VÖIG

VEREINIGUNG ÖSTERREICHISCHER INVESTMENTGESELLSCHAFTEN

AUSTRIAN ASSOCIATION OF INVESTMENT FUND MANAGEMENT COMPANIES

ANNUAL REPORT 2010

CONTENT

MISSION STATEMENT

The Association of Austrian Investment Companies (Vereinigung Österreichischer Investmentgesellschaften, VÖIG) was founded on 20 January 1988, and is the umbrella organisation for all Austrian investment fund management companies and all Austrian Real Estate Investment Fund Management Companies. Consequently VÖIG represents 100% of the fund assets managed by the Austrian Investment Fund Management Companies and Real Estate Investment Fund Management Companies.

The purpose and the duty of the Association, which is organised under the law of associations, are to promote the investment industry in Austria and to provide comprehensive support to the members of the association.

VÖIG participates in the evaluation of national and international (primarily European) rules that affect the interests of its members. VÖIG is in permanent contact with ministries, authorities and the Austrian Federal Economic Chamber (WKO) and exchanges information with national and international organisations and associations.

As a member of the European Fund and Asset Management Association (EFAMA), VÖIG has voting rights in various bodies at the European level.
Moreover, VÖIG is an active member of the International Investment Fund Association (IIFA).

Since early 2005, VÖIG has been admitting information members, who have access to an exclusive, real-time information system. As of 31 December 2010, VÖIG had 38 information members.

VÖIG sees itself as a competent partner for Austrian and foreign media, and responds to inquiries about the Austrian investment industry from Austria and abroad.

2010 was exciting right to the end. After a relatively calm start, last year provided several ups and downs, unfortunately drawing to a close with a negative peak, a new tax. It should not go without mention that not only the immediately striking events demanded a lot of work, but in particular many legal conditions or the variants in plans to implement them, which challenged VÖIG and the entire investment fund industry.

Despite all these challenges, the entire industry in 2010 may yet again be summarised by saying: the year was mastered well. This statement can be judged all the more true if the events of the past year are recalled briefly: Following the crisis of the past years, there was reason to hope for a calm year once again, but that did not come to fruition. Crises in Euroland, the crises in the budgets of several European countries and the rest of the Euroland countries' initially indecisive position regarding this challenge, led to a sustained discussion about the future of the euro and the euro zone. For the first time, we had to and we still have to face the question of a possible debt rescheduling of a Euroland country, being Greece. However, Greece was only the next step in the discussion about a meaningful spread landscape within the single currency zone. The cases of spread widening, which had also negatively affected Austria during the banking crisis and the negative position vis-à-vis Eastern Europe, and which had reached their first peak at the time, were now continued in a significantly better and more fundamentally supported way. Unfortunately, the satisfaction that most of the Eastern European countries so avidly criticised at the outset are now better off in terms of their budgets than nearly all Western European countries does not help us Austrians either. At best, it is a confirmation to those who stuck to their "Eastern Europe strategy" despite international critique.

The result is a Europe that has made progress toward solving its debt crisis, but which has not yet solved it, plus the additional challenge of taking itself more serious – where self-imposed measurement criteria such as the Maastricht criteria also have to be fulfilled – and to make is all convincingly clear to the capital markets, first off.

At the same time, 2010 was also the year after the economic stimulus packages, a year in which close monitoring was required to determine whether self-supported and sustainable economic growth would come. Accordingly, the reactions to various economic data were often nervously exaggerated, and there were stronger reactions on the capital markets than in more volatile times.

The Austrian fund industry handled the market challenges from the investment side well. However, product sales suffered not only under the market-related burden of the risk markets, but also in the last quarter under a very unfortunate tax discussion, which was disadvantageous for the funds. A tax on capital gains from securities that exceed the speculation time period was introduced in Austria for the first time. And to make the discussion as chaotic as possible and without an alternative, it was introduced extremely rapidly and with high costs. Unlike in the rest of the world, Austria thought up the cunning practice of first taxing within funds and then on the unit certificate level, and then, to avoid this leading to “unfairness”, taxes paid are offset against taxes due. The cost of introducing and levying a not very suitable but astoundingly creative variation is accordingly great. It would likely have been simpler, less costly and especially more transparent for the private investor if the tax had only been applied at the unit level.

The consequence was logical. The unclear situation in the last quarter in connection with the political intention to impose the tax within a very short time (two weeks between passage and implementation of the law! – a similar tax in Germany came with a two-year transition period) naturally led to the flight to risk related to a single category of securities and the downward spiralling of fund sales, which are typically strong in the fourth quarter. Since then, the situation has calmed down and now the senselessly shaken customers have to be won back.

But VÖIG was challenged not only by Austria's own national government. "Brussels" also posed a great challenge. UCITS IV was given a final polish and several notable steps forward were taken with regard to the AIFM. Contrary to the tax discussion, UCITS IV offers the possibility for an important step forward for Austrian investment fund management companies and their customers. The significance of UCITS IV has been noted several times – here as well. In the next days we will see how it will be applied in Austria. Massive demands are being put on VÖIG again in this phase, since it has to submit important comments before the resolution is passed. In any case, we can look forward to implementation in the second half of the year.

Of course, the "big ticket items" weren't everything. In addition, there were also numerous initiatives to improve our cooperation with the authorities. Many regulations and ordinances affecting our customers and the use of investment funds have demanded the full attention and commitment of VÖIG employees.

I would like to express my personal thanks to the VÖIG employees and to our tireless Secretary General, Mag. Dietmar Rupar, whose great effort was an important factor leading to a positive result for 2010 despite all adversity.

But this team can only function so well if the broad support from the entire industry continues to be provided as always. I would like to mention especially the working groups that not only do an important share of the work on the content, but also made it possible ahead of time to take critical steps toward reaching a balance of interests among the individual houses. Many thanks not only to the members of the working groups themselves, but also to all of the investment fund management companies that have given their members the opportunity and the time to be a part of the working groups.

Finally, I do not want to fail to thank my colleagues on the Board of Directors, who not only works together constructively, but who manages time and again, despite the competitive situation among our customers, to come up with pragmatic solutions in a pleasantly collegial atmosphere. Many thanks for this!

I am convinced that we will, in customary cooperation on and at all levels, be successful in 2011. With this in mind, I look forward to our work together in 2011!

Mag. Heinz Bednar

All those who thought the capital markets would enter smooth waters after all the turbulence over the last years once again witnessed something different last year. Indeed, there was economic growth, increasing corporate profits and a dynamic business environment driven by Germany, all that alongside loose monetary policy, called "quantitative easing". This also resulted in stock market indexes closing clearly up. For example, ATX and DAX rose approximately 16% for the year. However, the insecurity, turbulence and disagreement around European government bonds and the Single currency, the Euro, spoiled the soup. The problem zone stretched from Greece and the Mediterranean countries up to Ireland. The "error" of a Nobel Prize recipient, who foresaw this tragic for Austria, was no real solace. Naturally, the traditional Austrian small investors reacted with caution and the sale of retail funds didn't get off the ground in the first two quarters.

In the third and fourth quarter, which are so important in investment sales, politics made its entry as "maître de strife". In the end of October, in a surprise-like attack, a draft law on a capital gains tax was submitted for review, which, as rumour will have it, was created in the steamy heat of the sauna in a Styrian thermal spa hotel. From the outset, VÖIG and the Austrian banks have communicated their understanding that introducing a 25% tax on capital gains is a political decision which is to be accepted in a democratic environment. The only thing that mattered to us was to push for a form with manageable administrative and time requirements and which treated all capital investments for small investors equally from a tax perspective. VÖIG dedicated itself to this task with all its energy. Numerous conversations with the political decision-makers took place on the CEO level, on the membership level, and on the Board level. Negotiations with officials from the Federal Ministry of Finance were led by President Mag. Heinz Bednar, supported by Dr. Mathias Bauer and DDr. Werner Kretschmer, as well as experts on the issue from VÖIG. Unfortunately, it was quickly apparent that no matter how clear our examples were, they would not bring us any closer to achieving our goal of tax equality as practiced in Germany. Peculiarly, the tax model selected also permanently lowered taxes on traders branded as speculators in politician speak, to 25%, while fund investors with a long-term focus are saddled with the role of pre-financing state coffers with tax prepayments. In order to avoid double taxation of those prepaying tax, the law establishes an exaggeratedly complex administrative method for depositaries, including – of course – legal responsibility for the accuracy of amounts paid. In addition to numerous other aspects, this forms the core of a constitutional complaint filed by the Austrian banking industry, the results of which will be available sometime in June of 2011.

Despite all the unnecessary complexity of the law, it should be noted that, from a VÖIG perspective, the law also creates opportunities for private investors in Austrian investment funds. Automatic loss compensation in funds, loss carry over and offsetting price losses against ordinary income without a tax assessment by the tax authority are benefits to private investors. Everyone knows that Austrians are at least as reluctant to undergo a tax assessment by the tax authority as to go to the dentist. The price, however, is that Austrian funds are in part managed from the tax perspective and are therefore different from funds managed according to the principles of asset management.

VÖIG was, however, successful in achieving the exclusion of investment fund management companies – as is the case in the rest of Europe – from being subjected to the national banking tax. As is generally known, in an initial opinion on fund assets solely co-owned by unit certificate owners, an assessment basis of several basis points was set. This resulted in an amount which would have far exceeded the results from ordinary activities of all Austrian investment fund management companies!

After a “slight“ delay of 18 months, within the framework of the Budget Accompanying Act, our wish for the elimination of the 30% borrowing limit for securities for specialised funds owned by banks for the purpose of doing refinancing business with central banks was granted.

