



LASSALLESTRASSE 1, VIENNA 2, AUSTRIA

## Pioneer Funds Austria - Select Europe Stock

A co-ownership fund pursuant to the 2011 Austrian Investment Fund Act (*InvFG*), as amended

Report for the accounting year  
June 1, 2013 – May 31, 2014

## Organs of Pioneer Investments Austria

### Supervisory Board

Dir. Dr. Wolfgang FEUCHTMÜLLER (Chairman)  
Dir. Giordano LOMBARDO (Deputy Chairman, to June 14, 2013)  
Dir. Domenico AIELLO (Deputy Chairman, from June 15, 2013)  
Dir. Matteo GERMANO  
Dir. Mag. Christian NOISTERNIG  
Dir. Mag. Günter SCHNAITT  
Dir. Mag. Susanne WENDLER  
Karin PASEKA  
Thomas KELLNER  
Stefan ZDRAZIL

### State Commissioner

Sonja HALZL, Head of Department  
Austrian Federal Ministry of Finance, Vienna  
Mag. Elisabeth DOHNAL, Deputy  
Austrian Federal Ministry of Finance, Vienna

### Executive Board

Dir. DDr. Werner KRETSCHMER (Chairman)  
Dir. Stefano PREGNOLATO  
Dir. Mag. Hannes ROUBIK  
Dir. Hannes SALETA

### Custodian Bank

UniCredit Bank Austria AG, Vienna

### Auditor

Deloitte Audit Wirtschaftsprüfungs GmbH

Company belonging to the UniCredit Banking Group, listed in the Register of Banking Groups.

Dear unitholder,

Pioneer Investments Austria is pleased to present its annual report for Pioneer Funds Austria - Select Europe Stock, a co-ownership fund pursuant to the 2011 Austrian Investment Fund Act (*InvFG*), as amended, for the accounting year from June 1, 2013 to May 31, 2014.

## Fund characteristics

The fund is an equity fund. The fund's management mainly invests (at least 66 % of the fund's assets) in equities of selected European companies. Corporate bonds (in particular subordinated bonds, hybrid bonds or perpetuals (bonds with indefinite maturity periods)) from European issuers may account for up to 10 % of the fund assets. Derivative instruments may be used for hedging of assets and as an active component of the fund's investment strategy. The fund's investment goal is to realize long-term capital growth subject to an appropriate level of risk-spreading. The fund pursues an active and value-oriented management style and prefers a combination of quality and undervaluation.

## Capital market trend

### International stock markets

2013 was a record year on the international stock markets. In 2013 the Standard & Poor's 500 index rose 29.6 % (in USD), in what was the fourth-best year in the past 50 years. US equities particularly benefited from US investors' investment focus on their home market, since the US economy realized slight growth (unlike the Eurozone) and the US central bank continued to support the markets through its quantitative easing. In the 1<sup>st</sup> quarter of 2014 the US market recovered following brief profit-taking in late January – despite the coup in Ukraine and Russia's subsequent annexation of the Crimea – and reached new record highs in the period from March to May 2014. Measured against the MSCI Europe Net Dividend index, European equities gained 19.8 % in 2013. European equities have benefited, in particular, from the stabilization of the Eurozone crisis, their relatively favorable valuations and the international orientation of these companies (which realize around half of their sales outside Europe). The DAX rose by 25.5 %. Austria realized a weaker performance due to the market's strongly cyclical orientation, the strong weighting of its financial sector and its proximity to Eastern Europe and achieved growth of just 6.1 %. The markets continued to climb in the first quarter of 2014. The stock markets experienced profit-taking in late January due to falling emerging markets currencies and in March due to the Ukraine/Russia crisis, but the markets nonetheless realized slight gains. In Europe, the peripheral countries realized particularly strong performances in the past accounting year. Declining risk premiums and thus falling interest rates on government and corporate bonds, and signs of economic stabilization enabled Spain (+34.1 %) and Italy (+25.5 %) to clearly outperform core countries such as Germany (+16.1 %, measured against the MSCI indices) which had previously been strong outperformers themselves. At a sector level, companies distributing high dividends were the key outperformers, since investors seeking returns once again sought equity investments in more defensive sectors, amongst others. Telecoms (+24.8 %) and utilities (+20.2 %) were outperformers. Commodities (+7.6 %) and defensive consumer goods (+6.6 %) lagged behind considerably, but also realized positive performances. The trend for the former reflected the relatively weak economic trend, while the latter have clearly outperformed over the past few years and thus have relatively expensive valuations.

