



Genossenschaftliche FinanzGruppe
Volksbanken Raiffeisenbanken



Annual report as at September 30th, 2017

UniDeutschland XS

Investment Company:
Union Investment Privatfonds GmbH

In case of discrepancy between the English and German version, the German version shall prevail.

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Preface

Union Investment – devoted to your interests

The Union Investment Group manages assets of about EUR 314 billion, making it one of Germany's largest investment companies for both private and institutional investors. It is a fund management expert within the cooperative finance association. About 4.3 million private and institutional investors have placed their trust in us as their partner for fund-based investments.

Today, the idea behind the foundation of the group in 1956 is more topical than ever: private investors should have the opportunity to benefit from economic developments – even with only small monthly savings contributions. The interests of these investors have always been our main concern and, together with our approximately 3,000 employees, we are committed to looking after them. About 1,260 public-investment and specialist funds offer private and institutional investors solutions tailored to their individual requirements. These include share, bond and money-market funds, and open-end real estate funds as well as intelligent solutions for asset accumulation, risk management and private and corporate pension schemes.

Partner cooperation with advisers from the Volksbanken and Raiffeisen banks forms the basis of Union Investment's strong investor orientation. In approximately 11,800 branches our employees are able to provide personalised advice on all investment matters.

Our awards for individual funds – and our solid performance in industry ratings – provide the best evidence of the quality of our fund management. For instance, at the 2017 Scope Awards, Union Investment won the award for best asset manager in the "Socially Responsible Investing" category for the third year in a row. In addition, in January 2017 at the €uro Fund Awards 2017 sponsored by publishers Finanzen Verlag we won again the "Golden Bull" award as "Fund Management Company of the Year 2017". Many of our funds came away from this event with awards. Moreover, industry magazine Capital once again awarded Union Investment five stars in February 2017. This makes us the only fund management company to have received this prestigious award every year since it was first awarded in 2003. What's more, in December 2016 at the Scope Awards 2017 the Scope Group gave us the "Best Asset Manager Retail Real Estate European" award in the open-end real estate funds category.

Dealing with the change in the markets

A volatile capital market, changing regulatory requirements and new customer demands are all challenges we are meeting successfully.

The international capital markets demonstrated mixed developments over the past 12 months. Along with Donald Trump's unexpected win as US president, important topics included the monetary policies of the major central banks and political uncertainty in Europe due to key national elections and the looming issue of Brexit. Oil prices were another influential factor - following a sharp rise at the end of 2016, they fell back considerably, at least for a time. In late summer 2017, the announcement by the Federal Reserve that it would reduce its bond-buying activities and sabre-rattling between North Korea and Washington caused a stir. On balance, the international stock markets saw share prices rise strongly, above all due to solid economic growth around the world and buoyant company profits. Bonds were affected by positive economic data, growing geopolitical uncertainty and contrasting monetary policy approaches on either side of the Atlantic. Government bonds from developed states saw a drop in value, while bonds from developing countries were in demand.

Strong economic performance undercut industrialised countries' bonds

Good economic data and higher inflation expectations due to a rising oil price led to higher returns on the US bond market from the start of the reporting period. Donald Trump's surprising victory in the presidential election gave this trend additional impetus. Even though Trump avoided presenting a concrete election program, he did repeatedly mention an economic package. Hopes of a fiscal stimulus and associated expectations that additional US government bonds would be issued to finance it led to falls in prices. At the start of his tenure, Trump put on a display of energy. However, a certain sobriety set in and observers began to doubt if he would turn key election promises into reality. Repeated attempts to sort out the controversial reforms to Obamacare failed. Hopes of a stimulus faded once more and the mood on the bond market lifted somewhat. Since then, however, interest rate increases by the Fed have put a damper on things - the USA's central bank has raised the base rate three times and also revealed plans to reduce its balance sheet. Geopolitical events worked against this development.

After a poison gas attack in Syria, Trump unexpectedly ordered a retaliatory strike, which put pressure on Washington's relations with Moscow. In addition, the USA made a growing number of threatening statements about North Korea following further missile tests ordered by Pyongyang. Both of these situations boosted demand for US government bonds. All the same, the country's treasury bills lost a total of 1.8 per cent of their value, measured by the JP Morgan Global Bond US Index.

Government bonds from eurozone countries were unable to withstand the initial negative tendency generated stateside. Good economic data, an initial pick-up in inflation rates, the elections in the Netherlands and France, and not least the British government's formal application to leave the European Union continued exerting an adverse effect at the beginning of 2017. Following Emmanuel Macron's victory, market participants' willingness to undertake risks rose, which was of particular benefit to bonds issued by peripheral states. Similarly to the US, monetary policy made for difficulties in Europe too. Mario Draghi, head of the European Central Bank (ECB), prepared investors for his institution's winding-up of its bond buy-up programme. The market's reaction was not inconsiderable. The conflict between North Korea and the USA worsened over the course of the summer months, which led to an increase in demand for bonds from Germany and France as a safe option. This undid some of the losses incurred earlier. Nevertheless, eurozone states' bonds lost 3.4 per cent measured by the iBoxx Euro Sovereign Index. On average, peripheral countries performed slightly better than bonds issued by core states.

The market for European corporate bonds saw a slight improvement, however. The ECB's bond purchase programme repeatedly had a supportive effect, and the asset categories as measured by the BofA Merrill Lynch Euro Corporate Index increased in price during the reporting period by 0.5 per cent.

Bonds from emerging markets trended extremely well due to rising commodity prices and the absence of protectionist measures on the part of the US government. High inflows of funds also bolstered yields. Considering the ongoing low interest-rate environment, many investors were active in emerging countries in their search for returns. The palpable rejuvenation of global trade also provided a boost, which ultimately led to a gain of 4.6 per cent measured by the JP Morgan EMBI Global Diversified Index.

Equities markets experience strong growth

Around the world, equities markets enjoyed a buoyant 12 months. Promoted by flourishing business from all key economic regions, the MSCI World Index gained 15.7 per cent, calculated in local currency.

In the US, the Dow Jones Industrial Average rose by 22.4 per cent, while the broad-based S&P 500 index moved up by 16.2 per cent. Both market barometers reached a string of record highs. Above all, Donald Trump's shock win in the USA's 2016 presidential election and his announcements of an infrastructure programme and tax cuts fired investors' imaginations. Despite growing misgivings about Trump's ability to see this through, the stock markets continued to surge, largely on the back of positive business performances. In Q3 2017, the weakness of the US dollar also functioned as a stimulus. However, this uptick temporarily lost its drive. Starting in mid-August, the markets were unsettled by the war of words between the USA and North Korea about the latter's nuclear missile programme. All in all, however, the US stock exchanges shrugged off these worries, and the Fed's increasingly restrictive monetary policy failed to make much of a dent. Towards the end of the reporting period, investors responded favourably to the publication of Trump's new tax change plans, which could potentially provide a boost to the economy.

Share prices in Europe also saw steady growth. Despite fluctuations, the EURO STOXX 50 Index improved by 19.8 per cent in total. Again, the unforeseen outcome of the US election in November 2016 also provided a boost, while the ECB announced in December that it would continue its bond buying activities. The market responded favourably though the bank began to reduce volumes in April 2017. From March-May 2017, listings grew strongly as anxiety about several important European elections began to recede. The positive outcome of the Dutch election and Macron's win in the French presidential election helped to lift share prices. A reporting season with positive news, strong economic figures and the ECB's continued loose monetary policy all added to the overall confidence. In August, ECB president Draghi announced that the bank would shortly start tightening its monetary policy, a statement that resulted in a sharp deflation in prices. In addition, the unexpected strength of the euro had a negative impact on listings, as did turbulence in the European automotive sector and the North Korea conflict. September 2017 witnessed another strong comeback thanks to promising economic data, a weaker euro and the hope of a continued pro-business stance by the German government.

