

# **Generali PPF Invest plc**

(An open-ended umbrella investment company with variable capital and with segregated liability between Sub-Funds incorporated with limited liability in Ireland under the Companies Acts 1963 to 2012 with registration number 468417)

## **UNAUDITED INTERIM REPORT AND CONDENSED FINANCIAL STATEMENTS**

**For the period ended  
30 June 2012**

## **CONTENTS**

	<b>Page</b>
General Information	3
Generali PPF Cash & Bond Fund	
– Investment Manager's Report	4
– Schedule of Investments	7
Generali PPF Corporate Bonds Fund	
– Investment Manager's Report	10
– Schedule of Investments	14
Generali PPF Global Brands Fund	
– Investment Manager's Report	18
– Schedule of Investments	21
Generali PPF New Economies Fund	
– Investment Manager's Report	25
– Schedule of Investments	27
Generali PPF Oil Industry & Energy Production Fund	
– Investment Manager's Report	31
– Schedule of Investments	33
Generali PPF Commodity Fund	
– Investment Manager's Report	37
– Schedule of Investments	40
Generali PPF Emerging Europe Fund	
– Investment Manager's Report	44
– Schedule of Investments	47
Condensed Statement of Financial Position	51
Condensed Statement of Comprehensive Income	55
Condensed Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares	59
Notes to the Financial Statements	63
Schedule of Portfolio Changes	75

## **GENERAL INFORMATION**

### **Directors**

Mr. David Hammond (Irish)  
Ms. Tara Gordon (Irish)  
Mr. Patrick Robinson (Irish - Alternate Director to Tara Gordon)  
Ms. Alexandra Hájková (Czech)  
Mr. Karel Novák (Czech)  
Mr. Radek Moc (Czech)

### **Independent Auditors**

Ernst & Young  
Chartered Accountants  
Ernst & Young Building  
Harcourt Centre  
Harcourt Street  
Dublin 2  
Ireland

### **Registered Office**

33 Sir John Rogerson's Quay  
Dublin 2  
Ireland

### **Administrator**

RBC Investor Services Ireland Limited (formerly RBC Dexia Investor Services Ireland Limited)^  
Georges Quay House  
43 Townsend Street  
Dublin 2  
Ireland

### **Investment Manager**

Generali PPF Asset Management a.s.  
Evropská 2690/17  
P.O. Box 177  
160 41 Prague 6  
Czech Republic

### **Global Distributor and Promoter**

ČP INVEST investiční společnost, a.s.  
Na Pankráci 1658/121  
140 21 Praha  
Czech Republic

### **Secretary**

Tudor Trust Limited  
33 Sir John Rogerson's Quay  
Dublin 2  
Ireland

### **Legal Advisors**

Dillon Eustace  
33 Sir John Rogerson's Quay  
Dublin 2  
Ireland

### **Custodian**

RBC Investor Services Bank S.A., Dublin Branch  
(formerly RBC Dexia Investor Services Bank S.A., Dublin Branch)^  
Georges Quay House  
43 Townsend Street  
Dublin 2  
Ireland

### **Management Support Services Provider**

Bridge Consulting  
33 Sir John Rogerson's Quay  
Dublin 2  
Ireland

All Directors act in a non-executive capacity.

^ The name has been changed with an effective date of 27 July 2012, to reflect the fact that RBC has acquired Dexia SA's 50% ownership of the former joint venture group.

## INVESTMENT MANAGER'S REPORT for the period ended 30 June 2012

### Generali PPF Cash & Bond Fund

#### The Investment objective of the Fund

#### How the fund achieves its investment objective

The investment objective of the Fund is to achieve appreciation of assets in the short-term and mid-term horizon over the level of short-term interest rates, with high liquidity and low volatility of assets.

On 3 February 2010 seed money in the amount of EUR 4.0 million was deposited in the euro account of the Fund. There were a few larger subscriptions in the total amount exceeding EUR 1.7 million, started September 2011. This new money was invested according to the investment policy of the Fund. A new share class A designated in the Polish zloty was launched in February 2012. The bond portfolio was kept very close to 100% of the NAV for the whole time and the average duration in the range of 0.5–0.7 year.

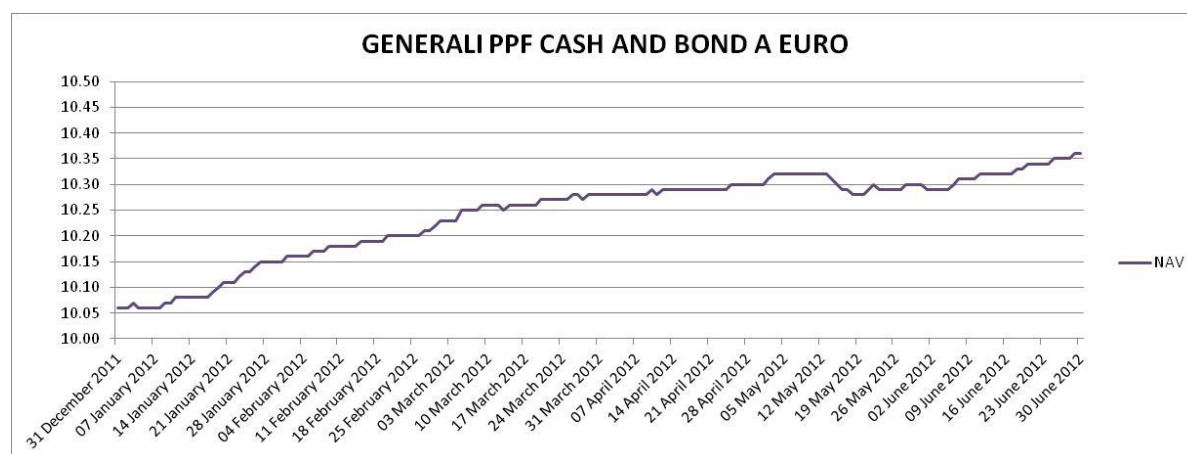
The Fund seeks to achieve its objective by investing primarily in a diversified portfolio (mainly by issuer) of floating and fixed eurobonds, corporate bonds and bonds issued by banks. An additional part of the portfolio is formed by government bonds and the remaining is held in cash.

All bonds in the portfolio are rated by Standard & Poor's or another reputable rating agency deemed to be of equivalent quality and the average A- rating of the portfolio remained stable. The average modified duration of the Fund is to be less than one year.

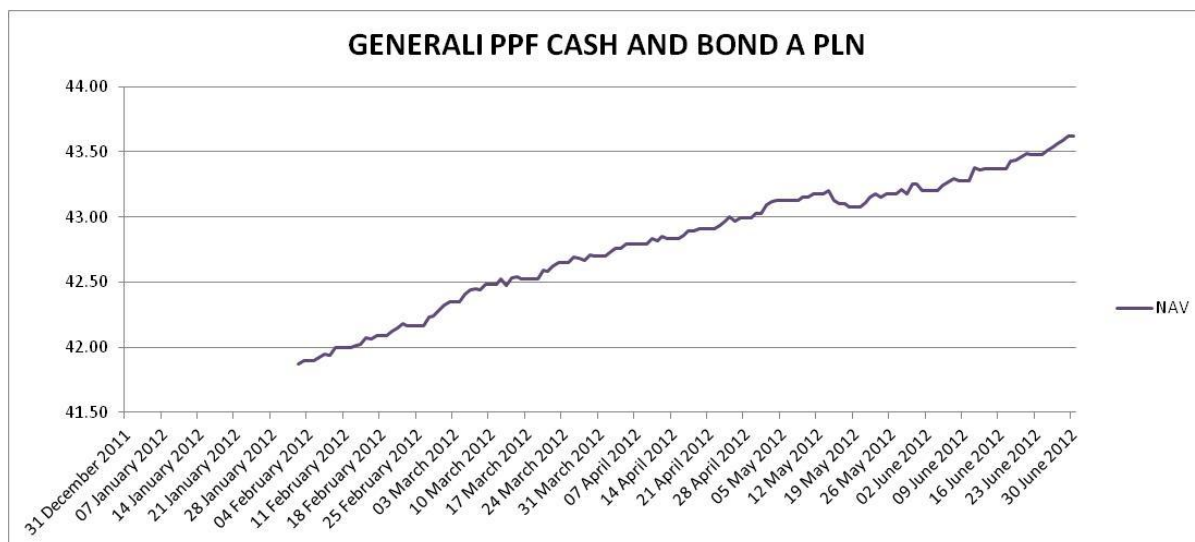
In seeking to achieve the objective, the Fund uses a variety of techniques including fundamental analysis of issuers, analysis and prediction of macro-economic indicators, interest rates, foreign exchange rates, yield curve and analysis of regional political situations.

The Fund uses derivatives such as foreign exchange forwards and swaps (currency forwards and currency swaps) in order to hedge the currency exposure of the assets of the Fund in the range of 85–105%.

#### NAV per share of the Fund during the period

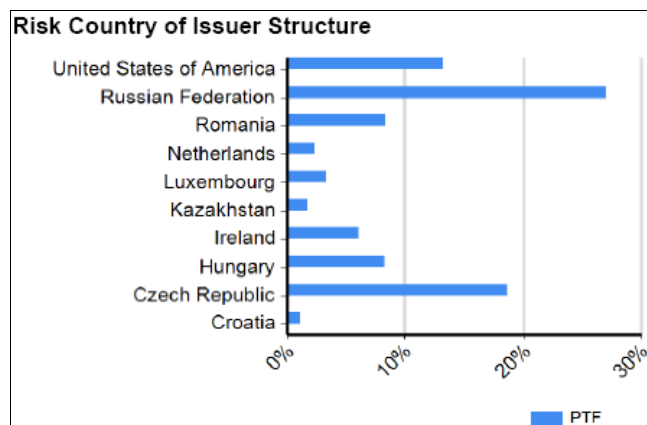


**INVESTMENT MANAGER'S REPORT for the period ended 30 June 2012**  
**Generali PPF Cash & Bond Fund (continued)**



GENERALI PPF CASH AND BOND A EURO		
Date	NAV	Market Value (EUR)
31/12/2011	10.06	7 416 568.49
31/01/2012	10.15	7 455 016.69
29/02/2012	10.22	7 510 149.70
31/03/2012	10.28	7 522 945.78
30/04/2012	10.30	7 548 301.28
31/05/2012	10.30	7 449 587.84
30/06/2012	10.36	7 440 378.50

GENERALI PPF CASH AND BOND A PLN			
Date	NAV	Market Value (PLN)	Market Value (EUR)
02/02/2012	41.87	499.72	119.35
29/02/2012	42.28	504.89	122.76
31/03/2012	42.70	509.98	122.79
30/04/2012	43.03	513.82	123.10
31/05/2012	43.25	516.30	117.23
30/06/2012	43.62	520.72	122.95



**INVESTMENT MANAGER'S REPORT for the period ended 30 June 2012**  
**Generali PPF Cash & Bond Fund (continued)**

**The future market outlook for the Fund**

The Euro Area key indicators have been showing a slowdown of economic activity and Southern Eurozone countries risk of unmanageable debt rising. Concerns around the levels of indebtedness in peripheral countries remain a very important driver of assets and key interest rates in 2012 and we might see an ongoing divergence in country conditions across the EMU.

The Governing Council of the ECB is widely expected to cut interest rates as inflationary pressure has dampened further and Q2 indicators point to a renewed weakening of economic growth in the European Union. Central banks seem to stand ready to deliver further liquidity.

As we are aware of the unsustainability of current yield level for many of the peripheral countries we still avoid any investment in this region. In terms of corporate bonds, we continue to hold a positive view of this asset class. Companies are able to generate profits by cutting costs, increasing efficiency and by off-shoring. Default rates are expected to stay low but rise again. Cash flows are kept high and leverage low. Hence corporate bonds have broadly strong fundamentals and the spread is likely to stay rather tightened.

**SCHEDULE OF INVESTMENTS as at 30 June 2012**  
**Generali PPF Cash & Bond Fund**

Description	Quantity	Currency	Acquisition Cost EUR	Fair Value EUR	% of Net Assets
<b>Listed securities : bonds</b>					
<b>CROATIA</b>					
Croatian Bank for Reconstruction & Development 5.75% 04/12/2012 EMTN	78,400	EUR	79,109	78,596	1.06
			79,109	78,596	1.06
<b>CYPRUS</b>					
Alfa MTN Invest Ltd 9.25% 24/06/2013 EMTN	200,000	USD	160,047	164,927	2.22
			160,047	164,927	2.22
<b>CZECH REPUBLIC</b>					
Ceska Exportni Banka AS 2.845% 17/08/2014 EMTN	800,000	EUR	802,571	806,175	10.84
Ceska Exportni Banka AS 2.96585% 29/04/2014 EMTN	700,000	USD	543,487	560,474	7.54
			1,346,058	1,366,649	18.38
<b>FEDERATION OF RUSSIA</b>					
AK Transneft OJSC Via TransCapitalInvest Ltd 5.67% 05/03/2014	250,000	USD	204,025	207,389	2.79
Gazprombank OJSC Via GPB Eurobond Finance PLC 7.933% 28/06/2013 EMTN	200,000	USD	159,057	164,454	2.21
			363,082	371,843	5.00
<b>HUNGARY</b>					
Hungary Government International Bond 4.5% 06/02/2013	200,000	EUR	199,520	199,260	2.68
Hungary Government International Bond 0.765% 02/11/2012	420,000	EUR	406,965	415,275	5.58
			606,485	614,535	8.26
<b>IRELAND</b>					
Nomos Bank Via Nomos Capital PLC 6.5% 21/10/2013	150,000	USD	116,795	120,090	1.61
Nomos Bank Via Nomos Capital PLC 9.25% 17/12/2012	410,000	USD	319,312	331,557	4.46
Vimpel Communications Via VIP Finance Ireland Ltd OJSC 8.375% 30/04/2013	350,000	USD	283,866	285,042	3.83
			719,973	736,689	9.90
<b>KAZAKHSTAN</b>					
Development Bank of Kazakhstan JSC 7.375% 12/11/2013 EMTN	150,000	USD	115,866	123,766	1.66
			115,866	123,766	1.66
<b>LUXEMBOURG</b>					
Evraz Group SA 8.875% 24/04/2013	100,000	USD	82,027	81,949	1.10
Home Credit & Finance Bank Via Eurasia Capital SA 7% 18/03/2014	300,000	USD	221,491	242,898	3.27
Russian Agricultural Bank OJSC Via RSHB Capital SA 7.125% 14/01/2014	100,000	USD	82,324	83,273	1.12
Russian Agricultural Bank OJSC Via RSHB Capital SA 7.175% 16/05/2013 EMTN	300,000	USD	250,119	245,877	3.31
Sberbank of Russia Via SB Capital SA 6.468% 02/07/2013 EMTN	650,000	USD	536,120	532,605	7.16
Severstal OAO Via Steel Capital SA 9.75% 29/07/2013	150,000	USD	121,642	126,502	1.70
VTB Bank OJSC Via VTB Capital SA 6.609% 31/10/2012 EMTN	200,000	USD	149,429	159,866	2.15
			1,443,152	1,472,970	19.81
<b>MICRONESIA</b>					
KazMunayGas National Co 8.375% 02/07/2013	200,000	USD	162,951	165,330	2.22
			162,951	165,330	2.22

**SCHEDULE OF INVESTMENTS as at 30 June 2012**  
**Generali PPF Cash & Bond Fund (continued)**

Description	Quantity	Currency	Acquisition	Fair Value	% of		
			Cost EUR	EUR	Net Assets		
ROMANIA							
Romania Government Bond 4.5% 29/11/2013	100,000	EUR	99,375	99,966	1.34		
Romania Government Bond 5.25% 10/11/2012	500,000	EUR	506,352	504,415	6.78		
			605,727	604,381	8.12		
UNITED STATES OF AMERICA							
Goldman Sachs Group Inc 0.99% 15/11/2014	175,000	EUR	163,169	166,529	2.24		
Goldman Sachs Group Inc 1.004% 04/02/2013	100,000	EUR	95,684	99,346	1.34		
Merrill Lynch & Co Inc 0.98% 31/01/2014 EMTN	80,000	EUR	76,636	76,930	1.03		
Merrill Lynch & Co Inc 0.968% 09/08/2013 EMTN	250,000	EUR	242,476	245,241	3.30		
Merrill Lynch & Co Inc 6% 11/02/2013 EMTN	100,000	EUR	103,042	102,216	1.37		
Morgan Stanley 1.001% 01/03/2013 EMTN	150,000	EUR	147,202	148,261	1.99		
Morgan Stanley 0.975% 29/11/2013 EMTN	150,000	EUR	143,950	144,546	1.94		
			972,159	983,069	13.21		
Total listed securities : bonds			6,574,609	6,682,755	89.84		
Bond interest accrued				97,101	1.31		
Financial assets at fair value through profit or loss			6,574,609	6,779,856	91.15		
Financial derivative instruments							
Open Forward Foreign Currency Contracts							
Maturity	Counterparty	Currency	Purchased	Currency Sold	Unrealised Appreciation/ (Depreciation)	% of Net Assets	
31-Jul-12	RBC Dexia IS Bank	PLN	500	EUR	116	1	-
09-Aug-12	RBC Dexia IS Bank	EUR	4,243,395	USD	5,300,000	66,695	0.90
Net gain on open forward foreign exchange contracts					66,696	0.90	
Total financial derivative instruments					66,696	0.90	
Cash and other net assets				591,661	7.95		
Total net assets attributable to holders of redeemable participating shares				7,438,213	100.00		



**ECONOMIC DIVISION OF INVESTMENTS as at 30 June 2012**  
**Generali PPF Cash & Bond Fund (continued)**

---

	<b>% of Net Assets</b>
Banks and financial institutions	35.08
Holding and finance companies	20.72
States, provinces and municipalities	16.38
Mortgage and funding institutions	11.55
Transportation	2.79
Miscellaneous	2.22
Mines and heavy industries	1.10
<b>Total investment</b>	<b>89.84</b>
<b>Bond interest accrued</b>	<b>1.31</b>
<b>Total financial derivative instruments</b>	<b>0.90</b>
<b>Cash and other net assets</b>	<b>7.95</b>
<b>Total net assets attributable to holders of redeemable participating shares</b>	<b>100.00</b>

---

---

## INVESTMENT MANAGER'S REPORT for the period ended 30 June 2012 Generali PPF Corporate Bonds Fund

### The Investment objective of the Fund

#### How the fund achieves its investment objective

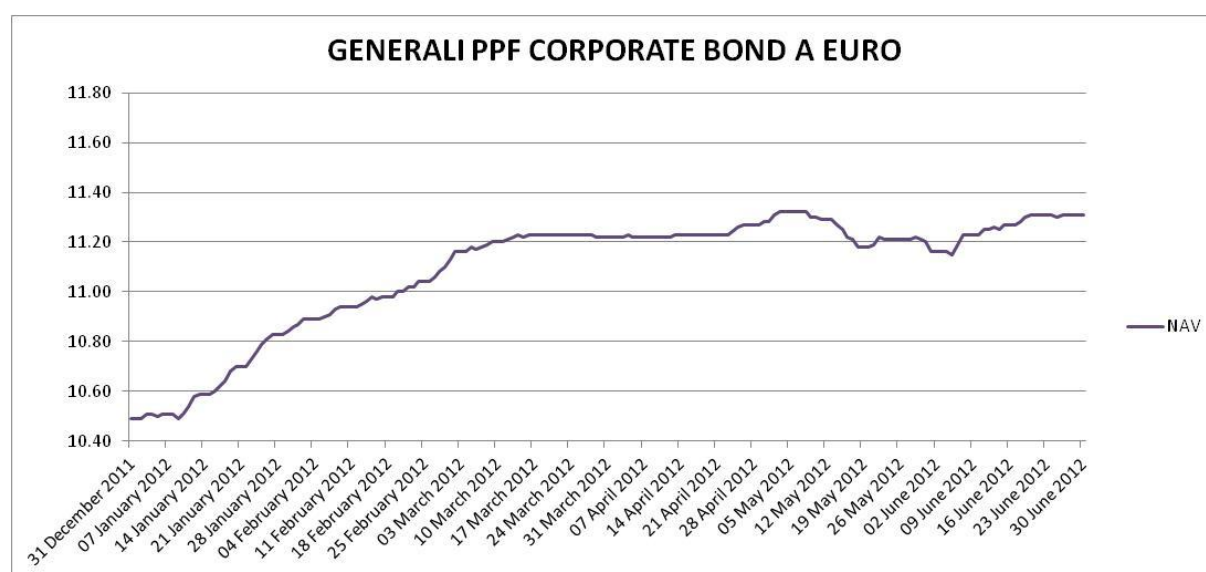
The investment objective of the Fund is to seek an attractive level of income and to achieve an appreciation of the value of the assets in the medium term time period above the medium term European interest rates together with a medium degree of volatility.

On 25 January , 2010 seed money in amount of 5.0 mil EUR was deposited in the euro account of the Class A EUR, which was gradually invested over the financial year ended 31 March 2011 according to its investment policy. During 2011 there were further larger subscriptions in the total amount of EUR 6.7 million, so the fund's total assets rose to 10.0 mil. EUR. The assets under management rose to 10.45 mil EUR during the first half of 2012 as a result of shares appreciation. As at 30 June 2012 the Fund has five share Classes: Class A EUR, Class B EUR, Class A PLN, Class B PLN and Class B CZK.

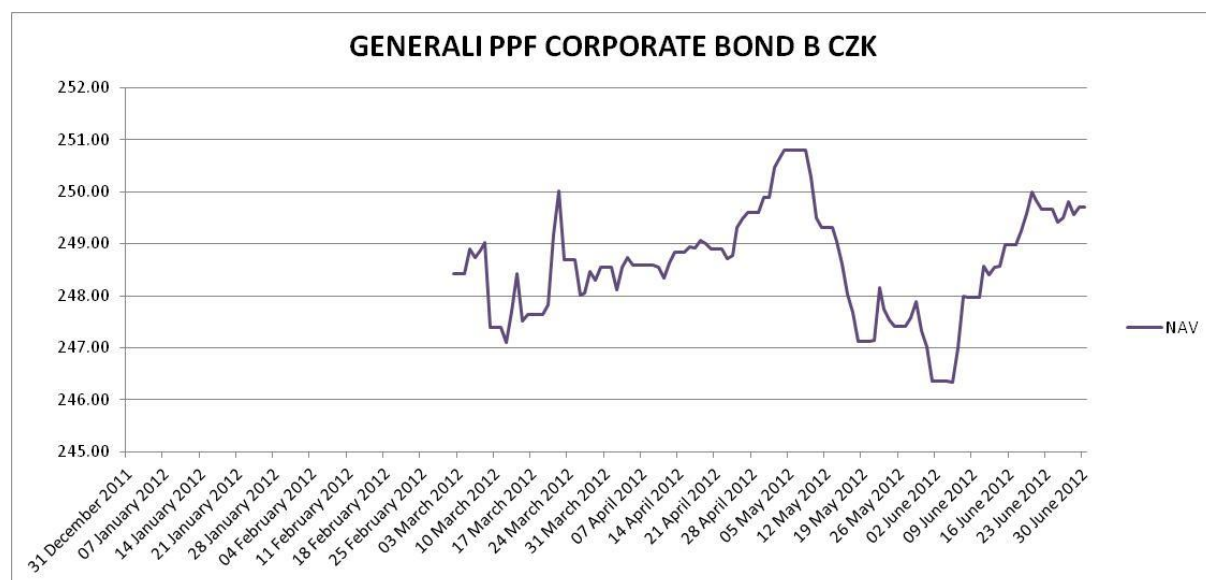
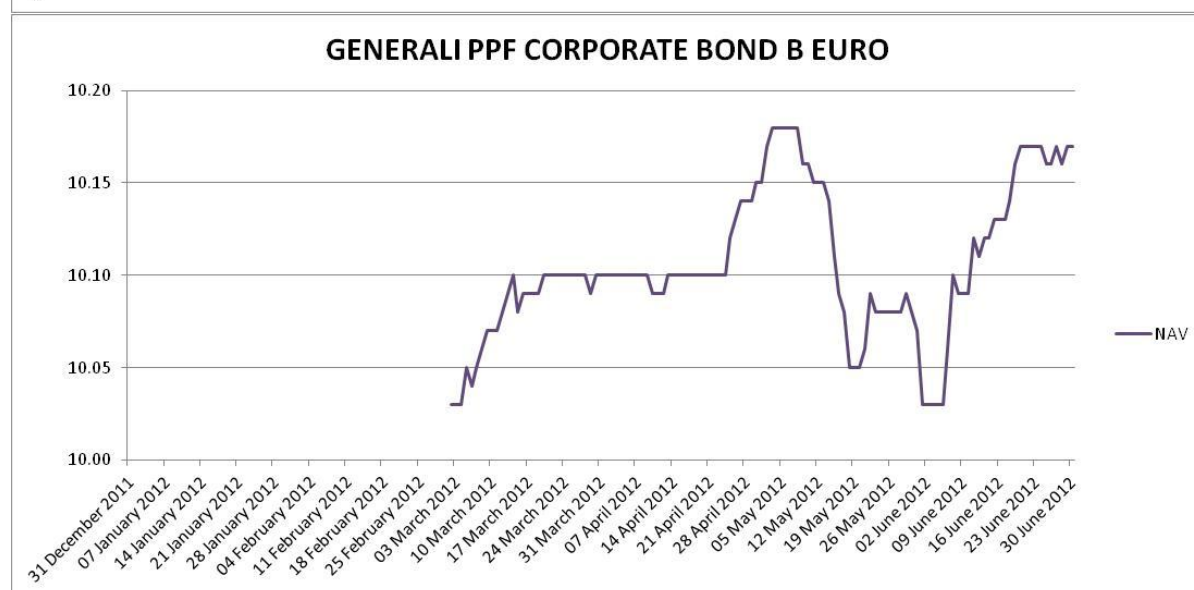
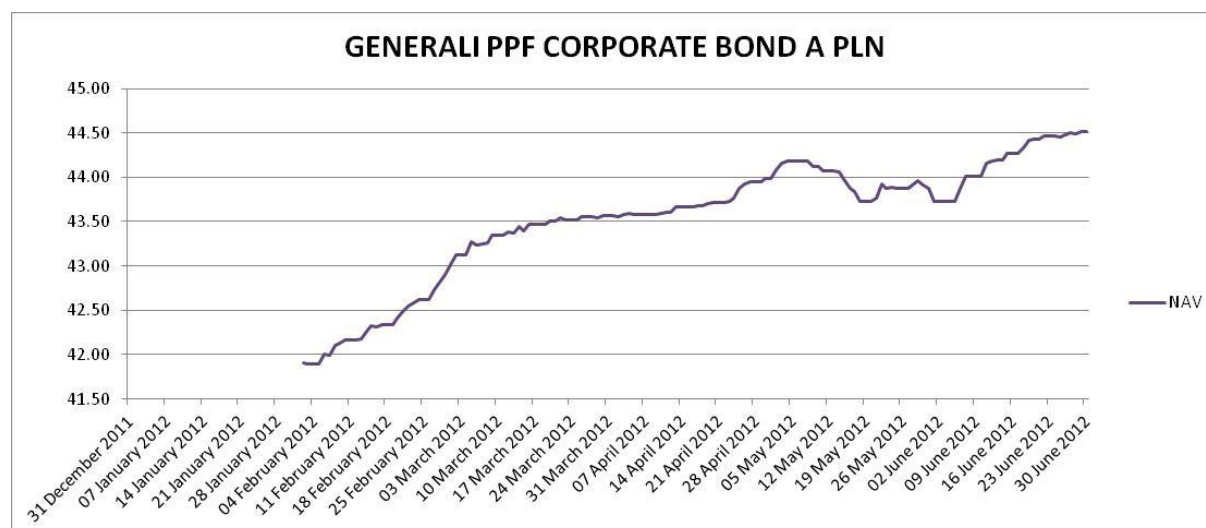
The Fund achieves its objective by using both a variety of techniques including fundamental analysis of issuers, analysis and prediction of macro-economic indices, interest rates, foreign exchange rates, yield curve and analysis of regional political situation and by investing primarily in debt securities and debentures issued by corporations worldwide (including treasury paper and commercial paper) listed or traded on a Recognised Exchange in major global markets. The Fund also invests in debt securities issued by governments and their agencies, instrumentalities and political sub-divisions, supranationals and local and public authorities. Such instruments may be fixed or floating rate debt securities and mainly rated B- to BBB+ by Standard & Poor's or another reputable rating agency.