While the early part of the crisis (2008) was still chiefly associated with the problems in the financial sector, it subsequently had knock-on effects for almost all of the other segments on the financial markets. In particular, the transition from a banking crisis to a crisis relating to some countries' excessive indebtedness has triggered some huge market upheavals. Following the multiple corrections to Greece's budget deficit (2010), the financial crisis is clearly focusing on government issuers in the peripheral Eurozone countries. The shift away from corporate risks to sovereign risks has resulted in a continuous rise in risk premiums for the countries hit especially hard by the crisis. Greece in particular has only escaped collapse thanks to massive support from the Eurozone countries, the ECB and the IMF. Ireland and Portugal also received bailouts in November 2010 and April 2011 respectively. The Eurozone's partner countries have sought to preempt a further widening of the crisis through the establishment of the European Financial Stability Facility in early May 2010 and the ECB's Securities Markets Program (SMP). However, a visibly slower economic trend, obvious structural problems and an at best hesitant will to implement reforms have caused a further deterioration in the sovereign debt crisis, which has recently spread to Italy and Spain in particular. In August 2011 the ECB expanded the SMP to include Italy and Spain for the first time and was thus able to stabilize risk premiums, for the time being at least. The reform path was also emphasized through changes of government in Greece and in Italy, in particular, which gave way to temporary non-partisan government by committee. When the ECB announced that it was to implement a three-year LTRO on two occasions (December 20, 2011 and February 28, 2012), this resulted in a clear fall in the record risk premiums previously reached. Despite the agreement of the second rescue package and continuing private sector involvement (PSI), Greece's viability remains highly doubtful. It has at least been possible to prevent the feared spillover of Greece's disaster to Italy and Spain for the time being. In particular, the institutional development of the Eurozone – which is tentative but nonetheless underway – is helping to temporarily curb potential breakup or exit scenarios. The establishment of the ESM and the extension of its powers in relation to its predecessor, the EFSF, have widened the volume of assistance available and also the range of crisis-management instruments. The ECB's new understanding of its role appears just as important. In late June 2012 Draghi announced the central bank's strongest commitment to date. Subject to preconditions which potential government applicants must fulfill in relation to the ESM, there are now no longer any obstacles to the central bank's intervention to facilitate

national refinancing packages. While Spain's expected request for assistance has yet to materialize, the affected peripheral countries' risk premiums continuously fell up to the end of the year. Not even the announcement of Monti's resignation and Berlusconi's political comeback were able to change the positive trend for 2012. However, the recovery was unable to continue into the 1<sup>st</sup> quarter of 2013. The initial political deadlock following the surprising outcome of the Italian elections in February and Cyprus' strategy of using private savings deposits to support its public finances once again highlighted the peripheral countries' fragile political situation. The effect of the liquidity provided by the central banks was subsequently illustrated by the 2<sup>nd</sup> quarter of 2013. Following the somewhat volatile 1<sup>st</sup> quarter, in April/May the situation on the peripheral markets eased significantly, especially in Italy and Spain. This development was triggered less by significant political progress (there is still no agreement on a joint system of banking supervision and direct recapitalization of banks by the ESM) than by the highly expansionary monetary policy pursued by the Japanese central bank. In the political sphere, strategy remains somewhat cautious. This is mainly due to the impending Bundestag elections in Germany. A positive factor is that much of the budget consolidation program has now been realized. In the medium term, the savings measures' negative impact on growth should thus diminish significantly. This gradualist political strategy has remained intact following Germany's elections, which culminated in the formation of a grand coalition between the CDU/CSU and the SPD. While an agreement has finally been reached on a central settlement mechanism for the banking sector which includes the European Commission (but is subject to the EU finance ministers' ultimate responsibility) and a resolution fund financed by this industry has now been established, the question of the banks' possible direct recapitalization by the ESM remains open.\*)

## Investment strategy \*\*)

The fund's investment strategy was very strongly driven by its stockpicking, resulting in a concentrated portfolio of 42 stocks. The fund was overweighted in the following sectors throughout the period: cyclical consumer sector, industrials, basic materials, information technology and telecommunications. The non-cyclical consumer sector, financials, healthcare and utilities were continuously underweighted. In the financial sector, the fund's stockpicking resulted in underweighting of investment banks and overweighting of insurance equities. In the banking sector we preferred, in particular, universal banks with strong deposit operations and solid liquidity and equity situations (HSBC, BNP Paribas, DNB, Swedbank). We also purchased a new stock in this segment, Barclays, after this British bank implemented a capital increase to improve its equity position. The fund did not hold any investments in Greek, Italian, Portuguese or Irish banks in the period under review. In the insurance sector, the fund opened a new position in Uniqua within the scope of a capital increase. The fund increased its weighting in the cyclical consumer sector by acquiring two new stocks – WPP (media) and Valeo (automobile suppliers). In the industrial sector, we mainly preferred companies which are globally active, but also restructuring stories such as Philips and, toward the end of the period, Alstom. In December 2013, we participated in the IPO of the Portuguese post office – CTT Correios – within the scope of its privatization. We sold Schneider Electronics and Rolls Royce to fund the opening of this position. In the basic materials segment we mainly invested in the packaging and paper segment (Rexam), cement (Holcim) and construction materials (Saint Gobain and Imerys), and did not invest in companies in the raw materials (mining equities) and steel segments. We sold Akzo Nobel to fund the opening of a position in DSM. The defensive side of the portfolio was covered through investments in the non-cyclical consumption segment (Nestle, SCA) and healthcare, at the expense of the utilities and telecommunications sectors. We sold our position in Imperial Tobacco in the course of the reporting period. In the utilities sector we have only invested in the regulated segment, through National Grid. In regard to electricity producers, we have yet to see any significant improvement in the fundamental situation (electricity prices) and also in relation to political interventionism. In the telecommunications segment, we converted our underweight into an overweight through two new purchases, TDC and Deutsche Telekom. In the information technology segment, we maintained our two core investments - AMS and Ericsson – and added a new position in Cap Gemini.

Derivatives were used for hedging of currency and market risks.

In the past accounting year, the fund did not make use of any derivative instruments covered by the reporting requirements under the ESMA Guidelines, ESMA/2012/832.

