

Raiffeisen Top Dividend Equities

(Original German name: Raiffeisen-TopDividende-Aktien)

annual fund report

financial year Jun 1, 2016 – May 31, 2017

Note:

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

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Report for the financial year from Jun 1, 2016 to May 31, 2017

General fund information

ISIN	Tranche	Income class	Currency	Launch date
AT0000495288	Raiffeisen Top Dividend Equities (R) A	income-distributing	EUR	Jul 1, 2005
AT0000A1U5Z5	Raiffeisen Top Dividend Equities (RZ) A	income-distributing	EUR	Apr 3, 2017
AT0000495296	Raiffeisen Top Dividend Equities (R) T	income-retaining	EUR	Jul 1, 2005
AT0000A1U5Y8	Raiffeisen Top Dividend Equities (RZ) T	income-retaining	EUR	Apr 3, 2017
AT0000495304	Raiffeisen Top Dividend Equities (R) VTA	full income-retaining (outside Austria)	EUR	Dec 5, 2005
AT0000A1U602	Raiffeisen Top Dividend Equities (RZ) VTA	full income-retaining (outside Austria)	EUR	Apr 3, 2017
AT0000A0LST9	Raiffeisen Top Dividend Equities (I) VTA	full income-retaining (outside Austria)	EUR	Mar 1, 2011
AT0000A10TL1	Raiffeisen Top Dividend Equities (R) VTI	full income-retaining (Austria)	EUR	Sep 2, 2013

Fund characteristics

Fund currency	EUR
Financial year	Jun 1 – May 31
Distribution/payment/reinvestment date	Aug 15
Type of fund	Investment fund pursuant to § 2 of the Austrian Investment Fund Act, InvFG (UCITS)
Effective management fee for the fund	R-Tranche (EUR): 1.500 % RZ-Tranche (EUR): 0.750 % I-Tranche (EUR): 0.750 %
Custodian bank	Raiffeisen Bank International AG
Management company	Raiffeisen Kapitalanlage-Gesellschaft m.b.H. Mooslackengasse 12, A-1190 Vienna Tel. +43 1 71170-0 Fax +43 1 71170-761092 www.rcm.at Companies register number: 83517 w
Fund management	Raiffeisen Kapitalanlage-Gesellschaft m.b.H.
Auditor	KPMG Austria GmbH

Legal notice

The software used performs calculations on the basis of more than the two decimal places displayed. Minor discrepancies cannot be ruled out due to further calculations using published results.

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

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

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

Dear unitholder,

Raiffeisen Kapitalanlage-Gesellschaft m.b.H. is pleased to present its annual fund report for Raiffeisen Top Dividend Equities for the financial year from Jun 1, 2016 to May 31, 2017. The accounting is based on the price calculation as of May 31, 2017.

Fund details

	May 31, 2015	May 31, 2016	May 31, 2017
Total fund assets in EUR	147,117,710.98	144,192,255.00	162,368,203.52
Net asset value/distributing units (R) (AT0000495288) in EUR	122.81	105.16	112.74
Issue price/distributing units (R) (AT0000495288) in EUR	127.72	109.37	117.25
Net asset value/distributing units (RZ) (AT0000A1U5Z5) in EUR	-	-	103.60
Issue price/distributing units (RZ) (AT0000A1U5Z5) in EUR	-	-	103.60
Net asset value/reinvested units (R) (AT0000495296) in EUR	153.33	135.37	148.01
Issue price/reinvested units (R) (AT0000495296) in EUR	159.46	140.78	153.93
Net asset value/reinvested units (RZ) (AT0000A1U5Y8) in EUR	-	-	103.60
Issue price/reinvested units (RZ) (AT0000A1U5Y8) in EUR	-	-	103.60
Net asset value/fully reinvested units (R) (AT0000495304) in EUR	160.69	142.78	157.72
Issue price/fully reinvested units (R) (AT0000495304) in EUR	167.12	148.49	164.03
Net asset value/fully reinvested units (RZ) (AT0000A1U602) in EUR	-	-	103.60
Issue price/fully reinvested units (RZ) (AT0000A1U602) in EUR	-	-	103.60
Net asset value/fully reinvested units (I) (AT0000A0LST9) in EUR	336.12	300.70	334.96
Issue price/fully reinvested units (I) (AT0000A0LST9) in EUR	349.56	312.73	348.36
Net asset value/fully reinvested units (R) (AT0000A10TL1) in EUR	160.75	142.92	157.94
Issue price/fully reinvested units (R) (AT0000A10TL1) in EUR	167.18	148.64	164.26

	Aug 16, 2016	Aug 16, 2017
Distribution/unit (R) (A) EUR	3.0000	2.9200
Distribution/unit (RZ) (A) EUR	-	0.4300
Outpayment/unit (R) (T) EUR	1.3289	1.0620
Outpayment/unit (RZ) (T) EUR	-	0.4213
Reinvestment/unit (R) (T) EUR	6.2724	4.5039
Reinvestment/unit (RZ) (T) EUR	-	1.8627
Reinvestment/unit (R) (VTA) EUR	8.0031	5.9613
Reinvestment/unit (RZ) (VTA) EUR	-	2.2840
Reinvestment/unit (I) (VTA) EUR	18.9082	15.1394
Reinvestment/unit (R) (VTI) EUR	8.0900	6.0115

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

Units in circulation

	Units in circulation on May 31, 2016	Sales	Repurchases	Units in circulation on May 31, 2017
AT0000495288 (R) A	193,862.056	30,601.129	-23,625.300	200,837.885
AT0000A1U5Z5 (RZ) A	-	10.000	0.000	10.000
AT0000495296 (R) T	731,827.632	166,237.628	-147,415.046	750,650.214
AT0000A1U5Y8 (RZ) T	-	10.000	0.000	10.000
AT0000495304 (R) VTA	70,542.578	13,894.813	-29,759.435	54,677.956
AT0000A1U602 (RZ) VTA	-	10.000	0.000	10.000
AT0000A0LST9 (I) VTA	9,402.332	369.000	-8,822.000	949.332
AT0000A10TL1 (R) VTI	82,809.789	298,652.311	-256,892.379	124,569.721
Total units in circulation				1,131,715.108

Development of the fund assets and income statement

Performance in financial year (fund performance)

Distributing units (R) (AT0000495288)

Net asset value per unit at start of financial year in EUR	105.16
Distribution on Aug 16, 2016 (net asset value: EUR 98.57) of EUR 3.0000, corresponds to 0.030435 units	
Net asset value per unit at end of financial year in EUR	112.74
Total value incl. units purchased through distribution (1.030435 x 112.74)	116.17
Net income/net reduction per unit	11.01

Performance of one unit during the financial year in % **10.47**

Distributing units (RZ) (AT0000A1U5Z5)

Net asset value per unit at launch of tranche (Apr 3, 2017) in EUR	100.00
Net asset value per unit at end of financial year in EUR	103.60
Net income/net reduction per unit	3.60

Performance of one unit from launch of tranche (Apr 3, 2017) up to the end of financial year in % **3.60**

Reinvested units (R) (AT0000495296)

Net asset value per unit at start of financial year in EUR	135.37
Outpayment on Aug 16, 2016 (net asset value: EUR 129.41) of EUR 1.3289, corresponds to 0.010269 units	
Net asset value per unit at end of financial year in EUR	148.01
Total value incl. units purchased through outpayment (1.010269 x 148.01)	149.53
Net income/net reduction per unit	14.16

Performance of one unit during the financial year in % **10.46**

Reinvested units (RZ) (AT0000A1U5Y8)

Net asset value per unit at launch of tranche (Apr 3, 2017) in EUR	100.00
Net asset value per unit at end of financial year in EUR	103.60
Net income/net reduction per unit	3.60

Performance of one unit from launch of tranche (Apr 3, 2017) up to the end of financial year in % **3.60**

