

ESPA STOCK RUSSIA

Mutual fund pursuant to InvFG

Semi-Annual Report 2011

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General Information about the Investment Firm

The company	ERSTE-SPARINVEST Kapitalanlagegesellschaft m. b. H. Habsburgergasse 1a, A-1010 Vienna Telephone: +43 05 0100-19881, Fax: +43 05 0100-17102
Nominal capital	EUR 4.50 million
Shareholders	Erste Asset Management GmbH (81.42%) DekaBank Deutsche Girozentrale (2.87%) Kärntner Sparkasse Aktiengesellschaft (2.87%) NÖ-Sparkassen Beteiligungsgesellschaft m. b. H. (1.37%) Salzburger Sparkasse Bank Aktiengesellschaft (2.87%) Sieben Tiroler Sparkassen Beteiligungsgesellschaft m. b. H. (2.87%) Steiermärkische Bank und Sparkassen Aktiengesellschaft (5.73%)
Supervisory Board	Wolfgang TRAINDL, Mag. (Chairman) Gerhard FABISCH, Mag. Dr. (Deputy Chairman) Wilhelm SCHULTZE, DI (Deputy Chairman) Christian AICHINGER, Dr. Birte QUITT, Dipl. BW. (FH) Franz RATZ Gabriele SEMMELROCK-WERZER Reinhard WALTTL, Mag. Appointed by the Works Council: Regina HABERHAUER, Mag. (FH) Dieter KERSCHBAUM, Mag. Gerhard RAMBERGER, Mag. Herbert STEINDORFER
Managing directors	Heinz BEDNAR, Mag. Harald GASSER, Mag. Franz GSCHIEGL, Dr.
Prokuristen (proxies)	Achim ARNHOF, Mag. Winfried BUCHBAUER, Mag. Harald EGGER, Mag. Oskar ENTMAYR Dietmar JAROSCH, Dr. Günther MANDL Christian SCHÖN Paul A. SEVERIN, Mag. Jürgen SINGER, Mag.
State commissioners	Erwin GRUBER Michael MANHARD, HR Dr.
Auditor	ERNST & YOUNG WIRTSCHAFTSPRÜFUNGSGESELLSCHAFT MBH
Custodian bank	Erste Group Bank AG

Dear Shareholder,

We are pleased to present you the following semi-annual report for the ESPA STOCK RUSSIA mutual fund pursuant to InvFG for the period from 1 June 2011 to 30 November 2011.

Development of the Fund

In the reporting period from 1 June 2011 to 30 November 2011, the fund ESPA STOCK RUSSIA lost 20.28%.

Economic conditions were negative for equities in recent months. The price losses were the result of the intensification of the sovereign debt crisis in the Eurozone (especially in Italy and Greece) and fears of a slowdown in growth in Asia (China).

Despite the global downturn, the emerging markets (particularly Asia) are likely to continue to drive global economic growth in 2012.

Relatively stable oil prices, higher retail sales and a successful harvest caused economic growth in Russia to rise from 3.4% p.a. in Q2 to 4.8% p.a. in Q3. Nevertheless, the leading indicators in Russia also point towards weaker growth. The extent of this slowdown will depend greatly on the development of oil prices in the coming year.

The price per barrel of Brent crude oil fell from over USD 110 to as low as USD 96. However, prices recovered again after hitting lows.

The inflation rate fell to below 7% in recent months. The Russian central bank will therefore continue to leave interest rates at their current level.

The rouble lost 6% against the EUR and USD currency basket.

The strongest performers over the past six months were companies from the gas sector. Steel companies and coal producers were weaker than the market as a whole.

Asset Allocation

	30 November 2010		31 May 2011	
	EUR millions	%	EUR millions	%
Equities denominated in				
GBP	0.9	3.62	-	-
CAD	-	-	1.2	3.54
RUB	3.1	11.81	1.4	4.14
USD	22.9	88.56	30.3	92.31
Securities	26.9	103.99	32.9	99.99
Financial futures	0.0	0.00	-	0.14
Forward exchange agreements	0.0	0.11	0.3	0.96
Dividend entitlements	0.0	0.08	0.2	0.68
Bank liabilities	-	1.1	-	0.5
Interest entitlements	0.0	0.05	0.0	0.03
Other deferred items	-	0.0	-	0.03
Fund assets	25.9	100.00	32.9	100.00

Fund Portfolio as of 30 November 2011

(including changes in securities assets from 1 June 2011 to 30 November 2011)

