

Triodos Microfinance Fund

Newsletter for investors

THIRD QUARTER 2011

Key figures

Data as per 30 September 2011

Launch date

2 March 2009

Net assets

EUR 71.0 million

ISIN code

EUR share classes

I-shares-cap LU0402513328

I-shares-dis LU0402513674

B-shares-cap LU0406596501

B-shares-dis LU0407946978

R-shares-cap LU0402511389

R-shares-dis LU0402512866

GBP share classes

KB-shares-cap LU0464591055

KB-shares-dis LU0464591139

KI-shares-cap LU0402513914

KI-shares-dis LU0402514052

KR-shares-cap LU0403566226

KR-shares-dis LU0403566739

Investment manager

Triodos Investment Management BV

Custodian

RBC Dexia Investor Services Bank SA

Valuation date

Last business day of each month

Subscriptions

Monthly, on the business day preceding the valuation date

Total Expense Ratio (2010)

Institutional share classes

Ranges from 2.19% to 2.35%

(including management fee 1.75%)

Other share classes

Ranges from 2.41% to 3.28%

(including management fee 2.50%)

Triodos SICAV II – Triodos Microfinance Fund aims to increase access to financial services for the working poor in developing countries by providing loans and equity to microfinance institutions (MFIs) and seeks to achieve an attractive financial return for investors. The fund is established in Luxembourg. Triodos Investment Management acts as investment manager of the fund.

Recent developments

Triodos Microfinance Fund remained close to its full investment level in the third quarter of 2011. The fund increased its net assets by 5.1% compared to the previous quarter. Total net assets are EUR 71.0 million at the end of September.

Triodos Microfinance Fund placed EUR 1.3 million in new loans to two MFIs, of which one new to the fund in Kazakhstan and one to an existing portfolio MFI in Madagascar. Triodos Microfinance Fund now has 26 MFIs in its portfolio in 19 countries.

The market circumstances in India remain uncertain and as a result, the fund continued to make adjustments to the equity investments in India. Despite these adjustments, the fund's performance showed a positive upward trend during the quarter.

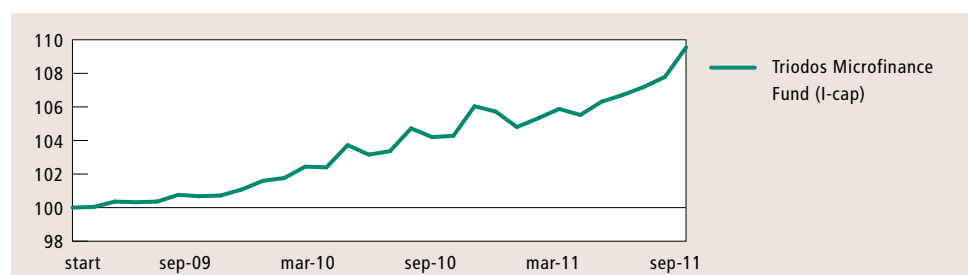
Financial Performance (in %)

As per 30 September 2011 including costs

	Start date	NAV per share	Return last month*	Return last 3 months*	Return YTD*	1 year*
I-shares-cap	01-04-2009	EUR 27.41	1.6	2.7	3.6	5.1
I-shares-dis	02-03-2009	EUR 25.91	1.6	2.6	3.6	5.1
B-shares-cap	02-06-2009	EUR 26.90	1.5	2.4	3.0	4.3
B-shares-dis	02-06-2009	EUR 25.77	1.5	2.4	3.0	4.4
R-shares-cap	01-07-2009	EUR 26.84	1.6	2.5	3.1	4.4
R-shares-dis	01-07-2009	EUR 25.82	1.5	2.5	3.1	4.4
KB-shares-cap	01-04-2010	GBP 20.62	1.5	1.7	2.8	3.8
KB-shares-dis	01-06-2010	GBP 20.18	0.8	1.3	2.1	3.1
KI-shares-cap	02-03-2009	GBP 21.79	1.2	1.8	3.3	4.5
KI-shares-dis	02-03-2009	GBP 19.25	1.5	2.1	3.2	4.5
KR-shares-cap	01-11-2010	GBP 20.66	1.5	2.0	2.9	–
KR-shares-dis	02-03-2009	GBP 19.33	1.5	1.9	2.8	3.8

* Source: vwd group

Performance chart, 30 September 2011



Source: vwd group

Triodos Investment Management has been a provider of capital to the microfinance sector since 1994. The specialised microfinance investment funds have financed well over 100 microfinance institutions, working in 40 countries in Asia, Latin America, Africa and Eastern Europe. Triodos Investment Management is a 100% subsidiary of Triodos Bank. Recognition was given to the bank's pioneering role in the world of sustainable and transparent banking when the Financial Times named Triodos Bank the Sustainable Bank of the Year in 2009.

