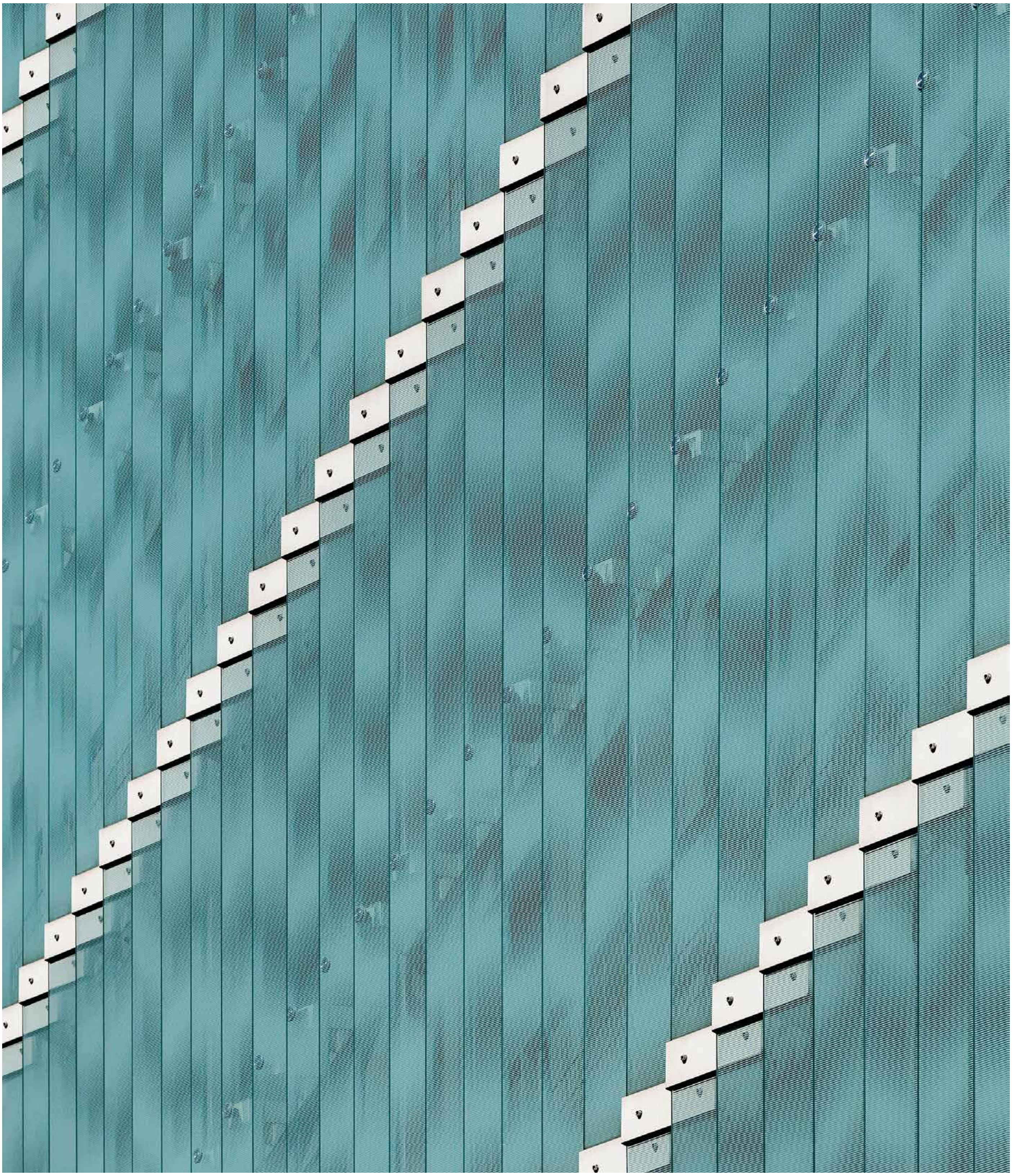
SEB ImmoPortfolio Target Return Fund

Liquidation Report as of 31 December 2019



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Note

SEB ImmoPortfolio Target Return Fund has not amended its Fund Rules in line with the *Kapitalanlagegesetzbuch* (KAGB – German Investment Code), which has been in force since 2014, due to the suspension of the issuance and redemption of units and the subsequent dissolution of the Fund. This Liquidation Report has been prepared in accordance with the provisions of the *Investmentgesetz* (InvG – German Investment Act), and in this case especially section 44 of the InvG, and of the *Investment-Rechnungslegungs- und Bewertungsverordnung* (InvRBV – German Investment Fund Accounting and Valuation Regulation). For this reason, we will continue to use the relevant InvG terminology in this Liquidation Report.

Terms used in the *Kapitalanlagegesetzbuch* (KAGB – German Investment Code)	Terms used in the *Investmentgesetz* (InvG – German Investment Act)
General Fund Rules (AAB)	General Fund Rules (AVB)
Special Fund Rules (BAB)	Special Fund Rules (BVB)
External valuers	Experts, Expert Committee
Investment company (KVG)	Investment company (KAG)
Overview of assets	Condensed statement of assets
Depositary	Custodian Bank

SEB ImmoPortfolio Target Return Fund at a Glance as of 31 December 2019

Fund assets	EUR	59.5 million
Total property assets (market values)	EUR	0.0 million
Total Fund properties		1
Total property return [1] for the period 1 January 2019 to 31 December 2019		1.3%
Liquidity return [1] for the period 1 January 2019 to 31 December 2019		–0.6%
Investment performance [2] for the period 1 January 2019 to 31 December 2019		–0.1%
Investment performance [2] since Fund launch		74.7%
Unit value/redemption price	EUR	9.19
Issuing price	EUR	9.47
Total expense ratio [3]		0.22%

[1] Based on the average Fund assets
[2] Calculated according to the BVI standard for funds in dissolution; no reinvestment of distributions in fund units since notice was given to terminate the management mandate
[3] Total costs as a percentage of average Fund assets within a financial year, calculated as of 31 December 2019

German Securities Code Number: 980231 ISIN: DE0009802314

Launched as SEB ImmoSpezial I, a special fund, on 15 October 2001; transformed into a mutual fund on 1 October 2004.

Editorial

Dear investor,

In this Liquidation Report, the Custodian Bank CACEIS Bank S.A., Germany Branch (hereinafter referred to as "CACEIS") reports on changes in the financial year from 1 January to 31 December 2019 for SEB ImmoPortfolio Target Return Fund, the open-ended real estate fund.

Following the sale of the last properties in 2017, the Fund no longer holds any real estate. The portfolio now only comprises one investment vehicle in Germany, which was used to hold properties in the past.

As a result, SEB ImmoPortfolio Target Return Fund can no longer generate any income from properties. Among other things, income is still being generated, and costs are still being incurred, from invoices of service costs, foreign currency measurement, taxes, negative interest, and monthly and annual financial statements at company and Fund level. This resulted in a slightly negative annual performance (–0.1%) for the Fund in financial year 2019. As of the 31 December 2019 reporting date, the cumulative return since the Fund was launched in 2001 is 74.7%. This corresponds to average annual net income of 3.1% p.a. SEB ImmoPortfolio Target Return Fund therefore continues to compare well to other open-ended real estate funds that are being wound up.

On 1 April 2019, investors received EUR 2.50 per unit or EUR 16.2 million in total as part of the regular distributions. The payout represented the final distribution for the 2018 financial year. Since the liquidity and risk situation has not changed since the beginning of April 2019, no second distribution was made in October 2019 – the second regular distribution date within a financial year. A total of EUR 576 million has been returned to investors since 5 June 2014, the date on which notice to terminate the management mandate was given. This corresponds to approximately 74% of Fund assets at that time.

