

Annual Report 2012/2013

Investment Company under Luxembourg Law (SICAV)

R.C.S. Luxembourg N° B 66 323

Audited annual report as of 30 September 2013

DIGITAL FUNDS

DIGITAL FUNDS Stars Europe

DIGITAL FUNDS Stars Europe Ex-UK

Audited annual report as of 30 September 2013

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Sales restrictions

Shares of this Company may not be offered, sold or distributed within the United States of America.

Management and Administration

Annual Report as of 30 September 2013
DIGITAL FUNDS

Registered Office

33A, avenue J.F. Kennedy,
L-1855 Luxembourg
R.C.S. Luxembourg N° B 66 323

Board of Directors

Jacques Chahine, Chairman
CEO J.Chahine Capital
Luxembourg

Ralf Schröter, Director
Managing Director, UBS (Luxembourg) S.A.,
Luxembourg

Hermann Kranz, Director
Managing Director, UBS (Luxembourg) S.A.,
Luxembourg

Alicia Zemanek, Director
Executive Director, UBS (Luxembourg) S.A.,
Luxembourg

Andrew Pell, Director
Managing Director
Chahine Capital (UK) Ltd, United Kingdom

François Garcin
General Manager Director
J.Chahine Capital, Luxembourg

Management Company

J.Chahine Capital
10, boulevard Roosevelt, L-2450 Luxembourg

Custodian Bank and main paying agent

UBS (Luxembourg) S.A.,
33A, avenue J.F. Kennedy,
L-1855 Luxembourg

Central Administration

UBS Fund Services (Luxembourg) S.A.,
33A, avenue J.F. Kennedy,
L-1855 Luxembourg

Auditor of the Company

PricewaterhouseCoopers, Société coopérative
400, Route d'Esch, L-1471 Luxembourg

Sale in Switzerland

Representative
Carnegie Fund Services S.A.,
11, rue du Général-Dufour, CH-1204 Geneva

Paying Agents
UBS AG, Aeschenvorstadt 1, CH-4002 Basel and
UBS AG, Bahnhofstrasse 45, CH-8098 Zurich

The sales prospectus, the KIID, the articles of association of the Company, the annual and semi-annual reports as well as the portfolio movements of the Company mentioned in this publication are available free of charge at the sales agencies, at the representative in Switzerland and at the registered office of the Company.

Sale in Germany

Sales support and information agent
UBS Deutschland AG, Bockenheimer Landstr. 2-4,
D-60306 Frankfurt am Main

Sales agency, paying and information agent
UBS Deutschland AG, Bockenheimer Landstr. 2-4,
D-60306 Frankfurt am Main

The sales prospectus, the KIID, management regulations, annual and semi-annual reports as well as the portfolio movements of the investment fund mentioned in this publication are available free of charge from UBS Deutschland AG, Bockenheimer Landstrasse 2-4, D-60306 Frankfurt am Main.

Sale in Austria, in Belgium, in France, in Italy, in Luxembourg, in Spain, in Sweden and in the United Kingdom

Shares of this Company may be sold in these countries.

The sales prospectus, the KIID, the articles of association of the Company, the annual and semi-annual reports as well as the portfolio movements of the Company mentioned in this publication are available free of charge at the sales agencies and at the registered office of the Company.

Features of the Company

Annual Report as of 30 September 2013
DIGITAL FUNDS

DIGITAL FUNDS (hereafter called the "Company") is an investment company qualifying as a "Société d'Investissement à Capital Variable" (SICAV) with multiple subfunds under the laws of the Grand Duchy of Luxembourg, which invests and intends to invest in transferable securities and/or in other liquid financial assets referred to in article 41, paragraph (1) of the UCI Law, in compliance with the investment policy of each particular subfund. The Company complies with the requirements of the UCITS Directive 2009/65/EC as amended.

The Company is organized as an "Umbrella Fund". An "Umbrella Fund" is one single entity comprising several subfunds within each of which various classes (the "Class" or the "Classes") of shares might be launched, for example accumulation shares/distribution shares, different reference currency. Each subfund constitutes a separate portfolio of assets (invested in accordance with the particular investment features applicable to this subfund) and liabilities (referred to hereafter as "subfund" or "subfunds").

DIGITAL FUNDS is an investment company incorporated on 21 September 1998 and registered in Luxembourg for an unlimited duration as a "société anonyme" with the status of a "Société d'Investissement à Capital Variable" under the Luxembourg law of 17 December 2010 on Collective Investment Undertakings, as amended (the "Law" or the "UCI Law") and under the Luxembourg law of 10 August 1915 on Commercial Companies, as amended. The Company is submitted to Part I of the law of 17 December 2010.

J. Chahine Capital, a chapter 15 management company having its registered office at 10, boulevard Roosevelt, L-2450 Luxembourg, has been appointed to act as the management company of the Company (the "Management Company") as from 1 October 2010.

The Articles of Incorporation have been published in the Mémorial C, Recueil Spécial des Sociétés et Associations (the "Mémorial") on 4 November 1998 and at a later date. The Articles of Incorporation as well as the legal notice concerning the issue of the Company's shares have been deposited with the Registrar of the Luxembourg District Court. These documents are available for review and copies can be obtained on payment of applicable charges.

The Board of Directors reserves the right to launch new subfunds at any time. The particulars and investment policy of such subfunds are to be communicated through a revised Prospectus. Furthermore, the investors may be informed through a newspaper announcement, if deemed appropriate by the Board of Directors. In compliance with the regulations laid down in the prospectus, the Board of Directors reserves the right to liquidate certain subfunds.

As at 30 September 2013, the following subfunds are active:

DIGITAL FUNDS Stars Europe

The objective of DIGITAL FUNDS Stars Europe (referred to herein as the "subfund" or "DIGITAL Stars Europe") is to achieve long-term appreciation of its capital and to outperform the broad European markets, through the use of a sophisticated quantitative model to identify the "stars" performers. The subfund's benchmark is the MSCI Europe Small Cap Index despite the fact that the subfund's objective is to outperform Large Caps indices when this segment is favourable to investors.

DIGITAL FUNDS Stars Europe Ex-UK

The objective of DIGITAL FUNDS Stars Europe Ex-UK (referred to herein as the "subfund" or "DIGITAL Stars Europe Ex-UK") is to achieve long-term appreciation of its capital and to outperform the broad European markets (excluding United Kingdom), through the use of a sophisticated quantitative model to identify the "stars" performers. The subfund's benchmark is the MSCI Europe Ex-UK Small Cap Index (in USD converted into EUR) despite the fact that the subfund's objective is to outperform Large Caps indices when this segment is favourable to investors.

The capital of the Company is at all times equal to the total of net assets of the different subfunds and is represented by the issued shares, without designation of the nominal value and fully paid up. Variations in the capital of the Company can take place without the need for publication or registration in the Register of Commerce.

The financial year of the Company starts on the first of October and ends on the thirty of September of the next year.

The shares of the subfunds may be listed on the Luxembourg Stock Exchange. The Board of Directors decided on 13 September 2012 to remove all listed share classes from the listing as per 1 January 2013.

The Annual General Meeting of shareholders (the "AGM") is held each year at the registered office of the Company or at any other address in Luxembourg specified in the notice of meeting. The AGM will be held on the second Wednesday of March at 11:00 a.m. If this date is not a business day in Luxembourg, the AGM will be held on the following business day in Luxembourg.

Each share is entitled to one vote at each general meeting of shareholders and at each meeting of the relevant class. Fractions of shares do not give any voting rights. Any amendment to the Articles of Incorporation involving a variation of the rights of a category of shares will have to be approved by a resolution of a meeting of the shareholders of the Company and shareholders of the relevant category.

Only the information contained in the sales prospectus and in one of the documents referred to therein shall be deemed to be valid.

The annual and semi-annual reports are available free of charge to shareholders at the registered office of the Company and the custodian bank.

No subscription may be accepted on the basis of the financial reports. Subscriptions are accepted only on the basis of the current prospectus accompanied by the latest annual report and the latest semi-annual report if available.

Directors' Report

Annual Report as of 30 September 2013
DIGITAL FUNDS

The environment was favorable during Q4 2012 and, despite the uncertainty surrounding the "fiscal cliff" at that time, the equity markets continued to be well oriented. The Euro crisis, which had weighed on sentiment at the beginning of the year, moved off the front pages after the announcement by Mario Draghi that he will act on the rate at which the southern European States finance themselves, allowing a strong rebound of equities, doped by the central banks' accommodating monetary policies and by good economic statistics in the United States.

It was this monetary policy that allowed the continuation of the equity market increases in early 2013. The major central banks have injected incredible amounts of cash. In a calmer environment, zero-rate policies have obliged economic agents to take more and more risk to generate returns. Equities have been the main beneficiaries. In addition, the US economy has continued to recover on the back of its property and auto sectors. At the same time, Europe showed timid signs of stabilization.

Towards the summer the Cypriot crisis sent a tremor through Europe, although the correction remained limited. It was not until the challenge in June of monetary policy which finally put an end to 12 consecutive months of increase; the announcement on 19 June by Bernanke of a progressive (and conditional) relief of the ultra-accommodating monetary policy led to important profit taking on equities, and a stronger fall in bond prices. Emerging markets were also impacted by the decision of China to deal with their financial bubble, and marginally by social unrest in Brazil or Turkey.

The prospect of a further reduction in security purchases by the FED, mixed macro-economic statistics in the United States (including real estate), and fears at the end of August of military intervention in Syria caused more market volatility. These fears were dispelled in September with a political solution on the control of Syrian chemical weapons and especially as Ben Bernanke, wrong-footing consensus expectations, deferred the reduction of bond purchases. Reassurance over the future of QE alone was apparently not enough; the timing of the next Fed rate hike has been put back as well, allowing 10-year Treasury

yields to ease yet again. It now seems apparent that the impact of the "shutdown" of the U.S. federal Government and the political crisis in Italy will remain contained, rather than call into question, in investors' minds, the ongoing recovery.

In what proved to be a favorable environment, DIGITAL FUNDS Stars Europe and DIGITAL FUNDS Stars Europe Ex-UK achieved excellent returns for the fiscal year and clear outperformance against small and large-cap indices.

