

all data as of 30.09.2017

Portfolio & Market Environment

The month of September showed some volatility with good performance and an impressive rise towards the end of the month. International politics were again the main cause of uncertainty. The development was accompanied by the last half year results from the mid- & and small-caps companies. The mid caps gained 2.73% and outperformed the small caps, which had an advance of only 0.61%. The large caps had a big bounce with a plus of 2.70%. The fund was, with an advance of 3.82% able to outperform the benchmark, which gained 2.51%.

The monthly performance of the SaraSelect portfolio was driven by the following holdings. The largest positive contributions were made by Also (68 bp), Bossard (56 bp), Interroll (39 bp), Sika (31 bp), dormakab (30 bp) and not being invested in Zürich Airport (13 bp). Negative contributions stem from vifor pharma (-18 bp) and not being invested in Kühne+Nagel (-13 bp) and OC Oerlikon (-12 bp).

Noticed... dormakaba's successful year

dormakaba succeeded in surprising market participants positively, delivering above expectation growth and margins for the past financial year 2016/7. Especially North America, the region with the highest operating margins, good growth was driven especially by the hotel lock business. Finally the restructuring of the chinese operations bear fruits. With these impressive results, the company has come much closer to the mid-term targets set for 2018/9. Also, 55% of the CHF 70 mn yearly synergies stemming from the merger between Kaba and dorma were achieved already.

Thanks to the 6 conducted acquisitions, where of Stanley Black and Decker and Mesker were the bigger ones, dormakaba now is a good number 3 in the so important North American market directly behind leader Assa Abloy and Allegion.

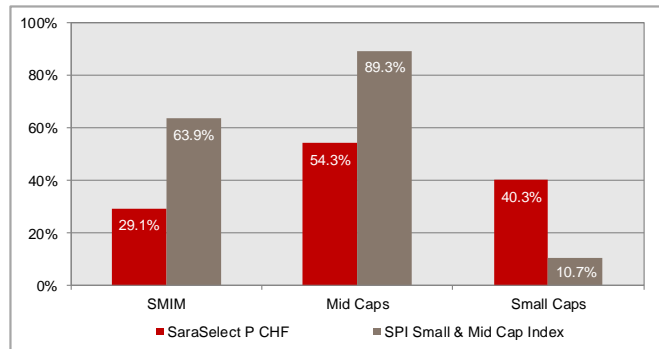
Once more, the importance of calm, long-term oriented anchor shareholders becomes visible, this in conjunction with a capable, solid management team. The proposed CHF 2.—dividend increase to CHF 14.—together with the good timing of a bond issuance in order to repay expiring loans are the final proof of senseful acting in the interest of external minority shareholders as well.

With a P/E of about 26.5x 2018 the stock is not cheap anymore, but the family driven-company assures participation in the growing area of conditional access.

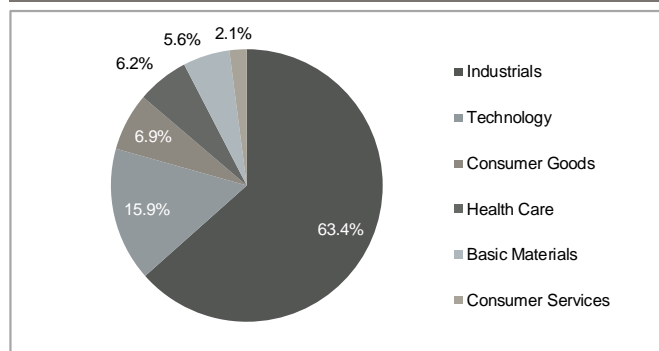
Impatience is the cause of all human errors