The new statutory provisions set out in section 17 of the *Investmentsteuergesetz 2018* (InvStG 2018 – German Investment Tax Act 2018), which introduced special rules for funds in liquidation, have applied since 1 January 2018, and therefore also applied to the distribution made on 1 April 2019. Under the rules contained in section 17 of the InvStG 2018, return of capital distributions are tax-free during the tax liquidation phase in the period up to 31 December 2022. Since the Fund is being liquidated, no partial exemptions can be applied. As a result, 25% investment income tax plus the solidarity surcharge is initially retained by the custodian institution when the distribution is made. This sum is then reimbursed after the end of the year concerned, provided that the distributions made are return of capital distributions.

As in the past, CACEIS entrusted Savills Fund Management GmbH, acting as a service provider, with the ongoing work on winding up SEB ImmoPortfolio Target Return Fund at an operational level. By doing so, CACEIS has ensured that existing knowledge of the Fund is retained and ensures that the support provided for the liquidation process and the administrative tasks is as smooth as possible.

Information on the Continued Liquidation of SEB ImmoPortfolio Target Return Fund

SEB ImmoPortfolio Target Return Fund has been in liquidation since 5 June 2014, the date on which the investment company, Savills Fund Management GmbH, gave notice to terminate its management mandate. After expiration of the notice period on 31 May 2017, ownership of the Fund's assets, which are held in trust for investors, was transferred by law to the Fund's Custodian Bank, CACEIS Bank S.A., Germany Branch.

Since midnight on 31 May 2017, CACEIS's role has been to sell the Fund's remaining assets within three years while preserving investors' interests, in accordance with the requirements of the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin – the Federal Financial Supervisory Authority). The Custodian Bank's task is not to permanently manage the Fund but to wind it up and to distribute the proceeds to investors. In accordance with BaFin's requirements, the Custodian Bank is obliged to sell the assets transferred "at the best possible price that can be realised on the market" (BaFin Circular GZ WA 42-Wp-2136-2012/0039 of 27 November 2012, available in German only at http://www.bafin.de). Otherwise, however, it is not subject to any requirements with respect to the size of the proceeds to be generated. In particular, it is not bound by the most recent appraisal value.

To ensure that this task is performed efficiently, CACEIS has entrusted Savills Fund Management GmbH with certain operational subtasks. This ensures continuity of the Fund's management. The services commissioned cover the administrative tasks already performed for the Fund to date, such as property management and Fund accounting. Before the last property was sold and recorded as a disposal from the Fund in 2017, they also included providing support for the entire sales process.

Transfer of the Fund as required by law

When Savills Fund Management GmbH's right to manage SEB ImmoPortfolio Target Return Fund ended, the real estate fund was transferred by law to the Custodian Bank. Forty-four of the total of 46 properties that formed part of the Fund's asset pool as of 5 June 2014 had been sold, or sales agreements had been signed for them, as of 31 May 2017. A total of nine properties and all other assets still belonging to the Fund were transferred to CACEIS on 31 May 2017. Sales agreements already existed for seven of these nine properties. The risks and rewards associated with ownership were transferred to the buyer between August and November 2017. The last two properties have now also been sold and changed hands in September 2017. However, certain obligations and liabilities that are the Fund's financial responsibility remain in addition to property and other assets.

The transfer of the Fund to CACEIS marks the point at which the investment agreement between Savills Fund Management GmbH and the investors ended. Investors no longer have any claim against Savills Fund Management GmbH to the payment of the Fund's unit value as evidenced by the unit certificates; rather, they have a contractual claim against CACEIS for payment of the liquidation proceeds that are generated.

Remuneration payable to CACEIS

CACEIS is entitled both to be reimbursed for reasonable expenses and to be remunerated for its activities in winding up the Fund. It bases this remuneration on the work performed to date by the investment company. Since 31 May 2017, CACEIS has received remuneration of 0.90% p.a. of average Fund assets; this arrangement remains in force until further notice. CACEIS also covers the costs of the services to be provided by Savills Fund Management GmbH out of this remuneration. The Custodian Bank fee that CACEIS previously received is no longer levied.

Distributions

CACEIS has taken over responsibility for distributing the liquidation proceeds to investors in accordance with the statutory requirements. Please note in this context that it will only make distributions if and to the extent that there is no possibility of the funds belonging to the Fund still being needed to meet expenses that have been or will be incurred on the Fund's behalf.

Valuation

CACEIS will continue to publish a unit price on a daily basis.

Reporting

CACEIS will work together with Savills Fund Management GmbH to continue publishing information on the progress made in liquidating SEB ImmoPortfolio Target Return Fund online at http://www.savillsim-publikumsfonds.de. In addition, CACEIS will prepare liquidation reports, which will be granted an audit opinion by its auditor, annually and on the date on which the liquidation of the Fund ends, and will publish them in the electronic *Bundesanzeiger* (Federal Gazette).

Contact for questions

Investors can continue to address questions and comments to Savills Fund Management GmbH using the existing contact data – info@savillsim.de and the telephone infoline +49 (0)69 15 34 01 86 – as well as to the Fund's sales partners and brokers. Our staff are available to help you on Mondays, Tuesdays, Thursdays and Fridays between 10 a.m. and 1 p.m.

Activity Report

Risk Management

Risk management comprises all of the measures applied to systematically deal with risk and covers all business processes throughout the enterprise. Its key aim is to identify, analyse and manage any potential risks at an early stage. Identifying risks early on creates room for manoeuvre that can be used to help safeguard existing potential for success over the long term and to create new opportunities. Savills Fund Management GmbH, which has been commissioned by CACEIS to manage the Fund, established a risk management process for this consisting of a risk strategy and the identification, analysis and assessment, management and monitoring, and communication and documentation of risks. The process covers statutory and contractual requirements in particular.

In keeping with the relevant legal provisions, a distinction is made between the following main risk types:

Counterparty risk

Default by a counterparty could lead to losses for the Fund.

Counterparty risk describes the risk that a party to an agreement will partially or fully default on its obligation. This applies to all contracts signed for the account of a fund, but particularly in connection with derivative transactions that are entered into, for example, to hedge currency risk.

Interest rate risk

The liquidity portfolio is exposed to interest rate risk and influences the Fund return. If market interest rates change in relation to the rate applicable when the investment was made, this may affect the price and yield of the investment and lead to fluctuations. However, these price movements vary depending on the investment duration. Liquidity was held in bank account balances during the reporting period.

The Fund management company may employ derivatives to reduce exchange rate and interest rate risks. Derivatives are used exclusively for hedging purposes to mitigate risk.

Currency risk

If the assets belonging to a fund are invested in currencies other than the fund currency, the fund receives the income, repayments and proceeds from such investments in the relevant currency. If the value of this currency falls against the fund currency, the value of the fund declines. In principle, foreign currency items are largely hedged in order to reduce currency risk. Therefore, in addition to taking out loans in the relevant currencies, foreign currency items are normally hedged using forward exchange transactions.

Liquidity risk

Depending on internal cash flows, the Fund holds liquidity over and above the minimum required by law.

Real estate risk

The properties owned by open-ended real estate funds are the basis for their returns. The Fund is being liquidated and now no longer holds any properties. However, risks dating from the period in which it held properties may continue to exist even following their sale. These may result from ongoing property-related claims and obligations. The Fund's real estate investments were exposed to the following risks that may still impact the unit value of the fund even now. In the past, a large number of factors could cause both property valuations and income from properties to fluctuate.

- Political, economic and legal risks – including those posed by tax law – need to be considered in any investment decisions, along with how transparent and well developed the real estate market in question is.
- In decisions to invest outside the eurozone, the volatility of the national currency must be taken into consideration as well. Exchange rate fluctuations and the costs of currency hedging have an impact on the property return.
- Any change in the quality of the location may have a direct effect on the lettability and current letting situation. If the location increases in attractiveness, lease contracts can be signed for higher rents; however, in the worst possible case a decrease could mean lasting vacancies.
- Building quality and condition also have a direct impact on the capacity of a property to generate income. The condition of the building may require expenditures for maintenance that exceed budgeted maintenance costs. Additional investment costs may impact the return over the short term, but may also be necessary to achieve long-term positive development.
- Risks posed by fire and storm damage and by natural forces (such as flooding and earthquakes) are covered internationally by insurance if this is possible, reasonable from a financial point of view and objectively necessary.
- Vacancies and expiring leases can mean either earnings potential or risk. Regular observation of the markets invested in, and the implementation of measures based on this knowledge with a view to reacting in good time to market movements, are crucial parts of the process. At the same time, vacancies result in income shortfalls and increased costs to enhance the attractiveness of the property for rental.