Fully reinvested units (R) (AT0000495304)

Net asset value per unit at start of financial year in EUR	142.78
Net asset value per unit at end of financial year in EUR	157.72
Net income/net reduction per unit	14.94

Performance of one unit during the financial year in % **10.46**

Fully reinvested units (RZ) (AT0000A1U602)

Net asset value per unit at launch of tranche (Apr 3, 2017) in EUR	100.00
Net asset value per unit at end of financial year in EUR	103.60
Net income/net reduction per unit	3.60

Performance of one unit from launch of tranche (Apr 3, 2017) up to the end of financial year in % **3.60**

Fully reinvested units (I) (AT0000A0LST9)

Net asset value per unit at start of financial year in EUR	300.70
Net asset value per unit at end of financial year in EUR	334.96
Net income/net reduction per unit	34.26

Performance of one unit during the financial year in % **11.39**

Fully reinvested units (R) (AT0000A10TL1)

Net asset value per unit at start of financial year in EUR	142.92
Net asset value per unit at end of financial year in EUR	157.94
Net income/net reduction per unit	15.02

Performance of one unit during the financial year in % **10.51**

The performance is calculated assuming wholesale reinvestment of distributed/paid-out amounts at their net asset value on the distribution/payment date.

The custodian bank calculates the unit value separately for each unit certificate class. Discrepancies may arise in the annual performance figures for individual unit certificate classes.

Raiffeisen KAG uses the method developed by OeKB (Österreichische Kontrollbank AG) to calculate the fund's performance, on the basis of data provided by the custodian bank (where payment of the redemption price is suspended, using indicative values). Some costs – the subscription fee (not exceeding 4.00 % of the invested amount) and any redemption fee (not exceeding 0.00 % of the sold amount) – are not included in the performance calculation. Depending on their concrete value, they will reduce a performance accordingly. Past results do not permit any reliable inferences as to the future performance of the fund.

Development of fund assets in EUR

Fund assets on May 31, 2016 (1,088,444.387 units)	144,192,255.00
Distribution on Aug 16, 2016 (EUR 3.0000 x 195,689.868 distributing units (R) (AT0000495288))	-587,069.60
Outpayment on Aug 16, 2016 (EUR 1.3289 x 738,960.773 reinvested units (R) (AT0000495296))	-982,004.97
Issuance of units	69,495,039.98
Redemption of units	-64,975,695.41
Pro rata income adjustment	182,497.23
Overall fund result	15,043,181.29
Fund assets on May 31, 2017 (1,131,715.108 units)	162,368,203.52

Fund result in EUR

A. Realized fund result

Ordinary fund result

Income (excl. closing price)	
Interest income	27.23
Income from securities lending transactions	82,548.71
Interest expenses (incl. negative credit interest)	-3,809.45
Dividend income (incl. dividend equivalent)	4,795,605.49
	4,874,371.98

Expenses

Management fees	-2,164,144.64
Custodian bank fees / Custodian's fees	-137,304.41
Auditing expenses	-14,325.45
Tax consulting fees	-4,244.52
Custody charge	-57,678.31
Statutory/publication expenses	-15,571.80
	-2,393,269.13
Ordinary fund result (excl. income adjustment)	2,481,102.85

Realized closing price

Profits realized from securities	8,058,102.68
Profits realized from derivative instruments	2,329,195.58
Losses realized from securities	-5,852,610.29
Losses realized from derivative instruments	-719,786.01
Realized closing price (excl. income adjustment)	3,814,901.96
Realized fund result (excl. income adjustment)	6,296,004.81

B. Unrealized closing price

Change in unrealized closing price	8,502,197.35
Dividends receivable	427,476.36
	8,929,673.71

C. Income adjustment

Income adjustment for income during financial year	-182,497.23
	-182,497.23

Overall fund result

15,043,181.29

The result for the past financial year includes explicitly reported transaction costs (incl. external transaction-related costs, see item 15a "Transaction costs" in section II of the prospectus) in the amount of 562,659.72 EUR.

Capital market report

Almost all equity markets are showing considerable gains for the current year, thereby extending their uptrends from 2016. Emerging markets as a whole have been outperforming developed markets over the past 18 months for the first time since 2012. US stock markets meanwhile keep setting new all-time highs, following the election of Donald Trump for president. So far, they have been completely resilient to the domestic political turmoil. European bourses had struggled for most of 2016, but thanks to a very strong finish most of them ultimately showed a gain for the full year. They have outperformed their US-American peers so far in 2017. Austrian stocks have been particularly strong. The current uptrend of global equities is driven mainly by ultra-low interest rates, positive macro-economic data and expectations for higher growth. At the same time corporate profits have started to rise again, following a rather stagnant or downward trend for most of 2015/2016. The environment for bond markets was supposed to be more challenging in 2017, compared to the previous year. Higher inflation and improving growth outlooks should result in significant headwinds, given the extremely low bond market yields. However, pressure on government bonds so far has been quite muted and inflation trends already show weakening dynamics again in the US, Europe, and Japan. The massive bond buying programmes by the central banks in Europe and Japan are still providing considerable support to the markets. So far most government bond markets show positive returns for the year. The same applies to corporate bonds. Their yield spreads over government bonds have become quite narrow, but they are still sufficiently high to attract investors. Similar to stocks, emerging market bonds have outperformed their developed market peers over the past months. They continue to attract significant capital inflows from international investors. Commodities had recovered in 2016 after two years of heavy losses, but this year the picture is rather mixed. While industrial and precious metals have gained, the energy complex has lost ground. Following the March rate hike by the US central bank (FED), market participants expect one or two additional rate increases till year-end. Despite an extremely low starting level the leeway for the FED to hike rates this time seems much more limited than in the past. A return to the interest rate levels of the previous decades is, therefore, very unlikely for quite some time to come. Nevertheless, the decades-long downtrend of long-dated US treasury yields could soon come to an end, and a long-term trend change could occur. At the same time US bond markets have already priced in a significant amount of optimism regarding the macro-economic picture. Eventual yield increases are, therefore, likely to remain rather moderate for now. Rising treasury yields would probably still spill over to the Euro area, but to a much lesser extent. Contrary to the FED, the European Central Bank (ECB) is still pursuing its ultra-easy monetary policy with large bond purchases and negative short-term interest rates. From a macro-economic point of view the ECB's unprecedented measures have yielded mixed results so far. They certainly did weaken the Euro, at least temporarily, and they supported European financial markets. A gradual tapering of the ECB's bond buying programme is not expected before 2018. The unprecedented monetary easing pursued by the major central banks over the past years, reflects a persistent weakness in global economic growth. During the past months more and more indicators have signalled a revival of the global economy in almost every region. It remains to be seen, how strong and how sustained this economic upswing will be. Its inflationary impact isn't clear at this point either, given the ongoing presence of strong disinflationary forces within the global economy. Bond market yields continue to be extremely low compared to their historical levels almost everywhere in the world. This "new normal" of persistently depressed bond market yields in the large economic blocs has served as a major support to equity prices. Even then, some stock markets currently sport ambitious if not elevated valuations, notably the US bourses. That makes them increasingly vulnerable to setbacks. The financial market environment will certainly remain challenging and should continue to entail stronger price fluctuations over the coming months and quarters. At the world's stock markets the positive factors still seem to outweigh the negative ones for the time being. Government bond markets, on the other hand, may face some headwinds over the coming months.

Fund investment policy report

In the period under review the fund achieved growth of 10.46 %. The victory of the EU opponents in the United Kingdom's referendum on withdrawal from the EU and the resulting political uncertainty in Europe temporarily resulted in a correction on the stock markets which continued up to the autumn. The election of the new US president, Donald Trump, improved stock exchange sentiment and triggered a sector rotation away from defensive to cyclical stocks. However, since only a small proportion of the promises made during the US election campaign have been implemented to date, in the last few months of the accounting year the defensive sectors such as healthcare, utilities and telecommunications likewise staged a recovery. The elections in the Netherlands and France provided majorities for business-friendly parties which are committed to the EU and the euro.

