

Portfolio & Market Environment

There are signs that the FED will raise interest rates in September. Despite the risky investment environment meant that the equity markets continued to rise. The small caps rose by 2.49% and the mid caps at 1.58%. Once again the Large Caps could not keep up with the other two segments with an increase of 0.65%. The selection in the fund has firmly contributed to the performance which increased by 7.45% and significantly outperformed the benchmark, which appreciated by 1.66%.

The monthly performance of the SaraSelect portfolio was largely driven by the following holdings. The largest positive contributions wecame from Lem Holding (136 bp), Also (72 bp), Dätwyler (60 bp), Bell (55 bp), Bachem (54 bp), Bossard (43 BP), Adval Tech (38 bp), Belimo (35 bp), Gurit (33 bp), and Huber + Suhner (33 bp). The performance was negatively affected by not being invested in Swiss Life (-37 bp), Baloise (-18 bp) and Arysza (-10 bp).

The published half-year results especially of the Swiss industrial companies were able not only to meet expectations but also to exceed them in part quite significantly. The good results were also supported due to the fact that the outlook of the companies for the 2nd half of the year turned out mostly positive.

Noticed...

Huber+Suhner experienced a dynamic first half year with all 3 business units contributing to the organic growth and therefore to the EBIT margin of 10.1%. It was the communication market that enabled the impressive 6.6% organic growth, mainly driven by the big global LTE rollouts.

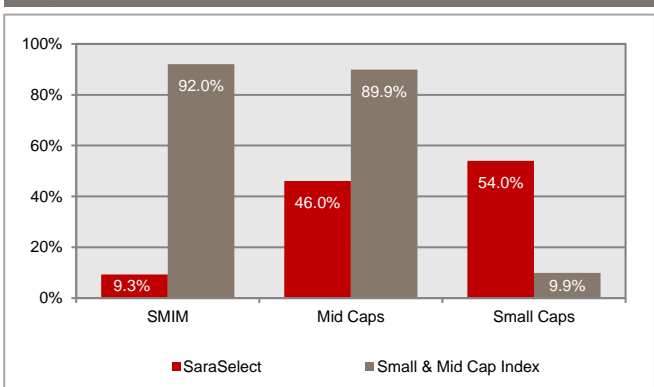
The long-term 3x3 strategy (technologies, markets and regions) seems again to be the source of stable, sustainable developments, although there was no growth in the railway market (mainly in China) yet, representing some further pent up demand which should come in the course of the next years.

Thanks to the innovation power and the fast integration of the successful complementing acquisitions, Huber+Suhner has once more triggered solid structural growth. The company is representative for many Swiss small and mid caps which are finally getting the deserved attention of investors thanks to impressive results.

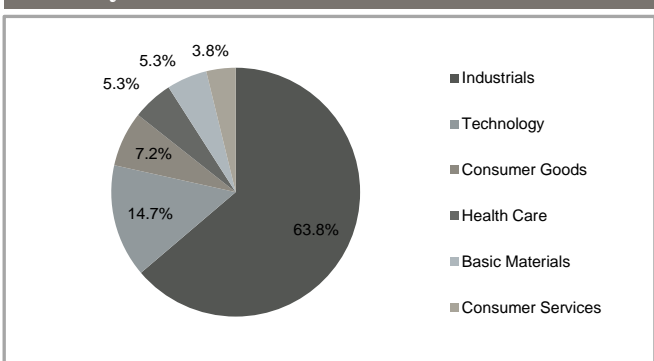
Bad news is dangerous, but misinterpretation of real news is even more dangerous.

