------|
| - KBC Renta Decarenta           | in DKK |
| - KBC Renta Eurorenta           | in EUR |
| - KBC Renta Sekarenta           | in SEK |
| - KBC Renta Dollarenta          | in USD |
| - KBC Renta Yenrenta            | in JPY |
| - KBC Renta Canarenta           | in CAD |
| - KBC Renta Sterlingrenta       | in GBP |
| - KBC Renta Swissrenta          | in CHF |
| - KBC Renta Emurenta            | in EUR |
| - KBC Renta Czechrenta          | in CZK |
| - KBC Renta AUD-Renta           | in AUD |
| - KBC Renta NZD-Renta           | in NZD |
| - KBC Renta Short EUR           | in EUR |
| - KBC Renta Medium EUR          | in EUR |
| - KBC Renta Long EUR            | in EUR |
| - KBC Renta Zlotyrenta          | in PLN |
| - KBC Renta Forintrenta         | in HUF |
| - KBC Renta Slovakrenta         | in EUR |
| - KBC Renta Nokrenta            | in NOK |
| - KBC Renta TRY-Renta           | in TRY |
| - KBC Renta Short USD           | in USD |
| - KBC Renta Strategic Accents 1 | in EUR |

#### **Additional information for the investors in Germany**

The fiscal data concerning all the shares and the categories of shares of the sub-funds of the SICAV are available within four months following the year-end of the SICAV and may be directly visualised on the following internet site of BREMER KREDITBANK AG [www.kbcfonds.de](http://www.kbcfonds.de).

The statement of changes in the investment portfolio for the year related to the report is available free of charge at the German paying and information agent, BREMER KREDITBANK AG, Wachtstrasse 16, D-28195 BREMEN.

Moreover, the prospectus, the KIID, the articles of incorporation of the SICAV, the semi-annual and annual reports in paper form are available there free of charge. In supplement, copies of the following documents may be inspected there during usual business hours on any bank business day:

- the domiciliation agreement;
- the agreement of appointment of the Management Company;
- the depositary agreement;
- the paying agent agreement.

The subscription, conversion and redemption prices are available at the information agent.

#### **Supplementary information for the investors in Austria**

**Place where the shareholders ("investors") may obtain the prescribed documents and information in reference to §§ 141, 142 InvFG 2011:**

ERSTE BANK DER ÖSTERREICHISCHEN SPARKASSEN AG, Graben 21, A-1010 VIENNA, phone 0043 (0) 50100 12139, fax 0043 (0) 50100 9 12139.

The prospectus, the KIID, the articles of incorporation of the SICAV, the semi-annual and annual reports including audited financial statements as well as the prices of subscriptions and redemptions are available and other data and documents may be consulted there.

#### **Supplementary information for the investors in Belgium**

In Belgium, the financial services for the SICAV are provided by:

- KBC Bank N.V., 2, avenue du Port, B-1080 BRUSSELS,
- CBC Banque S.A., 5, Grand'Place B-1000 BRUSSELS.

The investors may contact any of these institutions' branches to obtain the prospectus, subscribe to shares in the SICAV, redeem their shares or obtain payment on their coupons.

The investors are asked to refer to the Belgian appendix of the prospectus, which explains all the terms and conditions that apply to them.

#### General Investment Climate 1 April 2016 – 31 March 2017

##### Stock markets higher

The world stock index ended 2016 in style (11.7% higher in euro terms), but it was a year of two halves. The year got off to a turbulent start, with global stock markets falling by an average of 15%. The central banks stuck to their accommodative policy or even intensified it. When fears of a recession in China and the United States ("US") eased, the markets recovered. This recovery was temporarily interrupted by the United Kingdom's ("UK") decision to leave the European Union ("EU") (Brexit). This weighed in particular on European markets, which subsequently proved unable to close the gap again on the other markets. After the victory of President Trump in the US, the stock market made a strong final sprint. Improved economic prospects, the recovery of earnings from the third quarter onwards and the hope of stimulatory policies from Trump drove up share prices. This also caused 10-year yields in the US to rise sharply (by 100 basis points) and the USD to appreciate (by 5%).

At the beginning of 2017, things are looking good for shares. Growth is clearly picking up, especially in the traditional Western countries, and we are experiencing higher inflation. The market is, however, no longer focusing solely on the positive aspects of the policy that President Trump is expected to pursue: fears are creeping in concerning his protectionist agenda. Even so, 2017 has so far seen global stock markets making gains averaging 4%.

From a regional perspective, the emerging markets in particular (with exporters of commodities like Brazil heading the pack) doing very well in 2016 and the opening months of 2017. European stock markets, which were adversely affected mainly by political uncertainty in 2016 (Brexit, referendum in Italy, etc.) clearly lagged behind. However, they have been able to regain some of the lost ground in the initial months of 2017.

Energy and commodity producers were by far the best-performing sectors in the period under review, boosted by the higher prices of many basic goods, not least the price of oil. Other sectors dependent on a better economic climate (industry) or higher interest rates (financials) were also among the winners. Mostly more defensive sectors, such as health care and consumer discretionary, were the ones that clearly lagged behind.

##### Bond yields take a turn for the better

2016 will enter the history books as the year in which interest rates on long-term bonds dipped below zero for the very first time. 2017 will probably go down as the year of negative returns on traditional government bonds. The downward trend in interest rates came to an end in the final quarter of 2016, and that has been coupled with losses on the bond markets. Bond yields are creeping up worldwide.

Inflationary expectations lie behind rising bond yields. The low price of oil exerted downward pressure on general inflation during the past two or three years. In recent months we have seen the initially negative oil price effect turn around and contribute positively towards the inflation figures. Investors who were convinced that inflation would stay low forever were taken by surprise and adjusted their inflation forecasts. The prospect of inflation further eroding purchasing power in the near future means that investors are looking to receive additional compensation for the money they make available.

In addition to the disappearance of the negative oil price effect, there has also been a gradual increase in the price pressure on producers. Price pressure is increasing not only in China due to the disappearance of surplus capacity; in the US and the euro area, too, the year-on-year change in producer prices has turned positive. In the future, this too could translate into rising consumer prices.

Shortly after Trump's election as US President, inflationary expectations in the US were pushed up further. The markets expected Trump and his Republican supporters to launch a large-scale investment programme for infrastructure and other projects. Going for budgetary expansion means

that inflation could increase further, with additional tightening measures being taken by the Federal Reserve ("Fed") as a result. In recent months it has become clear that investors were expecting rather too much of Trump's ambitions, whereupon US rates stabilised again to some extent. Republicans, furthermore, do not like budget deficits and mounting public debt. It remains to be seen if, and how far, Trump will ultimately push through his spending plans.

In spite of the upsurge, rates remain low and bonds expensive. Central banks continue, at the end of the day, to pursue an extremely loose monetary policy. In March 2017, the Fed raised its key rate again, though it still remains very low as such. The European Central Bank ("ECB"), in turn, announced in December 2016 that it would be extending its asset purchase programme. Instead of March 2017, the programme will continue until December 2017, and 60 billion euro will be spent on government and corporate bonds from April to December, as core inflation in the euro area remains well below the 2% target and is likely to stay like this for some time to come.

As the global economy picks up, investors are looking for risk again and are finding their way to the emerging markets. We are however anticipating growing nervousness if Trump's plans to curb free world trade start to take shape. For the time being we regard that likelihood as small, but the least rumour could spark off significant interest rate movements. We are keeping emerging markets in the portfolio on account of the extra return, but we are reducing the duration somewhat.

#### **Good prospects for shares**

The markets got off to a poor start in 2016 owing to unjustified fears of a recession in the US and China. And when they were recovering from this, the European shares were wrong-footed by the decision in the UK referendum to leave the EU. Donald Trump's unexpected election as US President came towards the end of the year, though it did not weigh on the market. Quite the contrary, it was the start of a strong end of year, especially as we saw an acceleration in growth in the autumn, in particular in the traditional Western countries, and a renewed increase in corporate earnings in the second half of the year, after four quarters of earnings contracting. Economic growth prospects were good and the earnings outlook was revised upwards. As they sprinted for the finish in 2016, the markets only had eyes for the positive aspects of a future Trump policy, lower taxes and higher investments, which would boost domestic demand. They ignored potential negative consequences, such as a trade war with China or Mexico. In addition, there is uncertainty about the consequences of the Brexit negotiations. There is also a series of elections in store in the core euro area countries, with all the uncertainty that this entails. At the end of the day, shares (measured by price/earnings ratio) are certainly not cheap. These are reasons for not going all out for shares.

However, this does not alter the fact that the outlook for shares is not bad in the medium term. Monetary policy remains supportive. The Bank of Japan continues to create money at a pace. The ECB likewise expects inflation to remain low in the somewhat longer term and is continuing to pursue its flexible policy. The US Fed, however, increased its key rate to 1.0% in March and signalled its intention to do so two more times in 2017. It anticipates higher inflation and a policy that will stimulate domestic growth, which in its opinion is not necessary. A key rate of 1.50% by the end of 2017 is, however, still far below normal levels. Support for interest rates in the US and further divergence in central banks' policies also caused the euro to dip briefly below 1.05 USD per euro. This will have a positive impact on growth in Europe, which is the open economy par excellence.

Corporate earnings growth started to recover from the third quarter of 2016, and this seems set to continue in 2017. Earnings growth is an important prerequisite for higher stock prices, and in 2017, earnings are forecast to grow by more than 10%, which means the bar has been set quite high. It is nevertheless a positive sign that an end has come to analysts' downgrades of annual profit forecasts.

It looks like the US will again emerge as the engine of growth, thanks to consumers' wallets. The unemployment rate is low, pay is rising at a rate of over 2.5% on an annual basis, consumer confidence is rising and household purchasing power is improving. However, Wall Street is more expensive than the average. Anticipated economic growth in 2017 is higher than in Europe and we can expect a limited appreciation of the USD, but the market has already priced in a significant portion of this.

The euro area is cheaper than the US and is pretty fairly valued. The ECB is conducting a very pronounced accommodative monetary policy which has meanwhile led to increased lending. The accelerating world economy and higher interest rates are traditionally to Europe's benefit. We are seeing a widespread acceleration of nominal growth, especially in the euro area. This is creating the right conditions for a long-overdue recovery in profit margins and a substantial earnings growth. There are political risks, with a series of elections in the key countries in the euro area that are keeping us from fully favouring the euro area. The Brexit decision will weigh not just on the UK, but also on the rest of the EU and hence on the euro area. We expect this to come to the fore once more as of spring 2017, but for the time being it should not cause any serious negative consequences on growth.

Within the euro area, we favour Germany. The country remains the engine of the euro area and we also see, in addition to an improvement in confidence indicators and orders, an acceleration of hard growth figures (Gross Domestic Product ("GDP"), industrial production and exports). The German stock market is cheaper than the euro area's average and the discount relative to US shares is twice as high as the historical average. This market is quite cyclical and can benefit from the upturn in growth in Europe and, thanks to the cheap euro, from an acceleration in global growth too. German growth is solidly underpinned thanks to the strong labour market, which supports consumption, and due to the government budget surplus, which means there is no need to fear a tightening of budgetary policy.

The Japanese stock market remains in the grip of the vagaries of the exchange rate. A strong yen is so negative for internationally oriented companies that stock market prices fall more than the yen appreciates. The recent strengthening of the USD was, therefore, good news. We expect the yen to continue to depreciate towards 125 JPY to USD – its level in mid-2015. Along with stronger global growth and better indicators of the domestic economy, this should translate into increased earnings growth from the spring of 2017.

Growth in the emerging countries slowed down in recent years, but made a comeback in 2016. Economic growth in China is slowing structurally, but remained at the desired level in the first quarter of 2017 (6.8%). The Chinese government took additional steps, including relaxing its monetary policy and allowing the Chinese currency to weaken, but also by making additional investments. The Chinese real estate market has therefore recovered spectacularly, which benefits global commodity markets. The Chinese government seems committed to achieving solid growth and stability in financial markets by any means necessary.

Commodity producers such as Brazil and Russia have turned in an excellent performance since early 2016 due to rising oil and commodity prices. We expect these markets to lose some momentum as the countries in question remain in the grip of recession, though the worst – especially in Europe's case – is behind them. We fear that in Brazil in particular the market has gone a little too far in anticipating economic recovery. While Latin America – albeit mainly Mexico – responded with trepidation to Trump's election because of his anti-globalism, Russia is benefiting from the hope that sanctions will be lifted.

Emerging Asia remains the region with the highest structural growth and is very attractively valued. Many countries are emerging from a period of a clear slowdown in growth, weak business confidence and contracting industrial production and exports. We therefore prefer this region. However, for them, too, the trade policy of the US President is a clear risk.

In Central Europe we are seeing solid growth with confidence indicators in the green. Economic growth will also be boosted by the improving economic situation in Western Europe. Stock markets suffered long under a populist, euro-sceptical and less business-friendly policy in Poland and Hungary, though these measures have been watered down recently. Turkey is gradually being sucked into the quagmire of the conflicts in Syria and with its own Kurdish population. The president is solely concerned about strengthening his own position at the expense of sound governance. A failed coup was seized on as an opportunity to further repress any potential opposition. Turkey's growth narrative is thus being squeezed and GDP growth was negative in the third quarter, for the first time since the great crisis. Its stock market is cheap, but the risks keep piling up.

**Difficult for bond investors**

The current yield on government bonds issued by core countries in the euro area is extremely low or even negative, certainly when account is taken of mounting inflation. This constitutes an asymmetrical risk, although the anticipated rate hike will remain limited for the time being because the US Fed is prioritising a very gradual normalisation of its policy. The ECB is extending its purchase programme until the end of 2017 and as such continues to exert downward pressure on interest rates.

Inflation-linked bonds are attractive because we see inflation picking up faster than the current market expectations. Bonds from countries with higher interest rate levels, also found partly in the emerging countries, offer opportunities too. Volatility could rise here, not in the least because of the uncertainty regarding the potential consequences Trump's policy. In any event, their higher volatility means that these bonds deserve a place in a well-diversified portfolio.

Certain segments of the corporate bond market also remain attractive, especially subordinated bonds of financial companies. Returns are a little higher, offsetting the higher risk. Companies from the euro area are generally healthier than ever and often have substantial cash positions and a strong financial structure. Effective diversification within this theme also reduces the negative impact that individual companies can have. Moreover, the ECB provides additional support for this theme by purchasing corporate bonds, thereby supporting the overall economic climate.

Luxembourg, 20 April 2017

The Board of Directors

Note: The information in this report represents historical data and is not an indication of future results.

## KBC RENTA

### Combined statement of net assets (in EUR)

as at 31st March 2017

#### Assets

|   |                  |
|---|------------------|
| Securities portfolio at market value                  | 2,381,549,680.21 |
| Cash at banks   | 26,442,630.70    |
| Other liquid assets                                   | 34,291,713.31    |
| Receivable on sales of securities                     | 43,879,570.47    |
| Receivable on issues of shares                        | 7,244,579.23     |
| Income receivable on portfolio                        | 27,158,069.85    |
| Unrealised gain on futures contracts                  | 13,830.00        |
| Unrealised gain on forward foreign exchange contracts | 5,666.49         |
| Prepaid expenses and other receivables                | 626,720.53       |
|   | <hr/>            |
| Total assets  | 2,521,212,460.79 |

#### Liabilities

|   |                  |
|---|------------------|
| Bank overdrafts                                       | 44,987.51        |
| Payable on purchases of securities                    | 14,055,034.80    |
| Payable on redemptions of shares                      | 34,391,714.18    |
| Unrealised loss on futures contracts                  | 3,848,083.84     |
| Unrealised loss on forward foreign exchange contracts | 1,140,818.16     |
| Expenses payable and other payables                   | 2,500,120.34     |
|   | <hr/>            |
| Total liabilities                                     | 55,980,758.83    |
|   | <hr/>            |
| Net assets at the end of the period                   | 2,465,231,701.96 |

The accompanying notes are an integral part of these financial statements.



**Investment policy and outlook**

from 1st October 2016 to 31st March 2017

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The sub-fund invests primarily in Danish government debt.

The Danish economy grew with 2.3% in the last quarter of 2016 and is getting momentum in the its recovery. Employment has grown strongly for several years in a row and the economy is experiencing difficulty in finding qualified labour. Despite the strong labour market, the inflation rate remains subdued and has even fallen to zero in September 2016. Over the reporting period, inflation is rising but stays below the target.

The Danish bond market is predominantly influenced by developments in the Euro area, because the Danish Krone is pegged to the Euro. In line with the German bond market, the yield curve steepened substantially, as 2-year yields declined slightly by 5 basis points, while 10-year yields increased by around 60 basis points.

Against this background, the sub-fund posted a negative return over the reporting period.

Looking forward, the gradual steepening of the yield curve is likely to continue in line with the economic recovery and rise in inflation.

## KBC Renta Decarenta

### Statement of net assets (in DKK)

as at 31st March 2017

#### **Assets**

|                                      |                |
|--------------------------------------|----------------|
| Securities portfolio at market value | 125,158,412.11 |
| Cash at banks                        | 83,798.06      |
| Receivable on sales of securities    | 170,355.70     |
| Income receivable on portfolio       | 1,105,086.40   |
| Other receivables                    | 40,300.73      |
|                                      | <hr/>          |
| Total assets                         | 126,557,953.00 |
|                                      | <hr/>          |

#### **Liabilities**

|                                     |            |
|-------------------------------------|------------|
| Payable on redemptions of shares    | 171,095.39 |
| Expenses payable and other payables | 115,195.97 |
|                                     | <hr/>      |
| Total liabilities                   | 286,291.36 |
|                                     | <hr/>      |

|                                     |                |
|-------------------------------------|----------------|
| Net assets at the end of the period | 126,271,661.64 |
|                                     | <hr/>          |

|   |            |
|---|------------|
| Number of Category A shares outstanding | 7,347.9583 |
| Net asset value per Category A share    | 6,491.22   |

|   |            |
|---|------------|
| Number of Category B shares outstanding | 2,485.2786 |
| Net asset value per Category B share    | 31,615.94  |

The accompanying notes are an integral part of these financial statements.

## KBC Renta Decarenta

### Statistical information (in DKK)

as at 31st March 2017

#### Total net assets

|                    |                |
|--------------------|----------------|
| - as at 31.03.2017 | 126,271,661.64 |
| - as at 30.09.2016 | 174,613,779.05 |
| - as at 30.09.2015 | 194,096,228.10 |

#### Number of Category A shares

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 8,987.3154  |
| - issued                                     | 17.0000     |
| - redeemed                                   | -1,656.3571 |
| - outstanding at the end of the period       | 7,347.9583  |

#### Net asset value per Category A share

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 6,491.22 |
| - as at 30.09.2016 | 6,788.73 |
| - as at 30.09.2015 | 6,391.12 |

#### Dividends paid

|  |            |
|--|------------|
| Ex-dividend date                       | 03.10.2016 |
| Dividend per share                     | 36.70      |
| Shares outstanding at ex-dividend date | 8,983.8954 |

#### Number of Category B shares

|  |            |
|--|------------|
| - outstanding at the beginning of the period | 3,454.4103 |
| - issued                                     | 4.1915     |
| - redeemed                                   | -973.3232  |
| - outstanding at the end of the period       | 2,485.2786 |

#### Net asset value per Category B share

|                    |           |
|--------------------|-----------|
| - as at 31.03.2017 | 31,615.94 |
| - as at 30.09.2016 | 32,885.88 |
| - as at 30.09.2015 | 30,710.43 |

The accompanying notes are an integral part of these financial statements.

## KBC Renta Decarenta

### Statement of investments and other net assets (in DKK)

as at 31st March 2017

| Currency  | Number /<br>nominal value | Description                            | Cost           | Market value   | % of<br>total net<br>assets |
|---|---------------------------|--|----------------|----------------|-----------------------------|
| <b><u>Investments in securities</u></b>   |                           |  |                |                |                             |
| <b>Transferable securities admitted to an official stock exchange listing or traded on another regulated market</b> |                           |  |                |                |                             |
| <b>Bonds</b>  |                           |  |                |                |                             |
| DKK   | 6,000,000                 | Denmark Government Bond 0.25% 15.11.18 | 6,102,985.71   | 6,085,620.00   | 4.82                        |
| DKK   | 1,200,000                 | Denmark Government Bond 0.50% 15.11.27 | 1,178,604.00   | 1,188,036.00   | 0.94                        |
| DKK   | 12,827,000                | Denmark Government Bond 1.50% 15.11.23 | 12,931,513.47  | 14,081,352.33  | 11.15                       |
| DKK   | 21,300,000                | Denmark Government Bond 1.75% 15.11.25 | 23,522,185.10  | 23,934,171.00  | 18.95                       |
| DKK   | 17,600,000                | Denmark Government Bond 3.00% 15.11.21 | 19,829,953.69  | 20,257,952.88  | 16.04                       |
| DKK   | 17,700,000                | Denmark Government Bond 4.00% 15.11.19 | 20,083,168.73  | 19,822,407.00  | 15.70                       |
| DKK   | 21,800,000                | Denmark Government Bond 4.50% 15.11.39 | 30,450,441.08  | 36,825,432.00  | 29.17                       |
| DKK   | 1,945,000                 | Denmark Government Bond 7.00% 10.11.24 | 2,940,962.54   | 2,963,440.90   | 2.35                        |
| Total investments in securities   |                           |  | 117,039,814.32 | 125,158,412.11 | 99.12                       |
| <b><u>Cash at banks</u></b>   |                           |  |                |                |                             |
| <b>Current accounts at bank</b>   |                           |  | 83,798.06      | 83,798.06      | 0.07                        |
| Total cash at banks   |                           |  | 83,798.06      | 83,798.06      | 0.07                        |
| Other net assets/(liabilities)  |                           |  |                | 1,029,451.47   | 0.81                        |
| Total   |                           |  |                | 126,271,661.64 | 100.00                      |

The accompanying notes are an integral part of these financial statements.

### Investment policy and outlook

from 1st October 2016 to 31st March 2017

---

The Eurozone economy finished the year 2016 on a positive note. With a quarterly, non-annualized growth of 0.5 % in Q4, the Euro area confirmed its good position. Also Q1 2017 was very positive showing a 2 % annualized expansion. The most positive aspect was the fact that the growth was broadly based, driven by good domestic consumption but also a rather buoyant construction sector. The difference in the pace of growth between the north, more closely attached to Germany and the south diminished thanks to an acceleration in France and increasingly also in Italy.

The ECB saw the opportunity to modify its loose monetary policy announcing in December a reduction in the monthly purchased amount of QE, from 80 billion to 60 billion EUR on a monthly basis. But although the growth performance of the Eurozone was as good as being hoped for, this was not the case for the inflation. Thanks to basis effects, the headline CPI figure reached 2 % in February but fell back quite sharply. The underlying inflation remained most of the time below 1 %, way below the ECB target of close to but below 2 %.

The favorable combination of decent growth and moderate inflation, not only in the Eurozone but also in the US, was unfortunately not enough to guarantee a smooth evolution of financial markets. Politics played a key role during the reporting period. The US presidential elections delivered the first major shock with the election of Donald Trump, a real estate tycoon with limited political experience. The Italian referendum in December delivered the expected outcome: a clear defeat for prime minister Renzi, who resigned subsequently.

Early 2017 looked even more ugly with major risks for populist breakthrough in the Netherlands and France. But although the populists gained in the Dutch parliamentary elections, they fell short of expectations.

Bond yields moved in a quite volatile fashion during the last quarter of 2016. 10 Year Bund yields started the reporting period below zero but finished at 0.33 %. Spreads with the periphery were equally volatile. Especially Italy suffered from an unpleasant mix of political uncertainty and some more bad news about non-performing loans in the banking sector.

### Investment Policy

The portfolio positioning in duration terms did not change since the start of the new reporting period. An increase in yields was considered to be more likely than a decline. The country allocation remained quite neutral with a small underweight in Germany in favor of Finland, Austria with the periphery quite neutral.

### Outlook

The economic outlook for the Eurozone remains very good with good growth and low inflation. The ECB can postpone any change in monetary policy probably until late 2017. The Fed will continue its gradual path of rate hikes both uncertainty remains regarding the balance sheet management.

Political uncertainty looks here to stay although the favorable outcome of the French presidential elections clears the biggest hurdle for 2017.

Note: The information in this report represents historical data and is not an indication of future results.

**Statement of net assets (in EUR)**

as at 31st March 2017

**Assets**

|  |                |
|--|----------------|
| Securities portfolio at market value   | 102,468,333.55 |
| Cash at banks                          | 878,152.93     |
| Other liquid assets                    | 321,202.97     |
| Receivable on issues of shares         | 50,092.17      |
| Income receivable on portfolio         | 1,517,492.94   |
| Unrealised gain on futures contracts   | 5,610.00       |
| Prepaid expenses and other receivables | 192,085.51     |
|  | <hr/>          |
| Total assets                           | 105,432,970.07 |

**Liabilities**

|                                      |            |
|--------------------------------------|------------|
| Payable on redemptions of shares     | 140,571.61 |
| Unrealised loss on futures contracts | 3,000.00   |
| Expenses payable and other payables  | 101,695.06 |
|                                      | <hr/>      |
| Total liabilities                    | 245,266.67 |

|                                     |                |
|-------------------------------------|----------------|
| Net assets at the end of the period | 105,187,703.40 |
|-------------------------------------|----------------|

|   |             |
|---|-------------|
| Number of Category A shares outstanding | 18,532.5828 |
| Net asset value per Category A share    | 612.99      |

|   |             |
|---|-------------|
| Number of Category B shares outstanding | 26,771.9075 |
| Net asset value per Category B share    | 2,880.87    |

|   |            |
|---|------------|
| Number of 'Institutional B shares' sub-category outstanding | 5,784.0540 |
| Net asset value per 'Institutional B share' sub-category    | 2,887.40   |

The accompanying notes are an integral part of these financial statements.

**Statistical information (in EUR)**

as at 31st March 2017

**Total net assets**

|                    |                |
|--------------------|----------------|
| - as at 31.03.2017 | 105,187,703.40 |
| - as at 30.09.2016 | 131,204,012.27 |
| - as at 30.09.2015 | 182,437,889.72 |

**Number of Category A shares**

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 20,223.5613 |
| - issued                                     | 2.0000      |
| - redeemed                                   | -1,692.9785 |
| - outstanding at the end of the period       | 18,532.5828 |

**Net asset value per Category A share**

|                    |        |
|--------------------|--------|
| - as at 31.03.2017 | 612.99 |
| - as at 30.09.2016 | 643.22 |
| - as at 30.09.2015 | 618.01 |

**Dividends paid**

|  |             |
|--|-------------|
| Ex-dividend date                       | 03.10.2016  |
| Dividend per share                     | 5.20        |
| Shares outstanding at ex-dividend date | 20,223.5613 |

**Number of Category B shares**

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 30,096.9892 |
| - issued                                     | 392.7872    |
| - redeemed                                   | -3,717.8689 |
| - outstanding at the end of the period       | 26,771.9075 |

**Net asset value per Category B share**

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 2,880.87 |
| - as at 30.09.2016 | 2,998.43 |
| - as at 30.09.2015 | 2,853.88 |

**Number of 'Institutional B shares' sub-category**

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 9,303.0540  |
| - issued                                     | 1,982.0000  |
| - redeemed                                   | -5,501.0000 |
| - outstanding at the end of the period       | 5,784.0540  |

**Net asset value per 'Institutional B share' sub-category**

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 2,887.40 |
| - as at 30.09.2016 | 3,004.62 |
| - as at 30.09.2015 | 2,858.49 |

## KBC Renta Eurorenta

### Statement of investments and other net assets (in EUR)

as at 31st March 2017

| Currency  | Number /<br>nominal value | Description  | Cost           | Market value   | % of<br>total net<br>assets |
|---|---------------------------|--|----------------|----------------|-----------------------------|
| <b>Investments in securities</b>  |                           |  |                |                |                             |
| <b>Transferable securities admitted to an official stock exchange listing or traded on another regulated market</b> |                           |  |                |                |                             |
| <b>Bonds</b>  |                           |  |                |                |                             |
| EUR   | 1,400,000                 | Austria Government International Bond 3.90% 15.07.20         | 1,648,182.24   | 1,604,533.00   | 1.53                        |
| EUR   | 1,125,000                 | Autonomous Community of Madrid Spain 2.88% 06.04.19          | 1,133,629.99   | 1,190,081.25   | 1.13                        |
| EUR   | 700,000                   | Belgium Government Bond 4.25% 28.09.21                       | 872,990.57     | 843,990.00     | 0.80                        |
| EUR   | 500,000                   | Bundesrepublik Deutschland 0.50% 15.02.26                    | 510,795.00     | 514,995.00     | 0.49                        |
| EUR   | 1,000,000                 | Bundesrepublik Deutschland 1.00% 15.08.24                    | 1,040,059.22   | 1,078,900.00   | 1.03                        |
| EUR   | 2,500,000                 | Bundesrepublik Deutschland 1.75% 04.07.22                    | 2,750,020.56   | 2,780,250.00   | 2.64                        |
| EUR   | 4,700,000                 | Bundesrepublik Deutschland 2.25% 04.09.20                    | 5,224,119.42   | 5,168,061.25   | 4.91                        |
| EUR   | 500,000                   | Bundesrepublik Deutschland 3.25% 04.07.42                    | 687,150.00     | 748,190.00     | 0.71                        |
| EUR   | 1,000,000                 | Bundesrepublik Deutschland 4.75% 04.07.28                    | 1,487,387.41   | 1,477,760.00   | 1.40                        |
| EUR   | 1,500,000                 | Bundesrepublik Deutschland 4.75% 04.07.34                    | 2,444,085.00   | 2,482,260.00   | 2.36                        |
| EUR   | 4,390,720                 | Deutsche Bundesrepublik Inflation Linked Bond 1.75% 15.04.20 | 4,866,128.64   | 4,848,891.63   | 4.61                        |
| EUR   | 2,500,000                 | Finland Government Bond 0.50% 15.04.26                       | 2,481,000.00   | 2,512,750.00   | 2.39                        |
| EUR   | 4,071,320                 | French Republic Government Bond OAT 0.25% 25.07.24           | 4,334,800.04   | 4,372,271.97   | 4.16                        |
| EUR   | 500,000                   | French Republic Government Bond OAT 2.25% 25.10.22           | 561,021.60     | 557,142.50     | 0.53                        |
| EUR   | 800,000                   | French Republic Government Bond OAT 3.25% 25.05.45           | 1,094,928.00   | 1,019,200.00   | 0.97                        |
| EUR   | 4,400,000                 | French Republic Government Bond OAT 3.50% 25.04.20           | 5,084,823.42   | 4,915,988.00   | 4.67                        |
| EUR   | 5,500,000                 | French Republic Government Bond OAT 3.75% 25.10.19           | 6,361,449.01   | 6,084,760.00   | 5.79                        |
| EUR   | 1,600,000                 | French Republic Government Bond OAT 4.00% 25.10.38           | 2,207,609.00   | 2,261,472.00   | 2.15                        |
| EUR   | 4,900,000                 | French Republic Government Bond OAT 5.50% 25.04.29           | 7,062,096.20   | 7,289,730.00   | 6.94                        |
| EUR   | 550,000                   | Ireland Government Bond 0.80% 15.03.22                       | 555,742.65     | 571,142.00     | 0.54                        |
| EUR   | 1,000,000                 | Ireland Government Bond 5.40% 13.03.25                       | 1,376,270.00   | 1,359,970.00   | 1.29                        |
| EUR   | 3,256,620                 | Italy Buoni Poliennali Del Tesoro 2.10% 15.09.21             | 3,615,374.22   | 3,578,569.45   | 3.40                        |
| EUR   | 3,300,000                 | Italy Buoni Poliennali Del Tesoro 3.50% 01.06.18             | 3,544,260.84   | 3,439,260.00   | 3.27                        |
| EUR   | 5,500,000                 | Italy Buoni Poliennali Del Tesoro 4.25% 01.02.19             | 6,024,710.65   | 5,918,825.00   | 5.63                        |
| EUR   | 1,000,000                 | Italy Buoni Poliennali Del Tesoro 4.50% 01.03.26             | 1,246,600.00   | 1,192,990.00   | 1.13                        |
| EUR   | 4,000,000                 | Italy Buoni Poliennali Del Tesoro 4.75% 01.08.23             | 4,969,079.46   | 4,799,200.00   | 4.56                        |
| EUR   | 2,700,000                 | Italy Buoni Poliennali Del Tesoro 5.00% 01.09.40             | 3,955,829.05   | 3,491,505.00   | 3.32                        |
| EUR   | 2,700,000                 | Italy Buoni Poliennali Del Tesoro 6.00% 01.05.31             | 3,591,684.69   | 3,779,487.00   | 3.59                        |
| EUR   | 3,000,000                 | Kingdom of Belgium Government Bond 0.50% 22.10.24            | 2,998,200.00   | 3,030,780.00   | 2.88                        |
| EUR   | 1,100,000                 | Kingdom of Belgium Government Bond 1.00% 22.06.31            | 1,035,711.23   | 1,069,794.00   | 1.02                        |
| EUR   | 2,050,000                 | Netherlands Government Bond 0.25% 15.07.25                   | 1,932,807.00   | 2,042,927.50   | 1.94                        |
| EUR   | 2,000,000                 | Netherlands Government Bond 3.50% 15.07.20                   | 2,341,663.93   | 2,270,520.00   | 2.16                        |
| EUR   | 450,000                   | Netherlands Government Bond 4.00% 15.01.37                   | 689,538.02     | 698,994.00     | 0.66                        |
| EUR   | 1,000,000                 | Republic of Austria Government Bond 3.50% 15.09.21           | 1,203,367.33   | 1,171,505.00   | 1.11                        |
| EUR   | 700,000                   | Republic of Austria Government Bond 4.15% 15.03.37           | 996,153.95     | 1,073,856.00   | 1.02                        |
| EUR   | 3,000,000                 | Spain Government Bond 4.10% 30.07.18                         | 3,154,207.81   | 3,173,130.00   | 3.02                        |
| EUR   | 1,400,000                 | Spain Government Bond 4.65% 30.07.25                         | 1,746,038.00   | 1,761,242.00   | 1.67                        |
| EUR   | 3,000,000                 | Spain Government Bond 4.90% 30.07.40                         | 4,064,946.43   | 4,162,050.00   | 3.96                        |
| EUR   | 1,750,000                 | Spain Government Bond 5.50% 30.04.21                         | 2,173,477.20   | 2,131,360.00   | 2.03                        |
| Total investments in securities   |                           |  | 103,067,937.78 | 102,468,333.55 | 97.41                       |
| <b>Cash at banks</b>  |                           |  |                |                |                             |
| <b>Current accounts at bank</b>   |                           |  | 878,152.93     | 878,152.93     | 0.84                        |
| Total cash at banks   |                           |  | 878,152.93     | 878,152.93     | 0.84                        |
| Other net assets/(liabilities)  |                           |  |                | 1,841,216.92   | 1.75                        |
| Total   |                           |  |                | 105,187,703.40 | 100.00                      |

The accompanying notes are an integral part of these financial statements.