The derivatives used by the Fund include foreign exchange forwards and swaps (currency forwards and swaps) and they are used for hedging purposes. Details of the derivatives which may be used are set out in the derivatives risk management process filed with and cleared by the Central Bank of Ireland.

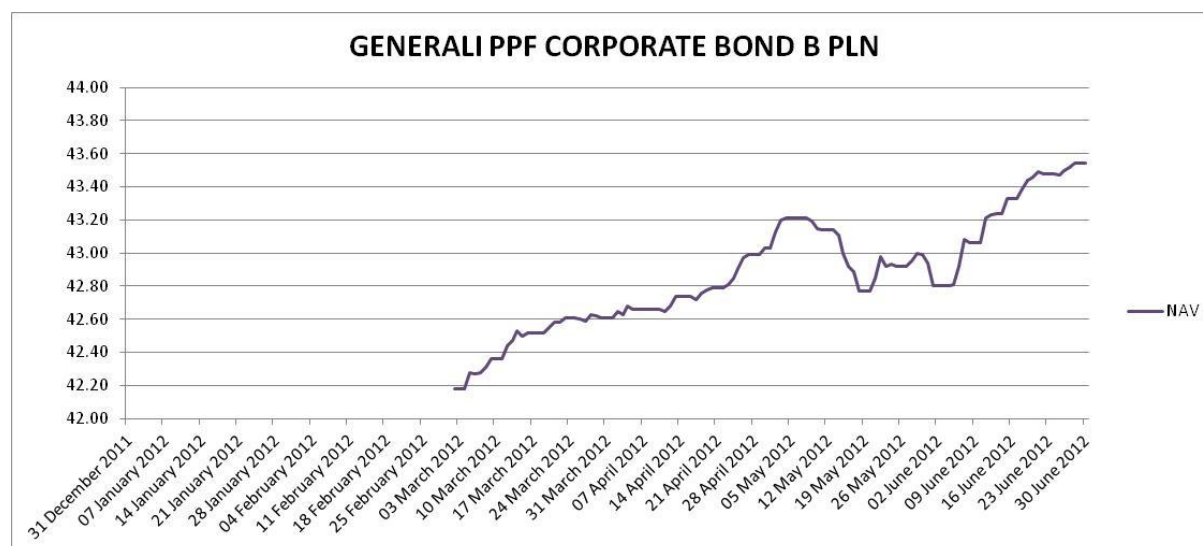
#### NAV per share of the Fund during the period



**INVESTMENT MANAGER'S REPORT for the period ended 31 30 June 2012**  
**Generali PPF Corporate Bonds Fund (continued)**



**INVESTMENT MANAGER'S REPORT for the period ended 31 30 June 2012**  
**Generali PPF Corporate Bonds Fund (continued)**



<b>GENERALI PPF CORPORATE BOND A EURO</b>		
<b>Date</b>	<b>NAV</b>	<b>Market Value (EUR)</b>
31/12/2011	10.49	9 919 705.30
31/01/2012	10.86	10 268 478.57
29/02/2012	11.10	10 498 307.75
31/03/2012	11.22	10 593 512.64
30/04/2012	11.28	10 531 120.98
31/05/2012	11.20	10 050 384.00
30/06/2012	11.31	10 161 534.28

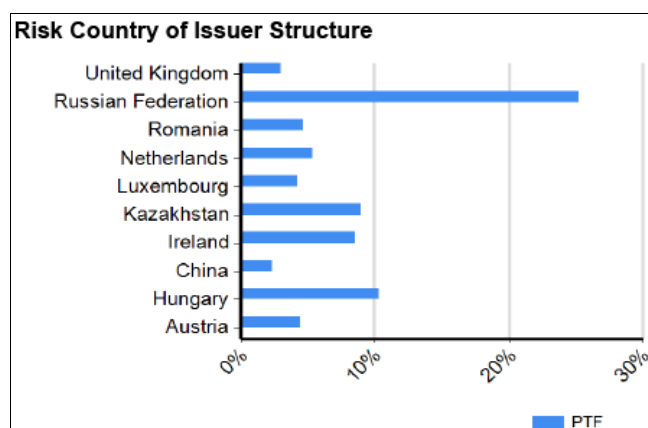
<b>GENERALI PPF CORPORATE BOND A PLN</b>			
<b>Date</b>	<b>NAV</b>	<b>Market Value (PLN)</b>	<b>Market Value (EUR)</b>
02/02/2012	41.91	500.18	119.46
29/02/2012	42.90	512.33	124.57
31/03/2012	43.57	520.08	125.22
30/04/2012	43.99	525.30	125.85
31/05/2012	43.87	524.01	118.98
30/06/2012	44.51	531.43	125.48

<b>GENERALI PPF CORPORATE BOND B EURO</b>		
<b>Date</b>	<b>NAV</b>	<b>Market Value (EUR)</b>
02/03/2012	10.03	100.29
31/03/2012	10.10	3 124.38
30/04/2012	10.15	111 070.93
31/05/2012	10.07	112 539.98
30/06/2012	10.17	154 671.12

**INVESTMENT MANAGER'S REPORT for the period ended 31 30 June 2012**  
**Generali PPF Corporate Bonds Fund (continued)**

<b>GENERALI PPF CORPORATE BOND B CZK</b>			
<b>Date</b>	<b>NAV</b>	<b>Market Value (CZK)</b>	<b>Market Value (EUR)</b>
02/03/2012	248.42	3 008.46	121.71
31/03/2012	248.55	402 679.74	16 201.23
30/04/2012	249.89	691 740.41	27 737.56
31/05/2012	247.03	1 583 841.83	61 357.94
30/06/2012	249.71	2 194 715.54	85 957.17

<b>GENERALI PPF CORPORATE BOND B PLN</b>			
<b>Date</b>	<b>NAV</b>	<b>Market Value (PLN)</b>	<b>Market Value (EUR)</b>
02/03/2012	42.18	514.19	124.94
31/03/2012	42.61	519.66	125.12
30/04/2012	43.03	524.80	125.73
31/05/2012	42.94	523.44	118.85
30/06/2012	43.54	530.97	125.37


**The future market outlook for the Fund**

Our baseline scenario is a global economic slowdown, led by the euro area. Economic uncertainty remains elevated at least as long as policymakers and politicians are not able to introduce a coordinated and widely acceptable long-term solution to the Eurozone debt crisis. Average risk-free interest rates should stay low in US and EMU. In case of Emerging Markets we expect some monetary easing, as inflation pressures come under control. Corporate bonds showed their resilience during the market turbulence, benefiting from strong fundamental performance with steady top-line growth, balance sheet deleveraging and generally strong liquidity positions. The global speculative-grade default rate is near to medium term bottom and based on Moody's forecasting model, the global speculative-grade default rate should stay well below the 5% historical average. Hence corporate bonds spreads will likely stay rather tightened, supported by excess liquidity as a result of low interest rates.

Our key investments remain broadly the same. The main focus of the investment strategy is a selection of fundamentally strong and liquid credit names, which we believe will be the main driver of fund's performance in the months ahead. We continue to see room for CIS corporate credits to outperform the market as long as relatively high commodity prices and cost competitiveness keep CIS company fundamentals resilient to the global growth slowdown. While we are constructive on Emerging market debt over the long-term, the uncertainty around the Eurozone sovereign debt crisis and its potential consequences will probably result in a more uncertain and possibly volatile medium-term outlook.

**SCHEDULE OF INVESTMENTS as at 30 June 2012**  
**Generali PPF Corporate Bonds Fund**

Description	Quantity	Currency	Acquisition	Fair Value	% of
			Cost EUR		
				EUR	Net Assets
<b>Listed securities : bonds</b>					
<b>AUSTRIA</b>					
Erste Group Bank AG 1.37% 19/07/2017 EMTN	450,000	EUR	384,319	384,498	3.69
Raiffeisen Zentralbank Oesterreich AG 4.5% 05/03/2019 EMTN	100,000	EUR	89,114	82,894	0.80
			473,433	467,392	4.49
<b>BRAZIL</b>					
Bertin SA / Bertin Finance Ltd 10.25% 05/10/2016	100,000	USD	81,568	79,311	0.76
JBS SA 10.5% 04/08/2016	150,000	USD	118,230	121,745	1.17
			199,798	201,056	1.93
<b>CAYMAN ISLANDS</b>					
Agile Property Holdings Ltd 10% 14/11/2016	200,000	USD	147,057	163,114	1.57
			147,057	163,114	1.57
<b>CROATIA</b>					
Croatia Government International Bond 6.25% 27/04/2017	230,000	USD	176,870	180,750	1.73
			176,870	180,750	1.73
<b>CYPRUS</b>					
Alfa MTN Issuance Ltd 8% 18/03/2015	400,000	USD	319,820	330,017	3.17
			319,820	330,017	3.17
<b>FRANCE</b>					
RCI Banque SA 3.02% 07/04/2015 EMTN	4,000,000	CZK	161,874	152,119	1.46
			161,874	152,119	1.46
<b>GREAT BRITAIN</b>					
International Personal Finance PLC 11.5% 06/08/2015 EMTN	200,000	EUR	227,524	206,000	1.98
Provident Financial PLC 4.681% 24/05/2015 EMTN	100,000	EUR	100,000	94,208	0.90
			327,524	300,208	2.88
<b>HUNGARY</b>					
Hungary Government International Bond 4.5% 29/01/2014	250,000	EUR	242,608	245,839	2.36
Hungary Government International Bond 6.75% 28/07/2014 EMTN	150,000	EUR	153,511	151,500	1.45
MOL Hungarian Oil and Gas PLC 5.875% 20/04/2017 EMTN	250,000	EUR	231,586	233,625	2.24
MOL Hungarian Oil and Gas PLC 3.875% 05/10/2015	50,000	EUR	46,074	46,625	0.45
OTP Bank PLC 5.27% 19/09/2016 EMTN	50,000	EUR	41,963	41,125	0.39
OTP Bank PLC 1.214% 04/03/2015	450,000	EUR	326,033	339,750	3.26
			1,041,775	1,058,464	10.15
<b>IRELAND</b>					
Gazprombank OJSC Via GPB Eurobond Finance PLC 6.5% 23/09/2015	450,000	USD	342,041	370,102	3.55
Nomos Bank Via Nomos Capital PLC 8.75% 21/10/2015	470,000	USD	357,626	382,855	3.68
Raspadskaya OJSC Via Raspadskaya Securities Ltd 7.75% 27/04/2017	250,000	USD	190,560	194,043	1.86
VEB-Leasing Via VEB Leasing Investment Ltd 5.125% 27/05/2016	400,000	USD	295,012	312,016	3.00
			1,185,239	1,259,016	12.09

**SCHEDULE OF INVESTMENTS as at 30 June 2012**  
**Generali PPF Corporate Bonds Fund (continued)**

Description	Quantity	Currency	Acquisition	Fair Value EUR	% of Net Assets
			Cost EUR		
KAZAKHSTAN					
Development Bank of Kazakhstan JSC 7.375% 12/11/2013 EMTN	400,000	USD	302,415	330,043	3.17
Eurasian Development Bank 7.375% 29/09/2014 EMTN	320,000	USD	266,016	274,039	2.63
Kazatomprom Natsionalnaya Atomnaya Kompaniya AO 6.25% 20/05/2015	200,000	USD	168,044	166,266	1.60
			736,475	770,348	7.40
LUXEMBOURG					
ALROSA Finance SA 8.875% 17/11/2014	250,000	USD	207,792	217,436	2.09
Evrast Group SA 7.4% 24/04/2017	200,000	USD	154,722	154,475	1.48
Evrast Group SA 8.25% 10/11/2015	150,000	USD	123,610	124,242	1.19
Fiat Finance & Trade SA 7.625% 15/09/2014 EMTN	200,000	EUR	207,982	206,250	1.98
Gazprom OAO Via Gaz Capital SA 8.125% 31/07/2014	250,000	USD	214,658	215,612	2.07
Russian Standard Bank Via Russian Standard Finance SA 7.73% 16/12/2015	450,000	USD	307,548	333,320	3.20
Severstal OAO Via Steel Capital SA 6.25% 26/07/2016	200,000	USD	155,192	158,331	1.52
Severstal OAO Via Steel Capital SA 9.25% 19/04/2014	250,000	USD	200,477	214,463	2.06
Vimpel Communications OJSC Via UBS Luxembourg SA 8.25% 23/05/2016	450,000	USD	370,998	370,063	3.55
VTB Bank OJSC Via VTB Capital SA 6.465% 04/03/2015	350,000	USD	261,185	288,362	2.77
			2,204,164	2,282,554	21.91
MICRONESIA					
KazMunayGas National Co 8.375% 02/07/2013	100,000	USD	84,608	82,665	0.79
			84,608	82,665	0.79
NETHERLANDS					
Home Credit BV 6.25% 22/06/2016	9,000,000	CZK	351,771	356,015	3.42
HSBK Europe BV 7.25% 03/05/2017	200,000	USD	156,627	156,810	1.51
New World Resources NV 7.375% 15/05/2015	130,000	EUR	129,963	124,800	1.20
			638,361	637,625	6.13
ROMANIA					
City of Bucharest Romania 4.125% 22/06/2015	400,000	EUR	371,438	385,000	3.70
Romanian Government International Bond 5% 18/03/2015	100,000	EUR	99,260	101,700	0.98
			470,698	486,700	4.68
Total listed securities : bonds			8,167,696	8,372,028	80.38
Other organised market : bonds					
CAYMAN ISLANDS					
Shimao Property Holdings Ltd 8% 01/12/2016	100,000	USD	66,310	74,662	0.72
			66,310	74,662	0.72
Total other organised market : bonds			66,310	74,662	0.72
Bond interest accrued				138,572	1.33
Financial assets at fair value through profit or loss			8,234,006	8,585,262	82.43

**SCHEDULE OF INVESTMENTS as at 30 June 2012**  
**Generali PPF Corporate Bonds Fund (continued)**

			Acquisition			
Description	Quantity	Currency	Cost	Fair Value	% of	
			EUR	EUR	Net Assets	
Financial derivative instruments						
Open Forward Foreign Currency Contracts						
Maturity	Counterparty	Currency	Purchased	Sold	Unrealised Appreciation/ (Depreciation)	% of Net Assets
02-Jul-12	RBC Dexia IS Bank	EUR	19	CZK 495	-	-
03-Jul-12	RBC Dexia IS Bank	EUR	4,443	CZK 114,760	(51)	-
04-Jul-12	RBC Dexia IS Bank	EUR	78	CZK 1,990	-	-
31-Jul-12	RBC Dexia IS Bank	PLN	521	EUR 121	1	-
31-Jul-12	RBC Dexia IS Bank	PLN	521	EUR 121	1	-
31-Jul-12	RBC Dexia IS Bank	CZK	2,064,171	EUR 80,140	683	0.01
31-Jul-12	RBC Dexia IS Bank	EUR	5,444,791	USD 6,800,000	86,350	0.83
31-Jul-12	RBC Dexia IS Bank	EUR	493,523	CZK 12,800,000	(7,665)	(0.08)
31-Jul-12	RBC Dexia IS Bank	CZK	127,346	EUR 4,936	51	-
Net gain on open forward foreign exchange contracts					79,370	0.76
Total financial derivative instruments					79,370	0.76
Cash and other net assets				1,751,367	16.81	
Total net assets attributable to holders of redeemable participating shares				10,415,999	100.00	



**ECONOMIC DIVISION OF INVESTMENTS as at 30 June 2012**  
**Generali PPF Corporate Bonds Fund (continued)**

---

	<b>% of Net Assets</b>
Holding and finance companies	25.56
Banks and financial institutions	20.95
States, provinces and municipalities	10.22
Miscellaneous	6.59
Mines and heavy industries	3.87
Mortgage and funding institutions	2.77
Petrol	2.69
Supranational	2.63
Food and distilleries	1.93
Public services	1.60
Real estate companies	1.57
Construction and building material	0.72
<b>Total investment</b>	<b>81.10</b>
<b>Bond interest accrued</b>	<b>1.33</b>
<b>Total financial derivative instruments</b>	<b>0.76</b>
<b>Cash and other net assets</b>	<b>16.81</b>
<b>Total net assets attributable to holders of redeemable participating shares</b>	<b>100.00</b>

---

## **INVESTMENT MANAGER'S REPORT for the period ended 30 June 2012**

### **Generali PPF Global Brands Fund**

#### **The Investment objective of the Fund**

##### **How the fund achieves its investment objective**

The investment objective of the Fund is to achieve long term capital appreciation of assets through investment in a diversified portfolio of transferable securities. The Funds invests mainly in stocks of strong, world-renowned companies.

On 3 February 2010 seed money in amount of EUR 2.0 million was deposited in the euro account of the Fund, which was gradually increased in two steps by EUR 3 million over the financial year ended 31 March 2011. There were further larger subscriptions in the total amount of EUR 6.7 million, started September 2011. This new money was invested according to the investment policy of the Fund. A new share class A designated in the Polish zloty was launched in February 2012. The Fund's exposure was kept in the range of 90–100%.

The main principles of the investment policy are:

1/ The weight rebalancing of each stock in the portfolio (equal weight approach) which induces higher, risk-weighted yield in comparison with indices weighted by market value (the firm's size);

2/ Active portfolio management depending on fundamental analysis (the stability of financial ratios in time), horizontal analysis (the comparison within the scope of sector) and quantitative analysis (the analysis of statistical parameters alpha, beta and correlation);

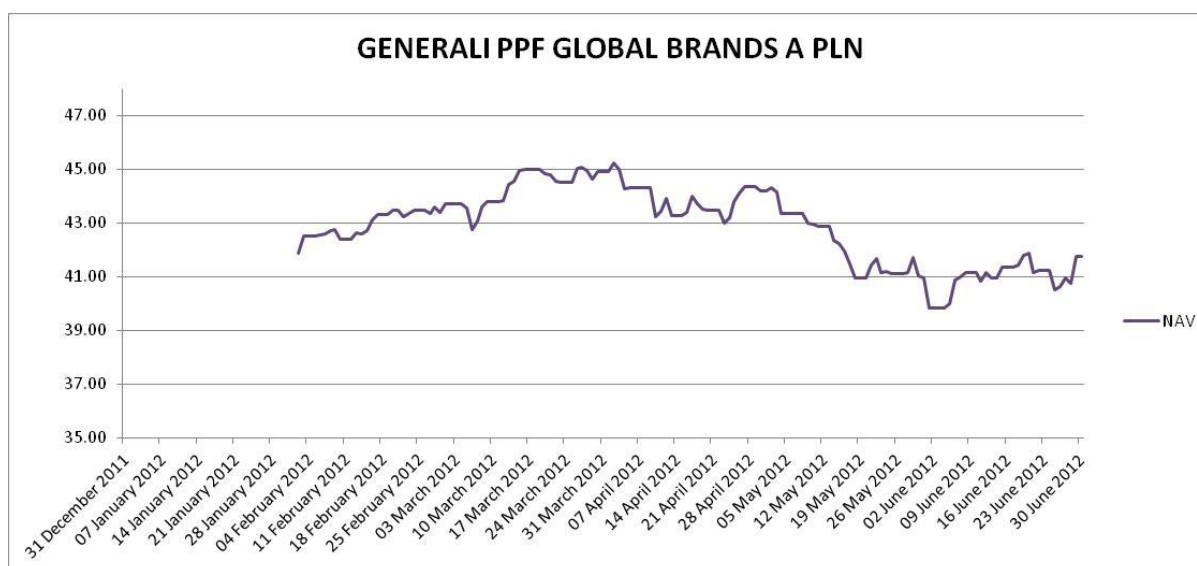
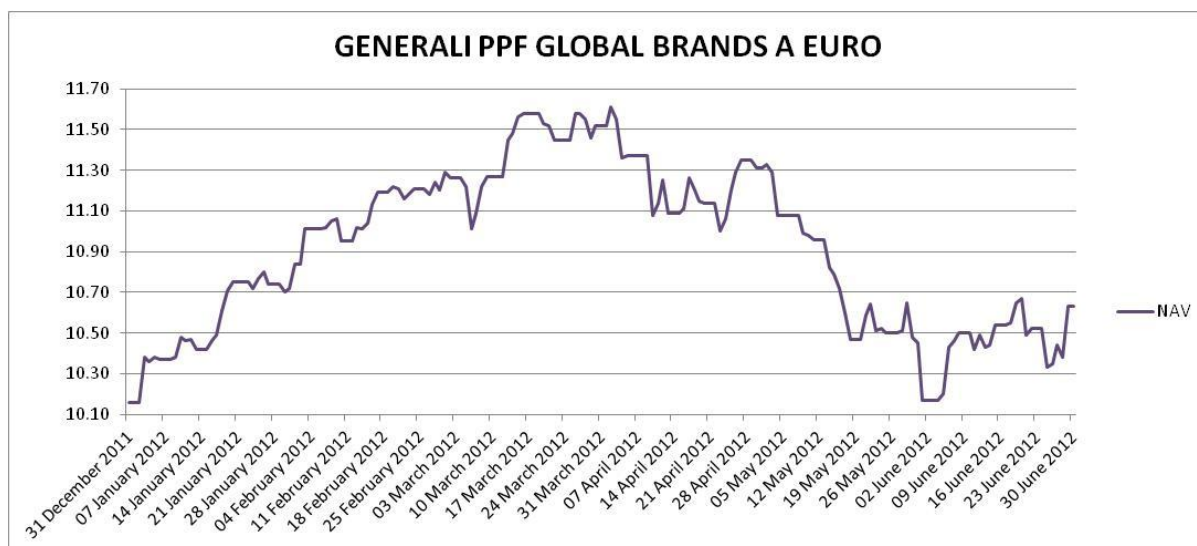
3/ Risk currency hedging.

The Fund achieves its objective by investing primarily in the equity securities of companies which have in the opinion of the Investment Manager a significant position on the market, a comparative advantage over its competition and a strong global brand (a brand that is recognized in many countries worldwide). The Fund invests in securities of companies which operate anywhere in the world provided that the securities held by the Fund are primarily listed or traded on a Recognised Exchange (excluding the Russian markets). In seeking to achieve the objective and in accordance with the investment restrictions and policy, the parameters and diversification of stock or portfolio composition are flexibly adjusted by the Investment Manager according to market development in order to profit from the current development of individual markets. In seeking to achieve its investment objective, the Investment Manager considers the significant position on the market, comparative advantages over competitors, strong global brand and positive conclusions of vertical fundamental analysis (stability of financial indicators in time) and horizontal fundamental analysis (comparison with the sector) of particular stocks and quantitative analysis. In average the portfolio consisted of 50 companies that manage the strongest global brands according to the chart of the Interbrand Corporation updated on a yearly basis. The composition of these TOP 50 companies in the portfolio was updated at the end of the 3Q 2010: The companies AXA (France) and XEROX (the USA) were replaced with DAIMLER (Germany) and PPR (France) and then reupdated at the beginning of the 4Q 2011. The companies Morgan Stanley (the USA) and Philip Morris International (the USA) were replaced with Danone (France) and Hennes & Mauritz (Sweden).

The derivatives used by the Fund include foreign exchange forwards and swaps (currency forwards and currency swaps) and are used for hedging purposes in the range of 85–105%. Details of the derivatives which may be used are set out in the derivatives risk management process filed with the Central Bank of Ireland. The Fund reinvests all income and gains and it is not intended to declare dividends.

