

**Raiffeisen fond udržitelného rozvoje,
otevřený podílový fond,
Raiffeisen investiční společnost a.s.**

**Semi-Annual Report
for the period of 01. 10. 2016 - 31. 03. 2017**

Semi-Annual Report of Standard Feeder Fund for the period of 01.10.2016 - 31.03.2017

Currency:	CZK
Capitalisation class ISIN:	CZ0008474400
Regular investment class ISIN:	CZ0008474434
Nominal value of share certificates:	None
Fund format:	Open-ended mutual fund
Type of fund based on AKAT:	Mixed
Date of incorporation:	21 May 2014

Note: The Fund's financial year changed in the course of 2016; the year always commences on 1 October and ends on 30 September of the following calendar year.

Fund Administrator

Raiffeisen investiční společnost a.s., Company no. (IČ): 29146739, with registered office at Hvězdova 1716/2b, Praha 4 – Nusle, Postal Code 140 78, acts as the investment company administering and managing the Fund assets. The company was founded on 21 December 2012. The relevant licence to act as an investment company was issued by the Czech National Bank, by way of Decision ref. no. 2013/4256/570 dated 9 April 2013, that acquired legal force on 9 April 2013. The company is a 100-percent subsidiary of Raiffeisenbank a.s. The investment company has not concluded any contracts with any other person or entity covering activities of a senior supporter of the fund pursuant to Sections 85 to 91 of Act no. 240/2013 Collection of Laws ("Coll."), on Investment Companies and Investment Funds.

Fund Depositary

The services of a depositary have been provided by UniCredit Bank Czech Republic and Slovakia, a.s., Company no. (IČ): 64948242, with registered office at Želetavská 1525/1, Praha 4, Postal Code 140 92, incorporated in the Companies Register administered by the Municipal Court in Prague, Section B, File no. 3608. The Depositary has also been in charge of custody of the Fund assets in the record period.

Auditor

The Fund has been audited by Deloitte Audit s.r.o., Company no. (IČ): 49620592, with registered office at Karolinská 654/2, Praha 8 – Karlín, Postal Code 186 00, incorporated in the Companies Register administered by the Municipal Court in Prague, Section C, File no. 24349.

Master Fund

Raiffeisen-Nachhaltigkeitsfonds-Mix (ISIN: AT0000785381), hereinafter the "Master Fund", with registered office at Mooslackengasse 12, 1190 Wien, Austria. The Master Fund has been managed by Raiffeisen Kapitalanlage-Gesellschaft m.b.h., with registered office at Mooslackengasse 12, 1190 Wien, Austria. Identification number: 83517w – Companies Register administered by the Commercial Court in Vienna (Austria). For more information about the Master Fund, including its latest published annual and semi-annual reports, please, see the web site: www.rfis.cz.

Investment Focus

The Fund investment strategy aims at achieving moderate growth of the capital measured in Czech crowns, by way of investing at least 85 percent of the value of its assets in securities issued by the Master Fund (whose performance has been measured in EUR). A lesser portion of the assets (up to 15 percent of the total assets) may comprise financial derivatives negotiated exclusively for the hedging purposes and money-market instruments

(deposits) in the Czech or foreign currencies. The Fund performance has been measured in CZK. The Fund has been rated in Risk Group 4 according to the Synthetic Risk and Reward Indicator (SRRI).

Fund Portfolio Manager

Ing. Martin Zezula

Background: Faculty of Finance and Accounting of the University of Economics in Prague
 Courses and training: Broker's licence issued by the Czech Ministry of Finance
 RIS portfolio manager: since 17 June 2013
 Practical experiences: 19 years

Since 2013 Raiffeisen investiční společnost a.s., Portfolio Manager
 2006 - 2013 Raiffeisenbank a.s., Portfolio Manager
 2001 - 2006 Conseq Investment Management, a.s., Portfolio Manager
 2000 - 2001 Conseq Finance, a.s., Portfolio Manager
 1998 - 2000 Conseq Finance, a.s., Analyst - Credits
 1998 - 1998 Prague International Securities, s.r.o., Analyst - Equity