In Japan, listings started off with strong growth, largely due to the yen's considerable weakness relative to the US dollar. In Q1 2017, protectionist statements by the US government prompted a surge in the value of the yen. Unexpectedly high growth rates and a weaker currency delivered only temporary respite. The situation deteriorated once more in July and August, largely due to North Korea's aggressive actions: at the end of August and in mid-September, the regime fired test missiles that traversed Japanese territory. However, September's good news on the economic front boosted prices once again. All in all, the NIKKEI 225 Index gained 23.8 per cent with considerable fluctuations during the reporting period.

Stock markets in emerging currencies also returned a solid performance, and the MSCI Emerging Markets climbed by 19 per cent in local currency. This was driven above all by the considerably more favourable economic outlook in every region. The protectionist statements of US president Donald Trump caused consternation only at the beginning of the reporting period as, so far, they have not been acted on.

Important information:

Unless otherwise specified, the data source for the financial indices is Datastream. All unit performance data on the following pages is taken from Union Investment's own calculations in accordance with the method applied by the German Investment Funds Association (BVI), unless otherwise specified. The ratios illustrate past performance. Future results may be either higher or lower.

Detailed information on the Investment Company and the Depositary of the investment fund (the "Fund") can be found on the last pages of this report.

Activity report

Investment objective, investment policy and significant events

UniDeutschland XS, consisting of two unit classes, is a European equity fund which has at least 51 per cent of its assets invested in equities or equity-equivalent securities. The focus is on German companies from the micro and small cap segment. Up to 49 per cent of the Fund's assets may be invested in money market instruments and bank deposits. It is also permitted to make use of derivatives for investment and hedging purposes. Aside from German equities, the Fund currently also invests in European equities with low market capitalization. The investment policy aims to achieve returns in line with the market as well as long-term capital growth.

Portfolio structure and significant changes

The investment quota for equities of UniDeutschland XS was continuously higher than 90 per cent during the reporting period, with a share of 94 per cent of the Fund's asset at close.

In terms of regional distribution, these equities were held entirely in the eurozone countries.

However, holdings were spread over a wide range of sectors. Positions in the industrial sector were favoured most with a share of 44 per cent. At some distance followed positions in the consumer goods sector with 20 per cent of the equity assets at the end of the financial year. Equities of German and Luxembourg real estate companies were held most recently as 15 per cent of the portfolio, followed by stocks in the IT sector which ended the year at 12 per cent. Smaller exposures to the financial, utilities and the raw materials and supplies sector supplemented the industry structure.

Significant risks to the investment fund

In view of the exclusive investment in equities, the Fund was exposed to market price risks throughout the reporting period.

Fund results

The main sources of sales proceeds during the reporting period were profits from the sale of German equities from the IT sector. The highest losses resulted from derivative transactions.

The main sales results were determined using transaction-based analyses. Consequently, these figures may differ from the realised gains and losses shown in the profit and loss account.

UniDeutschland XS achieved a 31.04 per cent increase in value over the past 12 months (according to the BVI method).

UniDeutschland XS I also achieved a 31.04 per cent increase in value over the past 12 months (according to the BVI method).

The above information represents the legal assessment.

Asset overview

	Market value in EUR	% of fund assets ¹⁾
I. Assets		
1. Shares - Classification by sector		
Capital Goods	287,387,797.84	28.92
Real Estate	140,794,387.15	14.17
Software & Services	89,328,791.43	8.99
Transportation	88,039,438.00	8.86
Automobiles & Components	74,114,391.66	7.46
Diversified Financials	59,417,036.93	5.98
Retailing	49,770,599.00	5.01
Commercial & Professional Services	38,450,477.30	3.87
Media	28,612,899.40	2.88
Technology Hardware & Equipment	22,998,403.80	2.31
Consumer Durables & Apparel	21,781,877.80	2.19
Pharmaceuticals, Biotechnology & Life Sciences	11,321,666.61	1.14
Consumer Services	9,898,925.00	1.00
Utilities	8,619,991.16	0.87
Raw materials and supplies	8,017,050.00	0.81
Total	938,553,733.08	94.46
2. Derivatives	4,356,000.00	0.44
3. Bank Deposits	41,068,389.74	4.13
4. Other Assets	11,131,397.29	1.12
Total	995,109,520.11	100.15
II. Liabilities	-1,465,417.47	-0.15
III. Fund Assets	993,644,102.64	100.00

1) Due to roundings, the addition of individual positions in the schedule of assets, could lead to value differences to the above listed percentages.

UniDeutschland XS Investment fund

UniDeutschland XS I
Security Ident. No. AORPAV
ISIN-Code DE000AORPAV6

UniDeutschland XS
Security Ident. No. 975049
ISIN-Code DE0009750497

Annual report
01.10.2016 - 30.09.2017

Performance of the investment fund

	EUR	EUR
I. Value of the investment fund at the beginning of the business year		657,046,208.83
1.		-1,549,393.53
2. Net inflow/outflow of funds		117,987,534.75
a) Inflow of funds from the sale of unit certificates	181,477,706.82	
b) Outflow of funds for repurchase of unit certificates	-63,490,172.07	
3. Profit equalisation/Loss equalisation		-9,436,271.52
4. Business-year result		229,596,024.11
Thereof unrealised gains	95,572,776.97	
Thereof unrealised losses	9,193,632.28	
II. Value of the investment fund at the end of the business year		993,644,102.64

Income statement

(incl. income adjustment) for the period October 1st, 2016 to September 30th, 2017

	EUR
I. Receipts	
1. Dividends of domestic issuers	8,536,477.89
2. Minus withholding tax payable on domestic dividends	-54,320.52
3. Dividends of foreign issuers (before withholding tax)	2,929,939.02
4. Interest on domestic liquidity investments	-78,558.26
5. Earnings from securities, lending and repurchase operations	908,258.97
6. Deduction of foreign withholding tax	-442,198.98
7. Other receipts	155,541.91
Total Receipts	11,955,140.03
II. Expenditure	
1. Management fee	12,795,144.56
2. Other expenditure	2,542,293.23
Total Expenditure	15,337,437.79
III. Ordinary net income	-3,382,297.76
IV. Sale transactions	
1. Realised profits	164,036,015.41
2. Realised losses	-35,824,102.79
Result from sale transactions	128,211,912.62
V. Realised profit for the financial year	124,829,614.86
1. Net change in unrealised gains	95,572,776.97
2. Net change in unrealised losses	9,193,632.28
VI. Unrealised profit for the financial year	104,766,409.25
VII. Business-year result	229,596,024.11

Performance of the investment fund

	EUR	EUR
I. Value of the investment fund at the beginning of the business year		122,485,218.40
1. Distribution for previous year		-705,552.84
2. Net inflow of funds		19,883,378.09
a) Inflow of funds from the sale of unit certificates	47,552,918.11	
b) Outflow of funds for repurchase of unit certificates	-27,669,540.02	
3. Profit equalisation/Loss equalisation		-1,383,123.18
4. Business-year result		42,488,594.65
Thereof unrealised gains	17,833,234.38	
Thereof unrealised losses	1,688,818.83	
II. Value of the investment fund at the end of the business year		182,768,515.12

Income statement

(incl. income adjustment) for the period October 1st, 2016 to September 30th, 2017

