



ABLV

BANKING / INVESTMENTS \ ADVISORY

# Open-end investment fund ABLV European Industry EUR Equity Fund

annual report

for the year ended 31 December 2015

together with independent auditors' report

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## General information

Name of the fund:	ABLV European Industry EUR Equity Fund
Category of the fund:	Open-end investment fund
Type of the fund:	Stock fund
Registration date of the fund:	11 September 2013
Registration number of the fund:	FL131-02.01.02.263/204
Name of the investment management company:	ABLV Asset Management, IPAS
Registered office of the investment management company:	23 Elizabetes Street, Riga, LV-1010, Latvia
Registration number of the investment management company:	40003814724
Licence number of the investment management company:	06.03.07.263/315
Date of the licence:	4 August 2006
Name of the custodian bank:	ABLV Bank, AS
Registered office of the custodian bank:	23 Elizabetes Street, Riga, LV-1010, Latvia
Registration number of the custodian bank:	50003149401
Names and positions of council members, board members, and fund manager:	<p>Council of the investment management company:</p> <p>Chairman of the Council - Ernests Bernis Deputy Chairman of the Council - Māris Kanneieks Council Member - Vadims Reinfelds</p> <p>Board of the investment management company:</p> <p>Chairman of the Board - Leonīds Kijs Deputy Chairman of the Board - Jevgenijs Gžibovskis Board Member - Sergejs Gačenko</p> <p>Fund Manager – Oļegs Rusnaks</p>
Duties of the fund manager:	The fund manager operates the fund's property according to the company's Articles of Association and the Fund Management Regulations. The fund manager may be employed only by one investment management company and manage several funds of one investment management company.

## Investment management company report

On 11 September 2013, open-end investment fund ABLV European Industry EUR Equity Fund (hereinafter referred to as the fund) was registered as a stock fund the investment currency of which is EUR.

ABLV Asset Management, IPAS (hereinafter referred to as the company) was registered with the Republic of Latvia Register of Enterprises on 4 August 2006 under No. 40003814724, the licence for operations of investment management company No. 06.03.07.263/315, and it is located in Riga, at 23 Elizabetes Street.

The fund's investment objective is the achievement of the long-term capital growth. To achieve this objective, the fund's assets are invested in the ETF securities that replicate the index structure of the stocks of commercial companies operating in different economy sectors which are traded on regulated markets of European countries.

The fund's investment portfolio is diversified among investments in different sectors of economy and issuers, thus ensuring higher investment safety and protection against fluctuations of the fund's assets value and against the risk of default on obligations.

As at 31 December 2015, the fund's net assets amounted to EUR 2,999,688, the fund's total assets amounted to EUR 3,006,246, the value of the fund's share was EUR 10.81, and annual return equalled 5.21%.

During the reporting period, the following costs were covered from the fund's assets: management fee – EUR 45,457, custody fee – EUR 6,061, and other expenses – EUR 2,076. In the reporting period, the fund's total expense ratio equalled 1.77% of the fund's average net asset value, which is comparable to the corresponding indicator in the previous reporting period.

In 2015, European securities market demonstrated positive dynamics. The main reasons for this were the monetary stimulation by the European Central Bank (hereinafter referred as the ECB) – the quantitative easing programme prolonged in December, the reduced deposit rates, as well as continued decrease of the euro rate, improvement of macroeconomic situation in Europe, and growing profits of European companies.

On the other hand, political and economic crisis in Greece in the first half of the year, the scandal involving the largest European car manufacturer Volkswagen AG, tense situation on Chinese stock markets, geopolitical instability in the Near East, and expected strengthening of monetary conditions by the USA added to volatility of European securities market.

Further drop in prices of commodities had negative impact on the stocks of the companies operating in the respective sectors, which underperformed the market. The stocks of European banking sector also were among underperformers, due to declining income of the banks. Export-oriented sectors of European economy and manufacturers of consumer goods demonstrated positive dynamics.

The minimum amount of investment in the fund is EUR 1,000.

The company performs regular analysis of current political and economic situation, as well as comparative analysis and technical analysis, analysis of various macroeconomic indicators, and summarizing analysis of recommendations given by the world's leading brokerage and analytics companies on different financial markets.

In order to regularly provide information on situation in the world's financial markets to current clients and prospective investors of ABLV Asset Management, IPAS, detailed monthly analysis of macroeconomic situation prepared by our chief analyst, as well as monthly comment of the fund manager and overview of the market situation, fund's performance, and actions taken by the fund manager, are published at ABLV Bank, AS website [www.ablv.com](http://www.ablv.com).

To ensure diversification and minimize risks, the company constantly pays great attention to risk management. The Investment Strategy Committee is established at the company, and it determines the company's investment strategy, risk limits, and financial markets on which transactions in financial instruments are performed. The members of the Investment Strategy Committee are ABLV Bank, AS and the company's top specialists in financial markets.

The company will continue making every effort to efficiently manage the fund's assets in order to increase the number of the fund's investors and the fund's net assets in 2016.

Management of ABLV Asset Management, IPAS expresses gratitude to our clients for their loyalty and successful cooperation.

ABLV Asset Management, IPAS  
Chairman of the Board

**Leonīds Kiļs**

Riga, 21 April 2016

ABLV Asset Management, IPAS  
Fund Manager

**Oļegs Rusnaks**

## Statement of responsibility of the board of the investment management company

The board of the investment management company is responsible for the preparation of the financial statements of the investment fund ABLV European Industry EUR Equity Fund.

The financial statements set out on pages 7 to 23 are prepared in accordance with the source documents and present fairly the financial position of the fund as at 31 December 2015 and 31 December 2014 and the results of its operations for the year ended 31 December 2015 and for the period 8 November 2013 until 31 December 2014.

The aforementioned financial statements are prepared on a going concern basis, applying laws of the Republic of Latvia, the Regulations of the Financial and Capital Market Commission (hereinafter referred to as the FCMC) on the Preparation of Reports of Investment Management Companies and on the Preparation of Annual Reports, Consolidated Annual Reports and Interim Reports of Investment Funds and Open-end Alternative Investment Funds, according to International Financial Reporting Standards as adopted by the European Union. Appropriate accounting policies have been applied on a consistent basis. The management has made prudent and reasonable judgements and estimates in the preparation of the financial statements.

The board of the investment management company is responsible for the maintenance of proper accounting records, the safeguarding of the fund's assets, and the prevention and detection of fraud and other irregularities in the fund. They are also responsible for operating the fund in compliance with the Law of the Republic of Latvia on Investment Management Companies, FCMC regulations, and other laws of the Republic of Latvia.

ABLV Asset Management, IPAS  
Chairman of the Board

**Leonīds Kijls**



Rīga, 21 April 2016

# Custodian bank report

To the investors of  
the open-end investment fund ABLV European Industry EUR Equity Fund

ABLV Bank, AS, registered with the Republic of Latvia Enterprise Register on 17 September 1993 under No 50003149401, located in Riga, 23 Elizabetes Street, hereby confirms and attests that:

According to the Law of the Republic of Latvia on Investment Management Companies, FCMC regulations, other requirements of the Republic of Latvia laws, and the Custodian Bank Agreement signed on 2 March 2007, ABLV Bank, AS (hereinafter referred to as the custodian bank) acts as the custodian bank for the fund ABLV European Industry EUR Equity Fund established by ABLV Asset Management, IPAS.

The custodian bank is responsible for the compliance with the requirements of the laws of Republic of Latvia applicable to custodian banks and the execution of the Custodian Bank Agreement.

The key duties of the custodian bank are as follows:

- to keep the fund's property held in the account according to the conditions of the Custodian Bank Agreement;
- to service the fund's account and execute the orders given by the company in respect of the fund's property held in the account according to the Custodian Bank Agreement;
- to control that the fund's investment certificates are issued, sold and redeemed and the fund's share value is calculated following the procedure prescribed by laws, the fund's Prospectus, and the Fund Management Regulations;
- to submit to the company the list of persons authorised by the custodian bank to accept orders at the effectiveness date of the Custodian Bank Agreement;
- to ensure the execution of other duties assigned to the custodian banks by laws and regulations.