Security designation	ISIN number	Purch./ additions	Sales/ disposals	Holding Shares/nominal (nom. in 1,000, rounded)	Price	Value in EUR	% share of fund assets	
Publicly traded securities								
Equities denominated in GBP								
Issue country Great Britain								
KAZAKHMYS PLC	LS -.20	GB00B0HZPV38	281,500	246,500	35,000	9.250000	378,259.90	1.46
						Total	378,259.90	1.46
Issue country Ireland								
DRAGON OIL PLC	EO-.10	IE0000590798	80,000	40,000	40,000	5.000000	233,674.07	0.90
						Total	233,674.07	0.90
						Total equities denominated in GBP translated at a rate of 0.855893	611,933.97	2.36
Equities denominated in RUB								
Issue country Russia								
AKTION.FIN.KORP. SISTEMA		RU000A0DQZE3	550,000	0	550,000	26.388000	351,022.56	1.36
FED.SET.KO.E.ENER. RL-.50		RU000A0JPNN9	20,000,000	0	25,000,000	0.347000	209,814.43	0.81
MAGNIT	RL -.01	RU000A0JKQU8	4,000	0	4,000	2,983.300000	288,617.59	1.11
OA0 GAZPROM	RL 5	RU0007661625	120,000	0	180,000	175.400000	763,603.59	2.95

Security designation	ISIN number	Purch./ additions Shares/nominal (nom. in 1,000, rounded)	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
OA0 INTER RAO UES	RU000A0JPNM1	250,000,000		0 330,000,000	0.033998	271,352.09	1.05
SBER.BK ROSS. RL 3	RU0009029540		0	0 120,000	87.550000	254,099.18	0.98
SEVERSTAL RL-.01	RU0009046510		0	0 30,000	424.700000	308,155.12	1.19
TRANSNEFT' PFD RL 1	RU0009091573	500		0 500	50.650.000000	612,513.02	2.37
Total						3,059,177.58	11.81
Total equities denominated in RUB translated at a rate of 41.346060						3,059,177.58	11.81

Equities denominated in USD**Issue country Russia**

E.ON RUSSIYA JSC	RU000A0JNGA5	8,000,000	8,000,000	4,000,000	0.076400	227,017.79	0.88
FED.SET.KO.E.ENER. RL-.50	RU000A0JPNN9	110,000,000	43,000,000	121,641,789	0.011300	1,021,098.85	3.94
JSC MMC NORIL.NICKEL RL 1	RU0007288411		0	0 5,000	177.176100	658,084.54	2.54
MAGNIT RL -.01	RU000A0JKQU8	3,000		0 3,000	97.092100	216,377.30	0.84
MOBIL'NIYE TELESIST RL-10	RU0007775219	60,000		0 60,000	6.871900	306,291.28	1.18
OA0 GAZPROM RL 5	RU0007661625	200,000		0 200,000	5.708100	848,062.99	3.27
OA0 INTER RAO UES	RU000A0JPNM1		0 250,000,000	150,000,000	0.001100	122,571.78	0.47
ROSTELEKOM RL 0.0025	RU0008943394	400,000	200,000	200,000	5.257000	781,042.23	3.02
RUSGIDRO OA0 RL 1	RU000A0JPKH7	20,000,000	10,000,000	30,000,000	0.039000	869,145.34	3.36
SBER.BK ROSS. RL 3	RU0009029540	1,670,000	1,720,000	869,142	2.849300	1,839,651.08	7.10
SBER.BK ROSS. PFD RL 3	RU0009029557		0 100,000	160,000	2.194200	260,797.09	1.01
SEVERSTAL RL-.01	RU0009046510	55,000		0 55,000	13.821900	564,724.96	2.18
SINERGIYA, MOSCOW RL 100	RU000A0HL5M1	6,035	3,835	2,200	20.311500	33,194.89	0.13
TERRITORIAL'NAYA GEN. 5	RU000A0JKZFO		0	0 3,621,452	0.000310	833.97	0.00
TRANSNEFT' PFD RL 1	RU0009091573	400	1,000	200	1,654.174900	245,763.83	0.95
URALKALI JSC RL 0.50	RU0007661302	120,000	60,000	60,000	8.049100	358,760.91	1.39
Total						8,353,418.83	32.25
Total equities denominated in USD translated at a rate of 1.346150						8,353,418.83	32.25
Total publicly traded securities						12,024,530.38	46.43

Securities admitted to organised markets**Equities denominated in GBP****Issue country Ireland**

PETRONEFT RES PLC EO-.01	IE00B0Q82B24	400,000		0 400,000	0.215000	100,479.85	0.39
Total						100,479.85	0.39
Total equities denominated in GBP translated at a rate of 0.855893						100,479.85	0.39

