

all data as of 31.01.2014

Portfolio & Market Environment

The start into 2014 was overshadowed by turbulences in the emerging markets. But the Swiss equity market, in particular the small & mid cap segment, was not affected too much. SaraSelect was able to keep last year's pace and has already posted a noticeable gain of +3.41% during the first month. The benchmark performance for January was +1.42%.

Our portfolio heavy-weights Daetwyler (+10.57%), Interroll (+9.18%), Phoenix Mecano (+7.16%) and Bossard (+5.81%) had a remarkable start into the year and delivered the biggest positive performance contributions. Also very impressive were the advances of Publigroup (+29.00%), Logitech (+16.73%) and Ascom (+15.00%). A negative development showed Adval Tech (-7.43%), Sika (-5.77%) or Kaba (-4.38%).

Equity investors have become more careful because of the rising fears of an accelerated slowdown of growth in the emerging markets. Considering the widespread need for low interest rates due to horrendous government debt and a further decrease in the risk premium requirement in Switzerland to historic averages of 2.6% (4.2% today), the SPI could trade at a P/E-multiple of 27.5x (19.2x today), representing an enormous upside potential of another 43% according to the fed model. Therefore it is questionable if the awaited setback will occur, especially because interesting dividend payments in the upcoming months are sweetening the value proposition of equities.

With a performance of +5.11% the Swiss Small Index has risen again in January. The SMIM Index (-0.29%) and the blue chips (-0.14%) were clearly lagging at the beginning of the year. Once more, the small cap segment has proven the January effect which should, considering the moderate valuations, continue into the earning season.

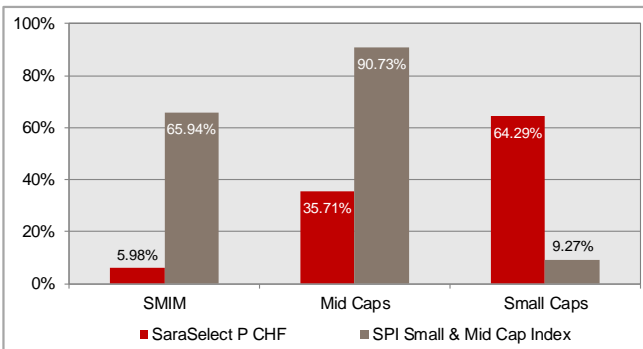
Noticed...

Finally the long awaited deal between the two widely assumed parties is announced. OC Oerlikon is the buyer of Sulzer's Metco Division at a reasonable enterprise value of CHF 1 bn. Considering the substantial synergies of these two complementary businesses, undoubtedly a good deal for OC Oerlikon. Since the sale is only expected to close in 3Q 2014, Sulzer will probably lack to compensate for the missing stable cash flows just sold, raising the question of renewed strategy and the adequate corporate governance setup.

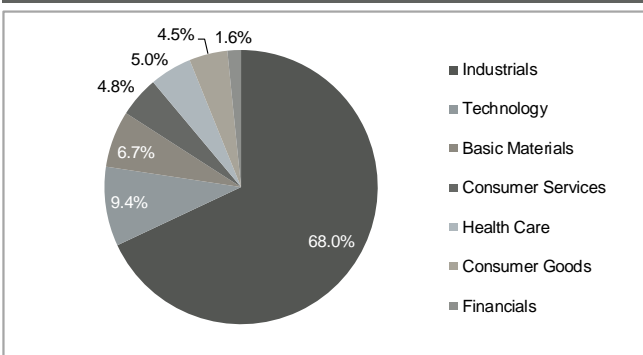
"The future is never clear: Even little certainty has a very high price. Uncertainty therefore is a long term investor's best friend."