	EUR
I. Receipts	
1. Dividends of domestic issuers	1,570,202.39
2. Minus withholding tax payable on domestic dividends	-9,991.59
3. Dividends of foreign issuers (before withholding tax)	538,933.27
4. Interest on domestic liquidity investments	-14,453.69
5. Earnings from securities, lending and repurchase operations	167,246.33
6. Deduction of foreign withholding tax	-81,338.13
7. Other receipts	28,610.67
Total Receipts	2,199,209.25
II. Expenditure	
1. Management fee	2,354,676.93
2. Other expenditure	473,267.56
Total Expenditure	2,827,944.49
III. Ordinary net income	-628,735.24
IV. Sale transactions	
1. Realised profits	30,186,672.20
2. Realised losses	-6,591,395.52
Result from sale transactions	23,595,276.68
V. Realised profit for the financial year	22,966,541.44
1. Net change in unrealised gains	17,833,234.38
2. Net change in unrealised losses	1,688,818.83
VI. Unrealised profit for the financial year	19,522,053.21
VII. Business-year result	42,488,594.65

Application of income of the investment fund

Calculation of distribution

	EUR total	EUR per unit
I. Available for distribution		
1. Taken over from the previous year	15,974,953.92	24.76
2. Realised profit for the financial year	22,966,541.44	35.60
II. Not used for the distribution		
1. Allocated for reinvestment	11,359,537.36	17.61
2. Balance brought forward	27,414,208.08	42.49
III. Total distribution	167,749.92	0.26
1. Final distribution	167,749.92	0.26
a) Cash distribution	167,749.92	0.26

Comparative overview of the last three financial years

	Fund assets at the end of the financial year EUR	Unit value EUR
30.09.2014	39,998,890.39	158.07
30.09.2015	100,258,322.65	206.83
30.09.2016	122,485,218.40	217.47
30.09.2017	182,768,515.12	283.28

Performance of the unit class

Redemption price EUR	Performance in % of reinvested income			
	6 months	1 year	3 years	10 years
283.28	24.68	31.04	80.33	-

Source: Union Investment, own calculation, in accordance with the BVI method. The table highlights past performance. Future results may be lower or higher.

Performance of the investment fund

	EUR	EUR
I. Value of the investment fund at the beginning of the business year		534,560,990.43
1. Prior year tax markdown		-843,840.69
2. Net inflow of funds		98,104,156.66
a) Inflow of funds from the sale of unit certificates	133,924,788.71	
b) Outflow of funds for repurchase of unit certificates	-35,820,632.05	
3. Profit equalisation/Loss equalisation		-8,053,148.34
4. Business-year result		187,107,429.46
Thereof unrealised gains	77,739,542.59	
Thereof unrealised losses	7,504,813.45	
II. Value of the investment fund at the end of the business year		810,875,587.52

Income statement

(incl. income adjustment) for the period October 1st, 2016 to September 30th, 2017

	EUR
I. Receipts	
1. Dividends of domestic issuers	6,966,275.50
2. Minus withholding tax payable on domestic dividends	-44,328.93
3. Dividends of foreign issuers (before withholding tax)	2,391,005.75
4. Interest on domestic liquidity investments	-64,104.57
5. Earnings from securities, lending and repurchase operations	741,012.64
6. Deduction of foreign withholding tax	-360,860.85
7. Other receipts	126,931.24
Total Receipts	9,755,930.78
II. Expenditure	
1. Management fee	10,440,467.63
2. Other expenditure	2,069,025.67
Total Expenditure	12,509,493.30
III. Ordinary net income	-2,753,562.52
IV. Sale transactions	
1. Realised profits	133,849,343.21
2. Realised losses	-29,232,707.27
Result from sale transactions	104,616,635.94
V. Realised profit for the financial year	101,863,073.42
1. Net change in unrealised gains	77,739,542.59
2. Net change in unrealised losses	7,504,813.45
VI. Unrealised profit for the financial year	85,244,356.04
VII. Business-year result	187,107,429.46

Application of income of the investment fund

Calculation of reinvestment

	EUR total	EUR per unit
I. Available for reinvestment		
1. Realised profit for the financial year	101,863,073.42	21.89
2. Amount of tax deduction granted	-325,668.98	-0.07
II. Reinvestment	101,537,404.44	21.82

Comparative overview of the last three financial years

	Fund assets at the end of the financial year EUR	Unit value EUR
30.09.2014	309,853,893.64	96.76
30.09.2015	430,416,136.71	126.65
30.09.2016	534,560,990.43	133.21
30.09.2017	810,875,587.52	174.29

Performance of the unit class

Redemption price EUR	Performance in % of reinvested income			
	6 months	1 year	3 years	10 years
174.29	24.69	31.04	80.45	244.52

Source: Union Investment, own calculation, in accordance with the BVI method. The table highlights past performance. Future results may be lower or higher.

Master data of the fund

	UniDeutschland XS I	UniDeutschland XS
Date of inception	15.08.2011	04.10.2006
Unit class currency	EUR	EUR
First redemption price (in unit class currency)	100.00	43.27
Profit expenditure	Distributing	Accumulative
Number of units	645,192	4,652,414
Unit value (in unit class currency)	283.28	174.29
Investor	institutional investors	private investors
Current front load (as a percentage)	-	4.00
Repurchase fee (as a percentage)	-	-
Management fee p.a. (as a percentage)	1.55	1.55
Minimum investment (in unit class currency)	100,000.00	-

Schedule of assets

ISIN	Class of assets	Quantity or units or CCY	Volume 30.09.17	Purchases Additions in reporting period	Sales Disposals in reporting period	Price	Market Value in EUR	Per cent of fund- assets
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Stock-exchange-traded securities