The investment certificates are issued, sold and redeemed pursuant to the requirements of the Law on Investment Management Companies, the fund's Prospectus, and the Fund Management Regulations.

The fund's property is kept in accordance with the requirements of the Law on Investment Management Companies and the Custodian Bank Agreement.

The net asset value is calculated according to the requirements of the Law on Investment Management Companies, FCMC regulations, the fund's Prospectus, and the Fund Management Regulations.

The company's orders and transactions involving the property of the open-end investment fund ABLV European Industry EUR Equity Fund comply with the requirements of the Law on Investment Management Companies, the fund's Prospectus, the Fund Management Regulations, and the Custodian Bank Agreement.

In the reporting period, there were no errors or illegalities observed in the company's operations involving the fund's property.

Custodian bank ABLV Bank, AS  
Chairman of the Board

**Ernests Bernis**



Riga, 21 April 2016

## Statement of assets and liabilities

		EUR	
	Notes	31.12.2015.	31.12.2014.
<b>Assets</b>			
Demand deposits w ith credit institutions	4	116,521	854,704
Financial assets at fair value through profit and loss	5	2,889,725	1,869,598
Shares and other non-fixed income securities		2,889,725	1,869,598
<b>Total assets</b>		<b>3,006,246</b>	<b>2,724,302</b>
<b>Liabilities</b>			
Accrued expenses	6	(6,558)	(6,390)
<b>Total liabilities</b>		<b>(6,558)</b>	<b>(6,390)</b>
<b>Net assets</b>		<b>2,999,688</b>	<b>2,717,912</b>

ABLV Asset Management, IPAS  
Chairman of the Board

**Leonīds Kijs**

Riga, April 21 2016

ABLV Asset Management, IPAS  
Fund Manager

**Oļegs Rusnaks**

## Statement of income and expenses

		EUR	
	Notes	01.01.2015.- 31.12.2015.	08.11.2013.- 31.12.2014.
<b>Income</b>			
Dividends		6,084	3,783
<b>Total</b>		<b>6,084</b>	<b>3,783</b>
<b>Expenses</b>			
Remuneration to investment management company		(45,457)	(42,853)
Remuneration to custodian bank		(6,061)	(5,713)
Other fund management expense		(2,076)	(2,587)
<b>Total</b>		<b>(53,594)</b>	<b>(51,153)</b>
<b>Increase in investment value</b>			
Realised increase in investment value	7	142,119	118,996
Unrealised increase/(decrease) in investment value	8	37,795	(3,660)
<b>Total</b>		<b>179,914</b>	<b>115,336</b>
Taxes and duties		-	(54)
<b>Increase in net assets from investment</b>		<b>132,404</b>	<b>67,912</b>

ABLV Asset Management, IPAS  
Chairman of the Board

**Leonīds Kiļs**

ABLV Asset Management, IPAS  
Fund Manager

**Oļegs Rusnaks**

Riga, April 21 2016

## Statement of change in net assets

Item	EUR	
	01.01.2015.- 31.12.2015.	08.11.2013.- 31.12.2014.
<b>Net assets at the beginning of the period</b>	<b>2,717,912</b>	-
Increase in net assets from investment	132,404	67,912
<b>Transactions with investment certificates</b>		
Inflow from sale of investment certificates	363,279	2,663,216
Outflow of reemption of investment certificates	(213,907)	(13,216)
<b>Total result of transactions with investment certificates</b>	<b>149,372</b>	<b>2,650,000</b>
<b>Increase in net assets for the year</b>	<b>281,776</b>	<b>2,717,912</b>
<b>Net assets at the end of the year</b>	<b>2,999,688</b>	<b>2,717,912</b>
Issued investment certificates at the beginning of the year	264,501	-
Issued investment certificates at the end of the year	277,479	264,501
Net assets per investment certificate at the beginning of the year	10.28	-
Net assets per investment certificate at the end of the year	10.81	10.28

ABLV Asset Management, IPAS  
Chairman of the Board

Leonīds Kiļs

Rīga, April 21 2016

ABLV Asset Management, IPAS  
Fund Manager

Oļegs Rusnaks

## Statement of cash flows

Item	Notes	EUR	
		01.01.2015.- 31.12.2015.	08.11.2013.- 31.12.2014.
Dividends received		6,084	3,783
Investment management expense		(53,426)	(44,763)
Acquisition of financial assets	9	(4,828,403)	(6,734,913)
Disposal of financial assets		3,988,190	4,980,651
Taxes and duties		-	(54)
<b>Decrease in cash and cash equivalents from operating activities</b>		<b>(887,555)</b>	<b>(1,795,296)</b>
Inflow from sale of investment certificates		363,279	2,663,216
Outflow of redemption of investment certificates		(213,907)	(13,216)
<b>Increase in cash and cash equivalents from financing activities</b>		<b>149,372</b>	<b>2,650,000</b>
<b>(Decrease)/increase in cash and cash equivalents for the year</b>		<b>(738,183)</b>	<b>854,704</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>854,704</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>116,521</b>	<b>854,704</b>

ABLV Asset Management, IPAS  
Chairman of the Board

Leonīds Kiļs

Riga, April 21 2016

ABLV Asset Management, IPAS  
Fund Manager

Oļegs Rusnaks

## Notes of the financial statement

### Note 1

#### General information

The open-end investment fund ABLV European Industry EUR Equity Fund (hereinafter referred to as the fund) is a stock fund registered on 11 September 2013. The registered office of the investment management company is at 23 Elizabetes Street, Riga, LV-1010, Latvia.

The fund's business activity includes diversified investments in ETF securities to get advantage of the Europe's economy development.

The following abbreviations are used in the notes to the financial statements: International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), International Financial Reporting Interpretations Committee (IFRIC), Financial and Capital Market Commission (FCMC), European Monetary Union (EMU), European Union (EU), Organisation for Economic Cooperation and Development (OECD), and ABLV Asset Management, IPAS (company).

### Note 2

#### Principal accounting policies

##### Basis of preparation

These financial statements are based on the accounting records made pursuant to the legislative requirements and prepared in conformity with International Financial Reporting Standards and IFRIC Interpretations as adopted by the European Union, as well as FCMC regulations that are effective as at the date of period end, on a going concern basis.

Financial statements are prepared under the historical cost convention, except for financial assets and liabilities that are reported at fair value.

During the year ended 31 December 2015, the fund consistently applied accounting policies in line with those disclosed in the prior-year financial statements, except for the changes in International Financial Reporting Standards that became effective during the period of these financial statements.

The fund's functional currency is EUR. These financial statements are reported in EUR.

Information given herein in brackets represents comparative figures for the year ended 31 December 2014, unless otherwise stated.

##### Significant Accounting Estimates and Assumptions

The preparation of financial statements in accordance with IFRS as adopted by the EU requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expense, and disclosure of contingencies. Future events occur which cause the assumptions used in arriving at the estimates to change. Such estimates and assumptions are based on most reliable information available to the management in respect to specific events and actions. The effect of any changes in estimates will be recorded in the financial statements when determinable.

The significant areas of estimation uncertainty and assumptions relate to determining the fair value of financial assets.

##### Recognition, Subsequent Measurement and Derecognition of Financial Assets and Liabilities

A financial asset is any asset that is cash, an equity instrument of another entity, a contractual right to receive cash or another financial asset from another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the fund; or an agreement that is derived and for which will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the fund; or an agreement that is derived and for which will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

The fund recognizes financial assets and liabilities in its statement of assets and liabilities when, and only when, the fund becomes a party to the contractual provisions of the instrument.

Financial assets at fair value through profit or loss are non-fixed income held-for-trading securities, i.e., securities acquired for generating a profit from short-term fluctuations in price.

Securities are initially stated at fair value, including transaction costs, and further marked-to-market on the basis of quoted market prices. Any gain or loss resulting from revaluation of securities at fair value as well as any gain or loss resulting from disposal of the above securities is included in the statement of income and expense.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables comprise balances due from credit institutions. Those are carried at amortised cost using the effective interest method.

An impairment allowance is established when there is objective evidence that the fund will not be able to collect all amounts due according to the original terms. The amount of the allowance is the difference between the amortised cost and the recoverable amount.

