

ROBECO

Robeco Afrika Fonds N.V.

Investment company with variable capital, incorporated under Dutch law
Undertaking for Collective Investment in Transferable Securities
Chamber of Commerce 24432814

Annual report 2014

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Robeco Afrika Fonds N.V.

(investment company with variable capital, having its registered office in Rotterdam, the Netherlands)

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Management Board (and Manager)

Robeco Institutional Asset Management B.V.
Management Board members:
L.M.T. Boeren
H.W.D.G. Borrie
R.M.S.M. Munsters (up to 1 January 2015)
H.A.A. Rademaker
J.B.J. Stegmann (up to 1 January 2015)

Fund manager

C.E. Vlooswijk CFA

Fund agent and paying agent

Rabo International
Europalaan 44
NL-3526 KS Utrecht

Accountant

KPMG Accountants N.V.
Rijnzathe 14
3454 PV De Meern

General information

Legal aspects

Robeco Afrika Fonds N.V. (the 'fund') is an investment company with variable capital established in the Netherlands. The fund is an Undertaking for Collective Investment in Transferable Securities (UCITS) within the meaning of the Council Directive for Investment Institutions dated 13 July 2009 (Directive 2009/65/EG). UCITS have to comply with certain restrictions to their investment policy in order to protect investors.

Share Classes

The ordinary shares are divided into two series, both of which are open. Each series is designated as a share class. The series include the following share classes:

Share class A: Robeco Afrika Fonds

Share class B: Robeco Afrika Fonds – EUR G (opened for trading per 3 October 2013).

The amendment resolution on the Financial Markets 2014 stipulates that distributors for investment institutions in the Netherlands will now only be permitted to charge commission/distribution fees subject to stringent conditions. As a result of this, the fund has introduced a share class with a lower management fee (without distribution fee). In practice this means both a share class with a distribution fee and one without are available to the fund.

Various Dutch distributors have made use of the option to swap shares with a distribution fee (Robeco Afrika Fonds) for shares without a distribution fee (Robeco Afrika Fonds – EUR G). This exchange did not take place at any one fixed time and thus varies from one distributor to another.

Allocation to share classes

The fund is managed in such a way that the allocation of results to the different share classes occurs proportionately on a daily basis. Issuing and repurchasing proprietary shares are registered per share class. The differences between the various share classes are expressed in notes 12 and 13 in the financial statements.

Tax features

On the basis of Article 28 of the Dutch Corporate Income Tax Act, the fund has the status of a fiscal investment institution. This means that no corporate-income tax is due, providing that, after the deduction of costs, the fund makes its profit available for distribution to shareholders in the form of dividend within eight months of the close of the financial year and satisfies any other relevant regulations.

Liquidity of ordinary shares

The fund is an open-end investment company, meaning that, barring exceptional circumstances, it issues and repurchases its shares on a daily basis at prices approximating net asset value, augmented or reduced by a limited surcharge or discount. The only purpose of this surcharge or discount is to cover the costs made by the fund related to the entry and exit of investors. The maximum current surcharge or discount is 1.00%. Any surplus or deficit accrues or is charged to the fund.

The Robeco Afrika Fonds and the Robeco Afrika Fonds – EUR G share class are listed on Euronext Amsterdam¹, Euronext Fund Service segment.

Key investor information and prospectus

A prospectus and key-investor-information document with information on the fund, the costs and the risks are available for Robeco Afrika Fonds N.V. Both documents can be obtained free of charge from the fund offices or via www.robeco.com.

¹ Depending on the distributor, investments can be made in Robeco Afrika Fonds or Robeco Afrika Fonds – EUR G.

Representative and paying agent in Germany

State Street Bank GmbH - Frankfurt Branch (Agent Fund Trading), Solmsstrasse 83, D-60486 Frankfurt am Main is assigned as paying agent in Germany. The information address for Germany is Robeco Deutschland, Taunusanlage 17, D-60325 Frankfurt am Main. The prospectus, the Articles of Association and the annual/semi-annual reports may be obtained free of charge from the information address. The prices at which shares are bought and sold are published on www.robeco.de.

Financial services in Belgium

CACEIS Belgium N.V., Havenstraat 86C Bus 320, 1000 Brussels, has been appointed as financial-services provider in Belgium. The most recent periodic reports, the prospectus and the Key Investor Information and other information about the fund are available from them in Dutch and English.

Translations

This report is also published in Dutch. Only the original Dutch edition is binding and will be submitted to the General Meeting of Shareholders.

Key figures per share class

Overview 2010 – 2014

Robeco Afrika Fonds	2014	2013	2012	2011	2010	Average
Performance in % based on:						
- Market price ^{1,2}	5.1	6.8	25.6	-26.1	52.8	9.7
- Net asset value ^{1,2}	4.4	7.7	24.7	-23.7	48.2	9.6
Dividend in EUR ³	4.00	1.60	2.20	2.00	0.40	
Total net assets ⁴	16	44	55	50	85	

Robeco Afrika Fonds - EUR G	2014	2013 ⁵	Average
Performance in % based on:			
- Market price ^{1,2}	6.1	2.7	7.1
- Net asset value ^{1,2}	5.3	4.8	8.2
Dividend in EUR ³	3.00	1.40	
Total net assets ⁴	45	15	

¹ Possible differences between the performance based on market price and on net asset value are caused by the fact that the last market price of the reporting period and the net asset value are determined at different times. The last market price of the reporting period is the price on the last market day of the reporting period and uses the price data at 06:00h. The net asset value is based on the valuation figures from the close of trading on that same day.

² Any dividend payments that are distributed in any year are assumed to have been reinvested in the fund.

³ The dividend relates to the reporting year mentioned and is distributed in the following year. Proposed for 2014.

⁴ EUR x millions.

⁵ Concerns the period 3 October 2013 through 31 December 2013.

Performance summary per share ¹

EUR x 1					
Afrika	2014	2013	2012	2011	2010
Investment income	5.07	4.40	4.42	3.56	2.89
Change in value	2.12	7.70	22.63	-36.64	43.19
Management costs, service fee and other costs	-2.72	-2.49	-2.35	-2.27	-2.39
Net result	4.47	9.61	24.70	-35.35	43.69
Afrika – EUR G					
	2014	2013 ²			
Investment income	4.33	0.38			
Change in value	2.52	-0.74			
Management costs, service fee and other costs	-1.29	-0.32			
Net result	5.56	-0.68			

¹ Based on the average amount of shares outstanding during the reporting year. The average number of shares is calculated on a daily basis.

² Concerns the period from 3 October through 31 December 2013.

Report of the management board

General introduction

Economy

The year 2014 was characterized by a weak and uneven recovery in the global economy. The US maintained its momentum and continued to look solid, despite the slowdown in growth elsewhere. 2014 should have been the year of gradual but convincing recovery, but in fact global growth was disappointing, stalling at around 2.4%, whereas expectations had been in the region of 3%.

The performance of the Eurozone was not convincing. As a result of geopolitical unrest, the core countries were confronted with slackening producer and consumer confidence in the first six months of the year. The controversial annexation of the Crimea by Russia and the ensuing conflict in Ukraine caused Russia's relations with the West to cool significantly and uncertainty to increase. Eurozone governments made sluggish progress on structural reform and instead opted for austerity measures which slowed growth. Although there was almost no reform on the supply side of the economy, the periphery succeeded in significantly improving its competitiveness. Spain and Ireland in particular gained ground. Systemic risk in the Eurozone declined in the course of 2014, partially as a result of the more balanced competition between the member countries.

In Japan, the effects of the April 2014 VAT hike on the economy were more extensive than people had generally anticipated. And it did not manage to pull itself together again in the third quarter. Japanese Prime Minister Abe reconfirmed his mandate in December by handsomely winning the interim elections, enabling him to push forward with his economic reform program 'Abenomics' with renewed fervor. This reform program now relies fairly and squarely on quantitative easing by the Bank of Japan.

The Chinese economy weakened in 2014 as a result of a decrease in GDP growth to 7.3% in the third quarter. The Chinese authorities have implemented extra stimulus measures to ensure a controlled slowdown in overheated sectors such as real estate and we expect the Chinese economy to slow down in a restrained way. After all, the authorities have more than enough of a buffer to withstand the effects of potential bankruptcies.