### Investment policy and outlook

from 1st October 2016 to 31st March 2017

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After a strong start for 2016 growth of around 4.1%, the Swedish economy slowed down somewhat, to a still robust 2.3% in 2016. Unemployment (seasonally adjusted) edged down from around 6.7% to about 6.4% during the reported period.

As in the rest of Europe, thanks to basis effects from energy prices and under impulse from core inflation, the headline CPI figure reached 1.78% in February but fell back quite sharply. The Swedish krone depreciated against the Euro in the run-off to the US elections when fear for a victory by the 'populist' candidate, pictured by a win of Donald Trump, dominated the markets. This further contributed to the upward price pressure. Trump's election and his promise to make America great again with lower taxes and more homemade production, fuelled belief in an even stronger US economy, increasing inflation expectations and interest rates in the US and Europe.

Where the Swedish 10 year government bond hovered around 0.15% at the beginning of the reporting period, it rebounded to 0.60% by the end of March 2017 resulting in a steeper curve. Similar moves were seen within the Euro area. The Swedish krone again appreciated against the Euro regaining its earlier losses.

The Riksbank left its policy rate unchanged at -0.5% in December 2016 and extended its QE package at a slower pace for another 6 months. Also in February 2017, the Riksbank decided to leave the accommodative policy measures in place for the time being as, according to the Riksbank, political uncertainty is considerable in many parts of the world and the risks of setbacks have increased. The improving Swedish inflation outlook however is putting the Riksbank's excessively loose monetary stance under scrutiny.

### Investment policy

The fund stayed predominantly invested in Swedish government bonds (and a limited share of high quality Eurobonds) with a duration that is matching the duration of the Swedish bond market.

Note: The information in this report represents historical data and is not an indication of future results.

## KBC Renta Sekarenta

### Statement of net assets (in SEK)

as at 31st March 2017

#### **Assets**

|                                      |                |
|--------------------------------------|----------------|
| Securities portfolio at market value | 205,976,487.19 |
| Cash at banks                        | 550,955.99     |
| Receivable on sales of securities    | 1,091,271.11   |
| Income receivable on portfolio       | 2,249,664.67   |
| Other receivables                    | 147,899.29     |
|                                      | <hr/>          |
| Total assets                         | 210,016,278.25 |
|                                      | <hr/>          |

#### **Liabilities**

|                                     |            |
|-------------------------------------|------------|
| Payable on redemptions of shares    | 587,142.03 |
| Expenses payable and other payables | 184,714.20 |
|                                     | <hr/>      |
| Total liabilities                   | 771,856.23 |
|                                     | <hr/>      |

|                                     |                |
|-------------------------------------|----------------|
| Net assets at the end of the period | 209,244,422.02 |
|                                     | <hr/>          |

|   |             |
|---|-------------|
| Number of Category A shares outstanding | 30,724.4287 |
| Net asset value per Category A share    | 3,359.34    |

|   |             |
|---|-------------|
| Number of Category B shares outstanding | 16,543.6190 |
| Net asset value per Category B share    | 6,409.15    |

The accompanying notes are an integral part of these financial statements.

**Statistical information (in SEK)**

as at 31st March 2017

**Total net assets**

|                    |                |
|--------------------|----------------|
| - as at 31.03.2017 | 209,244,422.02 |
| - as at 30.09.2016 | 246,409,744.39 |
| - as at 30.09.2015 | 345,204,032.00 |

**Number of Category A shares**

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 35,415.1958 |
| - issued                                     | 630.0000    |
| - redeemed                                   | -5,320.7671 |
| - outstanding at the end of the period       | 30,724.4287 |

**Net asset value per Category A share**

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 3,359.34 |
| - as at 30.09.2016 | 3,486.31 |
| - as at 30.09.2015 | 3,371.44 |

**Dividends paid**

|  |             |
|--|-------------|
| Ex-dividend date                       | 03.10.2016  |
| Dividend per share                     | 17.40       |
| Shares outstanding at ex-dividend date | 35,415.1958 |

**Number of Category B shares**

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 18,576.2373 |
| - issued                                     | 406.0574    |
| - redeemed                                   | -2,438.6757 |
| - outstanding at the end of the period       | 16,543.6190 |

**Net asset value per Category B share**

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 6,409.15 |
| - as at 30.09.2016 | 6,618.20 |
| - as at 30.09.2015 | 6,355.26 |

## KBC Renta Sekarenta

### Statement of investments and other net assets (in SEK)

as at 31st March 2017

| Currency  | Number /<br>nominal value | Description                             | Cost           | Market value   | % of<br>total net<br>assets |
|---|---------------------------|---|----------------|----------------|-----------------------------|
| <b><u>Investments in securities</u></b>   |                           |   |                |                |                             |
| <b>Transferable securities admitted to an official stock exchange listing or traded on another regulated market</b> |                           |   |                |                |                             |
| <b>Bonds</b>  |                           |   |                |                |                             |
| SEK   | 250,000                   | European Investment Bank 1.25% 12.05.25 | 254,150.00     | 253,286.25     | 0.12                        |
| SEK   | 6,600,000                 | European Investment Bank 5.00% 01.12.20 | 7,748,090.51   | 7,746,453.00   | 3.70                        |
| SEK   | 1,000,000                 | Sweden Government Bond 0.75% 12.05.28   | 981,620.00     | 991,880.15     | 0.47                        |
| SEK   | 19,000,000                | Sweden Government Bond 1.00% 12.11.26   | 19,642,258.75  | 19,713,071.90  | 9.42                        |
| SEK   | 26,500,000                | Sweden Government Bond 1.50% 13.11.23   | 26,346,541.99  | 28,777,677.65  | 13.75                       |
| SEK   | 5,300,000                 | Sweden Government Bond 2.25% 01.06.32   | 5,729,087.62   | 6,054,407.83   | 2.89                        |
| SEK   | 20,200,000                | Sweden Government Bond 2.50% 12.05.25   | 21,769,153.40  | 23,610,975.03  | 11.28                       |
| SEK   | 30,200,000                | Sweden Government Bond 3.50% 01.06.22   | 35,019,468.50  | 35,749,553.51  | 17.10                       |
| SEK   | 14,800,000                | Sweden Government Bond 3.50% 30.03.39   | 18,054,694.53  | 20,189,177.28  | 9.65                        |
| SEK   | 30,800,000                | Sweden Government Bond 4.25% 12.03.19   | 35,584,831.16  | 33,728,465.54  | 16.12                       |
| SEK   | 24,395,000                | Sweden Government Bond 5.00% 01.12.20   | 30,369,071.09  | 29,161,539.05  | 13.94                       |
| Total investments in securities   |                           |   | 201,498,967.55 | 205,976,487.19 | 98.44                       |
| <b><u>Cash at banks</u></b>   |                           |   |                |                |                             |
| <b>Current accounts at bank</b>   |                           |   | 550,955.99     | 550,955.99     | 0.26                        |
| Total cash at banks   |                           |   | 550,955.99     | 550,955.99     | 0.26                        |
| Other net assets/(liabilities)  |                           |   |                | 2,716,978.84   | 1.30                        |
| Total   |                           |   |                | 209,244,422.02 | 100.00                      |

The accompanying notes are an integral part of these financial statements.

### Investment policy and outlook

from 1st October 2016 to 31st March 2017

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The main theme through the reporting period was the election of the 45th President of the US. In the run-off to the election mainly fear for a victory by the 'populist' candidate, pictured by a win of Donald Trump, dominated the markets. Only hours after his election though, and more specifically after his inauguration speech, doubts transformed into believe. The promise to make America great again with among others lower taxes and more homemade production fuelled believe in an even stronger US economy. US government yields rose to 2.6% on 10 years maturity as markets believed his programme would support growth, but also push inflation upwards. This did not distract the American Central Bank, the Fed, as they kept their focus on inflation and unemployment. During the reporting period the Fed increased the benchmark interest rate two times with a quarter point up to 1%. More hikes are expected as the economy stays firm and inflation moves to 1.9% this year. However, at the end of the reporting period it became also clear that even with a republican majority in Congress it would still take some time to transform rhetoric into policy. As a consequence equity markets cooled down and US government yields lost around 35 basis points from the highs. The yield sensitivity, or duration, of the fund was around 6 years and will probably remain so in the near future.

Note: The information in this report represents historical data and is not an indication of future results.

## KBC Renta Dollarenta

### Statement of net assets (in USD)

as at 31st March 2017

#### **Assets**

|  |               |
|--|---------------|
| Securities portfolio at market value   | 68,523,311.34 |
| Other liquid assets                    | 9,467.06      |
| Receivable on sales of securities      | 600,322.62    |
| Receivable on issues of shares         | 109,934.64    |
| Income receivable on portfolio         | 305,614.38    |
| Prepaid expenses and other receivables | 8,502.40      |
|  | <hr/>         |
| Total assets                           | 69,557,152.44 |

#### **Liabilities**

|                                     |            |
|-------------------------------------|------------|
| Bank overdrafts                     | 43,192.09  |
| Payable on redemptions of shares    | 94,085.65  |
| Expenses payable and other payables | 77,675.25  |
|                                     | <hr/>      |
| Total liabilities                   | 214,952.99 |

|                                     |               |
|-------------------------------------|---------------|
| Net assets at the end of the period | 69,342,199.45 |
|-------------------------------------|---------------|

|   |             |
|---|-------------|
| Number of Category A shares outstanding                     | 21,112.8862 |
| Net asset value per Category A share                        | 496.65      |
| Number of Category B shares outstanding                     | 42,916.2271 |
| Net asset value per Category B share                        | 1,103.45    |
| Number of 'Institutional B shares' sub-category outstanding | 10,399.0000 |
| Net asset value per 'Institutional B share' sub-category    | 1,105.92    |

The accompanying notes are an integral part of these financial statements.

## KBC Renta Dollarenta

### Statistical information (in USD)

as at 31st March 2017

#### Total net assets

|                    |                |
|--------------------|----------------|
| - as at 31.03.2017 | 69,342,199.45  |
| - as at 30.09.2016 | 543,603,238.59 |
| - as at 30.09.2015 | 38,215,983.93  |

#### Number of Category A shares

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 21,595.6845 |
| - issued                                     | 2,856.0000  |
| - redeemed                                   | -3,338.7983 |
| - outstanding at the end of the period       | 21,112.8862 |

#### Net asset value per Category A share

|                    |        |
|--------------------|--------|
| - as at 31.03.2017 | 496.65 |
| - as at 30.09.2016 | 525.27 |
| - as at 30.09.2015 | 518.51 |

#### Dividends paid

|  |             |
|--|-------------|
| Ex-dividend date                       | 03.10.2016  |
| Dividend per share                     | 9.70        |
| Shares outstanding at ex-dividend date | 21,620.6845 |

#### Number of Category B shares

|  |              |
|--|--------------|
| - outstanding at the beginning of the period | 44,872.5161  |
| - issued                                     | 17,233.7803  |
| - redeemed                                   | -19,190.0693 |
| - outstanding at the end of the period       | 42,916.2271  |

#### Net asset value per Category B share

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 1,103.45 |
| - as at 30.09.2016 | 1,145.47 |
| - as at 30.09.2015 | 1,107.98 |

#### Number of 'Institutional B shares' sub-category

|  |               |
|--|---------------|
| - outstanding at the beginning of the period | 418,987.0000  |
| - issued                                     | 148,804.0000  |
| - redeemed                                   | -557,392.0000 |
| - outstanding at the end of the period       | 10,399.0000   |

#### Net asset value per 'Institutional B share' sub-category

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 1,105.92 |
| - as at 30.09.2016 | 1,147.67 |
| - as at 30.09.2015 | 1,109.74 |

The accompanying notes are an integral part of these financial statements.

## KBC Renta Dollarenta

### Statement of investments and other net assets (in USD)

as at 31st March 2017

| Currency  | Number /<br>nominal value | Description   | Cost          | Market value  | % of<br>total net<br>assets |
|---|---------------------------|---|---------------|---------------|-----------------------------|
| <b><u>Investments in securities</u></b>   |                           |   |               |               |                             |
| <b>Transferable securities admitted to an official stock exchange listing or traded on another regulated market</b> |                           |   |               |               |                             |
| <b>Bonds</b>  |                           |   |               |               |                             |
| USD   | 500,000                   | African Development Bank 1.13% 20.09.19                               | 493,465.00    | 494,355.80    | 0.71                        |
| USD   | 500,000                   | Asian Development Bank 2.63% 12.01.27                                 | 501,750.00    | 503,761.58    | 0.73                        |
| USD   | 400,000                   | Corporacion Andina de Fomento 2.13% 27.09.21                          | 393,920.00    | 394,063.24    | 0.57                        |
| USD   | 750,000                   | European Investment Bank 3.25% 29.01.24                               | 784,342.50    | 786,595.43    | 1.13                        |
| USD   | 1,000,000                 | International Bank for Reconstruction & Development 1.63%<br>10.02.22 | 975,120.00    | 976,343.45    | 1.41                        |
| USD   | 6,000,000                 | US Treasury Bond 2.25% 15.08.46                                       | 5,323,617.75  | 5,086,150.80  | 7.33                        |
| USD   | 4,100,000                 | US Treasury Bond 2.63% 15.11.20                                       | 4,369,804.71  | 4,235,094.39  | 6.11                        |
| USD   | 4,200,000                 | US Treasury Bond 4.75% 15.02.41                                       | 6,087,910.99  | 5,507,835.48  | 7.94                        |
| USD   | 800,000                   | US Treasury Bond 5.00% 15.05.37                                       | 1,071,003.20  | 1,077,260.12  | 1.55                        |
| USD   | 1,300,000                 | US Treasury Bond 6.25% 15.05.30                                       | 2,004,952.89  | 1,844,476.60  | 2.66                        |
| USD   | 3,500,000                 | US Treasury Bond 6.75% 15.08.26                                       | 5,055,993.97  | 4,795,000.18  | 6.91                        |
| USD   | 20,700,000                | US Treasury Note 1.13% 15.01.19                                       | 20,922,961.71 | 20,663,207.82 | 29.81                       |
| USD   | 11,150,000                | US Treasury Note 1.38% 31.01.21                                       | 11,375,686.33 | 10,997,837.07 | 15.87                       |
| USD   | 4,000,000                 | US Treasury Note 1.38% 30.09.23                                       | 3,936,891.00  | 3,807,812.40  | 5.49                        |
| USD   | 500,000                   | US Treasury Note 1.50% 15.08.26                                       | 458,478.56    | 462,969.80    | 0.67                        |
| USD   | 6,000,000                 | US Treasury Note 2.13% 30.06.22                                       | 6,317,207.95  | 6,041,952.90  | 8.71                        |
| USD   | 800,000                   | US Treasury Note 3.63% 15.02.20                                       | 847,752.68    | 848,594.28    | 1.22                        |
| Total investments in securities   |                           |   | 70,920,859.24 | 68,523,311.34 | 98.82                       |
| <b><u>Cash at banks</u></b>   |                           |   |               |               |                             |
| Bank overdrafts   |                           |   |               | -43,192.09    | -0.06                       |
| Other net assets/(liabilities)  |                           |   |               | 862,080.20    | 1.24                        |
| Total   |                           |   |               | 69,342,199.45 | 100.00                      |

The accompanying notes are an integral part of these financial statements.



### Investment policy and outlook

from 1st October 2016 to 31st March 2017

---

The main theme during the reporting period was the election of the 45th President of the US. In the run-off to the election fear for a victory by the 'populist' candidate, Donald Trump, dominated the markets. Only hours after his election though, and more specifically after his inauguration speech, doubts transformed into believe. The promise to make America great again with among others lower taxes and more homemade production fuelled believe in an even stronger US economy. US government yields rose to 2.6% on 10 years maturity as markets believed his programme would support growth, but also push inflation upwards. This did not distract the American Central Bank, the Fed, as they kept their focus on inflation and unemployment. During the reporting period the Fed increased the benchmark interest rate two times with a quarter point up to 1%. More hikes are expected as the economy stays firm and inflation moves to 1.9% this year.

On the other side of the Pacific, the Japanese Central Bank continued its very accommodative policies as the Japanese economy is still in deflationary territory (excluding fresh food and energy) and well below the 2% inflation target. These differing monetary policies between the US (tightening) and Japan (very accommodating) led to a weaker Yen which in turn is positive for Japanese exports. Together with economic growth also picking up in Europe, Japan's economy was able to surprise on the upside during the reporting period. The Japanese yield curve steepened with the longer end moving up 20 to 40bp over the reporting period. Up to 10 years the curve did not change much as this is the playing ground for some of the Japanese Central Bank's accommodative policies. Japan's 5 year forward inflation expectations increased slightly.

In the statement of the Japanese Central Bank of the 16th of March 2017, the Bank said that with regard to the outlook, Japan's economy is likely to turn to a moderate expansion from a moderate recovery. The Bank will however continue with its accommodative monetary policies to achieve the price stability target of 2%, as long as it is necessary for maintaining that target in a stable manner.

Over the coming months, we expect the policy rate to remain low and we hold a neutral duration position.

Note: The information in this report represents historical data and is not an indication of future results.

## KBC Renta Yenrenta

### Statement of net assets (in JPY)

as at 31st March 2017

#### **Assets**

|                                      |               |
|--------------------------------------|---------------|
| Securities portfolio at market value | 1,018,671,045 |
| Cash at banks                        | 4,652,006     |
| Receivable on sales of securities    | 10,438,284    |
| Income receivable on portfolio       | 1,748,526     |
| Other receivables                    | 326,495       |
|                                      | <hr/>         |
| Total assets                         | 1,035,836,356 |
|                                      | <hr/>         |

#### **Liabilities**

|                                  |            |
|----------------------------------|------------|
| Payable on redemptions of shares | 11,948,108 |
| Expenses payable                 | 676,588    |
|                                  | <hr/>      |
| Total liabilities                | 12,624,696 |
|                                  | <hr/>      |

|                                     |               |
|-------------------------------------|---------------|
| Net assets at the end of the period | 1,023,211,660 |
|                                     | <hr/>         |

|   |          |
|---|----------|
| Number of Category A shares outstanding | 102.1664 |
| Net asset value per Category A share    | 78,772   |

|   |            |
|---|------------|
| Number of Category B shares outstanding | 1,302.8692 |
| Net asset value per Category B share    | 93,125     |

|   |            |
|---|------------|
| Number of 'Institutional B shares' sub-category outstanding | 9,582.0000 |
| Net asset value per 'Institutional B share' sub-category    | 93,283     |

The accompanying notes are an integral part of these financial statements.

## KBC Renta Yenrenta

### Statistical information (in JPY)

as at 31st March 2017

#### Total net assets

|                    |               |
|--------------------|---------------|
| - as at 31.03.2017 | 1,023,211,660 |
| - as at 30.09.2016 | 1,245,929,199 |
| - as at 30.09.2015 | 1,479,213,339 |

#### Number of Category A shares

|  |          |
|--|----------|
| - outstanding at the beginning of the period | 156.3859 |
| - issued                                     | 2.2748   |
| - redeemed                                   | -56.4943 |
| - outstanding at the end of the period       | 102.1664 |

#### Net asset value per Category A share

|                    |        |
|--------------------|--------|
| - as at 31.03.2017 | 78,772 |
| - as at 30.09.2016 | 81,160 |
| - as at 30.09.2015 | 77,277 |

#### Dividends paid

|                                     |            |
|-------------------------------------|------------|
| Ex-dividend date                    | 03.10.2016 |
| Dividend per share                  | 241.00     |
| Shares outstanding at dividend date | 156.3859   |

#### Number of Category B shares

|  |            |
|--|------------|
| - outstanding at the beginning of the period | 2,125.1679 |
| - issued                                     | 4.2436     |
| - redeemed                                   | -826.5423  |
| - outstanding at the end of the period       | 1,302.8692 |

#### Net asset value per Category B share

|                    |        |
|--------------------|--------|
| - as at 31.03.2017 | 93,125 |
| - as at 30.09.2016 | 95,663 |
| - as at 30.09.2015 | 90,325 |

#### Number of 'Institutional B shares' sub-category

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 10,750.0000 |
| - issued                                     | 1,059.0000  |
| - redeemed                                   | -2,227.0000 |
| - outstanding at the end of the period       | 9,582.0000  |

#### Net asset value per 'Institutional B share' sub-category

|                    |        |
|--------------------|--------|
| - as at 31.03.2017 | 93,283 |
| - as at 30.09.2016 | 95,808 |
| - as at 30.09.2015 | 90,426 |

The accompanying notes are an integral part of these financial statements.

# KBC Renta Yenrenta

## Statement of investments and other net assets (in JPY)

as at 31st March 2017

| Currency  | Number /<br>nominal value | Description                          | Cost       | Market value | % of<br>total net<br>assets |
|---|---------------------------|--------------------------------------|------------|--------------|-----------------------------|
| <b>Investments in securities</b>  |                           |                                      |            |              |                             |
| <b>Transferable securities admitted to an official stock exchange listing or traded on another regulated market</b> |                           |                                      |            |              |                             |
| <b>Bonds</b>  |                           |                                      |            |              |                             |
| JPY   | 30,000,000                | Japan Government Bond 0.10% 15.06.18 | 30,144,300 | 30,126,000   | 2.94                        |
| JPY   | 28,000,000                | Japan Government Bond 0.10% 20.09.19 | 28,293,470 | 28,200,760   | 2.76                        |
| JPY   | 8,000,000                 | Japan Government Bond 0.10% 20.12.19 | 8,059,280  | 8,062,080    | 0.79                        |
| JPY   | 7,000,000                 | Japan Government Bond 0.10% 20.03.20 | 7,051,800  | 7,058,240    | 0.69                        |
| JPY   | 30,000,000                | Japan Government Bond 0.10% 20.12.20 | 30,124,200 | 30,285,600   | 2.96                        |
| JPY   | 14,000,000                | Japan Government Bond 0.10% 20.03.26 | 14,209,700 | 14,093,800   | 1.38                        |
| JPY   | 20,000,000                | Japan Government Bond 0.10% 20.06.26 | 20,353,200 | 20,119,200   | 1.97                        |
| JPY   | 10,000,000                | Japan Government Bond 0.10% 20.12.26 | 10,016,500 | 10,043,400   | 0.98                        |
| JPY   | 18,000,000                | Japan Government Bond 0.20% 20.09.18 | 18,167,660 | 18,116,100   | 1.77                        |
| JPY   | 16,000,000                | Japan Government Bond 0.20% 20.06.36 | 15,818,011 | 14,846,400   | 1.45                        |
| JPY   | 4,000,000                 | Japan Government Bond 0.30% 20.06.46 | 3,807,400  | 3,460,880    | 0.34                        |
| JPY   | 28,000,000                | Japan Government Bond 0.40% 20.06.25 | 29,330,000 | 28,919,520   | 2.83                        |
| JPY   | 30,000,000                | Japan Government Bond 0.60% 20.03.23 | 31,772,100 | 31,249,500   | 3.05                        |
| JPY   | 6,000,000                 | Japan Government Bond 0.60% 20.12.23 | 6,271,920  | 6,271,080    | 0.61                        |
| JPY   | 5,000,000                 | Japan Government Bond 0.60% 20.03.24 | 5,217,400  | 5,230,600    | 0.51                        |
| JPY   | 8,000,000                 | Japan Government Bond 0.60% 20.12.46 | 7,724,960  | 7,507,760    | 0.73                        |
| JPY   | 23,000,000                | Japan Government Bond 0.80% 20.09.20 | 23,863,190 | 23,764,750   | 2.32                        |
| JPY   | 14,000,000                | Japan Government Bond 0.80% 20.06.22 | 14,774,640 | 14,667,660   | 1.43                        |
| JPY   | 30,000,000                | Japan Government Bond 0.80% 20.09.22 | 31,535,000 | 31,491,600   | 3.08                        |
| JPY   | 16,000,000                | Japan Government Bond 0.80% 20.09.23 | 16,334,729 | 16,909,120   | 1.65                        |
| JPY   | 15,000,000                | Japan Government Bond 1.00% 20.09.21 | 16,045,050 | 15,760,800   | 1.54                        |
| JPY   | 14,000,000                | Japan Government Bond 1.00% 20.12.21 | 14,990,323 | 14,746,480   | 1.44                        |
| JPY   | 7,000,000                 | Japan Government Bond 1.00% 20.12.35 | 7,657,790  | 7,534,380    | 0.74                        |
| JPY   | 10,000,000                | Japan Government Bond 1.10% 20.06.21 | 10,700,700 | 10,525,200   | 1.03                        |
| JPY   | 12,000,000                | Japan Government Bond 1.10% 20.03.33 | 13,611,720 | 13,299,960   | 1.30                        |
| JPY   | 20,000,000                | Japan Government Bond 1.20% 20.12.20 | 21,171,600 | 21,004,000   | 2.05                        |
| JPY   | 17,000,000                | Japan Government Bond 1.20% 20.09.35 | 17,747,235 | 18,915,390   | 1.85                        |
| JPY   | 54,000,000                | Japan Government Bond 1.30% 20.12.18 | 57,234,187 | 55,420,200   | 5.43                        |
| JPY   | 25,000,000                | Japan Government Bond 1.30% 20.06.20 | 26,461,179 | 26,182,250   | 2.56                        |
| JPY   | 3,000,000                 | Japan Government Bond 1.40% 20.12.22 | 3,266,370  | 3,258,510    | 0.32                        |
| JPY   | 14,000,000                | Japan Government Bond 1.40% 20.03.55 | 16,557,840 | 16,048,620   | 1.57                        |
| JPY   | 30,000,000                | Japan Government Bond 1.50% 20.06.19 | 31,926,159 | 31,132,500   | 3.04                        |
| JPY   | 15,000,000                | Japan Government Bond 1.50% 20.06.32 | 17,651,550 | 17,541,900   | 1.71                        |
| JPY   | 4,000,000                 | Japan Government Bond 1.50% 20.12.44 | 5,002,040  | 4,699,080    | 0.46                        |
| JPY   | 10,000,000                | Japan Government Bond 1.70% 20.09.31 | 12,221,600 | 11,965,400   | 1.17                        |
| JPY   | 32,000,000                | Japan Government Bond 1.70% 20.06.32 | 33,837,653 | 38,377,280   | 3.75                        |
| JPY   | 9,000,000                 | Japan Government Bond 1.70% 20.03.54 | 9,427,770  | 11,167,110   | 1.09                        |
| JPY   | 12,000,000                | Japan Government Bond 1.90% 22.03.21 | 13,336,194 | 12,973,200   | 1.27                        |
| JPY   | 12,000,000                | Japan Government Bond 1.90% 20.03.29 | 14,439,960 | 14,467,080   | 1.41                        |
| JPY   | 41,000,000                | Japan Government Bond 2.00% 20.06.30 | 43,853,646 | 50,401,300   | 4.93                        |
| JPY   | 15,000,000                | Japan Government Bond 2.00% 20.09.40 | 16,750,650 | 19,141,950   | 1.87                        |
| JPY   | 10,000,000                | Japan Government Bond 2.00% 20.03.42 | 10,761,575 | 12,857,700   | 1.26                        |
| JPY   | 7,000,000                 | Japan Government Bond 2.10% 20.12.26 | 7,952,137  | 8,382,920    | 0.82                        |
| JPY   | 25,000,000                | Japan Government Bond 2.10% 20.09.27 | 30,301,200 | 30,255,500   | 2.96                        |
| JPY   | 21,000,000                | Japan Government Bond 2.20% 20.06.24 | 23,987,190 | 24,410,610   | 2.39                        |
| JPY   | 32,000,000                | Japan Government Bond 2.20% 20.09.28 | 37,965,333 | 39,503,680   | 3.86                        |
| JPY   | 22,500,000                | Japan Government Bond 2.20% 20.03.49 | 24,063,256 | 30,831,075   | 3.01                        |
| JPY   | 20,000,000                | Japan Government Bond 2.20% 20.03.51 | 21,977,000 | 27,661,800   | 2.70                        |

The accompanying notes are an integral part of these financial statements.