Warren Buffett, US investor

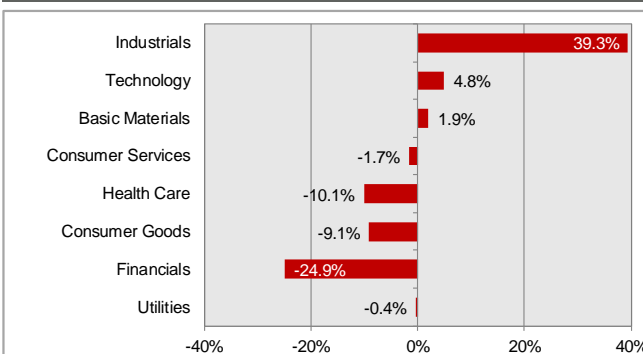
Segment Allocation



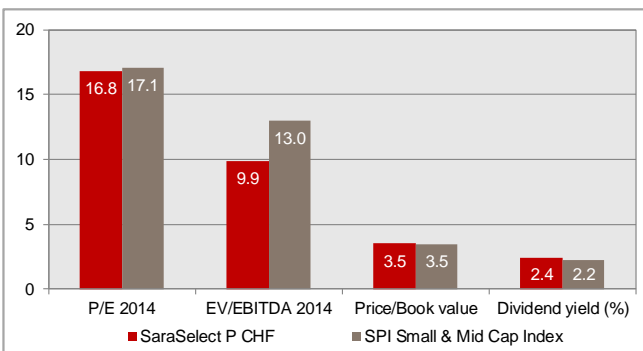
Industry Allocation



Industries relative to Benchmark



Valuation



Largest Positions

	Fund	Index
LEM Holding SA	8.61%	0.24%
Daetwyler Holding AG	8.46%	0.50%
Bossard Holding AG	7.63%	0.31%
Interroll Holding AG	5.90%	0.18%
Phoenix Mecano AG	5.46%	0.20%
Belimo Holding AG	5.40%	0.62%
Bachem Holding AG	4.92%	0.10%
Bucher Industries AG	5.90%	0.18%
Bell AG	4.32%	0.16%
Sika AG	4.09%	3.40%
Kaba Holding AG	3.96%	0.84%
Bobst Group AG	3.60%	0.14%
Huber & Suhner AG	3.58%	0.37%
CPH Chemie & Papier Holding AG	3.38%	0.08%
ALSO Holding AG	3.01%	0.07%
Total Top 15	77.00%	8.13%

Fund Profile & Key Figures

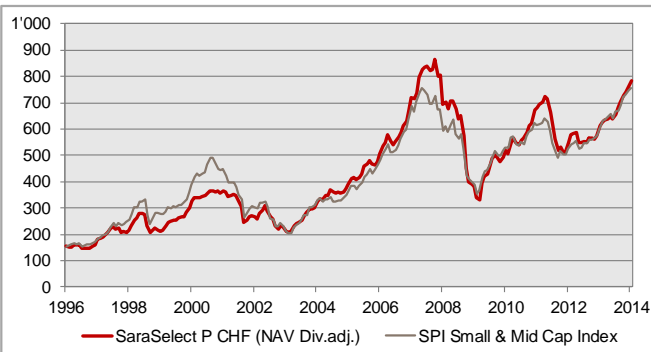
Asset Manager	VV Vermögensverwaltung AG
	Marc Possa (Dep. Peter Lehner)
Fund Mgmt Company	Sarasin Investmentfonds Ltd
Custodian Bank	Bank J. Safra Sarasin Ltd
Swiss Security No.	123406
ISIN	CH0001234068
Launch	01.02.1996
Management Fee	1.50% p.a.
Investment Style	Bottom-up stock picking
Benchmark (Index)	SPI Small & Mid Caps (SPISMC)
Fund Size	CHF 657.5mn
Net Asset Value per Unit	CHF 782.59
Hist. Volatility*	13.46% p.a.
Tracking Error*	5.44% p.a.

