

all data as of 29.02.2016

Portfolio & Market Environment

February proved to be another month influenced by a lot of geopolitical uncertainty and economical worries. SaraSelect did not face the market volatility and had an advance of 2.84%. The last days of the month were marked by a strong market recovery, mainly driven by short-coverings that were initiated because of the rebounds of the American markets. Thanks to that, the fund has an ytd performance of -1.84%, nicely ahead of benchmark (-3.71%).

Only 10 portfolio companies were in negative territory in February. The four heavy-weights Bell (+7.17%), Bossard (+7.33%), Belimo (+10.06%) and Bobst (+8.63%) delivered the biggest positive performance contributions. Beside them Bucher, Huber+Suhner, LEM, ALSO, Sika and Bachem achieved nice advances as well. For dorma+kaba (-4.68%) who will present the half year figures next Monday the situation was slightly different. Profit-takings lead to a negative performance in February after some good previous months, as experienced by Interroll and some other companies.

The so far reported figures clearly show that Swiss companies were able to manage and mitigate most of the currency-related negative impact and demonstrated that in spite of FX headwinds they did not lose market shares.

Noticed...

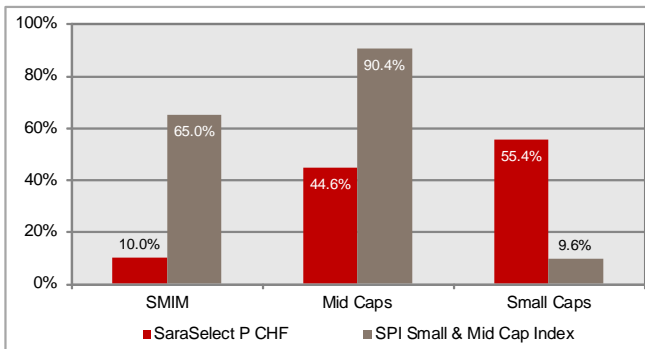
The danger of increasing growth expectations and therefore the vulnerability of valuation levels has been impressively demonstrated by the share price development of Leonteq over the course of the last couple of months. After some heavy setbacks in the previous months, the 25% decline in February lead to be another difficult month for shareholders. The announcement of the termination of the collaboration with Singapore's DBS did trigger these renewed setbacks, despite of the announcement of a 10% rise of 2015 net profit and a corresponding dividend increase from CHF 1.50 to 1.75.

Thanks to our preference for rather boring and therefore reasonably valued companies we were not invested in Leonteq nore in EFG. The market tends to extrapolate actual growth rates into the future, what has to cause tremendous disappointment sooner or later.

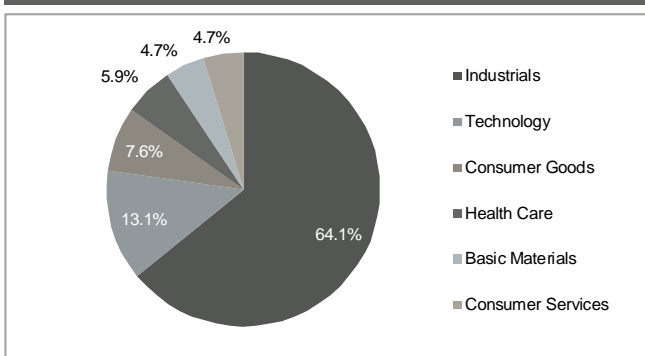
It is much better to buy an outstanding company at a good price than to buy a good company at an outstanding price.