A financial asset is derecognized only when the contractual rights to receive cash flows from the asset have expired, or the fund has transferred the financial asset and substantially all the risks and rewards of the asset to the counterparty. A financial liability is derecognized only when the obligation under the liability is discharged according to the contract or cancelled or expires.

All purchases and sales of financial assets are recorded on the settlement date. The acquisition value of sold securities is determined on a weighted average cost basis.

#### Fair Value of Financial Assets and Liabilities

Fair value is the amount for which an asset could be exchanged or a liability settled between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arm's length transaction. The best evidence of fair value of financial assets and liabilities is quoted prices in an active market. If the market for a financial asset or liability is inactive, fair value is established by using a valuation technique, including discounted cash flow analysis, recent transactions that are substantially the same, as well as management estimates and assumptions. The comparison of carrying amounts and fair values of the fund's financial assets and liabilities is presented in Note 15.

#### Revenue and Expense Recognition

All major revenue and expense items are recognised on an accrual basis.

Interest expenses are recognised in statement of income and expense, based on a time proportion and the nominal interest rate.

Dividend income is recognized when received.

The difference between the acquisition price and the value of a financial instrument (hereinafter referred to as a 'Day 1' profit or loss) is not recognised in the statement of income and expense at the acquisition date. The 'Day 1' profit or loss from transactions is recognised on an individual basis. The difference is recognised in the statement of income and expense during the term of the transaction, or deferred and recognised only either when the fair value of the financial instrument may be determined using observable data, or recognised in the statement of income and expense upon derecognition of a financial instrument. The financial instrument is subsequently stated at fair value adjusted by the deferred 'Day 1' profit or loss. Fair value changes are recognised in the statement of income and expense without adjusting the deferred 'Day 1' profit or loss.

#### Foreign Currency Translation

The fund's functional currency is EUR. These financial statements are reported in EUR. Income and expense in foreign currencies has been translated to EUR at the exchange rate set by the ECB.

#### Cash and Cash Equivalents

Cash and cash equivalents comprise fund's demand deposits with credit institutions and term deposits with credit institutions with a contractual original maturity of three months or less. Cash and cash equivalents are highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of essential change in value.

## Taxes

Income earned by the holders of the fund's certificates is subject to income taxes in the country of its origin. The fund's income is exempt from income taxes. The fund is not a Latvian corporate income tax payer, and upon redemption of the fund's investment certificates, no income taxes are charged on increases in value.

## Subsequent events

Events after balance date that influence fund's financial position as at the balance date are reflected in these financial statements (correcting events). If events after balance date are not correcting, they are reflected in notes of financial statements only if they are significant.

## Adoption of new and/ or changed IFRSs and IFRIC interpretations in the reporting year

During the period, the fund has adopted following new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 1 January 2015. The application of new standards and amendments did not have any impact on these financial statements:

- 21. IFRIC guidance on a levy imposed by government;
- Annual improvements to IFRSs.

## Standards issued but not yet effective and not early adopted

Standards that are issued, but not yet effective or not endorsed by the EU, and which are not applied prior to their official date of validity

The subfund has not applied the following IFRS and IFRIC interpretations that have been issued as of the date of authorisation of these financial statements for issue, but which are not yet effective:

- IFRS 11 Accounting for Acquisitions of Interests in Joint Operations (effective for annual periods beginning on or after 1 January 2016)
- Presentation of Financial Statements (effective for annual periods beginning on or after 1 January 2016)
- IAS 16 Property, Plant and Equipment and IAS 38 – Intangible Assets (effective for annual periods beginning on or after 1 January 2016)
- IAS 16 Property, Plant and Equipment and IAS 41 – Agriculture (effective for annual periods beginning on or after 1 January 2016)
- IAS 19 Defined Benefit Plans: Employee Contributions (effective for annual periods beginning on or after 1 February 2015)
- IAS 27 Separate Financial Statements (effective for annual periods beginning on or after 1 January 2016)

It is not expected that these IFRS and IFRIC amendments will affect fund's financial statements.

## Annual improvements to IFRSs

The improvements introduce ten amendments to ten standards and consequential amendments to other standards and interpretations. Most of these amendments are applicable to annual periods beginning on or after either 1 February 2015 or 1 January 2016, or later, with earlier adoption permitted. None of these amendments are expected to have a significant impact on the financial statements of the fund.

## Note 3

### Risk management

Risks are inherent in the investment process and risk management is one of the fund's strategic values, which is based on the confidence that efficient risk management is critical for the success of the fund. Managing risks permits keeping the fund's exposure at a level meeting its willingness and ability to undertake risks.

The key investment risks are market risk (price risk and interest rate risk), liquidity risk, credit risk, legal risk, strategic risk, information risk, foreign investment risk, and other business-related risks. Considering that the company makes investments only in the fund's base currency (EUR), there is no exposure to currency risk.

Risk management stands for identification, assessment and control of potential risks.

The company acts in strict compliance with the provisions and restrictions of the fund's prospectus, agreements, and legislation of the Republic of Latvia, as well as assesses the compliance of the investments made on an ongoing basis.

To minimize the investment risks, the fund is managed following the risk diversification and hedging principles. The company applies qualitative and quantitative assessments to manage financial risks. According to the qualitative assessment, investments are made in assets corresponding to certain parameters. In planning investments, the company takes into consideration investment safety in each particular country and particular financial instruments and term deposits with banks, i.e., analyses credit ratings granted to the respective country, bank or company. In developing the investment strategy and stating limits, the company performs an analysis of the fund's investments by maturity, geographical placements, currency profile, industry, etc., assessing the risks inherent in each of the above factors. Meanwhile, the quantitative assessment is expressed as limits set for specific investment types, countries and regions, industries, specific issuers and counterparties.

In developing the investment strategy and stating limits, the company performs an analysis of the fund's investments by maturity, geographical placements, currency profile, industry, etc., assessing the risks inherent in each of the above factors.

When investments are made abroad, particular attention is paid to expected investment-related currency fluctuations against the fund's base currency. For risk mitigation purposes, the company performs:

- Country assessment according to international rating agencies scale;
- Assessment of the political situation in the country;
- Assessment of the economic situation in the country.

In spite of the fact that the company makes investments only in the fund's base currency, currency risk should also be considered. As a rule, MSCI indexes, which are indexes underlying ETFs, reflect the changes in equity prices in the currency of a respective country. Therefore, the ETF dynamics and the underlying index dynamics may differ significantly in the event of changes in the rate of the base currency against the rate of the respective country's currency. This risk is mitigated following the investment diversification principle.

The investment strategy of the fund is aimed at minimizing the aforementioned risks to the maximum extent possible; however, the company cannot guarantee that these risks can be completely avoided in the future.

The credit and financial risks are further presented in Notes 10 and 11.

#### Note 4

#### Demand deposits with credit institutions

	31.12.2015.		31.12.2014.	
	Carrying amount	Carrying amount to fund's assets	Carrying amount	Carrying amount to fund's assets
<b>Demand deposits with credit institutions</b>	EUR	%	EUR	%
Demand deposits with ABLV Bank, AS	116,521	3,88	854,704	31,37
<b>Total demand deposits with credit institutions</b>	<b>116,521</b>	<b>3,88</b>	<b>854,704</b>	<b>31,37</b>

As at 31 December 2015 and 2014 demand deposits with credit institutions were neither past due nor impaired.

## Note 5

## Financial assets at fair value through profit or loss

All shares and other non-fixed income securities are classified as financial assets at fair value through profit or loss. All securities are quoted and traded on a regulated market (on an exchange).

