

Triodos Microfinance Fund

Newsletter for investors

FOURTH QUARTER 2011

Key figures

Data as per 31 December 2011

Launch date

2 March 2009

Net assets

EUR 90.4 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 realised a strong growth in the fourth quarter of 2011. The fund increased its net assets by 28.7% compared to the previous quarter. Total net assets are EUR 90.4 million at year end 2011. Triodos Microfinance Fund disbursed a new equity investment in Mibanco in Peru; this was in part a conversion of a subordinated loan. The fund further placed EUR 9.5 million in new loans to 7 MFIs, of which two new to the fund, namely EDPYME Raíz in Peru and AMRET in Cambodia. Triodos Microfinance Fund now has 28 MFIs in its portfolio across 19 countries in Latin America, Asia, Africa and Eastern Europe.

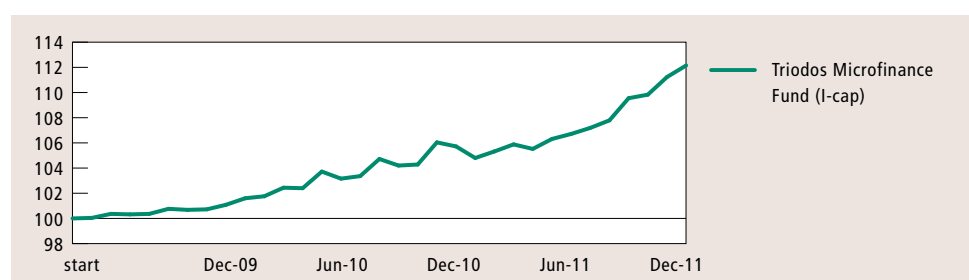
Financial performance (in %)

As per 31 December 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 28.06	0.8	2.4	6.1	6.1
I-shares-dis	02-03-2009	EUR 26.53	0.8	2.4	6.1	6.1
B-shares-cap	02-06-2009	EUR 27.50	0.8	2.2	5.3	5.3
B-shares-dis	02-06-2009	EUR 26.35	0.8	2.3	5.3	5.3
R-shares-cap	01-07-2009	EUR 27.43	0.8	2.2	5.3	5.3
R-shares-dis	01-07-2009	EUR 26.39	0.8	2.2	5.3	5.3
KB-shares-cap	01-04-2010	GBP 21.07	0.9	2.2	5.0	5.0
KB-shares-dis	01-06-2010	GBP 20.65	0.9	2.3	4.5	4.5
KI-shares-cap	02-03-2009	GBP 22.31	1.0	2.4	5.7	5.7
KI-shares-dis	02-03-2009	GBP 19.70	1.0	2.3	5.7	5.7
KR-shares-cap	01-11-2010	GBP 21.12	1.0	2.2	5.2	5.2
KR-shares-dis	02-03-2009	GBP 19.76	1.0	2.2	5.1	5.1

* Source: vwd group

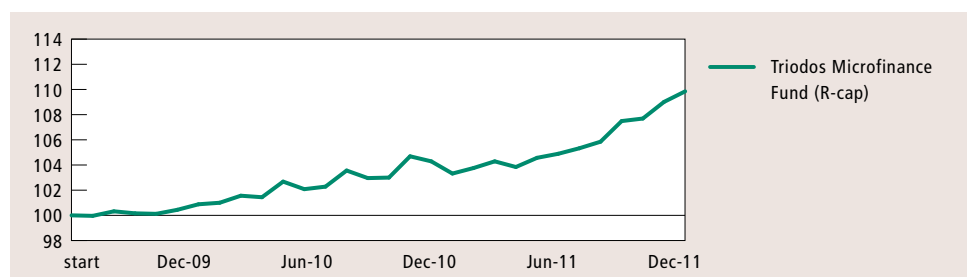
Performance chart, 31 December 2011



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.

