

Eurobank Fund Management Company (Luxembourg) S.A.
Société Anonyme

**Audited annual accounts as at
December 31, 2016**

Registered office:
5, rue Jean Monnet
L-2180 Luxembourg
R.C.S. Luxembourg: B 115 125

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Directors' Report

Company's environment

Assets under Management amounted to EUR 1 900 423 529 as at December 31, 2016, compared to EUR 2 658 170 130 as at December 31, 2015, showing a decrease of 28.51%.

International activities

In line with our business development, one new sub-fund was created and three sub-funds have been absorbed following mergers. The Company has negotiated and amended the related agreements with the distributors and the service providers.

Changes in the financial situation

The total balance sheet amounts to EUR 21 004 258 at December 31, 2016, compared to EUR 21 222 298 at December 31, 2015, decreased by 1.03%.

Assets/Liabilities ratio remains constant from 2015 to 2016.

The only noticeable change is a decrease of the Portfolio valuation; from EUR 1 547 796 to EUR 1 286 188 mainly due to some sale of securities.

There was no other extraordinary change in the financial situation of the company.

Participating interests

The Company has no own participating interests. Accordingly acquisitions, incorporations and sales of subsidiaries during the year had no impact on the Company's net profit attributable to shareholders.

Net equity

The subscribed capital amount is EUR 1 200 000 and it is divided into 12 000 shares fully paid up with a nominal value of EUR 100 per unit.

In accordance with Article 49-3c) of the Law on Commercial Companies, the Company has not acquired and has not sold own shares. At December 31, 2016, the Company held none of its own shares.

Equity as at December 31, 2016 amounted to EUR 19 017 140 and were constituted by the subscribed capital of EUR 1 200 000, the profit of EUR 13 376 218 brought forward from the financial year 2015, the legal reserve of EUR 120 000, other reserves of EUR 2 966 450 and the profit for the financial year 2016 of EUR 1 354 474.

Income and charges

Total income decreases by 24.62% from EUR 20 658 744 at the end of 2015 to EUR 15 571 576 at the end of 2016.

Income from management fees decreases by 23.33% from EUR 20 058 261 at the end of 2015 to EUR 15 378 233 at the end of 2016.

Total charges (excluding taxes and profits) decreases by 25.40% from EUR 18 334 443 at the end of 2015 to EUR 13 677 103 at the end of 2016.

Retrocession to related entities of Eurobank Group, amount from EUR 16 750 130 at the end of 2015, decreases by 34.05% to EUR 11 046 030 at the end of 2016.

The Profit of the financial year 2016 amounts to EUR 1 354 474 compared to EUR 1 547 302 for 2015, showing a decrease of 12.46% over the previous year.

Personal and social context

Our Company employs an average staff of 6 persons: 3 dedicated for the General Management of the Company and 3 employees.

Significant investments and disinvestments

There was no new investment in computer hardware and software in 2016; neither in office, machinery equipment or office furniture. There were no disinvestments.

Justification of some positions involving a value judgment

There are no positions involving a value judgment. Applied accounting principles and methods are disclosed in the notes to the Annual Accounts.

Foreseeable allocation of income

The Board of Directors proposes that the 2016 annual accounts be approved, and that the Total Net Profit available for distribution be appropriated as follows:

Profit of the financial year	€	1 354 474
Profit brought forward	€	13 376 218
		<hr/>
Total net profit available for distribution	€	14 730 692
Allocation to Net Wealth Tax Special Reserve	€	(442 100)
Net Wealth Tax Special Reserve 2011 available	€	608 325
		<hr/>
Profit brought forward	€	14 896 917

Luxembourg, March, 21, 2017



Georgios Vlachakis
Managing Director



Agamemnon Kotrozos
Chief Executive Officer

The figures shown in this report are historical and not necessarily indicative of future performance.



Audit report

To the Shareholders of
Eurobank Fund Management Company (Luxembourg) S.A.

Report on the annual accounts

We have audited the accompanying annual accounts of Eurobank Fund Management Company (Luxembourg) S.A., which comprise the balance sheet as at 31 December 2016, the profit and loss account for the year then ended and a summary of significant accounting policies and other explanatory information.

Board of Directors' responsibility for the annual accounts

The Board of Directors is responsible for the preparation and fair presentation of these annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts, and for such internal control as the Board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

Responsibility of the "Réviseur d'entreprises agréé"

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier". Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the judgment of the "Réviseur d'entreprises agréé", including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the "Réviseur d'entreprises agréé" considers internal control relevant to the entity's preparation and fair presentation of the annual accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the annual accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the annual accounts give a true and fair view of the financial position of Eurobank Fund Management Company (Luxembourg) S.A. as of 31 December 2016, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the annual accounts and our audit report thereon.