Traded shares and other non-fixed income securities on regulated markets by region:

Region	31.12.2015.		31.12.2014.	
	Carrying amount	Carrying amount to fund's assets	Uzskaites vērtība	Carrying amount to fund's assets
	EUR	%	EUR	%
EMU countries	1,308,002	43,50	967,181	35,50
Other EU countries	1,080,621	35,95	633,210	23,25
OECD countries	491,439	16,35	239,966	8,81
Other countries	9,663	0,32	29,241	1,07
<b>Total</b>	<b>2,889,725</b>	<b>96,12</b>	<b>1,869,598</b>	<b>68,63</b>

Shares and other non-fixed income securities traded on regulated markets by country profile and issuers as at 31 December 2015:

Issuer	ISIN code	Amount	Acquisition value	Carrying amount	Carrying amount to fund's assets
			EUR	EUR	(%)
<b>United States of America</b>		<b>136</b>	<b>3,812</b>	<b>3,969</b>	<b>0,13</b>
TRV - LYXOR ETF STOXX TRAVL LEISRE	FR0010344838	136	3,812	3,969	0,13
<b>Austria</b>		<b>393</b>	<b>8,118</b>	<b>7,523</b>	<b>0,25</b>
BNK - LYXOR ETF STOXX BANKS	FR0010345371	145	3,119	3,003	0,10
TNO - LYXOR ETF STOXX TECHNOLOGY	FR0010344796	11	393	398	0,01
IND - LYXOR ETF STOXX INDUSTRIALS	FR0010344887	11	479	500	0,02
OIL - LYXOR ETF STOXX OIL & GAS	FR0010344960	37	1,250	1,157	0,04
SX7EEX - ISHARES EST BANKS DE	DE0006289309	189	2,877	2,465	0,08
<b>Belgium</b>		<b>1,453</b>	<b>57,444</b>	<b>58,833</b>	<b>1,94</b>
BNK - LYXOR ETF STOXX BANKS	FR0010345371	209	4,499	4,331	0,14
FIN - LYXOR ETF STOXX FINCL SERVCS	FR0010345363	337	15,825	17,270	0,57
IND - LYXOR ETF STOXX INDUSTRIALS	FR0010344887	8	362	378	0,01
INS - LYXOR ETF STOXX INSURANCE	FR0010344903	68	1,888	2,256	0,08
RTA - LYXOR ETF STOXX RETAIL	FR0010344986	194	7,364	7,207	0,24
MDA - LYXOR ETF STOXX MEDIA	FR0010344929	21	653	729	0,02
CHM - LYXOR ETF STOXX CHEMICALS	FR0010345470	37	3,425	3,274	0,11
FOO - LYXOR ETF STOXX FOOD BEVERGE	FR0010344861	259	17,543	18,130	0,60
SX7EEX - ISHARES EST BANKS DE	DE0006289309	282	4,292	3,677	0,12
TEL - LYXOR ETF STOXX TELECOMMS	FR0010344812	38	1,593	1,581	0,05
<b>Bermuda</b>		<b>36</b>	<b>1,015</b>	<b>1,188</b>	<b>0,04</b>
INS - LYXOR ETF STOXX INSURANCE	FR0010344903	33	923	1,103	0,04
OIL - LYXOR ETF STOXX OIL & GAS	FR0010344960	3	92	85	0,00
<b>Czech Republic</b>		<b>46</b>	<b>994</b>	<b>957</b>	<b>0,03</b>
BNK - LYXOR ETF STOXX BANKS	FR0010345371	46	994	957	0,03
<b>Denmark</b>		<b>763</b>	<b>28,368</b>	<b>28,463</b>	<b>0,95</b>
BNK - LYXOR ETF STOXX BANKS	FR0010345371	361	7,784	7,494	0,25
STR - SPDR MSCI EUROPE CONSUMERDISCRETIONARY	IE00BKWQ0C77	50	5,266	5,317	0,18
IND - LYXOR ETF STOXX INDUSTRIALS	FR0010344887	67	3,001	3,133	0,10
INS - LYXOR ETF STOXX INSURANCE	FR0010344903	31	859	1,027	0,03
PHG - LYXOR ETF STOXX PERS & HOUSE	FR0010344978	39	2,933	3,255	0,11
OIL - LYXOR ETF STOXX OIL & GAS	FR0010344960	148	4,998	4,630	0,15
CST - LYXOR ETF STOXX CNST MATERLS	FR0010345504	12	479	505	0,02
FOO - LYXOR ETF STOXX FOOD BEVERGE	FR0010344861	28	1,897	1,960	0,07
TEL - LYXOR ETF STOXX TELECOMMS	FR0010344812	27	1,151	1,142	0,04

Table (cont'd):

Issuer	ISIN code	Amount	Acquisition value EUR	Carrying amount EUR	Carrying amount to fund's assets (%)
<b>South Africa</b>		<b>130</b>	<b>6,098</b>	<b>6,654</b>	<b>0,22</b>
FIN - LYXOR ETF STOXX FINCL SERVCS	FR0010345363	130	6,098	6,654	0,22
<b>Jersey</b>		<b>22</b>	<b>605</b>	<b>723</b>	<b>0,02</b>
INS - LYXOR ETF STOXX INSURANCE	FR0010344903	22	605	723	0,02
<b>France</b>		<b>9,512</b>	<b>350,006</b>	<b>351,068</b>	<b>11,69</b>
BNK - LYXOR ETF STOXX BANKS	FR0010345371	1,356	29,230	28,141	0,94
AUT - LYXOR ETF STOXX AUTOML-PARTS	FR0010344630	242	14,762	15,065	0,50
TRV - LYXOR ETF STOXX TRAVL LEISRE	FR0010344838	295	8,254	8,594	0,29
TNO - LYXOR ETF STOXX TECHNOLOGY	FR0010344796	306	11,426	11,567	0,38
STR - SPDR MSCI EUROPE CONSUMERDISCRETIONARY	IE00BKWQ0C77	586	61,602	62,198	2,07
FIN - LYXOR ETF STOXX FINCL SERVCS	FR0010345363	109	5,110	5,577	0,19
IND - LYXOR ETF STOXX INDUSTRIALS	FR0010344887	491	22,058	23,030	0,77
INS - LYXOR ETF STOXX INSURANCE	FR0010344903	453	12,653	15,123	0,50
PHG - LYXOR ETF STOXX PERS & HOUSE	FR0010344978	263	19,908	22,095	0,73
RTA - LYXOR ETF STOXX RETAIL	FR0010344986	408	15,463	15,133	0,50
MDA - LYXOR ETF STOXX MEDIA	FR0010344929	436	13,644	15,218	0,51
CHM - LYXOR ETF STOXX CHEMICALS	FR0010345470	159	14,710	14,063	0,47
OIL - LYXOR ETF STOXX OIL & GAS	FR0010344960	1,107	37,344	34,589	1,15
CST - LYXOR ETF STOXX CNST MATERLS	FR0010345504	583	23,904	25,211	0,84
FOO - LYXOR ETF STOXX FOOD BEVERGE	FR0010344861	209	14,177	14,651	0,49
SX7EEX - ISHARES EST BANKS DE	DE0006289309	2,228	33,912	29,053	0,97
TEL - LYXOR ETF STOXX TELECOMMS	FR0010344812	281	11,849	11,760	0,39
<b>Greece</b>		<b>125</b>	<b>3,016</b>	<b>2,934</b>	<b>0,09</b>
BNK - LYXOR ETF STOXX BANKS	FR0010345371	60	1,297	1,249	0,04
TRV - LYXOR ETF STOXX TRAVL LEISRE	FR0010344838	23	630	656	0,02
SX7EEX - ISHARES EST BANKS DE	DE0006289309	25	381	326	0,01
TEL - LYXOR ETF STOXX TELECOMMS	FR0010344812	17	708	703	0,02
<b>Italy</b>		<b>4,376</b>	<b>103,648</b>	<b>99,457</b>	<b>3,30</b>
BNK - LYXOR ETF STOXX BANKS	FR0010345371	1,165	25,117	24,181	0,80
AUT - LYXOR ETF STOXX AUTOML-PARTS	FR0010344630	22	1,354	1,382	0,05
STR - SPDR MSCI EUROPE CONSUMERDISCRETIONARY	IE00BKWQ0C77	77	8,086	8,164	0,27
FIN - LYXOR ETF STOXX FINCL SERVCS	FR0010345363	194	9,110	9,942	0,33
IND - LYXOR ETF STOXX INDUSTRIALS	FR0010344887	69	3,094	3,231	0,11
INS - LYXOR ETF STOXX INSURANCE	FR0010344903	184	5,144	6,148	0,20
PHG - LYXOR ETF STOXX PERS & HOUSE	FR0010344978	26	1,936	2,148	0,07
MDA - LYXOR ETF STOXX MEDIA	FR0010344929	22	683	762	0,03
OIL - LYXOR ETF STOXX OIL & GAS	FR0010344960	358	12,075	11,185	0,37
FOO - LYXOR ETF STOXX FOOD BEVERGE	FR0010344861	6	403	417	0,01
SX7EEX - ISHARES EST BANKS DE	DE0006289309	2,165	32,953	28,232	0,94
TEL - LYXOR ETF STOXX TELECOMMS	FR0010344812	88	3,693	3,665	0,12
<b>Ireland</b>		<b>1,027</b>	<b>31,830</b>	<b>32,599</b>	<b>1,08</b>
BNK - LYXOR ETF STOXX BANKS	FR0010345371	127	2,733	2,631	0,09
TRV - LYXOR ETF STOXX TRAVL LEISRE	FR0010344838	349	9,765	10,167	0,34
IND - LYXOR ETF STOXX INDUSTRIALS	FR0010344887	97	4,367	4,560	0,15
INS - LYXOR ETF STOXX INSURANCE	FR0010344903	22	615	735	0,02
CST - LYXOR ETF STOXX CNST MATERLS	FR0010345504	197	8,088	8,530	0,28
FOO - LYXOR ETF STOXX FOOD BEVERGE	FR0010344861	51	3,461	3,577	0,12
SX7EEX - ISHARES EST BANKS DE	DE0006289309	184	2,801	2,399	0,08
<b>United Kingdom</b>		<b>26,197</b>	<b>906,035</b>	<b>894,836</b>	<b>29,76</b>
BRE - LYXOR-ETF BS RES	FR0010345389	4,400	154,229	119,987	3,98
BNK - LYXOR ETF STOXX BANKS	FR0010345371	3,743	80,707	77,699	2,58
AUT - LYXOR ETF STOXX AUTOML-PARTS	FR0010344630	58	3,532	3,604	0,12
TRV - LYXOR ETF STOXX TRAVL LEISRE	FR0010344838	1,240	34,669	36,095	1,20
TNO - LYXOR ETF STOXX TECHNOLOGY	FR0010344796	185	6,912	6,997	0,23
STR - SPDR MSCI EUROPE CONSUMERDISCRETIONARY	IE00BKWQ0C77	724	76,098	76,835	2,56