### Method for calculation of overall risk:

Commitment approach (pursuant to the 3<sup>rd</sup> chapter of the 4<sup>th</sup> Austrian Derivatives Risk Calculation and Reporting Ordinance (*Derivate-Risikoberechnungs- und Meldeverordnung*)).

\*) Regarding valuations in the current market situation, please see our comments in the Annex concerning the calculation of the fund's net asset value ("Valuation of illiquid securities").

\*\*) Discrepancies may arise in the percentage figures for the investment strategy and the statement of assets held on account of different calculation methods.

## Performance of Pioneer Funds Austria - Select Europe Stock in the past accounting year

Fund assets: EUR 156,211,422.82 on June 1, 2013 and EUR 184,539,782.38 on May 31, 2014

### Income-distributing units: AT0000856042

Units outstanding: 842,267 units on June 1, 2013 and 833,409 units on May 31, 2014

Net asset value per unit: EUR 103.29 on May 31, 2014

### Income-reinvesting units with deduction of capital gains tax: AT0000822762

Units outstanding: 681,019 units on June 1, 2013 and 711,142 units on May 31, 2014

Net asset value per unit: EUR 136.53 on May 31, 2014

### Income-reinvesting units without deduction of capital gains tax (Austrian tranche): AT0000619374

Units outstanding: 1,773 units on June 1, 2013 and 1,301 units on May 31, 2014

Net asset value per unit: EUR 139.25 on May 31, 2014

### Income-reinvesting units without deduction of capital gains tax (non-Austrian tranche): AT0000675178

Units outstanding: 10,259 units on June 1, 2013 and 8,498 units on May 31, 2014

Net asset value per unit: EUR 139.25 on May 31, 2014

## Distribution for income-distributing units - AT0000856042

From August 1, 2014, the custodian banks will distribute an amount of EUR 2.00 per unit upon presentation of coupon no. 56.

The paying agent is obliged to withhold from the distribution capital gains tax of EUR 0.27 per unit, unless grounds for an exemption apply.

## Payment for income-reinvesting units with deduction of capital gains tax - AT0000822762

From August 1, 2014, the custodian banks paid capital gains tax of EUR 0.37 per income-reinvesting unit with deduction of capital gains tax upon presentation of coupon no. 56, unless grounds for an exemption apply.

## Payment for income-reinvesting units without deduction of capital gains tax (Austrian tranche) - AT0000619374

Pursuant to § 58 (2) *InvFG*, no payment will be made for income-reinvesting units without deduction of capital gains tax (full income reinvestment – Austrian tranche).

## Payment for income-reinvesting units without deduction of capital gains tax (non-Austrian tranche) - AT0000675178

Pursuant to § 58 (2) *InvFG*, no payment will be made for income-reinvesting units without deduction of capital gains tax (full income reinvestment – non-Austrian tranche).

## Summary of the fund's last five accounting years in EUR

Income-distributing units	5/31/2010	5/31/2011	5/31/2012	5/31/2013	5/31/2014
Overall fund assets	148,218,704.10	156,523,597.87	123,951,279.75	156,211,422.82	184,539,782.38
Calculated unit value	72.22	81.68	69.73	89.79	103.29
Distribution per unit	1.60	1.61	1.60	2.00	2.00
Performance as %	+20.09	+15.53	-12.80	+31.54	+17.67

Income-reinvesting units with deduction of capital gains tax	5/31/2010	5/31/2011	5/31/2012	5/31/2013	5/31/2014
Overall fund assets	148,218,704.10	156,523,597.87	123,951,279.75	156,211,422.82	184,539,782.38
Calculated unit value	88.35	101.86	88.55	116.23	136.53
Reinvested income	1.79	2.71	-3.25	5.84	12.21
Payment pursuant to § 58 (2) <i>InvFG</i>	0.17	0.21	0.21	0.20	0.37
Performance as %	+20.09	+15.50	-12.88	+31.54	+17.67

Income-reinvesting units without deduction of capital gains tax (Austrian tranche)	5/31/2010	5/31/2011	5/31/2012	5/31/2013	5/31/2014
Overall fund assets	148,218,704.10	156,523,597.87	123,951,279.75	156,211,422.82	184,539,782.38
Calculated unit value	89.32	103.18	89.97	118.35	139.25
Reinvested income	1.98	2.97	-2.98	6.43	12.92
Performance as %	+20.09	+15.52	-12.80	+31.54	+17.66

Income-reinvesting units without deduction of capital gains tax (non-Austrian tranche)	5/31/2010	5/31/2011	5/31/2012	5/31/2013	5/31/2014
Overall fund assets	148,218,704.10	156,523,597.87	123,951,279.75	156,211,422.82	184,539,782.38
Calculated unit value	89.32	103.18	89.97	118.34	139.25
Reinvested income	1.98	2.94	-4.01	6.26	12.85
Performance as %	+20.09	+15.52	-12.80	+31.53	+17.67

## Income statement and development of fund assets in 2013-2014 in EUR

### 1. Development in past accounting year (fund performance)

Calculated in accordance with method provided by Oesterreichische Kontrollbank AG (*OeKB*):  
per unit in fund currency (EUR), excluding subscription fee