- Tenant creditworthiness is also a significant risk component. Poor creditworthiness can lead to high outstandings and insolvencies can lead to a total loss of income. One of the tasks of portfolio management is to aim to reduce dependencies on individual tenants or sectors.

- Equity interests in real estate companies, i.e. indirect real estate investments, may be exposed to the risk of changes to company or tax law, particularly abroad.

Tax and warranty risks

When selling a property, the Fund may become liable for warranty claims by the buyer or other third parties, even where the most prudent business practice possible is adopted. The management recognises liquidity reserves to provide for potential warranty and guarantee claims, claims for back taxes on the part of the fiscal authorities, and Fund administration and operating costs once rental income ceases to flow following the sale of the properties. The amount of time needed for the tax audits performed on each property sold cannot be foreseen. Equally, warranty and guarantee agreements resulting from sales may entail obligations extending beyond the three-year period. The remaining liquidity can only be returned to investors once all conceivable liabilities have been met or have become time-barred; these include in particular guarantees and claims resulting from tax audits.

Operational risk

The investment company is responsible for ensuring the orderly management of the Fund. It has made the appropriate arrangements for this so as to implement reasonable risk minimisation measures for all operational risks identified. The Fund is also exposed to operational risks such as legal and tax risks.

The Markets – An Overview

Economic environment

According to the World Bank, declining exports, deteriorating corporate sentiment and a slowdown in investments are exacerbating lower growth forecasts worldwide. However, Consensus Economics is not forecasting a recession for the eurozone in the next 12 to 18 months. Nevertheless, economic growth will be sluggish in the medium term, due to the ongoing tensions in the trade war between the USA and China and technological change, especially in the automotive and engineering sectors. The longer the downturn in manufacturing industry lasts, the more realistic it seems that the services sector, and hence the property markets as well, will be impacted.

Equally, if consumer confidence continues to worsen, households will tend to increase their savings rate, negatively affecting growth in consumer spending. At the same time, there are no signs of a significant improvement in the external environment, as major sentiment indicators are pointing to a slowdown in the US economy.

In addition to the trade conflict between the USA and China, the dispute between Japan and South Korea, Brexit, ongoing protests in France, South Korea and Hong Kong, among other places, and demographic change are having an impact on the capital and investment markets. Muted growth and continuing low levels of inflation mean that key interest rates will stay low for longer; in fact, this situation could become the new normal. Concerns about US growth and the outlook on inflation were underscored by the inversion of the yield curve for US Treasury bonds in 2019 – a good early indicator of past recessions in the country. The changing economic climate forced the Federal Reserve to cut interest rates several times in 2019 to avoid a recession. However, even if the economic situation throughout Europe continues to be positive and interest rates remain at an extremely low level, the region could still remain stuck in an environment characterised by weak growth and low inflation.

Economic outlook

Independent forecasts are therefore assuming muted global economic growth over the next 12 to 18 months. Although the Federal Reserve's interest rate cuts in 2019 seem to have prevented a more pronounced slowdown in US growth, an upturn does not seem to be on the cards in 2020. At the same time, the Chinese economy will continue to trend downwards despite further political incentives.

Whereas the eurozone is likely to escape recession, some economies such as Germany and Italy will have difficulty achieving positive economic growth and avoiding a (technical) recession in the short term. The market cycle for investments in commercial real estate will probably be prolonged by the ECB's decision over the summer to cut interest rates further and to reinstitute its bond-buying programme.

Results of the Fund in Detail

Development of SEB ImmoPortfolio Target Return Fund

Comparative three-year overview

	Reporting date 31 Dec. 2016 EUR thousand	Reporting date 31 Dec. 2017 EUR thousand	Reporting date 31 Dec. 2018 EUR thousand	Reporting date 31 Dec. 2019 EUR thousand
Properties	187,400	0	0	0
Equity interests in real estate companies	49,375	103,264	4,593	4,459
Liquidity portfolio	104,832	66,655	79,465	66,067
Other assets	47,181	17,928	9,794	3,388
Less: liabilities and provisions	–56,371	–24,882	–18,201	–14,444
Fund assets	**332,417**	**162,965**	**75,651**	**59,470**
Number of units in circulation	6,465,095	6,465,095	6,465,095	6,465,095
Unit value (EUR)	51.41	25.20	11.70	9.19
Interim distribution per unit (EUR)	**–**	**8.00**	**3.50**	**–**
Date of interim distribution	–	13 Nov. 2017	1 Oct. 2018	–
Final distribution per unit (EUR)[1)]	**3.00**	**10.00**	**2.50**	**–**
Date of final distribution	3 Apr. 2017	3 Apr. 2018	1 Apr. 2019	–

[1)] Payable after the end of the financial year

Structure of Fund assets

SEB ImmoPortfolio Target Return Fund's assets decreased by EUR 16.2 million to EUR 59.5 million in the reporting period from 1 January to 31 December 2019. The number of units in circulation was unchanged, at 6,465,095.

Liquidity

Gross liquidity on the reporting date was EUR 66.1 million, or 111.1%. EUR 10.0 million of this was invested as a one-year term deposit, which ends on 18 March 2020. The remaining liquidity was held as overnight bank balances. The average liquidity ratio during the last 12 months, including the investment vehicles' liquid assets, amounted to 118.4% of Fund assets.

Distribution

EUR 16.2 million was paid out for SEB ImmoPortfolio Target Return Fund in financial year 2019. The distribution for the previous year was made on 1 April 2019 and amounted to EUR 2.50 per unit. The net income for financial year 2019 will be carried forward to new account. No distribution will be made. The tax information is provided on pages 30ff.

Investment performance

The Fund generated a performance of −0.1%, or EUR −0.01 per unit, during the reporting period. Its performance since its launch on 15 October 2001 amounts to 74.7%.

Unit value as of 31 December 2019	EUR	9.19
Plus distribution on 1 April 2019	EUR	2.50
Minus unit value on 1 January 2019	EUR	−11.70
Investment performance	**EUR**	**−0.01**

Return according to the BVI method

	Return in %	Return in % p.a.
1 year	−0.1	−0.1
3 years	−29.6	−11.0
5 years	−19.7	−4.3
10 years	−8.4	−0.9
15 years	28.4	1.7
Since launch	74.7	3.1

Note: Calculated according to the BVI standard for funds in dissolution; no reinvestment of distributions in fund units since notice was given to terminate the management mandate. Historical performance data are no indication of future performance.

Overview of exchange rate risks as of 31 December 2019

Currency			Open currency items as of reporting date		in % of Fund assets (incl. loans) per currency zone	in % of Fund assets per currency zone
PLN (Poland)	PLN	3,120,012	EUR	732,690	1.232	1.232
USD (USA)	USD	−371,918	EUR	−331,212	0.557	0.557
SGD (Singapore)	SGD	441	EUR	292	0.001	0.001
GBP (United Kingdom)	GBP	−6,142	EUR	−7,216	0.012	0.012
Total			**EUR**	**394,554**	**1.802**	**1.802**[1]

[1] Hedges of Fund assets held in foreign currency amounted to 98.2% of Fund assets as of the 31 December 2019 reporting date.

Overview: Returns and Valuation

The return figures for the reporting period are as follows:

The Fund generated a gross return of 5.0%. After deducting costs of 3.0%, the net return was 2.0%.

The return from changes in value was 0.0%. Foreign income taxes reduced the result by 0.6%. Overall, the changes in value led to income before exchange rate differences of 1.4%.

