



Content

Market report from a responsible investor's view	2
Performance data for ESPA Responsible Investment funds	3
ESPA Responsible Investment funds: Assets under Management	3
News from the ESPA Responsibility Team	4
Changes in the investment universe	5
ESPA VINIS Investment Board highlights	5
Engagement activities	5
Stock on the watch	6
Glossary	7

Market report from a responsible investor's view

Equities:

In May, global equity markets entered a consolidation phase. From a Euro-based view global markets were marginally in the black. The debt crisis in Greece and fears about a necessary debt-restructuring replaced political uncertainties in the Arab World as the top negative headline in the financial press. US macro data were pointing towards reduced growth in the American economy. The price for crude showed a correction in the market environment illustrated above and traded around the mark of 117 USD (Brent). The Euro depreciated and fell to a level of about 1.44 versus the US currency.

Sustainable themes mostly delivered negative performances last month. Within the theme of renewable energies especially solar energy showed a very poor performance. Only alternative transport and air purification were able to deliver positive performances.

In May sustainable international indices performed mixed while their sustainable counterparts delivered negative performances. European sustainable equity indices performed slightly better than their 'conventional' counterparts but also ending in the red. The Austrian equity market delivered red figures with and lagged far behind international and European markets. The Austrian equity market also delivered a negative performance with the sustainable VÖNIX Index ending in line with the broader ATX Prime Index and slightly better than the ATX Index.

Indexcomparison (May 2011)			
↓ FTSE 4 Good Global Index	-2,9%	↓ FTSE 4 Good Europe 50	-0,9%
↑ Dow Jones Sustainability World TR	0,3%	↓ Dow Jones STOXX 50	-1,1%
↓ Ethical Index Global Top 30	-0,7%	↓ Dow Jones STOXX 600	-1,0%
↑ Ethical Index Global Tradeable Return	0,6%	↓ MSCI Europe	-1,1%
↓ MSCI World Total Return	-1,7%	↓ VÖNIX	-1,9%
		↓ ATX Prime	-1,9%
		↓ ATX	-2,1%

Fixed Income:

The economic data published in May suggested a slight dent to the positive economic development in the industrial countries. Both industrial data and consumer surveys were still in expansive terrain, but below previous months' values. As for the labour market data, the positive trend continued. The US property sector remained weak. The previously rising inflation rates entered a phase of stabilisation last month. The ECB is likely to raise interest rates again in July in spite of the persistent debt crisis in the peripheral countries of the Eurozone, especially in Greece. In the USA, where the Quantitative Easing II programme will expire at the end of June, and in the UK the key-lending rates remained unchanged at low levels.

Risk aversion generally increased in May on the capital markets. This was mainly due to the excessive debt of Greece and the risk of a spill-over into other countries of the EMU. Due to their longer duration government bonds performed better than mortgage bonds and corporate bonds.