Shares

Germany

DE000A0223Q5	adesso AG	QNT	49,287.00	49,287.00	0.00	EUR	50.5000	2,488,993.50	0.25
DE000A0DNAY5	bet-at-home.com AG	QNT	83,500.00	83,500.00	0.00	EUR	118.5500	9,898,925.00	1.00
DE0005909006	Bilfinger SE	QNT	790,712.00	790,712.00	0.00	EUR	35.4300	28,014,926.16	2.82
DE0005227235	Biotest AG -VZ-	QNT	498,642.00	498,642.00	0.00	EUR	22.7050	11,321,666.61	1.14
DE0006095003	Capital Stage AG	QNT	1,365,435.00	1,664,082.00	298,647.00	EUR	6.3130	8,619,991.16	0.87
DE0006062144	Covestro AG	QNT	110,200.00	110,200.00	0.00	EUR	72.7500	8,017,050.00	0.81
DE0006305006	Deutz AG	QNT	1,431,071.00	1,431,071.00	0.00	EUR	6.8350	9,781,370.29	0.98
DE0005545503	Drillisch AG	QNT	387,570.00	472,570.00	589,616.00	EUR	59.3400	22,998,403.80	2.31
DE0006602006	Gea Group AG	QNT	380,000.00	380,000.00	0.00	EUR	38.4900	14,626,200.00	1.47
DE0005895403	GRAMMER AG	QNT	250,998.00	838,467.00	587,469.00	EUR	55.1700	13,847,559.66	1.39
DE000A0S8488	Hamburger Hafen und Logistik AG	QNT	493,390.00	0.00	689,099.00	EUR	26.6500	13,148,843.50	1.32
DE000HLA475	Hapag-Lloyd AG ¹⁾	QNT	1,032,910.00	630,472.00	378,477.00	EUR	35.7500	36,926,532.50	3.72
DE0005493365	Hypoport AG ¹⁾	QNT	312,094.00	30,781.00	40,000.00	EUR	148.8500	46,455,191.90	4.68
DE000KC01000	Klöckner & Co. SE	QNT	2,683,214.00	2,683,214.00	0.00	EUR	10.8500	29,112,871.90	2.93
DE0007193500	Koenig & Bauer AG	QNT	947,181.00	10,000.00	0.00	EUR	69.7300	66,046,931.13	6.65
DE000A1A6V48	KPS AG	QNT	1,454,809.00	1,454,809.00	0.00	EUR	17.0000	24,731,753.00	2.49
DE0006292006	KSB AG	QNT	4,750.00	4,750.00	0.00	EUR	462.8500	2,198,537.50	0.22
DE0006292030	KSB AG -VZ-	QNT	38,151.00	38,151.00	0.00	EUR	460.9500	17,585,703.45	1.77
DE0005408884	Leoni AG	QNT	833,852.00	833,852.00	0.00	EUR	56.1100	46,787,435.72	4.71
DE000PAT1AG3	Patrizia Immobilien AG	QNT	2,385,391.00	686,399.20	800,000.20	EUR	17.6300	42,054,443.33	4.23
DE0006969603	PUMA SE	QNT	66,146.00	58,888.00	122,063.00	EUR	329.3000	21,781,877.80	2.19
DE000A12UKK6	Rocket Internet SE	QNT	2,854,886.00	2,077,046.00	807,160.00	EUR	21.7550	62,108,044.93	6.25
DE000SHA0159	Schaeffler AG	QNT	2,115,040.00	2,115,040.00	3,967,177.00	EUR	13.6500	28,870,296.00	2.91
DE0007235301	SGL Carbon SE ¹⁾	QNT	2,744,587.00	2,013,575.00	0.00	EUR	14.3050	39,261,317.04	3.95
DE0007231334	Sixt SE -VZ-	QNT	738,013.00	101,934.00	0.00	EUR	52.1000	38,450,477.30	3.87
DE0007446007	Takkt AG	QNT	936,159.00	936,159.00	0.00	EUR	19.4000	18,161,484.60	1.83
DE000A0XYGA7	technotrans AG	QNT	253,708.00	253,708.00	0.00	EUR	49.8000	12,634,658.40	1.27
DE000TCAG172	Tele Columbus AG	QNT	3,196,972.00	1,659,842.00	0.00	EUR	8.9500	28,612,899.40	2.88
DE0006636681	va-Q-tec AG	QNT	166,583.00	0.00	61,617.00	EUR	22.7750	3,793,927.83	0.38
DE000VTG9999	VTG AG	QNT	807,746.00	807,746.00	0.00	EUR	47.0000	37,964,062.00	3.82
DE000WACK012	Wacker Neuson SE	QNT	625,006.00	796,858.00	171,852.00	EUR	28.0700	17,543,918.42	1.77
DE000XNG8888	XING SE	QNT	27,303.00	4,304.00	138,408.00	EUR	265.0000	7,235,295.00	0.73
DE0005111702	zooplus AG ¹⁾	QNT	62,000.00	62,000.00	0.00	EUR	142.5000	8,835,000.00	0.89
								779,916,588.83	78.50

Luxembourg

LU1250154413	ADO Properties S.A.	QNT	1,311,525.00	58,825.00	150,000.00	EUR	41.8150	54,841,417.88	5.52
LU1673108939	Aroundtown Property Holdings S.A.	QNT	4,199,484.00	4,199,484.00	0.00	EUR	6.0600	25,448,873.04	2.56

ISIN	Class of assets	Quantity or units or CCY	Volume 30.09.17	Purchases Additions in reporting period	Sales Disposals in reporting period	Price	Market Value in EUR	Per cent of fund-assets
LU0307018795	SAF Holland S.A.	QNT	1,825,380.00	1,825,380.00	0.00	EUR 17.2000	31,396,536.00	3.16
							111,686,826.92	11.24
Total shares							891,603,415.75	89.74
Total stock-exchange-traded securities							891,603,415.75	89.74

Securities listed or included on organised markets

Shares

Germany

DE000A2E4K43	Delivery Hero AG	QNT	146,500.00	711,500.00	565,000.00	EUR 33.5000	4,907,750.00	0.49
DE000FTG1111	FinTech Group AG	QNT	523,698.00	523,698.00	0.00	EUR 20.3000	10,631,069.40	1.07
DE0006972508	publity AG	QNT	358,359.00	19,500.00	0.00	EUR 36.1700	12,961,845.03	1.30
							28,500,664.43	2.86

Luxembourg

LU0775917882	Grand City Properties S.A.	QNT	1,033,594.00	776,016.00	1,323,358.00	EUR 17.8500	18,449,652.90	1.86
							18,449,652.90	1.86
Total shares							46,950,317.33	4.72
Total securities listed or included on organised markets							46,950,317.33	4.72
Total portfolio assets							938,553,733.08	94.46

Derivatives

(Holdings marked minus are **sold** positions)

Share-Index Derivatives

Receivables/Liabilities

Options

Options on share-indexes

Call on DAX Index November 2017/12,400.00	EUX	Number 3.000		EUR 485.0000	7,275,000.00	0.73
Call on DAX Index November 2017/12,800.00	EUX	Number -3.000		EUR 194.6000	-2,919,000.00	-0.29
Total share-index derivatives						4,356,000.00
						0.44

Bank deposits, non securitised money market instruments and money market funds

Bank deposits

EUR-denominated deposits with:

DZ Bank AG Deutsche Zentral-Genossenschaftsbank	EUR	41,068,389.74			41,068,389.74	4.13
Total bank deposits						41,068,389.74
Total bank deposits, non-securitised money market instruments and money market funds						41,068,389.74
						4.13

Other assets

Receivables on Security Transactions	EUR	5,310,979.84			5,310,979.84	0.53
Receivables on unit sales	EUR	5,820,417.45			5,820,417.45	0.59
Total other assets						11,131,397.29
						1.12

Other liabilities

Liabilities on unit sales	EUR	-16,717.45			-16,717.45	0.00
Liabilities on capital gains tax on domestic dividends	EUR	-52,034.19			-52,034.19	-0.01
Other liabilities	EUR	-1,396,665.83			-1,396,665.83	-0.04
Total other liabilities						-1,465,417.47
Fund assets						993,644,102.64
						100.00

The rounding up or down of the percentage shares may create slight calculation discrepancies.

Attribution to the unit classes

UniDeutschland XS I

Unit value	EUR	283.28
Units in circulation	QNT	645,192.00

UniDeutschland XS

Unit value	EUR	174.29
Units in circulation	QNT	4,652,414.00

Volume of securities as percentage of fund assets	94.46
Volume of derivatives as percentage of fund assets	0.44

Explanatory notes to securities loans

The following securities are transferred as loans on securities as at the reporting date

ISIN	Class of assets	Quantity or Currency	Quantity or Nominal	Securities loan Market value in EUR		Total
				Dated	Undated	
DE000HLAG475	Hapag-Lloyd AG	QNT	210,000		7,507,500.00	7,507,500.00
DE0005493365	Hypoport AG	QNT	7,000		1,041,950.00	1,041,950.00
DE0007235301	SGL Carbon SE	QNT	488,630	3,127,502.15	3,862,350.00	6,989,852.15
DE0005111702	zooplus AG	QNT	62,000		8,835,000.00	8,835,000.00
Total refund claims from loans on securities in EUR				3,127,502.15	21,246,800.00	24,374,302.15

1) These securities are wholly or partly transferred as loans on securities.