## KBC Renta Yenrenta

### Statement of investments and other net assets (in JPY) (continued)

as at 31st March 2017

| Currency                        | Number /<br>nominal value | Description                          | Cost        | Market value  | % of<br>total net<br>assets |
|---------------------------------|---------------------------|--------------------------------------|-------------|---------------|-----------------------------|
| <b>Bonds (continued)</b>        |                           |                                      |             |               |                             |
| JPY                             | 10,000,000                | Japan Government Bond 2.30% 20.09.18 | 10,431,000  | 10,372,100    | 1.01                        |
| JPY                             | 33,000,000                | Japan Government Bond 2.40% 20.12.34 | 40,371,462  | 43,592,010    | 4.26                        |
| JPY                             | 19,000,000                | Japan Government Bond 2.50% 20.03.38 | 23,120,983  | 25,817,010    | 2.52                        |
| Total investments in securities |                           |                                      | 987,691,812 | 1,018,671,045 | 99.56                       |
| <b>Cash at banks</b>            |                           |                                      |             |               |                             |
| <b>Current accounts at bank</b> |                           |                                      | 4,652,006   | 4,652,006     | 0.45                        |
| Total cash at banks             |                           |                                      | 4,652,006   | 4,652,006     | 0.45                        |
| Other net assets/(liabilities)  |                           |                                      |             | -111,391      | -0.01                       |
| Total                           |                           |                                      |             | 1,023,211,660 | 100.00                      |

The accompanying notes are an integral part of these financial statements.

### **Investment policy and outlook**

from 1st October 2016 to 31st March 2017

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The sub-fund invests primarily in Canadian government debt and also holds a limited number of semi-government eurobonds.

Over the period under review, the Canadian economy rebounded strongly as commodity prices gradually recovered. The resource sector returned to positive growth while the service sector remained strong, which overall resulted in GDP growth of 2.5% by the end of February. Thanks to this return to growth, the central bank now forecasts above-trend economic growth for 2017 – 2018, which should also bring inflation back to its target of 2%. Despite the recent uptick in sentiment, business investment remains well below what could be expected at this stage in the recovery. Accordingly, the central bank judges that it's too early to conclude the economy is on a sustainable growth path.

Against this background, the central bank has kept its policy rate unchanged at 0.5%. Longer-term yields however increased substantially, in tandem with US yields, with 5-year yields rising around 50 bps and 10-year yields around 60 bps to 1.11% and 1.62% respectively. This led to a negative performance of the sub-fund in CAD terms, which was however almost completely offset by the appreciation of the Canadian dollar vs the Euro.

Looking forward, we expect the economy to continue its recovery and inflation to pick up. This may put yields under further upward pressure, although the central bank is expected to maintain its neutral course for the time being.

Note: The information in this report represents historical data and is not an indication of future results.

## KBC Renta Canarenta

### Statement of net assets (in CAD)

as at 31st March 2017

#### **Assets**

|                                      |               |
|--------------------------------------|---------------|
| Securities portfolio at market value | 51,305,686.85 |
| Receivable on sales of securities    | 326,927.06    |
| Receivable on issues of shares       | 1,992.25      |
| Income receivable on portfolio       | 437,296.40    |
| Other receivables                    | 27,412.56     |
|                                      | <hr/>         |
| Total assets                         | 52,099,315.12 |

#### **Liabilities**

|                                     |            |
|-------------------------------------|------------|
| Bank overdrafts                     | 1,002.59   |
| Payable on redemptions of shares    | 103,750.13 |
| Expenses payable and other payables | 46,155.46  |
|                                     | <hr/>      |
| Total liabilities                   | 150,908.18 |

|                                     |               |
|-------------------------------------|---------------|
| Net assets at the end of the period | 51,948,406.94 |
|-------------------------------------|---------------|

|   |             |
|---|-------------|
| Number of Category A shares outstanding | 23,546.8466 |
| Net asset value per Category A share    | 1,081.58    |
| Number of Category B shares outstanding | 10,619.5378 |
| Net asset value per Category B share    | 2,493.57    |

The accompanying notes are an integral part of these financial statements.

## KBC Renta Canarenta

### Statistical information (in CAD)

as at 31st March 2017

#### Total net assets

|                    |                |
|--------------------|----------------|
| - as at 31.03.2017 | 51,948,406.94  |
| - as at 30.09.2016 | 66,945,033.37  |
| - as at 30.09.2015 | 121,079,749.38 |

#### Number of Category A shares

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 24,772.7625 |
| - issued                                     | 1,008.0622  |
| - redeemed                                   | -2,233.9781 |
| - outstanding at the end of the period       | 23,546.8466 |

#### Net asset value per Category A share

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 1,081.58 |
| - as at 30.09.2016 | 1,142.65 |
| - as at 30.09.2015 | 1,119.04 |

#### Dividends paid

|  |             |
|--|-------------|
| Ex-dividend date                       | 03.10.2016  |
| Dividend per share                     | 16.80       |
| Shares outstanding at ex-dividend date | 24,772.7625 |

#### Number of Category B shares

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 14,886.2587 |
| - issued                                     | 60.2873     |
| - redeemed                                   | -4,327.0082 |
| - outstanding at the end of the period       | 10,619.5378 |

#### Net asset value per Category B share

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 2,493.57 |
| - as at 30.09.2016 | 2,595.59 |
| - as at 30.09.2015 | 2,499.94 |

#### Number of 'Institutional B shares' sub-category

|  |   |
|--|---|
| - outstanding at the beginning of the period | — |
| - issued                                     | — |
| - redeemed                                   | — |
| - outstanding at the end of the period       | — |

#### Net asset value per 'Institutional B share' sub-category

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | —        |
| - as at 30.09.2016 | —        |
| - as at 30.09.2015 | 2,500.44 |

The accompanying notes are an integral part of these financial statements.



## KBC Renta Canarenta

### Statement of investments and other net assets (in CAD)

as at 31st March 2017

| Currency  | Number /<br>nominal value | Description  | Cost          | Market value  | % of<br>total net<br>assets |
|---|---------------------------|--|---------------|---------------|-----------------------------|
| <b><u>Investments in securities</u></b>   |                           |  |               |               |                             |
| <b>Transferable securities admitted to an official stock exchange listing or traded on another regulated market</b> |                           |  |               |               |                             |
| <b>Bonds</b>  |                           |  |               |               |                             |
| CAD   | 700,000                   | Austria Government International Bond 5.38% 01.12.34 | 694,470.00    | 917,315.00    | 1.77                        |
| CAD   | 1,200,000                 | Canada Housing Trust 3.75% 15.03.20                  | 1,258,002.35  | 1,291,368.00  | 2.49                        |
| CAD   | 1,200,000                 | Canadian Government Bond 0.75% 01.09.20              | 1,214,688.00  | 1,192,188.00  | 2.29                        |
| CAD   | 2,420,000                 | Canadian Government Bond 0.75% 01.03.21              | 2,438,545.20  | 2,395,328.10  | 4.61                        |
| CAD   | 3,800,000                 | Canadian Government Bond 1.25% 01.09.18              | 3,843,280.00  | 3,829,279.00  | 7.36                        |
| CAD   | 2,300,000                 | Canadian Government Bond 1.50% 01.06.23              | 2,256,264.13  | 2,324,863.00  | 4.48                        |
| CAD   | 2,000,000                 | Canadian Government Bond 1.50% 01.06.26              | 2,067,793.10  | 1,977,060.00  | 3.81                        |
| CAD   | 1,750,000                 | Canadian Government Bond 1.75% 01.09.19              | 1,814,470.00  | 1,789,707.50  | 3.45                        |
| CAD   | 1,200,000                 | Canadian Government Bond 2.25% 01.06.25              | 1,320,480.00  | 1,265,868.00  | 2.44                        |
| CAD   | 1,750,000                 | Canadian Government Bond 2.50% 01.06.24              | 1,885,041.53  | 1,876,551.25  | 3.61                        |
| CAD   | 2,100,000                 | Canadian Government Bond 2.75% 01.06.22              | 2,279,912.81  | 2,264,829.00  | 4.36                        |
| CAD   | 1,500,000                 | Canadian Government Bond 2.75% 01.12.48              | 1,744,807.50  | 1,645,845.00  | 3.17                        |
| CAD   | 600,000                   | Canadian Government Bond 2.75% 01.12.64              | 697,330.65    | 680,760.00    | 1.31                        |
| CAD   | 2,200,000                 | Canadian Government Bond 3.25% 01.06.21              | 2,448,437.08  | 2,397,362.00  | 4.61                        |
| CAD   | 3,900,000                 | Canadian Government Bond 3.50% 01.06.20              | 4,385,088.11  | 4,214,574.00  | 8.11                        |
| CAD   | 1,400,000                 | Canadian Government Bond 3.50% 01.12.45              | 1,715,677.34  | 1,732,353.00  | 3.33                        |
| CAD   | 4,800,000                 | Canadian Government Bond 3.75% 01.06.19              | 5,369,646.63  | 5,105,040.00  | 9.84                        |
| CAD   | 2,030,000                 | Canadian Government Bond 4.00% 01.06.41              | 2,675,192.57  | 2,646,308.00  | 5.09                        |
| CAD   | 3,650,000                 | Canadian Government Bond 4.25% 01.06.18              | 4,004,002.29  | 3,800,909.25  | 7.31                        |
| CAD   | 1,900,000                 | Canadian Government Bond 5.00% 01.06.37              | 2,834,663.96  | 2,731,763.00  | 5.26                        |
| CAD   | 1,200,000                 | Canadian Government Bond 5.75% 01.06.29              | 1,746,170.23  | 1,695,768.00  | 3.26                        |
| CAD   | 1,400,000                 | Canadian Government Bond 5.75% 01.06.33              | 2,121,427.35  | 2,087,827.00  | 4.02                        |
| CAD   | 500,000                   | Canadian Government Bond 8.00% 01.06.27              | 843,185.26    | 790,627.50    | 1.52                        |
| CAD   | 415,000                   | Canadian Government Bond 9.00% 01.06.25              | 726,007.44    | 652,193.25    | 1.26                        |
| Total investments in securities   |                           |  | 52,384,583.53 | 51,305,686.85 | 98.76                       |
| <b><u>Cash at banks</u></b>   |                           |  |               |               |                             |
| Bank overdrafts   |                           |  |               | -1,002.59     | 0.00                        |
| Other net assets/(liabilities)  |                           |  |               | 643,722.68    | 1.24                        |
| Total   |                           |  |               | 51,948,406.94 | 100.00                      |

The accompanying notes are an integral part of these financial statements.

### **Investment policy and outlook**

from 1st October 2016 to 31st March 2017

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On the 23rd of June 2016, the UK decided to leave the EU. Initially, most analysts expected this to have a sharp negative impact on the economy, both in the UK and in Europe. Financial markets at first reacted very negatively, but within a month most losses were erased. The S&P 500 even rose to new highs one month after the vote.

The British economy performed much better than feared after the Brexit vote. The British pound however dropped sharply versus the EUR, putting upward pressure on inflation in the months after the vote. However, consumers at first seemed not to be impacted by a decline in purchasing power. Compared to the first half of 2016, UK GDP growth even accelerated in the second half of 2016. Only recently we see some cracks in the consumer strength in the UK.

The central bank decided during this period to keep the official bank rate unchanged at 0.25%. Bond yields fell over the reporting period across the curve. The 10 year government yield declined to 0.5% in the month after the Brexit vote but rising inflation and stronger than expected economic growth pushed the yield higher towards 1.1%.

The interest rate sensibility of the portfolio is quite high compared to the European countries but is in line with the market average. The fund invests primarily in UK government bonds and also holds a limited number of supranational bonds that are denominated in GBP.

#### **Expectations**

The economic outlook is of course blurred because of the Brexit vote. It is uncertain if a deal can be reached by 2019 and what the impact will be on the economy. Moreover, the prime minister decided to have early general elections on the 8th of June 2017. This makes for a lot of uncertainty.

Note: The information in this report represents historical data and is not an indication of future results.

## KBC Renta Sterlingrenta

### Statement of net assets (in GBP)

as at 31st March 2017

#### **Assets**

|  |               |
|--|---------------|
| Securities portfolio at market value   | 42,252,158.91 |
| Cash at banks                          | 310,720.11    |
| Other liquid assets                    | 393.70        |
| Receivable on issues of shares         | 21.01         |
| Income receivable on portfolio         | 190,417.23    |
| Prepaid expenses and other receivables | 8,040.34      |
| Total assets                           | 42,761,751.30 |

#### **Liabilities**

|                                     |           |
|-------------------------------------|-----------|
| Expenses payable and other payables | 28,542.74 |
| Total liabilities                   | 28,542.74 |

|                                     |               |
|-------------------------------------|---------------|
| Net assets at the end of the period | 42,733,208.56 |
|-------------------------------------|---------------|

|   |            |
|---|------------|
| Number of Category A shares outstanding | 4,557.6671 |
| Net asset value per Category A share    | 561.92     |

|   |            |
|---|------------|
| Number of Category B shares outstanding | 4,386.7585 |
| Net asset value per Category B share    | 1,141.03   |

|   |             |
|---|-------------|
| Number of 'Institutional B shares' sub-category outstanding | 30,737.0000 |
| Net asset value per 'Institutional B share' sub-category    | 1,144.12    |

The accompanying notes are an integral part of these financial statements.

## KBC Renta Sterlingrenta

### Statistical information (in GBP)

as at 31st March 2017

#### Total net assets

|                    |               |
|--------------------|---------------|
| - as at 31.03.2017 | 42,733,208.56 |
| - as at 30.09.2016 | 37,711,182.53 |
| - as at 30.09.2015 | 68,677,049.05 |

#### Number of Category A shares

|  |            |
|--|------------|
| - outstanding at the beginning of the period | 4,974.5450 |
| - issued                                     | 167.1126   |
| - redeemed                                   | -583.9905  |
| - outstanding at the end of the period       | 4,557.6671 |

#### Net asset value per Category A share

|                    |        |
|--------------------|--------|
| - as at 31.03.2017 | 561.92 |
| - as at 30.09.2016 | 585.53 |
| - as at 30.09.2015 | 532.40 |

#### Dividends paid

|  |            |
|--|------------|
| Ex-dividend date                       | 03.10.2016 |
| Dividend per share                     | 9.20       |
| Shares outstanding at ex-dividend date | 4,964.5450 |

#### Number of Category B shares

|  |            |
|--|------------|
| - outstanding at the beginning of the period | 4,724.9739 |
| - issued                                     | 171.4938   |
| - redeemed                                   | -509.7092  |
| - outstanding at the end of the period       | 4,386.7585 |

#### Net asset value per Category B share

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 1,141.03 |
| - as at 30.09.2016 | 1,170.38 |
| - as at 30.09.2015 | 1,042.66 |

#### Number of 'Institutional B shares' sub-category

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 24,945.0000 |
| - issued                                     | 12,762.0000 |
| - redeemed                                   | -6,970.0000 |
| - outstanding at the end of the period       | 30,737.0000 |

#### Net asset value per 'Institutional B share' sub-category

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 1,144.12 |
| - as at 30.09.2016 | 1,173.32 |
| - as at 30.09.2015 | 1,044.85 |

The accompanying notes are an integral part of these financial statements.

# KBC Renta Sterlingrenta

## Statement of investments and other net assets (in GBP)

as at 31st March 2017

| Currency  | Number /<br>nominal value | Description                             | Cost          | Market value  | % of<br>total net<br>assets |
|---|---------------------------|---|---------------|---------------|-----------------------------|
| <b>Investments in securities</b>  |                           |   |               |               |                             |
| <b>Transferable securities admitted to an official stock exchange listing or traded on another regulated market</b> |                           |   |               |               |                             |
| <b>Bonds</b>  |                           |   |               |               |                             |
| GBP   | 1,000,000                 | African Development Bank 0.88% 20.12.21 | 1,005,690.00  | 1,008,096.80  | 2.36                        |
| GBP   | 1,000,000                 | European Investment Bank 0.63% 17.01.20 | 1,001,440.00  | 1,002,287.50  | 2.35                        |
| GBP   | 1,300,000                 | European Investment Bank 1.00% 21.09.26 | 1,237,392.00  | 1,244,388.67  | 2.91                        |
| GBP   | 1,600,000                 | United Kingdom Gilt 0.50% 22.07.22      | 1,591,024.00  | 1,596,464.08  | 3.74                        |
| GBP   | 500,000                   | United Kingdom Gilt 1.25% 22.07.18      | 508,185.00    | 507,330.00    | 1.19                        |
| GBP   | 1,200,000                 | United Kingdom Gilt 1.50% 22.01.21      | 1,237,656.00  | 1,254,264.00  | 2.94                        |
| GBP   | 1,550,000                 | United Kingdom Gilt 1.50% 22.07.47      | 1,454,272.00  | 1,473,306.00  | 3.45                        |
| GBP   | 1,000,000                 | United Kingdom Gilt 1.75% 22.07.19      | 1,037,540.00  | 1,037,740.00  | 2.43                        |
| GBP   | 600,000                   | United Kingdom Gilt 1.75% 07.09.22      | 576,691.17    | 639,858.03    | 1.50                        |
| GBP   | 1,500,000                 | United Kingdom Gilt 1.75% 07.09.37      | 1,491,150.00  | 1,505,459.48  | 3.52                        |
| GBP   | 500,000                   | United Kingdom Gilt 2.00% 22.07.20      | 528,555.00    | 529,325.00    | 1.24                        |
| GBP   | 850,000                   | United Kingdom Gilt 2.00% 07.09.25      | 937,959.50    | 924,672.50    | 2.16                        |
| GBP   | 350,000                   | United Kingdom Gilt 2.25% 07.09.23      | 382,000.50    | 385,507.50    | 0.90                        |
| GBP   | 750,000                   | United Kingdom Gilt 2.50% 22.07.65      | 940,930.50    | 986,325.00    | 2.31                        |
| GBP   | 250,000                   | United Kingdom Gilt 2.75% 07.09.24      | 284,577.50    | 285,385.00    | 0.67                        |
| GBP   | 800,000                   | United Kingdom Gilt 3.25% 22.01.44      | 826,956.80    | 1,051,632.00  | 2.46                        |
| GBP   | 700,000                   | United Kingdom Gilt 3.50% 22.01.45      | 877,702.33    | 966,434.00    | 2.26                        |
| GBP   | 750,000                   | United Kingdom Gilt 3.50% 22.07.68      | 890,308.29    | 1,260,397.50  | 2.95                        |
| GBP   | 800,000                   | United Kingdom Gilt 3.75% 07.09.19      | 887,403.94    | 870,568.00    | 2.04                        |
| GBP   | 875,000                   | United Kingdom Gilt 3.75% 07.09.20      | 995,330.06    | 981,935.06    | 2.30                        |
| GBP   | 960,000                   | United Kingdom Gilt 3.75% 07.09.21      | 1,111,289.82  | 1,104,460.80  | 2.58                        |
| GBP   | 650,000                   | United Kingdom Gilt 3.75% 22.07.52      | 703,688.98    | 1,016,340.00  | 2.38                        |
| GBP   | 1,170,000                 | United Kingdom Gilt 4.00% 07.03.22      | 1,379,923.61  | 1,376,212.50  | 3.22                        |
| GBP   | 450,000                   | United Kingdom Gilt 4.00% 22.01.60      | 594,612.06    | 790,609.50    | 1.85                        |
| GBP   | 1,250,000                 | United Kingdom Gilt 4.25% 07.12.27      | 1,595,062.02  | 1,642,087.50  | 3.84                        |
| GBP   | 1,525,000                 | United Kingdom Gilt 4.25% 07.06.32      | 1,949,911.26  | 2,097,647.49  | 4.90                        |
| GBP   | 240,000                   | United Kingdom Gilt 4.25% 07.03.36      | 277,794.36    | 341,588.16    | 0.80                        |
| GBP   | 575,000                   | United Kingdom Gilt 4.25% 07.09.39      | 724,376.83    | 843,806.75    | 1.97                        |
| GBP   | 750,000                   | United Kingdom Gilt 4.25% 07.12.40      | 897,011.79    | 1,114,710.00  | 2.61                        |
| GBP   | 420,000                   | United Kingdom Gilt 4.25% 07.12.46      | 657,556.20    | 664,087.20    | 1.55                        |
| GBP   | 500,000                   | United Kingdom Gilt 4.25% 07.12.49      | 579,999.38    | 821,355.00    | 1.92                        |
| GBP   | 730,000                   | United Kingdom Gilt 4.25% 07.12.55      | 1,045,012.47  | 1,287,092.20  | 3.01                        |
| GBP   | 1,650,000                 | United Kingdom Gilt 4.50% 07.03.19      | 1,853,330.28  | 1,789,986.00  | 4.19                        |
| GBP   | 1,090,000                 | United Kingdom Gilt 4.50% 07.09.34      | 1,320,776.27  | 1,572,076.97  | 3.68                        |
| GBP   | 650,000                   | United Kingdom Gilt 4.50% 07.12.42      | 783,524.58    | 1,020,672.64  | 2.39                        |
| GBP   | 930,000                   | United Kingdom Gilt 4.75% 07.03.20      | 1,091,646.04  | 1,055,626.17  | 2.47                        |
| GBP   | 575,000                   | United Kingdom Gilt 4.75% 07.12.30      | 730,028.46    | 818,258.06    | 1.91                        |
| GBP   | 450,000                   | United Kingdom Gilt 4.75% 07.12.38      | 665,062.25    | 699,124.50    | 1.64                        |
| GBP   | 1,345,000                 | United Kingdom Gilt 5.00% 07.03.25      | 1,710,706.00  | 1,775,378.35  | 4.15                        |
| GBP   | 575,000                   | United Kingdom Gilt 6.00% 07.12.28      | 836,108.30    | 876,610.50    | 2.05                        |
| GBP   | 25,000                    | United Kingdom Gilt 8.00% 07.06.21      | 36,254.27     | 33,052.50     | 0.08                        |
| Total investments in securities   |                           |   | 39,236,439.82 | 42,252,158.91 | 98.87                       |
| <b>Cash at banks</b>  |                           |   |               |               |                             |
| <b>Current accounts at bank</b>   |                           |   | 310,720.11    | 310,720.11    | 0.73                        |
| Total cash at banks   |                           |   | 310,720.11    | 310,720.11    | 0.73                        |
| Other net assets/(liabilities)  |                           |   |               | 170,329.54    | 0.40                        |
| Total   |                           |   |               | 42,733,208.56 | 100.00                      |

The accompanying notes are an integral part of these financial statements.

**Investment policy and outlook**

from 1st October 2016 to 31st March 2017

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This sub fund is mainly invested in Eurobonds issued by a quasi-sovereign issuers with high credit ratings (e.g. European Investment Bank, Asian Development Bank, Nederlandse Waterschapsbank, Bank Nederlandse Gemeenten, KFW) in Swiss Franc.

***Looking back***

The Swiss economy performed quite disappointing during the reporting period. While economic growth recovered to nearly 2% on a y-o-y basis in the middle of 2016, it fell back substantially to 0.6% by the end of the year.

Meanwhile deflation, which had a grip on the Swiss economy for a prolonged 2 year period starting in September 2014, turned around to slight inflation by the end of the reporting period.

The Swiss National Bank ("SNB") left its key monetary policy settings unchanged in the past year. The Governing Board continues to view the CHF as "significantly overvalued" and still expects its negative rate framework and its willingness to intervene in the foreign exchange market as "necessary" to exert downward pressure on the Franc.

The Swiss yield curve shifted upwards with 3 year yields rising about 21 bps and 10 year yields rising around 45 bps. Against this background the performance of the fund was very negative in CHF terms, but slightly better in EUR terms.

***Preview***

We expect the economic activity to pick up gradually in the course of 2017. Inflation is set to rise because of higher oil prices and as the effect of the CHF appreciation is fading out.

On the back of stronger GDP growth we expect the labour market to also improve gradually. Despite the pick-up in growth we expect the SNB to leave rates on hold as the ECB continues with its dovish monetary policy. The CHF should continue to trade in recent ranges versus the Euro.

Note: The information in this report represents historical data and is not an indication of future results.

## KBC Renta Swissrenta

### Statement of net assets (in CHF)

as at 31st March 2017

#### **Assets**

|  |               |
|--|---------------|
| Securities portfolio at market value   | 18,193,613.55 |
| Other liquid assets                    | 16,329.11     |
| Receivable on sales of securities      | 102,260.00    |
| Income receivable on portfolio         | 181,577.74    |
| Prepaid expenses and other receivables | 4,682.29      |
|  | <hr/>         |
| Total assets                           | 18,498,462.69 |

#### **Liabilities**

|                                     |           |
|-------------------------------------|-----------|
| Bank overdrafts                     | 4,176.23  |
| Payable on redemptions of shares    | 51,301.52 |
| Expenses payable and other payables | 12,698.02 |
|                                     | <hr/>     |
| Total liabilities                   | 68,175.77 |

|                                     |               |
|-------------------------------------|---------------|
| Net assets at the end of the period | 18,430,286.92 |
|-------------------------------------|---------------|

|   |            |
|---|------------|
| Number of Category A shares outstanding | 7,982.4295 |
| Net asset value per Category A share    | 1,132.06   |
| Number of Category B shares outstanding | 5,452.8285 |
| Net asset value per Category B share    | 1,722.71   |

The accompanying notes are an integral part of these financial statements.

**Statistical information (in CHF)**

as at 31st March 2017

**Total net assets**

|                    |               |
|--------------------|---------------|
| - as at 31.03.2017 | 18,430,286.92 |
| - as at 30.09.2016 | 22,577,972.98 |
| - as at 30.09.2015 | 25,731,506.10 |

**Number of Category A shares**

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 9,593.9562  |
| - issued                                     | 93.0000     |
| - redeemed                                   | -1,704.5267 |
| - outstanding at the end of the period       | 7,982.4295  |

**Net asset value per Category A share**

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 1,132.06 |
| - as at 30.09.2016 | 1,181.74 |
| - as at 30.09.2015 | 1,122.19 |

**Number of Category B shares**

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 6,250.5491  |
| - issued                                     | 353.7152    |
| - redeemed                                   | -1,151.4358 |
| - outstanding at the end of the period       | 5,452.8285  |

**Net asset value per Category B share**

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 1,722.71 |
| - as at 30.09.2016 | 1,798.31 |
| - as at 30.09.2015 | 1,705.49 |



## KBC Renta Swissrenta

### Statement of investments and other net assets (in CHF)

as at 31st March 2017

| Currency  | Number /<br>nominal value | Description   | Cost          | Market value         | % of<br>total net<br>assets |
|---|---------------------------|---|---------------|----------------------|-----------------------------|
| <b>Investments in securities</b>  |                           |   |               |                      |                             |
| <b>Transferable securities admitted to an official stock exchange listing or traded on another regulated market</b> |                           |   |               |                      |                             |
| <b>Bonds</b>  |                           |   |               |                      |                             |
| CHF   | 300,000                   | Apple Inc 0.75% 25.02.30  | 312,750.00    | 308,547.00           | 1.67                        |
| CHF   | 2,025,000                 | Asian Development Bank 2.75% 12.02.30                           | 2,554,028.90  | 2,710,746.00         | 14.71                       |
| CHF   | 250,000                   | Bank Nederlandse Gemeenten NV 2.25% 14.10.20                    | 277,125.00    | 275,253.75           | 1.49                        |
| CHF   | 150,000                   | Bank Nederlandse Gemeenten NV 2.50% 21.07.25                    | 168,840.00    | 182,448.00           | 0.99                        |
| CHF   | 160,000                   | Coca-Cola Co 1.00% 02.10.28                                     | 175,568.00    | 170,955.20           | 0.93                        |
| CHF   | 730,000                   | Corp Andina de Fomento 1.50% 01.12.28                           | 820,063.75    | 811,876.80           | 4.41                        |
| CHF   | 200,000                   | Deutsche Bahn Finance BV 0.10% 01.12.25                         | 207,800.00    | 201,498.00           | 1.09                        |
| CHF   | 250,000                   | European Investment Bank 1.38% 21.02.28                         | 253,302.68    | 287,732.50           | 1.56                        |
| CHF   | 3,450,000                 | European Investment Bank 3.13% 30.06.36                         | 4,612,044.55  | 5,275,619.25         | 28.63                       |
| CHF   | 270,000                   | European Investment Bank 3.38% 15.10.27                         | 347,355.00    | 367,087.95           | 1.99                        |
| CHF   | 700,000                   | International Bank for Reconstruction & Development 26.11.21    | 626,692.43    | 716,821.00           | 3.89                        |
| CHF   | 450,000                   | Kommunekredit 2.88% 13.10.31                                    | 678,375.00    | 620,997.75           | 3.37                        |
| CHF   | 100,000                   | Kreditanstalt fuer Wiederaufbau 2.25% 12.08.20                  | 108,522.41    | 110,097.50           | 0.60                        |
| CHF   | 1,200,000                 | Kreditanstalt fuer Wiederaufbau 2.50% 25.08.25                  | 1,477,815.00  | 1,473,462.00         | 7.99                        |
| CHF   | 200,000                   | Kreditanstalt fuer Wiederaufbau 2.75% 16.02.37                  | 314,900.00    | 294,866.00           | 1.60                        |
| CHF   | 300,000                   | Nederlandse Waterschapsbank NV 2.38% 27.01.23                   | 275,388.62    | 347,698.50           | 1.89                        |
| CHF   | 450,000                   | Nederlandse Waterschapsbank NV 3.25% 07.08.29                   | 582,075.00    | 620,829.00           | 3.37                        |
| CHF   | 350,000                   | Oesterreichische Kontrollbank AG 2.63% 22.11.24                 | 374,691.71    | 423,990.00           | 2.30                        |
| CHF   | 100,000                   | Province of Ontario Canada 2.50% 04.12.19                       | 112,850.00    | 108,353.50           | 0.59                        |
| CHF   | 300,000                   | Province of Quebec Canada 1.13% 22.02.23                        | 311,777.14    | 323,589.00           | 1.76                        |
| CHF   | 100,000                   | Republic of Poland Government International Bond 2.25% 15.05.18 | 106,625.00    | 103,111.50           | 0.56                        |
| CHF   | 250,000                   | Republic of Poland Government International Bond 3.25% 15.05.19 | 278,450.00    | 269,450.00           | 1.46                        |
| CHF   | 300,000                   | Slovakia Government International Bond 2.75% 25.04.22           | 323,556.93    | 343,932.00           | 1.87                        |
| CHF   | 400,000                   | SNCF Mobilites EPIC 2.63% 13.12.21                              | 448,000.00    | 452,026.00           | 2.45                        |
| CHF   | 100,000                   | SNCF Mobilites EPIC 2.75% 11.06.18                              | 107,212.45    | 103,864.50           | 0.56                        |
| CHF   | 530,000                   | SNCF Reseau 3.25% 30.06.32                                      | 635,402.03    | 750,848.35           | 4.07                        |
| CHF   | 500,000                   | Swiss Confederation Government Bond 0.50% 30.05.58              | 530,900.00    | 537,912.50           | 2.92                        |
| Total investments in securities   |                           |   | 17,022,111.60 | 18,193,613.55        | 98.72                       |
| <b>Cash at banks</b>  |                           |   |               |                      |                             |
| Bank overdrafts   |                           |   |               | -4,176.23            | -0.02                       |
| Other net assets/(liabilities)  |                           |   |               | 240,849.60           | 1.30                        |
| Total   |                           |   |               | <u>18,430,286.92</u> | <u>100.00</u>               |

The accompanying notes are an integral part of these financial statements.