The leading role on the macroeconomic stage this year was not taken by the central banks as in previous years, but by oil. Developments in the oil market generally forced central banks to implement monetary easing. In the course of the year, the oil price fell by almost 50% as a result of drastic changes in market dynamics. The market was flooded with excess oil when additional supply came onto the market from unconventional oil fields in the US, while slower global macroeconomic demand exacerbated this imbalance. In November OPEC, which is usually the leveling force in the oil market, chose not to reduce output. This meant that the market had to sort out the supply surplus and demand shortage itself, resulting in a collapse in the oil price.

The decline in the oil price and that of other commodities strengthened the disinflationary trend in the developed markets, particularly the Eurozone. In December 2014, this region was confronted with deflation for the first time since 2009, although core inflation remained positive at 0.8%. The ECB took preventative action in September by lowering its policy rate to zero and setting a negative deposit rate for banks. The central bank also started buying up more asset-backed securities to call a halt to falling inflation and to protect its inflation target of 'lower than, but close to 2%'.

In the US, the Fed ended its policy of quantitative easing and prepared the markets for a rate hike in 2015.

Outlook for the equity markets

2014 was once again a strong year for the global equity markets, with a total return of 18.6% for the MSCI World All Countries Index in euro terms. The main contributors to this performance were the developed equity markets and an appreciation of the US dollar versus the euro. Emerging markets lagged developed markets with a return of 11.4% in euro terms. Just as in 2013, stock prices outpaced earnings growth, pushing valuations – equity price/earnings ratios – to even higher levels. Stock prices gains were driven by optimism on US economic growth, easy monetary policy in Japan and plans for accommodative policy in Europe. The markets in the US, Europe and Japan diverged. The US was the strongest, with a return of 13.7% in US dollars. Europe was weak, returning 4.9% in the Eurozone and 1% in the United Kingdom. The market appreciation in Japan of 8.9% in Japanese yen terms was somewhere between that of Europe and the US.

Stock prices are made up of two parts: the earnings growth and the price/earnings ratio that investors are prepared to pay for that earnings growth. We expect corporate earnings to continue to grow – not excessively, but somewhere between 5 and 10%. Japanese companies are expected to lead the way. The weaker yen is fully reflected in these higher earnings. Europe also has a tailwind, in the form of the weaker euro, but headwind from Russia. In the US strong growth and the lower oil price will have a positive effect on earnings growth. US consumers are having to spend less on energy and so have more disposable income for consumer goods. And now the second part: what price/earnings ratio are investors prepared to pay for this earnings growth in 2015 and the years that follow? The higher the price/earnings ratio, the more convinced investors are that the optimistic earnings expectations can also be achieved. Equity valuations say much about the prevailing sentiment. But sentiment has a tendency to suddenly change, especially when it reaches a peak or a trough. Given that we expect a slight pick up in earnings and no crisis, and that there are still enough skeptics and pessimists among investors, a fall in price/earnings ratios is unlikely.

The price/earnings ratio can also fall if there are good alternatives available. But interest rates on savings and bond yields are low and equities seem to be the only option if you are seeking higher returns. The argument – that there is nothing better available – is primarily the result of the central banks' monetary policy. By keeping interest rates low and buying up debt paper, they have caused bond returns to become so low that investors are being driven towards more risky investments, such as equities. In a scenario of unchanged price/earnings ratios and higher earnings forecasts, we expect equity markets to rise further in 2015. Of course there are other possible scenarios that could completely upset our positive outlook for the equity markets. Imagine for example that the largest global economies all grow unexpectedly quickly and in tandem in 2015. This would cause interest rates to rise rapidly and could cause significant declines in both the bond and equity markets. Or imagine that the slowdown in China's economic growth is more extreme and quicker than we are now expecting – this could have a negative effect on all those companies that have benefited from the upcoming Chinese middle class in recent years.

Outlook for Africa

The prospects for 2015 vary per African country. In 2014, the ANC won the South African elections again and so things should remain calm on the political front until just prior to the next elections in 2019. This does not mean that South Africa is not facing certain challenges. There is too little production capacity to cope with the growing level of energy consumption. The resulting electricity rationing is curbing production output and economic growth as a whole. As a result the economy is only expected to grow by around 2% in 2015. Unemployment is likely to remain high in the long term because wages are too high relative to the level of labor productivity. One factor that is more positive for the long term is the reduction in consumer debt levels following several years of restraint by banks and retailers in extending credit.

This will be an exciting year for Nigeria. The Islamic terror group Boko Haram seems to have become stronger, but is still primarily active in the less economically significant north-east of the country. The sharp decline in the oil price in the last few months of 2014, however, is having a significant effect on the economy. The lower income being generated from oil extraction is forcing the Nigerian government to cut back on expenditure. The declining oil price has also caused the Nigerian naira to weaken and it looks as if the currency could depreciate still more. Finally, end of March there will be presidential elections. For the first time this century the elections will be exciting and that means that the chance of a contested result and violence cannot be ruled out.

The political and economic outlook for Egypt have improved because the plans of the army following the power transfer in June 2013 have been implemented without too many setbacks. And although the turnout was low, El-Sisi was chosen as president by a comfortable majority. Saudi Arabia, the United Arab Emirates and Kuwait have also all given important financial support. This has made it possible to reduce the inefficient fuel subsidies. However, there are still significant risks because a considerable proportion of the population is not participating in the democratic process. The supporters of the Muslim Brotherhood continue to oppose those currently in power and extremist Muslims continue to carry out attacks on members of the police and the army.

During 2014 the government in Ghana seems to have realized that it would have to tighten its belt to prevent the currency from weakening further and to curb inflation. We expect the negotiations with the International Monetary Fund to lead to an agreement and thus to healthy government financing and a better corporate environment.

Less exceptional developments are expected in other African countries. In Zambia a new president will have to be chosen, but we don't not expect a significant policy shift. Kenya is benefiting from the recent fall in the oil price, but the

outlook for the tourism sector has deteriorated as a result of the increase in terrorism by the the Somalian group Al Shabaab.

The outlook is bad for companies in the mining and oil extraction industries in Africa. The lower oil and metal prices have made the economic feasibility of many projects doubtful. This uncertainty seems to be priced into the stocks of these companies.

Investment results

The fund does not use an index as benchmark. Both share classes lagged a reference index composed of 50% MSCI South Africa and 50% MSCI EFM Africa excluding South Africa with monthly re-weighting. The principal reason for this was the very poor performance of companies that are listed on the stock exchanges of developed countries but are active in the oil extraction and mining industries in Africa. In addition, the underweight in Egypt which performed well and fund's investments in a disappointing Ghana (which is not included in the reference index) made negative contributions.

Investment result per share class				
Share Class	Price in EUR x 1 31/12 2014	Price in EUR x 1 31/12 2013	Dividend paid May 2014 ¹	Investment results reporting period in % ²
<i>Robeco Afrika Fonds</i>			1.60	
- Market price	130.98	126.09		5.1
- Net asset value	132.67	128.64		4.4
<i>Robeco Afrika Fonds - EUR G</i>			1.40	
- Market price	107.52	102.70		6.1
- Net asset value	108.91	104.78		5.3

¹ Any dividend payments that are distributed in any year are assumed to have been reinvested in the fund.

² Ex-date

Growth in assets

During the reporting period the asset of the Robeco Afrika fonds fell by EUR 1.8 million to EUR 60.3 million. This decline can be explained by the following items.

Survey of movements in net assets	
EUR x thousand	2014
Assets at opening date	58,508
Company shares issued	48,977
Company shares repurchased	-49,285
Situation at closing date	58,200
Direct investment income	2,439
Costs	-897
Indirect investment income	1,303
Net result	2,845
Dividend payments	-777
Assets at closing date	60,268

More information can be found in the notes on the changes to shareholders' equity on page 20.

Investment policy

In 2014, the Robeco Afrika Fonds invested in companies domiciled on the African continent or which realize the major part of their sales and/or earnings in this region. Country allocation is the first step in this investment policy. Subsequently, the most attractive stocks are selected in each country. Country allocation takes place on the basis of an analysis of the macro-economic and political variables. At the same time, stock-market valuation, expected earnings growth and available liquidity are also taken into account. The attractiveness of individual stocks is determined on the basis of a fundamental analysis of the company and the valuation of the shares.