Unexpectedly, we were hit by a draft notice by the Financial Market Authority ordering us to refrain from the customary practice of reviewing investments in a bank's own portfolio. The justification for this was a non-binding CEBS recommendation. As if sent from heaven, a proposed regulation from Germany came our way before the final discussion which – under the same legal position – made the review still possible. Subsequently, a proper solution could be reached with the Financial Market Authority. It would have been strange, indeed, if the investment fund management companies could have managed the same assets without large-volume investment problems within the framework of their expanded concession on single securities accounts, but not in the cost-efficient fund form. In some quiet moments later on, I was plagued by the thought of how this discussion would have ended if the postman had not delivered the proposed regulation from Germany in time.

VÖIG can only be successful as a body representing interests if people work intensively on the membership level, on the Board of Directors, and in the working groups. This past year demanded lots of time and work, and it worked extraordinarily well. I extend my special thanks to everyone involved. I would also like to thank the employees of VÖIG for their commitment to the well-being of the organisation. VÖIG is active not only on the national level, but is also intensively involved on the personal level in diverse bodies within the framework of EFAMA. Given the upcoming implementation of UCITS IV and the implementation of the AIFMD, this level of engagement is a must right now. Working for us has its rewards, by the way. For example, Dr. Kammel was elected as one of the 4 European representatives to the Board of the International Investment Funds Association (IIFA).

At least in 2011, the Austrian investment fund industry is not likely to discover the lightness of being. Once the Constitutional Court's decision on the tax on capital gains is available, there will be an attempt to find a solution that protects the investments made, on the one hand, without prolonging the special tax regime in the area of funds on the other. Furthermore, it appears that the proposed national implementation of UCITS IV is going into review much too late. Given the complete overhaul of the Investment Funds Act, we are called on to proceed in a very direct manner. The far too brief preparation time for the Austrian investment fund management companies, most of which are small or medium-sized enterprises, will pose great challenges to us. Together with Dr. Herbert Pichler, the Managing Director of the Bank and Insurance Division of the Austrian Federal Economic Chamber, VÖIG will make every effort to solve all problems and doubts that arise as best it can. Even in light of this, I am still looking forward to working together well in the year to come.

Mag. Dietmar Rupar

1. General

In response to the financial crisis, the European Commission published a draft for an "Alternative Investment Fund Manager (AIFM)" Directive on 30 April 2009 with the intent to create common requirements for the authorisation and monitoring of AIFM in order to ensure the coherency of steps taken with regard to risk and its consequences for investors and markets in the Union. From the perspective of European policy makers, the difficulties in the financial markets have shown that many AIFM investment strategies can be associated with various levels of risk. They concluded that a far-reaching framework needs to be established to achieve comprehensive joint regulatory rules to counteract these risks.

After the draft Directive was published and a wave of harsh criticism was hurled at the Commission from all sides, it quickly became clear that the original proposal did not provide a basis for a future Directive. For this reason, it took until 27 October 2010 to agree on a final text in trilogue negotiations. To illustrate the complexity of the AIFM Directive, the following sections outline the scope of application and sales of AIF.

2. Materiel aspects of the AIFM Directive

2.1. Fundamentals

The preamble to the Directive clarifies that its aim is not to regulate alternative investment funds (AIF), but rather their managers. Hence, the AIFM Directive is not a product directive, but rather an administrative directive, which is intersected by numerous product-specific provisions, resulting, dogmatically, in a hybrid construction. It is also made clear that the Directive applies to all types of funds not covered by the UCITS framework.

As a result of this distinction and the ambition to regulate all non-UCITS funds, the regulatory structure has to be applicable to a large number of inhomogeneous fund constructions, which is why the Directive explicitly does not prevent Member States from making their own national demands on AIF. In doing so, and this is a further basic principle of the Directive, focus is to be put on the overall interests of AIF investors, who are principally professional investors. It is through this lens that the obligation of AIFM to take action through robust governance controls to minimise conflicts of interest, the minimum capital requirements, and the restrictive provisions on remuneration policy, on delegation, on substantial influence on other undertakings, as well as on custodian banks and on the ability to allocate assets must be understood. It is important in this context that the application of the Directive always be perceived in the light of the principles of proportionality and subsidiarity, given the complexity of the content covered by the Directive and (in some cases) already existing national policies.

In addition, the AIFM Directive calls for a multi-stage verification process, including the review of the passport regime after two years and of the scope of application prior to the complete transposition of the Directive after four years. Accordingly, it will take until 2018 until the AIFM framework is completely established.

2.2. Scope of application

The controversial scope of application of the AIFM Directive encompasses all undertakings that regularly manage AIF, irrespective of whether they are open-end or closed-end AIF, their legal form, or their stock market listing status, and raise capital from a number of investors for investment purposes following a defined investment policy for the benefit of those investors. In this regard, it provides for a single AIFM for every AIF, which is responsible for compliance with the requirements of the Directive. This may be handled by either an external manager or internal management.

Substantially, the AIFM Directive applies to three main groups, namely a) all EU AIFM which manage one or more EU or non-EU AIF, b) all non-EU AIFM which manage EU AIF, regardless of whether or not these are marketed within EU jurisdiction, and c) all non-EU AIFM which market either EU or non-EU AIF in the EU.

The Directive explicitly does not apply to holding companies, institutions that fall under the IORP Directive, supranational institutions, central banks, national, regional and local governments or institutions that manage funds for the purposes of social security or pension systems, employee contribution programs, employee provision schemes, and specialised securitisation special purpose vehicles. Furthermore, AIFM which manage one or more AIF whose sole investors are the AIFM or parent companies or subsidiaries of the AIFM or other subsidiaries of the parent company are excluded, and none of these investors may be an AIF itself. Family office vehicles also seem to be exempt from the Directive.

Aside from these exceptions, the Directive provides relief in two cases, specifically with regard to AIFM which a) manage portfolios of AIF directly or indirectly with an undertaking with whom the AIFM is associated through common management or control, or through a substantial direct or indirect interest if the cumulative asset volume of the funds including assets acquired through leverage does not exceed EUR 100 million, or b) manage portfolios of AIF directly or indirectly with an undertaking with whom the AIFM is associated through common management or control, or through a substantial direct or indirect interest, specifically without leverage as well as a redemption right preclusion period of five years, and whose cumulative fund asset volume does not exceed EUR 500 million. For these AIFM, the full authorisation procedure does not apply, but rather a mandatory registration which should allow MS to receive the relevant information about the instruments used and the exposure. It is also possible for these "small" AIFM to "opt in" voluntarily and subject themselves to the AIFM Directive.

2.3. AIF marketing

Based on the AIFM Directive, the following marketing variants are conceivable:

2.3.1. Marketing EU AIF by an EU AIFM in the AIFM's home MS

An authorised EU AIFM shall be permitted to market an EU AIF it manages to professional investors in the AIFM's home MS. In cases where the EU AIF is a feeder AIF, the master AIF must be an EU AIF of an authorised EU AIFM. In any event, the EU AIFM must notify the competent authority of its home MS that it is marketing an EU AIF.

Marketing an EU AIF may only be prohibited if the AIFM disobeys the Directive.

2.3.2. Marketing EU AIF by an EU AIFM in another MS

An authorised EU AIFM shall be permitted to market an EU AIF it manages to professional investors in another MS as well, and again, in the case of a feeder AIF, the master AIF must be an EU AIF of an authorised EU AIFM. The EU AIFM must notify the competent authority of the home MS that it is marketing an EU AIF in a specific MS.

The competent authority of the home MS must make an authorisation decision within twenty days.

2.3.3. Conditions for an EU AIFM marketing AIF domiciled in another MS

An authorised EU AIFM shall be permitted to market EU AIF approved in another MS either directly or indirectly through a branch if the AIFM is permitted to manage this type of AIF.

2.3.4. Managing non-EU AIF not marketed in MS by an EU AIFM

An authorised EU AIFM shall be permitted to manage non-EU AIF not marketed in the EU if the AIFM fulfils the conditions of the Directive and if there is a cooperation agreement between the competent authorities in the home MS of the AIFM and the regulatory authorities of the third country where the non-EU AIF is intended to be marketed.

2.3.5. Marketing a non-EU AIF in the EU by an EU AIFM through a marketing passport

An authorised EU AIFM shall be permitted to market non-EU AIF it manages and EU feeder AIF to professional investors in the EU through a marketing passport. To do so, the AIFM must follow the rules of the Directive, and there must be a valid cooperation agreement in place between the competent authorities of the AIFM's home MS and the regulatory authorities of the third country. Furthermore, the third country may not be on the list of countries which do not cooperate with regard to money laundering or financing terrorism and must also have signed an agreement with the home MS of the AIFM ensuring adherence to the standards of the OECD Tax Convention.

2.3.6. Marketing a non-EU AIF in a MS by an EU AIFM without a passport

An authorised EU AIFM shall be permitted to market non-EU AIF it manages and EU feeder AIF to professional investors in the EU if the AIFM fulfils the requirements of the Directive and if there is an appropriate cooperation agreement regarding the monitoring of systematic risk between the competent authorities of the home MS of the AIFM and of the third country and the third country is not on the list of countries which do not cooperate with regard to money laundering or financing terrorism.

2.3.7. Marketing an EU AIF in the EU by a non-EU AIFM through a passport

An authorised non-EU AIFM shall be permitted to market EU AIF it manages to professional investors in the EU with a passport. If the authorised non-EU AIFM would like to market its EU AIF in its reference MS, the AIFM must notify the competent authorities, which must inform the AIFM of their authorisation decision within twenty days. The AIFM may market the AIF starting on that day.