### Investment policy and outlook

from 1st October 2016 to 31st March 2017

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The Eurozone economy finished the year 2016 on a positive note. With a quarterly, non-annualized growth of 0.5 % in Q4, the Euro area confirmed its good position. Also Q1 2017 was as positive with a 2 % annualized expansion. The most positive aspect was the fact that the expansion is broadly based, driven by good domestic consumption but also a rather buoyant construction sector. The difference in the pace of growth between the north, more closely attached to Germany and the south diminished thanks to a nice acceleration in France and increasingly also in Italy.

The ECB saw the opportunity to modify its loose monetary policy announcing in December a reduction in the monthly purchased amount of QE, from 80 billion to 60 billion EUR on a monthly basis. But although the growth performance of the Eurozone was as good as being hoped for, this was not the case for the inflation. Thanks to basis effects, the headline CPI figure reached 2% in February but fell back quite sharply. The underlying inflation remained most of the time below 1% , way below the ECB target of close to but below 2%.

The favorable combination of decent growth and moderate inflation, not only in the Eurozone but also in the US, was unfortunately not enough to guarantee a smooth evolution of financial markets. Politics played a key role during the reporting period. The US presidential elections delivered the first major shock with the election of Donald Trump, a real estate tycoon with limited political experience. The Italian referendum in December delivered the expected outcome: a clear defeat for prime minister Renzi, who resigned subsequently.

Early 2017 looked even more ugly with major risks for populist breakthrough in the Netherlands and France. But although the populists gained in the Dutch parliamentary elections, they fell short of expectations.

Bond yields moved in a quite volatile fashion during the last quarter of 2016. 10 Year Bund yields started below zero early Q4 but finished the reporting period at 0.33 %. Spreads with the periphery were equally volatile. Especially Italy suffered from an unpleasant mix of political uncertainty and some more bad news about non-performing loans in the banking sector.

### Investment Policy

The portfolio positioning in duration terms did not change since the start of the new reporting period. An increase in yields was considered to be more likely than a decline. The country allocation remained quite neutral with a small underweight in Germany in favor of Finland, Austria with the periphery quite neutral.

### Outlook

The economic outlook for the Eurozone remains very good with good growth and low inflation. The ECB can postpone any change in monetary policy probably until late 2017. The Fed will continue its gradual path of rate hikes both uncertainty remains regarding the balance sheet management.

Political uncertainty looks here to stay although the favorable outcome of the French presidential elections clears the biggest hurdle for 2017.

Note: The information in this report represents historical data and is not an indication of future results.

**Statement of net assets (in EUR)**

as at 31st March 2017

**Assets**

|  |                |
|--|----------------|
| Securities portfolio at market value   | 151,975,328.79 |
| Cash at banks                          | 595,277.33     |
| Other liquid assets                    | 93,987.50      |
| Receivable on issues of shares         | 667,908.16     |
| Income receivable on portfolio         | 1,975,239.34   |
| Unrealised gain on futures contracts   | 6,600.00       |
| Prepaid expenses and other receivables | 173,924.14     |
| Total assets                           | 155,488,265.26 |

**Liabilities**

|                                      |            |
|--------------------------------------|------------|
| Payable on redemptions of shares     | 673,289.08 |
| Unrealised loss on futures contracts | 6,250.00   |
| Expenses payable and other payables  | 135,845.68 |
| Total liabilities                    | 815,384.76 |

|                                     |                |
|-------------------------------------|----------------|
| Net assets at the end of the period | 154,672,880.50 |
|-------------------------------------|----------------|

|   |             |
|---|-------------|
| Number of Category A shares outstanding | 15,770.0000 |
| Net asset value per Category A share    | 335.92      |

|   |            |
|---|------------|
| Number of Category B shares outstanding | 1,858.1627 |
| Net asset value per Category B share    | 643.71     |

|   |              |
|---|--------------|
| Number of 'Institutional B shares' sub-category outstanding | 229,753.5475 |
| Net asset value per 'Institutional B share' sub-category    | 644.95       |

The accompanying notes are an integral part of these financial statements.

**Statistical information (in EUR)**

as at 31st March 2017

**Total net assets**

|                    |                |
|--------------------|----------------|
| - as at 31.03.2017 | 154,672,880.50 |
| - as at 30.09.2016 | 192,512,730.42 |
| - as at 30.09.2015 | 145,281,256.44 |

**Number of Category A shares**

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 13,254.2171 |
| - issued                                     | 4,405.0000  |
| - redeemed                                   | -1,889.2171 |
| - outstanding at the end of the period       | 15,770.0000 |

**Net asset value per Category A share**

|                    |        |
|--------------------|--------|
| - as at 31.03.2017 | 335.92 |
| - as at 30.09.2016 | 352.16 |
| - as at 30.09.2015 | 338.63 |

**Dividends paid**

|  |             |
|--|-------------|
| Ex-dividend date                       | 03.10.2016  |
| Dividend per share                     | 2.90        |
| Shares outstanding at ex-dividend date | 13,254.2171 |

**Number of Category B shares**

|  |            |
|--|------------|
| - outstanding at the beginning of the period | 2,405.0302 |
| - issued                                     | 11.0549    |
| - redeemed                                   | -557.9224  |
| - outstanding at the end of the period       | 1,858.1627 |

**Net asset value per Category B share**

|                    |        |
|--------------------|--------|
| - as at 31.03.2017 | 643.71 |
| - as at 30.09.2016 | 669.27 |
| - as at 30.09.2015 | 637.44 |

**Number of 'Institutional B shares' sub-category**

|  |               |
|--|---------------|
| - outstanding at the beginning of the period | 277,785.0545  |
| - issued                                     | 137,900.4930  |
| - redeemed                                   | -185,932.0000 |
| - outstanding at the end of the period       | 229,753.5475  |

**Net asset value per 'Institutional B share' sub-category**

|                    |        |
|--------------------|--------|
| - as at 31.03.2017 | 644.95 |
| - as at 30.09.2016 | 670.43 |
| - as at 30.09.2015 | 638.26 |

## KBC Renta Emurenta

### Statement of investments and other net assets (in EUR)

as at 31st March 2017

| Currency  | Number /<br>nominal value | Description  | Cost           | Market value   | % of<br>total net<br>assets |
|---|---------------------------|--|----------------|----------------|-----------------------------|
| <b>Investments in securities</b>  |                           |  |                |                |                             |
| <b>Transferable securities admitted to an official stock exchange listing or traded on another regulated market</b> |                           |  |                |                |                             |
| <b>Bonds</b>  |                           |  |                |                |                             |
| EUR   | 690,000                   | Autonomous Community of Madrid Spain 2.88% 06.04.19          | 689,296.20     | 729,916.50     | 0.47                        |
| EUR   | 2,000,000                 | Bundesrepublik Deutschland 15.08.26                          | 1,934,880.00   | 1,952,560.00   | 1.26                        |
| EUR   | 6,200,000                 | Bundesrepublik Deutschland 1.50% 04.09.22                    | 6,774,562.43   | 6,823,689.00   | 4.41                        |
| EUR   | 2,600,000                 | Bundesrepublik Deutschland 2.25% 04.09.20                    | 2,899,141.74   | 2,858,927.50   | 1.85                        |
| EUR   | 5,500,000                 | Bundesrepublik Deutschland 3.25% 04.07.21                    | 6,488,535.33   | 6,392,471.25   | 4.13                        |
| EUR   | 1,000,000                 | Bundesrepublik Deutschland 3.25% 04.07.42                    | 1,621,680.10   | 1,496,380.00   | 0.97                        |
| EUR   | 2,200,000                 | Bundesrepublik Deutschland 4.75% 04.07.28                    | 3,400,580.45   | 3,251,072.00   | 2.10                        |
| EUR   | 3,293,040                 | Deutsche Bundesrepublik Inflation Linked Bond 1.75% 15.04.20 | 3,646,666.86   | 3,636,668.72   | 2.35                        |
| EUR   | 3,500,000                 | Finland Government Bond 0.88% 15.09.25                       | 3,621,275.00   | 3,649,555.00   | 2.36                        |
| EUR   | 6,106,980                 | French Republic Government Bond OAT 0.25% 25.07.24           | 6,520,789.80   | 6,558,407.96   | 4.24                        |
| EUR   | 3,300,000                 | French Republic Government Bond OAT 1.75% 25.11.24           | 3,657,691.98   | 3,585,912.00   | 2.32                        |
| EUR   | 8,000,000                 | French Republic Government Bond OAT 2.25% 25.10.22           | 9,067,036.41   | 8,914,280.00   | 5.76                        |
| EUR   | 1,000,000                 | French Republic Government Bond OAT 3.25% 25.05.45           | 1,367,770.00   | 1,274,000.00   | 0.82                        |
| EUR   | 8,600,000                 | French Republic Government Bond OAT 3.50% 25.04.20           | 9,940,658.33   | 9,608,522.00   | 6.22                        |
| EUR   | 1,600,000                 | French Republic Government Bond OAT 4.00% 25.10.38           | 2,481,959.05   | 2,261,472.00   | 1.46                        |
| EUR   | 4,800,000                 | French Republic Government Bond OAT 5.50% 25.04.29           | 7,874,569.34   | 7,140,960.00   | 4.62                        |
| EUR   | 650,000                   | Ireland Government Bond 1.00% 15.05.26                       | 655,810.50     | 650,520.00     | 0.42                        |
| EUR   | 2,300,000                 | Ireland Government Bond 5.00% 18.10.20                       | 2,829,784.85   | 2,728,007.00   | 1.76                        |
| EUR   | 1,000,000                 | Italy Buoni Poliennali Del Tesoro 1.60% 01.06.26             | 975,120.00     | 959,210.00     | 0.62                        |
| EUR   | 2,822,404                 | Italy Buoni Poliennali Del Tesoro 2.10% 15.09.21             | 3,135,741.57   | 3,101,426.86   | 2.01                        |
| EUR   | 5,000,000                 | Italy Buoni Poliennali Del Tesoro 3.50% 01.06.18             | 5,388,359.15   | 5,211,000.00   | 3.37                        |
| EUR   | 3,800,000                 | Italy Buoni Poliennali Del Tesoro 3.75% 01.08.21             | 4,364,959.40   | 4,280,472.00   | 2.77                        |
| EUR   | 8,000,000                 | Italy Buoni Poliennali Del Tesoro 4.25% 01.02.19             | 8,844,048.62   | 8,609,200.00   | 5.57                        |
| EUR   | 1,000,000                 | Italy Buoni Poliennali Del Tesoro 4.75% 01.08.23             | 1,205,430.00   | 1,199,800.00   | 0.78                        |
| EUR   | 4,200,000                 | Italy Buoni Poliennali Del Tesoro 5.00% 01.09.40             | 6,055,149.11   | 5,431,230.00   | 3.51                        |
| EUR   | 3,500,000                 | Italy Buoni Poliennali Del Tesoro 5.25% 01.11.29             | 4,786,635.00   | 4,533,025.00   | 2.93                        |
| EUR   | 2,700,000                 | Italy Buoni Poliennali Del Tesoro 6.50% 01.11.27             | 4,020,677.00   | 3,753,054.00   | 2.43                        |
| EUR   | 5,500,000                 | Kingdom of Belgium Government Bond 0.50% 22.10.24            | 5,496,700.00   | 5,556,430.00   | 3.59                        |
| EUR   | 2,000,000                 | Kingdom of Belgium Government Bond 1.00% 22.06.31            | 2,069,210.80   | 1,945,080.00   | 1.26                        |
| EUR   | 3,750,000                 | Netherlands Government Bond 0.25% 15.07.25                   | 3,659,180.10   | 3,737,062.50   | 2.42                        |
| EUR   | 3,000,000                 | Netherlands Government Bond 3.25% 15.07.21                   | 3,554,090.70   | 3,477,480.00   | 2.25                        |
| EUR   | 1,300,000                 | Republic of Austria Government Bond 3.50% 15.09.21           | 1,554,012.81   | 1,522,956.50   | 0.98                        |
| EUR   | 3,500,000                 | Republic of Austria Government Bond 4.85% 15.03.26           | 5,011,084.19   | 4,885,440.00   | 3.16                        |
| EUR   | 3,500,000                 | Spain Government Bond 2.35% 30.07.33                         | 3,398,290.00   | 3,527,300.00   | 2.28                        |
| EUR   | 6,600,000                 | Spain Government Bond 4.10% 30.07.18                         | 7,252,006.11   | 6,980,886.00   | 4.51                        |
| EUR   | 4,000,000                 | Spain Government Bond 4.80% 31.01.24                         | 5,070,699.03   | 5,010,640.00   | 3.24                        |
| EUR   | 2,100,000                 | Spain Government Bond 4.90% 30.07.40                         | 3,010,108.51   | 2,913,435.00   | 1.88                        |
| EUR   | 1,500,000                 | Spain Government Bond 5.50% 30.04.21                         | 1,867,365.00   | 1,826,880.00   | 1.18                        |
| Total investments in securities   |                           |  | 156,191,555.47 | 151,975,328.79 | 98.26                       |
| <b>Cash at banks</b>  |                           |  |                |                |                             |
| <b>Current accounts at bank</b>   |                           |  | 595,277.33     | 595,277.33     | 0.38                        |
| Total cash at banks   |                           |  | 595,277.33     | 595,277.33     | 0.38                        |
| Other net assets/(liabilities)  |                           |  |                | 2,102,274.38   | 1.36                        |
| Total   |                           |  |                | 154,672,880.50 | 100.00                      |

The accompanying notes are an integral part of these financial statements.

**Investment policy and outlook**

from 1st October 2016 to 31st March 2017

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**Macroeconomic and fixed-income development**

During the last six months, the Czech economy kept growing at a solid pace. In the last quarter of 2016, the GDP growth reached 1.9% y-o-y. The consumer price inflation increased rapidly in the course of last six months and reached 2.4% y-o-y in March 2017 driven by the strength of the Czech economy and external factors (mainly oil prices). The consumer price inflation thus crossed the 2% target of the Czech National Bank (the "CNB"). The official CNB rate remained at the level of 0.05% during the last six months. The CNB kept intervening on the FX market with the aim not to let CZK appreciate against EUR. The central bank confirmed that it will intervene at least until the end of March 2017. The money market rates remained stable during the last six months as the 6 month inter-bank rate hovered around 0.36% level. The Czech yield curve has steepened in the course of the last six months as the long-term yields increased by 0.60% to 0.70% compared with the increase of the short and medium term yields by 0.20% to 0.40%.

**Investment strategy and asset allocation**

The Fund invests mainly in Czech government bonds. Other investments comprise CZK denominated Eurobonds. These instruments offer good accessibility and liquidity. During the last six months, the Fund's modified duration oscillated between 3.39 and 4.30 years.

**Expected development**

We expect the Czech economy to grow during 2017 between 2% and 3%. We also expect the consumer price inflation to stay above the CNB's target of 2.0% in the next six months and decrease towards the target in 2018. The Czech National Bank is anticipated to end the intervention regime in second quarter of 2017 and to keep its official interest rate at the present level of 0.05% till the fourth quarter of 2017. The start of the hiking cycle is expected in 2018. As for the long term yields, we expect gradual yields' rise during the rest of 2017 as a response to the Czech economy's growth and inflation pick-up. We intend to keep the modified duration below the benchmark-neutral level during the next six months period.

Note: The information in this report represents historical data and is not an indication of future results.

## KBC Renta Czechrenta

### Statement of net assets (in CZK)

as at 31st March 2017

#### **Assets**

|                                      |                  |
|--------------------------------------|------------------|
| Securities portfolio at market value | 1,612,382,695.00 |
| Cash at banks                        | 15,053,352.39    |
| Receivable on issues of shares       | 1,087,084.80     |
| Income receivable on portfolio       | 15,342,416.40    |
| Other receivables                    | 323,596.41       |
|                                      | <hr/>            |
| Total assets                         | 1,644,189,145.00 |
|                                      | <hr/>            |

#### **Liabilities**

|                                     |              |
|-------------------------------------|--------------|
| Payable on redemptions of shares    | 6,129,417.87 |
| Expenses payable and other payables | 1,980,356.88 |
|                                     | <hr/>        |
| Total liabilities                   | 8,109,774.75 |
|                                     | <hr/>        |

|                                     |                  |
|-------------------------------------|------------------|
| Net assets at the end of the period | 1,636,079,370.25 |
|                                     | <hr/>            |

|   |           |
|---|-----------|
| Number of Category A shares outstanding | 739.5251  |
| Net asset value per Category A share    | 21,861.45 |

|   |            |
|---|------------|
| Number of Category B shares outstanding | 6,578.6178 |
| Net asset value per Category B share    | 40,732.35  |

|   |             |
|---|-------------|
| Number of 'Institutional B shares' sub-category outstanding | 33,116.4573 |
| Net asset value per 'Institutional B share' sub-category    | 40,824.11   |

The accompanying notes are an integral part of these financial statements.

**Statistical information (in CZK)**

as at 31st March 2017

**Total net assets**

|                    |                  |
|--------------------|------------------|
| - as at 31.03.2017 | 1,636,079,370.25 |
| - as at 30.09.2016 | 2,901,907,531.45 |
| - as at 30.09.2015 | 2,835,011,311.29 |

**Number of Category A shares**

|  |           |
|--|-----------|
| - outstanding at the beginning of the period | 968.5251  |
| - issued                                     | —         |
| - redeemed                                   | -229.0000 |
| - outstanding at the end of the period       | 739.5251  |

**Net asset value per Category A share**

|                    |           |
|--------------------|-----------|
| - as at 31.03.2017 | 21,861.45 |
| - as at 30.09.2016 | 22,390.03 |
| - as at 30.09.2015 | 22,297.26 |

**Dividends paid**

|  |            |
|--|------------|
| Ex-dividend date                       | 03.10.2016 |
| Dividend per share                     | 58.60      |
| Shares outstanding at ex-dividend date | 968.5251   |

**Number of Category B shares**

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 14,880.3495 |
| - issued                                     | 365.7585    |
| - redeemed                                   | -8,667.4902 |
| - outstanding at the end of the period       | 6,578.6178  |

**Net asset value per Category B share**

|                    |           |
|--------------------|-----------|
| - as at 31.03.2017 | 40,732.35 |
| - as at 30.09.2016 | 41,605.73 |
| - as at 30.09.2015 | 41,197.90 |

**Number of 'Institutional B shares' sub-category**

|  |              |
|--|--------------|
| - outstanding at the beginning of the period | 54,231.8478  |
| - issued                                     | 6,314.6097   |
| - redeemed                                   | -27,430.0002 |
| - outstanding at the end of the period       | 33,116.4573  |

**Net asset value per 'Institutional B share' sub-category**

|                    |           |
|--------------------|-----------|
| - as at 31.03.2017 | 40,824.11 |
| - as at 30.09.2016 | 41,693.48 |
| - as at 30.09.2015 | 41,265.56 |



## KBC Renta Czechrenta

### Statement of investments and other net assets (in CZK) as at 31st March 2017

| Currency  | Number /<br>nominal value | Description                                   | Cost                    | Market value            | % of<br>total net<br>assets |
|---|---------------------------|---|-------------------------|-------------------------|-----------------------------|
| <b><u>Investments in securities</u></b>   |                           |   |                         |                         |                             |
| <b>Transferable securities admitted to an official stock exchange listing or traded on another regulated market</b> |                           |   |                         |                         |                             |
| <b>Bonds</b>  |                           |   |                         |                         |                             |
| CZK   | 15,000,000                | BNP Paribas SA 25.01.18                       | 15,000,000.00           | 15,051,000.00           | 0.92                        |
| CZK   | 21,000,000                | BPCE SA 04.02.23                              | 21,000,000.00           | 20,846,700.00           | 1.27                        |
| CZK   | 100,000,000               | Ceska exportni Banka AS 24.09.18              | 100,000,000.00          | 102,100,000.00          | 6.24                        |
| CZK   | 42,500,000                | Czech Republic Government Bond 09.12.20       | 42,644,500.00           | 43,073,962.50           | 2.63                        |
| CZK   | 45,300,000                | Czech Republic Government Bond 18.04.23       | 48,833,811.82           | 48,562,506.00           | 2.97                        |
| CZK   | 88,000,000                | Czech Republic Government Bond 0.45% 25.10.23 | 89,966,200.00           | 88,105,600.00           | 5.39                        |
| CZK   | 196,500,000               | Czech Republic Government Bond 0.85% 17.03.18 | 199,799,328.56          | 200,017,350.00          | 12.23                       |
| CZK   | 276,400,000               | Czech Republic Government Bond 1.50% 29.10.19 | 291,623,091.33          | 288,147,000.00          | 17.60                       |
| CZK   | 69,900,000                | Czech Republic Government Bond 2.40% 17.09.25 | 76,037,681.25           | 79,124,004.00           | 4.84                        |
| CZK   | 68,000,000                | Czech Republic Government Bond 2.50% 25.08.28 | 76,451,790.03           | 78,201,360.00           | 4.78                        |
| CZK   | 78,300,000                | Czech Republic Government Bond 3.75% 12.09.20 | 87,823,853.28           | 88,304,782.50           | 5.40                        |
| CZK   | 181,500,000               | Czech Republic Government Bond 3.85% 29.09.21 | 218,907,778.58          | 211,919,400.00          | 12.95                       |
| CZK   | 218,500,000               | Czech Republic Government Bond 4.70% 12.09.22 | 281,442,704.69          | 272,159,230.00          | 16.63                       |
| CZK   | 20,000,000                | General Electric Co 05.02.18                  | 20,000,000.00           | 20,042,000.00           | 1.23                        |
| CZK   | 20,000,000                | ING Bank NV 30.11.17                          | 20,000,000.00           | 20,150,000.00           | 1.23                        |
| CZK   | 18,000,000                | Lloyds Bank Plc 01.12.21                      | 18,000,000.00           | 18,102,600.00           | 1.11                        |
| CZK   | 18,000,000                | Société Générale 02.05.18                     | 18,000,000.00           | 18,475,200.00           | 1.13                        |
| <b>Total bonds</b>  |                           |   | <b>1,625,530,739.54</b> | <b>1,612,382,695.00</b> | <b>98.55</b>                |
| <b><u>Other transferable securities</u></b>   |                           |   |                         |                         |                             |
| <b>Bonds in default of payment</b>  |                           |   |                         |                         |                             |
| CZK   | 25,000,000                | LBI HF 4.40% 03.11.49                         | 23,218,085.77           | 0.00                    | 0.00                        |
| <b>Total Bonds in default of payment</b>  |                           |   | <b>23,218,085.77</b>    | <b>0.00</b>             | <b>0.00</b>                 |
| Total investments in securities   |                           |   | <b>1,648,748,825.31</b> | <b>1,612,382,695.00</b> | <b>98.55</b>                |
| <b><u>Cash at banks</u></b>   |                           |   |                         |                         |                             |
| <b>Current accounts at bank</b>   |                           |   | <b>15,053,352.39</b>    | <b>15,053,352.39</b>    | <b>0.92</b>                 |
| Total cash at banks   |                           |   | <b>15,053,352.39</b>    | <b>15,053,352.39</b>    | <b>0.92</b>                 |
| Other net assets/(liabilities)  |                           |   |                         | <b>8,643,322.86</b>     | <b>0.53</b>                 |
| <b>Total</b>  |                           |   |                         | <b>1,636,079,370.25</b> | <b>100.00</b>               |

The accompanying notes are an integral part of these financial statements.

### Investment policy and outlook

from 1st October 2016 to 31st March 2017

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This sub fund invests mainly in Australian government issues, in addition to AUD denominated paper from high quality issuers.

Over the reporting period, economic growth in Australia has continued to pick up, reflecting the effects of low interest rates, the substantial depreciation of the exchange rate since early 2013 and the recent rebound in commodity prices on the back of stronger global growth.

This has resulted in inflation increasing gradually too. Indeed, headline inflation in the March quarter was a little above 2% for the first time in a long time, and is now expected to be between 2% and 3% over the coming year. Underlying inflation is still lower, but increased in the March quarter to around 1.75% and is expected to increase further to around 2% in early 2018.

As a result, the central bank halted its easing cycle and kept interest rates unchanged at 1.50%. In response, the yield curve bear steepened with 2-year yields rising by around 20 basis point, 5-year yields by around 65 basis points and 10-year yields even by around 80 basis points.

Against this backdrop, the sub fund had a negative return in AUD terms, which was offset by the appreciation of the AUD in EUR terms.

Looking forward, the Australian economy is set to perform rather well, which will likely put some additional upward pressure on yields. A lot will however depend on the outlook for the Chinese economy and the related commodity price developments.

Note: The information in this report represents historical data and is not an indication of future results.

## KBC Renta AUD-Renta

### Statement of net assets (in AUD)

as at 31st March 2017

#### **Assets**

|                                      |               |
|--------------------------------------|---------------|
| Securities portfolio at market value | 55,256,779.55 |
| Cash at banks                        | 428,662.38    |
| Receivable on issues of shares       | 99,296.60     |
| Income receivable on portfolio       | 710,845.43    |
| Other receivables                    | 26,034.04     |
|                                      | <hr/>         |
| Total assets                         | 56,521,618.00 |

#### **Liabilities**

|                                     |            |
|-------------------------------------|------------|
| Payable on redemptions of shares    | 63,084.65  |
| Expenses payable and other payables | 64,722.53  |
|                                     | <hr/>      |
| Total liabilities                   | 127,807.18 |

|                                     |               |
|-------------------------------------|---------------|
| Net assets at the end of the period | 56,393,810.82 |
|-------------------------------------|---------------|

|   |             |
|---|-------------|
| Number of Category A shares outstanding | 23,103.4056 |
| Net asset value per Category A share    | 854.22      |

|   |            |
|---|------------|
| Number of Category B shares outstanding | 7,455.3156 |
| Net asset value per Category B share    | 1,909.20   |

|   |             |
|---|-------------|
| Number of 'Institutional B shares' sub-category outstanding | 11,720.0000 |
| Net asset value per 'Institutional B share' sub-category    | 1,913.37    |

The accompanying notes are an integral part of these financial statements.

## KBC Renta AUD-Renta

### Statistical information (in AUD)

as at 31st March 2017

#### Total net assets

|                    |               |
|--------------------|---------------|
| - as at 31.03.2017 | 56,393,810.82 |
| - as at 30.09.2016 | 51,206,157.94 |
| - as at 30.09.2015 | 52,901,694.56 |

#### Number of Category A shares

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 28,954.7793 |
| - issued                                     | 1,302.2047  |
| - redeemed                                   | -7,153.5784 |
| - outstanding at the end of the period       | 23,103.4056 |

#### Net asset value per Category A share

|                    |        |
|--------------------|--------|
| - as at 31.03.2017 | 854.22 |
| - as at 30.09.2016 | 904.40 |
| - as at 30.09.2015 | 880.70 |

#### Dividends paid

|  |             |
|--|-------------|
| Ex-dividend date                       | 03.10.2016  |
| Dividend per share                     | 20.10       |
| Shares outstanding at ex-dividend date | 28,938.7793 |

#### Number of Category B shares

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 10,969.3633 |
| - issued                                     | 379.7284    |
| - redeemed                                   | -3,893.7761 |
| - outstanding at the end of the period       | 7,455.3156  |

#### Net asset value per Category B share

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 1,909.20 |
| - as at 30.09.2016 | 1,976.42 |
| - as at 30.09.2015 | 1,877.10 |

#### Number of 'Institutional B shares' sub-category

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 1,686.0000  |
| - issued                                     | 10,274.0000 |
| - redeemed                                   | -240.0000   |
| - outstanding at the end of the period       | 11,720.0000 |

#### Net asset value per 'Institutional B share' sub-category

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 1,913.37 |
| - as at 30.09.2016 | 1,980.55 |
| - as at 30.09.2015 | 1,880.28 |

The accompanying notes are an integral part of these financial statements.