**INVESTMENT MANAGER'S REPORT for the period ended 30 June 2012**  
**Generali PPF Global Brands Fund (continued)**

NAV per share of the Fund during the period



GENERALI PPF GLOBAL BRANDS A EURO		
Date	NAV	Market Value (EUR)
31/12/2011	10.16	12 136 175.95
31/01/2012	10.72	12 809 715.00
29/02/2012	11.20	13 375 182.45
31/03/2012	11.52	13 753 031.38
30/04/2012	11.31	13 485 559.56
31/05/2012	10.45	12 184 097.34
30/06/2012	10.63	12 405 311.74

**INVESTMENT MANAGER'S REPORT for the period ended 30 June 2012**  
**Generali PPF Global Brands Fund (continued)**

<b>GENERALI PPF GLOBAL BRANDS A PLN</b>			
<b>Date</b>	<b>NAV</b>	<b>Market Value (PLN)</b>	<b>Market Value (EUR)</b>
02/02/2012	41.87	499.80	119.37
29/02/2012	43.39	518.22	126.00
31/03/2012	44.90	535.90	129.03
30/04/2012	44.20	527.76	126.44
31/05/2012	40.96	489.00	111.03
30/06/2012	41.76	498.48	117.70

**The future market outlook for the Fund**

The last year proved year proved to be pretty volatile and it is most likely to continue in the second half of 2012 as the uncertainty around the Eurozone sovereign debt crisis can worsen further very easily and Europe heads back toward a double-dip recession. Although the economy of the United States rebounded solidly in 2H 2011, the expansion in economic activity has proceeded at a moderate pace in 1H 2012 – less than previously estimated and weighed down by concerns about the global economic environment. Moreover, a potential deeper-than-expected recession in Europe could threaten the outlook for the U.S. even more. The global economic growth will remain hindered by two main factors: More tough government austerity measures adopted by developed countries in order to stabilize their public debt, and a financial deleveraging cycle which is a key, but multi-year process.

Global brands showed their resilience during the last crisis, benefiting from large economies of scale. As the majority of the growth potential in a consumer goods field exists outside the West, a strong brand name should help them to enter these new growing markets.

**SCHEDULE OF INVESTMENTS as at 30 June 2012**  
**Generali PPF Global Brands Fund**

Description	Quantity	Currency	Acquisition cost EUR	Fair Value EUR	% of Net Assets
<b>Listed securities : equities</b>					
<b>BELGIUM</b>					
Anheuser-Busch InBev NV	4,200	EUR	165,547	257,460	2.08
			165,547	257,460	2.08
<b>CANADA</b>					
Thomson Reuters Corp	11,000	USD	257,980	246,515	1.99
			257,980	246,515	1.99
<b>FINLAND</b>					
Nokia OYJ	114,000	EUR	465,197	184,680	1.49
			465,197	184,680	1.49
<b>FRANCE</b>					
Danone	5,600	EUR	259,315	274,484	2.22
L'Oreal SA	2,700	EUR	216,889	248,994	2.01
LVMH Moet Hennessy Louis Vuitton SA	2,100	EUR	224,804	251,055	2.03
PPR	2,200	EUR	244,305	246,840	1.99
			945,313	1,021,373	8.25
<b>GERMANY</b>					
Bayerische Motoren Werke AG	4,500	EUR	212,890	256,590	2.07
Daimler AG	7,200	EUR	265,308	254,160	2.05
SAP AG	5,700	EUR	231,755	264,737	2.14
Siemens AG	3,600	EUR	273,939	238,212	1.92
Volkswagen AG	1,900	EUR	200,623	236,265	1.91
			1,184,515	1,249,964	10.09
<b>GREAT BRITAIN</b>					
HSBC Holdings Plc	7,591	USD	237,828	263,910	2.13
			237,828	263,910	2.13
<b>IRELAND</b>					
Accenture Plc	5,400	USD	200,342	255,607	2.06
			200,342	255,607	2.06
<b>JAPAN</b>					
Canon Inc	7,500	USD	249,046	236,102	1.91
Honda Motor Co Ltd	9,700	USD	227,827	264,924	2.14
Sony Corp	17,900	USD	304,164	200,715	1.62
Toyota Motor Corp	4,250	USD	216,439	269,524	2.18
			997,476	971,265	7.85
<b>NETHERLANDS</b>					
Koninklijke Philips Electronics NV	17,381	EUR	282,356	270,535	2.19
			282,356	270,535	2.19
<b>SOUTH KOREA</b>					
Samsung Electronics Co Ltd	725	USD	194,193	286,789	2.32
			194,193	286,789	2.32

**SCHEDULE OF INVESTMENTS as at 30 June 2012**  
**Generali PPF Global Brands Fund (continued)**

Description	Quantity	Currency	Acquisition	Fair Value	% of
			Cost EUR	EUR	Net Assets
SWEDEN					
Hennes & Mauritz AB	8,800	EUR	204,282	246,708	1.99
			204,282	246,708	1.99
SWITZERLAND					
Nestle SA	4,300	EUR	175,591	201,627	1.63
			175,591	201,627	1.63
UNITED STATES OF AMERICA					
Amazon com Inc	1,100	USD	140,729	197,923	1.60
American Express Co	5,450	USD	177,602	249,943	2.02
Apple Inc	630	USD	150,511	289,913	2.34
Cisco Systems Inc	17,000	USD	256,328	229,873	1.86
Citigroup Inc	9,300	USD	219,427	200,723	1.62
Coca-Cola Co	3,800	USD	174,453	234,100	1.89
Colgate-Palmolive Co	2,850	USD	171,095	233,897	1.89
Dell Inc	23,600	USD	249,302	232,829	1.88
eBay Inc	7,300	USD	152,906	241,656	1.95
Ford Motor Co	33,500	USD	281,801	252,890	2.04
General Electric Co	14,400	USD	169,500	236,246	1.91
Goldman Sachs Group Inc	3,200	USD	288,937	241,440	1.95
Google Inc a	600	USD	243,350	274,240	2.21
Heinz (h.j.) Co	5,700	USD	208,542	244,340	1.97
Hewlett-Packard Co	15,200	USD	343,286	240,627	1.94
International Business Machines Corp	1,400	USD	149,928	215,640	1.74
Intel Corp	12,600	USD	202,722	264,500	2.14
JPMorgan Chase & Co	9,300	USD	246,897	261,841	2.12
Kellogg Co	7,100	USD	271,180	275,932	2.23
McDonald's Corp	3,700	USD	219,339	258,057	2.08
Microsoft Corp	12,200	USD	233,368	293,981	2.37
NIKE Inc b	3,000	USD	196,556	207,415	1.68
Oracle Corp	10,800	USD	220,832	252,756	2.04
PepsiCo Inc	4,100	USD	193,026	228,253	1.84
Procter & Gamble Co	5,100	USD	233,755	246,149	1.99
United Parcel Service Inc	4,500	USD	220,372	279,244	2.26
Walt Disney Co	6,000	USD	148,495	229,258	1.85
			5,764,239	6,613,666	53.41
Total listed securities : equities			11,074,859	12,070,099	97.48
Financial assets at fair value through profit or loss			11,074,859	12,070,099	97.48

**SCHEDULE OF INVESTMENTS as at 30 June 2012**  
**Generali PPF Global Brands Fund (continued)**

					Acquisition		
			Cost	Fair Value	% of		
Description	Quantity	Currency	EUR	EUR	Net Assets		
Financial derivative instruments							
Open Forward Foreign Currency Contracts							
					Unrealised	% of	
					Appreciation/	Net Assets	
Maturity	Counterparty	Currency Purchased	Currency Sold	(Depreciation)			
17-Jul-12	RBC Dexia IS Bank	EUR	8,403,696	USD	10,550,000	89,093	0.72
31-Jul-12	RBC Dexia IS Bank	PLN	499	EUR	116	1	-
Net gain on open forward foreign exchange contracts						89,094	0.72
Total financial derivative instruments						89,094	0.72
Cash and other net assets						222,703	1.80
Total net assets attributable to holders of redeemable participating shares						12,381,896	100.00

**ECONOMIC DIVISION OF INVESTMENTS as at 30 June 2012**  
**Generali PPF Global Brands Fund (continued)**

	% of Net Assets
Automobile industry	12.39
Food and distilleries	11.78
Internet software	10.36
Electronic semiconductor	10.18
Banks and financial institutions	9.84
Office equipment and computers	9.76
Retail	5.93
Consumer goods	3.88
Holding and finance companies	3.76
Textile	3.71
Transportation	2.26
Tobacco and spirits	2.08
Leisure	2.08
Other services	2.06
Pharmaceuticals and cosmetics	2.01
Graphic art and publishing	1.99
Various capital goods	1.92
News transmission	1.49
<b>Total investment</b>	<b>97.48</b>
<b>Total financial derivative instruments</b>	<b>0.72</b>
<b>Cash and other net assets</b>	<b>1.80</b>
<b>Total net assets attributable to holders of redeemable participating shares</b>	<b>100.00</b>



## INVESTMENT MANAGER'S REPORT for the period ended 30 June 2012 Generali PPF New Economies Fund

### The Investment objective of the Fund

#### How the Fund achieves its investment objective

The investment objective of the Fund is to achieve long-term capital appreciation through investment in a diversified portfolio of transferable securities.

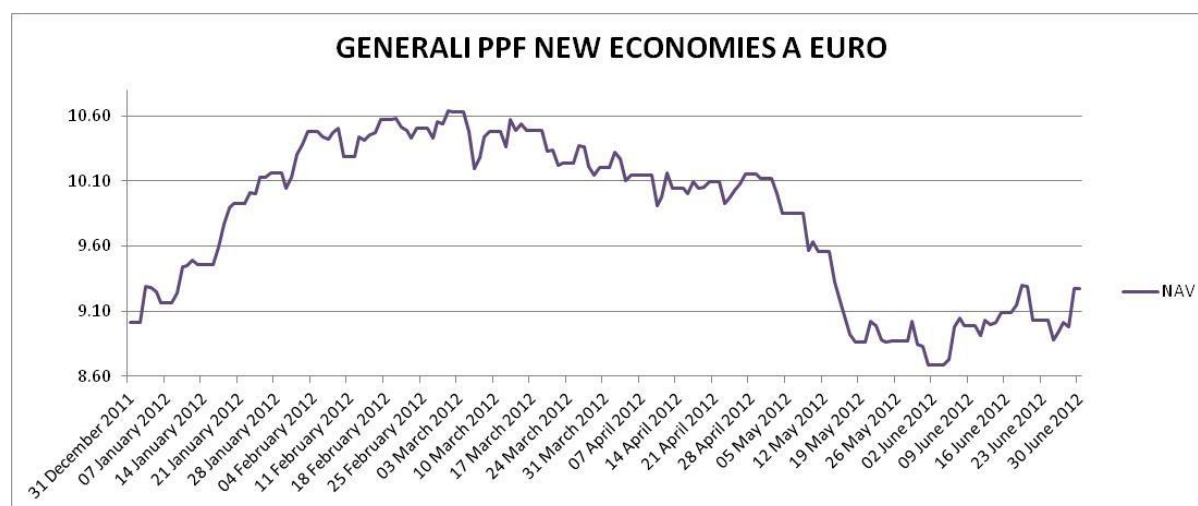
On 3 February 2010 seed money in amount of EUR 2.0 million was deposited in the euro account of the Fund, which was gradually increased in two steps by EUR 3 million over the financial year ended 31 March 2011. There were further larger subscriptions in the total amount of EUR 7.7 million, started September 2011. This new money was invested according to the investment policy of the Fund. A new share class A designated in the Polish zloty was launched in February 2012. The Fund's exposure was kept mostly above 90%.

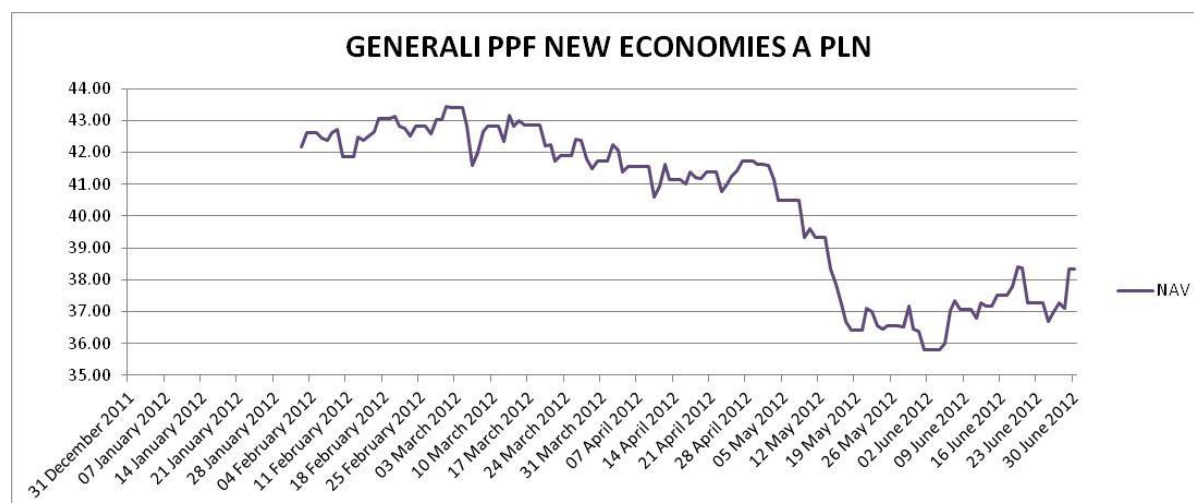
The Fund seeks to achieve its objective by investing primarily in the equity securities of companies operating in emerging economies worldwide, in particular those emerging economies of Asia (except Japan), Latin America, South Africa and Central and Eastern Europe. As emerging market countries we consider mainly countries included in the MSCI Emerging Markets Index.

The key investment criteria are the company's financial strength, competitiveness, profitability, growth prospects and quality of management. The primary approach is to look for growth at a reasonable price. The allocation is based on fundamental research that seeks out sectors and regions with above-average long-term growth. The Fund has a quality bias.

The derivatives used by the Fund include foreign exchange forwards and swaps (currency forwards and currency swaps) and are used for hedging purposes in the range of 85–105%. Details of the derivatives which may be used are set out in the derivatives risk management process filed with the Central Bank of Ireland. The Fund reinvests all income and gains and it is not intended to declare dividends.

#### NAV per share of the Fund during the period



**INVESTMENT MANAGER'S REPORT for the period ended 30 June 2012**  
**Generali PPF New Economies Fund (continued)**


<b>GENERALI PPF NEW ECONOMIES A EURO</b>		
<b>Date</b>	<b>NAV</b>	<b>Market Value (EUR)</b>
31/12/2011	9.01	11 991 041.70
31/01/2012	10.13	13 496 495.12
29/02/2012	10.54	14 030 470.57
31/03/2012	10.20	13 579 431.98
30/04/2012	10.12	13 485 613.94
31/05/2012	8.83	11 481 473.42
30/06/2012	9.27	12 055 998.08

<b>GENERALI PPF NEW ECONOMIES A PLN</b>			
<b>Date</b>	<b>NAV</b>	<b>Market Value (PLN)</b>	<b>Market Value (EUR)</b>
02/02/2012	42.16	503.44	120.24
29/02/2012	43.02	513.49	124.85
31/03/2012	41.74	498.60	120.05
30/04/2012	41.61	496.87	119.04
31/05/2012	36.38	434.56	98.67
30/06/2012	38.33	457.49	108.02

**The future market outlook for the Fund**

We expect that the short-term (until the year end) view on emerging markets equities will be still driven by the macro situation in the eurozone (debt crisis) and also economic development in SE Asia (crucially China, changing its growth model). EPS in global emerging markets has been under pressure since the beginning of the year (trailing EPS lowered by 3% YTD). Also the expected EPS growth for the coming year has been lowered (12.4% y/y) and is below its long term average (15%). The economic development of key emerging markets (China, India, Brazil, Russia) will be affected by the eurozone crisis as these markets are linked to the eurozone (export oriented). As we do not expect any near term solution of the eurozone debt crisis, we do not expect any strong rebound of emerging market performance until the end of this year although valuations are historically really low (trailing P/E 11.3x, long term average 15.9x). We remain in a neutral position on Global emerging markets.

**SCHEDULE OF INVESTMENTS as at 30 June 2012**  
**Generali PPF New Economies Fund**

Description	Quantity	Currency	Acquisition	Fair Value	% of
			Cost EUR	EUR	Net Assets
Listed securities : equities					
AUSTRIA					
Erste Group Bank AG	15,550	EUR	297,149	231,151	1.93
Raiffeisen Bank International AG	2,000	EUR	73,470	51,350	0.43
			370,619	282,501	2.36
BRAZIL					
Banco Bradesco SA	29,170	USD	356,107	341,338	2.85
Cia de Bebidas das Americas	14,150	USD	314,058	427,159	3.57
Cia de Saneamento Basico do Estado de Sao Paulo	6,050	USD	219,887	361,508	3.02
Cia Brasileira de Distribuicao Grupo Pao de Acucar	8,950	USD	235,646	282,171	2.35
Cia Energetica de Minas Gerais	5,000	USD	50,278	72,613	0.61
Itau Unibanco Holding SA	22,300	USD	300,562	244,429	2.04
Petroleo Brasileiro SA	10,300	USD	239,961	152,262	1.27
Vale SA	18,300	USD	335,559	286,386	2.39
			2,052,058	2,167,866	18.10
CHILE					
Enersis SA	8,000	USD	117,877	117,757	0.98
			117,877	117,757	0.98
CHINA					
China Life Insurance Co Ltd	8,900	USD	290,475	276,808	2.31
China Petroleum & Chemical Corp	1,500	USD	92,749	105,315	0.88
Guangshen Railway Co Ltd	3,000	USD	41,253	35,294	0.29
Huaneng Power International Inc	12,800	USD	190,386	300,269	2.51
PetroChina Co Ltd	3,060	USD	268,365	311,510	2.60
Sinopec Shanghai Petrochemical Co Ltd	7,800	USD	226,194	174,617	1.46
			1,109,422	1,203,813	10.05
CZECH REPUBLIC					
CEZ AS	7,200	CZK	227,833	191,642	1.60
Komerčni Banka AS	2,400	CZK	337,875	327,862	2.74
Telefonica Czech Republic AS	11,000	CZK	173,474	164,186	1.37
			739,182	683,690	5.71
FEDERATION OF RUSSIA					
Gazprom OAO	23,000	USD	192,608	169,095	1.41
Lukoil OAO	3,100	USD	127,394	127,268	1.06
MMC Norilsk Nickel OJSC	5,500	USD	71,061	68,043	0.57
Mobile Telesystems OJSC	14,500	USD	170,829	196,411	1.64
			561,892	560,817	4.68
GREAT BRITAIN					
Evraz Plc	19,200	GBP	121,784	61,816	0.52
New World Resources Plc	12,500	CZK	107,040	49,202	0.41
			228,824	111,018	0.93
HONG KONG					
China Mobile Ltd	6,300	USD	224,618	271,401	2.27
CNOOC Ltd	750	USD	93,198	118,866	0.99
			317,816	390,267	3.26

**SCHEDULE OF INVESTMENTS as at 30 June 2012**  
**Generali PPF New Economies Fund (continued)**

Description	Quantity	Currency	Acquisition Cost EUR	Fair Value EUR	% of Net Assets
<b>INDIA</b>					
HDFC Bank Ltd	15,100	USD	315,907	387,777	3.24
ICICI Bank Ltd	9,300	USD	237,578	237,657	1.98
Infosys Ltd	5,400	USD	210,276	191,780	1.60
Tata Motors Ltd	18,500	USD	264,649	320,275	2.67
			<u>1,028,410</u>	<u>1,137,489</u>	<u>9.49</u>
<b>INDONESIA</b>					
Telekomunikasi Indonesia Persero Tbk PT	6,200	USD	152,029	170,164	1.42
			<u>152,029</u>	<u>170,164</u>	<u>1.42</u>
<b>ISRAEL</b>					
Teva Pharmaceutical Industries Ltd	8,100	USD	250,455	251,735	2.10
			<u>250,455</u>	<u>251,735</u>	<u>2.10</u>
<b>MEXICO</b>					
America Movil SAB de CV	3,000	USD	51,602	61,605	0.51
Cemex SAB de CV	32,864	USD	150,015	174,025	1.45
			<u>201,617</u>	<u>235,630</u>	<u>1.96</u>
<b>NETHERLANDS</b>					
X5 Retail Group NV	2,000	USD	38,130	35,633	0.30
			<u>38,130</u>	<u>35,633</u>	<u>0.30</u>
<b>PERU</b>					
Cia de Minas Buenaventura SA	6,400	USD	194,863	191,387	1.60
			<u>194,863</u>	<u>191,387</u>	<u>1.60</u>
<b>SOUTH AFRICA</b>					
Gold Fields Ltd	2,000	USD	19,285	20,173	0.17
Sasol Ltd	4,200	USD	137,808	140,557	1.17
			<u>157,093</u>	<u>160,730</u>	<u>1.34</u>
<b>SOUTH KOREA</b>					
Hyundai Motor Co	7,000	EUR	133,018	159,740	1.33
KB Financial Group Inc	9,100	USD	256,786	234,339	1.96
KT Corp	12,500	USD	164,703	129,625	1.08
LG Display Co Ltd	46,000	USD	336,831	342,177	2.86
POSCO	3,780	USD	284,756	239,629	2.00
Samsung Electronics Co Ltd	750	USD	184,671	296,679	2.48
SK Telecom Co Ltd	11,800	USD	137,962	112,416	0.94
			<u>1,498,727</u>	<u>1,514,605</u>	<u>12.65</u>
<b>TAIWAN</b>					
AU Optronics Corp	33,600	USD	143,821	106,435	0.89
Siliconware Precision Industries Co	48,000	USD	174,036	195,548	1.63
Taiwan Semiconductor Manufacturing Co Ltd	31,200	USD	259,979	343,457	2.87
United Microelectronics Corp	66,000	USD	108,827	112,856	0.94
			<u>686,663</u>	<u>758,296</u>	<u>6.33</u>
<b>UNITED STATES OF AMERICA</b>					
Southern Copper Corp	7,479	USD	181,594	185,701	1.55
			<u>181,594</u>	<u>185,701</u>	<u>1.55</u>

**SCHEDULE OF INVESTMENTS as at 30 June 2012**  
**Generali PPF New Economies Fund (continued)**

			Acquisition	Fair Value	% of	
Description	Quantity	Currency	Cost EUR	EUR	Net Assets	
Total listed securities : equities			9,887,271	10,159,099	84.81	
Listed securities : exchange traded funds						
FRANCE						
Lyxor ETF Eastern Europe CECE EUR	6,500	EUR	126,403	105,950	0.88	
			126,403	105,950	0.88	
UNITED STATES OF AMERICA						
iShares MSCI Emerging Markets Index Fund	9,000	USD	265,176	277,860	2.32	
iShares MSCI Singapore Index Fund	6,000	USD	50,968	58,012	0.48	
iShares MSCI South Africa Index Fund	8,300	USD	375,399	393,793	3.29	
SPDR S&P Emerging Asia Pacific ETF	1,500	USD	73,639	76,415	0.64	
WisdomTree Emerging Markets Equity Income Fund	1,700	USD	59,878	65,198	0.54	
			825,060	871,278	7.27	
Total listed securities : exchange traded funds			951,463	977,228	8.15	
Financial assets at fair value through profit or loss			10,838,734	11,136,327	92.96	
Financial derivative instruments						
Open Forward Foreign Currency Contracts						
Maturity	Counterparty	Currency	Purchased	Sold	Unrealised Appreciation/ (Depreciation)	% of Net Assets
02-Jul-12	RBC Dexia IS Bank	EUR	858,419	CZK 22,000,000	(3,190)	(0.03)
02-Jul-12	RBC Dexia IS Bank	EUR	10,048,232	USD 12,500,000	198,304	1.66
02-Jul-12	RBC Dexia IS Bank	USD	500,000	EUR 401,962	(7,964)	(0.07)
31-Jul-12	RBC Dexia IS Bank	PLN	459	EUR 107	1	-
31-Jul-12	RBC Dexia IS Bank	EUR	5	PLN 20	-	-
01-Aug-12	RBC Dexia IS Bank	EUR	9,649,560	USD 12,000,000	193,432	1.62
01-Aug-12	RBC Dexia IS Bank	EUR	715,833	CZK 18,500,000	(8,532)	(0.07)
Net gain on open forward foreign exchange contracts					372,051	3.11
Total financial derivative instruments					372,051	3.11
Cash and other net assets				471,239	3.93	
Total net assets attributable to holders of redeemable participating shares				11,979,617	100.00	

**ECONOMIC DIVISION OF INVESTMENTS as at 30 June 2012**  
**Generali PPF New Economies Fund (continued)**

	<b>% of Net Assets</b>
Banks and financial institutions	10.32
News transmission	9.23
Electronic semiconductor	8.81
Petrol	8.39
Investment funds	8.15
Public services	8.11
Holding and finance companies	7.84
Mines and heavy industries	5.32
Automobile industry	4.00
Tobacco and spirits	3.57
Office equipment and computers	2.86
Non-ferrous metals	2.73
Retail	2.65
Insurance	2.31
Pharmaceuticals and cosmetics	2.10
Precious metals	1.77
Internet software	1.60
Chemicals	1.46
Construction and building material	1.45
Transportation	0.29
<b>Total investment</b>	<b>92.96</b>
<b>Total financial derivative instruments</b>	<b>3.11</b>
<b>Cash and other net assets</b>	<b>3.93</b>
<b>Total net assets attributable to holders of redeemable participating shares</b>	<b>100.00</b>

## INVESTMENT MANAGER'S REPORT for the period ended 30 June 2012 Generali PPF Oil Industry & Energy Production Fund

### The Investment objective of the Fund

#### How the Fund achieves its investment objective

The investment objective of the Fund is to achieve long-term capital appreciation through investment in a diversified portfolio of transferable securities.

On 3 February 2010 seed money in amount of EUR 2.0 million was deposited in the euro account of the Fund, which was gradually increased in two steps by EUR 2 million over the financial year ended 31 March 2011. There were further larger subscriptions in the total amount of EUR 6.5 million, started September 2011. This new money was invested according to the investment policy of the Fund. A new share class A designated in the Polish zloty was launched in February 2012. The Fund's exposure was kept mostly at above 90%.