DIGITAL FUNDS Stars Europe remains our main subfund, with assets totaling EUR 242.5 Million at 30 September 2013. Over the past fiscal year, this "all cap" subfund returned 31.2% in Euro terms versus 26.2% for MSCI Europe Small Cap and 15.6% for Stoxx 600. This outperformance is due to excellent stock-picking, especially in cyclical sectors (Vestas Wind, Thomas Cook, Duerr, Asos, Ashtead,...). With a 2013 performance of +23.8% as of the end of September, the Fund reached a new high since its launch in 1998.

The last rebalancing of DIGITAL FUNDS Stars Europe has been again diversified, selecting companies in the sectors of healthcare, media, internet and energy. We remain overweight in technology, healthcare and consumer goods, underweight in financials, energy and basic materials. The ex-ante tracking error is low at 3.99%, due to low volatility, and the beta is at 1.04.

DIGITAL FUNDS Stars Europe Ex-UK is the second subfund in terms of size (EUR 141.6 Million as of 30 September 2013). During the fiscal year, it returned 33.1% versus 27.9% for its benchmark MSCI Europe Ex-UK Small Cap and 20% for the Euro Stoxx.

The last rebalancing of DIGITAL FUNDS Stars Europe Ex-UK has been diversified, selecting companies in the sectors of financials, technology, healthcare and energy. We remain overweight in Industrials, healthcare and consumer staples, underweight in energy and basic materials and Financials. The ex-ante tracking error remains low at 4.07% and the beta is at 1.03.

Equity markets should continue to be bullish as we continue towards the end of 2013, due to faster growth compensating for any rise in interest rates. A study of the Q3 2013 results of around forty companies belonging to Russell 3000, and whose fiscal quarter ended in August, shows profits were 4% higher than forecast, partially due to a positive surprise on Sales. The upcoming announcements should therefore be a support to the stock markets in October, and open a generally favorable period for our funds, which typically benefit from positive surprises from the companies held in the portfolio.

We still favor European markets which offer a better recovery potential. The euro zone appears to be stabilising, with countries like Spain gradually picking themselves up and an end to downward revisions to growth forecasts. However, a serious standoff on the US debt ceiling could trouble our optimistic scenario, and that would be a good moment for latecomers to get on board.

The Board of Directors, 8 October 2013.



To the Shareholders of

DIGITAL FUNDS

We have audited the accompanying financial statements of DIGITAL FUNDS and of each of its subfunds, which comprise the statement of net assets and the statement of investments in securities and other net assets as at 30 September 2013 and the statement of operations and the statement of changes in net assets for the year then ended, and a summary of significant accounting policies and other explanatory notes to the financial statements.

Responsibility of the Board of Directors of the SICAV for the financial statements

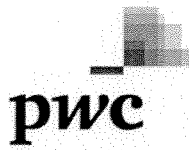
The Board of Directors of the SICAV is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements and for such internal control as the Board of Directors of the SICAV determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the "Réviseur d'entreprises agréé"

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier". Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the judgment of the "Réviseur d'entreprises agréé", including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the "Réviseur d'entreprises agréé" considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors of the SICAV, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements give a true and fair view of the financial position of DIGITAL FUNDS and of each of its subfunds as of 30 September 2013, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements.

Other matters

Supplementary information included in the annual report has been reviewed in the context of our mandate but has not been subject to specific audit procedures carried out in accordance with the standards described above. Consequently, we express no opinion on such information. However, we have no observation to make concerning such information in the context of the financial statements taken as a whole.

Luxembourg, 30 January 2014

PricewaterhouseCoopers, Société coopérative
Represented by

A large, stylized handwritten signature in black ink, appearing to be 'JRL' followed by a series of loops and flourishes.

Jean-Robert Lentz

Consolidated Statement of Net Assets

	EUR
Assets	30.9.2013
Investments in securities, cost	271 775 518.44
Investments in securities, unrealized appreciation (depreciation)	97 010 624.82
Total investments in securities (Note 1)	368 786 143.26
Cash at banks, deposits on demand and deposit accounts	18 928 859.65
Other liquid assets (Margins)	1 188 645.00
Receivable on securities sales (Note 1)	10 263 579.50
Receivable on subscriptions	1 165 636.09
Interest receivable on securities	8 923.27
Interest receivable on liquid assets	1 029.08
Receivable on dividends	117 838.80
Other receivables	87 896.47
Unrealized gain (loss) on financial futures (Note 1)	-27 250.00
Unrealized gain (loss) on forward foreign exchange contracts (Note 1)	7 426.96
Total Assets	400 528 728.08
Liabilities	
Bank overdraft	-129 502.27
Other short-term liabilities (Margins)	-125 350.00
Interest payable on bank overdraft	-12.47
Payable on securities purchases (Note 1)	-12 948 788.60
Payable on redemptions	-218 069.29
Provisions for Investment Manager fees (Note 2)	-466 070.33
Provisions for performance fee (Note 2)	-2 373 149.79
Provisions for custodian bank fees (Note 2)	-21 661.93
Provisions for taxe d'abonnement (Note 3)	-48 022.93
Provisions for other commissions and fees (Note 2)	-15 944.17
Total provisions	-2 924 849.15
Total Liabilities	-16 346 571.78
Net assets at the end of the financial year	384 182 156.30

Consolidated Statement of Operations

	EUR
Income	1.10.2012-30.9.2013
Interest on liquid assets	22 563.86
Interest on securities	8 923.27
Dividends	5 505 861.25
Income on securities lending (Note 11)	928 507.66
Other income	3 934.71
Total income	6 469 790.75
Expenses	
Investment Manager fees (Note 2)	-4 735 496.12
Performance fee (Note 2)	-2 373 149.79
Custodian bank fees (Note 2)	-220 266.31
Taxe d'abonnement (Note 3)	-163 679.86
Cost of securities lending activity (Note 11)	-255 675.94
Amortization of formation expenses (Note 2)	-5 000.00
Other commissions and fees (Note 2)	-192 159.16
Interest on cash liquidity and bank overdraft	-2 881.28
Other expenses	-8 594.30
Total expenses	-7 956 902.76
Net income (loss) on investments	-1 487 112.01
Realized gain (loss) (Note 1)	
Realized gain (loss) on market-priced securities without options	36 350 089.76
Realized gain (loss) on options	-674 284.00
Realized gain (loss) on financial futures	2 345 153.80
Realized gain (loss) on forward foreign exchange contracts	-93 282.52
Total realized gain (loss) on investments	37 927 677.04
Realized gain (loss) on foreign exchange	-379 162.54
Total realized gain (loss)	37 548 514.50
Net realized gain (loss) of the financial year	36 061 402.49
Changes in unrealized appreciation (depreciation) (Note 1)	
Unrealized appreciation (depreciation) on market-priced securities without options	49 528 547.98
Unrealized appreciation (depreciation) on options	41 001.10
Unrealized appreciation (depreciation) on financial futures	538 170.00
Unrealized appreciation (depreciation) on forward foreign exchange contracts	9 886.40
Total changes in unrealized appreciation (depreciation)	50 117 605.48
Net increase (decrease) in net assets as a result of operations	86 179 007.97

DIGITAL FUNDS Stars Europe

Annual Report as of 30 September 2013

Three-year comparison

Date	ISIN	30.9.2013	30.9.2012	30.9.2011
Net assets in EUR		242 539 140.75	154 295 567.80	141 822 200.67
Class Acc	LU0090784017			
Shares outstanding		423 318.4410	378 081.8600	421 573.4280
Net asset value per share in EUR		525.63	400.76	330.15
Class D¹	LU0905713201			
Shares outstanding		115 300.0000	-	-
Net asset value per share in EUR		111.93	-	-
Class GBP	LU0259627379			
Shares outstanding		6 546.4040	4 924.6710	7 161.5940
Net asset value per share in GBP		188.02	142.98	118.32
Class R	LU0323041763			
Shares outstanding		41 083.0260	17 308.6870	18 532.2770
Net asset value per share in EUR		114.17	87.59	72.52
Class USD	LU0274905818			
Shares outstanding		11 055.6930	5 397.9040	5 682.9040
Net asset value per share in USD		117.91	89.88	74.02

¹ Initial subscription: 25.4.2013

Performance

	Currency	2012/2013	2011/2012	2010/2011
Class Acc	EUR	31.2%	21.4%	-8.9%
Class D	EUR	-	-	-
Class GBP	GBP	31.5%	20.8%	-9.6%
Class R	EUR	30.3%	20.8%	-9.4%
Class USD	USD	31.2%	21.4%	-9.5%
Benchmark:				
MSCI Europe Small Cap Index	EUR	26.2%	21.8%	-11.7%

Historical performance is no indicator of current or future performance.
The performance data do not take account of any commissions and costs charged when subscribing and redeeming shares.
The performance data were not audited.

Structure of the Securities Portfolio

Geographical Breakdown as a % of net assets		Economic Breakdown as a % of net assets	
United Kingdom	27.58	Retail trade, department stores	7.96
France	10.86	Lodging, catering & leisure	7.25
Germany	10.79	Telecommunications	7.19
Italy	8.96	Mechanical engineering & industrial equipment	5.28
Switzerland	7.45	Energy & water supply	5.06
Netherlands	5.92	Pharmaceuticals, cosmetics & medical products	5.05
Spain	4.83	Internet, software & IT services	5.04
Denmark	4.68	Building industry & materials	4.77
Sweden	3.11	Finance & holding companies	4.48
Greece	2.01	Traffic & transportation	4.45
Belgium	1.88	Banks & credit institutions	4.38
Ireland	1.74	Electronics & semiconductors	4.29
Finland	1.38	Chemicals	3.44
Isle of Man	1.14	Food & soft drinks	3.14
Norway	1.04	Graphic design, publishing & media	2.99
Austria	0.87	Petroleum	2.50
Bermuda	0.74	Insurance	2.38
Luxembourg	0.65	Biotechnology	1.98
Total	95.63	Aerospace industry	1.84
		Vehicles	1.81
		Miscellaneous services	1.76
		Tobacco & alcohol	1.38
		Miscellaneous consumer goods	1.29
		Photographic & optics	1.22
		Textiles, garments & leather goods	0.93
		Real Estate	0.84
		Electrical devices & components	0.78
		Investment funds & pension foundations	0.69
		Forestry, paper & pulp products	0.60
		Mortgage & funding institutions	0.47
		Miscellaneous unclassified companies	0.30
		Healthcare & social services	0.09
		Total	95.63