## KBC Renta AUD-Renta

### Statement of investments and other net assets (in AUD)

as at 31st March 2017

| Currency  | Number /<br>nominal value | Description                                    | Cost          | Market value  | % of<br>total net<br>assets |
|---|---------------------------|--|---------------|---------------|-----------------------------|
| <b>Investments in securities</b>  |                           |  |               |               |                             |
| <b>Transferable securities admitted to an official stock exchange listing or traded on another regulated market</b> |                           |  |               |               |                             |
| <b>Bonds</b>  |                           |  |               |               |                             |
| AUD   | 2,000,000                 | Asian Development Bank 2.75% 19.01.22          | 1,992,840.00  | 2,006,450.00  | 3.56                        |
| AUD   | 1,000,000                 | Asian Development Bank 3.00% 14.10.26          | 970,180.00    | 975,085.00    | 1.73                        |
| AUD   | 900,000                   | Australia Government Bond 1.75% 21.11.20       | 887,967.00    | 891,369.00    | 1.58                        |
| AUD   | 1,800,000                 | Australia Government Bond 2.25% 21.05.28       | 1,686,024.00  | 1,706,274.00  | 3.03                        |
| AUD   | 1,658,000                 | Australia Government Bond 2.75% 21.10.19       | 1,683,701.76  | 1,695,785.82  | 3.01                        |
| AUD   | 2,200,000                 | Australia Government Bond 2.75% 21.04.24       | 2,212,510.46  | 2,237,818.00  | 3.97                        |
| AUD   | 1,500,000                 | Australia Government Bond 2.75% 21.11.27       | 1,603,905.00  | 1,498,935.00  | 2.66                        |
| AUD   | 725,000                   | Australia Government Bond 2.75% 21.06.35       | 695,807.00    | 677,345.75    | 1.20                        |
| AUD   | 1,100,000                 | Australia Government Bond 3.00% 21.03.47       | 947,451.00    | 978,670.00    | 1.74                        |
| AUD   | 1,537,000                 | Australia Government Bond 3.25% 21.10.18       | 1,606,651.29  | 1,574,272.25  | 2.79                        |
| AUD   | 3,223,000                 | Australia Government Bond 3.25% 21.04.25       | 3,233,319.75  | 3,380,185.71  | 5.99                        |
| AUD   | 1,970,000                 | Australia Government Bond 3.25% 21.04.29       | 2,017,834.38  | 2,048,839.40  | 3.63                        |
| AUD   | 520,000                   | Australia Government Bond 3.25% 21.06.39       | 498,926.51    | 508,284.40    | 0.90                        |
| AUD   | 1,313,000                 | Australia Government Bond 3.75% 21.04.37       | 1,332,789.38  | 1,399,132.80  | 2.48                        |
| AUD   | 3,115,000                 | Australia Government Bond 4.25% 21.04.26       | 3,321,156.49  | 3,516,212.00  | 6.24                        |
| AUD   | 620,000                   | Australia Government Bond 4.50% 15.04.20       | 668,168.40    | 667,151.00    | 1.18                        |
| AUD   | 2,105,000                 | Australia Government Bond 4.50% 21.04.33       | 2,334,290.76  | 2,483,394.80  | 4.40                        |
| AUD   | 2,910,000                 | Australia Government Bond 4.75% 21.04.27       | 3,230,010.48  | 3,433,218.00  | 6.09                        |
| AUD   | 2,680,000                 | Australia Government Bond 5.25% 15.03.19       | 2,930,132.64  | 2,858,622.00  | 5.07                        |
| AUD   | 3,470,000                 | Australia Government Bond 5.50% 21.04.23       | 4,052,117.44  | 4,085,404.50  | 7.23                        |
| AUD   | 2,355,000                 | Australia Government Bond 5.75% 15.05.21       | 2,782,009.04  | 2,694,473.25  | 4.78                        |
| AUD   | 2,411,000                 | Australia Government Bond 5.75% 15.07.22       | 2,878,211.19  | 2,830,562.22  | 5.02                        |
| AUD   | 1,000,000                 | Corp Andina de Fomento 4.00% 31.03.21          | 1,012,010.00  | 1,017,470.00  | 1.80                        |
| AUD   | 1,700,000                 | Eurofima 5.50% 30.06.20                        | 1,659,146.13  | 1,847,339.00  | 3.28                        |
| AUD   | 2,050,000                 | European Investment Bank 6.00% 06.08.20        | 2,135,845.56  | 2,279,528.25  | 4.04                        |
| AUD   | 800,000                   | European Investment Bank 6.50% 07.08.19        | 876,632.00    | 879,788.00    | 1.56                        |
| AUD   | 1,500,000                 | Inter-American Development Bank 2.50% 14.04.27 | 1,390,500.00  | 1,392,165.00  | 2.47                        |
| AUD   | 1,000,000                 | Inter-American Development Bank 6.50% 20.08.19 | 1,102,078.00  | 1,099,735.00  | 1.95                        |
| AUD   | 400,000                   | Kommunalbanken AS 3.50% 30.05.18               | 407,008.00    | 406,516.90    | 0.72                        |
| AUD   | 500,000                   | Kreditanstalt fuer Wiederaufbau 4.00% 27.02.25 | 525,205.00    | 529,140.00    | 0.94                        |
| AUD   | 1,000,000                 | Landwirtschaftliche Rentenbank 4.75% 08.04.24  | 1,101,000.00  | 1,105,820.00  | 1.96                        |
| AUD   | 500,000                   | Nordic Investment Bank 4.75% 28.02.24          | 549,665.00    | 551,792.50    | 0.98                        |
| Total investments in securities   |                           |  | 54,325,093.66 | 55,256,779.55 | 97.98                       |
| <b>Cash at banks</b>  |                           |  |               |               |                             |
| <b>Current accounts at bank</b>   |                           |  | 428,662.38    | 428,662.38    | 0.76                        |
| Total cash at banks   |                           |  | 428,662.38    | 428,662.38    | 0.76                        |
| Other net assets/(liabilities)  |                           |  |               | 708,368.89    | 1.26                        |
| Total   |                           |  |               | 56,393,810.82 | 100.00                      |

The accompanying notes are an integral part of these financial statements.

### Investment policy and outlook

from 1st October 2016 to 31st March 2017

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This sub fund invests mainly in New Zealand government issues, in addition to NZD denominated paper from high quality issuers.

Over the reporting period, economic growth has been weaker than expected. Nevertheless, the growth outlook remains positive supported by ongoing accommodative monetary policy, strong population growth, and high levels of household spending and construction activity. At the same time, weak global conditions and low global interest rates relative to New Zealand have been keeping the exchange rate higher than is sustainable for balanced economic growth. This has also kept inflation rather low, although it has been rising lately reflecting the accommodative monetary policy, the strength of the domestic economy, and the reduced drag from tradables inflation.

In order to help the economy rebalance and reduce the upward pressure on the exchange rate, the central bank decided to lower the cash rate by 25 basis points to 1.75% in November. Over the period, there was however a bear steepening of the yield curve in line with global bond markets, with 2-year yields rising by around 25 basis points, 5-year yields by around 50 basis points and 10-year yields by around 90 basis points.

Against this background, the fund posted a negative performance in NZD terms, with a similar return in euro terms, as the NZD has been trading volatile but ended the period little changed versus the EUR.

Looking forward, the central bank is likely to continue an accommodative monetary policy, despite the strong domestic economy and rising inflation. This may limit the upward pressure on yields.

Note: The information in this report represents historical data and is not an indication of future results.

## KBC Renta NZD-Renta

### Statement of net assets (in NZD)

as at 31st March 2017

#### **Assets**

|                                      |               |
|--------------------------------------|---------------|
| Securities portfolio at market value | 22,758,128.84 |
| Cash at banks                        | 64,472.79     |
| Receivable on issues of shares       | 520.51        |
| Income receivable on portfolio       | 336,816.74    |
| Other receivables                    | 6,248.88      |
|                                      | <hr/>         |
| Total assets                         | 23,166,187.76 |

#### **Liabilities**

|                                     |           |
|-------------------------------------|-----------|
| Payable on redemptions of shares    | 22,219.39 |
| Expenses payable and other payables | 30,304.53 |
|                                     | <hr/>     |
| Total liabilities                   | 52,523.92 |

|                                     |               |
|-------------------------------------|---------------|
| Net assets at the end of the period | 23,113,663.84 |
|-------------------------------------|---------------|

|   |             |
|---|-------------|
| Number of Category A shares outstanding | 10,993.9899 |
| Net asset value per Category A share    | 1,070.49    |

|   |            |
|---|------------|
| Number of Category B shares outstanding | 2,861.6702 |
| Net asset value per Category B share    | 2,507.62   |

|   |            |
|---|------------|
| Number of 'Institutional B shares' sub-category outstanding | 1,659.0000 |
| Net asset value per 'Institutional B share' sub-category    | 2,512.81   |

The accompanying notes are an integral part of these financial statements.

## KBC Renta NZD-Renta

### Statistical information (in NZD)

as at 31st March 2017

#### Total net assets

|                    |               |
|--------------------|---------------|
| - as at 31.03.2017 | 23,113,663.84 |
| - as at 30.09.2016 | 35,019,641.83 |
| - as at 30.09.2015 | 36,887,303.48 |

#### Number of Category A shares

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 13,422.8334 |
| - issued                                     | 165.1565    |
| - redeemed                                   | -2,594.0000 |
| - outstanding at the end of the period       | 10,993.9899 |

#### Net asset value per Category A share

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 1,070.49 |
| - as at 30.09.2016 | 1,127.90 |
| - as at 30.09.2015 | 1,104.80 |

#### Dividends paid

|  |             |
|--|-------------|
| Ex-dividend date                       | 03.10.2016  |
| Dividend per share                     | 27.40       |
| Shares outstanding at ex-dividend date | 13,422.8334 |

#### Number of Category B shares

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 5,898.6319  |
| - issued                                     | 377.8749    |
| - redeemed                                   | -3,414.8366 |
| - outstanding at the end of the period       | 2,861.6702  |

#### Net asset value per Category B share

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 2,507.62 |
| - as at 30.09.2016 | 2,577.78 |
| - as at 30.09.2015 | 2,448.52 |

#### Number of 'Institutional B shares' sub-category

|  |            |
|--|------------|
| - outstanding at the beginning of the period | 1,810.0000 |
| - issued                                     | 104.0000   |
| - redeemed                                   | -255.0000  |
| - outstanding at the end of the period       | 1,659.0000 |

#### Net asset value per 'Institutional B share' sub-category

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 2,512.81 |
| - as at 30.09.2016 | 2,582.70 |
| - as at 30.09.2015 | 2,452.21 |

The accompanying notes are an integral part of these financial statements.



## KBC Renta NZD-Renta

### Statement of investments and other net assets (in NZD) as at 31st March 2017

| Currency  | Number /<br>nominal value | Description  | Cost          | Market value  | % of<br>total net<br>assets |
|---|---------------------------|--|---------------|---------------|-----------------------------|
| <b><u>Investments in securities</u></b>   |                           |  |               |               |                             |
| <b>Transferable securities admitted to an official stock exchange listing or traded on another regulated market</b> |                           |  |               |               |                             |
| <b>Bonds</b>  |                           |  |               |               |                             |
| NZD   | 500,000                   | European Investment Bank 4.75% 22.01.19                            | 520,000.00    | 516,917.50    | 2.24                        |
| NZD   | 500,000                   | International Bank for Reconstruction & Development 4.63% 26.02.19 | 520,839.75    | 518,720.00    | 2.24                        |
| NZD   | 400,000                   | Kreditanstalt fuer Wiederaufbau 3.38% 15.02.21                     | 403,186.75    | 401,552.00    | 1.74                        |
| NZD   | 970,000                   | New Zealand Government Bond 2.75% 15.04.37                         | 913,232.66    | 825,004.40    | 3.57                        |
| NZD   | 1,000,000                 | New Zealand Government Bond 2.75% 15.04.25                         | 1,013,762.16  | 976,330.00    | 4.22                        |
| NZD   | 2,720,000                 | New Zealand Government Bond 3.00% 15.04.20                         | 2,666,873.94  | 2,772,604.80  | 12.00                       |
| NZD   | 1,270,000                 | New Zealand Government Bond 3.50% 14.04.33                         | 1,276,856.66  | 1,263,053.10  | 5.46                        |
| NZD   | 2,318,000                 | New Zealand Government Bond 4.50% 15.04.27                         | 2,473,105.79  | 2,576,874.24  | 11.15                       |
| NZD   | 3,720,000                 | New Zealand Government Bond 5.00% 15.03.19                         | 3,967,641.71  | 3,921,661.20  | 16.97                       |
| NZD   | 3,720,000                 | New Zealand Government Bond 5.50% 15.04.23                         | 4,269,693.11  | 4,278,148.80  | 18.51                       |
| NZD   | 4,140,000                 | New Zealand Government Bond 6.00% 15.05.21                         | 4,617,872.00  | 4,707,262.80  | 20.36                       |
| Total investments in securities   |                           |  | 22,643,064.53 | 22,758,128.84 | 98.46                       |
| <b><u>Cash at banks</u></b>   |                           |  |               |               |                             |
| <b>Current accounts at bank</b>   |                           |  | 64,472.79     | 64,472.79     | 0.28                        |
| Total cash at banks   |                           |  | 64,472.79     | 64,472.79     | 0.28                        |
| Other net assets/(liabilities)  |                           |  |               | 291,062.21    | 1.26                        |
| Total   |                           |  |               | 23,113,663.84 | 100.00                      |

The accompanying notes are an integral part of these financial statements.

### Investment policy and outlook

from 1st October 2016 to 31st March 2017

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The Eurozone economy finished the year 2016 on a positive note. With a quarterly, non-annualized growth of 0.5% in Q4, the Euro area confirmed its good position. Also Q1 2017 was as positive with a 2% annualized expansion. The best aspect was the fact that the expansion was broadly based, driven by good domestic consumption but also a rather buoyant construction sector. The difference in the pace of growth between the north, more closely attached to Germany and the south diminished thanks to a nice acceleration in France and increasingly also in Italy.

The ECB saw the opportunity to modify its loose monetary policy announcing in December a reduction in the monthly purchased amount of QE, from 80 billion to 60 billion EUR on a monthly basis. But although the growth performance of the Eurozone was as good as being hoped for, this was not the case for the inflation. Thanks to basis effects, the headline CPI figure reached 2% in February but fell back quite sharply. The underlying inflation remained most of the time below 1%, way below the ECB target of close to but below 2%.

The favorable combination of decent growth and moderate inflation, not only in the Eurozone but also in the US, was unfortunately not enough to guarantee a smooth evolution of financial markets. Politics played a key role during the reporting period. The US presidential elections delivered the first major shock with the election of Donald Trump, a real estate tycoon with limited political experience. The Italian referendum in December delivered the expected outcome: a clear defeat for Prime Minister Renzi, who resigned subsequently.

Early 2017 looked even more ugly with major risks for populist breakthrough in the Netherlands and France. But although the populists gained in the Dutch parliamentary elections, the result was less than expected.

Bond yields moved in a quite volatile fashion during the last quarter of 2016 but remained well below zero. 2 Year Bund yields started the reporting period at -0.68% and finished the first quarter of 2017 at -0.74%. Spreads with the periphery were volatile. Especially Italy suffered from an unpleasant mix of political uncertainty and some more bad news about non-performing loans in the banking sector.

### Investment Policy

The duration of the portfolio was during the reporting period close to the market average for the 1-3 year maturity bucket. The country allocation remained quite neutral with a small underweight in Germany in favor of Finland, Austria with the periphery quite neutral.

### Outlook

The economic outlook for the Eurozone remains very good with good growth and low inflation. The ECB can postpone any change in monetary policy probably until late 2017. The Fed will continue its gradual path of rate hikes, but uncertainty remains regarding the balance sheet management.

Political uncertainty looks here to stay although the favorable outcome of the French presidential elections clears the biggest hurdle for 2017.

Note: The information in this report represents historical data and is not an indication of future results.

## KBC Renta Short EUR

### Statement of net assets (in EUR)

as at 31st March 2017

#### **Assets**

|  |               |
|--|---------------|
| Securities portfolio at market value   | 65,362,893.38 |
| Cash at banks                          | 188,558.52    |
| Other liquid assets                    | 15,853.51     |
| Receivable on sales of securities      | 4,194,532.21  |
| Receivable on issues of shares         | 136,407.68    |
| Income receivable on portfolio         | 939,706.56    |
| Unrealised gain on futures contracts   | 1,200.00      |
| Prepaid expenses and other receivables | 20,236.25     |

|              |               |
|--------------|---------------|
| Total assets | 70,859,388.11 |
|--------------|---------------|

#### **Liabilities**

|                                     |              |
|-------------------------------------|--------------|
| Payable on purchases of securities  | 3,395,914.62 |
| Payable on redemptions of shares    | 360,065.05   |
| Expenses payable and other payables | 45,827.60    |

|                   |              |
|-------------------|--------------|
| Total liabilities | 3,801,807.27 |
|-------------------|--------------|

|                                     |               |
|-------------------------------------|---------------|
| Net assets at the end of the period | 67,057,580.84 |
|-------------------------------------|---------------|

|   |             |
|---|-------------|
| Number of Category A shares outstanding | 19,442.7639 |
| Net asset value per Category A share    | 507.88      |

|   |             |
|---|-------------|
| Number of Category B shares outstanding | 13,058.9472 |
| Net asset value per Category B share    | 720.75      |

|   |             |
|---|-------------|
| Number of 'Institutional B shares' sub-category outstanding | 66,147.6239 |
| Net asset value per 'Institutional B share' sub-category    | 722.18      |

The accompanying notes are an integral part of these financial statements.

## KBC Renta Short EUR

### Statistical information (in EUR)

as at 31st March 2017

#### Total net assets

|                    |               |
|--------------------|---------------|
| - as at 31.03.2017 | 67,057,580.84 |
| - as at 30.09.2016 | 86,812,205.79 |
| - as at 30.09.2015 | 93,977,928.12 |

#### Number of Category A shares

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 21,875.7639 |
| - issued                                     | 2,463.0000  |
| - redeemed                                   | -4,896.0000 |
| - outstanding at the end of the period       | 19,442.7639 |

#### Net asset value per Category A share

|                    |        |
|--------------------|--------|
| - as at 31.03.2017 | 507.88 |
| - as at 30.09.2016 | 510.78 |
| - as at 30.09.2015 | 510.67 |

#### Number of Category B shares

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 12,629.0981 |
| - issued                                     | 2,468.2111  |
| - redeemed                                   | -2,038.3620 |
| - outstanding at the end of the period       | 13,058.9472 |

#### Net asset value per Category B share

|                    |        |
|--------------------|--------|
| - as at 31.03.2017 | 720.75 |
| - as at 30.09.2016 | 724.86 |
| - as at 30.09.2015 | 724.27 |

#### Number of 'Institutional B shares' sub-category

|  |              |
|--|--------------|
| - outstanding at the beginning of the period | 91,555.6239  |
| - issued                                     | 12,554.0000  |
| - redeemed                                   | -37,962.0000 |
| - outstanding at the end of the period       | 66,147.6239  |

#### Net asset value per 'Institutional B share' sub-category

|                    |        |
|--------------------|--------|
| - as at 31.03.2017 | 722.18 |
| - as at 30.09.2016 | 726.16 |
| - as at 30.09.2015 | 725.27 |

The accompanying notes are an integral part of these financial statements.

## KBC Renta Short EUR

### Statement of investments and other net assets (in EUR)

as at 31st March 2017

| Currency  | Number /<br>nominal value | Description  | Cost          | Market value  | % of<br>total net<br>assets |
|---|---------------------------|--|---------------|---------------|-----------------------------|
| <b>Investments in securities</b>  |                           |  |               |               |                             |
| <b>Transferable securities admitted to an official stock exchange listing or traded on another regulated market</b> |                           |  |               |               |                             |
| <b>Bonds</b>  |                           |  |               |               |                             |
| EUR   | 2,900,000                 | Bundesobligation 1.00% 22.02.19                    | 3,026,938.24  | 2,998,020.00  | 4.47                        |
| EUR   | 4,400,000                 | Bundesrepublik Deutschland 3.50% 04.07.19          | 4,943,023.30  | 4,825,601.00  | 7.20                        |
| EUR   | 4,100,000                 | Bundesrepublik Deutschland 4.25% 04.07.18          | 4,377,181.00  | 4,358,382.00  | 6.50                        |
| EUR   | 2,550,000                 | France Government Bond OAT 4.25% 25.04.19          | 2,899,024.50  | 2,798,191.50  | 4.17                        |
| EUR   | 900,000                   | French Republic Government Bond OAT 0.50% 25.11.19 | 928,198.42    | 920,898.00    | 1.37                        |
| EUR   | 1,300,000                 | French Republic Government Bond OAT 1.00% 25.11.18 | 1,348,347.74  | 1,331,837.00  | 1.99                        |
| EUR   | 5,400,000                 | French Republic Government Bond OAT 1.00% 25.05.19 | 5,624,043.36  | 5,564,754.00  | 8.31                        |
| EUR   | 1,600,000                 | French Republic Government Bond OAT 3.75% 25.10.19 | 1,800,944.00  | 1,770,112.00  | 2.64                        |
| EUR   | 2,250,000                 | French Republic Government Bond OAT 4.25% 25.10.18 | 2,547,225.00  | 2,416,950.00  | 3.60                        |
| EUR   | 800,000                   | Ireland Government Bond 4.40% 18.06.19             | 905,589.23    | 884,850.00    | 1.32                        |
| EUR   | 550,000                   | Ireland Government Bond 4.50% 18.10.18             | 621,257.56    | 591,904.50    | 0.88                        |
| EUR   | 4,800,000                 | Italy Buoni Poliennali Del Tesoro 2.50% 01.05.19   | 5,138,601.60  | 5,031,888.00  | 7.50                        |
| EUR   | 2,700,000                 | Italy Buoni Poliennali Del Tesoro 3.50% 01.06.18   | 2,933,747.73  | 2,813,940.00  | 4.20                        |
| EUR   | 4,500,000                 | Italy Buoni Poliennali Del Tesoro 3.50% 01.12.18   | 4,930,515.00  | 4,760,100.00  | 7.10                        |
| EUR   | 1,700,000                 | Italy Buoni Poliennali Del Tesoro 4.25% 01.09.19   | 1,910,545.00  | 1,860,667.00  | 2.77                        |
| EUR   | 2,200,000                 | Italy Buoni Poliennali Del Tesoro 4.25% 01.03.20   | 2,449,887.00  | 2,445,608.00  | 3.65                        |
| EUR   | 1,550,000                 | Italy Buoni Poliennali Del Tesoro 4.50% 01.03.19   | 1,742,553.50  | 1,679,797.00  | 2.51                        |
| EUR   | 1,100,000                 | Italy Buoni Poliennali Del Tesoro 4.50% 01.02.20   | 1,235,256.00  | 1,227,996.00  | 1.83                        |
| EUR   | 650,000                   | Kingdom of Belgium Government Bond 1.25% 22.06.18  | 671,323.79    | 664,753.38    | 0.99                        |
| EUR   | 600,000                   | Kingdom of Belgium Government Bond 3.00% 28.09.19  | 664,860.00    | 653,118.00    | 0.97                        |
| EUR   | 800,000                   | Kingdom of Belgium Government Bond 4.00% 28.03.19  | 894,085.55    | 873,460.00    | 1.30                        |
| EUR   | 300,000                   | Netherlands Government Bond 0.25% 15.01.20         | 307,422.00    | 307,422.00    | 0.46                        |
| EUR   | 850,000                   | Netherlands Government Bond 1.25% 15.01.19         | 882,755.00    | 879,575.75    | 1.31                        |
| EUR   | 700,000                   | Netherlands Government Bond 4.00% 15.07.18         | 778,122.91    | 742,651.00    | 1.11                        |
| EUR   | 800,000                   | Netherlands Government Bond 4.00% 15.07.19         | 908,511.38    | 885,736.00    | 1.32                        |
| EUR   | 350,000                   | Republic of Austria Government Bond 1.15% 19.10.18 | 361,676.00    | 359,990.75    | 0.54                        |
| EUR   | 300,000                   | Republic of Austria Government Bond 1.95% 18.06.19 | 321,888.00    | 317,151.00    | 0.47                        |
| EUR   | 650,000                   | Republic of Austria Government Bond 4.35% 15.03.19 | 738,189.29    | 713,706.50    | 1.06                        |
| EUR   | 950,000                   | Spain Government Bond 0.25% 31.01.19               | 955,600.00    | 957,239.00    | 1.43                        |
| EUR   | 900,000                   | Spain Government Bond 1.40% 31.01.20               | 936,720.00    | 938,016.00    | 1.40                        |
| EUR   | 2,000,000                 | Spain Government Bond 2.75% 30.04.19               | 2,157,920.00  | 2,122,200.00  | 3.16                        |
| EUR   | 2,300,000                 | Spain Government Bond 3.75% 31.10.18               | 2,538,100.10  | 2,447,223.00  | 3.65                        |
| EUR   | 2,100,000                 | Spain Government Bond 4.10% 30.07.18               | 2,317,651.41  | 2,221,191.00  | 3.31                        |
| EUR   | 1,800,000                 | Spain Government Bond 4.60% 30.07.19               | 2,037,111.28  | 1,997,964.00  | 2.98                        |
| Total investments in securities   |                           |  | 66,834,814.89 | 65,362,893.38 | 97.47                       |
| <b>Cash at banks</b>  |                           |  |               |               |                             |
| <b>Current accounts at bank</b>   |                           |  | 188,558.52    | 188,558.52    | 0.28                        |
| Total cash at banks   |                           |  | 188,558.52    | 188,558.52    | 0.28                        |
| Other net assets/(liabilities)  |                           |  |               | 1,506,128.94  | 2.25                        |
| Total   |                           |  |               | 67,057,580.84 | 100.00                      |

The accompanying notes are an integral part of these financial statements.

### Investment policy and outlook

from 1st October 2016 to 31st March 2017

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The Eurozone economy finished the year 2016 on a positive note. With a quarterly, non-annualized growth of 0.5% in Q4, the Euro area confirmed its good position. Also Q1 2017 was as positive with a 2% annualized expansion. The best aspect was the fact that the expansion was broadly based, driven by good domestic consumption but also a rather buoyant construction sector. The difference in the pace of growth between the north, more closely attached to Germany and the south diminished thanks to a nice acceleration in France and increasingly also in Italy.

The ECB saw the opportunity to modify its loose monetary policy announcing in December a reduction in the monthly purchased amount of QE, from 80 billion to 60 billion EUR on a monthly basis. But although the growth performance of the Eurozone was as good as being hoped for, this was not the case for the inflation. Thanks to basis effects, the headline CPI figure reached 2% in February but fell back quite sharply. The underlying inflation remained most of the time below 1%, way below the ECB target of close to but below 2%.

The favorable combination of decent growth and moderate inflation, not only in the Eurozone but also in the US, was unfortunately not enough to guarantee a smooth evolution of financial markets. Politics played a key role during the reporting period. The US presidential elections delivered the first major shock with the election of Donald Trump, a real estate tycoon with limited political experience. The Italian referendum in December delivered the expected outcome: a clear defeat for Prime Minister Renzi, who resigned subsequently.

Early 2017 looked even more ugly with major risks for populist breakthrough in the Netherlands and France. But although the populists gained in the Dutch parliamentary elections, the result was less than expected.

Bond yields moved in a quite volatile fashion during the last quarter of 2016. 7 Year Bund yields started deeply below zero early Q4 i.e. -0.48% but finished the reporting period at -0.15%. Spreads with the periphery were equally volatile. Especially Italy suffered from an unpleasant mix of political uncertainty and some more bad news about non-performing loans in the banking sector.

### Investment Policy

The portfolio positioning in terms of average maturity remained close to the target of the fund. The country allocation remained quite neutral with a small underweight in Germany in favor of Finland, Austria with the periphery quite neutral.

### Outlook

The economic outlook for the Eurozone remains very good with good growth and low inflation. The ECB can postpone any change in monetary policy probably until late 2017. The Fed will continue its gradual path of rate hikes, but uncertainty remains regarding the balance sheet management.

Political uncertainty looks here to stay although the favorable outcome of the French presidential elections clears the biggest hurdle for 2017.

Note: The information in this report represents historical data and is not an indication of future results.

## KBC Renta Medium EUR

### Statement of net assets (in EUR)

as at 31st March 2017

#### **Assets**

|  |               |
|--|---------------|
| Securities portfolio at market value   | 10,150,709.35 |
| Cash at banks                          | 49,016.66     |
| Other liquid assets                    | 157,569.09    |
| Receivable on sales of securities      | 1,173,731.38  |
| Receivable on issues of shares         | 5,673.72      |
| Income receivable on portfolio         | 153,833.42    |
| Unrealised gain on futures contracts   | 280.00        |
| Prepaid expenses and other receivables | 47,113.54     |
| Total assets                           | 11,737,927.16 |

#### **Liabilities**

|                                     |               |
|-------------------------------------|---------------|
| Payable on purchases of securities  | 1,034,431.47  |
| Payable on redemptions of shares    | 19,077.28     |
| Expenses payable and other payables | 10,617.17     |
| Total liabilities                   | 1,064,125.92  |
| Net assets at the end of the period | 10,673,801.24 |

|   |            |
|---|------------|
| Number of Category A shares outstanding                     | 4,195.7095 |
| Net asset value per Category A share                        | 691.09     |
| Number of Category B shares outstanding                     | 2,226.4529 |
| Net asset value per Category B share                        | 1,131.79   |
| Number of 'Institutional B shares' sub-category outstanding | 4,634.0000 |
| Net asset value per 'Institutional B share' sub-category    | 1,133.86   |

The accompanying notes are an integral part of these financial statements.

## KBC Renta Medium EUR

### Statistical information (in EUR)

as at 31st March 2017

#### Total net assets

|                    |               |
|--------------------|---------------|
| - as at 31.03.2017 | 10,673,801.24 |
| - as at 30.09.2016 | 19,218,659.56 |
| - as at 30.09.2015 | 28,911,245.05 |

#### Number of Category A shares

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 5,802.4595  |
| - issued                                     | 157.0000    |
| - redeemed                                   | -1,763.7500 |
| - outstanding at the end of the period       | 4,195.7095  |

#### Net asset value per Category A share

|                    |        |
|--------------------|--------|
| - as at 31.03.2017 | 691.09 |
| - as at 30.09.2016 | 714.50 |
| - as at 30.09.2015 | 683.76 |

#### Dividends paid

|  |            |
|--|------------|
| Ex-dividend date                       | 03.10.2016 |
| Dividend per share                     | 1.20       |
| Shares outstanding at ex-dividend date | 5,802.4595 |

#### Number of Category B shares

|  |            |
|--|------------|
| - outstanding at the beginning of the period | 3,015.6226 |
| - issued                                     | 143.5372   |
| - redeemed                                   | -932.7069  |
| - outstanding at the end of the period       | 2,226.4529 |

#### Net asset value per Category B share

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 1,131.79 |
| - as at 30.09.2016 | 1,168.14 |
| - as at 30.09.2015 | 1,111.53 |

#### Number of 'Institutional B shares' sub-category

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 9,871.4125  |
| - issued                                     | 4,472.0000  |
| - redeemed                                   | -9,709.4125 |
| - outstanding at the end of the period       | 4,634.0000  |

#### Net asset value per 'Institutional B share' sub-category

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 1,133.86 |
| - as at 30.09.2016 | 1,170.06 |
| - as at 30.09.2015 | 1,112.86 |

The accompanying notes are an integral part of these financial statements.