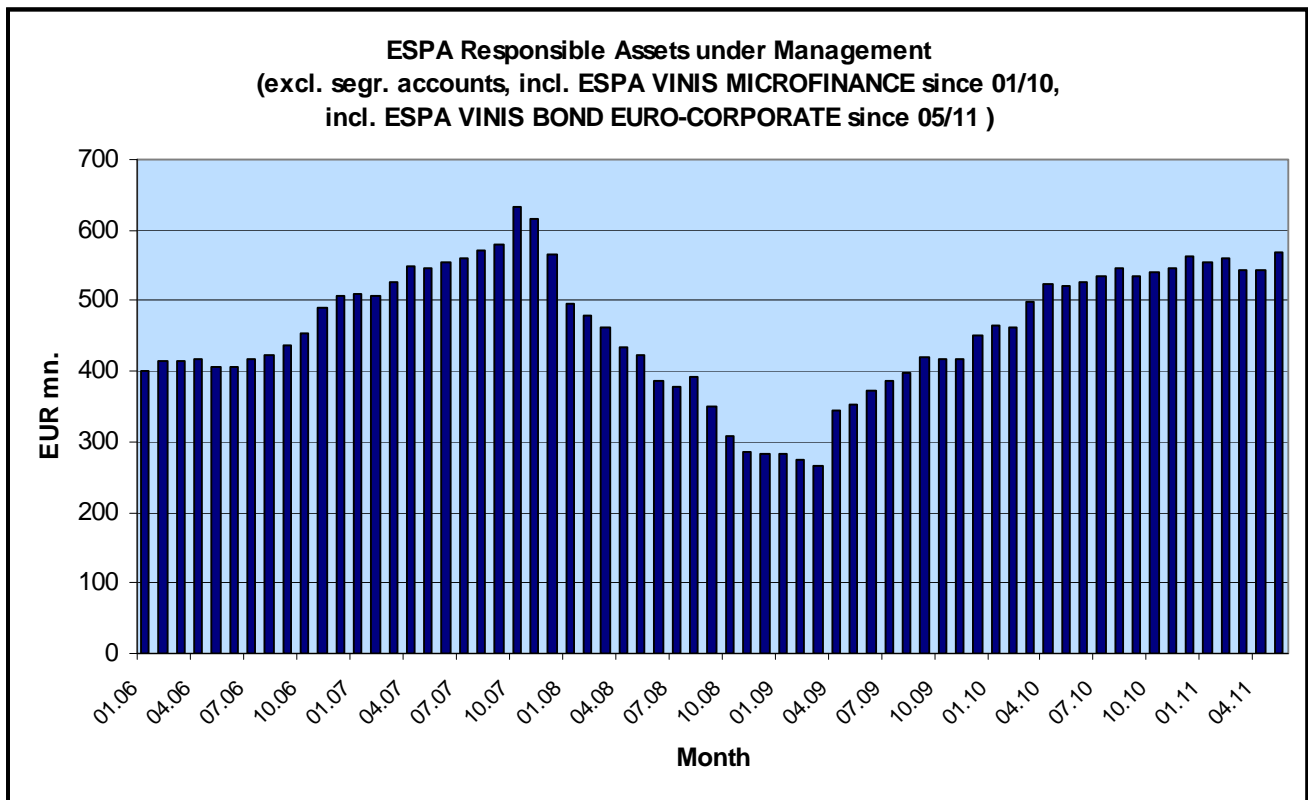
The Bund futures contract tended strongly upwards last month. In the first days of the month the contract corrected, afterwards it rebounded from about 122.07 to the month-high of 128.50 to close the month slightly below 125. The yield remained stable at the short end of the euro interest rate curve but fell by about 16-30bps across 2Y to 30Y. The 10Y yield of German government bonds closed the month slightly above 3.00%.

Performance data for the ESPA Responsible Investment funds

Performance data per 05/31/11 Sustainability Funds	2011 YTD	2011 YTD vs. Benchmark	MTD 05/11	fund volume in mn. EUR
ESPA VINIS STOCK GLOBAL	-1.2%	1.5%	1.0%	207.5
ESPA VINIS STOCK EUROPE	0.0%	-1.0%	-1.4%	22.8
ESPA VINIS STOCK AUSTRIA	-7.1%	-0.8%	-3.2%	9.5
ESPA VINIS STOCK EUROPE EMERGING	-2.1%	0.2%	-4.1%	14.0
ESPA VINIS BOND	1.2%	-0.3%	1.0%	132.1
ESPA VINIS CASH	1.4%	1.0%	0.3%	57.6
ESPA VINIS BOND EURO-CORPORATE *)	0.8%	-0.3%	0.8%	20.6
Performance data per 05/31/11 Environmental Funds	2011 YTD		MTD 05/11	fund volume in mn. EUR
ESPA WWF STOCK CLIMATE CHANGE	-5.3%		-2.0%	26.0
ESPA WWF STOCK UMWELT	-8.2%		-1.7%	46.6
Performance data per 05/16/11 Microfinance Funds **)	2011 YTD		MTD 05/11 **)	fund volume in mn. EUR
ESPA VINIS MICROFINANCE **)	0.0%		-0.4%	30.5
Total Assets under Management				567.2

*) since 05/02/11, **) latest available NAV

ESPA Responsible Investment funds: Assets under Management



Latest developments within the ESPA Responsibility Team

Media appearance of ESPA Responsibility Team

- Die Presse article „Climate change in the stock market“ („Klimawandel auf dem Aktienmarkt“) from 05/18/2011
- Die Presse article „Green investments need patience“ („Grüne Investments brauchen Geduld“) from 05/24/2011 http://diepresse.com/home/wirtschaft/boerse/meingeld/664588/Wind-Solar_Gruene-Investments-brauchen-Geduld?from=suche.intern.portal
- Geld-Magazin article „Tomorrow never dies“ („Der Morgen stirbt nie“) from 5/2011
- Die Presse article „Increase in currency with clear conscience“ („Geldvermehrung mit ruhigem Gewissen“) from 06/04/2011