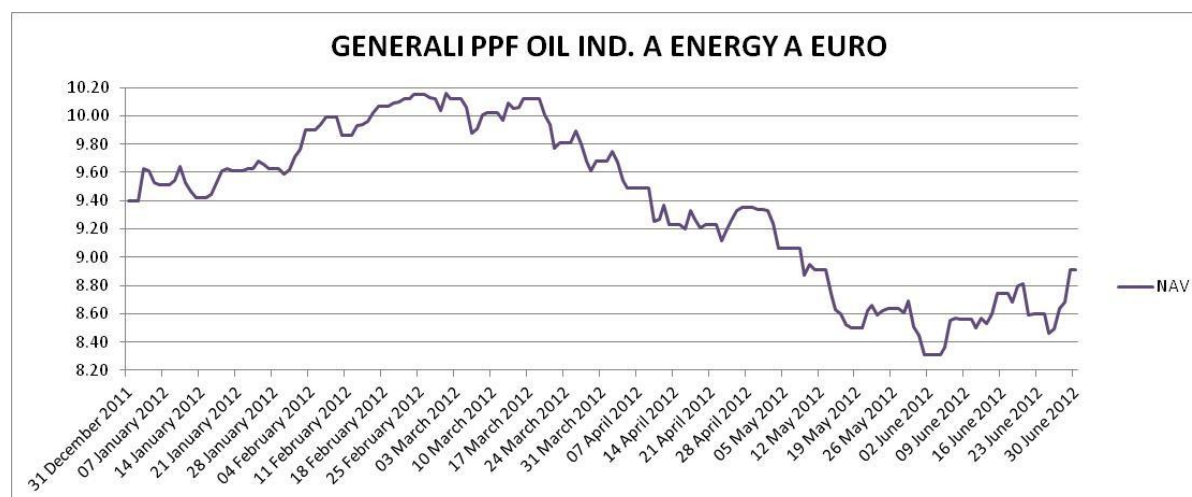
The Fund invests primarily in a diversified portfolio of shares and/or transferable securities issued by companies active in the oil and energy sector. This includes companies mainly involved in the following industries: oil & gas (exploration, production, marketing, refining and/or transportation of oil and gas products); energy equipment & services (construction or provision of oil rigs, drilling equipment and other energy related service and equipment) and electric-integrated industry (generates, distributes and trades electricity to municipal, industrial and residential customers).

The Fund regional focus is primarily in North America and Western Europe. An additional part of the portfolio is made up of transferable securities issued in emerging market countries. All these securities are listed and traded on Recognized Exchanges.

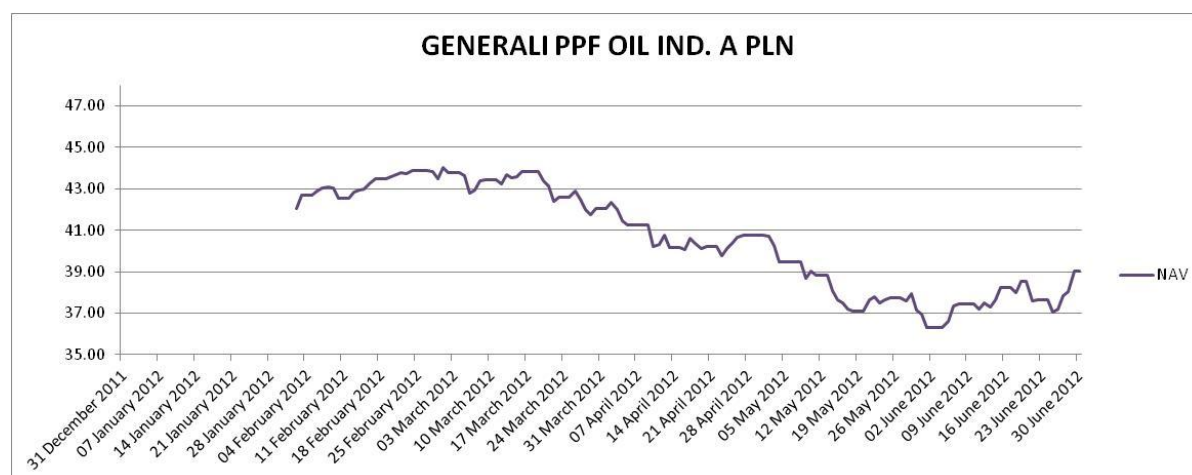
In seeking to achieve its investment objective, the Fund uses supplementary criteria such as: the strength of position on the market, comparative advantages over competitors and positive conclusions of vertical fundamental analysis (stability of financial indicators in time) and horizontal fundamental analysis (comparison with the sector) of particular stocks. The Fund has a quality bias.

The derivatives used by the Fund include foreign exchange forwards and swaps (currency forwards and currency swaps) and are used for hedging purposes in the range of 85–105%. Details of the derivatives which may be used are set out in the derivatives risk management process filed with the Central Bank of Ireland. The Fund reinvests all income and gains and it is not intended to declare dividends.

#### NAV per share of the Fund during the period



**INVESTMENT MANAGER'S REPORT for the period ended 30 June 2012**  
**Generali PPF Oil Industry & Energy Production Fund (continued)**



<b>GENERALI PPF OIL IND. A ENERGY A EURO</b>		
<b>Date</b>	<b>NAV</b>	<b>Market Value (EUR)</b>
31/12/2011	9.40	11 056 147.49
31/01/2012	9.62	11 364 732.93
29/02/2012	10.04	11 890 777.38
31/03/2012	9.68	11 438 835.84
30/04/2012	9.34	11 077 736.92
31/05/2012	8.45	9 873 110.24
30/06/2012	8.91	10 458 569.13

<b>GENERALI PPF OIL IND. A EN. A PLN</b>			
<b>Date</b>	<b>NAV</b>	<b>Market Value (PLN)</b>	<b>Market Value (EUR)</b>
02/02/2012	42.04	502.10	119.92
29/02/2012	43.47	519.16	126.23
31/03/2012	42.03	501.97	120.86
30/04/2012	40.74	486.44	116.54
31/05/2012	36.95	440.95	100.12
30/06/2012	39.01	465.87	110.00

**The future market outlook for the Fund**

Global crude oil demand for 2012 was adjusted downward only slightly still expanding by 0.8 mbpd in 2012, headed by China and US. From a short term perspective we see rather upside risks for crude oil price. Those should be supported by 1) Introduction of sanctions against Iran's crude oil exports 2) The optimism on more stimulus implemented by European authorities and 3) Hurricane season in US. On the Oil Industry & Energy Production sector we are still positive on a long-term horizon as the current valuation is quite low (compared to long term average) and companies fundamentals seem to be healthy (low debt level, still promising growth prospect). However, the growth rate of developed markets will probably lower in coming years. As we do not expect any near term solution of the eurozone debt crisis, we do not expect any improvement in sentiment in refinery segment during the second half of 2012.



**SCHEDULE OF INVESTMENTS as at 30 June 2012**  
**Generali PPF Oil Industry & Energy Production Fund**

Description	Quantity	Currency	Acquisition Cost EUR	Fair Value EUR	% of Net Assets
<b>Listed securities : equities</b>					
<b>AUSTRIA</b>					
OMV AG	10,600	EUR	275,088	259,859	2.49
Verbund AG	9,600	EUR	227,845	174,384	1.67
			502,933	434,243	4.16
<b>BERMUDA ISLANDS</b>					
Nabors Industries Ltd	16,500	USD	221,324	187,227	1.80
			221,324	187,227	1.80
<b>BRAZIL</b>					
Cia Energetica de Minas Gerais	3,750	USD	44,215	54,460	0.52
Petroleo Brasileiro SA	6,500	USD	142,986	96,088	0.92
			187,201	150,548	1.44
<b>CHINA</b>					
China Petroleum & Chemical Corp	500	USD	39,367	35,105	0.34
PetroChina Co Ltd	1,000	USD	91,716	101,801	0.98
Sinopec Shanghai Petrochemical Co Ltd	2,000	USD	55,561	44,774	0.43
			186,644	181,680	1.75
<b>CURACAO</b>					
Schlumberger Ltd	5,900	USD	294,658	301,776	2.89
			294,658	301,776	2.89
<b>CZECH REPUBLIC</b>					
CEZ AS	10,500	CZK	328,551	279,477	2.68
			328,551	279,477	2.68
<b>FEDERATION OF RUSSIA</b>					
Gazprom OAO	20,000	USD	170,230	147,039	1.41
Lukoil OAO	1,900	USD	81,628	78,003	0.75
			251,858	225,042	2.16
<b>FINLAND</b>					
Neste Oil OYJ	13,000	EUR	117,423	115,050	1.10
			117,423	115,050	1.10
<b>FRANCE</b>					
Electricite de France SA	13,900	EUR	345,911	243,250	2.33
GDF Suez	16,800	EUR	374,933	315,084	3.02
Technip SA	2,200	EUR	127,399	179,916	1.73
Total SA	12,600	EUR	470,475	446,922	4.29
			1,318,718	1,185,172	11.37
<b>GERMANY</b>					
E.ON AG	17,000	EUR	331,793	287,810	2.76
RWE AG	8,200	EUR	298,739	262,974	2.52
			630,532	550,784	5.28

**SCHEDULE OF INVESTMENTS as at 30 June 2012**  
**Generali PPF Oil Industry & Energy Production Fund (continued)**

Description	Quantity	Currency	Acquisition	Fair Value	% of
			Cost EUR		
				EUR	Net Assets
<b>GREAT BRITAIN</b>					
New World Resources Plc	16,000	CZK	121,791	62,978	0.60
Royal Dutch Shell Plc	11,388	EUR	250,583	302,921	2.90
			<u>372,374</u>	<u>365,899</u>	<u>3.50</u>
<b>HONG KONG</b>					
CNOOC Ltd	580	USD	83,814	91,923	0.88
			<u>83,814</u>	<u>91,923</u>	<u>0.88</u>
<b>ITALY</b>					
Enel SpA	32,000	EUR	106,484	79,232	0.76
ENI SpA	8,100	EUR	127,812	134,784	1.29
			<u>234,296</u>	<u>214,016</u>	<u>2.05</u>
<b>SPAIN</b>					
Gas Natural SDG SA	4,350	EUR	58,691	43,500	0.42
Iberdrola SA	13,343	EUR	77,805	48,435	0.47
Repsol YPF SA	4,900	EUR	91,800	59,241	0.57
			<u>228,296</u>	<u>151,176</u>	<u>1.46</u>
<b>SWITZERLAND</b>					
Noble Corp	5,500	USD	140,781	140,897	1.35
			<u>140,781</u>	<u>140,897</u>	<u>1.35</u>
<b>UNITED STATES OF AMERICA</b>					
Anadarko Petroleum Corp	4,780	USD	228,079	249,386	2.39
Apache Corp	3,900	USD	274,073	270,100	2.59
Baker Hughes Inc	3,900	USD	153,106	126,338	1.21
Chevron Corp	5,900	USD	402,395	490,253	4.70
ConocoPhillips	3,750	USD	128,021	165,094	1.58
Devon Energy Corp	5,100	USD	236,094	233,048	2.23
Dominion Resources Inc	2,200	USD	59,126	93,579	0.90
Duke Energy Corp	8,500	USD	108,960	154,521	1.48
EOG Resources Inc	2,980	USD	198,128	211,597	2.03
Exelon Corp	3,900	USD	127,362	115,612	1.11
Exxon Mobil Corp	8,600	USD	445,274	580,020	5.56
Halliburton Co	9,400	USD	228,177	210,436	2.02
Hess Corp	6,800	USD	293,956	232,766	2.23
Kinder Morgan Inc	2,093	USD	-	53,106	0.51
Marathon Oil Corp	8,900	USD	160,676	179,325	1.72
Marathon Petroleum Corp	4,100	USD	97,196	145,094	1.39
Occidental Petroleum Corp	5,500	USD	326,695	371,680	3.56
Phillips 66	1,875	USD	37,108	49,126	0.47
Progress Energy Inc	3,100	USD	98,393	146,786	1.41
Southern Co	2,600	USD	60,115	94,817	0.91
Spectra Energy Corp	3,800	USD	58,682	86,986	0.83
SunCoke Energy Inc	1,061	USD	9,721	12,257	0.12
Sunoco Inc	1,000	USD	23,595	37,414	0.36
Valero Energy Corp	16,900	USD	251,443	321,607	3.08
			<u>4,006,375</u>	<u>4,630,948</u>	<u>44.39</u>
<b>Total listed securities : equities</b>			<u>9,105,778</u>	<u>9,205,858</u>	<u>88.26</u>

**SCHEDULE OF INVESTMENTS as at 30 June 2012**  
**Generali PPF Oil Industry & Energy Production Fund (continued)**

Description	Quantity	Currency	Acquisition Cost EUR	Fair Value EUR	% of Net Assets
<b>Listed securities : warrants</b>					
UNITED STATES OF AMERICA					
Kinder Morgan Inc	3,200	USD	-	5,371	0.05
			-	5,371	0.05
<b>Total listed securities : warrants</b>			-	5,371	0.05
<b>Listed securities : exchange traded funds</b>					
UNITED STATES OF AMERICA					
iShares Dow Jones US Utilities Sector Index Fund	2,000	USD	117,683	139,916	1.34
			117,683	139,916	1.34
<b>Total listed securities : exchange traded funds</b>			117,683	139,916	1.34
<b>Other transferable securities : equities</b>					
GREAT BRITAIN					
Rowan Cos Plc	1,000	USD	27,944	25,468	0.24
			27,944	25,468	0.24
SPAIN					
Gas Natural SDG SA	217	EUR	-	2,193	0.02
Repsol SA	4,900	EUR	-	2,695	0.03
			-	4,888	0.05
<b>Total other transferable securities : equities</b>			27,944	30,356	0.29
<b>Financial assets at fair value through profit or loss</b>			<b>9,251,405</b>	<b>9,381,501</b>	<b>89.94</b>
<b>Financial derivative instruments</b>					
<b>Open Forward Foreign Currency Contracts</b>					
Maturity	Counterparty	Currency Purchased	Currency Sold	Unrealised Appreciation/ (Depreciation)	% of Net Assets
02-Jul-12	RBC Dexia IS Bank	EUR 370,681	CZK 9,500,000	(1,378)	(0.02)
02-Jul-12	RBC Dexia IS Bank	EUR 6,430,868	USD 8,000,000	126,915	1.22
02-Jul-12	RBC Dexia IS Bank	USD 400,000	EUR 321,569	(6,372)	(0.06)
31-Jul-12	RBC Dexia IS Bank	PLN 457	EUR 106	1	-
01-Aug-12	RBC Dexia IS Bank	EUR 6,030,975	USD 7,500,000	120,895	1.16
01-Aug-12	RBC Dexia IS Bank	EUR 367,590	CZK 9,500,000	(4,381)	(0.04)
<b>Net gain on open forward foreign exchange contracts</b>				<b>235,680</b>	<b>2.26</b>
<b>Total financial derivative instruments</b>				<b>235,680</b>	<b>2.26</b>
<b>Cash and other net assets</b>				<b>813,383</b>	<b>7.80</b>
<b>Total net assets attributable to holders of redeemable participating shares</b>				<b>10,430,564</b>	<b>100.00</b>

**ECONOMIC DIVISION OF INVESTMENTS as at 30 June 2012**  
**Generali PPF Oil Industry & Energy Production Fund (continued)**

---

	<b>% of Net Assets</b>
Petrol	56.65
Public services	21.93
Holding and finance companies	8.00
Investment funds	1.34
Mines and heavy industries	0.60
Non-ferrous metals	0.52
Transportation	0.47
Chemicals	0.43
<b>Total investment</b>	<b>89.94</b>
<b>Total financial derivative instruments</b>	<b>2.26</b>
<b>Cash and other net assets</b>	<b>7.80</b>
<b>Total net assets attributable to holders of redeemable participating shares</b>	<b>100.00</b>

---

## INVESTMENT MANAGER'S REPORT for the period ended 30 June 2012 Generali PPF Commodity Fund

### The Investment objective of the Fund

#### How the fund achieves its investment objective

The aim of the Fund is to achieve long term capital appreciation of assets. It is intended for all investors who want to increase the diversification of their portfolios of securities and bond funds with another asset class, such as commodities, which is otherwise more difficult to access for ordinary investors. The Fund invests primarily in active, agricultural and industrial commodities securities without trading futures or taking physical delivery of assets.

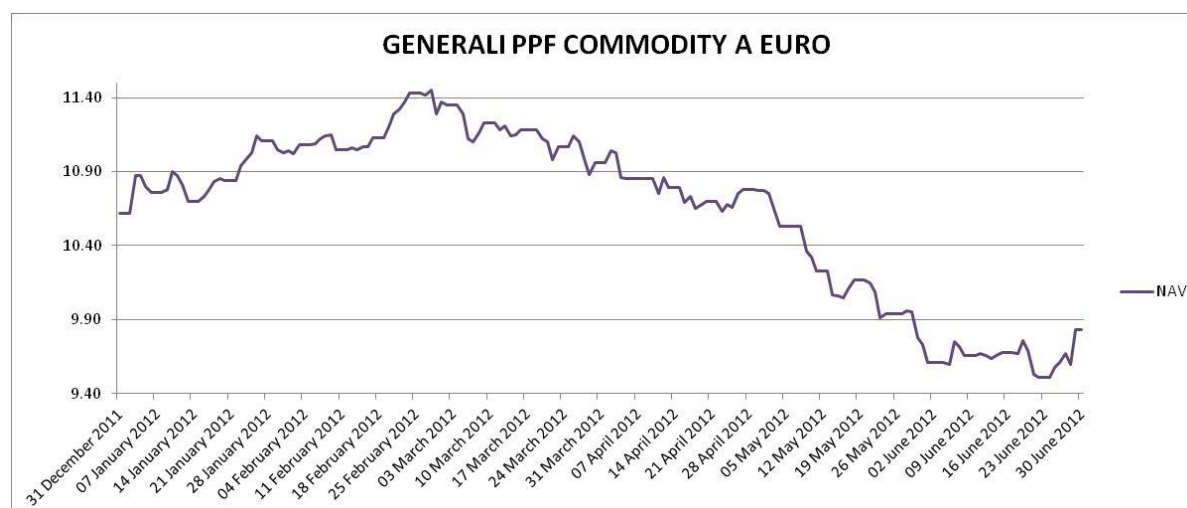
On 3 February 2010 seed money in amount of EUR 3.0 million was deposited in the euro account of the Fund. There was another fundamental cash flow in 2010: three large deposits in total amount of almost EUR 4.5 million and two withdrawals in total amount of more than EUR 1.9 million. The second share class designated in the Czech koruna was launched in summer 2011 and net new subscriptions exceeded EUR 5 million across both share classes. This new money was invested according to the investment policy of the Fund. A new share class A designated in the Polish złoty was launched in February 2012. The Fund's exposure ranged mostly between 90 and 100% depending on market conditions.

In spite of the fact that composite commodity indices were up 6–10% at the end of February, they hit their low in June, as commodity prices experienced the steepest decline since the months following the Lehman's fall and ended 3–7% in the red in the reported financial period, driven down mainly by falling crude oil prices and supported by upward pressures in agricultural commodity prices due to a weather-related supply disruptions in the U.S. Midwest. Metals had to deal with a weakening world economic recovery and a further slowdown in China.

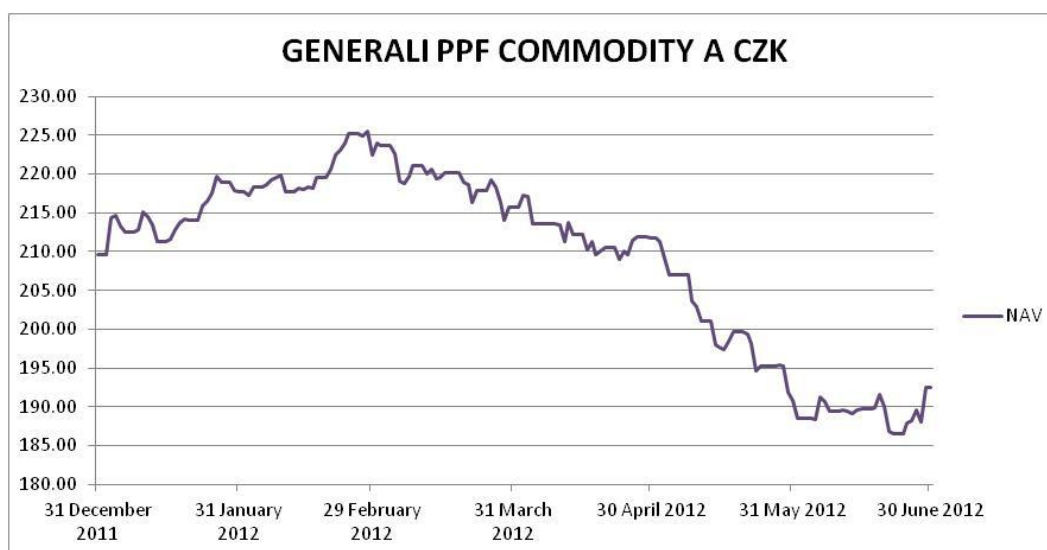
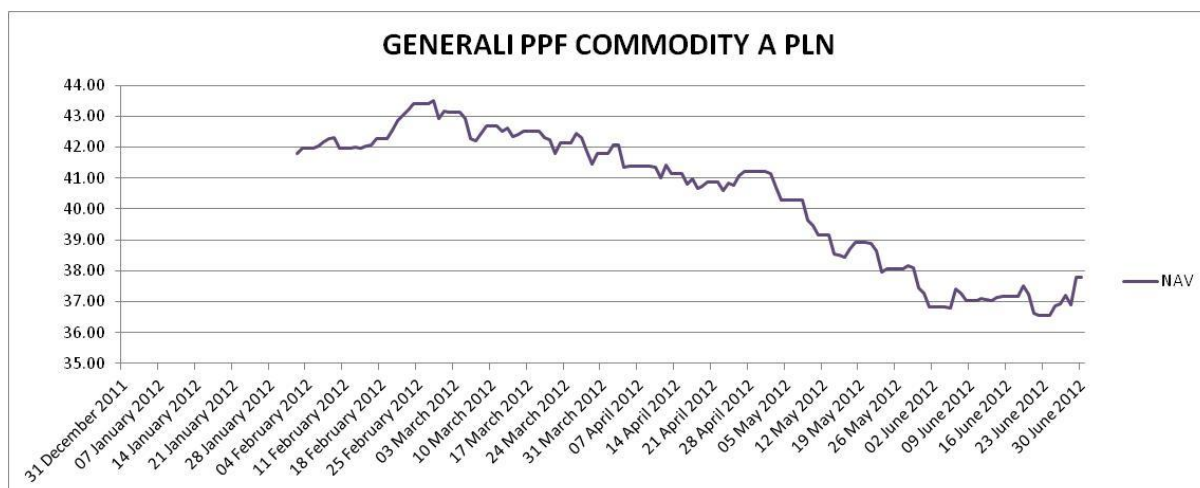
The Fund achieves its objective by investing primarily in exchange traded funds (also in open-ended collective investment schemes with a similar investment policy to the Fund), debt securities such as exchange traded commodities (exchange traded notes in general) and index certificates which gain exposure to the commodity indices, worldwide listed or traded on a Recognised Exchange (excluding any Russian markets), (the "Core Satellite" strategy). The Fund is solely invested in commodities and absolutely no involvement in mining companies or other companies.

The derivatives used by the Fund include foreign exchange forwards and swaps (currency forwards and swaps) and they are used for hedging purposes in the range of 85–105%. Details of the derivatives which may be used are set out in the derivatives risk management process filed with and cleared by the Central Bank of Ireland. The Fund reinvests all income and gains and it is not intended to declare dividends.

#### NAV per share of the Fund during the period



**INVESTMENT MANAGER'S REPORT for the period ended 30 June 2012**  
**Generali PPF Commodity Fund (continued)**



<b>GENERALI PPF COMMODITY A EURO</b>		
<b>Date</b>	<b>NAV</b>	<b>Market Value (EUR)</b>
31/12/2011	10.62	9 392 026.58
31/01/2012	11.03	9 778 297.57
29/02/2012	11.29	10 041 089.04
31/03/2012	10.96	9 761 867.25
30/04/2012	10.77	9 592 026.62
31/05/2012	9.73	8 562 989.17
30/06/2012	9.83	8 669 492.99

<b>GENERALI PPF COMMODITY A PLN</b>			
<b>Date</b>	<b>NAV</b>	<b>Market Value (PLN)</b>	<b>Market Value (EUR)</b>
02/02/2012	41.79	498.84	119.14
29/02/2012	42.94	512.50	124.61
31/03/2012	41.78	498.65	120.06
30/04/2012	41.20	491.74	117.81
31/05/2012	37.26	445.00	101.04
30/06/2012	37.78	451.18	106.53

**INVESTMENT MANAGER'S REPORT for the period ended 30 June 2012**  
**Generali PPF Commodity Fund (continued)**

<b>GENERALI PPF COMMODITY A CZK</b>			
<b>Date</b>	<b>NAV</b>	<b>Market Value (CZK)</b>	<b>Market Value (EUR)</b>
31/12/2011	209.63	41 027 817.64	1 608 780.97
31/01/2012	217.69	42 756 246.96	1 689 150.23
29/02/2012	222.39	44 840 825.80	1 798 527.04
31/03/2012	215.74	43 465 400.95	1 748 766.79
30/04/2012	211.73	42 858 339.60	1 718 543.19
31/05/2012	190.76	38 094 228.35	1 475 768.18
30/06/2012	192.52	38 535 672.82	1 509 269.57

**The future market outlook for the Fund**

Emerging market infrastructure is set to drive demand for commodities over the long term, but the sovereign debt crisis in Europe is by far not over yet and this risk will put downward pressure on commodity price. Thus, it will require some time to materialise. Commodity prices will be supported by raised investors' expectations that central banks will ease monetary policies amid poor macroeconomic data across the world. Precious metals and mainly gold will benefit from negative real interest rates which continue displaying in the U.S., the U.K. and the Euro Area as well as in most of Asian countries. The Chinese economy is heading for a soft-landing which is very likely as the PBoC and the government will support growth.