2.3.8. Marketing a non-EU AIF in the EU by a non-EU AIFM through a passport

An authorised non-EU AIFM shall be permitted to market non-EU AIF it manages to professional investors in the EU with a passport. To do so, the non-EU AIFM must follow the rules of the Directive, and there must be an appropriate cooperation agreement in place between the competent authorities of the reference MS of the AIFM and the regulatory authority of the third country, and the third country must not be on the list of countries which do not cooperate with regard to money laundering or financing terrorism, and must also have signed an agreement with the home MS of the AIFM ensuring adherence to the standards of the OECD Tax Convention.

2.3.9. Managing an EU AIF domiciled in a country other than the reference MS by a non-EU AIFM

An authorised non-EU AIFM shall be permitted to manage EU AIF in a MS other than its reference MS either directly or indirectly through a branch if the non-EU AIFM is permitted to manage this type of AIF. In this case, the host MS of the AIFM may not make any additional demands on the AIFM beyond those outlined in the Directive.

2.3.10. Marketing a non-EU AIF in a MS by a non-EU AIFM without a passport

In order for a non-EU-AIFM to market non-EU AIF to professional investors in a MS, specific requirements must be fulfilled for every non-EU AIF, an appropriate cooperation agreement regarding the monitoring of systematic risk based on international standards between the competent authorities in the MS in which the non-EU AIF is intended to be marketed and the home third country of the AIFM must have been signed, and the third country may not be on the list of countries which do not cooperate with regard to money laundering or financing terrorism.

2.3.11. AIF and retail investors

As an exception to the fundamental rule that AIF shall be marketed primarily to professional investors, irrespective of whether they are marketed domestically or cross-border or by EU AIF or by non-EU AIF, Art. 41 Paragraph 1 provides for the possibility of marketing AIF to retail investors as well. In this case, the MS are permitted to make more stringent demands on the AIFM or the AIF compared to marketing to professional investors. However, a MS may not make higher demands on an EU-AIF already authorised in another MS.

3. Looking ahead

In view of the far-reaching regulatory effort and especially the wide scope of application, especially "special funds", funds under Section 20a and open-end real estate funds will become AIF. As a result, especially management companies with these types of funds in their portfolios, but also indirectly the funds themselves and depositaries, will be subject to AIFM regulation.

Regrettably, all other questions are either regulated very laxly in the Directive or need explicit clarification by ESMA. Accordingly, the years 2011 and 2012 will definitely have an "AIFM focus".

Dr. Armin J. Kammel, LL.M. (London)

Since the implementation of the UCITS IV Directive already cast its long shadow in 2010, it was not only logical, but also clearly appropriate to make revisions to the various VÖIG model documents (especially for fund rules in many variations, but also for “simplified” and “complete” sales prospectuses).

The prospectus working group was expanded to include a “model revision sub-working group“, which included operative employees, who were thus involved in all developments and decisions.

The primary objective was to simplify and “clean up” the model fund rules.

First a decision was reached to establish a new building block system so that the individual topics could be grouped better substantively in the future and formally more distinctly differentiated from each other.

The working group met approximately once per month starting in January 2010, investing a great amount of time and courage to draft concise and well-structured model fund rules to reflect substantive and structural changes.

Toward the end of the year, the Financial Market Authority was contacted for the first time for consultation and caught our attention with a very pragmatic perspective. In the future, we were told, fund rules will be required to contain solely the information compulsively required by the relevant legal stipulations. This approach was happily embraced by VÖIG and applied accordingly to the degree possible during the continuing revisions in alignment with what was known prior to the 2011 Investment Funds Act.

Unfortunately, due to the long-delayed draft of the 2011 Investment Funds Act, our work on the model fund rules could not be completed last year, since it was decided that the revisions should be undertaken in an efficient and resource-saving manner with as little “wasted effort” as possible and, thus, to wait for the final details on how UCITS IV would be implemented.

A somewhat longer timeframe was set with the Financial Market Authority for revisions to the real estate funds rules. These VÖIG models will not be thoroughly revised until the autumn of 2011.

Implementing the UCITS IV Directive will be another big project, for which preparations were already started in 2010. Starting in July 2011 or at the latest July 2012, “Key Information Documents“ (KID) will certainly have to be written for UCITS funds, containing all of the important information a potential investor needs to make a well-informed decision, usually on no more than the general two A4 page-unit. Through greater standardisation, this new category of investor information is intended to increase or ensure comparability of UCITS throughout the EU.

The VÖIG prospectus working group started putting together a model KID and a detailed description in 2010, taking input by the Financial Market Authority into account, which will also release a “KID Regulation“ in tandem with the implementation of UCITS IV. As usual, these documents will be available in the Intranet.

The Reporting Guide, which has helped members in fulfilling various notification requirements for the Financial Market Authority, Oesterreichische Nationalbank (OeNB) and Oesterreichische Kontrollbank (OeKB) since 2009, was revised for the first time in 2010 as planned. The revisions reflect changes to the law (such as in the Banking Act) as well as corrections to minor errors noticed in the everyday use of the Guide.

Mag. Barbara Flor

CAPITAL GAINS TAX INTRODUCED

In autumn of 2010, the Austrian legislature very rapidly passed a completely new levy on income from the investment of capital. In essence, this tax expands the Austrian investment income tax system to all capital gains earned from securities which can be held in a custody account (including fund units). The law was published in the Federal Law Gazette on 30 December 2010 after a relatively short review period and already went into effect on 1 January 2011. Largely due to this short implementation phase, Austrian banks filed a complaint with the Constitutional Court as institutions directly affected by the administrative burden of the new capital gains tax. From the banks' perspective, it is feared that proper application of the new capital gains tax, which must certainly be considered complex, cannot be ensured by 1 October 2011 as purchases of securities (including fund units) starting on 1 January 2011 are subject to the new obligation of deducting tax. A decision on the Constitutional Court filing is expected in June 2011.

The following gives a more detailed description of how the new capital gains tax affects investment and real estate investment funds:

A) New taxation of domestic securities funds:

I) The legal situation to date:

The taxation of domestic and foreign investment funds in Austria distinguishes between two taxation levels: the fund level and the unit level.

<u>On the fund level</u>

Up until now, on the fund level, ordinary income (interest, dividends) and extraordinary income (20% of the capital gains earned from shares and share derivatives) have been taxed by the bank by withholding investment income tax. On the fund level, complete loss compensation and loss carry over mechanisms have already been in place.

On the unit level

The taxation of dividend distributions directly corresponds with the specific income components distributed (transparency).

Following a one-year speculation period, capital gains from the sale of fund units have thus far been completely tax-exempt.

Through the 25% investment income tax withholding by banks, the fund income is considered finally taxed. The investor is not required to fulfil any further tax obligations (a tax return).

II) The new legal situation:

On the fund level

There are no changes in the taxation of ordinary income (interest, dividends). In the taxation of extraordinary income (actually realised capital gains and losses), the law calls for a successive extension of capital gains taxation on the fund level and a simultaneous expansion of the set-off of losses:

- For funds with financial years starting after 6 June 2011, the assessment basis of extraordinary income (shares, share derivatives) will be increased from 20% to 30%.
- For financial years starting after 31 December 2011, the assessment basis of extraordinary income (on capital gains from bonds, derivative instruments, etc.) will be expanded and 40% of the capital gains will be subject to investment income tax.
- For financial years starting after 31 December 2012, the 25% investment income tax will be levied on 50% of all realised extraordinary income.
- For financial years starting after 31 December 2013, the 25% investment income tax will be levied on 60% of all realised extraordinary income.

The loss compensation possibilities will be expanded. Not only can capital losses be deducted from capital gains from other securities, but in the future, in a second step, they can also be deducted from ordinary fund income (interest, dividends, etc.).

The new law applies to old units (units purchased before 1 January 2011) as well as newly purchased units (after 31 December 2010).

On the unit level

Dividend distributions after 30 September 2011 are fundamentally subject to a 25% investment income tax.

a) For purchases of units of investment funds on or after 1 January 2011, the speculation period will be eliminated. In the future, banks must also withhold a 25% investment income tax on the difference between the purchase and sale price of units of investment funds and withhold investment income tax upon the sale of the units of investment funds (investment income tax is to be withheld by the bank for the first time regarding sales made on or after 1 October 2011). The bank is to deduct taxes already paid by a fund unit holder during the possession period from any capital gains on the unit certificate level (in doing so, the bank will increase the purchase cost of the units by the gains already taxed, which will reduce the capital gains on the unit level).

b) For old units (units of investment funds purchased before 1 January 2011), the one-year speculation period still applies. After this period ends, the sale of units is tax-exempt.

B) New taxation of domestic open-end real estate investment funds:

I) The legal situation to date:

On the fund level

Up until now, on the fund level, a 25% investment income tax was withheld by the bank on securities and liquidity earnings (interest, dividends), earnings from real estate management (rent income) and profits from appreciation (80% of the realised and unrealised increase in the value of the properties per financial year). Capital gains from the maintenance of liquidity are tax-exempt. The tax impact of legal provisions on double taxation agreements (DTA) is fully applicable with regard to real estate investment funds. On the fund level, limited loss compensation is applicable.

On the unit level

Dividend distributions are fundamentally subject to the 25% investment income tax (exception: income falling under a DTA is tax-exempt). After the one-year speculation period, gains on the sale of fund units are completely tax-exempt.

Through the investment income tax withheld by banks, the fund income is considered finally taxed. The investor is not required to fulfil any further tax obligations (a tax return).

II) The new legal situation:

On the fund level

The new tax regime does not lead to any changes to the legal situation to date. The impact of legal provisions on double taxation remains fully applicable with regard to real estate investment funds. The existing legal situation continues to apply to old units (units purchased before 1 January 2011) as well as newly purchased units (after 31 December 2010).