Social Performance

based on portfolio information as at 30 June 2011

Number of loan clients reached by the MFIs in the fund's portfolio	4.8 million
Percentage female loan clients	63%
Percentage rural loan clients	42%
Number of savings clients reached by the MFIs in the fund's portfolio	4.3 million
Average loan amount	EUR 1,068

Investment outlook

The fund expects that in a large number of countries the performance of MFIs in terms of the quality of the loan portfolio and an increasing growth of portfolio will continue to improve. An increasing demand for funding is therefore expected. This provides Triodos Microfinance Fund with opportunities to invest in MFIs that demonstrate a sustainable approach towards providing financial services to under-served client groups.

New investments in the fund's portfolio

KazMicrofinance LLC in Kazakhstan

KazMicrofinance LLC is a microfinance institution in Kazakhstan and offers its services to low-income people with the aim to contribute to the socio-economic development of the country. The loan provided by Triodos Microfinance Fund will enable KazMicrofinance to generate further growth of its loan portfolio.

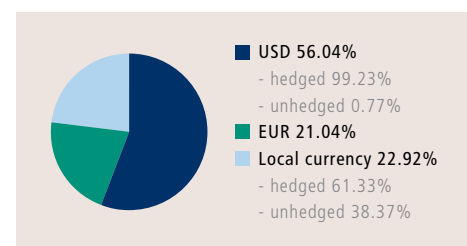
Key indicators KazMicroFinance 30 June 2011

Number of loan clients	36,939
Percentage female clients	73%
Percentage rural clients	71%
Average loan amount	EUR 805

Portfolio data*, 30 September 2011

Net Asset Value	EUR 71.0 million
Microfinance portfolio	EUR 63.0 million
Number of MFIs	26
Number of Investment Funds	1
Number of loans	32
Number of subordinated loans	3
Number of equity investments	3
Number of countries	19

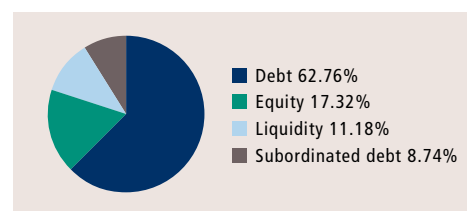
Exposure by currency* (as % of NAV), 30 September 2011



Allocation by country*
(as % of NAV), 30 September 2011

Cambodia	19.7%
Peru	17.8%
Azerbaijan	10.4%
Sri Lanka	8.5%
Mongolia	4.1%
Bolivia	3.7%
Kyrgyzstan	3.7%
India	2.7%
Colombia	2.6%
Bangladesh	2.6%
Uganda	2.6%
Paraguay	2.5%
Dominican Republic	1.8%
Kazakhstan	1.4%
Bosnia Herzegovina	1.4%
Kenia	1.3%
Ecuador	0.8%
Georgia	0.8%
Madagascar	0.7%

Portfolio allocation by assets*
(as % of NAV), 30 September 2011



Five largest outstanding positions*
(as % of NAV), 30 September 2011

Bank	%
ACLEDA Bank	14.43%
Financiera Crear	8.52%
Mibanco	6.30%
AccessBank	5.25%
Finca Azerbaijan	5.13%

* Source: Triodos Investment Management

Triodos  Microfinance Fund

This newsletter is for information purposes only. Triodos Microfinance Fund is a sub-fund of Triodos SICAV-II, which is established in Luxembourg. Triodos SICAV-II and its sub-funds are supervised by the Luxembourg regulator, the Commission de Surveillance du Secteur Financier (CSSF). The value of Triodos Microfinance Fund is determined in part by the developments on the financial markets or other markets. Please refer to the prospectus for further information about the expenses and risks that apply specifically to this fund. Avoid unnecessary risks. The prospectus for Triodos SICAV-II, which includes information about Triodos Microfinance Fund (in English) may be obtained via www.triodos.com or via telephone +31 (0)30 693 65 11.