Table (cont'd):

Issuer	ISIN code	Amount	Acquisition value EUR	Carrying amount EUR	Carrying amount to fund's assets (%)
FIN - LYXOR ETF STOXX FINCL SERVCS	FR0010345363	2,237	105,193	114,803	3,82
IND - LYXOR ETF STOXX INDUSTRIALS	FR0010344887	558	25,082	26,187	0,87
INS - LYXOR ETF STOXX INSURANCE	FR0010344903	1,126	31,435	37,574	1,25
PHG - LYXOR ETF STOXX PERS & HOUSE	FR0010344978	903	68,369	75,881	2,52
RTA - LYXOR ETF STOXX RETAIL	FR0010344986	1,248	47,277	46,269	1,54
MDA - LYXOR ETF STOXX MEDIA	FR0010344929	1,067	33,348	37,194	1,24
CHM - LYXOR ETF STOXX CHEMICALS	FR0010345470	63	5,837	5,581	0,19
OIL - LYXOR ETF STOXX OIL & GAS	FR0010344960	1,224	41,277	38,232	1,27
CST - LYXOR ETF STOXX CNST MATERLS	FR0010345504	20	807	851	0,03
FOO - LYXOR ETF STOXX FOOD BEVERGE	FR0010344861	482	32,645	33,737	1,12
TEL - LYXOR ETF STOXX TELECOMMS	FR0010344812	1,219	51,393	51,005	1,70
SREEX - ISHARES STOXX EU	DE000A0Q4R44	5,700	107,225	106,305	3,54
<b>Luxembourg</b>		<b>145</b>	<b>4,853</b>	<b>5,205</b>	<b>0,17</b>
IND - LYXOR ETF STOXX INDUSTRIALS	FR0010344887	9	385	402	0,01
RTA - LYXOR ETF STOXX RETAIL	FR0010344986	35	1,326	1,298	0,04
MDA - LYXOR ETF STOXX MEDIA	FR0010344929	101	3,142	3,505	0,12
<b>Malta</b>		<b>35</b>	<b>984</b>	<b>1,024</b>	<b>0,03</b>
TRV - LYXOR ETF STOXX TRAVL LEISRE	FR0010344838	35	984	1,024	0,03
<b>Mena</b>		<b>38</b>	<b>1,054</b>	<b>1,098</b>	<b>0,04</b>
TRV - LYXOR ETF STOXX TRAVL LEISRE	FR0010344838	38	1,054	1,098	0,04
<b>Netherlands</b>		<b>3,568</b>	<b>114,889</b>	<b>112,234</b>	<b>3,74</b>
BNK - LYXOR ETF STOXX BANKS	FR0010345371	612	13,194	12,702	0,42
TNO - LYXOR ETF STOXX TECHNOLOGY	FR0010344796	222	8,294	8,396	0,28
STR - SPDR MSCI EUROPE CONSUMERDISCRETIONARY	IE00BKWQ0C77	96	10,081	10,178	0,34
FIN - LYXOR ETF STOXX FINCL SERVCS	FR0010345363	86	4,024	4,392	0,15
IND - LYXOR ETF STOXX INDUSTRIALS	FR0010344887	139	6,235	6,510	0,22
INS - LYXOR ETF STOXX INSURANCE	FR0010344903	143	3,977	4,754	0,16
RTA - LYXOR ETF STOXX RETAIL	FR0010344986	227	8,613	8,430	0,28
MDA - LYXOR ETF STOXX MEDIA	FR0010344929	86	2,691	3,001	0,10
CHM - LYXOR ETF STOXX CHEMICALS	FR0010345470	103	9,547	9,127	0,30
OIL - LYXOR ETF STOXX OIL & GAS	FR0010344960	606	20,454	18,945	0,63
CST - LYXOR ETF STOXX CNST MATERLS	FR0010345504	25	1,036	1,093	0,04
FOO - LYXOR ETF STOXX FOOD BEVERGE	FR0010344861	84	5,690	5,880	0,20
SX7EEX - ISHARES EST BANKS DE	DE0006289309	1,001	15,236	13,053	0,43
TEL - LYXOR ETF STOXX TELECOMMS	FR0010344812	138	5,817	5,773	0,19
<b>Norway</b>		<b>490</b>	<b>17,726</b>	<b>17,391</b>	<b>0,59</b>
BNK - LYXOR ETF STOXX BANKS	FR0010345371	154	3,312	3,189	0,11
INS - LYXOR ETF STOXX INSURANCE	FR0010344903	25	689	824	0,03
MDA - LYXOR ETF STOXX MEDIA	FR0010344929	20	618	689	0,02
CHM - LYXOR ETF STOXX CHEMICALS	FR0010345470	24	2,218	2,121	0,07
OIL - LYXOR ETF STOXX OIL & GAS	FR0010344960	150	5,064	4,691	0,16
FOO - LYXOR ETF STOXX FOOD BEVERGE	FR0010344861	34	2,335	2,413	0,08
TEL - LYXOR ETF STOXX TELECOMMS	FR0010344812	83	3,490	3,464	0,12
<b>Portugal</b>		<b>162</b>	<b>4,620</b>	<b>4,352</b>	<b>0,15</b>
BNK - LYXOR ETF STOXX BANKS	FR0010345371	24	524	505	0,02
RTA - LYXOR ETF STOXX RETAIL	FR0010344986	48	1,815	1,777	0,06
OIL - LYXOR ETF STOXX OIL & GAS	FR0010344960	49	1,657	1,535	0,05
SX7EEX - ISHARES EST BANKS DE	DE0006289309	41	624	535	0,02
<b>Finland</b>		<b>624</b>	<b>23,209</b>	<b>24,445</b>	<b>0,80</b>
AUT - LYXOR ETF STOXX AUTOML-PARTS	FR0010344630	21	1,305	1,332	0,04
TNO - LYXOR ETF STOXX TECHNOLOGY	FR0010344796	191	7,134	7,222	0,24
IND - LYXOR ETF STOXX INDUSTRIALS	FR0010344887	99	4,426	4,621	0,15
INS - LYXOR ETF STOXX INSURANCE	FR0010344903	185	5,176	6,186	0,21
PHG - LYXOR ETF STOXX PERS & HOUSE	FR0010344978	8	575	638	0,02
RTA - LYXOR ETF STOXX RETAIL	FR0010344986	36	1,378	1,348	0,04
OIL - LYXOR ETF STOXX OIL & GAS	FR0010344960	41	1,394	1,291	0,04
TEL - LYXOR ETF STOXX TELECOMMS	FR0010344812	43	1,821	1,807	0,06

