

Robeco (LU) Funds III

Société d'Investissement à Capital Variable
Incorporated under Luxembourg law
RCS B 40 490

17

Semi-Annual Report
1 January – 30 June 2017

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General Information

Robeco (LU) Funds III

(hereafter 'the Company')

Undertaking for collective investment in transferable securities incorporated as a 'Société d'Investissement à Capital Variable' (SICAV) under Luxembourg law.

Register of Companies

RCS Luxembourg B 40 490

Registered Office

Centre Etoile

11/13, Boulevard de la Foire

L-1528 Luxembourg

Grand Duchy of Luxembourg

Board of Directors

D. R. (Rob) van Bommel, Managing Director, Robeco, Rotterdam, the Netherlands

E.J. (Edith) Siemann (until 26 May 2017)

S. (Stefan) Gordijn (until 26 May 2017)

J.H. (Jeroen) van den Akker (since 26 May 2017), Head Operational Risk Management Robeco, Rotterdam, The Netherlands

H.P. (Pierre) de Knijff (since 26 May 2017), Deputy Director Fund Accounting & Operations Robeco, Rotterdam, The Netherlands

Management Company

Robeco Luxembourg S.A.

Airport center

5, rue Heienhaff (2nd floor)

L-1736 Senningerberg

Grand Duchy of Luxembourg

Cabinet de révision agréé (independent auditor)

KPMG Luxembourg, Société coopérative

39, Avenue John F. Kennedy

L-1855 Luxembourg

Grand Duchy of Luxembourg

Depositary, Domiciliary and Paying Agent

RBC Investor Services Bank S.A.

14, Porte de France

L-4360 Esch-sur-Alzette

Grand Duchy of Luxembourg

Administration Agent and Registrar

Robeco Luxembourg S.A.

Delegated to:

RBC Investor Services Bank S.A.

14, Porte de France

L-4360 Esch-sur-Alzette

Grand Duchy of Luxembourg

Investment Adviser

Robeco Luxembourg S.A.

Delegated to:

Robeco Institutional Asset Management B.V. ("RIAM")

Weena 850, NL-3014 DA Rotterdam, The Netherlands (address as of May 2016)

Fund Manager

Appointed by RIAM:

Olaf Penninga

Subscriptions and publications

No subscription can be accepted on the basis of financial reports such as this report. Subscriptions may only be accepted on the basis of the current prospectus, supplemented by the Company's latest annual report, and in the event that the Company's annual report has been published more than eight months previously, its latest semi-annual report. Financial reports, the prospectus and the Key Investor Information Document are available through the website www.robeco.com and may be obtained free of charge at the Company's registered office.

Representative and paying agent in Switzerland

Robeco Switzerland A.G., Josefstrasse 218, CH-8005 Zurich, is the Company's appointed representative in Switzerland. Copies of the Key Investor Information Document and prospectus, Articles of incorporation, (semi) annual reports and a list of all purchases and sales in the investment portfolio during the reporting period are available from the above address free of charge. UBS Switzerland A.G., Bahnhofstrasse 45, CH-8001 Zurich ((Postal address Badenerstrasse 574, Postfach, CH-8098 Zürich) is the Company's paying agent in Switzerland.

Information service in Germany

Copies of the articles of incorporation, Key Investor Information Document and prospectus and the annual and semiannual reports may be obtained free of charge from the offices of the information service in Germany: Robeco Deutschland, Taunusanlage 17, D-60325 Frankfurt am Main. The prices at which shares are issued and repurchased are published on www.robeco.de. A list of all purchases and sales in the Company's investment portfolio during the reporting period is available at the paying agent/information service in Germany free of charge.

Language versions

This report is also published in German. Only the English edition is binding.

Report of the Board of Directors

General

Website

An information update on the subfund's investment policies, returns and investment portfolio can be found on www.robeco.com/luxembourg.

Name change

Following the Extraordinary General Meeting held on 3 March 2017 the name of the fund was changed from Robeco Interest Plus Funds to Robeco (LU) Funds III. This change was effective from 31 March 2017. The name of the subfund was changed from Robeco Flex-o-Rente to Robeco QI Long/Short Dynamic Duration on 31 March 2017.

Changes to the prospectus

Some changes (effective March 2017) have been made to the Company's prospectus. A letter to shareholders detailing these changes is available at the Company's registered office.

General introduction

Economy

The global economy has performed well in the first half of 2017. Gloom has made way for optimism, and there has been a broad-based increase in economic activity. The consensus is that global growth will ultimately reach 3.5% in 2017. One notable feature is that the momentum in economic activity has been mainly in the developed economies. The United States posted growth of 2.1% in the first quarter, but underlying there has been a powerful increase in jobs that has reduced unemployment further to 4.3%. Uncertainty regarding the implications of President Trump's policy has not been visible in the improved sentiment among consumers and producers so far. The contrast with the turbulent year in 2016 in the Eurozone is even sharper, with growth above the historical average in the first six months of 1.9% and the influential IFO confidence indicator in Germany at its highest level since German unification. Activity has also picked up in Japan, with growth of 1.3% in the first quarter and a further improvement in producer sentiment in the second quarter. In China, the economy put on an unexpected spurt and grew by 6.9% in the first quarter, followed by a more moderate rate of growth. The authorities are benefiting from the continuing growth in the run-up to the important Chinese party congress in the autumn at which Xi Jinping will attempt to consolidate his power. The Chinese authorities are, however, still trying to slow the excessive and unsustainably rapid growth of domestic borrowing, because they are aware of the risks. In Japan the labor market is showing signs of tightness, as is also the case elsewhere in the G7. The common thread is that despite the tightness of labor markets, wage growth is still clearly lagging so far. The waning power of the unions, labor-saving technology and the still below average level of labor productivity are all factors in this unusual development. But economic growth is mainly driven by consumers and to a lesser extent by an increase in business investment. An increase in consumer spending in an environment of moderate wage growth suggests that many households are dipping into savings.

At the same time, the broad increase in consumer spending illustrates the return of confidence and the effect of years of cheap-money policy by the central banks. This has been supported by political developments in the Eurozone. In France, the newly elected President Macron comfortably saw off the extreme right-wing candidate Le Pen in the elections on a pro-European and liberal economic manifesto. There are also signs that support for euroskepticism has waned elsewhere in the Eurozone over the past six months. The investment climate in the Eurozone continues to be favorable, due to low costs of finance, rising consumer spending, reduced political uncertainty and a reduced risk that the Eurozone will disintegrate. On the other hand, with its choice of Brexit the United Kingdom has entered a turbulent period after Prime Minister May lost her majority in the House of Commons after a weak election campaign.

The recovery in oil prices has led to a slight increase in consumer prices in the past six months. But oil prices are still volatile, and inflation adjusted for energy prices is still historically low despite higher consumer spending. Core inflation in the Eurozone is running at 1.2% and is therefore still a long way away from the sustainable, broad-based and self-reinforcing inflation scenario that the European Central Bank (ECB) would like to see. Core inflation is also still low in the United States, even though the Federal Reserve (Fed) has raised its policy rate with two increases of a quarter of a percentage point. The lack of any strong wage growth is preventing a tighter interest-rate policy. It has become clear in the past period that the boards of central banks are increasingly discussing a gradual reduction in their active support for the bond markets in the coming years, especially if the current economic situation develops into rising inflation.

At a meeting in Sintra, ECB President Draghi clearly expressed his confidence in a return to inflation figures reflecting the ECB's target of 'inflation close to but below 2%'.