Franz Kafka

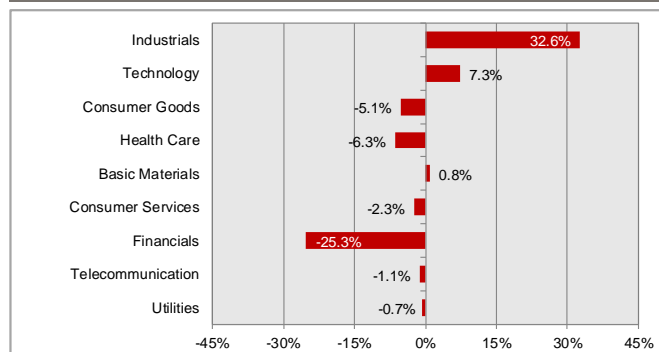
Segment Allocation



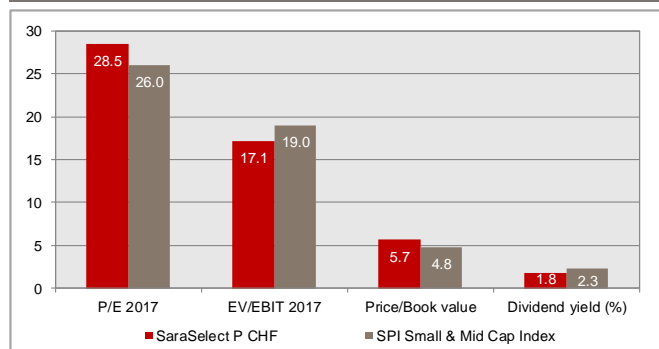
Industry Allocation



Industries relative to Benchmark




Valuation



Largest Positions

	Fund	Index
Bossard Holding AG	8.56%	0.50%
ALSO Holding AG	7.97%	0.35%
Bobst Group SA	6.92%	0.33%
LEM Holding SA	6.75%	0.34%
Sika AG	5.45%	0.00%
Bell Food Group AG	4.66%	0.25%
Daetwyler Holding AG	4.64%	0.49%
Bachem Holding AG	4.57%	0.34%
Belimo Holding AG	4.34%	0.73%
Bucher Industries AG	4.17%	4.17%
Phoenix Mecano AG	3.77%	0.14%
dormakaba Holding AG	3.73%	1.39%
Interroll Holding AG	3.54%	0.38%
Gurit Holding AG	2.87%	0.18%
Huber + Suhner AG	2.74%	0.36%
Total Top 15	74.59%	6.32%

Fund Profile & Key Figures

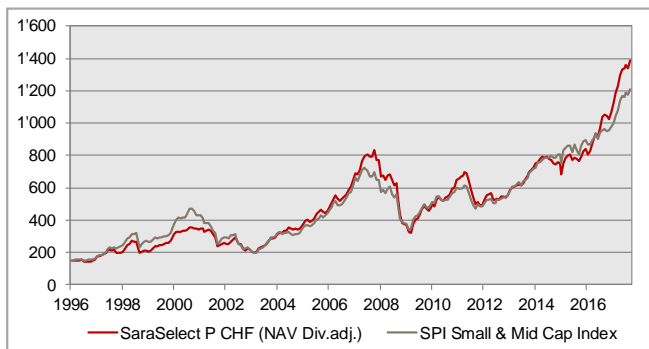
Asset Manager	VV Vermögensverwaltung AG
	Marc Possa (Deputy Thomas Buri)
Fund Mgmt. Company	J. Safra Sarasin Investmentfonds Ltd.
Custodian Bank	Bank J. Safra Sarasin Ltd.
Swiss Security No.	123406
ISIN	CH0001234068
Launch	01.02.1996
Management Fee	1.50% p.a.
Investment Style	Bottom-up stock picking
Benchmark (Index)	SPI Small & Mid Caps (SPISMC)
	
Fund Size	CHF 661.0mn
Net Asset Value per Unit	CHF 1'392.89
Hist. Volatility*	12.21% p.a.
Tracking Error*	6.63% p.a.

*Time period 3 years, monthly observation

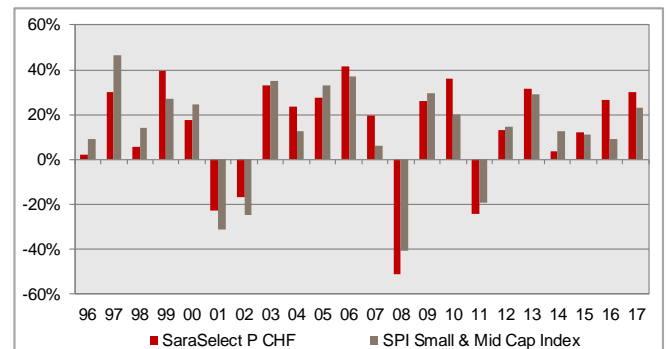
Performance Overview

	YTD	1 Month	1 Year	3 Years	5 Years	10 Years	since Launch
Fund	30.60%	3.82%	33.90%	20.95% p.a.	20.98% p.a.	5.80% p.a.	10.84% p.a.
Index	23.36%	2.51%	26.41%	14.23% p.a.	17.84% p.a.	6.00% p.a.	10.15% p.a.