After adjustment for exchange rate differences of −0.1%, the total income in Fund currency was 1.3%. The liquidity portfolio generated a negative return (–0.6%) due to market factors. Total Fund income before Fund costs amounted to 0.7%. Total Fund income in accordance with the BVI method (after Fund costs) was −0.1%.

Key return figures (in % of average Fund assets) [1]	Total
I. Properties [2]	
Gross income	5.0
Management costs	−3.0
Net income	2.0
Changes in value	0.0
Foreign income taxes	−0.6
Foreign deferred taxes	0.0
Income before exchange rate differences	1.4
Exchange rate differences [3]	−0.1
Total income in Fund currency	**1.3**
II. Liquidity [2]	**−0.6**
III. Total Fund income before Fund costs [2]	**0.7**
Total Fund income after Fund costs (BVI method)	**−0.1**

Net asset information (weighted average figures in EUR thousand) [1]	
Total Fund assets	62,874

[1] The weighted average figures in the financial year are calculated using 13 month-end values (31 December 2018 to 31 December 2019).
[2] Based on the average Fund assets in the period under review
[3] Exchange rate differences include both changes in exchange rates and currency hedging costs for the period under review.

Changes to the Portfolio

After the final properties were sold in the 2017 reporting period, the Fund's portfolio now only comprises a single real estate company, which is simply a legal shell and no longer holds any properties. The company is to be liquidated as soon as possible.

Outlook

SEB ImmoPortfolio Target Return Fund no longer holds any properties since all remaining buildings were sold in 2017. The portfolio still contains an investment vehicle in Germany that does not hold any properties: this vehicle can only be liquidated in the course of 2023 after the obligations under the contracts of sale for the properties have expired.

The Fund currently holds approximately EUR 70 million in liquidity either directly or via companies as reserves for potential and existing liabilities. These primarily comprise reserves for tax risks (63%) and, to a lesser extent, for remaining risks from property sales (3%) and existing or future operating liabilities (34%). The tax risks relate to the following countries in which the Fund used to hold properties: Germany, Finland, France, the United Kingdom, the Netherlands, Austria, Poland, Singapore, Slovakia, Spain and the USA. The tax law audits that are performed following the sales are governed by the tax laws and other national rules of the countries concerned, and the processing times involved differ substantially. Based on current assessments, they will decline on a case-by-case basis until 2023. At present, we expect risks from the property sales to decline by the end of 2020.

Since the regular evaluation of the tax risks led to the need to increase the reserves for tax risks, it is not possible to make an end-of-year distribution for the past financial year.

Liquidation is still ongoing due to the abovementioned risks; there is no statutory deadline by which SEB ImmoPortfolio Target Return Fund has to have been finally liquidated. Further distributions will be made to investors as soon as the risks have declined further and relevant reserves can be released. We are currently expecting that it will be possible to finally liquidate the Fund in 2023.

We will continue to inform you of the progress made in winding up SEB ImmoPortfolio Target Return Fund online at www.savillsim-publikumsfonds.de and by way of the annual liquidation reports prepared as of 31 December of each year.

We thank you warmly for the confidence you have shown in us and for your patience. As in the past, our top priority during the remaining dissolution process is to achieve the best possible results in the interests of investors.

Thies Clemenz

Munich, March 2020

Statement of Changes in Net Assets from 1 January 2019 to 31 December 2019

	EUR	EUR	EUR
I. Fund assets at the start of the reporting period on 1 January 2019			75,651,261.68
1. Distribution for the previous year			–16,162,737.50
of which distribution in accordance with annual report		–16,162,737.50	
2. Ordinary net income			502,861.01
3. Realised gains			
on forward exchange transactions		70,419.09	70,419.09
of which in foreign currency	0.00		
4. Realised losses			
on forward exchange transactions		–69,746.42	–69,746.42
of which in foreign currency	0.00		
5. Net change in value of unrealised gains/losses			
on equity interests in real estate companies		–134,594.21	
of which in foreign currency	0.00		
on forward exchange transactions		83,887.88	
of which in foreign currency	0.00		
Changes in exchange rates		–471,428.24	–522,134.57
II. Value of the Fund at the end of the reporting period on 31 December 2019			**59,469,923.29**

Disclosures on the Statement of Changes in Net Assets

The statement of changes in net assets shows which transactions entered into during the period under review are responsible for the new assets disclosed in the Fund's statement of assets. It thus presents a breakdown of the difference between the assets at the beginning and the end of the reporting period.

The **distribution for the previous year** is the distribution amount reported in the annual report for the previous year (see the total distribution item under the Application of Fund Income in that document).

The **ordinary net income** can be seen from the statement of income and expenditure.

Realised gains and losses on forward exchange transactions can be seen from the statement of income and expenditure.

The **net change in value of unrealised gains/losses** on equity interests in real estate companies is the result of changes in the carrying amounts during the reporting period. This figure includes all changes in the carrying amounts of the equity interests. These can be the result, for example, of the recognition or reversal of provisions, subsequent purchase price adjustments or cost refunds.

The net change in value of unrealised gains/losses on **forward exchange transactions** is the result of changes in market value during the reporting period.

This item also includes changes in value resulting from exchange rate fluctuations.

Condensed Statement of Assets and Liabilities as of 31 December 2019

		EUR	EUR	EUR	% of Fund assets
I.	**Equity interests in real estate companies** (see Statement of Assets, Part I, page 20)				
	1. Majority interests		4,459,217.09		7.50
	of which in foreign currency	0.00			
	Total equity interests in real estate companies			**4,459,217.09**	**7.50**
	Total in foreign currency	0.00			
II.	**Liquidity portfolio** (see Statement of Assets, Part II, page 20)				
	1. Bank deposits		66,067,188.70		
	of which in foreign currency	1,518,295.24			
	Total liquidity portfolio			**66,067,188.70**	**111.09**
	Total in foreign currency	1,518,295.24			
III.	**Other assets** (see Statement of Assets, Part III, page 21f.)				
	1. Receivables from real estate management		1,462,028.54		
	of which in foreign currency	829,330.93			
	2. Miscellaneous		1,925,657.58		
	of which in foreign currency	739,158.45			
	Total other assets			**3,387,686.12**	**5.70**
	Total in foreign currency	1,568,489.38			
Total				**73,914,091.91**	**124.29**
Total in foreign currency		3,086,784.62			

Disclosures on the Condensed Statement of Assets and Liabilities

Fund assets decreased by EUR 16.2 million to EUR 59.5 million in the reporting period from 1 January to 31 December 2019.

The Fund no longer owns any directly held properties.

I. Equity interests in real estate companies

The **equity interests in real estate companies** item consists of the German company IPTR IV GmbH. The company does not hold any properties.

There were no shareholder loans.

II. Liquidity portfolio

The bank deposits reported under the **liquidity portfolio** item serve to meet ongoing payment obligations and the payment of future distributions to investors. EUR 3.0 million has been set aside to fulfil the statutory requirements on minimum liquidity.

III. Other assets

Receivables from real estate management comprise expenditures relating to service charges allocable to tenants in the amount of EUR 0.9 million and rent receivables totalling EUR 0.6 million. Conversely, prepayments by tenants of allocable costs in the amount of EUR 1.3 million are included in the liabilities from real estate management item.

The other assets disclosed under the **miscellaneous** item in the amount of EUR 1.9 million primarily represent tax

Germany EUR	Other EU countries EUR	USA EUR
4,459,217.09	0.00	0.00
4,459,217.09	**0.00**	**0.00**
44,634,117.94	21,433,070.76	0.00
44,634,117.94	**21,433,070.76**	**0.00**
323,911.66	1,138,116.88	0.00
346,163.88	875,836.20	703,657.50
670,075.54	**2,013,953.08**	**703,657.50**
49,763,410.57	**23,447,023.84**	**703,657.50**

receivables from the fiscal authorities in Germany and abroad totalling EUR 1.5 million, receivables from advance payments for operating costs due from property managers abroad in the amount of EUR 0.3 million and receivables from counterparties to forward exchange contracts of EUR 25.7 thousand.