## KBC Renta Medium EUR

### Statement of investments and other net assets (in EUR)

as at 31st March 2017

| Currency  | Number /<br>nominal value | Description  | Cost          | Market value  | % of<br>total net<br>assets |
|---|---------------------------|--|---------------|---------------|-----------------------------|
| <b><u>Investments in securities</u></b>   |                           |  |               |               |                             |
| <b>Transferable securities admitted to an official stock exchange listing or traded on another regulated market</b> |                           |  |               |               |                             |
| <b>Bonds</b>  |                           |  |               |               |                             |
| EUR   | 340,000                   | Belgium Government Bond 2.60% 22.06.24             | 394,345.60    | 396,096.60    | 3.71                        |
| EUR   | 1,250,000                 | Bundesrepublik Deutschland 1.50% 15.05.24          | 1,400,747.85  | 1,393,587.50  | 13.06                       |
| EUR   | 300,000                   | Finland Government Bond 2.00% 15.04.24             | 342,446.82    | 339,051.00    | 3.18                        |
| EUR   | 2,350,000                 | French Republic Government Bond OAT 2.25% 25.05.24 | 2,664,123.00  | 2,641,870.00  | 24.74                       |
| EUR   | 180,000                   | Ireland Government Bond 3.40% 18.03.24             | 219,079.26    | 215,719.20    | 2.02                        |
| EUR   | 825,000                   | Italy Buoni Poliennali Del Tesoro 3.75% 01.09.24   | 928,735.50    | 936,135.75    | 8.77                        |
| EUR   | 1,290,000                 | Italy Buoni Poliennali Del Tesoro 9.00% 01.11.23   | 1,935,207.18  | 1,891,423.80  | 17.72                       |
| EUR   | 590,000                   | Netherlands Government Bond 2.00% 15.07.24         | 672,984.37    | 671,532.10    | 6.29                        |
| EUR   | 300,000                   | Republic of Austria Government Bond 1.65% 21.10.24 | 330,873.00    | 332,811.00    | 3.12                        |
| EUR   | 240,000                   | Republic of Austria Government Bond 1.75% 20.10.23 | 268,677.65    | 267,602.40    | 2.51                        |
| EUR   | 870,000                   | Spain Government Bond 4.40% 31.10.23               | 1,077,889.31  | 1,064,880.00  | 9.98                        |
| Total investments in securities   |                           |  | 10,235,109.54 | 10,150,709.35 | 95.10                       |
| <b><u>Cash at banks</u></b>   |                           |  |               |               |                             |
| <b>Current accounts at bank</b>   |                           |  | 49,016.66     | 49,016.66     | 0.46                        |
| Total cash at banks   |                           |  | 49,016.66     | 49,016.66     | 0.46                        |
| Other net assets/(liabilities)  |                           |  |               | 474,075.23    | 4.44                        |
| Total   |                           |  |               | 10,673,801.24 | 100.00                      |

The accompanying notes are an integral part of these financial statements.

### Investment policy and outlook

from 1st October 2016 to 31st March 2017

---

The Eurozone economy finished the year 2016 on a positive note. With a quarterly, non-annualized growth of 0.5% in Q4, the Euro area confirmed its good position. Also Q1 2017 was as positive with a 2% annualized expansion. The most positive aspect was the fact that the expansion is broadly based, driven by good domestic consumption but also a rather buoyant construction sector. The difference in the pace of growth between the north, more closely attached to Germany and the south diminished thanks to a nice acceleration in France and increasingly also in Italy.

The ECB saw the opportunity to modify its loose monetary policy announcing in December a reduction in the monthly purchased amount of QE, from 80 billion to 60 billion EUR on a monthly basis. But although the growth performance of the Eurozone was as good as being hoped for, this was not the case for the inflation. Thanks to basis effects, the headline CPI figure reached 2% in February but fell back quite sharply. The underlying inflation remained most of the time below 1%, way below the ECB target of close to but below 2%.

The favorable combination of decent growth and moderate inflation, not only in the Eurozone but also in the US, was unfortunately not enough to guarantee a smooth evolution of financial markets. Politics played a key role during the reporting period. The US presidential elections delivered the first major shock with the election of Donald Trump, a real estate tycoon with limited political experience. The Italian referendum in December delivered the expected outcome: a clear defeat for Prime Minister Renzi, who resigned subsequently.

Early 2017 looked even more ugly with major risks for populist breakthrough in the Netherlands and France. But although the populists gained in the Dutch parliamentary elections, the result was less than expected.

Bond yields moved in a quite volatile fashion during the last quarter of 2016. 10 Year Bund yields started below zero early Q4 but finished the reporting period at 0.33%. Spreads with the periphery were equally volatile. Especially Italy suffered from an unpleasant mix of political uncertainty and some more bad news about non-performing loans in the banking sector.

### Investment Policy

The portfolio positioning in terms of average maturity remained close to the target of the fund. The country allocation remained quite neutral with a small underweight in Germany in favor of Finland, Austria with the periphery quite neutral.

### Outlook

The economic outlook for the Eurozone remains very good with good growth and low inflation. The ECB can postpone any change in monetary policy probably until late 2017. The Fed will continue its gradual path of rate hikes, but uncertainty remains regarding the balance sheet management.

Political uncertainty looks here to stay although the favorable outcome of the French presidential elections clears the biggest hurdle for 2017.

Note: The information in this report represents historical data and is not an indication of future results.

## KBC Renta Long EUR

### Statement of net assets (in EUR)

as at 31st March 2017

#### **Assets**

|  |              |
|--|--------------|
| Securities portfolio at market value   | 2,320,749.50 |
| Cash at banks                          | 63,666.44    |
| Other liquid assets                    | 30,528.09    |
| Receivable on issues of shares         | 780.70       |
| Income receivable on portfolio         | 40,564.03    |
| Unrealised gain on futures contracts   | 140.00       |
| Prepaid expenses and other receivables | 14,188.06    |
|  | <hr/>        |
| Total assets                           | 2,470,616.82 |

#### **Liabilities**

|                                     |              |
|-------------------------------------|--------------|
| Payable on redemptions of shares    | 13,879.57    |
| Expenses payable and other payables | 2,070.16     |
|                                     | <hr/>        |
| Total liabilities                   | 15,949.73    |
|                                     | <hr/>        |
| Net assets at the end of the period | 2,454,667.09 |

|   |            |
|---|------------|
| Number of Category A shares outstanding | 739.6019   |
| Net asset value per Category A share    | 725.98     |
| Number of Category B shares outstanding | 1,545.5114 |
| Net asset value per Category B share    | 1,240.84   |

The accompanying notes are an integral part of these financial statements.

## KBC Renta Long EUR

### Statistical information (in EUR)

as at 31st March 2017

#### Total net assets

|                    |               |
|--------------------|---------------|
| - as at 31.03.2017 | 2,454,667.09  |
| - as at 30.09.2016 | 5,247,278.58  |
| - as at 30.09.2015 | 16,941,079.72 |

#### Number of Category A shares

|  |            |
|--|------------|
| - outstanding at the beginning of the period | 1,330.2164 |
| - issued                                     | 40.3857    |
| - redeemed                                   | -631.0002  |
| - outstanding at the end of the period       | 739.6019   |

#### Net asset value per Category A share

|                    |        |
|--------------------|--------|
| - as at 31.03.2017 | 725.98 |
| - as at 30.09.2016 | 775.48 |
| - as at 30.09.2015 | 720.59 |

#### Dividends paid

|  |            |
|--|------------|
| Ex-dividend date                       | 03.10.2016 |
| Dividend per share                     | 4.20       |
| Shares outstanding at ex-dividend date | 1,330.2164 |

#### Number of Category B shares

|  |            |
|--|------------|
| - outstanding at the beginning of the period | 2,133.7553 |
| - issued                                     | 236.0808   |
| - redeemed                                   | -824.3247  |
| - outstanding at the end of the period       | 1,545.5114 |

#### Net asset value per Category B share

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 1,240.84 |
| - as at 30.09.2016 | 1,318.26 |
| - as at 30.09.2015 | 1,213.97 |

#### Number of 'Institutional B shares' sub-category

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 1,062.0000  |
| - issued                                     | -           |
| - redeemed                                   | -1,062.0000 |
| - outstanding at the end of the period       | -           |

#### Net asset value per 'Institutional B share' sub-category

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | -        |
| - as at 30.09.2016 | 1,320.97 |
| - as at 30.09.2015 | 1,215.90 |

The accompanying notes are an integral part of these financial statements.

## KBC Renta Long EUR

### Statement of investments and other net assets (in EUR)

as at 31st March 2017

| Currency  | Number /<br>nominal value | Description  | Cost         | Market value | % of<br>total net<br>assets |
|---|---------------------------|--|--------------|--------------|-----------------------------|
| <b><u>Investments in securities</u></b>   |                           |  |              |              |                             |
| <b>Transferable securities admitted to an official stock exchange listing or traded on another regulated market</b> |                           |  |              |              |                             |
| <b>Bonds</b>  |                           |  |              |              |                             |
| EUR   | 88,000                    | Austria Government Bond 6.25% 15.07.27             | 140,707.32   | 138,747.84   | 5.65                        |
| EUR   | 140,000                   | Bundesrepublik Deutschland 6.50% 04.07.27          | 235,751.18   | 227,382.40   | 9.26                        |
| EUR   | 83,000                    | Finland Government Bond 0.50% 15.04.26             | 83,927.16    | 83,423.30    | 3.40                        |
| EUR   | 60,000                    | French Republic Government Bond OAT 0.25% 25.11.26 | 57,257.40    | 56,071.80    | 2.28                        |
| EUR   | 231,000                   | French Republic Government Bond OAT 3.50% 25.04.26 | 289,363.94   | 284,513.46   | 11.59                       |
| EUR   | 222,000                   | French Republic Government Bond OAT 5.50% 25.04.29 | 347,001.30   | 330,269.40   | 13.46                       |
| EUR   | 84,000                    | Ireland Government Bond 1.00% 15.05.26             | 86,284.34    | 84,067.20    | 3.42                        |
| EUR   | 80,000                    | Italy Buoni Poliennali Del Tesoro 1.60% 01.06.26   | 79,911.20    | 76,736.80    | 3.13                        |
| EUR   | 49,000                    | Italy Buoni Poliennali Del Tesoro 4.50% 01.03.26   | 63,536.02    | 58,456.51    | 2.38                        |
| EUR   | 268,000                   | Italy Buoni Poliennali Del Tesoro 4.75% 01.09.28   | 354,124.99   | 329,436.32   | 13.42                       |
| EUR   | 139,000                   | Kingdom of Belgium Government Bond 1.00% 22.06.26  | 150,844.96   | 143,163.05   | 5.83                        |
| EUR   | 63,000                    | Netherlands Government Bond 5.50% 15.01.28         | 96,925.28    | 95,762.52    | 3.90                        |
| EUR   | 80,000                    | Spain Government Bond 1.30% 31.10.26               | 77,952.80    | 78,273.60    | 3.19                        |
| EUR   | 322,000                   | Spain Government Bond 1.95% 30.04.26               | 336,398.29   | 334,445.30   | 13.63                       |
| Total investments in securities   |                           |  | 2,399,986.18 | 2,320,749.50 | 94.54                       |
| <b><u>Cash at banks</u></b>   |                           |  |              |              |                             |
| <b>Current accounts at bank</b>   |                           |  | 63,666.44    | 63,666.44    | 2.59                        |
| Total cash at banks   |                           |  | 63,666.44    | 63,666.44    | 2.59                        |
| Other net assets/(liabilities)  |                           |  |              | 70,251.15    | 2.87                        |
| Total   |                           |  |              | 2,454,667.09 | 100.00                      |

The accompanying notes are an integral part of these financial statements.

### Investment policy and outlook

from 1st October 2016 to 31st March 2017

The last six months, which includes 4thQ 2016 and 1stQ2017 may be generally divided into two periods. In the first of them, between end of September and the December 2016 all securities across the yield curve lost in price and yields rose. Yield of ten-year bonds increased by about 70 basis points, five-years bonds by about 55 basis points and two-year bonds increased by about 29 basis points. The second period between of January 2017 and end of March 2017 was positive for the Polish government bonds. During this period all securities across the yield curve gain in price and yields fell. yields of ten-year bonds decreased by about 40 basis points, five-years bonds by about 35 basis points and two-year bonds decreased by about 27 basis points. Taking into account the whole period, that is the 4th quarter of 2016 and the 1st quarter of 2017 all securities across the yield curve lost in price and yields increased. Between end of September 2016 and end of March 2017 Polish Zloty strengthened against Euro about 1.5%.

In the first period investors' decisions were influenced mainly by external factors. The most important external factor was won by Donald Trump in the US presidential election. Trump's economic program foresees a large increase in spending on the infrastructure of the United States and this indicates the expected rise of inflation. The expected increase of inflation will have to be reflected in a faster raising of interest rates in the US. And indeed in December 14th Federal Open Market Committee in accordance with the expectations of economists raised its key interest rate by 25 basis points to a level of 0.5-0.75%.

In the second period investors' decisions were influenced by both external and internal factors. The most important external factor was the political situation in France. Price of bonds in Europe were associated mainly with polls showing support for French presidential candidates Marie Le Pen and E. Macron. The growing support for enthusiastic presidential candidate E. Macron caused decreased the risk aversion in the European Union and had a negative impact on German government bond. The rise of yields German government bonds also negatively affected the prices of Polish bonds, but this effect was limited. The most important internal factor was strong Polish auctions of government bonds, which significantly improved sentiment among investors.

The main component of the KBC Renta Zlotyrenta were Polish government bonds. In the first period between end of September and the December 2016 duration was neutral and was kept close to the benchmark. Starting from November 18 day duration was increased to a level of 102%. In early December, there was a further increase in duration to the level 103-103.5% and this level was maintained until the end of the year. In the second period between of January 2017 and end of March 2017 duration fluctuated from 102% to 105% in relation to the benchmark. Generally allocation gave positive results throughout the whole period. Duration of the portfolio was built mostly with fixed rate instruments of the middle and long end of the curve. The most overweight maturity segments were 5 to 10 yr. Overweight in this segment of bonds turned out to be not good move in the first period but it turned out to be very beneficial in the second period. Additional factors that influenced the result of the portfolio was the purchase to the fund non-benchmark instruments: floating rate bonds, CPI-linked bonds and bonds guaranteed by government, issued by bank BGK SA. During the whole period, CPI-linked bonds and bonds guaranteed by the government had a positive contribution to the fund. The combination of floaters and long bonds positioned in relation to changes of yield curve had a negative contribution in the first period but in the second the same combination gave a positive contribution. The result for the two considered quarters (Q4 2016 and Q1 2017) was better than the benchmark. The difference calculated as unit value and benchmark adjusted for costs was 0.5%.

Our expectations regarding the situation on the market are neutral. The factors supporting demand for Polish government bonds are strong fundamentals of the Polish economy. Government borrowing needs for 2017 are already financed at about 61%. Absolute yield level of Polish bonds is high. Spread between the Polish, Hungarian, Romanian ten-year bonds, taking into consideration the ratings of each country is very small while rating of Poland is higher by 2 levels. In addition, the level of quotations CDS indicates a lower risk for Poland. Factor supporting negative scenario is expected tightening monetary policy in the United States. We assume that the Fed will not be aggressive and we expect two more interest rate hike in this year. An additional factor that would be negatively affect investor sentiment is start the discussion by European Central Bank on possible monetary policy tightening in the euro area in the second half of the year.

Note: The information in this report represents historical data and is not an indication of future results.

## KBC Renta Zlotyrenta

### Statement of net assets (in PLN)

as at 31st March 2017

#### **Assets**

|                                      |                  |
|--------------------------------------|------------------|
| Securities portfolio at market value | 1,214,504,410.80 |
| Cash at banks                        | 8,397,928.49     |
| Receivable on sales of securities    | 4,727,550.00     |
| Receivable on issues of shares       | 3,520,556.20     |
| Income receivable on portfolio       | 20,798,235.19    |
| Other receivables                    | 92,732.97        |
|                                      | <hr/>            |
| Total assets                         | 1,252,041,413.65 |

#### **Liabilities**

|                                     |              |
|-------------------------------------|--------------|
| Payable on redemptions of shares    | 2,876,359.69 |
| Expenses payable and other payables | 1,581,555.22 |
|                                     | <hr/>        |
| Total liabilities                   | 4,457,914.91 |

|                                     |                  |
|-------------------------------------|------------------|
| Net assets at the end of the period | 1,247,583,498.74 |
|-------------------------------------|------------------|

|   |             |
|---|-------------|
| Number of Category A shares outstanding | 37,114.7601 |
| Net asset value per Category A share    | 1,978.82    |

|   |             |
|---|-------------|
| Number of Category B shares outstanding | 11,000.8306 |
| Net asset value per Category B share    | 3,331.95    |

|   |              |
|---|--------------|
| Number of 'Institutional B shares' sub-category outstanding | 340,671.4607 |
| Net asset value per 'Institutional B share' sub-category    | 3,338.95     |

The accompanying notes are an integral part of these financial statements.

## KBC Renta Zlotyrenta

### Statistical information (in PLN)

as at 31st March 2017

#### Total net assets

|                    |                  |
|--------------------|------------------|
| - as at 31.03.2017 | 1,247,583,498.74 |
| - as at 30.09.2016 | 329,420,219.57   |
| - as at 30.09.2015 | 535,627,869.28   |

#### Number of Category A shares

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 43,150.8937 |
| - issued                                     | 865.6278    |
| - redeemed                                   | -6,901.7614 |
| - outstanding at the end of the period       | 37,114.7601 |

#### Net asset value per Category A share

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 1,978.82 |
| - as at 30.09.2016 | 2,036.44 |
| - as at 30.09.2015 | 2,045.44 |

#### Dividends paid

|  |             |
|--|-------------|
| Ex-dividend date                       | 03.10.2016  |
| Dividend per share                     | 46.90       |
| Shares outstanding at ex-dividend date | 43,150.8937 |

#### Number of Category B shares

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 11,549.8641 |
| - issued                                     | 2,832.9776  |
| - redeemed                                   | -3,382.0111 |
| - outstanding at the end of the period       | 11,000.8306 |

#### Net asset value per Category B share

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 3,331.95 |
| - as at 30.09.2016 | 3,350.07 |
| - as at 30.09.2015 | 3,290.05 |

#### Number of 'Institutional B shares' sub-category

|  |              |
|--|--------------|
| - outstanding at the beginning of the period | 60,434.9961  |
| - issued                                     | 372,826.0519 |
| - redeemed                                   | -92,589.5873 |
| - outstanding at the end of the period       | 340,671.4607 |

#### Net asset value per 'Institutional B share' sub-category

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 3,338.95 |
| - as at 30.09.2016 | 3,356.55 |
| - as at 30.09.2015 | 3,295.06 |

The accompanying notes are an integral part of these financial statements.



## KBC Renta Zlotyrenta

### Statement of investments and other net assets (in PLN)

as at 31st March 2017

| Currency  | Number /<br>nominal value | Description                                       | Cost             | Market value     | % of<br>total net<br>assets |
|---|---------------------------|---|------------------|------------------|-----------------------------|
| <b><u>Investments in securities</u></b>   |                           |   |                  |                  |                             |
| <b>Transferable securities admitted to an official stock exchange listing or traded on another regulated market</b> |                           |   |                  |                  |                             |
| <b>Bonds</b>  |                           |   |                  |                  |                             |
| PLN   | 21,200,000                | Bank Gospodarstwa Krajowego 5.75% 25.10.22        | 25,112,460.00    | 23,638,402.80    | 1.89                        |
| PLN   | 100,000,000               | Bank Gospodarstwa Krajowego 6.25% 24.10.18        | 109,517,500.00   | 106,820,000.00   | 8.56                        |
| PLN   | 1,000,000                 | General Electric Co 5.36% 10.05.17                | 936,368.93       | 1,003,960.00     | 0.08                        |
| PLN   | 25,000,000                | Republic of Poland Government Bond 25.01.21       | 24,563,461.53    | 24,726,250.00    | 1.98                        |
| PLN   | 65,600,000                | Republic of Poland Government Bond 25.01.24       | 63,041,906.01    | 63,153,120.00    | 5.06                        |
| PLN   | 69,500,000                | Republic of Poland Government Bond 25.01.26       | 65,338,793.00    | 65,608,000.00    | 5.26                        |
| PLN   | 95,000,000                | Republic of Poland Government Bond 1.50% 25.04.20 | 91,971,276.46    | 92,672,500.00    | 7.43                        |
| PLN   | 110,000,000               | Republic of Poland Government Bond 1.75% 25.07.21 | 105,040,300.00   | 105,688,000.00   | 8.47                        |
| PLN   | 107,500,000               | Republic of Poland Government Bond 2.50% 25.07.26 | 99,096,165.24    | 100,190,000.00   | 8.03                        |
| PLN   | 110,000,000               | Republic of Poland Government Bond 2.50% 25.07.27 | 98,949,329.79    | 100,776,500.00   | 8.08                        |
| PLN   | 52,113,600                | Republic of Poland Government Bond 2.75% 25.08.23 | 56,855,018.95    | 57,377,073.60    | 4.60                        |
| PLN   | 10,000,000                | Republic of Poland Government Bond 2.75% 25.04.28 | 9,175,000.00     | 9,379,550.00     | 0.75                        |
| PLN   | 100,000,000               | Republic of Poland Government Bond 3.25% 25.07.25 | 98,125,000.00    | 99,895,000.00    | 8.01                        |
| PLN   | 160,000,000               | Republic of Poland Government Bond 4.00% 25.10.23 | 169,034,207.66   | 168,896,000.00   | 13.54                       |
| PLN   | 15,000,000                | Republic of Poland Government Bond 5.25% 25.10.17 | 15,347,550.00    | 15,315,750.00    | 1.23                        |
| PLN   | 115,500,000               | Republic of Poland Government Bond 5.75% 25.10.21 | 129,676,794.12   | 130,387,950.00   | 10.45                       |
| PLN   | 37,500,000                | Republic of Poland Government Bond 5.75% 23.09.22 | 42,697,176.56    | 42,787,500.00    | 3.43                        |
| PLN   | 5,072,000                 | Republic of Poland Government Bond 5.75% 25.04.29 | 6,354,468.05     | 6,188,854.40     | 0.50                        |
| Total investments in securities   |                           |   | 1,210,832,776.30 | 1,214,504,410.80 | 97.35                       |
| <b><u>Cash at banks</u></b>   |                           |   |                  |                  |                             |
| <b>Current accounts at bank</b>   |                           |   | 8,397,928.49     | 8,397,928.49     | 0.67                        |
| Total cash at banks   |                           |   | 8,397,928.49     | 8,397,928.49     | 0.67                        |
| Other net assets/(liabilities)  |                           |   |                  | 24,681,159.45    | 1.98                        |
| Total   |                           |   |                  | 1,247,583,498.74 | 100.00                      |

The accompanying notes are an integral part of these financial statements.

### Investment policy and outlook

from 1st October 2016 to 31st March 2017

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#### Most important market developments of the past 12 month

The Monetary Council of the National Bank of Hungary (NBH) continued its rate cut cycle in 2016 as well, thus, the base rate was cut to 0.90% from 7% since 2012. The NBH also continued its domestic self-financing program with the aim to force the domestic retail banks to buy Hungarian Government Bonds (HGB) instead of the 3-month NBH deposit instrument. The NBH gradually decreased the limit on the amount of its 3-month deposit instrument, the new limit for Q2 2017 was set at HUF 500BN (from HUF 750BN in Q1 2017 and HUF 900BN in Q4 2016) forcing retail banks to buy more HGBs. The NBH's self-financing program significantly pushed down the yield of the short to medium term (up to 5y) HGBs, thus, the Hungarian sovereign curve remained steep. With the help of the self-financing program, the non-resident holdings of HGBs decreased from over HUF 3500 bn close to HUF 3300 bn in the past 12 months. Due to the strict budget policy of the central government, the decreasing level of budget debt and the steady GDP growth, the credit rating of Hungary was improved back to investment grade by Fitch, S&P and Moody's as well in 2016.

#### The positioning of the fund

Taking into consideration the domestic (self-financing program of the NBH) and global (rising CPI, Fed tightening) factors on the bond market, the fund was positioned particularly on the belly of the yield curve, keeping neutral duration.

#### Outlook for the coming months

The Monetary Council of the NBH projected to continue the monetary easing, should the inflation outlook provide it. The tolerance of the Monetary Council may be higher towards HUF weakening as the Fed may continue its rate hike cycle and the inflation is projected to remain close to the 3% target towards 2018. The medium to long term outlook regarding the Hungarian government bond market is less constructive as the core yields are expected to grind higher in line with the continuation of the Fed rate hikes in 2017-18. The current negative real interest rate environment is not sustainable as investors will not tolerate negative real rates in the long term, in our view as. This may also push HGB yields higher. The continuation of the strict budget policy and the prosperous GDP growth outlook may result in credit rating outlook improvements in the coming period. The possible rating outlook upgrades and the continuation of the NBH's self-financing program may cap the rise of the yields in the coming period, in our view.

Note: The information in this report represents historical data and is not an indication of future results.

## KBC Renta Forintrenta

### Statement of net assets (in HUF)

as at 31st March 2017

#### **Assets**

|                                      |                   |
|--------------------------------------|-------------------|
| Securities portfolio at market value | 9,797,431,212.50  |
| Cash at banks                        | 229,999,152.45    |
| Income receivable on portfolio       | 352,509,999.97    |
| Other receivables                    | 556,105.38        |
| Total assets                         | 10,380,496,470.30 |

#### **Liabilities**

|                                     |                   |
|-------------------------------------|-------------------|
| Bank overdrafts                     | 77.20             |
| Payable on redemptions of shares    | 24,458,297.85     |
| Expenses payable and other payables | 5,397,750.91      |
| Total liabilities                   | 29,856,125.96     |
| Net assets at the end of the period | 10,350,640,344.34 |

|   |             |
|---|-------------|
| Number of Category A shares outstanding | 11,676.8147 |
| Net asset value per Category A share    | 119,886.41  |

|   |            |
|---|------------|
| Number of Category B shares outstanding | 1,963.5082 |
| Net asset value per Category B share    | 279,191.35 |

|   |             |
|---|-------------|
| Number of 'Institutional B shares' sub-category outstanding | 30,115.0000 |
| Net asset value per 'Institutional B share' sub-category    | 279,015.59  |

The accompanying notes are an integral part of these financial statements.

## KBC Renta Forintrenta

### Statistical information (in HUF)

as at 31st March 2017

#### Total net assets

|                    |                   |
|--------------------|-------------------|
| - as at 31.03.2017 | 10,350,640,344.34 |
| - as at 30.09.2016 | 1,975,227,985.75  |
| - as at 30.09.2015 | 2,077,996,258.14  |

#### Number of Category A shares

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 11,928.8147 |
| - issued                                     | 703.0000    |
| - redeemed                                   | -955.0000   |
| - outstanding at the end of the period       | 11,676.8147 |

#### Net asset value per Category A share

|                    |            |
|--------------------|------------|
| - as at 31.03.2017 | 119,886.41 |
| - as at 30.09.2016 | 122,037.48 |
| - as at 30.09.2015 | 119,650.89 |

#### Dividends paid

|  |             |
|--|-------------|
| Ex-dividend date                       | 03.10.2016  |
| Dividend per share                     | 2,791.30    |
| Shares outstanding at ex-dividend date | 11,928.8147 |

#### Number of Category B shares

|  |            |
|--|------------|
| - outstanding at the beginning of the period | 1,870.5694 |
| - issued                                     | 136.1868   |
| - redeemed                                   | -43.2480   |
| - outstanding at the end of the period       | 1,963.5082 |

#### Net asset value per Category B share

|                    |            |
|--------------------|------------|
| - as at 31.03.2017 | 279,191.35 |
| - as at 30.09.2016 | 277,704.45 |
| - as at 30.09.2015 | 264,948.20 |

#### Number of 'Institutional B shares' sub-category

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | —           |
| - issued                                     | 30,115.0000 |
| - redeemed                                   | —           |
| - outstanding at the end of the period       | 30,115.0000 |

#### Net asset value per 'Institutional B share' sub-category

|                    |            |
|--------------------|------------|
| - as at 31.03.2017 | 279,015.59 |
| - as at 30.09.2016 | —          |
| - as at 30.09.2015 | —          |

The accompanying notes are an integral part of these financial statements.

## KBC Renta Forintrenta

### Statement of investments and other net assets (in HUF)

as at 31st March 2017

| Currency  | Number /<br>nominal value | Description                            | Cost             | Market value      | % of<br>total net<br>assets |
|---|---------------------------|--|------------------|-------------------|-----------------------------|
| <b><u>Investments in securities</u></b>   |                           |  |                  |                   |                             |
| <b>Transferable securities admitted to an official stock exchange listing or traded on another regulated market</b> |                           |  |                  |                   |                             |
| <b>Bonds</b>  |                           |  |                  |                   |                             |
| HUF   | 30,000,000                | Hungary Government Bond 5.50% 20.12.18 | 32,973,600.00    | 32,753,490.00     | 0.32                        |
| HUF   | 2,020,000,000             | Hungary Government Bond 5.50% 24.06.25 | 2,346,904,030.00 | 2,378,083,380.00  | 22.98                       |
| HUF   | 5,000,000                 | Hungary Government Bond 6.00% 24.11.23 | 5,007,808.55     | 6,057,890.00      | 0.06                        |
| HUF   | 1,640,000,000             | Hungary Government Bond 6.50% 24.06.19 | 1,859,143,360.00 | 1,864,411,860.00  | 18.01                       |
| HUF   | 2,225,000,000             | Hungary Government Bond 7.00% 24.06.22 | 2,749,488,195.00 | 2,773,721,712.50  | 26.79                       |
| HUF   | 2,240,000,000             | Hungary Government Bond 7.50% 12.11.20 | 2,719,110,470.00 | 2,742,402,880.00  | 26.50                       |
| Total investments in securities   |                           |  | 9,712,627,463.55 | 9,797,431,212.50  | 94.66                       |
| <b><u>Cash at banks</u></b>   |                           |  |                  |                   |                             |
| <b>Current accounts at bank</b>   |                           |  | 229,999,152.45   | 229,999,152.45    | 2.22                        |
| Total cash at banks   |                           |  | 229,999,152.45   | 229,999,152.45    | 2.22                        |
| Bank overdrafts   |                           |  |                  | -77.20            | 0.00                        |
| Other net assets/(liabilities)  |                           |  |                  | 323,210,056.59    | 3.12                        |
| Total   |                           |  |                  | 10,350,640,344.34 | 100.00                      |

The accompanying notes are an integral part of these financial statements.

### Investment policy and outlook

from 1st October 2016 to 31st March 2017

---

During the reporting period, the Slovak economy experienced an economic cycle that was in line with the rest of the Eurozone. The economy benefited from the recovery in global trade.

A notable difference with the rest of the Eurozone, however, was its growth pace. In 2016 the Slovak economy expanded at a rate above 3%, considerably faster than the rest of Europe. This makes it one of the fastest growing economies in the Eurozone. Growth was boosted by net exports and household spending. Despite the strong growth of the economy, the unemployment rate remained at elevated levels of 9%. Inflation, measured by CPI, was negative in the last quarter of 2016, but started slowly to pick up but remains far below target of ECB.

The Slovak government bond market has been very weak over the reporting period with 10 year yields rising from 0.27% at start to 1.09% at the end of March. The big driver of rising yields was the reflation trade induced after the US elections. All in all, the fund had a negative performance of the reporting period due to strong rise in yields.

The compartment remained invested in the Slovak government market with an interest risk profile that was in line with the Slovak bond market.

Note: The information in this report represents historical data and is not an indication of future results.