On the unit level

Dividend distributions after 30 September 2011 are fundamentally tax-exempt.

a) For purchases of units of investment funds on or after 1 January 2011, the speculation period will be eliminated. In the future, banks must also withhold a 25% investment income tax on the difference between the purchase and sale price of units of investment funds and withhold investment income tax upon the sale of the units of investment funds (investment income tax is to be withheld by the bank for the first time regarding sales made on or after 1 October 2011). The bank is to deduct taxes already paid by a fund unit holder during the possession period from any capital gains on the unit level (in doing so, the bank will increase the purchase cost of the units by the gains already taxed, which will reduce the capital gains on the unit level).

b) For old units (units of investment funds purchased before 1 January 2011), the one-year speculation period still applies. After this period ends, the sale of units is tax-exempt.

C) New tax on foreign investment funds:

The new laws governing the taxation of domestic investment funds are essentially applicable to foreign investment funds as well. Just as with domestic funds, a distinction is made between fund units purchased before 1 January 2011 and fund units purchased after 31 December 2010. As with domestic funds, a distinction is also made between the fund level and the unit level. In the future, there will only be a distinction between reporting and non-reporting funds with regard to taxation.

a) Foreign investment funds that report their income that is equivalent to distributions will be taxed like domestic investment funds (see points A and B above). However, once the system of daily crediting and reporting investment income tax is eliminated (starting on 1 October 2011), reporting is only required once per financial year, the daily reporting and thereby the deferral of investment income tax is completely nullified. Reporting of tax information (dividend distributions, income equivalent to distributions, and corrections to the purchase costs of investment fund units) are to be submitted by the tax representative of the registration office, i.e. of OeKB. The Federal Ministry of Finance has transferred its previous responsibility to OeKB.

b) If no reports are filed by foreign funds, the value will be set as 90% of the difference between the first and the last net asset values set in the calendar year, but at least 10% of the value set at the end of the previous calendar year, which will be subject to a 25% investment income tax to be withheld by the bank. The safeguard tax on investment income should cease to exist starting on 31 December 2011.

Mag. Thomas Zibuschka

STRONG NET INFLOW OF FUNDS IN THE SPECIALISED FUNDS AREA

In 2010, the Austrian investment fund industry reported overall fund volume growth of EUR 8.5 billion (+6.2%) to EUR 145.2 billion. This increase includes distributions valuing EUR 2.5 billion and net inflows of funds valuing approximately EUR 2 billion. Capital gains valued approximately EUR 8.9 billion.

In the past year, the best performance was again achieved by Austrian equity funds with an average of 24.9%, followed by US equity funds with approximately 20%. The performance value of Euroland stocks fell by 1.2%. In the bond fund sector, the dollar bond funds (on a euro basis) performed at 14.8%, the euro bond funds at 4.3%, and the near-money market funds also at approximately 4.3%.

193 new funds were launched, 128 thereof for institutional investors and 65 as retail funds. As of the end of December 2010, the 25 Austrian investment fund management companies managed at total of 2,191 securities funds, 1,141 of which were publicly offered funds, 304 funds for institutional investors and 746 specialised funds. 132 funds were closed, and 46 merged.

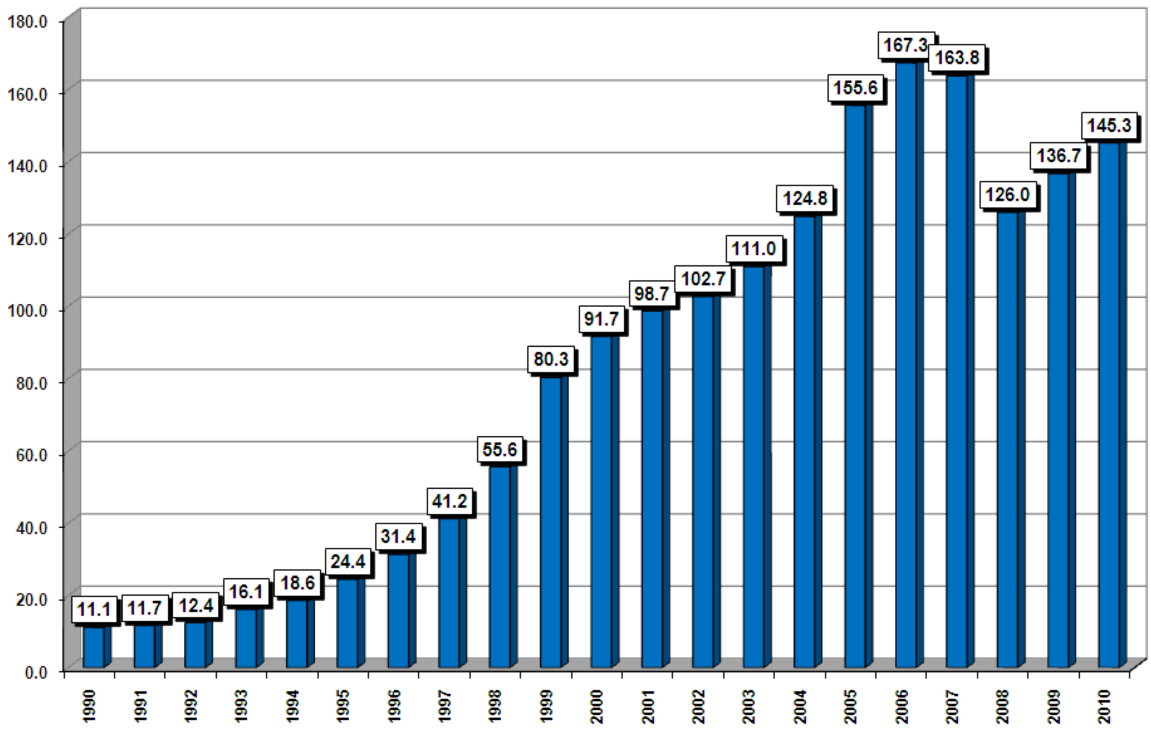
With regard to the net inflow of funds, it can be reported that this growth stemmed entirely from “special funds”. Due to media discussions of the capital gains tax, private investors were highly insecure – especially in the last quarter – and did not invest in investment funds to the degree expected, despite positive share performance. It should be noted that the capital gains tax in its current form will create an enormous administrative burden for depositaries. However, due to the possibility of automatic loss compensation among all asset classes in their fund holdings (elimination of the necessity to file taxes with the taxation authority) as well as loss carryover, investment funds remain an attractive and customer-friendly investment and old-age provision product for fund investors.

Real estate investment funds

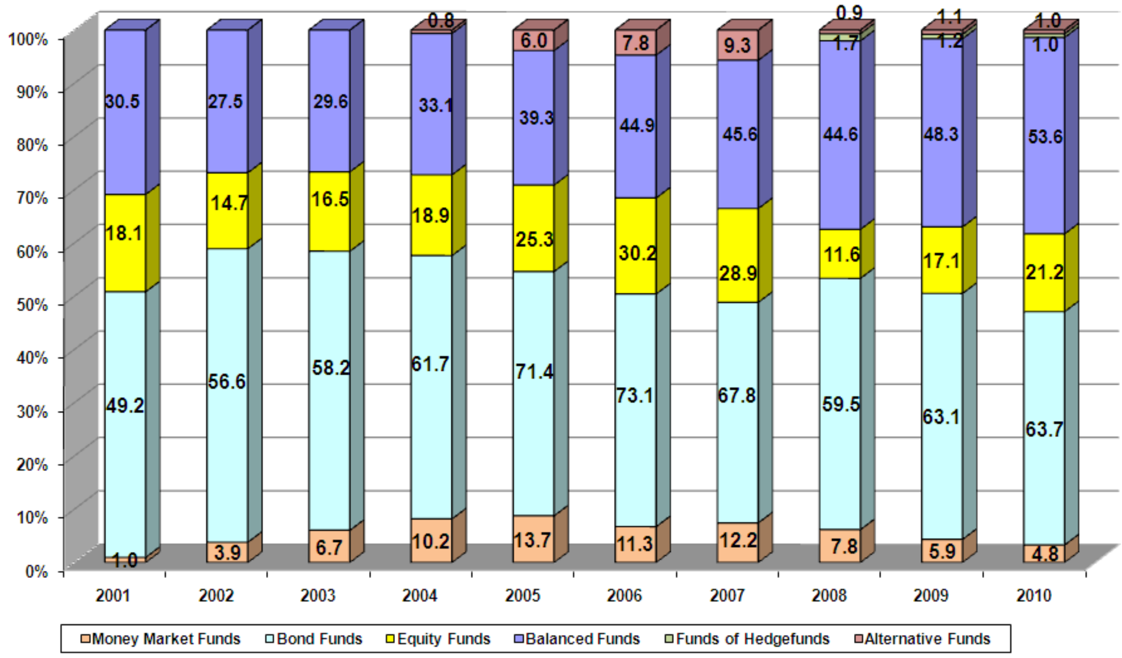
In 2010, the total fund volume of the five Austrian real estate investment fund companies grew by EUR 481.7 million to EUR 2,424.6 million. This represents an increase of approximately 25%. Dividend distributions amounted to approximately EUR 29 million, the net inflows of funds totalled approximately EUR 445.2 million, and capital gains reached approximately EUR 65 million.

The performance values of the six retail real estate investment funds are: Constantia Real Estate 4.72%, Erste Immobilienfonds 3.61%, Immobilienfonds1 4.66%, Raiffeisen Immobilienfonds 3.19%, Real Invest Austria 2.84% and Real Invest Europe -13.09%.

