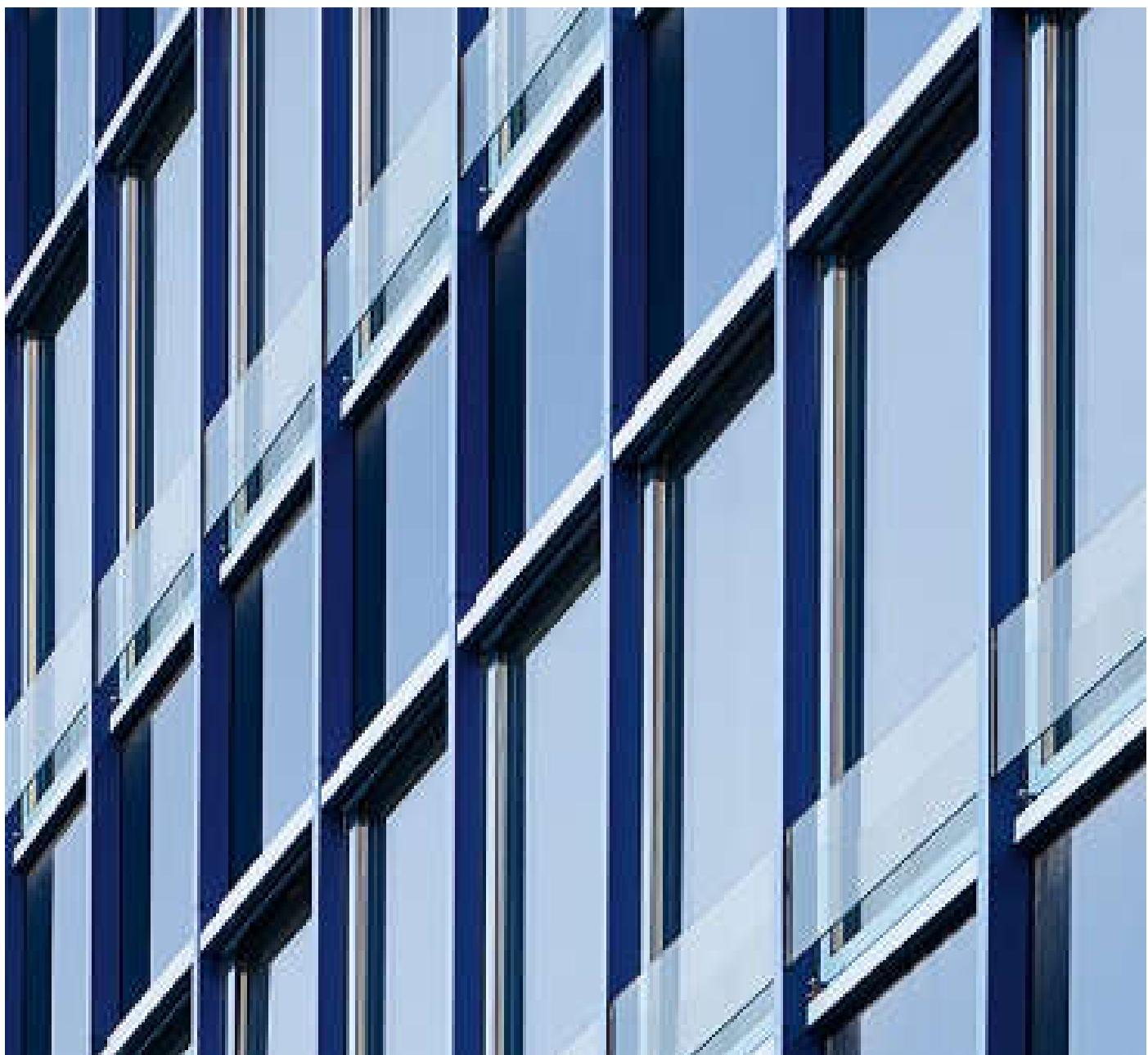


SEB Immolnvest

Fund Commentary



Fund Management

The fund management used the last months before the end of the dissolution period to sell additional properties. In addition to a large number of individual sales, a major portfolio transaction with an aggregate appraisal value of approximately EUR 387 million was completed. The portfolio consisted of four office properties in Paris.