#### Income-distributing units: AT0000856042

Unit value at start of accounting year	89.79
Distribution on August 1, 2013 of EUR 2.00 (corresponds to 0.022928 units) <sup>1)</sup>	
Unit value at end of accounting year	103.29
Total value incl. units (fictitiously) acquired through distribution (1.022928 x 103.29)	105.66
Performance of a unit in the accounting year in %	17.67
Net income per unit	15.87
Performance of a unit in the calendar year 2013 in %	22.40

#### Income-reinvesting units with deduction of capital gains tax: AT0000822762

Unit value at start of accounting year	116.23
Payment (capital gains tax) on August 1, 2013 of EUR 0.20 (corresponds to 0.001735 units) <sup>**)</sup>	-
Unit value at end of accounting year	136.53
Total value incl. units (fictitiously) acquired through distribution (1.001734 x 136.53)	136.77
Performance of a unit in the accounting year in %	17.67
Net income per unit	20.54
Performance of a unit in the calendar year 2013 in %	22.41

#### Income-reinvesting units without deduction of capital gains tax (Austrian tranche): AT0000619374

Unit value at start of accounting year	118.35
Unit value at end of accounting year	139.25
Performance of a unit in the accounting year in %	17.66
Net income per unit	20.90
Performance of a unit in the calendar year 2013 in %	22.41

#### Income-reinvesting units without deduction of capital gains tax (non-Austrian tranche): AT0000675178

Unit value at start of accounting year	118.34
Unit value at end of accounting year	139.25
Performance of a unit in the accounting year in %	17.67
Net income per unit	20.91
Performance of a unit in the calendar year 2013 in %	22.41

The custodian bank calculates the unit value separately for each unit certificate class. The annual performance figures for the individual unit certificate classes may vary.

<sup>\*)</sup> Net asset value for an income-distributing unit on July 30, 2013 (ex-date): EUR 87.23.

<sup>\*\*)</sup> Net asset value for an income-reinvesting unit with deduction of capital gains tax on July 30, 2013 (ex-date): EUR 115.30.

## Income statement and development of fund assets in 2013-2014 in EUR

### 2. Fund result

#### a. Realized fund result

##### Ordinary income

**Income (without profit or loss from price changes) 4,718,615.61**

Interest income (incl. ordinary income from foreign subfunds) 5,013.69

Dividend income 5,865,220.26

Withholding tax levied on dividends -1,151,586.44

4,718,647.51

Interest expenses (interest paid) -31.90

##### Expenses

**-2,987,369.22**

Remuneration for management company -1,866,181.19

Custodian bank fee -201,977.01

Costs for services of external consultants -658,531.16

Costs for auditor and tax representation -10,753.20

Publication costs -2,618.57

Portfolio custody fees -246,718.29

Other management expenses -589.80

**Ordinary fund result (excl. equalization of income) 1,731,246.39**

##### Realized profit or loss from price changes <sup>1) 2)</sup>

Profits realized from securities (incl. extraordinary distribution-equivalent income from foreign subfunds) 15,471,033.01

Profits realized from derivative instruments (incl. exchange gains) 53,867.32

Losses realized from securities -144,481.78

Losses realized from derivative instruments (incl. exchange losses) -164,062.47

**Realized profit or loss from price changes (excl. equalization of income) 15,216,356.08**

**Realized fund result (excl. equalization of income) 16,947,602.47**

#### b. Non-realized profit or loss from price changes <sup>1) 2)</sup>

Change in non-realized profit or loss from price changes 10,308,573.08

**Income in accounting year 27,256,175.55**

#### c. Equalization of income

Equalization of income for income realized in accounting year 92,748.79

**Overall fund result 27,348,924.34**

Overall transaction costs in accounting year in EUR -258,774.49



### 3. Development of fund assets

Fund assets at start of accounting year <sup>3)</sup>		156,211,422.82
<b>Distribution/payment on August 1, 2013 (incl. equalization of distribution)</b>		-1,889,509.60
Distribution (income-distributing units) (AT0000856042)	-1,758,436.00	
Payment (income-reinvesting units with deduction of capital gains tax) (AT0000822762)	<u>-131,073.60</u>	
<b>Issue and redemption of units (incl. equalization of distribution)</b>		2,868,944.82
Issue of 291,640 units and redemption of 272,608 units		
<b>Overall fund result</b>		
(for a detailed presentation of the fund result, please see Item 2)		<u>27,348,924.34</u>
<b>Fund assets at end of accounting year <sup>4)</sup></b>		<u><b>184,539,782.38</b></u>

### 4. Appropriation of income

Profit carryforward from previous period	75,894,260.19	
Profit carryforward already transferred to core assets during accounting year	<u>-75,894,260.19</u>	
Realized fund result (incl. equalization of income)		<u>17,040,351.26</u>
<b>Distributable income</b>		<b>17,040,351.26</b>
Distribution per unit	2.00	
Number of income-distributing units (AT0000856042) as of May 31, 2014	833,409	
Distribution on August 1, 2014		-1,666,818.00
Payment per income-reinvesting unit with deduction of capital gains tax	0.37	
Number of income-reinvesting units with deduction of capital gains tax (AT0000822762) as of May 31, 2014	711,142	-263,122.54
Amount apportioned to core assets for income-reinvesting units with deduction of capital gains tax		-8,681,246.98
Share of income per income-reinvesting unit with deduction of capital gains tax	12.58	
Number of income-reinvesting units without deduction of capital gains tax (AT0000619374) as of May 31, 2014	1,301	
Amount apportioned to core assets for income-reinvesting units without deduction of capital gains tax		-16,806.31
Share of income per income-reinvesting unit without deduction of capital gains tax	12.92	
Number of income-reinvesting units without deduction of capital gains tax (AT0000675178) as of May 31, 2014	8,498	
Amount apportioned to core assets for income-reinvesting units without deduction of capital gains tax		-109,214.66
Share of income per income-reinvesting unit without deduction of capital gains tax	12.85	
Amount brought forward to following period for income-distributing units		<u>6,303,142.77</u>