Development of Total Assets in Billion €

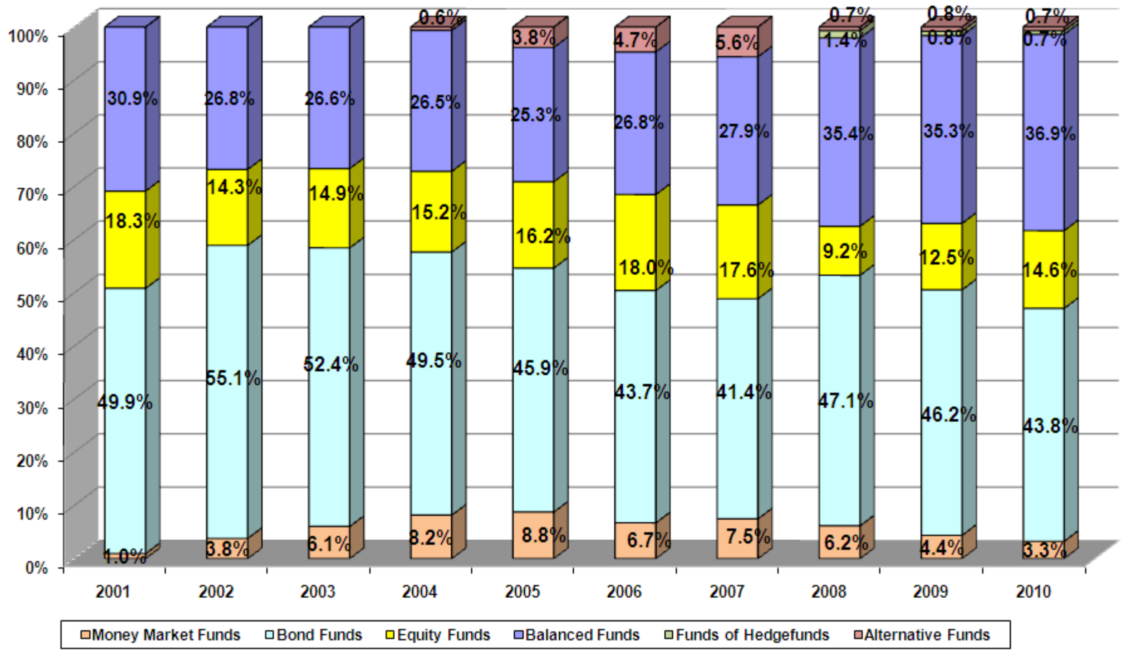


Fund Volumes by Asset Classes in Billion €



VEREINIGUNG ÖSTERREICHISCHER INVESTMENTGESELLSCHAFTEN

Fund Volumes by Asset Classes in %

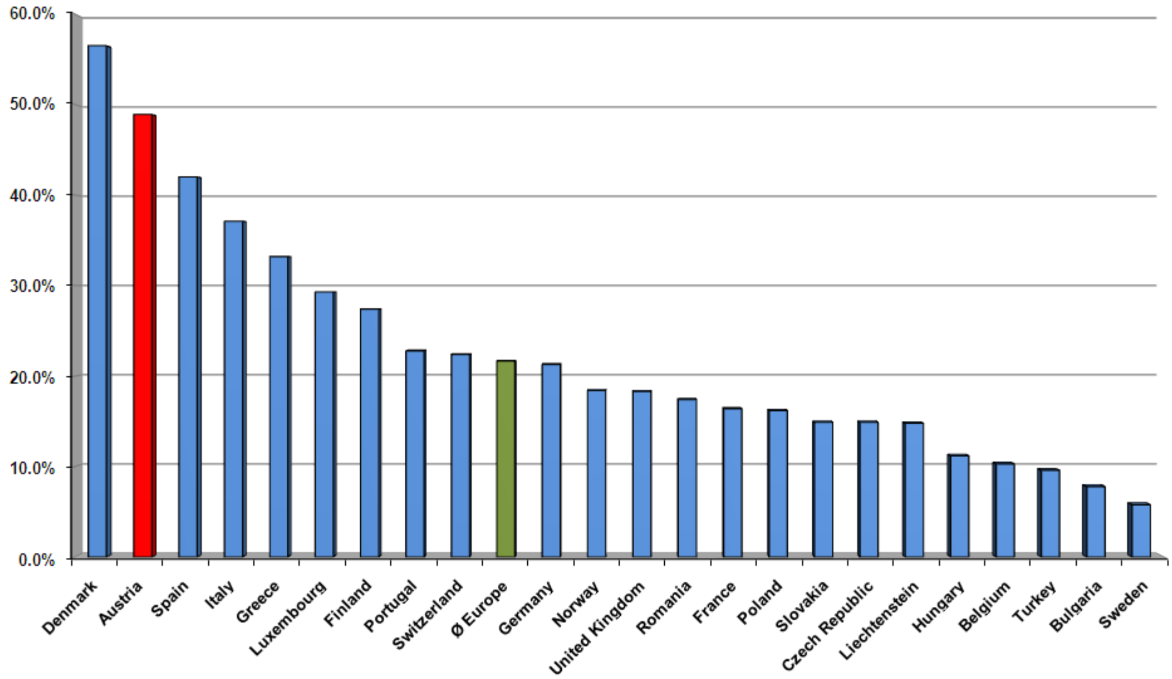


HISTORICAL DEVELOPMENT OF THE AUSTRIAN INVESTMENT FUND MARKET

year	Numbers of Funds	Funds Management Companies	Total Assets bn. ATS	Total Asset bn. €
1956	1	1	0.066	0.005
1957	1	1	0.063	0.005
1958	1	1	0.072	0.005
1959	1	1	0.106	0.008
1960	2	1	0.268	0.019
1961	4	1	0.735	0.053
1962	4	1	0.567	0.041
1963	5	1	0.580	0.042
1964	5	1	0.589	0.043
1965	6	2	0.625	0.045
1966	6	2	0.579	0.042
1967	6	2	0.650	0.047
1968	6	2	0.667	0.048
1969	8	2	1.392	0.101
1970	8	2	1.975	0.144
1971	9	2	2.666	0.194
1972	9	2	4.015	0.292
1973	9	2	4.112	0.299
1974	9	2	2.843	0.207
1975	9	2	3.274	0.238
1976	9	2	3.414	0.248
1977	9	2	3.414	0.248
1978	11	2	4.091	0.297
1979	12	2	5.643	0.410
1980	12	2	6.067	0.441
1981	12	2	6.017	0.437
1982	12	2	7.478	0.543
1983	13	4	9.798	0.712
1984	15	4	12.740	0.926
1985	22	7	20.238	1.471
1986	41	10	36.226	2.633
1987	76	13	68.762	4.997
1988	117	18	118.714	8.627
1989	195	21	150.645	10.948
1990	244	23	152.933	11.114
1991	295	25	161.181	11.714
1992	322	24	171.180	12.440
1993	344	23	221.910	16.127
1994	415	24	255.994	18.604
1995	473	25	336.318	24.441
1996	523	24	431.552	31.362
1997	627	24	567.551	41.246
1998	857	24	764.936	55.590
1999	1,154	24	1,104.864	80.294
2000	1,448	24	1,261.417	91.671
2001	1,747	23	1,358.275	98.710
2002	1,856	22	1,412.799	102.672
2003	1,909	23	1,527.337	110.996
2004	1,988	23	1,717.745	124.833
2005	2,083	23	2,141.164	155.619
2006	2,171	24	2,302.748	167.347
2007	2,321	24	2,253.349	163.757
2008	2,300	24	1,733.459	125.975
2009	2,174	25	1,880.486	136.660
2010	2,192	25	1,998.714	145.252

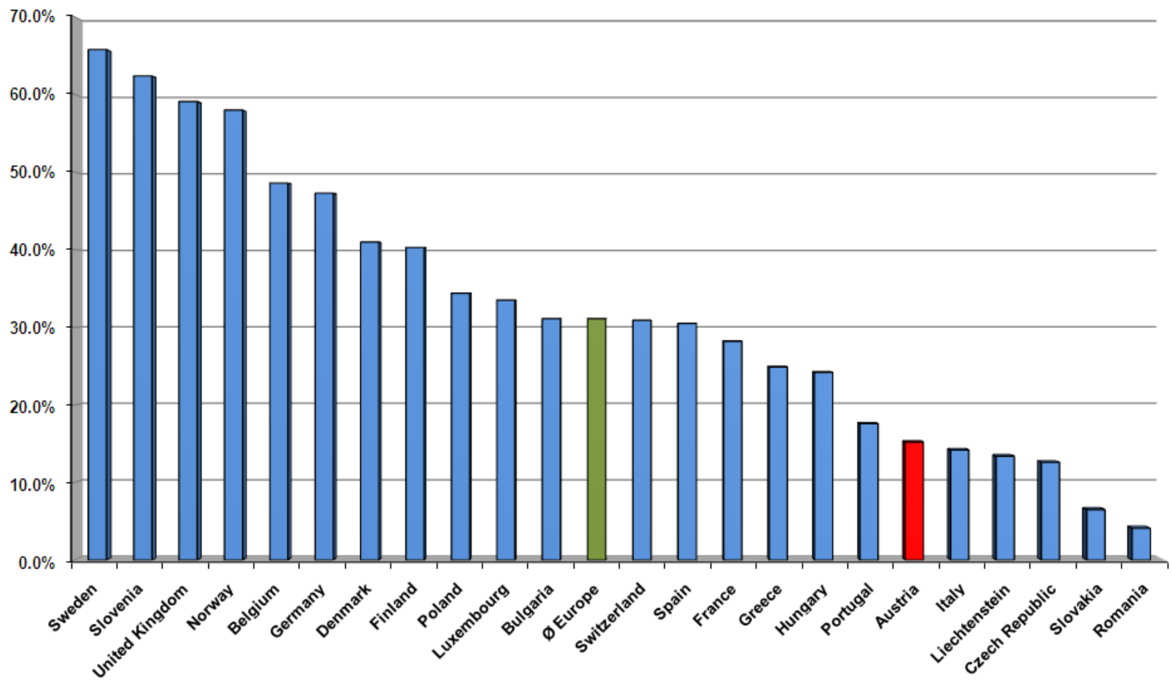
Proportion of Bond Funds
(as % of total UCITS assets)