Discretionary segment

This segment of the fund, which accounts for approx. 85 % of the overall fund volume, consists of a concentrated portfolio of around 55 securities. Dividend continuity and dividend growth as well as an attractive peer-group valuation are key stockpicking criteria. The fund implemented a series of restructuring measures over the course of the accounting year. It made fresh purchases of the equities of the commodities group Rio Tinto, the Norwegian fertilizer manufacturer Yara, the Italian infrastructure company Atlantia and Denmark's Danske Bank. In the second half of the accounting year, the banks Fineco (Italy) and Credit Suisse, the Dutch telecoms stock KPN, the Finnish technology group Nokia, the Swedish internet investment firm Kinnevik and the Norwegian salmon producer Marine Harvest were newly acquired for the fund. On the other hand, it sold the equities of the Spanish bank BBVA, the Zurich Insurance Group, the British brewery Greene King, the British food retailer WM Morrison and Unilever. In the second half of the accounting year, the fund also sold the equities of the Italian utility Snam Rete Gas, the Swedish telecoms firm Telia, the French media company Lagardere and of Poste Italiane. As of the reporting date, the largest country weightings were the United Kingdom followed by France and Sweden.

Quantitative segment

This portion of the fund was determined quarterly on the basis of the discretionary segment's universe. Equities with low levels of historical volatility and low levels of correlation were selected. The fund's quantitative segment was wound up as of January 31, 2017 and its resources were transferred to the discretionary segment.

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

Makeup of fund assets in EUR

Any discrepancies in terms of the market value or the share of the fund assets result from rounding-off.

UCITS refers to units in an undertaking for collective investment in transferable securities

§ 166 InvFG refers to units in investment funds in the form of "other asset portfolios"

§ 166 (1) item 2 InvFG refers to units in special funds

§ 166 (1) item 3 InvFG refers to units in undertakings for collective investment in transferable securities pursuant to § 166 (1) item 3 InvFG
(such as alternative investments/hedge funds)

§ 166 (1) item 4 InvFG refers to units in real estate funds

Type of security	OGAW/§ 166	Currency	Market value in EUR	Share of fund assets
Equities		CHF	8,375,159.38	5.16 %
Equities		DKK	2,799,357.44	1.72 %
Equities		EUR	83,537,540.35	51.45 %
Equities		GBP	41,193,459.97	25.37 %
Equities		NOK	9,790,642.44	6.03 %
Equities		SEK	15,773,654.42	9.71 %
Total Equities			161,469,814.00	99.45 %
Subscription rights		CHF	88,061.28	0.05 %
Subscription rights		EUR	0.00	0.00 %
Total Subscription rights			88,061.28	0.05 %
Total securities			161,557,875.28	99.50 %
Derivative products				
Valuation of financial futures			435,090.00	0.27 %
Options			-21,062.00	-0.02 %
Total derivative products			414,028.00	0.25 %
Bank balances/liabilities				
Bank balances/liabilities in fund currency			225,460.54	0.14 %
Total bank balances/liabilities			225,460.54	0.14 %
Accruals and deferrals				
Interest claims (on securities and bank balances)			-1,594.20	-0.00 %
Dividends receivable			437,569.70	0.27 %
Total accruals and deferrals			435,975.50	0.27 %

Type of security	OGAW/§ 166	Currency	Market value in EUR	Share of fund assets
<hr/>				
Other items				
Various fees			-265,135.80	-0.16 %
Total other items			-265,135.80	-0.16 %
<hr/>				
Total fund assets			162,368,203.52	100.00 %

Portfolio of investments in EUR as of May 31, 2017

Dates indicated for securities refer to the issue and redemption dates. An issuer's right of premature redemption (where applicable) is not specified.

The securities marked with a "Y" have an open-ended maturity (is perpetual). The price for forward exchange transactions is indicated in the relevant counter currency for the currency in question.

Any discrepancies in terms of the market value or the share of the fund assets result from rounding-off.

UCITS refers to units in an undertaking for collective investment in transferable securities

§ 166 InvFG refers to units in investment funds in the form of "other asset portfolios"

§ 166 (1) item 2 InvFG refers to units in special funds

§ 166 (1) item 3 InvFG refers to units in undertakings for collective investment in transferable securities pursuant to § 166 (1) item 3 InvFG (such as alternative investments/hedge funds)

§ 166 (1) item 4 InvFG refers to units in real estate funds

Type of security	OGAW/§ 166	ISIN	Security title	Currency	Volume Units/Nom.	Purchases In period under review Units/Nom.	Sales Units/Nom.	Pool-/ ILB Factor	Price	Market value in EUR	Share of fund assets
Equities		CH0012138530	CREDIT SUISSE GROUP AG-REG CSGN	CHF	200,000	200,000			13.460000	2,469,384.95	1.52 %
Equities		CH0012005267	NOVARTIS AG-REG NOVN	CHF	37,800	12,300	23,700		78.600000	2,725,386.41	1.68 %
Equities		CH0012032048	ROCHE HOLDING AG-GENUSSCHEIN ROG	CHF	13,000	5,000	10,900		266.700000	3,180,388.02	1.96 %
Equities		DK0010274414	DANSKE BANK A/S DANSKE	DKK	83,700	95,400	11,700		248.800000	2,799,357.44	1.72 %
Equities		DE0008404005	ALLIANZ SE-REG ALV	EUR	17,000	10,700	15,300		170.850000	2,904,450.00	1.79 %
Equities		FR0004125920	AMUNDI SA AMUN	EUR	45,700	23,300	6,600		60.700000	2,773,990.00	1.71 %
Equities		IT0003506190	ATLANTIA SPA ATL	EUR	130,300	148,600	18,300		24.440000	3,184,532.00	1.96 %
Equities		FR0000131104	BNP PARIBAS BNP	EUR	43,300	24,400	23,900		63.600000	2,753,880.00	1.70 %
Equities		FR0000120503	BOUYGUES SA EN	EUR	75,300	39,100	68,900		37.310000	2,809,443.00	1.73 %
Equities		BE0974268972	BPOST SA BPOST	EUR	121,900	51,700	116,300		21.670000	2,641,573.00	1.63 %
Equities		FR0000125007	COMPAGNIE DE SAINT GOBAIN SGO	EUR	65,000	37,400	30,400		50.050000	3,253,250.00	2.00 %
Equities		DE0007100000	DAIMLER AG-REGISTERED SHARES DAI	EUR	44,700	14,600	7,900		65.200000	2,914,440.00	1.79 %
Equities		DE000ENAG999	E.ON SE EOAN	EUR	242,500	276,500	34,000		7.571000	1,835,967.50	1.13 %
Equities		PTEDP0AM0009	EDP-ENERGIAS DE PORTUGAL SA EDP	EUR	786,100	287,000	513,800		3.205000	2,519,450.50	1.55 %
Equities		FR0010208488	ENGIE ENGI	EUR	257,700	196,900	96,200		13.370000	3,445,449.00	2.12 %
Equities		IT0003132476	ENI SPA ENI	EUR	193,300	85,000	31,700		14.320000	2,768,056.00	1.70 %
Equities		FR0010221234	EUTELSAT COMMUNICATIONS ETL	EUR	135,600	76,700	68,800		23.240000	3,151,344.00	1.94 %
Equities		IT0000072170	FINECOBANK SPA FBK	EUR	372,200	424,400	52,200		6.645000	2,473,269.00	1.52 %
Equities		FI0009007132	FORTUM OYJ FORTUM	EUR	194,800	151,500	103,000		14.160000	2,758,368.00	1.70 %
Equities		BE0003565737	KBC GROEP NV KBC	EUR	47,000	14,900	7,900		66.610000	3,130,670.00	1.93 %
Equities		FI0009000202	KESKO OYJ-B SHS KESKOB	EUR	40,700	13,500	51,000		45.770000	1,862,839.00	1.15 %
Equities		NL0000009082	KONINKLIJKE KPN NV KPN	EUR	900,000	900,000			3.006000	2,705,400.00	1.67 %
Equities		FI0009000681	NOKIA OYJ NOKIA	EUR	564,100	643,200	79,100		5.660000	3,192,806.00	1.97 %
Equities		FR0000133308	ORANGE ORA	EUR	196,800	89,500	32,700		15.650000	3,079,920.00	1.90 %
Equities		ES0173516115	REPSOL SA REP	EUR	217,026	79,531	67,100		15.000000	3,255,390.00	2.00 %
Equities		GB00B03MLX29	ROYAL DUTCH SHELL PLC-A SHS RDSA	EUR	116,300	57,100	40,800		24.350000	2,831,905.00	1.74 %
Equities		FI0009003305	SAMPO OYJ-A SHS SAMPO	EUR	62,700	30,600	30,700		45.000000	2,821,500.00	1.74 %
Equities		FR0000120578	SANOFI SAN	EUR	34,800	21,700	16,600		87.560000	3,047,088.00	1.88 %
Equities		FR0010411983	SCOR SE SCR	EUR	86,000	34,900	44,100		35.105000	3,019,030.00	1.86 %
Equities		FI0009005961	STORA ENSO OYJ-R SHS STERV	EUR	258,600	103,800	125,200		11.450000	2,960,970.00	1.82 %
Equities		DE0008303504	TAG IMMOBILIEN AG TEG	EUR	147,200	240,200	168,000		13.250000	1,950,400.00	1.20 %