*Time period 3 years, monthly observation

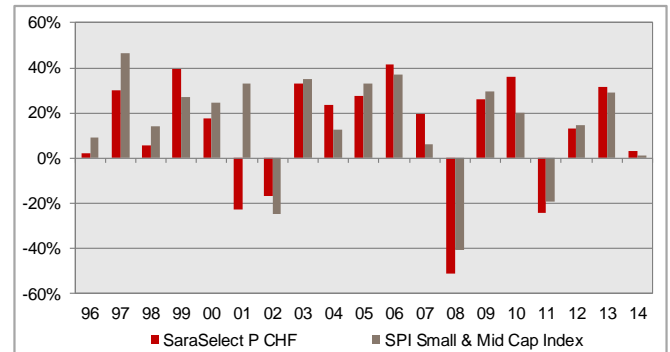
Performance Overview

	YTD	1 Month	1 Year	3 Years	5 Years	10 Years	since Launch
Fund	3.41%	3.41%	27.91%	4.64% p.a.	15.29% p.a.	9.19% p.a.	9.44% p.a.
Index	1.42%	1.42%	25.26%	7.10% p.a.	14.26% p.a.	8.62% p.a.	9.22% p.a.

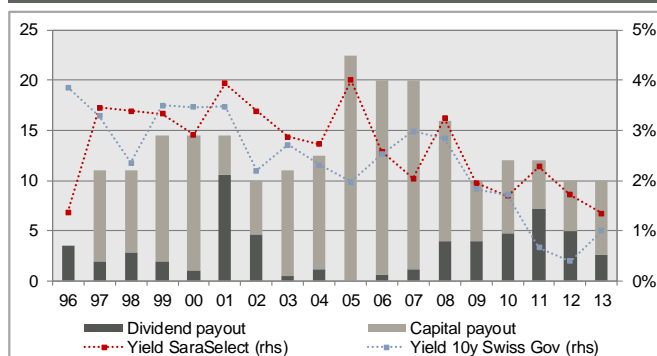
Cumulative Performance since Inception



Yearly Performance since Inception



Distributions



Year	Dividend	Capital Gain*	Total
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
2005	0.00	22.50	22.50
2004	1.20	11.30	12.50

*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
2014	Fund	3.41%												3.41%
	Index	1.42%												1.42%
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%	35.45%
	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%	31.13%
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%
2011	Fund	1.51%	1.54%	1.25%	2.91%	-1.08%	-6.91%	-8.06%	-8.32%	-7.45%	2.80%	-3.49%	-0.99%	-24.21%
	Index	-1.08%	0.91%	0.28%	2.53%	-1.49%	-5.70%	-7.56%	-6.66%	-4.36%	5.73%	-2.87%	0.12%	-19.11%
2010	Fund	4.61%	-1.94%	8.48%	2.83%	-3.34%	-1.12%	3.16%	1.29%	3.59%	5.02%	1.26%	8.02%	35.99%
	Index	2.57%	-0.63%	7.71%	0.50%	-4.95%	-1.19%	2.40%	-1.10%	4.81%	3.19%	1.27%	4.45%	20.06%
2009	Fund	-2.24%	-11.31%	-2.41%	18.43%	7.13%	1.61%	6.81%	6.58%	2.73%	-2.06%	-2.88%	3.79%	25.93%
	Index	-2.89%	-8.32%	2.74%	14.33%	5.06%	1.12%	5.46%	5.56%	4.62%	-3.81%	0.50%	3.65%	29.65%

Disclaimer: While VV Vermögensverwaltung AG has made every effort to ensure that the information on this document is correct at the time of publication, VV Vermögensverwaltung AG can make no representation or warranty (including liability to third parties) either expressly or by implication as to the accuracy, reliability or completeness of the said information. Past performance does not guarantee future returns. The performance shown does not take account of any commissions and costs charged when subscribing and redeeming units. The prospectus including management regulations of the Fund, the simplified prospectuses as well as the annual and semi-annual reports are available free of charge from the custodian bank and the information centre (Bank J. Safra Sarasin Ltd, Elisabethenstrasse 62, P.O. Box, CH-4002 Basel, Switzerland) or the fund manager (Sarasin Investmentfonds Ltd, Wallstrasse 9, CH-4002 Basel, Switzerland).