The earnings recession in the United States is clearly over, as evidenced by the double-digit earnings figures reported for the first quarter. This recovery in underlying business profitability, along with the improved economic outlook, has provided a powerful boost to stock markets. The MSCI All Country World Index generated a return of 11.5% in US dollar terms in the first half of 2017. In euros, this amounts to 3.1%, given the strong appreciation of the trade-weighted euro in this period. This currency effect is partly due to expectations in the currency market that we are approaching the point at which the ECB will take steps to reverse its extremely accommodative monetary policy in the Eurozone.

Bond markets outlook

The outlook for returns on government bonds could be described as challenging. Economic growth is picking up in various parts of the world and central banks are increasingly reviewing their extremely accommodative stance in recent years. Bonds appear to be especially vulnerable in the Eurozone, given the still historically low levels of interest rates. The ECB is expected to announce that it will be further reducing its supporting purchases later this year. One reason why a further rise in capital market rates may be limited is the moderate development of inflation. We accordingly expect that it will still take some considerable time before the ECB raises its official short-term interest rate. Inflation is still low in the United States as well, despite a steady fall in unemployment. We expect the Fed to raise short-term rates once more this year and also to make a start on reducing its balance sheet by reducing its reinvestments. This will not necessarily lead to a further rise in capital market rates in the United States.

Corporate bonds will continue to be supported by the search for yield. The current bond-buying programs of the European and Japanese central banks are still providing a huge boost to liquidity. The growth of earnings at many businesses also explains why the corporate bond market is still healthy. Valuations in several sub-markets, however, look less attractive. For high-yield bonds in particular, the additional interest received is now less convincing in view of the risk. We are still positive regarding the return outlook for subordinated and other bonds issued by financial institutions. A scenario of rising capital market rates and steeper yield curves will be good news for the profitability of banks and insurers. The valuations in this category still look attractive, even after the good performance in the first half of 2017.

We also see investment opportunities in emerging markets bonds issued in local currency. The interest differential with developed markets has narrowed, but still offers an attractive spread. The central banks have room to reduce their official short-term rates now that inflation is falling in many countries, particularly in Latin America. The outlook for growth in emerging countries is mixed and the continuing build-up of debt in China remains a risk. On the other hand, this investment category has less to fear from the Fed now that an aggressive tightening policy looks less likely given the moderate development of inflation.

Investment results

Investment results

	Price in currency x 1 30/06/2017	Price in currency x 1 31/12/2016	Investment result reporting period in %	Investment result 3 years average in %
Robeco QI Long/Short Dynamic Duration				
Class DH EUR shares	105.95	107.29	-1.2	0.2
Class EH EUR shares	89.96	91.51	-1.2	0.2
Class FH EUR shares ¹	100.03	101.12	-1.1	0.5
Class GH EUR shares ¹	95.34	97.09	-1.1	0.5
Class IH EUR shares	112.22	113.36	-1.0	0.6
Merril Lynch EUR LIBOR Overnight Index			-0.2	-0.2
Class DH CHF shares	94.18	95.57	-1.5	-0.5
Class IH CHF shares	98.30	99.51	-1.2	0.0
Merril Lynch CHF LIBOR Overnight Index			-0.4	-0.7
Class FH GBP shares	98.25	98.87	-0.6	-1.8
Merril Lynch GBP LIBOR Overnight Index			0.4	0.3

Investment results

	Price in currency x 1	Price in currency x 1	Investment result reporting period	Investment result 3 years average
	30/06/2017	31/12/2016	in %	in %
Class DH USD shares	107.25	107.66	-0.4	1.1
Class IH USD shares	98.79	98.94	-0.2	-1.2
Merril Lynch USD LIBOR Overnight Index			0.1	0.2

¹ Assuming reinvestment of the distributed dividend. See Notes on page 21.

² Investment result 3 years average over the period 18 August 2016 until 30 June 2017.

³ Investment result 3 years average over the period 22 September 2016 until 30 June 2017.

Performance analysis

The fund was generally positioned for rising bond yields in the first half of 2017, although the fund's short duration (interest-rate sensitivity) positions were pared back during the second quarter. Government bond markets exhibited moderate volatility, but in the end gained marginally over this period. With its short duration positions, the fund benefited from the initial rise in yields, but it was negatively impacted by the following bond rally. The fund generated a negative total return and lagged its benchmark over the reporting period.

The fund started the reporting period anticipating rising bond yields (hence falling bond prices) in the US, Germany and Japan. The active duration positioning of the fund is fully driven by our quantitative model. The model uses financial-market data to capture expectations on macro-economic variables like growth, inflation and monetary policy. Rising commodity prices signaled growing inflation pressure. Strong equity markets signaled increasing optimism about economic growth. The seasonal indicator, one of the technical indicators in the model, also turned negative. As the model forecasted higher yields in the US, Germany and Japan, the fund's duration (interest-rate sensitivity) was minus six year. This is the maximum short duration position. Bond yields rose indeed in January, mainly in Germany, but fell in February. Yields rose in early March as the Fed strongly hinted that it would raise rates that month. US 10-year yields reached 2.63%, the highest level year-to-date. Until this point, the positioning for higher yields served the fund well.

The dovish comments accompanying the Fed's rate hike and the failure of the Trump administration to replace the health care bill pushed yields down again. The latter delayed the implementation of the fiscal stimulus that markets had expected. Bond yields fell as the theme of "reflation" faded. US first-quarter growth disappointed, stimulus was delayed and core inflation surprised to the downside. The model became less negative on bonds, but it remained negative for the US. Falling oil prices signaled reduced inflationary pressure and the trend variable improved as well. The underweight position in Germany was closed in March, followed by the position in Japan in April. The model remained negative on Japan for a few weeks longer than on Germany due to the valuation indicator. For US bonds the model remained negative due to the monetary policy variable (further Fed rate hikes expected). The fund thus lost performance in the rally in bonds in April and May.

In June the model turned positive on Japanese bonds. The inflation and trend variables improved for all markets. The model signal only changed for Japan as the monetary policy variable was very positive for Japan, because the Bank of Japan maintains its supportive policy while the Fed is normalizing policy and the ECB is gradually turning towards normalization as well.

US 10-year yields reached their lowest level year-to-date in mid-June, at 2.13%. US and German yields rebounded in the last part of June. Comments from ECB president Draghi and Bank of England governor Carney triggered a global rise in yields. Market participants interpreted these comments as signs of a coordinated move towards monetary policy normalization. Only Japanese bonds were hardly impacted. With its short duration position in the US, the fund benefited from this rise in yields.

With short duration position in US bonds, no position in Germany and a long duration position in Japan, the fund's overall duration was zero, in line with the benchmark, at the end of June.

Sustainability investing

Integrated approach

Robeco adopts a holistic approach to integrating sustainability into investment decisions. Sustainability is a long-term driver for change in markets, countries and companies which in turn can impact future performance. From an

investment perspective, we believe the inclusion of material sustainability factors strengthens our investment process and leads to better-informed investment decisions. The integration of sustainability factors in our investment strategies is well embedded in the organization. Our portfolio managers and analysts closely cooperate with the engagement specialists from the Active Ownership and Sustainability Investing Research team. We base our judgments about the sustainability of companies and countries in which we invest on a combination of proprietary sustainability research and research from leading providers including RobecoSAM, Sustainalytics, RepRisk and Glass Lewis. Our research is further enriched with information we derive from our active conversations with companies and countries about their sustainability performance.

Stewardship Policy

Carrying out stewardship responsibilities is an integral part of Robeco's sustainability investing approach. Robeco has a Stewardship policy in place and is a signatory to different Stewardship Codes including the UK Stewardship Code and the Japanese Stewardship Code. Robeco's stewardship activities are executed within our organization; we do not outsource stewardship activities. Exercising voting rights and engagement are important aspects of our stewardship approach.