Statement of Net Assets

	EUR
Assets	30.9.2013
Investments in securities, cost	172 598 316.50
Investments in securities, unrealized appreciation (depreciation)	59 348 969.58
Total investments in securities (Note 1)	231 947 286.08
Cash at banks, deposits on demand and deposit accounts	11 639 705.68
Other liquid assets (Margins)	789 522.00
Receivable on securities sales (Note 1)	6 528 129.03
Receivable on subscriptions	1 084 035.75
Interest receivable on securities	4 734.01
Receivable on dividends	102 217.59
Other receivables	29 094.08
Unrealized gain (loss) on financial futures (Note 1)	-18 100.00
Unrealized gain (loss) on forward foreign exchange contracts (Note 1)	7 426.96
Total Assets	252 114 051.18
Liabilities	
Bank overdraft	-8 327.81
Other short-term liabilities (Margins)	-83 260.00
Payable on securities purchases (Note 1)	-7 726 943.32
Provisions for Investment Manager fees (Note 2)	-294 875.44
Provisions for performance fee (Note 2)	-1 411 942.55
Provisions for custodian bank fees (Note 2)	-13 672.86
Provisions for taxe d'abonnement (Note 3)	-30 317.50
Provisions for other commissions and fees (Note 2)	-5 570.95
Total provisions	-1 756 379.30
Total Liabilities	-9 574 910.43
Net assets at the end of the financial year	242 539 140.75

Statement of Operations

	EUR
Income	1.10.2012-30.9.2013
Interest on liquid assets	13 459.96
Interest on securities	4 734.01
Dividends	3 635 558.86
Income on securities lending (Note 11)	388 396.23
Other income	3 139.90
Total income	4 045 288.96
Expenses	
Investment Manager fees (Note 2)	-2 898 758.03
Performance fee (Note 2)	-1 411 942.54
Custodian bank fees (Note 2)	-134 551.88
Taxe d'abonnement (Note 3)	-100 880.66
Cost of securities lending activity (Note 11)	-30 371.71
Amortization of formation expenses (Note 2)	-5 000.00
Other commissions and fees (Note 2)	-114 377.26
Interest on cash liquidity and bank overdraft	-2 692.19
Other expenses	-5 147.55
Total expenses	-4 703 721.82
Net income (loss) on investments	-658 432.86
Realized gain (loss) (Note 1)	
Realized gain (loss) on market-priced securities without options	21 312 534.00
Realized gain (loss) on options	-396 481.00
Realized gain (loss) on financial futures	1 535 141.46
Realized gain (loss) on forward foreign exchange contracts	-93 282.52
Total realized gain (loss) on investments	22 357 911.94
Realized gain (loss) on foreign exchange	-279 914.76
Total realized gain (loss)	22 077 997.18
Net realized gain (loss) of the financial year	21 419 564.32
Changes in unrealized appreciation (depreciation) (Note 1)	
Unrealized appreciation (depreciation) on market-priced securities without options	29 877 463.41
Unrealized appreciation (depreciation) on options	24 118.40
Unrealized appreciation (depreciation) on financial futures	386 100.00
Unrealized appreciation (depreciation) on forward foreign exchange contracts	9 886.40
Total changes in unrealized appreciation (depreciation)	30 297 568.21
Net increase (decrease) in net assets as a result of operations	51 717 132.53

Statement of Changes in Net Assets

	EUR
	1.10.2012-30.9.2013
Net assets at the beginning of the financial year	154 295 567.80
Subscriptions	96 856 482.50
Redemptions	-60 330 042.08
Total net subscriptions (redemptions)	36 526 440.42
Net income (loss) on investments	-658 432.86
Total realized gain (loss)	22 077 997.18
Total changes in unrealized appreciation (depreciation)	30 297 568.21
Net increase (decrease) in net assets as a result of operations	51 717 132.53
Net assets at the end of the financial year	242 539 140.75

Changes in the Number of Shares outstanding

	1.10.2012-30.9.2013
Class	Acc
Number of shares outstanding at the beginning of the financial year	378 081.8600
Number of shares issued	160 615.1840
Number of shares redeemed	-115 378.6030
Number of shares outstanding at the end of the financial year	423 318.4410
Class	D
Number of shares outstanding at the beginning of the financial year	0.0000
Number of shares issued	145 300.0000
Number of shares redeemed	-30 000.0000
Number of shares outstanding at the end of the financial year	115 300.0000
Class	GBP
Number of shares outstanding at the beginning of the financial year	4 924.6710
Number of shares issued	2 622.9270
Number of shares redeemed	-1 001.1940
Number of shares outstanding at the end of the financial year	6 546.4040
Class	R
Number of shares outstanding at the beginning of the financial year	17 308.6870
Number of shares issued	47 793.3390
Number of shares redeemed	-24 019.0000
Number of shares outstanding at the end of the financial year	41 083.0260
Class	USD
Number of shares outstanding at the beginning of the financial year	5 397.9040
Number of shares issued	17 278.3340
Number of shares redeemed	-11 620.5450
Number of shares outstanding at the end of the financial year	11 055.6930

Statement of Investments in Securities and other Net Assets as of 30 September 2013

Description	Quantity/ Nominal	Valuation in EUR Unrealized gain (loss) on Futures/ Options/Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
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Transferable securities and money market instruments listed on an official stock exchange

Bearer shares

Austria

EUR	C.A.T. OIL AG NPV(BR)	66 777.00	959 919.38	0.40
EUR	WIENERBERGER AG NPV	88 357.00	1 146 873.86	0.47
Total Austria			2 106 793.24	0.87

Belgium

EUR	ARSEUS NV NPV	10 712.00	224 523.52	0.09
EUR	DELHAIZE GROUP NPV	43 362.00	2 020 235.58	0.83
EUR	KBC GROUP NV NPV	63 858.00	2 319 003.27	0.96
Total Belgium			4 563 762.37	1.88

Bermuda

NOK	SEADRILL LTD USD2	54 000.00	1 789 566.50	0.74
Total Bermuda			1 789 566.50	0.74

Denmark

DKK	AURIGA INDUSTRIES SER'B'DKK10	22 219.00	555 613.70	0.23
DKK	GENMAB AS DKK1 (BEARER)	41 396.00	1 254 401.08	0.52
DKK	ROYAL UNIBREW A/S DKK10	38 068.00	3 343 266.24	1.38
DKK	TOPDANMARK AS DKK1	138 818.00	2 643 039.96	1.09
DKK	VESTAS WIND SYSTEM DKK1	190 005.00	3 543 739.27	1.46
Total Denmark			11 340 060.25	4.68

Finland

EUR	NESTE OIL OYJ NPV	82 365.00	1 346 667.75	0.55
EUR	NOKIA OYJ EURO.06	413 911.00	2 010 779.64	0.83
Total Finland			3 357 447.39	1.38

France

EUR	ADP EUR3	11 659.00	902 290.01	0.37
EUR	ALCATEL-LUCENT EUR2	1 007 136.00	2 666 896.13	1.10
EUR	CREDIT AGRICOLE SA EUR3	334 111.00	2 723 338.76	1.12
EUR	EDF EURO.5	106 737.00	2 495 511.06	1.03
EUR	ILIAD NPV	8 590.00	1 481 775.00	0.61
EUR	L'OREAL EURO.20	12 220.00	1 551 329.00	0.64
EUR	PEUGEOT SA EUR1	257 654.00	3 130 496.10	1.29
EUR	PLASTIC OMNIUM EURO.06	69 282.00	1 294 880.58	0.53
EUR	SAFRAN EURO.20	63 492.00	2 891 108.22	1.19
EUR	SARTORIUS STEDIM B EURO.61	7 110.00	796 320.00	0.33
EUR	SOC GENERALE EUR1.25	43 445.00	1 600 079.35	0.66
EUR	TELEPERFORMANCE EUR2.50	28 104.00	1 004 999.04	0.41
EUR	TF1 - TV FRANCAISE EURO.20	29 188.00	375 503.62	0.16
EUR	THALES EUR3	52 381.00	2 128 501.94	0.88
EUR	UBISOFT ENTERTAIN EURO.31	73 067.00	835 155.81	0.35
Total France			25 878 184.62	10.67

Germany

EUR	CANCOM SE NPV	34 096.00	776 536.40	0.32
EUR	DEUTZ AG NPV	132 014.00	881 853.52	0.36
EUR	DUERR AG ORD NPV	56 110.00	3 046 211.90	1.26
EUR	HEIDELBERGER DRUCKMASCHINEN ORD NPV	392 978.00	781 633.24	0.32
EUR	KUKA AG NPV	37 662.00	1 206 125.55	0.50
EUR	LPKF LASER & ELECT NPV	68 853.00	943 286.10	0.39
EUR	MERCK KGAA NPV	12 118.00	1 397 811.30	0.58
EUR	MORPHOSYS ORD NPV	31 415.00	1 802 906.85	0.74
EUR	NORDEX AG NPV	170 271.00	1 840 629.51	0.76
Total Germany			12 676 994.37	5.23

Greece

EUR	FOLLI FOLLIE GROUP EURO.30 (CR)	61 030.00	1 171 776.00	0.48
EUR	JUMBO SA EUR1.19	83 040.00	764 798.40	0.32
EUR	OTE(HELLENIC TLCD) EUR2.39(CR)	271 091.00	2 087 400.70	0.86
Total Greece			4 023 975.10	1.66

Ireland

EUR	GLANBIA ORD EURO.06(DUBLIN LISTING)	157 514.00	1 524 893.03	0.63
EUR	GLANBIA ORD EURO.06(DUBLIN LISTING)	10 115.00	99 127.00	0.04
EUR	RYANAIR HLDGS ORD EURO.00635	180 556.00	1 135 877.80	0.47
EUR	SMURFIT KAPPA GRP ORD EURO.001	87 613.00	1 465 765.49	0.60
Total Ireland			4 225 663.32	1.74