At present, the fund management is in the advanced stages of negotiations to sell a large number of properties from the Fund's portfolio. We expect to be able to sign purchase agreements for a significant number of properties in the last month before the Fund is transferred to the Custodian Bank. We will inform you as soon as transactions are secured.

Transactions

The fund management successfully completed the following transactions in the period since the last Fund Commentary was published in October 2016:

Germany

The German portfolio

Savills Fund Management GmbH signed a sales agreement for a German portfolio at the end of October. Ten of the properties with an appraisal value of approximately EUR 415 million belonged to SEB ImmolInvest. The transaction was completed on 30 November 2016.

Unterschleissheim, Edisonstrasse 1

One of the first properties bought for the Fund was sold for slightly less than the most recent appraisal value. Ownership was transferred at the end of January.

Frankfurt, Stiftstrasse 30

This building is located in one of Frankfurt's best downtown locations near the Zeil shopping street. The 1950s office building has approximately 4,700 sqm of space. Since the property's location makes it suitable for redevelopment as a residential tower block, the fund management was able to sell it for twice the current appraisal value. Completion is scheduled for the second quarter of 2017.

Japan

Tama, 47 Ochiai 1-Chome

The Tama Center building in the greater Tokyo area was acquired for SEB ImmolInvest in November 2007. Active letting activities led to a letting rate of 98 percent being achieved in the first half of 2016, and marketing of the property began. Ownership was transferred in mid-December 2016.



Luxembourg

46a Boulevard J.-F.-Kennedy

The office property, which is let in full to six tenants, was acquired for the Fund in 1998 and was sold after a 19-year holding period for significantly more than the most recent appraisal value of approximately EUR 40 million. Ownership of the property was transferred in December 2016.



Singapore

77 Robinson Road

This property in the city state's central business district was one of SEB ImmolInvest's first investments in Asia back in 2007. It was the Fund's largest property measured in terms of its appraisal value and was sold for slightly less than the most recent appraisal value after a holding period of more than 10 years. Completion took place in mid-December 2016.

Spain

Alcalá de Guadaira (Seville), Los Alcores

Ownership of this small commercial unit was transferred in December 2016. The sale marks the Fund's exit from the Spanish market.

France

Paris portfolio

The fund management signed sales agreements for four properties in the French capital. The portfolio comprises four office buildings at three locations with total lettable space of approximately 57,000 sqm and an 87% letting rate. The properties were purchased by two buyers. The aggregate selling price was above the most recent appraisal values of approximately EUR 387 million. Ownership was transferred in March and April 2017. The transaction covered the following properties:

- **Paris/Issy-les-Moulineaux, 65 Rue de Camille Desmoulins**
- **Paris/Chatillon, 200 Rue de Paris/6 Rue André Gide**
- **Paris, 33 Place Ronde**
- **Paris, 32 Place Ronde**

Belgium

Brussels, 20 Avenue du Bourget

This office building, which has 11,023 sqm of space, was acquired for the Fund in December 1997 and was sold at the beginning of 2017. The selling price was below the most recent appraisal value.

Diegem, 3 Kennedylaan

This property, which is situated on a commercial estate in a peripheral office location to the north-east of Brussels, was constructed in 1992. It is very small in terms of its appraisal value and was sold for less than the most recent appraisal value. Completion took place in March 2017.

United Kingdom

Birmingham, 2 St. Philips Place

This office property was acquired in December 2009 and is let to the Royal Bank of Scotland. It was sold for less than its most recent appraisal value. The key factors determining the purchase price were a break option in the lease and the changed economic conditions in the run-up to Brexit. Completion took place at the end of February 2017.



Austria

Vienna, Rennweg 46–50

This office building, which also has retail space on the ground floor, was constructed in 1989 and comprehensively renovated between 2006 and 2009. It has a letting rate of over 90% and was sold for considerably more than the most recent appraisal value of approximately EUR 38 million. The purchase agreement was signed at the end of March. Completion will take place in April 2017.



Performance

The fund management has provided information about changes in SEB ImmolInvest's unit value several times in recent weeks. There have been a number of reasons for this. They include the effects of regular reappraisals of portfolio properties, transaction costs resulting from the sales that have to be borne by the Fund, and year-end closing items as of the end of March 2017 that negatively affected the unit value.