Proceedings & development

- Launch of the sustainable corporate bond fund „ESPA VINIS BOND EURO-CORPORATE“ on May, 2nd, 2011
- Launch of a segregated account in sustainable global equities on June, 7th, 2011
- Participation at the annual UN PRI Survey; commitment to the exclusion of investments in companies producing and dealing with banned weapons within ERSTE-SPARINVEST KAG
- Participation of ESPA Responsibility Team at the following conferences in June/July 2011:
 - EFSE (European Fund for Southeast Europe) Annual Meeting June 6 - 8, 2011 in Tirana
 - ERSTE-SPARINVEST Institutional Investor Meeting June 17 – 18, 2011 in Pichl
 - Erste Bank Fixed Income Conference June 30, 2011 in Vienna

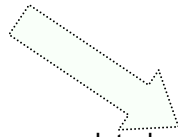
Changes in the investment universe (June 2011)

The implementation of the SRI concept and the inclusion of SRI-research (oekom, Innovest, RiskMetrics (former ISS) and RFU) adaptations of the investment universe are made on a monthly basis. These adaptations are translated into our responsible investment funds. This means that a security that got excluded from the universe also has to be sold from all SRI-portfolios and on the other hand a security that is included in the SRI-universe can be invested into SRI-portfolios in the future.

Included - Reasons:

Au Optronics, Home Retail Group, InterContinental Hotels Group, Seiko Epson, The Toronto-Dominion Bank - company included in research universe

Infineon Technologies - improvement regarding corporate governance-related performance



Excluded - Reasons:

Chevron - deterioration regarding corporate governance-related performance

Georg Fischer AG - deterioration regarding stakeholder & environment-related performance

ESPA VINIS Investment Board highlights

(last Meeting 05/27/2011)

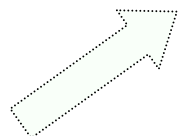


The ESPA VINIS Investment Board is hosted by the Responsible Investments Team of ESPA and joins financial specialists of ESPA as well as SRI-specialists of the SRI-rating agencies involved in our process.

Topics of discussion are e.g. single issuers, sectors or criteria.

Discussion concerning the portfolio/ single issuers:

- Rating agencies comment on discrepancies in their ratings on the companies Royal Bank of Canada, Allianz and Lonmin.
- What is the rating agencies view on recycling in the field of renewable energy systems (e.g., solar panels etc.)?
- Provision of a short rating on the IPO's of "LinkedIn" and Glencore.
- How do austerity measures in Greece, Portugal and Spain influence or change ratings on both corporations and countries? Are sustainability issues on the corporate side affected? Do governments abandon their obligations?

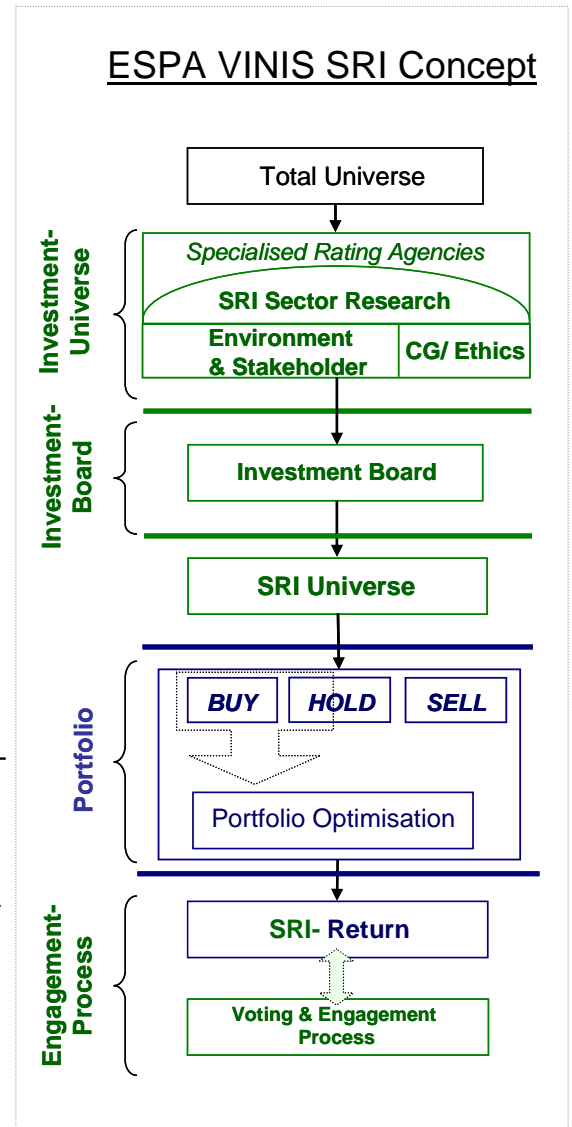


Engagement activities

ESPA Responsibility started a cooperation with the UK based investment- and research company F&C on engagement and voting on a global basis. F&C provides ESPA with their engagement activities and releases concerning holdings within the Responsible Investment funds of ESPA outside of Austria.