Equities denominated in USD**Issue country Luxembourg**

MHP S.A. GDR S 2	US55302T2042	3,076		0 3,076	11.000000	25,135.39	0.10
Total						25,135.39	0.10

Issue country Russia

JSC MMC NOR.NICK.ADR RL 1	US46626D1081	105,000	153,324	9,876	17.625000	129,305.43	0.50
LSR GROUP GDR S/5	US50218G2066	120,000		0 120,000	4.281000	381,621.66	1.47

ESPA STOCK RUSSIA

Security designation	ISIN number	Purch./ additions Shares/nominal (nom. in 1,000, rounded)	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
LUKOIL N.K.SP.ADR RL-025	US6778621044	76,000	85,000	45,348	56.210000	1,893,556.50	7.31
MAGNIT GDR REG. S RL -.01	US55953Q2021	55,000	114,000	36,000	22.150000	592,355.98	2.29
MECHEL OAO ADR RL 10	US5838401033	265,000	284,000	62,810	10.890000	508,116.41	1.96
MOBILNIYE TEL. ADR/5	US6074091090	135,000	85,000	75,000	17.280000	962,745.61	3.72
NK ROSNEFT GDR REGS RL-01	US67812M2070	555,000	470,000	225,000	7.220000	1,206,774.88	4.66
NOVATEK GDR REG.S 10/1	US6698881090	25,000	26,800	14,756	151.110400	1,656,416.49	6.40
NOVOLIPETSKIY MET.KO.REGS	US67011E2046	111,000	91,000	53,994	24.140000	968,254.03	3.74
OAO GAZP.ADR SP. 2/RL 5	US3682872078	165,000	185,000	110,158	11.500800	941,132.21	3.63
POLYMETAL GDR REGS RL-.20	US7317892021	63,153	126,000	13,153	16.520000	161,414.08	0.62
RUSHYDRO OAO ADR 100	US4662941057	0	0	126,000	4.021000	376,366.68	1.45
SEVERSTAL GDR S OCT2006	US8181503025	250,000	260,000	55,000	13.750000	561,787.32	2.17
SISTEMA,AFK GDR REGS/50	US48122U2042	15,000	56,000	15,000	19.980000	222,634.92	0.86
SURGUTNEFTEGAZ ADR/10	US8688612048	225,000	165,000	150,000	9.565000	1,065,817.33	4.12
TATNEFT' GDR REG.S 20	US6708312052	25,000	23,000	53,731	32.242400	1,286,941.57	4.97
TRUB.MET.KO.GDRS RL10	US87260R2013	65,000	40,000	52,737	11.740000	459,928.22	1.78
URALKALI GDR S/5 RL -.50	US91688E2063	100,000	163,000	10,000	39.230000	291,423.69	1.13
VTB BANK GDR REG. S	US46630Q2021	1,100,000	1,110,000	280,000	4.286000	891,490.55	3.44
Total						14,558,083.56	56.21
Total equities denominated in USD translated at a rate of 1.346150						14,583,218.95	56.31
Total securities admitted to organised markets						14,683,698.80	56.70

Unlisted securities

Equities denominated in GBP

Issue country Great Britain

EVRAZ PLC	DL 1	GB00B71N6K86	125,000	75,000	50,000	3.840000	224,327.11	0.87
Total							224,327.11	0.87
Total equities denominated in GBP translated at a rate of 0.855893							224,327.11	0.87
Total unlisted securities							224,327.11	0.87

Forward exchange agreements

**Unrealised
result in EUR**

Forward exchange agreements denominated in EUR

Issue country Austria

FXF SPEST EUR/USD 01.03.12	FXF_TAX_3405270			5,240,698			29,274.78	0.11
Total							29,274.78	0.11
Total forward exchange agreements denominated in EUR							29,274.78	0.11
Total forward exchange agreements							29,274.78	0.11

Security designation	Holding	Unrealised result in EUR	% share of fund assets
Derivatives			
Financial futures denominated in USD			
Issue country Europe			
RUSSIA TRD IX FUT Dec11	100	742.86	0.00
		Total	742.86 0.00
Total financial futures denominated in USD translated at a rate of 1.346150		742.86	0.00
	Total derivatives	742.86	0.00

Breakdown of fund assets

Securities		26,932,556.29	103.99
Forward exchange agreements		29,274.78	0.11
Financial futures		742.86	0.00
Dividend entitlements		19,889.89	0.08
Bank liabilities		-1,085,748.65	-4.19
Interest entitlements		12,042.98	0.05
Other deferred items		-10,440.04	-0.04
Fund assets		25,898,318.11	100.00

Dividend shares outstanding	shares	461,777
Non-dividend shares outstanding	shares	2,296,535
KEST-exempt non-dividend shares outstanding	shares	834,759
Share value for dividend share	EUR	6.78
Share value for non-dividend share	EUR	7.26
Share value for KEST-exempt non-dividend share	EUR	7.30

Investor note:

The values of assets in illiquid markets may deviate from their actual selling prices.