Description	Quantity/ Nominal	Valuation in EUR Unrealized gain (loss) on Futures/ Options/Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
Isle of Man			
GBP PLAYTECH ORD NPV	314 201.00	2 766 515.61	1.14
Total Isle of Man		2 766 515.61	1.14
Italy			
EUR AZA SPA EURO.52	2 923 272.00	2 110 602.38	0.87
EUR AZIMUT HLDG S.P.A. EURO.22	168 966.00	2 853 835.74	1.18
EUR BANCA GENERALI SPA	61 354.00	1 024 611.80	0.42
EUR BREMBO SPA EURO.52	57 346.00	1 104 483.96	0.45
EUR BRUNELLO CUCINELLI EUR100	41 410.00	994 668.20	0.41
EUR DE LONGHI EUR3	40 114.00	453 689.34	0.19
EUR INDESIT COMPANY EURO.9	85 977.00	610 006.82	0.25
EUR IRIDE SPA EUR1	1 572 399.00	1 418 303.90	0.58
EUR LUXOTTICA GROUP EURO.06	46 734.00	1 837 580.88	0.76
EUR MEDIASET EURO.52	809 138.00	2 427 414.00	1.00
EUR MEDIOLANUM EURO.1	370 623.00	1 990 245.51	0.82
EUR PARMALAT S.P.A. EUR1	693 341.00	1 716 712.32	0.71
EUR RECORDATI EURO.125	92 141.00	818 212.08	0.34
EUR SAFFO GROUP EUR5	76 395.00	1 110 783.30	0.46
EUR YOOX SPA NPV	50 141.00	1 270 572.94	0.52
Total Italy		21 741 723.17	8.96
Luxembourg			
EUR EUROFINS SCIENTIFI EURO.10	8 389.00	1 562 870.70	0.64
Total Luxembourg		1 562 870.70	0.64
Netherlands			
EUR ASML HOLDING NV EURO.09 (POST SPLIT)	41 886.00	3 057 678.00	1.26
EUR CSM NV EURO.25	98 434.00	1 761 968.60	0.73
EUR EADS(EURO AERO DEF EUR1	40 042.00	1 885 777.99	0.78
EUR GEMALTO EUR1	23 261.00	1 846 225.57	0.76
EUR KON BAM GROEP NV EURO.10	158 978.00	631 460.62	0.26
EUR POSTNL NV EURO.48	316 668.00	1 012 387.60	0.42
EUR REED ELSEVIER ORD EURO.07	147 082.00	2 186 373.93	0.90
EUR SBM OFFSHORE NV EURO.25	134 198.00	1 965 329.71	0.81
Total Netherlands		14 347 202.02	5.92
Norway			
NOK NORWEGIAN AIR SHUT NOK0.10	16 490.00	440 141.70	0.18
NOK OPERA SOFTWARE SA NOK0.02	125 948.00	986 242.24	0.41
NOK RENEWABLE ENERGY NOK1	3 396 528.00	1 089 734.02	0.45
Total Norway		2 516 117.96	1.04
Spain			
EUR ALMIRALL SA EURO.12	30 614.00	286 547.04	0.12
EUR AMADEUS IT HLDGS EURO.01	90 283.00	2 365 414.60	0.97
EUR ATRESMEDIA CORP EURO.75	123 103.00	1 170 709.53	0.48
EUR GAMESA CORP TECN EURO.17	292 422.00	1 885 244.63	0.78
EUR GRIFOLS SA EURO.5	57 544.00	1 746 460.40	0.72
EUR SACYR EUR1	652 349.00	2 222 553.04	0.92
Total Spain		9 676 929.24	3.99
Sweden			
SEK ELEKTA SER'B'NPV	211 306.00	2 512 935.24	1.04
SEK HEXPOL AB NPV	28 913.00	1 509 725.32	0.62
SEK INTRUM JUSTITIA NV NPV	51 035.00	1 009 591.06	0.42
SEK LOOMIS AB NPV	55 579.00	904 515.67	0.37
SEK OREXO AB NPV	10 561.00	157 601.86	0.06
SEK SAS AB NPV	481 380.00	1 251 253.80	0.52
SEK SWEDISH ORPHAN BIOVITRUM AB NPV	25 692.00	189 115.37	0.08
Total Sweden		7 534 738.32	3.11
Switzerland			
CHF AUTONEUM HLDG AG CHF0.05(REGD)	1 835.00	162 806.22	0.07
CHF KUDELSKI SA CHF10(BR)	61 749.00	620 497.64	0.25
Total Switzerland		783 303.86	0.32
United Kingdom			
GBP 3I GROUP ORD GBP0.738636	420 172.00	1 828 679.31	0.75
GBP ASHTAD GROUP ORD GBP0.10	519 261.00	3 823 503.66	1.58
GBP ASOS PLC ORD GBP0.035	70 124.00	4 312 826.95	1.78
GBP ASSOCOD BRIT FOODS ORD GBP0.0568	104 029.00	2 334 721.08	0.96
GBP ATKINS WS ORD GBP0.005	74 855.00	1 046 846.66	0.43
GBP BARRATT DEVEL ORD GBP0.10	818 677.00	3 022 430.05	1.25
GBP BK OF GEORGIA HLDG ORD GBP0.01	39 847.00	920 980.64	0.38
GBP BLINKX PLC ORD GBP0.01	616 172.00	1 113 080.70	0.46
GBP DAILY MAIL&GEN TST 'A'ORD(NON VTG)GBP0.125	184 109.00	1 678 331.47	0.69
GBP DIGNITY ORD GBP0.1130769(POST CONS)	42 972.00	745 420.47	0.31
GBP DIXONS RETAIL ORD GBP0.025	4 037 530.00	2 254 246.01	0.93
GBP EASYJET ORD GBP0.27285714(POST CONS)	165 484.00	2 530 082.08	1.04
GBP GREENE KING ORD GBP0.125	188 880.00	1 809 948.58	0.75
GBP HALMA ORD GBP0.10	169 537.00	1 148 979.18	0.47

Description		Quantity/ Nominal	Valuation in EUR Unrealized gain (loss) on Futures/ Options/Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
GBP	HARGREAVES LANSDOWN ORD GBP0.004 (WI)	96 685.00	1 132 951.43	0.47
GBP	INTERMED CAP GRP ORD GBP0.20	171 062.00	913 535.61	0.38
GBP	ITV ORD GBP0.10	1 071 818.00	2 247 763.99	0.93
EUR	JAZZTEL EURO.80	115 705.00	929 226.86	0.38
GBP	KELLER GROUP ORD GBP0.10	72 783.00	904 676.37	0.37
GBP	KIER GROUP ORD GBP0.01	6 812.00	137 397.85	0.06
GBP	KINGFISHER ORD GBP0.157142857	457 782.00	2 113 397.74	0.87
GBP	MICRO FOCUS INTL ORD GBP0.125(POST CONS)	111 500.00	1 011 094.67	0.42
GBP	MONITISE PLC ORD GBP0.01	525 746.00	358 507.78	0.15
GBP	NEXT ORD GBP0.10	47 956.00	2 960 331.87	1.22
GBP	OCADO GROUP PLC ORD GBP0.02	221 688.00	1 050 231.69	0.43
GBP	PACE PLC ORD GBP0.05	558 861.00	1 697 517.47	0.70
GBP	PERSIMMON ORD GBP0.10	128 412.00	1 668 334.70	0.69
GBP	PREMIER FOODS ORD GBP0.10	102 508.00	191 306.67	0.08
GBP	RIGHTMOVE ORD GBP0.01	71 049.00	2 013 588.76	0.83
GBP	SPORTS DIRECT INTL ORD GBP0.10 (WI)	165 051.00	1 396 986.96	0.57
GBP	STANDARD LIFE ORD GBP0.10	146 603.00	605 777.22	0.25
GBP	THOMAS COOK GROUP ORD GBP0.30	3 198 284.00	5 869 351.69	2.42
GBP	TUI TRAVEL PLC ORD GBP0.10	460 812.00	2 027 053.24	0.83
GBP	WH SMITH PLC GBP0.2209	204 157.00	2 019 842.62	0.83
GBP	WHITBREAD ORD GBP0.76797385	48 137.00	1 706 887.77	0.70
GBP	WILLIAM HILL ORD GBP0.10	707 757.00	3 412 219.55	1.41
Total United Kingdom			64 938 059.36	26.77
Total Bearer shares			195 829 907.40	80.74
Other shares				
Switzerland				
CHF	ROCHE HLDGS AG GENUSSSCHEINE NPV	8 633.00	1 720 198.78	0.71
Total Switzerland			1 720 198.78	0.71
United Kingdom				
GBP	BERKELEY GP HLDGS ORD GBP0.05	49 027.00	1 215 270.11	0.50
Total United Kingdom			1 215 270.11	0.50
Total Other shares			2 935 468.89	1.21
Preference shares				
Germany				
EUR	SARTORIUS AG NON VTG PRF NPV	9 325.00	769 872.00	0.32
Total Germany			769 872.00	0.32
Total Preference shares			769 872.00	0.32
Registered shares				
Germany				
EUR	BAYER AG NPV (REGD)	20 763.00	1 809 703.08	0.75
EUR	DEUTSCHE POST AG NPV(REGD)	104 386.00	2 560 588.58	1.06
EUR	FRENET AG NPV (REGD)	72 034.00	1 288 328.09	0.53
EUR	K&S AG NPV	68.00	1 302.88	0.00
EUR	PROSIEBENSAT1 MEDI NPV	52 352.00	1 643 852.80	0.68
EUR	SKY DEUTSCHLAND AG NPV (REGD)	449 188.00	3 058 521.10	1.26
EUR	UNITED INTERNET AG NPV(REGD)	84 234.00	2 358 552.00	0.97
Total Germany			12 720 848.53	5.25
Greece				
EUR	PUBLIC POWER CORP EUR4.60(CR)	102 958.00	861 758.46	0.35
Total Greece			861 758.46	0.35
Spain				
EUR	BANCO DE SABADELL SA EURO.125(REGD)	1 098 659.00	2 044 604.40	0.84
Total Spain			2 044 604.40	0.84
Switzerland				
CHF	EMS-CHEMIE HLDG AG CHF0.01(REGD)(POST RECON)	7 846.00	2 051 178.13	0.84
CHF	GIVAUDAN AG CHF10	1 837.00	1 982 517.68	0.82
CHF	IMPLENIA AG CHF1.90 (REGD)	13 675.00	608 876.11	0.25
CHF	KOMAX CHF0.10(REGD)	7 828.00	795 566.14	0.33
CHF	LONZA GROUP AG CHF1(REGD)	32 037.00	1 936 817.30	0.80
CHF	MEYER BURGER TECHN CHF0.05	117 006.00	920 533.32	0.38
CHF	NOBEL BIO CARE AG CHF0.40(REGD)	81 396.00	887 747.43	0.36
CHF	PANALPINA WELT AG CHF 0.1 (REGD)	8 634.00	940 258.54	0.39
CHF	PARTNERS GROUP HLG CHF0.01 (REGD)	5 492.00	994 721.07	0.41
CHF	STRAUMANN HLDG CHF0.1(REGD)	14 411.00	1 934 357.66	0.80
CHF	SWISS LIFE HLDG CHF5.1(REGD)	18 042.00	2 523 443.20	1.04
Total Switzerland			15 576 016.58	6.42
Total Registered shares			31 203 227.97	12.86