International: Cooperation with F&C, voting platform recently built up

Austria: Engagement with Kapsch TrafficCom, Mayr-Melnhof, Telekom Austria, Vienna Insurance Group, voestalpine and Wienerberger



Stock on the watch

GLAXOSMITHKLINE PLC

(Medical - Drugs)
 ISIN:
 Last price (06/17/11)
 Market capitalisation (in mn.)
 P/E (Price-earning ratio) estimate
 Dividend yield
 Financial rating (S&P / Moody's)

GSK LN

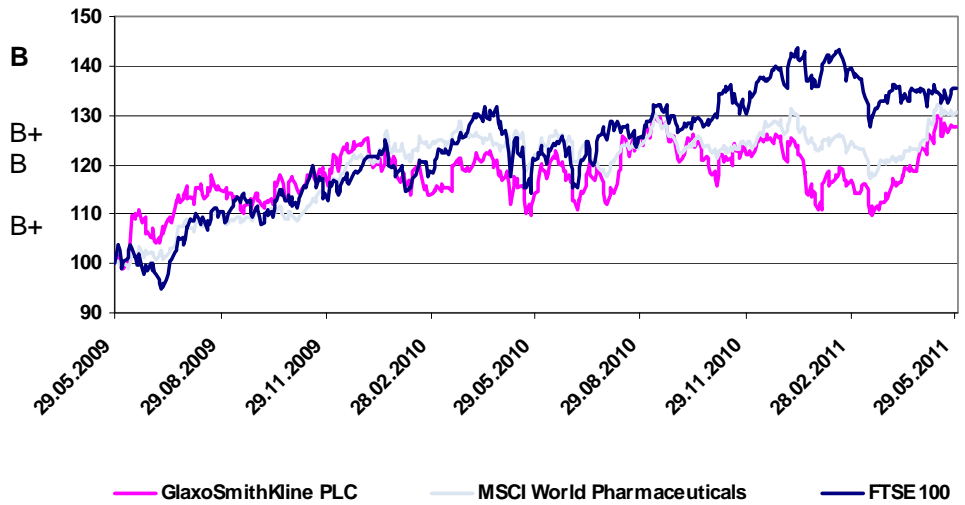
DE0007164600
 GBp 1280.5
 GBP 65909.70
 11.23
 5.15%
 A+ / A1

SRI-Rating (total):
 (Range A-D)

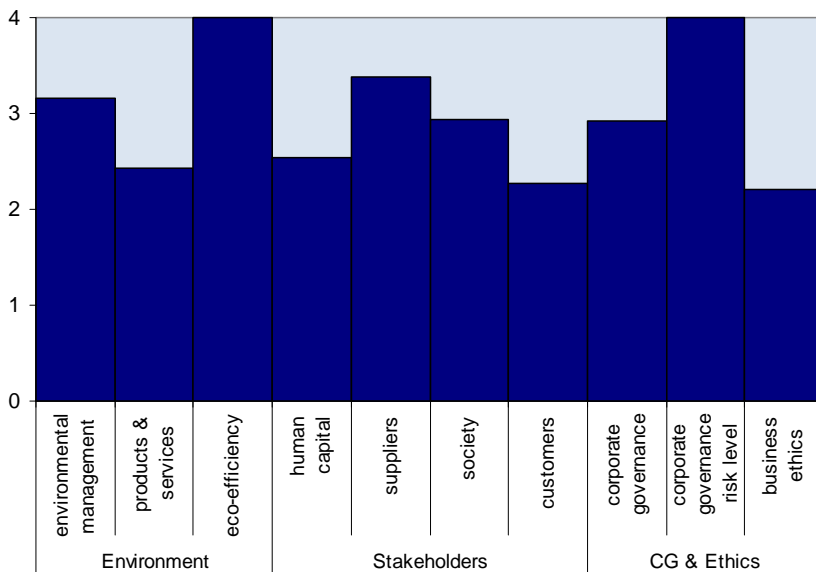
Environment rating (Range A-D): B+
 Stakeholder rating (Range A-D): B
 Corporate Governance /
 Ethics Rating (Range A-D): B+

Invested in funds as follows:
 ESPA VINIS STOCK EUROPE

Performance since 05/2009



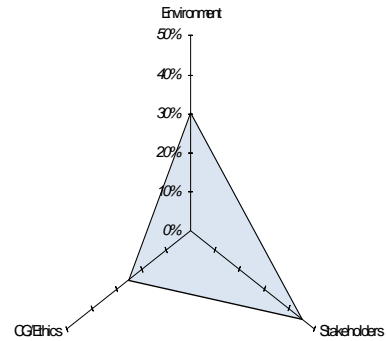
ESPA VINIS SKYLINE (Company level)