<sup>1)</sup> Realized profits and losses are not specific to a particular period. Accordingly, like the change in the non-realized profit or loss from price changes, they may not relate to the fund's performance in the past accounting year.

<sup>2)</sup> Total profit/loss from price changes without equalization of income (realized profit/loss from price changes without equalization of income plus change in the non-realized profit/loss from price changes):  
EUR 25,524,929.16

<sup>3)</sup> Units outstanding at start of accounting year: 842,267 income-distributing units, 681,019 income-reinvesting units with deduction of capital gains tax, 1,773 income-

- reinvesting units without deduction of capital gains tax (*V77*), 10,259 income-reinvesting units without deduction of capital gains tax (*V7A*).
- 4) Units outstanding at end of accounting year: 833,409 income-distributing units, 711,142 income-reinvesting units with deduction of capital gains tax, 1,301 income-reinvesting units without deduction of capital gains tax (*V77*), 8,498 income-reinvesting units without deduction of capital gains tax (*V7A*).

## Statement of assets as of May 31, 2014

Asset class	ISIN	Items/ units/ currency (in thou.)	Holdings 5/31/2014	Purchases/ additions in period	disposals under review	Sales/ Price	Market value in EUR	% of fund assets
<b>Exchange-traded securities</b>								
<b>Equities in EUR</b>								
Ahold N.V., Kon.Aandelen aan toonder EO -0.01	NL0010672325	ITEMS	319,242	332,006	12,764	EUR 13.330000	4,255,495.86	2.31
Allianz SEvink.Namens-Aktien o.N.	DE0008404005	ITEMS	34,701	3,417	5,963	EUR 124.400000	4,316,804.40	2.34
Alstom S.A.Actions Port. EO 7	FR0010220475	ITEMS	116,879	189,209	72,330	EUR 29.000000	3,389,491.00	1.84
Bayer AGNamens-Aktien o.N.	DE000BAY0017	ITEMS	44,886	6,540	15,594	EUR 106.150000	4,764,648.90	2.58
BAYERISCHE MOTOREN WERKE AGSTAMMAKTIE EO 1	DE0005190003	ITEMS	55,828	8,531	15,999	EUR 92.202000	5,147,453.26	2.79
BNP PARIBAS S.A.Actions Port. EO 2	FR0000131104	ITEMS	82,395	6,804	23,935	EUR 51.370000	4,232,631.15	2.29
CAP GEMINI S.A.Actions Port. EO 8	FR0000125338	ITEMS	96,741	115,186	18,445	EUR 53.340000	5,160,164.94	2.80
COMPAGNIE DE SAINT-GOBAIN S.A.Actions au Porteur (C.R.) EO 4	FR0000125007	ITEMS	106,420	14,057	52,711	EUR 41.795000	4,447,823.90	2.41
CONTINENTAL AGInhaber-Aktien o.N.	DE0005439004	ITEMS	21,441	2,758	25,764	EUR 173.450000	3,718,941.45	2.02
CTT-Correios de Portugal S.A.Acções ao Portador o.N.	PTCTT0AM0001	ITEMS	532,195	715,046	182,851	EUR 7.430000	3,954,208.85	2.14
DEUTSCHE TELEKOM AGNAMENS-AKTIE O.N.	DE0005557508	ITEMS	380,210	298,636	129,466	EUR 12.325000	4,686,088.25	2.54
IMERYS S.A.Actions Port. EO 2	FR0000120859	ITEMS	62,891	7,461	16,865	EUR 61.470000	3,865,909.77	2.09
Koninklijke DSM N.V.Aandelen op naam EO 1,50	NL0000009827	ITEMS	95,506	102,826	7,320	EUR 52.900000	5,052,267.40	2.74
Koninklijke Philips N.V.Aandelen aan toonder EO 0,20	NL0000009538	ITEMS	207,197	37,694	28,911	EUR 23.170000	4,800,754.49	2.60
PORR AGStamm-Aktien ohne Nennwert	AT0000609607	ITEMS	18,793	18,793	0	EUR 51.010000	958,630.93	0.52
Repsol S.A.Acciones Port. EO 1	ES0173516115	ITEMS	194,740	26,122	89,013	EUR 20.665000	4,024,302.10	2.18
RHI AGAKTIEN O.N.	AT0000676903	ITEMS	162,667	9,526	5,709	EUR 23.865000	3,882,047.96	2.10
