Raiffeisen Capital Management

Raiffeisen HealthCare Equities

(Original German name: Raiffeisen-HealthCare-Aktien)

Semi-annual fund report

2014

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Semi-annual fund report from 1 June 2014 to 30 November 2014

Raiffeisen HealthCare Equities is an equity fund. It pursues an investment goal of long-term capital growth subject to a higher level of risk. It mainly invests (at least 51 % of its fund assets) in equities and equity-equivalent securities issued by companies which develop, manufacture or sell healthcare, medical, pharmaceuticals or biotechnology products or services. The fund may also invest in other securities, in bonds and money market instruments issued by countries, supranational issuers and/or companies etc., in units in investment funds and in sight deposits and deposits at notice. The fund is actively managed and is not limited by means of a benchmark.

General fund information

Tranche	Fund currency	Tranche currency	Launch date	ISIN
ISIN income-distributing (R) (A)	EUR	EUR	18/4/2001	AT0000714274
ISIN income-retaining (R) (T)	EUR	EUR	18/4/2001	AT0000714282
ISIN full income-retaining (outside Austria) (R) (VTA)	EUR	EUR	29/10/2002	AT0000712716
ISIN full income-retaining (outside Austria) (I) (VTA)	EUR	EUR	1/4/2011	AT0000A0LYB5
ISIN savings fund income-distributing (R) (A)	EUR	EUR	18/4/2001	AT0000712724
ISIN savings fund income-retaining (R) (T)	EUR	EUR	18/4/2001	AT0000712732

Fund characteristics

Financial year:	1 June – 31 May
Distribution/payment/reinvestment date:	16 August
EU directive compliance:	EU directive-compliant jointly owned fund under the 2011 Austrian Investment Fund Act (InvFG), as amended
Max. management fee for the fund:	R tranche: 2.00 % I tranche: 1.00 %
Custodian bank:	Raiffeisen Bank International AG
Management company:	Raiffeisen Kapitalanlage-Gesellschaft m.b.H. Schwarzenbergplatz 3, A-1010 Vienna Tel. +43 1 71170-0, Fax +43 1 71170-1092 www.rcm.at Companies register number: 83517 w
Fund management:	Raiffeisen Kapitalanlage-Gesellschaft m.b.H.
Auditor:	KPMG Austria GmbH

Legal notice

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

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

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

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

The performance is calculated by Raiffeisen Kapitalanlage-Gesellschaft m.b.H. using the method developed by OeKB (Österreichische Kontrollbank AG), on the basis of data supplied by the custodian bank (where outpayment of the redemption price is suspended, with use of indicative values). Some costs – the subscription fee (not exceeding 5.00 % of the invested amount) and any redemption fee (not exceeding 0.00 % of the sold amount) – are not included in the performance calculation. Where included in any calculation, they will accordingly result in a lower performance. Past results do not permit any reliable inferences as to the future performance of the fund.

Dear unitholder,

Raiffeisen Kapitalanlage-Gesellschaft m.b.H. is pleased to present its semi-annual fund report for Raiffeisen HealthCare Equities for the period from 1 June 2014 to 30 November 2014.

Fund details

	31/5/2014	30/11/2014
Fund assets in EUR	39,635,809.45	55,819,542.27
Net asset value/unit (R) (A) EUR	135.46	159.06
Issue price/unit (R) (A) EUR	142.23	167.01
Net asset value/unit (R) (T) EUR	143.72	172.89
Issue price/unit (R) (T) EUR	150.91	181.53
Net asset value/unit (R) (VTA) EUR	143.66	173.99
Issue price/unit (R) (VTA) EUR	150.84	182.69
Net asset value/unit (I) (VTA) EUR	148.79	181.11
Issue price/unit (I) (VTA) EUR	156.23	190.17

Units in circulation

	AT0000714274 (R) A	AT0000714282 (R) T	AT0000712716 (R) VTA	AT0000A0LYB5 (I) VTA
Units in circulation on 31/5/2014	8,441.910	184,721.260	83,123.156	10.000
Sales	2,213.150	53,687.503	35,700.545	0.000
Repurchases	- 748.885	- 30,782.415	- 13,391.517	0.000
Units in circulation	9,906.175	207,626.348	105,432.184	10.000
Total units in circulation on 30/11/2014				**322,974.707**