**Statement of net assets (in EUR)**

as at 31st March 2017

**Assets**

|                                      |               |
|--------------------------------------|---------------|
| Securities portfolio at market value | 17,418,188.04 |
| Cash at banks                        | 390,579.28    |
| Receivable on issues of shares       | 337.01        |
| Income receivable on portfolio       | 198,438.31    |
| Other receivables                    | 4,791.48      |
|                                      | <hr/>         |
| Total assets                         | 18,012,334.12 |

**Liabilities**

|                                     |            |
|-------------------------------------|------------|
| Payable on purchases of securities  | 349,836.38 |
| Payable on redemptions of shares    | 8,916.43   |
| Expenses payable and other payables | 19,020.28  |
|                                     | <hr/>      |
| Total liabilities                   | 377,773.09 |

|                                     |               |
|-------------------------------------|---------------|
| Net assets at the end of the period | 17,634,561.03 |
|-------------------------------------|---------------|

|   |          |
|---|----------|
| Number of Category A shares outstanding | 195.0000 |
| Net asset value per Category A share    | 678.33   |

|   |            |
|---|------------|
| Number of Category B shares outstanding | 1,572.6563 |
| Net asset value per Category B share    | 1,032.12   |

|   |             |
|---|-------------|
| Number of 'Institutional B shares' sub-category outstanding | 15,352.0000 |
| Net asset value per 'Institutional B share' sub-category    | 1,034.34    |

The accompanying notes are an integral part of these financial statements.

**Statistical information (in EUR)**

as at 31st March 2017

**Total net assets**

|                    |               |
|--------------------|---------------|
| - as at 31.03.2017 | 17,634,561.03 |
| - as at 30.09.2016 | 27,608,139.34 |
| - as at 30.09.2015 | 27,600,968.95 |

**Number of Category A shares**

|  |          |
|--|----------|
| - outstanding at the beginning of the period | 216.0000 |
| - issued                                     | —        |
| - redeemed                                   | -21.0000 |
| - outstanding at the end of the period       | 195.0000 |

**Net asset value per Category A share**

|                    |        |
|--------------------|--------|
| - as at 31.03.2017 | 678.33 |
| - as at 30.09.2016 | 707.28 |
| - as at 30.09.2015 | 679.15 |

**Dividends paid**

|  |            |
|--|------------|
| Ex-dividend date                       | 03.10.2016 |
| Dividend per share                     | 2.50       |
| Shares outstanding at ex-dividend date | 216.0000   |

**Number of Category B shares**

|  |            |
|--|------------|
| - outstanding at the beginning of the period | 1,731.2983 |
| - issued                                     | 185.9643   |
| - redeemed                                   | -344.6063  |
| - outstanding at the end of the period       | 1,572.6563 |

**Net asset value per Category B share**

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 1,032.12 |
| - as at 30.09.2016 | 1,072.36 |
| - as at 30.09.2015 | 1,022.74 |

**Number of 'Institutional B shares' sub-category**

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 23,825.0000 |
| - issued                                     | —           |
| - redeemed                                   | -8,473.0000 |
| - outstanding at the end of the period       | 15,352.0000 |

**Net asset value per 'Institutional B share' sub-category**

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 1,034.34 |
| - as at 30.09.2016 | 1,074.45 |
| - as at 30.09.2015 | 1,024.34 |

The accompanying notes are an integral part of these financial statements.



## KBC Renta Slovakrenta

### Statement of investments and other net assets (in EUR)

as at 31st March 2017

| Currency  | Number /<br>nominal value | Description   | Cost          | Market value  | % of<br>total net<br>assets |
|---|---------------------------|---|---------------|---------------|-----------------------------|
| <b><u>Investments in securities</u></b>   |                           |   |               |               |                             |
| <b>Transferable securities admitted to an official stock exchange listing or traded on another regulated market</b> |                           |   |               |               |                             |
| <b>Bonds</b>  |                           |   |               |               |                             |
| EUR   | 570,000                   | Slovakia Government Bond 13.11.23                     | 564,515.33    | 557,642.40    | 3.16                        |
| EUR   | 1,250,000                 | Slovakia Government Bond 1.38% 21.01.27               | 1,316,262.24  | 1,283,912.50  | 7.28                        |
| EUR   | 1,500,000                 | Slovakia Government Bond 1.50% 28.11.18               | 1,564,345.11  | 1,546,590.00  | 8.77                        |
| EUR   | 800,000                   | Slovakia Government Bond 1.63% 21.01.31               | 824,000.00    | 827,288.00    | 4.69                        |
| EUR   | 1,500,000                 | Slovakia Government Bond 3.00% 28.02.23               | 1,622,995.59  | 1,773,495.00  | 10.06                       |
| EUR   | 1,600,000                 | Slovakia Government Bond 3.38% 15.11.24               | 1,791,813.25  | 1,948,992.00  | 11.05                       |
| EUR   | 1,450,000                 | Slovakia Government Bond 3.63% 16.01.29               | 1,670,407.43  | 1,821,229.00  | 10.33                       |
| EUR   | 800,000                   | Slovakia Government Bond 3.88% 08.02.33               | 861,084.05    | 1,060,288.00  | 6.01                        |
| EUR   | 1,500,000                 | Slovakia Government Bond 4.00% 27.04.20               | 1,597,282.33  | 1,704,660.00  | 9.67                        |
| EUR   | 1,600,000                 | Slovakia Government Bond 4.35% 14.10.25               | 1,647,387.49  | 2,138,720.00  | 12.13                       |
| EUR   | 743,546                   | Slovakia Government Bond 4.50% 10.05.26               | 904,710.88    | 997,986.90    | 5.66                        |
| EUR   | 570,937                   | Slovakia Government Bond 5.30% 12.05.19               | 652,913.10    | 639,243.68    | 3.62                        |
| EUR   | 545,000                   | Slovakia Government International Bond 4.00% 26.03.21 | 612,255.59    | 637,309.38    | 3.61                        |
|   |                           |   | 15,629,972.39 | 16,937,356.86 | 96.04                       |
| SKK   | 14,000,000                | Intesa Sanpaolo SPA 5.00% 24.03.18                    | 500,524.46    | 480,831.18    | 2.73                        |
| Total investments in securities   |                           |   | 16,130,496.85 | 17,418,188.04 | 98.77                       |
| <b><u>Cash at banks</u></b>   |                           |   |               |               |                             |
| <b>Current accounts at bank</b>   |                           |   | 390,579.28    | 390,579.28    | 2.21                        |
| Total cash at banks   |                           |   | 390,579.28    | 390,579.28    | 2.21                        |
| Other net assets/(liabilities)  |                           |   |               | -174,206.29   | -0.98                       |
| Total   |                           |   |               | 17,634,561.03 | 100.00                      |

The accompanying notes are an integral part of these financial statements.

### **Investment policy and outlook**

from 1st October 2016 to 31st March 2017

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This sub fund is mainly invested in bonds issued by the Norwegian government, supplemented with Eurobonds from a limited number of issuers with high credit ratings.

#### **Looking back**

A bottoming-out of oil prices in 16Q1, and a subsequent stabilization has created a more constructive back-drop for the economy in 2016 – 2017. Recent activity data confirm that the economic recovery is ongoing and inflation continued to surprise to the upside. The housing market has become very tight, but there are signs of the supply side is reacting. Together with new credit restrictions, this will gradually rein in growth in housing prices.

The value of the Norwegian Krona closely followed the evolution of the oil price; appreciating during the first half of the reporting period and depreciating towards the end of it. Net the Krona depreciated about 2.2%, from 9 to around 9.15 Krona per Euro.

The Norwegian Central Bank kept its policy rate stable at 0.50% and it is expected to remain at this level for a prolonged period.

During the reporting period the Norwegian yield curve steepened aggressively with 10 year yields rising approximately 45 basis points. Within the portfolio we have maintained duration in line with that of the Norwegian government bond market. Against this background the fund had a slightly negative performance in NOK terms, which was even worse in EUR terms due to the depreciation of NOK versus EUR.

#### **Preview**

Next year, oil-related headwinds should reverse into a slight tailwind, but the fiscal policy stimulus will also be weaker. Economic growth should nevertheless be higher thanks to stronger growth in private consumption and investment. We expect the Norges Bank to keep its policy rate constant and the NOK to slightly appreciate versus the euro, although there is still considerable uncertainty related to oil prices.

Note: The information in this report represents historical data and is not an indication of future results.

## KBC Renta Nokrenta

### Statement of net assets (in NOK)

as at 31st March 2017

#### **Assets**

|                                      |                  |
|--------------------------------------|------------------|
| Securities portfolio at market value | 3,994,818,390.80 |
| Cash at banks                        | 30,438,636.98    |
| Receivable on issues of shares       | 16,000,342.18    |
| Income receivable on portfolio       | 72,086,221.24    |
| Other receivables                    | 282,064.71       |
|                                      | <hr/>            |
| Total assets                         | 4,113,625,655.91 |

#### **Liabilities**

|                                     |               |
|-------------------------------------|---------------|
| Payable on purchases of securities  | 16,825,082.88 |
| Payable on redemptions of shares    | 8,218,573.29  |
| Expenses payable and other payables | 3,228,485.51  |
|                                     | <hr/>         |
| Total liabilities                   | 28,272,141.68 |

|                                     |                  |
|-------------------------------------|------------------|
| Net assets at the end of the period | 4,085,353,514.23 |
|-------------------------------------|------------------|

|   |              |
|---|--------------|
| Number of Category A shares outstanding | 115,894.3490 |
| Net asset value per Category A share    | 4,177.74     |

|   |             |
|---|-------------|
| Number of Category B shares outstanding | 39,669.4590 |
| Net asset value per Category B share    | 6,385.48    |

|   |              |
|---|--------------|
| Number of 'Institutional B shares' sub-category outstanding | 523,130.4330 |
| Net asset value per 'Institutional B share' sub-category    | 6,399.68     |

The accompanying notes are an integral part of these financial statements.

## KBC Renta Nokrenta

### Statistical information (in NOK)

as at 31st March 2017

#### Total net assets

|                    |                  |
|--------------------|------------------|
| - as at 31.03.2017 | 4,085,353,514.23 |
| - as at 30.09.2016 | 1,288,729,424.27 |
| - as at 30.09.2015 | 1,399,032,467.27 |

#### Number of Category A shares

|  |              |
|--|--------------|
| - outstanding at the beginning of the period | 68,395.1190  |
| - issued                                     | 78,973.8005  |
| - redeemed                                   | -31,474.5705 |
| - outstanding at the end of the period       | 115,894.3490 |

#### Net asset value per Category A share

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 4,177.74 |
| - as at 30.09.2016 | 4,245.84 |
| - as at 30.09.2015 | 4,245.81 |

#### Dividends paid

|  |             |
|--|-------------|
| Ex-dividend date                       | 03.10.2016  |
| Dividend per share                     | 37.40       |
| Shares outstanding at ex-dividend date | 68,442.1190 |

#### Number of Category B shares

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 43,642.0523 |
| - issued                                     | 1,994.9039  |
| - redeemed                                   | -5,967.4972 |
| - outstanding at the end of the period       | 39,669.4590 |

#### Net asset value per Category B share

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 6,385.48 |
| - as at 30.09.2016 | 6,432.10 |
| - as at 30.09.2015 | 6,359.47 |

#### Number of 'Institutional B shares' sub-category

|  |               |
|--|---------------|
| - outstanding at the beginning of the period | 111,342.0000  |
| - issued                                     | 594,969.4330  |
| - redeemed                                   | -183,181.0000 |
| - outstanding at the end of the period       | 523,130.4330  |

#### Net asset value per 'Institutional B share' sub-category

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 6,399.68 |
| - as at 30.09.2016 | 6,445.23 |
| - as at 30.09.2015 | 6,369.91 |

The accompanying notes are an integral part of these financial statements.

## KBC Renta Nokrenta

### Statement of investments and other net assets (in NOK)

as at 31st March 2017

| Currency  | Number /<br>nominal value | Description   | Cost             | Market value     | % of<br>total net<br>assets |
|---|---------------------------|---|------------------|------------------|-----------------------------|
| <b><u>Investments in securities</u></b>   |                           |   |                  |                  |                             |
| <b>Transferable securities admitted to an official stock exchange listing or traded on another regulated market</b> |                           |   |                  |                  |                             |
| <b>Bonds</b>  |                           |   |                  |                  |                             |
| NOK   | 9,300,000                 | European Investment Bank 3.00% 22.05.19                               | 9,834,750.00     | 9,712,269.00     | 0.24                        |
| NOK   | 5,000,000                 | International Bank for Reconstruction & Development 3.63%<br>22.06.20 | 5,427,800.00     | 5,390,150.00     | 0.13                        |
| NOK   | 5,000,000                 | Nordic Investment Bank 1.38% 15.07.20                                 | 5,062,500.00     | 5,041,825.00     | 0.12                        |
| NOK   | 402,000,000               | Norway Government Bond 1.50% 19.02.26                                 | 405,521,415.59   | 401,911,560.00   | 9.84                        |
| NOK   | 415,695,000               | Norway Government Bond 1.75% 13.03.25                                 | 427,068,241.47   | 426,956,177.55   | 10.45                       |
| NOK   | 135,000,000               | Norway Government Bond 1.75% 17.02.27                                 | 134,712,330.00   | 136,483,650.00   | 3.34                        |
| NOK   | 610,175,000               | Norway Government Bond 2.00% 24.05.23                                 | 628,846,194.80   | 639,737,978.75   | 15.66                       |
| NOK   | 475,000,000               | Norway Government Bond 3.00% 14.03.24                                 | 523,188,201.03   | 529,116,750.00   | 12.95                       |
| NOK   | 839,905,000               | Norway Government Bond 3.75% 25.05.21                                 | 940,062,180.04   | 936,074,122.50   | 22.91                       |
| NOK   | 835,545,000               | Norway Government Bond 4.50% 22.05.19                                 | 925,161,446.12   | 904,393,908.00   | 22.14                       |
| Total investments in securities   |                           |   | 4,004,885,059.05 | 3,994,818,390.80 | 97.78                       |
| <b><u>Cash at banks</u></b>   |                           |   |                  |                  |                             |
| <b>Current accounts at bank</b>   |                           |   | 30,438,636.98    | 30,438,636.98    | 0.75                        |
| Total cash at banks   |                           |   | 30,438,636.98    | 30,438,636.98    | 0.75                        |
| Other net assets/(liabilities)  |                           |   |                  | 60,096,486.45    | 1.47                        |
| Total   |                           |   |                  | 4,085,353,514.23 | 100.00                      |

The accompanying notes are an integral part of these financial statements.

### Investment policy and outlook

from 1st October 2016 to 31st March 2017

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The sub fund invests primarily in Turkish government debt.

Turkish economic growth recovered slightly over the period under review, but remains low compared to historical standards. Indicators for the first quarter suggest that economic recovery lost some momentum compared to the fourth quarter due to the heightened uncertainty amid financial market volatility, the weak outlook in labour markets and the rapidly rising inflation.

The current account deficit weakened again, while the Turkish Lira depreciated substantially due to political turmoil. The deficit remains large and financing it depends on foreign capital flows, increasing the economy's vulnerability to shocks in global investor sentiment.

The first quarter of 2017 was marked by rising commodity prices and rising core inflation indicators. As a result, consumer inflation rose to 11.29% in the first quarter. This is still well above the Central Bank's target of 5%, which makes it more difficult for the central bank to lower interest rates.

The Central Bank introduced monetary tightening measures in the beginning of January 2017 in an effort to contain the severe volatility in the FX market. The measures were primarily focused on lowering marginal funding and by hiking the late liquidity window lending rate with a total of 225 bps. As a result the yield curve aggressively shifted upwards, particularly on the short end, with 2-year yields rising more than 200 bps and with 5-year yields rising about 175 bps.

Against this background, the sub fund posted a slightly negative return in TRY terms, but a substantial negative return in EUR terms of more than 14%.

For the next year, rising demand from EU members is expected due to the continued recovery in the euro area. This should gradually shift the growth composition towards net exports. Meanwhile a continued tight policy stance should support inflation convergence towards the 5% target. The continued Fed tightening cycle, the still large current account deficit and political tensions however, point to continued volatile bond and currency markets.

Note: The information in this report represents historical data and is not an indication of future results.

## KBC Renta TRY-Renta

### Statement of net assets (in TRY)

as at 31st March 2017

#### **Assets**

|                                      |                |
|--------------------------------------|----------------|
| Securities portfolio at market value | 180,682,614.00 |
| Cash at banks                        | 1,681,871.91   |
| Receivable on issues of shares       | 1,371.35       |
| Income receivable on portfolio       | 2,748,813.17   |
| Other receivables                    | 58,462.58      |
|                                      | <hr/>          |
| Total assets                         | 185,173,133.01 |
|                                      | <hr/>          |

#### **Liabilities**

|                                     |            |
|-------------------------------------|------------|
| Payable on redemptions of shares    | 141,430.10 |
| Expenses payable and other payables | 285,330.11 |
|                                     | <hr/>      |
| Total liabilities                   | 426,760.21 |
|                                     | <hr/>      |

|                                     |                |
|-------------------------------------|----------------|
| Net assets at the end of the period | 184,746,372.80 |
|                                     | <hr/>          |

|   |             |
|---|-------------|
| Number of Category A shares outstanding | 35,187.6187 |
| Net asset value per Category A share    | 953.93      |

|   |            |
|---|------------|
| Number of Category B shares outstanding | 5,649.5431 |
| Net asset value per Category B share    | 3,163.48   |

|   |             |
|---|-------------|
| Number of 'Institutional B shares' sub-category outstanding | 42,287.2690 |
| Net asset value per 'Institutional B share' sub-category    | 3,152.43    |

The accompanying notes are an integral part of these financial statements.

## KBC Renta TRY-Renta

### Statistical information (in TRY)

as at 31st March 2017

#### Total net assets

|                    |                |
|--------------------|----------------|
| - as at 31.03.2017 | 184,746,372.80 |
| - as at 30.09.2016 | 129,314,051.53 |
| - as at 30.09.2015 | 61,341,991.89  |

#### Number of Category A shares

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 36,640.2474 |
| - issued                                     | 3,974.3886  |
| - redeemed                                   | -5,427.0173 |
| - outstanding at the end of the period       | 35,187.6187 |

#### Net asset value per Category A share

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 953.93   |
| - as at 30.09.2016 | 1,053.12 |
| - as at 30.09.2015 | 998.93   |

#### Dividends paid

|  |             |
|--|-------------|
| Ex-dividend date                       | 03.10.2016  |
| Dividend per share                     | 88.80       |
| Shares outstanding at ex-dividend date | 36,589.2474 |

#### Number of Category B shares

|  |              |
|--|--------------|
| - outstanding at the beginning of the period | 28,362.7960  |
| - issued                                     | 286.9699     |
| - redeemed                                   | -23,000.2228 |
| - outstanding at the end of the period       | 5,649.5431   |

#### Net asset value per Category B share

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 3,163.48 |
| - as at 30.09.2016 | 3,198.82 |
| - as at 30.09.2015 | 2,755.97 |

#### Number of 'Institutional B shares' sub-category

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | —           |
| - issued                                     | 42,287.2690 |
| - redeemed                                   | —           |
| - outstanding at the end of the period       | 42,287.2690 |

#### Net asset value per 'Institutional B share' sub-category

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 3,152.43 |
| - as at 30.09.2016 | —        |
| - as at 30.09.2015 | —        |

The accompanying notes are an integral part of these financial statements.



## KBC Renta TRY-Renta

### Statement of investments and other net assets (in TRY) as at 31st March 2017

| Currency  | Number /<br>nominal value | Description                            | Cost           | Market value   | % of<br>total net<br>assets |
|---|---------------------------|--|----------------|----------------|-----------------------------|
| <b>Investments in securities</b>  |                           |  |                |                |                             |
| <b>Transferable securities admitted to an official stock exchange listing or traded on another regulated market</b> |                           |  |                |                |                             |
| <b>Bonds</b>  |                           |  |                |                |                             |
| TRY   | 14,300,000                | Turkey Government Bond 7.10% 08.03.23  | 12,136,266.74  | 12,004,850.00  | 6.50                        |
| TRY   | 10,000,000                | Turkey Government Bond 7.40% 05.02.20  | 9,195,914.62   | 9,133,000.00   | 4.94                        |
| TRY   | 12,750,000                | Turkey Government Bond 8.00% 12.03.25  | 11,144,860.19  | 10,920,375.00  | 5.91                        |
| TRY   | 9,700,000                 | Turkey Government Bond 8.30% 20.06.18  | 9,384,143.36   | 9,397,360.00   | 5.09                        |
| TRY   | 13,450,000                | Turkey Government Bond 8.50% 10.07.19  | 12,931,320.58  | 12,804,400.00  | 6.93                        |
| TRY   | 8,600,000                 | Turkey Government Bond 8.50% 14.09.22  | 7,945,553.99   | 7,791,600.00   | 4.22                        |
| TRY   | 7,400,000                 | Turkey Government Bond 8.70% 11.07.18  | 7,206,611.00   | 7,198,350.00   | 3.90                        |
| TRY   | 12,300,000                | Turkey Government Bond 8.80% 14.11.18  | 11,945,310.91  | 11,894,100.00  | 6.44                        |
| TRY   | 9,500,000                 | Turkey Government Bond 8.80% 27.09.23  | 8,934,428.94   | 8,635,500.00   | 4.67                        |
| TRY   | 9,000,000                 | Turkey Government Bond 9.00% 24.07.24  | 8,661,982.90   | 8,259,300.00   | 4.47                        |
| TRY   | 12,050,000                | Turkey Government Bond 9.20% 22.09.21  | 11,342,950.00  | 11,320,975.00  | 6.13                        |
| TRY   | 13,200,000                | Turkey Government Bond 9.40% 08.07.20  | 12,708,645.26  | 12,632,400.00  | 6.84                        |
| TRY   | 7,160,000                 | Turkey Government Bond 9.50% 12.01.22  | 6,992,010.41   | 6,791,260.00   | 3.68                        |
| TRY   | 5,250,000                 | Turkey Government Bond 10.40% 27.03.19 | 5,249,266.48   | 5,189,625.00   | 2.81                        |
| TRY   | 5,430,000                 | Turkey Government Bond 10.40% 20.03.24 | 5,502,517.28   | 5,344,749.00   | 2.89                        |
| TRY   | 10,390,000                | Turkey Government Bond 10.50% 15.01.20 | 10,504,286.51  | 10,317,270.00  | 5.58                        |
| TRY   | 19,000,000                | Turkey Government Bond 10.60% 11.02.26 | 19,124,787.32  | 18,895,500.00  | 10.22                       |
| TRY   | 12,250,000                | Turkey Government Bond 10.70% 17.02.21 | 12,475,311.23  | 12,152,000.00  | 6.58                        |
| Total investments in securities   |                           |  | 183,386,167.72 | 180,682,614.00 | 97.80                       |
| <b>Cash at banks</b>  |                           |  |                |                |                             |
| <b>Current accounts at bank</b>   |                           |  | 1,681,871.91   | 1,681,871.91   | 0.91                        |
| Total cash at banks   |                           |  | 1,681,871.91   | 1,681,871.91   | 0.91                        |
| Other net assets/(liabilities)  |                           |  |                | 2,381,886.89   | 1.29                        |
| Total   |                           |  |                | 184,746,372.80 | 100.00                      |

The accompanying notes are an integral part of these financial statements.

### Investment policy and outlook

from 1st October 2016 to 31st March 2017

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The main theme through the reporting period was the election of the 45th President of the United States. In the run-off to the election mainly fear for a victory by the 'populist' candidate, pictured by a win of Donald Trump, dominated the markets. Only hours after his election though, and more specifically after his inauguration speech, doubts transformed into believe. The promise to make America great again with among others lower taxes and more homemade production fuelled believe in an even stronger US economy. US government yields rose to 2.1% on 5 years maturity as markets believed his programme would support growth, but also push inflation upwards. This did not distract the American Central Bank, the Fed, as they kept their focus on inflation and unemployment. During the reporting period the Fed increased the benchmark interest rate two times with a quarter point up to 1%. More hikes are expected as the economy stays firm and inflation moves to 1.9% this year. However, at the end of the reporting period it became also clear that even with a republican majority in Congress it would still take some time to transform rhetoric into policy. As a consequence equity markets cooled off and US government yields lost around 20 basis points from the 2.1% highs. The yield sensitivity, or duration, of the fund was around 2 years and will probably remain so in the near future.

Note: The information in this report represents historical data and is not an indication of future results.

## KBC Renta Short USD

### Statement of net assets (in USD)

as at 31st March 2017

#### **Assets**

|                                      |               |
|--------------------------------------|---------------|
| Securities portfolio at market value | 89,247,630.97 |
| Cash at banks                        | 469,851.01    |
| Receivable on sales of securities    | 4,299,771.48  |
| Income receivable on portfolio       | 355,316.41    |
| Other receivables                    | 4,309.34      |
|                                      | <hr/>         |
| Total assets                         | 94,376,879.21 |
|                                      | <hr/>         |

#### **Liabilities**

|                                     |              |
|-------------------------------------|--------------|
| Payable on purchases of securities  | 7,960,984.39 |
| Payable on redemptions of shares    | 83,269.62    |
| Expenses payable and other payables | 57,430.77    |
|                                     | <hr/>        |
| Total liabilities                   | 8,101,684.78 |
|                                     | <hr/>        |

|                                     |               |
|-------------------------------------|---------------|
| Net assets at the end of the period | 86,275,194.43 |
|                                     | <hr/>         |

|   |            |
|---|------------|
| Number of Category A shares outstanding | 4,307.5298 |
| Net asset value per Category A share    | 511.80     |

|   |            |
|---|------------|
| Number of Category B shares outstanding | 2,510.8447 |
| Net asset value per Category B share    | 899.27     |

|   |             |
|---|-------------|
| Number of 'Institutional B shares' sub-category outstanding | 90,780.0000 |
| Net asset value per 'Institutional B share' sub-category    | 901.22      |

The accompanying notes are an integral part of these financial statements.

## KBC Renta Short USD

### Statistical information (in USD)

as at 31st March 2017

#### Total net assets

|                    |                  |
|--------------------|------------------|
| - as at 31.03.2017 | 86,275,194.43    |
| - as at 30.09.2016 | 1,137,033,686.79 |
| - as at 30.09.2015 | 456,081,873.75   |

#### Number of Category A shares

|  |             |
|--|-------------|
| - outstanding at the beginning of the period | 7,112.5298  |
| - issued                                     | 79.0000     |
| - redeemed                                   | -2,884.0000 |
| - outstanding at the end of the period       | 4,307.5298  |

#### Net asset value per Category A share

|                    |        |
|--------------------|--------|
| - as at 31.03.2017 | 511.80 |
| - as at 30.09.2016 | 516.27 |
| - as at 30.09.2015 | 517.00 |

#### Dividends paid

|  |            |
|--|------------|
| Ex-dividend date                       | 03.10.2016 |
| Dividend per share                     | 4.30       |
| Shares outstanding at ex-dividend date | 7,112.5298 |

#### Number of Category B shares

|  |            |
|--|------------|
| - outstanding at the beginning of the period | 3,124.3187 |
| - issued                                     | 133.3820   |
| - redeemed                                   | -746.8560  |
| - outstanding at the end of the period       | 2,510.8447 |

#### Net asset value per Category B share

|                    |        |
|--------------------|--------|
| - as at 31.03.2017 | 899.27 |
| - as at 30.09.2016 | 899.57 |
| - as at 30.09.2015 | 894.70 |

#### Number of 'Institutional B shares' sub-category

|  |                 |
|--|-----------------|
| - outstanding at the beginning of the period | 1,254,617.0000  |
| - issued                                     | 435,168.0000    |
| - redeemed                                   | -1,599,005.0000 |
| - outstanding at the end of the period       | 90,780.0000     |

#### Net asset value per 'Institutional B share' sub-category

|                    |        |
|--------------------|--------|
| - as at 31.03.2017 | 901.22 |
| - as at 30.09.2016 | 901.11 |
| - as at 30.09.2015 | 895.84 |

The accompanying notes are an integral part of these financial statements.

## KBC Renta Short USD

### Statement of investments and other net assets (in USD)

as at 31st March 2017

| Currency  | Number /<br>nominal value | Description  | Cost          | Market value  | % of<br>total net<br>assets |
|---|---------------------------|--|---------------|---------------|-----------------------------|
| <b><u>Investments in securities</u></b>   |                           |  |               |               |                             |
| <b>Transferable securities admitted to an official stock exchange listing or traded on another regulated market</b> |                           |  |               |               |                             |
| <b>Bonds</b>  |                           |  |               |               |                             |
| USD   | 2,000,000                 | International Bank for Reconstruction & Development 1.00% 15.06.18 | 1,990,180.00  | 1,997,288.10  | 2.32                        |
| USD   | 4,000,000                 | United States Treasury Note/Bond 0.63% 30.04.18                    | 3,982,995.33  | 3,979,531.40  | 4.61                        |
| USD   | 1,000,000                 | United States Treasury Note/Bond 0.75% 31.08.18                    | 994,300.23    | 994,324.50    | 1.15                        |
| USD   | 1,000,000                 | United States Treasury Note/Bond 0.75% 15.08.19                    | 986,018.98    | 986,015.63    | 1.14                        |
| USD   | 15,050,000                | United States Treasury Note/Bond 0.88% 15.04.19                    | 15,037,697.99 | 14,929,482.61 | 17.30                       |
| USD   | 5,010,000                 | United States Treasury Note/Bond 1.00% 31.05.18                    | 5,019,505.64  | 5,002,954.44  | 5.80                        |
| USD   | 3,000,000                 | United States Treasury Note/Bond 1.00% 15.03.19                    | 3,009,380.04  | 2,985,351.60  | 3.46                        |
| USD   | 5,000,000                 | United States Treasury Note/Bond 1.00% 30.06.19                    | 5,033,196.67  | 4,965,234.25  | 5.76                        |
| USD   | 2,000,000                 | United States Treasury Note/Bond 1.00% 30.09.19                    | 1,980,944.20  | 1,981,147.30  | 2.30                        |
| USD   | 3,000,000                 | United States Treasury Note/Bond 1.13% 15.01.19                    | 2,994,502.24  | 2,994,667.80  | 3.47                        |
| USD   | 5,000,000                 | United States Treasury Note/Bond 1.25% 30.11.18                    | 5,054,688.82  | 5,003,483.50  | 5.80                        |
| USD   | 5,700,000                 | United States Treasury Note/Bond 1.25% 29.02.20                    | 5,655,933.19  | 5,660,358.21  | 6.56                        |
| USD   | 2,000,000                 | United States Treasury Note/Bond 1.38% 31.07.18                    | 2,024,594.60  | 2,005,989.90  | 2.33                        |
| USD   | 4,000,000                 | United States Treasury Note/Bond 1.38% 30.09.18                    | 4,011,888.40  | 4,011,524.00  | 4.65                        |
| USD   | 1,000,000                 | United States Treasury Note/Bond 1.38% 31.03.20                    | 995,550.23    | 995,860.10    | 1.15                        |
| USD   | 18,000,000                | United States Treasury Note/Bond 1.63% 30.06.19                    | 18,312,950.92 | 18,119,531.70 | 21.00                       |
| USD   | 1,500,000                 | United States Treasury Note/Bond 3.38% 15.11.19                    | 1,574,477.69  | 1,576,279.20  | 1.83                        |
| USD   | 6,500,000                 | United States Treasury Note/Bond 3.63% 15.02.20                    | 6,885,705.39  | 6,894,828.53  | 7.99                        |
| USD   | 4,000,000                 | United States Treasury Note/Bond 3.75% 15.11.18                    | 4,247,380.24  | 4,163,778.20  | 4.83                        |
| Total investments in securities   |                           |  | 89,791,890.80 | 89,247,630.97 | 103.45                      |
| <b><u>Cash at banks</u></b>   |                           |  |               |               |                             |
| <b>Current accounts at bank</b>   |                           |  | 469,851.01    | 469,851.01    | 0.54                        |
| Total cash at banks   |                           |  | 469,851.01    | 469,851.01    | 0.54                        |
| Other net assets/(liabilities)  |                           |  |               | -3,442,287.55 | -3.99                       |
| Total   |                           |  |               | 86,275,194.43 | 100.00                      |

The accompanying notes are an integral part of these financial statements.