Source EFAMA



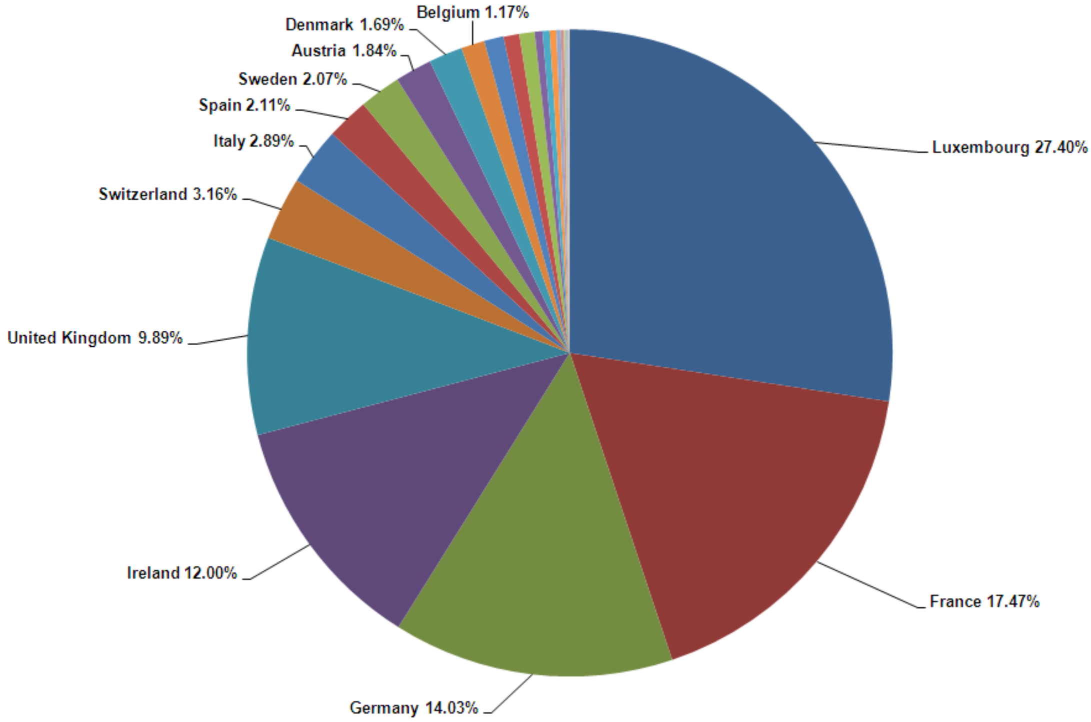
Proportion of Equity Funds
(as % of total UCITS assets)

Source: EFAMA



NET ASSETS AND MARKET SHARE

(UCITS & Non-UCITS) Source: EFAMA



Country	Net Assets in bn. €	Market Share in %	Change compared to 2009 in %
Luxembourg	2,199.0	27.40	0.19
France	1,401.6	17.47	-0.02
Germany	1,125.9	14.03	0.11
Ireland	963.3	12.00	0.29
United Kingdom	794.0	9.89	0.26
Swit er and	253.2	3.16	0.61
Italy	232.1	2.89	-0.07
Spain	169.6	2.11	-0.13
Sweden	166.1	2.07	0.31
Austria	147.7	1.84	0.07
Denmark	135.4	1.69	0.24
Belgium	94.0	1.17	0.02
Netherlands	78.1	0.97	-0.01
Norway	63.2	0.79	0.28
Finland	61.5	0.77	0.13
Liechtenstein	31.1	0.39	0.39
Poland	28.8	0.36	0.29
Portugal	25.8	0.32	-0.09
Turkey	17.6	0.22	0.10
Hungary	13.5	0.17	0.22
Greece	9.1	0.11	-0.12
Czech Republic	4.9	0.06	0.10
Slovakia	3.8	0.05	0.10
Romania	3.0	0.04	0.15
Slovenia	2.3	0.03	0.03
TOTAL	**8,024.38**	**100.00**	**0.14**

General Meetings

VÖIG General Meeting in spring

At the VÖIG general meeting held on 22 April, the vote was held for the VÖIG Board of Directors for the 2010 – 2013 terms. Mag. Heinz Bednar, Erste Sparinvest KAG, was reelected President of VÖIG. In addition, Dr. Mathias Bauer, Raiffeisen KAG, and Manfred Stagl, Volksbank Invest KAG, were nominated as the first and second deputy chairmen of the Board. Furthermore, Mag. Dietmar Baumgartner, 3 Banken Generali Investment, DDr. Werner Kretschmer, Pioneer Investments Austria, Mag. Anton Resch, Gutmann Kapitalanlageaktiengesellschaft and Alois Steinböck, Bawag PSK Invest, were also elected to the Board of Directors of VÖIG.

Mag. Friedrich Strasser stepped down from the VÖIG Board due to his transition onto the board of Gutmann AG. Mag. Thomas Meitz also resigned from the Board as of the end of the functional period after many years on the Board. VÖIG would like to take this opportunity to thank Mag. Strasser and Mag. Meitz warmly for their long years of dedicated service to the VÖIG Board.

VÖIG General Meeting in autumn

The general meeting on 4 November was focused especially on the impending capital gains tax and the resulting drawbacks for the industry. Further issues discussed at the meeting included UCITS IV and the Investor Compensation Scheme Directive.

Board meetings / Board conference

In its six ordinary meetings, the Board discussed in detail the issues currently relevant to the Austrian investment fund industry. In addition, there were also two closed Board conferences, one of which was held following an ordinary Board meeting and the other was a two-day meeting in Langenlois. At the conferences, the Board focused on issues of importance to Austria related to the implementation of UCITS IV. The VÖIG Board also decided to apply to host the EFAMA General Membership Meeting in Austria in 2012. President Mag. Heinz Bednar will extend this invitation personally during the EFAMA General Membership Meeting in Lucerne in 2011.

Meetings of the VÖIG working group

In 2010, a total of 69 meetings lasting a total of over 138 hours were held on topics including Basel II, derivative business and risk control, fund processing passport, IAS, reporting, MiFID, model revision, Pension Funds Directive, prospectus, Quality Standards, law, statistics, taxes, pension savings schemes, as well as legal and tax issues in real estate funds, and the real estate investment fund committee. A special task force was established with the intention of addressing the many problems related to the capital gains tax quickly and comprehensively.
The diligent efforts of the working group members made it possible to address many detailed issues and resolve the majority of them as well.

Workshop with the Financial Market Authority

In September, a workshop was held with the Financial Market Authority which was well-attended by industry representatives. At the workshop, members had the opportunity to ask the regulatory authority questions directly, including some long-standing questions, regarding various formal procedures of the Financial Market Authority (especially regarding fund rule approval) and the regulatory authority's basic position with regard to several UCITS IV topics.

IIFA (International Investment Funds Association)

On the international level, VÖIG was able to make its mark through Dr. Kammel's election as one of the four European representatives to the IIFA Board of Directors. In addition to Austria, EFAMA, Great Britain and France represent European interests. For a small association such as VÖIG, this is an honour and a sign of recognition of our hard work over the last years.

EFAMA (European Fund and Asset Management Association)

VÖIG was actively engaged at the many EFAMA meetings and found opportunities to weave the Austrian position into European solutions across broad areas. Due to the active participation in these bodies over many years, VÖIG has a strong reputation, which is why VÖIG is often called on to provide mediation to larger associations as they attempt to find solutions.

CEE initiative of the East and Southeast European fund associations – meeting in Bucharest, 8 and 9 November 2010

In 2009, the Hungarian investment fund association BAMOSZ and VÖIG started an initiative with the intention of more closely identifying and articulating joint interests in the CEE region. The goal is to position CEE aspects in the EFAMA bodies and elsewhere through positions agreed on as far as possible. During the annual meeting in Bucharest, a Memorandum of Understanding was signed to formalise this initiative as well. At the same time, an agreement was reached with regard to the Hungarian presidency of the EU Council to establish a common position which expresses the intention to account for the specific attributes of this economic area, in which medium-sized enterprises are prevalent. Next year's meeting will be organised by the Ukrainian fund association.

FundsXML.org

Together with the German fund association, BVI, VÖIG continues to lead the way in the continued development of XML standards for the investment fund industry. In addition to the many technical specifics driven on the Austrian side by the FundsXML sub-working group and OeKB, VÖIG has also taken a leadership position around questions of future strategic positioning, encouraging the adoption of XML standards across Europe.

Cooperation VÖIG – Bank and Insurance Division

The institutionalised cooperation between VÖIG and the Bank and Insurance Division established years ago contributed essentially to the successful representation of the fund industry's interests in 2010 as well. The Division took the lead in coordinating the financial service provider industry within the framework of the challenging negotiations around the capital gains tax. At the same time, the Division supported VÖIG in successful discussions with the Financial Market Authority regarding the problem of large investments in investment funds. We would like to thank the Managing Director Dr. Herbert Pichler and his team warmly for their support in this area.

VÖIG training courses

Since the start of the training courses, 33 basic courses, 31 advanced courses on portfolio management, 11 advanced courses on sales and mid-office, 2 advanced courses on hedge funds, and 3 advanced courses on risk management have been held.

The courses available have been successfully completed by a total of 803 colleagues. Especially the financial market crisis and the ongoing professionalisation of the investment business within the framework of UCITS IV have illustrated that these continuing education programmes are of critical importance for the Austrian investment fund industry. We extend our thanks to Prof. (FH) Mag. Otto Lucius and Mag. Wilhelm Stejskal for their dedication. VÖIG would also like to thank all of the managers who made it possible for their subordinates to attend these programmes despite the tight economic situation.

