

all data as of 31.07.2016

### Portfolio & Market Environment

Following the proposed referendum on UK membership of the EU the stock markets have risen in July on a broad basis. Especially the British stock market showed strong strength and was able to achieve a performance of more than 7%. In Switzerland the market showed mix results. The small caps rose by 9.05% and the mid caps at 4.19%. On the other hand the large caps retreated by 4.44%. This constellation was positively reflected in the fund, which gained 6.00% and significantly outperformed the benchmark, which appreciated by 4.08%.

The monthly performance of the SaraSelect portfolio was significantly influenced by the following holdings. The largest positive contributions were made by Bossard (92 bp), CPH (60 bp), Bobst (56 bp), Adval Tech (42 bp), Interroll (27 bp) and Belimo (27 bp). The performance was negatively affected by not being invested in Lonza (-55 bp), Temenos (-33 bp) and Partners Group (-29 bp). The published half-year results in July were well received in the market especially in the small and mid cap sector. Our holdings in CPH, Adval Tech, Interroll and Huber + Suhner could convince the market with sustainably positive news.

### Noticed...

With their quarter and half year results, Ems, Logitech and Sika have impressively demonstrated, how important an innovation based culture for the sustainable success of a company is. In the fight for higher market shares, companies have to create value added in order to satisfy the needs of their customers. Even price-sensitive clients will be willing to share a realized value added, resulting in higher margins which will then again allow investments into R&D, leading to superior products and higher margins again.

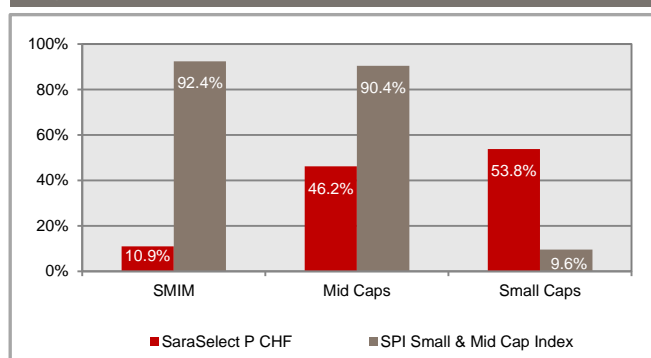
The importance of the selection of an attractive niche coupled with an above-average innovation culture cannot be mentioned enough. This is the success of many Swiss companies. Thanks to focus and a high innovation culture, over many decades they have evolved to the undisputed global market leaders being in a position to raise their market shares despite increasing Asian competition.

The willingness to think long-term and therefore to invest accordingly often has made the difference.

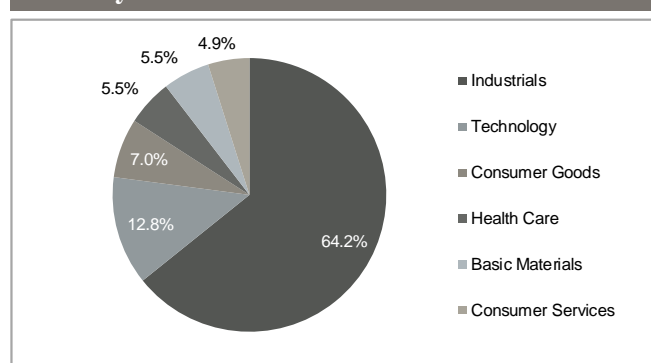
Do not try to be an expert everywhere. Stay in your field, in which you are most familiar.