Fund investment policy report

In the period under review the fund achieved growth of 21.11 % (R tranche). This reflects solid sales trends for several newly launched products in the pharmaceuticals and biotechnology segments as well as strong takeover activities in the healthcare sector. The US dollar's strong price rise against the euro also had a positive impact on the fund's performance.
Since we remain optimistic regarding the outlook for the healthcare sector, the fund seeks to map many different business models. Besides pharmaceuticals and biotechnology firms, this includes companies in the following sectors: medical technology, healthcare insurers (in the USA especially), hospital operators and pharmaceuticals wholesalers.
In the period under review, the fund newly purchased the generics manufacturer Teva, the American hospital operator Community Health, the contract research firm Quintiles, the health insurer Wellpoint and the German firm Evotec.
On the other hand, the company sold its holdings in the US firm Covidien, following a takeover offer, and in the German hospital operator Rhön-Klinikum.
On the reporting date the USA accounted for the fund's largest country weighting, followed by Switzerland and the United Kingdom.

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

Makeup of fund assets in EUR

Securities	Market value	%
Equities:		
USD	37,985,050.43	68.04
EUR	4,269,934.00	7.65
GBP	3,168,429.50	5.68
CHF	3,056,283.54	5.48
DKK	2,014,913.44	3.61
JPY	1,254,022.08	2.25
Total equities	**51,748,632.99**	**92.71**
Participation certificates:		
CHF	2,966,654.19	5.31
Total securities	**54,715,287.18**	**98.02**
Bank balances		
Bank balances in fund currency	1,146,043.76	2.05
Accruals and deferrals		
Interest claims (on securities and bank balances)	4.71	0.00
Dividends receivable	50,390.62	0.09
Total accruals and deferrals	**50,395.33**	**0.09**
Other items		
Various fees	- 92,184.00	- 0.16
Total fund assets	**55,819,542.27**	**100.00**