Type of security	OGAW/§ 166	ISIN	Security title	Currency	Volume Units/Nom.	Purchases In period under review Units/Nom.	Sales Units/Nom.	Pool-/ ILB Factor	Price	Market value in EUR	Share of fund assets
Equities		FR0000120271	TOTAL SA FP	EUR	63,170	27,400	21,700		47.555000	3,004,049.35	1.85 %
Equities		DE000UNSE018	UNIPER SE UN01	EUR	63,950	147,050	83,100		16.680000	1,066,686.00	0.66 %
Equities		FR0000124141	VEOLIA ENVIRONNEMENT VIE	EUR	171,500	164,300	102,800		19.950000	3,421,425.00	2.11 %
Equities		GB0009895292	ASTRAZENECA PLC AZN	GBP	57,800	27,800	9,400		52.150000	3,468,266.02	2.14 %
Equities		GB0007980591	BP PLC BP/	GBP	511,800	583,600	71,800		4.721000	2,780,126.34	1.71 %
Equities		GB0001367019	BRITISH LAND CO PLC BLND	GBP	318,600	150,600	51,900		6.365000	2,333,320.68	1.44 %
Equities		GB0002374006	DIAGEO PLC DGE	GBP	112,500	84,000	54,500		23.230000	3,006,989.99	1.85 %
Equities		GB0009252882	GLAXOSMITHKLINE PLC GSK	GBP	147,800	114,200	86,400		16.730000	2,845,120.24	1.75 %
Equities		GB0004544929	IMPERIAL BRANDS PLC IMB	GBP	72,000	85,500	85,000		36.075000	2,988,608.91	1.84 %
Equities		GB0005603997	LEGAL & GENERAL GROUP PLC LGEN	GBP	975,200	467,700	158,400		2.515000	2,822,031.99	1.74 %
Equities		GB0031274896	MARKS & SPENCER GROUP PLC MKS	GBP	624,500	421,900	97,400		3.869000	2,780,106.43	1.71 %
Equities		GB0007188757	RIO TINTO PLC RIO	GBP	88,000	194,000	106,000		31.830000	3,222,920.26	1.98 %
Equities		GB00BDVZY77	ROYAL MAIL PLC RMG	GBP	561,700	311,600	269,200		4.382000	2,832,089.98	1.74 %
Equities		GB00B1WY2338	SMITHS GROUP PLC SMIN	GBP	164,200	51,800	27,600		15.900000	3,004,004.14	1.85 %
Equities		GB0004082847	STANDARD CHARTERED PLC STAN	GBP	363,700	114,800	61,100		7.265000	3,040,249.11	1.87 %
Equities		GB0008782301	TAYLOR WIMPEY PLC TW/	GBP	1,287,400	694,000	206,600		2.013000	2,981,861.93	1.84 %
Equities		GB00BH4HKS39	VODAFONE GROUP PLC VOD	GBP	1,171,100	561,400	190,300		2.291500	3,087,763.95	1.90 %
Equities		NO0003054108	MARINE HARVEST MHG	NOK	150,000	150,000			148.000000	2,351,570.36	1.45 %
Equities		NO0010096985	STATOIL ASA STL	NOK	170,200	53,800	28,600		148.800000	2,682,671.47	1.65 %
Equities		NO0010063308	TELENOR ASA TEL	NOK	151,800	47,900	25,500		137.200000	2,206,128.91	1.36 %
Equities		NO0010208051	YARA INTERNATIONAL ASA YAR	NOK	74,400	84,800	10,400		323.600000	2,550,271.70	1.57 %
Equities		SE0000107419	INVESTOR AB-B SHS INVEB	SEK	87,600	27,700	14,700		399.100000	3,578,785.96	2.20 %
Equities		SE0008373906	KINNEVIK AB - B KINVB	SEK	120,000	120,000			242.600000	2,980,038.90	1.84 %
Equities		SE0000108227	SKF AB-B SHARES SKFB	SEK	169,100	64,600	39,600		177.500000	3,072,499.74	1.89 %
Equities		SE0000242455	SWEDBANK AB - A SHARES SWEDA	SEK	142,100	67,500	38,100		210.200000	3,057,571.91	1.88 %
Equities		SE0000115446	VOLVO AB-B SHS VOLVB	SEK	210,000	86,900	112,800		143.500000	3,084,757.91	1.90 %
Subscription rights		CH0366349311	CREDIT SUISSE GROUP AG - RTS CSGN1	CHF	200,000	200,000			0.480000	88,061.28	0.05 %
Subscription rights		DE000ENAG1J9	E.ON SE-SCRIP 1509556D	EUR	242,500	242,500			0.000000	0.00	0.00 %
Total licensed securities admitted to trading on the official market or another regulated market										161,557,875.28	99.50 %
Total securities										161,557,875.28	99.50 %
Stock index future		FESX20170616	EURO STOXX 50 Jun17 VGM7	EUR	49				3,547.000000	79,870.00	0.05 %
Stock index future		FESX20170616	EURO STOXX 50 Jun17 VGM7	EUR	22				3,547.000000	39,380.00	0.02 %
Stock index future		FESX20170616	EURO STOXX 50 Jun17 VGM7	EUR	47				3,547.000000	92,120.00	0.06 %
Stock index future		FESX20170616	EURO STOXX 50 Jun17 VGM7	EUR	119				3,547.000000	223,720.00	0.14 %
Total financial futures ¹										435,090.00	0.27 %
Stock index options		OESX7F003750	June 17 Calls on SX5E SX5E 06/16/17 C3750	EUR	616				0.600000	3,696.00	0.00 %
Stock index options		OESX7R002950	June 17 Puts on SX5E SX5E 06/16/17 P2950	EUR	-154				0.200000	-308.00	-0.00 %
Stock index options		OESX7I003950	September 17 Calls on SX5E SX5E 09/15/17 C3950	EUR	489				3.300000	16,137.00	0.01 %
Stock index options		OESX7U003150	September 17 Puts on SX5E SX5E 09/15/17 P3150	EUR	-163				24.900000	-40,587.00	-0.03 %
Total options ¹										-21,062.00	-0.02 %

¹ Price gains und losses as of cut-off date.