Table (cont'd):

Issuer	ISIN code	Amount	Acquisition	Carrying	Carrying
			value	amount	amount to
			EUR	EUR	fund's assets
					(%)
<b>Spain</b>		<b>6,007</b>	<b>139,098</b>	<b>131,306</b>	<b>4,38</b>
BNK - LYXOR ETF STOXX BANKS	FR0010345371	1,796	38,725	37,282	1,24
STR - SPDR MSCI EUROPE CONSUMERDISCRETIONARY	IE00BKWQ0C77	98	10,347	10,447	0,35
FIN - LYXOR ETF STOXX FINCL SERVCS	FR0010345363	86	4,049	4,419	0,15
IND - LYXOR ETF STOXX INDUSTRIALS	FR0010344887	113	5,079	5,303	0,18
INS - LYXOR ETF STOXX INSURANCE	FR0010344903	17	477	570	0,02
RTA - LYXOR ETF STOXX RETAIL	FR0010344986	510	19,325	18,913	0,63
SX7EEX - ISHARES EST BANKS DE	DE0006289309	3,032	46,149	39,537	1,32
TEL - LYXOR ETF STOXX TELECOMMS	FR0010344812	355	14,947	14,835	0,49
<b>Switzerland</b>		<b>7,491</b>	<b>433,906</b>	<b>470,079</b>	<b>15,63</b>
HLT - LYXOR-ETF HLT CR	FR0010344879	3,100	243,076	272,488	9,06
BNK - LYXOR ETF STOXX BANKS	FR0010345371	1,334	28,761	27,689	0,92
TNO - LYXOR ETF STOXX TECHNOLOGY	FR0010344796	49	1,833	1,855	0,06
STR - SPDR MSCI EUROPE CONSUMERDISCRETIONARY	IE00BKWQ0C77	162	17,076	17,242	0,57
FIN - LYXOR ETF STOXX FINCL SERVCS	FR0010345363	406	19,083	20,827	0,69
IND - LYXOR ETF STOXX INDUSTRIALS	FR0010344887	317	14,246	14,874	0,49
INS - LYXOR ETF STOXX INSURANCE	FR0010344903	644	17,977	21,487	0,71
PHG - LYXOR ETF STOXX PERS & HOUSE	FR0010344978	102	7,684	8,528	0,28
RTA - LYXOR ETF STOXX RETAIL	FR0010344986	126	4,777	4,675	0,16
CHM - LYXOR ETF STOXX CHEMICALS	FR0010345470	238	22,026	21,057	0,70
CST - LYXOR ETF STOXX CNST MATERLS	FR0010345504	310	12,720	13,415	0,45
FOO - LYXOR ETF STOXX FOOD BEVERGE	FR0010344861	588	39,816	41,148	1,38
TEL - LYXOR ETF STOXX TELECOMMS	FR0010344812	115	4,831	4,794	0,16
<b>Germany</b>		<b>14,576</b>	<b>462,379</b>	<b>477,022</b>	<b>15,88</b>
TDXPEX - ISHARES-TECDAX	DE0005933972	7,600	121,150	129,278	4,31
BNK - LYXOR ETF STOXX BANKS	FR0010345371	452	9,743	9,380	0,31
AUT - LYXOR ETF STOXX AUTOML-PARTS	FR0010344630	657	40,047	40,867	1,36
TRV - LYXOR ETF STOXX TRAVL LEISRE	FR0010344838	183	5,117	5,328	0,18
TNO - LYXOR ETF STOXX TECHNOLOGY	FR0010344796	543	20,253	20,503	0,68
STR - SPDR MSCI EUROPE CONSUMERDISCRETIONARY	IE00BKWQ0C77	612	64,341	64,965	2,17
FIN - LYXOR ETF STOXX FINCL SERVCS	FR0010345363	687	32,316	35,268	1,17
IND - LYXOR ETF STOXX INDUSTRIALS	FR0010344887	429	19,267	20,116	0,67
INS - LYXOR ETF STOXX INSURANCE	FR0010344903	847	23,640	28,257	0,94
PHG - LYXOR ETF STOXX PERS & HOUSE	FR0010344978	136	10,323	11,458	0,38
RTA - LYXOR ETF STOXX RETAIL	FR0010344986	115	4,352	4,259	0,14
MDA - LYXOR ETF STOXX MEDIA	FR0010344929	132	4,128	4,605	0,15
CHM - LYXOR ETF STOXX CHEMICALS	FR0010345470	767	71,099	67,971	2,27
CST - LYXOR ETF STOXX CNST MATERLS	FR0010345504	80	3,260	3,438	0,11
SX7EEX - ISHARES EST BANKS DE	DE0006289309	853	12,983	11,123	0,37
TEL - LYXOR ETF STOXX TELECOMMS	FR0010344812	483	20,360	20,206	0,67
<b>Sweden</b>		<b>3,929</b>	<b>151,885</b>	<b>156,365</b>	<b>5,21</b>
BNK - LYXOR ETF STOXX BANKS	FR0010345371	1,219	26,277	25,297	0,84
TNO - LYXOR ETF STOXX TECHNOLOGY	FR0010344796	192	7,165	7,254	0,24
STR - SPDR MSCI EUROPE CONSUMERDISCRETIONARY	IE00BKWQ0C77	124	13,086	13,213	0,44
FIN - LYXOR ETF STOXX FINCL SERVCS	FR0010345363	980	46,067	50,276	1,67
IND - LYXOR ETF STOXX INDUSTRIALS	FR0010344887	193	8,688	9,070	0,30
PHG - LYXOR ETF STOXX PERS & HOUSE	FR0010344978	74	5,584	6,198	0,21
RTA - LYXOR ETF STOXX RETAIL	FR0010344986	451	17,059	16,696	0,56
MDA - LYXOR ETF STOXX MEDIA	FR0010344929	16	493	550	0,02
CHM - LYXOR ETF STOXX CHEMICALS	FR0010345470	9	856	818	0,03
OIL - LYXOR ETF STOXX OIL & GAS	FR0010344960	176	5,932	5,495	0,18
CST - LYXOR ETF STOXX CNST MATERLS	FR0010345504	373	15,304	16,141	0,54
FOO - LYXOR ETF STOXX FOOD BEVERGE	FR0010344861	8	569	588	0,02
TEL - LYXOR ETF STOXX TELECOMMS	FR0010344812	114	4,805	4,769	0,16
<b>TOTAL</b>		<b>81,281</b>	<b>2,855,592</b>	<b>2,889,725</b>	<b>96,12</b>

No payments for securities were past due in the reporting period.

## Note 6

## Accrued expense

	EUR	
Item	31.12.2015.	31.12.2014.
Accrued commission fees payable to investment management company	3,794	3,399
Accrued expenses for professional services	1,960	2,240
Accrued expense to custodian bank for commission fees	506	453
Accrued expense to the stock exchange	298	298
<b>Total accrued expenses</b>	<b>6,558</b>	<b>6,390</b>

## Note 7

## Realised investment value

	EUR	
Item	01.01.2015.- 31.12.2015.	08.11.2013.- 31.12.2014.
Income from sale of investments	3,988,190	4,980,651
Acquisition value of investments sold	(3,846,071)	(4,861,655)
<b>Total realised increase in investment value</b>	<b>142,119</b>	<b>118,996</b>

## Note 8

## Unrealised investment value

	EUR	
Item	01.01.2015.- 31.12.2015.	08.11.2013.- 31.12.2014.
Revaluation of financial assets at fair value through profit or loss	37,795	(3,660)
<b>Total unrealised increase/(decrease) in investment value</b>	<b>37,795</b>	<b>(3,660)</b>

## Note 9

## Change in investment portfolio during the reporting period

Increase in investment portfolio is due to costs of acquisition of financial assets, while decrease in the investment portfolio is due to disposal of financial assets.