Portfolio Manager's Comments

We have repeatedly replenished the portfolio of *Raiffeisen fond udržitelného rozvoje* also in the past 6 months with units belonging to the Master Fund (Raiffeisen-Nachhaltigkeit-Mix (R) VTA, ISIN: AT0000785381), with the intention of maintaining their share in the interval of 85-100 percent of the assets (they accounted for 95.5 percent of the assets at the end of March, as against 96.9 percent as of 30 September 2016). In view of the continuing Czech National Bank foreign exchange rate commitment (the exchange rate of 27 CZK/EUR or less at least until 31 March 2017), we have maintained for most of the Fund record period the ratio of investments without currency hedging at a level of lower tens of percent. Nevertheless, we have opted for currency hedging of the majority of the managed portfolio in the past few weeks.

Financial indicators	31 March 2017	30 June 2016	30 June 2015
Profit / loss after tax (CZK'000)	13,224	2,372	4,885

CZ0008474400

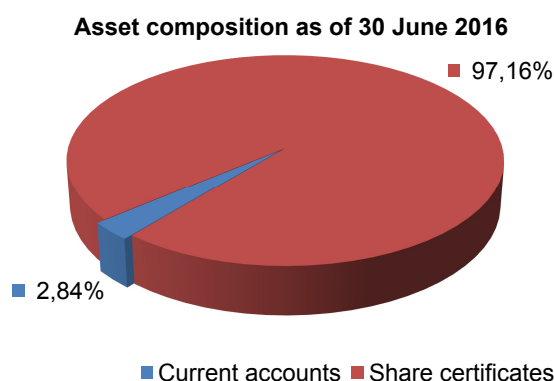
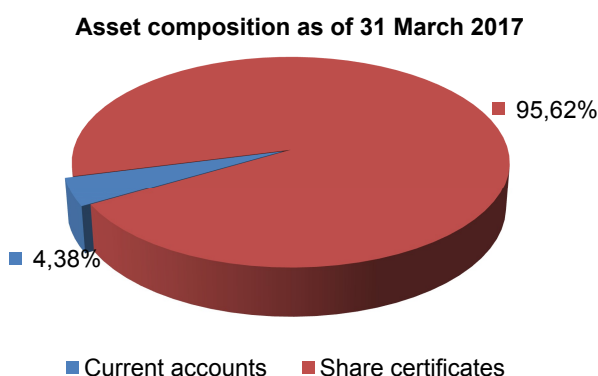
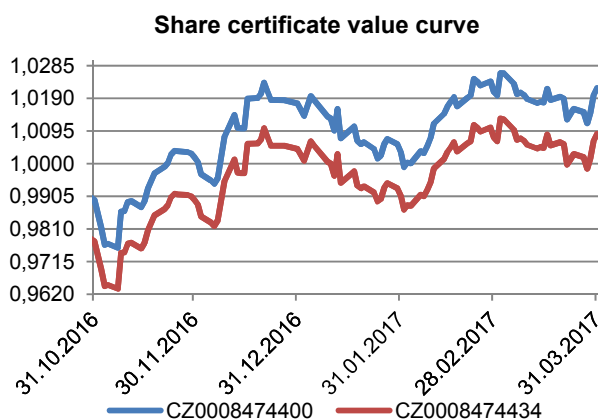
Mutual fund equity (CZK'000)	184,672	184,755	215,501
Equity per share certificate, in CZK	1.0220	0.9754	0.9978
Number of share certificate, in pieces	180,700,654	189,406,892	215,985,355

CZ0008474434

Mutual fund equity (CZK'000)	483,528	246,165	142,663
Equity per share certificate, in CZK	1.0087	0.9644	0.9869
Number of share certificate, in pieces	479,351,098	255,249,074	144,550,815

Number of share certificates issued and redeemed in the period of 01.10.2016 - 31.03.2017