Fund assets held in foreign currency are hedged against changes in exchange rates using forward exchange transactions. An overview of open currency items is given in the Statement of Assets, Part III.

A total of five forward exchange transactions with an aggregate volume of PLN 53.7 million, four forward exchange transactions with an aggregate volume of GBP 0.8 million, and two forward exchange transactions with an aggregate volume of USD 0.1 million were entered into in the reporting period to hedge exchange rate risks.

		EUR	EUR	EUR	% of Fund assets
IV.	**Liabilities from** (see Statement of Assets, Part III, page 21f.)				
	2. Real estate management		1,558,587.69		
	of which in foreign currency	823,383.80			
	3. Miscellaneous		62,582.84		
	of which in foreign currency	7,137.18			
	Total liabilities			**1,621,170.53**	**2.73**
	Total in foreign currency	830,520.98			
V.	**Provisions**			**12,822,998.09**	**21.56**
	of which in foreign currency	2,252,636.08			
Total				**14,444,168.62**	**24.29**
Total in foreign currency		3,083,157.06			
Total Fund assets				**59,469,923.29**	**100.00**
of which in foreign currency		3,627.56			
Unit value (EUR)				9.19	
Units in circulation				6,465,095	

IV. Liabilities

Liabilities from real estate management primarily consist of EUR 1.3 million for prepaid allocable costs and advance rental payments of EUR 0.3 million.

The **miscellaneous liabilities** item mainly includes EUR 45.5 thousand in management fee liabilities, EUR 12.6 thousand in liabilities to creditors and EUR 4.5 thousand in liabilities to counterparties from forward exchange transactions in GBP.

V. Provisions

The **provisions** of EUR 12.8 million mainly relate to provisions for Fund liquidation costs (EUR 10.2 million), maintenance measures and construction services (EUR 1.1 million), taxes (EUR 0.8 million) and non-allocable operating costs and value adjustments on rent receivables (EUR 0.6 million).

Germany EUR	Other EU countries EUR	USA EUR
7,446.83	1,551,140.86	0.00
55,270.17	7,312.67	0.00
62,717.00	**1,558,453.53**	**0.00**
10,648,992.91	**1,124,046.53**	**1,049,958.65**
10,711,709.91	**2,682,500.06**	**1,049,958.65**
39,051,700.66	**20,764,523.78**	**–346,301.15**

Statement of Assets, Part I: Property Record as of 31 December 2019

Company	Property performance Value of the equity interest (at the reporting date) in EUR
Equity interests in real estate companies	
IPTR IV GmbH, Germany, Rotfeder-Ring 7, 60327 Frankfurt am Main Company's capital: EUR 4,292,557.33 Shareholder loans: EUR 0.00 Equity interest held: 100.00000%	4,459,217
Total equity interests in real estate companies	**4,459,217**

Statement of Assets, Part II: Liquidity Portfolio

	Market value EUR	% of Fund assets
I. Bank deposits		
Germany	44,634,117.94	
France	858,127.07	
Poland	10,891,140.82	
Finland	9,683,802.87	
Total liquidity portfolio	**66,067,188.70**	**111.09**

Statement of Assets, Part III: Other Assets, Liabilities and Provisions, Additional Disclosures

				EUR	EUR	EUR	EUR	% of Fund assets
I. Other assets								
1. Receivables from real estate management						1,462,028.54		
of which in foreign currency					829,330.93			
of which rent receivable				533,288.76				
of which advance payments for operating costs				928,739.78				
2. Miscellaneous						1,925,657.58		
of which in foreign currency					739,158.45			
of which from hedging transactions				25,663.88				
	Currency	Market value sale EUR	Market value rept. date EUR	Preliminary result EUR				
	PLN	−3,105,932.69	3,131,596.57	25,663.88				
Total other assets							**3,387,686.12**	**5.70**
Total in foreign currency					1,568,489.38			
II. Liabilities from								
2. Real estate management						1,558,587.69		
of which in foreign currency					823,383.80			
3. Miscellaneous						62,582.84		
of which in foreign currency					7,137.18			
of which from hedging transactions				4,451.12				
	Currency	Market value sale EUR	Market value rept. date EUR	Preliminary result EUR				
	GBP	−4,451.12	0.00	4,451.12				
Total liabilities							**1,621,170.53**	**2.73**
Total in foreign currency					830,520.98			

	EUR	EUR	EUR	EUR	% of Fund assets
III. Provisions				**12,822,998.09**	**21.56**
of which in foreign currency		2,252,636.08			
Total Fund assets				**59,469,923.29**	**100.00**
of which in foreign currency		3,627.56			
Units (EUR)				**9.19**	
Units in circulation				**6,465,095**	
Exchange rates* as of 31 December 2019					
Sterling (GBP)	0.851 = EUR 1				
US dollar (USD)	1.123 = EUR 1				
Polish zloty (PLN)	4.258 = EUR 1				

* Assets denominated in foreign currencies are translated into euros at the exchange rate for the respective currency as determined during Reuters AG’s midday fixing at 1.30 p.m.

Disclosures on the Measurement Policies

Forward exchange transactions were measured at their forward rate on 31 December 2019.

Bank deposits and time deposits are measured at their nominal amount plus accrued interest.

Liabilities are recognised at their repayment amount.

Provisions are recognised at their settlement amount.

Transactions Closed Out during the Reporting Period That Are No Longer Included in the Statement of Assets

	Purchases Market value EUR from 1 Jan. 2019 to 31 Dec. 2019	Sales Market value EUR from 1 Jan. 2019 to 31 Dec. 2019
GBP	359,621.45	0.00
USD	89,198.54	0.00
PLN	3,108,476.46	6,273,558.28
SGD	0.00	0.00
Total	**3,557,296.45**	**6,273,558.28**

No transactions with affiliated companies took place.

Statement of Income and Expenditure

for the period from 1 January 2019 to 31 December 2019	EUR	EUR	EUR
I. Income			
1. Income from properties		1,862,446.85	
of which in foreign currency	0.00		
2. Interest on liquidity portfolio in Germany		−235,247.75	
3. Interest on liquidity portfolio outside Germany (before withholding tax)		−112,249.16	
4. Other income		2,236,918.30	
of which in foreign currency	1,895,489.76		
Total income			**3,751,868.24**
II. Expenditure			
1. Management costs			
1.1 Operating costs		1,774,874.75	
of which in foreign currency	18,918.65		
1.2 Maintenance costs		230,527.86	
of which in foreign currency	986.67		
1.3 Other costs		329,551.88	
of which in foreign currency	2,067.59		
2. Foreign taxes		387,184.12	
of which in foreign currency	387,184.12		
3. Remuneration of Fund management		116,710.85	
4. Other expenditure		410,157.77	
of which remuneration of experts (in accordance with section 12 of the BVB)	0.00		
Total expenditure			**3,249,007.23**
III. Ordinary net income			**502,861.01**

Statement of Income and Expenditure

for the period from 1 January 2019 to 31 December 2019	EUR	EUR	EUR
IV. Disposals			
1. Realised gains			
plus unrealised changes in value from previous years			
1.1 on forward exchange transactions in the period under review	68,065.76		
Changes in value from previous years	2,353.33	70,419.09	
of which in foreign currency	0.00		
2. Realised losses			
plus unrealised changes in value from previous years			
2.1 on forward exchange transactions in the period under review	−4,717.96		
Changes in value from previous years	−65,028.46	−69,746.42	
of which in foreign currency	0.00		
Net gain on disposals			672.67
V. Net profit for the financial year			503,533.68
Total expense ratio			0.22%
Transaction-based remuneration			0.00%
Transaction costs			0.00

Disclosures on the Statement of Income and Expenditure

Income

Income from properties primarily comprises income from prepayments by tenants of allocable costs (EUR 1.9 million) resulting from invoices of service costs issued in the reporting period for properties that were sold in the past.

Interest on the liquidity portfolio in Germany and abroad consists of the negative bank interest charged to the Fund.