**SCHEDULE OF INVESTMENTS as at 30 June 2012**  
**Generali PPF Commodity Fund**

Description	Quantity	Currency	Acquisition	Fair Value	% of
			Cost EUR	EUR	Net Assets
Listed securities : equities					
GREAT BRITAIN					
iPath Dow Jones-UBS Industrial Metals Subindex Total Return ETN	750	USD	23,196	19,544	0.19
			23,196	19,544	0.19
IRELAND					
Physical Palladium Source P-ETC	2,400	USD	119,149	109,670	1.09
Physical Platinum Source P-ETC	500	USD	57,468	55,876	0.55
S&P GSCI Enhanced Crude Oil Total Return Treasury Bill Secured Source ETC	1,600	USD	194,346	181,793	1.80
Source Commodity Markets PLC - S&P GSCI Industrial Metals Total Return Treasury	5,500	USD	685,698	654,297	6.47
Source Physical Markets Gold P-ETC	1,400	USD	145,627	174,844	1.73
			1,202,288	1,176,480	11.64
JERSEY					
db Physical Rhodium ETC	1,390	USD	166,972	133,200	1.32
db Uranium ETC	5,200	USD	398,692	329,689	3.26
ETFS Forward Agriculture DJ-UBSCI-F3SM	34,000	USD	381,549	379,638	3.76
ETFS Physical Palladium	2,500	USD	109,496	111,580	1.10
ETFS Physical PM Basket	2,400	USD	186,544	226,752	2.24
ETFS Physical Silver	5,500	USD	125,702	116,292	1.15
			1,368,955	1,297,151	12.83
SWEDEN					
ELEMENTS Linked to the Rogers International Commodity Index - Agri Total Return	73,000	USD	475,114	511,383	5.06
ELEMENTS Linked to the Rogers International Commodity Index - Energy Total Return	5,000	USD	24,935	23,206	0.23
			500,049	534,589	5.29
Total listed securities			3,094,488	3,027,764	29.95
Listed securities : exchange traded funds					
FRANCE					
Amundi ETF Commodities S&P GSCI Metals	100	USD	23,152	22,699	0.22
Amundi ETF Commodities S&P GSCI Agriculture	500	USD	32,877	34,758	0.34
Lyxor ETF CRB IDX	51,000	USD	1,069,011	1,079,437	10.68
			1,125,040	1,136,894	11.24
GREAT BRITAIN					
iPath Dow Jones-UBS Commodity Index Total Return ETN	7,500	USD	219,803	237,225	2.35
iPath GSCI Total Return Index ETN	10,000	USD	225,919	241,913	2.39
			445,722	479,138	4.74
JERSEY					
ETFS Agriculture DJ-UBSCI	30,000	USD	142,376	194,082	1.92
ETFS All Commodities DJ-UBSCISM	5,500	USD	54,800	60,740	0.60
ETFS Coffee	30,000	USD	83,301	65,577	0.65
ETFS Forward Natural Gas	5,000	USD	21,626	14,471	0.14
ETFS Industrial Metals DJ-UBSCISM	4,000	USD	45,665	46,949	0.46
ETFS Physical Platinum	250	USD	29,834	27,364	0.27
ETFS WTI 2mth Oil Securities	4,500	USD	174,195	157,051	1.55



**SCHEDULE OF INVESTMENTS as at 30 June 2012**  
**Generali PPF Commodity Fund (continued)**

Description	Quantity	Currency	Acquisition	Fair Value EUR	% of Net Assets
			Cost EUR		
Gold Bullion Securities Ltd	1,500	USD	168,041	182,812	1.81
			719,838	749,046	7.40
LUXEMBOURG					
db x-trackers - DBLCI-OY Balanced ETF	37,000	EUR	1,172,849	1,089,650	10.78
db x-trackers - DBLCI-OY Balanced ETF	4,000	USD	113,284	114,070	1.13
EasyETF S&P GSCI Capped Commodity 35/20	26,000	USD	811,334	867,042	8.58
			2,097,467	2,070,762	20.49
SWEDEN					
ELEMENTS Linked to the Rogers International Commodity Index - Metals Total Return	42,000	USD	316,539	326,654	3.23
ELEMENTS Linked to the Rogers International Commodity Index - Total Return	16,000	USD	92,941	101,115	1.00
			409,480	427,769	4.23
UNITED STATES OF AMERICA					
ETFS Physical Palladium Shares	500	USD	27,788	21,385	0.21
ETFS Physical Silver Shares	2,000	USD	47,927	42,882	0.42
ETFS White Metals Basket Trust	1,000	USD	37,520	36,185	0.36
GS Connect S&P GSCI Enhanced Commodity Total Return Strategy Index ETN	8,975	USD	295,077	295,477	2.92
iShares S&P GSCI Commodity Indexed Trust	17,000	USD	384,070	407,770	4.03
iShares Silver Trust	14,000	USD	295,565	293,779	2.91
PowerShares DB Agriculture Fund	4,000	USD	71,803	88,759	0.88
SPDR Gold Shares	3,200	USD	335,680	390,970	3.87
			1,495,430	1,577,207	15.60
<b>Total securities : exchange traded funds</b>			6,292,977	6,440,816	63.70
<b>Other transferable securities : investment funds</b>					
LUXEMBOURG					
RBS Market Access Rogers International Commodity Index ETF	1,000	USD	25,547	24,743	0.24
RBS Market Access Rogers International Commodity Index Agriculture ETF	3,300	USD	326,298	333,888	3.30
			351,845	358,631	3.54
<b>Total other transferable securities : investment funds</b>			351,845	358,631	3.54
<b>Financial assets at fair value through profit or loss</b>			<b>9,739,310</b>	<b>9,827,211</b>	<b>97.19</b>

**SCHEDULE OF INVESTMENTS as at 30 June 2012**  
**Generali PPF Commodity Fund (continued)**

			Acquisition			
Description	Quantity	Currency	Cost	Fair Value	% of	
			EUR	EUR	Net Assets	
<b>Financial derivative instruments</b>						
<b>Open Forward Foreign Currency Contracts</b>						
Maturity	Counterparty	Currency	Purchased	Sold	Unrealised Appreciation/ (Depreciation)	% of Net Assets
02-Jul-12	RBC Dexia IS Bank	EUR	37	CZK 960	-	-
03-Jul-12	RBC Dexia IS Bank	EUR	8,958,638	USD 11,200,000	133,047	1.32
03-Jul-12	RBC Dexia IS Bank	USD	500,000	EUR 400,481	(6,481)	(0.06)
03-Jul-12	RBC Dexia IS Bank	EUR	19	CZK 484	-	-
04-Jul-12	RBC Dexia IS Bank	EUR	56	CZK 1,440	-	-
31-Jul-12	RBC Dexia IS Bank	CZK	38,310,338	EUR 1,487,363	12,681	0.12
31-Jul-12	RBC Dexia IS Bank	PLN	453	EUR 106	1	-
<b>Net gain on open forward foreign exchange contracts</b>					<b>139,248</b>	<b>1.38</b>
<b>Total financial derivative instruments</b>					<b>139,248</b>	<b>1.38</b>
<b>Cash and other net assets</b>					<b>144,850</b>	<b>1.43</b>
<b>Total net assets attributable to holders of redeemable participating shares</b>					<b>10,111,309</b>	<b>100.00</b>

**ECONOMIC DIVISION OF INVESTMENTS as at 30 June 2012**  
**Generali PPF Commodity Fund (continued)**

---

	<b>% of Net Assets</b>
Investment funds	48.61
Holding and finance companies	40.73
Banks and financial institutions	7.85
<b>Total investment</b>	<b>97.19</b>
<b>Total financial derivative instruments</b>	<b>1.38</b>
<b>Cash and other net assets</b>	<b>1.43</b>
<b>Total net assets attributable to holders of redeemable participating shares</b>	<b>100.00</b>

---

---

## INVESTMENT MANAGER'S REPORT for the period ended 30 June 2012

### Generali PPF Emerging Europe Fund

#### The Investment objective of the Fund

#### How the fund achieves its investment objective

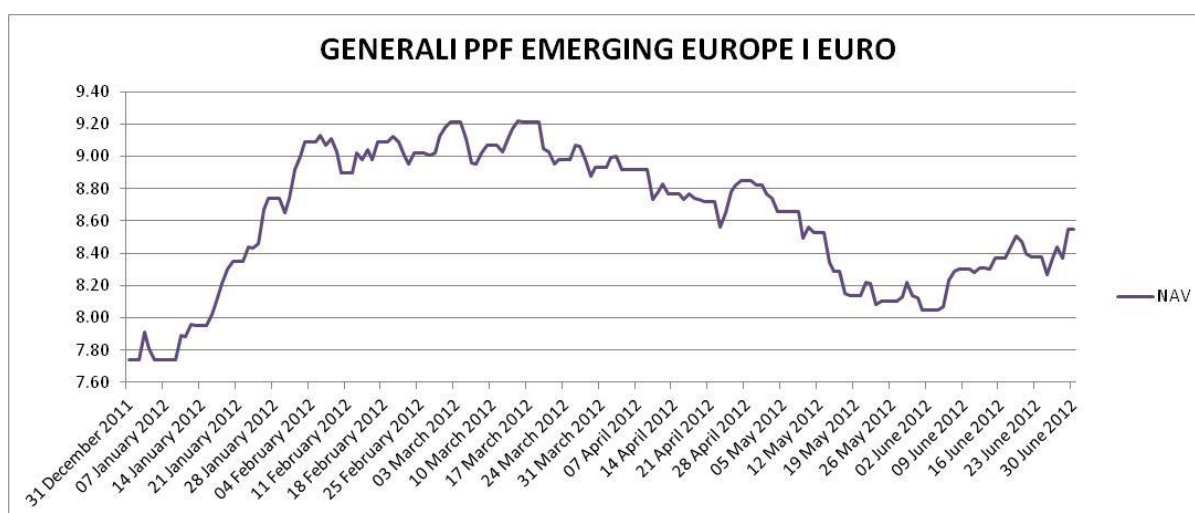
The investment objective of the Fund is to achieve long term capital appreciation of assets through exposure to the emerging equity markets of the Central, Eastern and South Eastern European region and the Commonwealth of Independent States, including the Czech Republic, the Slovak Republic, Russia, Poland, Hungary, Romania, Slovenia, Croatia, Bulgaria, Serbia, Turkey, Latvia, Lithuania, Estonia, Ukraine, Belorussia and Kazakhstan. These markets are not as advanced as markets of developed economies but which are experiencing growth often fuelled by growth in domestic consumption and investment and which should gradually converge with those of the more developed economies in time.

At the end of June 2011 seed money in amount of EUR 6.2 million was deposited in the euro account of the Class I EUR Fund, which was gradually invested according to the investment policy as soon as appropriate accounts were established, and increased in another two steps by EUR 2.2 million in August. The second and third share classes A designated in the Czech koruna and in EUR were launched at the end of August. A new share class A designated in the Polish złoty was launched in February 2012.

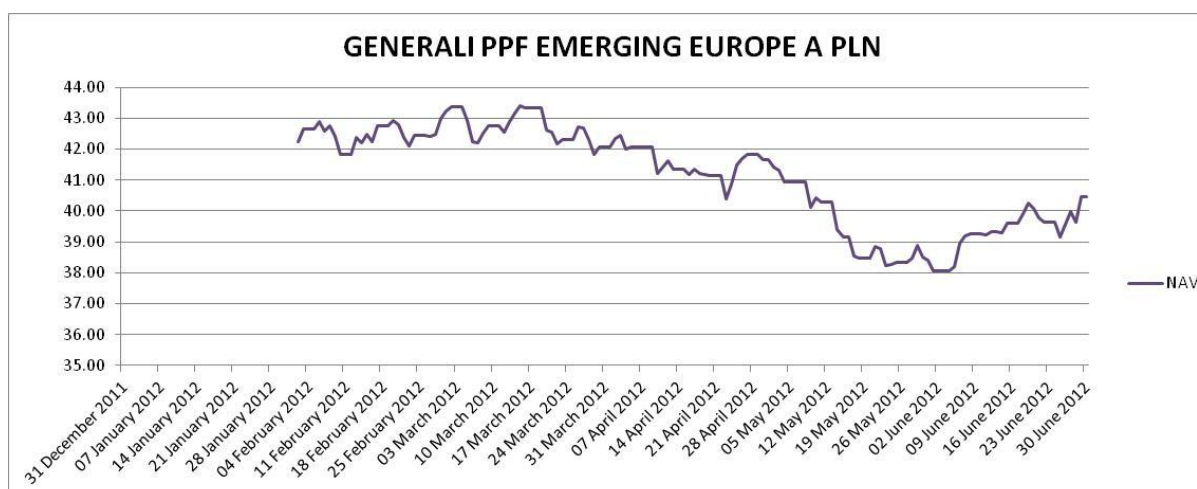
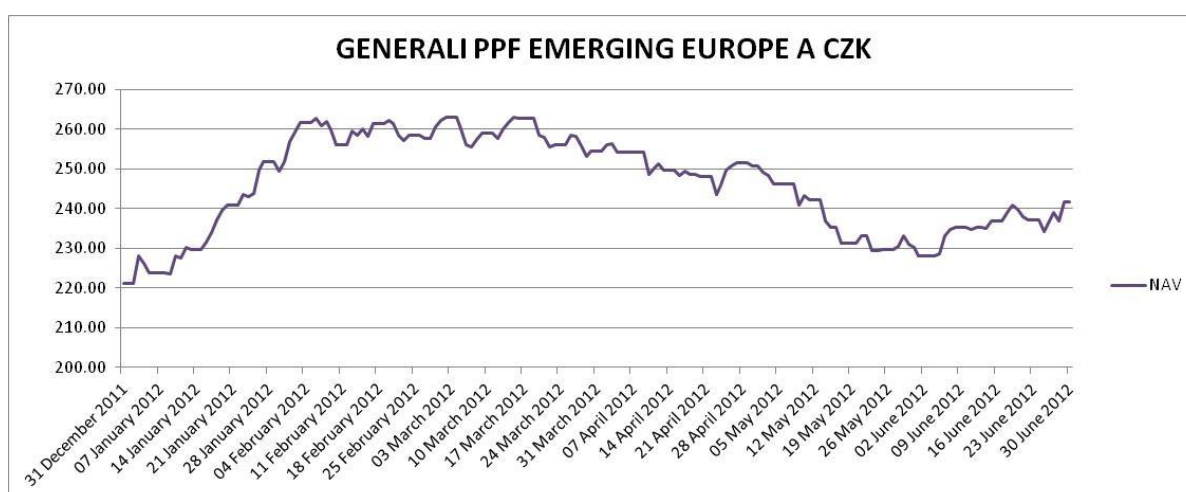
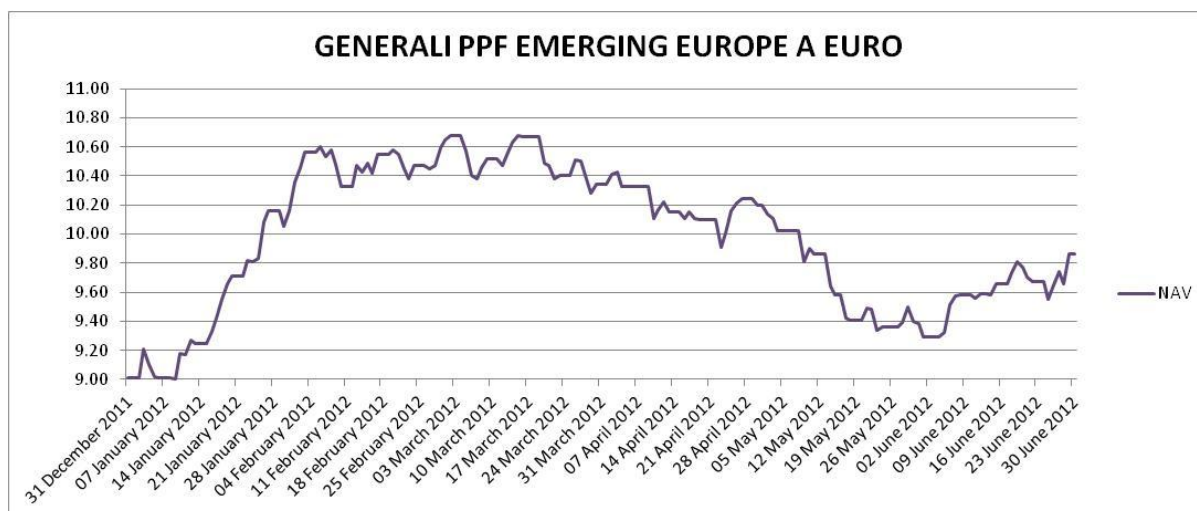
The Fund achieves its investment objective by employing a bottom-up approach to investing and considering factors such as a company's position on its chosen market, its comparative advantages over competitors, the implications of any vertical fundamental analysis (stability of the company's financial indicators over time) and any horizontal fundamental analysis (comparison with other companies in the sector) of a target stock.

The derivatives used by the Fund may include foreign exchange forwards and swaps and they may be used for hedging purposes, but the FX-currency exposure has remained fully opened. The Fund's equity allocation was kept in the wide range of 60–100%.

#### NAV per share of the Fund during the period



**INVESTMENT MANAGER'S REPORT for the period ended 30 June 2012**  
**Generali PPF Emerging Europe Fund (continued)**



**INVESTMENT MANAGER'S REPORT for the period ended 30 June 2012**  
**Generali PPF Emerging Europe Fund (continued)**

<b>GENERALI PPF EMERGING EUROPE I EURO</b>		
<b>Date</b>	<b>NAV</b>	<b>Market Value (EUR)</b>
31/12/2011	7.74	6 816 228.87
31/01/2012	8.74	7 690 442.16
29/02/2012	9.12	8 030 014.30
31/03/2012	8.93	7 858 231.93
30/04/2012	8.82	7 764 614.68
31/05/2012	8.12	7 145 084.43
30/06/2012	8.55	7 522 338.80

<b>GENERALI PPF EMERGING EUROPE A EURO</b>		
<b>Date</b>	<b>NAV</b>	<b>Market Value (EUR)</b>
31/12/2011	9.01	9 441.82
31/01/2012	10.16	7 969.40
29/02/2012	10.59	6 929.76
31/03/2012	10.34	7 443.89
30/04/2012	10.20	11 443.14
31/05/2012	9.38	15 892.79
30/06/2012	9.86	22 479.37

<b>GENERALI PPF EMERGING EUROPE A CZK</b>			
<b>Date</b>	<b>NAV</b>	<b>Market Value (CZK)</b>	<b>Market Value (EUR)</b>
31/12/2011	221.11	224 302.00	8 795.32
31/01/2012	251.86	294 921.50	11 651.32
29/02/2012	260.54	1 275 912.62	51 175.76
31/03/2012	254.51	1 272 831.19	51 210.50
30/04/2012	250.63	1 250 092.11	50 126.47
31/05/2012	230.25	1 223 610.52	47 402.60
30/06/2012	241.79	1 300 312.45	50 927.41

<b>GENERALI PPF EMERGING EUROPE A PLN</b>			
<b>Date</b>	<b>NAV</b>	<b>Market Value (PLN)</b>	<b>Market Value (EUR)</b>
02/02/2012	42.25	504.32	120.45
29/02/2012	42.98	513.03	124.74
31/03/2012	42.07	502.59	121.01
30/04/2012	41.66	497.63	119.22
31/05/2012	38.40	458.65	104.14
30/06/2012	40.45	483.11	114.07

**The future market outlook for the Fund**

The economic environment in the CEE region has deteriorated significantly amid a weakening activity of import partners and worsening financing conditions. The pace of recovery in Turkey at the current stage is not likely to beat the 4% government's target, although it is less reliant on EMU exports. On the other hand there was a significant improvement in public finances and the central bank is expected to continue in engineering a soft landing due to experimental measures and rate cuts. The Russian economy, dependent on crude oil prices, was resilient and robust in H1, but after a strong start it faces growing concerns as principal risks are not only external. In general, a correlation of emerging Europe equities with developed European equities should rather persist at above-average level at least as long as policymakers and politicians are not able to introduce a coordinated and acceptable solution to the debt crisis.

**SCHEDULE OF INVESTMENTS as at 30 June 2012**  
**Generali PPF Emerging Europe Fund**

Description	Quantity	Currency	Acquisition Cost EUR	Fair Value EUR	% of Net Assets
<b>Listed securities : equities</b>					
<b>AUSTRIA</b>					
Erste Group Bank AG	17,900	CZK	283,881	262,197	3.50
			283,881	262,197	3.50
<b>BERMUDA ISLANDS</b>					
Central European Media Enterprises Ltd	6,450	CZK	50,875	26,272	0.35
			50,875	26,272	0.35
<b>CZECH REPUBLIC</b>					
CEZ AS	10,000	CZK	324,942	266,169	3.55
Komerční Banka AS	1,227	CZK	173,542	167,620	2.23
Telefonica Czech Republic AS	10,800	CZK	188,732	161,201	2.15
			687,216	594,990	7.93
<b>FEDERATION OF RUSSIA</b>					
Gazprom OAO	5,100	USD	38,307	37,495	0.50
Sberbank of Russia	9,200	USD	75,982	78,440	1.05
			114,289	115,935	1.55
<b>GREAT BRITAIN</b>					
Evráz Plc	1,500	GBP	8,024	4,829	0.06
New World Resources Plc	6,300	CZK	45,204	24,798	0.33
			53,228	29,627	0.39
<b>HUNGARY</b>					
EGIS Pharmaceuticals Plc	680	HUF	41,863	34,386	0.46
Magyar Telekom Telecommunications Plc	7,300	HUF	15,015	11,189	0.15
MOL Hungarian Oil and Gas Plc	4,860	HUF	336,246	275,523	3.67
OTP Bank Plc	22,550	HUF	343,603	281,012	3.75
			736,727	602,110	8.03
<b>POLAND</b>					
Asseco Poland SA	4,300	PLN	45,731	49,293	0.66
Bank Pekao SA	4,120	PLN	166,157	146,212	1.95
Globe Trade Centre SA	6,450	PLN	28,736	9,701	0.13
KGHM Polska Miedz SA	6,850	PLN	274,724	234,522	3.13
PGE SA	49,700	PLN	246,225	227,658	3.04
Polski Koncern Naftowy Orlen S.A.	15,900	PLN	174,160	140,446	1.87
Powszechna Kasa Oszczedności Bank Polski SA	31,200	PLN	247,430	253,050	3.37
Powszechny Zakład Ubezpieczeń SA	2,890	PLN	254,126	227,231	3.03
Telekomunikacja Polska SA	26,800	PLN	107,883	97,893	1.31
			1,545,172	1,386,006	18.49
<b>ROMANIA</b>					
Banca Transilvania	354,072	RON	74,435	73,217	0.98
BRD-Groupe Societe Generale	87,050	RON	216,615	173,453	2.31
Transgaz SA Medias	1,429	RON	75,121	61,380	0.82
			366,171	308,050	4.11
<b>Total listed securities : equities</b>			3,837,559	3,325,187	44.35

**SCHEDULE OF INVESTMENTS as at 30 June 2012**  
**Generali PPF Emerging Europe Fund (continued)**

Description	Quantity	Currency	Acquisition Cost EUR	Fair Value EUR	% of Net Assets
<b>Listed securities : exchange traded funds</b>					
FRANCE					
Lyxor ETF Turkey EURO	12,880	EUR	525,314	588,487	7.85
Lyxor ETF Eastern Europe CECE EUR	4,000	EUR	64,112	65,200	0.87
			<u>589,426</u>	<u>653,687</u>	<u>8.72</u>
ROMANIA					
SC Fondul Proprietatea SA	3,367,000	RON	350,811	345,250	4.60
			<u>350,811</u>	<u>345,250</u>	<u>4.60</u>
UNITED STATES OF AMERICA					
iShares MSCI Turkey Index Fund	16,550	USD	574,476	642,282	8.56
Market Vectors Poland ETF	6,670	USD	98,088	92,977	1.24
Market Vectors Russia ETF	560	USD	12,611	11,583	0.15
			<u>685,175</u>	<u>746,842</u>	<u>9.95</u>
<b>Total listed securities : exchange traded funds</b>			<u>1,625,412</u>	<u>1,745,779</u>	<u>23.27</u>
<b>Other organised market : equities</b>					
FEDERATION OF RUSSIA					
Federal Hydrogenerating Co JSC	1,000,000	RUB	33,329	19,131	0.26
Lukoil OAO	5,750	RUB	249,160	248,359	3.31
Magnit OJSC	520	RUB	49,487	49,101	0.65
MMC Norilsk Nickel OJSC	775	RUB	133,035	100,744	1.34
Mobile Telesystems OJSC	11,500	RUB	66,433	65,395	0.87
NovaTek OAO	9,900	RUB	83,552	78,487	1.05
Sberbank of Russia	85,000	RUB	202,388	178,366	2.38
Severstal OAO	4,000	RUB	50,214	36,537	0.49
Surgutneftegas OJSC	73,000	RUB	49,615	46,536	0.62
Uralkali OJSC	8,500	RUB	50,173	46,704	0.62
VTB Bank OJSC	15,800,000	RUB	33,169	21,917	0.29
			<u>1,000,555</u>	<u>891,277</u>	<u>11.88</u>
<b>Total other organised market : equities</b>			<u>1,000,555</u>	<u>891,277</u>	<u>11.88</u>
<b>Other transferable securities : equities</b>					
FEDERATION OF RUSSIA					
Gazprom OAO	50,000	RUB	249,946	170,354	2.27
			<u>249,946</u>	<u>170,354</u>	<u>2.27</u>
<b>Total other transferable securities : equities</b>			<u>249,946</u>	<u>170,354</u>	<u>2.27</u>
<b>Financial assets at fair value through profit or loss</b>			<u>6,713,472</u>	<u>6,132,597</u>	<u>81.77</u>



**SCHEDULE OF INVESTMENTS as at 30 June 2012**  
**Generali PPF Emerging Europe Fund (continued)**

			Acquisition		Fair Value	% of
Description	Quantity	Currency	Cost		EUR	Net Assets
Financial derivative instruments						
Open Forward Foreign Currency Contracts						
Maturity	Counterparty	Currency	Purchased	Sold	Unrealised Appreciation/ (Depreciation)	% of Net Assets
02-Jul-12	RBC Dexia IS Bank	EUR	19	CZK 480	-	-
03-Jul-12	RBC Dexia IS Bank	EUR	19	CZK 480	-	-
31-Jul-12	RBC Dexia IS Bank	PLN	481	EUR 112	1	-
31-Jul-12	RBC Dexia IS Bank	CZK	1,240,940	EUR 48,178	410	0.01
Net gain on open forward foreign exchange contracts					411	0.01
Total financial derivative instruments					411	0.01
Cash and other net assets					1,366,334	18.22
Total net assets attributable to holders of redeemable participating shares					7,499,342	100.00