(4: best rating; 0: worst rating)

ESPA VINIS STAR (Sector level)

Environment: 30.00%
 Stakeholders: 45.00%
 CG / Ethics: 25.00%



Glossary

SRI – Socially Responsible Investment

YTD – year to date

SRI-Rating agency / SRI Rating – An SRI-rating agency or SRI-research agency analyses and rates the activities of companies according to social, ecological and ethical criteria (e.g. A = best grade to D = worst grade). By using SRI ratings investors can judge a company's exposure to environment and stakeholders. The ESPA Responsibility team has co-operations with several SRI-rating agencies (oekom research, RiskMetrics (former ISS), Innovest Strategic Value Advisors, RFU), which cover different key aspects. In contrast to SRI rating agencies, finance rating agencies (e. g. Moody's, Fitch, S&P, etc.) are focussing on companies' financial data only.

Investment universe – Each investor has a pool of companies (funds universe, investable universe) in which he is allowed to invest. Companies need to perform above average with regards to sustainability performance to become part of the ESPA responsible investment universe. In order to promptly react to changes on a company level, the ESPA Responsibility investment universe is updated on a monthly basis. Finally, the fund manager picks those companies with the best prospects according to fundamental financial data.

Coverage – The sum of all companies analysed by a rating agency is referred to as coverage. If a company is analysed for the first time this is called initial coverage.

Exclusionary criteria – No investments are made in particular sectors or companies, which violate certain (exclusionary) criteria (e. g. violation of labour regulation, nuclear energy, etc.). These criteria include ethical, social and governance risk factors.

ESPA VINIS Investment Board – In this board specialists in terms of sustainability meet financial experts. Together with the ESPA Responsibility team they discuss topical issues and current developments, IPOs, or the latest trends in different industry sectors.

Engagement – Engagement means that the investor tries to convince/persuade the management of a company to take actions in the fields of social responsibility, environment or transparency. On a national basis engagement is done by the ESPA Responsibility Team itself, on a global basis there exists a co-operation with F&C, who is specialised provider in this area.

Voting – Voting means the active exercise of the voting rights at shareholders' meetings. Possible targets are the increase in transparency in case of nominations for the board of directors, or more transparency in management compensation. In the area of voting, the ESPA Responsibility team also cooperates with F&C.

ESPA VINIS SKYLINE – ESPA VINIS SKYLINE illustrates the evaluation of single criteria for each company (e.g. environmental management, products & services, human capital, etc.). This evaluation is based on a rating score ranging from 0 (worst score) to 4 (best score). The single ratings are added up according to their weightings, which finally leads to a combined SRI rating.

ESPA VINIS STAR – Each sector has different areas of focus with regards to sustainability. The ESPA VINIS STAR shows the weightings of the three dimensions (environment vs. stakeholder vs. CG/ethics). The weighting of CG/ethics is held constantly at 25%. The weightings of the other two dimensions vary depending on the sector. For example, stakeholder issues are weighted higher in the service sector, whereas the importance of environmental issues is more dominant in the industrial sector.

Imprint

ERSTE-SPARINVEST KAG

1010 Wien, Habsburgergasse 1a

VINIS Gesellschaft für nachhaltigen Vermögensaufbau und Innovation m.b.H.

1020 Wien, Obere Donaustraße 49 - 53

Contact

INSTITUTIONAL DISTRIBUTION - INTERNATIONAL

Tel: +43 (0) 50 100 19960

E-mail: institutional@erste-am.com

Disclaimer:

This is an advertisement. Unless otherwise noted, data source ERSTE-SPARINVEST KAG. Our languages of communication are German and English. The latest version of the Prospectus (and any changes thereto) has been published in the "Amtsblatt der Wiener Zeitung", in accordance with the provisions of the Austrian Investmentfondsgesetz [Investment Funds Act]. Copies are available free of charge to interested parties at the registered offices of both ERSTE-SPARINVEST Kapitalanlagegesellschaft m.b.H. and Erste Group Bank AG (the custody bank). The most recent publication date and details of any other collection offices are published on the ERSTE-SPARINVEST KAG website (www.sparinvest.com). This document serves to provide additional information to our investors and reflects the knowledge of its authors at the time of going to press. Our analyses and conclusions are of a general nature and do not take into account the personal needs of our investors in terms of income, fiscal situation or attitude to risk. It should be noted that past performance is not a reliable indicator of the future performance of a fund.