Description	Quantity/ Nominal	Valuation in EUR Unrealized gain (loss) on Futures/ Options/Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
Convertible bonds, fixed rate			
EUR			
EUR AIR FRANCE KLM-REG-S 2.03000% 13-15.02.23	44 450.00	459 323.99	0.19
Total EUR		459 323.99	0.19
Total Convertible bonds, fixed rate		459 323.99	0.19
Total Transferable securities and money market instruments listed on an official stock exchange		231 197 800.25	95.32
Transferable securities and money market instruments traded on another regulated market			
Bearer shares			
United Kingdom			
GBP NANOCO GROUP ORD GBP0.10	360 961.00	736 262.05	0.30
Total United Kingdom		736 262.05	0.30
Total Bearer shares		736 262.05	0.30
Total Transferable securities and money market instruments traded on another regulated market		736 262.05	0.30
Transferable securities and money market instruments not listed on an official stock exchange and not traded on another regulated market			
Other shares			
France			
EUR GDF SUEZ VVPR STRIP	1 848.00	1.85	0.00
Total France		1.85	0.00
Total Other shares		1.85	0.00
Strip on shares			
Belgium			
EUR AGEAS STRIP VVPR (POST SPLIT)	962.00	0.96	0.00
Total Belgium		0.96	0.00
Total Strip on shares		0.96	0.00
Rights			
Austria			
EUR IMMOEAST AG RIGHTS PRP	660 541.00	13 210.82	0.01
Total Austria		13 210.82	0.01
Norway			
NOK REC SOLAR ASA RIGHTS 18.10.13	58 560.83	0.07	0.00
Total Norway		0.07	0.00
Total Rights		13 210.89	0.01
Total Transferable securities and money market instruments not listed on an official stock exchange and not traded on another regulated market		13 213.70	0.01
Derivative instruments listed on an official stock exchange			
Warrants on shares			
France			
EUR ASSYSTEM SA CALL WARRANT 35.00000 06-31.07.13	10 080.00	10.08	0.00
Total France		10.08	0.00
Total Warrants on shares		10.08	0.00
Total Derivative instruments listed on an official stock exchange		10.08	0.00
Total investments in securities		231 947 286.08	95.63

Description	Quantity/ Nominal	Valuation in EUR Unrealized gain (loss) on Futures/ Options/Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
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Derivative instruments

Derivative instruments listed on an official stock exchange

Financial Futures on Indices

EUR	DJ EURO STOXX 50 INDEX FUTURE 20.12.13	362.00	-18 100.00	-0.01
Total Financial Futures on Indices			-18 100.00	-0.01
Total Derivative instruments listed on an official stock exchange			-18 100.00	-0.01
Total Derivative instruments			-18 100.00	-0.01

Forward Foreign Exchange contracts

Forward Foreign Exchange contracts (Purchase/Sale)

USD	1 306 000.00	EUR	968 555.32	31.10.2013	-3 828.64	0.00
GBP	1 232 000.00	EUR	1 462 140.99	31.10.2013	11 255.60	0.00
Total Forward Foreign Exchange contracts (Purchase/Sale)					7 426.96	0.00

Cash at banks, deposits on demand and deposit accounts and other liquid assets	12 429 227.68	5.13
Bank overdraft and other short-term liabilities	-91 587.81	-0.04
Other assets and liabilities	-1 735 112.16	-0.71
Total net assets	242 539 140.75	100.00

DIGITAL FUNDS Stars Europe Ex-UK

Annual Report as of 30 September 2013

Three-year comparison

Date	ISIN	30.9.2013	30.9.2012	30.9.2011
Net assets in EUR		141 643 015.55	104 627 164.76	103 367 276.41
Class Acc	LU0259626645			
Shares outstanding		878 664.2110	863 584.3720	1 030 395.4070
Net asset value per share in EUR		161.14	121.10	100.27
Class GBP	LU0259626991			
Shares outstanding		250.0000	257.7030	347.0710
Net asset value per share in GBP		195.17	139.82	125.15

Performance

	Currency	2012/2013	2011/2012	2010/2011
Class Acc	EUR	33.1%	20.8%	-13.6%
Class GBP	GBP	39.6%	11.7%	-14.1%
Benchmark:				
MSCI Europe Ex-UK Small Cap Index	EUR	27.9%	15.2%	-14.4%
MSCI Europe Ex-UK Small Cap Index	GBP	34.2%	6.6%	-15.2%

Historical performance is no indicator of current or future performance.
The performance data do not take account of any commissions and costs charged when subscribing and redeeming shares.
The performance data were not audited.

Structure of the Securities Portfolio

Geographical Breakdown as a % of net assets		Economic Breakdown as a % of net assets	
France	16.99	Telecommunications	7.67
Germany	15.50	Internet, software & IT services	7.21
Italy	12.38	Banks & credit institutions	7.19
Switzerland	11.11	Chemicals	6.69
Spain	9.41	Mechanical engineering & industrial equipment	5.97
Denmark	8.87	Pharmaceuticals, cosmetics & medical products	5.46
Netherlands	4.69	Finance & holding companies	5.38
Ireland	3.16	Energy & water supply	5.04
Sweden	2.98	Electronics & semiconductors	4.29
Belgium	2.86	Miscellaneous consumer goods	4.23
Norway	2.55	Traffic & transportation	3.78
Greece	2.23	Insurance	3.41
Luxembourg	2.02	Food & soft drinks	3.36
Austria	1.28	Biotechnology	3.28
Finland	0.58	Building industry & materials	2.86
Total	96.61	Vehicles	2.71
		Aerospace industry	2.37
		Petroleum	2.29
		Electrical devices & components	2.18
		Miscellaneous services	2.02
		Forestry, paper & pulp products	1.76
		Retail trade, department stores	1.75
		Tobacco & alcohol	1.55
		Photographic & optics	1.50
		Textiles, garments & leather goods	1.35
		Lodging, catering & leisure	1.21
		Healthcare & social services	0.10
		Total	96.61

Statement of Net Assets

	EUR
Assets	30.9.2013
Investments in securities, cost	99 177 201.94
Investments in securities, unrealized appreciation (depreciation)	37 661 655.24
Total investments in securities (Note 1)	136 838 857.18
Cash at banks, deposits on demand and deposit accounts	7 289 153.97
Other liquid assets (Margins)	399 123.00
Receivable on securities sales (Note 1)	3 735 450.47
Receivable on subscriptions	81 600.34
Interest receivable on securities	4 189.26
Interest receivable on liquid assets	1 029.08
Receivable on dividends	15 621.21
Other receivables	58 802.39
Unrealized gain (loss) on financial futures (Note 1)	-9 150.00
Total Assets	148 414 676.90
Liabilities	
Bank overdraft	-121 174.46
Other short-term liabilities (Margins)	-42 090.00
Interest payable on bank overdraft	-12.47
Payable on securities purchases (Note 1)	-5 221 845.28
Payable on redemptions	-218 069.29
Provisions for Investment Manager fees (Note 2)	-171 194.89
Provisions for performance fee (Note 2)	-961 207.24
Provisions for custodian bank fees (Note 2)	-7 989.07
Provisions for taxe d'abonnement (Note 3)	-17 705.43
Provisions for other commissions and fees (Note 2)	-10 373.22
Total provisions	-1 168 469.85
Total Liabilities	-6 771 661.35
Net assets at the end of the financial year	141 643 015.55

Statement of Operations

	EUR
Income	1.10.2012-30.9.2013
Interest on liquid assets	9 103.90
Interest on securities	4 189.26
Dividends	1 870 302.39
Income on securities lending (Note 11)	540 111.43
Other income	794.81
Total income	2 424 501.79
Expenses	
Investment Manager fees (Note 2)	-1 836 738.09
Performance fee (Note 2)	-961 207.25
Custodian bank fees (Note 2)	-85 714.43
Taxe d'abonnement (Note 3)	-62 799.20
Cost of securities lending activity (Note 11)	-225 304.23
Other commissions and fees (Note 2)	-77 781.90
Interest on cash liquidity and bank overdraft	-189.09
Other expenses	-3 446.75
Total expenses	-3 253 180.94
Net income (loss) on investments	-828 679.15
Realized gain (loss) (Note 1)	
Realized gain (loss) on market-priced securities without options	15 037 555.76
Realized gain (loss) on options	-277 803.00
Realized gain (loss) on financial futures	810 012.34
Total realized gain (loss) on investments	15 569 765.10
Realized gain (loss) on foreign exchange	-99 247.78
Total realized gain (loss)	15 470 517.32
Net realized gain (loss) of the financial year	14 641 838.17
Changes in unrealized appreciation (depreciation) (Note 1)	
Unrealized appreciation (depreciation) on market-priced securities without options	19 651 084.57
Unrealized appreciation (depreciation) on options	16 882.70
Unrealized appreciation (depreciation) on financial futures	152 070.00
Total changes in unrealized appreciation (depreciation)	19 820 037.27
Net increase (decrease) in net assets as a result of operations	34 461 875.44

The notes are an integral part of the financial statements.