Author Warren Buffet

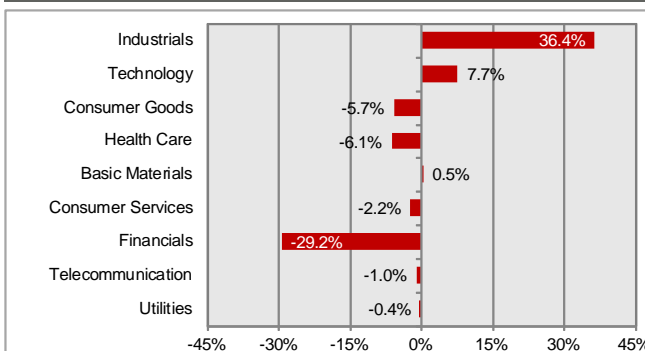
Segment Allocation



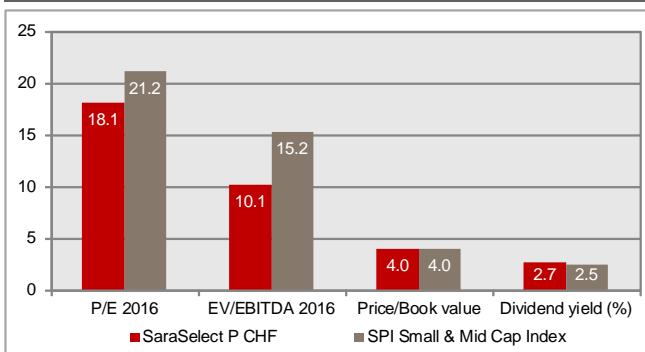
Industry Allocation



Industries relative to Benchmark



Valuation



Largest Positions

	Fund	Index
LEM Holding SA	8.85%	0.25%
Bell AG	7.80%	0.25%
Bossard Holding AG	7.51%	0.27%
Daetwyler Holding AG	6.35%	0.51%
Bachem Holding AG	6.13%	0.11%
ALSO Holding AG	6.13%	0.08%
Bobst Group AG	5.55%	0.17%
Phoenix Mecano AG	5.11%	0.51%
Interroll Holding AG	4.79%	0.25%
Bucher Industries AG	5.06%	0.72%
Belimo Holding AG	5.11%	0.57%
Sika AG	4.62%	3.98%
dorma+kaba Holding AG	3.72%	0.98%
Huber & Suhner AG	4.01%	0.34%
Schaffner Holding AG	3.06%	0.06%
Total Top 15	83.82%	8.66%

Fund Profile & Key Figures

Asset Manager	VV Vermögensverwaltung AG
	Marc Possa (Deputy Thomas Buri)
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 412.8mn
Net Asset Value per Unit	CHF 839.51
Hist. Volatility*	11.07% p.a.
Tracking Error*	6.49% p.a.

*Time period 3 years, monthly observation

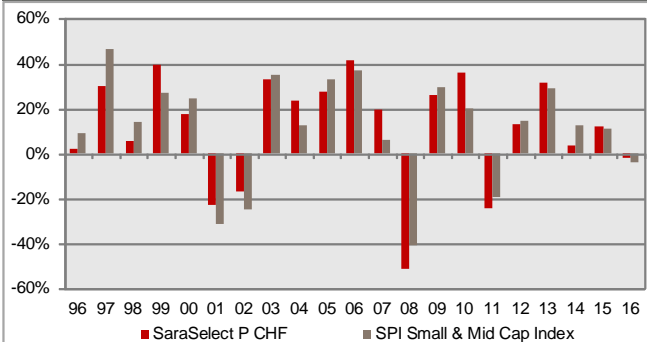
Performance Overview

	YTD	1 Month	1 Year	3 Years	5 Years	10 Years	since Launch
Fund	-1.84%	2.84%	10.53%	11.11% p.a.	4.42% p.a.	4.90% p.a.	8.78% p.a.
Index	-3.71%	-0.08%	4.06%	12.58% p.a.	7.68% p.a.	5.99% p.a.	9.21% p.a.

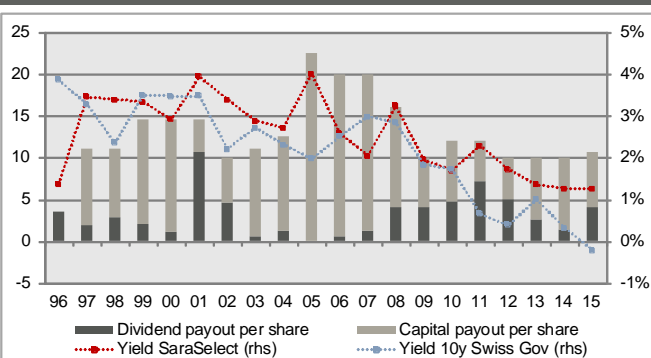
Cumulative Performance since Inception



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%	2.84%											-1.84%
	Index	-3.63%	-0.08%											-3.71%
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%
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%

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