Author unknown

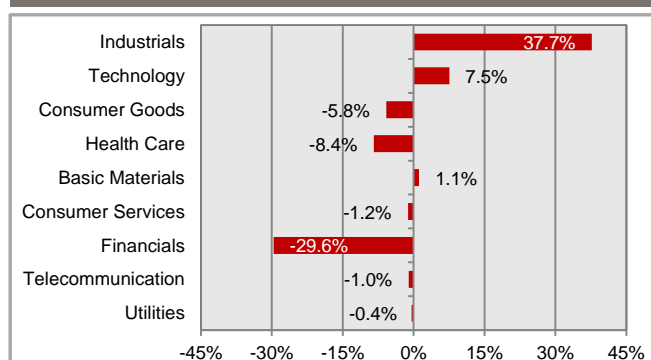
### Segment Allocation



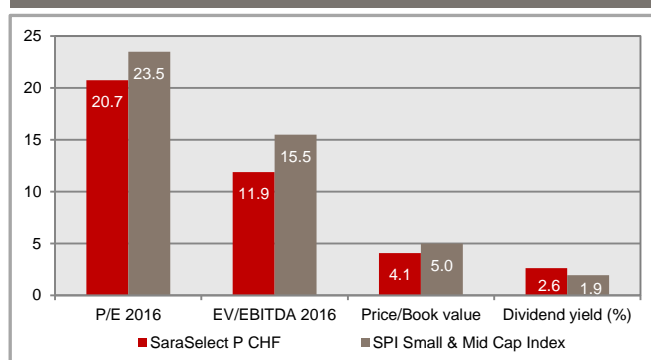
### Industry Allocation



### Industries relative to Benchmark



### Valuation



### Largest Positions

	Fund	Index
LEM Holding SA	8.44%	0.27%
Bossard Holding AG	7.83%	0.31%
Bell AG	6.79%	0.24%
ALSO Holding AG	6.53%	0.11%
Daetwyler Holding AG	5.95%	0.48%
Bobst Group SA	5.92%	0.20%
Bachem Holding AG	5.26%	0.18%
Belimo Holding AG	5.53%	0.11%
Phoenix Mecano AG	5.01%	0.15%
Sika AG	5.20%	5.20%
Bucher Industries AG	4.79%	0.76%
dorma+kaba Holding AG	4.05%	1.15%
Interroll Holding AG	4.19%	0.02%
Huber + Suhner AG	3.94%	0.40%
Adval Tech Holding AG	3.33%	0.03%
<b>Total Top 15</b>	<b>80.82%</b>	<b>8.91%</b>

### Fund Profile & Key Figures

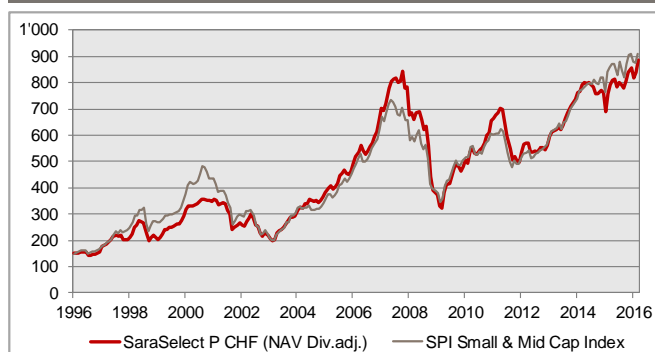
Asset Manager	VV Vermögensverwaltung AG
	Marc Possa (Deputy Thomas Buri)
Fund Mgmt Company	J. Safra Sarasin Investmentfonds Ltd.
Custodian Bank	Bank J. Safra Sarasin Ltd.
Swiss Security No.	123406
ISIN	CH0001234068
Launch	01.02.1996
Management Fee	1.50% p.a.
Investment Style	Bottom-up stock picking
Benchmark (Index)	SPI Small & Mid Caps (SPISMC)
Fund Size	CHF 471.3mn
Net Asset Value per Unit	CHF 981.77
Hist. Volatility*	12.10% p.a.
Tracking Error*	6.67% p.a.

\*Time period 3 years, monthly observation

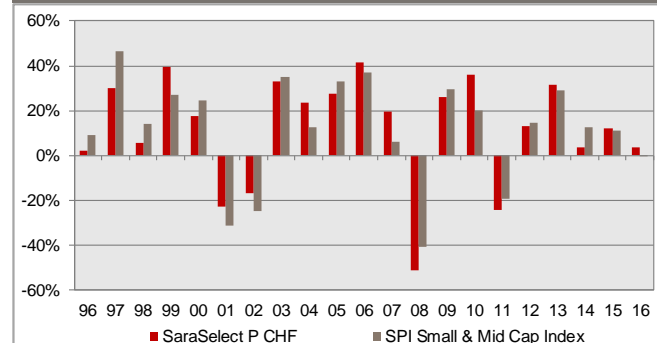
### Performance Overview

	YTD	1 Month	1 Year	3 Years	5 Years	10 Years	since Launch
Fund	14.80%	6.00%	22.75%	15.36% p.a.	10.47% p.a.	6.19% p.a.	9.51% p.a.
Index	4.65%	4.08%	8.35%	13.66% p.a.	12.24% p.a.	6.50% p.a.	9.41% p.a.