Our opinion on the annual accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the annual accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Report on other legal and regulatory requirements

The Directors' report is consistent with the annual accounts and has been prepared in accordance with the applicable legal requirements.

PricewaterhouseCoopers, Société cooperative

Luxembourg, 21 March 2017

Represented by

A handwritten signature in black ink, appearing to be 'TB' followed by a long horizontal flourish.

Thierry Blondeau

Eurobank Fund Management Company (Luxembourg) S.A.
 Balance sheet as at December 31, 2016
 Denominated in Euro

	Notes	31/12/2016	31/12/2015
		EUR	EUR
<u>ASSETS</u>			
A. Subscribed capital unpaid		0	0
I. Subscribed capital not called		0	0
II. Subscribed capital called but unpaid		0	0
B. Formation expenses		0	0
C. Fixed assets		48 623	87 893
I. Intangible assets		0	0
II. Tangible assets	1	48 623	87 893
III. Financial assets		0	0
D. Current assets		20 943 499	21 117 119
I. Stocks		0	0
II. Debtors:	2,3		
a) becoming due and payable within one year		1 471 963	1 853 237
b) becoming due and payable after more than one year		165 894	383 534
III. Investments	4	1 286 188	1 547 796
IV. Cash at bank and in hand		18 019 454	17 332 552
E. Prepayments	5	12 138	17 286
		<hr/>	<hr/>
Total Assets		21 004 260	21 222 298
<u>Capital, Reserves and Liabilities</u>			
A. Capital and reserves		19 017 142	17 662 668
I. Subscribed capital	6	1 200 000	1 200 000
II. Share premium account		0	0
III. Revaluation reserve		0	0
IV. Reserves			
1 -Legal Reserve	7,9	120 000	120 000
4 -Other Reserves	8,9	2 966 450	2 590 700
V. Profit or loss brought forward	9	13 376 218	12 204 666
VI. Profit or loss for the financial year	9	1 354 474	1 547 302
VII. Interim dividends		0	0
VIII. Capital investment subsidies		0	0
B. Provisions	10	578 908	1 112 229
C. Creditors	11	1 408 210	2 447 401
a) becoming due and payable within one year		1 408 210	2 447 401
b) becoming due and payable within after more than one year		0	0
D. Deferred income		0	0
		<hr/>	<hr/>
Total (Capital, Reserves and Liabilities)		21 004 260	21 222 298

The accompanying notes form an integral part of these annual accounts.

Eurobank Fund Management Company (Luxembourg) S.A.
Profit and loss as at December 31, 2016
Denominated in Euro

	Notes	31/12/2016 EUR	31/12/2015 EUR
Gross profit or loss		2 857 428	3 128 778
1 Fee Income	12	15 529 284	20 058 262
2 Fee retrocession		-12 691 431	-17 228 636
5 Other operating income		19 575	299 152
6 Staff costs	13	-289 864	-314 282
a) Wages and salaries		-235 802	-248 459
b) Social security costs		-54 062	-65 823
I) relating to pensions		-41 282	-53 419
II) Other social security costs		-12 780	-12 404
c) Other staff costs		0	0
7 Value adjustments	14	-155 731	-223 585
a) in respect of formation expenses and of tangible and intangible fixed assets		-39 269	-49 806
b) in respect of current assets		-116 462	-173 779
8 Other operating expenses	15	-540 076	-567 941
9 Income from participating interests		0	0
a) derived from affiliated undertakings		0	0
b) other income from participating interests		0	0
10 Profit from other investments and loans forming part of the fixed assets		0	0
a) derived from affiliated undertakings		0	0
b) other income not included under a)		0	0
11 Other interest and other financial income		22 717	301 332
a) derived from affiliated undertakings		0	0
b) other interest and similar income		22 717	301 332
12 Share of profit or loss of undertakings accounted for under the equity method		0	0
13 Value adjustment in respect of financial assets and of investments held as current assets		0	0
14 Interest payable and similar expenses		0	0
a) concerning affiliated undertakings		0	0
b) other interest and similar income		0	0
15 Tax on profit or loss	16	-540 000	-777 000
16 Profit or loss after taxation		1 354 474	1 547 302
17 Other taxes not shown under items 1 to 16		0	0
18 Profit or loss for the financial year		1 354 474	1 547 302

The accompanying notes form an integral part of these annual accounts.

Notes to the annual accounts:

General Information

Eurobank Fund Management Company (Luxembourg) S.A. (Eurobank FMC-LUX in short) (the "Company"), a public limited company ("Société Anonyme") was incorporated in Luxembourg on March 22, 2006 and organized under chapter 15 of the 2010 Law.

The registered office of the Company is established in Luxembourg, 5, rue Jean Monnet.

The Company's financial year starts on January 1st and ends on December 31st of each year.