ISIN	Issued share certificates		Redeemed share certificates		BALANCE (+/-)	
	pieces	CZK'000	pieces	CZK'000	pieces	CZK'000
CZ0008474400	6,345,390	6,434	11,793,803	11,830	-5,448,413	-5,396
CZ0008474434	198,859,939	198,391	19,093,531	18,909	179,766,408	179,482



List of securities held in excess of 1 percent as of 31 March 2017

CURRENCY	COUNTRY	ISIN	NAME	PURCHASE PRICE (CZK'000)	FAIR VALUE (CZK'000)	STAKE IN ASSETS (in %)
EUR	AT	AT0000785381	RAIFFEISEN NACHHLT.MIX.	644,369	664,183	95.46
TOTAL				644,369	664,183	95.46

Other material information according to Annex 2 to Regulation No. 244/2013 Coll.:

h) The value of all profit shares paid out per unit certificate or per investment share.

The Fund represents a growth fund, i.e., all profit has been reinvested.

i) Information on the actually paid consideration to the manager for managing the fund, which is to be broken down into information on the consideration for the performance of the activities of a depository, of an administrator, of a primary supporter and of an auditor, and information on other expenses or taxes.

This information is carried in the Profit and Loss Account for the record period, which comprises part of the present Semi-Annual Report.

j) Information on the quantitative restrictions and methods that were selected for the evaluation of the risks associated with the techniques of the fund's management in the relevant period, including information on the counterparties to the transactions, on the type and amount of the hedging received, and on the yield and expenses associated with the application of such techniques, and information of investment limits in relation to derivatives negotiated on the account of such fund.

The Fund has invested in the record period in keeping with its investment strategy as stipulated in the Fund Prospectus and in any relevant regulations. Risk exposures of financial derivatives relate to (a) so-called “basis” risks resulting from different price trends in derivatives and the hedged assets, (b) risks of a failure of the counterparty. The market value of financial derivatives negotiated in order to secure claims for the payment of pecuniary funds from accounts in the Czech or foreign currencies may comprise up to 15 percent of the value of the Fund assets. The sum of the values of foreign currency investment instruments, i.e., securities issued by the Master Fund, and receivables regarding payments of pecuniary funds from the account in foreign currencies, which have not been hedged against CZK, shall not exceed 50 percent of the Fund assets. Financial derivatives have been negotiated, without limitation, with UniCredit Bank Czech Republic and Slovakia, a.s., Komerční banka, a.s., Československá obchodní banka, a.s.

In the sense of Art. 13 (Section A of the Annex) of Regulation (EU) 2015/2365 of the European Parliament and of the Council, the Company wishes to inform that the Fund has executed in the record period no SFT transactions, i.e., securities financing (hedging) transactions, or swaps of all yields.

Balance Sheet

	31 March 2017	30 June 2016
	CZK'000	CZK'000
Receivables from banks and cooperative credit unions	30,402	12,254
<i>of which: (a) Payable upon request</i>	30,402	12,254
Shares, share certificates and other investments	664,183	419,346
<i>of which: (b) Share certificates</i>	664,183	419,346
Other assets	1,186	1,310
Total assets	695,771	432,910
Other liabilities	26,346	1,602
<i>including: derivatives</i>	5 060	1 702
Accrued expenses and deferred income	568	388
Reserves	656	-
<i>of which: (b) Tax</i>	656	-
Capital funds	653,088	438,638
Retained earnings or accumulated loss brought forward	1,889	(10,090)
Profit or loss for the current period	13,224	2,372
Total liabilities	695,771	432,910

Profit and Loss Account

	In the period ending 31 March 2017
	CZK'000
Fees and commission income	2,000
Fees and commission expenses	(2,839)
<i>including: Management fees</i>	(2,493)
<i>Depositary fees</i>	(167)
Profit or loss from financial operations	14,684
Administrative expenses	(25)
<i>including: Auditor's fees</i>	(25)
Profit or loss for the current period from regular activities before tax	13,820
Income tax	(596)
Profit or loss for the current period	13,224