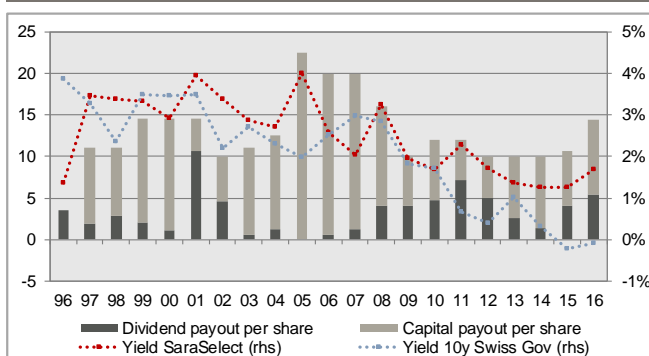
Cumulative Performance since Inception



Yearly Performance since Inception



Distributions per share



Year	Dividend	Capital Gain*	Total
2016	5.40	9.05	14.45
2015	4.00	6.70	10.70
2014	1.40	8.60	10.00
2013	2.60	7.40	10.00
2012	5.00	5.00	10.00
2011	7.20	4.80	12.00
2010	4.80	7.20	12.00
2009	4.00	6.00	10.00
2008	4.00	12.00	16.00
2007	1.20	18.80	20.00
2006	0.60	19.40	20.00

*Not subject to income tax for private investors domiciled in Switzerland

Monthly Performance

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2017	Fund	4.91%	6.25%	3.36%	5.97%	2.41%	0.26%	1.69%	-1.33%	3.82%				30.60%
	Index	2.11%	4.78%	2.76%	5.70%	2.91%	-0.99%	2.44%	-0.79%	2.51%				23.36%
2016	Fund	-4.55%	2.84%	5.78%	2.20%	4.94%	-2.76%	6.00%	7.46%	1.47%	-1.01%	-2.12%	4.28%	26.48%
	Index	-3.63%	-0.08%	3.56%	0.75%	4.00%	-3.77%	4.08%	1.66%	1.05%	-1.52%	0.54%	2.41%	9.01%
2015	Fund	-9.53%	9.96%	4.55%	1.78%	0.80%	-3.68%	1.93%	-1.01%	-1.59%	3.14%	4.50%	1.83%	12.01%
	Index	-7.00%	10.46%	1.98%	1.29%	0.08%	-4.72%	5.96%	-3.87%	-3.08%	6.46%	3.61%	0.75%	11.01%
2014	Fund	3.41%	0.57%	3.13%	1.42%	-0.65%	0.67%	-1.44%	-0.70%	-3.27%	-0.29%	2.00%	-1.21%	3.47%
	Index	1.42%	4.05%	0.52%	1.30%	1.67%	0.63%	-0.41%	2.08%	-1.72%	-0.46%	2.91%	0.30%	12.85%
2013	Fund	6.21%	2.56%	1.10%	0.51%	1.32%	-1.09%	2.60%	4.26%	2.86%	3.48%	1.98%	2.01%	31.37%
	Index	4.68%	4.38%	0.90%	1.35%	2.36%	-3.21%	4.25%	0.97%	2.96%	4.06%	1.70%	1.83%	29.29%
2012	Fund	7.50%	5.59%	0.84%	0.59%	-6.47%	0.14%	0.91%	-0.88%	2.90%	-0.04%	-0.99%	2.84%	12.98%
	Index	4.19%	3.76%	0.73%	1.50%	-5.88%	0.98%	3.03%	0.09%	2.23%	0.58%	1.58%	1.27%	14.59%

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