In 2014, the policy implemented since the fund was set up to keep trading volumes low was maintained in light of the high transaction costs. The daily inflows/outflows were used to reposition the portfolio. But in 2014, we only made minor and limited changes.

With a wide spectrum of companies, suitable liquidity on the market and low transaction costs, South Africa is still the biggest country in portfolio. In the first six months, the weight increased from 41% to more than 46% as a result of the country's relatively good performance. Even at this level, the fund still continues to be significantly underweight relative to the reference index. The main reason for this underweight was the relatively high valuation of South African stocks combined with the lower growth potential versus other African countries. This underweight made a negative contribution to relative performance. However, stock selection in South Africa made a positive contribution.

In Nigeria, the fund mainly invested in the banking sector, with exposure spread across ten large- and medium-sized banks. In addition, the fund holds positions in cement producers and food companies. The weight of Nigeria in the portfolio fell from 21.8% to 15.1%, primarily as a result of the weakening Nigerian currency in the last few months of the year. Nigeria was the second largest country in our portfolio throughout the year, but it was still underweight relative to the reference index. This underweight was to our advantage, but our positioning in a number of banks rather than defensive producers of foodstuffs and beer in the reference index meant that it made a negative contribution to performance.

In Egypt, the fund held a diversified portfolio of banks, steel producers and other companies, but remained underweight versus the reference index throughout the year. The political and economic situation improved throughout the year, but we feel that the risks remain high because a large part of the population are not involved in the democratic process. The Egyptian market performed best of all the African markets and so our weight there increased from 6.6% to 8.3%. The fund's underweight relative to the reference index made a negative contribution to relative performance.

The portfolio's weight in Kenya rose from 6.8% to 8.3%. This was mainly because Kenya performed relatively well compared to most other African markets. During the year the fund was slightly overweight and this made a positive contribution to relative performance. However, stock selection made a negative selection.

Ghana was one of the weakest performing African countries in 2014, having been the best market in 2013. The Ghanaian stocks in the portfolio fell by an average of 9.7% in euro terms and as a result the country weight fell from 6.2% to 6.0%, even though the fund actively added to positions over the summer. Because Ghana is not in the reference index, the stocks we held there made a significant negative contribution to relative performance.

In Morocco the portfolio was expanded slightly, but the fund remains significantly underweight relative to the reference index. This has a very slight negative effect on relative performance.

The fund's positions in Botswana made a positive contribution to relative performance, but the Zambian stocks in the portfolio had a negative effect. The investments in the portfolio in Mauritius had a neutral effect. In Tunisia, the fund was unable to benefit in terms of performance.

The positions in companies active on the African continent but listed in Australia, Canada, Portugal and the United Kingdom had a particularly negative impact on the fund's absolute and relative performance (these stocks by definition do not form part of the reference index). Many companies with oil- and iron-ore-related projects fell as the fall in market prices cast doubt on the economic feasibility of both existing and future projects. The outbreak of Ebola in West Africa also contributed to this in certain cases.

Currency policy

The fund does not pursue an active currency policy. For further quantitative information about the currency risk, please refer to the spread across currencies in the Spread of net assets, which is part of the Notes section on page 25.

Sustainability investing

The 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

Exercising voting rights

The Manager aims to exercise voting rights on shares held by the fund throughout the world. The Manager is convinced that effective corporate governance will be beneficial to shareholder value in the longer term. The corporate-governance policy of the Manager is based on the internationally accepted principles of the International Corporate Governance Network (ICGN). The Manager is of the opinion that local legislation and codes for corporate governance, such as the Corporate Governance Code in the Netherlands, should be guiding principles for corporate-governance practice and voting behavior. This approach is in line with the ICGN Global Governance Principles.

Engagement

Engagement means making active use of the rights of investors to influence how companies are managed. 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 our clients 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 to ensure that our dialogue introduces added value and improves the risk/return profile of the company's stock. This way we generate value for our clients as well as the company.

Exclusions

Robeco's exclusion policy is based on two main exclusion criteria. Firstly, it excludes companies that are involved in the production of controversial weapons or essential components for such weapons, or that gain significant revenues 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 that became effective on 1 January 2013. Besides the exclusion policy for companies, Robeco also has an exclusion policy for countries. Robeco considers any country that systematically violates the human rights of its own citizens as controversial. These exclusions apply to country-related investments (such as government bonds). Secondly, an unsuccessful dialogue may in time lead to a company's exclusion from the investment universe. Such 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. Robeco Group's Management Board has the final authority to exclude companies and countries. Robeco Institutional Asset Management B.V. will apply this exclusion list in its capacity as manager.

Integration of ESG factors in investment processes

For the Robeco Afrika Fonds, ESG factors have been included in the investment and decision-making process. A biennial survey on corporate governance is an integral part of the fundamental framework. The team assesses factors related to shareholders, directors, management, government and the environment. Relevant ESG issues are discussed on a case by case basis with the company management. Input from RobecoSAM's Sustainable Investing analysts is used to integrate ESG principles further in the investment process.

Risk management

The fund uses financial instruments, the associated risks of which are specified in the financial statements.

¹ ESG stands for Environmental, Social and Governance.

Risk management is an integral part of the investment process. Various systems are used to measure and monitor the key risks, including price risk, counterparty risk and liquidity risk. In addition, an independent Group Risk Management department that reports directly to the CFO carries out controls. Financial and operational risks are inherent in asset management. Therefore it is very important to have a procedure for controlling these risks embedded in the company's day-to-day operations.

At Robeco, management holds overall responsibility for risk management, as part of its daily activities. The second line of responsibility lies with the Group Compliance and Group Risk Management departments, which develop and maintain policy, methods and systems that enable management to fulfill its responsibilities in terms of risk control. The Group Internal Audit department carries out audits to check the level of internal control. The Risk Management Committee makes policy decisions on risk management and monitors whether risks remain within the set limits.

The Robeco Group uses a risk-management framework (Robeco Control Framework) that supports the effective control of all types of risk. Within this framework, risks are periodically identified and assessed as to their significance and materiality. Internal procedures and measures are focused on providing a structure to control both financial and operational risks. The risks, procedures and measures are all actively monitored.

Robeco constantly seeks opportunities to simplify processes and reduce complexity in order to mitigate operational risks. A number of major projects to reduce IT-related complexity were completed in 2014.

Specific attention is paid to the continuity of critical operational processes. To this end, the Robeco Group has taken measures to minimize as far as possible any damage that may result from an interruption of its services. The Business Continuity Management (BCM) process has established a solid crisis organization and BCM policy with guidelines based on ISO 22301 to ensure that critical processes and services are maintained in the event of a crisis. The BCM provisions and plans are regularly evaluated by performing a range of tests, including crisis simulations and technical relocation tests.

The Robeco Group has improved its processes and methods for measuring and controlling risk in a number of areas.

In the field of market risk, the methodology for evaluating the predictive powers of the key market risk criteria has been improved. By regularly evaluating these measures and where necessary improving them, market risks can be even more effectively measured and monitored. In addition, a new type of market risk report has been introduced at individual fund level, which makes it possible to better analyze the investment funds' market risk figures.

Group Risk Management has also improved the methodology for measuring and controlling liquidity risk. As a result, the Robeco Group is better able to gain insight into the risks that arise through a combination of the exit risk and liquidity risk relating to financial instruments.

The Robeco Group also continuously strives to further minimize the consequences the possible bankruptcy of a counterparty would have on the funds. As such, further steps were taken in 2014 to make contractual agreements with almost all of the counterparties on the exchange of collateral.

Further information on the specific risks of the fund can be found in the Notes to the balance sheet on pages 16 through 17.

Application of new legislation

New legislation can affect Robeco funds. This applies particularly for the upcoming amendment to the European Investment Institutions Directive for collective investment in securities (UCITS Directive). These amended guidelines, also referred to as the UCITS V, will come into effect on 31 March 2016. The two most important elements of the UCITS V that will affect Robeco funds are:

1. Remuneration: The UCITS V includes 17 principles covering the remuneration policy of fund managers. These principles correspond to a large extent with the existing principles for remuneration policies under the AIFM Directive.
2. Custodian Under UCITS V, far more stringent requirements will be placed on custodians. All banks and other parties that have specifically received a license for this (including investment institutions) may act as custodians. Detailed conditions have been drawn up with which the custodian must comply when implementing its custodial tasks. Experience with the AIFM Directive, where a similar provision applies, have demonstrated that regulators can be

critical about the content of these custodial agreements. Furthermore, under the UCITS V strict conditions are placed on the outsourcing of activities by the custodian and the related responsibility and liability.