financial year Jun 1, 2016 – May 31, 2017

Raiffeisen Top Dividend Equities

Type of security	OGAW/\$ 166	ISIN	Security title	Currency	Volume Units/Nom.	Purchases In period under review Units/Nom.	Sales Units/Nom.	Pool-/ILB Factor	Price	Market value in EUR	Share of fund assets
Bank balances/liabilities				EUR						225,460.54	0.14 %
Total bank balances/liabilities										225,460.54	0.14 %
Accruals and deferrals											
Interest claims (on securities and bank balances)										-1,594.20	-0.00 %
Dividends receivable										437,569.70	0.27 %
Total accruals and deferrals										435,975.50	0.27 %
Other items											
Various fees										-265,135.80	-0.16 %
Total other items										-265,135.80	-0.16 %
Total fund assets										162,368,203.52	100.00 %

ISIN	Income class	Currency	Net asset value per unit	Units in circulation
AT0000495288	R	income-distributing	EUR 112.74	200,837.885
AT0000A1U5Z5	RZ	income-distributing	EUR 103.60	10.000
AT0000495296	R	income-retaining	EUR 148.01	750,650.214
AT0000A1U5Y8	RZ	income-retaining	EUR 103.60	10.000
AT0000495304	R	full income-retaining (outside Austria)	EUR 157.72	54,677.956
AT0000A1U602	RZ	full income-retaining (outside Austria)	EUR 103.60	10.000
AT0000A0LST9	I	full income-retaining (outside Austria)	EUR 334.96	949.332
AT0000A10TL1	R	full income-retaining (Austria)	EUR 157.94	124,569.721

Exchange rates

Foreign currency assets were converted into EUR on the basis of the exchange rates applicable on May 30, 2017

Currency	Price (1 EUR =)
Swiss Francs	CHF 1.090150
Danish Kroner	DKK 7.439050
British Pound	GBP 0.869100
Norwegian Kroner	NOK 9.440500
Swedish Krona	SEK 9.769000

Securities purchases and sales during the period under review not listed under the portfolio of assets:

Type of security	OGAW/\$ 166	ISIN	Security title	Currency	Purchases Additions	Sales Disposals
Equities		CH0011075394	ZURICH INSURANCE GROUP AG ZURN	CHF		16,800
Equities		ES0113211835	BANCO BILBAO VIZCAYA ARGENTA BBVA	EUR		369,473
Equities		DE0005557508	DEUTSCHE TELEKOM AG-REG DTE	EUR	5,800	145,800
Equities		IT0005211237	ITALGAS SPA IG	EUR	134,260	134,260
Equities		FR0000130213	LAGARDERE SCA MMB	EUR	37,200	145,400
Equities		DE0008430026	MUENCHENER RUECKVER AG-REG MUV2	EUR	22,400	22,400

financial year Jun 1, 2016 – May 31, 2017

Raiffeisen Top Dividend Equities

Type of security	OGAW/§ 166	ISIN	Security title	Currency		Purchases Additions	Sales Disposals
Equities		IT0003796171	POSTE ITALIANE SPA PST	EUR		190,800	490,800
Equities		IT0003153415	SNAM SPA SRG	EUR		72,200	903,600
Equities		NL0000009355	UNILEVER NV-CVA UNA	EUR		11,700	71,100
Equities		FR0000125486	VINCI SA DG	EUR		8,300	64,500
Equities		FR0000127771	VIVENDI VIV	EUR		5,000	182,900
Equities		GB00B0HZP136	GREENE KING PLC GNK	GBP		4,200	415,700
Equities		GB0006043169	WM MORRISON SUPERMARKETS MRW	GBP		27,700	699,000
Equities		SE0000667925	TELIA CO AB TELIA	SEK		339,400	739,400
Subscription rights		CH0362100809	CREDIT SUISSE GROUP AG-SCRIP 1508704D	CHF		200,000	200,000
Subscription rights		FR0013241809	AMUNDI SA - RTS AMUDS	EUR		45,700	45,700
Subscription rights		DE000A2AA2C3	DEUTSCHE TELEKOM AG-SCRIP 1408651D	EUR			140,000
Subscription rights		ES0673516987	REPSOL SA-RTS REP/D	EUR		204,595	204,595
Subscription rights		ES0673516995	REPSOL SA-RTS REP/D	EUR		181,841	181,841
Subscription rights		FR0013170990	TOTAL SA-SCRIP 1409924D	EUR		57,470	57,470
Subscription rights		FR0013203601	TOTAL SA-SCRIP 1441288D	EUR		5,699	5,699
Subscription rights		FR0013222791	TOTAL SA-SCRIP 1476292D	EUR		44,870	44,870
Subscription rights		NL0012047922	UNILEVER NV-CVA SCRIP 1450274D	EUR		58,500	58,500
Subscription rights		NL0011832894	UNILEVER NV-SCRIP 1398116D	EUR			59,400
Subscription rights		NL0011983424	UNILEVER NV-SCRIP 1430468D	EUR		60,000	60,000
Subscription rights		DE000UNSE0T2	UNIPER SE;INHABER-TEILRECHTE	EUR		20,850	20,850

Further information on securities lending transactions

- Overall risk (exposure) (securities loaned as of the reporting date versus fund volume):

0.00 %

On the reporting date May 31, 2017 no securities had been lent.

- Identity of the counterparties for securities lending transactions:

Raiffeisen Bank International AG (as a recognized securities lending system within the meaning of § 84 InvFG)

- Nature and value of eligible collateral received by the investment fund versus the counterparty risk:

Under the securities lending agreement concluded between the management company and Raiffeisen Bank International AG, Raiffeisen Bank International AG is obliged to deliver collateral for the borrowed securities. Sight deposits (which are not used to purchase further assets and are thus held as deposits with the custodian bank), bonds, equities, convertible bonds and units in investment funds are permitted as collateral. Sight deposits do not undergo any valuation markdown, and the value of the collateral thus amounts to 100 % of the value of the lent securities. Other collateral (bonds, equities, convertible bonds and units in investment funds) will be valued daily on the basis of a value-at-risk calculation. The maximum foreseeable loss for this other collateral is calculated over a period of three business days, with a probability of 99 % (confidence interval). The value determined plus a markup of 10 % represents the applicable valuation markdown. This valuation markdown will amount to at least 5 % of the value of this other collateral. Recognition of this haircut will entail delivery of the required volume of additional collateral.

Country of counterparty (Raiffeisen Bank International AG): Austria

Settlement: bilateral

- Custody of collateral which the investment fund has received in connection with securities lending transactions:

Sight deposits are held as a deposit on an account with a credit institution determined by the management company. Other collateral is held on a security deposit account of the management company with Raiffeisen Bank International AG (custodian bank) and is likewise not reused.

- Custody of collateral which the investment fund has provided in connection with securities lending transactions:

Within the limits stipulated by law (§ 84 InvFG), the management company is merely permitted to lend securities to third parties. However, it is not permitted to borrow securities. Accordingly, the investment fund will not provide any collateral within the scope of securities lending transactions.

- Fees, direct and indirect operating costs and income of the investment fund resulting from securities lending transactions during the accounting period:

Income: 82,548.71 EUR (of which 100 % from securities lending transactions)

Costs: N/A

Further information on repurchase agreements

The fund did not enter into any repurchase agreements during the period under review.

Total return swaps and similar derivative instruments

A total return swap is a credit derivative instrument. Income and fluctuations in the value of the underlying financial instrument (underlying instrument or reference asset) are exchanged for fixed interest payments.

The fund did not enter into total return swaps or similar derivative instruments in the period under review.