**ECONOMIC DIVISION OF INVESTMENTS at 30 June 2012**  
**Generali PPF Emerging Europe Fund (continued)**

---

	<b>% of Net Assets</b>
Investment funds	23.27
Banks and financial institutions	20.76
Oil	13.06
Public services	6.85
News transmission	4.83
Non-ferrous metals	4.47
Insurance	3.03
Holding and finance companies	1.05
Mortgage and funding institutions	1.05
Mines and heavy industries	0.88
Internet software	0.66
Food and distilleries	0.65
Chemicals	0.62
Pharmaceuticals and cosmetics	0.46
Construction and building material	0.13
<b>Total investment</b>	<b>81.77</b>
<b>Total financial derivative instruments</b>	<b>0.01</b>
<b>Cash and other net assets</b>	<b>18.22</b>
<b>Total net assets attributable to holders of redeemable participating shares</b>	<b>100.00</b>

---

---

## CONDENSED STATEMENT OF FINANCIAL POSITION as at 30 June 2012

		Generali PPF Cash & Bond Fund	Generali PPF Cash & Bond Fund	Generali PPF Corporate Bonds Fund	Generali PPF Corporate Bonds Fund
		30 June 2012	31 December 2011	30 June 2012	31 December 2011
Note		EUR	EUR	EUR	EUR
<b>Current Assets</b>					
Financial assets at fair value through profit or loss	3	6,779,856	5,972,697	8,585,262	8,734,229
Unrealised profit on forward foreign exchange contracts	2	66,696	117	87,086	-
Cash and cash equivalents	8	211,047	294,875	1,791,499	203,444
Interest and dividends receivable, net		-	-	-	-
Amount receivable from subscriptions		770	1,168,370	44,033	1,160,894
Amount receivable on sale of securities		1,194,663	407,359	-	-
Other receivables		311	11	309	-
<b>Total assets</b>		<b>8,253,343</b>	<b>7,843,429</b>	<b>10,508,189</b>	<b>10,098,567</b>
<b>Current Liabilities</b>					
Unrealised loss on forward foreign exchange contracts	2	-	7,751	7,716	129,760
Payable on redemptions		18,188	4,359	29,378	9,568
Amount payable on purchase of securities		782,423	406,478	-	-
Investment management fees payable	6	-	-	7,725	6,488
Administration and transfer agency fees payable	6	3,248	3,321	5,001	4,549
Custodian fees payable	6	277	309	485	438
Audit fees accrued	6	4,945	8,940	4,945	9,199
Other expenses payable	6	6,049	1,394	36,940	18,695
<b>Liabilities (excluding net assets attributable to holders of redeemable shares)</b>		<b>815,130</b>	<b>432,552</b>	<b>92,190</b>	<b>178,697</b>
<b>Net assets attributable to holders of redeemable participating shares</b>		<b>7,438,213</b>	<b>7,410,877</b>	<b>10,415,999</b>	<b>9,919,870</b>
<b>Net Asset Value</b>		<b>7,438,213</b>	<b>7,410,877</b>	<b>10,415,999</b>	<b>9,919,870</b>
<b>Represented by:</b>					
Net assets attributable to holders of redeemable participating shares for financial statement purposes		7,438,213	7,410,877	10,415,999	9,919,870
Adjustment for fair value	15	2,288	5,692	(13,586)	(165)
Net assets attributable to holders of redeemable participating shares for shareholder dealing/prospectus	15	7,440,501	7,416,569	10,402,413	9,919,705
Class 'A' EUR Shares In Issue		718,195.04	737,107.89	898,073.84	945,379.64
Net Asset Value Per Share		10.36	10.06	11.31	10.49
Class 'B' EUR Shares In Issue		-	-	15,205.90	-
Net Asset Value Per Share		-	-	10.17	-
Class 'B' CZK Shares In Issue		-	-	8,785.23	-
Net Asset Value Per Share		-	-	249.71	-
Class 'A' PLN Shares In Issue		11.94	-	11.94	-
Net Asset Value Per Share		43.62	-	44.51	-
Class 'B' PLN Shares In Issue		-	-	12.19	-
Net Asset Value Per Share		-	-	43.54	-

The accompanying notes form an integral part of the financial statements.

**CONDENSED STATEMENT OF FINANCIAL POSITION as at 30 June 2012 (continued)**

		Generali PPF Global Brands Fund	Generali PPF Global Brands Fund*	Generali PPF New Economies Fund	Generali PPF New Economies Fund
		30 June 2012	31 December 2011	30 June 2012	31 December 2011
	Note	EUR	EUR	EUR	EUR
<b>Current Assets</b>					
Financial assets at fair value through profit or loss	3	12,070,099	10,898,111	11,136,327	11,346,431
Unrealised profit on forward foreign exchange contracts	2	89,094	2,159	391,737	1,048
Cash and cash equivalents	8	346,670	1,003,059	592,762	1,217,876
Interest and dividends receivable, net		8,517	9,558	89,103	12,321
Amount receivable from subscriptions		304	465,482	414	234,821
Amount receivable on sale of securities		130,260	-	64,531	-
Other receivables		309	-	311	-
<b>Total assets</b>		<b>12,645,253</b>	<b>12,378,369</b>	<b>12,275,185</b>	<b>12,812,497</b>
<b>Current Liabilities</b>					
Unrealised loss on forward foreign exchange contracts	2	-	36,663	19,686	230,699
Payable on redemptions		-	129,825	-	576,110
Amount payable on purchase of securities		178,490	43,069	-	-
Investment management fees payable	6	11,009	9,265	15,347	13,597
Administration and transfer agency fees payable	6	2,742	5,644	5,426	5,862
Custodian fees payable	6	640	552	618	575
Audit fees accrued	6	4,945	8,940	4,945	8,940
Other expenses payable	6	65,531	27,867	249,546	28,587
<b>Liabilities (excluding net assets attributable to holders of redeemable shares)</b>		<b>263,357</b>	<b>261,825</b>	<b>295,568</b>	<b>864,370</b>
<b>Net assets attributable to holders of redeemable participating shares</b>		<b>12,381,896</b>	<b>12,116,544</b>	<b>11,979,617</b>	<b>11,948,127</b>
<b>Net Asset Value</b>		<b>12,381,896</b>	<b>12,116,544</b>	<b>11,979,617</b>	<b>11,948,127</b>
<b>Represented by:</b>					
Net assets attributable to holders of redeemable participating shares for financial statement purposes		12,381,896	12,116,544	11,979,617	11,948,127
Adjustment for fair value	15	23,533	19,632	76,489	42,915
Net assets attributable to holders of redeemable participating shares for shareholder dealing/prospectus	15	12,405,429	12,136,176	12,056,106	11,991,042
Class 'A' EUR Shares In Issue		1,166,733.58	1,194,138.45	1,300,411.32	1,331,146.28
Net Asset Value Per Share		10.63	10.16	9.27	9.01
Class 'A' PLN Shares In Issue		11.94	-	11.94	-
Net Asset Value Per Share		41.76	-	38.33	-

\*Launched on 17 June 2011

The accompanying notes form an integral part of the financial statements.

**CONDENSED STATEMENT OF FINANCIAL POSITION as at 30 June 2012 (continued)**

		Generali PPF Oil Industry & Energy Production Fund	Generali PPF Oil Industry & Energy Production Fund	Generali PPF Commodity Fund	Generali PPF Commodity Fund
		30 June 2012	31 December 2011	30 June 2012	31 December 2011
	Note	EUR	EUR	EUR	EUR
<b>Current Assets</b>					
Financial assets at fair value through profit or loss	3	9,381,501	10,075,505	9,827,211	10,563,756
Unrealised profit on forward foreign exchange contracts	2	247,811	673	145,729	16,428
Cash and cash equivalents	8	961,981	1,041,219	219,746	834,253
Interest and dividends receivable, net		42,035	3,299	-	-
Amount receivable from subscriptions		3,237	361,987	1,512	120,237
Amount receivable on sale of securities		-	-	-	-
Other receivables		910	-	309	-
<b>Total assets</b>		<b>10,637,475</b>	<b>11,482,683</b>	<b>10,194,507</b>	<b>11,534,674</b>
<b>Current Liabilities</b>					
Bank overdraft		-	-	-	7,555
Unrealised loss on forward foreign exchange contracts	2	12,131	142,257	6,481	239,726
Payable on redemptions		-	252,849	-	222,446
Amount payable on purchase of securities		-	-	-	66,399
Investment management fees payable	6	12,918	12,054	13,122	13,287
Administration and transfer agency fees payable	6	5,395	5,216	4,699	5,584
Custodian fees payable	6	498	508	763	545
Audit fees accrued	6	4,945	8,940	4,945	8,940
Other expenses payable	6	171,024	25,846	53,188	36,391
<b>Liabilities (excluding net assets attributable to holders of redeemable shares)</b>		<b>206,911</b>	<b>447,670</b>	<b>83,198</b>	<b>600,873</b>
<b>Net assets attributable to holders of redeemable participating shares</b>		<b>10,430,564</b>	<b>11,035,013</b>	<b>10,111,309</b>	<b>10,933,801</b>
<b>Net Asset Value</b>		<b>10,430,564</b>	<b>11,035,013</b>	<b>10,111,309</b>	<b>10,933,801</b>
<b>Represented by:</b>					
Net assets attributable to holders of redeemable participating shares for financial statement purposes		10,430,564	11,035,013	10,111,309	10,933,801
Adjustment for fair value	15	28,115	21,134	67,560	66,921
Net assets attributable to holders of redeemable participating shares for shareholder dealing/prospectus	15	10,458,679	11,056,147	10,178,869	11,000,722
Class 'A' EUR Shares In Issue		1,174,050.86	1,175,734.22	882,313.04	884,217.88
Net Asset Value Per Share		8.91	9.40	9.83	10.62
Class 'A' CZK Shares In Issue		-	-	200,057.62	195,724.48
Net Asset Value Per Share		-	-	192.52	209.63
Class 'A' PLN Shares In Issue		11.94	-	11.94	-
Net Asset Value Per Share		39.01	-	37.78	-

The accompanying notes form an integral part of the financial statements.

**CONDENSED STATEMENT OF FINANCIAL POSITION as at 30 June 2012 (continued)**

		Generali PPF Emerging Europe Fund	Generali PPF Emerging Europe Fund	Total	Total
	Note	30 June 2012 EUR	31 December 2011 EUR	30 June 2012 EUR	31 December 2011 EUR
<b>Current Assets</b>					
Financial assets at fair value through profit or loss	3	6,132,597	6,081,768	63,912,853	63,672,497
Unrealised profit on forward foreign exchange contracts	2	411	26	1,028,564	20,451
Cash and cash equivalents	8	1,289,294	673,341	5,412,999	5,268,067
Interest and dividends receivable, net		90,510	12,605	230,165	37,783
Amount receivable from subscriptions		3,683	-	53,953	3,511,791
Amount receivable on sale of securities		-	-	1,389,454	407,359
Other receivables		6,241	7,793	8,700	7,804
<b>Total assets</b>		<b>7,522,736</b>	<b>6,775,533</b>	<b>72,036,688</b>	<b>72,925,752</b>
<b>Current Liabilities</b>					
Bank overdraft		-	-	-	7,555
Unrealised loss on forward foreign exchange contracts	2	-	-	46,014	786,856
Payable on redemptions		-	91	47,566	1,195,248
Amount payable on purchase of securities		-	-	960,913	515,946
Investment management fees payable	6	9,275	8,782	69,396	63,473
Administration and transfer agency fees payable	6	2,907	3,685	29,418	33,861
Custodian fees payable	6	345	348	3,626	3,275
Audit fees accrued	6	4,945	5,315	34,615	59,214
Other expenses payable	6	5,922	2,651	588,200	141,431
<b>Liabilities (excluding net assets attributable to holders of redeemable shares)</b>		<b>23,394</b>	<b>20,872</b>	<b>1,779,748</b>	<b>2,806,859</b>
<b>Net assets attributable to holders of redeemable participating shares</b>		<b>7,499,342</b>	<b>6,754,661</b>	<b>70,256,940</b>	<b>70,118,893</b>
<b>Net Asset Value</b>		<b>7,499,342</b>	<b>6,754,661</b>		
<b>Represented by:</b>					
Net assets attributable to holders of redeemable participating shares for financial statement purposes		7,499,342	6,754,661		
Adjustment for fair value	15	96,518	79,831		
Net assets attributable to holders of redeemable participating shares for shareholder dealing/prospectus	15	7,595,860	6,834,492		
Class 'A' EUR Shares In Issue		2,280.02	1,047.40		
Net Asset Value Per Share		9.86	9.01		
Class 'A' CZK Shares In Issue		5,378.83	1,014.33		
Net Asset Value Per Share		241.79	221.11		
Class 'I' EUR Shares		880,099.39	880,099.39		
Net Asset Value Per Share		8.55	7.74		
Class 'A' PLN Shares In Issue		11.94	-		
Net Asset Value Per Share		40.45	-		

The accompanying notes form an integral part of the financial statements.

**CONDENSED STATEMENT OF COMPREHENSIVE INCOME for the period ended 30 June 2012**

		Generali PPF Cash & Bond Fund	Generali PPF Cash & Bond Fund	Generali PPF Corporate Bonds Fund	Generali PPF Corporate Bonds Fund
		30 June 2012	31 December 2011	30 June 2012	31 December 2011
	Note	EUR	EUR	EUR	EUR
<b>Income</b>					
Dividends		-	-	-	-
Bank interest		-	-	-	-
Other income		-	-	-	353
Net gain/(loss) on financial assets at fair value through profit or loss	11	264,003	80,469	903,210	(73,927)
<b>Total net income/(loss)</b>		<b>264,003</b>	<b>80,469</b>	<b>903,210</b>	<b>(73,574)</b>
<b>Expenses</b>					
Investment management fees	6	-	-	15,514	17,835
Administration and transfer agency fees	6	15,210	26,941	20,512	33,992
Distribution fees	6	-	-	56,589	47,553
Director fees	6	4,440	9,884	4,440	9,884
Custodian fees	6	1,426	2,195	1,410	2,091
Audit fees	6	7,154	7,574	6,895	7,574
Other expenses		11,491	16,696	11,950	16,471
<b>Total operating expenses</b>		<b>39,721</b>	<b>63,290</b>	<b>117,310</b>	<b>135,400</b>
Withholding tax on dividends and interest		2,838	-	-	-
<b>Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations</b>		<b>221,444</b>	<b>17,179</b>	<b>785,900</b>	<b>(208,974)</b>
<b>Adjustment for fair value</b>	15	<b>2,288</b>	<b>5,692</b>	<b>(13,586)</b>	<b>(165)</b>

For the period ended 30 June 2012, there are no other gains or losses other than those included in the Statement of Comprehensive Income.

All income arises from continuing operations.

The accompanying notes form an integral part of the financial statements.

**CONDENSED STATEMENT OF COMPREHENSIVE INCOME for the period ended 30 June 2012 (continued)**

		Generali PPF Global Brands Fund	Generali PPF Global Brands Fund	Generali PPF New Economies Fund	Generali PPF New Economies Fund
		30 June 2012	31 December 2011	30 June 2012	31 December 2011
Note		EUR	EUR	EUR	EUR
<b>Income</b>					
		187,765	108,032	219,819	175,759
		92	997	268	1,112
		-	346	-	346
		Net gain/(loss) on financial assets at fair value through profit or loss			
11		596,273	(316,305)	296,856	(1,440,392)
		<b>Total net income/(loss)</b>	<b>(206,930)</b>	<b>516,943</b>	<b>(1,263,175)</b>
<b>Expenses</b>					
	6	22,554	19,262	32,304	27,760
	6	20,978	26,588	21,031	26,998
	6	102,360	55,034	102,392	55,522
	6	4,440	9,884	4,440	9,884
	6	1,532	3,140	1,761	3,006
	6	7,154	7,574	7,154	7,574
		11,301	16,750	11,478	16,812
		<b>Total operating expenses</b>	<b>138,232</b>	<b>180,560</b>	<b>147,556</b>
		52,639	27,218	27,149	24,952
		<b>Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations</b>	<b>(372,380)</b>	<b>309,234</b>	<b>(1,435,683)</b>
	15	<b>23,533</b>	<b>19,632</b>	<b>76,489</b>	<b>42,915</b>

For the period ended 30 June 2012, there are no other gains or losses other than those included in the Statement of Comprehensive Income.

All income arises from continuing operations.

The accompanying notes form an integral part of the financial statements.



**CONDENSED STATEMENT OF COMPREHENSIVE INCOME for the period ended 30 June 2012 (continued)**

		Generali PPF Oil Industry & Energy Production Fund	Generali PPF Oil Industry & Energy Production Fund	Generali PPF Commodity Fund	Generali PPF Commodity Fund
		30 June 2012	31 December 2011	30 June 2012	31 December 2011
	Note	EUR	EUR	EUR	EUR
<b>Income</b>					
Dividends		219,545	171,052	-	-
Bank interest		354	803	1	1,104
Other income		350	-	-	346
Net loss on financial assets at fair value through profit or loss	11	(606,860)	(584,328)	(687,355)	(1,400,309)
<b>Total net loss</b>		<b>(386,611)</b>	<b>(412,473)</b>	<b>(687,354)</b>	<b>(1,398,859)</b>
<b>Expenses</b>					
Investment management fees	6	27,511	24,292	27,623	33,248
Administration and transfer agency fees	6	20,326	28,553	22,321	37,622
Distribution fees	6	86,850	48,588	88,415	85,217
Director fees	6	4,440	9,884	4,440	8,624
Custodian fees	6	1,494	3,010	1,457	2,296
Audit fees	6	7,154	7,574	7,154	7,574
Other expenses		11,342	16,750	11,292	18,135
<b>Total operating expenses</b>		<b>159,117</b>	<b>138,651</b>	<b>162,702</b>	<b>192,716</b>
Withholding tax on dividends and interest		53,013	39,958	-	-
<b>Decrease in net assets attributable to holders of redeemable participating shares from operations</b>		<b>(598,741)</b>	<b>(591,082)</b>	<b>(850,056)</b>	<b>(1,591,575)</b>
<b>Adjustment for fair value</b>	15	<b>28,115</b>	<b>21,134</b>	<b>67,560</b>	<b>66,921</b>

For the period ended 30 June 2012, there are no other gains or losses other than those included in the Statement of Comprehensive Income.

All income arises from continuing operations.

The accompanying notes form an integral part of the financial statements.

**CONDENSED STATEMENT OF COMPREHENSIVE INCOME for the period ended 30 June 2012 (continued)**

		Generali PPF Emerging Europe Fund	Generali PPF Emerging Europe Fund*	Total	Total
	Note	30 June 2012 EUR	31 December 2011 EUR	30 June 2012 EUR	31 December 2011 EUR
<b>Income</b>					
Dividends		155,058	83,583	782,187	538,426
Bank interest		553	2,839	1,268	6,855
Other income		58	-	408	1,391
Net gain/(loss) on financial assets at fair value through profit or loss	11	623,070	(1,693,139)	1,389,197	(5,427,931)
<b>Total net income/(loss)</b>		<b>778,739</b>	<b>(1,606,717)</b>	<b>2,173,060</b>	<b>(4,881,259)</b>
<b>Expenses</b>					
Investment management fees	6	18,967	18,368	144,473	140,765
Administration and transfer agency fees	6	13,400	17,307	133,778	198,001
Distribution fees	6	432	61	437,038	291,975
Director fees	6	4,440	4,746	31,080	62,790
Custodian fees	6	1,462	2,935	10,542	18,673
Audit fees	6	16,867	5,315	59,532	50,759
Other expenses		11,814	14,085	80,668	115,699
<b>Total operating expenses</b>		<b>67,382</b>	<b>62,817</b>	<b>897,111</b>	<b>878,662</b>
Withholding tax on dividends and interest		22,877	15,441	158,516	107,569
<b>Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations</b>		<b>688,480</b>	<b>(1,684,975)</b>	<b>1,117,433</b>	<b>(5,867,490)</b>
<b>Adjustment for fair value</b>	15	<b>96,518</b>	<b>(79,831)</b>		

\* Launched on 17 June 2011

For the period ended 30 June 2012, there are no other gains or losses other than those included in the Statement of Comprehensive Income.

All income arises from continuing operations.

The accompanying notes form an integral part of the financial statements.

**CONDENSED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO  
HOLDERS OF REDEEMABLE PARTICIPATING SHARES for the period ended 30 June  
2012**

	Generali PPF Cash & Bond Fund 30 June 2012 EUR	Generali PPF Cash & Bond Fund 31 December 2011 EUR	Generali PPF Corporate Bonds Fund 30 June 2012 EUR	Generali PPF Corporate Bonds Fund 31 December 2011 EUR
<b>Net assets attributable to holders of redeemable participating shares at the beginning of the period</b>	<b>7,410,877</b>	<b>4,564,358</b>	<b>9,919,870</b>	<b>7,160,629</b>
Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations	221,444	17,179	785,900	(208,974)
<b>Capital transactions</b>				
Proceeds from issuance of shares	259,918	3,552,121	585,961	4,143,511
Payments on redemption of shares	(454,026)	(722,781)	(875,732)	(1,175,296)
<b>Net assets attributable to holders of redeemable participating shares at the end of the period</b>	<b>7,438,213</b>	<b>7,410,877</b>	<b>10,415,999</b>	<b>9,919,870</b>
	<b>Generali PPF Cash &amp; Bond Fund Number of Shares</b>	<b>Generali PPF Cash &amp; Bond Fund Number of Shares</b>	<b>Generali PPF Corporate Bonds Fund Number of Shares</b>	<b>Generali PPF Corporate Bonds Fund Number of Shares</b>
<b>Shares in issue at beginning of the period</b>	<b>737,107.89</b>	<b>454,957.02</b>	<b>945,379.64</b>	<b>664,609.00</b>
Shares issued during the period	25,346.16	354,232.82	55,359.31	390,281.18
Shares redeemed during the period	(44,247.07)	(72,081.95)	(78,649.85)	(109,510.54)
<b>Shares in issue at the end of the period</b>	<b>718,206.98</b>	<b>737,107.89</b>	<b>922,089.10</b>	<b>945,379.64</b>

The accompanying notes form an integral part of the financial statements.

**CONDENSED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES for the period ended 30 June 2012 (continued)**

	Generali PPF Global Brands Fund 30 June 2012 EUR	Generali PPF Global Brands Fund 31 December 2011 EUR	Generali PPF New Economies Fund 30 June 2012 EUR	Generali PPF New Economies Fund 31 December 2011 EUR
<b>Net assets attributable to holders of redeemable participating shares at the beginning of the period</b>	<b>12,116,544</b>	<b>5,414,498</b>	<b>11,948,127</b>	<b>5,622,959</b>
Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations	561,172	(372,380)	309,234	(1,435,683)
<b>Capital transactions</b>				
Proceeds from issuance of shares	49,890	7,229,693	63,310	8,389,507
Payments on redemption of shares	(345,710)	(155,267)	(341,054)	(628,656)
<b>Net assets attributable to holders of redeemable participating shares at the end of the period</b>	<b>12,381,896</b>	<b>12,116,544</b>	<b>11,979,617</b>	<b>11,948,127</b>
	<b>Generali PPF Global Brands Fund Number of Shares</b>	<b>Generali PPF Global Brands Fund Number of Shares</b>	<b>Generali PPF New Economies Fund Number of Shares</b>	<b>Generali PPF New Economies Fund Number of Shares</b>
<b>Shares in issue at beginning of the period</b>	<b>1,194,138.45</b>	<b>481,247.54</b>	<b>1,331,146.28</b>	<b>481,378.70</b>
Shares issued during the period	4,612.74	728,153.55	6,424.07	918,324.80
Shares redeemed during the period	(32,005.67)	(15,262.64)	(37,147.09)	(68,557.22)
<b>Shares in issue at the end of the period</b>	<b>1,166,745.52</b>	<b>1,194,138.45</b>	<b>1,300,423.26</b>	<b>1,331,146.28</b>

The accompanying notes form an integral part of the financial statements.

**CONDENSED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES for the period ended 30 June 2012 (continued)**

	Generali PPF Oil Industry & Energy Production Fund 30 June 2012 EUR	Generali PPF Oil Industry & Energy Production Fund 31 December 2011 EUR	Generali PPF Commodity Fund 30 June 2012 EUR	Generali PPF Commodity Fund 31 December 2011 EUR
<b>Net assets attributable to holders of redeemable participating shares at the beginning of the period</b>	<b>11,035,013</b>	<b>4,850,819</b>	<b>10,933,801</b>	<b>7,002,357</b>
Decrease in net assets attributable to holders of redeemable participating shares from operations	(598,741)	(591,082)	(850,056)	(1,591,575)
<b>Capital transactions</b>				
Proceeds from issuance of shares	403,875	7,264,471	254,814	7,435,172
Payments on redemption of shares	(409,583)	(489,195)	(227,250)	(1,912,153)
<b>Net assets attributable to holders of redeemable participating shares at the end of the period</b>	<b>10,430,564</b>	<b>11,035,013</b>	<b>10,111,309</b>	<b>10,933,801</b>
	<b>Generali PPF Oil Industry &amp; Energy Production Fund Number of Shares</b>	<b>Generali PPF Oil Industry &amp; Energy Production Fund Number of Shares</b>	<b>Generali PPF Commodity Fund Number of Shares</b>	<b>Generali PPF Commodity Fund Number of Shares</b>
<b>Shares in issue at beginning of the period</b>	<b>1,175,734.22</b>	<b>426,153.99</b>	<b>1,079,942.36</b>	<b>562,985.58</b>
Shares issued during the period	43,736.07	800,937.57	25,817.90	707,606.54
Shares redeemed during the period	(45,407.49)	(51,357.34)	(23,377.66)	(190,649.76)
<b>Shares in issue at the end of the period</b>	<b>1,174,062.80</b>	<b>1,175,734.22</b>	<b>1,082,382.60</b>	<b>1,079,942.36</b>

The accompanying notes form an integral part of the financial statements.