Securities prices, exchange rates and market rates

The assets of the fund are valued on the basis of the following prices/market rates:

Securities prices	Prices as at 29.09.2017 or last known
All other assets	Prices as at 29.09.2017
Exchange Rates	Prices as at 29.09.2017

Key to market

A) Securities trading	
A	Officially traded on stock market
M	Organised markets
B) Future markets	
EUX	EUREX, Frankfurt
C) OTC	Over the counter

Transactions concluded during the reporting period if no longer shown in the schedule of assets:
Purchases and sales of securities, investment fund units and note loans (market allocation as at reporting date):

ISIN	Class of assets	Quantity or units or CCY	Volume in 1,000	Purchases or Additions	Sales or Disposals
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Stock-exchange-traded securities

Shares

Austria

AT00BUWOG001	BUWOG AG	QNT		0.00	420,000.00
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Finland

FI4000106299	Ferratum Oyj	QNT		0.00	557,793.00
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Germany

DE000A0WMPJ6	AIXTRON SE	QNT		7,627,326.00	7,627,326.00
DE0005093108	Amadeus Fire AG	QNT		0.00	213,136.00
DE0006766504	Aurubis AG	QNT		296,726.00	296,726.00
DE0005232805	Bertrandt AG	QNT		130,563.00	130,563.00
DE0007257503	CECONOMY AG	QNT		1,873,319.00	1,873,319.00
DE0007314007	Heidelberger Druckmaschinen AG	QNT		0.00	13,015,994.00
DE000KSAG888	K+S AG	QNT		1,280,839.00	1,280,839.00
DE0005470405	Lanxess AG	QNT		103,768.00	103,768.00
DE000A0JQ5U3	Manz AG	QNT		0.00	291,769.00
DE0006452907	Nemetschek SE	QNT		0.00	518,182.00
DE000LED4000	OSRAM Licht AG	QNT		770,784.00	770,784.00
DE000PAH0038	Porsche Automobil Holding SE -VZ-	QNT		400,000.00	400,000.00
DE000A12DM80	Scout24 AG	QNT		297,201.00	1,160,303.00
DE000A2DA687	SGL CARBON SE BZR 13.12.16	QNT		811,012.00	811,012.00
DE0008303504	TAG Immobilien AG	QNT		10,000.00	10,000.00
DE0005089031	United Internet AG	QNT		50,000.00	683,000.00
DE000ZAL1111	Zalando SE	QNT		15,000.00	372,875.00

ISIN	Class of assets	Quantity or units or CCY	Volume in 1,000	Purchases or Additions	Sales or Disposals
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Great Britain

GB00BHD66J44	Zeal Network SE	QNT		49,929.00	49,929.00
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Netherlands

NL0000235190	Airbus SE	QNT		155,306.00	155,306.00
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Securities listed or included on organised markets

Shares

Cyprus

CY0104972217	Primecity Investment Plc.	QNT		0.00	2,463,293.00
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Germany

DE0002457512	VIB Vermögen AG	QNT		0.00	158,237.00
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Luxembourg

CY0105562116	Aroundtown Prop. Holdings S.A.	QNT		828,589.00	5,550,406.00
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Derivatives

(Option premiums sold in opening transactions or volume of options trading, purchase and sale amounts shown for warrants)

Financial Futures

Securities futures

Securities futures on stocks

Contracts sold

Underlying instrument(s) KION Group AG Future September 2017	EUR	8,222
Underlying instrument(s) OSRAM Licht AG Future September 2017	EUR	4,826
Underlying instrument(s) Salzgitter AG Future September 2017	EUR	7,688

Options

Options on Shares

Purchased buy options (Call)

Underlying instrument(s) Porsche Automobil Holding SE -VZ-	EUR	6,590
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Options on share index-derivates

Options on share index

Purchased buy options (Call)

Underlying instrument(s) DAX Performance-Index	EUR	9,580
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Contracts purchased (Put)

Underlying instrument(s) DAX Performance-Index	EUR	7,924
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Sold contracts (Call)

Underlying instrument(s) DAX Performance-Index	EUR	2,793
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Sold sell options (Put)

Underlying instrument(s) DAX Performance-Index	EUR	732
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Securities lending

(Volume of transactions, valued on the basis of the value agreed when the loan arrangement was concluded):

Dated

Underlying instrument(s)		
AIXTRON SE	EUR	17,012
Aroundtown Property Holdings PLC	EUR	15,717
Aurubis AG	EUR	16,760
Bilfinger SE	EUR	22,360
Capital Stage AG	EUR	16,500

ISIN	Class of assets	Quantity or units or CCY	Volume in 1,000	Purchases or Additions	Sales or Disposals
Drillisch AG		EUR	12,805		
Ferratum Oyj		EUR	1,519		
Heidelberger Druckmaschinen AG		EUR	16,395		
HYPOPORT AG		EUR	4,300		
K+S Aktiengesellschaft		EUR	60,379		
Manz AG		EUR	798		
Rocket Internet SE		EUR	13,006		
SGL CARBON SE		EUR	24,592		
Undated					
Underlying instrument(s)					
AIXTRON SE		EUR	1,050		
Aroundtown Property Holdings PLC		EUR	9,951		
Heidelberger Druckmaschinen AG		EUR	238		

Additional Notes

Information about transactions within the group

Securities transactions are only ever carried out with counterparties, which were included in a list of approved parties by the fund management. The composition of this list is reviewed on an ongoing basis. Criteria such as the execution quality, the level of transaction costs, research quality and reliability during the processing of securities transactions are given priority. Furthermore, the annual reports of the counterparties are inspected.

The proportion of securities transactions conducted during the period under review (October 1st, 2016 to September 30th, 2017) on account of the retail funds managed by Union Investment Privatfonds GmbH with companies within the group or associated with it through significant holdings amounted to 4.04 per cent. The total transactions volume amounted to 2,649,716,209.40 Euro.

Appendix pursuant to § 7 Nr. 9 KARBV Statements according to the derivatives regulation

Exposure gained from derivatives	EUR	244,434,770.45
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Contractual partners for derivative transactions

DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt

The above items may also merely relate to financial commission transactions with market derivatives that, at least in the opinion of the federal authority, should be considered as derivatives for the purposes of reporting obligations.

		Market Value
Total amount of collateral granted by third parties in conjunction with derivatives:	EUR	0.00
of which:		
Bank deposits	EUR	0.00
Debenture bonds	EUR	0.00
Shares	EUR	0.00
Volume of securities as percentage of fund assets		94.46
Volume of derivatives as percentage of fund assets		0.44

Utilisation of the limit capacity for the market risk potential was calculated for this investment fund in accordance with the german derivatives ordinance using the qualified approach based on a benchmark asset.

Data according to qualified approach:

Potential risk amounts for the market risk

In accordance with section 10 of the derivatives regulation, the following potential risk amounts for market risk of the investment fund were determined during the reporting period.

Smallest potential risk amount: 4.22 %

Largest potential risk amount: 9.21 %

Average potential risk amount: 7.01 %

Risk model used in accordance with section 10 of the derivatives regulation

- Monte-Carlo-Simulation

Parameters used in accordance with section 11 of the derivatives regulation

- Holding period: 10 days; confidence level: 99 %; historical monitoring period: 1 year (balanced)

Average leverage achieved in the reporting period according to the gross method

105.80 %

Composition of the benchmark asset

According to the derivatives regulation, an investment fund subject to the qualified approach must be assigned a derivative-free benchmark asset as per section 9 of the derivatives regulation whenever the capacity limit according to section 7(1) of the derivatives regulation is calculated. The composition of the benchmark asset must be in line with the investment conditions and the statements of the prospectus and the key investor information on the investment objectives and the investment policy of the investment fund and comply with the investment limits of the investment code, with the exception of the issuer limits according to sections 206 and 207 of the investment code.