Statement of Changes in Net Assets

	EUR
	1.10.2012-30.9.2013
Net assets at the beginning of the financial year	104 627 164.76
Subscriptions	36 499 666.43
Redemptions	-33 945 691.08
Total net subscriptions (redemptions)	2 553 975.35
Net income (loss) on investments	-828 679.15
Total realized gain (loss)	15 470 517.32
Total changes in unrealized appreciation (depreciation)	19 820 037.27
Net increase (decrease) in net assets as a result of operations	34 461 875.44
Net assets at the end of the financial year	141 643 015.55

Changes in the Number of Shares outstanding

	1.10.2012-30.9.2013
Class	Acc
Number of shares outstanding at the beginning of the financial year	863 584.3720
Number of shares issued	266 870.4960
Number of shares redeemed	-251 790.6570
Number of shares outstanding at the end of the financial year	878 664.2110
Class	GBP
Number of shares outstanding at the beginning of the financial year	257.7030
Number of shares issued	0.0000
Number of shares redeemed	-7.7030
Number of shares outstanding at the end of the financial year	250.0000

Statement of Investments in Securities and other Net Assets as of 30 September 2013

Description	Quantity/ Nominal	Valuation in EUR Unrealized gain (loss) on Futures/ Options/Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
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Transferable securities and money market instruments listed on an official stock exchange

Bearer shares

Austria

EUR	C.A.T. OIL AG NPV(BR)	56 887.00	817 750.63	0.58
EUR	WIENERBERGER AG NPV	77 010.00	999 589.80	0.70
Total Austria			1 817 340.43	1.28

Belgium

EUR	ARSEUS NV NPV	6 957.00	145 818.72	0.10
EUR	DELHAIZE GROUP NPV	35 022.00	1 631 674.98	1.15
EUR	KBC GROUP NV NPV	62 648.00	2 275 062.13	1.61
Total Belgium			4 052 555.83	2.86

Denmark

DKK	AURIGA INDUSTRIES SER'B'DKK10	9 502.00	237 609.32	0.17
DKK	COLOPLAST DKK1 B	6 163.00	259 389.91	0.18
DKK	GENMAB AS DKK1 (BEARER)	36 688.00	1 111 737.04	0.78
DKK	PANDORA A/S DKK1	63 634.00	1 942 772.09	1.37
DKK	ROYAL UNIBREW A/S DKK10	24 923.00	2 188 825.90	1.55
DKK	SIMCORP DKK1	37 610.00	935 441.96	0.66
DKK	TOPDANMARK AS DKK1	99 854.00	1 901 180.77	1.34
DKK	TRYG A/S DKK25	13 087.00	890 524.25	0.63
DKK	VESTAS WIND SYSTEM DKK1	165 640.00	3 089 313.30	2.18
Total Denmark			12 556 794.54	8.86

Finland

EUR	NESTE OIL OYJ NPV	49 932.00	816 388.20	0.58
Total Finland			816 388.20	0.58

France

EUR	ADP EUR3	16 746.00	1 295 972.94	0.92
EUR	ALCATEL-LUCENT EUR2	798 755.00	2 115 103.24	1.49
EUR	CREDIT AGRICOLE SA EUR3	293 450.00	2 391 910.95	1.69
EUR	DANONE EURO.25	12 143.00	675 636.52	0.48
EUR	EDF EURO.5	78 090.00	1 825 744.20	1.29
EUR	ILIAD NPV	12 515.00	2 158 837.50	1.52
EUR	L'OREAL EURO.20	11 060.00	1 404 067.00	0.99
EUR	PEUGEOT SA EUR1	144 741.00	1 758 603.15	1.24
EUR	PLASTIC OMNIUM EURO.06	116 076.00	2 169 460.44	1.53
EUR	SAFRAN EURO.20	61 596.00	2 804 773.86	1.98
EUR	SARTORIUS STEDIM B EURO.61	5 746.00	643 552.00	0.46
EUR	SOC GENERALE EUR1.25	383.00	14 105.89	0.01
EUR	TECHNICOLOR EUR1.00	288 574.00	1 116 781.38	0.79
EUR	TELEPERFORMANCE EUR2.50	11 150.00	398 724.00	0.28
EUR	THALES EUR3	41 182.00	1 673 430.57	1.18
EUR	UBISOFT ENTERTAIN EURO.31	106 507.00	1 217 375.01	0.86
Total France			23 664 078.65	16.71

Germany

EUR	BERTRANDT AG NPV	11 268.00	1 048 600.08	0.74
EUR	CANCOM SE NPV	33 191.00	755 925.03	0.54
EUR	DEUTZ AG NPV	95 870.00	640 411.60	0.45
EUR	DRILLISCH AG NPV	64 116.00	1 141 905.96	0.81
EUR	DUERR AG ORD NPV	44 144.00	2 396 577.76	1.69
EUR	HEIDELBERGER DRUCKMASCHINEN ORD NPV	705 546.00	1 403 331.00	0.99
EUR	KUKA AG NPV	31 673.00	1 014 327.83	0.72
EUR	LPKF LASER & ELECT NPV	53 658.00	735 114.60	0.52
EUR	MERCK KGAA NPV	7 161.00	826 021.35	0.58
EUR	MORPHOSYS ORD NPV	26 005.00	1 492 426.95	1.05
EUR	NORDEX AG NPV	128 573.00	1 389 874.13	0.98
Total Germany			12 844 516.29	9.07

Greece

EUR	FOLLI FOLLIE GROUP EURO.30 (CR)	44 156.00	847 795.20	0.60
EUR	JUMBO SA EUR1.19	68 330.00	629 319.30	0.45
EUR	OTE(HELLENIC TLCM) EUR2.39(CR)	217 550.00	1 675 135.00	1.18
Total Greece			3 152 249.50	2.23

Ireland

EUR	GLANBIA ORD EURO.06(DUBLIN LISTING)	104 592.00	1 012 555.15	0.72
EUR	RYANAIR HLDGS ORD EURO.00635	153 077.00	963 007.41	0.68
EUR	SMURFIT KAPPA GRP ORD EURO.001	149 380.00	2 499 127.40	1.76
Total Ireland			4 474 689.96	3.16

Description	Quantity/ Nominal	Valuation in EUR Unrealized gain (loss) on Futures/ Options/Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
Italy			
EUR AZIMUT HLDG S.P.A. EURO.22	166 145.00	2 806 189.05	1.98
EUR BANCA GENERALI SPA	114 798.00	1 917 126.60	1.35
EUR BREMBO SPA EURO.52	47 830.00	921 205.80	0.65
EUR BRUNELLO CUCINELLI EUR100	34 818.00	836 328.36	0.59
EUR DE LONGHI EUR3	89 620.00	1 013 602.20	0.72
EUR INDESIT COMPANY EURO.9	33 785.00	239 704.58	0.17
EUR IRIDE SPA EUR1	925 555.00	834 850.61	0.59
EUR LUXOTTICA GROUP EURO.06	28 694.00	1 128 248.08	0.80
EUR MEDIASET EURO.52	630 000.00	1 890 000.00	1.34
EUR MEDIOLANUM EURO.1	321 888.00	1 728 538.56	1.22
EUR PARMALAT S.P.A. EUR1	608 352.00	1 506 279.55	1.06
EUR RECORDATI EURO.125	71 494.00	634 866.72	0.45
EUR SAFILO GROUP EUR5	68 185.00	991 409.90	0.70
EUR YOOX SPA NPV	42 673.00	1 081 333.82	0.76
Total Italy		17 529 683.83	12.38
Luxembourg			
EUR EUROFINS SCIENTIFI EURO.10	15 334.00	2 856 724.20	2.02
Total Luxembourg		2 856 724.20	2.02
Netherlands			
EUR ASML HOLDING NV EURO.09 (POST SPLIT)	34 679.00	2 531 567.00	1.79
EUR EADS/EURO AERO DEF EUR1	35 649.00	1 678 889.66	1.19
EUR POSTNL NV EURO.48	259 045.00	828 166.87	0.58
EUR SBM OFFSHORE NV EURO.25	109 700.00	1 606 556.50	1.13
EUR VASTNED RETAIL EUR5	4.00	125.84	0.00
Total Netherlands		6 645 305.87	4.69
Norway			
NOK BORREGAARD ASA NOK10	113 322.00	363 301.23	0.26
NOK DNB ASA NOK10	176 348.00	1 977 668.30	1.39
NOK OPERA SOFTWARE SA NOK0.02	34 580.00	270 780.46	0.19
NOK RENEWABLE ENERGY NOK1	3 131 295.00	1 004 637.29	0.71
Total Norway		3 616 387.28	2.55
Spain			
EUR AMADEUS IT HLDGS EURO.01	74 300.00	1 946 660.00	1.37
EUR ATRESMEDIA CORP EURO.75	88 008.00	836 956.08	0.59
EUR DISTRIBUIDORA INTL EURO.01	243 073.00	1 557 854.86	1.10
EUR GAMESA CORP TECNO EURO.17	478 240.00	3 083 213.28	2.18
EUR GRIFOLS SA EURO.5	67 178.00	2 038 852.30	1.44
EUR SACYR EUR1	661 461.00	2 253 597.63	1.59
Total Spain		11 717 134.15	8.27
Sweden			
SEK HEXPOL AB NPV	34 274.00	1 789 656.06	1.26
SEK INTRUM JUSTITIA NV NPV	40 510.00	801 382.07	0.57
SEK KINNEVIK INV AB SER'B'NPV	31 639.00	809 658.15	0.57
SEK OREXO AB NPV	10 685.00	159 452.31	0.11
SEK SAS AB NPV	193 318.00	502 492.59	0.35
SEK SWEDISH ORPHAN BIOVITRUM AB NPV	22 165.00	163 153.59	0.12
Total Sweden		4 225 794.77	2.98
Switzerland			
CHF AUTONEUM HLDG AG CHFO.05(REGD)	1 177.00	104 426.66	0.07
CHF KUDELSKI SA CHF10(BR)	68 830.00	691 652.54	0.49
Total Switzerland		796 079.20	0.56
Total Bearer shares		110 765 722.70	78.20
Other shares			
Switzerland			
CHF ROCHE HLDGS AG GENUSSSCHEINE NPV	11 748.00	2 340 889.07	1.65
Total Switzerland		2 340 889.07	1.65
Total Other shares		2 340 889.07	1.65
Registered shares			
Germany			
EUR BAYER AG NPV (REGD)	19 370.00	1 688 289.20	1.19
EUR BRENNTAG AG	16 151.00	1 987 380.55	1.40
EUR FREENET AG NPV (REGD)	81 245.00	1 453 066.83	1.03
EUR NORMA GROUP SE NPV	22 129.00	788 013.69	0.56
EUR TUI AG NPV (REGD)	182 204.00	1 720 734.57	1.22
EUR UNITED INTERNET AG NPV(REGD)	52 812.00	1 478 736.00	1.04
Total Germany		9 116 220.84	6.44