Stock Exchange Prize 2010 – 27 May, Kursalon Hübner

The Vienna Stock Exchange Prize is a joint initiative by Aktienforum, Cercle Investor Relations Austria (C.I.R.A.), Oesterreichische Nationalbank, the Austrian Association for Financial Analysis and Asset Management (ÖVFA), VÖIG, the Vienna Stock Exchange, and the Government Representative for the Capital Market and Corporate Governance, Dr. Richard Schenz. The keynote speakers were State Secretary Reinhold Lopatka and Governor Ewald Novotny.

During the event, twelve prizes were awarded in the categories ATX, small/mid-cap, sustainability, and corporate governance. Prize recipients were selected by a jury of ÖVFA and VÖIG members. The corporate governance prize winner was determined by Dr. Schenz and the ÖVFA.

Information members

As in past years, the number of VÖIG information members increased in 2010 as well. For example, Binder Grösswang Rechtsanwälte GmbH, Morningstar Deutschland GmbH and Software Systems were admitted as new information members of VÖIG. It is especially important to VÖIG to expand its stakeholder base because that makes it possible to bundle interests and ensure smooth cooperation.

MEMBERS OF THE INVESTMENT FUND MANAGEMENT COMPANIES 2010

Members	Board of Directors	Total Assets in bn € 30.12.10	Number of Funds
Allianz Invest Kapitalanlagegesellschaft mbH Hietzinger Kai 101-105 1130 Vienna sales@allianzinvest.at / m.ettl@allianzinvest.at / **http://www.allianzinvest.at**	Mag. Martin Maier Mag. Christian Ramberger Mag. Sonja König	10,784.95	146
Bankhaus Schelhammer & Schattera Kapitalanlagegesellschaft m.b.H. Bräunerstraße 3/2/6 1010 Vienna kag.office@schelhammer.at / johannes.koller@schelhammer.at / **http://www.schelhammer.at**	Michael Bode Mag. Gerhard Tometschek	360.03	13
BAWAG P.S.K. INVEST GmbH Georg-Coch-Platz 2 1010 Vienna invest@bawagpskfonds.at / **http://www.bawagpskfonds.at**	Mag. Dr. Peter Pavlicek Alois Steinböck	3,975.45	92
C-QUADRAT Kapitalanlage AG Stubenring 2 1010 Vienna c-quadrat@investmentfonds.at / **http://www.investmentfonds.at**	Mag. Christian Jost Mag. Thomas Rieß Dr. Heinrich Wohlfart	1,546.12	29
Carl Spängler Kapitalanlagegesellschaft m.b.H. Franz Josef Straße 22 5020 Salzburg fonds@spaengler-iqam.at / **http://www.spaengler-iqam.at**	Mag. Stefan Ebner Mag. Markus Ploner, CFA,MBA	4,500.03	97
Erste Asset Management GmbH Habsburgergasse 2 1010 Vienna office@erste-am.com / **http://www.ersteassetmanagement.com**	Mag. Heinz Bednar, Chair Mag. Harald Gasser Dr. Franz Gschiegl Christian Schön	2.45	1
ERSTE-SPARINVEST Kapitalanlagegesellschaft m.b.H. Habsburgergasse 1a 1010 Vienna erste@sparinvest.com / **http://www.sparinvest.com**	Mag. Heinz Bednar, Chair Mag. Harald Gasser Dr. Franz Gschiegl	26,682.84	340
Gutmann Kapitalanlageaktiengesellschaft Schwarzenbergplatz 16 1010 Vienna mail@gutmannfonds.at / **http://www.gutmannfonds.at**	Mag. Anton Resch Mag. Stephan Wasmayer	4,713.87	96
INNOVEST Kapitalanlage AG Kärntner Straße 28 1010 Vienna office@innovest.at / **http://www.innovest.at**	Mag. Konrad Kontriner Dr. Johann Maurer	135.59	2

Julius Meinl Investment Gesellschaft m.b.H. Kärntnerring 2/Top 5/1. Stock 1010 Vienna fondsservice@meinlbank.com / **http://meinlbank.com**	Dr. Wolf Dietrich Kaltenegger Arno Mittermann	235.13	20	
KEPLER-FONDS Kapitalanlagegesellschaft m.b.H. Europaplatz 1a 4021 Linz info@kepler.at / **http://www.kepler.at**	Dr. Robert Gründlinger, MBA Andreas Lassner	10,013.55	138	
MASTERINVEST Kapitalanlage GmbH Wipplingerstraße 1/4 OG 1010 Vienna office@masterinvest.at / **http://www.masterinvest.at**	Ulrich Fetz DI Andreas Müller	8,005.17	71	
Pioneer Investments Austria GmbH Lassallestraße 1 1020 Vienna info.austria@pioneerinvestments.com / **http://www.pioneerinvestments.at**	DDr. Werner Kretschmer, Chair Stefano Pregnolato Mag. Hannes Roubik Hannes Saleta	19,369.18	217	
Raiffeisen Kapitalanlage-Gesellschaft m.b.H. Schwarzenbergplatz 3 1010 Vienna kag-info@rcm.at / **http://www.rcm.at**	Mag. (FH) Dieter Aigner Mag. Gerhard Aigner Dr. Mathias Bauer, Chair	29,386.90	341	
Raiffeisen Salzburg Invest Kapital-anlage GmbH Schwarzstraße 13-15 5020 Salzburg office@raiffeisen-salzburg-invest.com / **http://www.raiffeisen-salzburg-invest.com**	Mag. Klaus Hager Rudolf Kammel Helmut Wimmer	1,452.40	40	
RINGTURM Kapitalanlage-gesellschaft m.b.H. Habsburgergasse 2a 1010 Vienna office@ringturmfonds.at / **http://www.ringturmfonds.at**	Mag. Karl Brandstötter Mag. Michael Kukacka Walter Schultes	4,306.85	20	
Schoellerbank Invest AG Sterneckstraße 5 5024 Salzburg invest@schoellerbank.at / **http://invest.schoellerbank.at**	Mag. Thomas Meitz Mag. Michael Schützinger	2,397.22	36	
Security Kapitalanlage Aktien-gesellschaft Burgring 16 8010 Graz office@securitykag.at / **http://www.securitykag.at**	DDr. MMag. Hans P Ladreiter Martin Mikulik Mag. Dieter Rom	1,694.58	59	

Semper Constantia Invest GmbH Bankgasse 2 1010 Vienna invest@semperconstantia.at / **http://www.semperconstantia.at**	Mag. Elisabeth Staudner MMag. Louis Obrowsky	4,323.82	159	
Sparkasse Oberösterreich Kapitalan-lagegesellschaft m.b.H. Promenade 11-13 4041 Linz office@kag.at / **http://www.s-fonds.at**	Walter Lenczuk Mag. Martin Punzenberger	2,144.28	57	
TIROLINVEST Kapitalanlagegesell-schaft m.b.H. Sparkassenplatz 1 6020 Innsbruck info@tirolinvest.at / **http://www.tirolinvest.at**	Martin Farbmacher Michael Perger	610.47	15	
Valartis Asset Management (Austria) Kapitalanlagegesellschaft m.b.H. Rathausstraße 20 1010 Vienna kag@valartis.at / **http://www.valartis.at**	Gerald Diglas Franz Wilhelm	246.57	17	
Volksbank Invest Kapitalanlagege-sellschaft m.b.H. Saturn Tower Leonard-Bernstein-Straße 10 1220 Vienna office@volksbankinvest.com / **http://www.volksbankinvestments.com**	Manfred Stagl Günter Toifl	3,238.28	67	
3 Banken-Generali Investment-Gesellschaft m.b.H. Untere Donaulände 28 4020 Linz fonds@3bg.at / **http://www.3bg.at**	Mag. Dietmar Baumgartner Dr. Gustav Dressler Alois Wögerbauer	5,126.46	119	

MEMBERS OF THE REAL ESTATE INVESTMENT FUND MANAGEMENT COMPANIES 2010

Members	Boad of Directors	Total Assets in bn € 30.12.10	Number of Funds
Bank Austria Real Invest Immobilien-Kapitalanlage GmbH Lassallestraße 5 1020 Wien info@realinvest.at / **http://www.realinvest.at**	Dr. Kurt Buchmann Harald Kopertz	1,539.48	2
ERSTE Immobilien Kapitalanlagegesellschaft m.b.H. Windmühlgasse 22-24 1060 Wien ersteimmobilien@immorent.at / **http://www.ersteimmobilien.at**	Dr. Franz Gschiegl Mag. Peter Karl	170.33	1
Immo Kapitalanlage AG Leonard Bernstein-Straße 10 1220 Wien info@immokag.at / **http://www.immokag.at**	Dr. Kurt Rossmüller Dir. Mag. Andreas Witzani	221.25	1
Raiffeisen Immobilien Kapitalanlage-Gesellschaft m.b.H. Schwarzenbergplatz 3 1010 Wien babette.kornholz@rcm.at / **http://www.rcm.at**	Mag. (FH) Dieter Aigner MMag. Dr. Hubert Vögel	391.25	2
Semper Constantia Immo Invest GmbH Bankgasse 2 1010 Wien immoinvest@semperconstantia.at / **http://www.semperconstantia.at**	Ing. Gerhard Engelsberger MMag. Louis Obrowsky	102.33	1