Principles for Responsible Investment (PRI)

Robeco's focus on sustainability investing is underlined by the commitment to the United Nations supported Principles for Responsible Investment (PRI). Robeco was awarded three years in a row with the highest score of the PRI assessment, which confirms the companies' leading position in the field of Sustainability Investing.

Sustainable Development Goals

On 25 September 2015, the United Nations General Assembly formally adopted the universal, integrated and transformative 2030 Agenda for Sustainable Development, along with a set of 17 Sustainable Development Goals (SDGs). The SDGs build on the success of the Millennium Development Goals and addresses a range of social needs including education, health, social protection, and job opportunities, while tackling climate change and environmental protection. As a signatory of the Dutch SDG Investing Agenda, Robeco is committed to contribute to the SDGs as we consider them as catalytic drivers for positive change. Furthermore Robeco is involved in various initiatives that investigate how the investment industry can contribute to the realization of SDGs.

Sustainability investing carried out by funds at Robeco is implemented with minimum restrictions to the investment universe, and consists of a combination of effective measures:

Exercising voting rights

Engagement

Exclusions

Integrating ESG factors¹ into the investment processes.

French Energy Transition Law

In France a law was introduced to encourage asset owners to integrate climate risk as well as environmental and social dimensions in their public disclosures. The aim of this law is to channel funds to the Energy Transition and Green Growth. Robeco offers in its ESG proposition the option to decarbonize portfolios, measure the impact of this decarbonisation and report on the impact of it, which fully meets the requirements of this law.

Exercising voting rights

Given the type of investments of the fund, exercising of voting rights is not applicable.

Engagement

Robeco actively uses its ownership rights to engage with companies on behalf of our clients in a constructive manner. We believe improvements in sustainable corporate behavior can result in an improved risk return profile of our investments. Robeco aims to improve a company's behavior on environmental, social and/or corporate governance (ESG) related issues with the aim of improving the long term performance of the company and ultimately the quality of investments for our clients.

Robeco enters into active dialogue with companies about good corporate governance and a socially responsible corporate policy. In our opinion this will increase shareholder value for the investors in the longer term. We use an integral approach, which combines the expertise of our investment analysts, our sustainability investing research analysts and our engagement specialists. By using financially material information as the basis for our talks, we strive

¹ ESG stands for environmental, social and governance.

to ensure that our dialogue introduces added value and improves the risk/return profile of the company. This enables us to generate value for both the investors and the company.

Robeco also engages with companies that breach the UN Global Compact. The UN Global Compact defines several universal principles with which organizations must comply. These principles are of a general nature and focus on respecting human rights, good working conditions, combating corruption and exercising due care for the environment. If a company structurally breaches one or more of these principles, Robeco starts a dialogue with it. If after three years of dialogue, a company has made insufficient progress in eliminating or mitigating the breach, Robeco can decide to exclude the company from its investment universe.

Exclusions

Robeco's exclusion policy is based on three main exclusion criteria. Firstly, it excludes companies that are involved in the production of controversial weapons or essential components for such weapons, or that derive income from the sale or transport of these weapons. We base our policy of not investing in such companies on a legislative amendment in the Netherlands governing investments in cluster-munition companies effective since 1 January 2013. Secondly, there is a policy for excluding countries. Robeco considers any country that systematically violates the human rights of its citizens to be controversial. These exclusions relate to investment-related sanctions that are imposed by the UN, US or EU. Thirdly, an unsuccessful dialogue may in time lead to a company's exclusion from the investment universe. In such cases a dialogue with a company concerns serious and systematic violations of widely accepted international directives on good corporate governance. Robeco focuses in particular on the United Nations Global Compact. The Executive Committees of RIAM and RobecoSAM have the final authority to exclude companies and countries.

Integrating ESG factors into the investment processes

With respect to Sustainability investing, the investment universe and the type of investments of the Company are such that it is not feasible to implement the ESG factors into the investment processes.

Luxembourg, 30 August 2017

The Board of Directors

Past performance is no indication of current or future performance. These performance data do not take account of the commissions and costs incurred on the issue and redemption of units.

Other data

Savings directive information

Robeco (LU) Funds III is subject to the EU savings directive.

Stock-exchange listing

Robeco (LU) Funds III DH EUR shares are listed on the Luxembourg Stock Exchange.

Auditors

No external audit has been conducted.

Remuneration policy

The fund itself does not employ any personnel and is managed by Robeco Luxembourg SA (RoLux). The remuneration for persons working for RoLux comes out of the management fee. RoLux's remuneration policy, which applies to all employees working under its responsibility, complies with the applicable requirements laid down in the European framework documents of the UCITS Directive and the ESMA guidelines for a responsible remuneration policy under the UCITS Directive. The remuneration policy has the following objectives:

- a) To promote that employees act in the clients' interests and do not take any undesired risks.
- b) To promote a healthy corporate culture aimed at realizing sustainable results in accordance with the long-term objectives of RoLux and its stakeholders.
- c) To attract and retain good employees and to reward talent and performance fairly.

RoLux has delegated the portfolio management of the Fund(s) to Robeco Institutional Asset Management B.V. ("RIAM"). RIAM has a license as manager of AIF's en UCITS of the Authority for the Financial Markets (AFM) in the Netherlands. RIAM has a remuneration policy for its employees that as well complies with the European framework documents of the UCITS directive en AIFMD and the ESMA guidelines for a responsible remuneration policy under the UCITS directive and AIFMD.

Responsibility for the remuneration policy

RoLux' remuneration Policy is determined and applied by and on behalf of RoLux with the approval of its shareholder, the (Board of) Robeco Holding B.V. For each review the (Board of) Robeco Holding B.V. shall obtain prior advice from the Supervisory Board of Robeco Institutional Asset management B.V., which is also responsible for the oversight over RoLux's operations, including the remuneration of its staff." In the application and evaluation of the remuneration policy, RoLux occasionally makes use of the services of various external advisers.

Fixed salary

Each individual employee's fixed salary is determined on the basis of function and experience according to RoLux' salary ranges and in reference to the benchmarks of the investment management industry in the relevant region. The fixed salary is deemed adequate remuneration for the employee to properly execute his or her responsibilities, regardless of whether or not variable remuneration is received.

Variable remuneration

The total available variable remuneration pool is established annually by and on behalf of RoLux and approved by the (remuneration committee of the) Supervisory Board of Robeco. With respect to Directors of RoLux, it is noted that the shareholder of RoLux determines their remuneration.

The total budget is based, in principle, on a percentage of the operating result. To ensure that the total variable remuneration is an accurate representation of performance and does not adversely affect RoLux' financial situation, the total amount of variable remuneration is determined taking the following factors into account:

1. The financial result compared to the budgeted result and long-term objectives;
2. The required risk-minimization measures and the measurable risks.

To the extent the variable remuneration pool allows, each employee's variable remuneration will be determined at the reasonable discretion of RoLux, taking into account individual and team and/or department performance, assessed on the basis of pre-agreed financial and non-financial performance factors ("KPIs"). If this performance-related variable remuneration (partly) exceeds the fixed threshold amount, 40% of the payment will be deferred for a period of at least

three years. The deferred parts will be converted into hypothetical 'Robeco Group' shares, the value of which moves with the company's future results. Negative performance has a decreasing effect on an employee's variable remuneration, which can even go down to zero.

Identified Staff

RoLux has a specific and more stringent remuneration policy for staff who may have a material impact on the risk profile of the fund. These persons are designated to be 'Identified Staff'. For 2016, in addition to the Board, RoLux has identified 1 other person as Identified Staff. Among other things the performance targets of these staff that are used to determine the award of variable pay are subject to additional risk analyses, both prior to the performance year and at the end when the results are evaluated. In addition, in all cases at least 70% of the payment of variable remuneration granted to these employees will be deferred for a period of four years, whereby 50% will be converted into hypothetical 'Robeco Group' shares whose value will follow the company's future results.