In January 2015, a project group was set up at Robeco with the objective of ensuring that the company is completely compliant with the UCITS V by the time it becomes effective.

Statement of operational management

Robeco Institutional Asset Management B.V. has a statement of operational management, which meets the requirements of the Dutch Financial Supervision Act [*Wet op het financieel toezicht*, or 'Wft'] and the Dutch Market Conduct Supervision of Financial Enterprises Decree [*Besluit Gedragstoezicht financiële ondernemingen*, or 'BGfo'].

Activities

We have assessed several aspects of operational management throughout the past financial year. In our assessment we noted nothing that would lead us to conclude that the description of the structural aspects of operational management within the meaning of article 121 of the BGfo failed to meet the requirements as specified in the Wft and related regulations. On the basis of this we, as directors of Robeco Institutional Asset Management B.V., declare that we possess a statement of operational management as defined in article 121 van het BGfo that meets the requirements of the BGfo.

Report on operational management

In our assessment we noted nothing that would lead us to conclude that operational management does not function as described in this statement. We therefore declare with reasonable assurance that operational management has been effective and has functioned as described throughout the reporting year.

Fund Governance

Robeco has its own Principles on Fund Governance. These principles largely correspond to the principles of the Dutch Fund and Asset Management Association (DUFAS). The objective of the Principles is to give more detailed guidelines for the organizational structure and working methods of fund managers or independent investment institutions and to provide guarantees for integrity in the fund's activities and ensure the careful provision of services. Group Compliance is the Robeco department that ensures that the Principles are constantly monitored. Once every three years Robeco's Group Internal Audit carries out an audit of the Fund Governance as structured and implemented at Robeco, and of its compliance with the DUFAS Principles on Fund Governance. The last audit was in July 2014. As a result of this audit, the text of Robeco's Principles on Fund Governance was amended slightly on several points. This text can be found on the Robeco website.

In addition, one of the Robeco Groep N.V. Supervisory Board's three Committees (the Investment Committee) focuses particularly on funds from the whole Robeco Groep. These meetings were attended by the members of the Management Board of Robeco Groep N.V. and representatives from the investment departments. The product range, profitability of the products, the implemented investment policy and the fund performance were all discussed. During these discussions, comparisons were also made between the performance and the set performance targets and ratings, such as those of Morningstar.

The Audit & Risk Committee of the Robeco Groep N.V. Supervisory Board discusses issues relating to compliance and risk management, in the presence of members of the Robeco Groep N.V. Management Board, the heads of the Group Internal Audit, Group Compliance and Group Risk Management departments and representatives from the independent auditor. In these meetings various elements are covered including reported incidents and the measures taken to handle these, and Group Compliance reports on active and passive breaches relating to investment guidelines if these have occurred.

Both Committees are made up of seven members, six of whom are independent (from the shareholders).

This ensures that developments relating to Robeco Groep funds are brought to the attention of the Supervisory Board, which is responsible for the supervision of the Robeco Groep.

Rotterdam, 17 April 2015

The Management Board

Annual financial statements

Balance sheet

before profit appropriation, EUR x thousand		31/12/2014	31/12/2013
ASSETS			
Investments			
<i>Financial investments</i>			
Equities	1	59,986	57,892
Total investments		59,986	57,892
Accounts receivable			
Receivables on securities transactions		347	–
Dividends receivable	3	141	199
Other receivables	4	311	121
		799	320
Other assets			
Cash and cash equivalents	5	824	2,091
LIABILITIES			
Accounts payable			
Payable on securities transactions		–	45
Payable to credit institutions	6	871	1,316
Payable to affiliated companies	7	62	80
Other liabilities	8	408	354
		1,341	1,795
Accounts receivable and other assets less accounts payable		282	616
Assets minus accounts payable		60,268	58,508
Composition of shareholders' equity			
Issued capital	9.10	528	482
Share-premium reserve	9	52,902	53,256
Other reserves	9	3,993	418
Undistributed earnings		2,845	4,352
		60,268	58,508
Net asset value Robeco Afrika Fonds per share		132.67	128.64
Net asset value Robeco Afrika Fonds – EUR G per share		108.91	104.78

The numbers of the items in the financial statements refer to the numbers in the Notes.

Profit and loss account

EUR x thousand		2014	2013
Investment income	11	2,439	2,052
Changes in value	1		
Unrealized		849	3,067
Realized		454	406
		3,742	5,525
Costs	12		
Management costs	13	704	1,015
Service fee	13	74	71
Other costs	15	119	87
		897	1,173
Net result		2,845	4,352

Cash-flow summary

Indirect method, EUR x thousand		2014	2013
Cash flow from investment activities			
Net result		2,845	4,352
Realized and unrealized results	1	-1,303	-3,473
Purchase of investments	1	-11,528	-11,648
Sale of investments	1	10,704	12,027
Increase (-)/decrease (+) accounts receivable	3.4	-471	-66
Increase (+)/decrease (-) accounts payable	7.8	-27	40
		220	1,232
Cash flow from financing activities			
Received for shares subscribed		48,977	35,033
Paid for repurchase of own shares		-49,285	-34,695
Dividend payments		-777	-1,032
Increase (-)/decrease (+) accounts receivable	4	-8	80
Increase (+)/decrease (-) accounts payable	8	18	275
		-1,075	-339
Net cash flow		-874	893
Currency and cash revaluation		33	-79
Increase (+)/decrease (-) cash		-841	814
Cash at opening date	5	2,091	44
Accounts payable to credit institutions at opening date	6	-1,316	-83
Total cash at opening date		775	-39
Cash at closing date	5	824	2,091
Accounts payable to credit institutions at closing date	6	-871	-1,316
Total cash at closing date		-47	775

The numbers of the items in the financial statements refer to the numbers in the Notes.

Notes

General

The annual financial statements have been drawn up in conformity with Part 9, Book 2 of the Dutch Civil Code and the Wft. The fund's financial year is the same as the calendar year. The notes referring to fund shares concern ordinary shares outstanding.

Ordinary shares are divided into two series, both of which are open. Each series is designated as a share class. The series include the following share classes:

Share class A: Robeco Afrika Fonds

Share class B: Robeco Afrika Fonds – EUR G.

Change in presentation

As a result of the revised directive of the Netherlands Authority for the Financial Markets (AFM) the presentation of the changes in shareholders' equity have been brought into line with the capital structure of the fund, having different share classes. This change in the way that it is presented has no effect on the net result and the assets of the fund. The comparative figures have been adjusted accordingly.

Merger of RIAM, Robeco Securities Lending B.V. and Robeco Direct N.V.

On 2 July 2014, Robeco Institutional Asset Management B.V. (RIAM) was merged with Robeco Securities Lending B.V. (RSL) and Robeco Direct N.V. (RD). RIAM has continued with the activities of both RSL and RD. These latter companies ceased to exist on the same date.

Risks relating to financial instruments

Investment risk

The value of investments may fluctuate. Past performance is no guarantee of future results. The net asset value of the fund depends on developments in the financial markets and can therefore either rise or fall. Shareholders run the risk that their investments may end up being worth less than the amount invested, or even worth nothing. The general investment risk can also be characterized as market risk.

Market risk

Market risk can be divided into three types: price risk, concentration risk and currency risk. Market risks are contained using limits on quantitative risk measures such as tracking error, volatility or value-at-risk. This means that the underlying risk types (price risk, concentration risk and currency risk) are also indirectly contained.

Price risk

The net asset value of the fund 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, as well as changes in an individual business situation.

Currency risk

All or part of the securities portfolio of the fund may be invested in currencies, or financial instruments denominated 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 fund. Currency risks may be hedged with currency forward transactions and currency options. Currency risks can be limited by applying relative or absolute currency concentration limits. For further quantitative information about the currency risk, please refer to the spread across currencies in the Spread of net assets, which is part of the Notes section on page 25.