The fund management's preparations for transferring the Fund to the Custodian Bank are also having an effect, due among other things to work done to structure the transfer of the properties so as to optimize costs in the various countries concerned and to the recognition of provisions. Additionally, further follow-up appraisals and transaction costs may have a negative effect on the unit value in the coming weeks. The fund management is endeavouring to keep the costs incurred to a minimum.

Taking stock after 28 years

SEB ImmolInvest was launched on 2 May 1989 and was designed as a classic core fund with a global investment remit. The Fund achieved a total return of 190.1% (as of the 31 March 2017 reporting date) since its launch almost 28 years ago.

The Fund was launched in 1989 with DM 80 million. At its peak, SEB ImmolInvest had assets amounting to EUR 7.2 billion (as of 30 May 2008) and held 152 properties (as of 30 December 2010) in 19 countries (as of 26 February 2010). From 1995 to 2008, the Fund was one of the winners in the open-ended real estate funds category of the annual rankings produced by Morningstar/Standard & Poor's.

Its risk/return profile was continuously optimised by strategically diversifying the portfolio, particularly with respect to markets, the location and tenant mix, and property sizes. The fund management achieved this by deliberately exploiting cyclical market trends. Its regional diversification was based on analyses of macroeconomic developments at locations with good growth prospects or stable long-term economies. The main types of use are the office, retail and logistics sectors.

Until 1995, SEB ImmolInvest was focused purely on Germany, but after that it was gradually extended to become the market leader in terms of return and diversification by entering new countries, extending the range of types of use covered and adding development projects to the portfolio.

After the first investment outside Germany was made in August 1995, the portfolio was diversified widely across Europe in the following years. Countries in which investments were made included Germany, the Benelux nations, France, Austria, Italy and Spain, Sweden, Finland and the United Kingdom, as well as the eastern European states of the Czech Republic, Poland, Slovakia and Hungary. At the same time, the fund management entered the US market in 1997. And in 2006, SEB Investment GmbH as it was then known became the first German fund management company to enter the Chinese property market.

After mid-2006, SEB ImmolInvest experienced extremely large inflows of funds, which increased the Fund's liquidity to over EUR 3.1 billion in the period up to the end of 2007. In February 2008 the Fund moved to invest this liquidity in a profitable manner by completing one of the largest transactions ever seen on the German property market, when it bought the "Quartier am Potsdamer Platz". A profit was generated for investors over the holding period of approximately seven years. The asset Potsdamer Platz is definitely one of SEB ImmolInvest's most striking investments.



Potsdamer Platz Quarter

Dissolution of the Fund

The financial market crisis led to considerable uncertainty among investors and meant that unit redemption had to be suspended for a short period in October 2008. After the Fund had successfully reopened, the German Federal Finance Ministry's discussion draft of the planned *Gesetz zur Stärkung des Anlegerschutzes und Verbesserung des Funktionsfähigkeit des Kapitalmarkts* (Act to Increase Investor Protection and Improve the Functioning of the Capital Market) exacerbated this uncertainty. All open-ended real estate funds saw a significant rise in redemptions of unit certificates. As a result, the fund management suspended unit redemption as of 5 May 2010.

In the period up to May 2012, the fund management worked to raise liquidity by selling properties while maintaining the portfolio's high quality. A cross-section of the portfolio was sold, comprising properties in the Netherlands, the United States, Singapore, Belgium, Italy, France (especially Paris) and Germany (the well-known Gorch-Fock-Wall property in Hamburg). The buildings were sold at their appraisal value. As a result, 17 properties with an aggregate value of approximately EUR 1 billion were sold, bringing gross liquidity to 33.4%.

Investors were to decide whether SEB ImmolInvest should be continued or not and, as a result, the Fund was reopened for one day on 7 May 2012. Unfortunately, the unit redemptions that were announced clearly exceeded the Fund's liquidity. As a result, the fund management gave notice to terminate its management mandate, officially launching the dissolution process for SEB ImmolInvest.