The benchmark asset is composed as follows

100% SDAX

Exposure gained from securities lending and pension transactions	EUR	24,374,302.15
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Contractual partners for securities lending and pension transactions

Barclays Bank PLC, London
Citigroup Global Markets Ltd., London
Goldman Sachs International, London
J.P. Morgan Securities PLC, London
Merrill Lynch Intl., London
Unicredit Bank AG, München

		Market Value
Total amount of collateral granted by third parties in conjunction with securities lending and pension transactions:	EUR	41,152,902.31
of which:		
Bank deposits	EUR	0.00
Debenture bonds	EUR	9,469,572.59
Shares	EUR	31,683,329.72

ADDITIONAL INFORMATION ON COLLATERAL RECEIVED FOR OTC DERIVATIVES AND TECHNIQUES FOR EFFICIENT PORTFOLIO MANAGEMENT

Identity of the issuer, if the collateral received from the issuer exceeds 20% of the net asset value of the UCITS

N.A.

Income from securities lending including the direct and indirect costs and fees incurred including income adjustment UniDeutschland XS I	EUR	85,295.63
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Income from securities lending including the direct and indirect costs and fees incurred including income adjustment UniDeutschland XS	EUR	377,916.52
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Income from pension transactions including the direct and indirect costs and fees incurred including income adjustment UniDeutschland XS I	EUR	0.00
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Income from pension transactions including the direct and indirect costs and fees incurred including income adjustment UniDeutschland XS	EUR	0.00
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Statements on section 35 paragraph 3 no. 6 of the derivatives regulation

The investment company conducts securities lending and pension transactions independently.

Other information

Unit value UniDeutschland XS I	EUR	283.28
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Units in circulation UniDeutschland XS I	QNT	645,192.00
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Unit value UniDeutschland XS	EUR	174.29
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Units in circulation UniDeutschland XS	QNT	4,652,414.00
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Details of the asset valuation procedure

Generally speaking, where a security was traded on several markets, the market's most recently available tradable price with the highest level of liquidity was applied. The market value determined and notified by the issuer of the respective asset or a counterparty or other third party was used for assets for which no tradable price could be determined insofar as this value could be validated with a second reliable and current price source. The regulations laid down were documented. Market values were determined for assets for which no tradable price could be determined and for which at least two reliable and current price sources could not be determined, such values were based on careful estimates and appropriate valuation models, while taking account of the current market factors. The market value refers to the amount at which the relevant asset could be exchanged in a transaction involving expert and independent business partners who are willing to enter into an agreement. The evaluation processes used were documented in detail internally, and their suitability is examined at regular intervals. Units in domestic investment funds, ec-investment fund units and foreign investment fund units will be valued at their most recently determined redemption price, or for ETFs at their current market price. Cash held at banks will be valued at face value and liabilities at their repayment amount. Term deposits will be valued at face value and other assets will be valued at their market value or par value.

Information on transparency and the total expense ratio

The total expense ratio expresses all costs and payments incurred by the investment fund over the course of the year (excluding transaction costs) in relation to the average net asset value of the investment fund; it is reported as a percentage.

Total expense ratio UniDeutschland XS I	1.88 %
Total expense ratio UniDeutschland XS	1.87 %

The total expense ratio is a single figure which is based on the figures for the reporting period from 01/10/2016 to 30/09/2017. It encompasses - in accordance with EU Regulation No. 583/2010 and § 166 para. 5 KAGB - all costs and payments incurred by the investment fund over the course of the year in relation to the average net asset value of the investment fund. The total expense ratio does not include transaction costs. It may vary from year to year.

The total expense ratio is also reported in the key investor information of the investment fund in accordance with section 166(5) KAGB and referred to under "ongoing charges", where a cost estimate may also be demonstrated. The estimated costs may differ from the total expense ratio reported here. The statements in the annual report are essential for calculating the total costs actually incurred in the reporting period.

Performance-based compensation in % of the average net asset value UniDeutschland XS I	0.00 %
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Standard compensation paid to the investment company or third parties incl. income adjustment UniDeutschland XS I	EUR	-379,786.69
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Thereof for the investment company	17.49 %
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Thereof for the depositary	24.51 %
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Thereof for third parties	58.00 %
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Performance-based compensation in % of the average net asset value UniDeutschland XS	0.00 %
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Standard compensation paid to the investment company or third parties incl. income adjustment UniDeutschland XS	EUR	-1,683,946.28
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Thereof for the investment company	17.49 %
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Thereof for the depositary	24.51 %
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Thereof for third parties	58.00 %
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The investment company does not receive any refunds from the remuneration and reimbursement of expenses paid from the investment fund to the depositary and third parties.

The investment company pays a significant amount of what is known as trail commission to brokers from the remuneration paid to it by the investment fund.

Issue surcharges and redemption discounts were calculated for the investment fund for the purchase and redemption of investment units:

An issue surcharge /redemption discount has not been charged to the investment fund for these investment units.

Rate of remuneration for management for investment units held in the investment fund

n.a.		
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Other material income including income adjustment UniDeutschland XS I ¹⁾	EUR	0.00
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Other material income including income adjustment UniDeutschland XS ¹⁾	EUR	0.00
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Other material expenditures including income adjustment UniDeutschland XS I ¹⁾	EUR	-379,786.69
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All-in fee	EUR	-379,786.69
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Other material expenditures including income adjustment UniDeutschland XS ¹⁾	EUR	-1,683,946.28
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All-in fee	EUR	-1,683,946.28
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The position "interest on domestic liquidity investments" comprises negative interests resulting from the maintenance of bank accounts. Maintaining an account with the the depositary is a legal obligation of

the investment fund for the purpose of processing payments. Negative interests from money investments may also be included.

Transaction costs (total of the ancillary costs for the acquisition (ancillary purchase costs) and the costs for the sale of assets):	EUR	2,389,520.09
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Information on employee remunerations

Description of how remuneration components are calculated

All employees:

Remunerations are made up of the following integral parts:

1) Fixed remunerations: Overall total of basic monthly salaries paid out over the past business year, as well as the 13th month.

2) Variable remunerations: Overall total of the variable remuneration components paid out over the past business year. This includes the variable performance remunerations as well as special payments based on business results.

Risk-Takers:

The overall remunerations of risk-takers are made up of the following integral parts:

1) Basic salary: Overall total of basic monthly salaries paid out over the past business year.

2) Variable remunerations of risk-takers: In addition to their basic salary, risk-takers will receive variable remunerations in accordance with the 'risk-taker model'.

The basis for calculating the model is a target bonus for risk-takers, which is reset each year. This is multiplied by the target achievement rate. Said rate is derived from key multi-year indicators which include the overall results of the Union Investment Group (UIG), plus the segment results of UIG and the risk-taker's personal performance.

The remunerations model is measured over several previous years, and payment of the variable remunerations is deferred over a minimum of three years. A proportion of this deferred payment is performance-related, as measured against company results. The aim of this remunerations model is to reduce the willingness to take risks by including long-term periods (both in the past and the future) when measuring said results and/or effecting payment.

Therefore, the overall remunerations of risk-takers comprise their basic salary and variable earnings.

The remunerations committee conducted an annual review of the calculation; no irregularities were found.