Royal Dutch ShellReg. Shares Class A EO -.07	GB00B03MLX29	ITEMS	170,946	34,202	22,879	EUR 28.845000	4,930,937.37	2.67
Sanofi S.A.Actions Port. EO 2	FR0000120578	ITEMS	59,326	8,998	5,464	EUR 78.440000	4,653,531.44	2.52
Total S.A.Actions au Porteur EO 2,50	FR0000120271	ITEMS	90,470	6,983	25,514	EUR 51.480000	4,657,395.60	2.52
UNIQA Insurance Group AGStamm-Aktien o.N.	AT0000821103	ITEMS	377,190	412,321	35,131	EUR 9.900000	3,734,181.00	2.02
VALEO S.A.Actions Port. EO 3	FR0000130338	ITEMS	41,470	73,130	31,660	EUR 98.500000	4,084,795.00	2.21
<b>Equities in DKK</b>								
TDC A/SNavne-Aktier DK 1	DK0060228559	ITEMS	652,707	652,707	0	DKK 53.150000	4,648,324.72	2.52
<b>Equities in GBP</b>								
BARCLAYS PLCRegistered Shares LS 0,25	GB0031348658	ITEMS	1,582,702	1,774,417	191,715	GBP 2.470000	4,805,499.62	2.60
BP PLCRegistered Shares DL -.25	GB0007980591	ITEMS	525,383	121,250	8,696	GBP 5.030000	3,248,526.72	1.76
HSBC HOLDINGS PLCRegistered Shares DL -.50	GB0005405286	ITEMS	588,801	86,278	9,348	GBP 6.292000	4,554,069.93	2.47
Kingfisher PLCReg. Shares LS -.157142857	GB0033195214	ITEMS	896,478	411,197	688,383	GBP 3.920000	4,319,844.82	2.34
National Grid PLCReg. Shares New LS -.11395	GB00B08SNH34	ITEMS	440,919	62,309	69,968	GBP 8.900000	4,823,821.88	2.61
PRUDENTIAL PLCRegistered Shares LS -.05	GB0007099541	ITEMS	240,735	22,307	107,212	GBP 13.855000	4,100,041.09	2.22
Rexam PLCReg. Shares LS -.714285714	GB00B943Z359	ITEMS	762,034	158,568	67,578	GBP 5.315000	4,978,747.03	2.70
Vodafone Group PLCRegistered Shares DL 0,2095238	GB00BH4HKS39	ITEMS	1,307,187	1,307,188	1	GBP 2.095000	3,366,388.16	1.82
WPP 2012 PLC Shs.LS -.10	JE00B8KF9B49	ITEMS	317,140	344,325	27,185	GBP 12.870000	5,017,322.43	2.72
<b>Other securities</b>								
KONINKLIJKE DSM -ANR.-W.	NL0010675047	ITEMS	95,506	95,506	0	EUR 1.150000	109,831.90	0.06
<b>Total exchange-traded securities</b>						<b>EUR</b>	<b>136,690,923.32</b>	<b>74.07</b>
<b>Freely tradable securities</b>								
<b>Equities in CHF</b>								
AMS AGINHABERAKTIEN O.N.	AT0000920863	ITEMS	32,478	11,864	32,574	CHF 146.800000	3,908,489.08	2.12
FISCHER AG, GEORGNamens-Aktien SF 10	CH0001752309	ITEMS	7,189	0	4,495	CHF 675.000000	3,978,009.59	2.16
HOLCIM LTD.NAMENS-AKTIE SF 2	CH0012214059	ITEMS	67,607	20,527	24,344	CHF 78.550000	4,353,428.58	2.36
Nestlé S.A.Namens-Aktien SF -.10	CH0038863350	ITEMS	80,619	18,993	10,961	CHF 70.250000	4,642,771.45	2.52
NOVARTIS AGNAMENS-AKTIE SF 0,50	CH0012005267	ITEMS	76,782	9,747	9,872	CHF 80.300000	5,054,387.51	2.74
<b>Equities in NOK</b>								
DNB ASANavne-Aksjer A NK 10	NO0010031479	ITEMS	226,056	9,571	121,576	NOK 112.300000	3,114,418.06	1.69
<b>Equities in SEK</b>								
ATLAS COPCO ABNamn-Aktier A (fria) SK0,2085	SE0000101032	ITEMS	148,908	28,067	41,129	SEK 196.200000	3,205,308.90	1.74
EricssonNamn-Aktier B (fria) o.N.	SE0000108656	ITEMS	520,737	185,356	112,206	SEK 83.850000	4,790,428.47	2.60
SVENSKA CELLULOSA ABNamn-Aktier B (fria) SK 10	SE0000112724	ITEMS	239,908	48,586	31,494	SEK 186.200000	4,900,916.05	2.66
Swedbank ABNamn-Aktier A o.N.	SE0000242455	ITEMS	203,530	22,127	57,539	SEK 178.000000	3,974,671.96	2.15
<b>Total freely tradable securities</b>						<b>EUR</b>	<b>41,922,829.65</b>	<b>22.72</b>