**CONDENSED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES for the period ended 30 June 2012 (continued)**

	Generali PPF Emerging Europe Fund 30 June 2012 EUR	Generali PPF Emerging Europe Fund 31 December 2011 EUR	Total 30 June 2012 EUR	Total 31 December 2011 EUR
<b>Net assets attributable to holders of redeemable participating shares at the beginning of the period</b>	<b>6,754,661</b>	<b>-</b>	<b>70,118,893</b>	<b>34,615,620</b>
Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations	688,480	(1,684,975)	1,117,433	(5,867,490)
<b>Capital transactions</b>				
Proceeds from issuance of shares	71,442	8,441,138	1,689,210	46,455,613
Payments on redemption of shares	(15,241)	(1,502)	(2,668,596)	(5,084,850)
<b>Net assets attributable to holders of redeemable participating shares at the end of the period</b>	<b>7,499,342</b>	<b>6,754,661</b>	<b>70,256,940</b>	<b>70,118, 893</b>
	<b>Generali PPF Emerging Europe Fund Number of Shares</b>	<b>Generali PPF Emerging Europe Fund* Number of Shares</b>		
<b>Shares in issue at beginning of the period</b>	<b>882,161.12</b>	<b>-</b>		
Shares issued during the period	7,127.24	882,321.49		
Shares redeemed during the period	(1,518.18)	(160.37)		
<b>Shares in issue at the end of the period</b>	<b>887,770.18</b>	<b>882,161.12</b>		

The accompanying notes form an integral part of the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

### As at 30 June 2012

#### 1. Establishment and organisation

Generali PPF Invest plc (the "Company") is an open-ended umbrella investment company with variable capital and with segregated liability between Sub-Funds incorporated with limited liability in Ireland under the Companies Acts 1963 to 2012 with registration number 468417. The Company is established as an undertaking for collective investment in transferable securities pursuant to the UCITS Regulations.

The prior year financial statements were prepared for the period ended 31 December 2011. For the period ended 30 June 2012 the Board of Directors decided to revert back to the period end date per the Prospectus for the Company. Hence the financial statements for the period ended 30 June 2012 cover the period from 1 January 2012 to 30 June 2012.

As at 30 June 2012, the Company comprises the following Sub-Funds (each a "Sub-Fund", collectively the "Sub-Funds"):

<u>Sub-Fund</u>	<u>Launch Date</u>
Generali PPF Cash & Bond Fund	3 February 2010
Generali PPF Corporate Bonds Fund	25 January 2010
Generali PPF Global Brands Fund	3 February 2010
Generali PPF New Economies Fund	3 February 2010
Generali PPF Oil Industry & Energy Production Fund	3 February 2010
Generali PPF Commodity Fund	3 February 2010
Generali PPF Emerging Europe Fund	17 June 2011

Each Sub-Fund has authorised the following classes of shares: Class A EUR, Class A HUF, Class A PLN, Class A RON and Class A CZK. Generali PPF Emerging Europe Fund has also authorised Class I EUR and Generali PPF Corporate Bond Fund has authorised Class B EUR, Class B CZK and Class B PLN, Class B RON and Class B HUF. The base currency of each Sub-Fund is EUR (€).

As at 30 June 2012 the following were in issue: Class A EUR and Class A PLN for all Sub-Funds, Class A CZK for Generali PPF Commodity Fund, Class A CZK, Class I EUR for Generali PPF Emerging Europe Fund and Class B EUR, Class B CZK and Class B PLN for Generali PPF Corporate Bond Fund.

#### 2. Principal accounting policies

##### Accounting Standards

These financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"), issued by the International Accounting Standards Board ("IASB") as adopted for use in the European Union and interpretations issued by the International Financial Reporting Interpretations Committee at the IASB. The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expense. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The accounting policies have been applied consistently by the Company and are consistent with those used in the previous period.

The following is a summary of the principal accounting policies:

##### Going concern

The Company's management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

## NOTES TO THE FINANCIAL STATEMENTS

### As at 30 June 2012 (continued)

#### 2. Principal accounting policies (continued)

##### Financial instruments

###### *(i) Classification*

The Company classified its investment securities as financial assets and liabilities at fair value through profit or loss: held for trading, in accordance with IAS 39 – *Financial Instruments: Recognition and Measurement* (“IAS 39”). Financial assets and liabilities held for trading: these include equities, investment funds, exchange traded funds, forwards and fixed income that are acquired principally for the purpose of generating a profit from short term fluctuations in price.

###### *(ii) Initial Measurement*

Purchases and sales of financial instruments are accounted for at trade date. Financial instruments categorised at fair value through profit or loss are measured initially at cost, with transaction costs for such instruments being recognised directly in the Statement of Comprehensive Income.

###### *(iii) Subsequent Measurement*

After initial measurement, the Company measures financial instruments which are classified as at fair value through profit or loss at their fair value. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The fair value of the financial instruments is based on their quoted market prices on a recognised exchange or sourced from a reputable broker/counterparty, in the case of non-exchange traded instruments, at the date of Statement of Financial Position without any deduction for estimated future selling costs. Financial assets are priced at their current bid prices, while financial liabilities are priced at their current offer price in accordance with IAS 39. Changes in the fair value of financial instruments at fair value through profit or loss are recognised in the Statement of Comprehensive Income in the period in which they arise. Financial instruments are priced as follows: warrants, equities, bonds and investment funds are priced at bid while futures and options are priced at settlement.

###### *(iv) Recognition*

The Company recognises financial assets and financial liabilities on the date it commits to purchase the instruments. From this date any gains and losses arising from changes in fair value of the assets or liabilities are recognised.

###### *(v) Derecognition*

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition in accordance with IAS 39. The Company derecognises a financial liability when the obligation specified in the contract is discharged, cancelled or expires.



## NOTES TO THE FINANCIAL STATEMENTS

### As at 30 June 2012 (continued)

#### 2. Principal accounting policies (continued)

##### **Loans and receivables**

Loans and receivables are recognised initially at fair value plus transaction costs that are directly attributable to their acquisition or origination. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment.

##### **Investment income**

Income received arising on fixed income securities and liquidity investments is recognised as a component of the net gains on financial assets and liabilities designated at fair value through profit or loss. Dividends are recorded on the ex-dividend date. Income is shown gross of any non-recoverable withholding taxes, which is disclosed separately in the Statement of Comprehensive Income, and net of any tax credits.

##### **Expenses**

All expenses are recognised in the Statement of Comprehensive Income on an accrual basis.

##### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

##### **Net asset value per redeemable participating share**

The net asset value per share ("NAV") is calculated by dividing the net assets of each share class by the number of shares outstanding in each class.

##### **Distributions**

Distributions to holders of redeemable participating shares are recorded in the Statement of Comprehensive Income and recorded as finance costs when authorised by the Board of Directors. There were no distributions during the period (31 December 2011: Nil).

##### **Financial Derivative Instruments**

The fair value of forward foreign currency exchange contracts is calculated as the difference between the contracted rate and the current forward rate that would close out the contract as at the period end. For each relevant Sub-Fund, gains or losses on forward foreign currency exchange contracts are included, as appropriate, on the Statement of Financial Position and are shown in the Schedule of Investments of each relevant Sub-Fund. If traded in the over-the-counter market, instruments are stated by reference to prices obtained from dealers or counterparties. All derivatives are carried in assets when amounts are receivable by the Company and in liabilities when amounts are payable by the Company. Changes in the fair values of derivatives are included in the Statement of Comprehensive Income. During the period the contract is open, changes in the value of the contracts are recognised as unrealised gains or losses to reflect the market value of the contract at the last day of the valuation period.

## NOTES TO THE FINANCIAL STATEMENTS

### As at 30 June 2012 (continued)

#### 2. Principal accounting policies (continued)

##### Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

##### Functional and presentation currency

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which it operates ('the functional currency'). The functional and presentation currency for the Company is EUR.

##### Foreign currency translation

Assets and liabilities denominated in currencies other than functional currency as stated above are translated into the said functional currency at the closing rates of exchange at each period end. Transactions during the period, including purchases and sales of securities, income and expenses are translated at the rate of exchange prevailing on the date of the transaction.

##### Net gain/loss on financial assets and liabilities at fair value through profit or loss

Results arising from trading activities recognised in the Statement of Comprehensive Income include all gains and losses from changes in fair value of financial instruments.

#### 3. Financial instruments at fair value through profit or loss

	Generali PPF Cash & Bond Fund 30 June 2012	Generali PPF Cash & Bond Fund 31 December 2011	Generali PPF Corporate Bonds Fund 30 June 2012	Generali PPF Corporate Bonds Fund 31 December 2011
<b>Financial assets at fair value through profit or loss</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Equities	-	-	-	-
Bonds	6,779,856	5,972,697	8,585,262	8,734,229
<b>Total financial assets at fair value through profit or loss</b>	<b>6,779,856</b>	<b>5,972,697</b>	<b>8,585,262</b>	<b>8,734,229</b>
	<b>Generali PPF Global Brands Fund 30 June 2012</b>	<b>Generali PPF Global Brands Fund 31 December 2011</b>	<b>Generali PPF New Economies Fund 30 June 2012</b>	<b>Generali PPF New Economies Fund 31 December 2011</b>
<b>Financial assets at fair value through profit or loss</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Equities	12,070,099	10,898,111	10,159,099	10,371,125
Investment Funds	-	-	977,228	975,306
<b>Total financial assets at fair value through profit or loss</b>	<b>12,070,099</b>	<b>10,898,111</b>	<b>11,136,327</b>	<b>11,346,431</b>
	<b>Generali PPF Oil Industry &amp; Energy Production Fund 30 June 2012</b>	<b>Generali PPF Oil Industry &amp; Energy Production Fund 31 December 2011</b>	<b>Generali PPF Commodity Fund 30 June 2012</b>	<b>Generali PPF Commodity Fund 31 December 2011</b>
<b>Financial assets at fair value through profit or loss</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Equities	9,236,214	9,938,581	3,027,764	3,255,177
Investment Funds	139,916	136,924	6,799,447	7,308,579
Warrants	5,371	-	-	-
<b>Total financial assets at fair value through profit or loss</b>	<b>9,381,501</b>	<b>10,075,505</b>	<b>9,827,211</b>	<b>10,563,756</b>
	<b>Generali PPF Emerging Europe Fund 30 June 2012</b>	<b>Generali PPF Emerging Europe Fund 31 December 2011</b>		
<b>Financial assets at fair value through profit or loss</b>	<b>EUR</b>	<b>EUR</b>		
Equities	4,386,818	3,831,958		
Investment Funds	1,745,779	2,249,810		
<b>Total financial assets at fair value through profit or loss</b>	<b>6,132,597</b>	<b>6,081,768</b>		

**NOTES TO THE FINANCIAL STATEMENTS**  
**As at 30 June 2012 (continued)**

**4. Taxation**

Under current law and practice the Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended. On that basis, it is not chargeable to Irish tax on its income or gains.

However, Irish tax may arise on the happening of a "chargeable event". A chargeable event includes any distribution payments to shareholders, any encashment, redemption, cancellation or transfer of shares and the holding of shares at the end of each eight year period beginning with the acquisition of such shares.

No Irish tax will arise on the Company in respect of chargeable events in respect of: (a) a shareholder who is neither Irish resident nor ordinarily resident in Ireland for tax purposes, at the time of the chargeable event, provided appropriate valid declarations in accordance with the provisions of the Taxes Consolidation Act, 1997, as amended, are held by the Company; and (b) certain exempted Irish tax resident shareholders who have provided the Company with the necessary signed statutory declarations. Dividends, interest and capital gains (if any) received on investments made by the Company may be subject to withholding taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the Company or its shareholders.

**5. Share capital and redeemable participating shares**

The authorised share capital of the Company is 500,000,000,000 shares of no par value and 300,000 redeemable non-participating ("shares") of no par value. Non-participating shares do not entitle the holders thereof to any dividend and on a winding up entitle the holders thereof to receive the amount paid up thereon but do not otherwise entitle them to participate in the assets of the Company. The Directors have the power to allot shares in the capital of the Company on such terms and in such manner as they may think fit. During the period ended 31 March 2011, 299,998 non-participating shares were exchanged for shares in the Generali PPF Commodity Fund. As at December 2011 there were 2 non-participating shares in issue. The 2 non-participating shares do not form part of the net asset value of the Company and are thus disclosed in the financial statements by way of this note only. In the opinion of the Directors, this disclosure reflects the nature of the Company's business as an investment fund.

The rights attaching to the shares issued in any class or Sub-Fund may, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the shareholders of three-quarters of the issued shares of that class or Sub-Fund, or with the sanction of an ordinary resolution passed at a general meeting of the shareholders of that class or Sub-Fund.

A resolution in writing signed by all the shareholders and holders of non-participating shares for the time being entitled to attend and vote on such resolution at a general meeting of the Company shall be as valid and effective for all purposes as if the resolution had been passed at a general meeting of the Company duly convened and held and if described as a special resolution shall be deemed to be a special resolution. The rights attaching to the shares shall not be deemed to be varied by the creation, allotment or issue of any further shares ranking *pari passu* with shares already in issue. There are no rights of pre-emption upon the issue of shares in the Company.

The following rules relating to voting rights apply:-

- (a) Fractions of shares do not carry voting rights.
- (b) Every Shareholder or holder of non-participating shares present in person or by proxy who votes on a show of hands shall be entitled to one vote. Each Shareholder shall be entitled to one vote in respect of each share held and every holder of non-participating shares shall be entitled to one vote in respect of all non-participating shares held.

**NOTES TO THE FINANCIAL STATEMENTS**  
**As at 30 June 2012 (continued)****5. Share capital and redeemable participating shares (continued)**

Applications for shares may be made through the Distributor for onward transmission to the Administrator on behalf of the Company or directly to the Administrator. Applications accepted received by the Administrator prior to the 4.00p.m (GMT) on any dealing day will be processed on that dealing day. Any applications received after 4.00p.m (GMT) on any dealing day will be processed on the following dealing day unless the Directors in their absolute discretion otherwise determine(s) to accept one or more applications received after the dealing deadline for processing on that dealing day provided that such application(s) have been received prior to the valuation point for the particular dealing day.

Shareholders may redeem their shares on and with effect from any dealing day at the Net Asset Value per Share calculated on or with respect to the relevant dealing day in accordance with the procedures specified below (save during any period when the calculation of Net Asset Value is suspended) less any redemption charge that may be payable. If the redemption of part only of a shareholder's shareholding would leave the shareholder holding less than the Minimum Holding for the relevant Sub-Fund, the Company or its delegate may, if it thinks fit, redeem the whole of that shareholder's holding.

**6. Fees****Establishment expenses**

All fees and expenses relating to the establishment and organisation of the Company and the Sub-Funds will be borne by the Company. Such fees and expenses payable by the Company may be amortised over the first five accounting periods of the Company or such other period as the Directors may determine and in such manner as the Directors in their absolute discretion deem fair and shall be subject to such adjustment following the establishment of new Sub-Funds as the Directors may determine, although this does not comply with the applicable accounting standards.

There were establishment expenses of €1,646 (31 December 2011: €849) charged for the period ended 30 June 2012. Fees of €7,578 (31 December 2011: €7,578) were outstanding at 30 June 2012.

**Auditors' Remuneration**

Charged for the period	30 June 2012 €	31 December 2011 €
Audit of statutory accounts	59,532	50,759
Other assurance services	-	-
Tax advisory services	-	-
Other non-audit services	-	3,000
	<b>59,532</b>	<b>53,759</b>

The above fees are exclusive of V.A.T.

Fees of €34,615 (31 December 2011: €59,214) were outstanding at 30 June 2012.

**Global distributor and promoter fees**

ČP INVEST investiční společnost, a.s. is the Global distributor and promoter. The fees charged for the period amounted to €437,038 (31 December 2011: €291,975). Fees of €236,508 (31 December 2011: €95,133) were outstanding at 30 June 2012. See note 7.

## NOTES TO THE FINANCIAL STATEMENTS

### As at 30 June 2012 (continued)

#### 6. Fees (continued)

##### **Directors' fees**

The Articles of Association authorise the Directors to charge a fee for their services at a rate determined by the Directors. It is expected that Directors fees will not exceed €100,000 per annum. All Directors will be entitled to reimbursement by the Company of expenses properly incurred in connection with the business of the Company or the discharge of their duties.

The fees charged for the period amounted to €31,080 (31 December 2011: €62,790). Fees of €12,556 (31 December 2011: €7,562) were outstanding at 30 June 2012.

##### **Administration fee**

After 1 January 2011, the basis of the fee calculation was changed in which the fee is now calculated on a pro rata basis across the Sub-Funds. Each Sub-Fund will bear its proportion of the fees and expenses of the Administrator. The Administration fee is 0.07% per annum of the net asset value of each Sub-Fund, from €0 to €300 million, 0.05% per annum of the net asset value of each Sub-Fund, from €300 to €500 million, 0.03% per annum of the net asset value of each Sub-Fund, from €500 to €1 billion and 0.01% per annum of the net asset value of each Sub-Fund in excess of €1 billion. The minimum administrator fee per annum per Sub-Fund is €27,500.

There were fees of €133,778 (31 December 2011: €198,001) charged for the period ended 30 June 2012. Fees of €29,418 (31 December 2011: €33,861) were outstanding at 30 June 2012.

##### **Custodian's fees**

RBC Dexia Investor Services Bank S.A. (the "Custodian") shall be entitled to receive out of the assets of the Company an annual fee, accrued at each valuation point and payable monthly in arrears, which shall not exceed 0.02% per annum of the Net Asset Value of each Sub-Fund subject to a minimum annual fee of €3,500 per Sub-Fund.

The Custodian shall also be entitled to be repaid all of its disbursements out of the assets of the relevant Sub-Fund, including couriers' fees and telecommunication costs and expenses and the fees, transaction charges and expenses of any sub-custodian appointed by it which shall be at normal commercial rates together with VAT, if any.

Each Sub-Fund will bear its proportion of the fees and expenses of the Custodian.

Custodian's fees of €10,542 (31 December 2011: €18,673) were charged for the period ended 30 June 2012. Fees of €3,626 (31 December 2011: €3,275) were outstanding at 30 June 2012.

##### **Investment manager's fees**

Generali PPF Asset Management a.s. (the "Investment Manager") is entitled to charge a fee not exceeding 0.50% per annum of the Net Asset Value of each Sub-Fund. The fee payable to the Investment Manager will be calculated and accrued at each valuation point based on the daily Net Asset Value of the shares and will be paid monthly in arrears.

The Investment Manager shall also be entitled to be repaid all of its reasonable out-of-pocket expenses incurred on behalf of each Sub-Fund.

The Investment Manager may waive or reduce the annual management fees charged to certain shareholders at its discretion. Any such waiver may be affected either by way of rebate to the relevant shareholder's account or by the purchase of bonus shares by the Investment Manager for the shareholder.

Investment Manager's fees of €144,473 (31 December 2011: €140,765) charged for the period ended 30 June 2012. Fees of €69,396 (31 December 2011: €63,473) were outstanding at 30 June 2012.

## NOTES TO THE FINANCIAL STATEMENTS

### As at 30 June 2012 (continued)

#### 7. Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions, or if the party is a member of the key management personnel of the entity or its parent.

Ms. Tara Gordon, Mr. David Hammond and Mr. Patrick Robinson are employees of Bridge Consulting, which has been contracted by the Company to provide governance services in connection with the Company's UCITS obligations. Their Director fees, paid during the period ended 30 June 2012, were €7,749 (31 December 2011: €15,126). Fees of €Nil (31 December 2011: €7,562) were outstanding at 30 June 2012.

There were fees charged by Bridge Consulting during the period ended 30 June 2012 of €22,885 (31 December 2011: €31,950). Fees of €5,736 (31 December 2011: €Nil) were outstanding at 30 June 2012.

Generali PPF Asset Management a.s. is deemed to be a related party by virtue of the employment of Director, Mr. Karel Novák, as Chief Operating Officer. The Director, Mr. Radek Moc, is advisor to the CEO of Ceska pojistovna which is a member of Generali PPF Holding B.V. and International Operations Manager in Assicurazioni Generali, which is a shareholder of Generali PPF Holding B.V.

Generali PPF Holding B.V. is ultimately the 100% shareholder of Generali PPF Asset Management and ČP INVEST investiční společnost, a.s.

There were no fees (other than Investment Manager's fees) charged by Generali PPF Asset Management a.s. during the period ended 30 June 2012 (31 December 2011: €Nil).

ČP INVEST investiční společnost, a.s. is deemed to be a related party by virtue of the employment of Director Ms. Alexandra Hájková as head of product development and manager for foreign expansion.

Their Director fees, paid during the period ended 30 June 2012, were €10,382. Fees of €Nil (31 December 2011: €Nil) were outstanding at 30 June 2012.

There were no fees (other than Promoter's or Distributor's fees) charged by ČP INVEST investiční společnost, a.s. during the period ended 30 June 2012 (31 December 2011: €Nil).

As at 30 June 2012, CP INVEST investicni spolecnost, a.s. held the following redeemable participating shares in each of the Sub-Funds:

<u>Fund name</u>	<u>Related Party</u>	<u>Share Class</u>	<u>Quantity of Shares Held</u>
Generali PPF Cash & Bond Fund	ČP INVEST investiční společnost	A EUR	717,968.110
Generali PPF Cash & Bond Fund	ČP INVEST investiční společnost	A PLN	11.940
Generali PPF Corporate Bonds Fund	ČP INVEST investiční společnost	A EUR	884,855.680
Generali PPF Corporate Bonds Fund	ČP INVEST investiční společnost	A PLN	11.940
Generali PPF Corporate Bonds Fund	ČP INVEST investiční společnost	B CZK	8,782.101
Generali PPF Corporate Bonds Fund	ČP INVEST investiční společnost	B EUR	15,205.900
Generali PPF Corporate Bonds Fund	ČP INVEST investiční společnost	B PLN	12.192
Generali PPF Global Brands Fund	ČP INVEST investiční společnost	A EUR	1,166,548.730
Generali PPF Global Brands Fund	ČP INVEST investiční společnost	A PLN	11.940
Generali PPF New Economies Fund	ČP INVEST investiční společnost	A EUR	1,300,350.930
Generali PPF New Economies Fund	ČP INVEST investiční společnost	A PLN	11.940
Generali PPF Oil Industry & Energy Production	ČP INVEST investiční společnost	A EUR	1,174,033.710
Generali PPF Oil Industry & Energy Production	ČP INVEST investiční společnost	A PLN	11.940
Generali PPF Commodity Fund	ČP INVEST investiční společnost	A CZK	200,084.850
Generali PPF Commodity Fund	ČP INVEST investiční společnost	A EUR	878,933.200
Generali PPF Commodity Fund	ČP INVEST investiční společnost	A PLN	11.940

## NOTES TO THE FINANCIAL STATEMENTS

### As at 30 June 2012 (continued)

#### 7. Related parties (continued)

<u>Fund name</u>	<u>Related Party</u>	<u>Share Class</u>	<u>Quantity of Shares Held</u>
Generali PPF Emerging Europe Fund	ČP INVEST investiční společnost	A CZK	5,387.100
Generali PPF Emerging Europe Fund	ČP INVEST investiční společnost	A EUR	2,280.020
Generali PPF Emerging Europe Fund	ČP INVEST investiční společnost	A PLN	11.940
Generali PPF Emerging Europe Fund	ČP INVEST investiční společnost	I EUR	880,099.390

#### 8. Cash and cash equivalents

All cash balances are held with RBC Dexia Investor Services Bank S.A and all term deposits are closed with RBC Dexia Investor Services bank S.A. or PPF bank A.S.

#### 9. Post balance sheet event

There were no noted significant events since the period ended 30 June 2012.

#### 10. Segregated liability

The Company has segregated liability between its Sub-Funds and accordingly any liability incurred on behalf of or attributable to any Sub-Fund shall be discharged solely out of the assets of that Sub-Fund.