Description	Quantity/ Nominal	Valuation in EUR Unrealized gain (loss) on Futures/ Options/Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
Spain			
EUR BANKINTER SA	404 175.00	1 607 403.98	1.13
Total Spain		1 607 403.98	1.13
Switzerland			
CHF EMS-CHEMIE HLDG AG CHF0.01(REGD)(POST RECON)	7 567.00	1 978 239.21	1.40
CHF GIVAUDAN AG CHF10	1 477.00	1 594 000.33	1.13
CHF IMPLenia AG CHF1.90 (REGD)	17 943.00	798 907.79	0.56
CHF KOMAX CHF0.10(REGD)	4 112.00	417 905.98	0.29
CHF LONZA GROUP AG CHF1(REGD)	26 920.00	1 627 465.80	1.15
CHF MEYER BURGER TECHN CHF0.05	78 672.00	618 944.31	0.44
CHF PANALPINA WELT AG CHF 0.1 (REGD)	12 505.00	1 361 817.59	0.96
CHF PARTNERS GROUP HLG CHF0.01 (REGD)	4 738.00	858 155.21	0.61
CHF STRAUMANN HLDG CHF0.1(REGD)	9 746.00	1 308 184.70	0.92
CHF SWISS LIFE HLDG CHF5.1(REGD)	14 575.00	2 038 531.46	1.44
Total Switzerland		12 602 152.38	8.90
Total Registered shares		23 325 777.20	16.47
Convertible bonds, fixed rate			
EUR			
EUR AIR FRANCE KLM-REG-S 2.03000% 13-15.02.23	39 335.00	406 468.14	0.29
Total EUR		406 468.14	0.29
Total Convertible bonds, fixed rate		406 468.14	0.29
Total Transferable securities and money market instruments listed on an official stock exchange		136 838 857.11	96.61
Transferable securities and money market instruments not listed on an official stock exchange and not traded on another regulated market			
Rights			
Norway			
NOK REC SOLAR ASA RIGHTS 18.10.13	53 987.84	0.07	0.00
Total Norway		0.07	0.00
Total Rights		0.07	0.00
Total Transferable securities and money market instruments not listed on an official stock exchange and not traded on another regulated market		0.07	0.00
Total investments in securities		136 838 857.18	96.61

Derivative instruments

Derivative instruments listed on an official stock exchange

Financial Futures on Indices

EUR DJ EURO STOXX 50 INDEX FUTURE 20.12.13	183.00	-9 150.00	-0.01
Total Financial Futures on Indices		-9 150.00	-0.01
Total Derivative instruments listed on an official stock exchange		-9 150.00	-0.01
Total Derivative instruments		-9 150.00	-0.01
Cash at banks, deposits on demand and deposit accounts and other liquid assets		7 688 276.97	5.43
Bank overdraft and other short-term liabilities		-163 264.46	-0.12
Other assets and liabilities		-2 711 704.14	-1.91
Total net assets		141 643 015.55	100.00

Notes to the Financial Statements

Annual Report as of 30 September 2013
DIGITAL FUNDS

Note 1 – Summary of significant accounting policies

The financial statements have been prepared in accordance with the generally accepted accounting principles for investment funds in Luxembourg. The significant accounting policies are summarised as follows:

a) Calculation of the net asset value

Unless otherwise described under Chapter 1 of the prospectus, the net asset value per share of the individual subfunds (the "Net Asset Value") is calculated on each business day of the Administration Agent (hereinafter called "Valuation Day"). In this context, "business day" refers to the normal bank business day (i.e. each day on which banks are open during normal hours) in Luxembourg, with the exception of individual, non-statutory rest days as well as days on which exchanges in the main countries in which the subfund invests are closed or 50% or more subfund investments cannot be adequately valued. Non-statutory rest days are days on which individual banks and financial institutions are closed.

The percentages of the total Net Asset Value allocated to each category of shares within one subfund shall be determined by the ratio of shares in circulation in each category of shares within one subfund to the total number of shares in circulation in the same subfund, and shall be adjusted subsequently in connection with the distribution effected and the issues, conversions and redemptions of shares as follows:

- On each occasion when a distribution is effected, the Net Asset Value of the shares which received a dividend shall be reduced by the amount of the distribution (causing a reduction in the percentage of the Net Asset Value allocated to these shares), whereas the Net Asset Value of the other shares of the same subfund shall remain unchanged (causing an increase in the percentage of the Net Asset Value allocated to these shares);
- On each occasion when shares are issued, converted or redeemed the Net Asset Value of the respective categories of shares within the relevant subfund shall be increased or decreased by the amount received or paid out.

b) Valuation principles

Without prejudice to the regulations of each subfund, the net assets valuation of the different subfunds shall be performed as follows:

The assets of each subfund are deemed to include

- all cash in hand or receivable or on deposit, including accrued interest;
- all bills and notes payable on demand and any amounts due to the relevant subfund (including the proceeds of securities sold but not yet collected);
- all securities, shares, bonds, debentures, options or subscription rights and any other investments and securities belonging to the relevant subfund;
- all dividends and distributions due to the relevant subfund in cash or in kind to the extent known to the Company;
- all accrued interest on any interest bearing securities held by the relevant subfund except to the extent that such interest is comprised in the principal thereof;
- the preliminary expenses of the relevant subfund as far as the same have not been written off; and
- all other permitted assets of any kind and nature including prepaid expenses.

The value of these assets shall be determined as follows:

- The value of any cash in hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received is deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as may be considered appropriate in such case to reflect the true value thereof.
- Securities, derivatives and other investments listed on an official stock exchange are valued at the last known market prices. If the same security, derivative or other investment is quoted on several stock exchanges, the last available quotation on the stock exchange that represents the major market for this investment will apply.

In the case of securities, derivatives and other investments where trading of these assets on the stock exchange is thin but which are traded between securities dealers on a secondary market using standard market price formation methods, the Company can use the prices on this secondary market as the basis for the valuation of these securities, derivatives and other investments. Securities, derivatives and other investments that are not listed on a stock exchange, but that are traded on another regulated market which is recognised, open to the public and operates regularly, in a due and orderly fashion, are valued at the last available price on this market.

- Securities and other investments that are not listed on a stock exchange or traded on any other regulated market, and for which no reliable and appropriate price can be obtained, will be valued by the Company according to other principles chosen by it in good faith on the basis of the likely sales prices.
 - The valuation of derivatives that are not listed on a stock exchange (OTC derivatives) is made by reference to independent pricing sources. In case only one independent pricing source of a derivative is available, the plausibility of the valuation price obtained will be verified by employing methods of calculation recognised by the Board of Directors and the auditor, based on the market value of the underlying instrument from which the derivative has been derived.
 - Units or shares of other undertakings for collective investment in transferable securities ("UCITS") and/or undertakings for collective investment ("UCIs") will be valued at their last Net Asset Value. Certain units or shares of other UCITS and/or UCIs may be valued based on an estimate of the value provided by a reliable price provider independent from the target fund's investment manager or investment adviser (Estimated Pricing).
 - For money market instruments, the valuation price will be gradually adjusted to the redemption price, based on the net acquisition price and retaining the ensuing yield. In the event of a significant change in market conditions, the basis for the valuation of different investments will be brought into line with the new market yields.
 - For subfunds that predominantly invest in money market instruments,
 - securities with a residual maturity of less than 12 months are valued in accordance with the ESMA guidelines for money market instruments;
 - interest income earned by subfunds up to and including the second valuation date following the Valuation Date concerned is included in the valuation of the assets of the subfunds concerned. The asset value per share on a given valuation date therefore includes projected interest earnings as at two Valuation Dates hence.
 - Securities, money market instruments, derivatives and other investments that are denominated in a currency other than the currency of account of the relevant subfund and which are not hedged by means of currency transactions are valued at the middle currency rate (midway between the bid and offer rate) obtained from external price providers.
 - Time deposits and fiduciary investments are valued at their nominal value plus accumulated interest.
 - The value of swap transactions is calculated by the counterpart to the swap transaction and a second independent valuation is made available by another external service provider. The calculation is based on the net present value of all cash flows, both inflows and outflows. In some specific cases, internal calculations based on models and market data available from Bloomberg and/or broker statement valuations may be used. The valuation methods depend on the respective security and are determined pursuant to the Administrative Agent's Valuation Policy based on market value. This valuation method is recognised by the Board of Directors and is audited by the Company's auditor.
- If, since the valuation on the relevant Valuation Day, there has been a substantial change in the prices quoted on the stock exchanges or markets where a substantial portion of the investments of the Company which are attributable to a specific subfund are quoted or traded, the Company will be authorized, in order to protect its interest as well as those of its shareholders, to cancel the initial valuation and to make a second valuation.
- As far as possible, all investments and disinvestments decided upon until the Valuation Day will be included in the Net Asset Valuation.
- c) Net realized gain (loss) on sales of securities*
The realized gains or losses on the sales of securities are calculated on the basis of the average cost of the securities sold.
- d) Valuation of forward foreign exchange contracts*
The unrealized gain (loss) of outstanding forward foreign exchange contracts is valued on the basis of the forward exchange rates prevailing at valuation date.
- e) Valuation of financial futures contracts*
Financial futures contracts are valued based on the latest available published price applicable on the valuation date. Realized gains and losses and the changes in unrealized gains and losses are recorded in the statement of operations. The realized gains and losses are calculated in accordance with the FIFO method, i.e. the first contracts acquired are regarded as the first to be sold.

f) Conversion of foreign currencies

Bank accounts, other net assets and the valuation of the investments in securities held denominated in currencies other than the reference currency of the different subfunds are converted at the mid closing spot rates on the valuation date. Income and expenses denominated in currencies other than the currency of the different subfunds are converted at the mid closing spot rates at payment date. Gain or loss on foreign exchange is included in the statement of operations.

The cost of securities denominated in currencies other than the reference currency of the different subfunds is converted at the mid closing spot rate prevailing on the day of acquisition.

g) Consolidated financial statements

The consolidated financial statements of the Company are expressed in EUR. The various items of the consolidated statement of net assets and the consolidated statement of operations as of 30 September 2013 of the Company are equal to the sum of the corresponding items in the financial statements of each subfund.

The following exchange rates were used for the conversion of foreign currencies and the consolidated financial statements as of 30 September 2013:

Exchange rates		
EUR 1 =	CHF	1.224038
EUR 1 =	DKK	7.458138
EUR 1 =	GBP	0.835896
EUR 1 =	NOK	8.141190
EUR 1 =	SEK	8.694629
EUR 1 =	USD	1.353650

h) Receivable on securities sales, Payable on securities purchases

The account "Receivable on securities sales" can also include receivables from foreign currency transactions. The account "Payable on securities purchases" can also include payables from foreign currency transactions.

i) Income recognition

Dividends, net of withholding taxes, are recognized as income on the date upon which the relevant securities are first listed as "ex-dividend". Interest income is accrued on a daily basis.