Asset class	ISIN	Items/ units/ currency (in thou.)	Holdings 5/31/2014	Purchases / additions in period under review	Sales/ disposals under review	Price	Market value in EUR	% of fund assets
<b>Non-quoted securities</b>								
<b>Other securities in EUR</b>								
KONINKL.PHILIPS-ANR.(D.W.	NL0010730446	ITEMS	191,136	191,136	0	EUR 0.800000	152,908.80	0.08
<b>Total non-quoted securities</b>						EUR	<b>152,908.80</b>	<b>0.08</b>
<b>Total securities holdings</b>						EUR	<b>178,766,661.77</b>	<b>96.87</b>
<b>Derivatives</b>								
(A minus sign next to holdings denotes sold positions)								
<b>Derivatives on individual securities</b>								
<b>Warrants</b>								
Receivables/liabilities								
<b>Equity warrants</b>								
Call AZN SEP/14 CALL 19.09.2014	5.200,0000	5200,000000000	ITEMS	40			11,063.31	0.01
Put AZN DEC/14 PUT 19.12.2014	3.400,0000	3400,000000000	ITEMS	40			-16,963.74	-0.01
<b>Total derivatives on individual securities</b>						EUR	<b>-5,900.43</b>	<b>0.00</b>
<b>Foreign exchange derivatives</b>								
Receivables/liabilities								
<b>Foreign exchange futures contracts (sales)</b>								
<b>Open positions</b>								
CHF/EUR 11.38 million							6,350.53	0.00
<b>Total foreign exchange derivatives</b>						EUR	<b>6,350.53</b>	<b>0.00</b>
<b>Bank balances</b>								
<b>EUR balances:</b>								
	EUR		1,665,754.47				1,665,754.47	0.90
<b>Balances in other EU/EEA currencies:</b>								
	GBP		432,538.00				531,700.06	0.29
	DKK		9,255.29				1,240.12	0.00
	SEK		4,476,851.13				491,162.85	0.27
<b>Balances in non-EU/EEA currencies:</b>								
	CHF		3,242,458.63				2,658,079.79	1.44
	HUF		31,382.59				103.63	0.00
	USD		2,267.33				1,661.60	0.00
	NOK		805,116.50				98,773.36	0.05
<b>Total bank balances</b>						EUR	<b>5,448,475.88</b>	<b>2.95</b>
<b>Other assets</b>								
Dividend rights	EUR		324,194.63				324,194.63	0.18
<b>Total other assets</b>						EUR	<b>324,194.63</b>	<b>0.18</b>
<b>Fund assets</b>						EUR	<b>184,539,782.38</b>	<b>100</b>
<b>Income-distributing units AT0000856042</b>						ITEMS	<b>833,409</b>	
Unit value	EUR						103.29	
<b>Income-reinvesting units with deduction of capital gains tax AT0000822762</b>						ITEMS	<b>711,142</b>	
Unit value	EUR						136.53	
<b>Income-reinvesting units without deduction of capital gains tax AT0000619374</b>						ITEMS	<b>1,301</b>	
Unit value	EUR						139.25	
<b>Income-reinvesting units without deduction of capital gains tax AT0000675178</b>						ITEMS	<b>8,498</b>	
Unit value	EUR						139.25	

Exchange rates (indirect quotation) as of 6/2/2014

Swiss franc	CHF	1.219850	= 1 euro (EUR)
Danish krone	DKK	7.463200	= 1 euro (EUR)
Pound sterling	GBP	0.813500	= 1 euro (EUR)
Forint	HUF	302.830000	= 1 euro (EUR)
Norwegian krone	NOK	8.151150	= 1 euro (EUR)
Swedish krona	SEK	9.114800	= 1 euro (EUR)
US dollar	USD	1.364550	= 1 euro (EUR)

Transactions concluded during the reporting period and not listed in the statement of assets:  
Purchases and sales of securities, investment units and promissory note loans (market allocation as of reporting date)

Asset class	ISIN	Items/ units/ currency (in thou.)	Purchases/ additions	Sales/ disposals
<b>Exchange-traded securities</b>				
<b>Equities</b>				
Ahold N.V., Kon.Aandelen aan toonder EO -,30	NL0006033250	ITEMS	70,163	415,077
AKZO NOBEL N.V.Aandelen aan toonder EO 2	NL0000009132	ITEMS	-	84,574
PORR AGStammaktien o.N. Div.Ber. 1.1.2014	AT0000A17548	ITEMS	16,895	16,895
SCHNEIDER ELECTRIC S.A.Actions Port. EO 4	FR0000121972	ITEMS	-	71,800
GlaxoSmithKline PLCRegistered Shares LS -,25	GB0009252882	ITEMS	-	213,915
IMPERIAL TOBACCO GROUP PLCRegistered Shares LS -,10	GB0004544929	ITEMS	-	155,532
Royal Mail PLCRegistered Shares LS -,01	GB00BDVZY77	ITEMS	17,689	17,689
Vodafone Group PLCRegistered Shares DL-,11428571	GB00B16GWD56	ITEMS	-	1,914,969
<b>Other securities</b>				
Repsol S.A. Anrechte	ES0673516920	ITEMS	-	-
REPSOL S.A. -BZR-	ES0673516938	ITEMS	168,618	168,618
<b>Securities traded on free markets</b>				
<b>Equities</b>				
VETROPACK HOLDING S.A.Inhaber-Aktien SF 50	CH0006227612	ITEMS	-	688
Zurich Insurance Group AGNam.-Aktien SF 0,10	CH0011075394	ITEMS	2,147	20,221
VERIZON COMMUNICATIONS INC.Registered Shares DL -,10	US92343V1044	ITEMS	42,986	42,986
<b>Non-quoted securities</b>				
<b>Equities</b>				
ROLLS ROYCE H.EN.C 07/13	GB00B9KGVK73	ITEMS	-	15,572,459
<b>Derivatives</b>				
(Option premiums converted into opening transactions/volume of + option contracts, for warrants: volume of purchases and sales.)				
<b>Equity warrants</b>				
<b>Warrants</b>				
Vetropack Holding S.A.PUT 30.05.13	CH0210634140	ITEMS	-	780

Vienna, September 24, 2014

Pioneer Investments Austria GmbH

DDr. Werner Kretschmer

Stefano Pregolato

Mag. Hannes Roubik

Hannes Saleta

## Audit certificate

We have audited the attached annual fund report as of May 31, 2014 – including the related accounts – prepared by Pioneer Investments Austria GmbH, Vienna, for its fund Pioneer Funds Austria - Select Europe Stock, a co-ownership fund pursuant to the 2011 Austrian Investment Fund Act (*InvFG*), as amended, for the accounting year from June 1, 2013 to May 31, 2014.