No fundamental changes were made to the remunerations systems.

Total employee remunerations paid by the investment company over the past financial year	EUR	62,200,000.00
of which fixed remuneration	EUR	37,200,000.00
of which variable remuneration ²⁾	EUR	25,000,000.00
Number of people employed by the investment company		468

Remunerations paid directly from the Fund	EUR	0.00
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Remunerations in line with § 101(4) KAGB

Overall remunerations paid out to	EUR	6,700,000.00
of which management	EUR	2,600,000.00
other risk-takers	EUR	2,300,000.00
employees responsible for auditing ³⁾	EUR	0.00
employees earning overall remunerations in the same income bracket as management and risk-takers	EUR	1,800,000.00

CO₂ footprint ⁴⁾

At the end of the financial year, the fund has a CO ₂ intensity per USD million in sales	Tons	112.26
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1) Other material income (and other expenditures) in the sense of section 16(1.3.E) KARBV are income (or expenditures) of the type that make up 20% of the "other" income ("other" expenditures) line item and the "other" income ("other" expenditures) exceed 10% of the income (expenditures).

2) The variable remuneration refers to payments made in 2016.

3) Auditing duties have been delegated to Union Asset Management Holding AG.

4) The CO₂ intensity is calculated on a booking-day basis and may therefore vary. This affects both the amount of the CO₂ intensity, as well as the degree of coverage of the data. The degree of coverage may therefore be requested from the investment company.

Additional disclosures in accordance with Regulation (EU) 2015/2365 on securities financing transactions

	Securities Loan	Repurchase Transactions	Total Return Swaps
Used assets			
absolute	24,374,302.15	n.a.	n.a.
as a percentage of the fund's assets	2.45 %	n.a.	n.a.
Ten largest counterparties ¹⁾			
1. Name	J.P. Morgan Securities PLC, London	n.a.	n.a.
1. Gross volume of open transactions	9,459,002.15	n.a.	n.a.
1. Country of residence	Great Britain	n.a.	n.a.
2. Name	Citigroup Global Markets Ltd.	n.a.	n.a.
2. Gross volume of open transactions	7,150,000.00	n.a.	n.a.
2. Country of residence	Great Britain	n.a.	n.a.
3. Name	Unicredit Bank AG, München	n.a.	n.a.
3. Gross volume of open transactions	3,147,100.00	n.a.	n.a.
3. Country of residence	Germany	n.a.	n.a.
4. Name	Barclays Bank PLC	n.a.	n.a.
4. Gross volume of open transactions	2,861,000.00	n.a.	n.a.
4. Country of residence	Great Britain	n.a.	n.a.
5. Name	Goldman Sachs International., London	n.a.	n.a.
5. Gross volume of open transactions	1,041,950.00	n.a.	n.a.
5. Country of residence	Great Britain	n.a.	n.a.
6. Name	Merrill Lynch Intl., London	n.a.	n.a.
6. Gross volume of open transactions	715,250.00	n.a.	n.a.
6. Country of residence	Great Britain	n.a.	n.a.
Types of settlement and clearing (e.g. bilateral, trilateral, CCP)			
	bilateral	n.a.	n.a.
Transactions sorted by remaining term (absolute amounts)			
less than 1 day	n.a.	n.a.	n.a.
1 day to 1 week (= 7 days)	3,127,502.15	n.a.	n.a.
1 week to 1 month (=30 days)	n.a.	n.a.	n.a.
1 to 3 months	n.a.	n.a.	n.a.
3 months to 1 year (=365 days)	n.a.	n.a.	n.a.
more than 1 year	n.a.	n.a.	n.a.
unlimited	21,246,800.00	n.a.	n.a.
Type(s) and quality(ies) of the collateral received			
Types	Equities Bonds	n.a.	n.a.
Qualities ²⁾	AAA AA+ AA AA- A+ A- BBB+ BBB- BB+	n.a.	n.a.
Currency(ies) of the collateral received			
	EUR	n.a.	n.a.
Collateral sorted by remaining term (absolute sums)			
less than 1 day	n.a.	n.a.	n.a.
1 day to 1 week (= 7 days)	n.a.	n.a.	n.a.
1 week to 1 month (=30 days)	n.a.	n.a.	n.a.
1 to 3 months	2,072,022.33	n.a.	n.a.
3 months to 1 year (=365 days)	1,727,008.85	n.a.	n.a.
more than 1 year	5,670,541.41	n.a.	n.a.
unlimited	31,683,329.72	n.a.	n.a.

	Securities Loan	Repurchase Transactions	Total Return Swaps
Income share and expenses incl. income adjustment			
The fund's income share			
absolute	463,212.15	n.a.	0.00
as a percentage of gross income	51.00 %	n.a.	n.a.
the fund's expenses	445,046.82	n.a.	0.00
of which the KVG's expenses / income			
absolute	445,046.82	n.a.	n.a.
as a percentage of gross income	49.00 %	n.a.	n.a.
of which third-party expenses / income			
absolute	0.00	n.a.	0.00
as a percentage of gross income	0.00 %	n.a.	n.a.

Returns for the fund from reinvested cash collateral, calculated based on all securities financing transactions and total return swaps (absolute amount)

n.a.

Securities financing transactions and Total Return Swaps

Lended securities as a percentage of all the fund's lendable assets

2.60 %

The ten largest issuers of collateral, calculated based on all securities financing transactions and total return swaps ³⁾

1. Name	MAN SE
1. Volumes collateral received (absolute)	21,188,590.29
2. Name	Deutschland, Bundesrepublik
2. Volumes collateral received (absolute)	5,150,771.37
3. Name	Deutsche Telekom AG
3. Volumes collateral received (absolute)	3,752,451.33
4. Name	LVMH Moët Hennessy Louis Vuitton SE
4. Volumes collateral received (absolute)	3,447,395.60
5. Name	Porsche Automobil Holding SE
5. Volumes collateral received (absolute)	2,564,218.92
6. Name	NRW.BANK
6. Volumes collateral received (absolute)	2,072,022.33
7. Name	Frankreich, Republik
7. Volumes collateral received (absolute)	932,429.78
8. Name	Baden-Württemberg, Land
8. Volumes collateral received (absolute)	704,333.00
9. Name	Allianz SE
9. Volumes collateral received (absolute)	568,335.00
10. Name	Nordrhein-Westfalen, Land
10. Volumes collateral received (absolute)	202,172.05

Reinvested collateral as a percentage of received collateral, calculated based on all securities financing transactions and total return swaps

No re-invested collateral;
According to the sales prospect, a reinvestment of 100% is possible for bank deposits

Depository / account manager for received collateral from securities financing transactions and total return swaps

Total number depositaries / account managers	1
1. Name	DZ Bank AG Deutsche Zentral-Genossenschaftsbank
1. Deposit amount absolute	41,152,902.31

Type of custody for issued collateral from securities financing transactions and total return swaps

As a percentage of all issued collateral from securities financing transactions and total return swaps	
separate accounts / securities accounts	n.a.
collective accounts / securities accounts	n.a.
other accounts / securities accounts	n.a.
Type of custody for certain recipients	n.a.

1) Only actual fund counterparties are listed. The number of counterparties can be below 10.

2) Only assets which may be acquired for the Fund in accordance with the Investment Code will be accepted as collateral. In addition to any bank deposits, such collateral includes highly liquid assets traded on a liquid market with transparent price fixing. The collateral provided is issued by borrowers with high credit ratings. These collaterals are adequately risk-diversified in relation to countries,

markets and issuers. Additional information on collateral requirements can be found in the sales prospectus of the Fund/Sub-fund.