The main activity of the Company is to provide management, administration and marketing services to one or more Luxembourg and/or foreign Undertaking(s) for Collective Investment in Transferable Securities ("UCITS") and to other Luxembourg and/or foreign Undertakings for Collective Investment (UCIs).

Eurobank Fund Management Company (Luxembourg) S.A. is also included in the consolidated annual accounts of Eurobank Ergasias S.A. forming at once the largest and the smallest body of undertakings of which the company forms a part as a direct/indirect subsidiary undertaking. Eurobank Ergasias S.A has its registered office in Athens, where the consolidated annual accounts are available.

Distribution of profits

The Board of Directors proposes that the 2016 annual accounts be approved, and that the Total Net Profit available for distribution be appropriated as follows:

Profit of the financial year	€	1 354 474
Profit brought forward	€	13 376 218
		<hr/>
Total net profit available for distribution	€	14 730 692
Allocation to Net Wealth Tax Special Reserve	€	(442 100)
Net Wealth Tax Special Reserve 2011 available	€	608 325
		<hr/>
Profit brought forward	€	14 896 917

Basis of preparation

The annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements under the historical cost convention. Accounting policies and valuation rules are, besides the ones laid down by the Law of 19 December 2002, as amended, determined and applied by the Board of Directors.

Significant accounting policies

The main valuation rules applied by the Company are the following:

Formation expenses

The formation expenses of the Company are directly charged to the profit and loss account when they occurred.

Foreign currency translation

The company maintains its books and records in Euro. Cash at bank, transferable securities and other assets and liabilities are translated at the exchange rate effective at the balance sheet date. Exchange losses and gains are recorded in the profit and loss account of the year.

Notes

1. Tangible Assets

Tangible fixed assets are used by the Company for its own operations. Tangible fixed assets are valued at cost less depreciation to date. Depreciation is calculated on a straight-line basis over the life of the assets concerned. The depreciation rates applied and methods are as follows:

	Rate of Depreciation	Depreciation method
Office Furniture	18%	straight line
Office Machinery and Equipment	25%	straight line
Computer Hardware and Software	25%	straight line

The movements for the year are as follows:

	Total	Office Furniture	Office Machinery & Equipment	Computer Hardware & Software
	EUR	EUR	EUR	EUR
Gross book value – opening balance	1 223 710	44 905	156 145	1 022 660
Additions for the year	0	0	0	0
Disposals for the year	0	0	0	0
Transfers for the year	0	0	0	0
Gross book value – closing balance	1 223 710	44 905	156 145	1 022 660
Accumulated value adjustment – opening balance	-1 135 817	-44 905	-156 145	-934 767
Allocations for the year	-39 270	0	0	-39 270
Reversals for the year	0	0	0	0
Transfers for the year	0	0	0	0
Accumulated value adjustment – closing balance	-1 175 087	-44 905	-156 145	-974 037
Net book value – closing balance	48 623	0	0	48 623
Net book value – opening balance	87 893	0	0	87 893

2. Debtors

Debtors are valued at their nominal value. They are subject to value adjustments where their recovery is compromised. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

3. Debtors: Management fees to be received

Management fees receivables amount to EUR 1 357 643 (2015: EUR 1 835 831) and are disclosed as a part of the category Debtors.

4. Transferable securities

Transferable securities are valued at the lower of purchase cost including expenses incidental thereto, or at market value. A value adjustment is recorded where the market value is lower than the purchase cost. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply. The market value corresponds to the last available net asset value for the investment funds.

5. Prepayment

Prepaid Amounts are coming from expenses paid in 2016, from which a part should be amortized in 2017 or later on.

6. Subscribed capital

The subscribed capital amount is EUR 1 200 000 and it is divided into 12 000 shares fully paid-up with a nominal value of EUR 100 per unit.

The movements on the "Subscribed capital" item during the year are as follows:

	31/12/2016 EUR	Number of Shares
Subscribed capital - opening balance	1 200 000	12 000
Subscriptions for the year	0	0
Redemptions for the year	0	0
Subscribed capital - closing balance	1 200 000	12 000

There has been no movement for the year on the subscribed capital.

7. Legal reserve

Luxembourg companies are required to allocate to a legal reserve a minimum of 5% of the annual income, until this reserve equals 10% of the subscribed capital. This reserve may not be distributed.

8. Other reserves

In accordance with the tax law, the company reduces the NWT liabilities by creating a special NWT reserve. In order to comply with the tax law, the company has created a reserve amounting EUR 2 966 450 that corresponds to five times the amount of reduction of the corresponding NWT liabilities. This reserve is not distributable for a period of five years from the year reducing the NWT charge of a given year. The other reserves are also composed of another EUR 149 525.