### Statutory representatives' responsibility for preparation of the annual fund report, management of the fund and keeping of the accounts

The statutory representatives of the management company and the custodian bank are responsible for keeping the accounts, valuing the fund, calculating withholding taxes, preparing the annual fund report and managing the fund in accordance with the Austrian Investment Fund Act, the supplementary provisions in the fund regulations and applicable tax legislation. This responsibility includes the setup, execution and maintenance of an internal control system where this is significant for the registration and valuation of the fund and preparation of the annual fund report so that this report is free from significant factual misstatements resulting from intentional or unintentional errors; selection and application of suitable valuation methods; estimates which appear appropriate in view of applicable outline conditions.

### Responsibility of the auditor and type and scope of statutory audit of the annual fund report

We are responsible for providing an audit opinion for this annual fund report on the basis of our audit.

We performed our audit pursuant to § 49 (5) of the Austrian Investment Fund Act while complying with applicable Austrian statutory regulations and the principles of orderly balance-sheet auditing. These principles require compliance with rules of professional conduct and planning and execution of the audit so that we are able to form an opinion, with a reasonable degree of certainty, on whether the annual fund report is free from significant factual misstatements.

An audit includes the performance of audit activities to obtain documentation of the figures and other disclosures in the annual fund report. The audit activities are chosen at the discretion of the auditor, while considering its assessment of the risk of significant factual misstatements resulting from intentional or unintentional errors. In performing the risk assessment the auditor gives consideration to the internal control system, where this is of significance for preparation of the annual fund report and valuation of the fund, so as to specify suitable audit activities in view of applicable outline conditions. No audit opinion is provided on the effectiveness of the internal control measures implemented by the management company and the custodian bank, however. The audit also includes an assessment of the appropriateness of the valuation methods used and the key estimates made by the statutory representatives as well as an evaluation of the overall statement provided in the annual fund report.

In our opinion we have obtained sufficient and suitable documentation for our audit, so that it provides an adequate degree of certainty on which to base our judgment.

### Audit outcome

Our audit has not met with any objections. On the basis of our audit findings, in our view the annual fund report as of May 31, 2014 for Pioneer Funds Austria - Select Europe Stock, a co-ownership fund pursuant to the 2011 Austrian Investment Fund Act (*InvFG*), as amended, complies with applicable statutory requirements.

### Compliance with the Austrian Investment Fund Act and the fund regulations

Pursuant to § 49 (5) *InvFG* our audit includes an assessment of whether this annual fund report complies with the Austrian Federal Act on Investment Funds (Austrian Investment Fund Act, *Investmentfondsgesetz, InvFG*) and the fund regulations. We have implemented our audit in accordance with the above principles, so that we are able to determine with a sufficient level of certainty whether this annual fund report essentially complies with the provisions of the Austrian Investment Fund Act and the fund regulations.

According to our audit findings, the provisions of the Austrian Federal Act on Investment Funds (Austrian Investment Fund Act) and the fund regulations have been complied with.

## Report on activities performed during the past accounting year

We have undertaken a critical assessment of the disclosures provided by the management company's management in the annual fund report on its activities in the past accounting year, but these were not subject to special audit activities in accordance with the above principles. Accordingly, our audit opinion does not include these statements. In the context of the overall picture set out in this annual fund report, the disclosures concerning the accounting year are consistent with the figures provided in the report.

Vienna, September 24, 2014

**Deloitte Audit Wirtschaftsprüfungs GmbH**

**Mag. Robert PEJHOVSKY**

**Mag. Nora ENGEL-KAZEMI TABRIZI**

Auditors

## Tax treatment of Pioneer Funds Austria - Select Europe Stock

### **for income-distributing units (ISIN AT0000856042) in EUR per unit:**

All income realized by the fund has final taxation status for income tax purposes for private investors, on account of the deduction of capital gains tax amounting to EUR 0.27 for each income-distributing unit. No action is required on the part of the unitholder.

### **for income-reinvesting units with deduction of capital gains tax (ISIN AT0000822762) in EUR per unit:**

All income realized by the fund has final taxation status for income tax purposes for private investors, on account of the deduction of capital gains tax amounting to EUR 0.37 for each income-reinvesting unit with deduction of capital gains tax. No action is required on the part of the unitholder.

Pioneer Investments Austria will shortly provide details of the tax treatment for this fund and further information – prepared on the basis of the audited annual fund report – via the download center at [www.pioneerinvestments.at](http://www.pioneerinvestments.at). We should like to point out that the fund's tax treatment was not covered by the audit performed by the auditor.