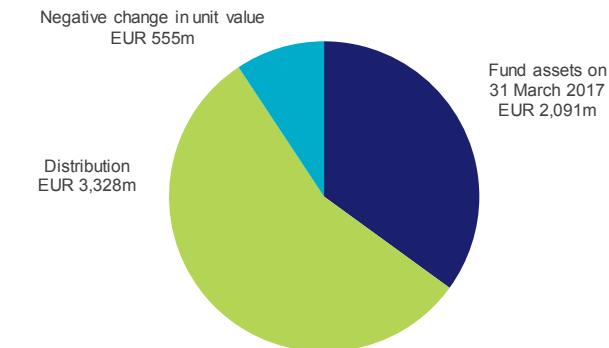
The fund management started the dissolution period (as of 31 May 2012) with a portfolio of 135 properties in 64 cities and 18 countries, and more than 1,300 tenants. The aim was to achieve the best possible results for investors. To do this across all the assets, a specific portfolio model was created. This model was based on all property data, including debt finance and expected real estate market developments. The analysis resulted in the portfolio to be broken down into a number of property clusters, which were then used to create an asset management business plan. Marketing of those properties whose positioning could not be improved by taking further measures started immediately, whereby the optimal timing for sales was taken into account. Properties where either slight or more extensive asset management measures could positively influence the sales result were first prepared for sale. Where possible, the aim was to sell all properties and interests in real estate companies on reasonable terms during the five-year notice period that had been envisaged. The goal was to achieve a balance between different interests: generating the best possible selling prices, paying out the proceeds of sales to investors as quickly as possible and redeeming loans to the banks that had provided them.

One month before the notice period expires, the following can be concluded:

Distributions

The liquidity accruing to the Fund as a result of many of the transactions mentioned above was already returned to investors on 30 December 2016 via the eleventh distribution. The total amount paid out during the liquidation period since the dissolution of the Fund was announced is EUR 3.3 billion, or approximately 56% of Fund assets since giving notice to terminate the fund management mandate with effect of 7 May 2012.

Development of fund assets from 7 May 2012 to 31 March 2017



Source: own calculations

The fund management expects that distributions will continue to be made twice a year in future; as from 1 May 2017 this will be the responsibility of the Custodian Bank, Caceis Bank S.A., Germany Branch.

		Date	Amount per unit
1st	distribution	29 June 2012	EUR 10.25
2nd	distribution	28 December 2012	EUR 1.24
3rd	distribution	1 July 2013	EUR 3.16
4th	distribution	2 January 2014	EUR 1.10
5th	distribution	1 July 2014	EUR 1.10
6th	distribution	2 January 2015	EUR 0.20
7th	distribution	8 May 2015	EUR 2.80
8th	distribution	1 July 2015	EUR 0.20
9th	distribution	29 January 2016	EUR 3.00
10th	distribution	1 July 2016	EUR 1.50
11th	distribution	30 December 2016	EUR 4.00
Total			EUR 28.55

Disposals

77 properties out of the total of **135** were sold
(as of 1 April 2017).

Debt finance

The **leverage ratio** was reduced from **37.6%** to **0%**
(as of 1 April 2017).

Performance

Since its launch, SEB ImmolInvest generated a **total return of 190.1%** (as of 31 March 2017).

All investors who **invested before 2006** in SEB ImmolInvest have generated a **positive return** to date (as of 31 March 2017):

- Investment date 1995: +78.6%
- Investment date 2000: +34.7%
- Investment date 2005: +6.3%
- Last possible investment date 2012: -11.9%

Compared with other real estate funds that are being dissolved, SEB ImmolInvest's **performance** during the dissolution period has been **very good**.