Risk control

RoLux has implemented additional risk-management measures with regard to the variable remuneration. For instance, RoLux has the possibility with regard to all employees to reclaim the granted variable remuneration ('claw-back') when this has been based on incorrect information, fraudulent acts, serious improper behavior, serious negligence in the performance of his tasks or behavior that has resulted to considerable losses for RoLux. After the granting but before the actual payment of the deferred variable remuneration components to Identified Staff, an additional assessment is performed to check whether new information would result in decreasing the previously granted remuneration components (the so-called 'malus arrangement'). The malus arrangement can be applied because of (i) misconduct or serious mistakes (ii) a considerable deterioration of RoLux financial results that was not foreseen at the time the remuneration was granted (iii) a serious violation of the risk management system, leading to changed circumstances compared with the granting of the variable remuneration or (iv) fraud committed by the employee concerned.

Annual assessment

RoLux's remuneration policy and the application thereof was evaluated in 2016 under the responsibility of the Supervisory Board, advised by the Remuneration Committee. In this case, special attention was given to the new ESMA guidelines for a responsible remuneration policy under the UCITS Directive. This resulted in a number of changes in the remuneration policy that were not of a material nature.

Financial statements

Statement of net assets

In EUR x thousand		Robeco QI Long/Short Dynamic Duration	
	Notes	30/06/2017	31/12/2016
Bonds at market value	6	203,861	221,292
CD/CPs at market value *	6	48,026	56,057
Investment portfolio at market value		251,887	277,349
Deposits and other cash	4	27,018	13,552
Unrealized gains on open forward exchange transactions	3	59	392
Unrealized gains on financial futures	4	163	1
Other assets		1,742	3,320
Total assets		280,869	294,614
Bank overdraft	5	0	550
Unrealized losses on open forward exchange transactions	3	565	35
Unrealized losses on financial futures	4	170	1,983
Other liabilities		1,670	577
Total liabilities		2,405	3,145
Total net assets		278,464	291,469
Net asset value per DH EUR share		105.95	107.29
Net asset value per EH EUR share		89.96	91.51
Net asset value per FH EUR share		100.03	101.12
Net asset value per GH EUR share		95.34	97.09
Net asset value per IH EUR share		112.22	113.36
Net asset value per DH CHF share ¹		94.18	95.57
Net asset value per IH CHF share ¹		98.30	99.51
Net asset value per FH GBP share ²		98.25	98.87
Net asset value per DH USD share ³		107.25	107.66
Net asset value per IH USD share ³		98.79	98.94

* Certificates of deposit and commercial papers

¹ This class of shares is denominated in Swiss franc (CHF). The reference currency of the subfund is the euro (EUR).

² This class of shares is denominated in British pound (GBP). The reference currency of the subfund is the euro (EUR).

³ This class of shares is denominated in US dollar (USD). The reference currency of the subfund is the euro (EUR).

The accompanying notes set out on pages 14 to 21 inclusive form an integral part of the financial statements.

Number of shares outstanding

Movement in the reporting period 01/01/2017 through 30/06/2017	Class of shares	Shares at the beginning of the period	Shares subscribed	Shares redeemed	Shares at the end of the period
Robeco QI Long/Short Dynamic Duration	DH EUR	669,944	76,229	89,279	656,894
	EH EUR	14,244	5,208	2,744	16,708
	FH EUR	133,951	23,391	12,458	144,884
	GH EUR	82,082	3,953	7,469	78,566
	IH EUR	1,038,316	305,141	257,436	1,086,021
	DH CHF	324,652	9,220	94,741	239,131
	IH CHF	296,142	200,387	195,873	300,656
	FH GBP	4,210	0	3,350	860
	DH USD	147,640	26,170	82,719	91,091
	IH USD	75,486	16,537	9,323	82,700

Notes to the financial statements as at 30 June 2017

1 General

Following the Extraordinary General Meeting held on 3 March 2017 the name of the fund was changed from Robeco Interest Plus Funds to Robeco (LU) Funds III. This change is effective from 31 March 2017. Robeco (LU) Funds III ('the Company') was incorporated on 2 June 1992 for an undetermined period of time as an open-ended investment company based in Luxembourg, issuing and redeeming its shares on a daily basis at prices at net asset value per share. The Company reserves the right to refuse any subscription request at any time. Its Articles of Incorporation were published in the 'Mémorial, Recueil des Sociétés et Associations' of the Grand Duchy of Luxembourg (the 'Mémorial') on 11 July 1992. The Articles of Incorporation were last amended on 31 March 2017 and such amendments were published on 3 April 2017 in the Recueil Electronique des Sociétés et Associations ('RESA', formerly: Mémorial). Robeco (LU) Funds III is a 'Société d'Investissement à Capital Variable' (Investment Company with variable capital) pursuant to the law of 10 August 1915, as amended, on commercial companies and to part I of the modified law of 17 December 2010 on undertakings for collective investment of the Grand Duchy of Luxembourg. The Company takes the form of an umbrella fund, i.e. it can be made up of several subfunds each representing an investment portfolio and other assets and liabilities corresponding to a different investment policy. Each subfund is therefore represented by a different type of share with one or more classes of shares. The Board of Directors has the authority to issue different classes of shares within each of the subfunds. Details of the characteristics of such classes of shares offered by the Company will be determined by the Board of Directors. The Directors of the Company may at any time decide upon the issue of class AH, DH, DHHi, D2H, FH, FHHi, IH, IHHi, MH, M2H and ZH shares (accumulating) and class A1H, BH, D3H, BHHi, BxH, CH, CHHi, CxH, EH, GH, IBH, IBxH, IExH, IEH, M3H, ZBH and ZEH shares (distribution) to investors in one or several subfunds. The reference currency of the classes of shares may be the euro (EUR), the US dollar (USD), the British pound (GBP), the Swiss franc (CHF), the Japanese yen (JPY), the Canadian dollar (CAD), the Mexican peso (MXN), the Hong Kong dollar (HKD), the Singapore dollar (SGD), the Swedish crown (SEK), the Norwegian crown (NOK), the Danish crown (DKK), the Polish zloty (PLN), the Australian dollar (AUD) or the South African rand. Only the shares mentioned in the paragraph 'Share Capital' are active at the reporting date. At the end of the reporting period, the only active subfund was Robeco Flex-o-Rente.

Legal entity

The Company as a whole constitutes a single legal entity but the assets of any one subfund will only be available to satisfy the rights of investors in relation to that subfund and the rights of creditors whose claims have arisen in connection with the creation, operation or liquidation of the subfund. With respect to the relations as between shareholders, each subfund is deemed to be separate entity.

Share capital

The capital of the Company will automatically be adjusted in case additional shares are issued or outstanding shares are redeemed without special announcements or measure of publicity being necessary in relation thereto.

Class DH and EH shares are available to all investors.

Class FH and GH shares (privileged shares) are available in certain countries, subject to the relevant regulatory approval, through specific distributors, selected by the Board of Directors.

Class IH shares are only available to institutional investors within the meaning of article 174 (2) of the law of 17 December 2010 on collective investment undertakings and may only be subscribed directly with the Registrar. If it appears that Class IH shares are being held by non-institutional investors the Company will redeem these shares. Class IH shares have a minimum subscription amount of (the equivalent of) EUR 500,000. The Board of Directors can waive this minimum subscription amount at its discretion. The Company, for the account of classes of shares for which the currency of expression is USD, GBP or CHF (collectively or individually 'Hedged Class(es)'), engages in currency hedging transactions to preserve, to the extent possible, the currency of expression value of the Hedged Class assets against the fluctuations of the currencies, with a substantial weight, in which the assets of the Company allocable to the Hedged Class are denominated. The attention of the investors is drawn to the fact that the Company have several classes of shares which distinguish themselves by, inter alia, their reference currency and that they are exposed to the risk that the net asset value of a class denominated in one currency can move unfavourable vis-à-vis another class denominated in another currency.