Purchases and sales of securities in the reporting period not listed in the fund portfolio

Security designation	ISIN number	Purch./ additions	Sales/ disposals
Shares/nominal (nom. in 1,000, rounded)			
Publicly traded securities			
Equities denominated in GBP			
Issue country Great Britain			
FERREXPO PLC	GB00B1XH2C03	60,000	60,000
PETROPAVLOVSK LS -.01	GB0031544546	220,000	220,000

ESPA STOCK RUSSIA

Security designation	ISIN number	Purch./ additions Shares/nominal (nom. in 1,000, rounded)	Sales/ disposals Shares/nominal (nom. in 1,000, rounded)
Equities denominated in RUB			
Issue country Russia			
E.ON RUSSIYA JSC	RU000A0JNGA5	0	4,000,000
MRSK HOLDING RL 1	RU000A0JPVJ0	4,000,000	4,000,000
RASPADSKAYA RL 0.004	RU000A0B90N8	80,000	80,000
ROSTELEKOM RL 0.0025	RU0008943394	0	60,000
Equities denominated in USD			
Issue country Jersey			
POLYUS GOLD INTL GDR REGS	US73180Y1047	151,617	151,617
Issue country Russia			
GRUPPA LSR RL -.25	RU000A0JPFPO	0	15,200
MRSK HOLDING RL 1	RU000A0JPVJ0	4,000,000	4,000,000
POLYMETAL RL -.20	RU000A0JP195	20,000	20,000
POLYUS ZOLOTO RL 1	RU000A0JNAA8	23,000	31,000
PROTEK RL -.01	RU000A0JQU47	200,000	200,000
RASPADSKAYA RL 0.004	RU000A0B90N8	320,000	320,000
SURGUTNEFTEGAZ VZ	RU0009029524	0	674,444
VSMPO-AVISMA RL 1	RU0009100291	2,800	2,800
Securities admitted to organised markets			
Equities denominated in CAD			
Issue country Canada			
CENTERRA GOLD INC.	CA1520061021	37,000	67,000
HIGH RIVER GOLD MINES	CA42979J1075	0	500,000
URANIUM ONE INC.	CA91701P1053	445,000	585,000
Equities denominated in SEK			
Issue country Bermuda			
ALLIANCE OIL SDR	SE0000739286	45,000	45,000
Equities denominated in USD			
Issue country Jersey			
POLYUS GOLD INT.GDR LEV.1	US73180Y2037	201,617	201,617
Issue country Kazakhstan			
KAZMUNAIGAS GDRS KT 250	US48666V2043	25,000	25,000

Security designation	ISIN number	Purch./ additions	Sales/ disposals
		Shares/nominal (nom. in 1,000, rounded)	
Issue country Luxembourg			
EVRAZ GROUP GDR REG. S/3	US30050A2024	185,000	185,000
Issue country Netherlands			
X 5 RETAIL GR. GDR S 0.25	US98387E2054	47,000	58,000
Issue country Russia			
GAZPROM NE.ADR 5/RL-.0016	US36829G1076	50,000	62,500
GLOBALTRANS INV.GDR REG S	US37949E2046	25,000	25,000
MAGNITOGO.METALL.REGS/13	US5591892048	105,000	105,000
PHOSAGRO OFSC S.GDR REGS	US71922G2093	16,000	16,000
POLYUS ZOLOTO OJSC ADR /2	US6781291074	8,000	44,500
Issue country USA			
CTC MEDIA INC. DL -.01	US12642X1063	80,000	80,000
Unlisted securities			
Equities denominated in USD			
Issue country Great Britain			
EVRAZ PLC DL 1	GB00B71N6K86	75,000	75,000
Issue country Jersey			
POLYUS GOLD INTL GDR REGS	US48667H1059	0	1,617
Issue country Netherlands			
YANDEX N.V. CL.A DL -.01	NL0009805522	14,000	14,000

Vienna, December 2011

ERSTE-SPARINVEST
Kapitalanlagegesellschaft m.b.H.

Bednar

Gasser

Gschiegl