Calculation method for overall risk

Calculation method for overall risk	Simplified approach
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**Remuneration paid to the employees of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. in EUR
(financial year 2016 of Raiffeisen Kapitalanlage-Gesellschaft m.b.H.)**

Total number of employees	246
Number of risk-bearers	75
Fixed remuneration	20,581,955.28
Variable remuneration (bonuses)	1,985,934.27
Total remuneration for employees	22,567,889.55
of which remuneration for managing directors	1,005,682.63
of which remuneration for managers (risk-bearers)	2,684,297.06
of which remuneration for other risk-bearers	6,944,312.86
of which remuneration for employees in positions of control	219,259.27
of which remuneration for employees in the same income bracket as managing directors and risk-bearers due to their overall remuneration	0.00
Total remuneration for risk-bearers	10,853,551.82

- The remuneration guidelines ("remuneration guidelines") issued by Raiffeisen Kapitalanlage-Gesellschaft m.b.H. serve as a binding framework for fulfillment of the remuneration policy and practice requirements stipulated in §§ 17 (a) to (c) of the Austrian Investment Fund Act (InvFG), § 11 of the Austrian Alternative Investment Fund Managers Act (AIFMG) and Enclosure 2 to § 11 AIFMG. Fixed and variable remuneration components are determined on the basis of these remuneration guidelines.

Raiffeisen Kapitalanlage-Gesellschaft m.b.H. has established a systematic, structured, differentiating and incentivizing compensation system which reflects the company's values as well as clear and consistent outline conditions. Its employees' compensation comprises fixed salary components as well as variable salary components for some positions. This remuneration – in particular, the variable salary component (where applicable) – reflects an objective organizational structure ("job grades").

Compensation is determined on the basis of regular market comparisons and in accordance with local remuneration practice. The goal is to encourage employees' long-term loyalty to the company while also promoting their performance and their development within the framework of a management or specialist career path.

At Raiffeisen Kapitalanlage-Gesellschaft m.b.H., an employee's basic salary (fixed remuneration) is non-discretionary remuneration which does not vary in accordance with the performance of the company (earnings before interest and tax) or of the specific employee (individual target achievement). It primarily reflects relevant professional experience and organizational responsibility, as outlined in the employee's job description as part of his terms of employment. The employee's fixed salary is determined on the basis of his market value, his individual qualifications and the position which he holds at Raiffeisen Kapitalanlage-Gesellschaft m.b.H. Raiffeisen Kapitalanlage-Gesellschaft m.b.H. uses all of the standard remuneration management instruments (e.g. domestic and foreign remuneration studies, salary bands, position grading).

The employee's variable salary reflects the achievement of company and performance targets which are specified and reviewed within the scope of a performance management process. Employees' targets are specified on the basis of the company's strategic targets, the targets of their organizational unit or department and their function. Target agreements are concluded and the employee's level of target achievement (= performance) is determined through annual performance appraisals ("MBO system").

The target structure at Raiffeisen Kapitalanlage-Gesellschaft m.b.H. differentiates between qualitative targets – which include individual targets or division and department targets – and quantitative targets, e.g. performance and income targets, and also quantifiable project targets. Every manager is also assigned management targets. Quantitative one-year or multiple-year targets also apply within the scope of the company's core activities of sales and fund management.

- Since the performance period 2015, in accordance with the regulatory requirements a portion of the variable remuneration for risk-bearers is paid out in the form of units in an investment fund managed by Raiffeisen Kapitalanlage-Gesellschaft m.b.H. In addition, as required by law portions of the variable remuneration of risk-bearers are deferred and paid out over a period of several years.
- The supervisory board of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. resolves the general remuneration policy principles specified by the remuneration committee, reviews them at least once a year and is responsible for their implementation and for monitoring of this issue. The supervisory board most recently fulfilled this duty on Nov 28, 2016 and Mar 6, 2017. It has not identified any need for changes or any irregularities in relation to the remuneration policy of Raiffeisen Kapitalanlage-Gesellschaft m.b.H.
- In addition, at least once per year a central and independent internal review determines whether the company's remuneration policy has been implemented in accordance with the applicable remuneration regulations and procedures. The internal auditing division of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. published its most recent report on Aug 22, 2017. This report has not resulted in any material findings concerning the remuneration policy of Raiffeisen Kapitalanlage-Gesellschaft m.b.H.

Remuneration principles of Raiffeisen Kapitalanlage-Gesellschaft m.b.H.

- The remuneration principles of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. support the business strategy and the long-term goals, interests and values of the company and of the investment funds managed by Raiffeisen Kapitalanlage-Gesellschaft m.b.H.
- The remuneration principles of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. include measures to avoid conflicts of interest.
- The remuneration principles and policies of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. are consistent with and promote sound and effective risk-taking practices and avoid incentives for any inappropriate risk-taking propensity which exceed the level of risk tolerated by Raiffeisen Kapitalanlage-Gesellschaft m.b.H. or the investment funds under its management.
- The total amount of variable remuneration will not limit the capacity of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. to strengthen its capital base.
- Variable remuneration is not paid by means of instruments or methods which facilitate circumvention of applicable legal requirements.
- Employees in positions of control are rewarded irrespective of the business unit which they supervise, they have an appropriate level of authority and their remuneration is determined on the basis of the fulfillment of their organizational targets in connection with their functions, irrespective of the results of the business activities under their supervision.

- Guaranteed variable remuneration is not consistent with sound risk management or the “pay-for-performance” principle and should not be included in future remuneration plans. Guaranteed variable remuneration is the exception:; This is only provided in connection with new hirings and only where Raiffeisen Kapitalanlage-Gesellschaft m.b.H. has a sound and strong capital base. It is limited to the first year of employment.
- Any payments relating to the premature termination of a contract must reflect the performance realized over the relevant period of time and must not reward failures or misconduct.

Raiffeisen Kapitalanlage-Gesellschaft m.b.H. complies with the code of conduct for the Austrian investment fund industry 2012.

Vienna, 31 August 2017

Raiffeisen Kapitalanlage-Gesellschaft m.b.H.



Mag. Rainer Schnabl



Mag. (FH) Dieter Aigner



Ing. Michal Kustra

Audit opinion

Report on the annual fund report

Audit opinion

We have audited the annual fund report issued by Raiffeisen Kapitalanlage-Gesellschaft m.b.H., Vienna, for its fund Raiffeisen Top Dividend Equities, consisting of the portfolio of investments as of May 31, 2017, the income statement for the financial year ending as of this date and the other disclosures required under Annex I Schedule B of the 2011 Austrian Investment Fund Act (Investmentfondsgesetz, InvFG).

In our view, the annual fund report complies with applicable statutory requirements and provides a true and fair view of the net assets and financial position as of May 31, 2017 as well as the earnings position for the fund for the financial year ending as of this date, in compliance with Austrian commercial law, the provisions of InvFG 2011.

Basis for the audit opinion

We performed our audit in accordance with § 49 (5) InvFG 2011 in accordance with Austrian principles of orderly auditing. These principles require application of the International Standards on Auditing (ISA). Our responsibilities on the basis of these requirements and standards are outlined in further detail in the “Responsibilities of the auditor for the audit of the annual fund report” section of our audit certificate. We are independent from the company, in compliance with Austrian commercial law and professional standards, and we have fulfilled our other professional duties in accordance with these requirements. In our view, we have obtained sufficient and suitable audit documentation as a basis for our audit opinion.

Responsibilities of the company’s legal representatives and the supervisory board for the annual fund report

The company’s legal representatives are responsible for the preparation of the annual fund report and for ensuring that it provides a true and fair view of the fund’s net assets, financial and earnings position in compliance with Austrian commercial law and the provisions of InvFG 2011. The company’s legal representatives are also responsible for the internal controls which they deem necessary in order to enable the preparation of an annual fund report which is free from material (intentional or unintentional) misrepresentations.

The supervisory board is responsible for monitoring the company’s accounting process in relation to the funds under its management.