Sales commissions

The maximum sales commission is 3%, except for shares that are only available to institutional investors for which the maximum sales commission is 0.50%. The percentage represents a percentage of the total subscription amount. This commission rate is to be

considered as a maximum rate and the sales agents may decide at their discretion to waive this sales commission in whole or in part. The Company reserves the right to refuse any subscription request at any time. Sales commissions are not booked in the fund.

Dividend policy

The general policy regarding the appropriation of net income and capital gains is as follows:

Class DH, FH and IH shares

Income is automatically reinvested and added to the relevant class and will thus contribute to a further increase in value of the total net assets.

Class EH and GH shares

After the end of the reporting period, the Company can recommend what distribution shall be made from the net investment income and capital gains attributable to the relevant class. The annual general meeting of shareholders will determine the dividend payment. The Board of Directors of the Company may decide to distribute interim dividends in accordance with Luxembourg law.

General remarks

As provided by the 2010 law, the Company may decide to distribute dividends with no other limit than the obligation that any such dividend distribution does not reduce the net asset value of the Company below the legal minimum amount. Similarly, the Company may decide to distribute interim dividends and may decide to pay dividends in shares. If dividends are distributed, payments of cash dividends to registered shareholders are made in the currency of the relevant class to such shareholders at the addresses they have given to the Registrar. Dividend announcements (including names of paying agents) shall be published in a leading newspaper circulating in the countries where the Company's shares have been sold as determined by the Board of Directors. Dividends not collected within five years will lapse and accrue for the benefit of the Company in accordance with Luxembourg law.

Open-ended fund

Robeco (LU) Funds III is an open-ended investment company, meaning that, barring exceptional circumstances, Robeco (LU) Funds III issues and purchases its shares on a daily basis at prices at net asset value per share. The Company reserves the right to refuse any subscription request at any time.

Swing pricing

Shares are issued and redeemed on the basis of the net asset value per share. However, the actual costs of purchasing or selling assets and investments for a sub-fund may deviate from the latest available prices, as appropriate, in calculating the net asset value per share. This deviation can be caused by duties and charges and spread from buying and selling prices of the underlying investments ("spreads"). These costs have an adverse effect on the value of a sub-fund and its underlying share classes and are known as dilution. To mitigate the effects of dilution, the Directors may, at their discretion, make a dilution adjustment to the net asset value per share. The Directors will retain the discretion in relation to the circumstances under which to make such a dilution adjustment. At the end of the reporting period, no swing adjustment was made.

Pooling and co-management

For the purpose of efficient management and to reduce administrative costs, the Board of Directors may decide to co-manage some or all of the assets of the Company with assets of other Luxembourg UCIs of the Robeco Group ('co-managed units'). In this case, the assets from different co-managed units will be jointly managed using the technique of pooling. Assets that are co-managed will be referred to using the term 'pool'. Such pools will only be used for the purposes of internal management. They will not constitute distinct legal entities and will not be directly accessible to investors. Each co-managed unit will have its own assets allocated to it. During the reporting period no pooling or co-management took place.

Affiliated parties

Robeco (LU) Funds III is affiliated to the entities belonging to Robeco Groep N.V. The affiliation with Robeco Groep N.V. is the result of the possibility of having decisive control or a substantial influence on the Company's business policy. Robeco Group N.V. is part of ORIX Corporation. The management structure of Robeco Groep N.V., in which significant authority is allocated to its independent supervisory board, is such that ORIX Corporation does not have any meaningful say in or influence on the Company's business policy. Robeco Groep N.V. pursues an independent investment policy on behalf of its affiliated investment companies, taking into account the interest of the investors involved. Besides services of other market parties, Robeco (LU) Funds III also utilizes the services of one or more of these affiliated entities including transactions relating to securities, treasury, derivatives, securities lending, and subscriptions and redemptions of its own shares, as well as management activities. Transactions are executed at market rates.

Financial Instruments

Risks

Transactions in financial instruments may lead the subfund to be subject to the risks described below or to the subfund transferring these risks to another party.

General investment risk

The value of the investments may fluctuate. Past performance is no guarantee of future results. The net asset value of the Company is affected by developments in the financial markets and may both rise and fall. Shareholders run the risk that their investments may end up being worth less than the amount invested or even worth nothing.

Bonds or other debt securities involve credit risk to the issuer which may be evidenced by the issuer's credit rating.

Securities which are subordinated and/or have a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than more highly rated securities. In the event that any issuer of bonds or other debt securities experiences financial or economic difficulties, this may affect the value of the relevant securities and any amounts paid on such securities. This may in turn affect the NAV per share. General investment risk can be broken down into market risk, concentration risk and currency risk.

Market risk

The net asset value of the subfund is sensitive to market movements. In addition, investors should be aware of the possibility that the value of investments may vary as a result of changes in political, economic or market circumstances. No assurance can, therefore, be given that the subfund's investment objective will be achieved. It cannot be guaranteed either that the value of a share in a subfund will not fall below its value at the time of acquisition.

Concentration risk

Based on its investment policy, the Company may invest in financial instruments from issuing institutions that (mainly) operate within the same sector or region, or in the same market. If this is the case, the concentration of the investment portfolio of the subfund may cause events that have an effect on these issuing institutions to have a greater effect on the subfund's assets than would occur with a less concentrated investment portfolio.

Currency risk

All or part of the investment portfolio of a subfund may be invested in currencies other than the euro. As a result, fluctuations in exchange rates may have both a negative and a positive effect on the investment result of the subfund.

Robeco Flex-o-Rente limits the general investment risk by investing in transferable securities and instruments (which may include certificates of deposit, money-market instruments and commercial papers) with a minimal short term rating of A-1 for money market instruments and a minimal long term rating of BBB- for other instruments. Robeco Flex-o-Rente minimizes the general investment risk as well by actively managing the duration of its portfolio.

Counterparty risk

A counterparty of a subfund may fail to fulfil its obligations towards that subfund. In case of hedging transactions in classes of shares, the relevant subfund carries the counterparty risk. This risk is limited as much as possible by taking every possible care in the selection of counterparties. Wherever it is customary in the market, the Company will demand and obtain collateral. Robeco Flex-o-Rente minimizes this risk by trading exclusively with counterparties which it believes to be creditworthy.

Risk of lending financial instruments

In the case of financial-instrument lending transactions, the Company runs the risk that the borrower cannot comply with its obligation to return the financial instruments on the agreed date or furnish the requested collateral. The lending policy of the Company is designed to control these risks as much as possible.

The lending policy of the Fund is designed to control these risks as much as possible. The credit worthiness of counterparties in securities-lending transactions is assessed on the basis of how independent rating agencies regard their short-term credit worthiness and on the basis of their net assets. Guarantees given by parent companies are also taken into account. The fund only accepts collateral from OECD countries in the form of:

- government bonds with a minimum credit rating of BBB;
- the bonds of supranational bodies with a minimum credit rating of BBB–;
- stocks listed on the main indexes of stock markets in OECD countries;
- cash (CAD, CHF, EUR, GBP, JPY or USD) .

Liquidity risk

The actual buying and selling prices of financial instruments in which the Company invests partly depend upon the liquidity of the financial instruments in question. It is possible that a position taken on behalf of the subfund cannot be quickly liquidated in a good time at a reasonable price due to a lack of liquidity in the market in terms of supply and demand. The subfund minimizes this risk by mainly investing in financial instruments that are tradable on a daily basis.