Concentration risk

Based on its investment policy, the fund may invest in financial instruments from issuing institutions that (mainly) operate within the same sector or region, or in the same market. In the case of concentrated investment portfolios events within the sectors, regions or markets in which they invest have a more pronounced effect on the fund assets than in less concentrated investment portfolios. Concentration risks can be limited by applying relative or absolute country or sector concentration limits. For further quantitative information about the concentration risk, please refer to the spread across countries and sectors in the Spread of net assets, which is part of the Notes section on page 25.

Counterparty risk

Counterparty risk is a circumstantial form of risk that is a consequence of the implemented investment policy. It occurs when a counterparty of the fund fails to fulfill its financial obligations arising from financial transactions with the fund. This risk is limited as much as possible by taking every possible care in the selection of counterparties. In selecting

counterparties the assessments of independent rating bureaus are taken into account, as are other relevant indicators. Wherever it is customary in the market, the fund will demand and obtain collateral. In the table below a figure that best represents the maximum credit risk is indicated.

Counterparty risk				
	31/12/2014		31/12/2013	
	EUR x thousand	In % of net assets	EUR x thousand	In % of net assets
Accounts receivable	799	1.33	320	0.55
Cash and cash equivalents	824	1.37	2,091	3.57
Total	1,623	2.70	2,411	4.12

In the calculation of the total credit risk any collateral received is not taken into account. Counterparty risk is contained by applying limits on the exposure per counterparty as a percentage of the fund assets. As of the balance sheet date the fund's exposure to any single counterparty did not exceed 5% of the total assets.

Liquidity risk

Liquidity risk is a circumstantial form of risk that is a consequence of the implemented investment policy. Liquidity risk occurs when financial instruments cannot be sold in a timely fashion unless additional costs are incurred. Liquidity risk can be divided into two categories: entry and exit risks and the liquidity risk of financial instruments.

Entry and exit risks

Entry and exits risks occur when the fund's value is negatively affected by the entry or exist of one or more clients, which has negative consequences for existing clients. The extent to which the value of the fund can be negatively affected depends on the liquidity of the financial instruments in the portfolio, and on the concentration of clients. Entry and exit risks are managed by measuring client concentrations in the fund's assets.

Liquidity risk of financial instruments

The actual buying and selling prices of financial instruments in which the fund invests partly depend upon the liquidity of the financial instruments in question. It is possible that a position taken on behalf of the fund cannot be quickly liquidated at a reasonable price due to a lack of liquidity in the market in terms of supply and demand. The fund minimizes this risk by mainly investing in financial instruments that are tradable on a daily basis. Moreover liquidity risks of financial instruments are contained using limits on the non-liquid portion of the securities portfolio.

Manager

Robeco Institutional Asset Management B.V. ('RIAM') manages the fund. In this capacity RIAM handles asset management, administration, marketing and distribution of the fund. Up to 22 July 2014, RIAM was licensed by the Netherlands Authority for the Financial Markets (the 'AFM') as referred to in Article 2:67, Paragraph 2 and Article 2:96 of the Wft, and as of this same date automatically received an AIFM license (Article 2:65 Wft new). RIAM also has a license within the meaning of Article 2:69b of the Wft and falls under the supervision of the AFM. RIAM has listed the fund with AFM. RIAM is a 100% subsidiary of Robeco Groep N.V. Since 1 July 2013, Robeco Group N.V., has formed part of ORIX Corporation.

Affiliated companies

The fund and the manager may utilize the services of and carry out transactions with parties affiliated to the fund as referred to in the BGfo, including Robeco Securities Lending B.V. (up to 2 July 2014), Robeco Direct N.V. (up to 2 July 2014), Robeco Nederland B.V., up to 1 July 2013 the Rabobank Group and from 1 July 2013 ORIX Corporation. The services entail the execution of tasks that have been outsourced to these companies such as (1) securities lending, (2) hiring temporary staff and (3) issuance and repurchase of the fund's shares. Transactions that can be carried out with affiliated parties include the following: treasury management, derivatives transactions, custody of financial instruments, lending of financial instruments, credit extension, purchase and sale of financial instruments on regulated markets or through multilateral trading facilities. All these services and transactions are executed at market rates.

Accounting principles

General

Unless stated otherwise, items shown in the annual financial statements are included at nominal value and expressed in thousands of euros.

Liquidity

The fund is an open-end investment company, meaning that, barring exceptional circumstances, it issues and repurchases its shares on a daily basis at prices approximating net asset value, augmented or reduced by a limited surcharge or discount. The only purpose of this surcharge or discount is to cover the costs made by the fund related to the entry and exit of investors. The maximum current surcharge or discount is 1.00%. Any surplus or deficit accrues or is charged to the fund.

Financial investments

Financial investments are classified as trading portfolio and are valued at fair value, unless stated otherwise. The fair value of stocks is determined on the basis of market prices and other market quotations at closing date. For forward exchange contracts, internal valuation models are used and the value is based on quoted currency rates and reference interest rates at closing date. Transaction costs incurred in the purchase and sale of investments are included in the purchase or sale price, as appropriate, and are reported as part of the changes in value. The transaction date of an investment determines its inclusion in the Balance sheet.

Presentation of derivatives

The market value of derivatives is reported in the Balance sheet. The presentation of the fair value is based on the liabilities and receivables per contract. The receivables are reported under financial investments and the liabilities are reported under accounts payable. The value of the derivatives' underlying instruments is not included in the balance sheet. If applicable these are explained under the note Derivative exposure.

Foreign currencies

Transactions in currencies other than the euro are converted into euros at the exchange rates valid at the time. Assets and liabilities expressed in other currencies are converted into euros at the exchange rate prevailing at balance-sheet date. Any exchange-rate differences arising are accounted for in the profit and loss account.

Principles for determining the result**General**

Investment results are determined by investment income, rises or declines in stock prices, rises or declines in foreign exchange rates and results of transactions in currencies, including forward transactions and other derivatives. Results are allocated to the period to which they relate and are accounted for in the profit and loss account.

Investment income

Net cash dividends declared during the year under review, the nominal value of stock dividends declared, interest paid and received. Accrued interest at balance-sheet date is taken into account.

Changes in value

Realized and unrealized capital gains and losses on securities and currencies are presented under this heading.

Attribution to share classes

The administration of the fund is such that attribution of the results to the different share classes takes place on a daily basis and pro rata. Issue and repurchase of own shares are registered per share class.

Notes to the balance sheet

1 Equities

Movements in the stock portfolio

EUR x thousand	2014	2013
Book value (fair value) at opening date	57,892	54,719
Purchases	11,528	11,646
Sales	-10,704	-12,027
Realized and unrealized results:		
Price gains	-670	10,517
Currency gains	1,940	-6,963
Book value (fair value) at closing date	59,986	57,892

The section List of securities contains a breakdown of this portfolio and the distribution of the assets is given under the heading Spread of net assets; both are part of the Notes section.

2 Derivatives

Movements in derivatives

EUR x thousand	Forward exchange contracts	
	2014	2013
Book value (fair value) at opening date	-	-
Purchases	-	-
Expirations	-	2
Realized and unrealized results	-	-2
Book value (fair value) at closing date	-	-

3 Dividends receivable

These are receivables arising from dividends declared but not yet received.

4 Other receivables

This includes:

Other receivables

EUR x thousand	2014	2013
Dividend tax to be reclaimed	262	92
Other	12	0
Subtotal (investment activities)	274	92
Receivables from issuance of new shares	37	29
Subtotal (financing activities)	37	29
Total	311	121

5 Cash and cash equivalents

This concern for an amount of EUR 316 thousand cash at bank accounts free at disposal and for an amount of EUR 508 thousand of restricted cash.

6 Payable to credit institutions

This concerns overdrafts on bank accounts.

7 Payable to affiliated companies

Liabilities such as management and service fees.