9. A. Movements for the year on the reserves and profit & loss items

The movements for the year are as follows:

	Legal reserve	Other reserves	Profit brought forward	Profit for the financial year	Total
	EUR	EUR	EUR	EUR	EUR
Balance as at December 31, 2015	120 000	2 590 700	12 204 666	1 547 302	16 462 668
Allocation of 2015	0	0	1 547 302	-1 547 302	0
Transfer to legal reserve	0	0	0	0	0
Transfer to special reserve	0	375 750	-375 750	0	0
Profit for the year	0	0	0	1 354 474	1 354 474
Dividend Distribution 2016	0	0	0	0	0
Balance as at December 31, 2016	120 000	2 966 450	13 376 218	1 354 474	17 817 142

9. B. Dividend Distribution

There was no dividend paid in 2016. In 2015, General Assembly has decided to distribute a dividend of EUR 18 240 000 from the profit brought forward of 2014.

10. Provisions

Provisions for liabilities and charges are intended to cover losses or debts for which the nature is clearly defined and, at the date of the balance sheet, are either likely to be incurred or certain to be incurred but uncertain as to their amount or as to the date on which they will arise.

Total provision for the year ended December 31, 2016 amount to EUR 578 909. The total includes a provision for tax for an amount of EUR 540 000 and the remaining amount of EUR 38 909 is for expenses accruals.

11. Creditors: Management fees to be paid

Retrocessions payable amount to EUR 1 361 195 (2015: EUR 2 405 833) and are disclosed under "amounts owed to affiliated undertakings" and "other creditors".

12. Fee Income

The Company receives a management fee from each fund, in accordance with the conditions described in the relevant prospectus.

Out of this management fee, the Company is paying retrocessions to the following counterparties:

- Eurobank Private Bank Luxembourg S.A., in respect of Administrative, Transfer and Registrar Agent Services, and of Distribution agreement.
- Eurobank Asset Management Mutual Funds Management Company S.A. (Greece), in respect of Investment Management Services.
- Eurobank Ergasias S.A. Athens, in respect of the Distribution and Local Paying Agent Agreement.
- Eurolife ERB Life Insurance S.A. Athens, in consideration of its promoter activity.
- Eurobank Bulgaria A.D., currently conducting its business activity under the name of "Postbank", in respect of the Distribution and Local Paying Agent agreement.
- Interamerican Hellenic Life Insurance Company S.A., in consideration of its promoter activity.

- Bancpost S.A. in respect of the Distribution and Local Paying Agent agreement in Romania.
- Eurolife ERB Assigurari de Viata S.A. in respect of its promoter activity through unit-linked products.
- Prelium Securities & Investment Services S.A. in respect of the distribution services for (LF) Total Return Fund and for a selection of (LF) and (LF) Fund of Funds sub-funds.
- MFEX Mutual Funds Exchange AB in respect of the Distribution and Paying Agent agreement in Sweden.
- Allfunds Bank S.A. and Allfunds International S.A. in respect of the Global Agreement and the Operating Memorandum.
- Pantelakis Securities S.A. in respect of the Distribution Agreement.
- Eurobank Equities Investment Firm S.A. in the respect of the Distribution Agreement.

Total management fees received amount to EUR 15 378 233 for the year ended December 31, 2016 (2015: EUR 19 660 222).

Total performance fees for the year ended December 31, 2016 amount to EUR 151 051 versus EUR 398 039 for the year ended December 31, 2015.

Total retrocession amount to EUR 12 691 431 for the year ended December 31, 2016 (2015: EUR 17 228 636) from which EUR 11 046 030 have been paid to related entities and EUR 1 645 401 to non-related entities.

13. Staff

The Company employed an average of 6 persons during the financial year broken down by category as follows: General Management 3 persons, Employees 3 persons. There is no change compared to 2015.

14. Value Adjustment in P&L

Transferable securities are valued at the lower of purchase cost including expenses incidental thereto, or at market value. A value adjustment is recorded where the market value is lower than the purchase cost. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply. The market value corresponds to the last available net asset value for the investment funds.

15. Other operating charges

Other operating charges represent:

	31/12/2016	31/12/2015
	EUR	EUR
Rent and other office expenses	196 324	192 505
Professional expenses	88 398	120 803
IT expenses	124 179	133 176
Other expenses	124 133	118 706
Miscellaneous interest & fees paid	4 638	2 751
General Service Expense	137	0
Realised Loss on transferable securities	2 267	0
Total	540 076	567 941

16. Income Tax

The company is subject to the locally applicable general tax regulation in Luxembourg.

17. Advances and loans granted to members of the management and supervisory bodies

As of 31.12.2016, there are no advances or loans granted to members of the management and supervisory bodies

18. Off balance sheet items

There are no items off the balance sheet.

19. Subsequent Events

There are no subsequent events following the closure that could have a significant impact on the figures of this report.