Note 2 – Charges and Expenses

a) Management Fee

The Management Company is entitled to a management fee payable on a monthly basis at an annual rate of the average Net Asset Values of the subfund during the relevant quarter as shown in the table below:

	Management Fee
DIGITAL FUNDS Stars Europe Acc	1.50% p.a.
DIGITAL FUNDS Stars Europe D	1.50% p.a.
DIGITAL FUNDS Stars Europe GBP	1.50% p.a.
DIGITAL FUNDS Stars Europe R	2.00% p.a.
DIGITAL FUNDS Stars Europe USD	1.50% p.a.
DIGITAL FUNDS Stars Europe Ex-UK Acc	1.50% p.a.
DIGITAL FUNDS Stars Europe Ex-UK GBP	1.50% p.a.

b) Performance Fee

Moreover, the Management Company receives within five business days of the last business day of each twelve-months period starting on the last business day of September an annual performance fee which is determined by the difference between the performance of the net assets and their respective stock benchmark indices.

	Benchmark Indices
DIGITAL FUNDS Stars Europe	MSCI Europe Small Cap Index
DIGITAL FUNDS Stars Europe Ex-UK	MSCI Europe Ex-UK Small Cap Index

The commission is equal to 25% (excluding taxes) of this difference for the subfund DIGITAL FUNDS Stars Europe Gulf Class.

The commission is equal to 20% (excluding taxes) for the R class of the subfunds DIGITAL FUNDS Stars Europe.

For all other classes of DIGITAL FUNDS Stars Europe and DIGITAL FUNDS Stars Europe Ex-UK, the commission is equal to 15% (excluding taxes) of this difference.

The performance fee is accrued daily and paid out to the Management Company within five business days of the last business day of each period.

c) Other Charges and Expenses

The preliminary expenses incurred in the formation of the Company including:

- the preparation and the publication of the Prospectus,
- various fees and taxes to be paid to a Public Notary, tax authorities, (Luxembourg) Stock Exchange,

- printing costs and all other expenses related to the incorporation of the Company were payable by the Company from the proceeds of the offering, subject to otherwise provided by the Board of Directors.

Such preliminary expenses will be written off over a period not exceeding five accounting years. The preliminary expenses will only be borne by the subfunds which will be initially launched. Further subfunds will only bear the preliminary expenses relating to their own launching.

The fees and costs of the Custodian and of the Central Administration and Domiciliation Agent are borne by the Company and shall be those generally charged in Luxembourg with a maximum of 0.25% per annum. They represent an annual percentage of the net assets and are paid on a monthly basis.

The Company's will bear the following operating and administrative expenses: fees and expenses relating to the Company's permanent representatives in countries where registration fees are due, as well as legal, audit, promotion, printing and publication of sales documents and periodical financial reports fees and expenses as well as expenses relating to agents of the Company. Costs relating to general meetings of shareholders or of the Board of Directors, travel expenses for administrators and directors, in a reasonable amount; directors' fees, registration fees and all taxes paid to governmental or stock-exchange authorities, as well as publication costs in relation with the issue and redemption of Shares and other expenses, such as financial, bank or broker expenses charged for the selling or buying of assets; and all other administrative expenses are to be considered and taken into account as costs and expenses relating modification of the Articles of Incorporation and the Prospectus.

Fees and expenses that can not be attributed to one single subfund will either be ascribed to all subfunds on an equal basis or will be prorated on basis of the Net Asset Value of each subfund, if the amount and cause justify doing so.

Note 3 – Taxe d'abonnement

According to the law and practice currently in force, the Company is not liable to any Luxembourg tax on profits or income, nor are any dividends paid by the Company liable to any Luxembourg withholding tax. The Company is, however, liable in Luxembourg to a

tax of 0.05% per annum ("taxe d'abonnement") of its net assets. Such tax being payable quarterly on the basis of the value of the net assets of the Class/Classes of shares at the end of the relevant calendar quarter.

Note 4 – Distribution

a) Distribution Policy

The subfunds with Acc, EUR, R and USD Classes of shares pursue an accumulation policy, the subfunds with GBP Classes of shares pursue a distribution policy.

For the fiscal year ending 30 September 2013 the following dividend will be paid out to the shareholders:

Digital Funds – Stars Europe D

Ex-Date	Pay Date	EUR
4.11.2013	7.11.2013	1.11

Note 5 – Commitments on Financial Futures

Commitments on Financial Futures per subfund and respective currency as of 30 September 2013 can be summarised as follows:

DIGITAL FUNDS	Financial Futures on Indices (bought)	Financial Futures on Indices (sold)
Stars Europe	10 421 980.00 EUR	- EUR
Stars Europe Ex-UK	5 268 570.00 EUR	- EUR

Note 6 – Soft commission arrangements

During the period from 1 October 2012 until 30 September 2013, no "soft commission arrangements" were entered into on behalf of DIGITAL FUNDS and "soft commissions" amount to nil.

Note 7 – Transaction costs

Transaction costs include brokerage fees, stamp duty, local taxes and other foreign charges if incurred during the period. Transaction fees are included in the cost of securities purchased and sold.

For the financial year ended on 30 September 2013, the Company incurred transaction costs relating to purchase or sale of investments in securities and similar transactions as follows:

DIGITAL FUNDS	Transaction costs
Stars Europe	593 043.21 EUR
Stars Europe Ex-UK	278 350.56 EUR

Not all transaction costs are separately identifiable. For fixed income investments, forward currency contracts and other derivative contracts, transaction costs will be included in the purchase and sale price of the investment. Whilst not separately identifiable these transaction costs will be captured within the performance of each subfund.

Note 8 – Total Expense Ratio (TER)

This ratio was calculated in accordance with the Swiss Funds and Asset Management Association (SFAMA) "Guidelines on the calculation and disclosure of the TER and PTR" in the current version and expresses the sum of all costs and commissions charged on an ongoing basis to the net assets (operating expenses) taken retrospectively as a percentage of the net assets.

TER for the last 12 months:

DIGITAL FUNDS	Total Expense Ratio (TER)	thereof proportional Performance fee
Stars Europe Acc	2.45%	0.75%
Stars Europe D	1.79%	0.13%
Stars Europe GBP	2.37%	0.69%
Stars Europe R	2.91%	0.73%
Stars Europe USD	1.89%	0.22%
Stars Europe Ex-UK Acc	2.48%	0.79%
Stars Europe Ex-UK GBP	2.47%	0.78%

TER for classes of shares which were active less than a 12 month period are annualised.

Transaction costs and any other costs incurred in connection with currency hedging are not included in the TER.

Note 9 – Portfolio Turnover Rate (PTR)

This ratio was calculated in accordance with the Swiss Funds and Asset Management Association (SFAMA) "Guidelines on the calculation and disclosure of the TER and PTR" in the current version. The PTR is considered an indicator of the relevance of the additional costs incurred when buying and selling investments. It shows how many security transactions occurred as a result of voluntary investment shifts in relation to the average net assets. Transactions that resulted from uncontrollable subscriptions and redemptions are not included in this rate.

PTR:

DIGITAL FUNDS	Portfolio Turnover Rate (PTR)
Stars Europe	82.09%
Stars Europe Ex-UK	122.69%

Note 10 – Official language

The English version of these financial statements is the authoritative version and only this version was audited by the auditors. However, in the case of Company shares sold to investors from other countries in which Company shares can be bought and sold, the Company and the custodian bank may recognize approved translations (i.e. approved by the Company and the custodian bank) into the languages concerned as binding upon themselves.

Note 11 – OTC Derivatives and Securities Lending

If the Company enters into OTC transactions, it may be exposed to risks related to the creditworthiness of the OTC counterparties: when the Company enters into futures contracts, options and swap transactions or uses other derivative techniques it is subject to the risk that an OTC counterparty may not meet (or cannot meet) its obligations under a specific or multiple contracts. Counterparty risk can be reduced by depositing a security. If the Company is owed a security pursuant to an applicable agreement, such security shall be held in custody by the Custodian bank/Custodian in favour of the Company or transferred to the OTC counterparty as agreed between the Company and the OTC counterparty. Bankruptcy and insolvency events or other credit events with the OTC counterparty, the Custodian Bank or within their sub custodian/ correspondent bank network may result in the rights or recognition of the Company in connection with the security to be delayed, restricted or even eliminated, which would force the Company to fulfil its obligations in the framework of the OTC transaction, in spite of any security that had previously been made available to cover any such obligation.

The Company may lend portions of its securities portfolio to third parties. In general, lendings may only be effected via recognized clearing houses such as Clear stream International or Euroclear, or through the intermediary of prime financial institutions that specialise in such activities and in the modus specified by them. Securities lending income and costs are shown separately in the Statement of Operations. Collateral is received in relation to securities lent. Collateral is composed of high quality securities in an amount typically at least equal to the market value of the securities loaned.

OTC-Derivatives*

Subfund Counterparty	Exposure	Collateral
DIGITAL FUNDS Stars Europe		
UBS AG	7 426.96 EUR	- EUR

* Derivatives traded on an official exchange market are not included in this table as they are guaranteed by a clearing house. In the event of a counterparty default, the clearing house assumes the risk of loss.

Securities Lending

Subfund	Exposure	Collateral
Digital Funds Stars Europe	70 648 546.33 EUR	76 670 938.65 EUR
Digital Funds Stars Europe ex-UK	48 505 528.77 EUR	52 640 353.04 EUR

Collateral breakdown	Weight %
UBS AG	
Cash	0.00%
Bonds	0.00%
Equity	100.00%

Global Exposure (unaudited)

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Risk management

Risk management in accordance with the commitment approach and the value-at-risk approach is applied pursuant to the applicable laws and regulatory provisions.

Leverage

Leverage is defined pursuant to the applicable CESR directives as the total of the notional values of the derivatives used by the respective subfund. According to this definition, leverage may result in artificially increased leverage amounts, as some derivatives that can be used for hedging purposes may be included in the calculation. Consequently, this information does not necessarily reflect the precise actual leverage risk that the investor is exposed to.

Subfund	Global risk calculation method
DIGITAL FUNDS Stars Europe	Commitment approach
DIGITAL FUNDS Stars Europe Ex-UK	Commitment approach