Overview of cumulative performance by investment date (information in %)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	March																					
2012																							-0.7	-2.3	-5.1	-8.9	-11.9																							
2011																							-5.7	-6.2	-7.4	-9.4	-12.2	-14.4																						
2010																							1.1	-4.7	-5.2	-6.4	-8.5	-11.3	-13.5																					
2009																							2.1	3.2	-3.2	-4.5	-6.6	-9.5	-11.7																					
2008																							4.1	6.2	7.4	1.2	0.7	-0.6	-2.8	-8.1																				
2007																							5.0	9.3	11.6	12.7	6.3	5.8	4.4	2.1	-1.0	-3.5																		
2006																							5.1	10.3	14.8	17.2	18.4	11.7	11.1	9.7	7.3	4.0	1.3																	
2005																							4.9	10.2	15.7	20.4	22.9	24.4	17.2	16.6	15.0	12.5	9.0	6.3																
2004																							4.2	9.3	14.8	20.6	25.5	28.1	29.4	22.1	21.5	19.9	17.3	13.6	10.8															
2003																							4.3	8.7	14.0	19.7	25.8	30.9	33.6	35.0	27.3	26.7	25.0	22.3	18.5	15.5														
2002																							4.6	9.1	13.6	19.2	25.2	31.5	36.8	39.7	41.2	33.1	32.4	30.7	27.9	23.9	20.8													
2001																							5.5	10.3	15.1	19.9	25.8	32.1	38.7	44.4	47.4	48.9	40.5	39.8	37.9	34.9	30.7	27.4												
2000																							5.7	11.5	16.6	21.6	26.7	32.9	39.6	46.6	52.6	55.7	57.4	48.4	47.7	45.7	42.6	38.1	34.7											
1999																							6.0	12.0	18.2	23.6	28.9	34.3	40.9	48.0	55.4	61.7	65.1	66.8	57.3	56.5	54.5	51.1	46.4	42.8										
1998																							5.4	11.7	18.1	24.6	30.3	35.9	41.5	48.5	56.0	63.8	70.5	74.0	75.9	65.8	65.0	62.8	59.3	54.4	50.5									
1997																							5.9	11.6	18.3	25.0	31.9	37.9	43.8	49.8	57.2	65.1	73.4	80.4	84.2	86.1	75.5	74.7	72.4	68.6	63.4	59.3								
1996																							5.7	11.8	17.9	25.0	32.0	39.3	45.7	51.9	58.3	66.0	74.4	83.2	90.7	94.6	96.7	85.5	84.5	82.1	78.2	72.6	68.3							
1995																							6.1	12.1	18.7	25.1	32.6	40.1	47.9	54.6	61.3	68.0	76.2	85.1	94.4	102.4	106.6	108.7	96.9	95.9	93.3	89.1	83.2	78.6						
1994																							6.7	13.2	19.6	26.6	33.4	41.5	49.5	57.7	64.9	72.0	79.2	88.0	97.5	107.4	115.8	120.3	122.6	110.0	108.9	106.1	101.7	95.4	90.5					
1993																							6.7	13.8	20.8	27.6	35.1	42.4	51.0	59.5	68.3	76.0	83.6	91.2	100.6	110.7	121.3	130.3	135.1	137.6	124.1	122.9	120.0	115.2	108.6	103.3				
1992																							7.9	15.2	22.8	30.4	37.8	45.8	53.7	62.9	72.2	81.7	89.9	98.1	106.4	116.5	127.4	138.9	148.6	153.8	156.4	141.8	140.6	137.4	132.3	125.1	119.4			
1991																							8.5	17.1	24.9	33.3	41.4	49.4	58.2	66.7	76.7	86.7	97.1	106.0	114.9	123.9	134.8	146.7	159.1	169.9	175.3	178.2	162.3	161.0	157.6	152.0	144.1	138.0		
1990																							9.7	19.0	28.5	37.1	46.2	55.2	64.0	73.6	82.9	93.9	104.9	116.2	126.1	135.8	145.7	157.7	170.7	184.3	195.9	202.0	205.2	187.8	186.4	182.6	176.5	167.9	161.1	
1989																							6.7	17.1	27.1	37.1	46.3	56.1	65.7	75.0	85.3	95.3	107.0	118.7	130.8	141.3	151.7	162.2	175.1	189.0	203.5	215.8	222.4	225.8	207.2	205.7	201.7	195.1	186.0	178.6

Source: Savills Fund Management GmbH, own calculations, in accordance with the BVI method and MiFID-compliant, as of 31 March 2017

Outlook until the end of April 2017

The fund management's aim was always to sell all of the properties by the end of the dissolution period, but in investors' best interests. This means that it only accepts discounts if these reflect current market events and no better results can be expected in the future under reasonable conditions. With this strategy it was possible to achieve a positive result for a large proportion of the properties sold to date.