Other income primarily comprises income from the dissolution of provisions (EUR 1.1 million), realised gains on exchange rate differences (EUR 0.5 million) and income from corporation tax refunds (EUR 0.2 million).

Expenditure

Management costs comprise **operating costs** (EUR 1.8 million), **maintenance costs** (EUR 0.2 million) and **other costs** (EUR 0.3 million). Other costs include valuation allowances on rent receivables of EUR 0.2 million.

Foreign taxes relate to the USA.

The **remuneration of Fund management** item amounted to EUR 0.6 million, or 0.9% p.a. of average Fund assets. EUR 0.5 million was already taken from the provisions recognised in previous years for the Fund's liquidation phase. The remaining EUR 0.1 million was expensed in the financial year.

The costs for the **audit and publication** of the liquidation reports were taken from the provisions.

Other expenditure in accordance with section 11(5) of the BVB mainly comprises tax advisory and legal costs of EUR 0.4 million. In addition, the item includes external accounting costs, bank fees and other costs.

Ordinary net income amounted to EUR 0.5 million as of the reporting date.

Realised gains on forward exchange transactions represent the difference between the lower purchase prices and the prices at sale or maturity. Unrealised changes in the value of the forward exchange transactions consist of changes up to the end of the previous year in the market values of the financial instruments that matured during the financial year. Deducting the unrealised gains from the previous year results in the realised gains for the period under review.

Realised losses on forward exchange transactions represent the difference between the higher purchase prices and the prices at sale or maturity. Unrealised changes in the value of the forward exchange transactions consist of changes up to the end of the previous year in the market values of the financial instruments that matured during the financial year. Deducting the unrealised losses from the previous year results in the realised losses for the period under review.

The **net gain on disposals** (EUR 0.7 thousand) represents the aggregate realised gains and losses.

The **net income for the financial year** amounted to EUR 0.5 million as of the reporting date.

The **total expense ratio** (TER) shows the impact of costs on Fund assets. It takes into account management and Custodian Bank fees, the costs of the Expert Committees and other costs in accordance with section 11 of the BVB, with the exception of transaction costs. The TER expresses the total amount of these costs as a percentage of average Fund assets within a financial year, thus providing results that comply with international cost transparency standards. The method of calculation used is in line with the BVI's recommended method.

The TER for SEB ImmoPortfolio Target Return Fund calculated as of 31 December 2019 is 0.22%.

The **transaction-based remuneration** comprises the sales fee. No transaction-based remuneration was incurred during the reporting period.

Transaction costs comprise the incidental costs of sale of properties and equity interests in real estate companies that are recorded as disposals, measured at the time of the transfer of the risks and rewards of ownership in the reporting period. No transaction costs were incurred.

Application of Fund Income as of 31 December 2019

	Total in EUR	Per unit in EUR
I. Calculation of the distribution		
1. Carried forward from previous year	0.00	0.00
2. Net income for the financial year	503,533.68	0.08
II. Amount available for distribution		
1. Carried forward to new account	503,533.68	0.08

Disclosures on the Application of Fund Income

The **net income for the financial year** in the amount of EUR 0.5 million can be seen from the statement of income and expenditure.

The net income will be carried forward to new account. No distribution will be made.

Payouts after termination of the management mandate on 5 June 2014

Payout in financial year	Payout date	Payout per unit EUR	of which return of capital distribution EUR
2014	1 October 2014	18.00	13.81
2015	15 April 2015	37.00	37.00
2016	12 August 2016	7.10	–
2017	3 April 2017	3.00	3.00
	13 November 2017	8.00	8.00
2018	3 April 2018	10.00	10.00
	1 October 2018	3.50	3.50
2019	1 April 2019	2.50	2.50

Independent Auditors' Report

To CACEIS Bank S.A., Germany Branch, Munich

Audit opinion

We have audited the Liquidation Report pursuant to section 16 in conjunction with section 5(3) of the *Investment-Rechnungslegungs- und Bewertungsverordnung* (InvRBV – German Investment Fund Accounting and Valuation Regulation) for the SEB ImmoPortfolio Target Return Fund. This report comprised the Activity Report for the financial year from 1 January 2019 to 31 December 2019, the Statement of Assets as of 31 December 2019 plus the Condensed Statement of Assets and Liabilities, the Statement of Income and Expenditure, the Application of Fund Income, the Statement of Changes in Net Assets for the financial year from 1 January 2019 to 31 December 2019, the Three-year Comparative Overview and the Transactions Closed Out during the Reporting Period, to the extent that these are no longer included in the Statement of Assets.

In our opinion, based on the findings of our audit, the accompanying Liquidation Report pursuant to section 16 in conjunction with section 5(3) of the InvRBV complies in all material respects with the provisions of the *Investmentgesetz* (InvG – German Investment Act) and permits, in compliance with these provisions, a true and fair view of the Fund's assets, liabilities and financial position and of the changes in its net assets.

Basis for our audit opinion

We conducted our audit of the Liquidation Report pursuant to section 16 in conjunction with section 5(3) of the InvRBV in accordance with section 44(6) of the InvG, in compliance with the German generally accepted standards for the audit of financial statements promulgated by the *Institut der Wirtschaftsprüfer* (IDW). Our responsibility as set out in these provisions and standards is described in more detail in the section of this auditors' report entitled "Responsibility of the auditors for the audit of the Liquidation Report pursuant to section 16 in conjunction with section 5(3) of the InvRBV". We are independent of CACEIS Bank S.A. Germany Branch (hereinafter referred to as the "Depositary") as required by the provisions of German commercial law and the law governing the professions in Germany, and have complied with our other ethical obligations in Germany in keeping with these requirements. We believe that the audit evidence that we have obtained is sufficient and appropriate to serve as a basis for our audit opinion on the Liquidation Report pursuant to section 16 in conjunction with section 5(3) of the InvRBV.

Other information

The Depositary's management is responsible for the other information. This other information comprises the information contained in the Liquidation Report – not including additional cross-references to external information – with the exception of the audited Liquidation Report pursuant to section 16 in conjunction with section 5(3) of the InvRBV and of our auditors' report.

Our audit opinions on the Liquidation Report pursuant to section 16 in conjunction with section 5(3) of the InvRBV do not extend to the other information, and we therefore do not express an audit opinion or any other form of assurance conclusion on this.

With regard to our audit, our responsibility is to read the other information and, in doing so, to assess whether this other information

- Contains material discrepancies to the Liquidation Report pursuant to section 16 of the InvRBV or the findings of our audit, or
- Otherwise seems to be materially misstated.

Responsibility of the management for the Liquidation Report pursuant to section 16 in conjunction with section 5(3) of the InvRBV

The Depositary's management is responsible for preparing the Liquidation Report pursuant to section 16 in conjunction with section 5(3) of the InvRBV, which must comply in all material respects with the provisions of the InvG, and for ensuring that the Liquidation Report pursuant to section 16 in conjunction with section 5(3) of the InvRBV provides, in compliance with these provisions, a true and fair view of the Fund's assets, liabilities and financial position and of the changes in its net assets. Furthermore, the management is responsible for such internal controls as it deems necessary in accordance with these provisions in order to enable the preparation of a Liquidation Report pursuant to section 16 in conjunction with section 5(3) of the InvRBV that is free from material misstatements due to fraud or error.

Responsibility of the auditors for the audit of the Liquidation Report pursuant to section 16 in conjunction with section 5(3) of the InvRBV

Our objective is to obtain reasonable assurance as to whether the Liquidation Report pursuant to section 16 in conjunction with section 5(3) of the InvRBV as a whole is free from material misstatements due to fraud or error, and to issue an auditors' report that includes our opinion on the Liquidation Report pursuant to section 16 in conjunction with section 5(3) of the InvRBV.