Responsibilities of the auditor for the audit of the annual fund report

Our goals are to establish sufficient certainty as to whether the annual fund report as a whole is free from material (intentional or unintentional) misrepresentations and for issuing an audit certificate which includes our audit opinion. Sufficient certainty means a high level of certainty – but not a guarantee – that an orderly audit performed in accordance with the recognized Austrian principles – which require application of the ISA – will always uncover any material misrepresentation. Misrepresentations may result from malicious acts or on the basis of errors and will be deemed material where they may be reasonably expected – either individually or collectively – to influence the economic decisions made by users on the basis of this annual fund report.

As part of an audit complying with the recognized Austrian principles of orderly auditing – which require application of the ISA – we exercise due discretion throughout our audit and maintain a critical distance.

In addition, the following applies:

- We identify and evaluate the risks of material (intentional or unintentional) misrepresentations in the annual fund report, plan audit activities in response to these risks, implement these activities and obtain audit documentation which is sufficient and suitable in order to serve as a basis for our audit opinion. The risk of material misrepresentations resulting from malicious acts not being uncovered is greater than the risk resulting from errors, since malicious acts may include fraudulent collaboration, falsifications, deliberate incompleteness, misleading representations or the suspension of internal controls.
- We obtain a picture of the internal control system which is relevant for the audit so as to plan audit activities which are adequate in the given circumstances, but not with the objective of providing an audit opinion regarding the effectiveness of the company's internal control system.
- We evaluate the adequacy of the accounting methods applied by the company's legal representatives as well as the reasonableness of the legal representatives' estimates in the accounting as well as the related disclosures.
- We evaluate the overall picture, the structure and the contents of the annual fund report including the disclosures and whether the annual fund report provides a true and fair view of the underlying business transactions and events.
- We discuss matters with the supervisory board including the planned scope of the audit and its schedule as well as significant audit findings, including any significant shortcomings in the internal control system that we identify in the course of our audit.

Other information

The company's legal representatives are responsible for the other information provided. This other information comprises all of the information included in the annual fund report, with the exception of the portfolio of investments, the income statement, the other disclosures required under Annex I Schedule B InvFG 2011 and the audit certificate.

Our audit opinion for the annual fund report does not cover this other information, and we do not provide any sort of assurance in this regard.

In connection with our audit of the annual fund report, we are responsible for reading this other information and for considering whether there are any material inconsistencies between this other information and the annual fund report or on the basis of our knowledge obtained in the course of our audit or whether this information appears to have been otherwise materially misrepresented. If we reach the conclusion on the basis of our activities that this other information has been materially misrepresented, we must report this. We have nothing to report in this respect.

Vienna, 31 August 2017

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Wilhelm Kovsca
Auditor

Tax treatment

Once the new reporting framework comes into effect (from Jun 6, 2016), Österreichische Kontrollbank (OeKB) will prepare the details of the tax arrangements for the fund and publish them on www.profitweb.at. The tax documents are available for downloading for all funds. The tax documents are also available on our website www.rcm.at. Please visit www.profitweb.at for detailed information on offsettable and reimbursable foreign taxes.

Fund regulations

Fund regulations pursuant to the Austrian Investment Fund Act 2011

The Austrian Financial Market Authority (FMA) has approved the fund regulations for the investment fund **Raiffeisen Top Dividend Equities**, a jointly owned fund pursuant to the Austrian Investment Fund Act (InvFG) 2011, as amended.

The investment fund is a Directive-compliant fund and is managed by Raiffeisen Kapitalanlage-Gesellschaft m.b.H. (hereinafter: the "management company") which is headquartered in Vienna.

Article 1 Fund units

The fund units are embodied in unit certificates with the character of financial instruments which are issued to bearer.

The unit certificates shall be represented by global certificates for each unit class and – at the discretion of the management company – by actual securities.

Article 2 Custodian bank (custodian)

Raiffeisen Bank International AG, Vienna, is the investment fund's custodian bank (custodian).

The custodian bank (custodian), the regional Raiffeisen banks, Kathrein Privatbank Aktiengesellschaft, Vienna, and other paying agents referred to in the prospectus are the paying agents for unit certificates and the handover offices for income coupons (actual securities).

Article 3 Investment instruments and principles

The following assets pursuant to InvFG may be selected for the investment fund.

The investment fund mainly invests in equities or equity-equivalent securities issued by companies which are headquartered or mainly active in Europe (i.e. more than 51 % of its fund assets are invested in the form of directly purchased individual securities which are not held directly or indirectly through investment funds or derivatives), focusing on equities with high dividend prospects.

The following investment instruments are purchased for the fund assets, while complying with the investment focus outlined above.

Securities

The fund may purchase securities (including securities with embedded derivative instruments) as permitted by law.

Money market instruments

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

Securities and money market instruments

Not fully paid-in securities or money market instruments and subscription rights for such instruments or other not fully paid-in financial instruments may only be purchased for up to **10 %** of the fund assets.

Securities and money market instruments may be purchased if they comply with the criteria concerning listing and trading on a regulated market or a securities exchange pursuant to InvFG.

Securities and money market instruments which do not fulfill the criteria laid down in the above paragraph may be purchased for up to 10 % of the fund assets in total.

Units in investment funds

Units in investment funds (UCITS, UCI) **may each amount to up to 10 %** of the fund assets – and **up to 10 % of the fund assets in total** – insofar as these UCITS or UCI do not for their part invest more than 10 % of their fund assets in units in other investment funds.

Derivative instruments

Derivative instruments may be used as part of the fund's investment strategy for **up to 20 %** of the fund assets and for hedging purposes.

Investment fund's risk measurement method

The investment fund applies the following risk measurement method:

Commitment approach

The commitment figure is calculated pursuant to the 3rd chapter of the 4th Austrian Derivatives Risk Calculation and Reporting Ordinance (Derivate-Risikoberechnungs- und Meldeverordnung), as amended.

The overall risk for derivative instruments which are not held for hedging purposes is limited to **20 %** of the overall net value of the fund assets.

Please refer to the prospectus for details and comments.

Sight deposits or deposits at notice

Sight deposits and deposits at notice with terms not exceeding 12 months may amount to **up to 25 %** of the fund assets. No minimum bank balance is required.

Within the framework of restructuring of the fund portfolio and/or a justified assumption of impending losses for securities, the investment fund may hold a lower proportion of securities and a higher proportion of sight deposits or deposits at notice with terms not exceeding 12 months.

Short-term loans

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

Repos

Repurchase agreements may comprise **up to 100 %** of the fund assets.

Securities lending

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

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

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

Please refer to the prospectus for further details concerning Article 3.

Article 4 Issuance and redemption modalities

The unit value shall be calculated in EUR or the currency of the unit class.

Please refer to the prospectus for further details.

The value of units will be calculated on each day of stock market trading.

Issuance and subscription fee

Units will be issued on any banking day.

The issue price is the unit value plus a fee per unit of **up to 4 %** to cover the management company's issuing costs.

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

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

Please refer to the prospectus for further details.

Redemption and redemption fee

Units will be redeemed on any banking day.

The redemption price is based on the value of a unit. No redemption fee will be charged.

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

Article 5 Accounting year

The investment fund's accounting year runs from June 1 to May 31.

Article 6 Unit classes and appropriation of income

Income-distributing unit certificates, income-retaining unit certificates with capital gains tax deducted and income-retaining unit certificates without capital gains tax deducted may be issued for the investment fund.

Various classes of unit certificates may be issued for this investment fund. The management company may decide to establish unit classes or to issue units in a given unit class. Please refer to the prospectus for further details.

Appropriation of income for income-distributing unit certificates (income distribution)

Once costs have been covered, the income received during the past accounting year (interest and dividends) may be distributed at the discretion of the management company. Distribution may be waived subject to due consideration of the unitholders' interests. The distribution of income from the sale of assets of the investment fund including subscription rights shall likewise be at the discretion of the management company. A distribution from the fund assets and interim distributions are also permissible.