It will no longer be possible to sell all remaining 58 properties by 30 April 2017. The fund management is doing its utmost to secure contracts for as many properties as possible by that date. At present, it is in the advanced stages of negotiations to sell a large number of individual properties and conclude larger portfolio transactions. The fund management will inform investors in the normal manner as soon as sales close.

Custodian Bank

Transfer to the Custodian Bank

Savills Fund Management GmbH terminated the management of SEB ImmolInvest effective 30 April 2017. On 1 May 2017 – the end of the dissolution period – ownership of the fund will be transferred by law to the Custodian Bank, CACEIS Bank S.A., Germany Branch.

Custodian Bank

The Fund's Custodian Bank is CACEIS Bank S.A., Germany Branch (hereinafter referred to as CACEIS). The Custodian Bank will be responsible for winding up the Fund going forward. It is required by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin – the Federal Financial Supervisory Authority) to sell the assets as part of the final liquidation process while preserving investors' interests; the basic time frame for this is within three years.

Operational management

CACEIS has entrusted Savills Fund Management GmbH with implementing the dissolution at an operational level in order to ensure that the process continues speedily. This covers both asset management for the Fund and preparations for the sale of the properties. This will ensure continuity of asset management. Specifically, it means among other things that Savills Fund Management GmbH, acting on behalf of the Custodian Bank, will continue to commission appraisals for the properties that are still in the Fund, to ensure that the unit value is calculated on each trading day, to prepare the sales, to provide support for the sales processes and to submit the results to the Custodian Bank for a decision.

Distributions

The Custodian Bank must retain sufficient liquidity reserves to meet all (subsequent) obligations at all times until the Fund is finally dissolved. Establishing these liquidity reserves allows the Custodian Bank to provide for potential claims for back taxes on the part of the fiscal authorities, warranty and guarantee claims, and administrative and management costs incurred by the Fund once rental income ceases to flow following the sale of the properties.

The Custodian Bank will make further distributions as soon as additional properties are sold, the risks decline over time as the property portfolio gets smaller and reserves can be released. All future distributions will be made in the same way as before.

Investors should note that the last distribution by the Fund will not necessarily be made when the last property is sold. The remaining liquidity can only be returned to investors once all conceivable liabilities have been dealt with or have lapsed.

Deadlines

BaFin requires the Custodian Bank, in the course of the remaining dissolution process, to dispose of the remaining assets in principle within three years at the best possible price that can be realised on the market. However, warranty and guarantee claims arising from sales may entail obligations extending beyond the above-mentioned three-year period.

Equally, the amount of time needed for subsequent tax audits cannot be foreseen. The extent of these audits depends on the tax law applicable in the countries concerned. Since SEB ImmolInvest was invested in countries in Europe, Asia and in the United States, the processing time depends on the relevant national regulations. Therefore, there is no statutory final deadline for winding-up the fund.

Costs

Investors do not incur any direct costs when the Fund is transferred to the Custodian Bank. However, preparations for this, such as structuring the transfer of the properties so as to optimize costs in line with the requirements applicable in the countries concerned, recognising provisions and preparing the annual financial statements, have a negative effect. The fund management is endeavouring to keep the costs incurred by the Fund to a minimum.

Contact

The goal is to maintain the communications approach that was established during the dissolution period to date for the remainder of the wind-up. The Custodian Bank and Savills Fund Management GmbH will provide information on the ongoing Fund dissolution process at regular intervals. A dissolution report will be prepared when the Fund is transferred to the Custodian Bank and a liquidation report will be produced once a year after that.

Your contacts at Savills Fund Management GmbH remain available to answer questions you may have about the Fund. Information can also be found on the following website: <http://www.savillsim-publikumsfonds.de/en/home-fund-finder/seb-immoinvest-p/>.

Savills Fund Management GmbH is the investment company for this Fund.

Savills Fund Management GmbH (formerly known as SEB Investment GmbH) gave irrevocable notice of termination of the management of the Fund with effect from 30 April 2017 and announced that it had permanently ceased to issue, and had suspended, the redemption of units in SEB ImmolInvest.

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