Reasonable assurance represents a high level of assurance but does not offer any guarantee that an audit performed in accordance with section 44(6) of the InvG in compliance with the German generally accepted standards of auditing promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect material misstatements. Misstatements may be the result of fraud or error and are deemed to be material if, individually or collectively, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Liquidation Report pursuant to section 16 in conjunction with section 5(3) of the InvRBV.

We exercise professional judgement and maintain professional scepticism when performing our audit. Additionally

- We identify and assess the risks of material misstatements due to fraud or error in the Liquidation Report pursuant to section 16 in conjunction with section 5(3) of the InvRBV, plan and perform our audit in response to these risks, and obtain audit evidence that is sufficient and appropriate to serve as the basis for our audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error because fraud may involve collusion, forgery, deliberate failure to record transactions, intentional misrepresentations, or internal controls being overridden.

- We obtain an understanding of the internal control system relevant for the audit of the Liquidation Report pursuant to section 16 in conjunction with section 5(3) of the InvRBV, in order to plan audit procedures that are appropriate under the circumstances; however, our objective is not to issue an audit opinion on the effectiveness of this system at the Depositary.

- We assess the appropriateness of the accounting policies applied by the management of the Depositary in preparing the Liquidation Report pursuant to section 16 in conjunction with section 5(3) of the InvRBV and the reasonableness of the estimates made by the management and of related disclosures.

- We assess the overall presentation, structure and content of the Liquidation Report pursuant to section 16 in conjunction with section 5(3) of the InvRBV, including the disclosures, and whether the Liquidation Report pursuant to section 16 in conjunction with section 5(3) of the InvRBV presents the underlying transactions and events in such a manner that the Liquidation Report pursuant to section 16 in conjunction with section 5(3) of the InvRBV provides, in compliance with the provisions of the InvG, a true and fair view of the Fund's assets, liabilities and financial position and of the changes in its net assets.

Our discussions with the persons responsible for oversight include, among other things, the planned scope and timing of the audit and key audit findings, including any weaknesses in the internal control system of which we become aware in the course of our audit.

Frankfurt am Main, 9 March 2020

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Fatih Agirman Wirtschaftsprüfer	ppa. Joanna Spassova Wirtschaftsprüferin

Tax Information for Investors

Accumulation

No distribution will be made for financial year 2019. The net income for the financial year will be carried forward to new account.

Taxation in Germany

Taxation of mutual funds at fund level

A non-transparent tax regime applies to mutual investment funds. The following domestic income is subject to corporation tax:

1. Domestic income from equity investments (including dividends, section 6(3) of the InvStG 2018)

2. Domestic current rental income and capital gains on the disposal of real estate, regardless of the holding period – in particular the ten-year period for private disposals in accordance with section 23(1) sentence 1 no. 1 of the *Einkommensteuergesetz* (EStG – German Income Tax Act) does not apply – (section 6(4) of the InvStG 2018)

3. Other domestic income within the meaning of section 49(1) of the EStG

The corporation tax rate is 15%. The solidarity surcharge applies in the case of income from properties.

Other income such as domestic and foreign interest income, foreign dividends or foreign income from properties are not taxed at fund level, but during assessment at the investor level.

In the case of **domestic income from equity investments**, investment income tax of 15% (including the solidarity surcharge) will generally be retained by the distributing company. This retention definitively settles the fund's tax liability for this income.

As a matter of principle, all of the above-mentioned types of **domestic income** are taxable at fund level, and the mutual investment fund must be assessed for these (i.e. a corporation tax return must be submitted).

Foreign rental income is normally taxed in the country in which the property is located.

The role of partial exemptions

To offset taxation at fund level, the following partial exemption rates are applied to distributions at the investor level, provided that this has been agreed in the Fund Rules:

Partial exemption rates

If the fund is more than 50% invested in properties or real estate companies	
Focus on Germany	60%
Focus abroad	80%

Since SEB ImmoPortfolio Target Return Fund is in liquidation, these partial exemptions do not apply. Although the fund was designed as a real estate fund, the Fund Rules do not explicitly require it to be more than 50% invested in properties and real estate companies.

Equally, the partial exemption for real estate funds provided for in section 20(4) of the InvStG 2018 cannot be applied during assessment since SEB ImmoPortfolio Target Return Fund has already sold all of its properties in the course of the liquidation process and therefore does not meet the criteria for partial exemption.

Tax treatment of distributions for funds in liquidation

Section 17 of the InvStG 2018 addresses the situation of funds in liquidation by introducing a special provision that effectively exempts return of capital distributions from taxation for a maximum period of five years as from the point in time at which the funds are transferred to the Custodian Bank.

The special provision set out in section 17 of the InvStG 2018 applies to SEB ImmoPortfolio Target Return Fund until 31 December 2022.

Since the partial exemptions do not apply, 25% investment income tax plus the solidarity surcharge is initially retained by the custodian institution when the distribution is made. In a second step, the amount retained must be reimbursed after the end of the year in question to the extent that the distributions relate to capital repayments. The paying agent (generally the unitholder's custodian institution) is responsible for making the repayment.

Distributions are only classified as income to the extent that they include the increase in value for a calendar year. The increase in value is calculated by aggregating the distributions for a calendar year and adding them to the last redemption price determined in the calendar year. If the resulting total exceeds the first redemption price determined in the calendar year, the difference represents the increase in value.

No requirement to withhold tax

With effect from 2018, sections 8(1) and 8(2) of the InvStG 2018 theoretically provide a mechanism for tax-favoured investors (e.g. charitable foundations, religious institutions or professional pension schemes) to be refunded the corporation tax paid on fund receipts in the case of domestic income from properties (for tax-favoured investors in accordance with section 8(2) of the InvStG 2018) and domestic dividends (for tax-favoured investors in accordance with section 8(1) of the InvStG 2018) on application at the level of the investment company.

Since all of the properties belonging to SEB ImmoPortfolio Target Return Fund have been sold and the Fund is therefore expected to only receive extremely small amounts of domestic income from 2018 onwards, it cannot make use of this application procedure.

Vorabpauschale

Investors in mutual investment funds must tax, among other things, the *Vorabpauschale* ("advance lump sum", i.e. a notional tax base) defined in section 18 of the InvStG 2018 as investment income (section 16(1) no. 2 of the InvStG 2018). According to section 18(3) of the InvStG 2018, the *Vorabpauschale* for 2019 is taken to have accrued to investors on the first working day of the following calendar year – i.e. on 2 January 2020.

The *Vorabpauschale* for 2019 must be determined using the basic interest rate applicable on 2 January 2019. This was 0.52%. The basic income is determined by multiplying 70% of the basic interest rate by the redemption price for Fund units at the start of the financial year. It is capped at the amount by which the Fund units increased in value in 2019 plus the distributions.

The *Vorabpauschale* does not apply to SEB ImmoPortfolio Target Return Fund since the distribution made by the Fund in calendar year 2019 is in excess of the basic income amount.

Note

Please contact your tax advisor if you have any tax questions at investor level.

Tax liability in Austria

Taxation at the level of investors with limited tax liability

A limited tax liability applies in Austria in respect of the gains generated by non-Austrian resident investors from Austrian real estate held by the investment fund. Tax is levied on current profits from rental management and on 80% of the appreciations in value resulting from the annual appraisals of the real estate in Austria. This limited tax liability applies to individual investors who are neither domiciled nor have their habitual residence in Austria (in the case of corporations, which are neither headquartered in nor managed from Austria):

- For natural persons, the rate of tax on this income in Austria is 27.5%. If the investor's total taxable income in Austria amounts to no more than EUR 2,000 per calendar year, the investor is not required to submit a tax return and the income remains tax-free. If this limit is exceeded or if a notice to this effect is issued by the Austrian tax office, a tax return must be filed in Austria.

- For corporations, the tax rate in Austria is 25%. There is no statutory allowance as there is for natural persons.

- The income (deemed distributed income) subject to tax in Austria applicable to a single investment unit in SEB ImmoPortfolio Target Return Fund amounts to EUR 0.0017 per unit for financial year 2019. The amount of income subject in principle to tax in Austria can be calculated by multiplying this figure by the number of investment units held by the respective investor.