8 Other liabilities

This includes:

Other liabilities		
EUR x thousand	2014	2013
Costs payable	28	0
Other	8	0
Subtotal (investment activities)	36	0
Liabilities from acquisition of own shares	372	354
Subtotal (financing activities)	372	354
Total	408	354

9 Shareholders' equity

Composition of and movements in shareholders' equity		
EUR x thousand	2014	2013
Issued capital Robeco Afrika Fonds		
Situation at opening date	335	451
Received on shares issued	67	156
Paid for shares repurchased	-285	-272
Situation at closing date	117	335
Issued Capital Robeco Afrika Fonds - EUR G		
Situation at opening date	147	-
Received on shares issued	379	152
Paid for shares repurchased	-115	-5
Situation at closing date	411	147
Share-premium reserve Robeco Afrika Fonds		
Situation at opening date	39,187	52,949
Received on shares issued	8,758	19,017
Paid for shares repurchased	-34,530	-33,911
Correction to share-premium reserve as a result of switch	2,051	1,132
Situation at closing date	15,466	39,187
Share-premium reserve Robeco Afrika Fonds - EUR G		
Situation at opening date	14,069	-
Received on shares issued	39,773	15,708
Paid for shares repurchased	-14,355	-507
Correction to share-premium reserve as a result of switch	-2,051	-1,132
Situation at closing date	37,436	14,069
Other reserves		
Situation at opening date	418	-9,502
Addition to result previous financial year	3,575	9,920
Situation at closing date	3,993	418
Undistributed earnings		
Situation at opening date	4,352	10,952
Dividend payment Robeco Afrika Fonds	-228	-1,032
Dividend payment Robeco Afrika Fonds - EUR G	-549	-
Addition to other reserves	-3,575	-9,920
Undistributed result financial year	2,845	4,352
Situation at closing date	2,845	4,352
Shareholders' equity	60,268	58,508

The company's authorized share capital is EUR 1,500,000, divided into 1,499,990 ordinary shares with a nominal value of EUR 1 each and 10 priority shares with a nominal value of EUR 1 each. The priority shares have already been issued. The ordinary shares are divided into 749,990 Robeco Afrika Fonds shares and 750,000 Robeco Afrika Fonds - EUR G shares. Fees are not included in the share premium reserve.

Survey of movements in net assets		
EUR x thousand	2014	2013
Assets at opening date	58,508	54,850
Company shares issued	48,977	35,033
Company shares repurchased	-49,285	-34,695
Situation at closing date	58,200	55,188
Investment income	2,439	2,052
Management costs	-704	-1,015
Service fee	-74	-71
Custody costs	-78	-60
Other costs	-41	-27
	1,542	879
Changes in value	1,303	3,473
Net result	2,845	4,352
Dividend payments	-777	-1,032
Assets at closing date	60,268	58,508

10 Assets, shares outstanding and net asset value per share

Assets, shares outstanding and net asset value per share					
	Afrika Fonds			Afrika Fonds - EUR G	
	31/12/2014	31/12/2013	31/12/2012	31/12/2014	31/12/2013
Assets in EUR x thousand	15,554	43,073	54,850	44,714	15,435
Status of number of shares issued as at the beginning of the financial year	334,837	451,416	499,451	147,312	-
Shares issued in financial year	67,253	155,715	132,104	379,009	152,343
Shares repurchased in financial year	-284,847	-272,294	-180,139	-115,774	-5,031
Number of shares outstanding	117,243	334,837	451,416	410,547	147,312
Net asset value per share in EUR x 1	132.67	128.64	121.51	108.91	104.78
Dividend paid per share during financial year	1.60	2.20	2.00	1.40	0.00

Notes to the profit and loss account

Income

11 Investment income

This includes:

Investment income		
EUR x thousand	2014	2013
Net dividend received	2.408	2.013
Interest	-7	-1
Other income	38	40
Total	2.439	2.052

Costs

12 Ongoing charges

Ongoing charges		Robeco Afrika Fonds			Robeco Afrika Fonds - EUR G	
in %	2014	Prospectus	2013	2014	Prospectus	2013 ²
Cost item						
Management costs	1.75	1.75	1.75	0.88	0.88	0.88
Service fee	0.12	0.12	0.12	0.12	0.12	0.12
Other costs	0.15	¹	0.13	0.16		0.24
Total	2.02	4.59 ³	2.00	1.16	3.72 ³	1.24

¹ The prospectus does not mention a percentage for the other costs. It does mention a maximum percentage of 0.20% for the custody fee. These costs are included in the other costs.

² Period from 3 October through 31 December 2013. Percentage is annualized.

³ This concerns the maximum total consisting of management fee, service fee, broker's commission, custody costs and the fund agent's fee.

The percentage of ongoing charges is based on the average total assets per share class. The ongoing charges include all costs charged to the share classes in the reporting period, excluding the costs of transactions in financial instruments and interest charges. Costs relating to issuance and repurchasing of own shares are not included in the ongoing charges either. The management costs cover all current costs resulting from the management and marketing of the fund. If the manager outsources its operations to third parties, any costs associated with this will be paid from the management fee. The management costs for the Robeco Afrika Fonds share class also include the costs related to registering participants in this share class. The service fee covers the administration costs, the costs of the external auditor, other external advisers, regulators, costs relating to reports required by law, such as the annual and semiannual reports, and the costs relating to the meetings of shareholders. The costs for the external auditor incurred by the fund are paid by RIAM from the service fee. Therefore there are no costs for the external auditor included in the fund's results. Other costs relate to bank charges and the custody fee charged by third parties for the custody of the fund's securities portfolio. The custody fee is EUR 78 thousand (last year EUR 60 thousand).

13 Management costs and service fee

The management fee and service fee are charged by the manager. The fees are calculated daily on the basis of the fund assets.

Management costs and service fee		
In %	Robeco Afrika Fonds	Robeco Afrika Fonds – EUR G
Management costs	1.75	0.88
Service fee ¹	0.12	0.12

¹ For the share classes, the service fee is 0.12% per year on assets up to EUR 1 billion, 0.10% on assets above EUR 1 billion, and 0.08% on assets above EUR 5 billion.

14 Performance fee

Robeco Afrika Fonds N.V. is not subject to a performance fee.

15 Other costs

This includes:

Other costs		
	2014	2013
Custody fee	78	60
Bank charges	18	18
Costs relating to the placement and repurchase of own shares	23	9
Total	119	87

16 Transaction costs

Brokerage costs and exchange fees relating to investment transactions are discounted in the cost price or the sales value of the investment transactions. These costs and fees are charged to the result ensuing from changes in value. The quantifiable transaction costs are shown below.

Transaction costs		
EUR x thousand	2014	2013
Transaction type		
Equities	53	69

Robeco wants to be certain that the selection of counterparties for order execution (brokers) occurs using procedures and criteria that ensure the best results for the fund.

The costs charged by brokers are not necessarily just for the order they have executed, but may also relate to research supplied by the brokers. Robeco only pays for research if this leads to an improvement in the investment decisions made at Robeco. The costs for research can be paid for by the fund through full service fees or commission sharing agreements (CSA)

The breakdown of the transaction costs over the reporting period is as follows.

Break down of equity transaction costs		
EUR x thousand		
Type of Transaction		
Order execution	23	
Stamp duty	26	
Research paid for via full service	4	
Research paid for via CSA	–	
Total transaction costs	53	

17 Turnover ratio

The turnover ratio over the reporting period was –123%. This ratio shows the rate at which the fund's portfolio is turned over and is a measure of the incurred transaction costs resulting from the portfolio policy pursued and the ensuing investment transactions. The turnover ratio is determined by expressing the amount of the turnover as a percentage of the average fund assets. The average assets of the fund are calculated on a daily basis. The amount of the turnover is determined by the sum of the purchases and sales of investments less the sum of issuance and repurchase of own shares.

18 Transactions with affiliated parties

No transactions were carried out in the reporting period with affiliated companies. The amounts received by the manager, RIAM, are separately disclosed in the profit and loss account.

19 Personnel costs

The fund does not employ any personnel. Robeco Nederland B.V. is the employer of the staff who work for the (board of) the fund in the Netherlands. The remuneration of these people is paid out of the management fee. Robeco Nederland B.V.'s remuneration policy for fund managers consists of both fixed and variable income. The secondary conditions of employment are in line with what is common practice in the financial-services industry. The variable income offers the fund manager remuneration for his long-term outperformance. The system is related to the outperformance relative to a preset target. The track record over a one-year, three-year and five5-year period is taken into account when determining the variable remuneration. In fixing the bonus, the extent to which team and individual qualitative objectives have been achieved and the extent to which the Robeco corporate values are observed are also important. The fund manager's contribution to the organization's targets is also taken into consideration. Good performance means that variable remuneration may be higher than the fixed threshold. If this is the case, variable remuneration will be paid out in phases, spread over four or five years. The deferred amounts will move in line with future operating results. In accordance with the Banking Code and the Regulations for Controlled Remuneration Policies (Regeling Beheerst Beloningsbeleid), variable remuneration is to be approved by the Robeco Supervisory Board. The manager of the fund has held an AIFMD (Alternative Investment Fund Managers Directive) licence since 22 July 2014. The revision of the remuneration policy conform the AIFMD requirements was fully implemented effective 1 January 2015. In the annual report for 2015, for the first time quantitative information will be provided covering the whole financial year.