Euro currency risk

All or part of the assets of a subfund may be invested in securities denominated in Euro. In the event of any adjustments, including a full break-up, an exit of individual countries or other circumstances that may result in the emergence or reintroduction of national currencies, a subfund runs the risks that the value of its investments is reduced and/or the liquidity of its investments is (temporarily) reduced, regardless of the measures the Company may seek to reduce this risk.

Operational risk

The operational risk is the non inherent risk remaining after determining the risks as detailed above (general investment risk, counterparty risk, liquidity risk, risk of lending financial instruments or Euro currency risk). It mainly includes risks resulting from breakdowns in internal procedures, people and systems.

Insight into actual risks

The report of the Board of Directors, the Statement of net assets, the Notes to the financial statements and the Investment portfolio, which include currency classification of the investments, give an insight into the actual risks at the end of the reporting period.

Risk management

Managing risk is a part of the investment process as a whole and with the help of advanced systems, the risks outlined above are limited, measured and monitored on the basis of fixed risk measures.

Policy regarding the use of derivatives

Investing implies that positions are taken. As it is possible to use various instruments, including derivative instruments, to construct an identical position, the selection of derivatives is subordinate to the positioning of an investment portfolio. In our published information, attention is given primarily to the overall position, and secondarily to the nature and volume of the financial instruments employed.

Derivative instruments

The unrealized results of derivative instruments are reported in the Statement of net assets and are disclosed by contract. Commitments to derivatives are not included in the Statement of net assets. They are, however, explained in the Notes. The derivative instruments listed in the notes are transacted through third party brokers. The company is exposed to counterparty risk in respect of all amounts due to it from such brokers.

2 Summary of significant accounting principles

General

Unless stated otherwise, the items shown in the financial statements are included at their nominal value and expressed in the reference currency of the relevant subfund. The reference currency of the subfund is the euro. This semi-annual report covers the period from 1 January 2017 through 30 June 2017.

Preparation and presentation of financial statements

The financial statements are prepared and presented in accordance with Luxembourg generally accepted accounting principles for investment funds.

Foreign currencies

Transactions in currencies other than the reference currency of a subfund are converted into the reference currency at the exchange rates prevailing at the time of the transaction. The market value of the investments, assets and liabilities expressed in currencies other than the reference currency of the subfund are converted into the subfund's reference currency at the exchange rates prevailing at the end of the reporting period. The table on page 23 shows the exchange rates as at 30 June 2017.

Valuation of investments

Transferable securities, money market instruments and/or financial derivative instruments listed on an official stock exchange listing

These instruments are valued at their last available market price; in the event that there should be several such markets, on the basis of the last available price of the main market for the relevant security or asset. Should the last available market price for a given transferable security, money market instrument or financial derivative instrument not truly reflect its fair market value, then that transferable security, money market instrument or financial derivative instrument is valued on the basis of the probable sales price which the Board of Directors deems prudent to assume. Fixed income securities not traded on such markets are generally valued at the last available price or yield equivalents obtained from one or more dealers or pricing services approved by the Board of Directors, or any other price deemed appropriate by the Board of Directors.

Transferable securities and/or money market instruments dealt in on another regulated market

These instruments are valued on the basis of their last available market price. Should the last available market price for a given transferable security and/or money market instrument not truly reflect its fair market value, then that transferable security and/or money market instrument is valued by the Board of Directors on the basis of the probable sales price which the Board of Directors deems prudent to assume.

Transferable securities and/or money market instruments not listed or dealt in on any stock exchange or on any regulated market

In the event that any assets are not listed or dealt in on any stock exchange or on any regulated market, or if, with respect to assets listed or dealt in on any stock exchange, or on any regulated market as aforesaid, where the above valuation methods are inappropriate or misleading, the Board of Directors may adopt any other appropriate valuation principles for the assets of the Company.

Subfunds primarily invested in markets which are closed for business at the time the subfunds are valued are normally valued using the prices at the previous close of business.

Market volatility may result in the latest available prices not accurately reflecting the fair value of the subfund's investments. This situation could be exploited by investors who are aware of the direction of market movements, and who might deal to exploit the difference between the next published Net Asset Value and the fair value of the subfund's investments. By these investors paying less than the fair value for shares on issue, or receiving more than the fair value for shares on redemption, other shareholders may suffer a dilution in the value of their investment. To prevent this, the subfund may, during periods of market volatility, adjust the Net Asset Value per Share prior to publication to reflect more accurately the fair value of the subfund's investments. Adjustment will be made provided that such change exceeds the threshold as determined by the Board of Directors. If an adjustment is made, it will be applied consistently to all classes of shares. At the end of the reporting period, no such adjustments were made.

Investment transactions and investment income

Securities are initially recorded at cost, and where applicable on the basis of exchange rates prevailing on the date they are purchased. Results on sales of securities are determined on the basis of the average cost method (for futures first in

first out method). Investment transactions are accounted for on the trade date. Interest income is recorded on an accrual basis. Discounts/Premiums on zero coupon bonds are accreted as adjustments to interest income. Interests and capital gains on securities may be subject to withholding or capital gains taxes in certain countries.

3 Open forward exchange transactions

Open forward exchange transactions are valued with market practice valuation models using forwards rates based on exchange and interest rates applicable at 31 December 2016. The unrealized results of these transactions have been recorded gross in the Statement of net assets under the heading 'Unrealized gains/losses on open forward exchange transactions'. The contracts outstanding as at 30 June 2017 are disclosed in the table below.

Open forward exchange transactions							Unrealized gains/losses
Purchase/Sale	Currency bought	Amount bought	Currency sold	Amount sold	Counterparty	Maturity date	EUR x 1
DH CHF shares	EUR	101,412	CHF	110,000	Rabobank Nederland	06/07/2017	695
	EUR	1,317,072	CHF	1,437,000	Rabobank Nederland	06/07/2017	1,349
	EUR	168,635	CHF	183,000	Rabobank Nederland	06/07/2017	1,080
	EUR	762,616	CHF	828,000	Rabobank Nederland	06/07/2017	4,496
	EUR	82,740	CHF	90,000	Rabobank Nederland	06/07/2017	336
	EUR	86,655	CHF	94,000	Rabobank Nederland	06/07/2017	588
							8,544
IH CHF shares	EUR	137,661	CHF	150,000	Rabobank Nederland	06/07/2017	321
	EUR	1,464,831	CHF	1,589,000	Rabobank Nederland	06/07/2017	9,936
	EUR	4,002,096	CHF	4,343,000	Rabobank Nederland	06/07/2017	25,629
	EUR	424,877	CHF	461,000	Rabobank Nederland	06/07/2017	2,784
							38,670
DH USD shares	EUR	190,906	USD	214,000	Rabobank Nederland	06/07/2017	3,326
	EUR	256,831	USD	286,000	Rabobank Nederland	06/07/2017	6,140
	EUR	35,565	USD	40,000	Rabobank Nederland	06/07/2017	504
	EUR	44,752	USD	50,000	Rabobank Nederland	06/07/2017	925
	EUR	48,186	USD	54,000	Rabobank Nederland	06/07/2017	852
							11,747
IH USD shares	EUR	35,565	USD	40,000	Rabobank Nederland	06/07/2017	504
							504
Total unrealized gains							59,465
DH CHF shares	CHF	141,000	EUR	130,001	Rabobank Nederland	06/07/2017	-901
	CHF	25,075,894	EUR	23,039,787	Rabobank Nederland	06/07/2017	-80,202
							-81,103
IH CHF shares	CHF	35,957,637	EUR	33,037,957	Rabobank Nederland	06/07/2017	-115,005
							-115,005
FH GBP shares	GBP	84,000	EUR	96,827	Rabobank Nederland	06/07/2017	-1,170
							-1,170
DH USD shares	USD	10,333,778	EUR	9,262,526	Rabobank Nederland	06/07/2017	-204,523
	USD	40,000	EUR	35,637	Rabobank Nederland	06/07/2017	-575
							-205,098
IH USD shares	EUR	65,639	USD	75,000	Rabobank Nederland	06/07/2017	-102
	USD	221,000	EUR	197,143	Rabobank Nederland	06/07/2017	-3,427
	USD	30,000	EUR	26,629	Rabobank Nederland	06/07/2017	-333
	USD	62,000	EUR	55,677	Rabobank Nederland	06/07/2017	-1,331
	USD	7,943,000	EUR	7,119,588	Rabobank Nederland	06/07/2017	-157,206
							-162,399
Total unrealized losses							-564,775