- Austrian income is taxable for private investors and investors who determine their profits using cash-based accounting in the year it accrues (here: 2020). The deemed distributed income is deemed to have accrued four months after the end of the Fund's financial year.

- Investors who determine their profits using accrual accounting must recognise taxable income (deemed distributed income) when the claim arises (= end of the Fund's financial year; here: 2019).

- Since 2012, increases in value that are realised when Fund units are sold have been subject in certain circumstances to capital gains tax (*Vermögenszuwachssteuer*) in Austria. However, due to the double taxation agreement Austria has no intergovernmental right to tax investors in Germany. Therefore, gains from the sale of Fund units are not generally subject to limited tax liability in Austria.

Taxation at the level of investors with unlimited tax liability

Unlimited tax liability in Austria applies to individual investors who are domiciled or have their habitual residence in Austria (in the case of corporations, which are headquartered in or managed from Austria). Tax is levied on regular Fund income (gains as defined in section 14 of the *Immobilien-Investmentfondsgesetz* (ImmoInvFG – Austrian Real Estate Investment Fund Act)) and on gains from the sale of "new assets", i.e. Fund units that were purchased after 31 December 2010.

Regular Fund income comprises current profits from rental management and 80% of the appreciations in value resulting from the annual appraisals of real estate in Austria and countries with which Austria has agreed on the tax credit method for income from immovable assets under existing double taxation agreements, plus liquidity gains.

Any gains from the sale of Fund units that were purchased after 31 December 2010 are the result of the difference between amortised cost and the proceeds of sale (repayment amount). Deemed distributed income must be added to the cost, and tax-free distributions and the payment of investment income tax deducted from it. Transaction costs (e.g. front-end load) are not recognised unless the Fund units are held as business assets.

For natural persons, the rate of tax on this income in Austria is 27.5%.

- If the Fund units are held at an Austrian custodian bank, all current gains from the Fund and from the sale of Fund units, provided that the latter are held as private assets, are treated as having been finally taxed via the investment income tax that is mandatorily withheld by the investor's custodian bank. This means that taxable income from interests held in SEB ImmoPortfolio Target Return Fund no longer has to be declared in private investors' income tax returns, unless – in the case of a more favourable general tax rate – application is made to use the general tax rate (standard taxation option) or the loss offset option is exercised in accordance with section 97(2) of the EStG in cases in which investment losses were not taken into account by the custodian when deducting investment income tax. Gains from the sale of Fund units held as private assets that were acquired before 1 January 2011 are tax-free.

- In the case of Fund units held as business assets, the definitive taxation effect applies solely to current Fund income. Gains from the sale of Fund units held as business assets still have to be declared in tax assessments under the new legislation. Withheld investment income tax must be credited.

- If the Fund units are held at a foreign custodian bank, taxable income from interests in SEB ImmoPortfolio Target Return Fund (current gains from the Fund and gains from the sale of Fund units) are subject to the special tax rate of 27.5% and must be included in the investor's income tax return. In this case, too, it is possible to exercise the standard taxation option or the loss offset option.

For corporations, the tax rate in Austria is 25%.

- If the Fund units are held at an Austrian custodian bank, investment income tax is generally also withheld in the case of corporations. Withholding of investment income tax by the Austrian custodian bank can be avoided by submitting a declaration of exemption to the Austrian custodian bank. The taxable income (including capital gains) from interests in SEB ImmoPortfolio Target Return Fund must be included in the corporation tax return at all events. If a declaration is not submitted, any withheld investment income tax must be offset against corporation tax.

- For private foundations, the rate of tax in Austria is 25%. Private foundations are exempted from the withholding of investment income tax. Current gains from the Fund in accordance with section 14 of the ImmoInvFG and taxable capital gains must be declared in the corporation tax return.

- Gains from the sale of unit certificates that were acquired before 1 January 2011 continue to be tax-free. Units acquired as from 1 January 2011 are subject to interim tax of 25% when sold.

- For investors who have unlimited tax liability in Austria, the deemed distributable income applicable to one unit of SEB ImmoPortfolio Target Return Fund that is taxable in Austria for financial year 2019 amounts to EUR 0.0000. The investor must multiply this amount by the number of Fund units he or she holds. No foreign taxes are creditable against the resulting tax amount.

- Austrian income is taxable for private investors and investors who determine their profits using cash-based accounting in the year it accrues (here: 2020). The deemed distributed income is deemed to have accrued four months after the end of the Fund's financial year.

- Investors who determine their profits using accrual accounting must recognise taxable income (deemed distributed income) when the claim arises (= end of the Fund's financial year; here: 2019).

- The relevant adjustment item to the cost for Austrian tax purposes as of 31 December 2019 is negative and amounts to EUR –0.3500 per unit.

Note

The information concerning taxation given above is based on the legal position and associated tax authority practice as it is known to stand at present. No assurance can be given that the tax treatment will not change as a result of legislation, court rulings or decrees issued by the tax authorities. Furthermore, we recommend that investors consult their personal tax advisors on issues concerning taxation.

Fund Bodies

Custodian Bank

CACEIS Bank S.A., Germany Branch
Lilienthalallee 36
80939 Munich
Germany

Internet:
www.caceis.com
www.savillsim-publikumsfonds.de

Commercial Register B of the
Local Court in Munich HRB 229834

A branch of CACEIS Bank S.A.
1–3, place Valhubert
75026 Paris
France

Commercial Register no. 692 024 722

CEO:
Jean-François Abadie (Director General)

Chairman of the Board of Directors:
Jacques Ripoll

Branch management:
Thies Clemenz (Spokesman)

Anja Maiberger (since 1 December 2019)

Jerome Discours (1 January 2019 to 30 November 2019)

Expert Committee A

Ulrich Renner, Dipl.-Kfm.
Publicly certified and sworn expert for the valuation of developed and undeveloped properties, Wuppertal

Prof. Michael Sohni, Dr.-Ing.
Publicly certified and sworn expert for the valuation of developed and undeveloped properties, Darmstadt

Klaus Thelen, Dipl.-Ing.
Publicly certified and sworn expert for the valuation of developed and undeveloped properties, Gladbeck

Expert Committee B

Klaus Peter Keunecke, Dr.-Ing.
Publicly certified and sworn expert for the valuation of rents and developed and undeveloped properties, Berlin

Günter Schäffler, Dr.-Ing.
Publicly certified and sworn expert for the planning and control of construction costs, the valuation of developed and undeveloped properties, and rents for properties and buildings, Stuttgart

Bernd Fischer-Werth, Dipl.-Ing., Dipl.-Wirtsch.-Ing.
Publicly certified and sworn expert for the valuation of developed and undeveloped properties, Wiesbaden

Auditors

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft,
Frankfurt am Main

Competent supervisory authority:

Bundesanstalt für Finanzdienstleistungsaufsicht
Marie-Curie-Strasse 24–28
60439 Frankfurt am Main

Legal notice

Savills Fund Management GmbH, the investment company that managed SEB ImmoPortfolio Target Return Fund, gave notice to terminate the management of the Fund effective 31 May 2017 and, at the same time, irrevocably suspended the issuance and redemption of unit certificates.

Consequently, the information contained in this report does not constitute an offer to enter into a contract, investment advice or an investment recommendation on the part of Savills Fund Management GmbH or CACEIS; instead, its purpose is to provide investors with summary information on the key activities performed by the Fund management during the liquidation.

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As part of the ongoing cooperation between CACEIS and Savills Fund Management GmbH, you can continue to obtain information from:

Savills Fund Management GmbH
Rotfeder-Ring 7
60327 Frankfurt am Main
Germany

Internet: www.savillsim-publikumsfonds.de
E-mail: info@savillsim.de

Information provided as of 31 December 2019 unless otherwise stated

Custodian Bank:
CACEIS Bank S.A.
Germany Branch
Lilienthalallee 36
80939 Munich
Germany

caceis
INVESTOR SERVICES