As a result of the various amendments to RIAM licenses during 2014 and also the mergers of various entities with RIAM, there are no quantitative figures included in this annual report, given that the inclusion of such figures would not give a realistic picture.

As a result of this, we follow the market-wide policy also accepted by the regulators to only provide quantitative information on the complete financial year following the date on which the AIFMD license was obtained (22 July 2014).

Spread of net assets

Across countries and currencies

By country	31 December 2014	31 December 2014	Across countries Equities *	31 December 2014	Across Currencies
	EUR x thousand	in %	31 December 2013 in %	in %	31 December 2013 in %
Africa (94.6%)					
South Africa	27,878	46.3	40.7	46.6	40.7
Nigeria	9,123	15.1	21.8	13.2	19.0
Egypt	5,033	8.3	6.6	6.4	7.5
Kenya	4,950	8.2	6.8	8.2	6.8
Ghana	3,634	6.0	6.2	6.0	6.2
Zambia	2,149	3.6	2.8	3.2	2.8
Botswana	1,924	3.2	1.9	3.3	1.9
Mauritius	1,144	1.9	1.8	1.9	1.8
Morocco	915	1.5	0.9	1.5	0.9
Tunisia	307	0.5	0.6	0.5	0.6
Togo	0	0.0	0.8	0.0	0.8
America (2.2%)					
Canada	1,340	2.2	2.0	1.9	1.5
United States	0	0.0	0	4.0	4.5
Europe (1.9%)					
United Kingdom	699	1.2	2.7	2.1	3.8
Portugal	332	0.6	1.9	0.0	0.0
Ireland	77	0.1	0.2	0.0	0
Guernsey	4	0.0	0.0	0.0	0.0
Eur			0	0.5	0.2
Australia (0.8%)					
Australia	477	0.8	1.2	0.7	1.0
Other assets and liabilities (0.5%)	282	0.5	1.1	0.0	0.0
Total	60,268	100.0	100.0	100.0	100.0

* In addition to investments in equities, the portfolio may include positions in derivatives. The sum of equity and derivatives reflects the true volume of the investments on a country basis and the total exposure. At 31 December 2014, the portfolio did not contain derivatives, as was also the case at 31 December 2013.

By sector

in %	31 December 2014	31 December 2013
Financials	45.6	42.1
Consumer discretionary	17.2	15.2
Telecom services	11.0	8.9
Materials	10.2	12.7
Consumer staples	7.4	7.1
Industrials	2.8	4.2
Energy	2.7	6.1
Utilities	1.1	1.0
Information Technology	0.8	0.6
Pharmaceutical and health care	0.7	1.0
Other assets and liabilities	0.5	1.1
Total	100.0	100.0

Exchange rates		
EUR 1	31 December 2014	31 December 2013
AUD	1.4787	1.5402
BWP	11.5079	12.0927
CAD	1.4016	1.4641
EGP	8.6520	9.5748
GBP	0.7761	0.8320
GHS	3.8903	3.2589
KES	109.5701	118.9200
MAD	10.9667	11.2470
MUR	38.4191	41.4074
NGN	221.4392	220.4031
TND	2.2586	2.2631
USD	1.2101	1.3780
ZAR	13.9988	14.4323
ZMW	7.7444	7.6408

As of 31 December 2014

Robeco Afrika Fonds N.V. 26

<i>Market value</i>	<i>Market value</i>		<i>Market value</i>	<i>Market value</i>	
281,025	62,230,000	Dangote Sugar Refinery PLC	101,213	393,750	FAN Milk Ltd
795,851	176,232,621	Diamond Bank PLC	218,055	848,299	SIC Insurance Co Ltd
763,415	169,050,000	Lafarge Africa PLC	239,172	930,450	HFC Bank Ghana Ltd
571,173	126,480,000	UAC of Nigeria PLC	396,993	1,544,422	Guinness Ghana Breweries Ltd
183,881	40,718,458	Skye Bank PLC	432,769	1,683,600	Societe Generale Ghana Ltd
170,130	37,673,434	Flour Mills of Nigeria PLC			
620,938	137,500,000	Dangote Cement PLC	EUR	ZMW	Zambia (3.6%)
519,793	115,102,524	Ecobank Transnational Inc	182,094	1,410,196	Zambia National Commercial Bank PLC
644,787	142,781,074	FBN Holdings Plc	685,847	5,311,436	Lafarge Cement Zambia PLC
20,686	4,580,715	Africa Prudential Registrars Plc	241,449	1,869,868	Copperbelt Energy Corp PLC
33,479	7,413,538	UBA Capital PLC	676,622	5,240,000	Real Estate Investments Zambia
99,565	22,047,521	Union Bank of Nigeria PLC	128,804	997,500	Zambeef Products PLC
18,285	4,049,070	Wapic Insurance Plc			
EUR	USD		EUR	GBP	
195,694	236,799	Diamond Bank PLC GDR	234,360	181,875	Zambeef Products PLC
1,002,867	1,213,520	Guaranty Trust Bank PLC GDR			
EUR	EGP	Egypt (8.3%)	EUR	BWP	Botswana (3.2%)
553,771	4,791,200	Credit Agricole Egypt SAE	1,792,334	20,625,906	Letshego Holdings Ltd
115,414	998,557	Alexandria Mineral Oils Co	132,243	1,521,829	Botswana Insurance Holdings Ltd
244,536	2,115,715	EL Ezz Aldekhela Steel Alexandria			
276,054	2,388,408	Suez Cement Co SAE	EUR	MUR	Mauritius (1.9%)
185,382	1,603,914	Egyptian Financial Group-Hermes Holding	618,442	23,760,000	Mauritius Commercial Bank
290,640	2,514,600	Ezz Steel	525,243	20,179,347	State Bank of Mauritius Ltd
959,139	8,298,423	Talaat Moustafa Group			
93,528	809,200	Citadel Capital SAE	EUR	MAD	Morocco (1.5%)
340,596	2,946,816	Cairo Poultry Co	570,728	6,259,000	Maroc Telecom
220,289	1,905,926	Al Baraka Bank Egypt	126,702	1,389,500	Alliances Developpement Immobilier SA
598,481	5,178,030	National Co For Maize Products	50,628	555,220	Banque Centrale Populaire
			166,004	1,820,518	Lesieur Cristal
EUR	USD				
644,954	780,427	Global Telecom Holding GDR	EUR	TND	Tunisia (0.5%)
510,475	617,700	Orascom Telecom Media And Tech GDR	54,460	123,000	Banque de l'Habitat
			252,374	570,000	Banque Nationale Agricole
EUR	KES	Kenya (8.2%)	EUR	CAD	Canada (2.2%)
961,714	105,375,000	Safaricom Ltd	275,314	385,866	Ivanhoe Mines Ltd
643,716	70,532,000	East African Breweries Ltd	10,702	15,000	Great Western Minerals Group Ltd
420,540	46,078,640	Barclays Bank of Kenya Ltd	51,586	72,300	Africa Oil Corp
1,461,055	160,087,920	Kenya Commercial Bank Ltd	57,227	80,206	Katanga Mining Ltd
698,183	76,500,000	Equity Group Holdings Ltd/Kenya	145,642	204,125	Energizer Resources Inc
415,419	45,517,500	Kenya Power & Lighting Ltd	351,611	492,800	Nevsun Resources Ltd
111,640	12,232,350	Mumias Sugar Co Ltd	270,322	378,870	Lucara Diamond Corp
238,204	26,100,000	KenolKobil Ltd Group	EUR	GBP	
			177,582	137,813	Aureus Mining Inc
EUR	GHS	Ghana (6.0%)			
676,413	2,631,450	Ghana Commercial Bank Ltd			
341,728	1,329,425	Standard Chartered Bank Ghana Ltd	EUR	GBP	United Kingdom (1.2%)
1,227,458	4,775,179	CAL Bank Ltd	267,163	207,332	Afren PLC