#### 11. Net gain/(loss) on financial assets and liabilities at fair value through profit or loss

	<b>Generali PPF Cash &amp; Bond Fund</b>	<b>Generali PPF Cash &amp; Bond Fund</b>	<b>Generali PPF Corporate Bonds Fund</b>	<b>Generali PPF Corporate Bonds Fund</b>
	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
	<b>30 June 2012</b>	<b>31 December 2011</b>	<b>30 June 2012</b>	<b>31 December 2011</b>
Net realised gain on sale of investments	152,800	54,605	592,679	260,968
Net change in unrealised gain on investments	223,055	111,924	476,847	120,970
Net realised loss on forward foreign exchange contracts	(189,658)	(52,565)	(303,145)	(284,856)
Net change in unrealised gain/(loss) on forward foreign exchange contracts	74,330	(22,549)	209,130	(253,471)
Net currency gain/(loss)	3,476	(10,946)	(72,301)	82,462
<b>Net gain/(loss) on financial assets at fair value through profit or loss</b>	<b>264,003</b>	<b>80,469</b>	<b>903,210</b>	<b>(73,927)</b>

	<b>Generali PPF Global Brands Fund</b>	<b>Generali PPF Global Brands Fund</b>	<b>Generali New Economies Fund</b>	<b>Generali New Economies Fund</b>
	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
	<b>30 June 2012</b>	<b>31 December 2011</b>	<b>30 June 2012</b>	<b>31 December 2011</b>
Net realised gain/(loss) on sale of investments	257,060	105,148	(38,316)	(343)
Net change in unrealised gain/(loss) on investments	578,146	161,100	611,200	(810,146)
Net realised loss on forward foreign exchange contracts	(422,698)	(625,104)	(1,156,435)	(500,980)
Net change in unrealised gain/(loss) on forward foreign exchange contracts	123,598	(84,715)	601,701	(338,135)
Net currency gain	60,167	127,266	278,706	209,212
<b>Net gain/(loss) on financial assets at fair value through profit or loss</b>	<b>596,273</b>	<b>(316,305)</b>	<b>296,856</b>	<b>(1,440,392)</b>

## NOTES TO THE FINANCIAL STATEMENTS

### As at 30 June 2012 (continued)

#### 11. Net gain/(loss) on financial assets and liabilities at fair value through profit or loss (continued)

	Generali PPF Oil Industry & Energy Production Fund	Generali PPF Oil Industry & Energy Production Fund	Generali PPF Commodity Fund	Generali PPF Commodity Fund
	EUR	EUR	EUR	EUR
	30 June 2012	31 December 2011	30 June 2012	31 December 2011
Net realised (loss)/gain on sale of investments	(86,052)	(1,146)	(125,595)	45,683
Net change in unrealised loss on investments	(359,075)	(180,820)	(313,084)	(607,165)
Net realised loss on forward foreign exchange contracts	(753,349)	(322,695)	(653,006)	(421,817)
Net change in unrealised gain/(loss) on forward foreign exchange contracts	377,264	(208,094)	362,545	(369,637)
Net currency gain/(loss)	214,352	128,427	41,785	(47,373)
<b>Net loss on financial assets at fair value through profit or loss</b>	<b>(606,860)</b>	<b>(584,328)</b>	<b>(687,355)</b>	<b>(1,400,309)</b>

	Generali PPF Emerging Europe Fund	Generali PPF Emerging Europe Fund*	Total	Total
	EUR	EUR	EUR	EUR
	30 June 2012	31 December 2011	30 June 2012	31 December 2011
Net realised (loss)/gain on sale of investments	(194,381)	(319,244)	558,195	145,671
Net change in unrealised gain/(loss) on investments	793,614	(1,362,839)	2,010,703	(2,566,976)
Net realised (loss)/gain on forward foreign exchange contracts	(1,365)	982	(3,479,656)	(2,207,035)
Net change in unrealised gain/(loss) on forward foreign exchange contracts	386	26	1,748,954	(1,276,575)
Net currency gain/(loss)	24,816	(12,064)	551,001	476,984
<b>Net gain/(loss) on financial assets at fair value through profit or loss</b>	<b>623,070</b>	<b>(1,693,139)</b>	<b>1,389,197</b>	<b>(5,427,931)</b>

\* Launched 17 June 2011

#### 12. Soft commissions

There were no soft commission arrangements in place during the period (31 December 2011: None).

#### 13. Amounts due to/from broker

Amounts due from and amounts due to brokers represents cash held with brokers, receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date, respectively.

#### 14. Distributions

Distributions to holders of redeemable participating shares are recorded in the Statement of Comprehensive Income and recorded as finance costs when authorised by the members. There were no distributions during the period ended 30 June 2012 (31 December 2011: Nil).



## NOTES TO THE FINANCIAL STATEMENTS

### As at 30 June 2012 (continued)

#### 15. Net Asset Value

The Net Asset Value of the Sub-Funds for subscriptions and redemptions is based on investments valued at last traded prices. As the Financial Reporting Standards require financial instruments at fair value through profit or loss to be valued at bid or offer prices if the differences are considered to be material, the accounts were adjusted for bid prices as the bid prices were materially different to the last traded prices.

#### 16. Foreign exchange translation

The exchange rates as at 30 June 2012, which were used to convert assets and liabilities denominated in foreign currencies were as follows:

CZK	25.532664	PLN	4.235207	RUB	41.164164
HUF	285.755138	RON	4.449029	USD	1.269050

The exchange rates as at 31 December 2011, which were used to convert assets and liabilities denominated in foreign currencies were as follows:

CZK	25.813722	PLN	4.402111	RUB	41.602649
HUF	310.748842	RON	4.316808	USD	1.294300

#### 17. Significant events during the period

The following share classes have been authorised since 31 December 2011:

<u>Sub-Fund</u>	<u>Share Classes</u>
Generali PPF Corporate Bond Fund	Class B EUR Class B CZK Class B PLN

The following share classes have been launched since 31 December 2011:

<u>Sub-Fund</u>	<u>Share Class</u>
Generali PPF Cash & Bond Fund	Class A PLN

<u>Sub-Fund</u>	<u>Share Classes</u>
Generali PPF Corporate Bond Fund	Class A PLN Class B EUR Class B CZK Class B PLN

<u>Sub-Fund</u>	<u>Share Class</u>
Generali PPF Global Brands Fund	Class A PLN

<u>Sub-Fund</u>	<u>Share Class</u>
Generali PPF New Economies Fund	Class A PLN

<u>Sub-Fund</u>	<u>Share Class</u>
Generali PPF Oil Industry & Energy Production Fund	Class A PLN

<u>Sub-Fund</u>	<u>Share Class</u>
Generali PPF Commodity Fund	Class A PLN

<u>Sub-Fund</u>	<u>Share Class</u>
Generali PPF Emerging Europe Fund	Class A PLN

**NOTES TO THE FINANCIAL STATEMENTS**  
**As at 30 June 2012 (continued)**

**17. Significant events during the period (continued)**

As of 1 April 2012, there will be an increase in distributors fee, as noted in the fourth addendum.

Additionally during the period the third Addendum came into force as of 9 January 2012.

There were no other events to note.

**18. Contingent liabilities**

There were no contingent liabilities at the period end (31 December 2011: Nil).

**19. Date of approval**

The financial statements were approved by the Directors on 27 August 2012.

**SCHEDULE OF PORTFOLIO CHANGES for the period ended 30 June 2012**  
**Generali PPF Cash & Bond Fund**

**Purchases**

Date	Security Name	Quantity	Cost (EUR)
19-Apr-12	Russian Agricultural Bank OJSC Via RSHB Capital SA 9% 11/06/2014	500,000	434,020
03-Feb-12	Gazprom OAO Via RBS AG 9.625% 01/03/2013	500,000	424,222
03-Feb-12	Gazprom OAO Via RBS AG 9.625% 01/03/2013	500,000	423,749
12-Apr-12	Alfa MTN Invest Ltd 9.25% 24/06/2013 EMTN	500,000	411,835
10-Apr-12	Sberbank of Russia Via SB Capital SA 6.48% 15/05/2013 EMTN	500,000	411,506
10-Apr-12	VimpelCom Holdings BV 4.4606% 29/06/2014	500,000	381,970
28-Jun-12	Gazprom OAO Via Gaz Capital SA 7.51% 31/07/2013	400,000	349,101
28-Jun-12	Gazprom OAO Via Gaz Capital SA 7.51% 31/07/2013	400,000	348,699
10-Apr-12	Gazprom OAO Via Gaz Capital SA 7.51% 31/07/2013	400,000	329,156
19-Mar-12	Ceska Exportni Banka AS 2.96585% 29/04/2014 EMTN	400,000	310,682
16-May-12	Gazprom OAO Via Gaz Capital SA 7.51% 31/07/2013	350,000	297,577
12-Jan-12	Slovakia Government Bond 5% 22/01/2013	248,955	267,754
02-Jan-12	AK Transneft OJSC Via TransCapitalInvest Ltd 5.381% 27/06/2012	250,000	260,833
25-Jun-12	Gazprom OAO Via Gaz Capital SA 7.51% 31/07/2013	300,000	259,852
15-Feb-12	Ceska Exportni Banka AS 2.845% 17/08/2014 EMTN	250,000	250,334
13-Mar-12	Ceska Exportni Banka AS 2.96585% 29/04/2014 EMTN	300,000	235,030
09-Jan-12	Goldman Sachs Group Inc 0.99% 15/11/2014	250,000	227,357
04-Jun-12	Gazprom OAO Via Gaz Capital SA 7.51% 31/07/2013	250,000	215,389
13-Jun-12	Gazprom OAO Via Gaz Capital SA 7.51% 31/07/2013	250,000	215,006
25-Jun-12	Sberbank of Russia Via SB Capital SA 6.468% 02/07/2013 EMTN	250,000	214,689

**Sales**

Date	Security Name	Quantity	Proceeds (EUR)
17-Mar-12	Ceska Exportni Banka AS 1.734% 17/03/2012 EMTN	760,000	760,000
16-May-12	Slovakia Government Bond 1.053% 14/10/2013	450,000	448,327
19-Apr-12	Russian Agricultural Bank OJSC Via RSHB Capital SA 9% 11/06/2014	500,000	434,884
03-Feb-12	Gazprom OAO Via RBS AG 9.625% 01/03/2013	500,000	425,093
03-Feb-12	Gazprom OAO Via RBS AG 9.625% 01/03/2013	500,000	424,617
10-Apr-12	Gazprom OAO Via Gaz Capital SA 7.51% 31/07/2013	500,000	412,413
10-Apr-12	Sberbank of Russia Via SB Capital SA 6.48% 15/05/2013 EMTN	500,000	412,379
10-Apr-12	VimpelCom Holdings BV 4.4606% 29/06/2014	500,000	382,849
28-Jun-12	Gazprom OAO Via Gaz Capital SA 7.51% 31/07/2013	400,000	349,836
28-Jun-12	Gazprom OAO Via Gaz Capital SA 7.51% 31/07/2013	400,000	349,836
16-May-12	Gazprom OAO Via Gaz Capital SA 7.51% 31/07/2013	350,000	298,204
25-Jun-12	Gazprom OAO Via Gaz Capital SA 7.51% 31/07/2013	300,000	260,701
15-May-12	Slovenia Government Bond 4.375% 02/04/2014	250,000	259,845
07-Feb-12	Slovakia Government Bond 5% 22/01/2013	248,955	257,269
11-Jan-12	Bank of America Corp 1.587% 15/02/2012 EMTN	250,000	250,411
10-Feb-12	AK Transneft OJSC Via TransCapitalInvest Ltd 5.381% 27/06/2012	225,000	235,215
09-Jan-12	Goldman Sachs Group Inc 0.99% 15/11/2014	250,000	227,774
16-Feb-12	Morgan Stanley 1.041% 20/07/2012 EMTN	220,000	219,953
08-Jun-12	Alfa MTN Invest Ltd 9.25% 24/06/2013 EMTN	250,000	219,041
27-Jun-12	Gazprom OAO Via Gaz Capital SA 7.51% 31/07/2013	250,000	218,070

## SCHEDULE OF PORTFOLIO CHANGES for the period ended 30 June 2012

### Generali PPF Corporate Bonds Fund

#### Purchases

Date	Security Name	Quantity	Cost (EUR)
14-May-12	Hungary Government International Bond 4.5% 29/01/2014	1,000,000	981,000
09-Feb-12	Gazprom OAO Via Gaz Capital SA 9.25% 23/04/2019	500,000	462,223
09-Feb-12	Gazprom OAO Via Gaz Capital SA 9.25% 23/04/2019	500,000	461,524
22-Jun-12	TNK-BP Finance SA 7.25% 02/02/2020	500,000	460,419
05-Apr-12	MTS International Funding Ltd 8.625% 22/06/2020	500,000	451,903
05-Apr-12	MTS International Funding Ltd 8.625% 22/06/2020	500,000	451,746
10-Apr-12	MTS International Funding Ltd 8.625% 22/06/2020	500,000	449,672
10-Apr-12	Gazprom OAO Via Gaz Capital SA 8.146% 11/04/2018 EMTN	500,000	445,876
11-Apr-12	TNK-BP Finance SA 7.875% 13/03/2018 EMTN	500,000	443,327
11-Apr-12	TNK-BP Finance SA 7.875% 13/03/2018 EMTN	500,000	443,327
21-May-12	Russian Agricultural Bank OJSC Via RSHB Capital SA 7.75% 29/05/2018	500,000	441,646
28-Mar-12	Vimpel Communications Via VIP Finance Ireland Ltd OJSC 9.125% 30/04/2018	500,000	429,372
16-May-12	Vimpel Communications OJSC Via UBS Luxembourg SA 8.25% 23/05/2016	500,000	428,106
21-May-12	Eurasian Development Bank 7.375% 29/09/2014 EMTN	500,000	427,387
18-Jun-12	Russian Agricultural Bank OJSC Via RSHB Capital SA 6.299% 15/05/2017 EMTN	500,000	419,891
10-Apr-12	ALROSA Finance SA 7.75% 03/11/2020	500,000	419,267
17-May-12	Gazprom OAO Via Gaz Capital SA 6.212% 22/11/2016 EMTN	500,000	419,069
05-Apr-12	Gazprom OAO Via Gaz Capital SA 6.51% 07/03/2022 EMTN	500,000	418,647
15-May-12	Evrz Group SA 8.25% 10/11/2015	500,000	418,568
14-May-12	Alfa MTN Issuance Ltd 8% 18/03/2015	500,000	413,506

#### Sales

Date	Security Name	Quantity	Proceeds (EUR)
14-May-12	Hungary Government International Bond 4.5% 29/01/2014	1,000,000	983,303
09-Feb-12	Gazprom OAO Via Gaz Capital SA 9.25% 23/04/2019	500,000	463,544
09-Feb-12	Gazprom OAO Via Gaz Capital SA 9.25% 23/04/2019	500,000	463,544
22-Jun-12	TNK-BP Finance SA 7.25% 02/02/2020	500,000	461,324
05-Apr-12	MTS International Funding Ltd 8.625% 22/06/2020	500,000	452,904
05-Apr-12	MTS International Funding Ltd 8.625% 22/06/2020	500,000	452,904
10-Apr-12	MTS International Funding Ltd 8.625% 22/06/2020	500,000	450,575
10-Apr-12	Gazprom OAO Via Gaz Capital SA 8.146% 11/04/2018 EMTN	500,000	447,273
11-Apr-12	TNK-BP Finance SA 7.875% 13/03/2018 EMTN	500,000	445,715
21-May-12	Russian Agricultural Bank OJSC Via RSHB Capital SA 7.75% 29/05/2018	500,000	444,984
11-Apr-12	TNK-BP Finance SA 7.875% 13/03/2018 EMTN	500,000	443,848
28-Mar-12	Vimpel Communications Via VIP Finance Ireland Ltd OJSC 9.125% 30/04/2018	500,000	430,227
16-May-12	Vimpel Communications OJSC Via UBS Luxembourg SA 8.25% 23/05/2016	500,000	429,002
21-May-12	Eurasian Development Bank 7.375% 29/09/2014 EMTN	500,000	428,281
18-Jun-12	Russian Agricultural Bank OJSC Via RSHB Capital SA 6.299% 15/05/2017 EMTN	500,000	422,788
17-May-12	Gazprom OAO Via Gaz Capital SA 6.212% 22/11/2016 EMTN	500,000	421,425
10-Apr-12	ALROSA Finance SA 7.75% 03/11/2020	500,000	420,139
15-May-12	Evrz Group SA 8.25% 10/11/2015	500,000	419,462
05-Apr-12	Gazprom OAO Via Gaz Capital SA 6.51% 07/03/2022 EMTN	500,000	419,451
14-May-12	Alfa MTN Issuance Ltd 8% 18/03/2015	500,000	414,397

**SCHEDULE OF PORTFOLIO CHANGES for the period ended 30 June 2012**  
**Generali PPF Global Brands Fund**

**Purchases**

<b>Date</b>	<b>Security Name</b>	<b>Quantity</b>	<b>Cost (EUR)</b>
07-Mar-12	Cisco Systems Inc	5,800	86,238
12-Mar-12	Intel Corp	3,800	78,200
20-Jun-12	NIKE Inc b	900	72,607
31-Jan-12	Heinz (h.j.) Co	1,500	59,736
08-Feb-12	L'Oreal SA	700	58,042
23-Jan-12	Danone	1,200	56,616
08-Feb-12	Nestle SA	1,200	53,366
24-Feb-12	Hewlett-Packard Co	2,400	48,133
15-May-12	Goldman Sachs Group Inc	600	47,458
08-Feb-12	Inditex SA	700	47,245
24-Apr-12	PPR	400	46,118
07-Mar-12	Heinz (h.j.) Co	1,100	43,996
20-Jun-12	Danone	900	43,445
03-May-12	Nokia OYJ	15,000	40,471
12-Mar-12	American Express Co	1,000	40,250
01-Feb-12	Canon Inc	1,200	39,202
31-Jan-12	Nokia OYJ	10,000	38,315
24-Apr-12	Volkswagen AG	300	37,219
28-Mar-12	Dell Inc	2,900	36,420
24-Apr-12	Daimler AG	900	36,393

**Sales**

<b>Date</b>	<b>Security Name</b>	<b>Quantity</b>	<b>Proceeds (EUR)</b>
20-Apr-12	Inditex SA	3,700	254,184
06-Feb-12	Morgan Stanley	8,100	125,997
17-May-12	Yahoo! Inc	9,000	108,007
20-Jun-12	Morgan Stanley	7,000	78,432
03-May-12	Volkswagen AG	400	57,542
15-Feb-12	Daimler AG	1,200	56,757
25-Jun-12	Hennes & Mauritz AB	2,000	54,636
16-May-12	American Express Co	1,000	45,632
28-Jun-12	Amazon com Inc	250	44,852
05-Mar-12	Apple Inc	100	41,205
28-Mar-12	Inditex SA	550	39,760
28-Jun-12	Walt Disney Co	1,000	38,143
16-May-12	LVMH Moet Hennessy Louis Vuitton SA	300	37,029
15-May-12	L'Oreal SA	400	36,885
03-May-12	Bayerische Motoren Werke AG	500	35,955
03-May-12	Amazon com Inc	200	34,759
01-Mar-12	SAP AG	650	32,927
16-May-12	Anheuser-Busch InBev NV	600	32,841
23-May-12	Nestle SA	700	31,863
15-May-12	Walt Disney Co	900	31,790

**SCHEDULE OF PORTFOLIO CHANGES for the period ended 30 June 2012**  
**Generali PPF New Economies Fund**

**Purchases**

<b>Date</b>	<b>Security Name</b>	<b>Quantity</b>	<b>Cost (EUR)</b>
03-May-12	X5 Retail Group NV	2,000	38,130
04-May-12	Gold Fields Ltd	2,000	19,285
12-Apr-12	Lukoil OAO	400	18,604
13-Feb-12	Southern Copper Corp	79	4

**Sales**

<b>Date</b>	<b>Security Name</b>	<b>Quantity</b>	<b>Proceeds (EUR)</b>
16-May-12	Gazprom OAO	9,000	66,060
25-May-12	Lukoil OAO	1,500	61,369
31-May-12	Komercni Banka AS	500	61,141
31-May-12	CEZ AS	2,000	57,702
25-May-12	Taiwan Semiconductor Manufacturing Co Ltd	4,000	44,783
31-May-12	Lyxor ETF Russia	1,500	41,934
31-May-12	Erste Group Bank AG	3,000	41,811
25-May-12	Gazprom OAO	5,000	35,599
28-Jun-12	Banco Bradesco SA	3,000	33,697
28-Jun-12	Taiwan Semiconductor Manufacturing Co Ltd	3,000	32,205
17-May-12	Itau Unibanco Holding SA	3,000	32,127
25-May-12	Petroleo Brasileiro SA	2,000	31,077
02-Mar-12	Cia de Saneamento Basico do Estado de Sao Paulo	450	25,822
17-May-12	KB Financial Group Inc	1,000	24,268
02-Mar-12	Samsung Electronics Co Ltd	60	24,077
17-May-12	Taiwan Semiconductor Manufacturing Co Ltd	2,000	23,332
31-May-12	HDFC Bank Ltd	1,000	22,999
17-May-12	HDFC Bank Ltd	1,000	22,843
31-May-12	Taiwan Semiconductor Manufacturing Co Ltd	2,000	22,185
21-Feb-12	HDFC Bank Ltd	800	21,481

**SCHEDULE OF PORTFOLIO CHANGES for the period ended 30 June 2012**  
**Generali PPF Oil Industry & Energy Production Fund**

**Purchases**

<b>Date</b>	<b>Security Name</b>	<b>Quantity</b>	<b>Cost (EUR)</b>
17-Jan-12	Cia Energetica de Minas Gerais	3,000	44,215
01-May-12	Phillips 66	1,875	37,108
10-Jan-12	Marathon Petroleum Corp	1,500	36,907
10-Jan-12	Hess Corp	800	36,817
20-Feb-12	ENI SpA	2,000	34,945
10-Jan-12	GDF Suez	1,600	34,262
20-Feb-12	Enel SpA	10,000	30,190
26-Jan-12	Sinopec Shanghai Petrochemical Co Ltd	1,000	28,266
03-Apr-12	Noble Corp	1,000	28,090
02-Mar-12	Rowan Companies Inc	1,000	27,944
03-May-12	OMV AG	1,000	25,956
12-Apr-12	Lukoil OAO	500	23,239
03-May-12	Valero Energy Corp	1,000	18,232
18-Jan-12	SunCoke Energy Inc	1,061	9,721

**Sales**

<b>Date</b>	<b>Security Name</b>	<b>Quantity</b>	<b>Proceeds (EUR)</b>
16-May-12	ENI SpA	5,000	80,678
20-Apr-12	ENI SpA	4,000	64,127
21-May-12	El Paso Corp	5,000	57,370
20-Apr-12	Repsol YPF SA	4,000	56,949
12-Apr-12	Enel SpA	20,000	49,318
23-Apr-12	Enel SpA	20,000	49,042
16-May-12	Gazprom OAO	6,000	44,040
25-May-12	Lukoil OAO	1,000	41,396
23-Apr-12	Iberdrola SA	10,000	34,866
13-Apr-12	Repsol YPF SA	2,000	34,716
23-Mar-12	Sunoco Inc	1,000	29,321
25-May-12	Gazprom OAO	4,000	28,559
20-Apr-12	EDP - Energias de Portugal SA	11,000	23,019
16-May-12	EDP - Energias de Portugal SA	11,000	21,296
13-Jan-12	Iberdrola SA	23,343	2,692

**SCHEDULE OF PORTFOLIO CHANGES for the period ended 30 June 2012**  
**Generali PPF Commodity Fund**

---

**Purchases**

<b>Date</b>	<b>Security Name</b>	<b>Quantity</b>	<b>Cost (EUR)</b>
30-Jan-12	ETFS WTI 2mth Oil Securities	4,500	174,195
04-Apr-12	SPDR Gold Shares	1,000	120,108
01-Mar-12	Gold Bullion Securities Ltd	710	88,813
16-Jan-12	ETFS Forward Natural Gas	25,000	79,836
16-Feb-12	ETFS Coffee	20,000	52,803

---

**Sales**

<b>Date</b>	<b>Security Name</b>	<b>Quantity</b>	<b>Proceeds (EUR)</b>
17-May-12	ETFS Forward Natural Gas	70,000	202,000
30-May-12	db x-trackers - DBLCI-OY Balanced ETF	6,000	174,794
30-Jan-12	ETFS WTI 2mth Oil Securities	4,500	174,195
13-Jan-12	E-TRACS UBS Long Platinum ETN	6,500	93,724
23-May-12	db x-trackers - DBLCI-OY Balanced ETF	3,000	87,726
26-Jan-12	ETFS Forward Natural Gas	13,000	43,345
01-Jun-12	SPDR Gold Shares	300	37,838



**SCHEDULE OF PORTFOLIO CHANGES for the period ended 30 June 2012**  
**Generali PPF Emerging Europe Fund**

**Purchases**

<b>Date</b>	<b>Security Name</b>	<b>Quantity</b>	<b>Cost (EUR)</b>
24-Apr-12	Lyxor ETF Eastern Europe CECE EUR	25,000	397,940
21-Jun-12	Powszechna Kasa Oszczednosci Bank Polski SA	31,000	245,469
21-Jun-12	Lyxor ETF Turkey EURO	5,200	228,801
21-Jun-12	Erste Group Bank AG	15,000	212,757
24-Apr-12	Market Vectors Russia ETF	6,800	152,333
24-Apr-12	Erste Group Bank AG	6,000	98,144
24-Apr-12	Market Vectors Poland ETF	6,300	91,412
21-Jun-12	Sberbank of Russia	9,200	75,982
21-Jun-12	MOL Hungarian Oil and Gas Plc	1,300	75,110
24-Apr-12	Komerčni Banka AS	530	71,324
03-Jan-12	Lyxor ETF Eastern Europe CECE EUR	4,620	70,203
21-Jun-12	KGHM Polska Miedz SA	2,000	67,952
21-Jun-12	Lyxor ETF Eastern Europe CECE EUR	4,000	64,112
21-Jun-12	CEZ AS	1,800	51,395
21-Jun-12	Powszechny Zakład Ubezpieczeń SA	550	42,048
21-Jun-12	BRD-Groupe Societe Generale	20,000	39,417
21-Jun-12	iShares MSCI Turkey Index Fund	950	38,345
21-Jun-12	Polski Koncern Naftowy Orlen S.A.	4,400	37,382
21-Jun-12	OTP Bank Plc	2,900	37,268
21-Jun-12	Gazprom OAO	4,900	36,765

**Sales**

<b>Date</b>	<b>Security Name</b>	<b>Quantity</b>	<b>Proceeds (EUR)</b>
07-May-12	Lyxor ETF Eastern Europe CECE EUR	25,800	408,260
03-Feb-12	Lyxor ETF Eastern Europe CECE EUR	22,000	383,764
16-May-12	Lyxor ETF Turkey EURO	7,000	286,947
07-May-12	Erste Group Bank AG	16,000	259,812
07-May-12	Powszechna Kasa Oszczednosci Bank Polski SA	24,000	184,089
03-Feb-12	Market Vectors Russia ETF	7,000	166,793
16-May-12	Market Vectors Russia ETF	8,000	161,031
07-Feb-12	Market Vectors Russia ETF	6,640	158,578
07-Feb-12	Market Vectors Poland ETF	10,000	155,123
03-Feb-12	Komerčni Banka AS	1,003	151,413
16-May-12	Market Vectors Poland ETF	7,000	94,214
07-Feb-12	Lyxor ETF Turkey EURO	1,850	81,857
07-Feb-12	CEZ AS	2,500	80,276
07-Feb-12	iShares MSCI Turkey Index Fund	2,000	78,212
16-May-12	Magyar Telekom Telecommunications Plc	50,000	73,820
07-Feb-12	New World Resources Plc	3,700	23,445
07-Feb-12	Telefonica Czech Republic AS	1,000	14,986
24-May-12	PBG SA	750	3,512
08-Jun-12	Globe Trade Centre SA	6,450	508