- 3) Only actual fund securities issuers are listed. The number of issuers can be below 10.

- The Management -

Statement of the independent auditor

To Union Investment Privatfonds GmbH

Union Investment Privatfonds GmbH has commissioned us with the task of auditing the annual report of the investment fund UniDeutschland XS for the financial year from October 1st, 2016 to September 30th, 2017 in accordance with section 102 of the investment code (KAGB).

Responsibility of the legal Representative

The legal representative of the investment management company is responsible for compiling the annual report in accordance with the provisions of the KAGB.

Responsibility of the auditor

It is our duty, based on our audit, to express an opinion on the annual report.

We conducted our audit in accordance with section 102 KAGB and in compliance with the German principles of proper accounting adopted by the Institut der Wirtschaftsprüfer (IDW). According to these principles, the audit must be planned and conducted in such a way that any inaccuracies or infringements that have a significant impact on the annual report can be recognized with reasonable certainty.

Knowledge of the management of the Fund and expectations of possible errors will be taken into account when deciding how to conduct the audit. Within the audit, the effectiveness of the internal accounting monitoring system and the evidence for the information given in the annual report are mainly assessed on the basis of sample checks. The audit comprises the assessment of the accounting principles applied to the annual report and the significant estimates of the legal representative of the investment management company. We believe that our audit provides a reasonable basis for our opinion.

Audit opinion

According to our evaluation based on the findings at the time of the audit, the annual report for October 1st, 2016 to September 30th, 2017 meets the provisions of the law.

Eschborn/Frankfurt / Main,
December 7th, 2017

Ernst & Young GmbH
Auditors

Heist
Auditor

Eisenhuth
Auditor

Separate notice for corporate investors

Adaptation of share earnings following European Court of Justice ruling in the STEKO Industriemontage GmbH case and the jurisprudence of the BFH to § 40a KAGG

In the case STEKO Industriemontage GmbH (C-377/07), the European Court of Justice (ECJ) has ruled that the 2001 KStG (Corporate Tax Act) regulation on the changeover from the corporate tax imputation system to the shareholder relief system is contrary to EU law. The ban preventing statutory corporations from making profit reductions effective (in relation to participation in foreign companies) with regard to tax in accordance with Sec. 8b (3) KStG, was already valid in 2001 in accordance with Sec. 34 KStG, while this was only valid for profit reductions with regard to participation in local companies in 2002. In the ECJ's opinion, this is contrary to the principle of free movement of capital.

In its judgement of October 28, 2009 (file ref. I R 27/08), the Federal Fiscal Court (BFH) decided that the STEKO jurisdiction shall generally be effective for the Fund investment. In a letter of the German Ministry of Finance dated February 1, 2011 "Application of the Federal Fiscal Court (BFH) judgement of October 28, 2009 - I R 27/08 for share gain ("STEKO jurisdiction")", the financial authorities stated in particular the conditions according to which it is possible to amend the share gains based on the STEKO jurisdiction.

In its judgements of June 25, 2014 (I R 33/09) and July 30, 2014 (I R 74/12) and further to the resolution of the Federal Constitutional Court of December 17, 2013 (1 BvL 5/08, BGBl I 2014, 255), the Federal Fiscal Court also decided that additions of negative share gains were not to be made based on § 40a of the Investment Companies Act (KAGG) in the version of the German Tax Reduction Act (StSenkG) of October 23, 2000 for the years 2001 and 2002 and that tax-free positive share gains were not to be offset against share losses. If an amendment has not already been made to investor share gains through the STEKO judgements, a corresponding amendment may be made in accordance with the Federal Fiscal Court (BFH) judgements. The financial authorities have yet to make a statement on this matter.

As far as potential measures based on the Federal Fiscal Court (BFH) judgements are concerned, we recommend that investors with units held as business assets consult a tax adviser.

Investment company

Union Investment Privatfonds GmbH
D-60070 Frankfurt / Main
P.O. Box 16 07 63
Tel. +49 69 2567-0

Subscribed and paid-up capital:
EUR 24.462 million

Capital and reserves:
EUR 234.246 million

(As at December 31st, 2016)

Registration Court

Frankfurt / Main District court HRB 9073

Supervisory Board

Hans Joachim Reinke
Chairman
(Chairman of the Board of Directors of Union Asset Management Holding AG, Frankfurt / Main)

Jens Wilhelm
Vice-chairman
(Member of the Board of Directors of Union Asset Management Holding AG, Frankfurt / Main)

Jörg Frese
(Independent member of the supervisory board according to § 18 (3) KAGB)

Managing Directors

Dr. Frank Engels
Giovanni Gay
Dr. Daniel Günnewig
Björn Jesch
Klaus Riester

Information about main functions of the supervisory board members and managing directors which are being exerted outside of the company

Hans Joachim Reinke is Chairman of the Board of Directors of Union Investment Luxembourg S.A., Chairman of the supervisory board of Union Investment Service Bank AG, Vice-Chairman of the supervisory board of Union Investment Institutional GmbH, Vice-Chairman of the supervisory board of Union Investment Real Estate GmbH and Vice-Chairman of the supervisory board of Union Investment Austria GmbH.

Jens Wilhelm is Chairman of the supervisory board of Union Investment Real Estate GmbH, Chairman of the supervisory board of Union Investment Institutional Property GmbH and Vice-chairman of the supervisory board of Union Investment Real Estate Austria AG.

Giovanni Gay is Chairman of the Board of Directors of attrax S.A., Vice-chairman of the Board of Directors of Union Investment Luxembourg S.A. and Chairman of the supervisory board of VR Consultingpartner GmbH.

Dr. Daniel Günnewig is a member of the executive board of R+V Pensionsfonds AG.

Shareholder

Union Asset Management Holding AG,
Frankfurt / Main

Additional information for selling UniDeutschland XS in the Grand Duchy of Luxembourg:

At the Paying Agent and Distributor in Luxembourg, DZ PRIVATBANK S.A., 4, rue Thomas Edison, L-1445 Luxembourg-Strassen, the sales prospectus is available along with the investment conditions, the key investment information, the annual and semi-annual reports and the issue and redemption prices, and other information and documents may be inspected as well. Moreover, DZ PRIVATBANK S.A. will forward certain payments intended for unitholders to them and settle subscriptions and redemptions through Union Investment Privatfonds GmbH as soon as the corresponding subscription and redemption orders are submitted. Important communications to unitholders are published on the Union Investment homepage at www.union-investment.com and, exclusively where prescribed by law, in the Luxemburger Tageblatt newspaper as well.

Distributor only:
Union Investment Luxembourg S.A.
308 route d'Esch
L-1471 Luxembourg
Registered Office: Grand Duchy of Luxembourg

Distributor and Paying Agent in Austria:

VOLKSBANK WIEN AG
Kolingasse 14-16
A-1090 Vienna
Registered Office: Vienna

Depository

DZ BANK AG
Deutsche Zentral-Genossenschaftsbank
Platz der Republik
D-60265 Frankfurt / Main
Registered Office: Frankfurt / Main

Subscribed and paid-up capital:
EUR 4,657 million

Capital and reserves:
EUR 19,050 million

(As at December 31st, 2016)

Auditor

Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft
Mergenthalerallee 3-5
D-65760 Eschborn

As at: September 30th, 2017,
unless otherwise stated

Union Investment Privatfonds GmbH
Weißfrauenstraße 7
D-60311 Frankfurt / Main
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Visit our website:
privatkunden.union-investment.de