<i>Market value</i>	<i>Market value</i>		<i>Market value</i>	<i>Market value</i>	
55,462	43,041	African Minerals Ltd	4,014	3,115	Chariot Oil & Gas Ltd
154,678	120,038	Bellzone Mining PLC			
220,102	170,810	Centamin PLC			
					Australia (0.8%)
EUR	AUD		EUR	AUD	Australia (0.8%)
1,328	1,963	African Petroleum Corp Ltd	164,846	243,750	Ausdrill Ltd
			53,150	78,590	Base Resources Ltd
			94,072	139,100	Perseus Mining Ltd
			97,805	144,619	Mineral Deposits Ltd
			39,561	58,496	Bannerman Resources Ltd
EUR	EUR	Portugal (0.6%)	EUR	GBP	
153,858	153,858	Teixeira Duarte SA	24,345	18,893	Coal of Africa Ltd
178,086	178,086	SDC - INVESTIMENTOS SGPS SA	2,909	2,258	Bellzone Mining PLC
			59,986,040	Total	
EUR	GBP	Ireland (0.1%)			
77,005	59,760	Circle Oil PLC			
EUR	GBP	Guernsey (0.0%)			

Rotterdam, 17 April 2015

The Management Board
Robeco Institutional Asset Management B.V.

L.M.T. Boeren
H.W.D.G. Borrie
H.A.A. Rademaker

Other data

Profit appropriation

According to Article 29 of the fund's Articles of Association, the profit less allocations to the reserves deemed desirable by the management board shall be at the disposal of the General Meeting of Shareholders.

Proposed profit appropriation

The Management Board proposes a dividend for the 2014 financial year of:

- EUR 4.00 per share (last year: EUR 1.60) for the Robeco Afrika Fonds share class.
- EUR 3.00 per share (last year: EUR 1.40) for the Robeco Afrika Fonds – EUR G share class.

If this proposal is accepted, the dividend will be payable on 9 June 2015. The shares Robeco Afrika Fonds and Robeco Afrika Fonds – EUR G will be quoted ex-dividend from 15 May 2015. Shareholders will be offered the opportunity to reinvest the dividend (less dividend tax) in Robeco Afrika Fonds and Robeco Afrika Fonds – EUR G shares. The price used to calculate this is the transaction price of the shares on the stock market of Euronext Amsterdam, Euronext Fund Service segment, on 4 June 2015. Costs which distributors charge to their customers for this will be borne by the shareholder. In some countries and with some distributors, reinvestment will not be possible for technical reasons.

Special controlling rights in accordance with the Articles of Association

The ten priority shares in the company's share capital are held by Robeco Groep N.V. According to the company's Articles of Association, the rights and privileges of the priority shares include the appointment of managing directors and the amendment to the Articles of Association. The Management Board of Robeco Groep N.V. determines how the voting rights are exercised:

R.M.S.M. Munsters, chairman

L.M.T. Boeren

H.W.D.G. Borrie

H.A.A. Rademaker

J.B.J. Stegmann

Directors' interests

On 1 January 2014 and 31 December 2014, the directors had no personal interests in the fund's investments.

Independent auditor's report

To: The General Meeting of Shareholders of Robeco Afrika Fonds N.V.

Report on the audit of the financial statements 2014

Our opinion

We have audited the financial statements 2014 of Robeco Afrika Fonds N.V., Rotterdam.

In our opinion the financial statements give a true and fair view of the financial position of Robeco Afrika Fonds N.V. as at 31 December 2014, and of its result for 2014 in accordance with Part 9 of Book 2 of the Netherlands Civil Code and the Financial Supervision Act (Wet op het financieel toezicht [Wft]).

The financial statements comprise:

- 1 the balance sheet as at 31 December 2014;
- 2 the profit and loss account for 2014;
- 3 the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the "Our responsibilities for the audit of the financial statements" section of our report.

We are independent of Robeco Afrika Fonds N.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO) and other relevant independence regulations in the Netherlands.

Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA).

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Materiality

Misstatements can arise from fraud or errors and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

Based on our professional judgement we determined the materiality for the financial statements as a whole at EUR 602.680. Shareholders' equity was used as a benchmark to determine materiality (1%). In light of the fact that investors are primarily interested in a fund's asset growth (returns), we consider the capital invested by shareholders to be the most relevant starting point in determining materiality for an investment fund. As a result of value changes in investments, returns are inherently volatile and thus form a less suitable benchmark for materiality. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for qualitative reasons for the users of the financial statements.

We agreed with the Supervisory Board of Robeco Groep N.V. that misstatements in excess of 5% of the materiality (EUR 30.134), which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Our key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the Supervisory Board. The key audit matters are not a comprehensive reflection of all matters discussed.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of investments

The investments made by Robeco Afrika Fonds N.V. amount to more than 97% of the balance-sheet total. These investments are valued at fair value, which is based on observable market data and management's estimate of the liquidity of the investments. In case the investments are traded regularly, the closing price on the stock exchange where the investment is traded is used as fair value. When investments are not traded regularly, the Management Board

estimates a market value. This results in a certain degree of estimation uncertainty. Therefore, we consider the correct valuation of these investments one of our focus areas within our audit.

Our auditing activities included establishing that the price used for the investments was obtained in accordance with the method identified for the asset class concerned. As a result of Robeco Afrika Fonds N.V.'s policy to invest primarily in listed equities, (in most circumstances) the closing price on the stock exchange is expected to form the basis for the valuation. We audited this by evaluating the applied valuations of investments, using prices and liquidity observed in the market. We have involved an internal valuation specialists. In this context we established that all equity investments held per 31 December 2014 can be valued at the closing price on the stock exchange, and verified this via an external information source.

Our evaluation is that the Management Board's valuation of investments resulted in an acceptable valuation of the investments as reported in the financial statements.

Internal control by the company

Since Robeco Afrika Fonds N.V. has no employees, its portfolio management, risk management, and financial and investment administration is performed by the Management Board of Robeco Institutional Asset Management B.V. (RIAM). Therefore, Robeco Afrika Fonds N.V. is dependent on RIAM for generating financial information and drafting financial statements. We consider this one of our focus areas within our audit.

Within our audit we rely on the work performed by another independent auditor on RIAM's administrative organization relevant to Robeco Afrika Fonds N.V., RIAM's internal control, and the ISAE 3402 type II report drafted specifically for this purpose. Our audit activities include determining the minimum expected internal control and subsequently evaluating the internal control described in the report. Further, we evaluate the procedures performed by the independent auditor to test the operating effectiveness of internal control and the results of those procedures. Based on our procedures performed we determined that RIAM's internal control relevant to Robeco Afrika Fonds N.V. was sufficiently effective to be used in performing our audit of Robeco Afrika Fonds N.V.'s financial statements.

Responsibilities of the Management Board and Supervisory Board for the financial statements

The Management Board is responsible for the preparation and fair presentation of the financial statements and for the preparation of the report of the Management Board, both in accordance with Part 9 of Book 2 of the Netherlands Civil Code. Furthermore, the Management Board is responsible for such internal control as the Management Board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to errors or fraud.

As part of the preparation of the financial statements, the Management Board is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the Management Board should prepare the financial statements using the going concern basis of accounting unless Management Board either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. The Management Board should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The Supervisory Board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not have detected all errors and fraud.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to errors or fraud, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from errors, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Board.
- Concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company ceasing to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit. We provide the Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Supervisory Board, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not mentioning it is in the public interest.

Report on other legal and regulatory requirements

Report on the report of the Management Board and the other information

Pursuant to legal requirements of Part 9 of Book 2 of the Netherlands Civil Code (concerning our obligation to report about the report of the Management Board and other information),:

We have no deficiencies to report as a result of our examination whether the report of the Management Board, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of the Netherlands Civil Code, and whether the other information as required by Part 9 of Book 2 of the Netherlands Civil Code has been annexed;

- the report of the Management Board, to the extent we can assess, is consistent with the financial statements.

Engagement

On the basis of the resolution at the General Meeting of Shareholders of 24 April 2014, we have for the first time been appointed external auditor to Robeco Afrika Fonds N.V. to perform the audit for the financial year 2014.

Utrecht, 17 april 2015
KPMG Accountants N.V.

W.L.L. Paulissen RA