4 Financial futures

Regulated futures contracts are valued at their exchange quoted settlement price. Initial margin deposits are made upon entering into futures contracts. All open futures contracts are marked to market with changes in market value recognized as unrealized gains or losses. Variation margin payments are made or received, depending on whether unrealized losses or gains are incurred. When the contract is closed, the Company records a realized gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and price at which the Company entered into the contract. The unrealized gains/losses on financial futures are recorded gross in the Statement of net assets under the heading 'Unrealized gains/losses on financial futures'. All margin deposits are included in the Statement of net assets under the heading 'Deposits and other cash' and amounted to EUR 1.4 million at the end of the reporting period. The contracts outstanding as at 30 June 2017 are disclosed in the following table.

Financial futures						
Purchase/ Sale	Quantity	Currency	Denomination	Maturity date	Commitment EUR x 1	Unrealized gains/losses EUR x 1
Robeco QI Long/Short Dynamic Duration						
Sale	-883	EUR	EURO-SCHATZ FUT XEUR	Sep-2017	-98,763,550	-
Sale	-117	USD	US 10YR NOTE (CBT) XCBT	Sep-2017	-12,877,258	28,851
Sale	-135	USD	US 2YR NOTE (CBT) XCBT	Sep-2017	-25,579,559	11,097
Sale	-350	USD	US 5YR NOTE (CBT) XCBT	Sep-2017	-36,160,254	52,743
Sale	-142	USD	US LONG BOND(CBT) XCBT	Sep-2017	-19,134,299	70,032
Total unrealized gains						162,723
Purchase	66	JPY	JPN 10Y BOND(OSE) XOSE	Sep-2017	77,308,544	-169,954
Total unrealized losses						-169,954

5 Collateral and overdraft

The sub-fund of Robeco (LU) Funds III received or paid collateral to cover the unrealized results on derivative instruments, except financial futures. Collaterals are calculated and settled on a daily basis per counterparty. The collateral is primarily cash held at the broker in the name of the sub-fund. The paid collateral is restricted cash and is included in the Statement of net assets under the heading 'Other assets'. The received collateral and the margin overdrafts are included in the Statement of net assets under the heading 'Collateral due to broker'. At reporting date, no collateral was paid or received.

The Company has access to an overdraft facility (the "Facility"), established with the Depositary, intended to provide for short-term/temporary financing if necessary, subject to certain restrictions, in connection with abnormal redemption activity. Each portfolio of the Company is limited to borrowing 10% of its respective net assets. Borrowings pursuant to the facility are subject to interest at a mutually agreed upon rate and security by the underlying assets of each portfolio. The number of days to refund in case of a temporary overdraft is set at 30 days.

The received collateral are margin overdrafts which are included in the Statement of net assets under the heading 'Collateral due to brokers'.

6 Investment portfolio

The investment portfolio of Robeco QI Long/Short Dynamic Duration is included at the end of this report.

7 Securities lending

During the reporting period no securities lending transactions took place.

8 Taxes

The classes of shares of the subfund are liable in Luxembourg to an annual duty ('taxe d'abonnement-subscription tax') at the rate of 0.05% per annum of their net assets calculated and payable at the end of each quarter. This rate is 0.01% per annum for institutional classes of shares such as IH shares. To the extent that the assets of the subfund are invested in investment funds which are established in Luxembourg, no such a tax is payable, provided that the relevant investment funds have been subject to this tax. The subfund will receive income from its investments after deduction of applicable withholding taxes in the country of origin. There are no Luxembourg income, withholding, capital gains, estate or inheritance taxes payable by the subfund.

9 Management company

The Directors of the Company have appointed Robeco Luxembourg S.A. (the 'Management Company') as the management company to be responsible on a day-to-day basis, under supervision of the Board of Directors of the Company, for providing administration, marketing and investment management services. The Management Company has delegated its investment management services to Robeco Institutional Asset Management B.V. (the 'Investment Adviser'). The Management Company has delegated the administration and registrar agent functions to RBC Investor Services Bank S.A. (acting as 'Administration Agent' and 'Registrar Agent'). The Management Company was incorporated as a 'Société anonyme' under the laws of the Grand Duchy of Luxembourg on 7 July 2005 and its Articles of Association were published in the Mémorial on 26 July 2005. The Management Company is approved as Management Company regulated by chapter 15 of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment. The Management Company is part of Robeco Groep N.V. and also acts as Management Company for Robeco Capital Growth Funds, Robeco QI Global Dynamic Duration, Robeco Global Total Return Bond Fund and Robeco All Strategies Funds.

10 Management and service fee

The classes of shares incur an annual management fee payable to the Management Company, which reflects all expenses related to the management of the Company. Furthermore the different classes of shares incur an annual service fee payable to the Management Company reflecting all remaining expenses such as the fees of the Administration Agent, the Registrar Agent, auditors and legal advisers, the costs of preparing, printing and distributing all prospectuses, memoranda, reports and other necessary documents concerning the Company, any fees and expenses involved in the registration of the Company with any governmental agency and stock exchange, the costs of publishing prices and operational expenses, and the cost of holding shareholders' meetings. The annual charges, both management fee and service fee, are expressed as a percentage of the net asset value. The charges, paid monthly, are based on the net asset value of the relevant period and are reflected in the share price. The table below shows the percentages for the different classes of shares.

Management fee					
In %	DH shares	EH shares	FH shares	GH shares	IH shares
Robeco QI Long/Short Duration	0.70	0.70	0.35	0.35	0.30

Service fee ¹					
In %	DH shares	EH shares	FH shares	GH shares	IH shares
Robeco QI Long/Short Duration	0.12	0.12	0.12	0.12	0.08

¹ If the assets of a subfund exceed EUR 1 billion, for the assets above EUR 1 billion the service fee will be reduced by 0.02%. If the assets of a subfund exceed EUR 5 billion, for the assets above EUR 5 billion the service fee will be reduced by a further 0.02% (for IH shares 0.01%). However, the annual service rate cannot be less than 0.01% for a specific share class.

11 Depositary fee

The Depositary bank is remunerated in accordance with the agreement between RBC Investor Services Bank S.A., acting as the Depositary, and the Company.

12 Distributed dividends

During the reporting period the following distributions took place.

Distributed dividend				
	Currency	Amount per share	Ex-dividend date	Payment date
Robeco QI Long/Short Dynamic Duration				
EH EUR shares	EUR	0.42	21/04/2017	28/04/2017
GH EUR shares	EUR	0.71	21/04/2017	28/04/2017

13 Transaction costs

The Company and its classes of shares pay directly commissions, brokerage fees and taxes resulting from financial transactions. These costs are recorded in the Statement of operations and changes in net assets under the heading "Transaction costs".