Portfolio of investments in EUR

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

ISIN	SECURITY TITLE	CURRENCY	VOLUME 28/11/2014	PURCHASES ADDITIONS IN PERIOD UNDER REVIEW	SALES DISPOSALS IN PERIOD UNDER REVIEW	PRICE	MARKET VALUE IN EUR	% SHARE OF FUND ASSETS
EQUITIES IN EURO								
DE000BAY0017	BAYER AG NA	EUR	8,000			120.350000	962,800.00	1.72
DE0005664809	EVOTEC AG O.N.	EUR	80,000	80,000		3.260000	260,800.00	0.47
DE0005785604	FRESENIUS SE+CO.KGAA O.N.	EUR	15,000	15,000	5,000	43.615000	654,225.00	1.17
DE000A0LD6E6	GERRESHEIMER AG	EUR	7,000			45.290000	317,030.00	0.57
ES0171996004	GRIFOLS SA PREF. B EO-,10	EUR	10,000	10,000		29.900000	299,000.00	0.54
FR0000120578	SANOFI SA INHABER EO 2	EUR	12,900			77.230000	996,267.00	1.78
DE0007251803	STADA ARZNEIMITT.VNA O.N.	EUR	12,000	4,300		29.545000	354,540.00	0.64
BE0003739530	UCB S.A.	EUR	6,800			62.540000	425,272.00	0.76
EQUITIES IN US DOLLARS								
US0028241000	ABBOTT LABS	USD	19,000	6,000		44.250000	673,596.92	1.21
US00287Y1091	ABBVIE INC. DL-,01	USD	32,700	11,000		68.700000	1,799,855.79	3.22
IE00BD1NQJ95	ACTAVIS PLC DL-,0001	USD	7,000	4,000		270.470000	1,516,876.98	2.72
US00817Y1082	AETNA INC. DL-,01	USD	11,500			86.910000	800,757.12	1.43
US03073E1055	AMERISOURCEBERGEN DL-,01	USD	7,000			90.090000	505,251.77	0.91
US0311621009	AMGEN INC. DL-,0001	USD	14,800	2,000		164.720000	1,953,175.50	3.50
US04033A1007	ARIAD PHARMA. DL-0.001	USD	12,600			7.290000	73,592.12	0.13
US09062X1037	BIOGEN IDEC INC. DL-,0005	USD	3,900			304.920000	952,760.49	1.71
US1101221083	BRISTOL-MYERS SQUIBBDL-10	USD	33,600			58.860000	1,584,501.86	2.84
US14149Y1082	CARDINAL HEALTH INC.	USD	11,400			81.500000	744,381.68	1.33
US1510201049	CELGENE CORP. DL-,01	USD	16,000	16,000	4,000	112.610000	1,443,544.45	2.59
US1567821046	CERNER CORP. DL-,01	USD	11,700			63.700000	597,115.73	1.07
US1255091092	CIGNA CORP. DL 1	USD	10,000		4,700	102.010000	817,289.59	1.46
US2036681086	COMMUN. HEALTH SYS NEW	USD	10,000	10,000		47.270000	378,720.51	0.68
US2166484020	COOPER COS INC. DL-,10	USD	2,900			169.150000	393,009.65	0.70
US2681582019	DYNAVAX TECHS DL-,001	USD	3,870	3,870		15.100000	46,818.89	0.08
US28176E1082	EDWARDS LIFESCIENCES	USD	5,500			129.160000	569,146.34	1.02
US30219G1085	EXPRESS SCRIPTS HLDG	USD	13,600			82.340000	897,187.04	1.61
US3755581036	GILEAD SCIENCES DL-,001	USD	31,100	3,000		100.300000	2,499,162.76	4.48
US40412C1018	HCA HOLDINGS INC. DL-,01	USD	8,500	8,500		69.480000	473,164.28	0.85
US4781601046	JOHNSON + JOHNSON DL 1	USD	19,500			107.210000	1,674,954.93	3.00
US5324571083	LILLY (ELI)	USD	21,400			67.320000	1,154,226.66	2,07
IE00BBGT3753	MALLINCKRODT PLC DL -,20	USD	1,262			91.640000	92,656.88	0.17
US58155Q1031	MCKESSON DL-,01	USD	6,450			208.240000	1,076,111.04	1.93
US58502B1061	MEDNAX INC. DL-,01	USD	9,000			64.700000	466,530.47	0.84
US5850551061	MEDTRONIC INC. DL-,10	USD	19,000			73.480000	1,118,551.46	2.00
US58933Y1055	MERCK CO. DL-,01	USD	47,900			59.750000	2,293,013.66	4.11
US6285301072	MYLAN INC. DL-,50	USD	9,000			58.620000	422,689.58	0.76
US6994621075	PAREXEL INTL CORP. DL-,01	USD	8,000			58.040000	372,006.57	0.67
US7170811035	PFIZER INC. DL-,05	USD	106,800	22,000		31.100000	2,661,122.46	4.77
US74876Y1010	QUINTILES TRANSN.H.DL-,01	USD	11,000	11,000		57.960000	510,803.99	0.92
US75886F1075	REGENERON PHARMAC.DL-,001	USD	2,500			415.840000	832,912.71	1.49
US7908491035	ST.JUDE MEDICAL INC.DL-10	USD	11,700			67.840000	635,923.57	1.14
US8636671013	STRYKER CORP. DL-0.10	USD	8,700			92.370000	643,848.10	1.15
US8816242098	TEVA PHARMACEUT. ADR	USD	18,000	18,000		56.810000	819,276.53	1.47
US8835561023	THERMO FISH.SCIENTIF.DL 1	USD	5,000	2,000	5,700	128.660000	515,402.80	0.92
US91324P1021	UNITEDHEALTH GROUP DL-,01	USD	15,500			98.110000	1,218,367.18	2.18
CA91911K1021	VALEANT PHARMACEUT. INTL	USD	8,000	2,200		144.730000	927,644.91	1.66
US94973V1070	WELLPOINT INC. DL-,01	USD	6,500	6,500		126.900000	660,858.07	1.18
US98956P1021	ZIMMER HOLDINGS DL-,01	USD	7,500	3,000		111.630000	670,772.74	1.20
US98978V1035	ZOETIS INC. CL.A DL -,01	USD	13,900			44.670000	497,466.65	0.89
EQUITIES IN BRITISH POUNDS								
GB0009895292	ASTRAZENECA PLC DL-,25	GBP	21,000			47.205000	1,248,966.86	2.24
GB0009252882	GLAXOSMITHKLINE LS-,25	GBP	53,500			14.785000	996,595.06	1.79
JE00B2QKY057	SHIRE PLC LS-,05	GBP	16,000	4,600	5,000	45.780000	922,867.58	1.65

Any discrepancies in terms of % shares of the fund assets result from rounding-off.