André Kostolany

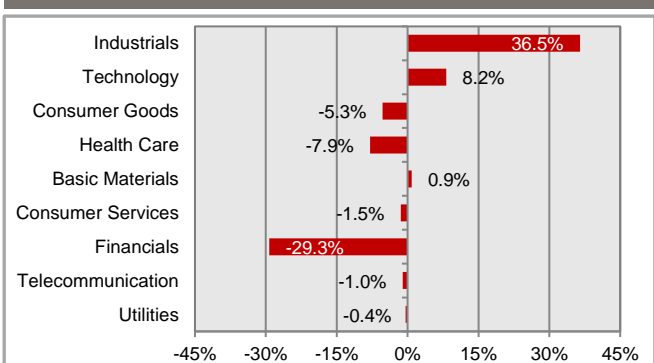
Segment Allocation



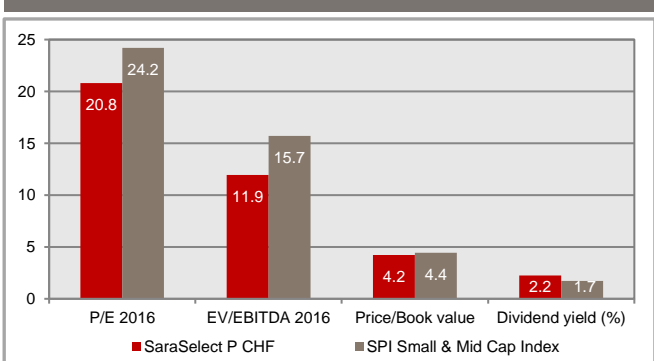
Industry Allocation



Industries relative to Benchmark



Valuation



Largest Positions

	Fund	Index
LEM Holding SA	8.20%	0.31%
Bossard Holding AG	7.36%	0.32%
Bell AG	6.58%	0.26%
ALSO Holding AG	6.49%	0.13%
Daetwyler Holding AG	5.89%	0.53%
Belimo Holding AG	5.28%	0.71%
Bachem Holding AG	5.21%	0.20%
Bobst Group SA	5.14%	0.13%
Sika AG	4.76%	4.70%
Phoenix Mecano AG	4.46%	4.46%
Bucher Industries AG	4.40%	0.77%
dorma+kaba Holding AG	3.92%	1.23%
Huber + Suhner AG	3.84%	0.43%
Interroll Holding AG	3.46%	0.31%
Adval Tech Holding AG	3.01%	0.03%
Total Top 15	78.00%	10.26%

Fund Profile & Key Figures

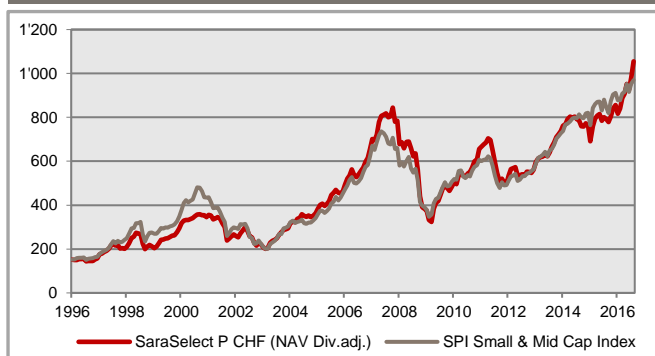
Asset Manager	VV Vermögensverwaltung AG
	Marc Possa (Deputy Thomas Buri)
Fund Mgmt Company	J. Safra Sarasin Investmentfonds Ltd.
Custodian Bank	Bank J. Safra Sarasin Ltd.
Swiss Security No.	123406
ISIN	CH0001234068
Launch	01.02.1996
Management Fee	1.50% p.a.
Investment Style	Bottom-up stock picking
Benchmark (Index)	SPI Small & Mid Caps (SPISMC)
Fund Size	CHF 492.2mn
Net Asset Value per Unit	CHF 1054.97
Hist. Volatility*	12.58% p.a.
Tracking Error*	7.34% p.a.

*Time period 3 years, monthly observation

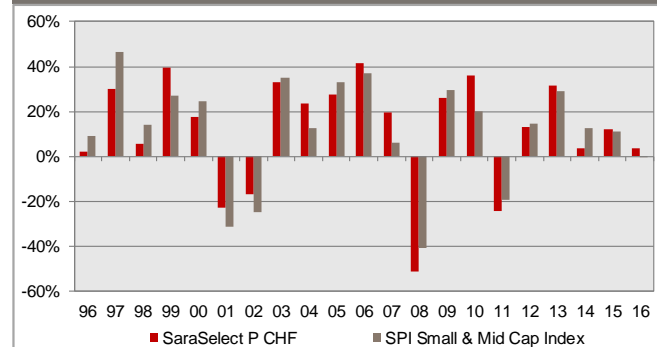
Performance Overview

	YTD	1 Month	1 Year	3 Years	5 Years	10 Years	since Launch
Fund	23.36%	7.46%	33.25%	16.53% p.a.	14.03% p.a.	6.60% p.a.	9.88% p.a.
Index	6.39%	1.66%	14.59%	13.92% p.a.	14.18% p.a.	6.35% p.a.	9.46% p.a.

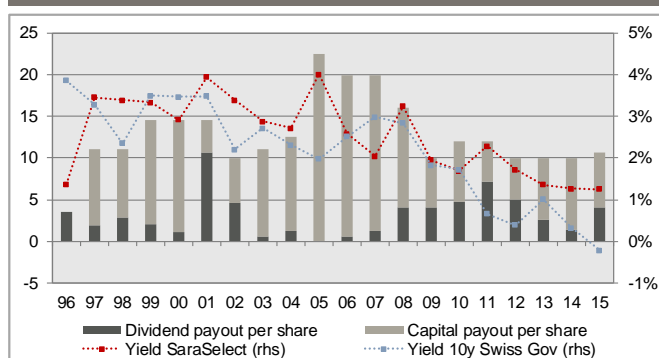
Cumulative Performance since Inception



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%	5.78%	2.20%	4.94%	-2.76%	6.00%	7.46%					23.36%
	Index	-3.63%	-0.08%	3.56%	0.75%	4.00%	-3.77%	4.08%	1.66%					6.39%
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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