14 Ongoing charges

The ongoing charges express the operational costs (e.g. management fee, service fee, taxe d'abonnement, depositary fee and bank charges) charged to the subfund as a percentage of the average assets entrusted, calculated on a daily basis, during the reporting period. The ongoing charges as shown in the table below do not include transaction costs. The other costs concern mainly bank charges, depositary fees and taxe d'abonnement. The ongoing charges are annualized for periods less than one year. Comparative figures are only disclosed for the subfunds and share classes outstanding at the beginning of the reporting period.

Ongoing charges								
In %	01/07/2016				01/07/2015			
	30/06/2017				30/06/2016			
	Management fee	Service fee	Other costs	Total	Management fee	Service fee	Other costs	Total
Robeco QI Long/Short Dynamic Duration (formerly Flex-o-Rente)								
DH EUR shares	0.70	0.12	0.06	0.88	0.70	0.12	0.06	0.88
EH EUR shares	0.70	0.12	0.06	0.88	0.70	0.12	0.06	0.88
FH EUR shares	0.35	0.12	0.06	0.53	0.35	0.12	0.05	0.52
GH EUR shares	0.35	0.12	0.06	0.53	0.35	0.12	0.06	0.53
IH EUR shares	0.30	0.08	0.02	0.40	0.30	0.08	0.01	0.39
DH CHF shares	0.70	0.12	0.06	0.88	0.70	0.12	0.06	0.88
IH CHF shares	0.30	0.08	0.02	0.40	0.30	0.08	0.02	0.40
FH GBP shares	0.35	0.12	0.06	0.53	0.00	0.00	0.00	0.00
DH USD shares	0.70	0.12	0.06	0.88	0.70	0.12	0.06	0.88
IH USD shares	0.30	0.08	0.02	0.40	0.00	0.00	0.00	0.00

15 Hard commissions and soft-dollar arrangements

There were no hard commissions or soft-dollar arrangements during the reporting period.

16 Turnover ratio

This is the turnover ratio of the investments, including derivative instruments, against the average assets entrusted and this is a measure of the incurred transaction costs resulting from the investment portfolio policy pursued and the ensuing investment transactions. In the calculation method that is used the amount of turnover is determined by the sum of purchases and sales of investments, including derivatives, less the sum of issuance and repurchase of own shares, divided by the daily average of the net assets. The turnover ratio is determined by expressing the amount of turnover as a percentage of the average assets entrusted. The turnover ratio for Robeco QI Long/Short Dynamic Duration (formerly Robeco Flex-o-Rente) over the reporting period is 88%. Over the period 1 July 2015 through 30 June 2016 the turnover ratio was 79%.

17 Changes in the investment portfolio

The statement of changes in the investment portfolio during the period from 1 January 2017 to 30 June 2017 inclusive may be obtained free of charge at the offices of the Company, the Depositary, or any Nominee.

18 Retrocessions and trailer fees

Trailer fees for the marketing of the subfund (Commission d'Encours) are paid to distributors and assets managers from the management fee. No retrocession has been granted during the reporting period.

Luxembourg, 30 August 2017

The Board of Directors
J.H. (Jeroen) van den Akker
D.R. (Rob) van Bommel
H.P. (Pierre) de Knijff

Exchange rates

		30/06/2017 in EUR x 1		31/12/2016 in EUR x 1
CHF	1	1.0923	1	0.9328
GBP	1	0.8781	1	1.1715
JPY	100	0.7803	100	0.8129
USD	1	1.1406	1	0.9481

Investment portfolio

Robeco QI Long/Short Dynamic Duration (formerly Robeco Flex-o-Rente)

Interest rate		Expiration date	Face value	Market value EUR x 1	In % of net assets
Transferable securities and money-market instruments admitted to an official stock exchange listing					
EUR					
1.3750	1COMMONWEALTH BANK AUST	22/01/2019	6,400,000	6,562,880	2.36
1.2500	BELFIUS BANK SA/NV	28/01/2019	6,400,000	6,555,456	2.35
1.6250	DEXIA CREDIT LOCAL	29/10/2018	9,500,000	9,733,415	3.50
0.1000	BANK OF NOVA SCOTIA	21/01/2019	6,550,000	6,586,615	2.37
0.1000	CANADIAN IMPERIAL BANK	14/12/2018	6,400,000	6,434,816	2.31
0.7500	ROYAL BANK OF CANADA	19/06/2019	6,400,000	6,521,024	2.34
1.2500	NORDEA MORTGAGE BANK PLC	14/01/2019	5,400,000	5,531,166	1.99
0.0000	(FRN) AGENCE FRANCAISE DEVELOP	19/09/2018	6,000,000	6,015,660	2.16
0.0000	(FRN) CAISSE CENT CREDIT IMMOB	03/10/2017	5,000,000	5,003,200	1.80
1.1250	CIE FINANCEMENT FONCIER	11/03/2019	6,400,000	6,554,240	2.35
3.5000	CREDIT AGRICOLE HOME LOA	14/06/2018	6,400,000	6,635,136	2.38
4.2500	FRANCE (GOVT OF)	25/10/2017	7,900,000	8,019,527	2.88
0.0000	(FRN) FMS WERTMANAGEMENT	23/01/2018	7,000,000	7,019,110	2.52
0.0000	(FRN) FMS WERTMANAGEMENT	27/01/2019	800,000	806,240	0.29
0.0690	(FRN) FREIE HANSESTADT HAMBURG	18/02/2020	5,000,000	5,077,250	1.82
0.0000	(FRN) LANDWIRTSCH. RENTENBANK	01/09/2017	5,000,000	5,004,100	1.80
0.1700	(FRN) STATE OF BERLIN	09/10/2023	5,000,000	5,188,800	1.86
0.0000	BUNDESSCHATZANWEISUNGEN	15/12/2017	5,580,000	5,597,968	2.01
3.5000	BUONI POLIENNALI DEL TES	01/11/2017	10,000,000	10,126,900	3.64
0.0000	(FRN) NEDER WATERSCHAPSBANK	01/11/2018	5,000,000	5,025,600	1.80
5.2500	ING BANK NV	05/06/2018	6,400,000	6,732,992	2.42
1.1250	DNB BOLIGKREDITT AS	12/11/2018	6,400,000	6,524,864	2.34
5.5000	BONOS Y OBLIG DEL ESTADO	30/07/2017	15,585,000	15,651,394	5.62
0.0000	(FRN) EUROPEAN INVESTMENT BANK	15/01/2018	4,000,000	4,010,480	1.44
0.2500	EFSE	18/10/2017	7,000,000	7,015,259	2.52
3.2500	EUROPEAN UNION	04/04/2018	7,000,000	7,198,240	2.58
1.0000	STADSHYPOTEK AB	19/06/2018	6,400,000	6,484,352	2.33
1.0000	CREDIT SUISSE GUERNSEY	12/03/2019	6,400,000	6,531,776	2.35
0.7500	NATIONWIDE BLDG SOCIETY	25/06/2019	6,400,000	6,525,120	2.34
4.3750	SANTANDER UK PLC	24/01/2018	6,000,000	6,158,460	2.21
4.8750	BANK OF SCOTLAND PLC	04/06/2019	6,400,000	7,028,864	2.52
Total transferable securities and money-market instruments admitted to an official stock exchange listing				203,860,903	73.20
Other transferable securities					
EUR					
	Achmea Bank NV	08/09/2017		8,005,916	2.88
	Banque Federative du Credit Mutuel SA	25/09/2017		8,007,353	2.88
	BNP PARIBAS FORTIS SA	02/08/2017		8,002,974	2.87
	KBC Bank NV	22/08/2017		8,004,602	2.87
	La Banque Postale	20/07/2017		8,001,814	2.87
	NORDEA BANK AB	04/08/2017		8,003,151	2.87
Total other transferable securities				48,025,810	17.24
Total investment portfolio				251,886,713	90.44
Other assets and liabilities				26,577,329	9.56
Total net assets				278,464,042	100.00