### Investment policy and outlook

from 1st October 2016 to 31st March 2017

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The aim of the fund is to profit from tactical opportunities in the money and bond markets. This may significantly alter the composition of the fund over time. During the reporting period the fund invested in the following themes.

The long-short strategy on the US and German yield curves. Given the historically wide interest rate differential between these two countries, we anticipate that this difference will decrease again.

Because of the attractive credit spreads, the portfolio also invested in subordinated corporate bonds. In the run-off to the US Presidential elections in November 2016, mainly fear for a victory by the 'populist' candidate, pictured by a win of Donald Trump, dominated the markets and subordinated corporate bonds underperformed. Only hours after Trump's election though, and more specifically after his inauguration speech, doubts transformed into believe. The promise to make America great again with amongst others lower taxes and more infrastructure spending increased the belief in an even stronger US economy. Subordinated corporate bonds recouped their losses and outperformed the wider credit bond market for the remainder of the reporting period.

As the improving Swedish inflation outlook is putting the Riksbank's (the Swedish Central Bank) excessively loose monetary stance under scrutiny, a change in the Bank's policy might make the Swedish Krone appreciate against the Euro. As such we included SEK forwards in the portfolio during the reporting period.

Lastly the portfolio invested in US inflation-linked bonds in anticipation of an increase in inflation following years of economic growth in the US. Over the reporting period the 10 year break-even US inflation rate increased from 1.61% to 1.99%.

#### Preview

The aim of the fund is to profit from tactical opportunities in the money and bond markets. We feel comfortable with the chosen themes, but remain ready to change the relative weights quickly or to change the themes in the portfolio all together should there appear new opportunities.

Note: The information in this report represents historical data and is not an indication of future results.

## KBC Renta Strategic Accents 1

### Statement of net assets (in EUR)

as at 31st March 2017

#### **Assets**

|   |                |
|---|----------------|
| Securities portfolio at market value                  | 821,488,406.35 |
| Cash at banks   | 15,989,995.76  |
| Other liquid assets                                   | 33,648,007.64  |
| Receivable on sales of securities                     | 32,264,720.60  |
| Receivable on issues of shares                        | 3,594,851.48   |
| Income receivable on portfolio                        | 4,719,751.38   |
| Unrealised gain on forward foreign exchange contracts | 5,666.49       |
| Prepaid expenses and other receivables                | 1,737.00       |

|              |                |
|--------------|----------------|
| Total assets | 911,713,136.70 |
|--------------|----------------|

#### **Liabilities**

|   |               |
|---|---------------|
| Payable on redemptions of shares                      | 30,729,399.24 |
| Unrealised loss on futures contracts                  | 3,838,833.84  |
| Unrealised loss on forward foreign exchange contracts | 1,140,818.16  |
| Expenses payable and other payables                   | 985,959.88    |

|                   |               |
|-------------------|---------------|
| Total liabilities | 36,695,011.12 |
|-------------------|---------------|

|                                     |                |
|-------------------------------------|----------------|
| Net assets at the end of the period | 875,018,125.58 |
|-------------------------------------|----------------|

|   |             |
|---|-------------|
| Number of Classic Shares shares outstanding | 19,274.0940 |
| Net asset value per Classic Shares share    | 984.38      |

|   |              |
|---|--------------|
| Number of 'Institutional B shares' sub-category outstanding | 693,167.3484 |
| Net asset value per 'Institutional B share' sub-category    | 1,234.98     |

The accompanying notes are an integral part of these financial statements.

## KBC Renta Strategic Accents 1

### Statistical information (in EUR)

as at 31st March 2017

#### Total net assets

|                    |                |
|--------------------|----------------|
| - as at 31.03.2017 | 875,018,125.58 |
| - as at 30.09.2016 | 940,387,514.69 |
| - as at 30.09.2015 | 355,954,413.21 |

#### Number of Classic shares shares

|  |              |
|--|--------------|
| - outstanding at the beginning of the period | 49,571.6880  |
| - issued                                     | 9,352.0000   |
| - redeemed                                   | -39,649.5940 |
| - outstanding at the end of the period       | 19,274.0940  |

#### Net asset value per Classic shares share

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 984.38   |
| - as at 30.09.2016 | 1,008.70 |
| - as at 30.09.2015 | 1,007.19 |

#### Dividends paid

|  |             |
|--|-------------|
| Ex-dividend date                       | 03.10.2016  |
| Dividend per share                     | 17.90       |
| Shares outstanding at ex-dividend date | 49,586.6880 |

#### Number of 'Institutional B shares' sub-category

|  |               |
|--|---------------|
| - outstanding at the beginning of the period | 716,273.4611  |
| - issued                                     | 296,517.8877  |
| - redeemed                                   | -319,624.0004 |
| - outstanding at the end of the period       | 693,167.3484  |

#### Net asset value per 'Institutional B share' sub-category

|                    |          |
|--------------------|----------|
| - as at 31.03.2017 | 1,234.98 |
| - as at 30.09.2016 | 1,243.08 |
| - as at 30.09.2015 | 1,219.93 |

The accompanying notes are an integral part of these financial statements.



# KBC Renta Strategic Accents 1

## Statement of investments and other net assets (in EUR) (continued)

as at 31st March 2017

| Currency  | Number /<br>nominal value | Description   | Cost           | Market value   | % of<br>total net<br>assets |
|---|---------------------------|---|----------------|----------------|-----------------------------|
| <b>Investments in securities</b>  |                           |   |                |                |                             |
| <b>Transferable securities admitted to an official stock exchange listing or traded on another regulated market</b> |                           |   |                |                |                             |
| <b>Bonds</b>  |                           |   |                |                |                             |
| EUR   | 20,000,000                | Bundesobligation 0.25% 13.04.18                               | 20,279,700.00  | 20,205,500.00  | 2.31                        |
| EUR   | 10,000,000                | Bundesrepublik Deutschland 4.25% 04.07.17                     | 10,167,600.00  | 10,125,200.00  | 1.16                        |
| EUR   | 26,500,000                | Bundesschatzanweisungen 16.03.18                              | 26,759,310.00  | 26,689,077.50  | 3.05                        |
| EUR   | 20,000,000                | Bundesschatzanweisungen 15.06.18                              | 20,230,200.00  | 20,181,400.00  | 2.31                        |
| EUR   | 30,000,000                | Bundesschatzanweisungen 14.09.18                              | 30,395,000.00  | 30,332,250.00  | 3.47                        |
| EUR   | 25,000,000                | French Republic Government Bond OAT 25.02.18                  | 25,201,150.00  | 25,119,250.00  | 2.87                        |
| EUR   | 20,000,000                | French Republic Government Bond OAT 25.02.19                  | 20,286,028.30  | 20,183,800.00  | 2.31                        |
| EUR   | 28,700,000                | French Republic Government Bond OAT 1.00% 25.05.18            | 29,536,716.00  | 29,191,918.00  | 3.34                        |
| EUR   | 26,500,000                | French Republic Government Bond OAT 1.00% 25.11.18            | 27,472,255.00  | 27,148,985.00  | 3.10                        |
| EUR   | 17,500,000                | French Republic Government Bond OAT 1.00% 25.05.19            | 18,190,038.46  | 18,033,925.00  | 2.06                        |
| EUR   | 29,000,000                | French Republic Government Bond OAT 4.00% 25.04.18            | 31,373,220.00  | 30,387,940.00  | 3.47                        |
| EUR   | 24,000,000                | French Republic Government Bond OAT 4.25% 25.10.18            | 26,598,710.00  | 25,780,800.00  | 2.95                        |
| EUR   | 20,500,000                | Italy Buoni Poliennali Del Tesoro 0.30% 15.10.18              | 20,646,410.00  | 20,616,645.00  | 2.36                        |
| EUR   | 22,000,000                | Italy Buoni Poliennali Del Tesoro 3.50% 01.12.18              | 24,015,798.60  | 23,271,600.00  | 2.66                        |
| EUR   | 25,300,000                | Italy Buoni Poliennali Del Tesoro 4.25% 01.02.19              | 28,056,631.00  | 27,226,595.00  | 3.11                        |
| EUR   | 20,500,000                | Italy Buoni Poliennali Del Tesoro 4.50% 01.03.19              | 23,113,651.11  | 22,216,670.00  | 2.54                        |
| EUR   | 34,500,000                | Kingdom of Belgium Government Bond 1.25% 22.06.18             | 35,529,907.33  | 35,283,063.75  | 4.02                        |
| EUR   | 39,000,000                | Kingdom of Belgium Government Bond 4.00% 28.03.18             | 41,569,388.25  | 40,776,450.00  | 4.65                        |
| EUR   | 24,000,000                | Kingdom of Belgium Government Bond 5.50% 28.09.17             | 25,468,420.00  | 24,730,080.00  | 2.83                        |
|   |                           |   | 484,890,134.05 | 477,501,149.25 | 54.57                       |
| USD   | 39,568,225                | United States Treasury Inflation Indexed Bonds 0.13% 15.04.19 | 37,416,663.60  | 37,552,052.55  | 4.29                        |
| USD   | 35,775,465                | United States Treasury Inflation Indexed Bonds 0.13% 15.04.20 | 33,749,467.88  | 33,968,719.55  | 3.88                        |
| USD   | 26,385,918                | United States Treasury Inflation Indexed Bonds 0.13% 15.07.24 | 23,691,296.94  | 24,473,296.04  | 2.80                        |
| USD   | 24,606,480                | United States Treasury Inflation Indexed Bonds 0.25% 15.01.25 | 21,871,676.54  | 22,841,645.19  | 2.61                        |
| USD   | 27,648,540                | United States Treasury Inflation Indexed Bonds 0.38% 15.07.25 | 24,945,275.14  | 25,951,328.61  | 2.97                        |
| USD   | 13,529,750                | United States Treasury Inflation Indexed Bonds 0.63% 15.01.24 | 12,445,841.84  | 12,968,312.50  | 1.48                        |
| USD   | 32,973,086                | United States Treasury Inflation Indexed Bonds 1.38% 15.07.18 | 32,078,995.71  | 31,896,595.51  | 3.65                        |
| USD   | 38,012,873                | United States Treasury Inflation Indexed Bonds 1.38% 15.01.20 | 37,535,678.66  | 37,459,613.42  | 4.28                        |
| USD   | 43,900,552                | United States Treasury Inflation Indexed Bonds 1.88% 15.07.19 | 43,725,246.97  | 43,626,538.35  | 4.98                        |
| USD   | 33,034,770                | United States Treasury Inflation Indexed Bonds 2.00% 15.01.26 | 34,781,787.93  | 35,101,576.62  | 4.01                        |
| USD   | 38,772,737                | United States Treasury Inflation Indexed Bonds 2.13% 15.01.19 | 38,348,187.01  | 38,147,578.76  | 4.36                        |
|   |                           |   | 340,590,118.22 | 343,987,257.10 | 39.31                       |
| Total investments in securities   |                           |   | 825,480,252.27 | 821,488,406.35 | 93.88                       |
| <b>Cash at banks</b>  |                           |   |                |                |                             |
| <b>Current accounts at bank</b>   |                           |   | 15,989,995.76  | 15,989,995.76  | 1.83                        |
| Total cash at banks   |                           |   | 15,989,995.76  | 15,989,995.76  | 1.83                        |
| Other net assets/(liabilities)  |                           |   |                | 37,539,723.47  | 4.29                        |
| Total   |                           |   |                | 875,018,125.58 | 100.00                      |

The accompanying notes are an integral part of these financial statements.

**Notes to the financial statements**

as at 31st March 2017

**Note 1 - Significant accounting policies**

**a) Presentation of the financial statements**

The financial statements of the SICAV are established in accordance with the legal and regulatory requirements in force and with generally accepted accounting principles in Luxembourg concerning Undertakings for Collective Investment.

**b) Valuation of assets**

- 1) The value of cash in hand or on deposit, of bills and demand notes payable and accounts receivable, pre-paid expenses, received dividends and interest declared or accrued but not yet received is formed by the nominal value of such assets, unless it appears unlikely that the full value can be received at maturity, in which case the value will be determined by making such deduction as the Board of Directors of the SICAV considers appropriate to reflect the fair value thereof.
- 2) The value of all transferable securities and money market instruments listed on a stock exchange or traded on a regulated market is determined on the basis of the last available price unless this price is not representative.
- 3) The value of all transferable securities and money market instruments traded on another regulated market is determined according to the last available price unless this price is not representative.
- 4) The value of transferable securities that are not traded or listed on a stock exchange or other regulated market, and of securities traded or listed on a stock exchange or other regulated market where the price determined according to the stipulations of the above indents is not representative of the fair value of such transferable securities, will be determined on the basis of the foreseeable sale price, as estimated by the Board of Directors of the SICAV prudently and in good faith.

**c) Acquisition cost of securities in the portfolio**

The acquisition cost of the securities held by each sub-fund that are denominated in currencies other than the reference currency of the sub-fund is converted into this currency at the exchange rates prevailing on the date of purchase.

**d) Net realised gain/(loss) on sales of securities portfolio**

The realised gains and losses on sales of securities portfolio are calculated on the basis of the average acquisition cost.

**e) Investment portfolio income**

Interest income accrued and payable are recorded, net of any withholding tax.

**f) Valuation of forward foreign exchange contracts**

Forward foreign exchange contracts are valued at forward market rates for the remaining period from valuation date to the maturity of the contracts. Unrealised gains or losses are recorded in the statement of net assets.

**Notes to the financial statements (continued)**

as at 31st March 2017

**Note 1 - Significant accounting policies (continued)**

## g) Valuation of futures contracts

Futures contracts are valued at the last settlement or close price on the stock exchanges or regulated markets. Unrealised gains or losses are recorded in the statement of net assets.

## h) Formation expenses

Formation expenses were amortised on a straight line basis over a period of five years.

## i) Conversion of foreign currencies

Cash at banks, other net assets and liabilities and the market value of the securities in portfolio expressed in currencies other than the currency of the sub-fund are converted into this currency at the exchange rate prevailing on the date of the semi-annual report. Income and expenses expressed in currencies other than the currency of the sub-fund are converted into this currency at the exchange rate prevailing on the date of the transaction.

## j) Combined financial statements

The combined financial statements of the SICAV are expressed in EUR and are equal to the sum of the corresponding captions in the financial statements of each sub-fund converted into this currency at the exchange rates prevailing at the date of the semi-annual report.

At the date of the semi-annual report, the exchange rates used for the combined statements are the following:

|   |     |   |             |     |                    |
|---|-----|---|-------------|-----|--------------------|
| 1 | EUR | = | 1.4020451   | AUD | Australian Dollar  |
|   |     |   | 1.4264054   | CAD | Canadian Dollar    |
|   |     |   | 1.0705661   | CHF | Swiss Franc        |
|   |     |   | 27.0235204  | CZK | Czech Koruna       |
|   |     |   | 7.4363139   | DKK | Danish Krone       |
|   |     |   | 0.8553321   | GBP | Pound Sterling     |
|   |     |   | 308.8200224 | HUF | Hungarian Forint   |
|   |     |   | 119.1799595 | JPY | Japanese Yen       |
|   |     |   | 9.1862585   | NOK | Norwegian Krone    |
|   |     |   | 1.5300053   | NZD | New Zealand Dollar |
|   |     |   | 4.2375038   | PLN | Polish Zloty       |
|   |     |   | 9.5492637   | SEK | Swedish Krona      |
|   |     |   | 3.8949268   | TRY | Turkish Lira       |
|   |     |   | 1.0695500   | USD | US Dollar          |

**Note 2 - Commission for management, distribution and risk management**

The Board of Directors of the SICAV is responsible for the general investment policy.

The SICAV has appointed KBC ASSET MANAGEMENT S.A., as Management Company according to the provisions of Chapter 15 of the amended Law of 17th December 2010 relating to Undertakings for Collective Investment.

At the date of the semi-annual report, in consideration of services provided concerning management, distribution and risk management, the Management Company receives an annual fee payable monthly on the average net assets of the sub-funds to the effective rates of:

| <b>Sub-funds</b>                | <b>Effective rates</b> |
|---------------------------------|------------------------|
| - KBC Renta Decarenta           | 0.60%                  |
| - KBC Renta Eurorenta           | 0.70%                  |
| - KBC Renta Sekarenta           | 0.60%                  |
| - KBC Renta Dollarenta          | 0.70%                  |
| - KBC Renta Yenrenta            | 0.40%                  |
| - KBC Renta Canarenta           | 0.60%                  |
| - KBC Renta Sterlingrenta       | 0.60%                  |
| - KBC Renta Swissrenta          | 0.50%                  |
| - KBC Renta Emurenta            | 0.70%                  |
| - KBC Renta Czechrenta          | 1.00%                  |
| - KBC Renta AUD-Renta           | 1.10%                  |
| - KBC Renta NZD-Renta           | 1.10%                  |
| - KBC Renta Short EUR           | 0.40%                  |
| - KBC Renta Medium EUR          | 0.70%                  |
| - KBC Renta Long EUR            | 0.70%                  |
| - KBC Renta Zlotyrenta          | 1.10%                  |
| - KBC Renta Forintrenta         | 1.10%                  |
| - KBC Renta Slovakrenta         | 0.70%                  |
| - KBC Renta Nokrenta            | 0.60%                  |
| - KBC Renta TRY-Renta           | 1.10%                  |
| - KBC Renta Short USD           | 0.40%                  |
| - KBC Renta Strategic Accents 1 | 0.95%                  |

The Management Company delegates the management of the sub-funds KBC Renta Czechrenta, KBC Renta Zlotyrenta and KBC Renta Forintrenta to CSOB ASSET MANAGEMENT A.S., KBC TFI S.A. and K & H BEFEKTETESI ALAPKEZELO Zrt. respectively and bears their remuneration.

**Notes to the financial statements (continued)**

as at 31st March 2017

**Note 3 - Subscription, redemption and conversion fees**a) Subscription fee in favour of the financial intermediaries

The shares, except the ones of the sub-category "Institutional B shares", are issued at a price corresponding to the net asset value per share, plus a subscription fee up to 2.50% payable by the subscriber in favour of the financial intermediaries.

b) Redemption, conversion fee in favour of the sub-funds of the SICAV

All shares submitted to redemption, except the ones of the sub-category "Institutional B shares", will be redeemed at the net asset value per share at the date of the redemption order receipt subject to deduction of a fee up to 1.00% payable by the seller in favour of the SICAV.

Distribution shares and capitalisation shares are issued and in circulation, the shareholders will be entitled to convert all or part of them at a price equal to the respective net asset values at the date of the conversion order receipt, less a conversion fee in favour of the respective sub-funds.

c) Subscription, redemption, conversion fee for the sub-category "Institutional B shares"

| <b>Sub-funds</b>                | <b>Effective rates</b> |
|---------------------------------|------------------------|
| - KBC Renta Eurorenta           | 0.050%                 |
| - KBC Renta Dollarenta          | 0.025%                 |
| - KBC Renta Yenrenta            | 0.050%                 |
| - KBC Renta Sterlingrenta       | 0.025%                 |
| - KBC Renta Emurenta            | 0.050%                 |
| - KBC Renta Czechrenta          | 0.200%                 |
| - KBC Renta AUD-Renta           | 0.100%                 |
| - KBC Renta NZD-Renta           | 0.100%                 |
| - KBC Renta Short EUR           | 0.025%                 |
| - KBC Renta Medium EUR          | 0.025%                 |
| - KBC Renta Long EUR            | 0.050%                 |
| - KBC Renta Zlotyrenta          | 0.150%                 |
| - KBC Renta Slovakrenta         | 0.500%                 |
| - KBC Renta Nokrenta            | 0.150%                 |
| - KBC Renta Short USD           | 0.025%                 |
| - KBC Renta Strategic Accents 1 | 0.250%                 |

## Notes to the financial statements (continued)

as at 31st March 2017

## Note 3 - Subscription, redemption and conversion fees (continued)

- d) Amount intended to cover the acquisition/realisation costs of assets paid by the shareholders of "Institutional B shares" in favour of the sub-funds of the SICAV

The sub-category "Institutional B shares" is dedicated to investment vehicles, promoted by the KBC group (in this case, the funds of funds). Given the frequency of the subscriptions/redemptions operated by these funds of funds, acquisition/realisation fees of the specific assets in favour of the sub-fund of the SICAV were created (as described in the table below):

| Sub-funds                       | Maximum fees<br>(in % of net<br>assets per share) |
|---------------------------------|---|
| - KBC Renta Eurorenta           | 0.500   |
| - KBC Renta Dollarenta          | 0.500   |
| - KBC Renta Yenrenta            | 0.500   |
| - KBC Renta Canarenta           | 0.500   |
| - KBC Renta Sterlingrenta       | 0.500   |
| - KBC Renta Swissrenta          | 1.500   |
| - KBC Renta Emurenta            | 0.500   |
| - KBC Renta Czechrenta          | 1.125   |
| - KBC Renta AUD-Renta           | 0.500   |
| - KBC Renta NZD-Renta           | 0.500   |
| - KBC Renta Short EUR           | 0.500   |
| - KBC Renta Medium EUR          | 0.500   |
| - KBC Renta Long EUR            | 0.750   |
| - KBC Renta Zlotyrenta          | 0.500   |
| - KBC Renta Forintrenta         | 0.750   |
| - KBC Renta Slovakrenta         | 1.125   |
| - KBC Renta Nokrenta            | 0.750   |
| - KBC Renta TRY Renta           | 0.500   |
| - KBC Renta Short USD           | 0.500   |
| - KBC Renta Strategic Accents 1 | 1.500   |

## Note 4 - Fixed service fees and Depositary Fees

Apart from the portfolio management fee, each share class, unless otherwise stated in the description of the relevant sub-funds, will be charged a fixed service fee to cover the administration, the depositary and other on-going operating and administrative expenses, as is indicated for each share class in the prospectus. The fixed service fee is paid to the designated Management Company, KBC Asset Management S.A. The fixed service fee is charged at the level of the share class of each sub-fund. The fixed service fee is determined on each calculation of the net asset value and is paid on a monthly basis.

This fixed service fee is fixed to the extent that the Management Company will bear any real expense above the aforementioned fee invoiced to the share class. Furthermore, the Management Company may retain any portion of the fixed service fee charged to the share class over and above the relevant expenses as actually incurred by the share class in question.

**Notes to the financial statements (continued)**

as at 31st March 2017

**Note 4 - Fixed service fees and Depositary Fees (continued)**

Each sub-fund will pay the Management Company the fixed service fee amounts to maximum 0.125% annually of the net asset value.

**Note 5 - Subscription duty “Taxe d’abonnement”**

The SICAV is governed by Luxembourg law.

Pursuant to the legislation and regulations which are prevailing, the SICAV is subject to an annual subscription duty (“*taxe d’abonnement*”) of 0.05% which is payable quarterly and calculated on the basis of the net assets of each sub-fund on the last day of each quarter.

Pursuant to Article 175 (a) of the amended Law of 17th December 2010 the net assets invested in undertakings for collective investment already subject to the “*taxe d’abonnement*” are exempt from this tax.

The sub-category of shares “Institutional B shares” benefits from the reduced tax of 0.01% in conformity with Article 174 (2) of the amended Law of 17th December 2010.

**Note 6 - Belgian annual tax**

The Belgian regulation (the inheritance tax code, tome II bis) imposes to Undertakings for Collective Investment which were authorised to market their shares publicly in Belgium, the payment of an annual tax. This tax amounts to 0.0925% on the total of the net sums distributed in Belgium at 31st December of the previous year, starting from their registration with the “Financial Services and Markets Authority” (“FSMA”).

The SICAV is required to pay this tax on 31st March of each year.

**Note 7 - Statement of changes in investments**

The statement of changes in investments for the period related to the report is available free of charge at the registered office of the SICAV, from the institutions responsible for providing financial services, from the paying agents and from the legal representatives.

**Note 8 - Forward foreign exchange contracts**

As at 31st March 2017, the Sub-Funds of the SICAV are committed in the following forward foreign exchange contracts:

**KBC Renta Strategic Accents 1**

| Currency | Purchases      | Currency | Sales          | Maturity   | Unrealised result<br>(in EUR) |
|----------|----------------|----------|----------------|------------|-------------------------------|
| EUR      | 1,100,000.00   | SEK      | 10,448,740.50  | 08.02.2018 | 5,415.04                      |
| EUR      | 700,000.00     | SEK      | 6,679,692.60   | 08.02.2018 | 251.45                        |
| EUR      | 1,600,000.00   | SEK      | 15,287,030.40  | 08.02.2018 | -1,432.58                     |
| SEK      | 28,525,332.00  | EUR      | 3,000,000.00   | 08.02.2018 | -11,754.75                    |
| SEK      | 12,285,557.70  | EUR      | 1,300,000.00   | 08.02.2018 | -12,994.49                    |
| SEK      | 953,490,399.00 | EUR      | 101,000,000.00 | 08.02.2018 | -1,114,636.34                 |
|          |                |          |                |            | <u>-1,135,151.67</u>          |

## KBC RENTA

### Notes to the financial statements (continued)

as at 31st March 2017

#### Note 9 - Futures contracts

As at 31st March 2017, the sub-funds below are committed in the following futures contracts with Deutsche Bank AG, London:

##### KBC Renta Eurorenta

|          | Number of contracts | Denomination                     | Currency | Commitment (in EUR) | Unrealised Result (in EUR) |
|----------|---------------------|----------------------------------|----------|---------------------|----------------------------|
| Sale     | 12                  | Euro Bund 10 Years FUT 06/17 EUX | EUR      | -1,937,040.00       | -3,000.00                  |
| Purchase | 17                  | Euro OAT 10 Years FUT 06/17 EUX  | EUR      | 2,499,680.00        | 5,610.00                   |
|          |                     |                                  |          |                     | <u>2,610.00</u>            |

##### KBC Renta Emurenta

|          | Number of contracts | Denomination                     | Currency | Commitment (in EUR) | Unrealised Result (in EUR) |
|----------|---------------------|----------------------------------|----------|---------------------|----------------------------|
| Sale     | 25                  | Euro Bund 10 Years FUT 06/17 EUX | EUR      | -4,035,500.00       | -6,250.00                  |
| Purchase | 20                  | Euro OAT 10 Years FUT 06/17 EUX  | EUR      | 2,940,800.00        | 6,600.00                   |
|          |                     |                                  |          |                     | <u>350.00</u>              |

##### KBC Renta Short EUR

|      | Number of contracts | Denomination                     | Currency | Commitment (in EUR) | Unrealised Result (in EUR) |
|------|---------------------|----------------------------------|----------|---------------------|----------------------------|
| Sale | 40                  | Euro Bund 10 Years FUT 06/17 EUX | EUR      | -4,489,800.00       | 1,200.00                   |
|      |                     |                                  |          |                     | <u>1,200.00</u>            |

##### KBC Renta Medium EUR

|          | Number of contracts | Denomination                     | Currency | Commitment (in EUR) | Unrealised Result (in EUR) |
|----------|---------------------|----------------------------------|----------|---------------------|----------------------------|
| Purchase | 2                   | Euro Bund 10 Years FUT 06/17 EUX | EUR      | 322,840.00          | 280.00                     |
|          |                     |                                  |          |                     | <u>280.00</u>              |

##### KBC Renta Long EUR

|          | Number of contracts | Denomination                     | Currency | Commitment (in EUR) | Unrealised Result (in EUR) |
|----------|---------------------|----------------------------------|----------|---------------------|----------------------------|
| Purchase | 1                   | Euro Bund 10 Years FUT 06/17 EUX | EUR      | 161,420.00          | 140.00                     |
|          |                     |                                  |          |                     | <u>140.00</u>              |

##### KBC Renta Strategic Accents 1

|          | Number of contracts | Denomination                            | Currency | Commitment (in EUR) | Unrealised Result (in EUR) |
|----------|---------------------|---|----------|---------------------|----------------------------|
| Sale     | 937                 | Euro Bund 10 Years FUT 06/17 EUX        | EUR      | -157,187,580.00     | -2,279,820.00              |
| Sale     | 949                 | Euro Bund 10 Years FUT 06/17 EUX        | EUR      | -153,187,580.00     | -711,760.00                |
| Purchase | 1,355               | US Treasury Long Bond FUT 06/17 CBOT    | USD      | 191,102,128.23      | -595,833.85                |
| Purchase | 1,665               | US Treasury Note 10 Year FUT 06/17 CBOT | USD      | 193,910,114.07      | -251,419.99                |
|          |                     |   |          |                     | <u>-3,838,833.84</u>       |



**Notes to the financial statements (continued)**

as at 31st March 2017

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**Note 9 - Futures contracts (continued)**

The caption “Other liquid assets” in the statement of net assets contains principally margin calls and guarantee deposits serving to guarantee operations on futures contracts.

When the SICAV concludes futures contracts, it deposits and maintains, as collateral, a guarantee deposit with the depositary in accordance with the requirements set by the stock exchange on which the transaction is made. In accordance with the contract, the SICAV agrees to receive from, or pay to, the depositary an amount equal to the daily fluctuation in the value of the contract. The net amount payable to or receivable from the depositary as at 31st March 2017 in addition to or deducted from the collateral originally deposited is recorded under the caption “Other liquid liabilities”/“Other liquid assets” in the statement of net assets.

**Note 10 - Significant events during the period**

Effective 10th October 2016, the Management Company KBC ASSET MANAGEMENT S.A., changed its address from 5, Place de la Gare to 4, Rue du Fort Wallis, L-2714 Luxembourg.

There were no other significant events affecting the SICAV during the period ended 31st March 2017.

**I. Remuneration**

The Management Company has approved and adopted a UCITS V compliant Remuneration Policy. In accordance with the European Securities and Markets Authority ("ESMA") Guidelines, the UCITS V Remuneration requirements have come into effect on 1st June 2016. However, it will be reported for the first time on 30th September 2017, following the first performance period of the Management Company in which it has to comply with articles 14a and 14b of the UCITS Directive.

**II. Information concerning Securities Financing Transaction Regulation disclosures**

In accordance with information disclosures required by Securities Financing Transaction Regulation (SFTR), there was no reuse of collateral during the period ended 31st March 2017.