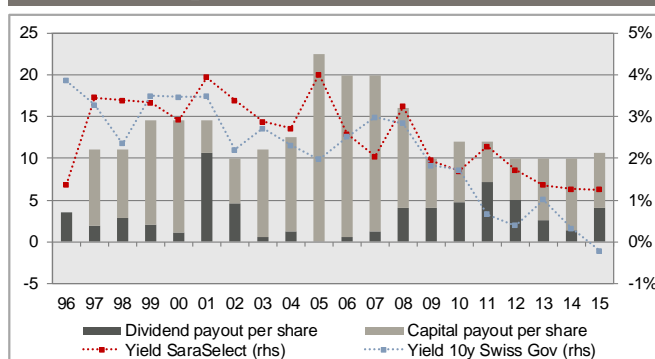
### Cumulative Performance since Inception



### Yearly Performance since Inception



### Distributions per share



Year	Dividend	Capital Gain*	Total
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
2016	Fund -4.55%	Fund -3.63%	Fund 2.84%	Fund 5.78%	Fund 2.20%	Fund -2.76%	Fund 6.00%	Fund 4.08%					Fund 14.80%
	Index -3.63%	Index -0.08%	Index 3.56%	Index 0.75%	Index 4.00%	Index -3.77%	Index 4.08%	Index 4.08%					Index 4.65%
2015	Fund -9.53%	Fund 9.96%	Fund 4.55%	Fund 1.78%	Fund 0.80%	Fund -3.68%	Fund 1.93%	Fund -1.01%	Fund -1.59%	Fund 3.14%	Fund 4.50%	Fund 1.83%	Fund 12.01%
	Index -7.00%	Index 10.46%	Index 1.98%	Index 1.29%	Index 0.08%	Index -4.72%	Index 5.96%	Index -3.87%	Index -3.08%	Index 6.46%	Index 3.61%	Index 0.75%	Index 11.01%
2014	Fund 3.41%	Fund 0.57%	Fund 3.13%	Fund 1.42%	Fund -0.65%	Fund 0.67%	Fund -1.44%	Fund -0.70%	Fund -3.27%	Fund -0.29%	Fund 2.00%	Fund -1.21%	Fund 3.47%
	Index 1.42%	Index 4.05%	Index 0.52%	Index 1.30%	Index 1.67%	Index 0.63%	Index -0.41%	Index 2.08%	Index -1.72%	Index -0.46%	Index 2.91%	Index 0.30%	Index 12.85%
2013	Fund 6.21%	Fund 2.56%	Fund 1.10%	Fund 0.51%	Fund 1.32%	Fund -1.09%	Fund 2.60%	Fund 4.26%	Fund 2.86%	Fund 3.48%	Fund 1.98%	Fund 2.01%	Fund 31.37%
	Index 4.68%	Index 4.38%	Index 0.90%	Index 1.35%	Index 2.36%	Index -3.21%	Index 4.25%	Index 0.97%	Index 2.96%	Index 4.06%	Index 1.70%	Index 1.83%	Index 29.29%
2012	Fund 7.50%	Fund 5.59%	Fund 0.84%	Fund 0.59%	Fund -6.47%	Fund 0.14%	Fund 0.91%	Fund -0.88%	Fund 2.90%	Fund -0.04%	Fund -0.99%	Fund 2.84%	Fund 12.98%
	Index 4.19%	Index 3.76%	Index 0.73%	Index 1.50%	Index -5.88%	Index 0.98%	Index 3.03%	Index 0.09%	Index 2.23%	Index 0.58%	Index 1.58%	Index 1.27%	Index 14.59%
2011	Fund 1.51%	Fund 1.54%	Fund 1.25%	Fund 2.91%	Fund -1.08%	Fund -6.91%	Fund -8.06%	Fund -8.32%	Fund -7.45%	Fund 2.80%	Fund -3.49%	Fund -0.99%	Fund -24.21%
	Index -1.08%	Index 0.91%	Index 0.28%	Index 2.53%	Index -1.49%	Index -5.70%	Index -7.56%	Index -6.66%	Index -4.36%	Index 5.73%	Index -2.87%	Index 0.12%	Index -19.11%

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