The fund assets may not through distributions fall below the minimum volume for a termination which is stipulated by law.

From August 15 of the following accounting year the amounts are to be distributed to the holders of income-distributing unit certificates. Any remaining balances shall be carried forward to a new account.

In any case, from August 15 an amount calculated pursuant to InvFG shall be paid out, to be used where applicable to meet any capital gains tax commitments on the distribution-equivalent return on those unit certificates, unless the management company ensures through appropriate proof from the custodians that at the time of payout the unit certificates may only be held by unitholders who are either not subject to Austrian income or corporate income tax or who fulfill the requirements for an exemption pursuant to § 94 of the Austrian Income Tax Act or for a capital gains tax exemption.

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

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

Income during the accounting year net of costs shall not be distributed. In case of income-retaining unit certificates, from August 15 an amount calculated pursuant to InvFG shall be paid out, to be used where applicable to meet any capital gains tax commitments on the distribution-equivalent return on those unit certificates, unless the management company ensures through appropriate proof from the custodians that as of the payment date the unit certificates are only held by unitholders who are either not subject to Austrian income or corporate income tax or who fulfill the requirements for an exemption pursuant to § 94 of the Austrian Income Tax Act or for a capital gains tax exemption.

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

Income during the accounting year net of costs shall not be distributed. No payment pursuant to InvFG will be made. August 15 of the following accounting year shall be the key date pursuant to InvFG in case of failure to pay capital gains tax on the annual income.

The management company shall ensure through appropriate proof from the custodians that as of the payment date the unit certificates may only be held by unitholders who are either not subject to Austrian income or corporate income tax or who fulfill the requirements for exemption pursuant to § 94 of the Austrian Income Tax Act or for a capital gains tax exemption.

If these preconditions have not been met as of the payment date, the amount calculated pursuant to InvFG shall be paid out by the custodian bank in the form of credit.

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

Income-retaining unit certificates without deducted capital gains tax shall only be sold outside Austria.

Income during the accounting year net of costs shall not be distributed. No payment pursuant to InvFG will be made.

The management company shall ensure through appropriate proof that as of the payment date the unit certificates may only be held by unitholders who are either not subject to Austrian income or corporate income tax or who fulfill the requirements for exemption pursuant to § 94 of the Austrian Income Tax Act or for a capital gains tax exemption.

Article 7 Management fee, reimbursement of expenses, liquidation fee

The management company shall receive for its management activity annual remuneration of up to **1.50 %** of the fund assets, calculated on the basis of the values at the end of each month.

The management company is entitled to reimbursement of all expenses associated with its management of the fund.

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

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

At the liquidation of the investment fund, the custodian bank shall receive remuneration amounting to **0.5 %** of the fund assets.

Please refer to the prospectus for further details.

Appendix

List of stock exchanges with official trading and organized markets

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

According to Article 16 of Directive 93/22/EEC (investment services in the securities field), each member state is obliged to maintain an up-to-date directory of its licensed markets. This directory is to be made available to the other member states and to the Commission.

According to this provision, the Commission is obliged to publish once a year a directory of the regulated markets of which it has received notice.

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

1.1. The current directory of regulated markets is available at:

http://mifiddatabase.esma.europa.eu/Index.aspx?sectionlinks_id=23&language=0&pageName=REGULATED_MARKETS_Display&subject_id=0¹

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

1.2.1. Luxembourg Euro MTF Luxembourg

1.3. Recognized markets in the EU pursuant to § 67 (2) item 2 InvFG:

Markets in the EEA classified as recognized markets by the relevant supervisory authorities.

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

2.1.	Bosnia & Herzegovina:	Sarajevo, Banja Luka
2.2.	Croatia:	Zagreb Stock Exchange
2.3.	Montenegro:	Podgorica
2.4.	Russia:	Moscow (RTS Stock Exchange), Moscow Interbank Currency Exchange (MICEX)
2.5.	Switzerland:	SWX Swiss-Exchange
2.6.	Serbia:	Belgrade
2.7.	Turkey:	Istanbul (for Stock Market, "National Market" only)

3. Stock exchanges in non-European states

3.1.	Australia:	Sydney, Hobart, Melbourne, Perth
3.2.	Argentina:	Buenos Aires
3.3.	Brazil:	Rio de Janeiro, Sao Paulo
3.4.	Chile:	Santiago
3.5.	China:	Shanghai Stock Exchange, Shenzhen Stock Exchange
3.6.	Hong Kong:	Hong Kong Stock Exchange
3.7.	India:	Mumbai
3.8.	Indonesia:	Jakarta
3.9.	Israel:	Tel Aviv
3.10.	Japan:	Tokyo, Osaka, Nagoya, Kyoto, Fukuoka, Niigata, Sapporo, Hiroshima
3.11.	Canada:	Toronto, Vancouver, Montreal
3.12.	Colombia:	Bolsa de Valores de Colombia
3.13.	Korea:	Korea Exchange (Seoul, Busan)
3.14.	Malaysia:	Kuala Lumpur, Bursa Malaysia Berhad
3.15.	Mexico:	Mexico City
3.16.	New Zealand:	Wellington, Christchurch/Invercargill, Auckland
3.17.	Peru:	Bolsa de Valores de Lima
3.18.	Philippines:	Manila
3.19.	Singapore:	Singapore Stock Exchange

¹Click on "view all" to open the directory. The link may be modified by the Austrian Financial Market Authority (FMA) or by the European Securities and Markets Authority (ESMA).

[You may access the directory as follows by way of the FMA's website:

<http://www.fma.gv.at/de/unternehmen/boerse-wertpapierhandel/boerse.html> - scroll down - link "List of Regulated Markets (MiFID Database; ESMA)" - "view all"]¹

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3.20.	South Africa:	Johannesburg
3.21.	Taiwan:	Taipei
3.22.	Thailand:	Bangkok
3.23.	USA:	New York, American Stock Exchange (AMEX), New York Stock Exchange (NYSE), Los Angeles/Pacific Stock Exchange, San Francisco/Pacific Stock Exchange, Philadelphia, Chicago, Boston, Cincinnati
3.24.	Venezuela:	Caracas
3.25.	United Arab Emirates:	Abu Dhabi Securities Exchange (ADX)

4. Organized markets in states which are not members of the European Community

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

5. Stock exchanges with futures and options markets

5.1.	Argentina:	Bolsa de Comercio de Buenos Aires
5.2.	Australia:	Australian Options Market, Australian Securities Exchange (ASX)
5.3.	Brazil:	Bolsa Brasileira de Futuros, Bolsa de Mercadorias & Futuros, Rio de Janeiro Stock Exchange, Sao Paulo Stock Exchange
5.4.	Hong Kong:	Hong Kong Futures Exchange Ltd.
5.5.	Japan:	Osaka Securities Exchange, Tokyo International Financial Futures Exchange, Tokyo Stock Exchange
5.6.	Canada:	Montreal Exchange, Toronto Futures Exchange
5.7.	Korea:	Korea Exchange (KRX)
5.8.	Mexico:	Mercado Mexicano de Derivados
5.9.	New Zealand:	New Zealand Futures & Options Exchange
5.10.	Philippines:	Manila International Futures Exchange
5.11.	Singapore:	The Singapore Exchange Limited (SGX)
5.12.	Slovakia:	RM-System Slovakia
5.13.	South Africa:	Johannesburg Stock Exchange (JSE), South African Futures Exchange (SAFEX)
5.14.	Switzerland:	EUREX
5.15.	Turkey:	TurkDEX
5.16.	USA:	American Stock Exchange, Chicago Board Options Exchange, Chicago, Board of Trade, Chicago Mercantile Exchange, Comex, FINEX, Mid America Commodity Exchange, ICE Future US Inc. New York, Pacific Stock Exchange, Philadelphia Stock Exchange, New York Stock Exchange, Boston Options Exchange (BOX)

Appendix

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