ISIN	SECURITY TITLE	CURRENCY	VOLUME 28/11/2014	PURCHASES ADDITIONS IN PERIOD UNDER REVIEW	SALES DISPOSALS IN PERIOD UNDER REVIEW	PRICE	MARKET VALUE IN EUR	% SHARE OF FUND ASSETS
EQUITIES IN JAPANESE YEN								
JP3942400007	ASTELLAS PHARMA INC.	JPY	53,500			1,697.500000	617,584.20	1.11
JP3347200002	SHIONOGI + CO. LTD	JPY	17,400			2,887.000000	341,608.48	0.61
JP3398000004	SUZUKEN CO LTD	JPY	4,900			3,000.000000	99,965.45	0.18
JP3463000004	TAKEDA PHARM.CO.LTD.	JPY	5,800			4,940.500000	194,863.95	0.35
EQUITIES IN SWISS FRANCS								
CH0012005267	NOVARTIS NAM. SF 0,50	CHF	39,500	14,000		93.000000	3,056,283.54	5.48
EQUITIES IN DANISH CROWNS								
DK0015998017	BAVARIAN NOR NAM. DK 10	DKK	15,000			176.500000	355,865.91	0.64
DK0060448595	COLOPLAST NAM. B DK 1	DKK	7,300			527.000000	517,111.14	0.93
DK0060534915	NOVO-NORDISK NAM.B DK-,20	DKK	31,500		10,000	269.700000	1,141,936.39	2.05
PARTICIPATION CERTIFICATES IN SWISS FRANCS								
CH0012032048	ROCHE HLDG AG GEN.	CHF	12,300	4,300		289.900000	2,966,654.19	5.31
TOTAL SECURITIES PORTFOLIO							**54,715,287.18**	**98.02**
BANK BALANCES								
EUR BALANCES							**1,146,043.76**	**2.05**
ACCRUALS AND DEFERRALS								
INTEREST CLAIMS							4.71	0.00
DIVIDENDS RECEIVABLE							50,390.62	0.09
TOTAL ACCRUALS AND DEFERRALS							**50,395.33**	**0.09**
OTHER ITEMS								
VARIOUS FEES							**-92,184.00**	**-0.16**
TOTAL FUND ASSETS							**55,819,542.27**	**100.00**
NET ASSET VALUE PER UNIT								
TRANCHE R INCOME-DISTRIBUTING							EUR	159.06
TRANCHE R INCOME-RETAINING							EUR	172.89
TRANCHE R FULL INCOME-RETAINING							EUR	173.99
TRANCHE I FULL INCOME-RETAINING							EUR	181.11
UNITS IN CIRCULATION								
TRANCHE R INCOME-DISTRIBUTING							UNITS	9,906.175
TRANCHE R INCOME-RETAINING							UNITS	207,626.348
TRANCHE R FULL INCOME-RETAINING							UNITS	105,432.184
TRANCHE I FULL INCOME-RETAINING							UNITS	10.000

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

ISIN	SECURITY TITLE	CURRENCY	VOLUME 28/11/2014
DE0005664809	EVOTEC AG O.N.	EUR	40,000

EXCHANGE RATES

FOREIGN CURRENCY ASSETS WERE CONVERTED INTO EUR ON THE BASIS OF THE EXCHANGE RATES APPLICABLE ON 27/11/2014

CURRENCY		UNIT	PRICE
SWISS FRANC	CHF	1 EUR =	1.201950
DANISH CROWN	DKK	1 EUR =	7.439600
BRITISH POUND	GBP	1 EUR =	0.793700
JAPANESE YEN	JPY	1 EUR =	147.050800
US DOLLAR	USD	1 EUR =	1.248150

Any discrepancies in terms of % shares of the fund assets result from rounding-off.

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

ISIN	SECURITY TITLE	CURRENCY	PURCHASES ADDITIONS	SALES DISPOSALS
EQUITIES IN EURO				
DE0007042301	RHOEN-KLINIKUM O.N.	EUR		15,000
EQUITIES IN US DOLLARS				
IE00B68SQD29	COVIDIEN (P.CONS.)DL -,20	USD		13,592
US2681581029	DYNAVAX TECHS DL-,001	USD		38,700
US9285511005	VIVUS INC.	USD		19,400
SUBSCRIPTION RIGHTS IN EURO				
DE000A12UPR0	RHOEN-KLINIKUM Z.ANDIEN.	EUR	15,000	15,000

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

Vienna, 12 January 2015

Raiffeisen Kapitalanlage-Gesellschaft m.b.H.

Mag. (FH) Dieter Aigner Mag. Michael Höllerer Mag. Rainer Schnabl

Appendix

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