Working Group **„LAW“** Head of WG: Dr. Robert Schredl Consultant: Dr. Armin Kammel	Working Group **„QUALITY STANDARDS"** Head of WG: Dr. Mathias Bauer Consultant: Dr. Armin Kammel
Working Group **„TAX“** Head of WG: Mag. Thomas Zibuschka Consultant: Mag. Thomas Zibuschka	Project Group **„AUSTRIAN PENSION SCHEMES“** Head of WG: Dr. Heinz Macher Consultant: Mag. Thomas Zibuschka
Project Group **„ZUKUNFTS-VORSORGEEINRICHTUNG“** Head of WG: Dr. Heinz Macher Consultant: Mag. Thomas Zibuschka	Working Group **„DERIVATIVES AND RISK MANAGEMENT“** Head of WG: Stephan Wasmayer Consultant: Mag. Thomas Zibuschka
Working Group **„PROSPECTUS“** Head of WG: Manfred Stagl Consultant: Mag. Barbara Flor	Working Group **„MUSTERREFORM“** Head of WG: Manfred Stagl Consultant: Mag. Barbara Flor
Working Group **„IAS-REPORTING“** Head of WG: Mag. Gernot Reisenbichler Consultant: Mag. Thomas Zibuschka	Working Group **„REGULATORY REPORTING“** Head of WG: Dr. Armin Kammel Consultant: Mag. Barbara Flor
Working Group **„STATISTICS“** Head of WG: Mag. Oliver Boros Ulrike Günther Consultant: Dr. Armin Kammel	Working Group **„OPERATIONS“** Head of WG: Dr. Armin Kammel Ulrike Günther Consultant: Dr. Armin Kammel
Working Group **„BASEL II“** Head of WG: Mag. Winfried Buchbauer Consultant: Dr. Armin Kammel	Working Group **„MIFID“** Head of WG: Dr. Robert Schredl Consultant: Dr. Armin Kammel

REAL ESTATE INVESTMENT FUND „REGULATORY“

Head of WG: Dr. Kurt Buchmann
Consultant: Dr. Armin Kammel

REAL ESTATE INVESTMENT FUND „LAW“

Head of WG: Dr. Kurt Buchmann
Consultant: Dr. Armin Kammel

REAL ESTATE INVESTMENT FUND „TAXES“

Head of WG: Mag. Günther Burtscher
Consultant: Mag. Thomas Zibuschka

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ALIZEE BANK AG

BAMOSZ – Association of Hungarian Investment Fund and Asset Management Companies

Hovéd tér 10 III/2
1055 Budapest
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BAMOSZ

BDO Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungs-gesellschaft

Kohlmarkt 8-10/ Eingang Wallnerstraße 1
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BDO

Binder Grösswang Rechtsanwälte GmbH

Sterngasse 13
1010 Vienna
http://www.bindergroesswang.at

BINDER GRÖSSWANG

BNP Paribas Asset Management

Mahlerstraße 7/17
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http://www.bnpparibas-ip.at

BNP PARIBAS INVESTMENT PARTNERS

BVI Bundesverband Investment und Asset Management e.V.

Eschenheimer Anlage 28
60318 Frankfurt am Main
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BVI

CLS Communication AG

Dianastrasse 6
8002 Zürich
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http://www.cls-communication.com

CLS COMMUNICATION

COPS Ges.mbH

Hochsatzengasse 37
1140 Vienna
http://www.copsgmbh.com

COPS

CPB Software AG

Josefstädter Straße 78
1080 Vienna
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CPB SOFTWARE AG

Deloitte Services Wirtschaftsprüfungs GmbH

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http://www.deloitte.com

Deloitte.

DIAMOS AG Am Limespark 2 65843 Sulzbach Germany	http://www.diamos.com	DIAMOS
DWS Investments Deutsche Bank AG, Filiale Wien Hohenstaufengasse 4 1010 Vienna	http://www.dws.at	DWS INVESTMENTS Deutsche Bank Gruppe
Erste Group Bank AG Graben 21 1010 Vienna	http://www.erstebank.at	ERSTE ERSTE GROUP
Ernst & Young Wirtschaftsprüfungs-gesellschaft m.b.H. Wagramer Straße 19, IZD Tower 1220 Vienna	http://www.ey.com	ERNST & YOUNG Quality In Everything We Do
fundinfo AG Rüdigerstraße 15 8045 Zürich	http://www.fundinfo.com	fundinfo.com
KATHREIN & Co. Privatgeschäftsbank Aktien-gesellschaft Wipplingerstraße 25 1010 Vienna	http://www.kathrein.at	KATHREIN & CO. Privatgeschäftsbank Aktiengesellschaft
KNEIP COMMUNICATION 26/28, rue E. Steichen/P.O. Box 729 L-2017 Luxembourg	http://www.kneip.com	KNEIP
KPMG Austria GmbH Porzellangasse 51 1090 Vienna	http://www.kpmg.at	KPMG cutting through complexity
LeitnerLeitner GmbH Am Heumarkt 7 /Stiege 1 1030 Vienna	http://www.leitnerleitner.com	leitnerleitner
Morningstar Deutschland GmbH Repräsentanz Österreich Fischhof 3/6 1010 Vienna	http://www.morningstar.at	MORNINGSTAR
Oesterreichische Kontrollbank Aktiengesell-schaft Am Hof 4 1010 Vienna	http://www.oekb.at	OeKB Oesterreichische Kontrollbank AG

ÖVFA Österreichische Vereinigung für Finanzanalyse und Asset Management Eßlinggasse 17/5 1010 Vienna	http://www.ovfa.at	
Princeton Financial Systems Schweiz GmbH Binzstraße 18 8045 Zürich Switzerland	http://www.pfs.com	
Profidata Services AG An der Hauptwache 7 60313 Frankfurt Germany	http://www.profidatagroup.com	
PwC Österreich GmbH Wirtschaftsprüfungsgesellschaft Erdbergstraße 200 1030 Vienna	http://www.pwc.at	
Raiffeisen Bank International AG Am Stadtpark 9 1030 Vienna	http://www.rbinternational.com	
SimCorp Central Europe SimCorp Österreich GmbH Wollzeile 16 1010 Vienna	http://www.simcorp.com	
SIX Telekurs Deutschland GmbH Theodor-Heuss-Allee 108 60486 Frankfurt am Main Germany Branch Office Vienna: Wipplingerstraße 34 1010 Vienna	http://www.six-telekurs.com	
SMN Investment Services GmbH Rotenturmstraße 16-18 1010 Vienna	http://www.smn.at	
software-systems.at Finanzdatenservice GmbH 9103 Diex 204	http://www.software-systems.at	
State Street Bank GmbH, Filiale Wien Schottengasse 4 1010 Vienna	http://www.statestreet.com	

SunGard Systeme GmbH Solmsstraße 18 60486 Frankfurt am Main Germany	http://www.sungard.de	SUNGARD
TILP Rechtsanwälte Einhornstraße 21 72138 Kirchentellinsfurt Germany	http://www.tilp.de	TILP
TPA Horwath Wirtschaftstreuhand und Steuer-beratung GmbH Praterstraße 62-64 1020 Vienna	http://www.tpa-horwath.com	TPA Horwath
UBS Global Asset Management Wächtergasse 1 1010 Vienna	http://www.ubs.com	UBS
UniCredit Bank Austria AG Schottengasse 6-8 1010 Vienna	http://www.bankaustria.at	Bank Austria UniCredit Group
Vontobel Europe S.A. Kärntnerstraße 51 1010 Vienna	http://www.vontobel.com	VONTOBEL
vwd Vereinigte Wirtschaftsdienste AG Tilsiter Straße 1 60487 Frankfurt am Main Germany	http://www.vwd.at	vwdgroup: excellence in financial solutions
Wiener Börse AG Wallnerstraße 8 1014 Vienna	http://www.wienerborse.at	wiener börse.at
WM Datenservice Düsseldorfer Straße 16 60329 Frankfurt am Main Germany	http://www.wmdaten.com	WM Datenservice

MEMBERSHIPS AND COOPERATON IN BOARDS AND ORGANISATIONS

- **Membership NATIONAL**

  Bankwissenschaftliche Gesellschaft (BWG), Vienna

  Österreichische Vereinigung für Finanzanalyse und Asset Management (ÖVFA), Vienna

- **Membership INTERNATIONAL**

  European Fund and Asset Management Association (EFAMA), Brussels

  International Investment Fund Association (IIFA), Montreal

  FundsXML.org, Frankfurt

- **Membership in EFAMA Organs and Committees**

  Board of Directors

  EFAMA Investment Management Forum

  EFAMA General Membership Meeting

  Statistics Committee

  Tax Committee

- **Membership in EFAMA Working Groups**

  AIFM

  Capital Adequacy - CRD

  Corporate Governance

  ETF

  European Fund Categorisation Forum (EFCF)

  FATCA

  FPP - European Portal

  Fund Processing Passport (FPP)

  Fund Processing Standardization Group (FPSG)

  Derivatives and Market Infrastructure

  IAS Experts

  Investor Education

  IORP Review

KID Implementation

MiFID Implementation

Money Market Funds

“Newcits”

Responsible Investments

OTC Derivatives and CCP Clearing

Private Placement

Open Ended Real Estate Funds (OEREF)

Risk Indicators

Supervision

UCITS IV

Valuation

VAT

- **Membership in IIFA Boards and Working Groups**

  IIFA Board of Directors (Board Member: *Dr. Kammel*)

  IIFA General Membership Meeting

  IIFA IOSCO Working Group

  IIFA Website Group (Chair: *Dr. Kammel*)

- **Membership in FundsXML.org Boards and Working Groups**

  Standard Committee

  Working Group „FundsXML Promotion“ (Chair: *Dr. Kammel*)

  Working Group “Technic/Content”

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Accountants:
Bankhaus Schelhammer & Schattera
Kapitalanlagegesellschaft m.b.H.
Michael Bode *(since April 2010)*

Allianz Invest Kapitalanlagegesellschaft mbH
Dr. Josef Ortmair *(until April 2010)*

Lang & Obermann Steuerberatungsgesellschaft m.b.H.
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