Changes in the investment portfolio:

	EUR	
	01.01.2015.- 31.12.2015.	08.11.2013.- 31.12.2014.
<b>At the beginning of the period</b>	<b>1,869,598</b>	-
Increase in the period	4,828,403	6,734,913
Decrease in the period	(3,988,190)	(4,980,651)
Revaluation of fair value	179,914	115,336
<b>At the end of the period</b>	<b>2,889,725</b>	<b>1,869,598</b>

## Note 10

## Credit risk

Credit risk is a risk that the fund's value will decrease from counterparty's or issuer's non-performance or default.

Considering that the fund makes investments chiefly in stocks that reflect the fund index dynamics for certain countries and regions, thereby achieving the maximum diversification, credit risk associated with investments is low.

Assets by geographical area as at 31 December 2015:

						EUR
<b>Assets</b>	Latvia	EMU countries	EU countries	OECD countries	Other countries	<b>Total</b>
Demand deposits w ith credit institutions	116,521	-	-	-	-	116,521
Financial assets at fair value through profit or loss	-	1,308,002	1,080,621	491,439	9,663	2,889,725
<b>Total assets</b>	<b>116,521</b>	<b>1,308,002</b>	<b>1,080,621</b>	<b>491,439</b>	<b>9,663</b>	<b>3,006,246</b>

Assets by geographical area as at 31 December 2014:

						EUR
<b>Aktīvi</b>	Latvia	EMU countries	EU countries	OECD countries	Other countries	<b>Total</b>
Demand deposits w ith credit institutions	854,704	-	-	-	-	854,704
Financial assets at fair value through profit or loss	-	967,181	633,210	239,966	29,241	1,869,598
<b>Total assets</b>	<b>854,704</b>	<b>967,181</b>	<b>633,210</b>	<b>239,966</b>	<b>29,241</b>	<b>2,724,302</b>

						EUR
<b>Assets</b>	Latvia	EMS countries	EU countries	OECD countries	Other countries	<b>Total</b>
Demand deposits w ith credit institutions	854 704	-	-	-	-	<b>854 704</b>
Financial assets at fair value through profit or loss	-	967 181	633 210	239 966	29 241	<b>1 869 598</b>
<b>Total assets</b>	<b>854 704</b>	<b>967 181</b>	<b>633 210</b>	<b>239 966</b>	<b>29 241</b>	<b>2 724 302</b>

Breakdown of shares and other non-fixed income securities by industry profile:

Industry	31.12.2015.		31.12.2014.	
	Carrying amount	Carrying amount to fund's assets	Carrying amount	Carrying amount to fund's assets
	EUR	%	EUR	%
Finance	894,513	29.75	345,116	12.67
Production of consumer goods	840,474	27.96	487,884	17.91
Manufacturing	513,763	17.09	276,504	10.15
Health care and pharmacy	303,791	10.11	178,920	6.57
Information and communication services	214,796	7.14	240,828	8.84
Energy	121,836	4.05	48,203	1.77
Other	552	0.02	-	-
Utilities	-	-	116,944	4.29
Mining	-	-	175,199	6.43
<b>Total shares and other non-fixed income securities</b>	<b>2,889,725</b>	<b>96.12</b>	<b>1,869,598</b>	<b>68.63</b>

The maximum exposure to credit risk is equal to carrying amount.

## Note 11

## Financial risks

## Liquidity risk

Liquidity risk is the risk that the fund will sustain a loss if fund's assets cannot be realized at minimal transaction costs within a certain period.

Liquidity risk is minimized by holding part of the fund's assets as cash and short-term debt securities as well as high-quality, highly liquid securities, ensuring the adequate diversification of the investments and fixing maturity dates within a wide maturity range, analysing the data regarding the plans changed by the participants and related cash flows as well as forecasting the fund's participants and cash flows.

Fund has an access to overdraft in ABLV Bank, AS in order to duly cover short-term liabilities.

Assets and liabilities by maturity profile as at 31 December 2015:

	EUR		
<b>Assets</b>	Up to 1 month	1-12 months	Total
Demand deposits with credit institutions	116,521	-	116,521
Financial assets at fair value through profit or loss	2,889,725	-	2,889,725
<b>Total assets</b>	<b>3,006,246</b>	<b>-</b>	<b>3,006,246</b>
<b>Liabilities</b>			
Accrued expenses	(4,300)	(2,258)	(6,558)
<b>Total liabilities</b>	<b>(4,300)</b>	<b>(2,258)</b>	<b>(6,558)</b>
<b>Net assets</b>	<b>3,001,946</b>	<b>(2,258)</b>	<b>2,999,688</b>

Assets and liabilities by maturity profile as at 31 December 2014:

	EUR		
<b>Assets</b>	Up to 1 month	1-12 months	Total
Demand deposits with credit institutions	854,704	-	854,704
Financial assets at fair value through profit or loss	1,869,598	-	1,869,598
<b>Total assets</b>	<b>2,724,302</b>	<b>-</b>	<b>2,724,302</b>
<b>Liabilities</b>			
Accrued expenses	(3,852)	(2,538)	(6,390)
<b>Total liabilities</b>	<b>(3,852)</b>	<b>(2,538)</b>	<b>(6,390)</b>
<b>Net assets</b>	<b>2,720,450</b>	<b>(2,538)</b>	<b>2,717,912</b>

## Price risk

Price risk is a risk of potential loss due to adverse changes in the market prices of financial instruments. There exist two types of price risk: systematic and specific risk.

Systematic risk represents changes in stock indexes of a respective country, while specific risk demonstrates potential changes in the individual issuer's financial position. Considering that the fund hedges its market risk by making investments in various index funds traded on US and European stock exchanges, specific risk is minimized, whereas the exposure to systematic risk still remains. Systematic risk is managed by conducting a fundamental analysis of the countries and regions selected for investing, based on the forecasts regarding the global economic development. This risk is assessed by calculating the volatility of the fund's market prices. Although the historical performance does not always provide a sound basis for forecasting future income, it still demonstrates the potential volatility of the fund's prices. As a rule, the higher price volatility, the higher investor risk. The lowest potential yield due to price volatility is calculated as a deviation from the 2015 yield subject to the 95% confidence level, i.e., that is the probability that the fund's yield cannot be below the lowest level assuming a normal distribution of the market price volatility.

Analysis of volatility of the fund's market prices:

	31.12.2015.	31.12.2014.
	%	%
Annual volatility	18,76	12,12
Annual yield	5,21	2,09
Low est potential yield subject to the 95% confidence level	(25,65)	(17,85)

The annual volatility is calculated by extrapolating the daily yield volatility estimated for the previous year. The daily yield volatility is determined as the standard deviation from the natural logarithms of the daily yield for the reporting year.

The annual yield is computed as the relative difference in the fund's prices at the year-end against the previous reporting date.

The lowest potential yield subject to the 95% confidence level is determined based on a normal distribution assumption where the average expected value is the estimated annual yield, while the standard deviation is the estimated annual volatility.

## Note 12

### Information on holders of investment certificates

The proportion of investment certificates held by related parties of the company:

	31.12.2015.		31.12.2014.	
<b>Item</b>	Number of certificates	% of total certificates	Number of certificates	% of total certificates
Investment certificates held by shareholders	160,000	57,66%	160,000	60,49%
Investment certificates held by related parties	51,656	18,62%	52,130	19,71%
Investment certificates held by other persons	65,823	23,72%	52,371	19,80%
<b>Investment certificates issued as at the period end</b>	<b>277,479</b>	<b>100,00%</b>	<b>264,501</b>	<b>100,00%</b>

## Note 13

### Related party disclosures

The majority of the fund's investments are acquired with the mediation of the custodian bank ABLV Bank, AS. ABLV Bank, AS also receives remuneration as the custodian bank, as disclosed in the statement of income and expense. In addition, the fund's cash is held with ABLV Bank, AS (see Note 4).