Performance chart, 31 December 2011



Source: vwd group

Social Performance

based on latest available portfolio data

Number of loan clients reached by the MFIs in the fund's portfolio	5.1 million
Percentage female loan clients	62%
Percentage rural loan clients	38%
Average loan amount	EUR 1,186
Number of savings clients reached by the MFIs in the fund's portfolio	4.6 million

Investment outlook

Also for the first quarter of 2012 the fund expects an increasing demand for funding from microfinance institutions worldwide. This will provide Triodos Microfinance Fund with opportunities to invest in an increasing number of MFIs that demonstrate a sustainable approach toward providing financial services to underserved client groups.

New investments in the fund's portfolio

Amret in Cambodia

Amret was founded in 1991 with the aim of providing financial services to the poor rural population in remote areas of Cambodia. Amret now operates in 14 provinces, mainly providing individual and group loans for agriculture and has started offering savings products too. Triodos Microfinance Fund has provided Amret financing so that it can generate further growth in the number of clients it serves.

Key indicators Amret at 30 September 2011

Number of loan clients	242,153
Percentage female clients	84%
Percentage rural clients	98%
Average loan amount	EUR 271
Number of savings clients	30,521

EDPYME Raíz in Peru

The mission of the Peruvian EDPYME Raíz is 'to provide micro-financial services to help you grow' with the aim to improve the living standards of its clients and their families. Through its network of 24 agencies and several informal points-of-sales the institution offers financial products to small and micro-entrepreneurs in mainly urban areas. In 2009 and 2010 EDPYME Raíz was recognised as the most transparent financial institution in Peru. Given the institution's strength and solid growth, Triodos Microfinance Fund has provided a loan to EDPYME Raíz.

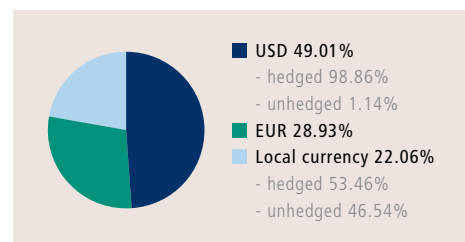
Key indicators EDPYME Raíz as per 30 September 2011

Number of loan clients	83.721
Percentage female clients	51%
Percentage rural clients	8%
Average loan amount	EUR 1,369

Portfolio data*, 31 December 2011

Net Asset Value	EUR 90.4 million
Microfinance portfolio	EUR 71.2 million
Number of MFIs	28
Number of Investment Funds	1
Number of loans	39
Number of subordinated loans	3
Number of equity investments	4
Number of countries	19

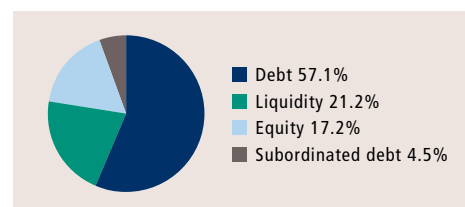
Exposure by currency*
(as % of NAV), 31 December 2011



Allocation by country*
(as % of NAV), 31 December 2011

Cambodia	18.8%
Peru	16.1%
Azerbaijan	8.4%
Sri Lanka	6.7%
Mongolia	3.8%
Paraguay	3.6%
Bolivia	3.0%
Kyrgyzstan	3.0%
Uganda	2.4%
Colombia	2.1%
India	2.1%
Bangladesh	1.8%
Dominican Republic	1.4%
Kenya	1.2%
Kazakhstan	1.2%
Bosnia Herzegovina	1.1%
Georgia	1.1%
Ecuador	0.6%
Madagascar	0.5%

Portfolio allocation by assets*
(as % of NAV), 31 December 2011



Five largest outstanding positions*
(as % of NAV), 31 December 2011

Bank	%
ACLEDA Bank	12.6%
Financiera Crear	7.1%
Mibanco	5.2%
AccessBank	4.3%
FINCA Azerbaijan	4.2%

* 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). Triodos Microfinance Fund is registered with the Autoriteit Financiële Markten (AFM) in the Netherlands. 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.