The remuneration paid to the investment management company during the reporting period is disclosed in the statement of income and expense.

During the reporting period, related parties acquired 2,033 (52,130) investment certificates and sold 2,507 (0) investment certificates of the fund.

## Note 14

### Pledged assets

During the reporting period, no guarantees or collateral have been issued by the fund, neither has it pledged or otherwise caused any encumbrance or lien on its assets.

## Note 15

## Fair value

Fair value of financial instruments, such as financial assets at fair value through profit or loss, is predominantly defined based on quoted prices in an active market. Where such price is not observable, the respective instruments are valued based on observable prices in a market, where no active trading is done. For financial assets which are not quoted in the market and for which no quoted prices for similar assets in active markets are available, the fair value is estimated based on valuation models which are based on the assumptions and estimates regarding the potential future financials of the investment property, and the industry and geographical area risks in which the respective investment property operates. For other assets and liabilities for which fair value is disclosed and which have short maturities (less than three months), it is assumed that the fair value approximates to their carrying amount. This assumption also applies to demand deposits with credit institutions. Since fair value and carrying value for assets and liabilities in amortized value, this calculation is not rewarded with fair value hierarchy level.

## Hierarchy of input data for determining the fair value of assets and liabilities

The following hierarchy of three levels of input data is used for determining and disclosing the fair value of assets and liabilities:

- Level 1: Quoted prices in active markets;
- Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable;
- Level 3: Other techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The fund's assets according to the hierarchy of input data for determining the fair value:

	31.12.2015.	31.12.2014.
<b>Assets at fair value</b>	1 level	1 level
Financial assets at fair value through profit and loss	2,889,725	1,869,598
<b>Total assets at fair value</b>	<b>2,889,725</b>	<b>1,869,598</b>

## Note 16

## Dynamics of performance

Dynamics of investment fund's annual performance\*:

Item	31.12.2015.	2014.12.31
Net assets (EUR)	2,999,688	2,717,912
Number of investment certificates	277,479	264,501
<b>Value of investment fund's investment certificates (EUR)</b>	<b>10,81</b>	<b>10,28</b>

  

	01.01.2015.- 31.12.2015.	08.11.2013.- 31.12.2014.
<b>Annual performance of investment fund's investment certificates (EUR)</b>	<b>5,21%</b>	<b>2,39%</b>

\* - Performance is calculated as the value of the fund's share at the end of the year to its value at the beginning of the year. This ratio is expressed as annual percentage raised to the power, where the dividend is 365, but the divisor is the number of days of the reporting period.

## Note 17

## Events after reporting date

As of the last day of the reporting year and until the date of approval of these financial statements, there have been no significant events that could have a material effect on the fund's financial performance for the year or its financial position at the end of the year.



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## Neatkarīgu revidentu ziņojums

### Atvērtā ieguldījumu fonda ABLV European Industry EUR Equity Fund ieguldījumu apliecību turētājiem

#### Ziņojums par finanšu pārskatiem

Esam veikuši pievienoto atvērtā ieguldījumu fonda ABLV European Industry EUR Equity Fund (turpmāk „Fonds”), kuru pārvalda ieguldījumu pārvaldes sabiedrība ABLV Asset Management, IPAS, (turpmāk “Sabiedrība”), finanšu pārskatu, kas ietver aktīvu un saistību pārskatu 2015. gada 31. decembrī, ienākumu un izdevumu pārskatu, neto aktīvu kustības pārskatu un naudas plūsmas pārskatu par gadu, kas noslēdzās 2015. gada 31. decembrī, kā arī pielikuma, kas ietver būtiskāko grāmatvedības politiku aprakstu un citas paskaidrojošas piezīmes, no 7. līdz 23. lappusei, revīziju.

#### *Sabiedrības valdes atbildība par finanšu pārskatiem*

Sabiedrības valde ir atbildīga par šo finanšu pārskatu sagatavošanu un informācijas patiesu uzrādīšanu saskaņā ar Eiropas Savienībā apstiprinātajiem Starptautiskajiem finanšu pārskatu standartiem un tādas iekšējās kontroles izveidošanu, kāda pēc valdes domām ir nepieciešama, lai nodrošinātu šo Fonda finanšu pārskatu, kas nesatur būtiskas neatbilstības ne krāpšanas, ne kļūdas rezultātā, sagatavošanu.

#### *Revidentu atbildība*

Mēs esam atbildīgi par revidentu atzinuma sniegšanu par šiem finanšu pārskatiem, pamatojoties uz veikto revīziju. Revīzija tika veikta saskaņā ar Starptautiskajiem revīzijas standartiem. Šie standarti nosaka, ka mums ir jāievēro spēkā esošās ētikas prasības un revīzija jāplāno un jāveic tā, lai iegūtu pietiekamu pārliecību, ka šajos finanšu pārskatos nav būtisku neatbilstību.

Revīzijas laikā tiek veiktas procedūras, lai iegūtu revīzijas pierādījumus par finanšu pārskatos uzrādītajām summām un atklāto informāciju. Piemēroto procedūru izvēle ir atkarīga no mūsu sprieduma, ieskaitot risku novērtējumu attiecībā uz būtiskām neatbilstībām šajos finanšu pārskatos, kas var pastāvēt krāpšanās vai kļūdu dēļ. Veicot šo risku novērtējumu, mēs apsveram Sabiedrības iekšējās kontroles sistēmu, kas saistīta ar Fonda finanšu pārskatu sagatavošanu un informācijas patiesu atspoguļošanu, ar mērķi piemērot pastāvošajiem apstākļiem atbilstošas revīzijas procedūras, bet nevis lai sniegtu atzinumu par Sabiedrības iekšējās kontroles efektivitāti. Revīzija ietver arī pielietoto grāmatvedības politiku un Sabiedrības valdes izdarīto grāmatvedības aplēšu pamatotības, kā arī finanšu pārskatos sniegtās informācijas vispārēju izvērtējumu.

Mēs uzskatām, ka iegūtie revīzijas pierādījumi dod pietiekošu un atbilstošu pamatojumu mūsu atzinumam.



### *Atzinums*

Mūsuprāt, finanšu pārskati sniedz skaidru un patiesu priekšstatu par Fonda finansiālo stāvokli 2015. gada 31. decembrī un par tā darbības finanšu rezultātiem un naudas plūsmu par gadu, kas noslēdzās 2015. gada 31. decembrī, saskaņā ar Eiropas Savienībā apstiprinātajiem Starptautiskajiem finanšu pārskatu standartiem.

### *Citi apstākļi*

Atbilstošie salīdzinošie rādītāji ir iegūti no Fonda finanšu pārskatiem par periodu no 2013. gada 8. novembra līdz 2014. gada 31. decembrim, kurus revidēja cits neatkarīgs revidents, kas 2015. gada 14. aprīlī izsniedza atzinumu bez iebildēm.

### **Ziņojums saskaņā ar citu normatīvo aktu prasībām**

Bez tam mūsu atbildība ir pārbaudīt ieguldījumu pārvaldes sabiedrības ziņojumā, kas atspoguļots 4. lappusē, ietvertās grāmatvedības informācijas atbilstību finanšu pārskatiem. Sabiedrības vadība ir atbildīga par ieguldījumu pārvaldes sabiedrības ziņojuma sagatavošanu. Mūsu darbs attiecībā uz ieguldījumu pārvaldes sabiedrības ziņojumu tika ierobežots augstāk minētajā apjomā, un mēs neesam pārbaudījuši nekādu citu informāciju kā tikai to, kas ietverta no Fonda finanšu pārskatiem. Mūsuprāt, ieguldījumu pārvaldes sabiedrības ziņojumā ietvertā informācija atbilst finanšu pārskatos uzrādītajai informācijai.

KPMG Baltics SIA  
Licence Nr. 55

Armine Movsisjana  
Valdes priekšsēdētāja  
Rīga, Latvija  
2016. gada 21. aprīlī

Rainers Vilāns  
Zvērināts revidents  
Sertifikāta Nr. 200